21st Annual Credit Suisse Asian Investment Conference
Hong Kong

Presentation to Investors and Analysts
19-22 March 2018

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This presentation provides further detail in relation to key elements of Macquarie Group Limited's financial performance and financial position. It also provides an analysis of the funding profile of the Group because maintaining the structural integrity of the Group's balance sheet requires active management of both asset and liability portfolios. Active management of the funded balance sheet enables the Group to strengthen its liquidity and funding position.

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Agenda

1. Overview of Macquarie
2. Macquarie’s Operating Groups
3. 3Q18 Update
4. FY18 Outlook
5. Appendices
Overview of Macquarie
Macquarie overview

Diversified financial group providing clients with asset management and finance, banking, advisory and risk and capital solutions across debt, equity and commodities

Macquarie Group overview¹

Global locations

- North America: 19 locations
- Europe: 12 locations
- Middle East: 2 locations
- Asia: 13 locations
- Latin America: 3 locations
- Africa: 2 locations
- Australia: 10 locations
- New Zealand: 1 location

Listed on Australian Securities Exchange (ASX: MQG)²
Level I ADR: MQBKY

- $485.2b assets under management as at 31 Dec 17
- Macquarie Capital
- Commodities and Global Markets
- Corporate and Asset Finance
- Banking and Financial Services
- Macquarie Asset Management

Capital markets facing businesses approx. 30%
Annuity-style businesses approx. 70%

33%
25%
21%
11%
10%

Employees and global locations as at 31 Dec 17. 1. Pie chart is based on FY17 net profit contribution from operating groups. Net profit contribution is management accounting profit before unallocated corporate costs, profit share and income tax. 2. On 29 Jul 96, MBL listed its fully paid ordinary shares on the ASX.
Why Macquarie?

Unbroken profitability
FY17 net profit: $A2,217m
up 7.5% on FY16
1H18 net profit: $A1,248m
up 19% on 1H17

Predictable earnings
Annuity-style businesses represent
~70% of the operating groups’ performance
in FY17
~80%1 in 1H18

Geographically diverse
63% international income in FY17
62% in 1H18; two-thirds of income generated outside of Australia2

Strong return on equity
FY17: 15.2% ▲ from 14.7% in FY16
16.7% in 1H18 up from 14.6% in 1H17

Earnings growth
21%
5yr EPS CAGR

Strong financial position
Group capital surplus
$A4.1b3 as at 31 Dec 17

Consistent dividend growth
19%
5yr CAGR

Strong shareholder returns
Consistently outperformed major indices since listing
ASX 201 – 2nd highest returns since listing
Diversified Financials1 – 1st
MSCI World Capital Markets4 – 3rd

Underpinned by a long standing conservative risk management framework

1. Based on net profit contribution from operating groups. Net profit contribution is management accounting profit before unallocated corporate costs, profit share and income tax. 2. Average over 5 years. 3. Calculated at 8.5% RWA including the capital conservation buffer (CCB), per APRA ADI Prudential Standard 110. The APRA Basel III Group capital surplus is $A45.4b calculated at 7% RWA, per the internal minimum Tier 1 ratio of the Bank Group. 4. As at 31 Jan 18. Based on companies that have been continuously listed since Macquarie’s date of listing (29 Jul 96).
Macquarie’s evolution is driven by our people

We seek to identify **opportunity** and realise it for our clients, community, shareholders and our people.

We are **accountable** for all our actions, to our clients, our community, our shareholders and each other.

**Integrity:** We earn the trust of our clients, colleagues, community and shareholders through the quality of our work and our high ethical standards.

From positions of **deep expertise**, we pursue opportunities **adjacent** to existing businesses, largely via organic growth.

Pursuing opportunities that are **profitable** and deliver real outcomes to achieve an appropriate and resilient **long-term return on capital**.

**Supported by the Corporate Centre**

- **Funding and capital**
- **Risk management**
- **External stakeholder management**
- **Challenging ideas and supporting execution**
- **Facilitating Group-wide collaboration**
- **Group-wide standards and central support services**

**EVOLUTION IN THE BUSINESS**

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<thead>
<tr>
<th>Business mix</th>
<th>From</th>
<th>To</th>
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<tbody>
<tr>
<td>Annuity-style in FY07</td>
<td>25%</td>
<td>~70%</td>
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<tr>
<td>in FY17</td>
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<tr>
<th>International income</th>
<th>From</th>
<th>To</th>
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<tr>
<td>in FY07</td>
<td>53%</td>
<td>63%</td>
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<td>in FY17</td>
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<tr>
<th>Offshore staff</th>
<th>From</th>
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<tr>
<td>in FY07</td>
<td>34%</td>
<td>55%</td>
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<tr>
<td>in FY17</td>
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Macquarie has a **global presence** across Operating Groups.
48 years of profitability

Underpinned by a strong risk management framework and capital position

Note: the above list is not exhaustive. 1. Acquired on behalf of managed funds and accounts.
Strong earnings growth

**FY17 EPS of $A6.58**
FY17 up 6% on FY16

**FY17 Operating income of $A10,364m**
FY17 up 2% on FY16
Geographic footprint

14,234 staff in over 25 countries

Europe, Middle East and Africa

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<td>SOUTH AFRICA</td>
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Australia¹

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Americas

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Staff numbers as at 31 Dec 17. ¹ Includes New Zealand.
Predictable earnings and geographically diverse

Annuity-style vs Capital markets facing¹

Geographical split of income²

Data restated to reflect current business splits. 1. Annuity-style based on net profit contribution (calculated as management accounting profit before unallocated corporate costs, profit share and income tax) for MAM, CAF and BFS. Capital markets facing based on net profit contribution for CGM and MacCap. 2. Based on net operating income excluding earnings on capital and other corporate items. 3. Includes New Zealand.
Stable earnings

5 year earnings volatility relative to Macquarie (since GFC)

10 year earnings volatility relative to Macquarie (includes GFC)

This page compares the historical earnings volatility among certain firms, and is not intended to represent that Macquarie has a comparable business model, risks or prospects to any other firm mentioned.

Volatility of P&L is defined as standard deviation of P&L divided by average P&L (coefficient of variation), based on most recent annual disclosures. Source: Bloomberg as at 28 Feb 18.
Strong shareholder returns

For purchases made at any point in time and held to date, Macquarie has consistently outperformed the ASX 200, Diversified Financials and MSCI World Capital Markets Index.
Long term ratings stability
Macquarie Bank Limited

Standard & Poor’s Ratings Movements from 2007

Moody’s Ratings Movements from 2007

Goldman Sachs bank only rated by Standard & Poor’s from 2012. As at 28 Feb 18.
Funded balance sheet remains strong

Term liabilities exceed term assets

31 Mar 17

Funding sources

$Ab

ST wholesale issued paper (5%)

Other debt maturing in the next 12 months 1 (9%)

Customer deposits (40%)

Debt maturing beyond 12 months 2 (33%)

Equity and hybrids 3 (13%)

Funded assets

Cash, liquids and self securitised assets 4 (32%)

Loan assets (incl. op lease) < 1 year 5 (11%)

Loan assets (incl. op lease) > 1 year 5 (33%)

Equity investments and PPE 3,7 (6%)

30 Sep 17

Funding sources

$Ab

ST wholesale issued paper (10%)

Other debt maturing in the next 12 months 1 (7%)

Customer deposits (40%)

Debt maturing beyond 12 months 2 (33%)

Equity and hybrids 3 (13%)

Funded assets

Cash, liquids and self securitised assets 4 (33%)

Loan assets (incl. op lease) < 1 year 5 (11%)

Loan assets (incl. op lease) > 1 year 5 (33%)

Equity investments and PPE 3,7 (8%)

31 Dec 17

Funding sources

$Ab

ST wholesale issued paper (11%)

Other debt maturing in the next 12 months 1 (7%)

Customer deposits (38%)

Debt maturing beyond 12 months 2 (31%)

Equity and hybrids 3 (13%)

Funded assets

Cash, liquids and self securitised assets 4 (30%)

Trading assets (18%)

Loan assets (incl. op lease) < 1 year 5 (10%)

Loan assets (incl. op lease) > 1 year 5 (35%)

Equity investments and PPE 3,7 (7%)

These charts represent Macquarie’s funded balance sheets at the respective dates noted above. 1. ‘Other debt maturing in the next 12 months’ includes Structured Notes, Secured Funding, Bonds, Other Loans, Loan Capital maturing within the next 12 months and Net Trade Creditors. 2. ‘Debt maturing beyond 12 months’ includes Loan Capital not maturing within next 12 months. 3. Non-controlling interests netted down in Equity and hybrids and Equity Investments and PPE. 4. ‘Cash, liquids and self securitised assets’ includes self securitisation of RBA repo eligible Australian mortgages originated by Macquarie. 5. ‘Loan Assets (incl. op lease) < 1 year’ includes Net Trade Debtors. 6. ‘Loan Assets (incl. op lease) > 1 year’ includes Debt Investment Securities. 7. ‘Equity Investments and PPE’ includes Macquarie’s co-investments in Macquarie managed funds and equity investments.
Term funding issuances

Term funding beyond 1 year has a weighted average maturity of 4.2 years\(^1\)

