



Allan Moss, Managing Director & Chief Executive Officer
Greg Ward, Chief Financial Officer

15 May 2007

Disclaimer

This material has been prepared for professional investors.

The firm preparing this report has not taken into account any customer's particular investment objectives, financial resources or other relevant circumstances and the opinions and recommendations herein are not intended to represent recommendations of particular investments to particular customers. All securities transactions involve risks, which include (among others) the risk of adverse or unanticipated market, financial or political developments and, in international transactions, currency risk. Due care and attention has been used in the preparation of forecast information. However, actual results may vary from forecasts and any variation may be materially positive or negative. Forecasts, by their very nature, are subject to uncertainty and contingencies many of which are outside the control of Macquarie Bank Limited (Macquarie).



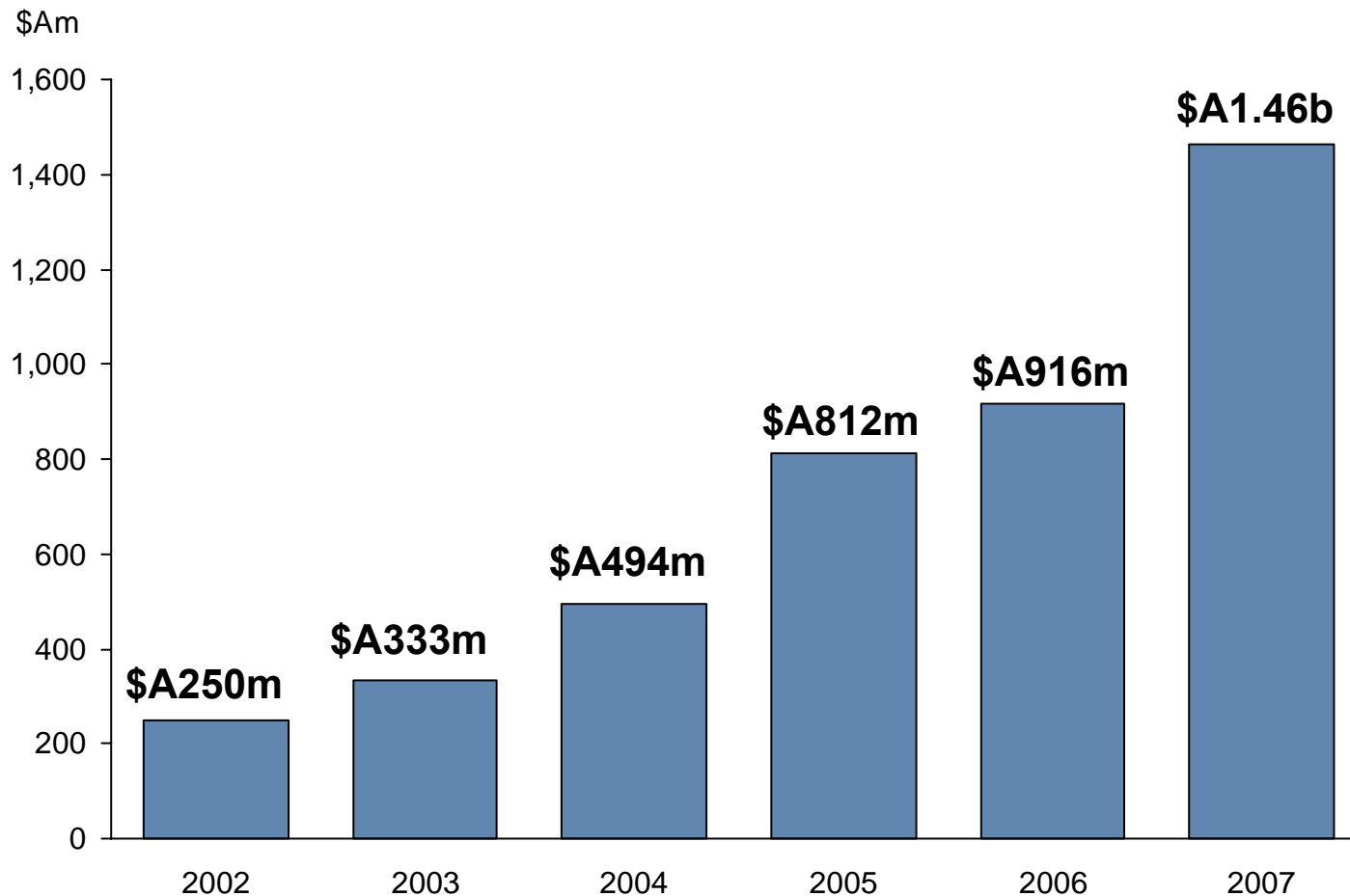
Agenda

1. Introduction	Allan Moss
2. Result analysis & NOHC update	Greg Ward
3. Overview of the year & Outlook	Allan Moss
4. Glossary	

Unless otherwise specified all information is for year ended 31 March 2007 and increases are on corresponding year.



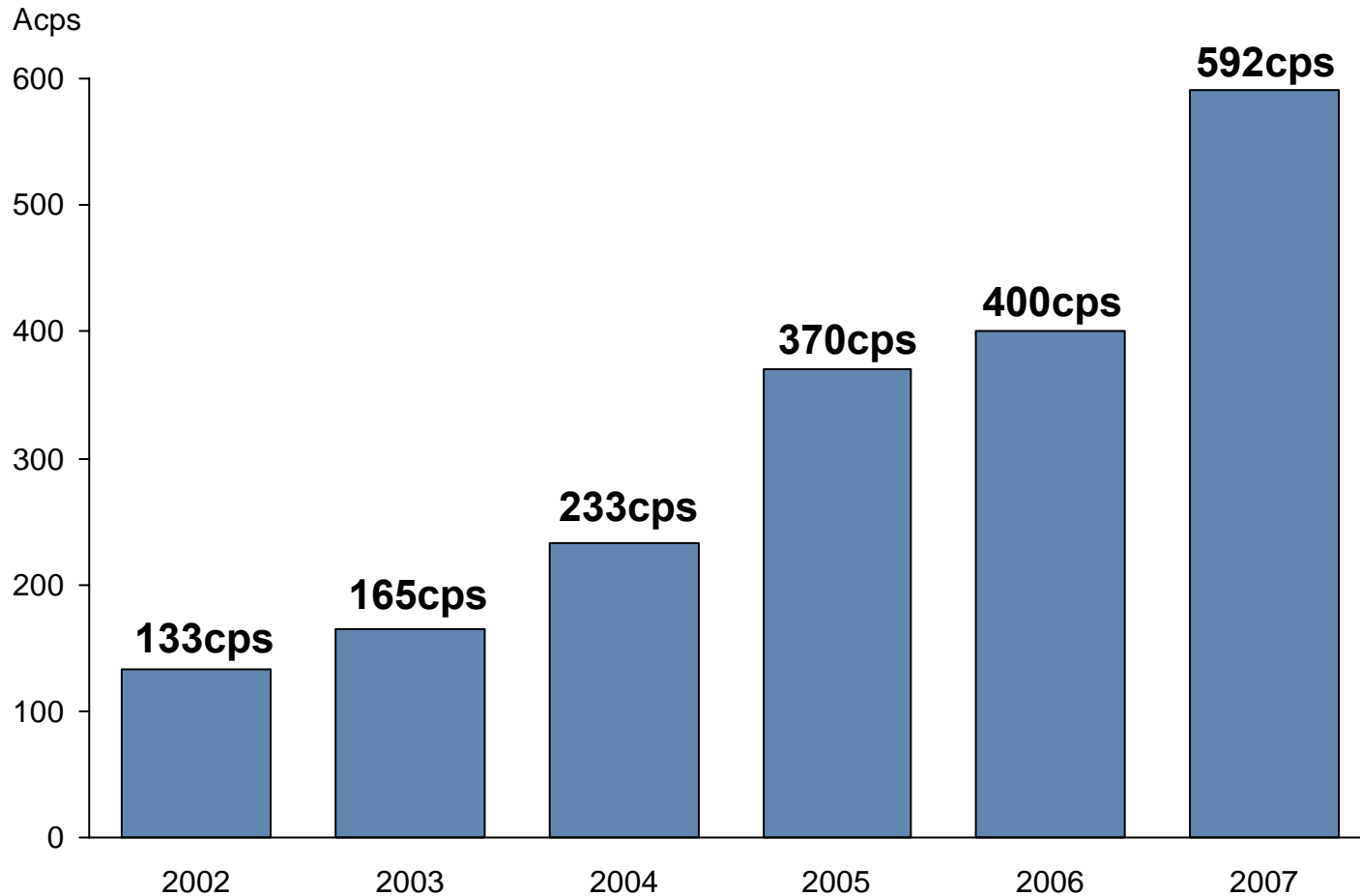
Profit of almost \$A1.5 billion
60% increase on pcp
Almost 6 times the level of 5 years ago



Throughout this report, periods prior to the 2005 financial year are reported under previous AGAAP, unless otherwise stated.



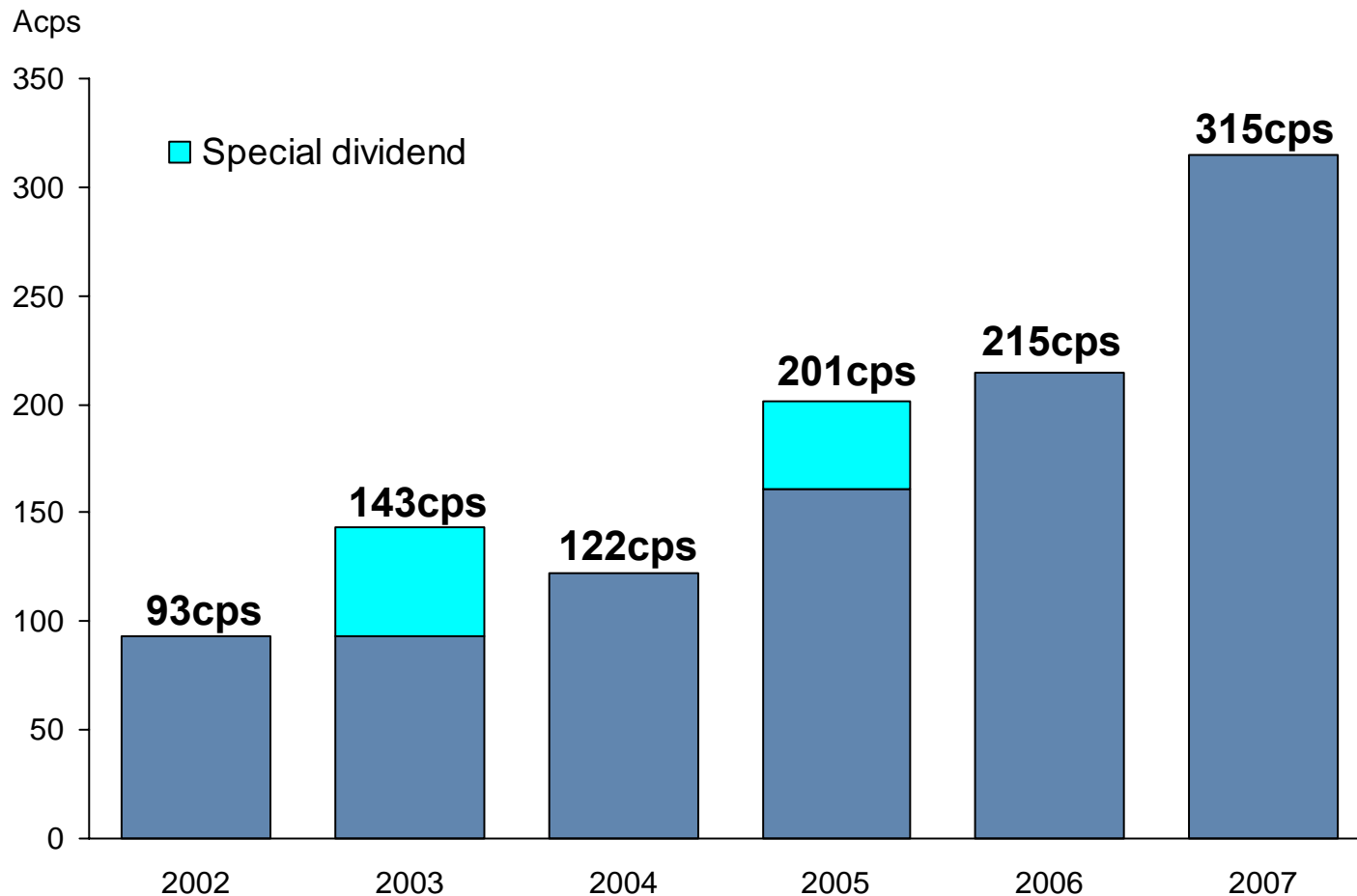
EPS of almost \$A6.00
48% increase on pcp
4.5 times the level of 5 years ago





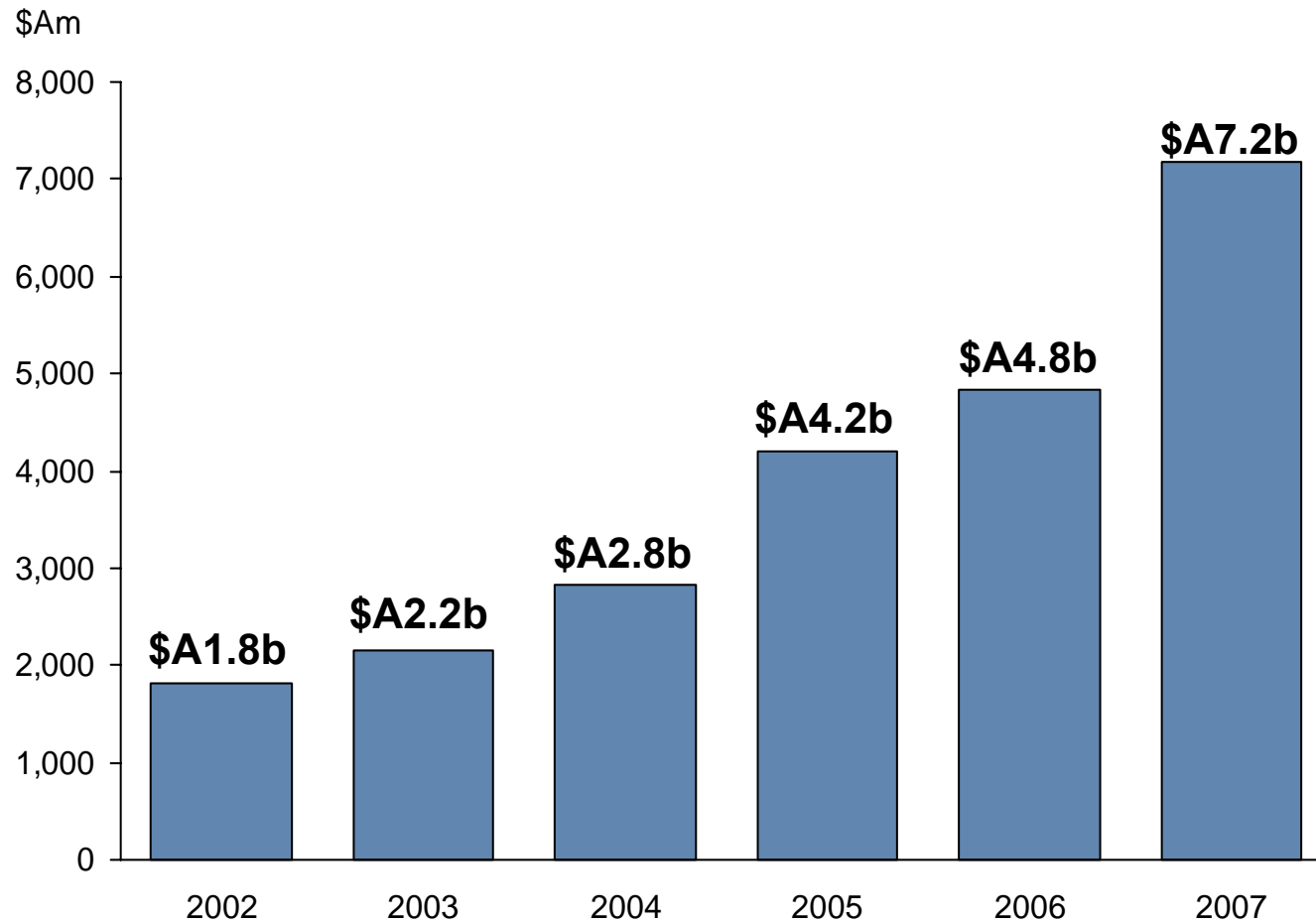
Dividend of \$A3.15
47% increase on pcp
3.4 times the level of 5 years ago

- 54% payout ratio on total dividends for year ended 31 March 2007, 100% franked





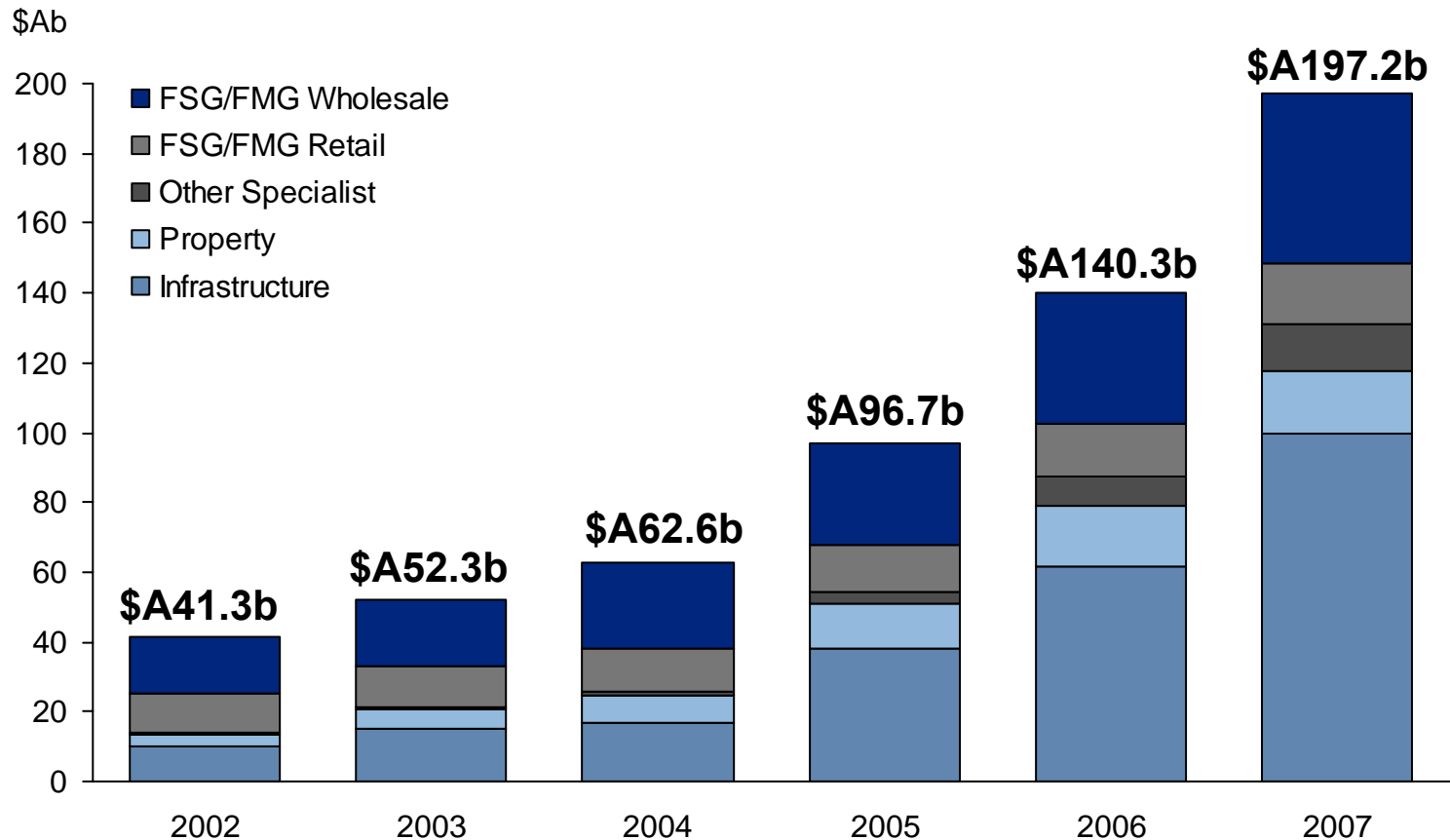
Income of \$A7.2 billion
49% increase on pcp
Almost 4 times the level of 5 years ago





