

SECOND SUPPLEMENT TO THE OFFERING MEMORANDUM DATED 21 JUNE 2013

MACQUARIE GROUP LIMITED

(ABN 94 122 169 279)

(incorporated with limited liability in the Commonwealth of Australia)



U.S.\$10,000,000,000

(or equivalent in other currencies)

Debt Instrument Programme

ISSUER

Macquarie Group Limited

DEALERS

Australia and New Zealand Banking Group Limited

BofA Merrill Lynch

Barclays

Citigroup

Commonwealth Bank of Australia

Credit Suisse

Deutsche Bank

HSBC

ING

J.P. Morgan

Macquarie Bank International Limited

Macquarie Bank Limited

National Australia Bank Limited

SMBC Nikko

Standard Chartered Bank

The Royal Bank of Scotland

Westpac Banking Corporation

ISSUING & PAYING AGENT

Deutsche Bank AG, London Branch

CMU LODGING AGENT

Deutsche Bank AG, Hong Kong Branch

The date of this Second Supplement to the Offering Memorandum dated 21 June 2013 is 8 May 2014

Pages 1 to 146 inclusive of the Offering Memorandum dated 21 June 2013 comprise a base prospectus of Macquarie Group Limited (ABN 94 122 169 279) ("Issuer" or "MGL") (as supplemented by the supplementary prospectus dated 14 November 2013, the "Base Prospectus") for the purposes of Article 5.4 of Directive 2003/71/EC, as amended (the "Prospectus Directive") in respect of unsecured, unsubordinated or subordinated debt instruments to be admitted to the Official List of the UK Listing Authority (as defined below) and to be admitted to trading on the London Stock Exchange's regulated market ("PD Debt Instruments"). The Base Prospectus was approved by the Financial Conduct Authority ("FCA") in its capacity as competent authority under the Financial Services and Markets Act 2000 (UK) ("FSMA") ("UK Listing Authority") for the purposes of Directive 2003/71/EC of the European Parliament and the Council of 4 November, 2003 ("Prospectus Directive") on 21 June 2013.

Pages 147 to 211 inclusive of the Offering Memorandum comprise an offering circular (as supplemented by the supplementary offering circular dated 14 November 2013, the "Offering Circular") and has been prepared by MGL in connection with the issuance of unsecured, unsubordinated or subordinated debt instruments other than PD Debt Instruments ("Non-PD Debt Instruments" and, together with the PD Debt Instruments, the "Debt Instruments"). The Offering Circular has not been reviewed or approved by the UK Listing Authority and does not constitute a prospectus for the purposes of the Prospectus Directive.

Second Supplementary Prospectus

Pages 1 to 3 inclusive of this supplement and the Appendix at pages 4 to 15 inclusive of this supplement (together, the "Second Supplementary Prospectus") is supplemental to, and must be read in conjunction with, the Base Prospectus and all documents which are deemed to be incorporated in, and to form part of, the Base Prospectus. This Second Supplementary Prospectus constitutes a supplementary prospectus for the purposes of Section 87G of the FSMA. The information on page 16 of this supplement constitutes a supplementary offering circular and does not form part of the Base Prospectus or this Second Supplementary Prospectus. Unless specified otherwise, terms used herein shall be deemed to have the meanings given to them in the Base Prospectus.

MGL accepts responsibility for the information contained in this Second Supplementary Prospectus. To the best of MGL's knowledge (after having taken reasonable care to ensure that such is the case), the information contained in this Second Supplementary Prospectus is in accordance with the facts and this Second Supplementary Prospectus makes no omission likely to affect its import.

The purpose of this Second Supplementary Prospectus is to: (a) incorporate by reference information included in the MGL 2014 Annual Financial Report ("2014 Annual Financial Report") and (b) update section B.12 of the Summary of the Programme contained in the Base Prospectus to include selected historical key financial information from the 2014 Annual Financial Report (such revised Summary of the Programme being set out in the Appendix hereto).

Additional Financial Information

MGL 2014 Annual Financial Report

On 2 May 2014, MGL published its 2014 Annual Financial Report, which includes the audited financial statements of MGL consolidated with its controlled entities for the years ended, 31 March 2013 and 31 March 2014 and the independent auditor's report in respect of such financial statements. The information in the 2014 Financial Report specified below shall be deemed to be incorporated in, and to form part of, the Base Prospectus.

