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

Financial Statement And Distribution Announcement for the Quarter ended 30 June 2012

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.

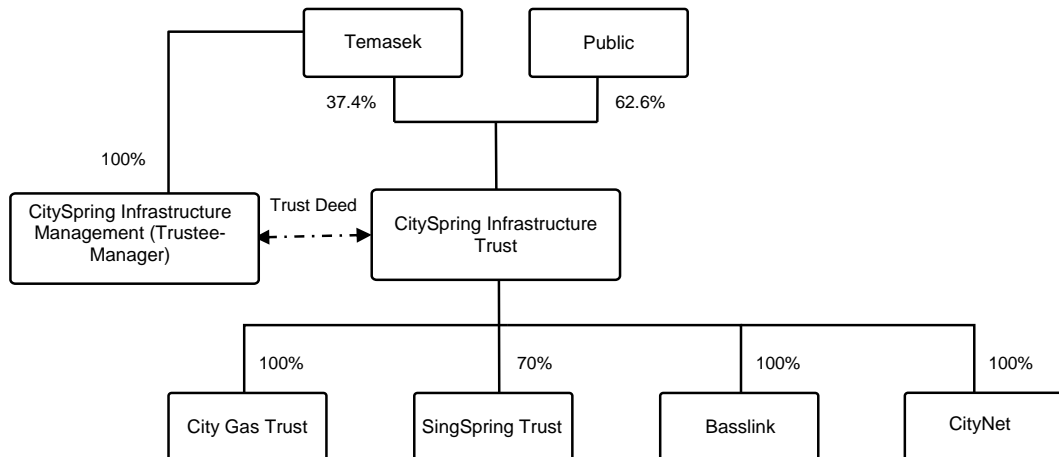
CitySpring's portfolio comprises 100% of City Gas Trust ("City Gas"), 70% of SingSpring Trust ("SingSpring"), 100% of Basslink Pty Ltd ("Basslink") (including 100% of Basslink Telecoms Pty Ltd ("Basslink Telecoms")) and 100% of CityNet Infrastructure Management Pte. Ltd. ("CityNet").

City Gas is the sole producer and retailer of town gas and the sole user of the low-pressured piped town gas network in Singapore. SingSpring is the sole supplier of desalinated water to the Public Utilities Board, Singapore's national water agency.

Basslink owns and operates 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 it the world's second longest undersea electricity transmission cable. Embedded in the interconnector are fibre optic cables. Basslink Telecoms successfully commercialised these cables when it commenced carrying commercial traffic from July 2009.

On 22 July 2011, CityNet was awarded a mandate to act as the trustee-manager of NetLink Trust ("NetLink"). CityNet, in its capacity as trustee-manager of NetLink, owns, installs, operates and maintains the assets (transferred from Singapore Telecommunications Limited) for the purpose of facilitating telecommunication activities.

The CitySpring Group is shown in the chart below.



**CITYSPRING INFRASTRUCTURE TRUST
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Financial Statement And Distribution Announcement for the Quarter ended 30 June 2012

INTRODUCTION (cont'd)

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 this more accurately reflects the cash flows generated by the businesses, and removes the effect of the accounting treatment of non-cash items on our financial statements.

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

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, fuel costs consist mainly of the cost of natural gas. This is in turn 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 as fuel costs are passed through to the end-users. However, at any point in time, the actual tariff for town gas 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 changes in fuel prices.

At SingSpring, the energy cost is recovered from PUB in accordance with the principles set out in the Water Purchase Agreement.

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 translation gains or losses.

CITYSPRING INFRASTRUCTURE TRUST
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Financial Statement And Distribution Announcement for the Quarter ended 30 June 2012

