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

Financial Statement And Distribution Announcement for the Third Quarter ended 31 December 2010

INTRODUCTION

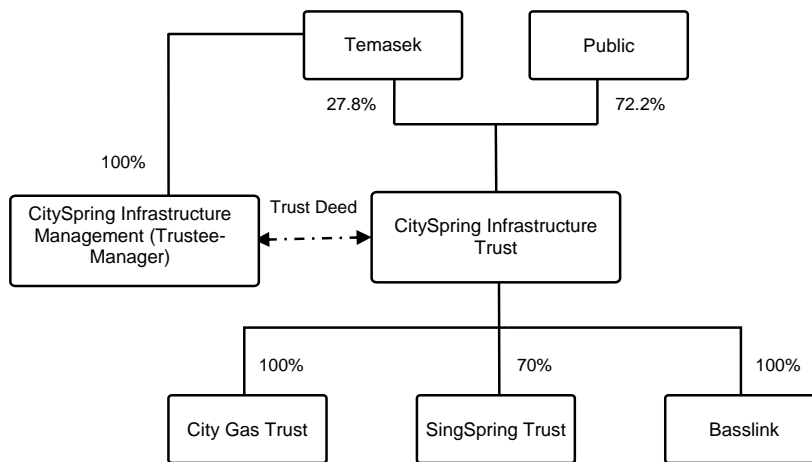
CitySpring Infrastructure Trust ("CitySpring") was constituted under a trust deed dated 5 January 2007. CitySpring Infrastructure Management Pte. Ltd. ("Trustee-Manager") was appointed the Trustee-Manager. CitySpring was listed on the Singapore Exchange Securities Trading Limited ("SGX-ST") on 12 February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

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

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

CitySpring Group completed the acquisition of Basslink on 31 August 2007. Basslink is a 370 km high voltage electricity interconnector between the electricity grids of the States of Tasmania and Victoria in Australia. 290 km of the link is laid under the Bass Strait, making Basslink the world's second longest undersea electricity transmission cable. Embedded in the interconnector are fibre optic cables. Basslink Telecoms Pty Ltd, a wholly owned subsidiary of CitySpring, successfully commercialised these cables when it commenced carrying commercial traffic from July 2009.

The CitySpring Group is shown in the chart below.



Background to Analysing Financial Statements

Cash earnings

We measure our performance using cash earnings, instead of accounting profits or losses. Cash earnings is a better indicator of our performance to our Unitholders on the basis that this more accurately reflects the cashflow 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.

INTRODUCTION (cont'd)

Background to Analysing Financial Statements (cont'd)

Hedging Rationale

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

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

Debt and gearing

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

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

Energy costs

At City Gas Trust, 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 Trust as fuel costs are passed through to the end-users. However, at any point in time, the actual tariff may not exactly match fuel costs as tariff changes are subject to a periodic regulatory process whereas fuel prices change daily. Short term impact may therefore be evident if there are sharp changes in fuel prices.

At SingSpring Trust, 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.

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

(i) Consolidated Income Statement

	3Q FY11	3Q FY10	Change	9M FY11	9M FY10	Change
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Revenue	107,005	95,239	12.4	314,669	270,178	16.5
Other income	919	713	29.0	3,147	1,850	70.1
Other gains/(losses) - net	945	765	23.5	(5,461)	7,195	N/M
Expenses						
Fuel and electricity costs	(35,428)	(31,295)	(13.2)	(105,887)	(85,760)	(23.5)
Transportation costs	(19,494)	(18,189)	(7.2)	(57,381)	(54,135)	(6.0)
Depreciation and amortisation	(13,928)	(13,968)	0.3	(40,878)	(40,256)	(1.5)
Staff costs	(5,091)	(5,364)	5.1	(13,413)	(13,981)	4.1
Operation and maintenance costs	(5,173)	(4,982)	(3.8)	(15,646)	(14,527)	(7.7)
Finance costs	(22,008)	(20,293)	(8.4)	(64,136)	(64,085)	(0.1)
Management fee	(1,385)	(1,428)	3.0	(4,339)	(3,221)	(34.7)
Other operating expenses	(7,179)	(8,514)	15.7	(22,662)	(22,090)	(2.6)
Total expenses	(109,686)	(104,033)	(5.4)	(324,342)	(298,055)	(8.8)
Loss before income tax	(817)	(7,316)	88.8	(11,987)	(18,832)	36.3
Income tax credit/(expense)	11,071	6,349	74.4	(3,239)	26,010	N/M
Profit/(loss) after income tax	10,254	(967)	N/M	(15,226)	7,178	N/M
Profit/(loss) attributable to:						
Unitholders of the Trust	9,980	(1,351)	N/M	(16,104)	6,086	N/M
Non-controlling interest	274	384	(28.6)	878	1,092	(19.6)
	10,254	(967)	N/M	(15,226)	7,178	N/M

