



# Macquarie Power and Infrastructure Corporation

## Investor Fact Sheet

### Profile

Macquarie Power and Infrastructure Corporation's (MPIC or the Company) mission is to build and responsibly manage a high quality portfolio of core infrastructure businesses in Canada and internationally in order to deliver a superior total return to our investors through stable dividends and capital appreciation.

Infrastructure businesses meet critical, long-term community needs, such as power generation, electricity transmission or transportation. Infrastructure businesses also provide structures or services that society cannot function without, including water systems, hospitals or schools. Infrastructure businesses typically generate sustainable cash flow as a result of consistent demand for the basic, everyday services they provide.

MPIC's portfolio includes gas cogeneration, wind, hydro and biomass power generation facilities, representing approximately 350 megawatts (MW) of installed capacity. MPIC is currently developing a 20 MW solar power facility that is expected to commence operations in June 2011 and has entered into an agreement to acquire a 33.3 per cent interest in a portfolio of district heating businesses in Sweden.

MPIC's vision is to be the pre-eminent publicly traded infrastructure company in Canada.

### Quick Facts

Date Listed	April 30, 2004
Toronto Stock Exchange Symbol	MPT
Shares Outstanding*	Approximately 59.6 million
6.50% Convertible Debentures	Due December 31, 2016
Toronto Stock Exchange Symbol	MPT.DB.A
Market Capitalization**	Approximately \$480 million
Fiscal Year End	December 31
Dividend Reinvestment Plan (DRIP)	Launched February 20, 2007

\* Includes 3.2 million Class B exchangeable units of a subsidiary of MPIC

\*\* As at January 1, 2011

### Why Invest in MPIC?

- **Diversified portfolio of high quality, long-life infrastructure assets that generate stable, predictable cash flow**
  - » Sustainable competitive position due to exclusive agreements or other barriers to entry
  - » Steady demand that is largely unaffected by the economic cycle
  - » Predictable operating costs contribute to reliability of cash flow
- **Stable dividends of \$0.66 per common share on an annualized basis**
  - » Dividend is expected to be sustainable through 2014 based on current portfolio and outlook and barring any significant unexpected events
  - » Current dividend level anticipated to result in an average payout ratio of 70 - 75 per cent of cash flow over the 2011 to 2014 time period
  - » Payout ratio may move higher as MPIC executes its growth strategy
- **Ability to acquire additional infrastructure assets that will increase size and value of portfolio**
  - » Pursuing opportunities to further diversify MPIC's portfolio
  - » Focus on core infrastructure assets such as power, including electricity generation, distribution and transmission, water/wastewater, roads, hospitals and schools, among other assets, including through public-private partnerships
- **Seasoned management team and access to global expertise through the Macquarie group**
  - » Breadth of skills and experience
  - » Active, prudent approach optimizes performance of assets and helps to ensure an attractive total return for investors

Contact  
Details

#### INVESTOR AND PUBLIC RELATIONS

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#### WEBSITE

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# Diversified Portfolio

MPIC's portfolio of power generation businesses are characterized by reliable, efficient facilities that use proven technologies and low- or zero-cost fuel. The power generated by these facilities is sold almost exclusively under long-term power purchase agreements (PPA) with creditworthy customers. On December 13, 2010, MPIC entered into an agreement to acquire a 33.3 per cent interest in a portfolio of district heating businesses in Sweden. The transaction, which is subject to regulatory and other approvals, is expected to close in March 2011.



## Gas Cogeneration

At 156 MW, Cardinal is one of the largest cogeneration plants in Ontario and makes an important contribution to the reliability of Ontario's electricity supply. Cardinal's fuel is supplied under a long-term contract.



## Wind Power

MPIC owns the 99 MW Erie Shores Wind Farm in Ontario, which commenced operations in 2006. Erie Shores currently represents about 2.8 per cent of Canada's installed wind capacity.



## Hydro Power

MPIC's four hydroelectric facilities, located in Ontario and British Columbia, have a total capacity of 36 MW. Due to the geographic diversity of the facilities, they are served by the Arctic, Pacific and Atlantic watersheds.



## Biomass Power

MPIC owns a 25 MW biomass facility in Alberta and holds an investment in a 28 MW facility located in Quebec. Fuel supply, or wood waste, is provided under long-term contracts with forest products companies.



## Solar Power

MPIC is currently developing a 20 MW crystalline solar photovoltaic (PV) power facility, which will be designed and built by SunPower Corporation under a fixed-price contract using SunPower's proprietary technology. Commercial operations are expected to begin in June 2011.

# Asset Map

-  **Gas Cogeneration**  
Cardinal
-  **Wind<sup>1</sup>**  
Erie Shores Wind Farm
-  **Water**  
Sechelt  
Wawatay  
Dryden<sup>2</sup>  
Hluey Lakes
-  **Biomass**  
Whitecourt  
Chapais<sup>3</sup>
-  **Solar<sup>4</sup>**  
Amherstburg Solar Park  
(in development)



1. One 1.5MW turbine is owned by a landowner
2. The Dryden facility is comprised of the Wainwright, Eagle River and McKenzie Falls generating stations
3. MPIC's investment in Chapais consists of a 31.3% interest in one of two classes of preferred shares, a 24.8 per cent interest in Tranche A and B and a 50% interest in Tranche C debt
4. Currently under development. The facility is currently expected to start commercial operations in June 2011.

# Growth Strategy

MPIC continues to look for growth opportunities in Canada and internationally in OECD countries that will diversify its portfolio, enhance the reliability its long-term cash flow and deliver a superior total return to investors. These opportunities could include hydro, wind, solar, gas cogeneration, biomass and geothermal power generation opportunities, toll roads, utilities and public-private partnership (P3) projects, including both development projects and operating assets. MPIC also has the financial flexibility for growth, with access to more than \$60 million in capital. MPIC typically targets a total return of 10 to 14 per cent (post tax, levered) on its investments.

