Macquarie Power & Infrastructure Income Fund

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Analyst Day 2007

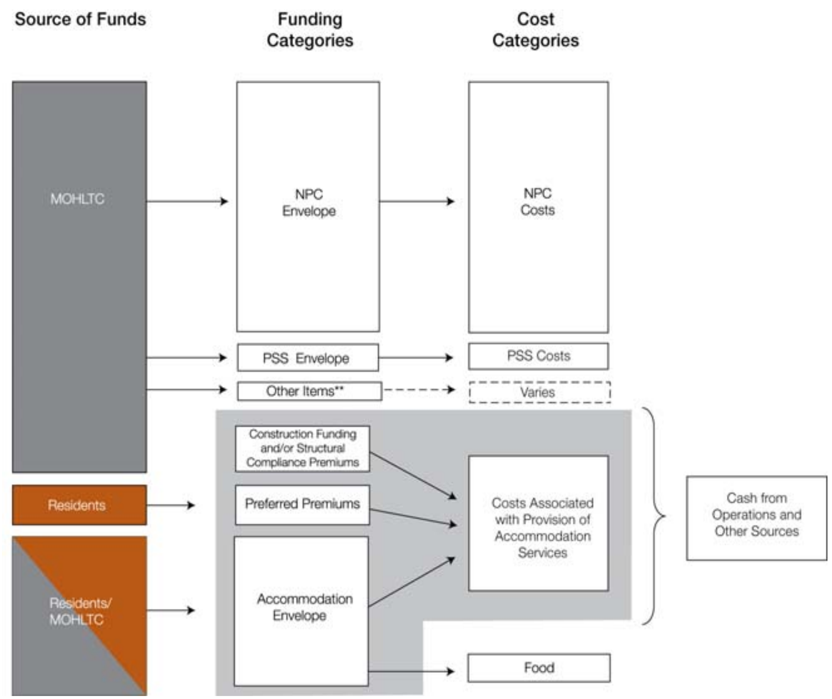
STRICTLY CONFIDENTIAL

Agenda

- Key business drivers
- Financial position
- Growth outlook

Predictable Cash Flow

- Revenue significantly funded by Ontario government
  - Min. 60% of revenue directly funded by government
  - Subsidy available to residents that cannot afford unfunded portion of tariff
- Funding increases historically track increases in CPI