N/M - Not meaningful

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Financial Statement And Distribution Announcement for the Third Quarter ended 31 December 2010

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

(ii) Consolidated Statement of Comprehensive Income

	3Q FY11	3Q FY10	Change	9M FY11	9M FY10	Change
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Profit/(loss) after income tax	10,254	(967)	N/M	(15,226)	7,178	N/M
Other comprehensive income/(loss):						
Cash flow hedges:						
- Fair value gains/(losses)	27,729	10,947	N/M	(6,802)	48,761	N/M
- Transfer to income statement	1,589	2,782	(42.9)	5,208	8,242	(36.8)
Translation differences relating to consolidation of foreign subsidiaries	5,646	1,436	N/M	1,271	25,799	(95.1)
Other comprehensive income/(loss), net of tax	34,964	15,165	N/M	(323)	82,802	N/M
Total comprehensive income/(loss)	45,218	14,198	N/M	(15,549)	89,980	N/M
Total comprehensive income/(loss) attributable to:						
Unitholders of the Trust	44,585	13,841	N/M	(16,520)	88,973	N/M
Non-controlling interest	633	357	77.3	971	1,007	(3.6)
	45,218	14,198	N/M	(15,549)	89,980	N/M

(iii) Additional information

	3Q FY11	3Q FY10	Change	9M FY11	9M FY10	Change
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
EBITDA	34,390	26,457	30.0	90,940	84,220	8.0
Cash earnings¹	17,864	10,909	63.8	58,775	34,405	70.8
Attributable to:						
Unitholders of the Trust	16,812	9,696	73.4	55,567	30,848	80.1
Non-controlling interest	1,052	1,213	(13.3)	3,208	3,557	(9.8)

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 Third Quarter ended 31 December 2010

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 31 Dec 2010	As at 31 Mar 2010
	S\$'000	S\$'000
ASSETS		
Current assets		
Cash and bank deposits	157,291	132,975
Derivative financial instruments	12,042	12,720
Trade and other receivables	48,254	52,795
Finance lease receivables	7,412	7,188
Inventories	13,249	13,552
Other current assets	3,232	2,933
Total current assets	241,480	222,163
Non-current assets		
Derivative financial instruments	86,359	95,419
Finance lease receivables	165,729	171,368
Other assets	4,177	4,538
Property, plant and equipment	1,251,306	1,257,152
Intangibles	431,214	438,807
Total non-current assets	1,938,785	1,967,284
Total assets	2,180,265	2,189,447
LIABILITIES		
Current liabilities		
Derivative financial instruments	-	2,207
Trade and other payables	83,688	75,606
Current tax liabilities	1,475	2,520
Borrowings	150,978	9,025
Total current liabilities	236,141	89,358
Non-current liabilities		
Derivative financial instruments	17,999	20,540
Borrowings	1,419,795	1,528,671
Notes payable to non-controlling interest	15,000	15,000
Deferred tax liabilities	24,500	21,928
Other non-current liabilities	86,021	85,255
Total non-current liabilities	1,563,315	1,671,394
Total liabilities	1,799,456	1,760,752
Net assets	380,809	428,695
EQUITY		
Unitholders' funds		
Units in issue	680,245	680,245
Hedging reserve	(51,607)	(49,920)
Translation reserve	(15,362)	(16,633)
Accumulated losses	(242,325)	(195,354)
	370,951	418,338
Non-controlling interest	9,858	10,357
Total unitholders' funds	380,809	428,695

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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 31 Dec 2010	As at 31 Mar 2010
	S\$'000	S\$'000
ASSETS		
Current assets		
Cash and bank deposits	70,767	41,087
Trade and other receivables	291,987	325,197
Other current assets	59	26
Total current assets	362,813	366,310
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
Total assets	748,518	752,015
LIABILITIES		
Current liabilities		
Trade and other payables	1,716	1,895
Current tax liabilities	74	34
Borrowings	141,666	-
Total current liabilities	143,456	1,929
Non-current liabilities		
Borrowings	-	140,873
Total non-current liabilities	-	140,873
Total liabilities	143,456	142,802
Net assets	605,062	609,213
EQUITY		
Unitholders' funds		
Units in issue	680,245	680,245
Accumulated losses	(75,183)	(71,032)
Total unitholders' funds	605,062	609,213

