



MACQUARIE

Macquarie in the Americas

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Country Head - US

Macquarie Group Limited

Operational Briefing

8 February 2011 – Presentation to Investors and Analysts



The changing face of Macquarie in the Americas

Metric	30 Sep 08	30 Sep 10
Total headcount	1,991	3,732
% of global income contribution¹	8%	27%
% of global headcount	14%	24%
Offices across Americas	19	31

Expanding regional reach

31 office locations across the US, Canada and Latin America



1. Income contribution based on 6 months to 30 Sep.

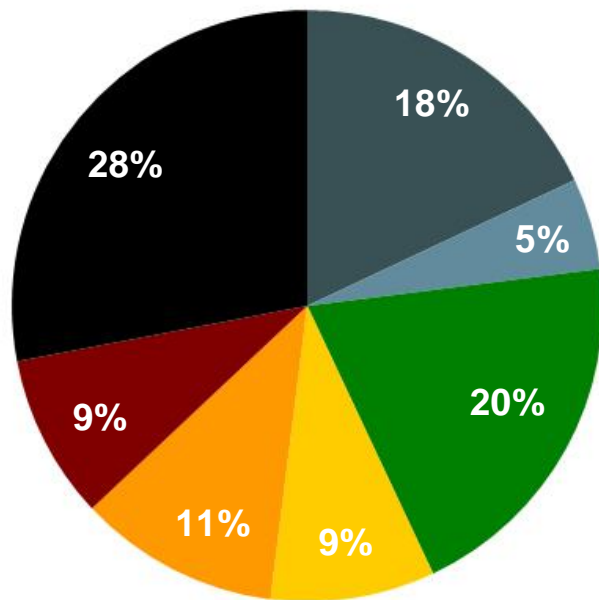


Diversified group-wide capabilities

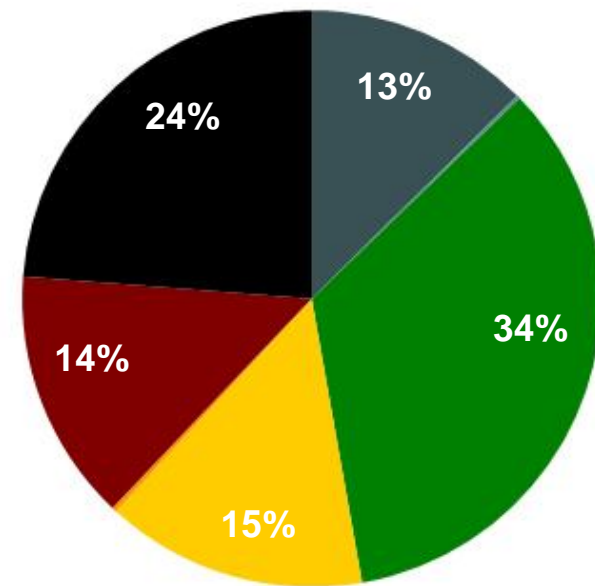
Income¹ by Source - 6 months to 30 Sep 10

The American businesses contributed 27% of Macquarie's total income in 1H11

Macquarie Group worldwide



Americas



- Institutional and retail cash equities
- Equity derivatives
- Funds management
- M&A and advisory income
- Asset and equity investments
- Commodities, resources and foreign exchange
- Lending, leasing, fixed income and margin related income

1. Operating income before writedowns, impairments, equity accounted gains/(losses) and one-off items.



Positioning for success in the Americas

A hybrid approach

Bulge Bracket 'Banks'

League table focus

Predominantly focused on large cap corporates and financial sponsors

Full product suite

Macquarie opportunity

Boutique / Independent Firms

Narrow product suite

Restricted access to capital

Limited international coverage

Limited scale



Leveraging Macquarie's core strengths

Leading Asia-Pacific presence

Strong sector focus, deep relationships

Global platform strength and scale

Strong balance sheet

Entrepreneurial approach, capital partnering



Bringing specialist expertise and a differentiated approach to target markets

Institutional and Retail Cash Equities

- Equities underwriting and distribution capabilities
- Strong mid-market coverage, but not at expense of large cap
- Comprehensive institutional distribution platform
- Canadian retail distribution platform

