

BABCOCK & BROWN
WIND PARTNERS



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Babcock & Brown Wind Partners Trust · ARSN 116 244 118
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ASX Release

11 May 2007

**BBW PROVIDES UPDATE ON CONSORTIUM'S ENHANCED PROPOSAL
FOR ALINTA LIMITED**

Babcock & Brown Wind Partners (ASX: BBW) announces that as a member of the Babcock & Brown (ASX: BNB) and Singapore Power International Pte Ltd consortium ("Consortium") bidding for the whole of the issued share capital of Alinta Limited (Alinta), the Consortium's enhanced proposal (the "Proposal") has again been recommended by the Board of Alinta. A revised Scheme Implementation Agreement has been signed today, and the Scheme remains subject to the receipt of various regulatory approvals.

Under the terms of the enhanced proposal, BBW's obligation to issue 130 million securities and contribute \$9.5 million as part of the Scheme Implementation Agreement remains unchanged.

The Babcock & Brown announcement regarding the Consortium's enhanced proposal recommended by Alinta is attached as an appendix to this announcement.

ENDS

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BABCOCK & BROWN WIND PARTNERS

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\$1.27 billion.

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 33 wind farms on three continents that have a total installed capacity of approximately 1,670MW and are diversified by geography, currency, equipment supplier, customer and regulatory regime.

BBW is managed by Babcock & Brown Wind Partners 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 for nearly 20 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



11 May 2007

ENHANCED RECOMMENDED PROPOSAL FOR ALINTA - \$16.46 PER SHARE

International investment and advisory firm Babcock & Brown (ASX: BNB) today announced that it has been advised by the Board of Alinta Limited (“Alinta”) that the Board will again recommend to shareholders¹ a proposal (the “Proposal”) submitted by a consortium including Babcock & Brown Limited, Singapore Power International Pte Ltd (“SPI”) and three Babcock & Brown managed funds (“the Consortium”) to acquire the whole of the share capital of Alinta by way of a Scheme of Arrangement (“Scheme”).

The Babcock & Brown managed funds that form part of the Consortium are Babcock & Brown Infrastructure (ASX: BBI), Babcock & Brown Power (ASX: BBP), and Babcock & Brown Wind Partners (ASX: BBW).

Phil Green, Chief Executive of Babcock & Brown said, “Our enhanced Proposal of \$16.46 per Alinta share (including franking credits)² represents an increase of approximately 7% over the earlier proposal recommended on 30 March 2007 and importantly gives Alinta shareholders additional flexibility through the introduction of a number of different options. Shareholders now have the option to elect to:

- maximise the cash received;
- maximise the scrip in the Babcock & Brown managed funds received; or
- maximise CGT rollover relief through maximising the receipt of BBI exchangeable preference shares (BBIEPS).

Alinta shareholders will continue to have the option to receive a base offer mixture of scrip and cash. Alinta shareholders can now seek to tailor the consideration to their individual circumstances.

“The Alinta Board’s recommendation of the Consortium’s Proposal reflects the underlying value of the Proposal including the demonstrable track records of the

¹ In the absence of a superior proposal and subject to an independent expert concluding, and continuing to conclude, that the Proposal is in the best interests of Alinta shareholders.

² Valued as shown in the table below under “The Proposal Terms”.

Sydney
Melbourne
Brisbane
Auckland
Vancouver
San Francisco
San Diego
Dallas
Houston
Toronto
New York
Greenwich
Dublin
Madrid
London
Paris
Luxembourg
Milan
Munich
Rome
Vienna
Johannesburg
Dubai
Kuala Lumpur
Singapore
Hong Kong
Tokyo

BABCOCK & BROWN

Babcock & Brown managed funds in delivering security holder value through strong tax deferred distribution growth paid from operating cashflows and upside potential through both acquisitions, organic and step-change growth opportunities.

“The management credentials of the Funds are reflected in the strong operating fundamentals which have led to the recently announced improved earnings & distribution guidance. We expect these features to be highly attractive to Alinta shareholders.

“The transaction remains attractive for Babcock & Brown’s managed funds particularly in light of the ongoing improvements in the respective business environment in which the Alinta businesses operate, which has continued to deliver improvements to the outlook for these associated businesses. The Alinta portfolio of assets is high quality, strategically important and complementary to existing asset portfolios. As such it delivers significant scale, synergies and organic and step-change growth opportunities. The cash generative nature of the assets will allow our managed Funds to continue to focus on a strong cash distribution profile. Furthermore this transaction enables BBI to achieve a more efficient capital structure through the introduction of BBIEPS. The benefits from this improved capital structure provides significant incremental value to Alinta shareholders”

The parties have signed a revised Scheme Implementation Agreement (“SIA”) and the Scheme remains subject to the receipt of various regulatory approvals. The Consortium is confident of securing these approvals prior to the commencement of the Scheme. It is expected that the transaction will be completed by the end of August 2007.

THE PROPOSAL

The Proposal has been valued by the Alinta Board at \$16.06⁵ per Alinta share. In addition, the consideration is structured to include a fully franked dividend with franking credits valued at up to 40 cents per Alinta share, increasing the total value to \$16.46⁵ per share for those shareholders who can make full use of the franking credits.³

³ The cash component of the consideration may be subject to certain Alinta working capital and other adjustments. These are expected to be minor.

The Proposal

For each Alinta share the Proposal comprises⁴:	Price⁵	Value
Cash		\$8.93
1.599 BBI exchangeable preference shares ⁶		\$1.60
0.752 BBI securities	\$1.965	\$1.48
0.669 BBP securities	\$3.44	\$2.30
0.260 BBW securities	\$1.86	\$0.48
0.301 APA securities	\$4.23	\$1.27
Franking credits distributed via a special dividend or buyback		\$0.40
Total per Alinta share		\$16.46

Note: All amounts shown are A\$ per security; the BNB fund securities will be issued following the scheme meeting approving the transaction (currently scheduled for late August 2007). Alinta shareholders who receive securities as a result of the scheme of arrangement will not be entitled to distributions paid for the half year ended 30 June 2007 but will rank pari passu for the distribution for the period ending 31 December 2007 for BNB fund securities.

1. As at close of trade 11am 8 May 2007 the time immediately before the Funds went into trading halt.

The Proposal (excluding franking credits) represents a premium of 49% to Alinta's 30 day VWAP of \$10.80 prior to the announcement by Alinta of a potential management buyout proposal on 9 January 2007.

The BBIEPS have been introduced as part of the enhanced Proposal to offer shareholders an attractive yield based security that should also enable them to obtain capital gains tax rollover relief in whole or in part. In addition to the maximum cash/maximum scrip options previously announced, shareholders will also be able to elect to maximise rollover relief by selecting a maximum BBIEPS option⁷.

ENHANCEMENTS TO PROPOSAL

The enhanced Proposal offers Alinta shareholders a number of options which give Alinta shareholders additional flexibility to seek their preferred form of consideration.

4 The mix of consideration to be paid to an individual Alinta shareholder will depend on the elections made by Alinta shareholders. Further details will be contained in the Scheme Book.

5 Securities prices as at 11am 8 May 2007, the time immediately before the Funds went into trading halt.

6 Indicative terms of BBIEPS include a 5 year exchangeable preference share with an unfranked fixed dividend yield of 7.5% yield (or if franking credits are available a fully franked equivalent yield will be paid).

7 Availability is dependent upon options elected and may be subject to scaling. Further detail on the BBIEPS will be provided in the Scheme Book.

The elections that can be made under the Proposal are:

- An all cash alternative for small shareholders with 1,000 or less shares, representing approximately 65% of the current Alinta register, through the provision of a sale facility under which their securities can be sold on their behalf;
- An election to maximise the amount of cash or securities they are entitled to receive under the Proposal by electing to receive “Maximum Cash” or “Maximum Securities”, potentially providing Alinta shareholders with the ability to receive 100% cash or 100% securities as consideration under the Proposal⁷; and
- An election to maximise rollover relief by selecting the “Maximum BBIEPS” option⁷.

ALLOCATION OF ASSETS

Assuming the Scheme is approved, the wholly owned businesses, minority equity interests and assets of Alinta will be restructured and apportioned among SPI and Babcock & Brown managed funds. The intended allocation of the assets between the parties remains unchanged and is summarised in the table in Appendix 1.

Impact on BBI

Under the Proposal, the purchase of the assets to be acquired by BBI (refer Appendix 1) will be funded through the issue to Alinta shareholders of 377 million BBI stapled securities and up to 800 million BBIEPS.

The ability to issue BBIEPS, which ability is delivered solely by this transaction, allows BBI to derive significant additional value from a more efficient capital structure. BBI has been able to share some of this value upside with Alinta shareholders through an additional contribution to the Consortium’s Proposal.

BBI has a demonstrable track record of successful hybrid security issues. In December 2004 a wholly owned subsidiary of BBI issued BBI NZ SPARCS as consideration for BBI’s takeover of Powerco Limited. BBI NZ SPARCS, like BBIEPS, are also exchangeable to BBI stapled securities. BBI NZ SPARCS have performed strongly since listing, delivering value to the former Powerco shareholders.

Impact on BBP

Under the Proposal, the purchase of these assets (refer Appendix 1) will be funded through the issue of 335 million BBP stapled securities at a fixed ratio of 0.669 per Alinta share and a cash contribution of \$25 million to be sourced through committed debt representing a combined incremental contribution of approximately \$37.5 million to the Consortium's proposal and therefore Alinta shareholders. The increase in consideration from the initial offer dated 30 March 2007 reflects the exposure of the Alinta power generating portfolio and LPG assets to favourable market conditions.

Upon completion, the acquisition of the power generation assets is expected to be immediately accretive to BBP's June 2008 distribution guidance of 24.0 cents per security. BBP reaffirms medium term expectations of 4% per annum growth in distributions.

