

Media Release

MACQUARIE POWER INCOME FUND ANNOUNCES SECOND QUARTER RESULTS

TORONTO, August 9, 2005 – The Macquarie Power Income Fund (TSX: MPT.UN - the “Fund”) announced today results for the second quarter ended June 30, 2005.



The Fund generated revenue of \$19.7 million for the second quarter ended June 30, 2005, exceeding by \$1.1 million the corresponding period in 2004, where it generated revenue of \$18.6 million. This increase is mainly due to the slight increase in rates for electricity sold this quarter compared to the rates for the corresponding quarter in 2004.

As expected, the revenue figure for this quarter was down on the revenue for the first quarter of 2005 because of lower rates received under Cardinal’s power purchase agreement for electricity delivered during the spring and summer months and from the lower electricity production due to an outage for planned maintenance. This seasonality in revenue is fully recognised in the management of the Fund’s reserve accounts and free cash.

The Fund’s earnings before interest, taxes, depreciation and amortization and unrealized gains and losses (“EBITDA”) for the quarter ended June 30, 2005 was \$5.0 million compared to EBITDA of \$5.4 million reported by the Cardinal Power facility in the quarter ended June 30, 2004. The decrease in EBITDA was due largely to the impact of the planned maintenance outage of the Cardinal plant. Last year, the similar planned maintenance outage did not occur until the third quarter.

During the second quarter ended June 30, 2005, the Fund generated distributable cash of \$4.5 million (\$0.210 per unit) and declared distributions during the quarter of \$5.0 million (\$0.238 per unit). As planned, distributions were paid from cash resources available.

Mr Bob Rollinson, President and Chief Executive Officer, Macquarie Power Income Fund, said, “We are pleased to report results for the second quarter that are to plan and in line with our expectations. Performance at the Cardinal facility has been delivered for a period with seasonally lower electricity rates, in line with our forecasts. We continue to maintain our strong cash position as we move into the third and fourth quarters.”

Below is a summary of distributions declared to Unitholders for the year to date, June 30, 2005:

Period of distribution	Date of payment	Amount declared (\$000s)	Amount declared (\$ per unit)
January 1 to 31, 2005	February 28, 2005	1,676	0.07917
February 1 to 28, 2005	March 31, 2005	1,676	0.07917
March 1 to 31, 2005	April 29, 2005	1,676	0.07917
Qtr ended March 31, 2005		5,028	0.23751
April 1 to 30, 2005	May 31, 2005	1,676	0.07917
May 1 to 31, 2005	June 30, 2005	1,676	0.07917
June 1 to 30, 2005	July 29, 2005	1,676	0.07917
Qtr ended June 30, 2005		5,028	0.23751
Year to date, June 30, 2005		10,056	0.47502

As at June 30, 2005, the Fund had cash and cash equivalents totalling \$13.5 million, of which \$8.9 million was allocated to its general, major maintenance and capital expenditure reserve accounts. The balance of this amount is maintained as free cash on hand and is available to finance the seasonality of operations.

Mr. Rollinson added, “The quality of the Cardinal facility alongside active management at an operational and Fund level continue to underpin the Fund’s strong financial position. These factors provide the base from which to achieve our two primary objectives – to provide stable and sustainable distributions to Unitholders and to move forward with our stated growth strategy of seeking accretive acquisitions in the power and infrastructure sectors.”

Conference Call and Webcast

The Fund will hold a conference call to discuss the results on August 10, 2005 at 8:30 AM EST, at which time the Fund’s Manager will present the results for the second quarter 2005. The conference call will also be available via webcast through the Fund’s

website at www.macquarie.com/mpt and by telephone at 416-640-4127. A replay of the conference call will be available until August 20, 2005 following the conference call and can be accessed by dialling 416-640-1917, pass code 21133808#.

Macquarie Power Income Fund is an unincorporated limited purpose trust which indirectly owns a 156MW gas fired cogeneration power station located in Cardinal, Ontario. The Fund's units are listed on the Toronto Stock Exchange under the symbol MPT.UN. The Fund is managed by Macquarie Power Management Ltd¹, a wholly owned subsidiary of Macquarie Bank Limited and a member of the Macquarie group.

Additional information about the Macquarie Power Income Fund can be found at <http://www.sedar.com> or www.macquarie.com/mpt

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¹ *Macquarie Power Management Ltd. is not an authorised deposit taking institution for the purposes of the Banking Act (Cth) 1959 and Macquarie Power Management Ltd.'s obligations do not represent deposits or other liabilities of Macquarie Bank Limited ABN 46 008 583 542. Macquarie Bank Limited does not guarantee or otherwise provide assurance in respect of the obligations of Macquarie Power Management Ltd.*