Macquarie Infrastructure CO Trust
Form 424B5
October 26, 2006

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CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	Amount to be Registered(1)	Proposed Maximum Offering Price Per Unit(1)	Proposed Maximum Aggregate Offering Price(1)	Amount of Registration Fee(
hares representing neficial terests in Macquarie frastructure Company ust	1,725,000	$29.50	$50,887,500	$5,444.96
C interests of Macquarie frastructure Company LLC	(2)	(2)	(2)	(2)(3)

(1) Calculated pursuant to Rule 457(a), with respect to 1,725,000 additional shares representing beneficial interests in Macquarie Infrastructure Company Trust being offered by this prospectus supplement. A filing fee of $28,221.52 was previously paid with respect to 8,625,000 shares representing beneficial interests in Macquarie Infrastructure Company Trust offered by this prospectus supplement on October 16, 2006 in connection with the filing of a preliminary prospectus supplement pursuant to Rule 424(b)(3) on October 17, 2006, which fee was calculated pursuant to Rule 457(c) based on $30.58, the average of the high and low prices of shares representing beneficial interests in Macquarie Infrastructure Company Trust on the New York Stock Exchange on October 13, 2006, and in accordance with Rules 457(o) and 457(r).

(2) The number of LLC interests of Macquarie Infrastructure Company LLC registered hereunder is equal to the number of shares representing beneficial interests in Macquarie Infrastructure Company Trust that are registered hereby. Each share representing one beneficial interest in Macquarie Infrastructure Company Trust corresponds to one underlying LLC interest of Macquarie Infrastructure Company LLC. If the trust is dissolved, each share representing a beneficial interest in Macquarie Infrastructure Company Trust will be exchanged for an LLC interest of Macquarie Infrastructure Company LLC.

(3) Pursuant to Rule 457(i) under the Securities Act, no registration fee is payable with respect to the LLC interests of Macquarie Infrastructure Company LLC because no additional consideration will be received by Macquarie Infrastructure Company Trust upon exchange of the shares representing beneficial interests in Macquarie Infrastructure Company Trust.

Filed Pursuant to Rule 424(b)(5)
Registration Nos. 333-138010 and
333-138010-01

PROSPECTUS SUPPLEMENT TO PROSPECTUS DATED OCTOBER 16, 2006

9,000,000 Shares

Macquarie Infrastructure Company Trust

Each Share of Trust Stock Represents One Beneficial Interest in the Trust

We are selling 9,000,000 shares of our trust stock, each representing one beneficial interest in the trust. The purpose of Macquarie Infrastructure Company Trust is to hold 100% of the interests of Macquarie Infrastructure Company LLC. Each beneficial interest in the trust corresponds to one interest of Macquarie Infrastructure Company LLC.

The shares trade on the New York Stock Exchange under the symbol MIC. On October 24, 2006, the closing price of shares of our trust stock on the New York Stock Exchange was $29.90.

The underwriters may also purchase up to an additional 1,350,000 shares of trust stock from us at the public offering price, less the underwriting discounts, within 30 days from the date of this prospectus supplement to cover overallotments.

Investing in the shares involves risks. See Risk Factors on page S-14 of this prospectus supplement.

	Price to Public	Underwriting Discounts and Commissions	Proceeds to Us
Per Share	$ 29.50	$ 1.254	$ 28.246
Total	$ 265,500,000	$ 11,286,000	$ 254,214,000

Delivery of the shares will be made on or about October 30, 2006.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus supplement or the accompanying prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

Merrill Lynch & Co. **Citigroup** **Credit Suisse**

A.G. Edwards

Jefferies & Company

Macquarie Securities (USA) Inc.

Stifel Nicolaus

The date of this prospectus supplement is October 24, 2006.

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Australian banking regulations that govern the operations of Macquarie Bank Limited and all of its subsidiaries, including our Manager, require the following statements: Investments in Macquarie Infrastructure Company Trust are not deposits with or other liabilities of Macquarie Bank Limited or of any

Macquarie Group company and are subject to investment risk, including possible delays in repayment and loss of income and principal invested. Neither Macquarie Bank Limited nor any other member company of the Macquarie Group guarantees the performance of Macquarie Infrastructure Company Trust or the repayment of capital from Macquarie Infrastructure Company Trust.

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You should rely only on the information contained in this prospectus supplement and the accompanying prospectus. We have not, and the underwriters have not, authorized anyone to provide you with different information. If anyone provides you with different information, you should not rely on it. We are not, and the underwriters are not, making an offer to sell these securities in any jurisdiction where the offer or sale is not permitted.

In this prospectus supplement and the accompanying prospectus, we rely on and refer to information and statistics regarding market data and the industries of our businesses and investments obtained from internal surveys, market research, independent industry publications and other publicly available information, including publicly available information regarding listed stock. The information and statistics are based on industry surveys and our Manager s and its affiliates experience in the industry.

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ABOUT THIS PROSPECTUS SUPPLEMENT

This document is in two parts. The first part is the prospectus supplement, which discusses the terms of this offering of shares of our trust stock. The second part is the accompanying prospectus, dated October 16, 2006, that is also a part of this document. This prospectus supplement and the accompanying prospectus are part of a registration statement that we filed with the Securities and Exchange Commission, or SEC, using the SEC s shelf registration rules. In this prospectus supplement, we provide you with specific information about the terms of this offering of the shares. Both this prospectus supplement and the accompanying prospectus include important information about us, the shares and other information you should know before investing in the shares. This prospectus supplement also adds to, updates and changes some of the information contained in the accompanying prospectus. To the extent that any statement that we make in this prospectus supplement is inconsistent with the statements made in the accompanying prospectus, the statements made in the accompanying prospectus are deemed modified or superseded by the statements made in this prospectus supplement. You should assume that the information appearing in this prospectus supplement and the accompanying prospectus, as well as the information contained in any document incorporated by reference herein or therein, is accurate as of the date of each such document only, unless the information specifically indicates that another date applies. See Incorporation of Certain Documents by Reference.

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SUMMARY

This summary highlights information incorporated by reference or contained elsewhere in this prospectus supplement and the accompanying prospectus. This summary may not contain all of the information that may be important to you. You should read carefully all of the information contained in or incorporated by reference into this prospectus supplement and the accompanying prospectus, including the information set forth under the caption Risk Factors beginning on page S-14 of this prospectus supplement and on page 4 of the accompanying prospectus, respectively, and our consolidated financial statements and the related notes thereto incorporated by reference herein before making a decision to invest in shares of our trust stock.

Macquarie Infrastructure Company Trust, a Delaware statutory trust that we refer to as the trust, owns its businesses and investments through Macquarie Infrastructure Company LLC, a Delaware limited liability company that we refer to as the company. Except as otherwise specified, Macquarie Infrastructure Company, MIC, we, us, and our refer to both the trust and the company and its subsidiaries together. The company owns the businesses located in the United States through a Delaware corporation, Macquarie Infrastructure Company Inc., or MIC Inc., and a business located outside of the United States through a Delaware limited liability company. Macquarie Infrastructure Management (USA) Inc., the company that we refer to as our Manager, is part of the Macquarie Group of companies. References to the Macquarie Group include Macquarie Bank Limited and its subsidiaries and affiliates worldwide.

Overview

We own, operate and hold investments in a diversified group of infrastructure businesses primarily in the United States. We believe our infrastructure businesses, which offer basic everyday services, have a sustainable and stable cash flow profile and offer the potential for capital growth. Traditionally, infrastructure businesses have been owned by governments or private investors or have formed part of vertically integrated companies. By owning shares of our trust stock, investors have an opportunity to participate directly in the ownership of these businesses.

Our new businesses, all of which we acquired in the last six months, consist of:

- The Gas Company, or TGC, a gas production and distribution business in Hawaii;
- a 50% ownership interest in IMTT Holdings, the owner/operator of a bulk liquid storage terminal business, International-Matex Tank Terminals, or IMTT; and
- Trajen Holdings, which owns and operates 23 fixed base operations, or FBOs, that are being integrated into our existing airport services business, Atlantic Aviation.

Our existing businesses consist of:

- Atlantic Aviation, an airport services business that operates 19 FBOs in the United States;
- Macquarie Parking, an off-airport parking business; and
- a district energy business, conducted through Thermal Chicago and Northwind Aladdin.

In August 2006, we disposed of our investment in Macquarie Communications Infrastructure Group, or MCG, and in October 2006, we disposed of our 17.5% interest in the holding company that owns South East Water, or SEW, a

regulated water utility in southeastern England. Additionally, in August 2006, we entered into an agreement to dispose of our interest in the holding company that owns 50% of the company that operates Yorkshire Link, or YLL, a 19-mile toll road south of Leeds in England. In September 2006, our 50% partner in this holding company exercised their pre-emptive rights over our interest. We expect this transaction to close by the end of February 2007.

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Our Infrastructure Businesses

Private investment in infrastructure is a relatively new trend in the United States, although well established in other financial markets. Infrastructure businesses are generally characterized by the essential nature of the services they provide. Our existing businesses, such as our district energy and airport parking businesses, and our new businesses, including our gas production and distribution business, provide basic, everyday services to our customers. In addition, our infrastructure businesses, such as our FBOs and our bulk liquid storage terminal business, have long-lived, high-value physical assets with low ongoing maintenance capital expenditure requirements (in the case of our FBOs), are scalable, and offer significant barriers to entry for new participants. We invest in infrastructure businesses that we believe offer sustainable cash flows and the opportunity for future growth. We focus on the ownership and operation of infrastructure businesses with long-lived physical assets in the following categories:

- *user pays*, such as our airport services, airport parking and bulk liquid storage terminal businesses, the revenues of which are derived from per-use or rental charges;

- *contracted*, such as our district energy business, a majority of the revenues of which are derived from long-term contracts with governments or other businesses; and

- *regulated*, such as the utility operations of our gas production and distribution business.

Infrastructure assets tend to be long-lived, require minimal or recoverable maintenance capital expenditure and are generally not subject to major technological change or rapid physical deterioration. This typically means that significant cash flow is available from infrastructure business to service debt, make distributions to shareholders and to renew and expand the business. Together with the potential capital appreciation realized through the active management of these businesses, investment in infrastructure offers the potential for both income and growth.

Our infrastructure businesses provide sustainable and growing long-term cash flows due to consistent customer demand and the businesses strong competitive positions, which result from high barriers to entry and our active management of our businesses. We believe the ongoing cash flows of our infrastructure businesses are protected by the nature of our businesses, including:

- They own long-lived, high-value physical assets and generate predictable revenue streams.
- All of our businesses, and particularly our airport services, district energy and bulk liquid storage terminal businesses, enjoy consistent, relatively inelastic demand for their services, which provides for stability of cash flows.
- Our businesses, including our bulk liquid storage terminal and gas production and distribution businesses, benefit from preferred positions in their respective markets.
- Our businesses have strong competitive positions, largely due to high barriers to entry, including:
  - high initial development and construction costs, such as the cost of cooling equipment and distribution pipes for our district energy business and the regulated distribution assets for our gas production and distribution business;
  - difficulty in obtaining suitable land, such as the waterfront land owned by our bulk liquid storage terminal business;
  - long-term, exclusive concessions or leases and customer contracts, such as those held by our airport services and district energy businesses; and
  - lack of cost-effective alternatives to customers in the foreseeable future, such as our district energy business.
- Many of our businesses are scalable such that relatively small amounts of growth related capital expenditure can result in significant increases in EBITDA.

We actively manage our businesses by seeking to grow revenues while controlling expenses, improving marketing efforts to attract customers to use the services provided by our user pays and regulated businesses, and optimizing capital structures, thereby maximizing the cash available for distribution to holders of our trust stock. We believe we can grow our businesses at rates above the fundamental drivers associated with these businesses. For example, the fundamental driver of revenue growth for our airport parking business is the level of commercial airline passenger enplanements. The Federal Aviation Administration projects increases in the commercial passenger enplanements of approximately 3% per year. We believe that our ability to effectively market our services and manage yield will enable us to grow revenue in this business at rates above those forecasted by the Federal Aviation Administration.

The revenues generated by our infrastructure businesses can generally be expected to keep pace with inflation due to the pricing power often enjoyed by user pays businesses, the price increases built into the agreements with customers of contracted businesses, and the inflation and cost pass-through adjustments typically provided by the regulatory process to our regulated businesses. In addition, we employ interest rate swaps in connection with the majority of our businesses floating rate debt to protect our earnings from the higher costs that may result from interest rate increases.

Estimated Cash Available for Distribution

We analyze our businesses cash flows and results of operations on an ongoing basis to estimate cash available for distribution to shareholders. We believe this is a critical analysis as it demonstrates over time our continuing ability to make distributions to our shareholders.

We use cash from operations, a GAAP measure, as the starting point of this estimation. In the case of TGC, where this information is not available for historical periods prior to our acquisition, we use EBITDA instead as we believe it to be a reasonable proxy for cash from operations because of TGC s minimal income tax liability during the periods presented. Cash from operations data for TGC will be available for future periods and, for future periods, we will use cash from operations as the basis for estimating TGC s contribution to our cash available for distribution.

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In calculating our estimated cash available for distribution in the table below, we made two general types of adjustments to cash from operations (or EBITDA). First, we made adjustments for certain cash items, excluding those that we believe do not affect estimated cash available for distribution over time and including those that we believe directly affect estimated cash available for distribution. Second, we made adjustments reflecting the full period impact of our acquisitions and disposals consummated or planned during the current year.

The first type of adjustments discussed above are generally categorized as follows:

Regularly recurring cash items not included in cash from operations, such as annualized cash capital expenditures and principal repayments. We deduct these items since they directly impact estimated cash available for distribution;

Regularly recurring items included in cash from operations that we believe result from timing of cash payments and receipts, such as movements in working capital. We adjust to exclude these items as we do not believe they impact estimated cash available for distribution over time;

Periodically recurring cash payments included in cash from operations but funded, or expected to be funded, from equity contributions or external financing, such as acquisition, integration and broken deal costs. We adjust to exclude these items as they are, or are expected to be, externally funded and do not directly impact estimated cash available for distribution; and

Periodic cash items not included in cash from operations that we expect to occur only occasionally, such as settlements of pre-acquisition items and release of debt reserves. We adjust to include these items as they directly impact estimated cash available for distribution.

We believe the categories and examples of adjustments to cash from operations (or EBITDA) presented above covers a majority of the adjustments we have made to date. However, the categories of adjustments set forth above are for illustration purposes only and are not a complete list of adjustments that we have made or may make.

For the six months ended June 30, 2006 and the year ended December 31, 2005, our then-existing businesses and investments generated estimated cash available for distribution of $31.2 million, or $1.15 per share, and $47.9 million, or $1.77 per share, respectively.

In addition to the above, we have also made adjustments to cash from operations to reflect:

The estimated impact of owning businesses acquired recently for the full periods presented; and

The estimated impact of the disposal of our MCG and SEW investments and the proposed disposal of our YLL interest.

We have made these adjustments to more accurately reflect our estimate of cash available for distribution for the periods presented based on the company structure we believe would have been in place had the acquisitions, disposal and planned disposals been consummated at the beginning of the periods presented.

	For the Year Ended December 31, 2005			
Estimated Cash Available for Distribution	**MIC**	**IMTT**	**TGC**	**Total**
	($ in thousands)			

Cash from Operations	$ 43,547	$ 24,788(1)		$ 68,335
EBITDA			$ 26,022(2)	26,022
Cash items not included in cash from operations(3)	(5,173)		(6,116)	(11,289)
Items in cash from operations due to timing(4)	3,125			3,125
Items in cash from operations externally funded(5)	2,964			2,964
Divestments of MCG, YLL and SEW(6)	(18,205)			(18,205)
Additional interest expense(7)	(4,171)		(8,544)	(12,715)
Estimated Cash Available for Distribution	$ 22,087	$ 24,788	$ 11,362	$ 58,237

(1) Cash from operations for IMTT consists of:

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$28,000 distribution guaranteed by the Shareholders Agreement; net of

the estimated incremental base management fee of $3,213.

(2) EBITDA for TGC consists of:

$27,923 of EBITDA generated by TGC; net of

the estimated incremental base management fee of $1,325; and

state taxes of $576.

(3) Cash items not included in cash from operations consist of:

$ in thousands	**MIC**	**TGC**	**Total**
Cash capital expenditures	$ (5,099)	$ (6,116)	$ (11,215)
Principal payments	(644)		(644)
Minority interests in estimated cash available for distribution	(124)		(124)
Cash settlement of pre-acquisition item	694		694
	$ (5,173)	$ (6,116)	$ (11,289)

(4) Items in cash from operations due to timing consists entirely of working capital movements.

