

Macquarie Power & Infrastructure Income Fund Investor eNewsletter August 2009

Macquarie Power & Infrastructure Income Fund's bi-monthly investor newsletter brings you updates about MPT's assets and activities as well as our views on news and market developments. To subscribe, email us at mpt@macquarie.com.

Looking ahead to 2011



MPT will be subject to federal taxation effective January 1, 2011.

With the onset of taxation in 2011, a key strategic priority for MPT in 2009 is to determine the right structure and distribution profile for the Fund and our investors in 2010, 2011 and beyond.

Key considerations include confirming the long-term cash flow profile of our current businesses and ensuring a structure that is as efficient as possible for investors.

"Our goal is to maintain a high quality portfolio that will sustain an attractive yield through 2010

and beyond while creating the potential for capital appreciation," said Michael Bernstein, MPT's President and Chief Executive Officer. "We expect to provide specific guidance to the marketplace on both our future structure and distribution profile before the end of 2009. While our analysis is ongoing, at this point in time it seems that conversion to a dividend-paying corporation is likely the most practical approach. We also think it makes sense to maintain our current structure for as long as reasonably possible into 2010."

At the same time, Mr. Bernstein added, MPT is continuing to evaluate new growth opportunities with the aim of continuing to increase the size and value of the Fund's portfolio.

"We are seeing some good small to mid-sized opportunities in the market, particularly in the renewable power space," he said. "There is a critical need for investment in Canada's

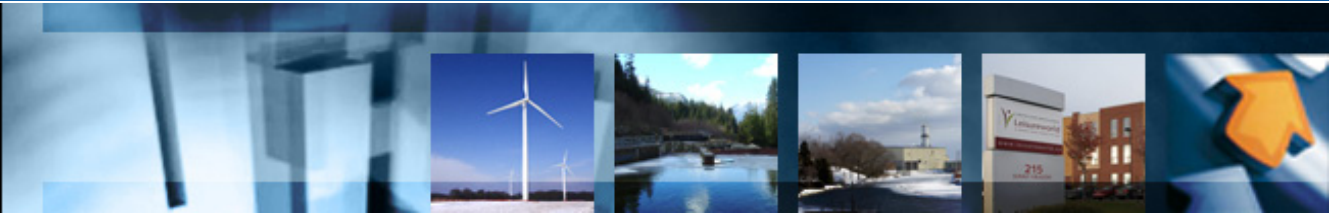
infrastructure, so we see great potential for MPT across a range of infrastructure categories."

In Canada, it is currently estimated that \$200 billion in investment is required to repair the country's existing infrastructure as well as to build the new infrastructure needed to support economic and demographic growth.

"I believe that we have the discipline, focus and resources to build MPT into Canada's leading publicly-traded infrastructure vehicle," added Mr. Bernstein. "By their nature, the regulated or contractually defined infrastructure assets we focus on typically generate stable, predictable cash flow throughout the economic cycle. That is an important attribute for investors."

Did You Know?

On August 6, 2009, MPT held its second quarter conference call. If you missed the event, you can listen to it on our [website](#) and read a transcript of management's presentation.



Increasing efficiency at Sechelt



Staff at Sechelt maintain a salmon spawning channel.

A key focus for management in 2009 is on identifying and implementing incremental operational improvements that can enhance the performance of our portfolio for investors.

In April 2009, Erie Shores Wind Farm completed a second interconnection to Hydro One's transmission line. As a result, the facility can now continue delivering its power to Ontario's grid during periods of outage on either line.

This \$300,000 investment is expected to pay for itself within one year.

We are now turning our attention to our hydro power facilities.

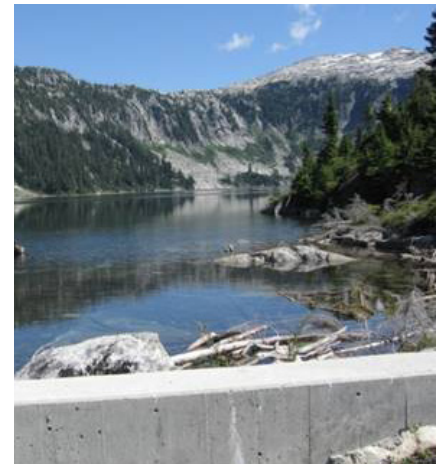
At MPT's run-of-river Sechelt hydro power facility, work is underway to automate the storage and release of water in Sechelt Lake, an alpine lake that serves the facility. The lake stores 15,000 acre feet (each acre foot is equivalent to 1.2 million litres) of water annually. During periods of low water flows, the lake provides the minimum 0.5 cubic metres (1,000 litres) per second of water flows needed to maintain the 400-metre long man-made salmon spawning channel as well as for electricity production.

Currently, the release of water from Sechelt Lake is managed manually, requiring the facility's operator to travel by helicopter to the site of the Sechelt Lake control room.

By automating the water release function, the flow of water will be controlled remotely from the generating station.

"This initiative will ensure a faster, more efficient response to changes in hydrological conditions," said Rob Roberti, senior vice president, Macquarie Power Management Ltd., the manager of MPT. "As a result, we will be able to optimize the water available for electricity production, which helps to maximize the facility's revenue. We expect to realize a one-year payback on this approximately \$50,000 investment."