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

(i) **Consolidated Income Statement**

	1Q FY13	1Q FY12	Change
	S\$'000	S\$'000	%
Revenue	132,578	110,664	19.8
Other income	896	994	(9.9)
Other losses - net	(6,960)	(1,219)	N/M
Expenses			
Fuel and electricity costs	(53,620)	(46,395)	(15.6)
Gas transportation costs	(20,224)	(20,136)	(0.4)
Depreciation and amortisation	(13,590)	(14,095)	3.6
Staff costs	(5,551)	(4,725)	(17.5)
Operation and maintenance costs	(5,425)	(7,129)	23.9
Finance costs	(16,108)	(22,299)	27.8
Management fees	(1,477)	(1,301)	(13.5)
Other operating expenses	(11,703)	(7,792)	(50.2)
Total expenses	(127,698)	(123,872)	(3.1)
Loss before income tax	(1,184)	(13,433)	91.2
Income tax expense	(2,714)	(862)	(214.8)
Net loss after income tax	(3,898)	(14,295)	72.7
Loss/(profit) attributable to:			
Unitholders of the Trust	(4,247)	(14,574)	70.9
Non-controlling interest	349	279	25.1
	(3,898)	(14,295)	72.7

Refer to paragraphs 8.1 for further details.

N/M - Not meaningful

CITYSPRING INFRASTRUCTURE TRUST
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Financial Statement And Distribution Announcement for the Quarter ended 30 June 2012

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

(ii) Consolidated Statement of Comprehensive Income

	1Q FY13	1Q FY12	Change
	S\$'000	S\$'000	%
Net loss after income tax	(3,898)	(14,295)	72.7
Other comprehensive (loss)/income:			
Cash flow hedges:			
- Fair value losses	(65,627)	(3,881)	N/M
- Transfer to income statement	1,498	1,543	(2.9)
Currency translation differences relating to consolidation of foreign subsidiaries	(2,281)	799	N/M
Other comprehensive loss, net of tax	(66,410)	(1,539)	N/M
Total comprehensive loss	(70,308)	(15,834)	N/M
Total comprehensive loss/(income) attributable to:			
Unitholders of the Trust	(70,497)	(16,130)	N/M
Non-controlling interest	189	296	(36.1)
	(70,308)	(15,834)	N/M

(iii) Additional information - Cash Earnings

	1Q FY13	1Q FY12	Change
	S\$'000	S\$'000	%
EBITDA	27,865	22,188	25.6
Cash earnings¹	22,282	3,626	514.5
Attributable to:			
Unitholders of the Trust	21,101	2,561	723.9
Non-controlling interest	1,181	1,065	10.9

N/M - Not meaningful

¹ Cash Earnings is defined as EBITDA adjusted for cash and non-cash items, less cash interest, cash tax, upfront financing fees and maintenance capital expenditure and before principal repayment of debt and non-controlling interest

CITYSPRING INFRASTRUCTURE TRUST
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Financial Statement And Distribution Announcement for the Quarter ended 30 June 2012

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)

	As at 30 Jun 2012	As at 31 Mar 2012
	S\$'000	S\$'000
ASSETS		
Current assets		
Cash and bank deposits	164,848	160,533
Trade and other receivables	62,452	64,477
Finance lease receivables	7,839	7,763
Inventories	15,975	15,208
Other current assets	5,731	2,438
Total current assets	256,845	250,419
Non-current assets		
Derivative financial instruments	-	8,736
Finance lease receivables	154,089	156,100
Other assets	3,276	3,434
Property, plant and equipment	1,188,330	1,205,091
Intangibles	413,324	416,462
Total non-current assets	1,759,019	1,789,823
Total assets	2,015,864	2,040,242
LIABILITIES		
Current liabilities		
Derivative financial instruments	18,677	6,557
Trade and other payables	86,469	90,302
Current tax liabilities	1,507	373
Provisions	3,824	-
Borrowings	9,575	9,332
Total current liabilities	120,052	106,564
Non-current liabilities		
Derivative financial instruments	65,065	12,537
Borrowings	1,337,576	1,343,505
Notes payable to non-controlling interest	15,000	15,000
Deferred tax liabilities	24,395	24,462
Provisions	20,360	20,245
Other payables	82,793	84,093
Total non-current liabilities	1,545,189	1,499,842
Total liabilities	1,665,241	1,606,406
Net assets	350,623	433,836
UNITHOLDERS' FUNDS		
Units in issue	886,731	886,731
Hedging reserve	(173,017)	(109,048)
Translation reserve	(14,264)	(11,983)
Accumulated losses	(357,959)	(341,257)
	341,491	424,443
Non-controlling interest	9,132	9,393
Total unitholders' funds	350,623	433,836

Refer to paragraph 8.2 for further details.

