

## APPENDIX 4E

### Preliminary Final Report

Name of entity: **Macquarie Infrastructure Group (MIG)**

#### 1. Details of the reporting period

Current Period: 1 July 2008 - 30 June 2009

Previous Corresponding Period: 1 July 2007 - 30 June 2008

#### 2. Results for announcement to the market

			\$A'000
2.1 Revenue from continuing activities	Down	15% to	173,003
Revaluation and other income from continuing activities	Down	303% to	(2,336,584)
Total revenue and revaluation and other income from continuing activities	Down	260% to	(2,163,581)
2.2 Loss from continuing activities after income tax (expense) / benefit	Down	362% to	(2,398,447)
2.3 Loss for the period attributable to security holders	Down	323% to	(1,713,631)
<p>UIG 1013: <i>Consolidated Financial Reports in relation to Pre-Date-of-Transition Stapling Arrangements</i> requires one of the stapled entities of an existing stapled structure to be identified as the parent entity for the purpose of preparing consolidated financial reports. In accordance with this requirement Macquarie Infrastructure Trust (II) (MIT (II)) has been identified as the parent.</p>			

2.4 Dividends (distributions)	Amount per security	Franked amount per security
<i>Current Period:</i>		
Final dividend /distribution	10.0 ¢	Nil
Interim dividend / distribution	10.0 ¢	Nil
<i>Previous Corresponding Period:</i>		
Final dividend /distribution	10.0 ¢	Nil
Interim dividend / distribution	10.0 ¢	Nil
2.5 Record date for determining entitlements to the dividend / distribution	31 Dec 2008, 30 June 2009	
2.6 Provide a brief explanation of any of the figures reported above necessary to enable the figures to be understood:		
<p>The current dislocation in global economic and market conditions has had a negative impact on the valuation of MIG's investments in financial assets. The decrease in MIG's portfolio valuation reflects changes to asset discount rates, lower forecast traffic volumes driven by the recessionary environment in the Northern Hemisphere, higher assumed financing costs across the portfolio, and macroeconomic influences such as long term inflationary expectations and foreign exchange rates.</p> <p>In the current global economic climate there is greatly increased uncertainty and unpredictability about many of these factors. In arriving at the valuation of the portfolio at 30 June 2009, the directors have made estimates and judgements which they believe to be reasonable concerning these and other matters affecting the values of MIG's investments in financial assets, including expectations of long term future economic developments and other future events.</p>		

### 3. Income Statement with notes

Refer to attached financial statements.

### 4. Balance Sheet with notes

Refer to attached financial statements.

### 5. Statement of Cash Flows with notes

Refer to attached financial statements.

### 6. Details of dividends/distributions

Refer to attached financial statements (Directors' Report and Note 5: Distributions Paid and Proposed).

## 7. Details of dividend/distribution reinvestment plan

MIG's Distribution and Dividend Reinvestment Plan (DRP) was suspended for the 31 December 2008 interim distribution and 30 June 2009 final distribution.

## 8. Statement of retained earnings showing movements

Refer to attached financial statements (Note 20: Retained Profits).

## 9. Net tangible assets per security

	Current period (As at 30 June 2009)	Previous corresponding period (As at 30 June 2008)
Net asset backing per stapled security before deferred tax balances per Management Information Report	\$2.54	\$3.84
Net tangible asset backing per stapled security	\$1.73	\$2.43

\* Under the listing rules NTA Backing must be determined by deducting from total tangible assets all claims on those assets ranking ahead of the ordinary securities (ie, all liabilities, preference shares, outside equity interests etc). The NTA reflects the exclusion of tolling concessions.

## 10. Control gained or lost over entities during the period

10.1 Name of entity (or group of entities) over which control was gained	Macquarie 125 Holdings Inc (incorporated in USA)	LMI Westlink Partner Holding No. 1 Pty Ltd LMI Westlink Partner No. 1 Pty Ltd LMI WSO Holding No. 1 Pty Ltd
10.2 Date control was gained	31 July 2008	28 August 2008
10.3 Consolidated profit (loss) from ordinary activities after tax of the controlled entity (or group of entities) since the date in the current period on which control was acquired	nil	\$(1.1 million)

10.1 Name of entity (or group of entities) over which control was lost	Abbey Westlink Partner Holding No. 1 Pty Limited Abbey Westlink Partner No. 1 Pty Limited Abbey Westlink Partner Holding No. 3 Pty Limited Abbey Westlink Partner No. 3 Pty Limited LMI Westlink Partner Holding No. 3 Pty Limited LMI Westlink Partner No. 3 Pty Limited LMI WSO Holding No. 3 Pty Limited LMI Westlink Partner Holding No. 1 Pty Ltd LMI Westlink Partner No. 1 Pty Ltd LMI WSO Holding No. 1 Pty Ltd MIG - Western Sydney Orbital Holding Company Pty Limited Western Sydney Orbital Funding (Options) Trust Western Sydney Orbital Holding Trust
10.2 Date control was lost	27 February 2009
10.3 Consolidated profit (loss) from ordinary activities after tax of the controlled entity (or group of entities) for the current period to the date of loss of control	\$(10,220,000)
10.4 Profit (loss) from ordinary activities after tax of the controlled entity (or group of entities) while controlled during the previous corresponding period	\$38,052,000

### 11. Details of associates and joint venture entities

Refer attached financial statements (Note 14: Investments in Associates).

