AGILITY

Report to
Unitholders
FY 2015

Keppel Infrastructure Trust

(formerly known as
CitySpring Infrastructure Trust)

AGILITY

Agility marks the ability of the Keppel Group to respond to market and environmental changes in ways that drive performance and build competitive advantage. We are configured with our financial and organisational strengths to navigate challenging terrain and scour new markets, offer new solutions through innovation, and execute with precision and enhanced productivity.

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Financial Highlights

FINANCIAL SUMMARY
(for the financial year from 1 April 2014 to 31 March 2015)

	2015 S$'000	2014 S$'000	% Change
Cash generated from operations	**153,081**	136,429	12.2
Total distribution	**49,820**	49,820	–
Distribution per unit (cents)	**3.28**	3.28	–
Distribution yield [1]	**6.07%**	6.98%	-13.0

BALANCE SHEET
(as at 31 March 2015)

	2015 S$'000	2014 S$'000	% Change
Total assets	**1,769, 516**	1,947,842	-9.2
Total liabilities	**1,570,787**	1,581,508	-0.7
Unitholders' funds	**198,729**	366,334	-45.8
Market capitalisation [2]	**820,202**	713,880	14.9
Number of units in issue ('000)	**1,518,893**	1,518,893	–
Net asset value per unit (cents)	**12.3**	23.4	-47.4
Adjusted net asset value per unit (cents) [3]	**29.6**	33.0	-10.3

DISTRIBUTION PER UNIT

	2015 cents	2014 cents	% Change
1st quarter	**0.82**	0.82	–
2nd quarter	**0.82**	0.82	–
3rd quarter	**0.82**	0.82	–
4th quarter	**0.82**	0.82	–
Total distribution	**3.28**	3.28	–

1 Based on total distribution per unit divided by closing unit price as at the last trading day for the financial year.
2 Based on closing unit price as at the last trading day for the financial year.
3 Based on total unitholders' funds excluding hedging and translation reserves.

Chairman's Statement

Dear Unitholders,

CREATING THE LARGEST SINGAPORE INFRASTRUCTURE-FOCUSED BUSINESS TRUST

Financial year 2015 has been a transformational year. We started the year known as CitySpring Infrastructure Trust (CIT). On 18 November 2014, CIT announced a conditional agreement to acquire the assets and business undertakings of Keppel Infrastructure Trust (KIT) to create the largest Singapore infrastructure-focused business trust listed on the Main Board of the Singapore Exchange. As part of the proposal, CIT would be renamed KIT and Keppel Infrastructure Fund Management (KIFM) would be appointed as the Trustee-Manager of the enlarged KIT.

I am pleased to report that these actions were successfully completed on 18 May 2015 and KIT commenced trading as an enlarged trust the following day.

Subsequently, on 21 May 2015, KIT raised $525 million in what was Singapore's largest equity deal for the year-to-date. The equity fund raising comprised a $412 million private placement that attracted strong institutional interest, and was more than two times subscribed. Long-only institutional and corporate investors were allocated approximately 75% of the private placement.

To reward existing Unitholders and enable them to participate in the future growth of the trust, the equity fund raising also comprised a non-renounceable preferential offering. Existing Unitholders were entitled to subscribe to 1 new unit for every 13 units owned at an offer price that was at a discount to the private placement price.

The proceeds of the equity fund raising will be used to finance the acquisition of a 51% stake in Keppel Merlimau Cogen Pte Ltd (KMC) and related expenses. KMC owns a 1,300 MW combined cycle gas turbine power generation facility on Jurong Island in Singapore.

With the completion of all the acquisitions, KIT will be the flagship infrastructure investment vehicle in Singapore with total assets of over $4 billion, which will position the Trust better to pursue larger acquisitions.

In addition, the increase in free float and institutional Unitholder base as a result of the equity fund raising will help KIT enhance the liquidity of its units and its ability to raise additional capital to fund future growth opportunities.

The Trustee-Manager will evaluate asset enhancement opportunities in KIT's portfolio and continue to identify and evaluate acquisitions of suitable assets that generate long-term stable cash flows, including those from its Sponsor, under its investment mandate to further grow the Trust.

MAINTAINING ASSET PERFORMANCE AND POSITIONING FOR GROWTH

For FY 2015, I am pleased to report that KIT had declared a regular distribution per unit (DPU) at 3.28 Singapore cents, unchanged from FY 2014, which represents a distribution yield of 6.07% based on the unit closing price of $0.54 on 31 March 2015.

City Gas continued to demonstrate stable growth and performance. Its customer base expanded from 690,000 as at end FY 2014 to about 724,000 at the end of FY 2015 – an increase of about 4.9%. Average daily town gas send-out for FY 2015 was 879,000 cubic metres against 876,000 cubic metres in FY 2014.

The increase in free float and institutional Unitholder base as a result of the equity fund raising will help KIT enhance the liquidity of its units and its ability to raise additional capital to fund future growth opportunities.

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SingSpring Desalination Plant was able to step up production to meet increased demand during dry spells that occurred during FY 2015.

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In FY 2015, Basslink made significant progress in ensuring its long-term operational stability with the settlement of the Basslink disputes and refinancing of the Basslink bonds.

I wish to thank the outgoing board of CitySpring Infrastructure Management (CSIM), the former Trustee-Manager of KIT, for their stewardship of the Trust during FY 2015 and their invaluable contributions to the Trust during their tenure.

SingSpring Desalination Plant was able to step up production to meet increased demand during dry spells that occurred during the financial year.

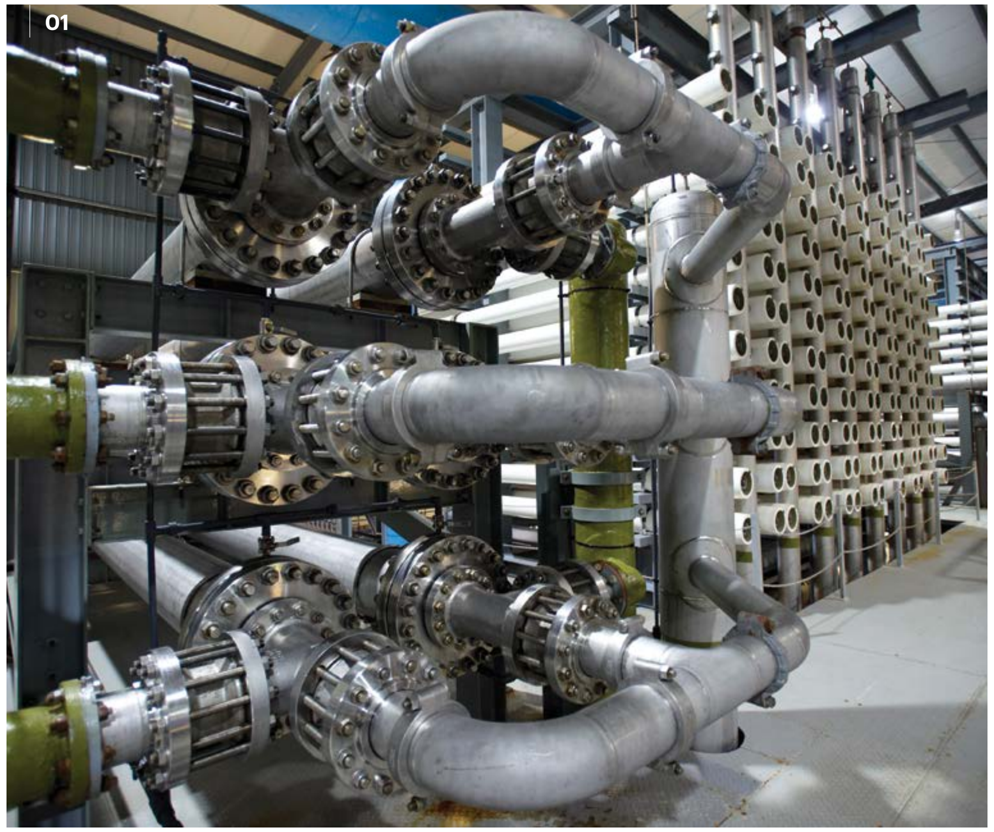
In FY 2015, Basslink made significant progress in ensuring its long-term operational stability with the settlement of the Basslink disputes and refinancing of the Basslink bonds. Basslink and its customer, Hydro Tasmania, agreed to settle all disputes relating to the dynamic protocol and injunction proceedings, an important step towards establishing a cooperative mutually beneficial long-term relationship. The Basslink bonds were refinanced in November 2014 with an A$717m five-year amortising loan facility, which will allow the loan to be paid down from Basslink's operating cash flows and sustainable distributions to be made in the longer run.

CityNet, as the trustee-manager of the telecommunications assets under NetLink Trust, received its management fees in full for FY 2015.

KIT and Shimizu Corporation entered into a joint venture in June 2014 to develop and lease a data centre in Singapore. This development will be financed from KIT's cash reserves and bank loans. Upon completion, the data centre will generate steady cash flows for KIT under a long term lease agreement with One-Net, a subsidiary of MediaCorp.

ACKNOWLEDGEMENTS

I wish to thank the outgoing board of CitySpring Infrastructure Management (CSIM), the former Trustee-Manager of KIT, for their stewardship of the Trust during FY 2015 and their invaluable contributions to the Trust during their tenure.



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I would also like to express my appreciation to the outgoing Chairman of KIFM, Mr Khor Poh Hwa, and non-executive and non-independent director, Mr Tan Boon Leng, for their service and contributions to the Trust. In particular, I note that Mr Khor had served as Chairman of the KIFM Board since June 2010 and played a key role in maintaining the steady performance and growth of the Trust.

I would also like to welcome Mr Daniel Ee, former Chairman of the CSIM Board, who has joined the KIFM Board as an independent director and Mr Alan Tay, who has joined the Board as non-executive and non-independent director.

Finally, I would like to thank my fellow Board members for extending a warm welcome to me and for the guidance they have provided to the Trustee-Manager. I also wish to express our sincere appreciation to Unitholders for their continued support.

Yours sincerely,

KOH BAN HENG
CHAIRMAN
Keppel Infrastructure Fund Management
(as Trustee-Manager of Keppel Infrastructure Trust)
15 June 2015

3.28cts

DPU FOR FY 2015
For the period from 1 April 2014 to 31 March 2015, regular distribution per unit to KIT Unitholders amounted to 3.28 Singapore cents.

Board of Directors

Mr Koh Ban Heng, 66
Chairman
Independent Director

Bachelor of Science (Applied Chemistry),
Post-Graduate Diploma in
Business Administration,
University of Singapore

Date of first appointment as a director:
1 May 2015
Length of service as a director
(as at 31 March 2015):
NA

Board Committee(s) served on:
Nominating Committee (Member)

Present Directorships:
Listed companies
Tipco Asphalt Company PLC; Keppel Infrastructure Fund Management Pte. Ltd. (the Trustee-Manager of Keppel Infrastructure Trust)

Other principal directorships
Keppel Infrastructure Holdings Pte. Ltd.; Chung Cheng High School Ltd

Major Appointments (other than directorships):
Chairman, ASEAN Council on Petroleum (ASCOPE) National Committee of Singapore; Advisor to the Chairman and CEO of Dialog Group Berhad

Past Directorships held over the preceding 5 years (from 1 April 2010 to 31 March 2015):
Keppel Energy Pte. Ltd.; Singapore Petroleum Venture Private Limited; Singapore Refining Company Private Limited; Linc Energy Ltd

Others:
Nil

KOH BAN HENG

ALAN OW SOON SIAN

Mr Alan Ow Soon Sian, 67
Independent Director

Bachelor of Social Sciences
(Second Class Honours, Lower Division),
University of Singapore
International Tax Program,
Harvard Law School
Advanced Management Program,
Harvard Business School

Date of first appointment as a director:
11 February 2010
Length of service as a director
(as at 31 March 2015):
5 years 1 month

Board Committee(s) served on:
Nominating Committee (Chairman)
Audit Committee (Member)

Present Directorships:
Listed companies
M1 Limited; Keppel Infrastructure Fund Management Pte. Ltd. (the Trustee-Manager of Keppel Infrastructure Trust)

Other principal directorships
Nil

Major Appointments (other than directorships):
Vice President of Morning Star Community Services;
Consultant, GSM Law LLP

Past Directorships held over the preceding 5 years (from 1 April 2010 to 31 March 2015):
Nil

Others:
Former Senior Deputy Commissioner of Inland Revenue Authority of Singapore; Former Chief Executive Officer of Tax Academy of Singapore (2006-2007); Awarded the Public Administration Bronze Medal; Awarded the Public Administration Silver Medal; Awarded the Public Administration Gold Medal; Former tax consultant (Non-legal practitioner) with KhattarWong LLP

Mr Paul Ma Kah Woh, 67
Independent Director

Fellow of the Institute of Chartered Accountants in England and Wales
Member of the Institute of Singapore Chartered Accountants

Date of first appointment as a director:
11 February 2010
Length of service as a director
(as at 31 March 2015):
5 years 1 month

Board Committee(s) served on:
Audit Committee (Chairman)
Nominating Committee (Member)
Conflicts Resolution Committee (Member)

Present Directorships:
Listed companies
Mapletree Logistics Trust Management Limited (the manager of Mapletree Logistics Trust); Keppel Infrastructure Fund Management Pte. Ltd. (the Trustee-Manager of Keppel Infrastructure Trust)

Other principal directorships
Mapletree Investments Pte Ltd; CapitaLand China Development Fund Pte Ltd; CapitaLand China Development Fund II Ltd; Nucleus Connect Pte Ltd (Chairman); National Heritage Board; NRF Holdings Pte Ltd; PACC Offshore Services Holdings Ltd (Chairman, Audit Committee)

Major Appointments (other than directorships):
Nil

Past Directorships held over the preceding 5 years (from 1 April 2010 to 31 March 2015):
SMRT Corporation Ltd; SMRT Buses Ltd; SMRT Road Holdings Ltd; SMRT Trains Ltd; Hwa Hong Corporation Ltd; Tenet Insurance Company Ltd; Trustee on the board of trustees of the National University of Singapore (Chairman, Audit Committee)

Others:
Nil

PAUL MA KAH WOH

QUEK SOO HOON

Ms Quek Soo Hoon, 61
Independent Director

Bachelor of Science (Economics)
(First Class Honours)
Fellowship of the Institute
of Actuaries (United Kingdom)

Date of first appointment as a director:
11 February 2010
Length of service as a director
(as at 31 March 2015):
5 years 1 month

Board Committee(s) served on:
Conflicts Resolution Committee (Chairman)
Audit Committee (Member)
Remuneration Committee (Member)

Present Directorships:
Listed companies
Keppel Infrastructure Fund Management Pte. Ltd. (the Trustee-Manager of Keppel Infrastructure Trust)

Other principal directorships
School of the Arts, Singapore; Life Planning Associates Pte Ltd; Singapore Deposit Insurance Corporation Ltd; Special Needs Trust Company Ltd; Enactus Singapore

Major Appointments (other than directorships):
Operating Partner, iGlobe Partners (II) Pte Ltd

Past Directorships held over the preceding 5 years (from 1 April 2010 to 31 March 2015):
Nil

Others:
Distinguished Fellow of the International Association of Insurance Supervisors

Board of Directors

Mr Thio Shen Yi, 48
Independent Director

Bachelor of Arts, Master of Arts,
University of Cambridge
Senior Counsel
Fellow of the Singapore Institute
of Arbitrators

Date of first appointment as a director:
11 February 2010
Length of service as a director
(as at 31 March 2015):
5 years 1 month

Board Committee(s) served on:
Remuneration Committee (Chairman)
Conflicts Resolution Committee (Member)

Present Directorships:
Listed companies
Keppel Infrastructure Fund Management Pte. Ltd. (the Trustee-Manager of Keppel Infrastructure Trust)

Other principal directorships
TSMP Law Corporation (Joint Managing Director); OUE Realty Pte Ltd; Obiter Dicta Pte Ltd; Camembert Holdings Pte Ltd; The Community Justice Centre Limited; St John's Cambridge (Singapore)

Major Appointments (other than directorships):
President, Law Society of Singapore; Senate Member, Vice-President, Singapore Academy of Law; Board Member, Singapore Institute of Legal Education; Panel arbitrator, Singapore International Arbitration Centre and Kuala Lumpur Regional Centre for Arbitration; Member, Legal Education and Studies Committee, Singapore Academy of Law; Member, Management Committee of the Law Society's Pro Bono, Learning and Support Services; Member, Ethics Committee, Law Society of Singapore; Co-Chair, Rules Committee, Singapore International Commercial Court

Past Directorships held over the preceding 5 years (from 1 April 2010 to 31 March 2015):
Allens Arthur Robinson TSMP

Others:
Nil

THIO SHEN YI

DANIEL CUTHBERT EE HOCK HUAT

Mr Daniel Cuthbert Ee Hock Huat, 62
Independent Director

Bachelor of Science in Systems
Engineering (First Class Honours),
University of Bath, UK
Master of Science in Industrial Engineering,
National University of Singapore

Date of first appointment as a director:
18 May 2015
Length of service as a director
(as at 31 March 2015):
NA

Board Committee(s) served on:
Nil

Present Directorships:
Listed companies
Citibank Singapore Limited; Keppel Infrastructure Fund Management Pte. Ltd. (the Trustee-Manager of Keppel Infrastructure Trust)

Other principal directorships
Singapore Institute of Directors; Singapore Mediation Centre

Major Appointments (other than directorships):
Deputy Chairman, Securities Industry Council

Past Directorships held over the preceding 5 years (from 1 April 2010 to 31 March 2015):
Surface Mount Technology (Holdings) Limited; National Environment Agency; Gas Supply Pte Ltd; CitySpring Infrastructure Management Pte Ltd (the Trustee-Manager of CitySpring Infrastructure Trust)

Others:
Nil

Dr Ong Tiong Guan, 56
Non-Executive and Non-Independent Director

Bachelor of Engineering
(First Class Honours),
Monash University
Doctor of Philosophy (Ph.D.)
under Monash Graduate Scholarship,
Monash University, Australia

Date of first appointment as a director:
1 June 2014
Length of service as a director
(as at 31 March 2015):
10 months

Board Committee(s) served on:
Remuneration Committee (Member)

Present Directorships:
Listed companies
Keppel Infrastructure Fund Management Pte. Ltd. (the Trustee-Manager of Keppel Infrastructure Trust)

Other principal directorships
Keppel Infrastructure Holdings Pte. Ltd.; Keppel Energy Pte. Ltd.; Keppel Electric Pte Ltd; Keppel Gas Pte Ltd; Keppel Merlimau Cogen Pte Ltd; Keppel DHCS Pte Ltd; Keppel Infrastructure Services Pte. Ltd.; GE Keppel Energy Services Pte Ltd; Keppel Seghers Pte Ltd

Major Appointments (other than directorships):
Chief Executive Officer, Keppel Infrastructure Holdings Pte. Ltd.

Past Directorships held over the preceding 5 years (from 1 April 2010 to 31 March 2015):
Nil

Others:
Nil

ONG TIONG GUAN

ALAN TAY TECK LOON

Mr Alan Tay Teck Loon, 45
Non-Executive and Non-Independent Director

Bachelor of Business Administration
(Second Upper Honours),
National University of Singapore

Date of first appointment as a director:
1 May 2015
Length of service as a director
(as at 31 March 2015):
NA

Board Committee(s) served on:
Nil

Present Directorships:
Listed companies
Keppel Infrastructure Fund Management Pte. Ltd. (the Trustee-Manager of Keppel Infrastructure Trust)

Other principal directorships
GE Keppel Energy Services Pte Ltd

Major Appointments (other than directorships):
Executive Director (Business Development), Keppel Infrastructure Holdings Pte. Ltd.

Past Directorships held over the preceding 5 years (from 1 April 2010 to 31 March 2015):
J.P. Morgan Asset Management Real Assets (Singapore) Pte Ltd; Eco Management Korea Holdings Inc

Others:
Nil

Key Executives of the Trustee-Manager

Mr Khor Un-Hun
Chief Executive Officer

Mr Khor Un-Hun has been the Chief Executive Officer (CEO) of the Trustee-Manager since May 2014.

As CEO of the Trustee-Manager, he is responsible for working with the Board to determine the strategy for Keppel Infrastructure Trust (KIT). He works with other members of the Trustee-Manager's management team to execute the stated strategy of the Trustee-Manager.

Mr Khor joined Keppel Infrastructure Holdings Pte Ltd (KI) as Development Director in April 2014, where he worked on KI's various business development initiatives.

Prior to joining KI, Mr Khor spent most of his career in banking, during which he was involved in a wide range of mergers and acquisitions, financial advisory, capital markets and debt transactions across different sectors throughout Asia.

Mr Khor held various positions in the corporate finance teams of Deutsche Bank and ING Bank in Singapore and Hong Kong before becoming Managing Director and Head of Corporate Finance, Asia at ING Bank, where he oversaw the origination and execution of corporate finance transactions in the region. He was also a member of ING Bank's regional management committee.

Mr Khor holds a Bachelor of Accountancy degree with First Class Honours from Nanyang Technological University and is a Chartered Financial Analyst.

Mr Koh Hee Song
Senior Adviser

Mr Koh Hee Song has been a Senior Adviser to the Trustee-Manager since June 2010.

As Senior Adviser, Mr Koh works with the other members of the Trustee-Manager's management team to evaluate potential acquisitions and/or divestments and recommend and analyse potential asset enhancement initiatives from a technical perspective. He also advises the management team on technical matters relating to the business of KIT as and when the circumstances require.

Prior to June 2010, Mr Koh was a Senior Adviser to Keppel Seghers Engineering Singapore Pte Ltd in matters pertaining to solid waste management projects.

Mr Koh started his career as a mechanical engineer with the Sewerage Department of the Public Works Department in 1969. In 1990, Mr Koh was appointed as the Head of the Engineering Services Department in the Ministry of the Environment and the National Environment Agency upon its formation in 2002, until his retirement in 2003.

Mr Koh was awarded the Colombo Plan Scholarship for Mechanical Engineering, Australia in 1965 and obtained a Bachelor of Engineering (Mechanical) (Second Class Honours, Division One) in 1968 from the University of Sydney. He was also awarded the Public Administration Bronze Medal in 1981, the Public Administration Silver Medal in 2002 and the Long Service Medal in 2003 by the Government of Singapore in recognition of his contributions to public administration in Singapore. Mr Koh is a member of the Professional Engineers Board, Singapore.

Mr Lionel Chua
Chief Financial Officer

Mr Lionel Chua has been the Chief Financial Officer (CFO) of the Trustee-Manager since May 2013.

As CFO, Mr Chua is responsible for the Trustee-Manager's and KIT's financial and reporting functions, including accounting, taxation, treasury and compliance.

Mr Chua has more than 17 years of experience in financial and management accounting where he has held senior positions, including Vice President (Finance) of The Ascott Group Limited and CFO of Mary Chia Holdings Limited. He has also worked at CapitaLand Group and Singapore Airlines Limited.

Prior to joining the Trustee-Manager, Mr Chua was the Financial Controller at Keppel REIT Management Limited, where he was responsible for the financial and reporting functions and also participated in various acquisition exercises.

Mr Chua holds a Bachelor of Accountancy (Merit) degree from Nanyang Technological University, Singapore. He is a Chartered Accountant of Singapore, CA (Singapore), with the Institute of Singapore Chartered Accountants.

Ms Foo Chih Chi
Senior Investment Manager

Ms Foo Chih Chi has been with the Trustee-Manager since June 2010.

Ms Foo is responsible for identifying, evaluating and executing potential acquisitions with a view to enhance KIT's portfolio. She also carries out fundraising activities for KIT.

Ms Foo has over 15 years of experience in investment evaluation, corporate strategy and new business development. She joined Keppel Corporation in 2000, where as a part of Keppel Corporation's strategic development and planning division, she was responsible for corporate strategy and new business development.

Ms Foo obtained a Bachelor of Business Administration from the University of Michigan, School of Business Administration in 1999.

Ms Jacqueline Ong
Senior Investment Manager

Ms Jacqueline Ong joined the Trustee-Manager on 18 May 2015.

Ms Ong is responsible for origination and execution of deals. She also serves as General Manager of DataCentre One, the joint venture with Shimizu Corporation developing a data centre in Singapore.

Prior to joining the Trustee-Manager, Ms Ong was Vice President, Investment at CitySpring Infrastructure Management Pte. Ltd. From 2011 to 2014, she served as Acting CEO of CityNet Infrastructure Management Pte. Ltd., the trustee-manager of NetLink Trust.

Ms Ong was previously Vice President (Investments) and Economist with AIMAC, an infrastructure fund management company focused on Asian infrastructure. She was responsible for deal-sourcing, due diligence, deal finalisation, post-investment management, divestments, and analysis of country/sector development in areas of interest.

Ms Ong was previously a Senior Regional Economist with IDEAglobal, where she helped lead the emerging market research team in macroeconomic analysis and formulating strategies, and regularly conducted seminars and talks for the banking community on various economic issues.

Ms Ong holds a Master's degree in Applied Economics and a Bachelor of Arts degree in Economics/Statistics from the National University of Singapore.

Ms Ang Lay Kheng
Senior Finance Manager

Ms Ang Lay Kheng joined the Trustee-Manager on 18 May 2015.

Prior to joining the Trustee-Manager, Ms Ang was Vice President, Finance at CitySpring Infrastructure Management Pte. Ltd.

Ms Ang brings with her 15 years' experience in financial and management reporting, taxation, corporate finance, treasury, financial risk management and compliance.

Ms Ang was previously Assistant Vice President, Corporate Finance of Parkway Trust Management Limited. Before that, she was an Audit Manager with PricewaterhouseCoopers where she worked on the audit of several Singapore-listed corporations and multinational companies, mainly in the real estate sector.

Ms Ang was also previously with KPMG, where she worked on the audit of manufacturing and trading companies, restructured hospitals in Singapore and financial institutions.

Ms Ang graduated from Nanyang Technological University, Singapore in 2000 with a Bachelor of Accountancy, minor in Banking and Finance. She is also a Chartered Financial Analyst.

Ms Annie Khung
Senior Finance Manager

Ms Annie Khung joined the Trustee-Manager on 18 May 2015.

Prior to joining the Trustee-Manager, Ms Khung was Vice President, Finance at CitySpring Infrastructure Management Pte. Ltd.

Ms Khung assists in the reporting of group results, budgeting, taxation and other finance-related matters. She also reviews the financial performance of the subsidiary operating companies and assists in developing group financial policies and procedures.

Ms Khung was previously with Ernst & Young LLP where she left as an Audit Manager.

Ms Khung graduated with Bachelor of Commerce and Bachelor of Finance degrees from the University of Adelaide, Australia. She is a non-practising member of the Institute of Singapore Chartered Accountants and CPA Australia.

Mr Liew Yuen Cheng
Senior Asset Manager

Mr Liew Yuen Cheng has been with the Trustee-Manager since June 2010.

Mr Liew implements asset management plans for KIT's asset portfolio by engaging various stakeholders to ensure smooth, safe and sustainable operations while meeting the required levels of service standards with the underlying customers' contracts. He also oversees asset enhancements and upgrading projects.

Mr Liew spent 12 years with Keppel FELS Limited, including a five-year stint at its overseas shipyard in Azerbaijan. He held various positions in operations, marketing, commercial and project management. Prior to joining the Trustee-Manager, he was a Project Manager for EPC rig construction.

Mr Liew obtained a Bachelor of Engineering (First Class Honours) degree in Marine Technology (Offshore Engineering) from the University of Newcastle upon Tyne (United Kingdom) and a Diploma (with Merit) in Shipbuilding & Offshore Engineering from Ngee Ann Polytechnic (Singapore).

Mr Marc Liu
Senior Asset Manager

Mr Marc Liu joined the Trustee-Manager on 18 May 2015.

Mr Liu implements asset management plans for KIT's asset portfolio and works on asset enhancement and upgrading projects.

Mr Liu also serves as General Manager of SingSpring Pte Ltd, the trustee-manager of SingSpring Trust.

Prior to joining the Trustee-Manager, Mr Liu was Vice President, Investment at CitySpring Infrastructure Management Pte. Ltd. Before that, he was Senior Manager, Business Development at City Gas from 2005 to 2006.

Mr Liu earned his Bachelor of Economics degree from Shanghai University and received his Masters in Finance from San Diego State University, where he graduated with honours as Beta Gamma Sigma. He is a Chartered Financial Analyst.

Operations Review

In FY 2015, KIT's assets comprise 100% of City Gas Trust (City Gas), which owns 51% of City-OG Gas, 70% of SingSpring Trust (SingSpring), 100% of Basslink Pty Ltd (Basslink), which owns 100% of Basslink Telecoms, and 100% of CityNet Infrastructure Management Pte. Ltd. (CityNet).

OVERVIEW

Keppel Infrastructure Trust (KIT) was originally listed on 12 February 2007 on the Singapore Exchange Securities Trading Limited as CitySpring Infrastructure Trust (CIT). On 18 May 2015, CIT acquired the business undertakings and assets of Pre-Acquisition KIT in exchange for the issue of approximately 1.33 billion new CIT units to Pre-Acquisition KIT Unitholders, and CIT was renamed Keppel Infrastructure Trust. Keppel Infrastructure Fund Management Pte Ltd (KIFM) is the Trustee-Manager of KIT. KIFM is a wholly-owned subsidiary of Keppel Infrastructure Holdings Pte. Ltd.

In FY 2015, KIT's assets comprise 100% of City Gas Trust (City Gas), which owns 51% of City-OG Gas, 70% of SingSpring Trust (SingSpring), 100% of Basslink Pty Ltd (Basslink), which owns 100% of Basslink Telecoms, and 100% of CityNet Infrastructure Management Pte. Ltd. (CityNet). These businesses are high-quality and unique assets, with strong track records and predictable cash flow.

City Gas has a history that spans more than a century. It is presently the sole producer and retailer of town gas in Singapore and also the sole user of the low-pressure piped town gas supply network in the country. Its production facility, Senoko Gasworks, is Singapore's only town gas production facility, with a capacity of 1.6 million cubic metres per day. City Gas also markets gas appliances and offers comprehensive after-sales customer service.

