

BBW Annual General Meeting

9 November 2007

Peter Hofbauer

Chairman

BBW Directors

- Peter Hofbauer, Chairman
- Tony Battle, Lead Independent Non-Executive Director
- Doug Clemson, Independent Non-Executive Director
- Nils Andersen, Independent Non-Executive Director
- Warren Murphy, Non-Executive Director

BBW Executive Management

- Miles George, Chief Executive Officer
- Geoff Dutailis, Chief Operating Officer
- Gerard Dover, Chief Financial Officer
- David Richardson, Company Secretary

Peter Hofbauer

Chairman

2007 Highlights

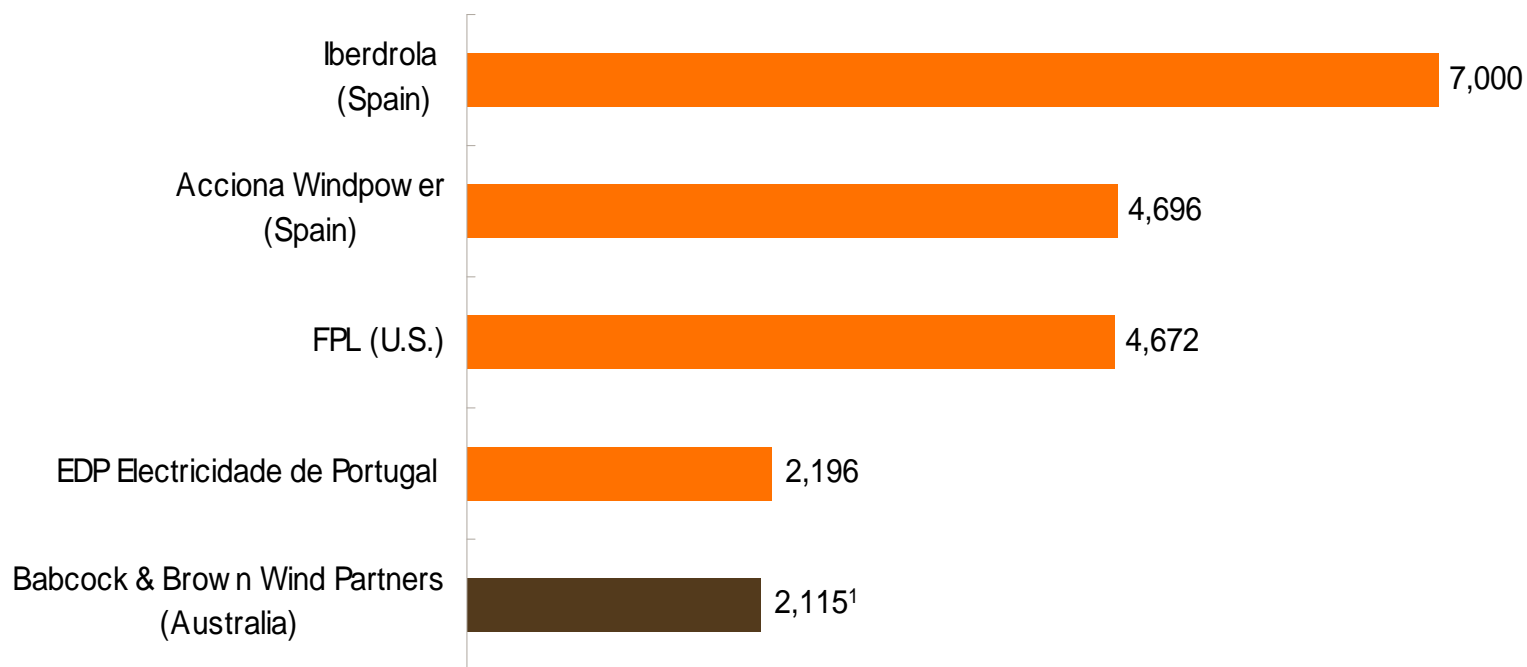
- Energy generation increased by 149% to 2,236.6 GWh
- Net operating cash flows increased by 133% to \$79.8m
- Distributions increased by 22.5% to 12.5 cents per security
- Acquisitions - US05 (Sweetwater 3 and Kumeyaay), US06, Monte Seixo and Serra do Cando, Conjuero and Kaarst
- Equity raisings – placement \$157m
- €1.03 billion (approx A\$1.64bn) refinancing completed



