Perpetual Trust New Zealand/Australia Share Fund

Perpetual Trust

As at 31 May 2010 | **Fund Value: $8.11 million** | **Month end unit price: $0.8786**

Fund Objective

To achieve capital growth through a diversified portfolio of NZ and Australian Equities. Income is an important secondary objective.

Manager Comment

The Fund returned a negative 6.96% in May, but this was better than the market average of -8.47%.

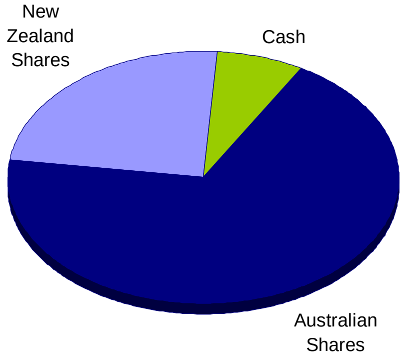
Global markets were generally down, with the sovereign debt concerns of in Europe still dominating investor sentiment, and not helped by rumblings in Korea and concerns about asset bubbles in China.

As with last month, banking and resource stocks which form a significant part of the Australian market were mostly weaker in light of this global caution over bank asset quality (and insurers like QBE given that they tend to hold fixed interest including sovereign debt) and whether the global economy will be strong enough to drive demand for resources.

Lihir Gold gained once again, with the Newcrest take-over and gold price firming, as it does in the face of uncertainty. Alumina was also stronger following positive comments at the AGM about demand and future growth. Unfortunately prices on all the other stocks in the portfolio were down, with the worst performers being the banks, BHP and QBE.

Performance After fees and before tax	1 month %	3 months %	1 year % p.a.	2 years % p.a.	3 years % p.a.	Since inception % p.a.
NZ/Australia Share Fund	**-6.96%**	**-2.50%**	**15.14%**	**-3.04%**	**-4.15%**	**-0.84%**
NZX 50 Portfolio Index Gross	-7.33%	-2.96%	12.42%	-6.11%	-9.77%	-3.89%
S&P ASX 200 Index (in NZD)	-9.62%	-7.14%	15.57%	-10.53%	-7.98%	-2.86%
Average of NZ/Aus Indices	-8.47%	-5.05%	14.00%	-8.32%	-8.88%	-3.37%
Variance	*+1.51%*	*+2.55%*	*+1.15%*	*+5.28%*	*+4.73%*	*+2.54%*

Asset Allocation	% of Total
Australian Shares	68.9%
New Zealand Shares	24.0%
Cash	7.1%



Top Holdings

Lihir Gold Limited
ANZ Banking Group Limited
Commonwealth Bank of Australia
BHP Biliton Limited
Westpac Banking Corporation Limited
QBE Insurance
Fletcher Building
Woolworths
Fisher & Paykel Health
CSL Limited

Fund Description

The Fund invests predominantly in larger New Zealand (NZX50) and Australian (S&P/ASX 200) listed companies.

The investment strategy is based on a conservative buy and hold philosophy, with low turn-over of holdings. Investments are selected on the basis of long-term fundamentals, rather than in relation to index weightings. The Fund is diversified across around thirty companies and in various sectors. The maximum holding in any one company is limited to 10% of the portfolio.

Key Dates

- Fund inception 14 June 2006
- Latest Prospectus issued 28 August 2009
- Latest Investment Statement 8 October 2008.

Distributions

Paid Quarterly (March, June, September and December).

Minimum Investment

- Minimum initial investment: $5000
- Minimum additional contribution: $500

Fees and Expenses

A management fee of 1.5% and direct expenses of 0.15% are charged. GST is charged on part of this amount. No exit fees are charged unless redemptions are made between unit pricing dates, when an exit fee of 1.0% may be charged. An entry fee of up to 1.0% may be charged.

Taxation

The Fund is a PIE. PIE tax is deducted from income at the investor's Portfolio Investor Rate.

This fact sheet contains historical information that was correct to the best of our knowledge at the date of publication. It is a summary of key facts, not a recommendation to invest in the Fund. Past performance is no indication of future returns.

If you are interested in investing you should read the investment statement available from Perpetual Trust, and we suggest you speak to a financial adviser.

A full disclosure statement for Perpetual Trust, investment statements and current prices are available at www.perpetual.co.nz.

Contact Perpetual Trust | **0800 737 738** | **www.perpetual.co.nz** | **PO Box 112 Christchurch**