SingSpring owns and operates Singapore's first large-scale seawater desalination plant which commenced commercial operations in December 2005. With a supply capacity of 136,380 cubic metres of desalinated potable water per day, the plant is an essential service provider capable of meeting approximately 10% of Singapore's current water needs. The desalination plant located in Tuas, utilises cost and energy-efficient reverse osmosis technology. At the time of its completion, the facility was the largest membrane-based seawater desalination plant installed with one of the largest reverse osmosis trains in the world. SingSpring and Singapore's national water agency, the PUB, had entered into a 20-year Water Purchase Agreement which commenced in December 2005.

Basslink owns and operates a 370 km high voltage, direct current (HVDC) monopole electricity interconnector between the electricity grids of the States of Victoria and Tasmania in Australia. It was constructed to allow Tasmania to participate in the Australian National Electricity Market. Basslink provides KIT with long-term and regular cash flow, most of which are derived from a 25-year Basslink Services Agreement with Hydro-Electric Corporation, an entity owned by the State of Tasmania. Basslink Telecoms began operations offering broadband capacity between Hobart, Tasmania and Melbourne, Victoria in July 2009.

CityNet was initially appointed as the trustee-manager of NetLink Trust on 22 July 2011. The appointment was extended for a period of up to three years from November 2013. CityNet's appointment as trustee-manager may be extended or terminated in accordance with the NetLink trust deed. CityNet receives an annual management fee for its appointment as trustee-manager. NetLink Trust was established as part of Singapore Telecommunications Ltd's (SingTel) undertaking to the Infocomm Development Authority (IDA) to meet IDA's effective open access requirements. Singtel is the sole unitholder of Netlink Trust.

CITY GAS

City Gas provides safe, reliable and clean energy solutions including a variety of energy-efficient gas applications to its broad customer base in the Singapore residential, commercial and industrial segments. Residential customers for piped town gas make up the majority of City Gas' customer base.

Since 2003, City Gas has been supplying natural gas to industrial customers in Tuas, Jurong, Mandai, Woodlands and Senoko. Its industrial customers are from various types of industries such as printing, laundry, food, manufacturing and asphalt.

City Gas completed the divestment of 49% of City-OG Gas to Osaka Gas in August 2013. The City-OG joint venture allows City Gas to leverage Osaka Gas' technology and expertise in cogeneration systems and industrial furnaces to grow the natural gas retail business, while contributing City Gas' own customer knowledge and network in Singapore.

OPERATING REVIEW

During the course of the financial year, City Gas was granted four gas tariff adjustments by the Energy Market Authority of Singapore. The gas tariffs are reviewed quarterly and adjusted in line with changes in the cost of feedstock for gas production, which in turn is pegged to the price of High Sulphur Fuel Oil (HSFO). Consequently, the tariff adjustments made included an increase of 0.33% from 1 May 2014, a decrease of 0.09% from 1 August 2014, a decrease of 1.09% from 1 November 2014 and a decrease of 8.69% from 1 February 2015. City Gas' Senoko Gasworks maintained 100% gas production availability throughout FY 2015.

City Gas' sales continued to grow in the residential segment in FY 2015.

01

Senoko Gasworks is Singapore's only town gas production facility, with a capacity of 1.6 million cubic metres per day.

Backed by a broad and diversified customer base as well as its sales and marketing initiatives, City Gas is expected to continue to deliver stable performance to KIT.

However, the demand for town gas in the commercial segments has shown a slight contraction due to the combined effects of a drop in tourist arrivals, the tightening supply of foreign workers and a slower economic growth in Singapore. The total number of customers grew by 4.9% to 724,000 in FY 2015 from 690,000 a year ago.

The sale of town gas to the residential segment saw a relatively stable growth of 1.8% in FY 2015 which is comparable to the previous financial year. The steady growth in sales is attributable to the expanded usage of town gas beyond cooking to heating and drying.

In FY 2015, about 10,200 gas water heaters were installed in the Housing Development Board (HDB) flats under the Build-To-Order (BTO) sales scheme, including HDB studio apartments and Design-Build-Sell-Scheme (DBSS). This is higher than the previous financial year. New HDB home-owners prefer the eco-friendly gas water heaters to conventional electric water heaters to reap the benefits of lower utility bills while doing their part in protecting the environment through less carbon emission.

In the private condominium segment, about 6,700 housing units adopted the use of gas water heaters. This marked another year of record high for private condominium developments using town gas, with about 73% of the total housing units installed with gas water heaters by the property developers.

In FY 2015, City Gas continued to execute its REACH (Reach, Education, Awareness, Customer Service and

Harmonise) Partnership market development strategy. Through the REACH platform, City Gas continued with its effort to promote greater gas-application awareness among home-owners through its marketing campaigns. A series of campaigns was successfully launched, including the "Go Green, Go City Gas" annual road show held at the HDB Hub in October 2014. These integrated campaigns were effective in communicating the benefits of gas water heaters which included space-saving features, ability to deliver continuous hot water on-demand, lower utility bills and lower carbon emission compared to other alternatives that operate on electricity.

City Gas also extended its REACH market development strategy into the commercial water heating space, particularly the hotel sector where it implemented three successful installations of centralised gas-fired hot water system in FY 2015. Apart from the hotel sector, City Gas is also expanding its market outreach to other sectors, such as hospitals and nursing homes under the Ministry of Health (MOH). In FY 2015, City Gas supplied town gas to Ng Teng Fong Hospital and two MOH nursing homes offering multiple applications. City Gas' targeted efforts to improve the take-up level of gas water heaters among its new and existing customers will also remain important in its strategy in developing sustainable revenue streams in the long-term.

The opening of new malls, buildings and infrastructure projects drove higher piped gas consumption. During the financial year, City Gas successfully turned on gas supply to Seletar Mall, Big Box, One KM, Paya Lebar Square and Capitol Piazza. In June 2014, the iconic food centre Lau Pa Sat located in the Central Business District was reopened after a major renovation. At the same time, Singapore Sports Hub together with Kallang Wave mall opened its doors to sports enthusiasts and international sporting events.

In response to the tightening of the labour market in Singapore, central kitchens for food preparations has become increasingly key to improve productivity and to effectively support food and beverage (F&B) customers' operations. In FY 2015, City Gas has successfully won two additional food factories in Tuas and Mandai which will commence operations in FY 2016.

City Gas expects gas demand growth in the commercial and industrial sector to remain flat due to uncertain economic conditions, the labour crunch and weak tourist arrivals. However, major events such as the 28th SEA games in June 2015 and SG 50 celebrations throughout 2015 are expected to mitigate downside risks. Backed by a broad and diversified customer base as well as its sales and marketing initiatives, City Gas is expected to continue to deliver stable performance to KIT.

SINGSPRING

The SingSpring desalination plant serves as one of the "Four Taps" in PUB's strategy to meet Singapore's water needs. The "Four Taps" are local catchment water, imported water from Johor, NEWater (recycled water) and desalinated water. The SingSpring plant therefore continues to be an important facility for PUB to ensure sufficient water resources for Singapore, especially during periods of low rainfall.

02

01

As the sole producer and retailer of town gas in Singapore, City Gas has more than 724,000 customers across the residential, commercial and industrial segments in the country.

02

As one of the "Four Taps" in PUB's strategy to meet Singapore's water needs, the SingSpring desalination plant continues to be an important facility for PUB to ensure sufficient water resources for the country.

01

SingSpring ensures that both the quality and quantity of desalinated water it produces meets all the requirements under the Water Purchase Agreement (WPA) with Singapore's national water agency, Public Utilities Board (PUB). SingSpring is committed to make available 100% of the plant's water capacity to PUB for the 20-year period of the WPA which commenced in December 2005.

The plant also adopts an advanced energy recovery system, which improves the energy efficiency and cost effectiveness of the process.

OPERATING REVIEW

The SingSpring desalination plant has been operating for more than nine years since commercial operations date in December 2005. For FY 2015, SingSpring achieved 100% availability.

SingSpring receives capacity payments from PUB for making available the full water capacity of the desalination plant upon demand. The capacity payments are paid throughout the term of the 20-year WPA, regardless of whether the plant supplies any water to PUB, and does not vary with the volume of water supplied. This ensures a long-term and predictable cash flow for SingSpring.

SingSpring also receives output payments from PUB for the variable costs in supplying water to PUB. The payment is pegged to the volume of water supplied.

SingSpring completed and renewed the Hazard Analysis Critical Control Point (HACCP) certification audit in March 2015. HACCP is an internationally recognised voluntary food safety management standard that PUB has implemented for many of its water plants.

BASSLINK

As the only electricity interconnector between Tasmania and mainland Australia, Basslink enhances the availability and security of electricity supply to both Tasmania and Victoria. Basslink's principal source of revenue is a facility fee paid monthly by Hydro Tasmania (HT) for the operation of the interconnector. The facility fee is based on the interconnector's availability and payable in full if the cumulative availability, based on a calendar year, is greater than 97%. If the cumulative availability is less than 97%, the facility fee is reduced, with greater deductions as the shortfalls increase and deviate from 97%.

Basslink operates under the Basslink Services Agreement (BSA) with HT. The BSA includes a Commercial Risk Sharing Mechanism (CRSM) to share the market risk associated with participating in the National Electricity Market of Australia between HT and Basslink. The CRSM payments are based on the differences between the high and low spreads of the Victoria electricity pool prices, subject to a cap of +25% (i.e. when payment is made to Basslink by HT) and a floor of -20% (i.e. when payment from Basslink is made to HT) to the unadjusted facility fee.

Basslink Telecoms, which offers a range of wholesale telecoms transmission services between Hobart and Melbourne in Australia, has achieved stable performance in the Tasmanian wholesale telecoms market. In the short span of about six years since its commercialisation, Basslink Telecoms has signed on several internet service providers and other service providers for its backhaul capacity.

OPERATING REVIEW

Basslink achieved an availability of 98.12% for the calendar year 2014. This was above the 97% threshold to earn 100% of the facility fee under the BSA. For the first three months ended 31 March 2015, it attained 99.95% availability.

Basslink has met all its statutory reporting obligations to, amongst others, the Office of the Tasmanian Energy Regulator, EnergySafe Victoria, and the Australian Energy Regulator.

Basslink is firmly committed to maintain the highest standards of operational performance, to ensure a safe and injury-free workplace for its employees, as well as to protect the safety of the public and the environment.

During the year, Basslink achieved a zero incident rate with respect to health, safety and environmental issues. The company has an Operational Environmental Management Plan to ensure that its operations are carried out with minimal impact on the environment. All employees and contractors are trained in this plan.

Basslink achieved an availability of 98.12% for the calendar year 2014. This was above the 97% threshold to earn 100% of the facility fee under the BSA.

02

01

SingSpring Desalination Plant is capable of supplying up to 136,380 m^3 of desalinated potable water per day, which represents approximately 10% of Singapore's current water needs.

02

The Basslink Interconnector allows Tasmania to participate in the National Electricity Market of Australia, and is the only electricity interconnector between Tasmania and mainland Australia.

Financial Review

Net cash generated from operating activities in FY 2015 was S$93.6 million, compared to S$83.3 million in FY 2014.

FINANCIAL REVIEW
Group revenue for FY 2015 was S$501.9 million, which was S$19.2 million lower than FY 2014.

At City Gas, revenue of S$374.3 million in FY 2015 was S$20.6 million lower than its revenue of S$394.9 million in FY 2014. This was due mainly to lower town gas tariff resulting from lower fuel costs.

SingSpring's revenue of S$37.6 million in FY 2015 was S$4.8 million lower than its revenue of S$42.4 million in FY 2014 due to lower fuel costs.

Basslink's revenue of A$76.3 million (approximately S$85.9 million) in FY 2015 was higher than A$68.9 million (approximately S$80.9 million) in FY 2014. This was due mainly to lower negative Commercial Risk Sharing Mechanism (CRSM) of A$4.2 million (approximately S$4.8 million) in FY 2015 compared to negative A$13.4 million (approximately S$15.7 million) in FY 2014.

CityNet contributed revenue of S$4.1 million in FY 2015, which was higher than its revenue of S$2.8 million in FY 2014. This was due mainly to the additional management fees.

City Gas recorded net profit after tax attributable to KIT of S$7.5 million for FY 2015 compared to S$6.7 million registered in the previous financial year.

SingSpring continued to deliver stable results for FY 2015. SingSpring achieved its profits after tax attributable to KIT at S$3.7 million and S$3.0 million in FY 2015 and FY 2014 respectively. SingSpring's steady profits were underpinned by the availability payment-based regime of the Water Purchase Agreement.

01

Basslink reported net loss after tax of A$21.9 million (approximately S$24.7 million) for FY 2015 compared to A$25.0 million (approximately S$29.4 million) for the previous financial year. The lower net loss after tax was due mainly to lower negative CRSM payments of A$4.2 million (approximately S$4.8 million) compared to negative A$13.4 million (approximately S$15.7 million) in FY 2014, lower depreciation due mainly to the change in useful life of the interconnector and lower legal and professional fees incurred. This was partially offset by non-recurring Hydro Tasmania dispute settlement amount of A$6.0 million (approximately S$6.8 million), higher finance costs due mainly to payment of early redemption guarantee fee and write-off of debt amortisation costs associated with the Basslink bonds which was refinanced in November 2014, and lower contribution from Basslink Telecoms.

Cash generated from operations of S$153.1 million for FY 2015 was derived from the Group's profit before tax of S$6.5 million, after adjusting for non-cash items and changes in working capital of S$146.6 million. After taking in account net interest paid and income tax paid, the net cash generated from operating activities was S$93.6 million as compared to S$83.3 million in FY 2014.

01

City Gas recorded net profit after tax attributable to KIT of S$7.5 million for FY 2015 compared to S$6.7 million in FY 2014.

Contributing to the Community

01

In May 2014, City Gas sponsored two teams of employees in the TOUCH Charity Futsal tournament, which raised $24,000 for low-income families, youths-at-risk and individuals with special healthcare needs.

02

To raise funds and awareness of childhood cancer, 13 City Gas employees volunteered to shave their heads bald in the Children's Cancer Foundation's Hair for Hope fundraiser in July 2014.

01

Corporate social responsibility continues to be an integral part of City Gas' business, exemplified through its collaborations with not-for-profit organisations.

SINGAPORE: CONTRIBUTING TO THE COMMUNITY

Corporate social responsibility continues to be an integral part of City Gas' business, exemplified through its collaborations with not-for-profit organisations including TOUCH Community Services (TOUCH), Darul Ihsan Orphanage and Singapore Red Cross Society. Ongoing partnerships with Children's Cancer Foundation (CCF) and Esplanade – Theatres on the Bay also provide a platform for City Gas to instill strong community spirit amongst employees.

On 23 May 2014, City Gas sponsored two teams formed by employees in the TOUCH Charity Futsal tournament at The Cage. The event raised $24,000, which went towards benefiting low-income families, youths-at-risk and individuals with special healthcare needs.

Also in May 2014, City Gas employees participated in a Shadow Play workshop organised by Esplanade – Theatres on the Bay for Darul Ihsan Orphanage. Conducted by acclaimed Canadian-born puppeteer Jeff Achtem, participants were taught how to create shadow puppets from recyclable materials and some basic techniques in shadow puppetry.

To raise funds and awareness of childhood cancer, 13 City Gas employees volunteered to shave their heads bald in the CCF's Hair for Hope fundraiser on 26 and 27 July 2014 at VivoCity shopping mall. 16 other volunteers from City Gas rendered their support as runners and stage hands during the event.

In January 2015, City Gas employees participated in a blood donation drive at Bloodbank@Woodlands. The event was organised in collaboration with Singapore Red Cross Society.

In addition, City Gas donated vouchers for school books and shoes to MCYC Community Services Society and Persatuan Pemudi Islam Singapura (Singapore Muslim Women's Association) to provide assistance to disadvantaged children and youths.

City Gas continues with its customised learning programmes to enhance the service level of its staff and contractors. The "City Gas Experience" which embraces the 'P.R.I.D.E.' service values (Professionalism, Relationship Builder, Initiative, Dependable and Efficiency) has been ingrained as the service culture of its staff and contractors. To raise the safety awareness among our staff and contractors, a safety tagline 'Your Safety, Our Priority' was launched and incorporated as part of our customer service experience. Independent service audits are conducted quarterly to obtain customer feedback so that service levels remain high. These quarterly audits have shown that City Gas services continue to be highly rated by its customers.

To support Singapore's Food & Beverage industry, City Gas collaborated with its long-standing partner, Shin Min Daily News, to launch the 7th City Hawker Food Hunt on 16 April 2014 through an event held at Cheng San Market and Cooked Food Centre. The annual event is jointly supported by the Health Promotion Board, National Environment Agency and Singapore Tourism Board to increase appreciation of the wide range of hawker food unique to Singapore's heritage, as well as hawkers' dedication to their trade.

The launch marked the start of public voting for the coveted "Favourite Hawker Centre" award and the "Best of the Best" stalls from four food categories selected by the City Hawker Food Hunt Committee.

In addition, a new "Young Hawker" award was also introduced to inspire the younger generation of aspiring hawkers joining the trade. After an intense five-month voting period, a closing ceremony was held at Marine Parade Central Hawker Centre on 9 November 2014. Prizes were given out to more than 40 recipients which included winners for the following award categories: "Cleanest Hawker Centre", "Most Healthier Choice Award" and the '"Most Authentic Hawker Food".

City Gas is proud to be awarded the Gold Award in the biennial Singapore Health Award 2014. This Award recognises the organisation's concerted efforts in promoting workplace health. It is also honoured to be accredited with the Singapore Business Superbrands Awards 2014, a recognition for its distinguished brand, quality and reliability for more than 150 years.

AUSTRALIA: DRIVING A VIBRANT SPORTS CULTURE AND SERVING COMMUNITY NEEDS

In FY 2015, Basslink supported the Tasmanian State sport carnivals series for the 12th year running. Organised by the Sport Carnival Association of Tasmania, the annual sports carnival series attracts professional athletes from around the world. Basslink also sponsored the Sheffield Criterium, a four-part cycling race series with separate legs in Westbury, Ulverstone, Burnie and Sheffield, in exchange for naming rights to the competition.

Besides sporting events, wholly-owned Basslink Telecoms continues to sponsor a Tasmanian devil at the Devils@Cradle wildlife conservation facility in Cradle Mountain, Tasmania. Devils@Cradle ensures that these rare and protected animals continue to be part of Tasmania's wildlife.

In Victoria, Basslink continued its sponsorship of the North Gippsland Netball & Football League, Buchan Junior Cricket Club, Gormandale Football Club and Gormandale Cricket Club. Basslink also supported the North Gippsland Junior Football League. Basslink site staff attended the grand finale dinner event at Gormandale Football Club and presented awards to the players.

In Hobart, Basslink sponsored the annual Tasmanian Special Children's Christmas Party, which provided Christmas cheer for over 1,700 children who are terminally ill, or intellectually and/or physically disabled.

Basslink also sponsored the annual Tarra Easter Festival, which attracted more than 10,000 participants from community service groups in Gippsland. In addition, Basslink sponsored the Lakes Entrance Seafarers Multicultural Festival, which celebrates all things related to the sea, especially Bass Strait where Basslink's submarine cables are located.

Basslink sponsored the People Development Award at the Victorian Seafood Industry Awards and the Training Award at the Tasmanian Seafood Industry Awards. Working closely with the fishing and seafood community in both Victoria and Tasmania is a key strategy for Basslink.

Significant Events

2014

30 JUNE
- CitySpring Infrastructure Trust (CIT) entered into a joint venture with Shimizu Corporation to develop a new 214,000 sf Tier III data centre in Singapore. When completed, 1-Net North will be on long-term lease to 1-Net Singapore, a MediaCorp subsidiary.

13 AUGUST
- CIT announced distribution per unit (DPU) payable of 0.82 cents for the period from 1 April 2014 to 30 June 2014.

29 AUGUST
- CIT paid a DPU of 0.82 cents to Unitholders for the period from 1 April 2014 to 30 June 2014.

3 NOVEMBER
- CIT announced a DPU payable of 0.82 cents for the period from 1 July 2014 to 30 September 2014.

4 NOVEMBER
- 1-Net Singapore and DataCentre One held a groundbreaking ceremony for their new data centre, 1-Net North, targeted for completion in 1Q 2016.

18 NOVEMBER
- CIT proposed to combine with Keppel Infrastructure Trust (KIT).

21 NOVEMBER
- CIT paid a DPU of 0.82 cents to Unitholders for the period from 1 July 2014 to 30 September 2014.

28 NOVEMBER
- CIT completed the refinancing of all outstanding bonds issued in connection with the acquisition of Basslink.

2015

27 JANUARY
- CIT announced a DPU payable of 0.82 cents for the period from 1 October 2014 to 31 December 2014.

13 FEBRUARY
- CIT paid a DPU of 0.82 cents to Unitholders for the period from 1 October 2014 to 31 December 2014.

30 APRIL
- CIT received in-principle approval from Unitholders to acquire Senoko Waste-to-Energy (WTE) Plant, Keppel Seghers Tuas WTE Plant, Keppel Seghers Ulu Pandan NEWater Plant and 51% of Keppel Merlimau Cogen Pte Ltd.

6 MAY
- CIT announced the following:
  - a DPU payable of 0.82 cents for the period from 1 January 2015 to 31 March 2015;
  - a DPU payable of 0.4235 cents for the period from 1 April 2015 to 17 May 2015; and
  - a special DPU of 1.98 cents.

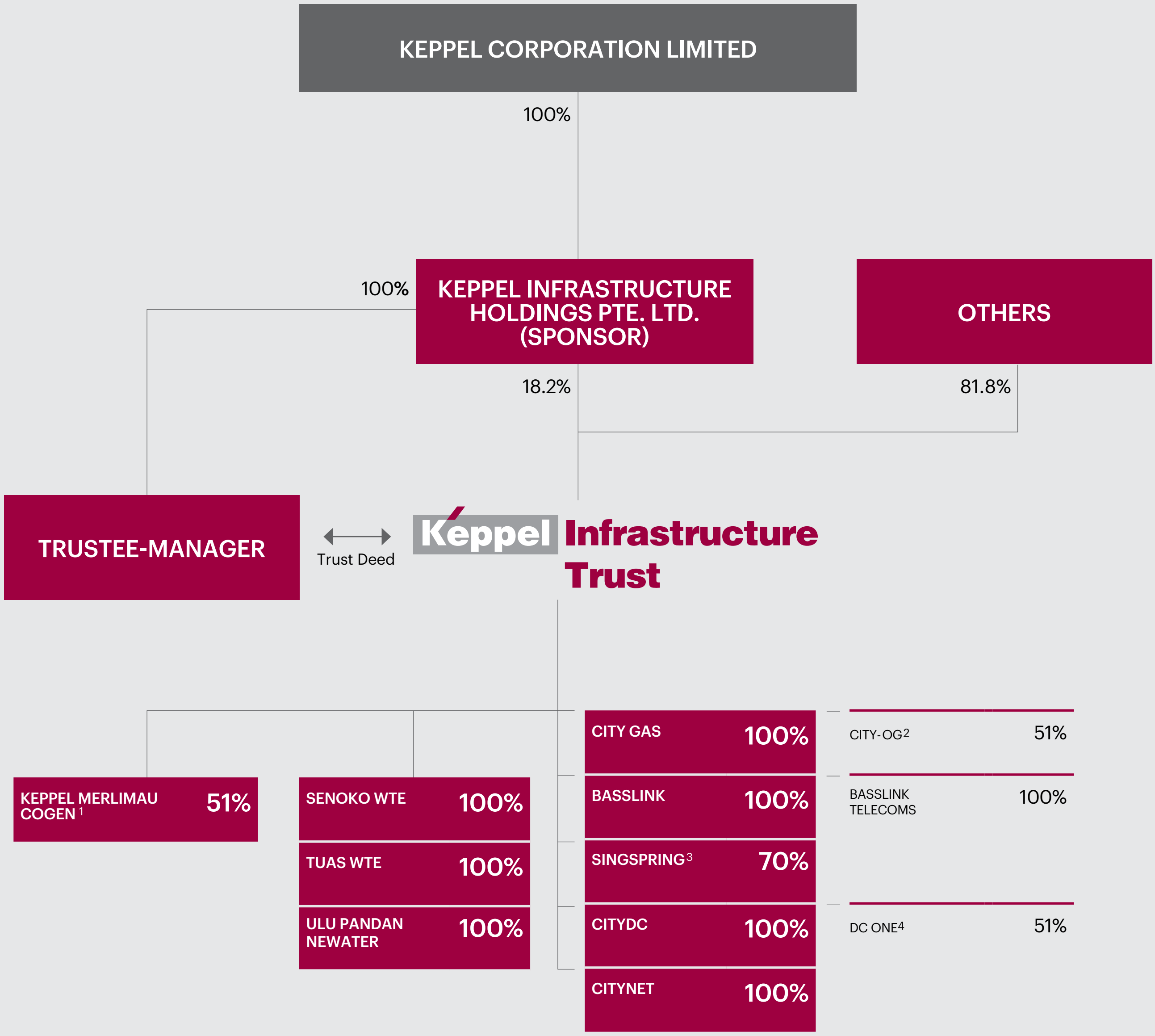
26 MAY
- CIT paid the following:
  - a DPU of 0.82 cents for the period 1 January 2015 to 31 March 2015;
  - a DPU of 0.4235 cents for the period 1 April 2015 to 17 May 2015; and
  - a special DPU of 1.98 cents.

01

01

1-Net Singapore and DataCentre One held a groundbreaking ceremony for their new data centre, 1-Net North, on 4 November 2014.

Trust Structure



Notes:

1 The acquisition of a 51% stake in Keppel Merlimau Cogen Pte. Ltd. (KMC) is expected on 30 June 2015. Keppel Energy holds the remaining 49% equity interest in KMC.

2 Osaka Gas Singapore Pte. Ltd. holds the remaining 49% equity interest in City-OG Gas Energy Services.

3 Hyflux Ltd holds the remaining 30% equity interest in SingSpring.

4 WDC Development Pte. Ltd. holds the remaining 49% equity interest in DC One.

5 The above unitholdings are based on the trust structure as at 15 June 2015.

Corporate Information

TRUSTEE-MANAGER OF KEPPEL INFRASTRUCTURE TRUST

Keppel Infrastructure Fund Management Pte Ltd
Registered Address
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Place of Business Address
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Fax: +65 6265 1953
Email: info@kepinfratrust.com
Website: www.kepinfratrust.com

DIRECTORS OF THE TRUSTEE-MANAGER

Mr Koh Ban Heng
Independent Director and
Chairman of the Board

Mr Alan Ow Soon Sian
Independent Director

Mr Paul Ma Kah Woh
Independent Director

Ms Quek Soo Hoon
Independent Director

Mr Thio Shen Yi
Independent Director

Mr Daniel Cuthbert Ee Hock Huat
Independent Director

Dr Ong Tiong Guan
Non-Executive and
Non-Independent Director

Mr Alan Tay Teck Loon
Non-Executive and
Non-Independent Director

AUDIT COMMITTEE

Mr Paul Ma Kah Woh (Chairman)
Mr Alan Ow Soon Sian
Ms Quek Soo Hoon

NOMINATING COMMITTEE

Mr Alan Ow Soon Sian (Chairman)
Mr Paul Ma Kah Woh
Mr Koh Ban Heng

REMUNERATION COMMITTEE

Mr Thio Shen Yi (Chairman)
Ms Quek Soo Hoon
Dr Ong Tiong Guan

CONFLICTS RESOLUTION COMMITTEE

Ms Quek Soo Hoon (Chairman)
Mr Thio Shen Yi
Mr Paul Ma Kah Woh

UNIT REGISTRAR AND UNIT TRANSFER OFFICE

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COMPANY SECRETARIES

Mr Ng Wai Hong
Ms Winnie Mak

AUDITORS

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Partner-in-charge:
Low Yen Mei
Year appointed: From FY 2011

Report of the Trustee-Manager & Financial Statements

Contents

Report of the Trustee-Manager

The directors of CitySpring Infrastructure Management Pte. Ltd., the Trustee-Manager of CitySpring Infrastructure Trust ("CitySpring" or the "Trust"), are pleased to present their report to the unitholders of the Trust, together with the consolidated financial statements of CitySpring and its subsidiaries (collectively, the "Group") and the balance sheet and statement of changes in unitholders' funds of the Trust for the financial year ended 31 March 2015.

Directors
The directors of the Trustee-Manager in office at the date of this report are as follows:

Mr Daniel Cuthbert Ee Hock Huat (Chairman)
Mr Yeo Wico
Mr Mark Andrew Yeo Kah Chong
Mr Haresh Jaisinghani
Mr Ong Beng Teck

Arrangements to enable directors to acquire units and debentures

Neither at the end of nor at any time during the financial year was the Trustee-Manager a party to any arrangement whose object was to enable any or all the directors of the Trustee-Manager to acquire benefits by means of the acquisition of units in, or debentures of, the Trust.

Directors' interests in units or debentures
According to the register kept by the Trustee-Manager for the purposes of Sections 13 and 76 of the Singapore Business Trusts Act (Cap 31A) (the "Act"), particulars of the interests of directors who held office at the end of the financial year in units in, or debentures of, the Trust are as follows:

	Holdings registered in name of director		Holdings in which director is deemed to have an interest	
Number of units	**At 31.3.2015**	**At 1.4.2014**	**At 31.3.2015**	**At 1.4.2014**
Mr Yeo Wico	**800,000**	800,000	**-**	-
Mr Mark Andrew Yeo Kah Chong	**620,000**	620,000	**-**	-
Mr Ong Beng Teck	**46,500**	46,500	**-**	-

There were no changes in any of the above mentioned interests in the Trust between the end of the financial year and 21 April 2015.

Options
There were no options granted during the financial year by the Trustee-Manager to any person to take up unissued units in the Trust.

No units have been issued during the financial year by virtue of the exercise of options to take up unissued units of the Trust.

There were no unissued units of the Trust under option at the end of the financial year.