Debt Capital Markets and Fixed Income

- Senior secured and unsecured debt underwriting and distribution capabilities
- Full service fixed income sales and trading with focus on non-investment grade and distressed credit and Commercial Mortgage-Backed Securities

Corporate Advisory

- Combining focused client coverage with flexibility to respond to opportunities
- Leveraging experience in six key sectors

Leasing and Lending

- Primary loan origination leveraging our hold capabilities
- Customised bilateral/club lending and full service asset finance
- Commercial mortgage financing

Target Markets

Commodities

- Deep sector expertise in energy, metals & mining and agriculture
- Significant and growing physical presence
- Ability to deploy balance sheet across the capital structure
- Agricultural OTC products in North and Latin America

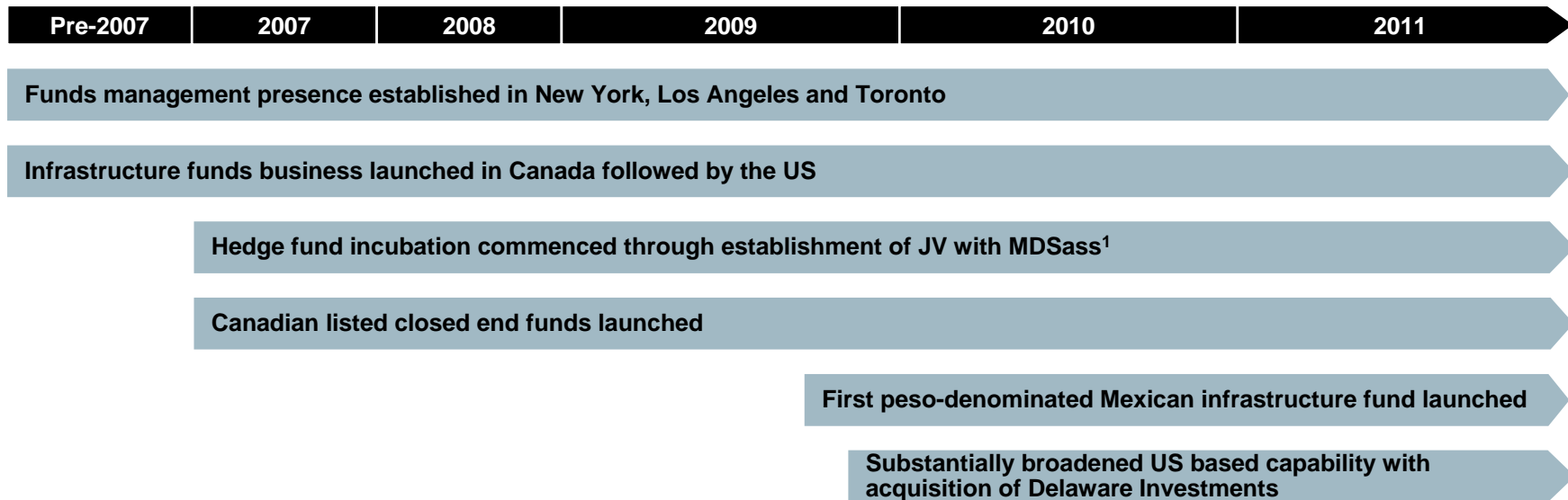
Funds Management

- Global specialised asset management expertise, consistent with Macquarie's core strengths
- Deep institutional relationships



