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**PRESS RELEASE****MD SASS AND MACQUARIE GROUP FORM NEW JOINT VENTURE****Unique strategic alliance to build the next generation of investment managers globally**

**NEW YORK, August 9, 2006** – MD Sass, a leading investment management firm, and the Macquarie Group, a global financial services organization, today announced the establishment of a new joint venture. The partnership will manage a \$273 million alternative strategies private equity fund initially formed by MD Sass. The fund has been renamed M.D. Sass-Macquarie Financial Strategies, L.P. (the Fund), and will continue to make seed investments in innovative, specialized investment management companies in addition to the four investment management companies already established by the Fund.

The Fund sources, seeds and grows investment managers by providing them with access to seed capital, institutional oversight, operational and marketing support as well as by taking an active role in their corporate governance and risk management.

Macquarie and the three MD Sass Financial Strategies' founding principals, Martin D. Sass, Hugh Lamle and Steven Shenfeld, jointly manage the Fund. Messrs Sass and Lamle are well known in the US asset management industry with a 34-year track record of successfully identifying and growing new managers across a broad range of asset sectors and strategies. Under the joint venture, Macquarie has committed to invest \$110 million over the Fund's investment period and shares governance of the Fund's general partner and management company.

Martin D. Sass, Chairman and Chief Executive Officer of MD Sass said, "This is a unique and powerful partnership which will build the next generation of investment managers globally. The joint venture combines MD Sass' established expertise in identifying and supporting emerging investment managers with Macquarie's global product structuring and strong distribution capabilities.

"Macquarie's substantial financial commitment to the Fund means our capital raising process is complete and we can focus on sourcing additional investment managers and growing them over time. Macquarie's global presence, particularly in the Asia-Pacific region, complements MD Sass' existing US based team and well-established track record."

Oliver Yates, a Director of the Fund's general partner and management company and Executive Director of Macquarie Bank Limited said, "This new venture fits well with Macquarie's strategy of investing in and growing specialist investment managers who can benefit from our product structuring and global distribution expertise. Our global clients such as pension funds are actively seeking investment management partners to manage money in new and innovative ways in order to boost overall portfolio returns. We value MD Sass' strong track record of innovation, manager incubation and performance over the long-term."

Hugh Lamle, President of MD Sass, said, "A major part of our strategy, when we initially formed the fund, was to create a relationship with a first class global partner. In Macquarie we have found the ideal strategic partner. We have long admired the innovative products developed by Macquarie and their culture. We are now even better positioned to partner with talented and experienced entrepreneurial investment professionals and provide them with a unique global infrastructure to support their success."

As of June 30, 2006, the Fund had established four investment managers:

<b>Manager</b>	<b>Strategy</b>
Ascent Real Estate Advisors	US Real Estate
Waterfall Asset Management	High Yield Asset Backed Securities
Energy Arbitrage Management	Energy Futures
Denahi Global Investments	Asian Equities

The Fund will seek to partner with ten or more additional investment management teams over the next three years.

### **About MD Sass**

MD Sass has been a leading name in investment management since 1972. Today MD Sass and its affiliates have \$8 billion in assets under management and employ over 100 people. MD Sass offers both traditional and alternative investment strategies in the form of private equity funds, hedge funds and substantial separately managed accounts. Its clients include major corporations, financial institutions, state and local governments, endowment funds, foundations, Taft Hartley funds and high net worth individuals. For more information, visit [www.mdsass.com](http://www.mdsass.com)

### **About Macquarie**

The Macquarie group (Macquarie) is a diversified international provider of specialist financial and investment banking services around the world with total assets under management of \$111 billion (as of June 30, 2006). Macquarie has a strategy of developing and working with investment managers to originate, structure and distribute products and funds. Headquartered in Sydney, Australia, the Macquarie group comprises Macquarie Bank Limited (MBL), a leading Australian investment bank and its subsidiaries and affiliates worldwide. Macquarie listed on the Australian Stock Exchange in 1996, and now employs over 8,600 people in 24 countries.