Audit committee
The members of the Audit Committee ("AC") of the Trustee-Manager during the financial year and as at the date of this report were as follows:

Mr Mark Andrew Yeo Kah Chong (Chairman)
Mr Haresh Jaisinghani
Mr Yeo Wico

All members of the AC are independent and are non-executive directors.

The AC carried out its functions in accordance with Regulation 13(6) of the Business Trusts Regulations 2005 of Singapore. In performing its functions, the AC has reviewed (among others):

- with the independent auditor of the Trust, the audit plan of the Trust, the Independent Auditor's evaluation of the system of internal accounting controls of the Trustee-Manager of the Trust and the Independent Auditor's report on the consolidated financial statements of the Group for the financial year;

- the assistance given by the officers of the Trustee-Manager to the Independent Auditor of the Trust, the scope and results of the internal audit procedures of the Trustee-Manager of the Trust, the policies and practices put in place by the Trustee-Manager to ensure compliance with the Act and the trust deed dated 5 January 2007 constituting the Trust, the procedures put in place by the Trustee-Manager for managing any conflict that may arise between the interests of unitholders and the interests of the Trustee-Manager (including interested person transactions, indemnification of expenses or liabilities incurred by the Trustee-Manager and the setting of fees or charges payable out of the trust property of the Trust); and

- the financial statements of the Trustee-Manager for the financial year ended 31 March 2015 and the balance sheet and statement of changes in unitholders' funds of the Trust and the consolidated financial statements of the Group for the financial year before their submission to the Board of Directors of the Trustee-Manager.

The AC, having reviewed all non-audit services provided by the external auditors to the Group, is satisfied that the nature and extent of such services would not affect the independence of the external auditors.

Further details regarding the AC are disclosed in the Corporate Governance Report.

Internal controls
Based on the internal controls established and maintained by the Group, work performed by the internal and external auditors, the reviews performed by Management and the various Board Committees and the Board, and assurances received from the Chief Executive Officer and Chief Financial Officer of the Trustee-Manager, the Board, with the concurrence of the AC, is of the opinion that the Group's internal controls and risk management systems were adequate and effective as at 31 March 2015 to address financial, operational, compliance and information technology controls risks which the Group considers material and relevant to its operations.

Independent auditor
Ernst & Young LLP have expressed their willingness to accept re-appointment as auditor.

On behalf of the Board of Directors of the Trustee-Manager

Daniel Cuthbert Ee Hock Huat	**Mark Andrew Yeo Kah Chong**
Chairman	Director

Singapore
15 May 2015

Statement by the Trustee-Manager

In our opinion,

(a) the consolidated income statement and consolidated statement of comprehensive income set out on pages 31 and 32 are drawn up so as to give a true and fair view of the results of the business of the Group for the financial year ended 31 March 2015;

(b) the balance sheets set out on page 33 are drawn up so as to give a true and fair view of the state of affairs of CitySpring Infrastructure Trust and of the Group as at 31 March 2015;

(c) the consolidated cash flow statement set out on page 36 is drawn up so as to give a true and fair view of the cash flow of the business of the Group for the financial year ended 31 March 2015; and

(d) at the date of this statement, there are reasonable grounds to believe that the Trustee-Manager will be able to fulfil out of the trust property of the Trust, the liabilities of the Trust as and when they fall due.

In accordance with Section 86(2) of the Act, we further certify:

(a) the fees or charges paid or payable out of the trust property of the Trust to the Trustee-Manager are in accordance with the Trust Deed;

(b) the interested person transactions entered into by the Group during the financial year ended 31 March 2015 are not detrimental to the interests of all the unitholders of the Trust as a whole based on the circumstances at the time of the relevant transactions; and

(c) the Board of Directors of the Trustee-Manager is not aware of any violation of duties of the Trustee-Manager which would have a materially adverse effect on the business of the Trust or on the interests of all the unitholders of the Trust as a whole.

The Board of Directors has, on the date of this statement, authorised the above statements and the consolidated financial statements of the Group as at and for the financial year ended 31 March 2015 for issue.

On behalf of the Board of Directors of the Trustee-Manager

Daniel Cuthbert Ee Hock Huat
Chairman

Mark Andrew Yeo Kah Chong
Director

Singapore
15 May 2015

Statement by the Chief Executive Officer

In accordance with Section 86(3) of the Act, I certify that I am not aware of any violation of duties of the Trustee-Manager which would have a materially adverse effect on the business of the Trust or on the interests of all the unitholders of the Trust as a whole.

Tong Yew Heng
Chief Executive Officer

Singapore
15 May 2015

Independent Auditor's Report

to the Unitholders of CitySpring Infrastructure Trust
For the financial year ended 31 March 2015

Report on the financial statements
We have audited the accompanying financial statements of CitySpring Infrastructure Trust ("CitySpring" or the "Trust") (constituted in the Republic of Singapore pursuant to a trust deed dated 5 January 2007) and its subsidiaries (collectively, the "Group"), set out on pages 31 to 88, which comprise the balance sheets of the Group and the Trust as at 31 March 2015, the statements of changes in unitholders' funds of the Group and of the Trust and the consolidated income statement, consolidated statement of comprehensive income and consolidated cash flow statement of the Group for the financial year then ended, and a summary of significant accounting policies and other explanatory information.

Trustee-Manager's responsibility for the financial statements
The Trustee-Manager of the Trust is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Singapore Business Trusts Act, Chapter 31A (the "Act") and Singapore Financial Reporting Standards, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair profit and loss accounts and balance sheets and to maintain accountability of assets.

Auditor's responsibility
Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Trustee-Manager, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion
In our opinion, the consolidated financial statements of the Group and the balance sheet and statement of changes in unitholders' funds of the Trust are properly drawn up in accordance with the provisions of the Act and Singapore Financial Reporting Standards so as to give a true and fair view of the state of affairs of the Group and of the Trust as at 31 March 2015 and the results, changes in unitholders' funds and cash flows of the Group and the changes in unitholders' funds of the Trust for the year ended on that date.

Report on other legal and regulatory requirements
In our opinion, the accounting and other records required by the Act to be kept by the Trustee-Manager of the Trust and by those subsidiaries incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

Ernst & Young LLP

Ernst & Young LLP
Public Accountants and
Chartered Accountants
Singapore

15 May 2015

Consolidated Income Statement

For the financial year ended 31 March 2015

	Note	2015 $'000	2014 $'000
Revenue	4	**501,902**	521,052
Other income	5	**3,261**	2,809
Other losses - net	6	**(3,524)**	(1,933)
Expenses			
Fuel and electricity costs		**(188,251)**	(215,405)
Gas transportation costs		**(85,034)**	(85,128)
Depreciation and amortisation		**(44,606)**	(52,294)
Staff costs	7	**(26,093)**	(25,239)
Operation and maintenance costs		**(23,888)**	(25,752)
Finance costs	8	**(69,299)**	(65,272)
Management fees	9	**(7,762)**	(7,069)
Other operating expenses		**(50,071)**	(43,878)
Total expenses		**(495,004)**	(520,037)
Profit before joint venture		**6,635**	1,891
Share of results of joint venture		**(167)**	–
Profit before tax	10	**6,468**	1,891
Income tax expense	11	**(4,293)**	(1,549)
Net profit after tax		**2,175**	342
(Loss)/profit attributable to:			
Unitholders of the Trust		**(749)**	(2,103)
Non-controlling interests		**2,924**	2,445
		2,175	342
Loss per unit attributable to unitholders of the Trust, expressed in cents per unit			
- basic and diluted	12	**(0.05)**	(0.14)

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Consolidated Statement of Comprehensive Income

For the financial year ended 31 March 2015

	2015 $'000	2014 $'000
Net profit after tax	**2,175**	342
Other comprehensive (loss)/income:		
Items that may be reclassified subsequently to income statement:		
Cash flow hedges:		
- Fair value (losses)/gains	**(124,473)**	11,740
- Transfer to income statement	**10,370**	11,218
Currency translation differences relating to consolidation of foreign subsidiaries	**(2,811)**	(9,744)
Other comprehensive (loss)/income, net of tax	**(116,914)**	13,214
Total comprehensive (loss)/income	**(114,739)**	13,556
Total comprehensive (loss)/income attributable to:		
Unitholders of the Trust	**(118,246)**	10,015
Non-controlling interests	**3,507**	3,541
	(114,739)	13,556

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Balance Sheets

As at 31 March 2015

		Group		Trust	
	Note	**2015 $'000**	2014 $'000	**2015 $'000**	2014 $'000
ASSETS					
Current assets					
Cash and bank deposits	13	**238,669**	304,327	**93,700**	93,542
Trade and other receivables	14	**62,049**	68,554	**892**	7,525
Finance lease receivables	15	**8,746**	8,382	**-**	-
Inventories	16	**19,054**	20,040	**-**	-
Other current assets	17	**2,788**	3,878	**48**	24
Derivative financial instruments	18	**1,216**	-	**-**	-
		332,522	405,181	**94,640**	101,091
Non-current assets					
Other assets		**1,543**	2,137	**-**	-
Finance lease receivables	15	**130,962**	139,708	**-**	-
Derivative financial instruments	18	**-**	3,859	**-**	-
Investment in and advances to joint venture	19	**16,351**	-	**-**	-
Long-term receivables	20	**-**	-	**230,570**	230,570
Subsidiary companies	21	**-**	-	**546,684**	465,573
Property, plant and equipment	22	**915,018**	1,008,471	**-**	-
Intangibles	23	**373,120**	388,486	**-**	-
		1,436,994	1,542,661	**777,254**	696,143
Total assets		**1,769,516**	1,947,842	**871,894**	797,234
LIABILITIES					
Current liabilities					
Derivative financial instruments	18	**18,553**	15,039	**-**	13
Trade and other payables	24	**105,144**	105,574	**6,881**	2,166
Current tax liabilities		**12,692**	9,061	**44**	20
Borrowings	25	**21,367**	152,450	**-**	142,041
Provisions	28	**647**	-	**-**	-
		158,403	282,124	**6,925**	144,240
Non-current liabilities					
Derivative financial instruments	18	**108,617**	7,169	**-**	-
Borrowings	25	**1,122,513**	1,145,278	**141,439**	-
Notes payable to non-controlling interest	26	**15,000**	15,000	**-**	-
Deferred tax liabilities	27	**22,737**	23,756	**-**	-
Provisions	28	**55,253**	24,044	**-**	-
Other payables	29	**88,264**	84,137	**-**	-
		1,412,384	1,299,384	**141,439**	-
Total liabilities		**1,570,787**	1,581,508	**148,364**	144,240
NET ASSETS		**198,729**	366,334	**723,530**	652,994
UNITHOLDERS' FUNDS					
Units in issue	30	**886,731**	886,731	**886,731**	886,731
Hedging reserve	31	**(236,114)**	(121,597)	**-**	(13)
Translation reserve	32	**(27,124)**	(24,144)	**-**	-
Capital reserve	33	**38,710**	38,710	**-**	-
Accumulated losses		**(475,329)**	(424,760)	**(163,201)**	(233,724)
		186,874	354,940	**723,530**	652,994
Non-controlling interests		**11,855**	11,394	**-**	-
Total unitholders' funds		**198,729**	366,334	**723,530**	652,994

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Statements of Changes in Unitholders' Funds

For the financial year ended 31 March 2015

	Note	Attributable to Unitholders of the Trust							
		Units in issue (Note 30) $'000	Hedging reserve (Note 31) $'000	Translation reserve (Note 32) $'000	Capital reserve (Note 33) $'000	Accumulated losses $'000	Total $'000	Non-controlling interests $'000	Total unitholders' funds $'000
Group									
2015									
Beginning of financial year		**886,731**	**(121,597)**	**(24,144)**	**38,710**	**(424,760)**	**354,940**	**11,394**	**366,334**
Total comprehensive (loss)/ income for the year		**-**	**(114,517)**	**(2,980)**	**-**	**(749)**	**(118,246)**	**3,507**	**(114,739)**
Contributions by and distributions to owners									
Distributions paid	34	**-**	**-**	**-**	**-**	**(49,820)**	**(49,820)**	**(3,046)**	**(52,866)**
Total transactions with owners in their capacity as owners		**-**	**-**	**-**	**-**	**(49,820)**	**(49,820)**	**(3,046)**	**(52,866)**
End of financial year		**886,731**	**(236,114)**	**(27,124)**	**38,710**	**(475,329)**	**186,874**	**11,855**	**198,729**
Group									
2014									
Beginning of financial year		886,731	(143,465)	(14,394)	-	(372,837)	356,035	9,118	365,153
Total comprehensive income/(loss) for the year		-	21,868	(9,750)	-	(2,103)	10,015	3,541	13,556
Contributions by and distributions to owners									
Distributions paid	34	-	-	-	-	(49,820)	(49,820)	(1,755)	(51,575)
Total transactions with owners in their capacity as owners		-	-	-	-	(49,820)	(49,820)	(1,755)	(51,575)
Changes in ownership interests									
Change in ownership interest in subsidiary with no change in control		-	-	-	38,710	-	38,710	490	39,200
Total changes in ownership interests		-	-	-	38,710	-	38,710	490	39,200
End of financial year		886,731	(121,597)	(24,144)	38,710	(424,760)	354,940	11,394	366,334

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

	Note	Units in issue (Note 30) $'000	Hedging reserve (Note 31) $'000	Accumulated losses $'000	Total unitholders' funds $'000
Trust					
2015					
Beginning of financial year		**886,731**	**(13)**	**(233,724)**	**652,994**
Total comprehensive income for the year		**-**	**13**	**120,343**	**120,356**
Contributions by and distributions to owners					
Distributions paid	34	**-**	**-**	**(49,820)**	**(49,820)**
Total transactions with owners in their capacity as owners		**-**	**-**	**(49,820)**	**(49,820)**
End of financial year		**886,731**	**-**	**(163,201)**	**723,530**
2014					
Beginning of financial year		886,731	(48)	(107,354)	779,329
Total comprehensive income/(loss) for the year		-	35	(76,550)	(76,515)
Contributions by and distributions to owners					
Distributions paid	34	-	-	(49,820)	(49,820)
Total transactions with owners in their capacity as owners		–	–	(49,820)	(49,820)
End of financial year		886,731	(13)	(233,724)	652,994

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Consolidated Cash Flow Statement

For the financial year ended 31 March 2015

	Note	2015 $'000	2014 $'000
Operating activities			
Profit before tax		**6,468**	1,891
Adjustments for:			
- Depreciation and amortisation		**44,606**	52,294
- Finance costs		**69,299**	65,272
- Interest income		**(2,187)**	(1,858)
- Fair value loss/(gain) on derivative financial instruments		**2,557**	(1,722)
- Property, plant and equipment written off		**6**	36
- Gain associated with purchase and cancellation of Basslink bonds		**(1,852)**	–
- Gain on disposal of property, plant and equipment		**(14)**	(28)
- Share of results of joint venture		**167**	–
- Unrealised translation loss		**255**	136
Operating cash flows before working capital changes		**119,305**	116,021
Changes in working capital:			
- Inventories		**987**	(1,944)
- Trade and other receivables		**17,789**	4,347
- Trade and other payables		**15,000**	18,005
Cash generated from operations		**153,081**	136,429
Interest received		**2,299**	1,809
Interest paid		**(60,925)**	(54,709)
Income tax paid		**(892)**	(278)
Net cash generated from operating activities		**93,563**	83,251
Investing activities			
Proceeds from change in ownership interest in subsidiary with no change in control		**-**	39,200
Investment in and advances to joint venture		**(16,518)**	-
Purchase of property, plant and equipment		**(2,731)**	(1,530)
Proceeds from sale of property, plant and equipment		**75**	28
Net cash (used in)/from investing activities		**(19,174)**	37,698
Financing activities			
Decrease/(increase) in restricted cash		**883**	(9,397)
Proceeds from borrowings		**918,846**	178,000
Repayment of borrowings		**(984,405)**	(138,443)
Payment of loan upfront fee		**(16,511)**	(1,915)
Distributions paid to unitholders of the Trust	34	**(49,820)**	(49,820)
Distributions paid by subsidiaries to non-controlling interest		**(3,046)**	(1,755)
Net cash used in financing activities		**(134,053)**	(23,330)
Net (decrease)/increase in cash and cash equivalents		**(59,664)**	97,619
Cash and cash equivalents at beginning of financial year		**259,700**	164,637
Effects of currency translation on cash and cash equivalents		**(2,174)**	(2,556)
Cash and cash equivalents at end of financial year	13	**197,862**	259,700

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Notes to the Financial Statements

For the financial year ended 31 March 2015

1. Corporate information

CitySpring Infrastructure Trust ("CitySpring" or the "Trust") is a business trust registered with the Monetary Authority of Singapore and domiciled in Singapore. The Trust was constituted by a trust deed dated 5 January 2007 and is regulated by the Business Trusts Act, Chapter 31A of Singapore. Under the trust deed, CitySpring Infrastructure Management Pte. Ltd. (the "Trustee-Manager") has declared that it will hold the assets (including businesses) acquired on trust for the unitholders as the Trustee-Manager of CitySpring. The registered address of the Trustee-Manager is at 111 Somerset Road #10-01 TripleOne Somerset Singapore 238164.

The Trust has been established with the principal objective of investing in infrastructure assets and providing unitholders with regular and predictable distributions and the potential for long-term capital growth. The principal activities of the subsidiaries of the Trust are set out in Note 42.

CitySpring was admitted to the Official List of the Main Board of Singapore Exchange Securities Trading Limited on 12 February 2007.

On 18 November 2014, CitySpring announced the proposed acquisition of the assets and liabilities of Keppel Infrastructure Trust ("Proposed Acquisition"). An extraordinary general meeting was held on 30 April 2015 and the unitholders of the Trust approved all the resolutions in connection with the Proposed Acquisition. The Proposed Acquisition is expected to be completed on 18 May 2015.

2. Summary of significant accounting policies

2.1 Basis of preparation

These financial statements have been prepared in accordance with Singapore Financial Reporting Standards ("FRS"). The financial statements have been prepared under the historical cost convention, except as disclosed in the accounting policies below.

All financial information is presented in Singapore dollars and has been rounded to the nearest thousand, except when otherwise indicated.

The preparation of financial statements in conformity with FRS requires management to exercise its judgement in the process of applying its accounting policies. It also requires the use of certain critical accounting estimates and assumptions. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.

2.2 Changes in accounting policies

The accounting policies adopted are consistent with those of the previous financial year except in the current financial year, the Group has adopted all the new and revised standards that are effective for annual periods beginning on or after 1 April 2014. The adoption of these standards did not have any effect on the financial performance or position of the Group and the Trust.

2.3 Standards issued but not yet effective

The Group has not adopted the following FRS and INT FRS that have been issued but not yet effective:

Description	**Effective for annual periods beginning on or after**
Improvements to FRSs (January 2014)	1 July 2014
Improvements to FRSs (February 2014)	1 July 2014
Amendments to FRS 27 *Equity Method in Separate Financial Statements*	1 January 2016
Amendments to FRS 16 and FRS 38 *Clarification of Acceptable Methods of Depreciation and Amortisation*	1 January 2016
Amendments to FRS 1 *Disclosure Initiative*	1 January 2016
Amendments to FRS 110, FRS 112 and FRS 28 *Investment Entities: Applying the Consolidation Exception*	1 January 2016
Improvements to FRSs (November 2014)	1 January 2016
Amendments to FRS 110 and FRS 28 *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*	1 January 2016
FRS 115 *Revenue from Contracts with Customers*	1 January 2017
FRS 109 *Financial instruments*	1 January 2018

2. Summary of significant accounting policies (continued)

2.3 Standards issued but not yet effective (continued)

Except for FRS 115 and FRS 109, the Group expects that the adoption of the standards and interpretations above will have no material impact on the financial statements in the period of initial application. The nature of the impending changes in accounting policies on adoption of FRS 115 and FRS 109 are described below.

FRS 115 Revenue from Contracts with Customers
FRS 115 was issued in November 2014 and establishes a new five-step model that will apply to revenue arising from contracts with customers. Under FRS 115 revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The principles in FRS 115 provide a more structured approach to measuring and recognising revenue. The new revenue standard is applicable to all entities and will supersede all current revenue recognition requirements under FRS. Either a full or modified retrospective application is required for annual periods beginning on or after 1 January 2017 with early adoption permitted. The Group is currently assessing the impact of FRS 115 and plans to adopt the new standard on the required effective date.

FRS 109 Financial Instruments
FRS 109 uses a single approach to determine whether a financial asset is measured at amortised cost or fair value, replacing the many different rules in FRS 39. The approach in FRS 39 is based on how an entity manages its financial instruments (its business model) and the contractual cash flow characteristics of the financial assets. FRS 109 enables companies to reflect their risk management activities better in their financial statements, and, in turn, help investors to understand the effect of those activities on future cash flows. The impairment requirements in FRS 109 are based on an expected credit loss model and replace the FRS 39 incurred loss model.

The Group is currently assessing the instruments impacted due to the new measurement criteria and plan to adopt the new standard on 1 January 2018.

2.4 Basis of consolidation and business combinations

(a) Basis of consolidation
The consolidated financial statements comprise the financial statements of the Trust and its subsidiaries as at the end of the reporting period. The financial statements of the subsidiaries used in the preparation of the consolidated financial statements are prepared for the same reporting date as the Trust. Consistent accounting policies are applied to like transactions and events in similar circumstances.

All intra-group balances, income and expenses and unrealised gains and losses resulting from intra-group transactions and dividends are eliminated in full.

Subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Losses within a subsidiary are attributed to the non-controlling interest even if that results in a deficit balance.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- De-recognises the assets (including goodwill) and liabilities of the subsidiary at their carrying amounts at the date when controls is lost;
- De-recognises the carrying amount of any non-controlling interest;
- De-recognises the cumulative translation differences recorded in equity;
- Recognises the fair value of the consideration received;
- Recognises the fair value of any investment retained;

- Recognises any surplus or deficit in income statement;
- Re-classifies the Group's share of components previously recognised in other comprehensive income to income statement or retained earnings, as appropriate.

(b) Business combinations and goodwill

Business combinations are accounted for by applying the acquisition method. Identifiable assets acquired and liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Acquisition-related costs are recognised as expenses in the periods in which the costs are incurred and the services are received.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration which is deemed to be an asset or a liability, will be recognised in income statement.

The Group elects for each individual business combination, whether non-controlling interest in the acquiree (if any), that are present ownership interests and entitle their holders to a proportionate share of net assets in the event of liquidation, is recognised on the acquisition date at fair value, or at the non-controlling interest's proportionate share of the acquiree identifiable net assets. Other components of non-controlling interests are measured at their acquisition date fair value, unless another measurement basis is required by another FRS.

Any excess of the sum of the fair value of the consideration transferred in the business combination, the amount of non-controlling interest in the acquiree (if any), and the fair value of the Group's previously held equity interest in the acquiree (if any), over the net fair value of the acquiree's identifiable assets and liabilities is recorded as goodwill. In instances where the latter amount exceeds the former, the excess is recognised as gain on bargain purchase in income statement on the acquisition date.

Goodwill is initially measured at cost. Following initial recognition, goodwill is measured at cost less any accumulated impairment losses.

For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to the Group's cash-generating units ("CGU") that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

The CGU to which goodwill has been allocated is tested for impairment annually and whenever there is an indication that the CGU may be impaired. Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or group of CGU) to which the goodwill relates.

2.5 Transactions with non-controlling interests

Non-controlling interest represents the equity in subsidiaries not attributable, directly or indirectly, to unitholders of the Trust, and are presented separately in the consolidated statement of comprehensive income and within equity in the consolidated balance sheet, separately from equity attributable to unitholders of the Trust.

Changes in the Trust's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. In such circumstances, the carrying amounts of the controlling and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interest is adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to unitholders of the Trust.

2.6 Currency translation

(a) Functional currency

Items included in the financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("functional currency"). The financial statements are presented in Singapore Dollars, which is also the functional currency of the Trust.

2. Summary of significant accounting policies (continued)

2.6 Currency translation (continued)

(b) Transactions and balances

Transactions in foreign currencies are measured in the respective functional currencies of the Trust and its subsidiaries and are recorded on initial recognition in the functional currencies at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the end of the reporting period. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the end of the reporting period are recognised in income statement.

(c) Translation of Group entities' financial statements

Exchange differences arising on the settlement of monetary items or on translating monetary items at the end of the reporting period are recognised in income statement except for exchange differences arising on monetary items that form part of the Group's net investment in foreign operations, which are recognised initially in other comprehensive income and accumulated under foreign currency translation reserve in equity. The foreign currency translation reserve is reclassified from equity to income statement of the Group on disposal of the foreign operation.The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

(i) Assets and liabilities for each balance sheet presented are translated at the closing rate at the date of the balance sheet;

(ii) Income and expenses are translated at average exchange rate (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case, income and expenses are translated using the exchange rates at the dates of the transactions); and

(iii) All resulting currency translation are taken to the foreign currency translation reserve within equity.

On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognised in income statement.

In the case of a partial disposal without loss of control of a subsidiary that includes a foreign operation, the proportionate share of the cumulative amount of the exchange differences are re-attributed to non-controlling interest and are not recognised in income statement.

2.7 Property, plant and equipment

(a) Measurement

Property, plant and equipment acquired as part of a business combination are recognised initially at their fair values at the date of acquisition and subsequently carried at cost (i.e. the fair values at initial recognition) less accumulated depreciation and accumulated impairment losses.

All other property, plant and equipment are initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses.

The initial cost of an item includes its purchase price and any costs that are directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Cost also includes borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying property, plant and equipment. The accounting policy for borrowing costs is set out in Note 2.19. The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

The projected cost of dismantlement, removal or restoration is also recognised as part of the cost of property, plant and equipment if the obligation for the dismantlement, removal or restoration is incurred as a consequence of either acquiring the asset or using the asset for purposes other than to produce inventories.

(b) Depreciation

Freehold land has an unlimited useful life and asset under construction are not yet available for use and therefore are not depreciated. Depreciation on other property, plant and equipment is calculated using a straight line method to allocate their depreciable amounts over their estimated useful lives as follows:

Leasehold land	Over the leasehold period of 30 years
Easements	63.67 years
Buildings	Over the leasehold period of 30 years
Plant and machinery	3 - 63.67 years
Vehicles	5 years
Computers, furniture, fittings and equipment	1 - 5 years or lease term, whichever is shorter

The residual values, estimated useful lives and depreciation method of property, plant and equipment are reviewed and adjusted as appropriate, at each balance sheet date. The effects of any revision are recognised in the income statement when the change arises.

(c) Major spares

Major spares purchased specifically for an item of plant and equipment are capitalised and depreciated on the same basis as the plant to which they relate.

(d) Subsequent expenditure

Subsequent expenditure relating to property, plant and equipment that has already been recognised is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repair and maintenance expenses are recognised in the income statement when incurred.

(e) Disposal

On disposal of a property, plant and equipment, the difference between the disposal proceeds and its carrying amount is recognised in the income statement within other losses - net.

2.8 Intangible assets

Intangible assets acquired separately are measured initially at cost. Following initial acquisition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses. Internally generated intangible assets, excluding capitalised development costs, are not capitalised and expenditure is reflected in profit or loss in the year in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite useful lives are amortised over the estimated useful lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method are reviewed at least at each financial year-end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.

Intangible assets with indefinite useful lives or not yet available for use are tested for impairment annually, or more frequently if the events and circumstances indicate that the carrying value may be impaired either individually or at the cash-generating unit level. Such intangible assets are not amortised. The useful life of an intangible asset with an indefinite useful life is reviewed annually to determine whether the useful life assessment continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in profit or loss when the asset is derecognised.

2. Summary of significant accounting policies (continued)

2.8 Intangible assets (continued)

Customer relationship and customer contracts
Customer relationship and customer contracts acquired as part of business combination are initially recognised at their fair values at the acquisition date and subsequently carried at cost (i.e. the fair values at initial recognition) less accumulated amortisation and accumulated impairment losses.

These costs are amortised to the income statement using the straight-line method over their estimated useful lives of:

Customer relationship	10 years
Customer contracts	18.83 - 38.67 years

2.9 Impairment of non-financial assets
The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when an annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows expected to be generated by the asset are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

The Group bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Group's CGU to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years, unless a longer period can be justified. For longer periods, a long-term justified growth rate is applied to project future cash flows.

Impairment losses of continuing operations are recognised in income statement, except for assets that are previously revalued where the revaluation was taken to other comprehensive income. In this case, the impairment is also recognised in other comprehensive income up to the amount of any previous revaluation.

For assets excluding goodwill, an assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in income statement unless the asset is measured at revalued amount, in which case the reversal is treated as a revaluation increase.

2.10 Investments in subsidiaries
A subsidiary is an investee that is controlled by the Group. The Group controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

In the Trust's separate financial statements, investments in subsidiaries are accounted for at cost less accumulated impairment losses.

2.11 Joint ventures

A joint arrangement is a contractual arrangement whereby two or more parties have joint control. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

A joint arrangement is classified either as joint operation or joint venture, based on the rights and obligations of the parties to the arrangement.

To the extent the joint arrangement provides the Group with rights to the assets and obligations for the liabilities relating to the arrangement, the arrangement is a joint operation. To the extent the joint arrangement provides the Group with rights to the net assets of the arrangement, the arrangement is a joint venture.

The Group account for its investments in joint ventures using the equity method from the date on which it becomes a joint venture.

On acquisition of the investment, any excess of the cost of the investment over the Group's share of the net fair value of the investee's identifiable assets and liabilities is accounted as goodwill and is included in the carrying amount of the investment. Any excess of the Group's share of the net fair value of the investee's identifiable assets and liabilities over the cost of the investment is included as income in the determination of the entity's share of the joint venture's profit or loss in the period in which the investment is acquired.

Under the equity method, the investment in joint ventures are carried in the balance sheet at cost plus post-acquisition changes in the Group's share of net assets of the joint ventures. The profit or loss reflects the share of results of the operations of the joint ventures. Distributions received from joint ventures reduce the carrying amount of the investment. Where there has been a change recognised in other comprehensive income by the joint venture, the Group recognises its share of such changes in other comprehensive income. Unrealised gains and losses resulting from transactions between the Group and joint venture are eliminated to the extent of the interest in the joint ventures.