Growing in the Americas

Funds management



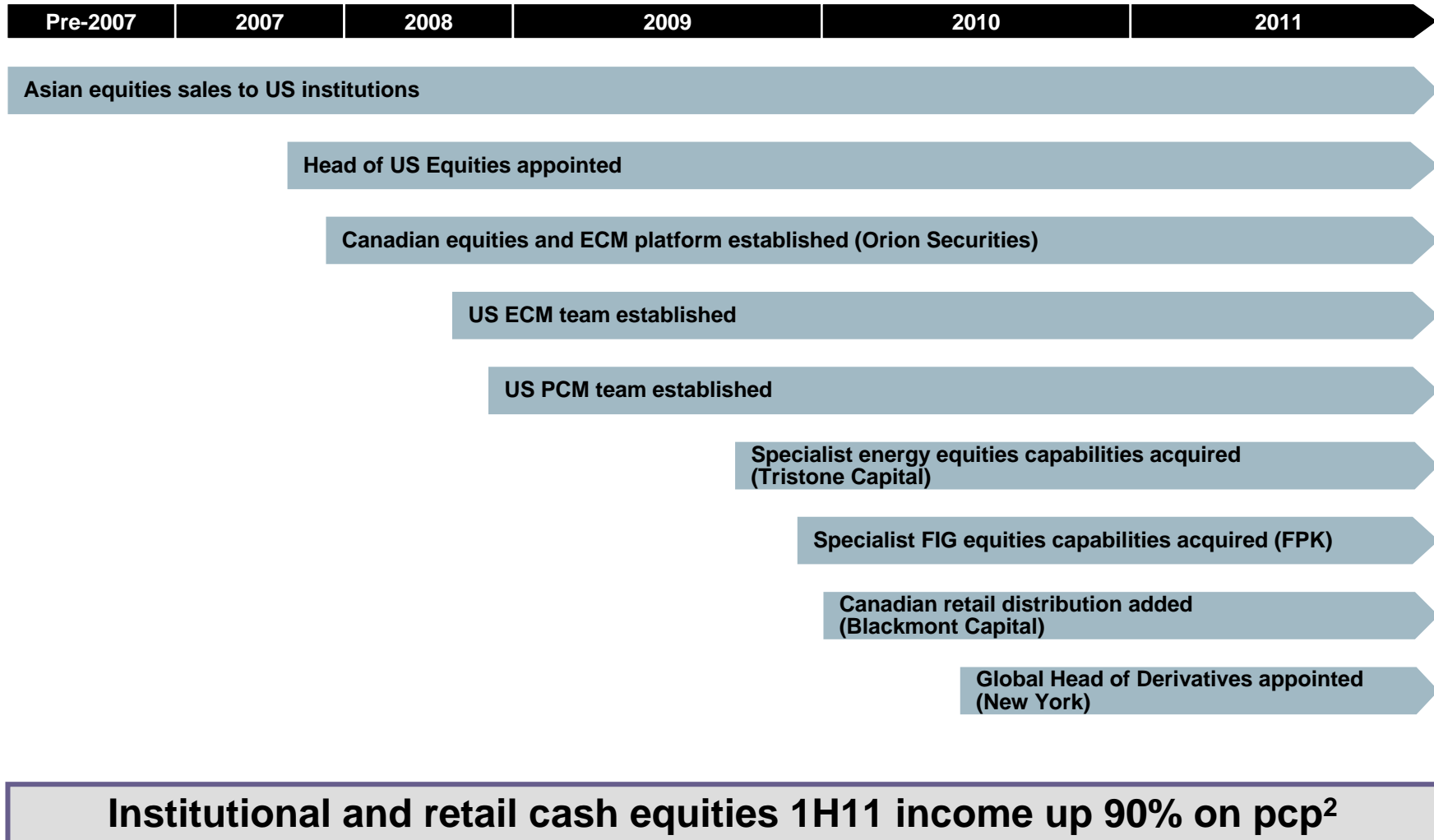
AUM of \$A159b (30 Sep 10), up 248% on pcp²

