



Investors' Seminar – Presentation By CitySpring

15 December 2007

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1 Overview

2 Assets – City Gas, SingSpring and Basslink

3 Financial Results for Quarter Ended 30 Sep 2007

4 Acquisition Pipeline

5 Conclusion

Background

- First infrastructure business trust listed on the Singapore Exchange (“SGX”)
- Temasek’s key platform for infrastructure investments

Investors

- Sponsor – Temasek (27.8%)
- Top 10 investors include Fidelity, Capital, F&C, Schroders, Alliance Trust
- More than 17,000 retail investors

Assets

- 100% of City Gas – Singapore’s sole producer and retailer of town gas
- 70% of SingSpring – Singapore’s sole supplier of desalinated water to the PUB
- 100% of Basslink – a high voltage direct current (“HVDC”) electrical interconnector between the states of Victoria and Tasmania in Australia

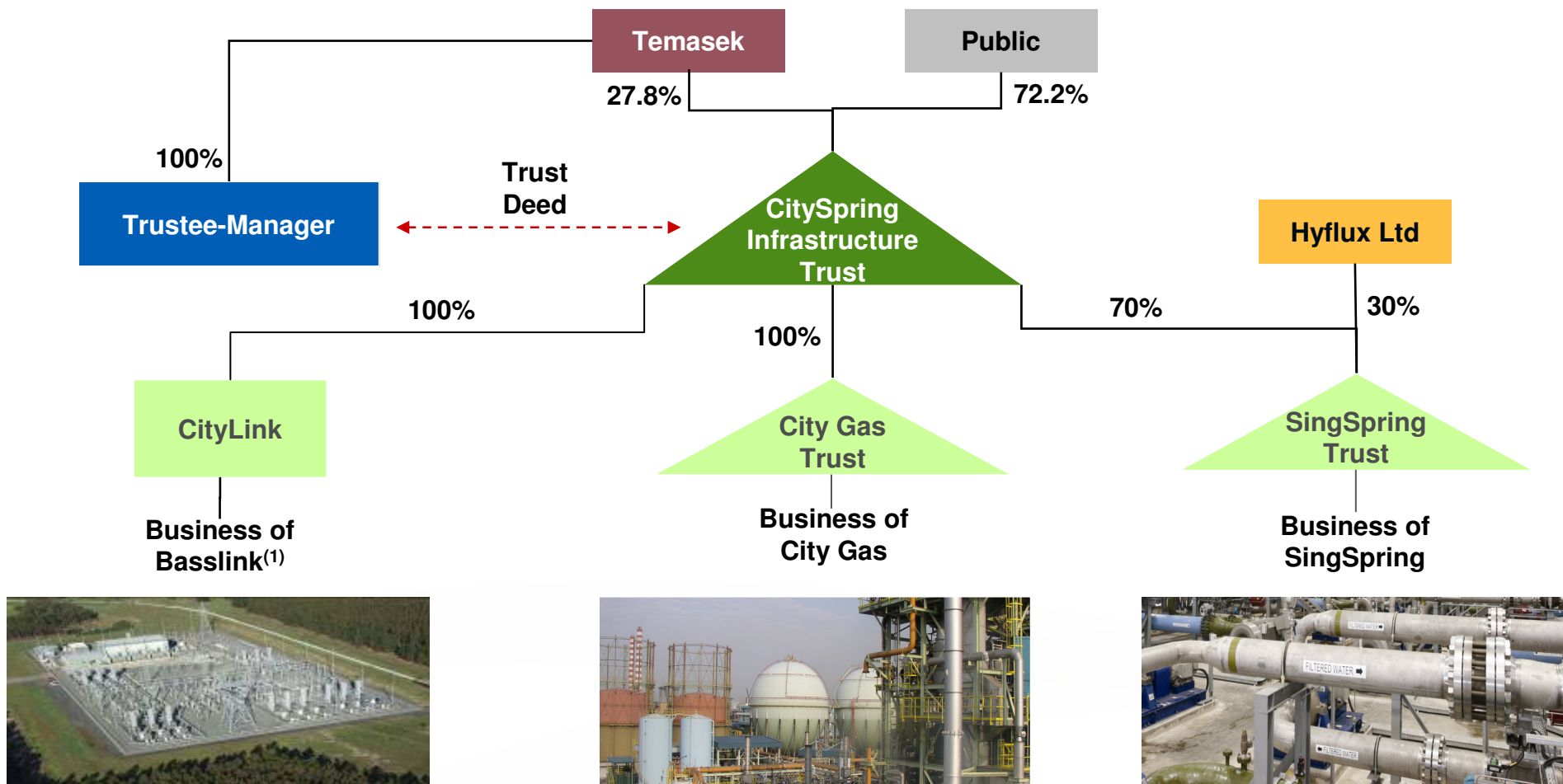
Focus

- Primary geographic focus:
 - Asia
 - Middle East
 - Australia & New Zealand
- Sector focus:
 - Utilities
 - Transportation / Logistics
 - Communications

