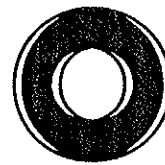


MACQUARIE CPS TRUST
A.R.S.N. 129 962 358

INTERIM DIRECTORS' REPORT AND FINANCIAL REPORT
HALF-YEAR ENDED 31 DECEMBER 2009



MACQUARIE

The Trust's registered office is:
C/- Company Secretarial
Mezzanine Level
No. 1 Martin Place
SYDNEY NSW 2000

This interim financial report has been prepared in accordance with Australian Accounting Standards and does not include all the notes of the type normally included in an annual financial report.

This interim financial report should be read in conjunction with the annual report of Macquarie CPS Trust for the period from 13 March 2008 to 30 June 2009 which was also prepared in accordance with Australian Accounting Standards.

**MACQUARIE CPS TRUST
FINANCIAL REPORT
FOR THE HALF-YEAR ENDED 31 DECEMBER 2009**

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MACQUARIE CPS TRUST
DIRECTOR'S REPORT
FOR THE HALF YEAR ENDED 31 DECEMBER 2009

In respect of the interim period from 1 July 2009 to 31 December 2009, Macquarie Capital Loans Management Limited ("the Responsible entity"), in its capacity as Responsible Entity of the Macquarie CPS Trust ("the Trust"), submits herewith the balance sheet as at 31 December 2009 and the income statement, the statement of comprehensive income, the statement of changes in equity and the cash flow statement for the half-year ended on that date ("the period") for the Trust and report as follows:

DIRECTORS

The following persons have held office as Directors of the Responsible Entity during the period until the date of this report:

Gregory Colin Ward (appointed 22 May 2008, resigned 6 July 2009)
John Stuart Roberts
Francis Kwok
Timothy Stiel
Matthew Gummer (appointed 6 July 2009)

PRINCIPAL ACTIVITIES

The principal activity of the Trust during the half year ended 31 December 2009 was the issuer of convertible preference securities.

The Trust, a trust entity established in Australia, has issued \$600 million non-cumulative, unsecured, mandatorily convertible preference securities. The proceeds of the issue have been used by the Trust to purchase preference shares in Macquarie CPS LLC. Macquarie CPS LLC has, in turn, invested the proceeds of subscription in subordinated notes issued by Macquarie (UK) Group Services Limited, which are guaranteed by Macquarie Group Limited on a subordinated basis.

In the opinion of the Directors, there were no significant changes to the principal activities of the Trust during the period under review not otherwise disclosed in this report.

RESULT

The financial report for the half-year ended 31 December 2009, and the results herein, are prepared in accordance with Australian Accounting Standards.

The profit from ordinary activities after income tax attributable to unit holders under Australian Accounting Standards for the period ended 31 December 2009 was \$Nil (31 December 2008:\$Nil)

INTERIM DIVIDENDS AND DISTRIBUTIONS

No interim dividends were paid or provided during the interim period ended 31 December 2009 (31 Dec 2008:Nil)

EVENTS SUBSEQUENT TO BALANCE SHEET

At the date of this report, the Directors are not aware of any matter or circumstance which has arisen that has significantly affected or may significantly affect the operations of the Trust, the results of those operations or the state of affairs of the Trust in the period subsequent to 31 December 2009 not otherwise disclosed in this report.

AUDITOR'S INDEPENDENCE DECLARATION

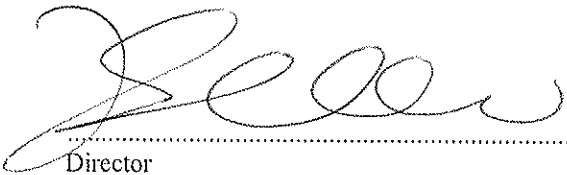
A copy of the auditor's independence declaration, as required under section 307C of the Corporations Act 2001, is set out on page 5 following this report.

MACQUARIE CPS TRUST
DIRECTOR'S REPORT (Continued)
FOR THE HALF YEAR ENDED 31 DECEMBER 2009

ROUNDING OF AMOUNTS

In accordance with Australian Securities and Investments Commission Class Order 98/100 (as amended), amounts in the Directors' report and the half-year financial report have been rounded off to the nearest thousand dollars unless otherwise indicated.

This report is made in accordance with a resolution of the Directors.



.....
Director

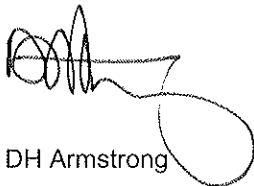
Sydney
15 February 2010

Auditors' Independence Declaration

As lead auditor for the review of Macquarie CPS Trust for the period ended 31 December 2009, I declare that to the best of my knowledge and belief, there have been:

- a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review and
- b) no contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Macquarie CPS Trust during the period.



