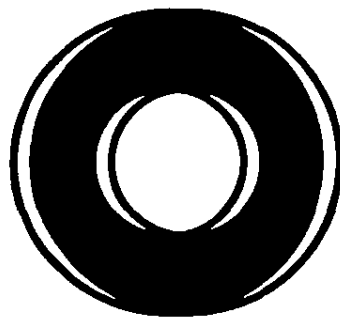


Company Registration Number: 2579363

MACQUARIE UK HOLDINGS LIMITED

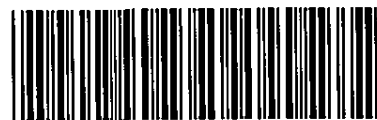
DIRECTORS' REPORT AND FINANCIAL STATEMENTS

**FOR THE YEAR ENDED
31 MARCH 2009**



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MACQUARIE UK HOLDINGS LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2009

CONTENTS	PAGE
General information	3
Directors' report	4-6
Independent auditors' report	7
Profit and loss account	8
Statement of total recognised gains and losses	9
Balance sheet	10
Notes to the financial statements	11-19

MACQUARIE UK HOLDINGS LIMITED

GENERAL INFORMATION**Directors**

P Kirk
I Learmonth
R Tallentire
J Walker (resigned 24 February 2009)
J Craig (resigned 18 April 2008)

Secretary

J Greenfield
D Tan (appointed 20 October 2008)
R Tallentire (resigned 30 September 2008)

Registered Office

Level 30
CityPoint
1 Ropemaker Street
London EC2Y 9HD

Auditors

PricewaterhouseCoopers LLP
Hay's Galleria
1 Hay's Lane
London SE1 2RD

Company number 2579363

MACQUARIE UK HOLDINGS LIMITED

DIRECTORS' REPORT

The directors present their report and the audited financial statements for Macquarie UK Holdings Limited ("the Company") for the year ended 31 March 2009.

PRINCIPAL ACTIVITIES

The principal activities of the Company during the financial year ended 31 March 2009 were the holding of international investments:

- The Company is a participant in a joint venture with a Korean counterparty. The joint venture, Shinhan Macquarie Financial Advisory Co. Ltd, is incorporated in Korea and engages in infrastructure management, asset based financing, project finance advisory and other related business in Korea.
- The Company holds an investment in Macquarie Korea Infrastructure Fund, a listed Korean infrastructure fund, managed by Macquarie Shinhan Infrastructure Asset Management Co., Ltd.
- The Company holds an investment in Macquarie Korea Opportunities Fund, a Korean private infrastructure fund, established to invest in Korean companies and Korean assets.
- The Company also acts as a holding company for various subsidiaries, including Global Asset Transformation Services Limited, Macquarie Capital Limited, Macquarie Capital (UK) Limited, Macquarie Real Estate Europe Limited, Goonzaran Bluebell Leasing Limited and MEIF (UK) Limited.

REVIEW OF BUSINESS AND FUTURE DEVELOPMENTS

The Company made the following investments in wholly owned subsidiaries of the Macquarie Group during the year:

- On 3 June 2008 the Company disposed of its investment in Macquarie (UK) Group Services Limited for consideration of £2 to Macquarie Capital Group Limited (UK Branch).
- On 30 September 2008 the Company disposed of its investment in Macquarie Leasing Limited for consideration of £2 to Macquarie Investments 2 Limited.
- On 3 November 2008 the Company disposed of its investment in Macquarie Finance Korea Co Limited for consideration of KRW 9,234,000,000 (£4,699,538) to Macquarie Investments 1 Limited.
- On 6 November 2008 the Company increased its ownership of Global Asset Transformation Services Limited from 50% to 100% after the shares of the remaining shareholders were cancelled under a Deed of Termination.
- On 5 August 2008 the Company became the initial limited liability member of Macquarie Capital Asia Partners. No capital was ever contributed to this entity and the entity was approved for liquidation on 18 March 2009.
- On 1 January 2009 the Company purchased all the ordinary share capital in Macquarie Real Estate Europe Limited for consideration of £38,518.
- On 30 March 2009 the Company purchased all the ordinary share capital in Goonzaran Bluebell Leasing Limited for consideration of £3,488.
- On 31 March 2009, the Company provided for impairment losses on the following investments for the amounts shown after a review to assess the recoverable amount:
 - Global Asset Transformation Services Limited £135,985
 - Macquarie Capital Limited £4,699
 - Macquarie Real Estate Europe Limited £38,518
 - MEIF (UK) Limited £5,010

The Company does not envisage any changes in activities for the foreseeable future.