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Financial Statement And Distribution Announcement for the Quarter ended 30 June 2012

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)

	As at 30 Jun 2012	As at 31 Mar 2012
	S\$'000	S\$'000
ASSETS		
Current assets		
Cash and bank deposits	71,852	76,062
Trade and other receivables	738	703
Other current assets	101	68
Total current assets	72,691	76,833
Non-current assets		
Long-term receivables	230,570	230,570
Subsidiary companies	629,652	629,652
Total non-current assets	860,222	860,222
Total assets	932,913	937,055
LIABILITIES		
Current liabilities		
Derivative financial instrument	85	124
Trade and other payables	1,865	1,755
Current tax liabilities	165	153
Total current liabilities	2,115	2,032
Non-current liabilities		
Borrowings	140,693	140,506
Total non-current liabilities	140,693	140,506
Total liabilities	142,808	142,538
Net assets	790,105	794,517
UNITHOLDERS' FUNDS		
Unitholders' funds		
Units in issue	886,731	886,731
Hedging reserve	(85)	(124)
Accumulated losses	(96,541)	(92,090)
Total unitholders' funds	790,105	794,517

Refer to paragraph 8.3 for further details.

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Financial Statement And Distribution Announcement for the Quarter ended 30 June 2012

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

	As at 30 Jun 2012	As at 31 Mar 2012
	S\$'000	S\$'000
Secured bank loans		
Amount repayable within one year	9,575	9,332
Amount repayable after one year	1,337,576	1,343,505
	1,347,151	1,352,837

Details of any collateral at CitySpring

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 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, 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.

Loan covenants relating to controlling unitholder or change in control

This information was announced on 28 October 2011 pursuant to new Rule 704(31) of the SGX-ST Listing Manual and is included here for Unitholders' information.

(a) Under the CitySpring corporate loan:

- (i) if Temasek Holdings (Private) Limited ("Temasek") ceases to own, free from encumbrances, all the issued shares in the Trustee-Manager; or
- (ii) the Trustee-Manager resigns or is removed as trustee-manager of CitySpring,

any lender under this facility agreement may require the borrower to repay that lender's share of the loan outstanding together with interest and other amounts accrued thereon.

- (b) Under the City Gas facility agreement, if more than half of the directors of the borrower are not those appointed or re-elected as at the conclusion of the annual general meeting of the borrower immediately before the date on which Temasek first ceases to own at least 20% of the issued share capital of the Trustee-Manager, unless the majority lenders under this facility agreement consent, all outstanding amounts under the facility must be repaid together with interest and other amounts accrued thereon.

(c) Other facilities

The repayment of the above credit facilities upon the occurrence of a change in control of CitySpring or the Trustee-Manager could also cause a default under other credit facilities of CitySpring and its subsidiaries, even if the change in control itself does not, as the financial effect of such repayment could constitute a material adverse effect affecting CitySpring and its subsidiaries, taken as a whole.

(d) Interest rate hedges

The Trustee-Manager has entered into various interest rate swaps to hedge the exposure of CitySpring and its subsidiaries to interest rate volatilities under the various facility agreements to which they are a party.

If the underlying facility agreement to which an interest rate hedge relates is terminated by reason of the occurrence of a change in control of CitySpring or the Trustee-Manager as described above, the relevant interest rate hedge may also be terminated. In such a case, amounts payable under the relevant interest rate hedge will be netted off and payable to the relevant party to whom such net amount is owed.

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Financial Statement And Distribution Announcement for the Quarter ended 30 June 2012

