

2008 MAP Tax Statement Guide:  
Essential information to help you complete  
your 2008 Australian income tax return

**MACQUARIE AIRPORTS**





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This Guide is not intended to be tax advice and investors should consult a professional tax adviser, if necessary, for tax advice required in connection with completion of tax returns.

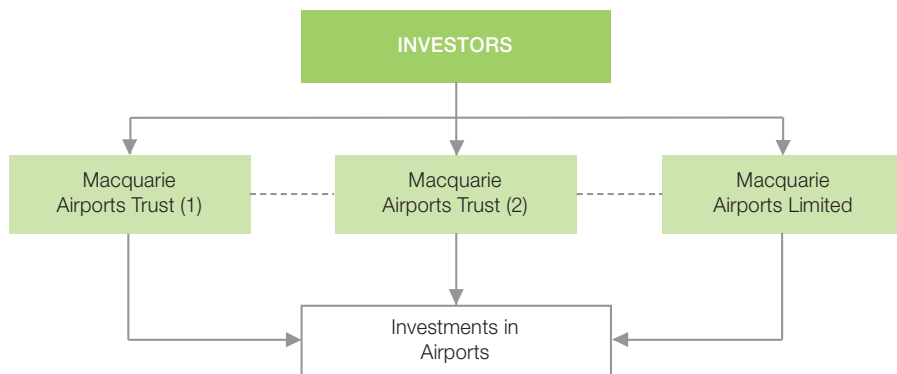
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Dear MAp Investor,

We are pleased to enclose your Macquarie Airports (“MAp”) Tax Statement, which contains information you need to help you complete your 2008 Australian income tax return. This 2008 MAp Tax Statement Guide will help you to use that information and complete your 2008 Australian income tax return.

MAp is comprised of three entities listed on the Australian Securities Exchange (“ASX”): Macquarie Airports Trust (1) (“MAT(1)”), Macquarie Airports Trust (2) (“MAT(2)”) and Macquarie Airports Limited (“MAL”). Securities in the three entities are stapled together. The following illustrates a summarised structure of MAp and its investments.



The units in MAT(1) and MAT(2) and the shares in MAL cannot be traded separately and can only be traded as stapled securities. MAT(1) and MAT(2) have a 31 December tax year end.

If you were a holder of MAp stapled securities at 30 June 2007 and/or 31 December 2007, you received distributions from MAT(1) in respect of the year ended 31 December 2007 (paid on 20 August 2007 and 19 February 2008 respectively). No distribution was paid by MAT(2) or MAL in respect of that year.

The principal activity of MAp is investment in airports, including direct and indirect interests in Sydney Airport, Brussels Airport, Copenhagen Airport, Bristol Airport and Japan Airport Terminal. Should you require further details of MAp’s activities and investments, please refer to the MAp 31 December 2007 Annual Report or alternatively our website: [www.macquarie.com.au/au/map](http://www.macquarie.com.au/au/map).

**If you are an individual who was a resident of Australia for income tax purposes during the year ended 30 June 2008, you will need:**

- Your MAp Tax Statement;
- This Guide; and
- A copy of TaxPack 2008 and of the TaxPack 2008 supplement, and (possibly) copies of certain other Australian Taxation Office (“ATO”) publications (referred to in this Guide).

We have included a ‘Shortcut Guide for Australian Resident Individuals’ to assist you in completing your 2008 Australian income tax return. If you meet all of the conditions (on page 2) for using that Shortcut Guide, it should enable you to complete your 2008 Australian income tax return for individuals relevant to your MAp investment without working through all of the related parts of this Guide (Parts A, B, and C).

If you are unable to use the Shortcut Guide or require further information, detailed steps for you to follow in order to correctly report your MAp distributions in your 2008 Australian income tax return are included in Part A of this Guide.

If you disposed of any or all of your MAp investment during the year ended 30 June 2008 (or entered into a contract on or before 30 June 2008 to do so) you also need to address the income tax (including capital gains tax ("CGT")) consequences of that disposal. Further, even if you did not dispose of your MAp investment, a tax-deferred distribution you received may in certain circumstances be relevant to your CGT position for the year ended 30 June 2008. Part B of this Guide will give you information which you will need for this purpose.

Part C of this Guide contains information which may be of benefit to some investors. You do not need to read this section if you are an individual who was a resident of Australia for income tax purposes during the year ended 30 June 2008.

**If you are NOT an individual but you were a resident of Australia for income tax purposes during the year ended 30 June 2008, you will need to:**

- Reflect distributions from MAp appropriately in your 2008 Australian income tax return. Your MAp Tax Statement should give you the information you need;
- Reflect any relevant gain or loss on disposal of any or all of your MAp investment during the year in your 2008 Australian income tax return. Part B of this Guide will give you information which will assist you in computing any CGT result; and
- Read Part C of this Guide (in relation to Foreign Investment Funds).

**If you were NOT a resident of Australia during the year ended 30 June 2008, you will need to decide whether to lodge a 2008 Australian income tax return. The information in your MAp Tax Statement and in this Guide will assist you to complete your tax return, if necessary.**

If you need further factual information please contact Raymond Kwan (02 8232 6518), Investor Relations Manager. You should consult your tax adviser if you require general tax advice on any of the points discussed.

You should keep your MAp Tax Statement and this Guide with your tax papers, in case the ATO wishes to see them at some time.

Yours sincerely,



**Kerrie Mather**  
Chief Executive Officer  
Macquarie Airports

# 2008 MAp Tax Statement Guide – Table of Contents

Shortcut Guide for Australian Resident Individuals	2
Part A: Australian Resident Individuals How to complete your 2008 Australian Income Tax Return using your MAp Tax Statement	6
Part B: Capital Gains on disposals of investments in MAp and, in some cases, on receipt of tax-deferred distributions from MAp	13
Appendix 1: MAp issue prices (up to 30 June 2008)	20
Appendix 2: Tax-deferred distributions	21
Part C: Foreign Investment Funds	22
History of MAp distributions up to 30 June 2008 (per stapled security)	23

# Shortcut Guide for Australian Resident Individuals

## Conditions for using this MAp Shortcut Guide

If you satisfy all of the following conditions, you can use this Shortcut Guide to help you complete your 2008 Australian income tax return in relation to your MAp investment:

