



Transfield Services Infrastructure Fund

Acquisition of Queensland Government Wind Farm Assets

6 December 2007

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- Acquisition Highlights and Overview
- Wind Assets
- Key Investment Highlights



Acquisition Highlights

- Acquisition of a diversified and high quality portfolio of operating wind farm assets with capacity of 177MW
- Initially 100% contracted
- Significant exposure to revenue growth from demand for supply constrained renewable generation as contracts roll off
- Access to up to 1200MW of new wind farm development
- IRR accretive and 5% DPS accretive in 2008
- EV / EBITDA of 12[#] times with growth and optionality potential
- Consistent with the strategy for growth of the TSI Fund

Including acquisition costs

Acquisition Overview

- Portfolio consists of five operating wind farms owned by Stanwell and Tarong with a total generation capacity of 177MW located in Queensland, Victoria, SA & WA (the Portfolio)
- 100% of the power and Renewable Energy Certificates (RECs) has been initially contracted through bundled off-take agreements
- Acquisition price for the Portfolio (excluding development sites) is \$450.4m plus \$20m[#] acquisition costs
- Rights to a portfolio of development sites will be acquired by Transfield Services Limited for \$10M, to be jointly developed with TSI Fund
- Transfield Services will manage the operations of the wind farms
- Subject to necessary approvals settlement is expected to occur before Christmas

Acquisition Overview

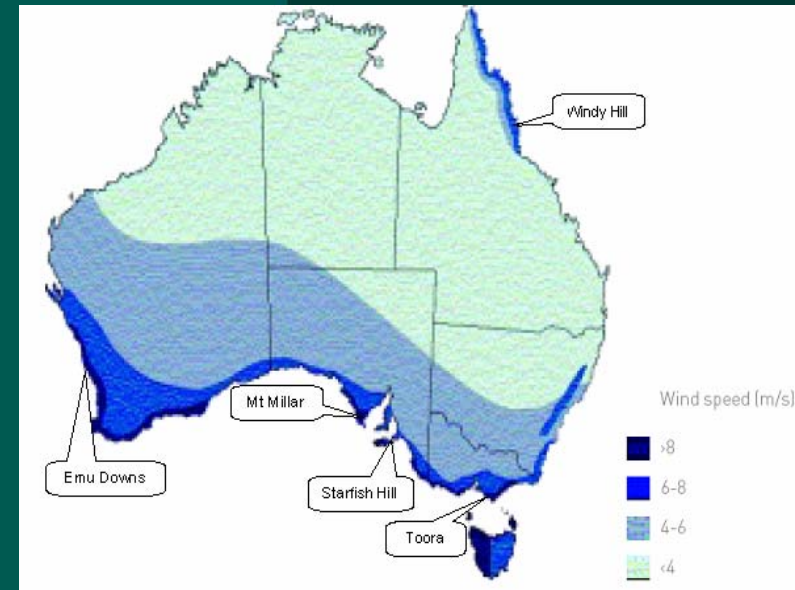
- Portfolio represents in excess of 20%[#] of the installed wind farm capacity in Australia
- Demonstrated wind resource
- Historical availability in excess of 97%
- Portfolio is diversified across 5 sites, 4 off-takers and 2 OEMs
- Newly elected Federal Labor Government has signalled a 600% increase in Mandatory Renewable Energy Targets

[#] Source: Australian Wind Energy Association

Wind Assets – Overview

Operating Portfolio

Wind Farm	Location	Commissioned	Net Equity Capacity (MW)
Windy Hill	Qld	2000	12.0
Toora	Victoria	2002	21.0
Emu Downs (50%)	WA	2006	39.6
Starfish Hill	SA	2003	34.5
Mt Millar	SA	2008	70.0
Total			177.1



