

**BABCOCK & BROWN
CAPITAL LIMITED**

Babcock & Brown Capital Limited · ABN 31 112 119 203
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ASX Release

22 December 2008

LETTER FROM ALKEON CAPITAL MANAGEMENT LLC

Please see the attached letter received from Alkeon Capital Management LLC notifying an equity derivative interest in Babcock & Brown Capital Limited.

ENDS

Further Information:

Erica Borgelt
Investor Relations
Babcock & Brown
+61 2 9229 1800

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. 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 Securities Exchange in February 2005.

eircom

BCM holds a 57.1% interest in eircom representing an investment of approximately \$448 million. Associates of Babcock & Brown hold an additional 7.9% and existing and former employees hold the remaining 35% through their share ownership trust, the ESOT.

eircom owns Ireland's copper and fibre backbone telecommunications network. It is the largest provider of fixed line wholesale and retail telecommunication services in Ireland and has 69% of the fast growing retail DSL broadband market. eircom's mobile business has a growing 19% share of the mobile market.

Golden Pages

BCM holds 100% of Golden Pages representing an equity investment of approximately \$152 million. Golden Pages is the leading Israeli directories business which has a portfolio of complementary directory and search businesses operating across four distribution platforms.

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

ALKEON CAPITAL MANAGEMENT

350 MADISON AVENUE
NEW YORK, NEW YORK 10017
(212) 389-8700 FAX (212) 389-8717

December 18, 2008

To:
Babcock & Brown Capital Ltd
Level 23, The Chifley Tower
2 Chifley Square
Sydney, NSW 2000
Australia

Dear Sir/Madam

Disclosure pursuant to Takeovers Panel Guidance Note 20

The following information is disclosed pursuant to Takeovers Panel Guidance Note 20:

1. Reason(s) for disclosure

- There is a long position in existence or created
- There is a control transaction
- The long position relates to 5% or more of your entity's voting securities

2. Present interests

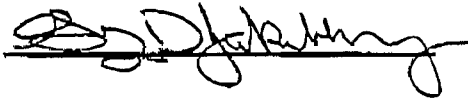
Identities of Taker/Holder of the relevant interest and associates	Alkeon Capital Management 350 Madison Avenue, 9 th Floor New York, New York 10017 Alkeon acts as the investment manager for various funds. Please see attached:
Security	Babcock & Brown Capital Ltd
Price	1 st swap price range \$2.7959 ---\$1.7265 2 nd swap price range \$1.0512---\$1.0489
Type of equity derivative	Equity SWAP
Entry date	Duration of 1 st swap 9/11/08 to 11/11/08 Duration of 2 nd swap was 12/17/08 to current
Number of securities to which the derivative relates	1,656,970
Any material changes to information previously disclosed to the market	N/A

Long equity derivative positions held by the taker and its associates, its relevant interests and its associates' relevant interests (and the identity of all associates referred to)	(See Attached)
Short equity derivative positions that offset physical positions	N/A
Short positions of more than 1% that have been acquired after a long position is disclosed, whether by notice or substantial holding notice	N/A

signed by or on behalf of Alkeon Capital Management, LLC

Greg D. Jakubowsky

Signature



ALKEON CAPITAL MANAGEMENT LLC

<u>Funds:</u>	<u>Equity:</u>	<u>Swaps:</u>
Advantage Advisers Technology Partners, LLC	611,406	58,562
Advantage Advisers Technology International, Ltd	256,219	24,541
Advantage Advisers Xanthus Fund, LLC	2,431,739	232,918
Advantage Advisers Multi-Sector Fund I	54,501	5,012
Alkeon Growth Master Fund, Ltd	584,661	56,000
Strategic Global Innovation Fund Limited	150,148	14,382
Alkeon Asia Growth Master Fund, Ltd	1,571,961	953,701
Alkeon Capital Partners Master Fund, Ltd	804,180	267,665
Alpro Growth Fund, plc	120,260	11,519
Alkeon Global Alpha Master Fund, L.P.	387,438	32,670
	<u>6,972,513.00</u>	<u>1,656,970.00</u>