



VicSuper and First State Super commence early stage merger discussions

4 April 2019

Leading profit-to-member super funds VicSuper and First State Super today announced they have signed a non-binding memorandum of understanding to explore the benefits of a potential merger.

While in the early stages of discussions, the funds believe a merger that builds on their shared heritage, values and strengths could deliver significant benefits to members.

VicSuper's CEO, Michael Dundon said, "the priority for both funds is to continue to develop leading products and services that help deliver the best outcomes for our members. Merging with First State Super would enable us to achieve greater benefits of scale, including access to a broader range of investment opportunities and an even greater ability to generate strong, sustainable returns over the long term."

First State Super CEO, Deanne Stewart said initial discussions indicated a strong cultural alignment between the two funds. "We share a lot in common with VicSuper. We both have a member-first culture and a heritage in the public sector. Many of our members work in education, community services and health and we're both seeing strong private sector growth. Importantly, we believe quality financial advice can help our members make the most of their retirement savings."

VicSuper and First State Super have served workers in Victoria and New South Wales for more than 30 years. If combined, they would become one of Australia's largest profit-to-member super funds, managing more than \$110 billion in retirement savings for over 1.1 million members. Both funds have a proven track record developing market leading retirement products and advice services for members.

A recommendation to the respective Boards is anticipated around the middle of 2019.

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About VicSuper

VicSuper is a \$22 billion-strong profit-to-member superannuation fund with over 249,000 members and over 24,000 employers. VicSuper is committed to investing members' retirement savings responsibly to generate long-term value, provide peace of mind and financial security in retirement.

The Fund delivers award winning services, centred around guiding and advising members towards better retirement outcomes. VicSuper is the Fund of the Year, Member Services for 2017, 2018 and 2019 as awarded by ratings group Conexus Financial Services, and have the highest platinum performance rating from independent ratings agency SuperRatings whilst also being awarded ChantWest's highest 5-apples rating.

Whilst having a heritage spanning over 20 years in the public sector servicing employees in education, health and community services, the Fund is open to all Australians and is experiencing strong private sector growth. The underlying assets of the Fund have doubled over the past 5 years. VicSuper's strategic plan is designed to continue to grow and build resilience into the Fund to help deliver long-term value for its members.

Visit vicsuper.com.au

About First State Super

With \$91 billion in assets, First State Super is one of Australia's largest industry funds providing superannuation, advice and retirement solutions to those who teach, nurse, care, respond and help others in our communities.

The Fund consistently delivers strong long-term returns to keep fees low, so members can retire with more. A diverse range of investment options are provided to members along with access to advice about their super and the investment options available to them.

Investments are focused on delivering strong long-term returns. The Fund aims to not only benefit the environment but contribute to jobs in the communities where their members live, work and retire.

First State has achieved the highest platinum performance rating from independent ratings agency SuperRatings for the past decade and has been awarded ChantWest's highest 5-apples rating.

The Fund is dedicated to helping our members Feel future ready.

Visit firststatesuper.com.au