

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 24000 MB ECW141030)
- (2) ALL HOLDERS OF EUROPEAN STYLE INDEX CALL WARRANTS RELATING TO THE HANG SENG INDEX ISSUED BY MACQUARIE BANK LIMITED (HSI 24600 MB ECW141030)
- (3) ALL HOLDERS OF EUROPEAN STYLE INDEX CALL WARRANTS RELATING TO THE HANG SENG INDEX ISSUED BY MACQUARIE BANK LIMITED (HSI 25200 MB ECW141030)
- (4) ALL HOLDERS OF EUROPEAN STYLE INDEX CALL WARRANTS RELATING TO THE HANG SENG INDEX ISSUED BY MACQUARIE BANK LIMITED (HSI 25800 MB ECW141030)
- (5) ALL HOLDERS OF EUROPEAN STYLE INDEX PUT WARRANTS RELATING TO THE HANG SENG INDEX ISSUED BY MACQUARIE BANK LIMITED (HSI 23800 MB EPW141030)
- (6) ALL HOLDERS OF EUROPEAN STYLE INDEX PUT WARRANTS RELATING TO THE HANG SENG INDEX ISSUED BY MACQUARIE BANK LIMITED (HSI 24400 MB EPW141030)
- (7) ALL HOLDERS OF EUROPEAN STYLE INDEX PUT WARRANTS RELATING TO THE HANG SENG INDEX ISSUED BY MACQUARIE BANK LIMITED (HSI 25000 MB EPW141030)

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 24000 MB ECW141030) (the "**HSI 24000 Call Warrants**");
- (b) the European Style Index Call Warrants relating to the Hang Seng Index (HSI 24600 MB ECW141030) (the "**HSI 24600 Call Warrants**");
- (c) the European Style Index Call Warrants relating to the Hang Seng Index (HSI 25200 MB ECW141030) (the "**HSI 25200 Call Warrants**");
- (d) the European Style Index Call Warrants relating to the Hang Seng Index (HSI 25800 MB ECW141030) (the "**HSI 25800 Call Warrants**", together with the HSI 24000 Call Warrants and the HSI 24600 Call Warrants and the HSI 25200 Call Warrants, the "**HSI Call Warrants**");

- (e) the European Style Index Put Warrants relating to the Hang Seng Index (HSI 23800 MB EPW141030) (the "**HSI 23800 Put Warrants**");
- (f) the European Style Index Put Warrants relating to the Hang Seng Index (HSI 24400 MB EPW141030) (the "**HSI 24400 Put Warrants**"); and
- (g) the European Style Index Put Warrants relating to the Hang Seng Index (HSI 25000 MB EPW141030) (the "**HSI 25000 Put Warrants**", together with the HSI 23800 Put Warrants and the HSI 24400 Put Warrants, the "**HSI Put Warrants**"),

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

Terms defined or construed in (1) the Supplemental Listing Document dated 22 August 2014 in relation to the HSI 24600 Call Warrants, HSI 25200 Call Warrants, HSI 25800 Call Warrants, HSI 24400 Put Warrants, HSI 25000 Put Warrants, (2) the Supplemental Listing Document dated 22 September 2014 in relation to the HSI 23800 Put Warrants, (3) the Supplemental Listing Document dated 24 September 2014 in relation to the HSI 24000 Call 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	Strike Level	Conversion Ratio (number of units per Warrant)
HSI 24000 Call Warrants	30 October 2014	24,000	0.001000
HSI 24600 Call Warrants	30 October 2014	24,600	0.001000
HSI 25200 Call Warrants	30 October 2014	25,200	0.001000
HSI 25800 Call Warrants	30 October 2014	25,800	0.001000
HSI 23800 Put Warrants	30 October 2014	23,800	0.001000
HSI 24400 Put Warrants	30 October 2014	24,400	0.001000
HSI 25000 Put Warrants	30 October 2014	25,000	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 23800 Put Warrants, the HSI 24400 Put Warrants and the HSI 25000 Put Warrants are positive, the HSI 23800 Put Warrants, the HSI 24400 Put Warrants and the HSI 25000 Put Warrants are deemed to have been automatically exercised at 12:00 noon (Singapore time) on 30 October 2014.

As the Cash Settlement Amounts (less any Exercise Expenses) for the HSI 24000 Call Warrants, the HSI 24600 Call Warrants, the HSI 25200 Call Warrants and the HSI 25800 Call Warrants are zero, the HSI 24000 Call Warrants, the HSI 24600 Call Warrants, the HSI 25200 Call Warrants and the HSI 25800 Call Warrants are deemed to have expired at 12:00 noon (Singapore time) on 30 October 2014 and the Warrantholders shall not be entitled to receive any payment from the Issuer in respect of the HSI 24000 Call Warrants, the HSI 24600 Call Warrants, the HSI 25200 Call Warrants and the HSI 25800 Call Warrants.

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

Warrant	Cash Settlement Amount per Warrant ¹
HSI 24000 Call Warrants	SGD 0
HSI 24600 Call Warrants	SGD 0
HSI 25200 Call Warrants	SGD 0
HSI 25800 Call Warrants	SGD 0
HSI 23800 Put Warrants	SGD 0.016
HSI 24400 Put Warrants	SGD 0.115
HSI 25000 Put Warrants	SGD 0.214

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 October 2014

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