

MEDIA RELEASE

KEPPEL INFRASTRUCTURE TRUST UNAUDITED RESULTS FOR THE SECOND QUARTER AND HALF YEAR ENDED 30 SEPTEMBER 2015

19 October 2015

The Directors of Keppel Infrastructure Fund Management Pte Ltd, as Trustee-Manager of Keppel Infrastructure Trust, advise the following results of Keppel Infrastructure Trust for the second quarter and half year ended 30 September 2015.

These figures have not been audited.

1H FY2016 RESULTS HIGHLIGHTS

1. Distribution per unit (DPU) of 0.93 Singapore cents was declared for the quarter ended 30 September 2015.
2. Group revenue for 1H FY2016 was S\$267.3 million, 2.6% higher than 1H FY2015, with full quarter contributions by assets from the Crystal and KMC acquisitions, partially offset by lower revenue from City Gas as town gas tariff decreased with lower fuel prices, and higher negative CRSM⁽¹⁾ adjustment incurred by Basslink.
3. Profit attributable to Unitholders of the Trust of S\$6.8 million in 1H FY2016 were higher than the last financial year as a result of contributions from the Crystal Trust and KMC Acquisitions during the current financial period.
4. 1H FY2016 distributable cash flows of S\$48.9 million, was S\$16.2 million higher than 1H FY2015 mainly due to contributions from the Crystal and KMC acquisitions, partially offset by the timing difference between City Gas' town gas tariff adjustment and actual fuel prices.
5. Net asset value per unit as at 30 September 2015 increased to 35.9 Singapore cents from 12.3 Singapore cents as at 31 March 2015. This was primarily attributable to the issue of new units in connection with the Crystal and KMC acquisitions and mark-to-market gains of derivative instruments, which were partially reduced by distributions paid.
6. Gearing⁽²⁾ as at 30 September 2015 was 32% compared to 52% as at 31 March 2015 as a result of the lower gearing of the Crystal assets and KMC.

(1) Commercial Risk Sharing Mechanism ("CRSM") is a mechanism provided under the Basslink Services Agreement ("BSA") between Basslink and Hydro Tasmania ("HT") for the sharing of the market risk associated with participating in the National Electricity Market of Australia. The CRSM payments are based on the differences between the high and low Victorian electricity pool prices, and are subject to a maximum +25% increase (i.e., a payment to Basslink) and -20% decrease (i.e., a payment from Basslink) of the unadjusted facility fee under the BSA. In accordance with paragraph (b) of schedule 4 of the BSA, the rolling 5-year cumulative CRSM shall be capped at -17% if it exceeds -17%.

(2) Defined as net debt over total assets.

For more information, please contact:

Media

Mr Brian Higgs
Senior Executive
Group Corporate Communications
Keppel Corporation Limited
Tel: (65) 6413 6426 / 9652 3761
Email: brian.higgs@kepcorp.com

Investor Relations

Ms Ivana Chua
Senior Manager
Group Corporate Communications
Keppel Corporation Limited
Tel: (65) 6413 6436
Email: ivana.chua@kepcorp.com

This media release is also available at www.kepcorp.com and www.kepinfratrust.com.

**KEPPEL INFRASTRUCTURE TRUST
SECOND QUARTER AND HALF YEAR ENDED 30 SEPTEMBER 2015 FINANCIAL STATEMENTS**

TABLE OF CONTENTS

<u>Paragraph</u>	<u>Description</u>	<u>Page</u>
	INTRODUCTION	
1(a)	STATEMENT OF INCOME STATEMENT AND OTHER COMPREHENSIVE INCOME	1-2
1(b)(i)	STATEMENTS OF FINANCIAL POSITION	3-4
1(b)(ii)	AGGREGATE AMOUNT OF BORROWINGS AND DEBT SECURITIES	5
1(c)	CONSOLIDATED STATEMENT OF CASH FLOWS	6-7
1(d)(i)	STATEMENTS OF CHANGES IN UNITHOLDERS' FUNDS	8-9
1(d)(ii)	DETAILS OF ANY CHANGE IN THE UNITS	9
1(d)(iii)	TOTAL NUMBER OF ISSUED UNITS EXCLUDING TREASURY UNITS AS AT THE END OF THE CURRENT FINANCIAL PERIOD, AND AS AT THE END OF THE IMMEDIATELY PRECEDING YEAR	10
1(d)(iv)	STATEMENT OF ALL SALES, TRANSFERS, DISPOSAL, CANCELLATION AND/OR USE OF TREASURY UNITS AS AT THE END OF THE CURRENT FINANCIAL PERIOD REPORTED ON	10
2	AUDIT	10
3	AUDITORS' REPORT	10
4	ACCOUNTING POLICIES	10
5	CHANGES IN THE ACCOUNTING POLICIES	10
6	EARNINGS PER UNIT	10
7	NET ASSET VALUE PER UNIT	10
8	REVIEW OF PERFORMANCE	11-13
9	VARIANCE FROM FORECAST STATEMENT	13
10	PROSPECTS	13
11	DISTRIBUTIONS	14
12	INTERESTED PERSON TRANSACTIONS	15
-	CONFIRMATION BY THE BOARD	16

INTRODUCTION

Keppel Infrastructure Trust ("KIT" or "Trust"), was originally listed on 12 February 2007 on the Singapore Exchange Securities Trading Limited as CitySpring Infrastructure Trust ("CIT").