POST BALANCE SHEET DATE EVENTS

Under tax law at the balance sheet date, the Company was carrying forward tax credits amounting to £526,878 which it would have been able to use against future UK tax liabilities on distributions of profits from its investments. Following a change in UK tax law with effect from 1 July 2009, these credits can no longer be utilised and therefore no future benefit will arise from this asset.

MACQUARIE UK HOLDINGS LIMITED

DIRECTORS' REPORT (CONTINUED)

RESULTS AND DIVIDENDS

The Company's loss after tax for the financial year was £1,203,464 (2008: Profit £1,910,100).

No dividends were paid during the year (2008: £5,000,000).

PRINCIPAL RISKS AND UNCERTAINTIES

From the perspective of the Company, the principal risks and uncertainties are integrated with the principal risks of the Macquarie Group and are not managed separately. Accordingly, the principal risks and uncertainties of Macquarie Group Limited, which include those of the Company, are discussed in its financial statements and can be obtained from the address given in Note 17.

KEY PERFORMANCE INDICATORS ("KPIs")

Given the straightforward nature of the business and the information provided elsewhere in this report, the directors are of the opinion that the production of KPIs in the Directors' Report is not necessary for an understanding of the development, performance or position of the business. The KPIs of the Company are monitored at the Macquarie Group level.

FINANCIAL RISK MANAGEMENT

The Company is exposed to a variety of financial risks that include the effects of changes in derivative market prices, credit risk, liquidity risk and interest rate risk. The Company is subject to the Macquarie Group's Risk Management programme that seeks to limit adverse effects on the financial performance of the Company.

Price risk

The Company is exposed to derivative market price risk as a result of its operations. The directors have adopted the risk model used by the Macquarie Group, as approved by the Risk Management Group. This model is incorporated into the Macquarie Group's risk management systems to enable the Company to manage this risk effectively.

Credit risk

Credit exposures, approvals and limits are controlled within the Macquarie Group's credit risk framework, as established by the Risk Management Group.

Liquidity risk

The directors have adopted the risk model used by the Macquarie Group, as approved by the Risk Management Group. This model is incorporated into the Macquarie Group's risk management systems to enable the Company to manage this risk effectively.

Interest rate risk

The Company has both interest bearing assets and interest bearing liabilities. Interest bearing assets include cash balances and receivables from other Macquarie Group undertakings, all of which earn a variable rate of interest. Interest bearing liabilities include payables to Macquarie Group Limited and its subsidiaries, which also incur a variable rate of interest.

Foreign exchange risk

The Company has foreign exchange exposures which include amounts receivable from and payable to Macquarie Group undertakings which are denominated in non-functional currencies. The Company uses derivative financial instruments to manage foreign exchange risk.

MACQUARIE UK HOLDINGS LIMITED

DIRECTORS' REPORT (CONTINUED)**DIRECTORS**

The directors of the Company holding office during the year were as follows:

P Kirk	
I Learmonth	
R Tallentire	
J Walker	(resigned 24 February 2009)
J Craig	(resigned 18 April 2008)

CREDITORS PAYMENT POLICY

It is the Company's policy to agree the terms of payment to creditors at the start of business with that supplier, ensure that suppliers are aware of the terms of payment and to pay in accordance with its contractual and other legal obligations.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are required by the Companies Act 1985 to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

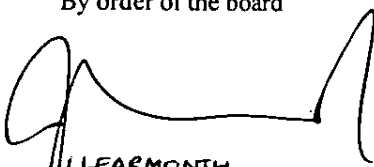
So far as the directors are aware, there is no relevant audit information of which the Company's auditors are unaware. The directors have taken all the steps necessary in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

The directors confirm that they have complied with the above requirements in preparing the financial statements. The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AUDITORS

Pursuant to section 487(2) of the Companies Act 2006, the auditors of the Company are deemed re-appointed for each financial year unless the directors or the members of the Company resolve to terminate their appointment. As at the date of these financial statements the directors are not aware of any resolution to terminate the appointment of the auditors.

