



*Financial Planning and
Portfolio Management*

*True wealth is knowing
you have an adviser
you can trust.*



Is your money working for you?

Although it's one of the last things we want to think about, for most people, money is a key factor in the decisions we make and the kind of lifestyle we lead.

Of course, none of us want to be controlled by money. Rather, we want to control it and make it work for us. Managed right, money allows us the freedom to do the things we want to, and helps provide security for our way of life.

Effective financial solutions can help us reach our goals, whether that means fast-tracking a mortgage, going on an overseas trip, providing for our children's and grandchildren's educations, or ensuring that we can enjoy a comfortable lifestyle long after we have left the workforce or retired from business.

It's interesting to observe that while we all have different goals, incomes and spending habits, some people seem more confident and comfortable with money. This may be because they don't have to spend time worrying about new tax rates, what the real rate of return is on a term deposit or if they are on track for their financial future. It's likely that they have someone doing it for them.

Expert planning can make all the difference

The key to financial prosperity is not simply 'make more' but 'invest wiser'.



Everyone deals with money on a daily basis, yet few people have the depth of knowledge to become experts in finance. Money is a complex arena, with countless investment options, from managed funds to art collections. Add in issues like tax loopholes, trusts, estates, exchange rates and global economics, and the financial arena becomes a potential minefield.

So how do you navigate this confusing system to make sure your finances are in peak form? You bring in the experts.

We're here to help you

At Perpetual, your personal financial adviser will have the expertise and experience to help you make the most of your money.

We define success not just by returns but by the achievement of your goals. This may go beyond investing to increasing savings, decreasing expenses and leveraging an array of financial options available to you.

And it's worth it. Quality financial advice can add significant value to your assets. Not to mention the peace of mind that comes with knowing your finances are in safe hands.

For over a century, we have guided many New Zealanders and their families through the process of setting goals and developing financial plans to achieve those goals. We empower you with knowledge and choice, so you feel in control of your assets and your financial future.

The Perpetual solution

Perpetual is a provider of comprehensive solutions, of which financial planning is a cornerstone service.

We offer you a step-by-step approach to achieving your goals, and work with you to make sure those plans are realistic and optimised.

Our approach to financial planning is relationship driven. Every person has different values, attitudes and resources. We get to know you personally so that we can tailor a solution to fit your needs rather than taking a 'one-size-fits-all' approach.

Furthermore, when we review your needs with you, we also look at how best to protect and preserve what you have. Wills, trusts and estate planning solutions are often as important as asset growth when it comes to achieving your goals. We take a wide view to ensure that your hard-earned money stays with you and your family throughout the years.

Portfolio management services

Professional portfolio management services provide the expertise, resources, focus and time needed to look after your valuable investment capital.

Many individual investors have one or more of these, but without all four there is a risk that your investment capital will not perform to its full potential, or worse, be exposed to unnecessary risk.

If you have neither the time nor the inclination to be involved with the selection and monitoring of your investments, we offer the Perpetual 'Managed' Portfolio Service. This range of portfolios is fully managed, with diversification and investment selection done for you.

Alternatively, if you want to play a more active role in the asset allocation and diversification of your investments, the Perpetual 'Select' Portfolio Service provides a more hands-on option.

MANAGED

- Straightforward
- Professionally managed
- Choice of portfolio approach
- Comprehensive reporting

SELECT

- Participation and collaboration
- Individually tailored
- Transparent
- Professionally recommended

Delivering the best investment expertise

Research is at the heart of the investment process. At Perpetual, we draw on both global and domestic expertise to make optimum investment decisions for our clients.

To ensure we provide you with the best possible financial solutions, we use the resources of van Eyk Research Limited, a specialist investment research firm. Used by over half of the Top Dealer Groups (i.e., financial planning groups) within Australia, van Eyk has been voted the most credible and respected investment research house in Australia. van Eyk provides us with qualitative and quantitative analysis and advice on matters such as managed fund selection, risk profiles and fund manager and portfolio configurations, which we then use to make smart investment decisions for you.

As an added layer of expertise and oversight, Perpetual has an investment committee of expert senior executives to evaluate and decide on the investment strategies, using the research from van Eyk as a key input to decision making, as well as making use of their own expertise and other research sources.

In addition, your personal adviser has access to this research to determine the best investment strategy and fit with your financial situation and needs.

Experience you can trust

Perpetual is proud to be a New Zealand owned, authorised trustee company.

Perpetual's origins date back to 1884. As a New Zealand trustee company, ***we are legally bound to put your needs first.***

As you can imagine, we have been through a number of financial hurdles over the years, from the depression of the 30's, to the oil shocks of the 70's, to the more recent global economic crisis. We are proud to have successfully come through these trying times due to our values of balance, diversity and careful risk management. Our business practices are transparent, honest and professional. With a steady hand we manage your assets to ensure growth is sensible and sustained.