**Currency\(^2\)**

- **AUD**: 45%
- **USD**: 42%
- **EUR**: 6%
- **GBP**: 2%
- **CHF**: 2%
- **JPY**: 2%
- **OTH**: 1%

**Tenor\(^3\)**

- **Securitisations > 1 yr**: 12%
- **1-2yrs**: 14%
- **2-3yrs**: 14%
- **3-4yrs**: 11%
- **4-5yrs**: 6%
- **>5yrs**: 43%
- **1**
- **2-3yrs**: 14%
- **3-4yrs**: 11%
- **4-5yrs**: 6%
- **>5yrs**: 43%

**Type**

- **Subordinated debt**: 8%
- **Syndicated loan facility**: 7%
- **Covered Bonds**: 1%
- **Senior Unsecured**: 35%
- **PUMA RMBS**: 6%
- **SMART ABS**: 7%
- **Secured Funding**: 4%
- **Private Placement**: 6%
- **Equity & Hybrids**: 26%

All data presented in these charts represents drawn facilities as at 30 Sep 17. 1. Excluding equity and securitisations. 2. Equity has been allocated to the AUD currency category. 3. Securitisations have been presented on a behavioural basis and represent funding expected to mature in >1yr. Equity has been allocated to the >5yrs tenor category.
1. Average LCR for Dec 17 quarter is based on an average of daily observations. 2. APRA released final NSFR requirements at the end of 2016. The NSFR and associated changes to APRA ADI Prudential Standard 210 will be effective from 1 Jan 18. 3. ‘Harmonised’ Basel III estimates are calculated in accordance with the BCBS Basel III framework. 4. Includes the capital conservation buffer in the minimum CET1 ratio requirement. The minimum BCBS Basel III leverage ratio requirement of 3% is effective from 1 Jan 18.
Basel III capital position

- APRA Basel III Group capital at Dec 17 of $A18.2b, Group capital surplus of $A4.1b\(^1\)

1. Calculated at 8.5% RWA including the capital conservation buffer (CCB), per APRA ADI Prudential Standard 110. The APRA Basel III Group capital surplus is $A5.4b calculated at 7% RWA, per the internal minimum Tier 1 ratio of the Bank Group. 2. ‘Harmonised’ Basel III estimates are calculated in accordance with the BCBS Basel III framework. 3. Excludes foreign currency translation reserve. 4. Includes Macquarie Atlas Roads $A0.2b. 5. Includes the net impact of hedging employed to reduce the sensitivity of the Group’s capital position to FX translation movements. 6. APRA Basel III ‘super-equivalence’ includes the impact of changes in capital requirements in areas where APRA differs from the BCBS Basel III framework and includes full CET1 deductions for equity investments ($A0.6b); differences in mortgages treatment ($A0.6b); capitalised expenses ($A0.5b); investment into deconsolidated subsidiaries ($A0.2b); DTAs and other impacts ($A0.1b).
Regulatory and capital management update

• Regulatory capital
  – In Jul 17 APRA provided guidance on the level of CET1 capital ratios for Australian banks to be considered ‘unquestionably strong’¹
  – In Dec 17 the Basel Committee finalised reforms to amend the calculation of certain risk weighted assets under Basel III
  – APRA has reaffirmed that its ‘unquestionably strong’ guidance is intended to cover the impact of the finalisation of Basel III
  – APRA intends to release further details on how the new requirements will be implemented in 2018, with expected implementation from 1 Jan 20²
  – Based on existing guidance, Macquarie’s surplus capital position remains sufficient to accommodate any additional requirements

• Share buyback
  – No buying occurred during 3Q18. Macquarie’s share buyback program remains in place
Long standing conservative risk management framework

- Macquarie’s core risk management principles have remained stable and continue to be effective
- The key aspects of Macquarie’s risk management approach are:

<table>
<thead>
<tr>
<th>Ownership of risk at the business level</th>
<th>Understanding worst-case outcomes</th>
<th>Requirement for independent sign-off by Risk Management</th>
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</thead>
<tbody>
<tr>
<td>Business heads responsible for identifying risks within their businesses and ensuring these are managed appropriately. Seek a clear analysis of the risks before taking decisions.</td>
<td>Risk management approach based on examining the consequences of worst case outcomes and determining whether risks can be tolerated. Adopted for all material risk types and often achieved by stress testing.</td>
<td>Risk Management Group (RMG) signs off all material risk acceptance decisions. For material proposals, RMG opinion is sought at an early stage in the decision-making process. The approval document submitted to senior management includes independent input from RMG on risk and return.</td>
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- Macquarie’s approach to risk is supported by the Risk Management Group
- Macquarie determines aggregate risk appetite by assessing risk relative to earnings, with allowance made for the loss-absorbing ability of the current regulatory capital surplus
02 Macquarie’s Operating Groups
## Macquarie overview

### Macquarie Asset Management (MAM)
- Top 50 global asset manager with $A483.5b\(^1\) of assets under management
- Provides clients with access to a diverse range of capabilities and products, including infrastructure, real assets, equities, fixed income, liquid alternatives and multi-asset investment management solutions

### Corporate and Asset Finance (CAF)
- Global provider of specialist finance and asset management solutions, with a $A34.6b\(^1\) asset and loan portfolio
- Asset Finance has global expertise in aircraft, vehicles, technology, healthcare, manufacturing, industrial, energy, rail, and mining equipment
- Principal Finance provides flexible primary financing solutions and engages in secondary market investing, across the capital structure. It operates globally in both corporate and real estate sectors

### Banking and Financial Services (BFS)
- Macquarie’s retail banking and financial services business with a $A39.0b\(^1\) Australian loan portfolio, funds on platform\(^2\) of $A85.3b\(^1\) and total BFS deposits\(^3\) of $A46.3b\(^1\)
- Provides a diverse range of personal banking, wealth management and business banking products and services to retail clients, advisers, brokers and business clients

### Commodities and Global Markets (CGM)
- Integrated, end-to-end offering across global markets including equities, fixed income, foreign exchange and commodities
- Provides clients with risk and capital solutions across physical and financial markets
- Diverse platform covering more than 25 market segments, with more than 160 products
- Growing presence in commodities (natural gas, LNG, NGLs, power, oil, coal, base metals, iron ore, sugar and freight)
- Global institutional securities house with strong Asia-Pacific foundations covering sales, research, ECM, execution and derivatives and trading activities

### Macquarie Capital (MacCap)
- Global capability across Infrastructure & Energy, Real Estate, Telecommunications, Media, Entertainment & Technology, Resources, Industrials and Financial Institutions in: M&A Advisory; Equity and Debt Capital Markets; and Principal Investments
- Focus on investing Macquarie’s balance sheet as Principal to develop and create assets, platforms and businesses in the Infrastructure, Energy and Real Estate sectors and partnering primarily with financial sponsor clients to provide capital solutions, particularly in the Technology sector

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1. As at 31 Dec 17. 2. Funds on platform includes Macquarie Wrap and Vision. 3. BFS deposits exclude corporate/wholesale deposits.
ANNUITY-STYLE BUSINESS

Macquarie Asset Management
$A483.5b assets under management

Top 50 global asset manager

- Provides clients with access to a diverse range of capabilities and products, including infrastructure, real assets, equities, fixed income, liquid alternatives and multi-asset investment management solutions

Largest manager of infrastructure assets globally\(^1\)

4 Lipper Awards in 2017\(^2\)

European infrastructure debt manager of the year\(^3\)

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Pie chart is based on FY17 net profit contribution from operating groups. AUM as at 31 Dec 17. 1. Willis Towers Watson 2017 Global Alternatives Survey, published 17 Jul 17. 2. For information and disclosures relating to these awards, visit: https://www.macquarieim.com/mimdisclosures. 3. PDI Annual Awards 2016.
ANNUITY-STYLE BUSINESS
Macquarie Asset Management
Growth in base fees

Net Profit Contribution\(^1\) ($Am)

<table>
<thead>
<tr>
<th>Year</th>
<th>FY13</th>
<th>FY14</th>
<th>FY15</th>
<th>FY16</th>
<th>FY17</th>
<th>1H18</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>755</td>
<td>1,051</td>
<td>1,450</td>
<td>1,644</td>
<td>1,538</td>
<td>1,189</td>
</tr>
</tbody>
</table>

Base Fees ($Am)

<table>
<thead>
<tr>
<th>Year</th>
<th>FY13</th>
<th>FY14</th>
<th>FY15</th>
<th>FY16</th>
<th>FY17</th>
<th>1H18</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>989</td>
<td>1,262</td>
<td>1,372</td>
<td>1,569</td>
<td>1,574</td>
<td>795</td>
</tr>
</tbody>
</table>

AUM ($Ab)

<table>
<thead>
<tr>
<th>Year</th>
<th>Mar 14</th>
<th>Mar 15</th>
<th>Mar 16</th>
<th>Mar 17</th>
<th>Dec 17</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>425</td>
<td>484</td>
<td>477</td>
<td>480</td>
<td>484</td>
</tr>
</tbody>
</table>

Pie chart is based on FY17 net profit contribution from operating groups. 1. Net profit contribution is management accounting profit before unallocated corporate costs, profit share and income tax.
ANNUITY-STYLE BUSINESS

MIRA: Income includes more than base fees

- **MIRA performance fees and other income $Am (LHS)**
- **Average base fees (RHS)\(^1\)**
- **MIRA base fees $Am (LHS)**
- **Average performance fees (RHS)\(^2\)**
- **MIRA EUM at period end ($Ab)**
- **Average other income (RHS)\(^2, 3\)**

**Base fees**
- Ave: 1.0%; St dev: 0.2%

**Performance fees**
- Ave: 0.5%; St dev: 0.4%

**Other income**
- Ave: 0.2%; St dev: 0.4%

1. Average base fees (%) calculated as: base fees per financial year / average EUM (Invested). 1H18 base fees annualised for purposes of average. 2. Average performance fees and other income (%) calculated as: performance fees and other income per financial year / period end EUM. 1H18 performance fees and other income not annualised for purposes of average. 3. Other income represents net operating income less base and performance fees for each financial year and includes other income relating to certain MIRA fund assets historically included in the Corporate segment. Base fees and performance fees for real estate funds included from FY05 onwards.

