



28 October 2002

**MACQUARIE INFRASTRUCTURE GROUP  
PREFERRED TENDERER FOR WESTERN SYDNEY ORBITAL**

Macquarie Infrastructure Group (MIG) has been informed that the Westlink consortium in which it has a 40% interest has been named as 'Preferred Tenderer' for the Western Sydney Orbital (WSO) project in Sydney. The other participants in the Westlink consortium are Transurban Group, Leighton Holdings and Abigroup.

The WSO will be an approximately 40 km toll road connecting the western suburbs of Sydney. (For further details please see attached NSW Roads and Traffic Authority release).

At this stage the terms of the project and related documentation are still being finalised and MIG is not in a position to provide details on its potential investment. Full disclosure will be made once binding agreements between the RTA and consortium have been signed.

MIG confirms the following with regard to its participation:

- MIG's proposed investment in the WSO exceeds MIG's stated investment hurdle of a post tax equity Internal Rate of Return (IRR) of 8% over the risk free rate (the prevailing local 10 year bond rate) for projects of this nature; and
- MIG's proposed investment in the WSO will be funded through the issue of convertible instruments to Ontario Teachers Pension Plan Board (OTPP). A terms sheet has been agreed with OTPP with final documentation to be negotiated. The instruments will be convertible into MIG securities at a 7.5% discount to market price at the conversion dates subject to any necessary security holder approval at that time. The securities will be convertible over a nine month period starting 5 years after the issue date. They will carry a coupon of 2.5% over the 5 year swap rate. This funding has been structured on the basis that it will not reduce MIG's ability to pay distributions that otherwise would have been made.

For further information contact:

Dennis Eagar  
Division Director  
Phone: 61 2 8232 6771  
Mob: 61 414 345 176  
E-mail: [dennis.eagar@macquarie.com](mailto:dennis.eagar@macquarie.com)