(5) Items in cash from operations externally funded consist of:

$ in thousands	**MIC**
Costs of unsuccessful acquisition bids	$ 2,051
Acquisition costs	913
	$ 2,964

(6) Impact of divestments consists of:

$ in thousands	
MCG	$ (3,230)
Yorkshire Link	(6,628)
SEW	(8,347)
	$ 18,205

(7) Additional interest expense for MIC relates to our Airport Services Business new financing that resulted in $100 million in additional debt, net of reduced interest expense related to a lower margin obtained on the refinanced portion. Additional interest expense for TGC relates to a new $160 million debt facility at TGC.

Estimated Cash Available for Distribution	**For the Six Months Ended June 30, 2006**			
	MIC	**IMTT**	**TGC**	**Total**
	($ in thousands)			
Cash from Operations	$ 23,401	$ 6,197(1)		$ 29,598
EBITDA			$ 10,596(2)	10,596
Cash items not included in cash from operations(3)	4,343		(3,450)	893
Items in cash from operations due to timing(4)	1,498			1,498
Items in cash from operations externally funded(5)	704		2,000	2,704
Divestments of MCG, YLL and SEW(6)	(6,803)			(6,803)
Interest expense adjustment(7)	2,617		(3,664)	(1,047)
Estimated Cash Available for Distribution	$ 25,760	$ 6,197	$ 5,482	$ 37,439

(1) Cash from operations for IMTT consists of:

$7,000 distribution for the first quarter had the acquisition been consummated then; net of

the estimated incremental base management fee of $803.

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(2) EBITDA for TGC consists of:

$10,927 of EBITDA generated by TGC; net of

the estimated incremental base management fee of $331.

(3) Cash items not included in cash from operations consist of:

$ in thousands	**MIC**	**TGC**	**Total**
IMTT distribution for second quarter	$ 7,000		$ 7,000
Cash capital expenditures	(3,110)	$ (3,450)	(6,560)
Principal payments	(75)		(75)
Minority interests in estimated cash available for distribution	(472)		(472)
Cash settlement of pre-acquisition item	1,000		1,000
	$ 4,343	$ (3,450)	$ 893

(4) Items in cash from operations due to timing consists entirely of working capital movements.

(5) Items in cash from operations externally funded consist of:

$ in thousands	**MIC**	**TGC**	**Total**
Costs of unsuccessful acquisition bids	$ 378		$ 378
Integration costs	326		326
Acquisition-related expenses		$ 2,000	2,000
	$ 704	$ 2,000	$ 2,704

(6) Impact of divestments consists of:

$ in thousands	
MCG	$ (2,180)
Yorkshire Link	(2,429)
SEW	(2,673)
Annualization of distributions	479
	$ (6,803)

(7) Reduction in interest expense for MIC relates to assumed use of proceeds from disposals and equity raise to pay down debt. Additional interest expense for TGC relates to a new $160 million debt facility at TGC.

Total estimated cash available for distribution from our existing businesses and investments during fiscal year 2005, adjusted for the disposal of our MCG, YLL and SEW investments and for the pro forma contribution generated by both our bulk liquid storage terminal business and our gas production and distribution business, would have been $58.2 million. Estimated cash available for distribution for the first six months of 2006, on the same basis, would have been $37.4 million.

While financial statements reflecting the full-year results for our airport services business including our acquisition of Trajen are not available, using the definition of estimated cash available for distribution outlined above we estimate that Trajen s contribution to our estimated cash available for distribution for the first six months of 2006 if all 23 fixed base operations had been owned by us during the period would have been $4.9 million. Therefore, the total estimated cash available for distribution from both our existing businesses and new businesses for the first six months of 2006 would have been approximately $42.3 million. For purposes of the preceding analysis, we have excluded the interest expense associated with the debt outstanding under our acquisition credit facility which we used to acquire our new businesses and which we intend to repay in full with the proceeds of this offering, the proceeds from the August 2006 disposal of our MCG investment, the proceeds from the October 2006 disposal of our SEW investment and our disposal of our interest in our toll road business, which we expect to be concluded by the end of February 2007.

Our Manager

Our Manager, a member of the Macquarie Group, is responsible for our day-to-day operations and affairs and actively oversees the management teams of our operating businesses. Together with its subsidiaries and affiliates worldwide, the Macquarie Group provides specialist investment, advisory, trading and financial

services in select markets around the world. The Macquarie Group is a global leader in advising on the acquisition, disposition, management and financing of infrastructure assets and the management of infrastructure investment vehicles on behalf of third-party investors.

Our Manager s active involvement in each of our businesses enables our operational management teams to benefit from the Macquarie Group s extensive industry experience and regulatory knowledge, as well as its expertise in identifying, valuing and financing the acquisition of infrastructure assets. This relationship enables the operational management teams to focus on expanding and strengthening the operations of their respective businesses. Our acquisition opportunities are identified largely by the Macquarie Group s more than 400 personnel in various advisory roles around the world. In addition, we can access the experience and expertise of the more than 480 people who manage the infrastructure businesses and investments to improve the performance and to optimize the capital structure of those businesses. The Macquarie Group s focus on infrastructure has produced annualized returns to investors of 17.8% as of June 30, 2006, since its first infrastructure entity was listed in December of 1996.

Under the terms of the management services agreement, we have first priority over all entities managed by members of the Macquarie Group within the IB Funds, or IBF, division with respect to infrastructure acquisition opportunities within the United States with three exceptions. These exceptions are toll roads, airports and communication infrastructure. Please see page 18 of the accompanying prospectus for more detail.

Strategy

Our strategy is to deliver increasing value to shareholders through two initiatives. First, we are growing our existing businesses by pursuing revenue growth and gross operating income improvement, optimizing the capital structure of our businesses, and improving the performance and the competitive position of our controlled businesses through complementary acquisitions.

Second, we will continue to acquire businesses we believe will provide yield accretive returns in infrastructure sectors other than those in which our businesses and investments currently operate. We believe our association with the Macquarie Group is key to the successful execution of our strategy.

Operational Strategy

We rely on the Macquarie Group s demonstrated expertise and experience in the management of infrastructure businesses to execute our operational strategy. In managing infrastructure businesses, the Macquarie Group endeavors to (1) recruit and support talented operational management teams, (2) instill disciplined financial management consistently across the businesses, (3) source and execute complementary acquisitions, and (4) optimize the capital structure of the businesses to maximize returns to shareholders.

While leveraging our relationship with the Macquarie Group to maximize shareholder value, we will continue to pursue the following initiatives:

- improving and expanding our existing marketing programs;
- making selective capital expenditures to renew facilities and expand certain operations; and
- strengthening our competitive position through complementary acquisitions.

We believe this strategy will increase the cash generated by our businesses by increasing revenues and improving gross operating income.

Acquisition Strategy

We expect our acquisition strategy to benefit from the Macquarie Group s deep knowledge and ability to identify acquisition opportunities in the infrastructure area. We believe it is often the case that infrastructure opportunities are not widely offered, well-understood or properly valued. The Macquarie Group has significant expertise in the execution of such acquisitions, which can be time-consuming and complex.

We intend to acquire infrastructure businesses and investments in sectors other than those sectors in which our businesses and investments currently operate, provided we believe we can achieve yield accretive returns. Our focus is on acquiring businesses in the United States. Generally, we will seek to acquire

controlling interests, but we may from time to time acquire minority positions in attractive sectors where those acquisitions generate immediate dividends and where our partners have objectives similar to our own. We will not seek to acquire infrastructure businesses that face significant competition, such as merchant electricity generation facilities.

Execution of Strategy to Date

Since our initial public offering in December 2004, we have successfully executed our strategy by improving the performance of our existing operations and through complementary acquisitions, and have realized growth in revenue and margins. For example, the gross profit generated by our airport services business grew 32% in 2005 over 2004. The revenue generated by our airport parking business increased 16% in 2005.

Operational Strategy. We have executed our operational strategy as follows:

Leveraging Our Relationship with the Macquarie Group. Our Manager s expertise in structuring and refinancing the debt of our existing and new businesses, as well as its ability to optimize the capital structure of all of our businesses, has contributed to our efforts to maximize returns to shareholders.

For example, following substantial growth in EBITDA from our airport services business in 2005 over 2004, we were able to increase the level of borrowing by this business while lowering total borrowing costs and maintaining an appropriate debt service coverage ratio. The net proceeds have been reinvested in our new businesses at yields that we expect will be substantially above the cost of the borrowed funds.

Improving and Expanding Our Existing Marketing Programs. Centralizing the capital management and acquisition-related activities of our businesses has enabled management at the operating company level to focus on improving the performance of these businesses. In particular, operating company management personnel have been freed up to enhance marketing efforts and the deployment of growth capital expenditures, both of which have resulted in the generation of increased levels of distributable cash.

Making Selective Capital Expenditures to Expand Existing Businesses. We continue to make selected capital expenditures in our businesses to improve facilities and expand capacity, which we expect will produce growth in revenue, EBITDA and cash available for distribution. Anticipated capital expenditures include:

approximately $12.4 million during 2006 and 2007 for upgrades and expansion of certain facilities in our existing airport services business plus approximately $850,000 in Trajen;

approximately $8.4 million beginning in the second half of 2006 for capacity expansion of our district energy business; and

at least $191.0 million during 2006 and 2007 that IMTT intends to spend to expand its storage facilities; IMTT has already received contractual commitments from customers for the majority of the additional storage capacity resulting from the expansion, with the balance of the new capacity to be used to service customers while their existing tanks are undergoing maintenance over the next five years.

Strengthening Our Competitive Position Through Complementary Acquisitions. We have grown our existing businesses through the successful conclusion of yield-accretive, complementary acquisitions identified by the Macquarie Group, which, in addition to our recent acquisition of Trajen and its 23 FBOs, include:

- our acquisition of an FBO at McCarran International Airport in Las Vegas during the third quarter of 2005, resulting in the expansion of our airport services business to one of the fastest growing regional economies in the United States; and

- our acquisition of eight additional off-airport parking facilities during 2005, which increased the number of airports served by our airport parking business from 15 to 20.

Acquisition Strategy. We have executed our acquisition strategy as follows:

Focusing on Yield-Accretive Acquisitions in New Sectors. We have concluded acquisitions of businesses in new infrastructure sectors where our existing businesses and investments had not previously operated. Our acquisitions of IMTT and TGC expand our operations to bulk liquid storage and gas production and distribution, respectively, and we expect both acquisitions to be immediately yield-accretive.

Focusing on U.S. Acquisition Opportunities. All of the new infrastructure businesses we acquired operate in the United States. Following the disposition of our investments discussed under Recent Developments, 100% of our cash flow will be generated by businesses located in the United States.

Recent Developments

Disposal of Investments in MCG, SEW and YLL

In August 2006, we disposed of our investment in MCG, which generated net proceeds to us of $76.45 million, which we used to repay a portion of the outstanding borrowings under the MIC Inc. acquisition credit facility, and entered into agreements relating to the disposition of our interest in the holding company that owns 50% of the company that owns the Yorkshire Link concession and our 17.5% interest in the holding company that owns SEW. We completed the sale of SEW on October 2, 2006, generating approximately $89.5 million of net proceeds, which was also used to repay a portion of the outstanding borrowings under the MIC Inc. acquisition credit facility. Each of these investments had been a part of our portfolio since our initial public offering. The disposal of these assets is consistent with our mandate to be the owner and operator of infrastructure businesses, primarily in the United States.

The prices at which we sold our investments in MCG and SEW and the price at which we have agreed to sell our investment in YLL will generate substantial gains for our investors. We will redeploy the proceeds of the sales, into our recently acquired businesses. We will do so by using the proceeds to reduce our acquisition-related indebtedness not otherwise being repaid from the proceeds of this offering. We expect the disposition of our investment in YLL to be concluded by the end of February 2007.

Restatement of Certain Financial Statements

On September 13, 2006, our Audit Committee determined that we would be required to amend and restate previously issued financial statements and other financial information for the quarters ended March 31, 2006 and June 30, 2006 for derivative instruments that did not qualify for hedge accounting during those periods. On October 13, 2006, our Audit Committee determined that our unaudited 2005 quarterly financial statements and financial information as well as 2005 financial information for our airport services and airport parking segments within Management s Discussion and Analysis of Financial Condition and Results of Operations should be restated to reflect the elimination of hedge accounting for all of our derivative instruments. We also determined that the impact of not qualifying for hedge accounting was not material to our audited financial statements for the full year 2005 or the period from April 13, 2004 (inception) to December 31, 2004.

On October 16, 2006, we filed amended quarterly reports on Form 10-Q/A to restate our financial statements and other financial information for the quarterly periods noted. We also filed an amended annual report on Form 10-K/A for the full year 2005 in which we corrected certain quarterly and segment financial information for that year but did not change the audited annual financial results.

For a more detailed discussion of the restatements, see Management s Discussion and Analysis of Financial Condition and Results of Operations Restatement of Certain Financial Statements in this prospectus supplement. Additionally, we refer you to our amended annual report on Form 10-K/A, filed with the SEC on October 16, 2006, and our amended quarterly reports on Form 10-Q/A filed the same day, all of which are incorporated by reference in this prospectus supplement.

Corporate Information

Our principal executive offices are located at 125 West 55th Street, New York, NY 10019. Our telephone number is (212) 231-1000. You may also obtain additional information about us from our website, *www.macquarie.com/mic*. Information on our website is not a part of this prospectus supplement or the accompanying prospectus.

The Offering

Shares of Trust Stock Offered by Us	9,000,000 shares
Shares Outstanding After the Offering	36,212,165 shares
Use of Proceeds	We estimate that the net proceeds from the sale of the shares in this offering will be approximately $252.8 million, or $290.9 million if the underwriters exercise their overallotment option in full. We intend to use the aggregate net proceeds from this offering, including any proceeds we may receive from the exercise by the underwriters of their overallotment option, to repay borrowings under MIC Inc. s acquisition credit facility incurred to finance the acquisitions of TGC, IMTT and Trajen and any remaining amounts for general corporate purposes. See Use of Proceeds for more information.
U.S. Federal Income Tax Considerations	Subject to the discussion in Material U.S. Federal Income Tax Considerations in the accompanying prospectus, although the matter is not free from doubt, in the opinion of Shearman & Sterling LLP, the trust will be classified as a grantor trust for U.S. federal income tax purposes. As a result, for U.S. federal income tax purposes, you generally will be treated as the beneficial owner of a pro rata portion of the interests in the company held by the trust. Furthermore, subject to the discussion in Material U.S. Federal Income Tax Considerations in the accompanying prospectus, in the opinion of Shearman & Sterling LLP, the company will be classified as a partnership for U.S. federal income tax purposes. Accordingly, neither the company nor the trust will incur U.S. federal income tax liability; rather, each beneficial owner of shares of trust stock will be required to take into account its allocable share of our income, gain, loss, deduction and other items for our taxable year ending with or within the beneficial owner s taxable year. To the extent that the company receives dividend income that qualifies for the lower rate of tax applicable to long-term capital gains, holders of shares of trust stock who satisfy certain holding period requirements will recognize dividend income that qualifies for the lower rate of tax (currently, a maximum rate of 15%).

The company anticipates that more than 90% of a holder s distributive share of the company s income during each taxable year will be qualifying income for purposes of the holder s determination of whether such holder satisfies the

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	income requirements necessary to qualify as a regulated investment company for U.S. federal income tax purposes. The company also should not be treated as engaged in a trade or business within the United States and therefore it should not realize income that would be treated as effectively connected with the conduct of a trade or business within the United States. Please refer to the Material U.S. Federal Income Tax Considerations section in the accompanying prospectus for information on the potential U.S. federal income tax consequences of the purchase, ownership and disposition of shares of trust stock.
Risk Factors	See Risk Factors and other information included or incorporated by reference in this prospectus supplement and the accompanying prospectus for a discussion of factors you should carefully consider before deciding to invest in shares of our trust stock.
New York Stock Exchange Symbol	MIC

The number of shares of trust stock to be outstanding immediately after the offering is based on shares outstanding as of September 30, 2006 and excludes 16,869 shares issuable upon vesting of the same number of outstanding restricted stock units and an additional 27,258 shares reserved for issuance under our independent directors equity plan. Except as otherwise noted, all information in this prospectus supplement assumes that the underwriters overallotment option is not exercised. If the overallotment option is exercised in full, we will issue and sell an additional 1,350,000 shares and the number of shares of trust stock outstanding after the offering will be 37,562,165.

