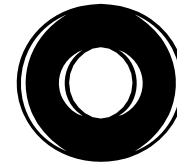


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MACQUARIE

ASX/Media Release

MACQUARIE GROUP TO ACQUIRE WADDELL & REED FINANCIAL, INC. AND ENTER INTO A LONG-TERM PARTNERSHIP WITH LPL FINANCIAL

Key Points

- **Macquarie Group to acquire Waddell & Reed Financial, Inc., a NYSE-listed US-based asset and wealth manager for \$US1.7 billion (\$A2.3 billion¹)**
- **Waddell & Reed Financial, Inc. has two businesses:**
 - **an asset management business with approximately \$US68 billion in assets under management (AUM) and**
 - **a wealth management business with approximately \$US63 billion in assets under administration (AUA)**
- **On completion, Macquarie Group to sell the Waddell & Reed Financial Services, Inc. wealth management business, to LPL Financial Holdings Inc. for \$US300 million plus excess net assets**
- **Increased scale and diversification of combined platform will create significant long-term benefits for clients, advisors and shareholders**
- **Long-term partnership between Macquarie and LPL will provide continuity for the existing wealth business and clients as well as longer-term opportunities to partner with the largest US independent broker-dealer**
- **Expected to close by mid-2021, subject to regulatory approvals, Waddell & Reed Financial, Inc. stockholder approval and other customary closing conditions**

SYDNEY, 3 December 2020 – Macquarie Asset Management, the asset management division of Macquarie Group (Macquarie) (ASX: MQG; ADR: MQBKY), today announced it has entered into an agreement to acquire all of the outstanding common shares of Waddell & Reed Financial, Inc., (Waddell & Reed) (NYSE: WDR) one of the oldest asset and wealth management companies in the US, for \$US25.00 per share in cash, or total consideration of approximately \$US1.7 billion (\$A2.3 billion¹).

On completion of the transaction, Macquarie has agreed to sell Waddell & Reed's wealth management platform to LPL Financial Holdings Inc. (LPL) (Nasdaq: LPLA), a leading US retail investment advisory firm, independent broker-dealer and registered investment advisor custodian, and enter into a long-term partnership, with Macquarie becoming one of LPL's top-tier strategic asset management partners.

¹ AUD/USD as at 1 Dec 20 of 0.7366.

Macquarie Group Limited

As a result of the transaction, Macquarie Asset Management's AUM are expected to increase to over \$US465 billion (\$A650 billion²), with the combined business becoming a top 25³ actively managed, long-term, open-ended US mutual fund manager by assets under management, with the scale and diversification to competitively position the business to maintain and extend its high standards of service to clients and partners.

Through its subsidiaries, Waddell & Reed has provided investment management and wealth management services to clients throughout the US since 1937. Today, investment products are distributed under the IVY INVESTMENTS® brand, as well as through independent financial advisors associated with Waddell & Reed. As of September 30, 2020, Waddell & Reed's asset management business had \$US68 billion of AUM and its wealth management business had \$US63 billion of AUA.

The transaction has been approved by the Boards of Directors of Macquarie Group, LPL and Waddell & Reed and is expected to close by mid-2021, subject to regulatory approvals, Waddell & Reed stockholders approval and other customary closing conditions.

About Macquarie Asset Management

Macquarie Asset Management (MAM) is Macquarie's asset management business. MAM is a full-service asset manager, providing investment solutions to clients across a range of capabilities including infrastructure & renewables, real estate, agriculture, transportation finance, private credit, equities, fixed income, and multi-asset solutions. As at 30 September 2020, MAM had \$A554.9 billion of assets under management. MAM has over 1,900 staff operating across 20 markets in Australia, the Americas, Europe and Asia. MAM has been managing assets for institutional and retail investors since 1980 in Australia and 1929 in the US, through a predecessor firm, formerly known as Delaware Investments. Delaware Funds® by Macquarie refers to certain investment solutions that MAM distributes, offers, refers, or advises.

Forward-Looking Statements

This announcement may contain forward looking statements – that is, statements relating to future, not past, events or other matters – including, without limitation, statements regarding our intent, belief or current expectations with respect to Macquarie's, Macquarie Asset Management's, Waddell & Reed's and LPL's businesses and operations, market conditions, results of operation and financial condition. Readers are cautioned not to place undue reliance on these forward looking statements. Macquarie does not undertake any obligation to publicly release the result of any revisions to these forward looking statements or to otherwise update any forward looking statements, whether as a result of new information, future events or otherwise, after the date of this presentation. Actual results may vary in a materially positive or negative manner. Forward looking statements and hypothetical examples are subject to uncertainty and contingencies outside Macquarie's control. Past performance is not a reliable indication of future performance. Significant risk factors applicable to Macquarie are described in the "Risk Factors" section of, and elsewhere in, our Disclosure Report (U.S. Version) for the half year ended September 30, 2020.

² AUD/USD as at 30 Sep 20 of 0.7154.

³ Source: Assets under management as of 30 Sep 20 – Based on data represented in Strategic Insight and Morningstar. Data includes ICI Method of Sales: Salesforce, Institutional and Retirement. Data excludes Variable Insurance Products, Closed End Funds, ETFs, passive mutual funds, Money Market Funds, Delaware Pooled Trusts, and Optimum Funds. Both Waddell & Reed and Macquarie Delaware are top 40 US active mutual fund managers by AUM as at 30 Sep 20.