



# MACQUARIE INTERNATIONAL INFRASTRUCTURE FUND LIMITED

## Full Year 2007 Results Presentation

27 February 2008





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# MACQUARIE INTERNATIONAL INFRASTRUCTURE FUND LIMITED



## Overview





# Strong Delivery

## ■ Key achievements in 2007

- Solid overall asset performance
- Strong financial results delivered
- Growing cash flows creating value
- Focus on Asia progressing rapidly
- Continued MIIF dividend growth

## ■ 2008 Outlook

- Sustained performance expected
  - Assets resilient to market conditions
  - Diversified high quality portfolio
- Opportunities for value creation
  - Asset performance enhancements
  - Accretive acquisitions
- Maintain and grow MIIF dividend per share over time



# Financial Performance

## Strong FY2007 results

- Net income of S\$268.8 million<sup>(1)</sup> up >100% on pcp
- Net income on an unconsolidated basis (MIIF)<sup>(2)</sup> of S\$343.5 million up >50% on pcp

## Increased NAV to S\$1.28 per share

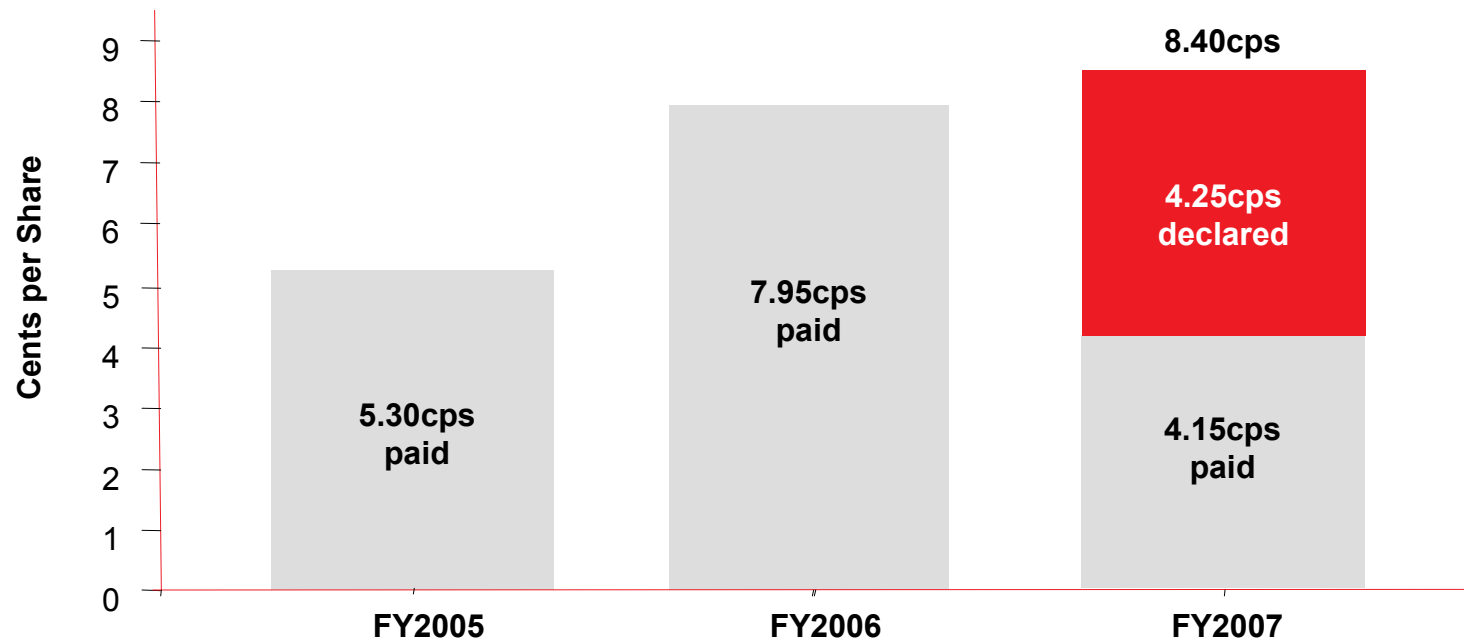
- Growing cash flow driving increasing valuation
- Net Asset Value up 17.4% from December 2006
- Continued focus on narrowing the gap between MIIF's NAV and its share price through delivery of asset performance and execution of Asia-focused growth strategy

Notes: (1) On an adjusted basis  
(2) In accordance with accounting standards



# Growing Dividend

- 4.25cps up 6.25% on pcp
- Yield of 9.4%<sup>(1)</sup> pa
- Anticipate maintaining and growing dividend per share over time
- MIF's Scrip Dividend Scheme applicable to dividend



Notes: (1) Based on share price of S\$0.89 as at 25 February 2008



# Strategic Divestments

- Demonstrated ability to realise attractive returns
- Total gains of S\$172.6 million from divestments
- Achieved combined IRR of 27.8%

|                             | Holding Period<br>(months) | Proceeds<br>(S\$m) | IRR Achieved (%) |
|-----------------------------|----------------------------|--------------------|------------------|
| <b>Listed Investments</b>   |                            |                    |                  |
| MIC                         | 25                         | 37.4               | 27.6             |
| DUET                        | 25                         | 85.2               | 31.7             |
| MCG                         | 26                         | 147.2              | 4.9              |
| <b>Unlisted Investments</b> |                            |                    |                  |
| NMRE                        | 20                         | 90.8               | 36.5             |
| Brussels Airport            | 29                         | 107.9              | 43.7             |
| TanQuid                     | 24                         | 187.3              | 42.2             |



# Investment activity

- Investments total S\$745.5 million
- 32.9% of portfolio in Asia up from 8.5% in the pcp

|                                       | MIIF Beneficial Interest (%) | Investment (\$m)     | Description  |
|---------------------------------------|------------------------------|----------------------|--|
| <b>Asian acquisitions</b>             |                              |                      |  |
| Taiwan Broadband Communications (TBC) | 20.0                         | 161.8 <sup>(1)</sup> | Taiwan's third largest cable TV operator                                     |
| Hua Nan Expressway (HNE)              | 81.0                         | 295.7 <sup>(2)</sup> | Urban toll road in South China   |
| infraVest Wind (infraVest)            | 100.0                        | 28.0 <sup>(3)</sup>  | Operating wind farm in Taiwan  |
| <b>Add on acquisition</b>             |                              |                      |  |
| National Grid Wireless (NGW)          | 8.7                          | 260.0                | One of the UK's leading providers of large-scale transmission infrastructure |

Notes: (1) Post a return of capital from TBC of US\$68.3 million (S\$104.1 million) which was distributed to MIIF as a result of the refinancing of TBC's debt facilities shortly after MIIF's acquisition of its interest in TBC

(2) Originally announced acquisition price of S\$329.5m included S\$295.7m invested at acquisition, and S\$33.8m of Acquisition Adjustments contingent upon certain events and as yet unpaid