Summary Historical Financial Data

The summary financial data for Macquarie Infrastructure Company Trust include the results of operations, cash flow and balance sheet data of Atlantic Aviation FBO, Inc. (formerly known as North America Capital Holding Company), or Atlantic FBO Holdco, which was deemed to be our predecessor. We have included the results of operations and cash flow data of Atlantic FBO Holdco for the year ended December 31, 2003, for the period from January 1, 2004 through July 29, 2004 and for the period July 30, 2004 through December 22, 2004. The period from December 23, 2004 through December 31, 2004 includes the results of operations and cash flow data for our businesses and investments from December 23, 2004 through December 31, 2004 and the results of the company from April 13, 2004 through December 31, 2004. The year ended December 31, 2005 includes the full year of results for our consolidated group, with the results of businesses acquired during 2005 being included from their dates of acquisition. We have included the balance sheet data of Atlantic FBO Holdco at December 31, 2003 and our consolidated balance sheet data at December 31, 2004 and December 31, 2005. The summary financial data for the six months ended June 30, 2005, and as of and for the six months ended June 30, 2006 are derived from our unaudited consolidated financial statements for such periods and dates, included in our amended Quarterly Report on Form 10-Q/A for the quarterly period ended June 30, 2006, incorporated by reference in this prospectus supplement, which, in the opinion of management, contain all adjustments necessary for a fair presentation of the consolidated financial data. Our historical results are not necessarily indicative of the operating results that may be expected in the future. You should read the following information together with the information under Management s Discussion and Analysis of Financial Condition and Results of Operations and our consolidated financial statements, including the notes thereto, included in our amended Annual Report on Form 10-K/A for the fiscal year ended December 31, 2005, filed with the SEC on October 16, 2006, and our amended Quarterly Report on Form 10-Q/A for the quarterly period ended June 30, 2006, all of which is incorporated by reference in this prospectus supplement.

The summary financial data for IMTT as at and for the years ended December 31, 2005, 2004 and 2003 are derived from the audited consolidated financial statements of IMTT Holdings, Inc. (formerly known as Loving Enterprises, Inc.), incorporated in this prospectus supplement by reference from our Current Report on Form 8-K/A filed with the SEC on May 16, 2006. The summary financial data for IMTT for the six months ended June 30, 2005 and as at and for the six months ended June 30, 2006 are derived from the unaudited consolidated financial statements of IMTT Holdings, Inc. We own 50% of IMTT and account for this business under the equity method of accounting.

The summary financial data for TGC as of April 30, 2006 and for the period from July 1, 2005 to April 30, 2006, and as of June 30, 2005 and 2004, and for the year ended June 30, 2005 and the period from August 8, 2003 (date of inception) to June 30, 2004, are derived from the audited consolidated financial statements of K-1 HGC Investment, LLC and subsidiaries, incorporated in this prospectus supplement by reference from our Current Report on Form 8-K/A filed with the SEC on June 27, 2006. The summary financial data for TGC for the six months ended June 30, 2005 and as at and for the six months ended June 30, 2006 are derived from our unaudited consolidated financial statements of TGC.

The summary financial data presented below represent the historical financial information for IMTT and TGC and do not reflect the accounting for these businesses upon completion of the acquisitions and the operation of the businesses as a consolidated entity. You should read this information with the financial statements and related notes, the unaudited condensed combined pro forma financial statements and related notes and Management s Discussion and Analysis of Financial Condition and Results of Operations included elsewhere in this prospectus supplement.

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Macquarie Infrastructure Company Trust

	Successor				Predecessor		
	Six Months Ended June 30, 2006 (Unaudited)	Six Months Ended June 30, 2005 (Unaudited)	Year Ended December 31, 2005	December 23 through December 31, 2004	July 30 through December 22, 2004	Jan 1 through July 29, 2004	Year Ended December 31, 2003
	($ in thousands)						
Statement of Operations Data:							
Revenue	$ 192,127	$ 138,254	$ 304,743	$ 5,064	$ 39,304	$ 55,762	$ 77,849
Operating income (loss)	17,887	13,380	25,351	(18,250)	4,298	8,662	16,205
Income (loss) from continuing operations	16,998	7,587	15,196	(17,588)	(5,556)	(514)	6,045

	June 30, 2006 (Unaudited)	Successor at December 31, 2005	Successor at December 31, 2004	Predecessor at December 31, 2003
	($ in thousands)			
Balance Sheet Data:				
Total assets	$ 1,967,473	$ 1,363,298	$ 1,208,487	$ 135,210
Total liabilities	1,384,574	786,693	603,676	75,369
Preferred stock				64,099
Stockholders equity (deficit)	574,088	567,665	596,296	(4,258)

IMTT

	Six Months Ended June 30, 2006 (Unaudited)	Six Months Ended June 30, 2005 (Unaudited)	Year Ended December 31, 2005	Year Ended December 31, 2004	Year Ended December 31, 2003
	($ in thousands)				
Statement of Operations Data:					
Revenue	$ 120,937	$ 110,717	$ 250,624	$ 210,667	$ 193,066
Operating income	25,500	20,761	47,146	35,817	30,412
Net income	9,614	5,133	13,376	7,881	5,890

	At June 30,	At December 31,

	2006 (Unaudited)	2005	2004	2003 (Unaudited)
		($ in thousands)		
Balance Sheet Data:				
Total assets	$ 630,666	$ 549,235	$ 510,554	$ 487,021
Total liabilities	425,454	468,114	445,524	424,759
Stockholders equity	205,212	81,121	65,030	62,262

The Gas Company

	Six Months Ended June 30, 2006	Six Months Ended June 30, 2005	July 1, 2005 Through April 30, 2006	Year Ended June 30, 2005	August 8, 2003 Through June 30, 2004
	(Unaudited)				
			($ in thousands)		
Statement of Operations Data:					
Revenue	$ 82,568	$ 70,907	$ 129,935	$ 132,413	$ 104,883
Operating income	11,366	10,792	17,885	19,640	18,730
Income before taxes(1)	7,474	6,386	5,792	10,815	9,625

	At June 30, 2006 (Unaudited)	At April 30, 2006	At June 30, 2005	At June 30, 2004
		($ in thousands)		
Balance Sheet Data:				
Total assets	$ 319,277	$ 188,774	$ 175,075	$ 158,957
Total liabilities	207,628	105,913	100,236	92,638
Stockholders equity	111,649	82,783	74,769	66,263

(1) Gain on transfer of swaps of $6.0 million for the six months ended June 30, 2006 has been excluded from income before taxes in the above table, since this amount was eliminated on consolidation at the MIC level.

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RISK FACTORS

We urge you to carefully read the risks described below and beginning on page 4 of the accompanying prospectus and in Part I, Item 1A Risk Factors of our amended Annual Report on Form 10-K/A for the fiscal year ended December 31, 2005, filed with the SEC on October 16, 2006, incorporated by reference in this prospectus supplement, as well as the other information we have provided in this prospectus supplement, the accompanying prospectus and the documents we incorporate by reference, before reaching a decision regarding an investment in the shares.

An investment in shares of trust stock involves a number of risks. Any of these risks could result in a significant or material adverse effect on our results of operations or financial condition and a corresponding decline in the market price of the shares.

Risks Related to Our New Businesses

TGC relies on its synthetic natural gas, or SNG, plant, including its transmission pipeline, for a significant portion of its sales. Disruptions at that facility could adversely affect TGC s ability to serve customers.

Disruptions at the SNG plant resulting from mechanical or operational problems could affect TGC s ability to produce SNG. Most of the regulated sales on Oahu are of SNG and are produced at this plant. Disruptions to the primary and redundant production systems would have a significant adverse effect on sales and cash flows.

TGC depends heavily on the two Oahu oil refineries for liquefied petroleum gas and the primary feedstock for its SNG plant. Disruptions at either of those refineries may adversely affect TGC s operations.

TGC s business comprises the manufacture of SNG and the distribution of SNG and liquified petroleum gas, or LPG. Any feedstock, SNG or LPG supply disruptions that limit its ability to manufacture and deliver gas for customers would adversely affect its ability to carry out its operating activities. These could include: an inability to renew feedstock purchase arrangements, including our current SNG feedstock agreement which is due for renewal in 2007; extended unavailability of one or both of the Oahu refineries; a disruption to crude oil supplies or feedstocks to Hawaii; or an inability to purchase LPG from foreign sources. Specifically, TGC is limited in its ability to store both foreign-sourced LPG and domestic LPG at the same location at the same time and, therefore, any disruption in supply may cause a short-term depletion of LPG. All supply disruptions, if occurring for an extended period, could materially adversely impact TGC s sales and cash flows.

TGC s most significant costs are locally-sourced LPG, LPG imports and feedstock for the SNG plant, the costs of which are directly related to petroleum prices. To the extent that these costs cannot be passed on to customers, TGC s sales and cash flows will be adversely affected.

The profitability of TGC is based on the margin of sales prices over costs. Since LPG and feedstock for the SNG plant are commodities, changes in the market for these products can have a significant impact on costs. In addition, increased reliance on higher-priced foreign sources of LPG, whether due to disruptions or shortages in local sources or otherwise, could also have a significant impact on costs. TGC has no control over these costs, and, to the extent that these costs cannot be passed on to customers, TGC s financial condition and the results of operations would be adversely affected. Higher prices could result in reduced customer demand or could result in customer conversion to alternative energy sources. This would reduce sales volume and adversely affect profits.

TGC s operations on the islands of Hawaii, Maui and Kauai rely on LPG that is transported to those islands by Jones Act qualified barges from Oahu and from non-Jones Act vessels from foreign ports. Disruptions to those vessels could adversely affect TGC s results of operations.

TGC has time charter agreements allowing the use of two barges that have the capability of transporting 424,000 gallons and 657,000 gallons of LPG, respectively. The Jones Act requires that vessels carrying cargo between two U.S. ports meet certain requirements. The barges used by TGC are the only two Jones Act qualified barges capable of carrying large volumes of LPG that are available in the Hawaiian Islands. They are near the end of their useful economic lives, and TGC intends to replace one or both of them

in the near future. To the extent that TGC is unable to replace these barges, or alternatively, these barges are unable to transport LPG from Oahu and TGC is not able to secure foreign-source LPG or obtain an exemption to the Jones Act, the storage capacity on those islands could be depleted and sales and cash flows could be adversely affected.

The recovery of amounts expended for capital projects and operating expenses in the regulated operations is subject to approval by the Hawaii Public Utilities Commission, or HPUC, which exposes TGC to the risk of incurring costs that may not be recoverable from regulated customers.

In the past, TGC has requested rate increases from the HPUC approximately every five years as its operating costs increased and as capital investments were committed. When the HPUC approved MIC s purchase of TGC, it stipulated that no rate increase may be implemented until 2009. Should TGC seek a rate increase, there is a risk that TGC will not be granted such increase or that it will be permitted only part of the increase, which may have a material adverse effect on TGC s financial condition and results of operations.

The non-regulated operations of TGC are subject to a variety of competitive pressures and the actions of competitors, particularly from other energy sources, could have a materially adverse effect on operating results.

In Hawaii, gas is largely used by commercial and residential customers for water heating and cooking. TGC also has wholesale customers that resell product to other end-users. Gas end-use applications may be substituted by other fuel sources such as electricity, diesel, solar and wind. Customers could, for a number of reasons, including increased gas prices, lower costs of alternative energy or convenience, meet their energy needs through alternative sources. This could have an adverse effect on TGC s sales, revenue and cash flows.

Approximately two-thirds of TGC s employees are members of a labor union. A work interruption may adversely affect TGC s business.

Approximately two-thirds of TGC s employees are covered under a collective bargaining agreement that expires on April 30, 2008. Labor disruptions related to that contract or to other disputes could affect the SNG plant, distributions systems and customer services. We are unable to predict how work stoppages would affect the business.

TGC s operating results are affected by Hawaii s economy.

The primary driver of Hawaii s economy is tourism. A significant portion of TGC s sales is generated from businesses that rely on tourism as their primary source of revenue. These businesses include hotels and resorts, restaurants and laundries, comprising approximately 40% of sales. Should tourism decline significantly, TGC s commercial sales could be affected adversely.

In addition, a reduction in new housing starts and commercial development would limit growth opportunities for TGC s business.

TGC has certain environmental risks.

TGC is subject to risks and hazards associated with the refining, handling, storage and transportation of combustible products. These risks could result in substantial losses due to personal injury, loss of life, damage or destruction of property and equipment, and environmental damage. Losses could be greater than insurance levels maintained by TGC, which could have an adverse effect on TGC s financial results. In addition, disruptions to physical assets could reduce TGC s ability to serve customers and adversely affect sales and cash flows.

Because of its geographic location, Hawaii, and in turn TGC, is subject to earthquakes and certain weather risks that could materially disrupt operations.

Hawaii is subject to earthquakes and certain weather risks, such as hurricanes, floods, heavy and sustained rains and tidal waves. Because TGC s SNG plant, SNG transmission line and several storage facilities are close to the ocean, weather-related disruptions are possible. In addition, earthquakes may cause disruptions. These events could damage TGC s assets or could result in wide-spread damage to TGC s

customers, thereby reducing sales volumes and, to the extent such damages are not covered by insurance, TGC s revenue and cash flows.

TGC may face a greater exposure to terrorism than other businesses because of the nature of its products.

Because of the combustible nature of TGC s products and consumer reliance on these products for basic services, TGC s SNG plant, transmission pipelines, barges and storage facilities may be at greater risk for terrorism attacks than other businesses. Such attacks could affect TGC s operations significantly.

TGC s income may be affected adversely if additional compliance costs are required as a result of new safety, health or environmental regulation.

TGC is subject to federal, state and local safety, health and environmental laws and regulations. These laws and regulations affect all aspects of TGC s operations and are frequently modified. There is a risk that TGC may not be able to comply with some aspect of these laws and regulations, resulting in fines or penalties. Additionally, if new laws and regulations are adopted or if interpretations of existing laws and regulations change, TGC could be required to increase capital spending and incur increased operating expenses in order to comply. Because the regulatory environment frequently changes, TGC cannot predict when or how it may be affected by such changes.

IMTT s business is dependent on the demand for bulk liquid storage capacity in the locations where it operates.

Demand for IMTT s bulk liquid storage is largely a function of U.S. domestic demand for chemical, petroleum and vegetable and animal, or V&A, oil products and, less significantly, the extent to which such products are imported into the United States rather than produced domestically. U.S. domestic demand for chemical, petroleum and V&A products is influenced by a number of factors, including economic conditions, growth in the U.S. economy and the pricing of chemical, petroleum and V&A products and their substitutes. Import volumes of these products to the United States are influenced by the cost of producing chemical, petroleum and V&A products domestically vis-à-vis overseas and the cost of transporting the products from overseas. In addition, changes in government regulations that affect imports of bulk chemical, petroleum and V&A products, including the imposition of surcharges or taxes on imported products, could adversely affect import volumes. A reduction in demand for bulk liquid storage, particularly in the New York Harbor or the lower Mississippi River, as a consequence of lower U.S. domestic demand for, or imports of, chemical, petroleum or V&A products, could lead to a decline in storage rates and tankage volumes rented by IMTT and adversely affect IMTT s revenues and profitability.

IMTT s business could be adversely affected by a substantial increase in bulk liquid storage capacity in the locations where it operates.

An increase in available tank storage capacity in excess of growth in demand for such storage in the key locations in which IMTT operates, such as New York Harbor and the lower Mississippi River, could result in overcapacity and a decline in storage rates and tankage volumes rented and could adversely affect IMTT s revenues and profitability.

IMTT is subject to environmental, health and safety risks that may impact its future cash flows and profitability.

A number of the properties owned by IMTT have been subject to environmental contamination in the past and require remediation for which IMTT is liable. These remediation obligations exist principally at IMTT s Bayonne and Lemont facilities and could cost more than anticipated or could be incurred earlier than anticipated or both. In addition, IMTT may discover additional environmental contamination at its Bayonne, Lemont or other facilities which may require remediation at significant cost to IMTT. Further, the past contamination of the properties owned by IMTT could also result in personal injury or property damage or similar claims by third parties.

IMTT s operations are subject to numerous statutes, rules and regulations relating to environmental, health and safety protection that are complex, stringent and expensive to comply with. Although we believe that IMTT s operations comply in all material respects with environmental, health and safety regulations,

failure to comply in the future may give rise to interruptions in IMTT s operations and civil or criminal penalties and liabilities that could adversely affect IMTT s business and financial condition. Further, these rules and regulations are subject to change and compliance with such changes could result in a restriction of IMTT s business activities, significant capital expenditures and/or increased ongoing operating costs.

IMTT s current debt facilities will need to be refinanced on amended terms and increased in size during 2006 and 2007 to provide the funding necessary for IMTT to fully pursue its expansion plans. The inability to refinance this debt on acceptable terms and to borrow additional amounts would have a material adverse effect on the business. Additionally, if interest rates or margins increase, the cost of servicing any refinancing debt will increase, reducing IMTT s profitability and its ability to pay dividends to us.

IMTT s current debt facilities will need to be refinanced on amended terms and increased in size during 2006 and 2007 to provide the funding necessary for IMTT to fully pursue its expansion plans. We cannot assure you that IMTT will be able to refinance its debt facilities on acceptable terms, including the loosening of certain restrictive covenants, or that IMTT will be able to expand the size of its debt facilities by an amount sufficient to cover the funding requirements of its expansion plans. If IMTT is unable to obtain sufficient additional financing, it will be unable to fully pursue its current expansion plans, its growth prospects and results of operations would be adversely affected and its distributions to us would decline from current levels. This would adversely affect our ability to make distributions to shareholders. Additionally, even if available, replacement debt facilities may only be available at substantially higher interest rates or margins or with substantially more restrictive covenants. Either event may limit the operational flexibility of IMTT and its ability to upstream dividends and distributions to us. If interest rates or margins increase, IMTT will pay higher rates of interest on any debt that it raises to refinance existing debt, thereby reducing its profitability and having an adverse impact on its ability to pay dividends to us and our ability to make distributions to shareholders.

