

Here's the Latest on Now Bankrupt International Public-Private-Partnership Firm Babcock & Brown

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End of Road for B&B

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By Nicole Lindsay

LESS than five years after Babcock & Brown's stunning Australian Stock Exchange debut, the collapsed investment bank's stock is facing termination.

David Lombe, a partner at the company's administrator Deloitte, said yesterday the listing of Babcock and Brown's ordinary shares would end next Thursday.

"There is no likelihood that the holders of ordinary shares will receive any further distributions for their shares," Mr Lombe said.

"One of the consequences of the fact that B&B shareholders have no ongoing economic interest in the company is that the continued listing of the shares will not serve any useful purpose," he said.

Keeping the listing alive would also incur "substantial costs".

Babcock & Brown listed on the stock exchange in October 2004, raising \$550 million and issuing shares at \$5 apiece.

The stock debuted at \$8 before closing at \$8.27 on its first day of trading, reaping the exclusive list of new shareholders -- including the Packer, Lowy, Liberman and Pratt families -- more than 60 per cent stag profit on their investments.

But the bank dubbed the "mini-Macquarie" collapsed in March under \$3.9 billion in debt to a syndicate of banks and a complex corporate structure that will take months to unwind.

About 8000 subordinated noteholders are still owed \$600 million, but they rank behind the bank debt.

Mr Lombe said the termination of the ASX listing would have no financial impact on the entitlements of the noteholders.