By order of the board



I LEARMONTH
Director
29 September 2009

MACQUARIE UK HOLDINGS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MACQUARIE UK HOLDINGS LIMITED

We have audited the financial statements of Macquarie UK Holdings Limited for the year ended 31 March 2009 which comprise the Profit and Loss Account, the Statement of Total Recognised Gains and Losses, the Balance Sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland). This report, including the opinion, has been prepared for and only for the company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

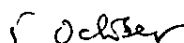
In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 March 2009 and of its loss for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' Report is consistent with the financial statements.



PricewaterhouseCoopers LLP
Chartered Accountants and Registered Auditors
London

September 2009



MACQUARIE UK HOLDINGS LIMITED**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2009**

	Notes	2009 £	Restated 2008 £
Turnover		5,392,218	3,221,364
Administrative expenses		<u>(37,906)</u>	<u>(97,292)</u>
Net turnover		5,354,312	3,124,072
Foreign exchange gains/(losses)	5	<u>262,689</u>	<u>(742,693)</u>
OPERATING PROFIT/(LOSS)		5,616,001	2,381,379
Gain/(loss) on sale of fixed asset investments		(1,086,715)	-
Impairment of fixed asset investments		(184,213)	(3,292,753)
Interest income	3	995,523	1,681,321
Interest expense	4	<u>(5,041,391)</u>	<u>(4,586,633)</u>
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION	5	300,205	(3,816,686)
Tax credit/(expense) on profit/(loss) on ordinary activities	6	<u>(1,503,669)</u>	<u>5,726,786</u>
PROFIT/(LOSS) ON ORDINARY ACTIVITIES AFTER TAXATION		<u>(1,203,464)</u>	<u>1,910,100</u>

Turnover and profit/(loss) on ordinary activities before taxation relate wholly to continuing operations.

There are no differences between the profit/(loss) on ordinary activities before taxation and the retained profit/(loss) for the year stated above and their historical cost equivalents.

The notes on pages 11 to 19 form part of these financial statements.

MACQUARIE UK HOLDINGS LIMITED

**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
FOR THE YEAR ENDED 31 MARCH 2009**

	2009	Restated
	£	2008
		£
Profit/(loss) for the financial year	(1,203,464)	1,910,100
Movement in foreign currency translation reserve (Note 14)	-	(10,893)
Total recognised gains/(losses) for the financial year	<u>(1,203,464)</u>	<u>1,899,207</u>

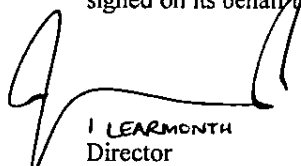
The notes on pages 11 to 19 form part of these financial statements.

MACQUARIE UK HOLDINGS LIMITED**BALANCE SHEET AS AT 31 MARCH 2009**

	Notes	2009 £	Restated 2008 £
FIXED ASSETS			
Investments	9	<u>62,622,992</u>	<u>56,756,568</u>
		62,622,992	56,756,568
CURRENT ASSETS			
Debtors	10	20,620,483	8,199,948
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	11	<u>(71,771,176)</u>	<u>(40,458,897)</u>
NET CURRENT ASSETS/(LIABILITIES)		(51,150,693)	(32,258,949)
CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR	12	(8,105,929)	(19,927,785)
NET ASSETS		<u>3,366,370</u>	<u>4,569,834</u>
CAPITAL AND RESERVES			
Called up share capital	13	100	100
Redeemable preference shares	13	6,423,921	6,423,921
Foreign currency translation reserve	14	508,563	508,563
Profit and loss account	15	<u>(3,566,214)</u>	<u>(2,362,750)</u>
SHAREHOLDERS' FUNDS	16	<u>3,366,370</u>	<u>4,569,834</u>

The notes on pages 11 to 19 form part of these financial statements.

The financial statements on pages 8 to 19 were approved by the board of directors on 21 September 2009 and were signed on its behalf by:



I LEARMONTH
Director

MACQUARIE UK HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2009

1. ACCOUNTING POLICIES

The financial statements are prepared on a going concern basis, under the historical cost convention, in accordance with Schedule 4 to the Companies Act 1985 and with applicable accounting standards.

The financial statements contain information about Macquarie UK Holdings Limited as an individual company and do not contain consolidated financial information as a parent of a group. The Company is exempt under section 228 of the Companies Act 1985 from the requirement to prepare consolidated financial statements as it and its subsidiary undertakings are included in full consolidation in the consolidated financial statements of its ultimate parent Macquarie Group Limited, a company incorporated in Australia.

