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Macquarie Bank Limited Banking and Property Group Operational Briefing

Bill Moss

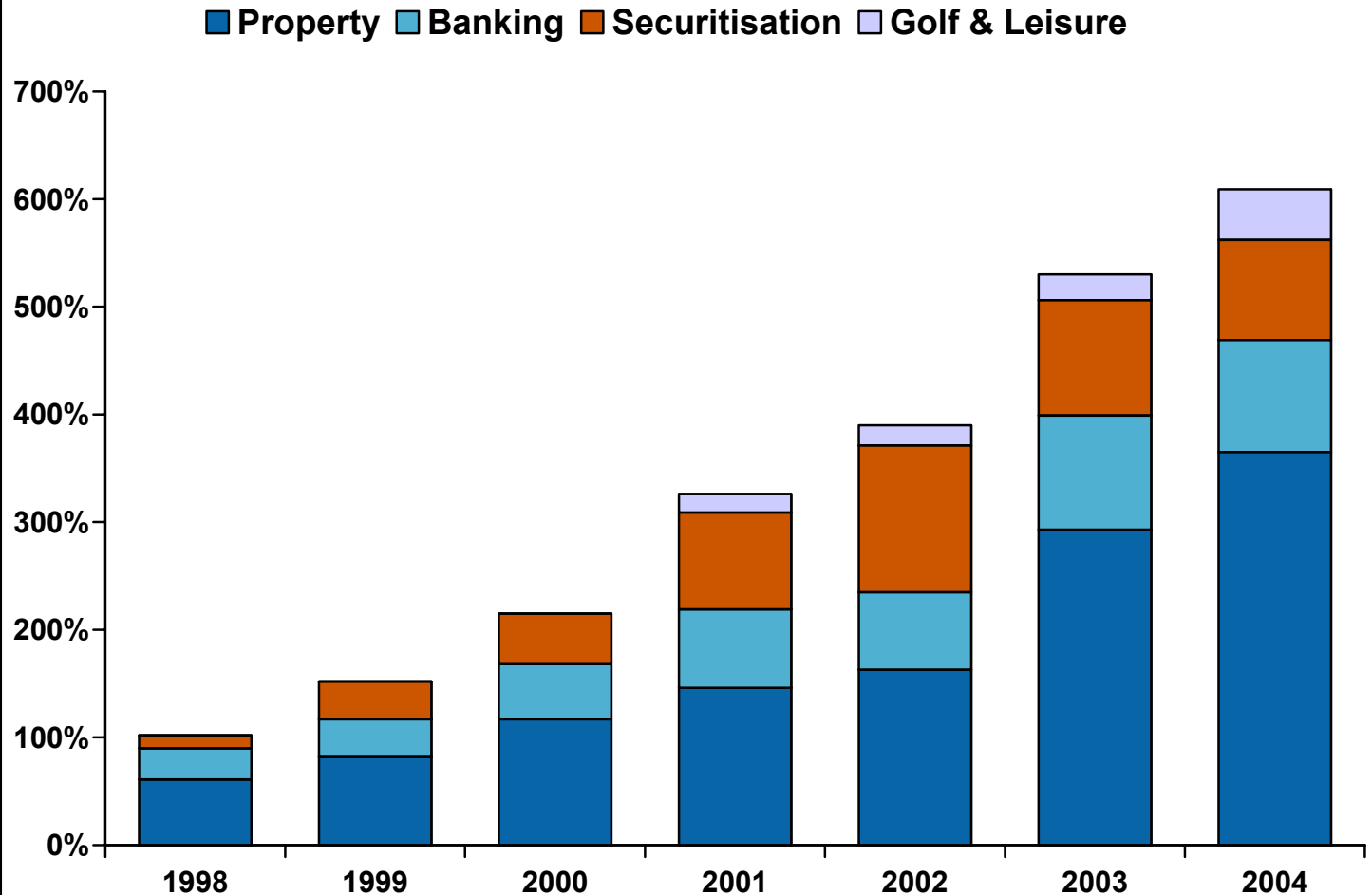
Group Head



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A history of net income growth

