



SGX-ST Release

24 December 2007

INVESTMENT OF ADDITIONAL US\$15 MILLION IN BABCOCK & BROWN RAIL NORTH AMERICA LLC

Babcock & Brown Structured Finance Fund Limited (“the Company” or “BBSFF”) today announced its additional investment of US\$15.0 million in Babcock & Brown Rail North America LLC (“BBRNA”).

Following this additional investment, BBSFF has a 41.5% Class A membership interest and a total investment in BBRNA of US\$53.6 million.

BBRNA’s portfolio of railcars on lease is now valued at over US\$1 billion with over 13,500 railcars operating in the North American market with an average remaining lease term of 2.3 years. 79% of BBRNA’s fleet is leased to investment grade customers. The acquisition is a furtherance of the investment philosophy of BBRNA to invest in a young, diverse, leased fleet of railcars at competitive prices and to assemble a strategic portfolio.

Chairman of BBSFF, Mr Rich Umbrecht stated: “BBSFF is pleased to further its investment in an asset class with strong fundamentals, delivering yield to BBSFF and the potential for medium term capital appreciation”.

By order of the Board of Directors

Name: Richard Lees Umbrecht

Designation: Director

Date: 24 December 2007

ENDS

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 BBSFF pursuant to the prospectus of BBSFF dated 12 December 2006.

BABCOCK & BROWN
STRUCTURED FINANCE
FUND LIMITED

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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 of the five Babcock & Brown’s core business units, Operating Lease and Structured Finance.