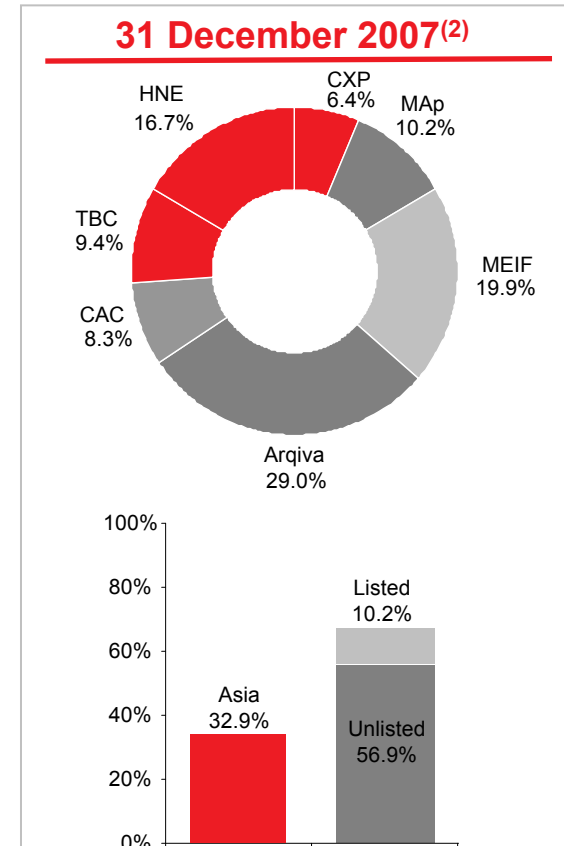
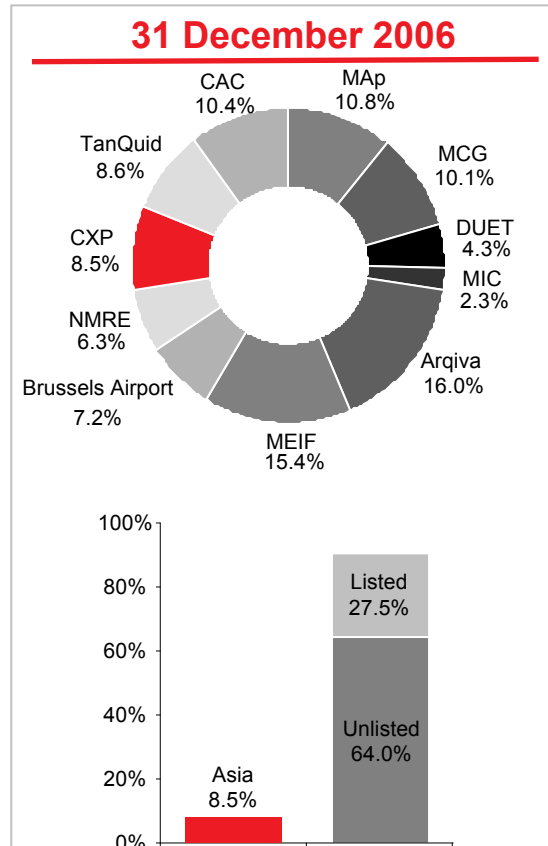
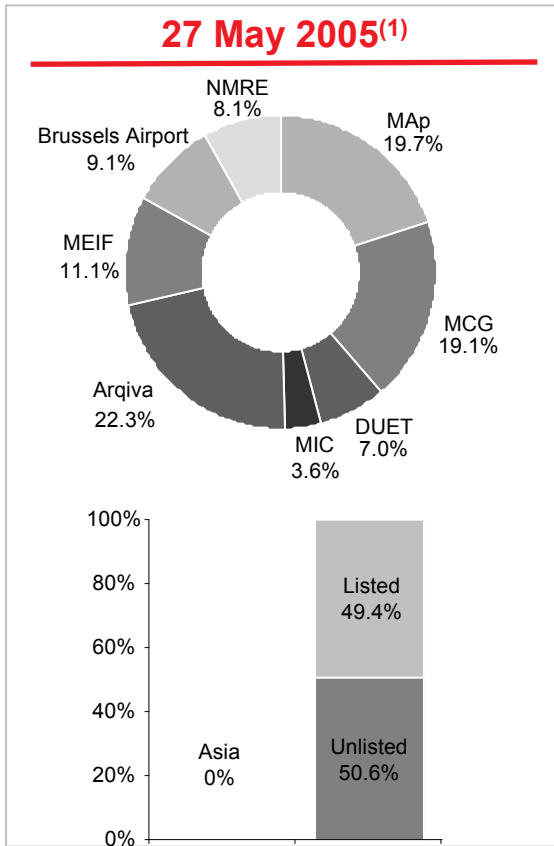
(3) Subject to financial close



# MIIF Portfolio

## Asian focus progressing strongly

### Portfolio Composition by Value divided by Assets



Notes (1) Reflects date of IPO. Valuations based on acquisition prices  
 (2) Based on 31 December 2007 valuation. Numbers are subject to rounding



# Direct Investments Performance

|                  | Revenue Growth<br>(%) | EBITDA Growth<br>(%) |
|------------------|-----------------------|----------------------|
| Arqiva only      | 28.8                  | 6.0 <sup>(1)</sup>   |
| CAC              | 5.6                   | 7.3                  |
| CXP              | 10.4                  | 2.3                  |
| TBC              | 3.1                   | 5.7                  |
| Average Weighted | 18.4                  | 5.7                  |

- Arqiva: Growth in revenue is driven by the acquisition of BT Satellite but EBITDA growth was moderated due to:
  - BTS’s low margin legacy contracts to wind down over 5-7 years
  - £4.4 million one-off costs: UK Competition Commission inquiry on Arqiva/NGW merger
- CXP: Growth in revenue is driven by increased handling of conventional cargo but EBITDA growth was moderated due to costs associated in the pursuit of a more diversified cargo mix

Notes (1) Excludes £4.4m one-off costs associated with NGW and UK Competition Commission inquiry



# Portfolio Performance

## Direct investments: Key drivers

Arqiva/NGW

- Acquisition of BT Satellite business
- Acquisition of NGW

CAC

- Improved occupancy
- Increase in government funding rates

CXP

- Increase in conventional cargo volumes
  - Increased handling of export steel products
  - Strong growth in forestry pulp and paper products

TBC

- Increased Basic subscriber numbers
- Strong growth in broadband subscribers



# Direct Investments Distributions

|        | Year ended 31<br>December 2007<br>(S\$) | Year ended 31<br>December 2006<br>(S\$) | Distributions<br>Growth<br>(%) |
|--------|---|---|--------------------------------|
| Arqiva | 26.9                                    | 17.4                                    | 54.3                           |
| CAC    | 18.2                                    | 17.6                                    | 3.3                            |
| CXP    | 5.7                                     | 2.1                                     | >100                           |
| TBC    | 0.9                                     | N/A                                     | N/A                            |

- Arqiva: The increase in distribution reflects investments that were made during the year
- CXP: 2006 distribution is part-year only reflecting MIIF's ownership since 2 December 2005
- TBC: 2007 distribution is part-year only reflecting MIIF's ownership since 16 July 2007



# Hua Nan Expressway (HNE)

- Process of transitioning HNE ownership to MIIF is significantly progressed
  - Business is performing according to expectations
- Asset performing strongly
  - Total toll revenue slightly ahead of expectations
  - Inclement weather in January 2008
  - Limited impact on traffic performance
- HNE expects to complete the refinancing of its existing borrowings in the first quarter of 2008
- New corporate income tax law announced in December 2007
  - Applicability to HNE is pending review
- No major capex planned



# MACQUARIE INTERNATIONAL INFRASTRUCTURE FUND LIMITED



## Financial Results





# Net Income Analysis

| (S\$'000)  | Year ended 31<br>Dec 2007 | Year ended 31<br>Dec 2006 | Change          |
|--|---------------------------|---------------------------|-----------------|
| Investment & distributions income                    | 133,050                   | 116,622                   | 14.1%           |
| Gain on disposal of investments                      | 172,607                   | -                         | N/A             |
| Interest income and other income                     | 6,283                     | 1,408                     | >100%           |
| Foreign exchange (loss)/gain                         | (7,730)                   | 1,697                     | N/A             |
| Management, performance & directors' fees            | (19,780)                  | (12,000)                  | 64.8%           |
| Finance costs and other operating expenses           | (15,580)                  | (4,488)                   | >100%           |
| <b>Net income on an adjusted basis<sup>(1)</sup></b> | <b>268,850</b>            | <b>103,239</b>            | <b>&gt;100%</b> |
| Dividends paid/payable for the period <sup>(2)</sup> | 107,612                   | 101,735                   | 5.8%            |

Note: (1) Net income on an adjusted basis represents the earnings of MIIF that underpins the payment of dividends to MIIF shareholders, and as such it is the measure that the Board of Directors of MIIF focuses on to determine the amount of dividends that are ultimately paid to MIIF shareholders. It does not include all items of revenue and expense that are ordinarily captured in an income statement prepared in accordance with all applicable accounting standards

