

**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**

29 April 2009

**EGM PRESENTATIONS**

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Attached are the presentations to be delivered at today's Extraordinary General Meetings of BBW securityholders.

The General Meeting will be webcast and can be viewed on the BBW website at [www.bbwindpartners.com](http://www.bbwindpartners.com).

**ENDS**

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**Further Information:**

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## About Babcock & Brown Wind Partners

Babcock & Brown Wind Partners is a pure renewable energy business which owns and operates wind farms on three continents. BBW is the leading wind energy generator in Australia and the fourth largest in the USA. BBW listed on the Australian Securities Exchange on 28 October 2005 and has a market capitalisation of approximately A\$1 billion.

BBW's business comprises interests in 41 wind farms that have a total installed capacity of approximately 2,246MW and are diversified by wind resource, currency, equipment supplier, off-take arrangements and regulatory regime.

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).

The BBW Boards have convened Extraordinary General Meetings of BBW securityholders to be held on 29 April 2009 seeking approval to change the name of BBW to **Infigen Energy** and to establish an equity incentive scheme for employees.

For further information please visit our website: [www.bbwindpartners.com](http://www.bbwindpartners.com)

## **General Meetings of Securityholders Babcock & Brown Wind Partners 11am, Wednesday, 29 April 2009**

### **Graham Kelly, Chairman**

With those introductory comments complete, I am advised by our Company Secretary that a quorum of Securityholders for each BBW stapled entity is present, and so I now declare the General Meeting open.

All Securityholders have been sent the Notice of Meeting, so unless anyone requires otherwise, I will take the Notice of meeting as read. Additional copies of the Notice are available for Securityholders if you don't have one with you.

Accompanying the Notice of Meeting you would have also received a statement from The Children's Investment Master Fund (TCI), a substantial Securityholder of BBW. Under section 249P of the Corporations Act 2001, BBW was required to distribute this statement to Securityholders with the notice of meeting.

In relation to the proxy votes received for today's resolutions, these have been inspected by the security registry and all those validly lodged proxies have been accepted. The numbers of proxy votes received will be displayed on the screen prior to voting on each resolution.

The Directors recommend that Securityholders vote in favour of all resolutions stated in the Notice of Meeting (with the Managing Director, Miles George abstaining and not voting on resolutions 3 and 4).

I would like to introduce the Directors on the BBW Boards as follows:

- Miles George is the Managing Director of BBW, who was appointed as a director effective 1 January 2009.
- Tony Battle is Chairman of the Nomination & Remuneration Committee and a member of the Audit, Risk & Compliance Committee.
- Doug Clemson is Chairman of the Audit, Risk & Compliance Committee as well as a member of the Nomination & Remuneration Committee;
- Nils Andersen is a member of the Nomination & Remuneration Committee;
- Warren Murphy; and
- Peter Hofbauer.

I am also joined today by our Company Secretary, David Richardson seated on my right. The members of the BBW senior management team are also present today and seated in the front row.

I would also like to welcome to today's meeting John Egan and Lianne Hooper from Egan Associates - specialist executive remuneration advisers, and Brian Murphy and Melissa Jones from Mallesons Stephen Jaques.

Before moving to the formal items of business on the Notice, I would now like to provide an overview of the progress we have made in terms of separating from Babcock &

Brown, our new name, the alignment of employee and securityholder interests with the proposed establishment of a deferred security plan and the performance rights and options plan for senior executives, as well as the proposed participation in the performance rights and options plan by Miles George, our Managing Director.

Our separation from Babcock & Brown commenced at the end of 2008 when we successfully negotiated the termination of the management agreements and exclusive financial advisory agreement for a total cash payment of \$40m. BBW also acquired the Responsible Entity of the Trust from Babcock & Brown and internalised the management of BBW as part of this process.

We are well advanced in terms of transferring our Information Technology systems, we have secured new premises, and we will be physically relocated by the end of June.

Furthermore, the appointment of administrators to Babcock & Brown Limited has had no material impact on BBW's business as the remaining transition services are contracted with subsidiaries that are not in administration.

To reflect our new independent status we are recommending that security holders vote in favour of our name change. Resolutions 1, 2, 6 and 7 outlined in the Notice of General Meetings relate to the name change and the associated amendments to the constitution of the Company and the bye-laws of the foreign company.

