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ASX RELEASE

MACQUARIE

Macquarie Infrastructure Group

MIG FY2009 RESULT
INVESTIGATES SPLIT VEHICLE ALTERNATIVE

Details of FY2009 Result

Macquarie Infrastructure Group (MIG) today announced its full year results for the 12 months ended 30 June 2009.

On a like-for-like basis:

- Proportionate revenue increased to A$1,226m from A$1,218m
- Proportionate EBITDA[1] from road businesses increased to A$881.9m from A$876.7m
- EBITDA margin across portfolio 71.9%[2]
- Traffic for June 09 quarter +0.6%, compared to the 12 month traffic of -3.4% on pcp[3]
- Corporate cash balance of A$670m[4]
- On a statutory reporting basis, net loss attributable to MIG security holders is A$1,714m, this predominantly reflects the impact of revaluations of the road businesses in the portfolio. Revaluations have no impact on MIG's operating performance, current cash flows or distributions.

MIG's Chief Executive Officer, Mr John Hughes said, "The MIG road portfolio has continued to demonstrate its resilience and delivered an improvement in proportionately consolidated revenue and EBITDA over the 12 months. It is worth noting that this result was achieved despite the majority of roads in which MIG invests being located in countries where the economies have been in recession.

"Over the year we have actively sought to offset the negative external factors impacting on the portfolio. These have included revenue maximisation and cost control initiatives at the road businesses, the sale of MIG's investment in Lusoponte and Westlink M7 at prices in line with Directors' valuations, and the successful refinancing of the equivalent of A$2.4bn debt on acceptable terms.

"MIG continues to actively manage its capital position with A$670m of cash at corporate level and no corporate level debt. Additionally, only 2.6% of the portfolio requires refinancing during FY2010, and less than 11.7% of the asset portfolio debt is due to be refinanced in the next three years," Mr Hughes said.

1 Earnings Before Interest, Tax, Depreciation and Amortisation, 2009 total is post one-off A$9m cost at 407 ETR
2 Calculated using proportionately consolidated revenue and EBITDA from assets, post one off cost at 407 ETR of A$9m
3 Prior corresponding period
4 As at 20 August 2009

As notified in the 16 July 2009 ASX release the impact of the external environment has been reflected in MIG's portfolio valuation. Net asset backing (NAB) per security[5] decreased to A$2.54 from A$3.84 at 30 June 2008 reflecting revisions to traffic forecasts, discount rates, and macro economic factors such as inflation and foreign exchange rates.

Key results from MIG's Statutory Financial Statements			
	12 months to 30 June 2009	**12 months to 30 June 2008**	**% Change**
Net (Loss)/Profit Attributable to MIG Security Holders	A$(1,713.6)m	A$767.3m	-323.3%
	As at 30 June 2009	**As at 30 June 2008**	**% Change**
Total Assets	A$7,302.8m	A$9,747.1m	-25.1%
Total MIG Security Holders' Interest	A$4,011.7m	A$5,950.2m	-32.6%
Key results from MIG's Management Information Report			
Proportionately Consolidated Financial Performance (like for like basis)	**12 months to 30 June 2009**	**12 months to 30 June 2008**	**% Change**
Traffic[6]			-3.4%
Operating revenue	A$1,226.0m	A$1,218.0m	0.7%
EBITDA from road businesses	A$881.9m	A$876.7m	0.6%
	As at 30 June 2009	**As at 30 June 2008**	**% Change**
Net Asset Backing per Security	A$2.54	A$3.84	-33.9%

Update of Review of Strategic Options – Focus on Split Vehicle Alternative

In seeking to enhance security holder value the MIG boards and management have been undertaking a detailed review of MIG's strategic options. Options investigated include: maintaining the fund's current status; further asset sales; raising capital for selective early deleveraging of assets; and other capital management alternatives.

A significant outcome of the review at this point, is that the Boards have directed MIG management to carry out a detailed analysis of the benefits and risks of restructuring MIG and splitting the current portfolio into two, separate, ASX listed vehicles. In assessing the establishment of the two separate portfolios it is also necessary and appropriate to address the external management contracts with Macquarie.

Mr Mark Johnson, the Chairman of MIG's Australian Board said, "Over the past two years the Boards and management of MIG have implemented a range of initiatives designed to bridge the gap between the security price and the underlying value of the assets in which MIG invests.

"Despite these initiatives, MIG's security price has continued to trade substantially below our Directors' valuation. There is no doubt that, as a consequence, MIG's growth has been constrained and that these significant positive initiatives have not resulted in support from the broader market.

"After reviewing the range of options, the boards have concluded that a restructure of the portfolio would appear to be the best alternative to unlock value within the MIG portfolio, by providing two separate vehicles with greater operational and strategic flexibility to deliver value to investors over time.

"Although no final decision has been made it is likely that the portfolio would be split on the basis of risk/return profiles, including addressing management arrangements. If implemented via an in specie distribution, current security holders would receive securities in both vehicles, effectively providing the same overall asset exposure to their existing holding in MIG.

5 NAB per security before deferred tax balances and excluding minority interests
6 Revenue weighted change in traffic of MIG's underlying asset portfolio

"The MIG Boards have established two independent board committees ("IBCs"), to be led by Mr Paul McClintock (for the Australian board), and by Mr Rob Mulderig (for the Bermudian board). The boards have also appointed Grant Samuel as an independent adviser to assist in the evaluation of this alternative against the other available options," Mr Johnson said.

Implementation of any proposal that may arise out of this process, should one be forthcoming, would be contingent on the satisfaction of a number of conditions, including completion of the legal, accounting and regulatory review process, the opinion of an independent expert, and final approval by MIG Boards of Directors and, where required, by MIG security holders.

Outlook

MIG and road management will continue to focus on activity that ensures the delivery of both revenue and EBITDA growth during the FY2010 in a subdued economic environment.

MIG advises that its ongoing distributions will be aligned to operating cash.

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