



049

MR MICHAEL ZURZOLO &
MRS CATERINA ZURZOLO
<M ZURZOLO SUPER FUND>
54 LAWNBROOK ROAD
BICKLEY WA 6076

All Registry communications to
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235
Telephone 1800 130 226 or +61 2 8280 7734
Facsimile (02) 9287 0303
Email babcockbrown@linkmarketservices.com.au
Website www.linkmarketservices.com.au

ALINTA SHARE SCHEME PARTICIPANT TAX STATEMENT

SRN/HIN: X00023070294

The information in this Statement is provided as a result of your participation in the Scheme of Arrangement (the "Share Scheme") under which the Consortium consisting of Babcock & Brown Infrastructure ("BBI"), Babcock & Brown Power ("BBP"), Babcock & Brown Wind Partners ("BBW") (together, the "B&B Funds") and Singapore Power International Pte Limited acquired the issued share capital of Alinta Limited ("Alinta").

The Statement should be read in conjunction with the Alinta Scheme Booklet (available on the Alinta Offer Website: www.alintaoffer.com) and the Alinta Share Scheme Participant Taxation Guide ("Alinta Taxation Guide") which accompanies this Statement. A definition of key terms can be found in Section 16 of the Alinta Scheme Booklet.

ONLINE CALCULATOR

The information provided in the enclosed Statement may also be used in conjunction with the **B&B Online Alinta Share Scheme Participant Tax Calculator**. The calculator and information regarding eligibility of Participants to use the calculator can be accessed from the websites listed below.

www.babcockbrown.com
www.alintaoffer.com
www.bbinfrastructure.com
www.bbpower.com
www.bbwindpartners.com

ALINTA/AGL SCHEME OF ARRANGEMENT 2006

If you acquired your Alinta shares as a result of the merger with AGL in 2006, or held shares in Alinta prior to the merger, there is additional information available on the ATO website that may be of relevance to you.

Original Alinta Shareholders: www.ato.gov.au/individuals/content.asp?doc=/Content/82341.htm
Former AGL Shareholders: www.ato.gov.au/individuals/content.asp?doc=/Content/82207.htm

Please note that the links to the ATO Class Rulings referred to in Section 3 of the Alinta Taxation Guide have changed. The Class Rulings issued by the ATO in relation to the Alinta/AGL Scheme of Arrangement have now been withdrawn. This does **not** impact how these Class Rulings apply to the Alinta/AGL Scheme for original Alinta Shareholders and former AGL Shareholders.

The Class Rulings and the links mentioned above can be accessed via the Alinta Offer Website: www.alintaoffer.com

***** THE FOLLOWING IS YOUR PERSONALISED ALINTA TAX STATEMENT *****

ALINTA TAX STATEMENT FOR SRN/HIN:

The following is a summary of what you received from participating in the Share Scheme:

Total number of fully paid Alinta Securities with which you participated in the Scheme	360
--	------------

Consideration Alternative elected under the Scheme	Default Consideration
--	------------------------------

The consideration received as a result of your participation is as follows:

	No. of Securities	Price	Value (\$)
A. BBI Exchangeable Preference Shares (BBI EPS)	576	\$0.873	503
B. BBI Stapled Securities	271	\$1.710	463
C. BBP Stapled Securities	241	\$2.882	695
D. BBW Stapled Securities	94	\$1.669	157
E. APA Stapled Securities	108	\$3.765	407
F. Residual fraction of APA Security paid in cash			1.37
G. Cash Component of base offer			3,221

The Australian Taxation Office (ATO) has advised that they will accept the Values set out above for capital gains tax purposes. Refer to the Guidelines and the Alinta Taxation Guide for how these Values are relevant. **Note that these Values are different to those previously published on www.alintaoffer.com and that the Alinta Taxation Guide uses generic numbers for illustrative purposes only.**

Where the Cash Out option was elected, or an allocation resulted in an unmarketable parcel of securities, the securities were subsequently sold on behalf of the Share Scheme Participant by the Nominee.

H. Proceeds from sale of allocated securities on your behalf by Nominee:

	No. of Securities	Price	Proceeds (\$)
BBI EPS	-	\$0.904	-
BBI Stapled Securities	-	\$1.65	-
BBP Stapled Securities	-	\$2.92	-
BBW Stapled Securities	-	\$1.65	-
APA Stapled Securities	-	\$3.75	-
TOTAL			-

I. APA Distribution:

The distribution of APA Securities was made by way of a fully franked dividend and a return of capital.

	\$ per Alinta Share	(\$)	(\$)
I.i. Fully franked dividend	0.930		335
Franking credits	0.399	144	
I.ii. Return of capital (includes APA Residual)	0.203		74

The enclosed Alinta Taxation Guide and the Guidelines on the following pages will assist you in using this information to complete your Australian income tax return.