Lake Bonney – October 2007

BBW is a leading wind farm owner & operator

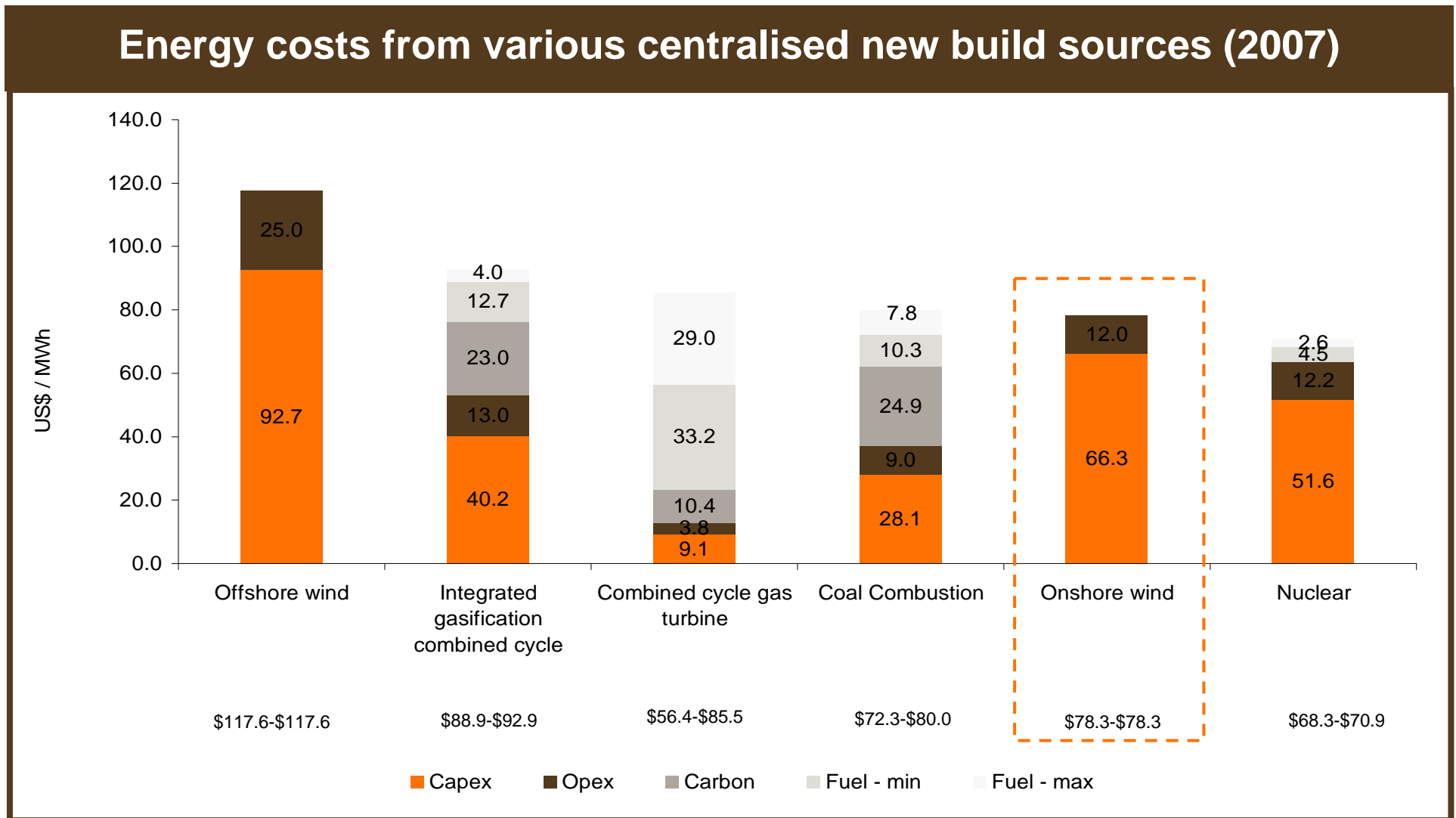
Top five utilities by installed capacity (MW)



Source: BTM Consult ApS - March 2007 and BBW company information

1. Percentages of US wind farms constitute percentage ownership of Class B members units of project entity

Wind has become a competitive source of energy



Note: Based on reported US, European project costs 2006-2007
 Source: Emerging Energy Research

Corporate Governance

- Continue to uphold sound corporate governance practices
- Establishment of the Nomination & Remuneration Committee in FY07
 - Review the composition of the BBW Boards
 - Consult the Manager on key performance indicators and compensation of key management personnel
- Tender process completed to identify appropriate independent firm to provide internal audit services

**Proposed Acquisitions –
US07 & Enersis Portfolios
Peter Hofbauer - Chairman**


US07 Portfolio

Proposed Acquisition

- Sweetwater 4 & 5: 53% of Class B membership interests
- Cedar Creek: 66.67% Class B membership interests
- approximate acquisition cost US\$308.6m (A\$374.1m)

Closing

- Sweetwater 4 expected late 2007
- Cedar Creek expected first half 2008
- Sweetwater 5 and the additional 20 turbines at Cedar Creek expected first half 2008



LOCATION	Texas and Colorado
OWNERSHIP¹	53% Sweetwater 4&5 66.7% Cedar Creek
NUMBER OF WIND FARMS	3
INSTALLED CAPACITY (100%)¹	622MW
LONG TERM MEAN ENERGY PRODUCTION (100%)¹	2,070.8 GWh
WIND REGIONS	2
TURBINE MANUFACTURERS	Mitsubishi, Siemens & GE
NUMBER OF TURBINES	490
STATUS	Sweetwater 4 Operational Sweetwater 5 and Cedar Creek under construction
REVENUE ASSURANCE	PPA and Market

1. Based on Class B Membership interests

Enersis Portfolio

Proposed Acquisition

- 50% interest in the Enersis Portfolio of wind farms for approximately €132.6m (A\$219.4m)

Development pipeline

- additional 4 wind farms with total installed capacity of 156.3MW
- funding subject to IRR hurdle and EV price cap €2.33 million per MW

Future growth

- first and last right of refusal to acquire the remaining 50% interest
- subject to Independent Directors' approval and Independent Expert appraisal
- acquisition price capped at €2.33 million per MW for total Enersis Portfolio



LOCATION	Portugal
OWNERSHIP	50%
NUMBER OF WIND FARMS	30
INSTALLED CAPACITY (100%)	524.8MW
LONG TERM MEAN ENERGY PRODUCTION (100%)	1,295.1 GWh
WIND REGIONS	1
NUMBER OF TURBINES	267
TURBINE MANUFACTURERS	Nordex, Vestas, Enercon, Mitsubishi, GE
STATUS	26 Operational, 4 Under Construction
REVENUE ASSURANCE	Fixed Tariff

US07 & Enersis – Financial Summary

Impact on Net Operating Cash Flow

- Net Operating Cash Flow is expected to be increased by A\$57.4 million in FY08 and A\$72.1 million in FY09
- Net Operating Cash Flow after notional debt repayment per security is expected to be increased by 7.1% to 15.0 cents per security in FY08 and by 13.8% to 17.4 cents per security in FY09

