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ASX/Media Release

MACQUARIE GROUP CAPITAL NOTES 3 OFFER OPENS

Sydney, 15 May 2018 – Macquarie Group Limited (ASX: MQG; ADR: MQBKY) (“MGL”) today announced that it has opened its offer of Macquarie Group Capital Notes 3 (the “Offer”) (“MCN3”).

As previously advised, the Offer consists of:

- an Institutional Offer to Institutional Investors;
- a Broker Firm Offer – made to retail and high net worth clients of Syndicate Brokers, who are resident in Australia, or high net worth clients of Syndicate Brokers who are resident in New Zealand resident, and who are invited to apply under the Broker Firm Offer;
- a Reinvestment Offer – made to Eligible MCN Holders to apply to reinvest the redemption proceeds of all or some of their MCN in MCN3; and
- a Securityholder Offer – made to holders of Ordinary Shares (ASX: MQG; ADR: MQBKY), Macquarie Group Capital Notes (ASX: MQGPA), Macquarie Bank Capital Notes (ASX: MBLPA), Macquarie Group Capital Notes 2 (ASX: MQGPB), or Macquarie Income Securities (ASX: MBLHB) as at 7.00pm (Sydney time) on Friday, 4 May 2018, who are resident in Australia (and not otherwise prevented from receiving the Offer under the securities laws of another jurisdiction, as determined by MGL).

As announced on Wednesday, 9 May 2018, the Margin was set at 4.00% per annum, which was at the bottom of the expected Margin range of 4.00% to 4.20% per annum. MGL has allocated a total of \$A900 million in firm commitments to Syndicate Brokers and Institutional Investors.

The final size of the Offer will depend on the volume of Applications received and accepted under the Reinvestment Offer and Securityholder Offer but will not exceed \$A1 billion. The Reinvestment Offer and Securityholder Offer may be scaled. No interest is paid on application money that is refunded. Reinvestment Applicants will be given a priority in allocations over Securityholder Applicants (refer to the Replacement Prospectus for further details).

Indicative timetable

Key dates for the Offer	Date
Closing Date for the Offer	5.00pm Friday, 1 June 2018
Issue Date	Thursday, 7 June 2018
MCN3 commence trading on ASX on a deferred settlement basis	Friday, 8 June 2018
Holding Statements despatched by	Wednesday, 13 June 2018
MCN3 commence trading on ASX on a normal settlement basis	Thursday, 14 June 2018

Key dates for Reinvestment Offer for Eligible MCN Holders

Expected last date for trading in MCN	Monday, 28 May 2018
Record date for distribution on MCN	Wednesday, 30 May 2018
Closing Date for the Reinvestment Offer	5.00pm Friday, 1 June 2018
Payment date for distribution on MCN	Thursday, 7 June 2018
Issue Date	Thursday, 7 June 2018
MCN3 commence trading on ASX on a deferred settlement basis	Friday, 8 June 2018
Holding Statements despatched by	Wednesday, 13 June 2018
MCN3 commence trading on ASX on a normal settlement basis	Thursday, 14 June 2018

Full details of this Offer and the terms and conditions of the MCN3 are set out in the Replacement Prospectus lodged with the Australian Securities and Investments Commission ("ASIC") and Australian Securities Exchange ("ASX") today. Participants wishing to invest in MCN3 should complete the Application Form (either electronic or paper) included in or accompanying the Replacement Prospectus.

The Replacement Prospectus is also available on www.MCN3Offer.com.au, or by calling the MCN3 Offer Information Line on 1300 420 406 (within Australia) or on +61 1300 420 406 (International) (Monday to Friday 8.30am - 5.30pm, (Sydney time)).

Further information

MCN3 are complex investments and not suitable for all investors. Potential investors should read the Replacement Prospectus in its entirety before deciding whether to apply to invest in MCN3. If any part of the Replacement Prospectus is unclear, we recommend investors seek guidance from a financial adviser or other professional adviser.

If you have any questions about MCN3 or the Offer, you should seek advice from your financial adviser or other professional adviser. You can also call the MCN3 Offer Information Line on 1300 420 406 (within Australia) or on +61 1300 420 406 (International) (Monday to Friday, 8.30am - 5.30pm, Sydney time). Applicants under the Broker Firm Offer may also call their Syndicate Broker.

Definitions

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

Disclaimer

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

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

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

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