



Announcement Summary

Entity name

MACQUARIE BANK LIMITED

Announcement Type

New announcement

Date of this announcement

Monday May 11, 2020

The Proposed issue is:

☒ A non pro rata offer of securities under a disclosure document or product disclosure statement (PDS)

Total number of +securities proposed to be issued for a non pro rata offer of securities under a disclosure document or product disclosure statement (PDS)

ASX +Security Code	+Security Description	Maximum Number of +securities to be issued
n/a	Macquarie Bank Capital Notes 2 (BCN2)(ASX: MBLPB)	4,000,000

Closing date for receipt of acceptances

Friday May 29, 2020

Proposed +issue date

Tuesday June 2, 2020

Refer to next page for full details of the announcement



Part 1 - Entity and announcement details

1.1 Name of +Entity

MACQUARIE BANK LIMITED

We (the entity named above) give ASX the following information about a proposed issue of +securities and, if ASX agrees to +quote any of the +securities (including any rights) on a +deferred settlement basis, we agree to the matters set out in Appendix 3B of the ASX Listing Rules.

1.2 Registered Number Type

ABN

Registration Number

46008583542

1.3 ASX issuer code

MBL

1.4 The announcement is

☒ New announcement

1.5 Date of this announcement

Monday May 11, 2020

1.6 The Proposed issue is:

☒ A non-+pro rata offer of +securities under a +disclosure document or +PDS



Part 5 - Details of proposed non-pro rata offer under a disclosure document or PDS

Part 5A - Conditions

5A.1 - Are any of the following approvals required for the non-pro rata offer of securities under a disclosure document or PDS?

- Security holder approval
- Court approval
- Lodgement of court order with ASIC
- ACCC approval
- FIRB approval
- Another approval/condition external to the entity

☒ No

Part 5B - Offer details

Is the proposed security a 'New class' (securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional securities in a class that is already quoted or recorded by ASX)?

☒ New class

Will the proposed issue of this security include an offer of attaching securities?

☒ No

Details of securities proposed to be issued

ISIN Code (if Issuer is a foreign company and securities are non CDIs)

Have you received confirmation from ASX that the terms of the proposed securities are appropriate and equitable under listing rule 6.1?

☒ Yes

Will the entity be seeking quotation of the 'new' class of securities on ASX?

☒ Yes

ASX Security Code

New class-code to be confirmed

Security Description

Macquarie Bank Capital Notes 2 (BCN2)(ASX: MBLPB)

Security Type

Convertible Debt Securities

Maximum Number of securities proposed to be issued

4,000,000



Minimum Number of +securities proposed to be offered to each individual +security holder

Maximum Number of +securities proposed to be offered to each individual +security holder

Minimum subscription \$ amount proposed to be offered to each individual security holder

Maximum subscription \$ amount proposed to be offered to each individual security holder

Purpose of the issue

As at the Issue Date, BCN2 will constitute regulatory capital of MBL which satisfy APRA's regulatory capital requirements. The BCN2 and MBL's other regulatory capital instruments and equity capital provide a buffer which protects Senior Creditors against losses that may be incurred by MBL. The net proceeds of the Offer will be used for general corporate purposes.

In what currency will the offer be made?

AUD - Australian Dollar

What is the offer price per +security?

AUD 100.00000

Offer price details for institutional security holders

Could offer price per +security be determined by bookbuild?

☒ No

Oversubscription & Scale back details

Are +security holders allowed to oversubscribe?

☒ Yes

Provide the oversubscription details

Please refer to the Prospectus lodged with ASX on 11 May 2020 which contains the terms of the offer. There is no maximum limit or value of over-subscriptions under the offer that MBL may accept. Applications under the Securityholder Offer must be for a minimum of 50 BCN2 (\$5,000).

May a scale back be applied to this event?

☒ Yes

Provide the scale back details

MBL has discretion to determine the method and extent of allocations.

Will all the +securities issued in this class rank equally in all respects from their issue date?

☒ Yes

Convertible Debt +Securities details

These securities are:

Convertible

Type of security

Capital Note

**+Security Currency**

AUD - Australian Dollar

Face Value

AUD 100.0000

Interest Rate Type

Floating rate

Frequency of Coupon/Interest Payments Per Year

Quarterly

First Payment Date

Monday September 21, 2020

Interest Rate (p.a.)

