



SGX-ST / Media Release

18 March 2008

BABCOCK & BROWN STRUCTURED FINANCE FUND LIMITED – EXIT FROM AGSO LOAN GUARANTEE

Babcock & Brown Structured Finance Fund Limited (“BBSFF” or the “Company”) today announces that it has exited from its economic exposure to the AGSO Loan Guarantee as a result of the Babcock & Brown Group restructuring its funding requirements as announced on 10 March 2008.

The AGSO Loan Guarantee was part of the initial assets and economic exposures that were acquired when BBSFF was listed on the Main Board of SGX-ST on 20 December 2006 (see Prospectus dated 12 December 2006).

The exit from the AGSO Loan Guarantee has resulted in the release of A\$50.0 million to BBSFF which has been reinvested in short-term cash deposits.

As announced on 27 February 2008, the corporate debt facility of BBSFF matures on 20 June 2008 and BBSFF is undertaking a strategic review to consider its target gearing ratio which may involve certain asset divestments. The strategic review is expected to be completed by the end of 2Q08. The immediate release of cash resources of A\$50.0 million will provide flexibility to BBSFF to pursue its corporate objectives emanating from the outcome of strategic review.

The exit from AGSO Loan Guarantee is not expected to have a material impact on the financial performance of BBSFF.

Sponsorship statement: UBS AG, acting through its business group, UBS Investment Bank was the Issue Manager, Global Co-ordinator, Sole Bookrunner and Financial Adviser of the offering in respect of 323,460,000 ordinary shares of par value S\$0.01 each in the capital of the Company pursuant to the prospectus of the Company dated 12 December 2006.

BABCOCK & BROWN
STRUCTURED FINANCE
FUND LIMITED

By order of the Board of Directors

Name: Richard Lees Umbrecht

Designation: Director

Date: 18 March 2008

ENDS

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About Babcock & Brown Structured Finance Fund Limited

(<http://www.bbstructuredfinance.com>)

Babcock & Brown Structured Finance Fund Limited ("BBSFF") is a mutual fund company incorporated in Bermuda that provides investors access to a diversified portfolio of assets and economic exposures across three target sectors: operating lease assets, loan portfolio and securitisation assets, and alternative assets.

BBSFF is managed by Babcock & Brown Structured Finance Management Pty Ltd, a wholly-owned subsidiary of Babcock & Brown Limited, a global investment and advisory firm. BBSFF presents investors with an opportunity to invest in Babcock & Brown's first listed fund which sources assets originated and identified by two out of Babcock & Brown's four core business units, operating leasing and corporate and structured finance.