The audited financial statements of MGL consolidated with its controlled entities for the years ended 31 March 2013 and 31 March 2014 includes the Income Statements, Statements of Comprehensive Income, Statements of Financial Position, Statements of Changes in Equity, Statements of Cash Flows, Notes to the Financial Statements, Directors' Declaration and the Independent Auditor's Report. These can be located in the 2014 Annual Financial Report on the following pages:

2014 Annual Financial Report

Income Statements	95
Statements of Comprehensive Income	96
Statements of Financial Position	97
Statements of Changes in Equity	98 - 99
Statements of Cash Flows	100 - 101
Notes to the Financial Statements	102 - 211
Directors' Declaration	212
Independent Auditor's Report	213

If any information listed in the table above itself incorporates any information or other documents therein, either expressly or implicitly, such information or other documents will not form part of the Base Prospectus, except where such information or other documents are specifically incorporated by reference in, or attached to, the Base Prospectus by virtue of this Second Supplementary Prospectus. Any information not listed in the table above but contained in the 2014 Annual Financial Report is given for information only. The non-incorporated parts of the 2014 Annual Financial Report are either not relevant or are covered elsewhere in the Base Prospectus to which this Second Supplementary Prospectus relates.

Update to Section B.12 of the Summary of the Programme

Section B.12 of the Summary of the Programme contained in the Base Prospectus is updated to include selected historical key financial information from the 2014 Annual Financial Report. The Summary of the Programme as so supplemented is set out in the Appendix to this Second Supplementary Prospectus.

Additional General Information

To the extent that there is any inconsistency between (a) any statement in this Second Supplementary Prospectus or any statement incorporated by reference into the Base Prospectus by this Second Supplementary Prospectus and (b) any other statement in, or incorporated by reference in the Base Prospectus, the statements in (a) above will prevail.

MGL will provide, without charge, upon the written request of any person, a copy of this Second Supplementary Prospectus and the information which is incorporated in this Second Supplementary Prospectus by reference. Written requests should be directed to MGL at its office at No. 1 Martin Place, Sydney NSW 2000, Australia, for attention of the Group Treasurer. In addition, such documents and information will be available for inspection free of charge at the offices of Deutsche Bank AG, London Branch, Winchester House, 1 Great Winchester Street, London EC2 2DB, United Kingdom.

Copies of this Second Supplementary Prospectus and the 2014 Annual Financial Report will also be published on the internet site www.macquarie.com.au.

All information which MGL has published or made available to the public in compliance with its obligations under the laws of the Commonwealth of Australia dealing with the regulation of securities, issuers of securities and securities markets has been released to ASX Limited ("ASX") in compliance with the continuous disclosure requirements of the ASX Listing Rules. Announcements made by MGL under such rules are available on the ASX's internet site www.asx.com.au (MGL's ASX code is "MQG").

Internet site addresses in this Second Supplementary Prospectus are included for reference only and the contents of any such internet sites are not incorporated by reference into, and do not form part of, the Base Prospectus.

There has been no significant change in the financial or trading position of MGL and no material adverse change in the financial position or prospects, of MGL since the financial year ended 31 March 2014, being the date as at which the latest published audited financial statements of MGL and MGL consolidated with its controlled entities were made up.

Save as disclosed in this Second Supplementary Prospectus and the information which is incorporated in this Second Supplementary Prospectus by reference, no other significant new factor, material mistake or inaccuracy relating to information included in the Base Prospectus has arisen or been noted, as the case may be, since the publication of the Base Prospectus.

Appendix

Summaries are made up of disclosure requirements known as "Elements". These Elements are numbered in Sections A – E (A.1 – E.7). This Summary contains all the Elements required to be included in a summary for the PD Debt Instruments and MGL. Because some Elements are not required to be addressed, there may be gaps in the numbering sequence of the Elements. Even though an Element may be required to be inserted in a summary because of the type of securities and issuer, it is possible that no relevant information can be given regarding the Element. In this case a short description of the Element is included in the summary with the mention of "not applicable".

