

Financial Statement And Distribution Announcement for the Quarter ended 30 June 2008

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

Financial Statement And Distribution Announcement for the Quarter ended 30 June 2008

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 as well as the potential for long-term capital growth.

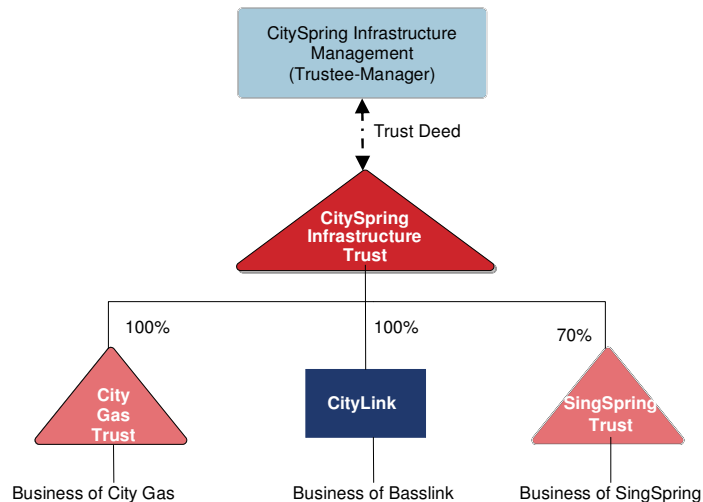
The initial assets of CitySpring are 100% owned City Gas Trust, the sole producer and retailer of town gas and the sole user of the low-pressured piped town gas network in Singapore and 70% owned SingSpring Trust, the sole supplier of desalinated water to the Public Utilities Board, Singapore's national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

The acquisition of the assets and business undertakings of the initial assets were only completed on 12 February 2007 which was the official listing date. There were no operating activities for the period prior to 12 February 2007. The first reporting period for CitySpring was from 5 January 2007 to 31 March 2007.

On 31 July 2007, the Trustee-Manager announced that it had entered into an agreement to acquire 100% of Basslink from National Grid International Ltd ("National Grid") 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.

The enlarged CitySpring Group is shown in the chart below.



CitySpring's acquisition of Basslink was completed on 31 August 2007. The actual results for the quarter ended 30 June 2008 comprises the results of the initial assets of City Gas Trust and SingSpring Trust and the results of Basslink. However, the results for the corresponding quarter of the previous year does not include the results of Basslink.

CitySpring Infrastructure Management Pte Ltd as Trustee-Manager of CitySpring Infrastructure Trust had issued a Circular dated 24 January 2008 ("Circular") to seek the approval of Unitholders for, among other things, the ratification of the acquisition of Basslink and the issue of new units pursuant to an equity fund raising to be undertaken by CitySpring. The Circular included projections for the Enlarged CitySpring Group for the periods from 5 January 2007 to 31 March 2008 and 1 April 2008 to 31 March 2009 (FY 2009). The pro-rated projections for FY 2009 in paragraph 9 are those of the Enlarged CitySpring Group as disclosed in the Circular.

CITYSPRING INFRASTRUCTURE TRUST
(Reg. No. 2007001)

Financial Statement And Distribution Announcement for the Quarter ended 30 June 2008