It is no wonder that those who head our business are renowned and respected in the New Zealand financial industry.

Our people are passionate about what they do and have a genuine interest in the well-being of those who have entrusted us to safeguard their valuable capital. It is a responsibility that we take very seriously.

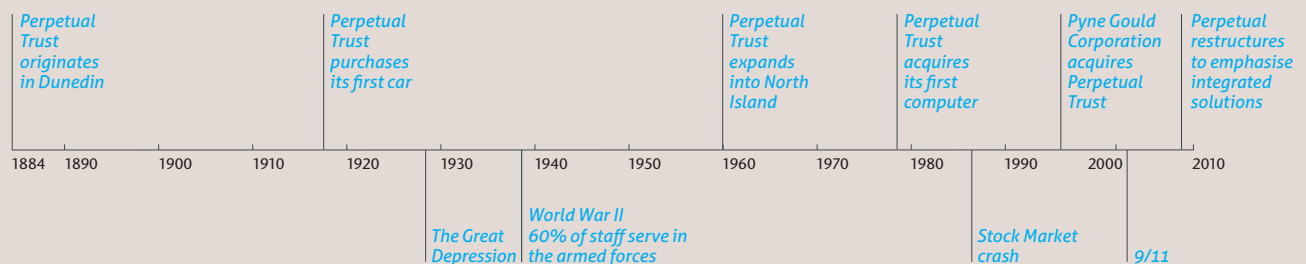
Today, we employ over a hundred people in branches across the country and have over sixty thousand clients. We administer almost \$1 billion of assets for private clients, trusts and estates, provide advice on over \$250 million of managed investments and supervise more than \$19 billion as corporate trustee.

Your adviser relationship

With over 125 years of experience in trust and estate services, we have developed a culture that values relationships, confidentiality and client concerns.

We pride ourselves on our carefully selected personal advisers who have proven financial expertise and strong interpersonal skills. As part of our stringent quality controls, each adviser must meet or exceed qualification standards, consistently perform at strictly monitored levels and undergo an annual internal audit to ensure the service they deliver is at a very high level.

125 Years of Perpetual Trust



The financial planning process

Everyone's needs and wishes differ. For this reason, we have a comprehensive approach to planning so our recommendations take into account your entire financial situation and life circumstances.

This approach helps to ensure our advice is expertly tailored to suit your unique circumstances, far increasing the likelihood that your goals will be achieved.

1 INITIAL CONSULTATION

To start, we meet with you so we can learn about who you are and what you wish to achieve. We discuss your financial and lifestyle goals, analyse your needs and clearly detail your current and near term financial situation. These goals are kept for reference so that together with your adviser you can ensure you are on track throughout the process.

Your adviser will give you their personal disclosure statement outlining their qualifications and experience so you can be assured of their capability to help you make fully informed investing decisions.

2 ASSESSMENT

Following the meeting, your adviser will assess your situation and identify areas of strength and weakness. Your adviser will use sophisticated risk profiling and projection tools to paint a picture of possible future outcomes under various scenarios. That way we can show you what is possible based on a given series of actions around saving, spending and investing.

3 FORMULATING A PLAN

Next, your adviser will prepare a comprehensive financial plan for you that covers financial objectives, discusses potential trust and estate planning needs (e.g. wills, enduring powers of attorney) and investing recommendations.

4 PRESENTING THE PLAN

Upon completion, your adviser will present your plan to you and explain the administration process. You will have the opportunity to discuss the plan and request any amendments you feel are necessary.

5 CO-ORDINATION AND IMPLEMENTATION

If you are in agreement with your plan and want to implement your adviser's investment recommendations, we will guide you through the process to do so.

6 FOLLOW UP

Your adviser will regularly monitor your plan's progress, reporting back to you either every quarter or every six months depending on your preference. In addition to formal reviews, you will have ready access to your personal adviser and can request a consultation or simply call to chat about your finances or investments. On an annual basis your adviser will meet with you for a formal review of your progress and check that your circumstances still support the plan of action recommended.



Risk and return

At Perpetual we consider ourselves to be prudent investors and generally prefer careful investing for long-term gain rather than chasing unpredictable short-term performance.

That being said, all investment involves some degree of risk. For most people, risk means the possibility of losing money. But risk is not always a bad thing – it is a normal factor in investing. Without risk, investments wouldn't increase in value. Often higher risk means higher potential returns.

Risk is commonly measured by the volatility of an investment's value or price (up or down). For example, shares can be more volatile because prices are continually changing as they are traded many times every day; however, long-term returns from shares have been higher than those from cash or fixed interest.

The issue is not how to avoid risk, but how risk is managed and minimised while still ensuring your investment portfolio achieves the returns and objectives you seek.

