

**Financial Statement And Distribution Announcement for the Second Quarter and Half Year ended 30 September 2009**

**TABLE OF CONTENTS**

<b>Item No.</b>	<b>Description</b>	<b>Page No.</b>
	Introduction	1 - 2
1(a)(i)	Consolidated Income Statement	3
1(a)(ii)	Additional Information	3
1(a)(iii)	Consolidated Statement of Comprehensive Income	4
1(b)(i)	Balance Sheets	5 - 6
1(b)(ii)	Aggregate amount of group's borrowings and debt securities	6
1(c)	Consolidated Cash Flow Statement	7
1(d)(i)	Statement of movements in unitholders' fund	8 - 9
1(d)(ii)	Details of any changes in the units	9
1(d)(iii)	Total number of issued shares excluding treasury shares	10
1(d)(iv)	Statement of movement in treasury shares	10
2 - 3	Review Statement	10
4 - 5	Changes in Accounting Policies	10
6	Earnings per unit ('EPU') and distribution per unit ('DPU')	11
7	Net asset value ("NAV") per unit	11
8	Review of the Performance	12 - 14
9	Variance from forecast / prospect statement	14
10	Outlook & Prospects	14
11 - 12	Distribution	15
13	Interested Person Transactions	16
14	Confirmation by the Board	17
Appendix 1	Auditor's Review Report	18

**CITYSPRING INFRASTRUCTURE TRUST  
(Reg. No. 2007001)**

**Financial Statement And Distribution Announcement for the Second Quarter and Half Year ended  
30 September 2009**

---

**INTRODUCTION**

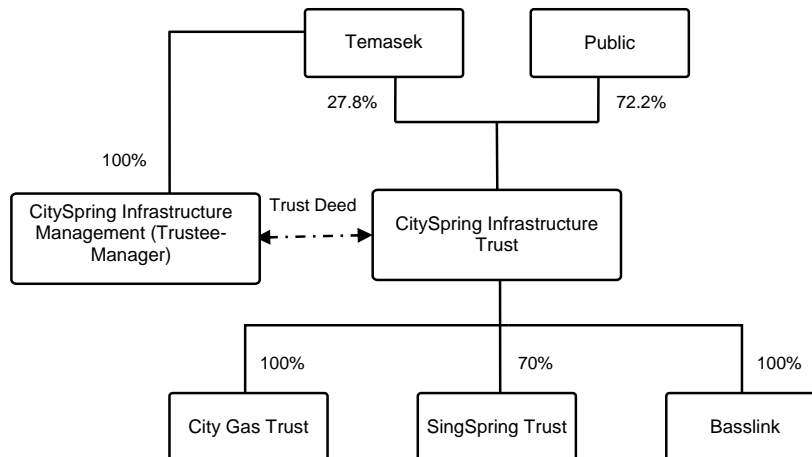
CitySpring Infrastructure Trust (“CitySpring”) was constituted under a trust deed dated 5 January 2007. CitySpring Infrastructure Management Pte. Ltd. (“Trustee-Manager”) was appointed the Trustee-Manager. CitySpring was listed on the Singapore Exchange Securities Trading Limited (“SGX-ST”) on 12 February 2007.

CitySpring’s objective is to invest in infrastructure assets and to provide Unitholders with long-term regular and predictable distributions.

The initial assets of CitySpring and its subsidiaries (“CitySpring Group”) are 100%-owned City Gas Trust, the sole producer and retailer of town gas and the sole user of the low-pressured piped town gas network in Singapore and 70%-owned SingSpring Trust, the sole supplier of desalinated water to the Public Utilities Board, Singapore’s national water agency.

CitySpring Group completed the acquisition of Basslink on 31 August 2007 from National Grid International Ltd for an enterprise value of A\$1,177 million (approximately S\$1,521 million). Basslink is a 370 km high voltage electricity interconnector between the electricity grids of the States of Tasmania and Victoria in Australia. 290 km of the link is laid under the Bass Strait, making Basslink the world’s second longest undersea electricity transmission cable. Embedded in the interconnector are fibre optic cables. Basslink Telecoms Pty Ltd a wholly owned subsidiary of CitySpring successfully commercialised these cables when it commenced carrying commercial traffic from July 2009.

The CitySpring Group is shown in the chart below.



**Background to Analysing Financial Statements**

**Cash earnings**

We measure our performance using cash earnings, instead of accounting profits or losses. Cash earnings is a better indicator of our performance to our Unitholders on the basis that infrastructure assets, being capital intensive, tend to show accounting losses due to fairly large amount of non-cash depreciation charges.

Cash earnings is defined as EBITDA adjusted for non-cash items and lease receivable, less cash interest, cash tax, upfront financing fees and maintenance capital expenditure and before principal repayment of debt and minority interest.

**CITYSPRING INFRASTRUCTURE TRUST  
(Reg. No. 2007001)**

**Financial Statement And Distribution Announcement for the Second Quarter and Half Year ended  
30 September 2009**

---

**INTRODUCTION (cont'd)**

**Background to Analysing Financial Statements (cont'd)**

**Hedging Rationale**

SingSpring and Basslink have long-term 20 and 25 years contracts respectively with state-owned utilities. These contracts are availability-based and produce steady cash flows which are largely not affected by volume or utilisation. As these assets, together with City Gas, have been acquired using partly debt financing at variable interest rate, the CitySpring Group may enter into long-term contracts to protect these cash flows from interest rate risk pursuant to its active risk management policy. This policy is consistent with the CitySpring Group's stated objective of delivering regular and stable distributions to unitholders.

Accounting standards require movements in the fair value of held-for-trading contracts to be recorded in the income statements and hedging contracts to be recognised in hedging reserve. Such movements are non-cash in nature and do not reflect the fundamental value of the Group's businesses. Due to the long term nature of these contracts, movements in fair value of these contracts can be significant.

