

BABCOCK & BROWN INFRASTRUCTURE

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ASX RELEASE

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REVIEW OF GOVERNANCE AND MANAGEMENT ARRANGEMENTS

Babcock & Brown Infrastructure (ASX:BBI) also announced today several significant changes to governance and management arrangements that are in place for the Company and the Trust.

The Boards of Babcock & Brown Infrastructure Limited (**Company**) and Babcock & Brown Investor Services Limited (**Responsible Entity**), in accordance with a recommendation of BBI's Nomination & Remuneration Committee, last night confirmed the Hon. Dr David Hamill in the role as Chairman of both Boards. Dr Hamill was appointed acting Chairman on 19 June 2008.

Following his appointment as Babcock & Brown's Chief Investment Officer, Mr Peter Hofbauer, a director on the Boards of both the Company and the Responsible Entity, also last night advised the Boards of his intention to step down from all the Boards of Babcock & Brown managed funds as soon as a suitable replacement is identified.

The Boards confirmed that it is their intention to replace Phil Green, who announced his intention to step down from the Boards on 21 August, with an Independent Director and to replace Mr Hofbauer with a suitable executive of Babcock & Brown. This will result in a clear majority of Independent Directors on the Boards of both the Company and the Responsible Entity.

The Boards will immediately commence the process of identifying a suitable independent replacement for Mr Green.

Dr Hamill also announced that the BBI Independent Directors, in conjunction with Babcock & Brown, have agreed to undertake a rigorous review of governance arrangements applying to BBI, including a review of the management agreements for the Company and for the Responsible Entity with this review expected to be completed by 30 September 2008.

ENDS

Further Enquiries

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ABOUT BABCOCK & BROWN INFRASTRUCTURE

Babcock & Brown Infrastructure (ASX: BBI) is a specialist infrastructure entity which provides investors access to a diversified portfolio of quality infrastructure assets. BBI's investment strategy focuses on acquiring, managing and operating quality infrastructure assets in Australia and internationally.

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