DH Armstrong
Partner
PricewaterhouseCoopers

Sydney
15 February 2010

MACQUARIE CPS TRUST

INCOME STATEMENT
FOR THE HALF YEAR ENDED 31 DECEMBER 2009

	Notes	Half year to 31 Dec 2009 \$'000	Half year to 31 Dec 2008 \$'000
Interest and similar income		33,559	32,282
Interest expense and similar charges		(33,559)	(32,282)
Net interest income	2	-	-
Operating profit before income tax		-	-
Income tax (expense)/benefit		-	-
Profit from ordinary activities after income tax		-	-
Profit attributable to unit holders of Macquarie CPS Trust		-	-

The above income statement should be read in conjunction with the accompanying notes.

STATEMENT OF COMPREHENSIVE INCOME
FOR THE HALF YEAR ENDED 31 DECEMBER 2009

	Half year to 31 Dec 2009 \$'000	Half year to 31 Dec 2008 \$'000
Profit from ordinary activities after income tax for the period	-	-
Other comprehensive income	-	-
Total other comprehensive income for the period	-	-
Total comprehensive income for the period	-	-
Total comprehensive income for the period is attributable to:		
Unit holders of Macquarie CPS Trust	-	-

The above statement of comprehensive income should be read in conjunction with the accompanying notes.

MACQUARIE CPS TRUST

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2009

	Notes	As at 31 Dec 2009 \$'000	As at 31 Dec 2008 \$'000
Assets			
Investment securities available for sale	4	600,000	600,000
Total assets		600,000	600,000
Liabilities			
Loan capital	5	600,000	600,000
Total liabilities excluding net assets attributable to unit holders		600,000	600,000
Net assets attributable to unit holders		-	-

The above balance sheet should be read in conjunction with the accompanying notes.

MACQUARIE CPS TRUST

STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED 31 DECEMBER 2009

	Half year to 31 Dec 2009 \$'000	Half year to 31 Dec 2008 \$'000
Total equity at the beginning of the period	-	-
Total comprehensive income for the period	-	-
Transactions with equity holders in their capacity as equity holders:		
Dividends paid or distributions paid or provided	-	-
Total equity at the end of the half year	-	-

The above statement of changes in equity should be read in conjunction with the accompanying notes.

MACQUARIE CPS TRUST

STATEMENT OF CASH FLOWS
FOR THE HALF YEAR ENDED 31 DECEMBER 2009

	Notes	Half year to 31 Dec 2009 \$'000	Half year to 31 Dec 2008 \$'000
Net cash flows from operating activities		-	-
Net cash flows from investing activities		-	-
Net cash flows from financing activities		-	-
Net increase/ (decrease) in cash		-	-
Cash at the beginning of the period		-	-
Cash at the end of the period		-	-

The above cash flow statement should be read in conjunction with the accompanying notes.

MACQUARIE CPS TRUST

NOTES TO THE FINANCIAL STATEMENT
31 DECEMBER 2009

1. BASIS OF PREPARATION

This general purpose financial report for the half-year reporting period ended 31 December 2009 has been prepared in accordance with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*. Compliance with AASB134 ensures compliance with International Financial Reporting Standard IAS 34, Interim Financial Reporting.

This half-year financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2009.

The Trust is of a kind referred to in Australian Securities and Investments Commission Class Order 98/100 (as amended), relating to the "rounding off" of amounts in the financial report for a financial year or half year. Amounts in the half year financial report have been rounded off in accordance with that Class Order to the nearest thousand dollars unless otherwise indicated.

The accounting policies and methods of computation adopted in the preparation of the half year financial report are consistent with those adopted and disclosed in the 2009 annual report of Macquarie CPS Trust for the period ended 30 June 2009. Where necessary, comparative figures have been adjusted to conform with changes in presentation at 31 December 2009.

2. PROFIT FOR THE HALF YEAR

	Half year to 31 Dec 2009 \$'000	Half year to 31 Dec 2008 \$'000
Net interest income		
Interest and similar income received/receivable:		
Other related entities	33,559	32,282
Interest expense and similar charges paid		
Other entities	(33,559)	(32,282)
Net interest income	-	-

3. SEGMENT REPORTING

The Trust operated wholly within the financial markets industry as part of the Macquarie Group in Australia.

