

BABCOCK & BROWN POWER

Babcock & Brown Power Limited · ABN 67 116 665 608
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as responsible entity for Babcock & Brown Power Trust · ARSN 122 375 562
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ASX Release

13 March 2009

IMPACT OF APPOINTMENT OF VOLUNTARY ADMINISTRATOR TO BABCOCK & BROWN LIMITED

Babcock & Brown Power (ASX:BBP) notes the announcement made by Babcock & Brown (ASX:BNB) today concerning the appointment of a Voluntary Administrator to Babcock & Brown Limited (BBL) pursuant to Section 436A of the Corporations Act 2001.

BBP will closely monitor the situation, but does not currently expect there to be any direct impact on the ongoing operations of BBP.

The relationship between BNB and BBP has a number of components including as the Manager of BBP, as lender to BBP and as a securityholder of BBP.

1. Management structure of BBP

The Responsible Entity of BBP - Babcock & Brown Power Services Limited (BBPS) and the Manager of BBP - Babcock & Brown Power Management Pty Ltd (BBPM) are subsidiaries of Babcock & Brown International Pty Ltd (BBIPL).

A voluntary administrator has not been appointed to BBIPL or to BBPS or to BBPM. Accordingly, BBPS and BBPM can continue to operate as the Responsible Entity and Manager respectively of BBP.

As previously announced, BBP is in negotiations with BBIPL to separate the management of BBP from any entity within the BNB Group. BBP is in ongoing discussion with all lenders in relation to any such outcome and does not expect it to have any material impact on BBP's financing arrangements.

2. BNB as lender to BBP

As at 31 December 2008, BBP had approximately \$381 million in drawn loans from subsidiaries of BBIPL maturing in March 2010. These loans are

on commercial arms length terms with subsidiaries of BBIPL and there is no requirement to repay these loans upon the appointment of a Voluntary Administrator to BBL.

3. BNB holds 9% equity in BBP

BBP has no knowledge of the intention of the BNB Group with respect to its approximate 9% equity stake in BBP.

ENDS

Further Information:

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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 13 operating power stations representing nearly 3,000MW¹ of installed generation capacity. BBP also 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.

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

¹ Some assets have minority shareholders.