Choosing a name was of course a priority for us in our new life, independent from Babcock & Brown. We are very confident about the future for our business and remain focussed on being a cost competitive provider of renewable energy, with expertise in development, operations and asset management.

We view the name change as an important step towards this goal.

As a leading renewable energy business we needed a name which would define what we did and be understood by the industry and all our stakeholders.

The name we are asking you to approve today is **Infigen Energy**. Infigen is derived from the words 'infinite' and 'generation'. The word 'infinite' reflects the availability of renewable fuel sources such as wind, and the word 'generation' relates to the core function of our business which is renewable energy generation.

We believe the adoption of the Infigen name and the subsequent rebranding support our move forward as a leading independent renewable energy business.

The name change will not affect the legal status of the Company or any assets or liabilities.

The directors recommend that securityholders vote in favour resolutions 1, 2, 6 and 7.

Should security holders approve the name change at today's meeting, the new visual identity will take the following form.

The Infigen identity is inspired by what we do as a business: we harness natural, renewable energy from the environment. The 'Energised Landscape' represents the abundance of natural, sustainable energy and also hints at the scale of opportunity for Infigen's business growth. Positioned on the horizon of this landscape is the 'Infigen Window' that symbolises the harnessing of this limitless energy source.

I would like to turn now to the resolutions regarding the proposed implementation of employee incentive plans.

In essence, the proposed deferred security plan and the performance rights and options plan that we are presenting supports the completion of the Directors' initiative to separate from Babcock & Brown. The BBW management team became employed directly by BBW with effect from 1 January 2009.

The Directors' goal is to reinforce the objective of creating sustainable value for securityholders by aligning executive remuneration with that objective.

The Directors have determined that the most appropriate form of incentive arrangement to achieve that alignment was the establishment of equity incentive schemes.

BBW's remuneration policy provides that remuneration packages of employees should be commensurate with the executive's position and responsibilities, competitive compensation consistent with market practice, and closely linked to the strategic goals and performance of BBW through the performance management process and the proposed equity incentive schemes.

The proposed remuneration framework comprises:

- a fixed component;
- a short term performance-linked incentive opportunity, a component of which can be provided under the deferred security plan, and;
- a long term performance-linked incentive opportunity provided by way of participation in the performance rights and options plan.

Resolutions 3, 4 and 5 relate to the approval of a deferred security plan, the performance rights and options plan and the participation of the Managing Director in the performance rights and options plan.

In establishing the equity incentive schemes, the Board has sought advice from recognised specialist remuneration advisers, Egan Associates.

Resolution 3 relates to the employee deferred security plan.

It is the intention of the Board to offer the opportunity to participate in the deferred security plan to a wide range of employees. This plan supports a culture of security ownership by employees and as such provides an incentive for the creation of, and focus on, security holder wealth.

The employee deferred security plan is designed to allow employees an opportunity to acquire stapled securities in BBW. Under this plan employees will have the ability to express a preference to receive Stapled Securities instead of a portion of their potential future short-term incentive remuneration or part of their salary on a pre-tax basis in the form of Restricted Stapled Securities.

In addition, BBW will be able to make awards of Restricted Securities to employees as a performance incentive or reward for exceptional performance.

It is the current intention of the board that senior executives will receive a mandatory proportion of any short term incentive in the form of Restricted Securities.

The Restricted Securities will be purchased on-market or issued and will be held by employees subject to a holding lock for 10 years. However, the Board, in its absolute discretion, may remove the holding lock, but not before the terms and conditions set out under the relevant award have been satisfied and, in the case of Restricted Securities awarded as part of a short-term incentive, not until one year has passed in relation to 50% of the Restricted Securities and two years have passed in relation to the remaining Restricted Securities.

If this resolution is passed the issue of securities under the deferred securities plan will not be taken into account when calculating the limit under listing rule 7.1.

It is the current intention of the Board that securities issued under the Deferred Securities Plan will be acquired on market.

The directors (with the Managing Director, Miles George abstaining and not voting) recommend that securityholders vote in favour of this resolution.

Resolution 4 seeks securityholders' approval for the performance rights and options plan.

The Performance Rights and Options Plan is designed to deliver to executives an appropriate long-term equity participation interest in the business, and in doing so, align the longer term interest of executives with those of Securityholders. Any performance rights and options awarded to executives under the performance rights and options plan are "at risk" and will only vest if the terms and conditions set out under the relevant award are satisfied.

