

MACQUARIE INTERNATIONAL INFRASTRUCTURE FUND LIMITED**APPENDIX 1****Sale of MIIF's entire 81.0% effective interest in Hua Nan Expressway**

The disclosures pursuant to Rule 1010 of the listing manual (the "Listing Manual") of the Singapore Exchange Securities Trading Limited (the "SGX-ST") are as follows:

(1)	Particulars of the assets acquired or disposed of, including the name of any company or business, where applicable;	Macquarie International Infrastructure Fund ("MIIF") has agreed to sell its 90.0% shareholding interest in South China Highway Development (H.K.) Ltd ("SCHK") (the "Disposed Interest"), which has a 90.0% interest in Hua Nan Expressway ("HNE"). Accordingly, MIIF has an 81.0% effective interest in HNE. This represents MIIF's entire interest in HNE (the "Proposed Divestment").
(2)	A description of the trade carried on, if any;	HNE is a 31-kilometre dual-carriage urban toll road in the city of Guangzhou, the capital of Guangdong province in China. HNE has the exclusive right to operate and collect tolls up to 2026. It is the main artery for north-south traffic in Guangzhou. HNE is MIIF's sole remaining investment.
(3)	The aggregate value of the consideration, stating factors taken into account in arriving at it and how it will be satisfied, including the terms of payment;	The total cash consideration is S\$110.0 million (the "Consideration") ¹ .
(4)	Whether there are any material conditions attaching to the transaction including a put, call or other option and details thereof;	The divestment is subject to MIIF shareholders' ("Shareholders") approval at a Special General Meeting ("SGM") to be convened.
(5)	The value (book value, net tangible asset value and the latest available open market value) of the assets being acquired or disposed of, and in respect of the latest available valuation, the value placed on the assets, the party who commissioned the valuation and the basis and the date of such valuation;	As a result of MIIF's agreement to pursue the Proposed Divestment, the book value of HNE as at 31 March 2015 has been adjusted to reflect the total cash consideration for the Proposed Divestment of S\$110.0 million. Accordingly, in MIIF's financial report for the three months ended 31 March 2015, the book value and net tangible asset value of MIIF's interest in HNE as at 31 March 2015 equals the Consideration.

¹ The Consideration excludes transaction costs.

