

MACQUARIE INTERNATIONALE INVESTMENTS LIMITED

COMPANY NUMBER 04957256

Strategic Report, Directors' Report and Financial Statements
for the financial year ended 31 March 2015



The Company's registered office is:
Ropemaker Place
28 Ropemaker Street
London EC2Y 9HD
United Kingdom

Macquarie Internationale Investments Limited

2015 Strategic Report, Directors' Report and Financial Statements Contents

	Page
Strategic Report	2
Directors' Report	4
Independent Auditor's Report to the members of Macquarie Internationale Investments Limited	6
Financial Statements	
Profit and loss account	8
Statement of total recognised gains and losses	9
Balance sheet	10
Notes to the financial statements	11
Note 1. Summary of significant accounting policies	11
Note 2. Loss on ordinary activities before taxation	14
Note 3. Interest receivable and similar income	14
Note 4. Interest payable and similar charges	14
Note 5. Tax on Loss on ordinary activities	14
Note 6. Investments	15
Note 7. Cash at bank and in hand	16
Note 8. Debtors	16
Note 9. Creditors: Amounts falling due within one year	17
Note 10. Called up share capital	17
Note 11. Other reserves and profit and loss account	18
Note 12. Reconciliation of movements in shareholders' funds	18
Note 13. Related party information	18
Note 14. Directors' remuneration	18
Note 15. Contingent liabilities and Commitments	18
Note 16. Segmental reporting	18
Note 17. Cash Flow Statement	18
Note 18. Ultimate Parent undertaking	19
Note 19. Fair value of derivatives	19
Note 20. Events after the Reporting Year	19

Macquarie Internationale Investments Limited

Strategic Report

For the financial year ended 31 March 2015

In accordance with a resolution of the directors (the "Directors") of Macquarie Internationale Investments Limited (the "Company"), the Directors submit herewith the Strategic Report of the Company as follows:

Principal activities

The principal activity of the Company is to act as an investment holding company for the following investments:

Macquarie International Holdings Limited ("MIHL"), which acts as a holding company for a number of Asian subsidiaries;

Macquarie Capital Securities (Japan) Limited ("MCSJL"), which operates as a Japanese stockbroking company;

Macquarie Korea Opportunities Management, Ltd ("MKOM"), which acts as manager for the Macquarie Korea Opportunities Fund;

Macquarie Securities Korea Limited ("MSKL"), which operates a securities and derivatives dealing business; and

Macquarie Credit Nexus Holdings Limited ("MCNHL"), which acts as a parent of another Cayman Island company.

Review of operations

The loss for the financial year ended 31 March 2015 was £1,148,472 as compared to a loss of £6,414,241 in the previous year. The decrease is mainly due to reduction in the interest expense in the current year.

Operating profit for the year ended 31 March 2015 was £3,921,992, a decrease of 20 per cent from operating profit of £4,920,159 in the previous year.

Principal risks and uncertainties

From the perspective of the Company, the principal risks and uncertainties are integrated with the principal risks of the Macquarie Group and are not managed separately. Accordingly, the principal risks and uncertainties of Macquarie Group Limited ("MGL"), which include those of the Company, are discussed in its financial statements and can be obtained from the address given in Note 18.

Key performance indicators (KPIs)

Given the straightforward nature of the business and the information provided elsewhere in this report, the Directors are of the opinion that the production of KPIs in the Strategic Report is not necessary for an understanding of the development, performance or position of the business. KPIs are monitored at the Macquarie Group level.

Financial risk management

Risk is an integral part of the Macquarie Group's businesses. The Company is exposed to a variety of financial risks that include the effects of credit risk, liquidity risk, operational risk, market risk and exposure to the performance of its subsidiaries. Additional risks faced by the Company include legal, compliance and documentation risk. Responsibility for management of these risks lies with the individual businesses giving rise to them. It is the responsibility of the Risk Management Group ("RMG") to ensure appropriate assessment and management of these risks.

As ultimately an indirect subsidiary of MGL, the Company manages risk within the framework of the overall strategy and risk management structure of the Macquarie Group. RMG is independent of all other areas of the Macquarie Group, reporting directly to the Managing Director and the Board of MGL. The Head of RMG is a member of the Executive Committee of MGL. RMG authority is required for all material risk acceptance decisions. RMG identifies, quantifies and assesses all material risks and sets prudential limits. Where appropriate, these limits are approved by the Executive Committee and the Board of MGL.