(2) Calculated as the sum of dividends paid/declared for the respective full years



# Statement of Cash Flows

| Statement of Cash Flows<br>(S\$'000)  | Year ended<br>31 Dec 2007   | Year ended<br>31 Dec 2006 |
|---|-----------------------------|---------------------------|
| Asset distributions   | 135,976                     | 114,451                   |
| Operating expenses  | (30,671)                    | (19,202)                  |
| Gain from sale of assets  | 172,607                     | -                         |
| <b>Investment cash earnings</b>   | <b>277,912</b>              | <b>95,249</b>             |
| Special distribution from TBC treated as a return of capital <sup>(1)</sup> | 104,125                     | -                         |
| Net financing cash flows  | 86,507                      | 88,174                    |
| Net investing cash flows  | (376,092)                   | (96,439)                  |
| <b>Net cash movement</b>  | <b>92,452</b>               | <b>86,984</b>             |
| <b>Opening cash balance</b>   | <b>43,356</b>               | <b>46,589</b>             |
| Dividends Paid during period <sup>(2)</sup>                                 | (104,294)                   | (90,218)                  |
| <b>Closing cash balance</b>   | <b>31,514<sup>(3)</sup></b> | <b>43,355</b>             |

Note: (1) This represents a return of capital from TBC which was distributed to MIIF as a result of the refinancing of TBC's debt facilities shortly after MIIF's acquisition of its interest in TBC

(2) Calculated as the sum of the dividend paid for the second half of the preceding year and the first half of the current year

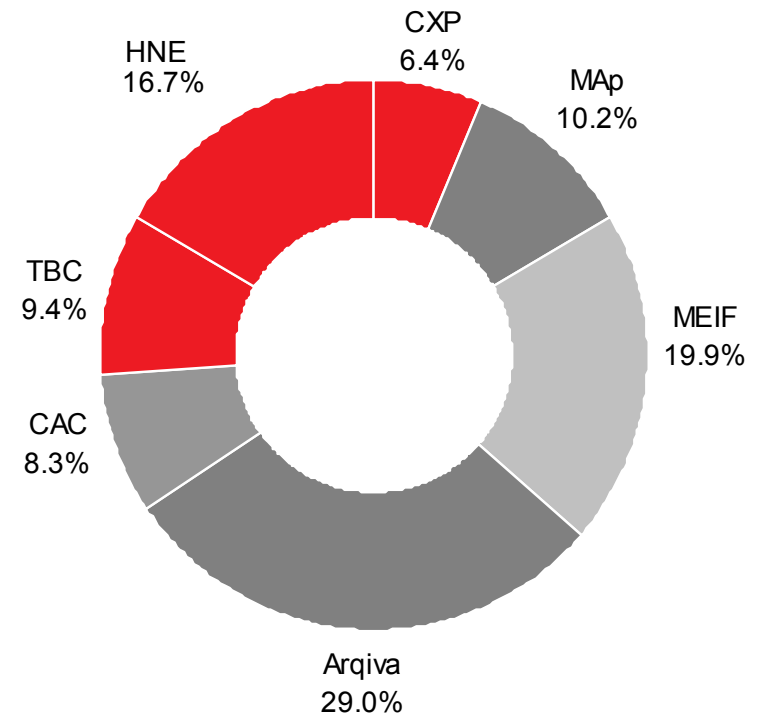
(3) Excludes cash of S\$23.5m held in an escrow account in relation to the infraVest Wind transaction



# Investment Portfolio Growth

| Valuation as at 31 Dec 2007 (S\$m) | MIIF Beneficial Interest (%) | Valuation <sup>(1)</sup> | IRR (%) <sup>(2)</sup> |
|------------------------------------|------------------------------|--------------------------|------------------------|
| Arqiva                             | 8.7                          | 516.9                    | 24.8%                  |
| CAC                                | 55.0                         | 148.2                    | 6.2%                   |
| CXP                                | 38.0                         | 114.4                    | 4.3%                   |
| HNE                                | 81.0                         | 298.0                    | N/A <sup>(3)</sup>     |
| TBC                                | 20.0                         | 167.5                    | N/A <sup>(4)</sup>     |
| MEIF                               | 6.3                          | 353.6                    | 45.3%                  |
| MAp                                | 2.1                          | 181.1                    | 12.6%                  |
| <b>TOTAL</b>                       |                              | <b>1779.9</b>            | <b>20.8%</b>           |
| Other Assets/<br>Liabilities       |                              | (138.2)                  |                        |
| <b>Net Asset Value (NAV)</b>       |                              | <b>1,641.7</b>           |                        |
| <b>NAV per share (S\$)</b>         |                              | <b>1.28</b>              |                        |

Portfolio Composition by Value <sup>(1)</sup>



Note: (1) Based on 31 December 2007 valuations, numbers are subject to rounding  
 (2) Calculated as all cash inflows and outflows attributable to MIIF's assets, converted to S\$ at the exchange rate at which MIIF acquired the investment  
 (3) MIIF received no distribution from HNE for the year ended 31 December 2007  
 (4) The distribution from TBC is part-year only reflecting MIIF's ownership since 16 July 2007



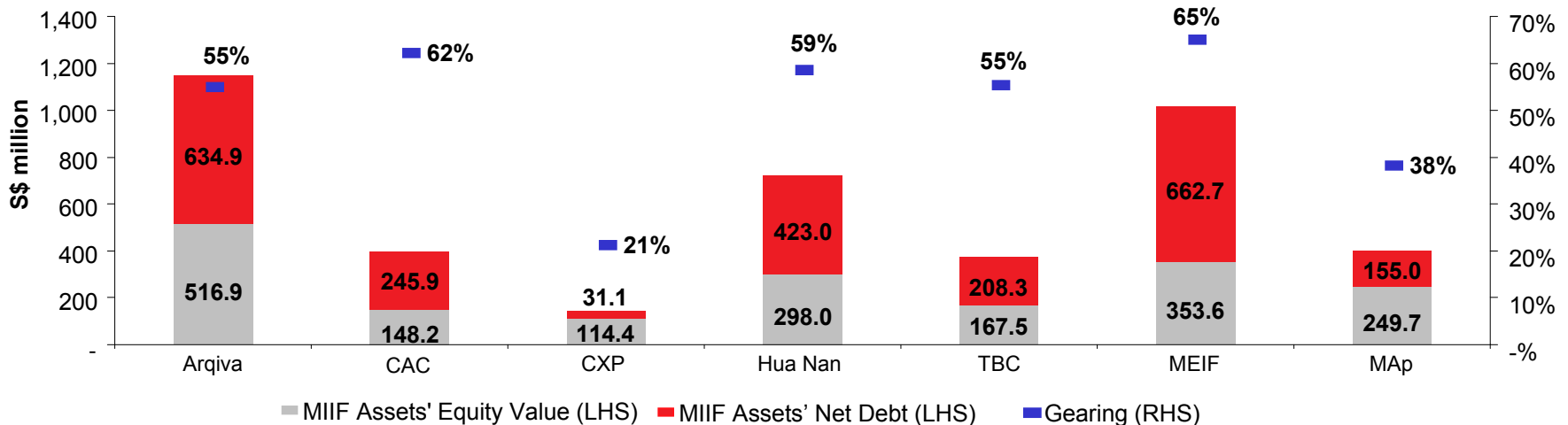
# Enterprise Value

S\$4.3bn, MIIF gearing 57%

## Enterprise Value on a Proportionately Consolidated Basis

| MIIF Assets' Equity Attributable to MIIF Shareholders | Corporate Net Debt | MIIF Assets' Net Debt | Enterprise Value Proportionately Consolidated |
|---|--------------------|-----------------------|---|
| S\$1,848 million                                      | S\$123 million     | S\$2,361 million      | S\$4,333 million                              |