When the Group's share of losses in a joint venture equals or exceeds its interest in the joint venture, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the joint venture.

After application of the equity method, the Group determines whether it is necessary to recognise an additional impairment loss on the Group's investment in joint ventures. The Group determines at the end of each reporting period whether there is any objective evidence that the investment in the joint venture is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the joint venture and its carrying value and recognises the amount in income statement.

The financial statements of the joint ventures are prepared as the same reporting date as the Trust. Where necessary, adjustments are made to bring the accounting policies in line with those of the Group.

2.12 Financial instruments

(a) Financial assets

Initial recognition and measurement

Financial assets are recognised when, and only when, the Group becomes a party to the contractual provisions of the financial instrument. The Group determines the classification of its financial assets at initial recognition.

When financial assets are recognised initially, they are measured at fair value, plus, in the case of financial assets not at fair value through profit or loss, directly attributable transaction costs.

2. Summary of significant accounting policies (continued)

2.12 Financial instruments (continued)

(a) Financial assets (continued)

Subsequent measurement
The subsequent measurement of financial assets depends on their classification as follows:

(i) Financial assets at fair value through profit or loss
Financial assets at fair value through profit or loss include financial assets held for trading. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. This category includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by FRS 39. Derivatives, including separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Subsequent to initial recognition, financial assets at fair value through profit or loss are measured at fair value. Any gains or losses arising from changes in fair value of the financial assets are recognised in income statement. Net gains or net losses on financial assets at fair value through profit or loss include exchange differences, interest and dividend income.

(ii) Loans and receivables
Non-derivative financial assets with fixed or determinable payments that are not quoted in an active market are classified as loans and receivables. Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in income statement when the loans and receivables are derecognised or impaired, and through the amortisation process.

Derecognition
A financial asset is derecognised where the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income is recognised in income statement.

Regular way purchase or sale of a financial asset
All regular way purchases and sales of financial assets are recognised or derecognised on the trade date i.e., the date that the Group commits to purchase or sell the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace concerned.

(b) Financial liabilities

Initial recognition and measurement
Financial liabilities are recognised when, and only when, the Group becomes a party to the contractual provisions of the financial instrument. The Group determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value plus in the case of financial liabilities not at fair value through profit or loss, directly attributable transaction costs.

Subsequent measurement
The measurement of financial liabilities depends on their classification as follows:

(i) Financial liabilities at fair value through profit or loss
Financial liabilities at fair value through profit or loss include financial liabilities held for trading. Financial liabilities are classified as held for trading if they are acquired for the purpose of selling in the near term. This category includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Subsequent to initial recognition, financial liabilities at fair value through profit or loss are measured at fair value. Any gains or losses arising from changes in fair value of the financial liabilities are recognised in income statement.

(ii) Financial liabilities at amortised costs
After initial recognition, financial liabilities that are not carried at fair value through profit or loss are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in income statement when the liabilities are derecognised, and through the amortisation process.

Derecognition
A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in income statement.

(c) Offsetting of financial instruments
Financial assets and financial liabilities are offset and the net amount is presented in the balance sheets, when and only when, there is a currently enforceable legal right to set off the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

2.13 Impairment of financial assets
The Group assesses at each reporting date whether there is any objective evidence that a financial asset is impaired.

(a) Financial assets carried at amortised cost
For financial assets carried at amortised cost, the Group first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the Group determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be recognised are not included in a collective assessment of impairment.

If there is objective evidence that an impairment loss on financial assets carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account. The impairment loss is recognised in income statement.

When the asset becomes uncollectible, the carrying amount of impaired financial assets is reduced directly or if an amount was charged to the allowance account, the amounts charged to the allowance account are written off against the carrying value of the financial asset.

To determine whether there is objective evidence that an impairment loss on financial assets has been incurred, the Group considers factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments.

If in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed to the extent that the carrying amount of the asset does not exceed its amortised cost at the reversal date. The amount of reversal is recognised in income statement.

(b) Financial assets carried at cost
If there is objective evidence (such as significant adverse changes in the business environment where the issuer operates, probability of insolvency or significant financial difficulties of the issuer) that an impairment loss on financial assets carried at cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment losses are not reversed in subsequent periods.

2. Summary of significant accounting policies (continued)

2.14 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and at bank, deposits with financial institutions which are subject to an insignificant risk of changes in value. For the purpose of presentation in the consolidated cash flow statement, cash and cash equivalents is stated at cash and bank deposits less restricted cash.

2.15 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the weighted average method.

Allowance for obsolete, deteriorated or damaged stocks is made when considered appropriate.

Net realisable value is the estimated selling price in the ordinary course of business, less applicable production costs and the variable selling expenses.

2.16 Provisions

(a) General

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

(b) Decommissioning liabilities

The provision for decommissioning costs arose on construction of plant and equipment due to contractual obligation. Decommissioning costs are provided at the present value of expected costs to settle the obligation using estimated cash flows and are recognised as part of the costs of that particular asset. The cash flows are discounted at current pre-tax rate that reflects the risks specific to the decommissioning liability. The unwinding of the discount is expensed as incurred and recognised in income statement as a finance costs. The estimated future costs of decommissioning are reviewed annually and adjusted as appropriate. Changes in the estimated future costs or in the discount rate applied are added to or deducted from the cost of the asset.

2.17 Transfers between levels of the fair value hierarchy

Transfers between levels of the fair value hierarchy are deemed to have occurred on the date of the event or change in circumstances that caused the transfers.

2.18 Derivative financial instruments and hedging activities

The Group uses derivative financial instruments such as interest rate swaps and interest rate options to hedge its risks associated with interest rate fluctuations. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently carried at fair value.

The fair values of the interest rate swaps and interest rate options are determined by reference to market values quoted by banks at the balance sheet date. The fair value of interest rate swaps embedded in an operating contract is calculated as the present value of the estimated future cashflow discounted at actively quoted interest rates.

For the purpose of hedge accounting, the Group classifies its hedges as cash flow hedges.

Cash flow hedges
Cash flow hedges refer to hedges against exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction.

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which the Group wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes identification of the hedging instrument, the hedged item or transaction, the nature of the risk being hedged and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in cash flows and are assessed on an on-going basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

The fair value changes on the effective portion of the hedging instruments designated as cash flow hedges are recognised in the hedging reserve, while the ineffective portion are recognised immediately in the income statement.

The amount taken to hedging reserve are transferred to the income statement when the hedged transaction affects profit or loss, such as when the finance cost on the borrowings are recognised in the income statement.

Derivatives that are not designated or do not qualify for hedge accounting
Certain derivative instruments are not designated or do not qualify for hedge accounting. Changes in the fair value of any derivative instrument that do not qualify for hedge accounting are recognised immediately in the income statement and are included in other gains/(losses) - net.

2.19 Borrowing costs
Borrowing costs are recognised in the income statement using the effective interest method except for those costs that are directly attributable to borrowings acquired specifically for the construction of property, plant and equipment. The actual borrowing costs incurred during the period up to the date of commercial operation of the plant less any investment income on temporary investments of these borrowings, are capitalised in the cost of the property, plant and equipment. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

2.20 Employee benefits

(a) Defined contribution plans
The Group participates in the national pension schemes as defined by the laws of the countries in which it has operations. In particular, the Singapore companies in the Group make contributions to the Central Provident Fund scheme in Singapore, a defined contribution pension scheme. Contributions to defined contribution pension schemes are recognised as an expense in the period in which the related service is performed.

(b) Employee leave entitlement
Employee entitlements to annual leave are recognised as a liability when they accrue to the employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the end of the reporting date.

(c) Long-term incentive awards
The senior management team of the subsidiary entities are entitled to receive long-term incentive awards. The vesting period is three years from the date of each award, provided the eligible participant remains under the employment at the date of vesting. The amount of the incentive awards vested will depend on the performance of the total unitholders and absolute return of the Trust.

2. Summary of significant accounting policies (continued)

2.21 Leases

The determination of whether an arrangement is, or contains a lease is based on the substance of the arrangement at inception date: whether fulfillment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset, even if that right is not explicitly specified in an arrangement.

(a) When the Group is the lessee:

Operating leases

Leases where substantially all the risks and rewards incidental to ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are recognised in the income statement on a straight-line basis over the period of the lease.

Contingent rents are recognised as an expense in the income statement when they are incurred.

When an operating lease is terminated before the lease period has expired, any payment required to be made to the lessor by way of penalty is recognised as an expense in the financial year in which termination takes place.

(b) When the Group is the lessor:

Finance leases

Leases of assets where substantially all the risks and rewards incidental to legal ownership of the assets are transferred by the Group to the lessees are classified as finance leases.

The lease asset is derecognised and the present value of the lease receivable (net of initial direct costs for negotiating and arranging the lease) is recognised on the balance sheet and included in "finance lease receivables". The difference between the gross receivable and the present value of the lease receivable is recognised as unearned finance income.

Each lease payment received is applied against the gross investment in the finance lease receivable to reduce both the principal and the unearned finance income. The finance lease income is recognised in the income statement on a basis that reflects a constant periodic rate of return on the net investment in the finance lease receivable. Initial direct costs incurred by the Group in negotiating and arranging finance leases are added to finance lease receivables and recognised as an expense in the income statement over the lease term on the same basis as the finance lease income.

2.22 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable for the sale of goods and for the rendering of services in the ordinary course of the Group's activities. Amounts disclosed as revenue are net of goods and services tax, rebates and discounts, and after eliminating sales within the Group.

The Group recognises revenue when the amount of revenue and related cost can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Group's activities as described below:

(a) Revenue from supply of gas and related goods are recognised upon delivery to the buyer.

(b) Service income is recognised at the time when the services are rendered.

(c) Accounting policy for recognising finance lease income is stated in Note 2.21(b).

(d) Interest income is recognised on a time proportion basis using the effective interest method.

(e) Distribution income is recognised when the right to receive payment is established.

2.23 Taxes

(a) Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be paid to or recovered from the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the end of the reporting period, in the countries where the Group operates and generates taxable income.

Current income taxes are recognised in income statement except to the extent that the tax relates to items recognised outside income statement, either in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

(b) Deferred tax

Deferred tax is provided using the liability method on temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all temporary differences, except:

- Where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised except:

- Where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the end of each reporting period.

Deferred tax relating to items recognised outside income statement is recognised outside income statement. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity and deferred tax arising from a business combination is adjusted against goodwill on acquisition.

2. Summary of significant accounting policies (continued)

2.23 Taxes (continued)

(b) Deferred tax (continued)
Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current income tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, would be recognised subsequently if new information about facts and circumstances changed. The adjustment would either be treated as a reduction to goodwill (as long as it does not exceed goodwill) if it is incurred during the measurement period or in income statement.

(c) Sales tax
Revenues, expenses and assets are recognised net of the amount of sales tax except:

- Where the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and

- Receivables and payables that are stated with the amount of sales tax included.

The net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

2.24 Segment reporting
Operating segments are reported in a manner consistent with the internal reporting provided to senior management of the Trustee-Manager, the chief operating decision-maker of the Group, who are responsible for allocating resources and assessing performance of the operating segments.

2.25 Units in issue and unit proceeds from issuance of units are recognised as units in issue in equity
Issue expenses are expenses incurred in issuance of units in the Trust. Expenses which are directly attributable to the issuance of units are deducted directly from the net assets attributable to the unitholders. Expenses which are not directly attributable to the issuance of units are recognised in the income statement.

2.26 Distributions to the Trust's unitholders
Distributions to the Trust's unitholders are recorded in equity in the period in which they are approved for payment.

2.27 Share-based payment transactions

Management fees
Management fees due to the Trustee-Manager can be settled either in cash or by the issue of units in the Trust or by a combination of both cash and units at the option of the Trustee-Manager. The fair values of the settlement choices are identical as the number of units to be issued to the Trustee-Manager is based on the cash liability at the settlement date. The Group measures and re-measures the fair value of the liability at each reporting date and at the date of settlement, with any changes in fair value recognised in the income statement. If the Group issues equity instruments on settlement rather than paying cash, the liability shall be transferred direct to equity, as the consideration for the equity instruments issued. If the Group pays in cash on settlement rather than issuing equity instruments, payment shall be applied to settle the liability in full.

2.28 Contingencies
A contingent liability is:

(a) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group; or

(b) a present obligation that arises from past events but is not recognised because:

(i) It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or

(ii) The amount of the obligation cannot be measured with sufficient reliability.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group.

Contingent liabilities and assets are not recognised on the balance sheet of the Group, except for contingent liabilities assumed in a business combination that are present obligations and which the fair values can be reliably determined.

3. Significant accounting estimates and judgements

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of each reporting period. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

(a) Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period are discussed below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

(i) Fair value of financial instruments

Where the fair values of financial instruments recorded on the balance sheet cannot be derived from active markets, they are determined using valuation techniques including the discounted cash flow model. The inputs to these models are derived from observable market data where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. The judgements include considerations of model inputs regarding credit risk and volatility that are not supported by observable market data. Changes in assumptions about these factors could affect the reported fair value of financial instruments. For sensitivity analysis on interest rate risk, see Note 38(a)(iii).

(ii) Impairment of loans and receivables

The Group assesses at the end of each reporting period whether there is any objective evidence that a financial asset is impaired. To determine whether there is objective evidence of impairment, the Group considers factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments.

Where there is objective evidence of impairment, the amount and timing of future cash flows are estimated based on historical loss experience for assets with similar credit risk characteristics. The carrying amount of the Group's loans and receivable at the end of the reporting period is disclosed in Note 38(e) to the financial statements.

(iii) Impairment of non-financial assets

The Group assesses at each reporting date whether there are any indicators of impairment for all non-financial assets.

Determining whether the carrying values of investments in joint venture, subsidiaries, property, plant and equipment and intangibles are impaired requires an estimation of the value in use of the asset or the CGU. This requires the Group to estimate the future cashflows expected from the asset or the CGU, the growth rate and an appropriate discount rate in order to calculate the present value of the future cashflows. The carrying amounts of investments in joint venture, subsidiaries, property, plant and equipment and intangibles at the reporting date are disclosed in Note 19, 21, 22 and 23 respectively.

3. Significant accounting estimates and judgements (continued)

(a) Key sources of estimation uncertainty (continued)

(iv) Estimated useful lives of property, plant and equipment

The Group reviews annually the estimated useful lives of property, plant and equipment based on factors such as business plans and strategies, expected level of usage and future technological developments. It is possible that future results of operations could be materially affected by changes in these estimates brought about by changes in the factors mentioned above. A reduction in estimated useful lives of property, plant and equipment would increase the recorded depreciation and decrease the carrying value of property, plant and equipment.

During the financial year, the Group reassessed the accounting estimate of the useful life of the interconnector asset and accordingly, the decommissioning asset. They were revised to 63.67 years as compared to the previous useful life estimate of 38.67 years. Management takes the view that the change in estimate better reflects the economic useful life of the interconnector asset.

The change in estimate is applied prospectively from 1 October 2014. The effect of these changes is disclosed in Note 22 and Note 28.

(v) Income tax

The Group has exposure to income taxes in numerous jurisdictions. Significant judgement is involved in determining the group-wide provision for income taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain due to differing interpretations of tax regulations by the taxable entity and the relevant tax authority. The Group recognises liabilities for expected tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

In addition, certain subsidiaries of the Group have potential tax benefits arising from unutilised tax losses, unabsorbed capital allowances and other temporary differences, which are available for set-off against future taxable profits. Significant judgement is involved in determining the availability of future taxable profits against which the Group can utilise the tax benefits therefrom. The use of the potential tax benefits is also subject to the agreement of the tax authorities and compliance with certain provisions of the tax legislation of the respective countries in which the subsidiaries operate. Where the final outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax provision and recognised deferred tax assets relating to the potential tax benefits in the period in which such determination is made. The carrying amounts of taxation and deferred taxation are disclosed in the balance sheet.

(b) Critical judgements made in applying accounting policies

The Group is of the opinion that the instances of application of judgement are not expected to have a significant effect on the amounts recognised in the financial statements, apart from those involving key sources of estimation uncertainty.

4. Revenue

	Group	
	2015 $'000	2014 $'000
Sale of goods	**368,800**	390,365
Service income	**124,195**	122,818
Finance lease income	**4,764**	5,048
Management fee income	**4,143**	2,821
	501,902	521,052

5. Other income

	Group 2015 $'000	Group 2014 $'000
Interest income	**2,187**	1,858
Other miscellaneous income	**1,074**	951
	3,261	2,809

6. Other losses - net

	Group 2015 $'000	Group 2014 $'000
Fair value (loss)/gain on derivative financial instruments	**(2,557)**	1,722
Exchange differences	**(1,015)**	(824)
Realised loss on derivative financial instruments	**(1,788)**	(2,859)
Gain associated with purchase and cancellation of Basslink bonds	**1,852**	–
Others	**(16)**	28
	(3,524)	(1,933)

7. Staff costs

	Group 2015 $'000	Group 2014 $'000
Salaries and wages	**21,894**	21,197
Employer's contribution to defined contribution plans including Central Provident Fund	**2,277**	2,306
Other short-term benefits	**1,996**	1,818
Less: Government grant		
Enhanced Special Employment Credit Scheme	**(74)**	(82)
	26,093	25,239

The Special Employment Credit Scheme ("SEC") was a cash grant introduced in 2011 and enhanced in 2012 to provide support for employers to hire older Singaporean workers. Employers who employ Singaporeans aged 50 and earning up to $4,000 a month will be entitled to the enhanced SEC. It will apply for five years from 1 January 2012.

8. Finance costs

	Note	Group 2015 $'000	Group 2014 $'000
Interest expense			
- Bank borrowings		**51,490**	46,274
- Notes payable to non-controlling interest		**975**	975
Unwinding of discounts:			
- Provision for decommissioning costs	28	**754**	860
- Interest-free customer deposits		**1,343**	1,321
Cash flow hedges, transfer from hedging reserve	31	**14,466**	15,561
Others		**271**	281
		69,299	65,272

9. Management fees

	Group	
	2015 $'000	2014 $'000
Base fee	**7,762**	7,069

In accordance with the Trust Deed, the base fee is payable quarterly in arrears and is equal to 1% per annum of the market capitalisation of the units in CitySpring subject to a minimum of $3.5 million per annum.

The performance fee is payable when the total return on CitySpring units (the "CitySpring Accumulated Return Index") outperforms the total return on MSCI Asia Pacific (excluding Japan) Utilities Index (the "MSCI Index") after taking into account any underperformance in prior periods. The performance fee is equal to 20% of the outperformance.

The Trustee-Manager has the option to receive payment of the base fee and the performance fee in cash or by way of issue of new units or a combination of cash and units.

No transaction fee is payable for the acquisition or disposal of assets.

No performance fee is payable for the financial years ended 31 March 2015 and 31 March 2014. During the financial year, CitySpring Accumulated Return Index was higher by 20.4% (2014: higher by 6.5%) whilst the MSCI index was higher by 20.6% (2014: higher by 1.6%). The accumulated deficit for the purposes of calculating performance fee was $365 million at 31 March 2015 and 31 March 2014. This deficit must be made up with returns to unitholders before the Trustee-Manager becomes entitled to any performance fees.

10. Profit before tax

The following items have been included in arriving at profit before tax:

	Group	
	2015 $'000	2014 $'000
Audit fees paid/payable to Ernst and Young, Singapore and Melbourne ("EY") ("Audit fees")	**722**	488
Non audit fees paid/payable to EY, ("Non audit fees")*:		
Recurring		
- Tax advisory fees for newly incorporated entities and investment related matters	**49**	63
- Certification work	**27**	27
	76	90
Non-recurring		
- Due diligence work in relation to refinancing of Basslink's borrowings	**43**	147
- Due diligence work in relation to Proposed Acquisition	**225**	-
- Independent reporting auditors work in relation to Proposed Acquisition	**195**	-
	463	147
Total non audit fees	**539**	237
Tax compliance fee paid/payable to EY,		
- Recurring	**85**	90
- Non-recurring	**86**	-
	171	90
Total fees paid/payable to EY, ("Total fees")	**1,432**	815

	Group	
	2015 $'000	2014 $'000
% of Non audit fees to Total fees	**38%**	29%
% of Non audit fees to Audit fees	**75%**	48%
% of Non-recurring non audit fees to Total fees	**32%**	18%
% of Non-recurring non audit fees to Audit fees	**64%**	30%
Audit fees paid/payable to other auditors for audit of certain components of City Gas Trust financials	**-**	160
Professional fees paid/payable to other auditors	**274**	240
Allowance for impairment of trade receivables	**219**	684
Operating lease expense	**1,124**	1,012
Property, plant and equipment written off	**6**	36
Gain on disposal of property, plant and equipment	**(14)**	(28)
Transaction costs in relation to Proposed Acquisition	**5,293**	–
Dispute settlement with Hydro Tasmania	**6,868**	–

* The Audit Committee ("AC") confirms that it has undertaken a review of all non-audit services provided by external auditors and they would not, in the AC's opinion, affect the independence of the external auditors.

11. Income tax expense

Major components of income tax expense

The major components of income tax expense for the years ended 31 March 2015 and 2014 are:

		Group	
	Note	**2015 $'000**	2014 $'000
Consolidated income statement:			
Income tax is made up of:			
Current income tax expense			
- Current income taxation		**4,474**	4,210
- Over provision in respect of previous year		**-**	(60)
		4,474	4,150
Deferred tax credit			
- Origination and reversal of temporary differences		**(181)**	(2,601)
	27	**(181)**	(2,601)
Income tax expense recognised in income statement		**4,293**	1,549
Consolidated statement of comprehensive income:			
Deferred tax expense related to other comprehensive income:			
- Fair value (losses)/gains and reclassification adjustments on cash flow hedges	27	**(838)**	2,153

11. Income tax expense (continued)

Relationship between tax expense and accounting profit

The reconciliation between tax expense and the product of accounting profit multiplied by the applicable corporate tax rate for the years ended 31 March 2015 and 2014 are as follows:

	Group	
	2015 $'000	2014 $'000
Profit before tax	**6,468**	1,891
Tax calculated at a tax rate of 17%	**1,100**	321
Effect of:		
- Different tax rates in other countries	**(3,062)**	(3,972)
- Expenses not deductible for tax purposes	**3,437**	2,199
- Income not subject to tax	**(4,709)**	(4,709)
- Deferred tax assets not recognised	**9,065**	7,698
- (Recognition)/derecognition of future deductible amounts allowable under overseas tax regime	**(875)**	300
- Tax relief	**(491)**	(221)
- Overprovision in respect of previous year	**-**	(60)
- Others	**(172)**	(7)
	4,293	1,549

12. Loss per unit

The calculation of basic and diluted loss per unit is based on the weighted average number of units outstanding during the financial year and loss after tax attributable to the unitholders of the Trust.

	Group	
	2015	2014
Loss for the financial year attributable to unitholders of the Trust ($'000)	**(749)**	(2,103)
Weighted average number of units during the financial year	**1,518,893,062**	1,518,893,062
Basic and diluted loss per unit (in cents per unit)	**(0.05)**	(0.14)

Diluted loss per unit is the same as the basic loss per unit as there are no dilutive instruments in issue during the financial year.

13. Cash and bank deposits

	Group		Trust	
	2015 $'000	2014 $'000	**2015 $'000**	2014 $'000
Cash and bank deposits	**238,669**	304,327	**93,700**	93,542
Less: Restricted cash	**(40,807)**	(44,627)	**(9,156)**	(9,033)
Cash and cash equivalents in cash flow statement	**197,862**	259,700	**84,544**	84,509

Restricted cash represents the amount of cash and cash equivalents to be set aside to meet interest and principal repayments for loans extended to CitySpring and its subsidiary entities and also for secured bank guarantees for the Trust and Group.

Short-term deposits are made for varying periods of a week to 6 months depending on the cash requirement of the Group and the Trust. The weighted average effective interest rate as at 31 March 2015 for the Group and Trust were 0.92% (2014: 0.61%) and 0.57% (2014: 0.33%) respectively.

14. Trade and other receivables

	Group		Trust	
	2015 $'000	2014 $'000	**2015 $'000**	2014 $'000
Trade receivables:				
- Third parties	**53,196**	63,516	**-**	-
- Related parties	**1,148**	1,088	**-**	-
Less: Allowance for impairment	**(896)**	(1,063)	**-**	-
Trade receivables - net	**53,448**	63,541	**-**	-
Interest receivable	**19**	132	**13**	95
Other receivables	**8,582**	4,881	**186**	455
Amount due from subsidiaries (non-trade)	**-**	-	**693**	6,975
	62,049	68,554	**892**	7,525

Trade receivables

Trade receivables are non-interest bearing and are generally receivable on 3 to 60 days' terms. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

Amounts due from subsidiaries

The non-trade amounts due from subsidiaries are unsecured, interest-free and are repayable on demand.

15. Finance lease receivables

Future minimum finance lease receivables under finance leases together with the present value of the net minimum finance lease receivables are as follows:

	Group	
	2015 $'000	2014 $'000
Minimum finance lease receivables:		
Not later than one year	**13,182**	13,146
Later than one year but not later than five years	**52,622**	52,622
Later than five years	**75,183**	88,365
Total minimum lease receivables	**140,987**	154,133
Less: Future finance income	**(27,541)**	(32,305)
Present value of minimum lease receivables	**113,446**	121,828
Unguaranteed residual value	**26,262**	26,262
Net investment in finance lease	**139,708**	148,090
Less: Present value of finance lease receivables not later than one year	**(8,746)**	(8,382)
Non-current financial lease receivables	**130,962**	139,708
Present value of the finance lease receivables is analysed as follows:		
Not later than one year	**8,746**	8,382
Later than one year but not later than five years	**38,426**	36,980
Later than five years	**66,274**	76,466
Present value of minimum lease receivables	**113,446**	121,828

15. Finance lease receivables (continued)

The finance lease receivables relates to the lease arrangement under a Water Purchase Agreement ("WPA").

A subsidiary of the Group had signed a WPA with Singapore PUB to supply treated water to PUB from a seawater desalination plant which the subsidiary owns. On the date of acquisition of the subsidiary, the WPA had a remaining term of approximately 18 years ending on 15 December 2025. The desalination plant is located on a piece of leasehold land with lease period expiring in January 2034.

In accordance with INT FRS 104, "Determining whether an Arrangement contains a Lease", the WPA is a lease arrangement and is classified as a finance lease in accordance with FRS 17 (Revised) - Leases.

The desalination plant is pledged for certain borrowings (see Note 25).

16. Inventories

	Group	
	2015 $'000	2014 $'000
Fuel (at cost)	**8,955**	11,826
Spare parts and accessories (net realisable value)	**9,995**	8,122
Pipes and fittings (at cost)	**104**	92
	19,054	20,040

The cost of inventories recognised as an expense and included in fuel and electricity costs and operation and maintenance costs amounted to $22,506,000 (2014: $27,080,000). Inventories written-down recognised as an expense and included in other operating expenses amounted to $25,000 (2014: $28,000).

Total inventories of the Group are pledged for certain borrowings (see Note 25).

17. Other current assets

	Group		Trust	
	2015 $'000	2014 $'000	**2015 $'000**	2014 $'000
Deposits	**654**	609	**-**	-
Prepayments	**2,134**	3,269	**48**	24
	2,788	3,878	**48**	24

18. Derivative financial instruments

	Group			Trust		
	Notional contract amount/ quantity	Asset $'000	Liability $'000	Notional contract amount	Asset $'000	Liability $'000
2015						
Cash flow hedges						
- Interest rate swaps	**$684 million**	**-**	**125,954**	**-**	**-**	**-**
Held for trading						
- Fuel hedges	**3,592 metric tonnes**	**1,216**	**1,216**	**-**	**-**	**-**
		1,216	**127,170**		**-**	**-**
Less: Current portion		**(1,216)**	**(18,553)**		**-**	**-**
Non-Current portion		**-**	**108,617**		**-**	**-**
2014						
Cash flow hedges						
- Interest rate swaps	$711 million	3,859	16,355	$71 million	-	13
Held for trading						
- Interest rate swaps	$133 million	-	5,853	-	-	-
		3,859	22,208		-	13
Less: Current portion		-	(15,039)		-	(13)
Non-Current portion		3,859	7,169		-	-

Group and Trust

Interest rate swaps

Interest rate swaps including the interest rate swap contract embedded in an operating agreement acquired through a business combination, were entered into to hedge floating interest payments on borrowings. The interest rate swaps entitle the Group to receive interest at floating rates on notional principal amounts and oblige the Group to pay interest at fixed rates on the same notional principal amounts, thus allowing the Group to raise borrowings at floating rates and swap them into fixed rates. Fair value gains and losses on the effective hedge portion of the interest rate swaps are recognised in the hedging reserve and are transferred to the income statement when the finance cost on the borrowings is recognised in the income statement. The fair value gain or loss on the portion not designated for hedging is recognised in the income statement. The period when the cash flows on cash flow hedges is expected to occur or affect profit or loss is FY2016 to FY2031.

The Group has entered into interest rate swaps to manage the Group's exposure to cash flow interest rate risk on its borrowings. The Trust's interest rate swap has expired during the financial year.

Group

Fuel Hedge

This relates to a back to back fuel hedge contract entered into by a subsidiary with a bank on behalf of a customer to hedge floating fuel prices. As at 31 March 2015, there is a fuel hedge derivative liability and back-to-back derivative asset recognised on the balance sheet. Fair value gains and losses on the fuel hedge derivative liability and back-to-back derivative asset are recognised in the income statement. The contract expires in December 2015.

19. Investment in and advances to joint venture

The Group has 51% (2014: Nil) interest in the ownership and voting rights in a joint venture, DataCentre One Pte Ltd that is held through a subsidiary. This joint venture is incorporated in Singapore and is in the business of developing and owning data centres. The Group jointly controls the venture with another partner under the contractual agreement which requires unanimous consent for all major decisions over the relevant activities.