- you are an individual, and you hold your MAp investment for your own benefit (and not as a trustee for anyone else) and you hold it on capital account<sup>1</sup> (i.e. not as trading stock or otherwise on revenue account);
- you were a resident of Australia for tax purposes at all times during the year ended 30 June 2008;
- you did not dispose of, or enter into a contract to dispose of, any of your MAp investment during the year ended 30 June 2008;
- you satisfy yourself that the total tax-deferred distributions that you received from MAT(1) during the year ended 30 June 2008 and in prior years did not exceed the CGT cost base of your units in MAT(1). While it is unlikely<sup>2</sup> that the tax-deferred distributions made by MAT(1) up to 30 June 2008 would have exceeded the cost base of MAT(1) units held by any MAp investor, you should confirm this for yourself. If they did exceed the CGT cost base, they would have eliminated that cost base, and you should not use this Shortcut Guide;
- other than the foreign source income included in your MAp Tax Statement, you did not derive any foreign source income during the year ended 30 June 2008;
- you are not entitled to any tax deductions (e.g. for interest on borrowings) in relation to your MAp investment for the year ended 30 June 2008;
- if any Tax File Number ("TFN") tax was deducted from your MAp distributions, it has not previously been refunded to you;
- you did not have foreign losses brought forward from the year ended 30 June 2007;
- you did not (either individually or with associates) hold 10% or more of the total MAp stapled securities on issue during the year ended 30 June 2008; and
- other than your interest in MAL, you did not hold any interests (either directly or indirectly) in any foreign entities, assets or property.

If you are not sure whether you satisfy any of these conditions, you should work through this Guide and/or consult a professional tax adviser.

Even if you do not satisfy all of the conditions, this Shortcut Guide may assist you to complete your 2008 Australian income tax return. However, we strongly recommend you work through the relevant parts of this Guide.

<sup>1</sup> Refer to Part B of this guide for further information or consult your tax adviser if you are unsure.

<sup>2</sup> If you purchased your MAp securities between 1 September 2002 and 31 May 2003 and still hold these securities, you should perform your own calculation or consult your tax adviser.

# MAp Shortcut Guide (Table)

Provided you satisfy all of the outlined conditions, the information set out in the following MAp Shortcut Guide is a summary of the amounts and disclosures that you should include in your 2008 Australian income tax return in respect of your MAp investment.

Items as shown in TaxPack 2008 (supplementary section)	2008 Tax Return (supplementary section) Item No.	Item on MAp Tax Statement/Action Required	MAp Tax Statement Guide Reference
<b>13 Partnerships and trusts</b>			
<b>Non-primary production</b>			
Distribution from trusts, less net capital gains and foreign income	13U	Item (1)	Part A, Section 1
<b>Share of credits from income</b>			
Share of credit for tax file number amounts withheld from interest, dividends, and unit trust distributions	13R	Item (4)	Part A, Section 4
<b>19 Foreign entities</b>			
Did you have an interest in a foreign investment fund (FIF) or a foreign life assurance policy (FLP)?	19J	Print X, in the YES box	Part A, Section 5
<b>20 Foreign source income and foreign assets or property</b>			
Assessable foreign source income	20E	Item (2)	Part A, Section 2
Other net foreign source income	20M	Item (2)	Part A, Section 2
During the year did you own, or have an interest in, assets located outside Australia which had a total value of AUD\$50,000 or more?	20P	Print X in the NO box <sup>3</sup>	Part A, Section 6

<sup>3</sup> On the assumption that you meet all of the Shortcut Guide conditions on page 2 of this Guide, this question relates to your interest in MAL and is answered 'NO' because question 19J in respect of your interest in MAL is answered 'YES'. This is in accordance with the ATO's instructions, which specifically say that, if your only asset outside Australia is a FIF (such as MAL) for which you have answered 'YES' at question 19J, you should answer 'NO' at question 20P. For further details, please see Part A, Section 6 of this Guide.

# MAp Shortcut Guide (Diagram - extract page 1 of Tax Statement only)

If you are using this shortcut guide, the following diagram may assist you to complete your 2008 Australian income tax return for individuals (supplementary section).



## Macquarie Airports

Responsible for Macquarie Airports Trust (1) (MAT(1)) and Macquarie Airports Trust (2) (MAT(2));  
Macquarie Airports Management Limited  
(ACN 075 295 760) (AFSL 236875)  
Adviser to Macquarie Airports Limited (MAL);  
Macquarie Investment Management (UK) Limited  
(Registered No 3976881)

## Computershare

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## Tax Statement Information for your 2008 Tax Return

This statement has been prepared to assist with the completion of the 2008 Australian Income Tax Return for Individuals. This statement should be read together with the 2008 MAp Tax Statement Guide. A copy can be found on the MAp website at [http://www.macquarie.com.au/au/map/acrobat/map\\_taxguide08.pdf](http://www.macquarie.com.au/au/map/acrobat/map_taxguide08.pdf). Should you have any questions relating to your personal tax position, it is recommended that you contact your accountant or taxation adviser.

### MAT(1) Distributions

Period Ended	Date Paid	Australian Non-primary Production Income \$	Foreign Source Income \$	Tax-Deferred Amount \$	Gross Cash Distribution \$	TFN Tax Withheld \$	Non-resident Tax Withheld \$	Net Cash Distribution \$
30 Jun 2007	20 Aug 2007	<xxx>	<xxx>		<xxx.xx>	<xxx.xx>	<xxx.xx>	<xxx.xx>
31 Dec 2007	19 Feb 2008	<xxx>	<xxx>		<xxx.xx>	<xxx.xx>	<xxx.xx>	<xxx.xx>
<b>Total</b>		<b>AAA</b>	<b>BBB</b>	<\$xxx> <sup>(3)</sup>	<\$xxx>	<b>CCC.CC</b>	<xxx.xx>	<xxx.xx>
Tax Return for Individuals (Supplementary Section)		13U	20E & 20M			13R		
Note		A	B	C		D	E	

### NOTES

- If you were an Australian resident for income tax purposes, you will need to include this amount as assessable income in your Australian income tax return.
- This amount relates to foreign source income (consisting of interest and dividends) distributed by MAT(1). For further information that you may require to complete your tax return in relation to the foreign source income amount, you should refer to Part A, Section 2 of your 2008 MAp Tax Statement Guide.
- Tax-deferred amounts have capital gains tax implications. Security holders are required to adjust their cost bases or reduced cost bases for tax-deferred amounts received. In some cases, tax-deferred amounts could constitute capital gains which have to be reported in your Australian income tax return in whole or in part. If you were an Australian resident individual, refer to Part A, Section 3 of your 2008 MAp Tax Statement Guide. If you were not an individual, or you were an individual who was not a resident of Australia for income tax purposes, refer to Part B of the 2008 MAp Tax Statement Guide for further details.
- Australian resident security holders had tax withheld from parts of their distributions at the highest marginal tax rate (including Medicare levy) where no tax file number (TFN) or Australian Business Number (ABN) (where relevant) or exemption was supplied.
- The following information is provided for the assistance of non-residents in the event that they lodge Australian income tax returns for the year ended 30 June 2008.