## MIIF Assets Proportionate Enterprise Value (100%)





# MACQUARIE INTERNATIONAL INFRASTRUCTURE FUND LIMITED

## Debt Profile and Foreign Exchange





# Interest Rates

Direct assets significantly hedged

| Asset                                       | Total debt drawn | Remaining Term | Margin  | Repayment  | % of Debt Hedged   |
|---|------------------|----------------|---|------------|--------------------|
| <b>Arqiva<sup>(1)</sup></b>                 | GBP2.6bn         | 6-8 years      | 1.83% - 2.08%   | Bullet     | 100%               |
| <b>CAC<sup>(1)</sup></b>                    | C\$310m          | 8 years        | 0.73%   | Bullet     | 100%               |
| <b>CXP<sup>(1)</sup></b>                    | RMB480m          | 7 years        | PBOC rate minus 10% <sup>(3)</sup>                    | Bullet     | 13%                |
| <b>HNE<sup>(1,4)</sup></b>                  | RMB2.8bn         | 7 years        | PBOC rate <sup>(3)</sup>                              | Amortising | N/A <sup>(5)</sup> |
| <b>TBC Senior Facilities<sup>(2)</sup></b>  | NT\$21bn         | 7 years        | Weighted average interest rate of 4.7% <sup>(3)</sup> | Bullet     | 91%                |
| <b>TBC Unsecured Facility<sup>(2)</sup></b> | US\$100m         | 9 years        | 8% <sup>(3,6)</sup>                                   | Bullet     | 100%               |

**Responsible financial management regime implemented**  
**Borrowings of appropriate tenor matched to long-term cash flows**  
**Majority of debt hedged in the medium to long term**

Notes: (1) Senior debt  
 (2) As at August 2007  
 (3) Cost of funds  
 (4) Based on expected debt position for HNE post refinancing  
 (5) Interest rate hedges are not available in China at this time  
 (6) Excluding capitalising interest component which vests on maturity in 2016

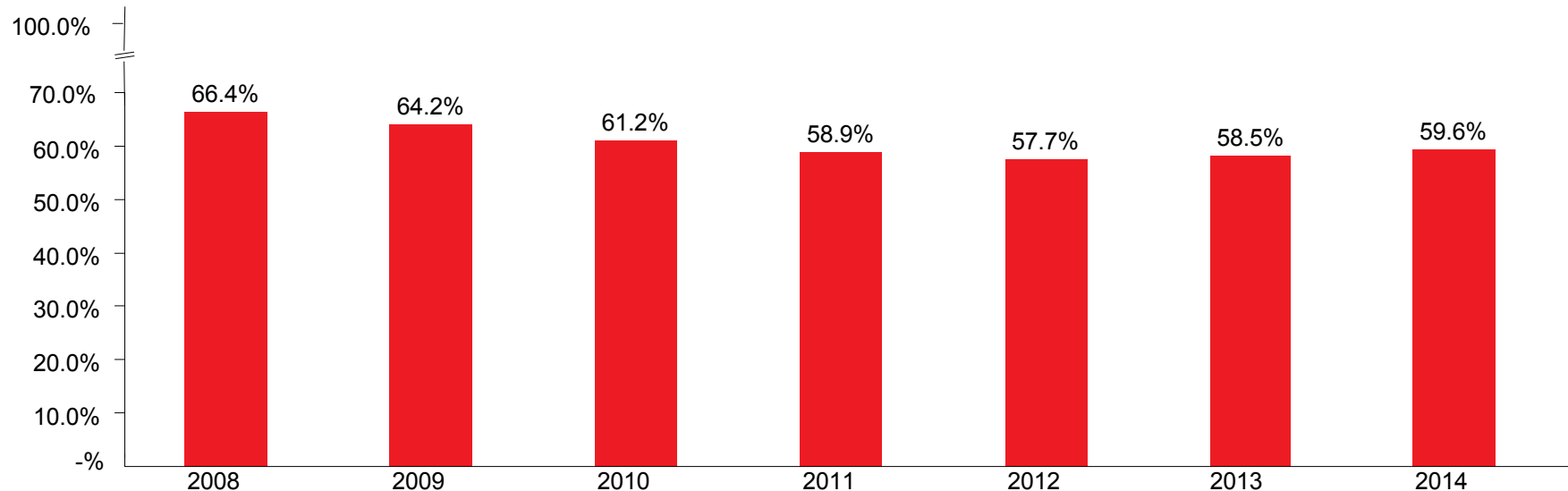


# Interest Rates

## Hedging protects cash flows

- Over the short to medium term, cash flows of MIIF's assets are relatively insensitive to changes in interest rates due to significant interest rate hedging
  - Table below shows the % of asset debt hedged over the following terms<sup>(1)</sup>:

### Proportionately Consolidated Hedge Position Across MIIF's Direct Assets



Notes: (1) As at 31 December 2007. Based on expected debt position for HNE post refinancing



# Foreign Exchange

Well diversified basket, distributions hedged

- MIIF is a long term investor across a geographically diversified portfolio
- Investors are located around the globe with differing currency preferences
- MIIF is exposed to a range of currencies resulting in a reduction in volatility of the Singapore dollar value of the portfolio
- Whenever possible, MIIF hedges 18 months of foreign currency asset distributions to Singapore dollars

Foreign exchange exposure<sup>(1)</sup> of portfolio split by capital invested

| <b>GBP</b> | <b>EUR</b> | <b>AUD</b> | <b>CAD</b> | <b>CNY</b> | <b>TWD</b> |
|------------|------------|------------|------------|------------|------------|
| 29%        | 20%        | 10%        | 8%         | 23%        | 9%         |

Notes: (1) As at 31 December 2007



# MACQUARIE INTERNATIONAL INFRASTRUCTURE FUND LIMITED

## Investment Strategy





# MIIF Investment Strategy

## Increasing focus on Asia

- Growth through unlisted direct investments
  - Sourcing unique infrastructure assets otherwise unavailable to investors
    - Taiwan Broadband Communications
    - infraVest Wind
    - Hua Nan Expressway
  
- Focus on Asian acquisitions
  - MIIF is actively being repositioned into Asia
  - Quality assets with a strong growth profile
  - Accretive Asian acquisitions
  
- Opportunistically and progressively divest non-Asian assets
  - Redeploying existing capital base
  - Significant profits realised on divestments
  - Responsibly managing debt levels



# Investment Strategy

Multiple jurisdictions and sectors, focusing on Asia

**New Acquisitions:  
Asian Focus**

- Strong deal flow across multiple jurisdictions/ sectors
  - high quality assets identified and accessible, e.g. TBC, HNE and infraVest

### Active Markets

China  
India  
Taiwan  
Malaysia  
Singapore

### Key Sectors

Toll Roads  
Utilities & Energy  
Communications Infrastructure  
Renewable Energy  
Social

**Add on Acquisitions**

- Support growth of existing assets through accretive and value enhancing acquisitions
- Add value by sourcing acquisition opportunities e.g. acquisition of NGW by Arqiva



# Funding Options

## Supporting growth

### Debt Facilities

- Utilise existing debt facilities
  - used to bridge short term equity funding needs
  - Drawn balance S\$178.2 million<sup>(1)</sup>
- Facilities renewal well progressed
  - Documentation expected to be completed shortly

### Realisation of Funds & non-Asian Assets

- Only in response to accretive acquisition opportunities
  - Total realisation proceeds anticipated at a premium to acquisition cost
  - opportunity to boost cashflows by acquiring new higher growth assets than existing assets that are sold

### Equity

- Requires supportive conditions

Notes: (1) As at 31 December 2007



# MACQUARIE INTERNATIONAL INFRASTRUCTURE FUND LIMITED

## Outlook





# 2008 Outlook

## Resilient to adverse market conditions

- Stable and predictable operating asset cashflows
- Borrowings matched to long-term cashflows
- Majority of interest rate exposure hedged long term
- Asset distributions hedged for 18 months
- Well diversified portfolio

## Continued strong performance expected

- Revenue and EBITDA growth expected
- Focus on delivering value
  - Contributions from TBC and HNE anticipated
  - Enhancements to existing assets
  - Further accretive acquisitions

## Focus on investor returns

- Maintain and grow dividend per share over time
- Commitment to narrow gap between share price and NAV
  - Grow marginal demand for MIIF stock