The risks which the Company is exposed to are managed on a globally consolidated basis for MGL as a whole, including all subsidiaries, in all locations. Macquarie's internal approach to risk ensures that risks in subsidiaries are subject to the same rigour and risk acceptance decisions.

Strategic Report (Continued)

For the financial year ended 31 March 2015

Financial risk management (continued)

Credit risk

Credit exposures, approvals and limits are controlled within the Macquarie Group's credit risk framework, as established by RMG.

Liquidity risk

Liquidity risk is the risk of an entity encountering difficulty in meeting obligations with financial liabilities. The Directors have adopted the risk model used by the Macquarie Group, as approved by RMG. This model is incorporated into the Macquarie Group's risk management systems to enable the Company to manage this risk effectively.

Interest rate risk

The Company has both interest bearing assets and interest bearing liabilities. Interest bearing assets include cash balances and receivables from other Macquarie Group undertakings, all of which earn a variable rate of interest. Interest bearing liabilities include payables to other Macquarie Group undertakings, which also incur a variable rate of interest.

Foreign exchange risk

The Company has foreign exchange exposures which include amounts receivable from and payable to other Macquarie Group undertakings and external parties which are denominated in non-local currencies. Any material non-local currency exposures are managed by applying a group wide process of minimising exposure at an individual company level.

On behalf of the Board



Director

ROBERT THOMPSON

28 September 2015

Macquarie Internationale Investments Limited

Directors' Report for the financial year ended 31 March 2015

In accordance with a resolution of the Directors of Macquarie Internationale Investments Limited, the Directors submit herewith the audited financial statements of the Company and report as follows:

Directors and Secretaries

The Directors each held office as a Director of the Company throughout the year and until the date of this report, unless disclosed otherwise, were:

M Gummer
R Thompson
J Wentzel

(resigned on 30 October 2014)

The Secretaries each held office as a Secretary of the Company throughout the year and until the date of this report, unless disclosed otherwise, were:

H Everitt
O Shepherd

Results

The loss for the financial year ended 31 March 2015 was £1,148,472 (2014: £6,414,241).

Dividends paid or provided for

No final dividends were paid or provided for during the financial year (2014: £nil).

State of affairs

There were no significant changes in the state of the affairs of the Company that occurred during the financial year under review not otherwise disclosed in this report.

Events after Reporting Year

The Company's subsidiary Macquarie Securities Korea Limited ("MSKL") surrendered its regulatory licences on 4 March 2015, consequently due to reduced capital requirements the excess capital of KRW 95,000,000,000 was returned to the Company on 16 June 2015.

On 21 April 2015, the Company received a dividend of US\$158,000,000 and a capital distribution of US\$499,501,000 from its subsidiary, Macquarie Credit Nexus Holding Limited ("MCNHL"). These funds were then utilized to repay a loan of US\$430,000,000 from its parent Macquarie (UK) Group Services Limited on 2 June 2015.

On 28 August 2015, the Company made a further investment of KRW 3,025,000,000 in Macquarie Korea Opportunities Management Ltd ("MKOM") by acquiring 55,000 units of contribution at KRW 55,000 each.

At the date of this report, the Directors are not aware of any other matter or circumstance which has arisen that has significantly affected or may significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in the financial years subsequent to 31 March 2015 not otherwise disclosed in this report.

Likely developments, business strategies and prospects

The Directors believe that no significant changes are expected other than those already disclosed in this report.

Indemnification and insurance of Directors

As permitted by the Articles of Association, the Directors have the benefit of an indemnity which is a qualifying third party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial year and is currently in force. The ultimate parent purchased and maintained throughout the financial year Directors' liability insurance in respect of the Company and its Directors.

Macquarie Internationale Investments Limited

Directors' Report (continued) for the financial year ended 31 March 2015

Statement of Directors' responsibilities

The Directors are responsible for preparing the Strategic Report, Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to Auditors

So far as the Directors are aware, there is no relevant audit information of which the Company's Auditors are unaware. The Directors have taken all the steps necessary in order to make themselves aware of any relevant audit information and to establish that the Company's Auditors are aware of that information.

Independent Auditors

Pursuant to section 487(2) of the Companies Act 2006, the Auditors of the Company are deemed re-appointed for each financial year unless the Directors or the members of the Company resolve to terminate their appointment. As at the date of these financial statements the Directors are not aware of any resolution to terminate the appointment of the auditors.