4.09330 %

Is Interest Rate (p.a.) estimated at this time?☒ Yes**If Interest rate (p.a.) is estimated, then date of information to be released, if known**

Wednesday June 3, 2020

Is Reference Rate, Base Rate or Market Rate applicable. eg. BBSW/CPI?☒ Yes**Margin Rate (p.a.)**

4.70000 %

Is Margin rate (p.a.) estimated at this time?☒ Yes**If Margin Rate (p.a.) is estimated, then date of information to be released, if known**

Friday May 15, 2020

s128F of the Income Tax Assessment Act status applicable to the security

Not applicable

Is the security Perpetual (ie. No maturity)?☒ Yes**Is the Security Subordinated?**☒ Yes**Is the Security Secured?**☒ No**Select other features applicable to the security**☒ Non-Cumulative**Is a First Trigger Date on which conversion, redemption, call or put can occur (whichever is first) applicable?**☒ Yes**If Yes, then provide First Trigger Date**

Sunday December 21, 2025

Details of the existing class of +security that will be issued upon exercise or conversion of this new class of +security

Other

Description

BCN2 may exchange into a variable number of Macquarie Group Limited Ordinary Shares

Please provide any further information relating to the principal terms of the +securities



Part 5C - Timetable

5C.1 Lodgement date of +disclosure document or +PDS with ASIC

Monday May 11, 2020

5C.2 Date when +disclosure document or +PDS and acceptance forms will be made available to investors

Tuesday May 19, 2020

5C.3 Offer open date

Tuesday May 19, 2020

5C.4 Closing date for receipt of acceptances

Friday May 29, 2020

5C.6 Proposed +issue date

Tuesday June 2, 2020

Part 5E - Fees and expenses

5E.1 Will there be a lead manager or broker to the proposed offer?

☒ Yes

5E.1a Who is the lead manager/broker?

The Joint Lead Managers are Macquarie Capital (Australia) Limited, ANZ Securities Limited, Citigroup Global Markets Australia Pty Limited, Commonwealth Bank of Australia, E&P Corporate Advisory Pty Limited, Morgans Financial Limited, National Australia Bank Limited, Ord Minnett Limited and Westpac Institutional Bank.

5E.1b What fee, commission or other consideration is payable to them for acting as lead manager/broker?

Please refer to section 6.7 of the Prospectus for details of the fees payable to the Joint Lead Managers.

5E.2 Is the proposed offer to be underwritten?

☒ No

5E.3 Will brokers who lodge acceptances or renunciations on behalf of eligible +security holders be paid a handling fee or commission?

☒ Yes

5E.3a Will the handling fee or commission be Dollar based or Percentage based?

☒ Percentage based (%)



5E.3b Amount of any handling fee or commission payable to brokers who lodge acceptances on behalf of investors

1.400000 %

5E.3c Please provide any other relevant information about the handling fee or commission method

MBL will be responsible for paying Syndicate Brokers who are not affiliates of a Joint Lead Manager any fees which they are entitled to be paid in connection with the Offer. Any fees which are payable to Syndicate Brokers who are affiliates of a Joint Lead Manager in connection with the Offer will be paid by the Joint Lead Manager with whom the relevant Syndicate Broker is affiliated.

5E.4 Details of any other material fees or costs to be incurred by the entity in connection with the proposed offer

Please refer to section 6.8 of the Prospectus for details in relation to the expenses of the Offer.

Part 5F - Further Information

5F.1 Will the entity be changing its dividend/distribution policy if the proposed offer is successful?

☒ No

5F.2 The entity's allocation policy for the offer, including whether or not acceptances from existing +security holders will be given priority

Please refer to section 7.5 of the Prospectus for details in relation to the allocation policy for the Offer.

5F.3 URL on the entity's website where investors can download the +disclosure document or +PDS

www.MBCN2.com.au

5F.4 Any other information the entity wishes to provide about the proposed offer

Investors should read the Prospectus in full before deciding to invest in BCN2 and consider the risks that could affect the performance of BCN2.