# MACQUARIE INTERNATIONAL INFRASTRUCTURE FUND LIMITED

## Appendix





# MACQUARIE INTERNATIONAL INFRASTRUCTURE FUND LIMITED

## Portfolio Update





# Arqiva

## Broadcast transmission facilities owner and operator

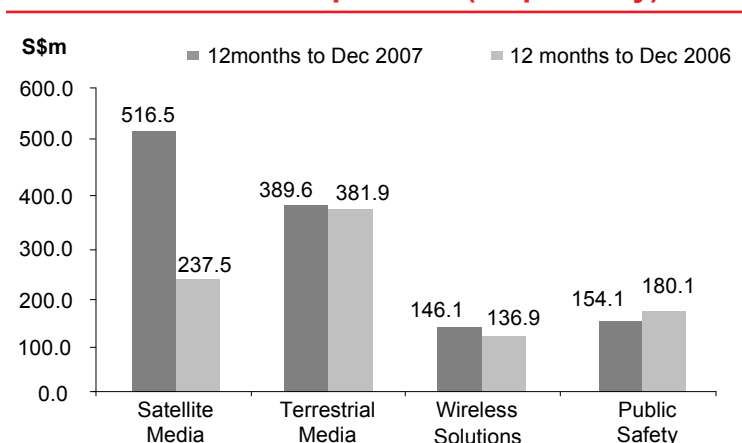
### Key Highlights

- Acquisition of BT Satellite (2 March 2007)
  - BT's satellite broadcast services business was acquired for £25.0 million
- Acquisition of National Grid Wireless (NGW) (4 April 2007)
  - NGW was acquired for £2.5 billion
  - A leading provider of broadcast transmission services and independent wireless sites
  - Owns licences for Digital Terrestrial Television (DTT) spectrum in the UK
- Digital Switch Over (DSO) (17 October 2007)
  - New digital services are being transmitted from Whitehaven, Cumbria in England's Northeast
  - Focus on executing the next stage of DSO at Selkirk in November 2008 and all remaining sites by 2012

### Financial highlights for the year ended 31 December (Arqiva only)

| S\$ m                  | 2007                 | 2006  | % Change |
|------------------------|----------------------|-------|----------|
| Revenue <sup>(1)</sup> | 1,206.2              | 936.4 | 28.8%    |
| EBITDA <sup>(1)</sup>  | 371.0 <sup>(2)</sup> | 350.1 | 6.0%     |
| EBITDA Margin          | 30.8%                | 37.4% |          |
| Distributions to MIIF  | 26.9                 | 17.4  | 54.3%    |

### Revenue Composition (Arqiva only)



Notes: (1) Converted at 31 December 2007 £/S\$ exchange rate of 2.8583. Numbers are subject to rounding  
 (2) Excludes £4.4m one-off costs associated with NGW and UK Competition Commission inquiry

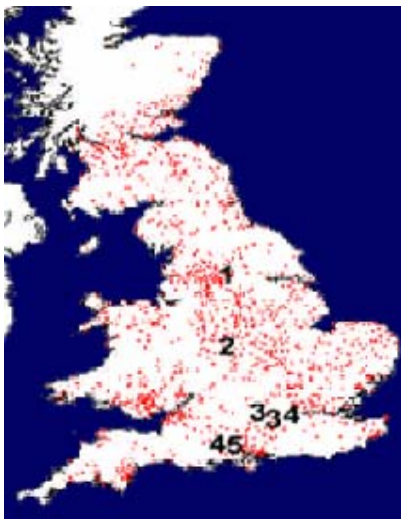


# Arqiva

## Broadcast transmission facilities owner and operator

### Asset snapshot

|                            |  |
|----------------------------|--|
| Date of Initial Investment | Arqiva – 27 May 2005<br>NGW – 4 April 2007 |
| Cost of Acquisition        | Arqiva – S\$175.7m<br>NGW – S\$260.0m      |
| 31 Dec 2007 Valuation      | S\$516.9m                                  |
| MIIF Ownership             | 8.7% interest                              |
| % of MIIF Portfolio        | 29.0%                                      |



### Sites – Coverage Map

- 1 Operations and Customer Service Centre
- 2 Logistics and Repair Centre
- 3 Playout Centres
- 4 Satellite linking
- 5 Principal Office

### Outlook

- Integration of NGW subject to regulatory approval:
  - Leading broadcast transmission infrastructure
  - Leading independent mobile site leasing provider in the UK
  - Will own one-third of available DTT spectrum across the country
- Positive growth opportunities in the near term:
  - New analogue radio services
  - Digital radio expansion
  - Direct to home satellite growth
  - Continued 3G roll-out
- Continued execution of DSO



# Canadian Aged Care (CAC)

Long-term aged care provider

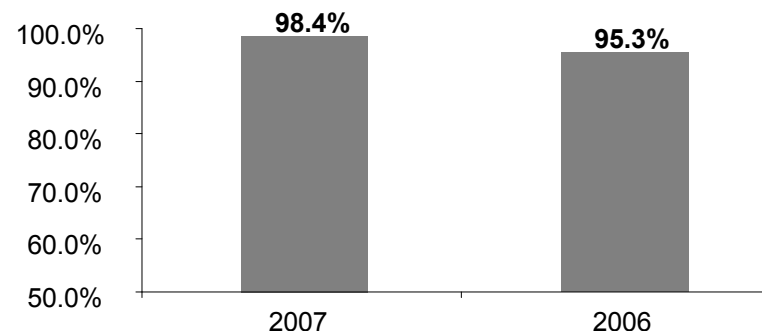
## Key Highlights

- Average occupancy for the year ended December 2007 was 98.4%
- Preferred occupancy for the year ended December 2007 was 83.2%
- 18 of CAC's 19 long-term care (LTC) homes achieved the 97% occupancy threshold required for full funding
- In August 2007, CAC acquired seven Class C LTC homes
  - Agreement signed with a wholly-owned subsidiary of Counsel Corporation
  - Total cost is approximately C\$67 million plus transaction and refurbishment costs
  - Financial close completed subsequent to year end on 31 January 2008

## Financial highlights for the year ended 31 December

| S\$m                   | 2007  | 2006  | % Change |
|------------------------|-------|-------|----------|
| Revenue <sup>(1)</sup> | 262.1 | 248.1 | 5.6%     |
| EBITDA <sup>(1)</sup>  | 38.4  | 35.8  | 7.3%     |
| EBITDA Margin          | 14.7% | 14.4% |          |
| Distributions to MIIF  | 18.2  | 17.6  | 3.3%     |

## Average Occupancy



Notes: (1) Converted at 31 December 2007 C\$/S\$ exchange rate of 1.4422. Numbers are subject to rounding



# Canadian Aged Care (CAC)

Long-term aged care provider

## Asset snapshot

|                            |                         |
|----------------------------|-------------------------|
| Date of Initial Investment | 24 November 2005        |
| Cost of Acquisition        | S\$164.9m               |
| 31 Dec 2007 Valuation      | S\$148.2m               |
| MIIF Ownership             | 55.0% economic interest |
| % of MIIF Portfolio        | 8.3%                    |



Canadian Aged Care (CAC)

## Outlook

- CAC is pursuing initiatives to optimise the preferred accommodation mix and also to lift occupancy
- CAC will continue to seek growth opportunities, primarily complementary acquisitions of existing LTC homes in the fragmented Ontario marketplace
- On 31 January 2008, CAC signed an agreement to acquire the Good Samaritan Seniors Complex
  - Total of 88 beds (64 Class A LTC beds) in Alliston, Ontario
  - Approximately C\$11.1 million plus transaction costs
  - Pending regulatory approval from Ministry of Health and Long-Term Care