### 12. Other significant information

Refer attached financial statements (Directors' Report).

### 13. Accounting standards used by foreign entities

International Financial Reporting Standards.

## 14. Commentary on results

	Current period	Previous corresponding Period
14.1 Earnings per stapled security	(73.72) ¢	31.46 ¢
	<b>\$A'000</b>	<b>\$A'000</b>
14.2 Returns to shareholders: Distributions	\$457,650	\$481,912

Refer also attached financial statements (Directors' Report and Note 5: Distributions Paid and Proposed)

### *Commentary on significant features of operating performance*

	Consolidated	
	MIG 30-Jun-09 \$'000	MIG 30-Jun-08 \$'000
<b>Revenue and other income from continuing activities</b>		
Revenue from continuing activities	173,003	203,692
Revaluation and other income from continuing activities	(2,336,584)	1,152,653
<b>Total revenue and other income from continuing activities</b>	(2,163,581)	1,356,345
<b>Operating expenses from continuing activities</b>		
Finance costs	(186,846)	(150,984)
Other operating expenses	(171,340)	(208,884)
<b>Total operating expenses from continuing activities</b>	(358,186)	(359,868)
<b>Profit from continuing activities before income tax benefit / (expense)</b>	(2,521,767)	996,477
Income tax benefit / (expense)	123,320	(82,286)
<b>Profit from continuing activities after income tax benefit / (expense)</b>	(2,398,447)	914,191
<b>Profit attributable to:</b>		
MIG security holders	(1,713,631)	767,269
Minority interests	(684,816)	146,922
	(2,398,447)	914,191
<b>Earnings per security / unit for profit from continuing activities attributable to MIG security holders / MIT(I) unit holders</b>	Cents	Cents
Basic earnings per stapled security / unit	(73.72)	31.46

### Overview of Operating Performance

The loss attributable to MIG stapled security holders for the year ended 30 June 2009 of A\$1,713.6 million compares to a gain of A\$767.3 million in 2008. The year-on-year variance is primarily attributable to the revaluation loss on MIG's non-controlled toll road assets in 2009.

#### **Revenue from continuing activities of A\$173.0 million (2008: A\$203.7 million)**

Toll revenue from the M6 Toll of A\$121.6 million was down 4.9% on 2008, mainly due to foreign exchange effects, as well as an underlying decrease of 1.8% reflecting the mitigation of lower traffic levels by the impact of scheduled toll increases. Interest income of A\$35.6 million was lower than in 2008, reflecting both global reductions in interest rates and lower average cash balances during 2009.

#### **Revaluation (loss) / gain and other income from continuing activities of A\$(2,336.6) million (2008: A\$1,152.7 million gain)**

The primary contributor to the current period result is the decrease in the valuation of MIG's portfolio of non-controlled toll road assets of A\$2,357.1 million due to lower forecast traffic volumes, higher assumed asset level financing costs, the impact of macroeconomic factors such as long term inflationary expectations and changes to asset discount rates reflecting the current market environment.

#### **Finance costs of A\$186.8 million (2008: A\$150.9 million)**

In 2009, a one-off finance charge of \$36.7 million was recognised to increase the carrying value of the MMG non-recourse debt reflecting the higher margins that are now payable. Excluding this non-cash accounting adjustment, finance costs have remained consistent in AUD terms. Interest payments on the M6 Toll's GBP1,000 million non-recourse debt have been fully hedged to 2036.

#### **Other operating costs of A\$171.3 million (2008: A\$208.9 million)**

The reduction in other operating costs is primarily the result of lower responsible entity and advisor base fees which have decreased by A\$30.1 million or 45% compared to 2008.

#### **Income tax benefit of A\$123.3 million (2008: A\$82.3 million expense)**

As a result of a legislative change affecting depreciation deductions for the M6 Toll, a deferred tax liability, net of previously unrecognised tax losses, of A\$100.1 million has been recognised in 2009. Offsetting this is a A\$225.7 million decrease in the deferred tax liability on revaluation of MIT(II)'s investments in non-controlled toll road assets.

**15. Audit / review of accounts upon which this report is based**

This report is based on accounts to which one of the following applies (*tick one*):

<input checked="" type="checkbox"/>	The accounts have been audited. (refer attached financial statements)	<input type="checkbox"/>	The accounts have been subject to review. (refer attached financial statements)
<input type="checkbox"/>	The accounts are in the process of being audited or subject to review.	<input type="checkbox"/>	The accounts have <i>not</i> yet been audited or reviewed.

**16. Accounts not yet audited or reviewed**

Not applicable.

**17. Qualification of audit / review**

Not applicable.