**PLEASE RETAIN THIS STATEMENT FOR YOUR INCOME TAX PURPOSES**





# Part A: Australian Resident Individuals – How to complete your 2008 Australian Income Tax Return using your MAp Tax Statement

The sections you need to follow in this Guide depend on where amounts appear on your MAp Tax Statement.

**If there is an amount next to this number on your MAp Tax Statement then you need to go to the relevant section of Part A of this Guide.**

Number on MAp Tax Statement	Nature of Item	Go to Part A of this Guide, Section...
(1)	Australian non-primary production income	1
(2)	Foreign source income	2
(3)	Tax-deferred amount	3
(4)	Tax withheld	4

**Regardless of what amounts appear on your MAp Tax Statement, you also need to go to these sections of Part A of this Guide:**

Nature of item	Go to Part A of this Guide, Section...
Foreign entities	5
Foreign assets	6

This Guide does not address any deductions to which you may be entitled in respect of any expenses or outgoings you may have incurred in relation to your investment in MAp. If you are entitled to any such deductions, you should follow the instructions in TaxPack 2008 and the TaxPack 2008 supplement and/or consult your tax adviser in order to claim them.

# Part A, Section 1 – Australian non-primary production income (from MAT (1))

The total of these amounts is shown beside (1) on your MAp Tax Statement.

## Step 1

Go to question 13 on page s2 of the TaxPack 2008 supplement and answer 'YES' to the question on that page.

## Step 2

Work through question 13. When you come to Part B of question 13 on page s3, answer 'YES' and proceed to read that part. For Step 2 on page s4, the total amount shown beside (1) on your MAp Tax Statement is the amount to be shown at U in item 13 on page 9 of your 2008 Australian income tax return for individuals (supplementary section).

## Step 3

Continue with question 13. When you come to Part E of question 13 on page s5, refer to Part A, section 4 of this Guide, if your MAp Tax Statement shows any amount at item (4).

# Part A, Section 2 – Foreign source income

The total of these amounts is shown beside (2) on your MAp Tax Statement.

## Step 1

Go to question 20 on page s21 of the TaxPack 2008 supplement and answer 'YES' to the question on that page.

## Step 2

Work through Parts A, B and C of question 20.

When you come to question 20, Part D on page s24, you should answer 'YES' and proceed to read that part. Then, in Part D, step 1, work out the assessable amount for each category of foreign income you received from MAp as follows:

- If you received a distribution on 20 August 2007 (in respect of the six months ended 30 June 2007), all of the amount shown as the 30 June 2007 distribution amount in the Foreign Source Income column on your MAp Tax Statement is assessable foreign income in the "interest income" class;
- If you received a distribution on 19 February 2008 (in respect of the six months ended 31 December 2007):
  - 97.35% of the amount shown as the 31 December 2007 distribution amount in the Foreign Source Income column on your MAp Tax Statement is assessable foreign income in the "interest income" class; and
  - 2.65% of the amount shown as the 31 December 2007 distribution amount in the Foreign Source Income column on your MAp Tax Statement is assessable foreign income in the "modified passive income" class, being foreign dividends.
- You should calculate the total amount for you from both distributions in each of the assessable foreign income "interest income" class and the assessable foreign income "modified passive income" class. Each calculated amount must be included in the assessable amount for the relevant category of foreign income on your notepaper.

If you had expenses and/or carried forward foreign losses which are deductible against a category of foreign source income, take them into account at question 20, Part D, step 2.

## Step 3

Continue working through question 20. Part D, step 3 will require you to include an amount at M, item 20 on page 10 of your 2008 Australian income tax return for individuals (supplementary section). Part E will require you to include an amount at E, item 20 on page 10 of your 2008 Australian income tax return for individuals (supplementary section).

Question 20, Part H is dealt with in Part A, Section 6 of this Guide.

## Part A, Section 3 – Tax-deferred amount

On your MAp Tax Statement, you will find (3) beside the tax-deferred amount you received as part of the 19 February 2008 distribution (assuming you were entitled to that distribution). Assuming you held your MAp investment on capital account for income tax purposes, that part of the distribution was 'tax-deferred'. This means that it does not form part of your assessable income for tax purposes and does not have to be reported in your 2008 Australian income tax return, except as described below.

The tax-deferred component of your 19 February 2008 distribution reduced the cost base and reduced cost base of your units in MAT(1) for CGT purposes (if you received that distribution). Some or all of a tax-deferred component will itself constitute a capital gain if the cost base is reduced to zero by that tax-deferred distribution or has been reduced to zero by prior tax-deferred distributions. You should read 'Tax-deferred distributions' on pages 13 and 17 of Part B of this Guide if you think this may have occurred in your circumstances.

## Part A, Section 4 – Tax withheld

This amount is shown beside (4) on your MAp Tax Statement.

If there is an amount beside (4) on your MAp Tax Statement, go to question 13, Part E on page s5 of the TaxPack 2008 supplement and work through that part. If the amount of tax shown beside item (4) on your MAp Tax Statement has not previously been refunded to you, you should include this amount at R, item 13 on page 9 of your 2008 Australian income tax return for individuals (supplementary section).

This amount represents TFN withholding tax deducted from part of your distributions because you did not provide a Tax File Number (TFN) or (where relevant) Australian Business Number (ABN) or claim an exemption for your MAp investment.

# Part A, Section 5 – Foreign entities

MAL, being a company that is not a resident of Australia for Australian tax purposes, is a foreign investment fund or a “FIF”. As a result, you held an interest in a FIF (MAL) for the purposes of your 2008 Australian income tax return.

## Step 1

Go to question 19 on page s20 of the TaxPack 2008 supplement and answer ‘YES’ to the first question on that page.

## Step 2

Work through Parts A, B and C of question 19.

For question 19, Part A, if your only interest in companies that were non-residents of Australia during the year ended 30 June 2008 was your interest in MAL, you should answer ‘NO’ to the question in Part A and follow the ATO’s instructions for a ‘NO’ answer. If you answer ‘YES’ to the question in Part A, read Part A and follow the ATO’s instructions for a ‘YES’ answer.