Asset allocation and diversification

Asset allocation refers to how the money in a portfolio is spread, or diversified, across investment sectors.

These sectors, or asset classes, include cash, bonds, property and shares, both in New Zealand and overseas. Research shows that asset allocation can have a major impact on the returns a portfolio achieves.

To ensure an investment portfolio achieves the desired results over the longer term, it is important that the asset allocation used in designing the portfolio is appropriate for you and your tolerance to risk.

We ensure your risk is managed by diversification at a number of levels:

- Your investments are diversified across appropriate investment sectors
- Within each investment sector, we diversify across a number of investments. For example, if investing in New Zealand shares, we may prefer to use managed funds that invest in at least 15 - 20 companies, rather than investing in just 3 or 4 companies alone
- We diversify across specialist investment managers, each chosen for their particular area of strength or expertise
- By investing globally we help ensure you are not too tied to the fortunes of any single country, economy or currency

By having a spread of investments at each of these levels, we reduce risk by minimising the impact of under-performance in any single area on your overall portfolio. A good spread of investments also widens the scope of opportunities you can participate in, thus increasing the potential for you to achieve your goals and objectives.



Retirement, the age-old question

Retirement can mean different things to different people – stopping work completely at 65, working part time or volunteering, simply carrying on in your career or starting a brand new one.

Regardless of your definition, we want to ensure you have the opportunity to choose the lifestyle you want in later years.

As health care improves we are living longer than ever, commonly into our 80's and even 90's, with women often outliving their husbands. And we are retiring later. Many people today reach 60 in good health with a third of their lives still ahead of them. Naturally, we want to live out our retirement in a healthy, active and fulfilling way.

Despite good intentions, saving for retirement often gets pushed aside due to other priorities in life like child rearing, mortgage commitments and business investments. Having financial resilience throughout our retirement years requires astute planning, ideally starting at least by our 40's.

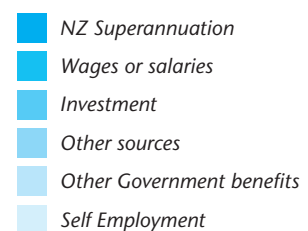
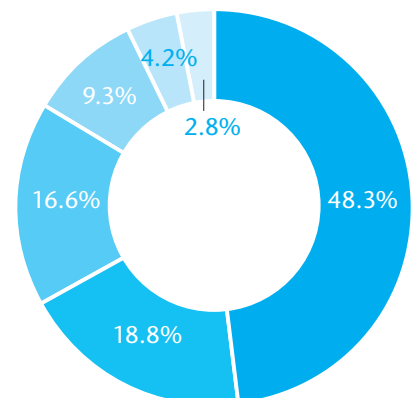
MANY PEOPLE ASK US, "HOW MUCH SHOULD I SAVE FOR MY RETIREMENT?"

The answer depends on your individual situation. We can help you calculate and plan ahead, taking into account:

- Your desired retirement income
- The age you intend to retire
- Your investment risk profile
- The amount you currently have available for investment
- Your current savings
- How much of your income you are able to save

As part of our financial planning and advice service, we will work through a needs analysis to gain an understanding of your current situation, your objectives, your investment timeframe and your risk tolerance. This information is then used to develop any recommendations regarding retirement in your investment plan. At this time, we will also determine whether you may need wealth protection or preservation tools, in the form of trusts and/or estate planning.

Forty eight percent of retired income is from NZ Superannuation which is \$16,542 p.a. for singles or \$12,725 p.a. for each married partner living together.



Source: Retirement Commission 2008



Frequently asked questions

HOW MUCH CAPITAL DO I NEED TO USE YOUR SERVICES?

Our client portfolios range in size from just a few thousand dollars to over \$10 million. We have services to suit all portfolio sizes.

HOW MUCH DO YOU CHARGE FOR YOUR SERVICES?

The fees for a financial plan typically range from \$500 - \$1,000 depending on the complexity of your requirements. The fees for managing your portfolio, including ongoing monitoring, management, consultation and reviews are tiered percentages commensurate with the size of your portfolio.

DO YOU CHARGE FOR A CONSULTATION?

No, the initial consultation is complimentary. We also don't charge an implementation fee for you to start investing with us.

ARE FEES TAX DEDUCTIBLE?

For most investors, plan preparation fees are not tax deductible, however, portfolio management fees are. GST is generally only applicable on part of the portfolio management fee.



Contact us today to find out how we can help you make the most of your money.

Whether you're not yet a client, or already have a service with us, we'd love to hear from you to see how we can be of assistance.

Our office hours are 8:30am until 5:00pm. If you call outside of these hours, you can leave a message at any time.

A disclosure statement is available on request and free of charge.

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