Operational Briefing
Presentation to Investors and Analysts
4 February 2016
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Unless otherwise specified all information is as at 31 December 2015.
## Agenda

<table>
<thead>
<tr>
<th>Time</th>
<th>Topic</th>
<th>Speakers</th>
</tr>
</thead>
<tbody>
<tr>
<td>10.05</td>
<td><strong>Introduction</strong> – Karen Khadi</td>
<td></td>
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<tr>
<td>10.10</td>
<td><strong>Update since the interim result</strong> – Nicholas Moore</td>
<td></td>
</tr>
<tr>
<td>10.30</td>
<td><strong>Macquarie Asset Management</strong> – Shemara Wikramanayake, Martin Stanley, Ben Bruck</td>
<td></td>
</tr>
<tr>
<td>11.00</td>
<td><strong>Corporate Asset and Finance</strong> – Garry Farrell, Ben Brazil, Jon Moodie, Stephen Cook</td>
<td></td>
</tr>
<tr>
<td>11.40</td>
<td><strong>Europe, Middle East and Africa</strong> – David Fass</td>
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</tbody>
</table>
Update since the interim result
Nicholas Moore – Managing Director and Chief Executive Officer
# About Macquarie

## Building for the long term

| **Macquarie Asset Management** | • Top 50 global asset manager with $A487.2b\(^1\) of assets under management  
• Provides clients with access to a diverse range of capabilities and products, including infrastructure and real asset management, securities investment management and tailored investment solutions over funds and listed equities |
| **Corporate and Asset Finance** | • Global provider of specialist finance and asset management solutions, with $A39.7b\(^1\) of loans and leases  
• Global capability in corporate and real estate credit investing and lending  
• Expertise in asset finance including aircraft, motor vehicles, technology, healthcare, manufacturing, industrial, energy, rail and mining equipment |
| **Banking and Financial Services** | • Macquarie’s retail banking and financial services business  
• Provides a diverse range of personal banking, wealth management and business banking products and services to retail clients, advisers, brokers and business clients |
| **Macquarie Securities Group** | • Global institutional securities house with strong Asia-Pacific foundations covering sales, research, ECM, execution and derivatives and trading activities  
• Full-service cash equities in Australia, Asia, South Africa and Canada with specialised offerings in US and Europe. Specialised derivatives and trading offerings in key locations globally  
• Key specialities: Financial Institutions; Industrials; Infrastructure, Utilities and Renewables; Resources (mining and energy); Small-Mid Caps; and Telecommunications, Media, Entertainment and Technology (TMET) |
| **Macquarie Capital** | • Global corporate finance capability, including M&A, debt and equity capital markets, and principal investments  
• Key specialities in six industry groups: Financial Institutions; Industrials; Infrastructure, Utilities and Renewables; Real Estate; Resources (mining and energy); and TMET |
| **Commodities and Financial Markets** | • Provides clients with risk and capital solutions across physical and financial markets  
• Diverse platform covering more than 25 market segments, with more than 140 products  
• Expertise in providing clients with access to markets, financing, financial hedging, and physical execution  
• Growing presence in commodities (natural gas, LNG, NGLs, power, oil, coal, base metals, iron ore, sugar and freight) |

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1. As at 31 Dec 15.
3Q16 Overview

- Satisfactory trading conditions in 3Q16 across the Group
- Macquarie’s annuity-style businesses’ (Macquarie Asset Management, Corporate and Asset Finance and Banking and Financial Services) combined 3Q16 net profit contribution\(^1\) up on pcp (3Q15) but down on prior period (2Q16) which benefited from strong performance fees in Macquarie Asset Management
- Macquarie’s capital markets facing businesses’ (Macquarie Securities, Macquarie Capital and Commodities and Financial Markets) combined 3Q16 net profit contribution\(^1\) down on pcp, which benefited from fee income from the Freeport LNG transaction in CFM and Macquarie Capital, and up on prior period
  - Recent trading conditions reflect current market uncertainty

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\(^1\) Net profit contribution is management accounting profit before unallocated corporate costs, profit share and income tax.
3Q16 Overview
Annuity-style businesses

Operating Group | Market positions | Developments since 1H16
---|---|---
Macquarie Asset Management | • Top 50 global asset manager, Australia’s largest global asset manager | • AUM $A487.2b at Dec 15 down 3% on Sep 15 predominately driven by unfavourable spot exchange rate movements partly offset by positive market movements
| • Recognised as world’s largest manager of infrastructure and third largest manager of pension fund assets invested in alternatives<sup>1</sup> | • Macquarie Infrastructure and Real Assets: – Raised over $A1.4b in new equity, largely in Asian and Australian infrastructure – Invested $A1.2b of equity including infrastructure in Singapore, Austria and India – $A8.8b of equity to deploy at Dec 15 – Divested management rights in African Infrastructure funds and Singapore listed APTT<sup>3</sup>
| • Awarded 6 Lipper Awards in 2015<sup>2</sup> | • Macquarie Investment Management: – Awarded $A3.2b in new, funded institutional mandates across 4 strategies – Acquired Bennett Lawrence Management, LLC, a New York-based small and mid-cap growth team – Launched Asian Equities mutual fund to the US market
| • Mercer ranked Macquarie Alpha Opportunities as the top performing long-only Australian equities fund for 2015 | • Asian Alpha and European Alpha Funds remain at capacity; launch of Global and Americas Alpha Funds planned for 2016
| • Mercer ranked Macquarie Alpha Opportunities as the top performing long-only Australian equities fund for 2015 | • Macquarie Specialised Investment Solutions: – Continued to grow the Macquarie Infrastructure Debt Investment Solutions (MIDIS) business; total third party investor commitments on MIDIS over $A3.7b; closed a number of investments bringing total AUM to $A2.6b

Corporate and Asset Finance | • Leading market participant in bespoke primary lending across the US, EMEA and Australia; niche acquirer of loans and other credit assets in the secondary market | • Asset and loan portfolio of $A39.7b at Dec 15 up 23% on Sep 15
| • One of the largest providers of motor vehicle finance in Australia | • Continued growth in the asset finance portfolio to $A29.6b at Dec 15 up 39% on Sep 15, due to acquisitions which continue to transition, including AWAS Aviation Capital and the Esanda dealer finance portfolio
| • Top 10 global aircraft lessor | • As at 31 Dec 15, settled on 74 of the 87 aircraft committed from AWAS Aviation Capital in FY15
| • The largest deregulated traditional and smart meter provider in the UK with more than 7 million meters | • In Oct 15, entered into an agreement to acquire the Esanda dealer finance portfolio from ANZ Banking Group for $A8.2b comprising of retail and wholesale dealer finance on motor vehicles across Australia, of which $A6.6b has been acquired to date
| | • Strong securitisation activity of $A1.7b during 3Q16
| | • Lending’s funded loan portfolio of $A10.1b<sup>1</sup> at Dec 15 down 8% on Sep 15 driven by higher net repayments and unfavourable spot exchange rate movements
| | • Lending portfolio additions of $A0.6b in 3Q16 comprised of $A0.3b new primary financings across corporate and real estate, weighted towards bespoke originations, and $A0.3b of corporate loans and similar assets acquired in the secondary market

Banking and Financial Services | • iSelect’s Partner of the Year and Home Loans Partner of the Year 2015<sup>5</sup> | • Australian mortgage portfolio $A27.8b at Dec 15 up 1% on Sep 15, representing approx. 1.9% of the Australian market
| • Macquarie Wrap investment platforms 1st and 2nd in the Wealth Insights Platform Service Level Report 2015<sup>6</sup> | • Macquarie platform assets under administration $A39.8b at Dec 15 up 28% on Sep 15<sup>9</sup>
| • No.1 in the Brokers on Non-Majors 2015 survey by Australian Broker for the 3rd consecutive year<sup>7</sup> | • Total BFS deposits<sup>10</sup> of $A39.5b at Dec 15 up 2% on Sep 15
| • No.1 Cash and Term Deposits in the Core Data SMSF Service Provider Awards 2015 for the 2nd consecutive year<sup>8</sup> | • Average business banking deposit volumes at Dec 15 up 7% on Sep 15
| | • Macquarie Life income risk premiums $A246m at Dec 15 up 3% on Sep 15
| | • Launched Macquarie savings and transaction accounts, and new Macquarie Black credit card with premium rewards
| | • In Feb 16, signed agreement to provide administration services and develop a new wrap offering for ANZ’s wealth administration platform

<sup>1</sup> Assets under management, Towers Watson Global Alternatives Survey. 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. Transaction agreed in Jan 16. Completion is subject to relevant approvals. 4. Includes Real Estate Structured Finance legacy run-off portfolio. 5. iSelect Partner Awards 2015. 6. Macquarie Wrap Manager and Macquarie Wrap Consolidator ranked 1st and 2nd in the 2015 Wealth Insights Platform Service Level Report. 7. Brokers on Non-Majors Survey by Australian Broker 2015. 8. Core Data SMSF Service Provider Awards 2015. 9. Increase in part attributable to the transfer of $A2.9b of CHEME holdings and $A0.9b of CMAL Cash holdings associated with platform ready full service broker client accounts migrating to the Vision platform. 10. BFS deposits exclude any Corporate/Wholesale deposit balances.
3Q16 Overview
Capital markets facing businesses

