

Notes to the financial statements

for the financial year ended 31 March 2011

continued

Note 36

Employee equity participation

Option Plan

The Company has suspended new offers under the Macquarie Group Employee Share Option Plan (MGESOP) under remuneration arrangements which were the subject of shareholder approvals obtained at a General Meeting of the Company in December 2009. The last grant of Options under the MGESOP was on 8 December 2009. Currently, the Company does not expect to issue any further Options under the MGESOP.

Previously, the staff eligible to participate in the MGESOP were those of Associate Director level and above and consultants to the Consolidated Entity. At 31 March 2011, there were 2,441 (2010: 2,821) participants of the MGESOP.

Options now on issue are all five year options over unissued ordinary fully paid shares in the Company and were granted to individuals or the individual's controlled Company or an entity approved under the MGESOP to hold options. The options were issued for no consideration and were granted at prevailing market prices.

The following is a summary of options which have been granted pursuant to the MGESOP:

	Number of options 2011	Weighted average exercise price 2011 \$	Number of options 2010	Weighted average exercise price 2010 \$
Outstanding at the beginning of the financial year	43,545,335	60.94	51,675,990	59.57
Granted during the financial year	-	-	799,000	37.16
Forfeited during the financial year	(2,907,034)	57.34	(3,073,464)	60.84
Exercised during the financial year	(38,089)	30.32	(3,292,178)	33.63
Lapsed during the financial year	(9,511,202)	63.20	(2,564,013)	60.69
Outstanding at the end of the financial year	31,089,010	60.63	43,545,335	60.94
Exercisable at the end of the financial year	18,446,554	63.22	16,756,527	64.90

For options exercised during the financial year the weighted average share price at the date of exercise was \$37.36 (2010: \$41.30).

The range of exercise prices for options outstanding at the end of the financial year was \$17.10 to \$94.48 (2010: \$17.10 to \$94.48).