MACQUARIE

Presentation to investors and analysts

Result announcement for the half year ended 30 September 2020

6 November 2020

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This presentation may contain forward looking statements – that is, statements relating 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 2020.

Certain financial information in this presentation is prepared on a different basis to the Financial Report within the Macquarie Group Interim Financial Report ("the Financial Report") for the half-year ended 30 September 2020, 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.

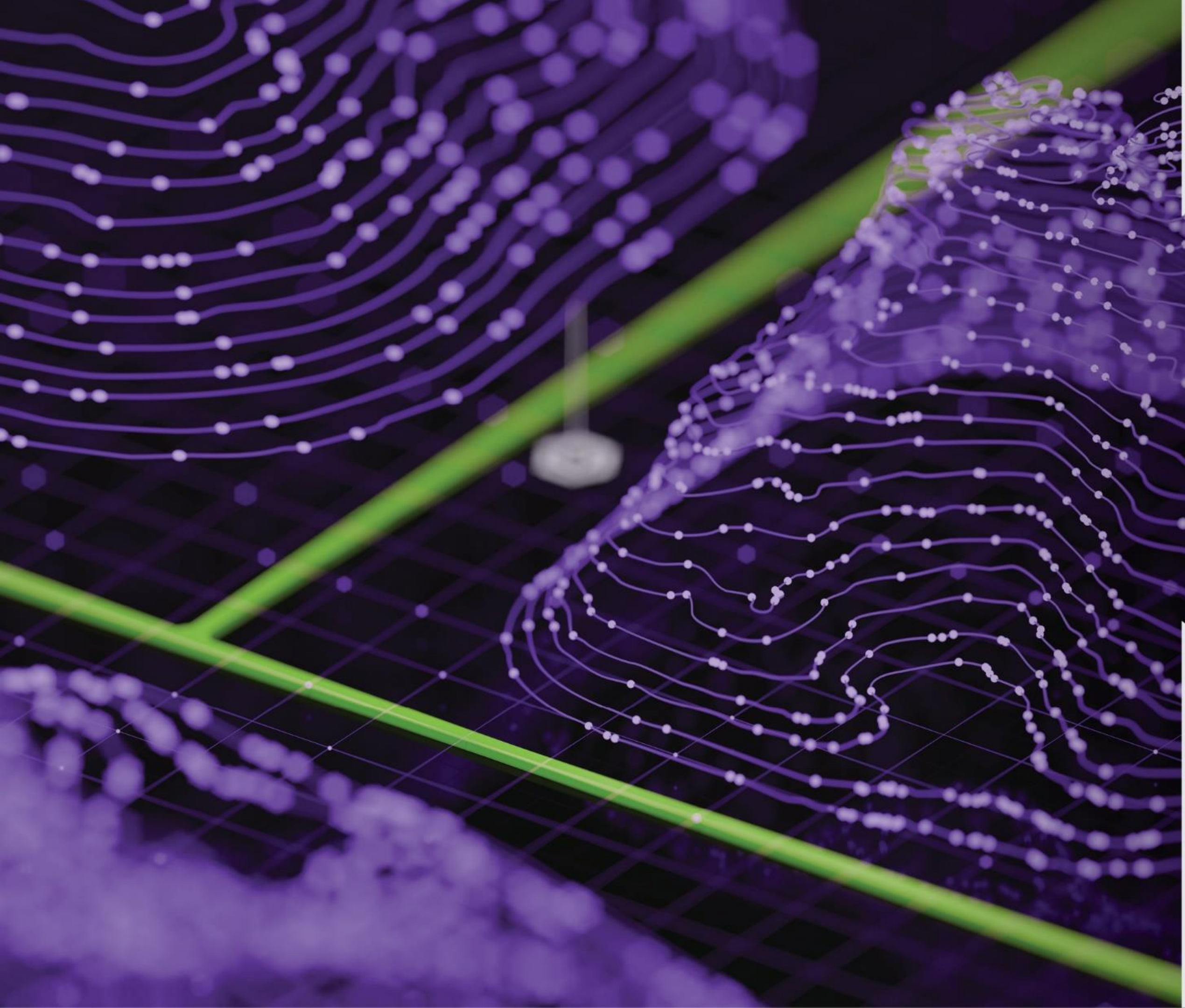
Agenda

01

Introduction

Sam Dobson

Head of Investor Relations



02

Overview of Result

Shemara Wikramanayake

Managing Director and
Chief Executive Officer

MACQUARIE

About Macquarie

Annuity-style activities

Net Profit Contribution ~70%

Markets-facing activities

Net Profit Contribution ~30%

Macquarie Asset Management (MAM)

- Top 50[1] global specialist asset manager with $A554.9b[2] of assets under management, diversified across regions, products, asset classes and investor types
- Provides investment solutions to clients across a range of capabilities, including infrastructure & renewables, real estate, agriculture, transportation finance, private credit, equities, fixed income and multi-asset solutions

Banking and Financial Services (BFS)

- Macquarie's retail banking and financial services business with total BFS deposits[3] of $A74.4b[2], loan and lease portfolio[4] of $A79.1b[2] and funds on platform[5] of $A89.3b[2]
- Provides a diverse range of personal banking, wealth management, business banking and vehicle finance[6] products and services to retail clients, advisers, brokers and business clients

Commodities and Global Markets (CGM)

Diverse platform covering more than 30 market segments, with more than 200 products

- Delivers a range of tailored specialised asset finance solutions across a variety of industries and asset classes
- Commodity market lending and financing provides clients with loans and working capital finance across a range of commodity sectors including metals, energy and agriculture
- Integrated, end-to-end offering across global markets including equities, fixed income, foreign exchange, commodities and technology, media and telecoms
- Provides clients with risk and capital solutions across physical and financial markets

Macquarie Capital (MacCap)

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 construction of infrastructure and energy projects and, in relation to renewable energy projects, the supply of green energy solutions to corporate clients
- Equities brokerage, providing clients with access to equity research, sales, execution capabilities and corporate access

1H21 Net Profit Contribution

MAM	BFS	CGM	CGM	MacCap
~47%	~14%	~9%	~38%	(~8%)

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 Cash Equities from CGM to Macquarie Capital effective 1 Jun 20. 1. P&I Largest Money Managers 2019 (published June 2020). 2. As at 30 Sep 20. 3. BFS deposits exclude corporate/wholesale deposits. 4. The loan and lease portfolio comprises home loans, loans to businesses, vehicle finance and credit cards. 5. Funds on platform includes Macquarie Wrap and Vision. 6. Includes general plant & equipment.

MACQUARIE

Macquarie's response to COVID-19

Employees

- Gradual, voluntary return to office commenced in most locations where safe to do so and in numbers that allow for social distancing
- Systems and processes have been resilient to ongoing remote working, reflecting long-term investment in technology and flexible working culture
- Investment in leadership capability, technology and the workplace continues as we respond to the evolving culture of work

We have been agile in adapting our approach to a rapidly-changing environment in each location, capturing regular feedback from staff to address immediate needs and test and learn for longer-term shifts and opportunities.

Staff working remotely at peak

>98%

Staff approved to return

>60%

Clients

- Enhanced client support and lending relief maintained since March, with many clients now resuming normal payments
- Working closely with clients in the most challenged sectors on their long-term resilience and response to disruption
- Actively supporting clients in all regions in raising essential finance and capital

While COVID-19 is a short-term health crisis, we recognise the structural shift it represents for some clients, prompting near and longer-term changes in our approach to meeting their needs and ensuring their ongoing access to opportunities.

Clients accessing assistance[1]

peak **~13%**

now **2.6%**

Portfolio Companies

- Ongoing work with MIRA and Macquarie Capital portfolio companies including projects under construction to ensure business continuity, financial resilience and employee wellbeing
- Maintained essential community services and connected best practice across assets, industries and regions
- Capacity upgrades to MIRA-managed digital infrastructure assets have left them able to handle significant activity increases resulting from shift to virtual engagement

Our longstanding approach to crisis planning has underpinned the ability of assets to withstand economic impacts and maintain and extend essential services, while also identifying new ways to respond to disruption on behalf of the community.

Daily users of essential services

~100m

Portfolio company employees

~130k

Community

- $A20m allocation to Macquarie Group Foundation to help combat COVID-19. To date, $A15.2m has been allocated to 31 organisations around the world:
  - $A7.2m to 24 non-profits focused on direct relief efforts providing critical food, medical support, humanitarian relief kits and information to vulnerable groups affected by COVID-19
  - $A6.0m to five organisations supporting workers and businesses in restarting economic activity
  - $A2.0m to public health and clinical research

We balanced our support for urgent direct relief needs, research and investment while also being flexible in our support for existing community partners that have had to quickly respond to change and the increased demand on their services.

COVID-19 donation

$A20m

Invested

$A15.2m

1. BFS, by loan balance – peak as at 30 Jun 20, now as at 31 Oct 20.

1H21 result: $A985m down 32% on 1H20; down 23% on 2H20

MACQUARIE

	1H21 $Am	2H20 $Am	1H20 $Am	1H21 v 1H20	1H21 v 2H20
Net operating income (excl. Credit and Other impairment charges)	5,966	6,906	6,459	↓ 8%	↓ 14%
Net credit impairment charges	(407)	(661)	(144)	↑ 183%	↓ 38%
Other impairment (charges)/reversals	(40)	(240)	5	↑ *	↓ 83%
Total operating expenses	(4,266)	(4,391)	(4,480)	↓ 5%	↓ 3%
Operating profit before income tax	**1,253**	**1,614**	**1,840**	↓ **32%**	↓ **22%**
Income tax expense	(275)	(352)	(376)	↓ 27%	↓ 22%
Effective tax rate[1] (%)	*21.8*	*21.6*	*20.5*		
Loss/(profit) attributable to non-controlling interests	7	12	(7)		
Profit attributable to MGL shareholders	**985**	**1,274**	**1,457**	↓ **32%**	↓ **23%**
Annualised return on equity (%)	**9.5**	**12.7**	**16.4**	↓ **42%**	↓ **25%**
Basic earnings per share	**$A2.77**	**$A3.62**	**$A4.30**	↓ **36%**	↓ **23%**
Dividend per ordinary share	**$A1.35**	**$A1.80**	**$A2.50**	↓ **46%**	↓ **25%**

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

1H21 net profit contribution from Operating Groups $A2,272m down 21% on 1H20; down 12% on 2H20

MACQUARIE

ANNUITY-STYLE BUSINESSES

$A1,600m

▼ 7% ON 1H20

▼ 7% ON 2H20

Non-Banking Group

Macquarie Asset Management (MAM)

▼ on 1H20

Decrease due to lower Macquarie AirFinance (MAF) income and lower performance fees, partially offset by gain on sale of Macquarie European Rail

Banking Group

Banking and Financial Services (BFS)

▼ on 1H20

Margin compression on deposits; and increased credit impairment charges and costs to support clients as a result of COVID-19, partially offset by strong home loan and deposits growth

Commodities and Global Markets[3] (CGM)

▲ on 1H20

Improved performance across commodities lending and financing and Specialised and Asset Finance

MARKETS-FACING BUSINESSES

$A672m

▼ 42% ON 1H20

▼ 22% ON 2H20

Non-Banking Group

Macquarie Capital (MacCap)[1]

▼ on 1H20

Investment-related income[2] down significantly, predominantly due to COVID-19 resulting in fewer material asset realisations. Fee and commission income down on 1H20 due to lower M&A fee income, partially offset by higher equity capital markets fee income. Increased credit and other impairment charges primarily due to a small number of underperforming loan facilities and the growth of the debt portfolio, partially offset by lower operating expenses

Banking Group

Commodities and Global Markets[3] (CGM)

▼ on 1H20

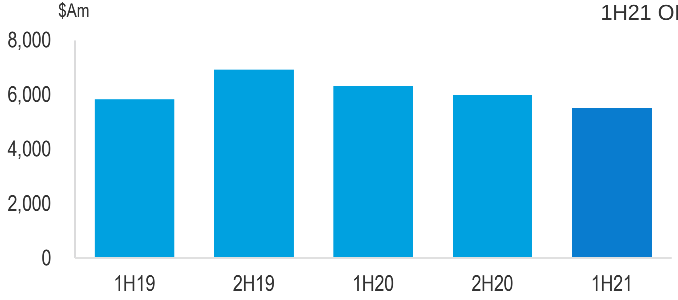
CGM's result was down on a strong 1H20. Result reflective of two distinct quarters, with 1Q21 benefiting from strong client activity and increased trading opportunities given dislocated markets and elevated volatility levels. 2Q21 saw market conditions increasingly subdued resulting in lower volatility and significantly reduced client activity. Additionally there were increased credit impairment charges in 1H21 as a result of COVID-19

1. Certain activities of the Equities business are undertaken from within the Banking Group. 2. Investment-related income refers to net income on equity and debt investments and share of net (losses)/profits of associates and joint ventures. 3. 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.

MACQUARIE

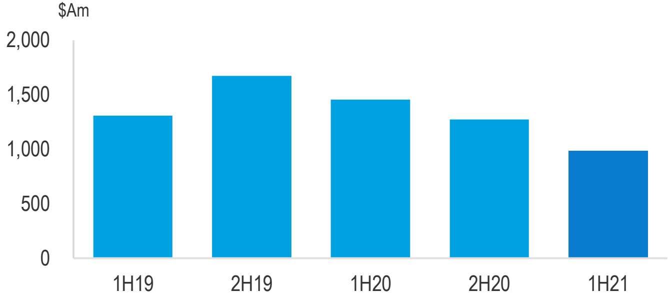
Financial performance

Operating income



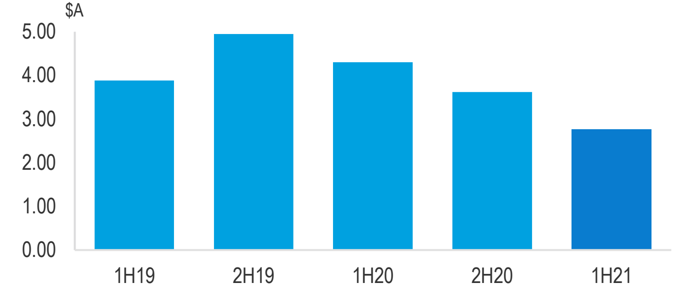
1H21 OPERATING INCOME
$A5,519m
▼13% ON 1H20
▼8% ON 2H20

Profit



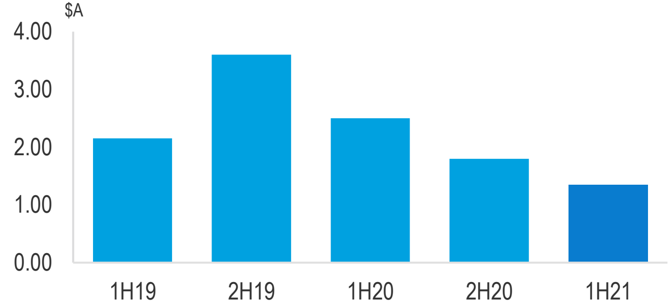
1H21 PROFIT
$A985m
▼32% ON 1H20
▼23% ON 2H20

EPS



1H21 EPS
$A2.77
▼36% ON 1H20
▼23% ON 2H20

DPS

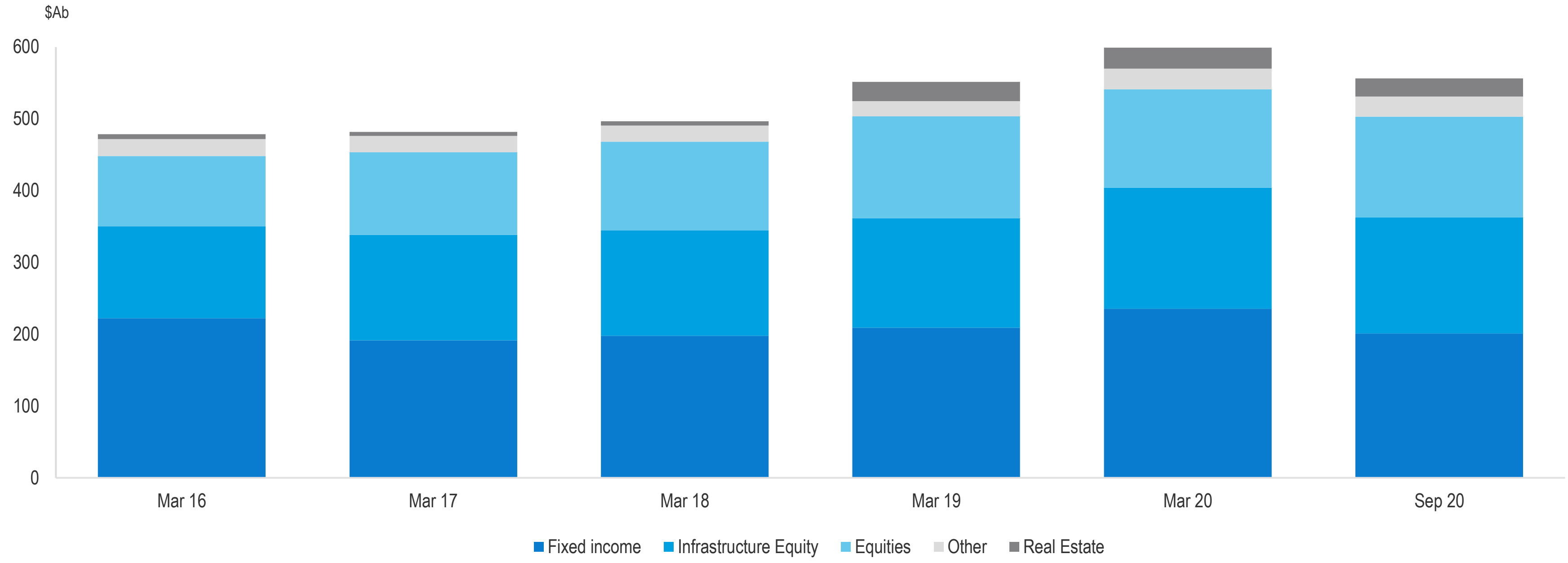


1H21 DPS
$A1.35
▼46% ON 1H20
▼25% ON 2H20

Assets under management of $A556.3b[1]

AUM decreased 7% from $A598.9b[1] at 31 Mar 20

Decrease due to impacts from foreign exchange and a reduction in contractual insurance assets, partially offset by MIM market movements and investment by MIRA-managed funds



1. Includes MAM and BFS AUM. 31 Mar 20 AUM has been restated to reflect an immaterial misstatement in total MAM AUM reported on 8 May 20.

