financial results for
half year ended 31 December 2017.

21 February 2018

energy. connected.

1HFY18

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results overview and strategic highlights

Mick McCormack
Managing Director and CEO.

1H FY18 highlights

$ million	1H FY18	1H FY17	change	
Statutory results				
Revenue excluding pass-through[1]	**954.7**	954.3	steady	-
EBITDA	**755.3**	759.7	steady	0.6%
Net profit after tax	**124.0**	139.8	down	11.3%
Operating cash flow[2]	**462.5**	518.2	down	10.8%
Operating cash flow per security (cents)	**41.5**	46.5	down	10.8%
Distributions				
Distributions per security (cents)	**21.0**	20.5	up	2.4%

Notes:

(1) Pass-through revenue is revenue on which no margin is earned.

(2) Operating cash flow = net cash from operations after interest and tax payments

results overview

- **Sound results delivered and in line with FY2018 guidance expectations**
  - On track to deliver growing portfolio of committed growth projects in FY2018-19
  - Enhanced services offering customers more options, flexibility, clarity and simplicity

East Coast Grid

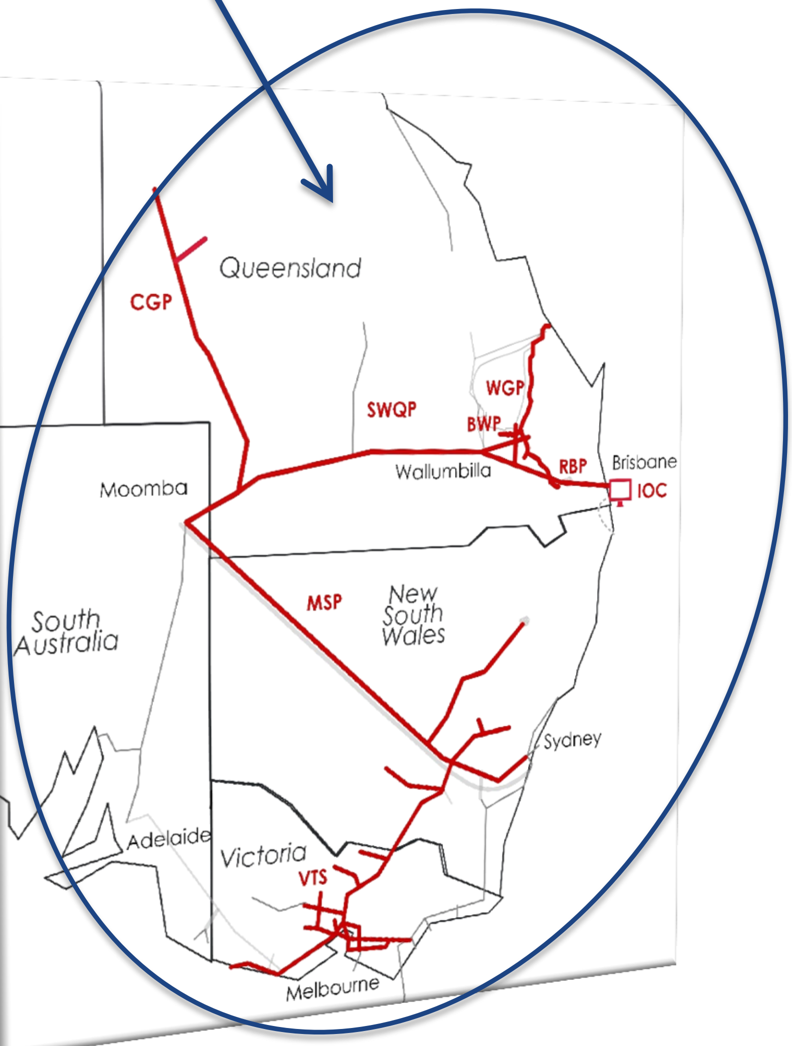
- **Committed projects** on track:
  - Reedy Creek (May 2018)
  - Darling Downs Solar Farm (late 2018)
  - Orbost Processing Plant: acquisition completed in November 2017 and refurbishment underway (mid-2019)
- **Uniquely integrated bi-directional and multi-asset, flexible services** to meet customer needs
- Recently **refreshed pipeline service offerings** providing more options, flexibility and clarity for customers
- **Pricing methodology** published

Western Australia

- **Emu Downs Solar Farm** commissioning underway
- **Mt Morgans Gas Pipeline** commissioned in January 2018
- **Committed projects** on track:
  - Badgingarra Wind Farm
  - Yamarna Gas Pipeline and Power Station
- **Refreshed service offerings** to be rolled out by June 2018

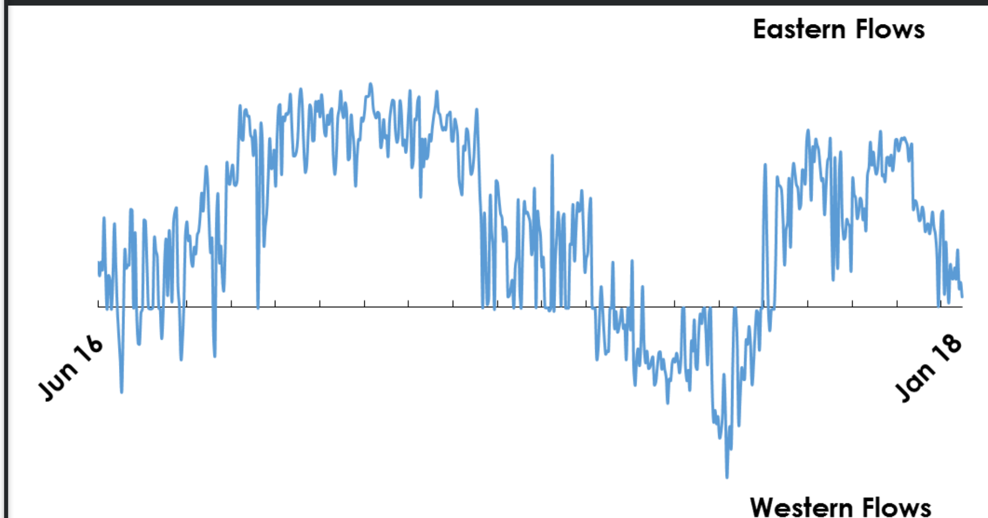
market dynamics – East Coast Grid

15 new GTA's on non-scheme pipelines, **commercially negotiated** since 1 August 2017



- Dynamic eastern Australia energy market
- Changing customer needs
  - point-to-point is yesteryear
  - require greater flexibility & seamlessness
- APA continues to innovate to help customers manage their energy portfolios
- Product offerings and services refresh

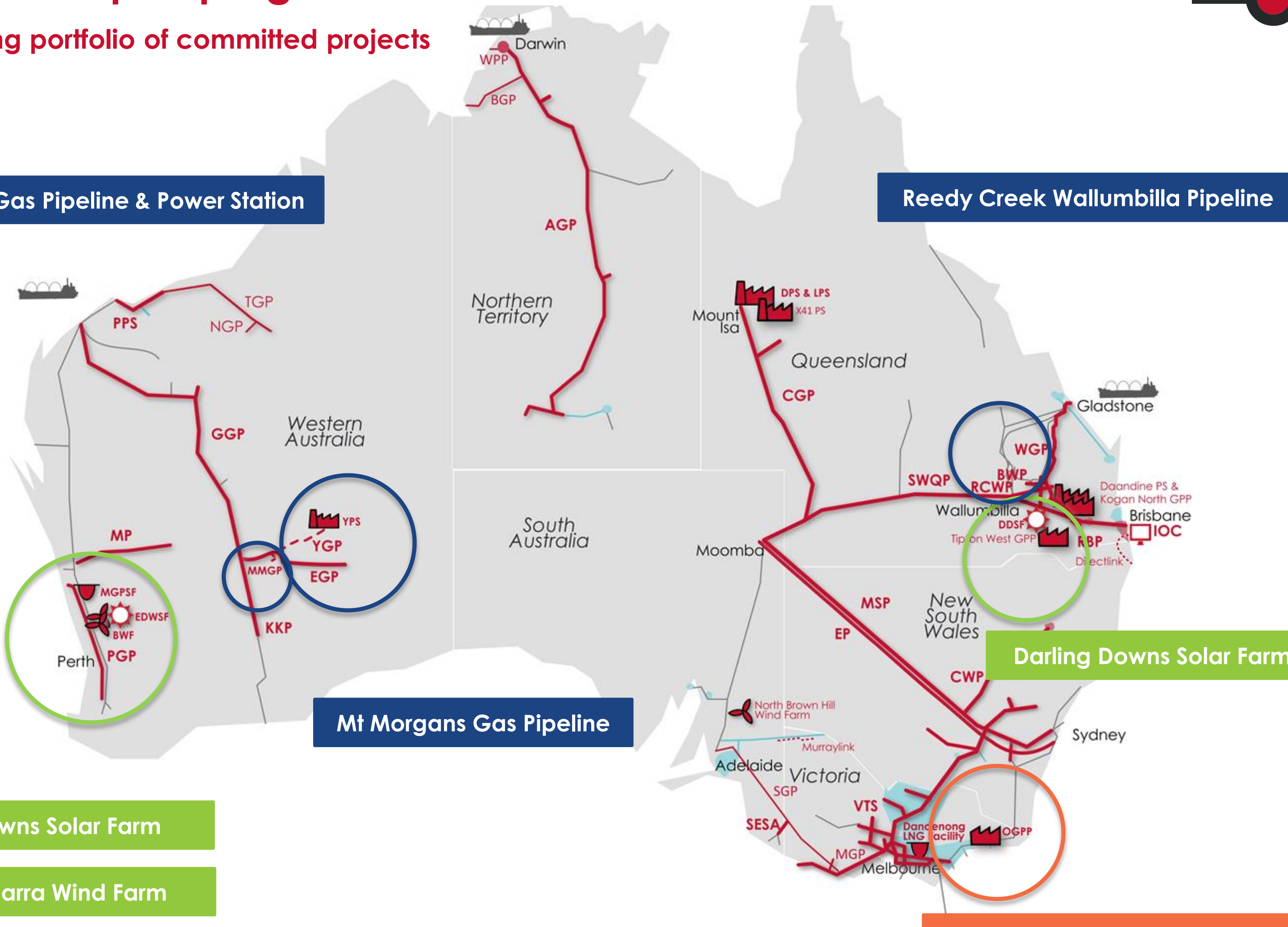
Daily net flows
– Moomba Sydney Pipeline and South West Queensland Pipeline