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

Consolidated Income Statement

| | Quarter | | | Year-to-Date | | |
|--|-------------------------|-------------------------------------|---------|-------------------------|-------------------------------------|---------|
| | 01/04/08 to 30/06/08 | 01/04/07 to 30/06/07 Note (a) | Change | 01/04/08 to 30/06/08 | 05/01/07 to 30/06/07 Note (b) | Change |
| | S\$'000 | S\$'000 | % | S\$'000 | S\$'000 | % |
| Revenue | 99,371 | 64,485 | 54.1 | 99,371 | 99,114 | 0.3 |
| Other income/(loss) | 8,004 | (2,310) | N/M | 8,004 | 10,200 | (21.5) |
| Expenses | | | | | | |
| Fuel and electricity costs | (35,659) | (23,357) | (52.7) | (35,659) | (33,910) | (5.2) |
| Transportation costs | (17,840) | (17,225) | (3.6) | (17,840) | (26,558) | 32.8 |
| Costs associated with listing of Trust | - | - | - | - | (4,786) | 100.0 |
| Depreciation and amortisation | (14,069) | (4,891) | (187.7) | (14,069) | (7,609) | (84.9) |
| Staff costs | (4,838) | (3,502) | (38.1) | (4,838) | (5,973) | 19.0 |
| Operations and maintenance costs | (4,240) | (2,710) | (56.5) | (4,240) | (4,410) | 3.9 |
| Finance costs | (21,443) | (2,663) | (705.2) | (21,443) | (4,293) | (399.5) |
| Management fee | (940) | (1,657) | 43.3 | (940) | (65,087) | 98.6 |
| Other operating expenses | (7,918) | (4,789) | (65.3) | (7,918) | (8,277) | 4.3 |
| Total expenses | (106,947) | (60,794) | (75.9) | (106,947) | (160,903) | 33.5 |
| Profit/(loss) before income tax | 428 | 1,381 | (69.0) | 428 | (51,589) | N/M |
| Income tax credit/(expense) | 7,926 | (146) | N/M | 7,926 | 490 | N/M |
| Net profit/(loss) after tax | 8,354 | 1,235 | 576.4 | 8,354 | (51,099) | N/M |
| Attributable to: | | | | | | |
| Unitholders of the Trust | 8,067 | 2,114 | 281.6 | 8,067 | (53,964) | N/M |
| Minority interest | 287 | (879) | N/M | 287 | 2,865 | (90.0) |
| | 8,354 | 1,235 | 576.4 | 8,354 | (51,099) | N/M |

N/M - Not meaningful

Notes:

N/M – Not meaningful

- (a) CitySpring's acquisition of Basslink was completed on 31 August 2007. The actual results for the quarter ended 30 June 2008 comprises the results of the initial assets of City Gas Trust and SingSpring Trust and the results of Basslink. However, the results for the corresponding quarter of the previous year do not include the results of Basslink.
- (b) CitySpring was constituted on 5 January 2007. The acquisition of assets and business undertaking of the initial assets were only completed on 12 February 2007, the official listing date. As such, the comparative YTD figure has been prepared from 5 January 2007 to 30 June 2007.
- (c) For the quarter ended 30 June 2008, other income of S\$8 million comprises mainly S\$3.6 million non-cash fair value gain on derivative financial instruments, realised gain of S\$2.5 million on derivative financial instruments, interest income of S\$1.3 million and other cash income of S\$0.6 million.

For the quarter ended 30 June 2007, other loss of S\$2.3 million comprises mainly non-cash fair value loss on derivative financial instruments of S\$3.0 million, realised gain of S\$0.3 million on derivative financial instruments, other cash income of S\$0.3 million and interest income of S\$0.1 million.

CITYSPRING INFRASTRUCTURE TRUST
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Financial Statement And Distribution Announcement for the Quarter ended 30 June 2008

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

Balance Sheet (Group)

| | 30/06/08 | 31/03/08 |
|---|------------------|------------------|
| | S\$'000 | S\$'000 |
| ASSETS | | |
| Non-current assets | | |
| Derivative financial instruments | 129,379 | 96,558 |
| Finance lease receivable | 183,749 | 185,474 |
| Other assets | 232 | 235 |
| Property, plant and equipment | 1,344,296 | 1,308,973 |
| Intangibles | 473,230 | 473,897 |
| Total non-current assets | 2,130,886 | 2,065,137 |
| Current assets | | |
| Cash and cash equivalents | 112,307 | 105,982 |
| Derivative financial instruments | 58,212 | 50,708 |
| Trade and other receivables | 53,138 | 57,004 |
| Finance lease receivable | 6,722 | 6,657 |
| Inventories | 12,448 | 13,036 |
| Other current assets | 11,584 | 1,818 |
| Total current assets | 254,411 | 235,205 |
| Total assets | 2,385,297 | 2,300,342 |
| LIABILITIES | | |
| Current liabilities | | |
| Trade and other payables | 64,358 | 63,053 |
| Current tax liabilities | 2,395 | 2,386 |
| Borrowings | 375,299 | 373,634 |
| Total current liabilities | 442,052 | 439,073 |
| Non-current liabilities | | |
| Derivative financial instruments | 8,562 | 18,485 |
| Borrowings | 1,388,561 | 1,345,368 |
| Notes payable to minority interest | 15,000 | 15,000 |
| Deferred tax liabilities | 26,847 | 23,952 |
| Other non-current liabilities | 85,571 | 82,835 |
| Total non-current liabilities | 1,524,541 | 1,485,640 |
| Total liabilities | 1,966,593 | 1,924,713 |
| Net assets | 418,704 | 375,629 |
| EQUITY | | |
| Units issued and reserves attributable to Unitholders of the Trust | | |
| Units in issue | 451,157 | 451,157 |
| Hedging reserve | 25,462 | (3,555) |
| Translation reserve | 6,169 | (6,376) |
| Accumulated losses | (81,487) | (81,715) |
| | 401,301 | 359,511 |
| Minority interest | 17,403 | 16,118 |
| Total Unitholders' funds | 418,704 | 375,629 |