On 18 May 2015, CIT acquired the business undertakings and assets of Crystal Trust (formerly known as Keppel Infrastructure Trust) in exchange for the issue of approximately 1.33 billion new CIT units to Crystal Trust Unitholders (the "Crystal Acquisition"), and was renamed Keppel Infrastructure Trust.

On 30 June 2015, KIT completed the acquisition of a 51% stake in Keppel Merlimau Cogen Pte Ltd ("KMC") which owns the Keppel Merlimau Cogen Plant (the "KMC Plant"), a 1,300 MW combined cycle gas turbine generation facility on Jurong Island, Singapore (the "KMC Acquisition"). The purchase consideration of S\$510 million was financed by an equity fund raising.

Accordingly, the 1H FY16 financials comprise the 6-month results of KIT, the results of the Crystal assets after the completion of the Crystal Acquisition and KMC's results after the KMC Acquisition was completed.

Keppel Infrastructure Fund Management Pte. Ltd. is the Trustee-Manager of KIT, and wholly-owned by the Sponsor of the Trust, Keppel Infrastructure Holdings Pte. Ltd., which is in turn a wholly-owned subsidiary of Keppel Corporation Limited.

With effect from 21 September 2015, KIT was included in the FTSE ST Large/Mid Cap Index and FTSE ST Mid Cap Index.

KIT, being a business trust, is allowed to pay distributions to unitholders out of its residual cash flows, in accordance with its distribution policy. This is unlike companies, which are governed by the Companies Act, and can only make dividend payments out of accounting profits.

1 UNAUDITED RESULTS FOR THE SECOND QUARTER AND HALF YEAR ENDED 30 SEPTEMBER 2015

The Directors of **Keppel Infrastructure Fund Management Pte. Ltd.**, as **Trustee-Manager of Keppel Infrastructure Trust**, advise the following unaudited results of the Group for the second quarter and half year ended 30 September 2015.

1(a) STATEMENT OF INCOME STATEMENT AND OTHER COMPREHENSIVE INCOME for the second quarter and half year ended 30 September

(i) Consolidated Income Statement

	2Q FY16	2Q FY15	Change	1H FY16	1H FY15	Change
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Revenue	152,937	127,115	20.3	267,326	260,476	2.6
Other income	1,292	835	54.7	2,114	1,658	27.5
Other gains/(losses) - net	424	(1,063)	N/M	835	(3,892)	N/M
Expenses						
Fuel and electricity costs	(37,591)	(53,138)	(29.3)	(73,036)	(104,959)	(30.4)
Gas transportation costs	(21,512)	(21,236)	1.3	(43,349)	(42,278)	2.5
Depreciation and amortisation	(29,266)	(12,969)	>100%	(38,680)	(25,980)	48.9
Staff costs	(6,113)	(6,691)	(8.6)	(12,692)	(13,276)	(4.4)
Operation and maintenance costs	(19,848)	(5,439)	>100%	(28,555)	(10,804)	>100%
Finance costs	(30,566)	(16,186)	88.8	(46,777)	(33,290)	40.5
Management fees	(2,339)	(1,913)	22.3	(4,298)	(3,722)	15.5
Other operating expenses	(11,783)	(9,363)	25.9	(23,376)	(18,381)	27.2
Total expenses	<u>(159,018)</u>	<u>(126,935)</u>	25.3	<u>(270,763)</u>	<u>(252,690)</u>	7.2
(Loss)/profit before joint venture	(4,365)	(48)	>100%	(488)	5,552	N/M
Share of results of joint venture	<u>(51)</u>	-	N/M	<u>(106)</u>	-	N/M
(Loss)/profit before tax	(4,416)	(48)	>100%	(594)	5,552	N/M
Income tax expense	(314)	(765)	(59.0)	(936)	(2,834)	(67.0)
Net (loss)/profit after tax	<u>(4,730)</u>	<u>(813)</u>	>100%	<u>(1,530)</u>	<u>2,718</u>	N/M
Profit attributable to:						
Unitholders of the Trust	4,132	(1,592)	N/M	6,790	936	>100%
Non-controlling interests	<u>(8,862)</u>	<u>779</u>	N/M	<u>(8,320)</u>	<u>1,782</u>	N/M
	<u>(4,730)</u>	<u>(813)</u>	>100%	<u>(1,530)</u>	<u>2,718</u>	N/M

N/M - Not meaningful

Refer to paragraph 8.2 for further details.

1(a) **STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**
for the second quarter and half year ended 30 September

(ii) **Consolidated Statement of Comprehensive Income**

	2Q FY16	2Q FY15	Change	1H FY16	1H FY15	Change
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Net (loss)/profit after tax	(4,730)	(813)	>100%	(1,530)	2,718	N/M
Other comprehensive income/(loss):						
<u>Items that may be reclassified subsequently to income statement</u>						
Cash flow hedges:						
- Fair value (losses)/gains	(12,066)	(7,485)	61.2	29,196	(42,285)	N/M
- Transfer to income statement	4,400	898	>100%	7,463	3,510	>100%
Currency translation differences relating to consolidation of foreign subsidiaries	(175)	(1,645)	(89.4)	(469)	(1,167)	(59.8)
Other comprehensive (loss)/income, net of tax	(7,841)	(8,232)	(4.7)	36,190	(39,942)	N/M
Total comprehensive (loss)/income	(12,571)	(9,045)	39.0	34,660	(37,224)	N/M
Attributable to:						
Unitholders of the Trust	(8,363)	(9,925)	(15.7)	38,382	(39,038)	N/M
Non-controlling interests	(4,208)	880	N/M	(3,722)	1,814	N/M
	(12,571)	(9,045)	39.0	34,660	(37,224)	N/M