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

Consolidated Cash Flow Statement

	1Q FY13	1Q FY12
	S\$'000	S\$'000
Operating activities		
Loss before income tax	(1,184)	(13,433)
Adjustments for:		
Depreciation and amortisation	13,590	14,095
Finance costs	16,108	22,299
Interest income	(648)	(774)
Fair value loss on derivative financial instruments	6,760	1,488
Property, plant and equipment written off	-	3
Gain on disposal of property, plant and equipment	-	(4)
Unrealised translation loss/(gain)	41	(36)
Operating cash flow before working capital changes	34,667	23,638
Changes in working capital :		
Inventories	(767)	(24)
Trade and other receivables	800	(1,446)
Trade and other payables	812	(4,195)
Cash generated from operations	35,512	17,973
Interest received	669	915
Interest paid	(16,185)	(17,932)
Net cash generated from operating activities	19,996	956
Investing activities		
Purchase of property, plant and equipment	(170)	(706)
Proceeds from sale of property, plant and equipment	-	4
Net cash used in investing activities	(170)	(702)
Financing activities		
Decrease/(increase) in restricted cash	599	(1,755)
Repayment of borrowings	(2,370)	(2,370)
Payment of loan upfront fee	-	(3,799)
Distributions paid to unitholders of the Trust	(12,455)	(10,289)
Distributions paid by subsidiary to non-controlling interest	(450)	(360)
Net cash used in financing activities	(14,676)	(18,573)
Net increase/(decrease) in cash and cash equivalents	5,150	(18,319)
Cash and cash equivalents at beginning of the period	120,068	98,825
Effect of currency translation on cash and cash equivalents	(88)	102
Cash and cash equivalents at end of the period (Note a)	125,130	80,608

Note a:

Cash and bank deposits as at 30 June
Less: Restricted cash
Cash and cash equivalents

As at	As at
30 Jun 2012	30 Jun 2011
S\$'000	S\$'000
164,848	142,839
(39,718)	(62,231)
125,130	80,608

Restricted cash represents the amount of cash and cash equivalents pledged to the bank as security for the bank loans extended to CitySpring, SingSpring and the Basslink Group. The decrease in restricted cash as at 30 June 2012 compared to 30 June 2011 was due to the release of an A\$20 million escrow amount that CitySpring had placed for the benefit of Basslink.

Refer to paragraph 8.4 for further details.

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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>	Attributable to Unitholders of the Trust				Non-controlling Interest	Total	
	Units in Issue	Hedging Reserve	Translation Reserve	Accumulated Losses			Total
	S\$'000	S\$'000	S\$'000	S\$'000			S\$'000
2013							
Balance as at 1 Apr 2012	886,731	(109,048)	(11,983)	(341,257)	424,443	9,393	
Total comprehensive (loss)/income	-	(63,969)	(2,281)	(4,247)	(70,497)	189	
<u>Contributions by and distributions to owners</u>							
Distributions paid	-	-	-	(12,455)	(12,455)	(450)	
Total transactions with owners in their capacity as owners	-	-	-	(12,455)	(12,455)	(450)	
Balance as at 30 Jun 2012	886,731	(173,017)	(14,264)	(357,959)	341,491	9,132	
2012							
Balance as at 1 Apr 2011	680,245	(56,785)	(16,489)	(259,586)	347,385	9,927	
Total comprehensive (loss)/income	-	(2,355)	799	(14,574)	(16,130)	296	
<u>Contributions by and distributions to owners</u>							
Distributions paid	-	-	-	(10,289)	(10,289)	(360)	
Total transactions with owners in their capacity as owners	-	-	-	(10,289)	(10,289)	(360)	
Balance as at 30 Jun 2011	680,245	(59,140)	(15,690)	(284,449)	320,966	9,863	

Trust

	Units in Issue	Hedging Reserve	Accumulated Losses	Total
	S\$'000	S\$'000	S\$'000	S\$'000
2013				
Balance as at 1 Apr 2012	886,731	(124)	(92,090)	794,517
Total comprehensive income	-	39	8,004	8,043
<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 2012	886,731	(85)	(96,541)	790,105
2012				
Balance as at 1 Apr 2011	680,245	-	(76,795)	603,450
Total comprehensive income	-	-	7,138	7,138
<u>Contributions by and distributions to owners</u>				
Distributions paid	-	-	(10,289)	(10,289)
Total transactions with owners in their capacity as owners	-	-	(10,289)	(10,289)
Balance as at 30 Jun 2011	680,245	-	(79,946)	600,299

Financial Statement And Distribution Announcement for the Quarter ended 30 June 2012

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.

	As at 30/06/12	As at 31/03/12
Total issued units	1,518,893,062	1,518,893,062

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 Auditor.

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

No 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.

The accounting policies and methods of computation applied in the financial statements for the current financial period are consistent with those described in the audited financial statements for the financial year ended 31 March 2012.