Source : AEMO Natural Gas Services Bulletin Board, Actual Flow (INT 924, INT 925)

a record capex program – FY2018 & FY2019

- a growing portfolio of committed projects



Yamarna Gas Pipeline & Power Station

Reedy Creek Wallumbilla Pipeline

Mt Morgans Gas Pipeline

Darling Downs Solar Farm

Emu Downs Solar Farm

Badgingarra Wind Farm

Orbost Gas Processing Plant

financial performance

Peter Fredricson
Chief Financial Officer.

summary results

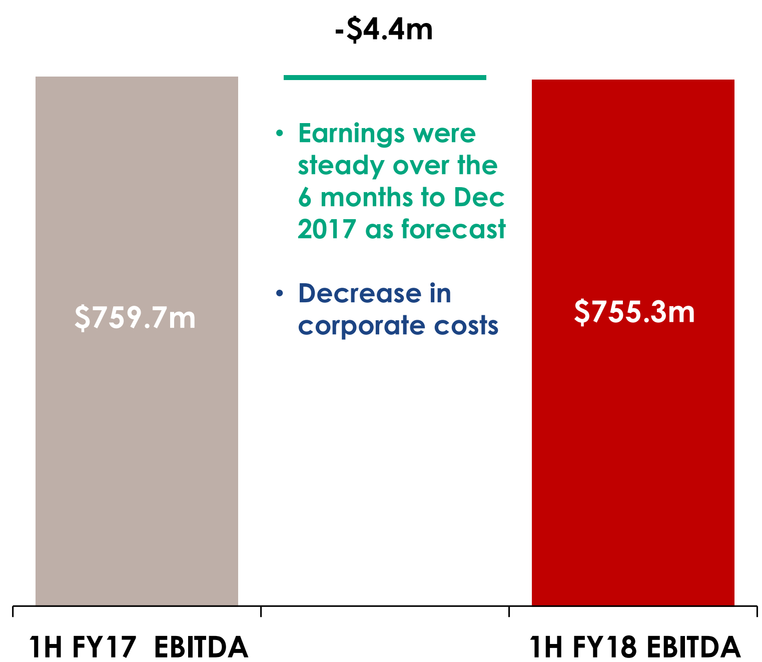
$ million	1H FY18	1H FY17	Change
Revenue excluding pass-through[1]	**954.7**	954.3	**-**
EBITDA	**755.3**	759.7	**(0.6%)**
Depreciation and amortisation	**(289.1)**	(282.0)	**(2.5%)**
EBIT	**466.1**	477.7	**(2.4%)**
Net interest expense	**(262.6)**	(254.7)	**(3.1%)**
Pre-tax profit	**203.5**	223.0	**(8.7%)**
Tax	**(79.5)**	(83.1)	**4.3%**
Net profit after tax	**124.0**	139.8	**(11.3%)**
Operating cash flow	**462.5**	518.2	**(10.8%)**
Operating cash flow per security (cents)	**41.5**	46.5	**(10.8%)**

Notes: Numbers in the table may not add due to rounding.
(1) Pass-through revenue is revenue on which no margin is earned.

1H FY18 result: EBITDA by business segment

$ million	1H FY18	1H FY17	Change
Energy Infrastructure			
Queensland	474.0	460.9	0.8%
New South Wales	71.8	80.8	
Victoria & South Australia	71.5	79.4	(9.9%)
Northern Territory	11.4	10.0	13.8%
Western Australia	117.0	120.5	(2.9%)
Energy Infra total	745.8	751.7	(0.8%)
Asset Management	25.9	25.2	2.9%
Energy Investments	11.9	12.5	(5.1%)
Corporate costs	(28.3)	(29.7)	4.7%
Total EBITDA	755.3	759.7	(0.6%)
CC/EBITDA[1]	3.6%	3.8%	

1H FY18 EBITDA Bridge

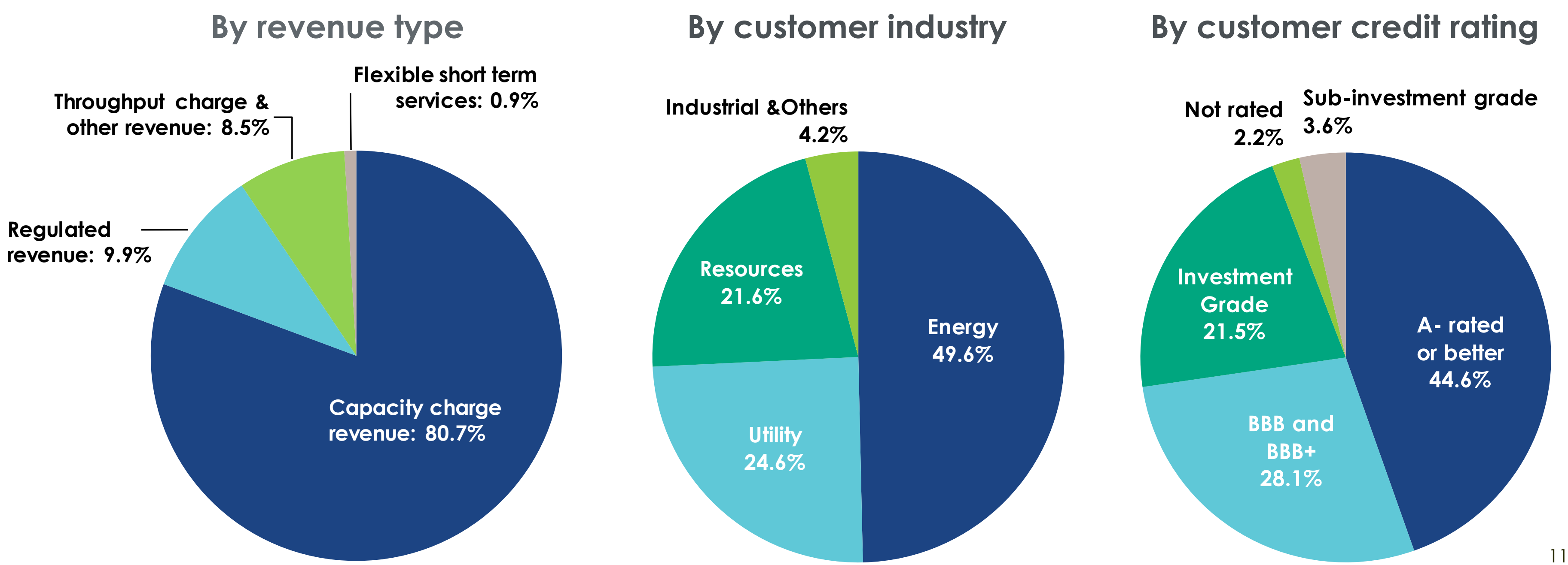


Notes: Numbers in the table may not add due to rounding.
(1) As a % of EBITDA before Corporate costs.

low risk business model

- APA has solid risk management processes in place
- Continue to manage counterparty risks by:
  - Diversification of customers and industry exposures
  - Assessment of counterparty creditworthiness
  - Entering into long term contracts to support major capital spend
- Revenue weighted average contract tenor remaining: 13.5 years

