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ASX/Media Release

Macquarie Group Limited launches \$400 million Macquarie Group Capital Notes Offer and Reinvestment Offer for Eligible 2008 CPS Holders

Sydney, 14 May 2013 – Macquarie Group Limited (ASX: MQG; ADR: MQBKY) (“MQG”) today announced its intention to raise \$400 million with the ability to raise more or less, through the offer of Macquarie Group Capital Notes (“MCN”). MCN are expected to be quoted on the Australian Securities Exchange (“ASX”) under the code MQGPA. MCN are fully paid, subordinated, non-cumulative, unsecured, mandatorily convertible notes issued by MQG at an Issue Price of \$100 per MCN. Distributions are scheduled to be paid semi-annually in arrears, subject to the Payment Conditions.

Patrick Upfold, MQG CFO said, “Macquarie has a strong balance sheet with well diversified funding sources and minimal reliance on short term wholesale funding markets. The MCN Offer is consistent with Macquarie’s strategy to manage its capital mix and maintain a diverse source of funding”.

MCN will qualify as Eligible Capital for Australian Prudential Regulation Authority purposes.

The offer of MCN is made in the Prospectus which was lodged with the Australian Securities and Investments Commission (“ASIC”) and ASX today.

The Prospectus is available to Australian investors at www.MacquarieCNOffer.com.au, or by calling the MCN Offer Information Line, as per the details below. A Replacement Prospectus containing the Margin and Application Forms, is expected to be made available on 22 May 2013. Anyone who wants to invest in MCN will need to complete the Application Form that will be in, or accompany, the Replacement Prospectus. Investors should read the Replacement Prospectus in its entirety before deciding whether to apply to invest in MCN.

Macquarie Capital (Australia) Limited has been appointed as Sole Arranger and a Joint Lead Manager. ANZ Securities Limited; Citigroup Global Markets Australia Pty Limited; Commonwealth Bank of Australia; Evans and Partners Pty Limited; J.P. Morgan Australia Limited; National Australia Bank Limited and RBS Morgans Limited have also been appointed as Joint Lead Managers (collectively “JLMs”).

Reinvestment Offer

Existing holders of CPS, issued by Macquarie Capital Loans Management Limited as responsible entity for the Macquarie CPS Trust (“MCLM”) in 2008 and listed on the ASX under the code MQCPA (“2008 CPS”), may be eligible to participate in the Reinvestment Offer, allowing them to apply to reinvest the face value of their 2008 CPS in MCN. Eligible 2008 CPS Holders will receive one MCN plus a payment of \$5.1371 per 2008 CPS reinvested.

2008 CPS Holders that choose not to participate in the Reinvestment Offer can either sell their 2008 CPS on market prior to the last day of trading, which is expected to be 13 June 2013, or continue to hold 2008 CPS until 1 July 2013, when Macquarie CPS Trust intends to resell all remaining 2008 CPS on issue to the Resale Agent in accordance with the terms of the 2008 CPS and subject to the conditions set out in a resale notice to be issued by MCLM on or about the date of this announcement. It is not certain that the resale will occur and

CPS Holders should refer to the separate announcement regarding the resale to be made on or about the date of this announcement for further details.

More information about the Offer

The Offer is expected to open on 22 May 2013 and consists of:

- a Broker Firm Offer – to retail and high net worth clients of Syndicate Brokers, who are resident in Australia;
- a Reinvestment Offer – to Eligible 2008 CPS Holders to reinvest all or some of their 2008 CPS in MCN;
- a Securityholder Offer – to holders of MQG Ordinary Shares or Macquarie Income Securities, who are resident in Australia; and
- a General Offer – to members of the general public who are resident in Australia.

The closing date for the Reinvestment Offer, the Securityholder Offer and the General Offer is expected to be 5.00pm (Sydney time) on 11 June 2013. The Closing Date for the Broker Firm Offer (excluding applications in respect of the Reinvested 2008 CPS) is expected to be 5.00pm (Sydney time) on 18 June 2013.