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<p>(6)</p>	<p>In the case of a disposal, the excess or deficit of the proceeds over the book value, and the intended use of the sale proceeds. In the case of an acquisition, the source(s) of funds for the acquisition;</p>	<p>As at 31 March 2015, the book value of MIIF's interest in HNE is at the Consideration amount of S\$110.0 million. Prior to the signing of the Sale and Purchase Agreement, the book value of MIIF's interest in HNE as at 31 December 2014 was S\$120.2 million. Based on the valuation of MIIF's interest in HNE as at 31 December 2014, the Consideration represents a loss of S\$10.2 million to MIIF.</p> <p>The Proposed Divestment is in line with the strategy to maximise returns to Shareholders announced by the MIIF Board in December 2012 and endorsed by Shareholders in March 2013. The pursuit of this strategy has resulted in the successful divestments of MIIF's interests in Taiwan Broadband Communications ("TBC"), Changshu Xinghua Port ("CXP") and Miaoli Wind, and the distribution of proceeds from these divestments to Shareholders. Should Shareholders' approval be given to pursue the Proposed Divestment, MIIF intends to distribute the net proceeds and any residual cash following the settlement of its liabilities to Shareholders by way of a redemption of ordinary shares in the capital of MIIF ("Share Redemption"). The total proceeds to be distributed to Shareholders following the Proposed Divestment are expected to be approximately 8.25 Singapore cents per share ("cps").</p>												
<p>(7)</p>	<p>The net profits attributable to the assets being acquired or disposed of. In the case of a disposal, the amount of any gain or loss on disposal;</p>	<p>As a result of MIIF's agreement to pursue the Proposed Divestment, the book value of HNE as at 31 March 2015 has been adjusted to reflect the total cash consideration for the Proposed Divestment of S\$110.0 million. Accordingly, in MIIF's financial report for the three months ended 31 March 2015, the book value and net tangible asset value of MIIF's interest in HNE as at 31 March 2015 equals the Consideration.</p> <p>The net loss before tax, non-controlling interests and exceptional items attributable to HNE for the three months ended 31 March 2015 is S\$10.2 million².</p>												
<p>(8)</p>	<p>The effect of the transaction on the net tangible assets per share of the issuer for the most recently completed financial year, assuming that the transaction had been effected at the end of that financial year;</p>	<p>Assuming that the Proposed Divestment had been completed on 31 December 2014, the effect on the NTA per share of MIIF and its subsidiaries (the "MIIF Group") as at 31 December 2014 would be as follows:</p> <table border="1" data-bbox="786 1007 2042 1254"> <thead> <tr> <th></th> <th style="text-align: right;">Before the Proposed Divestment</th> <th style="text-align: right;">After the Proposed Divestment</th> </tr> </thead> <tbody> <tr> <td>NTA (S\$'000)</td> <td style="text-align: right;">130,114</td> <td style="text-align: right;">100,401</td> </tr> <tr> <td>MIIF Shares in issue on 31 December 2014 ('000)</td> <td style="text-align: right;">1,149,857</td> <td style="text-align: right;">1,149,857</td> </tr> <tr> <td>NTA per MIIF Share (S\$)</td> <td style="text-align: right;">0.11</td> <td style="text-align: right;">0.09</td> </tr> </tbody> </table> <p>The decrease in NTA per MIIF Share from the Proposed Divestment is due to the Consideration being lower than the valuation of MIIF's interest in HNE as at 31 December 2014 of S\$120.2 million by S\$10.2 million and accruals of the</p>		Before the Proposed Divestment	After the Proposed Divestment	NTA (S\$'000)	130,114	100,401	MIIF Shares in issue on 31 December 2014 ('000)	1,149,857	1,149,857	NTA per MIIF Share (S\$)	0.11	0.09
	Before the Proposed Divestment	After the Proposed Divestment												
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MIIF Shares in issue on 31 December 2014 ('000)	1,149,857	1,149,857												
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² As disclosed in its "Review of Net Income on an Adjusted Basis", page 7 of MIIF's SGX Quarterly report for the quarter ended 31 March 2015.

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		estimated success fee of S\$17.4 million payable to MIIF's manager, Macquarie Infrastructure Management (Asia) Pty Limited ("MIMAL"), upon the successful divestment of MIIF's assets and estimated transaction costs of S\$2.1 million relating to the Proposed Divestment.												
(9)	The effect of the transaction on the earnings per share of the issuer for the most recently completed financial year, assuming that the transaction had been effected at the beginning of that financial year;	<p>Assuming that the Proposed Divestment had been completed on 1 January 2014, the effect on the earnings per share of the MIIF Group for the year ended 31 December 2014 would be as follows:</p> <table border="1"> <thead> <tr> <th></th> <th style="text-align: right;">Before the Proposed Divestment</th> <th style="text-align: right;">After the Proposed Divestment</th> </tr> </thead> <tbody> <tr> <td>Loss after tax attributable to owners of the parent (S\$'000)</td> <td style="text-align: right;">(32,836)</td> <td style="text-align: right;">(62,549)</td> </tr> <tr> <td>Weighted average number of MIIF Shares in issue ('000)</td> <td style="text-align: right;">1,149,857</td> <td style="text-align: right;">1,149,857</td> </tr> <tr> <td>Earnings per MIIF Share (S\$)</td> <td style="text-align: right;">(0.029)</td> <td style="text-align: right;">(0.054)</td> </tr> </tbody> </table> <p>The decrease in earnings per MIIF Share from the Proposed Divestment is mainly due to:</p> <ul style="list-style-type: none"> - the reversal of the loss on valuation of HNE in FY2014 of S\$22.6 million, being more than offset by - the S\$32.8 million loss recorded on the Proposed Divestment of MIIF's interest in HNE at the Consideration amount of S\$110.0 million, and - the accruals of the estimated success fee and estimated transaction costs relating to the Proposed Divestment. 		Before the Proposed Divestment	After the Proposed Divestment	Loss after tax attributable to owners of the parent (S\$'000)	(32,836)	(62,549)	Weighted average number of MIIF Shares in issue ('000)	1,149,857	1,149,857	Earnings per MIIF Share (S\$)	(0.029)	(0.054)
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(10)	The rationale for that transaction including the benefits which are expected to accrue to the issuer as a result of the transaction;	The Proposed Divestment is in line with the strategy to maximise returns to Shareholders announced by the MIIF Board in December 2012 and endorsed by Shareholders in March 2013. The pursuit of this strategy has resulted in the successful divestments of MIIF's interests in TBC, CXP and Miaoli Wind, and the distribution of proceeds from these divestments to Shareholders. The Proposed Divestment was negotiated on an arm's length commercial basis and follows an extensive sales process undertaken by MIIF, with the advice of Citigroup Global Markets Asia Limited. The Proposed Divestment represents the best offer received by MIIF.												
(11)	Whether any director or controlling shareholder has any interest, direct or indirect, in the transaction and the nature of such interests;	<p>None of the directors and substantial shareholders of MIIF (other than in his or her or its capacity as a Shareholder) has any interest, direct or indirect, in the Proposed Divestment.</p> <p>About HNE</p> <p>HNE is a 31-kilometre dual-carriage urban toll road in the city of Guangzhou, the capital of Guangdong province in China. HNE has the exclusive right to operate and collect tolls up to 2026. It is the main artery for north-south traffic in Guangzhou. HNE is MIIF's sole remaining investment.</p>												