The particular policies adopted are described below as follows:

a) TURNOVER

Turnover for the year comprises of dividend income from investments.

b) FOREIGN EXCHANGE GAINS / LOSSES

Gains and losses arising from foreign currency transactions are accounted for as other operating gains or losses respectively.

c) INTEREST

Interest receivable and similar income and interest payable and similar charges are brought to account on an accruals basis.

d) TAXATION AND DEFERRED TAXATION

The charge for taxation is based on the profit or loss for the year and takes into account taxation deferred due to timing differences between the treatment of certain items for taxation and accounting purposes. Deferred taxation is provided fully in respect of all timing differences between the accounting and tax treatment of income and expenses, at the reporting date, the anticipated reversal of which will result in change in the future liability to tax. The provision is calculated using the rates expected to be applicable when the asset or liability crystallises based on current tax rates and law and is measured on a non-discounted basis. A deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits against which to recover carried forward tax losses and from which the future reversal of underlying timing differences can be deducted.

e) INVESTMENTS

Investments, including investments in subsidiary undertakings, are recorded at cost less provision for impairment. Where the directors are of the opinion that there has been a permanent diminution in the value of investments, the carrying amount of such investments is written down to their recoverable amount. The impairment of fixed asset investment is recognised as an expense in the profit and loss account.

Under SSAP 20 Foreign currency translation, fixed asset investments denominated in currencies other than sterling, and which are financed by foreign borrowings or hedged by forward exchange contracts, are translated to sterling using the rate of exchange ruling at the balance sheet date.

MACQUARIE UK HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2009 (CONTINUED)

1. ACCOUNTING POLICIES (CONTINUED)

f) DERIVATIVE FINANCIAL INSTRUMENTS

Derivative financial instruments which include swaps and forwards are entered into by the Company for hedging purposes. These are accounted for on an accruals basis, based on current spot FX rate against forward rate set at inception or swap rate set at each rate set date. Interest payments on cross currency swaps are accounted for as interest in the Profit and Loss Account.

The Company's position on derivative financial instruments is shown net by counterparty on the balance sheet

g) IMPAIRMENT OF FINANCIAL ASSETS

The Company assesses at each balance sheet date whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or group of financial assets is impaired and impairment losses are incurred if, and only if, there is objective evidence of impairment as a result of one or more events that occur after the initial recognition of the asset (a 'loss event') and that loss event, or events has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

h) FOREIGN CURRENCIES

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of transaction. Monetary assets and liabilities denominated in foreign currencies which are not covered by forward exchange contracts are translated to sterling using the rate of exchange ruling at the balance sheet date and the gains or losses on translation are included in the profit and loss account.

Under SSAP 20 Foreign currency translation, fixed asset investments denominated in currencies other than sterling, and which are financed by foreign borrowings or hedged by forward exchange contracts, are translated to sterling using the rate of exchange ruling at the balance sheet date. The gains or losses on translation of the investment are taken to reserves together with the gains or losses on translation of the foreign borrowing or forward exchange contract.

i) DIVIDENDS

Dividend income is recognised when the right to receive income is established or when cash is received. For holding companies, dividend income is classified as turnover.

j) RESTATEMENT

Prior year figures have been restated as necessary to correctly reflect the split between foreign currency translation reserve and foreign exchange gains or losses in the profit and loss account. This reserve arose from the redeemable preference shares being used as a hedging instrument. The balances were shown incorrectly in prior years due to amounts being taken net to the reserve account, the amounts have been grossed out in the current year accounts to accurately reflect the position at the balance sheet date.

k) COMPARITIVES

Comparative figures have been adjusted to conform with changes in presentation in the current year relating to gains or losses on foreign currency translation.

MACQUARIE UK HOLDINGS LIMITED**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2009
(CONTINUED)****2. SEGMENTAL REPORTING**

The Company was a wholly owned subsidiary within the Macquarie Group throughout the year and is included in the consolidated financial statements of Macquarie Group Limited, which are publicly available. Consequently, the Company has taken advantage of the exemption from preparing a segmental reporting noted under the terms of the SSAP 25.

