

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 HANG SENG INDEX ISSUED BY MACQUARIE BANK LIMITED (HSI 19800 MB ECW160530)
- (2) ALL HOLDERS OF EUROPEAN STYLE INDEX CALL WARRANTS RELATING TO THE HANG SENG INDEX ISSUED BY MACQUARIE BANK LIMITED (HSI 20600 MB ECW160530)
- (3) ALL HOLDERS OF EUROPEAN STYLE INDEX CALL WARRANTS RELATING TO THE HANG SENG INDEX ISSUED BY MACQUARIE BANK LIMITED (HSI 21400 MB ECW160530)
- (4) ALL HOLDERS OF EUROPEAN STYLE INDEX CALL WARRANTS RELATING TO THE HANG SENG INDEX ISSUED BY MACQUARIE BANK LIMITED (HSI 22200 MB ECW160530)
- (5) ALL HOLDERS OF EUROPEAN STYLE INDEX PUT WARRANTS RELATING TO THE HANG SENG INDEX ISSUED BY MACQUARIE BANK LIMITED (HSI 19200 MB EPW160530)
- (6) ALL HOLDERS OF EUROPEAN STYLE INDEX PUT WARRANTS RELATING TO THE HANG SENG INDEX ISSUED BY MACQUARIE BANK LIMITED (HSI 20000 MB EPW160530)
- (7) ALL HOLDERS OF EUROPEAN STYLE INDEX PUT WARRANTS RELATING TO THE HANG SENG INDEX ISSUED BY MACQUARIE BANK LIMITED (HSI 21000 MB EPW160530)

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 Hang Seng Index (HSI 19800 MB ECW160530) (the "**HSI 19800 Call Warrants**");
- (b) the European Style Index Call Warrants relating to the Hang Seng Index (HSI 20600 MB ECW160530) (the "**HSI 20600 Call Warrants**");
- (c) the European Style Index Call Warrants relating to the Hang Seng Index (HSI 21400 MB ECW160530) (the "**HSI 21400 Call Warrants**");
- (d) the European Style Index Call Warrants relating to the Hang Seng Index (HSI 22200 MB ECW160530) (the "**HSI 22200 Call Warrants**", together with the HSI 19800 Call Warrants and the HSI 20600 Call Warrants and the HSI 21400 Call Warrants, the "**HSI Call Warrants**");

- (e) the European Style Index Put Warrants relating to the Hang Seng Index (HSI 19200 MB EPW160530) (the "**HSI 19200 Put Warrants**");
- (f) the European Style Index Put Warrants relating to the Hang Seng Index (HSI 20000 MB EPW160530) (the "**HSI 20000 Put Warrants**"); and
- (g) the European Style Index Put Warrants relating to the Hang Seng Index (HSI 21000 MB EPW160530) (the "**HSI 21000 Put Warrants**", together with the HSI 19200 Put Warrants and the HSI 20000 Put Warrants, the "**HSI Put Warrants**"),

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

Terms defined or construed in (1) the Supplemental Listing Document dated 22 March 2016 in relation to the HSI 20600 Call Warrants, HSI 21400 Call Warrants, HSI 19200 Put Warrants, HSI 20000 Put Warrants, (2) the Supplemental Listing Document dated 11 April 2016 in relation to the HSI 19800 Call Warrants, (3) the Supplemental Listing Document dated 19 April 2016 in relation to the HSI 22200 Call Warrants, HSI 21000 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 units per Warrant)
HSI 19800 Call Warrants	30 May 2016	19,800	0.001000
HSI 20600 Call Warrants	30 May 2016	20,600	0.001000
HSI 21400 Call Warrants	30 May 2016	21,400	0.001000
HSI 22200 Call Warrants	30 May 2016	22,200	0.001000
HSI 19200 Put Warrants	30 May 2016	19,200	0.001000
HSI 20000 Put Warrants	30 May 2016	20,000	0.001000
HSI 21000 Put Warrants	30 May 2016	21,000	0.001000

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 HSI 19800 Call Warrants, the HSI 20600 Call Warrants, and the HSI 21000 Put Warrants are positive, the HSI 19800 Call Warrants, the HSI 20600 Call Warrants, and the HSI 21000 Put Warrants are deemed to have been automatically exercised at 12:00 noon (Singapore time) on 30 May 2016.

As the Cash Settlement Amounts (less any Exercise Expenses) for the HSI 21400 Call Warrants, the HSI 22200 Call Warrants, the HSI 19200 Put Warrants, and the HSI 20000 Put Warrants are zero, the HSI 21400 Call Warrants, the HSI 22200 Call Warrants, the HSI 19200 Put Warrants, and the HSI 20000 Put Warrants are deemed to have expired at 12:00 noon (Singapore time) on 30 May 2016 and the Warrantholders shall not be entitled to receive any payment from the Issuer in respect of the HSI 21400 Call Warrants, the HSI 22200 Call Warrants, the HSI 19200 Put Warrants, and the HSI 20000 Put Warrants.

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

Warrant	Cash Settlement Amount per Warrant ¹
HSI 19800 Call Warrants	SGD 0.15397
HSI 20600 Call Warrants	SGD 0.01173
HSI 21400 Call Warrants	SGD 0
HSI 22200 Call Warrants	SGD 0
HSI 19200 Put Warrants	SGD 0
HSI 20000 Put Warrants	SGD 0
HSI 21000 Put Warrants	SGD 0.05939

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

30 May 2016

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