Summarised financial information in respect of DataCentre One Pte Ltd based on its financial statements prepared in accordance with FRS, and reconciliation with the carrying amount of the investment in the consolidated financial statements are as follows:

Summarised balance sheet

	Group	
	As at 2015 $'000	As at 2014 $'000
Cash and cash equivalents	**17,750**	-
Other receivables	**719**	-
Current assets	**18,469**	-
Non-current assets	**21,053**	-
Total assets	**39,522**	-
Current liabilities	**6,859**	-
Non-current liabilities	**31,991**	-
Total liabilities	**38,850**	-
Net assets	**672**	-
Proportion of the Group's ownership	**51%**	-
Group's share of net assets	**343**	-
Advances to joint venture	**16,008**	-
Carrying amount of the investment	**16,351**	-

Advances of $16,008,000 (2014: Nil) to a joint venture are quasi-equity loans which represent an extension of investment in the joint venture. It is unsecured and interest free. Settlements are neither planned nor likely to occur in the foreseeable future.

Summarised statement of comprehensive income

	Group	
	2015 $'000	2014 $'000
Interest income	**3**	-
Operating expenses	**(331)**	-
Loss before tax	**(328)**	-
Income tax expense	**-**	-
Loss after tax, representing total comprehensive loss for the financial year	**(328)**	–

20. Long-term receivables

	Trust	
	2015 $'000	2014 $'000
Notes issued by subsidiaries	**230,570**	230,570

These notes which were denominated in Singapore Dollars were issued by City Gas Trust and SingSpring Trust. In accordance with their terms, they mature in Year 2037 and 2025 respectively but may be redeemed at par by the holder of the notes or the subsidiaries prior to their maturity date and bear interest payable quarterly in arrears with a one-time option for the subsidiaries, on any interest payment date, to switch to a floating rate per annum equal to three-month Singapore Dollar Swap Offer Rate plus 2.5% per annum. The fixed interest rate for City Gas Trust notes is 13.0% per annum (2014: 13.0%). The fixed interest rate for SingSpring Trust notes is 6.5% per annum (2014: 6.5%).

The notes are direct, unsecured and subordinated obligations of the subsidiaries.

21. Subsidiary companies

	Trust	
	2015 $'000	2014 $'000
Investments, at cost	**155,735**	155,735
Advances to subsidiary companies	**531,949**	450,838
Less: Allowance for impairment	**(141,000)**	(141,000)
	546,684	465,573
Movement in allowance accounts:		
Beginning of financial year	**141,000**	-
Charge for the year	**-**	141,000
End of financial year	**141,000**	141,000

Advances to subsidiary companies are quasi-equity loans which represent an extension of investment in the subsidiary companies. It is unsecured and interest free. Settlements are neither planned nor likely to occur in the foreseeable future.

Details of subsidiaries are included in Note 42.

Interest in subsidiary with material non-controlling interest ("NCI")

The Group has the following subsidiary that has NCI that are material to the Group.

Name of subsidiary	Principal place of business	Proportion of ownership interest held by NCI	Profit after tax allocated to NCI during the period $'000	Accumulated NCI at the end of reporting period $'000	Dividends paid to NCI $'000
31 March 2015					
SingSpring Trust	**Singapore**	**30%**	**1,567**	**9,394**	**2,310**
31 March 2014					
SingSpring Trust	Singapore	30%	1,271	9,725	1,755

21. Subsidiary companies (continued)

Summarised financial information of subsidiary with material NCI

Summarised financial information and consolidation adjustments but before intercompany eliminations of subsidiary with material NCI are as follows:

Summarised balance sheet

	SingSpring Trust	
	2015 $'000	2014 $'000
Current assets	**25,160**	27,194
Current liabilities	**(16,546)**	(17,837)
Net current assets	**8,614**	9,357
Non-current assets	**169,951**	182,313
Non-current liabilities	**(147,251)**	(159,255)
Net non-current assets	**22,700**	23,058
Net assets	**31,314**	32,415

Summarised statement of comprehensive income

	SingSpring Trust	
	2015 $'000	2014 $'000
Revenue	**37,573**	42,424
Profit before tax	**6,166**	5,098
Income tax expense	**(944)**	(861)
Profit after tax	**5,222**	4,237
Other comprehensive income	**1,377**	3,636
Total comprehensive income	**6,599**	7,873

Other summarised information

	SingSpring Trust	
	2015 $'000	2014 $'000
Net cash flows from operations	**18,774**	14,933

Impairment testing of investment in subsidiaries

The Trustee-Manager performed impairment test for the investment in Basslink Group. An allowance for impairment amounting to $141 million was recognised for the year ended 31 March 2014 in the carrying value of Basslink Group. The negative outlook for Commercial Risk Sharing Mechanism payments and less favourable Basslink Telecoms revenue were the main reasons for the decrease in the recoverable amount of Basslink Group for the prior year.

The recoverable amount was determined based on a value in use calculation using future cash flows forecasted from the business.

The discount rate used was 6.50% (2014: 5.92%) per annum which reflects market assessment of the time value of money and the risks specific to the Basslink Group.

22. Property, plant and equipment

	Freehold land $'000	Leasehold land $'000	Easements $'000	Buildings $'000	Plant and machinery $'000	Vehicles $'000	Computers, furniture fittings and equipment $'000	Asset under construction $'000	Total $'000
Group									
Cost:									
At 1 April 2013	1,845	3,000	2,135	7,870	1,385,562	1,626	8,302	757	1,411,097
Additions (1)	–	–	–	–	864	405	327	85	1,681
Written off	–	–	–	–	(69)	–	(79)	–	(148)
Disposal	–	–	–	–	–	(109)	(3)	–	(112)
Currency translation differences	(183)	–	(211)	–	(129,597)	(42)	(137)	(69)	(130,239)
Reclassification	–	–	–	–	629	–	88	(717)	–
Other movement (2)	–	–	–	–	(2,606)	–	–	–	(2,606)
At 31 March 2014 and 1 April 2014	1,662	3,000	1,924	7,870	1,254,783	1,880	8,498	56	1,279,673
Additions (1)	–	–	–	–	1,360	611	1,011	179	3,161
Written off	–	–	–	–	–	–	(361)	–	(361)
Disposal	–	–	–	–	–	(284)	–	–	(284)
Currency translation differences	(168)	–	(195)	–	(121,941)	(40)	(144)	(1)	(122,489)
Reclassification	–	–	–	–	64	–	170	(234)	–
Other movement (2)	–	–	–	–	36,316	–	–	–	36,316
At 31 March 2015	**1,494**	**3,000**	**1,729**	**7,870**	**1,170,582**	**2,167**	**9,174**	**–**	**1,196,016**

(1) During the financial year, the Group acquired property, plant and equipment with an aggregate cost of $3,161,000 (2014: $1,681,000). The cash outflow on acquisition of property, plant and equipment amounted to $2,731,000 (2014: $1,530,000). The remaining amounts remained unpaid as at year end.

(2) This relates to the movement in the provision for decommissioning costs during the financial year (Note 28).

	Freehold land $'000	Leasehold land $'000	Easements $'000	Buildings $'000	Plant and machinery $'000	Vehicles $'000	Computers, furniture fittings and equipment $'000	Asset under construction $'000	Total $'000
Group									
Accumulated depreciation:									
At 1 April 2013	–	986	307	2,465	239,349	849	6,213	–	250,169
Depreciation charge	–	161	50	402	39,042	249	966	–	40,870
Written off	–	–	–	–	(34)	–	(78)	–	(112)
Disposal	–	–	–	–	–	(109)	(3)	–	(112)
Currency translation differences	–	–	(30)	–	(19,462)	(20)	(101)	–	(19,613)
At 31 March 2014 and 1 April 2014	–	1,147	327	2,867	258,895	969	6,997	–	271,202
Depreciation charge	–	161	48	402	31,411	349	863	–	33,234
Written off	–	–	–	–	–	–	(355)	–	(355)
Disposal	–	–	–	–	–	(223)	–	–	(223)
Currency translation differences	–	–	(36)	–	(22,691)	(18)	(115)	–	(22,860)
At 31 March 2015	**–**	**1,308**	**339**	**3,269**	**267,615**	**1,077**	**7,390**	**–**	**280,998**
Net carrying amount:									
At 31 March 2014	1,662	1,853	1,597	5,003	995,888	911	1,501	56	1,008,471
At 31 March 2015	**1,494**	**1,692**	**1,390**	**4,601**	**902,967**	**1,090**	**1,784**	**–**	**915,018**

22. Property, plant and equipment (continued)

Change in estimates
During the financial year, the Group reassessed the accounting estimate of the useful life of the interconnector asset and accordingly, the decommissioning asset. They were revised to 63.67 years as compared to the previous useful life estimate of 38.67 years. Management takes the view that the change in estimate better reflects the economic useful life of the interconnector asset.

The change in estimate is applied prospectively from 1 October 2014. The effect of these changes is as follows:

	2015 $'000	2016 $'000	2017 $'000	Later $'000
Decrease/(increase) in depreciation charge for interconnector asset	6,153	12,303	12,303	(30,758)
Decrease in depreciation charge for decommissioning asset	144	288	288	5,158
Total	6,297	12,591	12,591	(25,600)

This resulted in a decrease in decommissioning asset of $5,879,000 (Note 28).

All property, plant and equipment are pledged as security for borrowings (see Note 25).

23. Intangibles

	Group	
	2015 $'000	2014 $'000
Goodwill arising on consolidation	**287,001**	287,001
Customer contracts	**73,955**	82,811
Customer relationship	**12,164**	18,674
	86,119	101,485
	373,120	388,486

	Goodwill $'000	Customer contracts $'000	Customer relationship $'000	Total $'000
Cost:				
At 1 April 2013	287,001	122,552	65,100	474,653
Currency translation differences	-	(5,335)	-	(5,335)
At 31 March 2014 and 1 April 2014	287,001	117,217	65,100	469,318
Currency translation differences	-	(4,918)	-	(4,918)
At 31 March 2015	**287,001**	**112,299**	**65,100**	**464,400**
Accumulated amortisation:				
At 1 April 2013	-	30,274	39,916	70,190
Amortisation	-	4,914	6,510	11,424
Currency translation differences	-	(782)	-	(782)
At 31 March 2014 and 1 April 2014	-	34,406	46,426	80,832
Amortisation	-	4,862	6,510	11,372
Currency translation differences	-	(924)	-	(924)
At 31 March 2015	**-**	**38,344**	**52,936**	**91,280**
Net carrying amount:				
At 31 March 2014	287,001	82,811	18,674	388,486
At 31 March 2015	**287,001**	**73,955**	**12,164**	**373,120**

(a) Goodwill arising on consolidation
Goodwill is allocated to a CGU identified according to its business segment. Goodwill allocated to the Gas segment amounted to $287 million (2014: $287 million). The recoverable amount as at 31 March 2015 was determined based on value-in-use calculation using discounted cash flow projections derived from the financial projections approved by the Trustee-Manager, covering a period of more than five years because it is currently the sole producer and retailer of town gas. The key assumptions made are those regarding the discount rate, growth rate, forecasted costs and terminal value. The pre-tax discount rate used was 8% (2014: 8%) per annum which reflects market assessment of the time value of money and the risks specific to the CGU at that time. The growth rates, forecasted costs and terminal value are based on past performance and the Trustee-Manager's expectations of market development. No impairment was considered necessary for financial years ended 31 March 2015 and 31 March 2014.

(b) Customer contracts and customer relationship
The intangible assets recognised on customer contracts were in relation to contractual agreements that two of the subsidiaries have with their sole customer. These have remaining amortisation period of 10.83 to 31.17 years (2014: 11.83 to 32.17 years).

Customer relationship relates to the value of customer loyalty and commitment from its broad base of customers and has a remaining amortisation period of 2 years (2014: 3 years).

24. Trade and other payables

	Group		Trust	
	2015 $'000	2014 $'000	**2015 $'000**	2014 $'000
Trade payables:				
- Third parties	**10,278**	10,342	**-**	-
- Related parties	**723**	1,906	**-**	-
Other payables:				
- Third parties	**12,496**	4,012	**44**	70
- Trustee-Manager	**2,101**	1,819	**2,072**	1,788
- Subsidiary company	**-**	-	**237**	190
Accruals:				
- Property, plant and equipment	**784**	354	**-**	-
- Operating expenses	**9,887**	5,648	**4,480**	85
Accrued purchases	**14,687**	25,922	**-**	-
Interest payable	**3,718**	6,842	**48**	33
Deferred income (Note 29(b))	**1,601**	1,781	**-**	-
Advance payments received	**10,838**	9,717	**-**	-
Deposits received	**38,031**	37,231	**-**	-
	105,144	105,574	**6,881**	2,166

Trade payables
Trade payables are non-interest bearing and are normally settled on 30 to 60 days' terms.

Other payables
Other payables are non-interest bearing, unsecured, repayable on demand and are to be settled in cash.

25. Borrowings

	Group		Trust	
	2015 $'000	2014 $'000	**2015 $'000**	2014 $'000
Current	**21,367**	152,450	**-**	142,041
Non-current	**1,122,513**	1,145,278	**141,439**	-
	1,143,880	1,297,728	**141,439**	142,041
Analysed as follows:				
Bank borrowings				
- Current	**21,367**	152,450	**-**	142,041
- Non-current	**1,122,513**	265,260	**141,439**	-
	1,143,880	417,710	**141,439**	142,041
Bonds - Non-current	**-**	880,018	**-**	-
	1,143,880	1,297,728	**141,439**	142,041

The weighted average effective interest rates at the end of the reporting period were as follows:

	Group		Trust	
	2015 %	2014 %	**2015 %**	2014 %
Bank borrowings	**5.36**	2.84	**2.40**	2.72
Bonds	**-**	5.72	**-**	-

(a) The CitySpring corporate loan is secured over the assets and business undertakings of the Trust (except for those charged in favour of the lenders of the subsidiary entities), including a charge over the shares and units held by the Trustee-Manager in CityLink Investment Pte Ltd ("CityLink"), City Gas Trust and City Gas Pte. Ltd.

(b) The bank loans obtained by City Gas Trust are secured by a first ranking charge over its assets and business undertakings.

(c) The bank loans obtained by SingSpring Trust are secured by a first ranking charge over its assets and business undertakings. In addition, the loan obtained by SingSpring Trust is secured by a charge over the units in the SingSpring Trust held by Trustee-Manager and the non-controlling interest and a charge over the shares held by Trustee-Manager in SingSpring Pte. Ltd.

(d) Basslink had on 28 November 2014 completed the refinancing of its outstanding Bonds comprising A$486 million bonds due August 2015, A$48.8 million inflation-indexed bonds due August 2017 and A$232 million inflation-indexed bonds due August 2019. The Bonds were refinanced with an A$717 million five-year senior, secured loan facility, provided by a group of nine banks. As part of the refinancing, CitySpring contributed an equity injection of A$50 million, using part of its existing cash reserves, into the Basslink Group. The bank loan is secured by a charge over all the assets of, and the units and shares in, all of the Basslink Group entities.

All borrowings impose certain covenants on the Trustee-Manager of the Trust, City Gas Trustee, SingSpring Trustee and the Basslink Group entities. These covenants include having to maintain sufficient funds to pay principal, interest and retention of additional amounts.

Total assets of the Group with carrying amount of $1,770 million (2014: $1,948 million) are pledged for certain borrowings.

26. Notes payable to non-controlling interest

This relates to notes denominated in Singapore Dollars issued by SingSpring Trust to the non-controlling interest of the Trust. The notes mature in Year 2025 but may be redeemed at par by the holder of the notes or SingSpring Trust prior to its maturity date and bear interest payable quarterly in arrears at a fixed rate of 6.5% per annum with a one-time option for SingSpring Trust, on any interest payment date, to switch to a floating rate per annum equal to three-month Singapore Dollar Swap Offer Rate plus 2.5% per annum.

The notes will be direct, unsecured and subordinated obligations of SingSpring Trust.

27. Deferred tax liabilities

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current income tax assets against current income tax liabilities and when the deferred taxes relates to the same fiscal authority.

		Group	
	Note	**2015 $'000**	2014 $'000
Movement in deferred tax account is as follows:			
Beginning of financial year		**23,756**	24,204
(Credited)/Charged to			
- income statement	11	**(181)**	(2,601)
- equity	11	**(838)**	2,153
End of the financial year		**22,737**	23,756

The movements in deferred tax assets and liabilities (prior to offsetting of balances within the same tax jurisdiction) during the financial year were as follows:

Deferred tax liabilities

	Accelerated tax depreciation $'000	**Fair value of intangible assets $'000**	**Derivative financial instruments $'000**	**Others $'000**	**Total $'000**
2015					
Beginning of financial year	**14,171**	**22,485**	**1,158**	**11,816**	**49,630**
Currency translation differences	**(1,878)**	**(1,198)**	**(38)**	**(173)**	**(3,287)**
Charged/(credited) to					
- income statement	**11,377**	**(2,091)**	**-**	**1,021**	**10,307**
- equity	**-**	**-**	**(1,120)**	**-**	**(1,120)**
End of financial year	**23,670**	**19,196**	**-**	**12,664**	**55,530**
2014					
Beginning of financial year	17,668	25,958	-	11,158	54,784
Currency translation differences	(1,190)	(1,366)	(10)	(281)	(2,847)
(Credited)/charged to					
- income statement	(2,307)	(2,107)	-	939	(3,475)
- equity	-	-	1,168	-	1,168
End of financial year	14,171	22,485	1,158	11,816	49,630

27. Deferred tax liabilities (continued)

Deferred tax assets

	Allowances against assets $'000	Derivative financial instruments $'000	Future deductible amounts under overseas tax regime $'000	Others $'000	Total $'000
2015					
Beginning of financial year	**(78)**	**(709)**	**(16,191)**	**(8,896)**	**(25,874)**
Currency translation differences	**-**	**-**	**1,704**	**1,583**	**3,287**
(Credited)/charged					
- income statement	**(7)**	**-**	**(875)**	**(9,606)**	**(10,488)**
- equity	**-**	**282**	**-**	**-**	**282**
End of financial year	**(85)**	**(427)**	**(15,362)**	**(16,919)**	**(32,793)**
Net deferred tax liabilities					**22,737**
2014					
Beginning of financial year	(84)	(1,694)	(18,302)	(10,500)	(30,580)
Currency translation differences	-	-	1,811	1,036	2,847
Charged to					
- income statement	6	-	300	568	874
- equity	-	985	-	-	985
End of financial year	(78)	(709)	(16,191)	(8,896)	(25,874)
Net deferred tax liabilities					23,756

Unrecognised tax losses
The Group has unrecognised tax losses of $347,941,000 (2014: $365,674,000) (including pre-acquisition losses of a subsidiary) which can be carried forward to offset against future taxable income subject to meeting certain statutory requirements by those subsidiaries with unrecognised tax losses in their respective countries of incorporation. The tax losses have no expiry dates.

Tax consequences of proposed distributions
There are no income tax consequences (2014: Nil) attached to the distributions to the unitholders proposed by the Trust but not recognised as a liability in the financial statements (Note 34).

28. Provisions

	Group 2015 $'000	Group 2014 $'000
Current		
Provision for long-term incentive awards	**647**	-
Non-current		
Provision for decommissioning costs	**55,253**	23,161
Provision for long-term incentive awards	**-**	883
	55,253	24,044

Movements in the provision are as follows:

	Note	Group Decom-missioning costs $'000	Group Long-term incentive awards $'000
Beginning of financial year		**23,161**	**883**
Arose during the financial year		**42,195**	**-**
Reversal during the financial year		**(5,879)**	**(218)**
Unwinding of discounts	8	**754**	**-**
Currency translation differences		**(4,978)**	**(18)**
End of financial year		**55,253**	**647**

(a) Provision for decommissioning costs

This relates to provision made by a subsidiary in respect of costs to decommission, restore and rehabilitate the interconnector sites at the end of the operating life of the interconnector, based on the net present value of estimated future costs, expected to be required to settle the obligation.

<u>Change in useful life of decommissioning asset</u>

During the financial year, the Group reassessed the accounting estimate of the useful life of the interconnector asset and accordingly, the decommissioning asset. They were revised to 63.67 years as compared to the previous useful life estimate of 38.67 years (Note 3(a) (iv) and Note 22).

The effect of the revision on depreciation charge and finance costs are as follows:

	2015 $'000	2016 $'000	2017 $'000	Later $'000
Decrease in depreciation charge	144	288	288	5,158
Decrease/(increase) in finance costs	165	352	370	(43,425)
Total	309	640	658	(38,267)

<u>Change in discount rate in provision for decommissioning costs</u>

As at the reporting date, the Group conducted a review on the decommissioning costs and adjusted the discount rates used in determining the fair value of the provision to reflect the current best estimate.

The effect of the revision on depreciation charge and finance costs are as follows:

	2016 $'000	2017 $'000	Later $'000
Increase in depreciation charge	662	662	35,782
Increase in finance costs	778	789	53,703
Total	1,440	1,451	89,485

28. Provisions (continued)

(b) Provision for long-term incentive awards
The senior management team of the subsidiary entities are entitled to receive long-term incentive awards. The vesting period is three years from the date of each award, provided the eligible participant remains under the employment at the date of vesting. The amount of the incentive awards vested will depend on the performance of the total unitholders and absolute return of the Trust.

29. Other payables

	Group	
	2015 $'000	2014 $'000
Accrual for debt transaction costs	**-**	5,175
Long term customer deposit	**22,031**	23,128
Deferred income	**24,071**	28,568
Advance payments received	**10,297**	12,647
Other payables	**31,865**	14,619
	88,264	84,137

(a) Accrual for debt transaction costs
This relates to the guarantee fees payable on a quarterly basis up to maturity of the bonds issued (see Note 25) by a subsidiary to a third party financial guarantor. This is calculated based on the outstanding principal amount on each interest payment date. The accrued amount as at balance sheet date is based on the net present value of the contracted costs.

(b) Long term customer deposit and deferred income
Long term customer deposit represents the A$50 million deposit equivalent to $52.3 million (2014: $58.2 million) placed by a customer which has been recognised as a liability. The deposit received is interest-free and is repayable in 12 quarterly payments commencing in Year 2028. Deferred income represents the difference between the fair value of this liability and the amount of the A$50 million deposit to be repaid. This is amortised to the income statement over the life of the agreement. The current portion of deferred income is included in Note 24.

(c) Advance payments received
This relates to amounts that have been received but services not yet rendered.

(d) Other payables
Other payables are non-interest bearing, unsecured and are to be settled in cash.

30. Units in issue

	Group and Trust	
	2015 Units	2014 Units
At 31 March 2015 and 31 March 2014	**1,518,893,062**	1,518,893,062

All issued units are fully paid and rank pari passu in all respects. The issued units have no par value.

31. Hedging reserve

Hedging reserve records the portion of the fair value changes on derivatives that are designated as hedging instruments in cash flow hedges that are determined to be effective.

	Group		Trust	
	2015 $'000	2014 $'000	**2015 $'000**	2014 $'000
Beginning of financial year	**(121,597)**	(143,465)	**(13)**	(48)
Fair value (loss)/gain	**(129,407)**	9,550	**-**	(183)
Tax on fair value loss	**4,934**	2,190	**-**	-
	(124,473)	11,740	**-**	(183)
Reclassification to income statement				
Finance cost (Note 8)	**14,466**	15,561	**13**	218
Tax on transfers	**(4,096)**	(4,343)	**-**	-
	10,370	11,218	**13**	218
Non-controlling interest (net of tax)	**(414)**	(1,090)	**-**	-
	(236,114)	(121,597)	**-**	(13)

32. Translation reserve

The foreign currency translation reserve represent exchange differences arising from the translation of the financial statements of the foreign subsidiaries of the Trust whose functional currencies are different from that of the Trust and the Group's presentation currency which is Singapore Dollar.

33. Capital reserve

	Group	
	2015 $'000	2014 $'000
As at end of financial year	**38,710**	38,710

On 1 August 2013, the Group's subsidiary entity, City Gas Trust, disposed 49% of its equity interest in City-OG Gas Energy Services Pte Ltd ("City-OG Gas") to Osaka Gas Co., Ltd ("Osaka Gas") for a consideration of $39.2 million. The Group retained control in the remaining 51% equity interest in City-OG Gas. With the disposal of the equity interest in City-OG Gas, the Group recorded a capital reserve of $38.7 million.

34. Distributions paid to the unitholders of the Trust

Tax exempt distributions paid during the financial year are as follows:

	Group and Trust	
	2015 $'000	2014 $'000
For the period from 1 January to 31 March		
- 0.82 cents per unit (2014: 0.82 cents per unit)	**12,455**	12,455
For the period from 1 April to 30 June		
- 0.82 cents per unit (2014: 0.82 cents per unit)	**12,455**	12,455
For the period from 1 July to 30 September		
- 0.82 cents per unit (2014: 0.82 cents per unit)	**12,455**	12,455
For the period from 1 October to 31 December		
- 0.82 cents per unit (2014: 0.82 cents per unit)	**12,455**	12,455
	49,820	49,820

34. Distributions paid to the unitholders of the Trust (continued)

	Group and Trust	
	2015 $'000	2014 $'000
The following distributions have been declared after the financial year end but not recognised as a liability as at 31 March		
Distribution of 0.82 cents per unit for the period from 1 January to 31 March	**12,455**	12,455
Distribution of 0.4235 cents per unit for the period from 1 April to 17 May	**6,433**	-*
Special distribution of 1.98 cents per unit	**30,000**	-

* Not meaningful

35. Commitments

(a) Operating lease commitments

The Group leases office premises under non-cancellable operating lease agreements. Minimum lease payments recognised as an expense in income statement for the financial year ended 31 March 2015 amounted to $1,124,000 (2014: $1,012,000). The future minimum lease payments under non-cancellable operating leases contracted for at the reporting date but not recognised as payable, are as follows:

	Group	
	2015 $'000	2014 $'000
Not later than one year	**1,230**	1,019
Later than one year but not later than five years	**2,581**	1,956
	3,811	2,975

Included in the future minimum lease payments under non-cancellable operating leases comprise future minimum lease payments with related parties which amounted to $3,327,000 (2014: $2,313,000).

(b) Capital commitments

Capital expenditure contracted for at the balance sheet date but not recognised in the financial statements are as follows:

	Group	
	2015 $'000	2014 $'000
Property, plant and equipment	**-**	1,185
Capital commitment by the joint venture	**52,914**	-

36. Related party transactions

In addition to the related party information disclosed elsewhere in the financial statements, the following significant transactions between the Group and the related parties took place at terms agreed between the parties during the financial year:

		Group	
	Note	2015 $'000	2014 $'000
Sale of goods and services	(i)	**(10,655)**	(3,961)
Purchases of goods and services	(i)	**225,089**	263,745
Operating lease expense	(i)	**943**	837
Legal fees	(ii)	**1,662**	286
Professional fees	(iii)	**423**	312
Management fees	(iv)	**7,762**	7,069

(i) Received/receivable from and/or paid/payable to subsidiaries of the substantial unitholder of the Trust.

(ii) This was paid to a firm in which a director of the Trustee-Manager is a member (but who does not have a substantial financial interest in the firm).

(iii) This was paid/payable to the Trustee-Manager for provision of accounting and corporate services.

(iv) The Trust Deed sets out the management fee arrangements between the Trust and the Trustee-Manager in relation to the management of the Trust. The fee structure for these services is disclosed in Note 9.

37. Segment information

The operating segments have been determined based on reports reviewed by senior management of the Trustee-Manager, who considers the business from both the business and geographic segment perspectives. The reportable operating segments are:

- production and retailing of town gas and retailing of natural gas in Singapore;
- operator of seawater desalination plant in Singapore;
- operator of subsea electricity interconnector in Australia; and
- investment holding, asset management and business development.

The segment information relating to the measure of revenue and performance provided to the senior management for the reportable segments for the financial year ended 31 March 2015 is as follows:

	Gas (Singapore) $'000	Water (Singapore) $'000	Electricity (Australia) $'000	Corporate (Singapore) $'000	Total Group $'000
2015					
Revenue	**374,334**	**37,573**	**85,852**	**4,143**	**501,902**
Cash earnings [(1)]	**47,600**	**15,989**	**(5,435)**	**(10,225)**	**47,929**
Other segment items:					
Depreciation and amortisation	**14,712**	**3,654**	**26,240**	**-**	**44,606**
Fair value loss on derivative financial instruments	**-**	**-**	**(2,557)**	**-**	**(2,557)**
Share of results of joint venture	**-**	**-**	**-**	**(167)**	**(167)**
Finance costs [(2)]	**3,200**	**4,122**	**58,567**	**3,410**	**69,299**

37. Segment information (continued)

A reconciliation of cash earnings to net loss after tax is provided as follows:

	2015 $'000
Cash earnings	47,929
Depreciation and amortisation	(44,606)
Cash flow adjustments [3]	(6,308)
Non-cash adjustments [4]	(16,451)
Fair value loss on derivative financial instruments	(2,557)
Payment of loan upfront fees	16,511
Gain associated with purchase and cancellation of Basslink bonds	1,852
Maintenance capital expenditure	3,161
Share of joint venture results	(167)
Non-controlling interests	7,104
Profit before tax	6,468
Income tax expense	(4,293)
Net profit after tax	2,175

	Gas (Singapore) $'000	Water (Singapore) $'000	Electricity (Australia) $'000	Corporate (Singapore) $'000	Total Group $'000
Segment and consolidated total assets	474,514	195,111	985,485	114,406	1,769,516
Segment liabilities	290,338	111,064	985,674	148,282	1,535,358
Unallocated liabilities:					
Current tax liabilities					12,692
Deferred tax liabilities					22,737
Consolidated total liabilities					1,570,787
Other segment items					
Investment in and advances to joint venture	-	-	-	16,351	16,351
Capital expenditure					
- property, plant and equipment	1,604	38	1,519	-	3,161

(1) Cash earnings is defined as EBITDA adjusted for cash and non-cash items, less cash interest, cash tax, upfront financing fees, maintenance capital expenditure, non-controlling interest and before principal repayment of debt.
(2) Excludes interest payable on notes issued by subsidiaries to unitsholders.
(3) Cash flow adjustments comprise mainly finance lease receivables and upfront fees received.
(4) Non-cash adjustments comprise mainly unrealised exchange gains/(losses) and non-cash finance costs.