Energy Infrastructure revenue split

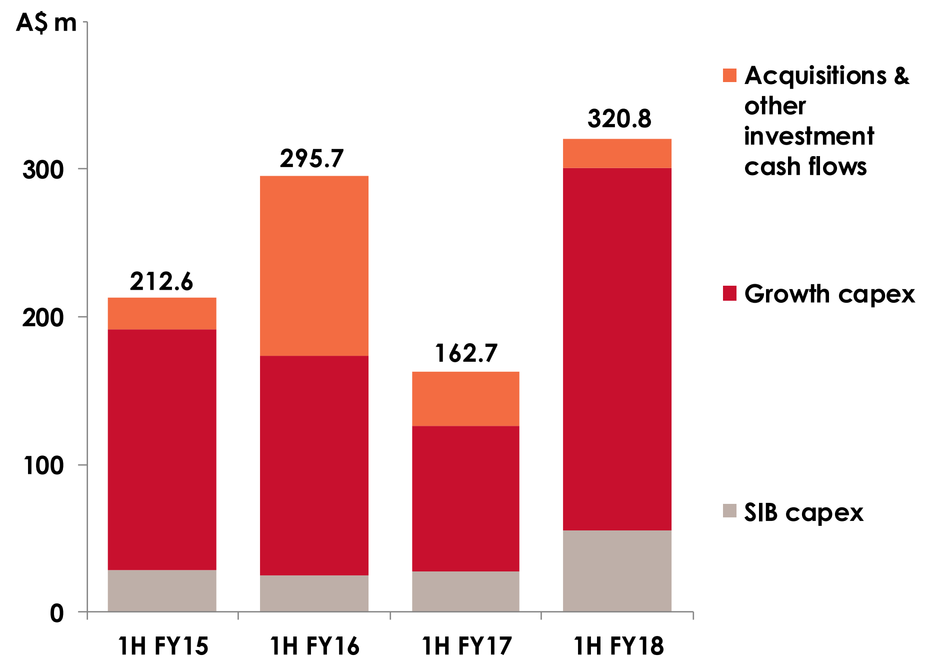


capital expenditure and investment cash flows

$ million	1H FY18	1H FY17
Growth capex		
Regulated – Victoria	22.4	46.6
Non-regulated		
East Coast Grid	78.9	22.2
Western Australia	120.1	2.6
Other	24.3	27.7
Investments & acquisitions	20.0	36.5
Total growth capex & investments	**265.7**	**135.7**
Stay-in business capex	55.1	27.0
Total capital & investment expenditure[(1)]	**320.8**	**162.7**

Notes: Numbers in the table may not add due to rounding.

(1) Capital expenditure ("capex") represents cash payments as disclosed in the cash flow statement.



Notes: Value of acquisitions represents value of acquisitions as prescribed in the notes to the financial statements.

Growth capex projects:

- VNI expansion (ongoing), SWP Western Haul Expansion
- Renewable generation: Darling Downs Solar Farm, Emu Downs Solar Farm, Badgingarra Wind Farm
- Reedy Creek Wallumbilla Pipeline
- Yamarna Gas Pipeline and Power Station
- Mt Morgans Gas Pipeline
- Orbost Gas Processing Plant acquisition

on track to deliver growth projects

Project (% spent) | Pipeline projects | Renewables projects | Midstream projects

Projects	Project (% spent)	1H FY18 – 2H FY20	Customer
Emu Downs Solar Farm (incl. $5.5m ARENA funding)	~98%	13-year contract	Synergy
Reedy Creek Wallumbilla Pipeline	~55%	20-year contract	APLNG
Darling Downs Solar Farm (incl. $20m ARENA funding)	~25%	12-year contract	Origin
Yamarna Pipeline & Power Station	~30%	15-year contract	Gold Road/ Gold Fields JV
Badgingarra Wind Farm	~16%	12-year contract	Alinta
Orbost Gas Processing Plant	~24%	Multi year contract	Cooper
Other Projects	~30%		Various

Total growth capex ('in-flight' to date)	FY18 on track: ~$900m	FY19: ~$165m

Note: diagram is illustrative only.

$200+ million incremental revenue to be delivered in FY20 through new projects

capital management

- $500 million equity raising announced in line with APA's capital management strategy of supporting growth and investment with appropriate funding
- Cash and committed undrawn facilities of around $1,350 million as at 31 December 2017 to meet the continuing needs of the business
- Credit ratings: S&P BBB (outlook Stable, confirmed Dec 2017), Moody's Baa2 (outlook Stable, confirmed Aug 2017)
- Key capital ratios are as follows:

Metrics[1]	Dec 2017	Jun 2017	Jun 2016
Gearing[1, 2]	68.9%	67.4%	66.4%
Interest cover ratio	2.6 times	2.8 times	2.6 times
Average interest rate applying to drawn debt[1, 3]	5.60%	5.56%	5.78%
Interest rate exposure fixed or hedged	94.4%	94.5%	86.5%
Average maturity of senior facilities	7.0 years	7.5 years	7.4 years

Notes:

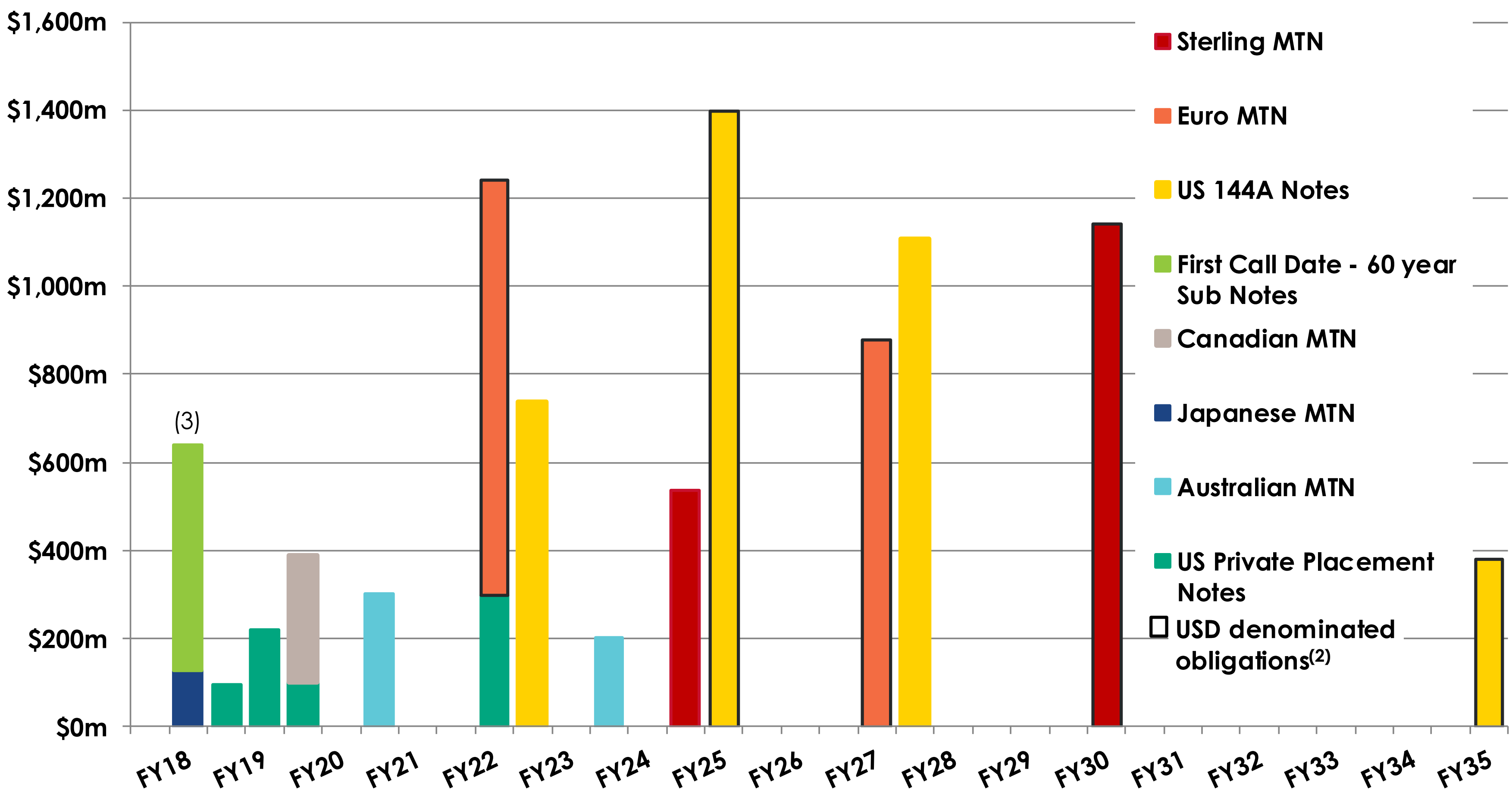
(1) For the purpose of the calculation, drawn debt that has been kept in USD (rather than AUD) and is in a designated hedge relationship with USD revenue, has been nominally exchanged at AUD/USD exchange rates of 0.7772 for Euro and GBP MTN issuances and 0.7879 for the US144A notes at respective inception dates.

(2) Ratio of net debt to net debt plus book equity.