3. INTEREST INCOME

	2009 £	2008 £
Interest income - other Macquarie Group undertakings	995,523	1,586,940
Interest income - unrelated parties	-	94,381
	<u>995,523</u>	<u>1,681,321</u>

4. INTEREST EXPENSE

	2009 £	2008 £
Interest expense - other Macquarie Group undertakings	5,040,301	4,586,633
Interest expense - unrelated parties	1,090	-
	<u>5,041,391</u>	<u>4,586,633</u>

5. PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION

Profit/(loss) on ordinary activities before taxation is stated after charging:

	2009 £	Restated 2008 £
Foreign exchange (gains)/losses	(262,689)	742,693
Auditors' remuneration:		
Fees payable to the Company's auditors for the audit of the Company	22,600	29,107

The Company had no employees during the year (2008: nil).

MACQUARIE UK HOLDINGS LIMITED**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2009
(CONTINUED)****6. TAX ON PROFIT/(LOSS) ON ORDINARY ACTIVITIES****Analysis of tax charge/ (credit) for the year**

	2009 £	Restated 2008 £
Current tax:		
UK corporation tax at 28% (2008: 30%)	686,654	(1,064,730)
Deferred Tax	(62,139)	(987,826)
Adjustments to tax in respect of prior years	879,154	(4,662,056)
Total current tax	<u>1,503,669</u>	<u>(5,726,786)</u>
Tax on profit/(loss) on ordinary activities	<u>1,503,669</u>	<u>(5,726,786)</u>

Factors affecting tax charge for the year

The taxation charge for the year ended 31 March 2009 is higher (2008: lower) than the standard rate of corporation tax in the United Kingdom of 28% (2008: 30%). The differences are explained below:

	2009 £	Restated 2008 £
Profit/(loss) on ordinary activities before taxation	300,205	(3,816,686)
Profit/(loss) on ordinary activities before taxation multiplied by standard rate of corporation tax in the United Kingdom of 28% (2008: 30%)	84,058	(1,145,006)
Effects of:		
Loss on sale of subsidiary not deductible	304,280	-
Non-deductible legal costs	1,723	-
Interest on redeemable preference shares not deductible	296,593	394,218
Deferred tax	(62,139)	(987,826)
Income not subject to corporation tax	-	(373,936)
Adjustments to tax in respect of prior years	879,154	(3,614,236)
	<u>1,503,669</u>	<u>(5,726,786)</u>

7. DIRECTORS' REMUNERATION

During 2008 and 2009 all directors were employed by, and received all emoluments from, other Macquarie Group undertakings. The directors perform director duties for multiple entities in the Macquarie Group, as well as their employment duties within Macquarie Group businesses. Consequently, allocating their employment compensation across all these duties would mean any amounts allocated to their director duties for the Company would be an immaterial nominal amount. Accordingly, no separate remuneration has been disclosed.

8. DIVIDENDS PAID

	2009 £	2008 £
Equity – Ordinary		
Interim paid in 2008 of £50,000 per share	-	5,000,000
	<u>-</u>	<u>5,000,000</u>

MACQUARIE UK HOLDINGS LIMITED**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2009
(CONTINUED)****9. FIXED ASSET INVESTMENTS**

	2009 £	2008 £
COST		
At 1 April	56,756,568	48,358,194
Additions	11,132,842	15,775,307
Disposals	(5,786,250)	(2,109,274)
Foreign currency translation	704,045	(1,974,906)
Impairment during the year	(184,213)	(3,292,753)
At 31 March	<u>62,622,992</u>	<u>56,756,568</u>

Fixed asset investments comprise:

	Nature of business	Country of Incorporation	% ownership	2009 £	2008 £
Non-controlled investments					
Macquarie Korea Infrastructure Fund (MKIF)	Infrastructure investment	Republic of Korea	3.76%	29,205,423	28,547,692
Macquarie Korea Opportunities Fund (MKOF)	Infrastructure investment	Republic of Korea	5.76%	31,865,331	20,926,118
Shinhan Macquarie Financial Advisory Co Limited	Fund advisory	Republic of Korea	49%	265,429	265,429
				<u>61,336,183</u>	<u>49,739,239</u>

Non-controlled investments and disposals

- MKOF made one additional capital call during the year for a total of KRW 21.7 billion further invested.
- MKIF paid its February 2009 distribution partially in stock. The Company acquired an extra 299,733 shares for total consideration of KRW 1.5 billion.