Participants will receive 50% of their FY2009 award in the form of performance rights and 50% in the form of options and these will be awarded to participants in two tranches of equal value.

The 50/50 allocation ensures that participants are aligned with securityholders as the incentive value is derived from both the underlying value of securities and security price growth in the securityholder return over the period.

The options have an exercise price of \$0.897 which corresponds to the market price of BBW stapled securities at the commencement of the performance period. This was calculated as the average of the closing price of stapled securities for the 5 trading days up to and including 31 December 2008, the date of the financial and contractual close under the internalisation deed and transfer of employees to BBW.

The performance of these awards will be assessed over a 3 year period and there is the provision for a single retest period four years after the relevant performance period commenced.

Senior executives participating in the performance rights and options plan for FY09 will have their short term incentive award opportunity for FY09 redirected to long term incentives, which will be subject to the performance hurdles that I will describe shortly.

The Directors will have the final approval over the allocation of potential awards to members of the senior management team.

Furthermore, the Board does not intend to make any further awards under the performance rights and options plan for FY2010 to senior management participating in the FY2009 awards.

The Board will accelerate the vesting of any performance rights or options awarded in FY2009 in the event of a change of control in BBW.

There are 2 measures used to determine performance and the subsequent vesting of performance rights and options.

The first measure is a total shareholder return performance condition, referred to in the meeting materials as the TSR. The TSR measures the growth in the price of securities plus cash distributions notionally reinvested in securities.

For the Tranche 1 performance rights and the Tranche 1 options to vest, the TSR of BBW will be compared to companies in the S&P/ASX 200, excluding financial services and the materials and resources sector.

You can see from the slide that no Tranche 1 rights or options will vest if BBW's TSR is below the 50<sup>th</sup> percentile and only half will vest if BBW's TSR is at the 50<sup>th</sup> percentile. For every percentile increase between 50% and 74% an additional 2% of the Tranche 1 rights and options will vest. If BBW's TSR performance is above the 75<sup>th</sup> percentile, 100% of the Tranche 1 rights and options will vest.

The Tranche 1 TSR condition will be measured over a 3 year period from 1 January 2009 to 31 December 2011 and as mentioned previously there is a provision for a single retest period on 31 December 2012.

The second measure used to determine the vesting of performance rights and options is an operational performance condition.

For the Tranche 2 performance rights and Tranche 2 options, the Operational Performance condition will be determined by an earnings before interest, taxes, depreciation and amortization (or "EBITDA") test.

The Tranche 2 operational performance condition will be measured over a 3 year period from 1 July 2008 to 30 June 2011. At the completion of the measurement period, the EBITDA measure will provide a cumulative performance hurdle which must be achieved in order for the operational performance condition to be met.

The operational performance condition is an EBITDA growth measure and will test the ratio of EBITDA to Capital Base, with the annual target being a specified percentage increase in the ratio over the year. The Capital Base will be measured as equity plus net debt. Both the EBITDA and Capital Base will be measured on a proportionately consolidated basis to reflect BBW's economic interest in all investments.

The FY2009 operational hurdle has been set by the Board and will be disclosed in the 2009 Annual report. The operational performance target for each future financial year, and the performance against that target, will be disclosed in that years' annual report.

The directors (with the Managing Director, Miles George abstaining and not voting) recommend that securityholders vote in favour of resolution 4.

As outlined in resolution 5, you are also being asked to approve participation in the performance rights and options plan by our Managing Director, Miles George, who has been driving the changes at BBW and will be a key to the implementation of our growth strategy.

ASX Listing rule 10.14 provides that a director can not acquire securities under an employee incentive scheme without securityholder approval. Accordingly, approval is being sought for the purposes of this listing rule.

The level of participation offered to Miles under the performance rights and options plan has been set at a level which is competitive for a company of BBW's scale.

As I mentioned previously in determining the appropriate remuneration package for Miles, the Board has sought advice from Egan Associates, a recognised specialist executive remuneration advisor.

The proposed one-off award of performance rights and options for Miles in FY2009 encompasses three elements; a short term incentive opportunity for FY09, a long term incentive award for FY09 and a long term incentive award for FY10.

Essentially, Miles' FY09 short term incentive award will be redirected to long term incentives, with any potential reward opportunity only realised where the aforementioned performance hurdles are satisfied.