<table>
<thead>
<tr>
<th>Operating Group</th>
<th>Market positions</th>
<th>Developments since 1H16</th>
</tr>
</thead>
</table>
| Macquarie Securities  | • Maintained equal 1st overall in the 2015 Peter Lee Survey of Australian Investors, including 1st for Research, equal 1st for Sales Trading & Execution, 1st for Quality of Underwritings, 1st for Conferences and 1st for Listed Company Access  
  • No.2 in Australia for ECM deals; market share of 20.1% in CY15 up from 16.2% in CY14  
  • Winner of two awards at the Australasian Investor Relations Association, 2015 Best Practice Investor Relations Awards - Best Domestic or Offshore Equities Conference, and Best Overall Offshore Australian Equities Sales Presence  
  • Ranked 3rd overall (up from 12th) in the Institutional Investor 2015 Rankings - All India Survey | • Market activity across Asia-Pacific was subdued during 3Q16 as macroeconomic concerns focusing on China growth and the US Federal Reserve's decision to increase interest rates created a challenging environment for clients that resulted in lower client activity and reduced volumes  
  • Completed the 100% acquisition of Macquarie First South joint venture in South Africa |
| Macquarie Capital     | • No.1 in Australia for announced and completed M&A  
  • No.2 in Australia for ECM deals  
  • Best IPO - Link Administration  
  • Best Secondary Offering - National Australia Bank  
  • Best FIG deal - Haitong Securities' $US4.3b H-share private placement  
  • No.1 European Project Finance Sponsor  
  • No.3 in UK for completed Infrastructure M&A  
  • Americas Power Deal of the Year - Salem Harbor  
  • No.8 US Buyouts by value and No.6 by count | • Completed 98 transactions valued at $A43b globally during the quarter  
  • ANZ - sole bookrunner and underwriter for Origin Energy's $A2.5b pro rata accelerated renounceable entitlement offer with retail rights trading, one of the largest fully underwritten secondary raisings with a sole bookrunner and underwriter ever on ASX  
  • Asia - successfully sold a 19.99% interest in Sino-Australian International Trust Co. Ltd to Chongqing Casin Limited Company  
  • EMEA - reached financial close on the acquisition of a 25% stake in the Galloper Offshore Wind Farm Project in the United Kingdom  
  • US - sole financial advisor to Kelso & Company on its acquisition of a majority stake in Risk Strategies Company and lead bookrunner and lead arranger on $US300m of senior secured credit facilities to support the transaction  
  • Recent market volatility currently impacting client sentiment |
| Commodities and Financial Markets | • Commodity Business Awards winner:  
  – Commodity House of the Year 2015 for the 2nd consecutive year  
  – Excellence in Agriculture & Softs Markets for the 6th consecutive year  
  • No. 4 US physical gas marketer in North America - the highest ranked non-producer | • Continued market volatility and falling oil prices led to increased customer activity across the energy platform  
  • Increased opportunities in Agriculture and Base Metals as market volatility continued  
  • Strong client flows in foreign exchange and interest rates markets due to ongoing market volatility  
  • Sharp sell-off in US credit markets resulted in a reduction in debt capital markets fees and secondary market client trading revenues |

13,791 staff in over 28 countries

Europe, Middle East & Africa
Staff: 1,376

- Europe
  - Amsterdam
  - Dublin
  - Frankfurt
  - Geneva
  - Glasgow
  - London
  - Luxembourg
  - Madrid
  - Munich
  - Paris
  - Vienna
  - Zurich

- Middle East
  - Abu Dhabi
  - Dubai

South Africa
- Cape Town
- Johannesburg

Asia
Staff: 3,530

- Asia
  - Bangkok
  - Beijing
  - Gurgaon
  - Hong Kong
  - Hsin Chu
  - Jakarta
  - Kuala Lumpur

- Manilla
- Mumbai
- Seoul
- Shanghai
- Singapore
- Taipei
- Tokyo

Australia
Staff: 6,368

- Australia
  - Adelaide
  - Albury
  - Brisbane
  - Canberra
  - Gold Coast
  - Manly
  - Melbourne
  - Newcastle
  - Perth
  - Sydney

- New Zealand
  - Auckland
  - Christchurch
  - Wellington

Americas
Staff: 2,517

- USA
  - Austin
  - Boston
  - Chicago
  - Denver
  - Houston
  - Los Angeles
  - Miami
  - Nashville
  - New York
  - Philadelphia
  - San Diego
  - San Francisco
  - San Jose

- Canada
  - Calgary
  - Montreal
  - Toronto
  - Vancouver

- Latin America
  - Mexico City
  - Ribeirao Preto
  - Sao Paulo

1. Staff numbers as at 31 Dec 15.  2. Includes New Zealand.
Funded balance sheet remains strong

- Increase in funded assets during the quarter largely due to the continued transitioning of AWAS and Esanda portfolios

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 and Loan Capital maturing within the next 12 months and Net Trade Creditors. 2. ‘Debt maturing beyond 12 mths’ includes Loan Capital not maturing within next 12 months. 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.
Strong regulatory ratios

Macquarie Bank Group (Dec 15) Harmonised ratios

1. Includes the capital conservation buffer in the minimum CET1 ratio requirement. Current BCBS proposed minimum leverage ratio is 3%, to be implemented from 1 Jan 18. Final calibration of the leverage ratio is due to be completed by 2017.
2. ‘Harmonised’ Basel III estimates are calculated in accordance with the BCBS Basel III framework.
3. Average LCR for Dec 15 quarter includes Oct, Nov and Dec month-end observations.
Regulatory update

- Conglomerates
  - In Aug 14, APRA issued its final rules for Conglomerates with implementation timing yet to be announced. We continue to work through the application of the rules with APRA and our current assessment remains that Macquarie has sufficient capital to meet the minimum APRA capital requirements for Conglomerates

- Financial System Inquiry
  - The government released its response to the Financial System Inquiry on 20 Oct 15, agreeing with the majority of the recommendations and setting a timetable for their implementation. The government endorsed APRA to implement most of the resilience recommendations and so the final design of any policy changes has yet to be determined
## Basel III capital position

- APRA Basel III Group capital at Dec 15 of $A17.3b, Group surplus of $A2.8b\(^1\)
- Bank Group APRA Basel III CET1 ratio: 9.9%; Tier 1 ratio: 11.0%; Leverage ratio: 5.2%
- Bank Group Harmonised Basel III CET1 ratio: 11.5%; Tier 1 ratio: 12.6%; Leverage ratio: 6.1%\(^2\)

### Group regulatory surplus: Basel III (Dec 15)

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount (Ab)</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Harmonised Basel III at Sep 15</td>
<td>6.2</td>
<td></td>
</tr>
<tr>
<td>Esanda Portfolio Acquisition</td>
<td>(0.8)</td>
<td></td>
</tr>
<tr>
<td>Capital Raisings(^3)</td>
<td>0.5</td>
<td></td>
</tr>
<tr>
<td>Net Capital Generation(^4)</td>
<td>(0.5)</td>
<td></td>
</tr>
<tr>
<td>1H16 Dividend</td>
<td>(0.1)</td>
<td></td>
</tr>
<tr>
<td>Other(^5)</td>
<td>6.0</td>
<td></td>
</tr>
<tr>
<td>Harmonised Basel III at Dec 15</td>
<td>4.5</td>
<td></td>
</tr>
<tr>
<td>APRA Basel III 'super equivalence'(^6)</td>
<td>(1.7)</td>
<td></td>
</tr>
<tr>
<td>APRA Basel III at Dec 15</td>
<td>4.2(^7)</td>
<td></td>
</tr>
</tbody>
</table>

1. Calculated at 8.5% RWA including capital conservation buffer (CCB), per APRA Prudential Standard 110.  2. ‘Harmonised’ Basel III estimates are calculated in accordance with the BCBS Basel III framework.  3. Includes redemption of Preferred Membership Interests offset by Macquarie Capital Notes 2 issuance.  4. Includes 3Q16 P&L and other movements in capital supply.  5. Includes business growth, the not impact of hedging employed to reduce the sensitivity of the Group’s capital position to FX translation movements and other movements in capital requirements.  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 ($A0.6b); deconsolidated subsidiaries ($A0.4b); DTAs and other impacts ($A0.7b).  7. The APRA Basel III Group surplus is $A4.2b calculated at 7% RWA, per the internal minimum Tier 1 ratio of the Bank Group.
Short term outlook

• Summarised below are the outlook statements for each Operating Group
• FY16 results will vary with market conditions, particularly the capital markets facing businesses

<table>
<thead>
<tr>
<th>Operating Group</th>
<th>FY08–FY15 historical range</th>
<th>FY08–FY15 average</th>
<th>FY15</th>
<th>FY16 outlook as announced on 30 October 2015¹</th>
<th>Update to FY16 outlook</th>
</tr>
</thead>
<tbody>
<tr>
<td>Macquarie Asset Management</td>
<td>$A0.3b – $A1.4b</td>
<td>$A0.8b</td>
<td>$A1.4b</td>
<td>Up on FY15</td>
<td>No change</td>
</tr>
<tr>
<td>Corporate and Asset Finance</td>
<td>$A0.1b – $A1.1b²</td>
<td>$A0.5b</td>
<td>$A1.1b</td>
<td>Broadly in line with FY15</td>
<td>No change</td>
</tr>
<tr>
<td>Banking and Financial Services</td>
<td>$A0.1b – $A0.3b³,⁴</td>
<td>$A0.2b⁴</td>
<td>$A0.3b</td>
<td>Up on FY15</td>
<td>No change</td>
</tr>
<tr>
<td>Macquarie Securities Group</td>
<td>$A(0.2)b – $A1.2b</td>
<td>$A0.3b</td>
<td>$A0.1b</td>
<td>Up on FY15</td>
<td>No change</td>
</tr>
<tr>
<td>Macquarie Capital</td>
<td>$A(0.1)b – $A1.2b</td>
<td>$A0.3b</td>
<td>$A0.4b</td>
<td>Up on FY15</td>
<td>No change</td>
</tr>
<tr>
<td>Commodities and Financial Markets</td>
<td>$A0.5b – $A0.8b</td>
<td>$A0.7b</td>
<td>$A0.8b</td>
<td>Broadly in line with FY15</td>
<td>Down on FY15 – whilst YTD performance has been broadly in line with pcp, currently expect 4Q16 trading to be lower than 4Q15</td>
</tr>
<tr>
<td>Corporate</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>No change</td>
</tr>
</tbody>
</table>