** Other Items includes items such as accreditation funding & pay equity funding

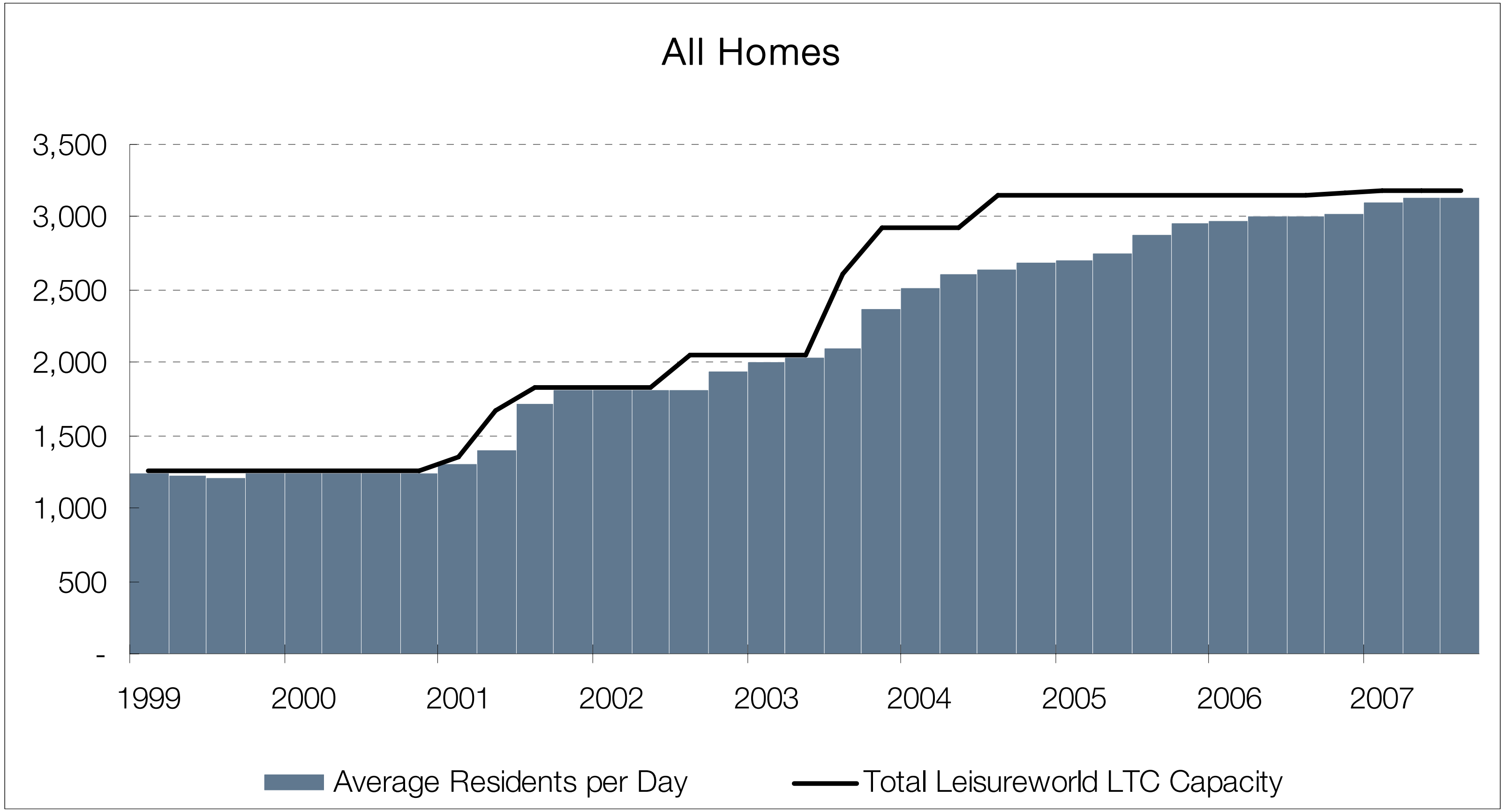
Defined Funding Model

Typical New Calss A Bed, Per Diem Funding

Category of Funding	Revenue per resident per day	Revenue Type	Source
Nursing & Personal Care	73.69	Flow-through	MOH
Programs & Support Services	7.12	Flow-through	MOH
Accommodation:			
Raw Food	7.00	Flow-through	MOH/Resident
Other Accommodation	45.94		MOH/Resident
Equalization Funding	3.25	Party Flow-through	MOH
Private Room Premium[1]	10.80		Resident
Capital Cost Funding[2]	10.35		MOH
Accreditation Funding[3]	0.33		MOH
Total	158.48		

[1]Average Private Room Premium = 60% of beds x $18 per resident per day
[2]Capital Cost Funding is not considered revenue under GAAP
[3]For qualifying homes accredited by CCHSA

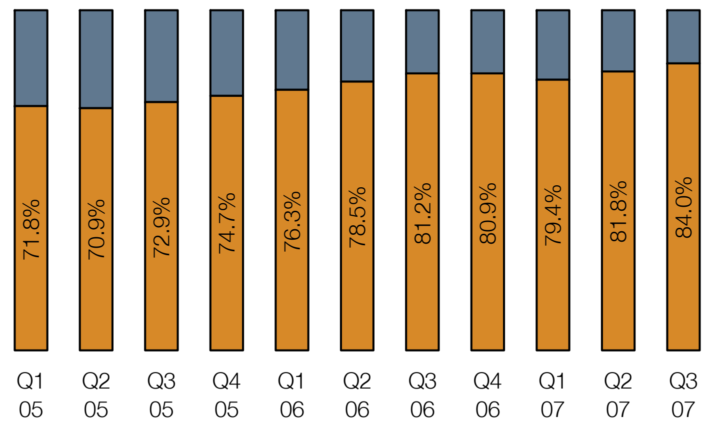
Growth in Occupancy & Capacity



Growth in Preferred Accommodation

- Operating profitability enhanced by increasing residents in preferred accommodation
- Receive regulated premium
  - $8/day for semi-private
  - $18/day for private
- Strong increasing trend