## Step 3

When you come to question 19, Part C, answer ‘YES’ to the question and proceed to read that part. For step 1 of Part C, you will need to print ‘X’ in the YES box at J, item 19 on page 10 of your 2008 Australian income tax return for individuals (supplementary section).

Continue working through the four steps of Part C. When addressing step 2, your attributed foreign income from MAL under the FIF rules was nil for the year ended 30 June 2008. This is because your interest in MAL qualifies for exemption from FIF taxation under section 497 of the Income Tax Assessment Act 1936.

### IMPORTANT NOTE

These comments may not apply to any investor in MAp that either individually or with associates had a 10% or greater interest in MAp at any time. If you did hold such an interest in MAp, you should seek further information from Raymond Kwan (02 8232 6518) of Macquarie Airports Management Limited. If you are unsure whether you held such an interest, you should consult your tax adviser.

## Part A, Section 6 – Foreign assets

As your interest in MAL is an interest in assets located outside Australia, you need to address question 20, Part H on page s26 of the TaxPack 2008 supplement.

At question 20, Part H on page s26 of the TaxPack 2008 supplement, you should answer 'NO' to the question at Part H if your only interest in assets outside Australia during the year ended 30 June 2008 was your interest in MAL. You should then follow the ATO's instructions for a 'NO' answer. (The ATO's instructions state that a 'NO' answer should be given where the only asset or assets held overseas are covered by question 19. Your interest in MAL is covered by question 19).

If you answer 'YES' to the question at Part H, read Part H and follow the ATO's instructions for a 'YES' answer. If you need to know the value of a share in MAL at 30 June 2008, you may choose to adopt the Responsible Entity's view that the allocation of value among the entities implied by the 30 June 2008 ASX price suggests a value of \$1.07 per MAL share at that date.



## Part B: Capital Gains on disposals of investments in MAp and, in some cases, on receipt of tax-deferred distributions from MAp

If you disposed of any or all of your MAp investment in the year ended 30 June 2008 and you were a resident of Australia for tax purposes in that year, you need to address the tax consequences of that disposal under the capital gains tax ("CGT") provisions. Tax consequences may also have arisen from any tax-deferred distributions you received from MAp in the year ended 30 June 2008.

If you disposed of any or all of your MAp investment in the year ended 30 June 2008, or had a capital gain in that year resulting from the receipt of tax-deferred distributions, and you were not a resident of Australia for tax purposes in that year, it is likely that any capital gain or loss you made will be disregarded for Australian CGT purposes – but you should consider this for yourself in light of your own circumstances.

### Revenue v capital account

While many investors hold investments such as MAp stapled securities on capital account, in certain circumstances, including where your MAp investment was held as part of the assets of a business, the investment may have been held on revenue account.

If you held your MAp investment on revenue account, you may have a revenue gain or loss which you will need to compute.

If you believe that you held your MAp investment on revenue account, or you are in any doubt, you should consult your tax adviser.

Whether or not you held your MAp investment on revenue account, you will need to compute a CGT result. The remainder of this Part B is concerned with CGT and your MAp investment.

### Recognition of capital gain or loss

You will need to reflect in your 2008 Australian income tax return the CGT result of any disposal of part or all of your MAp investment.

The time of disposal for CGT purposes is the time of the contract to make the disposal. If you entered into such a contract at any time in the year ended 30 June 2008 and you are an individual, and/ or a taxpayer with a 30 June tax year end, who was a resident of Australia for income tax purposes during the year ended 30 June 2008, you need to reflect the result in your 2008 Australian income tax return.

### Tax-deferred distributions

During the year ended 30 June 2008, a tax-deferred distribution was made by MAT(1) on 19 February 2008.

If you receive a tax-deferred distribution, it reduces the cost base and the reduced cost base of your MAT(1) units. In the event that the cost base of a MAT(1) unit is reduced to nil by such distributions, the remainder, if any, of the tax-deferred distribution which caused the reduction to nil (and any later tax-deferred distributions) constitute capital gains. This means that such tax-deferred distributions, if they were in excess of your cost base, would have to be included in your capital gains for the purposes of working out your overall CGT result to be included in your 2008 Australian income tax return.

This is the case even though you might not have disposed of your MAp investment.

While unlikely<sup>4</sup>, the tax-deferred distributions made by MAT(1) up to 30 June 2008 may have eliminated the cost bases of MAT(1) units held by some MAp investors, and all investors are encouraged to check for themselves on this point.

The receipt of a tax-deferred distribution is a capital gains tax event or 'CGT event' known as 'CGT Event E4'. However, if you are an Australian resident individual, you need to answer 'Yes' to having a capital gains tax event at G, item 18 on page 10 of your 2008 Australian income tax return for individuals (supplementary section) only if you had a capital gain or loss that was not disregarded in respect of a CGT event (refer to the relevant ATO instructions at question 18 on page s16 of the TaxPack 2008 supplement). This means that if you are an individual taxpayer and did not have any other CGT events during the year ended 30 June 2008 (apart from the receipt of the MAp tax-deferred distribution amount), you will need to answer 'YES' to having a CGT event only if your cumulative tax-deferred distributions exceeded the cost base of your MAT(1) units.

Any capital gains which arose in this way are eligible for the so-called CGT discount (50% for individuals and one-third for certain other investors) assuming relevant requirements are met.

The operation of these CGT provisions is complex. You should consider reading the ATO's publications referred to in question 18 of the TaxPack 2008 supplement and/or getting professional advice to ensure you deal with the issues correctly in your 2008 Australian income tax return.

## Calculation of capital gain or loss

The remaining generalised statements, while not a complete description of CGT, may assist you in computing the CGT result of any disposal of your MAp investment.

### One MAp stapled security constitutes three separate assets

A MAp stapled security comprises one unit in MAT(1), stapled to one unit in MAT(2) and to one share in MAL. For CGT purposes, a unit in MAT(1), a unit in MAT(2), and a share in MAL are three separate assets.

If you disposed of your MAp investment in the year ended 30 June 2008, you will need to do separate CGT calculations for each of your investments in MAT(1), MAT(2), and MAL.

This means that you will need to split each MAp stapled security acquisition cost and sales proceeds between units in MAT(1), units in MAT(2), and shares in MAL.