Net income up 6 times over 6 years





Key performance benchmarks

→ Net income up

→ 6 times over 6 years

→ Increased geographic reach of staff and businesses

→ From 443 staff in 1998 to 1,263* currently

→ From 7 offices in 3 countries (Aust, China, NZ) to 19 offices in 7 countries

→ Assets under management up

→ 840% increase in 6 years from A\$1.16b in 1998 to A\$10.9b in 2004

→ Largest raiser of property equity in Australia in 2003/4

→ 2nd largest listed property fund manager by market capitalisation

→ Mortgage volumes up

→ 76% increase in 6 years A\$6.6b in 1998 to A\$11.6b in 2004

→ Margin Lending volumes up

→ 674% increase in 6 years A\$226m in 1998 to A\$1.75b in 2004

*including associates, contractors and non-executive directors



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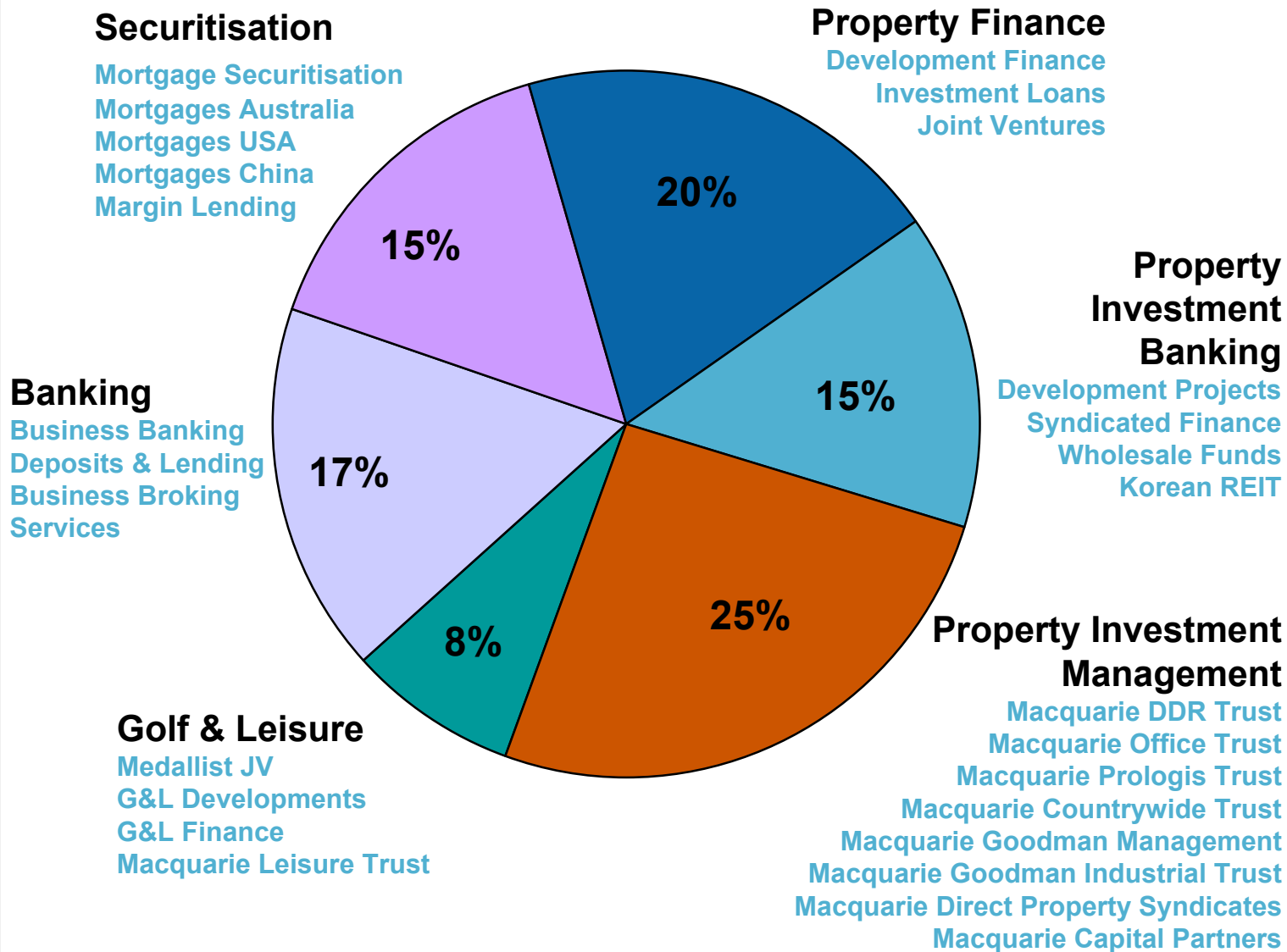
Key events in 2003/04