(3) Includes $515 million of Subordinated Notes.

debt maturity profile

APA maintains diversity of funding sources and spread of maturities (1)



Note:

(1) APA debt maturity profile as at 31 December 2017.

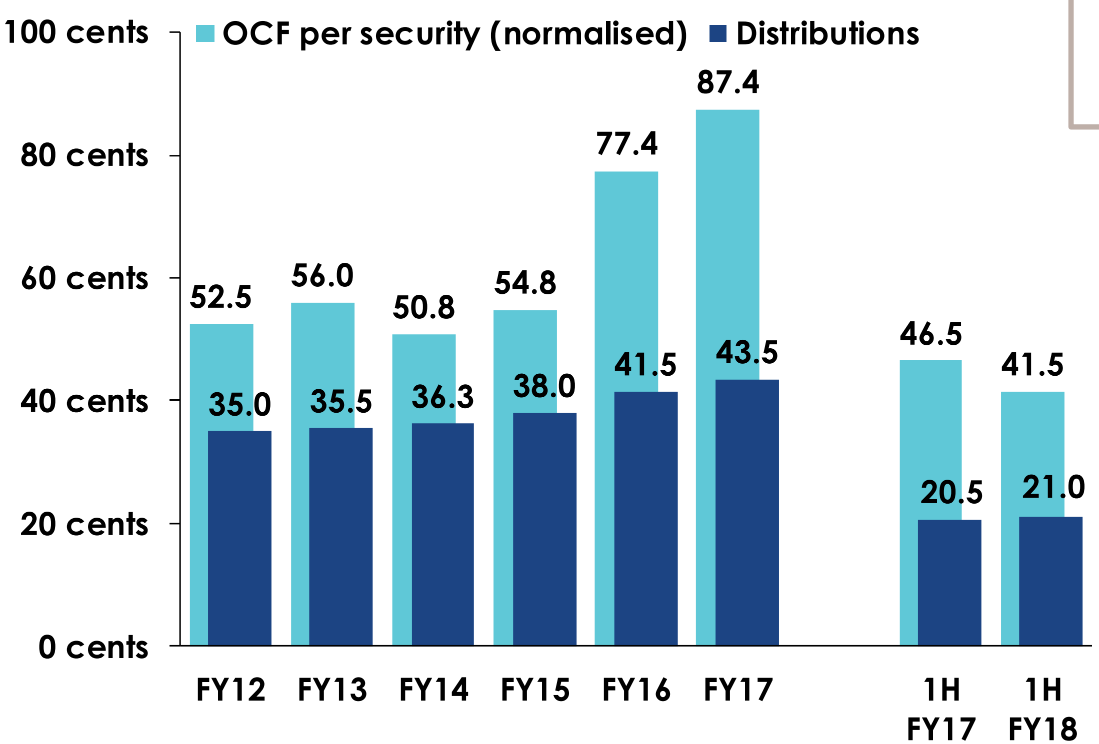
(2) USD denominated obligations translated to AUD at the prevailing rate at inception (USD144A - AUD/USD=0.7879, EMTN & Sterling - AUD/USD=0.7772).

(3) Subordinated Notes first call date of 31 March 2018. Contractual maturity date is 30 September 2072 .

fully covered distributions

- Distribution components:

5.83 cents	APT franked profit distribution
2.47 cents	APT unfranked profit distribution
7.29 cents	APT capital distribution
3.03 cents	APTIT profit distribution
2.38 cents	APTIT capital distribution
21.0 cents	

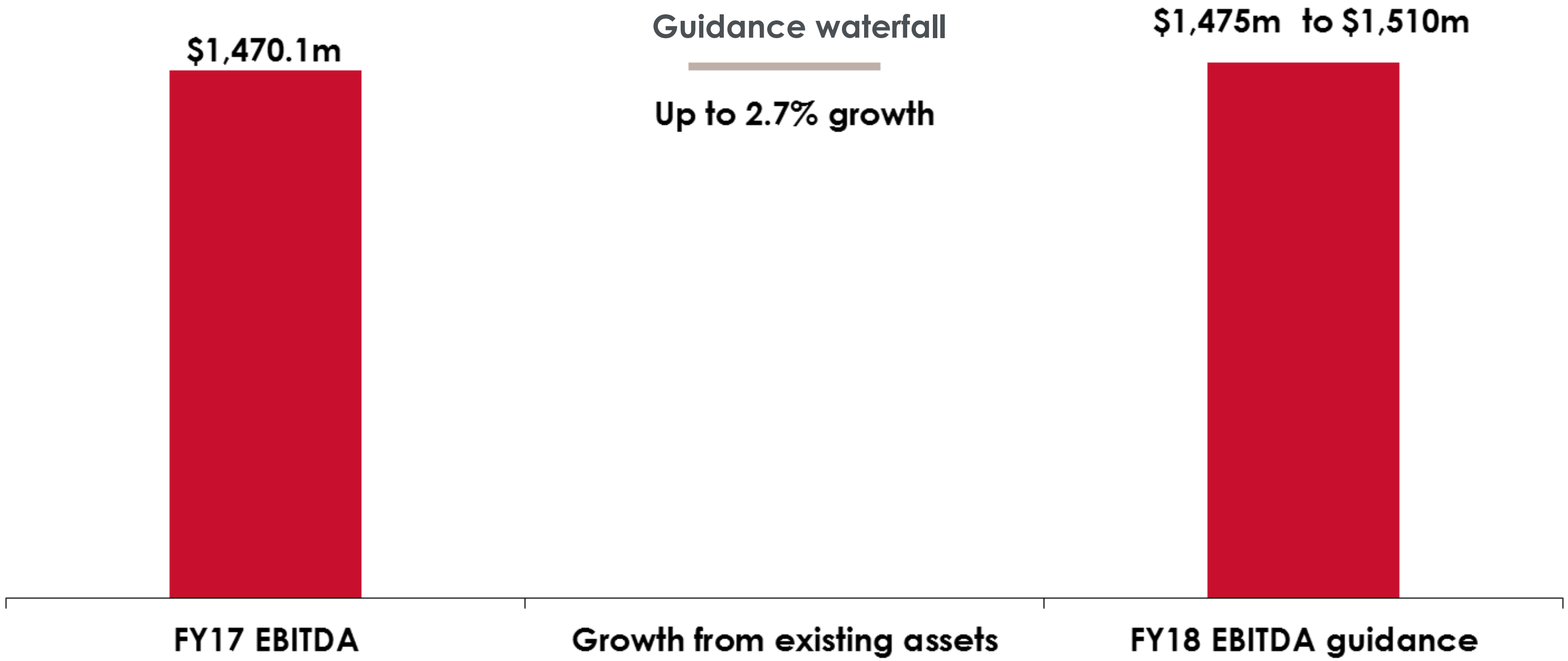


Franking Credits

- APA cash tax payer - calendar 2017
- Franking credits of 2.5 cents per security allocated to the interim APT profit distribution
- Expect future profits from APT to be distributed with some level of franking credits

FY18 guidance

- Based on current operating plans and available information, EBITDA for FY2018 is expected to be in the range of $1,475 million to $1,510 million[1]
- Net interest costs for FY2018 expected within a range of $510 million to $515 million, down from $525 million to $535 million
- Distributions per security for FY2018 expected to be in the order of 45.0 cents per security, with the 2.5 cents per security of franking credits announced for the half year and any further franking credits that may be allocated to the final distribution attaching to that cash payout
- Committed capex on track for FY2018 and FY2019



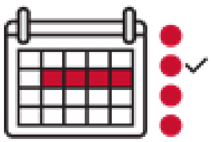
Note: (1) Bloomberg Finance L.P. Consensus (16 February 2018) (APA AU EQUITY EEO <GO>)

outlook

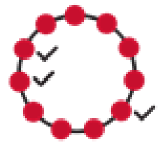
Mick McCormack
Managing Director and CEO.

customers – clarity, flexibility, simplicity

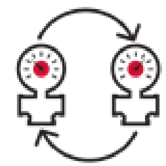
APA services refresh:



More options for shorter term capacity reservation.



Increased choice from a range of simpler and more flexible service offerings.



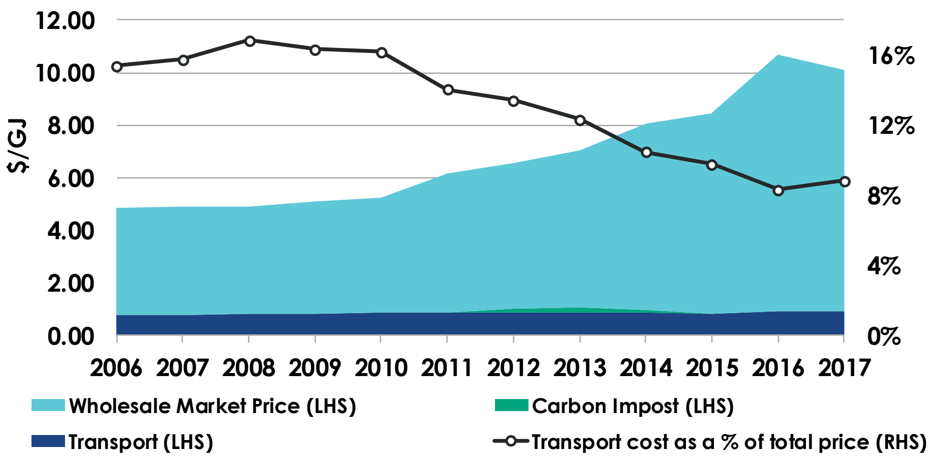
The ability to trade gas and pipeline capacity with access to services.

