MACQUARIE

Presentation to investors and analysts

Result announcement
for the half year ended
30 September 2022

28 October 2022

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This presentation may contain forward looking statements – that is, statements related to future, not past, events or other matters – including, without limitation, statements regarding our intent, belief or current expectations with respect to Macquarie’s businesses and operations, market conditions, results of operation and financial condition, capital adequacy, provisions for impairments and risk management practices. 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.

Unless otherwise specified all information is for the half year ended 30 September 2022.

Certain financial information in this presentation is prepared on a different basis to the Financial Report within the Macquarie Group Financial Report (“the Financial Report”) for the half year ended 30 September 2022, which is prepared in accordance with Australian Accounting Standards. Where financial information presented within this presentation does not comply with Australian Accounting Standards, a reconciliation to the statutory information is provided.

This presentation provides further detail in relation to key elements of Macquarie’s financial performance and financial position. It also provides an analysis of the funding profile of Macquarie because maintaining the structural integrity of Macquarie’s balance sheet requires active management of both asset and liability portfolios. Active management of the funded balance sheet enables the Group to strengthen its liquidity and funding position.

Any additional financial information in this presentation which is not included in the Financial Report was not subject to independent audit or review by PricewaterhouseCoopers. Numbers are subject to rounding and may not fully reconcile.

Other than Macquarie Bank Limited ABN 46 008 583 542 (“MBL”), any Macquarie group entity noted in this presentation is not an authorised deposit-taking institution for the purposes of the Banking Act 1959 (Commonwealth of Australia). That entity’s obligations do not represent deposits or other liabilities of MBL and MBL does not guarantee or otherwise provide assurance in respect of the obligations of that entity. Any investments are subject to investment risk including possible delays in repayment and loss of income and principal invested.

Agenda

MACQUARIE

01

Introduction

Sam Dobson

Head of Investor Relations

MACQUARIE

02

Overview of Result

Shemara Wikramanayake

Managing Director and
Chief Executive Officer

About Macquarie

~50% Annuity-style activities | Net Profit Contribution

~50% Markets-facing activities | Net Profit Contribution

BFS
Banking and Financial Services

- Macquarie's retail banking and financial services business with total BFS deposits[1] of $A116.7b[2], loan portfolio[3] of $A121.0b[2] and funds on platform of $A111.4b[2]
- Provides a diverse range of personal banking, wealth management, and business banking products and services to retail clients, advisers, brokers and business clients

MAM
Macquarie Asset Management

Global specialist asset manager:

- $A795.6b[2] of assets under management building sustainable value for clients and communities, with the aim of investing to deliver positive impact for everyone
- Provides investment solutions to clients across a range of capabilities, including infrastructure, green investments, agriculture and natural assets, real estate, private credit, asset finance, equities, fixed income and multi-asset solutions

CGM
Commodities and Global Markets

Global business offering capital and financing, risk management, market access, physical execution and logistics solutions to its diverse client base across Commodities, Financial Markets and Asset Finance

- Capital and financing: provides clients with financing and asset management solutions across the capital structure
- Risk Management: helping clients manage exposure to price changes in commodities, currencies, credit and equity markets
- Market access: helping clients access assets and prices via liquidity and electronic markets globally
- Physical execution & logistics: supporting clients with access to physical commodities and facilitating their transport from production to consumption

CGM's deep expertise and physical presence allow us to optimise how we manage both our clients' risk exposures and trading opportunities we see which are conducted within Macquarie's strong internal risk management framework

MacCap
Macquarie Capital

Global capability in:

- Advisory and capital raising services, investing alongside partners and clients across the capital structure, providing clients with specialist expertise, advice and flexible capital solutions across a range of sectors
- Development and investment in infrastructure and energy projects and companies, with a focus on transport, digital and social infrastructure
- Equities brokerage, providing clients with access to equity research, sales, execution capabilities and corporate access

1H23 Net Profit Contribution

BFS | ~13%	MAM | ~31%	CGM | ~6%	CGM | ~37%	MacCap | ~13%

Risk Management Group
An independent and centralised function responsible for objective review and challenge, oversight, monitoring and reporting in relation to Macquarie's material risks.

Legal and Governance Group
Provides a full range of legal and corporate governance services, including strategic legal and governance advice and risk assessment.

Financial Management Group
Provides financial, tax, treasury, corporate affairs and advisory services to all areas of Macquarie.

Corporate Operations Group
Provides specialist support services through technology, operations, human resources, workplace, strategy, operational risk management, data and transformation, resilience and global security, and also includes the Macquarie Group Foundation.

Note: Where referenced in this document, net profit contribution is management accounting profit before unallocated corporate costs, profit share and income tax. All numbers in this presentation have been reclassified to reflect the transfer of the Green Investment Group from Macquarie Capital to Macquarie Asset Management effective 1 Apr 22. 1. BFS deposits include home loan offset accounts and exclude corporate/wholesale deposits. 2. As at 30 Sep 22. 3. The loan portfolio comprises home loans, loans to businesses, car loans and credit cards.

1H23 result: $A2,305m up 13% on 1H22; down 13% on 2H22

	1H23 $Am	2H22 $Am	1H22 $Am	1H23 v 1H22	1H23 v 2H22
Net operating income	8,641	9,520	7,804	↑ 11%	↓ 9%
Total operating expenses	(5,613)	(5,716)	(5,069)	↑ 11%	↓ 2%
Operating profit before income tax	**3,028**	**3,804**	**2,735**	**↑ 11%**	**↓ 20%**
Income tax expense	(735)	(983)	(603)	↑ 22%	↓ 25%
Effective tax rate[1] (%)	24.2	27.0	22.8		
Loss/(Profit) attributable to non-controlling interests	12	(158)	(89)		
Profit attributable to MGL shareholders	**2,305**	**2,663**	**2,043**	**↑ 13%**	**↓ 13%**
Annualised return on equity (%)	15.6	19.6	17.8	↓ 12%	↓ 20%
Basic earnings per share	$A6.03	$A7.06	$A5.63	↑ 7%	↓ 15%
Dividend per ordinary share	$A3.00	$A3.50	$A2.72	↑ 10%	↓ 14%

1. Calculation of the effective tax rate is after adjusting for the impact of non-controlling interests.

1H23 net profit contribution from Operating Groups $A4,573m up 15% on 1H22

Annuity-style activities

$A2,281m — flat ON 1H22

Markets-facing activities

$A2,292m — ↑ 35% ON 1H22

Non-Banking Group

Macquarie Asset Management (MAM) — ↑ on 1H22

Increase driven by investment-related income, primarily due to timing of asset realisations in the green energy sector, partially offset by significant income from the disposition of assets in Macquarie Infrastructure Corporation (MIC)[1] in the prior corresponding period

Macquarie Capital (MacCap) — ↓ on 1H22

Fee and commission income down on a strong prior corresponding period, with weakening market conditions and higher operating expenses in the current period. Partially offset by a net increase in investment-related income, primarily driven by material asset realisations in the Americas and Europe, particularly in real estate and digital infrastructure sectors

Banking Group

Banking and Financial Services (BFS) — ↑ on 1H22

Growth in the loan portfolio and total BFS deposits, improved margins and lower credit impairment charges; partially offset by increased technology investment and higher average headcount to support business growth and regulatory requirements

Commodities and Global Markets[2] (CGM) — ↓ on 1H22

Decreased contribution from Asset Finance largely related to the partial sale of the UK Meters portfolio of assets comprising the industrial and commercial portfolio in May 21. Commodities lending and financing revenue up on 1H22

Commodities and Global Markets[2] (CGM) — ↑ on 1H22

Strong risk management contribution, particularly from Gas and Power businesses, Resources and Global Oil due to increased client hedging activity as a result of elevated levels of volatility and price movements in commodity markets. Increased revenue across Commodities from inventory management and trading with trading gains primarily in North American Gas and Power driven by supply and demand imbalances, largely offset by unfavourable impact of timing of income recognition, primarily on Gas and Power storage and transport contracts. Improved contribution from Financial Markets across major products and markets from increased client hedging and financing activity

1. On 22 Sep 21, Macquarie Infrastructure Corporation completed a corporate reorganisation, becoming a subsidiary of the newly formed Macquarie Infrastructure Holdings, LLC which continued to trade under the New York Stock Exchange symbol of 'MIC' until it was delisted on 21 Jul 22. MIC income includes disposition fee, equity accounted income and impairment reversal. 2. Note certain assets of the Credit Markets business, certain activities of the Commodity Markets and Finance business, and some other less financially significant activities are undertaken from within the Non-Banking Group.

1H23 net profit contribution from Operating Groups $A4,573m down 17% on 2H22

Annuity-style activities

$A2,281m ↓15% ON 2H22

Markets-facing activities

$A2,292m ↓18% ON 2H22

Non-Banking Group

↓ on 2H22

Macquarie Asset Management (MAM)

Decrease driven by investment-related income, primarily due to larger gains on asset realisations in the green energy sector in the prior period

↓ on 2H22

Macquarie Capital (MacCap)

Fee and commission income down on a strong prior period, with weakening market conditions in the current period. This was partially offset by higher net income from the private credit portfolio benefiting from book growth in FY22, with deployment continuing in the current period

Banking Group

↑ on 2H22

Banking and Financial Services (BFS)

Growth in the loan portfolio and total BFS deposits and improved margins; partially offset by higher credit impairment charges, increased technology investment and higher average headcount to support business growth and regulatory requirements

↑ on 2H22

Commodities and Global Markets[1] (CGM)

Commodities lending and financing revenue up on 2H22 in the energy sector. Asset finance largely in line with prior period.

↓ on 2H22

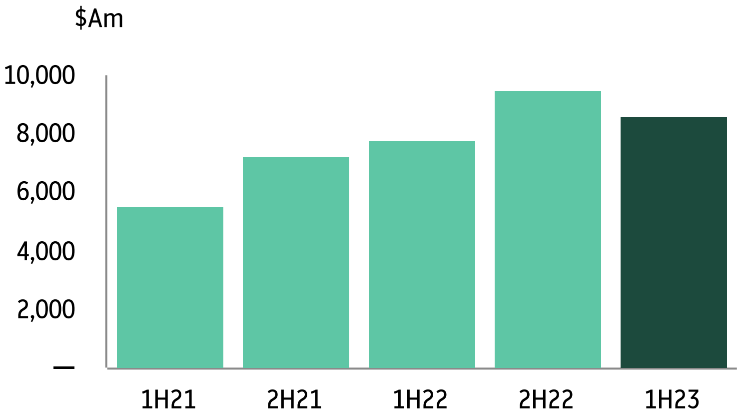
Commodities and Global Markets[1] (CGM)

Decreased revenue across Commodities driven by inventory management and trading down on 2H22 - unfavourable impact of timing of income recognition on Gas and Power storage and transport contracts partially offset by strong trading gains from supply and demand imbalances in North American Gas and Power. Strong Commodities risk management from Gas and Power businesses, Resources and Global Oil driven by increased client hedging activity and trading activity as a result of elevated volatility and commodity price movements. Continuing strong performance from Financial Markets across major products and markets from client hedging and financing activity

1. Note certain assets of the Credit Markets business, certain activities of the Commodity Markets and Finance business, and some other less financially significant activities are undertaken from within the Non-Banking Group.

Financial performance

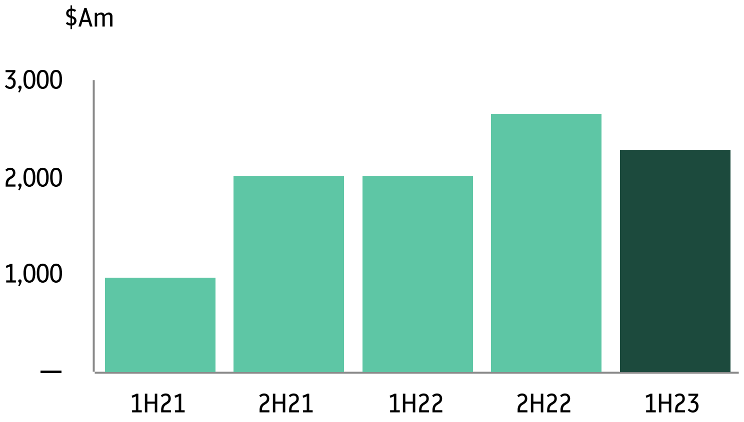
Operating income



1H23
$A8,641m

↑ 11% ON 1H22
↓ 9% ON 2H22

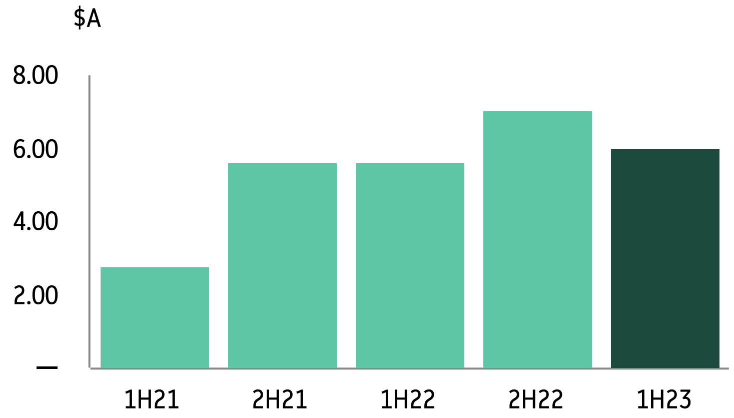
Profit



1H23
$A2,305m

↑ 13% ON 1H22
↓ 13% ON 2H22

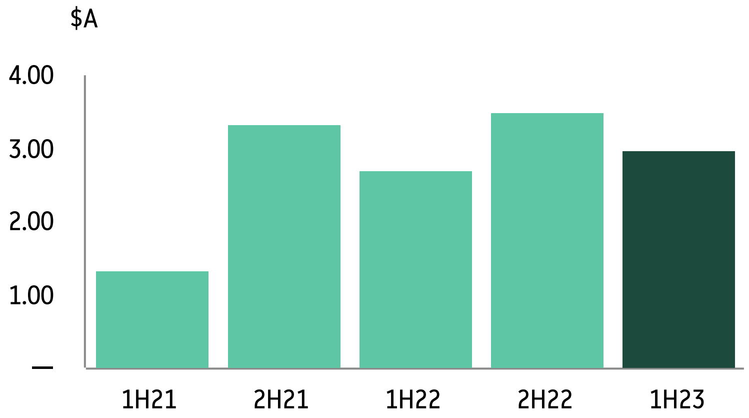
EPS



1H23
$A6.03

↑ 7% ON 1H22
↓ 15% ON 2H22

DPS



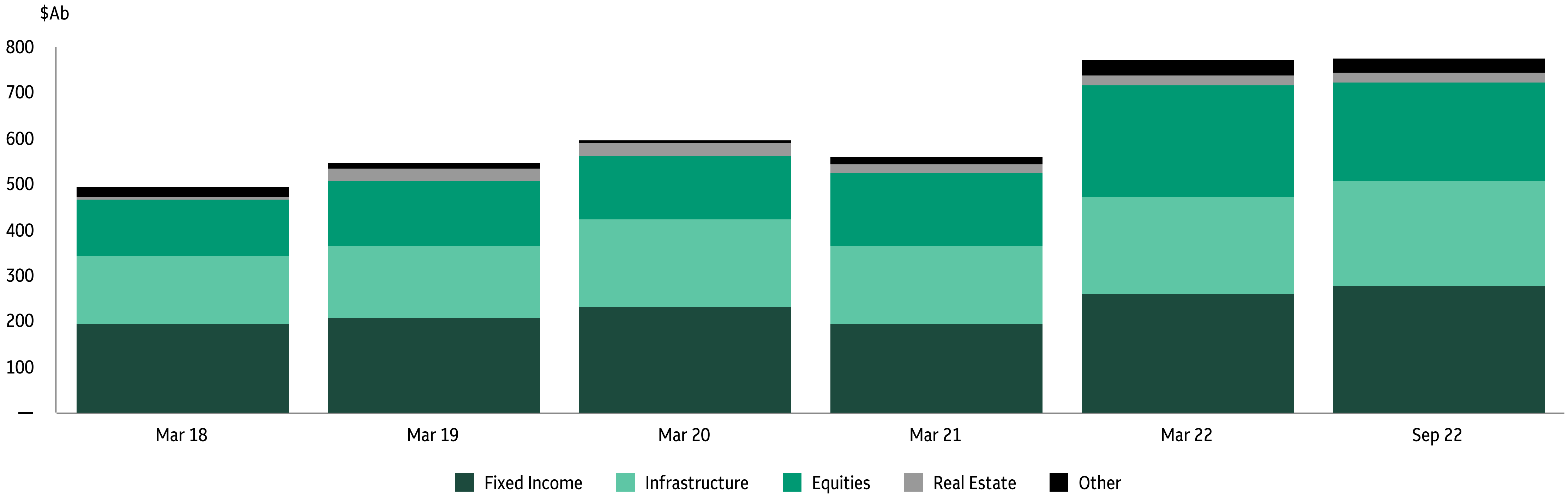
1H23
$A3.00

↑ 10% ON 1H22
↓ 14% ON 2H22

Assets under management of $A795.6b

AUM increased 3% from $A774.8b as at 31 Mar 22

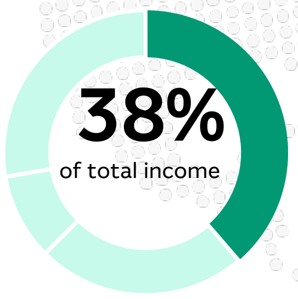
Increase due to investments made by Private Markets-managed funds and foreign exchange movements, partially offset by market movements in Public Investments



Diversification by region

International income 72% of total income[1]
Total staff[2] 19,266 of which 53% international. A further ~238,000 people employed across managed fund assets and investments[3]

Americas



3,283

Total income
$A3,286m

Assets under management
$A364.8b

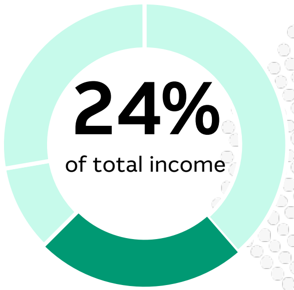
Employing 53,000+ people[3]

CANADA
Calgary
Montreal
Toronto
Vancouver

LATIN AMERICA
Mexico City
Sao Paulo
Santiago

USA
Boise
Boston
Chicago
Dallas
Houston
Jacksonville
Los Angeles
Minneapolis
Mission
Nashville
New York
Orlando
Overland Park
Philadelphia
San Diego
San Francisco
San Jose
Seattle
Walnut Creek

EMEA



2,750

Total income
$A2,022m

Assets under management
$A154.0b

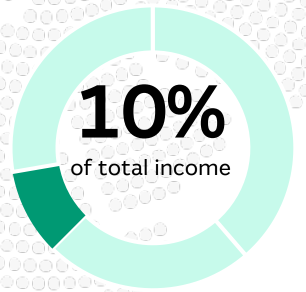
Employing 93,000+ people[3]

EUROPE
Amsterdam
Braintree
Brussels
Coventry
Dublin
Edinburgh
Frankfurt
Geneva
Limerick
London
Luxembourg
Madrid
Munich
Paris
Reading
Solihull
Vienna
Watford
Zurich

MIDDLE-EAST
Dubai

SOUTH AFRICA
Johannesburg

Asia



4,141

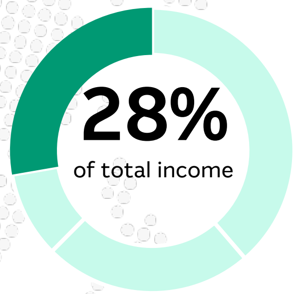
Total income
$A834m

Assets under management
$A40.6b

Employing 79,000+ people[3]

ASIA
Bangkok
Beijing
Gurugram
Hong Kong
Hsin-Chu
Jakarta
Kuala Lumpur
Manila
Mumbai
Seoul
Shanghai
Singapore
Taipei
Tokyo

Australia[4]



9,092

Total income
$A2,354m

Assets under management
$A236.2b

Employing 13,000+ people[3]

AUSTRALIA
Adelaide
Brisbane
Canberra
Gold Coast
Manly
Melbourne
Newcastle
Perth
Sydney

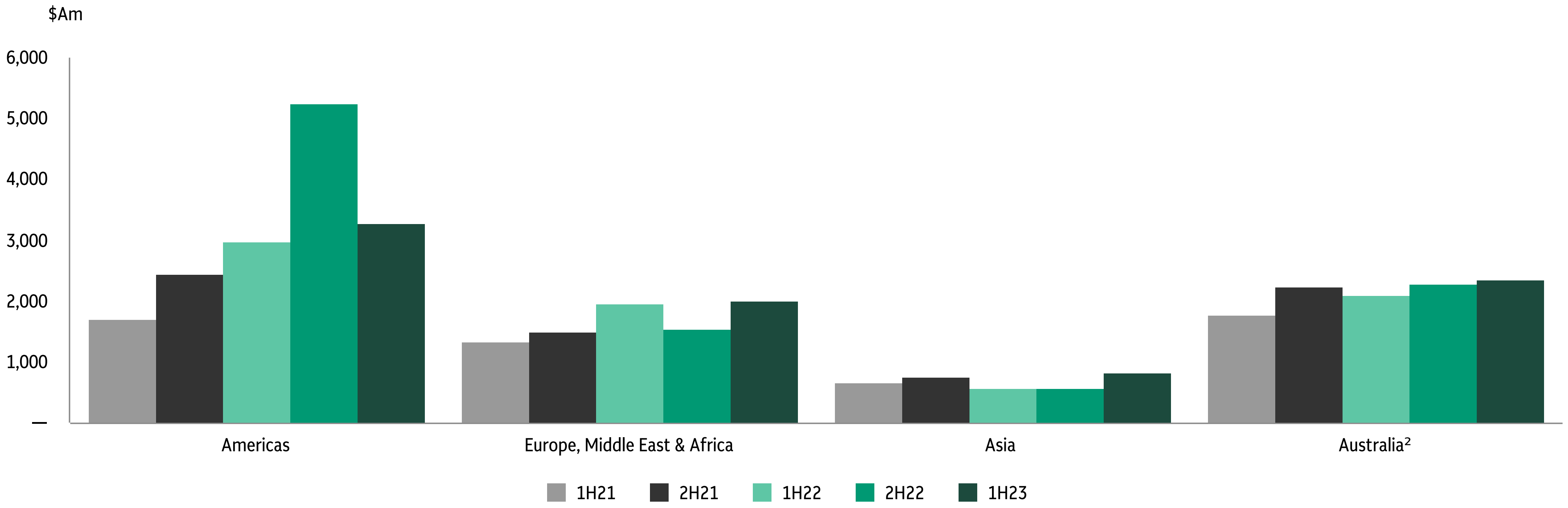
NEW ZEALAND
Auckland
Christchurch
Wellington

1. Net operating income excluding earnings on capital and other corporate items. 2. Includes staff employed in certain operationally segregated subsidiaries throughout the presentation. 3. Includes people employed through Private Markets-managed fund assets and investments where Macquarie Capital holds significant influence. 4. Includes New Zealand.