IMTT s business involves hazardous activities, is partly located in a region with a history of significant adverse weather events and is potentially a target for terrorist attacks. We cannot assure you that IMTT is, or will be in the future, adequately insured against all such risks.

The transportation, handling and storage of petroleum, chemical and V&A products are subject to the risk of spills, leakage, contamination, fires and explosions. Any of these events may result in loss of revenue, loss of reputation or goodwill, fines, penalties and other liabilities. In certain circumstances, such events could also require IMTT to halt or significantly alter operations at all or part of the facility at which the event occurred. Consistent with industry practice, IMTT carries insurance to protect against most of the accident-related risks involved in the conduct of the business; however, the limits of IMTT s coverage mean IMTT cannot insure against all risks. In addition, because IMTT s facilities are not insured against loss from terrorism, a terrorist attack that significantly damages one or more of IMTT s major facilities would have a negative impact on IMTT s future cash flow and profitability. Further, losses sustained by insurers during hurricanes Katrina and Rita may result in lower insurance coverage and increased insurance premiums for IMTT s properties in Louisiana going forward, a situation that could worsen if future weather events cause significant property damage in the U.S. Gulf region.

Hurricane Katrina resulted in labor and materials shortages in the regions affected. This may have a negative impact on the cost and construction timeline of IMTT s new storage facility in Louisiana, which could result in a loss of customer contracts and reduced revenues and profitability.

In the aftermath of hurricane Katrina, construction costs in the region affected by the hurricane have increased and labor shortages have been experienced. This could have a significant negative impact on the cost and construction schedule of IMTT s new storage facility at Geismar in Louisiana. IMTT may not be fully compensated by customers for any such increase in construction costs. In addition, substantial construction delays could result in a loss of

customer contracts with no compensation or inadequate compensation, which would have a material adverse effect on IMTT s future cash flows and profitability.

Risks Related to Our Business

For a detailed discussion of the additional risks related to our business, please see Risk Factors Risks Related to Our Business in Part I, Item 1A of our amended Annual Report on Form 10-K/A for the fiscal year ended December 31, 2005, filed with the SEC on October 16, 2006, which is incorporated by reference in this prospectus supplement.

We have only operated as a combined company since December 2004, during which time we have devoted significant resources to integrating our businesses, thereby diverting attention from strategic initiatives.

We completed our initial public offering and the acquisition of our initial businesses and investments in December 2004 and completed additional acquisitions for our airport services business and airport parking business during 2005. On May 1, 2006, we completed the acquisition of our 50% ownership interest in IMTT s bulk liquid storage business. On June 7, 2006, we completed the acquisition of TGC, our gas production and distribution business in Hawaii. On July 11, 2006, we completed the acquisition of Trajen. With the exception of our district energy business, prior to our acquisition all of our businesses were privately owned and not subject to financial and disclosure requirements and controls applicable to U.S. public companies. We have expended significant time and resources throughout our operations to develop and implement effective systems and procedures, including accounting and financial reporting systems, in order to manage our operations on a combined basis as a consolidated U.S. public company. As a result, these businesses have been limited, and may continue to be limited, in their ability to pursue strategic operating initiatives and achieve our internal growth expectations. In addition, due to our short operating history as a consolidated U.S. public company, the performance of our consolidated business during its first year of operations may not be an accurate indicator of our prospects for future years.

Our businesses have substantial indebtedness, which could inhibit their operating flexibility.

As of June 30, 2006, on a consolidated basis, we had total long-term debt outstanding of $1,046.9 million, including $274.0 million outstanding under MIC Inc. s acquisition credit facility. The amount outstanding under MIC Inc. s acquisition credit facility and the amount outstanding under the NACH credit facility both increased by $180.0 million in the third quarter of 2006 to finance the Trajen acquisition. We repaid $76.45 million of outstanding borrowings under the MIC Inc. the acquisition credit facility with proceeds from the sale of our investment in MCG and a further $89.5 million of outstanding borrowings under the MIC Inc. acquisition credit facility with proceeds from the sale of our investment in SEW. After giving effect to this offering and the application of the net proceeds of the offering as described in Use of Proceeds, we will have consolidated total long-term debt outstanding of approximately $988.2 million, $35.2 million of which will be at the MIC Inc. level. This will be further reduced by the application of the net proceeds from the sale of our interest in YLL to repay in full the outstanding borrowings under MIC Inc. s acquisition credit facility, which we expect will occur by the end of February 2007. The terms of our businesses debt generally require our businesses to comply with significant operating and financial covenants. The ability of each of our businesses to meet their respective debt service obligations and to repay their outstanding indebtedness will depend primarily upon cash produced by that business.

This indebtedness could have important consequences, including:

- limiting the payment of dividends and distributions to us;
- increasing the risk that our subsidiaries might not generate sufficient cash to service their indebtedness;
- limiting our ability to use operating cash flow in other areas of our businesses because our subsidiaries must dedicate a substantial portion of their operating cash flow to service their debt;

limiting our and our subsidiaries ability to borrow additional amounts for working capital, capital expenditures, debt services requirements, execution of our internal growth strategy, acquisitions or other purposes; and

limiting our ability to capitalize on business opportunities and to react to competitive pressures or adverse changes in government regulation.

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If we are unable to comply with the terms of any of our various debt agreements, we may be required to refinance a portion or all of the related debt or obtain additional financing. We may be unable to refinance or obtain additional financing because of our high levels of debt and debt incurrence restrictions under our debt agreements. We also may be forced to default on any of our various debt obligations if cash flow from the relevant operating business is insufficient and refinancing or additional financing is unavailable, and, as a result, the relevant debt holders may accelerate the maturity of their obligations.

Our Manager s affiliation with Macquarie Bank Limited and the Macquarie Group may result in conflicts of interest.

Our Manager is an affiliate of Macquarie Bank Limited and a member of the Macquarie Group. From time to time, we have entered into, and in the future we may enter into, transactions and relationships involving Macquarie Bank Limited, its affiliates, or other members of the Macquarie Group. Such transactions have included and may include, among other things, the acquisition of businesses and investments from Macquarie Group members, the entry into debt facilities and derivative instruments with Macquarie Bank Limited serving as lender or counterparty, and financial advisory services provided to us by Macquarie Securities (USA) Inc. and other affiliates of Macquarie Bank Limited.

Although our audit committee, all of the members of which are independent directors, is required to approve of any related party transactions, including those involving Macquarie Bank Limited, its affiliates, or members of the Macquarie Group, the relationship of our Manager to Macquarie Bank Limited and the Macquarie Group may result in conflicts of interest.

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USE OF PROCEEDS

We estimate that the net proceeds to us from this offering will be approximately $252.8 million (or approximately $290.9 million if the underwriters overallotment option is exercised in full) after deducting estimated underwriting discounts and commissions and estimated expenses of this offering. We intend to use the net proceeds from this offering, in addition to the net proceeds from our anticipated disposition of our interest in YLL, to repay borrowings under the acquisition credit facility of MIC Inc. incurred to finance the acquisition of our interests in IMTT, Trajen and TGC and any remaining amounts for general corporate purposes.

To fund acquisitions, capital expenditures and to a limited extent working capital, we amended and restated our acquisition credit agreement with Citicorp North America Inc. (as lender and administrative agent), Citibank, N.A., Merrill Lynch Capital Corporation, Credit Suisse, Cayman Islands Branch and Macquarie Bank Limited, pursuant to which they committed to provide, in the aggregate, financing of up to $480.0 million, consisting of a $300.0 million revolving credit facility and a term loan of $180.0 million through March 31, 2008 (the acquisition credit facility). The interest margin under the acquisition credit facility is LIBOR plus 2.00% or a base rate plus 1.00%, increasing by 0.50% on November 9, 2006 and again on May 9, 2007, up to a maximum of 3.00% and 2.00%, respectively. The current margin on outstanding borrowings is LIBOR plus 2.00%. Once the term loan borrowings have been repaid in full or the term loan commitments have otherwise terminated, the interest rate on the revolving portion of the acquisition credit facility will decrease to LIBOR plus 1.25% or the base rate plus 0.25%. Amounts borrowed and repaid under the term loan portion of the acquisition credit facility may not be reborrowed.

PRICE RANGE OF SHARES OF TRUST STOCK

Our trust stock is listed on the New York Stock Exchange under the symbol MIC. On October 24, 2006, the last reported sale price of our trust stock on the New York Stock Exchange was $29.90 per share. The following table sets forth, for the periods indicated, the high and low sales prices of shares of our trust stock as reported on the New York Stock Exchange.

	High	Low
2004:		
Fourth quarter	$ 29.60	$ 26.80
2005:		
First quarter	$ 30.35	$ 27.10
Second quarter	$ 29.95	$ 27.05
Third quarter	$ 29.25	$ 27.60
Fourth quarter	$ 31.41	$ 28.20
2006:		
First quarter	$ 35.23	$ 30.64
Second quarter	$ 32.27	$ 26.06
Third quarter	$ 32.68	$ 23.84
Fourth quarter (through October 24, 2006)	$ 31.85	$ 29.51

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DISTRIBUTION POLICY

Our policy is to pay regular quarterly cash distributions on all outstanding shares. Our distribution policy is based on the predictable and stable cash flows of our businesses and investments and our intention to pay out, as distributions to our shareholders, the majority of our cash available for distribution and not to retain significant cash balances in excess of prudent reserves in our operating subsidiaries. If our strategy is successful, we expect to maintain and increase the level of our distributions to shareholders in the future.

The declaration and payment of any future distribution will be subject to a decision of the company s board of directors, which will include a majority of independent directors. The company s board of directors will take into account such matters as general business conditions, our financial condition, results of operations, capital requirements and any contractual, legal and regulatory restrictions on the payment of distributions by us to our shareholders or by our subsidiaries to us, and any other factors that the board of directors deems relevant. In particular, all of our businesses have substantial debt commitments, which must be satisfied before any of them can distribute dividends or make distributions to us. These factors could affect our ability to continue to make distributions.

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CAPITALIZATION

The following table sets forth our unaudited pro forma capitalization, assuming no exercise of the underwriters overallotment option, at the public offering price of $29.50 per share of trust stock and the application of the estimated net proceeds of such sale (after deducting underwriting discounts and commissions and our estimated offering expenses). This table should be read in conjunction with Use of Proceeds and our consolidated financial statements and related notes included in our amended Annual Report on Form 10-K/A for the fiscal year ended December 31, 2005, filed with the SEC on October 16, 2006, and in our amended Quarterly Report on Form 10-Q/A for the quarter ended June 30, 2006, all of which are incorporated by reference in this prospectus supplement.

	As of June 30, 2006	
	Actual	**As Adjusted(1)**
	(In thousands, except share data)	
Cash and cash equivalents	$ 37,843	$ 34,843
Long-term debt, excluding current maturities	1,044,797	986,092
Total long-term debt	1,046,943	988,238
Stockholders equity		
Trust stock, no par value; 500,000,000 authorized; 36,212,165 shares issued and outstanding as adjusted for the offering(2)	27,212	36,212
Total stockholders equity	574,088	826,843
Total capitalization	$ 1,621,031	$ 1,815,081

(1) As adjusted reflects the application of the net proceeds of this offering to repay outstanding debt as well as the repayment of $165.9 million of our acquisition-related indebtedness with the proceeds of our sale of our investments in MCG and SEW. As adjusted also reflects the use of $3.0 million of cash and the incurrence of $360.0 million of indebtedness to finance the acquisition of Trajen, which was completed on July 11, 2006. As adjusted does not reflect the repayment of debt with the anticipated proceeds of our announced disposition of YLL, which will occur after the completion of this offering and will be used to repay in full our currently outstanding acquisition-related indebtedness.

(2) Each share of trust stock represents one beneficial interest in the trust.

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SELECTED CONSOLIDATED HISTORICAL FINANCIAL DATA

The selected financial data for Macquarie Infrastructure Company Trust include the results of operations, cash flow and balance sheet data of Atlantic Aviation FBO Inc. (formerly known as North America Capital Holding Company), or Atlantic FBO Holdco, which was deemed to be our predecessor. We have included the results of operations and cash flow data of Atlantic FBO Holdco for the years ended December 31, 2003 and 2002, for the period from January 1, 2004 through July 29, 2004 and for the period July 30, 2004 through December 22, 2004. The period from December 23, 2004 through December 31, 2004 includes the results of operations and cash flow data for our businesses and investments from December 23, 2004 through December 31, 2004 and the results of the company from April 13, 2004 through December 31, 2004. The year ended December 31, 2005 includes the full year of results for our consolidated group, with the results of businesses acquired during 2005 being included from their dates of acquisition. We have included the balance sheet data of Atlantic FBO Holdco at December 31, 2003, and our consolidated balance sheet data at December 31, 2004 and December 31, 2005. The selected financial data for the six months ended June 30, 2005 and as of and for the six months ended June 30, 2006 are derived from our unaudited consolidated financial statements for such periods and dates, included in our amended Quarterly Report on Form 10-Q/A for the quarterly period ended June 30, 2006, incorporated by reference in this prospectus supplement, which, in the opinion of management, contain all adjustments necessary for a fair presentation of the consolidated financial data. Our historical results are not necessarily indicative of the operating results that may be expected in the future. You should read the following information together with the information under Management s Discussion and Analysis of Financial Condition and Results of Operations and our consolidated financial statements, including the notes thereto, included in our amended Annual Report on Form 10-K/A for the fiscal year ended December 31, 2005, filed with the SEC on October 16, 2006, and our amended Quarterly Report on Form 10-Q/A for the quarterly period ended June 30, 2006, all of which is incorporated by reference in this prospectus supplement.

The selected financial data for IMTT as at and for the years ended December 31, 2005, 2004 and 2003 are derived from the audited consolidated financial statements of IMTT Holdings, Inc. (formerly known as Loving Enterprises, Inc.), incorporated in this prospectus supplement by reference from our Current Report on Form 8-K/A filed with the SEC on May 16, 2006. The selected financial data for IMTT for the six months ended June 30, 2005 and as at and for the six months ended June 30, 2006 are derived from the unaudited consolidated financial statements of IMTT Holdings, Inc. We own 50% of IMTT and account for this business under the equity method of accounting.

The selected financial data for TGC as of April 30, 2006 and for the period from July 1, 2005 to April 30, 2006, and as of June 30, 2005 and 2004, and for the year ended June 30, 2005 and the period from August 8, 2003 (date of inception) to June 30, 2004, are derived from the audited consolidated financial statements of K-1 HGC Investment, LLC and subsidiaries, incorporated in this prospectus supplement by reference from our Current Report on Form 8-K/A filed with the SEC on June 27, 2006. The selected financial data for TGC for the six months ended June 30, 2005 and as at and for the six months ended June 30, 2006 are derived from our unaudited consolidated financial statements of TGC.

The selected financial data presented below represent the historical financial information for IMTT and TGC and do not reflect the accounting for these businesses upon completion of the acquisitions and the operation of the businesses as a consolidated entity. You should read this information with the financial statements and related notes, the unaudited condensed combined pro forma financial statements and related notes and Management s Discussion and Analysis of Financial Condition and Results of Operations included elsewhere in this prospectus supplement.

