Notification of interest payment & interest rate change

Announcement Summary

Entity name

MACQUARIE BANK LIMITED

Security on which the Interest Payment will be paid

MBLHB - HYBRID 3-BBSW+1.70% PERP SUB NON-CUM STAP

Announcement Type

New announcement

Date of this announcement

Monday July 18, 2016

Interest Payment Amount

AUD 0.92252055

Ex Date

Wednesday September 28, 2016

Record Date

Thursday September 29, 2016

Payment Date

Monday October 17, 2016

Refer to below for full details of the announcement

Announcement Details

Part 1 - Entity and announcement details

1.1 Name of +Entity

MACQUARIE BANK LIMITED

1.2 Registered Number Type

ACN

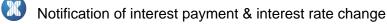**Registration Number**

008583542

1.3 ASX issuer code

MBL

1.4 The announcement is

New announcement

1.5 Date of this announcement

Monday July 18, 2016

1.6 ASX +Security Code for Interest Payment

MBLHB

ASX +Security Description

HYBRID 3-BBSW+1.70% PERP SUB NON-CUM STAP

Part 2A - Interest period dates and interest payment details

Interest Rate Calendar Type

Rule 11, 11 business day

2A.1 Payment date

Monday October 17, 2016

2A.2 +Record Date

Thursday September 29, 2016

2A.3 Ex-Date

Wednesday September 28, 2016

2A.4 First day of payment period

Friday July 15, 2016

2A.5 Last day of payment period

Friday October 14, 2016

2A.6 Number of days in the payment period

92

2A.7 Interest rate expressed as a per annum rate

3.660000 %

2A.8 Interest rate pro-rated for the number of days in the payment period

0.922520 %

2A.9 Currency in which the interest payment is made ("primary currency")

AUD - Australian Dollar

2A.10 Interest payment amount per +security

AUD 0.92252055

2A.10(i) Comment on how the interest payment amount per security is calculated

Principal (100) x Interest Rate p.a. (3.66%) x Interest Period (92/365)

2A.11 Are any of the below approvals required for the interest payment before business day 0 of the timetable?

- **Security holder approval**
- **Court approval**
- **Lodgement of court order with +ASIC**
- **ACCC approval**
- **FIRB approval**
- **Another approval/condition external to the entity required before business day 0 of the timetable for the interest payment.**

No

2A.12 Is the interest payment franked?

No

2A.13 Is the interest payment payable in the form of +securities rather than cash?

No

2A.14 Does the entity have arrangements relating to currency in which the interest payment is paid to security holders that it wishes to disclose to the market?

No

2A.15 Is there a principal amount payment component payable?

No

Part 3 - Floating rate +securities - details of interest rate applicable to the payment notified in

Part 2A

3.1 Date interest rate is set

Friday July 15, 2016

3.2 Comments on how the date that interest rate is set is determined

Per clause 5.3 of the Notes Terms, the interest rate is determined on the first business day of the interest period.

3.3 Interest base rate

1.9600 %

3.4 Comments on how interest base rate is set

BBSW mid rate

3.5 Interest margin

1.7000 %

3.6 Comments on how interest margin is set

The interest margin is a fixed rate of 1.7% per annum

3.7 Any other rate/multiplier used in calculating interest rate

%

3.8 Comments on how other rate used in calculating interest rate is set

3.9 Total interest rate expressed as a per annum rate

3.6600 %

3.10 Comment on how the total interest rate expressed as a per annum rate is set

Part 4 - Further information

4.1 Please provide any further information applicable to this payment

Please note that while the amount is interest paid by Macquarie Finance Limited, it is treated for Australian income tax purposes as an unfranked distribution on a 'non-share equity interest'.

4.2 URL link to a copy of the prospectus/PDS or further information about the +security

4.3 Additional information for inclusion in the Announcement Summary