MACQUARIE

Diversification by region

International income 68% of total income[1]
Total staff[2] 16,356, International staff 57% of total

Americas

31% of total income

2,728

TOTAL INCOME[1] **$A1,725m**

Assets under management **$A277.2b**

Employing **39,000+** people[4]

CANADA
Calgary
Montreal
Toronto
Vancouver

LATIN AMERICA
Mexico City
Sao Paulo
Santiago

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

EMEA

25% of total income

2,448

TOTAL INCOME[1] **$A1,348m**

Assets under management **$A115.5b**

Employing **45,000+** people[4]

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

MIDDLE-EAST
Dubai

SOUTH AFRICA
Cape Town
Johannesburg

Asia

12% of total income

4,104

TOTAL INCOME[1] **$A665m**

Assets under management **$A38.4b**

Employing **39,000+** people[4]

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

Australia[3]

32% of total income

7,076

TOTAL INCOME[1] **$A1,776m**

Assets under management **$A125.2b**

Employing **6,000+** people[4]

AUSTRALIA
Adelaide
Brisbane
Canberra
Gold Coast
Manly
Melbourne
Newcastle
Parramatta
Perth
Sydney

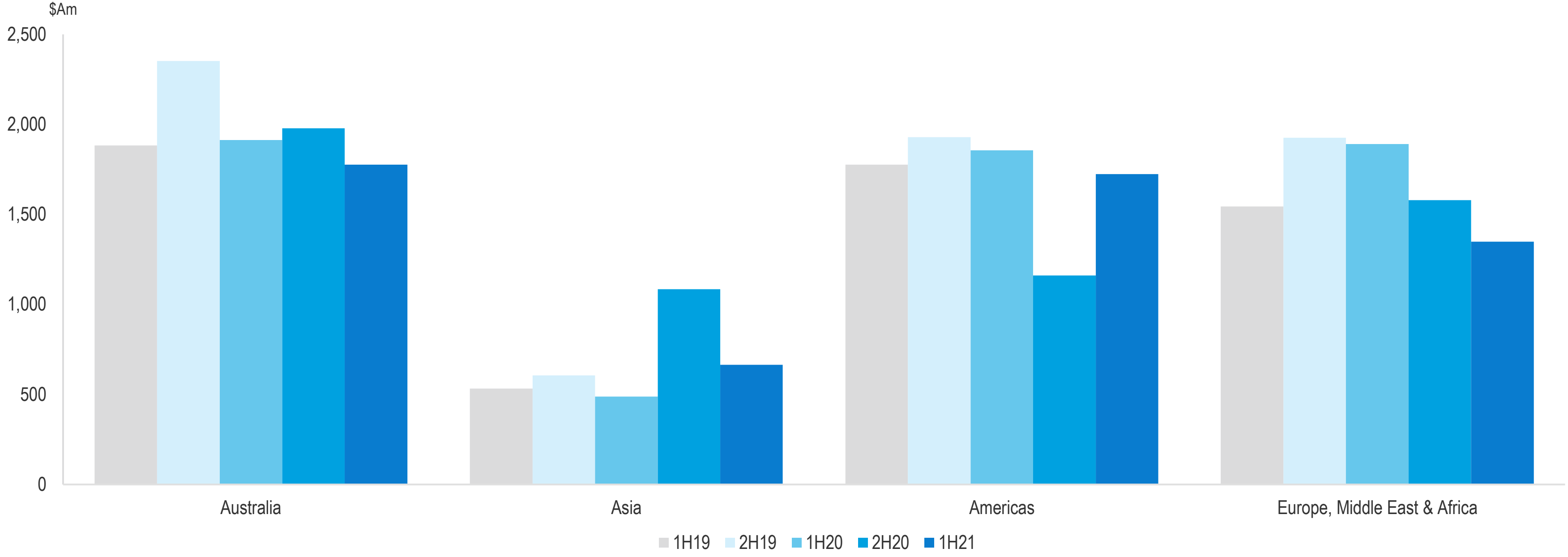
NEW ZEALAND
Auckland

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 New Zealand. 4. Includes people employed through MIRA-managed fund assets and investments where Macquarie Capital holds a significant influence.

Diversification by region

68% of total income[1] in 1H21 was generated offshore
A 10% movement[2] in AUD is estimated to have approximately a 7% impact on NPAT

Total income



1. Excluding earnings on capital and other corporate items. 2. This represents an average movement against all major currencies.

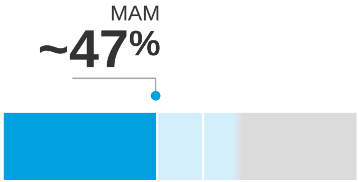
Macquarie Asset Management

MACQUARIE

OPERATING INCOME
$A1,789m
▼5% ON 1H20
▼3% ON 2H20

NET PROFIT CONTRIBUTION
$A1,062m
▼5% ON 1H20
▲1% ON 2H20

AUM[1]
$A554.9b
▼7% ON MAR 20



MACQUARIE INFRASTRUCTURE AND REAL ASSETS (MIRA)

- **$A139.8b in equity under management, down 6%** on Mar 20 predominantly due to impacts from foreign exchange, partially offset by new equity raised
- **Raised $A8.9b in new equity, up on 1H20.** Raisings across all regions for a diverse range of funds, products and solutions across the platform
- **Invested $A8.4b,** broadly in line with 1H20, across 19 new investments including 7 infrastructure equity investments, 7 infrastructure debt investments and 5 real estate investments
- **Equity proceeds of $A0.9b from asset divestments[2],** a decrease compared to 1H20
- **$A24.1b of equity to deploy** as at 30 Sep 20
- Final close of Macquarie Infrastructure Debt Sub-Investment Grade fund, which raised €730m through the fund and €425m in co-investments
- Sale of the Macquarie European Rail business
- Macquarie AirFinance (50% owned by MQG) – continuing to work with airlines to provide relief in response to their revenue challenges, due to ongoing stress in the airline industry
- **No.1 infrastructure investment manager** globally[3]

MACQUARIE INVESTMENT MANAGEMENT (MIM)

- **$A350.9b in assets under management, down 8%** on Mar 20 due to impacts from foreign exchange and a reduction in contractual insurance assets, partially offset by market movements
- Continued strong fund performance with the percentage of assets under management outperforming the three-year benchmarks increasing from 69% in Mar 20 to 77%[4]
- Launched **Delaware Wilshire Private Markets Fund**, bringing private markets solutions to the US wholesale market
- **Continued implementation of global operating platform** - Aladdin platform now live in all major locations

Note: Net profit contribution is management accounting profit before unallocated corporate costs, profit share and income tax. Chart is based on 1H21 net profit contribution from Operating Groups. 1. AUM at 31 Mar 20 has been restated to reflect an immaterial misstatement in total MAM AUM reported on 8 May 20. 2. Equity proceeds from asset divestments differs to the impact of divestments on reported EUM which captures a reduction of the original capital commitment at time of return of capital to investors. 3. IPE Real Assets (Jul/Aug 2020), measured by infrastructure assets under management. 4. As at 30 Sep 20.

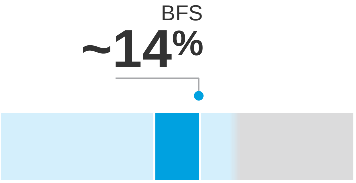
Banking and Financial Services

MACQUARIE

OPERATING INCOME
$A985m
▼4% ON 1H20
▼3% ON 2H20

NET PROFIT CONTRIBUTION
$A317m
▼18% ON 1H20
▼18% ON 2H20

AUSTRALIAN CLIENT NUMBERS MORE THAN
1.6 million



PERSONAL BANKING

- **Home loan portfolio of $A57.4b**, up 10% on Mar 20, representing approximately 3% of the Australian market
- Home loan growth being driven by strong demand in lower loan-to-value ratio and owner-occupier lending tiers
- Macquarie named the MFAA's National Major Lender of the Year at the 2020 MFAA National Excellence Awards
- Personal Banking clients have been able to access a comprehensive support package since Mar 20, including payment pause options

BUSINESS BANKING

- **Business banking loan portfolio of $A8.9b**, down 1% on Mar 20
- Business banking deposit volumes up **6% on Mar 20**
- Business Banking clients have been able to defer loan repayments for up to six months for all loans up to $A10m since Mar 20
- Continued investment in digital solutions to help serve clients more efficiently

WEALTH MANAGEMENT

- **Funds on platform[1] of $A89.3b**, up 13% on Mar 20
- Expanded Macquarie Wrap managed accounts offering with assets under management of $A4.0b, up from $A3.0b at Mar 20
- Continued implementation of cloud-based investment and portfolio management platform as part of ongoing wealth platform transformation
- Macquarie Wrap awarded Best Platform Provider at the 2020 SMSF Adviser Awards

LEASING

- **Vehicle finance portfolio[2] of $A12.4b, down 9%** on Mar 20 due to declining new car sales nationally, lower dealer finance and run-off in the previously acquired portfolio
- Vehicle lease clients have been able to access 3-6 month payment deferrals since Mar 20

DEPOSITS

- **Total BFS deposits[3] of $A74.4b, up 16%** on Mar 20
  - CMA deposits of $A39.7b, up 21% on Mar 20
- Transaction and savings account deposits of $A5.1b, with significant growth on Mar 20 driven by new-to-bank clients
- Awarded Best Cash and Term Deposit Accounts at the 2020 SMSF Adviser Awards

Note: Net profit contribution is management accounting profit before unallocated corporate costs, profit share and income tax. Chart is based on 1H21 net profit contribution from Operating Groups. 1. Funds on platform includes Macquarie Wrap and Vision. 2. Includes general plant and equipment. 3. BFS deposits exclude corporate/wholesale deposits.

MACQUARIE

Commodities and Global Markets

OPERATING INCOME
$A2,130m
▼ 1% ON 1H20
▲ 27% ON 2H20

NET PROFIT CONTRIBUTION
$A1,082m
▼ 5% ON 1H20
▲ 81% ON 2H20

PHYSICAL GAS MARKETER IN NORTH AMERICA[2]
No.2

SPECIALISED AND ASSET FINANCE 15%[1]

- Strong performance in UK energy meters business
- Continued strong contribution from Technology, Media and Telecoms
- Total portfolio size of **$A6.7b**, down 20% from $A8.4b at Mar 20 predominantly due to foreign exchange as well as lower telecom volumes and reduced activity across funds finance

COMMODITY MARKETS 61%[1]

- Strong levels of activity in 1Q21 as clients sought to rebalance their portfolios to manage risk in a volatile environment. 2Q21 conditions were more subdued resulting in significantly reduced client activity
- Strong contribution from inventory management and trading largely in 1Q21 driven by market dislocations and increased volatility – particularly across oil and precious metals markets
- Maintained ranking as No. 2 physical gas marketer in North America[2]
- Named Environmental Products Bank of the Year, Oil & Products House of the Year and Derivatives House of the Year[3] by Energy Risk Awards

- Lending and Financing income broadly in line with 1H20 with continued activity across resources, agriculture and energy sectors

FINANCIAL MARKETS 24%[1]

Foreign exchange, interest rates and credit

- Continued client activity in foreign exchange and interest rates across all regions
- Steady client activity in UK and Australian securitisation
- Stable net interest margin in Credit Trading from bespoke lending to clients in the US fintech space
- Continued revenue growth from settlement financing activity with clients engaged in the US corporate direct lending market
- Fund Financier of the Year – Americas[4]

Futures

- Commission revenues remain strong and in-line with 1H20
- Reduced interest income contribution as global interest rates continue to fall
- No.1 Futures Broker on the ASX[5]

Equity Derivatives and Trading

- Increased contribution from trading activities
- Reduced equities presence in EMEA
- Launched Hang Seng Index warrants on the Taiwan exchange, a first for this market, as well as S&P500 Index warrants on the Thailand exchange
- Cash Equities business moved to Macquarie Capital on 1 Jun 20 with comparatives restated

Note: Net profit contribution is management accounting profit before unallocated corporate costs, profit share and income tax. Chart is based on 1H21 net profit contribution from Operating Groups. 1. Percentages are based on net profit contribution before impairment charges. 2. S&P Global Platts 2Q 2020. 3. 2020 Energy Risk Awards announced 18 May 20. 4. Private Debt Investors Awards 2019. 5. ASX Futures 24 (SFE) Monthly Report Sep 20.

Macquarie Capital

OPERATING INCOME

$A614m

▼ **46%** ON 1H20

▼ **55%** ON 2H20

NET PROFIT CONTRIBUTION

($A189m)

▼ significantly ON 1H20

▼ significantly ON 2H20

159 TRANSACTIONS VALUED AT

$A186b IN 1H21[1]

181 TRANSACTIONS **$A154b** IN 1H20[1]

195 TRANSACTIONS **$A165b** IN 2H20[1]

MacCap

~(8%)

ADVISORY AND CAPITAL SOLUTIONS

Summary

- Leading market position in ANZ ECM[2], supporting clients in raising more than $A11.9b[3]
- Continued focus in the US and Europe on advisory activities, in particular sellside roles and financial sponsors
- Principal Finance committed over $A1.5b in 1H21 through focused investing in credit markets and bespoke financing solutions

Notable deals

- Joint Lead Manager, Bookrunner and Underwriter on various equity raisings, including $A3b for National Australia Bank, $A1.4b for Qantas and $A1.2b for Oil Search
- Joint Sponsor, Joint Global Coordinator, Joint Bookrunner and Joint Lead Manager on the $US184m[4] IPO of Cathay Media and Education Group Inc
- Financial adviser to the Destination Brisbane Consortium with respect to the $A1.6b project-level debt funding for the Queen's Wharf Brisbane integrated resort
- Financial advisor to AM General, a leading manufacturer of military and commercial vehicles, on its sale to KPS Capital Partners
- Provided financing solutions to Navacord, a leading Canadian insurance brokerage

Awards/Ranking

- No.1 in ANZ for ECM[2] and M&A[5]

EQUITIES

Summary

- Strong performance across the Equities platform underpinned by COVID-19-related volatility, along with significant ECM activity

Awards/Ranking

- Most award-winning broker in the Refinitiv StarMine Analyst Awards 2020
- Best Research Award in China Fund Awards 2019

INFRASTRUCTURE AND ENERGY GROUP

Summary

- Continued focus on green energy with over 300 projects under development or construction, with a development pipeline of more than 30GW at 30 Sep 20
- Total investment in green energy of $A1.4b at 30 Sep 20[6]

Notable deals

- Financial advisor to First State Investments on its acquisition of a 45.1% stake in MVV Energie AG, an integrated utility based in Mannheim, Germany, for consideration of €753m
- Achieved financial close on the Cascade Power Project, a 900MW CCGT power plant in Alberta, Canada. Macquarie Capital acted as co-development sponsor, exclusive financial advisor and debt arranger to the Project
- Green Investment Group and global energy company Total have signed a series of agreements to co-develop a 2.3GW portfolio of floating offshore wind projects in South Korea
- Green Investment Group and Enso Energy announced a joint venture to develop an extensive pipeline of solar and battery projects in the UK, with an initial pipeline of 1GW subsidy-free solar capacity
- Achieved Financial Close on the Murra Warra II Wind Farm, which comprises 38 wind turbines with a capacity of 209MW, generating enough clean energy to power the equivalent of 150,000 homes

Awards/Ranking

- World's Best Investment Bank in Infrastructure for the 3rd consecutive year[7]
- Global Sponsor of the Year for the 2nd consecutive year[8]
- Infrastructure Sector Corporate Advisory Firm of the Year in Australia[9]
- Green Project of the Year – Formosa 2 Wind Power Company[10]
- European Renewables Acquisition Deal of the Year – Kisielice Onshore Wind Farm[11]
- European Transport Deal of the Year – Silvertown Tunnel[11]
- North America Ports Deal of the Year – Long Beach Container Terminal[12]

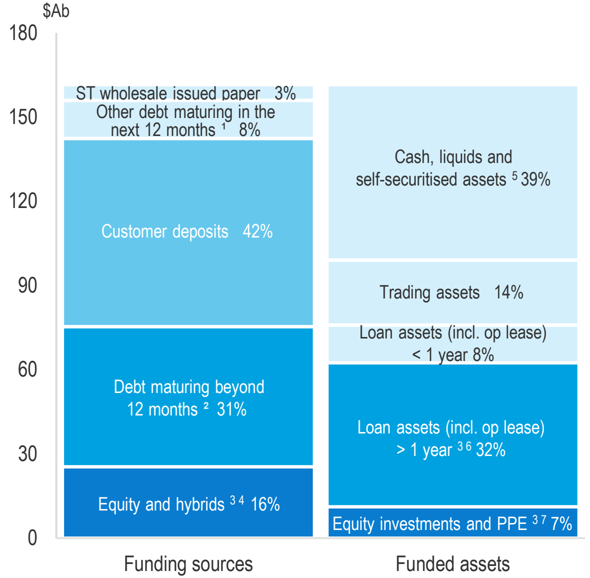
Note: Net profit contribution is management accounting profit before unallocated corporate costs, profit share and income tax. Chart is based on 1H21 net profit contribution from Operating Groups. 1. Source: Dealogic and IJGlobal for Macquarie Group completed M&A, investments, ECM and DCM transactions 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 (1H21 all ASX raising by value and deal count). 3. Dealogic (1H21 all ASX raisings excluding block trades). Deal values reflect the full transaction value and not an attributed value. 4. Post greenshoe execution. 5. Dealogic (1H21 equal No1 for completed by deal count). 6. Carrying value of balance sheet investments as at 30 Sep 20. 7. Global Finance 2020, 2019 and 2018. 8. IJ Global 2020 (CY19 and CY18). 9. Global Advisory Experts Annual Awards 2020. 10. The Asset Triple A Asia Infrastructure Awards 2020. 11. IJ Global Awards 2019. 12. Proximo Americas Deals of the Year 2019.

MACQUARIE

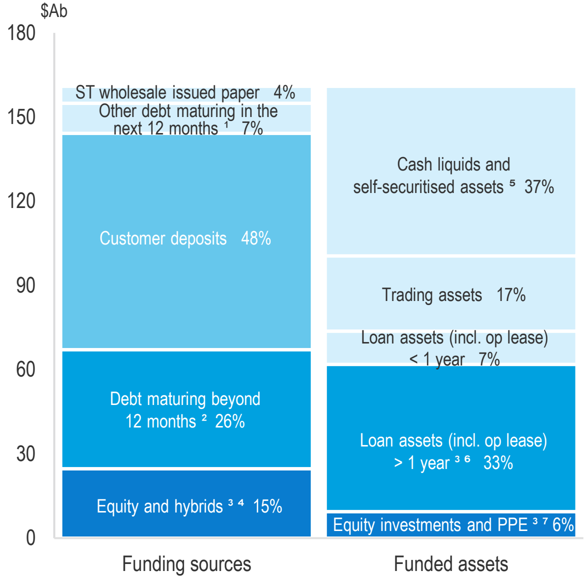
Funded balance sheet remains strong

Term liabilities exceed term assets

31 Mar 20



30 Sep 20



TOTAL CUSTOMER DEPOSITS[8]

$A77.1b

▲15% FROM MAR 20

TERM FUNDING RAISED[9]

$A7.2b

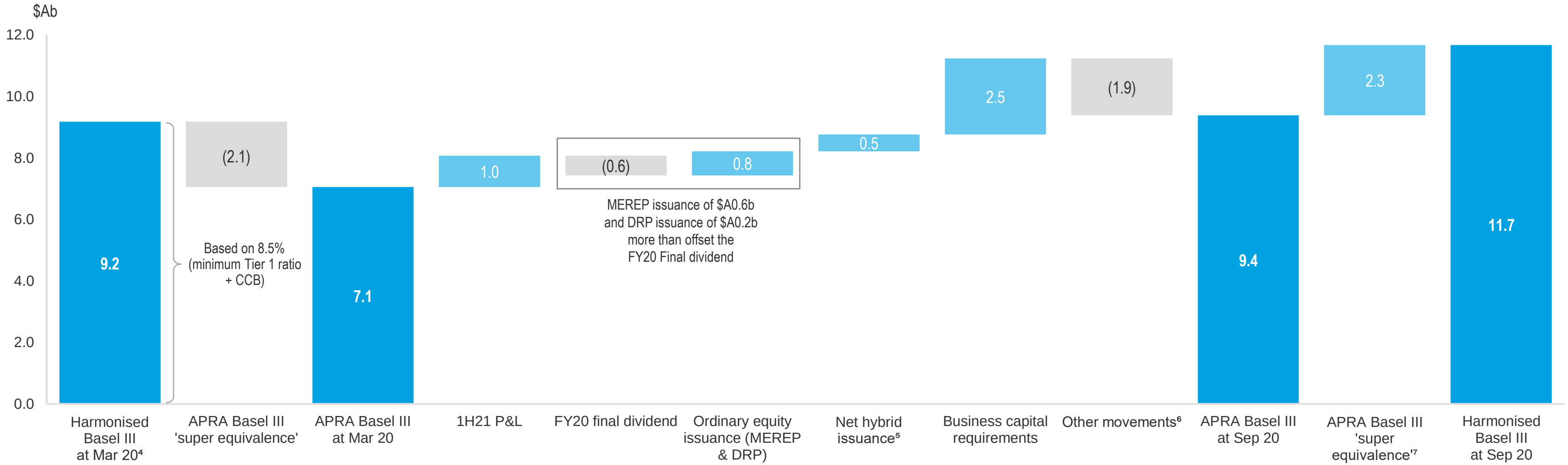
SINCE MAR 20

These charts represent Macquarie's funded balance sheets at the respective dates noted above. For details regarding reconciliation of the funded balance sheet to Macquarie's statutory balance sheet refer to slide 66. 1. 'Other debt maturing in the next 12 months' includes Secured funding, Bonds, Other loans, Subordinated debt and Net trade creditors. 2. 'Debt maturing beyond 12 months' includes Subordinated debt, Structured notes, Secured funding (including drawn RBA Term Funding Facility), Bonds, Syndicated loan facilities and Other loans not maturing within next 12 months. 3. Non-controlling interests are netted down in 'Equity and hybrids', 'Equity investments and PPE' and 'Loan assets (incl. op lease) > 1 year'. 4. Hybrid instruments include Macquarie Additional Capital Securities, Macquarie Capital Notes 2, 3 and 4, Macquarie Bank Capital Notes 2 (BCN2) and Macquarie Income Securities (MIS) (MIS were redeemed in April 2020). 5. 'Cash, liquids and self-securitised assets' includes self-securitisation of repo eligible Australian assets originated by Macquarie, a portion of which Macquarie can utilise as collateral in the Reserve Bank of Australia's Committed Liquidity Facility (CLF) and RBA Term Funding Facility (TFF). 6. 'Loan Assets (incl. op lease) > 1 year' includes Debt investment securities. 7. 'Equity investments and PPE' includes Macquarie's co-investments in Macquarie-managed funds and other equity investments. 8. Total customer deposits as per the funded balance sheet ($A77.1b) differs from total deposits as per the statutory balance sheet ($A77.3b). The funded balance sheet reclassifies certain balances to other funded balance sheet categories. 9. Issuances cover a range of tenors, currencies and product types and are AUD equivalent based on FX rates at the time of issuance and include undrawn facilities (does not include undrawn accessible TFF Allowances).