¹. Result announcement for the half-year ended 30 Sep 15. ². Range excludes FY09 provisions for loan losses of $A135m related to Real Estate Structured Finance loans as this is a restructured business. ³. Range excludes FY09 loss on sale of Italian mortgages of $A248m as this is a discontinued business. ⁴. During FY14, Group Treasury revised internal funding transfer pricing arrangements relating to BFS’s deposit and lending activities. FY13 comparatives only have been restated to reflect the current methodology.
Short term outlook

• While the impact of future market conditions makes forecasting difficult, Macquarie currently expects the FY16 combined net profit contribution\(^1\) from operating groups to be up on FY15

• The FY16 tax rate is currently expected to be broadly in line with 1H16

• Given the earlier than expected recognition of additional performance fees in 1H16, the 2H16 result is expected to be lower than 1H16 but higher than the prior corresponding period (2H15), subject to the completion rate of transactions and the conduct of period end reviews

• Accordingly, Macquarie continues to expect the FY16 result to be up on FY15

• Our short term outlook remains subject to a range of challenges including:
  – Market conditions
  – The impact of foreign exchange
  – The cost of our continued conservative approach to funding and capital; and
  – Potential regulatory changes and tax uncertainties

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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
  - Three capital markets facing businesses well positioned to benefit from improvements in market conditions with strong platforms and franchise positions
    - Macquarie Securities, Macquarie Capital and Commodities and Financial Markets
- 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
30 September 2015

<table>
<thead>
<tr>
<th>Operating Group</th>
<th>APRA Basel III Capital(^1) @ 8.5% ($Ab)</th>
<th>Approx. 1H16 Return on Ordinary Equity(^2)</th>
<th>Approx. 9-Year Average Return on Ordinary Equity(^2)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Annuity-style businesses</td>
<td>7.7</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Macquarie Asset Management</td>
<td>1.6</td>
<td>30%</td>
<td>20(^3)</td>
</tr>
<tr>
<td>Corporate and Asset Finance</td>
<td>4.1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Banking and Financial Services</td>
<td>2.0</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Capital markets facing businesses</td>
<td>5.2</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Macquarie Securities</td>
<td>0.5</td>
<td>13%</td>
<td>15% – 20%</td>
</tr>
<tr>
<td>Macquarie Capital</td>
<td>1.8</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Commodities and Financial Markets</td>
<td>2.9</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Corporate and Other</td>
<td>0.9</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Legacy Assets</td>
<td>0.2</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Corporate</td>
<td>0.7</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total regulatory capital requirement @ 8.5%</td>
<td>13.8</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Comprising: Ordinary Equity Hybrid</td>
<td>11.5</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Add: Surplus Ordinary Equity</td>
<td>3.1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total APRA Basel III capital supply</td>
<td>16.9</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

1. Business Group capital allocations are indicative and are based on allocations as at 30 Jun 15 adjusted for material movements over the Sep 15 quarter. 2. NPAT used in the calculation of approx. 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. 9-year average covers FY07 to FY15, inclusively. 3. CAF returns prior to FY11 excluded from 9-year average as not meaningful given the significant increase in scale of CAF’s platform over this period.
## Medium term

| 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 |
|-----|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| CAF | • Leverage deep industry expertise to maximise growth potential in loan and lease portfolios  
     • Anticipate further asset acquisitions and realisations at attractive return levels  
     • Funding from asset securitisation throughout the cycle |
| BFS | • Strong growth opportunities through intermediary 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 |
| MSG | • Highly leveraged to market conditions and investor confidence, particularly in the Asia-Pacific region  
     • Well positioned for recovery in Asian retail derivatives, cash equities and ECM  
     • Monetise existing strong research platform |
| MacCap | • Can expect to benefit from any improvement in M&A and ECM market activity  
        • Continues to align the business offering to current opportunities and market conditions in each region |
| CFM | • 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 |
Overview of Macquarie Asset Management

Macquarie Asset Management

$A487b AUM

Australia’s largest global asset manager
Broad range of capabilities and products

Macquarie Infrastructure and Real Assets
A leading global alternative asset manager, specialising in direct infrastructure and other real assets

$A138b AUM
$A68b EUM

Macquarie Investment Management
A diversified securities manager, offering capabilities across listed equities, fixed income and listed alternatives

$A345b AUM

Macquarie Specialised Investment Solutions
A highly innovative, specialist team, with a strong track record in providing tailored investment solutions to clients

$A4b AUM

AUM and EUM as at 31 Dec 15.
Highly diversified AUM and base fee revenue gives resilience

AUM

- MIM Equities: 47%
- MIM Fixed Income: 21%
- MIM Alternatives & Multi-Asset: 28%
- MIM Other: 3%

Base fee composition

- MIM Equities: 31%
- MIM Fixed Income: 39%
- MIM Alternatives & Multi-Asset: 8%
- MIRA: 21%
- MSIS: 1%

AUM as at 31 Dec 15. Base fee composition for 1H16. MIRA typically earns base fee revenue on EUM rather than AUM.
Wide geographic spread and key hubs where our clients are located

1,400+ staff • 19 countries • 20+ years of experience\(^1\)

- **London**
  - 29% of total income
  - 19% of AUM
  - 16% of staff
  - 33% of Industry AUM

- **ASIA**
  - 9% of total income
  - 9% of AUM
  - 11% of Industry AUM

- **Hong Kong**
  - 14% of total income
  - 16% of AUM
  - 26% of staff
  - 3% of Industry AUM

- **AMERICA**
  - 48% of total income
  - 56% of AUM
  - 45% of staff
  - 53% of Industry AUM

- **New York Philadelphia**
  - 14% of total income
  - 16% of AUM
  - 26% of staff
  - 3% of Industry AUM

- **Sydney**
  - 14% of total income
  - 16% of AUM
  - 26% of staff
  - 3% of Industry AUM

Note: Total income reflects net operating income excluding internal management revenue/(charge) for 1H16. Staff numbers and MAM AUM as at 31 Dec 15. Industry AUM as per McKinsey & Company as at 31 Dec 14. 1. +80yrs of experience including Delaware Investments.
Macquarie’s core principles are at the heart of our approach

High quality, experienced team
(Average tenure of MAM Executive Directors is 15 years and senior management team is 22 years)

Opportunity
60+ teams identifying opportunities and driving growth in their areas of expertise, organised along 3 divisional lines

Accountability
Distributed responsibility for results with an institutional support platform and risk management overlay

Integrity
Commitment to our clients, communities and capital providers
Track record of disciplined, adjacent growth

- **MIRA**
  - Infrastructure ('94)
  - Energy ('03)
  - Real Estate¹ ('02)
  - Agriculture ('12)

- **MIM**
  - Australian Fixed Income & Cash ('80) and Australian Equities ('87)
  - Delaware Investments ('10)
  - Asian Equities ('08)
  - Hedge Funds ('05)

- **MSIS**
  - Australian Retail and Structured Products ('92)
  - Infrastructure Debt ('12)
  - Fund Linked Products ('10)
  - European Solutions ('05)

¹ Excludes no longer managed listed vehicles.
Examples of MSIS organic growth

**Fund Linked Products (FLP)**

- FLP revenues by financial year

**Macquarie Infrastructure Debt Investment Solutions (MIDIS)**

- MIDIS commitments

![Graph showing FLP revenues by financial year](graph1)

![Graph showing MIDIS commitments](graph2)
Strong, organic growth since formation across MAM

- **Operating income CAGR = 16%**
  - (Base fee CAGR = 12%)

- **Net profit contribution² CAGR = 32%**

- **Operating expenses CAGR = 3%**

<table>
<thead>
<tr>
<th>Indices</th>
<th>CAGR¹</th>
</tr>
</thead>
<tbody>
<tr>
<td>S&amp;P 500</td>
<td>12%</td>
</tr>
<tr>
<td>ASX 200</td>
<td>4%</td>
</tr>
<tr>
<td>Hang Seng</td>
<td>3%</td>
</tr>
</tbody>
</table>

1. 1 Apr 11 to 31 Mar 15. 2. Net profit contribution is management accounting profit before unallocated corporate costs, profit share and income tax.
Diversification in sources of performance fees

MAM performance fees by source since FY11

- FY11: 30
- FY12: 125
- FY13: 164
- FY14: 218
- FY15: 667
- 1H16: 609

MAM performance fees by region since FY11

- Americas: 39%
- Asia: 16%
- EMEA: 36%
- ANZ: 9%

Source: MIRA Unlisted, MIRA Listed, MIRA Coinvest, MIM

# of performance fee contributors (RHS)
Capability set is well positioned to continue to meet investor needs

**Active management will continue to be core despite faster AUM growth in passive and alternatives**

**Active management and alternatives will remain the largest contributors to global revenues**

**Real Assets to be strongest area of growth in alternatives**

---

1. Growth CAGRs as displayed above include net flows as well as market appreciation.
Common drivers across the MAM divisions

- Superior investment performance
- Platform efficiency
- Customer relationships
- Developing relevant products
Macquarie Infrastructure and Real Assets