Diversification by region

72% of total income[1] in 1H23 was generated offshore

Total income



1. Net operating income excluding earnings on capital and other corporate items. 2. Includes New Zealand

Macquarie Asset Management

Operating income

$A2,605m

↑ 10% ON 1H22

↓ 21% ON 2H22

Net profit contribution

$A1,402m

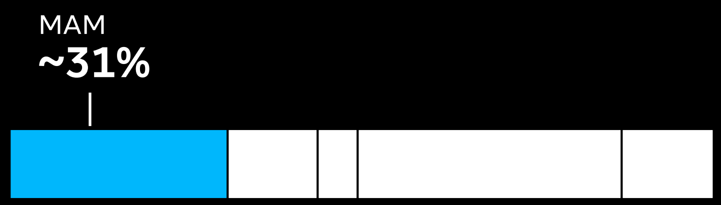
↑ 28% ON 1H22

↓ 27% ON 2H22

AUM[1]

$A795.6b

↑ 3% ON Mar 22



MAM

- Expanded and deepened long-term partnerships, with growth in new clients and an increasing proportion of clients investing across both Private Markets and Public Investments
- Strong progress on sustainability commitments with 43% of MAM's AUM[2] managed in line with Net Zero Asset Managers (NZAM) criteria, 95% of Real Assets portfolio companies now reporting GHG emissions data, and development of energy transition solutions for clients across the platform
- Expanded leadership capacity in strategic growth areas – private credit, green investments, sustainability and diversity, equity and inclusion

Private Markets

- **$A274.9b in assets under management[1], up 16% on 31 Mar 22**, predominantly due to strong investment activity and foreign exchange movements
- **$A188.5b in equity under management[3], up 19% on 31 Mar 22,** predominantly due to strong fund raising and foreign exchange
- **Raised a record of $A22.5b in new equity from clients** for a diverse range of strategies across the platform
- **Invested $A14.8b of equity,** across 28 new investments, including: 10 real assets, 10 real estate, and 8 private credit investments
- **$A4.0b of equity returned to clients from divestments,** including the sale of Axicom and One Rail Australia
- **$A30.1b of equity to deploy** in new investments
- Final close of **Macquarie Asia-Pacific Infrastructure Fund 3**, MAM's third Asia-Pacific regional infrastructure fund with over $US4.2b in investor commitments
- Expanded green investment and energy transition capabilities with integration of the Green Investment Group on 1 Apr 22 with a strong period of asset realisations and the establishment of Corio Generation, a new specialist offshore wind business with a project pipeline of over 15 GW
- **No.1 infrastructure investment manager** globally since ranking inception[4]
- **Top 5 infrastructure debt manager[5]**

Public Investments

- **$A520.7b[6] in assets under management, down 3% on 31 Mar 22,** primarily due to market movements, partially offset by foreign exchange movements
- Continued strong fund performance, with 66% of assets under management outperforming their respective 3-year benchmarks[6]
- Strategic acquisitions, building scale and adding capabilities – integration of Waddell & Reed Financial nearing completion; ongoing integration of Central Park Group and AMP Capital's public investments business

Note: Chart is based on 1H23 net profit contribution from Operating Groups. 1. As at 30 Sep 22. Private Markets Assets under Management (AUM) is calculated as the proportional ownership interest in the underlying assets of funds and mandated assets that Macquarie actively manages or advises for the purpose of wealth creation, adjusted to exclude cross-holdings in funds and reflect Macquarie's proportional ownership interest of the fund manager. AUM excludes uninvested equity. 2. Includes projects and investments held across managed-funds assets and balance sheet investments with varying ownership stakes in each. 3. Private Markets' total Equity under management includes market capitalisation at measurement date for listed funds, the sum of original committed capital less capital subsequently returned for unlisted funds and mandates as well as invested capital for managed businesses. 4. IPE Real Assets (Jul/Aug 2022), measured by infrastructure assets under management. 5. Infrastructure Investor Debt 30 Ranking (Feb 22) based on equity raised. 6. As at 30 Sep 22.

Banking and Financial Services

Operating income

$A1,423m

↑ 22% ON 1H22

↑ 10% ON 2H22

Net profit contribution

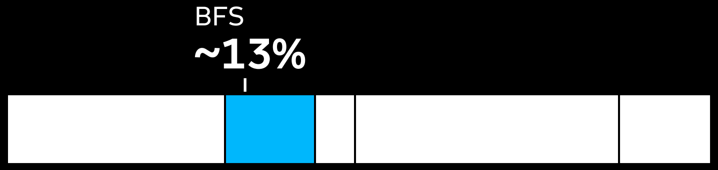
$A580m

↑ 20% ON 1H22

↑ 12% ON 2H22

Home loan portfolio summary 30 Sep 22

Average LVR at Origination (%)[1,2]	65%
Average Dynamic LVR (%)[2,3]	52%
% Owner Occupied	65%
% Principal and Interest	76%
% Fixed Rate[4]	22%



Personal Banking

- **Home loan portfolio of $A101.0b**, up 13% on Mar 22, representing approximately 4.8% of the Australian market
- Home loan growth driven by strong demand in lower loan-to-value ratio (LVR) and owner-occupier lending tiers
- Macquarie named the MFAA's National Major Lender of the Year at the 2022 MFAA National Excellence Awards for the third year in a row
- Car loan portfolio of $A4.8b, down 13% on Mar 22, with ongoing market supply issues. Continued growth in electric vehicle settlement volumes through the Direct business

Business Banking

- **Business Banking loan portfolio of $A12.3b,** up 7% on Mar 22
- Business Banking loan growth driven by an increase in client acquisition across core segments and a continued build into emerging segments
- Continued investment in digital solutions for enhanced client experience and to serve clients more efficiently
- Car loan portfolio of $A2.5b, down 24% on Mar 22, due to run off following the sale of the dealer finance business in Dec 21

Wealth Management

- **Funds on platform of $A111.4b**, down 6% on Mar 22, as strong net flows of $A3.4b[5] were offset by market movements
- Continued expansion of the Macquarie Wrap managed accounts offering, with funds under administration of $A8.5b, up from $A7.9b at Mar 22
- Continued new client growth in Macquarie's Private Bank, with an ongoing focus on the high net worth segment

Deposits

- **Total BFS deposits[6] of $A116.7b**, up 19% on Mar 22, representing approximately 4.4% of the Australian market
- Continued growth across term deposit, cash management account and transaction and savings account deposit volumes
- Named Bank of the Year at the Canstar 2022 Savings Awards

Client numbers more than **1.7 million**

Note: Chart is based on 1H23 net profit contribution from Operating Groups. 1. Based on accounts still on books as at 30 Sep 22. 2. Weighted by size of loan. 3. Property valuation source is CoreLogic, as at 30 Sep 22. 4. Net current balance basis. 5. For the half year to 30 Sep 22, Administrator view. 6. BFS deposits include home loan offset accounts and exclude corporate/wholesale deposits.

Commodities and Global Markets

Operating income
$A3,256m

↑ **18%** ON 1H22

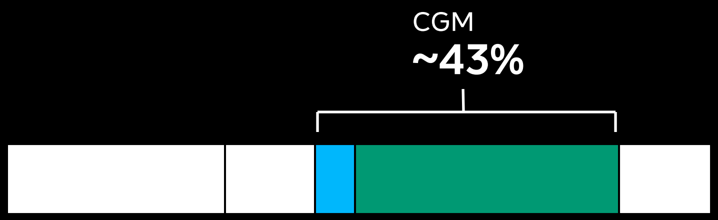
↓ **5%** ON 2H22

Net profit contribution
$A1,996m

↑ **15%** ON 1H22

↓ **9%** ON 2H22

40+ years of client partnership



Asset Finance 7%[1]

- Continued positive performance and contribution across all industries
- Strong origination and portfolio growth in Structured Lending and Shipping Finance
- Total portfolio of $A5.7b, down 5% from $A6.0b at 31 Mar 22

Commodity Markets 65%[1]

- Increased revenue across Commodities with strong risk management particularly from Gas and Power businesses, Resources and Global Oil due to increased client hedging activity as a result of elevated levels of volatility and price movements in commodity markets
- Increased Commodities inventory management and trading income driven by trading gains from supply and demand imbalances primarily in North American Gas and Power. This was largely offset by the unfavourable impact of timing of income recognition, primarily on Gas and Power storage and transport contracts. Higher gas storage volumes, notably in EMEA, and spread dislocation have led to a significantly higher adverse impact compared with the prior corresponding period
- Named House of the Year for Oil and Products[2], Derivatives[2], Natural Gas/LNG[3], Base Metals[4], and Commodity Research[4]
- No.5 physical gas marketer in North America[5]

- Increased Lending and Financing driven by increased volumes in energy sectors.

Financial Markets 28%[1]

Foreign exchange, interest rates and credit

- Increased client engagement across interest rates with significant swap deals from Americas
- Volatility across FX and rates created opportunities to engage with clients globally
- Continued growth in financing activity with clients engaged in the US corporate direct lending market

Futures

- Improved commission and interest revenues across all regions due to elevated commodity price volatility and increase in global interest rates
- No.1 Futures Broker on the ASX[6]

Equity Derivatives and Trading

- Strong contribution from Warrants business offset by reduced event-driven revenue from trading
- Increased revenue from financing activities
- Progressive activity providing solutions for corporate clients

Note: Chart is based on 1H23 net profit contribution from Operating Groups. 1. Percentages are based on net profit contribution before impairment charges. 2. Energy Risk Awards 2022 and Energy Risk Awards Asia 2021 3. Energy Risk awards 2022 4. Energy Risk Awards Asia 2021. 5. Platts Q2 - Jun 22. 6. ASX Futures 24 (SFE) Monthly Report Sep 22.

Macquarie Capital

Operating income

$A1,287m

↓ 6% ON 1H22

↓ 23% ON 2H22

Net profit contribution

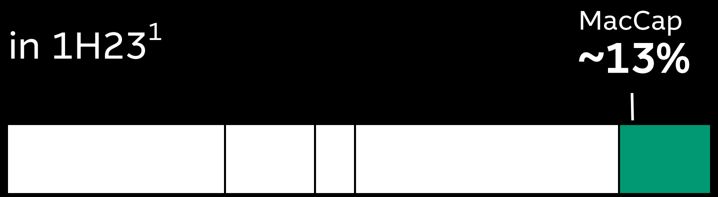
$A595m

↓ 12% ON 1H22

↓ 30% ON 2H22

150 transactions valued at **$A164b** in 1H23[1]

253 transactions **$A231b** IN 1H22[1]



Summary

- Maintained a leading market position in ANZ across M&A in 2022[2]
- Maintained our global number one infrastructure financial adviser position for a third consecutive year[3]
- Maintained our focus on providing advisory and capital solutions to financial sponsors and other clients in the Americas and Europe
- Principal Finance portfolio of over $A18b[4] including more than $A15b credit portfolio, with over $A3.6b deployed in 1H23 through focused investment in credit markets and bespoke financing solutions
- Focus on equity investing in areas of deep expertise, During 1H23, investments completed in subsectors such as FinTech, RegTech, IT services and government services
- Infrastructure and Energy principal business had a strong first half, particularly in digital infrastructure, and continues to pursue opportunities across its three focus areas of economic & social, digital and energy transition infrastructure
- Over 18 infrastructure and energy projects under development or construction[5]
- Current environment remains challenging for equities, but the business is well positioned to leverage our strengths as an APAC specialist broker, delivering a competitive and tailored client offering which resonates with our client base

Awards and Rankings

- M&A Financial Adviser of the Year - Australia[6]
- Digital Infrastructure Deal of the Year - APAC[7]
- Deal of the Year - Sandfire Resources' acquisition of the MATSA copper complex in Spain[8]
- Residential Deal of the Year 2022 - Brigid Investments UK senior living[9]
- No. 1 ANZ for M&A[10] and IPOs[11] for the past decade
- No. 1 Global Renewables Infrastructure Financial Adviser[12]
- No. 1 Best Domestic or Offshore Equities Conference/Corporate Access Day[13]

Transaction Activity

Advisory - fee and commission income down on a strong prior corresponding period from weakening market conditions. Transaction highlights include:

- Joint lead manager, underwriter and bookrunner on Australia and New Zealand Banking Group Limited's ~$A3.5b pro rata accelerated renounceable entitlement offer with retail rights trading to fund the acquisition of Suncorp Bank from Suncorp Group
- Sole financial adviser to Vistage Worldwide, Inc, a Providence Equity Partners portfolio company, on its sale to Gridiron Capital and also served as Joint Bookrunner on Gridiron's acquisition financing, including holding a portion of the senior secured facilities as a direct lender
- Exclusive sell-side financial adviser to Waterland Private Equity Investments on the sale of Blue Phoenix Group, a recycler and upgrader of incinerator bottom ash, to InfraVia Capital Partners, following a refinancing and minority stake sale to Daiwa International Capital Partners in 2021
- Exclusive sell-side financial adviser to Arion Bank on the sale of Valitor, its payments processing subsidiary, to Rapyd

Principal - higher investment-related income and higher net income from the private credit portfolio. Transaction highlights include:

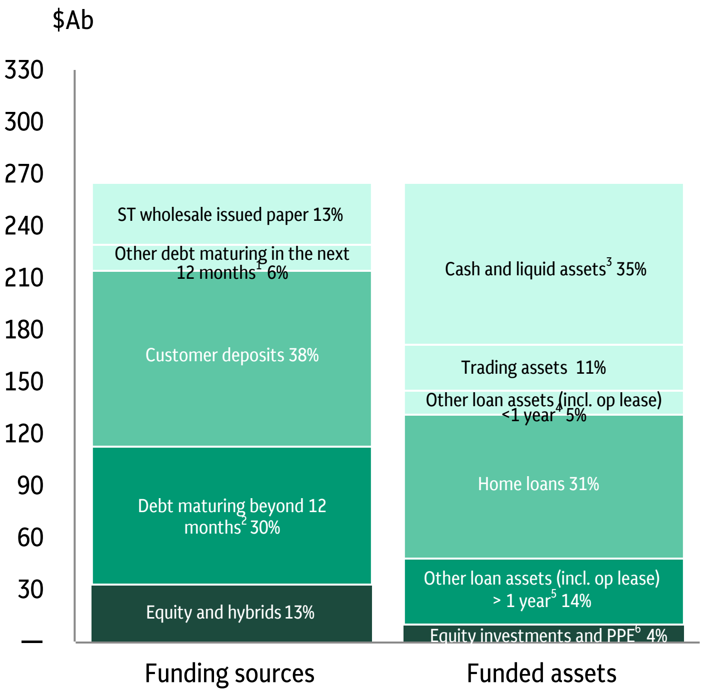
- Joint venture between Macquarie Capital and Transcontinental Realty investors sold a portfolio of 46 properties across Texas and the US Southeast
- Preferred equity investment into PayIt, a leading SaaS provider of digital government services and payments in the United States
- Principal Finance has completed more than 30 credit transactions in 1H23 across a diverse range of industries, including to support:
  - Apax PE's acquisition of Pickles Auctions, a diversified auction platform operating in salvage, industrial and motor vehicle auctions.
  - Further growth of DL Invest, a leading Polish logistics portfolio
- Supported the growth of digital infrastructure platforms Accelecom (in the US) and PhilTower[14] (in the Philippines) in making the acquisitions of Georgia Public Web and up to 1,350 towers from Globe Telecom Inc, respectively
- Macquarie Capital, along with our LNG platform WaveCrest Energy, has invested in the Deutsche Ostsee LNG import terminal project in the Port of Lubmin, which is seeking to provide Germany with critical gas supply

Note: Chart is based on 1H23 net profit contribution from Operating Groups. 1. Source: Dealogic and IJGlobal for Macquarie Group completed M&A, investments, ECM and DCM transactions converted as at the relevant report date. Deal values reflect the full transaction value and not an attributed value. Comparatives are presented as previously reported. 2. Dealogic (1 Jan 22-30 Sep 22) completed & announced by deal count. 3. Inspiratia (CY19 by deal count, Equal No.1 in CY20 by deal count, CY21 by deal value). 4. Committed portfolio. 5. As at 30 Sep 22. 6. Mergermarket Australia M&A Awards 2021. 7. AirTrunk. IJ Investor Awards 2021. Macquarie Capital advised on the deal. 8. 2022 MNN Awards. 9. RESI Awards 2022. 10. Dealogic (1 Oct 12-30 Sep 22 completed and announced by value) 11. Dealogic (1 Oct 12-30 Sep 22 ASX and NZX by value). 12. IJ Global (CY21 by value). 13. Australian Investor Relations Association Awards 2022 - Macquarie Securities Australia Conference, Sydney (May). 14. The acquisition from Globe Telecom Inc. has not yet closed

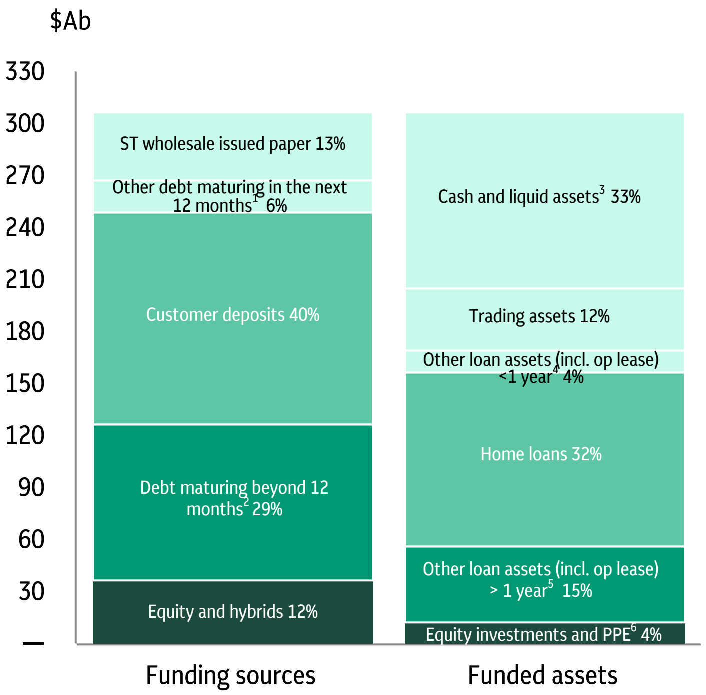
Funded balance sheet remains strong

Term liabilities exceed term assets

31 Mar 22



30 Sep 22



Total customer deposits[7]

$A122.0b

↑ 20% FROM MAR 22

Term funding raised[8]