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

	As at 31 Dec 2010	As at 31 Mar 2010
	S\$'000	S\$'000
Secured bank loans		
Amount repayable within one year	150,978	9,025
Amount repayable after one year	1,419,795	1,528,671
	1,570,773	1,537,696

Details of any collateral at CitySpring

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

CITYSPRING INFRASTRUCTURE TRUST
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Financial Statement And Distribution Announcement for the Third Quarter ended 31 December 2010

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

	3Q FY11	3Q FY10	9M FY11	9M FY10
	S\$'000	S\$'000	S\$'000	S\$'000
Cash flows from operating activities				
Net profit/(loss) after income tax	10,254	(967)	(15,226)	7,178
Adjustments for:				
Income tax (credit)/expense	(11,071)	(6,349)	3,239	(26,010)
Depreciation and amortisation	13,928	13,968	40,878	40,256
Finance costs	22,008	20,293	64,136	64,085
Interest income	(729)	(488)	(2,087)	(1,289)
Fair value (gain)/loss on derivative financial instruments	(376)	(763)	5,881	(7,823)
Property, plant and equipment written off	-	-	-	4
Gain on disposal of property, plant and equipment	(7)	-	(7)	-
Unrealised translation loss/(gain)	308	(231)	526	(191)
Operating cash flow before working capital changes	34,315	25,463	97,340	76,210
Changes in working capital :				
Inventories	571	103	303	732
Trade and other receivables	1,654	4,349	9,729	2,355
Trade and other payables	(617)	(4,338)	7,650	(1,551)
Cash generated from operations	35,923	25,577	115,022	77,746
Interest received	665	480	2,063	1,256
Interest paid	(17,046)	(17,561)	(51,748)	(48,889)
Income tax paid	(12)	(15)	(1,091)	(15)
Net cash generated from operating activities	19,530	8,481	64,246	30,098
Cash flows from investing activities				
Purchase of property, plant and equipment	(334)	(1,175)	(937)	(2,472)
Proceeds from sale of property, plant and equipment	7	-	7	-
Net cash used in investing activities	(327)	(1,175)	(930)	(2,472)
Cash flows from financing activities				
Decrease in restricted cash	871	850	548	438
Repayment of borrowings	(2,350)	(2,486)	(6,925)	(234,717)
Net proceeds raised from issue of units	-	-	-	227,838
Distributions paid to unitholders of the Trust	(10,289)	(10,289)	(30,867)	(27,439)
Distributions paid by subsidiary to non-controlling interest	(510)	(420)	(1,470)	(1,260)
Net cash used in financing activities	(12,278)	(12,345)	(38,714)	(35,140)
Net increase/(decrease) in cash and cash equivalents	6,925	(5,039)	24,602	(7,514)
Cash and cash equivalents at beginning of the period	116,228	98,529	98,928	96,848
Effect of currency translation on cash and cash equivalents	69	381	(308)	4,537
Cash and cash equivalents at end of the period (Note a)	123,222	93,871	123,222	93,871

Note a:

Cash and short term deposits as at 31 Dec
Less: Restricted cash
Cash and cash equivalents

As at	As at
31 Dec 2010	31 Dec 2009
S\$'000	S\$'000
157,291	126,667
(34,069)	(32,796)
123,222	93,871

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

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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.

