

## BABCOCK & BROWN

Babcock & Brown Limited · ABN 53 108 614 955  
Level 23 The Chifley Tower · 2 Chifley Square · Sydney NSW 2000 Australia  
T +61 2 9229 1800 · F +61 2 9231 5619 · [www.babcockbrown.com](http://www.babcockbrown.com)



### ASX Release

24th December 2007

#### **SALE OF PORTUGUESE HYDRO ASSETS REFLECTING STRONG DEMAND FOR RENEWABLE ENERGY ASSETS IN EUROPE, 2007 EPS GROWTH OUTLOOK**

International investment and specialised fund and asset management group Babcock & Brown (ASX: BNB) announced today that it has sold Pebble Hydro - Consultoria Investimentos e Servicos Lda ("Pebble Hydro") the holding company for a portfolio of 11 mini-hydro assets in Portugal with an aggregate installed capacity of 89.1 MW plus certain development opportunities to a consortium led by Banco Espirito Santo de Investimento, S.A. ("BESI") and including EDP - Energias de Portugal, S.A. ("EDP") for an enterprise value of approximately €178 million excluding cash in business. The assets were acquired by Babcock & Brown as part of the purchase of the Portuguese renewable energy company, Enersis II SGPS S.A. ("Enersis"), announced in December 2005. Close on the sale was achieved on 21 December 2007.

Antonino lo Bianco, Head of European Infrastructure at Babcock & Brown said, "The Enersis portfolio of renewable assets has been a strategically important investment for Babcock & Brown raising our profile and position in the renewable energy sector in Europe. The sale of Pebble Hydro to BESI and EDP occurs following the restructure of the Enersis portfolio by Babcock & Brown and reflects the strong demand for and value attributed to renewable energy assets.

"This divestment continues Babcock & Brown's strategy of recycling its capital and follows the announced sale of 50% of the Enersis developed 525MW Portuguese wind energy portfolio to Babcock & Brown Wind Partners (BBW), which was approved by BBW shareholders in November 2007. Babcock & Brown remains committed to renewable energy and will continue to develop the pipeline of approximately 500MW of additional wind farm opportunities acquired as part of the portfolio, to realise the full potential of the Enersis acquisition."

Phil Green CEO of Babcock & Brown added "This transaction together with a large number of transactions completed since August will underpin a profit result for 2007 in excess of previous guidance. EPS growth will now be at least

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  
Tel Aviv  
Dubai  
Kuala Lumpur  
Singapore  
Hong Kong  
Perth  
Tokyo

BABCOCK & BROWN

45% above our 2006 result with a strong pipeline underpinning growth in 2008 despite current conditions in the debt markets”

**For further information please contact:**

Kelly Hibbins  
Babcock & Brown  
+61 2 92291800  
kelly.hibbins@babcockbrown.com

**About Babcock & Brown**

Babcock & Brown is an international investment and specialised fund and asset management group with longstanding capabilities in 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 29 offices across Australia, North America, Europe, Asia, United Arab Emirates and Africa and has in excess of 1,250 employees worldwide. Babcock & Brown has four operating divisions including real estate, infrastructure, operating leasing, corporate and structured 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](http://www.babcockbrown.com)