$A15.4b

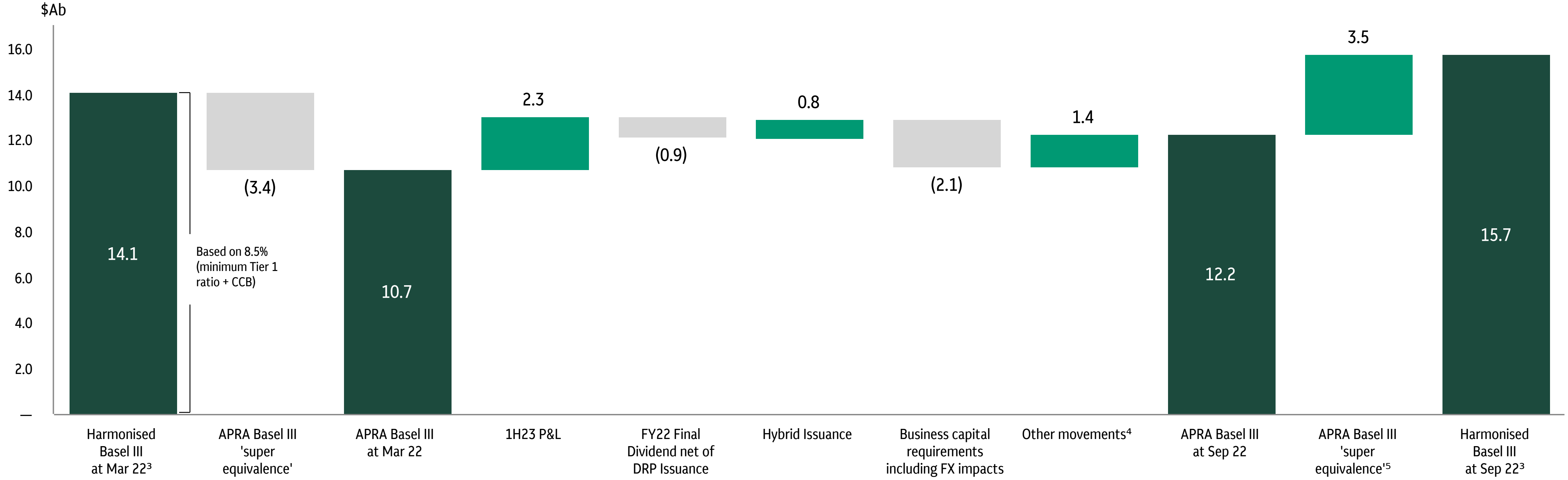
Since MAR 22

These charts represent Macquarie's funded balance sheets at the respective dates noted above. The funded balance sheet is a simple representation of Macquarie's funding requirements once accounting related gross-ups and self-funded assets have been netted down from the statement of financial position. The funded balance sheet is not a liquidity risk management tool, as it does not consider the granular liquidity profiling of all on and off-balance sheet components considered in both Macquarie's internal liquidity framework and the regulatory liquidity metrics. For details regarding reconciliation of the funded balance sheet to Macquarie's statutory balance sheet refer to slide 58. 1. Other debt maturing in the next 12 months includes Secured funding (including RBA TFF), Bonds, Other loans and Net trade creditors. 2. Debt maturing beyond 12 months includes Subordinated debt, Structured notes, Secured funding (including RBA TFF), Bonds, Syndicated loan facilities and Other loans not maturing within next 12 months. 3. Cash and liquid assets includes self-securitisation of repo eligible Australian assets originated by Macquarie and held as contingent collateral for RBA facilities (such as the CLF). 4. Other loan assets (incl. op lease) < 1 year includes Net trade debtors. 5. Other loan assets (incl. op lease) > 1 year includes Debt investments. 6. Equity investments and PPE includes Macquarie's co-investments in Macquarie-managed funds and other equity investments. 7. Total customer deposits as per the funded balance sheet ($A122.0b) differs from total deposits as per the statutory balance sheet ($A122.2b). The funded balance sheet reclassifies certain balances to other funded balance sheet categories. 8. Issuances cover a range of tenors, currencies and product types and are AUD equivalent based on FX rates at the time of issuance. Includes refinancing of loan facilities.

Basel III capital position

- APRA Basel III Group capital at Sep 22 of $A37.2b; Group capital surplus of $A12.2b[1,2]
- APRA Basel III Level 2 CET1 ratio at Sep 22: 12.8%; Harmonised Basel III Level 2 CET1 ratio: 15.9%

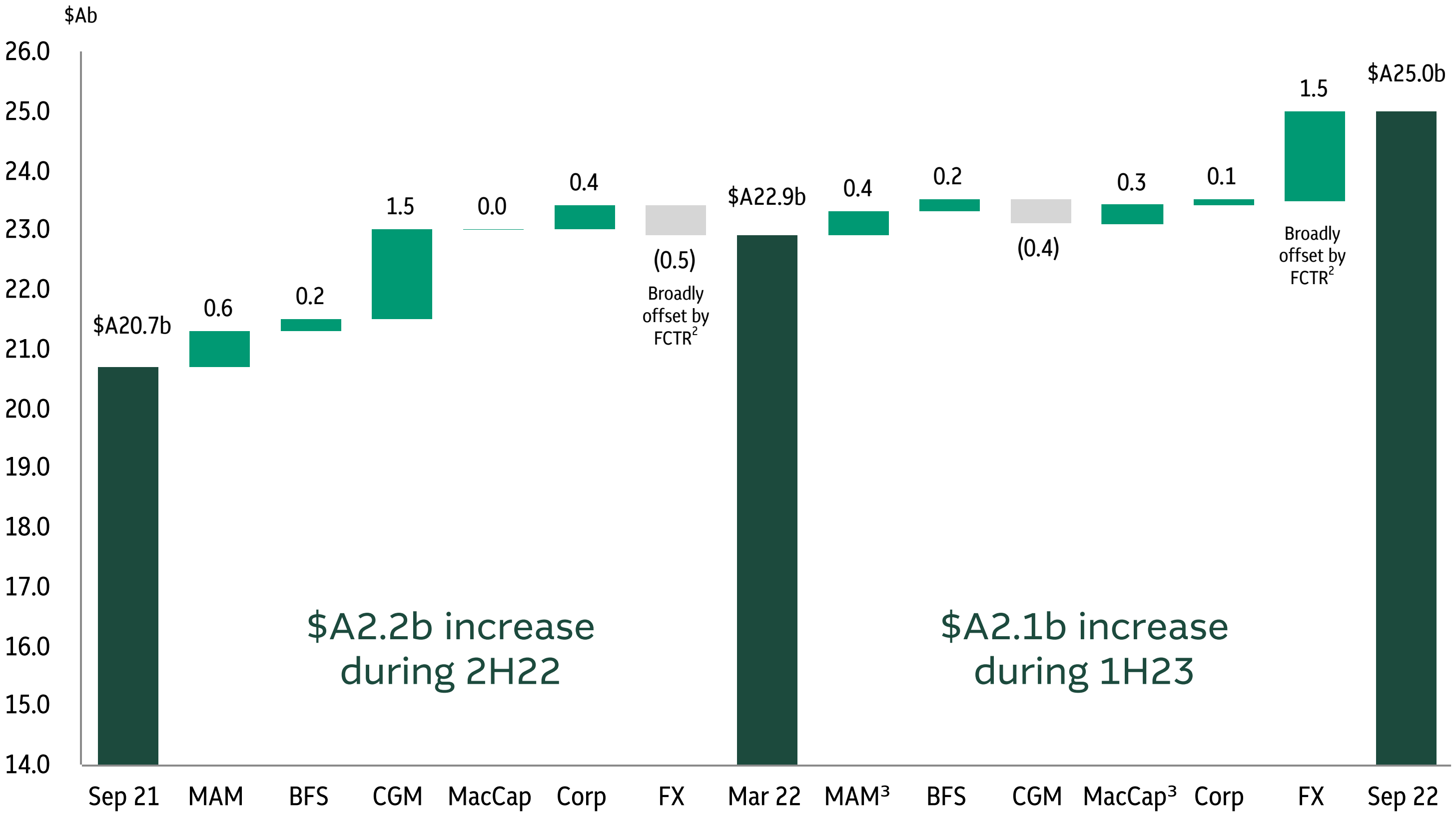
Group regulatory surplus: Basel III (Sep 22)



1. The capital surplus shown is above regulatory minimums including the capital conservation buffer (CCB), per APRA ADI Prudential Standard 110, calculated at 8.5% RWA on a Level 2 basis for MBL. This surplus also includes provision for internal capital buffers, forthcoming regulatory changes, as well as differences between Level 2 and Level 1 capital requirements, including the $A500m Level 1 operational capital overlay imposed by APRA from 1 Apr 21. 2. Based on materiality, the 8.5% used to calculate the Group capital surplus does not include the countercyclical buffer (CCyB) of ~1bps. The individual CCyB varies by jurisdiction and the Bank Group's CCyB is calculated as a weighted average based on exposures in different jurisdictions. 3. Basel III applies only to the Bank Group and not the Non-Bank Group. 'Harmonised' Basel III estimates are calculated in accordance with the BCBS Basel III framework, noting that MBL is not regulated by the BCBS and so impacts shown are indicative only. 4. Includes treasury shares purchase, movements in foreign currency translation reserve, share-based payment reserves and other movements. 5. APRA Basel III 'super-equivalence' includes the impact of changes in capital requirements in areas where APRA differs from the BCBS Basel III framework, including: the treatment of mortgages $A1.4b; capitalised expenses $A0.6b; equity investments $A0.5b; investment into deconsolidated subsidiaries $A0.2b; DTAs $A0.7b; IRRBB $A0.1b.

Business capital requirements[1]

1H23 business capital requirement growth of $A0.6b excluding FX movements



1. Regulatory capital requirements are calculated at 8.5% RWA. 2. The foreign currency translation reserve (FCTR) forms part of capital supply and broadly offsets FX movements in capital requirements. 3. 1H23 movements do not include the impact of the transfer of the Green Investment Group from MacCap to MAM on 1 April 22.

1H23 Key drivers

MAM

- Growth in MAM balance sheet usage from new fund co-investments and underwrites to seed core and adjacent fund strategies

BFS

- Growth in home loans and business banking, partially offset by run off in vehicles financing

CGM

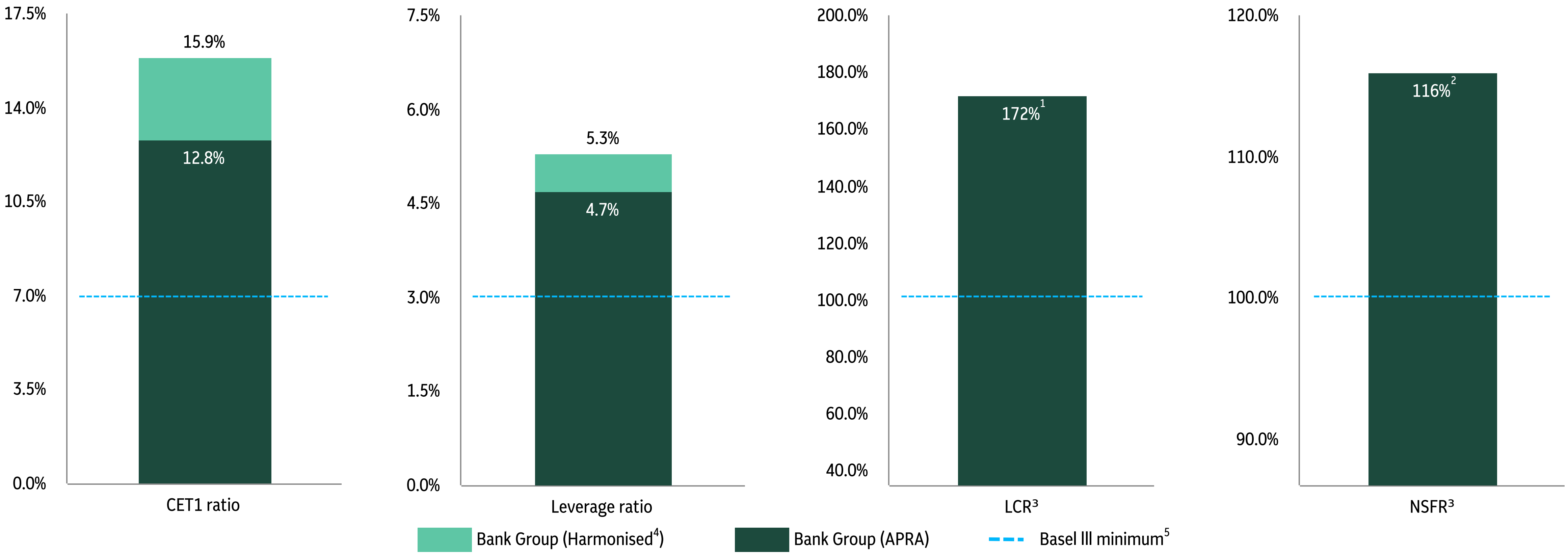
- Driven by market movements in commodities

Macquarie Capital

- Growth in Principal Finance lending activity and digital infrastructure investments

Strong regulatory ratios

Bank Group Level 2 Ratios (Sep 22)



1. Average LCR for Sep 22 quarter is based on an average of daily observations and excludes CLF allocation (183% including CLF allocation). 2. NSFR as at 30 Sep 22 excludes CLF allocation (116% including CLF allocation). 3. APRA imposed a 15% add-on to the Net Cash Outflow component of the LCR calculation, and a 1% decrease to the Available Stable Funding component of the NSFR calculation, effective from 1 Apr 21. The LCR Net Cash Outflow add-on increased to 25% from 1 May 22. 4. 'Harmonised' Basel III estimates are calculated in accordance with the BCBS Basel III framework, noting that MBL is not regulated by the BCBS and so impacts shown are indicative only. 5. Includes the capital conservation buffer in the minimum CET1 ratio requirement. APRA released the final 'Prudential Standard APS 110 Capital Adequacy' on 29 Nov 21 which has a minimum requirement for the leverage ratio of 3.5% effective 1 Jan 23.

Interim dividend

1H23 Ordinary Dividend

$A3.00

(40% franked)

From

↑ **$A2.72**

(40% franked)
in 1H22

From

↓ $A3.50

(40% franked)
in 2H22

1H23 Record Date

8 Nov 22

1H23 Payment Date

13 Dec 22

DRP shares for the 1H23 dividend to be sourced on market[1]

Payout Ratio[2]
1H23

50%

Dividend policy remains 50-70% annual payout ratio

1. The DRP pricing period is from 14 Nov 22 to 18 Nov 22. Shares will be issued if purchasing becomes impractical or inadvisable. 2. Payout ratio calculated as estimated number of eligible shares multiplied by dividend per share, divided by profit attributable to MGL shareholders.

MACQUARIE

03

Result Analysis and Financial Management

Alex Harvey

Chief Financial Officer

Income statement key drivers

	1H23 $Am	2H22 $Am	1H22 $Am
Net interest and trading income	4,210	3,824	3,032
Fee and commission income	3,032	3,435	3,452
Share of net (losses)/profits from associates and joint ventures	(61)	(2)	242
Net credit impairment charges	(175)	(74)	(176)
Other impairment charges	(111)	(205)	(54)
Investment income	1,549	2,297	994
Other income and charges	197	245	314
Net operating income	8,641	9,520	7,804
Employment expenses	(3,613)	(3,561)	(3,164)
Brokerage, commission and fee expenses	(517)	(531)	(498)
Other operating expenses	(1,483)	(1,624)	(1,407)
Total operating expenses	(5,613)	(5,716)	(5,069)
Operating profit before tax and non-controlling interests	3,028	3,804	2,735
Income tax expense	(735)	(983)	(603)
Loss/(Profit) attributable to non-controlling interests	12	(158)	(89)
Profit attributable to MGL shareholders	2,305	2,663	2,043

Net interest and trading income of $A4,210m, up 39% on 1H22
- Higher risk management revenue reflecting strong results across the platform, particularly in Gas and Power, Resources, and Global Oil in CGM
- Higher foreign exchange, interest rates and credit income from increased client hedging and financing activity in CGM
- Growth in the loan portfolio and total BFS deposits, together with improved margins from the rising interest rate environment in BFS
- Improved earnings on capital from the rising interest rate environment in Corporate
- Increased inventory management and trading gains from supply and demand imbalances recorded primarily in North American Gas and Power which were largely offset by the unfavourable impact of timing of income recognition, primarily on Gas and Power storage and transport contracts in CGM

Partially offset by:
- Higher expense associated with managing the Group's liquidity and funding and the impact of an increased centrally held funding surplus in Corporate

Fee and commission income of $A3,032m, down 12% on 1H22
- Significant disposition fee income from MIC reflected in the prior corresponding period in MAM
- Lower capital markets and mergers and acquisitions fee income due to weakening market conditions on a strong prior corresponding period in Macquarie Capital

Partially offset by:
- Higher performance fees in MAM

Share of net losses from associates and joint ventures of $A61m, significantly down from 1H22
- Significant equity investment income from MIC reflected in the prior corresponding period and losses on a small number of equity accounted investments in the current period in MAM
- Changes in the composition and performance of Macquarie Capital's investment portfolio

Investment income of $A1,549m, up 56% on 1H22
- Higher investment income primarily due to the timing of asset realisations in the green energy sector in MAM and higher asset realisations in the real estate and digital infrastructure sectors in Macquarie Capital

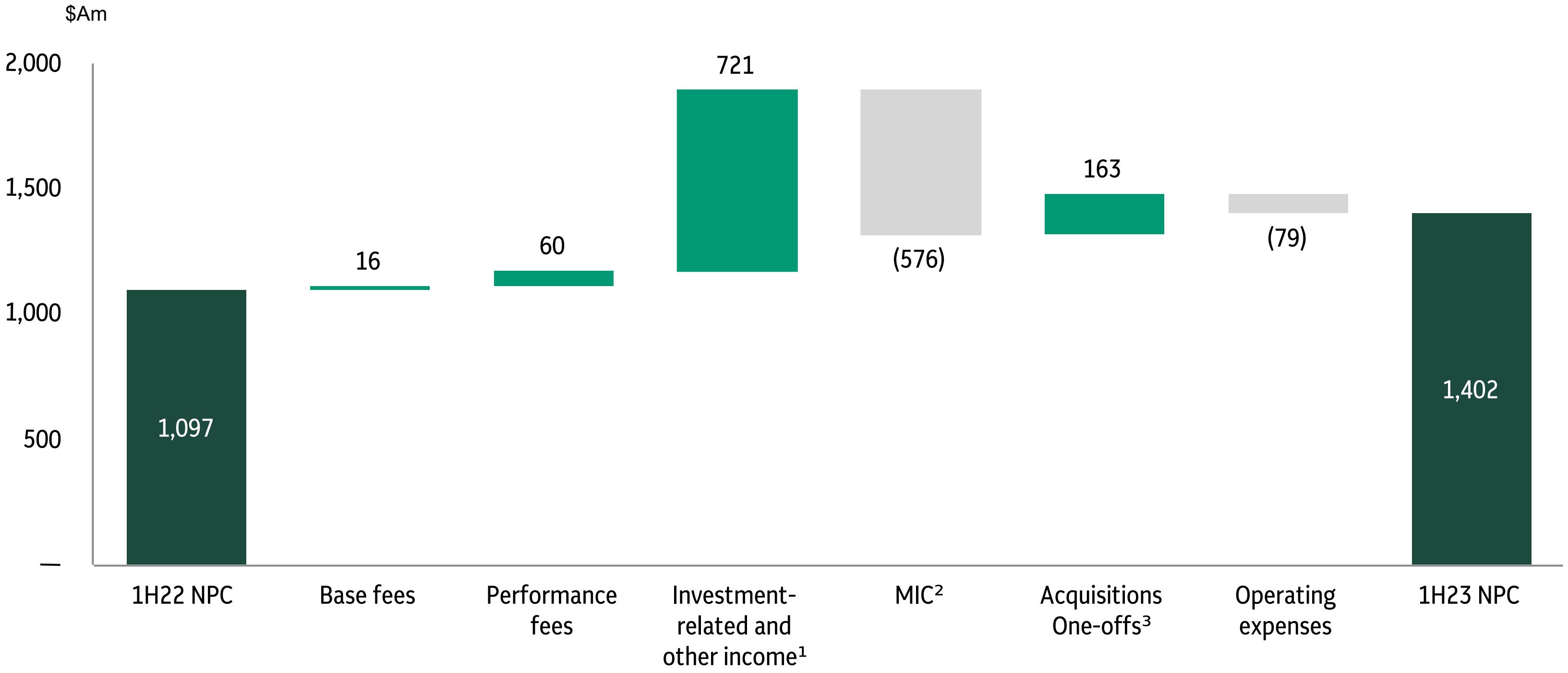
Partially offset by:
- Gain on the partial sale of the UK Meters portfolio of assets in the prior corresponding period in CGM

Total operating expenses of $A5,613m, up 11% on 1H22
- Higher expenses from higher average headcount and wage inflation
- Higher profit share expense and share-based payments as a result of Group performance
- Increased investment in technology initiatives, with focus on data and digitalisation to support business activity

Partially offset by:
- Higher one-off acquisition and integration expenses in the prior corresponding period in MAM

Macquarie Asset Management

Higher investment-related and other income due to asset realisations in the green energy sector, partially offset by significant investment-related and other income from the disposition of assets in MIC in pcp



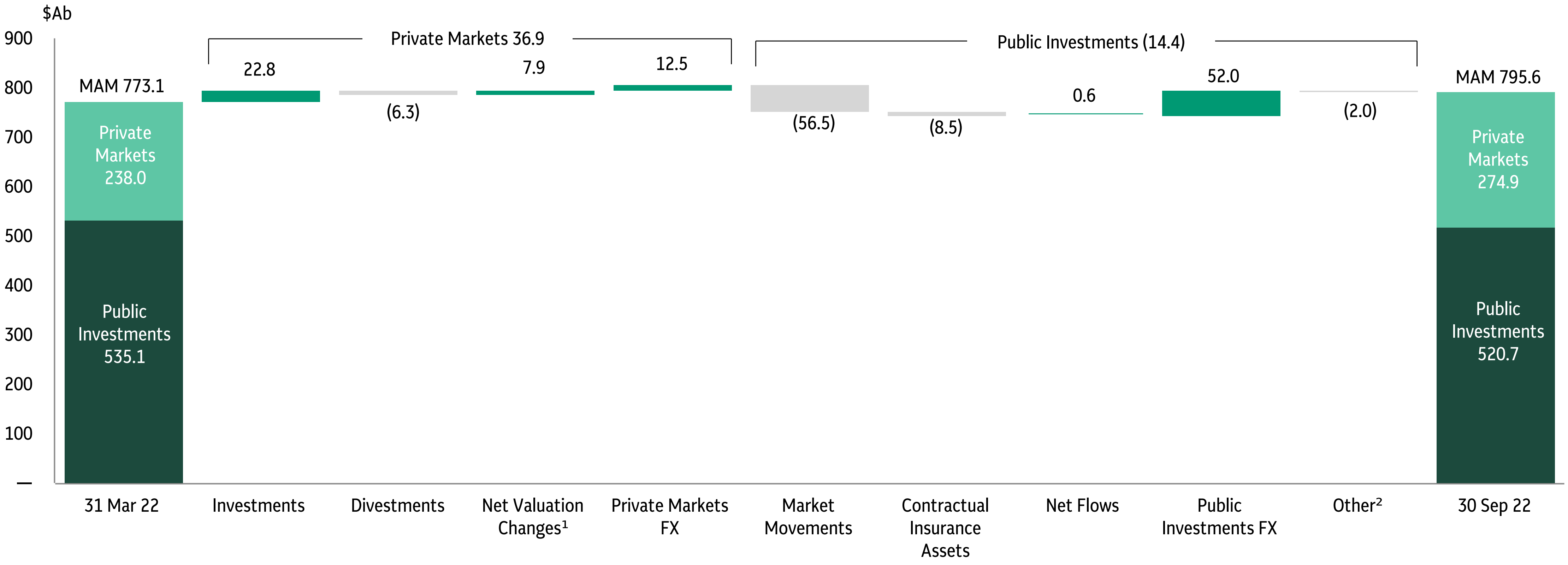
1. Investment-related income includes net income on equity, debt and other investments, share of net profits/ (losses) of associates and joint ventures, credit and other impairment reversals/(charges). Other income includes net interest and trading expense, other fee and commission income, net operating lease income, other income, internal management revenue and non-controlling interests. 2. Macquarie Infrastructure Corporation includes investment-related and other income, which is excluded from total MAM Investment and other related income. 3. Acquisitions one-offs (Waddell & Reed Financial, AMP Capital's public investments business and Central Park Group) included; the impact is excluded from operating expenses.