The value of the proposed award to Miles in FY2009 has been divided equally between performance rights (\$750,000) and options (\$750,000). It is proposed that 5,053,908 options be awarded and 1,112,925 performance rights be awarded. The value of the performance rights and options has been determined using a Black Scholes valuation.

The vesting criteria for Miles' performance awards are the same as I've just described.

The Board does not intend to make any further long term incentive awards to Miles in relation to FY2010 however Miles will be eligible to receive a short term incentive award in respect of FY2010.

Furthermore, BBW will not make any loans to Miles in relation to the proposed awards. The directors (with the Managing Director, Miles George abstaining and not voting) recommend that securityholders vote in favour of resolution 5.

The Board and management team have undertaken wide ranging actions over the past year to maximise returns to securityholders.

We implemented a successful asset sale program in 2008 realising proceeds of \$2.4 billion, we secured our independence from Babcock & Brown, we have improved our governance framework, we have developed and implemented a new strategy which focuses our business on key growth markets in Australia and the US, and we have initiated and implemented the on market buyback program.

The Directors are also firmly of the view that as we further reorganise the business there will be substantial additional cost savings to be made. We have already made progress in achieving a reduction in our cost base for FY 2009, and anticipate that corporate costs will reduce by a further \$7m over the next 2 years.

Miles will cover our cost reduction initiatives in more detail shortly.

Your Directors believe the steps we have taken will prove to be effective in maximising returns for all Securityholders over time and should lead to a more accurate recognition of BBW's true value.

The Board regularly assesses asset values and the return on those assets in considering whether to retain or dispose of assets. We take into account near, medium and long term macro factors in these assessments.

Any disposal assessment must also take into account expectations for proceeds, required repayments under our debt facilities, the "break costs" of interest rate and foreign exchange hedges, taxes and sale costs, portfolio concentration implications, and the effect on BBW's overall capital structure.

The recent sale of our asset portfolios in the more mature Spanish and Portuguese markets was consistent with our strategy to focus on growth markets where we have a sustainable competitive advantage. Our assessment of values in the US for 2009 will be guided by a range of factors including comparable asset sales and a market testing program which we are currently undertaking.

Consistent with our strategy to focus on growth markets, we have previously stated that our German and French are non-core.

The Directors are firmly of the view that it is in the interest of all Securityholders to continue to regularly assess the deployment of capital to maximise returns.



I would now like to close my presentation with some brief comments on industry and business prospects.

The social and political environment is particularly favourable for our product. With the increased focus on sustainability and broader environmental concerns, renewable energy is now an essential and growing component of a low emission energy mix.

BBW operates in an attractive industry with a very strong long term regulatory outlook. In our key markets the renewable energy sector is poised for further significant expansion.

The US wind energy market experienced substantial growth in 2008 enabling it to pass Germany as the largest wind energy market in the world. In February 2009, the US congress passed an economic stimulus bill which targeted additional specific provisions to encourage investment in renewable energy. Momentum also seems to be growing for a Federal renewable portfolio standard requiring a significant minimum proportion of electricity to be sourced from renewable energy generation.

In Australia, where we are the leading wind farm owner and operator, the Federal Government has committed to a 20% by 2020 Renewable Energy Target. We expect the design elements of the scheme to be released shortly. This is a particularly positive development for our business here.

Furthermore our business is in a strong financial position as evident by the following key features:

- significant cash balances;
- long term revenue contracts with strong counterparties; and
- predictable costs.

Consequently our business has limited exposure to current adverse economic conditions and the Board has a strong belief in a very bright future for this business.

We have developed a clear strategy for our future as an independent, owner, asset manager, and developer of cost competitive renewable energy generation in the key Australian and US growth markets where we have sustainable advantage.

Yesterday we signed an in principle agreement with Babcock & Brown to acquire its Australian and New Zealand wind energy project development assets, its US wind asset management business, and its minority interests in three of BBW's existing wind farms. This acquisition will significantly further strengthen our position in these key markets.

We have an experienced management team which has been dedicated to the BBW business for some time. Their efforts have helped to create the strong business we have today.

In finishing, I commend these resolutions to you, and would now like to introduce Miles George to provide further commentary in relation to our future strategy, current initiatives and outlook.

#### **BBW Update – Miles George, Managing Director**

Thank you Graham and good morning.

As already highlighted by the Chairman our separation from Babcock & Brown is well advanced and we are currently in the final stages of implementation. I would now like discuss our future strategy, current initiatives and outlook.