* * * STATEMENT ENDS * * *



GUIDELINES FOR COMPLETING YOUR INCOME TAX RETURN

The following Guidelines may assist you in meeting your Australian income tax compliance obligations and have been prepared on the basis of taxation laws prevailing at the date of the attached Statement.

Please note that this section is only applicable to you if:

- you were an **Australian Tax Resident individual taxpayer** for the whole of the relevant income year (for most taxpayers this will be the year ended 30 June 2008); and
- you held your investment on **Capital Account** for tax purposes.

If you are a Non-Tax Resident of Australia, a part-year resident, a temporary resident, a corporate Securityholder or Trustee, please refer to the Alinta Taxation Guide and consult your tax adviser in relation to the taxation treatment of your investment.

These Guidelines do not take the place of the Australian Taxation Office (ATO) instructions and should be read in conjunction with the:

- Alinta Taxation Guide (enclosed);
- ATO 2008 Tax Pack;
- ATO 2008 Tax Pack Supplement; and
- ATO Personal Investors Guide to Capital Gains Tax 2007-08 (NAT 4152).

Taxation laws are complex and **we strongly recommend that you consult your taxation adviser in relation to the completion of your 2008 income tax return.** You cannot rely upon the following Guidelines in relation to managing your specific tax affairs. You should obtain your own tax advice in relation to the taxation implications associated with your investments in the B&B Funds, BBI EPS, APA and Alinta.

If you have any questions regarding your security holdings please contact Link Market Services on 1800 130 226 or +61 2 8280 7734.

APA Distribution – Fully Franked Dividend

At **Item 12** of your 2008 Tax Return for Individuals, you set out any dividends paid or credited to you from any Australian company. This includes the dividend paid by Alinta. This dividend was not paid in cash but was paid in APA Securities. Please refer to Section 1.1 of the Alinta Taxation Guide for more information.

Step 1: Add the amount of fully franked dividend from Item I.i. of the Statement (**\$335**) to the franked dividend amounts received from other companies.

Step 2: Write the total income calculated in Step 1 at **Item 12 Label T** of your 2008 Tax Return (refer diagram below).

12 Dividends If you are a non-resident make sure you have printed your country of residence on page 1 of your tax return.	Unfranked amount S <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>
	Franked amount T <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>
	Tax file number amounts withheld from dividends V <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>
	Franking credit U <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>

Step 3: Add the franking credits from Item I.i. of the Statement (**\$144**) to the franking credits received from other companies and include the total at **Item 12 Label U** of your 2008 Tax Return (refer diagram above).

Calculate Taxable Capital Gains / Losses

As a former Alinta Shareholder, both the receipt of the Capital Return Component of the APA distribution (return of capital) and the disposal of your Alinta Shares triggered a 'CGT Event'.

For general information about capital gains tax and how to calculate your net capital gains or losses, see the ATO publication '*Personal Investors Guide to Capital Gains Tax 2007-08*'.

You will need to compare the capital proceeds set out in the Statement with the cost base of your Alinta Shares in order to calculate your capital gain or capital loss from participating in the Scheme. Please refer to Section 14.1 of the Alinta Scheme Booklet and the Alinta Taxation Guide for more details. Set out below is a high level overview only.

Step 1: Establish the **cost base** of your Alinta shares. Consider any relevant costs of acquisition or disposal that relate to your Alinta shareholding. Please refer to Section 3 of the Alinta Taxation Guide for a timeline of events that, together with your own records, will assist you in establishing the cost base of your Alinta shares. If you acquired your Alinta shares as a result of the merger with AGL in 2006 you will need to refer to the ATO's 'Merger of AGL and Alinta Ltd - October 2006' guide to calculate the cost base of your Alinta shares.

Step 2: Once you have established the cost base of your Alinta shares, you will then need to reduce your cost base by the amount of the return of capital of the APA distribution (refer Item I.ii. of the Statement (**\$74**)). This is discussed in more detail in Section 1.2 of the Alinta Taxation Guide.

Step 3: Apportion your cost base calculated after Steps 1 and 2 between the value of BBI EPS you received, the Cash Component and B&B Fund Securities Component. Refer to the Statement for the value of these items that you received. Page 6 of the Alinta Taxation Guide and the Calculation Methodology in Section 14.1 of the Alinta Scheme Booklet have detailed instructions.

Step 4: Deduct the apportioned cost base amounts calculated in Step 3 from the capital proceeds of the disposal to determine your capital gain/(loss). The empty boxes are for you to complete with the amounts calculated in Step 3, and subsequently calculate the capital gain/(loss) calculated.

