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04 February 2016

Ross Pullen
ASX Derivatives
Level 6, 20 Bridge Street
Sydney NSW 2000



Dear Ross,

For announcement to the market:

Macquarie Self Funding Instalment Warrants – National Australia Bank Limited (NAB) (the “Listed Entity”) Demerger

Macquarie Bank Limited (“Macquarie”) is the issuer of the following Instalment warrants over securities in the Listed Entity.

	ASX Code(s):
Self-Funding Instalments:	NABSMB, NABSMX & NABSMY

On 7 December 2015, the Listed Entity announced a Demerger pursuant to which eligible shareholders in the Listed Entity will receive one security in CYBG PLC for every four Listed Entity security held on record date 05 February 2016. Further information about the announcement can be found in announcements made to the ASX by the Listed Entity.

Instalment Adjustments

Macquarie advises that pursuant to the relevant Terms of Issue, the following adjustments have been made to the above Instalments:

- The value realised for the Offer is \$3.92 per Instalment.
- The value of the Offer (per Instalment) and a pro-rata portion of the Interest Amount* prepaid have been applied to reduce the current Loan Amount.

ASX Code	Previous Loan Amount	Value of the Offer Per Instalment	Interest Refund*	Adjusted Loan Amount
NABSMB	\$15.5140	\$3.9200	\$0.0096	\$14.5244
NABSMX	\$17.3784	\$3.9200	\$0.0096	\$16.3888
NABSMY	\$24.3853	\$3.9200	\$0.0096	\$23.3957

This letter assumes no other adjustments will be made to any series of Instalments before the adjustments described are made. The above mentioned Instalments will commence trading on an adjusted basis on Friday 05 February 2016.

If you have any questions regarding this matter please contact your Stockbroker or Financial Adviser. Alternatively, Ask Macquarie on 1800 803 010.

Yours Sincerely,
Client Service Team
Macquarie Securities Group
Macquarie Bank Limited

* Where your Instalment has a fixed and variable interest structure, the interest refund represents a refund of the Variable Interest Amount.