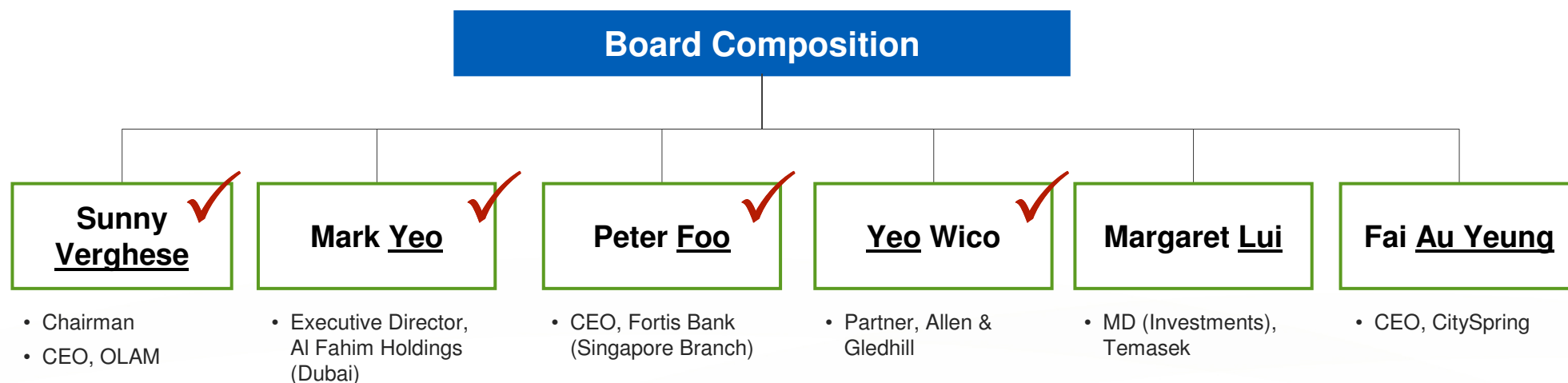
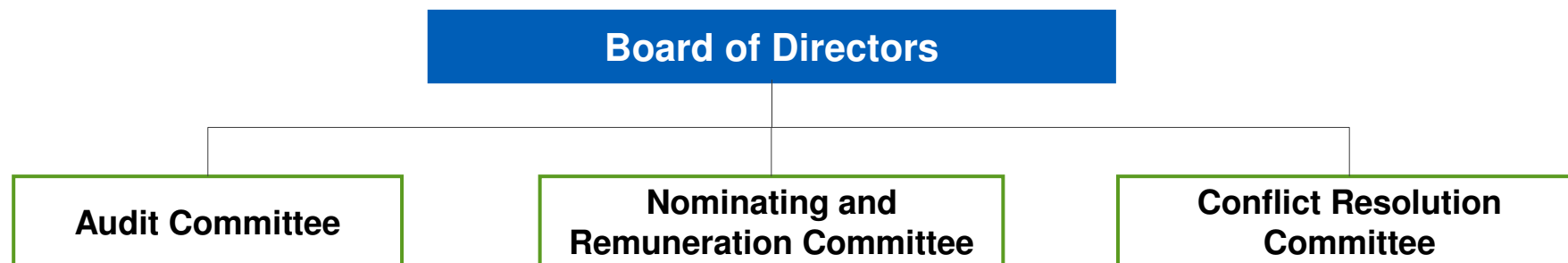
Criteria

- Long-term, regular and predictable cash flows
- Long-term capital growth
- Regulated / long-term contracts or concessions
- Exercise control / significant influence

CitySpring aims to position itself as a leading player in the infrastructure sector by achieving significant growth through acquisitions



(1) Subject to Unitholders' approval at the upcoming EGM



 **Independent Director**

Majority independent and experienced Board composition



CEO
Fai Au Yeung



CFO
Yew Heng Tong

Trustee-Manager

Key Investment Team Members

- **Robert Liu** – Over 15 yrs of Investment Banking experience; executed a wide range of transactions in China and HK
- **Jacqueline Ong** – Extensive Asian infrastructure experience including Power, Waste/Water, Roads, and Telecoms
- **Gerry Chan** – Extensive experience in infrastructure projects, particularly in Ports, Transportation & Logistics sectors

Basslink



Acting CEO

Malcolm Eccles

- Over 20 years of operational and investment experience in the infrastructure sector