N/M - Not meaningful

1(b)(i) STATEMENTS OF FINANCIAL POSITION as at 30 September

BALANCE SHEET (GROUP)

	As at 30 Sept 2015 S\$'000	As at 31 Mar 2015 S\$'000
Non-Current Assets		
Property, plant and equipment	2,466,903	915,018
Intangibles	556,468	373,120
Investment in and advances to joint venture	21,498	16,351
Service concession and finance lease receivables	567,689	130,962
Derivative financial instruments	10,598	-
Other assets	1,277	1,543
	3,624,433	1,436,994
Current Assets		
Cash and bank deposits	406,240	238,669
Trade and other receivables	131,192	62,049
Service concession and finance lease receivables	63,867	8,746
Derivative financial instruments	537	1,216
Inventories	69,332	19,054
Other current assets	10,309	2,788
	681,477	332,522
Current Liabilities		
Borrowings	25,036	21,367
Trade and other payables	158,256	105,144
Derivative financial instruments	18,069	18,553
Provisions	-	647
Current tax liabilities	10,555	12,692
	211,916	158,403
Net Current Assets	469,561	174,119
Non-Current Liabilities		
Borrowings	1,776,590	1,122,513
Notes payable to non-controlling interest	260,000	15,000
Derivative financial instruments	74,923	108,617
Other payables	262,684	88,264
Provisions	54,701	55,253
Deferred tax liabilities	30,533	22,737
	2,459,431	1,412,384
Net Assets	1,634,563	198,729
Represented by:		
Unitholders' Funds		
Units in issue	2,136,197	886,731
Hedging reserve	(204,023)	(236,114)
Translation reserve	(27,623)	(27,124)
Capital reserve	38,710	38,710
Accumulated losses	(560,147)	(475,329)
Total unitholders' funds	1,383,114	186,874
Non-controlling interests	251,449	11,855
	1,634,563	198,729

Refer to paragraph 8.3 for further details.

1(b)(i) STATEMENTS OF FINANCIAL POSITION as at 30 September (cont'd)

BALANCE SHEET (TRUST)

	As at 30 Sept 2015 S\$'000	As at 31 Mar 2015 S\$'000
Non-Current Assets		
Subsidiary companies	1,243,695	546,684
Long-term receivables	775,712	230,570
Derivative financial instruments	461	-
	<u>2,019,868</u>	<u>777,254</u>
Current Assets		
Cash and bank deposits	32,551	93,700
Derivative financial instruments	47	-
Trade and other receivables	18,123	892
Other current assets	104	48
	<u>50,825</u>	<u>94,640</u>
Current Liabilities		
Borrowings	3,479	-
Trade and other payables	5,550	6,881
Current tax liabilities	38	44
	<u>9,067</u>	<u>6,925</u>
Net Current Assets	<u>41,758</u>	<u>87,715</u>
Non-Current Liability		
Borrowings	141,625	141,439
	<u>141,625</u>	<u>141,439</u>
Net Assets	<u>1,920,001</u>	<u>723,530</u>
Represented by:		
Unitholders' Funds		
Units in issue	2,136,197	886,731
Hedging reserve	507	-
Accumulated losses	(216,703)	(163,201)
	<u>1,920,001</u>	<u>723,530</u>

Refer to paragraph 8.3 for further details.

1(b)(ii) AGGREGATE AMOUNT OF BORROWINGS AND DEBT SECURITIES

	As at 30 Sep 2015 S\$'000	As at 31 Mar 2015 S\$'000
Unsecured borrowings		
Amount repayable within one year	3,479	-
Secured borrowings		
Amount repayable within one year	21,557	21,367
Amount repayable after one year	1,776,590	1,122,513
	<u>1,801,626</u>	<u>1,143,880</u>

Details of any collateral at KIT

The bank borrowings are secured over the assets and business undertakings of City Gas, SingSpring and Basslink Group. The loan granted to SingSpring is also secured by a charge over the units in SingSpring held by the Trustee-Manager and Hyflux Ltd¹, and a charge over the shares held by the Trustee-Manager in SingSpring Pte Ltd. The corporate loan granted to KIT is secured over its assets and business undertakings, including a charge over the units in City Gas, and the shares in City Gas Pte Ltd and in CityLink Investments Pte Ltd, the holding company of Basslink, held by the Trustee-Manager. The loan granted to KMC is secured mainly by an assignment of KMC's rights under the Capacity Tolling Agreement.