Preferred Occupancy

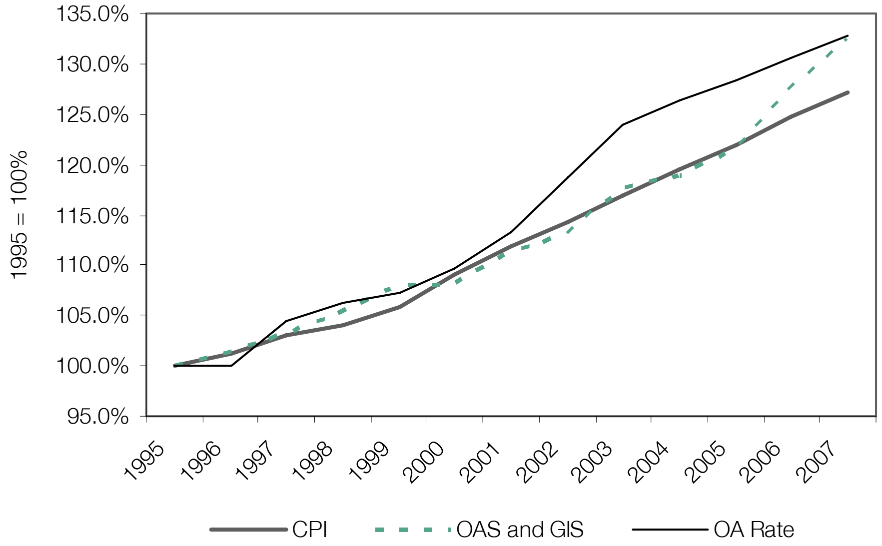


Disciplined Cost Management

- Economies of scale in hiring, purchasing & administration
- Strong focus on managing costs
- Critical mass minimizes potential for overspending on an annual basis

Growth in Funding

Funding Envelope	1996 ($ per resident per day)	2007 ($ per resident per day)	Compound Annual Growth Rate
Nursing and Personal Care	42.27	73.69	5.18%
Programs andpport Services	3.24	7.12	7.42%
Accommodation:			
Food	4.26	7.00	4.62%
Other Accommodation	34.61	45.94	2.61%
CPI			2.10



Annual Increases in Funding

Funding envelope	At July 1, 2006	At April 1, 2007	At July 1, 2007	At Sept 1, 2007	% Increase
Nursing & Personal Care	70.52	73.69	73.69	73.69	4.50%
Programs & Support Services	6.82	7.12	7.12	7.12	4.40%
Accommodation:					
Raw Food	5.46	5.46	5.57	7.00	28.21%
Other Accommodation	45.20	45.20	45.94	45.94	1.64%
Total	128.00	131.47	132.32	133.75	4.49%

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YTD Performance

	Nine Months Ended September 30, 2007	Nine Months Ended September 30, 2006	% Change
Revenue	134,019	125,067	7.2%
EBITDA	19,537	18,187	7.4%
<u>Distributable Cash</u>			
Net loss	(4,516)	(4,614)	(2.12%)
Amortization	15,986	15,776	1.33%
Impairment loss on Property held for sale	700	-	-%
Amortization of deferred gain	(339)	(339)	-%
Accretion of annuity	(105)	(130)	(19.23%)
Cash flow from operating activities excluding changes in working capital	11,726	10,693	9.66%
Construction funding[1]	3,180	2,858	11.27%
Annuity payments[2]	755	755	-%
Spencer House proceeds	3,000	-	-%
Maintenance capital expenditures	(765)	(203)	276.85%
Distributable Cash	17,896	14,103	26.90%
Distributions	17,250	17,250	-%

[1]Only principal portion of construction funding, interest portion is included in net loss
[2]Calculated on accrual basis: 75% of annual payments of $1,006