BBW has confirmed its strategy as an independent business to be a leading cost competitive provider of utility scale renewable energy with capabilities in development, operation and management of wind farms.

Our priorities include:

- a focus on growth markets where BBW can capture maximum value;
- investment in asset management and development capability in those markets, and;
- deployment of capital to maximise returns.

In that context we have indicated that our remaining European assets are non-core to the business and we are currently reviewing proposals from advisers to assist us to maximise the realisable value of these assets.

You would have noticed in yesterday's announcement that we have committed to establishing an appropriate level of in-house development capability and to further strengthening our asset management capability in our key markets.

The proposed acquisition of an in-house development capability in Australia provides us with attractive growth options and the ability to maintain and enhance the scale advantages of our market leading position. The development pipeline includes over 1000MW of projects which can be delivered in the medium term, with the first projects expected to be available for investment in FY11.

The proposed acquisition of the US wind asset management business brings in-house the on-site and centralised wind farm management, regulatory compliance, and accounting services previously provided under contract by Babcock & Brown. This will enable BBW to capture further performance improvements and cost savings. This business also services a range of other wind farm investors in the US providing a potential source of additional third party revenue going forward.

The proposed acquisition of the remaining minority interests in our wind farms held previously by Babcock & Brown is a further step in the direction of complete separation for our business and enhances the value of those assets to be 100% owned.

We are an active asset manager and continue to manage our assets to maximise returns for securityholders. We have demonstrated success in capturing upside in electricity prices with selective exposure to attractive wholesale markets and through recent timely negotiation of new PPA's for the Crescent Ridge and Capital wind farms.

I would now like to discuss our revised guidance for corporate costs and medium term cost efficiency targets.

As Graham mentioned earlier, we have today updated our guidance for corporate costs.

With the absence of any base fee and ancillary costs payable in the second half of FY09, our FY09 corporate costs are estimated to total \$28 million. This represents a reduction of 35% or approximately \$15m on the prior period corporate costs.

Our revised guidance for corporate costs in FY10 is \$24 million, a reduction of \$4m from our 2009 guidance figure.

It is expected that as we complete a number of transitional activities the cost base will reduce further. In recognition of this, we have also provided guidance for corporate costs in FY11 of \$21 million, i.e. targeting a further \$3m reduction – thereby effectively halving our corporate costs over three years.

Furthermore, we have recently undertaken a benchmarking process and established cost efficiency targets to be achieved over the medium term.

As a result of this benchmarking exercise, we are now targeting corporate costs as a percentage of total revenue of approximately 3.0% and corporate costs as a percentage of total assets of no more than 0.4%.

As we move forward our clear objective is to be a cost competitive independent business.

The industry in which BBW operates continues to exhibit very strong prospects for growth with favourable long term drivers including mainstream cost competitiveness, and strengthening renewable energy policies in our key markets.

BBW has confirmed its strategy as an independent business to be a leading cost competitive provider of utility scale renewable energy with capabilities in development, ownership and management of wind farms.

Our priorities include a focus on growth markets where BBW can capture maximum value, investment in asset management and development capability in those markets and deployment of capital to maximise returns.

We continue to enhance our market leading position in Australia with the proposed acquisition of Babcock & Brown's development pipeline in this country, as well as further adding to the value of our strong US business with in-house asset management capability.

We will continue to apply a rigorous approach to investment and divestment decisions and seek to maximise value for all securityholders.

BBW commences its new life independent of B&B in a very strong position. We have long term revenue contracts and our costs are highly predictable, ensuring high and stable EBITDA margins. Furthermore, we have a long term amortising debt facility maturing in 2022 with no refinancing deadlines and significant liquidity. All of our remaining construction CAPEX is funded with cash and we have no unfunded commitments.

We have also today reconfirmed FY09 distribution guidance of at least 9 cents per security. The interim distribution of 4.5 cents was paid to securityholders on 18 March 2009. The FY09 distribution is expected to be fully tax deferred. Our stated objective of paying distributions from net operating cash flow after debt repayment remains unchanged since our IPO in 2005.

Finally I would note that the buyback program initiated late last year has been extremely successful with approximately 53m securities already acquired under the program at an average buyback price of 79 cents. Since inception of the buyback we have acquired and cancelled approximately 6% of BBW's original securities on issue. We believe the buyback remains an accretive use of funds at recent share prices.