1. MDSass is a New York-based investment management firm. 2. Within the Americas.



Growing in the Americas

Institutional and retail cash equities¹

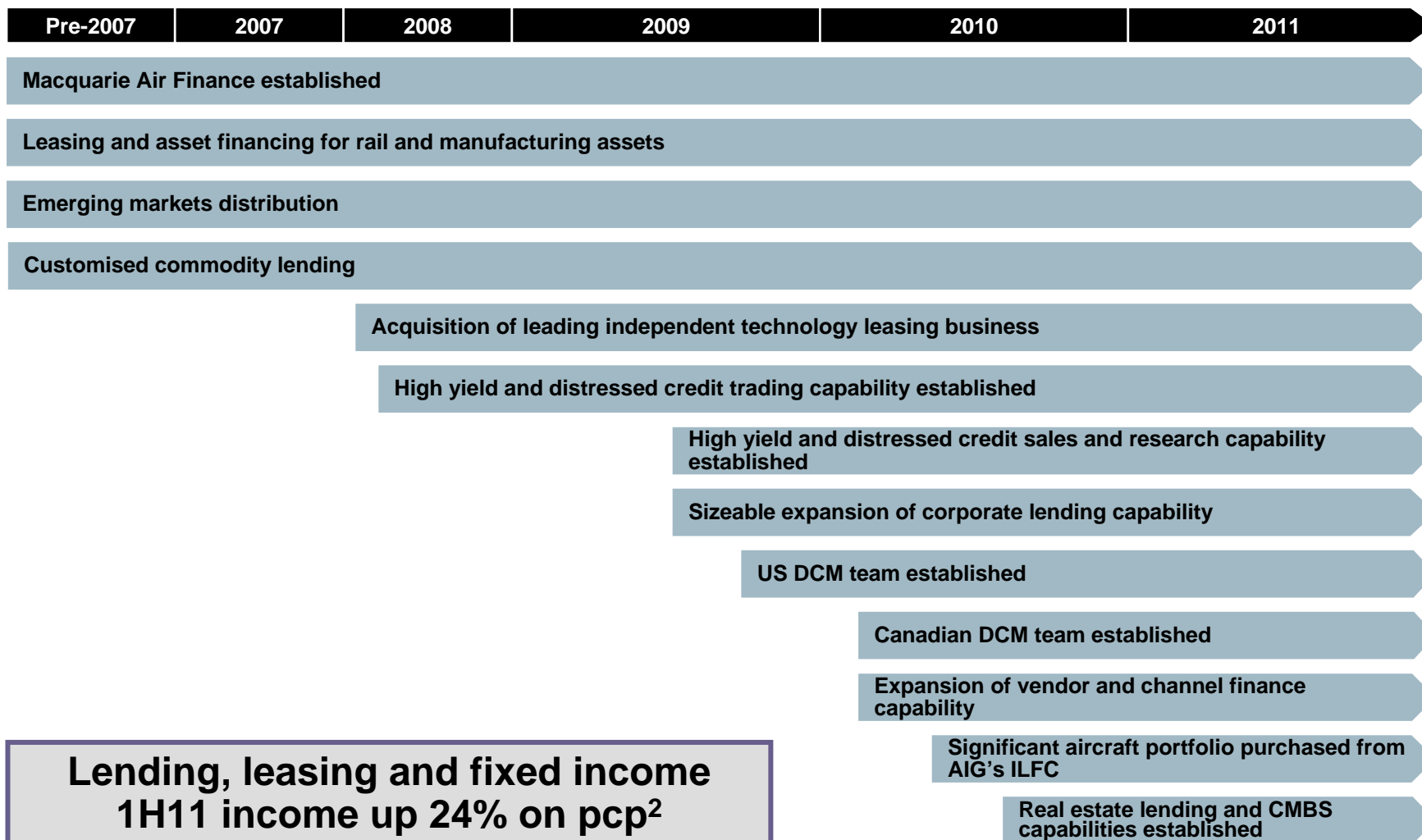


1. Including 50% of Americas' ECM revenue. 2. Within the Americas.



Growing in the Americas

Lending, leasing and fixed income¹

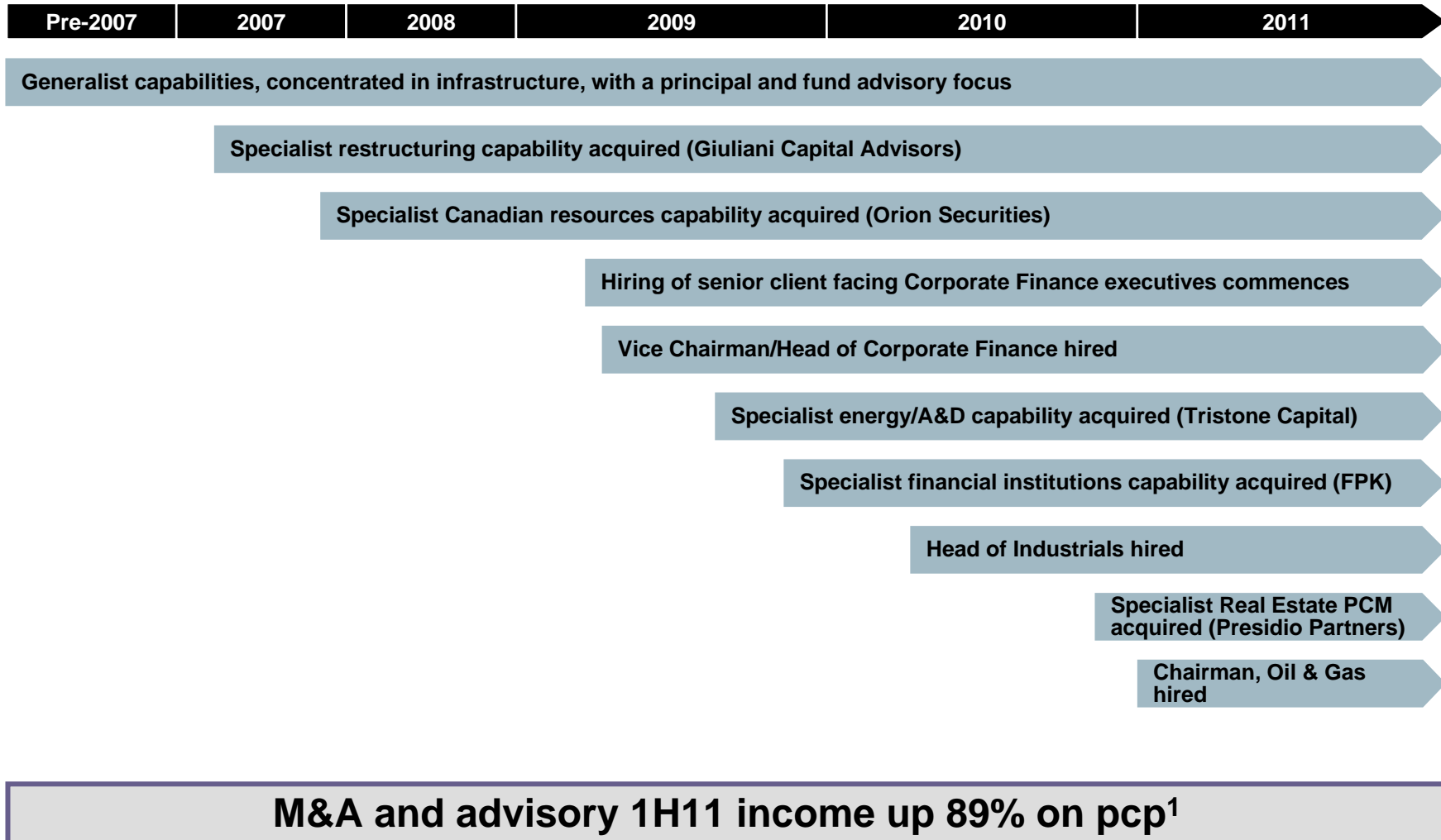


1. Including 50% of Americas' DCM revenue. 2. Within the Americas.



Growing in the Americas

M&A and advisory

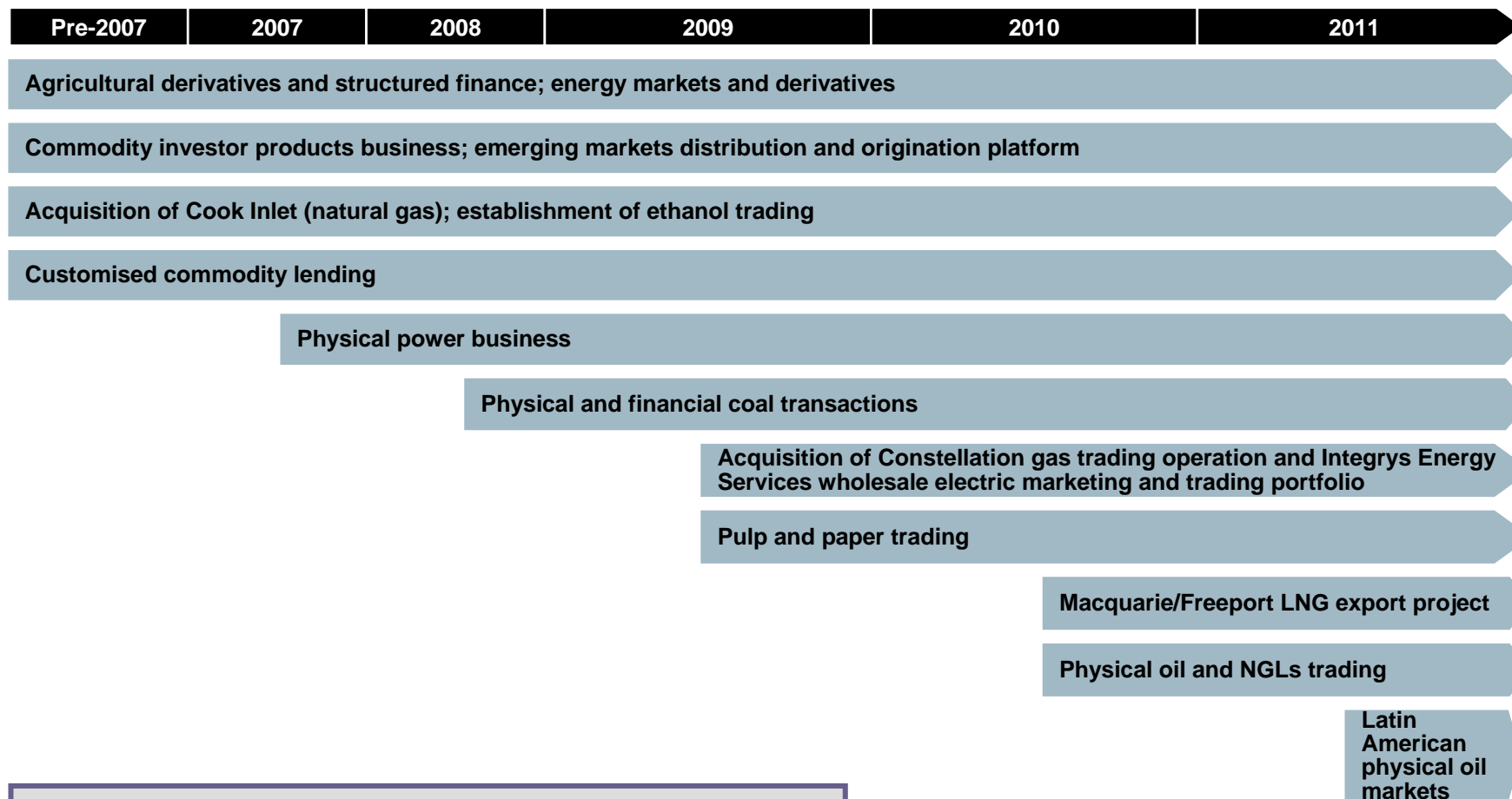


1. Within the Americas.



Growing in the Americas

Commodities, resources and foreign exchange



Commodities, resources and foreign exchange 1H11 income up 55% on pcp¹

1. Within the Americas.



Deep and comprehensive industry expertise, aligned group-wide



















Sector	Real Estate	Infrastructure, Utilities & Renewables	Industrials	Financial Institutions	TMET	Resources (Energy & Mining)
No. of publishing analysts	3	6	7	17	8	17
No. of ECM deals ¹	33	21	5	21	2	107
No. of DCM deals ¹	1	2	14	4	5	4
% of lending commitments ^{2,3}	2%	8%	35%	7%	14%	33% ⁴
CY10 attributable deal value (\$Am)	317	8,268	3,800	4,200	1,927	7,680
Group wide acquisitions	Presidio			FPK		Orion, Tristone, Constellation
	← Delaware, Blackmont →					

All data current as at 31 Jan 11 unless otherwise noted. 1.CY10. 2. As at 31 Dec 10. 3. Includes supply financing, pre-pay deals and commodity repurchase transactions. 4. Includes energy financing portfolio and structured commodity financing portfolio as it relates to energy.