	Gas (Singapore) $'000	Water (Singapore) $'000	Electricity (Australia) $'000	Corporate (Singapore) $'000	Total Group $'000
2014					
Revenue	394,921	42,424	80,886	2,821	521,052
Cash earnings [1]	45,653	14,237	9,277	(9,144)	60,023
Other segment items:					
Depreciation and amortisation	14,650	3,649	33,995	-	52,294
Fair value gain on derivative financial instruments	-	-	1,722	-	1,722
Finance costs [2]	2,320	5,646	53,438	3,868	65,272

A reconciliation of cash earnings to net profit after tax is provided as follows:

	2014 $'000
Cash earnings	60,023
Depreciation and amortisation	(52,294)
Cash flow adjustments (3)	(6,507)
Non-cash adjustments (4)	(10,644)
Fair value gain on derivative financial instruments	1,722
Payment of loan upfront fees	1,915
Maintenance capital expenditure	1,562
Non-controlling interests	6,114
Profit before tax	1,891
Income tax expense	(1,549)
Net profit after tax	342

	Gas (Singapore) $'000	Water (Singapore) $'000	Electricity (Australia) $'000	Corporate (Singapore) $'000	Total Group $'000
Segment and consolidated total assets	549,830	209,507	1,085,320	103,185	1,947,842
Segment liabilities	273,082	125,572	1,005,804	144,233	1,548,691
Unallocated liabilities:					
Current tax liabilities					9,061
Deferred tax liabilities					23,756
Consolidated total liabilities					1,581,508
Other segment items					
Capital expenditure					
- property, plant and equipment	1,331	48	302	-	1,681

The Group's Gas and Water business segments operate in Singapore whilst the Electricity segment operates in Australia. Revenue is based on the country in which the customer is located. Total non-current assets are shown by the geographical area where the assets are located.

	Revenue		Non-current assets*	
	2015 $'000	2014 $'000	**2015 $'000**	2014 $'000
Singapore	**416,050**	440,166	**366,462**	382,848
Australia	**85,852**	80,886	**922,019**	1,014,109
	501,902	521,052	**1,288,481**	1,396,957

* Comprise property, plant and equipment, intangibles and investment in joint venture.

Revenue from Water segment of $37,573,000 (2014: $42,424,000) was derived from its only customer. For Electricity segment, revenue from its major customers were $83,472,000 (2014: $76,157,000). See note 38(b) for further details.

38. Financial risk management

Financial risk factors

The Group's activities expose it to a variety of financial risks, including the effects of credit, interest rate, liquidity, and foreign currency exchange rate. Risk management is integral to the whole business of the Group. The Group's overall risk management programme seeks to minimise potential adverse effects of the unpredictability of financial markets on the financial performance of the Group. The Group uses derivative financial instruments such as interest rate swaps and interest rate options to hedge certain financial risk exposures.

The Board of Directors of the Trustee-Manager is responsible for setting the objectives and underlying principles of financial risk management for the Group. The Trustee-Manager then establishes and implements the detailed financial risk management policies such as authority levels, oversight responsibilities, risk identification, exposure limits and hedging strategies in accordance with the objectives and underlying principles approved by the Board of Directors of the Trustee-Manager.

There has been no change to the Group's exposure to these financial risks or the manner in which it manages and measures the risks.

(a) Market risk

(i) Currency risk

The Group operates mainly in Singapore and Australia. The Group entities transact predominantly in their respective functional currency except for two subsidiaries.

One subsidiary, whose functional currency is in Singapore dollar ("SGD"), is partially exposed to United States dollar ("USD") currency risk. The subsidiary's exposure to USD feedstock purchases for its town gas production is mainly passed through. However, it has USD currency risk in respect of purchases of natural gas for retail and retail sales in USD. See paragraph (ii) Commodity price risk.

Another subsidiary, whose functional currency is in USD, is exposed to currency risk from receipts denominated in SGD. This subsidiary also holds cash and cash equivalent denominated in SGD for working capital purposes.

The Group reviews these balances periodically to ensure that the net exposure is kept at an acceptable level.

The Group is exposed to currency translation risk on net assets in foreign operations. Currency exposure to the net assets in Australia is managed predominantly by having a significant amount of borrowings denominated in the functional currency.

CitySpring pays quarterly distribution to its unitholders in SGD whilst its Australian subsidiaries make its distribution in Australian dollar ("AUD"). The Group is therefore exposed to AUD foreign currency risk as fluctuations in the exchange rate may affect the amount of SGD distributions CitySpring is able to pay its unitholders. The Group's policy is to translate the AUD foreign currency into SGD based on an exchange rate band approved by the Finance and Investment Board Committee annually.

The Group's foreign currency exposure is as follows:

	SGD $'000	AUD $'000	USD $'000	Total $'000
2015				
Financial assets				
Cash and bank deposits	**187,924**	**48,990**	**1,755**	**238,669**
Trade and other receivables	**45,903**	**13,078**	**3,068**	**62,049**
Derivative financial instruments	**1,216**	**-**	**-**	**1,216**
Finance lease receivables	**139,708**	**-**	**-**	**139,708**
Other financial assets	**292**	**418**	**-**	**710**
Advances to joint venture	**16,008**	**-**	**-**	**16,008**
	391,051	**62,486**	**4,823**	**458,360**
Financial liabilities				
Trade and other payables	**66,560**	**16,290**	**9,855**	**92,705**
Borrowings	**407,063**	**736,817**	**-**	**1,143,880**
Derivative financial instruments	**3,725**	**123,445**	**-**	**127,170**
Notes payable to non-controlling interest	**15,000**	**-**	**-**	**15,000**
Other financial liabilities	**31,865**	**22,031**	**-**	**53,896**
	524,213	**898,583**	**9,855**	**1,432,651**
Net financial liabilities	**(133,162)**	**(836,097)**	**(5,032)**	**(974,291)**
Less: Net financial liabilities denominated in the respective entities functional currencies	**139,688**	**837,521**	**1,224**	**978,433**
Currency exposure on financial assets and liabilities	**6,526**	**1,424**	**(3,808)**	**4,142**

	SGD $'000	AUD $'000	USD $'000	Others $'000	Total $'000
2014					
Financial assets					
Cash and bank deposits	242,755	60,965	607	-	304,327
Trade and other receivables	53,364	11,773	3,417	-	68,554
Derivative financial instruments	-	3,859	-	-	3,859
Finance lease receivables	148,090	-	-	-	148,090
Other financial assets	167	466	-	-	633
	444,376	77,063	4,024	-	525,463
Financial liabilities					
Trade and other payables	64,247	11,775	18,033	21	94,076
Borrowings	417,710	880,018	-	-	1,297,728
Derivative financial instruments	4,182	18,026	-	-	22,208
Notes payable to non-controlling interest	15,000	-	-	-	15,000
Other financial liabilities	14,619	28,303	-	-	42,922
	515,758	938,122	18,033	21	1,471,934
Net financial liabilities	(71,382)	(861,059)	(14,009)	(21)	(946,471)
Less: Net financial liabilities denominated in the respective entities functional currencies	80,387	870,998	5,215	-	956,600
Currency exposure on financial assets and liabilities	9,005	9,939	(8,794)	(21)	10,129

38. Financial risk management (continued)

(a) Market risk (continued)

(i) Currency risk (continued)

Sensitivity analysis
A 5% (2014: 5%) strengthening of the following currencies against the respective functional currencies at the reporting date would have the impact as shown below. This analysis assumes that all other variables, in particular interest rates and tax rates remain constant.

	Increase/(decrease) Profit after tax	
	2015 $'000	2014 $'000
Group		
USD	**222** *	137 *
AUD	**59**	412
SGD	**271**	376

* The impact is calculated based on the net exposure after considering the liability that is passed through

A 5% (2014: 5%) weakening of the foreign currencies above against the respective functional currencies at the reporting date would have the equal but opposite effect.

(ii) Commodity price risk
Energy cost is a major component of the total operating costs of the seawater desalination plant of one of the subsidiaries of the Trust. However, the energy cost is recovered from PUB in accordance with the principles set out in the WPA.

The town gas production unit purchases natural gas as feedstock for its production plant as well as for direct sales. On a long term basis, changes in the underlying fuel cost for natural gas have no impact as fuel costs are passed through. However, at any point in time, the actual town gas tariff may not exactly match fuel costs as town gas tariff changes are subject to a periodic regulatory process whereas fuel prices change daily. Short term impact may be evident if there are sharp changes in fuel prices. Sales of direct natural gas are pegged to the underlying fuel costs.

(iii) Cash flow and fair value interest rate risks
Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market interest rates.

The Group and the Trust have no significant interest-bearing assets, other than short term deposits held with banks.

The Group's exposure to cash flow interest rate risks arises mainly from its borrowings. Borrowings at variable rates expose the Group to cash flow interest rate risk. The Group's policy is to manage its interest cost using a mix of fixed and floating interest rate debts. The Group enters into interest rate swaps which allow the Group to raise long term borrowings at floating rates and swap them into fixed rates, with the objective to reduce variability in cash flows arising from interest rate fluctuations.

Details of the various derivative financial instruments held by the Group are disclosed in Note 18. Assuming all other variables including tax rate are held constant, a 50 basis points change in Singapore or Australia interest rate has the following impact on profit after tax as a result of higher/lower finance cost or fair value changes to derivative financial instruments.

Subsequent to the year end, the Group has entered into interest rate swap contracts with aggregate notional amounts of $160 million to manage the Group's exposure to cash flow interest rate risk on its borrowings.

Sensitivity analysis

	Decrease of 50 basis points Increase/(decrease)		Increase of 50 basis points Increase/(decrease)	
	Profit after tax $'000	Equity $'000	Profit after tax $'000	Equity $'000
2015				
Cash and bank deposits	**(977)**	**-**	**977**	**-**
Borrowings at floating interest rate	**2,139**	**-**	**(2,139)**	**-**
Interest rate swaps accounted for under cash flow hedge	**(265)**	**(42,613)**	**262**	**39,925**
2014				
Cash and bank deposits	(1,211)	-	1,211	-
Borrowings at floating interest rate	1,139	-	(1,139)	-
Interest rate swaps accounted for under cash flow hedge	-	(35,166)	(2,372)	35,163
Interest rate swaps accounted for as held for trading	(2,973)	-	2,885	-

A 50 basis points increase above the agreed fixed rate for interest rate swaps accounted for as held for trading would result in a realised gain on the interest rate swap of $Nil (2014: $669,000). A 50 basis points decrease below the agreed fixed rate for interest rate swaps accounted for as held for trading would result in a realised loss of $Nil (2014: $669,000).

(b) **Credit risk**

Credit risk is the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Group.

For the Water business segment, there is a significant concentration of credit risk to its only customer for the duration of the service contract entered into. The customer is a Singapore Government agency. For the Electricity business segment, the major customers are wholly-owned entities of the State of Tasmania. Each subsidiary monitors the credit risk by ensuring that payments are received by the contracted date.

For the Gas business segment, there is no significant concentration of credit risk due to the nature and the significant number of its customer base. To mitigate credit risk, deposits or bankers guarantees are obtained from customers upon opening of a utilities account.

Cash and fixed deposits are placed with banks and financial institutions which are regulated and with high credit ratings.

The maximum exposure to credit risk for each class of financial instruments is the carrying amount of that class of financial instruments presented on the balance sheet.

38. Financial risk management (continued)

(b) Credit risk (continued)

The credit risk for trade receivables was as follows:

	Group	
	2015 $'000	2014 $'000
By geographical areas		
Singapore	**44,952**	52,504
Australia	**8,496**	11,037
	53,448	63,541

Financial assets that are neither past due nor impaired
Financial assets that are neither past due nor impaired are mainly deposits with banks with high credit-ratings assigned by international credit-rating agencies. Trade receivables that are neither past due nor impaired are substantially from individuals and companies with a good collection track record with the Group.

Financial assets that are past due but not impaired
The age analysis of trade receivables past due but not individually impaired is as follows:

	Group	
	2015 $'000	2014 $'000
Past due but not impaired		
Past due 0 to 3 months	**5,607**	9,617
Past due 3 to 6 months	**275**	359
Past due over 6 months	**120**	37
	6,002	10,013

The carrying amount of trade receivables collectively determined to be impaired are fully provided and the movement in the related allowance for impairment is as follows:

	Group	
	2015 $'000	2014 $'000
Beginning of financial year	**1,063**	824
Allowance made	**219**	684
Allowance utilised	**(386)**	(445)
End of financial year	**896**	1,063

The allowance for impairment of $219,000 (2014: $684,000) was recognised in the income statement and included in "other operating expenses".

The allowance for impairment covers those trade receivables arising from sales to customers who have difficulties in settling their debts. To mitigate credit risk, the Group collected deposits from customers amounting to $38,031,000 as at 31 March 2015 (2014: $37,231,000), which can be used to offset the impaired receivables when the circumstances warrant.

(c) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting financial obligations due to shortage of funds. The Group's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities.

The table below analyses the maturity profile of the Group's and Trust's financial liabilities (including derivative financial liabilities) based on contractual undiscounted cash flows.

	Within 1 year $'000	1 to 5 years $'000	More than 5 years $'000	Total $'000
2015				
Group				
Borrowings	**62,927**	**1,223,908**	**40,882**	**1,327,717**
Notes payable to non-controlling interest	**975**	**3,900**	**20,567**	**25,442**
Trade and other payables	**89,228**	**-**	**-**	**89,228**
Other financial liabilities	**-**	**31,865**	**52,300**	**84,165**
Interest rate swaps - net settled	**17,684**	**63,026**	**84,223**	**164,933**
Fuel hedges - net settled	**1,216**	**-**	**-**	**1,216**
	172,030	**1,322,699**	**197,972**	**1,692,701**
Trust				
Borrowings	**3,103**	**147,405**	**-**	**150,508**
Trade and other payables	**6,832**	**-**	**-**	**6,832**
	9,935	**147,405**	**-**	**157,340**
2014				
Group				
Borrowings	186,846	916,521	350,474	1,453,841
Notes payable to non-controlling interest	975	3,900	21,542	26,417
Trade and other payables	87,474	-	-	87,474
Other financial liabilities	2,187	18,123	58,563	78,873
Interest rate swaps - net settled	17,219	30,922	-	48,141
	294,701	969,466	430,579	1,694,746
Trust				
Borrowings	143,471	-	-	143,471
Trade and other payables	2,133	-	-	2,133
Interest rate swaps - net settled	14	-	-	14
	145,618	-	-	145,618

The Group and the Trust manage their liquidity risk by maintaining a sufficient level of cash and cash equivalents deemed adequate by the Trustee-Manager to finance the Group's operations including servicing of financial obligations and to mitigate the effects of fluctuations in cash flow. This excludes the potential impact of extreme circumstances that cannot be reasonably predicted.

At 31 March 2015, the Group maintains the following undrawn facilities:

– A$31 million (2014: A$31 million); and
– $3 million (2014: $6 million).

38. Financial risk management (continued)

(d) Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern and to maintain an optimal capital structure to support its businesses and maximise unitholders' value.

In order to maintain or achieve an optimal capital structure, the Group may adjust the amount of distribution payment, return capital to unitholders, issue new units, buy back issued units, obtain new borrowings or sell assets to reduce borrowings. The Group may also issue new units to finance future growth.

The Group seeks to raise non-recourse debt structured specifically to match the cash flow profile of its underlying assets. The Group's general philosophy on leverage is to ensure that its subsidiaries have sufficient financial flexibility to meet their capital expenditure and operational needs, and at the same time, service their debt obligations promptly and reliably.

The Trustee-Manager monitors capital based on the ratio of the Group's net borrowings to total assets. Net borrowings are calculated as total borrowings less cash and bank deposits excluding notes payable to non-controlling interest. For the Trust, the Trustee-Manager monitors capital based on ratio of the Trust's net borrowings to total assets.

	Group		Trust	
	2015 $'000	2014 $'000	**2015 $'000**	2014 $'000
Net borrowings	**920,932**	1,002,452	**48,635**	48,794
Total assets	**1,769,516**	1,947,842	**871,894**	797,234
Ratio	**52%**	51%	**6%**	6%

There are no externally imposed capital requirements for the financial years ended 31 March 2015 and 31 March 2014.

(e) Classification of financial instruments

Set out below is a comparison by category of the Group's and the Trust's financial instruments that are carried in the financial statements.

	Loans and receivables $'000	Fair value through profit or loss $'000	Non-financial assets $'000	Total $'000
2015				
Group				
Assets				
Current				
Cash and bank deposits	**238,669**	**-**	**-**	**238,669**
Trade and other receivables	**62,049**	**-**	**-**	**62,049**
Finance lease receivables	**8,746**	**-**	**-**	**8,746**
Inventories	**-**	**-**	**19,054**	**19,054**
Deposits	**654**	**-**	**-**	**654**
Prepayments	**-**	**-**	**2,134**	**2,134**
Derivative financial instruments	**-**	**1,216**	**-**	**1,216**
Non-current				
Finance lease receivables	**130,962**	**-**	**-**	**130,962**
Other assets	**56**	**-**	**1,487**	**1,543**
Property, plant and equipment	**-**	**-**	**915,018**	**915,018**
Intangibles	**-**	**-**	**373,120**	**373,120**
Investment in and advances to joint venture	**16,008**	**-**	**343**	**16,351**
	457,144	**1,216**	**1,311,156**	**1,769,516**

	Financial liabilities carried at amortised cost $'000	Derivatives used for hedging $'000	Fair value through profit or loss $'000	Non-financial liabilities $'000	Total $'000
2015					
Group					
Liabilities					
Current					
Derivative financial instruments	-	17,337	1,216	-	18,553
Trade and other payables	92,705	-	-	12,439	105,144
Current tax liabilities	-	-	-	12,692	12,692
Borrowings	21,367	-	-	-	21,367
Provisions	-	-	-	647	647
Non-current					
Derivative financial instruments	-	108,617	-	-	108,617
Borrowings	1,122,513	-	-	-	1,122,513
Notes payable to non-controlling interest	15,000	-	-	-	15,000
Deferred tax liabilities	-	-	-	22,737	22,737
Provisions	-	-	-	55,253	55,253
Other payables	53,896	-	-	34,368	88,264
	1,305,481	125,954	1,216	138,136	1,570,787

	Loans and receivables $'000	Non-financial assets $'000	Total $'000
2015			
Trust			
Assets			
Current			
Cash and bank deposits	93,700	-	93,700
Trade and other receivables	892	-	892
Prepayments	-	48	48
Non-current			
Long-term receivables	230,570	-	230,570
Subsidiary companies	390,949	155,735	546,684
	716,111	155,783	871,894

38. Financial risk management (continued)

(e) Classification of financial instruments (continued)

	Financial liabilities carried at amortised cost $'000	Non-financial liabilities $'000	Total $'000
2015			
Trust			
Liabilities			
Current			
Trade and other payables	**6,881**	**-**	**6,881**
Current tax liabilities	**-**	**44**	**44**
Non-current			
Borrowings	**141,439**	**-**	**141,439**
	148,320	**44**	**148,364**

	Loans and receivables $'000	Non-financial assets $'000	Total $'000
2014			
Group			
Assets			
Current			
Cash and bank deposits	304,327	-	304,327
Trade and other receivables	68,554	-	68,554
Finance lease receivables	8,382	-	8,382
Inventories	-	20,040	20,040
Deposits	609	-	609
Prepayments	-	3,269	3,269
Non-current			
Derivative financial instruments	3,859	-	3,859
Finance lease receivables	139,708	-	139,708
Other assets	24	2,113	2,137
Property, plant and equipment	-	1,008,471	1,008,471
Intangibles	-	388,486	388,486
	525,463	1,422,379	1,947,842

	Financial liabilities carried at amortised cost $'000	Derivatives used for hedging $'000	Fair value through profit or loss $'000	Non-financial liabilities $'000	Total $'000
2014					
Group					
Liabilities					
Current					
Derivative financial instruments	-	12,187	2,852	-	15,039
Trade and other payables	94,076	-	-	11,498	105,574
Current tax liabilities	-	-	-	9,061	9,061
Borrowings	152,450	-	-	-	152,450
Non-current					
Derivative financial instruments	-	4,168	3,001	-	7,169
Borrowings	1,145,278	-	-	-	1,145,278
Notes payable to non-controlling interest	15,000	-	-	-	15,000
Deferred tax liabilities	-	-	-	23,756	23,756
Provisions	-	-	-	24,044	24,044
Other payables	42,922	-	-	41,215	84,137
	1,449,726	16,355	5,853	109,574	1,581,508

	Loans and receivables $'000	Non-financial assets $'000	Total $'000
2014			
Trust			
Assets			
Current			
Cash and bank deposits	93,542	-	93,542
Trade and other receivables	7,525	-	7,525
Prepayments	-	24	24
Non-current			
Long-term receivables	230,570	-	230,570
Subsidiary companies	309,838	155,735	465,573
	641,475	155,759	797,234

	Financial liabilities carried at amortised cost $'000	Derivatives used for hedging $'000	Non-financial liabilities $'000	Total $'000
2014				
Trust				
Liabilities				
Current				
Derivative financial instruments	-	13	-	13
Trade and other payables	2,166	-	-	2,166
Current tax liabilities	-	-	20	20
Borrowings	142,041	-	-	142,041
	144,207	13	20	144,240

39. Fair value of assets and liabilities

The Group categories fair value measurement using a fair value hierarchy that is dependent on the valuation inputs used as follows:

(i) Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date,

(ii) Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, and

(iii) Level 3 – Unobservable inputs for the asset or liability.

Fair value measurements that use inputs of different hierarchy levels are categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

(i) Assets and liabilities measured at fair value

The Group's derivative financial instruments (Note 18) as at 31 March 2015 and 31 March 2014 are measured at fair value under Level 2.

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques with market observable inputs. The Group uses a variety of methods and makes assumptions that are based on market conditions existing at each balance sheet date. Other techniques, such as estimated discounted cash flows, are used to determine fair value for the remaining financial instruments. The models incorporate various inputs including the credit quality of counterparties and interest rate curves. The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows.

There has been no transfer from Level 2 to Level 3 during the financial years ended 31 March 2015 and 2014.

(ii) Fair value of financial instruments by classes that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value

Cash and bank deposits (Note 13), current trade and other receivables (Note 14), current trade and other payables (excluding deferred income and advance payment received) (Note 24), finance lease receivables (Note 15), deposits (Note 17), long-term receivables (Note 20), borrowings (Note 25), notes payable to non-controlling interest (Note 26), accrual for debt transaction costs (Note 29), long term customer deposit (Note 29) and non-current other payables (Note 29)

The carrying amounts of these financial assets and liabilities are reasonable approximation of fair values, either due to their short-term nature or that they are floating rate instruments that are re-priced to market interest rates on or near the end of the reporting period.

(iii) Fair value of financial instruments by classes that are not carried at fair value and whose carrying amounts are not reasonable approximation of fair value

Advances to subsidiary company (Note 21) and joint venture companies (Note 19)

These advances are unsecured and non-interest bearing. They have no fixed repayment terms and are repayable only when their cash flow permits. Accordingly, fair value is not determinable as the timing of the future cash flows arising from the advances cannot be estimated reliably.

40. Subsequent event

All capitalised terms used but not defined herein shall, unless otherwise defined or the context otherwise requires, have the same meaning as given to them in the Circular dated 2 April 2015 issued to all CitySpring Unitholders.

On 18 November 2014, CitySpring announced the proposed acquisition of assets and liabilities of Keppel Infrastructure Trust ("KIT") ("Proposed Acquisition"). An extraordinary general meeting was held on 30 April 2015 and the unitholders of the Trust approved the following:

(a) Acquisition of all the assets and liabilities held by KIT;

(b) Issue of 1,326,319,374 Consideration CIT Units pursuant to the Proposed Acquisition;

(c) Appointment of Keppel Infrastructure Management Pte Ltd ("KIFM") as the trustee-manager of CitySpring (to be renamed Keppel Infrastructure Trust) in replacement of CitySpring Infrastructure Management Pte Ltd, with effect from the effective date of the Proposed Acquisition;

(d) Issue of up to 1,132,700,000 New Units pursuant to the KMC Equity Fund Raising;

(e) Amendment of CitySpring's Existing General Mandate for Interested Person Transactions pursuant to the Proposed Acquisition; and

(f) Amendment of the Trust Deed

The Proposed Acquisition is expected to be completed on 18 May 2015.

41. Authorisation of financial statements for issue

These financial statements for the financial year ended 31 March 2015 were authorised for issue in accordance with a resolution of the Board of Directors of the Trustee-Manager on 15 May 2015.

42. Listing of subsidiaries in the Group

	Name of company/entity	Principal activities (Country of incorporation)	Percentage (%) owned 2015	2014
(a)	City Gas Pte Ltd - Held by CitySpring Infrastructure Management Pte. Ltd. in its capacity as Trustee-Manager of, and for the benefit of the Trust	Trustee of City Gas Trust (Singapore)	100	100
(a)	City Gas Trust - Held by CitySpring Infrastructure Management Pte. Ltd. in its capacity as Trustee-Manager of, and for the benefit of the Trust	Production and retail of town gas, retail of natural gas and sales of gas appliances (Singapore)	100	100
(a)	SingSpring Pte Ltd - Held by CitySpring Infrastructure Management Pte. Ltd. in its capacity as Trustee-Manager of, and for the benefit of the Trust	Trustee of SingSpring Trust (Singapore)	100	100
(a)	SingSpring Trust - Held by CitySpring Infrastructure Management Pte. Ltd. in its capacity as Trustee-Manager of, and for the benefit of the Trust	Operation of a seawater desalination plant (Singapore)	70	70
(a)	CityLink Investments Pte Ltd - Held by CitySpring Infrastructure Management Pte. Ltd. in its capacity as Trustee-Manager of, and for the benefit of the Trust	Investment holding (Singapore)	100	100

42. Listing of subsidiaries in the Group (continued)

	Name of company/entity	Principal activities (Country of incorporation)	Percentage (%) owned 2015	2014
(a)	CityNet Infrastructure Management Pte Ltd - Held by CitySpring Infrastructure Management Pte. Ltd. in its capacity as Trustee-Manager of, and for the benefit of the Trust	Trustee-Manager of NetLink Trust (Singapore)	100	100
(a)	CitySpring Capital Pte Ltd - Held by CitySpring Infrastructure Management Pte. Ltd. in its capacity as Trustee-Manager of, and for the benefit of the Trust	Provision of financial and treasury services (Singapore)	100	100
(a)	City-OG Gas Energy Services Pte Ltd - Held by City Gas Pte Ltd, in its capacity as Trustee of, and for the benefit of City Gas Trust	Retailing of natural gas and related activities (Singapore)	51	51
(a)	CityDC Pte. Ltd. - Held by CitySpring Infrastructure Management Pte. Ltd. in its capacity as Trustee-Manager of, and for the benefit of the Trust	Investment holding (Singapore)	100	–
(b) *	Premier Finance Trust Australia - Held by Nexus Australia Management Pty Ltd in its capacity as Trustee of, and for the benefit of CityLink Investments Pte Ltd	Finance trust (Australia)	100	100
(b) *	Nexus Australia Management Pty Ltd - Held by CityLink Investments Pte Ltd	Trustee (Australia)	100	100
(d)	Basslink Consulting Pty Ltd - Held by CityLink Investments Pte Ltd	Provision of consulting services (Australia)	100	100
(b) *	Coral Holdings Australia Pty Ltd - Held by CityLink Investments Pte Ltd	Investment holding (Australia)	100	100
(c) *	Nexus Investments Australia Pty Ltd - Held by Coral Holdings Australia Pty Ltd	Investment holding (Australia)	100	100
(c) *	Basslink Australia GP Pty Ltd - Held by Nexus Investments Australia Pty Ltd	Investment holding (Australia)	100	100
(c) *	Basslink Australia LLP - 99% (2014: 99%) held by Nexus Investments Australia Pty Ltd and 1% (2014: 1%) held by Basslink Australia GP Pty Ltd	Investment holding (Australia)	100	100
(c) *	Basslink Holdings Pty Ltd - Held by Basslink Australia LLP	Investment holding (Cayman Island)	100	100
(b) *	Basslink Pty Ltd ("Basslink") - Held by Basslink Holdings Pty Ltd	Operation of subsea electricity interconnector (Australia)	100	100
(c) *	Basslink Telecoms Pty Ltd - Held by Basslink Pty Ltd	Operation of telecom business (Australia)	100	100

* Collectively known as Basslink Group.

(a) Audited by Ernst & Young LLP, Singapore.
(b) Audited by Ernst & Young, Australia.
(c) Not required to be audited under the laws of the country of incorporation.
(d) In the process of deregistration

On 18 May 2015, CitySpring Infrastructure Trust ("CIT") completed the acquisition of the assets and liabilities of Crystal Trust (formerly known as Keppel Infrastructure Trust), CIT was renamed as Keppel Infrastructure Trust and Keppel Infrastructure Fund Management Pte. Ltd. ("KIFM") was appointed as the trustee-manager of the renamed Trust.

The current directors' appointments and details of membership on Board committees are disclosed below.

Nature of current directors' appointments on the Board of KIFM and the details of their membership on board committees

Name of Director	Board membership	Audit Committee	Nominating Committee	Remuneration Committee	Conflicts Resolution Committee
Koh Ban Heng	Non-Executive and Independent Chairman	-	Member	-	-
Alan Ow Soon Sian	Non-Executive Independent	Member	Chairman	-	-
Paul Ma Kah Woh	Non-Executive Independent	Chairman	Member	-	Member
Quek Soo Hoon	Non-Executive Independent	Member	-	Member	Chairman
Thio Shen Yi	Non-Executive Independent	-	-	Chairman	Member
Daniel Cuthbert Ee Hock Huat	Non-Executive Independent	-	-	-	-
Ong Tiong Guan	Non-Executive and Non-Independent	-	-	Member	-
Alan Tay Teck Loon	Non-Executive and Non-Independent	-	-	-	-

The corporate governance report for the financial year ended 31 March 2015 below was prepared by CitySpring Infrastructure Management Pte. Ltd. ("CIT TM"), as trustee-manager of the former CitySpring Infrastructure Trust ("CIT") which was responsible for safeguarding the interests of the unitholders of CIT and managing the business of CIT for the financial year ended 31 March 2015.