Thank you for your support and I would now like to hand you back to Graham Kelly, our Chairman, to conduct the formal proceedings of today's meeting.

# BBW Extraordinary General Meeting

29 April 2009

**Welcome**

**Graham Kelly - Chairman**

# BBW Directors & Company Secretary



Graham Kelly  
Chairman



Doug Clemson  
Director



Tony Battle  
Director



Nils Andersen  
Director



Peter Hofbauer  
Director



Warren Murphy  
Director



Miles George  
Managing Director



David Richardson  
Company Secretary

# Chairman's Address

Graham Kelly - Chairman

## Name Change



infigen



# Remuneration Policy & Framework

<b>Policy</b>	<b>Executive remuneration</b> <ul style="list-style-type: none"><li>• Aligned with interests of security holders</li><li>• Commensurate with position &amp; responsibilities</li><li>• Competitive with market practice</li><li>• Linked to strategic goals &amp; performance of BBW</li></ul>
<b>Framework</b>	<b>Comprises</b> <ul style="list-style-type: none"><li>• Fixed component</li><li>• STI performance linked incentive ~ incorporating a component under the deferred securities plan (DSP)</li><li>• LTI performance linked incentive ~ via participation in performance rights and options plan (PR&amp;O)</li></ul>

# Deferred Security Plan (DSP)

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**Align the interests of employees with securityholders**

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**Participation of wide range of employees**

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- Salary sacrifice a portion of salary or cash based incentives
  - Performance incentive or reward for exceptional performance
  - Senior executives receive a mandatory proportion of any STI in the form of Restricted Securities
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**Holding lock**

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- Expires on 10<sup>th</sup> anniversary of allocation date
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# Performance Rights and Options (PR&O) Plan

## Arrangements for FY2009

Types of Awards	<ul style="list-style-type: none"><li>• 50% of award received in performance rights</li><li>• 50% received in options ~ exercise price \$0.897</li><li>• Tranches of equal value</li></ul>
Vesting Period	<ul style="list-style-type: none"><li>• Performance assessed over 3 years</li><li>• Tranche 1: 1 January 2009 to 31 December 2011</li><li>• Tranche 2: 1 July 2008 to 30 June 2011</li></ul>
Performance Hurdles	<ul style="list-style-type: none"><li>• Total Shareholder Return (TSR)</li><li>• Operational Performance Condition</li></ul>
Retesting	<ul style="list-style-type: none"><li>• Single retest 4 years after commencement of performance period</li><li>• Tranche 1: TSR retest 31 December 2012</li><li>• Tranche 2: Operational Performance retest 30 June 2012</li></ul>
Change of Control	<ul style="list-style-type: none"><li>• Accelerated vesting applies to FY09 awards</li></ul>

# Total Shareholder Return Performance Condition

- Applicable to Tranche 1

	TSR Performance Condition	TSR Performance Condition
Tranche 1	50% Performance Rights	50% Options

- TSR = growth in the price of securities + cash distributions reinvested
- TSR compared to companies in S&P 200 (excluding financial services, materials / resources)
- Performance period measured over 3 years, commencing 1/1/09, ending 31/12/11
- Single retest allowed on 31/12/12

BBW's TSR (compared to relevant peer group)	Percentage of Tranche 1 of Performance Rights & Tranche 1 Options to vest
0 to 49 <sup>th</sup> percentile	Nil
50 <sup>th</sup> to 74 <sup>th</sup> percentile	50% to 98% (i.e. for every percentile increase between 50% and 74% an additional 2% of the TSR grant will vest)
75 <sup>th</sup> to 100 <sup>th</sup> percentile	100%

# Operational Performance Condition

- Applicable to Tranche 2

	Operational Performance Condition	Operational Performance Condition
Tranche 2	50% Performance Rights	50% Options

- EBITDA growth measure relative to BBW's capital base
- Performance period measured over 3 years commencing 1/7/08, ending 30/6/11
- Single retest allowed on 30/6/12
- Annual target and the performance against that target disclosed in annual reports

## Participation of Managing Director in PR&O Plan

### One-off long term incentive award under the PR&O Plan for FY2009

- FY 2009 STI incentive redirected to LTI award
- No other further LTI incentive for FY 2010

### Allocation of long term incentive award

Award type	Value Allocation	Awards Value	No of Awards
Performance rights	\$750,000	\$0.6739	1,112,925
Options	\$750,000	\$0.1484	5,053,908

