

COMPUTERSHARE TO ACQUIRE EQUISERVE

Melbourne, 21 October 2004

Computershare Limited (ASX:CPU) today announced definitive agreements for the major acquisition of EquiServe, one of America's largest transfer agents (share registrars), from DST Systems, Inc., for a total value of US\$292 million (based on the share price and foreign exchange rates on the date the basic terms were struck), made up of a cash consideration of US\$216 million plus 29.6 million Computershare shares, representing slightly less than 5% of its issued share capital, post-transaction. The deal solidifies Computershare's position in the most important securities market in the world, making it a pre-eminent supplier of both share registry and employee plan services in the US. The cash component of the acquisition will be funded by debt.

The acquisition is planned for completion on or about 1 January 2005, depending on required regulatory approvals.

EquiServe expects to close calendar year 2004 with revenues of slightly more than US\$300 million.

The acquisition is estimated to be earnings per share accretive for Computershare in FY05. Initial estimates suggest that by the third year of operations of the merged businesses, Computershare will be able to obtain synergies in the order of US\$55 million. The additional debt is expected to lift Computershare's net debt to equity ratio to about 45% with net debt to EBITDA projected to be slightly more than 2 times EBITDA.

EquiServe is one of America's largest corporate shareholder service providers, offering a full range of share registry and employee plan administration services and provides these services to over half the thirty companies in the Dow Jones Industrial Average. In total, EquiServe has around 1300 clients and provides services to almost 19 million shareholders. The Employee Plan Administration business supports in excess of 1 million active employees. The primary processing facility is in Boston, Massachusetts, with additional major facilities in Jersey City, Edison, New Jersey and Chicago, Illinois.

Penny Maclagan, Executive Director on Computershare's Board of Directors and the Group's Chief Information Officer, will be based in the US and will lead an integration team that will include existing senior staff from our US business and senior management of EquiServe, augmented by specialist Computershare staff drawn from around the world. The integration team will be responsible for identifying and implementing all synergies as well as managing the transition of EquiServe's business into Computershare.

Chris Morris, CEO and President of Computershare Limited said, "This is the most momentous acquisition in Computershare's history, both in size and strategic importance. Growing our business in the US has always been a critical part of our global strategy and this deal positions us as a leader in the US in both share registry and employee plans. Through this deal, we expect to achieve significant synergies that will benefit our customers and shareholders. With EquiServe's prodigious customer list, the opportunity to offer our full suite of services will be greatly enhanced.



Tom McDonnell, President and CEO of DST Systems, Inc. said, "Our decision to sell EquiServe to Computershare anticipated the future needs of our clients, whose requests have expanded for ancillary and integrated services for employee plans, employee and shareowner communications and proxy services. Computershare is also uniquely positioned to support the global requirements of EquiServe's clients. Computershare's global business model and the value it will bring to EquiServe's client base provides DST the value created by taking almost 30 million shares of Computershare as part of the consideration".

Additional details regarding the acquisition and the business of EquiServe are attached to this announcement and are also presented on Computershare's web-site at www.computershare.com

About Computershare Limited (CPU)

Computershare (ASX: CPU) is the world's leading financial services and technology provider to the global securities industry in its provision of services and solutions to listed companies, investors, employees, exchanges and other financial institutions.

With a unique range of integrated services, Computershare provides specialised records management for company share registers and employee share and stock option plans, document design and communication, strategic investor relations and market intelligence, and a variety of sophisticated trading technologies for financial markets.

Computershare is the largest and only provider of global shareholder and employee management services - administering more than 70 million shareholder accounts for over 13,000 corporations across twelve countries on five continents. Founded in Australia in 1978, Computershare today employs almost 8,000 people worldwide. For more information, visit www.computershare.com

About EquiServe

EquiServe is America's leading provider of shareholder services for corporations across all industries and of all sizes, from initial public offerings to some of the largest corporations in the country. EquiServe provides cutting-edge solutions in shareholder services, investment plan administration, employee plan record keeping, stock option plan administration, stock surveillance consulting, and merger and acquisition processing for 1300 public corporations and closed-end fund clients and their 20 million shareholders.

www.EquiServe.com

About DST Systems, Inc.

DST Systems, Inc. (NYSE: DST) provides sophisticated information processing and computer software services and products that help clients improve productivity, increase efficiencies, and provide higher levels of customer service. DST is organised domestically and internationally into three operating segments: Financial Services, Customer Management, and Output Solutions. DST operates one of the most advanced data centres in the world, which provides information-processing services to support the products within each operating segment. These products are further enhanced through the integration of DST's advanced technology and e-commerce solutions.

www.dstsystems.com



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