MACQUARIE GROUP LIMITED
SUPPLEMENTARY PROSPECTUS FOR
THE MACQUARIE GROUP
EMPLOYEE SHARE OPTION PLAN

This supplementary prospectus (Supplementary Prospectus) is intended to be read with the prospectus dated 27 June 2008, relating to Options over Shares of Macquarie Group Limited (Prospectus).

IMPORTANT-PLEASE READ
Supplementary Prospectus dated 18 November 2008

This Supplementary Prospectus is dated 18 November 2008 and was lodged with the Australian Securities and Investments Commission ("ASIC") on that date. Neither ASIC nor ASX take any responsibility for the contents of this Supplementary Prospectus. Unless otherwise defined in this Supplementary Prospectus, terms defined in the Glossary to the Prospectus have the same meaning in this Supplementary Prospectus.

1. DESCRIPTION OF MACQUARIE GROUP LIMITED

On 18 November 2008, MQG released its interim results for the six months to 30 September 2008 including a presentation to analysts ("Interim Presentation"). It is expected that MQG will shortly thereafter release its Interim Update to 30 September 2008 ("Interim Update"). The Interim Presentation and the Interim Update contain discussion of MQG's results and operations for the six months to 30 September 2008 as well as factors that have impacted on its financial performance and the outlook for the coming period. The Interim Presentation and/or the Interim Update should be referred to for details of those matters and are available to each Eligible Executive on MacNet. For those without access to MacNet, copies are available free of charge by contacting Investor Relations on (02) 8232 5006. MQG also released other information relating to its results for the six months to 30 September 2008 to ASX which is available on MQG's website at www.macquarie.com.au/investorrelations or copies are available free of charge by contacting Investor Relations on the number above.

MQG's basic earnings per share for the six months to 30 September 2008 were $2.17 and the interim ordinary dividend for the period was $1.45 per share franked as to 80%.

2. TRADING IN SHARES ON ASX

The following table provides a summary of the prices and volumes at which Shares have traded since June 2008 on ASX.

MQG – Share Trading History Since June 2008

	Monthly Share Price ($)			
Period 2008	High	Low	Close	Monthly Volume (mil)
June	56.60	44.90	48.64	68.4
July	53.47	45.39	51.43	54.0
August	55.90	39.99	44.04	66.2
September	48.31	25.98	37.00	125.2
October	39.89	26.43	29.40	56.7

Source: ASX Limited

It should be noted that the price at which Shares will trade on ASX in future may not necessarily reflect recent prices and will depend on factors including those stated in section 6 of the Prospectus.

3. ISSUED SHARE CAPITAL

As at 18 November 2008 the Company's issued share capital was as follows:

	Number
Ordinary Shares	281,016,368
Macquarie Convertible Preference Securities	6,000,000

There were also 1,513,544 Exchangeable shares issued by a subsidiary of MQG, on issue. They are eligible to be exchanged 1:1 for shares in Macquarie Group Limited (subject to staff trading restrictions) and will pay dividends equal to the Macquarie Group Limited dividends during their legal life.

4. TAXATION CONSIDERATIONS

The Prospectus is amended by deleting the existing second paragraph of section 5.3 MGL Employee as Optionholder and Section 139E Election Made and substituting in its place the following:

“An MGL Employee has until the date of lodgement of the tax return for the year of grant of the Options to decide whether to make the election. From 1 July 2008 the section 139E election must be made in the MGL Employee's tax return for the year of grant of the Options. The election is made by including an amount of assessable income relating to the Options in the MGL Employee’s tax return and a written election is no longer required.”

The Prospectus is amended by deleting the existing second paragraph of section 5.8 Employment Taxes and Oncosts and substituting in its place the following:

“As of 1 July 2008 all Australian states and territories impose payroll tax on Options. However, there are different calculation methods.”

The Prospectus is amended by deleting the existing table of Australian payroll tax rates in section 5.8 Employment Taxes and Oncosts – Calculation of Payroll Tax and substituting in its place the following:

“State payroll tax rates effective 1 July 2008 are as follows (note rates are subject to change):

New South Wales	6.00%*
Victoria	4.95%
Queensland	4.75%
South Australia	5.00%
Western Australia	5.50%
Tasmania	6.10%
Australian Capital Territory	6.85%
Northern Territory	5.90%

*From 1 January 2009, the payroll tax rate for NSW will reduce to 5.75%”

5. FINANCIAL BENEFITS AND RISKS OF OPTION/SHARE INVESTMENT

The Prospectus is amended by deleting the existing second paragraph of section 6.1 Financial Benefits and Risks of Option/Share Investment and substituting in its place the following:

“Once Options are exercised, the holder of the resultant Shares is exposed to the normal risks of owning Shares. The price of the Shares will fluctuate and depend on any of the factors described below, including the Company’s performance, investors’ perceptions and the Australian sharemarket generally. Being senior executives of the Company, Eligible Executives will be aware of the myriad factors which affect the Company’s performance.”