On behalf of the Board



Director ROBERT THOMPSON

28 September 2015

Independent Auditors' Report to the members of Macquarie Internationale Investments Limited

Report on the financial statements

Our opinion

In our opinion, Macquarie Internationale Investments Limited's financial statements (the "financial statements"):

- give a true and fair view of the state of the company's affairs as at 31 March 2015 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

What we have audited

The financial statements, included within the Strategic Report, Directors' Report and Financial Statements for the year ended 31 March 2015 (the "Annual Report"), comprise:

- the balance sheet as at 31 March 2015;
- the profit and loss account and the statement of total recognised gains and losses for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion, the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

OTHER MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

Adequacy of accounting records and information and explanations received

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

Independent Auditors' Report to the members of Macquarie Internationale Investments Limited (continued)

RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS AND THE AUDIT

Our responsibilities and those of the directors

As explained more fully in the Statement of Directors' Responsibilities set out on page 5, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

What an audit of financial statements involves

We conducted our audit in accordance with ISAs (UK & Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the directors; and
- the overall presentation of the financial statements.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.



Jonathan Hinchliffe (Senior Statutory Auditor)
For and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London, United Kingdom
29 September 2015

Macquarie Internationale Investments Limited

Financial Statements

Profit and loss account for the financial year ended 31 March 2015

	Note	2015 £	2014 £
Turnover	1	4,446,410	3,642,419
Administrative expenses		(25,098)	(19,492)
Other operating income	2	(499,320)	1,297,232
Operating profit		3,921,992	4,920,159
Interest receivable and similar income	3	5,767,237	2,996,060
Interest payable and similar charges	4	(12,114,779)	(16,755,488)
Loss on ordinary activities before taxation	2	(2,425,550)	(8,839,269)
Tax on loss on ordinary activities	5	1,277,078	2,425,028
Loss for the financial year	11	(1,148,472)	(6,414,241)

The above profit and loss account should be read in conjunction with the accompanying notes on pages 11 to 19.

Turnover and loss on ordinary activities before taxation relate wholly to continuing operations.

There are no material differences between the loss on ordinary activities before taxation and the loss for the financial years stated above and their historical cost equivalents.

Macquarie Internationale Investments Limited

Statement of total recognised gains and losses for the financial year ended 31 March 2015

	Notes	2015 £	2014 £
Loss for the financial year		(1,148,472)	(6,414,241)
Other recognised losses:			
Currency translation differences arising during the financial year	11	25,625	(237,362)
Total recognised losses for the financial year		(1,122,847)	(6,651,603)
Total recognised losses for the financial year are attributable to:			
Ordinary equity holders of Macquarie Internationale Investments Limited		(1,122,847)	(6,651,603)

The above statement of total recognised gains and losses should be read in conjunction with the accompanying notes on pages 11 to 19.

Macquarie Internationale Investments Limited

Balance sheet as at 31 March 2015

	Notes	2015 £	2014 £
Fixed assets			
Investments	6	827,895,557	784,228,661
Current assets			
Debtors	8	19,196,431	65,910,651
Cash at bank and in hand	7	-	8,182,871
Creditors: amounts falling due within one year	9	(648,429,298)	(658,536,646)
Net current liabilities		(629,232,867)	(584,443,124)
Total assets less current liabilities		198,662,690	199,785,537
Capital and reserves			
Called up share capital	10	234,092,157	234,092,157
Other reserves	11	812,387	786,762
Profit and loss account	11	(36,241,854)	(35,093,382)
Total shareholders' funds	12	198,662,690	199,785,537

The above balance sheet should be read in conjunction with the accompanying notes on pages 11 to 19.

The financial statements on pages 8 to 19 were approved by the Board of Directors on 28 September 2015 and were signed on its behalf by:



Director ROBERT THOMPSON

Macquarie Internationale Investments Limited

Notes to the financial statements for the financial year ended 31 March 2015

Note 1. Summary of significant accounting policies

i) Basis of preparation

The financial statements are prepared on a going concern basis, under the historical cost convention, in accordance with the Companies Act 2006, and applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The financial statements contain information about the Company as an individual company and do not contain consolidated financial information as a parent of a group. The Company is exempt under section 401 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as Company and its subsidiary undertakings are included in full consolidation in the consolidated financial statements of its ultimate parent MGL, a company incorporated in Australia.

