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COMPUTERSHARE ENTERS STRATEGIC ALLIANCE WITH MERRILL LYNCH IN THE U.S.

Employee Stock Purchase Plan Clients Will Benefit From Computershare's Global Technology Platform

Computershare Ltd. (ASX:CPU), the world's leading stock transfer agent and a global provider of employee plan services, signed an agreement today with Merrill Lynch & Co., Inc. (NYSE:MER) one of the world's largest financial services companies, to acquire its employee stock purchase plan (ESPP) business. This acquisition will significantly increase Computershare's market standing in the U.S. employee plan business.

Computershare will provide technology, administration and other shareholder services to more than 300 of Merrill Lynch's ESPP clients. Merrill Lynch will continue to provide brokerage, clearance and settlement services.

Computershare will integrate Merrill Lynch's ESPP clients into its existing employee share plan business, administered through its worldwide offices. Computershare also expects to employ Merrill Lynch's ESPP staff of approximately 100 in Somerset, New Jersey, and Denver, Colorado.

"This transaction is part of Computershare's proven growth strategy of acquiring businesses with substantial market share in our core operations and then integrating them with our advanced global technology platform and unsurpassed service," said Chris Morris, chief executive officer of Computershare.

"Expanding market share in the employee share plans business is an essential element in our global growth strategy. There is tremendous potential with this business," he said. "Our seamless global technology platform and presence on several continents provides us with a real competitive advantage, as we target the growing number of companies with international employees."

Computershare is headquartered in Melbourne, Australia, and entered the U.S. market in February with its acquisition of the Shareholder Services business of Harris Bank.

"We chose to enter this alliance with Computershare quite simply because we feel our clients will benefit from the company's financial strength, superior global technology platform and focus on shareholder services," said Mac Gardner, senior vice president of Merrill Lynch's Benefits and Investment Solutions Group.

"By entering this alliance, Merrill Lynch, one of the most respected names in financial services, is endorsing our global technology platform and business model," said Steven Rothbloom, the president of Computershare Investor Services in the United States. "Working with Merrill Lynch supports our growth strategy to expand U.S. market share by offering superior services to new and existing clients."

The acquisition is expected to close before the end of December. The integration and technology conversion should be completed by the third quarter of 2001. The acquisition will be funded from existing cash resources and debt facilities and fits within Computershare's normal acquisition valuation parameters. The acquisition will be earnings per share positive in the first year of operations.

Computershare

Computershare Ltd. is incorporated in Australia and has a market capitalization of about A\$4.5 billion. It has grown rapidly from its base as a provider of computer bureau services to transfer agents in Australia, and is now the world's largest, and only global, transfer agent, with major transfer agent and employee share plan businesses in Australia, New Zealand, the United Kingdom, Ireland, the Channel Islands, South Africa, Hong Kong, the USA, and Canada. Computershare maintains over 54 million shareholder accounts worldwide and also supplies financial markets software to exchanges and market participants in Europe, North America and Asia. For more information visit the company web site: www.computershare.com

Merrill Lynch

Merrill Lynch is one of the world's leading financial management and advisory companies with offices in 44 countries and total client assets of about \$1.8 trillion. As an investment bank, it is the top global underwriter and market maker of debt and equity securities and a leading strategic advisor to corporations, governments, institutions, and individuals worldwide. Through Merrill Lynch Investment Managers, the company is one of the world's largest managers of financial assets. For more information on Merrill Lynch, go to www.ml.com

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