Selected transactions by sector

Corporate Advisory CY10

Infrastructure, Utilities & Renewables	Real Estate	Industrials	Financial Institutions	TMET	Resources (Energy & Mining)
<p>Denver Fastracks</p> <p>Eagle P3 Commuter-rail Project</p> <p>\$US2.1 billion</p> <p>Financial Advisor Sponsor and Equity Underwriter</p> 	<p>General Growth Properties</p> <p>Follow-on Offering</p> <p>\$US2.3 billion</p> <p>Senior Co-Manager</p> 	<p>Centerplate</p> <p>Senior Secured Credit Facility</p> <p>\$US309 million</p> <p>Joint Lead Arranger Joint Bookrunner Syndication Agent</p> 	<p>Cooper Gay</p> <p>Merger with Swett & Crawford</p> <p>Undisclosed</p> <p>Lead Financial Advisor</p> 	<p>Teranet Inc.</p> <p>Acquisition of Renewed Licenses</p> <p>\$C1 billion</p> <p>Exclusive Financial Advisor</p> 	<p>InterOil</p> <p>Common Stock/Convertible Debt</p> <p>\$US210 million/ \$US70 million</p> <p>Joint Bookrunner Joint Lead Manager</p> 
<p>SouthWest Water Co.</p> <p>JPMorgan-led Consortium Acquisition</p> <p>\$US443 million</p> <p>Exclusive Financial Advisor</p> 	<p>General Growth Properties</p> <p>Revolving Credit Facility</p> <p>\$US300 million</p> <p>Joint Bookrunner</p> 	<p>GENCO</p> <p>Acquisition of ATC</p> <p>\$US513 million</p> <p>Lead Financial Advisor</p> 	<p>First Commonwealth</p> <p>Follow-on Offering</p> <p>\$US86 million</p> <p>Joint Bookrunner</p> 	<p>Midwest Gaming</p> <p>Senior Secured Facility</p> <p>\$US120 million</p> <p>Joint Lead Arranger</p> 	<p>Puda Coal</p> <p>Follow-on Offering</p> <p>\$US108 million</p> <p>Joint Lead Manager Joint Bookrunner</p> 
<p>Granite State Electric & Energy North Natural Gas</p> <p>Acquisition by Algonquin Power & Utilities</p> <p>\$US285 million</p> <p>Exclusive Financial Advisor</p> 	<p>DuPont Fabros Technology</p> <p>Follow-on Equity Offering</p> <p>\$US317 million</p> <p>Joint Bookrunner</p> 	<p>Bucyrus International</p> <p>Senior Debt Facility</p> <p>\$US0.4 billion</p> <p>Joint Bookrunner</p> 	<p>TD Bank</p> <p>Follow-on Offering</p> <p>\$US239 million</p> <p>Co-Manager</p> 	<p>Airvana</p> <p>Senior Secured Credit Facility</p> <p>\$US360 million</p> <p>Joint Lead Arranger Joint Bookrunner Co-Syndication Agent</p> 	<p>Semafo</p> <p>Prospectus Offering of Common Shares</p> <p>\$C120 million</p> <p>Co-Lead Manager</p> 



Evidence of progress in the Americas

13 bookrun
DCM deals and
38 bookrun
ECM deals in the US
and Canada in CY10

53 M&A deals
in the Americas CY10,
8 involving publicly
traded targets

~\$US39b
capital raised for
clients in the
Americas CY10

More than
\$US3b
in corporate lending
commitments in
North America 18
months to 31 Dec 10