Better pricing through the removal of most ancillary fees and charges from both existing and future contracts.

➔ Customers can better manage their gas portfolios

➔ Facilitating gas market liquidity

Wholesale gas price – East Coast gas market average



Source: Gas Trend Report, Large industrial customer data, Jan 2018, Oakley Greenwood, commissioned for the Department of Industry, Innovation and Science

- Gas transportation costs have not increased in real terms in 15 years
- Gas transport costs have decreased as a % of the wholesale gas price
- Customers needs are varied
- Pricing methodology aligns with APA's low risk business model while ensuring business sustainability
- APA is part of the GMRG working groups developing the detail of the remaining GMRG initiatives

energy industry working together

Energy Industry Consumer Charter

- Whole of energy industry supply chain initiative (gas & electricity)
- Principles based disclosure regime focused on consumer outcomes
- Recognises the key role consumers & consumer groups have in holding the industry to account
- Commitments from 12 industry CEO's across the supply chain
- Support from Energy Consumers Australia

Consumer Charter Commitment

We each recognise the importance of the energy industry as a whole delivering energy to end users in accordance with community expectations.

We are committed to developing industry culture and solutions that are required to deliver on that purpose.

To that end, we each support the development of a Consumer Charter consistent with that purpose that will:

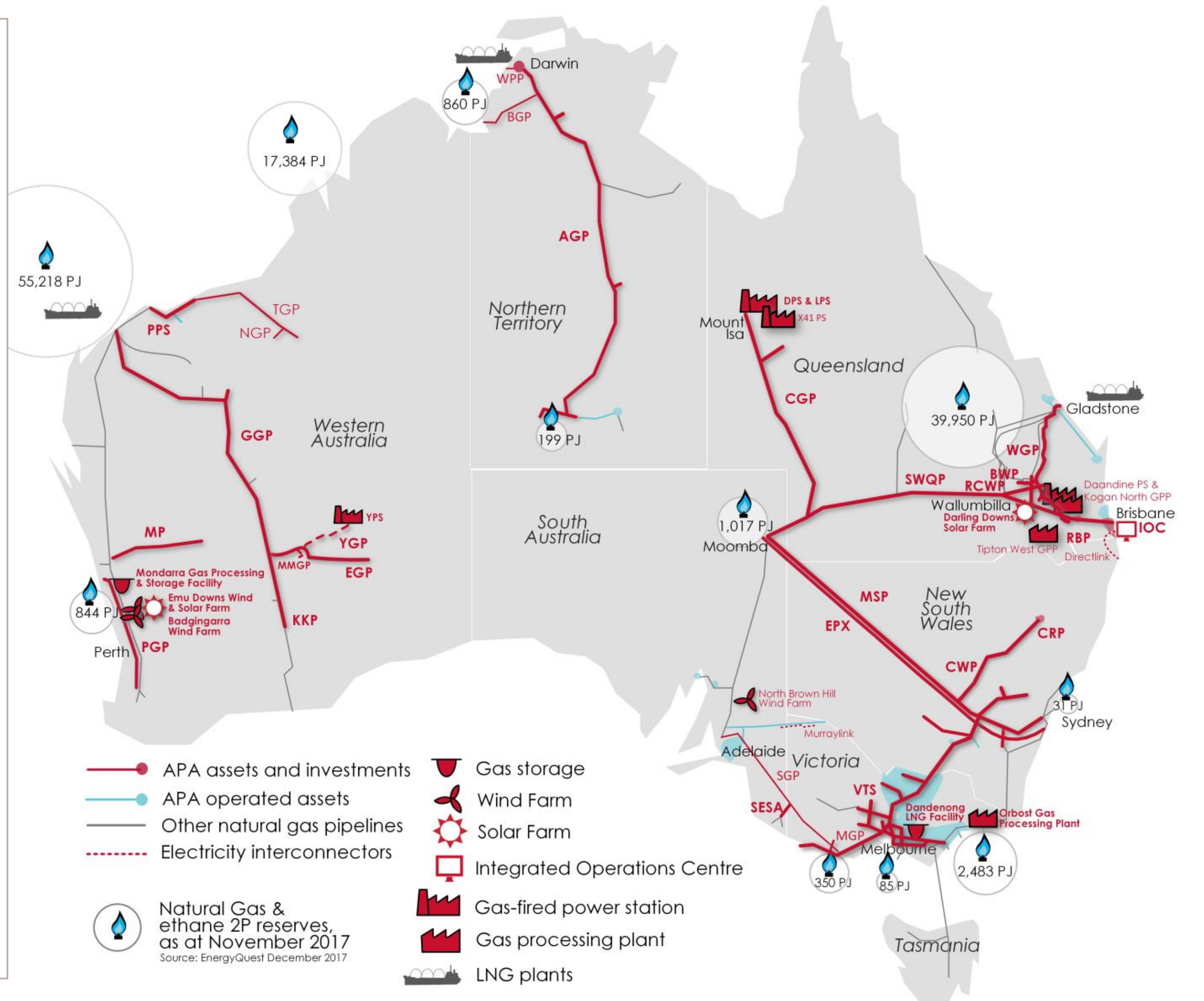
- *span the whole industry supply chain across gas and electricity, including generators,*

  distributors and retailers, noting the integral relationship between gas and electricity
- *be a disclosure based regime against end user outcome focused principles*
- *recognise the important role to be played by consumers and consumer groups in holding the industry to account against such principles.*

APA's uniquely integrated energy assets

Assets and Investments Glossary

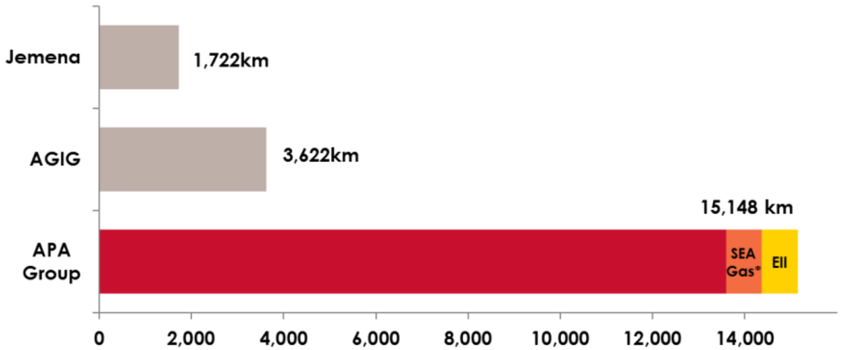
AGP	Amadeus Gas Pipeline
BGP	Bonaparte Gas Pipeline
BWF	Badgingarra Wind Farm
BWP	Berwyndale Wallumbilla Pipeline
CGP	Carpentaria Gas Pipeline
CRP	Central Ranges Pipeline & distribution network
CWP	Central West Pipeline
DDSF	Darling Downs Solar Farm
DPS & LPS	Diamantina & Leichhardt Power Stations
EGP	Eastern Goldfields Pipeline
EDWSF	Emu Downs Wind and Solar Farms
EP	Ethane Pipeline
GGP	Goldfields Gas Pipeline
IOC	Integrated Operations Centre
KKP	Kalgoorlie Kambalda Pipeline
MP	Mid west Pipeline
MGP	Mortlake Gas Pipeline
MGPSF	Mondarra Gas Processing & Storage Facility
MMGP	Mt Morgans Gas Pipeline
MSP	Moomba Sydney Pipeline
NGP	Nifty Gas Pipeline
OGPP	Orbost Gas Processing Plant
PGP	Parmelia Gas Pipeline
PPS	Pilbara Pipeline System
RBP	Roma Brisbane Pipeline
RCWP	Reedy Creek Wallumbilla Pipeline
SESA	South East South Australia Pipeline
SGP	SEA Gas Pipeline
SWQP	South West Queensland Pipeline
TGP	Tipton Gas Pipeline
VTS	Victorian Transmission System
WGP	Wallumbilla Gladstone Pipeline
WPP	Wickham Point Pipeline
X41	X41 Power Station
YGP	Yamarna Gas Pipeline
YPS	Yamarna Power Station



supplementary information.