Assets under management of almost \$A200 billion

41% increase on pcp
Almost 5 times the level of 5 years ago

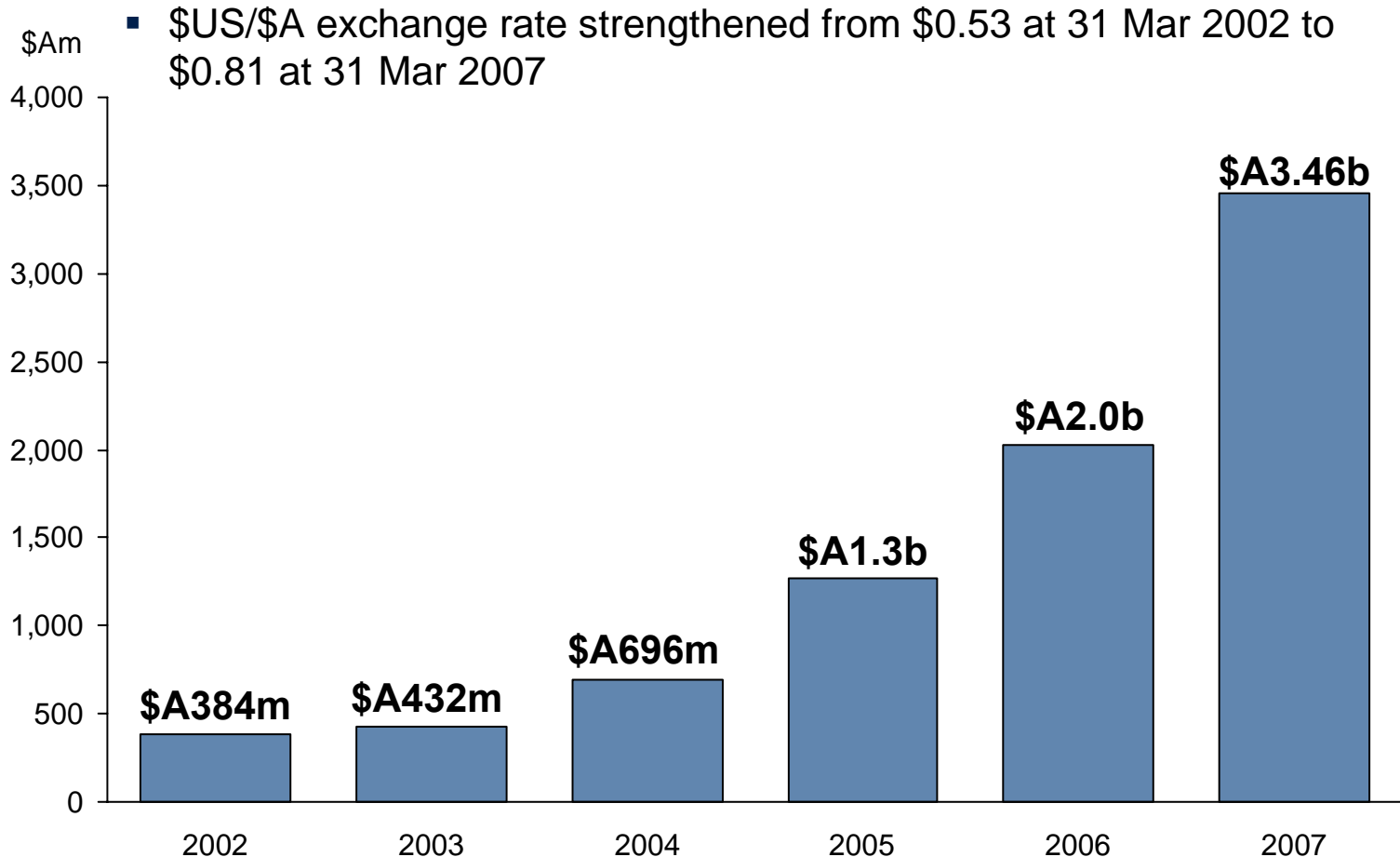




International income of almost \$A3.5 billion

70% increase on pcp

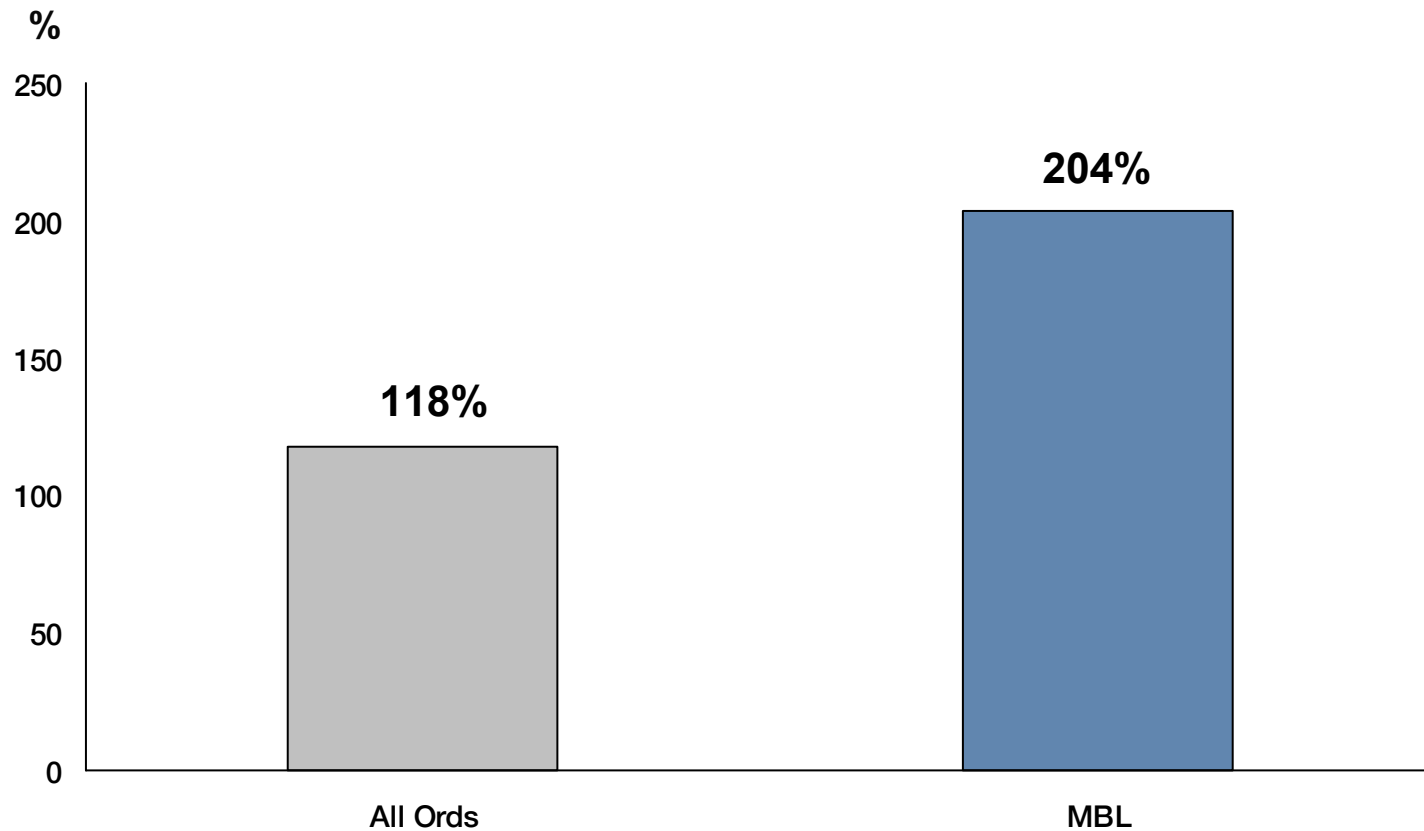
9 times the level of 5 years ago





Macquarie Bank Total Shareholder Returns of over 200% in 5 years

MACQUARIE BANK TOTAL SHAREHOLDER RETURN 2002-2007





Creating wealth for Australians

- Since listing, Macquarie Bank and Australian listed Macquarie-managed specialist fund vehicles have delivered more than \$40 billion in wealth for shareholders, of which more than \$A30 billion has gone to Australian shareholders and their beneficiaries, either directly or indirectly through their superannuation or other managed investments. This reflects approximately:
 - \$22b through capital appreciation[^]
 - \$9b from dividends and other distributions
 - This is conservative because:
 - It does not include unlisted funds
 - It assumes no reinvestment of dividends or distributions taken in cash

[^] Capital appreciation based on market capitalisation as at 30 April 2007 over and above total equity raised since listing of each vehicle. Portion of gains allocated to Australians is based on a 3 year average (or since listing average for funds with a shorter lifespan), to March 2007, of the percentage of issued capital held by Australian shareholders. Macquarie-managed specialist vehicles: MCW, MDT, MLE, MOF, MPNPA, MPR, MGI, MIPT, DUE, MAP, MCG, MCQ, MIG, MMG, MAZPA, SCF & MPG. Where the management interest is less than 100% only MBL's interest has been included.



Agenda

- | | |
|-----------------------------------|------------|
| 1. Introduction | Allan Moss |
| 2. Result analysis & NOHC update | Greg Ward |
| 3. Overview of the year & Outlook | Allan Moss |
| <hr/> | |
| 4. Glossary | |

Unless otherwise specified all information is for year ended 31 March 2007 and increases are on corresponding year.



Key drivers of year

- Continued good conditions across most markets:
 - equity market conditions better than expected
 - commodity prices and volatility in 1H07
 - favourable M&A market conditions
- Continued international growth
 - Offshore staff up 39% to 3,501 from 2,517 at March 2006
 - International income up 70% to A\$3.46b from A\$2.03b at March 2006
 - Most assets in Macquarie-managed funds are now offshore – Real Estate 69% and Investment Banking Funds 81%*
- Large asset realisations
 - Macquarie Goodman
 - Dyno Nobel
 - US oil and gas assets
 - Other infrastructure, real estate

* As at 31 March 2007



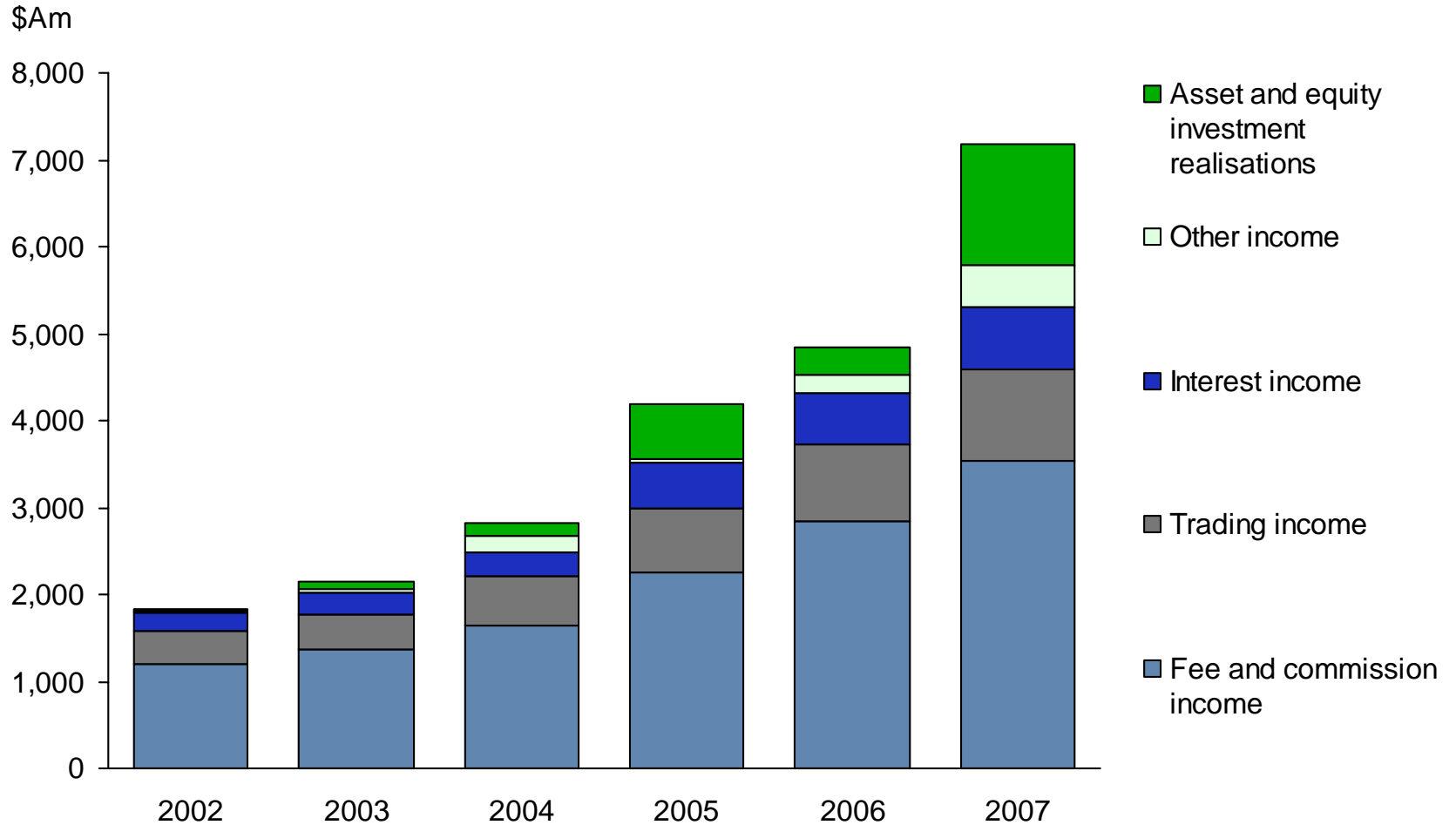
Key drivers of year

- Assets under management up 41% from \$A140.3b to \$A197.2b and associated base fee growth
 - Most funds are being raised offshore - substantial investment by institutional investors in unlisted international specialist funds
 - As expected, minimal performance fees from listed specialist funds
- Capital raised in May 2006 supporting broad business growth
- Significant balance sheet growth:
 - Total assets up 28% from \$A106.2b to \$A136.4b
 - Risk-weighted assets up 37% from \$A28.8b to \$A39.4b
- Employment market conditions remained extremely competitive
- Expense to income ratio slightly down
- Lower effective tax rate as foreshadowed