Basel III capital position

- APRA Basel III Group capital at Sep 20 of $A24.6b; Group capital surplus of $A9.4b[1,2]
- APRA Basel III CET1 ratio: 13.5%, *pro forma* 12.5%[2,3]; Harmonised Basel III CET1 ratio: 16.8%
- Other movements include a reduction in the Foreign Currency Translation reserve (FCTR), which substantially offsets the FX component of the movement in business capital requirements

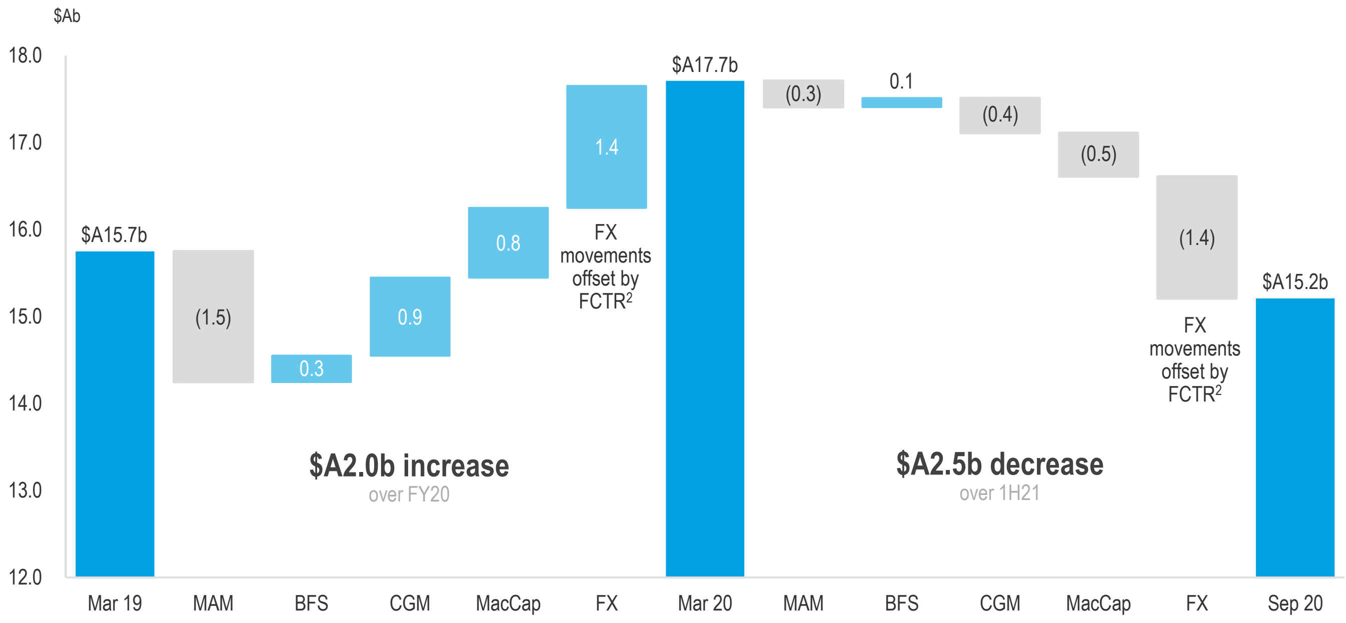
Group regulatory surplus: Basel III (Sep 20)



1. 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 ~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. 2. Group shared services entities are proposed to be transferred to the Bank Group in Dec 20. Pro forma CET1 ratio impact is a decrease of 0.5%, Group capital surplus impact is a decrease of $A0.2b. 3. In Nov 20, MBL paid a dividend to its parent MGL. Pro forma CET1 ratio impact is a decrease of 0.5%. 4. 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. 5. Bank Capital Notes 2 issuance net of Macquarie Income Securities redemption. 6. Includes movements in foreign currency translation reserve, treasury shares, share-based payment reserve and other movements. 7. 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 $A1.0b; capitalised expenses $A0.5b; equity investments $A0.3b; investment into deconsolidated subsidiaries $A0.1b; DTAs $A0.4b.

MACQUARIE

Business capital requirements[1]



1H21 KEY DRIVERS

MAM

- Decreased requirements primarily due to sell-down of Macquarie European rail business and performance fees

BFS

- Increase in home loans portfolio; business banking downgrades[3] partially offset by run-off in vehicles financing portfolio

CGM

- Decreased requirements from reduced derivative exposures due to market movements, loans and trade debtors, partially offset by increase in credit liquidity solutions

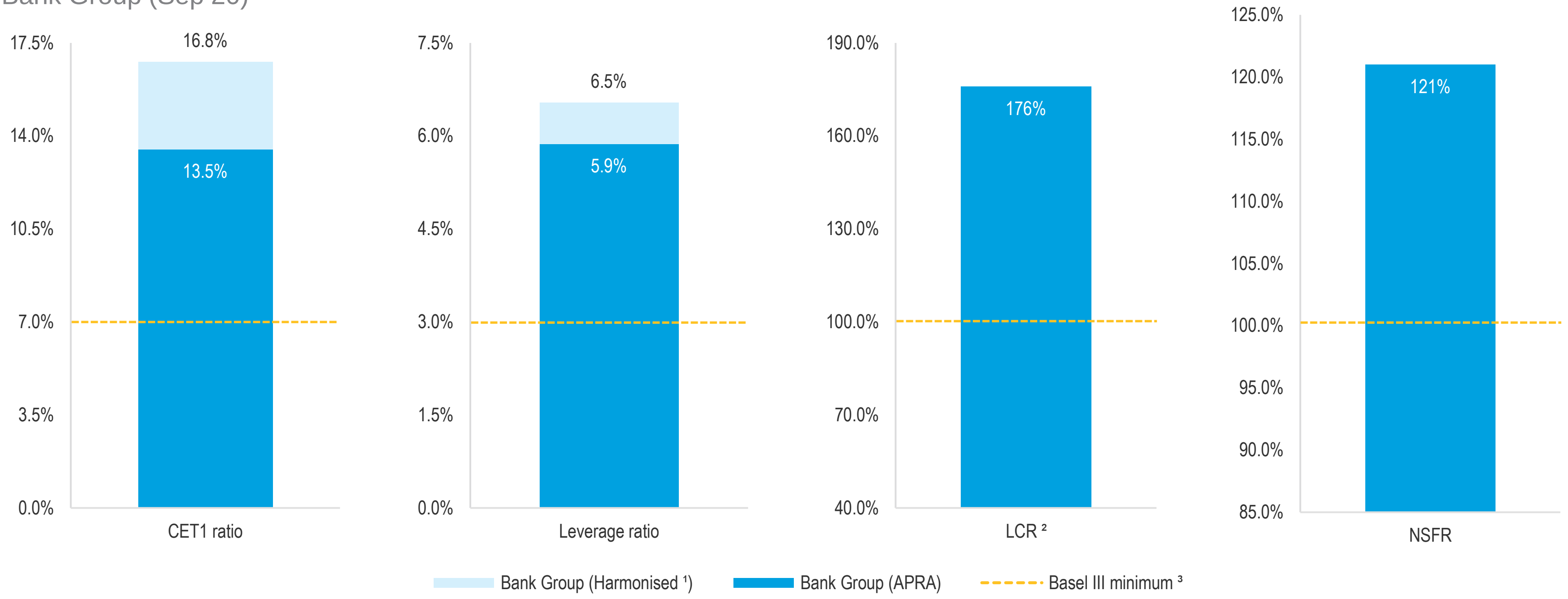
Macquarie Capital

- Decreased requirements primarily due to asset realisations, settlement of DCM underwriting positions

1. Regulatory capital requirements are calculated at 8.5% RWA. 2. The foreign currency translation reserve (FCTR) forms part of capital supply and substantially offsets FX movements in capital requirements. 3. Counterparties downgraded per Macquarie's internal ratings framework.

Strong regulatory ratios

Bank Group (Sep 20)



1. 'Harmonised' Basel III estimates are calculated in accordance with the BCBS Basel III framework. 2. Average LCR for Sep 20 quarter is based on an average of daily observations. 3. Includes the capital conservation buffer in the minimum CET1 ratio requirement. APRA has released a draft update to 'Prudential Standard APS 110 Capital Adequacy' proposing a minimum requirement for the leverage ratio of 3.5% effective Jan 23.

MACQUARIE

Interim dividend

Interim DPS of $A1.35, represents a 50% payout ratio for 1H21, partially offset by issuance for DRP requirements, consistent with APRA guidance

1H21 ORDINARY DIVIDEND

$A1.35

(40% franked)

FROM
▼**$A2.50**
(40% franked)
IN 1H20

FROM
▼**$A1.80**
(40% franked)
IN 2H20

1H21 RECORD DATE
17 Nov 20

1H21 PAYMENT DATE
22 Dec 20

DRP shares for the 1H21 dividend to be issued[1]

1H21 PAYOUT RATIO[2]

50%

Dividend policy remains 60-80% annual payout ratio

1. The DRP pricing period is from 24 Nov to 30 Nov. 2. Payout ratio calculated as eligible shares multiplied by dividend per share, divided by profit attributable to MGL shareholders.

03

Result Analysis and Financial Management

Alex Harvey

Chief Financial Officer

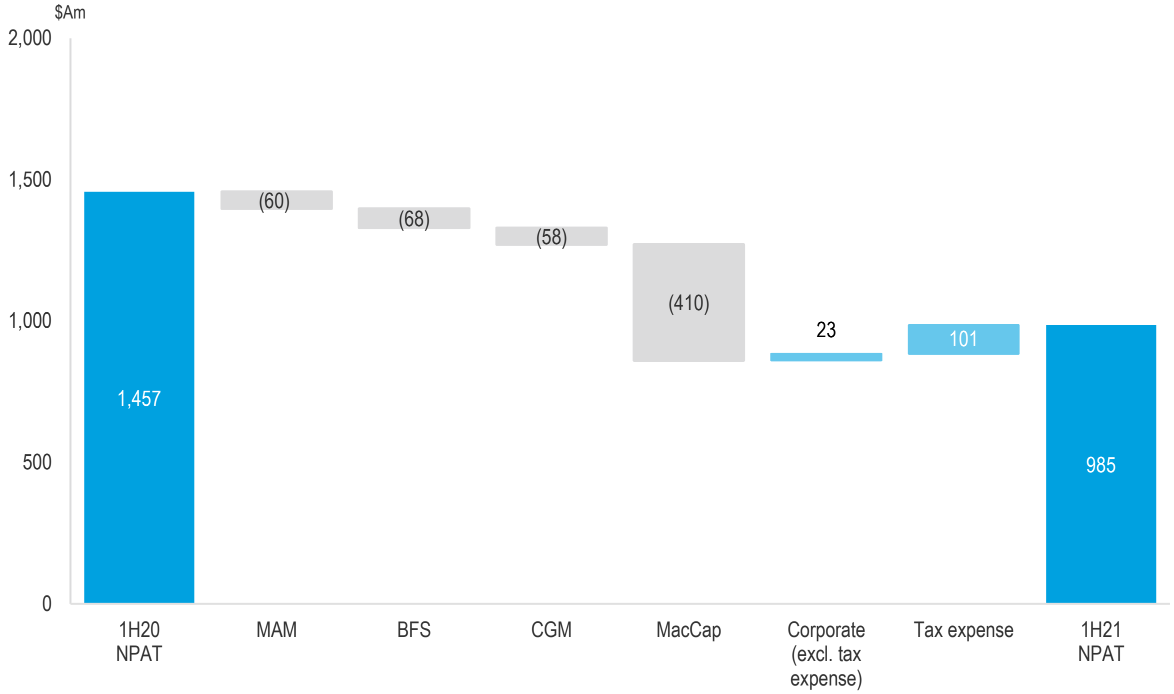
MACQUARIE

Income statement key drivers

	1H21 $Am	2H20 $Am	1H20 $Am
Net interest and trading income	2,520	2,303	2,417
Fee and commission income	2,613	2,963	2,874
Net operating lease income	245	284	461
Share of net (losses)/profits of associates and joint ventures	(54)	144	(49)
Net credit impairment charges	(407)	(661)	(144)
Other impairment (charges)/reversals	(40)	(240)	5
Investment income	564	1,007	670
Other income	78	205	86
Net operating income	**5,519**	**6,005**	**6,320**
Employment expenses	(2,615)	(2,547)	(2,776)
Brokerage, commission and trading-related expenses	(471)	(482)	(482)
Other operating expenses	(1,180)	(1,362)	(1,222)
Total operating expenses	**(4,266)**	**(4,391)**	**(4,480)**
Operating profit before tax and non-controlling interests	**1,253**	**1,614**	**1,840**
Income tax expense	(275)	(352)	(376)
Non-controlling interests	7	12	(7)
Profit attributable to MGL shareholders	**985**	**1,274**	**1,457**

- Net interest and trading income of $A2,520m, up 4% on 1H20
  - Lower net interest and trading expenses in MAM driven by the sale of the MAF business to a joint venture during the prior corresponding period
  - Increased opportunities in CGM's Inventory management and trading in 1Q21 driven by market dislocations and increased volatility particularly across the Oil and Precious Metals markets, partially offset by reduced Risk management products income on a strong 1H20
  - Interest and trading income broadly in line in BFS mainly driven by growth in home loans and deposits partially offset by margin compression on deposits
  - Lower interest and trading income in Corporate primarily due to greater accounting volatility from changes in the fair value of economic hedges
- Fee and commission income of $A2,613m, down 9% on 1H20
  - Lower performance fees in 1H21 following a strong 1H20. The current period included fees from a range of funds including MIP II, MEIF4 and other MIRA-managed funds and accounts
  - Lower mergers and acquisitions fee income, partially offset by higher equity capital markets fee income in Macquarie Capital
- Net operating lease income of $A245m, down 47% on 1H20 predominantly due to the sale of the MAF business to a joint venture in the prior corresponding period in MAM
- Share of net losses of associates and joint ventures of $A54m, up 10% on 1H20, primarily driven by losses from MAF as a result of the impact of COVID-19 on aircraft leasing income due to deferrals and non-payments and related aircraft impairments in MAM, partially offset by losses recognised in 1H20 due to a small number of underperforming assets in Macquarie Capital
- Credit and Other impairment charges of $A447m significantly higher than 1H20 reflecting the economic impact of COVID-19 on our clients and customers, and new loans originated during the period
- Investment income of $A564m, down 16% on 1H20, primarily driven by fewer material asset realisations in Macquarie Capital mainly due to the impact of COVID-19, partially offset by the gain on sale of Macquarie European Rail in MAM
- Total operating expenses of $A4,266m, down 5% on 1H20
  - Lower Employment expenses due to lower performance-related profit share expense mainly as a result of Group performance and lower share-based payments expense mainly driven by the non-recurrence of accelerated amortisation of equity awards relating to retiring Key Management Personnel recognised in 1H20. This was partially offset by higher leave provisions due to less holiday entitlements being taken by staff driven by COVID-19
  - Lower Other operating expenses primarily due to reduced Travel and entertainment expenses across the Group driven by COVID-19

Income statement by Operating Group NPC



KEY DRIVERS

- **MAM:** Decrease due to lower Macquarie AirFinance (MAF) income and lower performance fees, partially offset by gain on sale of Macquarie European Rail
- **BFS:** Margin compression on deposits; and increased credit impairment charges and costs to support clients as a result of COVID-19, partially offset by strong home loan and deposits growth
- **CGM:** Result down 5% on a strong 1H20 reflective of two distinct quarters with 2Q21 down significantly on 1Q21. 1Q21 was characterised by dislocated markets and elevated volatility, which resulted in strong client activity as clients sought to rebalance portfolios, and increased trading opportunities. 2Q21 activity was increasingly subdued as liquidity increased following government and central bank economic support initiatives resulting in lower volatility and significantly reduced client activity. Additionally there were increased credit impairment charges in 1H21 as a result of COVID-19
- **MacCap:** Investment-related income[1] down significantly, predominantly due to COVID-19 resulting in fewer material asset realisations. Fee and commission income down on 1H20 due to lower M&A fee income, partially offset by higher equity capital markets fee income. Increased credit and other impairment charges primarily due to a small number of underperforming loan facilities and the growth of the debt portfolio, partially offset by lower operating expenses
- **Corporate:** Lower performance-related profit share and share-based payments expense partially offset by the impact of greater accounting volatility from changes in the fair value of economic hedges and higher credit and other impairment charges predominantly reflecting an overlay for the impact of macroeconomic uncertainty across the credit portfolio
- **Tax expense:** Mainly driven by Group performance

1. Includes net income on equity and debt investments and share of net (losses)/profits of associates and joint ventures.

