

SUPPLEMENT TO THE OFFERING MEMORANDUM DATED 14 JUNE 2016

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

HSBC

ING

J.P. Morgan

Macquarie Bank International Limited

Macquarie Bank Limited

National Australia Bank Limited

SMBC Nikko

Société Générale Corporate & Investment Banking

Standard Chartered Bank

Westpac Banking Corporation

ISSUING & PAYING AGENT

Deutsche Bank AG, London Branch

CMU LODGING AGENT

Deutsche Bank AG, Hong Kong Branch

The date of this Supplement is 17 November 2016

Pages 1 to 161 (inclusive) and pages 238 to 240 (inclusive) of the Offering Memorandum dated 14 June 2016 comprise a base prospectus of Macquarie Group Limited (ABN 94 122 169 279) ("**Issuer**" or "**MGL**") (the "**Base Prospectus**") for the purposes of Article 5.4 of Directive 2003/71/EC, as amended (the "**Prospectus Directive**") in respect of unsecured and unsubordinated 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 the Prospectus Directive on 14 June 2016.

Pages 162 to 237 (inclusive) of the Offering Memorandum comprise an offering circular (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. The Offering Circular does not form part of the Base Prospectus.

Supplementary Prospectus

Pages 1 to 4 (inclusive) of this supplement (the "**Supplementary Prospectus**") are 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 Supplementary Prospectus constitutes a supplementary prospectus for the purposes of Section 87G of the FSMA. The information on page 5 of this supplement constitutes a supplementary offering circular and does not form part of the Base Prospectus or this 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 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 Supplementary Prospectus is in accordance with the facts and this Supplementary Prospectus makes no omission likely to affect its import.

The purpose of this Supplementary Prospectus is to (a) incorporate by reference into the Base Prospectus information included in the MGL Interim Directors' Report and Financial Report for the Half-year ended 30 September 2016 ("**Interim Financial Report**"), (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 Interim Financial Report, and (c) update the credit rating information contained in the Base Prospectus for the change in S&P Global Ratings Inc. ("**S&P**") outlook from "BBB / Stable" to "BBB / Negative".

Investors should be aware of their rights under section 87Q(4) of the FSMA.

Additional Financial Information

MGL Interim Directors' Report and Financial Report for the Half-year ended 30 September 2016

On 30 October 2016, MGL published its Interim Financial Report, which includes the unaudited financial statements of MGL consolidated with its controlled entities for the half years ended 30 September 2015, 31 March 2016 and 30 September 2016, and the Independent Auditor's Review Report in respect of such financial statements. The information in the Interim Financial Report specified below shall be deemed to be incorporated in, and to form part of, the Base Prospectus.

The unaudited financial statements of MGL consolidated with its controlled entities for the half years ended 30 September 2015, 31 March 2016 and 30 September 2016 includes the Consolidated Income Statement, Consolidated Statement of Comprehensive Income, Consolidated Statement of Financial Position, Consolidated Statement of Changes in Equity, Consolidated Statement of Cash Flows, Notes to the Consolidated Financial Statements, Directors' Declaration and the Independent Auditor's Review Report. These can be located in the Interim Financial Report on the following pages:

**Interim Financial Report
(page)**

Consolidated Income Statement	9
Consolidated Statement of Comprehensive Income	10
Consolidated Statement of Financial Position	11
Consolidated Statement of Changes in Equity	12 to 13
Consolidated Statement of Cash Flow	14
Notes to the Consolidated Financial Statements	15 to 50
Directors' Declaration	51
Independent Auditor's Review Report	52

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 be incorporated in, or 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 Supplementary Prospectus. The non-incorporated parts of the Interim Financial Report are either not relevant or are covered elsewhere in the Base Prospectus to which this 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 as set out below to include selected historical key financial information from the Interim Financial Report.