Operating income

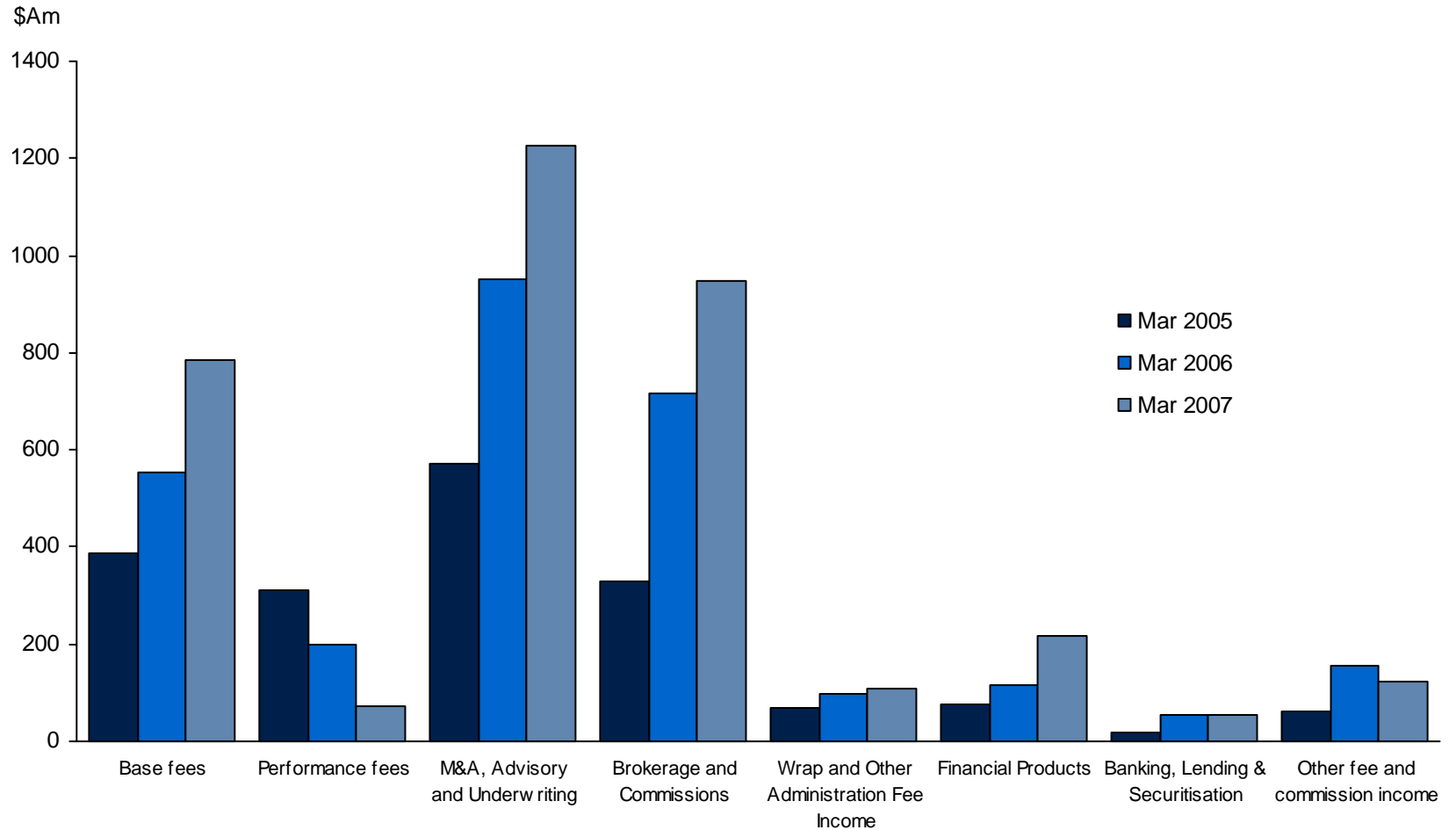
49% increase on prior year to \$A7.2b





Fee and commission income

25% increase on prior year to \$A3.5b

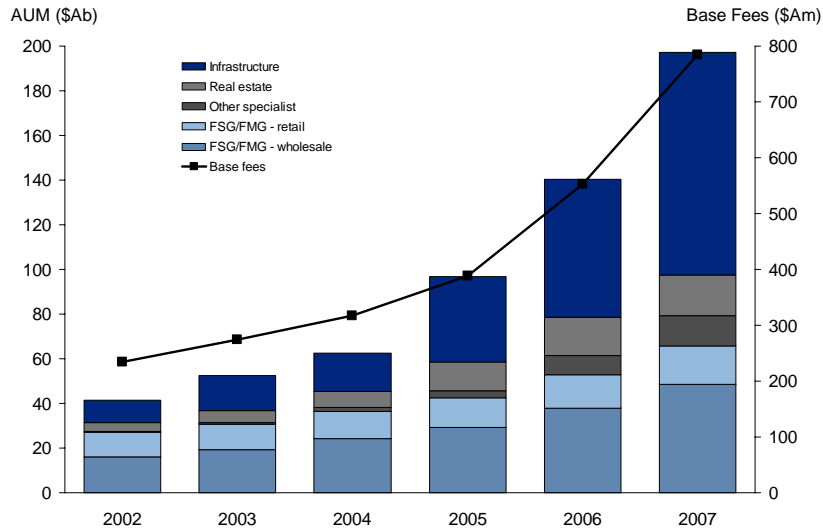




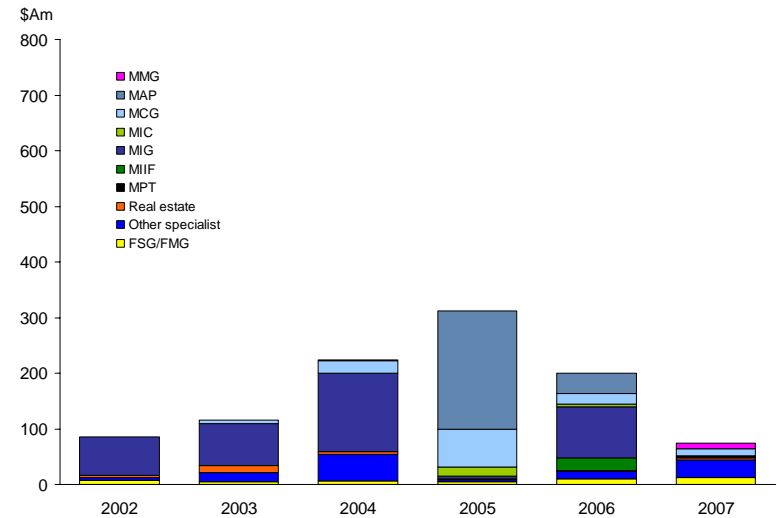
Funds management income

AUM up 41% on prior year to \$A197b
 Base Fees up 42% on prior year to \$A785m

AUM & Base fees



Performance fees

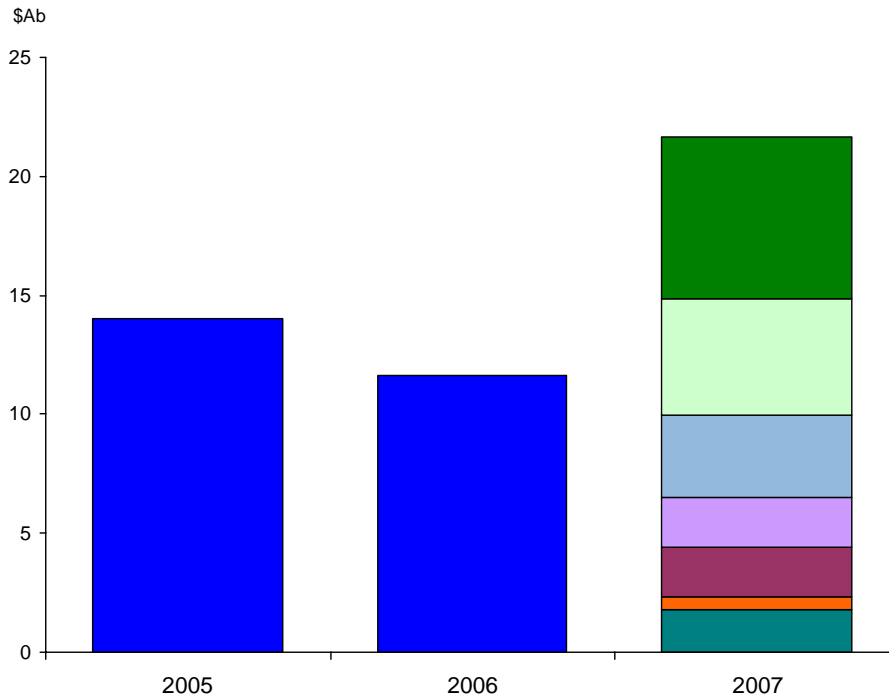


- Strong demand for unlisted funds continues, significant capital raisings during the year
- New funds include Macquarie Infrastructure Partners (MIP), Macquarie European Infrastructure Fund II (MEIF II), Macquarie Goodman Hong Kong Wholesale Fund
- Specialist funds have been active, including acquisition of Thames Water
- Performance fees not significant, as foreshadowed



Specialist fund equity raisings

- \$A21.6b raised over the 12 months to 31 March 2007
- 79% from international investors and 87% into unlisted funds or syndicates



Fund	Raising (\$Ab)
Macquarie European Infrastructure Fund II*	6.8
Macquarie Infrastructure Partners	4.9
Other unlisted Infrastructure	3.4
Listed Infrastructure	2.1
Unlisted Real Estate	2.0
Listed Real Estate	0.6
Other	1.8
FY07 TOTAL	\$A21.6b

Funds raised by Macquarie and joint venture fund manager partners from 1 April 2006 to 31 Mar 2007, including equity raised via DRP. Including committed, uncalled capital.

* MEIF II reached final close subsequent to 31 March 2007 therefore the figure above does not reflect final close of \$A7.6b



Net trading income

20% increase on prior year to \$A1,047m

- Underlying income up 35% on pcp
 - Global Equity Finance substantial growth in vanilla and structured product volumes
 - Australian equity products significantly up on prior year; retained market leading position
 - Asia equity products contribution down on strong prior year due to difficult trading conditions in Korea; increased competition
 - High volatility levels in gold, base metals and commodities markets; strong demand for structured products
 - Improved FX volumes in second half; full year down overall on prior year; market volatility lower than prior year
 - Interest rate products up - increased levels of local and international corporate activity
- Accounting impacts:
 - Volatility on derivatives hedging interest rate risk in non-trading areas, including Hybrid swaps – no hedge accounting
 - Accounting for interest rate swaps: reported as trading income; need to consider with interest income and expense to give true net interest margin

	Mar 07 \$Am	Mar 06 \$Am	pcp % Δ
Equities	765	526	45
Commodities	295	197	50
Foreign exchange	120	152	(21)
Interest rate products	112	84	33
Total Trading Income <i>(before adjusting for accounting impacts)</i>	1,292	959	35
<i>Revaluation of economic hedges</i>	<i>(61)</i>	<i>29</i>	<i>(310)</i>
<i>Accounting for swaps</i>	<i>(184)</i>	<i>(112)</i>	<i>64</i>
Net Trading Income (as reported)	1,047	876	20



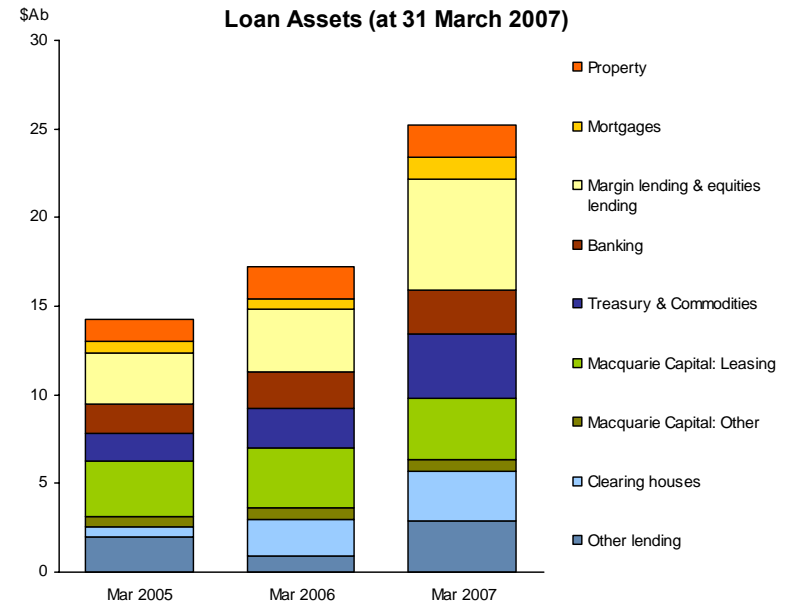
Net interest income

23% increase on prior year to \$A728m

	Mar 07 \$Am	Mar 06 \$Am
Net interest income <i>(as reported)</i>	728	592
<i>Accounting for swaps reported as trading income</i>	<i>(184)</i>	<i>(112)</i>
Net interest income <i>(adjusted for accounting impacts)</i>	544	480

- Need to consider accounting for swaps in net interest margin analysis – provides true economic position

	Mar 2007			Mar 2006		
	Interest \$Am	Average Volume \$Ab	Spread %	Interest \$Am	Average Volume \$Ab	Spread %
Mortgage assets	116	22,248	0.52	97	17,881	0.54
Loan assets	495	19,607	2.52	406	14,574	2.78
Trading assets and other securities	104	29,645	0.35	79	17,242	0.46
Total interest bearing assets	715			582		
Non-interest bearing assets	(171)			(102)		
Total	544			480		



- Loan assets spreads impacted by increased competition and mix of portfolio
- Mortgage portfolio average volume up 24%; loan portfolio average volume up 35%
- Increased funding cost on larger equity investments partially offset by capital raised in May 2006



Income from asset & equity investment realisations and other transactions

	Mar 07 \$Am	Mar 06 \$Am	Mar 05 \$Am
Asset & equity investment realisations			
Profit on disposal of assets and equity investments (Akeler JV assets, Arqiva, Brussels Airport, Childcare businesses, CH4 Gas, Dyno Nobel, East London Bus Company, Macquarie Small Cap Roads, net profit interests, SFE shares, Steampacket Group, Taiwan Cable TV Investments, RP Data, other infrastructure and real estate)	1,098	306	345
Gains on Macquarie Goodman Group	302	-	300
Other			
Dividends, distributions and equity accounting income (MAp, MGQ, MCW, MOF, MCG, MIIF, MMPR, etc)	326	214	50
Net income from businesses held for sale	41	(18)	-
Other	99	20	(34)
Total	1,866	522	661

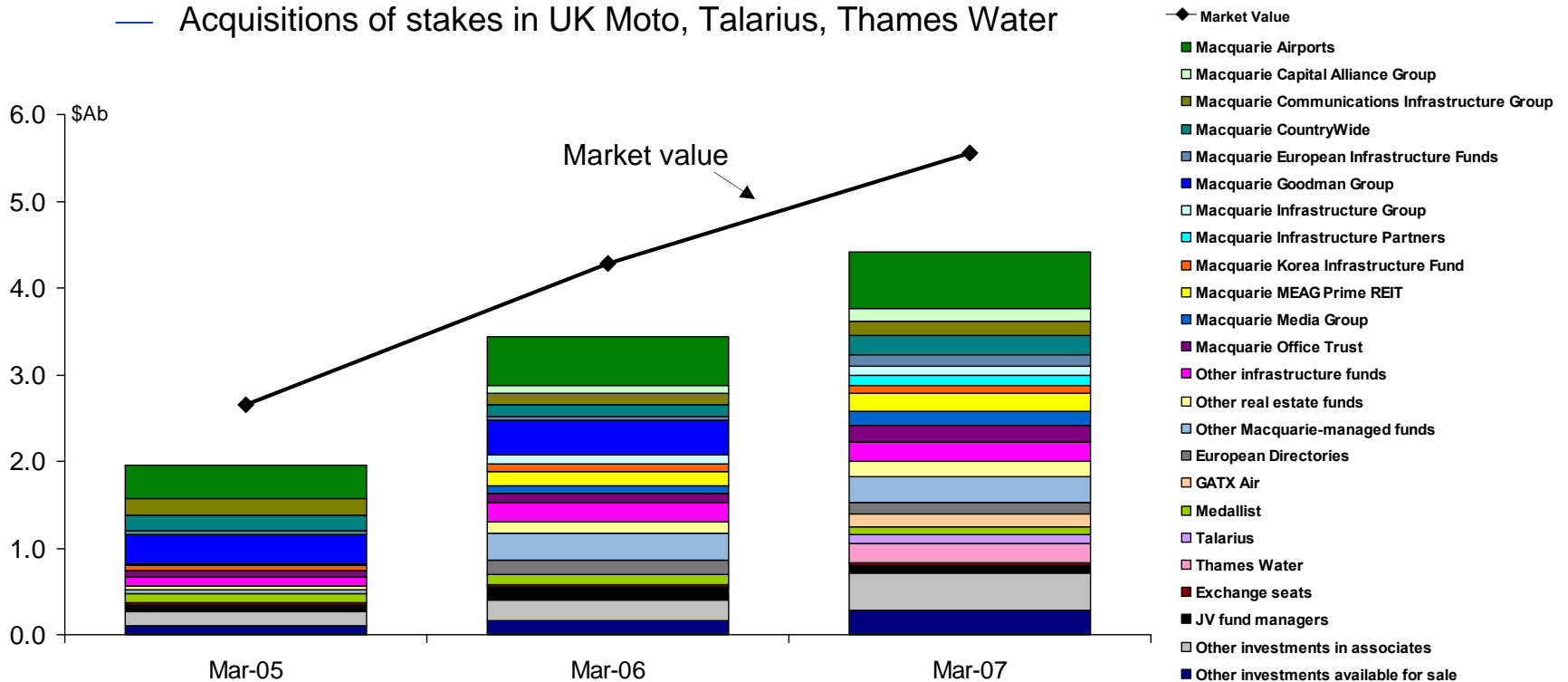
- 2007 result assisted by many asset realisations, including a number of significant ones
- Normal part of our business, but asset sales are a swing factor



Equity investments*

Up 28% on prior year to \$A4.4b

- \$A1.1b of unrealised gains
- Substantial investments held in Macquarie-managed funds – \$A2.9b
- Significant activity during the year:
 - Sale of 8% stake in Macquarie Goodman Group
 - Acquisitions of stakes in UK Moto, Talarius, Thames Water

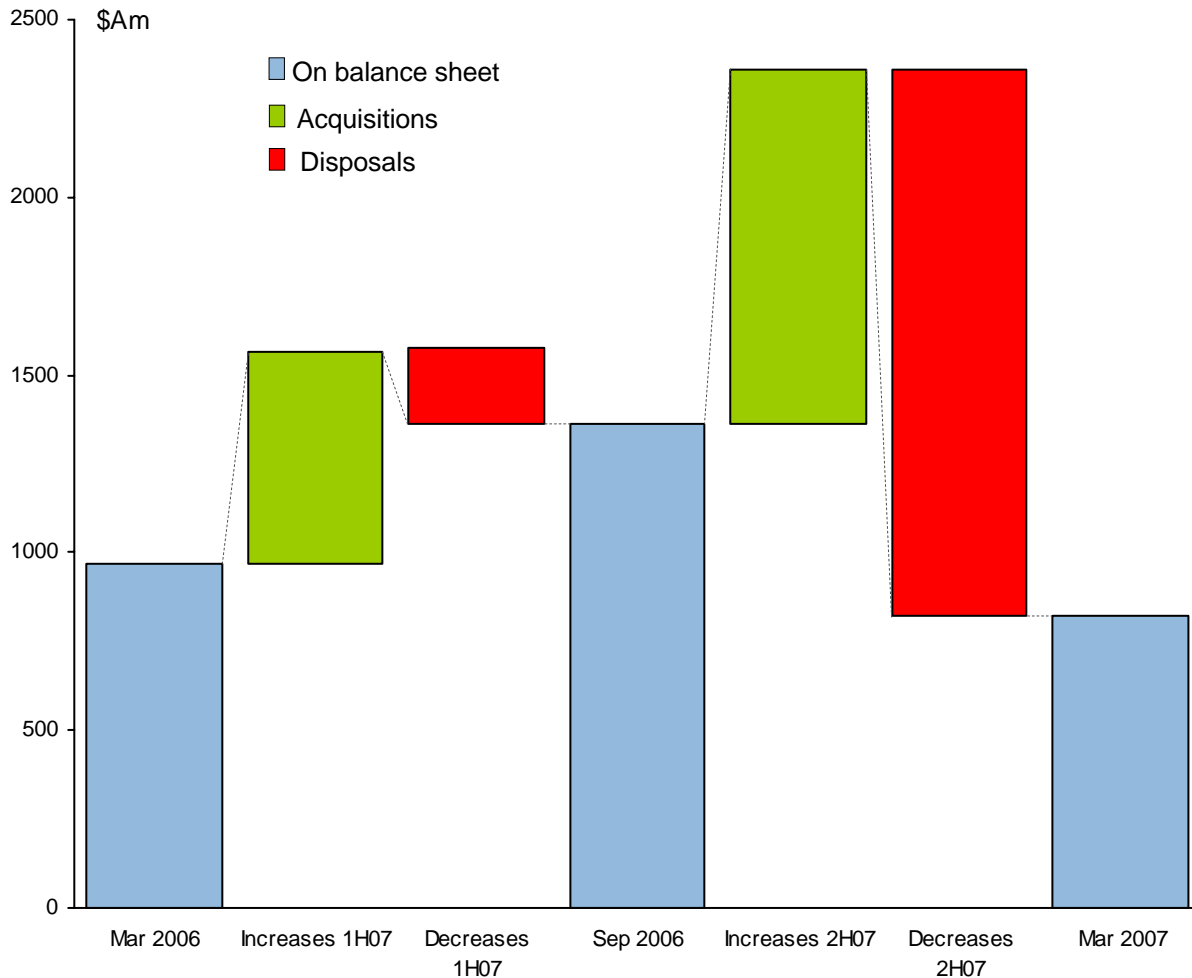


* Equity investments includes those investments that are not currently classified as Held for Sale. It includes investments in Macquarie-managed funds and other investments held for strategic reasons. Some investments will become classified as Held for Sale when it is highly probable that the asset will be sold in the subsequent 12 months.