Credit and other impairment charge considerations

In assessing Macquarie's expected credit loss provisioning on the loan portfolio, current and expected macroeconomic conditions are taken into account

The total ECL provision on balance sheet at 30 Sep 20 is $A1,653m. A 100% weighting to the baseline scenario would result in an ECL provision of ~$A1,600m, a 100% weighting to the downside scenario would result in an ECL provision of ~$A1,850m and a 100% weighting to the upside scenario would result in an ECL provision of ~$A1,500m[1]

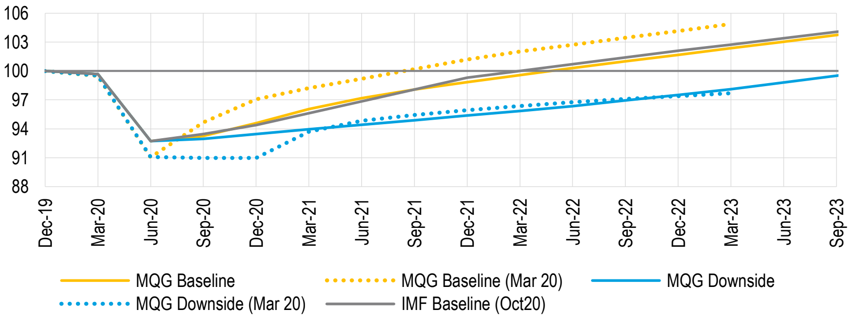
Baseline: Our updated economic data and expectations for Australia and the US used for provisioning are as follows:

- Australia – unemployment to peak at ~9% in Q1 2021, GDP contracted ~7% during H1 2020 with a slow recovery observed through Q3 and Q4 of 2020. House prices decline ~6% in the year to Q1 2021
- US – unemployment has peaked at ~13% in Q2 2020, GDP contracted ~10% during H1 2020 with a partial recovery observed through Q3 and Q4 of 2020

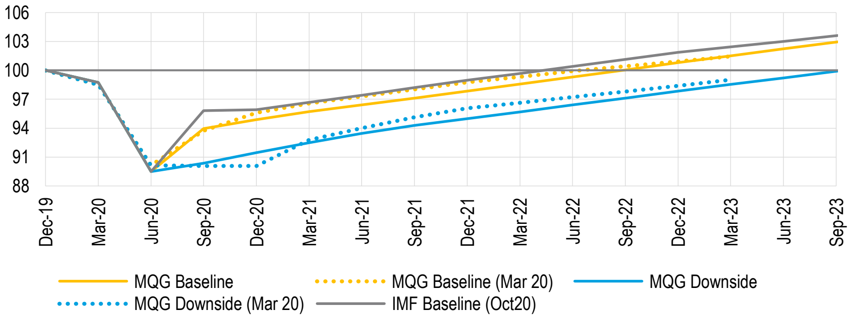
Downside: a more severe and protracted COVID-19 scenario resulting from the virus taking longer to be contained. Our updated economic data and expectations for Australia and the US used for provisioning are as follows:

- Australia – unemployment rate to peak at ~9.5% in Q1 2021, GDP contracted ~7% during H1 2020 with a slower recovery. House prices decline ~19% by Q3 2021
- US – unemployment has peaked at ~13% in mid-2020 and to remain at ~12% until Q1 2021. GDP contracted by ~10% during H1 2020 with a slower recovery observed

Australia – Real GDP Indexed Dec 19

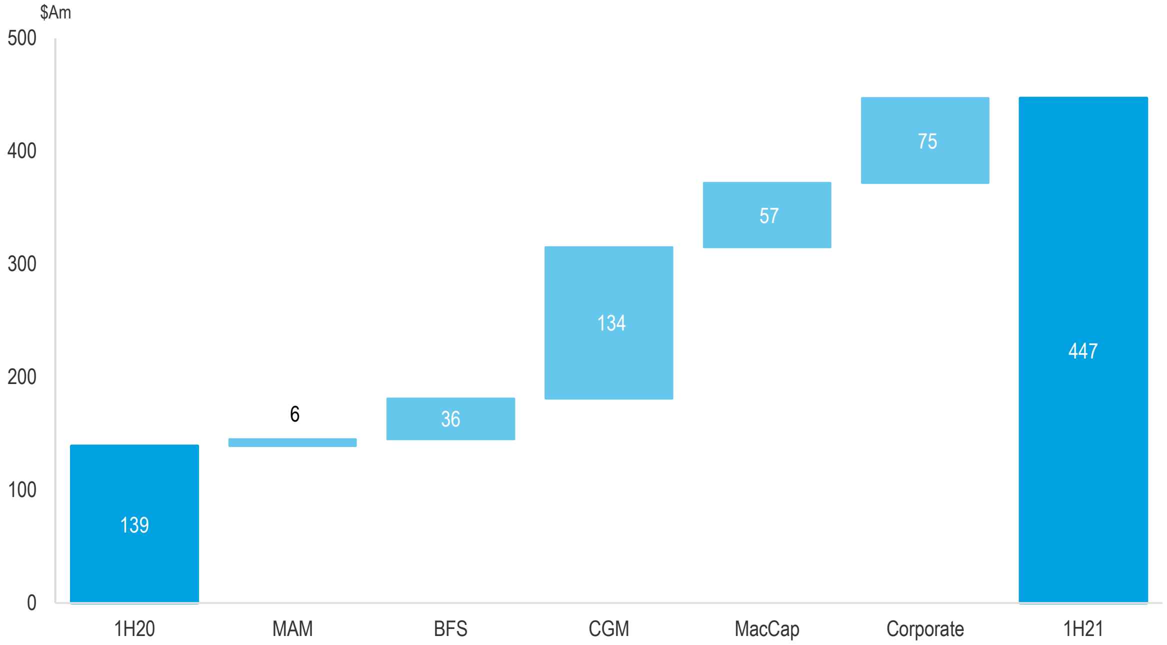


US – Real GDP Indexed Dec 19



Further detail on the scenarios used for the ECL are contained in Note 12 of the Financial report. Quarterly periods above represent calendar periods. 1. These numbers provide comparative ECL provision information as at the reporting date assuming the scenarios outlined. These numbers reflect neither changes in the credit rating of the counterparty nor changes in post model adjustments that may occur if these scenarios were to occur. Changes in credit rating and post model adjustments may have a material impact on these ECL provisions.

Credit and Other impairment charges



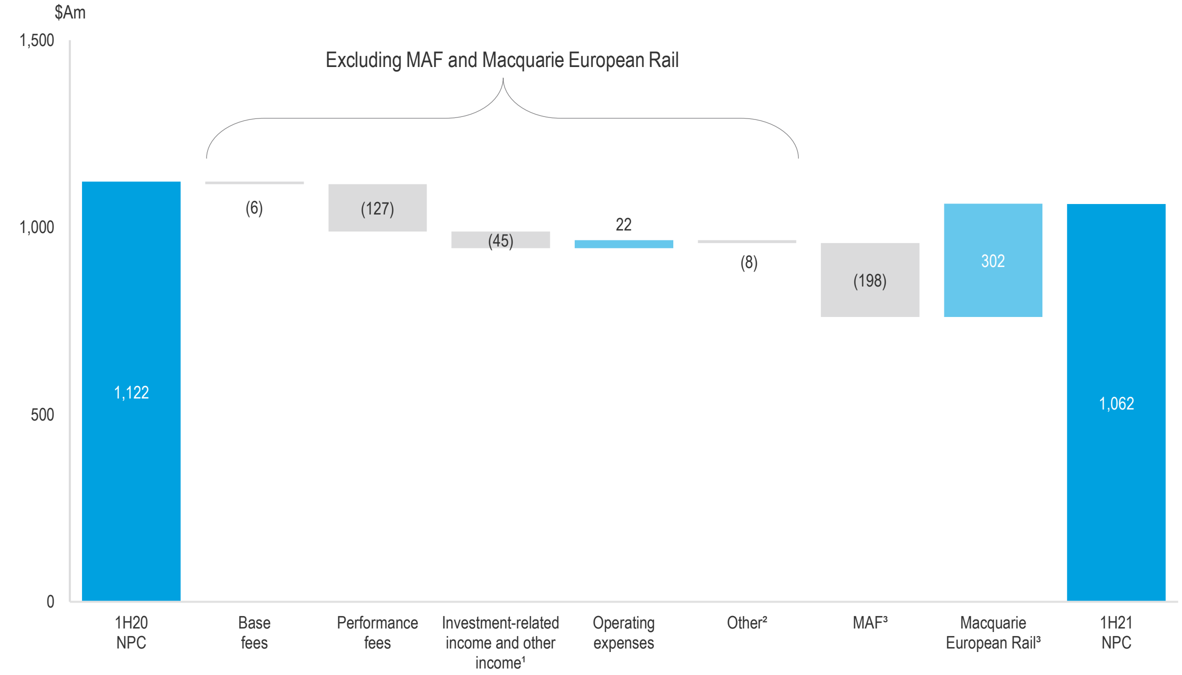
KEY DRIVERS

Credit and Other impairment charges in 1H21 reflect the ongoing impact of COVID-19 on our clients and customers. The 1H20 results were reflective of pre-pandemic economic conditions

- **MAM:** No material credit and other impairment charges
- **BFS:** Increased credit impairment charges related to portfolio growth and further provisioning as a result of COVID-19
- **CGM:** Increase reflecting deterioration in current and expected macroeconomic conditions compared to 1H20 due to COVID-19 resulting in overlays for regional and industry specific risks in addition to impairments taken on a small number of underperforming positions
- **Macquarie Capital:** Increased credit and other impairment charges primarily due to a small number of underperforming loan facilities, and the growth of the debt portfolio
- **Corporate:** Predominantly an overlay for the impact of macroeconomic uncertainty across the credit portfolio

Macquarie Asset Management

Decrease due to lower Macquarie AirFinance (MAF) income and lower performance fees, partially offset by gain on sale of Macquarie European Rail



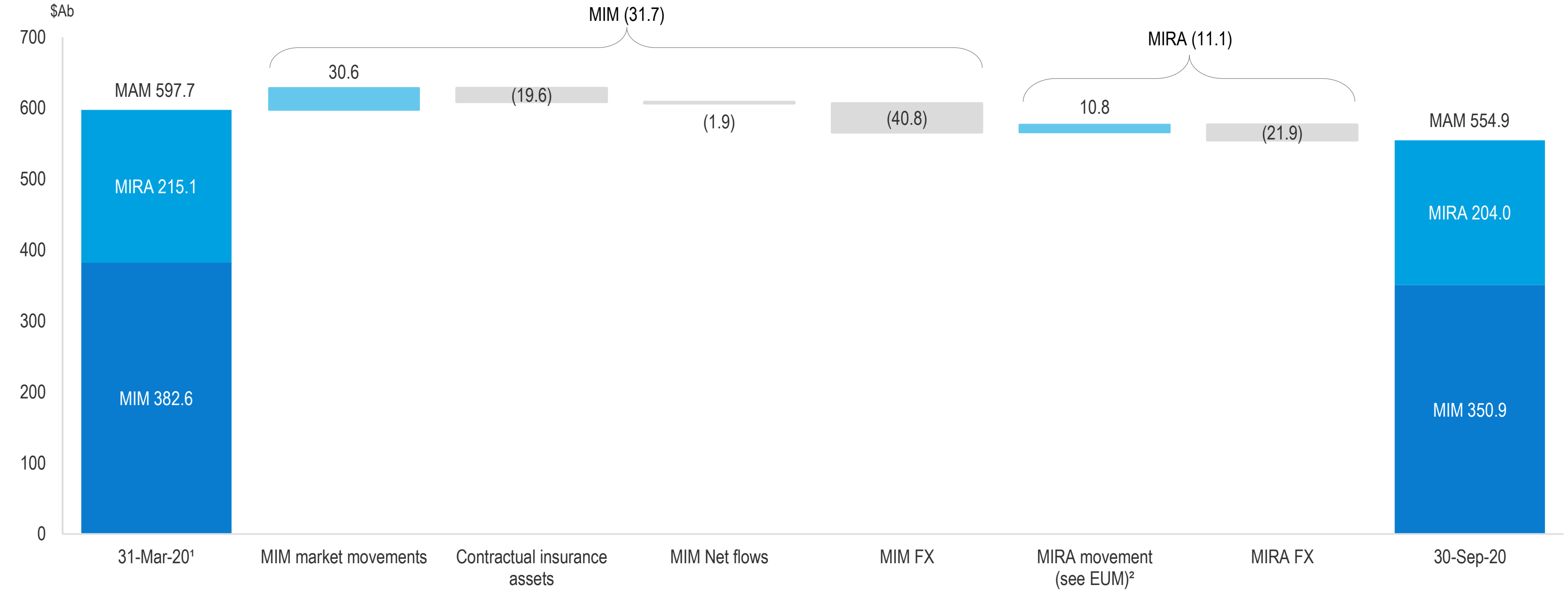
KEY DRIVERS

- Base fees broadly in line with 1H20
- Lower performance fees in 1H21 following a strong 1H20. The current period included fees from a range of funds including MIP II, MEIF4 and other MIRA-managed funds and accounts
- Lower investment-related and other income included in 1H21. The current period included share of net profits from the sale of underlying assets within equity accounted investments and revaluation of property investments, partially offset by equity accounted losses in a small number of MIRA-managed funds
- Lower operating expenses primarily driven by lower professional fees including Aladdin platform implementation costs and reduced travel on account of COVID-19
- Other includes lower income from True Index products and private capital markets
- Lower MAF income primarily driven by the impact of COVID-19 on equity accounted aircraft leasing income, due to deferrals and non-payments and related aircraft impairments, as well as the sell down of 50%[4] of the business during FY20
- Macquarie European Rail driven by gain on sale in 1H21

1. Includes net income on equity and debt investments, share of net (losses)/profits of associates and joint ventures and other income. 2. Other includes net interest and trading expense, other fee and commission income, net operating lease income, credit and other impairments, internal management revenue and non-controlling interests. 3. MAF and Macquarie European Rail includes the net impact of operating income and expenses excluded from the other categories. 4. Macquarie sold the MAF business into a newly formed joint venture in 1H20 in which Macquarie held a 75% interest. In 2H20, Macquarie sold a 25% interest in the joint venture.

MAM AUM movement

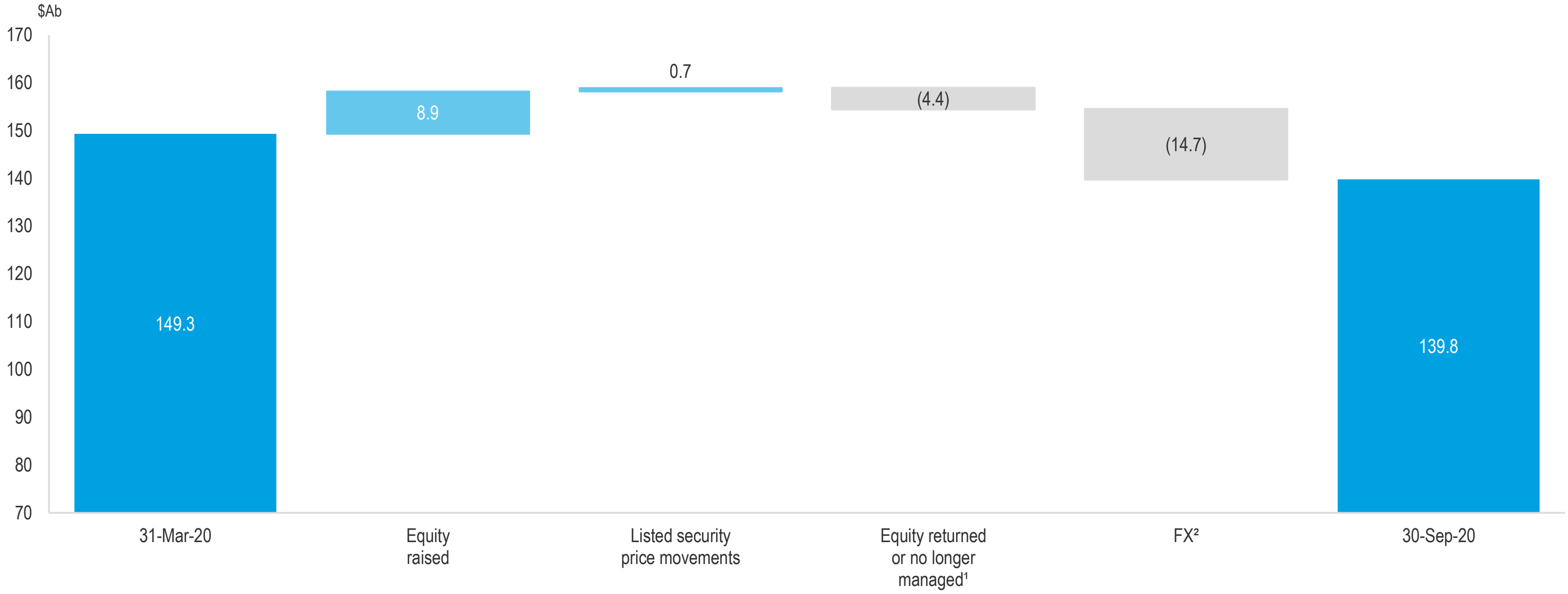
Decrease due to impacts from foreign exchange and a reduction in contractual insurance assets, partially offset by MIM market movements and investment by MIRA-managed funds



1. AUM at 31 Mar 20 has been restated to reflect an immaterial misstatement in total MAM AUM reported on 8 May 20. 2. MIRA tracks its funds under management using an EUM measure as base management fee income is typically aligned with EUM. EUM and AUM are calculated under different methodologies and as such, EUM movement is the more relevant metric for analysis purposes – refer to MIRA EUM movement on slide 29. MIRA's total EUM 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. AUM is calculated as proportional enterprise value at measurement date including equity value and net debt of the underlying assets of funds and managed assets. AUM excludes uninvested equity in MIRA. Refer MD&A s7 for further information with respect to EUM and AUM measures.

MIRA EUM movement

Decrease of 6% primarily due to impacts from foreign exchange partially offset by continued capital raisings



1. Committed capital returned by unlisted funds or under mandates due to asset divestments, redemption or other capital distributions as well as capital no longer managed due to sale of management rights or expiry of asset management agreements. 2. FX reflects the movement in EUM driven by changes in FX rates. EUM is calculated using capital commitments translated at period end FX rates. Spot FX rates are used for capital raised and returned and average FX rates are used for security price movements.

Banking and Financial Services

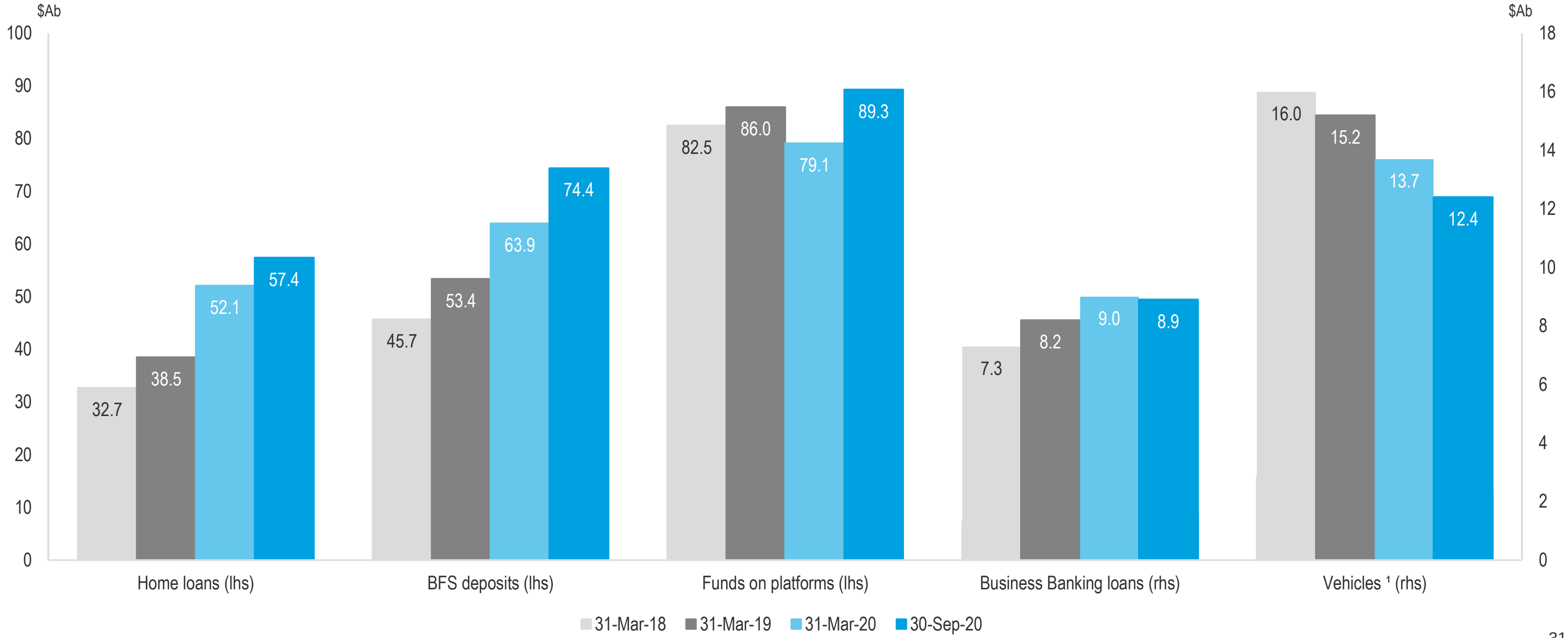
Margin compression on deposits and increased credit impairment charges, partially offset by strong home loan growth and deposits growth

KEY DRIVERS

- Higher Personal Banking income driven by 31% growth in average home loan volumes, partially offset by margin compression on deposits and vehicle finance, and lower vehicle finance average volumes
- Lower Business Banking income driven by deposit margin compression and 21% lower average vehicle finance volumes, partially offset by growth in average Business Banking loan volumes of 13% and average business deposit volumes growth of 8%
- Wealth income driven by 28% growth in average CMA volumes, partially offset by margin compression, lower advisor fees in the current environment and higher deposit origination costs
- Increased credit impairment charges related to portfolio growth and further provisioning as a result of COVID-19
- Higher Expenses and Other primarily due to higher leave provisions driven by less holiday entitlements being taken by staff and additional headcount to support customers impacted by COVID-19, increased costs associated with investment in technology to support business growth and meet regulatory requirements, partially offset by revaluation of an equity investment

Banking and Financial Services

Strong growth across home loans, deposits and funds on platform



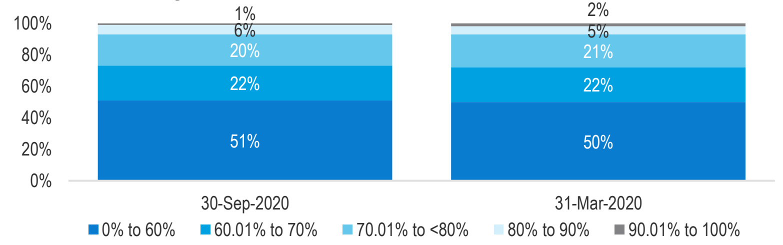
Data based on spot volumes at period end. 1. Includes General plant & equipment.