City Gas



President &
CEO

Yong Hwee Ng

- Over 16 years of experience in petrochemical and energy industries

SingSpring



Plant Manager¹

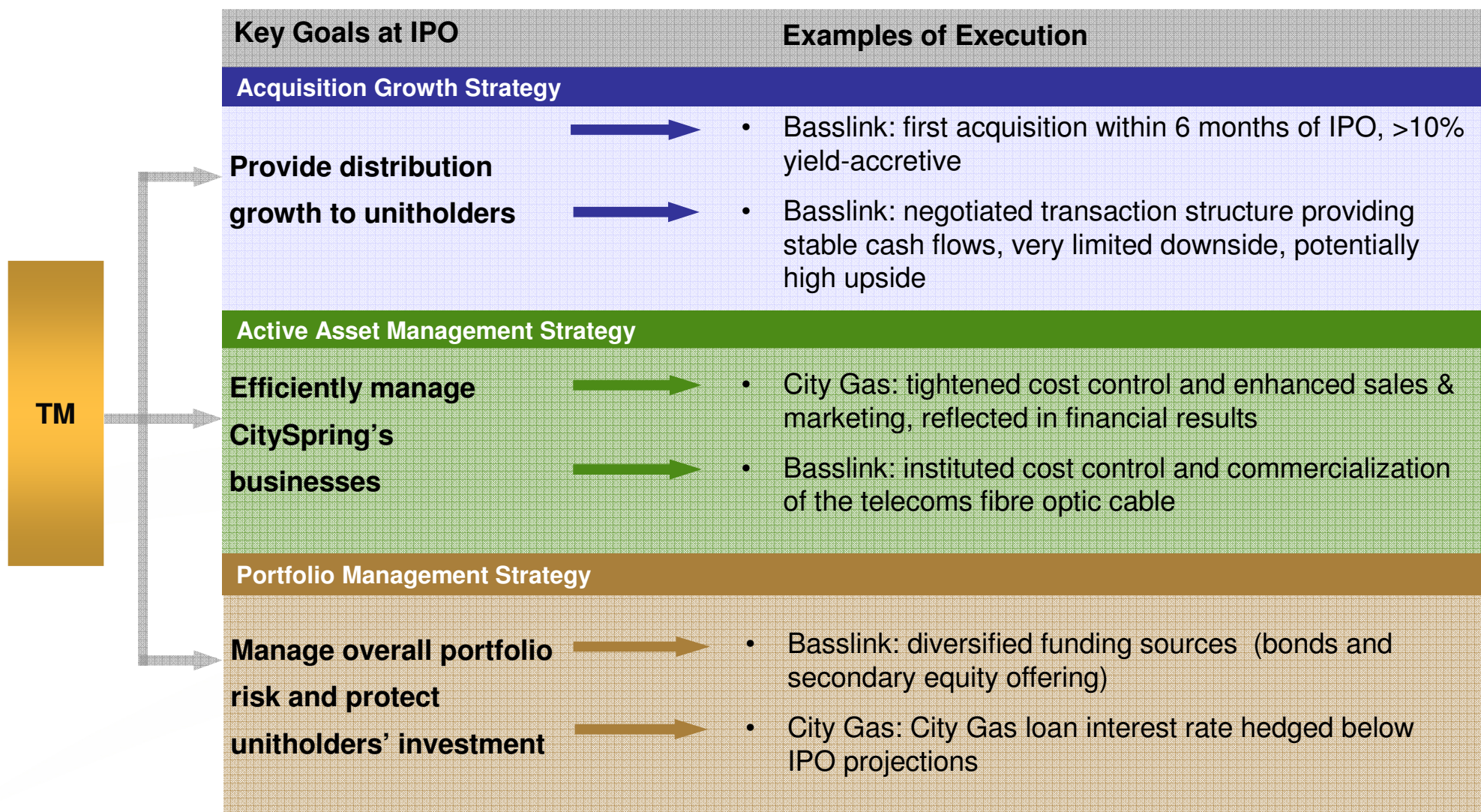
David Hurn

- 15 years of experience in the water and electricity industries

¹ SingSpring's O&M is outsourced to Hyflux Engineering

Trustee-Manager's Role

- The objectives of Trustee-Manager (TM) are to safeguard the interests of unitholders and to manage the businesses owned by CitySpring



Firm Name	Recommendation	Target Price	Date
1) DBS	Buy	S\$1.55	15 Aug
2) Morgan Stanley	Neutral	S\$1.50	15 Nov
3) UBS	Buy	S\$1.45	30 Oct
4) Nomura	Neutral	S\$1.31	15 Aug
5) JP Morgan	Sell	S\$1.30	31 Jul

