

BABCOCK & BROWN POWER

Babcock & Brown Power Limited · ABN 67 116 665 608
Babcock & Brown Power Services Limited · ABN 37 118 165 156
as responsible entity for Babcock & Brown Power Trust · ARSN 122 375 562
Level 23 The Chifley Tower · 2 Chifley Square · Sydney NSW 2000 Australia
T +61 2 9229 1800 · F +61 2 9235 3496 · www.bbpower.com



ASX Release

4 July 2008

BBP SELLS URANQUINTY POWER STATION FOR \$700 MILLION

- **BBP has sold its 100% interest in the Uranquinty Power Station to Origin for an on-completion value of \$700 million**
- **The gross sale proceeds represent a price of \$1,094/kW – materially above the expected total project cost**
- **The net proceeds from the sale of \$159 million will be deployed to pay down a portion of BBPH¹ debt**

Babcock & Brown Power (ASX: BBP) has sold its 100% interest in the Uranquinty Power Station (“Uranquinty”) to Origin Energy Ltd (“Origin”) for an on completion value \$700 million. BBP will receive net proceeds of \$159 million from the disposal which will be used to repay part of the outstanding BBPH bridge facility and accordingly reduces the amount of the proposed \$360 million BBPH corporate debt facility.

Len Gill, Chairman of BBP said: “The sale of Uranquinty, at a material premium to the cost of the project, underscores the quality and underlying value of BBP’s assets. It also represents the first step in our commitment to progressively reduce gearing.”

“There was a lot of interest in Uranquinty which reinforces our view that there is good demand for quality power generation assets such as we have within the BBP portfolio. We continue to progress our selected asset sale programme to reduce gearing further.” Mr Gill said.

The Uranquinty debt/LC facility of \$500 million, comprising a \$330 million term and \$170 million construction debt facility, has been paid down. The construction debt component of this facility will remain available to BBP to fund existing development projects.

FY2009 earnings and distribution outlook unchanged

The impact of the Uranquinty sale on post-interest earnings is expected to be neutral in FY2009. The distribution range for FY2009 of 13c to 18c per unit, as announced on 19 June 2008, remains unchanged.

ENDS

Further Information:

Paul Simshauser
Chief Executive Officer
Babcock & Brown Power
Ph + 61 2 9229 1800

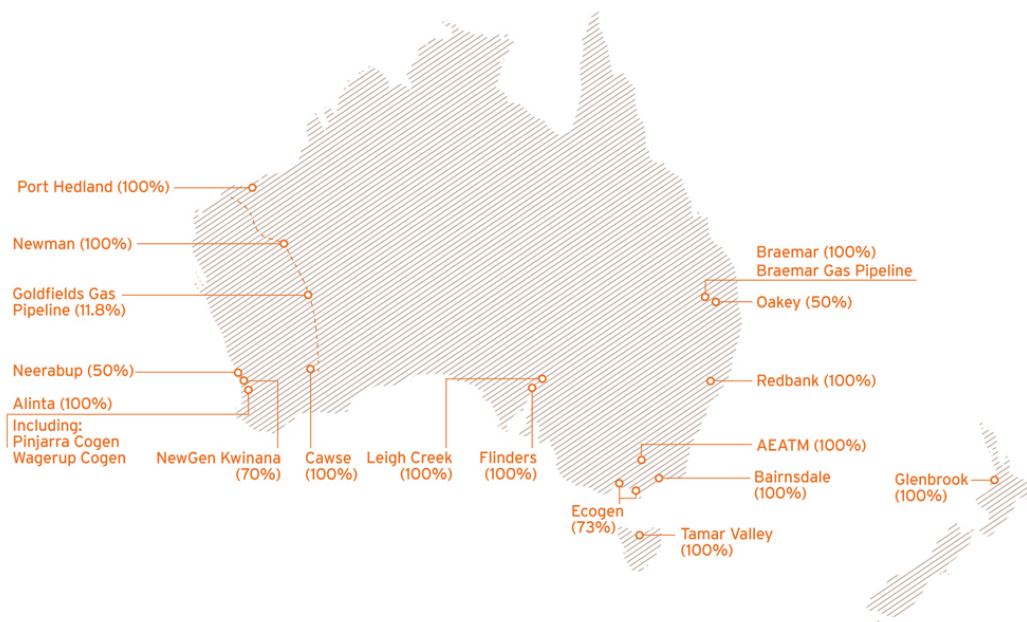
Luke Thrum
Investor Relations
Babcock & Brown Power
Ph + 61 2 9238 4389

About Babcock & Brown Power

Babcock & Brown Power (ASX:BBP) is a power generation business, with assets diversified by geographic location, fuel source, customers, contract types and operating mode. Its aim is to grow returns to its securityholders through optimisation of its existing power generation business and the addition of further generation assets and associated businesses via a combination of new construction and strategic acquisitions.

The portfolio has interests in 14 operating power stations representing over 4,000MWⁱⁱ of installed generation capacity and four power stations under construction. BBP has interests in a number of other associated power assets including the WA retail assets Alinta. Babcock & Brown has been developing, operating and acquiring the generation portfolio over a period of 10 years.

Portfolio Summary



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

ⁱ BBP Holdings Pty Ltd

ⁱⁱ Some assets have minority shareholders.