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BBW COMPLETES €1.03 BILLION REFINANCING OF ITS GLOBAL WIND FARM PORTFOLIO

Four international banks (the Mandated Lead Arrangers or MLAs) have closed the €1.03 billion refinancing and releveraging for Babcock & Brown Wind Partners (ASX: BBW) of its global wind farm portfolio totalling installed generating capacity of 1,676MW (including both operational & under construction and remaining US06 assets). The structured corporate facilities aggregate existing project, asset and corporate level debt across multiple jurisdictions into a single financing. The four MLAs are:

- Banco Espirito Santo de Investimento, S.A. (Espírito Santo Investment)
- Banco Millennium BCP Investimento, S.A. (Millennium investment banking)
- Bank of Scotland (HBOS)
- Dexia Credit Local

Bank of Scotland and its affiliates will undertake the Agent Bank and Security Trustee roles and the four MLAs will act as joint book runners for the syndication of this transaction to the wider bank market which is expected to be launched early next month.

This significant transaction represents the first global wind farm portfolio financing and demonstrates the credit strength and diversity of BBW's established portfolio. BBW currently owns and operates a global portfolio of wind farms across 3 continents, 5 countries and 9 wind regions resulting in enhanced risk mitigation through the combination of wide geographic and regulatory regime diversification, a substantial proportion of long term contracted revenues secured via PPA and fixed tariff regimes, and the long term economic life of the assets.

These facilities have enabled BBW to refinance its existing project debt, construction debt, corporate debt and other short-term debt facilities under a multi-currency structure (Australia, Europe & USA) as follows:

- €752.5 million Term Loan Facility
- €237.0 million Construction Facility
- €12.8 million Working Capital Facility
- €14.6 million VAT/GST Facility
- €13.8 million Letter of Credit and Guarantee Facility

The facilities are flexible and scalable enabling BBW to continue to participate effectively in the growing wind energy market. Subject to lenders' approvals at the time of each new investment, the facilities can be resized as acquisitions are completed on an ongoing basis.

The facilities are strongly incentivised, through the structuring in the corporate facility, to be refinanced within three years. The multi-currency structure enables BBW to retain its natural currency hedge of revenues and debt service. The facilities provide BBW with

an efficient approach to financing assets across their portfolio through a set of common terms across its entire debt portfolio.

The MLAs were advised by Freshfields Bruckhaus Deringer with regional assistance from Allens Arthur Robinson (Australia) and Bonn Schmitt Steichen (Luxembourg) (legal), by Garrad Hassan (wind resource), Ernst & Young (tax) and Mercer (model audit).

Clifford Chance acted as legal counsel for BBW with regional assistance from Mallesons Stephen Jacques (Australia) and Millbank (USA).

The MLAs can be contacted through the following people:

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