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		<p>For more information on HNE please refer to MIIF's website at www.macquarie.com/miif.</p> <p>About MIIF MIIF, a Bermuda-registered mutual fund company, was listed on the Main Board of the SGX-ST, on 27 May 2005.</p>																		
(12)	Details of any service contracts of the directors proposed to be appointed to the issuer in connection with the transaction; and	None																		
(13)	The relative figures that were computed on the bases set out in Rule 1006.	<p>The relative figures for the divestment computed on the bases set out in Rule 1006 ("Rule 1006") of the Listing Manual are as follows:</p> <table border="1"> <thead> <tr> <th>Rule 1006</th> <th>Bases</th> <th>Relative Figures (%)⁽¹⁾</th> </tr> </thead> <tbody> <tr> <td>(a)</td> <td>Net asset value of MIIF's interest in HNE, compared with the MIIF Group's net asset value</td> <td>108.7%</td> </tr> <tr> <td>(b)</td> <td>Net profits attributable to MIIF's interest in HNE compared with the MIIF Group's net profits</td> <td>33.2%</td> </tr> <tr> <td>(c)</td> <td>Aggregate value of the consideration received for the Proposed Divestment compared with MIIF's market capitalisation based on the total number of issued MIIF Shares excluding treasury shares⁽²⁾</td> <td>113.9%</td> </tr> <tr> <td>(d)</td> <td>Number of equity securities issued by MIIF as consideration for an acquisition, compared with the number of equity securities previously in issue</td> <td>Not applicable</td> </tr> <tr> <td>(e)</td> <td>Aggregate volume or amount of proved and probable reserves to be disposed of, compared with the aggregate of the MIIF Group's proved and probable reserves</td> <td>Not applicable</td> </tr> </tbody> </table> <p>Notes: (1) The relative figures presented are based on MIIF's latest announced results for the period ended 31 March 2015. (2) MIIF's market capitalisation is based on 1,149,857,154 MIIF Shares in issue as at 14 May 2015 at a volume weighted average price of 8.4 Singapore cps at the close of trading on 14 May 2015 for each MIIF Share.</p>	Rule 1006	Bases	Relative Figures (%) ⁽¹⁾	(a)	Net asset value of MIIF's interest in HNE, compared with the MIIF Group's net asset value	108.7%	(b)	Net profits attributable to MIIF's interest in HNE compared with the MIIF Group's net profits	33.2%	(c)	Aggregate value of the consideration received for the Proposed Divestment compared with MIIF's market capitalisation based on the total number of issued MIIF Shares excluding treasury shares ⁽²⁾	113.9%	(d)	Number of equity securities issued by MIIF as consideration for an acquisition, compared with the number of equity securities previously in issue	Not applicable	(e)	Aggregate volume or amount of proved and probable reserves to be disposed of, compared with the aggregate of the MIIF Group's proved and probable reserves	Not applicable
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