



# MEDIA RELEASE

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**14 December 2020**

## **IOOF's acquisition of MLC Wealth Management not opposed**

The ACCC will not oppose IOOF's (ASX:IFL) proposed acquisition of MLC Wealth Management, owned by National Australia Bank (ASX:NAB).

IOOF and MLC both supply wealth management solutions in Australia. They compete in the supply of retail platforms for superannuation and other retirement income, retail platforms for discretionary investments, corporate platforms for superannuation and other retirement income, financial advice to consumers, and investment/asset management.

"Transactions that combine two major firms in a sector will attract close scrutiny from the ACCC," ACCC Commissioner Stephen Ridgeway said.

"However, feedback from customers, financial advisers and other industry participants suggested that this deal would not be likely to substantially lessen competition."

The ACCC's review indicated that, post-acquisition, IOOF would be competing with and constrained by several other large firms along with a number of smaller firms for the supply of retail platforms.

For the supply of corporate platforms for superannuation and other retirement income, the review indicated that IOOF would still face significant competition from large industry superfunds.

For the supply of financial advice, information provided to the ACCC indicated that IOOF would still only have a market share of approximately 10 per cent post-acquisition, that the market would remain highly fragmented and the merged entity would face competition from AMP, a similar-sized competitor, as well as other smaller firms.

"Despite the profile and size of this transaction, it does not raise concerns under section 50 of the Competition and Consumer Act largely due to the fragmented nature of most of the relevant markets and strong constraints from remaining competitors," Mr Ridgeway said.

Further information is available at: [IOOF Holdings Limited - MLC Wealth Management \(Owned by NAB\)](#)

## **Background**

IOOF is an ASX-listed financial services company operating in Australia. IOOF provides financial advice through employed advisers at Shadforth Financial Group and Bridges, and advice licensees at Consultum Financial Advisers, Financial Services Partners, Lonsdale Financial Group, Millennium 3 and RI Advice.

MLC is the wealth management business owned by NAB. MLC provides financial advice through employed advisers at MLC Advice, and advice licensees at TenFifty and Godfrey Pembroke.

Both IOOF and MLC offer a range of products and services in the following segments:

- Platforms, retirement and investment solutions, including superannuation and non-superannuation investment administration platforms for financial advisers, individuals, employers and corporations.
- Financial advice, through networks of employed and licensed advisers.
- Investment/asset management, including direct asset management or multi-asset/multi-manager diversified investment products.

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