Held for Sale Assets and Investments*

\$A1.5b sold since Sept 2006



- \$823m of Held for Sale assets at 31 March 2007 including:
 - ATM Solutions
 - Boart Longyear
 - Icon Parking
 - Lane Cove Tunnel
 - Longview oil & gas
 - Retirement Village Group
 - Taiwan Broadband Communications
- Assets sold or substantially sold post 31 March 2007 include ATM Solutions, Boart Longyear and Lane Cove Tunnel
- All assets sold at satisfactory prices

* Held for Sale (HFS) assets and investments are those whose carrying value will be recovered principally through a sale transaction rather than continuing use. The policy of management is to classify these assets as HFS when it is highly probable that the asset will be sold in the 12 months subsequent to being classified as such. At 31 March 2007



Business segment analysis

Investment banking: 42%*

Up 75% on prior year

Asset & wealth management: 27%*

Up 39% on prior year

Mergers and acquisitions,
advisory and underwriting

Infrastructure, real estate and
other specialist funds

Retail and wholesale
funds management and
private client broking

Commodities

FX, futures, treasury and debt markets

Institutional cash
equities

Financial products

Equity derivatives

Banking and securitised lending

Equipment and other leasing

Real estate lending

Other lending

Lending: 10%*

Up 23% on prior year

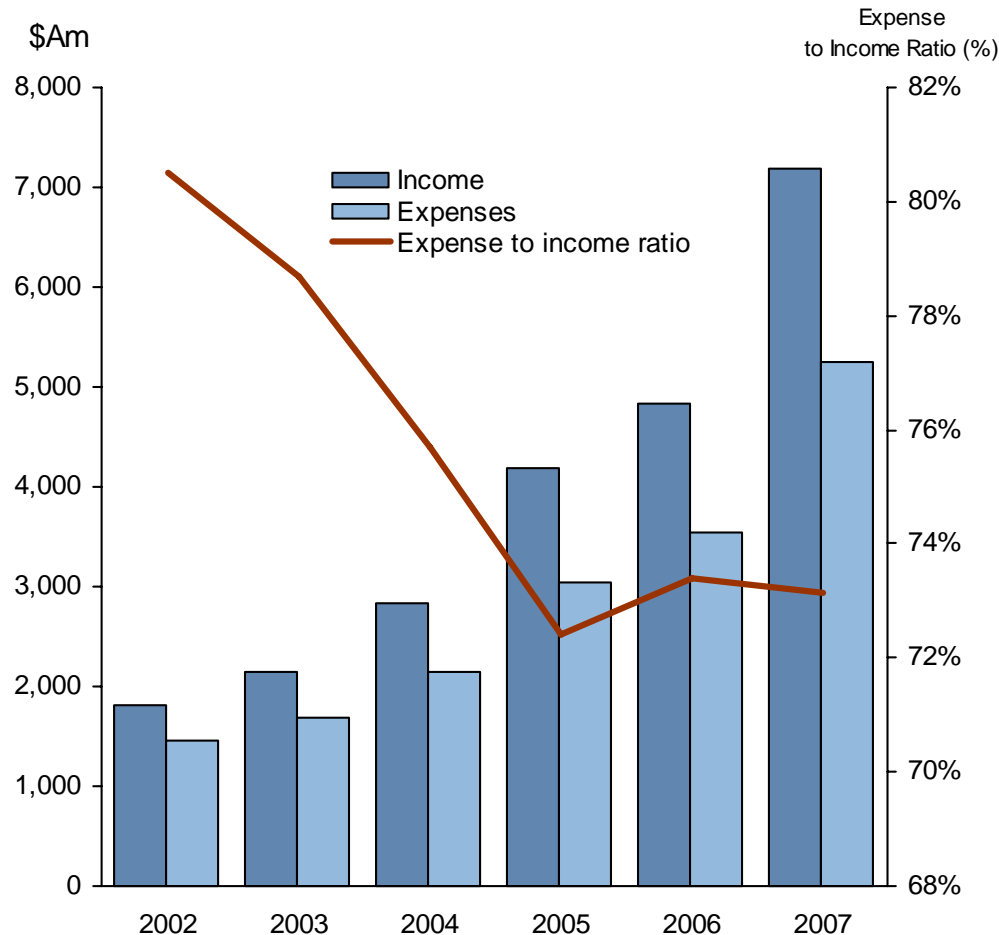
Financial markets: 21%*

Up 34% on prior year

* Represents the percentage contribution to total income.



Operating expenses and headcount



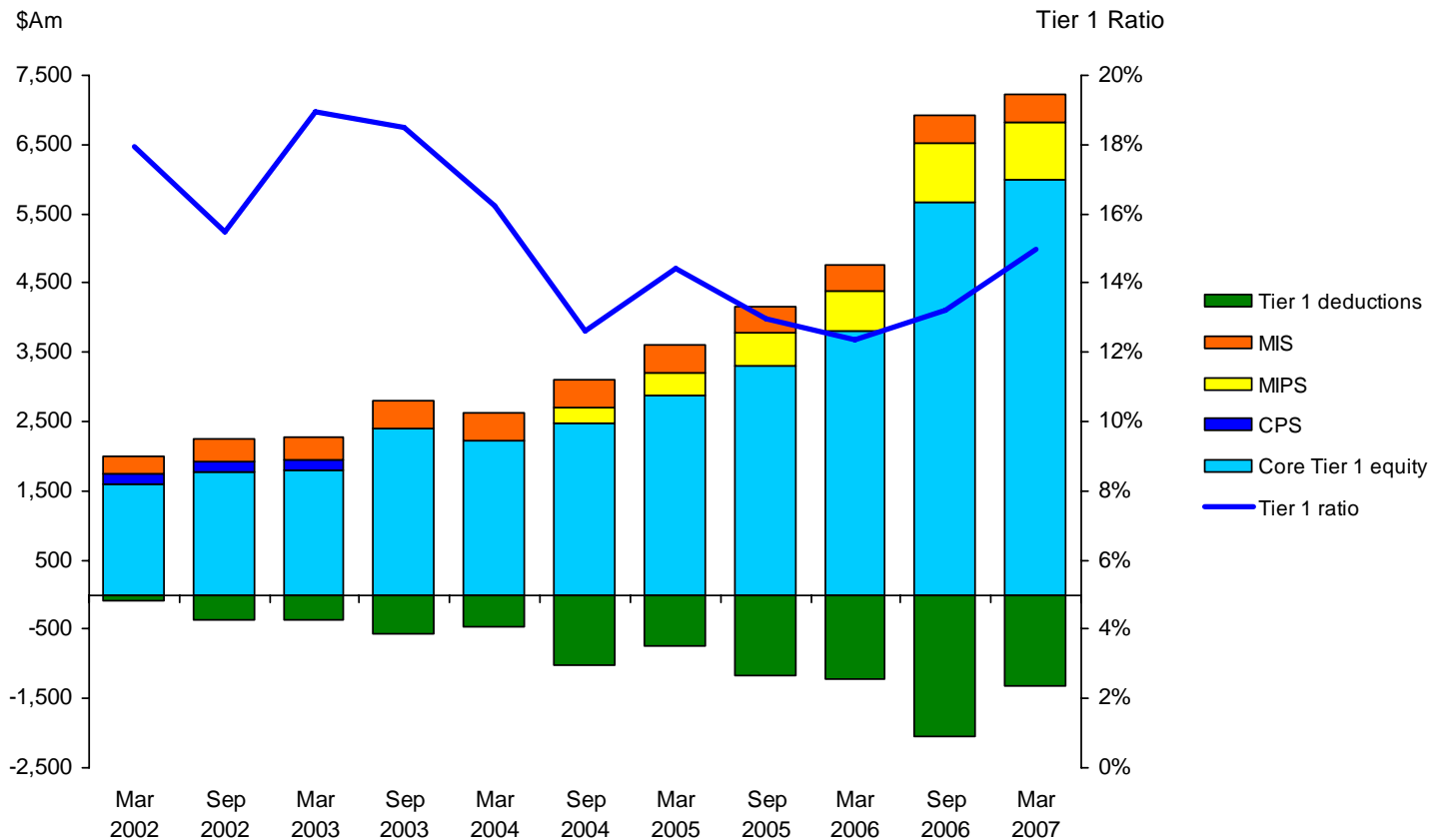
- Strong headcount growth
 - Total headcount up 22% on prior year to 10,023
 - International headcount up 39% on prior year to 3,501
- Expense/ income ratio slightly down at 73.2%



	Mar 07 %	Mar 06 %	Mar 05 %
Corporate tax rate	30.0	30.0	30.0
Rate differential on offshore income	(10.6)	(7.3)	(4.9)
Non-deductible distribution paid/provided on MIS	0.5	0.7	0.7
Non-deductible options expense	1.4	1.3	1.7
Other	(0.8)	(0.7)	(0.3)
Effective tax rate	20.5	24.0	26.2

- Effective tax rate down on prior year as a result of offshore tax rate differentials
 - Growth of offshore income
 - Previously foreshadowed

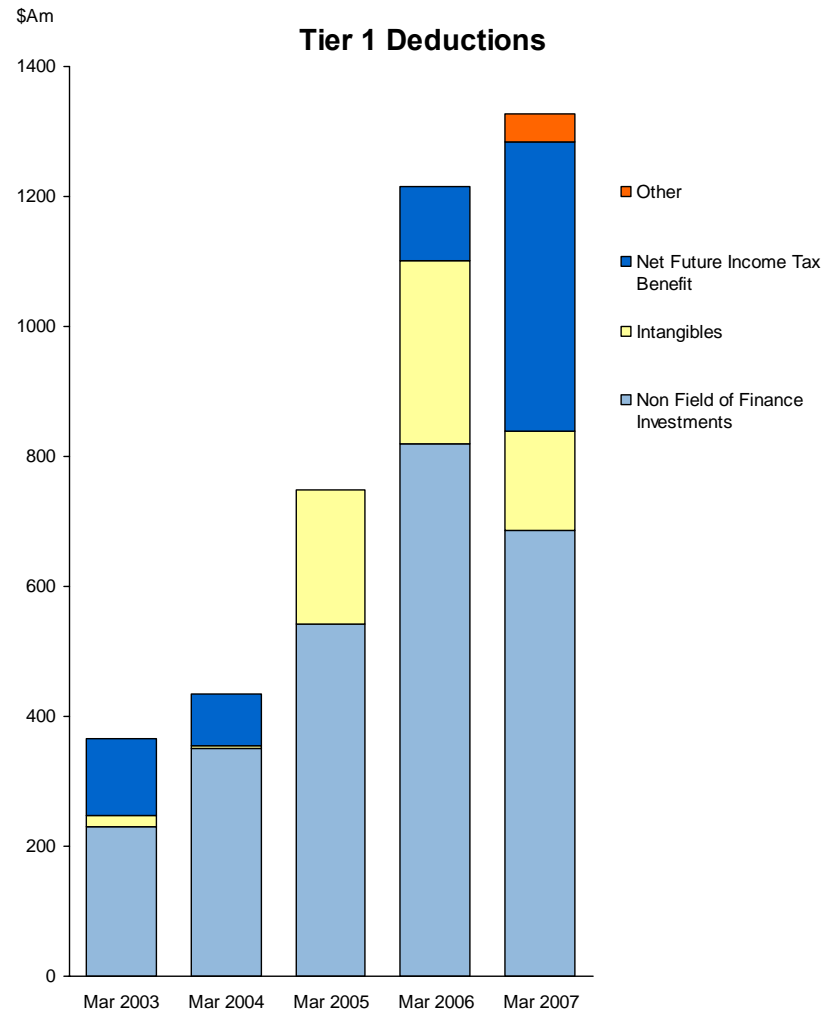
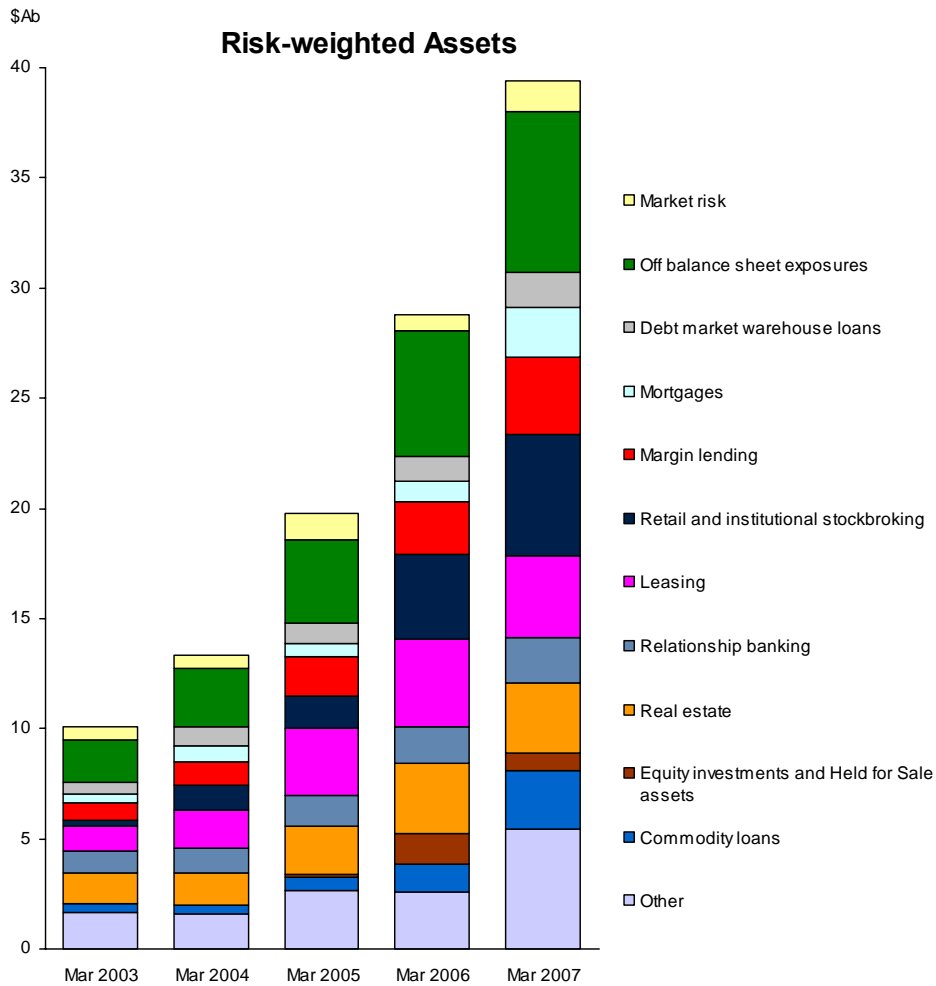
- Significant asset realisations during second half have contributed to an improved Tier 1 ratio
- Expect no material change in capital requirements as a result of Basel II





Capital management

Tier 1 capital usage



Periods prior to March 2007 are reported under previous AGAAP in accordance with APRA regulations at the time.



Non-operating holding company Update

- Overall, restructure is on schedule. Targeting shareholder approval in December quarter 2007
- Formal NOHC Authorisation Application submitted to APRA at the end of February
 - APRA has advised it expects to provide necessary approvals within proposed timetable
 - Approval still subject to finalisation of a number of operational matters
- Enabling Commonwealth legislation for NOHC bank restructures has been proposed for passage through Parliament by June 2007
 - Will resolve required tax law changes
 - Relief from Corporations Act restrictions to ensure shareholder access to profits unaffected by reorganisation but will not affect accounting standards
- Discussions with rating agencies are underway
- External counterparties being consulted
- As previously advised, do not expect restructure to materially affect the Group's capital requirements



Agenda

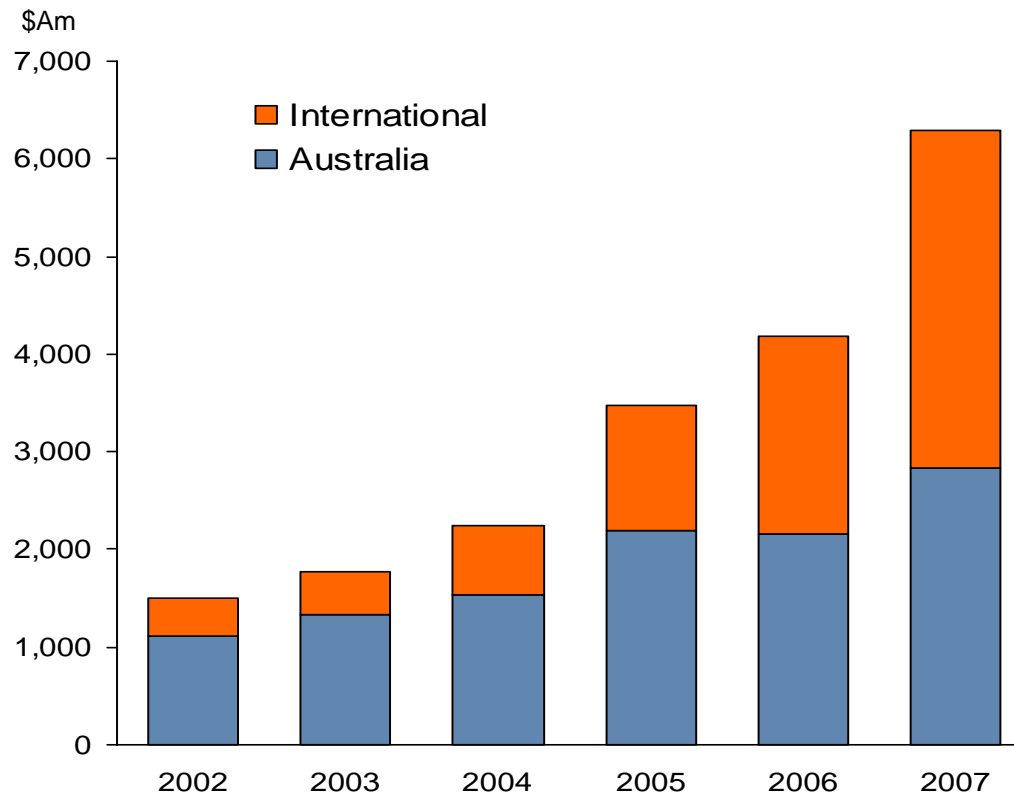
-
- | | |
|-----------------------------------|------------|
| 1. Introduction | Allan Moss |
| 2. Result analysis & NOHC update | Greg Ward |
| 3. Overview of the year & Outlook | Allan Moss |
| 4. Glossary | |
-

Unless otherwise specified all information is for year ended 31 March 2007 and increases are on corresponding year.



