

Macquarie Group Limited

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The Manager

ASX Market Announcement Office
Australian Securities Exchange
20 Bridge Street
SYDNEY NSW 2000

Via ASX Online



Dear Sir or Madam

Macquarie Group Limited (MQG) Appendix 4D for the half-year ended 30 September 2013

In accordance with the Listing Rules, I enclose an Appendix 4D for immediate release.

The following associated documents will be provided separately for lodgment:

- Macquarie Group 1H14 Media release
- Macquarie Group 1H14 Presentation
- Macquarie Group 1H14 Financial Report
- Macquarie Group 1H14 Interim Update
- Macquarie Group 1H14 Management Discussion and Analysis

Yours faithfully

Dennis Leong
Company Secretary

Appendix 4D Half-year Report

under ASX Listing Rule 4.2A.3

Current period: 1 April 2013 to 30 September 2013

Prior corresponding period: 1 April 2012 to 30 September 2012

Results for the announcement to the market

Key Information	Half-year ended 30 September 2013 \$m	Half-year ended 30 September 2012 \$m	Change %
Net operating income	3,679	3,054	20
Profit after income tax	503	361	39
Profit attributable to ordinary equity holders	501	361	39

Dividend per ordinary share	Amount per ordinary share	Franked amount per ordinary share
2013 Final dividend (paid 2 July 2013) ⁽¹⁾	125 cents	50 cents
2014 Interim dividend (resolved, not yet provided at 30 September 2013) ⁽¹⁾	100 cents	40 cents

⁽¹⁾ The whole of the unfranked portion of the dividend will be Conduit Foreign Income

Interim Dividend dates

Record Date	15 November 2013
Payment Date	12 December 2013

Other Disclosure Requirements

Dividend or distribution reinvestment plan details

The Company's Dividend Reinvestment Plan (DRP) remains activated. The DRP is optional and offers ordinary shareholders in Australia and New Zealand the opportunity to acquire fully paid ordinary shares without transaction costs. It is expected that shares allocated under the DRP will be acquired on market ⁽²⁾. The shares will rank pari passu with other ordinary shares already on issue. The allocation price will be determined in accordance with the DRP rules as the arithmetic average of the daily volume weighted average market price of all Macquarie Group shares sold through a normal trade on the ASX trading system over the five business days commencing on the fourth business day after the record date. A shareholder can elect to participate in or terminate their involvement in the DRP at any time. Election notices for participation in the DRP in relation to the final dividend to be paid on 12 December 2013 must be received by the registry by 5:00 pm on 15 November 2013 to be effective for that dividend.

⁽²⁾ Shares will be issued if purchasing becomes impractical or inadvisable.

	Half-year ended 30 September 2013 \$	Half-year ended 30 September 2012 \$
Net tangible assets		
Net tangible assets per ordinary shares	32.17	28.47

Control gained or lost over entities during the period, for those having a material effect

There were no material entities over which control has been gained or lost during the period.

Events after the reporting period

Following a Board decision effective on 1 November 2013, shareholders will vote on a proposal to distribute approximately 340 million Sydney Airport (SYD) stapled securities (SYD Securities) (Distribution) to Macquarie ordinary shareholders and consolidate Macquarie ordinary shares (Consolidation).

If the Distribution is approved, eligible Macquarie ordinary shareholders will receive one SYD Security for each Macquarie ordinary share held. At 30 September 2013, these SYD Securities were recognised in the Statement of Financial Position within Investment securities available for sale at a carrying amount of \$1,336 million. As described in note 19 of the 30 September 2013 Interim Directors' Report and Financial Report, the fair value is determined by reference to SYD's quoted market price. Upon distribution, the investment in these SYD Securities will be reduced along with a corresponding reduction in equity, and the cumulative amount carried in the Available for sale reserve in equity will be recycled to profit. At 30 September 2013, the cumulative amount carried in the Available for sale reserve related to the 340 million SYD Securities is \$207 million, net of tax. The closing price of SYD Securities on the trading day prior to distribution will be used for recording the Distribution and will affect the amount recognised in profit.

If the Consolidation is approved there will be a conversion of one Macquarie ordinary share into 0.9438 Macquarie ordinary shares.

Events after the reporting period continued

The Distribution will be implemented through a special dividend equal to 31 per cent of the Distribution per share (Special Dividend) and an equal reduction of capital equal to 69 per cent of the Distribution per share (Capital Return). The Special Dividend and the Capital Return will be satisfied by the in specie distribution of SYD Securities to Macquarie ordinary shareholders on the basis of one SYD Security for each Macquarie ordinary share. The Special Dividend component of the Distribution will be 40 per cent franked and all of the unfranked portion of the Special Dividend will be conduit foreign income. Macquarie's Dividend Reinvestment Plan will not operate for the Special Dividend as it is not a cash dividend.

The Capital Return and Consolidation require the approval of Macquarie Shareholders and a general meeting will be convened on 12 December 2013 for this purpose and to approve some changes to the constitution. Macquarie Shareholders will receive the Notice of Meeting for the general meeting in coming days. The Board has resolved to pay the Distribution subject to Shareholders approving the Capital Return and amending the constitution. If approved, the record date for the Distribution is expected to be 20 December 2013 and the Distribution is expected to be made on 13 January 2014. These dates are subject to change and the key dates for the Distribution and Consolidation will be included in the Notice of Meeting.

Other

Additional Appendix 4D disclosure requirements under the ASX Listing Rules can be found in the 30 September 2013 Interim Directors' Report and Financial Report and 30 September 2013 Management Discussion and Analysis lodged separately from this document. This Appendix 4D should be read in conjunction with the 30 September 2013 Interim Directors' Report and Financial Report, 30 September 2013 Management Discussion and Analysis and any public announcements made in the period by the Group in accordance with the continuous disclosure requirements of the *Corporations Act 2001 (Cth)* and the ASX Listing Rules.

This report is based on consolidated financial statements which have been reviewed by PricewaterhouseCoopers.

Cross reference index for other disclosures included in the

30 September 2013 Interim Directors' Report and Financial Report

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Additional Commentary on the results for the period⁽³⁾

⁽³⁾ Also refer to the 30 September 2013 Management Discussion and Analysis for significant features of operating performance, results of segments, trends in performance and other factors affecting results for the period.