The principal accounting policies adopted in the preparation of these financial statements and that of the previous financial year are set out below. These policies have been consistently applied to all the financial years presented, unless otherwise stated.

Deficiency of net current assets

The Directors of the Company have prepared the financial statements on a going concern basis despite there being an excess of current liabilities over current assets at 31 March 2015 of £629,232,867 (2014: £584,443,124). Included in the Company's current liabilities are amounts owing to other Macquarie Group undertakings of £633,013,671 (2014: £648,689,456). The signing authorities of Macquarie Financial Holdings Pty. Limited ("MFHL") have given a Letter of Comfort providing that funds will be contributed to the Company to assist in settling its liabilities, where the Company has insufficient liquidity. The Letter of Comfort enables the Company to pay its debts as and when they fall due and therefore the financial statements have been prepared on a going concern basis.

New accounting standards that are not yet effective

FRS 100 Application of Financial Reporting Requirements, FRS 101 Reduced Disclosure Framework and FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

The Company has adopted FRS 101 for the annual reporting period commencing from 1 April 2015. FRS 101 sets out a reduced disclosure framework which addresses the financial reporting requirements and disclosure exemptions for the individual financial statements of the companies that otherwise apply the recognition, measurement and disclosure requirements of EU-adopted IFRS. Financial statements prepared under the standard will be defined as Companies Act financial statements under the Companies Act 2006.

The key accounting policies which are likely to be impacted on adoption are:

- Financial instruments
- Foreign currency translation
- Deferred taxation

ii) Foreign currency translations

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated to the local currency using the rate of exchange ruling at the balance sheet date and the gains or losses on translation are included in the profit and loss account.

Under SSAP 20 Foreign Currency Translation, fixed asset investments denominated in currencies other than Sterling which are financed by foreign borrowings, are translated to Sterling using the rate of exchange ruling at the balance sheet date. The gains or losses on translation of the investment are taken to reserves together with the gains and losses on translation of the foreign borrowing.

Macquarie Internationale Investments Limited

Notes to the financial statements (continued) for the financial year ended 31 March 2015

Note 1. Summary of significant accounting policies (continued)

iii) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue is recognised for the major business activities as follows:

Interest income and expense

Interest receivable and similar income and interest payable and similar charges are brought to account on an accrual basis.

Interest receivable from and payable to other Macquarie Group entities has been disclosed on a gross basis in the profit and loss account. The balance sheet has been disclosed on a net basis as there is a legal right of set off and an intention to settle net or simultaneously.

Dividends

Interim dividends are recognised when the dividend proceeds are received by the Company. Final dividends from investments in UK companies and dividends from investments in overseas companies are recognised when the Company becomes entitled to the dividend.

iv) Other operating (expenses)/income

Net gains or losses arising from foreign currency transactions are accounted for as other operating income or expenses respectively.

v) Turnover

Turnover for the year comprises dividend income received from fixed asset investments.

vi) Corporate tax

Taxation is based on the loss for the year and takes into account taxation deferred due to timing differences between the treatment of certain items for taxation and accounting purposes. Deferred taxation is provided fully in respect of all timing differences between the accounting and tax treatment of income and expenses, at the reporting date, the anticipated reversal of which will result in a change in the future liability to tax. The provision is calculated using the rates expected to be applicable when the asset or liability crystallises based on current tax rates and law. A deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits against which to recover carried forward tax losses and from which the future reversal of underlying timing differences can be deducted.

vii) Derivative instruments

Derivative financial instruments entered into by the Company include forwards, interest rate swaps and currency swaps. The Company uses these derivative financial instruments for economic hedging purposes.

These are accounted for on an accrual basis, based on the current spot FX rate against forward rate set at inception or swap rate set at each rate set date. Interest payments on cross currency and interest rate swaps are accounted for as interest in the profit and loss account.

The Company's position on derivative financial instruments is shown net by counterparty on the balance sheet.

viii) Investments in subsidiaries

Subsidiaries are all those entities over which the Company has the power to govern directly or indirectly decision-making in relation to financial and operating policies, so as to require that entity to conform with the Company's objectives. Investments in subsidiary undertakings are recorded at cost less provision for impairment.

Under SSAP 20 'Foreign Currency Translation', fixed asset investments denominated in currencies other than sterling, which are financed by foreign borrowings or hedged by forward exchange contracts, are translated to sterling using the rate of exchange ruling at the balance sheet date. The gains or losses on translation of the investment are taken to reserves together with the gains or losses on translation of the foreign borrowing or forward exchange contract.