**Debt and gearing**

All of our operating units utilise non-recourse financing that is specifically structured to match the stable and long-term contracted cash flows from their customers. Generally, our philosophy towards our overall debt structure is to ensure that all of our businesses have sufficient financial flexibility to meet their capital expenditure and operational needs, and at the same time are able to service their debt obligations promptly and reliably. This ensures that we have an optimal capital structure with the flexibility for us to execute our growth strategies.

As such, consolidated debt-to-equity ratio at the CitySpring level is not a relevant measure of our indebtedness.

**Energy costs**

At City Gas Trust, its fuel costs consist mainly the costs of natural gas which in turn are recoverable from the fuel component of the town gas tariffs determined by the Energy Market Authority. On a long term basis, changes in fuel costs are expected to have no impact on City Gas Trust as fuel costs are passed through to the end-users. However, at any point in time, the actual tariff may not exactly match fuel costs as tariff changes are subject to a periodic regulatory process whereas fuel prices change daily. Short term impact may therefore be evident if there are sharp changes in fuel prices.

At SingSpring Trust, its net energy costs for its first three years of commercial operations (December 2005 – December 2008) varied with the cost of fuel. To reduce the volatility of its exposure to changes in energy prices, SingSpring Trust contracted energy hedges. With effect from 16 December 2008, the above energy costs arrangement ceased and SingSpring Trust's energy cost has been rebased in accordance with the principles set out in the Water Purchase Agreement with Public Utilities Board.

At Basslink, energy costs do not form a substantial portion of its operating expenses relative to its other operating costs.

**Other Income**

Other income includes interest income, rental income and other miscellaneous operating income.

**Other gains / (losses) – net**

This includes realised gains or losses and fair value gains or losses from held-for-trading financial assets and currency exchange gains or losses.

**CITYSPRING INFRASTRUCTURE TRUST**  
**(Reg. No. 2007001)**

**Financial Statement And Distribution Announcement for the Second Quarter and Half Year ended  
30 September 2009**

1(a) An income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

(i) Consolidated Income Statement

	2Q FY10	2Q FY09	Change	1H FY10	1H FY09	Change
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
<b>Revenue</b>	<b>92,106</b>	<b>100,945</b>	<b>(8.8)</b>	<b>174,939</b>	<b>200,316</b>	<b>(12.7)</b>
<b>Other income</b>	<b>725</b>	<b>1,743</b>	<b>(58.4)</b>	<b>1,348</b>	<b>3,286</b>	<b>(59.0)</b>
<b>Other (losses)/gains - net</b>	<b>(1,402)</b>	<b>(13,515)</b>	<b>89.6</b>	<b>6,813</b>	<b>(7,054)</b>	<b>N/M</b>
<b>Expenses</b>						
Fuel and electricity costs	(32,011)	(46,414)	31.0	(54,848)	(82,073)	33.2
Transportation costs	(18,085)	(17,987)	(0.5)	(35,946)	(35,827)	(0.3)
Depreciation and amortisation	(13,503)	(13,863)	2.6	(26,288)	(27,932)	5.9
Staff costs	(4,390)	(4,752)	7.6	(8,617)	(9,590)	10.1
Operation and maintenance costs	(5,567)	(3,806)	(46.3)	(9,545)	(8,046)	(18.6)
Finance costs	(25,481)	(23,297)	(9.4)	(43,792)	(44,740)	2.1
Management fee	(920)	(888)	(3.6)	(1,793)	(1,828)	1.9
Other operating expenses	(7,684)	(6,710)	(14.5)	(13,787)	(14,628)	5.7
<b>Total expenses</b>	<b>(107,641)</b>	<b>(117,717)</b>	<b>8.6</b>	<b>(194,616)</b>	<b>(224,664)</b>	<b>13.4</b>
<b>Loss before income tax</b>	<b>(16,212)</b>	<b>(28,544)</b>	<b>43.2</b>	<b>(11,516)</b>	<b>(28,116)</b>	<b>59.0</b>
Income tax (expense)/credit	(1)	(8,168)	100.0	19,661	(242)	N/M
<b>Net (loss)/profit after income tax</b>	<b>(16,213)</b>	<b>(36,712)</b>	<b>55.8</b>	<b>8,145</b>	<b>(28,358)</b>	<b>N/M</b>
<b>Attributable to:</b>						
Unitholders of the Trust	(16,569)	(36,625)	54.8	7,437	(28,558)	N/M
Minority interest	356	(87)	N/M	708	200	254.0
	<b>(16,213)</b>	<b>(36,712)</b>	<b>55.8</b>	<b>8,145</b>	<b>(28,358)</b>	<b>N/M</b>

N/M - Not meaningful

(ii) Additional Information

<b>EBITDA</b>	<b>22,361</b>	<b>7,324</b>	<b>205.3</b>	<b>57,763</b>	<b>42,000</b>	<b>37.5</b>
<b>Cash earnings<sup>1</sup></b>	<b>9,630</b>	<b>1,076</b>	<b>795.0</b>	<b>23,496</b>	<b>18,821</b>	<b>24.8</b>

<sup>1</sup> Cash Earnings is defined as EBITDA adjusted for non-cash items and lease receivable, less cash interest, cash tax, upfront financing fees and maintenance capital expenditure, and before principal repayment of debt and minority interest

**CITYSPRING INFRASTRUCTURE TRUST**  
**(Reg. No. 2007001)**

**Financial Statement And Distribution Announcement for the Second Quarter and Half Year ended  
30 September 2009**

1(a) An income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year (cont'd)