MACQUARIE UK HOLDINGS LIMITED**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2009
(CONTINUED)****9. FIXED ASSET INVESTMENTS (CONTINUED)**

Fixed asset investments comprise:

	Nature of business	Country of Incorporation	% ownership	2009 £	2008 £
Subsidiaries					
Global Asset Transformation Services Limited	Facility management services	England / Wales	100%	1,268,398	1,206,439
Goonzaran Bluebell Leasing Limited	Leasing	England / Wales	100%	3,488	-
Macquarie Capital Limited	Dormant	England / Wales	100%	6,748	11,447
Macquarie Capital Korea Co Ltd	Leasing	Korea	0%	-	5,786,256
Macquarie (UK) Group Services Limited	Financing	England / Wales	0%	-	2
Macquarie Leasing Limited	Leasing	England / Wales	0%	-	0
Macquarie Capital (UK) Limited	Dormant	England / Wales	100%	1	1
Macquarie Real Estate Europe Limited	Real estate	England / Wales	100%	0	-
MEIF (UK) Limited	Holding company	England / Wales	100%	8,174	13,184
				<u>1,286,809</u>	<u>7,017,329</u>
				<u>62,622,992</u>	<u>56,756,568</u>

Subsidiary acquisitions and disposals

- On 3 June 2008 the Company disposed of its investment in Macquarie (UK) Group Services Limited for consideration of £2 to Macquarie Capital Group Limited (UK Branch).
- On 30 September 2008 the Company disposed of its investment in Macquarie Leasing Limited for consideration of £2 to Macquarie Investments 2 Limited.
- On 3 November 2008 the Company disposed of its investment in Macquarie Finance Korea Co Limited for consideration of KRW 9,234,000,000 (£4,699,538) to Macquarie Investments 1 Limited.
- On 6 November 2008 the Company increased its ownership of Global Asset Transformation Services Limited from 50% to 100% after the shares of the remaining shareholders were cancelled under a Deed of Termination.
- On 5 August 2008 the Company became the initial limited liability member of Macquarie Capital Asia Partners. No capital was ever contributed to this entity and the entity was approved for liquidation on 18 March 2009.
- On 1 January 2009 the Company purchased all the ordinary share capital in Macquarie Real Estate Europe Limited for consideration of £38,518.
- On 30 March 2009 the Company purchased all the ordinary share capital in Goonzaran Bluebell Leasing Limited for consideration of £3,488.
- On 31 March 2009, the Company provided for impairment losses on the following investments for the amounts shown after a review to assess the recoverable amount:
 - Global Asset Transformation Services Limited £135,985
 - Macquarie Capital Limited £4,699
 - Macquarie Real Estate Europe Limited £38,518
 - MEIF (UK) Limited £5,010

MACQUARIE UK HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2009 (CONTINUED)

10. DEBTORS

	2009 £	2008 £
Amounts owed by other Macquarie Group undertakings	18,389,313	5,776,309
Other debtors	-	249,693
Deferred taxation	1,643,627	1,705,766
Taxation	587,543	468,180
	<u>20,620,483</u>	<u>8,199,948</u>

Amounts owed by other Macquarie Group undertakings are unsecured and have no fixed date of repayment. The Company derives interest on intercompany loans to overseas group undertakings at market rates and at 31 March 2009 the rate applied ranged between LIBOR plus 3.02% and LIBOR plus 3.57% (2008: between LIBOR plus 0.35% and LIBOR plus 1.14%). The Company has opted to apply FRS 25 'Financial Instruments: Disclosure and Presentation', and has offset amounts owed to with amounts payable from group undertakings, on a counterparty by counterparty basis. The Company has a legally enforceable right of set off and intends to settle on a net basis.

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2009 £	2008 £
Amounts owed to other Macquarie Group undertakings	48,426,780	28,844,955
Class A redeemable preference shares	23,297,012	10,517,681
Other financial liabilities	-	1,050,501
Trade creditors	47,384	45,760
	<u>71,771,176</u>	<u>40,458,897</u>

Amounts owed to the subsidiary undertakings incorporated in the United Kingdom are unsecured and have no fixed date of repayment. The Company incurs interest on intercompany loans owed to Macquarie group undertakings at market rates and at 31 March 2009 the rate applied was LIBOR plus 3.57% (2008: LIBOR plus 0.63%). The Company has a legally enforceable right of set off and intends to settle on a net basis.