Key drivers

- Base fees broadly in line due to:
  - Fund raising and investments made by Private Markets-managed funds and mandates, Public Investments acquisitions in the prior year and foreign exchange movements
  - These were offset by negative market movements and outflows in Public Investments equity funds
- Current period included performance fees from Macquarie Infrastructure Partners (MIP) III, Macquarie European Infrastructure Fund (MEIF) 4 and other Private Markets-managed funds and managed accounts
- Higher investment-related and other income primarily due to the timing of asset realisations in the green energy sector, partially offset by losses on a small number of equity accounted investments
- Macquarie Infrastructure Corporation (MIC) income included recognition of the disposition fee and equity accounted income, as well as impairment reversal in the prior corresponding period
- Higher one-off acquisition and integration expenses incurred in the prior corresponding period primarily on acquisition of Waddell & Reed

MAM AUM movement

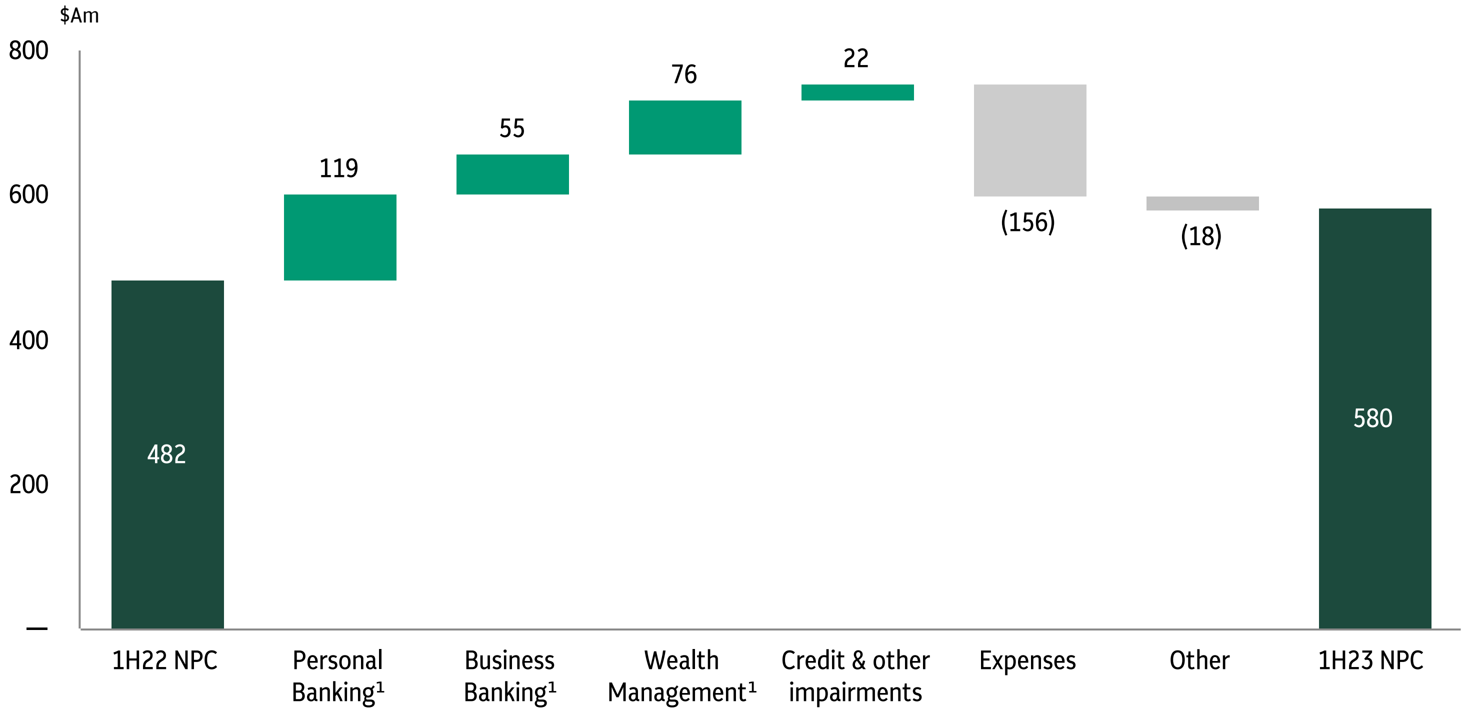
Increase due to investments made by Private Markets-managed funds and foreign exchange movements, partially offset by market movements in Public Investments



1. Net valuation changes include net movements in unlisted valuations of portfolio assets, post distributions paid in the period, and listed share price movements. 2 Other includes divestitures and fund liquidations.

Banking and Financial Services

Growth in the loan portfolio and total BFS deposits, together with improved margins, partially offset by higher expenses



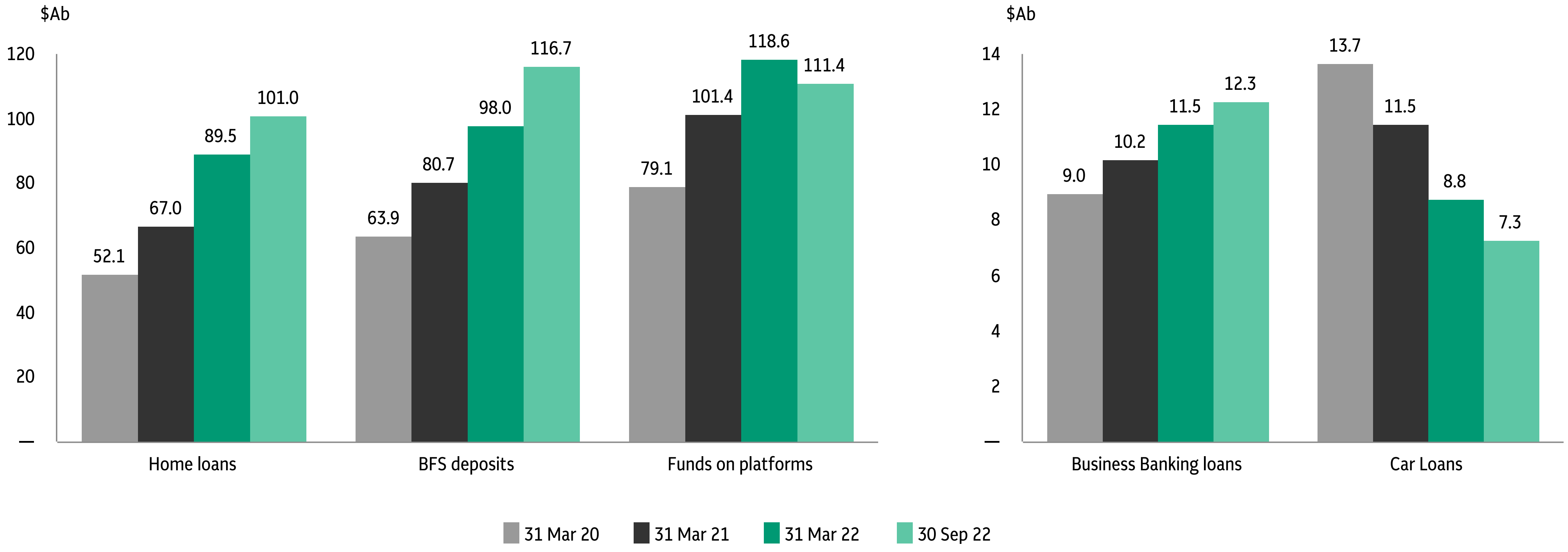
1. Includes brokerage, commission and fee expenses. 2. Calculated net of offsets.

Key drivers

- Higher Personal Banking income driven by above system growth of 30% in average home loan volumes[2], albeit volumes slowing over the period
- Higher Business Banking income driven by growth in average business lending and deposit volumes and improved margins from the rising interest rate environment. These were partly offset by lower income from car loans following the sale of the dealer business
- Higher Wealth income driven by 16% growth in average deposit volumes, improved margins due to the benefits from the rising interest rate environment and 4% growth in average funds on platform driven by client net inflows
- Lower credit impairment charges included releases in car loans driven by book run-off, partially offset by growth in the remaining loan portfolio and some deterioration in the macroeconomic outlook
- Higher costs due to technology investment and additional headcount to support business growth and regulatory requirements

Banking and Financial Services

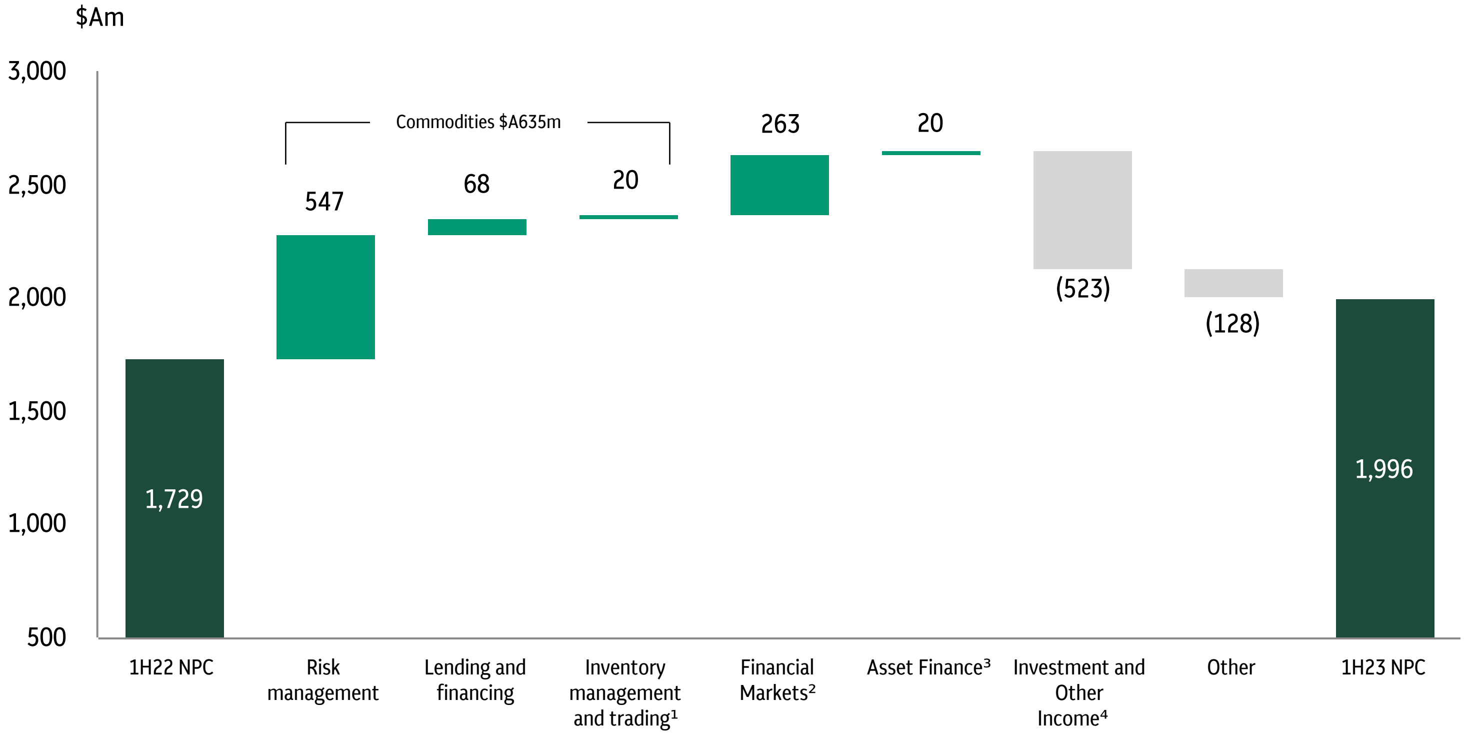
Strong growth in Home loans and Deposits, Funds on Platform impacted by market movements



Note: Data based on spot volumes at period end.

Commodities and Global Markets

Strong underlying client business; well diversified across commodities, financial markets and asset finance



1. Inventory management and trading increase includes Oil, Gas, Power and resources trading and timing of income recognition on Oil, Gas and Power storage and transport contracts. 2. Financial Markets includes FX, interest rates and credit and equities. 3. Asset Finance includes net interest and trading income and net operating lease income. 4. Includes net income on equity, debt and other investments, share of net profits from associates and joint ventures, internal management revenue and other income.

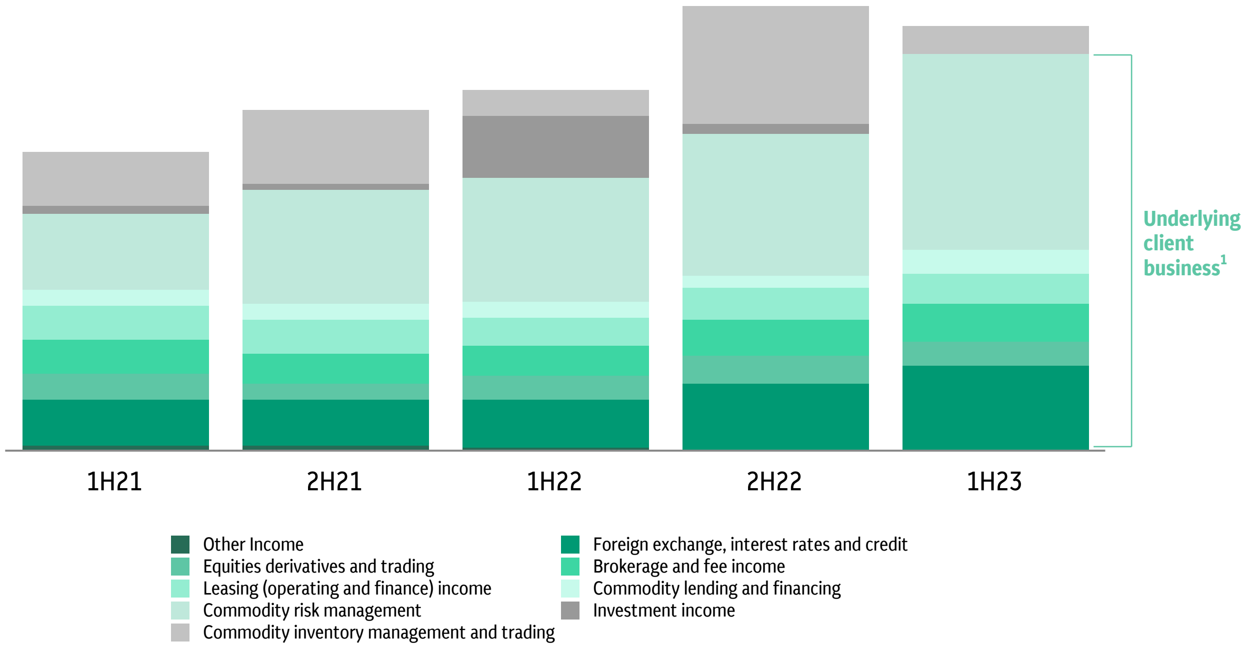
Key drivers

- **Commodities** up on 1H22
  - Increased Risk Management revenue across platform particularly in Gas and Power businesses, Resources and Global Oil due to increased client hedging activity as a result of elevated levels of volatility and price movements in commodity markets
  - Higher lending and Financing up due to increased volumes in the energy sectors
  - Inventory management and trading up on 1H22 driven by trading gains from supply and demand imbalances recorded primarily in North American Gas and Power. This was largely offset by the unfavourable impact of timing of income recognition, primarily on Gas and Power storage and transport contracts. Higher gas storage volumes, notably in EMEA, and spread dislocation have led to a significantly higher adverse impact compared with the prior corresponding period
- Financial Markets up on 1H22 with continued strong client activity in structured foreign exchange and interest rate products in addition to increased financing activity
- Asset Finance up due to increased revenue contributions in the resources sector
- Investment and other income down primarily due to the gain on the partial sale of UK Meters portfolio of assets in 1H22
- Other down on 1H22 due to an increase in Operating Expenses driven by higher expenditure on employment, technology platform and infrastructure and increased compliance related charges

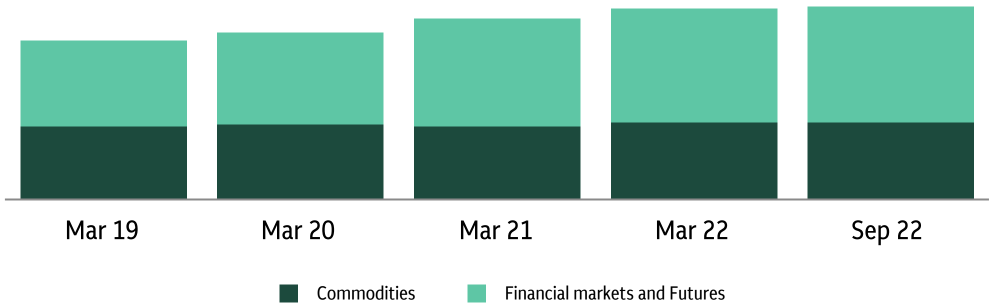
Strong underlying client business

Majority of income derived from underlying client business

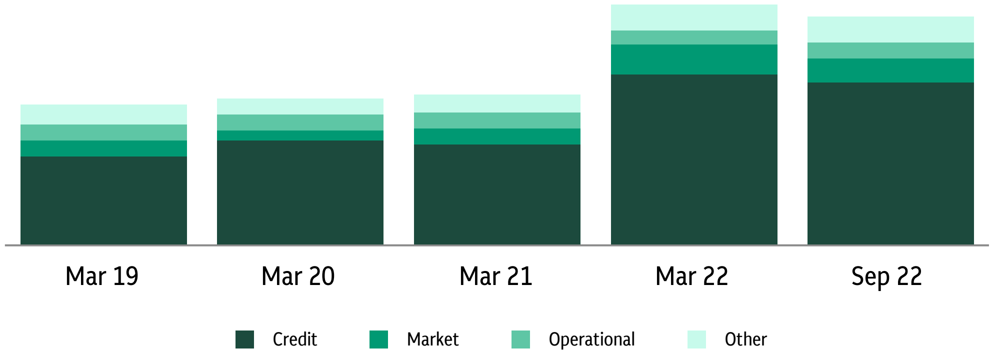
Operating Income
(excl. credit and other impairment charges)



Client numbers[2]
(excl. Asset Finance)



Regulatory capital (normalised)[3]