¹ 30% unitholder of SingSpring Trust

1(c) **CONSOLIDATED STATEMENT OF CASH FLOWS**
for the second quarter and half year ended 30 September

	2Q FY16	2Q FY15	1H FY16	1H FY15
	S\$'000	S\$'000	S\$'000	S\$'000
Operating activities				
(Loss)/profit before tax	(4,416)	(48)	(594)	5,552
Adjustments for:				
Depreciation and amortisation	29,266	12,969	38,680	25,980
Finance costs	30,566	16,186	46,777	33,290
Interest income	(763)	(609)	(1,284)	(1,138)
Fair value (gain)/loss on derivative financial instruments	(598)	(195)	(1,049)	1,960
Gain on disposal of property, plant and equipment	(13)	(14)	(13)	(14)
Share of results of joint venture	51	-	106	-
Unrealised translation loss	(178)	(149)	(183)	(99)
Operating cash flow before working capital changes	53,915	28,140	82,440	65,531
Changes in working capital :				
Trade and other receivables	(15,388)	6,392	(15,195)	6,911
Trade and other payables	(4,163)	1,334	8,380	(2,249)
Inventories	(662)	(2,272)	1,330	(2,518)
Cash generated from operations	33,702	33,594	76,955	67,675
Interest received	814	650	1,037	1,107
Interest paid	(28,922)	(13,548)	(42,487)	(26,796)
Income tax paid	(2,452)	(439)	(4,153)	(439)
Net cash generated from operating activities	3,142	20,257	31,352	41,547
Investing activities				
Investment in and advances to joint venture	(1,173)	(10,909)	(5,253)	(10,909)
Purchase of property, plant and equipment	(664)	(683)	(1,472)	(2,217)
Proceeds from sale of property, plant and equipment	21	68	21	68
Acquisition of subsidiaries, net of cash acquired (Note a)	-	-	(13,148)	-
Net cash used in investing activities	(1,816)	(11,524)	(19,852)	(13,058)
Financing activities				
(Increase)/decrease in restricted cash	(632)	841	(3,486)	(440)
Proceeds of notes issued by subsidiary to non-controlling interest	-	-	245,000	-
Proceeds from borrowings	-	142,335	-	142,335
Repayment of related parties' loans	-	-	(500,000)	-
Repayment of borrowings	(4,262)	(144,945)	(11,516)	(147,556)
Net proceeds raised from issue of units	-	-	519,990	-
Payment of loan upfront fees	(2,100)	(1,124)	(2,100)	(1,124)
Distributions paid to unitholders of the Trust	(9,642)	(12,455)	(91,608)	(24,910)
Distributions paid by subsidiaries to non-controlling interests	(1,204)	(1,516)	(1,684)	(1,876)
Net cash (used in)/from financing activities	(17,840)	(16,864)	154,596	(33,571)
Net (decrease)/increase in cash and cash equivalents	(16,514)	(8,131)	166,096	(5,082)
Cash and cash equivalents at beginning of the period	380,273	262,942	197,862	259,700
Effect of currency translation on cash and cash equivalents	(707)	(1,752)	(906)	(1,559)
Cash and cash equivalents at end of the period (Note b)	363,052	253,059	363,052	253,059

Note a: Acquisition of subsidiaries, net of cash acquired relates to the Crystal Acquisition and the KMC Acquisition. Cash acquired from the Crystal Acquisition and the KMC Acquisition was S\$11.9 million and S\$230 million, respectively. The cash of S\$230 million from the KMC Acquisition was designated as a prepayment of the capacity tolling fee.

1(c) **CONSOLIDATED STATEMENT OF CASH FLOWS (CONT'D)**
for the second quarter and half year ended 30 September

Note a: During the half year ended 30 September, the fair values of the net assets of subsidiaries acquired were as follows:

	Fair Values
	S\$'000
ASSETS	
Property, plant and equipment	1,623,582
Cash and bank deposits	241,852
Trade and other receivables	44,043
Service concession receivables	509,468
Inventories	51,608
Total assets	2,470,553
LIABILITIES	
Borrowings	703,479
Trade and other payables	715,023
Current tax liabilities	2,275
Deferred tax liabilities	6,500
Total liabilities	1,427,277
Net identifiable assets acquired	1,043,276
Non-controlling interest measured at non-controlling interest's proportionate share of the net assets	(245,000)
Intangibles arising from acquisition	191,659
Total purchase consideration	989,935
Less: Purchase consideration via units swap	(729,475)
Less: Cash and cash equivalents in subsidiaries acquired	(241,852)
Less: Transaction cost paid	(5,460)
Acquisition of subsidiaries, net of cash acquired	13,148

Note b:

	As at 30 Sept 2015	As at 30 Sept 2014
	S\$'000	S\$'000
Cash and bank deposits	406,240	297,132
Less: Restricted cash	(43,188)	(44,073)
Cash and cash equivalents	363,052	253,059

Restricted cash represents the amount of cash and cash equivalents required to be set aside to meet interest and principal repayments for loans extended to, and for secured bank guarantees of, the Group.

Refer to paragraph 8.1 for further details.