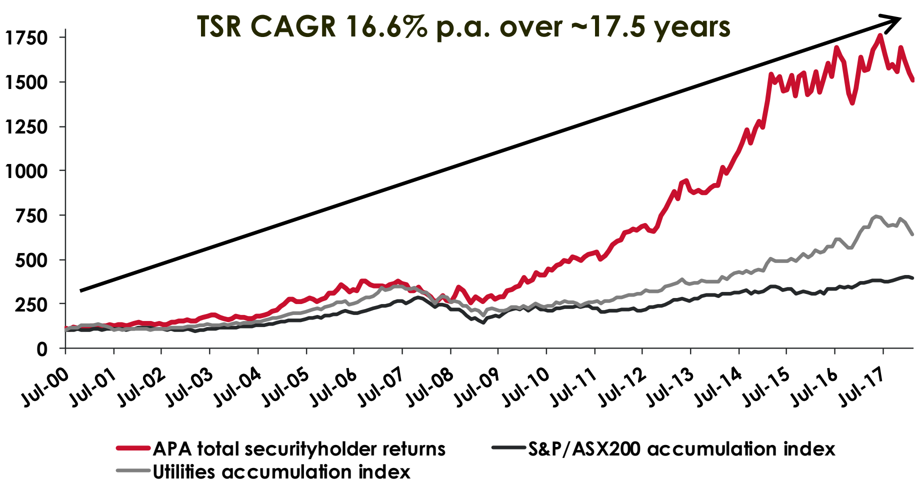
snapshot of APA

Australian gas transmission pipeline ownership by kilometres
~ APA is Australia's largest gas pipeline owner ~



Note: includes SEA Gas Pipeline and Mortlake Pipeline
Source: AER State of the Energy Market May 2017 ; Company reports; APA data as at 29 Dec 2017 and includes the Ethane Pipeline.

Total securityholder returns since listing vs index
~ Strong track record of delivering securityholder returns ~



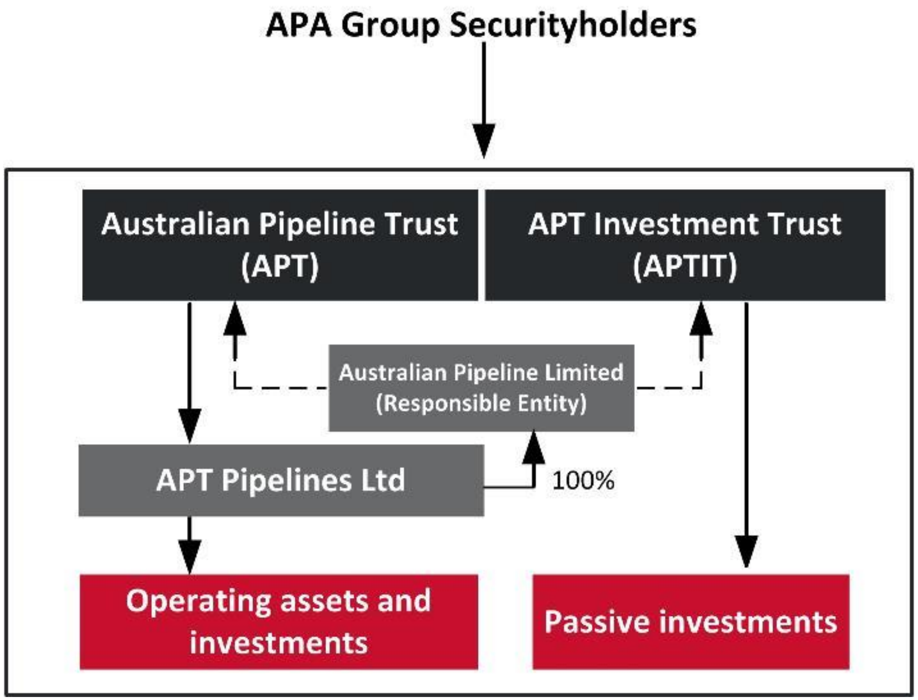
Source: IRESS, APA TSR as at 15 February 2018

APA Overview	(Ticker: APA AU)
Market cap	A$9.2 billion (as at 20 Feb 2018)
ASX rank	S&P/ASX 50
Credit rating	Moody's: Baa2 (outlook Stable) S&P: BBB (outlook Stable)
Assets owned/ operated	In excess of $20 billion **Gas transmission**(1) 15,148 km transmission pipelines Underground & LNG gas storage **Gas distribution**(2) >28,600 km gas mains & pipelines 1.4 million gas consumers **Other energy infrastructure**(3) 585 MW power generation 244 km HV electricity transmission Gas processing plants
Employees	~1,700

Notes:
(1) Includes 100% of pipelines operated by APA Group, which form part of Energy Investments segment, including SEA Gas and EII.
(2) Includes 100% of assets operated by APA Group in Queensland, New South Wales, Victoria and South Australia.
(3) Does not include infrastructure under construction or commissioning.

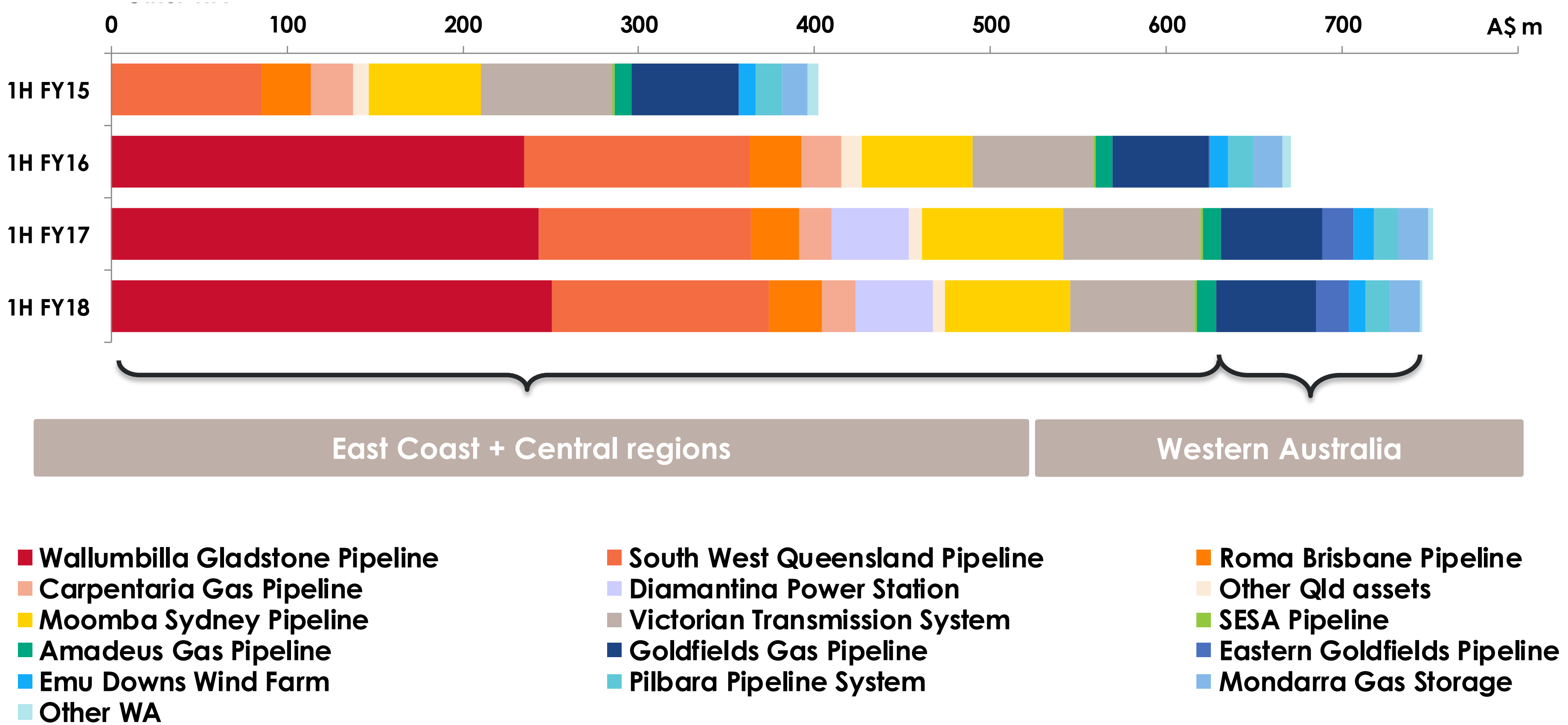
group structure

- APA is a stapled structure comprising two registered managed investment schemes:
  - Australian Pipeline Trust (ARSN 091 678 778)
  - APT Investment Trust (ARSN 115 585 441) is a pass-through trust
- Australian Pipeline Limited (ACN 091 344 704) is the responsible entity of APT and APTIT
- APA is listed as a stapled structure on the Australian Securities Exchange
- The units of APT and APTIT are stapled and must trade and otherwise be dealt with together
- APT Pipelines Limited (ABN 89 009 666 700) is APA's borrowing entity, a company wholly owned by APT, and the owner of the majority of APA's operating assets and investments



- Reporting business segments
  - **Energy Infrastructure**: APA's wholly or majority owned energy infrastructure assets
  - **Asset Management**: provision of asset management and operating services for the majority of APA's investments
  - **Energy Investments**: interests in energy infrastructure investments