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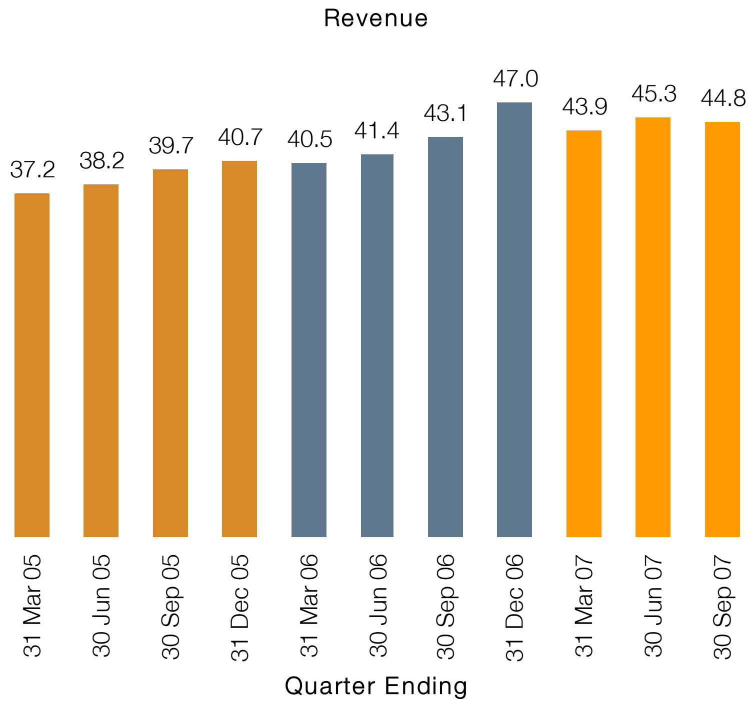
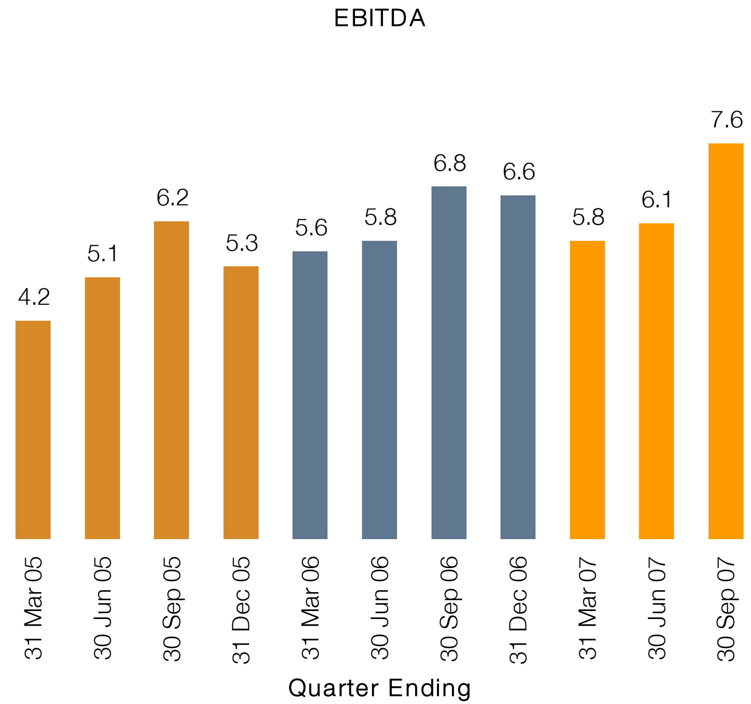
YTD Performance

	Quarter ending March 31, 2007	Quarter ending June 30, 2007	Quarter ending September 30, 2007
Revenue	43,925	45,278	44,816
EBITDA	5,768	6,128	7,641
<u>Distributable Cash</u>			
Net loss	(2,645)	(1,643)	(228)
Amortization	5,322	5,330	5,334
Impairment loss on Property held for sale	700	-	-
Amortization of deferred gain	(113)	(113)	(113)
Accretion of annuity	(36)	(36)	(33)
Cash flow from operating activities excluding changes in working capital	3,228	3,538	4,960
Construction funding[1]	1,060	1,060	1,060
Annuity payments[2]	252	252	252
Spencer House proceeds	-	-	3,000
Maintenance capital expenditures	(217)	(432)	(116)
Distributable Cash	4,323	4,418	9,156
Distributions	5,750	5,750	5,750

[1]Only principal portion of construction funding, interest portion is included in net loss
[2]Calculated on accrual basis, annual payments of $1,006

YTD Performance





Strong Financial Position

Debt Service Coverage Ratio

	October 18, 2006 – September 30, 2007
EBITDA	48,490
Construction Funding (Principal)	8,149
Construction Funding (Interest)	8,231)
Adjusted EBIDA	64,870
Pro Forma Debt Service	29,157
Less: Pro-rated annuity payments	(1,966)
Adjusted Debt Service	27,192
Debt Service Coverage Ratio	2.39x

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2008 Outlook

- Increasing cash flow
  - Organic growth through occupancy & preferred accommodation increases
  - Contribution from Counsel Corp. homes
- Expect to maintain current distribution profile
- Capacity to pursue acquisitions
  - Shift to capital renewal vs. new licence tenders

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Long-Term Stability & Growth

- High & stable occupancy
- Opportunities to increase operating profitability
- Disciplined approach to cost management
- Continue to benefit from increases in government funding

Delivering attractive returns to MPT's unitholders