



SGX-ST Release

08 April 2009

ANNOUNCEMENT OF THE SALE OF THE COMPANY'S PORTFOLIO OF MUSIC COPYRIGHT ASSETS

Babcock & Brown Global Investments Limited ("BBGI" or "the Company") today announced that it has, together with its wholly owned subsidiary, BBSFF Music Copyright Holdings Limited, entered into an Asset Purchase Agreement with an entity managed by Pegasus Capital Advisors, L.P., a United States based private equity firm, for the sale of the Company's portfolio of music copyright assets ("the music assets") effective 7 April 2009.

The gross sale price for the music assets is US\$48.1 million (S\$73.1 million¹). This sale price, which was negotiated on an arm's length commercial basis, compares to the accounting book value of the music assets at 31 March 2009 of US\$46.9 million (S\$71.2 million¹) and was settled in cash on 7 April 2009. It is expected that total transaction costs will be approximately US\$500,000 (S\$760,000¹) which includes a US\$400,000 (S\$608,000¹) divestment fee payable to the Manager of the Company, Babcock & Brown Global Investments Management Pty Limited ("BBGIM").

If the sale had occurred on 1 January 2008, the BBGI Group's net tangible assets per share as at 31 December 2008 would have been 40 Singapore cents per share^{2,3} and the BBGI Group's basic earnings per share for the financial year ended 31 December 2008 would have been reduced by 0.6 Singapore cents per share².

The net asset value of the music assets was S\$26.8 million², representing approximately 17% of the audited consolidated net asset value of the BBGI Group as at 31 December 2008 of S\$156.4 million². The net profits attributable to the music assets for the financial year ended 31 December 2008 were S\$3.3 million² compared to the audited consolidated net loss of the BBGI Group for the

¹ 31 March 2009 exchange rates have been used.

² 31 December 2008 exchange rates have been used.

³ Given the music assets are intangible assets, the sale of these assets has resulted in an increase in the net tangible assets of the BBGI Group.

financial year ended 31 December 2008 of S\$156.6 million². The aggregate value of the consideration received for the music assets of US\$48.1 million (S\$73.1 million¹) represents approximately 249% of the Company's market capitalisation based on the weighted average price of the Company's shares transacted on the day preceding the date of the Asset Purchase Agreement of S\$29.4 million.

The sale of the music assets will result in a net accounting gain of approximately S\$2.2 million¹, and will allow the Company to further de-lever at the corporate level and return to paying distributions to shareholders.

The proceeds from the sale will first be applied to repay the outstanding balance of the asset-specific debt secured against the music assets of US\$14.2 million (S\$21.6 million¹) and Euro10.3 million (S\$20.9 million¹) and, secondly, to significantly contribute to the repayment of the Company's existing corporate debt facility of A\$32.6 million (S\$34.2 million¹). It is expected that the Company's remaining corporate debt will be fully repaid during April 2009 from existing cash reserves.

The Company is expecting to be able to provide dividend guidance in respect of the half year ending 30 June 2009 prior to or at the Company's 2009 Annual General Meeting which will be held on 24 April 2009.

There are no material conditions attaching to the sale. As set out above, a US\$400,000 (S\$608,000¹) divestment fee will be payable to the Manager of the Company, BBGIM. Mr Julian Blackley and Mr Phil Mackey are Manager Appointed Directors appointed by BBGIM on the BBGI Board. Save as disclosed, the directors do not have any interest, direct or indirect, in the transaction.

Mr Blackley, the Chief Executive Officer of the Manager, commented, "*The sale of the music assets is fully supported by the Manager and all directors on the BBGI Board. The consideration for the sale of the music assets is considered a strong result, particularly in the current market. We look forward to fully repaying the corporate debt facility in the coming weeks, following which we expect to be able to provide dividend guidance to the market for the half year ending 30 June 2009.*"

A copy of the Asset Purchase Agreement will be available for inspection during normal business hours at the Company's registered office, Washington Mall I, 3rd Floor Reed Street, Hamilton HM11, Bermuda for 3 months from the date of this announcement.

By order of the Board of Directors

Date: 08 April 2009

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FURTHER INFORMATION:

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About Babcock & Brown Global Investments Limited
(<http://www.bbglobalinvestmentslimited.com>)

Babcock & Brown Global Investments Limited (“BBGI”) 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. BBGI is managed by Babcock & Brown Global Investments Management Pty Limited, a wholly-owned subsidiary of Babcock & Brown International Pty Limited, the main operating and asset owning entity of the Babcock & Brown Group.