- Listed first Korean REIT and second US asset based LPT
- Significantly expanded US Mortgage business
- High earning Development loans up 33% on pcp and US portion of Development loan book up over 300%
- Macquarie Office, Countrywide, & Macquarie Goodman trusts outperformed peer indices on a 1, 3 & 5 year basis
- UPL won awards for Springthorpe – Best Residential Development
- Golf & Leisure (Medallist) won merit award for environmental leadership in golf and resort facilities
- Macquarie Leisure Trust had 60% increase in share price and outperformed index on 1 year & since listing basis
- The Macquarie Property Research team was recently recognised with an Australian Property Institute NSW Excellence in Property Award



A diversity of businesses

By net contribution to Banking and Property Group net income*

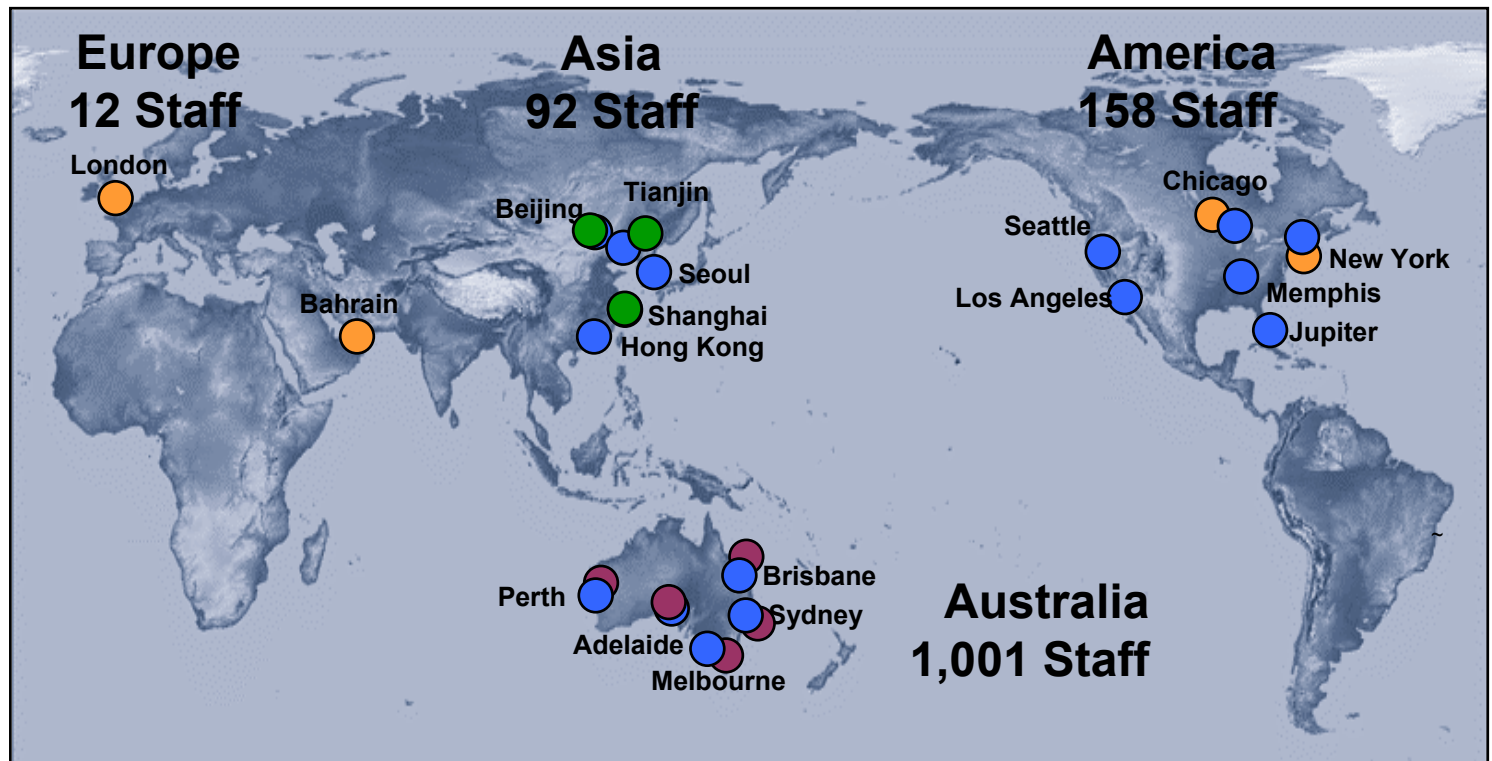


*For the financial year ended 31 March 2004



Diversity of business locations

→ Over 1,263 staff in 19 offices in 7 countries
(Australia, China, Hong Kong, Korea, USA, UK, Bahrain)
including associates (FCPG - 69, UPL - 40, MCP - 35)