(iii) Consolidated Statement of Comprehensive Income

	<b>2Q FY10</b>	<b>2Q FY09</b>	<b>1H FY10</b>	<b>1H FY09</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
<b>Net (loss)/profit after income tax</b>	<b>(16,213)</b>	<b>(36,712)</b>	<b>8,145</b>	<b>(28,358)</b>
<b>Other comprehensive income:</b>				
Hedging reserve:				
- Fair value (losses)/gains on the cash flow hedge, net of tax	(3,704)	(64,840)	42,518	(34,847)
- Transfer to income statement	411	853	756	1,638
Net change in hedging reserve	(3,293)	(63,987)	43,274	(33,209)
Translation differences relating to financial statements of foreign subsidiaries	9,225	(37,055)	24,363	(24,532)
	<b>5,932</b>	<b>(101,042)</b>	<b>67,637</b>	<b>(57,741)</b>
<b>Total comprehensive income for the period</b>	<b>(10,281)</b>	<b>(137,754)</b>	<b>75,782</b>	<b>(86,099)</b>
<b>Attributable to:</b>				
Unitholders of the Trust	(10,309)	(135,786)	75,132	(86,157)
Minority interest	28	(1,968)	650	58
	<b>(10,281)</b>	<b>(137,754)</b>	<b>75,782</b>	<b>(86,099)</b>

**CITYSPRING INFRASTRUCTURE TRUST**  
(Reg. No. 2007001)

**Financial Statement And Distribution Announcement for the Second Quarter and Half Year ended 30 September 2009**

1(b)(i) **Statements of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.**

**Balance Sheet (Group)**

	<b>30/09/09</b>	<b>31/03/09</b>
	<b>S\$'000</b>	<b>S\$'000</b>
<b>ASSETS</b>		
<b>Current assets</b>		
Cash and bank deposits	131,805	125,934
Derivative financial instruments	13,597	4,927
Trade and other receivables	46,871	43,956
Finance lease receivables	7,053	6,918
Inventories	11,750	12,379
Other current assets	3,757	1,488
<b>Total current assets</b>	<b>214,833</b>	<b>195,602</b>
<b>Non-current assets</b>		
Derivative financial instruments	83,219	14,806
Finance lease receivables	174,953	178,556
Other assets	4,730	4,030
Property, plant and equipment	1,240,537	1,079,389
Intangibles	442,980	441,187
<b>Total non-current assets</b>	<b>1,946,419</b>	<b>1,717,968</b>
<b>Total assets</b>	<b>2,161,252</b>	<b>1,913,570</b>
<b>LIABILITIES</b>		
<b>Current liabilities</b>		
Derivative financial instruments	8,888	8,760
Trade and other payables	74,453	68,665
Current tax liabilities	2,446	2,443
Borrowings	9,012	9,164
<b>Total current liabilities</b>	<b>94,799</b>	<b>89,032</b>
<b>Non-current liabilities</b>		
Derivative financial instruments	19,825	19,723
Borrowings	1,489,689	1,547,952
Notes payable to minority unitholder	15,000	15,000
Deferred tax liabilities	22,850	23,739
Other non-current liabilities	83,687	69,602
<b>Total non-current liabilities</b>	<b>1,631,051</b>	<b>1,676,016</b>
<b>Total liabilities</b>	<b>1,725,850</b>	<b>1,765,048</b>
<b>Net assets</b>	<b>435,402</b>	<b>148,522</b>
<b>EQUITY</b>		
<b>Unitholders' funds</b>		
Units in issue	680,245	451,157
Hedging reserve	(61,947)	(105,279)
Translation reserve	(20,194)	(44,557)
Accumulated losses	(175,202)	(165,489)
	422,902	135,832
Minority interest	12,500	12,690
<b>Total unitholders' funds</b>	<b>435,402</b>	<b>148,522</b>

**Note:**

The Group adopts an active risk management strategy and where appropriate would enter into contracts to protect its cash flow. This policy is consistent with the Group's stated objective of delivering regular and stable distributions to unitholders. Accounting standards require movements in the fair value of held for trading contracts to be recorded in the income statement and of hedging contracts to be recognised in the hedging reserve. At 30 September 2009, the Group had a hedging reserve of negative S\$61.9 million (31 March 2009: negative S\$105.3 million). The fair value movements in hedging reserve are non-cash and do not reflect the fundamental value of the Group's businesses.

**CITYSPRING INFRASTRUCTURE TRUST**  
**(Reg. No. 2007001)**

**Financial Statement And Distribution Announcement for the Second Quarter and Half Year ended 30 September 2009**

**1(b)(i) Statements of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year (cont'd)**

**Balance Sheet (Trust)**

	<b>30/09/09</b>	<b>31/03/09</b>
	<b>S\$'000</b>	<b>S\$'000</b>
<b>ASSETS</b>		
<b>Current assets</b>		
Cash and bank deposits	41,847	35,241
Derivative financial instruments	2	*
Trade and other receivables	325,788	333,400
Other current assets	16	28
<b>Total current assets</b>	<b>367,653</b>	<b>368,669</b>
<b>Non-current assets</b>		
Long-term receivables	230,570	230,570
Investment in subsidiaries	155,135	155,135
<b>Total non-current assets</b>	<b>385,705</b>	<b>385,705</b>
<b>Total assets</b>	<b>753,358</b>	<b>754,374</b>
<b>LIABILITIES</b>		
<b>Current liabilities</b>		
Trade and other payables	5,304	1,351
Current tax liabilities	39	37
<b>Total current liabilities</b>	<b>5,343</b>	<b>1,388</b>
<b>Non-current liabilities</b>		
Borrowings	140,360	363,389
<b>Total non-current liabilities</b>	<b>140,360</b>	<b>363,389</b>
<b>Total liabilities</b>	<b>145,703</b>	<b>364,777</b>
<b>Net assets</b>	<b>607,655</b>	<b>389,597</b>
<b>EQUITY</b>		
<b>Unitholders' funds</b>		
Units in issue	680,245	451,157
Accumulated losses	(72,590)	(61,560)
<b>Total unitholders' funds</b>	<b>607,655</b>	<b>389,597</b>

\* - Amount less than S\$1,000

**1(b)(ii) Aggregate amount of group's borrowings and debt securities**

	<b>30/09/09</b>	<b>31/03/09</b>
	<b>S\$'000</b>	<b>S\$'000</b>
<b>Secured bank loans</b>		
Amount repayable within one year	9,012	9,164
Amount repayable after one year	1,489,689	1,547,952
	<b>1,498,701</b>	<b>1,557,116</b>

**Details of any collateral at CitySpring**

The bank borrowings are secured over the assets and business undertakings of City Gas Trust, SingSpring Trust and Basslink Group. The loan granted to SingSpring Trust is also secured by a charge over the units in SingSpring Trust held by the Trustee-Manager and Hyflux Ltd, and a charge over the shares held by the Trustee-Manager in SingSpring Pte Ltd. The corporate loan granted to CitySpring is secured over its assets and business undertakings, including a charge over the units in City Gas Trust, and the shares in City Gas Pte Ltd and in CityLink Investments Pte Ltd ("CityLink"), the holding company of Basslink, held by the Trustee-Manager. CityLink has provided a corporate guarantee for the corporate loan.