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Macquarie Infrastructure Company Trust

	Successor					Predecessor		
	Six Months Ended June 30,		Year Ended December 31,	December 23 through December 31,	July 30 through December 22,	January 1 through July 29,	Year Ended December 31,	
	2006	2005	2005	2004	2004	2004	2003	2002
	(Unaudited)							
	($ in thousands, except per share information)							
tatement of Operations Data:								
evenue:								
evenue from product ales	$ 98,914	$ 64,391	$ 143,273	$ 1,681	$ 29,465	$ 41,146	$ 57,129	$ 49,893
ervice revenue	90,630	71,190	156,167	3,257	9,839	14,616	20,720	18,698
inancing and equipment ease income	2,583	2,673	5,303	126				
otal revenue	192,127	138,254	304,743	5,064	39,304	55,762	77,849	68,591
ost of revenue:								
ost of product sales	(61,279)	(36,803)	(84,806)	(912)	(16,599)	(21,068)	(27,003)	(22,186
ost of services(1)	(43,664)	(36,566)	(81,834)	(1,633)	(849)	(1,428)	(1,961)	(1,907
ross profit	87,184	64,885	138,103	2,519	21,856	33,266	48,885	44,498
elling, general and dministrative xpenses(2)	(48,244)	(38,286)	(82,636)	(7,953)	(13,942)	(22,378)	(29,159)	(27,795
ees to manager	(10,196)	(4,152)	(9,294)	(12,360)				
epreciation expense	(3,831)	(2,747)	(6,007)	(175)	(1,287)	(1,377)	(2,126)	(1,852
mortization of ntangibles	(7,026)	(6,320)	(14,815)	(281)	(2,329)	(849)	(1,395)	(1,471
perating income (loss)	17,887	13,380	25,351	(18,250)	4,298	8,662	16,205	13,380
nterest income	2,882	2,330	4,064	69	28	17	71	63
ividend income	5,002	6,184	12,361	1,704				
inance fees					(6,650)			
nterest expense	(31,267)	(15,269)	(33,800)	(756)	(2,907)	(4,655)	(4,820)	(5,351
nrealized gain on erivative instruments	20,162	2,038						
quity in earnings (loss) nd amortization charges f investee	5,568	514	3,685	(389)				
ther (expense) income	(73)	(654)	123	50	(39)	(5,135)	(1,219)	
ncome (loss) from ontinuing operations efore income tax	20,161	8,523	11,784	(17,572)	(5,270)	(1,111)	10,237	8,092

ncome tax benefit expense)	(3,011)	(579)	3,615		(286)	597	(4,192)	(3,150
Minority interests	(152)	(357)	(203)	(16)				
ncome (loss) from ontinuing operations	16,998	7,587	15,196	(17,588)	(5,556)	(514)	6,045	4,942
Discontinued operations:								
ncome from operations f discontinued perations					116	159	121	197
oss on disposal of iscontinued operations							(435)	(11,620
ncome (loss) on disposal f discontinued perations (net of pplicable income tax rovisions)					116	159	(314)	(11,423
let income (loss)	$ 16,998	$ 7,587	$ 15,196	$ (17,588)	$ (5,440)	$ (355)	$ 5,731	$ (6,481
asic and diluted arnings (loss) per hare(3)	$ 0.63	$ 0.28	$ 0.56	$ (17.38)				

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	Successor					Predecessor		
	Six Months Ended June 30,		Year Ended December 31,	December 23 through December 31,	July 30 through December 22,	January 1 through July 29,	Year Ended December 31,	
	2006	2005	2005	2004	2004	2004	2003	2002
	(Unaudited)							
	($ in thousands, except per share information)							
Cash Flow Data:								
Cash provided by (used in) operating activities	$ 23,401	$ 20,744	$ 43,547	$ (4,045)	$ (577)	$ 7,757	$ 9,811	$ 9,608
Cash (used in) provided by investing activities	(506,545)	(51,650)	(201,950)	(467,477)	(228,145)	3,011	(4,648)	(2,787)
Cash provided by (used in) financing activities	405,457	11,235	133,847	611,765	231,843	(5,741)	(5,956)	(5,012)
Effect of exchange rate	367	(78)	(331)	(193)				
Net (decrease) increase in cash	$ (77,320)	$ (19,749)	$ (24,887)	$ 140,050	$ 3,121	$ 5,027	$ (793)	$ 1,809

(1) Includes depreciation expense of $4.5 million, $3.8 million, $8.1 million and $195,000 for the six months ended June 30, 2006, the six months ended June 30, 2005, the year ended December 31, 2005 and the period December 23, 2004 through December 31, 2004, respectively, relating to our airport parking and district energy businesses.

(2) We incurred $6.0 million of non-recurring acquisition and formation costs that have been included in the December 23, 2004 to December 31, 2004 consolidated results of operations.

(3) Basic and diluted earnings (loss) per share was computed on a weighted average basis for the six months ended June 30, 2006, the six months ended June 30, 2005, the year ended December 31, 2005 and the period April 13,

2004 (inception) through December 31, 2004. The effect of potentially dilutive shares for these periods is calculated by assuming that the restricted stock unit grants issued to our independent directors on December 21, 2004 (which vested on May 25, 2005), May 25, 2005 (which vested on May 25, 2006) and May 25, 2006 (which vest in 2007), had been fully converted to shares on the dates the restricted stock unit grants were issued. The stock unit grants issued to our independent directors on December 21, 2004 were anti-dilutive in 2004 due to our net loss for that period.

	June 30, 2006 (Unaudited)	Successor at December 31, 2005	Successor at December 31, 2004	Predecessor at December 31, 2003
	($ in thousands)			
Balance Sheet Data:				
Total current assets	$ 124,955	$ 156,676	$ 167,769	$ 10,108
Property, equipment, land and leasehold improvements, net	461,314	335,119	284,744	36,963
Contract rights and other intangibles, net	308,461	299,487	254,530	52,524
Goodwill	402,143	281,776	217,576	33,222
Total assets	1,967,473	1,363,298	1,208,487	135,210
Current liabilities	61,226	34,598	39,525	15,271
Deferred tax liabilities	228,933	113,794	123,429	22,866
Long-term debt, including related party, net of current portion	1,044,797	629,095	434,352	32,777
Total liabilities	1,384,574	786,693	603,676	75,369
Redeemable convertible preferred stock				64,099
Stockholders equity (deficit)	574,088	567,665	596,296	(4,258)

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IMTT

	Six Months Ended June 30,		Year Ended December 31,		
	2006	2005	2005	2004	2003
	(Unaudited)				
	($ in thousands)				
Statement of Operations Data:					
Revenue:					
Terminal revenue	$ 94,332	$ 88,584	$ 182,518	$ 168,384	$ 159,339
Terminal revenue heating	10,542	9,376	20,595	15,252	12,493
Environmental response revenue	10,006	5,904	37,107	16,124	10,412
Nursery revenue	6,057	6,853	10,404	10,907	10,822
Total revenue	120,937	110,717	250,624	210,667	193,066
Cost and expenses:					
Terminal operating costs	(48,731)	(45,867)	(97,746)	(87,755)	(78,172)
Terminal operating costs fuel	(9,435)	(9,505)	(20,969)	(17,712)	(15,013)
Environmental response operating costs	(5,954)	(4,541)	(24,774)	(9,720)	(9,172)
Nursery operating costs	(6,272)	(6,303)	(10,268)	(11,136)	(11,391)
Total operating costs	70,392	66,216	153,757	126,323	113,748
Terminal gross profit	46,708	42,588	84,398	78,169	78,647
Environmental response gross profit	4,052	1,363	12,333	6,404	1,240
Nursery gross profit	(215)	550	136	(229)	(569)
Gross profit	50,545	44,501	96,867	84,344	79,318
General and administrative expenses	(10,866)	(10,213)	(22,834)	(20,911)	(20,823)
Depreciation and amortization	(15,165)	(14,767)	(29,524)	(29,929)	29,554
Mark-to-market gain on non-hedging derivatives	986	1,240	2,637	2,313	1,471
Operating income	25,500	20,761	47,146	35,817	30,412
Interest expense	(9,400)	(11,334)	(22,100)	(22,269)	(21,671)
Provision for income taxes	(6,486)	(4,294)	(11,670)	(5,667)	(2,851)
Net income	$ 9,614	$ 5,133	$ 13,376	$ 7,881	$ 5,890
Cash Flow Data:					
Cash provided by operating activities	$ 38,799	$ 26,134	$ 51,706	$ 40,713	$ 33,246
Cash used in investing activities	(33,512)	(14,050)	(37,090)	(51,033)	(42,559)
Cash provided by (used in) financing activities	87,646	(11,198)	(13,460)	10,174	6,598
Effect of exchange rate			18		30
Net (decrease) increase in cash	$ 92,933	$ 886	$ 1,174	$ (146)	$ (2,685)

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	At June 30, 2006 (Unaudited)	At December 31, 2005	2004	2003 (Unaudited)
	($ in thousands)			
Balance Sheet Data:				
Total current assets	$ 131,577	$ 59,798	$ 38,809	$ 30,511
Property, equipment, land and leasehold improvements, net	477,199	458,355	450,000	429,091
Total assets	630,666	549,235	510,554	487,021
Current liabilities	48,719	47,993	29,000	25,196
Deferred tax liabilities	82,431	75,791	60,718	50,880
Long-term debt	268,075	316,310	320,375	307,008
Total liabilities	425,454	468,114	445,524	424,759
Stockholders equity	205,212	81,121	65,030	62,262

The Gas Company

	Six Months Ended June 30, 2006 (Unaudited)	2005	July 1, 2005 through April 30, 2006	Year Ended June 30, 2005	August 8, 2003 through June 30, 2004
	($ in thousands, except per share information)				
Statement of Operations Data:					
Revenues	$ 82,568	$ 70,907	$ 129,935	$ 132,413	$ 104,883
Generation and purchased gas	(46,568)	(37,402)	(71,290)	(67,493)	(46,454)
Gross profit	36,000	33,505	58,645	64,920	58,429
Operating and maintenance expenses	(9,101)	(8,414)	(14,765)	(16,273)	(14,536)
Depreciation and amortization	(2,785)	(2,573)	(4,473)	(5,074)	(4,472)
Selling, general and administrative expenses	(7,816)	(7,503)	(13,662)	(16,018)	(14,200)
Taxes, other than income	(4,932)	(4,223)	(7,860)	(7,915)	(6,491)
Operating income	11,366	10,792	17,885	19,640	18,730
Interest expense, net	(3,960)	(1,883)	(3,857)	(3,484)	(2,609)
Other (expense) income, net	(1,844)	1,474	685	1,623	(90)
Unrealized gain on derivatives	1,912				
Provision for income taxes	(2,180)	(3,986)	(5,526)	(6,945)	(6,390)
Minority interest	(2)	(11)	(11)	(19)	(16)
Cumulative effect of prior period adjustment, net of tax			(3,384)		

Net income(1)	$ 3,380	$ 6,386	$ 5,792	$ 10,815	$ 9,625
Cash Flow Data:					
Cash provided by operating activities	$ 11,211	$ 11,618	$ 13,804	$ 17,222	$ 19,932
Cash used in investing activities	(260,207)	(3,376)	(17,084)	(6,116)	(112,480)
Cash provided by (used in) financing activities	255,450	(3,153)	(58)	(5)	98,105
Net increase (decrease) in cash	$ 6,454	$ 5,089	$ (3,338)	$ 11,101	$ 5,557

(1) Gain on transfer of swaps of $6.0 million for the six months ended June 30, 2006 has been excluded from net income in the above table, since this amount was eliminated on consolidation at the MIC level.

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	At June 30, 2006 (Unaudited)	At April 30, 2006	At June 30, 2005	2004
	($ in thousands)			
Balance Sheet Data:				
Total current assets	$ 39,994	$ 42,393	$ 41,374	$ 26,588
Property, equipment, land and leasehold improvements, net	128,001	121,810	119,139	117,638
Contract rights and other intangibles, net	15,945			
Goodwill	120,361			
Total assets	319,277	188,774	175,075	158,957
Current liabilities	18,669	14,471	13,119	12,844
Deferred tax liabilities	15,988	8,103	6,924	2,437
Long-term debt	160,000	72,593	72,593	72,593
Total liabilities	207,628	105,913	100,236	92,638
Stockholders equity	111,649	82,783	74,769	66,263

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MANAGEMENT S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion of the financial condition and results of operations of the company should be read in conjunction with the consolidated financial statements and the notes to those statements included elsewhere herein. This discussion contains forward-looking statements that involve risks and uncertainties and are made under the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Words such as anticipates, expects, intends, plans, believes, seeks, estimates, and similar expressions identify such forward-looking statements. Our actual resu and timing of certain events could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including, but not limited to, those set forth under Risk Factors beginning on page S-14 of this prospectus supplement. Unless required by law, we undertake no obligation to update forward-looking statements. Readers should also carefully review the risk factors set forth in other reports and documents filed from time to time with the SEC.

For a detailed discussion of our operating segments and businesses and our results of operations, please see Management s Discussion and Analysis of Financial Condition and Results of Operations Operating Segments and Businesses and Management s Discussion and Analysis of Financial Condition and Results of Operations Results of Operations in our amended Annual Report on Form 10-K/A for the fiscal year ended December 31, 2005, filed with the SEC on October 16, 2006, Management s Discussion and Analysis of Financial Condition and Results of Operations Results of Operations and Management s Discussion and Analysis of Financial Condition and Results of Operations Business Segment Operations in our amended Quarterly Report on Form 10-Q/A for the fiscal quarter ended June 30, 2006 and Management s Discussion and Analysis of Financial Condition and Results of Operations Results of Operations in our Current Reports on Form 8-K/A filed with the SEC on May 16, 2006 and June 27, 2006, all of which are incorporated herein by reference.

General

The trust is a Delaware statutory trust that was formed on April 13, 2004. The company is a Delaware limited liability company that was also formed on April 13, 2004. The trust is the sole holder of 100% of the LLC interests of the company. Prior to December 21, 2004, the trust was a wholly-owned subsidiary of Macquarie Infrastructure Management (USA) Inc., or MIMUSA.

We own, operate and invest in a diversified group of infrastructure businesses, which are businesses that provide basic, everyday services, such as parking and gas production and distribution, through long-lived physical assets. These infrastructure businesses generally operate in sectors where demand exceeds supply and high barriers to entry exist. As a result, they have sustainable and growing long-term cash flows. We operate and finance our businesses in a manner that maximizes these cash flows.

We are dependent upon cash distributions from our businesses to meet our corporate overhead and management fee expenses and to pay dividends. We receive dividends from our airport services business, airport parking business, district energy business, gas production and distribution business and bulk liquid storage terminal business through our directly owned holding company MIC Inc.

Distributions received from our businesses, net of taxes, are available first to meet management fees and corporate overhead expenses then to fund dividend payments by the company to the trust for payment to holders of trust stock. Base and performance management fees payable to our Manager are allocated between the company and the directly owned subsidiaries based on the company s internal allocation policy.

Infrastructure businesses are generally insulated from the impact of inflation by virtue of their ability to pass cost increases through to customers. In addition, user pays, contracted and regulated infrastructure businesses have specific attributes that limit their exposure to the negative effects of inflation. Regulatory authorities determine the prices that a regulated infrastructure business can charge for its services, typically on a cost-plus or a reasonable rate-of-return basis. Typically, the amount approved by the regulatory authority will apply for a number of years and may provide for either inflationary changes or, as is the case for the regulated operations of our gas production and distribution business, TGC, an ability to adjust

customer billings for the actual amount of its largest and most unpredictable cost components: liquefied petroleum gas and the feedstock for its synthetic natural gas plant. The rates that TGC charges its utility customers became effective in 2001. The business may petition regulatory authorities for an increase in its rates that, if approved, could become effective in 2009. TGC has the ability to increase its standard price lists for non-regulated customers at will.

Infrastructure businesses with contracted sources of revenue are able to protect such revenues by employing contractual provisions that require or permit price increases based on an agreed upon indicator of inflation. For example, in our bulk liquid storage terminal business, the per barrel rates for storage under most of the customer contracts increase annually on the basis of increases in various Consumer Price Indices published by the U.S. Department of Labor, Bureau of Labor Statistics. Given the largely fixed nature of the operating expenses of this business, inflation of the revenue stream can result in increased profitability.

Our user pays businesses derive revenue from per use charges and generally attempt to pass increased costs through to their customers. Our airport services and airport parking businesses are examples. The primary sources of revenue are fuel sales in the case of our airport services business and fees for parking for our airport parking business. Subject to competitive pressure in a given market, the prices charged for both fuel and parking may be increased at rates comparable with the overall rate of inflation since the relative size of the increase for any one user is small. For example, based on the 20 year average rate of inflation (CPI-U), the annual increase in an average parking fee would have been approximately $1.25 in 2006 compared to 2005.

Summary of Our Existing Businesses and Investments and Results of Operations

Airport Services Business

Our airport services business, Atlantic Aviation, operated FBOs at 18 airports and one heliport throughout the United States prior to our acquisition of Trajen on July 11, 2006. For a discussion of our acquisition of Trajen, please refer to Business Our New Businesses Trajen Holdings, Inc. FBOs primarily provide fuelling and fuel-related services, aircraft parking and hangarage to owner/operators of jet aircraft in the general aviation sector of the air transportation industry. The business also operates six regional airports under management contracts, although airport management constitutes a small portion of our airport services business. Our airport services business had revenue and operating income of $124.1 million and $20.6 million, respectively, for the first six months of 2006. For fiscal 2005, revenue and operating income of our airport services business were $201.5 million and $28.3 million, respectively. Total assets of our airport services business were $523.1 million at June 30, 2006, $553.3 million at December 31, 2005 and $410.3 million at December 31, 2004. Revenues from our airport services business comprised 64.6% of our total revenues in the first six months of fiscal year 2006 and 66.1% of our total revenues in fiscal year 2005.

General aviation, which includes corporate and leisure flying, pilot training, helicopter, medivac and certain air freight operations, is the largest segment of U.S. civil aviation and represents the largest percentage of the active civil aircraft fleet. General aviation does not include commercial air carriers or military operations. In order to attract independent operators to service general aviation aircraft, local airport authorities grant FBO operators the right to sell fuel. Our airport services business depends upon the level of general aviation activity and jet fuel consumption for the largest portion of its revenue.

