

28 November 2013

The Manager
Company Announcements Office
ASX Limited

**The Trust Company Limited (ASX: TRU)
Address by Chairman at Share Scheme Meeting**

In accordance with ASX Listing Rule 3.13.3, we attach a copy of the address that will be made by the Chairman of The Trust Company Limited at today's Scheme Meeting.

Yours faithfully

Geoffrey Stirton
Group Company Secretary

ENDS

For further information, contact:

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THE TRUST COMPANY SCHEME MEETING CHAIRMAN'S ADDRESS

1. Introduction

Good morning ladies and gentlemen and welcome to The Trust Company Limited shareholder meeting. The purpose of this meeting is to consider the scheme of arrangement between The Trust Company and its shareholders, under which it is proposed that Perpetual Limited will acquire 100% ownership of The Trust Company.

My name is Bruce Corlett and, as Chairman of The Trust Company, I will be chairing today's scheme meeting. I am advised that there is a quorum present and am therefore pleased to declare the meeting open.

Before we start proceedings, as a courtesy to others, can I ask you to please turn off (or switch to silent mode) your phones and electronic devices.

I would like to begin by welcoming you to today's scheme meeting and thanking you for your attendance.

Today is a significant day in the history of The Trust Company as shareholders may vote for a change of ownership of the company.

In the view of your Directors, a combination of Perpetual and The Trust Company not only creates significant value for shareholders of both companies but will also provide substantial benefits for clients of the combined group and significant career opportunities for many of The Trust Company employees. Perpetual's fiduciary heritage and commitment to service quality will also ensure that the high standards that our clients rely upon are maintained.

I would now like to introduce to you my fellow Directors. They are:

- John Macarthur-Stanham, Vice Chairman and Independent Non-Executive Director;
- Roger Davis, Independent Non-Executive Director;
- James King, Independent Non-Executive Director;
- Catherine McDowell, Independent Non-Executive Director;
- Warren McLeland, Independent Non-Executive Director; and
- Josephine Sukkar, Independent Non-Executive Director.

Shailendra Singh, Chief Executive Officer, Geoffrey Stirton, Company Secretary, and a number of other staff are also present at today's meeting.



2. Year-to-date performance

The business continues to show strong underlying performance, building on its solid first half growth. In line with expectations announced in October, we expect to maintain the strong revenue and earnings momentum from the first half for the remainder of the FY14 financial year.

3. Proposed resolution

The proposed resolution for consideration at this meeting is to agree to a scheme of arrangement between The Trust Company and its shareholders. The scheme is essentially a proposal under which all shareholders in The Trust Company are being asked to transfer all of the shares in The Trust Company to Perpetual.

The scheme has been proposed to enable Perpetual to acquire ownership of The Trust Company. If all of the conditions for the scheme are satisfied or waived, including the condition that shareholders pass the resolution to be considered today, The Trust Company will become a wholly-owned subsidiary of Perpetual and Perpetual will seek to have The Trust Company delisted from the Australian Securities Exchange.

(a) Background

Before proceeding with the business of the meeting, I would like to provide a brief overview of the comprehensive process that your Board undertook to maximise value for shareholders, culminating in six proposals for the company being announced by three different suitors.

- On 21 February 2013, Equity Trustees announced an offer for The Trust Company. The Trust Company Board recommended that shareholders reject the offer.
- On 7 May 2013, The Trust Company announced that it had entered into a scheme implementation agreement with Perpetual, following a process of due diligence and negotiation with interested parties.
- On 21 June 2013, Equity Trustees announced a revised offer, which improved on the terms under its original offer announced on 21 February 2013. The Trust Company Board recommended that shareholders reject the revised offer.
- On 2 September 2013, a proposal was received from IOOF, which at the time, The Trust Company Board determined was likely to be a superior proposal to the proposal from Perpetual.
- On 9 September 2013, The Trust Company announced that it had received an improved proposal from Perpetual and agreed with Perpetual to amend the scheme implementation agreement to reflect the improved proposal.
- On 13 November 2013, Equity Trustees announced a further revised offer, which improved on the terms of the offer it announced on 21 June 2013, and declared its takeover bid unconditional. After careful consideration, The



Trust Company Board recommended that shareholders reject the revised offer from Equity Trustees and continued to unanimously recommend the proposal from Perpetual.

