

**Form 605**Corporations Act 2001  
Section 671B**Notice of ceasing to be a substantial holder**ACN/ARSN  
003 324 310Company Name  
Sydney Gas Ltd**1. Details of substantial holder (1)**Name Babcock & Brown Limited and its related bodies corporate ("Babcock & Brown Group")  
ACN/ARSN (if applicable) 108 614 955The holder ceased to be a substantial holder on 27.01.09  
The previous notice was given to the company on 09.02.07  
The previous notice was dated 07.02.07**2. Changes in relevant interests**

Particulars of each change in, or change in the nature of, a relevant interest (2) of the substantial holder or an associate (3) in voting securities of the company or scheme, since the substantial holder was last required to give a substantial holding notice to the company or scheme are as follows:

Date of change	Person whose relevant interest changed	Nature of change (4)	Consideration given in relation to change (5)	Class (6) and number of securities affected	Person's votes affected
27.01.09	AGSO Property Pty Ltd	Sale of securities	\$.425 per security	26,387,323 fully paid ordinary shares	26,387,323

**3. Changes in association**

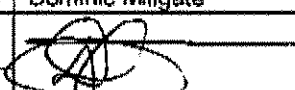
The persons who have become associates (3) of, ceased to be associates of, or have changed the nature of their association (7) with, the substantial holder in relation to voting interests in the company or scheme are as follows:

Name and ACN/ARSN (if applicable)	Nature of association
Not applicable	

**4. Addresses**

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

Name	Address
Babcock & Brown Limited	Level 23 Chifley Tower, 2 Chifley Square, Sydney, NSW 2000
AGSO Property Pty Ltd	Level 23 Chifley Tower, 2 Chifley Square, Sydney, NSW 2000

Signature	
print name	Dominic Millgate
Capacity	Company Secretary
sign here	
date	27 January 2009