**MACQUARIE BANK LIMITED**

(ABN 46 008 583 542)

**(Incorporated under the laws of the Australia)**

**NOTICE TO WARRANTHOLDERS**

To : (1) ALL HOLDERS OF EUROPEAN STYLE INDEX CALL WARRANTS RELATING TO THE NIKKEI 225 INDEX ISSUED BY MACQUARIE BANK LIMITED (NIKKEI225 20000 MB ECW181214)

(2) ALL HOLDERS OF EUROPEAN STYLE INDEX CALL WARRANTS RELATING TO THE NIKKEI 225 INDEX ISSUED BY MACQUARIE BANK LIMITED (NIKKEI225 22500 MB ECW181214)

(3) ALL HOLDERS OF EUROPEAN STYLE INDEX CALL WARRANTS RELATING TO THE NIKKEI 225 INDEX ISSUED BY MACQUARIE BANK LIMITED (NIKKEI225 25000 MB ECW181214)

(4) ALL HOLDERS OF EUROPEAN STYLE INDEX PUT WARRANTS RELATING TO THE NIKKEI 225 INDEX ISSUED BY MACQUARIE BANK LIMITED (NIKKEI225 18000 MB EPW181214)

(5) ALL HOLDERS OF EUROPEAN STYLE INDEX PUT WARRANTS RELATING TO THE NIKKEI 225 INDEX ISSUED BY MACQUARIE BANK LIMITED (NIKKEI225 20500 MB EPW181214)

(6) ALL HOLDERS OF EUROPEAN STYLE INDEX PUT WARRANTS RELATING TO THE NIKKEI 225 INDEX ISSUED BY MACQUARIE BANK LIMITED (NIKKEI225 23000 MB EPW181214)

Notice is hereby given by Macquarie Bank Limited ("**Macquarie**" or the "**Issuer**") in respect of:

(a) the European Style Index Call Warrants relating to the Nikkei 225 Index (NIKKEI225 20000 MB ECW181214) (the "**NIKKEI225 20000 Call Warrants**");

(b) the European Style Index Call Warrants relating to the Nikkei 225 Index (NIKKEI225 22500 MB ECW181214) (the "**NIKKEI225 22500 Call Warrants**");

(c) the European Style Index Call Warrants relating to the Nikkei 225 Index (NIKKEI225 25000 MB ECW181214) (the "**NIKKEI225 25000 Call Warrants**", together with the NIKKEI225 20000 Call Warrants and the NIKKEI225 22500 Call Warrants, the "**NIKKEI225 Call Warrants**");

(d) the European Style Index Put Warrants relating to the Nikkei 225 Index (NIKKEI225 18000 MB EPW181214) (the "**NIKKEI225 18000 Put Warrants**");

(e) the European Style Index Put Warrants relating to the Nikkei 225 Index (NIKKEI225 20500 MB EPW181214) (the "**NIKKEI225 20500 Put Warrants**"); and

(f) the European Style Index Put Warrants relating to the Nikkei 225 Index (NIKKEI225 23000 MB EPW181214) (the "**NIKKEI225 23000 Put Warrants**", together with the NIKKEI225 18000 Put Warrants and the NIKKEI225 20500 Put Warrants, the "**NIKKEI225 Put Warrants**"),

(together, the "**Warrants**") on the following:

*Terms defined or construed in the Supplemental Listing Document dated 25 April 2018 in relation to the NIKKEI225 20000 Call Warrants, NIKKEI225 22500 Call Warrants, NIKKEI225 25000 Call Warrants, NIKKEI225 18000 Put Warrants, NIKKEI225 20500 Put Warrants, NIKKEI225 23000 Put Warrants issued by Macquarie bear the same meaning and construction in this Notice.*