The Prospectus is also amended by the insertion of a new paragraph, following on from the list of ‘External Factors’ as follows:

“Such risks generally depend on factors over which Macquarie has no control and which cannot readily be foreseen, such as economic and political events and the supply of and demand for the relevant currencies, commodities, securities, assets or other property."

The Prospectus is amended by deleting the existing section 6.2 Risks to the MGL Group's Financial Performance – Risk Factors and substituting in its place the following:

"This section identifies a number of risks associated with the MGL Group's financial performance and business. Eligible Investors should note that this list of risks is not exhaustive and that additional risks and uncertainties that the Company is unaware of, or currently deems immaterial, may become important factors that affect the Company or the performance of Options/Shares.

The financial prospects of any entity are sensitive to the underlying characteristics of its business and the nature and extent of the commercial risks to which the entity is exposed. There are a number of risks faced by Macquarie, including those that encompass a broad range of economic and commercial risks, many of which are not within the MGL Group's control. The performance of all of the MGL Group's major businesses can be influenced by external market and regulatory conditions. If all or most of the MGL Group's businesses were affected by adverse circumstances in the same period, overall earnings would suffer significantly.

The Company and MBL are assigned credit ratings by various rating agencies. If one or more of these credit ratings were downgraded this could have the effect of increasing the cost of funds raised by the MGL Group from the financial markets, reducing the MGL Group's ability to access to certain capital markets and/or adversely impacting the willingness of counterparties to deal with the MGL Group. A rating downgrade may also adversely impact the price of the Company's Shares. A rating downgrade could be driven by the occurrence of one or more of the risk factors described in this document or by other events."

The Prospectus is amended by deleting the existing third paragraph of section 6.2 Risks to the MGL Group's Financial Performance – Market Conditions and Competition and substituting in its place the following:

"In the second half of 2007, global equity and debt markets, particularly in the United States and Europe, experienced difficult conditions and volatility. These challenging market conditions have continued into 2008, and have resulted in less liquidity, greater volatility, widening of credit spreads and lack of price transparency in credit markets. In particular, volatility in some markets is at very high levels. Investing in such highly volatile conditions implies a greater level of risk than an investment in a more stable market."

The Prospectus is amended by deleting the existing second paragraph of section 6.2 Risks to the MGL Group's Financial Performance – Liquidity Risk and substituting in its place the following:

"The future availability of term funding markets to market participants, including the Company, will be of critical importance. If existing avenues of term funding become unavailable, the Company may need to consider a reduction in term assets."

The Prospectus is amended by deleting the existing first paragraph of section 6.2 Risks to the MGL Group's Financial Performance – Regulatory and Legal Risks and substituting in its place the following:

"Macquarie's business is subject to substantial regulatory and legal oversight. In particular, Macquarie Group Limited, authorised as a NOHC of an ADI, is regulated by APRA. Failure to comply with legal and regulatory requirements or government policies may have a material adverse effect on Macquarie and its reputation among customers and regulators and in the market. Future regulatory and legal developments may also have a material adverse effect on Macquarie. Macquarie operates in a range of jurisdictions with different compliance regimes which are subject to change. Changes to the Australian and international regulatory environment may have a material adverse effect on Macquarie."

The Prospectus is amended by deleting the existing section 6.2 Risks to the MGL Group's Financial Performance – Other Risks and substituting in its place the following:

"Macquarie's profitability is also subject to a number of other risks including political risk, risks from external events and strategic risks (including acquisitions). The financial prospects of any entity are sensitive to the underlying characteristics of its business and the nature and extent of the commercial risks to which the entity is exposed."

6. MACQUARIE GROUP LIMITED DIRECTORY

The Prospectus is amended by deleting the name M Panikian and adding the name N Donnelly to the list of Company Secretaries.

7. CONSENT TO LODGEMENT

Each of the Voting Directors of Macquarie Group Limited has consented to the lodgement of this Supplementary Prospectus with ASIC.