Impact on BBW

Under the terms of the enhanced proposal, BBW's obligation to issue 130 million securities, at a fixed ratio of 0.26 per Alinta share and contribute \$9.5 million as part of the Scheme Implementation Agreement remains unchanged.

BBW intends to utilise the net proceeds attributable to its rights in relation to the Wattle Point wind farm to fund more attractive investments including, but not limited to, the proposed acquisitions announced on 26 April 2007 by BBW.

TIMETABLE

The proposed timetable at the present time assumes the Scheme Book will be lodged with ASIC in approximately 4-5 weeks.

Under this timetable the Scheme is expected to be completed at the end of August 2007.

A break fee of \$59.25 million (0.75 per cent of the value of the B&B/SPII proposal) will be payable to the Consortium in the event of a third party announcing a competing proposal which becomes unconditional and acquiring at least 50.1 per cent of Alinta or in the event the Alinta Directors withdraw their recommendation to recommend an Alinta internal restructure or in the event of an unremedied material breach of the SIA by Alinta.

BABCOCK & BROWN

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About Babcock & Brown

Babcock & Brown is 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 was founded in 1977 and is listed on the Australian Stock Exchange.

Babcock & Brown operates from 28 offices across Australia, North America, Europe, Asia, United Arab Emirates and Africa and has in excess of 1000 employees worldwide. Babcock & Brown has five operating divisions including real estate, infrastructure and project finance, operating leasing, structured finance and corporate finance. The company has established a funds management platform across the operating divisions that has resulted in the creation of a number of focused investment vehicles in areas including real estate, renewable energy and infrastructure.

For further information about Babcock & Brown please see our website:
www.babcockbrown.com

Appendix 1. Allocation of Assets

Assets	Sector	Purchaser
Victorian Electricity Distribution Network	Distribution	SPI
NSW Gas Distribution Network	Distribution	SPI
United Energy Electricity Distribution Network	Distribution	SPI
Eastern Gas Pipeline	Transmission	SPI
VicHub	Transmission	SPI
ActewAGL Gas Network (50%)	Distribution	SPI
ActewAGL Electricity Network (50%)	Distribution	SPI
Queensland Gas Pipeline	Transmission	SPI
Asset Management Eastern States (excluding Genco)	Asset Management	SPI
Tasmanian Gas Pipeline	Transmission	BBI
Multinet Gas Distribution Network (20.1%)	Distribution	BBI
AlintaGas Network (74.1%)	Distribution	BBI
Dampier-Bunbury Natural Gas Pipeline	Transmission	BBI
Asset Management Western Australia (including Genco)	Asset Management	BBI
Goldfield Gas Pipeline (11.8%)	Transmission	BBP
AlintaAGL (67%)		BBP
- Retail Business (566,000 Customers)	Gas & Electricity Retailing	BBP
- WA CoGen (409 MW net)	Power Generation	BBP
Tamar Development Projects including Bell Bay (380MW)	Power Generation	BBP
Cawse Cogeneration (16MW)	Power Generation	BBP
Port Hedland Power Station (175MW)	Power Generation	BBP
Newman Power Station (105MW)	Power Generation	BBP
Glenbrook Power Station (112MW)	Power Generation	BBP
Bairnsdale Power Station (94MW)	Power Generation	BBP
Wesfarmers LPG	Energy Markets	BBP

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Assets	Sector	Purchaser
Australian Pipeline Trust (35.4%)	Transmission	Distributed to Alinta Shareholders
Wattle Point Wind Farm	Power Generation	BBW*

* Following due diligence, BBW instructed Alinta to sell Wattle Point wind farm as there were limited opportunities for BBW to add value to Wattle Point wind farm. BBW intends to utilise proceeds of \$201.5m in more attractive investments than an acquisition of the Wattle Point wind farm, including but not limited to investment in the Proposed Acquisitions

Enhanced Babcock & Brown
/Singapore Power International
Recommended Proposal to Alinta
Shareholders – A\$16.46 per share

11 May 2007

AGENDA

1. Overview of the Recommended Proposal
2. Outline of Babcock & Brown Infrastructure (ASX: BBI)
3. Outline of Babcock & Brown Power (ASX: BBP)
4. Outline of Babcock & Brown Wind Partners (ASX: BBW)
5. Appendix
 - Overview Babcock & Brown (ASX: BNB)
 - Overview Babcock & Brown Infrastructure (ASX: BBI)
 - Overview Babcock & Brown Power (ASX: BBP)
 - Overview Babcock & Brown Wind Partners (ASX: BBW)

OVERVIEW OF RECOMMENDED PROPOSAL – A\$16.46

- On 30 March 2007 Babcock & Brown, in a consortium with Singapore Power International and three of its managed infrastructure funds, BBI, BBP and BBW (“the Managed Funds”) announced a recommended Scheme of Arrangement to acquire 100% of Alinta Limited.
- On 7 May 2007 the Alinta Board announced it had received a competing proposal. In response to this the Consortium made a number enhancements to its Proposal which provide Alinta shareholders with additional flexibility and improves the value of the Consortium’s Proposal by approximately 7% above that announced on 30 March 2007.
- Alinta shareholders will now have the opportunity to be able to choose maximise cash, scrip, or CGT rollover relief depending on personal circumstances.
- The Board of Alinta has recommended our Proposal after a comprehensive and rigorous process and after independent advice from JP Morgan and Carnegie Wylie.
- The Proposal is expected to enhance security holder value in BBI, BBP and BBW, providing access to strategically important assets which are complementary to existing asset portfolios and delivering significant scale and synergies.
- The acquisitions are consistent with the Fund’s focus on strong cashflow generative businesses.
- The Proposal has been structured such that the Funds will be well positioned following the acquisitions to execute other growth opportunities.
- The Scheme is expected to be completed around the end of August 2007.

THE ENHANCED PROPOSAL

For each Alinta share the Proposal comprises ³ :	Price ¹	Value
Cash		\$8.93
1.599 BBI exchangeable preference shares (BBIEPS) ²		\$1.60
0.752 BBI securities	\$1.965	\$1.48
0.669 BBP securities	\$3.44	\$2.30
0.260 BBW securities	\$1.86	\$0.48
0.301 APA securities	\$4.23	\$1.27
Franking credits distributed via a special dividend or buyback		\$0.40
Total per Alinta share		\$16.46

The value of the consortium's enhanced Proposal is \$16.46 (for those Alinta shareholders who can use franking credits).

Note: All amounts shown are A\$ per share or security; the BNB fund securities will be issued following the scheme meeting approving the transaction (currently scheduled for late August 2007). Alinta shareholders who receive securities as a result of the scheme of arrangement will not be entitled to distributions paid for the half year ended 30 June 2007 but will rank pari passu for the distribution for the period ending 31 December 2007 for BNB fund securities.

1. As at close of trade 11am 8 May 2007 the time immediately before the Funds went into trading halt.

2. Indicative terms of BBIEPS include a 5 year exchangeable preference share with an unfranked fixed dividend yield of 7.5% (or if franking credits are available a fully franked equivalent yield will be paid).

3. The mix of consideration to be paid to an individual Alinta shareholder will depend on the elections made by Alinta shareholders. For further details refer page 6 and will be contained in the Scheme Book.

INCREASE IN CONSIDERATION FROM INITIAL PROPOSAL

Initial Proposal * \$7.5 billion

Revised Proposal * \$8.0 billion

Increase in Consideration driven by:

- Increase in Cash component \$0.22 billion
- Increase in security price of BBI securities + issue of BBIEPS \$0.08 billion
- Increase in security price of BBP securities \$0.21 billion
- Increase in security price of BBW securities \$0.03 billion

- ~ 57% of the increase in the value of the Proposal has arisen from the underlying strong performance of the Managed Funds
- ~ 41% increase in cash
- No material change in the number of securities issued by the Managed Funds

* Excludes franking credits distributed via a special dividend or buy back

TAILOR CONSIDERATION TO INDIVIDUAL PREFERENCE

The Consortium's Proposal offers Alinta shareholders maximum flexibility by allowing the following elections¹



Maximise Cash

or



Maximise Scrip

or



Maximise CGT rollover relief

In addition to these elections, Alinta shareholders who hold 1,000 shares or less will be offered the opportunity to receive cash via a sale facility under which their securities are sold ("Cash Out Facility").

1. The ability to maximise any one form of consideration will be dependent on the election of all Alinta Shareholders

THE PROPOSAL PROVIDES MAXIMUM FLEXIBILITY FOR ALL ALINTA SHAREHOLDERS

The Proposal provides Alinta shareholders maximum flexibility by offering options to maximise cash, or maximise scrip, or maximise CGT rollover by maximising the receipt of BBIEPS¹.

Small Shareholders

Subsequent to the Scheme implementation, Alinta shareholders who hold 1,000 shares or less will be offered the opportunity to receive cash via a sale facility under which their securities are sold (“Cash Out Facility”). This provides approximately two thirds of the register the opportunity to get 100% cash. Shareholders who do not take cash may acquire additional securities and increase their holdings to a larger marketable parcel, in respect of each of the three Babcock & Brown managed funds following the scheme.

1. The ability to maximise any one form of consideration will be dependent on the election of all Alinta Shareholders

ENHANCING THE OFFER TO PROVIDE MAXIMUM FLEXIBILITY FOR ALL ALINTA SHAREHOLDERS

- **Maximise Cash or Securities under Offer**

Alinta shareholders will have the option to maximise the amount of cash or maximise the securities they are entitled to receive under the Proposal by making a “Maximum Cash Election” or “Maximum Securities Election”. These elections potentially provide Alinta shareholders with the ability to receive 100%¹ cash or 100% securities as consideration under the Proposal². Feedback on the original proposal suggested strong interest in the Maximum Securities Election option.