Section A – Introduction and warnings

Element	Title	
A.1	Introduction and warnings	<p>This summary should be read as an introduction to the Base Prospectus and the applicable Final Terms.</p> <p>Any decision to invest in the PD Debt Instruments should be based on a consideration of this Base Prospectus, including any documents incorporated by reference, and the applicable Final Terms as a whole by the investor.</p> <p>Where a claim relating to information contained in the Base Prospectus and the applicable Final Terms is brought before a court, the plaintiff investor might, under the national legislation of the Member States have to bear the costs of translating the Base Prospectus and the applicable Final Terms before the legal proceedings are initiated.</p> <p>Civil liability attaches only to those persons who have tabled the summary, including any translation thereof, but only if the summary is misleading, inaccurate or inconsistent when read together with the other parts of this Base Prospectus and the applicable Final Terms or it does not provide, when read together with the other parts of this Base Prospectus and the applicable Final Terms, key information in order to aid investors when considering whether to invest in such PD Debt Instruments.</p>
A.2	Consent by the Issuer to the use of this Base Prospectus for subsequent resale or final placement of the PD Debt Instruments	<p>Certain Tranches of PD Debt Instruments with a denomination of less than €100,000 (or its equivalent in any other currency) may be offered pursuant to a public offer ("Public Offer").</p> <p>[Issue specific summary:</p> <p>[Not Applicable: MGL does not consent to the use of the Base Prospectus for subsequent resales or final placement of the PD Debt Instruments.]</p> <p>[Consent: Subject to the conditions set out below, MGL consents to the use of this Base Prospectus in connection with a Public Offer of PD Debt Instruments by [●] [and] [each financial intermediary whose name is published on the internet site www.macquarie.com.au and identified as an Authorised Offeror in respect of the Public Offer] [and any financial intermediary which is authorised to make such offers under the Financial Services and Markets Act 2000, as amended, or other applicable legislation implementing the Markets in Financial Instruments Directive (Directive 2004/39/EC) and publishes on its website the following statement (with the information in square brackets being completed with the relevant information):</p>

Element	Title	
		<p>"We, [●], refer to the [●] (the "PD Debt Instruments") described in the Final Terms dated [insert date] (the "Final Terms") published by Macquarie Group Limited (the "Issuer"). We hereby accept the offer by the Issuer of its consent to our use of the Base Prospectus (as defined in the Final Terms) in connection with the offer of the PD Debt Instruments in accordance with the Authorised Offeror Terms and subject to the conditions to such consent, each as specified in the Base Prospectus, and we are using the Base Prospectus accordingly."] (each an "Authorised Offeror")</p> <p>Offer period: MGL's consent referred to above is given for Public Offers of the PD Debt Instruments, and subsequent resales and final placements of the PD Debt Instruments can be made by the Authorised Offeror[s], during the period from [●] to [●] (the "Offer Period").</p> <p>Conditions to consent: The conditions to MGL's consent to the use of the Base Prospects for subsequent resale or final placement of the PD Debt Instruments by the Authorised Offeror[s] (in addition to the conditions referred to above) are that such consent (a) is only valid during the Offer Period; (b) only extends to the use of this Base Prospectus to make Public Offers of the PD Debt Instruments in [●] and (c) [●].</p> <p>INFORMATION ON THE TERMS AND CONDITIONS OF THE OFFER WILL BE PROVIDED TO INVESTORS BY THE AUTHORISED OFFEROR AT THE TIME OF THE OFFER]</p>

Section B – Issuer

Element	Title	
B.1	Legal and commercial name of the Issuer	Macquarie Group Limited (ABN 94 122 169 279)
B.2	Domicile and legal form of the Issuer, legislation under which it operates and country of incorporation	The Issuer is incorporated and domiciled in Australia under the laws of the Commonwealth of Australia.
B.4b	Known trends with respect to the Issuer and the industry in which it operates	[Not Applicable - There are no known trends, affecting the Issuer and the industries in which it operates.]
B.5	The Issuer's group	MGL is the ultimate holding company for all other companies and entities within the Macquarie Group including, but not limited to, MBL.
B.9	Profit forecast or estimate	Not Applicable - No profit forecasts or estimates have been made in the Base Prospectus.
B.10	Audit report qualifications	Not Applicable - No qualifications are contained in any audit report included in the Base Prospectus.

