

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 21600 MB
ECW140529)
- (2) ALL HOLDERS OF EUROPEAN STYLE INDEX CALL WARRANTS RELATING TO THE
HANG SENG INDEX ISSUED BY MACQUARIE BANK LIMITED (HSI 22200 MB
ECW140529)
- (3) ALL HOLDERS OF EUROPEAN STYLE INDEX CALL WARRANTS RELATING TO THE
HANG SENG INDEX ISSUED BY MACQUARIE BANK LIMITED (HSI 22800 MB
ECW140529)
- (4) ALL HOLDERS OF EUROPEAN STYLE INDEX CALL WARRANTS RELATING TO THE
HANG SENG INDEX ISSUED BY MACQUARIE BANK LIMITED (HSI 23400 MB
ECW140529)
- (5) ALL HOLDERS OF EUROPEAN STYLE INDEX PUT WARRANTS RELATING TO THE
HANG SENG INDEX ISSUED BY MACQUARIE BANK LIMITED (HSI 21200 MB
EPW140529)
- (6) ALL HOLDERS OF EUROPEAN STYLE INDEX PUT WARRANTS RELATING TO THE
HANG SENG INDEX ISSUED BY MACQUARIE BANK LIMITED (HSI 21800 MB
EPW140529)
- (7) ALL HOLDERS OF EUROPEAN STYLE INDEX PUT WARRANTS RELATING TO THE
HANG SENG INDEX ISSUED BY MACQUARIE BANK LIMITED (HSI 22400 MB
EPW140529)
- (8) ALL HOLDERS OF EUROPEAN STYLE INDEX PUT WARRANTS RELATING TO THE
HANG SENG INDEX ISSUED BY MACQUARIE BANK LIMITED (HSI 23000 MB
EPW140529)

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 21600 MB
ECW140529) (the "**HSI 21600 Call Warrants**");
- (b) the European Style Index Call Warrants relating to the Hang Seng Index (HSI 22200 MB
ECW140529) (the "**HSI 22200 Call Warrants**");

- (c) the European Style Index Call Warrants relating to the Hang Seng Index (HSI 22800 MB ECW140529) (the "**HSI 22800 Call Warrants**");
- (d) the European Style Index Call Warrants relating to the Hang Seng Index (HSI 23400 MB ECW140529) (the "**HSI 23400 Call Warrants**", together with the HSI 21600 Call Warrants and the HSI 22200 Call Warrants and the HSI 22800 Call Warrants, the "**HSI Call Warrants**");
- (e) the European Style Index Put Warrants relating to the Hang Seng Index (HSI 21200 MB EPW140529) (the "**HSI 21200 Put Warrants**");
- (f) the European Style Index Put Warrants relating to the Hang Seng Index (HSI 21800 MB EPW140529) (the "**HSI 21800 Put Warrants**");
- (g) the European Style Index Put Warrants relating to the Hang Seng Index (HSI 22400 MB EPW140529) (the "**HSI 22400 Put Warrants**"); and
- (h) the European Style Index Put Warrants relating to the Hang Seng Index (HSI 23000 MB EPW140529) (the "**HSI 23000 Put Warrants**", together with the HSI 21200 Put Warrants and the HSI 21800 Put Warrants and the HSI 22400 Put Warrants, the "**HSI Put Warrants**");

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

Terms defined or construed in (1) the Supplemental Listing Document dated 25 March 2014 in relation to the HSI 21600 Call Warrants, HSI 22200 Call Warrants, HSI 21200 Put Warrants, HSI 21800 Put Warrants, (2) the Supplemental Listing Document dated 07 April 2014 in relation to the HSI 22800 Call Warrants, HSI 23400 Call Warrants, HSI 22400 Put Warrants, HSI 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	Strike Level	Conversion Ratio (number of units per Warrant)
HSI 21600 Call Warrants	29 May 2014	21,600	0.001000
HSI 22200 Call Warrants	29 May 2014	22,200	0.001000
HSI 22800 Call Warrants	29 May 2014	22,800	0.001000
HSI 23400 Call Warrants	29 May 2014	23,400	0.001000
HSI 21200 Put Warrants	29 May 2014	21,200	0.001000
HSI 21800 Put Warrants	29 May 2014	21,800	0.001000
HSI 22400 Put Warrants	29 May 2014	22,400	0.001000
HSI 23000 Put Warrants	29 May 2014	23,000	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.

Warrantheolders 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 Warrantheolders 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 21600 Call Warrants, HSI 22200 Call Warrants, and HSI 22800 Call Warrants are positive, the HSI 21600 Call Warrants, HSI 22200 Call Warrants, and HSI 22800 Call Warrants are deemed to have been automatically exercised at 12:00 noon (Singapore time) on 29 May 2014.

As the Cash Settlement Amounts (less any Exercise Expenses) for the HSI 23400 Call Warrants, HSI 21200 Put Warrants, HSI 21800 Put Warrants, HSI 22400 Put Warrants, and HSI 23000 Put Warrants are zero, the HSI 23400 Call Warrants, HSI 21200 Put Warrants, HSI 21800 Put Warrants, HSI 22400 Put Warrants, and HSI 23000 Put Warrants are deemed to have expired at 12:00 noon (Singapore time) on 29 May 2014 and the Warrantheolders shall not be entitled to receive any payment from the Issuer in respect of the HSI 23400 Call Warrants, HSI 21200 Put Warrants, HSI 21800 Put Warrants, HSI 22400 Put Warrants, and HSI 23000 Put Warrants.

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

Warrant	Cash Settlement Amount per Warrant ¹
HSI 21600 Call Warrants	SGD 0.248
HSI 22200 Call Warrants	SGD 0.151
HSI 22800 Call Warrants	SGD 0.054
HSI 23400 Call Warrants	SGD 0
HSI 21200 Put Warrants	SGD 0
HSI 21800 Put Warrants	SGD 0
HSI 22400 Put Warrants	SGD 0
HSI 23000 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.

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

Issued by
MACQUARIE BANK LIMITED

29 May 2014