Notes to the financial statements (continued) for the financial year ended 31 March 2015

Note 1. Summary of significant accounting policies (continued)

ix) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Initially these are measured at the amount of the net proceeds after deducting issue costs and are subsequently measured at amortised cost. This is the amount recognised at initial recognition, minus principal repayments, minus any reduction for impairment and plus or minus the interest cost/income which are allocated to periods over the term of the loan at a constant rate.

x) Impairment

Investment in subsidiary

Investments in subsidiary undertakings are recorded at cost less provision for impairment. Where the Directors are of the opinion that there has been a permanent diminution in the value of investments, the carrying amounts of such investments are written down to their recoverable amount. The impairment of fixed asset investments is recognised as an expense in the profit and loss account. At each balance sheet date, investments in subsidiaries that have been impaired are reviewed for possible reversal of the impairment.

Loans and receivables

Loan and receivables are subject to regular review and assessment for possible impairment. Provisions for impairment are recognised in the profit and loss account and re-assessed at each reporting date. If, in a subsequent period, the amount of impairment losses decrease and the decrease can be related objectively to an event occurring after the impairment losses were recognised, the previously recognised impairment losses are reversed through the profit and loss account to the extent of the impairment earlier recognised. Bad debts are written off in the period in which they are identified.

xi) Financial liabilities

The Company has on issue debt securities and instruments which are initially recognised at fair value net of transaction costs incurred, and subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the profit and loss account over the life of the borrowings using the accrual method.

xii) Cash at bank

Cash at bank comprise cash in hand and deposits repayable on demand with any qualifying financial institution. Deposits are repayable on demand if they can be withdrawn at any time without notice and without penalty or if a maturity or period of notice of not more than 24 hours or one working day has been agreed.

xiii) Offsetting financial instruments

Financial assets and financial liabilities are offset and the net amount reported on the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the financial asset and settle the financial liability simultaneously.

xiv) Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

Macquarie Internationale Investments Limited

Notes to the financial statements (continued) for the financial year ended 31 March 2015

	2015 £	2014 £
Note 2. Loss on ordinary activities before taxation		
Loss on ordinary activities before taxation is stated after charging/(crediting):		
Foreign exchange loss/(gains)	499,320	(1,297,232)
Auditors' remuneration		
Fees payable to the Company's auditors for the audit of the Company	11,720	12,180
The Company had no employees during the year (2014: nil).		
Note 3. Interest receivable and similar income		
Interest receivable from other Macquarie Group undertakings	5,753,721	2,985,160
Interest receivable from unrelated parties	13,516	10,900
Total interest receivable and similar income	5,767,237	2,996,060
Note 4. Interest payable and similar charges		
Interest payable to other Macquarie Group undertakings	12,114,779	16,755,488
Total interest payable and similar charges	12,114,779	16,755,488
Note 5. Tax on Loss on ordinary activities		
Analysis of tax credit for the year:		
Current tax		
UK corporation tax at 21% (2014: 23%)	(1,452,242)	(2,905,340)
Adjustments to tax in respect of prior years	150	1,938
Foreign tax suffered	175,014	478,374
Current tax	(1,277,078)	(2,425,028)
Factors affecting tax credit for the year:		
The taxation credit for the year ended 31 March 2015 is higher (2014: higher) than the standard rate of corporation tax in the United Kingdom of 21% (2014: 23%). The differences are explained below:		
Loss on ordinary activities before taxation	(2,425,550)	(8,839,269)
Loss on ordinary activities before taxation multiplied by standard rate of corporation tax in the United Kingdom of 21% (2014: 23%)	509,366	2,033,032
Effects of:		
Adjustments to tax in respect of prior years	(150)	(1,938)
Foreign tax incurred	(175,014)	(478,374)
Non assessable income	942,876	872,308
	1,277,078	2,425,028

The UK Government has enacted a reduction in the main rate of corporation tax from 23% to 21% from 1 April 2014 and then from 21% to 20% from 1 April 2015. The UK government announced in the 2015 Budget the intention to reduce the UK corporation tax rate to 19% from 1 April 2017 and then to 18% from 1 April 2020.