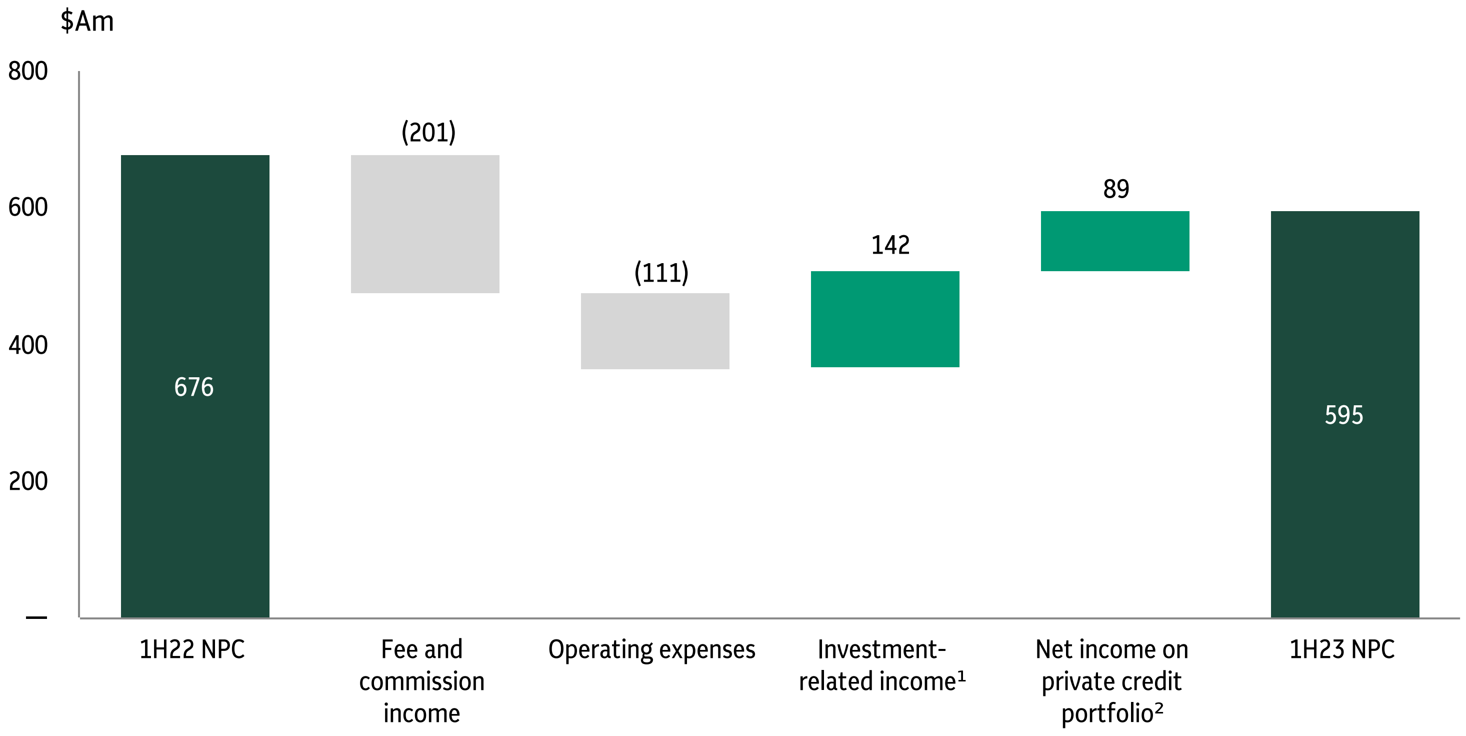


- Majority of capital relates to **credit risk** reflecting **client focused business**
- Risk management is **core: built on 50+ years of accumulated experience** in managing risk for our clients and our business

1. Included within Underlying client business is a relatively small (~5%) amount of FX, IR, Credit and EDT trading activity not related to clients. 2. Financial markets and futures client numbers will differ to previously reported numbers with the inclusion of Equity Derivatives and Trading clients and the transfer of Cash Equities to Macquarie Capital effective 1 Jun 20. 3. Normalised for FX (30 Sep 22) and SA-CCR impacts. Numbers will not reconcile to previously disclosed regulatory capital numbers.

Macquarie Capital

Lower fee and commission income and higher operating expenses, partially offset by higher investment-related income and higher net income from the private credit portfolio



1. Includes gains and losses from sale and revaluation of equity, debt and other investments, net interest and trading income (which represents the interest earned from debt investments and the funding costs associated with Macquarie Capital's balance sheet positions), share of net losses from associates and joint ventures, credit and other impairments, other income/(expenses), internal management revenue and non-controlling interests and excludes net income on the private credit portfolio. 2. Represents the interest earned, net of associated funding costs and net credit impairment charges (including origination ECL) on the private credit portfolio.

Key drivers

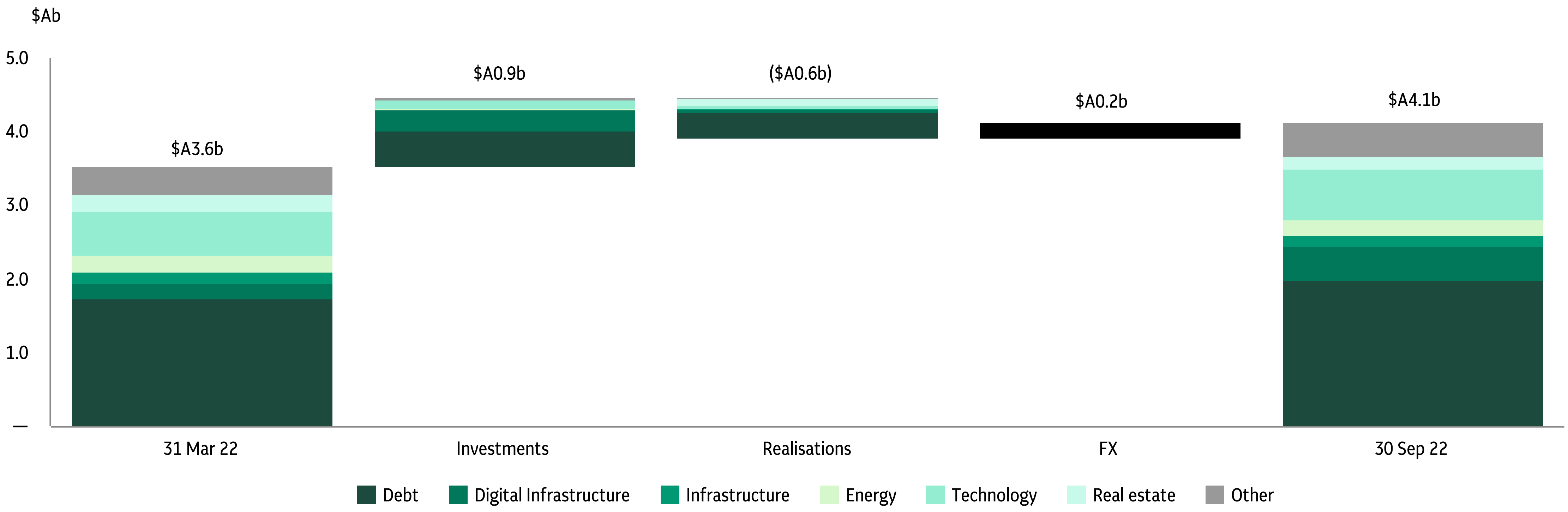
- Lower fee and commission income primarily driven by:
  - Lower capital markets fee income, which decreased 51% compared to the prior corresponding period due to weakening market conditions, particularly in the Americas and ANZ
  - Lower mergers and acquisitions fee income, which decreased 19% on a strong prior corresponding period, particularly in Europe and the Americas
- Higher operating expenses predominantly driven by higher employment costs, increased technology and compliance related charges and normalisation of travel expenses following the easing of COVID-19 restrictions
- Higher investment-related income primarily driven by:
  - Material asset realisations in the Americas and Europe, particularly in the real estate and digital infrastructure sectors

  Partially offset by:
  - Negative revaluation on equity investments and higher mark-to-market losses on underwriting positions due to deterioration in current macroeconomic conditions
- Higher net interest income from the private credit portfolio benefiting from book growth in FY22, with deployment continuing in the current period

  Partially offset by:
  - Higher credit impairment charges on the portfolio including origination ECL, impairments on a small number of underperforming credits and some deterioration in macroeconomic outlook

Macquarie Capital

Movement in capital



Note: All sectors excluding Debt are substantially equity investments.

Cost of regulatory compliance and technology spend

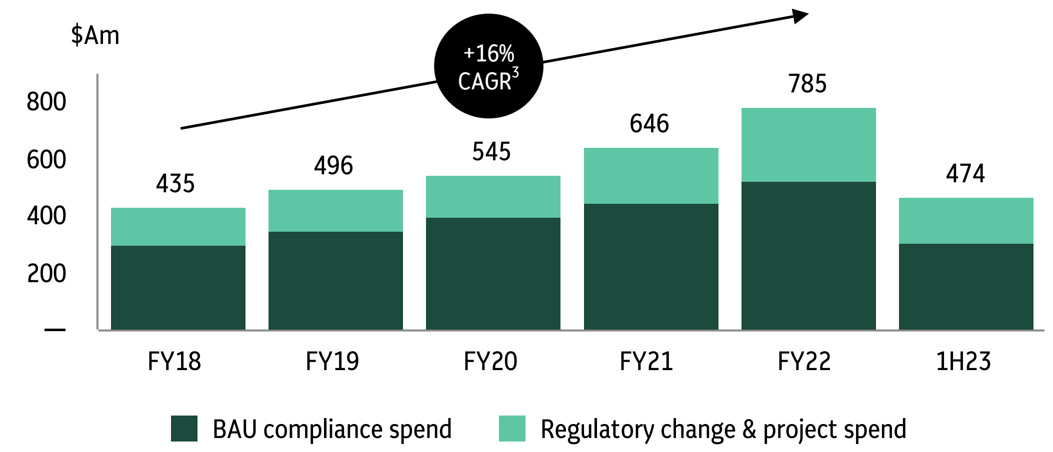
Total regulatory compliance

- The industry continues to see an increase in regulatory initiatives, resulting in increased compliance requirements across all levels of the organisation
- Direct cost of compliance is approx. $A474m in 1H23. This is up 41% on 1H22
  - Regulatory change and project spend increased 60% from 1H22 as a result of a number of technology projects. This includes work on end-to-end capital and liquidity transformation, APRA remediation and non-financial risk programs consistent with significant change in the regulatory environment
  - Business as usual (BAU) spend increased 33% from 1H22 driven by regulatory projects being completed and moved to BAU functions, increased global regulatory footprint (including Macquarie Bank Europe (MBE)) and continued focus of management on a range of compliance activities

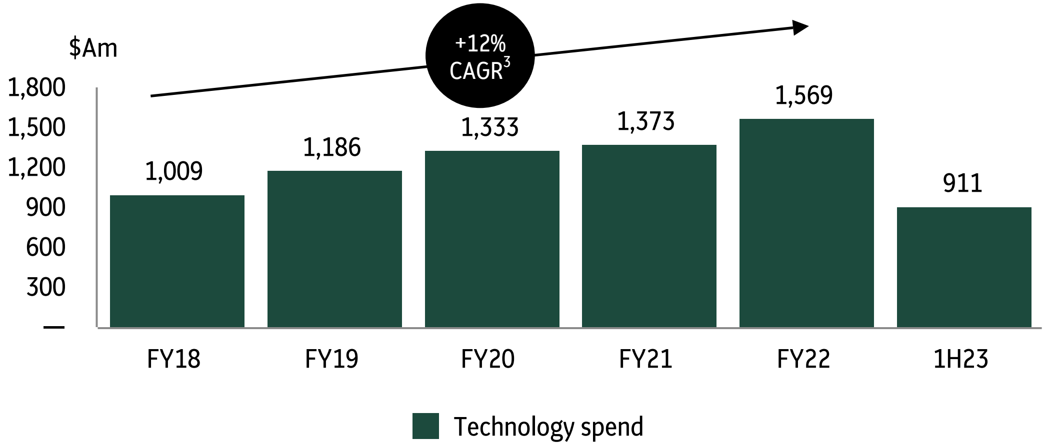
Technology

- The increase in total technology spend is due to investment in data, core platforms, digital functionality, end-to-end straight through processing, workplace technology, cloud, networks, and cybersecurity to drive efficiencies, support revenue growth and meet regulatory and compliance requirements

Total regulatory compliance spend[1]



Technology spend[2]



1. Includes technology spend incurred for regulatory compliance. 2. Total technology spend across the Group includes spend related to regulatory compliance. It includes remuneration paid to staff in the technology division, spend with technology vendors including market data and software licences and maintenance. 3. 4 year CAGR from FY18 to FY22.

Central Service Group priorities

Macquarie has made a significant investment in Central Service Group platforms to enable business growth and profitability

Corporate Operations Group (COG)

- Significant investment in modern scalable technology
- Continued investment in data
- Building capabilities to enable digital transformation

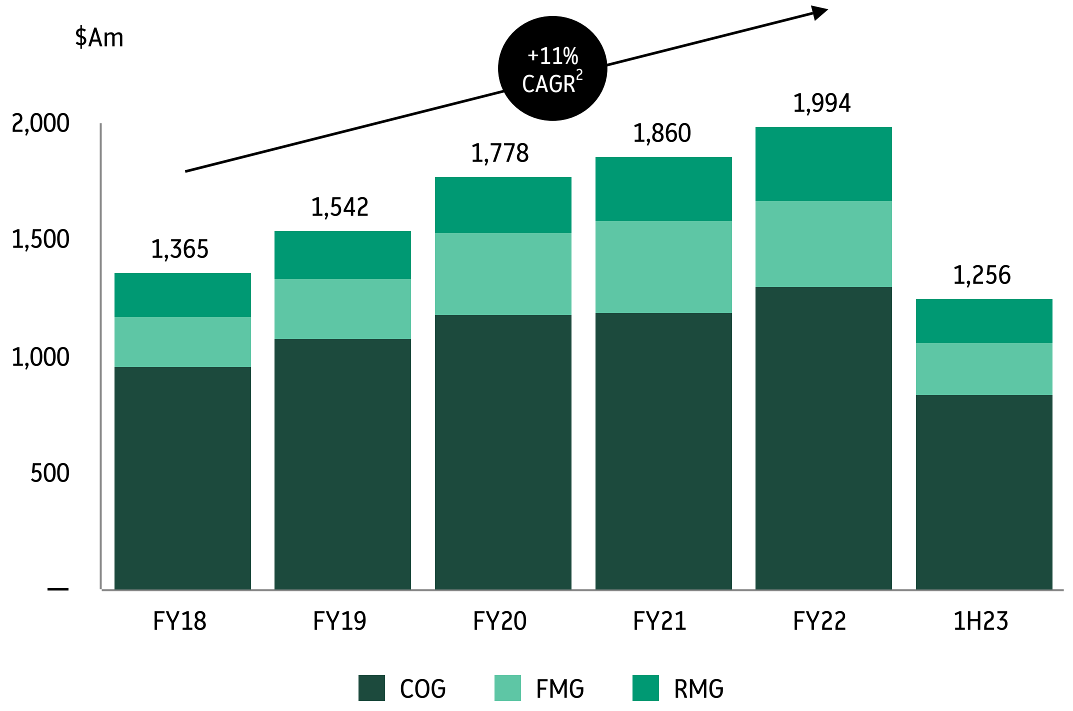
Financial Management Group (FMG)

- General Ledger upgrade
- Supporting increased regulatory and data governance requirements
- Tax, liquidity and capital management and reporting initiatives across the group (incl. MBL, MBE)

Risk Management Group (RMG)

- Risk management transformation
- Non-Financial Risk evolution
- Uplift in our prudential risk management capabilities

Central Service Group cost base[1]



1. Includes cost of regulatory compliance and technology spend by the Central Service Groups. 2. 4 year CAGR of 11% from FY18 to FY22.

Balance sheet highlights

- **Balance sheet remains solid and conservative**
  - Term assets covered by term funding, stable deposits, hybrids and equity
  - Short-term wholesale funding covered by cash, liquids and other short-term assets
- **Total customer deposits[1] continuing to grow, up 20% to $A122.0b as at Sep 22 from $A101.5b as at Mar 22**
- **$A15.4b[2] of term funding raised during 1H23:**
  - $A9.1b of term wholesale issued paper comprising of $A8.2b of senior unsecured debt and $A0.9b of subordinated unsecured debt
  - $A2.9b of SMART ABS securitisation issuance
  - $A1.7b refinance of secured trade finance facilities
  - $A0.9b of covered bond issuance; and
  - $A0.8b of MCN6 Hybrid instrument issuance
- **Credit ratings -** On 10 Oct 22, Fitch upgraded MGL's long-term rating from A-/Stable to A/Stable and the short-term rating from F-2 to F-1

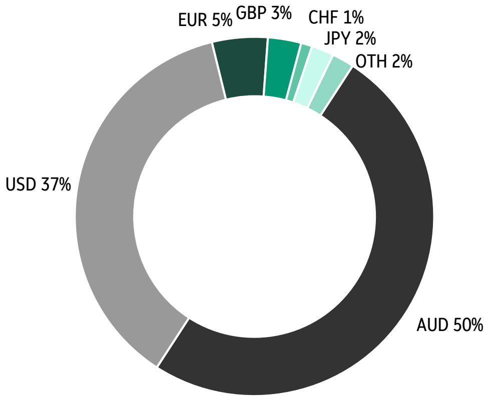
	MACQUARIE BANK LIMITED		MACQUARIE GROUP LIMITED	
	Short-term rating	**Long-term rating**	**Short-term rating**	**Long-term rating**
Moody's Investors Service	P-1	A2/Positive	P-2	A3/Positive
Standard and Poor's	A-1	A+/Stable	A-2	BBB+/Stable
Fitch Ratings	F-1	A/Stable	F-1	A/Stable

1. Total customer deposits as per the funded balance sheet ($A122.0b) differs from total deposits as per the statutory balance sheet ($A122.2b). The funded balance sheet reclassifies certain balances to other funded balance sheet categories. 2. Issuances cover a range of tenors, currencies and product types and are AUD equivalent based on FX rates at the time of issuance. Includes refinancing of loan facilities.

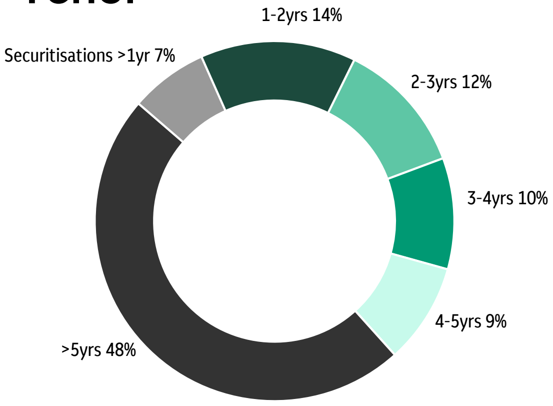
Diversified issuance strategy

Term funding as at 30 Sep 22 – diversified by currency[1], tenor[2] and type

Currency



Tenor



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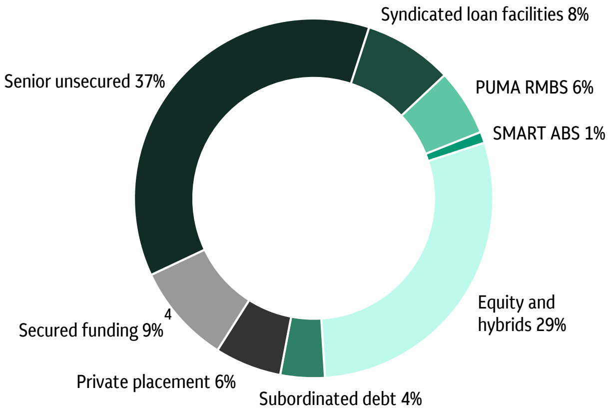
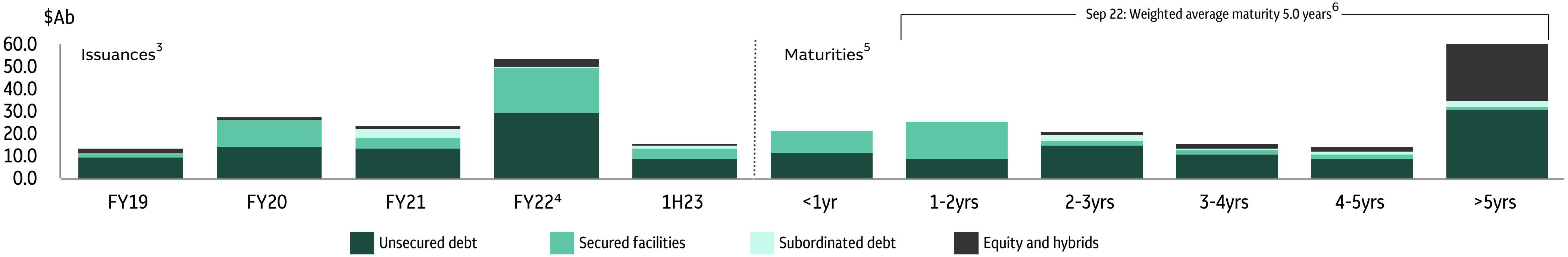


5.0 years WAM[6]
of Term funding excluding TFF
(4.7 years including TFF)

Term Issuance and Maturity Profile

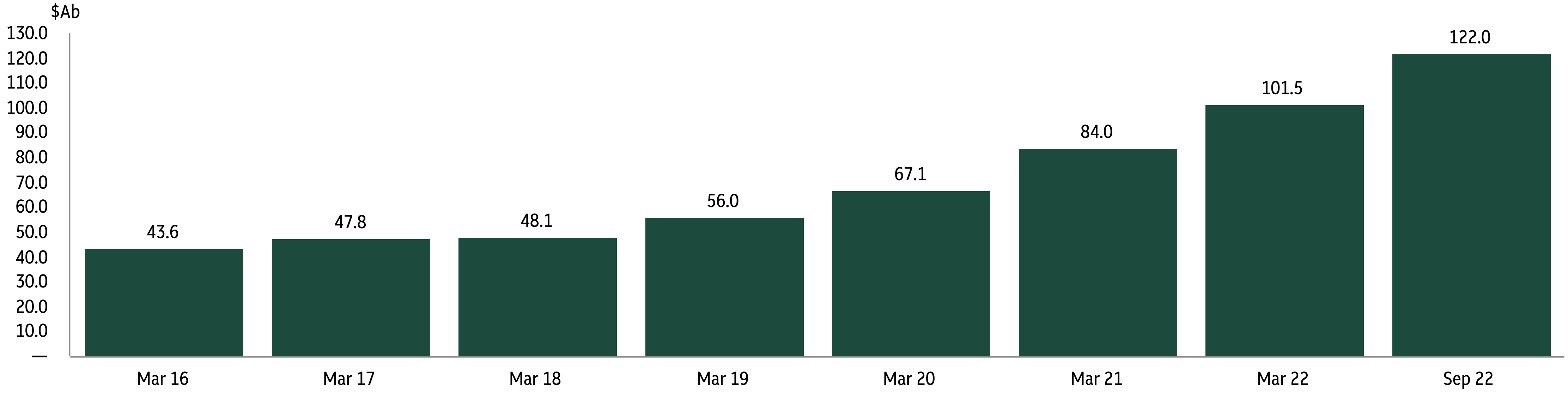


1. Equity has been allocated to the AUD currency category. 2. Securitisations have been presented on a behavioural basis and represent funding expected to mature in >1yr. 3. Issuances include refinancing of loan facilities and are converted to AUD at the 30 Sep 22 spot rate. 4. Includes RBA TFF.
5. Maturities are shown as at 30 Sep 22. 6. WAM represents weighted average term to maturity of term funding maturing beyond one year excluding equity and securitisations.

