



SGX-ST Release

26 February 2007

INCREASED INVESTMENT IN ANCORA – SEIZA WAREHOUSE NOTE INVESTMENT

On 26 February 2007, Babcock & Brown Structured Finance Fund Limited (“BBSFF”) increased its potential exposure to the Ancora – Seiza Warehouse Note Investment from A\$35.0 million to A\$50.0 million. The increased exposure will be funded through BBSFF’s Corporate Debt Facility. This is in line with BBSFF’s strategy to seek exposure to assets that provide attractive risk-adjusted returns and enhance its overall portfolio.

Ancora owns four classes of notes (Classes E, F and G, and Net Interest Margin) issued by Australian Executor Trustees Limited as trustee for the Seiza 2006-1 Trust, which is a warehouse facility arranged by Royal Bank of Scotland to purchase residential and commercial mortgages originated by Seiza Mortgage Company Pty Limited. From 12 March 2007, it is expected that the most senior tranche (Class E) of these notes will be refinanced by a third party at a lower yield than that currently payable to Ancora. Ancora will continue to fund the remaining three higher yielding classes of notes. For further details, please refer to the prospectus dated 12 December 2006.

By order of the Board of Directors

Name: Richard Lees Umbrecht

Designation: Director

Date: 26 February 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

Further Information:

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About Babcock & Brown Structured Finance Fund Limited

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 will source assets originated and identified by two of the five Babcock & Brown core business units, Operating Lease and Structured Finance.