



Australian
Competition &
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Commission

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NEWS RELEASE

ACCC CALLS FOR COMMENT ON PERPETUAL'S PROPOSED ACQUISITION OF THE TRUST COMPANY

The Australian Competition and Consumer Commission has released a Statement of Issues on the proposed acquisition of The Trust Company Limited (The Trust Company) by Perpetual Limited (Perpetual).

Perpetual and The Trust Company are both financial services companies that provide trustee and related services to corporate and individual clients, as well as investment and wealth management advice.

"The ACCC's preliminary view is that the proposed acquisition may raise competition concerns in relation to certain corporate trust services," ACCC Chairman Rod Sims said.

"In particular, our market inquiries to date have identified concerns amongst some industry participants about the strength of Perpetual's existing position in relation to trustee services for debt capital market products and about the risk that the proposed acquisition would entrench its position. The ACCC also seeks further information about possible concerns in relation to custodial services. Perpetual and The Trust Company are both strong providers of particular types of custody services, while the feedback about the ability of other parties to constrain the merged entity has been mixed."

"However, there are a number of factors that impose some degree of competitive constraint on Perpetual, including competition from existing trust corporations and the ability of some customers to provide these services in house."

"The nature of this industry means that verifiable market share figures are not available, and the ACCC has to date received conflicting information about the relative strengths of the competitors and other potential competitive constraints. The ACCC therefore invites comments from customers, competitors and others about the proposed transaction and the ACCC's preliminary views."

The ACCC invites further submissions from the market in response to the Statement of Issues by 15 August 2013. The ACCC's new proposed final decision date is 19 September 2013.

Both Perpetual and The Trust Company are listed on the ASX. The Statement of Issues will be available at www.accc.gov.au/MergersRegister. Submissions can be sent by email to the ACCC at mergers@acc.gov.au.

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