



**ASX/Media Release**

**Macquarie notes APRA's update on capital management**

**Sydney, 8 April 2020** – Macquarie Group (ASX: MQG, ADR: MQBKY) notes yesterday's letter from APRA to all Australian authorised deposit taking institutions and insurers.

Macquarie acknowledges APRA's guidance that ADIs should, over at least the next couple of months, take a forward-looking view on the need to conserve capital, use stress testing to inform those views and initiate prudent capital management actions in response. Macquarie also acknowledges APRA's guidance in relation to executive cash bonuses.

Macquarie will work through the details of APRA's recommendations as Macquarie's Board considers final FY20 dividend amounts and any other relevant measures with appropriate consideration to APRA's guidance. Macquarie is scheduled to lodge its FY20 results with the ASX on 8 May 2020.

Macquarie Group Limited's (MGL) pro forma capital surplus<sup>1</sup> was \$A5.3b at 31 December 2019 and Macquarie Bank Limited's (MBL) pro forma Tier 1 Capital Ratio was 12.7% on an APRA basis. MBL's long-term issuer rating was upgraded to A+ from A by Standard & Poor's on 11 December 2019.

Macquarie recognises its role in supporting Australian households, businesses and the broader economy during this period of significant disruption. After the global COVID-19 pandemic was declared, Macquarie moved quickly to provide support to clients globally. Various individual and business clients of Macquarie's Personal and Banking businesses are able to immediately defer loan repayments for up to six months and access a range of other support measures. Macquarie has also allocated an additional \$A20 million to the Macquarie Group Foundation to help address areas of immediate and medium-term need in Australia and across the regions in which Macquarie operates.

**Contacts**

Sam Dobson	Macquarie Group Investor Relations	+61 2 8232 9986
Lisa Jamieson	Macquarie Group Media Relations	+61 2 8232 6016

This document has been authorised for release by Dennis Leong, Company Secretary

<sup>1</sup> As per ASX announcement 13 March 2020. Calculated at 8.5% RWA including the capital conservation buffer (CCB), per APRA ADI Prudential Standard 110; Based on materiality, the 8.5% used to calculate the Group capital surplus does not include the countercyclical capital buffer (CCyB) of ~13bps. The individual CCyB varies by jurisdiction and the Bank Group's CCyB is calculated as a weighted average based on exposures in different jurisdictions.