# Addressing Securityholder Value

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## Initiatives to maximise value

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- Successful sale program realising \$A2.4bn
  - Securing independence from B&B
  - Improved our governance framework
  - Focus on key growth markets
  - Initiated and executing buyback
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## Revised corporate cost guidance & medium term cost efficiency targets

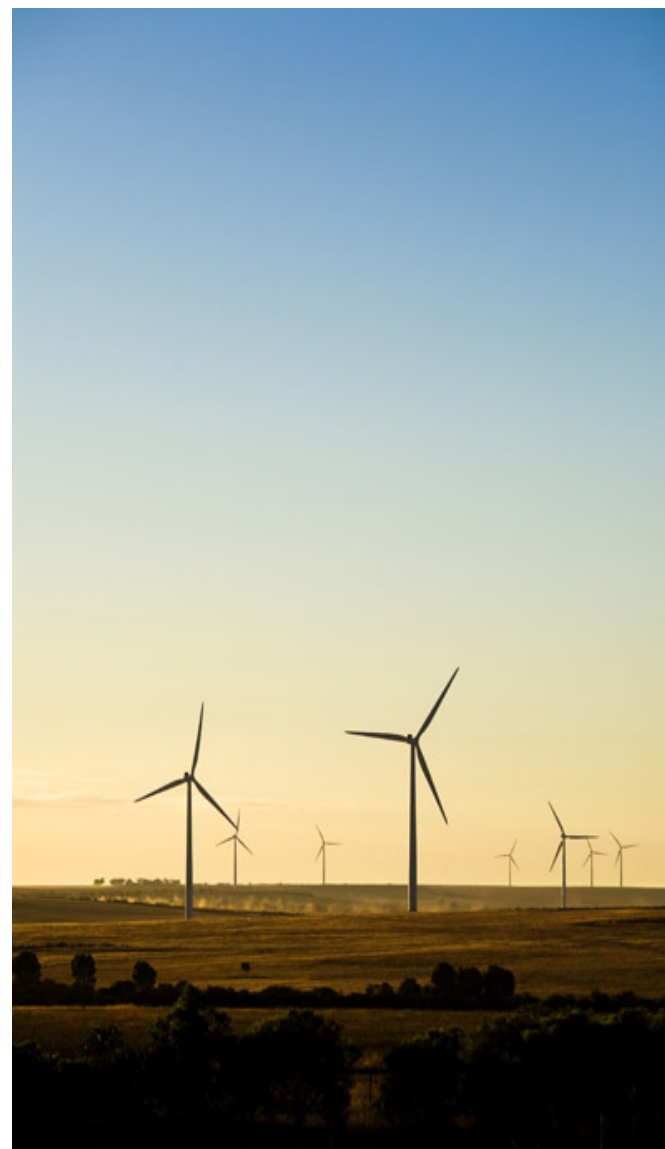
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- Corporate costs to reduce by a further \$7m over 2 years
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## Ongoing assessment of value

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- Consider near, medium and long term macro factors
  - Disposal considerations take into account expectations for proceeds, mandatory debt repayments, IRS & FX break costs, taxes, portfolio considerations
  - Deployment of capital to maximise returns
- 



# Industry & Business Prospects

<b>Industry</b>	<ul style="list-style-type: none"><li>• Attractive industry with long term regulatory support</li><li>• Australian expanded RET legislation provides more certainty for growth</li><li>• Proposed US new energy bill contemplates a national renewable energy target</li></ul>
<b>Strategy</b>	<ul style="list-style-type: none"><li>• Focus on key growth markets</li><li>• Leading cost competitive provider of utility scale renewable energy</li><li>• In principle agreement to acquire Australian / NZ pipeline &amp; US asset management business</li></ul>
<b>Financial Position</b>	<ul style="list-style-type: none"><li>• Strong financial position ~ significant cash balances</li><li>• Limited exposure to current economic conditions</li><li>• Long term revenue contracts and predictable costs</li></ul>