### Establishing your cost base and sales proceeds

#### a) Splitting your acquisition cost

Appendix 1 will help you to split your MAp stapled security acquisition cost between a unit in MAT(1), a unit in MAT(2), and a share in MAL. Appendix 1 sets out all the dates and prices at which MAp stapled securities have been issued to 30 June 2008, and shows the proportion of the issue price of each MAp stapled security related to a unit in MAT(1), a unit in MAT(2), and a share in MAL.

If you acquired your MAp stapled securities by purchase on the ASX, you will need to decide the proportion of your purchase price for each MAp stapled security that related to a unit in MAT(1), a unit in MAT(2), and a share in MAL. The Responsible Entity is of the view that the allocation of value among the entities implied by the traded prices on the ASX was as per Table B1 on pages 15 to 16.

<sup>4</sup> If you purchased your MAp securities between 1 September 2002 and 31 May 2003 and still hold these securities, you should perform your own calculation or consult your tax adviser.

**Table B1**

Value of a MAp stapled security which related to:	A unit in MAT(1)	A unit in MAT(2)	A share in MAL
At all times up to 7 June 2004	Remaining balance	1 cent	1 cent
From 8 June to 30 June 2004	90.20%	9.34%	0.46%
July 2004	90.18%	9.28%	0.54%
August 2004	90.24%	9.12%	0.64%
September 2004	90.64%	8.87%	0.49%
October 2004	91.68%	7.82%	0.50%
November 2004	91.43%	7.67%	0.90%
December 2004	82.43%	16.46%	1.11%
January 2005	83.30%	16.67%	0.03%
February 2005	73.60%	16.61%	9.79%
March 2005	74.51%	16.52%	8.97%
April 2005	75.50%	16.55%	7.95%
May 2005	74.93%	15.81%	9.26%
From 1 June to 24 June 2005	67.34%	18.51%	14.15%
From 25 June to 30 June 2005	45.33%	18.51%	36.16%
July 2005	46.81%	18.63%	34.56%
August 2005	46.79%	18.12%	35.09%
September 2005	47.74%	18.19%	34.07%
October 2005	47.79%	17.73%	34.48%
November 2005	48.53%	17.05%	34.42%
December 2005	43.02%	19.78%	37.20%
January 2006	43.45%	19.52%	37.03%
February 2006	42.47%	19.66%	37.87%
March 2006	42.31%	18.55%	39.14%
April 2006	42.20%	18.56%	39.24%
May 2006	42.30%	17.98%	39.72%
June 2006	36.58%	20.31%	43.11%
July 2006	37.17%	20.34%	42.49%
August 2006	37.05%	19.12%	43.83%
September 2006	37.27%	19.57%	43.16%
October 2006	37.79%	19.49%	42.72%

Value of a MAp stapled security which related to:	A unit in MAT(1)	A unit in MAT(2)	A share in MAL
November 2006	37.75%	19.08%	43.17%
December 2006	32.15%	21.42%	46.43%
January 2007	32.45%	21.10%	46.45%
February 2007	32.06%	20.71%	47.23%
March 2007	32.40%	20.67%	46.93%
April 2007	32.16%	20.61%	47.23%
May 2007	32.47%	20.43%	47.10%
June 2007	27.46%	21.34%	51.20%
July 2007	29.41%	21.22%	49.37%
August 2007	27.75%	21.47%	50.78%
September 2007	27.89%	21.45%	50.66%
October 2007	28.08%	21.33%	50.59%
November 2007	28.09%	20.80%	51.11%
December 2007	25.50%	24.39%	50.11%
January 2008	25.44%	24.45%	50.11%
February 2008	25.60%	24.20%	50.20%
March 2008	25.65%	23.78%	50.57%
April 2008	25.77%	23.63%	50.60%
May 2008	25.91%	23.83%	50.26%
June 2008	24.54%	23.71%	51.75%

Assumption: it is assumed the value of a MAp stapled security during a month (except as indicated otherwise) may fairly be allocated between a unit in MAT(1), a unit in MAT(2) and a share in MAL based on the respective net asset backings of these units and of the share at the end of the month.

b) Adjusting your MAL shares for the 24 June 2005 MAp reorganisation

If you acquired some or all of your MAp investment on or before 24 June 2005, you need to carry out certain steps in relation to your shares in MAL as a result of the MAp reorganisation that happened on that day. These steps are as follows for each separate parcel of MAL shares that you held (a “parcel” comprises all of the shares that you acquired at the same time for the same amount):

- (i) work out the number of shares in MAL that you held at the start of 24 June 2005 – this is the same as the number of MAp stapled securities that you held at that time;
- (ii) work out the CGT cost base and reduced cost base of the MAL shares at that time;

- (iii) multiply the number of MAL shares in (i) by 8/23 and call the answer the “original MAL shares” calculated in (iii);
- (iv) take the CGT cost base and reduced cost base from (ii) and allocate them wholly to the “original MAL shares”;
- (v) multiply the number of MAL shares in (ii) by 15/23 and call the answer the “new MAL shares”;
- (vi) give the “new MAL shares” a CGT cost base and reduced cost base of 59.2132 cents per share;
- (vii) treat the “original MAL shares” as having been acquired by you for CGT purposes at the time of the actual acquisition of the original MAL shares mentioned in (i); and
- (viii) treat the “new MAL shares” as having been acquired by you for CGT purposes on 24 June 2005.

If you require further information in relation to the MAp reorganisation and its impact on disposals of MAp stapled securities, please refer to Part F of the 2005 MAp Tax Statement Guide (a copy can be found on the MAp website - [www.macquarie.com.au/au/map/acrobat/map\\_taxguide05.pdf](http://www.macquarie.com.au/au/map/acrobat/map_taxguide05.pdf)).

#### c) Splitting your sales proceeds

Regardless of how you acquired your MAp stapled securities, you will also need to split the sales proceeds into the part referable to the units in MAT(1), the part referable to the units in MAT(2), and the part referable to the shares in MAL. The Responsible Entity is of the view that the allocation of value among the entities implied by the traded prices on the ASX was as per Table B1.

If you acquired some or all of your MAp investment on or before 24 June 2005 (the date of the MAp reorganisation), you will need to split the portion of your sales proceeds referable to each parcel of your shares in MAL that were acquired on or before 24 June 2005 as follows:

- proceeds of “original MAL shares” = sales proceeds attributable to that parcel of MAL shares x 8/23; and
- proceeds of “new MAL shares” = sales proceeds attributable to that parcel of MAL shares x 15/23.

