

21 February 2013



Trusted since 1888

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Takeover Offer for The Trust Company Limited Chairman's Letter to Equity Trustees Shareholders

Dear Fellow Shareholder,

Equity Trustees today announced its intention to make a takeover offer to acquire The Trust Company Limited.

Your Board and management strongly believe that the combination of Equity Trustees with Trust Company provides the best single opportunity available now to grow value for Equity Trustees shareholders in the near term and to reinforce the company's competitive position for the longer term.

Both companies enjoy a similar heritage – with Trust Company's roots established in 1885 in Melbourne and Equity Trustees commencing 3 years later in 1888. By combining now, we will create a leading Australasian trustee services provider that is better placed to thrive in today's competitive marketplace.

As a result of the complementary nature of the two businesses we estimate the takeover will generate synergies of up to \$8m per year pre-tax. This is very significant when you consider in 2012 Equity Trustees generated \$8.4m in Net Profit after Tax and Trust Company earned \$11.2m after tax. This will enhance Equity Trustees scale and financial strength leading to increased revenue and profits – and greater investor interest.

If the takeover offer is successful, the combined group will continue to be led by the current Equity Trustees Board and team – with Tony Killen remaining as Chairman and Robin Burns as Chief Executive Officer and Managing Director.

Our offer is for Trust Company shareholders to receive 33 EQT shares for every 100 TRU shares they hold. We are confident this represents a good deal for both companies. As Trust Company is a larger company and we are offering shares as consideration, current Equity Trustees shareholders will ultimately own approximately 41% of the combined group, although many of our largest shareholders already own shares in both companies. If the companies do combine and capture the significant synergies available, each Equity Trustees shareholder is estimated to be significantly better off than currently.

The combination of Equity Trustees and Trust Company has been discussed a number of times in the recent past. However, no agreement could ever be reached on terms and conditions. As a result, EQT has now decided to put the offer directly to Trust Company shareholders.

Further details on the takeover offer are contained on our website – please see www.eqt.com.au

Your Board will continue to take a disciplined and prudent approach to the takeover and keep you advised of our progress.

Yours faithfully,

Tony Killen OAM
Chairman
Equity Trustees Limited

Robin Burns
Managing Director
Equity Trustees Limited