21 Year track record  No.1 Infrastructure manager globally\(^1\)  \$A68b Equity Under Management\(^2\)

Leading global real asset manager focused on creating long-term value for our clients through alternative investment solutions

1. Global ranking of the largest direct-investment programmes by Infrastructure Investor Magazine (II30), published Nov 15. 2. EUM as at 31 Dec 15.
What we are known for

Having a long history of achieving lasting outcomes, through relevant and thoughtful solutions

| Culture, scale and reach | • Global scale, local knowledge, networks: ~480 staff in 17 countries  
| | • Industry depth and experience: ~14 year average tenure for Executive Directors |
| 21 year track record | • Experience through market cycles  
| | • 18%¹ realised return across 50 infrastructure realisations; $A68b² equity under management |
| Disciplined dealflow | • Dynamic local teams sourcing often complex and proprietary deals  
| | • ~80 unique investments deploying ~$A22b³ in the last five years, ~75% exclusive |
| Operational expertise | • Responsible, long-term asset management philosophy  
| | • Senior in-house industry experts, including former CEOs and COOs |
| Customer centricity | • Products shaped by and for our clients, focused on long-term relationships  
| | • Ability to support new products through use of Macquarie balance sheet |

1. As at 31 Dec 15. Calculated as the gross annualised return across all infrastructure portfolio businesses realised to third parties. Excludes unrealised returns for infrastructure businesses no longer managed by MIRA funds due to fund level initiatives, such as the restructure or internalisation of management functions, and the sale of management rights. Cash flows are converted to AUD applying the spot FX rate as at the date of each fund’s acquisition of the relevant portfolio business. Past performance is not indicative of future results. Returns on realised infrastructure businesses represent returns to the applicable fund. The figures or performance, as applicable, do not represent returns to underlying investors in the funds. Does not reflect management fees, performance fees, taxes and other expenses to be borne by investors in the applicable funds, which may be substantial. Includes both full and partial realisations.  
2. As at 31 Dec 15.  
3. Five years to 31 Dec 15.
Our business model

- Raise capital
- Invest capital
- Manage performance
- Develop solutions

Investors

- Infrastructure
- Real Estate
- Agriculture
- Energy
How we derive our net income

A simple formula which aims to deliver superior returns for our clients

Our returns are aligned with our investors

1. As at 31 Dec 15.
Our income includes more than base fees

1. Average base fees (%) calculated as: base fees per financial year / average EUM (Invested). 1H16 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. 1H16 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.
Raising capital through the cycle

~$A30b of new capital accumulated in last five years\(^1\)

~50% of capital managed today was raised since FY10

Delivered through:
- Follow-on infrastructure funds
- Asia expansion, including $A3.9b for pan-Asia infrastructure
- Listed funds growth
- Development of non-infrastructure products

Capital Raised\(^2\) ($Ab)

<table>
<thead>
<tr>
<th>Year</th>
<th>Capital Raised ($Ab)</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY11</td>
<td>2.3</td>
</tr>
<tr>
<td>FY12</td>
<td>2.2</td>
</tr>
<tr>
<td>FY13</td>
<td>5.0</td>
</tr>
<tr>
<td>FY14</td>
<td>7.2</td>
</tr>
<tr>
<td>FY15</td>
<td>8.3</td>
</tr>
<tr>
<td>FY16YTD</td>
<td>2.7</td>
</tr>
</tbody>
</table>

$4.8b average

1. 1 Jan 11 to 31 Dec 15. 2. Equity capital raised from 1 Apr 10 to 31 Dec 15.
### Investing capital across industries and regions

**$A22b deployed across ~80 assets during the last five years**

#### Capital Invested ($Ab)

<table>
<thead>
<tr>
<th>Region</th>
<th>FY11</th>
<th>FY12</th>
<th>FY13</th>
<th>FY14</th>
<th>FY15</th>
<th>FY16YTD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Canada</td>
<td></td>
<td></td>
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<td></td>
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<tr>
<td>UK</td>
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<tr>
<td>USA</td>
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<tr>
<td>United Arab Emirates</td>
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<tr>
<td>Mexico</td>
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<tr>
<td>India</td>
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<td>Philippines</td>
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<td>New Zealand</td>
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<tr>
<td>Singapore</td>
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<td>Chile</td>
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<tr>
<td>South Korea</td>
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<tr>
<td>China</td>
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<tr>
<td>Australia</td>
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<tr>
<td>Taiwan</td>
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</tr>
</tbody>
</table>

1. As at 31 Dec 15. Represents portfolio businesses which MIRA manages on behalf of investors with various direct percentage stakes held in each. Portfolio businesses shown on the map are representative and not exhaustive. In some instances they represent the operations of a single business where it has operations across different countries.
Evolution of managed capital

<table>
<thead>
<tr>
<th>Listed / Unlisted¹</th>
<th>Region²</th>
<th>Sector³</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mar 07 $A60b</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Listed</td>
<td>Unlisted</td>
<td>Co-investment and SMA</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dec 15 $A68b</td>
<td></td>
<td></td>
</tr>
<tr>
<td>ANZ</td>
<td>EMEA</td>
<td>North America</td>
</tr>
<tr>
<td>Latin America</td>
<td>Asia</td>
<td></td>
</tr>
<tr>
<td>Transport</td>
<td>Power &amp; Energy</td>
<td>Water</td>
</tr>
<tr>
<td>Communications</td>
<td>Real Estate</td>
<td>Other</td>
</tr>
</tbody>
</table>

1. EUM split as at 31 Mar 07 and 31 Dec 15. 2. EUM split based on fund location as at 31 Mar 07 and 31 Dec 15. 3. AUM split for individual assets as at 31 Mar 07 and 31 Dec 15.
Managing performance: consistent track record over the long-term

Investing and managing since 1994

50 Infrastructure realisations\(^1\) 18% realised asset IRR\(^1\)

Buying well, managing well, selling well

- **Acquisition**: market and industry insight supports proprietary deal flow and acquisition discipline
- **Active asset management**: framework centred on stakeholder engagement, and sustainable capital and operational strategy using industry expertise

1. As at 31 Dec 15. Calculated as the gross annualised return across all infrastructure portfolio businesses realised to third parties. Excludes unrealised returns for infrastructure businesses no longer managed by MIRA funds due to fund level initiatives, such as the restructure or internalisation of management functions, and the sale of management rights. Cash flows are converted to AUD applying the spot FX rate as at the date of each fund’s acquisition of the relevant portfolio business. Past performance is not indicative of future results. Returns on realised infrastructure businesses represent returns to the applicable fund. The figures or performance, as applicable, do not represent returns to underlying investors in the funds. Does not reflect management fees, performance fees, taxes and other expenses to be borne by investors in the applicable funds, which may be substantial. Includes both full and partial realisations.
Case Study: MEIF UK Renewables

A portfolio of UK renewable energy generation assets diversified across technologies

<table>
<thead>
<tr>
<th>Acquired</th>
<th>2005-2007</th>
<th>Cost</th>
<th>£125m</th>
<th>IRR</th>
<th>18%¹</th>
</tr>
</thead>
<tbody>
<tr>
<td>Divested</td>
<td>2015</td>
<td>Proceeds</td>
<td>£377m</td>
<td>Multiple</td>
<td>3.0x</td>
</tr>
</tbody>
</table>

Key Initiatives:

• Acquired underperforming platform and rolled up other assets to create a sizeable renewables player
• De-risked cashflows through long-term power purchase agreements
• Further investment in plant availability and reliability to support growth
• Exit well timed to optimise value

¹. Calculated as the gross annualised return across all UK Renewables Consolidated portfolio businesses realised. Returns represent returns to the applicable fund and do not represent returns to underlying investors in the funds. Does not reflect management fees, performance fees, taxes and other expenses to be borne by investors in the applicable funds, which may be substantial.
The platform is well positioned for continued growth

In-house expertise in place to grow into adjacencies, and expand existing sectors

- Global platform, deep regional and sectoral expertise
- Operational leverage for new products and successor funds
- New ideas and innovation supported by Macquarie balance sheet
- $A9b\(^1\) of capital available to deploy across platform
- Senior staff with long tenure and strong alignment
- Significant brand recognition and investor support

1. As at 31 Dec 15.
MIM is a global active asset manager

The growth of our multi-boutique platform is driven by investment performance, innovation and disciplined acquisition

**Equities**
- Over 70 investment professionals based in Philadelphia, Sydney, New York, Boston, Hong Kong and Seoul
- Investment capabilities across global, US, Australian, Asian and Emerging Markets equities

**Fixed Income**
- Over 130 investment professionals based in Philadelphia, Sydney, London, Vienna and Seoul
- Investment capabilities across global fixed income, credit, sovereign bonds, municipal bonds, bank loans, private debt and money markets

**Alternatives & Multi-Asset**
- Over 40 investment professionals based in Philadelphia, New York, Vienna, Sydney and Hong Kong
- Investment capabilities across multi-asset, long / short equities, listed infrastructure and alternatives
- Quantitative hedge funds for Asian and European equities; Americas and global strategies launching this year

**Shared services platform**

- Distribution
- Operations
- Risk and Compliance

AUM: $A102b
Base fees: 52%

AUM: $A227b
Base fees: 35%

AUM: $A16b
Base fees: 13%

Operating model initiative to deliver scale benefits from FY18 onwards

**Strategic initiative to combine legacy Macquarie and Delaware operational platforms under way**

AUM as at 31 Dec 15. Base fee composition for 1H16.
Historical net flows stronger than active manager peers