### Tax-deferred distributions

Parts of the distributions made by MAT(1) were tax-deferred. This means that they reduced the cost base and the reduced cost base for CGT purposes of your units in MAT(1).

Please refer to Appendix 2 which sets out the tax-deferred amounts distributed by MAT(1) up to 30 June 2008. Please also note that neither MAT(2) nor MAL has ever made any tax-deferred distributions.

Calculations of reductions in the cost base (and, if relevant, the reduced cost base) of MAT(1) units arising from the payment of tax-deferred distributions can be complex. You may wish to read the ATO’s publications referred to in question 18 of the TaxPack 2008 supplement and/or obtain professional assistance.

## **Reduction of sales proceeds where attribution credits had arisen**

If you disposed of MAp stapled securities and you had a credit balance in your attribution account(s) in respect of any of the Controlled Foreign Companies, or CFCs, held by MAT (1) in prior years, you should be entitled to reduce the sales proceeds in respect of your MAT(1) units by the amount(s) of those credit balances.

The information in your 2005 MAp Tax Statement Guide<sup>5</sup> will assist you if you wish to work out whether you had a credit balance in your attribution account(s) from the 2005 or earlier years in respect of CFCs of MAT(1). Please note that no additional CFC attribution credits have arisen since the 2005 year. If you choose to explore this further, you may wish to seek professional assistance.

## **Inclusions in cost base**

Remember that any incidental costs of acquisition and disposal (such as broker fees and stamp duty) should be included in the cost base and the reduced cost base of your units and shares.

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<sup>5</sup> Available on MAp's website at [www.macquarie.com.au/au/map/acrobat/map\\_taxguide05.pdf](http://www.macquarie.com.au/au/map/acrobat/map_taxguide05.pdf)

## Other general comments

### If you are an individual...

If you are an individual and during the year ended 30 June 2008 you sold, or entered into a contract to sell, your MAp investment, then your CGT result in respect of that sale should generally be as follows in respect of your units in each of MAT(1) and MAT(2) and your shares in MAL:

- If you held your units or shares for less than 12 months<sup>6</sup>: your CGT gain or loss is the difference between your sales proceeds and your cost base or reduced cost base (after reduction for any tax-deferred amounts); or
- If you held your units or shares for 12 months<sup>6</sup> or more, and your sales proceeds were less than your reduced cost base (after reduction for any tax-deferred amounts): your CGT loss is the difference between the two amounts; or
- If you held your units or shares for 12 months<sup>6</sup> or more, and your sales proceeds exceeded your cost base (after reduction for any tax-deferred amounts): your CGT gain is computed using the discount method.

“Sales proceeds” is the amount after any reduction in respect of CFC attribution account credit balances.

### The Discount Method

Under the discount method, your CGT gain is called a “discount capital gain”. Provided you have no CGT losses, the CGT gain will be equal to half of the excess of your sales proceeds over your cost base (after reduction for any tax-deferred amounts).

### Completing your 2008 Australian income tax return

If you are an individual, you will need the TaxPack 2008 supplement. Question 18 on page s16 assists you to complete your 2008 income tax return in relation to CGT, and suggests you might need to refer to further ATO publications, including the ATO’s *Guide to capital gains tax 2008* or the ATO’s *Personal investors guide to capital gains tax 2008*.

### If you are not an individual...

If you are not an individual and if you disposed of, or entered into a contract to dispose of, your investment in MAp stapled securities during the year ended 30 June 2008, you will need the information in Part B of this Guide. The ATO publications previously mentioned may assist you. Alternatively, you may choose to have your tax agent complete your 2008 Australian income tax return.

Please bear in mind that, while unlikely, it is possible that some investors had capital gains in the year ended 30 June 2008 from the receipt of tax-deferred distributions from MAT(1), even though they may not have disposed of their MAp stapled securities. This is explained under “Tax-deferred distributions” on pages 13 and 17 of this Guide.

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<sup>6</sup> The ATO measures the period of 12 months for this purpose exclusive of both the acquisition date and the disposal date.

# Part B: Appendix 1

## MAp Issue Prices

### Split of MAp issue prices (to 30 June 2008) between MAT(1), MAT(2) and MAL

Date of Issue	Type of Issue	Issue Price per Stapled Security		Issue Price of Unit in MAT(1)		Issue Price of Unit in MAT(2)		Issue Price of Share in MAL	
		\$	%	\$	%	\$	%	\$	%
2 April 2002	Initial Allotment*	2.00	100	1.98	99.00	0.01	0.50	0.01	0.50
13 Aug 2002	Institutional Placement	1.53	100	1.51	98.70	0.01	0.65	0.01	0.65
13 Aug 2002	Priority Entitlement	1.50	100	1.48	98.66	0.01	0.67	0.01	0.67
5 Sep 2002	Priority Entitlement	1.50	100	1.48	98.66	0.01	0.67	0.01	0.67
21 July 2003	Institutional Placement	1.50	100	1.48	98.66	0.01	0.67	0.01	0.67
17 Nov 2003	Institutional Placement	1.73	100	1.71	98.84	0.01	0.58	0.01	0.58
18 Feb 2004	DRP	1.70	100	1.68	98.82	0.01	0.59	0.01	0.59
5 May 2004	MAG Acquisition**	1.85	100	1.83	98.92	0.01	0.54	0.01	0.54
18 Aug 2004	DRP	2.01	100	1.81	90.18	0.19	9.28	0.01	0.54
17 Nov 2004	Institutional Placement	2.78	100	2.55	91.68	0.22	7.82	0.01	0.50
17 Dec 2004	Security Purchase Plan	2.78	100	2.54	91.43	0.21	7.67	0.03	0.90
18 Feb 2005	DRP	3.09	100	2.57	83.30	0.52	16.67	0.00	0.03
12 May 2005	Institutional Placement	3.25	100	2.45	75.50	0.54	16.55	0.26	7.95
27 June 2005	MAFT acquisition	3.52	100	1.82	51.89	0.56	15.81	1.14	32.30
30 June 2005	MAFT acquisition	3.55	100	1.84	51.89	0.56	15.81	1.15	32.30
13 July 2005	MAFT acquisition	3.44	100	1.56	45.33	0.64	18.51	1.24	36.16
18 Aug 2005	DRP	3.43	100	1.61	46.81	0.64	18.63	1.18	34.56
20 Feb 2006	DRP	3.05	100	1.33	43.45	0.59	19.52	1.13	37.03
12 May 2006	Security Purchase Plan	3.10	100	1.31	42.20	0.57	18.56	1.22	39.24
18 Aug 2006	DRP	2.96	100	1.10	37.17	0.60	20.34	1.26	42.49
20 Feb 2007	DRP	3.59	100	1.16	32.45	0.76	21.10	1.67	46.45
20 Aug 2007	DRP	4.25	100	1.25	29.41	0.90	21.22	2.10	49.37
19 Feb 2008	DRP	3.85	100	0.98	25.44	0.94	24.45	1.93	50.11