From an Australian institution growing internationally to a global institution headquartered in Australia

- 70% increase in international income on pcp from \$A2b to \$A3.5b despite much stronger \$A
- International income 55% of total income*, up from 48% in prior year

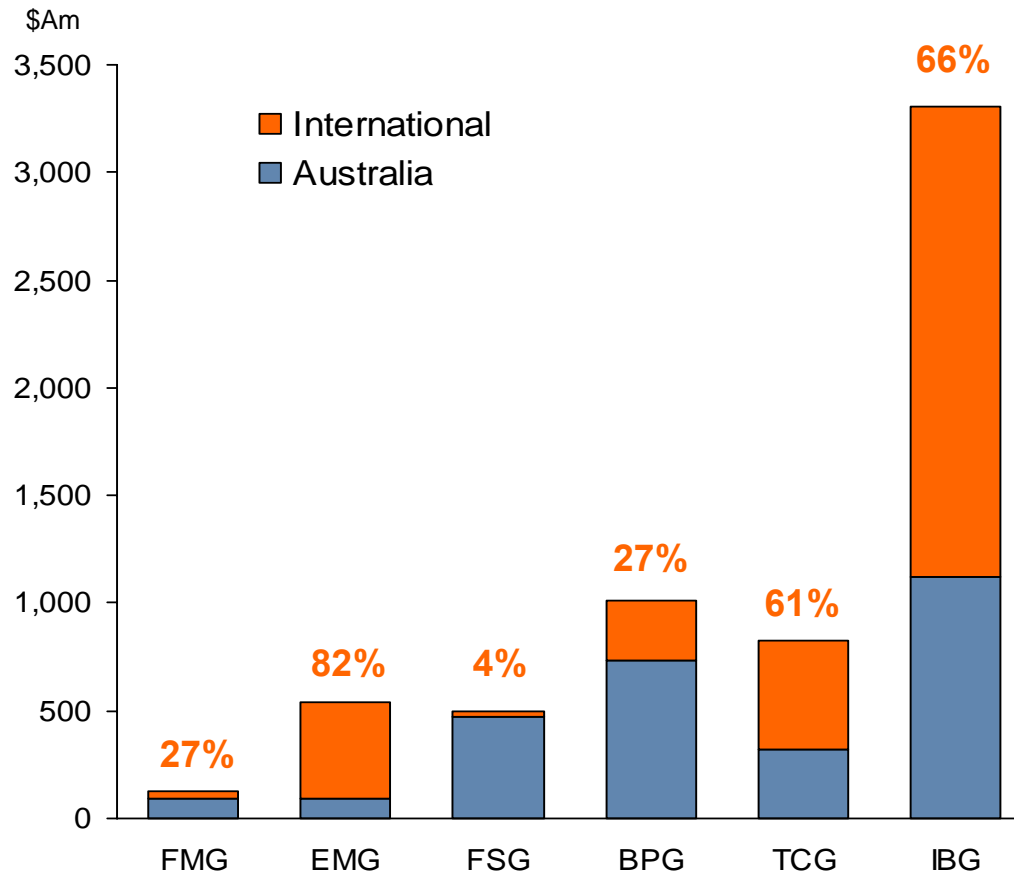


* Excluding earnings on capital and after costs directly attributable to earning the income, including fee and commissions expenses.



From an Australian institution growing internationally to a global institution headquartered in Australia

- International income is more than 50% of income across most businesses

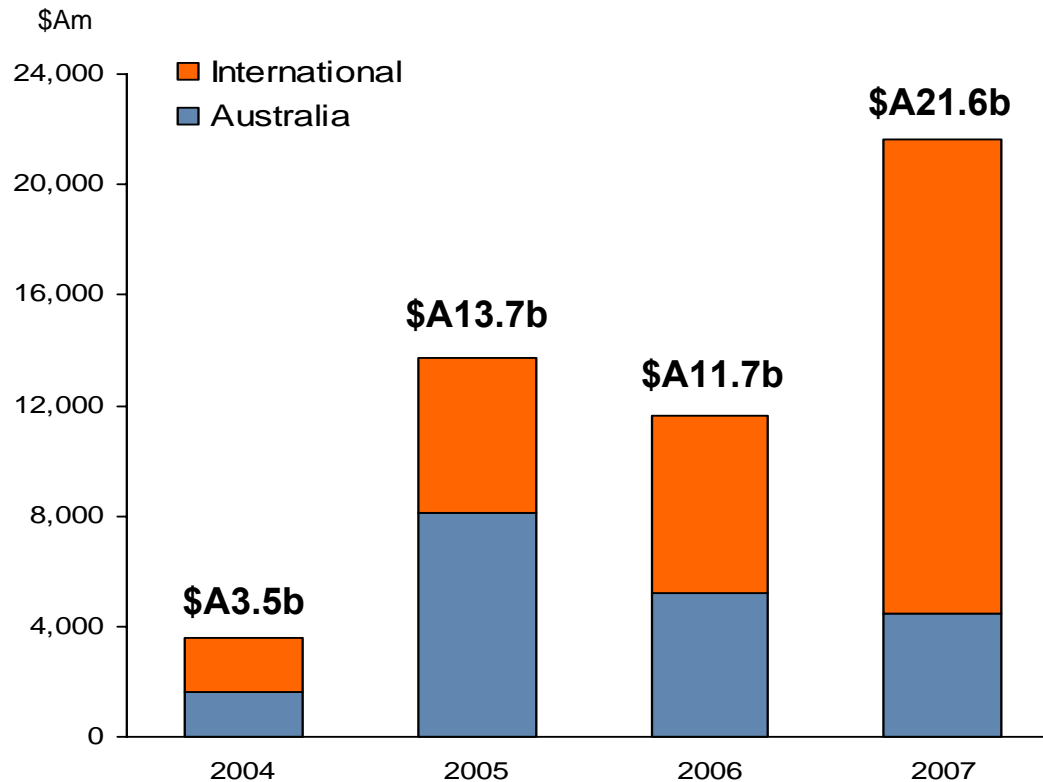


Percentages represent each Group's international income as a percentage of total income, excluding earnings on capital and after costs directly attributable to earning the income, including fee and commissions expenses.



From an Australian institution growing internationally to a global institution headquartered in Australia

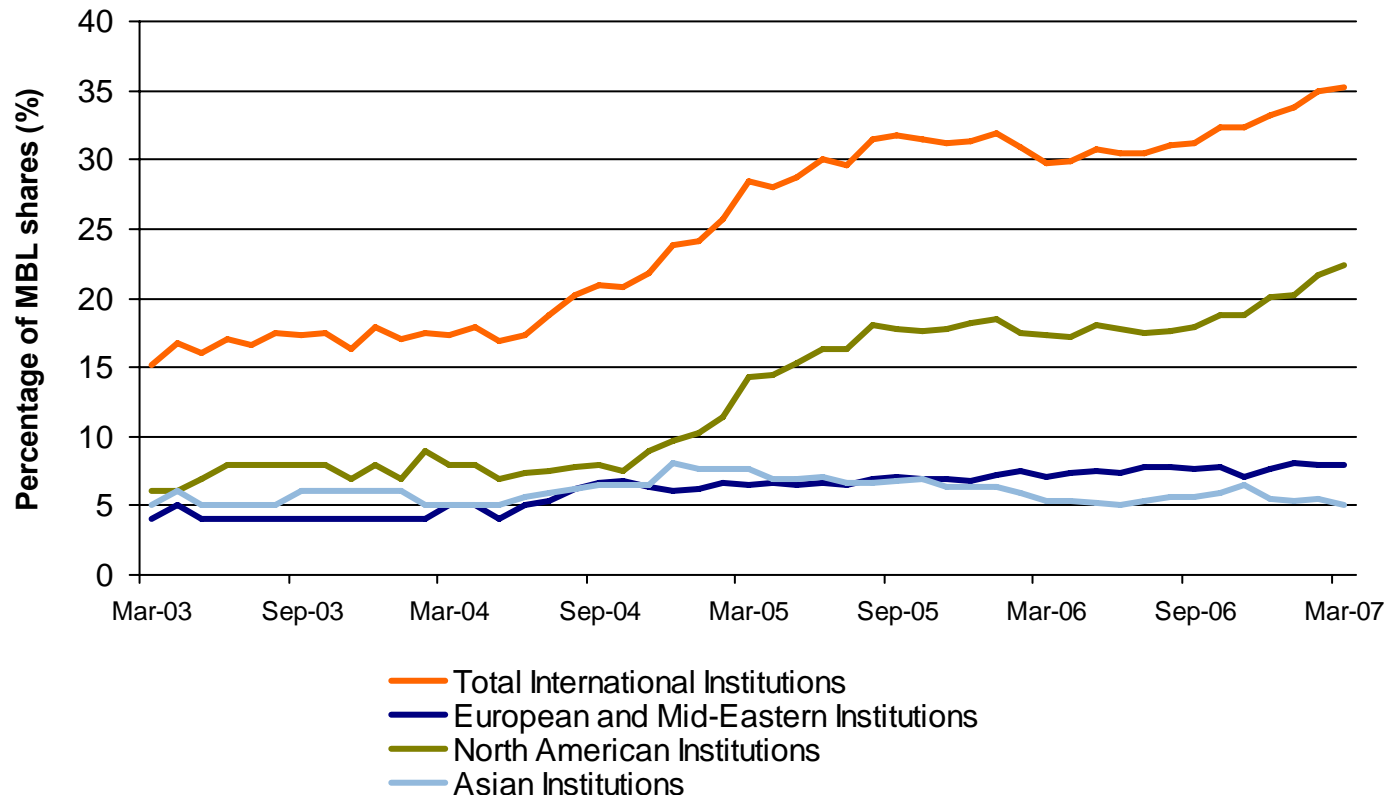
- International specialist fund equity raisings are now more than triple Australian raisings





From an Australian institution growing internationally to a global institution headquartered in Australia

- International institutions now hold more than 35% of MBL shares



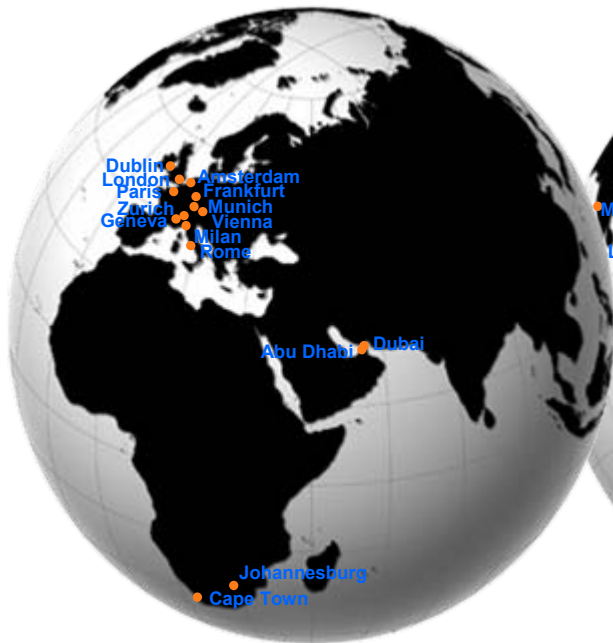


International staff up 39% since March 2006 to over 3,500

More than 10,000 staff in 24 countries

EUROPE & MIDDLE EAST

908 staff



AFRICA

31 staff

ASIA

1,560 staff



AUSTRALIA

6,522 staff

NEW ZEALAND

112 staff

NORTH AMERICA

864 staff



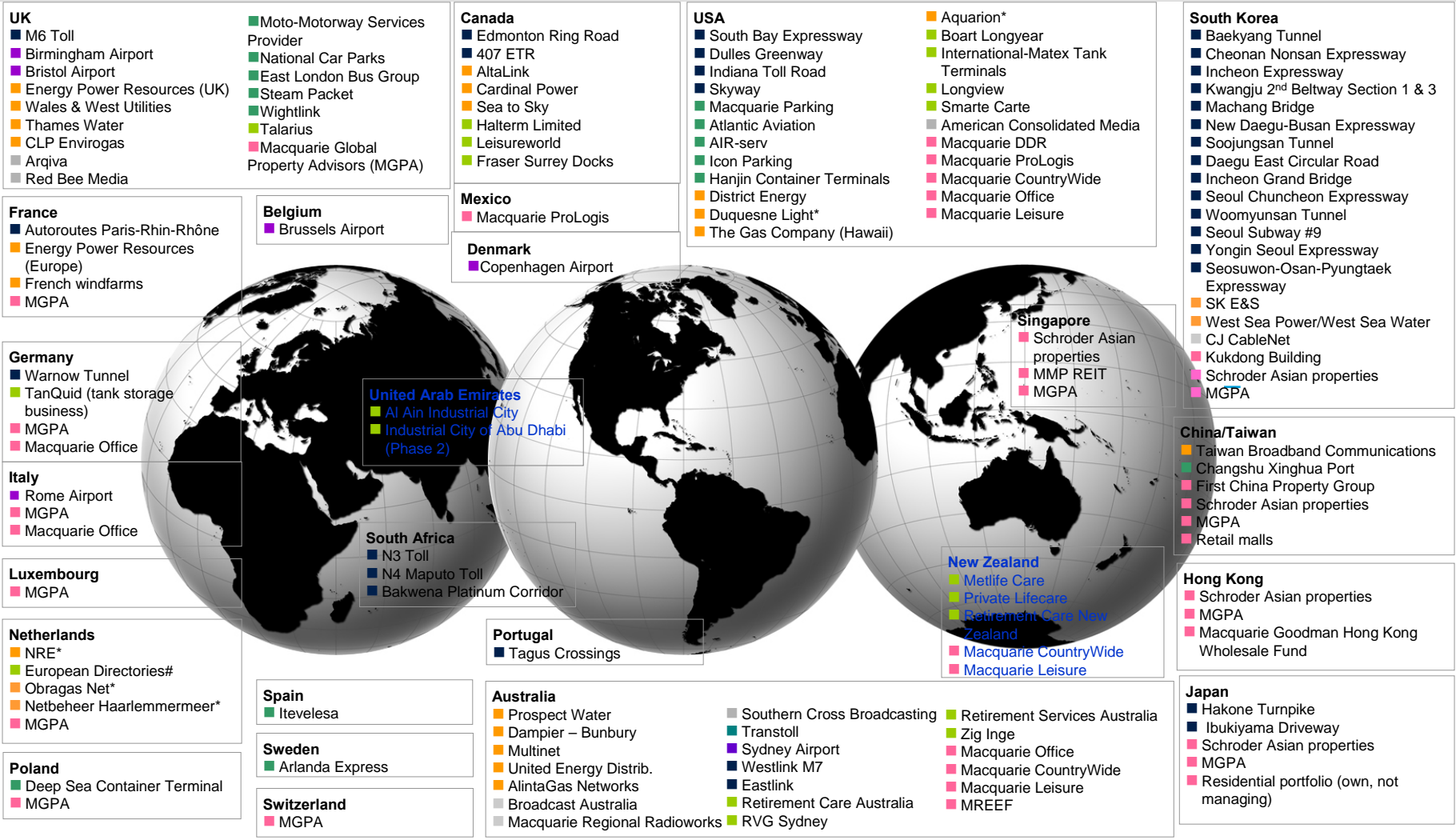
SOUTH AMERICA

26 staff



Managing important assets across the globe

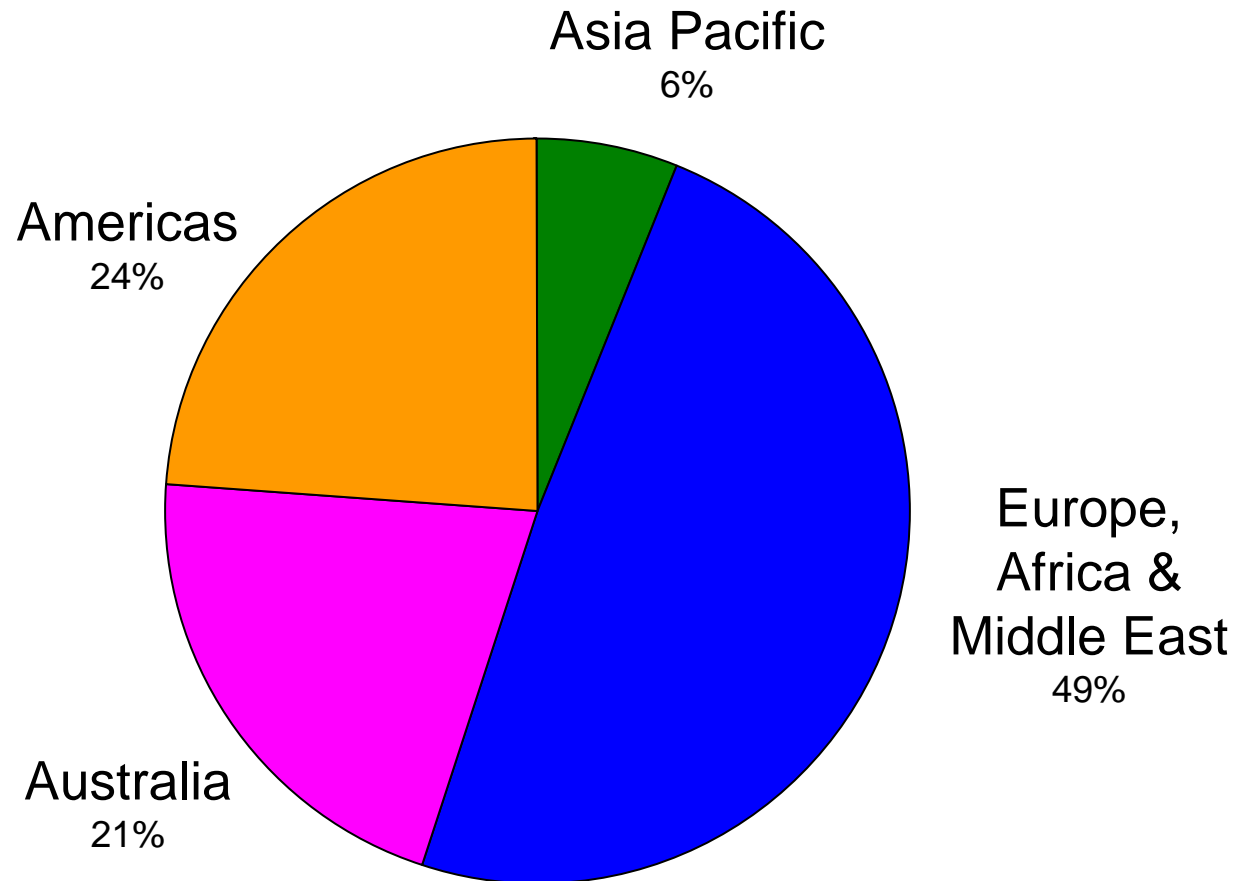
Over 100 infrastructure assets, over 700 real estate assets