You would have all received the Scheme Booklet, which contains details of the scheme of arrangement being considered at this meeting. The booklet also included an independent expert's report prepared by Lonergan Edwards and Associates.

(b) Overview of the scheme

For each share in The Trust Company held at 7pm on 26 November 2013, scheme shareholders will be entitled to receive:

- i. Scheme consideration of 0.182 Perpetual shares, which can be received, at their election, as:
 - Perpetual shares;
 - The cash equivalent of Perpetual shares, subject to an agreed aggregate cap of \$110 million; or
 - A mix of Perpetual shares and cash consideration; and
- ii. A special dividend of 22 cents per share in The Trust Company, which is expected to be fully franked.

You can elect the form of scheme consideration that you would prefer to receive by completing the election form enclosed with your scheme booklet and returning it to The Trust Company registry prior to 7.00pm on 10 December 2013.

Based on the closing price of Perpetual shares on 27 November 2013 of \$45.67, the scheme consideration and the special dividend together represent a value per share in The Trust Company of \$8.53. The ultimate value per share in The Trust Company that you receive, should you elect the share consideration, may change as a result of fluctuations in the Perpetual share price between now and the scheme implementation date, which is currently scheduled for 18 December 2013.

It should also be noted that the value of the cash consideration has now been fixed at \$8.18 per share. The cash consideration was determined by reference to the Perpetual VWAP of \$44.95 per share, based on the 10 business days before the date of the scheme meeting. Under the cash consideration option, the scheme consideration and the special dividend together represent a value per share in The Trust Company of \$8.40.

You may also benefit from up to 9.4 cents per share of franking credits attached to the special dividend. The ability to use franking credits and the exact post-tax value achieved by you will depend on your individual tax circumstances.



(c) Directors' recommendation

Your Directors have carefully considered the scheme and have taken professional advice in relation to it, as well as obtaining an independent expert's report.

Having considered the potential advantages and disadvantages of the scheme and other relevant considerations and, in the absence of a superior proposal, your Directors unanimously believe that the acquisition by Perpetual is in your best interests. Furthermore, each of your Directors has voted all their direct and indirect interests in shares in The Trust Company in favour of the scheme.

There are a number of reasons why your Directors support the scheme, including (but not limited to) the following:

- The independent expert has concluded that the scheme is fair and reasonable and in the best interests of shareholders, in the absence of a superior proposal.
- Shareholders will be paid a 22 cent per share special dividend, which is expected to be fully franked, if the scheme proceeds.
- The scheme consideration, taken together with the special dividend, provides a significant premium for your shares based on the price of shares in The Trust Company prior to the announcement of the Equity Trustees offer on 21 February 2013.
- A comprehensive process has been undertaken and a number of subsequent proposals have been received. However, no superior proposal to the revised Perpetual proposal has emerged.
- Shareholders have the choice of receiving their scheme consideration as Perpetual shares, cash consideration or various combinations of both.
- If you elect to receive Perpetual shares, you will have the opportunity to participate in the strategic and financial benefits of the combined group, which are expected to be significant.
- The scheme consideration provides an opportunity for all shareholders to readily realise value for their shares that is otherwise not available in the current relatively illiquid market for trading in shares in The Trust Company.
- If the scheme does not proceed and no superior proposal emerges, the price of shares in The Trust Company may fall below prevailing prices.

Your Directors believe that these factors significantly outweigh the potential disadvantages, risks and other considerations in relation to the scheme. Further information on the advantages, disadvantages risks and other considerations is set out in section 1 of the scheme booklet.

(d) Conditions of the scheme

The scheme is conditional on, amongst other things:

- The approval by shareholders in The Trust Company of the resolution to be considered at today's meeting; and



- The Supreme Court of New South Wales approving the scheme at the second court hearing which is scheduled to be held on 3 December 2013.