Macquarie Internationale Investments Limited

Notes to the financial statements (continued) for the financial year ended 31 March 2015

	2015 £	2014 £
Note 6. Investments		
Investments at cost without provisions for impairment	827,895,557	784,228,661
Total investments in subsidiaries	827,895,557	784,228,661

Name of investment	Nature of business	Registered office	% ownership	2015 £	2014 £
Macquarie Capital Securities (Japan) Limited ("MCSJL") (Ordinary shares)	Holding company for Japanese stockbroking service	Po Box 309Gt Ugland House, South Church Street George Town, Grand Cayman Cayman Islands	100	42,921,209	44,405,185
Macquarie International Holdings Limited ("MIHL") (Ordinary and Redeemable Preference shares)	Holding company for Macquarie Securities Asia and Corporate Finance entities	Ropemaker Place 28 Ropemaker Street London EC2Y 9HD United Kingdom	100	340,292,797	339,678,096
Macquarie Korea Opportunities Management, Ltd ("MKOM") (Ordinary shares)	Manages the Macquarie Korea Opportunities Fund	Hanwha Building, Sogong-dong 109 Sogong-ro, Jung-gu Seoul 100-755 Republic of Korea	100	1,555,254	1,445,804
Macquarie Securities Korea Limited ("MSKL") (Ordinary shares)	Securities and derivative dealing business	3rd Floor, Hanwha Building, Sogong-dong) 109 Sogong-ro, Jung-gu Seoul 100-755 Republic of Korea	100	106,316,213	98,834,290
Macquarie Credit Nexus Holdings Limited ("MCNHL") (Ordinary shares)	Holding company	Maples Corporate Services Limited P O Box 309, Ugland House Grand Cayman KY1-1104 Cayman Islands	100	336,810,084	299,865,286
				827,895,557	784,228,661

The Directors believe that the carrying value of the investments is supported by their underlying net assets.

Details of holdings by subsidiary undertakings are as below:

Name of related party	Registered office	% ownership	Class of shares
Subsidiaries of MIHL:			
Macquarie Capital Securities (Mauritius) Limited ("MCSML")	Les Cascades Building Edith Cavell Street Port-Louis Mauritius	100	Ordinary shares
Macquarie Capital Securities (Philippines) Inc. ("MCSPI")	Level 22, 6750 Office Tower Ayala Avenue Makati City 1226, Philippines	99.99	Ordinary shares
Macquarie Capital Securities Limited ("MCSL")	Level 18, One International Finance Centre 1 Harbour View Street Central, Hong Kong	100	Ordinary shares

Macquarie Internationale Investments Limited

Notes to the financial statements (continued) for the financial year ended 31 March 2015 Note 6. Investments (continued)

Details of holdings by subsidiary undertakings (continued)

Name of related party	Registered office	% ownership	Class of shares
Macquarie Futures & Options (Hong Kong) Limited ("MFOHL")	Level 18, One International Finance Centre 1 Harbour View Street Central, Hong Kong.	100	Ordinary shares
Macquarie Securities (Thailand) Limited ("MSTL")	28th Floor, CRC Tower, All Seasons Place 87/2 Wireless Road, Lumpini Patumwan, Bangkok 10330 Thailand.	99.99	Ordinary shares
PT Macquarie Capital Securities Indonesia ("PTMCSI")	Indonesia Stock Exchange Tower 1 8th Floor, Jl. Jend. Sudirman Kav. 52-53 Jakarta 12190, Indonesia.	85	Ordinary shares
Associate of MIHL:			
Korea Multiplex Investment Corp	109 Sogong-ro, Jung-gu, Seoul 100-755, Republic of Korea.	12.85	Ordinary shares
Subsidiary of MCSML:			
Macquarie Capital Securities (India) Private Limited	92 Level 9, 2 North Avenue, Maker Maxity Bandra Kurla Complex, Bandra East, Mumbai, Maharashtra-400051, India.	99.99	Ordinary shares
Associates of MKOM:			
Macquarie Korea Opportunities Fund	Hanwha Building, 110 Sokong-dong, Chung-ku Seoul, 100-755, Republic of Korea.	5.76	Ordinary shares
Korea Cable Investment Fund	Hanwha Building, 110 Sokong-dong, Chung-ku Seoul, 100-755, Republic of Korea.	0.06	Ordinary shares
KOFC Macquarie Growth Champ 2010-1 Private Equity Fund	Hanwha Building, 110 Sokong-dong, Chung-ku Seoul, 100-755, Republic of Korea.	0.01	Ordinary shares
Associate of MCSL:			
China Trust Co	Room 1702, Citigroup Tower, 33 Huayuanshiqiao Road, Pudong, Shanghai, China.	19.99	Ordinary shares