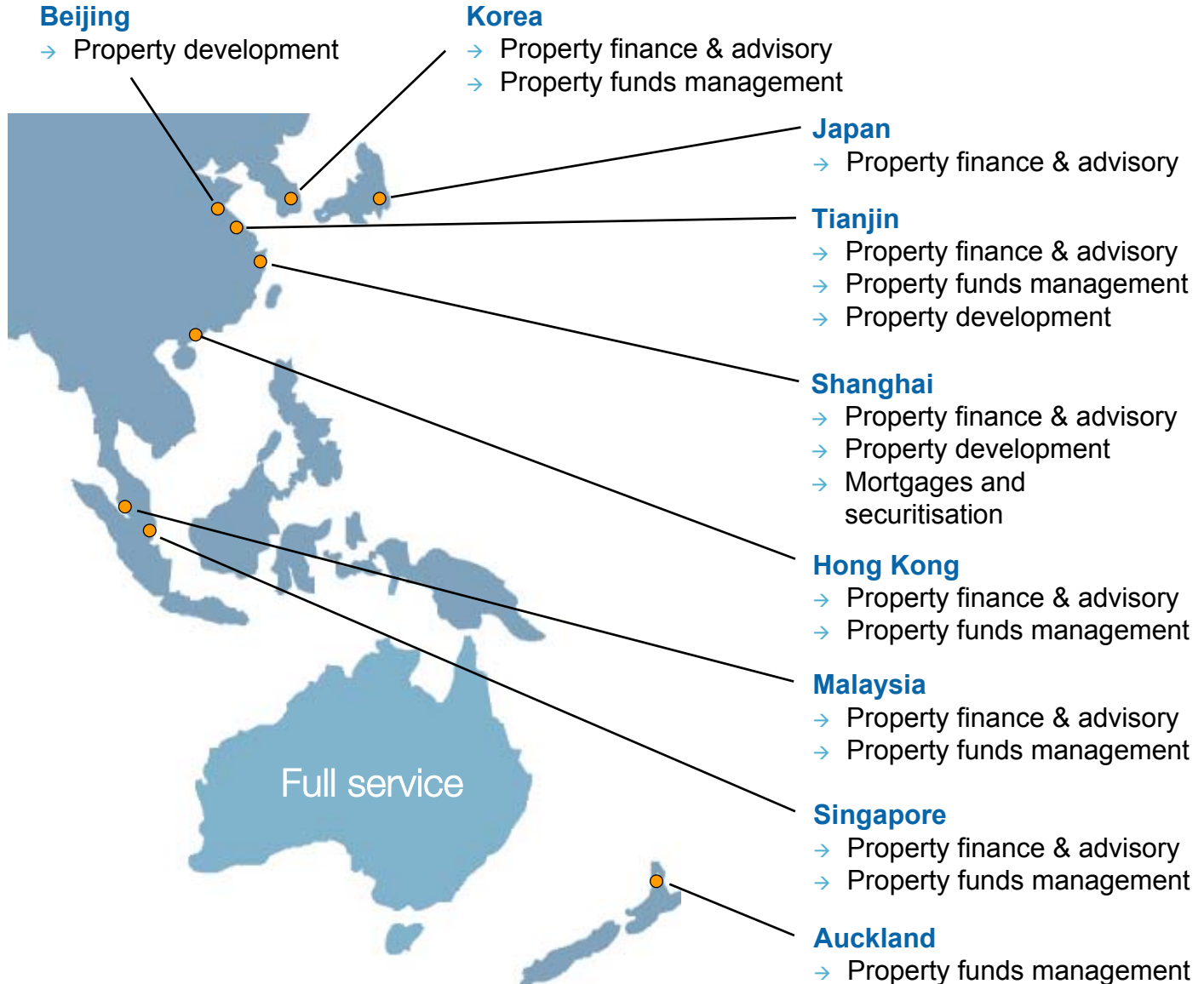


- BPG Offices
- Macquarie Capital Partners (MCP)
- Urban Pacific Ltd
- First China Property Group (FCPG)