Highly regulated

Less regulated

Less competitive

More competitive

## Target Assets for MPIC

Social Infrastructure / P3s	Regulated Assets	User Pays Assets	Competitive Assets
<ul style="list-style-type: none"> <li>• Courts</li> <li>• Hospitals</li> <li>• Schools</li> <li>• Police &amp; Army</li> </ul>	<ul style="list-style-type: none"> <li>• Transmission &amp; Distribution Assets</li> <li>• Water &amp; Sewerage</li> <li>• Contracted Power</li> </ul>	<ul style="list-style-type: none"> <li>• Road</li> <li>• Rail</li> <li>• Airports</li> <li>• Ports</li> </ul>	<ul style="list-style-type: none"> <li>• Merchant Power</li> <li>• Energy Trading</li> </ul>
<ul style="list-style-type: none"> <li>• District heating</li> </ul> <p>Favourable utility-like characteristics with user-pay dimension</p>			

Increasing Risk

# About Macquarie

MPIC is managed by Macquarie Power Management Ltd., a wholly owned subsidiary of Macquarie Group Limited ("MGL"), which is a diversified financial services organization, headquartered in Australia, with a leading position in infrastructure advisory and funds management. MGL manages approximately \$38 billion of equity in infrastructure and adjacent sectors in 25 countries. This market presence provides MPIC with access to potential deals and significant global expertise.

## Notice to Readers

This fact sheet is not an offer or invitation for subscription or purchase of or a recommendation of securities. It does not take into account the investment objectives, financial situation and particular needs of the investor. Before making an investment in the Macquarie Power and Infrastructure Corporation ("MPIC" or the "Company"), the investor or prospective investor should consider whether such an investment is appropriate to their particular investment needs, objectives and financial circumstances and consult our investment adviser if necessary.

None of the entities noted in this fact sheet is an authorized deposit-taking institution for the purposes of the Banking Act 1959 (Commonwealth of Australia). The obligations of these entities do not represent deposits or other liabilities of Macquarie Bank Limited ABN 48 003 583 542. Macquarie Bank Limited does not guarantee or otherwise provide assurance in respect of the obligations of these entities.

Certain of the statements contained in this fact sheet are forward-looking and reflect management's expectations regarding MPIC's future growth, results of operations, performance and business based on information currently available to MPIC. Forward-looking statements are provided for the purpose of presenting information about management's current expectations and plans relating to the future and readers are cautioned that such statements may not be appropriate for other purposes. These statements use forward-looking words, such as "anticipate", "continue", "could", "expect", "may", "will", "estimate", "believe" or other similar words, and include, among other things, statements related to the Company's dividend policy.

The forward-looking statements in this fact sheet are based on information currently available and what the Company currently believes are reasonable assumptions, including the material assumptions for each of the Company's assets set out in the 2009 Annual Report of its predecessor entity, Macquarie Power & Infrastructure Income Fund ("MPT"), under the heading "Outlook" on page 42, as updated in subsequently filed Quarterly Financial Reports of MPT and MPIC (such documents are available on the Canadian Securities Administrators' System for Electronic Document Analysis and Retrieval ("SEDAR") at [www.sedar.com](http://www.sedar.com)). Other material factors or assumptions that were applied in formulating the forward-looking statements contained herein include the assumption that the business and economic conditions affecting MPIC's operations will continue substantially in their current state, including, with respect to industry conditions, general levels of economic activity, regulations, weather, taxes and interest rates and that there will be no unplanned material changes to MPIC's facilities, equipment or contractual arrangements, and that the acquisition of the DH Business will be completed in accordance with the terms of the acquisition agreement.

Although the Company believes that it has a reasonable basis for the expectations reflected in these forward-looking statements, actual results may differ from those suggested by the forward-looking statements for various reasons, including risks related to: power infrastructure (operational performance; power purchase agreements; fuel costs and supply; contract performance; development risk; technology risk; default under credit agreements; land tenure and related rights; regulatory regime and permits; environmental, health and safety; climate change and the environment; force majeure; the Company changes in federal tax rules for flow-through entities; other tax-related risks; variability of distributions; geographic concentration and non-diversification; dependence on Macquarie Power Management Ltd. ("MPML" or the "Manager") and potential conflicts of interest; insurance; environmental, health and safety regime; availability of financing; international financial reporting standards, dilution of MPIC shareholders; the payment of dividends by MPIC, which are not guaranteed; and unpredictability and volatility of the common share price of MPIC. There are also a number of risks related to the Fund's proposed investment in the DH Business, including: general business risks inherent in the district heating business; geographic concentration; minority interest; government regulation; termination of supply and customer contracts; possible failure to complete the acquisition; enforcement of indemnities against the vendors of the DH Business; environmental health and safety liabilities; liability and insurance; and reliance on key personnel.

For a more comprehensive description of these and other possible risks, please see MPIC's Annual Information Form dated March 25, 2010 for the year ended December 31, 2009 as updated in subsequently filed Quarterly Financial Reports and other filings of MPT and MPIC with the Canadian securities regulators. These filings are available on SEDAR at [www.sedar.com](http://www.sedar.com). The assumptions, risks and uncertainties described above are not exhaustive and other events and risk factors could cause actual results to differ materially from the results and events discussed in the forward-looking statements. These forward-looking statements reflect current expectations of the Company as at the date of this fact sheet and speak only as at the date of this fact sheet. Except as may be required by law, the Company does not undertake any obligation to publicly update or revise any forward-looking statements.