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

With effect from 1 April 2012, the Group adopted the following new or amended Singapore Financial Reporting Standards ("FRS") which are relevant to the Group's operations:

- Amendments to FRS 1 Presentation of Items of Other Comprehensive Income
- FRS 113 Fair Value Measurements

The adoption of the above FRS did not result in any substantial change to the Group's accounting policies or any material impact on the financial statements of the Group.

CITYSPRING INFRASTRUCTURE TRUST
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Financial Statement And Distribution Announcement for the Quarter ended 30 June 2012

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

6.1 Earnings per unit and distribution per unit for the financial period

	1Q FY13	1Q FY12
(i) Weighted average number of units	1,518,893,062	979,931,008
(ii) Loss per unit for the period based on the weighted average number of units in issue (cents)		
- Basic and diluted	(0.28)	(1.49)
(iii) Number of units issued at end of period	1,518,893,062	979,931,008
(iv) Distribution per unit for the period (cents)	0.82 ⁽¹⁾	1.05

⁽¹⁾ Post 2011 Rights Issue

6.2 Cash earnings per unit attributable to unitholders for the financial period

	1Q FY13	1Q FY12
Cash earnings per unit for the period based on the weighted average number of units in issue (cents)		
- Basic and diluted	1.39	0.26

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

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	
	30/06/12	31/03/12	30/06/12	31/03/12
Net asset value per unit (cents)	22.5	27.9	52.0	52.3

The Group NAV per unit before hedging and translation reserves is 34.8 cents as at 30 June 2012 and 35.9 cents as at 31 March 2012.

The number of units used for computation of actual NAV per unit is 1,518,893,062 which is the number of units in issue as at 30 June 2012 and 31 March 2012.

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 hedging contracts to be recognised in the hedging reserve. At 30 June 2012, the Group had a hedging reserve of negative S\$173.0 million (31 March 2012: negative S\$109.0 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 Quarter ended 30 June 2012

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.

8.1 Income Statement (1Q FY13 vs 1Q FY12)

Revenue

Group revenue for 1Q FY13 was S\$132.6 million which was S\$21.9 million higher than 1Q FY12.

At City Gas, revenue of S\$98.5 million in 1Q FY13 was higher than its revenue of S\$81.3 million in 1Q FY12. This was due mainly to higher volume of gas sold and higher tariffs charged in response to higher feedstock costs for gas production.

SingSpring's revenue of S\$11.9 million in 1Q FY13 was higher than its revenue of S\$9.4 million in 1Q FY12.

Basslink's revenue of A\$16.9 million (approximately S\$21.6 million) in 1Q FY13 was higher compared to A\$15.1 million (approximately S\$19.9 million) in 1Q FY12. The higher revenue was due to higher facility fee due to inflation adjustment and lower negative CRSM² in 1Q FY13.

CityNet contributed revenue of S\$0.5 million in 1Q FY13.

Other income

This comprises interest income and other miscellaneous income. Other income for 1Q FY13 was S\$0.9 million which was marginally lower than S\$1.0 million recorded in 1Q FY12 due mainly to lower interest income.

Other losses – net

Other losses – net of S\$7.0 million and S\$1.2 million in 1Q FY13 and 1Q FY12 respectively were mainly due to fair value movement on derivative instruments and currency translation movements.

Operating Expenses

Fuel and electricity costs of S\$53.6 million in 1Q FY13 were higher than the costs of S\$46.4 million in 1Q FY12 due mainly to higher fuel cost incurred for City Gas.

Depreciation and amortisation costs were S\$13.6 million in 1Q FY13 and S\$14.1 million in 1Q FY12 respectively. The lower depreciation charges were due to lower depreciation charge at City Gas as certain plant and equipment had been fully depreciated since last quarter and lower currency translation rates.

Finance costs of S\$16.1 million in 1Q FY13 were lower compared to S\$22.3 million in 1Q FY12. The decrease in finance costs was mainly due to lower finance cost at Basslink which had purchased and cancelled bonds with total principal amount of A\$170 million in September 2011 and lower currency translation rates.