- **Maximise Capital Gains Tax Relief**

Under the revised Proposal the Consortium will offer the ability to maximise CGT rollover relief by providing a “Maximum BBIEPS” option³. BBIEPS’s is expected to provide an attractive indicative unfranked fixed dividend yield of 7.5% (or if franking credits are available a fully franked equivalent yield will be paid).

1. In respect of the non APA component of the Proposal

2. For shareholders making an election, the amount of cash or the number of securities they receive will be dependent on the election of all Alinta shareholders, as the maximum level of cash or scrip available to shareholders would not exceed the overall cash or scrip amounts available under the Proposal (based on the base offer mixture of scrip and cash). In the event that more shareholders choose cash or scrip than is available, shareholders will be scaled back. Further detail on this option is expected to be made in the Scheme booklet. The default option will remain the current Proposal.

3. The number of BBIEPS an Alinta Shareholder will receive under the Maximum BBIEPS election will depend on the election of all Alinta shareholders as a maximum aggregate face value of \$800 million will be available. Further details will be available in the Scheme Book

RECOMMENDED PROPOSAL SUPERIOR ACROSS A RANGE OF CRITERIA

- **Value of \$16.46 is transparent** – based on cash in addition to well established high quality, liquid, ASX listed funds in similar asset classes with upside
- **A 49% premium to Alinta's 30 day VWAP of \$10.80 prior to the announcement of the Alinta MBO proposal on 9 January 2007**
- **Limited conditionality with significant cash component for all shareholders. The cash component represents 56% of the total consideration (excludes franking credits) and small shareholder Cash Out Facility)**
- **Maximum flexibility for all Alinta shareholders depending on individual circumstances to chose to maximise cash, scrip or CGT rollover relief**
- **Combination of Alinta assets with existing assets owned by the consortium delivers real value to all stakeholders** - with synergies being derived from the complementary mix of businesses
- **Capacity for Alinta shareholders to retain exposure to growth in some of the underlying Alinta assets** - as well as the assets of the Managed Funds

RECOMMENDED PROPOSAL SUPERIOR ACROSS A RANGE OF CRITERIA

- **128% increase in yield for Alinta shareholders on the Managed Funds scrip component of the consideration** - largely tax deferred and paid from operating cashflows.
- **37% of total consideration (excluding franking credits) in Managed Funds** - with combined market capitalisation of approximately \$9 billion¹ and a demonstrated track record of outperforming.
- Singapore Power International and Babcock & Brown both have significant existing infrastructure investments in Australia and offshore and have demonstrable track records in managing infrastructure assets and delivering on growth opportunities.
- Singapore Power International is a wholly owned subsidiary of Singapore Power Limited (SP). SP with total assets of S\$18.7 billion as of 31 March 2006, is one of the largest companies in Singapore. The principal businesses of SP and its subsidiaries are the ownership and operation of electricity and gas transmission and distribution businesses and the provision of energy market support services.
- SP has existing business interests in Australia through its 51% interest in SP AusNet, one of Australia's largest utility companies with A\$6.9 billion of assets as at 31 March 2006. SP AusNet has a primary listing on the Australian Stock Exchange and a secondary listing on the Singapore Stock Exchange.

1. Including \$800 million BBIEPS

WHO IS BUYING WHAT

Assets	Asset Class	Purchaser	Equity Contribution
Tasmanian Gas Pipeline (AIH) (100%) Alinta Gas Network - WA (74.1%) Dampier-Bunbury Natural Gas Pipeline (up to 20%) MultiNet Gas (20.1%) Western Australia O&M (100%)	Transmission	BBI	\$1.59 billion
Cawse Cogeneration (16MW) Port Hedland (175MW) Newman (105MW) Glenbrook NZ (112MW) Bairnsdale (94MW) AlintaAGL (67%) - Retail Business (566,000 Customer) - WA CoGens (409MW nett) Goldfields Gas Pipeline (11.8%) Wesfarmers LPG Tamar Development incl. Bell Bay (380MW)	Power Generation Power Generation Power Generation Power Generation Power Generation Gas & Electricity Retailing Power Generation Gas Transmission Energy Markets Power Generation	BBP	\$1.18 billion
Wattle Point Wind Farm ¹		BBW	\$ 0.25 billion

1. The Wattle Point Wind farm has been sold by Alinta and BBW will receive proceeds of \$201.5 million attributable to its rights in relation to the Wattle Point Wind Farm.

WHO IS BUYING WHAT

Assets	Sector	Purchaser	Equity Contribution
AGL Victorian Electricity Network United Energy Electricity Distribution Network Eastern Gas Pipeline VicHub ActewAGL Gas Network ActewAGL Electricity Network Queensland pipeline AGL NSW Gas Network Eastern States (excluding Genco)	Transmission & Distribution	Singapore Power International	\$4.38 billion
Shares in APA	Transmission	Distributed to Alinta Shareholders	\$0.64 billion
Total			\$ 8.0 billion

THE ACQUISITION OF ALINTA DELIVERS SIGNIFICANT FINANCIAL AND BUSINESS BENEFITS TO ALL THE BABCOCK & BROWN INFRASTRUCTURE FUNDS THAT ARE PART OF THE CONSORTIUM:

- Babcock & Brown Infrastructure
- Babcock & Brown Power
- Babcock & Brown Wind Partners

BABCOCK & BROWN INFRASTRUCTURE

Key Benefits		Comment
Strategic fit	✓	• Strategically positioned assets (eg Tasmania)
Geographic diversification	✓	• Restores Australian weighting, post NWE
Business diversification	✓	• Increases BBI's exposure to Gas T&D
Synergies	✓	• Complements BBI existing WA and Tasmania assets
Reduced portfolio risk	✓	• Increased O&M capability
EBITDA	✓	• Increased EBITDA
Dist'n per unit	✓	• Current guidance reconfirmed
Cashflow per unit	✓	• Improved diversity of cashflows
Gearing	✓	• No change
Market cap	✓	• \$0.7b increase in market cap (at \$1.965 share price) to ~65 ranked entity in the ASX 200
		• Improved capital structure following with the issue of \$800m BBIEPS

Distribution growth guidance reconfirmed

BABCOCK & BROWN POWER

Key Benefits		Comment
Strategic fit	✓	• BBP largest private generator in Aust.
Geographic diversification	✓	• Expands footprint in WA, Tas and NZ
Business diversification	✓	• Increases Long Term Contracted Revenues
Synergies	✓	• Increased weighting towards low CO ₂ gas
Reduced portfolio risk	✓	• Portfolio rises from 21 to 42 generating units
EBITDA	✓	• Long term contract revenue from 40 to > 55%
Dist'n per unit	✓	• Accretive to our FY08 guidance of 24cps
Cashflow per unit	✓	• Strong cashflow generative businesses
Gearing	✓	• From 47% up to target level of ~60%
Market cap	✓	• ~\$1b increase in market cap (at \$3.44 share price) to ~95 ranked entity in the ASX 200

Prospectus distribution forecasts re- confirmed

BABCOCK & BROWN WIND PARTNERS

Key Benefits		Comment
Strategic fit	✓	• Wattle Point Wind Farm sale proceeds
Geographic diversification	✓	• Fund better opportunities in existing pipeline
Business diversification	✓	• Broaden security holder capital base
Synergies	✓	• Complement global debt refinance initiative
Reduced portfolio risk	✓	• Achieve better outcome via existing pipeline
EBITDA	✓	• Facilitates accretive pipeline acquisitions
Dist'n per unit	✓	• Facilitates accretive pipeline acquisitions
Cashflow per unit	✓	• Facilitates accretive pipeline acquisitions
Gearing	✓	• Complement global debt refinance initiative
Market cap	✓	• \$0.2b increase in market cap to 124 ranked entity in the ASX 200

Significant range of opportunities over the next 12 months

INDEX WEIGHTINGS OF THE FUNDS WILL INCREASE

- The index weightings of the Funds will increase significantly
- Index funds and funds that track index benchmarks will have to increase their holdings of the Funds – estimated demand around \$600 million
- In the case of BBP, its market capitalisation will almost double and it should be included in the S&P/ASX 100

Estimated changes in index rankings

	Now			After transaction		
	Ranking	Market capitalisation*	Index weight	Ranking	Market capitalisation*	Index weight
BBI	75	3,549	0.26%	65	4,288	0.32%
BBP	142	1,112	0.09%	95	2,208	0.18%
BBW	162	1,113	0.07%	127	1,334	0.11%

* free float does not include Babcock & Brown holding

* Based on prices at close of trade 8 May 2007 the time immediately before the BNB Funds applied to go into trading halt

AGENDA

1. Overview of the Recommended Alinta Scheme of Arrangement

2. Outline of Babcock & Brown Infrastructure (ASX: BBI)

3. Outline of Babcock & Brown Power (ASX: BBP)

4. Outline of Babcock & Brown Wind Partners (ASX: BBW)

5. Appendix

- Overview Babcock & Brown (ASX: BNB)
- Overview Babcock & Brown Infrastructure (ASX: BBI)
- Overview Babcock & Brown Power (ASX: BBP)
- Overview Babcock & Brown Wind Partners (ASX: BBW)

BBI OVERVIEW

<p>Portfolio</p>	<ul style="list-style-type: none"> • Eight infrastructure businesses • BBI operates across two asset classes: Energy Transmission & Distribution & Transport Infrastructure • BBI's businesses operate across seven countries • Assets provide organic & step-change growth upsides to BBI
<p>Listing</p>	<ul style="list-style-type: none"> • BBI was listed on the ASX in June 2002 • 1.825 billion securities on issue • Current market capitalisation approximately \$3.5 billion¹
<p>Target Returns</p>	<ul style="list-style-type: none"> • Distributions paid from operating cashflow • Distribution yield 7.3%¹ in 07F • Distribution yield 7.6%¹ in 08F (targeting 15 cents²) • Distribution yield 8.1%¹ in 09F (targeting 16 cents²) • Expected to be fully tax deferred in 07F and 08F
<p>Management</p>	<ul style="list-style-type: none"> • Managed by Babcock & Brown an experienced energy transmission, distribution and transport infrastructure manager • Experienced operating management team • Majority independent directors on Board