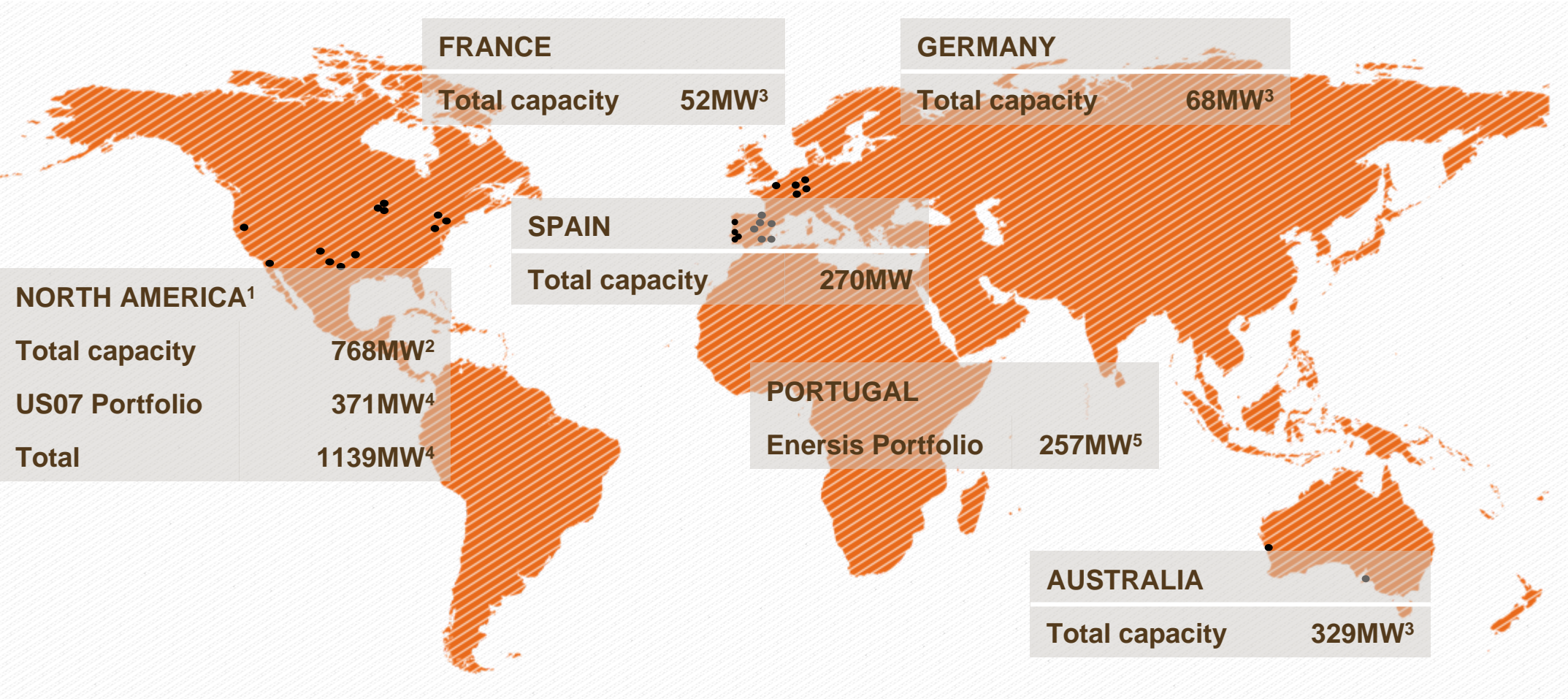
Impact on Gearing

- Net Debt to Enterprise Value would remain prudent increasing from 45% to 61%
- **Impact on Distribution Guidance¹**
- Increased distribution guidance for FY08 of 14.5 cents per security and FY09 of 15.5 cents per security
- FY08 distribution expected to be fully tax deferred
- Medium term distribution growth target of at least 3.5% and an additional medium term growth target of at least 5%, assuming continued accretive acquisitions

1. Assumes P50 production, no performance fee and that US07 & Enersis (50%) Portfolios are acquired in line with the proposed timing

Diversified and high quality portfolio of assets

BBW will have 68 wind farms spanning 12 wind regions and 6 regulatory regimes



1. Percentages of US wind farms constitute percentage ownership of Class B members units of project entity
2. Includes Class B interests in Allegheny Ridge 2 which will be acquired on completion of construction
3. Includes wind farms under construction (France: Fruges 1&2-52MW, Germany: Kaarst Stage II-2MW, Australia: Lake Bonney 2-159MW)
4. Represents Class B interests in US07 Portfolio. Total capacity includes wind farms under construction
5. Represents 50% of Enersis Portfolio. Total Capacity includes wind farms under construction

Endorsement from Independent Directors

- Proposed acquisition of US07 Portfolio and 50% of the Enersis Portfolio represents a related party transaction requiring Securityholder approval at today's meeting
- KPMG was engaged to provide an Independent Expert's Report to Securityholders in relation to the proposed acquisitions
- KPMG concluded that the proposed acquisitions when considered together are fair and reasonable to Securityholders (excluding Babcock & Brown Limited and its associates)
- Independent Directors of BBW have unanimously recommended that you vote in favour of the resolution for BBW to acquire the US07 Portfolio and 50% of the Enersis Portfolio on the terms specified in the Notice of Meeting

Outlook

Pipeline well positioned for growth

Babcock & Brown Pipeline

- Wind farm developer, financier & advisor for 20 years
- 2008 pipeline includes approximately 1400-1500MW¹ under development in US & Europe
- 2009 pipeline expected to exceed 2008 pipeline as 1000MW already identified

Gamesa Framework Agreement

- 50MW delivered
- Up to 490MW to come in 2008 & 2009
- Agreement recently extended to include 90MW of German assets