Other operating expenses were S\$11.7 million and S\$7.8 million in 1Q FY13 and 1Q FY12 respectively. The increase was due mainly to the provision of A\$2.95 million (approximately S\$3.8 million) which has been set aside for the settlement of the dispute on CRSM payment in calendar year 2009 with Hydro Tasmania ("HT").

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.

Financial Statement And Distribution Announcement for the Quarter ended 30 June 2012

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)**

8.1 Income Statement (1Q FY13 vs 1Q FY12) (cont'd)

Cash earnings

1Q FY13 cash earnings was S\$22.3 million which was S\$18.7 million higher than in 1Q FY12.

City Gas recorded cash earnings of S\$16.8 million in 1Q FY13 compared to S\$4.1 million in 1Q FY12. City Gas's short term profit margins can be affected by movements in fuel costs. This is because City Gas can only change the tariffs at which it charges its customers once every three months, whereas fuel costs fluctuate daily on the open market. From quarter to quarter, there is therefore potentially a mis-match between City Gas's fuel costs and tariffs, although the tariff adjustments mechanism is designed to ensure that we fully recover our fuel costs over a period of time. Increase in sales volume of both town gas and natural gas also contributed to the increase in cash earnings.

SingSpring desalination plant continues to achieve 100% availability and recorded cash earnings of S\$4.7 million in 1Q FY13 compared to S\$4.4 million in 1Q FY12.

Basslink's cash earnings was A\$2.3 million in 1Q FY13 (approximately S\$2.9 million) and negative A\$0.5 million (approximately S\$0.6 million) in 1Q FY12. CRSM was negative A\$3.5 million (approximately S\$4.5 million) for 1Q FY13 compared to negative A\$4.9 million (approximately S\$6.4 million) for 1Q FY12. Basslink also incurred lower finance costs arising mainly from interest savings of A\$1.5 million (approximately S\$1.9 million) after the purchase and cancellation of Basslink bonds in September 2011. In 1Q FY12, Basslink incurred costs of A\$1.9 million (approximately S\$2.5 million) for a marine cable survey which is required once in two years. The higher cash earnings as explained above has been partially offsetted by a provision of A\$2.95 million (approximately S\$3.8 million) set aside for the settlement of the dispute on CRSM payment in calendar year 2009 with HT.

CityNet contributed cash earnings of S\$0.5 million in 1Q FY13.

One-off loan upfront fees of S\$3.8 million were paid for the refinancing of CitySpring's corporate loan and City Gas' term loan which reduced cash earnings in 1Q FY12.

8.2 Balance Sheet – Group

Total assets as at 30 June 2012 was S\$2,016 million which was lower than total assets of S\$2,040 million as at 31 March 2012. This was mainly due to depreciation charges for property plant and equipment, amortisation charges for intangible assets other than goodwill and the effects of mark-to-market changes in the derivative financial instruments.

Total liabilities as at 30 June 2012 was S\$1,665 million which was higher than total liabilities of S\$1,606 million as at 31 March 2012 due mainly to the increase in mark-to-market liability of the derivative financial instruments.

Total unitholders' funds as at 30 June 2012 was S\$351 million which was lower than total unitholders' funds of S\$434 million as at 31 March 2012. This was due mainly to the net loss after tax recorded for the financial quarter ended 30 June 2012, distribution to unitholders and the effects of mark-to-market changes in the derivative financial instruments on hedging reserve.

Financial Statement And Distribution Announcement for the Quarter ended 30 June 2012

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)

8.3 Balance Sheet – Trust

There was no significant movement in the asset and liabilities of the Trust as at 30 June 2012 compared to 31 March 2012.

8.4 Cashflow

Cash generated from operating activities was S\$20.0 million for 1Q FY13 compared to S\$1.0 million for 1Q FY12. The higher cash generated was due to the higher cash earnings as explained in paragraph 8.1 (refer to the performance review of 1Q FY13 vs 1Q FY12). Net cash used in financing activities of S\$14.7 million comprised mainly distributions to Unitholders of CitySpring and non-controlling interest of a subsidiary.

Cash and bank deposits less restricted cash as at 30 June 2012 was S\$125.1 million which was an increase of S\$44.5 million compared to S\$80.6 million as at 30 June 2011. This was mainly due to the higher cash generated from operations and the release of an A\$20 million escrow amount that CitySpring had placed for the benefit of Basslink in September 2010.