(1) Based on BBI price of \$1.965 on 8/5/07

(2) BBI is targeting a 14.25 cent distribution in FY07, 15 cents in FY08 & 16 cents in FY09 periods provided these key assumptions are achieved – no material adverse change to key tax or regulatory environments, completion of the DBCT expansion in line with schedule, completion of the NorthWestern acquisition by 1 July 2007 (with an appropriate capital structure)

A GLOBALLY DIVERSIFIED INFRASTRUCTURE ENTITY



† completion is subject to US regulatory approvals

†† completion is subject to regulatory and shareholder approvals

-- ¹ 51% with a call option in the remaining 49%

IMPACT ON BBI OF ALINTA TRANSACTION

<p>Summary of Bid</p>	<ul style="list-style-type: none"> • Pursuant to the final offer from the Consortium, BBI will acquire certain Alinta's transmission and distribution assets and its WA based O&M business** for consideration comprising 377 million BBI Stapled Securities, the issue of \$800 million BBIEPS and the assumption of \$1.1m of limited recourse debt* • BBI Stapled Securities and BBIEPS together will represent approximately 20% of the total offer consideration
<p>Assets Acquired</p>	<ul style="list-style-type: none"> • BBI is acquiring interests in the following (together: BBI Alinta Assets) <ul style="list-style-type: none"> ▪ Tasmania Gas Pipeline (TGP) - 100% ownership ▪ AlintaGas Networks (AGN) - 74.1% ownership ▪ Multinet Gas (MGN) - 20.1% ownership ▪ Dampier to Bunbury Natural Gas Pipeline (DBNGP) - up to 20% ownership ▪ Western Australian based O&M business** which services DBNGP, AGN, GGPT and other external contracts - 100% ownership
<p>Investment Highlights</p>	<ul style="list-style-type: none"> • Acquiring significant portfolio of assets with manageable operating and regulatory risks • Strategically positioned essential service provider • This transaction will grow BBI's market cap to in excess of \$4.3 billion and should significantly increase the Fund's weighting in the S&P ASX 100 index. • The acquisition is within BBI's investment mandate and meets BBI's key investment criteria

* Assuming proportional consolidation of existing debt in AGN, MGN, DBNGP (based on available due diligence information provided by Alinta), together with drawdown on a committed limited recourse bridge facility

21 ** This excludes the Parmelia O&M contract.

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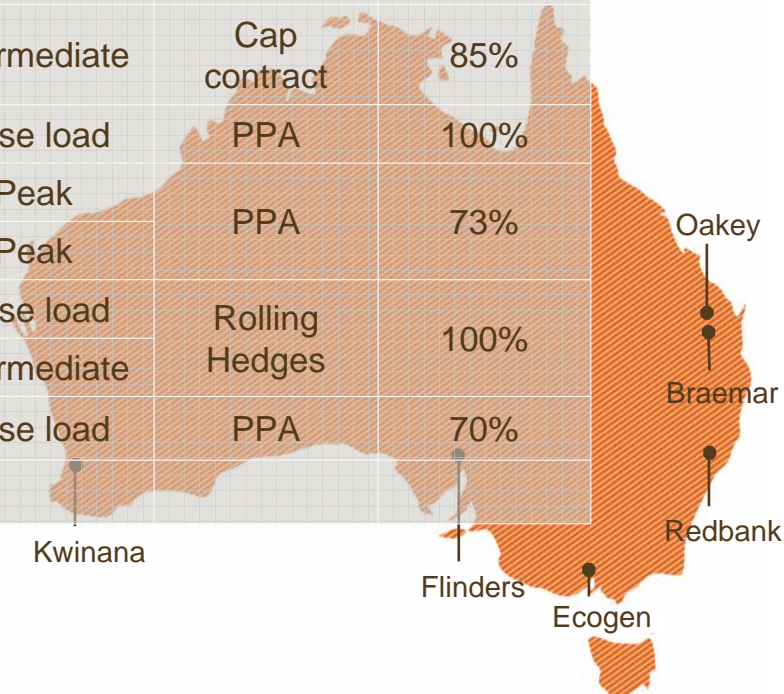
BBP OVERVIEW

Portfolio	<ul style="list-style-type: none">• 7 operating power stations and 1 under construction• Operating across five States of Australia• Combination of greenfields developments and acquisitions
Listing	<ul style="list-style-type: none">• Listed on ASX on 11 December 2006• 359 million securities on issue• Current market capitalisation approximately \$1.2 billion¹
Target Returns	<ul style="list-style-type: none">• All distributions paid from operating cashflow• Distribution yield 6.7%¹ in 07F• Distribution yield 7.0%¹ in 08F• Expected to be fully tax deferred in 07F and 08F• Medium target growth rate 4%
Management	<ul style="list-style-type: none">• Managed by Babcock & Brown an experienced power station developer• Experienced operating management team• Majority independent directors on Board

¹ Based on BBP price of \$3.44 on 8/5/07

BBP OFFERS EXPOSURE TO A DIVERSIFIED PORTFOLIO

Generator	Region	Fuel	Capacity (MW)	Operating mode	Contract Type	Equity Ownership ¹
Oakey	QLD	Gas	286	Peak	PPA	50%
Braemar	QLD	Gas	455	Intermediate	Cap contract	85%
Redbank	NSW	Coal	135	Base load	PPA	100%
Ecogen - Jeeralang	VIC	Gas	449	Peak	PPA	73%
Ecogen - Newport	VIC	Gas	510	Peak	PPA	73%
Flinders - Northern	SA	Coal	527	Base load	Rolling Hedges	100%
Flinders - Playford	SA	Coal	240	Intermediate	Rolling Hedges	100%
Kwinana ²	WA	Gas	320	Base load	PPA	70%
		Total	2,922			



1. Direct and indirect equity interest
 2. Kwinana is currently under construction
 PPA = Power Purchase Agreement
 Refer to the PDS for more information on the BBP assets

ALINTA ACQUISITION SUMMARY

Key Details

- Pursuant to the final offer from the Consortium, BBP will acquire selected power generation assets and 67% of AlintaAGL from Alinta .
- The purchase of these assets will be funded through the issue of 335 million BBP stapled securities at a fixed ratio of 0.669 BBP securities for every Alinta share and a cash contribution of \$25 million to be funded through committed debt.
- Increase in scale of BBP with market capitalisation increasing from approx \$1.2bn to approximately \$2.4bn¹
- BBP does not foresee any additional equity raisings in relation to this transaction
- BBP expects gearing (net debt to net debt plus equity) to increase from current levels of 47% up to approximately 60%
- Accretive to June 2008 distribution guidance of 24.0 cents per security

(1) Based on BBP price of \$3.44 on 8/5/07

ALINTA ACQUISITION HIGHLIGHTS

Investment Highlights

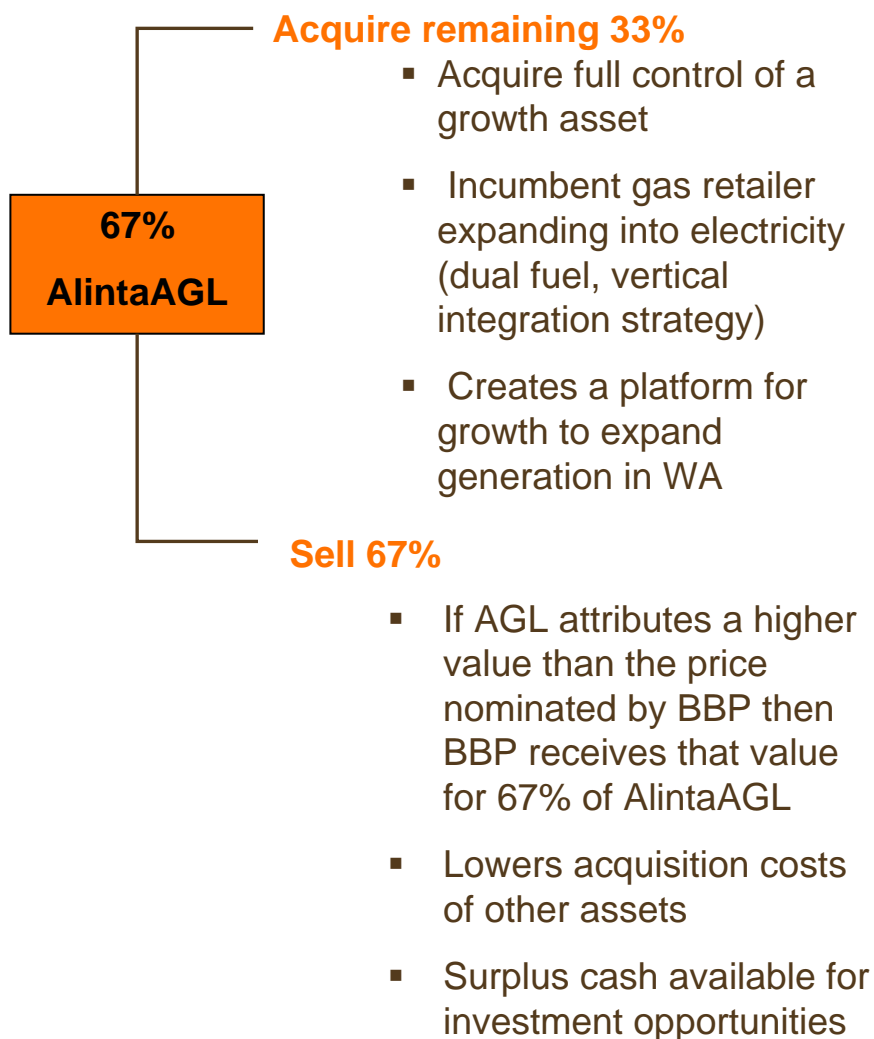
- Well contracted assets which are complementary to those in BBP's existing portfolio
- Increased base load capacity with long term PPA's
- Increased geographic diversity of the portfolio
- BBP to become largest private sector generator in Australia
- Portfolio benefits through lowering capital costs and enhanced trading capacity
- Increased weighting in portfolio towards low CO₂ gas fired generation
- AlintaAGL option delivers either a lower cost base of assets acquired or full control of a growth asset
- Inherent growth opportunities
 - WA retail creates a platform for growth in the eastern states
 - Access to a pipeline of organic growth