Source: Analyst Reports

1 Overview

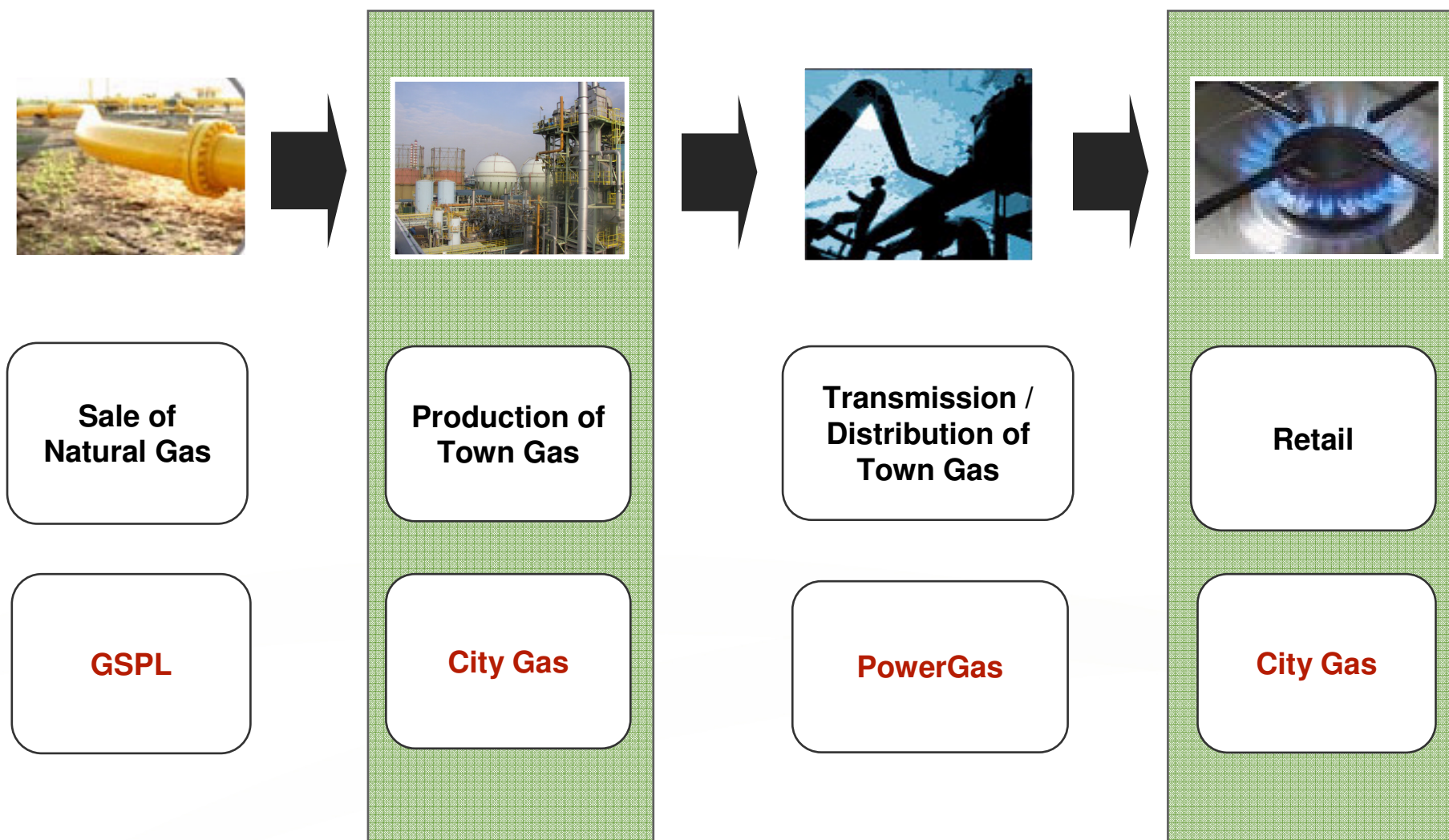
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City Gas Business Overview



Sole producer and retailer of town gas in Singapore

City Gas Business Strengths

1



Sole producer and retailer of town gas

2



Strong position in the residential segment

3



Stable cash flow from a wide customer base

4



Established track record

5



Strong management team

Strong market position, stable cash flows and organic growth

Financial performance ahead of projections

- Savings on all major types of operational expenses vs. projections

Active strategy to increase the market's usage of gas

- Cooking, gas-powered water heaters and clothes dryers
- Secured new contracts to install gas-powered hot water systems in hotels

Strong market potential

- Significant new housing developments going forward
- ~95% of them will have piped gas access

Singapore's Water Policy – “Four Taps Approach”