Plambeck Framework Agreement

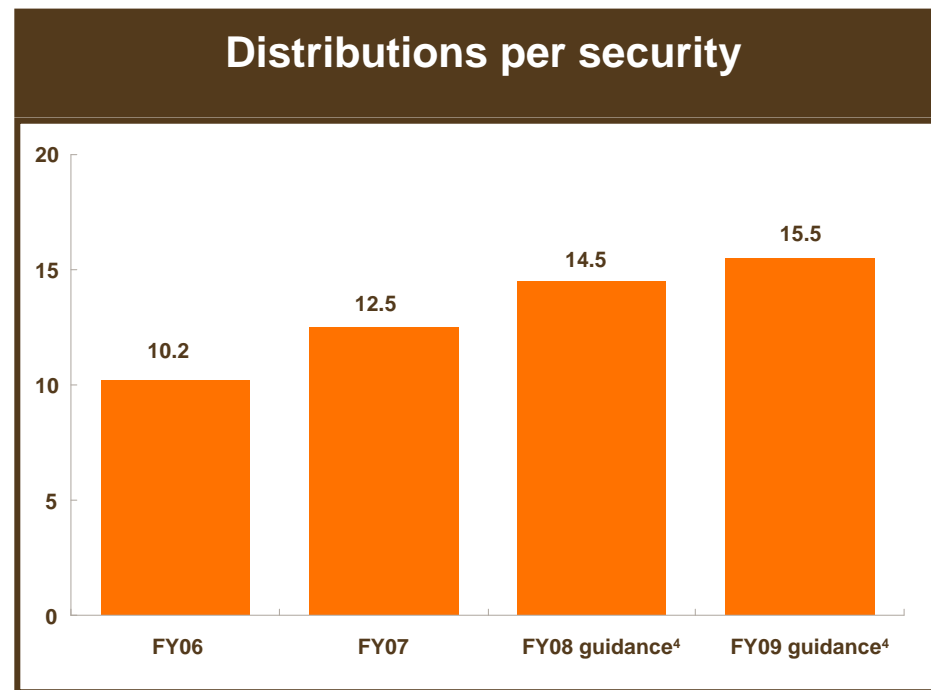
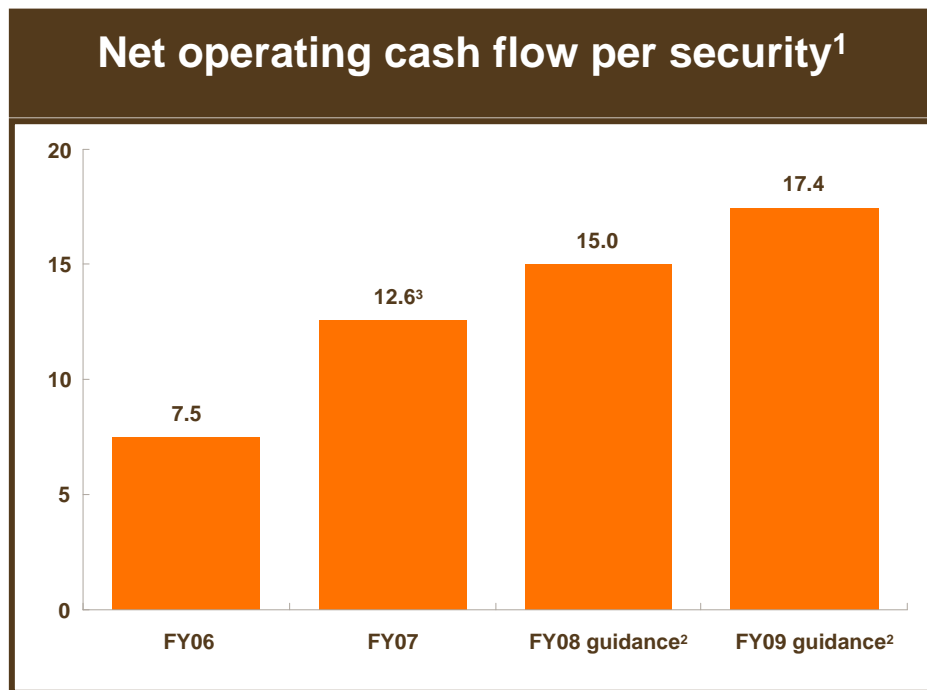
- 12MW delivered
- Up to 290MW to come in FY08 & FY09

Negotiated Third Party

- Monte Seixo & Serra do Cando acquired from Electric Power Development Co., Limited and Marubeni Corporation
- Successful in reaching second stage of the QLD Government competitive bid process

1. Represents total installed capacity, includes third party Class B membership interests.

Cash flow & distribution guidance

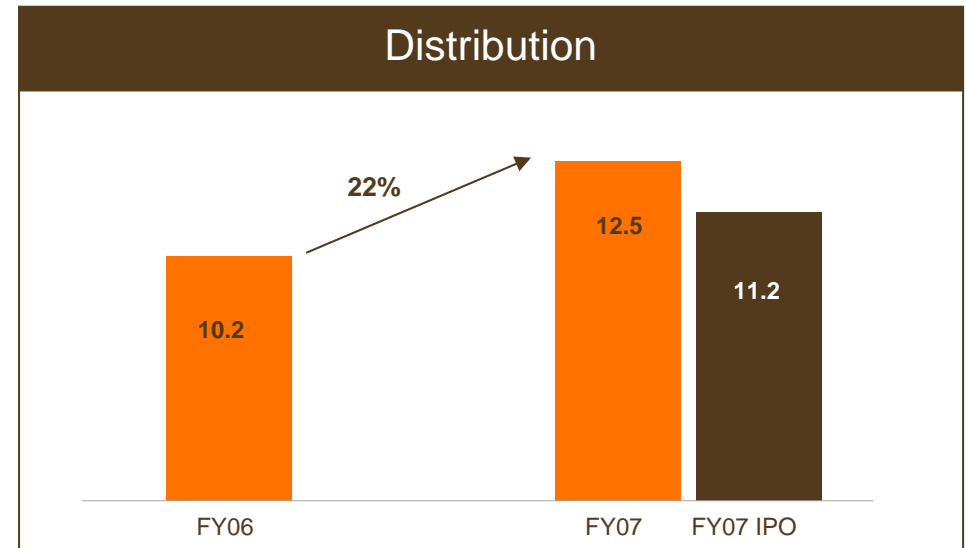
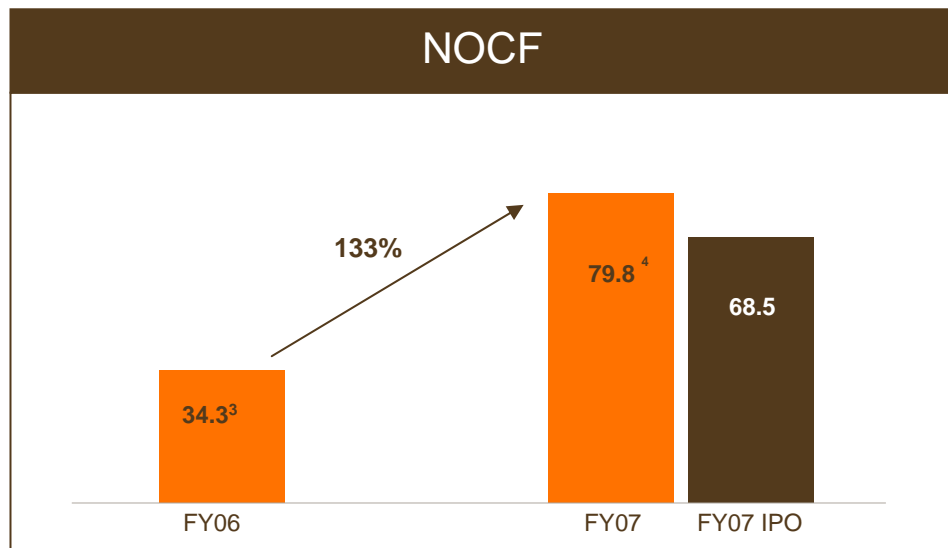
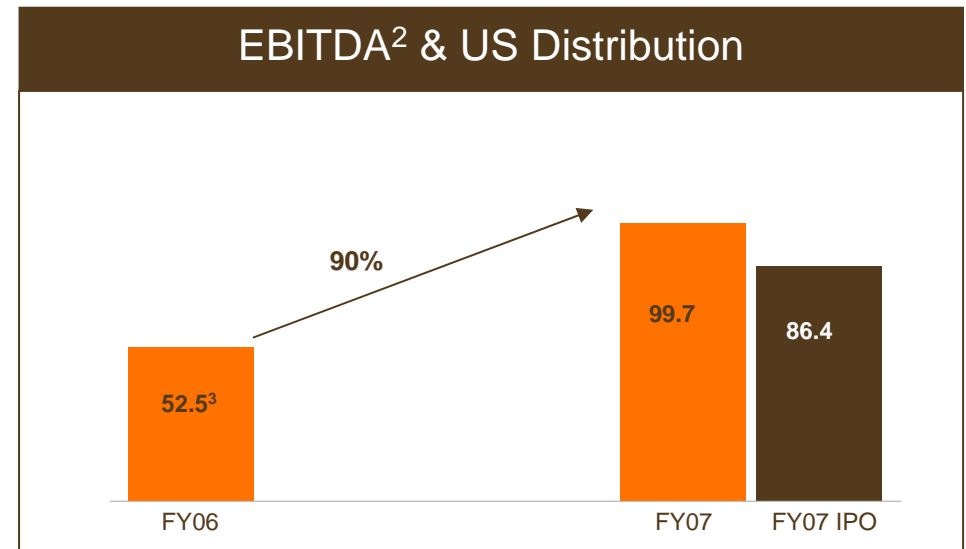
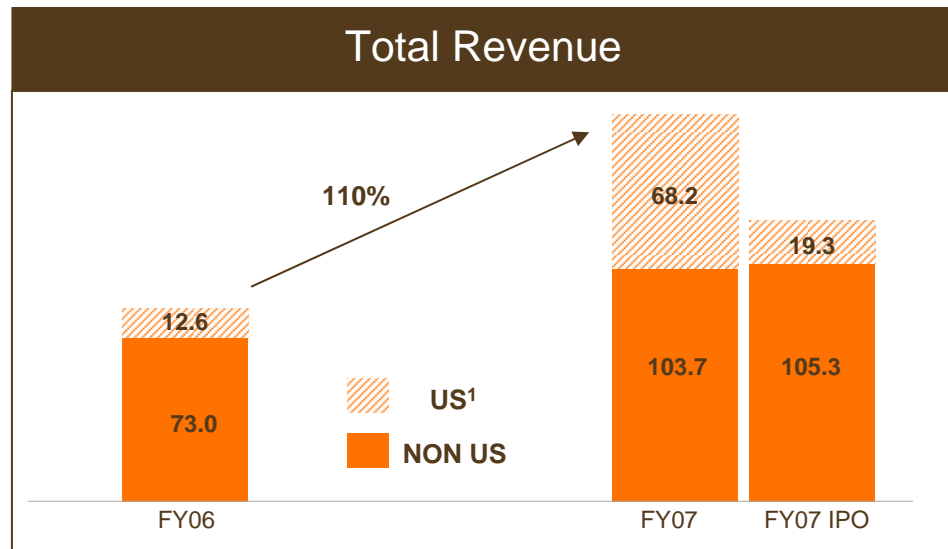