# BBW Update

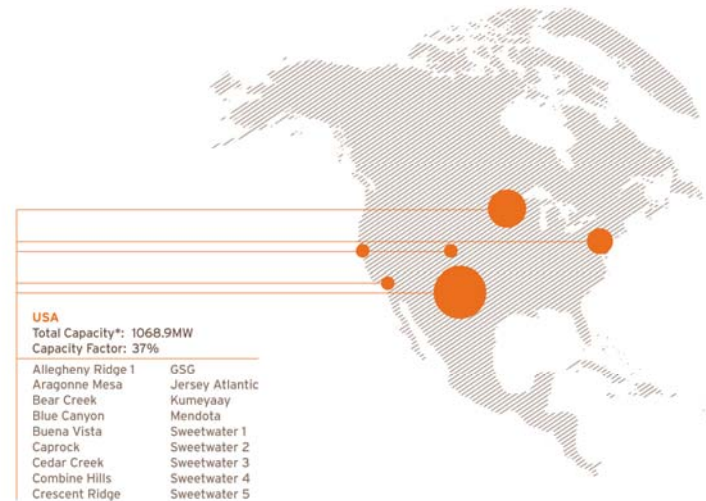
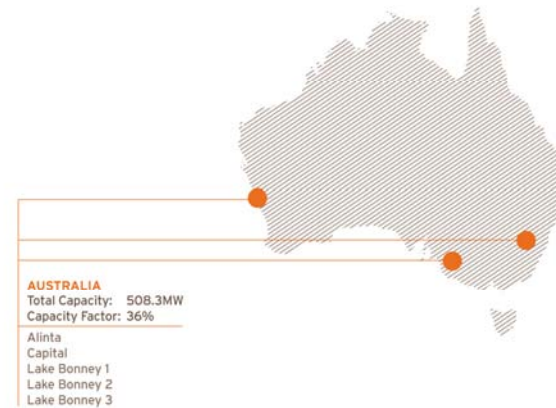
Miles George  
Managing Director

# Clear Strategy for the Future

Leading cost competitive provider of utility scale renewable energy - a developer, owner and operator

## Strategic Priorities

- Participate in growth markets where we have a competitive advantage ~ US and Australia
- Continue to enhance asset management capabilities
- Establish and grow an internal development pipeline and capabilities
- Deployment of capital to maximise returns



\* Represents BBW's % ownership of Class B Member Units. BBW owns 100% of Class B Member Units of a 95% interest in Aragonne Mesa.

# Investment in Growth and Asset Management

<b>Australian development business</b>	<ul style="list-style-type: none"><li>• In principle agreement to acquire B&amp;B's Australia and New Zealand wind energy development assets</li></ul>
<b>US asset management</b>	<ul style="list-style-type: none"><li>• In principle agreement to acquire B&amp;B's wind farm US asset management business</li></ul>
<b>Minority Interests</b>	<ul style="list-style-type: none"><li>• In principle agreement to acquire minority interests in US &amp; Germany</li></ul>

- Creates option for organic growth in Australia and New Zealand from 2011
- Brings US asset management capability in-house
- Removes B&B minority interests and consolidates portfolio
- Performance improvements through direct control of operations
- Capture value from upside in electricity prices

# Cost Reduction Initiatives

## Corporate Cost Guidance

AUD m	FY08	FY09E	FY10E	FY11E
Total Corporate Costs	\$42.6	\$28.0	\$24.0	\$21.0

## Cost Efficiency Targets

Benchmark:	Medium Term Targets:
Corp Costs % of Revenue	3.0%
Corp Costs % of Assets	0.4%

# Outlook

<b>CLEAR STRATEGY</b>	<ul style="list-style-type: none"><li>• Leading cost competitive provider of utility scale renewable energy generation</li><li>• Longer term growth and value added with the proposed acquisitions</li></ul>
<b>REGULATORY EXPOSURE</b>	<ul style="list-style-type: none"><li>• Positioned to benefit from strong regulatory upside in key markets</li></ul>
<b>STRONG FINANCIAL POSITION</b>	<ul style="list-style-type: none"><li>• No refinancing; long term amortising debt facility (15 years)</li><li>• Significant cash balances</li><li>• Long term revenue contracts and predictable costs</li><li>• All remaining construction CAPEX funded with cash; no unfunded commitments</li></ul>
<b>INVESTMENT / DIVESTMENTS</b>	<ul style="list-style-type: none"><li>• Initiated and executing buyback; average buyback price of 79 cents</li><li>• German &amp; French assets non core</li></ul>
<b>GUIDANCE</b>	<ul style="list-style-type: none"><li>• FY09 Guidance retained: distributions covered by net operating cash flow after debt repayments</li></ul>

Graham Kelly - Chairman