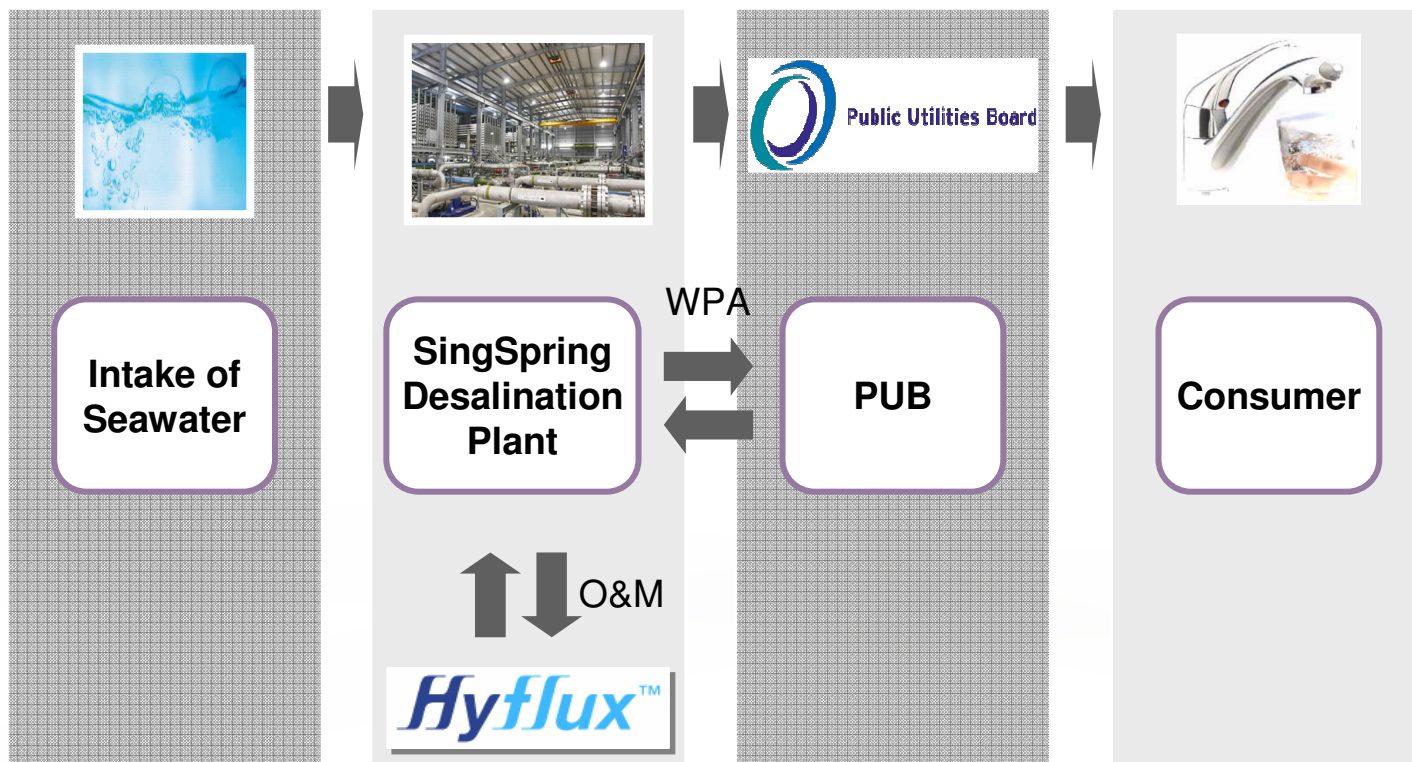
1. Local Catchment Water

2. Imported Johor Water

3. NEWater – Recycled Water

4. Desalinated Water

Seawater Desalination Process



Critical asset to Singapore

SingSpring Business Strengths

1

Long-term contract with PUB, Singapore's national water agency

2

Long-term, regular and predictable cash flows due to WPA

3

Usage of advanced technology in desalination process

4

Access to an experienced O&M operator – Hyflux Engineering

5

A strong track record

Long-term predictable cash flows and experienced O&M operator

SingSpring Performance Update

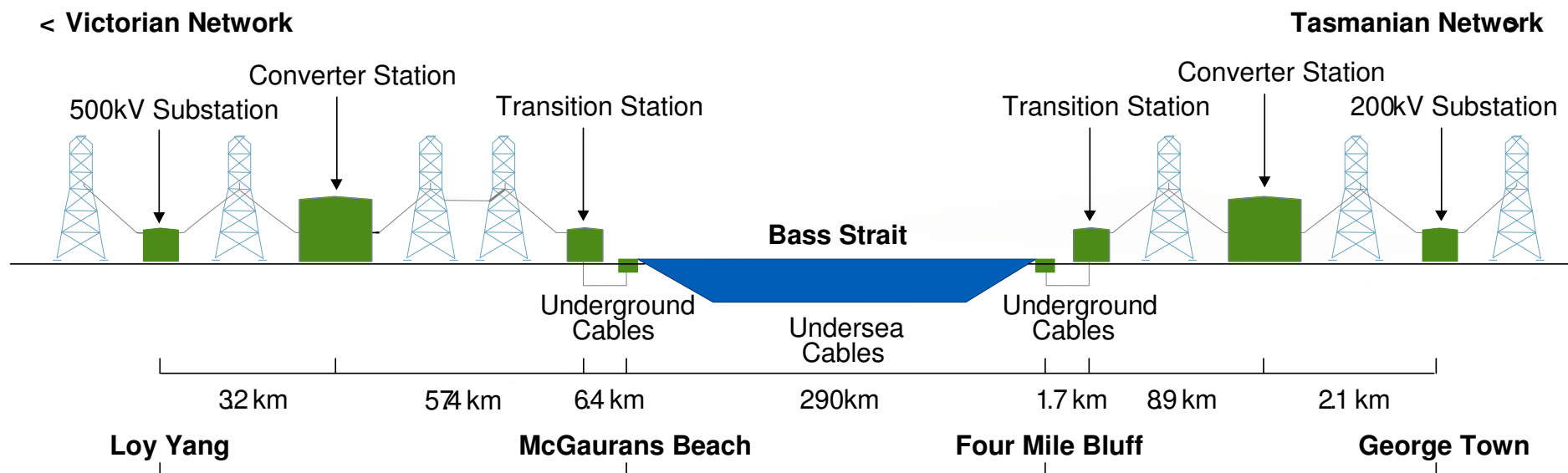
Financial performance ahead of projections

