



21 November 2018

ASX ANNOUNCEMENT

APA Group (ASX: APA)

(also for release to APT Pipelines Limited (ASX: AQH))

APA RECONFIRMS FY2019 GUIDANCE OUTLOOK

APA Group (ASX:APA), today reconfirms its FY2019 guidance following termination of the Implementation Agreement with the CKI Consortium. The Implementation Agreement was terminated last night in accordance with its terms, following the Federal Treasurer's decision to prohibit the CKI Consortium's proposed acquisition of APA as described in APA's ASX release of 21 November 2018.

APA confirms that it expects to deliver earnings before interest, tax and depreciation for FY2019 within the range of \$1,550 million to \$1,575 million. The guidance takes into account all costs incurred in relation to the CKI Consortium proposal. All other guidance metrics also remain unchanged, including interest costs within the range of \$500 million to \$510 million and growth capital expenditure expected at around \$425 million, based on the current pool of committed projects in FY2019. Total distributions for the year are expected to be in the order of 46.5 cents per security plus any allocation of franking credits should these be available.

APA's Chairman, Mr Michael Fraser said, "We believe that APA's business is robust and resilient, and despite being subject to a takeover offer for almost six months, APA has been able to continue to run the business smoothly and today reconfirms the FY2019 guidance metrics as announced in August 2018.

"With the CKI Consortium proposal not proceeding, the way ahead for APA is very clear – we will continue to work on 'APA's Plan A', which is the successful growth strategy that we have employed for almost two decades. I'd like to thank: Securityholders and customers for their patience during the process; the CKI Consortium for their compelling offer and valuation of the business; and the APA team for their continued dedication to the business during this period of uncertainty."

APA is a leading Australian energy infrastructure business that has grown from an asset portfolio base of around \$500 million in 2000, to over \$20 billion of owned and/or operated assets in 2018, with a broad range of solid growth related opportunities ahead of the business.

APA's Managing Director, Mr Mick McCormack said, "Looking ahead, the \$4 billion of future opportunities that we talked about in August 2018 remain firmly on our radar, and include in excess of \$2 billion of Australian gas transportation prospects. We continue to see more growth, in the order of \$300 to \$400 million capital expenditure per annum from FY2020."

APA's 1H FY19 Results will be announced on 20 February 2019.

A handwritten signature in black ink, appearing to read 'N Codevelle', written in a cursive style.

Nevenka Codevelle
Company Secretary
Australian Pipeline Limited

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About APA Group (APA)

APA is a leading Australian energy infrastructure business, owning and/or operating in excess of \$20 billion of energy infrastructure assets. Its gas transmission pipelines span every state and territory on mainland Australia, delivering approximately half of the nation's gas usage. APA has direct management and operational control over its assets and the majority of its investments. APA also holds ownership interests in a number of energy infrastructure enterprises including SEA Gas Pipeline, SEA Gas (Mortlake) Partnership, Energy Infrastructure Investments and GDI Allgas Gas Networks.

APT Pipelines Limited is a wholly owned subsidiary of Australian Pipeline Trust and is the borrowing entity of APA Group.

For more information visit APA's website, apa.com.au