Notes:

- (a) The main changes in the balance sheet items as at 30/06/08 as compared to 31/03/08 were due to fair value changes in the various derivative financial instruments and its consequent impact on deferred tax liabilities and also translation differences in consolidating Basslink Group.
- (b) CitySpring Infrastructure Trust has negative working capital mainly due to the equity bridge loan obtained to partially fund the Basslink acquisition. A new 3-year term loan has been obtained to re-finance the equity bridge loan and this refinancing is expected to be completed by the end of August 2008.

CITYSPRING INFRASTRUCTURE TRUST
(Reg. No. 2007001)

Financial Statement And Distribution Announcement for the Quarter ended 30 June 2008

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

Balance Sheet (Trust)

| | 30/06/08 | 31/03/08 |
|---|-----------------|-----------------|
| | S\$'000 | S\$'000 |
| ASSETS | | |
| Non-current assets | | |
| Long-term receivables | 230,570 | 230,570 |
| Investment in subsidiaries | 155,135 | 155,135 |
| Total non-current assets | 385,705 | 385,705 |
| Current assets | | |
| Cash and cash equivalents | 11,934 | 7,027 |
| Trade and other receivables | 2,614 | 6,053 |
| Other current assets | 5,519 | 34 |
| Total current assets | 20,067 | 13,114 |
| Total assets | 405,772 | 398,819 |
| LIABILITIES | | |
| Current liabilities | | |
| Trade and other payables | 7,483 | 2,781 |
| Current tax liabilities | 8 | 8 |
| Total current liabilities | 7,491 | 2,789 |
| Total liabilities | 7,491 | 2,789 |
| Net assets | 398,281 | 396,030 |
| EQUITY | | |
| Units issued and reserves attributable to Unitholders of the Trust | | |
| Units in issue | 451,157 | 451,157 |
| Accumulated losses | (52,876) | (55,127) |
| Total Unitholders' funds | 398,281 | 396,030 |

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

| | 30/06/08 | 31/03/08 |
|----------------------------------|------------------|------------------|
| | S\$'000 | S\$'000 |
| Secured bank loans | | |
| Amount repayable within one year | 375,299 | 373,634 |
| Amount repayable after one year | 1,388,561 | 1,345,368 |
| | 1,763,860 | 1,719,002 |

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 the SingSpring Trust held by CitySpring Infrastructure Management Pte, Ltd. (as Trustee-Manager of CitySpring Infrastructure Trust) ("Trustee-Manager") and Hyflux Ltd and a charge over the shares held by the Trustee-Manager in SingSpring Pte Ltd. The bridging loan granted to CityLink Investment Pte Ltd ("CityLink") is secured by a charge over the shares held by the Trustee-Manager in CityLink.

CITYSPRING INFRASTRUCTURE TRUST
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Financial Statement And Distribution Announcement for the Quarter ended 30 June 2008