The board of directors of the CIT TM (the "CIT Board") and its Management were committed to a high standard of corporate governance so as to ensure transparency and protection of unitholders' interests.

This report sets out the corporate governance practices and policies in reference to the Business Trusts Act, Chapter 31A (the "BTA"), the Business Trusts Regulations (the "BTR"), the Code of Corporate Governance 2012 (the "Code") and the Listing Manual of Singapore Exchange Securities Trading Limited (the "Listing Manual").

The CIT Group (as defined below) had complied substantially with the requirements of the Code and provided an explanation for any deviation from the Code, where applicable.

This report sets out the key aspects of the CIT TM's corporate governance framework and practices for the financial year ended 31 March 2015.

1. The CIT Board's Conduct of its Affairs

The primary role of the CIT Board was to protect and enhance long-term unitholders' value. The CIT Board set the corporate strategies, and the direction and goals for the management team of the CIT TM. The CIT Board provided stewardship to the CIT Group (as defined below) and monitors performance of Management in achieving those goals. The CIT Board was also responsible for the overall corporate governance of CIT and its subsidiaries (the "CIT Group") for the financial year ended 31 March 2015. The principal functions of the CIT Board were to:

- guide the strategy and direction of the CIT Group;
- ensure that senior management exercises business leadership with integrity and enterprise;
- review the financial performance of the CIT Group;
- approve acquisitions, financing of the acquisitions and fund raising by the CIT Group;
- establish the CIT Group's overall risk tolerance and risk management strategy;
- evaluate systems and processes, and adequacy of internal controls risk management and financial reporting;
- ensure compliance with regulatory and statutory requirements; and
- assume responsibility for corporate governance.

The CIT Board had established an internal framework to ensure that guidelines for the delegation of authority at various levels are consistently applied throughout the Group. The following required CIT Board's approval:

- Group strategy and annual budget;
- financial strategies at CIT Group level including investments and divestments;
- any new borrowings;
- capital and CIT Group structure related matters (issuance and redemption of units, restructuring of the CIT Group, etc);
- distribution policy;
- risk management practices;
- financial statements and results;
- corporate governance policies and practices;
- transactions exceeding Management's authorised approving limits and the setting of such limits; and
- matters specified as requiring CIT Board approval under CIT's approved Interested Person Transactions General Mandate.

To help discharge its responsibilities, the CIT Board (which comprises 5 members) had established a number of CIT Board Committees; namely the Audit Committee ("AC"), Finance and Investment Committee ("FIC"), Governance and Nominating Committee ("GNC"), Management Development and Compensation Committee ("MDCC") and Conflicts Resolution Committee ("CRC"). These committees functioned within clearly defined terms of reference and operating procedures. The terms of reference of these committees were reviewed on a regular basis.

The composition of the CIT Board Committees for the financial year ended 31 March 2015 was:

Name of Director	CIT Board	Audit Committee	Finance and Investment Committee	Governance and Nominating Committee	Management Development and Compensation Committee	Conflicts Resolution Committee
Daniel Cuthbert Ee Hock Huat	Non-Executive Chairman and Independent Director	-	Member	Member	Member	Chairman
Yeo Wico	Independent Director	Member	-	Chairman	Chairman	Member
Mark Andrew Yeo Kah Chong	Independent Director	Chairman	-	-	-	Member
Haresh Jaisinghani (1)	Independent Director	Member	Chairman	-	-	Member
Ong Beng Teck	Non-Executive Director	-	Member	Member	Member	-

(1) Also served as Chairman of CityLink Investments Pte. Ltd., the holding company of the Basslink Group.

The CIT Board met on a quarterly basis to review and approve, among other things, the quarterly financial results of the Trust. Between scheduled quarterly CIT Board meetings, matters for information or approval were dealt with by circulation or ad-hoc CIT Board meetings. Detailed papers were submitted to the CIT Board in a timely manner, providing information on the background and justifications for each proposal or mandate sought, including where applicable, forecasts and projections. Where necessary, CIT Board meetings were held by teleconference, which was permitted by the Articles of Association of the CIT TM.

The table below set out the attendances at meetings of the members of the CIT Board and the CIT Board Committees which were convened during the financial year ended 31 March 2015:

Name of Director	CIT Board	Audit Committee	Finance and Investment Committee	Governance and Nominating Committee	Management Development and Compensation Committee	Conflicts Resolution Committee
Daniel Cuthbert Ee Hock Huat	20	-	1	-	3	-
Yeo Wico	20	6	-	-	3	-
Mark Andrew Yeo Kah Chong	19	6	-	-	-	-
Haresh Jaisinghani	20	6	1	-	-	-
Ong Beng Teck	15 (1)	-	1	-	3	-
Number of meetings held	20	6	1	-	3	-

(1) Mr Ong Beng Teck recused from attending four (4) CIT Board meetings due to conflict of interest.

During the financial year ended 31 March 2015, some of the CIT Directors attended seminars, talks and courses conducted by Singapore Institute of Directors, The Stewardship and Corporate Governance Centre and other professional agencies to update themselves on corporate governance practices, risk management matters, remuneration matters and other financial and corporate matters. CIT Directors were also provided with updates and briefings from time to time by professional advisors, auditors and Management on relevant practices, new rules and regulations, listing requirements, governance practices, changes in accounting standards and risk management issues applicable to the performance to their duties and responsibilities as directors.

A formal letter of appointment was provided to the CIT Directors setting out the director's duties, responsibilities and disclosure obligations.

2. CIT Board Composition and Guidance

A CIT Director was considered to be independent in accordance with the provisions of the BTR and the Code if he is independent from management, business relationships with the CIT TM, substantial shareholder of the CIT TM and has not served for more than nine years on the CIT Board. The following CIT Directors were considered independent:

Mr Daniel Cuthbert Ee Hock Huat
Mr Yeo Wico
Mr Mark Andrew Yeo Kah Chong
Mr Haresh Jaisinghani

The composition of the CIT Board was determined using the following principles:

- the majority of CIT Board members should be non-executive and independent directors;
- the chairman of the CIT Board should be a non-executive director;
- the CIT Board should comprise directors with a wide range of commercial and management experience; and
- at least a majority of the directors should be independent from management and business relationships with the CIT TM and from the substantial shareholder of the CIT TM.

The CIT Board comprised five directors with the majority being independent non-executive directors. The CIT Board considered their board size to be appropriate for the nature and scope of CIT's operations and facilitates effective decision-making.

The CIT Directors came from diverse backgrounds with varied expertise in the infrastructure industry, finance, legal, business and management and, drawing on their experience, contribute to furthering the interests of CIT. The independent directors were particularly aware of their responsibility to constantly place the interests of unitholders foremost in the consideration of any relevant matters. The size and composition of the CIT Board was reviewed periodically to ensure that the CIT Board comprises an appropriate mix of expertise and experience to best serve the interests of CIT and its unitholders.

The CIT Board constructively challenged and helped develop proposals on strategy, and review the performance of Management in meeting agreed goals and objectives and monitor the reporting of performance. They met regularly during the financial year, without the presence of CIT Management, to discuss various matters.

3. Chairman and Chief Executive Officer

The positions of Chairman and Chief Executive Officer ("CEO") were held by different individuals in order to maintain a proper balance of power and authority. Their responsibilities are clearly defined.

The Chairman's duties included:

- leading the CIT Board in ensuring its effectiveness in engaging Management on strategy, business operations, enterprise risk and other issues pertinent to the business;
- managing the CIT Board's business and supervising the CIT Board Committees;
- setting the CIT Board meeting agenda and managing the conduct of the meetings;
- ensuring effective communication with unitholders;
- encouraging active and constructive discussions between the CIT Board and Management; and
- promoting high standards of corporate governance.

The CEO's principal responsibilities included:

- implementing the CIT Group's strategies and policies;
- managing all aspects of the CIT Group's operations and be accountable to the CIT Board for its corporate and financial performance;
- providing quality leadership and guidance to employees of the CIT Group;
- ensuring effective risk management and internal controls are in place across the entire CIT Group;
- managing and cultivating good relationships and effective communication with regulators, unitholders, media and the public; and
- ensuring effective and robust succession planning for all key positions in the CIT Group.

4. CIT Board Membership

The GNC comprises three members, majority of whom including its Chairman were independent directors, namely:

Mr Yeo Wico	-	Chairman, Independent Director
Mr Daniel Cuthbert Ee Hock Huat	-	Independent Director
Mr Ong Beng Teck	-	Non-Executive Director

The GNC's duties with regards to nomination functions were as follows:

- review and assess candidates for directorships to the CIT Board or the CIT Boards of subsidiary entities (including executive directorships) before making recommendations for appointment of new directors and re-appointment of existing directors;
- make plans for succession, in particular for the Chairman, Chief Executive Officer and other CIT Board members;
- determining annually whether or not a director is independent in the manner provided in the BTR; and
- deciding whether or not a director is able to and has been adequately carrying out his duties as a director.

The GNC conducted an annual review of the independence of the independent directors in accordance with the BTR and the Code. The four Independent CIT Directors - Messrs Daniel Ee, Yeo Wico, Mark Yeo and Haresh Jaisinghani were considered to be independent from Temasek Holdings (Private) Limited ("Temasek"), which was the sole shareholder of the CIT TM through its wholly-owned subsidiary, Nassim Investments Pte. Ltd. as well as independent from the management relationships with the CIT TM. Temasek was also the Sponsor of CIT in its IPO. Construed within the context of the BTR, the independent directors were considered to have business relationships with the CIT TM and its related corporations which consist of a large group of corporations, namely Temasek and its related corporations ("Temasek Group") and which have extensive business activities.

Messrs Daniel Ee, Yeo Wico, Mark Yeo and Haresh Jaisinghani had, in the course of their service as directors of the CIT TM, shown independent judgment in their deliberation of the interest of CIT.

The GNC and the CIT Board had considered the business relationships of the Independent CIT Directors (whether individually or through companies or firms of which they are directors, employees or partners) with the CIT TM, its substantial shareholders and its related corporations, namely the Temasek Group. They were satisfied that such business relationships had not and would not interfere with each of the Independent CIT Director's independent judgment and ability to act in the interests of all unitholders. In view of the foregoing, the CIT Board was satisfied that the Independent CIT Directors were considered to be independent.

Mr Ong Beng Teck was not considered to be an independent director as he is a Managing Director at Temasek International (Private) Limited.

The GNC and the CIT Board in principle supported limiting the number of directorships that an independent director can effectively serve. However, the GNC and the CIT Board were of the view that the effectiveness of each of the independent directors was best assessed by a qualitative assessment of the director's contributions as well as by taking into account each CIT Director's listed company board directorships, and any other relevant time commitments. If a quantitative limit on the number of directorships was imposed, the GNC and the CIT Board might have omitted outstanding individuals who despite the demands on their time had the capacity to participate and contribute as new members of the CIT Board. All CIT Board members had also confirmed that they were able to commit sufficient time for the quarterly scheduled meetings and other ad-hoc meetings, and devote appropriate preparation time ahead of each meeting.

The CIT Board did not encourage the appointment of alternate director. No alternate director was appointed to the CIT Board.

The GNC led and had put in place a formal and transparent process for the appointment and re-appointment of directors to the CIT Board.

The GNC sourced for candidates for the CIT Board or the boards of subsidiary entities who would be able to value add to CIT Management through their contributions in the relevant strategic business areas and in the constitution of strong and diverse boards. GNC members would meet up with these candidates to assess their suitability. Shortlisted candidates would then meet up with the other members of the CIT Board. Reference checks on the shortlisted candidates would be obtained. Candidates were offered the appointment after the consensus of all board members had been obtained.

One-third of directors who are longest-serving were required to retire from office every year at the annual general meeting of the CIT TM. Based on such a rotation process, each director was required to submit himself for re-election by shareholders of the CIT TM at least once every three years. Where a director was required to retire from office, the GNC and CIT Board reviewed the composition of the CIT Board and took into account factors such as that existing director's attendance, participation, contribution and competing time commitments when deciding whether to recommend that director for re-election.

5. CIT Board Performance

The GNC had adopted a set of board performance appraisal criteria which was endorsed by the CIT Board. The annual performance evaluation enabled the GNC to identify areas of improvement to the CIT Board's effectiveness as a whole. The evaluation process was carried out by way of an assessment questionnaire through which all the CIT Directors were required to complete and assess the overall effectiveness of the CIT Board. The collated findings and the trend analysis of the evaluation outcomes over the years were reported and recommendations made to the CIT Board for consideration and for future improvements to help the CIT Board discharge its duties more effectively. Feedback was also provided to Management on the areas of improvement.

6. Access to Information

The CIT Board was provided with an agenda for each meeting and CIT Board papers were circulated in advance to enable CIT Directors to review the information and to obtain such details and explanations where necessary. Management who could provide additional insight into the matters being discussed was present at the relevant time during the CIT Board meeting.

For matters which required the CIT Board's decision outside such meetings, board papers were circulated through the CIT Company Secretary for the CIT Board's consideration, with discussions and clarifications taking place between members of the CIT Board and Management directly, before approval was granted.

CIT Directors had direct access to senior management and may request from CIT Management such additional information as needed in order to make informed and timely decisions.

In addition, CIT Directors had separate and independent access to the advice and services of the joint CIT Company Secretaries, who were responsible to the CIT Board for ensuring established procedures and that the relevant statutes and regulations are complied with. The appointment and removal of the Company Secretary required the approval of the CIT Board.

Each CIT Director had the right to seek independent legal and other professional advice concerning any aspect of CIT's operations or undertakings in order to fulfill their duties and responsibilities as a CIT Director.

7. Procedures for Developing Remuneration Policies

The MDCC comprised three non-executive CIT Directors, two of whom (including the Chairman) were independent, namely:

Mr Yeo Wico	-	Chairman, Independent Director
Mr Daniel Cuthbert Ee Hock Huat	-	Independent Director
Mr Ong Beng Teck	-	Non-Executive Director

The MDCC, guided by the principles of the Code, regularly reviewed the recruitment, development and compensation of senior management staff with reference to data provided by market surveys of comparative groups. The MDCC also reviewed and recommended the directors' fees payable to CIT Directors serving on the CIT Board and CIT Board Committees of the CIT TM and also the directors' fees payable to the independent directors of the subsidiary entities.

The MDCC had approved a framework for determining the bonus pool which takes into consideration the performance of the subsidiary entities and the CIT Group. This provided transparency to the employees and at the same time provides MDCC with the flexibility to determine the quantum of award. A long-term cash incentive award for senior management staff of the subsidiary entities has also been implemented. Any award under the long-term cash incentive plan would only be vested if the CIT Group met the agreed parameters on total unitholders' return of CIT over a period of time. This ensured that the interests of CIT Management were aligned with that of the unitholders.

During the financial year, the MDCC met three times to review the Non-Executive CIT Directors' remuneration; annual increments and bonus awards for the subsidiary entities and also for the senior management staff of the CIT Group and the CIT TM; guidelines for key performance indicator settings and linkage to variable bonus for key management staff; succession planning; salary benchmarking exercise and review of the long term incentive plan for senior management staff of the CIT Group and the CIT TM.

8. Level and Mix of Remuneration and Disclosure of Remuneration

In developing a framework of remuneration and the specific remuneration packages for the CIT Directors and key management personnel of the CIT TM and the subsidiaries of CIT, the MDCC took into consideration the pay and employment conditions within the industry and in comparable companies. The MDCC had access to advice from the human resources department and from external sources if required.

The CIT Directors received a director's fee. CIT Directors were also paid an attendance fee for all CIT Board and CIT Board Committees meetings. CIT Board members were also paid directors' fees and attendance fees for ad-hoc work that the CIT Board might request them to perform. Payment of the directors' fees was subject to approval by the shareholder of the CIT TM. The directors' fees structure was as follows:

	Role	Fees ($)
CIT Board	Chairman	60,000
	Member	35,000
Audit Committee	Chairman	20,000
	Member	10,000
Other CIT Board Committees	Chairman	10,000
	Member	5,000

The remuneration package of the key management personnel of the CIT TM and the subsidiary entities comprised the base salaries and where applicable the contracted annual wage supplement, short term variable bonuses and long-term incentive award for senior management. From time to time, remuneration consultants were appointed to conduct industry benchmarking exercises to ensure the remuneration packages were competitive.

Base salaries were usually determined based on the responsibilities of the job function. The bonus pool would be determined based on the CIT Group's performance. Individual performance targets for the key management personnel were set at the beginning of the financial year. Short term variable bonuses and long term incentive awards were determined based on the individual's overall work performance and achievement of the agreed performance targets. Long term incentive award vested into cash if certain benchmarks were met over the vesting period of three years.

The summary remuneration table for the Directors and top five key management personnel of the subsidiaries of CIT for the financial year ended 31 March 2015 is set out below:

Remuneration of Directors and CEO of the CIT TM

	Remuneration $	Directors' Fees %	Salary %	Variable Bonus %	Benefits %	Total %
Directors						
Mr Daniel Cuthbert Ee Hock Huat	132,000	100	-	-	-	100
Mr Yeo Wico	109,500	100	-	-	-	100
Mr Mark Andrew Yeo Kah Chong	89,250	100	-	-	-	100
Mr Haresh Jaisinghani (1)	99,500	100	-	-	-	100
Mr Ong Beng Teck	67,500	100	-	-	-	100
CEO						
Mr Tong Yew Heng	1,175,600	NA	48	45	7	100

(1) Also received directors' fee of $45,000 for his appointment as Chairman and Director of CityLink Investments Pte. Ltd.

Top 5 Key Management Personnel

Key Management Personnel (who are not Director or CEO of the CIT TM)	Salary %	Variable Bonus %	Benefits %	Total %
$500,000 to below $750,000				
Mr Malcolm Eccles Chief Executive Officer, Basslink	73	17	10	100
Mr Tan Cheong Hin Chief Investment Officer, CIT TM	61	38	1	100
Ms Susanna Cher Chief Financial Officer and Company Secretary, CIT TM	51	42	7	100
$250,000 to below $500,000				
Mr Teo Kwan Hai Acting Chief Executive Officer, City Gas	65	29	6	100
Mr Tan Kok Soon Vice President (Production), City Gas	73	26	1	100

The total remuneration paid to the top five key management personnel for the financial year ended 31 March 2015 was $2,488,000.

There were no employees of the CIT TM, CIT and its subsidiaries who were immediate family members of the Directors or CEO and whose remuneration exceeded $50,000 during the financial year ended 31 March 2015.

9. Accountability

The CIT Board's and CIT Management's goal was to deliver sustainable value to the unitholders of CIT.

Unitholders were provided with quarterly results and major announcements were available through the SGX-ST website. CIT's latest events, press releases, analysts' presentations, distribution notices and other relevant information were also posted on its own website.

10. Audit Committee

The AC comprised three members, all of whom were independent directors, namely:

Mr Mark Andrew Yeo Kah Chong - Chairman, Independent Director
Mr Haresh Jaisinghani - Independent Director
Mr Yeo Wico - Independent Director

The responsibilities of the AC included:

- reviewing the financial statements and the internal audit report;
- reviewing audit reports (whether external or internal) to ensure that where deficiencies in internal controls have been identified, appropriate and prompt remedial action is taken by the management;
- reviewing activities of the outsourced internal auditor (see Paragraph 11) on factors such as their independence, adequate resources and appropriate standing to perform an effective role;
- monitoring the procedures in place to ensure compliance with applicable legislation, the Listing Manual and any applicable guidelines;
- monitoring and evaluating the effectiveness of CIT Group and the CIT TM's internal controls;
- reviewing the quality and reliability of information prepared for inclusion in the financial reports;
- nominating the external auditor and reviewing the cost and scope of work and the auditor's performance;
- reviewing the independence and objectivity of the external auditor and where the auditor also provides a substantial volume of non-audit services to CIT, the nature and extent of such services;
- monitoring the procedures established to regulate interested person transactions, including reviewing any interested person transactions entered into from time to time and ensuring compliance with applicable legislation and the relevant provisions of the Listing Manual;

- review effectiveness of safety, health and environment procedures established and appoint external parties to conduct independent reviews if required and report areas of potential risk; and
- review and monitor the risk management process and appoint external parties to conduct independent reviews if required and report areas of potential risk.

The AC had full access to the CIT Management and full discretion to invite any CIT Director or management staff to attend its meetings. The AC also had the authority to conduct or authorise investigations into any matters within its scope of responsibility and to obtain independent professional advice if it deemed necessary in the discharge of its responsibilities.

During the financial year, the AC met six times. The activities at the meetings included the following:

- review of the quarterly and full-year results and the financial statements, announcements required by the SGX-ST and solvency statements for recommendation to the CIT Board for approval;
- discussions with the external auditor on the annual audit plan and the report on the audit of the financial statements, review of the external auditor's objectivity and independence, review of the audit fees payable and made recommendations on the appointment of the external auditor;
- review of the effectiveness of the internal controls over financial, operational and compliance risks of CIT and its subsidiaries and the CIT TM, including financial compliance and risk management controls to safeguard the interests of the unitholders and the trust property;
- review of appointment of the internal auditor;
- discussions with the internal auditor on the internal audit plan and the internal audit report;
- review of all interested person transactions and the quarterly interested person transactions report to ensure compliance with the Listing Manual and the BTA, and review of renewal of general mandate; review of the current health, safety and environment policies and quarterly reports of the subsidiary entities and ensure compliance with approved group wide health, security, safety and environment policies;
- review of Independent Financial Advisor ("IFA") report on the interested person transaction on the construction of the data centre; and
- review of IFA reports on the interested person transaction on the proposed acquisition of the assets and liabilities of Keppel Infrastructure Trust, the proposed change to the interested person general mandate after the proposed acquisition and the change in the trustee-manager fees for the replacement trustee-manager.

Changes to accounting standards and issues which had a direct impact on the financial statements were reported to the AC by the CIT TM and highlighted by the external auditor in their report to the AC.

Where appropriate, the AC would adopt relevant best practices set out in the Guidebook for Audit Committees in Singapore that was issued by the Audit Committee Guidance Committee.

The CIT Group had a whistle blowing policy to provide a channel through which employees and members of the public may report, in good faith and in confidence, any concerns in financial and other matters, and arrangements have been put in place for independent investigation with appropriate follow-up action.

During the financial year under review, the AC also held meetings with the external auditor and internal auditor without the presence of Management.

The AC had undertaken a review of all non-audit services provided by the external auditor and they would not, in the AC's opinion, affect the independence of the external auditor. Details of non-audit fees paid to the external auditor are found in Note 10 of the financial statements.

The CIT Group was in compliance with the requirements under the SGX-ST Listing Rules 712 and 715(1) on the appointment of a same auditing firm in Singapore to audit its accounts and accounts of its subsidiaries.

11. Risk Management, Internal Controls and Internal Audit

The CIT Board ensured that a review of the effectiveness of the CIT Group's material internal controls, including financial, operational and compliance controls and risk management, was conducted. The CIT Board through the AC reviewed the audit plans, and the findings of the auditor and ensured that the CIT Management followed up on the auditor's recommendations raised, if any, during the audit process.

The CIT Group had engaged BDO LLP as its internal auditor. The internal auditor reported directly to the Chairman of AC on all internal audit matters. The internal auditor planned the internal audit schedules in consultation with, but independent of the CIT Management. The audit plan was submitted to the AC for approval prior to the commencement of the internal audit work. The AC reviewed the internal audit report quarterly and monitor the implementation of the improvements required on internal control weaknesses identified.

The CIT Group had established an Enterprise Risk Management ("ERM") framework. The subsidiary entities had conducted a comprehensive review to establish the risk parameters and identify the key and significant risks, which affect and impact the business objectives of the CIT Group. The risk mitigation for the Tier One and Two risks were developed and reviewed.

Each of the subsidiaries had established their risk management committee ("SRMC"). During the year the SRMC's identified the key processes of the Tier One risks and conducted a review of these key processes to update documentation, improve these processes, adopt risk mitigation measures, and identified and monitored key risk indicators. SRMCs have provided quarterly updates to their respective boards. These were then collated and reviewed by the CIT Group Risk Management Committee for reporting to AC and CIT Board.

The various countermeasures addressing the identified key and significant risks were reviewed: by CIT Management during their monthly management meeting or operations review; internal auditors based on the internal audit plan; by external auditors during their half year review and annual audits; and by the various CIT Board Committees. Some of the countermeasures were reviewed by independent third parties. Findings from these reviews were considered and improvements made to the various internal controls or countermeasures.

The CEO and Head of Finance of the subsidiary entities provided a quarterly management assurance on the financial reporting and internal controls to the CIT Management of the CIT TM. The then CEO and CFO of the CIT TM in turn provided a quarterly management assurance to the CIT Board.

The CIT Board had received assurance from the then CEO and CFO of the CIT TM that, as at 31 March 2015:

(a) the CIT Group's financial records have been properly maintained and the financial statements give a true and fair view of the CIT Group's operations and finances; and

(b) the CIT Group's risk management and internal control systems were adequate and effective to address significant financial, operational, compliance and information technology risks which the CIT Group considers relevant and material to its operations.

Based on the internal controls established and maintained by the CIT Group, work performed by the internal and external auditors, the reviews performed by Management and the various CIT Board Committees and the CIT Board, and assurances received from the then CEO and CFO of the CIT TM, the CIT Board, with the concurrence of the AC, was of the opinion that the CIT Group's internal controls and risk management systems were adequate and effective as at 31 March 2015 to address financial, operational, compliance and information technology controls risks which the CIT Group considers material and relevant to its operations.

12. Unitholders' Rights, Communication with Unitholders and Conduct of Unitholders' Meetings

The CIT TM regularly communicated with unitholders and attended to their queries and concerns.

As part of the continuing obligations of the CIT TM under the Listing Manual, the CIT Board's policy was that all unitholders be informed in a timely manner of all major developments that affected the CIT Group. The CIT Group had developed an Investor Relations Policy to guide CIT Management in the delivery of pertinent information to unitholders.

Quarterly results, full year results, distribution notices, press releases, analysts briefing presentations, announcements on acquisitions and other major developments were announced through the SGXNet and also posted on CIT's website. Minutes of the annual general meeting and/or extraordinary general meeting were also posted on the website. Unitholders who were interested to be notified of CIT's SGX announcements could subscribe for email alerts.

CIT Management of the CIT TM meets with analysts, institutional investors and fund managers regularly to communicate CIT's business performance and developments and gather views and feedback. CIT Management had also participated in seminars organised by SIAS and road shows organised by broking houses.

Unitholders could also send any queries that they may have regarding CIT to CIT's investor email account and CIT Management would respond to the queries.

The CIT TM ensured that unitholders had the opportunity to participate effectively and vote at unitholders' meeting. All unitholders received the Annual Report/circulars and notices of general meetings which were also published in the newspapers and announced through the SGXNet. Unitholders were also informed of the rules, including voting procedures, governing the meetings. If any unitholder were unable to attend, he was allowed to appoint up to two proxies to vote on his behalf at the meeting through proxy forms sent in advance. Each distinct issue was proposed as a separate resolution at unitholders' meetings. The CIT TM subjected all resolutions at the annual general meeting to vote by poll. The details of the voting results were announced after the general meeting through the SGXNet.

The CIT Board and Senior Management of the CIT TM were in attendance at the CIT's annual general meeting to address questions from unitholders. The external auditors were also present at such meetings to assist the CIT Directors to address unitholders' queries.

13. Dealing In Securities

The CIT TM had procedures in place prohibiting dealings by CIT Directors and staff of the CIT TM and the CIT Directors, CIT Management and employees of the subsidiaries of CIT (collectively, "Related Staff") for the period of two weeks prior to the announcement of the CIT's quarterly results and for a period of one month prior to the announcement of the annual results and ending on the date of the announcement of the relevant results.

The CIT Group had adopted a "Code of Best Practices in Unit dealing" and all Related Staff were briefed on the code and also informed that they must be mindful of the laws relating to insider trading and must not deal in:

- Units on short-term consideration;
- Units while in possession of unpublished materially price-sensitive information; and
- the securities of other listed companies while in possession of unpublished materially price-sensitive information.

14. Interested Person Transactions

The CIT TM has established review and approval procedures to ensure that interested person transactions entered into by the CIT Group were conducted on normal commercial and arm's length terms and were not prejudicial to the interests of the CIT Group and its minority unitholders.

The CIT 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. This mandate was renewed at the annual general meeting held on 30 July 2014.

There were no interested person transactions during the financial year under review not conducted under unitholders' mandate pursuant to Rule 920.

The interested person transactions transacted for the financial year ended 31 March 2015 by the CIT Group were as follows:

	Aggregate value of all interested person transactions conducted under Unitholders' mandate pursuant to Rule 920 (excluding transactions less than $100,000) $'000
(a) Sales of Goods and Services	
Temasek Holdings (Private) Limited and its Associates	
- Singapore Power Limited	
- Powergas Limited	1,388
- SATS Catering Pte Ltd	5,124
(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)	4,143
(c) Reimbursement of expenses	
Temasek Holdings (Private) Limited and its Associates	
- Singapore Power Limited	
- Powergas Limited	6,241
(d) Purchases	
Temasek Holdings (Private) Limited and its Associates	
- Aetos Security Management Pte Ltd	733
- Certis Cisco Security Pte Ltd	181 (1),(2)
- Singapore Power Limited	
- Gas Supply Pte Ltd	118,447
- Powergas Limited	87,404
- SP Services Limited	16,885
- Sembcorp Power Pte Ltd	3
- AusNet Services	
- AusNet Transmission Group Pty Ltd	1,244
- AusNet Asset Services Pty Ltd	147
- AusNet Electricity Services Pty Ltd	45
(e) Leasing of Assets (Rental charge)	
Temasek Holdings (Private) Limited and its Associates	
- Singapore Power Limited	
- Powergas Limited	605
- SP Services Limited	338
(f) Management Fee Expense (including Reimbursement of Expenses)	
Temasek Holdings (Private) Limited and its Associates	
- CitySpring Infrastructure Management Pte. Ltd.	8,523

(1) This relates to security manning services which a subsidiary has agreed to cost share in a contract with its operator and the security company.
(2) This includes the security services which a third party has agreed to bear in full.