Fuel revenue is a function of the volume sold at each location and the average per gallon sale price. The average per gallon sale price is a function of our cost of fuel plus, where applicable, fees and taxes paid to airports or other local authorities for each gallon sold, plus our margin. Our fuel gross profit depends on the volume of fuel sold and the average dollar-based margin earned per gallon. The dollar-based margin charged to customers varies based on business considerations. Dollar-based margins per gallon are generally insensitive to the wholesale price of fuel with both increases and decreases in the wholesale price of fuel generally passed through to customers, subject to the level

of price competition that exists at the various FBOs.

We believe that our FBO business will continue to benefit from the overall growth in the corporate jet market and the demand for the services that our business offers. However, we believe that our airport services business is in a position to grow at rates in excess of the industry as a result of our internal growth, marketing and acquisition strategies.

Airport Parking Business

Our airport parking business is the largest provider of off-airport parking services in the United States, measured by number of locations, with 30 facilities comprising over 40,000 parking spaces and over 360 acres near 20 major airports across the United States, including six of the ten largest passenger airports. Our airport parking business, operating generally under the names PCA, Avistar or SunPark, provides customers with 24-hour secure parking close to airport terminals, as well as transportation via shuttle bus to and from their vehicles and the terminal. Operations are carried out on either owned or leased land at locations near airports. Operations on owned land or land on which our airport parking business has leases longer in term than 20 years (including extension options) account for a majority of our operating income. The airport parking business had revenues and operating income of $38.0 million and $6.9 million, respectively, for the first six months of 2006. For fiscal year 2005, revenues and operating income were $59.8 million and $6.5 million, respectively. Total assets of our airport parking business were $291.4 million at June 30, 2006, $288.8 million at December 31, 2005 and $205.2 million at December 31, 2004. Revenues from our airport parking business comprised 19.7% of our total revenues in the first six months of fiscal year 2006 and 19.6% of our total revenues in fiscal year 2005.

The revenues of our airport parking business include both parking and non-parking components. Parking revenues, which comprise the substantial majority of total revenues, are driven by the volume of passengers using the airports at which the business operates, its market share at each location and its parking rates. We aim to grow our parking revenue by increasing our market share at each location and increasing parking rates taking into consideration local demand and competition.

We believe that we can grow our airport parking business by focusing on achieving operating efficiencies and internal growth, expanding marketing efforts and complementary acquisitions.

District Energy Business

Our district energy business consists of 100% of Thermal Chicago and a 75% interest in Northwind Aladdin. We also own all of the senior debt of Northwind Aladdin. The remaining 25% equity interest in Northwind Aladdin is owned by Nevada Electric Investment Company, an indirect subsidiary of Sierra Pacific Resources. The district energy business had revenues and operating income of $19.4 million and $4.1 million, respectively, for the first six months of 2006. For fiscal 2005, revenue and operating income were $43.4 million and $9.4 million, respectively. Total assets of our district energy business were $242.5 million at June 30, 2006, $245.4 million at December 31, 2005 and $254.0 million at December 31, 2004. Revenues from our district energy business comprised 10% of our total revenues in the first six months of fiscal year 2006 and 14.2% of our total revenues in fiscal year 2005.

Thermal Chicago sells chilled water to approximately 100 customers in the downtown Chicago area under long-term contracts. Pursuant to these contracts, Thermal Chicago receives both capacity and consumption payments. Capacity payments (cooling capacity revenue) are received irrespective of the volume of chilled water used by a customer and these payments generally increase in line with inflation. Capacity payments constituted approximately 38% of Thermal Chicago s total revenue in 2005.

Consumption payments (cooling consumption revenue) are a per unit charge for the volume of chilled water used. Such payments are higher in the summer months when the demand for chilled water is at its highest and, as a consequence, approximately 80% of consumption revenue is received in the second and third quarter of each year. Consumption payments also fluctuate moderately from year to year depending on weather conditions.

We believe that we can grow our district energy business internally via capital expenditures that will expand the capacity of the Thermal Chicago system. Including the capacity resulting from the expansion of one of our cooling

plants that is currently underway, Thermal Chicago will have additional saleable cooling capacity of 11,400 tons. We have identified the likely purchasers of this capacity and expect to have it contracted by the end of 2007.

Disposal of Investments

In August 2006, we sold our interest in MCG, in October 2006, we sold our interest in SEW and we entered into an agreement relating to the disposition of our interest in the Yorkshire Link toll road in August 2006. Each had been a part of our portfolio since our initial public offering.

The disposal of these assets is consistent with our strategy to be the owner and operator of infrastructure businesses primarily in the United States. Moreover, the prices at which we were able to sell these assets generated substantial gains for our investors. We will redeploy the proceeds of the sales, including the gains, into our recently acquired businesses. We will do so by using the proceeds to reduce our acquisition-related indebtedness not otherwise being repaid from the proceeds of this offering. The $76.45 million net proceeds from the disposition of our interest in MCG and the $89.5 million net proceeds from the sale of SEW were used to repay a portion of the outstanding borrowings under the MIC Inc. acquisition credit facility.

Toll Road Business

On August 23, 2006, we entered into an agreement to sell Macquarie Yorkshire Limited, the holding company for our 50% interest in Connect M1-A1 Limited, or CHL. CHL is the holder of the Yorkshire Link (U.K.) toll road concession. On September 22, 2006, our 50% partner in CHL exercised their pre-emptive rights over our interest. The sale will be made to our partner on the same terms as set forth in the prior agreement. We will receive gross proceeds of GBP 43.6 million, increasing by GBP 7,000 per day from September 30, 2006 until closing, net of transaction costs. We have entered into a foreign exchange rate hedge that will result in the conversion of the proceeds into approximately $81.3 million, without taking the per diem increase into account, upon closing of the transaction. We expect the transaction to close by the end of February 2007, and we are entitled to receive dividend and interest payments from CHL for all periods ending on or prior to September 30, 2006. Completion of the sale is subject to customary third party approvals.

Investment in MCG

On August 17, 2006, we completed the sale of all of our 16,517,413 stapled securities of MCG. We sold the stapled securities into the public market at a price of AUD 6.10 per share generating gross proceeds of AUD 100.8 million. Following settlement of the trade on August 23, 2006, we converted the AUD proceeds into $76.45 million and used the proceeds to repay a portion of the outstanding borrowings under the MIC Inc. acquisition credit facility.

Investment in SEW

On October 2, 2006, through our wholly owned subsidiary South East Water LLC, we entered into an irrevocable undertaking with HDF (UK) Holdings Limited pursuant to which we sold our 17.5% minority interest in the holding company for SEW. The disposal was made pursuant to the exercise by MEIF Luxembourg Holdings SA, or MLH, an affiliate of our Manager, of its drag along rights under the SEW shareholders   agreement and as a part of a sale by MLH and the other shareholders of all of their respective interests in SEW.

We received dividend and interest payments totaling approximately $3.4 million from SEW for the six-month period ended September 30, 2006 on September 29, 2006.

We received net proceeds on the sale of approximately $89.5 million, representing our pro rata share of the total consideration less our pro rata share of expenses, which we used to repay a portion of the outstanding borrowings under the MIC Inc. acquisition credit facility.

Restatement of Certain Financial Statements

On September 13, 2006, our Audit Committee determined that we would be required to amend and restate previously issued financial statements and other financial information for the quarters ended March 31, 2006 and June 30, 2006 for derivative instruments that did not qualify for hedge accounting during those

periods. We also determined that the impact of not qualifying for hedge accounting was not material to our audited financial statements for the full year 2005 or the period from April 13, 2004 (inception) to December 31, 2004.

This determination was made because, during the third quarter of 2006, we, in consultation with our external auditors, discovered that our application of, and documentation related to, the short-cut and critical terms match methods under Statement of Financial Accounting Standards No. 133, Accounting for Derivative Instruments and Hedging Activities (SFAS 133), for a number of our derivative instruments was incorrect.

Following our discovery of the errors in the application and documentation of hedge accounting under SFAS 133, we initiated a comprehensive review of all of our determinations and documentation related to hedge accounting for our derivative instruments, as well as our related processes and procedures. As a result of that review, we determined that none of our interest rate and foreign exchange derivative instruments met the criteria required for use of either the short-cut or critical terms match methods of hedge accounting for all periods from April 13, 2004 (inception) through June 30, 2006. We are not permitted to retroactively apply an appropriate method of qualifying for hedge accounting treatment for these instruments and, as a result, the changes in the fair value of these derivative instruments during their term needed to be reflected as a net non-cash unrealized gain or loss on derivative instruments in the income statement rather than in other comprehensive income in the balance sheet. The effect of this error on our consolidated balance sheet was immaterial and had no net effect on operating income, cash from operations or consolidated statements of cash flows.

On October 13, 2006, management recommended to the Audit Committee that our unaudited 2005 quarterly financial statements and financial information as well as 2005 financial information for our airport services and airport parking segments within Management s Discussion and Analysis of Financial Condition and Results of Operations should be restated to reflect the elimination of hedge accounting for all of our derivative instruments. The Audit Committee agreed with management s recommendation and determined that such previously reported 2005 unaudited quarterly financial statements, quarterly financial information and segment financial information within Management s Discussion and Analysis of Financial Condition and Results of Operations should also no longer be relied upon.

On October 16, 2006, we filed amended quarterly reports on Form 10-Q/A to restate our financial statements and other financial information for the quarters ended March 31, 2006 and June 30, 2006, as well as a current report on Form 8-K amending filings on Form 8-K/A previously filed on June 28, 2006 and August 28, 2006, which included pro forma financial information. We also filed an amended annual report on Form 10-K/A for the full year 2005 in which we corrected certain quarterly and segment financial information for that year, but did not change the audited annual financial results.

In our restatement, management s disclosure on internal controls over financial reporting indicate that our management found a material weakness related to SFAS 133 as of December 31, 2005, March 31, 2006 and June 30, 2006 and, therefore, that our disclosure controls and procedures were not effective at those dates. We reported increased net income for each of the first two fiscal quarters of 2006 as a result of the restatements.

We do not intend to use hedge accounting through the remainder of 2006. Therefore, changes in the fair value of derivative instruments will be recorded as a pre-tax non-cash gain or loss in our income statement and will result in a corresponding after-tax increase or decrease in net income and EBITDA. For the third quarter of 2006, we expect to record a pre-tax loss in the fair value of derivatives in the range of $18 million to $20 million on a consolidated basis.

We intend to apply an appropriate method of effectiveness testing for these instruments in the first quarter of 2007 and expect that they will qualify for hedge accounting from that time. Regardless of the accounting treatment reflected in its financial statements, we continue to believe that our various derivative instruments are economically effective hedges of our exposure to interest and currency exchange rate fluctuations.

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Management and the Audit Committee of the Board of Directors conducted the evaluation and restatement of these matters in consultation with KPMG LLP, our independent registered public accounting firm and auditor for all affected periods.

Results of Operations

Six Months Ended June 30, 2006 and 2005

Key Factors Affecting Operating Results

We recognized net income of $17.0 million for the first six months of 2006, as compared to $7.6 million for the first six months of 2005. Consolidated performance was primarily driven by:

- positive contributions from our acquisitions during the last twelve months, including:
  - acquisition of a Las Vegas FBO (Eagle Aviation Resources) in our airport services business;
  - eight new locations in our airport parking business;
  - our acquisition of IMTT, which declared a $7.0 million distribution during the second quarter; and
  - our acquisition of TGC;
- increased gross profit across our existing businesses driven by improved performance at our airport services and airport parking businesses;
- recognition of distributions and loan repayments from our existing unconsolidated businesses totaling $3.4 million to date in 2006;
- higher management fees, including the $4.1 million performance fee earned by our Manager in the first quarter, which it has reinvested in shares of trust stock, and higher base management fees due to our increased investments;
- an increase in interest expenses due to the overall increase in our debt to partially fund our acquisitions, coupled with an overall increase in interest rates; and
- an increase in unrealized gains on derivative instruments of $18.1 million over the $2.0 million reported in 2005.

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Our consolidated results of operations are summarized below ($ in thousands):

	Six Months Ended June 30,				Year Ended December 31,
	2006	2005	Change		2005
			$	%	
	(Unaudited)				
Revenue:					
Revenue from fuel sales	$ 98,914	$ 64,391	34,523	53.6	$ 143,273
Service revenue	90,630	71,190	19,440	27.3	156,167
Financing and equipment lease income	2,583	2,673	(90)	(3.4)	5,303
Total revenue	192,127	138,254	53,873	39.0	304,743
Costs and expenses:					
Cost of product sales	61,279	36,803	24,476	66.5	84,806
Cost of services	43,664	36,566	7,098	19.4	81,834
Gross profit	87,184	64,885	22,299	34.4	138,103
Selling, general and administrative expenses	48,244	38,286	9,958	26.0	82,636
Fees to our Manager	10,196	4,152	6,044	145.6	9,294
Depreciation	3,831	2,747	1,084	39.5	6,007
Amortization of intangibles	7,026	6,320	706	11.2	14,815
Operating income	17,887	13,380	4,507	33.7	$ 25,351
Other income (expense):					
Dividend income	5,002	6,184	(1,182)	(19.1)	12,361
Interest income	2,882	2,330	552	23.7	4,064
Interest expense	(31,267)	(15,269)	(15,998)	(104.8)	(33,800)
Equity in earnings and amortization charges of investee	5,568	514	5,054	983.3	3,685
Unrealized gain on derivative instruments	20,162	2,038	18,124	889.3	
Other income (expense), net	(73)	(654)	581	(88.8)	123
Net income before income taxes and minority interests	20,161	8,523	11,638	136.5	11,784
Income tax (benefit) expense	(3,011)	579	(2,432)	(420.0)	3,615
Net income before minority interests	17,150	7,944	9,206	115.9	15,399
Minority interests	152	357	(205)	(57.4)	203
Net income	$ 16,998	$ 7,587	9,411	124.0	$ 15,196

Gross Profit

The increase in our consolidated gross profit was due primarily to the acquisitions of the Las Vegas FBO in the third quarter of 2005, six off-airport parking facilities (collectively referred to as SunPark) during the second half of 2005 and TGC on June 7, 2006. Additionally, higher average dollar per gallon fuel margins combined with stable fuel volumes at existing locations in our airport services business, and higher average revenue per car out in our airport parking business, contributed to increases in gross profit.

Selling, General and Administrative Expenses

The most significant factors in the increase in selling, general and administrative expenses were:

$1.8 million additional costs from our TGC acquisition not reflected in 2005 results;

- additional costs at our airport parking business s corporate office primarily to support a larger organization resulting from growth in number of locations;
- additional compensation expenses related to stock appreciation rights issued during 2006; and
- additional corporate selling, general and administrative costs of $1.1 million due primarily to costs of approximately $461,000 related to an unsuccessful acquisition bid as well as Sarbanes-Oxley costs.

Additionally, the management fee paid to our Manager increased due to $4.1 million in performance fees in 2006 compared to none in 2005, as well as a $1.9 million increase in the base fee due primarily to our increased investments.

Other Income (Expense)

Our dividend income in 2006 consists of a dividend declared by and received from SEW in the first quarter and a dividend declared by MCG in the second quarter. The comparable SEW dividend from 2005, which was higher than the SEW dividend received in 2006, was both declared and received in the second quarter.

Interest income increased primarily as a result of higher interest rates on invested cash in 2006. Interest expense increased due mostly to a higher level of debt in 2006.

Our equity in the earnings on our Yorkshire Link investment increased, primarily due to a gain from changes in the fair value of interest rate swaps that Yorkshire records in the income statement, compared with a loss recorded in the second quarter of 2005.

The decrease in other expense was due primarily to advisory fees incurred in 2005 related to our acquisition of two FBOs in California.

We do not intend to use hedge accounting through the remainder of 2006. Therefore, changes in the fair value of derivative instruments will be recorded as a pre-tax non-cash gain or loss in our income statement and will result in a corresponding after-tax increase or decrease in net income and EBITDA. For the third quarter of 2006, we expect to record a pre-tax loss in the fair value of derivatives in the range of $18 million to $20 million on a consolidated basis.

Income Taxes

We recorded a pre-tax loss in the first six months of 2005. However, since we were recently formed with no operating history, we recorded a full valuation allowance on the benefits of the pre-tax loss incurred. Therefore, we recorded no income tax benefit in the first six months of 2005.

For the 2006 year, we project a net loss before taxes at the MIC Inc. level, for which we expect to record an income tax benefit. We also project deriving net income before taxes outside MIC Inc. that will not be subject to income tax payable by us. Since the income from outside MIC Inc. is projected to exceed the pre-tax loss at the MIC Inc. level, we expect to recognize pre-tax income on a consolidated basis.

EBITDA

We have included EBITDA, a non-GAAP financial measure, on both a consolidated basis as well as for each segment as we consider it to be an important measure of our overall performance. We believe EBITDA provides additional insight into the performance of our operating companies and our ability to service our obligations and support our

ongoing dividend policy.