	Capital Proceeds (\$)	Cost Base (\$)	Capital Gain/(Loss) (\$)
Cash Component	3,221		
BBI Stapled Securities	463		
BBP Stapled Securities	695		
BBW Stapled Securities	157		
TOTAL	4,536		
BBI EPS (*)	503		

*** If you elect CGT Rollover in respect of the BBI EPS, you should exclude the capital gain attributable to the BBI EPS.** By electing CGT Rollover you are effectively deferring any taxable gain which may have arisen on the allocation of the BBI EPS. Page 6 of the Alinta Taxation Guide provides more detailed information regarding eligibility for this rollover relief.

Step 5: This step only applies if you sold securities in the bookbuild under the Scheme (ie. if you elected the Cash Out alternative, or the Maximum Cash alternative and elected to have unmarketable parcels cashed out under the Cash Out Facility). If you did not sell your securities in the bookbuild refer to Step 6 below.

If you sold your securities in the bookbuild you have a further CGT Event to take into account. Please refer to page 8 of the Alinta Taxation Guide for more information regarding the tax implications of the Cash Out Facility.

In calculating your capital gain or loss on the securities allocated under the Scheme but subsequently sold through the bookbuild a capital gain or loss will be realised when those securities were sold. This will be the case even if you elected CGT rollover relief in relation to the BBI EPS securities received under the Scheme.

If CGT rollover was elected, the cost base of the BBI EPS sold under the bookbuild will be the value calculated as relating to the BBI EPS in Step 3. You will need to perform your own calculation to establish the gain or loss on the subsequent disposal of those BBI EPS securities. As we do not know the cost base of your Alinta shares we cannot provide you with this information.



	Proceeds (\$)	Cost (\$)	Gain/(Loss) (\$)
BBI EPS (no CGT rollover)	-	-	-
OR			
BBI EPS (CGT rollover election)	-		
BBI Stapled Securities	-	-	-
BBP Stapled Securities	-	-	-
BBW Stapled Securities	-	-	-
APA Stapled Securities	-	-	-

The treatment of capital gains is considered in Step 6, the treatment of capital losses in Step 7.

Step 6: If you have capital gains from other investments you will need to calculate the capital gain for each of those investments and add this to the amount of the capital gain calculated above in Step 4 or 5. This is your **gross current year capital gain**.

The total of your gross current year capital gains should be disclosed at **Item 18 Label H** of your 2008 Tax Return Supplement (refer diagram below).

Please also ensure that you mark an 'X' in the 'Yes' box at **Item 18 Label G** (refer to the diagram below) to indicate that you have had a capital gains tax event during the year.

18 Capital gains Did you have a capital gains tax event during the year? **G** NO YES You must print in the **YES** box at **G** if you received a distribution of a capital gain from a trust.

Did this CGT event relate to a forestry managed investment scheme interest that you held other than as an initial participant? **Q** NO YES

Net capital gain **A**

Total current year capital gains **H**

Net capital losses carried forward to later income years **V**

Step 7: You may also have current year **capital losses**, or net losses which have been carried forward from earlier financial years and/or in respect of other investments. These capital losses may be able to be used to offset gross capital gains. Losses must be used in the order of current year losses first followed by prior year carried forward losses.

Step 8: Offset capital losses as calculated after Steps 4, 5 and 7 (if any), against gross capital gains (Step 6) to calculate your **net capital gain/(loss)**:

- If you have a **net capital loss**, the balance can be carried forward to later years until you have a capital gain against which you can offset it. Any unapplied net capital losses from this current year or from previous years should be included at **Item 18 Label V** in your 2008 Tax Pack Supplement (refer diagram above in Step 6).
- If you have a **net capital gain**, this should be included at **Item 18 Label A** in your 2008 Tax Pack Supplement (refer diagram above in Step 6). If your Alinta Shares were purchased more than 12 months before 31 August 2007 or if you received your Alinta shares as a result of holding AGL shares in the AGL merger in 2006 and those AGL shares were purchased more than 12 months before the merger (but after the introduction of capital gains tax in 1985) you might be eligible for a **CGT Discount**. Please refer to the Alinta Taxation Guide for further information regarding eligibility for the CGT Discount.

COST BASE OF SECURITIES ALLOCATED UNDER THE SCHEME

In order to assist you with the capital gains tax calculation in respect of any future disposal of Securities acquired via the Alinta Share Scheme, we detail below the relevant cost bases for each security for your reference.

Please note that the cost base of the securities is the market value of the securities on the day these were acquired. For the purpose of calculating the cost base of the securities received, we have used the average daily Volume Weighted Average Price (VWAP) of the APA Securities on 30 August 2007, and the average daily VWAP at 31 August 2007 for the BBI, BBP and BBW securities.

If you elected CGT rollover in relation to the BBI EPS, the cost base will be a reasonable allocation of that portion of the cost base of your Alinta shares which relates to the BBI EPS. As we do not know the cost base of your Alinta shares we cannot provide this information. Refer to the Alinta Taxation Guide for more details.

