

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 FTSE CHINA A50 INDEX ISSUED BY MACQUARIE BANK LIMITED (FTSECHINAA50 8200 MBECW150129)
- (2) ALL HOLDERS OF EUROPEAN STYLE INDEX CALL WARRANTS RELATING TO THE HANG SENG INDEX ISSUED BY MACQUARIE BANK LIMITED (HSI 23400 MB ECW150129)
- (3) ALL HOLDERS OF EUROPEAN STYLE INDEX CALL WARRANTS RELATING TO THE HANG SENG INDEX ISSUED BY MACQUARIE BANK LIMITED (HSI 24000 MB ECW150129)
- (4) ALL HOLDERS OF EUROPEAN STYLE INDEX CALL WARRANTS RELATING TO THE HANG SENG INDEX ISSUED BY MACQUARIE BANK LIMITED (HSI 24600 MB ECW150129)
- (5) ALL HOLDERS OF EUROPEAN STYLE INDEX PUT WARRANTS RELATING TO THE FTSE CHINA A50 INDEX ISSUED BY MACQUARIE BANK LIMITED (FTSECHINAA50 7600 MBEPW150129)
- (6) ALL HOLDERS OF EUROPEAN STYLE INDEX PUT WARRANTS RELATING TO THE HANG SENG INDEX ISSUED BY MACQUARIE BANK LIMITED (HSI 22600 MB EPW150129)
- (7) ALL HOLDERS OF EUROPEAN STYLE INDEX PUT WARRANTS RELATING TO THE HANG SENG INDEX ISSUED BY MACQUARIE BANK LIMITED (HSI 23200 MB EPW150129)
- (8) ALL HOLDERS OF EUROPEAN STYLE INDEX PUT WARRANTS RELATING TO THE HANG SENG INDEX ISSUED BY MACQUARIE BANK LIMITED (HSI 23800 MB EPW150129)

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 FTSE China A50 Index (FTSECHINAA50 8200 MBECW150129) (the “**FTSECHINAA50 8200 Call Warrants**”);
- (b) the European Style Index Call Warrants relating to the Hang Seng Index (HSI 23400 MB ECW150129) (the “**HSI 23400 Call Warrants**”);

- (c) the European Style Index Call Warrants relating to the Hang Seng Index (HSI 24000 MB ECW150129) (the "**HSI 24000 Call Warrants**");
- (d) the European Style Index Call Warrants relating to the Hang Seng Index (HSI 24600 MB ECW150129) (the "**HSI 24600 Call Warrants**");
- (e) the European Style Index Put Warrants relating to the FTSE China A50 Index (FTSECHINAA50 7600 MBEPW150129) (the "**FTSECHINAA50 7600 Put Warrants**");
- (f) the European Style Index Put Warrants relating to the Hang Seng Index (HSI 22600 MB EPW150129) (the "**HSI 22600 Put Warrants**");
- (g) the European Style Index Put Warrants relating to the Hang Seng Index (HSI 23200 MB EPW150129) (the "**HSI 23200 Put Warrants**"); and
- (h) the European Style Index Put Warrants relating to the Hang Seng Index (HSI 23800 MB EPW150129) (the "**HSI 23800 Put Warrants**").

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

Terms defined or construed in (1) the Supplemental Listing Document dated 10 September 2014 in relation to the FTSECHINAA50 8200 Call Warrants, FTSECHINAA50 7600 Put Warrants, (2) the Supplemental Listing Document dated 24 November 2014 in relation to the HSI 23400 Call Warrants, HSI 24000 Call Warrants, HSI 23200 Put Warrants, HSI 23800 Put Warrants, (3) the Supplemental Listing Document dated 02 December 2014 in relation to the HSI 24600 Call Warrants, (4) the Supplemental Listing Document dated 17 December 2014 in relation to the HSI 22600 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)
FTSECHINAA50 8200 Call Warrants	29 January 2015	8,200	0.000167
HSI 23400 Call Warrants	29 January 2015	23,400	0.001000
HSI 24000 Call Warrants	29 January 2015	24,000	0.001000
HSI 24600 Call Warrants	29 January 2015	24,600	0.001000
FTSECHINAA50 7600 Put Warrants	29 January 2015	7,600	0.000167
HSI 22600 Put Warrants	29 January 2015	22,600	0.001000
HSI 23200 Put Warrants	29 January 2015	23,200	0.001000
HSI 23800 Put Warrants	29 January 2015	23,800	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 FTSECHINAA50 8200 Call Warrants, the HSI 23400 Call Warrants and the HSI 24000 Call Warrants are positive, the FTSECHINAA50 8200 Call Warrants, the HSI 23400 Call Warrants and the HSI 24000 Call Warrants are deemed to have been automatically exercised at 12:00 noon (Singapore time) on 29 January 2015.

As the Cash Settlement Amounts (less any Exercise Expenses) for the FTSECHINAA50 7600 Put Warrants, the HSI 24600 Call Warrants, the HSI 22600 Put Warrants, the HSI 23200 Put Warrants and the HSI 23800 Put Warrants are zero, the HSI 24600 Call Warrants, the FTSECHINAA50 7600 Put Warrants, the HSI 22600 Put Warrants, the HSI 23200 Put Warrants and the HSI 23800 Put Warrants are deemed to have expired at 12:00 noon (Singapore time) on 29 January 2015 and the Warrantholders shall not be entitled to receive any payment from the Issuer in respect of the HSI 24600 Call Warrants, the FTSECHINAA50 7600 Put Warrants, the HSI 22600 Put Warrants, the HSI 23200 Put Warrants and the HSI 23800 Put Warrants.

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

Warrant	Cash Settlement Amount per Warrant ¹
FTSECHINAA50 8200 Call Warrants	SGD 0.580
HSI 23400 Call Warrants	SGD 0.209
HSI 24000 Call Warrants	SGD 0.104
HSI 24600 Call Warrants	SGD 0
FTSECHINAA50 7600 Put Warrants	SGD 0
HSI 22600 Put Warrants	SGD 0
HSI 23200 Put Warrants	SGD 0
HSI 23800 Put Warrants	SGD 0

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

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

MACQUARIE BANK LIMITED

29 January 2015