Further information

If you have any questions about MCN or the Offer, you should seek advice from your financial adviser or other professional adviser. You can also call the MCN Offer Information Line on 1300 346 778 (within Australia) or on +61 3 9415 4898 (International) (Monday to Friday 8.30am - 5.30pm, (Sydney time)). Applicants under the Broker Firm Offer may also call their Syndicate Broker.

Indicative timetable

Key dates for the offer	Date
Record date for determining Eligible Securityholders	7.00pm (Sydney time) Monday, 13 May 2013
Lodgement of the Prospectus with ASIC	Tuesday, 14 May 2013
Bookbuild period	Tuesday, 14 May 2013 – Tuesday, 21 May 2013
Announcement of the Margin and lodgement of the replacement Prospectus with ASIC	Wednesday, 22 May 2013
Opening Date	Wednesday, 22 May 2013
Closing Date for the Securityholder Offer and General Offer	5.00pm (Sydney time) Tuesday, 11 June 2013
Closing Date for the Broker Firm Offer (excluding applications in respect of the Reinvested 2008 CPS)	5.00pm (Sydney time) Tuesday, 18 June 2013
Issue Date	Wednesday, 19 June 2013
MCN commence trading on ASX on a deferred settlement basis	Thursday, 20 June 2013
Holding Statements despatched by	Monday, 24 June 2013
MCN commence trading on ASX on a normal settlement basis	Tuesday, 25 June 2013
Key dates for 2008 CPS Holders	
Record date for determining Eligible 2008 CPS Holders for Reinvestment Offer (relevant 2008 CPS must also be held on Closing Date for the Reinvestment Offer)	7.00pm (Sydney time) Monday, 13 May 2013
Opening Date for the Reinvestment Offer	Wednesday, 22 May 2013
Closing Date for the Reinvestment Offer	5.00pm (Sydney time) Tuesday, 11 June 2013
Transfer of Reinvested 2008 CPS to the Reinvestment Purchaser	Tuesday, 18 June 2013
Issue Date for MCN	Wednesday, 19 June 2013
Cash Payment of \$5.1371 per Reinvested 2008 CPS	Monday, 24 June 2013
<i>For 2008 CPS that do not participate in the Reinvestment Offer (if a resale occurs as expected)</i>	
2008 CPS cease trading (but remain quoted on ASX)	ASX close of trading, Thursday, 13 June 2013
Record date for final distribution on 2008 CPS	Thursday, 20 June 2013
Resale date and payment date for final distribution	Monday 1 July 2013
Key dates for MCN	
First semi-annual Distribution Payment Date	Thursday, 19 December 2013
First Scheduled Optional Exchange Date	Tuesday, 19 June 2018
Scheduled Mandatory Exchange Date	Monday, 21 June 2021

Dates may change

These dates are indicative only and may change without notice.

MQG, with the consent of the Joint Lead Managers, may vary the timetable, including by extending any Closing Date, closing the Offer early without notice or accepting late Applications, whether generally or in particular cases, or withdrawing the Offer at any time before MCN are issued, in its discretion. As such, you are encouraged to apply as soon as possible after the Opening Date.

Definitions

Unless otherwise defined, capitalised words used in this announcement have the meanings given to them in the Prospectus.

Disclaimer

The information provided in this announcement and the Prospectus is not personal investment advice and has been prepared without taking into account your investment objectives, financial situation or particular needs (including financial and taxation issues). It is important that you read the Replacement Prospectus in full before deciding to invest in MCN and consider the risks that could affect the performance of MCN.

This announcement does not constitute an offer of any securities (including the MCN) for sale or issue. No action has been taken to register or qualify MCN or the Offer or to otherwise permit a public offering of MCN outside Australia. In particular, this announcement does not constitute an offer of securities for sale in the United States. Neither the MCN nor the Ordinary Shares have been or will be registered under the US Securities Act of 1933, as amended (the "Securities Act"), or the securities laws of any state or other jurisdiction of the United States, and they may not be offered, sold or resold in the United States or to, or for the account of benefit of any "U.S. person" (as defined in Regulation S under the Securities) absent registration or an applicable exemption from the registration requirements.

For further information, please contact:

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