Element	Title				
B.12	Selected historical key financial information of the Issuer, no material adverse change statement and description of significant changes in financial or trading position of the Issuer	<i>Selected historical key financial information from Income Statements</i>			
		Consol.	Consol.	MGL	MGL
		2014	2013	2014	2013
		A\$m	A\$m	A\$m	A\$m
	Net interest income/(expense)	1,705	1,367	(71)	(74)
	Net operating income	8,132	6,657	1,052	1,188
	Total operating expenses	(6,026)	(5,252)	(7)	(14)
	Operating profit before income tax	2,106	1,405	1,045	1,174
	Profit after income tax	1,279	872	1,060	1,197
	(Profit)/loss attributable to non-controlling interests:				
	Macquarie Income Securities	(18)	(21)		–
	Macquarie Income Preferred Securities	(4)	(4)		–
	Other non-controlling interests	8	4		–
	Profit attributable to non-controlling interests	(14)	(21)		–
	Profit attributable to ordinary equity holders of Macquarie Group Limited	1,265	851	1,060	1,197
<i>Selected historical key financial information from Statements of Financial Position</i>					
		Consol.	Consol.	MGL	MGL
		2014	2013	2014	2013
		A\$m	A\$m	A\$m	A\$m
	ASSETS				
	Total assets	153,904	144,748	21,113	20,417
	LIABILITIES				
	Total liabilities excluding loan capital	138,483	129,573	8,545	7,557
	Total loan capital	3,507	3,220	601	–
	Total liabilities	141,990	132,793	9,146	7,557
	Net assets	11,914	11,955	11,967	12,860
	EQUITY				
	Total capital and reserves attributable to ordinary equity holders of Macquarie Group Limited	11,418	11,403	11,967	12,860
	Non-controlling interests	496	552	–	–
	Total equity	11,914	11,955	11,967	12,860
[The financial information above is selected historical key financial information of MGL and its consolidated subsidiaries]					
[There has been no significant change in the financial or trading position of MGL or the Macquarie Group since [31 March 2014], and no material adverse change in the prospects of MGL or the Macquarie Group since [31 March 2014], the date of MGL's last published audited					

Element	Title	
		financial statements.]
B.13	Recent events material to the evaluation of the Issuer's solvency	Not Applicable - There are no recent events particular to MGL which are to a material extent relevant to the evaluation of the Issuer's solvency.
B.14	Dependence upon other members of the Issuer's group	Not Applicable – MGL is not dependent upon other entities within the Macquarie Group.
B.15	Principal activities	MGL is a diversified financial services holding company listed on the Australian Securities Exchange operated by ASX Limited ("ASX"), headquartered in Sydney, Australia and regulated as a non-operating holding company of an authorised deposit taking institution ("ADI") by the Australian Prudential Regulation Authority ("APRA"). The Macquarie Group provides banking, financial, advisory, investment and funds management services through client driven businesses which generate income by providing a diversified range of services to clients. The Macquarie Group acts on behalf of institutional, corporate and retail clients and counterparties around the world.
B.16	Ownership and control	<p>As at 30 September 2013, MGL had on issue [●] fully paid ordinary shares and [●] options granted over unissued ordinary shares. The ordinary shares of MGL are listed in Australia on the ASX.</p> <p>As at the date of this Base Prospectus, MGL is neither directly nor indirectly controlled by any of its shareholders.</p>
B.17	Rating	<p>Standard and Poor's (Australia) Pty Ltd has assigned MGL a credit rating for long-term unsubordinated unsecured obligations of BBB. The outlook for the rating is stable.</p> <p>Moody's Investors Service Pty Limited has assigned MGL a credit rating for long-term unsubordinated unsecured obligations of A3. The outlook for the rating is stable.</p> <p>Fitch Australia Pty Ltd has assigned MGL a credit rating for long-term unsubordinated unsecured obligations of A-. The outlook for the rating is stable.</p> <p>Issue specific summary:</p> <p>[The PD Debt Instruments [have been/are expected to be] rated [●] by [●].</p> <p>A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, cancellation, reduction or withdrawal at any time by the assigning rating agency. Each rating should be evaluated independently of any other rating.]</p> <p>[Not Applicable - No ratings have been assigned to the Issuer or its debt securities at the request of or with the co-operation of the Issuer in the rating process.]</p>