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

Consolidated Cash Flow Statement for the quarter ended 30 June 2008

| | Notes | 01/04/08 to | 01/04/07 to |
|---|-------|----------------|----------------|
| | | 30/06/08 | 30/06/07 |
| | | S\$'000 | S\$'000 |
| Cash flows from operating activities | | | |
| Net profit | | 8,354 | 1,235 |
| Adjustments for: | | | |
| Income tax (credit)/expense | | (7,926) | 146 |
| Depreciation and amortisation | | 14,069 | 4,891 |
| Finance costs | | 21,443 | 2,663 |
| Interest income | | (1,264) | (137) |
| Fair value (gain)/loss on derivative financial instruments | | (3,577) | 3,004 |
| Loss on disposal of property, plant and equipment | | 44 | - |
| Unrealised translation losses | | 68 | - |
| Operating cash flow before working capital changes | | 31,211 | 11,802 |
| Changes in working capital | | | |
| Trade and other receivables | | (2,257) | 445 |
| Inventories | | 588 | 101 |
| Trade and other payables | (a) | 1,129 | (7,160) |
| Interest received | | 1,260 | 105 |
| Interest paid | | (18,137) | (2,156) |
| Net cash generated from operating activities | | 13,794 | 3,137 |
| Cash flows from investing activities | | | |
| Purchase of property, plant and equipment | | (226) | (23) |
| Proceeds from sale of property, plant and equipment | | 66 | - |
| Net cash used in investing activities | | (160) | (23) |
| Cash flows from financing activities | | | |
| Increase in restricted cash | (b) | (66) | (1,649) |
| Proceeds from units issued by subsidiary to minority interest | | - | 144 |
| Repayment of borrowings | | (699) | (783) |
| Distribution paid to unitholders of the Group | | (7,839) | (3,510) |
| Distribution paid by subsidiary to minority unitholder | | (741) | (93) |
| Net cash used in financing activities | | (9,345) | (5,891) |
| Net increase/(decrease) in cash and cash equivalents | | 4,289 | (2,777) |
| Effect of currency translation on cash and cash equivalents | | 1,024 | - |
| Cash and cash equivalents at beginning of the period | | 68,064 | 49,626 |
| Cash and cash equivalents at end of the period | (b) | 73,377 | 46,849 |

Notes:

- (a) Included in trade and other payables is the settlement of transaction costs in relation to previous year's acquisition of subsidiary which had been accrued for.

- (b)

| | 30/06/08 | 30/06/07 |
|--|----------|----------|
| | S\$'000 | S\$'000 |
| Cash and short term deposits as at 30 June | 112,307 | 56,555 |
| Less: Restricted cash | (38,930) | (9,706) |
| Cash and cash equivalents | 73,377 | 46,849 |

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

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Financial Statement And Distribution Announcement for the Quarter ended 30 June 2008

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 capitalization 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> → | | | | | | |
|---|---|------------------------|----------------------------|---------------------------|----------------|--------------------------|---------------------|
| | <u>Units in Issue</u> | <u>Hedging Reserve</u> | <u>Translation reserve</u> | <u>Accumulated Losses</u> | <u>Total</u> | <u>Minority interest</u> | <u>Total equity</u> |
| | <u>S\$'000</u> | <u>S\$'000</u> | <u>S\$'000</u> | <u>S\$'000</u> | <u>S\$'000</u> | <u>S\$'000</u> | <u>S\$'000</u> |
| 2008 | | | | | | | |
| Balance at 1 April 2008 | 451,157 | (3,555) | (6,376) | (81,715) | 359,511 | 16,118 | 375,629 |
| Net change in hedging reserve | - | 29,039 | - | - | 29,039 | 1,739 | 30,778 |
| Currency translation differences | - | (22) | 12,545 | - | 12,523 | - | 12,523 |
| Net income recognised directly in equity | - | 29,017 | 12,545 | - | 41,562 | 1,739 | 43,301 |
| Net profit for the financial period | - | - | - | 8,067 | 8,067 | 287 | 8,354 |
| Total recognised income | - | 29,017 | 12,545 | 8,067 | 49,629 | 2,026 | 51,655 |
| Distribution paid | - | - | - | (7,839) | (7,839) | (741) | (8,580) |
| Balance at 30 June 2008 | 451,157 | 25,462 | 6,169 | (81,487) | 401,301 | 17,403 | 418,704 |
| 2007 | | | | | | | |
| Balance at 1 April 2007 | 391,191 | 1,008 | - | (56,078) | 336,121 | 19,534 | 355,655 |
| Net change in hedging reserve | - | (2,289) | - | - | (2,289) | (984) | (3,273) |
| Net loss recognised directly in equity | - | (2,289) | - | - | (2,289) | (984) | (3,273) |
| Net profit for the financial period | - | - | - | 2,114 | 2,114 | (879) | 1,235 |
| Total recognised (expenses)/income | - | (2,289) | - | 2,114 | (175) | (1,863) | (2,038) |
| Units issued | 59,966 | - | - | - | 59,966 | - | 59,966 |
| Distribution paid | - | - | - | (3,510) | (3,510) | (93) | (3,603) |
| Balance at 30 June 2007 | 451,157 | (1,281) | - | (57,474) | 392,402 | 17,578 | 409,980 |