**CITYSPRING INFRASTRUCTURE TRUST**  
(Reg. No. 2007001)

**Financial Statement And Distribution Announcement for the Second Quarter and Half Year ended 30 September 2009**

1(c) A cash flow statement (for the group), together with a comparative statement for the corresponding period of the corresponding period of the immediately preceding financial year.

**Consolidated Cash Flow Statement**

	2Q FY10	2Q FY09	1H FY10	1H FY09
	S\$'000	S\$'000	S\$'000	S\$'000
<b>Cash flows from operating activities</b>				
Net (loss)/profit after income tax	(16,213)	(36,712)	8,145	(28,358)
Adjustments for:				
Income tax expenses/(credit)	1	8,168	(19,661)	242
Depreciation and amortisation	13,503	13,863	26,288	27,932
Finance costs	25,481	23,297	43,792	44,740
Interest income	(411)	(1,292)	(801)	(2,556)
Fair value loss/(gain) on derivative financial instruments	885	13,754	(7,060)	10,177
Property, plant and equipment written off	-	-	4	-
Loss on disposal of property, plant and equipment	-	-	-	44
Unrealised translation (gain)/loss	(3,404)	(1,850)	3,644	(836)
Operating cash flow before working capital changes	19,842	19,228	54,351	51,385
Changes in working capital :				
Trade and other receivables	(4,514)	6,175	(1,994)	3,918
Inventories	756	(9)	629	579
Trade and other payables	11,736	598	2,787	1,727
<b>Cash generated from operations</b>	<b>27,820</b>	<b>25,992</b>	<b>55,773</b>	<b>57,609</b>
Interest received	390	1,282	776	2,542
Interest paid	(16,823)	(17,876)	(31,328)	(36,013)
<b>Net cash generated from operating activities</b>	<b>11,387</b>	<b>9,398</b>	<b>25,221</b>	<b>24,138</b>
<b>Cash flows from investing activities</b>				
Purchase of property, plant and equipment	(797)	(177)	(1,297)	(403)
Proceeds from sale of property, plant and equipment	-	-	-	66
<b>Net cash used in investing activities</b>	<b>(797)</b>	<b>(177)</b>	<b>(1,297)</b>	<b>(337)</b>
<b>Cash flows from financing activities</b>				
Increase in restricted cash	(270)	(43)	(4,190)	(1,055)
Net proceeds from borrowings	-	361,585	-	361,585
Repayment of borrowings	(229,865)	(370,536)	(232,231)	(371,235)
Net proceeds raised from issue of units	227,838	-	227,838	-
Distributions paid to unitholders of the Trust	(8,575)	(8,575)	(17,150)	(16,414)
Distributions paid by subsidiary to minority unitholder	(840)	(900)	(840)	(1,641)
<b>Net cash used in financing activities</b>	<b>(11,712)</b>	<b>(18,469)</b>	<b>(26,573)</b>	<b>(28,760)</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(1,122)</b>	<b>(9,248)</b>	<b>(2,649)</b>	<b>(4,959)</b>
<b>Cash and cash equivalents at beginning of the period</b>	<b>92,685</b>	<b>73,377</b>	<b>96,848</b>	<b>68,064</b>
Effect of currency translation on cash and cash equivalents	6,966	(3,678)	4,330	(2,654)
<b>Cash and cash equivalents at end of the period (Note a)</b>	<b>98,529</b>	<b>60,451</b>	<b>98,529</b>	<b>60,451</b>

**Note a:**

Cash and short term deposits as at 30 September  
Less: Restricted cash  
Cash and cash equivalents

30/09/09	30/09/08
S\$'000	S\$'000
131,805	99,422
(33,276)	(38,971)
98,529	60,451

Restricted cash represents the amount of cash and cash equivalents pledged to the bank as security for the bank loans extended to the Trust, SingSpring Trust and the Basslink Group.



**CITYSPRING INFRASTRUCTURE TRUST**  
**(Reg. No. 2007001)**

**Financial Statement And Distribution Announcement for the Second Quarter and Half Year ended 30 September 2009**

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in unit or (ii) changes in unit other than those arising from capitalisation issues and distributions to unitholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