1(d)(i) **STATEMENTS OF CHANGES IN UNITHOLDERS' FUNDS**
for the second quarter and half year ended 30 September

Group	Attributable to Unitholders of the Trust						Non-controlling Interests	Total unitholders' funds
	Units in Issue	Hedging Reserve	Translation Reserve	Capital Reserve	Accumulated Losses	Total		
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000		
2016								
Balance as at 1 Apr 2015	886,731	(236,114)	(27,124)	38,710	(475,329)	186,874	11,855	198,729
Total comprehensive income/(loss)	-	44,333	(246)	-	2,658	46,745	486	47,231
<u>Contributions by and distributions to owners</u>								
Units issued	1,254,475	-	-	-	-	1,254,475	-	1,254,475
Units issue cost	(5,009)	-	-	-	-	(5,009)	-	(5,009)
Distributions paid	-	-	-	-	(81,966)	(81,966)	(480)	(82,446)
Total transactions with owners in their capacity as owners	1,249,466	-	-	-	(81,966)	1,167,500	(480)	1,167,020
<u>Changes in ownership interests</u>								
Acquisition of subsidiary	-	-	-	-	-	-	245,000	245,000
Total changes in ownership interests	-	-	-	-	-	-	245,000	245,000
Balance as at 30 Jun 2015	2,136,197	(191,781)	(27,370)	38,710	(554,637)	1,401,119	256,861	1,657,980
Total comprehensive (loss)/income	-	(12,242)	(253)	-	4,132	(8,363)	(4,208)	(12,571)
<u>Contributions by and distributions to owners</u>								
Distributions paid	-	-	-	-	(9,642)	(9,642)	(1,204)	(10,846)
Total transactions with owners in their capacity as owners	-	-	-	-	(9,642)	(9,642)	(1,204)	(10,846)
Balance as at 30 Sept 2015	2,136,197	(204,023)	(27,623)	38,710	(560,147)	1,383,114	251,449	1,634,563
2015								
Balance as at 1 Apr 2014	886,731	(121,597)	(24,144)	38,710	(424,760)	354,940	11,394	366,334
Total comprehensive (loss)/income	-	(32,139)	498	-	2,528	(29,113)	934	(28,179)
<u>Contributions by and distributions to owners</u>								
Distributions paid	-	-	-	-	(12,455)	(12,455)	(360)	(12,815)
Total transactions with owners in their capacity as owners	-	-	-	-	(12,455)	(12,455)	(360)	(12,815)
Balance as at 30 Jun 2014	886,731	(153,736)	(23,646)	38,710	(434,687)	313,372	11,968	325,340
Total comprehensive (loss)/income	-	(6,647)	(1,686)	-	(1,592)	(9,925)	880	(9,045)
<u>Contributions by and distributions to owners</u>								
Distributions paid	-	-	-	-	(12,455)	(12,455)	(1,516)	(13,971)
Total transactions with owners in their capacity as owners	-	-	-	-	(12,455)	(12,455)	(1,516)	(13,971)
Balance as at 30 Sept 2014	886,731	(160,383)	(25,332)	38,710	(448,734)	290,992	11,332	302,324

1(d)(i) STATEMENTS OF CHANGES IN UNITHOLDERS' FUNDS (CONT'D)
for the second quarter and half year ended 30 September

Trust

	Units in Issue	Hedging Reserve	Accumulated Losses	Total unitholders' funds
	S\$'000	S\$'000	S\$'000	S\$'000
2016				
Balance as at 1 Apr 2015	886,731	-	(163,201)	723,530
Total comprehensive income	-	(134)	8,459	8,325
<u>Contributions by and distributions to owners</u>				
Units issued	1,254,475	-	-	1,254,475
Units issue cost	(5,009)	-	-	(5,009)
Distributions paid	-	-	(81,966)	(81,966)
Total transactions with owners in their capacity as owners	1,249,466	-	(81,966)	1,167,500
Balance as at 30 Jun 2015	2,136,197	(134)	(236,708)	1,899,355
Total comprehensive income	-	641	29,647	30,288
<u>Contributions by and distributions to owners</u>				
Distributions paid	-	-	(9,642)	(9,642)
Total transactions with owners in their capacity as owners	-	-	(9,642)	(9,642)
Balance as at 30 Sept 2015	2,136,197	507	(216,703)	1,920,001
2015				
Balance as at 1 Apr 2014	886,731	(13)	(233,724)	652,994
Total comprehensive income	-	13	8,143	8,156
<u>Contributions by and distributions to owners</u>				
Distributions paid	-	-	(12,455)	(12,455)
Total transactions with owners in their capacity as owners	-	-	(12,455)	(12,455)
Balance as at 30 Jun 2014	886,731	-	(238,036)	648,695
Total comprehensive income	-	-	99,270	99,270
<u>Contributions by and distributions to owners</u>				
Distributions paid	-	-	(12,455)	(12,455)
Total transactions with owners in their capacity as owners	-	-	(12,455)	(12,455)
Balance as at 30 Sept 2014	886,731	-	(151,221)	735,510

1(d)(ii) DETAILS OF ANY CHANGE IN THE UNITS

	1 Jul 2015 to 30 Sep 2015	1 Jul 2014 to 30 Sep 2014	1 Apr 2015 to 30 Sep 2015	1 Apr 2014 to 30 Sep 2014
GROUP and TRUST				
Issued units at the beginning of the period	3,856,931,931	1,518,893,062	1,518,893,062	1,518,893,062
Issuance of consideration units (Note a)	-	-	1,326,319,374	-
Issuance of placement and preferential units (Note b)	-	-	1,011,719,495	-
Issued units at the end of the period	3,856,931,931	1,518,893,062	3,856,931,931	1,518,893,062

(a) Consideration units issued on 18 May 2015 pursuant to the Crystal Acquisition

(b) Placement units issued on 29 May 2015 pursuant to the private placement and preferential units issued on 22 June 2015 pursuant to the non-renounceable preferential offering in connection with the KMC Acquisition.