Pie chart is based on FY17 net profit contribution from operating groups. 1. Average base fees (%) calculated as: base fees per financial year / average EUM (Invested). 1H18 base fees annualised for purposes of average. 2. Average performance fees and other income (%) calculated as: performance fees and other income per financial year / period end EUM. 1H18 performance fees and other income not annualised for purposes of average. 3. Other income represents net operating income less base and performance fees for each financial year and includes other income relating to certain MIRA fund assets historically included in the Corporate segment. Base fees and performance fees for real estate funds included from FY05 onwards.
ANNUITY-STYLE BUSINESS

Corporate and Asset Finance
$A34.6b¹ asset and loan portfolio

- Delivers tailored finance and asset management solutions to clients through the cycles
- Provides flexible primary financing solutions and engages in secondary market investing across the capital structure
  - operates globally in both corporate and real estate sectors
- Expertise in asset finance including aircraft; vehicles; technology; healthcare; manufacturing; industrial; energy; rail; and mining equipment
- Selectively invests in specialised asset classes
- Supports annuity-style businesses through different growth phases

Leading participant in bespoke primary financing;
niche acquirer of secondary market investments

One of Australia’s largest vehicle financiers, with over 610,000 cars

Largest independent⁵ smart meter funder in the UK

---

¹ Delivers tailored finance and asset management solutions to clients through the cycles
² Provides flexible primary financing solutions and engages in secondary market investing across the capital structure
³ Expertise in asset finance including aircraft; vehicles; technology; healthcare; manufacturing; industrial; energy; rail; and mining equipment
⁴ Selectively invests in specialised asset classes
⁵ Supports annuity-style businesses through different growth phases
ANNUITY-STYLE BUSINESS

Corporate and Asset Finance

Asset and loan portfolios

Net Profit Contribution¹ ($Am)

<table>
<thead>
<tr>
<th>Year</th>
<th>FY13</th>
<th>FY14</th>
<th>FY15</th>
<th>FY16</th>
<th>FY17</th>
<th>1H18</th>
</tr>
</thead>
<tbody>
<tr>
<td>1,198</td>
<td>1,130</td>
<td>1,122</td>
<td>826</td>
<td>694</td>
<td>619</td>
<td></td>
</tr>
</tbody>
</table>

Asset Finance Portfolio ($Ab)

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Mar 14</th>
<th>Mar 15</th>
<th>Mar 16</th>
<th>Sep 17</th>
</tr>
</thead>
<tbody>
<tr>
<td>16.5</td>
<td>17.5</td>
<td>29.9</td>
<td>29.7</td>
<td>29.9</td>
</tr>
</tbody>
</table>

Principal Finance Portfolio² ($Ab)

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Mar 14</th>
<th>Mar 15</th>
<th>Mar 16</th>
<th>Mar 17</th>
<th>Sep 17</th>
</tr>
</thead>
<tbody>
<tr>
<td>9.0</td>
<td>11.2</td>
<td>9.5</td>
<td>6.8</td>
<td>5.6</td>
<td></td>
</tr>
</tbody>
</table>

Pie chart is based on FY17 net profit contribution from operating groups. 1. Net profit contribution is management accounting profit before unallocated corporate costs, profit share and income tax. 2. Includes Real Estate Structured Finance legacy run-off portfolio and equity portfolio.
ANNUITY-STYLE BUSINESS
Banking and Financial Services
More than 1 million Australian clients

$A46.3b total BFS deposits

- Provides a diverse range of personal banking, wealth management and business banking products and services
- Serves clients through direct Macquarie offerings, a white label personal banking platform, strong intermediary relationships and a leading digital banking experience

<table>
<thead>
<tr>
<th>Deposits</th>
<th>Mortgages</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financial advice and private banking</td>
<td>Business banking</td>
</tr>
<tr>
<td>Wrap</td>
<td>Personal banking</td>
</tr>
</tbody>
</table>

- **Australian mortgage portfolio** $A31.2b
- **Best Digital Banking Offering**
- **Funds on platform** $A85.3b
- **Business banking loan portfolio** $A7.2b

Pie chart is based on FY17 net profit contribution from operating groups. Portfolio balances as at 31 Dec 17. 1. BFS deposits exclude corporate/wholesale deposit balances. 2. 2017 Australian Retail Banking Awards. 3. Funds on platform includes Macquarie Wrap and Vision.
ANNUITY-STYLE BUSINESS
Banking and Financial Services
Growth in BFS deposits and mortgages

Net Profit Contribution\(^1\) ($Am)

<table>
<thead>
<tr>
<th>Year</th>
<th>FY13</th>
<th>FY14</th>
<th>FY15</th>
<th>FY16</th>
<th>FY17</th>
<th>1H18</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>243</td>
<td>260</td>
<td>285</td>
<td>350</td>
<td>513</td>
<td>286</td>
</tr>
</tbody>
</table>

BFS Deposits\(^2\) ($Ab)

<table>
<thead>
<tr>
<th>Month</th>
<th>Mar 14</th>
<th>Mar 15</th>
<th>Mar 16</th>
<th>Mar 17</th>
<th>Dec 17</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>33.3</td>
<td>37.3</td>
<td>40.4</td>
<td>44.5</td>
<td>46.3</td>
</tr>
</tbody>
</table>

Australian Mortgage Book ($Ab)

<table>
<thead>
<tr>
<th>Month</th>
<th>Mar 14</th>
<th>Mar 15</th>
<th>Mar 16</th>
<th>Mar 17</th>
<th>Dec 17</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>17.0</td>
<td>24.5</td>
<td>28.5</td>
<td>28.7</td>
<td>31.2</td>
</tr>
</tbody>
</table>

Pie chart is based on FY17 net profit contribution from operating groups. 1. Net profit contribution is management accounting profit before unallocated corporate costs, profit share and income tax. During FY14, Group Treasury revised internal funding transfer pricing arrangements relating to BFS’s deposit and lending activities. FY13 comparatives have been restated to reflect the current methodology. 2. BFS deposits exclude any Corporate/Wholesale deposit balances.
Providing clients with an integrated, end-to-end service across global markets

- Expertise in providing clients with access to markets, financing, financial hedging, research and market analysis, and physical execution
- Growing presence in commodities (natural gas, LNG, NGLs, power, oil, coal, base metals, iron ore, sugar and freight)
- Global institutional securities house with strong Asia-Pacific foundations covering sales, research, ECM, execution and derivatives and trading activities

10+ years
in Energy markets

20+ years
in Agricultural markets

30+ years
in Metals, Equity, FX and Futures markets

2016 Commodity House of the Year for the 3rd consecutive year

No.2 US physical gas marketer in North America1

Top 10 global equities research house2

Pie chart is based on FY17 net profit contribution from operating groups. 1. Based on internal calculations as at 31 Dec 17. 2. By number of stocks under coverage, I/B/E/S, Sep 17.
Commodities and Global Markets
Integrated, end-to-end offering across global markets

Net Profit Contribution¹ ($Am)

<table>
<thead>
<tr>
<th>Year</th>
<th>1H</th>
<th>2H</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY13</td>
<td>513</td>
<td></td>
<td>513</td>
</tr>
<tr>
<td>FY14</td>
<td>833</td>
<td>899</td>
<td>1732</td>
</tr>
<tr>
<td>FY15</td>
<td>844</td>
<td>899</td>
<td>1743</td>
</tr>
<tr>
<td>FY16</td>
<td>844</td>
<td>971</td>
<td>1815</td>
</tr>
<tr>
<td>FY17</td>
<td>971</td>
<td>378</td>
<td>1349</td>
</tr>
<tr>
<td>FY18</td>
<td></td>
<td></td>
<td>378</td>
</tr>
</tbody>
</table>

Net Operating Income²

- Risk management products: 25%
- Credit, interest rates and foreign exchange: 21%
- Equities net interest and trading income: 11%
- Brokerage, commission and other fee income: 29%
- Inventory management, transport and storage: 4%
- Lending & financing: 9%
- Investment and other income: 1%

Pie chart is based on FY17 net profit contribution from operating groups. 1. Net profit contribution is management accounting profit before unallocated corporate costs, profit share and income tax. 2. For the full year ended 31 Mar 17, excluding impairment charges, provisions, net gains on sale and internal management (charge)/revenue, based on the Management Discussion & Analysis income classifications.
Macquarie Capital

Global capability in M&A Advisory, Debt and Equity Capital Markets and Principal Investments

- Global capability across Infrastructure & Energy, Real Estate, Telecommunications, Media, Entertainment & Technology, Resources, Industrials and Financial Institutions in: M&A Advisory; Equity and Debt Capital Markets; and Principal Investments
- Completed 259 transactions valued at $A108b in FY18 YTD

