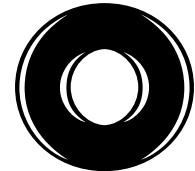


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MACQUARIE

ASX/Media Release

**MACQUARIE BANK LIMITED ANNOUNCES COMPLETION
OF BOOKBUILD FOR MACQUARIE BANK CAPITAL NOTES 2 OFFER**

SYDNEY, Wednesday, 13 May 2020 – Macquarie Bank Limited (ASX: MBL) (“MBL”) today announced the successful completion of the bookbuild for its offer of Macquarie Bank Capital Notes 2 (the “Offer”), which was announced to the ASX on 11 May 2020.

As previously advised, the Offer consists of:

- an Institutional Offer to Institutional Investors;
- a Broker Firm Offer made to Australian resident retail and high net worth clients of Syndicate Brokers who are invited to apply under the Broker Firm Offer; and
- a Securityholder Offer made to holders of MGL Ordinary Shares (ASX: MQG), Macquarie Group Capital Notes 2 (ASX: MQGPB), Macquarie Group Capital Notes 3 (ASX: MQGPC), Macquarie Group Capital Notes 4 (ASX: MQGPD), and former holders of Macquarie Income Securities (ASX: MBLHB) or Macquarie Bank Capital Notes (ASX: MBLPA) on the Relevant Record Date, who are resident in Australia (and not otherwise prevented from receiving the Offer of BCN2 under the securities laws of another jurisdiction, as determined by MBL).

The Relevant Record Date was 7.00pm (AEST) Wednesday, 8 April 2020 in respect of Macquarie Income Securities, 7.00pm (AEDT) Monday, 16 March 2020 in respect of Macquarie Bank Capital Notes and is 7.00pm (AEST) Thursday, 7 May 2020 in respect of other securities.

MBL has allocated \$500m in firm commitments to Syndicate Brokers and Institutional Investors. The Margin has been set at 4.70% per annum, which was at the bottom end of the range. Investors should note that the Margin is set for the life of BCN2 regardless of any deterioration or improvement in market conditions.

The final size of the Offer will depend upon the volume of Applications received and accepted under the Securityholder Offer, which is currently expected to open on Tuesday, 19 May 2020 and expected to close at 5:00pm (AEST) on Friday, 29 May 2020. MBL retains the right to scale back Applications if there is excess demand (refer to section 7.5 of the Prospectus for further details).

The Offer of BCN2 is made under a replacement prospectus for the Offer, which is scheduled to be lodged with the Australian Securities and Investments Commission (“ASIC”) by MBL on Tuesday, 19 May 2020 (“Replacement Prospectus”), subject to the expiry of the ASIC exposure period.

The Replacement Prospectus will be available at www.MBCN2Offer.com.au.

Persons wishing to invest in BCN2 should contact a Syndicate Broker (to apply under the Broker Firm Offer) or complete the online Application Form (to apply under the Securityholder Offer) that will accompany the Replacement Prospectus which will be available at www.MBCN2Offer.com.au when the Offer opens.

Further information

BCN2 are complex and not suitable for all investors. Potential investors should read the Replacement Prospectus in its entirety before deciding whether to apply to invest in BCN2. If any part of the Replacement Prospectus is unclear, we recommend seeking guidance from a financial advisor or other professional adviser.

If you have any questions about BCN2 or the Offer, you should seek advice from your financial adviser or other professional adviser. You can also email the Registrar at MBCN2Offer@boardroomlimited.com.au or call the BCN2 Offer Information Line on 1300 005 027 (within Australia) or on +61 2 8023 5474 (outside Australia) (Monday to Friday 8.30am - 5.30pm, AEST) during the Offer Period. Applicants under the Broker Firm Offer may also call their Syndicate Broker.

Unless otherwise defined, capitalised words used in this announcement have the meanings given to them in the Prospectus.

Disclaimer

The information provided in this announcement and the Prospectus is not personal investment advice and has been prepared without taking into account your investment objectives, financial situation or particular needs (including financial and taxation issues). It is important that you read the Replacement Prospectus in full before deciding to invest in BCN2 and consider the risks that could affect the performance of BCN2.

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

This announcement does not constitute an offer of any securities (including the BCN2) for sale or issue. No action has been taken to register or qualify BCN2 or the Offer or to otherwise permit a public offering of BCN2 outside Australia. In particular, this announcement does not constitute an offer of securities for sale in the United States. Neither the BCN2 nor the MGL Ordinary Shares have been or will be registered under the U.S. Securities Act of 1933, as amended (the Securities Act), or the securities laws of any state or other jurisdiction of the United States, and they may not be offered, sold or resold in the United States or to, or for the benefit of, any "U.S. person" (as defined in Regulation S under the Securities Act) except pursuant to an exemption from the registration requirements of the Securities Act and applicable US State Securities Laws.

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