

Media Release

INVESTORS COMMIT MORE THAN US\$10 BILLION TO NEW MACQUARIE INFRASTRUCTURE FUNDS



NEW YORK AND LONDON, MAY 2, 2007 – The Macquarie Group today announced that it has closed two new infrastructure funds, raising a total of more than US\$10 billion from major pension funds and other institutional investors around the world.

- Macquarie Infrastructure Partners (MIP), a US\$4bn fund, will invest in infrastructure and infrastructure-like assets in North America.
- Macquarie European Infrastructure Fund II (MEIF II), which confirmed commitments of US\$6.3bn (€4.6bn), will invest in a diversified portfolio of eight to 15 infrastructure assets located across the expanding European Union.

To date, the two funds have committed to invest a total of US\$4.5bn, or 44 per cent of funds raised, in 13 assets across sectors including toll roads, ports, utilities and telecommunication infrastructure (see detailed list below).

According to Arthur Rakowski, Chief Executive Officer of MEIF II, this milestone further demonstrates Macquarie's leading position in the global infrastructure sector.

"Investors recognize Macquarie's outstanding track record in acquiring and managing high quality infrastructure businesses for the long-term, to provide them with stable and predictable returns. Macquarie offers unique expertise as one of the world's largest private owners, operators and managers of infrastructure assets, managing more than US\$44* billion in equity across a portfolio of over 100 businesses worldwide," Mr Rakowski said.

“Despite increasing awareness and investment capital available for infrastructure assets we have consistently been able to acquire good assets at prices that represent value for our investors,” said Christopher Leslie, Chief Executive Officer of MIP.

“We believe this attests to the strength and uniqueness of our approach. We have over 900 infrastructure specialists around the world, many with substantial industry backgrounds, that bring a unique depth of knowledge, relationships and operational experience. This enables us to be selective, focusing our efforts on opportunities where we can deliver greater value for investors,” Mr Leslie said.

“Our long-term investment horizon is fundamental to our approach and well-suited to the important nature of infrastructure businesses. We take a responsible, long-term approach, working collaboratively with all stakeholders, including employees, customers, Government and the wider community, to ensure sustainable growth.

“This is important to our investors, many of whom are investing in this asset class for the first time, and is the basis on which we have built our success in infrastructure investment and management over more than a decade,” added Mr Leslie.

Macquarie Infrastructure Partners

Headquartered in New York and established in May 2006, MIP is a diversified unlisted fund focusing on infrastructure and infrastructure-like investments in North America. The majority of MIP’s investors are North American and represent a broad range of investor types including public pension funds, corporate pension funds, insurance companies, endowments & foundations, Taft-Hartley funds and high-net-worth clients.

To date MIP has invested or committed to invest US\$1.5bn in:

- **Duquesne Light Holdings**, the regulated electric utility serving the city of Pittsburgh, Pennsylvania, and surrounding areas
- **Aquarion Company**, the largest regulated water utility in New England
- **Halterm**, a container port terminal located in Halifax, Nova Scotia
- **Fraser Surrey Docks**, a container and breakbulk port terminal located in Vancouver, British Columbia
- **Indiana Toll Road**, a 157 mile toll road spanning the full length of northern Indiana
- **Chicago Skyway**, an 8 mile toll road in southern Chicago, Illinois
- **South Bay Expressway**, a new 9 mile toll road opening in 2007 near San Diego, California
- **Dulles Greenway**, a 14 mile toll road in Loudoun County, Virginia

Macquarie European Infrastructure Fund II

MEIF II is Macquarie's second diversified pan-European infrastructure fund and follows the success of the €1.5bn Macquarie European Infrastructure Fund (MEIF) which was established in April 2004 and is now fully committed to nine investments including Wales & West Utilities (UK), Wightlink Shipping (UK), Arlanda Express (Sweden), Brussels Airport, Autoroutes Paris-Rhin-Rhone (France) and NRE (Netherlands). A significant number of investors in MEIF have also invested in MEIF II, along with a number of investors that are new to the infrastructure asset class including several UK pension fund investors.

To date, MEIF II has invested US\$3bn (€2.2bn) in:

- **Thames Water**, the UK's largest water and wastewater company
- **NCP**, the UK's leading provider off-street car parking
- **Arqiva and National Grid Wireless**, providers of television and radio transmission services to broadcasters in the UK
- **Airwave**, the UK's largest provider of public safety communications services.

*For listed funds, market capitalization as at March 31, 2007 plus fully underwritten or committed future capital raisings. Unlisted funds measured as committed capital less any called capital which has subsequently been returned to investors. Invested capital for other Macquarie managed assets. For jointly managed funds the amount is representative of Macquarie's share in JV manager. Adjustments have been made where Macquarie-managed funds have invested in other Macquarie-managed funds. Exchange rates as at March 31, 2007.

EDITORS NOTES

The Macquarie Group

The Macquarie Group (Macquarie) comprises Macquarie Bank Limited and its worldwide affiliated entities. MIP and MEIF II are managed by members of the Macquarie Group, a leading global investor and manager of infrastructure businesses. Members of the Macquarie Group manage more than US\$44 billion in equity invested in infrastructure and essential service assets around the world through a range of listed and unlisted vehicles. Infrastructure investments managed by Macquarie include investments in the energy, water, telecommunications and transportation sectors in the US, Canada, UK, Germany, Portugal, Italy, France, Sweden, Denmark, the Netherlands, Belgium, Australia, Korea, Japan and South Africa. Macquarie aims to manage investments in infrastructure assets profitably and responsibly.

FOR FURTHER INFORMATION

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