A reconciliation of net income to EBITDA is provided below ($ in thousands):

	Six Months Ended June 30,				Year Ended December 31,
	2006	2005	Change		2005
			$	%	
	(Unaudited)				
Net income(1)	$ 16,998	$ 7,587	$ 9,411	124.0	$ 15,196
Interest expense, net	28,385	12,939	15,446	119.4	29,736
Income taxes	3,011	579	2,432	420.0	(3,615)
Depreciation(2)	8,290	6,631	1,659	25.0	14,098
Amortization(3)	7,026	6,320	706	11.2	14,815
EBITDA(1)	$ 63,710	$ 34,056	29,654	87.1	$ 70,230

(1) Net income and EBITDA include non-cash unrealized gain from derivative instruments of $20.2 million for the six months ended June 30, 2006.

(2) Includes depreciation expense of $1.6 million and $1.0 million for our airport parking business for the six-month periods ended June 30, 2006 and 2005, respectively, and $2.8 million and $2.8 million for the direct energy business for the six-month periods ended June 30, 2006 and 2005, respectively, which are included in the cost of services on our consolidated condensed income statement. Does not include $1.1 million of depreciation expense related to our 50% investment in IMTT for the six months ended June 30, 2006.

(3) Does not include $1.9 million and $2.4 million of amortization expense related to intangible assets in connection with our investment in the toll road business for the six-month periods ended June 30, 2006 and 2005, respectively, and $189,000 of amortization expense related to intangible assets of IMTT for the six months ended June 30, 2006.

Year Ended December 31, 2005

We recognized net income of $15.2 million from our existing businesses and investments for the year ended December 31, 2005. Consolidated performance was primarily driven by:

- net income of $7.1 million from our airport services business and $452,000 from our district energy business, partially offset by a loss of $3.3 million from our airport parking business;

- dividend income of $8.5 million from our investment in SEW and $4.2 million from our investment in MCG; and

- net income from our 50% share of the toll road business was $3.7 million, net of amortization expense of $3.8 million.

Summary of Our New Businesses and Results of Operations

The Gas Company

On June 7, 2006, we completed our acquisition of TGC from k1 Ventures Limited. TGC is a Hawaii limited liability company that owns and operates the regulated synthetic natural gas production and distribution business in Hawaii and distributes and sells liquefied petroleum gas through unregulated operations. TGC operates in both regulated and unregulated markets on the islands of Oahu, Hawaii, Maui, Kauai, Molokai and Lanai. The Hawaiian market includes Hawaii s 1.2 million full-time residents and the businesses serving more than seven million annual visitors.

TGC has two primary businesses, utility (or regulated) and non-utility (or unregulated):

The utility business includes distribution and sales of SNG on the island of Oahu and distribution and sale of LPG to approximately 35,850 customers through localized distribution systems located on the islands of Oahu, Hawaii, Maui, Kauai, Molokai and Lanai (listed by size

of market). Utility revenue consists principally of sales of thermal units, or therms, of SNG and gallons of LPG. One gallon of LPG is the equivalent of 0.913 therms. The operating costs for the utility business include the cost of locally purchased feedstock, the cost of manufacturing SNG from the feedstock, LPG purchase costs and the cost of distributing SNG and LPG to customers.

The non-utility business comprises the sale of LPG to approximately 31,550 customers, through truck deliveries to individual tanks located on customer sites on Oahu, Hawaii, Maui, Kauai, Molokai and Lanai. Non-utility revenue consists of sales of gallons of LPG. The operating costs for the non-utility business include the cost of purchased LPG and the cost of distributing the LPG to customers.

SNG and LPG have a wide number of commercial and residential applications, including electricity generation, water heating, drying, cooking, and gas lighting. LPG is also used as a fuel for some specialty vehicles and forklifts. Gas customers range from residential customers to a wide variety of commercial customers.

Revenue is primarily a function of the volume of SNG and LPG consumed by customers and the price per thermal unit or gallon charged to customers. Because both SNG and LPG are derived from petroleum, revenue levels, without volume changes, will generally track global oil prices. Utility revenue includes fuel adjustment charges through which the changes in fuel costs are passed through to utility customers. As a result, the key measure of performance for this business is gross profit.

Volume is primarily driven by demographic and economic growth in the state of Hawaii and by shifts of end users between gas and other energy sources and competitors. The Hawaii Department of Business, Economic Development, and Tourism has forecast population growth for the state of 1.1% per year through 2010. There are approximately 250 regulated utilities operating in Hawaii. These comprise one gas utility, four electric utilities, 34 water and sewage utilities and 211 telecommunications utilities. The four electric utility operators, combined, serve approximately 450,000 customers. Since all businesses and residences have electrical connections, this provides an estimate of the total gas market potential. TGC s regulated customer base is approximately 35,850 and its non-regulated customer base is approximately 31,550. Accordingly, TGC s overall market penetration, as a percentage of total electric utility customers in Hawaii, is approximately 15% of Hawaii businesses and residences. TGC has 100% of Hawaii s regulated gas business and over 77% of Hawaii s unregulated gas business.

Prices charged by TGC to its customers for the utility gas business are based on Hawaii Public Utilities Commission, or HPUC, regulated rates that allow TGC the opportunity to recover its costs of providing utility gas service, including operating expenses, taxes, a return of capital investments through recovery of depreciation and a return on the capital invested. TGC s rate structure generally allows it to maintain a relatively consistent dollar-based margin per thermal unit by passing increases or decreases in fuel costs to customers through the fuel adjustment charges without filing a general rate case.

TGC incurs expenses in operating and maintaining its facilities and distribution network, comprising a SNG plant, a 22-mile transmission line, 1,100 miles of distribution pipelines, several tank storage facilities and a fleet of vehicles. These costs are generally fixed in nature. Other operating expenses incurred, such as LPG, feedstock for the SNG plant and revenue-based taxes, are generally sensitive to the volume of product sold. In addition, TGC incurs general and administrative expenses at its executive office that include expenses for senior management, accounting, information technology, human resources, environmental compliance, regulatory compliance, employee benefits, rents, utilities, insurance and other normal business costs.

The rates that are charged to non-utility customers are set based on LPG and delivery costs, and on the cost of fuel and competitive factors.

As part of the regulatory approval process of our acquisition of TGC, we agreed to 14 regulatory conditions addressing a variety of matters. The material conditions include:

- the inability to recover goodwill, transaction or transition costs in future rate cases;

the inability of TGC to file for a new rate case with a prospective test year commencing prior to 2009;

a requirement to limit TGC and HGC s ratio of consolidated debt to total capital to 65%;

a requirement to maintain $20.0 million in readily available cash resources at TGC, HGC or the company;

a requirement that TGC revise its Fuel Adjustment Clause to reconcile monthly charges to corresponding actually incurred fuel expenses; and

a requirement that TGC provide a $4.1 million customer appreciation credit to its gas customers.

Results of Operations

Six Months Ended June 30, 2006 and 2005

We acquired TGC on June 7, 2006. Accordingly, our consolidated operating results only reflect the results of operations of TGC for the 24-day period from June 7, 2006 through June 30, 2006. For this 24-day period, revenue was $10.6 million, gross profit was $4.2 million and income before taxes was $312,000. Income before taxes excludes a gain of $6.0 million recognized by TGC relating to swaps transferred to TGC by us. This gain was eliminated on consolidation.

Because TGC s results of operations are only included in our financial results for a short period of 2006, the following analysis compares the historical results of operations for TGC under its current and prior owner. We believe that this is a more appropriate approach to explaining the historical financial performance and trends of TGC than discussing the composition of the 24-day period that is included in our results. The following table compares the historical financial performance of TGC for the six months ended June 30, 2006 (including the period owned by us) to the comparable 2005 period.

Key Factors Affecting Operating Results

Therms sold in each of the utility and non-utility sectors increased, mostly resulting from organic growth in the business;

Cost per therm increased by 24% due principally to higher petroleum costs that are generally recoverable in billing rates; and

Gross profit per therm increased 6% for the utility and 8% for the non-utility operations.

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	Six Months Ended June 30,		Change	
	2006	2005	$	%
	(Unaudited) ($ in thousands)			
Revenues:				
Utility	$ 48,784	$ 41,017	7,767	18.9
Non-utility	33,784	29,890	3,894	13.0
Total revenue	82,568	70,907	11,661	16.4
Generation and purchased gas:				
Utility	26,642	20,256	6,386	31.5
Non-utility	19,926	17,146	2,780	16.2
Gross profit	36,000	33,505	2,495	7.4
Operating expenses:				
Production	2,052	1,872	180	9.6
Transmission and distribution	7,049	6,542	507	7.7
Taxes-other than income	4,932	4,223	709	16.8
Selling, general and administrative expenses	7,816	7,503	313	4.2
Depreciation and amortization	2,785	2,573	212	8.2
Operating income	11,366	10,792	574	5.3
Interest expense (net)	(3,960)	(1,883)	(2,077)	110.3
Unrealized gain on derivatives	1,912		1,912	NA
Other (expense) income	(1,844)	1,474	(3,318)	(225.1)
Income before taxes(1)	$ 7,474	$ 10,383	(4,821)	(46.4)
Reconciliation of Income Before Taxes to EBITDA:				
Income before taxes(1)	$ 5,562	$ 10,383	(4,821)	(46.4)
Interest expense, net	3,960	1,883	2,077	110.3
Depreciation and amortization	2,785	2,573	212	8.2
EBITDA	$ 12,307	$ 14,839	(2,532)	(17.1)

(1) Gain on transfer of swaps of $6.0 million for the six months ended June 30, 2006 has been excluded from income before taxes in the above table, since this amount was eliminated on consolidation at the MIC level in the second quarter of 2006.

Gross Profit

The key factors generating gross profit are volume of SNG and LPG sold and dollar-based margin per therm. TGC s gross profit growth was due primarily to the following factors:

therms sold in both the utility and non-utility sectors increased 1% for the six-month period. This overall increase in therms sold included the benefit of a 1% increase in the number of customers that TGC serves.

utility gross profit increased 6% for the six-month period due to lower losses of gas while the product is in pipelines and increased revenue taxes (which benefit gross profit since the revenue-based taxes are included in revenue but the related and offsetting expense is included below the gross profit line, in operating costs).

gross profit per therm for the non-utility operations increased 8% for the six-month period due to the pro-rata accrual of a contract revenue adjustment in 2006 and lower propane inventory losses.

Operating Expenses

Production costs and transmission and distribution costs were higher for the six-month period due to increased personnel costs, higher electricity costs, the cost to rent an electrical generator at the SNG plant due to reliability issues with a power supplier, costs associated with converting pipeline maps to an electronic database and a non-recurring cost to repair the SNG transmission line.

Taxes other than income are comprised of payroll taxes and an 8.9% revenue tax on regulated sales. The revenue tax expense increased as a result of higher sales volumes and revenue, a large component of which was due to increased fuel costs.

Selling, general and administrative expenses increased due primarily to personnel and benefit cost increases and transitional costs relating to staff resourcing, offset by cost savings resulting from the termination of two administrative services agreements from third party providers.

Depreciation and amortization for the first half of 2006 was slightly higher than in 2005 due to equipment additions and depreciation and amortization related to the higher asset basis following our purchase of TGC in June 2006.

Interest Expense, Net

Interest expense increased in 2006 due primarily to increasing interest rates and the higher debt balance incurred to fund our acquisition of the business in early June 2006. The $160 million of long-term debt, which carries a blended margin of 50 basis points over LIBOR, has been hedged through 2009. The effective interest rate on the debt is 5.345%.

Other (Expense) Income

Other expense for the first half of 2006 was comprised principally of sale closing expenses. Other income for the first half of 2005 was primarily a $1.3 million non-recurring payment from an electric utility company to reimburse TGC under a cost sharing arrangement, for entry into an energy corridor fuel pipeline right-of-way.

EBITDA

For the first half of 2006 compared with the same period of 2005, EBITDA declined by $2.5 million. The decrease was the result of approximately $2.0 million of non-recurring costs associated with our purchase of the business, partially offset by improved operating results of $500,000 and was also due to the 2005 receipt of a $1.3 million energy corridor payment that did not reoccur in 2006.

Ten Months Ended April 30, 2006 Compared to Twelve Months Ended June 30, 2005

The comparative periods discussed below consist of 10 months, 12 months and 11 months, respectively. Accordingly, we have compared these periods on an average dollars or units per month basis as we believe so doing provides a more meaningful analysis than comparing periods of varying length. We do not believe that seasonality is a material factor over any particular period.

Key Factors Affecting Operating Results

- Average therms sold per month in the regulated sector was flat, while average gallons sold per month in the unregulated sector increased 3%;

Dollar margin per therm increased 8% while dollar margin per gallon increased 5%; and

Average gross profit per month increased 8%.

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	Ten Months Ended April 30, 2006		Twelve Months Ended June 30, 2005		Average Per Month $ Change(1)	Average Per Month % Change(1)
	Actual	Average Per Month(1)	Actual	Average Per Month(1)		
			($ in thousands)			
Revenues:						
Utility	$ 69,164	$ 6,916	$ 70,514	$ 5,876	$ 1,040	17.7%
Non-utility	60,771	6,077	61,899	5,158	919	17.8%
Total revenue	129,935	12,994	132,413	11,034	1,959	17.8%
Generation and purchased gas:						
Utility	34,111	3,411	31,308	2,609	802	30.7%
Non-utility	37,179	3,718	36,185	3,015	702	23.3%
Gross profit	58,645	5,865	64,902	5,410	455	8.4%
Operating expenses:						
Selling, general and administrative expenses	36,287	3,629	40,206	3,351	278	8.3%
Depreciation and amortization	4,473	447	5,074	423	24	5.8%
Operating income	17,885	1,789	19,640	1,637	152	9.3%
Interest expense (net)	(3,857)	(386)	(3,484)	(290)	(95)	32.8%
Other income	685	69	1,623	135	(67)	(49.4)%
Provision for income taxes	(5,526)	(553)	(6,945)	(579)	26	(4.5)%
Minority interest	(11)	(1)	(19)	(2)		(30.5)%
Cumulative effect of prior period adjustment, net of tax	(3,384)	(338)			(338)	
Net income	$ 5,792	$ 579	$ 10,815	$ 901	$ (322)	(35.7)%
Reconciliation of Net Income to EBITDA:						
Net income	$ 5,792		$ 10,815			
Interest expense	3,857		3,484			
Provision for income taxes	5,526		6,945			
Depreciation and amortization	4,473		5,074			
Cumulative effect of prior period adjustment, net of tax	3,384					

EBITDA	$	23,032	$	2,303	$	26,318	$	2,193	$	110	5.0%

(1) Subtotals and totals may be off $1 due to rounding.

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Revenue and Gross Profit

The key factors generating TGC s revenue and gross profit are volume of SNG and LPG sold and dollar-based margin per therm or gallon, respectively. TGC s average monthly revenue and gross profit growth was due primarily to:

- rising cost of SNG and LPG, which is generally passed on to customers. To date, there has not been any negative impact on demand for SNG and LPG due to the increases in these costs; and
- an increase in utility therm margins resulting from reduced SNG gas line losses and recovery of percentage-based revenue taxes that are recorded in selling, general and administrative expenses.

The price increases in SNG were the result of an average 29% increase in the cost of feedstock experienced in the period ended April 30, 2006 when compared to the period ended June 30, 2005. Price increases passed through to customers were consistent with a formula permitted by the HPUC. The price increases in LPG were the result of an average 20% increase in the cost of feedstock between these periods that TGC passed on to its customers.

Selling, General and Administrative Expenses

Average selling, general and administrative expenses per month increased approximately 8.3%. This was due primarily to salary and wage merit and union contract increases, filling of vacant positions, repair of damages caused by a fire at the SNG plant, rental of a large electrical generator due to reliability issues with a power supplier, increases in vehicle fleet fuel costs, increases in employee benefit costs, higher percentage-of-revenue taxes and other inflationary cost increases.

Interest Expense, Net

Average net interest expense per month increased 32.8% due primarily to increasing interest rates. The outstanding debt is unhedged.

Other Income

Other income decreased because of the receipt of a payment from an electric utility for the shared use of an Energy Corridor in 2005.

Cumulative Effect of Prior Period Adjustment, Net of Tax

Prior to April 30, 2006, TGC followed the provisions of SFAS No. 143 in accounting for its asset retirement obligation. In applying this Statement, TGC took into consideration only those legal obligations associated with the retirement of long-lived assets that it considered to be probable of being incurred.

Effective from April 30, 2006, TGC adopted the provisions of FIN 47, and also recorded an asset retirement obligation in those cases where the obligation to perform the asset retirement activity was unconditional, even though the timing or the method of settling the obligation was uncertain.