<u>Group</u>	← <u>Attributable to Unitholders of the Trust</u> →						
	Units in Issue S\$'000	Hedging Reserve S\$'000	Translation Reserve S\$'000	Accumulated Losses S\$'000	Total S\$'000	Minority Interest S\$'000	Total S\$'000
<b>2010</b>							
Balance as at 1 April 2009	451,157	(105,279)	(44,557)	(165,489)	135,832	12,690	148,522
Total comprehensive income for the quarter	-	46,297	15,138	24,006	85,441	622	86,063
Distributions paid	-	-	-	(8,575)	(8,575)	-	(8,575)
<b>Balance as at 30 June 2009</b>	<b>451,157</b>	<b>(58,982)</b>	<b>(29,419)</b>	<b>(150,058)</b>	<b>212,698</b>	<b>13,312</b>	<b>226,010</b>
Units issued	235,183	-	-	-	235,183	-	235,183
Units issue cost	(6,095)	-	-	-	(6,095)	-	(6,095)
Total comprehensive income for the quarter	-	(2,965)	9,225	(16,569)	(10,309)	28	(10,281)
Distributions paid	-	-	-	(8,575)	(8,575)	(840)	(9,415)
<b>Balance as at 30 September 2009</b>	<b>680,245</b>	<b>(61,947)</b>	<b>(20,194)</b>	<b>(175,202)</b>	<b>422,902</b>	<b>12,500</b>	<b>435,402</b>
<b>2009</b>							
Balance as at 1 April 2008	451,157	(3,555)	(6,376)	(81,715)	359,511	16,118	375,629
Total comprehensive income for the quarter	-	29,039	12,523	8,067	49,629	2,026	51,655
Distributions paid	-	-	-	(7,839)	(7,839)	(741)	(8,580)
<b>Balance as at 30 June 2008</b>	<b>451,157</b>	<b>25,484</b>	<b>6,147</b>	<b>(81,487)</b>	<b>401,301</b>	<b>17,403</b>	<b>418,704</b>
Total comprehensive income for the quarter	-	(62,106)	(37,055)	(36,625)	(135,786)	(1,968)	(137,754)
Distributions paid	-	-	-	(8,575)	(8,575)	(900)	(9,475)
<b>Balance as at 30 September 2008</b>	<b>451,157</b>	<b>(36,622)</b>	<b>(30,908)</b>	<b>(126,687)</b>	<b>256,940</b>	<b>14,535</b>	<b>271,475</b>

**CITYSPRING INFRASTRUCTURE TRUST**  
(Reg. No. 2007001)

**Financial Statement And Distribution Announcement for the Second Quarter and Half Year ended 30 September 2009**

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in unit or (ii) changes in unit other than those arising from capitalisation issues and distributions to unitholders, together with a comparative statement for the corresponding period of the immediately preceding financial year. (cont'd)

**Trust**

	Units in Issue	Accumulated Losses	Total
	S\$'000	S\$'000	S\$'000
<b>2010</b>			
Balance as at 1 April 2009	451,157	(61,560)	389,597
Total comprehensive income for the quarter	-	4,850	4,850
Distributions paid	-	(8,575)	(8,575)
<b>Balance as at 30 June 2009</b>	<b>451,157</b>	<b>(65,285)</b>	<b>385,872</b>
Units issued	235,183	-	235,183
Units issue cost	(6,095)	-	(6,095)
Total comprehensive income for the quarter	-	1,270	1,270
Distributions paid	-	(8,575)	(8,575)
<b>Balance as at 30 September 2009</b>	<b>680,245</b>	<b>(72,590)</b>	<b>607,655</b>
<b>2009</b>			
Balance as at 1 April 2008	451,157	(55,127)	396,030
Total comprehensive income for the quarter	-	10,090	10,090
Distributions paid	-	(7,839)	(7,839)
<b>Balance as at 30 June 2008</b>	<b>451,157</b>	<b>(52,876)</b>	<b>398,281</b>
Total comprehensive income for the quarter	-	6,584	6,584
Distributions paid	-	(8,575)	(8,575)
<b>Balance as at 30 September 2008</b>	<b>451,157</b>	<b>(54,867)</b>	<b>396,290</b>

1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

	01/07/09 to 30/09/09	01/07/08 to 30/09/08	01/04/09 to 30/09/09	01/04/08 to 30/09/08
Issued units at the beginning of the period	489,965,504	489,965,504	489,965,504	489,965,504
Rights issue (Note a)	489,965,504	-	489,965,504	-
Issued units at the end of the period	979,931,008	489,965,504	979,931,008	489,965,504

(a) Rights Units issued on 24 September 2009 pursuant to the completion of the fully underwritten renounceable rights issue

**CITYSPRING INFRASTRUCTURE TRUST**  
**(Reg. No. 2007001)**

**Financial Statement And Distribution Announcement for the Second Quarter and Half Year ended  
30 September 2009**

---

**1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.**

	<b>30/09/09</b>	<b>31/03/09</b>
Total issued units	979,931,008	489,965,504

**1(d)(iv) A statement showing all sales, transfers, disposals, cancellation and/or use of treasury shares as at the end of the current financial period reported on**

Not applicable.

**2. Whether the figures have been audited, or reviewed and in accordance with which auditing standard or practice**

The financial information as set out in paragraphs 1, 5, 6(i), 6(ii) and 7 of this announcement have been extracted from the interim financial report that have been reviewed in accordance with SSRE 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity.

**3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of matter)**

The Auditor's review report dated 12 November 2009 on the interim financial report of CitySpring Infrastructure Trust and its subsidiaries for the half year ended 30 September 2009 is enclosed in Appendix 1.

**4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied**

Yes.

**5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standards, what has changed, as well as the reasons for, and the effect of, the change**

On 1 April 2009, the Group adopted the following relevant new or revised Financial Reporting Standards (FRS)

- FRS 1 (revised 2008) – Presentation of financial statements

FRS 1 (revised 2008) requires all changes in equity arising from transactions with owners in their capacity as owners to be presented separately from the components of comprehensive income taken directly to equity. These components taken directly to equity are presented in a separate Statement of Comprehensive Income.

- FRS 108 – Operating segments

FRS 108 requires a 'management approach' under which segment information is presented on the same basis as that used for internal reporting purposes. The reportable operating segments have not been changed as they are consistent with the internal reporting provided to the Board of Directors, the chief operating decision-maker of the Group. The measure of performance disclosed has been changed to cash earnings to align with the way the Board evaluates segment performance and decides on allocation of resources.

- FRS 23 (revised 2007) – Amendment to FRS 23, Borrowing costs

The revised standard removes the option to expense borrowing costs and requires that an entity capitalise borrowing costs directly attributable to the acquisition, construction or production of qualifying asset as part of that asset.

The adoption of the above FRS does not have any significant impact on the accounting policies.

