

This document includes particulars given in compliance with the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the "Rules") for the purpose of giving information with regard to us. We accept full responsibility for the accuracy of the information contained in the Listing Documents (as defined below) and confirm, having made all reasonable enquiries, that to the best of our knowledge and belief there are no other facts the omission of which would make any statement in the Listing Documents misleading.

Hong Kong Exchanges and Clearing Limited, The Stock Exchange of Hong Kong Limited (the "Stock Exchange") and Hong Kong Securities Clearing Company Limited ("HKSCC") take no responsibility for the contents of this document, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this document.

Investors are warned that the price of the Warrants may fall in value as rapidly as it may rise and holders may sustain a total loss of their investment. Prospective purchasers should therefore ensure that they understand the nature of the Warrants and carefully study the risk factors set out in this document and, where necessary, seek professional advice, before they invest in the Warrants.

The Warrants constitute our general unsecured contractual obligations and of no other person and if you purchase the Warrants, you are relying upon our creditworthiness and have no rights under the Warrants against the trustee or the manager of the Trust.

## Supplemental Listing Document for Warrants

issued by

**Macquarie Bank Limited**

(ABN 46 008 583 542)

(incorporated under the laws of Australia)

Sponsor

**Macquarie Capital Securities Limited**



### Key terms

Warrants	
Stock Code	16803
Issue size	200,000,000 Warrants
Style	European style cash settled
Type	Put
Trust	iShares FTSE A50 China Index ETF <sup>#</sup>
Units	Existing issued ordinary units of the Trust
Board Lot	1,000 Warrants
Issue Price per Warrant (HK\$)	0.250
Exercise Price (HK\$)	12.380
Entitlement	One Unit, subject to adjustment in accordance with Product Condition 4.
Number of Warrants per Entitlement	Ten
Cash Settlement Amount per Board Lot (if any) payable at expiry	$\frac{\text{Entitlement} \times (\text{Exercise Price} - \text{Average Price}) \times \text{one Board Lot}}{\text{Number of Warrants per Entitlement}}$
Average Price	The arithmetic mean of the closing prices of one Unit for each of the 5 Valuation Dates subject to our right to determine such closing prices in good faith in certain circumstances upon the occurrence of a Market Disruption Event, as described further in Product Condition 1.
Launch Date	3 February 2012
Issue Date	9 February 2012
Listing date* ("Dealing Commencement Date")	10 February 2012
Valuation Date	Each of the five Business Days immediately preceding the Expiry Date subject to any potential postponement upon the occurrence of a Market Disruption Event, provided that no Valuation Date can fall on or after the Expiry Date, please see Product Condition 1 for details.
Expiry Date*	4 February 2013
Maximum number of Units to which the Warrants relate	20,000,000

You must read the above together with our base listing document dated 20 May 2011, in particular, the sections headed "General Conditions of Structured Products" ("General Conditions") and "Product Conditions of Cash Settled Warrants over Single Unit Trusts" ("Product Conditions") (General Conditions and Product Conditions are together, the "Conditions") set out in Appendix 1 and Part M of Appendix 2, respectively.

<sup>#</sup> The name of the Trust is included here for identification purposes only. "iShares" is a trademark of BlackRock Institutional Trust Company, N.A. ("BIT"). "FTSE" is a trade mark jointly owned by the London Stock Exchange PLC ("LSE") and The Financial Times Limited ("FTL"). The Warrants are not sponsored, endorsed, sold or promoted by BIT, LSE or FTL. BIT, LSE and FTL make no representations or warranties with respect to the Warrants or this document.

\* If such day is not a Business Day (as defined in the Conditions) in Hong Kong, the immediately succeeding Business Day.

**9 February 2012**

## IMPORTANT INFORMATION

**The Warrants are structured products which involve derivatives. Do not invest in them unless you fully understand and are willing to assume the risks associated with them.**

### What is this document about?

This document is for information purposes only and does not constitute an offer, an advertisement or invitation to the public to subscribe for or to acquire the Warrants.

It is possible that there may have been dealings in the Warrants since the Launch Date.

### What documents should I read before investing in the Warrants?

You must read:

- (a) this document; and
- (b) our base listing document dated 20 May 2011 (as supplemented by the addendum dated 23 November 2011),

(together, "**Listing Documents**"). The Listing Documents are accurate as at the date of this document. You should carefully study the risk factors set out in the Listing Documents.

