

ASX ANNOUNCEMENT



Sydney, 6 January 2014

PERLS III (ASX code: PCAPA) – QUARTERLY DIVIDEND RATE SET

Preferred Capital Limited wishes to advise it is scheduled to pay a cash dividend of \$1.2821 per PERLS III security on 7 April 2014. The cash Dividend Rate of 2.5713% was calculated as follows:

Market Rate (90 day Bank Bill Swap Rate as at 6 January 2014):	2.6233% p.a.
Plus Margin (fixed):	<u>1.0500%</u> p.a.
	3.6733% p.a.
Multiplied by (1- Tax Rate):	<u>0.70</u>
Dividend Rate	2.5713% p.a.
Days in Dividend Period (6 January 2014 to 6 April 2014 inclusive):	91
Dividend payable per PERLS III:	\$1.2821
Record Date:	31 March 2014
Ex-Dividend Date:	25 March 2014
Dividend Payment Date:	7 April 2014

The dividend is expected to be fully franked. Note that, under the PERLS III terms and conditions, the Preferred Capital Limited Board has the discretion to resolve not to pay the dividend in full.

Dividends may be paid by electronic transfer to a bank account maintained with a financial institution nominated by the holder. Eligible holders are invited to provide or update bank account details by the Record Date either online at <http://www.commbank.com.au/about-us/shareholders/managing-your-shares/perls-iii-share-registry-service.html> or by phone at 1800 022 440. New holders will receive a bank account details form from the registry.

The website for more information about PERLS III is <http://www.commbank.com.au/about-us/shareholders/securities/perls-iii.html>.

For additional information, please contact Tricia Ho-Hudson (Head of Capital and Regulatory Strategy) on (02) 9118 1319.

Maria Karagiannis
Company Secretary
Preferred Capital Limited

This announcement does not constitute an offer to sell, or a solicitation of an offer to buy, any securities in the United States or to, or for the account or benefit of, any U.S. person (as defined in Regulation S under the U.S. Securities Act of 1933).