Banking and Financial Services

Portfolio and credit overview

Portfolio dynamic	30-Sep-20	31-Mar-20	% change
Gross Loan Assets ($Am)	79,103	75,320	5%
% Business Banking (incl. Business Bank Home Loans)	11%	12%	-1%
% Personal Banking (Home Loans + Credit Cards)	73%	70%	3%
% Asset Finance (incl Wholesale)	16%	18%	-2%
Credit Risk Weighted Assets (CRWA) ($Ab)	36.5	35.7	2%
Total provisions ($Am)	522	470	11%
% ECL/CRWA (post-COVID adjustment)	1.43%	1.32%	11bps

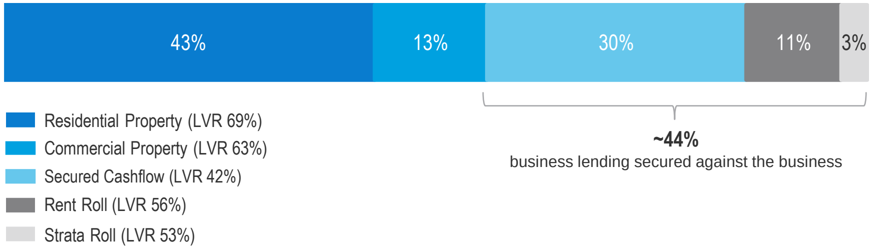
Home Loan Dynamic LVR Distribution



Home Loan portfolio[2] dynamic	30-Sep-20	31-Mar-20
Average LVR at Origination (%)[3,4]	68%	69%
Average Dynamic LVR (%)[4,5]	57%	57%
% Owner Occupied	63%	63%
% Principal and Interest	75%	74%
90+ days delinquent (%)	0.59%	0.55%
Loss rates (bps)	0	1
% ahead of repayments[6]	75%	73%

COVID-19 Payment Pause (% of balances) [7]	31-Oct-20	30-Apr-20
Personal Banking (Home Loans + Credit Cards)	2.8%	11.2%
Business Banking (incl Business Bank Home Loans)	0.7%	16.2%
Vehicle Finance (incl Wholesale)	3.3%	13.5%

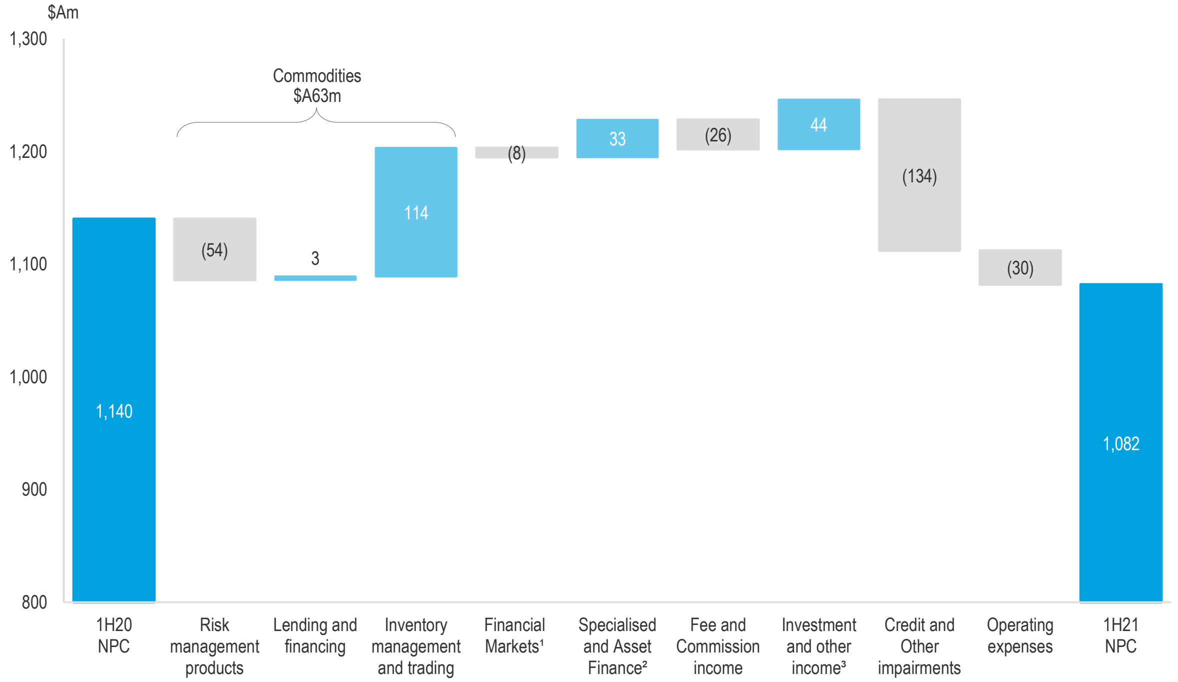
Business lending security type and LVR[1] (%)



1. At 30 Sep 20. 2. Home Loans originated in Personal Banking. 3. Based on accounts still on book. 4. Weighted by size of loan. 5. House price index (HPI) as at Jun 20. 6. Taken as a % of loans with more than 0.5% of limit available ~1 monthly payment ahead net of offset and redraw balances. 7. Excludes natural expiries and early cancellations.

Commodities and Global Markets

Result reflective of two distinct quarters: 1Q21 characterised by dislocated markets and elevated volatility. 2Q21 activity increasingly subdued



KEY DRIVERS

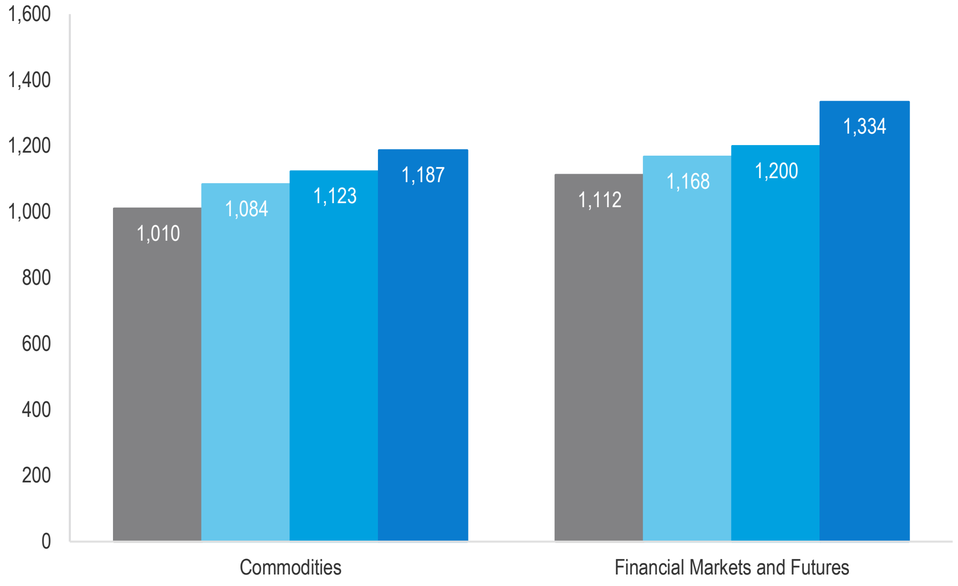
- Commodities recorded a strong result;
  - Solid client hedging activity across the commodities platform particularly in Resources, Agriculture, North American Gas & Power, Global Oil and EMEA Gas & Power linked to elevated volatility, primarily in 1Q21
  - Lending and financing income broadly in line with prior corresponding period
  - Increased opportunities in inventory management and trading in 1Q21 driven by market dislocations and increased volatility particularly across Oil and Precious Metals markets as well as gains associated with the timing of income recognition on Oil and Gas storage contracts and transport agreements
- Consistent performance from financial markets driven by client activity
- Increased Specialised and Asset Finance income primarily driven by higher secondary income in comparison to 1H20
- Reduction in fee and commission income primarily due to a reduction in demand for commodity risk premia products
- Increased investment and other income primarily reflected gains on listed equity investments in the commodities sector
- Credit and other impairment charges have increased reflecting deterioration in current and expected macroeconomic conditions compared to 1H20 due to COVID-19 resulting in overlays for regional and industry specific risks in addition to impairments taken on a small number of underperforming positions
- Increased operating expenses primarily driven by higher employment costs, expenditure on technology infrastructure as well as increasing compliance and regulatory requirements

1. Financial Markets includes FX, interest rates and credit and equities. 2. Specialised and Asset Finance includes net interest and trading income and net operating lease income. 3. Includes net income on equity and debt investments, share of net profits of associates and joint ventures, internal management revenue and other income.

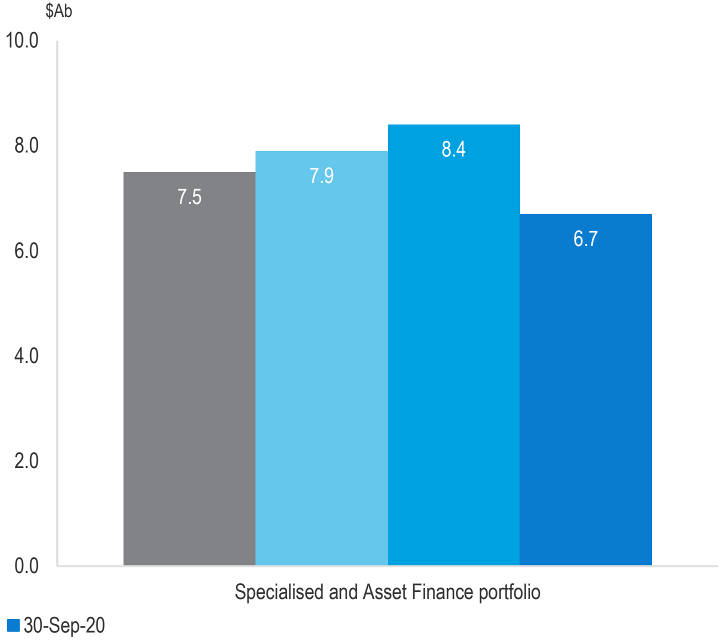
Commodities and Global Markets

Strong underlying client base

Client numbers[1]



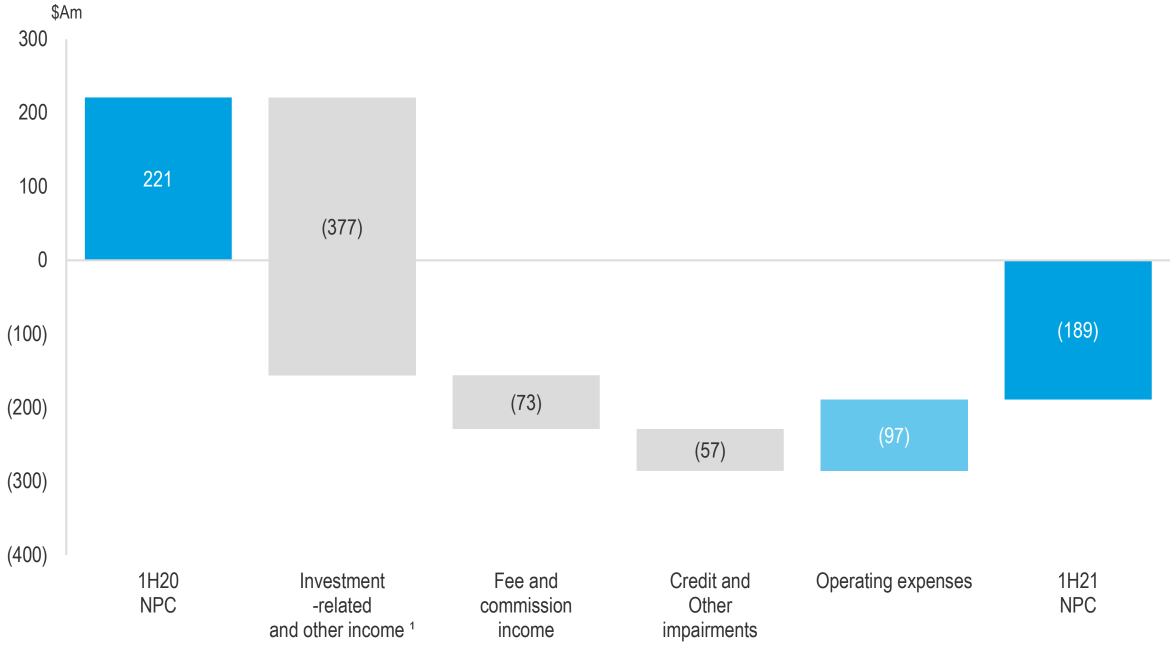
Specialised and Asset Finance portfolio[2]



1. 30 Sep 20 client numbers cover a 12 month period from 1 Oct 19 – 30 Sep 20. 2. Portfolio is net of credit and other impairments. Numbers are reported in AUD equivalent and include fluctuations in foreign exchange.

Macquarie Capital

Result driven by lower investment-related income, lower fee and commission income and higher credit and other impairment charges partially offset by lower operating expenses



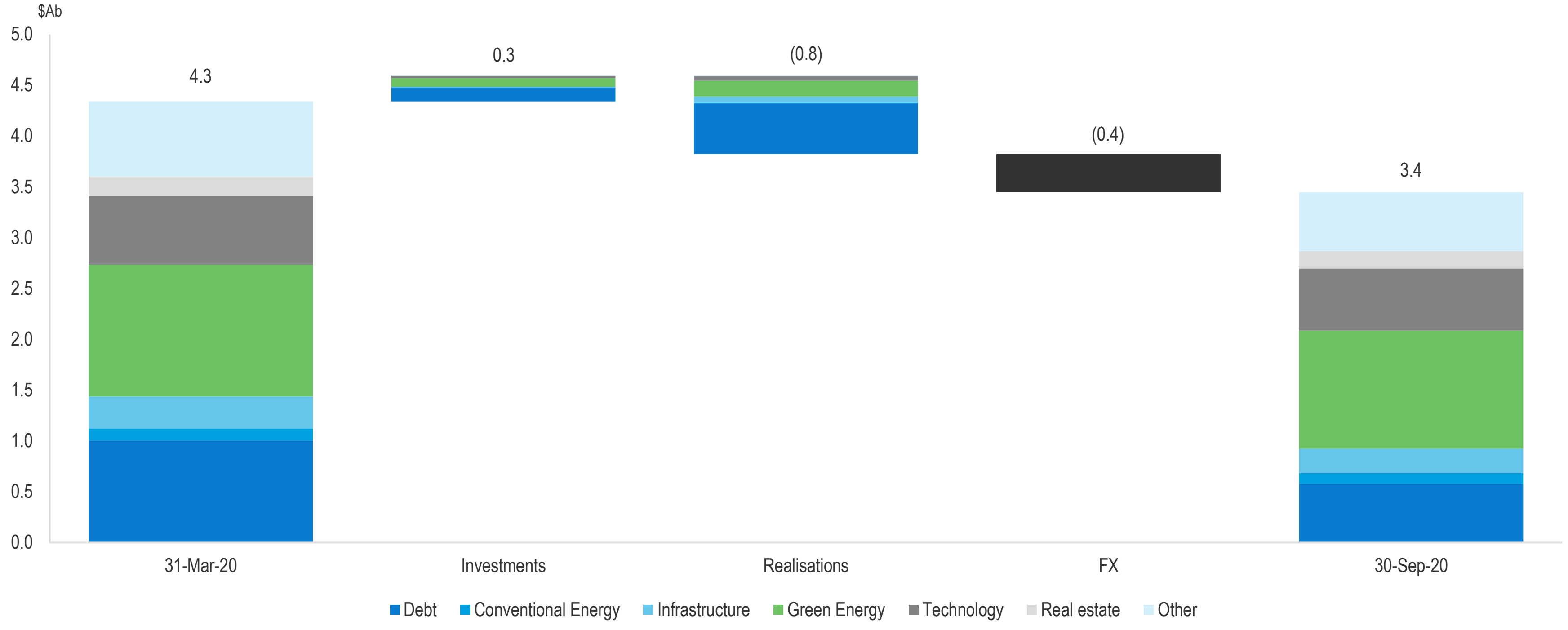
KEY DRIVERS

- Lower investment-related income[1] predominantly due to:
  - Fewer material asset realisations mainly due to the impact of COVID-19
  - Partially offset by lower share of net losses of associates and joint ventures due to small number of underperforming assets in the prior corresponding period
- Lower fee and commission income due to lower mergers and acquisitions fee income, partially offset by higher equity capital markets fee income
- Increased credit and other impairment charges primarily due to a small number of underperforming loan facilities and the growth of the debt portfolio
- Lower operating expenses driven by the structural change in the prior period to refocus Equities on the Asia-Pacific region and lower travel and entertainment expenses due to COVID-19

1. Includes net income on equity and debt investments, share of net losses of associates and joint ventures, net interest and trading income/(expense) (which represents the interest earned from debt investments and the funding costs associated with Macquarie Capital's balance sheet positions), other expenses, internal management revenue and non-controlling interests.