As at March 2007. *Subject to financial and customary closing arrangements
 #European Directories also in Sweden, Finland, Austria, Czech Republic, Slovakia, Denmark & France
 - In some cases, Macquarie or a Macquarie-managed fund has partial interest in an asset



Around 80% of assets in specialist funds and syndicates are located outside Australia





Provider of essential community services around the globe

Employees	+65,000 across the assets
Airports	+115 million passengers per annum
Toll Roads	1.7 million cars per day
Gas Distribution	6.9 million households
Water Services	+5.2 million households
Electricity Distribution	1.2 million households
Communications	83 million people are reached by Macquarie's television, telephone and radio infrastructure, and cable and newspaper services
Real Estate	+700 properties including retail, office, residential, leisure & industrial
Rail	2.7 million passengers per annum
Ferries	+6.0 million passengers per annum
Aged Care / Retirement Villages	+7,500 beds / +7,700 units
Buses	300 million passengers per annum



We are driving international growth

- Over 50 international offices
- Non-operating holding company
- More than 800 Director-level staff based outside Australia
- Significant increase in risk management staff internationally
- Aggressive international recruitment
- Substantial investment in training, including INSEAD Masters of Finance (Investment Banking)



Intend to submit application to set up a UK incorporated banking entity

- London a hub for European growth
 - Currently over 700 Macquarie staff in London*
- Intend to submit application to the UK Financial Services Authority in July to set up UK incorporated banking entity
- Would give a European “passport” for banking businesses
- Increased investment in London office to support ambitious growth plans & provide greater flexibility
- Investing in risk management, compliance and governance as well as office infrastructure



From an Australian institution growing internationally to a global institution headquartered in Australia

- The Macquarie Bank Board considered the Bank's head office location and has resolved that the Group will remain headquartered in Australia
- In reaching this decision, the Board took into account the following considerations:

International

- Most activity now international (largely northern hemisphere)
 - Income
 - Growth
 - Major initiatives
- Regulatory environment in some cases more conducive to international operations

Australia

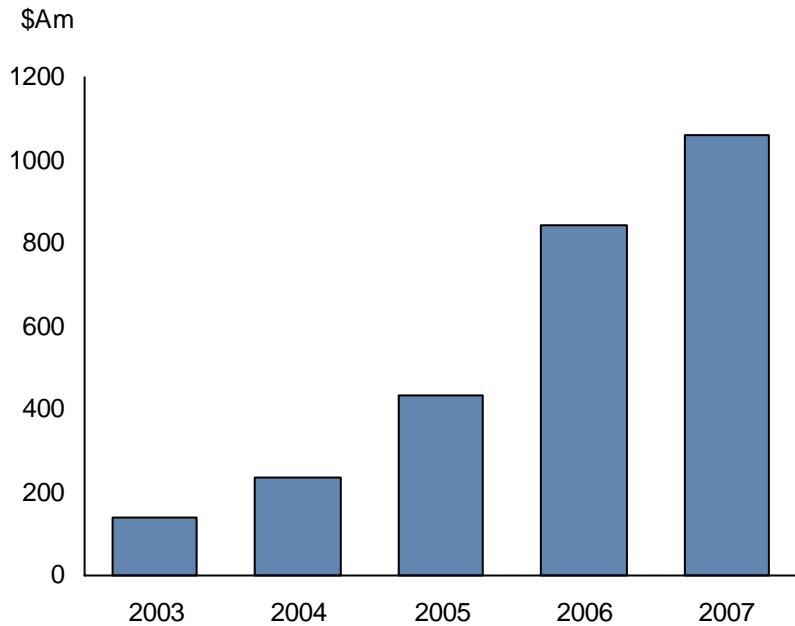
- Still largest single market for MBL
 - Proximity to Asia
 - Access to good quality staff and service industries
 - Business friendly environment
 - Cost and complexity of relocation
-



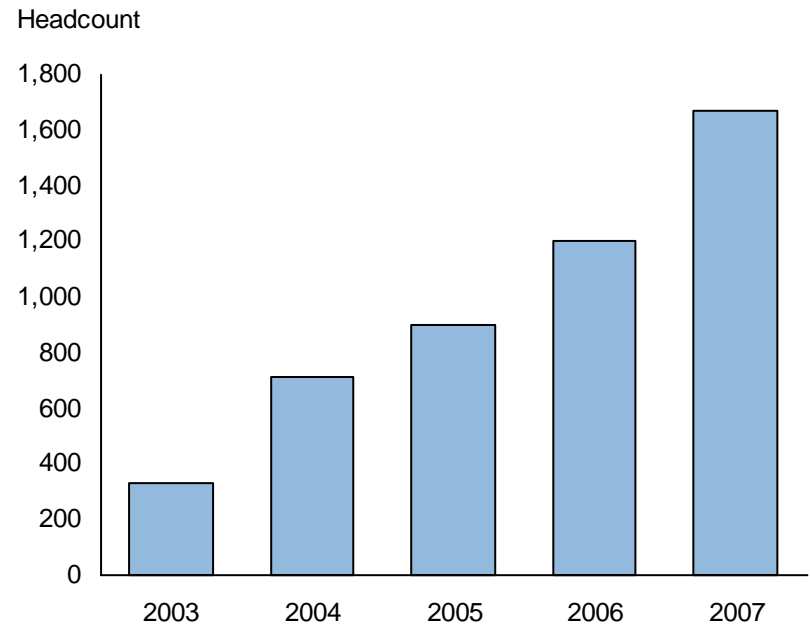
Growing in Asia-Pacific

Income* up 26% on pcp to \$A1.1 billion

Income*



Staff numbers



- Staff up 39% from 1,206 to 1,672

* Excludes earnings on capital and is after directly attributable costs, including fee and commissions expenses.



Growing in Asia-Pacific

Income* up 26% on pcp to \$A1.1 billion

- **Macquarie Securities:** brokerage revenue up over 40% on pcp; expansion of China product & application for qualified foreign institutional investor licence in progress; investment in India product with staff numbers up by +40%
- **ECM and M&A** – Lead manager roles in significant transactions in India, China/Hong Kong, Singapore, Thailand and Philippines
- **New funds:**
 - **Chinese retail malls** – new wholesale fund investing in nine Chinese retail shopping malls in China
 - **MGP Japan Core Plus Fund** – established by Macquarie Global Property Advisors - unlisted Japanese real estate fund, \$US865m capital raised
 - **Macquarie IMM Global Infrastructure Fund** – established the first global infrastructure fund for retail investors in Korea. \$US1b open-end public fund investing in global listed infrastructure securities. Macquarie sub-advisor to this fund.
 - **Cathay Global Infrastructure Securities Fund** – established Taiwan's first infrastructure fund with Cathay Securities Investment Trust. \$US300m unlisted open-end fund investing in global listed infrastructure securities. Macquarie investment advisor to the fund
 - **Macquarie Goodman Hong Kong Wholesale fund** – \$HK4.8b (\$A850m) unlisted real estate fund established by Macquarie Goodman Asia (JV between MBL and Macquarie Goodman)
 - **MQ specialist funds** – launched Hong Kong platform offering structured products and quantitative investment strategies to Asian investors. First fund – China IPO Fund
- **New business / JV:**
 - **Shinsei Bank** – Investment banking JV in Japan
- **Other fund initiatives:**
 - Macquarie Korea Opportunities Fund acquisitions: **40% stake in six container terminals (Taiwan, Japan, US)** and **100% of a cogeneration plant and water treatment facilities**

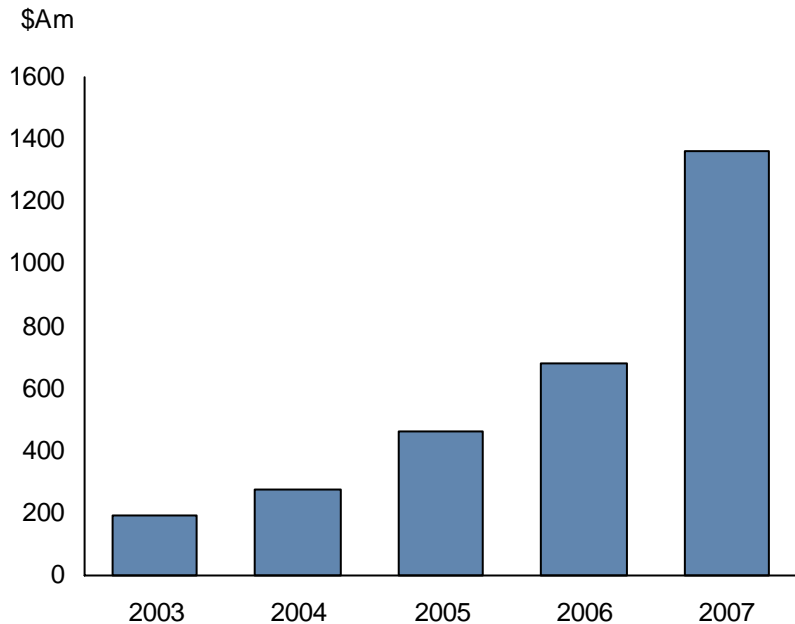
* Excludes earnings on capital and is after directly attributable costs, including fee and commissions expenses.



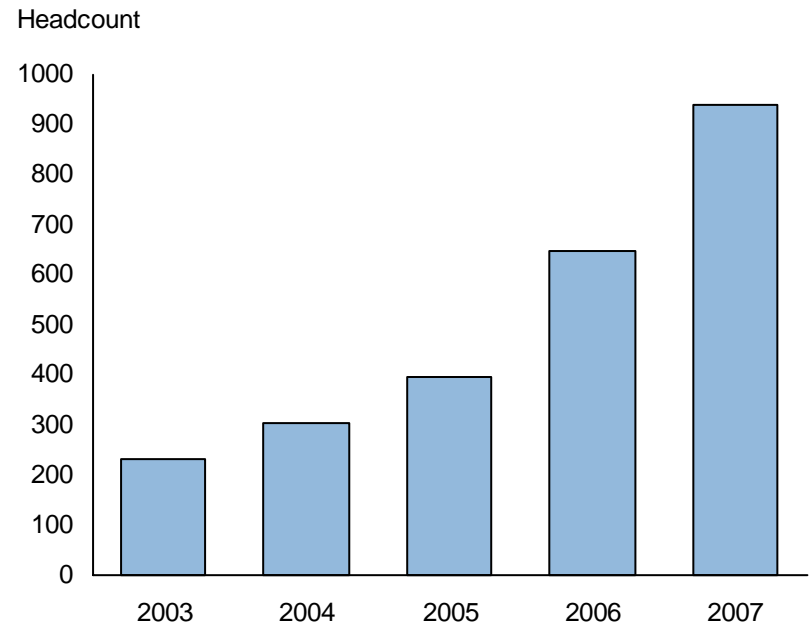
Growing in Europe, Africa & the Middle East

Income* up 100% on pcp to \$A1.4 billion

Income*



Staff numbers



- Staff up 45% from 648 to 939

* Excludes earnings on capital and is after directly attributable costs, including fee and commissions expenses.



Growing in Europe, Africa & the Middle East

Income* up 100% on pcp to \$A1.4 billion

- **New major fund - Macquarie European Infrastructure Fund II (MEIF II)** – European unlisted infrastructure fund. Final close May 2007 with €4.6b
- **New assets:**
 - **Moto** – led consortium acquisition of UK roadside catering service
 - **East London Bus Group** – £264m acquisition of London bus business from Stagecoach Group
 - **Talarius** – £142m acquisition of Talarius, gaming centre operator, by JV between Macquarie and Tattersall's
- **New business/JV:**
 - **Macquarie First South** – stockbroking and investment banking JV in South Africa
 - **Corona Energy** – acquisition of UK gas supply company
- **Other fund initiatives:**
 - **Thames Water** – Macquarie's European Infrastructure Funds led £8b consortium acquisition
 - **Itevelesa** – GIF II-led consortium acquisition of Spain's third largest provider of vehicle safety and gas emission inspections
 - **National Car Park** – MEIF II's £790m acquisition of off-street, airport and railway car parking businesses
 - **Macquarie Office Trust's first European acquisitions** – Germany and Italy
- **Post balance date:**
 - **National Grid Wireless** – Arqiva's £2.5b acquisition of broadcast transmission services and independent wireless site provider (led by MCG)
 - **Airwave O2** – MCG/MEIF II announced £1.9b acquisition of digital radio communications provider for emergency services
 - **Macquarie Countrywide Trust's first European acquisitions** – Poland and Germany

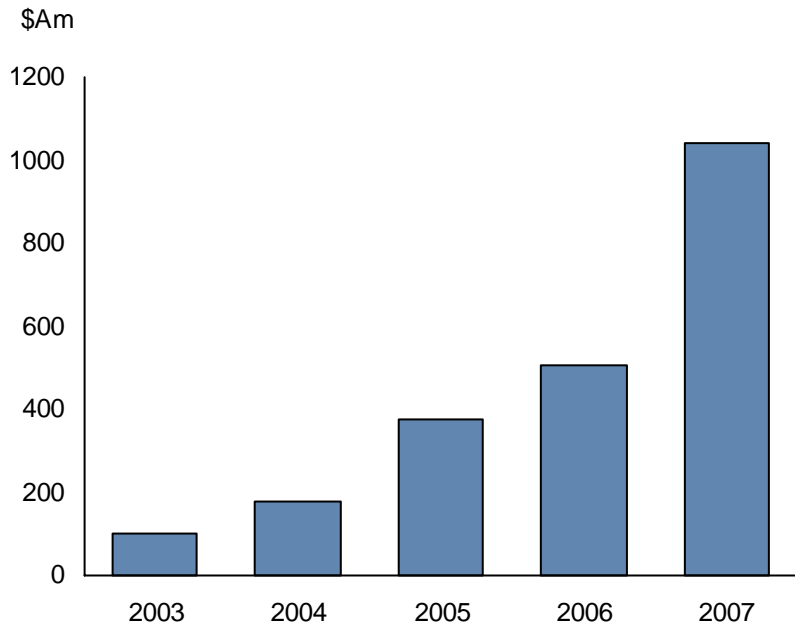
* Excludes earnings on capital and is after directly attributable costs, including fee and commissions expenses.



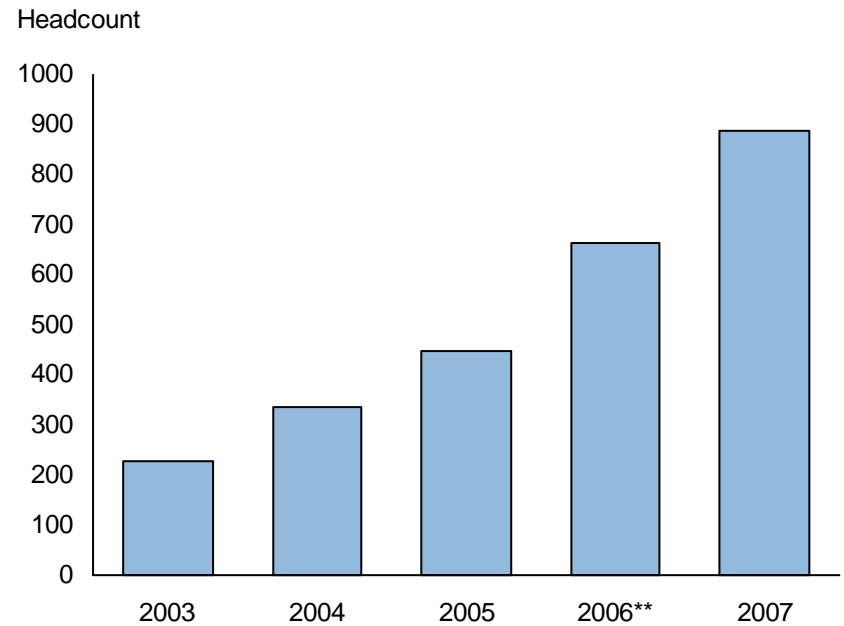
Growing in the Americas

Income* up 105% on pcp to \$A1.0 billion

Income*



Staff numbers



- Staff up 34% from 663 to 890

* Excludes earnings on capital and is after directly attributable costs, including fee and commissions expenses.

