

20 May 2013

THE TRUST COMPANY SHAREHOLDER LETTER RE PERPETUAL MERGER

In accordance with ASX Listing Rule 3.17, the attached correspondence was today sent to shareholders of The Trust Company Limited (ASX:TRU).

ENDS

For further information, please contact:

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www.thetrustcompany.com.au

ASX RELEASE



**THE
TRUST
COMPANY**

The Trust Company Limited
ABN 59 004 027 749

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20 May 2013

Dear fellow shareholders

The Trust Company continues to unanimously recommend Perpetual Proposal

As outlined in our letter to you dated 10 May 2013, on 7 May 2013, The Trust Company Limited ("The Trust Company") entered into a Scheme Implementation Agreement ("SIA") with Perpetual Limited ("Perpetual") whereby all of the shares in The Trust Company would be acquired by Perpetual ("Perpetual Proposal").

Under the Perpetual Proposal, to be effected by a Scheme of Arrangement ("Scheme"), shareholders in The Trust Company will receive:

- 0.1495 Perpetual shares for each share held in The Trust Company (or the cash equivalent, subject to an aggregate cap of \$60 million); and
- a 22 cent special dividend per share (expected to be fully franked) paid by The Trust Company.

The SIA contains a number of exclusivity provisions and a break fee, consistent with market practice.

On 14 May 2013, EQT announced a revised proposal ("Revised EQT Proposal"), whereby it would increase its offer to:

- 37 EQT shares for every 100 shares held in The Trust Company; and
- a special dividend of 22 cents per share (expected to be fully franked) paid by The Trust Company.

The Revised EQT Proposal is subject to the completion of satisfactory due diligence.

After careful consideration, and after having taken advice from its financial and legal advisers, the Board of The Trust Company has unanimously determined that the Perpetual Proposal is superior to the Revised EQT Proposal. Key factors in reaching this determination included:

- The Perpetual Proposal represents a higher value to shareholders in The Trust Company than the Revised EQT Proposal. At closing share prices on 16 May 2013, the Perpetual Proposal represents a value per share in The Trust Company of \$6.81, which is 30 cents, or 4.6% higher, than the value per share in The Trust Company of the Revised EQT Proposal of \$6.51. The Board also considered other approaches to assessing the relative value of the Perpetual Proposal and the Revised EQT Proposal, all of which support the same conclusion;
- The value of the Perpetual Proposal is more certain for you as a much larger proportion of the value of the Revised EQT Proposal is contingent on future synergies being achieved. You are more exposed to a loss of value in the Revised EQT Proposal than the Perpetual Proposal if those synergies are not achieved; and

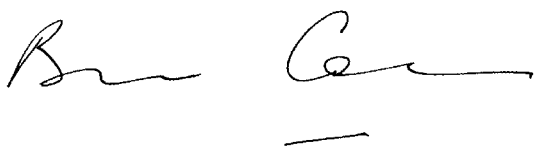
- The Perpetual Proposal includes a limited cash alternative and Perpetual is a far more liquid stock than EQT. As part of the Revised EQT Proposal, EQT note that it is assessing the possibility of including a cash component but has provided no details as to likelihood, potential quantum, or funding of this cash component. Accordingly, it will be easier for you to realise value for your shares in The Trust Company under the Perpetual Proposal.

Accordingly, your Directors continue to unanimously recommend the Perpetual Proposal and, pursuant to its obligations under the SIA, The Board does not intend to offer due diligence access to EQT.

Your Board will continue to keep you updated on developments as they occur. In the meantime, if you have any queries in relation to the Perpetual Proposal or Equity Trustees' offer, please contact The Trust Company Shareholder Information Line on 1800 505 206 (Toll Free) or +612 8256 3354 (callers outside Australia).

Thank you again for your ongoing support for The Trust Company.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Bruce Corlett', with a horizontal line underneath.

Bruce Corlett AM
Chairman
The Trust Company Limited