Note 7. Cash at bank and in hand

Cash at bank	-	8,182,871
Total cash at bank and in hand	-	8,182,871

Note 8. Debtors

Amounts owed by Macquarie Group undertakings	650,115	47,153,329
Other financial market assets	17,096,636	15,702,364
Other debtors	1,449,680	3,054,958
Total debtors	19,196,431	65,910,651

Amounts owed by other Macquarie Group undertakings are unsecured and have no fixed date of repayment. The Company derives interest on intercompany loans to group undertakings at market rates and at 31 March 2015 the rate applied ranged between LIBOR plus 1.18% and LIBOR plus 1.31% (2014: between LIBOR plus 1.36% and LIBOR plus 2.91%).

Other financial market assets represents derivative instruments (currency swaps).

Macquarie Internationale Investments Limited

Notes to the financial statements (continued) for the financial year ended 31 March 2015

	2015 £	2014 £
Note 9. Creditors: Amounts falling due within one year		
Amounts owed to other group undertakings	323,316,808	338,028,868
Class A redeemable preference shares of £1 each	70,215,434	70,215,434
Class B redeemable preference shares of £1 each	121,804,865	121,804,865
Class C redeemable preference shares of £1 each	80,281,384	80,281,384
Unsecured notes	37,395,180	38,358,905
Other financial market liabilities	15,415,627	9,847,190
Total creditors	648,429,298	658,536,646

Amounts owed to other group undertakings are unsecured and have no fixed date of repayment. The Company incurs interest on amounts owed to other Macquarie Group undertakings at market rates and at 31 March 2015 the rate applied was LIBOR plus 2.49% (2014: LIBOR plus 2.91%).

The Class A redeemable preference shares represent 70,215,434 (2014: 70,215,434) fully paid 0% cumulative redeemable preference shares. The shares are redeemable at £1 per share by the Company on the 10th anniversary of their reclassification date (9 December 2005), or, at any time before that date, at the option of the holder, upon 1 month's written notice to the Company. All Class A redeemable preference shares are on issue to Macquarie (UK) Group Services Limited.

The Class B redeemable preference shares represent 121,804,865 (2014: 121,804,865) fully paid 0% cumulative redeemable preference shares. The shares are redeemable at £1 per share by the Company at any time at the option of the holder of the shares, upon 10 days written notice to the Company. All Class B redeemable preference shares are on issue to Macquarie (UK) Group Services Limited.

The Class C redeemable preference shares represent 80,281,384 (2014: 80,281,384) fully paid 0% cumulative redeemable preference shares. The shares are redeemable at £1 per share by the Company on the ninth anniversary of their issue date (various issue dates ranging from 22 February 2006 to 6 November 2006), or, at any time before that date, at the option of the holder, upon 1 month's written notice to the Company. All Class C redeemable preference shares are on issue to Macquarie (UK) Group Services Limited. On 19 February 2015, the board of directors of the Company has extended Class C redeemable preference shares for a further period of twelve months.

On 31 May 2012, the Company issued five year ZAR denominated senior unsecured notes of the value of ZAR 665,000,000 to Macquarie Securities South Africa (Proprietary) Limited. The proceeds of the notes were used to repay the Company's existing loan from Macquarie Financial Holdings Pty. Limited.

Other financial market liabilities represents derivative instruments (currency swaps).

Note 10. Called up share capital

	2015 Number of shares	2014 Number of shares	2015 £	2014 £
Ordinary share capital				
Opening balance of fully paid ordinary shares	201,282,313	201,282,313	201,282,313	201,282,313
Total ordinary share capital	201,282,313	201,282,313	201,282,313	201,282,313
Opening and closing balance of Class A redeemable preference shares of £1 each	32,809,844	32,809,844	32,809,844	32,809,844
Total equity component of preference shares	32,809,844	32,809,844	32,809,844	32,809,844
Closing balance of fully paid ordinary shares	234,092,157	234,092,157	234,092,157	234,092,157
Authorised				
Opening balance of authorised ordinary shares	700,000,000	700,000,000	700,000,000	700,000,000
Closing balance of authorised ordinary shares	700,000,000	700,000,000	700,000,000	700,000,000