1(d)(iii) TOTAL NUMBER OF ISSUED UNITS EXCLUDING TREASURY UNITS AS AT THE END OF THE CURRENT FINANCIAL PERIOD, AND AS AT THE END OF THE IMMEDIATELY PRECEDING YEAR

The Group and Trust did not hold any treasury units as at 30 September 2015 and 31 March 2015.

The total number of issued units as at 30 September 2015 and 31 March 2015 were 3,856,931,931 and 1,518,893,062 respectively.

1(d)(iv) STATEMENT OF ALL SALES, TRANSFERS, DISPOSAL, CANCELLATION AND/OR USE OF TREASURY UNITS AS AT THE END OF THE CURRENT FINANCIAL PERIOD REPORTED ON

Not applicable.

2. AUDIT

The figures have not been audited nor reviewed by the auditors.

3. AUDITORS' REPORT

Not applicable.

4. ACCOUNTING POLICIES

Except as disclosed in paragraph 5 below, the accounting policies and methods of computation in the financial statements for the current financial period are consistent with those of the audited financial statements as at 31 March 2015.

5. CHANGES IN ACCOUNTING POLICIES

The Group has adopted all the new and revised FRSs and INT FRSs that are relevant to its operations and effective for annual periods beginning on or after 1 April 2015. The adoption of these new and revised FRSs and INT FRSs did not result in changes to the Group's and Trust's accounting policies.

6. EARNINGS PER UNIT ("EPU")

Earnings per unit for the financial period

	2Q FY16	2Q FY15	%	1H FY16	1H FY15	%
(i) Weighted average number of units	3,856,931,931	1,518,893,062	>100%	3,102,308,738	1,518,893,062	>100%
(ii) Earnings/(loss) per unit for the period based on the weighted average number of units in issue (cents)						
- Basic and diluted	0.11	(0.10)	N/M	0.22	0.06	>100%

7. NET ASSET VALUE ("NAV") PER UNIT

	Group			Trust		
	30 Sep 2015	31 Mar 2015	%	30 Sep 2015	31 Mar 2015	%
Net asset value per unit (cents)	35.9	12.3	>100%	49.8	47.6	4.5
Adjusted net asset value per unit (cents) - based on total issued units of 3,856,931,931 and 1,518,893,062 (after distribution payable to unitholders)	35.0	11.5	>100%	48.9	46.8	3.8

The Group NAV per unit before hedging and translation reserves was 41.9 cents as at 30 September 2015 and 29.6 cents as at 31 March 2015.

The number of units used for computation of actual NAV per unit were 3,856,931,931 and 1,518,893,062 respectively which were the number of units in issue as at 30 September 2015 and 31 March 2015 respectively.

8. REVIEW OF PERFORMANCE

8.1 Cashflow

Cash generated from operations for 1H FY16 was S\$77.0 million, S\$9.3 million higher than that for 1H FY15 due to the contributions by assets from the Crystal Acquisition as KMC's capacity tolling fee has already been received upfront and is therefore not reflected in the cash flows. Net cash generated from operating activities was lower at S\$31.4 million in 1H FY16 as higher interest was paid (please refer to Section 8.2 for the underlying reasons).

Net cash used in investing activities was S\$19.9 million for 1H FY16 compared with S\$13.1 million for 1H FY15 as a result of the Crystal Acquisition and the KMC Acquisition in 1Q FY16 partially offset by lower advance made to the DataCentre One joint venture.

Net cash from financing activities of S\$154.6 million in 1H FY16 consisted primarily of the financing activities relating to the KMC Acquisition, less distributions to unitholders of KIT and non-controlling interests of subsidiaries.

As a result, cash and bank deposits less restricted cash as at 30 September 2015 increased to S\$363.1 million from S\$253.1 million as at 30 September 2014.

8.2 Income Statement

Revenue

Group revenue for 2Q FY16 was S\$152.9 million, bringing the total revenue recognised in 1H FY16 to S\$267.3 million.

At City Gas, revenue of S\$78.3 million in 2Q FY16 and S\$160.9 million in 1H FY16 were lower than the last financial year as town gas tariff decreased with lower fuel prices. City Gas achieved 100% production availability throughout 1H FY16.

The assets acquired from Crystal Trust (Senoko Waste-to-Energy ("WTE"), Tuas WTE and Ulu Pandan NEWater Plants) collectively contributed revenue of S\$16.7 million in 2Q FY16 (the first full quarter since their acquisition) and S\$22.1 million in 1H FY16.

SingSpring's revenue of S\$9.3 million and S\$18.1 million in 2Q FY16 and 1H FY16, respectively were generally in line with those of the previous financial year. SingSpring's plant achieved 100% availability throughout 1H FY16.

Basslink's revenue decreased to A\$14.8 million (approximately S\$14.9 million) in 2Q FY16 from A\$15.5 million (approximately S\$17.9 million) in 2Q FY15. Similarly, 1H FY16 revenue was lower at A\$30.6 million (approximately S\$31.5 million) compared to A\$36.8 million (approximately S\$42.8 million) in 1H FY15. The lower revenues were due mainly to higher negative CRSM² compared to the last financial year. Basslink achieved cumulative availability of 99.43% for the nine months ended 30 September 2015, which was above the 97% threshold set in the BSA.