**CITYSPRING INFRASTRUCTURE TRUST**  
(Reg. No. 2007001)

**Financial Statement And Distribution Announcement for the Second Quarter and Half Year ended 30 September 2009**

6. **Earnings per unit of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year.**

**Earnings per unit ('EPU') and distribution per unit ('DPU') for the financial period**

	<b>01/07/09 to 30/09/09</b>	<b>01/07/08 to 30/09/08</b>	<b>01/04/09 to 30/09/09</b>	<b>01/04/08 to 30/09/08</b>
(i) Weighted average number of units	521,919,776	489,965,504	506,029,947	489,965,504
(ii) (Loss)/earnings per unit for the period based on the weighted average number of units in issue (cents)				
- Basic and diluted	(3.17)	(7.48)	1.47	(5.83)
(iii) Number of units issued at end of period	979,931,008	489,965,504	979,931,008	489,965,504
(iv) Distribution per unit for the period (cents)	1.05 <sup>(#)</sup>	1.75	2.80	3.50

<sup>(#)</sup> Post Rights Issue

7. **Net asset value (for the issuer and the group) per unit based on the total number of issued units excluding treasury shares at the end of the:-**

- (a) **current financial period reported on; and**  
(b) **immediately preceding financial year.**

**Net asset value ("NAV") per unit based on units issued at the end of the period**

	<b>Group</b>		<b>Trust</b>	
	<b>30/09/09</b>	<b>31/03/09</b>	<b>30/09/09</b>	<b>31/03/09</b>
Net asset value per unit (S\$)	0.43	0.28	0.62	0.80

The Group NAV per unit before hedging and translation reserves is S\$0.52 as at 30 September 2009 and S\$0.58 as at 31 March 2009.

The number of units used for computation of actual NAV per unit is 979,931,008 and 489,965,504 which is the number of units in issue as at 30 September 2009 and 31 March 2009 respectively.

The Group adopts an active risk management strategy and where appropriate would enter into contracts to protect its cash flow. This policy is consistent with the Group's stated objective of delivering regular and stable distributions to unitholders. Accounting standards require movements in the fair value of held-for-trading contracts to be recorded in the income statement and of hedging contracts to be recognised in the hedging reserve. At 30 September 2009, the Group had a hedging reserve of negative S\$61.9 million (31 March 2009: negative S\$105.3 million). The fair value movements in hedging reserve are non-cash and do not reflect the fundamental value of the Group's businesses.

**Financial Statement And Distribution Announcement for the Second Quarter and Half Year ended  
30 September 2009**

---

8. **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-**
- (a) **any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and**
  - (b) **any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

**Income Statement**

**2Q FY10 vs 2Q FY09**

**Revenue**

At City Gas Trust, revenue of S\$61.2 million in 2Q FY10 was lower than its revenue of S\$77.4 million in 2Q FY09 due to lower tariffs charged in response to lower feedstock costs for gas production which was partially offset by volume growth in town gas sales.

SingSpring's revenue of S\$9.8 million in 2Q FY10 was higher than its revenue of S\$6.5 million in 2Q FY09 due to rebasing of energy costs in accordance with the Water Purchase Agreement which was effective from 16 December 2008. The dispatch level for the quarter was 42% whilst it was 26% during the corresponding quarter.

Basslink's revenue of A\$17.6 million in 2Q FY10 was higher compared to A\$13.8 million in 2Q FY09 due to higher facility fee as a result of higher availability. There was also higher CRSM<sup>2</sup> recorded during the current quarter compared to the corresponding quarter. Basslink revenue was also boosted from the launch of its telecoms services which commenced carrying commercial traffic from July 2009.

**Other (losses)/gains - net**

Other losses - net of S\$1.4 million in 2Q FY10 comprises fair value loss on derivative financial instruments and currency translation gains or losses. Other losses – net of S\$13.5 million in 2Q FY09 also included realised gain on derivative financial instruments.

**Operating Expenses**

Fuel and electricity costs of S\$32.0 million in 2Q FY10 were lower than the costs of S\$46.4 million in 2Q FY09 due to lower fuel cost.

Depreciation and amortisation costs of S\$13.5 million in 2Q FY10 are lower compared to S\$13.9 million due to lower amortisation costs as the intangible – customer contract recognised in respect of telecoms services was written off during the last financial year to pave the way for the commercialisation of the fibre optic cables (see above comment on telecoms revenue).

Finance costs of S\$25.5 million in 2Q FY10 were higher compared to S\$23.3 million due to write off of debt amortisation costs in relation to partial repayment of the corporate loan from proceeds from the Trust's recent rights issue. This has been partially offset by lower interest rates charged during the period.

Other operating expenses of S\$7.7 million in 2Q FY10 were higher compared to S\$6.7 million in 2Q FY09 due mainly to expenses incurred for the Trust's recent fully underwritten renounceable rights issue.

---

<sup>2</sup> Commercial Risk Sharing Mechanism relates to the sharing of market risk payment under the Basslink Service Agreement with Hydro Tasmania

**Financial Statement And Distribution Announcement for the Second Quarter and Half Year ended 30 September 2009**

---

8. **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-**
- (a) **any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and**
  - (b) **any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on. (cont'd)**

***Cash earnings***

City Gas Trust recorded cash earnings of S\$3.0 million in 2Q FY10 compared to S\$3.6 million in 2Q FY09. This was due mainly to the impact of a lower gas tariff although operating expenses for the quarter also declined. From quarter to quarter, there may be short-term fluctuations in the cash earnings of City Gas Trust due to a time-lag in the adjustment of gas tariffs to reflect actual fuel cost. Over a period of time, these fluctuations should leave City Gas Trust neutral to the effect of changes in fuel costs.

SingSpring desalination plant continues to achieve 100% availability and recorded healthy cash earnings of S\$4.7 million in 2Q FY10 compared to S\$4.9 million in 2Q FY09.

Basslink delivered a strong operating performance during the quarter, achieving 100% availability. Cumulative availability for the current calendar year up to 30 September 2009 is 99.8%. Basslink's cash earnings for 2Q FY10 was A\$4.8 million compared to A\$3.8 million in 2Q FY09. The higher cash earnings in 2Q FY10 was due to higher availability, higher CRSM and contribution from its telecoms services which has been carrying traffic for several corporate customers from July 2009.

There was one-time upfront fees payment for corporate loan financing of S\$7.8 million in 2Q FY09.