15. Other CIT Board Committees

In addition to the GNC, MDCC and AC described under Principles 4, 7 and 10 respectively, the CIT Board had set up two other CIT Board Committees as follows:

Finance and Investment Committee

The FIC consisted of the following members:

Mr Haresh Jaisinghani	-	Chairman, Independent Director
Mr Daniel Cuthbert Ee Hock Huat	-	Independent Director
Mr Ong Beng Teck	-	Non-Executive Director

The FIC's terms of reference were to:

- review and recommend to the CIT Board on mergers, acquisitions and divestments;
- review and recommend distribution policy of the Trust;
- review and recommend financial strategies, policies, and capital structure of the Trust;
- review and recommend approval of the budget of the CIT Group;
- review and recommend equity capital raising plans for the Trust;
- review and recommend debt capital raising plans and significant banking arrangements in relation to the Trust;
- review investment policy guidelines and capital expenditure plans for the Trust; and
- review and assess the adequacy of foreign currency management in relation to the Trust.

During the financial year, the FIC met once to review the budget of the Trust and the subsidiaries and recommended their approval to the CIT Board.

Conflicts Resolution Committee

The CRC consisted entirely of Independent Directors as follows:

Mr Daniel Cuthbert Ee Hock Huat	-	Chairman, Independent Director
Mr Yeo Wico	-	Independent Director
Mr Mark Andrew Yeo Kah Chong	-	Independent Director
Mr Haresh Jaisinghani	-	Independent Director

The CRC's terms of reference were to review conflicts or potential conflicts of interest that may arise from time to time in the course of CIT's business or operations between (i) CIT, and (ii) any director or officer of the CIT TM, any controlling unitholder, or any controlling shareholder of the CIT TM.

The CRC had developed a framework to resolve conflicts or potential conflicts of interest. First, it would identify the conflict or potential conflict of interest and then assess and evaluate its nature and extent. Thereafter, it would develop and implement one or more appropriate measures with the aim of controlling, avoiding or mitigating such conflict or potential conflict. The CRC applied this framework for both day-to-day conducts of business, as well as in specific instances when a particular acquisition or disposal was contemplated. The framework was reviewed periodically to ascertain how it had worked in practice. The CRC considered and implemented further measures to fine-tune the framework from time to time, applying the benefit of practical experience thus far encountered.

The CRC had the power to appoint an independent adviser to advise on and recommend procedures to resolve or mitigate conflict or potential conflict of interests, so as to enable the CRC to discharge its duties to the unitholders.

The CRC did not meet during the financial year as there were no issues that surfaced requiring the CRC's consideration.

16. Material Contracts

There were no material contracts, that were not in the ordinary course of business, entered into by CIT or any of its subsidiaries involving the interest of the then CEO, any CIT Director, or controlling unitholder during the financial year ended 31 March 2015.

17. Statement of Policies and Practices

The CIT TM had established the following policies and practices in relation to its management and governance of CIT for the financial year ended 31 March 2015:

- the trust property of CIT was properly accounted for and trust property was kept distinct from the property of the CIT TM in its own capacity. Different bank accounts were maintained for the CIT TM in its personal capacity and in its capacity as the CIT TM of CIT;
- the CIT Board reviewed and approved all business ventures and acquisitions for CIT. CIT was focused on infrastructure business or investments in infrastructure business;
- the measures taken to manage conflicts or potential conflicts of interest were set out in paragraph 15 above;
- Management identified Interested Person Transactions ("IPTs") in relation to CIT. The internal auditor conducted quarterly reviews to determine that there were proper procedures to identify, monitor and report IPTs. IPTs were properly accounted for and the IPTs were transacted on normal commercial terms as those extended to third parties. The internal auditor reported their quarterly findings to the AC. The AC examined the quarterly reports to satisfy themselves that all IPTs were conducted in accordance with applicable requirements of the Listing Manual, the BTA, the unitholders' general mandate and any other guidelines as might be applicable. IPTs in relation to CIT during the financial year havd been disclosed in paragraph 14 above;
- the expenses payable to the CIT TM out of trust property were appropriate and in accordance with the trust deed dated 5 January 2007 (as amended) and regular internal reviews were carried out to ensure that such expenses payable are in order. Fees and expenses charged to CIT by the CIT TM out of the trust property were disclosed in Note 9 of the financial statements; and
- the CIT TM had engaged the services of and obtained advice from professional advisers and consultants from time to time particularly in relation to acquisitions and capital raising to ensure compliance with the requirements of the BTA and the Listing Manual.

Code of Corporate Governance 2012
Guidelines for Disclosure
For the Financial Year Ended 31 March 2015

Guideline	Questions	How has the Company complied?
General	(a) Has the Company complied with all the principles and guidelines of the Code? If not, please state the specific deviations and the alternative corporate governance practices adopted by the Company in lieu of the recommendations in the Code.	Yes
	b) In what respect do these alternative corporate governance practices achieve the objectives of the principles and conform to the guidelines in the Code?	Not applicable
Board Responsibility		
Guideline 1.5	What are the types of material transactions which require approval from the Board?	The CIT Board had established an internal framework to ensure that guidelines for the delegation of authority at various levels are consistently applied throughout the Group. The following required CIT Board's approval: (a) Group strategy and annual budget; (b) financial strategies at Group level including investments and divestments; (c) any new borrowings; (d) capital and Group structure related matters (issuance and redemption of units, restructuring of the Group, etc); (e) distribution policy; (f) risk management practices; (g) financial statements and results; (h) corporate governance policies and practices; (i) transactions exceeding Management's authorised approving limits and the setting of such limits; and (j) matters specified as requiring CIT Board approval under CIT's approved Interested Person Transactions General Mandate.

Members of the Board		
Guideline 2.6	(a) What is the Board's policy with regard to diversity in identifying director nominees?	The GNC led and had put in place a formal and transparent process for the appointment and re-appointment of directors to the CIT Board. The size and composition of the CIT Board was reviewed periodically to ensure that the CIT Board comprises an appropriate mix of expertise and experience to best serve the interests of CIT and its unitholders.
	(b) Please state whether the current composition of the Board provides diversity on each of the following –skills, experience, gender and knowledge of the Company, and elaborate with numerical data where appropriate.	The CIT Directors came from diverse backgrounds with varied expertise in the infrastructure industry, finance, legal, business and management and, drawing on their experience, contribute to furthering the interests of CIT. The independent directors were particularly aware of their responsibility to constantly place the interests of unitholders foremost in the consideration of any relevant matters.
	(c) What steps has the Board taken to achieve the balance and diversity necessary to maximize its effectiveness?	The GNC led and had put in place a formal and transparent process for the appointment and re-appointment of directors to the CIT Board. See Guideline 4.6 below on process for nomination of new directors and Board succession planning.
Guideline 4.6	Please describe the board nomination process for the Company in the last financial year for (i) selecting and appointing new directors and (ii) re-electing incumbent directors.	For new directors The GNC sourced for candidates for the CIT Board who would be able to value add to CIT Management through their contributions in the relevant strategic business areas and in the constitution of strong and diverse boards. GNC members would meet up with these candidates to assess their suitability. Shortlisted candidates would then meet up with the other members of the CIT Board. Reference checks on the shortlisted candidates would be obtained. Candidates were offered the appointment after the consensus of all board members had been obtained.

		For incumbent directors One-third of directors who are longest-serving were required to retire from office every year at the annual general meeting of the CIT TM. Based on such a rotation process, each director was required to submit himself for re-election by shareholders of the CIT TM at least once every three years. Where a director was required to retire from office, the GNC and CIT Board reviewed the composition of the CIT Board and took into account factors such as that existing director's attendance, participation, contribution and competing time commitments when deciding whether to recommend that director for re-election.
Guideline 1.6	(a) Are new directors given formal training? If not, please explain why. (b) What are the types of information and training provided to (i) new directors and (ii) existing directors to keep them up-to-date?	During the financial year ended 31 March 2015, some of the CIT Directors attended seminars, talks and courses conducted by Singapore Institute of Directors, The Stewardship and Corporate Governance Centre and other professional agencies to update themselves on corporate governance practices, risk management matters, remuneration matters and other financial and corporate matters. CIT Directors were also provided with updates and briefings from time to time by professional advisors, auditors and Management on relevant practices, new rules and regulations, listing requirements, governance practices, changes in accounting standards and risk management issues applicable to the performance to their duties and responsibilities as directors. A formal letter of appointment was provided to the CIT Directors setting out the director's duties, responsibilities and disclosure obligations.

Guideline 4.4	(a) What is the maximum number of listed company board representations that the Company has prescribed for its directors? What are the reasons for this number?	The GNC and the CIT Board in principle supported limiting the number of directorships that an independent director can effectively serve. However, the GNC and the CIT Board were of the view that the effectiveness of each of the independent directors was best assessed by a qualitative assessment of the director's contributions as well as by taking into account each CIT Director's listed company board directorships, and any other relevant time commitments. If a quantitative limit on the number of directorships was imposed, the GNC and the CIT Board might have omitted outstanding individuals who despite the demands on their time had the capacity to participate and contribute as new members of the CIT Board.
	(b) If a maximum number has not been determined, what are the reasons?	See Guideline 4.4(a) above.
	(c) What are the specific considerations in deciding on the capacity of directors?	See Guideline 4.4(a) above.
Board Evaluation		
Guideline 5.1	(a) What was the process upon which the Board reached the conclusion on its performance for the financial year?	The GNC had adopted a set of board performance appraisal criteria which was endorsed by the CIT Board. The annual performance evaluation enabled the GNC to identify areas of improvement to the CIT Board's effectiveness as a whole. The evaluation process was carried out by way of an assessment questionnaire through which all the CIT Directors were required to complete and assess the overall effectiveness of the CIT Board. The collated findings and the trend analysis of the evaluation outcomes over the years were reported and recommendations made to the CIT Board for consideration and for future improvements to help the CIT Board discharge its duties more effectively.
	(b) Has the Board met its performance objectives?	Yes
Independence of Directors		
Guideline 2.1	Does the Company comply with the guideline on the proportion of independent directors on the Board? If not, please state the reasons for the deviation and the remedial action taken by the Company.	Yes

Guideline 2.3	(a) Is there any director who is deemed to be independent by the Board, notwithstanding the existence of a relationship as stated in the Code that would otherwise deem him not to be independent? If so, please identify the director and specify the nature of such relationship.	The GNC conducted an annual review of the independence of the independent directors in accordance with the BTR and the Code. The four Independent CIT Directors - Messrs Daniel Ee, Yeo Wico, Mark Yeo and Haresh Jaisinghani were considered to be independent from Temasek Holdings (Private) Limited ("Temasek"), which was the sole shareholder of the CIT TM through its wholly-owned subsidiary, Nassim Investments Pte. Ltd. as well as independent from the management relationships with the CIT TM. Temasek was also the Sponsor of CIT in its IPO. Construed within the context of the BTR, the independent directors were considered to have business relationships with the CIT TM and its related corporations which consist of a large group of corporations, namely Temasek and its related corporations ("Temasek Group") and which have extensive business activities.
	(b) What are the Board's reasons for considering him independent? Please provide a detailed explanation.	Messrs Daniel Ee, Yeo Wico, Mark Yeo and Haresh Jaisinghani had, in the course of their service as directors of the CIT TM, shown independent judgment in their deliberation of the interest of CIT. The GNC and the CIT Board had considered the business relationships of the Independent CIT Directors (whether individually or through companies or firms of which they are directors, employees or partners) with the CIT TM, its substantial shareholders and its related corporations, namely the Temasek Group. They were satisfied that such business relationships had not and would not interfere with each of the Independent CIT Director's independent judgment and ability to act in the interests of all unitholders. In view of the foregoing, the CIT Board was satisfied that the Independent CIT Directors were considered to be independent.
Guideline 2.4	Has any independent director served on the Board for more than nine years from the date of his first appointment? If so, please identify the director and set out the Board's reasons for considering him independent.	Not applicable

Disclosure on Remuneration		
Guideline 9.2	Has the Company disclosed each director's and the CEO's remuneration as well as a breakdown (in percentage or dollar terms) into base/fixed salary, variable or performance-related income/ bonuses, benefits in kind, stock options granted, share-based incentives and awards, and other long-term incentives? If not, what are the reasons for not disclosing so?	Yes
Guideline 9.3	(a) Has the Company disclosed each key management personnel's remuneration, in bands of S$250,000 or in more detail, as well as a breakdown (in percentage or dollar terms) into base/fixed salary, variable or performance-related income/bonuses, benefits in kind, stock options granted, share-based incentives and awards, and other long-term incentives? If not, what are the reasons for not disclosing so?	Yes
	(b) Please disclose the aggregate remuneration paid to the top five key management personnel (who are not directors or the CEO).	Aggregate remuneration paid: S$2,488,000
Guideline 9.4	Is there any employee who is an immediate family member of a director or the CEO, and whose remuneration exceeds S$50,000 during the year? If so, please identify the employee and specify the relationship with the relevant director or the CEO.	No
Guideline 9.6	(a) Please describe how the remuneration received by executive directors and key management personnel has been determined by the performance criteria.	The remuneration package of the key management personnel of the CIT TM and the subsidiary entities comprised the base salaries and where applicable the contracted annual wage supplement, short term variable bonuses and long-term incentive award for senior management. From time to time, remuneration consultants were appointed to conduct industry benchmarking exercises to ensure the remuneration packages were competitive. Base salaries were usually determined based on the responsibilities of the job function. The bonus pool would be determined based on the CIT Group's performance. Individual performance targets for the key management personnel were set at the beginning of the financial year.

	(b) What were the performance conditions used to determine their entitlement under the short-term and long-term incentive schemes?	The MDCC had approved a framework for determining the bonus pool which takes into consideration the performance of the subsidiary entities and the Group. This provided transparency to the employees and at the same time provides MDCC with the flexibility to determine the quantum of award. A long-term cash incentive award for senior management staff of the subsidiary entities has also been implemented. Any award under the long-term cash incentive plan would only be vested if the Group met the agreed parameters on total unitholders' return of CIT over a period of time. This ensured that the interests of CIT Management were aligned with that of the unitholders. Short term variable bonuses and long term incentive awards were determined based on the individual's overall work performance and achievement of the agreed performance targets. Long term incentive award vested into cash if certain benchmarks were met over the vesting period of three years.
	(c) Were all of these performance conditions met? If not, what were the reasons?	Yes
Risk Management and Internal Controls		
Guideline 6.1	What types of information does the Company provide to independent directors to enable them to understand its business, the business and financial environment as well as the risks faced by the Company? How frequently is the information provided?	The CIT Board was provided with an agenda for each meeting and CIT Board papers were circulated in advance to enable CIT Directors to review the information and to obtain such details and explanations where necessary. For matters which required the CIT Board's decision outside such meetings, board papers were circulated for the CIT Board's consideration, with discussions and clarifications taking place between members of the CIT Board and Management directly, before approval was granted. CIT Directors had direct access to senior management and may request from CIT Management such additional information as needed in order to make informed and timely decisions.

		In addition, CIT Directors had separate and independent access to the advice and services of the joint CIT Company Secretaries, who were responsible to the CIT Board for ensuring established procedures and that the relevant statutes and regulations are complied with. The CIT Group had established an Enterprise Risk Management ("ERM") framework. Each of the subsidiaries had established their risk management committee ("SRMC"). During the year the SRMC's identified the key processes of the Tier One risks and conducted a review of these key processes to update documentation, improve these processes, adopt risk mitigation measures, and identified and monitored key risk indicators. SRMCs have provided quarterly updates to their respective boards. These were then collated and reviewed by the CIT Group Risk Management Committee for reporting to AC and CIT Board.
Guideline 13.1	Does the Company have an internal audit function? If not, please explain why.	Yes
Guideline 11.3	(a) In relation to the major risks faced by the Company, including financial, operational, compliance, information technology and sustainability, please state the bases for the Board's view on the adequacy and effectiveness of the Company's internal controls and risk management systems.	Based on the internal controls established and maintained by the CIT Group, work performed by the internal and external auditors, the reviews performed by Management and the various CIT Board Committees and the CIT Board, and assurances received from the then CEO and CFO of the CIT TM, the CIT Board, with the concurrence of the AC, was of the opinion that the CIT Group's internal controls and risk management systems were adequate and effective as at 31 March 2015 to address financial, operational, compliance and information technology controls risks which the CIT Group considers material and relevant to its operations.
	(b) In respect of the past 12 months, has the Board received assurance from the CEO and the CFO as well as the internal auditor that: (i) the financial records have been properly maintained and the financial statements give true and fair view of the Company's operations and finances; and (ii) the Company's risk management and internal control systems are effective? If not, how does the Board assure itself of points (i) and (ii) above?	Yes

Guideline 12.6	(a) Please provide a breakdown of the fees paid in total to the external auditors for audit and non-audit services for the financial year.	The estimated audit fees payable to the external auditors for FY2015 is S$722,000. Non audit services fees paid to external auditor amounted to S$539,000.
	(b) If the external auditors have supplied a substantial volume of non-audit services to the Company, please state the bases for the Audit Committee's view on the independence of the external auditors.	The AC undertook a review of all non-audit services provided by the external auditors and they would not, in the AC's opinion, affect the independence of the external auditors.
Communication with Shareholders		
Guideline 15.4	(a) Does the Company regularly communicate with shareholders and attend to their questions? How often does the Company meet with institutional and retail investors?	Yes. The CIT TM regularly communicated with unitholders and attended to their queries and concerns. CIT Management of the CIT TM meets with analysts, institutional investors and fund managers regularly to communicate CIT's business performance and developments and gather views and feedback. CIT Management had also participated in seminars organised by SIAS and road shows organised by broking houses. Quarterly results, full year results, distribution notices, press releases, analysts briefing presentations, announcements on acquisitions and other major developments were announced through the SGXNet and also posted on CIT's website. Minutes of the annual general meeting and/or extraordinary general meeting were also posted on the website. Unitholders who were interested to be notified of CIT's SGX announcements could subscribe for email alerts.
	(b) Is this done by a dedicated investor relations team (or equivalent)? If not, who performs this role?	The CEO, CIO and CFO of the then CIT TM performs this role.
	(c) How does the Company keep shareholders informed of corporate developments, apart from SGXNET announcements and the annual report?	Engagement with shareholders and other stakeholders take many forms including quarterly results briefings, email communications, as well as publications and content on the Company's website. CIT Management of the CIT TM also meets with analysts, institutional investors and fund managers regularly to communicate CIT's business performance and developments and gather views and feedback.
Guideline 15.5	If the Company is not paying any dividends for the financial year, please explain why.	Not applicable.

Code of Corporate Governance 2012
Specific Principles and Guidelines for Disclosure
For the Financial Year Ended 31 March 2015

Relevant Guideline or Principle	Page Reference in Corporate Governance Report
Guideline 1.3 Delegation of authority, by the Board to any board committee, to make decisions on certain board matters	Page 90
Guideline 1.4 The number of meetings of the Board and board committees held in the year, as well as the attendance of every board member at these meetings	Page 91
Guideline 1.5 The type of material transactions that require board approval under guidelines	Page 90
Guideline 1.6 The induction, orientation and training provided to new and existing directors	Page 91
Guideline 2.3 The Board should identify in the company's Annual Report each director it considers to be independent. Where the Board considers a director to be independent in spite of the existence of a relationship as stated in the Code that would otherwise deem a director not to be independent, the nature of the director's relationship and the reasons for considering him as independent should be disclosed	Page 91 and 93
Guideline 2.4 Where the Board considers an independent director, who has served on the Board for more than nine years from the date of his first appointment, to be independent, the reasons for considering him as independent should be disclosed.	N.A
Guideline 3.1 Relationship between the Chairman and CEO where they are immediate family members	N.A
Guideline 4.1 Names of the members of the NC and the key terms of reference of the NC, explaining its role and the authority delegated to it by the Board	Page 92
Guideline 4.4 The maximum number of listed company board representations which directors may hold should be disclosed	Page 93
Guideline 4.6 Process for the selection, appointment and re-appointment of new directors to the Board, including the search and nomination process	Page 93
Guideline 4.7 Key information regarding directors, including which directors are executive, non-executive or considered by the NC to be independent	Page 93
Guideline 5.1 The Board should state in the company's Annual Report how assessment of the Board, its board committees and each director has been conducted. If an external facilitator has been used, the Board should disclose in the company's Annual Report whether the external facilitator has any other connection with the company or any of its directors. This assessment process should be disclosed in the company's Annual Report	Page 94

Guideline 7.1 Names of the members of the RC and the key terms of reference of the RC, explaining its role and the authority delegated to it by the Board	Page 94
Guideline 7.3 Names and firms of the remuneration consultants (if any) should be disclosed in the annual remuneration report, including a statement on whether the remuneration consultants have any relationships with the company	N.A
Principle 9 Clear disclosure of remuneration policies, level and mix of remuneration, and procedure for setting remuneration	Page 95
Guideline 9.1 Remuneration of directors, the CEO and at least the top five key management personnel (who are not also directors or the CEO) of the company. The annual remuneration report should include the aggregate amount of any termination, retirement and post-employment benefits that may be granted to directors, the CEO and the top five key management personnel (who are not directors or the CEO)	Page 95 and 96
Guideline 9.2 Fully disclose the remuneration of each individual director and the CEO on a named basis. There will be a breakdown (in percentage or dollar terms) of each director's and the CEO's remuneration earned through base/fixed salary, variable or performance-related income/bonuses, benefits in kind, stock options granted, share-based incentives and awards, and other long-term incentives	Page 95
Guideline 9.3 Name and disclose the remuneration of at least the top five key management personnel (who are not directors or the CEO) in bands of S$250,000. There will be a breakdown (in percentage or dollar terms) of each key management personnel's remuneration earned through base/fixed salary, variable or performance-related income/bonuses, benefits in kind, stock options granted, share-based incentives and awards, and other long-term incentives. In addition, the company should disclose in aggregate the total remuneration paid to the top five key management personnel (who are not directors or the CEO). As best practice, companies are also encouraged to fully disclose the remuneration of the said top five key management personnel	Page 96
Guideline 9.4 Details of the remuneration of employees who are immediate family members of a director or the CEO, and whose remuneration exceeds S$50,000 during the year. This will be done on a named basis with clear indication of the employee's relationship with the relevant director or the CEO. Disclosure of remuneration should be in incremental bands of S$50,000	Page 96
Guideline 9.5 Details and important terms of employee share schemes	N.A
Guideline 9.6 For greater transparency, companies should disclose more information on the link between remuneration paid to the executive directors and key management personnel, and performance. The annual remuneration report should set out a description of performance conditions to which entitlement to short-term and long-term incentive schemes are subject, an explanation on why such performance conditions were chosen, and a statement of whether such performance conditions are met	Page 95

Guideline 11.3 The Board should comment on the adequacy and effectiveness of the internal controls, including financial, operational, compliance and information technology controls, and risk management systems The commentary should include information needed by stakeholders to make an informed assessment of the company's internal control and risk management systems The Board should also comment on whether it has received assurance from the CEO and the CFO: (a) that the financial records have been properly maintained and the financial statements give true and fair view of the company's operations and finances; and (b) regarding the effectiveness of the company's risk management and internal control systems	Page 98
Guideline 12.1 Names of the members of the AC and the key terms of reference of the AC, explaining its role and the authority delegated to it by the Board	Page 96
Guideline 12.6 Aggregate amount of fees paid to the external auditors for that financial year, and breakdown of fees paid in total for audit and non-audit services respectively, or an appropriate negative statement	Page 97
Guideline 12.7 The existence of a whistle-blowing policy should be disclosed in the company's Annual Report	Page 97
Guideline 12.8 Summary of the AC's activities and measures taken to keep abreast of changes to accounting standards and issues which have a direct impact on financial statements	Page 97
Guideline 15.4 The steps the Board has taken to solicit and understand the views of the shareholders e.g. through analyst briefings, investor roadshows or Investors' Day briefings	Page 99
Guideline 15.5 Where dividends are not paid, companies should disclose their reasons.	N.A

Statistics of Unitholdings

As at 15 June 2015

ISSUED AND FULLY PAID UNITS
3,638,069,436 Units (Voting rights: 1 vote per Unit)
There is only one class of units in Keppel Infrastructure Trust

DISTRIBUTION OF UNITHOLDINGS

Size of Unitholdings	No. of Unitholders	%	No. of Units	%
1 - 99	321	0.75	6,417	0.00
100 - 1,000	11,082	25.84	7,163,892	0.20
1,001 - 10,000	17,054	39.76	71,222,469	1.96
10,001 - 1,000,000	14,331	33.41	854,723,752	23.49
1,000,001 & Above	103	0.24	2,704,952,906	74.35
Total	**42,891**	**100.00**	**3,638,069,436**	**100.00**

Country	No. of Unitholders	%	No. of Units	%
Singapore	42,304	98.63	3,615,189,605	99.37
Malaysia	335	0.78	17,329,974	0.48
Others	252	0.59	5,549,857	0.15
Total	**42,891**	**100.00**	**3,638,069,436**	**100.00**

TWENTY LARGEST UNITHOLDERS

No.	Name	No. of Units	%
1	Keppel Infrastructure Holdings Pte Ltd	652,192,408	17.93
2	DBS Nominees (Private) Limited	563,081,542	15.48
3	Bartley Investments Pte. Ltd.	355,758,550	9.78
4	Citibank Nominees Singapore Pte Ltd	295,553,305	8.12
5	Raffles Nominees (Pte) Limited	192,784,423	5.30
6	Nassim Investments Pte Ltd	123,893,062	3.41
7	Napier Investments Pte. Ltd.	88,582,500	2.43
8	United Overseas Bank Nominees (Private) Limited	61,120,020	1.68
9	HSBC (Singapore) Nominees Pte Ltd	47,437,045	1.30
10	Bank of Singapore Nominees Pte. Ltd.	22,976,641	0.63
11	HL Bank Nominees (Singapore) Pte Ltd	21,370,390	0.59
12	Morgan Stanley Asia (Singapore) Securities Pte Ltd	21,253,740	0.58
13	DBSN Services Pte. Ltd.	20,175,278	0.55
14	DB Nominees (Singapore) Pte Ltd	20,066,684	0.55
15	OCBC Nominees Singapore Private Limited	11,477,715	0.32
16	DBS Vickers Securities (Singapore) Pte Ltd	10,331,915	0.28
17	UOB Kay Hian Private Limited	7,969,636	0.22
18	BNP Paribas Nominees Singapore Pte Ltd	7,614,161	0.21
19	Phillip Securities Pte Ltd	7,130,996	0.20
20	Teh Lip Bin	7,084,240	0.19
	Total	**2,537,854,251**	**69.75**

SUBSTANTIAL UNITHOLDERS

Based on the Register of Substantial Unitholders' Unitholdings maintained by the Trustee-Manager as at 15 June 2015, the Substantial Unitholders of Keppel Infrastructure Trust and their interests in the Units of Keppel Infrastructure Trust are as follows:

Name	Direct Interest No. of Units	%	Deemed interest No. of Units	%
Keppel Infrastructure Holdings Pte. Ltd.	652,192,408	17.93	-	-
Keppel Corporation Limited[1]	-	-	652,192,408	17.93
Bartley Investments Pte. Ltd.	355,758,550	9.78	-	-
Tembusu Capital Pte. Ltd.[2]	-	-	568,234,112	15.62
Temasek Holdings (Private) Limited[3]	-	-	1,220,426,680	33.55

Notes:
1 Keppel Corporation Limited is deemed to have an interest in the Units which its wholly-owned subsidiary, Keppel Infrastructure Holdings Pte. Ltd., has interest.
2 Tembusu Capital Pte. Ltd. is deemed to have an interest in the Units in which its subsidiaries, namely Bartley Investments Pte. Ltd., Nassim Investments Pte. Ltd. and Napier Investments Pte. Ltd., have interests. Nassim Investments Pte. Ltd. has a direct interest in 3.41% of the issued Units and Napier Investments Pte. Ltd. has a direct interest in 2.43% of the issued Units.
3 Temasek Holdings (Private) Limited is deemed to have an interest in the Units in which its subsidiary, namely Tembusu Capital Pte. Ltd. and its associated companies, namely Keppel Corporation Limited and DBS Group Holdings Limited, have interests.

PUBLIC UNITHOLDERS

Based on the information available to the Trustee-Manager as at 15 June 2015, approximately 66.45% of the issued Units in Keppel Infrastructure Trust is held by the public and therefore, pursuant to Rules 1207 and 723 of the Listing Manual of the Singapore Exchange Securities Trading Limited, it is confirmed that at least 10% of the issued Units in Keppel Infrastructure Trust is at all times held by the public.

As at 15 June 2015, there are no treasury units held.

Financial Calendar

FY 2015

Financial year-end	31 March 2015
Announcement of 2015 1Q results	13 August 2014
Announcement of 2015 2Q results	3 November 2014
Announcement of 2015 3Q results	27 January 2015
Announcement of 2015 full year results	6 May 2015
Distribution payout to Unitholders for the period 1 April to 30 June 2014	
- Books closure date	1 August 2014
- Payment date	29 August 2014
Distribution payout to Unitholders for the period 1 July to 30 September 2014	
- Books closure date	11 November 2014
- Payment date	21 November 2014
Distribution payout to Unitholders for the period 1 October to 31 December 2014	
- Books closure date	4 February 2015
- Payment date	13 February 2015
Distribution payout to Unitholders for the period 1 January to 31 March 2015	
- Books closure date	15 May 2015
- Payment date	26 May 2015

FY 2016

Financial year-end	31 March 2016
Announcement of 2016 1Q results	July 2015
Announcement of 2016 2Q results	October 2015
Announcement of 2016 3Q results	January 2016
Announcement of 2016 full year results	April 2016

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