1H FY18 operational summary – Energy Infrastructure

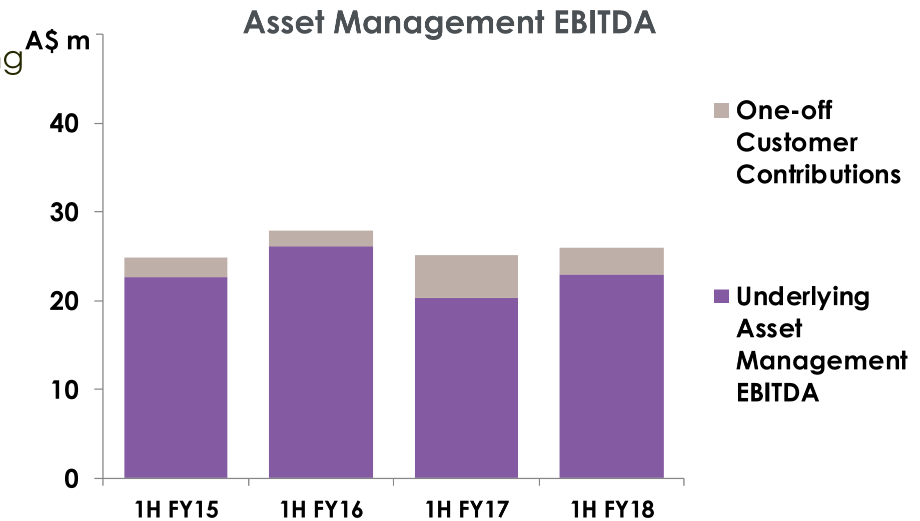


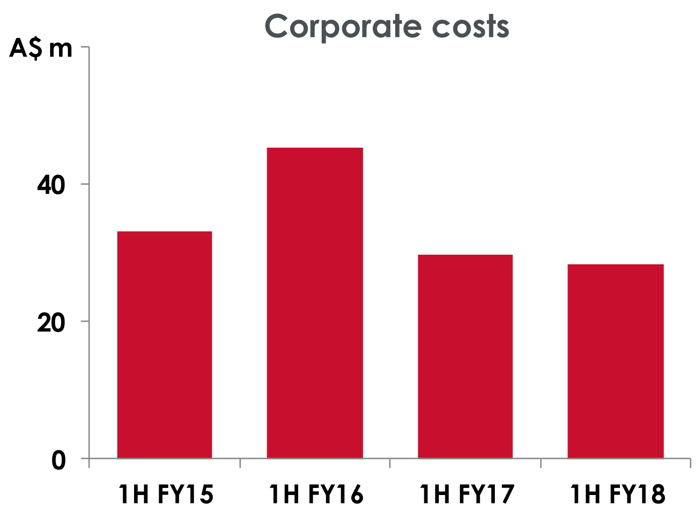
1H FY18 operational summary – Asset Management, Energy Investments and Corporate costs

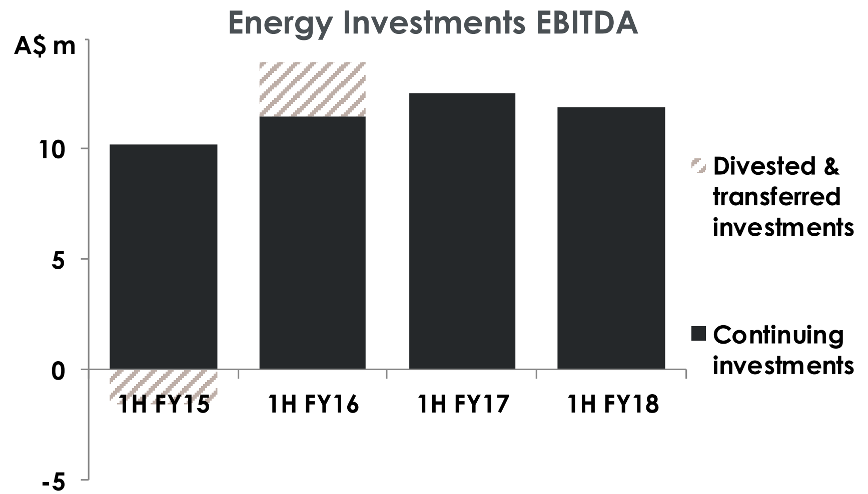
Asset Management
- Connections growth, primarily attributable to new housing developments, as natural gas continues to be a fuel of choice for household cooking, hot water and heating
- Customer contribution average remains ~$10m p.a.

Energy Investments
- Marginally lower contribution due to an increase in the effective tax rate of associates