Group

	Attributable to Unitholders of the Trust				Non-controlling Interest	Total	
	Units in Issue	Hedging Reserve	Translation Reserve	Accumulated Losses			
	S\$'000	S\$'000	S\$'000	S\$'000			
2011							
Balance as at 1 Apr 2010	680,245	(49,920)	(16,633)	(195,354)	418,338	10,357	428,695
Total comprehensive loss	-	(28,800)	(12,081)	(22,096)	(62,977)	(3)	(62,980)
Distributions paid	-	-	-	(10,289)	(10,289)	(360)	(10,649)
Balance as at 30 Jun 2010	680,245	(78,720)	(28,714)	(227,739)	345,072	9,994	355,066
Total comprehensive (loss)/income	-	(1,846)	7,706	(3,988)	1,872	341	2,213
Distributions paid	-	-	-	(10,289)	(10,289)	(600)	(10,889)
Balance as at 30 Sep 2010	680,245	(80,566)	(21,008)	(242,016)	336,655	9,735	346,390
Total comprehensive income	-	28,959	5,646	9,980	44,585	633	45,218
Distributions paid	-	-	-	(10,289)	(10,289)	(510)	(10,799)
Balance as at 31 Dec 2010	680,245	(51,607)	(15,362)	(242,325)	370,951	9,858	380,809
2010							
Balance as at 1 Apr 2009	451,157	(105,279)	(44,557)	(165,489)	135,832	12,690	148,522
Total comprehensive income	-	46,297	15,138	24,006	85,441	622	86,063
Distributions paid	-	-	-	(8,575)	(8,575)	-	(8,575)
Balance as at 30 Jun 2009	451,157	(58,982)	(29,419)	(150,058)	212,698	13,312	226,010
Units issued	235,183	-	-	-	235,183	-	235,183
Units issue cost	(6,095)	-	-	-	(6,095)	-	(6,095)
Total comprehensive (loss)/income	-	(2,965)	9,225	(16,569)	(10,309)	28	(10,281)
Distributions paid	-	-	-	(8,575)	(8,575)	(840)	(9,415)
Balance as at 30 Sep 2009	680,245	(61,947)	(20,194)	(175,202)	422,902	12,500	435,402
Total comprehensive income/(loss)	-	13,756	1,436	(1,351)	13,841	357	14,198
Distributions paid	-	-	-	(10,289)	(10,289)	(420)	(10,709)
Balance as at 31 Dec 2009	680,245	(48,191)	(18,758)	(186,842)	426,454	12,437	438,891

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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 (cont'd)

Trust

	Units in Issue	Accumulated Losses	Total
	S\$'000	S\$'000	S\$'000
2011			
Balance as at 1 Apr 2010	680,245	(71,032)	609,213
Total comprehensive income	-	6,600	6,600
Distributions paid	-	(10,289)	(10,289)
Balance as at 30 Jun 2010	680,245	(74,721)	605,524
Total comprehensive income	-	8,335	8,335
Distributions paid	-	(10,289)	(10,289)
Balance as at 30 Sep 2010	680,245	(76,675)	603,570
Total comprehensive income	-	11,781	11,781
Distributions paid	-	(10,289)	(10,289)
Balance as at 31 Dec 2010	680,245	(75,183)	605,062
2010			
Balance as at 1 Apr 2009	451,157	(61,560)	389,597
Total comprehensive income	-	4,850	4,850
Distributions paid	-	(8,575)	(8,575)
Balance as at 30 Jun 2009	451,157	(65,285)	385,872
Units issued	235,183	-	235,183
Units issue cost	(6,095)	-	(6,095)
Total comprehensive income	-	1,270	1,270
Distributions paid	-	(8,575)	(8,575)
Balance as at 30 Sep 2009	680,245	(72,590)	607,655
Total comprehensive income	-	6,007	6,007
Distributions paid	-	(10,289)	(10,289)
Balance as at 31 Dec 2009	680,245	(76,872)	603,373

- 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 31/12/10	As at 31/03/10
Total issued units	979,931,008	979,931,008

- 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.

Financial Statement And Distribution Announcement for the Third Quarter ended 31 December 2010

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)

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

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 2010.

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

With effect from 1 April 2010, the Group adopted the following new or amended Singapore Financial Reporting Standards ("FRS") which are relevant to the Group's operations:

- Amendment to FRS 39 Financial Instruments: Recognition and Measurement - Eligible Hedged Items
- FRS 27 (revised) Consolidated and Separate Financial Statements
- FRS 103 (revised) Business Combinations

The adoption of the above FRS does not have any significant impact on the financial statements.

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

	3Q FY11	3Q FY10	9M FY11	9M FY10
(i) Weighted average number of units	979,931,008	979,931,008	979,931,008	664,571,393
(ii) Earnings/(loss) per unit for the period based on the weighted average number of units in issue (cents)				
- Basic and diluted	1.02	(0.14)	(1.64)	0.92
(iii) Number of units issued at end of period	979,931,008	979,931,008	979,931,008	979,931,008
(iv) Distribution per unit for the period (cents)	1.05	1.05	3.15	3.85 ^(#)

^(#) Aggregate of 1.75 cents pre rights issue declared in 1Q FY10 and 2.10 cents (post rights) declared for the remaining period.