ALINTA POWER GENERATION AND ENERGY ASSETS

Asset	Asset Type	Location	Economic Interest	MW
AlintaAGL (WA Retail & WA Cogeneration Plants)	Gas and Electricity Retailing & Power Generation	WA	0% or 100% (currently 67%)	409*
Port Hedland Power Station	Power Generation	WA	100%	175
Newman Power Station	Power Generation	WA	100%	105
Goldfields Gas Pipeline	Gas Transmission	WA	11.8%	NA
Glenbrook NZ Power Station	Power Generation	NZ	100%	112
Bairnsdale Power Station	Power Generation	VIC	100%	94
Cawse Cogeneration Plant	Power Generation	WA	100%	16
LPG business	Energy Markets	WA	100%	NA
Tamar Development Project	Power Generation	TAS	100%	380



AlintaAGL PUT CALL OPTION



- Alinta owns 67% of AlintaAGL
- Assets are subject to a put/call option arrangement that is triggered by a change in control which is triggered on Scheme implementation
- Alinta must notify AGL Energy of the price at which AGL Energy can acquire its 67% interest
- AGL Energy must either acquire 67% of AlintaAGL at that price or sell 33% at the equivalent price
- BBP will hold either 0% or 100% of AlintaAGL

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BBW OVERVIEW

<p>Portfolio</p>	<ul style="list-style-type: none"> • 33 Wind Farms, including those under construction • 1,209MW under management (equity accounted share) • Operating in 5 countries on 3 continents • Diversified by resource, regulatory regime, off-take and turbine supply
<p>Listing</p>	<ul style="list-style-type: none"> • Listed on ASX on 28 October 2005 • 673 million securities on issue • Current market capitalisation approximately \$1.27 billion⁽¹⁾
<p>Target Returns</p>	<ul style="list-style-type: none"> • All distributions paid from operating cashflow • Distribution yield 6.7%¹ in 07F, fully tax deferred • Distribution yield 7.5%¹ in 08F, fully tax deferred • Total shareholder return since listing 47.2%¹ • Medium term target growth rate of at least 3.5%
<p>Management</p>	<ul style="list-style-type: none"> • Managed by Babcock & Brown a global leader in wind farm development and management • Experienced operating management team • Majority independent directors on Board

¹ Based on BBW price of \$1.86 on 8/5/07

OVERVIEW OF WATTLE POINT WIND FARM

- BBW is part of consortium bidding for issued share capital of Alinta Limited (ASX: ANN)
- If Scheme approved, BBW will issue securities plus cash as consideration
- Stapled Securities issued at effective discount (post fees) of 6.9% or 3.1% (after taking account securities will be issued ex distribution) to 30 day VWAP prior to announcement of recommended bid
- BBW had the right to acquire Wattle Point or to direct Alinta to sell wind farm
- Following due diligence, BBW instructed Alinta to sell Wattle Point wind farm
- Limited opportunities for BBW to add value to Wattle Point wind farm
- BBW intends to utilise proceeds of \$201.5m in more attractive investments than an acquisition of the Wattle Point wind farm, including but not limited to investment in the previously announced proposed acquisitions

OVERVIEW OF PROPOSED ACQUISITIONS

- **BBW raisings**
 - A\$156.8 million¹ for proposed acquisitions via institutional placement
 - A\$211 million² anticipated to be received through Alinta Scheme of Arrangement in Q3 2007
- **Three attractive investment opportunities³ (~700 MW in total):**
 - European Acquisition: two operational wind farms in Spain
 - US07 Portfolio: Class B Member interests in 3 wind farms in the USA
 - Enersis portfolio: 50% interest in 29 operating wind farms in Portugal
- **Acquisitions⁴**
 - Diversification & scale: 50% increase in generation + new wind regions
 - Completion of Spanish wind farm acquisition announced 10 May 2007
 - Acquisition of interests in Enersis and operational US07 assets to be effective 1 July 2007³
- **Accretion**
 - Proposed Acquisitions immediately accretive to Net Operating Cash Flow⁵ (NOCF)
 - NOCF⁶ accretion per security anticipated to be at least 2.5%⁴ in FY08 & FY09
 - Proposed Acquisitions provide scope for further distribution growth in medium term⁴

1. Issued 87.1 million stapled securities at A\$1.80 raising a total of \$156.8m through an institutional placement launched on the 26th April 2007.
2. 130.2m Stapled Securities; \$211m less cash payment to Alinta Limited (ASX: AAN) of \$9.5m – subject to Scheme approval which is anticipated to be received in H1 FY08. Stapled Securities issued at effective discount (post fees) of 6.9% or 3.1% (after taking account securities will be issued ex distribution) to 30 day VWAP prior to announcement of recommended bid
3. “Proposed Acquisitions”, subject to due diligence, Board approval and Security Holder approval for related party transactions
4. Expected impact assuming all Proposed Acquisitions complete by the timing indicated
5. Net operating cash flow: EBITDA plus US Distributions less corporate costs, Interest paid, Tax paid, changes to working capital before investment related CAPEX, acquisitions and notional debt repayment.
6. In NOCF after notional debt repayment

PORTFOLIO HAS GROWN & DIVERSIFIED SIGNIFICANTLY



NOTE: Completion of the acquisition of Allegheny Ridge I & II and GSG wind farms has not yet occurred

SPANISH WIND FARMS

- **Acquisition cost of A\$180m**
- Achieve financial close by end of Q2 2007; funding from a combination of debt & equity
- Immediately accretive to net operating cash flow
 - Contribute \$8.5m from FY08
- Approx 4% additional capacity and generation to current portfolio (before other Proposed Acquisitions)
- Potential synergies because of common Gamesa technology



LOCATION	Spain
OWNERSHIP	100%
NUMBER OF WIND FARMS	2
INSTALLED CAPACITY¹	Approximately 60MW
WIND REGIONS	1
TURBINE MANUFACTURER	Existing Supplier
STATUS	Operational
REVENUE ASSURANCE	Regulated

ENERSIS PORTFOLIO¹

- Approximate acquisition cost of A\$885m (+/- 5%) for 50% interest
- Increase diversification and scale
 - Exposure to additional regulatory regime
 - Increase wind regime diversification
 - Additional 19% in capacity and 16% in generation to current portfolio (based on 50% equity interest)
- Partial purchase
 - Manages capital demand
 - Shareholder agreement with appropriate rights and governance framework will be implemented
 - BBW to hold first right for remaining 50% (expected in calendar 2008)
- Regulatory
 - Portugal has demonstrated long term support for renewable energy since 1988 (Decree Law 189/88)
 - Regulatory regime progressively updated
 - Feed-in tariff set for 15 years – approx. €85 per MWh



LOCATION	Portugal
OWNERSHIP	50%
NUMBER OF WIND FARMS	29
INSTALLED CAPACITY¹	262 MW
LONG TERM MEAN ENERGY PRODUCTION¹	657 GWh
WIND REGIONS	1
NUMBER OF TURBINES	267
TURBINE MANUFACTURERS	Nordex, Vestas, Enercon, Mitsubishi, GE
STATUS	All operational
REVENUE ASSURANCE	Feed-in Tariff

1. Ownership on basis of 50% equity interest


US07 PORTFOLIO¹

- Approximate acquisition cost of A\$390m (+/- 5%) for Class B Member interests

- Increase in diversification and scale
 - Exposure to additional wind region in the US
 - Additional 27% in capacity and 30% in generation to current portfolio¹
 - Introduction of Siemens turbines into portfolio mix
 - Mix of PPA and Merchant

- Construction Completion
 - Scheduled for H1 FY08

- Regulatory
 - Federal Production Tax Credit incentive



LOCATION	Central West & South, USA
OWNERSHIP	> 50% of Class B Member interests
NUMBER OF WIND FARMS	3
INSTALLED CAPACITY¹	375 MW
LONG TERM MEAN ENERGY PRODUCTION¹	1,243 GWh
WIND REGIONS	2
TURBINE MANUFACTURERS	Mitsubishi, Siemens & GE
NUMBER OF TURBINES	490
STATUS	Under Construction. BBW will acquire when fully operational – expected in H1 FY08 ²
REVENUE ASSURANCE	PPA and Merchant

1. Based on B Class Member interests

2. Subject to Security Holder approval

MAJOR GLOBAL SPECIALIST WIND PORTFOLIO INVESTOR - BBW'S POSITIONING REMAINS ATTRACTIVE

- Long term regulatory support for renewable energy continues to strengthen
- Global wind energy industry installed capacity increased by 25% in 2006 with strong growth in installed capacity predicted to continue
- BBW's portfolio scale and diversification continues to improve, in line with strategy
- NOCF per security continues to grow strongly in line with increase in operational assets
- Investment pipeline remains robust
 - BNB pipeline of over 3,000MW (post Proposed Acquisitions)
 - Gamesa Framework Agreement: 450MW to be delivered in 2007 & 2008
 - Plambeck Framework Agreement: 300MW to be delivered in 2007 & 2008
- Completion of capital raisings + global corporate debt facility
 - provide significant growth capacity
- Balance sheet and capital structure remains conservative
- BBW continues to offer an attractive and fully tax deferred distribution, paid out of net operating cash flow

