



**ASX Release
23 May 2008**

TERMINATION OF MERGER DISCUSSIONS

23 May 2008 Following the announcement on the 14 March 2008 in relation to a possible merger between Trust Company Limited (ASX: TRU) and Equity Trustees Limited (ASX: EQT), Trust Company Limited (Trust) confirms that exploratory merger discussions have been terminated with Equity Trustees Limited. The Board of Directors also confirms that as of the date of this announcement no due diligence had been undertaken by either of the parties.

In announcing the termination of discussions, Trust's Chairman Mr Bruce Corlett said, "Trust's business continues to be in a strong position. We have some \$80 million of net liquid funds on our balance sheet, strong annuity style revenue streams and large market shares comprised of a loyal and diverse client base."

He also added, "Trust's 18 per cent growth in operating earnings before interest, tax, depreciation and amortisation (EBITDA) announced on 28 April was above our previous guidance and in the near future we will be distributing \$1 per share being the equivalent net cash proceeds from the sale of our share in the BNYTA joint venture."

Based on current equity and financial market conditions continuing throughout FY09, ongoing operating EBITDA for the financial year ending 28 February 2009 is expected to be similar to the \$20.3 million (excluding the contribution from BNYTA joint venture) achieved for the 2008 financial year. This guidance does not include any benefits or costs associated with major technology enhancements and any costs from the terminated merger discussions. It is also before the circa \$14 million after tax profit from the sale of the 50% interest in BNYTA.

A further update on Trust's outlook will be provided at the Annual General Meeting, currently scheduled to be held on 23 July 2008.