CityNet contributed revenue of S\$1.1 million and S\$2.1 million in 2Q FY16 and 1H FY16, respectively, similar to the last financial year.

KMC started to contribute revenue of S\$32.6 million in 2Q FY16 after its acquisition on 30 June 2015.

Other gains/(losses) - net

Other gains/(losses) comprise mainly the fair value movement on derivative instruments.

² Commercial Risk Sharing Mechanism ("CRSM") is a mechanism provided under the Basslink Services Agreement ("BSA") between Basslink and Hydro Tasmania ("HT") for the sharing of the market risk associated with participating in the National Electricity Market of Australia. The CRSM payments are based on the differences between the high and low Victorian electricity pool prices, and are subject to a maximum +25% increase (i.e., a payment to Basslink) and -20% decrease (i.e., a payment from Basslink) of the unadjusted facility fee under the BSA. In accordance with paragraph (b) of schedule 4 of the BSA, the rolling 5-year cumulative CRSM shall be capped at -17% if it exceeds -17%

8. REVIEW OF PERFORMANCE (CONT'D)

8.2 Income Statement

Expenses

Fuel and electricity costs of S\$37.6 million in 2Q FY16 and S\$73.0 million in 1H FY16 were lower than the previous financial year in line with lower fuel prices.

Gas transportation costs of S\$21.5 million and S\$43.3 million in 2Q FY16 and 1H FY16, respectively, were marginally higher than the last financial year as a result of higher sales volume and higher gas transportation rate which took effect from 1 April 2015.

Depreciation and amortisation costs were S\$29.3 million in 2Q FY16 and S\$38.7 million in 1H FY16, higher than the last financial year primarily due to the KMC Acquisition, partially offset by lower depreciation charge at Basslink which extended the estimated useful life of the interconnector in 3Q FY15 from 40 years to 65 years.

Operation and maintenance costs increased to S\$19.9 million and S\$28.6 million in 2Q FY16 and 1H FY16, respectively, as the operation and maintenance costs of the assets acquired from the Crystal Acquisition and the KMC Acquisition were included.

Higher finance costs of S\$30.6 million in 2Q FY16 and S\$46.8 million in 1H FY16 were incurred as a result of the finance costs from the KMC Acquisition, the interest paid on loans extended by the minority shareholder of KMC and higher interest rates.

Management fee increased by only S\$0.4 million to S\$2.3 million in 2Q FY16 and by S\$0.6 million to S\$4.3 million in 1H FY16 despite the significantly larger assets base of the Trust following the Crystal Acquisition and the KMC Acquisition as the management fee structure of the new Trustee-Manager was adopted.

Other operating expenses of S\$11.8 million in 2Q FY16 and S\$23.4 million in 1H FY16 were higher than the last financial year primarily due to the Crystal Acquisition and the KMC Acquisition. 1H FY16 operating expenses were also higher due to the transaction costs incurred in connection with these acquisitions.

Share of results of joint venture relates to the Trust's interest in DataCentre One which commenced construction in 3Q FY15. As the construction is ongoing, the results comprises mainly statutory and operating expenses.

Income tax

In 2Q FY16, income tax expense was S\$0.5 million lower compared to 2Q FY15 as lower current tax expense was recognised. For 1H FY16, income tax expense was S\$1.9 million, lower than 1H FY15 due mainly to lower current tax expense and lower deferred tax expense arising from the mark-to-market changes of derivative financial instruments.

Profit attributable to Unitholders of the Trust

Profit attributable to Unitholders of the Trust of S\$4.1 million in 2Q FY16 and S\$6.8 million in 1H FY16 were higher than the last financial year as a result of contributions from the Crystal Trust and KMC Acquisitions during the current financial period.

8.3 Balance Sheet – Group

Total assets grew from S\$1,769.5 million as at 31 March 2015 to S\$4,305.9 million as at 30 September 2015 with the completion of the Crystal Acquisition and the KMC Acquisition on 18 May 2015 and 30 June 2015, respectively.

Similarly, total liabilities increased from S\$1,570.8 million as at 31 March 2015 to S\$2,671.3 million as at 30 September 2015 as a result of the Crystal Acquisition and the KMC Acquisition. Borrowings increased by S\$700.0 million as KMC drew down its loan facilities as part of its restructuring before the KMC Acquisition.

Total unitholders' funds as at 30 September 2015 increased to S\$1,383.1 million from S\$186.9 million as at 31 March 2015 as the issuance of new units in connection with the Crystal Acquisition and the KMC Acquisition, and mark-to-market gains of the derivative financial instruments on hedging reserve, were partly offset by distribution to unitholders.

8. REVIEW OF PERFORMANCE (CONT'D)

8.4 Balance Sheet – Trust

Net assets as at 30 September 2015 increased to S\$1,920.0 million from S\$723.5 million as at 31 March 2015 as the higher investments and long-term receivables arising from the Crystal Acquisition and the KMC Acquisition were partly offset by distribution to unitholders.

9. VARIANCE FROM FORECAST STATEMENT

No forecast statement for financial year 2016 has been disclosed.

10. PROSPECTS

City Gas' performance could fluctuate depending on changes in tariffs in response to changes in fuel costs. The tariff adjustments mechanism is designed to ensure that City Gas fully recovers its fuel costs over the long run.