1. After notional debt repayment
2. Assumes total securities of 818.9m in FY08 and 833.7m in FY09.
3. FY07 weighted number of securities 501.5m excludes securities attributable to construction (92.7m)
4. FY08 and FY09 assumes P50 production and no performance fee, and the US07 & Enersis (50%) Portfolio's are acquired in line with the proposed timing

NOTE: Guidance shows what our results would be if certain assumptions including the assumptions set out above were realised. It is not a forecast and there can be no guarantee that our actual results will be as shown.

BBW Update
Miles George
Chief Executive Officer

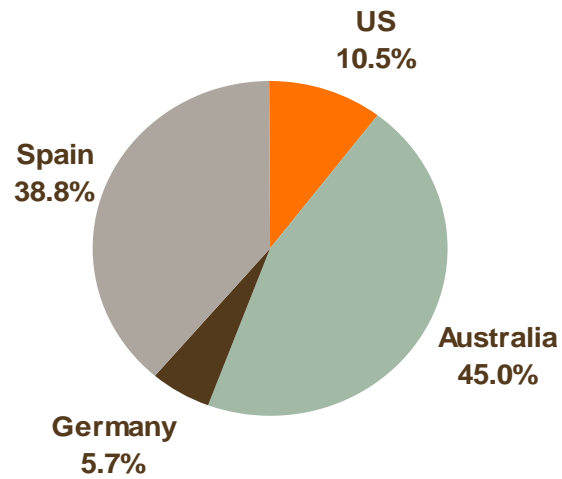
FY07 highlights (A\$ millions)



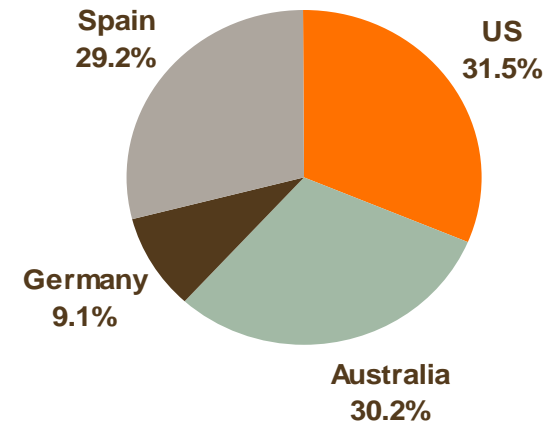
1. Revenues of the U.S wind farms are not included in BBW's statutory revenue as BBW does not control these investments. The US revenue presented represents BBW's B class ownership interest
2. EBITDA after corporate costs
3. Before incentive fee of \$33.1m (EBITDA); \$20.1m (NOCF)
4. Excludes \$8m positive impact of closing out interest rate swaps pursuant to the global refinance, includes \$1.8m gains on FECs