# Changshu Xinghua Port (CXP)

## Multi-purpose cargo port

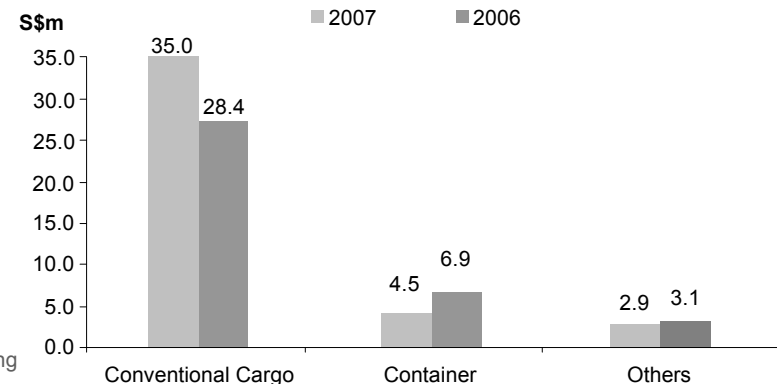
### Key Highlights

- Successfully raised a RMB400 million, 7-year debt facility from China Construction Bank
  - 10% discount to PBOC<sup>(2)</sup> rate
  - First draw down in April 2007
- Continued growth in conventional cargoes driven by:
  - Increased handling of export steel products
  - Strong growth in the core pulp segment and export of paper reels contributed to a 65.0% increase in forestry products
- Decline in container volumes by 36.0%:
  - Loss of market share to nearby Taicang port
  - Loss of a major customer who started to use its own pier in 2007
- Established additional direct shipping lines with operators in Europe and North America

### Financial highlights for the year ended 31 December

| S\$m                   | 2007  | 2006  | % Change |
|------------------------|-------|-------|----------|
| Revenue <sup>(1)</sup> | 42.4  | 38.4  | 10.4%    |
| EBITDA <sup>(1)</sup>  | 23.9  | 23.3  | 2.3%     |
| EBITDA Margin          | 56.3% | 60.7% |          |
| Distributions to MIIF  | 5.7   | 2.1   | >100%    |

### Revenue Composition



Notes: (1) Converted at 31 December 2007 RMB/S\$ exchange rate of 0.1973. Numbers are subject to rounding  
 (2) People's Bank of China

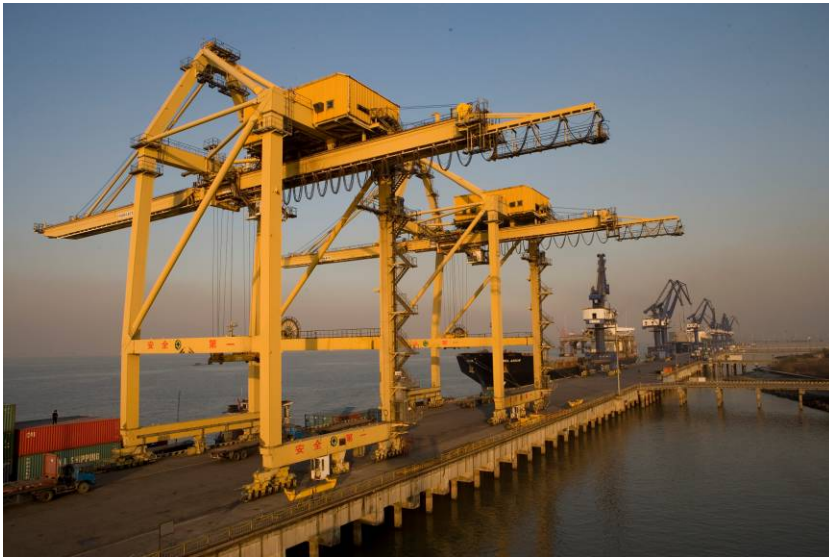


# Changshu Xinghua Port (CXP)

Multi-purpose cargo port

## Asset snapshot

|                            |                         |
|----------------------------|-------------------------|
| Date of Initial Investment | 2 December 2005         |
| Cost of Acquisition        | S\$112.3m               |
| 31 Dec 2007 Valuation      | S\$114.4m               |
| MIIF Ownership             | 38.0% economic interest |
| % of MIIF Portfolio        | 6.4%                    |



CXP harbour

## Outlook

- Pursuing strategy to attract cargo owners, ship operators and regional specialist mills
- Focus on expanding into new product cargo. The following new shipments are scheduled to begin in 2008:
  - Imported woodchips from Vietnam
  - Imported Purified-Terephthalic-Acid (PTA) from Taiwan/Korea
  - Imported borates from the US
- Proactive marketing to establish and grow key customer relationships in CXP's hinterland



# Hua Nan Expressway (HNE)

Urban toll road in South China

## Key Highlights

(since acquisition in Nov 2007)

- Ownership transition of HNE to MIIF is progressing significantly, with the business performing according to expectations
- Total toll revenue for 2007 is RMB454.4 million
  - Marginally ahead of expectations

## Outlook

- Management anticipates 2008 traffic growth to benefit from the opening of Phase III of HNE planned for the second half of 2008
- HNE expects to complete the refinancing of its existing borrowings in the first quarter of 2008
- No major capex planned

## Asset snapshot

|                                    |                       |
|------------------------------------|-----------------------|
| Date of Initial Investment         | 19 November 2007      |
| Cost of Acquisition <sup>(2)</sup> | S\$295.7m             |
| 31 Dec 2007 Valuation              | S\$298.0m             |
| MIIF Ownership                     | 81% economic interest |
| % of MIIF Portfolio                | 16.7%                 |



Hua Nan Expressway (HNE)

Notes: (1) MIIF has not received any distribution from HNE. The next distribution from HNE will be announced in March 2009

(2) Originally announced acquisition price of S\$329.5m included S\$295.7m invested at acquisition, and S\$33.8m of Acquisition Adjustments contingent upon certain events and as yet unpaid



# Taiwan Broadband Communications (TBC)

Taiwan's third-largest cable TV operator

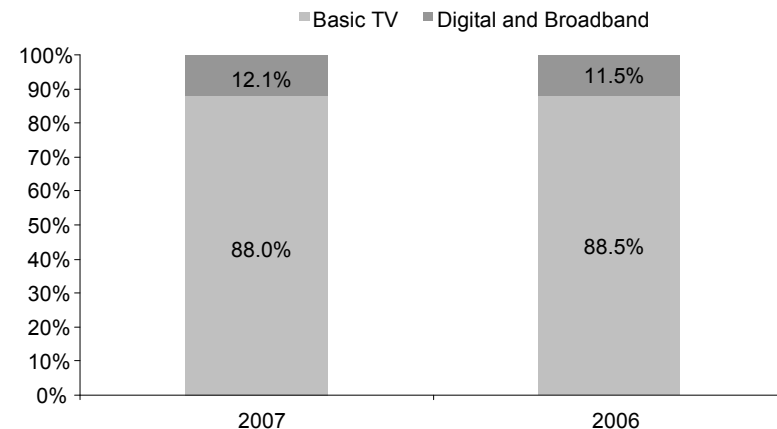
## Key Highlights

- From 31 December 2006 to 31 December 2007:
  - Basic TV subscription up 3.6%
  - Broadband internet subscription up 19.9%
  - Premium digital TV subscription up 21.0%
  - EBITDA margin 59.6% – highest of Asian cable operators
- Continued focus on market-leading products
  - Launched fastest internet speed in Taiwan with 16 Mbps product
- Delivering targeted sales initiatives
  - For the quarter ended Dec 2007, 25% of sales were from multiple products vs. 9% for FY07
  - 18% of Basic TV subscribers take up broadband vs. Taiwanese average of approximately 5%

## Financial highlights for the year ended 31 December

| S\$m                                 | 2007  | 2006  | % Change |
|--------------------------------------|-------|-------|----------|
| Revenue <sup>(1)</sup>               | 273.4 | 265.1 | 3.1%     |
| EBITDA <sup>(1)</sup>                | 163.1 | 154.3 | 5.7%     |
| EBITDA Margin                        | 59.6% | 58.2% |          |
| Distributions to MIIF <sup>(2)</sup> | 0.9   | N/A   | N/A      |

## Revenue Composition



Notes: (1) Converted at 31 December 2007 S\$/NT\$ exchange rate of 22.5234. Numbers are subject to rounding