There are a number of other conditions to the scheme set out in the scheme implementation agreement and the scheme booklet. With the exception of the approval of shareholders and Court approval, the other conditions have now been met or are expected to be met before the second court hearing.

4. Business of the meeting

I will now move to the substantive part of today's meeting. The purpose of this meeting is to consider a resolution in accordance with section 411 of the Corporations Act, to approve the scheme of arrangement proposed between The Trust Company and its shareholders.

The resolution is set out in the notice convening this meeting, which is contained in annexure F to the scheme booklet. I shall take the notice and resolution as read.

I propose to deal with this matter by way of a poll. I will provide voting instructions later in the meeting.

If you are a holder of shares, or a proxy or authorised representative, and you have any questions or wish to address the meeting, I will now take those questions that relate to the scheme resolution being put. You may not ask a question if you are a visitor at today's meeting, in which case you hold a white admission card.

(Take questions)

If there are no further questions, I will now explain the procedure for the poll. In accordance with the requirements of the Corporations Act, for the resolution at this scheme meeting to be passed, it must be approved by a majority of those shareholders in The Trust Company voting at this meeting today (whether in person or by proxy), who must together hold at least 75% of the votes cast.

Proxy votes received by 10am on 26 November 2013

| | In favour¹ | Against | Open² | Abstain |
|------------|------------------------------|----------------|-------------------------|----------------|
| Shares | 17,636,415 | 5,001,300 | 21,112 | 11,682 |
| Percentage | 77.8% | 22.1% | 0.1% | N/A |

¹ Includes open proxies in favour of the Board

² Includes open proxies not in favour of the Board



We will now proceed to vote on the resolution as set out in the notice of meeting. I have appointed David Dickson of Computershare and their staff to act as returning officer for the purposes of this poll.

As set out in further detail in the notice of meeting, people entitled to vote on this poll are shareholders, proxy holders and corporate representatives. To be eligible to vote, you would have been issued with a purple voting card when registering for the meeting. If there is any person present who believes they are entitled to vote but does not have a purple voting card, would you please raise your hand and a Computershare staff member will assist you.

On the reverse of your purple voting card is your voting paper which details the resolution that is being put to poll.

If you are a proxyholder and only have directed votes (for and/or against) as shown on the summary of votes attached to your purple voting card, all you need to do is print your name and sign the voting paper and lodge it in a ballot box. If you have been directed to abstain from voting, you should not complete or lodge the voting paper.

If you are a proxyholder with open votes, you need to mark a box beside the resolution to indicate how you wish to cast the open votes (for or against). If you wish to abstain you should not complete or lodge your voting paper. If you wish to cast some of your votes for and some against the resolution that is being put, write the actual number or percentage of votes you are casting in the relevant boxes. The sum of the votes or percentages for and against must not exceed your voting entitlement or 100%, respectively.

All other people who have a purple voting card also need to mark a box beside the resolution to indicate how you wish to cast the open votes (again, for or against). If you wish to abstain you should not complete or lodge your voting paper. Again, you can exercise some votes for and some votes against the resolution being put in the manner I have just described.

Please ensure that you print your name where indicated and sign the voting paper.

When you have finished filling in your voting paper, please lodge it in a ballot box. Your vote cannot be counted unless it is lodged – this includes any proxyholder who only has directed votes.

If you require any assistance, Computershare staff are here to assist. Please raise your hand if you require assistance.

(Pause whilst voting papers are completed)



Thank you ladies and gentlemen. I believe all voting cards have now been collected and I declare the poll closed.

We will now take a short break for the results of the poll to be tallied. Additionally, for those of you who are unable to wait, the results will be made available on the ASX and the company's website as soon as possible following the conclusion of the meeting.

(Return and announce results of poll provided by Computershare)

As previously noted, these results will be available on the ASX and the company's website as soon as possible following the conclusion of the meeting.

ENDS

For further information, please contact:

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