Terms used in this document apply to the Warrants described on the cover page.

### What are our credit ratings?

Our long term credit ratings are:

<i>Rating agency</i>	<i>Rating as of the Launch Date*</i>
Standard and Poor's	A
Moody's Investors Service	A1
Fitch Ratings	A+

\* Credit ratings are subject to change or withdrawal at anytime within each rating agency's sole discretion.

Rating agencies usually receive a fee from issuers that they rate. The rating agencies providing our credit ratings receive fees for their services.

When evaluating our creditworthiness, you should not solely rely on our credit ratings because:

- (a) a credit rating is not a recommendation to buy, sell or hold the Warrants;
- (b) ratings of issuers may involve difficult-to-quantify factors such as market competition, the success or failure of new products and markets and managerial competence; and
- (c) a high credit rating is not necessarily indicative of low risk. Our credit ratings as of the Launch Date are for reference only. Any downgrading of our ratings could result in a reduction in the value of the Warrants.

### The Warrants are not rated.

### Are we regulated by any bodies referred to in Rule 15A.13(2) or (3) of the Listing Rules?

We are a licensed bank regulated by the Hong Kong Monetary Authority. We are also regulated by, among others, the Australian Prudential Regulation Authority.

We are not the ultimate holding company of the group to which we belong. The ultimate holding company of the group to which we belong is Macquarie Group Limited.

### Are we subject to any litigation?

Contingent liabilities exist in respect of current claims against entities within the Group. These claims are confidential. Where necessary appropriate provisions have been made in the financial statements. The Group does not consider that the outcome of any such claims known to exist at this date, either individually or in aggregate are likely to have a material effect on its operations or financial position.

### Unsecured nature of the Warrants

The issue of the Warrants was authorised by our board of directors on 29 August 2002. The Warrants constitute our general unsecured contractual obligations and of no other person and will rank equally among themselves and with all our other unsecured obligations (save for those obligations preferred by law) upon liquidation. If you purchase the Warrants, you are relying upon our creditworthiness and have no rights under the Warrants against the trustee or the manager of the Trust.

### Has our financial position changed since last financial year-end?

There has been no material adverse change in our financial or trading position since 31 March 2011.

### Do I need to pay any transaction cost?

The Stock Exchange charges a trading fee of 0.005 per cent. and the Securities and Futures Commission charges a transaction levy of 0.003 per cent. in respect of each transaction effected on the Stock Exchange payable by each of the seller and the buyer and calculated on the value of the consideration for the Warrants. The levy for the investor compensation fund is currently suspended. You do not need to pay any stamp duty in respect of the Warrants.

### Where can I inspect the relevant documents?

The following documents are available for inspection during usual business hours on any weekday (Saturdays, Sundays and holidays excepted) until the relevant Expiry Date at the offices of Macquarie Capital Securities Limited at Level 18, One International Finance Centre, 1 Harbour View Street, Central, Hong Kong:

- (a) our published 2011 annual report for the year ended 31 March 2011 and the interim directors' report and financial report for the half-year ended 30 September 2011;
- (b) the consent letter issued by PricewaterhouseCoopers ("**Auditor**");
- (c) each of the Listing Documents (in separate English and Chinese versions); and
- (d) the instrument executed by us by way of deed poll on 30 May 2006.

The Listing Documents are also available on the website of the Stock Exchange at [www.hkex.com.hk](http://www.hkex.com.hk) and our website at [www.warrants.com.hk](http://www.warrants.com.hk).

各上市文件亦可於聯交所網站([www.hkex.com.hk](http://www.hkex.com.hk))及我們的網站([www.warrants.com.hk](http://www.warrants.com.hk))瀏覽。

### Has the Auditor consented to the inclusion of its report to the base listing document?

The Auditor has given and has not withdrawn its written consent to the inclusion of its report dated 29 April 2011 in our base listing document and/or the references to its name in the base listing document, in the form and context in which they are included. The Auditor's report was not prepared for incorporation into our base listing document. The Auditor does not hold our shares or shares in our subsidiaries, nor does it have the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for our securities or securities of any of our subsidiaries.

### Selling restriction

The Warrants have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**Securities Act**"), and will not be offered, sold, delivered or traded, at any time, indirectly or directly, in the United States or to, or for the account or benefit of, any U.S. person (as defined in the Securities Act).

The offer or transfer of the Warrants is also subject to the selling restrictions specified in our base listing document.