No. 1 Global Infrastructure Finance Advisor

No. 1 in Australia for completed M&A deals

No. 1 Renewables Financial Advisor

No. 1 US LBO Loans - Technology

Pie chart is based on FY17 net profit contribution from operating groups. 1. YTD refers to the 9 months to 31 Dec for the relevant year. Deal values and transaction numbers have not been adjusted to reflect final transaction data as at 30 Sep 17 and 31 Dec 17. 2. Inframation CY17 (by value). 3. Dealogic CY17 (by number and value). 4. Inframation CY17 (by value). 5. Bloomberg CY17.
Pie chart is based on FY17 net profit contribution from operating groups. 1. Net profit contribution is management accounting profit before unallocated corporate costs, profit share and income tax. 2. Average for FY14, FY15, FY16 and FY17. Revenue is fee income, and principal income (including income from DCM positions) net of funding costs and NCI.
3Q18 Update
3Q18 Overview

- Satisfactory trading conditions in 3Q18 across the Group
- Macquarie’s annuity-style businesses’ (Macquarie Asset Management, Corporate and Asset Finance and Banking and Financial Services) combined 3Q18 net profit contribution\(^1\) slightly up on pcp (3Q17)
  - FY18 YTD\(^2\) net profit contribution up on FY17 YTD mainly due to: strong performance fees in MAM, timing of transactions in CAF Principal Finance, and continued growth in BFS
- Macquarie’s capital markets facing businesses’ (Commodities and Global Markets and Macquarie Capital) combined 3Q18 net profit contribution down on pcp primarily due to timing of income recognition associated with transportation and storage agreements within the CGM business
  - FY18 YTD net profit contribution down on FY17 YTD primarily due to timing of income recognition associated with transportation and storage agreements within the CGM business

---

1. Where referenced, net profit contribution is management accounting profit before unallocated corporate costs, profit share and income tax. 2. Where referenced, YTD refers to the 9 months to 31 Dec for the relevant year.
## 3Q18 Overview

### Annuity-style businesses

<table>
<thead>
<tr>
<th>1H18 contribution</th>
<th>Activity during the quarter</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Macquarie Asset Management</strong></td>
<td>45%</td>
</tr>
<tr>
<td>• AUM of $A483.5b at Dec 17, up 2% on Sep 17 predominately driven by positive market movements and foreign exchange</td>
<td></td>
</tr>
<tr>
<td>• MIRA: Over $A7.1b in new equity raised in 3Q18 including $A3.9b in Asia and $A2.0b in Europe; $A4.1b equity invested including infrastructure in Europe, Asia, Australia and the US as well as agriculture in Australia; and $A3.9b asset divestments in Denmark, France, the US and Korea; $A15.1b of equity to deploy at Dec 17</td>
<td></td>
</tr>
<tr>
<td>• MIM awarded $A4.6b in new, funded institutional mandates and contributions across 35 strategies</td>
<td></td>
</tr>
<tr>
<td>• MIDIS total third party investor commitments increased to over $A8.2b; closed a number of investments bringing total AUM to $A5.8b</td>
<td></td>
</tr>
<tr>
<td>• Reached agreement to acquire GLL Real Estate Partners, a ~$A10b German-based manager of real estate assets in Europe and the Americas</td>
<td></td>
</tr>
<tr>
<td>• Top 50 global asset manager, Australia’s largest global asset manager</td>
<td></td>
</tr>
<tr>
<td><strong>Corporate and Asset Finance</strong></td>
<td>23%</td>
</tr>
<tr>
<td>• Asset Finance and Principal Finance portfolio of $A34.6b at Dec 17, broadly in line with Sep 17</td>
<td></td>
</tr>
<tr>
<td>• Asset Finance originations in line with expectations</td>
<td></td>
</tr>
<tr>
<td>• Principal Finance portfolio additions of $A0.1b in 3Q18</td>
<td></td>
</tr>
<tr>
<td>• Notable realisations included the sale of Principal Finance’s investments in a UK rooftop solar platform, a UK care homes and supported living business, and a US power plant in North Dakota</td>
<td></td>
</tr>
<tr>
<td><strong>Banking and Financial Services</strong></td>
<td>11%</td>
</tr>
<tr>
<td>• Total BFS deposits of $A46.3b at Dec 17, broadly in line with Sep 17</td>
<td></td>
</tr>
<tr>
<td>• Australian mortgage portfolio of $A31.2b at Dec 17 up 4% on Sep 17</td>
<td></td>
</tr>
<tr>
<td>• Funds on platform of $A85.3b at Dec 17 up 8% on Sep 17</td>
<td></td>
</tr>
<tr>
<td>• Business banking loan portfolio of $A7.2b, up 1% on Sep 17</td>
<td></td>
</tr>
<tr>
<td>• Named Best Digital Banking Offering and Most Innovative Card Product at the 2017 Australian Retail Banking Awards</td>
<td></td>
</tr>
<tr>
<td>• Awarded Best Cash and Term Deposits at the 2017 SMSF Awards and Core Data SMSF Service Provider Awards</td>
<td></td>
</tr>
</tbody>
</table>

1. Based on 1H18 net profit contribution from operating groups. Net profit contribution is management accounting profit before unallocated corporate costs, profit share and income tax. 2. Signed 4 Feb 18. Subject to certain closing conditions including regulatory approval. 3. As at 30 Jun 17, converted using spot FX rate as at 30 Jun 17. 4. BFS deposits exclude corporate/wholesale deposits. 5. Funds on platform includes Macquarie Wrap and Vision.
### 3Q18 Overview

**Capital markets facing businesses**

<table>
<thead>
<tr>
<th>1H18 contribution</th>
<th>Activity during the quarter</th>
</tr>
</thead>
</table>
| **Commodities and Global Markets** | • Stronger results in North American Gas and Power, while lower volatility impacted client hedging activity and trading results in Global Oil and Metals  
  • Despite volatility being subdued in foreign exchange and interest rates, client activity in derivatives remained solid, particularly in Japan and North America  
  • Increased market turnover led to improved brokerage income in Asian equities  
  • Ranked No. 2 US physical gas marketer in North America – the highest ranked non-producer²                                                                 |
| 14%               |                                                                                                                                                                                                                         |
| **Macquarie Capital** | • Strong levels of activity with 107 transactions completed globally in the quarter valued at $A35b, up on pcp (by number), driven primarily by advisory activity in Infrastructure and Energy, and advisory and DCM activity in Americas and Europe  
  • Joint lead manager and underwriter on Transurban Group’s $A1.9b fully underwritten pro rata accelerated renounceable entitlement offer, the largest publically-distributed ANZ new equity issue of 2017³  
  • Raised over $US1.7b in equity commitments for Macquarie Capital sponsored real estate logistics platforms globally to be invested in India, China, UK and Australia  
  • GIG announced several low carbon infrastructure transactions during the quarter, including acting as financial advisor, 50% equity investor and development partner in the 650MW Markbygden Wind Farm in Sweden, allowing development of the largest single-site wind farm in Europe (circa €800m total capital raise)⁴  
  • Financial advisor to Centerbridge Partners on its acquisition of Davis Vision and joint bookrunner and joint lead arranger on the $US985m financing  
  • No. 1 in Australia for completed M&A⁵ and No. 2 in Australia for ECM deals⁶  
  • No. 1 for Global Infrastructure Finance Advisor⁷, No. 1 Renewables Financial Advisor⁸ and No. 1 for US LBO Loans - Technology⁹                                                                 |
| 7%                |                                                                                                                                                                                                                         |

1. Based on 1H18 net profit contribution from operating groups. Net profit contribution is management accounting profit before unallocated corporate costs, profit share and income tax.  
2. Based on internal calculations as at 31 Dec 17.  
3. Thomson CY17 (ANZ ECM ex-block trades).  
5. Dealogic CY17 (by number and value).  
6. Dealogic CY17 (by value).  
7. Inframation CY17 (by value).  
8. Inframation CY17 (by value).  
US tax reform

- Following changes to US corporate tax effective 1 Jan 18, and based on information available, Macquarie currently expects that there will be no material impact to FY18 NPAT.
- Post 31 Mar 18, Macquarie’s US effective tax rate is expected to reduce by approximately 25%.
- In the medium term, the impact to Macquarie will be determined by the proportional contribution of earnings from the US in relation to the Group’s overall result.
  - Based on past performance, Macquarie estimates a reduction of approximately 3-4% in the Group’s historical effective tax rate.
04 FY18 Outlook
Factors impacting short-term outlook

FY18 combined net profit contribution from operating groups expected to be slightly up on FY17

Annuity-style businesses

**Macquarie Asset Management**
- FY17: $A1.5b down 6% on FY16
- Base fees expected to be broadly in line
- 2H18 performance fees expected to be lower than 1H18

**Corporate and Asset Finance**
- FY17: $A1.2b up 6% on FY16
- Leasing book broadly in line
- Reduced loan volumes in Principal Finance
- Timing and level of early prepayments and realisations in Principal Finance

**Banking and Financial Services**
- FY17: $A0.5b up 47% on FY16
- Higher loan portfolio, deposit and platform volumes

Capital markets facing businesses

**Commodities and Global Markets**
- FY17: $A1.0b up 15% on FY16
- Strong customer base expected to drive consistent flow across Commodities, Fixed Income and Futures
- Lower levels of impairments and investment-related income expected
- Improved result in equities

**Macquarie Capital**
- FY17: $A0.5b up 7% on FY16
- Assume market conditions broadly consistent with 1H18
- Solid pipeline of Principal realisations expected