Macquarie Capital

Movement in regulatory capital



MACQUARIE

Costs of compliance

Total compliance spend[1] approximately $A300m in 1H21, up 12% on 1H20

Regulatory project spend	1H21 $Am	2H20 $Am	1H20 $Am
IBOR Reforms	5	4	1
Brexit	8	9	7
Counterparty Data Project	3	3	1
Enterprise Data Management	6	4	4
Transaction Reporting & Data-related Projects for CGM Trading Portfolio	11	10	14
Other Regulatory Projects (e.g. Code of Banking Practice, Payment pause functionality)	56	48	43
Total	**89**	**77**	**70**

Business as usual compliance spend	1H21 $Am	2H20 $Am	1H20 $Am
Financial, Regulatory & Tax Reporting and Compliance	65	55	58
Risk oversight	49	40	54
Financial Crime Risk	15	16	19
Regulatory Capital Management	13	12	12
National Consumer Credit Protection (NCCP)	4	4	4
Privacy & Data Management	7	6	5
Monitoring & Surveillance	5	4	5
Regulator Levies	7	8	6
Other regulatory compliance activities (e.g. APRA resilience, Advice Licensee standards compliance, IRIS Maintenance and Support)	49	52	36
Total	**214**	**197**	**200**
Total compliance spend	**303**	**275**	**270**

- 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 approximately $A303m in 1H21 (excluding indirect costs), up 12% on 1H20
- Regulatory project spend increased 27% from 1H20 as a result of a number of technology projects, IBOR Reforms
- Business as usual spend increased 7% from 1H20 driven by regulatory projects transitioned to business as usual functions, increased global regulatory environment and continued focus of management on a range of compliance activities

1. Excluding indirect costs.

Balance sheet highlights

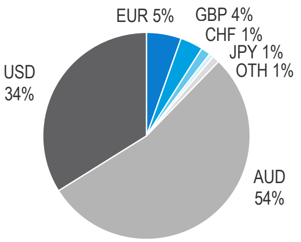
- Balance sheet remains solid and conservative
  - Term assets covered by term funding, stable deposits and equity
  - Minimal reliance on short-term wholesale funding markets
- Total customer deposits[1] continuing to grow, up 15% to $A77.1b as at Sep 20 from $A67.1b as at Mar 20
- $A7.2b[2] of term funding raised during 1H21:
  - $A2.3b of term wholesale issued paper comprising of $A1.9b of subordinated unsecured debt issuance and $A0.4b of structured notes
  - $A2.3b refinance of secured trade finance facilities
  - $A1.7b drawdown of the RBA Term Funding Facility[3]
  - $A0.6b of Macquarie Bank Capital Notes 2 issuance; and
  - $A0.3b of PUMA RMBS securitisation issuance

1. Total customer deposits as per the funded balance sheet ($A77.1b) differs from total deposits as per the statutory balance sheet ($A77.3b). 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 and include undrawn facilities (does not include undrawn accessible TFF Allowances). 3. Initial Allowance drawn as at 30 Sep 20. MBL has $A1.3b of undrawn TFF Supplementary Allowance. MBL has access to the TFF Additional Allowance, the volume of which will be determined by business lending growth to Apr 21.

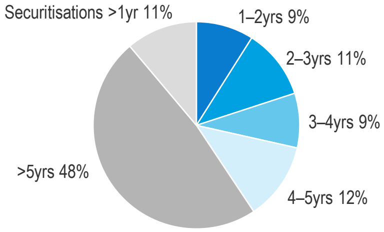
Diversified issuance strategy

Term funding as at 30 Sep 20 – diversified by currency[1], tenor[2] and type

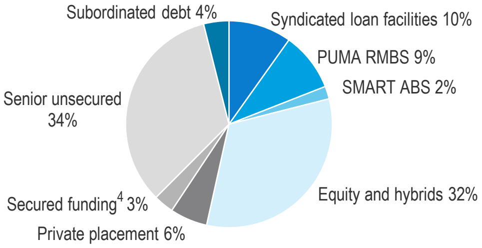
Currency



Tenor

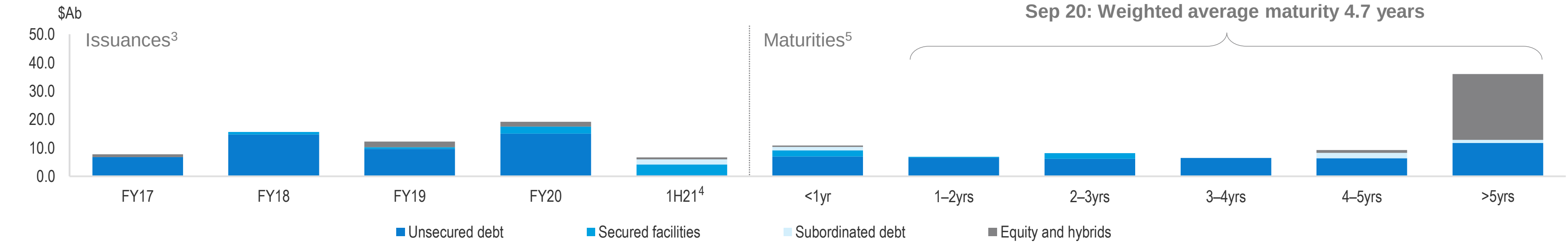


Type



- Well-diversified issuance and funding sources
- Term funding beyond 1 year (including drawn TFF, excluding equity and securitisations) has a weighted average maturity of 4.7 years

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 exclude securitisations and include undrawn facilities. Issuance are converted to AUD at the 30 Sep 20 spot rate. 4. Includes drawn TFF Initial Allowance of $A1.7b. 5. Maturities excludes securitisations and are shown as at 30 Sep 20.

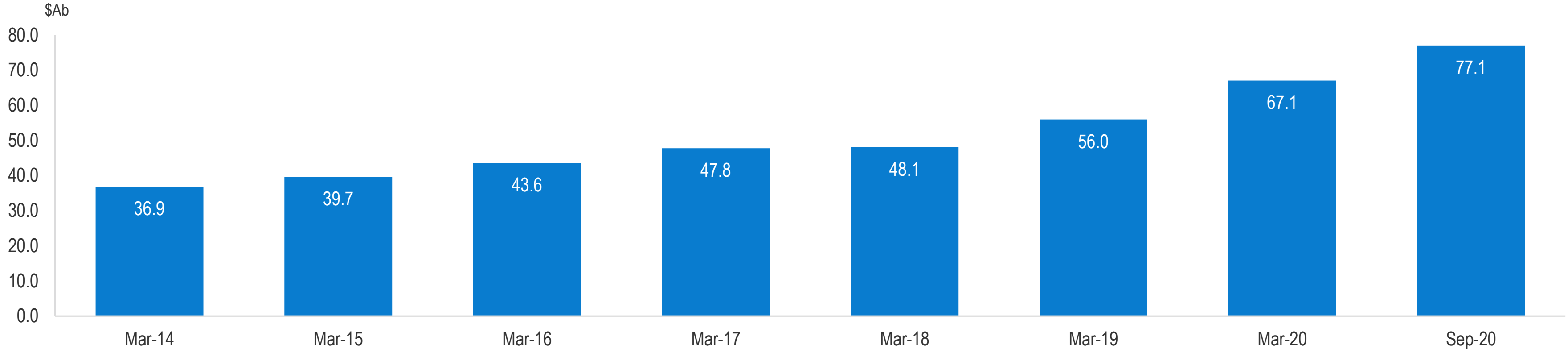
MACQUARIE

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 1.6 million BFS clients, circa 720,000 are depositors
- Focus on the quality and composition of the deposit base
- Continue to grow deposits, CMA product has an average account balance of circa $A42,000

Deposits



Note: Total customer deposits include total BFS deposits of $A74.4b and $A2.7b of Corporate/Wholesale deposits.

MACQUARIE

Loan and lease portfolios[1] – funded balance sheet

Operating Group	Category	Sep 20 $Ab	Mar 20 $Ab	Description
BFS	Home loans[2]	48.8	43.2	Secured by Australian residential property
	Business banking	9.2	9.4	Loan portfolio secured largely by working capital, business cash flows and real property
	Vehicle finance	9.7	10.6	Secured by Australian motor vehicles
	Total BFS	**67.7**	**63.2**	
CGM	*Loans and finance lease assets*	4.9	6.2	
	Operating lease assets	1.8	2.2	
	Specialised and Asset Finance	6.7	8.4	Predominantly secured by underlying financed assets
	Resources and commodities	2.0	3.0	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	2.2	3.2	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
	Total CGM	**10.9**	**14.6**	
MAM	Operating lease assets	0.9	1.7	Secured by underlying financed assets including transportation assets
	Other	0.3	0.3	Secured by underlying financed assets
	Total MAM	**1.2**	**2.0**	
Macquarie Capital	Corporate and other lending	5.4	6.7	Diversified corporate and real estate lending portfolio, predominantly consisting of loans which are senior, secured, covenanted and with a hold to maturity horizon. Includes diversified secured corporate lending
	Total Macquarie Capital	**5.4**	**6.7**	
Total loan and lease assets per funded balance sheet[3]		**85.2**	**86.5**	

1. Loan assets are reported on a funded balance sheet basis and therefore exclude certain items such as assets that are funded by third party debt with no recourse to Macquarie beyond the borrowing entity. In addition, loan assets per the statutory balance sheet of $A93.4b at 30 Sep 20 ($A94.1b at 31 Mar 20) 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. Home loans per the funded balance sheet of $A48.8b differs from the figure disclosed on slide 14 of $A57.4b. The funded balance sheet nets down loans and funding liabilities of non-recourse securitisation and warehouse vehicles (PUMA RMBS and SMART auto ABS) to show the net funding requirement. 3. Total loan assets per funded balance sheet includes self-securitised assets.

MACQUARIE

Equity investments of $A6.5b[1]

Category	Carrying value[2] Sep 20 $Ab	Carrying value[2] Mar 20 $Ab	Description
Macquarie Asset Management (MIRA) managed funds	1.6	1.8	Includes Macquarie Infrastructure Corporation, Macquarie Korea Infrastructure Fund, Macquarie SBI Infrastructure Fund, Macquarie European Infrastructure Fund 5, Macquarie Asia infrastructure Fund, Macquarie Asia infrastructure Fund 2
Other Macquarie-managed funds	0.4	0.3	Includes MIM funds as well as investments that hedge directors' profit share plan liabilities
Transport, industrial and infrastructure	1.0	1.3	Over 25 separate investments
Telecommunications, IT, media and entertainment	1.0	1.2	Over 55 separate investments
Green energy[3]	0.9	1.0	Over 35 separate investments
Conventional energy, resources and commodities	0.4	0.4	Over 35 separate investments
Real estate investment, property and funds management	0.7	1.0	Over 15 separate investments
Finance, wealth management and exchanges	0.5	0.5	Includes investments in fund managers, investment companies, securities exchanges and other corporations in the financial services industry
	6.5	**7.5**	

1. Equity investments per the statutory balance sheet of $A8.6b (Mar 20: $A9.7b) have been adjusted to reflect the total economic exposure to Macquarie. 2. Total funded equity investments of $A6.3b (Mar 20: $A7.4b). 3. Green energy includes Macquarie's associate investment in East Anglia ONE Limited. The investment was partially funded with asset-specific borrowings.

MACQUARIE

Regulatory update

Australia

- On 30 Mar 20, APRA announced the deferral of its scheduled implementation of the Basel III reforms in Australia by one year[1]. The status of the relevant regulatory changes is shown in the table below. On 10 Aug 20, APRA announced that it will recommence public consultations on select policy reforms later in 2020[2], including capital reforms incorporating the unquestionably strong framework

Regulatory Change	Status	Original compliance date	Revised compliance date
APS 110 (Leverage ratio)	Draft standard released 21 Nov 19	2022	2023
APS 111 (Capital treatment of subsidiaries)	Draft standard released 15 Oct 19	2021	No update
APS 112 (Standardised credit risk)	Draft standard released 12 Jun 19	2022	2023
APS 113 (IRB credit risk)	Draft mortgages standard released 12 Jun 19	2022	2023
APS 115 (Operational risk)	Standard finalised 11 Dec 19	2021	2023
APS 116 (FRTB)	Waiting for draft standard to be released	2023	2024
APS 117 (IRRBB)	Draft standard released 4 Sep 19	2022	2023
APS 220 (Credit risk management)	Standard finalised 12 Dec 19	2021	2022
APS 222 (Associations with related entities)[3]	Standard finalised 20 Aug 19	2021	2022
Transparency, comparability and flexibility	Waiting for draft standard to be released	2022	2023

- On 8 Jul 20, APRA extended the temporary capital treatment for bank loan repayment deferrals from six months to ten months, or until 31 Mar 21, whichever comes first[4]. On 9 Sep 20, APRA formalised the capital measures through adding Attachment E of APS 220 for loans impacted by COVID-19[5]
- On 29 Jul 20, APRA updated its guidance provided in Apr 20 on capital management. The updated guidance indicated that for the remainder of 2020, banks should seek to retain at least half of their earnings when making decisions on capital distributions (and utilise initiatives to at least partially offset the impact of capital distributions where possible), conduct regular stress testing to inform decision-making and demonstrate ongoing lending capacity; and make use of capital buffers to absorb the impacts of stress, and continue to lend to support households and businesses[6]
- As previously noted, APRA is in discussions with Macquarie on resolution planning and intragroup funding. These discussions are progressing and as part of the discussions, MGSA, the main Group shared services entity for both the Bank and Non-Bank groups, is proposed to be transferred to the Bank Group in Dec 20
- Based on the current information available, it is Macquarie's expectation that it will have sufficient capital to accommodate likely additional regulatory Tier 1 capital requirements as a result of the above changes, noting that some of them are at an early stage of review and hence the final impact is uncertain
- In Jul 19, APRA released a draft prudential standard CPS 511 aimed at clarifying and strengthening remuneration requirements in APRA-regulated entities. A three-month consultation period closed 23 Oct 2019 during which Macquarie lodged its submission. In Mar 20, APRA suspended the majority of its planned policy and supervision initiatives in response to the impact of COVID-19. APRA intends to release the CPS 511 response package before the end of 2020

1. 'APRA announces deferral of capital reform implementation'; 30 Mar 20. 2. 'APRA to recommence prudential policy program and issuing of new licences', 10 Aug 20. 3. 'APRA announces new commencement dates for prudential and reporting standards'; 16 Apr 20. 4. 'APRA updates regulatory approach to loans subject to repayment deferral'; 8 Jul 20. 5. 'Response to submissions – treatment of loans impacted by COVID-19', 9 Sep 20. 6. 'APRA updates guidance on capital management for banks and insurers'; 29 Jul 20.

Regulatory update

MACQUARIE

Germany

- Macquarie continues to respond to requests for information about its historical activities as part of the ongoing, industry-wide investigation in Germany relating to dividend trading
- 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
- The total amount at issue is not material and MGL has provided for the matter

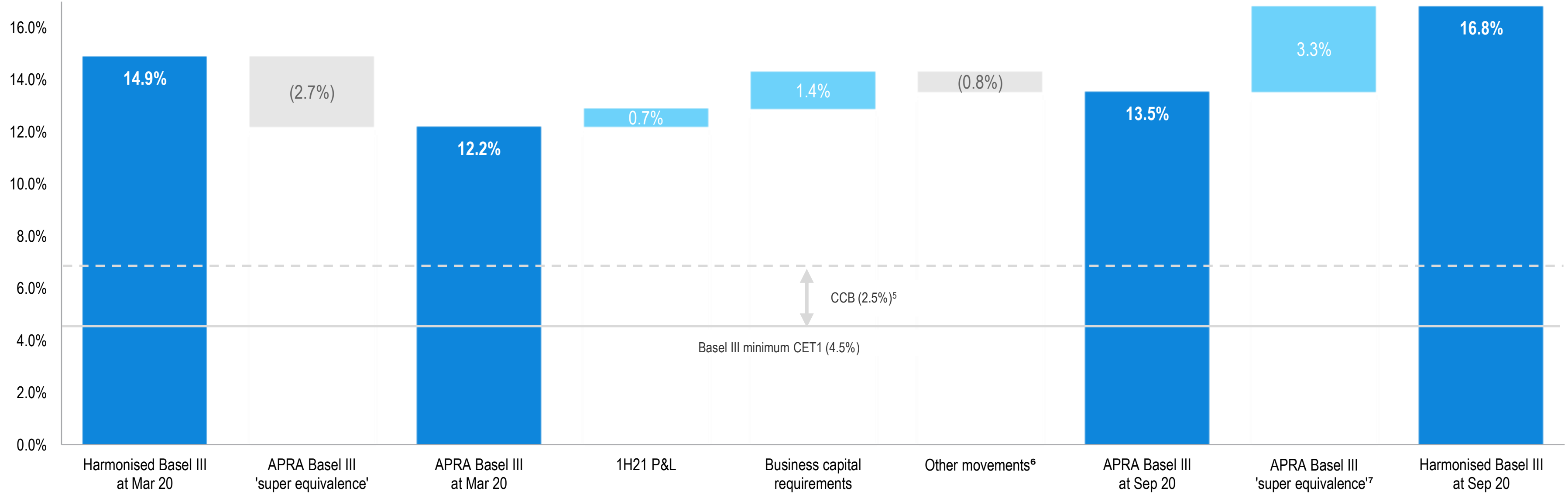
Brexit

- As previously stated, Macquarie does not believe that the UK's withdrawal from the European Union (EU) will be a material event for the Group
- Alongside previously noted licences, Macquarie is progressing a new MiFID investment firm licence application in France
- Macquarie has a longstanding and deep commitment to the UK as the hub for the EMEA region's operations and this will continue to be the case. Macquarie has been in the UK for 31 years with over 1,900 staff based there as at 30 Sep 20

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

- APRA Basel III CET1 ratio: 13.5%, pro forma 12.5%[1,2,3]
- Harmonised Basel III CET1 ratio: 16.8%[4]

Bank Group Common Equity Tier 1 Ratio: Basel III (Sep 20)

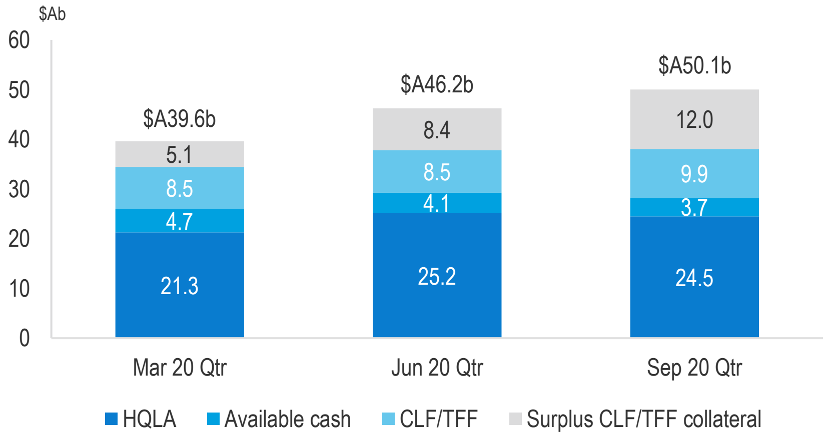


1. Basel III applies only to the Bank Group and not the Non-Bank Group. APRA Basel III Tier 1 ratio at Sep 20: 15.4%. 2. In Nov 20, MBL paid a dividend to its parent MGL. Pro forma CET1 ratio impact is a decrease of 0.5%. 3. Group shared services entities are proposed to be transferred to the Bank Group in Dec 20. Pro forma CET1 ratio impact is a decrease of 0.5%. 4. 'Harmonised' Basel III estimates are calculated in accordance with the BCBS Basel III framework. Harmonised Basel III Tier 1 ratio at Sep 20: 18.9%. 5. 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. 6. Includes movement in the foreign currency translation reserve and other movements in capital supply. 7. 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 2.0%; capitalised expenses 0.5%; equity investments 0.3%; investment into deconsolidated subsidiaries 0.1%; DTAs 0.4%.