### Authorised representatives

We have appointed Luiz Mazzali and Kathleen Kan (c/o Macquarie Capital Securities Limited, Level 18, One International Finance Centre, 1 Harbour View Street, Central, Hong Kong) to accept services of process and notices pursuant to the Listing Rules.

The paragraph headed "Authorised Representatives" under page 5 of the base listing document (as supplemented by the addendum dated 23 November 2011) shall be replaced by the paragraph above.

### How can I get information about Macquarie Bank Limited

You may visit [www.macquarie.com](http://www.macquarie.com) to obtain information about us.

## OVERVIEW OF WARRANTS

### What is a derivative warrant?

A derivative warrant is an instrument which gives the holder a right to “buy” or “sell” an underlying asset at a pre-set price called the exercise price on the expiry date. Investing in derivative warrants does not give you a right in the underlying asset.

Derivative warrants usually cost a fraction of the price of the underlying asset and may provide leveraged return to you (but conversely, it could also magnify your losses).

### How and when can I get back my investment?

The Warrants are European style cash settled derivative warrants linked to the Unit. European style warrants can only be exercised at expiry. The Warrants will be automatically exercised on the Expiry Date, entitling the holder to a cash amount called the “**Cash Settlement Amount**” (if positive) according to the Conditions.

You will receive the Cash Settlement Amount less any Exercise Expenses at expiry. If the Cash Settlement Amount is equal to or less than the Exercise Expenses, the Warrants will expire worthless on the Expiry Date.

### How do the Warrants work?

The potential payoff at expiry for the Warrants is calculated by us by reference to the difference between the Exercise Price and the Average Price of the underlying Unit.

A put Warrant is suitable for an investor holding a bearish view of the price of the underlying Unit during the term of the Warrant.

A put Warrant will be exercised if the Average Price of the underlying Unit is below its Exercise Price. The more the Average Price is below the Exercise Price, the higher the payoff at expiry. If the Exercise Price is at or below the Average Price, the investor in the put Warrant will lose all of his investment.

### What are the factors determining the price of a derivative warrant?

The price of a warrant generally depends on the price of the underlying unit. However, throughout the term of the warrants, their price will be influenced by a number of factors, including:

- the price of the underlying unit and the exercise price of the warrants;
- the volatility of the price of the underlying unit (being a measure of the fluctuation in the price of the underlying unit);

- the time remaining to expiry: a warrant is more valuable the longer the remaining life of the warrants;
- interest rates;
- expected dividend payments on the underlying unit; and
- the supply and demand for the warrants.

### What is my maximum loss and return?

The maximum loss in warrants will be limited to your investment amount plus any transaction cost.

Your potential return depends largely on the performance on the underlying unit.

### Can I sell the Warrants before maturity?

Yes. We have made an application for listing of, and permission to deal in, the Warrants on the Stock Exchange. All necessary arrangements have been made to enable the Warrants to be admitted into the Central Clearing and Settlement System (“CCASS”). Issue of the Warrants is conditional upon listing being granted. From the Dealing Commencement Date, you may sell or buy the Warrants on the Stock Exchange.

The Liquidity Provider will make a market in the Warrants by providing bid and/or sell prices. See “Liquidity” on pages 4 to 5 for further information.

### How can I get information about the Unit?

You may obtain information on the Units (including the Trust’s financial reports) by visiting the Stock Exchange website at [www.hkex.com.hk](http://www.hkex.com.hk) or the Trust’s website at [www.ishares.com.hk](http://www.ishares.com.hk).

### How can I get information about the Warrants after issue?

You may visit the Stock Exchange website at [www.hkex.com.hk](http://www.hkex.com.hk) to obtain any notice given by us or the Stock Exchange in relation to the Warrants.

We have included references to websites in this document to indicate how further information may be obtained. Information appearing on those websites does not form part of the Listing Documents. You should conduct your own web searches to ensure that you are viewing the most up-to-date information.

## ISSUE DETAILS, LIQUIDITY AND SETTLEMENT

You must read this summary together with our base listing document, in particular, the Conditions.

### Issue details

<b>Form of the Warrants</b>	The Warrants will be represented by a global certificate in the name of HKSCC Nominees Limited. We will not issue definitive certificates for the Warrants. You may arrange for your broker to hold the Warrants in a securities account on your behalf, or if you have a CCASS Investor Participant securities account, you may arrange for the Warrants to be held in such account. You will have to rely on the records of CCASS and/or the statements you receive from your brokers as evidence of your beneficial interest in the Warrants.
<b>Stock Exchange</b>	The Stock Exchange of Hong Kong Limited. No application has been made to list the Warrants on any other exchange.

