

BABCOCK & BROWN WIND PARTNERS

Babcock & Brown Wind Partners Limited · ABN 39 105 051 616
Babcock & Brown Wind Partners Trust · ARSN 116 244 118
Babcock & Brown Wind Partners Bermuda Limited · ARBN 116 360 715
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ASX Release

25 August 2006

BBW ACHIEVES PRACTICAL COMPLETION FOR THE ALINTA WIND FARM

Babcock & Brown Wind Partners (ASX: BBW) announces that it has achieved practical completion for the Alinta wind farm, with final completion to take place within 12 months pursuant to a Variation Deed to the Engineering Procurement and Construction agreement (Variation Deed).

As noted in the supplementary investor information pack released to the market on 14 August 2006, the Alinta wind farm has been operating in the pre-commissioning phase since August 2005 however reduced availability at the Alinta wind farm resulted in a \$4.1m reduction in revenue, and that management expected to be compensated for an amount in excess of \$4.1m as a result of the reduced availability.

Compensation of \$5.25m has been settled under the terms of the Variation Deed to offset the FY06 lost revenue.

The Variation Deed also contains a package of agreed works to achieve final completion within 12 months with the agreed works designed to ensure that the Alinta wind farm operates in accordance with minimum availability levels and the requirements and timings of the off-take agreements. The detailed terms of the settlement with the contractor are confidential.

This settlement is in line with BBW management expectations and provides BBW with rights to access substantial compensation if the terms of the settlement are not met.

ENDS

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About Babcock & Brown Wind Partners

Babcock & Brown Wind Partners (ASX: BBW) is a specialist investment fund focused on the wind energy sector. BBW listed on the Australian Stock Exchange on 28 October 2005 and has a market capitalisation of approximately A\$850 million.

It is a stapled entity comprising Babcock & Brown Wind Partners Limited (ABN 39 105 051 616), Babcock & Brown Wind Partners Trust (ARSN 116 244 118) and Babcock & Brown Wind Partners (Bermuda) Limited (ARBN 116 360 715).

BBW's portfolio comprises an interest in or agreement to buy 23 wind farms on three continents that have a total installed capacity of approximately 1,150 MW and are diversified by geography, currency, equipment supplier, customer and regulatory regime.

BBW is managed by Babcock & Brown Infrastructure Management Pty Limited, a wholly owned subsidiary of Babcock & Brown Limited (ASX: BNB), a global investment and advisory firm with longstanding capabilities in structured finance and the creation, syndication and management of asset and cash flow-based investments. Babcock & Brown has a long history of experience in the renewable energy field and extensive experience in the wind energy sector, having arranged financing for over 3000MW of wind energy projects and companies over the past 16 years, with an estimated value over US\$3 billion. Babcock & Brown's roles have included acting as an adviser/arranger of limited recourse project financing, arranging equity placements, lease adviser, project developer, principal equity investor and fund manager for wind energy projects situated in Europe, North America and Australia. Babcock & Brown has developed specialist local expertise and experience in the wind energy sector in each of these regions which it brings to its management and financial advisory roles of BBW.

BBW's investment strategy is to grow security holder wealth through management of the initial portfolio and the acquisition of additional wind energy generation assets.

For further information please visit our website : www.bbwindpartners.com