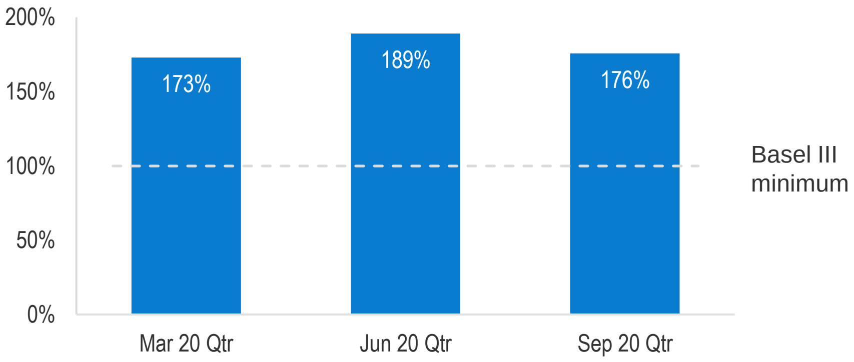
Strong liquidity position maintained

- 176% average LCR for Sep 20 quarter, based on daily observations
  - Maintained well above regulatory minimum
  - Includes APRA approved AUD CLF allocation of $A8.5b for 2020 calendar year and TFF[1] allocation
- Reflects longstanding conservative approach to liquidity management
- $A50.1b of unencumbered liquid assets and cash on average over the quarter to Sep 20 (post applicable haircuts)

Unencumbered Liquid Asset Portfolio[2]



MBL LCR position[2]



1. TFF Initial Allowance of $A1.7b has been included from the Sep 20 Qtr. 2. Represents quarterly average balances. Available cash include balances held with central banks and overnight lending to financial institutions.

Capital management update

MACQUARIE

Additional Tier 1 Capital

- On 2 Jun 20, MBL issued 6,410,270 Macquarie Bank Capital Notes 2 (BCN2) at an issue price of $A100 each, raising $A641m

Loss-Absorbing Capital (LAC) - Tier 2 Capital

- In May and Jun 20, MBL issued $A750m and $US750m Tier 2 capital as part of its programme to meet Total Loss-Absorbing Capacity (TLAC) requirements

Share Issuance

- On 3 Jul 20, 1,958,357 ordinary shares were issued and allocated at $A110.47 per share[1] to shareholders participating in the Dividend Reinvestment Plan (DRP)
- 5,024,608 Macquarie ordinary shares were issued on 9 Jun 20 and a further 139,226 ordinary shares were issued on 4 Aug 20 pursuant to the Macquarie Group Employee Retained Equity Plan (MEREP) at $A112.15[1] per share

Macquarie Bank Limited (MBL) Dividend

- In Nov 20, MBL paid a dividend of $A500m to MGL, which represented 44% of combined MBL profits for 2H20 and 1H21, consistent with APRA guidance, noting that MBL had not otherwise declared a dividend for FY20

Dividend Reinvestment Plan

- The Board determined that shares will be issued with no discount applied under the DRP for the 1H21 dividend

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 of the 10 business days from 25 May 20 to 5 Jun 20 inclusive, less a discount of 1.5%. The price at which the shares to satisfy the MEREP requirements were issued was calculated in the same manner and over the same pricing period as the DRP shares, excluding the 1.5% discount.

04

Outlook

Shemara Wikramanayake

Managing Director and
Chief Executive Officer

Factors impacting short-term outlook

MACQUARIE

Annuity-style businesses

Non-Banking Group

Macquarie Asset Management (MAM)

- Base fees expected to be broadly in line with FY20
- Net Other Operating Income[1] expected to be significantly down on FY20, due to timing uncertainty of asset sales and continued impact of COVID-19 on Macquarie AirFinance customers

Banking Group

Banking and Financial Services (BFS)

- Ongoing provisioning given a continued focus on supporting clients through COVID-19
- Higher deposit and loan portfolio volumes in FY21
- Platform volumes subject to market movements
- Competitive dynamics to continue to drive margin pressure

Markets-facing businesses

Non-Banking Group

Macquarie Capital[2] (MacCap)

- Transaction activity continues, with challenging markets expected to continue to reduce the number of successful transactions and increase the time to completion. Strong ECM activity in Australia through 1H21 not expected to continue
- FY21 expected to be significantly down on FY20 driven by fewer material asset realisations considering market conditions, but positioned to benefit from market recovery

Banking Group

Commodities and Global Markets[3] (CGM)

- 2H21 expected to be significantly down on 1H21
- Subdued customer activity experienced in 2Q21 anticipated to continue in 2H21, albeit volatility may create opportunities
- Consistent contribution from Specialised and Asset Finance linked to annuity flows; notwithstanding reduction in balance sheet
- Product and client sector diversity expected to provide some support through uncertain economic conditions in FY21

Corporate

- Compensation ratio expected to be within the range of historical levels
- The FY21 effective tax rate is expected to be within the range of recent outcomes

1. Net Other Operating Income includes all operating income excluding base fees. 2. Certain activities of the Equities business are undertaken from within the Banking Group. 3. 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

Market conditions are likely to remain challenging, especially given the significant and unprecedented uncertainty caused by the worldwide impact of COVID-19 and the uncertain speed of the global economic recovery

The extent to which these conditions will adversely impact our overall FY21 profitability is uncertain, making short-term forecasting extremely difficult. Accordingly we are currently unable to provide meaningful earnings guidance for FY21

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

- The duration and severity of the COVID-19 pandemic
- The uncertain speed of the global economic recovery
- Global levels of government support for economies
- The completion rate of transactions and period-end reviews
- Geographic composition of income
- The impact of foreign exchange
- Potential regulatory changes and tax uncertainties
- Market conditions and the impact of geopolitical events

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

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

Strong and conservative balance sheet

- Well-matched funding profile with minimal reliance on short-term wholesale funding
- Surplus funding and capital available to support growth

Proven risk management framework and culture

MACQUARIE

Medium term

Annuity-style businesses

Non-Banking Group

Macquarie Asset Management (MAM)

- Leading specialist global asset manager, well-positioned to respond to current market conditions. Strongly placed to grow assets under management through its diversified product offering, track record and experienced local investment teams

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

Markets-facing businesses

Non-Banking Group

Macquarie Capital[1] (MacCap)

- Positioned to benefit from recovery in M&A and capital markets activity
- Continues to tailor the business offering to current opportunities and market conditions including providing flexible capital solutions across sectors and regions
- Opportunities for project development and balance sheet investment by the group and in support of partners and clients subject to market conditions

Banking Group

Commodities and Global Markets[2] (CGM)

- Opportunities to grow 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 asset finance portfolio
- Growing client base across all regions

1. Certain activities of the Equities business are undertaken from within the Banking Group. 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.

MACQUARIE

Approximate business Basel III Capital and ROE

30 Sep 20

Operating Group	APRA Basel III Capital[1] @ 8.5% ($Ab)	Approx. 1H21 Return on Ordinary Equity[2]	Approx. 14-year Average Return on Ordinary Equity[3]
Annuity-style businesses	**6.6**		
Macquarie Asset Management	2.2	24%	22%
Banking and Financial Services	4.4		
Markets-facing businesses	**8.0**		
Commodities and Global Markets	4.6	10%	16%
Macquarie Capital	3.4		
Corporate	**0.6**		
Total regulatory capital requirement @ 8.5%	15.2		
Group surplus	9.4		
Total APRA Basel III capital supply	**24.6**[4]	**9.5%**	**14%**

Note: Differences in totals due to rounding. 1. Operating Group capital allocations are based on 30 Jun 20 allocations adjusted for material movements over the Sep 20 quarter. 2. NPAT used in the calculation of approximately 1H21 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 regulatory capital requirements which are based on the quarterly average capital usage from FY07 to FY20, inclusive. 3. 14-year average covers FY07 to FY20, inclusive, and has not been adjusted for the impact of business restructures or changes in internal P&L and capital attribution. 4. Comprising of $A20.5b of ordinary equity and $A4.1b of hybrids.

MACQUARIE

Presentation to investors and analysts

Result announcement for the half year ended 30 September 2020

6 November 2020

Appendix A

Detailed Result Commentary

MACQUARIE

Macquarie Asset Management

Result

	1H21 $Am	2H20 $Am	1H20 $Am
Base fees	971	1,071	950
Performance fees	413	275	546
Net operating lease income	46	77	303
Investment-related and other income[1]	370	656	85
Credit and Other impairment charges	(11)	(226)	(5)
Net operating income	**1,789**	**1,853**	**1,879**
Brokerage, commission and trading-related expenses	(123)	(140)	(127)
Other operating expenses	(598)	(659)	(628)
Total operating expenses	**(721)**	**(799)**	**(755)**
Non-controlling interests	(6)	1	(2)
Net profit contribution[2]	**1,062**	**1,055**	**1,122**
AUM ($Ab)[3]	554.9	597.7	562.0
MIRA EUM ($Ab)	139.8	149.3	134.4
Headcount	1,904	1,899	1,789

- Base fees of $A971m, up on 1H20 including
  - Contributions from MIM as a result of additional assets acquired in the prior period, fees earned from MAF as well as investments made by MIRA-managed funds and mandates
  - Partially offset by asset realisations in MIRA-managed funds and net flows in MIM
- Performance fees of $A413m, down on 1H20
  - 1H21 included performance fees from a range of funds including MIP II, MEIF4, and other MIRA-managed funds and accounts
  - 1H20 included performance fees from MEIF1, MEIF3, MIP I, MIP II, GIF II, GIF III, managed accounts and co-investors
- Net operating lease income of $A46m, down on 1H20, driven by the sale of the MAF[4] business to a joint venture during the prior corresponding period and sale of Macquarie European Rail in the current period
- Investment-related and other income of $A370m, up on 1H20, primarily driven by gain on sale of Macquarie European Rail and lower interest expense as a result of sale of the MAF business during the prior corresponding period. This was partially offset by an equity accounted loss from MAF, driven by the impact of COVID-19 on aircraft leasing income due to deferrals and non-payments and related aircraft impairments, and lower income from True Index products and private capital markets
- Total operating expenses of $A721m, down 5% on 1H20 primarily driven by lower professional fees including the Aladdin platform implementation costs, reduced travel on account of COVID-19, sale of the MAF business to a joint venture during the prior corresponding period and the completion of Delaware intangible amortisation expenses. This was partially offset by the impact of a new business acquired during the prior period. The business continues to focus on cost saving initiatives

1. Investment-related income includes net income on equity and debt investments and share of net (losses)/profits of associates and joint ventures. Other income includes other fee and commission income, net interest and trading expense, other income and internal management revenue.
2. Management accounting profit before unallocated corporate costs, profit share and income tax. 3. AUM at 31 Mar 20 has been restated to reflect an immaterial misstatement in total MAM AUM reported on 8 May 20. 4. Macquarie sold the MAF business into a newly formed joint venture in 1H20 in which Macquarie held a 75% interest. In 2H20, Macquarie sold a 25% interest in the joint venture.

Banking and Financial Services

Result

	1H21 $Am	2H20 $Am	1H20 $Am
Net interest and trading income[1]	844	890	838
Fee and commission income	203	219	226
Wealth management fee income	*136*	*140*	*144*
Banking and leasing fee income	*67*	*79*	*82*
Credit impairment charges	(78)	(104)	(42)
Other impairment charges	-	(2)	-
Other income/(expenses)[2]	16	13	(1)
Net operating income	**985**	**1,016**	**1,021**
Total operating expenses	**(668)**	**(631)**	**(636)**
Net profit contribution[3]	**317**	**385**	**385**
Funds on platform[4] ($Ab)	89.3	79.1	91.5
Loan and lease portfolio[5] ($Ab)	79.1	75.3	67.4
BFS Deposits[6] ($Ab)	74.4	63.9	56.2
Headcount	2,895	2,660	2,651

- Net interest and trading income of $A844m, up 1% on 1H20
  - 32% growth in the average BFS deposit volumes and a 38% growth in average loan portfolio volumes
  - Margin compression on deposits
  - 14% reduction in average lease portfolio volumes
- Fee and commission income of $A203m, down 10% on 1H20 driven by
  - lower advisor fees in the current environment and higher deposit origination costs
  - impact of supporting clients through COVID-19
- Credit impairment charges of $A78m, up 86% on 1H20 driven by increased credit impairment charges related to portfolio growth and further provisioning as a result of COVID-19
- Other income of $A16m, significantly up on 1H20 mainly driven by revaluation of an equity investment
- Total operating expenses of $A668m, up 5% on 1H20
  - higher leave provisions driven by less holiday entitlements being taken by staff and higher headcount as additional resources were required to support customers impacted by COVID-19
  - investment in technology to support business growth and to meet regulatory requirements
  - increased risk, regulatory and other business related costs

1. Includes internal net interest expense and transfer pricing on funding provided by Group Treasury and deposit premium paid to BFS by Group Treasury for the generation of deposits, that are eliminated on consolidation in the Group's statutory P&L. 2. Includes share of net (losses)/profits of associates and joint ventures, internal management revenue and other income. 3. Management accounting profit before unallocated corporate costs, profit share and income tax. 4. Funds on platform includes Macquarie Wrap and Vision. 5. Loan and lease portfolio comprises home loans, loans to businesses, vehicle finance and credit cards. 6. BFS deposits excludes corporate/wholesale deposits.

MACQUARIE

Commodities and Global Markets

Result

	1H21 $Am	2H20 $Am	1H20 $Am
Commodities	1,112	689	1,049
Risk management products	*578*	*662*	*632*
Lending and financing	*118*	*151*	*115*
Inventory management and trading	*416*	*(124)*	*302*
Foreign exchange, interest rates and credit	349	337	345
Equities	206	153	218
Specialised and Asset Finance	70	88	78
Net interest and trading income[1]	**1,737**	**1,267**	**1,690**
Fee and commission income	257	347	283
Net operating lease income[2]	198	203	157
Investment and other income[3]	104	76	60
Credit and Other impairment charges	(166)	(211)	(32)
Net operating income	**2,130**	**1,682**	**2,158**
Brokerage, commission and trading-related expenses	(216)	(200)	(218)
Other operating expenses	(832)	(884)	(800)
Total operating expenses	**(1,048)**	**(1,084)**	**(1,018)**
Net profit contribution[4]	**1,082**	**598**	**1,140**
Headcount	2,167	2,136	2,145

- Commodities income of $A1,112m, up 6% on 1H20;
  - Risk management products down 9% on a strong 1H20. The current period included solid client hedging activity across the commodities platform particularly in Resources, Agriculture, North American Gas & Power, Global Oil and EMEA Gas & Power linked to elevated volatility, primarily in 1Q21
  - Lending and financing up 3% on 1H20 driven by continued activity across Resources, Agriculture and Energy sectors
  - Inventory management and trading up 38% on 1H20 primarily driven by market dislocations and increased volatility in 1Q21 particularly across Oil and Precious Metals markets as well as gains associated with the timing of income recognition on Oil and Gas storage contracts and transport agreements
- Foreign exchange, interest rates and credit income of $A349m up 1% on 1H20 driven by consistent client activity in structured foreign exchange and interest rate products due to FX volatility and movement in spreads
- Equities income of $A206m, down 6% on 1H20 primarily from a reduced presence in EMEA, partially offset by an increased contribution from trading activities
- Specialised and Asset Finance interest and trading income of $A70m down 10% on 1H20 which benefited from net proceeds from end of lease asset sales
- Fee and commission income of $A257m, down 9% on 1H20 primarily due to a reduction in demand for commodity risk premia products
- Net operating lease income of $A198m, up 26% on 1H20 primarily driven by higher secondary income from asset financing portfolio
- Investment and other income of $A104m, up 73% on 1H20 primarily reflecting gains on listed equity investments in the commodities sector
- Credit and other impairment charges of $A166m, significantly up reflecting deterioration in current and expected macroeconomic conditions compared to 1H20 due to COVID-19 resulting in overlays for regional and industry specific risks in addition to impairments taken on a small number of underperforming positions
- Brokerage, commission and trading-related expenses of $A216m, broadly in line with prior corresponding period
- Other operating expenses of $A832m, up 4% on 1H20, driven by higher employment expenses, expenditure on technology infrastructure as well as increasing compliance and regulatory requirements

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 Specialised and Asset Finance. 3. Includes net income on equity and debt investments, share of net profits of associates and joint ventures, internal management revenue and other income. 4. Management accounting profit before unallocated corporate costs, profit share and income tax.

MACQUARIE

Macquarie Capital

Result

	1H21 $Am	2H20 $Am	1H20 $Am
Fee and commission income	665	854	738
Investment-related income (ex non-controlling interests)	68	721	419
Investment and other income[1]	*62*	*760*	*439*
Net interest and trading income/(expense)[2]	*6*	*(39)*	*(20)*
Credit and Other impairment charges	(119)	(220)	(62)
Internal management revenue[3]	-	23	38
Net operating income	**614**	**1,378**	**1,133**
Total operating expenses	**(816)**	**(852)**	**(913)**
Non-controlling interests	13	16	1
Net profit contribution[4]	**(189)**	**542**	**221**
Capital markets activity[5]:			
Number of transactions	159	195	181
Transactions value ($Ab)	186	165	154
Headcount	1,992	2,047	2,130

- Fee and commission income of $A665m, down 10% on 1H20 due to lower mergers and acquisitions fee income, partially offset by higher equity capital markets fee income
- Investment-related income of $A68m, down 84% on 1H20 predominantly due to:
  - Fewer material asset realisations mainly due to the impact of COVID-19
  - Partially offset by lower share of net losses of associates and joint ventures due to small number of underperforming assets in the prior corresponding period
- Credit and other impairment charges of $A119m, up 92% on 1H20 primarily due to a small number of underperforming loan facilities and the growth of the debt portfolio
- Total operating expenses of $A816m, down 11% on 1H20 driven by the structural change in the prior period to refocus Equities on the Asia-Pacific region and lower travel and entertainment expenses due to COVID-19

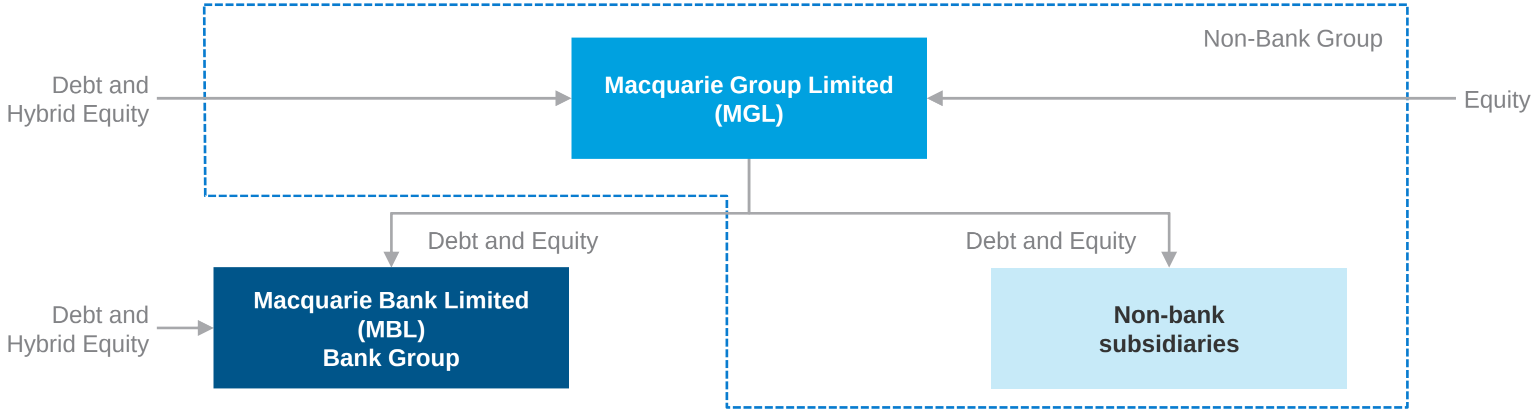
1. Includes net income on equity and debt investments, share of net losses of associates and joint ventures and other (expenses)/income. 2. Includes internal net interest expense and transfer pricing on funding provided by Group Treasury that is eliminated on consolidation in the Group's statutory P&L. 3. Internal revenue allocations are eliminated on consolidation in the Group's statutory P&L. 4. Management accounting profit before unallocated corporate costs, profit share and income tax. 5. 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.

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
- MGL provides funding predominantly to the Non-Bank Group



The Bank Group comprises BFS, 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), and certain activities of the Equities business in Macquarie Capital which are undertaken from within the Banking Group. The Non-Bank Group comprises Macquarie Capital (excluding certain activities of the Equities business undertaken from within the Banking Group), 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.