(2) 2007 distribution is part-year only reflecting MIIF's ownership since 16 July 2007



# Taiwan Broadband Communications (TBC)

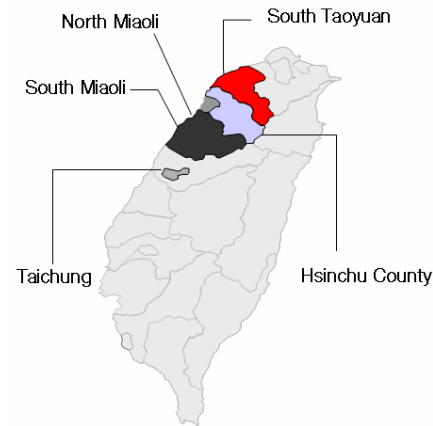
Taiwan's third-largest cable TV operator

## Outlook

- To increase penetration of value-added broadband internet and premium digital television services
- Market consolidation opportunities remain
- Well positioned to work with industry and regulators to provide improved digital products



TBC studio



| Market Information                  |                                    |
|-------------------------------------|------------------------------------|
| Cable TV systems                    | 5                                  |
| Sole operator markets               | 5                                  |
| Subscribers <sup>(1)</sup> and ARPU |                                    |
| Basic TV                            | 688,860                            |
| Broadband internet                  | 111,177                            |
| Premium TV                          | 19,373                             |
| Basic ARPU per month <sup>(2)</sup> | NT\$666.5 (\$29.6 <sup>(3)</sup> ) |

## Asset snapshot

|                                    |              |
|------------------------------------|--------------|
| Date of Initial Investment         | 16 July 2007 |
| Cost of Acquisition <sup>(4)</sup> | S\$161.8m    |
| 31 Dec 2007 Valuation              | S\$167.5m    |
| MIIF ownership                     | 20.0%        |
| % of MIIF portfolio                | 9.4%         |

Notes: (1) Subscribers as at 31 December 2007

(2) Average revenue per user per month from basic TV subscriptions for 12 months to 31 Dec 2007

(3) Converted at the 31 December 2007 S\$/NT\$ exchange rate of 22.5234

(4) Post a return of capital from TBC of US\$68.3 million (S\$104.1 million) which was distributed to MIIF as a result of the refinancing of TBC's debt facilities shortly after MIIF's acquisition of its interest in TBC



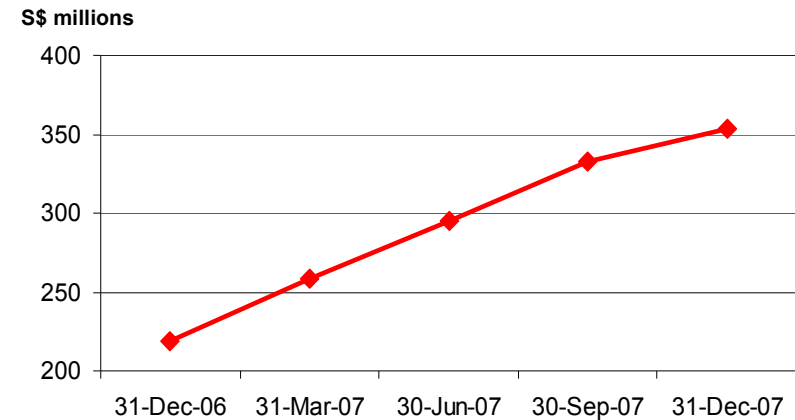
# Macquarie European Infrastructure Fund (MEIF)

Unlisted European diversified infrastructure fund

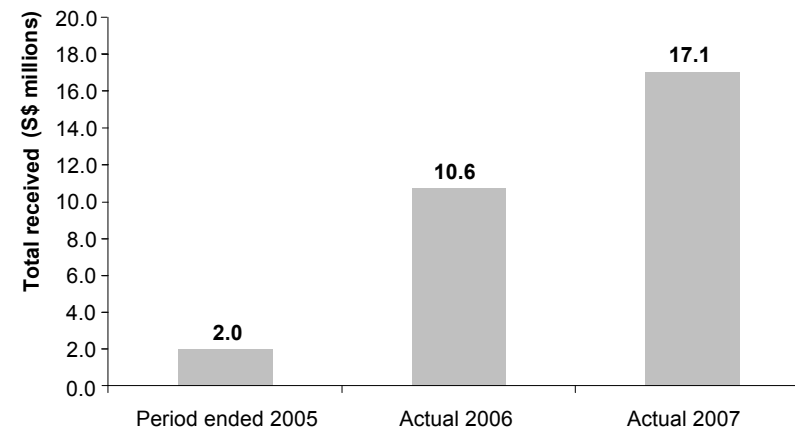
## Key Highlights

- January 2007: Call proceeds from 50% acquisition of Bristol International Airport in December 2006
  - Total of €151.2 million received
- February 2007: 100% of CLP Envirogas acquired for £38.1m
  - 70-megawatt landfill gas power generation portfolio
  - 24 sites across the UK
- July 2007: MEIF completed its investment of £53.3m of a 49.0% economic interest in Obragas/NetH
  - MEIF made the final call on investors for funding and is now closed

## Valuation



## Distributions paid to MEIF





# Macquarie European Infrastructure Fund (MEIF)

Unlisted European diversified infrastructure fund

## Asset snapshot

|                            |               |
|----------------------------|---------------|
| Date of Initial Investment | 14 July 2005  |
| MIIF commitment            | S\$194.8m     |
| 31 Dec 2007 Valuation      | S\$353.6m     |
| MIIF Ownership             | 6.3% interest |
| % of MIIF portfolio        | 19.9%         |



Arlanda Express



APRR



Bristol International Airport

## Outlook

- Improvement of operational performance
  - MEIF management continues to work with the investments' management teams
- Appropriately-g geared businesses
  - Average gearing of 56% across portfolio
  - MEIF continues to work with management teams to maintain appropriate funding and hedging arrangements in light of developments in the credit markets



# Macquarie Airports (MAp)

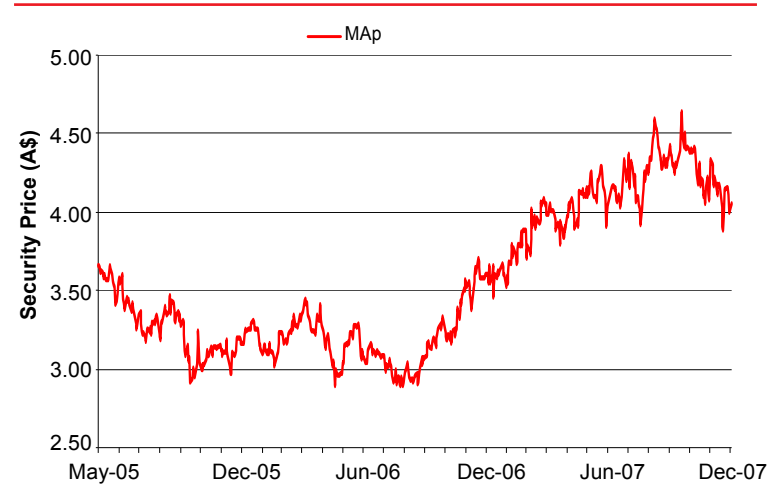
One of the world's largest private airport owners and operators

