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ASX/Media Release

**MACQUARIE ANNOUNCES AIRCRAFT PORTFOLIO ACQUISITION
AND CAPITAL RAISING**

SYDNEY, 4 March 2015 – Macquarie Group Limited (ASX: MQG; ADR: MQBKY) has today announced that it intends to conduct an institutional placement to raise \$A500 million (the Placement). The Placement is being conducted to fund the acquisition of the AWAS aircraft operating lease portfolio.

The Placement will be conducted by way of a bookbuild.

A share purchase plan (SPP) will also be offered to eligible shareholders. Applications under the SPP may be subject to scaleback.

Further details on the placement are contained within the attached investor presentation.

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Aircraft Portfolio Acquisition and Capital Raising

Presentation to Investors
and Analysts

4 March 2015

Nicholas Moore, Managing Director and
Chief Executive Officer

Patrick Upfold, Chief Financial Officer

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Investors should be aware that certain financial data and ratios included in this presentation are "non-GAAP financial measures" under Regulation G of the U.S. Securities Exchange Act of 1934. The disclosure of such non-GAAP financial measures in the manner included in the presentation may not be permissible in a registration statement under the Securities Act. These non-GAAP financial measures do not have a standardized meaning prescribed by Australian Accounting Standards and therefore may not be comparable to similarly titled measures presented by other entities, and should not be construed as an alternative to other financial measures determined in accordance with Australian Accounting Standards. Although the Company believes these non-GAAP financial measures provide useful information to users in measuring the financial performance and condition of its business, investors are cautioned not to place undue reliance on any non-GAAP financial measures included in this presentation.

Investors should also note that the pro forma financial information for the Company does not purport to be in compliance with Article 11 of Regulation S-X.

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Acquisition of aircraft portfolio from AWAS Aviation Capital Limited



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- Macquarie has entered into an agreement to acquire an aircraft operating lease portfolio from AWAS Aviation Capital Limited for a purchase price of \$US4 billion

	AWAS Portfolio	CAF combined aircraft portfolio post acquisition
Value of portfolio (\$Ab)	5.1	9.5
Aircraft (no.)	90	220
No. of lease airlines and jurisdictions respectively	40 / 25	94 / 49
Average fleet age (yrs)	2.0	5.2
Average remaining lease term (yrs)	6.5	5.2
Narrowbody (% total portfolio)	>90%	>85%

- Benefits of the acquisition:
 - Growing our annuity-style business within a well known asset class
 - Building on our strong track record in aircraft leasing
 - Enhancing our aircraft leasing market position

Acquisition of aircraft portfolio from AWAS Aviation Capital Limited



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- Purchase price of \$US4 billion (subject to adjustments)
- Funded from existing sources combined with third-party financing arrangements and the associated equity capital raising
- The capital requirement for this transaction is expected to be \$A0.6 billion
- Settlement of aircraft acquisitions is expected to occur progressively over the next 12 months and will be subject to customary closing conditions
- Following the transition of the AWAS aircraft portfolio to Macquarie, the acquisition is expected to be both earnings per share (EPS) and return on equity (ROE) accretive¹
 - 5-year average incremental NPAT expected to be approximately \$A115 million per annum
 - Expected to be ~5% accretive to EPS in the first full year
- Organic capital generation, together with internal recycling of capital (including the recent CAF sales), continues to support growth across the operating groups and maintains Macquarie's strong capital position

1. These estimates are subject to assumptions and risks in relation to future financial performance and our actual results may differ from these estimates.

Key details of offer

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Institutional Offer	<ul style="list-style-type: none">• \$A500 million institutional placement• Approximately 2% market capitalisation
Price	<ul style="list-style-type: none">• Determined via a bookbuild
Purpose	<ul style="list-style-type: none">• Acquisition of the AWAS Aircraft Portfolio
Share Purchase Plan (SPP)	<ul style="list-style-type: none">• Share purchase plan to eligible Australian and New Zealand shareholders• Up to \$A10,000 per eligible shareholder• Applications may be subject to scaleback
Timing	<ul style="list-style-type: none">• 1 day trading halt – 4 March 2015• Shares recommence trading – 5 March 2015• Placement settlement date – 11 March 2015• SPP Record Date – 7pm 3 March 2015



