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Macquarie Airports

MAP CONSORTIUM SUCCESSFUL IN BID FOR BRUSSELS AIRPORT

Macquarie Airports (MAp), a listed globally diversified airport fund, today announced that a consortium led by MAp and including other unlisted Macquarie Group managed infrastructure funds and Macquarie Bank Limited (MAp Consortium) has been selected as the successful bidder for the acquisition of a 70% interest in Brussels International Airport Company NV/SA (BIAC). Completion of the acquisition from the Belgian State and a number of other shareholders in BIAC is currently anticipated to occur around year end and is subject to customary regulatory approvals.

The 70% equity interest has been acquired for €735 million (A\$1.26 billion), giving a total (100%) Enterprise Value (Equity plus forecast Net Debt as at 31 Dec 2004) at acquisition of €1,635 million (A\$2.80 billion). The acquisition metrics compare favourably with both MAp's current trading levels and other recent European airport transactions.

MAp Chief Executive Officer, Ms Kerrie Mather, said, "The MAp Consortium is looking forward to working with the Belgian Authorities to add value to BIAC's business and develop the long term position of the airport as a major player in Europe's aviation market. As part of the Consortium, MAp will acquire a 52.0% beneficial interest in Brussels Airport which is a highly attractive investment opportunity.

"Brussels Airport is a high quality asset with excellent facilities serving more than 15 million passengers per annum. The Airport has the infrastructure necessary for developing its commercial business and real estate and for meeting future demand for passenger numbers growth. It is located in the capital of Europe, 12 kilometres from the city centre. Significantly, BIAC has the right to operate the airport for an indefinite period.

"Brussels Airport is performing strongly. For the 12 months to 30 September 2004 Brussels Airport handled 15.5 million passengers, an increase of 3.0% over the previous corresponding period (pcp). EBITDA (earnings before interest tax depreciation and amortisation) for the 12 months to 30 September 2004 was €133.0 million an increase of 22.6% on the pcp, based on management accounts.

Macquarie Airports Management Limited is not an authorised deposit-taking institution for the purposes of the Banking Act (Commonwealth of Australia) 1959, and Macquarie Airports Management Limited's obligations do not represent deposits or other liabilities of Macquarie Bank Limited ABN 46 008 583 542 ("MBL"). MBL provides a limited AUD5 million guarantee to the Australian Securities and Investments Commission in respect of Corporations Act obligations of Macquarie Airports Management Limited as a responsible entity of managed investment schemes. MBL does not otherwise guarantee or provide assurance in respect of the obligations of Macquarie Airports Management Limited, the performance of funds managed by Macquarie Airports Management Limited or the repayment of capital.

"Following completion of the acquisition, MAp will hold significant investments in three major capital city airports: Brussels, Sydney and Rome; as well as investments in Bristol and Birmingham Airports in the UK. MAp is the second largest airport owner and manager in the world. Following the acquisition of Brussels Airport, MAp's airports will provide services to more than 85 million passengers per annum. MAp's experienced management team will work closely with Brussels Airport to create further value in the business," Ms Mather said.

The MAp Consortium has been advised by Corporate Finance, Macquarie Bank Limited (London Branch).

Under the terms of the transaction the Belgian State retains a 30% stake in the airport.

MAp Distributions

MAp notes that there are no changes to its existing preliminary distribution guidance for the six months to 31 December 2004 (8 cents per stapled security) and for the year ended 31 December 2005 (17 cents per stapled security).

The MAp Consortium

For more detailed information on the members of the MAp Consortium please see end of release.

Consortium	% of Consortium	% Beneficial Interest in BIAC	Equity Commitment €m
Macquarie Airports (MAp)	74.3%	52.0%	€522
Macquarie European Infrastructure Fund (MEIF)	14.2%	9.9%	€100
Macquarie Global Infrastructure Fund II (GIF II)	4.3%	3.0%	€30
Macquarie Bank Limited	7.2%	5.1%	€51
	100.0%	70.0%	€703

The MAp Consortium has invested total equity of €703 million (A\$1.21 billion) to acquire the 70% interest together with an equity bridge of €62 million to be repaid from a refinance of BIAC's existing debt facilities after the completion of the acquisition. The proceeds from the bridge facility form part of the consideration paid to the vendors for the acquisition.