**EXPIRY OF WARRANTS**

In accordance with the terms and conditions of the Warrants, the Warrants have expired on the following date:

| Warrant | Expiry Date | Exercise Price/Strike Level | Conversion Ratio (number of shares per Warrant) |
|---|---|---|---|
| NIKKEI225 20000 Call Warrants | 14 December 2018 | 20,000 | 0.010000 |
| NIKKEI225 22500 Call Warrants | 14 December 2018 | 22,500 | 0.010000 |
| NIKKEI225 25000 Call Warrants | 14 December 2018 | 25,000 | 0.010000 |
| NIKKEI225 18000 Put Warrants | 14 December 2018 | 18,000 | 0.010000 |
| NIKKEI225 20500 Put Warrants | 14 December 2018 | 20,500 | 0.010000 |
| NIKKEI225 23000 Put Warrants | 14 December 2018 | 23,000 | 0.010000 |

The Warrants are cash-settled warrants which entitle a Warrantholder to be paid a cash settlement amount (if positive) (the "**Cash Settlement Amount**") in accordance with the terms and conditions of the Warrants.

Warrantholders will not be required to deliver an exercise notice. If the Cash Settlement Amount (less any Exercise Expenses) is positive, all Warrants will be deemed to have been automatically exercised at 12:00 noon (Singapore time) on the Expiry Date (or if the Valuation Date falls after the Expiry Date, the Expiry Date shall be the Business Day following the Valuation Date). The Cash Settlement Amount less the Exercise Expenses in respect of the Warrants will be paid in the manner set out in the terms and conditions of the Warrants. In the event the Cash Settlement Amount (less any Exercise Expenses) is zero or negative, all Warrants will be deemed to have expired at 12:00 noon (Singapore time) on the Expiry Date (or if the Valuation Date falls after the Expiry Date, the Expiry Date shall be the Business Day following the Valuation Date) and Warrantholders will not be entitled to receive any payment from the Issuer in respect of the Warrants.

As the Cash Settlement Amounts (less any Exercise Expenses) for the NIKKEI225 20000 Call Warrants and the NIKKEI225 23000 Put Warrants are positive, the NIKKEI225 20000 Call Warrants and the NIKKEI225 23000 Put Warrants are deemed to have been automatically exercised at 12:00 noon (Singapore time) on 14 December 2018.

As the Cash Settlement Amounts (less any Exercise Expenses) for the NIKKEI225 22500 Call Warrants, the NIKKEI225 25000 Call Warrants, the NIKKEI225 18000 Put Warrants and the NIKKEI225 20500 Put

Warrants are zero, the NIKKEI225 22500 Call Warrants, the NIKKEI225 25000 Call Warrants, the NIKKEI225 18000 Put Warrants and the NIKKEI225 20500 Put Warrants are deemed to have expired at 12:00 noon (Singapore time) on 14 December 2018 and the Warrantholders shall not be entitled to receive any payment from the Issuer in respect of the NIKKEI225 22500 Call Warrants, the NIKKEI225 25000 Call Warrants, the NIKKEI225 18000 Put Warrants and the NIKKEI225 20500 Put Warrants.

Accordingly, a holder of a Warrant is entitled to receive (less any Exercise Expenses):

| Warrant | Cash Settlement Amount per Warrant [1] |
|---|---|
| NIKKEI225 20000 Call Warrants | SGD 0.19611 |
| NIKKEI225 22500 Call Warrants | SGD 0 |
| NIKKEI225 25000 Call Warrants | SGD 0 |
| NIKKEI225 18000 Put Warrants | SGD 0 |
| NIKKEI225 20500 Put Warrants | SGD 0 |
| NIKKEI225 23000 Put Warrants | SGD 0.16731 |

**which will be paid in the manner set out in the terms and conditions of each of the Warrants.**

**Queries regarding the Notice may be directed to our toll-free hotline at 1800 288 2880.**

Issued by
**MACQUARIE BANK LIMITED**

14 December 2018

*Macquarie Bank Limited ("**Macquarie**") is regulated as an Authorised Deposit-taking institution by the Australian Prudential Regulation Authority. Macquarie, acting through its Singapore branch, is authorised and licensed by the Monetary Authority of Singapore to carry on wholesale banking business in Singapore pursuant to the Banking Act, Chapter 19 of Singapore and therefore is subject to the supervision of the Monetary Authority of Singapore.*

[1] Warrantholders will be paid the aggregate Cash Settlement Amount less any Exercise Expenses.