



ASX/Media Release

MACQUARIE GROUP 3Q 2025 TRADING UPDATE

Key points

- Net profit after tax (NPAT) for the nine months to 31 December 2024 (FY25 year to date (YTD)) broadly in line with the nine months to 31 December 2023 (FY24 YTD)
- Macquarie's annuity-style businesses' (Macquarie Asset Management (MAM) and Banking and Financial Services (BFS)) combined December 2024 quarter (3Q25) net profit contribution¹ was substantially up on the prior corresponding period (3Q24), mainly due to continued volume growth in BFS
 - FY25 YTD net profit contribution substantially up on FY24 YTD, primarily due to higher performance fees and investment income in MAM. Continued volume growth and lower operating expenses, partially offset by margin compression, drove an increased contribution in BFS
- Macquarie's markets-facing businesses' (Commodities and Global Markets (CGM) and Macquarie Capital) combined 3Q25 net profit contribution was substantially down on the prior corresponding period, mainly due to subdued conditions in certain commodity markets and the unfavourable impact of timing of income recognition primarily on North American Gas and Power contracts in CGM, partially offset by higher fee and commission income in Macquarie Capital
 - FY25 YTD net profit contribution significantly down on FY24 YTD, mainly due to subdued conditions in certain commodity markets in CGM
- Group financial position comfortably exceeds regulatory requirements
 - Group capital surplus of \$A8.5 billion^{2,3}
 - Bank CET1 ratio 12.6% (Harmonised: 17.7%⁴), Leverage ratio 5.0% (Harmonised: 5.7%⁴), LCR 196%⁵, NSFR 113%⁵

SYDNEY, 11 February 2025 Macquarie Group Limited (Macquarie) (ASX: MQG; ADR: MQBKY) today provided an update on business activity in the third quarter of the financial year ending 31 March 2025 (3Q25). Macquarie Group Managing Director and Chief Executive Officer, Shemara Wikramanayake, said that Macquarie's Operating Group performance for FY25 year to date was broadly in line with the prior corresponding period.

The annuity-style businesses' combined 3Q25 net profit contribution was substantially up on 3Q24. For FY25 YTD, net profit contribution substantially up on FY24 YTD, primarily due to higher performance fees and investment income in

¹ Net profit contribution is management accounting profit before unallocated corporate items, profit share and income tax.

² The Group capital surplus is the amount of capital above Australian Prudential Regulation Authority (APRA) regulatory requirements. Bank Group regulatory requirements are calculated in accordance with Prudential Standard APS 110 Capital Adequacy (APS 110), at 10.5% of risk-weighted assets (RWA). This includes the industry minimum Tier 1 requirement of 6.0%, capital conservation buffer (CCB) of 3.75% and a countercyclical capital buffer (CCyB). The CCyB of the Bank Group at Dec 24 is 0.76%, this is rounded to 0.75% for presentation purposes. The individual CCyB varies by jurisdiction and the Bank Group CCyB is calculated as a weighted average based on exposures in different jurisdictions at period end.

³ The surplus reported includes provisions for internal capital buffers and differences between Level 1 and Level 2 requirements, including the \$A500 million operational capital overlay imposed by APRA.

⁴ Basel III applies only to the Bank Group and not the Non-Bank Group. 'Harmonised' Basel III estimates are calculated in accordance with the updated Basel Committee on Banking Supervision (BCBS) Basel III framework, noting that Macquarie Bank Limited (MBL) is not regulated by the BCBS therefore the ratios are indicative only.

⁵ Average LCR for Dec 24 quarter is based on an average of daily observations. APRA imposed a 25% add-on to the Net Cash Outflow component of the LCR calculation from 1 May 2022, and a 1% decrease to the Available Stable Funding component of the NSFR calculation, effective from 1 April 2021.

Macquarie Group Limited

MAM. Continued volume growth and lower operating expenses, partially offset by margin compression, drove an increased contribution in BFS.

The markets-facing businesses' combined 3Q25 net profit contribution was substantially down on 3Q24. For FY25 YTD, net profit contribution was significantly down on FY24 YTD, mainly due to subdued conditions in certain commodity markets in CGM.

Macquarie Group's financial position comfortably exceeds APRA's Basel III regulatory requirements, with a Group capital surplus of \$A8.5 billion^{2,3} at 31 December 2024, down from \$A9.8 billion at 30 September 2024. The Bank Group's APRA Basel III Level 2 Common Equity Tier 1 capital ratio was 12.6 per cent (Harmonised: 17.7 per cent⁴) at 31 December 2024, down from 12.8 per cent at 30 September 2024. The Bank Group's APRA leverage ratio was 5.0 per cent (Harmonised: 5.7 per cent⁴), the Liquidity Coverage Ratio (LCR) was 196 per cent⁵ and the Net Stable Funding Ratio (NSFR) was 113 per cent⁵ at 31 December 2024.