Section C – PD Debt Instruments

Element	Title	
C.1	Type and class of PD Debt Instruments including security identification number	<p>The PD Debt Instruments to be issued under the Programme may be a Fixed Rate PD Debt Instrument, a Fixed/Floating Interest Rate Basis PD Debt Instrument, a Floating Rate PD Debt Instrument, a Zero Coupon PD Debt Instrument or a combination of the foregoing.</p> <p>Issue specific summary:</p> <p>The PD Debt Instruments are [U.S.\$ / A\$ / £ / Yen / HKD / € / RMB / other] [●] [●] per cent./Floating Rate / "Fixed / Floating"/Zero Coupon] PD Debt Instruments due [●].</p> <p>International Securities Identification Number ("ISIN"): [●]</p>
C.2	Currency	<p>Subject to compliance with all applicable laws, regulations and directives, PD Debt Instruments may be issued in any currency agreed between the Issuer and the relevant Dealer at the time of issue.</p> <p>Issue specific summary:</p> <p>The currency of this Series of PD Debt Instruments is [U.S. Dollars (U.S.\$)/Australian Dollars (A\$)/Pounds Sterling (£)/Yen/Hong Kong Dollars (HKD)/Euro (€)/Renminbi (RMB) / [●] ("[●]")].</p>
C.5	Restrictions on free transferability	<p>Not Applicable - There are no restrictions on the free transferability of the PD Debt Instruments.</p> <p>The offering, sale, delivery and transfer of PD Debt Instruments and the distribution of this Base Prospectus and other material in relation to any PD Debt Instruments are subject to restrictions as may apply in any country in connection with the offering and sale of a particular Tranche of PD Debt Instruments including, in particular, restrictions in Australia, the United States, the European Economic Area, the United Kingdom, Hong Kong, Singapore, Japan, Korea, India, Canada, the PRC, Malaysia, Mexico and Taiwan.</p>
C.8	Rights attached to the PD Debt Instruments, including ranking and any limitations on those rights	<p>PD Debt Instruments issued under the Programme will have terms and conditions relating to, among other matters:</p> <p>Status and Subordination</p> <p>[PD Debt Instruments may be issued on either an unsubordinated or a subordinated basis.] PD Debt Instruments [issued on an unsubordinated basis] constitute direct and [(subject to the provisions of [the Issuer's] negative pledge below)] unsecured obligations of the Issuer and will rank pari passu without any preference among themselves and at least equally with all other unsecured and unsubordinated creditors (except creditors mandatorily preferred by law) of the Issuer, from time to time outstanding.</p> <p>[Payments in respect of any PD Debt Instruments issued on a subordinated basis will rank as follows [●].]</p>

Element	Title	
		<p>[Issue specific summary:</p> <p>This Series of PD Debt Instruments is issued on a[n] [unsubordinated/subordinated] basis.]</p> <p>Taxation</p> <p>All payments in respect of PD Debt Instruments will be made without withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed by or on behalf of Australia or Victoria (or, in the case of PD Debt Instruments issued by a branch of the Issuer located outside Australia, the jurisdiction in which such branch is located), unless such withholding or deduction is required by law. In the event that any such deduction is made, the Issuer will, save in certain limited circumstances, be required to pay additional amounts to cover the amounts so deducted.</p> <p>Negative pledge</p> <p>The terms of the PD Debt Instruments issued on an unsubordinated basis will contain a negative pledge provision [which prevents the Issuer, whilst there are any Unsubordinated PD Debt Instruments outstanding, from creating or permitting to subsist any mortgage, charge pledge, lien or other form of encumbrance or security interest ("Security Interest") upon the whole or any part of its present or future assets or revenues as security for any relevant indebtedness, guarantee or indemnity unless (i) the Issuer grants such Security Interest that will result in its obligations under the PD Debt Instruments being secured equally and rateably in all respects so as to rank equally with all applicable relevant indebtedness or guarantee or (ii) the granting of such Security Interest has been approved by an Extraordinary Resolution].</p> <p>Events of default</p> <p>The terms of the PD Debt Instruments will contain, amongst others, the following events of default:</p> <ul style="list-style-type: none"> (i) default in payment of any principal or interest due in respect of the PD Debt Instruments, continuing for a specified period of time; (ii) non-performance or non-observance by the Issuer of any of its other obligations under the conditions of the PD Debt Instruments, continuing for a specified period of time; and (iii) events relating to the insolvency or winding up of the Issuer. <p>Meetings</p> <p>The terms of the PD Debt Instruments will contain provisions for calling meetings of holders of such PD Debt Instruments to consider matters affecting their interests generally. These provisions permit defined majorities to bind all holders, including holders who did not attend and vote at the relevant meeting and holders who voted in a manner contrary to the majority.</p>

