



**For immediate release**

**CitySpring declares a DPU of 1.05 cents for 3Q FY10**

**Highlights:**

- Cash earnings<sup>1</sup> of S\$10.9 million for the quarter
- Stable performance by all assets
- Growth in cash and cash equivalents to S\$126.7 million<sup>2</sup>
- DPU guidance of 1.05 Singapore cents for 4Q FY10

**Singapore, 11 February 2010** – CitySpring Infrastructure Management Pte Ltd, the Trustee-Manager of CitySpring Infrastructure Trust (“CitySpring” or “the Trust”), today announced that for the third quarter ended 31 December 2009 (“3Q FY10”), CitySpring achieved cash earnings of S\$10.9 million and will make a distribution per unit (“DPU”) of 1.05 Singapore cents.

Operating performance for this quarter was underpinned by contributions from all three assets – City Gas Trust, SingSpring Trust and Basslink.

CitySpring’s revenue for the quarter was S\$95.2 million, and is slightly lower than the revenue in the corresponding quarter last year as gas tariffs were higher last year due to higher oil prices. For the quarter under review, feedstock costs for town gas production were substantially lower and this has resulted in lower revenue for City Gas Trust.

**Summary of Results**

(S\$'000)	3Q FY10	3Q FY09	Change (%)
Revenue	95,239	101,153	(5.8)
Other income	874	1,455	(39.9)
Other gains/(losses) - net	979	(23,723)	N/M
Total expenses	(104,408)	(99,328)	(5.1)
Loss before income tax	(7,316)	(20,443)	64.2
Income tax credit/ (expense)	6,349	(793)	N/M
Net Loss after tax	(967)	(21,236)	95.4
Cash earnings	10,909	20,286	(46.2)
Gross DPU (cents)	1.05 <sup>3</sup>	1.75	

*N/M – Not meaningful*

<sup>1</sup> Cash earnings is defined as EBITDA adjusted for non-cash items and lease receivable, less cash interest, cash tax and maintenance capital expenditure, and before principal repayment of debt and minority interest.

<sup>2</sup> Includes restricted cash of S\$32.8 million.

<sup>3</sup> Post Rights Issue.

Mr Fai Au Yeung, CEO of CitySpring Infrastructure Management, said, “CitySpring’s aim is to maintain stable distribution to our unitholders and we are able to do this given our present cash position of S\$126.7 million compared to S\$98.2 million<sup>4</sup> a year ago. We are declaring a DPU of 1.05 Singapore cents (2Q FY10: 1.05 Singapore cents) and we target the same DPU for the fourth quarter of this financial year.”

He added, “All our assets are performing to expectation and returning stable revenue and cash earnings. City Gas is enjoying improved town gas consumption and we are seeing an increase in the number of customers we serve. SingSpring has done well with higher cash earnings while Basslink’s earnings now have a sustainable contribution from the telecoms services which started in mid-2009.”

The DPU of 1.05 Singapore cents translates, on an annualised basis, to 4.2 Singapore cents – 5% higher than the 4.0 Singapore cents per unit projected in CitySpring’s Rights Issue (September 2009).

## **Review of Operations**

City Gas Trust achieved S\$6.6 million in cash earnings in 3Q FY10 against S\$20.9 million in 3Q FY09. The earnings in the current quarter reflect lower gas tariffs compared to the operating environment in mid-2008 which was marked by significantly higher energy prices, feedstock costs and tariffs. It should also be noted that City Gas Trusts’ tariffs are adjusted to reflect changes in feedstock costs on a quarterly basis. The gas tariff for households was 16.28 cents in October 2009 and this was increased to 18.52 cents since 1 November 2009 in line with the rise in the cost of feedstock for gas production. Over a period of time, these adjustments will leave City Gas Trust neutral in respect to changes in fuel costs.

SingSpring Trust’s desalination business achieved 100% availability. The plant contributed S\$4.9 million cash earnings in 3Q FY10, compared to S\$3.9 million in 3Q FY09 due to higher dispatch levels.

In Australia, Basslink underwent a planned outage during the quarter. Cumulative availability for the calendar year 2009 was 98.8% compared with 94.6% in 2008. It achieved cash earnings of A\$1.6 million in 3Q FY10 compared to A\$2.9 million in 3Q FY09. The lower cash earnings in the quarter were due to negative Commercial Risk Sharing Mechanism (“CRSM”) payments.

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<sup>4</sup> Includes restricted cash of S\$32.8 million and S\$36.9 million respectively.

**About CitySpring Infrastructure Trust**

CitySpring ([www.cityspring.com.sg](http://www.cityspring.com.sg)) is the first infrastructure trust registered with the Monetary Authority of Singapore. As a pioneer in a new asset class in Singapore, CitySpring aims to position itself as a leading player in a growing sector and achieve significant growth through acquisitions. It has been established with the principal objective of investing in infrastructure assets and providing unitholders with long-term, regular and predictable distributions.

CitySpring's assets comprise 100% of City Gas Trust ([www.citygas.com.sg](http://www.citygas.com.sg)), the sole producer and retailer of town gas and the sole user of the low-pressure piped town gas network in Singapore, 70% of SingSpring Trust ([www.cityspring.com.sg/assets\\_ss.html](http://www.cityspring.com.sg/assets_ss.html)), the sole supplier of desalinated water to the Public Utilities Board, Singapore's national water agency and 100% of Basslink ([www.basslink.com.au](http://www.basslink.com.au)), the electricity interconnector linking Tasmania to mainland Australia.

CitySpring (Reuters: CITY.SI, Bloomberg: CITY SP) has been listed on the Main Board of the Singapore Exchange Securities Trading Limited ([www.sgx.com](http://www.sgx.com)) since 12 February 2007.

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