Continued customer deposit growth

Macquarie has seen continued success in its long-term strategy of diversifying funding sources by growing its deposit base

- Of more than 1.7 million BFS clients, ~986,000 are depositors
- Further diversification of the deposit base through growth in transactions and savings accounts and retail term deposits, underpinned by CMA and business bank deposit platforms



Note: Total customer deposits include total BFS deposits of $A116.7b and $A5.3b of Corporate/Wholesale deposits as at Sep 22.

Loan and lease portfolios[1] – funded balance sheet

Operating Group	Category	Sep 22 $Ab	Mar 22 $Ab	Description
BFS	Home loans	101.8	89.9	Secured by residential property
	Business banking	12.2	11.4	Loan portfolio secured largely by working capital, business cash flows and real property
	Car loans	7.1	8.7	Secured by motor vehicles
	Other	0.4	0.4	Includes credit cards
	Total BFS[2]	**121.5**	**110.4**	
CGM	Loans and finance lease assets	3.1	3.3	
	Operating lease assets	2.0	1.9	
	Asset finance	5.1	5.2	Predominantly secured by underlying financed assets
	Loan assets	2.9	2.7	
	Operating lease assets	0.6	0.7	
	Resources and commodities	3.5	3.4	Diversified loan portfolio primarily to the resources sector that are secured by the underlying assets with associated price hedging to mitigate risk
	Foreign exchange, interest rate and credit	6.7	6.5	Diversified lending predominantly consisting of loans which are secured by other loan collateral, assets including rights and receivables and warehoused security from mortgages and auto loans
	Other	0.3	0.3	Equity collateralised loans
	Total CGM	**15.6**	**15.4**	
MAM	Operating lease assets	1.0	0.9	Secured by underlying financed assets including transportation assets
	Total MAM	**1.0**	**0.9**	
MacCap	Corporate and other lending	15.0	11.9	Diversified corporate and real estate lending portfolio, predominantly consisting of loans which are senior, secured, covenanted and with a hold to maturity horizon
	Total MacCap	**15.0**	**11.9**	
Total loan and lease assets per funded balance sheet[3]		**153.1**	**138.6**	

1. Loan assets per the statutory balance sheet of $A148.9b at 30 Sep 22 ($A134.7b at 31 Mar 22) are adjusted to include fundable assets not classified as loans on a statutory basis (e.g. assets subject to operating leases which are recorded in Property, Plant and Equipment in the statutory balance sheet). 2. Per the funded balance sheet, figures for home loans of $A101.8b, business banking of $A12.2b and car loans of $A7.1b differ from the figures disclosed on slide 15 of $A101.0b, $A12.3b and $A7.3b respectively. The balances on slide 15 exclude capitalised costs, provisions, deferred income, accrued interest and establishment fees. 3. Total loan assets per funded balance sheet include self-securitised assets.

Equity investments of $A9.3b[1]

Category	Carrying value Sep 22 $Ab	Carrying value Mar 22 $Ab	Description
Macquarie Asset Management Private Markets-managed funds	1.6	1.5	Includes investments in new core infrastructure and new real estate funds
Investments acquired to seed new Private Markets-managed products and mandates	1.1	0.4	Includes investments acquired to seed new initiatives in the green energy sector, real estate and alternative adjacencies
Other Macquarie-managed funds	0.5	0.3	Includes investments in MAM Public Investments funds
Transport, industrial and infrastructure	1.6	1.3	Over 30 separate investments
Telecommunications, IT, media and entertainment	1.3	1.2	Over 45 separate investments
Green energy	1.3	1.6	Over 55 separate investments
Conventional energy, resources and commodities	0.5	0.5	Over 40 separate investments
Real estate investment, property and funds management	0.9	1.1	Over 20 separate investments
Finance, wealth management and exchanges	0.5	0.4	Includes investments in fund managers, investment companies, securities exchanges and other corporations in the financial services industry
Total equity investments	**9.3**	**8.3**	

1. Equity investments include subsidiaries and certain other assets held for investment purposes. Equity investments per the statutory balance sheet of $A7.5b (Mar 22: $A6.4b) have been adjusted to reflect the total net exposure to Macquarie. Total funded equity investments of $A7.4b as at Sep 22 (Mar 22: $A6.3b).

Regulatory update

Australia

APRA has finalised or is in the process of implementing changes to a number of prudential standards[1]. Macquarie notes the following key updates:

- APRA finalised its new bank capital framework, designed to embed "Unquestionably Strong" levels of capital, with a 1 Jan 23 implementation date[2]. The estimated pro forma impact on MGL's capital surplus above regulatory minimums as at 31 Mar 22 is a reduction of ~$A2.3b[3], largely on account of the increases to regulatory capital buffers. MGL's capital surplus has included a provision for these regulatory changes for some time.
- On 6 Jul 22, APRA released for consultation proposed amendments to CPS 511 - Remuneration (CPS 511), containing new disclosure requirements and a draft Reporting Standard CRS 511.0 Remuneration (draft CRS 511.0) to support the implementation of CPS 511 which comes into effect for Macquarie on 1 Jan 23[4]. The changes require all entities to publicly disclose information on remuneration design, governance and consequence management.
- APRA released a draft Cross-industry Prudential Standard CPS 230 – Operational Risk Management for consultation. CPS 230 will combine minimum standards for managing operational risk, including updated requirements for business continuity and service provider management, that apply to APRA-regulated entities. CPS 230's proposed commencement date is 1 Jan 24[5].
- As part of strengthening crisis preparedness and resolution capabilities, APRA commenced consultation on two draft prudential standards, CPS 190 Financial Contingency Planning (CPS 190) and CPS 900 Resolution Planning (CPS 900) on 2 Dec 21[6]. APRA's proposed new requirements aim to ensure that regulated entities are better prepared for situations that may threaten their viability. The consultation period closed on 29 Apr 22. APRA is in the process of finalising the standards, with the final version of CPS 190 expected later in 2022 and the final version of CPS 900 in the first half of 2023. Both prudential standards are expected to come into effect from the beginning of 2024.
- On 24 Oct 22, APRA advised it will undertake a review of the prudential framework for groups[7] including those that have a NOHC[8] in their structure, such as Macquarie Group. The review will commence with a Discussion Paper in the first half of 2023 to seek industry feedback on five key topics related to groups: financial resilience, governance, risk management, resolution and competition issues. APRA expects to consult on any revisions to the relevant standards over 2023-2024, with any changes effective from 2025.
- Macquarie has been working with APRA to strengthen the voice of MBL within the Group, and making good progress on a comprehensive remediation plan, including detailed programs of work across governance, remuneration, risk culture, regulatory reporting, prudential risk management, and a simplified group structure. The changes proposed under the plan, on which we will continue to deliver through FY23 and beyond, will have a positive impact on MBL through improved systems, frameworks, processes, and further strengthen its risk culture.

Germany

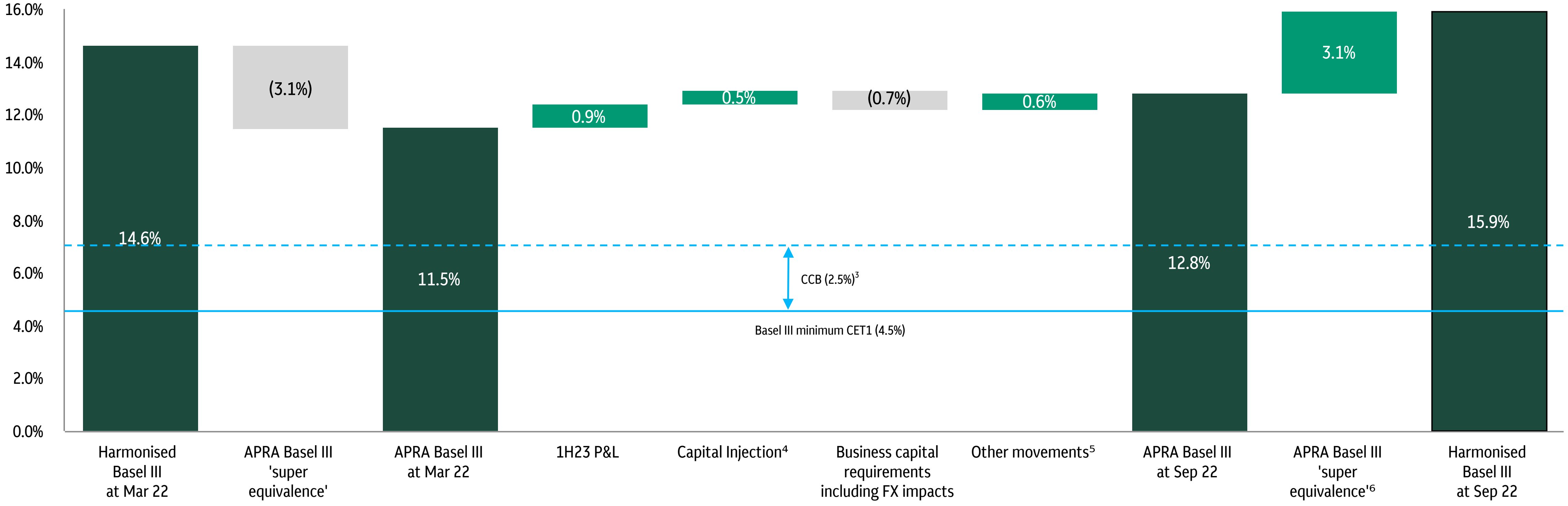
- The ongoing, industry-wide investigation in Germany relating to dividend trading has progressed in recent months. As previously noted, in total, the German authorities have designated as suspects approximately 100 current and former Macquarie staff, most of whom are no longer at Macquarie and there are a number of civil claims against Macquarie. Macquarie continues to respond to requests for information about its historical activities, and has provided for German dividend trading matters.

1. These changes include APS 110, APS 112, APS 113, APS 115, APS 116, APS 117, APS 180, APS 210. 2. 'APRA finalises new bank capital framework designed to strengthen financial system resilience'; 29 Nov 21. 3. This estimate includes the impact of finalised standards for APS 110, 112, 113 and 115. Assumes a default level Australian CCyB of 1.0%, which combined with the increase in the CCB of 1.25% gives rise to an increase in the regulatory minimum of 1.75% based on Macquarie's business and geographic mix as at 31 Mar 22. 4. 'APRA releases final remuneration standard'; 27 Aug 21. 5. 'APRA consults on new prudential standard to strengthen operational resilience'; 28 Jul 22. 6. 'APRA moves to strengthen crisis preparedness in banking, insurance and superannuation'; 2 Dec 21. 7. 'APRA releases letter on a review of the prudential framework for groups'; 24 Oct 22. 8. Non-Operating Holding Company.

Bank Group Basel III Common Equity Tier 1 (CET1) Ratio

- APRA Basel III Level 2 CET1 ratio at Sep 22: 12.8%[1]
- Harmonised Basel III Level 2 CET1 ratio at Sep 22: 15.9%[2]

Bank Group Level 2 Common Equity Tier 1 Ratio: Basel III (Sep 22)

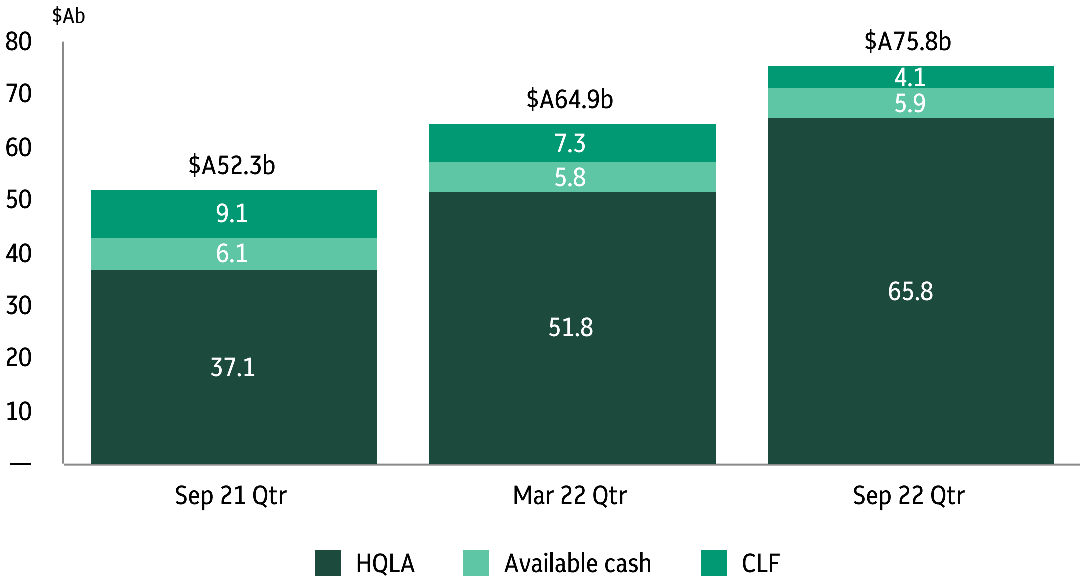


1. Basel III applies only to the Bank Group and not the Non-Bank Group. APRA Basel III Tier 1 ratio at Sep 22: 14.6%. 2. 'Harmonised' Basel III estimates are calculated in accordance with the BCBS Basel III framework, noting that MBL is not regulated by the BCBS and so impacts shown are indicative only. Harmonised Basel III Tier 1 ratio at Sep 22: 17.9%. 3. Based on materiality, the countercyclical capital buffer (CCyB) of ~1bps has not been included. The individual CCyB varies by jurisdiction and the Bank Group's CCyB is calculated as a weighted average based on exposures in different jurisdictions. 4. Includes $A0.6b capital injection from MGL on 30 Jun 22. 5. Includes movements in the foreign currency translation reserve and other movements. 6. APRA Basel III 'super-equivalence' includes the impact of changes in capital requirements in areas where APRA differs from the BCBS Basel III framework, including: the treatment of mortgages 1.7%; capitalised expenses 0.5%; equity investments 0.3%; investment into deconsolidated subsidiaries 0.1%; and DTAs 0.4%; IRRBB 0.1%.

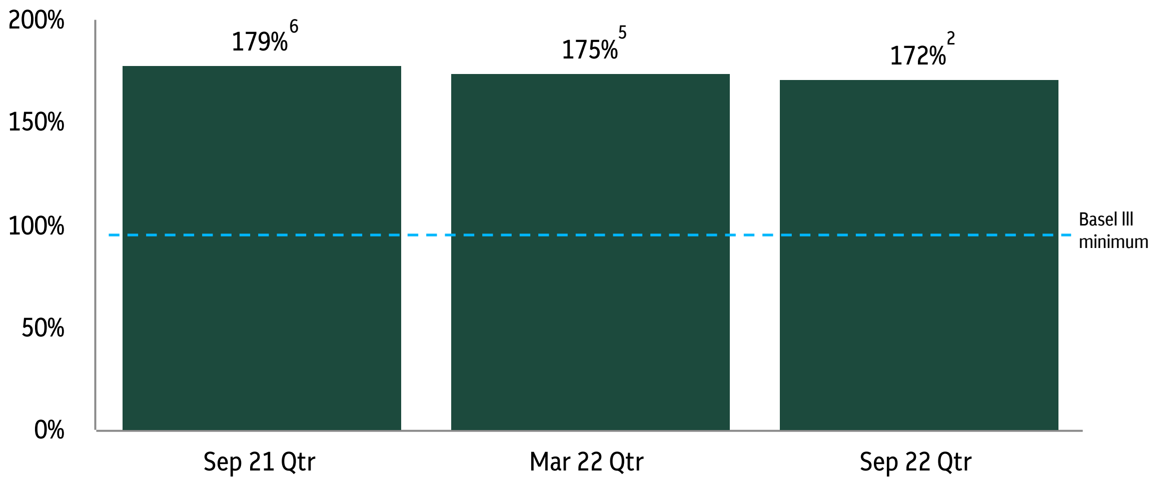
Strong liquidity position maintained

- 172% average LCR for Sep 22 quarter, based on daily observations[1]
  - Maintained well above regulatory minimum
  - Excludes CLF allocation[2]
- Reflects longstanding conservative approach to liquidity management
- $A75.8b of unencumbered liquid assets and cash on average over the quarter to Sep 22 (post applicable haircuts)

MBL Unencumbered Liquid Asset Portfolio[3,4]



MBL LCR position[1,3]



1. APRA imposed a 15% add-on to the Net Cash Outflow component of Macquarie Bank's LCR calculation effective from 1 Apr 21. This add-on increased to 25% from 1 May 22. 2. LCR average for Sep 22 quarter excludes CLF allocation which reduced from $A4.9b to $A2.4b on 1 Sep 22 in line with APRA's phase down timeline (183% including CLF allocation). MBL's CLF will reduce to zero by the end of 2022 in accordance with APRA's requirement. 3. Represents quarterly average balances. 4. In addition to the portfolio in MBL, unencumbered liquid assets are also maintained in other Macquarie entities such as Macquarie Bank Europe and Macquarie Financial Holdings Pty Ltd. 5. LCR average for Mar 22 quarter excludes CLF allocation (195% including CLF allocation). 6. LCR average for Sep 21 quarter includes CLF allocation.

Capital management update

Dividend Reinvestment Plan

- On 4 July 2022, 2,736,737 ordinary shares were issued and allocated at $A177.11[1] per share under the DRP reflecting a total issuance of $A485m.
- The Board has resolved that no discount will apply for the 1H23 DRP and the shares are to be acquired on-market[2].

Macquarie Group Employee Retained Equity Plan (MEREP)

- On 21 Jun 22, the acquisition of Macquarie ordinary shares pursuant to the Macquarie Group Employee Retained Equity Plan (MEREP) was completed. A total of $A923m[3] of shares were purchased at a weighted average purchase price of $A168.81 per share.

Eligible Hybrid Capital

- On 15 Jul 22, MGL issued 7,500,000 Macquarie Group Capital Notes 6 (MCN6) at an issue price of $A100 each, raising $A750m.

Tier 2 Capital - Loss-Absorbing Capacity (LAC)

- On 7 Jun 22, MBL issued $A850m of Tier 2 capital as part of its program to meet Loss-Absorbing Capacity requirements.

1. The DRP price was determined in accordance with the DRP Rules, being the arithmetic average of the daily volume-weighted average price of all Macquarie Group shares sold through a Normal Trade on the ASX automated trading system over the five business days from 23 May 22 to 27 May 22. 2. Shares will be issued if purchasing becomes impractical or inadvisable. 3. As announced on 21 Jun 22, the additional shares purchased (compared to initial estimates) are primarily due to allocations to staff in recently acquired businesses.