Trust

| | <u>Units in Issue</u> | <u>Accumulated Losses</u> | <u>Total</u> |
|---|-----------------------|---------------------------|----------------|
| | <u>S\$'000</u> | <u>S\$'000</u> | <u>S\$'000</u> |
| 2008 | | | |
| Balance at 1 April 2008 | 451,157 | (55,127) | 396,030 |
| Net profit for the financial period/total recognised income | - | 10,090 | 10,090 |
| Distribution paid | - | (7,839) | (7,839) |
| Balance at 30 June 2008 | 451,157 | (52,876) | 398,281 |
| 2007 | | | |
| Balance at 1 April 2007 | 391,191 | (66,845) | 324,346 |
| Net profit for the financial period/total recognised income | - | 7,534 | 7,534 |
| Units issued | 59,966 | - | 59,966 |
| Distribution paid | - | (3,510) | (3,510) |
| Balance at 30 June 2007 | 451,157 | (62,821) | 388,336 |

Financial Statement And Distribution Announcement for the Quarter ended 30 June 2008

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.

Not applicable.

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.

| | 30/6/08 | 31/3/08 |
|--------------------|----------------|----------------|
| Total issued units | 489,965,504 | 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 figures have not been audited nor reviewed by the Auditors.

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

Not applicable.

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

There are no new or amended accounting standards or interpretations effective for the financial year commencing 1 April 2008 which are relevant to the Group.

Financial Statement And Distribution Announcement for the Quarter ended 30 June 2008

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

| | Actual | Actual |
|---|----------------------|----------------------|
| | 01/04/08 to 30/06/08 | 01/04/07 to 30/06/07 |
| (i) Weighted average number of units | 489,965,504 | 488,647,690 |
| (ii) Earnings per unit for the period based on the weighted average number of units in issue (cents) - Basic and diluted | 1.65 | 0.43 |
| (iii) Number of units issued at end of period | 489,965,504 | 489,965,504 |
| (iv) Distribution per unit for the period (cents) | 1.75 | 1.50 |

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

| | Group | | Trust | |
|--------------------------------|-----------------|-----------------|-----------------|-----------------|
| | Actual 30/06/08 | Actual 31/03/08 | Actual 30/06/08 | Actual 31/03/08 |
| Net asset value per unit (S\$) | 0.82 | 0.73 | 0.81 | 0.81 |

The number of units used for computation of actual NAV per unit is 489,965,504 which is the number of units in issue as at 30 June 2008.

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.**

See Para 1 (a) and Para 1 (b)(i) on page 2 and 3 respectively.

Financial Statement And Distribution Announcement for the Quarter ended 30 June 2008

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

Current Quarter vs Projection

| | Actual | Projection | |
|--|---------------------------------|---------------------------------|---------------|
| | 01/04/08 to 30/06/08 | 01/04/08 to 30/06/08 | Change |
| | S\$'000 | S\$'000 | % |
| Revenue | 99,371 | 94,317 | 5.4 |
| Other income | 8,004 | 697 | N/M |
| Expenses | | | |
| Fuel and electricity costs | (35,659) | (31,418) | (13.5) |
| Transportation costs | (17,840) | (17,237) | (3.5) |
| Depreciation and amortisation | (14,069) | (13,856) | (1.5) |
| Staff costs | (4,838) | (4,855) | 0.4 |
| Operations and maintenance costs | (4,240) | (4,047) | (4.8) |
| Finance costs | (21,443) | (22,621) | 5.2 |
| Management fee | (940) | (2,217) | 57.6 |
| Other operating expenses | (7,918) | (7,900) | (0.2) |
| Total expenses | (106,947) | (104,151) | (2.7) |
| Profit/(Loss) before income tax | 428 | (9,137) | N/M |
| Income tax credit | 7,926 | 166 | N/M |
| Net profit/(loss) after tax | 8,354 | (8,971) | N/M |
| Attributable to: | | | |
| Unitholders of the Trust | 8,067 | (8,798) | N/M |
| Minority interest | 287 | (173) | N/M |
| | 8,354 | (8,971) | N/M |
| EBITDA | 34,676 | 26,883 | 29.0 |
| Cash earnings ⁽¹⁾ | 17,745 | 10,929 | 62.4 |

N/M - Not meaningful

Notes:

- (a) The projection figures are derived by prorating the projection disclosed in the Circular to unitholders dated 24 January 2008.