6.2 Cash earnings per unit for the financial period

	3Q FY11	3Q FY10	9M FY11	9M FY10
Cash earnings per unit for the period based on the weighted average number of units in issue (cents)				
- Basic and diluted	1.72	0.99	5.67	4.64

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	
	31/12/10	31/03/10	31/12/10	31/03/10
Net asset value per unit (S\$)	0.38	0.43	0.62	0.62

The Group NAV per unit before hedging and translation reserves is S\$0.45 as at 31 December 2010 and S\$0.49 as at 31 March 2010.

The number of units used for computation of actual NAV per unit is 979,931,008 which is the number of units in issue as at 31 December 2010 and 31 March 2010.

The Group adopts an active risk management strategy and where appropriate would enter into contracts to protect its cash flow. This policy is consistent with the Group’s stated objective of delivering regular and stable distributions to unitholders. Accounting standards require movements in the fair value of held-for-trading contracts to be recorded in the income statement and of hedging contracts to be recognised in the hedging reserve. At 31 December 2010, the Group had a hedging reserve of negative S\$51.6 million (31 March 2010: negative S\$49.9 million). The fair value movements in hedging reserve are non-cash and do not reflect the fundamental value of the Group’s businesses.

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 (3Q FY11 vs 3Q FY10)

Revenue

Group revenue for 3Q FY11 was S\$107.0 million which was S\$11.8 million higher than 3Q FY10.

At City Gas Trust, revenue of S\$78.1 million in 3Q FY11 was higher than its revenue of S\$67.4 million in 3Q FY10. This was due mainly to higher tariffs charged in response to higher feedstock costs for gas production and higher volume of gas sold.

SingSpring’s revenue of S\$9.6 million in 3Q FY11 was higher than its revenue of S\$8.9 million in 3Q FY10. The higher revenue was due to higher electricity cost incurred which was passed through to PUB.

Basslink’s revenue of A\$15.0 million in 3Q FY11 was higher compared to A\$14.7 million in 3Q FY10. Increased revenue from its telecoms services which commenced carrying commercial traffic from July 2009 was partly offset by negative CRSM² (3Q FY 11 negative A\$5.2 million; 3Q FY 10 negative A\$3.7 million).

Other income

This comprises interest income and other miscellaneous income. Other income for 3Q FY11 was S\$0.9 million which was higher than S\$0.7 million recorded in 3Q FY10 due mainly to higher interest income.

² Commercial Risk Sharing Mechanism (“CRSM”) is a mechanism provided under the Basslink Services Agreement (“BSA”) between Hydro Tasmania and Basslink for the sharing of the market risk associated with participating in the National Electricity Market of Australia. The objective of the parties in setting this mechanism was for the net payments to be zero in the long term. However, in the short term, CRSM payments could fluctuate and affect the revenues of Basslink under the BSA. CRSM payments are based on the differences between the high and low Victorian electricity pool prices, subject to a maximum of a +25% increase (i.e., a payment to Basslink) and -20% decrease (i.e., a payment from Basslink).

Financial Statement And Distribution Announcement for the Third Quarter ended 31 December 2010

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)**

Other gains/(losses) – net

Other gains – net of S\$0.9 million in 3Q FY11 and S\$0.8 million in 3Q FY10 were mainly due to fair value movement on derivative financial instruments and currency translation movements.

Operating Expenses

Fuel and electricity costs of S\$35.4 million in 3Q FY11 were higher than the costs of S\$31.3 million in 3Q FY10 due mainly to higher fuel cost for City Gas Trust.

Depreciation and amortisation costs were S\$13.9 million for 3Q FY11 and 3Q FY10.

Finance costs of S\$22.0 million in 3Q FY11 were higher compared to S\$20.3 million in 3Q FY10 due mainly to higher interest rates and higher currency translation rate.

Other operating expenses of S\$7.2 million in 3Q FY11 were lower compared to S\$8.5 million in 3Q FY10 due mainly to lower marketing expense in the current period.

Cash earnings

3Q FY11 cash earnings was S\$17.8 million which was S\$7.0 million higher than in 3Q FY10.

City Gas Trust recorded cash earnings of S\$12.8 million in 3Q FY11 compared to S\$6.6 million in 3Q FY10. City Gas Trust's short term profit margins can be affected by movements in fuel costs. This is because City Gas Trust can only change the tariffs at which it charges its customers once every three months, whereas fuel costs fluctuate on the open market more frequently. From quarter to quarter, there is therefore potentially a mis-match between City Gas Trust'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.

