

## **FIRST QUARTER CASH AVAILABLE FOR DISTRIBUTION OF S\$3.5 MILLION MATCHES PRIOR YEAR**

### **Key Highlights:**

- 1Q10 cash available for distribution of S\$3.5 million, matches that of 1Q09
- 1Q10 cash available for distribution translates to available Distribution per Unit (“DPU”) of 1.16 Singapore cents

**Singapore, 13 May 2010** — Hyflux Water Trust Management Pte. Ltd., as trustee-manager (the “Trustee-Manager”) of Hyflux Water Trust (“HWT”), is pleased to announce that in 1Q10, HWT generated cash available for distribution of S\$3.5 million, with Operating and Maintenance Income and Finance Income comparable to that of the corresponding period last year.

The S\$3.5 million cash available for distribution translates to an available DPU for 1Q10 of 1.16 Singapore cents as compared to 1.15 Singapore cents for 1Q09.

On HWT’s results, Chief Executive Officer of the Trustee-Manager, Mr Gary Kee said: “It was a stable quarter. We remain very much focused on maintaining steady and sustainable returns. There is room for further revenue growth given that development in the industrial parks tends to lag behind economic growth. The market fundamentals of the water sector in the PRC remain strong.”

### **DISTRIBUTION**

HWT makes distributions to unitholders on a semi-annual basis for the six-month period ending 30 June and 31 December of each year. As such, the next distribution will be declared after the following quarter for the six-month period ending 30 June 2010.

### **OUTLOOK**

The global economic recovery remains tentative and the tightening of credit in the PRC may also affect the rate of its economic activities. Nonetheless, water throughput and tariff revenue of HWT’s portfolio of plants are expected to remain fairly stable.



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The Trustee-Manager is currently in negotiations to refinance its US\$66 million credit facility which is due in February 2011. The heightened concern over uncertainties in the European Union has not immediately impacted HWT's business and operations. However, a deterioration of the situation could result in a tightening of bank credit and negatively affect the cost of financing.

The plant expansion projects are currently in progress and are scheduled to be completed in 2011. The Trustee-Manager will continue to focus on measures to improve overall performance, such as tariff adjustments, cost management as well as assets enhancement.

The Trustee-Manager remains committed to distribute at least 90% of its distributable cash in 2010.

### **About Hyflux Water Trust**

HWT is the first pure-play global water business trust to be listed on a securities exchange in Asia that provides investors with an opportunity to invest in water-related infrastructure assets in the PRC, India, Middle East and North Africa and other high-growth markets globally.

HWT is able to benefit from the market reach, extensive experience, technical expertise and reputation in the water industry of the Sponsor's group of companies.

The 18 water plants in HWT's portfolio have a total designed capacity of 580,000 m<sup>3</sup>/day. Operating under long-term concession agreements, they are expected to generate cash flows which will provide long-term, regular and predictable distributions. Investments and acquisitions that HWT pursues should be yield accretive and provide long-term, regular and predictable cash flow.

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