Security	Date of Acquisition	Cost Base per Security	Number of Securities	Cost Base (\$)
Australian Pipeline Trust ¹	30 August 2007	\$2.797	108	302
APT Investment Trust ¹	30 August 2007	\$0.968	108	105
TOTAL for APA		\$3.765		407
Babcock & Brown Infrastructure Limited ²	31 August 2007	\$0.079	271	21
Babcock & Brown Infrastructure Trust ²	31 August 2007	\$1.631	271	442
TOTAL for BBI		\$1.71		463
Babcock & Brown Power Limited ³	31 August 2007	\$0.929	241	224
Babcock & Brown Power Trust ³	31 August 2007	\$1.953	241	471
TOTAL for BBP		\$2.882		695
Babcock & Brown Wind Partners Limited ⁴	31 August 2007	-	94	-
Babcock & Brown Wind Partners (Bermuda) Limited ⁴	31 August 2007	\$0.004	94	-
Babcock & Brown Wind Partners Trust ⁴	31 August 2007	\$1.665	94	156
TOTAL for BBW		\$1.669		156

1 As a Securityholder in **APA**, you own units in two Australian trusts, Australian Pipeline Trust (APT) and APT Investment Trust (APTIT). The units in APT and APTIT form a 'Stapled Security' and cannot be separately dealt with or traded. Each unit in APT and APTIT remain separate assets for Australian capital gains tax purposes.

To calculate your cost base for each separate capital gains tax asset, you will need to split the acquisition cost of each Stapled Security between the two assets. This split needs to be done on a reasonable basis. While it is for you to decide how to split the acquisition cost of your Stapled Securities, you might decide to use the relative net assets of APT and APTIT at the date of acquisition of your Stapled Securities to do this. The relative net assets of APT and APTIT at 30 June 2007 was 74.3% and 25.7% respectively and has formed the basis of the calculation above.

2 As a Securityholder in **Babcock & Brown Infrastructure**, you own shares in an Australian company, Babcock & Brown Infrastructure Limited (BBIL) and units in a trust which is an Australian registered scheme, Babcock & Brown Infrastructure Trust (BBIT). The share in BBIL and the unit in BBIT form a 'Stapled Security' and cannot be separately dealt with or traded. Each share in BBIL and each unit in BBIT remain separate assets for Australian capital gains tax purposes.

To calculate your cost base for each separate capital gains tax asset, you will need to split the acquisition cost of each Stapled Security between the two assets. This split needs to be done on a reasonable basis. While it is for you to decide how to split the acquisition cost of your Stapled Securities, you might decide to use the relative net assets of BBIL and BBIT at the date of acquisition of your Stapled Securities to do this. The relative net assets of BBIL and BBIT at 30 June 2007 date was 4.60% and 95.40% respectively and has formed the basis of the calculation above.

3 As a Securityholder in **Babcock & Brown Power**, you own shares in an Australian company, Babcock & Brown Power Limited (BBPL) and units in a trust which is an Australian registered scheme, Babcock & Brown Power Trust (BBPT). The share in BBPL and the unit in BBPT form a 'Stapled Security' and cannot be separately dealt with or traded. Each share in BBPL and each unit in BBPT remain separate assets for Australian capital gains tax purposes.

To calculate your cost base for each separate capital gains tax asset, you will need to split the acquisition cost of each Stapled Security between the two assets. This split needs to be done on a reasonable basis. While it is for you to decide how to split the acquisition cost of your Stapled Securities, you might decide to use the relative net assets of BBPL and BBPT at the date of acquisition of your Stapled Securities to do this. The relative net assets of BBPL and BBPT at 30 June 2007 date was 32.24% and 67.76% respectively and has formed the basis of the calculation above.

4 As a Securityholder in **Babcock & Brown Wind Partners**, you own shares in an Australian company, Babcock & Brown Wind Partners Limited (BBWPL), shares in a Bermuda company which is registered in Australia as a foreign company, Babcock & Brown Wind Partners (Bermuda) Limited (BBWPB), and units in a trust which is an Australian registered scheme, Babcock & Brown Wind Partners Trust (BBWPT). The share in BBWPL, the share in BBWPB and the unit in BBWPT form a 'Stapled Security' and cannot be separately dealt with or traded.

Each share in BBWPL, each share in BBWPB and each unit in BBWPT remain separate assets for Australian capital gains tax purposes. To calculate your cost base for each separate capital gains tax asset, you will need to split the acquisition cost of each stapled security between the three assets. This split needs to be done on a reasonable basis. While it is for you to decide how to split the acquisition cost of your Stapled Securities you might decide to use the net assets of the respective shares and units. The relative net assets of BBWPL, BBWPB and BBWPT at 30 June 2007 date was 0%, 0.26% and 99.74% respectively and has formed the basis of the calculation above.