MACQUARIE

04

Outlook

Shemara Wikramanayake

Managing Director and
Chief Executive Officer

Short-term outlook

Factors impacting short-term outlook

Annuity-style businesses	Markets-facing businesses

Non-Banking Group

Macquarie Asset Management (MAM)

- Base fees expected to be broadly in line, with raising and deployment in Private Markets and the impact of recent Public Investments acquisitions, substantially offset by unfavourable market movements
- Net Other Operating Income[1] expected to be significantly down due to non repeat of MIC gains partially offset by higher performance fees
- Green Investment Group expected to be significantly down due to strong FY22 performance. Material gains on realisations in 1H23 not expected to recur in 2H23

Macquarie Capital (MacCap)

Subject to market conditions:

- Transaction activity is expected to be substantially down on a record FY22, with market conditions weakening in FY23
- Investment-related income expected to be broadly in line with FY22 with increased revenue from growth in the Principal Finance credit portfolio, offset by lower revenue from asset realisations. Material realisations in 1H23 not expected to recur in 2H23
- Continued balance sheet deployment in both debt and equity investments

Banking Group

Banking and Financial Services (BFS)

- Growth in loan portfolio, deposits and platform volumes
- Market dynamics to continue to drive margins
- Ongoing monitoring of provisioning
- Higher expenses to support volume growth, technology investment and regulatory requirements

Commodities and Global Markets[2] (CGM)

Subject to market conditions, which make forecasting difficult:

- Commodities income including the impact of timing of income recognition on gas and power transport and storage contracts is expected to be up following a strong 1H23
- Increased contribution from the Financial Markets platform across client and trading activity
- Continued contribution from Asset Finance across sectors (excluding FY22 gain on disposal of certain assets)

Corporate

- Compensation ratio expected to be within the range of historical levels
- The FY23 effective tax rate is expected to be within the range of recent historical outcomes

1. Net Other Operating Income includes all operating income excluding base fees as well as income related to GIG. 2. Certain assets of the Credit Markets business and certain activities of the Commodity Markets and Finance business, and some other less financially significant activities are undertaken from within the Non-Banking Group.

Short-term outlook

The range of factors that may influence our short-term outlook include:

- Market conditions including: global economic conditions, inflation and interest rates, significant volatility events, and the impact of geopolitical events
- Completion of period-end reviews and the completion rate of transactions
- The geographic composition of income and the impact of foreign exchange
- Potential tax or regulatory changes and tax uncertainties

We continue to maintain a cautious stance, with a conservative approach to capital, funding and liquidity that positions us well to respond to the current environment

Medium-term outlook

Macquarie remains well-positioned to deliver superior performance in the medium term

Deep expertise in major markets

Build on our strength in business and geographic diversity and continue to adapt our portfolio mix to changing market conditions

- Annuity-style income is primarily provided by two Operating Groups' businesses which are delivering superior returns following years of investment and acquisitions
  - Macquarie Asset Management and Banking and Financial Services
- Two markets-facing businesses well positioned to benefit from improvements in market conditions with strong platforms and franchise positions
  - Commodities and Global Markets and Macquarie Capital

Ongoing program to identify cost saving initiatives and efficiency

Ongoing technology spend across the group

Strong and conservative balance sheet

- Well-matched funding profile with short-term wholesale funding covered by short-term assets and cash and liquid assets
- Surplus funding and capital available to support growth

Proven risk management framework and culture

Medium-term outlook

Annuity-style businesses	Markets-facing businesses

Non-Banking Group

Macquarie Asset Management (MAM)

- Global specialist asset manager, well-positioned to respond to current market conditions and grow assets under management through its diversified product offering, track record and experienced investment teams
- Commitment to investing and managing its portfolio in line with global net zero emissions by 2040; integration of Green Investment Group to provide strong momentum as the transition to net zero accelerates

Macquarie Capital (MacCap)

- Continues to support clients globally across themes including tech-enabled innovation, energy transition and sustainability
- Opportunities for balance sheet investment alongside clients and infrastructure project development
- Continues to tailor the business offering to current opportunities and market conditions including providing flexible capital solutions across sectors and regions
- Positioned to respond to changes in transaction activity

Banking Group

Banking and Financial Services (BFS)

- Growth opportunities through intermediary and direct retail client distribution, platforms and client service
- Opportunities to increase financial services engagement with existing business banking clients and extend into adjacent segments
- Modernising technology to improve client experience and support growth

Commodities and Global Markets[1] (CGM)

- Opportunities to grow the commodities business, both organically and through acquisition
- Development of institutional and corporate coverage for specialised credit, rates and foreign exchange products
- Tailored financing solutions globally across a variety of industries and asset classes
- Continued investment in the asset finance portfolio
- Supporting the client franchise as markets evolve, particularly as it relates to the energy transition
- Growing the client base across all regions

1. Certain assets of the Credit Markets business and certain activities of the Commodity Markets and Finance business and some other less financially significant activities are undertaken from within the Non-Banking Group.

Approximate business Basel III Capital and ROE

30 Sep 22

Operating Group	APRA Basel III Capital @ 8.5% ($Ab)	Approx. 1H23 Return on Ordinary Equity[1]	Approx. 16-year Average Return on Ordinary Equity[2]
Annuity-style businesses	**10.9**		
Macquarie Asset Management	5.7	22%	22%
Banking and Financial Services	5.2		
Markets-facing businesses	**12.3**		
Commodities and Global Markets	8.2	20%	16%
Macquarie Capital	4.1		
Corporate	**1.8**		
Total regulatory capital requirement @ 8.5%	25.0		
Group surplus	12.2		
Total APRA Basel III capital supply	**37.2**[3]	**15.6%**	**14%**

1. NPAT used in the calculation of approximate 1H23 ROE is based on Operating Groups' annualised net profit contribution adjusted for indicative allocations of profit share, tax and other corporate items. Accounting equity is attributed to businesses based on quarterly average allocated ordinary equity. 2. 16-year average covers FY07 to FY22, inclusive, and has not been adjusted for the impact of business restructures or changes in internal P&L and capital attribution. 3. Comprising of $A31.4b of ordinary equity and $A5.8b of hybrids.

MACQUARIE

Presentation to investors and analysts

Result announcement
for the half year ended
30 September 2022

28 October 2022

MACQUARIE

05

Appendix A

Detailed Result Commentary

Macquarie Asset Management

Result

	1H23 $Am	2H22 $Am	1H22 $Am
Base fees	1,378	1,409	1,362
Performance fees	237	217	177
Investment-related and other income[1]	993	1,800	791
Credit and other impairment (charges)/reversals	(3)	(143)	44
Net operating income	2,605	3,283	2,374
Brokerage, commission and fee expenses	(193)	(225)	(207)
Other operating expenses	(1,004)	(1,124)	(1,075)
Total operating expenses	(1,197)	(1,349)	(1,282)
Non-controlling interests	(6)	(2)	5
Net profit contribution	1,402	1,932	1,097
AUM ($Ab)	795.6	773.1	735.5
Private Markets EUM ($Ab)	188.5	158.3	158.8
Headcount	2,607	2,674	2,630

- Base fees of $A1,378m, broadly in line with 1H22
  - Increase was mainly due to fund raising and investments made by Private Markets-managed funds and mandates, Public Investments acquisitions in the prior year and foreign exchange movements
  - These were offset by negative market movements and outflows in Public Investments equities funds and asset realisations in Private Markets-managed funds
- Performance fees of $A237m, up on 1H22
  - 1H23 included performance fees from a range of funds including MIP III, MEIF4, and other Private Markets-managed funds and managed accounts
  - 1H22 included performance fees from a range of funds including MIP III, MEIF4, and other Private Markets-managed funds, managed accounts and co-investors
- Investment-related and other income of $A993m, up on 1H22 primarily driven by
  - Timing of asset realisations in the green energy sector
  - Partially offset by significant investment-related and other income from the disposition of assets in MIC in the prior corresponding period
- Credit and other impairment charges of $A3m, down on 1H22 primarily driven by reversal of the impairment previously recognised on MAM's investment in MIC and an impairment on an underperforming equity investment in the green energy sector in 1H22
- Total operating expenses of $A1,197m, down on 1H22 primarily driven by
  - Higher one-off acquisition and integration costs in 1H22 primarily on acquisition of Waddell & Reed
  - Partially offset by higher employment costs, investment in technology and foreign exchange movements

1. Investment-related income includes net income on equity, debt and other investments and share of net (losses)/profits from associates and joint ventures. Other income includes other fee and commission income, net interest and trading expense, other income and internal management revenue.

Banking and Financial Services

Result

	1H23 $Am	2H22 $Am	1H22 $Am
Net interest and trading income[1]	1,214	998	974
Fee and commission income	233	237	220
Wealth management fee income	151	157	147
Banking and lending fee income	82	80	73
Credit and other impairment reversals/(charges)	(9)	53	(31)
Other (expenses)/income[2]	(15)	10	—
Net operating income	1,423	1,298	1,163
Total operating expenses	(843)	(779)	(681)
Net profit contribution	580	519	482
Funds on platform ($Ab)	111.4	118.6	116.4
Loan portfolio[3] ($Ab)	121.0	110.2	98.7
BFS Deposits[4] ($Ab)	116.7	98.0	88.2
Headcount	3,512	3,359	3,152

- Net interest and trading income of $A1,214m, up 25% on 1H22
  - 20% growth in the average loan portfolio and 24% growth in the average BFS deposit volumes
  - margin improvement reflecting the benefit of a rising interest rate environment, partially offset by ongoing lending competition and changes in portfolio mix
- Fee and commission income of $A233m, up 6% on 1H22
  - 4% growth in average platform FUA resulting in higher administration and adviser fees, together with higher volume-driven lending fee income
- Credit and other impairments charges of $A9m, down 71% on 1H22
  - release of provisions in car loans due to run-off in the portfolio, partly offset by growth in the remaining loan portfolio and some deterioration in the macroeconomic outlook
- Other expenses of $A15m in 1H23 mainly driven by the revaluation of an equity investment
- Total operating expenses of $A843m, up 24% on 1H22
  - higher headcount and investment in technology to support business growth and to support regulatory requirements
  - high inflation environment reflected in remuneration increases

1. Includes net internal transfer pricing on funding between Group Treasury and BFS that is eliminated on consolidation in the Group's statutory P&L. 2. Includes share of net losses from associates and joint ventures, internal management revenue and other income. 3. Loan portfolio comprises home loans, loans to businesses, car loans and credit cards. 4. BFS deposits include home loan offset accounts and exclude corporate/wholesale deposits.

Commodities and Global Markets

Result

	1H23 $Am	2H22 $Am	1H22 $Am
Commodities	1,889	2,070	1,254
Risk management	1,496	1,084	949
Lending and financing	184	96	116
Inventory management and trading	209	890	189
Foreign exchange, interest rates and credit	644	512	376
Equities	178	211	183
Asset Finance	63	61	65
Net interest and trading income[1]	**2,774**	**2,854**	**1,878**
Fee and commission income	296	279	228
Net operating lease income[2]	174	183	152
Investment and other income[3]	47	101	569
Credit and other impairment charges	(35)	(7)	(58)
Net operating income	3,256	3,410	2,769
Brokerage, commission and fee expenses	(211)	(194)	(195)
Other operating expenses	(1,049)	(1,034)	(845)
Total operating expenses	(1,260)	(1,228)	(1,040)
Net profit contribution	1,996	2,182	1,729
Headcount	2,272	2,179	2,120

- Commodities income of $A1,889m, up 51% on 1H22;
  - Risk management up 58% on a strong 1H22 with gains across the platform, particularly in Gas and Power, Resources and Global Oil due to increased client hedging activity as a result of elevated levels of volatility and price movements in commodity markets.
  - Lending and financing up 59% on 1H22 due to increased volumes in energy sectors.
  - Inventory management and trading up 11% on 1H22, the current period included trading gains from supply and demand imbalances recorded primarily in North American Gas and Power. This was largely offset by the unfavourable impact of timing of income recognition, primarily on Gas and Power storage and transport contracts. Higher gas storage volumes, notably in EMEA, and spread dislocation have led to a significantly higher adverse impact compared with the prior corresponding period
- Foreign exchange, interest rates and credit income of $A644m, up 71% on 1H22 with continued strong client activity in structured foreign exchange and interest rate products in addition to increased financing activity.
- Equities income of $A178m, down 3% on 1H22 due to a reduced contribution from trading-related activities.
- Asset Finance income of $A63m, down 3% on 1H22.
- Fee and commission income of $A296m, up 30% on 1H22 primarily due to increased brokerage activity and the timing of fees on specific deals.
- Net operating lease income of $A174m, up 14% on 1H22 due to increased revenue contributions in the resources sector.
- Investment and other income of $A47m, down significantly on 1H22 due to the gain on the partial sale of the UK Meters portfolio of assets in 1H22.
- Credit and other impairment charges down 40% on 1H22 due to reduced specific provisions, partially offset by increase modelled provisions reflecting some deterioration in the macroeconomic outlook.
- Brokerage, commission and fee expenses of $A211m, up 8% on 1H22, due to increased trading and brokerage activities.
- Other operating expenses of $A1,049m, up 25% on 1H22 driven by higher expenditure on employment, technology platform and infrastructure, and increased compliance related charges.

1. Includes internal net interest expense and transfer pricing on funding provided by Group Treasury that is eliminated on consolidation in the Group's statutory P&L. 2. Generated from Asset Finance. 3. Includes net income on equity, debt and other investments, share of net profits from associates and joint ventures, internal management revenue and other income.

Macquarie Capital

Result

	1H23 $Am	2H22 $Am	1H22 $Am
Net interest and trading income[1]	154	256	158
Fee and commission income	664	1,003	865
Investment-related income[2] (ex non-controlling interests)	652	621	470
Credit and other impairment charges	(195)	(225)	(137)
Internal management revenue[3]	12	15	14
Net operating income	1,287	1,670	1,370
Total operating expenses	(711)	(670)	(600)
Loss/(Profit) attributable to non-controlling interests	19	(155)	(94)
Net profit contribution	595	845	676
Capital markets activity[4]:			
Number of transactions	150	223	253
Transactions value ($Ab)	164	226	231
Headcount	1,625	1,568	1,555

- Net interest and trading income of $A154m, down 3% on 1H22 primarily due to higher mark-to-market losses on underwriting positions related to a deterioration in current macroeconomic conditions, broadly offset by higher net interest income from the private credit portfolio benefiting from book growth in FY22, with deployment continuing in the current period.
- Fee and commission income of $A664m, down 23% on 1H22 primarily due to lower capital markets fee income driven by weakening market conditions, particularly in the Americas and ANZ and lower mergers and acquisitions fee income on a strong 1H22, particularly in Europe and the Americas.
- Investment-related income of $A652m, up 39% on 1H22 driven by material asset realisations in the Americas and Europe, particularly in the real estate and digital infrastructure sectors. This was partially offset by negative revaluation on equity investments.
- Credit and other impairment charges of $A195m, up 42% on 1H22 primarily due to a small number of underperforming equity investments.
- Total operating expenses of $A711m, up 19% on 1H22 was predominantly driven by higher employment costs, increased technology and compliance related charges, and normalisation of travel expenses post COVID-19.
- Loss attributable to non-controlling interests of $A19m in 1H23, moved significantly compared to 1H22, due to the non-recurrence of gains attributable on disposal.

1. Represents the interest earned from debt investments and the funding costs associated with Macquarie Capital's balance sheet positions. 2. Includes gains and losses from sale and revaluation of equity, debt and other investments, share of net losses from associates and joint ventures and, other income/(expenses). 3. Internal revenue allocations are eliminated on consolidation in the Group's statutory P&L. 4. Source: Dealogic and IJGlobal for Macquarie Group completed M&A, investments, ECM and DCM transactions converted as at the relevant reporting date. Deal values reflect the full transaction value and not an attributed value.

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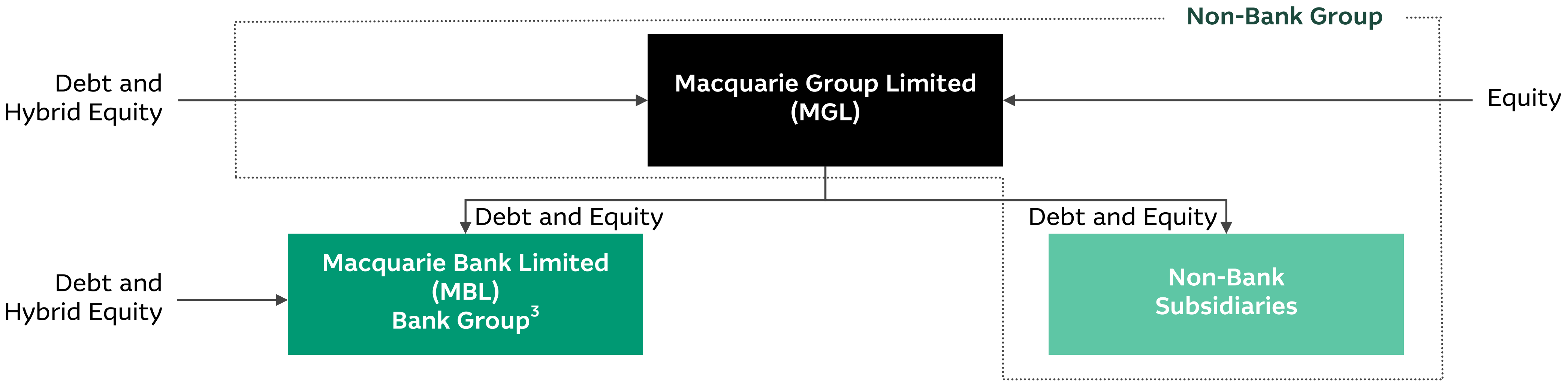
Appendix B

Additional Information

Funding

Macquarie funding structure

- MGL and MBL are Macquarie's two primary external funding vehicles which have separate and distinct funding, capital and liquidity management arrangements
- MBL provides funding to the Bank Group[1]
- MGL provides funding predominantly to the Non-Bank Group[2]



1. The Bank Group comprises BFS and CGM (excluding certain assets of the Credit Markets business, certain activities of the Commodity Markets and Finance business and some other less financially significant activities which are undertaken from within the Non-Bank Group). 2. The Non-Bank Group comprises Macquarie Capital, MAM and certain assets of the Credit Markets business, certain activities of the Commodity Markets and Finance business and some other less financially significant activities of CGM. 3. MBL is the primary external funding vehicle for the Bank Group. Macquarie International Finance Limited (MIFL) also operates as an external funding vehicle for certain subsidiaries within the Bank Group.

Funded balance sheet reconciliation

- The funded balance sheet is a simple representation of Macquarie's funding requirements once accounting related gross-ups and self-funded assets have been netted down from the statement of financial position. The funded balance sheet is not a liquidity risk management tool, as it does not consider the granular liquidity profiling of all on and off-balance sheet components considered in both Macquarie's internal liquidity framework and the regulatory liquidity metrics
- A funded balance sheet reconciliation has been prepared to reconcile the reported assets of Macquarie to the assets that require funding

	Sep 22 $Ab	Mar 22 $Ab	Sep 21 $Ab
Total assets per statement of financial position	**486.6**	**399.2**	**348.6**
Accounting deductions:			
Derivative revaluation accounting gross-ups	(111.7)	(84.5)	(78.0)
Segregated funds	(12.4)	(7.4)	(9.1)
Outstanding trade settlement balances	(5.6)	(5.8)	(7.4)
Working capital assets	(15.5)	(13.4)	(10.8)
Non-controlling interests	(0.3)	(0.2)	(0.3)
Self-funded assets:			
Self-funded trading assets	(33.5)	(20.7)	(17.1)
Non-recourse and security backed funding	(1.1)	(1.3)	(1.0)
Net funded assets per funded balance sheet	**306.5**	**265.9**	**224.9**

Note: For an explanation of the above deductions refer to slide 62.