AGENDA

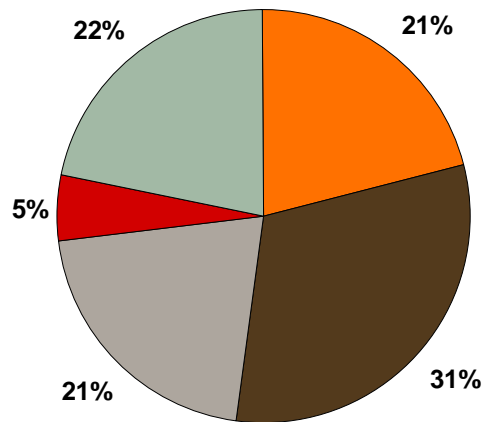
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BABCOCK & BROWN (ASX:BNB) OVERVIEW

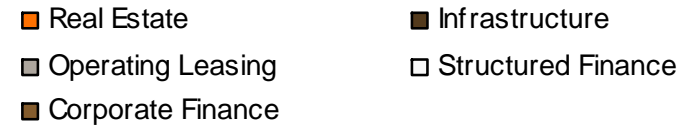
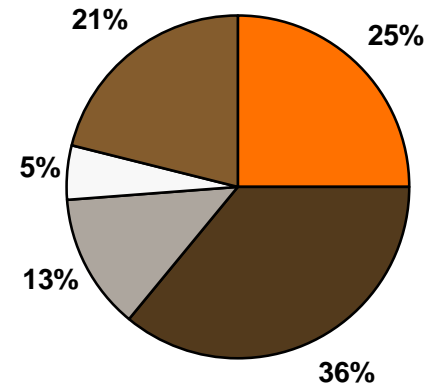
- Founded in San Francisco in 1977, listed on ASX 6 October 2004.
- In excess of 1,000 employees.
- Operates in 28 offices in 17 countries.
- Five business divisions – Real Estate, Infrastructure, Corporate Finance, Structured Finance and Operating Leasing.
- The focus of the BNB Infrastructure division is to identify and arrange new investment opportunities for clients and managed funds, and to provide ongoing financial advisory, investment and funds management services to its clients and managed funds.
- Group market capitalisation in excess of \$9.9 billion.
- Strong ownership and partnership culture developed through long history of investing BNB and employee money alongside investors. Employees own 40% of the Babcock & Brown Group.

OVERVIEW BNB GLOBAL INFRASTRUCTURE DIVISION

2006 AUM Breakdown by Division



2006 Net Revenue Breakdown by Division



- The Infrastructure Division is now the largest Division within Babcock & Brown. AUM at 31 December 2006 was \$12.8bn.
- Total Net Revenue from the Infrastructure Division increased 92% to \$464m in 2006 and has grown 441% over the last two years.
- The infrastructure Division has in excess of 341 people globally including in excess of 190 people in Origination and 90 people in asset management.

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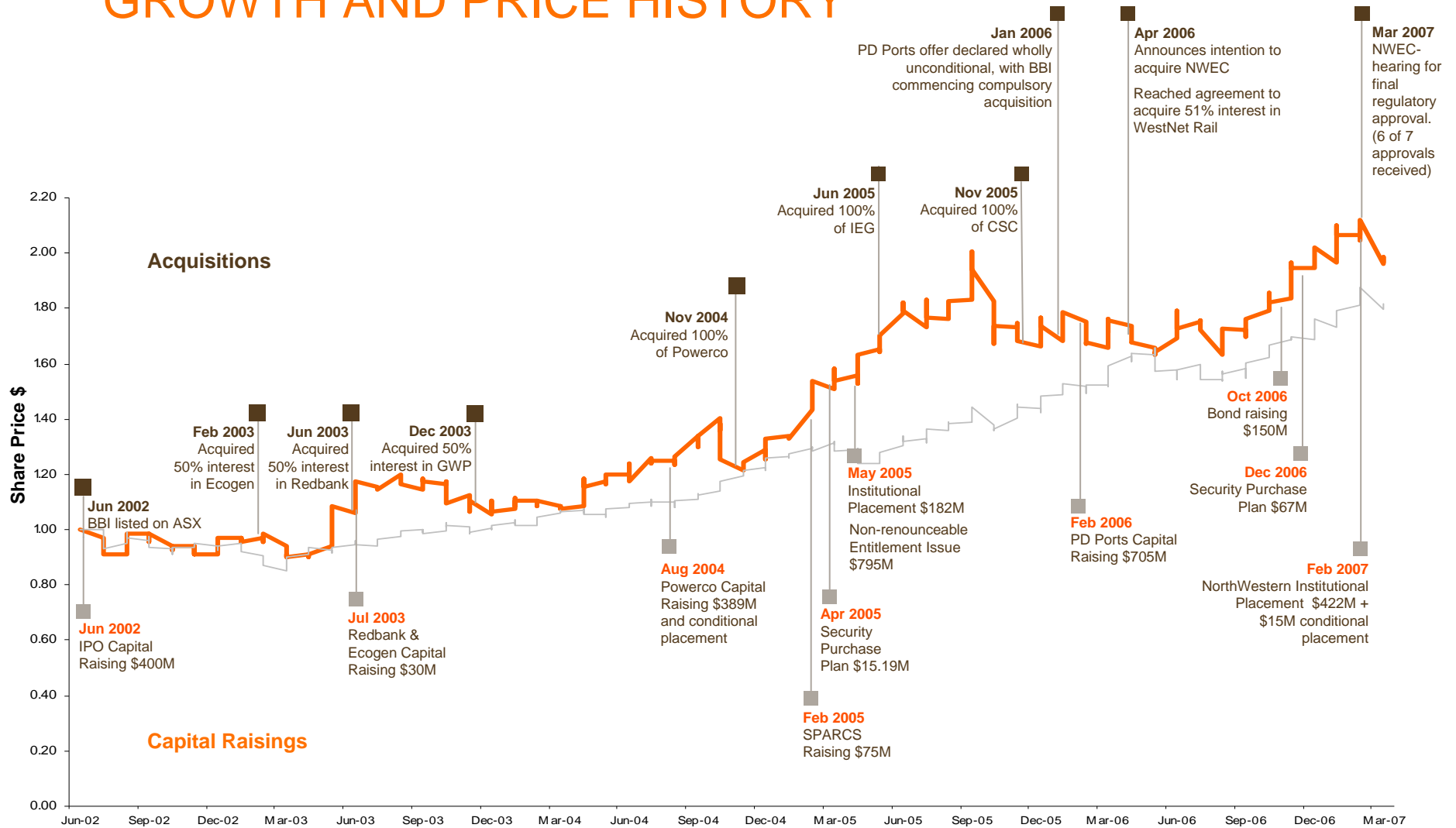
BUSINESS STRENGTH AND STRATEGIC FOCUS

- BBI is an infrastructure investment fund focused on acquiring, managing and operating quality infrastructure assets in two specialised asset classes (Energy Transmission & Distribution and Transport Infrastructure) with geographic coverage on a global basis - the assets are located in Australia, Europe and the US
- Since its establishment in 2002 BBI has delivered a 245%* total shareholder return
- Acquisition focus is on established and proven businesses with long life assets, strong market share, proven management and ongoing demand for service/commodity
- Targeted assets generally have solid organic growth, step-change growth investment opportunities and bolt-on acquisitions growth to drive future operating cash flows and enhancement of Security Holder value
- BBI's mandate is to optimise the management and operations of those assets to provide investors with stable, low risk, attractive and reliable Stapled Security distributions together with potential for capital growth

BBI represents an opportunity for investors to receive high quality, tax deferred distributions by investing in a diversified global portfolio of infrastructure assets

* The BBI Accumulation Index reflects the total Stapled Security Holder return on an investment of A\$100 since listing to 8 May 2007 Source: Bloomberg

GROWTH AND PRICE HISTORY

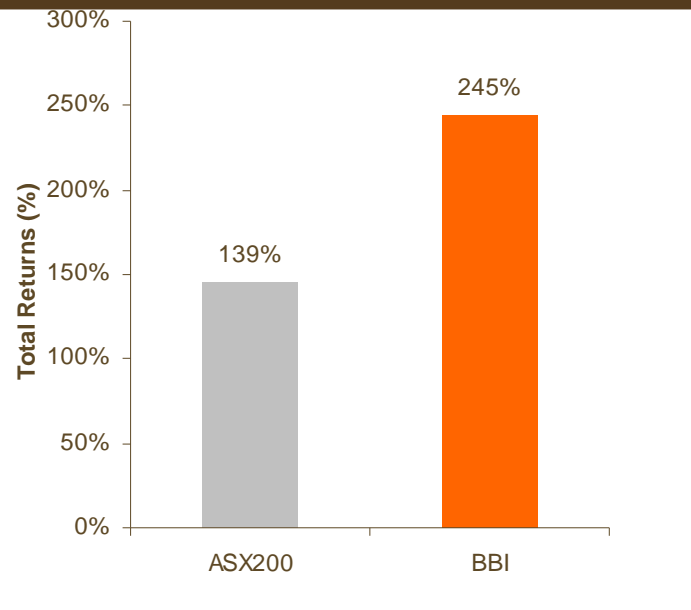


STRONG TOTAL SECURITY HOLDER RETURNS

Assets

Gross Assets A\$6.3 billion (based on proportional consolidation) increasing to A\$9.6 billion post NorthWestern**

Total Security Holder returns since BBI's listing on the ASX***



Key information

Securities issued 1.825 billion

Market Capitalisation* A\$3.6 billion

Performance since listing against ASX 200 Accumulation index to 8 May 2007***

- 244% BBI Total Security Holder Return (TSR)
- 139% ASX200 accumulation outperformance for same period