** Over 50 new staff as part of Cook Inlet acquisition in November 2005. Does not include Giuliani Capital Advisors staff integrated in April 2007



Growing in the Americas

Income* up 105% on pcp to \$A1.0 billion

- **New fund – Macquarie Infrastructure Partners (MIP)** – Unlisted infrastructure fund. Final close March 2007 with \$US4b
- **New assets:**
 - **Spirit Finance** – Led consortium that has entered into a definitive merger agreement to acquire for \$US3.5b
 - **GATX Air** – \$US1.46b acquisition (with consortium) of aircraft leasing business
 - **Post balance date: Gateway Casinos** – \$C800m (approx) offer by joint venture between Macquarie and PBL
- **New business/JV:**
 - **MD Sass JV** – focussed on incubating innovative asset management companies
 - **Macquarie Financial** – acquired Canadian mortgage broker
 - **Giuliani Capital Advisors** – acquired boutique investment banking firm specialising in restructuring and M&A advisory services, around 100 people
 - **Post balance date: Macquarie Cook Power** – Houston-based electricity trading business commenced trading
- **Other fund initiatives:**
 - MIP acquisitions: **50% of MIG's interest in US toll roads** for \$US825m, **Duquesne Light** (DUET/MIP-led consortium) for \$US1.6b, majority equity stake in water utility **Aquarion** and Canadian port terminals, **Halterm**, for C\$173m and **Fraser-Surrey Docks**[#] (price not disclosed)
 - **Macquarie Infrastructure Company \$US291m capital raising** – to partially fund previous acquisitions and facilitate future acquisitions
 - Acquisition of two airport services businesses – **Trajen Holdings** for \$US338m and **Mercury Air Centers** for \$456m (post balance date)
 - **International-Matex Tank Terminals** – \$US250m acquisition of 50% equity interest in bulk liquid storage terminal business
 - **AIR-serv** – Macquarie Capital Alliance Group-led consortium's \$US420m acquisition of vehicle tyre inflation equipment business
 - **Main Event Entertainment** – Macquarie Leisure Trust's \$US45m acquisition of Texas-based entertainment group. **First US asset**
 - **American Consolidated Media** – Macquarie Media Group's \$US80m acquisition of newspaper publishing business

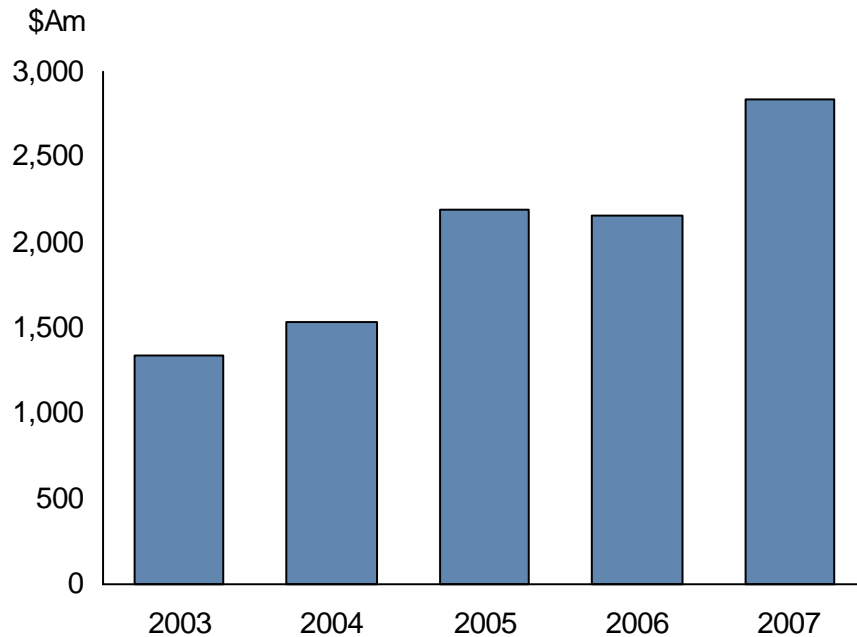
*Excludes earnings on capital and is after directly attributable costs, including fee and commissions expenses. # Subject to customary closing arrangements



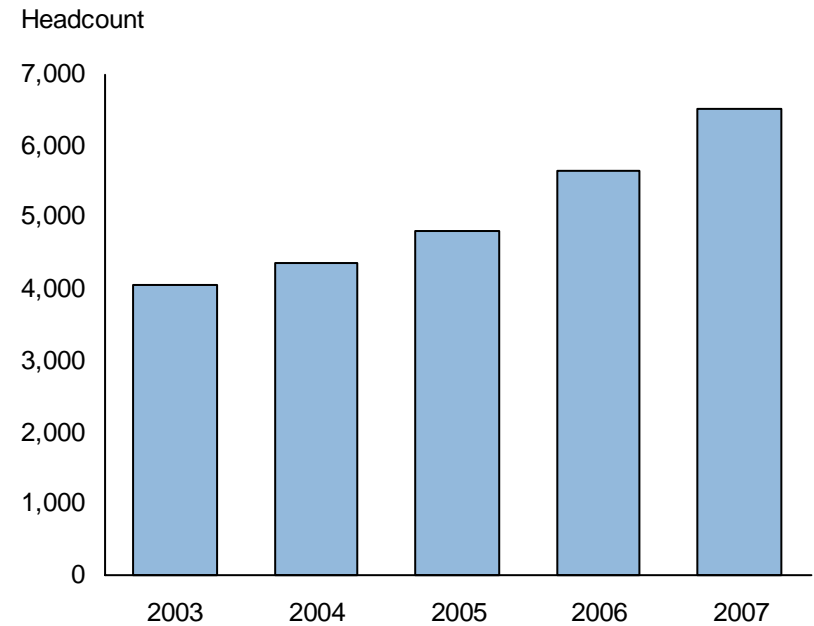
Growing in Australia

Income* up 31% on pcp to \$A2.8 billion

Income*



Staff numbers



- Staff up 15% from 5,666 to 6,522

* Excludes earnings on capital and is after directly attributable costs, including fee and commissions expenses.



Growing in Australia

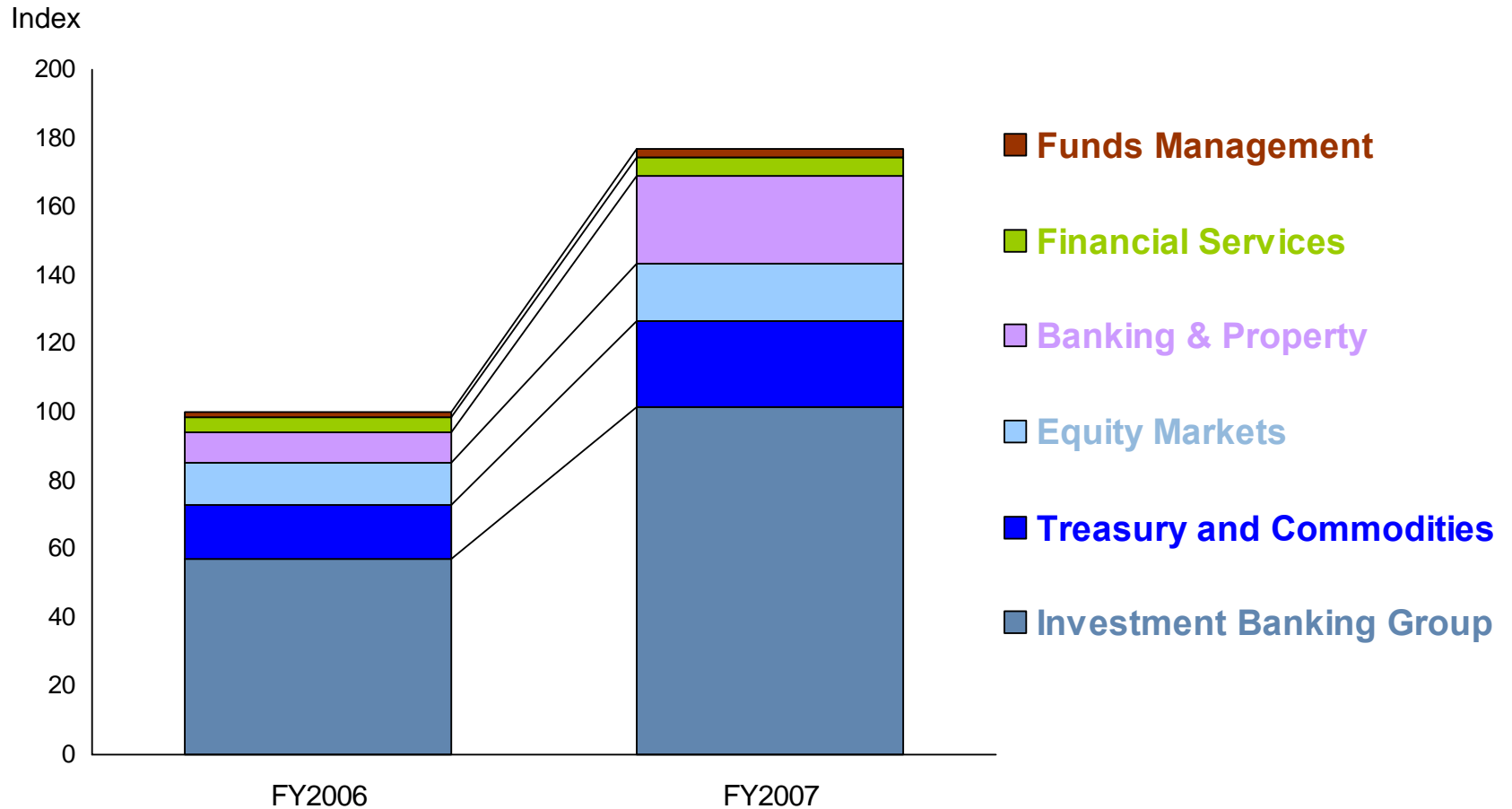
Income* up 31% on pcp to \$A2.8 billion

- **Strong transaction flow**
- **No. 1 2006 announced and completed M&A deals** – both by number and by value (Thomson Financial)
- **No. 1 2006 ASX broker market share****
- Awarded **Euromoney Real Estate Excellence Awards** for "Investment Management in Australia" and "Research in Australia"
- **Mortgages Australia** – \$A22b of loans outstanding, up 21% from \$A18.2 at March 2006
- **Macquarie Wrap Solutions** – funds under administration \$A23.2b at 31 March 2007; **Cash Management Trust** – funds under management \$A14.1b at 31 March 2007
- **New business/JV:**
 - **Real Estate joint venture** – established property development and wholesale funds management JV with **St Hilliers Property**
- **Other fund initiatives:**
 - **Macquarie Leisure Trust** – ranked **No. 1 LPT in Australia** for second year running
 - **MIG** – range of initiatives which have resulted in a positive re-rating including the **demerger and listing of Sydney Roads Group and subsequent acquisition by Transurban for A\$1.26b[#]**. Other initiatives include:
 - **M6 Toll refinancing** of £1.0b releasing £392m to MIG
 - Successful **divestment of 50% of its interests in US toll roads** to MIP for \$US825m
 - **\$A1b on-market buyback** - \$A411m acquired since buyback commenced in October 2006[^]
 - **MAp** – acquired an **additional 15% interest in Sydney Airport** for approximately \$A663m

* Excludes earnings on capital and is after directly attributable costs, including fee and commissions expenses. ** Institutional and retail combined. # Based on All Scrip Alternative which implies an offer price of \$1.35 per SRG security which is based on Transurban's closing price on 12th December 2006 of \$7.69. ^ As at 31 March 2007



Record contributions by all Groups





Investment Banking

58% of MBL profit[^], up 78% on pcp

Comments on the year:

- All divisions up on last year
- Income from all regions up on last year

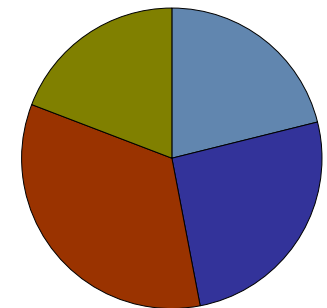
Corporate Finance - 44% of MBL[^]

- Result almost double pcp
- Strong deal flow across all regions - advised on over 240 transactions worth over \$A160b*
- Significant fund raising by new unlisted funds;
 - Macquarie European Infrastructure Fund II – €4.6b (\$A7.6b) (reached final close in May 2007)
 - Macquarie Infrastructure Partners – \$US4b (\$A4.9b)
- IBF-managed funds have generated compound annual return of 20.2%** p.a. for investors since inception

Post balance date:

- Boart Longyear IPO, Gateway Casinos, National Grid Wireless (Arqiva acquisition – 70% owned by Macquarie-managed funds), Airwave O2 (MCG/MEIF II acquisition), Mercury Air Centers

Income by region



[^] Percentage contribution based on management accounts before central unallocated costs, profit share and income tax. * Includes assets held directly by Macquarie acquired with a view to holding for sale.

** Annualised return based on all capital raised, distributions paid and valuations (market capitalisation for listed funds and net asset value for unlisted funds) for IBF-managed funds since inception to 31 March 2007 (listed funds as at 31 March 2007, unlisted funds as at 31 December 2006). Calculated in AUD. Cashflows converted at historic rates.

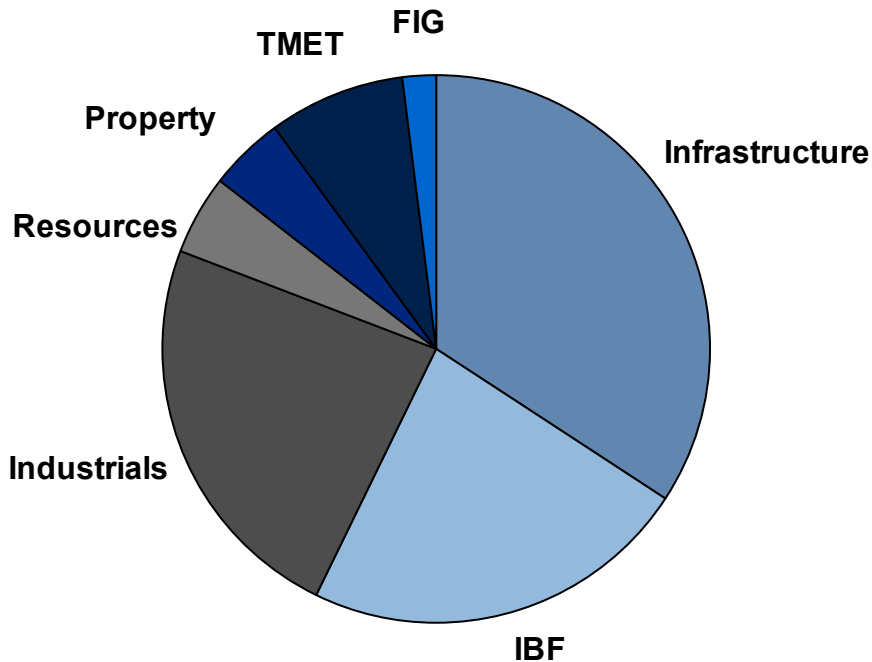


Investment Banking

58% of MBL profit[^], up 78% on pcp

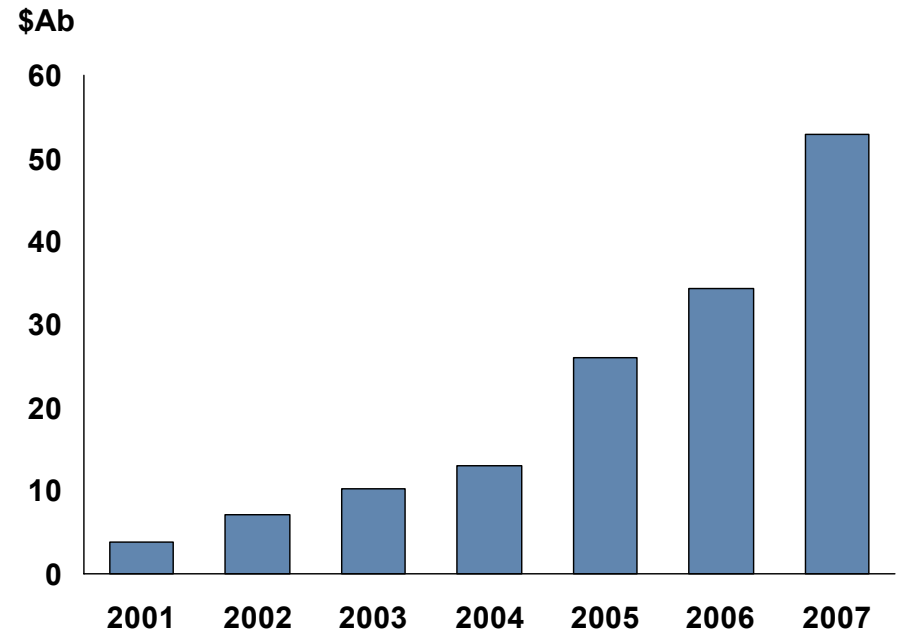
Corporate Finance Income by Group

- Increased contribution from each industry group



Corporate Finance Equity Under Management (A\$b)

- Equity under management* up 60.4% from \$A34.4b to \$A55.2b (excludes \$A8.8b of AUM in Financial Products)



* Includes assets held directly by Macquarie with a view that they may be sold down into new or existing IBF-managed funds 52



Investment Banking

58% of MBL profit[^], up 78% on pcp

Corporate Finance (cont.)

Australia/NZ Boart Longyear, Suncorp Metway/**Promina**, PBL Media, **Origin Energy**/Sun Retail QLD, Telecom NZ/**Powertel**, **GEON Group**/Promentum, Sydney Airport Refinancing, Connect East Refinancing, **Atzec Resources**/Mount Gibson Iron Limited, Southern Cross Fertilisers/**Incitec Pivot**, Retirement Services Australia/**Global Retirement Trust**, **Transpacific Industries**/Waste Management NZ, **AMP Life/Equatorial Mining**/Antofagasta Plc, **Airline Partners Australia/QANTAS***, **Wesfarmers/Coles Group***
 IPOs: Boart Longyear*, RP Data, Dyno Nobel, Wotif.com Placements: IAG, Origin Energy, SAI Global, Macquarie Goodman Group, DUET, Hastie Group, Transpacific

Asia Meiya Yulchon Generation Co, Kingsgate Consolidated Limited, Doosan Industrial Development Co, **Macquarie Korea Opportunities Fund**/Hanjin Shipping, Taiwan Broadband Communications, PT Pam Lyonnaise Jaya/**PT Astratel Nusantara & Citigroup Financial Products**, **Asia Pacific Breweries**/Foster's Vietnam brewing businesses, Aehyang Schools project, **Tata Company Limited**/PT Bumi Resources Tbk, Kohlberg Kravis Roberts &Co / **MMI Holdings Limited***
 IPOs: Straits Resources, SPG Land (Holdings) Limited, Shui On Land Limited, Zhuzhou CSR Times Electric, Shanghai Prime Machinery Co, Sunlight REIT, Placement/offerings: Olam International, China Banking Corporation, Bangkok Dusit Medical Services, PYI Corporation, SK Corporation

North America Duquesne Light Holdings*, EuroZinc Mining Corp/**Lundin Mining**, International-Matex Tank Terminals, **Western Silver**/Glamis Gold, Michigan Electric Transmission Co, The Gas Company, Indiana Toll Road, Trajen Holdings, US Maintenance/**Transfield Services**, ASI Holdings, GATX Air, **Bayard Group**/Cellnet Technology, Fraser Surrey Docks LP, Halterm Limited, Macquarie Small Cap Roads, Icon Parking Refinancing

UK/Europe Talarius, Thames Water, Petroplus International/**Tanquid**, Stagecoach London, M6 Refinancing, MOTO, BAA Plc/**Grupo Ferrovial SA**, Grupo Itevelesa/**European Vehicle Safety Holdings**, Barnet & Enfield Schools PFI, Wightlink refinancing, **UK Broadcast Ventures Limited**/National Grid Wireless*, Airwave O2*

Africa & Middle East Trans African Concessions, First South Financial Services JV, Industrial City of Abu Dhabi development project

* Not yet completed at 31 March 2007



Investment Banking

58% of MBL profit[^], up 78% on pcp

Macquarie Securities (institutional cash equities) – 9% of MBL[^]

- Result up 50% on pcp
- Australia/New Zealand
 - Good growth in secondary market revenues
 - No. 1 overall Australian equities (Greenwich/Peter Lee 2006)
 - ECM revenue slightly up on pcp
- Asia
 - Significant gains in secondary market revenues
 - Strong gains in client panel reviews and Greenwich rankings
 - Some high profile ECM transactions but revenues slightly down on pcp
 - Now more profitable than Australia
- Establishment of Macquarie First South JV in South Africa
- Establishment of Alternative Strategies Division JV with Equity Market Group

Financial Products – 3% of MBL[^]

- Underlying result up 100% on pcp
- Major success with a range of retail infrastructure related funds: closed-end funds in Germany and Austria raising additional funds for MEIF II and open-ended funds in Taiwan, Korea and Canada investing in listed infrastructure securities
- Record sales of Australian structured retail products
- Assets under management (including JV partners such as Four Corners) up 40% from \$A6.3b to \$A8.8b

[^] Percentage contribution based on management accounts before central unallocated costs, profit share and income tax.