SingSpring desalination plant continues to achieve 100% availability and recorded cash earnings of S\$4.3 million in 3Q FY11 compared to S\$4.9 million in 3Q FY10. SingSpring incurred higher finance costs from higher fixed interest rate on the hedged portion of the loan as contracted with lenders under the existing financing agreement.

Basslink's cash earnings for 3Q FY11 was A\$2.2 million compared to A\$1.6 million in 3Q FY10. The higher cash earnings was due to contributions from Basslink Telecoms which has been offset by negative CRSM payment.

8.2 Income Statement (9M FY11 vs 9M FY10)

Revenue

Group revenue for 9M FY11 was S\$314.7 million which was S\$44.5 million higher than 9M FY10.

At City Gas Trust, revenue of S\$230.4 million in 9M FY11 was higher than its revenue of S\$185.2 million in 9M FY10. This was due mainly to higher tariffs charged in response to higher feedstock costs for gas production and higher volume of gas sold.

SingSpring's revenue of S\$29.5 million in 9M FY11 was higher than its revenue of S\$26.9 million in 9M FY10. The higher revenue was due mainly to higher electricity cost incurred which was passed through to PUB. This was offset by the YTD dispatch of 29% compared to 31% for the corresponding period.

Basslink's revenue of A\$43.9 million in 9M FY11 was lower compared to A\$48.5 million in 9M FY10. CRSM payment was negative A\$14.7 million compared to negative A\$5.2 million in 9M FY10. This was partly offset by revenue from its telecoms services which commenced carrying commercial traffic from July 2009. Basslink Telecoms has contributed more than 10% of Basslink Group revenue for 9M FY11.

Financial Statement And Distribution Announcement for the Third Quarter ended 31 December 2010

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)**

Other income

This comprises interest income and other miscellaneous income. Other income for 9M FY11 was S\$3.1 million which was higher than S\$1.9 million recorded in 9M FY10 due mainly to higher other income, higher interest income and refund of property tax.

Other gains/(losses) – net

Other losses – net of S\$5.5 million in 9M FY11 and other gains – net of S\$7.2 million in 9M FY10 were mainly due to fair value movement on derivative financial instruments and currency translation movements.

Operating Expenses

Fuel and electricity costs of S\$105.9 million in 9M FY11 were higher than the costs of S\$85.8 million in 9M FY10 due mainly to higher fuel cost for City Gas Trust.

Depreciation and amortisation costs were S\$40.9 million and S\$40.3 million for 9M FY11 and 9M FY10 respectively.

Finance costs of S\$64.1 million in 9M FY11 were comparable to that of 9M FY10.

Other operating expenses of S\$22.7 million in 9M FY11 were higher compared to S\$22.1 million in 9M FY10 due mainly to higher currency translation rate and higher marketing expense in the current period.

Cash earnings

9M FY11 cash earnings was S\$58.8 million which was S\$24.4 million higher than in 9M FY10.

City Gas Trust recorded cash earnings of S\$39.0 million in 9M FY11 compared to S\$16.9 million in 9M FY10. City Gas Trust' short term profit margins can be affected by movements in fuel costs. This is because City Gas Trust can only change the tariffs at which it charges its customers once every three months, whereas fuel costs fluctuate on the open market more frequently. From quarter to quarter, there is therefore potentially a mis-match between City Gas' 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.

SingSpring recorded cash earnings of S\$13.1 million for 9M FY11 compared to S\$14.3 million in 9M FY10. SingSpring incurred higher finance costs from higher fixed interest rate on the hedged portion of the loan as contracted with lenders under the existing financing agreement which was partly offset by the refund of property tax.

Basslink's cash earnings for 9M FY11 was A\$11.0 million compared to A\$11.4 million in 9M FY10. The lower cash earnings in 9M FY11 was due to negative CRSM payments which was offset by contributions from its telecoms services which has been carrying traffic from July 2009.

8.3 Balance Sheet - Group

Total assets as at 31 December 2010 was S\$2,180 million which was lower than total assets of S\$2,189 million as at 31 March 2010. 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 31 December 2010 was S\$1,799 million which was higher than total liabilities of S\$1,761 million as at 31 March 2010. This was mainly due to the effect of translation of overseas subsidiary liability balances at a higher closing rate at 31 December 2010 as compared with 31 March 2010. The S\$142 million corporate loan has been classified as current liabilities as at 31 December 2010 as it matures on 30 August 2011 and the Trust is in negotiations with banks to re-finance the loan.

