

United Sector Leaders International Property Fund – Manager Profile

Perennial Real Estate Investments Pty Ltd

Global Property Securities

December 2009



At a glance

Date of appointment:

21 September 2006

Parent company:

Perennial Investment Partners Ltd

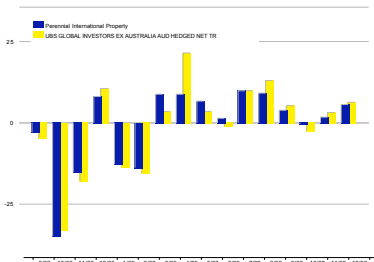
Style:

Core

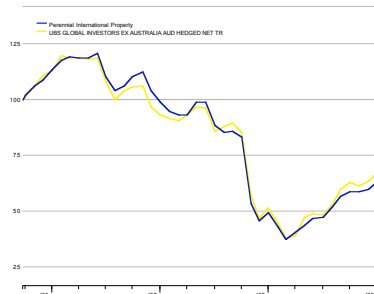
Funds allocated to manager:

AUD \$84.3m as at 30 December 2009

MONTHLY PERFORMANCE



CUMULATIVE PERFORMANCE



Company overview

Perennial Real Estate Investments Pty Ltd (Perennial Real Estate) was founded in January 2006 and is headed by Stephen Hayes. The Perennial Real Estate team consists of nine portfolio managers and analysts. Perennial Investment Partners Ltd is a specialist, active investment management firm, comprising a suite of six investment management businesses. Each business specialises in the investment management of one of the following asset classes and styles: value Australian shares, growth Australian shares, international shares (global, Asian and Japanese shares), global and domestic property, fixed interest and cash. Perennial also combines these specialities to offer a range of diversified investment products.

Investment style

Perennial Real Estate aims to buy global listed, or soon to be listed, property securities that offer good cashflow growth and consistent income characteristics. Perennial Real Estate has the underlying belief that these entities will offer investors the best long-term property investment outcomes. The portfolio is biased towards securities that offer strong recurring cash flows and hold quality investment grade property assets.

Perennial Real Estate aims to provide clients with a diversified portfolio of global listed property securities that can offer a consistent level of income while maximising total return.

Stock selection and portfolio construction

Perennial Real Estate is an active manager of global listed property securities and believes that 100% of outperformance is due to security selection. The team apply a combination of top-down macro analysis and forecasting, and bottom-up stock picking. Perennial Real Estate does not attempt to replicate the regional or structural bias of any index. This flexibility allows the team to identify and capitalise on individual opportunities presented in the market to produce a quality total return outcome for investors.

Perennial Real Estate endeavours to model approximately 150 securities, incorporating research from both internal and external sources. The Perennial Real Estate team places a great emphasis on internal research and undertakes a risk screen during the portfolio construction process to eliminate any perceived market, country or sector risk.

cont.

Perennial Real Estate's stringent investment process ensures that the portfolio will consist of global property securities that offer investors the following characteristics:

- strong recurring cash flows;
- high quality real estate;
- strong balance sheet;
- good earnings growth;
- high credit quality; and
- weighted towards the strongest property markets.

The Perennial Global Property Securities portfolio is generally hedged and holds between 25 and 75 securities.

Perennial Real Estate Investments Pty Ltd (ABN: 35 117 913 685) is a subsidiary and Authorised

Representative of Perennial Investment Partners Ltd (ABN: 22 090 879 904, AFSL 238763)

Disclaimer

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