Macquarie Internationale Investments Limited

Notes to the financial statements (continued) for the financial year ended 31 March 2015

	2015 £	2014 £
Note 11. Other reserves and profit and loss account		
Foreign currency translation reserve		
Balance at the beginning of the financial year	786,762	1,024,124
Currency translation differences arising during the financial year, net of hedge	25,625	(237,362)
Balance at the end of the financial year	812,387	786,762
Profit and loss account		
Balance at the beginning of the financial year	(35,093,382)	(28,679,141)
Loss for the financial year attributable to ordinary equity holders of Macquarie Internationale Investments Limited	(1,148,472)	(6,414,241)
Balance at the end of the financial year	(36,241,854)	(35,093,382)
Note 12. Reconciliation of movements in shareholders' funds		
Balance at the beginning of the financial year	199,785,537	206,437,140
Movement in foreign currency translation reserve	25,625	(237,362)
Loss for the financial year	(1,148,472)	(6,414,241)
Balance at the end of the financial year	198,662,690	199,785,537

Note 13. Related party information

As 100% of the voting rights of the Company are controlled within the group headed by MGL, incorporated in Australia, the Company has taken advantage of the exemption contained in FRS 8 and has therefore not disclosed transactions or balances with entities which form part of the Macquarie Group. The consolidated financial statements of MGL, within which the Company is included, can be obtained from the address given in Note 18.

The Company does not have any related party transactions or balances other than those with entities which form part of the Macquarie Group as mentioned above.

Note 14. Directors' remuneration

During the financial years ended 31 March 2015 and 31 March 2014 all directors were employed by, and received all emoluments from, other Macquarie Group undertakings. The directors perform directors' duties for multiple entities in the Macquarie Group, as well as their employment duties within Macquarie Group businesses. Consequently, accurately allocating their employment compensation across all these duties would not be feasible. Accordingly, no separate remuneration has been disclosed.

Note 15. Contingent liabilities and Commitments

The Company has no commitments or contingent assets/liabilities which are individually material or a category of commitments or contingent liabilities which are material.

Note 16. Segmental reporting

The Company was a wholly owned subsidiary within the Macquarie Group throughout the year and is included in the consolidated financial statements of MGL, which are publicly available. Consequently, the Company has taken advantage of the exemption from preparing a segmental reporting note under the terms of SSAP 25.

Note 17. Cash Flow Statement

The Company was a wholly owned subsidiary within the Macquarie Group throughout the year and is included in the consolidated financial statements of MGL, which are publicly available. Consequently, the Company has taken advantage of the exemption from preparing a cash flow statement under the terms of FRS 1 (revised 1996).

Macquarie Internationale Investments Limited

Notes to the financial statements (continued) for the financial year ended 31 March 2015

Note 18. Ultimate Parent undertaking

The immediate parent undertaking of the Company is Macquarie (UK) Group Services Limited.

The ultimate parent undertaking and controlling party of the Company is MGL. The largest group to consolidate these financial statements is MGL, a company incorporated in Australia. The smallest group to consolidate these financial statements is MFHL, a company incorporated in Australia. Copies of the consolidated financial statements for MGL and MFHL can be obtained from the Company Secretary, Level 6, 50 Martin Place, Sydney, New South Wales, 2000, Australia.

Note 19. Fair value of derivatives

	2015	2014
	£	£
Foreign exchange forward contracts and currency swaps		
Nominal value	158,373,170	146,284,158
Net fair value	(17,096,234)	(8,564,161)

Note 20. Events after the Reporting Year

The Company's subsidiary Macquarie Securities Korea Limited ("MSKL") surrendered its regulatory licences on 4 March 2015, consequently due to reduced capital requirements the excess capital of KRW 95,000,000,000 was returned to the Company on 16 June 2015.

On 21 April 2015, the Company received a dividend of US\$158,000,000 and a capital distribution of US\$499,501,000 from its subsidiary, Macquarie Credit Nexus Holding Limited ("MCNHL"). These funds were then utilized to repay a loan of US\$430,000,000 from its parent Macquarie (UK) Group Services Limited on 2 June 2015.

On 28 August 2015, the Company made a further investment of KRW 3,025,000,000 in Macquarie Korea Opportunities Management Ltd ("MKOM") by acquiring 55,000 units of contribution at KRW 55,000 each.

There were no other material events subsequent to 31 March 2015 that have not been reflected in the financial statements.