Total unitholders funds as at 31 December 2010 was S\$381 million which was lower than total unitholders funds of S\$429 million as at 31 March 2010. This was mainly due to net loss after tax recorded for the nine months ended 31 December 2010, 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 Third Quarter ended 31 December 2010

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)**

8.4 Balance Sheet – Trust

The S\$142 million corporate loan has been classified as current liabilities as at 31 December 2010 as it matures on 30 August 2011 and the Trust is in negotiations with banks to re-finance the loan.

8.5 Cashflow

Cash and cash balances less restricted cash as at 31 December 2010 was S\$123.2 million which was an increase of S\$7.0 million compared to S\$116.2 million as at 30 September 2010. This was mainly due to the net cash generated from operating activities of S\$19.6 million for the quarter ended 31 December 2010.

Cash and cash balances as at 31 December 2010 increased S\$24.5 million for the 9M FY 11 compared to a decrease of S\$7.5 million for the corresponding period. Net cash generated from operating activities for 9M FY 11 was S\$64.4 million compared with S\$30.1 million for 9M FY 10.

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 2011 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**

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. In Singapore, the opening of the two integrated resorts and a number of prime shopping malls in the Orchard Road area, all of which have significant food and beverage businesses should have a positive impact on town gas consumption.

City Gas Trust's 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.

As disclosed since 3Q FY10, Basslink Pty Ltd ("Basslink") and Hydro Tasmania ("HT") are in discussions with regard to the interpretation of certain terms of the Basslink Services Agreement ("BSA") for the application to the commercial risk sharing mechanism ("CRSM") calculations. The outcome of the discussions may have an impact on the CRSM calculations for calendar year 2009. Based on HT's purported interpretation of these terms, HT had claimed an additional A\$6.9m 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 HT and Basslink to enter into arbitration. As announced on 20 September 2010, Basslink has received a dispute notice on 17 September 2010 on the CRSM matters and other alleged breaches of the BSA and consequently, the dispute resolution procedures will proceed. The Group has taken legal advice on these issues. No provision for any liabilities against the Group arising from these discussions has been made in the financial statements.

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)

Basslink and HT have continued their discussions on how to resolve the matters without going through all of the dispute resolution process.

Basslink and HT had today entered into a standstill agreement, which provides a period until June 2011 in which both parties are to further negotiate in good faith a final settlement on the CRSM-related matters underlying the dispute resolution process and on a number of other issues including potential changes to the BSA relating to a new method of calculating the commercial risk sharing mechanism payment and the incentive adjustment payment, and to use best endeavours to obtain any necessary approvals to any agreed changes by the end of the standstill period. There is no assurance that the standstill agreement will lead into a final settlement. If there is no final settlement by the end of the standstill period, the standstill agreement will fall away and the dispute resolution process will resume and the matter may be referred to arbitration.

As mentioned before, the Trustee-Manager has been reviewing the capital structure of the Group. The Trustee-Manager seeks to put in place a robust capital plan, taking into account relevant factors such as the mix of debt and equity, the financing structure and the cashflows. In determining the distribution of CitySpring Infrastructure Trust quarterly, the Trustee-Manager will take into account, among other things, the objective of achieving a robust capital plan.

The Trustee-Manager will make an announcement in the event that a capital plan or a change in distribution policy has been decided by the Trustee-Manager.

As part of the acquisition in August 2007, Basslink issued three bonds maturing in 2015, 2017 and 2019. These bonds are rated BBB- and Baa2 by Standard & Poor's ("S&P") and Moody's respectively. Under the financing agreements relating to these bonds, if the standalone credit rating for the bonds falls to the level of either BB+ or Ba1, Basslink would not be allowed to make distributions to CitySpring. Over the last three years, Basslink has distributed an average of A\$4 million per quarter to CitySpring. The Trustee-Manager of CitySpring Infrastructure Trust received notification from S&P that it has placed the rating on these bonds on CreditWatch with negative implications because of, according to S&P, increased vulnerability of the project to its debt-refinancing task in 2015.

On 26 November 2010, S&P informed the Trustee-Manager that the ratings of the bonds remain on CreditWatch and that the CreditWatch may be resolved if A\$20 million escrow account is set up by end of January 2011 through a structure satisfactory to S&P. The Trustee-Manager has set up an escrow account in January 2011.