Element	Title	
		<p>Governing law</p> <p>[English law/The laws of New South Wales].</p>
C.9	<p>Rights attached to the PD Debt Instruments including ranking and any limitation to those rights, details of the interest payable, indication of yield and representative of holders</p>	<p>Interest</p> <p>PD Debt Instruments may or may not bear interest. Interest-bearing PD Debt Instruments will either bear interest payable at a fixed rate or a floating rate.</p> <p>Issue specific summary:</p> <p>[The PD Debt Instruments bear interest [from their date of issue/from [●]] at the fixed rate of [●]per cent. per annum. The yield of the PD Debt Instruments is [●]per cent. Interest will be paid [annually] in arrear on [●]in each year. The first interest payment will be made on [●].]</p> <p>[The PD Debt Instruments bear interest [from their date of issue/from [●]] at floating rates calculated by reference to [LIBOR / EURIBOR / BBSW / BKBM / HIBOR / BA-CDOR/SIBOR] [plus/minus] a margin of [●]per cent. Interest will be paid [semi-annually] in arrear on [●]and [●]in each year, subject to adjustment for non-business days. The first interest payment will be made on [●].]</p> <p>[The PD Debt Instruments do not bear any interest [and will be offered and sold at a discount to their nominal amount].]</p> <p>[The yield for the Fixed Rate PD Debt Instruments will be [●] on the Issue Date and will be calculated on the basis of the compound annual rate of return if the relevant Fixed Rate PD Debt Instruments were to be purchased at the Issue Price on the Issue Date and held to maturity. This is not an indication of future yield.]</p> <p>Redemption</p> <p>The terms under which PD Debt Instruments may be redeemed (including the maturity date and the price at which they will be redeemed on the maturity date as well as any provisions relating to early redemption) will be agreed between the Issuer and the relevant Dealer at the time of issue of the relevant PD Debt Instruments.</p> <p>Issue specific summary:</p> <p>Subject to any purchase and cancellation or early redemption, the PD Debt Instruments will be redeemed on [●] at [●] per cent. of their nominal amount.</p> <p>The PD Debt Instruments may be redeemed early for tax reasons [or [●]] at [●].</p> <p>[The Subordinated PD Debt Instruments may be redeemed for [loss deductibility/regulatory] reasons]</p> <p>Maturity date and arrangements for the amortisation of the PD Debt Instruments, including the</p>

Element	Title	
		<p>repayment procedures: [●]</p> <p>No representative of the Holders of PD Debt Instruments has been appointed by the Issuer.</p>
C.10	Rights attached to the PD Debt Instruments including ranking, any limitation to those rights, details of the interest payable, indication of yield, representative of holders and effect of underlying instrument on the value of the investment	Not applicable – There is no derivative component in the interest payments.
C.11	Admission to trading	Application has been made for each series of PD Debt Instruments to be admitted to the Official List of the UK Listing Authority and admitted to trading on the London Stock Exchange's Regulated Market.

Section D – Risks

Element	Title	
D.2	Key risks that are specific to the Issuer	<p>The following are the key risks relating to the Issuer:</p> <p>Financial Risk</p> <p>There are a range of economic and commercial risks which will affect Macquarie Group's business, many of which are not in the control of MGL or the Macquarie Group. The performance of all of the Macquarie Group's major businesses can be influenced by external market and regulatory conditions. If the Macquarie Group's businesses were affected by adverse circumstances, overall earnings would suffer significantly. The Macquarie Group's risk management framework incorporates active management and monitoring of those risks which may create the potential for MGL and the Macquarie Group to suffer loss.</p> <p>Market Risk</p> <p>Global market conditions are subject to periods of volatility and change, which can negatively impact market liquidity, increase credit spreads and reduce funding availability. Global economic conditions remain uncertain. If the economic climate worsens in the future, including due to ongoing sovereign debt concerns in Europe and concerns about the United States and global growth, or concerns of a systemic shock, the Macquarie Group's financial performance, business or strategy may be adversely affected.</p> <p>Funding Risk</p> <p>The Macquarie Group relies on equity and debt markets for funding its business. Further</p>