**1H FY10 vs 1H FY09**

***Revenue***

At City Gas Trust, revenue of S\$117.7 million in 1H FY10 was lower than its revenue of \$150.0 million in 1H FY09 due to lower tariffs charged in response to lower feedstock costs for gas production.

SingSpring's revenue of S\$18.0 million in 1H FY10 was higher than its revenue of \$12.9 million in 1H FY09 due to rebasing of energy costs in accordance with the Water Purchase Agreement which was effective from 16 December 2008. The dispatch level for the half year was 33% whilst it was 27% during the corresponding period.

Basslink's revenue of A\$33.8 million in 1H FY10 was higher compared to A\$29.5 million in 1H FY10 due to higher facility fee as a result of higher availability. There was also higher CRSM recorded during the half year compared to the corresponding period. Basslink's revenue was also boosted from the launch of its telecoms services which commenced carrying commercial traffic from July 2009.

***Other (losses)/gains - net***

Other gains - net of S\$6.8 million in 1H FY10 comprises fair value gain on derivative financial instruments and currency translation gains or losses. Other losses – net of S\$7.0 million in 1H FY09 also included realised gain on derivative financial instruments.

***Operating Expenses***

Fuel and electricity costs of \$54.8 million in 1H FY10 were lower than the costs of \$82.1 million in the corresponding period due to lower fuel cost.

Depreciation and amortisation costs of \$26.3 million in 1H FY10 are lower compared to S\$27.9 million due to lower amortisation costs as the intangible – customer contract recognised in respect of telecoms services was written off during the last financial year to pave the way for the commercialisation of the fibre optic cables (see above comment on telecoms revenue).

Finance costs of S\$43.8 million in 1H FY10 were lower compared to S\$44.7 million in 1H FY09 due to lower interest rates charged which was partially offset by the write off of debt amortisation costs in relation to partial repayment of the corporate loan from proceeds raised from the Trust's recent rights issue.

Other operating expenses of S\$13.8 million in 1H FY10 were lower compared to S\$14.7 million in 1H FY09 due mainly to lower operating expenses incurred by the Group which was partially offset by expenses incurred for the Trust's recent fully underwritten renounceable rights issue.

**Financial Statement And Distribution Announcement for the Second Quarter and Half Year ended 30 September 2009**

---

8. **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-**
- (a) **any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and**
  - (b) **any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on. (cont'd)**

***Cash earnings***

City Gas Trust recorded cash earnings of S\$10.3 million in 1H FY10 compared to S\$11.6 million in 1H FY09. This was due mainly to the impact of a lower gas tariff although operating expenses for the half year also declined. From quarter to quarter, there may be short-term fluctuations in the cash earnings of City Gas Trust due to a time-lag in the adjustment of gas tariffs to reflect actual fuel cost. Over a period of time, these fluctuations should leave City Gas Trust neutral to the effect of changes in fuel costs.

SingSpring desalination plant continues to achieve 100% availability and recorded healthy cash earnings of S\$9.4 million in 1H FY10 compared to S\$9.6 million in 1H FY09.

Basslink's cash earnings for 1H FY10 was A\$9.7 million compared to A\$9.5 million in 1H FY09. The higher cash earnings in 1H FY10 was due to higher availability, higher CRSM and contribution from its telecoms services which commenced from July 2009.

9. **Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.**

No forecast statement for financial year 2010 has been disclosed.

10. **A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months**

The underlying performance of the three assets in the Group is expected to continue to remain stable. Basslink and SingSpring have long-term contract with state-owned utilities. Basslink Telecoms services which commenced from July 2009 are operating smoothly.

City Gas Trust cash earnings could fluctuate depending on changes in tariffs in response to changes in fuel costs. City Gas Trust has increased its gas tariff for households by an average of 13.8% with effect from 1 November 2009. The increase is due to the increase in the cost of feedstock for gas production, brought about by higher prices for high sulphur fuel oil. The increase in gas tariff has been approved by the Energy Markets Authority. Over time, the effect of changes in fuel costs should have a neutral effect on City Gas Trust cash earnings.

In line with CitySpring's acquisition strategy the Trustee-Manager is considering a number of possible acquisition opportunities and will announce further details as to such opportunities in compliance with applicable disclosure requirements. There can be no assurance that any of these opportunities will be realised.

**CITYSPRING INFRASTRUCTURE TRUST**  
**(Reg. No. 2007001)**

**Financial Statement And Distribution Announcement for the Second Quarter and Half Year ended**  
**30 September 2009**

---

**11. Distributions**

**(a) Current financial period reported on**

Any distributions declared for the current financial period	:	Yes
Amount	:	S\$10,289,275
Distribution period	:	From 01/07/2009 to 30/09/2009
Distribution type	:	Cash, Tax-Exempt Income
Distribution rate	:	1.05 Singapore cents per unit <sup>(#)</sup>
Par value	:	Not applicable
Tax rate	:	Distributions received by either Singapore tax resident Unitholders or non-Singapore tax resident Unitholders are exempt from Singapore income tax and also not subject to Singapore withholding tax. Unitholders are not entitled to tax credits of any taxes paid by the Trustee-Manager of CitySpring.

<sup>(#)</sup> Post Rights Issue

**(b) Corresponding Period of the Immediately Preceding Financial Period**

Any distributions declared for the current financial period	:	Yes
Amount	:	S\$8,574,396
Distribution period	:	From 01/07/2008 to 30/09/2008
Distribution type	:	Cash, Tax-Exempt Income
Distribution rate	:	1.75 Singapore cents per unit
Par value	:	Not applicable
Tax rate	:	Distributions received by either Singapore tax resident Unitholders or non-Singapore tax resident Unitholders are exempt from Singapore income tax and also not subject to Singapore withholding tax. Unitholders are not entitled to tax credits of any taxes paid by the Trustee-Manager of CitySpring.