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 2013 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.**

Group Operations

Basslink and SingSpring have long-term contracts with state-owned utilities. Basslink Telecoms, which commenced services from July 2009, has sold capacity to several customers. For City Gas business, the tourism and hospitality related sectors may see slower growth due to the current uncertainty in the global economy.

City Gas' cash earnings could fluctuate depending on changes in tariffs in response to changes in fuel costs. The tariff adjustments mechanism is designed to ensure that we fully recover our fuel costs over a period of time. City Gas has announced that it has obtained approval to reduce gas tariff by 2.8 % from 1 August 2012. The tariff reduction is due to lower fuel prices.

On 22 September 2011, Infocomm Development Authority of Singapore granted a facilities based operator licence to CityNet as trustee-manager of NetLink for the ownership, installation, maintenance and operation of a nationwide network of telecommunication ducts, manholes and central offices (transferred from Singapore Telecommunications Ltd), and for the provision of access to and use of the same (including the provision of operation and maintenance services) to other telecommunication licensees.

Basslink Telecoms provides wholesale telecoms transmission services between Hobart and Melbourne in Australia. The Australian Competition and Consumer Commission ("ACCC") published a Domestic Transmission Capacity Service Final Access Determination ("FAD") on 22 June 2012. Under the FAD, the ACCC has prescribed price terms for transmission services on certain routes, including the Hobart-Melbourne route served by Basslink Telecoms. Services offered by Basslink Telecoms are therefore subject to regulated pricing. This is not expected to have a material impact on the current financial year. Basslink Telecoms will continue to monitor the future impact of this development.

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. (cont'd)

The Electricity Supply Industry Expert Panel Act 2010 established an independent Panel to conduct an investigation into, and provide guidance to the Tasmania Parliament on the current position and future development of Tasmania's electricity industry. The Panel has completed the review and submitted its final report to the Tasmanian Parliament. The Tasmanian government announced changes to the electricity industry in Tasmania on 15 May 2012. None of these changes is expected to have a material impact on Basslink.

Commercial Risk Sharing Mechanism

The Commercial Risk Sharing Mechanism ("CRSM") is a mechanism provided under the Basslink Services Agreement ("BSA") between Basslink and 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.

Specific Dispute with HT

As previously disclosed, Basslink and HT are in discussions with regard to the interpretation of the CRSM provisions in the BSA, and how they relate to certain events which occurred in early 2009. The outcome of the discussions may have an impact on the CRSM calculations for calendar year 2009 and beyond. Based on HT's purported interpretation of these terms relating to the specific events, HT had claimed an additional A\$6.9 million in CRSM payment for calendar year 2009.

The BSA contains dispute resolution procedures which can be activated to resolve matters such as those mentioned above. These procedures require a party to issue a dispute notice and, ultimately, may require Basslink and HT to enter into arbitration. As announced on 20 September 2010, Basslink received a dispute notice on 17 September 2010 in relation to the CRSM matters in dispute and other alleged breaches of the BSA. Consequently, the dispute resolution procedures under the BSA have been activated.

Basslink and HT had entered into a standstill agreement on 10 February 2011, which provides a standstill period in which both parties are to further negotiate in good faith a final settlement on the CRSM-related matters underlying the dispute. This standstill agreement has lapsed, however both parties are currently in discussion. Based on the progress of the discussion, a provision of A\$2.95 million has been set aside for the settlement of the dispute on CRSM payment in calendar year 2009 in the current quarter's results. There is no assurance that a final settlement will be reached. If the discussions do not resolve the dispute then the dispute resolution process would require the parties to refer the matter to arbitration.

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11. Distributions

(a) Current financial period reported on

Any distributions declared for the current financial period	:	Yes
Amount	:	S\$12,454,923
Distribution period	:	From 01/04/2012 to 30/06/2012
Distribution type	:	Cash, Tax-Exempt Income
Distribution rate	:	0.82 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.