Element	Title	
		<p>instability in these markets may affect the Macquarie Group's ability to access funding, particularly the ability to issue long-term debt securities, to replace maturing liabilities in a timely manner and to access the funding necessary to grow its businesses. In addition, an increase in credit spreads may increase the Macquarie Group's cost of funding.</p> <p>Liquidity Risk</p> <p>The Macquarie Group is exposed to the risk that it may become unable to meet its financial commitments when they fall due, which could arise due to mismatches in cashflows. Liquidity is essential to the Macquarie Group's businesses. Liquidity could be impaired by an inability to access credit and debt markets, an inability to sell assets or unforeseen outflows of cash or collateral. In difficult credit and debt markets the Macquarie Group may be forced to find alternative funding sources or fund its operations at a higher cost.</p> <p>Regulatory Risk</p> <p>Some of the Macquarie Group's businesses are highly regulated, including regulation relating to prudential and liquidity requirements. Failure to comply with legal and regulatory requirements, including tax laws and regulations, and rules relating to conflicts of interest, corrupt and illegal payments and money laundering, or government policies, may have an adverse effect on the Macquarie Group and its reputation among customers and regulators in the market.</p> <p>Credit Rating Risk</p> <p>Certain Macquarie Group entities are assigned credit ratings based on an evaluation of a number of factors. If one or more of these credit ratings were downgraded this could have the effect of increasing the cost of funds raised by the Macquarie Group from financial markets, reducing the Macquarie Group's ability to access certain capital markets, triggering the Macquarie Group's obligations under certain of its contracts, and/or adversely impacting the willingness of counterparties to deal with the Macquarie Group.</p> <p>Competition Risk</p> <p>The Macquarie Group faces significant competition from local and international competitors, which compete vigorously for participation in the various markets and sectors across which the Macquarie Group operates. The effect of competitive market conditions may adversely impact the earnings and assets of the Macquarie Group.</p> <p>If any of the risks described in this section actually occur, the businesses, competitive position, financial performance, financial condition, operations, prospects or reputation of MGL, as well as other entities within the Macquarie Group, could be materially and adversely affected, with the result that the value, trading price and/or liquidity of MGL's equity and debt securities (including the PD Debt Instruments) could decline, and investors could lose all or part of their investment.</p>

Element	Title	
D.3	Key risks that are specific to the PD Debt Instruments	<p>There are also risks associated with the PD Debt Instruments. These include a range of market risks (including that there may be no or only a limited secondary market in the PD Debt Instruments, that the value of an investor's investment may be adversely affected by exchange rate movements where the PD Debt Instruments are not denominated in the investor's own currency, that any credit rating assigned to the PD Debt Instruments may not adequately reflect all the risks associated with an investment in the PD Debt Instruments and that changes in interest rates will affect the market value of Debt Instruments which bear interest at a fixed rate), the fact that the conditions of the PD Debt Instruments may be modified without the consent of the holder in certain circumstances, that the holder may not receive payment of the full amounts due in respect of the PD Debt Instruments as a result of amounts being withheld by the Issuer in order to comply with applicable law and that investors are exposed to the risk of changes in law or regulation affecting the market value of PD Debt Instruments held by them.</p> <p>If any of the risks described in this section actually occur, the value, trading price and/or liquidity of the PD Debt Instruments could decline, and investors could lose all or part of their investment.</p>