### Liquidity

<b>Liquidity Provider</b>	Macquarie Capital Securities Limited (broker ID number 9507). The Liquidity Provider is our wholly owned subsidiary and is regulated by the Stock Exchange and the Securities and Futures Commission. It will act as our agent in providing quotes.
<b>Quotes</b>	<p>You can request a quote by calling the Liquidity Provider at:</p> <p>telephone number:+852 3922 3788.</p> <p>The Liquidity Provider will respond within 10 minutes and the quote will be displayed on the Stock Exchange's designated stock page for the Warrants.</p>
<b>Maximum spread between bid and offer prices</b>	25 spreads
<b>Factors for determining the bid and offer prices</b>	The Liquidity Provider will consider factors, including, without limitation, the underlying unit price, dividend expectations, expected volatility, prevailing interest rates and the time left to the expiry of the Warrants.
<b>Minimum quantity for which liquidity will be provided</b>	Ten Board Lots
<b>Circumstances under which the Liquidity Provider may not be able to, and shall not be obliged to, provide liquidity</b>	<ul style="list-style-type: none"><li>(i) during the first five minutes of each morning trading session or the first five minutes after trading commences for the first time;</li><li>(ii) during a pre-opening session or a closing auction session (if applicable) or any other circumstances as may be prescribed by the Stock Exchange from time to time;</li><li>(iii) when the Warrants are suspended from trading for any reason;</li><li>(iv) when there are no Warrants available for market making, in which event, only a bid price will be available. Warrants held by us or any of our affiliates in a fiduciary or agency capacity are not Warrants available for market making;</li><li>(v) during the 5 Business Days immediately preceding the Expiry Date;</li></ul>

- (vi) when operational and technical problems affecting the market making activities arise;
- (vii) if the stock market experiences exceptional price movement and volatility;
- (viii) if a Market Disruption Event occurs;
- (ix) when the ability of the Liquidity Provider acting on our behalf to source a hedge or unwind an existing hedge is materially affected by the prevailing market condition; and
- (x) if the theoretical value of the Warrants is less than HK\$0.01. If the Liquidity Provider chooses to provide liquidity under this circumstance, both bid and ask prices will be made available.

### **Settlement**

<b>Settlement date upon a transfer</b>	The Warrants may only be transferred in a Board Lot (or integral multiples thereof). Where a transfer of Warrants takes place on the Stock Exchange, settlement must currently be made not later than two trading days.
<b>Exercise</b>	The Warrants will be automatically exercised on the Expiry Date in integral multiples of the Board Lot if the Cash Settlement Amount is positive; otherwise, you will lose all of your investment. We will deliver the Cash Settlement Amount (if any) net of any Exercise Expenses to HKSCC Nominees Limited, which will then distribute such amount to the securities account of your broker or to your CCASS Investor Participant securities account (as the case may be).
<b>Exercise Expenses</b>	You are responsible for any Exercise Expenses. Exercise Expenses mean any charges or expenses including any taxes or duties which are incurred in respect of the exercise of the Warrants. If the Cash Settlement Amount is equal to or less than the Exercise Expenses, no amount is payable.
<b>Settlement Date upon automatic exercise at expiry</b>	Within 3 Business Days after the Expiry Date.

## RISK FACTORS

You must read these risk factors together with the risk factors set out in our base listing document.

### **Warrants may expire worthless**

Although the cost of a Warrant may cost a fraction of the value of the underlying Unit, the Warrant's price may change more rapidly than the underlying Unit.

Unlike stocks, the Warrants have a limited life and will expire at the Expiry Date. In the worst case, the Warrants may expire with no value. The Warrants are only suitable for experienced investors who have a negative view on the performance of the underlying Unit during the term of the Warrants and are willing to accept the risk that they may lose all their investment.

### **The Warrants can be volatile**

Prices of the Warrants may rise or fall rapidly. You should carefully consider, among other things, the following factors before dealing in the Warrants:

- (i) the prevailing trading price of the Warrants;
- (ii) the value and volatility of the underlying Unit;
- (iii) the time remaining to expiry;
- (iv) the probable range of the Cash Settlement Amount;
- (v) the interim interest rates and expected dividend payments on the underlying Unit;
- (vi) the liquidity of the underlying Unit;
- (vii) any related transaction cost; and
- (viii) our creditworthiness.