Twelve Months Ended June 30, 2005 Compared to Eleven Months Ended June 30, 2004

Key Factors Affecting Operating Results

- Average therms sold per month increased 1%, while average gallons sold per month increased 5%;

Dollar margin per therm increased 4% while dollar margin per gallon decreased 7%; and

Average gross profit per month increased 2%.

	Twelve Months Ended June 30, 2005		Eleven Months Ended June 30, 2004		Average Per Month $ Change(1)	Average Per Month % Change(1)
	Actual	Average Per Month(1)	Actual	Average Per Month(1)		
			($ in thousands)			
Revenues:						
Utility	$ 70,514	$ 5,876	$ 55,727	$ 5,066	$ 810	16.0%
Non-utility	61,899	5,158	49,156	4,469	690	15.4%
Total revenue	132,413	11,034	104,883	9,535	1,500	15.7%
Generation and purchased gas:						
Utility	31,308	2,609	21,482	1,953	656	33.6%
Non-utility	36,185	3,015	24,972	2,270	745	32.8%
Gross profit	64,902	5,410	58,429	5,312	98	1.9%
Operating expenses:						
Selling, general and administrative expenses	40,206	3,351	35,227	3,202	148	4.6%
Depreciation and amortization	5,074	423	4,472	407	16	4.0%
Operating income	19,640	1,637	18,730	1,703	(66)	(3.9)%
Interest expense (net)	(3,484)	(290)	(2,609)	(237)	(53)	22.4%
Other income	1,623	135	(90)	(8)	143	NM
Provision for income taxes	(6,945)	(579)	(6,390)	(581)	2	(0.4)%
Minority interest	(19)	(2)	(16)	(1)		8.9%
Net income	$ 10,815	$ 901	$ 9,625	$ 875	$ 26	3.0%
Reconciliation of Net Income to EBITDA:						
Net income	$ 10,815		$ 9,625			
Interest expense	3,484		2,609			
Provision for income taxes	6,945		6,390			
Depreciation and amortization	5,074		4,472			
EBITDA	$ 26,318	$ 2,193	$ 23,096	$ 1,925	$ 269	14.0%

NM = Not meaningful.

(1) Subtotals and totals may be off $1 due to rounding.

Revenue and Gross Profit

The key factors generating TGC s revenue and gross profit are volume of SNG and LPG sold and dollar-based margin per therm or gallon. TGC s average monthly revenue and gross profit growth was due primarily to:

rising cost of SNG and LPG, which is generally passed on to customers;

an increase in both thermal unit and gallon sales volume and increased dollar per therm fuel margins, partially offset by a decrease in dollar per gallon fuel margins;

an increase in utility therm margins resulting from reduced utility SNG gas line losses and coverage of percentage-based revenue taxes that are recorded in selling, general and administrative expenses; and

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a decrease in non-utility margins resulting from comparably higher costs of LPG due to increased purchases of LPG from foreign suppliers at a cost higher than local supplies. TGC chose to make these foreign purchases to ensure adequate supply for TGC s customers following local fuel shortfalls. TGC made a business decision not to entirely pass these increased costs to TGC s customers due to long-term customer relations, public relations, and competitive considerations.

The price increases in SNG were the result of an average 32% increase in the cost of feedstock experienced in the period ended June 30, 2005 when compared to the period ended June 30, 2004. The price increases in LPG were the result of an average 27% increase in the cost of feedstock between these periods.

Selling, General and Administrative Expenses

Average selling, general and administrative expenses per month increased approximately 4.6%. This was due primarily to salary and wage merit and union contract increases, increases in employee benefit costs, increases in vehicle fleet fuel costs, higher percentage-of-revenue taxes and other inflationary cost increases.

Interest Expense, Net

Average net interest expense per month increased 22.4% due primarily to increasing interest rates. The outstanding debt is unhedged.

Other Income

Other income increased because of the receipt of a non-recurring payment from an electric utility for the shared use of an Energy Corridor in 2005.

International-Matex Tank Terminals

On May 1, 2006, we completed our acquisition, through our wholly owned subsidiary, MIC Inc., of 50% of the shares of IMTT Holdings Inc. (formerly known as Loving Enterprises, Inc). IMTT Holdings is the ultimate holding company for a group of companies and partnerships that own a bulk liquid storage terminal business operating as IMTT.

IMTT provides bulk liquid storage and handling services in North America through a total of eight terminals located on the East, West and Gulf coasts and the Great Lakes region of the United States and a partially owned terminal in each of Quebec and Newfoundland, Canada, with the largest terminals located on the New York Harbor and on the Mississippi River near the Gulf of Mexico. IMTT stores and handles petroleum products, various chemicals and vegetable and animal oils. IMTT is one of the largest companies in the bulk liquid storage terminal industry in the United States, based on storage capacity.

The key drivers of IMTT s revenue and gross profit are the amount of tank capacity rented to customers and the rates at which such capacity is rented. Customers generally rent tanks under contracts with terms of between one and five years. Under these contracts, customers generally pay for the capacity of the tank irrespective of whether the tank is actually used. The key driver of storage capacity utilization and tank rental rates is the demand for capacity relative to the supply of capacity in a particular region (e.g., New York Harbor, Lower Mississippi River). Demand for capacity is primarily a function of the level of consumption of the bulk liquid products stored by the terminals and the level of importation and exportation of such products. Demand for petroleum and liquid chemical products, the main products stored by IMTT, historically has generally been driven by the level of economic activity. We believe major increases in the supply of new tank capacity in IMTT s key markets has been and will continue to be limited by the availability of waterfront land with access to the infrastructure necessary for land based receipt and distribution of stored product

(road, rail and pipelines), lengthy environmental permitting processes and high capital costs. We believe a favorable supply/demand balance for bulk liquid storage currently exists in the markets serviced by IMTT s major facilities. This factor, when combined with the attributes of IMTT s facilities such as deep water drafts and

access to land based infrastructure, have resulted in available storage capacity at IMTT s major facilities for both petroleum and chemical products being consistently fully or near fully rented to customers.

IMTT earns revenues at its terminals from a number of sources including storage of bulk liquids (per barrel, per month rental), throughput of liquids (handling charges), heating (a pass through of the cost associated with heating liquids to prevent excessive viscosity) and other (revenue from blending, packaging and warehousing, for example). The key elements of revenue generally increase annually on the basis of inflation escalation provisions in customer contracts.

In operating its terminals, IMTT incurs labor costs, fuel costs, repair and maintenance costs, real and personal property taxes and other costs (which include insurance and other operating costs such as utilities and inventory used in packaging and drumming activities).

In 2005, IMTT generated approximately 53% of its total terminal revenue and 45% of its terminal gross profit at its Bayonne, NJ facility, which services New York Harbor, and 32% of its total terminal revenue and 47% of its terminal gross profit at its St. Rose, LA, Gretna, LA and Avondale, LA facilities, which together service the lower Mississippi River region (with St. Rose being the largest contributor).

There are two key factors that are likely to materially impact IMTT s total terminal revenue and terminal gross profit in the future. First, IMTT has achieved substantial increases in storage rates at its Bayonne and St. Rose facilities as customer contracts expiring in 2005 and early 2006 have been renewed. In addition, some customers of IMTT have been extending contracts that do not expire until late 2006 and 2007 at rates above the existing rates under such contracts. As a consequence, based on the current level of demand for bulk liquid storage in New York Harbor and the lower Mississippi River, we anticipate that IMTT will achieve annual increases in storage revenues in excess of inflation at least through 2008.

Second, over the course of 2006 and 2007, IMTT intends to undertake significant growth capital expenditure which is expected to contribute significantly to terminal gross profit in 2008 and beyond. IMTT is currently constructing a bulk liquid chemical storage and handling facility on the Mississippi River at Geismar, LA. To date, IMTT has committed approximately $160.0 million of growth capital expenditure to the project. Based on the current project scope and subject to certain minimum volumes of chemical products being handled by the facility, existing customer contracts are anticipated to generate terminal gross profit and EBITDA of at least approximately $18.8 million per year assuming the major customer contract is ultimately accounted for as an operating lease (in the event that the major customer contract is ultimately accounted for as a finance lease, the project s contribution to terminal gross profit and EBITDA will be reduced, but the project s contribution to IMTT s distributable cash flow will be unchanged). Completion of construction of the initial $160.0 million phase of the Geismar, LA project is targeted for the end of 2007. In the aftermath of hurricane Katrina, construction costs in the region affected by the hurricane have increased and labor shortages have been experienced. Although a significant amount of the impact of hurricane Katrina on construction costs has already been incorporated into the capital commitment plan, there could be further negative impacts on the cost of constructing the Geismar, LA project (which may not be offset by an increase in gross profit and EBITDA contribution) and/or the project construction schedule. In addition to the Geismar, LA project, IMTT is currently in the process of constructing 15 new storage tanks with a total capacity of approximately 1.5 million barrels at its Louisiana facilities at a total estimated cost of $39.0 million. It is anticipated that construction of these tanks will be completed from late 2006 through late 2007. Rental contracts with initial terms of at least three years have already been executed in relation to 11 of these tanks with the balance of the tanks to be used to service customers while their existing tanks are undergoing scheduled maintenance over the next five years. Overall, it is anticipated that the operation of the new tanks will contribute approximately $6.4 million to IMTT s terminal gross profit and EBITDA annually.

As prescribed in the shareholders agreement between MIC, IMTT Holdings and its other shareholders, until December 31, 2007, subject to compliance with law, the debt covenants applicable to its subsidiaries and retention of appropriate levels of reserves, IMTT Holdings is required to distribute $7.0 million per quarter to us. At June 30, 2006, we recorded a $7.0 million receivable in connection with the expected receipt of our share of the cash distribution for the second quarter of 2006 which was received on July 26, 2006. Subsequent to December 31, 2007, subject to the same limitations applicable prior to December 31, 2007 and subject to IMTT Holdings

consolidated net debt to EBITDA ratio not exceeding 4.25:1 as at each quarter end, IMTT Holdings is required to distribute all of its consolidated cash flow from operations and cash flows from (but not used in) investing activities less maintenance and environmental remediation capital expenditure to its shareholders quarterly.

As discussed above, in total, IMTT intends to undertake at least approximately $191.0 million of aggregate growth capital expenditure in 2006 and 2007. It is anticipated that this growth capital expenditure and IMTT s dividend payments during 2006 and 2007, as prescribed in the shareholders agreement, will be fully funded using a combination of IMTT s cash flow from operations, IMTT s debt facilities, the proceeds from MIC s investment in IMTT Holdings and future shareholder loans from the other shareholders of IMTT Holdings. IMTT s current debt facilities will need to be refinanced on amended terms and increased in size during 2006 and 2007 to provide the funding necessary for IMTT to fully pursue its expansion plans.

Based on current market conditions and assuming that the construction of the new facility at Geismar is completed at the end of 2007 and a number of the expansion opportunities currently being considered by IMTT are pursued and completed prior to the end of 2007, it is anticipated that IMTT s total terminal revenue, terminal gross profit and cash flow provided by operating activities will increase significantly through 2008, enabling the initial level of annual distributions from IMTT to MIC to be substantially maintained beyond 2007.

Our interest in IMTT Holdings, from the date of closing our acquisition, May 1, 2006, is reflected in our equity in earnings and amortization charges of investee line in our financial statements.

Results of Operations

Six Months Ended June 30, 2006 and 2005

We completed our acquisition of a 50% interest in IMTT on May 1, 2006. Therefore IMTT only contributed to our consolidated results from this date. We included $240,000 of net income in our consolidated results for the six months ended June 30, 2006, consisting of $1.0 million equity in the earnings of IMTT (net of $554,000 tax expense) less $789,000 depreciation and amortization expense (net of $546,000 tax benefit). IMTT declared a dividend of $14.0 million in June 2006 with $7.0 million payable to MIC Inc. that we recorded as a receivable at June 30, 2006, and received on July 26, 2006.

To enable meaningful analysis of IMTT s performance across periods, IMTT s performance for the full six months ended June 30, 2006, compared to the corresponding period, is discussed below.

Key Factors Affecting Operating Results

Terminal revenue and terminal gross profit increased principally due to increases in average tank rental rates; and

Environmental response gross profit increased due to activities related to hurricane Katrina and a significant spill response job undertaken in the second quarter.

	Six Months Ended June 30,		Change	
	2006	2005	$	%
	(Unaudited) ($ in thousands)			

Revenue:				
Terminal revenue	$ 94,332	$ 88,584	5,748	6.5
Terminal revenue heating	10,542	9,376	1,166	12.4
Environmental response revenue	10,006	5,904	4,102	69.5
Nursery revenue	6,057	6,853	(796)	(11.6)
Total revenue	120,937	110,717	10,220	9.2

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	Six Months Ended June 30, 2006	Six Months Ended June 30, 2005	Change $	Change %
	(Unaudited) ($ in thousands)			
Costs and expenses:				
Terminal operating costs	48,731	45,867	2,864	6.2
Terminal operating costs fuel	9,435	9,505	(70)	(0.7)
Environmental response operating costs	5,954	4,541	1,413	31.1
Nursery operating costs	6,272	6,303	(13)	(0.5)
Total operating costs	70,392	66,216	4,176	6.3
Terminal gross profit	46,708	42,588	4,120	9.7
Environmental response gross profit	4,052	1,363	2,689	197.3
Nursery gross profit	(215)	550	(765)	(139.1)
Gross profit	50,545	44,501	6,044	13.6
General and administrative expenses	10,866	10,213	653	6.4
Depreciation and amortization	15,165	14,767	398	2.7
Mark-to-market (gain) loss on non-hedging derivatives	(986)	(1,240)	254	(20.5)
Operating income	25,500	20,761	4,739	22.8
Interest expense	9,400	11,334	(1,934)	(17.1)
Provision for income taxes	6,486	4,294	2,192	51.0
Net income	$ 9,614	$ 5,133	4,481	87.3
Reconciliation of Net Income to EBITDA:				
Net income	$ 9,614	$ 5,133	4,481	87.3
Interest expense	9,400	11,334	(1,934)	(17.1)
Provision for income taxes	6,486	4,294	2,192	51.0
Depreciation and amortization	15,165	14,767	398	2.7
EBITDA	$ 40,665	$ 35,528	5,137	14.5

Revenue and Gross Profit

Terminal revenue increased due to a 1% increase in storage capacity rented to customers in the six-month period, and a 6.6% increase in average storage rates for the six-month period ended June 30, 2006 compared to the corresponding period in 2005. Overall storage capacity rented to customers remained effectively stable at 95% of available storage capacity. Terminal revenue also increased due to the increase in the earnings of IMTT s Quebec terminal and the write-off of a payable in the six-month period ended June 30, 2006 compared to the corresponding period in 2005. In the six months to June 30, 2006, IMTT also achieved a $1.2 million improvement in the differential between terminal revenue heating and terminal operating costs fuel due to increased demand for heating and increases in unit fuel prices, both of which generated an increased differential.

The increase in terminal revenue and heating differential was partially offset by an increase in terminal operating costs. This increase was principally due to general increases in direct labor and health benefit costs, repair and maintenance and property taxes, offset partially by a non-cash natural resource damage settlement accrual in New Jersey in the second quarter of 2005 that did not reoccur in the second quarter of 2006.

Environmental response gross profit increased principally due to spill clean-up activities resulting from hurricane Katrina and a significant new spill response job undertaken.

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The nursery gross profit decreased due to a reduction in demand for plants and a write-down of unsaleable inventory in the aftermath of hurricane Katrina.

Operating Expenses

General and administrative expenses increased due to general increases in direct labor and benefit expenses and expansion of the environmental response business s marketing function.

Interest Expense, Net

Net interest expense declined due to the reduction of outstanding debt and increase in interest from liquid asset balances resulting from our investment in IMTT.

EBITDA

EBITDA increased due to the increased gross profit from terminal operations and from environmental response activities offset partially by a decline in gross profit contribution from the nursery business and an increase in general and administrative expenses.

Year Ended December 31, 2005 Compared to Year Ended December 31, 2004

Revenues from tank storage and terminal charges, railroad operations, other rental income and other income reflected in IMTT Holdings audited consolidated statements of income for the year ended December 31, 2005, 2004 and 2003 have been reclassified in the below presentation as follows:

- tank storage and terminal charges revenue has been segmented into terminal revenue and terminal revenue heating for a more meaningful analysis; and
- other rental income, railroad operations revenue and other income have been combined into terminal revenue.

	Year Ended December 31,		Change	
	2005	**2004**	**$**	**%**
	($ in thousands)			
Revenue:				
Terminal revenue	$ 182,518	$ 168,384	14,134	8.4
Terminal revenue heating	20,595	15,252	5,343	35.0
Environmental response revenue	37,107	16,124	20,983	130.1
Nursery revenue	10,404	10,907	(503)	(4.6)
Total revenue	250,624	210,667	39,957	19.0
Costs and expenses:				
Terminal operating costs	$ 97,746	$ 87,755	9,991	11.4
Terminal operating costs fuel	20,969	17,712		