- Investment performance, adjacencies and global distribution footprint are key drivers of net flows
- MIM net flows of 1.9% consistent with industry net flows of 1.9% for calendar years 2011-2015, and favourable when compared with active net flows of 1.2% over the same period\(^2\)
- Market appreciation has been a substantial driver of AUM growth due to exposure to equity markets
- FX also a significant driver given 81% of MIM assets not denominated in AUD

---

**AUM growth (Mar 11 – Dec 15)**

<table>
<thead>
<tr>
<th></th>
<th>Mar 11</th>
<th>Net Asset Flows</th>
<th>Net M&amp;A and Other(^1)</th>
<th>Market Appreciation</th>
<th>FX</th>
<th>Dec 15</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>205</td>
<td>21</td>
<td>(9)</td>
<td>44</td>
<td>84</td>
<td>345</td>
</tr>
</tbody>
</table>

1. Net M&A and Other includes acquisitions (including asset movements within 24 months post-closing), dispositions and contractual insurance assets. Key acquisitions in the period include Delaware Investments (transaction closed in FY10; 10 months post-closing included in the period), INNOVEST Kapitalanlage AG (transaction closed in FY13; 23 months post-closing included in the period) and ING Investment Management Korea (transaction closed in FY14; 23 months post-closing included in the period). Key dispositions include Jackson Square Partners spin-off and private equity FOF business (both FY15).
2. Source: Casey Quirk / McLagan.
Consistent base fee growth and diversification

- Consistent growth in base fee revenue
- Slight increase in base fee margins over the period due to a shift toward higher-margin strategies
- Adjacencies and small acquisitions applied to further diversify revenue base
A globalising client base, driven by performance and product expansion

Operating income by region\(^1\) ($Am)

<table>
<thead>
<tr>
<th>Region</th>
<th>FY11</th>
<th>FY15</th>
</tr>
</thead>
<tbody>
<tr>
<td>Americas</td>
<td>661</td>
<td>1,095</td>
</tr>
<tr>
<td>Australia</td>
<td>80%</td>
<td>72%</td>
</tr>
<tr>
<td>Asia</td>
<td>17%</td>
<td>4%</td>
</tr>
<tr>
<td>EMEA</td>
<td>1%</td>
<td>1%</td>
</tr>
</tbody>
</table>

100% = 661

Five-year revenue growth potential

- Adjacencies and new strategies
- Future revenue from existing strategies
- Revenue from existing strategies with significant growth potential
- Revenue from existing strategies with limited growth potential

Investment outperformance vs. benchmark\(^2\)

<table>
<thead>
<tr>
<th>Year</th>
<th>1 year</th>
<th>3 year</th>
<th>5 year</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY11</td>
<td>75%</td>
<td>81%</td>
<td>86%</td>
</tr>
</tbody>
</table>

1. Net operating income excluding earnings on capital and other corporate items. 2. Includes representative MIM global investment strategies. Total strategies per year: 1 year (73), 3 year (69), 5 year (60).
MIM is positioned to develop into a top-tier global active manager through four key strategies

**Investment excellence**
- Ongoing focus on performance
- Ensure strong pipeline of investment talent

**Adjacency innovation**
- Apply investment processes to adjacent securities sets
- Low risk and low cost
- Long history of success

**Global operating model**
- Create a single global platform
- Anticipate scale benefits from FY18 onwards
- Expanded distribution coverage and consistent client experience

**Disciplined acquirer**
- Add new investment capabilities through small inorganic initiatives
- Address key gaps whilst diversifying execution risk
- Occasional platform acquisitions in disrupted or consolidating markets (eg, Delaware in FY10)
Overview of Corporate and Asset Finance

**Corporate and Asset Finance**

- Global provider of specialist finance and asset management solutions, with $A39.7b\(^1\) of loans and leases
- Global capability in corporate and real estate credit investing and lending
- Expertise in asset finance including aircraft, motor vehicles, technology, healthcare, manufacturing, industrial, energy, rail and mining equipment

---

**Asset Finance**

Head: Garry Farrell

$A29.6b\(^1\)

Asset and Loan portfolio

---

**Lending**

Head: Ben Brazil

$A10.1b\(^1\)

Loan portfolio

---

1. As at 31 Dec 15. CAF Lending portfolio includes Real Estate Structured Finance legacy run-off portfolio.
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.
CAF Asset Finance

A global provider of tailored finance and asset management solutions to clients across specialised assets through the cycles

- $A29.6b\(^1\) loans and assets under finance
- Asset finance expertise: aviation, rail, motor vehicles, technology, healthcare, energy and mining equipment
- Portfolio diversified by geography, assets, industries, product types, exposures and clients
- Incubates, develops and grows business platforms in selected jurisdictions

1. As at 31 Dec 15.
Global presence in specialised assets

~900 staff • 17 countries • 20+ years of experience

London
EMEA
14% of staff
74% of total income

ANZ/ASIA
78% of staff
22% of total income

Sydney

New York
AMERICAS
8% of staff
4% of total income

Total income reflects net operating income excluding internal management revenue/(charge) for 1H16. Staff numbers as at 31 Dec 15.
Experience and technical skills underpin performance and growth

Average tenure of CAF Asset Finance senior leaders is **13 years**

- Long Macquarie tenure of leadership group
- Expertise built up in key asset classes and jurisdictions
- Strong risk management culture across all businesses
- Recruitment of industry veterans when entering new markets

Staff numbers as at 31 Dec 15. Permanent staff only.
Strategic focus

**Significant markets**
Deep markets present niche opportunities for growth
Opportunities where large capital expenditure and increasing GDP exist
Building scalable platforms
Organic and selective acquisitive growth

**Stable earnings**
Contract terms provide significant locked-in income on leases and loans
Focus on operational efficiency and active portfolio management

**Attractive assets**
Specialised assets where significant industry expertise exists
Deep secondary markets enable residual value realisation
Ability to raise non-recourse funding through the cycle

**Appropriate return on capital**
Relatively low cost-to-income ratio
Specialised service, expertise and long established client and partner relationships provide acceptable returns
Strategic focus
Business evolution

Dec 11
$A12.6b

Dec 15
$A29.6b

Motor vehicles
Aircraft
Rail
Energy
Tech
Resources

OEM\(^1\) Portfolio (2012)
Portfolio growth

Distribution Finance
Tech Flow UK (2013)

Smart meters

AWAS (2015)

Euro Rail (2013)

Esanda (2015)

Rotorcraft (2014)

Advantage (US) (2015)
Consumer/ Wholesale/ UK (2014)

Disposals  Organic growth  Acquisitions

1. Original Equipment Manufacturer.
Strategic focus
Other businesses

Energy Leasing
Commitments of over $A1b for the roll out of smart meters in the UK
Funding renewable energy assets

Portfolio Dec 11
$A0.6b
Portfolio Dec 15
$A0.9b

Technology
Ongoing opportunities in mobile telephony

Portfolio Dec 11
$A1.7b
Portfolio Dec 15
$A1.7b

Resources
Continue to develop opportunities in adverse market conditions

Portfolio Dec 11
$A0.1b
Portfolio Dec 15
$A0.5b
Strategic focus
External funding

SMART securitisation program
Continued access to securitisation market through the cycle
No.1 Australian auto and equipment ABS issuer
Total of $A22b raised in 29 deals since 2007
Strategic focus
Consistently high-quality portfolio

Strong credit discipline

Low levels of credit losses
- Experienced executives and strong underwriting processes
- Strict and regular monitoring of clients leads to active portfolio management
- Conservative provisioning

Strong asset discipline

High levels of asset utilisation
- High utilisation rates across asset classes
- Close monitoring of portfolio, clients and pricing conditions
- Maximise residual value realisation via global sales channels, logistics management expertise and remarketing arrangements

Annualised credit losses as % of portfolio

Utilisation of transportation assets

1. Includes Motor Vehicle (excluding Esanda portfolio), Technology and Resources portfolios as at 31 Dec 15. 2. Includes Aviation, Rotorcraft and Rail portfolios.
### Key risks

#### Rigorous risk management framework and strong risk culture

<table>
<thead>
<tr>
<th>Risk</th>
<th>Mitigants</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Credit</strong></td>
<td><strong>Risk</strong> Non performance by consumer or commercial counterparties could result in credit losses</td>
</tr>
<tr>
<td></td>
<td><strong>Mitigants</strong> Strong credit risk framework, with active management/oversight of a spread of exposures to sectors and individual counterparties, including selldowns of concentrations</td>
</tr>
<tr>
<td><strong>Asset</strong></td>
<td><strong>Risk</strong> Remarketing of ex-lease or repossessed assets realises less than written down book value</td>
</tr>
<tr>
<td></td>
<td><strong>Mitigants</strong> Conservative residual value policies, regular impairment reviews, strong remarketing expertise within and across markets and expertise to forecast demand-supply cycles</td>
</tr>
<tr>
<td><strong>Operational</strong></td>
<td><strong>Risk</strong> Loss or damage to assets results in lower secondary realisations/ increased costs. Reliance on third party intermediaries and key suppliers</td>
</tr>
<tr>
<td></td>
<td><strong>Mitigants</strong> Robust operational processes, and independent operational risk oversight</td>
</tr>
<tr>
<td><strong>Compliance</strong></td>
<td><strong>Risk</strong> Breach of regulations, or fraud by customers, employees or agents that could create significant costs to businesses</td>
</tr>
<tr>
<td></td>
<td><strong>Mitigants</strong> Multi-layered operational and compliance oversight, with hindsighting reviews of approved transactions</td>
</tr>
<tr>
<td><strong>Interest rates</strong></td>
<td><strong>Risk</strong> Mismatch between floating rate funding and fixed rate income causes profit squeeze in rising rate environment</td>
</tr>
<tr>
<td></td>
<td><strong>Mitigants</strong> Swap new originsations on monthly (or less) basis and acquisitions at completion</td>
</tr>
</tbody>
</table>
Transportation
Specialist financier of commercial aircraft, rail assets and rotorcraft