Cash earnings for the quarter ended 30 June 2008 was S\$17.7 million. The pro-rated projections have not assumed any fair value changes in the various derivative financial instruments of the subsidiary entities at the time of preparing the projections.

City Gas Trust recorded higher earnings mainly from higher volume of gas sales whilst SingSpring Trust recorded higher realised gain on its commodity swaps. Basslink recorded savings in its operating expenses which were partly offset by lower revenue from the facility fee and CRSM. There was an unplanned outage in June 2008 which resulted in a lower base facility fee, as availability for June 2008 was 92.63%. CRSM has been affected by the cool summer temperatures.

Income tax credit of S\$7.9 million relates mainly to the recognition of pre-acquisition tax losses in Basslink.

¹ 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 and before principal repayment of debt incurred for the period of review.

Financial Statement And Distribution Announcement for the Quarter ended 30 June 2008

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

Forward looking prospects

Basslink had an unplanned outage in July 2008. The cause of the outage has since been rectified. Availability for the month of July 2008 was 70.9%. As there are no planned outages and assuming full availability for the remaining calendar year, cumulative availability will be 94.78%. Basslink is however expected to be able to meet its projections for the financial year due to lower insurance expenses and projected interest income from its interest rate hedge.

CitySpring Infrastructure Trust's performance is expected not to be affected by the rising fuel price environment. For City Gas Trust, its fuel costs are passed through to consumers via tariff adjustments. 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 be evident if there are sharp changes in fuel prices. City Gas Trust has recently announced an increase in tariff of 9.7%. Increase in fuel cost will have a positive effect on SingSpring's earnings because it has entered into a series of fuel hedges, which are in-the-money. Increase in fuel cost has no significant effect on Basslink as its earnings is dependent primarily on the availability of the electrical inter-connector across the Bass Strait.

In line with CitySpring's acquisition growth strategy (as described in its IPO Prospectus), the Trustee-Manager is considering a number of possible acquisition opportunities and will announce further details as to such opportunities if and when appropriate in compliance with applicable disclosure requirements. There can be no assurance that any of these opportunities will be realised.

11. Distributions

(a) Current financial period reported on

| | | |
|---|---|---|
| Any distributions declared for the current financial period | : | Yes |
| Amount | : | S\$8,574,396 |
| Distribution period | : | From 01/04/2008 to 30/06/2008 |
| 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. The Unitholders are not entitled to tax credits of any taxes paid by the Trustee-Manager of CitySpring. |

The distribution for this quarter includes the contributions from Basslink.

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

Financial Statement And Distribution Announcement for the Quarter ended 30 June 2008

(b) Corresponding Period of the Immediately Preceding Financial Period

| | | |
|---|---|---|
| Any distributions declared for the current financial period | : | Yes |
| Amount | : | S\$7,349,483 |
| Distribution period | : | From 01/04/2007 to 30/06/2007 |
| Distribution type | : | Cash, Tax-Exempt Income |
| Distribution rate | : | 1.50 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. The Unitholders are not entitled to tax credits of any taxes paid by the Trustee-Manager of CitySpring. |

(c) Date Payable : 12 September 2008

(d) Books closure date : The Transfer Books and Register of CitySpring Infrastructure Trust will be closed from 5.00 p.m. on 28 August 2008 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 28 August 2008 will be entitled to the Distribution to be paid on 12 September 2008.

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

Not applicable.

13. 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 June 2008 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.

Morgan Stanley Asia (Singapore) Pte, Morgan Stanley & Co. International Limited and DBS Bank Ltd. were the joint advisers, joint bookrunners, joint lead managers and underwriters for the initial public offering of CitySpring Infrastructure Trust.

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
13 August 2008