### **Time decay**

The value of a Warrant is likely to decrease over time. Therefore, the Warrants should not be viewed as products for long term investments.

### **There is no assurance that the value of the Warrants will correlate with movements of the underlying Unit**

The value of the Warrants may not correspond with the movements in the underlying Unit price. If you buy the Warrants with a view to hedge against your exposure to that Unit, it is possible that you could suffer loss in your investment in the underlying Unit and the Warrants.

### **The Listing Documents are not the sole basis for making an investment decision**

The Listing Documents do not take into account your investment objectives, financial situation or particular needs. Nothing in the Listing Documents should be construed as a recommendation by us or our affiliates to invest in the Warrants or the underlying Unit.

### **Adjustment related risk**

The occurrence of certain events (including, without limitation, a rights issue, bonus issue or cash distribution by the Trust, a subdivision or consolidation of the Units and a restructuring event of the Trust) may entitle us to adjust the terms and conditions of the Warrants. However, we are not obliged to adjust the terms and conditions of the Warrants for every event that affects the underlying Unit. Any adjustment or decision not to make any adjustment may adversely affect the value of the Warrants. See Product Condition 4 for details about such adjustments.

### **Possible limited secondary market**

The Liquidity Provider may be the only market participant for the Warrants and therefore the secondary market for the Warrants may be limited. The more limited the secondary market, the more difficult it may be for you to realise the value in the Warrants prior to expiry.

### **Suspension of trading**

If trading in the underlying Unit is suspended on the Stock Exchange, trading in the Warrants will be suspended for a similar period. In the case of a prolonged suspension period, the market price of the Unit may be subject to a significant impact of time decay and may fluctuate significantly upon resumption of trading after such prolonged suspension period.

### **Possible early termination**

The Warrants will be terminated early in the event of termination of the trust or liquidation of the trustee of the Trust.

### **Conflict of interest**

We and our subsidiaries and affiliates engage in a wide range of commercial and investment banking, brokerage, funds management, hedging, investment and other activities and may possess material information about the underlying Unit. Such activities and/or information may involve or affect the underlying Unit and may cause consequences adverse to you or otherwise create conflicts of interest in connection with the issue of the Warrants. We have no obligation to disclose such information and may engage in any such activities without regard to the issue of the Warrants.

In the ordinary course of our business, we and our subsidiaries and affiliates may effect transactions for our own account or for the account of our customers and may enter into one or more transactions with respect to the Units or related derivatives. This may indirectly affect your interests.

### **Risks relating to Warrants over trusts**

Neither we nor any of our affiliates have the ability to control or predict the actions of the trustee or the manager of the Trust. Neither the trustee nor the manager of the Trust (i) is involved in the offer of any Warrant in any way, or (ii) has any obligation to consider the interest of the holders of any Warrant in taking any corporate actions that might affect the value of any Warrant.

We have no role in the Trust. The trustee or the manager of the Trust is responsible for making investment and other trading decisions with respect to the management of the Trust consistent with its investment objectives and in compliance with the investment restrictions as set out in the constitutive documents of the Trust. The manner in which the Trust is managed and the timing of actions may have a significant impact on the performance of the Units. Hence, the price which is used to calculate the performance of the Units is also subject to these risks.

## **PARTIES**

### **OUR REGISTERED OFFICE**

**Macquarie Bank Limited**  
Level 3, 25 National Circuit  
Forrest ACT 2603  
Australia

### **OUR SYDNEY OFFICE**

**Macquarie Bank Limited**  
No. 1 Martin Place  
Sydney NSW 2000  
Australia

### **OUR LONDON OFFICE**

**Macquarie Bank Limited**  
Level 7, Ropemaker Place  
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London  
EC2Y 9HD  
United Kingdom

### **SPONSOR AND LIQUIDITY PROVIDER**

#### **Macquarie Capital Securities Limited**

Level 18  
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1 Harbour View Street  
Central, Hong Kong

### **LEGAL ADVISOR AS TO HONG KONG LAW**

#### **Mallesons Stephen Jaques**

13th Floor  
Gloucester Tower  
The Landmark  
15 Queen's Road Central  
Central, Hong Kong

### **AUDITOR**

#### **PricewaterhouseCoopers**

Darling Park Tower 2  
201 Sussex Street  
Sydney, NSW 1171  
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