Corporate

- Compensation ratio to be consistent with historical levels
- Based on present mix of income, currently expect FY18 effective tax rate to be broadly in line with 1H18

Net profit contribution is management accounting profit before unallocated corporate costs, profit share and income tax. Pie chart is based on FY17 net profit contribution from operating groups.
Short-term outlook

• We currently expect the FY18 combined net profit contribution\(^1\) from operating groups to be slightly up on FY17
• Given substantial performance fees were recognised in 1H18, we expect the 2H18 net profit contribution\(^1\) from operating groups to be down on 1H18 and broadly in line with 2H17
• The FY18 effective tax rate is currently expected to be broadly in line with 1H18
• Accordingly, the Group’s result for FY18 is currently expected to be up approximately 10% on FY17
• Our short-term outlook remains subject to:
  – Market conditions
  – The impact of foreign exchange
  – Potential regulatory changes and tax uncertainties
  – The completion rate of transactions and the conduct of period end reviews

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\(^1\) Net profit contribution is management accounting profit before unallocated corporate costs, profit share and income tax.
Medium-term

- Macquarie remains well positioned to deliver superior performance in the medium-term
- Deep expertise in major markets
- Build on our strength in diversity and continue to adapt our portfolio mix to changing market conditions
  - Annuity-style income is provided by three significant businesses which are delivering superior returns following years of investment and recent acquisitions
    - Macquarie Asset Management, Corporate and Asset Finance and Banking and Financial Services
  - Two capital markets facing businesses well positioned to benefit from improvements in market conditions with strong platforms and franchise positions
    - Commodities and Global Markets and Macquarie Capital
- Ongoing benefits of continued cost initiatives
- Strong and conservative balance sheet
  - Well matched funding profile with minimal reliance on short-term wholesale funding
  - Surplus funding and capital available to support growth
- Proven risk management framework and culture
## Approximate business Basel III Capital & ROE

As at 30 Sep 17

<table>
<thead>
<tr>
<th>Operating Group</th>
<th>APRA Basel III Capital&lt;sup&gt;1&lt;/sup&gt; @ 8.5% ($Ab)</th>
<th>Approximate 1H18 Return on Ordinary Equity&lt;sup&gt;2&lt;/sup&gt;</th>
<th>Approximate 11-Year Average Return on Ordinary Equity&lt;sup&gt;2&lt;/sup&gt;</th>
</tr>
</thead>
<tbody>
<tr>
<td>Annuity-style businesses</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Macquarie Asset Management</td>
<td>8.6</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Corporate and Asset Finance</td>
<td>2.0</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Banking and Financial Services</td>
<td>4.2</td>
<td>28%</td>
<td>20%&lt;sup&gt;3&lt;/sup&gt;</td>
</tr>
<tr>
<td>Capital markets facing businesses</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Commodities and Global Markets</td>
<td>5.3</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Macquarie Capital</td>
<td>3.0</td>
<td>11%</td>
<td>15% - 20%</td>
</tr>
<tr>
<td>Total regulatory capital requirement @ 8.5%</td>
<td>13.9</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Group surplus</td>
<td>2.3</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total APRA Basel III capital supply</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

---

1. Business Group capital allocations are indicative and are based on allocations as at 30 Jun 17 adjusted for material movements over the Sep 17 quarter. 2. NPAT used in the calculation of approximate annualised ROE is based on operating group’s net profit contribution adjusted for indicative allocations of profit share, tax and other corporate expenses. Accounting equity is attributed to businesses based on regulatory capital requirements. 11-year average covers FY07 to FY17, inclusive. 3. CAF returns prior to FY11 are excluded from the 11-year average as they are not meaningful given the significant increase in scale of CAF’s platform over this period. 4. Comprising of $A15.4b of ordinary equity and $A2.7b of hybrids.
Medium-term

**Macquarie Asset Management (MAM)**
- Annuity-style business that is diversified across regions, products, asset classes and investor types
- Diversification of capabilities allows for the business to be well placed to grow assets under management in different market conditions
- Well positioned for organic growth with several strongly performing products and an efficient operating platform

**Corporate and Asset Finance (CAF)**
- Leverage deep industry expertise to maximise growth potential in asset and loan portfolio
- Positioned for further asset acquisitions and realisations, subject to market conditions
- Funding from asset securitisation throughout the cycle

**Banking and Financial Services (BFS)**
- Strong growth opportunities through intermediary and direct retail client distribution, white labelling, platforms and client service
- Opportunities to increase financial services engagement with existing business banking clients and extend into adjacent segments
- Modernising technology to improve client experience and support growth

**Commodities and Global Markets (CGM)**
- Opportunities to grow commodities business, both organically and through acquisition
- Development of institutional coverage for specialised credit, rates and foreign exchange products
- Increase financing activities
- Growing the client base across all regions
- Well positioned for a recovery in equity markets activity by leveraging a strong market position in Asia-Pacific through investment in the equities platform and further integration of the business across CGM

**Macquarie Capital (MacCap)**
- Positioned to benefit from any improvement in M&A and capital markets activity
- Continues to tailor the business offering to current opportunities, market conditions and strengths in each region
APPENDIX

Select slides from result announcement for the half-year ended 30 September 2017
**Income Statement key drivers**

<table>
<thead>
<tr>
<th></th>
<th>1H18 $Am</th>
<th>2H17 $Am</th>
<th>1H17 $Am</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net interest and trading income</td>
<td>1,892</td>
<td>2,069</td>
<td>1,874</td>
</tr>
<tr>
<td>Fee and commission income</td>
<td>2,568</td>
<td>2,128</td>
<td>2,203</td>
</tr>
<tr>
<td>Net operating lease income</td>
<td>469</td>
<td>445</td>
<td>476</td>
</tr>
<tr>
<td>Share of net profits/(losses)</td>
<td>103</td>
<td>59</td>
<td>(8)</td>
</tr>
<tr>
<td>of associates and joint ventures</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Impairments charges</td>
<td>(70)</td>
<td>(42)</td>
<td>(131)</td>
</tr>
<tr>
<td>Provisions for credit losses</td>
<td>(72)</td>
<td>(122)</td>
<td>(149)</td>
</tr>
<tr>
<td>Other income</td>
<td>507</td>
<td>609</td>
<td>953</td>
</tr>
</tbody>
</table>

- **Net operating income**: 5,397, 5,146, 5,218
- **Employment expenses**: (2,261), (2,089), (2,290)
- **Brokerage, commissions and trading-related expenses**: (422), (434), (418)
- **Other operating expenses**: (1,010), (1,004), (1,025)
- **Total operating expenses**: (3,693), (3,527), (3,733)
- **Operating profit before tax and non-controlling interests**: 1,704, 1,619, 1,485
- **Income tax expense**: (448), (430), (438)
- **Non-controlling interests**: (8), (22), 3
- **Profit attributable to MGL shareholders**: 1,248, 1,167, 1,050

- Net interest and trading income of $A1,892m, up 1% on 1H17 was mainly driven by:
  - Volume growth in BFS loan and deposit portfolios and improved margins
  - Reduced cost of holding long-term liquidity in Corporate
  - Partially offset by:
    - Reduced interest income from Macquarie Capital’s debt investment portfolio and higher funding costs associated with the increase in principal investments (including the acquisition of GIG)
    - Lower trading income in CGM as a result of lower market volatility
- Fee and commission income of $A2,568m, up 17% on 1H17 largely driven by higher performance fees in MAM
- Net operating lease income of $A469m, down 1% with improved underlying income in CAF from Aviation, Energy, and Technology portfolios offset by foreign exchange movements
- Share of net profits/(losses) of associates of $A103m, up from a loss of ($A8m) in 1H17 primarily due to the improved underlying performance of investments held in Macquarie Capital
- Impairment charges of $A70m, down 47%. 1H17 included impairments in BFS and Macquarie Capital
- Provisions for credit losses of $A72m, down 52% on 1H17 reflecting improved performance of underlying credit portfolios and reversal of collective provisions in CAF Principal Finance as a result of a reduction in book size
- Other income of $A507m, down 47% on 1H17 with lower principal gains in Macquarie Capital and CGM, and the non-recurrence on the gain on sale of Macquarie Life’s risk insurance business in 1H17 by BFS
- Employment expenses of $A2,261m, down 1% on 1H17 driven by lower average headcount and favourable foreign currency movements, partially offset by higher performance-related profit share
- Other operating expenses of $A1,010m, down 1% on 1H17 due to reduced project activity in BFS and the realisation of benefits from cost synergies following the merger of CFM and MSG. This was partially offset by transaction, integration and ongoing costs associated with the GIG acquisition in Macquarie Capital
- Income tax expense of $A448 million increased 2% due to higher profit before tax. Effective tax rate of 26.4% was broadly in line with 2H17 (26.9%), reflecting the geographic mix and nature of earnings
Income Statement by Operating Group

- **1H17 NPAT:** 1,050
- **MAM:** 332
- **CAF:** 98
- **BFS:** 25
- **CGM:** (112)
- **Corporate (excl. tax expense):** (120)
- **Tax expense:** (15)
- **1H18 NPAT:** 1,248
Macquarie Asset Management
Strong result; 1H18 benefiting from strong performance fees