(b) Corresponding Period of the Immediately Preceding Financial Year

Any distributions declared for the current financial period	:	Yes
Amount	:	S\$10,289,275
Distribution period	:	From 01/04/2011 to 30/06/2011
Distribution type	:	Cash, Tax-Exempt Income
Distribution rate	:	1.05 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 : 28 August 2012

(d) Books closure date : The Transfer Books and Register of CitySpring Infrastructure Trust will be closed from 5.00 p.m. on 13 August 2012 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 13 August 2012 will be entitled to the distribution to be paid on 28 August 2012.

^(*) Post 2011 Rights

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

Not applicable.

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13. Interested Person Transactions

Name of Interested Person	Aggregate value of all interested person transactions during the financial period under review excluding (1) transactions less than S\$100,000 and (2) 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)	
	1Q FY13 S\$'000	1Q FY12* S\$'000	1Q FY13 S\$'000	1Q FY12# S\$'000
(a) Sales of Goods and Services				
Temasek Holdings (Private) Limited and its Associates				
- Singapore Power Limited				
- Powergas Limited	-	-	257	317
- SATS Catering Pte Ltd	-	-	1,796	1,606
(b) Management Fee Income				
Temasek Holdings (Private) Limited and its Associates				
- Singapore Telecommunications Limited				
- CityNet Infrastructure Management Pte Ltd (As Trustee-Manager of NetLink Trust)	-	-	534	-
(c) Reimbursement of expenses				
Temasek Holdings (Private) Limited and its Associates				
- Singapore Power Limited				
- Powergas Limited	-	-	1,364	1,297
- CitySpring Infrastructure Management Pte. Ltd.	-	159	17	-

* 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 2011. The Group did not have a shareholders' mandate in relation to interested person transactions for the period ended 30 June 2011.

These were transactions disclosed in the IPO Prospectus and Circular seeking unitholders approval for Basslink acquisition.

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Financial Statement And Distribution Announcement for the Quarter ended 30 June 2012

Name of Interested Person	Aggregate value of all interested person transactions during the financial period under review excluding (1) transactions less than S\$100,000 and (2) 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)	
	1Q FY13 S\$'000	1Q FY12* S\$'000	1Q FY13 S\$'000	1Q FY12# S\$'000
(d) Purchases				
Temasek Holdings (Private) Limited and its Associates				
- Aetos Security Management Pte Ltd	-	-	169	143
- Certis Cisco Security Pte Ltd	-	1,874 ^{3,4}	43 ³	-
- Singapore Power Limited				
- Gas Supply Pte Ltd	-	-	43,623	44,180 ⁵
- Powergas Limited	-	-	21,088	21,152
- SP Services Limited	-	-	3,761	3,641 ⁶
- Sembcorp Power Pte Ltd	-	-	2,036	-
- SP Australia Networks				
- SPI PowerNet Pty Ltd	-	66	213	136
- SPI Networks Pty Ltd	-	29	29	-
- SPI Electricity Pty Ltd	-	-	1	-
(e) Leasing of Assets (Rental charge)				
Temasek Holdings (Private) Limited and its Associates				
- Singapore Power Limited				
- Powergas Limited	-	-	123	128
- SP Services Limited	-	-	67	67
(f) Management Fee Expense (including Reimbursement of Expenses)				
Temasek Holdings (Private) Limited and its Associates				
- CitySpring Infrastructure Management Pte. Ltd.	-	91	1,873	1,428

* The Group has 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 2011. The Group did not have a shareholders' mandate in relation to interested person transactions for the period ended 30 June 2011.

These were transactions disclosed in the IPO Prospectus and Circular seeking unitholders approval for Basslink acquisition.

³ This relates to security manning services which a subsidiary has agreed to cost share in a contract with its operator and the security company.

⁴ This relates to the cost of additional security enhancement which a third party has agreed to bear in full.

⁵ This includes the value of purchases of additional natural gas under the supplemental gas purchase agreement dated 16 May 2008, as approved by independent unitholders at the extraordinary general meeting held on 3 July 2008.

⁶ This includes the value of services rendered by SP Services Limited under the renewed utilities support services agreement dated 1 June 2009 as approved by independent unitholders at the extraordinary general meeting held on 22 July 2009.

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Financial Statement And Distribution Announcement for the Quarter ended 30 June 2012

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 June 2012 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 of 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
2 August 2012