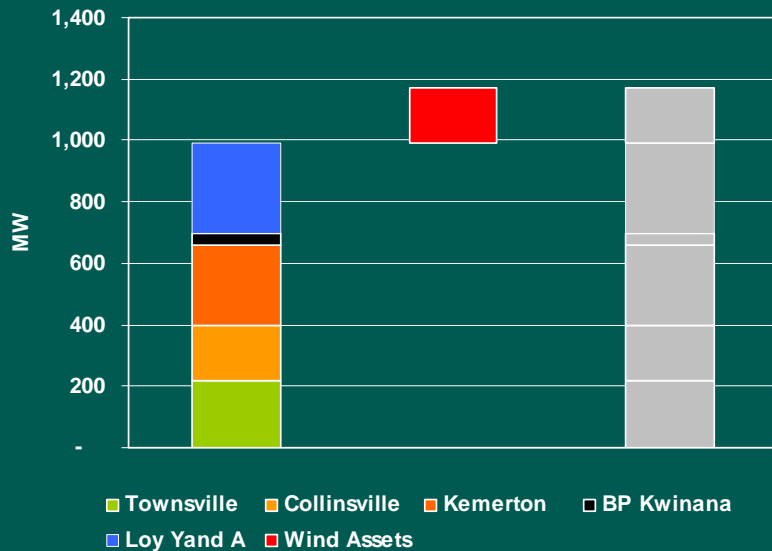
Key Investment Highlights

- Equity IRR is accretive to TSI Fund
- Cash flow available for distribution is circa 5% accretive from date of acquisition
- All remedial and lifecycle capex is funded by operating cash flow
- Acquisition to be 100% debt funded from TSI Fund facilities with funding headroom being maintained
- Gearing post-acquisition will increase from 40% to 60%

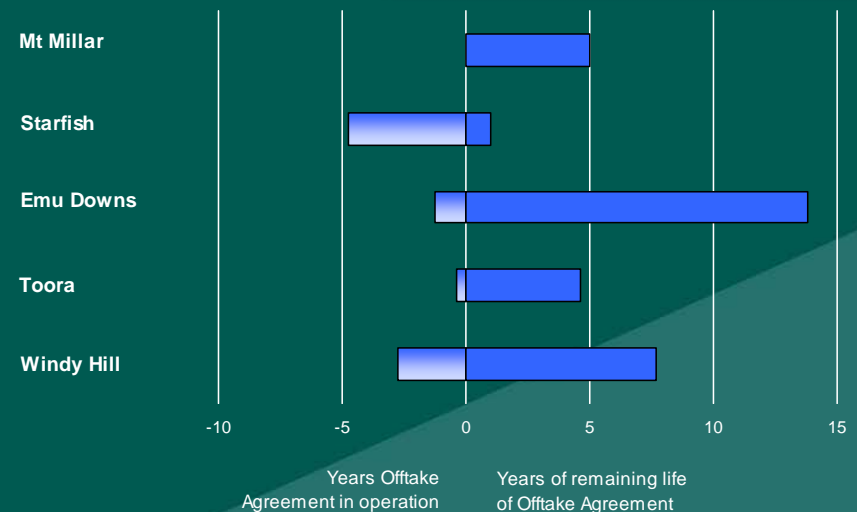
Key Investment Highlights

- Acquisition increases TSI Fund’s generation capacity to 1,170MW
- Off-take counterparties include Synergy, AGL, Ergon and Energy Australia

Increase in generation capacity



Remaining duration of Offtake Agreement



Normalised Performance Metrics FY09

- Capacity: 177.1 MW
- Weighted Average Capacity Factor: 35.1%
- Weighted Average Off Take Price: \$85/MWHR
- Revenue: \$46.25M p.a.
- Fixed O&M Costs: \$7M p.a.
- EBITDA: \$39.25M
- EV/EBITDA: 12 times[#]

- Contract Expiry:
 - Starfish 2008
 - Toora 2012
 - Mt Miller 2012
 - Windy Hill 2016
 - Emu Downs 2017-2021

- Weighted Average Off Take Price: \$85/MWHR in FY2009

- Future price growth guide offered by:
 - Estimated new entrant pricing: \$90 - \$110/MWHR
 - Current REC Penalty: \$45/MWHR (\$64/MWHR tax adjusted) + Power Price (say, \$40/MWHR)

- Substantially higher MRETs proposed under Federal Government policy

- Growth supports potential for increase in DPU medium term growth target

Development Sites

- 14 prospective development sites acquired by Transfield Services
- Varying stages of progression from concept to feasibility
- Up to 1200MW
- Potential commissioning from 2010
- TSI Fund has the right to develop the sites in conjunction with Transfield Services providing upside to base case IRR

General TSI Fund Update

- Portfolio assets generally performing slightly ahead of PDS projections
- Some under performance at CPS
- Some over performance at KPS and BP Kwinana Co-Gen
- Positive outlook for LYA
- Deal pipeline includes:
 - Negotiated projects
 - Wind farm development portfolio
 - Selected PPPs
 - Selected acquisitions

