

Directors' Report – Remuneration Report

for the financial year ended 31 March 2012

continued

Appendix 2: Remuneration disclosures – Managing Director and CEO¹

For the Managing Director and CEO, three additional disclosures have been prepared for the first time this year in line with CAMAC's² indicative guidelines. These tables are prepared on a different basis than those required by Australian Accounting Standards and the Corporations Act, as disclosed in Appendix 3. These tables are not additive.

1. Crystallised Past Pay

This shows crystallised past pay to the Managing Director and CEO. Crystallised past pay represents at risk remuneration that was granted to the Managing Director and CEO in previous years and is paid in the current financial year.

| | 2012 \$A | 2011 \$A | Increase/ (Decrease) % |
|--------------------|------------------|------------------|------------------------------|
| Post-2009 DPS Plan | 551,019 | 559,364 | (1.5) |
| MEREP | 1,614,692 | 2,206,219 | (26.8) |
| PSUs | 98,535 | – | n/a |
| Options | – | – | n/a |
| Total | 2,264,246 | 2,765,583 | (18.1) |

2. Present Pay

This table represents remuneration that was granted and paid in the same year. This comprises:

- Current year base remuneration (including superannuation)
- The available component of the current year profit share allocation (30 per cent for the Managing Director and CEO).

| | 2012 \$A | 2011 \$A | Increase/ (Decrease) % |
|--------------------------------|------------------|------------------|------------------------------|
| Base Remuneration ³ | 805,458 | 733,921 | 9.7 |
| Profit Share | 2,046,811 | 2,700,654 | (24.2) |
| Total | 2,852,269 | 3,434,575 | (17.0) |

3. Future Conditional Pay

This table shows remuneration entitlements, payment of which are conditional and deferred to a future period. For the Managing Director and CEO this represents:

- The deferred unvested component of the current year profit share allocation (70 per cent for the Managing Director and CEO) which is allocated into a combination of Macquarie equity (MEREP) and Macquarie-fund equity (Post-2009 DPS Plan) (see sections 1.3.1 – 1.3.5 for details).
- PSUs allocated in the current year. PSUs vest after years three and four and are exercisable subject to the achievement of performance hurdles (see section 1.3.6 for details).

| | 2012 \$A | 2011 \$A | Increase/ (Decrease) % |
|--------------------|------------------|------------------|------------------------------|
| Post-2009 DPS Plan | 955,179 | 1,260,305 | (24.2) |
| MEREP | 3,823,613 | 5,045,045 | (24.2) |
| PSUs | 1,890,000 | 2,490,000 | (24.1) |
| Total | 6,668,792 | 8,795,350 | (24.2) |

¹ These tables are based on awarded remuneration and do not include earnings on retained profit share notionally invested in the Post-2009 DPS Plan, or dividends on unvested MEREP awards.

² Corporations and Markets Advisory Committee.

³ The Managing Director and CEO received a base remuneration increase effective 1 July 2010. He did not receive a base remuneration increase during FY2012. The increase from FY2011 to FY2012 shown reflects the full year application of a 2010 decision. Base remuneration amounts do not include an accrual for long service leave (which is included in the Statutory Remuneration disclosure in Appendix 3).