

**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
Level 23 The Chifley Tower · 2 Chifley Square · Sydney NSW 2000 Australia
T +61 2 9229 1800 · F +61 2 9231 5619 · www.bbwindpartners.com

ASX Release

21 November 2008

SECURITYHOLDER STATEMENT

Babcock & Brown Wind Partners (ASX: BBW) advises that the accompanying letter and securityholder statement have been mailed to BBW securityholders today.

Please note the second paragraph of the letter advises securityholders that negotiations are currently underway between Babcock & Brown (ASX: BNB) and BBW Independent Directors regarding governance arrangements. An announcement was made by BBW earlier today confirming the outcome of those negotiations to date.

ENDS

Further Information:

Rosalie Duff
Investor Relations Manager
Babcock & Brown Wind Partners
Phone: + 61 2 9216 1362

Miles George
Chief Executive Officer
Babcock & Brown Wind Partners
Phone: + 61 2 9229 1800

About Babcock & Brown Wind Partners

Babcock & Brown Wind Partners (ASX: BBW) is a global wind energy business which owns and operates a portfolio of wind farms spanning five countries and three continents. BBW listed on the Australian Securities Exchange on 28 October 2005 and has a market capitalisation of approximately A\$0.7 billion.

BBW's portfolio comprises interests in 54 wind farms that have a total installed capacity of approximately 2,682MW and are diversified by wind resource, currency, equipment supplier, off-take arrangements and regulatory regime.

Once the sale of the Spanish wind energy assets achieve financial close, BBW's portfolio will span four countries and comprise interests in 40 wind farms with a total installed capacity of approximately 2,260MW.

BBW's investment strategy is to grow Securityholder wealth through efficient management of its portfolio of wind energy generation assets.

BBW 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 is managed by Babcock & Brown Wind Partners Management Pty Ltd, a subsidiary of Babcock & Brown Limited (ASX: BNB).

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

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
Level 23 The Chifley Tower · 2 Chifley Square · Sydney NSW 2000 Australia
T +61 2 9229 1800 · F +61 2 9231 5619 · www.bbwindpartners.com

Dear Securityholder

The accompanying statement overleaf has been received from Kairos Fund Limited (**Kairos**), a substantial securityholder of Babcock & Brown Wind Partners (**BBW**) setting out their views on certain matters. BBW is required to distribute this statement to securityholders pursuant to section 249P of the Corporations Act 2001.

With regard to the issues raised in the statement, the Directors of BBW note that, as foreshadowed in the announcement made to the ASX by Babcock & Brown (**BNB**) on 20 October 2008, negotiations are currently underway between BNB and the Independent Directors of BBW regarding the governance and fee arrangements for BBW under its Management Agreements. A further announcement to the ASX will be made in accordance with BBW's disclosure requirements once the outcome of these negotiations is known.

The accompanying statement from Kairos contains a reference to a possible termination mechanism in the Management Agreements between Babcock & Brown Infrastructure (**BBI**) and BNB. The Directors of BBW are not privy to the BBI Management Agreements, but note that the Management Agreements between BBW and BNB do not contain any similar termination mechanism. The termination mechanisms relating to BBW's Management Agreements are as previously disclosed in the IPO Prospectus and Product Disclosure Statement of 26 September 2005.

In relation to the upcoming AGM, the Directors recommend that securityholders vote in favour of all resolutions. In the meantime, be assured that Directors will continue to act decisively in the interests of all securityholders to ensure the ongoing success of BBW.

By order of the Boards of BBW

David Richardson
Company Secretary
Babcock & Brown Wind Partners Group

STATEMENT FROM KAIROS FUND LIMITED ON ITEM 7 – RESOLUTION TO APPOINT MR GRAHAM KELLY AS INDEPENDENT DIRECTOR OF BABCOCK & BROWN WIND PARTNERS

Dear fellow BBW security holders and members of the BBW board of directors,

Kairos Fund Ltd. (“KFL”) – a Cayman based vehicle that our UK based investment management company, Kairos Investment Management Limited, has managed since its June 1999 inception – has been a Babcock & Brown Wind Partners (“BBW”) security holder since May 2006 and currently owns in excess of 10% of BBW’s share capital.

In the context of the voting to confirm the appointment of Mr Graham Kelly as independent chairman of BBW, we take the opportunity to share our deep concern over the manifest contagion effect on BBW’s security price caused by the distressed financial situation at Babcock & Brown (“BNB”) and at other BNB-branded listed funds.

Moreover we believe that the increasingly difficult financial situation at BNB warrants urgent action in order to safeguard the jobs and the day-to-day activity of some key managers at BBW who are currently employed by BNB in its role as the manager of BBW.

We also wish to express here the crucial governance issues which we would want to see urgently addressed by the new chairman, namely:

1) Buy-back the management contract from BNB

BBW’s new independent chairman and the other independent directors should engage as soon as practically possible in negotiations with the independent Directors at BNB in order to buy-back the management agreement contract from BNB. In this respect a valuable precedent has been recently established by the directors of another BNB fund, Babcock & Brown Capital (“BCM”), where the management agreement is to be terminated, subject to shareholder approval. Furthermore it is to be noted that the chairman of yet another BNB fund, Babcock & Brown Infrastructure (“BBI”), has publicly stated that BBI’s management agreement includes a mechanism whereby securityholders can seek by voting the termination of the agreement without compensation for the manager.

2) Change name of entity

BBW’s new independent chairman and the other independent directors should change the name of the entity; the new name should not contain any reference to the BNB group. Although purely optical, such change of name will formally demonstrate the severance of all links between BBW and BNB.

3) Re-hire directly key managerial positions and align their compensation to securityholders’ interest

BBW’s new independent chairman and the other independent directors should immediately re-hire the key managers (including CEO, COO and CFO). The managers will be employed solely by BBW and be solely accountable to the BBW board of directors. Once hired directly as employees of BBW, the people covering key managerial positions should be truly and fully aligned with sizeable stock option plans to the interest of the BBW security holders.

In essence, we strongly believe that the massive valuation discrepancy emerged between the intrinsic value of BBW’s assets and the value implied by its security price is evidently due to the market’s concern about BBW’s relationship with BNB, as is also demonstrated by the dismal security price performances of all the other BNB listed funds.

From our point of view, the restoration of securityholder value at BBW is conditional upon having resolved crucial corporate governance issues, i.e. conditional upon a full transformation of BBW from an externally managed vehicle into an independent company.

We wish to conclude by underlining the extreme urgency of the above-described actions in the context of the financial distress of BNB and of the global dislocation in credit and equity markets where simplicity, transparency and true alignment of interests are of paramount importance.

Yours sincerely,
Roberto Condulmari
CEO
Kairos Investment Management Limited