\* These securities were issued on an instalment basis. The initial instalment due was \$1 per stapled security, with \$0.005 allocated to a share in MAL, \$0.005 allocated to a unit in MAT(2) and the remainder allocated to a unit in MAT(1). The second and final instalment was due and payable on 1 October 2002 and was \$1 per stapled security, with \$0.005 allocated to a share in MAL, \$0.005 allocated to a unit in MAT(2) and the remainder allocated to a unit in MAT(1).

\*\* Macquarie Airports Group Limited (MAG) changed its name to Bristol Airport Bermuda Limited (BABL) during 2008.



## Part B: Appendix 2

### Tax-deferred distributions

#### Tax-deferred distributions made by MAT(1) (up to 30 June 2008)

Date	Tax-deferred distribution made per unit
16 August 2002	1.0000 cent
18 February 2003	0.9988 cents
18 August 2003	3.0436 cents
18 February 2004	1.6970 cents
18 August 2004	4.0000 cents
18 February 2005	7.8176 cents
24 June 2005	59.2132 cents*
18 August 2005	6.2803 cents
20 February 2006	4.0817 cents
18 August 2006	9.5123 cents**
20 February 2007	8.6957 cents**
20 August 2007	Nil
19 February 2008	0.1092 cents

\* Non-cash distribution; i.e. in specie distribution of MAL redeemable preference shares (RPS).

\*\* An investor who was an individual may have been entitled to a FIF exemption in respect of parts of the distributions which included these amounts. If so, a further 0.0891 cents per units (18 August 2006 distribution) and 0.0329 cents per unit (20 February 2007 distribution) also need to be treated as tax-deferred distributions by that investor. More information is included in the "History of MAP distributions" at the back of this Guide.

#### Tax-deferred distributions made by MAT(2) (up to 30 June 2008)

MAT(2) did not make any tax-deferred distributions up to 30 June 2008.

#### Tax-deferred distributions made by MAL (up to 30 June 2008)

MAL did not make any tax-deferred distributions up to 30 June 2008.

# Part C: Foreign Investment Funds

## NOTE

You do NOT need to read this Part C if you are an individual who was a resident of Australia for income tax purposes during the year ended 30 June 2008 (as you have already dealt with Foreign Investment Funds in Part A).

MAL, being a company that is not a resident of Australia for Australian tax purposes, is a foreign investment fund or a "FIF". If you held any MAp stapled securities at 30 June 2008, you are regarded as holding an interest in a FIF (MAL) for Australian tax purposes (provided that 30 June 2008 is your tax year end and/or you did not make an election under the FIF rules to use 31 December, being the date to which MAL makes out its accounts, as the 'notional accounting period' of MAL).

On the basis that the shares in MAL were listed on the ASX at 30 June 2008 in a class of entities designated as being engaged in "Industrials/Transportation/Transportation Infrastructure/Airport Services" activities, it is considered that a MAL shareholder is entitled to an exemption from FIF taxation under section 497 of the Income Tax Assessment Act 1936 for the year ended 30 June 2008.

## IMPORTANT NOTE

Any investor in MAp that either individually or with associates had a 10% or greater interest in MAp at any time should seek further information from Raymond Kwan (02 8232 6518), Investor Relations Manager. If you are unsure whether you held such an interest, you should consult your tax adviser.