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Appendix

Select slides from the
Operational Briefing

Held on 17 February 2015

3Q15 Overview



- Since our 1H15 result announcement, trading conditions across the Group have continued to improve and there has been a continued weakening of the Australian dollar
- Macquarie's annuity-style businesses' (Macquarie Asset Management¹, Corporate and Asset Finance and Banking and Financial Services) combined Dec 14 qtr net profit contribution² down on both a strong pcp (Dec 13 qtr) and prior period (Sep 14 qtr) which benefited from significant performance fees in Macquarie Asset Management and the sale of OzForex³
- Macquarie's capital markets facing businesses (Macquarie Securities, Macquarie Capital and Commodities and Financial Markets¹) experienced improved trading conditions with combined Dec 14 qtr net profit contribution up significantly on both pcp and the prior period

3Q15 Overview: Annuity-style businesses



Operating Group	Market positions	Developments since 1H15
Macquarie Asset Management	<ul style="list-style-type: none"> • Top 50 global asset manager, Australia's largest global asset manager, top five global insurance manager • World's largest manager of infrastructure and second largest manager of pension fund assets invested in alternatives¹ • Awarded 8 Lipper Awards² in 2014 across the US and Europe, including Lipper's Excellence in Funds Management Award for Delaware Extended Duration Bond Fund • Multiple strategies recognised with industry awards² in 2014, including Best International Equities Fund³, Best Global Equities – Regional and Emerging Markets⁴, Best Asia Pacific Equity ex-Japan manager over 3 years⁵, Best Hedge Fund Single Manager long-term performance⁶ and Best Country (HK) CIO of the Year⁷ • Macquarie Professional Series awarded 2014 Professional Planner/Zenith Product Distributor of the Year, 6th consecutive year² 	<ul style="list-style-type: none"> • AUM \$A453.3b at Dec 14 up 7% on Sep 14 predominately driven by FX and new investments • Macquarie Infrastructure and Real Assets: <ul style="list-style-type: none"> - Raised over \$A2.2b in new equity, largely in Pan-Asia infrastructure - Invested \$A0.9b of equity including infrastructure in the UK, US, Korea and India, agriculture in Brazil and real estate in China - \$A9.3b of equity to deploy • Macquarie Investment Management: <ul style="list-style-type: none"> - Awarded \$A2.1b in new, funded institutional mandates across 14 strategies from clients in 6 countries - Surpassed \$A10b in Australian Wholesale AUM and \$A3b in Hedge Funds AUM - Generated strong performance fees predominately in the alternatives space - Launched a Corporate Bond Fund UCITS vehicle and entered into an arrangement to offer the Polaris Global Equity Fund to the Australian market • Macquarie Specialised Investment Solutions reached first close on the UK Inflation-linked Infrastructure Debt Fund. Total third party investor commitments to the Macquarie Infrastructure Debt Investment Solutions platform are now over \$A2.5b
Corporate and Asset Finance	<ul style="list-style-type: none"> • Leading market participant in bespoke primary lending across US, Europe and Australia; niche acquirer of secondary loans on an opportunistic basis • One of the largest providers of motor vehicle finance in Australia • The largest deregulated traditional and smart meter provider in the UK with more than 7 million meters 	<ul style="list-style-type: none"> • Continued growth in the lending and asset portfolios to \$A29.0b at Dec 14 up 5% on Sep 14 due to business growth and FX • Portfolio additions of \$A0.9b in corporate and real estate lending across all geographies • Provided financing and asset management solutions for more than 500,000 smart phones • The Energy Leasing business continued its key funding role in the rollout of smart meters throughout the UK • Divested interest in the US Rail business • Strong securitisation activity of \$A1.3b
Banking and Financial Services	<ul style="list-style-type: none"> • Macquarie Life awarded five star status by Beaton Research, for the 7th consecutive year • For the 2nd consecutive year Macquarie ranked No.1 in the Brokers on Non-Majors 2014 survey by Australian Broker • No.1 Cash and Term Deposits at the Core Data SMSF Service Provider Awards 2014⁸ • Lender of the Year (Tier 2) at the 2014 Mortgage Choice national conference, for the 2nd consecutive year 	<ul style="list-style-type: none"> • Australian mortgage portfolio \$A22.3b at Dec 14 up 13% on Sep 14, which represents 1.6% of the Australian mortgage market • Macquarie platform assets under administration \$A43.2b at Dec 14 up 4% on Sep 14 • Added international listed securities and domestic fixed income securities as investment options on Macquarie Wrap • Macquarie Life Inforce risk premiums \$A215m at Dec 14 up 4% on Sep 14 • Average business banking deposit and loan volumes at Dec 14 up 3% and 8% on Sep 14 respectively • Total retail deposits of \$A35.7b at Dec 14 up 1% on Sep 14