Third quarter business highlights

Ms Wikramanayake provided an overview of business activity undertaken during 3Q25:

MAM had assets under management (AUM) of \$A942.7 billion at 31 December 2024, up three per cent on 30 September 2024. In the quarter, Public Investments AUM increased five per cent to \$A571.0 billion, primarily driven by favourable foreign exchange movements. Private Markets AUM⁶ was \$A371.7 billion, driven by fund divestments, offset by favourable foreign exchange movements and increased net asset valuations. At 31 December 2024, Private Markets had equity under management⁷ of \$A212.9 billion with \$A27.4 billion of equity to deploy after raising \$A3.8 billion in new equity, investing \$A7.3 billion and divesting \$A12.7 billion during the quarter.

BFS had total deposits⁸ of \$A163.8 billion at 31 December 2024, up seven per cent on 30 September 2024. The home loan portfolio⁹ of \$A136.2 billion increased five per cent on 30 September 2024, while funds on platform¹⁰ were \$A152.4 billion. During 3Q25, the business banking loan portfolio decreased one per cent to \$A16.5 billion.

CGM had a decreased Commodities contribution on the prior corresponding period, primarily due to subdued conditions in certain commodity markets and the unfavourable impact of timing of income recognition on North American Gas and Power contracts. Financial Markets had an increased contribution from corporates and private equity firms from client risk management and financing activity across sectors, particularly in foreign exchange, fixed income and credit. CGM also saw an improved performance in Asset Finance, with portfolio growth being driven by Shipping Finance, Technology and Resources.

Macquarie Capital's fee and commission income was up on the prior period and a weak prior corresponding period, primarily driven by higher mergers and acquisitions fees. This was partially offset by lower investment-related income, mainly driven by the timing of gains on investments. The private credit portfolio was over \$A25 billion¹¹ with more than \$A3.2 billion deployed in 3Q25 through focused investment in credit markets and bespoke financing solutions.

⁶ As at 31 December 2024. Private Markets Assets under Management (AUM) is calculated as the proportional ownership interest in the underlying assets of funds and mandated assets that Macquarie actively manages or advises for the purpose of wealth creation, adjusted to exclude cross-holdings in funds and reflect Macquarie's proportional ownership interest of the fund manager. Private Markets AUM includes equity yet to deploy and equity committed to assets but not yet deployed.

⁷ Private Markets total Equity under Management includes market capitalisation at measurement date for listed funds, the sum of original committed capital less capital subsequently returned for unlisted funds and mandates as well as invested capital for managed businesses.

⁸ BFS deposits include home loan offset accounts.

⁹ Home loan portfolio excludes offset accounts.

¹⁰ Funds on platform includes Macquarie Wrap, FUM in relation to institutional relationships and Macquarie Vision (used by Macquarie Private Bank).

¹¹ Committed private credit portfolio as at 31 December 2024, excluding equity portfolio and equity deployment.

Outlook

We continue to maintain a cautious stance, with a conservative approach to capital, funding and liquidity that positions us well to respond to the current environment.

The range of factors that may influence our short-term outlook include:

- Market conditions including: global economic conditions, inflation and interest rates, significant volatility events, and the impact of geopolitical events
- Completion of period-end reviews and the completion of transactions
- The geographic composition of income and the impact of foreign exchange
- Potential tax or regulatory changes and tax uncertainties

Cautionary Statement Regarding Forward-Looking Statements

This release may contain, in addition to historical information, statements that constitute "*forward-looking statements*" within the meaning of Section 21E of the United States Securities Exchange Act of 1934. Examples of these forward-looking statements include: (i) statements regarding our future results of operations and financial condition; (ii) statements of plans, objectives or goals, including those related to our products or services; and (iii) statements of assumptions underlying those statements. Words such as "*may*", "*will*", "*expect*", "*intend*", "*plan*", "*estimate*", "*anticipate*", "*believe*", "*continue*", "*probability*", "*risk*", and other similar words are intended to identify forward-looking statements but are not the exclusive means of identifying those statements. Such forward-looking statements are subject to known and unknown risks, uncertainties and other factors that could cause our actual results, performance or achievements to differ materially from any future results, performance or achievements expressed or implied by such forward-looking statements, including the risks described under "Risk Factors" in our Disclosure Report (U.S. Version) for the half year ended September 30, 2024. Many of these risks and uncertainties relate to factors that are beyond our ability to control or estimate precisely, such as future market conditions, changes in regulatory environment and the behavior of other market participants. We cannot give any assurance that such forward-looking statements will prove to have been correct. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this release. We are under no obligation, and disclaim any obligation, to update or alter our forward-looking statements, whether as a result of new information, future events or otherwise.