Corporate costs
- Continued focus on reducing corporate costs

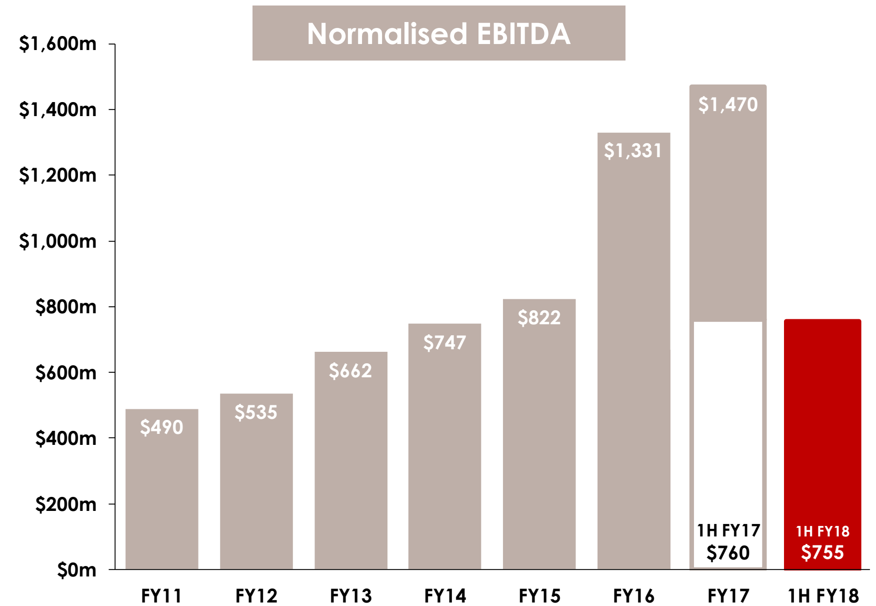


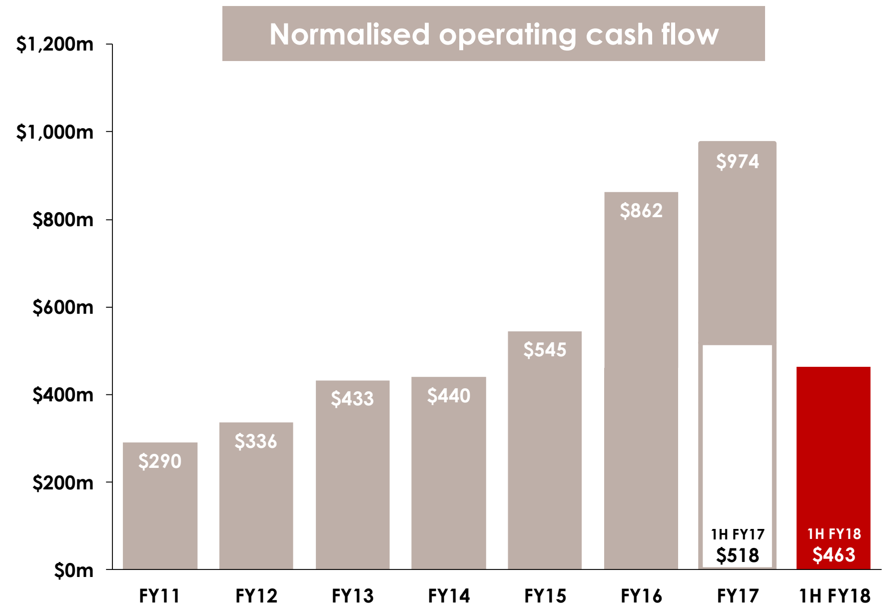


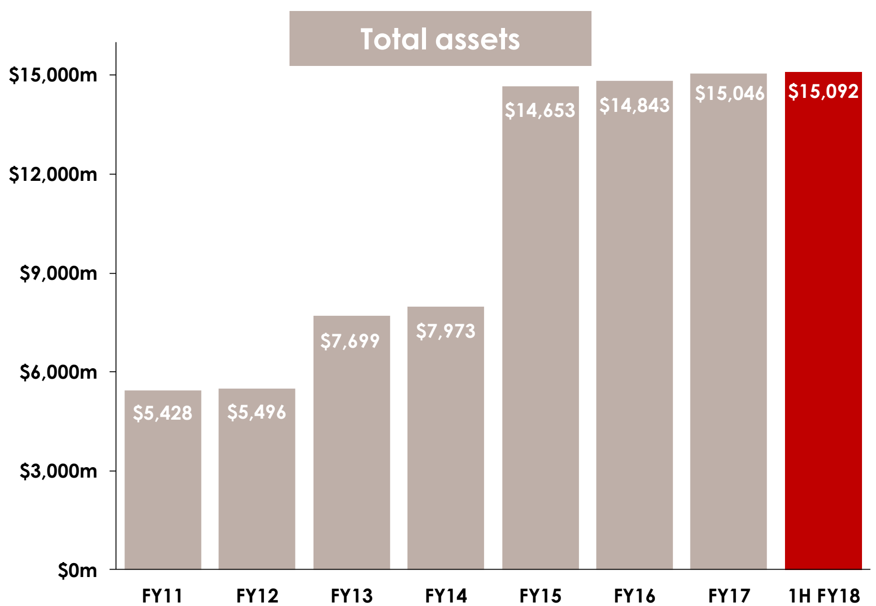


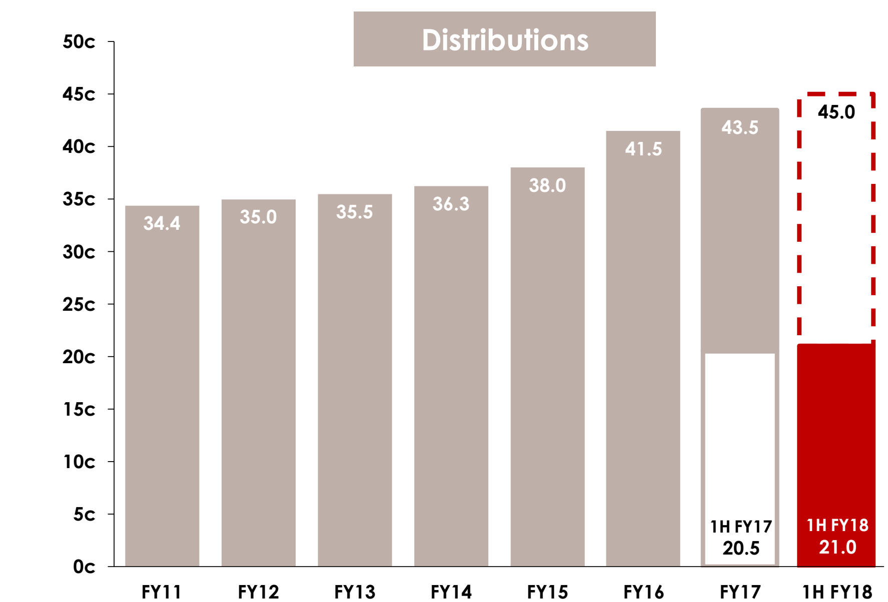
Note: Historical earnings from EPX and DPS in this graph are classified as Divested & transferred investments.

continued growth momentum









debt facilities

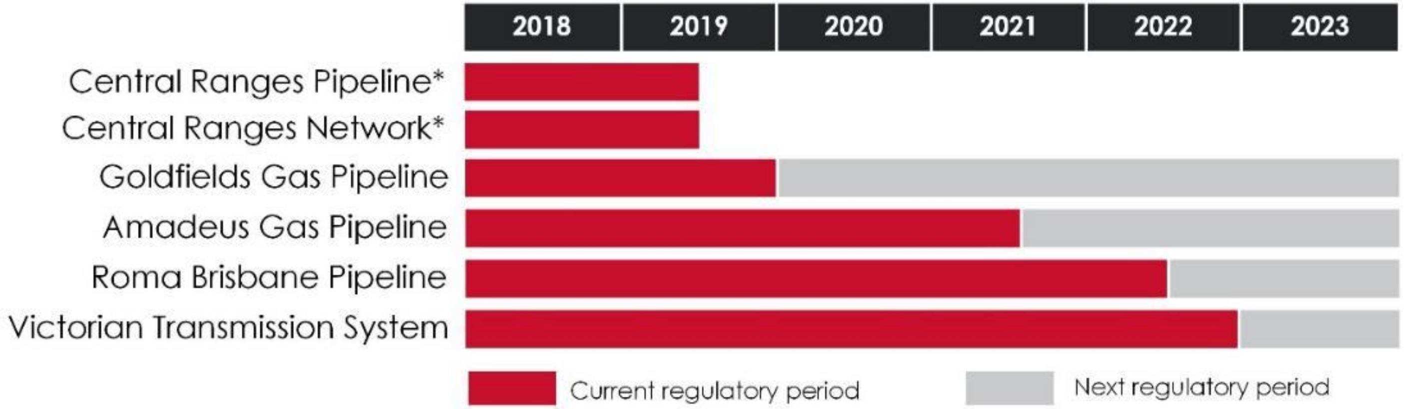
Total committed debt facilities at 31 December 2017

$ million	Facility amount	Drawn amount	Tenor
2015, 2016 & 2017 Bilateral bank facilities	550	-	2 to 4.6 year facilities maturing between May 2018 to July 2022
2015 Syndicated bank facilities	519	-	3.25 and 5.25 year tranches maturing September 2018 and 2020
2003 US Private placement	96	96	15 year tranche maturing September 2018
2007 US Private placement	516	516	12 and 15 year tranches maturing May 2019 and 2022
2009 US Private placement	99	99	10 year tranche maturing July 2019
2010 AUD Medium Term Notes	300	300	10 year tranche maturing July 2020
2012 JPY Medium Term Notes	126	126	6.5 year tranche maturing in June 2018
2012 CAD Medium Term Notes	289	289	7.1 year tranche maturing in July 2019
2012 US144a/Reg S Notes	735	735	10 year tranche maturing October 2022
2012 GBP Medium Term Notes	536	536	12 year tranche maturing in November 2024
2012 Subordinated Notes	515	515	60 year term, first call date March 2018
2015 US144a/Reg S Notes(1)	1,777	1,777	10 and 20 year tranches maturing March 2025 and March 2035
2015 GBP Medium Term Notes(1)	1,140	1,140	15 year tranche maturing March 2030
2015 EUR Medium Term Notes(1)	1,826	1,826	7 and 12 year tranches March 2022 and 2027
2016 AUD Medium Term Notes	200	200	7 year tranche maturing October 2023
2017 US144a/Reg S Notes	1,109	1,109	10.3 year tranche maturing July 2027
Total	**10,333**	**9,264**	

Note: (1) USD denominated obligations translated to AUD at the prevailing rate at inception (USD144A - AUD/USD=0.7879, EMTN & Sterling - AUD/USD=0.7772)

regulatory update

- Approximately 9.9% of APA's Energy Infrastructure revenues in 1H FY18 was regulated revenue
- APA's major regulatory resets over the next few years are as follows:



Note: Asset will cease to be covered as of 1 July 2019 in accordance with the National Gas Law and Rules

- Roma Brisbane Pipeline access arrangement review
  - In November 2017, the Australian Energy Regulator published its final decision on the Roma Brisbane Access Arrangement which will apply from 1 January 2018.
  - The regulator in its decision recognises changes in the pipeline configuration and demand profile since the regulator's last review through the approval of a bi-directional postage stamp tariff structure.
  - The new tariff is in line with that applying in the previous period.
- Victorian Transmission System access arrangement review
  - In November 2017, the Australian Energy Regulator published its final decision on the access arrangement applying to the Victorian Transmission System.
  - The Australian Energy Regulator approved APA's recent significant expansions.
  - Average tariffs will be largely unchanged from the previous period.

economic regulation of gas pipelines and networks

Regulator	• The Australian Energy Regulator (AER) is responsible for the economic regulation of gas transmission and distribution networks and enforcing the National Gas Law and National Gas Rules in all jurisdictions except Western Australia • The Economic Regulation Authority of Western Australia (ERA) is the independent economic regulator for Western Australia

Access arrangement	• Apply for a term, generally 5 years
	• Set out the terms and conditions of third party access, including
	    • At least one reference service that is commonly sought by customers – for pipelines, this is generally firm forward-haulage services
	    • A reference (benchmark) tariff for the reference service

Reference tariff	• Provides a default tariff for customers seeking the reference service but tariffs can also be negotiated for other services • Determined with reference to regulated revenue, capacity and volume forecasts

Regulated revenue	• Determined using the building block approach to recover efficient costs
	    • Forecast operating and maintenance costs
	    • Regulatory asset depreciation and
	    • Return on value of regulated assets (regulated asset base) based on WACC determination
	• WACC based on 60:40 debt equity split

Regulated asset base (RAB)	• Opening RABs have been settled with the regulator; there are no reassessments for approved RABs • RABs adjusted every access arrangement period • Increased by capital invested into the asset and reduced by regulatory depreciation costs
Regulatory coverage	• The larger distribution networks and some transmission pipelines are subject to price regulation • Price regulated assets are those which the regulatory authorities have determined, among other things, demonstrate natural monopoly characteristics and a degree of market power • Coverage can be revoked • "Light-handed" regulation is effectively a negotiate/arbitrate regime, where tariffs are negotiated with users and are subject to determination by the regulator only where the customer initiates a dispute

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