1. Assets under management, Towers Watson Global Alternatives Survey 2014. 2. For more information about these awards, the issuers of these awards, their methodologies, and other important information about these awards, visit: <http://www.macquarie.com.au/mgl/au/mfg/mim/about-us/awards>. 3. Arrowstreet Global Equities in the Macquarie Professional Series: Professional Planner/Zenith Best International Equities Fund – Global; Smart Investor Blue Ribbon Best International Large Cap Fund; Money Management Fund Manager of the Year – Global Equities – Broad Cap. 4. Macquarie Asia New Stars strategy: Professional Planner/Zenith Best Emerging Markets and Regional Fund; Money Management Fund Manager of the Year Global Equities – Regional and Emerging Markets. 5. Macquarie Funds Management HK: Asia Asset Management Best of the Best Performance Awards. 6. Macquarie Asian Alpha Fund – HFM Hedge Fund Performance Awards Best Single Manager long-term performance (5 year). 7. Asia Asset Management Best of the Best Country Awards. 8. CoreData SMSF Service Provider Awards 2014 in two categories – SMSF members and SMSF advising financial planners and accountants.

3Q15 Overview: Capital market facing businesses



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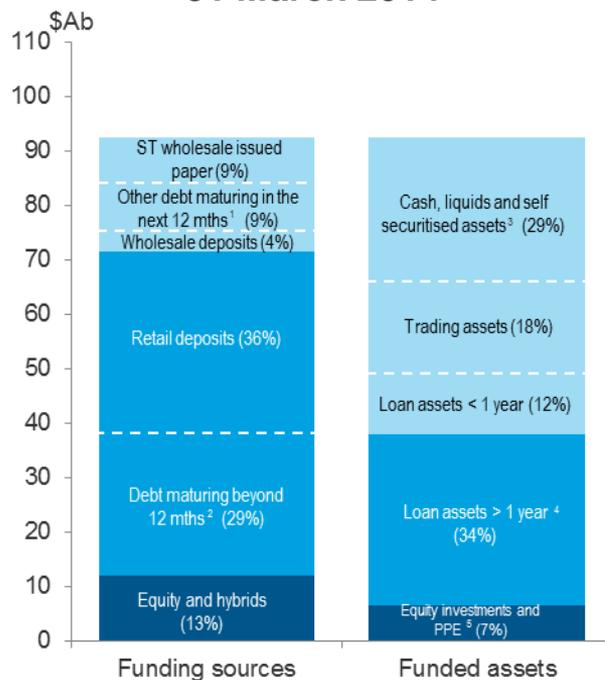
Operating Group	Market positions	Developments since 1H15
Macquarie Securities	<ul style="list-style-type: none"> Global execution and distribution capabilities, with the leading institutional broker franchise for Australian equities No.1 market share for Australia / New Zealand IPOs by number of deals and value¹ Awarded Trade Asia award for excellence in Algorithmic trade execution for the 3rd consecutive year for Asian based clients, along with the best local brokerage award for trading and execution in the Australian market Maintained equal 1st place in the 2014 Peter Lee Survey² for Australian Institutional Investors into Australian equities 	<ul style="list-style-type: none"> ECM activity continues to be strong in Australia, with notable deals including the Medibank Private, Aconex and oOh!media IPOs, and secondary offerings from APA, Duet and SM Prime in the Philippines Secondary market commissions up 7% on prior period Secondary market share 9.9%³ in Australia in 3Q15 Launched Malaysia Structured Warrants in Oct 14, gaining No.1 market share³ and establishing Macquarie as a leading issuer in Asia by coverage Hong Kong Exchange launched the Shanghai-Hong Kong Stock Connect link in Nov 14 allowing international clients to trade eligible China A-shares
Macquarie Capital	<ul style="list-style-type: none"> No.1 in Australia for announced and completed M&A deals⁴ No.2 in Australia for ECM deals⁵ Best Equity House Australia⁶ Best Deal Australia – Healthscope IPO⁷ Best Deal Singapore – Frasers Centrepoint's acquisition of Australand Property Group⁸ Infrastructure Deal of the Year Europe – Mersey Gateway⁹ Best Road/Bridge/Tunnel Project & Projects Grand Prix USA – Freeport LNG¹⁰ 	<ul style="list-style-type: none"> ANZ – Joint Lead Manager on the \$A5.7b IPO of Medibank Private, the largest Australian IPO in 2014, and the second largest Australian IPO ever Asia – Adviser to State Grid Corporation of China on the €2.1b acquisition of a 35% interest in CDP RETI, the holding company of leading Italian regulated utilities, Terna and Snam Canada – Advised Cardinal Energy Ltd in relation to a \$C233m oil production asset acquisition in the Wainwright area of Alberta EMEA – Adviser to Dart Energy Ltd on its acquisition by IGas Energy Plc for £117m US – Adviser to Freeport LNG on its landmark \$US11b equity and debt raising to project finance its LNG export facility in Texas
Commodities and Financial Markets	<ul style="list-style-type: none"> Ranked No.3 US physical gas marketer in North America¹¹ Commodity Business Awards¹² winner <ul style="list-style-type: none"> Commodity House of the Year 2014 Excellence in Agriculture & Softs – 5th consecutive year No.2 overall market share in ASX24 Futures¹³ 	<ul style="list-style-type: none"> Increased volatility in oil and gas prices generated increased customer activity across the energy platform Stronger client flows in foreign exchange due to increased market volatility Realisation of a contractual benefit from the Energy Markets Division's involvement in the initial marketing and setup of the Freeport LNG Terminal

