



ASX/Media Release

MACQUARIE GROUP TO ACQUIRE PORTFOLIO OF AIRCRAFT FROM AWAS AVIATION CAPITAL LIMITED

SYDNEY, 4 March 2015 – Macquarie Group Limited (ASX; MQG; ADR: MQBKY) announced today that a Macquarie Bank Limited subsidiary has entered into an agreement to acquire an aircraft operating lease portfolio from AWAS Aviation Capital Limited.

The portfolio comprises 90 modern, current-generation commercial passenger aircraft leased to 40 airlines. The weighted average age of the fleet is approximately 2 years with an average remaining lease term of 6.5 years. Narrowbody Airbus A320-200 and Boeing 737-800 aircraft comprise more than 90 per cent of the portfolio (by value). The remainder of the portfolio consists of Airbus A330 widebody aircraft.

The portfolio will be part of Macquarie AirFinance, the aircraft operating lease division of Macquarie's Corporate and Asset Finance group (CAF). As at 31 December 2014, CAF had \$A29 billion in assets and loans under management across a range of sectors including aircraft, motor vehicles, mining equipment, rotorcraft, and corporate and real estate lending. Its aircraft operating lease portfolio currently comprises 130 aircraft.

Macquarie's Head of Transportation Finance, Stephen Cook said: "This transaction allows us to acquire high quality assets. It complements our existing aircraft leasing portfolio and diversifies our client base. In the many years that Macquarie has been active in aircraft leasing, we have been privileged to work with some of the world's leading airlines."

Macquarie Group Chief Executive Officer Nicholas Moore said: "This acquisition builds on the strong growth of our Corporate and Asset Finance business and the ongoing investment in our annuity-style businesses."

Transaction terms and timing

The purchase price for the 90 aircraft is \$US4 billion (subject to adjustments). The capital requirement for this transaction is expected to be \$A0.6 billion. The acquisition will be funded from existing funding sources combined with third-party financing arrangements and the capital raising announced today.

The acquisition is expected to be both earnings per share (EPS) and return on equity (ROE) accretive having taken into account the announced capital raising.

Settlements for the aircraft acquisitions are expected to occur progressively over the next 12 months and are subject to customary closing conditions.

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