MAp's Acquisition Funding

MAp will be investing €522 million (A\$895 million) in the Consortium to acquire a 52.0% beneficial interest in BIAC. In order to fund its investment in BIAC, MAp advises it will be making a fully underwritten non-renounceable entitlement offer of A\$525 million of new hybrid securities (TICKETS) and completing an equity placement of approximately A\$400 million.

TICKETS (Tradeable Interest-bearing Convertible to Equity Trust Securities) will have a face value of \$100 each and will receive a fixed coupon until 1 January 2010. On 1 January 2010 or earlier under certain circumstances, TICKETS holders may request exchange into MAp securities, at a 5% discount to the then prevailing market price. TICKETS holders will receive at MAp's election, MAp securities or cash equivalent. The TICKETS offer comprises an Entitlement Offer to existing MAp security holders of 1 TICKET for each 233 MAp securities held. The TICKETS coupon rate will be determined as part of a bookbuild during the week commencing 15 November 2004.

Record Date

The record date for MAp security holders to be entitled to participate in the TICKETS offer is Monday 15 November 2004. The ex-entitlement date is 9 November 2004. The TICKETS offer will only be open to MAp security holders resident in Australia and New Zealand.

MAp Request for One-Day Voluntary Suspension of Trading

MAp will undertake a A\$400 million private equity placement on Wednesday 10 November 2004. Accordingly, MAp requests one day of voluntary suspension in the quotation of MAp securities until the commencement of trade on Thursday 11 November 2004 to complete the placement.

MAp is not aware of any reason why its securities should not be suspended or of any other relevant information in relation to this request.

MAp will update the market prior to the recommencement of trade with further information.

For further information, please contact:**Interel Public Relations & Public Affairs**

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Background Information on the MAp Consortium

Led by Macquarie Airports (MAp), other members of the Consortium are two wholesale funds managed by members of the Macquarie Bank Group, as well as Macquarie Bank Limited.

Macquarie Airports

Macquarie Airports is an Australian Stock Exchange listed globally diversified airport fund that is managed and advised by wholly owned subsidiaries of the Macquarie Bank Group. MAp has a market capitalisation of A\$3.5bn and over 25,000 investors. The majority of its shareholders are pension funds and other long term investors. Macquarie Airports is the second largest airport owner and manager in the world. It owns significant investments in Sydney, Rome, Birmingham and Bristol Airports servicing over 70 million passengers per annum. The addition of Brussels Airport will increase this to 85 million passengers per annum.

Macquarie European Infrastructure Fund (MEIF)

Established in October 2003, MEIF is an unlisted wholesale fund that invests in infrastructure and related assets located in European OECD countries. MEIF caters to pension funds and other investors with a long term outlook and aims to invest in quality infrastructure assets. It currently has two investments – a 50.1% interest in UK utility South East Water and 100% of Arlanda Express, the high speed dedicated rail link between Stockholm city centre and Arlanda Airport. It has also announced that it will be a cornerstone investor in the Wales & the West Gas Distribution Network in an acquisition expected to be completed in the second quarter of 2005.

Macquarie Global Infrastructure Fund II

Macquarie Global Infrastructure Fund II is an unlisted wholesale fund established to invest in diversified global infrastructure assets in OECD countries (except Australia) and including Hong Kong and Singapore. To date it has invested in UK water utility South East Water and has made an equity commitment to the Wales and West Gas Distribution Network in the UK.

Macquarie Bank Group

Macquarie Bank Group members manage over €10 billion in infrastructure equity around the world through a range of listed and unlisted vehicles. Infrastructure investments managed by Macquarie Bank Group members include assets in transportation, water, telecommunications and energy sectors in the UK, Germany, Portugal, Italy, Sweden, Canada, US, Australia, Korea, Japan and South Africa. Macquarie brings the benefits of global resources, relationships and expertise to its infrastructure businesses and the communities they serve.

The Macquarie Bank Group is a diversified international provider of specialist investment banking and financial services with over 6000 employees in 23 countries. Macquarie's European base is London where it has over 300 people, with additional offices in Dublin, Frankfurt, Geneva, Munich, Paris and Vienna.

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