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ASX RELEASE

THE TRUST COMPANY DELIVERS 13% INCREASE IN OPERATING EBITDA IN A YEAR OF TRANSFORMATION

Independent professional trustee, The Trust Company (ASX:TRU), today announced an increase in Operating Earnings Before Interest, Tax and Depreciation (EBITDA) of 13% to AUD17.7m for its financial year ended 28 February 2011 (FY11). This result was achieved through strong revenue growth in the Corporate Client Services area and cost control while the performance of Personal Client Services remained subdued. Given the significant work plan activities underway to transform the business and the focus required to complete the acquisition of The New Zealand Guardian Trust Company Limited ('Guardian Trust'), this was a pleasing performance overall.

The Operating NPAT increase of 18% to AUD13.8m was supported by strong dividend and interest income earned on surplus assets. One-off costs relating to the strategic review and the acquisition lowered the increase in Reported NPAT to 4% at AUD11.3m, and given the 100% payout policy in place, the final dividend declared at 18.0 cents per share brings total distributions for the year to 35.0 cents per share, fully franked. Total shareholders distributions for FY11 are up 4% on last year.

Speaking to the FY11 performance, Chief Executive Officer John Atkin said, "Achieving these results in our first year of transformation and alongside the acquisition of Guardian Trust was attributable to a significant team effort across the Company. The Guardian Trust acquisition is a major step-change for us, and provides significant impetus to our change program."

At a total cost of AUD31.5m (NZD42m), the acquisition of Guardian Trust is the most significant investment for TRU in its recent history. Attracted to Guardian Trust's pre-eminent trustee positioning in New Zealand, we confirmed during due diligence our common heritage, cultural DNA and strategic intent made for a unique opportunity. Guardian Trust is a profitable business purchased at an attractive multiple of 4 to 5 times normalised EBITDA. The expanded footprint and cross-jurisdictional expertise strengthens the service offering for all our clients, particularly international banks, fund managers and property groups. We are delighted to welcome John Botica, MD of Guardian Trust, to the Executive Team and all his team members to The Trust Company 'family'.

Under the leadership of our new Executive General Manager for Business Operations & Information Systems, Cathy Stephenson, we have initiated work around streamlining our processes for the IT systems overhaul. Guardian Trust provides a wider revenue base against which we will make this ongoing improvement in core systems enablement of our business. The quality and feel of our new head office at 20 Bond Street, Sydney also underscores our market positioning to provide a pre-eminent trustee service to our clients and provide staff with a first-class working environment.

The Executive Team has been further expanded to help manage the Change Program and accommodate Guardian Trust integration responsibilities. Raymond Gould joins as the Executive General Manager of Personal Clients Services as of 18th April 2011 with extensive legal and financial services experience. Myles Orsler also joins the team as Head of Strategy, Planning and Projects to assume responsibilities for the integration plan and to work closely with the CEO on implementing the strategic plan.

Reflecting the increased complexity of our expanded business and the transformation being undertaken, we will move away from providing detailed earnings guidance this year. Commencing on 1 March 2011 and beyond, we will adopt a dividend policy payout ratio of not less than 80% of reported profits. Having now utilised our excess cash reserves to finance the Guardian Trust acquisition, we have undertaken a review of the business's capital management needs and have decided to reopen the dividend reinvestment plan (DRP) with effect from the interim dividend due in October 2011. These steps will provide all shareholders an opportunity to further invest in our transformation. Directors are also considering the introduction of a share purchase plan to operate in conjunction with the DRP.

Outlook & FY12 Priorities

Supported by continued interest and strong inflows into Australian investment markets, we expect to maintain the momentum of the Corporate Client Services business into FY12 by capitalising on our market leading position for key services such as Managed Investment Trust structures. However, the benefit at the Operating EBITDA level from Corporate Client Services will be largely, if not completely, offset by unusually heavy expiry of corporate mandates due to client restructuring.

As noted at the half year, while the long term drivers of the Personal Clients Services business are very strong, it is a much more complex business reflecting its long and diverse history. Realising the potential of this business will therefore take time and require further investment in our people and enablement through the upgrade of our processes, systems and technology now underway. Notwithstanding the expanded footprint and positive scale benefits arising from the acquisition of Guardian Trust, the FY12 results from Personal Clients Services will be affected by the absence of significant but non-recurring revenues from the completed capital commission project in continuing estates which boosted results in the last two years.

Integrating Guardian Trust and capturing the benefits of the acquisition from both a revenue and cost perspective is also a top priority for the year ahead. Guardian Trust is expected to be earnings per share accretive to the Group in FY12.

"The strong contribution from Guardian Trust will be particularly welcome at a time when we are investing significantly in the transformation of our business. In addition, pacing the investment in the business to achieve the Company's longer term potential while maintaining consistent growth in shareholders dividends remains an overarching management focus" said Mr Atkin.

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