#4
North American
physical gas
marketer¹

513
US stocks
under coverage

222 Canadian
stocks
under coverage

\$A159b
in assets under
management²

\$C10b
in assets under
administration
31 Dec 10

Structured
commodity financing
portfolio of
\$US919m
31 Dec 10

#8
ranked Canadian
equity dealer³

#11
ranked US equities
research 2010⁴

One of the
largest
independent
lessors
of technology in
North America

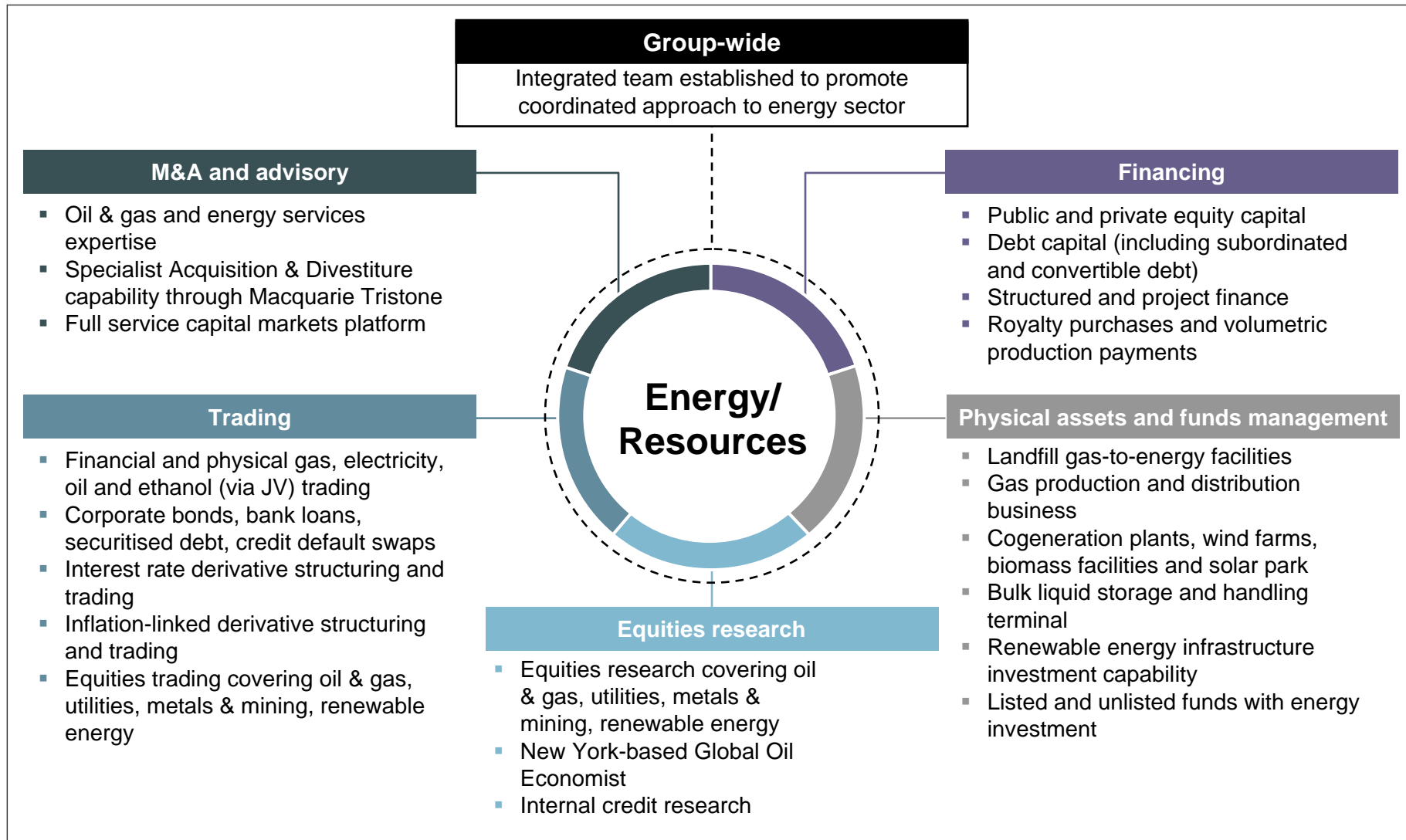
\$US24b in
AUM uplift
in Delaware
Investments during
CY10

30
investment advisors
added in CY10



Energy/Resources Case Study

Building complementary group-wide capabilities





Key challenges

- **Branding and positioning**
Macquarie brand and capabilities less well-known in the Americas
- **Integrated approach**
Evolving from single-product focus to delivering a full range of products and services to clients across sectors in an integrated way
- **Adaptation vs differentiation**
Combining the best aspects of US bulge bracket model while retaining Macquarie's unique strengths, including appetite for principal transactions, entrepreneurial culture and speed to market



Conclusion

- The US is the biggest financial services market in the world - significant opportunity
- Unique positioning to capitalise on core strengths and the market opportunity
- Key hires and strategic acquisitions gaining momentum
- Continuing to build brand profile and ensure delivery of unified business

A substantial and diversified business in the Americas, with comprehensive coverage in target sectors



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