4. INVESTMENT SECURITIES AVAILABLE FOR SALE (non-current)

	As at 31 Dec 2009 \$'000	As at 31 Dec 2008 \$'000
Debt securities	600,000	600,000
Total investment securities available for sale	600,000	600,000

On 8 July 2008, the Trust acquired \$600 million of redeemable preference shares (LPS) from a related entity, Macquarie CPS LLC. The preference shares are redeemable by the issuer, subject to written approval from the Australian Prudential Regulation Authority (APRA). Distributions on LPS are preferred, non-cumulative and based on a fixed rate until 30 June 2013 and on a floating rate thereafter. The fixed rate has been determined at 11.095% per annum. Distributions are scheduled to be paid semi-annually until 30 June 2013, and quarterly thereafter, and are at the issuer's discretion. There was no change in the value of the investment securities during the period.

MACQUARIE CPS TRUST

NOTES TO THE FINANCIAL STATEMENT
31 DECEMBER 2009

5. LOAN CAPITAL (non-current)

	As at 31 Dec 2009 \$'000	As at 31 Dec 2008 \$'000
Convertible Preference Securities (6 million securities at issue price of \$100 each)	600,000	600,000
Total loan capital	600,000	600,000

The Convertible Preference Shares (CPS) were listed on the Australian Stock Exchange (ASX) on 8 July 2008. The CPS are non-cumulative, unsecured, mandatorily convertible, preference units in the Trust. The CPS are mandatorily convertible into a variable number of Macquarie Group Limited shares. Distributions on CPS are preferred, non-cumulative and based on a fixed rate until 30 June 2013 (the initial mandatory conversion date) and on a floating rate thereafter. The fixed rate has been determined at 11.095% per annum. Distributions are scheduled to be paid semi-annually until, and including, the initial mandatory conversion date, and quarterly thereafter, in arrears, and subject to payment tests as outlined in the CPS Terms in the Product Disclosure Statement, and are at the Trust's discretion. Costs related to the issuance of the CPS have been borne by the ultimate chief entity, Macquarie Group Limited under the terms of the Implementation Deed. Funds from the issuance were applied on behalf of the Trust to Macquarie (UK) Group Services Limited, resulting in nil cash movement to the Trust.

6. NET ASSETS ATTRIBUTABLE TO UNITHOLDERS

Net assets attributable to unit holders is represented by:	No. of units	2009 \$'000
Opening balance of units on issue	-	-
Applications (2 ordinary units at \$100 each)	2	-
Redemptions	-	-
Net profit for the period	-	-
Distributions paid	-	-
Closing balance	2	-

7. CONTINGENT LIABILITIES AND ASSETS

The Trust has no commitments or contingent assets or liabilities which are individually material or a category of commitments or contingent assets or liabilities which are material.

8. AUDIT AND OTHER SERVICES PROVIDED BY PRICE WATERHOUSE COOPERS ("PwC")

The cost of auditors' remuneration for auditing services of \$4,000 has been borne by the ultimate chief entity. The auditors received no other benefits.

9. EVENTS OCCURRING AFTER REPORTING DATE

There were no material post balance sheet events occurring after the reporting date requiring disclosure in the financial report.


MACQUARIE CPS TRUST

DIRECTOR'S DECLARATION

In the Director's opinion

- (a) the financial statements and notes set out on pages 6 to 11 are in accordance with the *Corporations Act 2001*, including:
 - (i) complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
 - (ii) giving a true and fair view of the Trust's financial position as at 31 December 2009 and of its performance, as represented by the results of its operations and its cash flows, for the half year ended on that date; and
- (b) there are reasonable grounds to believe that Macquarie CPS Trust will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Directors.



.....
Director

Sydney
15 February 2010

Independent auditor's review report to the members of Macquarie CPS Trust

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial statements of Macquarie CPS Trust, which comprise the statement of financial position as at 31 December 2009, and the income statement, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, other selected explanatory notes and the directors' declaration for the Macquarie CPS Trust (the Trust).

Directors' responsibility for the half-year financial report

The directors of the Macquarie Capital Loans Management Limited, as responsible entity of the Trust, are responsible for the preparation and fair presentation of the half-year financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the half-year financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of an Interim Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 31 December 2009 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Macquarie CPS Trust, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. It also includes reading the other information included with the financial report to determine whether it contains any material inconsistencies with the financial report. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

While we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our review was not designed to provide assurance on internal controls.

Our review did not involve an analysis of the prudence of business decisions made by directors or management.

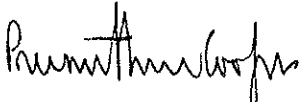
Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Macquarie CPS Trust is not in accordance with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the Trust's financial position as at 31 December 2009 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and *Corporations Regulations 2001*.


PricewaterhouseCoopers


DH Armstrong
Partner

Sydney
15 February 2010