Business and strategy

- Leading lessor of commercial aircraft worldwide with 217 aircraft on lease to 94 airlines in 50 countries
  \(^1\)
- Continues to target a core portfolio of current generation narrowbody aircraft, predominately Airbus A320 and Boeing 737NG aircraft
- Opportunistic trading focussed on older and non-core assets as markets permit
- Portfolio of 979 rail assets across UK and Europe
- Portfolio of 23 helicopter assets servicing industrial end user contracts globally

Market

- Aircraft yields remain satisfactory, with strong underlying passenger growth
- Longer term effect of new aircraft types an important strategic consideration
- Helicopter market impacted by oil price decline and weaker offshore oil and gas production
- UK rail passenger demand continues to grow. The UK Government is supporting further investment in rail transport which is providing financing opportunities for passenger rolling stock
- The supply and demand of European freight rolling stock is roughly in balance. GDP is a key driver of rail freight transportation and the Eurozone has experienced modest growth in 2015

Portfolio Dec 11  $A4.1b  Portfolio Dec 15  $A9.8b

\(^1\) Includes remaining 13 AWAS aircraft to be acquired, expected by Mar 16. As at 31 Dec 15, Macquarie has 204 aircraft on lease to 88 airlines in 49 countries.
Transportation
Business evolution over 25 years

Arranger of aircraft financing

First principal aircraft transaction

Established Macquarie AirFinance (MAF)

Acquired 51 aircraft from ILFC and stepped up to 100% of MAF

Established Rotorcraft

Acquired European Rail business

US Rail leasing business. Sold in 2015

Aircraft Engine leasing business. Sold in 2011

Acq. AWAS portfolio
Transportation
AWAS portfolio acquisition

In Mar 15, Macquarie signed an agreement to purchase up to 90\(^1\) aircraft from AWAS for $US4b

High quality portfolio of predominately young, narrowbody aircraft with long contracted leases attached providing significant annuity income while refreshing existing fleet

Portfolio currently funded with a three-year external non-recourse debt facility and internal Macquarie funding

---

1. AWAS deal now expected to be up to 87 aircraft, down from 90 due to conditions precedent not met on 3 aircraft. 2. Assumes remaining 13 AWAS aircraft are completed as expected by Mar 16. Existing portfolio excludes the impact of any Bombardier CS300 purchases in the future.
Motor Vehicles
Leading provider of auto finance in Australia

Business and strategy
- A leading provider of auto finance in Australia
- Direct and indirect origination of auto leases/loans for SMEs and consumer clients
- Strong IT systems enable market-leading service levels and collections efficiency
- Diversification of funding and focus on costs
- Focus on distribution through multiple channels including digital initiatives
- Opportunistic purchases in Australia and internationally

Market
- Competitive market with domestic banks, manufacturers’ captives and other players
- Australian new auto sales consistently over 1m per annum
- Regulatory environment strengthening
- Interest rates at historical lows
- New fintech players entering

Portfolio Dec 11
$A6.1b

Portfolio Dec 15
$A16.7b
Motor Vehicles
Business evolution over 20+ years

- Acquired Ford Credit portfolio
- Acquired GMAC portfolio
- Commenced floorplan financing
- Commenced white label programs
- Commenced business in the UK

- Commenced motor vehicle finance in Australia

Timeline:
- 1993
- 2009
- 2010
- 2011
- 2012
- 2013
- 2014
- 2015
Motor Vehicles
Esanda portfolio acquisition

Step-change in dealer and retail auto finance segments

- In Oct 15, Macquarie announced the acquisition of the Esanda dealer auto finance portfolio from ANZ Banking Group
- Funded through combination of existing funding sources, new capital raising and 3rd party sources
- Macquarie became a top 3 provider of auto finance to Australian consumers and car dealers
- Retail portfolio acquisition completed 2 Nov 15
- Incremental monthly retail volume of ~$A200m
- Dealer facility novations commenced in Dec 15
- Anticipate completing novation process and retail portfolio migration in 1Q17
- Staffing and systems to support enlarged customer base

<table>
<thead>
<tr>
<th>Portfolio metrics (as at 31 Dec 15)¹</th>
<th>Esanda portfolio</th>
<th>Combined</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customers</td>
<td>310,600</td>
<td>625,000</td>
</tr>
<tr>
<td>Retail portfolio ($Ab)</td>
<td>6.6</td>
<td>15.3</td>
</tr>
<tr>
<td>Financed dealerships</td>
<td>126</td>
<td>267</td>
</tr>
<tr>
<td>Floorplan portfolio ($Ab)</td>
<td>1.3</td>
<td>1.9</td>
</tr>
<tr>
<td>Other dealer loans ($Ab)</td>
<td>0.4</td>
<td>0.4</td>
</tr>
</tbody>
</table>

1. Includes dealer facilities still subject to novation. 2. As at 31 Dec 15, by value.
Business description

- Deployment of capital and funding, primarily into the credit space
- For ‘direct’ return for risk purposes with a hold to maturity horizon
- Flexible/diverse in relation to:
  - Origination source – primary/secondary, direct/intermediated, bespoke/flow
  - Geography (predominately Western Europe, North America, and Australasia)
  - Instrument – loans/bonds/mezzanine/other
  - Corporate/Real estate
  - Return level (required returns adjust for risk, subject to a minimum)
- Weighted towards bespoke situations underpinned/secured by high quality businesses and collateral
Business positioning – geography

Portfolio size
$A10.1b\textsuperscript{1}
DEC 15

Australia
32 staff

AMERICAS
44 staff

EMEA
38 staff

1. Funded loan portfolio shown which excludes current committed but unfunded balances, and includes Real Estate Structured Finance legacy run-off portfolio. Total committed (funded and unfunded) capital $A11.1b.
Evolution of business

1. Book size is total committed (funded and unfunded) capital as at financial year end.
Portfolio composition since inception

Origination Channel
- Primary
- Secondary

Sector
- Corporate
- Real Estate
- Mortgages

Facility type
- Senior Secured
- Senior Unsecured
- Junior
- Defaulted (as at acquisition)
- Equity

1. Includes residential mortgages and student loans. Comprising 558 individual exposures since Jan 09. Portfolio composition based on total committed capital (funded and unfunded) since inception.
Current portfolio shows currently funded balance (excludes committed but unfunded balances). Realised capital represents total committed capital returned since inception (funded and unfunded commitments). The borrowers represented on this slide include both current relationships and those whereby CAF Lending is no longer a lender. The realised spread represents the internal rate of return, incorporating interest payable, purchase discount, facility fees expressed as a spread to the relevant interbank floating interest rate.
Secondary senior

Current portfolio shows currently funded balance (excludes committed but unfunded balances); realised capital represents total committed capital returned since inception (funded and unfunded commitments). The borrowers represented on this slide include both current relationships and those whereby CAF Lending is no longer a lender. The realised spread represents the internal rate of return, incorporating interest payable, purchase discount, facility fees expressed as a spread to the relevant interbank floating interest rate.

Example Borrowers

- **$A12.7b**
- **$A3.8b**
- Average realised spread of 8.6%

- **Industrial Cold Storage**
- **Transport Infrastructure**
- **Utilities**
- **Motorway Services**
- **Waste Management**
Junior

Example Borrowers

Current portfolio shows currently funded balance (excludes committed but unfunded balances); Realised capital represents total committed capital returned since inception (funded and unfunded commitments). The borrowers represented on this slide include both current relationships and those whereby CAF Lending is no longer a lender. The realised spread represents the internal rate of return, incorporating interest payable, purchase discount, facility fees expressed as a spread to the relevant interbank floating interest rate.

Deployed Since Inception

- Current Portfolio: $A1.2b
- Realised: $A0.7b

Average realised spread of 11.4%

Motorway Services
Infrastructure
Bulk Liquids Terminal

Multifamily Housing
Marine Chassis Leasing
General Aviation FBO
Equity / Equity-like¹

1. Includes debt which was in default at acquisition

---

### Infrastructure Sector

<table>
<thead>
<tr>
<th>Date</th>
<th>Region</th>
<th>Invested ($Am)²</th>
<th>Realised</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dec 12, Sep 14</td>
<td>Australia</td>
<td>251</td>
<td>24% average realised spread³</td>
</tr>
<tr>
<td>Mar 14</td>
<td>US</td>
<td>168</td>
<td></td>
</tr>
<tr>
<td>Aug 13, Jun 15</td>
<td>Europe</td>
<td>33</td>
<td></td>
</tr>
<tr>
<td>Jun 14 – Jun 15</td>
<td>Europe</td>
<td>15</td>
<td></td>
</tr>
<tr>
<td>Jun 15</td>
<td>Europe</td>
<td>71</td>
<td></td>
</tr>
<tr>
<td>Aug 15</td>
<td>US</td>
<td>176</td>
<td></td>
</tr>
</tbody>
</table>

### Real Estate Sector

<table>
<thead>
<tr>
<th>Date</th>
<th>Region</th>
<th>Invested ($Am)²</th>
<th>Realised</th>
</tr>
</thead>
<tbody>
<tr>
<td>May 10</td>
<td>US, Industrial</td>
<td>4</td>
<td>25% average realised spread</td>
</tr>
<tr>
<td>Oct 12</td>
<td>Australia, Apartments</td>
<td>90</td>
<td></td>
</tr>
<tr>
<td>Jun 14</td>
<td>US, Office</td>
<td>28</td>
<td></td>
</tr>
<tr>
<td>Mar 14</td>
<td>UK, Office</td>
<td>6</td>
<td>Unrealised</td>
</tr>
<tr>
<td>Sep 14 – Oct 15</td>
<td>US, Apartments</td>
<td>29</td>
<td></td>
</tr>
</tbody>
</table>

¹ Defaulted debt (at acquisition) is generally in substance a blend of credit and equity components and this is reflected in the regulatory capital treatment. In contrast, performing exposures are generally explicitly separated between equity and credit instruments. ² The amount included for legal form equity investments is only the relevant equity instrument. CAF Lending may have additional credit exposures to the same asset/borrower which are not included in this table. For defaulted debt (at acquisition), the entire debt instrument has been included as an investment in this table. ³ Australia Infrastructure sector realisations reflect projected capital return and spread from recently committed asset sale.