## History of MAp distributions up to 30 June 2008 (per stapled security)

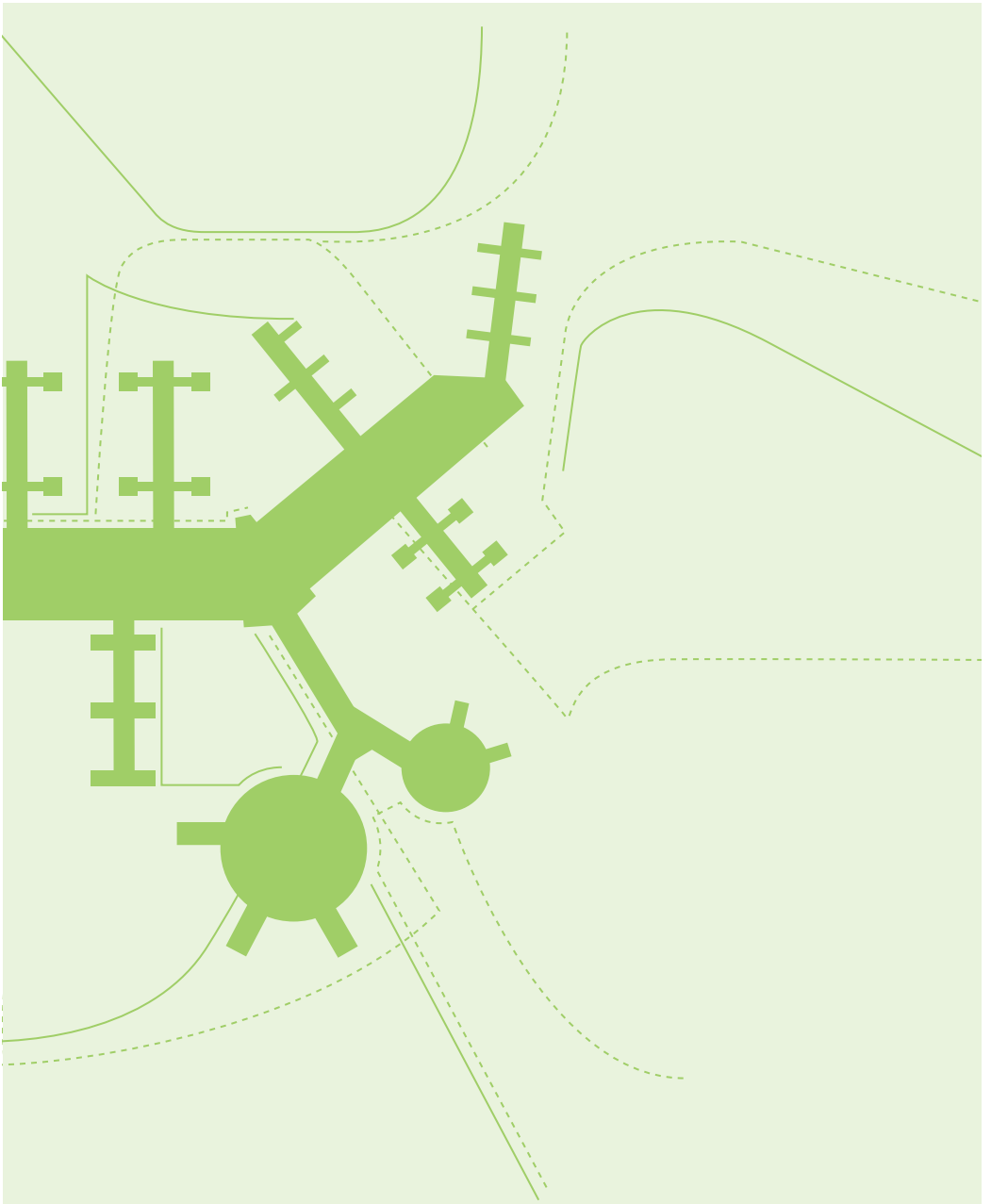
<b>16 August 2002</b>	<b>1.0 cent, all from MAT(1)</b>	<b>per stapled security</b>
Comprised of:	Tax-deferred distribution	1.0000 cent
		1.0000 cent
<b>18 February 2003</b>	<b>4.5 cents, all from MAT(1)</b>	<b>per stapled security</b>
Comprised of:	Australian interest	0.4573 cents
	Australian other income	2.3772 cents
	Foreign dividend	0.6667 cents
	Tax-deferred distribution	0.9988 cents
		4.5000 cents
<b>18 August 2003</b>	<b>5.0 cents, all from MAT(1)</b>	<b>per stapled security</b>
Comprised of:	Australian interest	1.9181 cents
	Foreign other	0.0383 cents
	Tax-deferred distribution	3.0436 cents
		5.0000 cents
<b>18 February 2004</b>	<b>3.0 cents, all from MAT(1)</b>	<b>per stapled security</b>
Comprised of:	Australian interest	1.2849 cents
	Foreign other	0.0181 cents
	Tax-deferred distribution	1.6970 cents
		3.0000 cents
<b>18 August 2004</b>	<b>4.0 cents, all from MAT(1)</b>	<b>per stapled security</b>
Comprised of:	Tax-deferred distribution	4.0000 cents
		4.0000 cents
<b>18 February 2005</b>	<b>8.0 cents, all from MAT(1)</b>	<b>per stapled security</b>
Comprised of:	Foreign other	0.1824 cents
	Tax-deferred distribution	7.8176 cents
		8.0000 cents
<b>24 June 2005</b>	<b>59.2132 cents, all from MAT(1)*</b>	<b>per stapled security</b>
Comprised of:	Tax-deferred distribution	59.2132 cents
		59.2132 cents

<b>18 August 2005</b>	<b>11.0 cents, all from MAT(1)</b>	<b>per stapled security</b>
Comprised of:	Foreign interest	0.5711 cents
	Foreign dividend**	4.1486 cents
	Tax-deferred distribution	6.2803 cents
		11.0000 cents
<b>20 February 2006</b>	<b>9.0 cents, all from MAT(1)</b>	<b>per stapled security</b>
Comprised of:	Australian interest	2.2891 cents
	Foreign interest	2.3133 cents
	Foreign dividend**	0.3159 cents
	Tax-deferred distribution	4.0817 cents
		9.0000 cents
<b>18 August 2006</b>	<b>13.0 cents, all from MAT(1)</b>	<b>per stapled security</b>
Comprised of:	Australian interest	1.4445 cents
	Australian unfranked dividend	0.0039 cents
	Australian other	0.3395 cents
	Foreign interest	1.3734 cents
	Foreign dividend	0.2373 cents
	Attributed foreign income (FIF)***	0.0891 cents
	Tax-deferred distribution	9.5123 cents
		13.0000 cents
<b>20 February 2007</b>	<b>12.0 cents, all from MAT(1)</b>	<b>per stapled security</b>
Comprised of:	Australian interest	0.8889 cents
	Australian unfranked dividend	0.1741 cents
	Foreign interest	2.2084 cents
	Attributed foreign income (FIF)***	0.0329 cents
	Tax-deferred distribution	8.6957 cents
		12.0000 cents

<b>20 August 2007</b>	<b>13.0 cents, all from MAT(1)</b>	<b>per stapled security</b>
Comprised of:	Australian interest	10.0800 cents
	Australian unfranked dividend	2.1272 cents
	Australian other	0.0043 cents
	Foreign interest	0.7885 cents
		13.0000 cents
<b>19 February 2008</b>	<b>18.0 cents, all from MAT(1)</b>	<b>per stapled security</b>
Comprised of:	Australian interest	10.2795 cents
	Australian unfranked dividend	5.5957 cents
	Foreign interest	1.9622 cents
	Foreign dividend	0.0534 cents
	Tax-deferred distribution	0.1092 cents
		18.0000 cents

- \* Non-cash distribution; i.e. in specie distribution of MAL RPS. Refer to the 2005 MAp Tax Statement Guide for further details.
- \*\* Foreign tax was paid on these dividend amounts. The 2006 MAp Annual Tax Statement provided investors with information about their possible entitlements to credits in respect of this tax.
- \*\*\* If you are an individual, a FIF exemption may have been available to you in respect of these two amounts for purposes of your 2007 Australian income tax return (for further details on this FIF exemption, refer to Part A, Section 2 of the 2007 MAp Tax Statement Guide). If that exemption was available to you, these two amounts were not required to be included in your 2007 Australian income tax return; instead, they were tax-deferred distributions to you, which reduced the cost base and reduced cost base of your MAT(1) units for CGT purposes.

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# Corporate Directory

## Macquarie Airports

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Sydney NSW 2000  
Telephone: 61 2 8232 9634  
Toll Free: 1800 181 895  
Web: [www.macquarie.com/map](http://www.macquarie.com/map)  
Email: [map@macquarie.com](mailto:map@macquarie.com)

## Registrar

Computershare Investor Services Pty Ltd

Level 2, 60 Carrington Street  
Sydney NSW 2000  
Toll Free: 1800 102 368