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. Half Year to 30 Sept 2016	Consol. 2016 A\$m	
		A\$m		
		Net interest income	1,096	2,279
		Net operating income	5,218	10,135
		Total operating expenses	(3,733)	(7,120)
		Operating profit before income tax	1,485	3,015
		Income tax expense	(438)	(927)
		Profit after income tax	1,047	2,088
		(Profit)/loss attributable to non-controlling interests:		
		Macquarie Income Securities	(8)	(16)
		Macquarie Income Preferred Securities	-	(1)
		Other non-controlling interests	11	(8)
		Profit attributable to non-controlling interests	3	(25)
		Profit attributable to ordinary equity holders of Macquarie Group Limited	1,050	2,063
		<i>Selected historical key financial information from Statements of Financial Position</i>		

Element	Title		
		<p style="text-align: right;">Consol. Half Year to 30 Sept 2016 A\$m</p> <p style="text-align: right;">Consol. 2016 A\$m</p>	
		Total assets	193,093
		LIABILITIES	
		Total liabilities excluding loan capital	172,688
		Total loan capital	4,942
		Total liabilities	177,630
		Net assets	15,463
		EQUITY	
		Total capital and reserves attributable to ordinary equity holders of Macquarie Group Limited	14,921
		Non-controlling interests	542
		Total equity	15,463
		<p>The financial information above is selected historical key financial information of MGL consolidated with its controlled entities ("Macquarie Group").</p> <p>There has been no significant change in the financial or trading position of MGL or the Macquarie Group since 30 September 2016, being the end date for the last financial period for which unaudited financial statements of the Macquarie Group have been published, and no material adverse change in the financial position or prospects of MGL or the Macquarie Group since 31 March 2016, being the end date for the last financial period for which audited financial statements of the Macquarie Group have been published.</p>	

Updated information about Credit Ratings

On 31 October 2016, S&P revised their outlook for MGL's long-term credit rating, along with a number of other Australian banks and financial institutions, from "stable" to "negative" in a system-wide action as a result of macroeconomic factors.

Update to Section B.17 of the Summary of the Programme

Section B.17 of the Summary of the Programme contained in the Base Prospectus is updated as set out below as set out below to include the change in S&P outlook from BBB / Stable to BBB / Negative:

B.17	Credit Ratings	<p>S&P Global Ratings has assigned MGL a credit rating for long-term unsubordinated unsecured obligations of "BBB". The outlook for the rating is negative.</p> <p>Moody's Investors Service has assigned MGL a credit rating for long-term unsubordinated unsecured obligations of "A3". The outlook for the rating is stable.</p> <p>Fitch Ratings has assigned MGL a credit rating for long-term unsubordinated unsecured obligations of "A-". The outlook for the rating is stable.</p> <p><i>Issue specific summary:</i></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>
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Update to section entitled “10. Macquarie Group Limited - Credit Rating”

The section entitled “10. Macquarie Group Limited - Credit Rating” on page 120 of the Base Prospectus shall be deleted and replaced by the following:

Credit rating

As at the date of this Base Prospectus, MGL has the following debt ratings for long-term unsubordinated unsecured obligations:

- S&P Global Ratings Inc.: BBB / Negative;
- Moody’s Investors Service: A3 / Stable; and
- Fitch Ratings: A- / Stable.

Additional General Information

To the extent that there is any inconsistency between (a) any statement in this Supplementary Prospectus or any statement incorporated by reference into the Base Prospectus by this 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 Supplementary Prospectus and the information which is incorporated in this Supplementary Prospectus by reference. Written requests should be directed to MGL at its office at Level 6, 50 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 Supplementary Prospectus and the Interim Financial Report will also be published on the internet site www.macquarie.com.

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 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 or MGL and its controlled entities (“**Macquarie Group**”) since 30 September 2016, being the end date for the last financial period for which unaudited financial statements of the Macquarie Group have been published, and no material adverse change in the financial position or prospects, of MGL or the Macquarie Group since 31 March 2016, being the end date for the last financial period for which audited financial statements of the Macquarie Group have been published.

Save as disclosed in this Supplementary Prospectus and the information which is incorporated in this 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.

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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.

This page 5 of this supplement ("**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 Supplementary Offering Circular is to be read in conjunction with the following sections of the Supplementary Prospectus (save as amended herein):

- Additional Financial Information;
- Updated information about Credit Ratings (other than Update to Section B.17 of the Summary of the Programme); 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 "Supplementary Prospectus" shall be deemed to be to this "Supplementary Offering Circular".