KEY DRIVERS

- Higher performance fees with 1H18 benefiting from fees from MEIF3, MQA and other MIRA-managed funds and co-investors
- Underlying base fees up:
  - Increased fees as a result of investments made by MIRA-managed funds, growth in the MSIS Infrastructure Debt business and positive market movements in MIM AUM
  - Partially offset by asset realisations by MIRA-managed funds, net flow impacts in the MIM business and foreign exchange
- Investment-related income, which includes gains from sale and reclassification of certain infrastructure investments, and equity accounted income, broadly in line with 1H17

1. Represents movement in net gains on sale and reclassification of debt and equity investments and non-financial assets, share of net profits of associates and joint ventures accounted for using the equity method, and dividend and distribution income.
MAM AUM movement

1. Includes movement in contractual insurance assets.
2. Includes divestment of Thames Water by MIRA-managed funds and ceasing asset services to consortia investors ($A25b).
3. MIDIS increase offset by maturing Australian retail products.
4. MIRA tracks its funds under management using an EUM measure as base management fee income is typically aligned with EUM. EUM and AUM are calculated under different methodologies and as such, EUM movement is the more relevant metric for analysis purposes – refer to MIRA EUM movement on slide 52.
5. MIRA's total EUM includes market capitalisation at measurement date for listed funds, the sum of original committed capital less capital subsequently returned for unlisted funds and mandates as well as invested capital for managed businesses. AUM is calculated as proportional enterprise value at measurement date including equity value and net debt of the underlying assets of funds and managed assets. AUM excludes uninvested equity in MIRA. Refer MD&A s7.1 & 7.2 for further information with respect to EUM and AUM measures.

1. Includes movement in contractual insurance assets. 2. Includes divestment of Thames Water by MIRA-managed funds and ceasing asset services to consortia investors ($A25b). 3. MIDIS increase offset by maturing Australian retail products. 4. MIRA tracks its funds under management using an EUM measure as base management fee income is typically aligned with EUM. EUM and AUM are calculated under different methodologies and as such, EUM movement is the more relevant metric for analysis purposes — refer to MIRA EUM movement on slide 52. MIRA’s total EUM includes market capitalisation at measurement date for listed funds, the sum of original committed capital less capital subsequently returned for unlisted funds and mandates as well as invested capital for managed businesses. AUM is calculated as proportional enterprise value at measurement date including equity value and net debt of the underlying assets of funds and managed assets. AUM excludes uninvested equity in MIRA. Refer MD&A s7.1 & 7.2 for further information with respect to EUM and AUM measures.
MIRA EUM movement

<table>
<thead>
<tr>
<th>Date</th>
<th>Capital raised</th>
<th>Acquisition of GIG</th>
<th>Listed security price movements</th>
<th>Capital returned or no longer managed¹</th>
<th>FX²</th>
<th>30 Sep 17 EUM</th>
</tr>
</thead>
<tbody>
<tr>
<td>31 Mar 17</td>
<td>77.2</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>79.5</td>
</tr>
<tr>
<td>30 Sep 17</td>
<td></td>
<td></td>
<td>(0.3)</td>
<td>(6.7)</td>
<td>0.9</td>
<td></td>
</tr>
</tbody>
</table>

1. Committed capital returned by unlisted funds or under mandates due to asset divestments, redemption or other capital distributions as well as capital no longer managed due to sale of management rights or expiry of asset management agreements. 2. FX reflects the movement in EUM driven by changes in FX rates. EUM is calculated using capital commitments translated at period end FX rates. Spot FX rates are used for capital raised and returned and average FX rates are used for security price movements.
Corporate and Asset Finance

Higher Asset Finance and Principal Finance income and lower impairments

KEY DRIVERS

- Increased income from Asset Finance due to improved underlying contributions from Aviation, Resources and Energy portfolios, partially offset by unfavourable FX movements. Vehicles contribution broadly flat.

- Increased income from Principal Finance with higher prepayments, realisations and investment-related income, partially offset by lower interest income as a result of a reduction in portfolio size.

- Lower impairments reflecting net loan repayments (partial reversal of collective provisions) and improved credit performance of underlying portfolios.

- Other movement largely reflects reduced gains from the sale of aircraft.

$Am

<table>
<thead>
<tr>
<th></th>
<th>1H17 NPC</th>
<th>Higher Asset Finance income</th>
<th>Higher Principal Finance income</th>
<th>Lower impairments</th>
<th>Other</th>
<th>1H18 NPC</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>22</td>
<td>25</td>
<td>62</td>
<td>(11)</td>
<td>619</td>
</tr>
</tbody>
</table>

1H17 NPC 
Higher Asset Finance income 
Higher Principal Finance income 
Lower impairments 
Other 
1H18 NPC
Banking and Financial Services

Strong business growth across the portfolio

KEY DRIVERS

- **1H17** impacted by:
  - net overall gain on the disposal of Macquarie Life’s risk insurance business to Zurich Australia Limited and the US mortgages portfolio
  - A change in approach to the capitalisation of software expenses in relation to the Core Banking platform and non-recurring technology spend
  - Impairment of certain equity positions and impairments of intangibles relating to the Core Banking platform

- **1H18** experienced lower credit provisions compared to 1H17

- Underlying Business growth in 1H18:
  - Average Australian loan portfolio increased 3% on 1H17 driven by average business lending growth of 11% and a 5% increase in the average Australian mortgages portfolio
  - Average BFS deposits volumes increased 11%
  - NIM increased across Australian mortgages, business lending portfolios and BFS deposits

---

1. 1H17 included impairment charge on equity investments ($A15m), intangibles ($A10m) and Core Banking project impairments ($A19m).
2. Income relating to businesses sold in 1H17 which includes the sale of Macquarie Life’s risk insurance business to Zurich Australia Limited, the sale of the US mortgages portfolio and the continued run down of the Canadian mortgage portfolio.

---

1H17 NPC

- Lower net gain on disposal of businesses
- Accelerated and increased technology related expenses and other items in 1H17
- Lower equity and other impairments
- Lower credit provisions
- Reduced underlying income from businesses sold
- Business growth
- 1H18 NPC

$Am

350
300
250
200
150
100
50

261
(191)
77
46
24
(10)
79
286
-50
100
150
200
250
300
Commodities and Global Markets

Lower result with 1H17 benefiting from strong investment-related income

KEY DRIVERS

- Lower investment-related income with 1H17 benefiting from gains on sale of a number of investments, mainly in energy and related sectors
- Net interest and trading income (net of associated expenses):
  - Commodities:
    - Risk management products down $A36m reflecting lower volatility resulting in reduced client activity and trading opportunities
    - Lending and financing down $A34m, largely due to a reduction in average loan balances in oil and gas sectors due to the wind down of residual Metals, Energy Capital and other legacy portfolios
    - Inventory management, transport and storage in line with 1H17
  - Increased interest rates and foreign exchange income underpinned by strong contributions from FX and interest rate markets in Japan, EMEA, and North America. Credit remains subdued
  - Equities up reflecting improvements in Asia following challenging conditions in 1H17 and strong demand for structured client capital solutions
- Lower operating expenses reflecting reduced commodity-related trading activity, reduced average headcount and associated activity, and realisation of benefits from cost synergies following the merger of CFM and MSG
- Movement in Other reflects lower equities-related brokerage and commission fee income largely offset by increased equity accounted income as a result of improved performance of the underlying portfolio of investments

1. Represents movement in net gains on sale and reclassification of debt and equity investments and non-financial assets.
Macquarie Capital

Lower impairments and higher fees offset by lower investment-related income

KEY DRIVERS

• Increased fee income:
  – M&A: lower fee income in the US and Asia, partially offset by higher income in Australia
  – ECM: reflects subdued conditions in Australia
  – DCM: higher fee income in the US due to increased client activity

• Investment-related income (excluding non-controlling interests) down on 1H17:
  – Lower gains on sale of investments
  – Decreased net interest reflecting lower interest income from the debt investment portfolio and higher funding costs for principal investments (including the acquisition of GIG)
  – Partially offset by an increase in equity accounted income as a result of the improved underlying performance of investments

• Lower impairment charges with 1H17 impacted by a small number of underperforming principal investments

• Other includes transaction, integration and ongoing costs associated with the acquisition of GIG and higher operating expenses from increased principal activity

1. Includes movements in share of net profits/(losses) of associates and joint ventures accounted for using the equity method, net gains on sale and reclassification of equity and debt investments, net interest and trading income (which represents the interest earned from debt investments and the funding costs associated with Macquarie Capital’s Investments and funding of DCM portfolio), other income and non-controlling interests.
Impairment expense

**KEY DRIVERS**

- Decrease in CAF reflecting net loan repayments (reversal of collective provisions) and improved credit performance of underlying portfolios
- Decrease in BFS with 1H17 impacted by the underperformance of certain equity positions, impairments of intangibles relating to the Core Banking platform and higher business lending provisions on a small number of loans
- Decrease in Macquarie Capital with 1H17 impacted by a small number of underperforming principal investments
- Corporate includes impairments relating to legacy assets

Note: Impairment expense includes collective allowance for credit losses, specific provisions and write-offs, impairment charge on non-financial assets, and impairment charge on investment securities available for sale, interest in associates and joint ventures.
Costs of compliance