MACQUARIE

Funded balance sheet reconciliation

- Macquarie's statement of financial position is prepared in accordance with Australian accounting standards which do not represent actual funding requirements
- A funded balance sheet reconciliation has been prepared to reconcile the reported assets of Macquarie to the assets that require funding

	Sep 20 $Ab	Mar 20 $Ab	Sep 19[1] $Ab
Total assets per Statement of Financial Position	**230.7**	**255.8**	**213.3**
Accounting deductions:			
Self-funded trading assets	(17.1)	(17.7)	(19.1)
Derivative revaluation accounting gross-ups	(16.4)	(38.0)	(14.3)
Segregated funds	(7.4)	(7.0)	(4.9)
Outstanding trade settlement balances	(5.6)	(6.8)	(8.2)
Short-term working capital assets	(7.7)	(8.4)	(9.7)
Non-controlling interests	(0.3)	(0.3)	(0.3)
Non-recourse funded assets:			
Securitised assets and other non-recourse funding	(15.2)	(16.0)	(10.4)
Net funded assets per Funded balance sheet	**161.0**	**161.6**	**146.4**

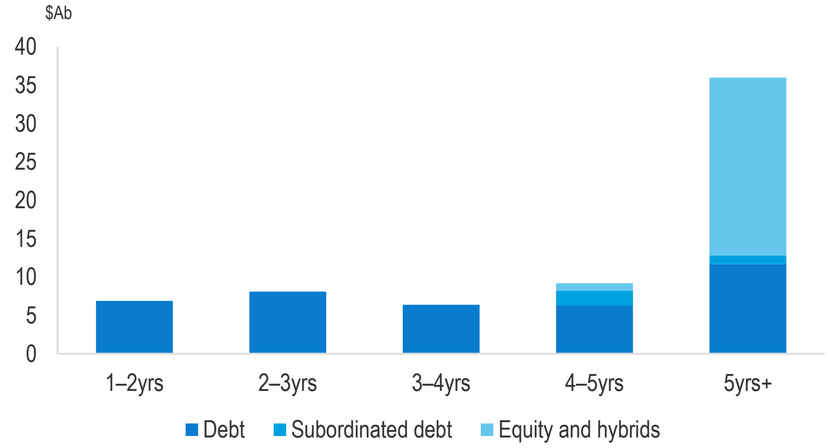
For an explanation of the above deductions refer to slide 66. 1. Refer to Note 1(ii) Comparatives of the Financial Report for an explanation of the re-presentation of certain comparative financial information.

Funding for Macquarie

	Sep 20 $Ab	Mar 20 $Ab	Sep 19[1] $Ab
Funding sources			
Certificates of deposit	0.4	0.6	1.0
Commercial paper	5.7	5.0	7.8
Net trade creditors	0.4	2.0	0.6
Structured notes	1.9	2.0	2.4
Secured funding	4.6	3.8	3.6
Bonds	33.7	40.9	34.8
Other loans	1.0	1.2	1.5
Syndicated loan facilities	7.3	10.1	8.7
Customer deposits	77.1	67.1	58.8
Subordinated debt	4.2	3.5	3.1
Equity and hybrids	24.7	25.4	24.1
Total funding sources	**161.0**	**161.6**	**146.4**
Funded assets			
Cash and liquid assets	37.3	38.9	23.7
Self-securitisation	23.1	23.5	23.6
Net trading assets	26.9	23.2	29.8
Loan assets including operating lease assets less than one year	11.8	13.4	11.7
Loan assets including operating lease assets greater than one year	50.3	49.6	44.0
Debt investment securities	2.2	1.9	1.7
Co-investment in Macquarie-managed funds and other equity investments	6.3	7.4	8.4
Property, plant and equipment and intangibles	3.1	3.7	3.5
Total funded assets	**161.0**	**161.6**	**146.4**

- Well diversified funding sources
- Minimal reliance on short-term wholesale funding markets
- Deposit base represents 48%[2] of total funding sources
- Term funding beyond one year (including drawn TFF, excluding equity and securitisations) has a weighted average term to maturity of 4.7 years[2]

Macquarie's term funding maturing beyond one year (includes Equity and hybrids)[3]



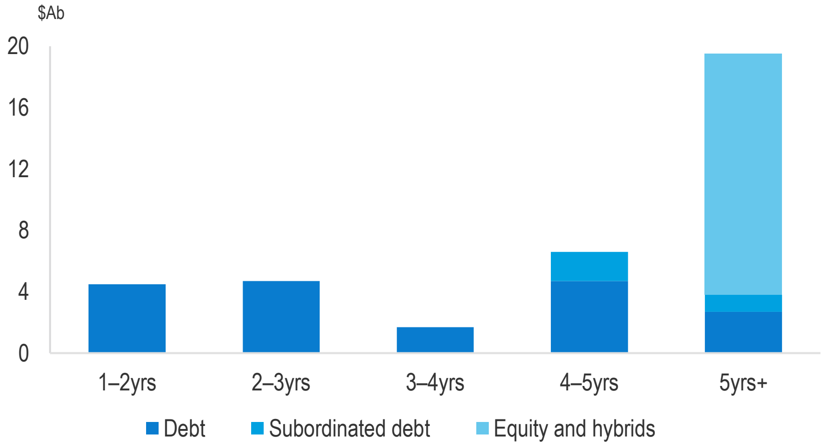
1. Refer to Note 1(ii) Comparatives of the Financial Report for an explanation of the re-presentation of certain comparative financial information. 2. As at 30 Sep 20. 3. Includes drawn term funding facilities only.

Funding for the Bank Group

	Sep 20 $Ab	Mar 20 $Ab	Sep 19[1] $Ab
Funding sources			
Certificates of deposit	0.4	0.6	1.0
Commercial paper	5.7	5.0	7.8
Net trade creditors	0.1	1.1	1.1
Structured notes	1.3	1.9	2.0
Secured funding	4.1	3.2	2.5
Bonds	19.3	24.4	18.9
Other loans	0.9	0.9	1.0
Customer deposits	77.1	67.1	58.8
Subordinated debt	4.2	3.5	3.1
Equity and hybrids	15.7	15.8	14.0
Total funding sources	**128.8**	**123.5**	**110.2**
Funded assets			
Cash and liquid assets	31.8	33.6	21.9
Self-securitisation	23.1	23.5	23.6
Net trading assets	25.7	22.0	27.7
Loan assets including operating lease assets less than one year	11.2	12.2	10.8
Loan assets including operating lease assets greater than one year	44.1	41.7	38.3
Debt investment securities	1.8	1.7	1.1
Non-Bank Group deposit with MBL	(9.9)	(12.2)	(14.2)
Co-investment in Macquarie-managed funds and other equity investments	0.4	0.4	0.4
Property, plant and equipment and intangibles	0.6	0.6	0.6
Total funded assets	**128.8**	**123.5**	**110.2**

- Bank balance sheet remains liquid and well capitalised, with a diverse range of funding sources
- Term funding beyond one year (including drawn TFF, excluding equity and securitisations) has a weighted average term to maturity of 4.1 years[2]
- Accessed term funding across a variety of products and jurisdictions

Bank Group term funding maturing beyond one year (includes Equity and hybrids)[3]



1. Refer to Note 1(ii) Comparatives of the Financial Report for an explanation of the re-presentation of certain comparative financial information. 2. As at 30 Sep 20. 3. Includes drawn term funding facilities only.

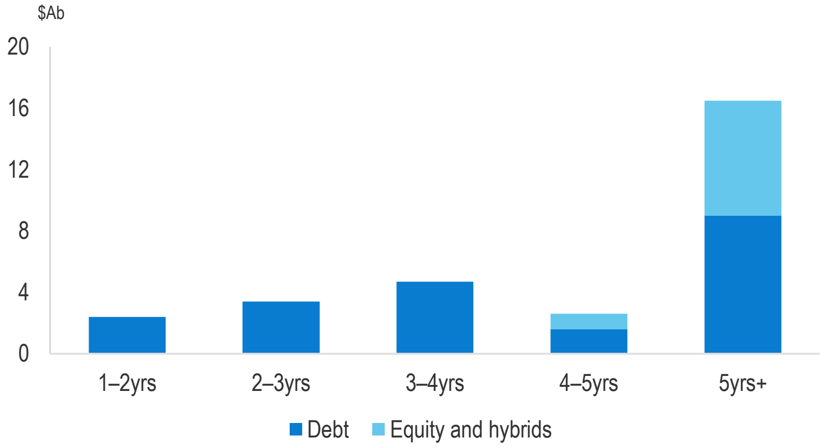
MACQUARIE

Funding for the Non-Bank Group

	Sep 20 $Ab	Mar 20 $Ab	Sep 19 $Ab
Funding sources			
Net trade creditors/(debtors)	0.3	0.9	(0.5)
Structured notes	0.6	0.1	0.4
Secured funding	0.5	0.6	1.1
Bonds	14.4	16.5	15.9
Other loans	0.1	0.3	0.5
Syndicated loan facilities	7.3	10.1	8.7
Equity and hybrids	9.0	9.6	10.1
Total funding sources	**32.2**	**38.1**	**36.2**
Funded assets			
Cash and liquid assets	5.5	5.3	1.8
Non-Bank Group deposit with MBL	9.9	12.2	14.2
Net trading assets	1.2	1.2	2.1
Loan assets including operating lease assets less than one year	0.6	1.2	0.9
Loan assets including operating lease assets greater than one year	6.2	7.9	5.7
Debt investment securities	0.4	0.2	0.6
Co-investment in Macquarie-managed funds and other equity investments	5.9	7.0	8.0
Property, plant and equipment and intangibles	2.5	3.1	2.9
Total funded assets	**32.2**	**38.1**	**36.2**

- Non-Bank Group is predominantly term funded
- Term funding beyond one year (excluding equity) has a weighted average term to maturity of 5.4 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 20. 2. Includes drawn term funding facilities only.

Explanation of funded balance sheet reconciling items

- **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. Also as part of its trading activities, Macquarie pays and receives margin collateral on its outstanding derivative positions. These trading-related asset and liability positions are presented gross on the statement of financial position but are viewed as being self-funded to the extent that they offset one another and, therefore, are netted as part of this adjustment.
- **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 provides products such as investment-linked policy contracts or where Macquarie holds segregated client monies. The policy (contract) liability and client monies will be matched by assets held to the same amount.
- **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).
- **Short-term working capital assets:** As with the outstanding trade settlement balances above, 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.
- **Securitised assets and other non-recourse funding:** These include assets funded by third party debt with no recourse to Macquarie beyond the borrowing entity and lending assets (mortgages and leasing) sold down into external securitisation entities.

Conservative long standing liquidity risk management framework

MACQUARIE

Liquidity Policy

- The key requirement of the MGL and MBL liquidity policies is that the entities are able to meet all 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 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 funding requirements 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 Asset and Liability Committee and the Risk Management Group
- The MGL and MBL Boards approve the liquidity policies and are provided with liquidity reporting on a regular basis

Appendix C

Additional information – Capital

MACQUARIE

Macquarie Basel III regulatory capital

Surplus calculation

30 Sep 20	Harmonised Basel III $Am	APRA Basel III $Am	
Macquarie eligible capital			
Bank Group Gross Tier 1 capital	15,535	15,535	
Non-Bank Group eligible capital	9,075	9,075	
Eligible capital	**24,610**	**24,610**	**(a)**
Macquarie capital requirement			
Bank Group capital requirement			
Risk-Weighted Assets (RWA)[1]	80,342	87,821	
Capital required to cover RWA[2] at 8.5%	6,829	7,465	
Tier 1 deductions	184	1,836	
Total Bank Group capital requirement	7,013	9,301	
Total Non-Bank Group capital requirement	5,928	5,928	
Total Macquarie capital requirement (at 8.5%[2] of the Bank Group RWA)	12,941	15,229	(b)
Macquarie regulatory capital surplus (at 8.5%[2] of the Bank Group RWA)	**11,669**	**9,381**	**(a)-(b)**

1. In calculating the Bank Group's contribution to Macquarie's capital requirement, RWA internal to Macquarie are eliminated (30 Sep 20: $A946 million; 31 Mar 20: $A642 million). 2. 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 20	Risk-weighted assets $Am	Tier 1 Deductions $Am	Capital Requirement[1] $Am
Credit risk			
On balance sheet	44,849		3,812
Off balance sheet	28,171		2,395
Credit risk total[2]	**73,020**		**6,207**
Market risk	4,280		364
Operational risk	10,521		894
Interest rate risk in the banking book	-		-
Tier 1 deductions	-	1,836	1,836
Contribution to Group capital calculation[2]	**87,821**	**1,836**	**9,301**

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 20: $A946 million; 31 Mar 20: $A642 million).

MACQUARIE

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
- APRA has approved Macquarie's Economic Capital Adequacy Model (ECAM) for use in calculating the regulatory capital requirement of the Non-Bank Group
- 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[2]. Deduction from Common Equity Tier 1 above a threshold • APRA Basel III: 100% Common Equity Tier 1 deduction	• Extension of Basel III credit model to cover equity exposures. Capital requirement between 36% and 84% of face value; average 51%
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

Macquarie regulatory capital

Non-Bank Group contribution

30 Sep 20	Assets $Ab	Capital Requirement $Am	Equivalent Risk Weight
Funded assets			
Cash and liquid assets	5.5	84	19%
Loan assets[1]	6.8	659	121%
Debt investment securities	0.4	35	108%
Co-investment in Macquarie-managed funds and other equity investments	5.4	2,850	660%
Co-investment in Macquarie-managed funds and other equity investments (relating to investments that hedge DPS plan liabilities)	0.5		
Property, plant & equipment and intangibles	2.5	896	448%
Non-Bank Group deposit with MBL	9.9		
Net trading assets	1.2		
Total funded assets	**32.2**	**4,524**	
Self-funded and non-recourse assets			
Self funded trading assets	0.9		
Outstanding trade settlement balances	3.2		
Derivative revaluation accounting gross ups	0.3		
Short-term working capital assets	8.8		
Assets funded non-recourse	3.3		
Non-controlling interests	0.3		
Total self-funded and non-recourse assets	**16.8**		
Total Non-Bank Group assets	**49.0**		
Equity commitments		633	
Off balance sheet exposures, operational, market & other risk, and diversification offset[2]		771	
Non-Bank Group capital requirement		**5,928**	

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

Appendix D

Additional information – ECL key indicators

Expected Credit Loss – key indicators

- Under the AASB 9 credit impairment model, losses are recognised on an Expected Credit Loss (ECL) basis. ECLs are required to incorporate Forward-Looking Information (FLI), reflecting Macquarie's view of potential future economic scenarios including a weighted baseline, upside case, and downside case
- Macquarie calculates its ECL provisions using predictive models and probability weighted forward looking economic views. As a result of the continuing economic uncertainty created by the COVID-19 pandemic, Macquarie has exercised judgement in applying post model adjustments through management overlays. Further information is set out within the notes to the Financial report
- Baseline – updated for impact of COVID-19 through key indicators used in modelling: gross domestic product (GDP), the unemployment rate and the level of house prices, interest rates and commodity prices
- Downside – a more severe and protracted COVID-19 scenario resulting from the virus taking longer to be contained

Snapshot of key indicator variables	Current (30 Sep - 3Q 2020)	31 Dec - 4Q 2020	31 Mar - 1Q 2021	30 Jun - 2Q 2021	30 Sep - 3Q 2021	30 Sep - 3Q 2022	30 Sep - 3Q 2023
Baseline							
Australia Real GDP (indexed at 100 = Dec 19)	93.3	94.6	96.0	97.2	98.1	101.0	103.7
Australia Unemployment Rate	8.0%	8.8%	9.1%	8.9%	8.3%	6.7%	5.8%
Australia Property Prices (indexed at 100 = Dec 19)	96.8	95.7	94.8	94.7	94.9	101.8	108.9
US Real GDP (indexed at 100 = Dec 19)	94.0	94.9	95.7	96.4	97.1	100.1	103.0
US Unemployment Rate	10.8%	9.6%	9.5%	8.9%	8.3%	6.5%	5.6%
Euro Area Real GDP (indexed at 100 = Dec 19)	92.2	94.5	95.7	96.9	97.8	100.4	102.4
Euro Area Unemployment Rate	8.5%	9.1%	9.0%	9.0%	8.9%	8.3%	7.9%
Downside							
Australia Real GDP (indexed at 100 = Dec 19)	93.0	93.4	94.0	94.4	94.9	96.9	99.5
Australia Unemployment Rate	8.2%	9.1%	9.5%	9.4%	9.1%	7.7%	6.9%
Australia Property Prices (indexed at 100 = Dec 19)	95.0	90.8	86.6	83.4	81.3	82.4	88.0
US Real GDP (indexed at 100 = Dec 19)	90.4	91.5	92.5	93.5	94.3	97.1	99.9
US Unemployment Rate	12.9%	12.1%	11.5%	10.9%	10.1%	7.9%	6.8%
Euro Area Real GDP (indexed at 100 = Dec 19)	85.9	88.4	91.2	93.3	95.1	99.0	100.9
Euro Area Unemployment Rate	8.8%	9.9%	9.9%	9.8%	9.6%	9.1%	8.7%

Further detail on the scenarios used for the Expected Credit Loss are contained in Note 12 of the Financial report.

Appendix E

Glossary

MACQUARIE

Glossary

$A / AUD	Australian Dollar
$US / USD	United States Dollar
£ / GBP	Pound Sterling
€	Euro
1H20	Half Year ended 30 September 2019
1H21	Half Year ended 30 September 2020
1Q21	The months ended 30 June 2020
2H20	Half Year ended 31 March 2020
2H21	Half Year ending 31 March 2021
2Q21	The months ended 30 September 2020
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
Capex	Capital Expenditure
CCB	Capital Conservation Buffer
CET1	Common Equity Tier 1
CGM	Commodities and Global Markets

CLF	Committed Liquid Facility
CMA	Cash Management Account
CRM	Customer Relationship Management
CY19	Calendar Year ended 31 December 2019
CY20	Calendar Year ending 31 December 2020
DCM	Debt Capital Markets
DPS	Dividends Per Share
DRP	Dividend Reinvestment Plan
DTA	Deferred Tax Asset
ECAM	Economic Capital Adequacy Model
ECM	Equity Capital Markets
ECS	Exchangeable Capital Securities
EMEA	Europe, the Middle East and Africa
EPS	Earnings Per Share
EUM	Equity Under Management
FCTR	Foreign currency translation reserve
FX	Foreign Exchange
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
GIF II	Macquarie Global Infrastructure Fund 2
GIF III	Macquarie Global Infrastructure Fund 3
GIG	Green Investment Group
GLL	GLL Real Estate Partners

MACQUARIE

Glossary

IPO	Initial Public Offering
IRB	Internal Ratings-Based
IFRS	International Financial Reporting Standards
IT	Information Technology
KMGF	Korea Macquarie Growth Fund
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
MEIF1	Macquarie European Infrastructure Fund 1
MEIF3	Macquarie European Infrastructure Fund 3
MEIF4	Macquarie European Infrastructure Fund 4
MEREP	Macquarie Group Employee Retained Equity Plan
MFAA	Mortgage and Finance Association of Australia
MGL / MQG	Macquarie Group Limited
MGSA	Macquarie Group Services Australia
MIC	Macquarie Infrastructure Corporation
MiFID	Markets in Financial Instruments Directive
MIM	Macquarie Investment Management
MIP I	Macquarie Infrastructure Partners Fund 1
MIP II	Macquarie Infrastructure Partners Fund 2
MIRA	Macquarie Infrastructure and Real Assets
MW	Mega Watt
MWDC	Mega Watt direct current
MWhr	Mega Watt hour
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
PPE	Property, Plant and Equipment
PPP	Public Private Partnership
RBA	Reserve Bank of Australia
RHS	Right Hand Side
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

Presentation to investors and analysts

Result announcement for the half year ended 30 September 2020

6 November 2020