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Focused businesses in Asia Pacific





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Focused businesses in the Americas



Chicago

- Property funds management
- Real estate investment banking

New York

- Real estate investment banking
- Golf course residential development

Seattle

- Property finance

Memphis

- Mortgages origination

Jupiter

- Golf course residential development

Los Angeles

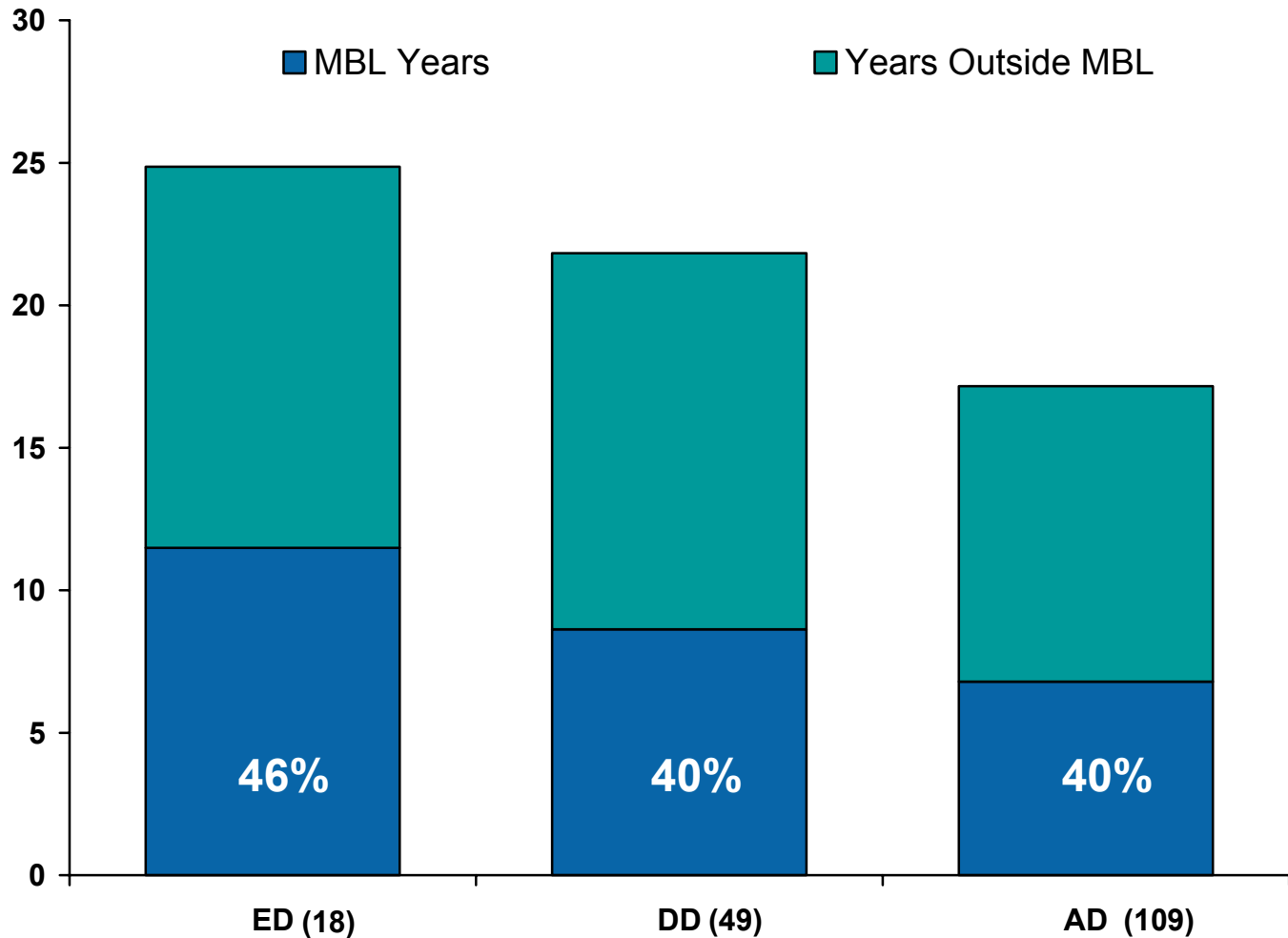
- Property finance
- Golf course residential development