<table>
<thead>
<tr>
<th>Regulatory project spend</th>
<th>1H18 $Am</th>
<th>2H17 $Am</th>
<th>1H17 $Am</th>
</tr>
</thead>
<tbody>
<tr>
<td>Basel III and liquidity</td>
<td>4</td>
<td>7</td>
<td>5</td>
</tr>
<tr>
<td>OTC reform</td>
<td>5</td>
<td>13</td>
<td>9</td>
</tr>
<tr>
<td>MiFID II</td>
<td>10</td>
<td>5</td>
<td>1</td>
</tr>
<tr>
<td>Other Regulatory Projects (e.g. Privacy, Managed Investment)</td>
<td>36</td>
<td>21</td>
<td>24</td>
</tr>
<tr>
<td><strong>Sub-total</strong></td>
<td><strong>55</strong></td>
<td><strong>46</strong></td>
<td><strong>39</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Business as usual compliance spend</th>
<th>1H18 $Am</th>
<th>2H17 $Am</th>
<th>1H17 $Am</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financial, Regulatory &amp; Tax reporting and Compliance</td>
<td>54</td>
<td>57</td>
<td>58</td>
</tr>
<tr>
<td>Compliance policy and oversight</td>
<td>44</td>
<td>38</td>
<td>41</td>
</tr>
<tr>
<td>AML Compliance</td>
<td>16</td>
<td>12</td>
<td>12</td>
</tr>
<tr>
<td>Regulatory Capital Management</td>
<td>9</td>
<td>9</td>
<td>8</td>
</tr>
<tr>
<td>Regulator Levies</td>
<td>8</td>
<td>-</td>
<td>6</td>
</tr>
<tr>
<td>Other Compliance functions (e.g. Privacy, Super, Consumer Protection)</td>
<td>34</td>
<td>32</td>
<td>46</td>
</tr>
<tr>
<td><strong>Sub-total</strong></td>
<td><strong>165</strong></td>
<td><strong>148</strong></td>
<td><strong>171</strong></td>
</tr>
</tbody>
</table>

| Total compliance spend                                      | 220      | 194      | 210      |

- The industry continues to see an increase in regulatory initiatives, resulting in increased compliance requirements across all levels of the organisation
- Direct cost of compliance approx. $A220m in 1H18 (excluding indirect costs), up on 1H17
- Project spend has increased during 1H18, as a result of new projects
Diversified issuance strategy

Term funding as at 30 Sep 17 – diversified by currency\(^1\), tenor\(^2\) and type

- **Currency**
  - AUD 45%
  - USD 42%
  - EUR 6%
  - GBP 2%
  - CHF 2%
  - JPY 2%
  - OTH 1%

- **Tenor**
  - Securitisations > 1 yr 12%
  - 1-2yrs 14%
  - >5yrs 43%
  - 2-3yrs 14%
  - 3-4yrs 11%
  - 4-5yrs 6%

- **Type**
  - Senior Unsecured 35%
  - Secured Funding 4%
  - Private Placement 6%
  - Subordinated debt 8%
  - Covered Bonds 1%
  - PUMA RMBS 6%
  - SMART ABS 7%
  - Equity & Hybrids 26%

- **Issuances**
  - Private Placement 6%
  - Secured Funding 4%
  - Senior Unsecured 35%
  - Subordinated debt 8%
  - Covered Bonds 1%
  - PUMA RMBS 6%
  - SMART ABS 7%
  - Equity & Hybrids 26%

- **Maturities**
  - <1 yr
  - 1-2yrs
  - 2-3yrs
  - 3-4yrs
  - 4-5yrs
  - >5yrs

**Notes:**
1. Equity has been allocated to the AUD currency category.
2. Securitisations have been presented on a behavioural basis and represent funding expected to mature in >1yr.
3. Issuances and Maturities exclude securitisations and other secured finance. Issuances are converted to AUD at the 30 Sep 17 spot rate. Maturities shown are as at 30 Sep 17.

- **Well diversified issuance and funding sources**
- **Term funding beyond 1 year (excluding equity and securitisations) has a weighted average maturity of 4.2 years**
Continued customer deposit growth

- Macquarie has been successful in pursuing its strategy of diversifying its funding sources through growing its deposit base
  - In excess of 1 million BFS clients, of which approx. 560,000 are depositors
  - Focus on the composition and quality of the deposit base
  - Continue to grow deposits in the CMA product, which has an average account balance of approx. $A45,000

<table>
<thead>
<tr>
<th>Year</th>
<th>Deposits ($Ab)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mar 11</td>
<td>31.6</td>
</tr>
<tr>
<td>Mar 12</td>
<td>33.9</td>
</tr>
<tr>
<td>Mar 13</td>
<td>36.2</td>
</tr>
<tr>
<td>Mar 14</td>
<td>36.9</td>
</tr>
<tr>
<td>Mar 15</td>
<td>39.7</td>
</tr>
<tr>
<td>Mar 16</td>
<td>43.6</td>
</tr>
<tr>
<td>Mar 17</td>
<td>47.8</td>
</tr>
<tr>
<td>Sep 17</td>
<td>49.4</td>
</tr>
</tbody>
</table>

Note: Total customer deposits include BFS deposits of $A46.4b and $A3.0b of Corporate/Wholesale deposits.
## Loan and lease portfolios – Funded Balance Sheet

<table>
<thead>
<tr>
<th>Operating Group</th>
<th>Category</th>
<th>Sep 17 $Ab</th>
<th>Mar 17 $Ab</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>CAF</strong></td>
<td>Asset Finance&lt;sup&gt;2&lt;/sup&gt;</td>
<td>23.5</td>
<td>22.2</td>
<td>Secured by underlying financed assets</td>
</tr>
<tr>
<td></td>
<td>Finance lease assets</td>
<td>13.6</td>
<td>12.2</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Operating lease assets</td>
<td>9.9</td>
<td>10.0</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Principal Finance&lt;sup&gt;3&lt;/sup&gt;</td>
<td>5.7</td>
<td>6.6</td>
<td>Diversified corporate and real estate lending portfolio, predominately consisting of loans which are senior, secured, well covenanted and with a hold to maturity horizon</td>
</tr>
<tr>
<td></td>
<td>Total CAF</td>
<td>29.2</td>
<td>28.8</td>
<td></td>
</tr>
<tr>
<td><strong>BFS</strong></td>
<td>Retail Mortgages&lt;sup&gt;2,4&lt;/sup&gt;</td>
<td>25.4</td>
<td>23.5</td>
<td>Secured by residential property and predominately supported by mortgage insurance</td>
</tr>
<tr>
<td></td>
<td>Australia</td>
<td>25.4</td>
<td>23.0</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Canada, US and Other</td>
<td>-</td>
<td>0.5</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Business Banking&lt;sup&gt;4&lt;/sup&gt;</td>
<td>7.7</td>
<td>7.1</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total BFS</td>
<td>33.1</td>
<td>30.6</td>
<td></td>
</tr>
<tr>
<td><strong>CGM</strong></td>
<td>Resources and commodities</td>
<td>2.6</td>
<td>2.5</td>
<td>Diversified loan portfolio primarily to the resources sector that are secured by the underlying assets</td>
</tr>
<tr>
<td></td>
<td>Other</td>
<td>2.3</td>
<td>2.8</td>
<td>Predominately relates to recourse loans to financial institutions, as well as financing for real estate and other sectors</td>
</tr>
<tr>
<td></td>
<td>Total CGM</td>
<td>4.9</td>
<td>5.3</td>
<td></td>
</tr>
<tr>
<td><strong>MAM</strong></td>
<td>Structured investments</td>
<td>2.2</td>
<td>2.0</td>
<td>Loans to retail and wholesale counterparties that are secured against equities, investment funds or cash, or are protected by capital guarantees at maturity</td>
</tr>
<tr>
<td><strong>MacCap</strong></td>
<td>Corporate and other lending</td>
<td>0.7</td>
<td>0.8</td>
<td>Includes secured corporate lending</td>
</tr>
<tr>
<td></td>
<td>Total loan and lease assets per funded balance sheet&lt;sup&gt;5&lt;/sup&gt;</td>
<td>70.1</td>
<td>67.5</td>
<td></td>
</tr>
</tbody>
</table>

1. Loan assets are reported on a funded balance sheet basis and therefore exclude certain items such as assets that are funded by third parties with no recourse to Macquarie. In addition, loan assets at amortised cost per the statutory balance sheet of $A76.9b at 30 Sep 17 ($A76.7b at 31 Mar 17) are adjusted to include fundable assets not classified as loans on a statutory basis (e.g. assets subject to operating leases which are recorded in Property, Plant and Equipment and loans booked in Fair Value through F&L in the statutory balance sheet). 2. Australian Retail Mortgages per the funded balance sheet of $A25.4b differs from the figure disclosed on slide 30 of $A29.9b. 3. Principal Finance per the funded balance sheet of $A5.7b differs from the figure disclosed on slide 28 of $A5.6b. 4. Securitised business banking portfolio with underlying residential mortgages was included in Retail Mortgages: Australia and has been reclassified to Business Banking and restated accordingly in Mar 17. 5. Total loan assets per funded balance sheet includes self securitised assets.
## Equity investments of $A7.6b¹