11. Distributions

(a) Current financial period reported on

Any distributions declared for the current financial period	:	Yes
Amount	:	S\$10,289,275
Distribution period	:	From 01/10/2010 to 31/12/2010
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.

(*) Post Rights

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Financial Statement And Distribution Announcement for the Third Quarter ended 31 December 2010

11. Distributions (cont'd)

(b) Corresponding Period of the Immediately Preceding Financial Period

Any distributions declared for the current financial period	:	Yes
Amount	:	S\$10,289,275
Distribution period	:	From 01/10/2009 to 31/12/2009
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 : 15 March 2011

(d) Books closure date : The Transfer Books and Register of CitySpring Infrastructure Trust will be closed from 5.00 p.m. on 25 February 2011 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 25 February 2011 will be entitled to the distribution to be paid on 15 March 2011.

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

Not applicable.

13. INTERESTED PARTY TRANSACTIONS

Name of Interested Person	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S\$100,000) and transactions conducted under shareholders' mandate pursuant to Rule 920)		Aggregate value of all interested person transactions conducted during the financial period under review (1) under shareholders' mandate pursuant to Rule 920 and (2) transactions disclosed in the IPO Prospectus and Circular seeking unitholders approval for Basslink acquisition (excluding transactions less than S\$100,000)	
	3Q FY11 S\$'000	3Q FY10 S\$'000	3Q FY11 S\$'000	3Q FY10 S\$'000
(a) Sales of Goods and Services				
Temasek Holdings (Private) Limited and its Associates				
- Singapore Power Limited				
- Powergas Limited	-	-	103	103
- SATS Catering Pte Ltd	-	-	1,379	1,099
(b) Reimbursement of expenses				
Temasek Holdings (Private) Limited and its Associates				
- Singapore Power Limited				
- Powergas Limited	-	-	1,480	1,057
- CitySpring Infrastructure Management Pte. Ltd.	54	258	-	57
(c) Purchases				
Temasek Holdings (Private) Limited and its Associates				
- Aetos Security Management Pte Ltd	-	-	143 ³	163 ³
- Certis Cisco Security Pte Ltd	42 ³	-	-	-
- Singapore Power Limited				
- Gas Supply Pte Ltd	-	-	29,907 ⁴	25,971
- Powergas Limited	-	-	20,657	18,835
- SP Services Limited	-	-	3,585 ⁵	3,171
- SembCorp Power	-	972	-	-
- SP Australia Networks				
- SPI PowerNet Pty Ltd	49	1	130	121
- SPI Networks Pty Ltd	26	25	-	-

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

⁴ 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

⁵ 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 Third Quarter ended 31 December 2010

Name of Interested Person	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S\$100,000) and transactions conducted under shareholders' mandate pursuant to Rule 920)		Aggregate value of all interested person transactions conducted during the financial period under review (1) under shareholders' mandate pursuant to Rule 920 and (2) transactions disclosed in the IPO Prospectus and Circular seeking unitholders approval for Basslink acquisition (excluding transactions less than S\$100,000)	
	3Q FY11 S\$'000	3Q FY10 S\$'000	3Q FY11 S\$'000	3Q FY10 S\$'000
(d) Leasing of Assets (Rental charge)				
Temasek Holdings (Private) Limited and its Associates				
- Singapore Power Limited				
- Powergas Limited	-	-	117	99
- SP Services Limited	-	-	60	50
(e) Management Fee Expense (including Reimbursement of Expenses)				
Temasek Holdings (Private) Limited and its Associates				
- CitySpring Infrastructure Management Pte. Ltd.	79	96	1,429	1,611

CitySpring Infrastructure Management Pte. Ltd. (as Trustee-Manager of CitySpring Infrastructure Trust) and its subsidiaries does not have a shareholders' mandate pursuant to Rule 920 in relation to interested party transactions for financial periods ended 31 December 2010 and 31 December 2009.

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

The Board of CitySpring Infrastructure Management Pte. Ltd. (as Trustee-Manager of CitySpring Infrastructure Trust) has confirmed that, to the best of their knowledge, nothing has come to their attention which may render the unaudited interim financial results of the Group for the quarter ended 31 December 2010 to be false or misleading in any material aspect.

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

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

Susanna Cher
 Company Secretary

Singapore
 10 February 2011