EBITDA FY06 A\$405.1 million

OCFPS FY06 15.5 cents

DPS FY07 14.25 cents (100% tax deferred)

* Based on closing price of \$1.965 on 8/05/07

** NorthWestern acquisition is subject to US regulatory approvals

44 *** The BBI Accumulation Index reflects the total Staped Security Holder return on an investment of A\$100 since listing on 8/5/07

Source: Bloomberg

FUTURE GROWTH POTENTIAL

- BBI's global portfolio (post NorthWestern inclusion into portfolio) has embedded stepped growth opportunities of A\$2-3 billion over 2-3 years. This growth stems from:
 - DBCT Phase 2/3 expansion
 - PD Ports - Victoria Harbour development over next 20 years, heavy crude oil opportunity, Northern Gateway, LNG re-gasification and plant facilities, bolt-on acquisitions (eg WCT in Belgium), ASDA warehouse replication, use of land facilities by power generators using biomass and coal feedstock
 - IEG - growth in new gas and electricity connections
 - Powerco - NZ electricity connections and consumption growth (mainly in Tauranga region), transmission and generation interconnects (eg grid exit points), acquisition opportunities and continued growth in Tasmania
 - WestNet Rail - potential growth in underlying bulk commodities freight and continued growth leveraged to the commodity cycle in Western Australia
 - Cross Sound Cable - West Coast USA - Trans Bay Cable, fibre optic lease has commenced with > 170 fibre pairs available for lease to third parties
 - NorthWestern - Idaho Pathway transmission opportunity and other power generation opportunities

MANAGED GROWTH

Managed
Growth

- Working to achieve final regulatory approval for NorthWestern
- Organic growth opportunities eg new connections and consumption increases
- Complementary bolt-on growth opportunities eg small port facilities
- Step-change growth opportunities eg transmission facilities
- Strategic growth opportunities eg new assets for existing asset classes
- Utilise expertise and experience efficiently to integrate acquired businesses and drive ongoing value

There is an additional A\$2-3 billion of stepped growth opportunities embedded within BBI's existing portfolio (post NorthWestern inclusion into portfolio)

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STRATEGIC ASSETS POSITIONED FOR GROWTH

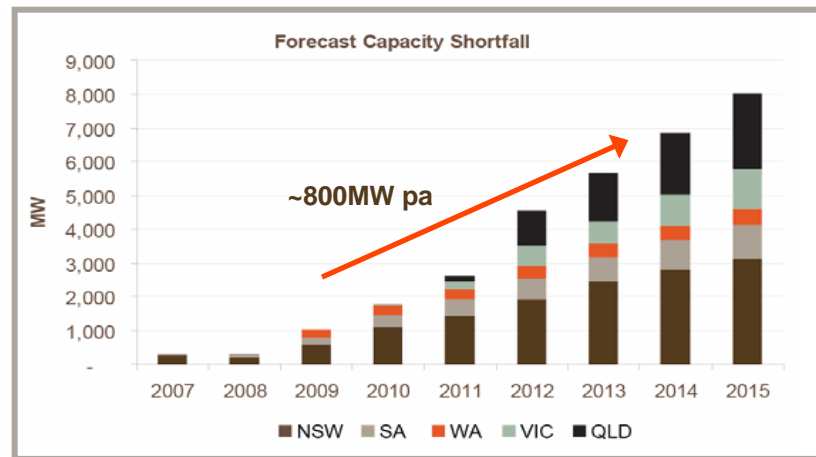
Flinders (SA)	<ul style="list-style-type: none"> • Lowest cost energy provider in South Australia • Tight supply, already breaching reserve requirements • Proven ability to capture a premium to market prices
Braemar (QLD)	<ul style="list-style-type: none"> • Positioned in the fastest growing demand region of the NEM • Located in the heart of Queensland's coal seam gas fields • Sunk infrastructure in place to allow for expansion opportunities
Kwinana (WA)	<ul style="list-style-type: none"> • 320MW CCGT¹ underwritten by a long term off-take agreement • Scheduled to be commissioned late 2008 • Forecast financial contribution for 2H Fin Year 2009
Redbank (NSW) Ecogen (VIC) Oakey (QLD)	<ul style="list-style-type: none"> • Provide a stable foundation of high quality cash flows • Contractual revenue indexation underpins future growth • Strong operations & maintenance teams in place

1. CCGT = Combined Cycle Gas Turbine

INVESTMENT RATIONALE

Electricity Capacity Shortfall

- NEMMCO predicts significant capacity constraints
- Existing capacity shortfall
- Approximately 800 mw pa of generation demand to 2015⁽¹⁾
- Approximately \$10 billion in new generation investment is required over the next decade

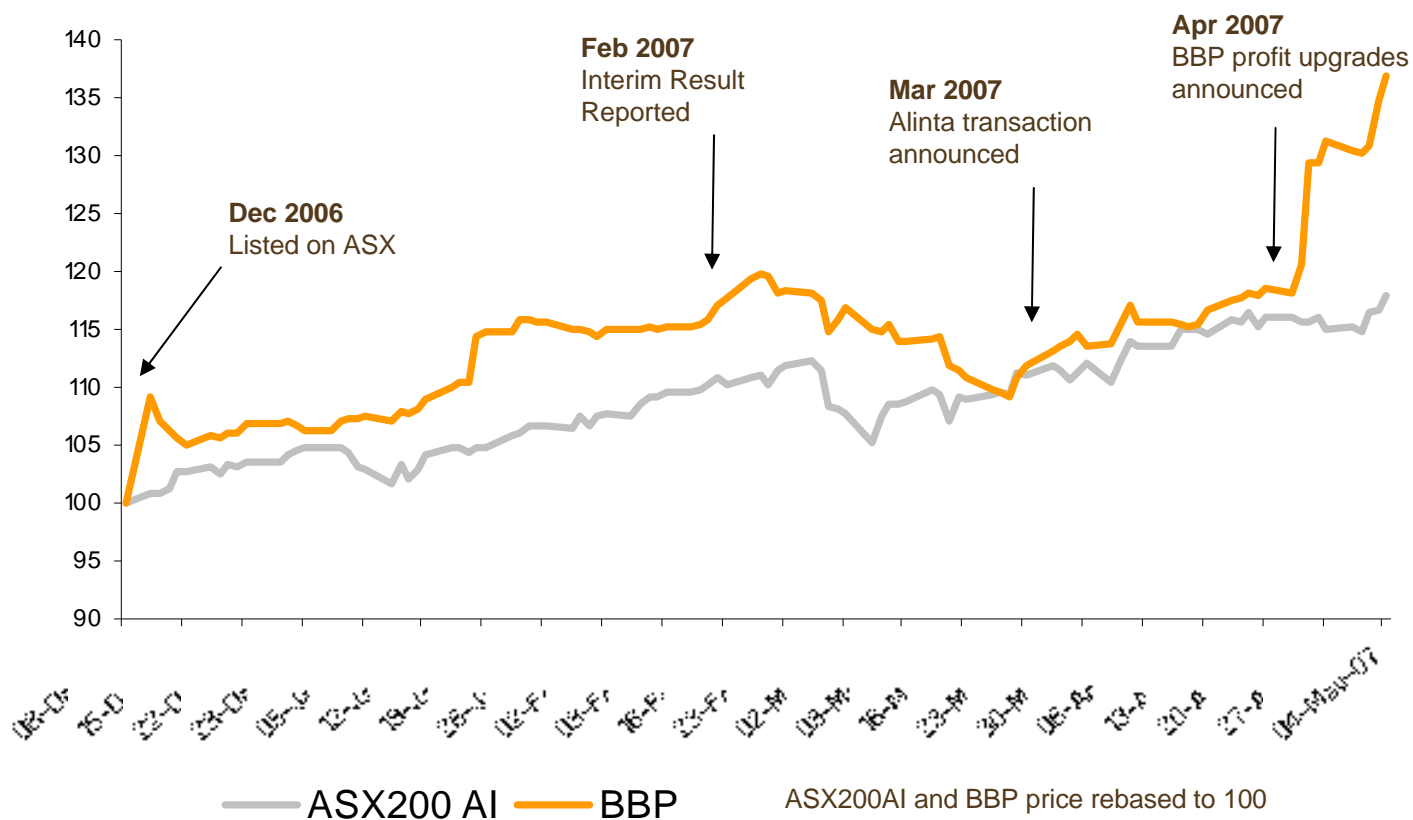


Creation of Carbon Markets

- BBP supports an emissions trading scheme with grandfathered permits
- BBP portfolio has 15% lower emissions than the national average
- Option value of gas generating assets is enhanced
- Overall impact on BBP likely to be neutral

(1) Source: NEMMCO Statement of Opportunities

BBP SECURITY PRICE HISTORY



- BBP has outperformed the ASX200 Accumulation Index since listing
- BBP has delivered Total Securityholder Returns (TSR) of approx. 38%¹

50 (1) Based on BBP price of \$3.44

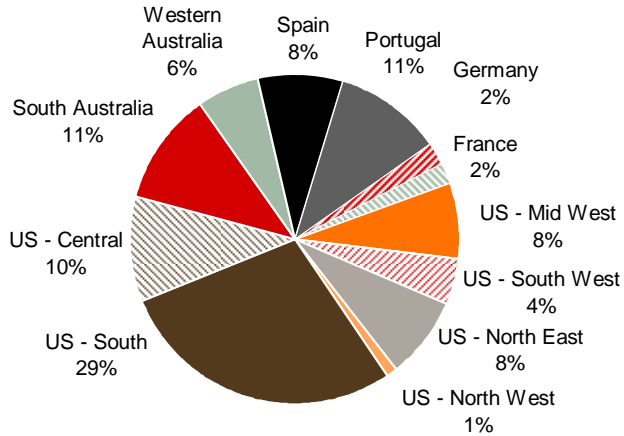


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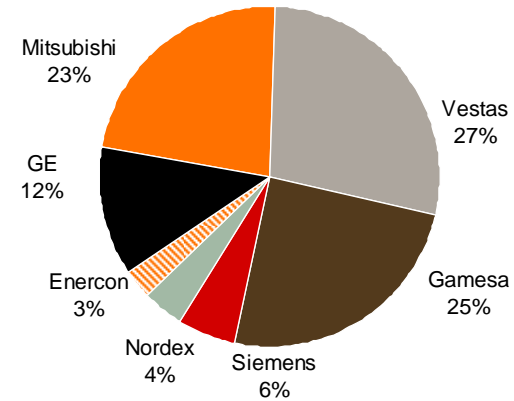
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SOURCES OF DIVERSIFICATION