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Experienced teams

Long term commitment to Macquarie & experience elsewhere





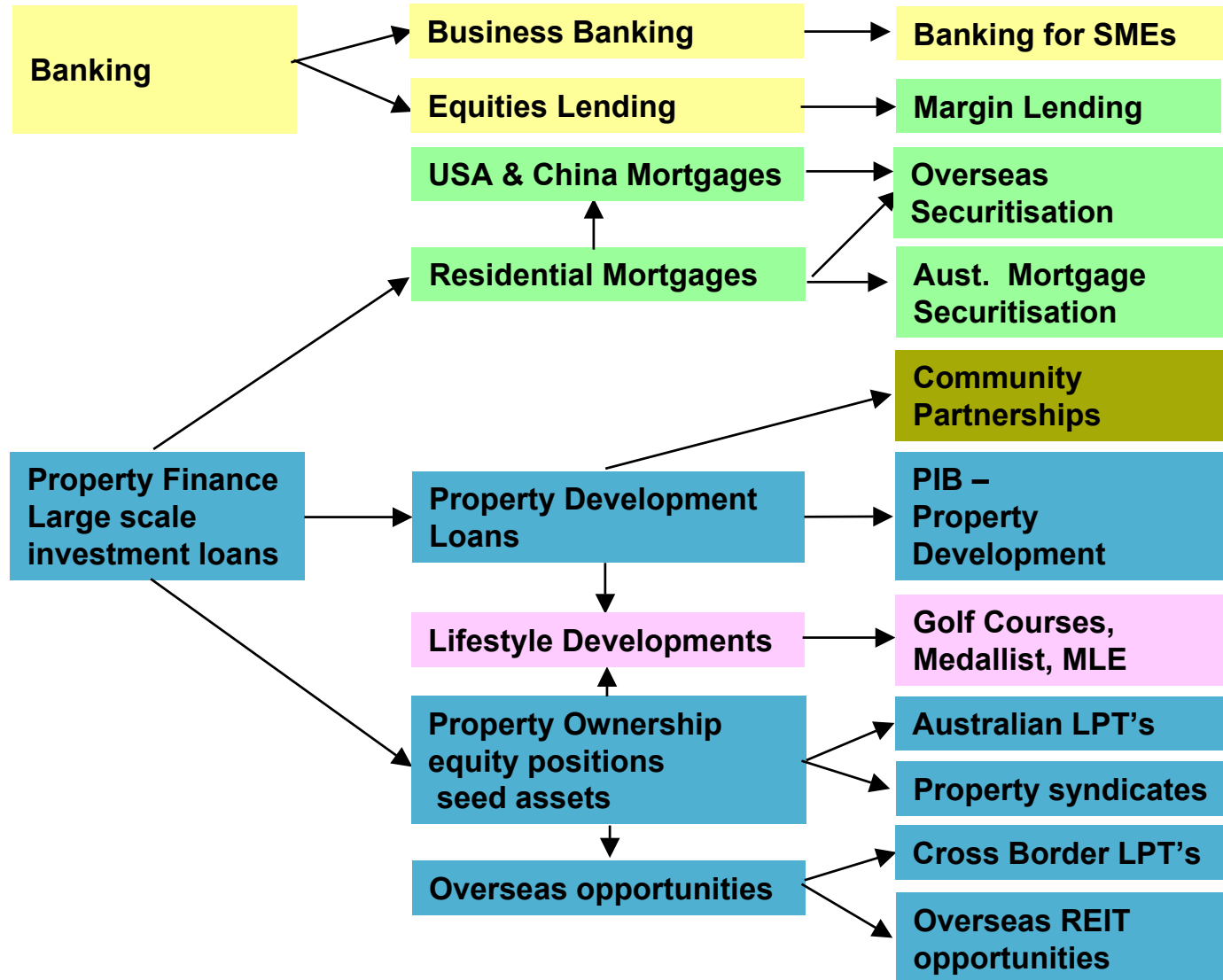
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How we approach strategy

- Sector specialists
- Strong investment In research
- Create world class business technology
- Look to export that technology only where world class skills have been created
- Investment in product and business development
- Selective use of partnering
- Expansion into adjacent business areas