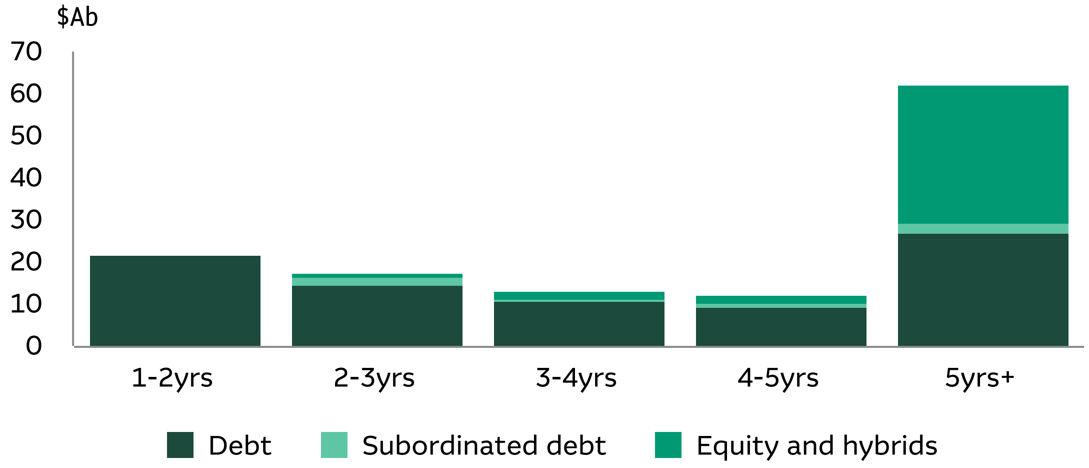
Funding for Macquarie

	Sep 22 $Ab	Mar 22 $Ab	Sep 21 $Ab
Funding sources			
Certificates of deposit	1.2	0.7	0.4
Commercial paper	37.9	35.1	24.3
Net trade creditors	—	2.4	0.3
Structured notes	1.4	1.3	1.5
Secured funding	28.7	27.5	25.2
Bonds	60.6	48.8	39.8
Other loans	1.6	1.4	1.4
Syndicated loan facilities	10.3	9.1	6.4
Customer deposits	122.0	101.5	91.5
Subordinated debt	5.7	4.6	5.0
Equity and hybrids	37.1	33.5	29.1
Total funding sources	**306.5**	**265.9**	**224.9**
Funded assets			
Cash and liquid assets	101.0	93.8	65.2
Net trading assets	36.1	27.1	31.6
Net trade debtors	0.2	—	—
Other loan assets including operating lease assets less than one year	12.6	13.2	11.9
Home loans	99.5	83.0	69.5
Other loan assets including operating lease assets greater than one year	38.7	35.5	33.4
Debt investments	6.0	2.5	2.4
Co-investment in Macquarie-managed funds and other equity investments	7.4	6.3	6.6
Property, plant and equipment and intangibles	5.0	4.5	4.3
Total funded assets	**306.5**	**265.9**	**224.9**

1.. As at 30 Sep 22. 2. Includes drawn term funding facilities only.

- Well diversified funding sources
- Term assets covered by term funding, stable deposits, hybrids and equity
- Short-term wholesale funding covered by cash, liquids and other short-term assets
- Deposit base represents 40%[1] of total funding sources
- Term funding beyond one year (excluding TFF, equity and securitisations) has a weighted average term to maturity of 5.0 years[1] (including TFF 4.7 years)

Macquarie's term funding maturing beyond one year (includes Equity and hybrids)[2]

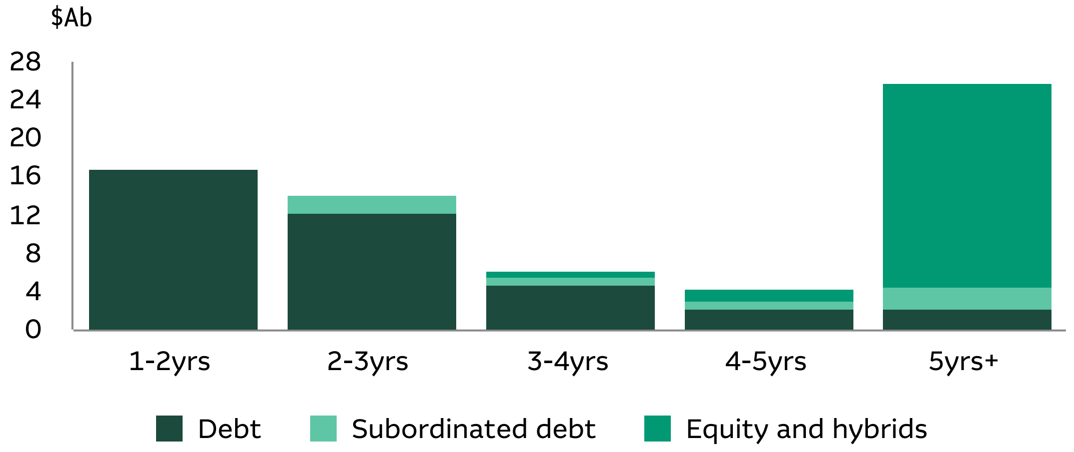


Funding for the Bank Group

	Sep 22 $Ab	Mar 22 $Ab	Sep 21 $Ab
Funding sources			
Certificates of deposit	1.2	0.7	0.4
Commercial paper	37.9	35.1	24.3
Net trade creditors	—	1.4	0.7
Structured notes	0.4	0.4	0.5
Secured funding	28.2	26.6	24.8
Bonds	23.2	21.5	18.5
Other loans	1.5	1.2	1.2
Syndicated loan facilities	3.3	2.8	—
Customer deposits	122.0	101.5	91.5
Subordinated debt	5.7	4.6	5.0
Equity and hybrids	23.1	20.3	18.4
Total funding sources	**246.5**	**216.1**	**185.3**
Funded assets			
Cash and liquid assets	85.0	78.6	53.9
Net trading assets	32.2	24.3	30.4
Net trade debtors/(creditors)	(1.3)	—	—
Other loan assets including operating lease assets less than one year	11.6	12.2	11.2
Home loans	99.5	83.0	69.5
Other loan assets including operating lease assets greater than one year	23.4	23.5	24.1
Debt investments	3.6	1.4	1.3
Non-Bank Group balances with the Bank Group	(9.1)	(8.3)	(6.4)
Co-investment in Macquarie-managed funds and other equity investments	0.7	0.6	0.5
Property, plant and equipment and intangibles	0.9	0.8	0.8
Total funded assets	**246.5**	**216.1**	**185.3**

- Bank balance sheet remains liquid and well capitalised, with a diverse range of funding sources
- Term funding beyond one year (excluding TFF, equity and securitisations) has a weighted average term to maturity of 3.6 years[1] (including TFF 3.2 years)
- Accessed term funding across a variety of products and jurisdictions

Bank Group term funding maturing beyond one year (includes Equity and hybrids)[2]



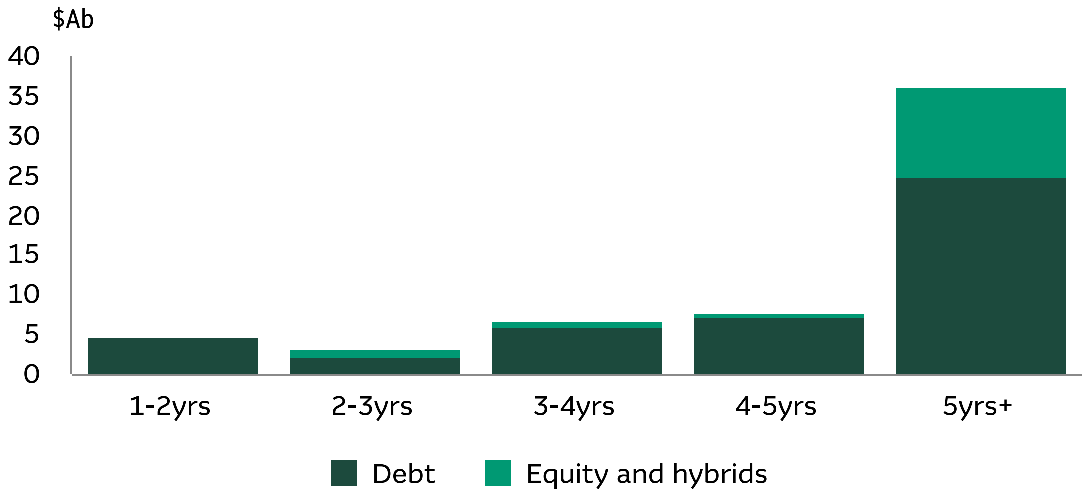
1. As at 30 Sep 22. 2. Includes drawn term funding facilities only.

Funding for the Non-Bank Group

	Sep 22 $Ab	Mar 22 $Ab	Sep 21 $Ab
Funding sources			
Net trade (debtors)/creditors	—	1.0	(0.4)
Structured notes	1.0	0.9	1.0
Secured funding	0.5	0.9	0.4
Bonds	37.4	27.3	21.3
Other loans	0.1	0.2	0.2
Syndicated loan facilities	7.0	6.3	6.4
Equity and hybrids	14.0	13.2	10.7
Total funding sources	**60.0**	**49.8**	**39.6**
Funded assets			
Cash and liquid assets	16.0	15.2	11.3
Non-Bank Group balances with the Bank Group	9.1	8.3	6.4
Net trading assets	3.9	2.8	1.2
Net trade debtors	1.5	—	—
Other loan assets including operating lease assets less than one year	1.0	1.0	0.7
Other loan assets including operating lease assets greater than one year	15.3	12.0	9.3
Debt investments	2.4	1.1	1.1
Co-investment in Macquarie-managed funds and other equity investments	6.7	5.7	6.1
Property, plant and equipment and intangibles	4.1	3.7	3.5
Total funded assets	**60.0**	**49.8**	**39.6**

- Non-Bank Group is predominantly term funded
- Term funding beyond one year (excluding equity) has a weighted average term to maturity of 5.8 years[1]
- Accessed term funding across a variety of products and jurisdictions

Non-Bank Group term funding maturing beyond one year (includes Equity and hybrids)[2]



1. As at 30 Sep 22. 2. Includes drawn term funding facilities only.

Explanation of funded balance sheet reconciling items

Derivative revaluation accounting gross-ups

Macquarie's derivative activities are mostly client driven with client positions hedged by offsetting positions with a variety of counterparties. The derivatives are largely matched and this adjustment reflects that the matched positions do not require funding. The associated margins paid and received are included as part of self-funded trading assets.

Segregated funds

These represent the assets and liabilities that are recognised where Macquarie holds segregated client monies. The client monies will be matched by assets held to the same amount. Any excess client funds placed with Macquarie are netted down against cash and liquid assets.

Outstanding trade settlement balances

At any particular time Macquarie will have outstanding trades to be settled as part of its brokering business and trading activities. These amounts (payables) can be offset in terms of funding by amounts that Macquarie is owed on other trades (receivables).

Working capital assets

As with the outstanding trade settlement balances, Macquarie through its day-to-day operations generates working capital assets (e.g. receivables and prepayments) and working capital liabilities (e.g. creditors and accruals) that produce a 'net balance' that either requires or provides funding.

Non-controlling interests

These include the portion of equity ownership in subsidiaries not attributable to Macquarie. As this is not a position that Macquarie is required to fund, it is netted against the consolidated assets and liabilities in preparing the funded balance sheet.

Self-funded trading assets

Macquarie enters into stock borrowing and lending as well as repurchase agreements and reverse repurchase agreements in the normal course of trading activity that it conducts with its clients and counterparties, as well as for liquidity management purposes. Also as part of its trading activities, Macquarie pays and receives margin collateral on its outstanding derivative positions. These trading and liquidity management related asset and liability positions are viewed as being self-funded to the extent that they offset one another and, therefore, are netted as part of this adjustment.

Non-recourse and security backed funding

These include assets funded by third party debt with no recourse to Macquarie beyond the borrowing entity.

Conservative long standing liquidity risk management framework

Liquidity Policy

The liquidity risk appetite is intended to ensure that Macquarie is able to meet all of its liquidity obligations during a period of liquidity stress:

- A twelve month period with constrained access to funding markets for MBL, no access to funding markets for MGL and with only a limited reduction in Macquarie's franchise businesses

Term assets are funded by term funding, stable deposits, hybrids and equity

Liquidity Framework

A robust liquidity risk management framework is designed to ensure that both MGL and MBL are able to meet their obligations as they fall due under a range of market conditions.
Key tools include:

- Liability driven approach to balance sheet management
- Scenario analysis
- Maintenance of unencumbered liquid asset holdings

Liquidity management is performed centrally by Group Treasury, with oversight from the MGL and MBL Asset and Liability Committees, the MGL and MBL Boards and the Risk Management Group

The MGL and MBL Boards approve the liquidity policies and are provided with liquidity reporting on a regular basis

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Appendix C

Additional Information

Capital

Macquarie Basel III regulatory capital

Surplus calculation

30 Sep 22	Harmonised Basel III[1] $Am	APRA Basel III[1] $Am	
Macquarie eligible capital			
Bank Group Gross Tier 1 capital	23,121	23,121	
Non-Bank Group eligible capital	14,099	14,099	
Eligible capital	**37,220**	**37,220**	**(a)**
Macquarie capital requirement:			
Bank Group capital requirement			
Risk-Weighted Assets (RWA)[2]	124,615	135,417	
Capital required to cover RWA[3] at 8.5%	10,592	11,510	
Tier 1 deductions	635	3,245	
Total Bank Group capital requirement	11,227	14,755	
Total Non-Bank Group capital requirement	10,278	10,278	
Total Macquarie capital requirement (at 8.5% [3] of the Bank Group RWA)	**21,505**	**25,033**	**(b)**
Macquarie regulatory capital surplus (at 8.5% [3] of Bank Group RWA)	**15,715**	**12,187**	**(a)-(b)**

1. 'Bank Group' refers to Level 2 regulatory group. 2. In calculating the Bank Group's contribution to Macquarie's capital requirement, RWA internal to Macquarie are eliminated (30 Sep 22: $A947m). 3. Calculated at 8.5% RWA including capital conservation buffer (CCB), per APRA ADI Prudential Standard 110. Based on materiality, the countercyclical capital buffer (CCyB) of ~1bps has not been included. The individual CCyB varies by jurisdiction and the Bank Group's CCyB is calculated as a weighted average based on exposures in different jurisdictions.

Macquarie APRA Basel III regulatory capital

Bank Group contribution

30 Sep 22	Risk-weighted assets $Am	Tier 1 Deductions $Am	Capital Requirement[1] $Am
Credit risk			
On balance sheet	58,535		4,975
Off balance sheet	54,035		4,593
Credit risk total[2]	**112,570**		**9,568**
Market risk	10,773		916
Operational risk	10,495		892
Interest rate risk in the banking book	1,579		134
Tier 1 deductions	—	3,245	3,245
Contribution to Group capital calculation[2]	**135,417**	**3,245**	**14,755**

1. Calculated at 8.5% RWA including capital conservation buffer (CCB), per APRA ADI Prudential Standard 110. Based on materiality, the countercyclical capital buffer (CCyB) of ~1bps has not been included. The individual CCyB varies by jurisdiction and the Bank Group's CCyB is calculated as a weighted average based on exposures in different jurisdictions. 2. In calculating the Bank Group's contribution to Macquarie's capital requirement, RWA internal to Macquarie are eliminated (30 Sep 22: $A947m).

Macquarie regulatory capital

Non-Bank Group contribution

- APRA has specified a regulatory capital framework for Macquarie
- A dollar capital surplus is produced; no capital ratio calculation is specified
- The Non-Bank Group's capital is calculated using Macquarie's ECAM
- The ECAM is based on similar principles and models as the Basel III regulatory capital framework for banks, with both calculating capital at a one year 99.9% confidence level

Risk[1]	Basel III	ECAM
Credit	• Capital requirement generally determined by Basel III IRB formula, with some parameters specified by the regulator (e.g. loss given default)	• Capital requirement generally determined by Basel III IRB formula, but with internal estimates of key parameters
Equity	• Harmonised Basel III: 250%, 300% or 400% risk weight, depending on the type of investment. Deduction from Common Equity Tier 1 above a threshold • APRA Basel III: 100% Common Equity Tier 1 deduction[2]	• Extension of Basel III credit model to cover equity exposures. Capital requirement between 34% and 84% of face value; average 54%
Market	• 3 times 10 day 99% Value at Risk (VaR) plus 3 times 10 day 99% Stressed VaR plus a specific risk charge	• Scenario-based approach
Operational	• Advanced Measurement Approach	• Advanced Measurement Approach

1. The ECAM also covers non-traded interest rate risk and the risk on assets held as part of business operations, including: fixed assets, goodwill, intangible assets and capitalised expenses. 2. Includes all Banking Book equity investments, plus net long Trading Book holdings in financial institutions.

Macquarie regulatory capital

Non-Bank Group contribution

30 Sep 22	Assets $Ab	Capital Requirement $Am	Equivalent Risk Weight
Funded assets			
Cash and liquid assets	16.0	293	23%
Loan assets[1]	16.3	1,664	128%
Debt investments	2.4	144	75%
Co-investment in Macquarie-managed funds and other equity investments	6.0	3,170	661%
Co-investment in Macquarie-managed funds and other equity investments (relating to investments that hedge DPS plan liabilities)	0.7		
Property, plant & equipment and intangibles	4.1	2,012	613%
Non-Bank Group balances with the Bank Group	9.1		
Net trade debtors	1.5		
Net trading assets	3.9		
Total funded assets	**60.0**	**7,283**	
Accounting Deductions			
Derivative revaluation accounting gross-ups	0.4		
Segregated funds	0.6		
Outstanding trade settlement balances	3.3		
Working capital assets	11.4		
Non-controlling interests	0.3		
Self-funded assets			
Self funded trading assets	(2.7)		
Assets funded non-recourse	1.1		
Total self-funded and non-recourse assets	**14.4**		
Total Non-Bank Group assets	**74.4**		
Equity commitments		1,204	
Off balance sheet exposures, operational, market & other risk, and diversification offset[2]		1,791	
Non-Bank Group capital requirement		**10,278**	

1. Includes operating lease assets. 2. Capital associated with net trading assets (e.g. market risk capital) and net trade debtors has been included here.

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Appendix D

Glossary

Glossary

$A / AUD	Australian Dollar
$US / USD	United States Dollar
£ / GBP	Pound Sterling
€	Euro
1H22	Half Year ended 30 September 2021
1H23	Half Year ended 30 September 2022
1Q23	Three months ended 30 June 2022
2H22	Half Year ending 31 March 2022
2H23	Half Year ending 31 March 2023
2Q23	Three months ended 30 September 2022
ABN	Australian Business Number
ADI	Authorised Deposit-Taking Institution
ALX	Atlas Arteria
AML	Anti-Money Laundering
ANZ	Australia and New Zealand
Approx.	Approximately
APRA	Australian Prudential Regulation Authority
ASX	Australian Securities Exchange
AUM	Assets under Management
BCBS	Basel Committee on Banking Supervision
BFS	Banking and Financial Services
CAGR	Compoud Annual Growth Rate
Capex	Capital Expenditure
CCB	Capital Conservation Buffer
CET1	Common Equity Tier 1
CGM	Commodities and Global Markets

CLF	Committed Liquidity Facility
CMA	Cash Management Account
CRM	Customer Relationship Management
CY20	Calendar Year ending 31 December 2020
CY21	Calendar Year ending 31 December 2021
DCM	Debt Capital Markets
DPS	Dividends Per Share
DRP	Dividend Reinvestment Plan
DTA	Deferred Tax Asset
ECAM	Economic Capital Adequacy Model
ECL	Expected Credit Losses
ECM	Equity Capital Markets
EMEA	Europe, the Middle East and Africa
EPS	Earnings Per Share
EUM	Equity Under Management
FCTR	Foreign currency translation reserve and net investment hedge reserve
FX	Foreign Exchange
FY17	Full Year ended 31 March 2017
FY18	Full Year ended 31 March 2018
FY19	Full Year ended 31 March 2019
FY20	Full Year ended 31 March 2020
FY21	Full Year ending 31 March 2021
FY22	Full Year ending 31 March 2022
FY23	Full Year ending 31 March 2023
GIF II	Macquarie Global Infrastructure Fund 2
GIF III	Macquarie Global Infrastructure Fund 3

Glossary

GIG	Green Investment Group
IPO	Initial Public Offering
IRB	Internal Ratings-Based
IFRS	International Financial Reporting Standards
IMTT	International-Matex Tank Terminals
IT	Information Technology
LBO	Leveraged Buyout
LCR	Liquidity Coverage Ratio
M&A	Mergers and Acquisitions
MacCap	Macquarie Capital
MAM	Macquarie Asset Management
MBL	Macquarie Bank Limited
MD&A	Management Discussion & Analysis
MEIF4	Macquarie European Infrastructure Fund 4
MEREP	Macquarie Group Employee Retained Equity Plan
MFAA	Mortgage and Finance Association of Australia
MFHPL	Macquarie Financial Holdings Pty Limited
MGL / MQG	Macquarie Group Limited
MGSA	Macquarie Group Services Australia
MIC	Macquarie Infrastructure Corporation
MiFID	Markets in Financial Instruments Directive
MIFL	Macquarie International Finance Limited
MIP III	Macquarie Infrastructure Partners Fund 3
MPA	Mortgage Professional Australia
MSCIF	Macquarie Super Core Infrastructure Fund

MW	Mega Watt
MWDC	Mega Watt direct current
MWhr	Mega Watt hour
NFR	Non-Financial Risk
NGLs	Natural gas liquids
No.	Number
NPAT	Net Profit After Tax
NPC	Net Profit Contribution
NSFR	Net Stable Funding Ratio
OTC	Over-The-Counter
P&L	Profit and Loss
PCP	Prior Corresponding Period
PPE	Property, Plant and Equipment
PPP	Public Private Partnership
RBA	Reserve Bank of Australia
ROE	Return on Equity
RWA	Risk Weighted Assets
SBI	State Bank of India
SME	Small and Medium Enterprise
SMSF	Self Managed Super Fund
TFF	Term Funding Facility
UK	United Kingdom
US	United States of America
VaR	Value at Risk

MACQUARIE

Presentation to investors and analysts

Result announcement
for the half year ended
30 September 2022

28 October 2022