

**BABCOCK & BROWN
CAPITAL LIMITED**

Babcock & Brown Capital Limited · ABN 31 112 119 203 · www.babcockbrowncapital.com
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ASX Release

8 December 2006

**BABCOCK & BROWN CAPITAL LIMITED - CHANGE OF DIRECTOR'S
INTEREST NOTICE**

Please find attached an Appendix 3Y – Change of Directors Interest Notice.

ENDS

Further Information:

Erica Borgelt
Investor Relations
Babcock & Brown
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About Babcock & Brown Capital Limited

Babcock & Brown Capital is an Australian-based investment company that focuses on a concentrated portfolio with a flexible investment horizon. The Company's mandate allows it to build positions in domestic and overseas companies and both listed and private entities. Babcock & Brown Capital concentrates on growing the value of its investments over time. Investments are held while they continue to meet the Company's investment objectives. Babcock & Brown Capital listed on the Australian Stock Exchange in February 2005.

For further information please see our website: www.babcockbrowncapital.com

Appendix 3Y

Change of Director's Interest Notice

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 30/9/2001.

Name of entity:	Babcock & Brown Capital Limited
ABN:	31 112 119 203

We (the entity) give ASX the following information under listing rule 3.19A.2 and as agent for the director for the purposes of section 205G of the Corporations Act.

Name of Director	Gregory Clark
Date of last notice	11 August 2006

Part 1 - Change of director's relevant interests in securities

In the case of a trust, this includes interests in the trust made available by the responsible entity of the trust

Note: In the case of a company, interests which come within paragraph (i) of the definition of "notifiable interest of a director" should be disclosed in this part.

Direct or indirect interest	Direct
Nature of indirect interest (including registered holder) Note: Provide details of the circumstances giving rise to the relevant interest.	N/A
Date of change	7 December 2006
No. of securities held prior to change	Nil
Class	Options over ordinary shares exercisable at \$5.00 each upon vesting
Number acquired	1,000,000 options
Number disposed	0
Value/Consideration Note: If consideration is non-cash, provide details and estimated valuation	Exercisable at \$5.00 each subject to the Company meeting performance hurdles.
No. of securities held after change	1,000,000 options over ordinary shares.
Nature of change Example: on-market trade, off-market trade, exercise of options, issue of securities under dividend reinvestment plan, participation in buy-back	Issue of options as approved by shareholders at the Annual General Meeting held 8 November 2006.

Part 2 – Change of director's interests in contracts

Note: In the case of a company, interests which come within paragraph (ii) of the definition of "notifiable interest of a director" should be disclosed in this part.

Detail of contract	N/A
Nature of interest	N/A
Name of registered holder (if issued securities)	N/A
Date of change	N/A
No. and class of securities to which interest related prior to change <small>Note: Details are only required for a contract in relation to which the interest has changed</small>	N/A
Interest acquired	N/A
Interest disposed	N/A
Value/Consideration <small>Note: If consideration is non-cash, provide details and an estimated valuation</small>	N/A
Interest after change	N/A