Strategy at work

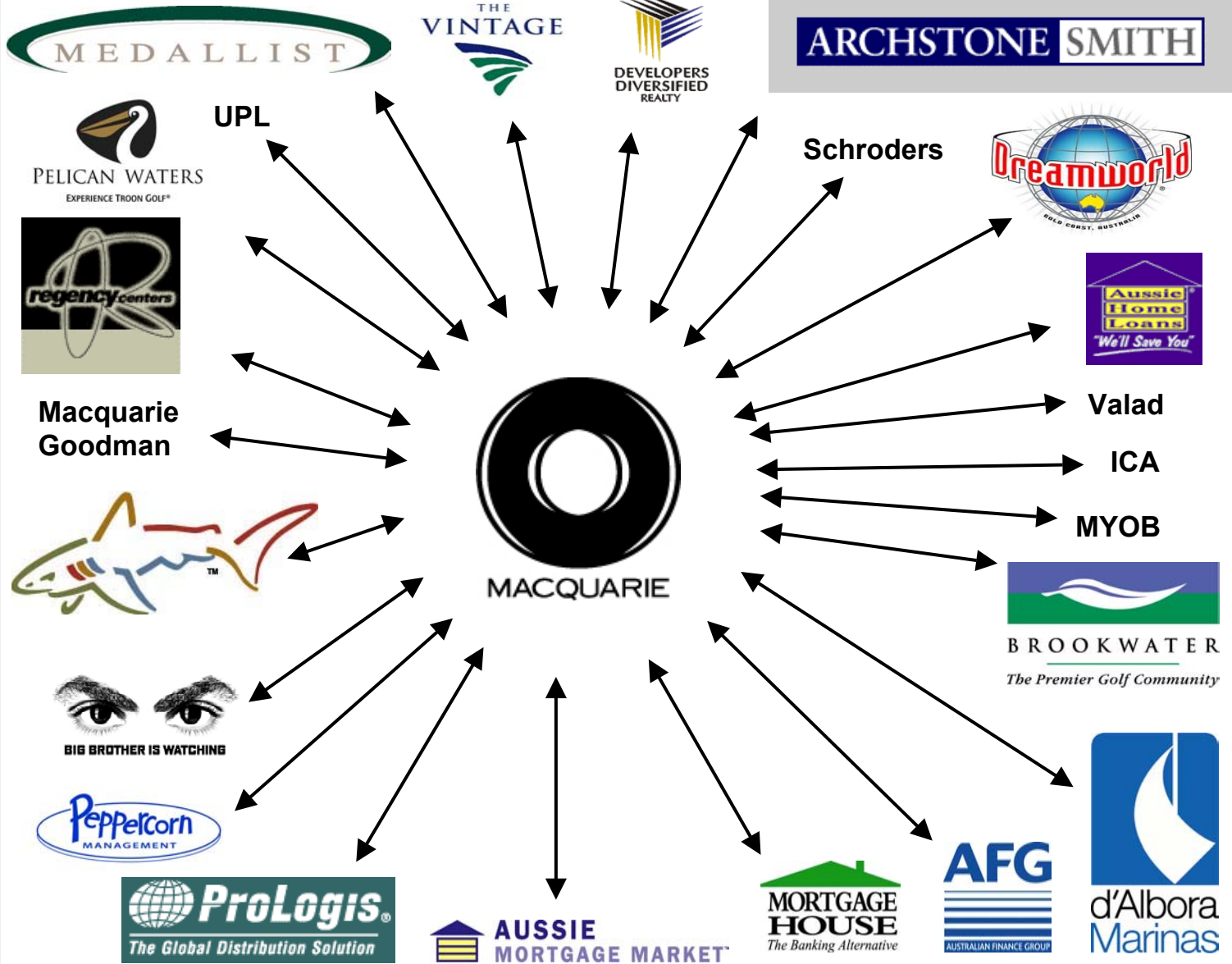


Research, Customer Focus, Niche Opportunity, Flexibility, Adjacency



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Partners and Brands





Operating environment

Current operating environment

- Experiencing strong deal flow
- Increased client interest in equity markets provides continuing opportunities for margin lending products
- Strong performances by listed property trusts encouraging further growth

Outlook

- Well positioned for further selective expansion in both domestic and international markets
- Some areas of the residential property market expected to soften in 2004
- Strong international growth expected to offset impact of any possible slowdown in domestic lending
- Rationalisation and opportunities in LPT market



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