Redeemable preference shares denominated in Korean Won carry a variable preferential dividend as declared by the directors of the Company from time to time. The shares are redeemable at a date no later than five years from the issue of the shares subject to the provisions of the Company's Articles of Association. On a winding up the holders have priority before all other classes of shares to receive repayment of capital plus any arrears of dividends. The holders have no voting rights.

MACQUARIE UK HOLDINGS LIMITED
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2009
(CONTINUED)**
12. CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR

	2009 £	2008 £
Class A redeemable preference shares	8,105,929	19,927,785
	<u>8,105,929</u>	<u>19,927,785</u>

13. SHARE CAPITAL

	2009 £	2008 £
AUTHORISED		
100 ordinary shares of £1 each	100	100
63,600 Class A redeemable preference shares at £101.005 each	6,423,921	6,423,921
	<u>6,424,021</u>	<u>6,424,021</u>
ALLOTTED, CALLED UP AND FULLY PAID		
100 ordinary shares of £1 each	100	100
63,600 Class A redeemable preference shares at £101.005 each	6,423,921	6,423,921
	<u>6,424,021</u>	<u>6,424,021</u>

The class A redeemable preference shares were issued at a par value of KRW 1,000,000 each which has been split between debt and equity in accordance with adopted accounting policy.

14. FOREIGN CURRENCY TRANSLATION RESERVE

	2009 £	Restated 2008 £
Opening foreign currency translation reserve	508,563	519,456
Movements in reserve during the year	-	(10,893)
Closing foreign currency translation reserve	<u>508,563</u>	<u>508,563</u>

Exchange differences arising from the translation the Company's fixed asset investments denominated in currencies other than sterling, and which are financed by foreign borrowings or hedged by forward exchange contracts, are translated to sterling using the rate of exchange ruling at the balance sheet date. The gains or losses on translation of the investment are taken to reserves together with the gains or losses on translation of the foreign borrowing or forward exchange contract.

15. RETAINED EARNINGS

	2009 £	Restated 2008 £
Opening balance	(2,362,750)	727,150
Profit/(loss) for the year	(1,203,464)	1,910,100
Dividends paid	-	(5,000,000)
Closing balance	<u>(3,566,214)</u>	<u>(2,362,750)</u>

MACQUARIE UK HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2009 (CONTINUED)

16. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS FUNDS

	2009 £	Restated 2008 £
Opening shareholders' funds	4,569,834	7,670,627
Movements in foreign currency translation reserve	-	(10,893)
Profit/(loss) for the year	(1,203,464)	1,910,100
Dividends paid	-	(5,000,000)
Closing shareholders' funds	<u>3,366,370</u>	<u>4,569,834</u>

17. ULTIMATE PARENT UNDERTAKING

The immediate parent undertaking is Macquarie Capital International Holdings Pty Limited.

The ultimate parent undertaking and controlling party of Macquarie UK Holdings Limited, which is the parent undertaking of the smallest and largest group to prepare consolidated financial statements, is Macquarie Group Limited, a company incorporated in Australia. Copies of group financial statements for Macquarie Group Limited can be obtained from the Company Secretary, Level 7, No. 1 Martin Place, Sydney, New South Wales, 2000, Australia.

18. RELATED PARTY TRANSACTIONS

As 100% of the voting rights of the Company are controlled within the group headed by Macquarie Group Limited, incorporated in Australia, the Company has taken advantage of the exemption contained in FRS 8 and has therefore not disclosed transactions or balances with entities which form part of the Macquarie Group. The consolidated financial statements of Macquarie Group Limited, within which the Company is included, can be obtained from the address given in Note 17.

19. CASH FLOW STATEMENT

The Company was a wholly owned subsidiary within the Macquarie Group Limited group throughout the year and is included in the consolidated financial statements of Macquarie Group Limited, which are publicly available. Consequently, the Company has taken advantage of the exemption from preparing a cash flow statement under the terms of the FRS 1 (revised 1996).

20. POST BALANCE SHEET DATE EVENTS

Under tax law at the balance sheet date, the Company was carrying forward tax credits amounting to £526,878 which it would have been able to use against future UK tax liabilities on distributions of profits from its investments. Following a change in UK tax law with effect from 1 July 2009, these credits can no longer be utilised and therefore no future benefit will arise from this asset.