Section E – Offer

Element	Title	
E.2b	Reasons for the offer and use of proceeds	MGL intends to use the net proceeds from the issuance of PD Debt Instruments for the general corporate purposes of the Macquarie Group.
E.3	Terms and conditions of the offer	<p>Under the Programme, the PD Debt Instruments may be offered to the public in a Public Offer in [●].</p> <p>The terms and conditions of each offer of PD Debt Instruments will be determined by agreement between the Issuer and the relevant Dealers at the time of issue and specified in the applicable Final Terms. An Investor intending to acquire or acquiring any PD Debt Instruments in a Public Offer from an Offeror will do so, and offers and sales of such PD Debt Instruments to an Investor by such Offeror will be made, in accordance with any terms and other arrangements in place between such Offeror and such Investor including as to price, allocations and settlement arrangements.</p> <p>Issue specific summary:</p> <p>[This issue of PD Debt Instruments is being offered in a Public Offer in [●].</p> <p>The issue price of the PD Debt Instruments is [●] per cent. of their nominal amount.</p> <p>Offer Period: [●]</p> <p>Conditions of offer: [Not Applicable / [●]]</p>

Element	Title	
		<p>Application process: [Not Applicable / [●]]</p> <p>Reduction of subscriptions: [Not Applicable / [●]]</p> <p>Manner for refunding excess amount paid by applicants: [Not Applicable / [●]]</p> <p>Minimum amount of application: [Not Applicable/[●]]</p> <p>Maximum amount of application: [Not Applicable/[●]]</p> <p>Method and time limits for paying up and delivering PD Debt Instruments: [Not Applicable/[●]]</p> <p>Manner in and date on which results of the offer are to be made public: [Not Applicable/[●]]</p> <p>Procedure for exercise of any right of pre-emption, negotiability of subscription rights and treatment of subscription rights not exercised: [Not Applicable/[●]]</p> <p>Process for notification to applicants of the amount allotted and the indication whether dealing may begin before notification is made: [Not Applicable/[●]]</p> <p>Amount of any expenses and taxes specifically charged to subscribers or purchasers of PD Debt Instruments: [Not Applicable/[●]]</p> <p>Name(s) and address(es) (to the extent known to the Issuer) of the Placers in the various countries where the offer takes place: [Not Applicable/[●]]</p>
E.4	Interests material to the issue/offer including conflicts of interests	<p>Issue specific summary</p> <p>[Save for [●], so far as the Issuer is aware, no person involved in the issue of the PD Debt Instruments has an interest material to the offer, including conflicting interests.]/[Not Applicable]</p>

Element	Title	
E.7	Estimated expenses charged to the investor by the Issuer or an Offeror	<p>It is not anticipated that the Issuer will charge any expenses to investors in connection with any issue of PD Debt Instruments under the Programme. Other Offerors (as defined above) may, however, charge expenses to investors. Such expenses (if any) will be determined on a case by case basis but would be expected to be in the range of between 1 per cent. and 7 per cent. of the nominal amount of the PD Debt Instruments to be purchased by the relevant investor unless specified below with respect to a specific issue of PD Debt Instruments.</p> <p>Issue specific summary:</p> <p>[Not Applicable – No expenses will be charged to investors by the Issuer.]</p> <p>[No expenses are being charged to an investor by the Issuer. For this specific issue, however, expenses may be charged by an Offeror (as defined above) in the range between [●]per cent. and [●]per cent. of the nominal amount of the PD Debt Instruments to be purchased by the relevant investor.]</p>

Second Supplementary Offering Circular

NEITHER THE OFFERING CIRCULAR NOR THIS SUPPLEMENTARY OFFERING CIRCULAR HAVE BEEN REVIEWED OR APPROVED BY THE UK LISTING AUTHORITY AND THE OFFERING CIRCULAR DOES NOT CONSTITUTE A PROSPECTUS FOR THE PURPOSES OF DIRECTIVE 2003/71/EC, AS AMENDED (THE "PROSPECTUS DIRECTIVE").

This page 16 of this supplement ("Second Supplementary Offering Circular") is supplemental to, and must be read in conjunction with, the Offering Circular and all documents which are deemed to be incorporated in, and to form part of, the Offering Circular. This Second Supplementary Offering Circular is to be read in conjunction the following sections of the Second Supplementary Prospectus (save as amended herein):

- Additional Financial Information; and
- Additional General Information,

which will be deemed to be incorporated by reference herein, save that references to "Base Prospectus" shall be deemed to be to the "Offering Circular" and references to "Second Supplementary Prospectus" shall be deemed to be to this "Second Supplementary Offering Circular".