1. Dealogic CY14. 2. Peter Lee Associates 2014 Survey of Australian Institutional Investors. 3. Local exchange by turnover. 4. Dealogic, Thomson, Bloomberg CY14 (by number of deals). 5. Dealogic, Thomson CY14 (by value and number of deals). 6. FinanceAsia (Dec 14). 7. The Asset (Nov 14). 8. FinanceAsia (Dec 14). 9. PFI (Dec 14). 10. Partnerships Bulletin (Oct 14). 11. Platts Q3 CY14. 12. Presented by Commodities Now Magazine. 13. ASX24 Futures volumes for CY14.

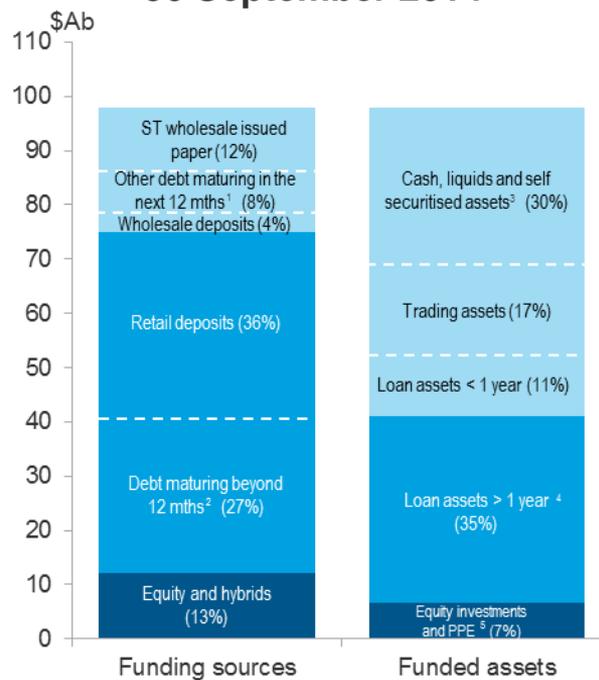
Funded balance sheet remains strong



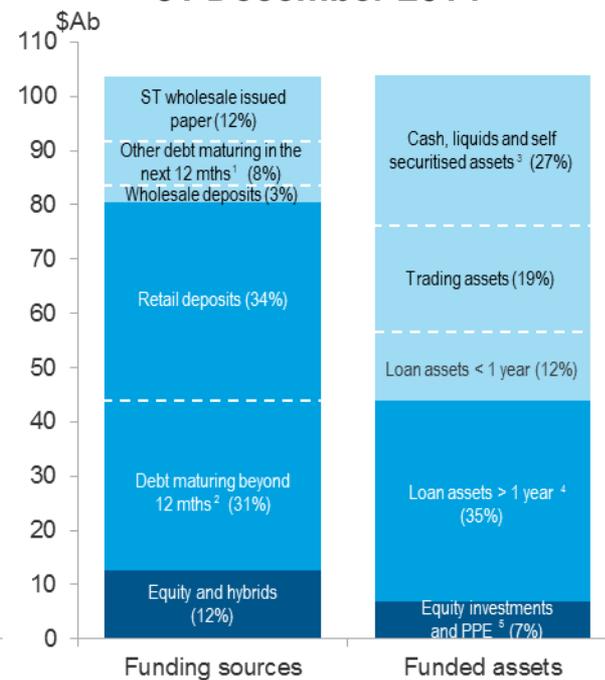
31 March 2014



30 September 2014



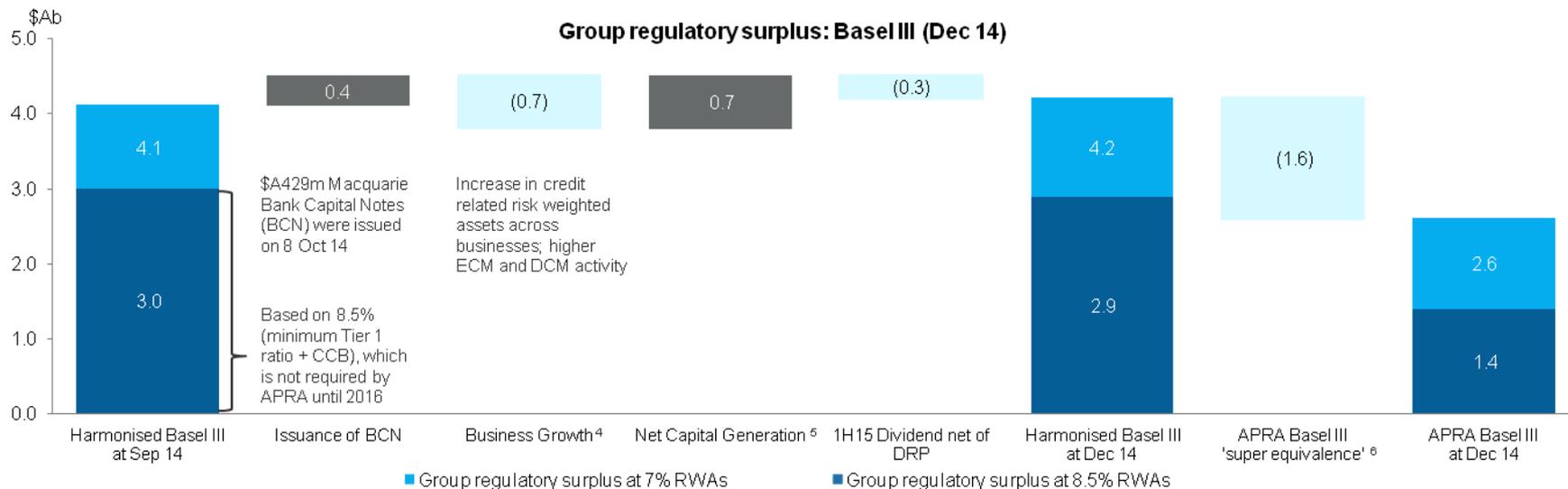
31 December 2014



These charts represent Macquarie Group Limited's funded balance sheets at the respective dates noted above. 1. 'Other debt maturing in the next 12 mths' includes Structured Notes, Secured Funding, Bonds, Other Loans maturing within the next 12 months and Net Trade Creditors. 2. 'Debt maturing beyond 12 mths' includes Loan Capital. The BCN (\$A0.4b) and MBL 3 year USD bond (\$A2.0b) issuances completed during Oct 14 are excluded from balances reported at 30 Sep 14. 3. 'Cash, liquids and self securitised assets' includes self securitisation of repo eligible Australian mortgages originated by Macquarie. 4. 'Loan Assets > 1 yr' includes Debt Investment Securities and Operating Lease Assets. 5. 'Equity Investments and PPE' includes the Group's co-investments in Macquarie-managed funds and equity investments.

Basel III capital position at Dec 14

- APRA Basel III Group capital at Dec 14 of \$A14.3b, Group surplus of \$A1.4b (1 Jan 16 requirements¹), \$A2.6b (existing requirements²)
- Bank Group APRA Basel III CET1 ratio: 9.0%; Tier 1 ratio: 10.4%
- Bank Group Harmonised Basel III CET1 ratio: 10.9%; Tier 1 ratio: 12.3%³



1. Calculated at 8.5% RWA including capital conservation buffer (CCB), per the 1 Jan 16 minimum requirements in the APRA Prudential Standard APS 110. 2. Calculated at 7% RWA, per the internal minimum Tier 1 ratio of the Bank Group. 3. 'Harmonised' Basel III estimates are calculated in accordance with the BCBS Basel III framework. 4. Includes the net impact of hedging employed to reduce the sensitivity of the Group's capital position to FX translation movements. 5. Includes 3Q15 P&L and other movements in capital supply. 6. APRA Basel III 'super-equivalence' includes the impact of changes in capital requirements in areas where APRA differs from the BCBS Basel III framework and includes full CET1 deductions of equity investments (\$A0.7b); deconsolidated subsidiaries (\$A0.4b); DTAs and other impacts (\$A0.5b).



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