- Cash flow from operations significantly higher than projections

Strong operating performance

- 100% water production availability since commissioning in Dec 2005
- Quality of water produced to-date met the requirements as stipulated in the Water Purchase Agreement

- **Unique:** Basslink is currently the world's longest operational subsea electricity transmission cable, connecting the states of Victoria and Tasmania in Australia
- **New:** Basslink began commercial operations in April 2006
- **Strategic:** Basslink was constructed to allow Tasmania to participate in the National Electricity Market ("NEM") and to provide power stability



Basslink Investment Highlights

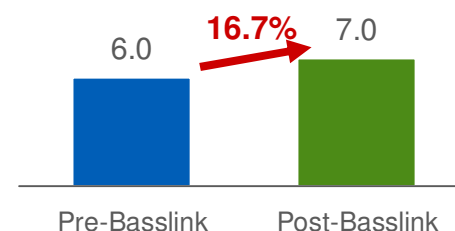
CitySpring has completed the acquisition of 100% of Basslink for A\$1,175m (S\$1,504m)



DPU Accretion

- CitySpring expects to increase its annual distribution to 7.0cpu for the period from completion of the equity fund raising to the end of FY09⁽²⁾

CitySpring Distribution (cpu)⁽¹⁾



Long-Term Stable Cash Flows

- Newly commissioned, long-life asset supported by a 25-year contract with a government-owned counterparty
- Revenue is largely based on availability of the interconnector, not on Utilisation



Growth

- Revenues are structured to escalate with inflation
- Potential upside in telecoms revenue associated with commercialisation of the fibre optic cable
- Improvement of asset life through additional capex
- Potential to increase capacity



(1) In Singapore cents per unit

(2) Based on a range of assumptions, including exchange rate, to be outlined in more detail in Unitholder Circular provided prior to Unitholder EGM

Financials for the Year Ending 31 March⁽¹⁾

A\$m		FY2007A	FY2008F	FY2009F
Revenue	Facility Fee	58.8	64.8	65.8
	CRSM	0.3	16.2	0.0
	Incentive availability	0.8	0.9	0.9
	Telecoms	1.8	2.0	2.0
		61.7	83.9	68.7
Expenses	Labour	(3.0)	(2.1)	(2.3)
	Network	(1.3)	(1.7)	(1.7)
	Administration	(1.6)	(1.7)	(1.7)
	Insurance	(1.4)	(2.0)	(2.0)
	Connection	(0.7)	(1.1)	(1.1)
		(7.9)	(8.6)	(8.8)
Floating Interest Rate Delta		7.3	10.0	10.0
Adj. EBITDA		61.0	85.4	69.9

Note:

(1) FY2007A represents actual financial performance for the period ended 31 March 2007 (reflects only 11 months of commercial activity, since Basslink was commissioned in April 2006). FY2008F and FY2009F represents forecast financial performance for the years ending 31 March 2008 and 2009, respectively.

- The Basslink acquisition was funded by a combination of 25% equity and 75% debt
- Equity funding has been financed through an equity bridge facility which has an all-in rate of less than 3.0%⁽¹⁾ based on the support given by Temasek
- Debt funding raised via the issuance of long-term, non-recourse bonds rated at AAA/Aaa investment grade, based on financial guarantee provided by MBIA

Sources of Funds	A\$m	S\$m
Medium Term Bonds	486	622
Capital Indexed Bonds	380	486
Equity Bridge Facility	289	370
Cash on Balance Sheet	80	102
Total Sources	1,235	1,580

(1) Based on prevailing Singapore swap offer rate

Medium Term Bonds

- A\$486m floating-rate medium term bonds expiring August 2015
- Floating rate swapped into fixed rate via interest rate hedge with Hydro Tasmania
- Effective fixed rate of ~5% plus wrap costs

