EVEREST BABCOCK & BROWN

Everest Babcock & Brown Alternative Investment Trust • ARSN 112 129 218
Responsible entity • Everest Capital Investment Management Limited • ABN 96 112 731 978
Level 35 AMP Centre • 50 Bridge Street • Sydney NSW 2000 Australia
T +61 2 8001 9100 • F +61 2 8001 9200 • www.everest.com.au

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ASX Release

EVEREST BABCOCK & BROWN ALTERNATIVE INVESTMENTS GROUP

UNAUDITED NET TANGIBLE ASSET BACKING AS AT 31 July 2006

Please find below information on the net tangible asset (NTA) backing for Everest Babcock & Brown Alternative Investments Group (EBB):

NTA per stapled security as at 31 July 2006[1] $4.75[1]

On 1 August 2006 the units in EBB Trust were unstapled from the shares in EBB Company resulting in the EBB Trust trading under ASX Code EBI and shares in the EBB Company trading under EBBDA, both trading on a deferred settlement basis until close of trade 16 August 2006.

This is the last NTA announcement that the EBB Trust and EBB Company are stapled. Going forward, NTA announcements will be only be made in respect of the EBB Trust trading under ASX Code EBI.

Monthly performance:

2006	Jan[2]	Feb[2]	Mar[2]	April[2]	May[2]	Jun[6]	Jul[1]	Aug	Sep	Oct	Nov	Dec
NTA $	$5.43	$5.01	$5.11	$5.23	$5.04	$4.84	**$4.75**					
EBI						$4.17	$4.07					
EBBDA						$0.67	$0.68					
Distribution[4]	-	$0.43	-	-	-	$0.26	-					
Monthly %	3.82%	0.18%	2.00%	2.35%	-3.63%	1.19%	**-1.86%**					
Cumulative %	13.36%	13.57%	15.84%	18.56%	14.25%	15.61%	**13.46%**					

2005[3]			IPO	April	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
NTA $			$4.79	$4.64	$4.68	$4.80	$5.00	$5.02	$5.16	$5.00	$5.12	$5.23
Monthly %				-3.13%	0.86%	2.56%	4.17%	0.40%	2.79%	-3.10%	2.40%	2.15%
Cumulative %				-3.13%	-2.30%	0.21%	4.38%	4.80%	7.72%	4.38%	6.89%	9.19%

Components of NTA

Net assets attributable to unitholders of the EBB Trust (EBI)	$4.07
Net assets attributable to members of the EBB Company[5] (EBBDA)	$0.68
Net assets per stapled security[5]	$4.75

1 Unaudited – In calculating the NTA, the EBB Trust asset values have been calculated using unaudited absolute return fund performance estimates for the month being reported. The NTA is ex distribution with record date of 30 June 2006. It is expected that the distribution will be paid on 15 September 2006.

2 NTA figures are final but subject to audit.

3 NTA figures for the period ended 31 December 2005 are final and audited.

4 Distributions reflect the distributions/dividends declared and payable and are included in the calculation of monthly and cumulative performance. Please note that the $0.26 distribution disclosed is based on the 30 June 2006 NTA which is subject to audit.

5 For the purposes of calculating the above figures, the Australian Equivalents to International Financial Reporting Standards (AEIFRS) principles have been applied (other than for classification of net assets attributable to unitholders of the EBB Trust where Australian Generally Accepted Accounting Principles (AGAAP), as applied before the introduction of AEIFRS, have been used). NTA calculated in accordance with AEIFRS is equal to the $0.67 attributable to the EBB Company.

6 The NTA is ex distribution with record date of 30 June 2006. It is expected that the distribution will be paid on 15 September 2006.

As announced On 25 May 2006, the board of Everest Capital reached an agreement with Babcock & Brown under which Babcock & Brown has agreed to forgo fees from any co-branded funds launched prior to 30 June 2011 until the maturity date of the fund or 30 June 2016. In consideration for forgoing these fees and allowing the use of the Babcock & Brown name, Babcock & Brown was issued new shares in Everest Capital such that the shares issued represented 10% of the increased capital base of Everest Capital. This resulted in Babcock & Brown increasing its shareholding in Everest Capital from 19.9% to 27.9%.

As a result of the issue of shares to Babcock & Brown all existing shareholdings in Everest Capital were diluted by the equity issue to Babcock & Brown, including EBB Company's stake in Everest Capital being reduced from 30% to 27%. This reduction in holdings required EBB to account for its adjusted share of total identifiable assets in Everest Capital. Given the additional shares issued to Babcock & Brown of $25,833,831 and the corresponding increase in net identifiable assets this leads to an increase in the carrying amount of the associate by $3,128,981.

The result was an increase in the net assets attributable to members of the EBB Company as at June 2006 from $0.62 to $0.67 and a corresponding increase in the NTA per stapled security as at 30 June 2006 from $4.79 to $4.84. **There was no impact on earnings or dividends.**

Ends.

About Everest Babcock & Brown Alternative Investment Trust (EBI)

http://www.everest.com.au

Everest Babcock & Brown Alternative Investment Trust has investments in a portfolio of leading international absolute return funds. The objective of the investment portfolio is to provide absolute returns over the long term and in all market conditions while focusing on preservation of capital.

For further information:

Jeremy Reid	David Kent
CEO/Managing Director	Executive Chairman
Everest Babcock & Brown	Everest Babcock & Brown
Tel: +61 (2) 8001 9100	Tel: +61 (2) 8001 9100