<table>
<thead>
<tr>
<th>Category</th>
<th>Carrying value² Sep 17 $Ab</th>
<th>Carrying value² Mar 17 $Ab</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Macquarie Asset Management (MIRA) managed funds</td>
<td>1.9</td>
<td>1.6</td>
<td>Includes Macquarie Infrastructure Company, Macquarie Atlas Roads, Macquarie SBI Infrastructure Fund, MPF Holdings Limited, Macquarie Korea Infrastructure Fund, Macquarie European Infrastructure Fund 4</td>
</tr>
<tr>
<td>Investments acquired to seed new MIRA products and mandates</td>
<td>1.4</td>
<td>0.6</td>
<td>Includes held for sale investments acquired to seed new MIRA products and mandates. Balance includes a range of investments including Cadent Gas (gas distribution network in the UK) and other various investments</td>
</tr>
<tr>
<td>Other Macquarie managed funds</td>
<td>0.5</td>
<td>0.5</td>
<td>Includes MIM funds as well as investments that hedge directors’ profit share plan liabilities</td>
</tr>
<tr>
<td>Transport, industrial and infrastructure</td>
<td>0.9</td>
<td>0.6</td>
<td>Over 35 separate investments, increase includes new investments in the infrastructure sector in MacCap</td>
</tr>
<tr>
<td>Telcos, IT, media and entertainment</td>
<td>0.7</td>
<td>0.6</td>
<td>Over 40 separate investments</td>
</tr>
<tr>
<td>Energy, resources and commodities</td>
<td>1.7</td>
<td>0.6</td>
<td>Over 80 separate investments. Increase due to a number of additional investments mainly in MacCap, which included assets associated with GIG and a combined cycle gas plant</td>
</tr>
<tr>
<td>Real estate investment, property and funds management</td>
<td>0.1</td>
<td>0.1</td>
<td>Over 15 separate investments</td>
</tr>
<tr>
<td>Finance, wealth management and exchanges</td>
<td>0.4</td>
<td>0.4</td>
<td>Includes investments in fund managers, investment companies, securities exchanges and other corporations in the financial services industry</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td><strong>Total</strong> 7.6 5.0</td>
</tr>
</tbody>
</table>

¹. Equity investments per the statutory balance sheet of $A9.3b (Mar 17: $A7.2b) have been adjusted to reflect the total economic exposure to Macquarie. 2. Total funded equity investments of $A7.7b (Mar 17: $A5.5b), less available for sale and associates’ reserves of $A0.1b (Mar 17: $A0.5b).
Strong liquidity position maintained

- 153% average LCR for Sep 17 quarter, based on daily observations
  - Maintained well above regulatory minimums
  - Includes APRA approved AUD CLF allocation of $A5.0b for 2017 calendar year
- Reflects long-standing conservative approach to liquidity management
- $A30.1b of unencumbered liquid assets and cash on average over the quarter to Sep 17 (post applicable haircuts)

Unencumbered Liquid Asset Portfolio\(^1\)

<table>
<thead>
<tr>
<th>Quarter</th>
<th>HQLA</th>
<th>Available Cash</th>
<th>CLF</th>
<th>Surplus CLF Collateral</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mar 17 Qtr</td>
<td>7.9</td>
<td>5.0</td>
<td>2.8</td>
<td>13.8</td>
</tr>
<tr>
<td>Jun 17 Qtr</td>
<td>8.0</td>
<td>5.0</td>
<td>2.8</td>
<td>12.7</td>
</tr>
<tr>
<td>Sep 17 Qtr</td>
<td>7.7</td>
<td>5.0</td>
<td>3.9</td>
<td>13.5</td>
</tr>
</tbody>
</table>

MLB LCR position

- Mar 17 Qtr: 168%
- Jun 17 Qtr: 163%
- Sep 17 Qtr: 153%

Regulatory Minimum: 13.5%

1. Unencumbered Liquid Asset Portfolio represents the quarterly average of these balances.
APPENDIX

Glossary
## Glossary

<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Full Form</th>
</tr>
</thead>
<tbody>
<tr>
<td>$A / AUD</td>
<td>Australian Dollar</td>
</tr>
<tr>
<td>$C / CAD</td>
<td>Canadian Dollar</td>
</tr>
<tr>
<td>$US / USD</td>
<td>United States Dollar</td>
</tr>
<tr>
<td>£ / GBP</td>
<td>Pound Sterling</td>
</tr>
<tr>
<td>€</td>
<td>Euro</td>
</tr>
<tr>
<td>1H</td>
<td>Half-year ended 30 Sep</td>
</tr>
<tr>
<td>2H</td>
<td>Half-year ended 31 Mar</td>
</tr>
<tr>
<td>3Q</td>
<td>Quarter ended 31 Dec</td>
</tr>
<tr>
<td>ABN</td>
<td>Australian Business Number</td>
</tr>
<tr>
<td>AI</td>
<td>Artificial Intelligence</td>
</tr>
<tr>
<td>ANZ</td>
<td>Australia and New Zealand</td>
</tr>
<tr>
<td>API</td>
<td>Application Programming Interface</td>
</tr>
<tr>
<td>APRA</td>
<td>Australian Prudential Regulation Authority</td>
</tr>
<tr>
<td>Approx.</td>
<td>Approximately</td>
</tr>
<tr>
<td>ASX</td>
<td>Australian Securities Exchange</td>
</tr>
<tr>
<td>AUM</td>
<td>Assets Under Management</td>
</tr>
<tr>
<td>b</td>
<td>Billion</td>
</tr>
<tr>
<td>BCBS</td>
<td>Basel Committee on Banking Supervision</td>
</tr>
<tr>
<td>bcf/d</td>
<td>Billion Cubic Feet Per Day</td>
</tr>
<tr>
<td>BFS</td>
<td>Banking and Financial Services</td>
</tr>
<tr>
<td>CAF</td>
<td>Corporate and Asset Finance</td>
</tr>
<tr>
<td>CAGR</td>
<td>Compound Annual Growth Rate</td>
</tr>
<tr>
<td>CCB</td>
<td>Capital Conversion Buffer</td>
</tr>
<tr>
<td>CEO</td>
<td>Chief Executive Officer</td>
</tr>
<tr>
<td>CET1</td>
<td>Common Equity Tier 1</td>
</tr>
<tr>
<td>CFO</td>
<td>Chief Financial Officer</td>
</tr>
<tr>
<td>CGM</td>
<td>Commodities and Global Markets</td>
</tr>
<tr>
<td>CMA</td>
<td>Cash Management Account</td>
</tr>
<tr>
<td>CY</td>
<td>Calendar Year ended 31 Dec</td>
</tr>
<tr>
<td>DCM</td>
<td>Debt Capital Markets</td>
</tr>
<tr>
<td>DMA</td>
<td>Direct Market Access</td>
</tr>
<tr>
<td>DTA</td>
<td>Deferred Tax Asset</td>
</tr>
<tr>
<td>ECA</td>
<td>Export Credit Agency</td>
</tr>
<tr>
<td>ECM</td>
<td>Equity Capital Markets</td>
</tr>
<tr>
<td>EMEA</td>
<td>Europe, Middle East and Africa</td>
</tr>
<tr>
<td>EUM</td>
<td>Equity Under Management</td>
</tr>
<tr>
<td>FX</td>
<td>Foreign Exchange</td>
</tr>
<tr>
<td>FY</td>
<td>Full year ended 31 Mar</td>
</tr>
<tr>
<td>GIG</td>
<td>Green Investment Group (rebranded from Green Investment Bank)</td>
</tr>
<tr>
<td>GDP</td>
<td>Gross Domestic Product</td>
</tr>
</tbody>
</table>
Glossary

GW  Gigawatt
GWH  Gigawatt Hours
HK  Hong Kong
HR  Human Resources
IT  Information Technology
JV  Joint Venture
KM  Kilometre
LBO  Leveraged Buyout
LCR  Liquidity Coverage Ratio
LNG  Liquefied Natural Gas
m  Million
M&A  Mergers and Acquisitions
MacCap  Macquarie Capital
MAIF  Macquarie Asian Infrastructure Fund
MAM  Macquarie Asset Management
MBL  Macquarie Bank Limited
MEIF  Macquarie European Infrastructure Fund
MGL / MQG  Macquarie Group Limited
MIDIS  Macquarie Infrastructure Debt Investment Solutions
MIM  Macquarie Investment Management

MIRA  Macquarie Infrastructure and Real Assets
mmboe  Million Barrels of Oil Equivalent
MSIS  Macquarie Specialised Investment Solutions
MW  Megawatt
MWp  Megawatt Peak
NGLs  Natural gas liquids
No.  Number
NPAT  Net Profit After Tax
NSFR  Net Stable Funding Ratio
p.a.  Per annum
pcp  Prior Corresponding Period
PPP  Public-Private Partnership
PV  Photovoltaic
RBA  Reserve Bank of Australia
ROE  Return on Equity
RWA  Risk Weighted Assets
SMSF  Self Managed Super Fund
S&P  Standard & Poor’s
t / tr  Trillion
TMET  Telecommunications, Media, Entertainment and Technology
MIRA  Macquarie Infrastructure and Real Assets
## Glossary

<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Full Form</th>
</tr>
</thead>
<tbody>
<tr>
<td>UK</td>
<td>United Kingdom</td>
</tr>
<tr>
<td>UK GIB</td>
<td>United Kingdom Green Investment Bank</td>
</tr>
<tr>
<td>US / USA</td>
<td>United States of America</td>
</tr>
<tr>
<td>yr</td>
<td>Year</td>
</tr>
<tr>
<td>YTD</td>
<td>Year To Date</td>
</tr>
</tbody>
</table>
21st Annual Credit Suisse Asian Investment Conference

Hong Kong

Presentation to Investors and Analysts
19-22 March 2018

Alex Harvey
Chief Financial Officer

Stuart Green
Group Treasurer

Sam Dobson
Head of Investor Relations