Capital-Indexed Bonds

- A\$190m fixed rate capital indexed bonds expiring August 2017
- A\$190m fixed rate capital indexed bonds expiring August 2019
- 10 and 12 year capital indexed bonds issued at an effective fixed rate of ~3.5% plus wrap costs
 - Provides a better match between Basslink's inflation-linked revenue and financing costs

- **Financial guarantor – MBIA**
- **Issue rating - AAA/Aaa (Stable)**
- **Underlying rating - BBB-/Baa2**

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Distribution increased by 6.7%

- Distribution of 1.6 Singapore cents per Unit. This is 0.1 cent or 6.7% higher than projection

Strong results for the Initial Assets ⁽¹⁾

- Net profit after tax for the quarter was S\$3.2 million higher than projection
- Cash earnings⁽²⁾ for the quarter was S\$10.8 million

Notes:

- (1) Initial Assets comprise City Gas Trust and SingSpring Trust
- (2) Cash earnings is defined as the aggregate of profit / (loss) before income tax adjusted for non-cash income and expenses and lease receivable repayment, after deduction of capital expenditure incurred and before principal repayment of debt for the period of review

Financial Results

CitySpring Infrastructure Trust (excluding Basslink)⁽¹⁾

Consolidated Income Statement	Quarter ended 30 Sep 2007 Actual (S\$'000)	Quarter ended 30 Sep 2007 Projection (S\$'000)
Revenue	66,593	65,501
Other Income	2,260 ⁽²⁾	383
Expenses	(63,546)	(64,322)
Profit before Management Fee and Income Tax	5,307	1,562
Net Profit/(Loss) after Tax	3,935	687

Notes:

- (1) The Basslink acquisition was completed on 31 August 2007. Projections made at IPO do not include Basslink, and therefore the above comparison also does not include Basslink.
- (2) Other income for the quarter 30 September 2007 relates mainly to other cash income of \$1.4 million, realised gain of \$0.6 million on derivative financial instruments and \$0.1 million non-cash fair value gain on derivative financial instruments

Consolidated Cash Flow Statement	Quarter ended 30 Sep 2007 (S\$'000)
Net Cash from Operating Activities	16,727
Net Cash used in Investing Activities	(1,400,049)
Net Cash provided by Financing Activities	1,429,878
Net increase in cash and cash equivalents	46,556
Cash and cash equivalents at beginning of the quarter	46,849
Effect of foreign exchange rate changes on translation	(8,217)
Cash and cash equivalents at end of the quarter	85,188⁽¹⁾

Note:

(1) Includes cash and cash equivalents amounting to S\$12.8 million set aside for payment of tax liabilities at City Gas Pte Ltd and SingSpring Pte Ltd, net of restricted cash of S\$37.1m

Period	Actual (cents per unit)	Projection (cents per unit)
12 February 2007 to 31 March 2007	0.78	0.78
Quarter ended 30 June 2007	1.50	1.50
Quarter ended 30 September 2007	1.60	1.50

- **Distribution of 1.60 cents per unit for the quarter ended 30 September 2007 was paid on 14 December 2007**
- **Distribution for this quarter excludes contribution from Basslink.**

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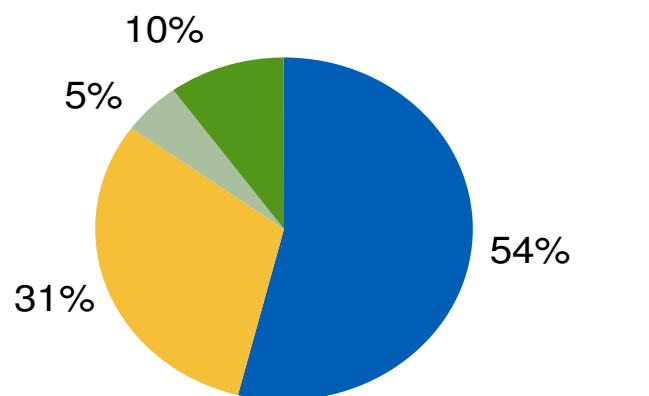
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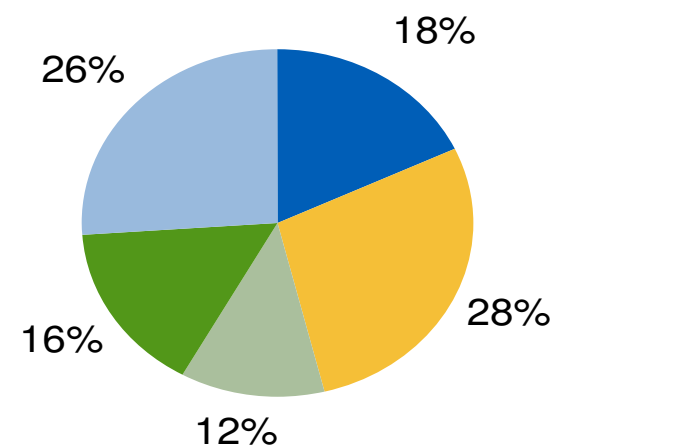
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5 Conclusion