**(c) Date Payable** : 15 December 2009

**(d) Books closure date** : The Transfer Books and Register of CitySpring Infrastructure Trust will be closed from 5.00 p.m. on 30 November 2009 for the purposes of determining each unitholder's entitlement to the distribution. Unitholders whose Securities Accounts with The Central Depository (Pte) Limited ("CDP") are credited with units at 5.00 p.m. on 30 November 2009 will be entitled to the distribution to be paid on 15 December 2009.

**12. If no distribution has been declared/recommended, a statement to that effect**

Not applicable.



**CITYSPRING INFRASTRUCTURE TRUST**  
**(Reg. No. 2007001)**

**Financial Statement And Distribution Announcement for the Second Quarter and Half Year ended 30 September 2009**

**13. INTERESTED PARTY TRANSACTIONS**

Name of Interested Person	Aggregate value of all interested person transactions conducted during the financial period under review (1) under shareholders' mandate pursuant to Rule 920 and (2) transactions disclosed in the IPO Prospectus (excluding transactions less than \$100,000)	
	<b>2Q FY10 S\$'000</b>	<b>2Q FY09 S\$'000</b>
<b>(a) Sales</b>		
Powergas Limited	1,143	2,304
SATS Catering Pte Ltd	1,168	1,136
<b>(b) Purchases</b>		
Aetos Security Management Pte Ltd	126	126
Gas Supply Pte Ltd <sup>3</sup>	27,283	42,323
Powergas Limited	19,879	19,334
SembCorp Power	1,188	1,418
SP Services Limited	3,120	2,945
Seraya Energy Pte Ltd <sup>4</sup>	-	3,559
<b>(c) Leasing of Assets (Rental Charges)</b>		
Powergas Limited	99	99
SP Services Limited	50	-
<b>(d) Management Fee Expense</b>		
CitySpring Infrastructure Management Pte. Ltd.	998	966

There are no interested person transactions (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920) entered into by CitySpring Infrastructure Management Pte. Ltd. (as Trustee-Manager of CitySpring Infrastructure Trust) and its subsidiaries for the financial period ended 30 September 2009 and 30 September 2008.

<sup>3</sup> For the avoidance of doubt, this value does not include purchases of additional natural gas under the supplemental gas purchase agreement entered into on 16 May 2008 by City Gas Trust to secure an additional supply of natural gas from Gas Supply Pte Ltd. Approval from independent unitholders for entry into the supplemental gas purchase agreement had been sought and received at the extraordinary general meeting held on 3 July 2008

<sup>4</sup> This value only includes transactions under the energy supply agreement made between SingSpring Trust and Seraya Energy Pte Ltd ("SEPL") on 30 March 2004 ("Initial ESA"). The Initial ESA expired in December 2008. SingSpring Trust and SEPL entered into a new energy supply agreement on 9 December 2008 ("New ESA"). Pursuant to a ruling from the SGX on 13 May 2008, the New ESA is not considered an interested person transaction. Furthermore, following Temasek's divestment of the PowerSeraya Group on 6 March 2009, SEPL has ceased to be an interested person as of that date

**CITYSPRING INFRASTRUCTURE TRUST**  
**(Reg. No. 2007001)**

**Financial Statement And Distribution Announcement for the Second Quarter and Half Year ended  
30 September 2009**

---

**14. Confirmation by the Board pursuant to Rule 705(4)**

The Board of CitySpring Infrastructure Management Pte. Ltd. (as Trustee-Manager of CitySpring Infrastructure Trust) has confirmed that, to the best of their knowledge, nothing has come to their attention which may render the unaudited interim financial results of the Group for the quarter ended 30 September 2009 to be false or misleading in any material aspect.

This release may contain forward-looking statements that involve risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from other companies and venues for the sale/distribution of goods and services, shifts in customer demands, customers and partners, changes in operating expenses, including employee wages, benefits and training, governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business. You are cautioned not to place undue reliance on these forward looking statements, which are based on current view of management on future events.

BY ORDER OF THE BOARD  
CITYSPRING INFRASTRUCTURE MANAGEMENT PTE. LTD.  
(COMPANY REGISTRATION NO. 200614377M)  
AS TRUSTEE-MANAGER OF CITYSPRING INFRASTRUCTURE TRUST

Susanna Cher  
Company Secretary

Singapore  
12 November 2009



**The Board of Directors**  
**CitySpring Infrastructure Management Pte. Ltd.**  
**(as the Trustee-Manager of CitySpring Infrastructure Trust)**  
 111 Somerset Road #02-05  
 TripleOne Somerset  
 Singapore 238164

**PricewaterhouseCoopers LLP**  
 pwc.com/sg  
 8 Cross Street #17-00  
 PWC Building  
 Singapore 048424  
 Telephone (65) 6236 3388  
 Facsimile (65) 6236 3300  
 GST No.: M90362193L  
 Reg. No.: T09LL0001D

**INDEPENDENT AUDITOR'S REPORT  
 ON REVIEW OF CONDENSED INTERIM FINANCIAL INFORMATION**

*Introduction*

We have reviewed the condensed interim financial information of CitySpring Infrastructure Trust (the "Trust") and its subsidiaries (collectively, the "Group") set out on pages 3 to 30, which comprise the condensed balance sheets of the Trust and of the Group as of 30 September 2009 and the related condensed statements of income of the Group, comprehensive income of the Group, changes in unitholders' funds of the Trust and of the Group and cash flows of the Group for the six months ended 30 September 2009, and explanatory notes. The Trustee-Manager is responsible for the preparation and presentation of this condensed interim financial information in accordance with Singapore Financial Reporting Standard 34, 'Interim Financial Reporting'. Our responsibility is to express a conclusion on this condensed interim financial information based on our review.

*Scope of review*

We conducted our review in accordance with Singapore Standard on Review Engagements 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity'. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Singapore Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

*Conclusion*

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial information is not prepared, in all material respects, in accordance with Singapore Financial Reporting Standard 34, 'Interim Financial Reporting'.

PricewaterhouseCoopers LLP  
 Public Accountants and Certified Public Accountants  
 Singapore, 12 November 2009