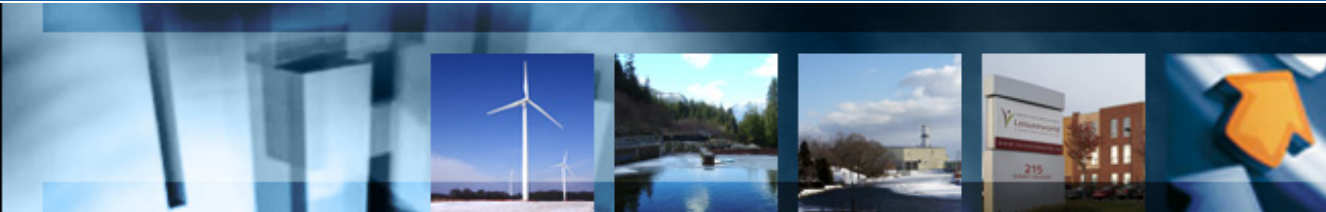
At 16 megawatts, the Sechelt facility is MPT's largest hydro power facility.



Sechelt Lake serves the hydro power facility.

Did You Know?

In 2005, Sechelt was awarded the [UNESCO International Hydropower Association](#) Blue Planet prize in recognition of its social, environmental and technical excellence, which includes a salmon spawning channel installed in 1997. The spawning channel, which is maintained by the staff at Sechelt and monitored by the Sechelt First Nation, is fed by clean, regulated water that is discharged from the tailrace of the generating station after passing through the turbine. The spawning channel has led to a sustainable increase in the salmon population.



Special funding for Ontario's long-term care homes



Ontario's government provides funding for long-term care.

In Ontario, the government regulates and provides funding for long-term care (LTC), which is an essential service. Approximately 60% of Leisureworld's revenue is derived directly from the government.

The funding that LTC operators receive pays for nursing care and medical supplies, food, programs and services, and routine maintenance of the homes.

Feedback

We encourage readers to share their feedback and ideas for future eNewsletters or our investor relations website. Let us know what you think by emailing us at mpt@macquarie.com.

Website

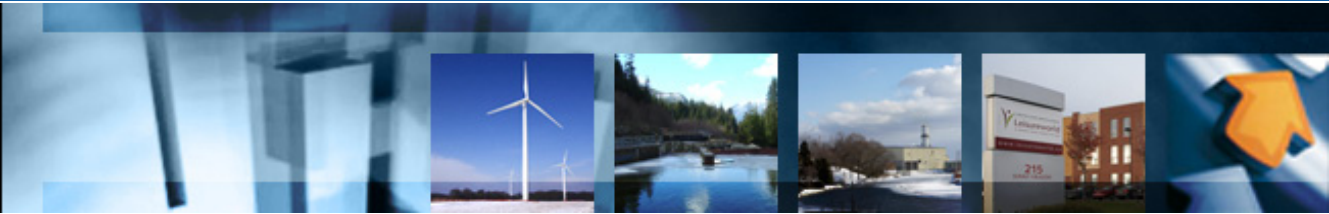
Visit MPT's website at <http://www.macquarie.com/mpt> to read more about our portfolio of assets and to access investor relations information.

For Leisureworld, this represents about \$600,000 in additional funding per quarter, or \$2.4 million over the 12-month period. The funding, which is retroactive to April 1, 2009, is scheduled to conclude on March 31, 2010.

"Ontario's long-term care sector has long advocated for increased funding to ensure that residents enjoy the highest possible quality of care and accommodation," said Martin Liddell, Leisureworld's Chief Financial Officer. "This announcement from the Ministry is an acknowledgement that funding for this essential service needs to keep pace with the costs that operators are facing. We are pleased with this funding commitment and will continue to work with the Ontario Long-Term Care Association to encourage the MOHLTC to make this additional funding available in future years."

Quick Facts

Ticker Symbols: MPT.UN and MPT.DB
Trust Units Outstanding: 46,671,394
Recent Trading Price: \$6.18 (as of 08/21/09)
52-week High/Low: \$8.18 - \$3.95
Average Monthly Volume: ~2 million units
Number of Unitholders: ~19,500



Experiencing the Art of Living at Leisureworld



The Art of Living showcased the talents of several Leisureworld residents.

A recent art exhibit hosted by Leisureworld celebrated the creativity and vision of 27 Leisureworld residents.

From June 18 to June 21, 2009, the Art of Living exhibit at the Dylan Ellis Gallery in Toronto featured more than 50 works of art, including paintings, poetry, photography and sculptures.

“The Art of Living is a very important event for Leisureworld since it focuses on people who we care a great deal about,” said David Cutler, Leisureworld’s President and Chief Executive Officer. “At Leisureworld, we have made it our goal to understand the things that make life truly worth living as people age.”

At the opening reception on June 18th, guests enjoyed light refreshments, music and an opportunity to meet and mingle with many of the artists.

Mr. Cutler continued, “Beyond the outstanding artwork, this exhibit has really challenged people to view long-term care in a new light.”

“Our residents are remarkable people whose diverse experiences, interests and talents contribute to the rich and dynamic communities we enjoy in each of our 26 homes.”

Established in 1975, Leisureworld is the third largest provider of long-term care homes in Ontario, serving more than 4,300 residents.



Residents and guests learn about the artists’ backgrounds and creative interests.

Did You Know?

Leisureworld’s LTC homes provide an essential service for Ontario’s aging population, offering 24/7 medical care in a home-like environment. There are currently about 25,000 people across the province on the waiting list for long-term care.

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