Earnings have diversified since IPO

FY06 Contribution to EBITDA

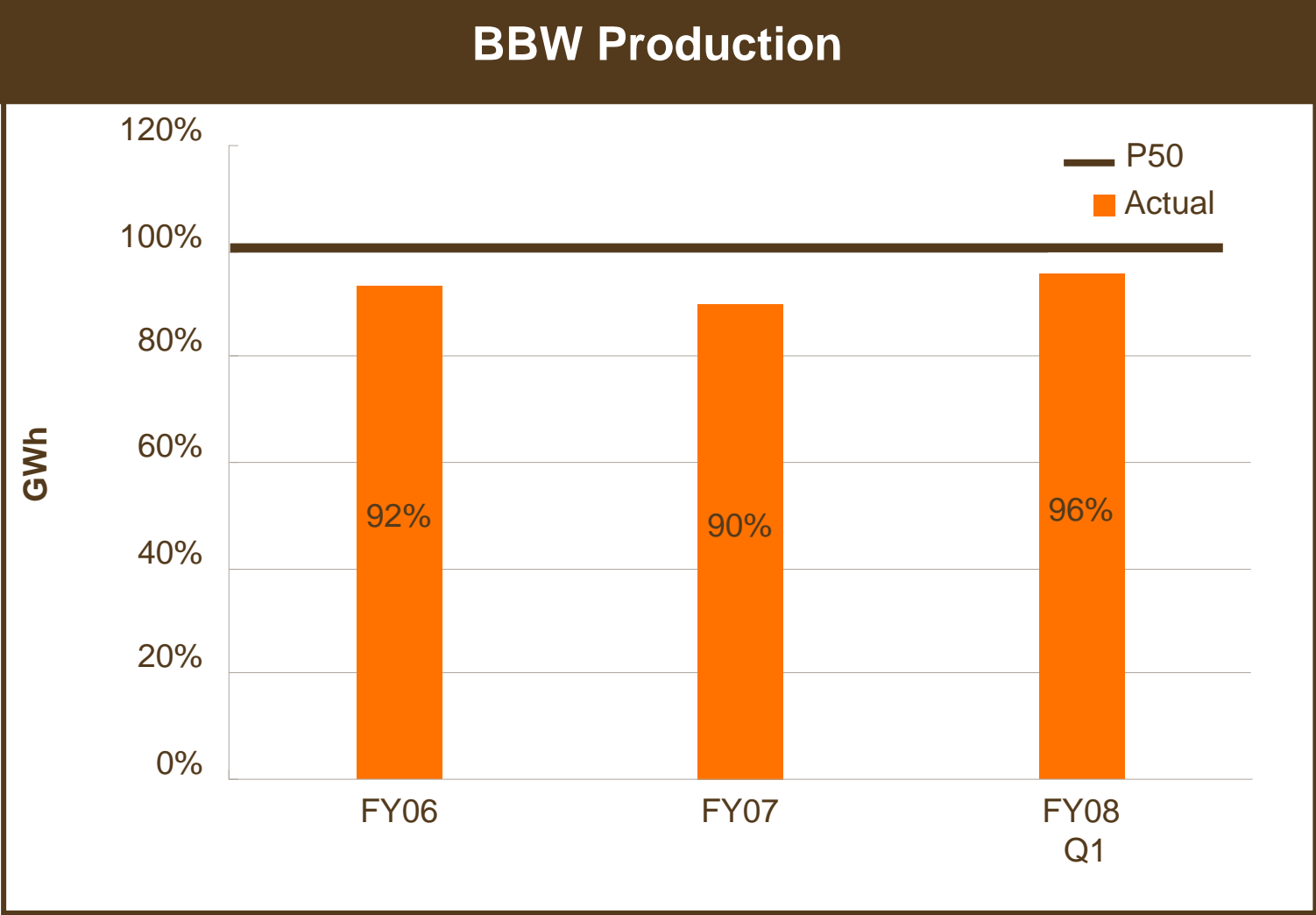


FY07 Contribution to EBITDA

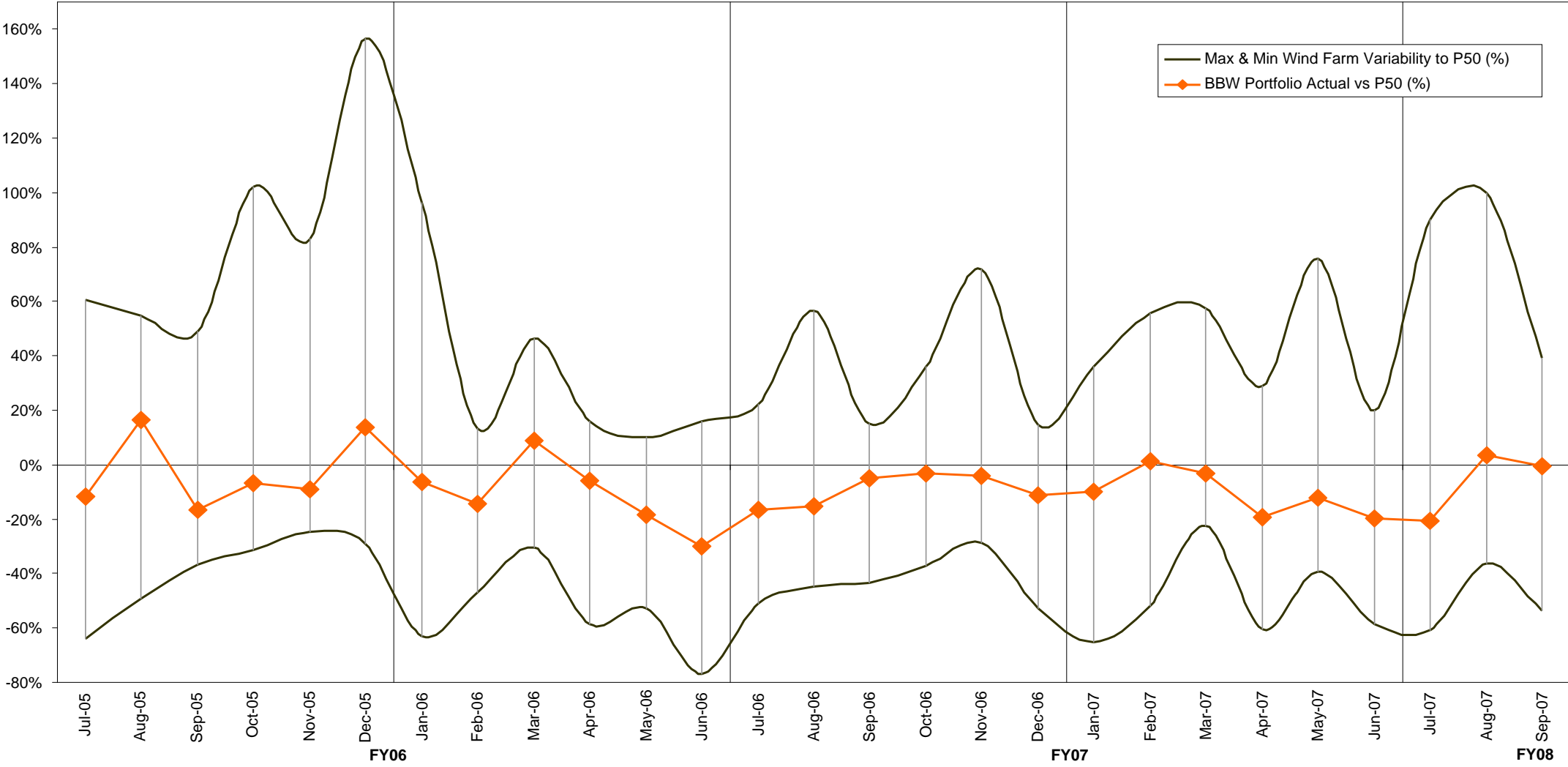


1. EBITDA including US distributions before corporate costs

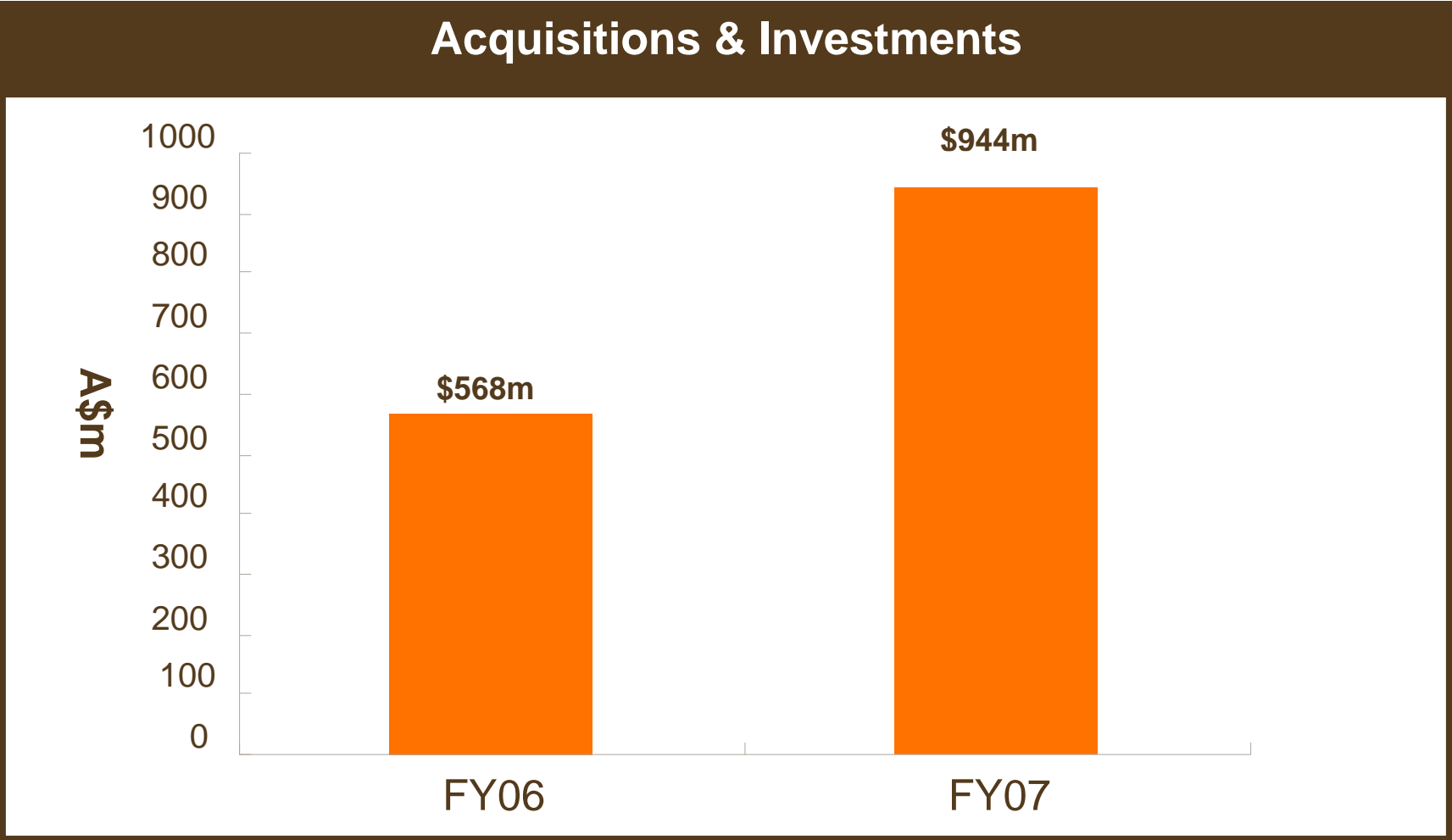
Annual portfolio generation



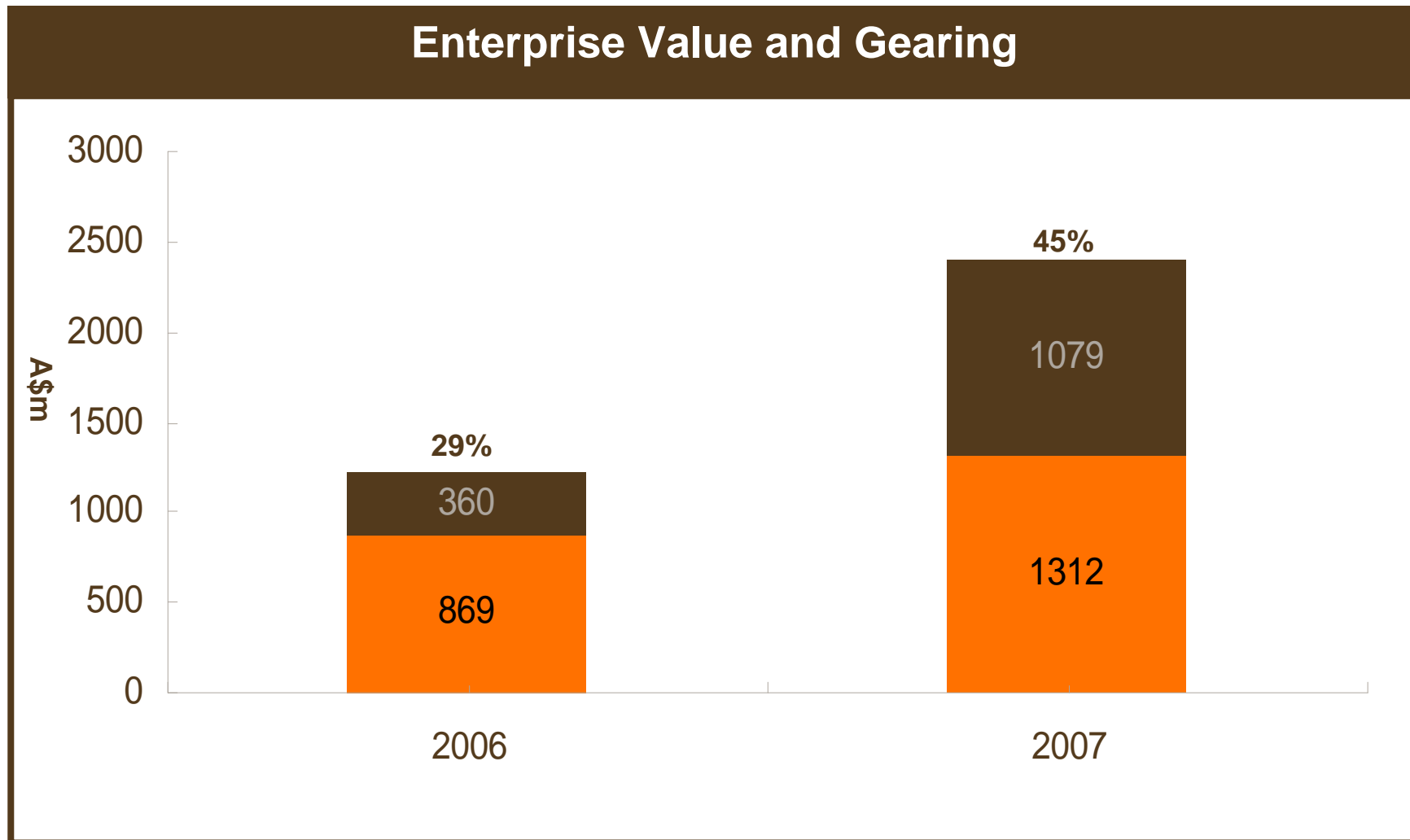
Production variability – BBW Portfolio and individual wind farms



FY07 highlights

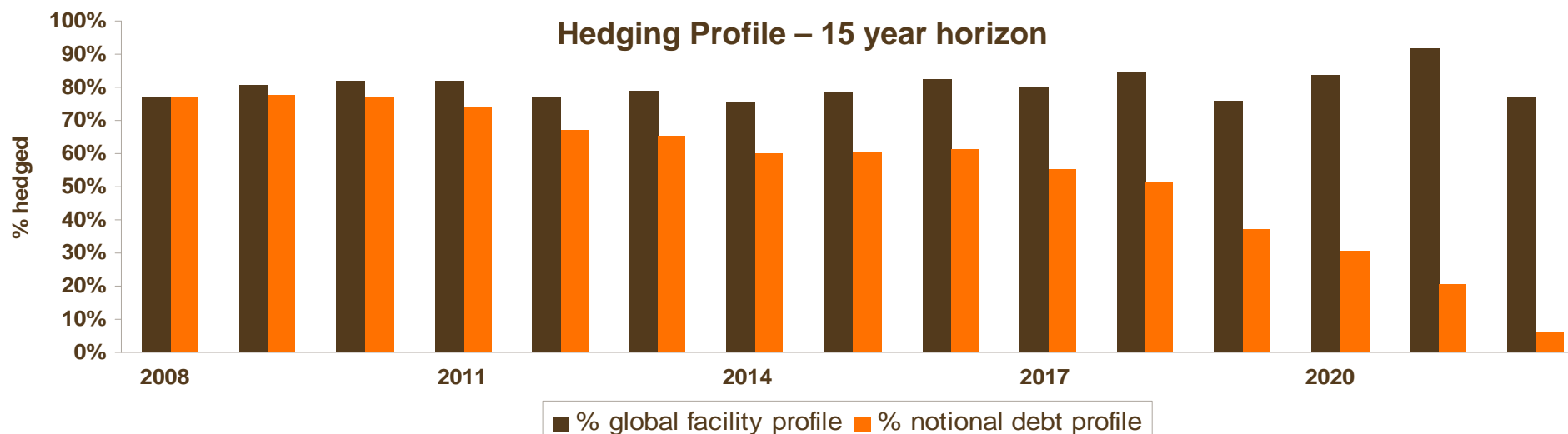


FY07 highlights



Balance sheet & interest rate hedging

	FY07	FY06		FY07	FY06
Gross Debt	\$1,338.9m	\$671.4m	Average interest rate (p.a.) ³	6.2%	5.8%
Cash	\$259.8m ¹	\$311.2m	Net interest cover ⁴	3.1x	4.7x
Net Debt	\$1079.1m	\$360.2m	Average Swap Rate ⁵	5.3%	5.1%
Net Debt / EV ²	45.1% ¹	29.3%	Average Maturity of Swaps	9.7yrs	8.8yrs



- \$182m relating to the 29 June 2007 purchase of Allegheny Ridge Phase I and GSG paid on 2 July 2007. Deducted from cash and included in net debt. Restricted cash: FY07 = \$14.2m; FY06 = \$79.0m
- Net Debt / EV is calculated as Net Debt / (Net Debt + Equity); EV calculated using share price of \$1.51 for FY06; \$1.95 for FY07
- Calculated from a simple average based on opening, half year and closing debt values and includes capitalised interest
- EBITDA + US Distribution /Net Interest excluding capitalised interest, fair value gains/losses on financial instruments amortisation of borrowing costs and bank charges. Net interest expense for FY07: \$32.0m; FY06: \$11.2m
- Swaps existing at balance date (AUD; EUR; USD) and based on notional principal amount

Construction Progress



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