Current portfolio shows currently funded balance (excludes committed but unfunded balances). Realised capital represents total committed capital returned since inception (funded and unfunded commitments). The realised spread represents the internal rate of return, incorporating interest payable, purchase discount, facility fees expressed as a spread to the relevant interbank floating interest rate.
Case Studies

Energetics UK
- Between 2013 and 2015, CAF Lending provided financing to, and ultimately acquired a controlling interest in Energetics, the UK "last mile" electricity and gas utility connections provider, at a combined valuation of £46m.
- To date Energetics has completed 111,000 electricity and gas connections linking utility trunk lines to residential properties and 175MW of industrial and commercial connections.
- It has an order book of 83,000 connections and continues to grow with 47,000 orders having been won in the last year.

Tank & Rast Germany
- In Jun 09 and Mar 11, CAF Lending acquired €143m of senior loans in Tank & Rast, the landlord of c. 90% of Germany’s motorway service stations (390 individual sites).
- Loans were acquired, in blocks, in the secondary market at a material discount to par.
- In Dec 13, Tank & Rast refinanced all of its debt facilities, realising significant profit for CAF.
- CAF Lending supported the re-financing as the largest senior lender and a cornerstone investor in the new PIK Notes.
- Tank & Rast was recently acquired and the senior loans refinanced. CAF remains invested in the PIK notes which benefit from early repayment penalties.
Risk management and risk culture

- Risk, fully compensated by return, is our only business
- Conducted within the disciplines of a risk management framework and according to the limits of risk acceptance
  - Risk is “owned” and managed by the business, independent review by RMG

**Credit Risk**
- The predominant risk borne by CAF Lending, present across all performing credit exposures
  - Managed through
    - Intensive fundamental analysis and risk assessment, name by name;
    - Stress testing and concentration analysis at the portfolio level, with all positions sized to worst case outcomes; and
    - Ongoing monitoring of all positions and pro-active management (exits, covenant breaches etc)

**Equity Risk**
- Present in equity and de-facto equity exposures

**Operational risk**
- Particularly present in operationally complex investments, especially controlled assets and residential mortgages
  - Managed through specific due diligence and management focus, engagement of specialist third party vendors, and comprehensive ongoing monitoring
Risk management and risk culture

Alignment and culture are the foundations of our risk management strategy

Alignment
‘In place’ portfolio has inherent profits
Team/business is aligned with capital in both upside and downside scenarios

Culture
Senior team members average 8 years with Macquarie, 85% with business from its inception
Culture has been deeply embedded

Risk performance has been very sound
Profits and impairments since inception

Respect for capital is our mantra

Average realised annual losses / provisions equivalent to 0.2% of loan assets

Realised Profits
Impairments
Europe, Middle East and Africa

David Fass, Regional Head
Market conditions
European environment

Falling unemployment

"EU unemployment rate has now fallen to 9.3% - the lowest level for more than six years."

The Spanish economy created 525,000 new jobs in 2015, bringing its unemployment rate to 20.9% – still high, but the lowest in Spain for almost half a decade."

Monetary policy is a strong tailwind

Inflation is low

"The EU unemployment rate has now fallen to 9.3% - the lowest level for more than six years."

The Spanish economy created 525,000 new jobs in 2015, bringing its unemployment rate to 20.9% – still high, but the lowest in Spain for almost half a decade."

Euro area growth above trend

Market conditions
UK environment

Growth is expected to continue

The UK recovery is not far behind the US

Forecasters expect modest growth

Inflation is low

Source: IMF, OECD, Consensus.
Macquarie in EMEA
Overview

Collaborative business that draws on expertise in infrastructure, natural resources and Asia-Pacific insight

~1,370 staff • 11 countries • 16 locations

CAF, CFM, MacCap, MAM, MSG all present in EMEA

Pursuing an increase in Macquarie brand recognition

1H16
$A1,262m
operating income

1. 1H16 net operating income excluding earnings on capital and other corporate items.
## Macquarie in EMEA
### Operating groups

### MAM

| Infrastructure and real asset management, Investment Management and Infrastructure debt | $3.7b of third party investor commitments on Macquarie Specialised Investment Solutions (MSIS) infrastructure debt | MIRA manages 30 infrastructure assets across 13 European countries with AUM of $77.2b | Macquarie Investment Management (MIM) AUM of $13.4b in EMEA |

### CAF

| Provider of specialist finance and asset management solutions | $15.5b of loan and lease assets funded in EMEA | The largest deregulated traditional and smart meter provider in the UK | Well-established lending, aircraft, rail, vehicle, energy, technology and resources businesses |

---

As at 31 Dec 15.
Macquarie in EMEA
Operating groups

**MSG**
Institutional securities house covering research, execution and equity capital markets

Dedicated international sales and trading desks servicing EMEA clients trading Asia-Pacific

250+ European stocks under coverage

500+ dealing clients

**MacCap**
Leading with Infrastructure specialisation. Strong in Germany

370 deals since 2010 with a deal value of $A140b

Providing both advice and capital

Development Capital building the future of Europe

**CFM**
Risk and capital solutions across physical and financial markets

One of the largest risk management providers in the European Gas market

No.1 Agriculture & Softs Markets for the 6th consecutive year

No.1 Australian bank for distributing European securitisations

---

Macquarie in EMEA
Evolution through adjacent growth

MAM
- EU Infrastructure ('99)
- Africa Infrastructure ('00)
- Middle East infrastructure ('08)
- Russia Infrastructure ('09)
- Diversified AM ('11)
- Infrastructure Debt ('12)
- Asset Finance – Energy ('03)
- Aviation ('06)
- Corporate lending ('09)
- AWAS ('15)

CAF
- Institutional broking ('89)
- Commodities research ('94)
- Derivatives and Delta 1 trading ('00)
- Cash equities trading ('08)

MSG
- Institutional broking ('89)
- Commodities research ('94)
- Infrastructure and Project Finance ('96)
- Corporate advisory ('00)
- ECM ('09)
- Corporate broking ('10)

MacCap
- FX ('94)
- Agriculture ('99)
- Debt Markets ('00)
- Metals, Futures ('01)
- Oil ('03)
- Energy Capital, Gas Trading ('05)
- Physical Gas ('06)
- Power, Metals Financing ('09)
- Structured Commodity Finance ('11)
- Comm Investor Prods ('12)

CFM
- EU Infrastructure ('99)
- Africa Infrastructure ('00)
- Middle East infrastructure ('08)
- Russia Infrastructure ('09)
- Diversified AM ('11)
- Infrastructure Debt ('12)
- Asset Finance – Energy ('03)
- Aviation ('06)
- Corporate lending ('09)
- AWAS ('15)

Timeline:
- 1990
- 1995
- 2000
- 2005
- 2010
- 2015
Macquarie in EMEA
Performance

The EMEA market has improved – generating 24% of Group’s operating income\(^1\)

Diversity in the EMEA earnings stream

1. Represents net operating income excluding earnings on capital and other corporate items for EMEA for 1H16.
Macquarie in EMEA
People

Experience underpins performance and growth

Mix of staff has changed

<table>
<thead>
<tr>
<th></th>
<th>31 Dec 10</th>
<th>31 Dec 15</th>
</tr>
</thead>
<tbody>
<tr>
<td>Staff</td>
<td>1,460</td>
<td>1,376</td>
</tr>
<tr>
<td>Local staff</td>
<td>86%</td>
<td>92%</td>
</tr>
</tbody>
</table>

Externally recognised UK employer

Hiring talent from outside our sector
Macquarie in EMEA
Regulatory focus on conduct and governance

Increased regulatory focus on conduct and changing governance requirements

Senior Managers and Certification Regime
- Drives precise allocation of roles and responsibilities and personal accountability
- Requires formal certification of key roles and adherence to conduct rules
- Becoming effective from 7 Mar 16

Reclassification of FCA supervision
- Re-categorised from ‘C2’ to ‘flexible portfolio’ firm (Sep 15)
- Proactive supervision by the FCA
- Annual Strategy Meeting in May/Jun 16

... combined with continued market reform

EMIR
- European Market Infrastructure Regulation (EMIR)
- Oct 15

MAD II
- Market Abuse Directive (MAD II)
- Jan 17

REMIT
- Regulation on wholesale Energy Markets Integrity and Transparency (REMIT)
- Oct 15

MIFID II
- Markets in Financial Instruments Directive (MIFID II)
- Jul 16
Macquarie in EMEA
Market recognition

Continued recognition from the market
Macquarie in EMEA
Well positioned over the medium term

Specialist expertise
Utilise local, specialist expertise to capitalise on current and emerging trends

One firm approach
Team aligned across operating groups and regions, promoting collaboration

Unlocking Asian capital and connections
Facilitate capital flows from Asian investors to local projects

Brand recognition
Increasing brand recognition and building on business knowledge among clients and candidates

Resilient Portfolio
Diverse, agile product set is well-positioned to support clients and counterparties facing headwinds in their businesses
Macquarie in EMEA
Specialist expertise – Renewable Energy

Shaping new infrastructure asset classes with sector expertise and leadership in capital structure and sourcing

### Offshore Transmission Owner (OFTO)
- ✔ Macquarie participated from the first tender round of this new market
- ✔ £1.1b
  - Capital raised for UK OFTO market since 2011
- ✔ 1,700MW
  - Transmitted from five offshore assets

### Baltic 2 Offshore Wind
- ✔ €720m
  - Acquisition cost for 49.89% ownership
- ✔ 80
  - Wind turbine generators
- ✔ 288MW
  - Offshore wind farm in the Baltic Sea

---

**Timeline:**

- **2004**
- **2015**
The Mersey Gateway Bridge was recognised as a top 100 global infrastructure project by KPMG\(^1\) and European Infrastructure Deal of the Year\(^2\).