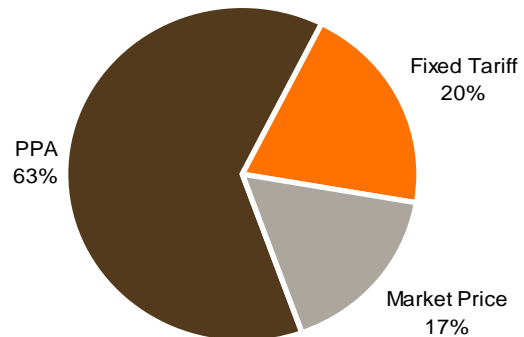
GEOGRAPHY & WIND RESOURCE



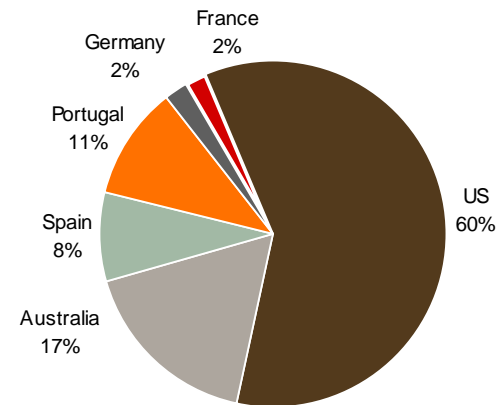
EQUIPMENT & SERVICE PROVIDERS



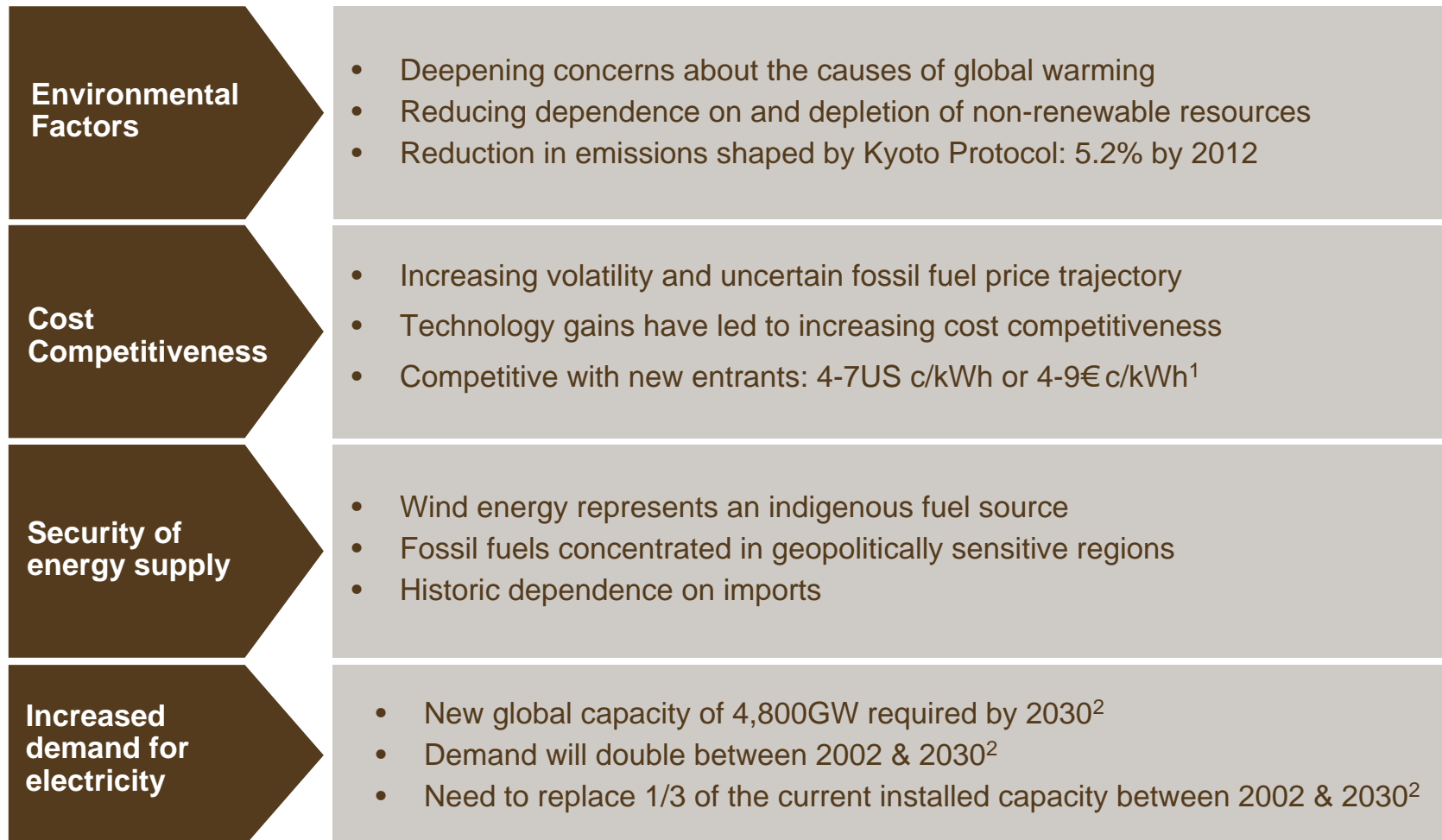
REVENUE ASSURANCE



REGULATORY REGIME

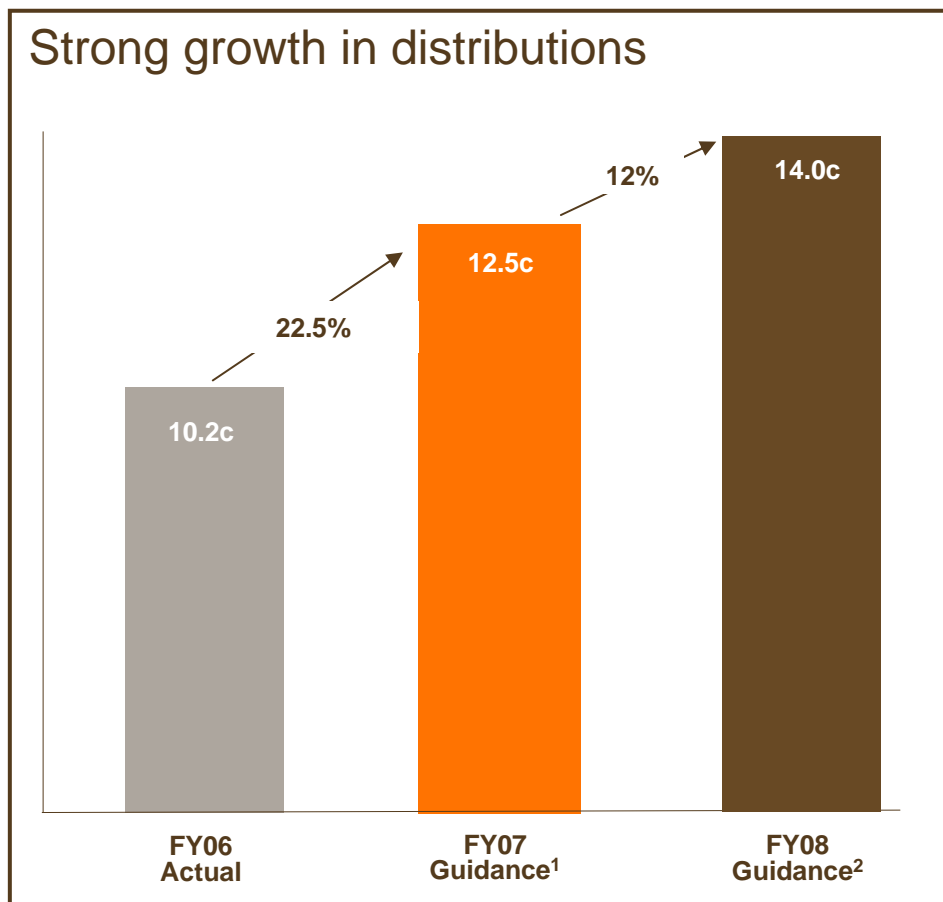


INVESTMENT RATIONALE FOR WIND ENERGY



1. Source: Emerging Energy Research
2. Source: International Energy Agency

DISTRIBUTIONS



- FY07 distribution guidance of 12.5 cents per security¹ reconfirmed – 22.5% increase on FY06
- FY08 distribution guidance 14.0 cents per security² reconfirmed – 12% increase on FY07
- Distributions expected to be fully tax deferred for FY07 & FY08
- NOCF & Distribution guidance to be updated within Notice of Meeting materials for remaining Proposed Acquisitions³

Proposed Acquisitions expected to provide scope for further distribution growth in medium term

1. FY07 guidance assumes: P50 production, no performance fee and no material reduction in Spanish tariff.
2. Assumes US06 Portfolio is acquired materially in line with proposed timing; successful implementation of plans to refinance BBW's debt facilities during FY07; P50 production; no performance fee and Spanish Tariff no less than indicated in Spanish Government draft decree announced on 29 November 2006
3. Related party transactions require Security Holder approval.

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