## Key Highlights

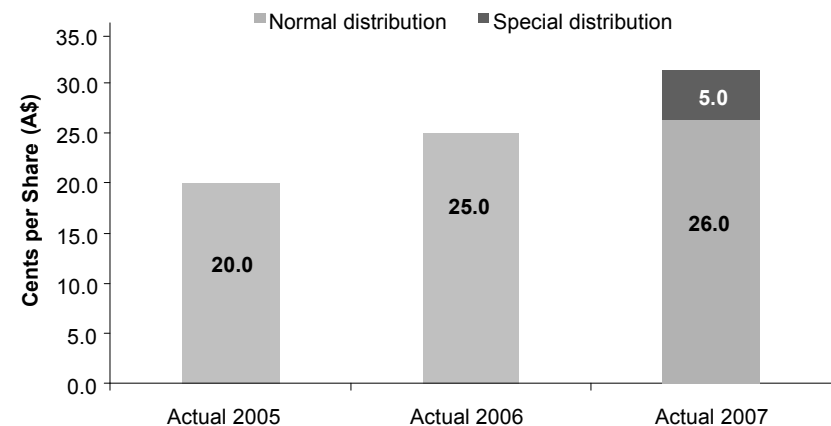
- In September 2007, Macquarie Airports Group (MAG) disposed of its 24.125% interest in Birmingham Airport for £210 million
  - MAp, through MAG, held a 15.5% interest in Birmingham Airport
- In October 2007, MAp announced that a MAp-led consortium increased its shareholding in Japan Airport Terminal (JAT) from 12.5% to 19.9%
  - MAp's individual interest in JAT has increased from 7.5% to 14.9%
- On 19 February 2008, a final distribution of A\$0.18 per stapled security was paid
  - Total distribution for 2007 is A\$0.31 comprising A\$0.26 regular distribution and A\$0.05 special distribution

Note: (1) Since date of acquisition, 27 May 2005

## Security Price Performance<sup>(1)</sup>



## Distribution





# Macquarie Airports (MAp)

One of the world's largest private airport owners and operators

## Asset snapshot

|                            |                        |
|----------------------------|------------------------|
| Date of Initial Investment | 27 May 2005            |
| Cost of Acquisition        | S\$154.5m              |
| 31 Dec 2007 Valuation      | S\$181.1m              |
| MIIF Ownership             | 2.1% economic interest |
| % of MIIF Portfolio        | 10.2%                  |



Sydney Airport

## Outlook

- Airline marketing initiatives should have an impact in 2008
  - Sydney: Preferred gateway to Australia
  - Brussels: Repositioning as a hub and low-cost carrier (LCC) airport with growth potential
  - Copenhagen: LCC growth
- Continue implementation of commercial initiatives
  - Sydney: International terminal redevelopment to commence
  - Brussels: Property development
  - Copenhagen: Expansion of retail area
- Increasing liberalisation of bilateral air services agreements should continue to promote traffic growth
- Privatisation pipeline is gathering momentum



# MACQUARIE INTERNATIONAL INFRASTRUCTURE FUND LIMITED



Others





# MIIF's Dividend Details

|                   | For six months period ended |               |
|-------------------|-----------------------------|---------------|
|                   | 31 Dec 2007                 | 31 Dec 2006   |
| Name of Dividend  | Final                       | Final         |
| Dividend          | 4.25 cps                    | 4.00 cps      |
| Ex-Dividend Date  | 11 March 2008               | 13 March 2007 |
| Book Closure Date | 13 March 2008               | 15 March 2007 |
| Date Payable      | 5 May 2008 <sup>(1)</sup>   | 30 March 2007 |

Notes: (1) Incorporates time required for the application of the Scrip Dividend Scheme



# The Macquarie Capital Funds business today

## A track record of solid returns to investors

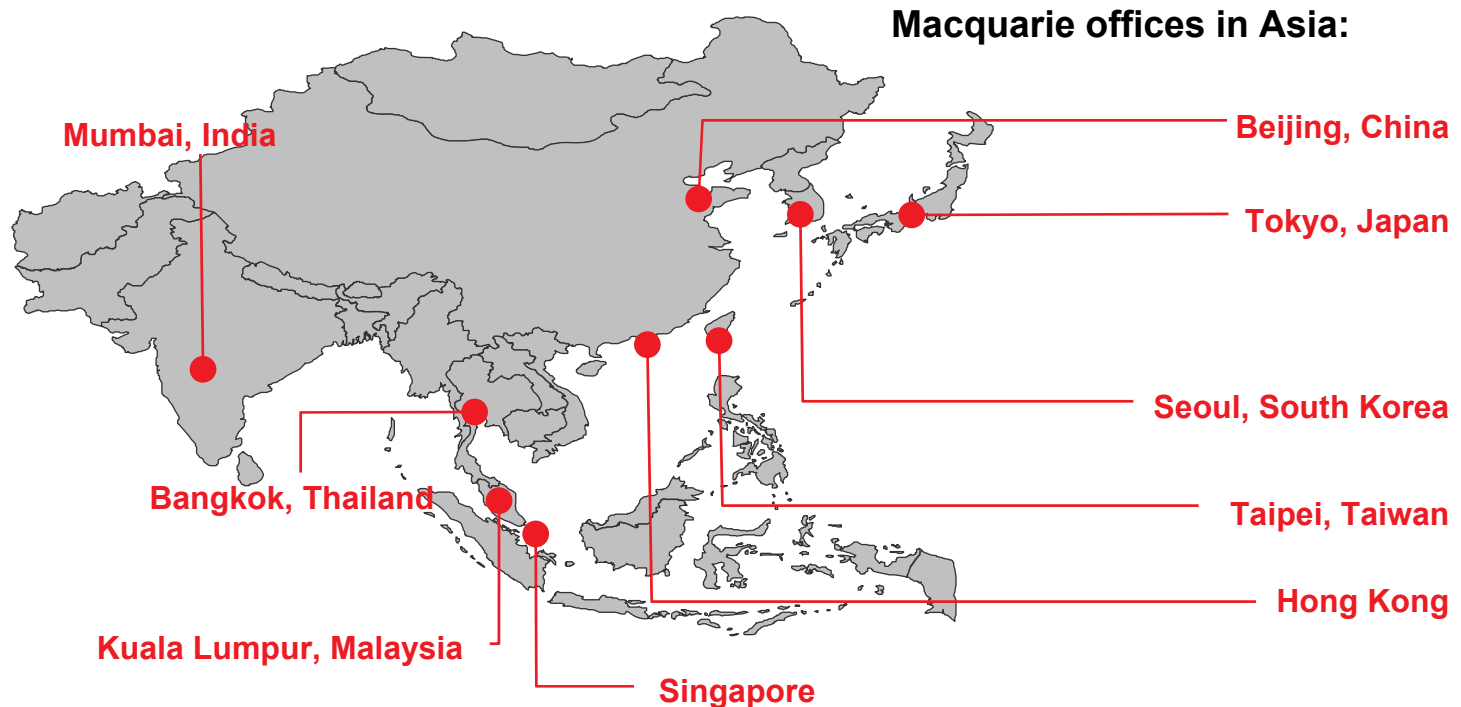
|                            |          | 1996       |          | 31 Dec 2007                 |
|----------------------------|----------|------------|----------|-----------------------------|
| Funds/vehicles             | No.      | 2          | ▶        | 33                          |
| Assets                     | No.      | 4          | ▶        | 116                         |
| EV (proportionate)         | S\$b     | 2.1        | ▶        | 172                         |
| <b>Return to investors</b> | <b>%</b> | <b>n/a</b> | <b>▶</b> | <b>18.3% pa<sup>1</sup></b> |

Notes: (1) Annualised return based on all capital raised, distributions paid and valuations (market capitalisation for listed funds and net asset value for unlisted funds) for Macquarie Capital Funds since inception to 31 December 2007 (listed funds as at 31 December 2007, unlisted funds and managed assets as at 30 June 2007). Calculated on an AUD basis, with cash flows converted at fixed exchange rates (based on the date of listing for listed funds, first close date for managed assets).



# Macquarie's Strength in Asia

- Macquarie Group bolstering on the ground presence in Asia
- Staff strength has grown to over 150 infrastructure executives in Asia as at 31 December 2007
- Increased corporate advisory presence leading to increasing Asian infrastructure investment opportunities





# MIIF Acquisitions

Rigorous investment criteria

**Acquire infrastructure assets with a focus on Asia**

**Disciplined and rigorous evaluation**

**Active management of infrastructure assets**

**Stability of cash flows with potential for capital growth**



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# MACQUARIE INTERNATIONAL INFRASTRUCTURE FUND LIMITED

## Full Year 2007 Results Presentation

27 February 2008