Macquarie in EMEA
One firm approach – Mersey Gateway Bridge

- Leveraged global networks
- Innovative greenfield financing solution
- Comprehensive funding process
- Macquarie committed £120m+

- 1000+ jobs during construction
- 4,750 permanent new jobs
- £50-100m p.a. from the new jobs by 2030
- 10 minutes average reduction in travel time
- 80% less traffic using the Silver Jubilee Bridge

2. Project Finance International.
Macquarie in EMEA
Unlocking Asian capital and connections

[Map and logos related to Macquarie's activities in EMEA and Asia]
### Macquarie in EMEA

**Brand recognition - focus on key clients**

<table>
<thead>
<tr>
<th>Event</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Clydesdale Bank</strong></td>
<td>Demerger and IPO for LSE listing</td>
</tr>
<tr>
<td></td>
<td>£396m</td>
</tr>
<tr>
<td></td>
<td>2016</td>
</tr>
<tr>
<td></td>
<td>Joint Global Co-ordinator and Joint Bookrunner</td>
</tr>
<tr>
<td></td>
<td><strong>Macquarie</strong></td>
</tr>
<tr>
<td><strong>Capital Appreciation</strong></td>
<td>Financial adviser and sole bookrunner on the first SPAC listing on the JSE Main Board</td>
</tr>
<tr>
<td></td>
<td>ZAR 1b</td>
</tr>
<tr>
<td></td>
<td>2015</td>
</tr>
<tr>
<td></td>
<td>Sole Bookrunner</td>
</tr>
<tr>
<td></td>
<td><strong>Macquarie</strong></td>
</tr>
<tr>
<td><strong>SHAWBROOK</strong></td>
<td>IPO for LSE listing</td>
</tr>
<tr>
<td></td>
<td>£725m</td>
</tr>
<tr>
<td></td>
<td>2015</td>
</tr>
<tr>
<td></td>
<td>Joint Bookrunner</td>
</tr>
<tr>
<td></td>
<td><strong>Macquarie</strong></td>
</tr>
<tr>
<td><strong>Omniventa Finance</strong></td>
<td>Secured Debt Facility and Equity Funding</td>
</tr>
<tr>
<td></td>
<td>DKK 40m</td>
</tr>
<tr>
<td></td>
<td>2015</td>
</tr>
<tr>
<td></td>
<td>Alternative Lender</td>
</tr>
<tr>
<td></td>
<td><strong>Macquarie</strong></td>
</tr>
<tr>
<td><strong>Audley Capital</strong></td>
<td>Acquisition of Anglo Norte from Anglo American</td>
</tr>
<tr>
<td></td>
<td>Up to $US500m</td>
</tr>
<tr>
<td></td>
<td>2015</td>
</tr>
<tr>
<td></td>
<td>Exclusive financial adviser</td>
</tr>
<tr>
<td></td>
<td><strong>Macquarie</strong></td>
</tr>
<tr>
<td><strong>AMP Capital</strong></td>
<td>Acquisition of a majority stake in Angel Trains from Arcus</td>
</tr>
<tr>
<td></td>
<td>EV £3b</td>
</tr>
<tr>
<td></td>
<td>2015</td>
</tr>
<tr>
<td></td>
<td>Exclusive financial adviser</td>
</tr>
<tr>
<td></td>
<td><strong>Macquarie</strong></td>
</tr>
<tr>
<td><strong>paragon</strong></td>
<td>Nine securitisations</td>
</tr>
<tr>
<td></td>
<td>Total Notes placed: £2.5b</td>
</tr>
<tr>
<td></td>
<td>2011 - 2015</td>
</tr>
<tr>
<td></td>
<td>Arranger and Bookrunner</td>
</tr>
<tr>
<td></td>
<td><strong>Macquarie</strong></td>
</tr>
</tbody>
</table>
Macquarie in EMEA
Well positioned for the future

- Scale
- Geography
- Focus
- Connectivity
<table>
<thead>
<tr>
<th>Acronym</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>$A / AUD</td>
<td>Australian Dollar</td>
</tr>
<tr>
<td>$US / USD</td>
<td>United States Dollar</td>
</tr>
<tr>
<td>£</td>
<td>British Pound</td>
</tr>
<tr>
<td>€</td>
<td>Euro</td>
</tr>
<tr>
<td>1H16</td>
<td>Half-Year ended 30 September 2015</td>
</tr>
<tr>
<td>1Q17</td>
<td>Quarter ended 30 June 2016</td>
</tr>
<tr>
<td>2H15</td>
<td>Half-Year ended 31 March 2015</td>
</tr>
<tr>
<td>2Q09</td>
<td>Quarter ended 30 September 2008</td>
</tr>
<tr>
<td>2Q16</td>
<td>Quarter ended 30 September 2015</td>
</tr>
<tr>
<td>3Q15</td>
<td>Quarter ended 31 December 2014</td>
</tr>
<tr>
<td>3Q16</td>
<td>Quarter ended 31 December 2015</td>
</tr>
<tr>
<td>ABN</td>
<td>Australian Business Number</td>
</tr>
<tr>
<td>ABS</td>
<td>Australian Bureau of Statistics</td>
</tr>
<tr>
<td>Acq.</td>
<td>Acquired</td>
</tr>
<tr>
<td>AD</td>
<td>Associate Director</td>
</tr>
<tr>
<td>ANZ</td>
<td>Australia and New Zealand</td>
</tr>
<tr>
<td>Approx.</td>
<td>Approximately</td>
</tr>
<tr>
<td>APRA</td>
<td>Australian Prudential Regulation Authority</td>
</tr>
<tr>
<td>APTT</td>
<td>Asian Pay Television Trust</td>
</tr>
<tr>
<td>ASX</td>
<td>Australian Stock Exchange</td>
</tr>
<tr>
<td>AUM</td>
<td>Assets Under Management</td>
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<tr>
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<td>Corporate and Asset Finance</td>
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<tr>
<td>CAGR</td>
<td>Compound Annual Growth Rate</td>
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<td>Capital Conservation Buffer</td>
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<tr>
<td>COO</td>
<td>Chief Operating Officer</td>
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</tr>
<tr>
<td>CPI</td>
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<td>European Market Infrastructure Regulation</td>
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<td>EPS</td>
<td>Earnings Per Share</td>
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<td>European Union</td>
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<td>FY18</td>
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<td>Gross Domestic Product</td>
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<td>General Motors Acceptance Corporation</td>
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<td>ILFC</td>
<td>International Lease Finance Corporation</td>
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<tr>
<td>IMF</td>
<td>International Monetary Fund</td>
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<tr>
<td>IPO</td>
<td>Initial Public Offering</td>
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Glossary

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<tr>
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<tr>
<td>IT</td>
<td>Information Technology</td>
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<tr>
<td>kt</td>
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<td>L +</td>
<td>USD 3 month LIBOR plus</td>
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<td>LCR</td>
<td>Liquidity Coverage Ratio</td>
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<td>Left Hand Side</td>
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<tr>
<td>LLC</td>
<td>Limited liability company</td>
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<td>Liquefied Natural Gas</td>
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<td>Non-Director</td>
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<td>Natural gas liquids</td>
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<td>No.</td>
<td>Number</td>
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<tr>
<td>NPAT</td>
<td>Net Profit After Tax</td>
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<tr>
<td>OECD</td>
<td>Organisation for Economic Co-operation and Development</td>
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<tr>
<td>OFTO</td>
<td>Offshore Transmission Owner</td>
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<td>P&amp;L</td>
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<td>p.a.</td>
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<td>Prior Corresponding Period</td>
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<td>Property, Plant and Equipment</td>
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<td>QoQ</td>
<td>Quarter on Quarter</td>
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<td>Regulation on Energy Market Integrity and Transparency</td>
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<td>Right Hand Side</td>
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<td>ROE</td>
<td>Return on Equity</td>
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<td>Standard &amp; Poor's</td>
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<tr>
<td>St dev</td>
<td>Standard deviation</td>
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<td>t</td>
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<tr>
<td>TMET</td>
<td>Telecommunications, Media, Entertainment and Technology</td>
</tr>
<tr>
<td>UK</td>
<td>United Kingdom</td>
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<td>United States of America</td>
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<td>YoY</td>
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<td>yr</td>
<td>Year</td>
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<td>Year To Date, for the period ending 31 Dec 15</td>
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<tr>
<td>ZAR</td>
<td>South African Rand</td>
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