While intended to be neutral over the long-term, the CRSM in Basslink may fluctuate in the short-term and such fluctuations will affect the revenues of Basslink. The CRSM may be reviewed in April 2016.

Waste and Water concessions have long-term contracts with Singapore statutory bodies and derive most of their cash flows from capacity and availability payments. As such the underlying performance of these assets are expected to remain stable.

KIT has entered into an agreement with NEA to provide additional incineration capacity at the Senoko WTE plant. The upgrade is currently planned to take place between 3Q 2015 and 3Q 2016 and will progressively increase the contracted incineration capacity of the plant by up to 10% from 2,100 tonnes per day. This is expected to increase the operating cash flows from the plant. The upgrade of the first of six boilers was completed in early September 2015.

The KMC Acquisition was completed on 30 June 2015. Under the capacity tolling agreement, KMC will receive a maximum annual capacity fee of S\$108 million as long as it meets the availability and capacity test targets, with most of its operating costs being passed through.

Development of DataCentre One is in progress and is scheduled to be completed in the first quarter of next year.

The Trustee-Manager will evaluate asset enhancement opportunities in its enlarged portfolio, and will continue to identify and evaluate suitable acquisitions, including those from the Sponsor, under its investment mandate to further grow the Trust.

11. DISTRIBUTIONS

11a. Current financial period reported on

Any distributions recommended for the current financial period reported on? Yes

Amount	:	S\$35.9 million
Distribution period	:	1 July 2015 to 30 September 2015
Distribution rate	:	0.93 Singapore cents per unit
Distribution Type	:	Cash, Tax-exempt Distribution
Tax rate	:	Distributions to Unitholders are exempt from Singapore income tax, regardless of their nationality, corporate identity or tax residence status. No credit is allowed to Unitholders for the tax paid by the Trustee-Manager.

11b. Corresponding Period of the Immediately Preceding Financial Year

Any distributions recommended for the current financial period reported on? Yes

Amount	:	S\$12.5 million
Distribution period	:	1 July 2014 to 30 September 2014
Distribution rate	:	0.82 Singapore cents per unit
Distribution type	:	Cash, Tax-exempt Distribution
Tax rate	:	Distributions to Unitholders are exempt from Singapore income tax, regardless of their nationality, corporate identity or tax residence status. No credit is allowed to Unitholders for the tax paid by the Trustee-Manager.

11c. Date Payable

20 November 2015

11d. Books closure date

Notice is hereby given that, the Unit Transfer Books and Register of Unitholders of KIT will be closed at 5.00 p.m. on 27 October 2015 for the purposes of determining each unitholder's entitlement to the Distribution. Duly completed transfers in respect of units in the capital of KIT received by the Registrar, Boardroom Corporate & Advisory Services Pte. Ltd, 50 Raffles Place #32-01 Singapore Land Tower Singapore 048623, up to 5.00 p.m. on 27 October 2015 will be registered to determine unitholders' entitlement to the distribution. Unitholders whose Securities Accounts with The Central Depository (Pte) Limited are credited with Units at 5.00 p.m. on 27 October 2015 will be entitled to the distribution.

12. INTERESTED PERSON TRANSACTIONS

The Group had obtained a general mandate pursuant to Rule 920 for interested person transactions as approved by independent unitholders at the extraordinary general meeting held on 28 July 2015. The figures below are calculated based on the effective interest held by the Trust in each subsidiary. During the financial period, the following interested person transactions were entered into by the Group:

Name of Interested Person / Nature of Transaction	Aggregate value of all interested person transactions during the financial period under review (excluding transactions less than \$100,000 and transactions conducted under unitholders' mandate pursuant to Rule 920)		Aggregate value of all interested person transactions conducted during the financial period under review under unitholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000)	
	1H FY16 S\$'000	1H FY15 S\$'000	1H FY16 S\$'000	1H FY15 S\$'000
1. Temasek Holdings (Private) Limited and its Associates				
General Transaction				
(a) Sales of Goods and Services	-	-	7,753	3,592
(b) Management Fee Income	-	-	2,068	2,074
(c) Reimbursement of expenses	-	-	3,159	3,074
(d) Purchases	-	-	102,978	122,362
(e) Leasing of Assets (Rental charge)	-	-	586	434
(f) Management Fee Expense (including Reimbursement of Expenses)	-	-	1,204	4,152
Total	-	-	117,748	135,688
2. Keppel Corporation Group				
General Transaction				
(a) Sales of Goods and Services	1,052,456	-	-	-
(b) Management Fee Expense (including Reimbursement of Expenses)	-	-	3,352	-
(c) Purchases	194,213	-	10,561	-
(d) Acquisition of subsidiary	510,000	-	-	-
(e) Acquisition fee	4,335	-	-	-
Treasury Transactions	-	-	128,669	-
Total	1,761,004	-	142,582	-

CONFIRMATION BY THE BOARD

We, KOH BAN HENG and ONG TIONG GUAN being two Directors of Keppel Infrastructure Fund Management Pte. Ltd. (in its capacity as trustee-manager of Keppel Infrastructure Trust), do hereby confirm on behalf of the Directors of the Company that, to the best of their knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the second quarter and half year 2016 financial statements of Keppel Infrastructure Trust to be false or misleading in any material aspect.

On behalf of the Board of Directors



KOH BAN HENG
Chairman



ONG TIONG GUAN
Director

Singapore
19 October 2015