Opportunities Reviewed by Region



Opportunities Reviewed by Sector

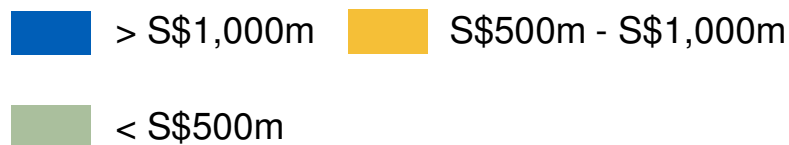
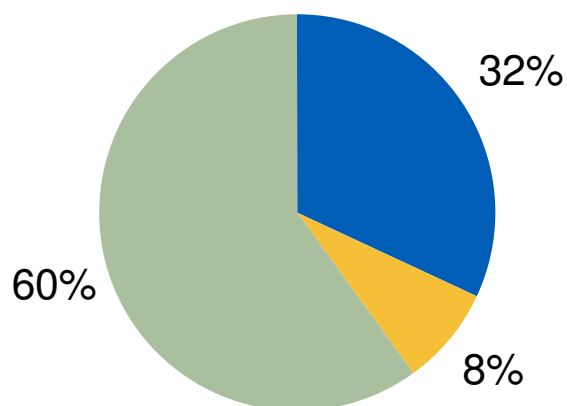


■ China / Hong Kong
 ■ Southeast Asia
■ Australia
 ■ Other parts of the world

■ Utilities (Power)
 ■ Utilities (Water)
■ Ports
 ■ Toll Roads / Tunnels
■ Logistics (Others)

CitySpring is actively reviewing investment opportunities of varying sizes, in several regions and across many sectors

Opportunities Reviewed by Size



CitySpring is actively reviewing investment opportunities of varying sizes, in several regions and across many sectors





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Promised	Delivered
 <p>Well-positioned for growth</p>	<ul style="list-style-type: none"> CitySpring completed its first major acquisition <ul style="list-style-type: none"> – Announced Basslink acquisition within 6 months of IPO – Acquisition perfectly fits investment mandate and is significantly yield-accretive – Substantial increase in portfolio size
 <p>Long-term, regular and predictable cash flows from the Initial Businesses</p>	<ul style="list-style-type: none"> Initial Businesses continue to perform above expectations <ul style="list-style-type: none"> – Cash earnings are significantly above projection
 <p>Distribution growth to Unitholders</p>	<ul style="list-style-type: none"> Basslink acquisition allows for a significant increase in distributions <ul style="list-style-type: none"> – Distribution growth of over 16%
 <p>Strong Temasek sponsorship</p>	<ul style="list-style-type: none"> Temasek provided a backstop commitment to the equity bridge to support the Basslink acquisition <ul style="list-style-type: none"> – Intends to retain its 27.8% pro-rata share in the company

CitySpring has delivered on its promises at IPO...and there is more to come !

Appendix

Price paid compares favorably with precedent transactions in the Australian utility sector

- 2008 EV / EBITDA multiple of 12.8x normalising for the interest rate hedge and Basslink's cash balance

Announced	Acquirer	Target	Value (A\$m)	EV Multiples	
				LTM EBITDA	RAB
30-Mar-2007	Sing Power	Alinta	8,763.0	16.4 x ¹	NA
20-Dec-2006	APA	DirectLink	170.0	17.5 x	1.44 x
3-Oct-2006	APA	AllGas	521.0	18.0 x	1.64 x
19-Jun-2006	APA	GasNet	1,063.3	13.0 x	1.68 x ²
4-Apr-2006	APA	SEA Gas Pipeline	133.2 ³	14.5 x	1.65 x ⁴
4-Apr-2006	APA	Envestra	170.4	12.9 x	1.56 x
30-Mar-2006	APA	Murraylink	153.0	17.4 x	1.47 x
13-Mar-2006	Alinta	AGL Infrastructure	6,500.0	14.3 x	1.83 x ⁵
Median				15.5 x	1.64 x

1. 2008 Forward EV / EBITDA figure

2. EV/RAB multiples is based on an adjusted enterprise value of A\$861.4m

3. APA acquired a 33.3% stake in SEA Gas for A\$133.2m, when grossed up and debt of \$425m is added, the implied EV is A\$825m

4. Construction value of A\$500m at completion date

5. EV adjusted for non-regulated assets – Cawse, Wattle Point, Gas Valpo, APT and 20% of Agility