



Date: 09-Sep-05

The Manager  
Listings Department  
Australian Stock Exchange Limited

No. of Pages (incl.): 3

NOTICE OF INITIAL SUBSTANTIAL HOLDER

Dear Sir/Madam,

Pursuant to Section 671B of the Corporations Law, AMP Limited discloses a substantial holding in Babcock & Brown Environmental Investments Limited.

The enclosed ASIC Form 603 discloses all required details.

Yours faithfully,

Ross Gulliford  
Head of Custody  
BNP Paribas Securities Services  
Phone: 02 9222 0200

**Form 603**  
**Corporations Law**  
**Section 671B**

**Notice of Initial Substantial Holder**

To: **Babcock & Brown Environmental Investments Limited**  
ACN/ARSN: 074 226 065

**1. Details of substantial holder**

Name: AMP Limited (ACN 079 354 519) and its related bodies corporate.

The holder became a substantial holder on 07-Sep-2005

**2. Details of voting power**

The total number of votes attached to all the voting shares in the company or voting interests in the scheme that the substantial holder or an associate had a relevant interest on the date the substantial holder became a substantial holder are as follows:

| <i>Class of securities</i> | <i>Number of Securities</i> | <i>Persons' votes</i> | <i>Voting power</i> |
|----------------------------|-----------------------------|-----------------------|---------------------|
| Fully Paid Ordinary        | 4,257,654                   | 4,257,654             | 5.04%               |

**3. Details of relevant interests**

The nature of relevant interest the substantial holder or an associate had in the following voting securities on the date the substantial holder became a substantial holder are as follows:

| <i>Holder of relevant interest</i>            | <i>Nature of relevant interests</i>                                                                                                                                                                                                                                                                                | <i>Class and number of securities</i> | <i>Person's votes affected</i> |
|-----------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------|--------------------------------|
| AMP Life Limited ("AMP Life")                 | AMP Life is entitled to be the registered holder of the class and number of securities listed beside its name. AMP Life is a controlled body corporate of AMP Limited within the meaning of Section 608(3) of the Corporations Law                                                                                 | Fully Paid Ordinary: 1,332,864        | 1,332,864                      |
| AMP Capital Investors Limited ('AMP Capital') | AMP Capital, in its capacity as the investment manager for the persons or trusts listed besides its name in Paragraph 4, has the power to control voting and/or the disposal of securities. AMP Capital is a controlled body corporate of AMP Limited within the meaning of Section 608(3) of the Corporations Law | Fully Paid Ordinary: 2,924,790        | 2,924,790                      |
| Total:                                        |                                                                                                                                                                                                                                                                                                                    |                                       | 4,257,654                      |

**4. Details of present registered holders**

The persons registered as holders of the securities referred to in paragraph 3 above are as follows:

| <i>Holder of relevant interest</i> | <i>Registered holder of securities</i>     | <i>Person entitled to be registered as holder</i>                                                              | <i>Class and number of securities</i> | <i>Person's votes affected</i> |
|------------------------------------|--------------------------------------------|----------------------------------------------------------------------------------------------------------------|---------------------------------------|--------------------------------|
| AMP Life Limited                   | AMP Life Limited                           | AMP Life Limited                                                                                               | Fully Paid Ordinary: 1,332,864        | 1,332,864                      |
| AMP Capital Investors Limited      | Cogent Nominees Pty Limited <SMP Accounts> | Cogent Nominees Pty Limited <SMP Accounts>                                                                     | Fully Paid Ordinary: 2,021,529        | 2,021,529                      |
|                                    | Cogent Nominees Pty Limited                | Cogent Nominees Pty Limited                                                                                    | Fully Paid Ordinary: 39,332           | 39,332                         |
|                                    | National Nominees Pty Limited              | Commonwealth Bank Officers Superannuation Corporation Pty Ltd as trustee for the Officers' Superannuation Fund | Fully Paid Ordinary: 187,425          | 187,425                        |
|                                    | National Nominees Pty Limited              | Equisuper                                                                                                      | Fully Paid Ordinary: 676,504          | 676,504                        |
| Total:                             |                                            |                                                                                                                |                                       | 4,257,654                      |

**5. Consideration**

The consideration paid for each relevant interest referred to in paragraph 3 above, and acquired in the four months prior to the day that the substantial holder became a substantial holder is as follows:

| <i>Holder of relevant interest</i>                                                                       | <i>Date of acquisition</i> | <i>Consideration</i> | <i>Class and number of securities</i> |
|----------------------------------------------------------------------------------------------------------|----------------------------|----------------------|---------------------------------------|
| AMP Life Limited                                                                                         | 7-Jul-2005 to 27-Jul-2005  | \$1,880,495.11       | Fully Paid Ordinary 1,332,864         |
| Cogent Nominees Pty Limited                                                                              | 30-Aug-2005 to 7-Sep-2005  | \$69,007.77          | Fully Paid Ordinary 39,332            |
| Cogent Nominees Pty Limited <SMP Accounts>                                                               | 7-Jul-2005 to 7-Sep-2005   | \$2,881,779.00       | Fully Paid Ordinary 2,021,529         |
| Commonwealth Bank Officers Superannuation Corporation Pty Ltd A/T for the Officers' Superannuation Fund. | 07-Jul-05                  | \$420,000.00         | Fully Paid Ordinary 300,000           |

|            |           |              |                                |
|------------|-----------|--------------|--------------------------------|
| Equipsuper | 07-Jul-05 | \$947,105.60 | Fully Paid Ordinary<br>676,504 |
|------------|-----------|--------------|--------------------------------|

#### 6. Associates

The reasons the persons named in paragraph 3 above are associates of the substantial holder are as follows:

*Name and ACN (if applicable) Nature of association*

|                                                 |                                                                                 |
|-------------------------------------------------|---------------------------------------------------------------------------------|
| AMP Life Limited (ACN 079 300 379)              | Related bodies corporate of AMP Limited under Part 1.2 of the Corporations Law. |
| AMP Capital Investors Limited (ACN 001 777 591) | Related bodies corporate of AMP Limited under Part 1.2 of the Corporations Law. |

#### 7. Addresses

The addresses of persons named in this form are as follows:

| <i>Name</i>                                           | <i>Address</i>                                  |
|-------------------------------------------------------|-------------------------------------------------|
| AMP Life Limited                                      | Level 24, 33 Alfred Street, Sydney NSW 2000     |
| AMP Capital Investors Limited                         | Level 22, 33 Alfred Street, Sydney NSW 2000     |
| Cogent Nominees Pty Limited                           | Level 6, 60 Castlereagh Street, Sydney NSW 2000 |
| Commonwealth Bank Officers Superannuation Corporation | 9th Floor, 48 Martin Place, Sydney NSW 2000     |
| Equipsuper                                            | 171 Flinders Street, Melbourne VIC 3000         |
| National Custodian Services Limited                   | 271 Collins Street, Melbourne VIC 3000          |

This Initial Substantial Holder Notice (ASIC Form 603) comprises 2 page/s in total.