Investment Banking

58% of MBL profit[^], up 78% on pcp

Macquarie Capital – 2% of MBL[^]

- Result up 48% on pcp - increased contributions from existing leasing and lending activities
- 20% increase in lending and asset-based leasing volumes from \$A4.5b to A\$5.4b

Current operating environment:

- Strong Asian and Australian equity markets
- Strong global M&A market
- Solid IPO and equity issuance capacity in Australia and Asia
- Continuing strong performance of assets under management

Outlook:

- Expect increase in revenue and profit over the medium term, providing no material change in market conditions

[^] Percentage contribution based on management accounts before central unallocated costs, profit share and income tax.



Banking and Property

15% of MBL profit[^], up 179% on pcp
(up 50% excluding MGQ)

- Real Estate and Banking and Securitisation commenced operating as separate Groups on 1 April 2007

- Real Estate Group:**

- Group Head: Stephen Girdis – 20 years with MBL

- Major businesses:

- Real Estate Capital
 - Funds management
 - Investment banking
 - Development
 - Principal positions
- Real Estate Structured Finance
 - Joint ventures
 - Property development project funding
 - Senior mezzanine debt facilities for real estate development projects
- Real Estate Research

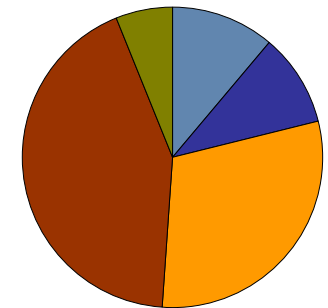
- Banking and Securitisation Group**

- Group Head: Tony Gill – 16 years with MBL

- Major businesses:

- Relationship banking
- Investment lending
- Consumer lending
- Mortgages and securitisation

Income by region



- Australia**
- Americas**
- Asia-Pacific**
- UK/Europe/Middle East**
- MGQ**

[^] Percentage contribution based on management accounts before unallocated corporate costs, profit share and income tax.



Real Estate

11% of MBL profit[^], up 277% on pcp
(up 51% excluding MGQ)

Comments on the year:

- Record result
- Real estate assets under management (incl assoc) up 12% from A\$21.0b (excl MGQ) to A\$23.6b
- Significant contribution from sale of MGQ, UK business parks and Chinese shopping malls
- Record contribution from Real Estate Structured Finance business
- Strategic initiatives positively impacting Macquarie LPT performance over second half of year. Good contribution to Group result from equity accounted positions in LPTs
- Market conditions and project timing impacted land development businesses (Medallist and Urban Pacific Limited)
- Macquarie Global Property Advisors established the Japan Core Plus Fund raising \$US865m

Post balance date: Independent directors of Macquarie ProLogis Management Ltd recommended offer by ProLogis to acquire all shares in Macquarie ProLogis Trust

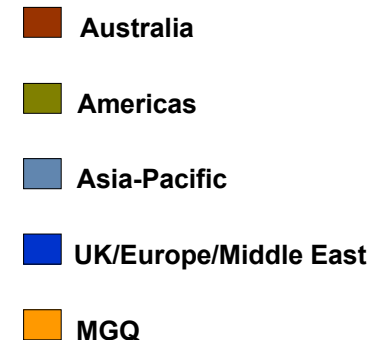
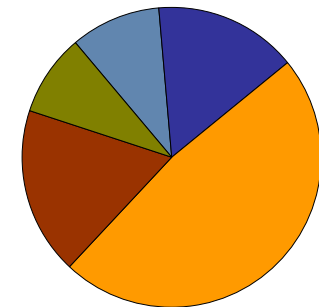
Current operating environment:

- New opportunities in real estate in Europe and Asia, particularly emerging markets
- Australian residential markets remain subdued but stabilisation / improvement becoming evident in some markets. US housing market generally in downturn, inner city coastal pockets still firm. UK residential and global office markets strong

Outlook :

- Will continue to create products across a range of asset and risk classes using global platform
- Real Estate Structured Finance will continue to expand niche international strategies in US and UK
- Subject to market conditions, expect continued growth both domestically and internationally, particularly in international real estate securitisation

Income by region



[^] Percentage contribution based on management accounts before unallocated corporate costs, profit share and income tax.



Banking and Securitisation

4% of MBL profit[^], up 49% on pcp

Comments on the year:

- Record result with strong contribution from divestment of childcare business
- Strong growth from Mortgages Australia – loan portfolio exceeding A\$22b, 21% up on pcp
- Offshore mortgages expansion continues:
 - Portfolio exceeding A\$3.4b, 240% up on pcp
 - Acquisition of Canadian business in July 2006
 - US mortgages impacted by interest rates and housing markets. No exposure to sub prime sector
- Record contribution from Investment Lending – loan book up 45% on pcp to A\$4.8b
- Strong growth in Relationship Banking loan and deposit portfolios –20% up on pcp

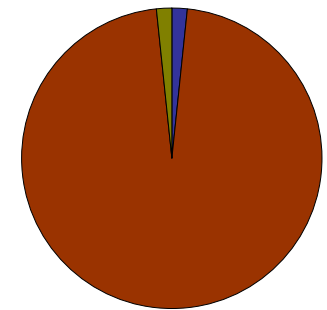
Current operating environment:

- Aggressive competition in mortgages in slowing global residential property markets
- Australian banking market very competitive – must differentiate by offering superior products and excellent client service

Outlook:

- Expect strong growth in mortgage originations in Australia, Canada and Italy. Repositioning US business
- Developing new credit card initiative and will continue to invest in niche commercial banking opportunities domestically and offshore
- Expect Relationship Banking and Investment Lending to perform well and newer businesses to increase contribution

Income by region



[^] Percentage contribution based on management accounts before unallocated corporate costs, profit share and income tax.



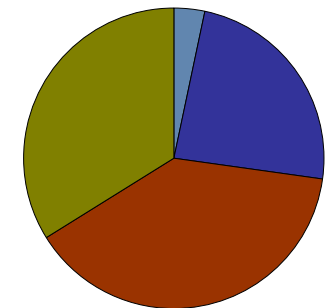
Treasury and Commodities

14% of MBL profit[^], up 56% on pcp

Comments on the year:

- Metals & Energy Capital, Debt Markets and Foreign Exchange the leading contributors:
 - Metals and Energy Capital – very substantially up on pcp ; continued growth in oil and gas financing business, realisation of some energy and mining investments, strong trading and project finance results
 - Foreign Exchange – slightly down on strong pcp; market volatility generally lower than pcp
 - Debt Markets – very strongly up on pcp; good pipeline of domestic and international, corporate and project debt arrangement, issuance of Australian based asset-backed securities and risk management activities
- Satisfactory results across other divisions
 - Commodity Markets – good result however down on pcp reflecting the impact of expansion
 - Treasury – strongly up on pcp
 - Futures – slightly up on pcp; continued growth in major markets

Income by region



- Australia
- Americas
- Asia-Pacific
- UK/Europe/Middle East

[^] Percentage contribution based on management accounts before unallocated corporate costs, profit share and income tax.



Treasury and Commodities

14% of MBL profit[^], up 56% on pcp

Post balance date:

- Macquarie Cook Power, electricity trading and marketing business servicing the North American energy market, commenced trading

Current operating environment:

- Expect satisfactory volatility across most markets to continue
- Satisfactory level of transaction volumes

Outlook:

- Expect strong transaction activity levels to continue across business
- Deal pipeline remains strong however competition on both transaction level and for staff
- Continued selective global expansion
- Subject to current expectation for continued satisfactory market conditions, expect similar performance next year (excluding asset realisations)



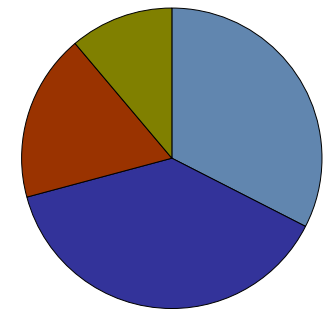
Equity Markets

9% of MBL profit[^], up 39% on pcp

Comments on the year:

- Equity Products:
 - Asia – down on strong pcp due to difficult trading conditions in Korea and increased competition in the region
 - Australia – retained market leading position in listed and OTC products. Contribution significantly up on pcp
 - US/Europe/ Latin America – slightly down due to difficult trading conditions in South American markets
 - South Africa – difficult trading conditions resulted in a loss for the year
 - Expanded range of underlying markets over which equity linked products are offered to include India, Pakistan, Thailand, Malaysia, Mexico, Greece, Denmark, Belgium and Norway
- Hedge fund business – significantly up on pcp
 - Funds under management – up 141% from \$A0.6b to \$A1.4b
 - Funds under risk management* up 21% from \$A2.9b to \$A3.5b
- Global Equity Finance – very substantially up on pcp due to growth in vanilla and structured product volumes
- Alternative Services Division – JV with IBG's institutional cash equities business offering equity derivatives, access products and financing to hedge fund clients. Began operating separately from 1 April 2007

Income by region



- Australia
- Americas
- Asia-Pacific
- UK/Europe/Middle East

[^] Percentage contribution based on management accounts before unallocated corporate costs, profit share and income tax.

* Funds of external managers over which MQ provides hedging or risk management services



Equity Markets

9% of MBL profit[^], up 39% on pcp

Current operating environment:

- Continuing strong global equity markets providing good conditions for equity linked product issuance
- However, partially offset by increasing competition and declining margins especially in Asia and Latin America

Outlook:

- Expect broadly favourable conditions to continue for the medium term however can experience significant variation between markets
- Strong seasonal equity finance revenues expected in 1H08
- Continuing to focus on globalising the business through coverage of all major global equity markets
- Broaden distribution by geography and client segment and further expand product range



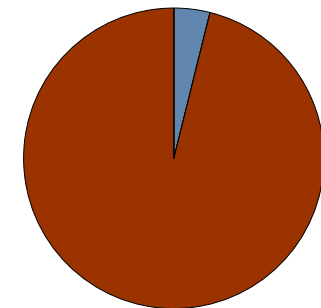
Financial Services

3% of MBL profit[^], up 32% on pcp

Comments on the year:

- Total assets under Advice/Administration/Management up 25% from \$A56.2b to \$A70.5b
 - CMT up 18% to \$A14.1b; Wrap up 21% to \$A23.2b; Superannuation portfolio up 24% to \$A20.4b;
 - FUM/FUA in Macquarie Private Portfolio Management and Macquarie Private Bank exceeded \$A2b
- Nearly 700,000 clients
- Record broking volumes
- No. 1 Australian full service retail stockbroker for calendar 2006 (ASX market share by value). No. 1 YTD 2007
- Newer businesses performing well:
 - Macquarie Professional Series FUM at \$A1.9b after only 2 years of operation
 - Coin Financial Planning software increased major institutional and boutique clients from 200 to 320
- Macquarie Adviser Services launched FutureWise – providing life insurance coverage to adviser clients within 15 mins
- Average revenue per adviser well up on FY2006

Income by region



■ Australia
■ Asia-Pacific

[^] Percentage contribution based on management accounts before unallocated corporate costs, profit share and income tax.



Financial Services

3% of MBL profit[^], up 32% on pcp

Post balance date:

- Macquarie Financial Services refocused and re-branded to Macquarie Private Wealth - providing tailored financial advice to existing and prospective clients. Effective April 2007

Current operating environment:

- Market conditions remain favourable
- Wrap inflows remain strong
- Increasing demand for alternative and innovative products
- Compliance and risk management remain a key focus
- Innovation in financial planning software market driving continual change in the adviser market

Outlook:

- Expect continued competitive pressure across the industry
- Changes in superannuation legislation will provide strong inflows into retail products
- Anti-Money Laundering Legislation expected to increase compliance costs
- Will continue to explore growth opportunities in Australia and internationally

[^] Percentage contribution based on management accounts before unallocated corporate costs, profit share and income tax.



Funds Management

1% of MBL profit[^], up 45% on pcp

Comments on the year:

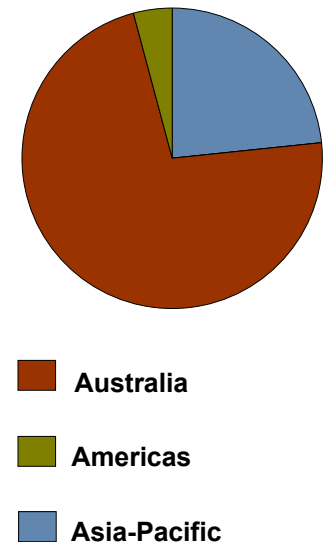
- Strong inflows in most asset classes:
 - assets under management up 23% from \$A51.5b (Mar 06) to \$A63.4b; largest revenue growth in listed property, equities and private equity
- Morningstar Fund Manager of the Year 2006 for both fixed interest and domestic equities small caps (Australia)
- Solid performance in most flagship funds, notably Australian Small Companies
- Excellent sales of Global and Asian REITs Funds in Korea, AUM now exceeding \$A3.2b
- US private equity operation now profitable
- New global fixed income office in London

Post balance date: Agreed sale of Korean funds management business, Macquarie -IMM Investment Management*

Current operating environment/ Outlook:

- Favourable environment, supported both by global liquidity and pension fund growth
- Growth will be driven by success in international and growth asset products
- Expansion of product distribution in Asia, Europe and North America
- Small-scale acquisitions sought globally

Income by region



[^] Percentage contribution based on management accounts before unallocated corporate costs, profit share and income tax. *Subject to regulatory approval.



Strong start to the year

- Strong start in all major regions
- All Groups busy
- Good market conditions
- Significant transactions:
 - Boart Longyear – IPO
 - Macquarie-IMM Investment Management – agreed sale of Korean funds management business
 - MPR – ProLogis offer to acquire all MPR shares
- Significant acquisitions:
 - Proposed Gateway Casinos Income Fund acquisition – PBL JV in Canada
 - Arqiva (led by MCG) – £2.5b National Grid Wireless
 - MCG/MEIF II – £1.9b Airwave O2
 - MIP – \$US456m Mercury Air Centres
 - MCW – first European acquisitions in Poland and Germany
- Significant fund raisings:
 - Over \$US10b combined close of MEIF II and MIP

- Subject to prevailing market conditions continuing expect:
 - Strong IPO and M&A activity
 - Good growth in specialist funds
 - Trading businesses to benefit from geographic and product expansion
 - Good equity broking volumes
- Expect to maintain or strengthen market positions in Australia and internationally
- Planning for continued strong growth:
 - International income will continue to make an increasingly important contribution
 - Expect to benefit from continued staff growth, with an emphasis on international
 - Growth predominantly organic but there may be some small and medium size acquisitions from time to time
 - Non-operating holding company will assist us to achieve international growth objectives
- Swing factors include:
 - Asset realisations
 - General market conditions



Medium term outlook

- Significant increases in both domestic and international market shares
- Global reach has increased very significantly
- We continue to be well placed due to:
 - Committed quality staff
 - Good businesses
 - Diversification
 - Benefits of major strategic growth initiatives
 - Effective prudential controls
 - Continued strong global investor demand for quality assets
 - Growth in capital base
- Subject to market conditions not deteriorating materially, we expect:
 - Continued growth in revenue and earnings across most businesses over time
 - Continued good growth in international businesses

A world map with a blue grid overlay. Numerous small red squares are scattered across the map, primarily concentrated in Europe, Asia, and Australia, representing global operations or branches.

Macquarie Bank Limited

Result Announcement
for the year ended
31 March 2007

Presentation to Investors and Analysts

Allan Moss, Managing Director & Chief Executive Officer
Greg Ward, Chief Financial Officer

15 May 2007



Agenda

1. Introduction	Allan Moss
2. Result analysis & NOHC update	Greg Ward
3. Overview of the year & outlook	Allan Moss
4. Glossary	

Unless otherwise specified all information is for year ended 31 March 2007 and increases are on corresponding year.

1H07	Half year ended 30 September 2007
2H07	Half year ended 31 March 2007
£	Pound sterling
€	Euro
AGAAP	Australian Generally Accepted Accounting Principles
AIFRS	Australian equivalents to International Financial Reporting Standards
All Ords	Standard & Poor's/ Australian Stock Exchange All Ordinaries Index
APRA	Australian Prudential Regulatory Authority
ASX	Australian Stock Exchange
AUD/\$A	Australian dollar
AUM	Assets Under Management
b	Billion
BPG	Banking and Property Group
\$C	Canadian dollar
CMT	Cash Management Trust
CPS	Converting Preference Shares
cps	cents per share
DRP	Dividend reinvestment plan
DUET/DUE	Diversified Utility and Energy Trusts
ECM	Equity Capital Markets
EMG	Equity Markets Group
EPS	Earnings Per Share

Equity under management

Listed funds: market capitalisation at measurement date plus fully underwritten or committed future capital raisings

Unlisted funds: committed capital from investors less called capital subsequently returned to investors

Mandated assets (including third party investors in consortia which are led by Macquarie-managed funds): invested capital

MBL direct holdings and other funds: invested capital at measurement date

Jointly managed funds: weighted based on Macquarie's proportionate economic interest in the joint venture managed entity

Note 1: Invested capital comprises actual capital drawn from investors, net of asset realisations returned to investors, plus firm investment commitments which will require a future call on investors.

Note 2: Exchange rates as at measurement date

FBO	Fixed base operation
FIG	Financial institutions group
FSA	Financial Services Authority
FUA	Funds Under Administration
FUM	Funds Under Management
FMG	Funds Management Group
FSG	Financial Services Group
FX	Foreign Exchange
FY	Full Year
\$HK	Hong Kong dollar
HFS	Held for sale
IBF	Investment Banking Funds
IBG	Investment Banking Group
IPO	Initial Public Offering
JV	Joint Venture
LODH	Lombard Odier Darier Hentsch
LPT	Listed Property Trust



Glossary

m	Million
M&A	Mergers and Acquisitions
MAP/MAp	Macquarie Airports
MBL	Macquarie Bank Limited
MCG	Macquarie Communications Infrastructure Group
MCW	Macquarie CountryWide Trust
MDT	Macquarie DDR Trust
MEIF	Macquarie European Infrastructure Fund
MGPA	Macquarie Global Property Advisors
MGQ	Macquarie Goodman Group
MIC	Macquarie Infrastructure Company Trust
MIG	Macquarie Infrastructure Group
MIIF	Macquarie International Infrastructure Fund
MIP	Macquarie Infrastructure Partners
MIPS	Macquarie Income Preferred Securities
MIS	Macquarie Income Securities
MKIF	Macquarie Korea Infrastructure Fund
MKOF	Macquarie Korea Opportunities Fund
MLE	Macquarie Leisure Trust Group
MMG	Macquarie Media Group
MMPR	Macquarie MEAG Prime REIT
MOF	Macquarie Office Trust
MPG	Macquarie Private Capital Group
MPNPA	Macquarie ProLogis Income Trust



Glossary

MPR	Macquarie ProLogis Trust
MPT	Macquarie Power Income Fund
NOHC	Non-operating Holding Company
NZ	New Zealand
OTC	Over the counter
pcp	prior corresponding period
REIT	Real Estate Investment Trust
TCG	Treasury and Commodities Group
TMET	Telecommunications, media, entertainment and technology
UK	United Kingdom
US	United States of America
\$US/USD	US Dollar
YTD	Year to date