

For immediate release

**CANADA'S LARGEST CUSTODIAN ACQUIRES  
PERPETUAL TRUSTEES'  
CUSTODY & INVESTMENT ADMINISTRATION BUSINESS**

**SYDNEY, AUSTRALIA, May 30, 2001** — Royal Trust Global Securities Services, a unit of Royal Bank of Canada, today announced an agreement to acquire Perpetual Fund Services, the custody, investment administration and unit registry business of Australian publicly listed company Perpetual Trustees Australia Limited (Perpetual). Perpetual Fund Services (PFS), with client assets under administration of A\$76 billion (C\$61 billion) and annual revenue of approximately A\$38 million, is one of Australia's largest providers of outsourced back-office administration to fund managers.

The initial consideration will be A\$30 million (including A\$7.3 million of net assets), subject to adjustments.

The deal, expected to close July 31, 2001, is subject to certain conditions, including approval by a Canadian regulator. Royal Trust will be offering positions to all PFS employees.

The transaction is expected to have a positive impact on Royal Bank's net income in the second year after closing.

The acquisition is part of a growing global trend towards the outsourcing of securities administration. This trend is being driven by increasing globalization and the need for major investments in business technology to provide more efficient service.

"The PFS client base and service proposition provide an excellent fit with Royal Trust's global strategy," said José Placido, senior vice-president, Royal Trust Global Securities Services. The acquisition positions Royal Trust to expand its service offerings in Australia and throughout the Asia-Pacific region.

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“We were particularly impressed with the high calibre of the PFS team and their commitment to client service excellence,” Placido added. “This combination is highly complementary to Royal Trust’s reputation as a quality service provider.”

Graham Bradley, managing director of Perpetual, said the ongoing rationalization of the global custody market makes it apparent that future profitability is becoming dependent on economies of scale.

“It is within this environment that Perpetual has reviewed its fund services position during the past six months and has now determined that its clients can be serviced more efficiently by a global provider with adjunct banking capabilities,” Bradley said. “Royal Trust offers a demonstrated capability in the custody market, and has the resources and commitment required for future growth and competitiveness against other global providers.

“The acquisition gives Royal Trust a highly regarded team in the Australian market. The transfer of all our staff to Royal Trust’s business will ensure clients have a seamless transition, continuity of service and access to the benefits of a larger provider,” Bradley said.

### **Royal Trust Global Securities Services**

A business unit within Royal Bank of Canada, the largest Canadian bank and eighth in North America based on corporate assets, Royal Trust Global Securities Services is Canada’s largest custodian and a leading provider of securities services worldwide with client assets under administration (AUA) of A\$1.5 trillion. Royal Trust delivers settlement and safekeeping through its highly acclaimed agent network in 81 world markets, as well as fund administration, performance measurement, securities lending and finance, and other specialized services. Royal Trust has offices in London, Dubai, Singapore, Tokyo, Sydney, New York and across Canada. Visit the Royal Trust Global Securities Services Web site at [www.royalbank.com/gss](http://www.royalbank.com/gss).

**Royal Bank of Canada (TSE and NYSE: RY)**

Royal Bank of Canada is a diversified financial services company. It provides personal and commercial banking, wealth management services, insurance, corporate and investment banking, and transaction processing on a global basis. The company employs approximately 54,000 people who service 10 million personal, business and public sector clients in North America and some 30 countries around the world. For more information, please visit [www.royalbank.com](http://www.royalbank.com).

**Perpetual Fund Services**

Perpetual Fund Services (PFS) is the custody, administration and unit registry business of Perpetual Trustees Australia Limited.

PFS offers custody services, compliance and mandate monitoring, fund performance measurement and analytics, investment administration and unit registry services. PFS currently has A\$76 billion of assets under administration and is one of Australia's largest providers of outsourced back-office administration to fund managers.

**Perpetual Trustees Australia Limited (ASX: PPT)**

Perpetual Trustees Australia Limited is a broadly based financial services company listed on the Australian Stock Exchange with a market capitalisation of A\$1.4 billion as at March 31, 2001. The company's activities are focused on two main areas of operation—wealth management services and corporate trust outsourcing.

Perpetual's Web site can be accessed at [www.perpetual.com.au](http://www.perpetual.com.au).

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