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ASX/Media Release

MACQUARIE GROUP CAPITAL NOTES 3 OFFER CLOSES

Sydney, 7 June 2018 – Macquarie Group Limited (ASX: MQG; ADR: MQBKY) (“MGL”) today announced that it has closed its offer of Macquarie Group Capital Notes 3 (the “Offer”) (“MCN3”). Following strong demand, MGL issued 10,000,000 MCN3 at an issue price of \$A100 each, raising \$A1 billion.

MCN3 are expected to commence trading on the ASX on a deferred settlement basis from approximately 12 noon (AEST) on Friday, 8 June 2018, under the ASX code “MQGPC”. Trading on a normal settlement basis is expected to commence on Thursday, 14 June 2018.

The MCN3 offer facilitates the redemption of \$A600 million Macquarie Group Capital Notes (“MCN”) issued by MGL. Pursuant to the Redemption Notice issued on Tuesday, 15 May 2018, all MCN have been redeemed on Thursday, 7 June 2018.

Alex Harvey, Macquarie Group Chief Financial Officer said, “We are pleased with the strong support for the MCN3 Offer, which received demand well in excess of the \$A1 billion we intended to raise.”

Allocation Policy

Broker Firm Offer and Institutional Offer:

Allocations to Syndicate Brokers and Institutional Investors were determined under the Bookbuild.

Allocations to Broker Firm Applicants by a Syndicate Broker were at the discretion of that Syndicate Broker, except in relation to Applications under the Reinvestment Offer.

Reinvestment Offer:

Reinvestment Applicants (including Applicants through Syndicate Brokers) were given priority over other Applications for MCN3 in accordance with the allocation policy outlined below. Applications for additional MCN3 were treated as an Application under the Securityholder Offer and allocated as described under “Securityholder Offer” below.

For valid Applications received under the Reinvestment Offer through Syndicate Brokers, allocations are 75% of valid Applications.

For valid Applications received under the Reinvestment Offer other than through Syndicate Brokers, allocations are 75% of valid Applications but a minimum allocation of \$A5,000 MCN3 was applied.

Securityholder Offer:

All valid Applications from Reinvestment Applicants for additional MCN3 were dealt with under the Securityholder Offer, with allocations as follows:

Application	Allocation
\$A1,000 Additional MCN3	100%
More than \$A1,000 Additional MCN3	\$A1,000 + approx. 13.6% of Application above \$A1,000

For all other valid Applications received under the Securityholder Offer allocations are:

Application	Allocation
\$A5,000	100%
More than \$A5,000	\$A5,000 + approx. 13.6% of Application above \$A5,000

The total allocation for the Securityholder Offer is \$A15.7 million.

Holding Statements

CHESS and issuer sponsored Holding Statements indicating the number of MCN3 allocated to successful Applicants are expected to be dispatched by Wednesday, 13 June 2018. Refunds for any over payment are also expected to be dispatched by this date.

Applicants can confirm their holding before receiving their Holding Statement in the following ways:

- Broker Firm Applicants (including Reinvestment Offer Applicants who applied under the Broker Firm Offer) should contact their Syndicate Broker; and
- Other Applicants can call the MCN3 Offer Information line on 1300 420 406 (within Australia) or on +61 1300 420 406 (International) (Monday to Friday, 8.30am to 5.30pm, AEST time) to confirm their allocations.

Institutional Investors have already been advised of their allocations.

Any successful Applicant wishing to trade their MCN3 prior to receiving their Holding Statement is responsible for confirming their allocation to ensure they do not sell any MCN3 that they do not own. Any person who sells MCN3 before receiving their Holding Statement does so at their own risk.

First Distribution Payment

Distributions on MCN3 are scheduled to be paid on 15 March, 15 June, 15 September and 15 December each year (or the next business day if not a business day), commencing on 17 September 2018 (due to the Business Day convention). The record date for the first MCN3 distribution is 7 September 2018.

The Distribution Rate for the first Distribution will be 5.0179%p.a. or \$1.4174 per MCN3. Please see the separate ASX announcement for details.

Issue Date VWAP

For the purposes of the MCN3 Exchange calculations, the Issue Date VWAP is \$114.1549.

Tax Ruling

As noted in the Prospectus, MGL applied for a class ruling to confirm the Australian tax consequences for certain holders of MCN3. The ATO is expected to issue this class ruling shortly in the anticipated form. A copy of the class ruling will be made available at macquarie.com and on the ATO website at www.ato.gov.au.

Participation by related parties of MGL

In compliance with ASX requirements, MGL advises that 390 MCN3 were issued to directors of MGL and their associates in aggregate.

Largest holders and holder distribution schedule

A statement of the 20 largest MCN3 holders, including the number and percentage of MCN3 held by those holders, and the distribution schedule of MCN3 holders are attached.

Further information

The Offer was made under a Prospectus dated Tuesday, 15 May 2018 ("Replacement Prospectus"). For more information visit www.MCN3Offer.com.au or call the MCN3 Offer Information Line on 1300 420 406 (within Australia) or on +61 1300 420 406 (International) (Monday to Friday, 8.30am - 5.30pm, AEST time).

Definitions

Unless otherwise defined, capitalised words used in this announcement have the meaning given to them in the Replacement Prospectus.

Disclaimer

The information provided in this announcement and the Replacement Prospectus is not personal investment advice and has been prepared without taking into account your investment objectives, financial situation or particular needs (including financial and taxation issues). It is important that you read the Replacement Prospectus in full before deciding to invest in MCN3 and consider the risks that could affect the performance of MCN3.

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

This announcement does not constitute an offer of any securities (including the MCN3) for sale or issue. No action has been taken to register or qualify MCN3 or the Offer or to otherwise permit a public offering of MCN3 outside Australia. In particular, this announcement does not constitute an offer of securities for sale in the United States. Neither the MCN3 nor the Ordinary Shares have been or will be registered under the US Securities Act of 1933, as amended (the "US Securities Act"), or the securities laws of any state or other jurisdiction of the United States, and they may not be offered, sold or resold in the United States except pursuant to an exemption from the registration requirements of the US Securities Act and applicable US State Securities laws.

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