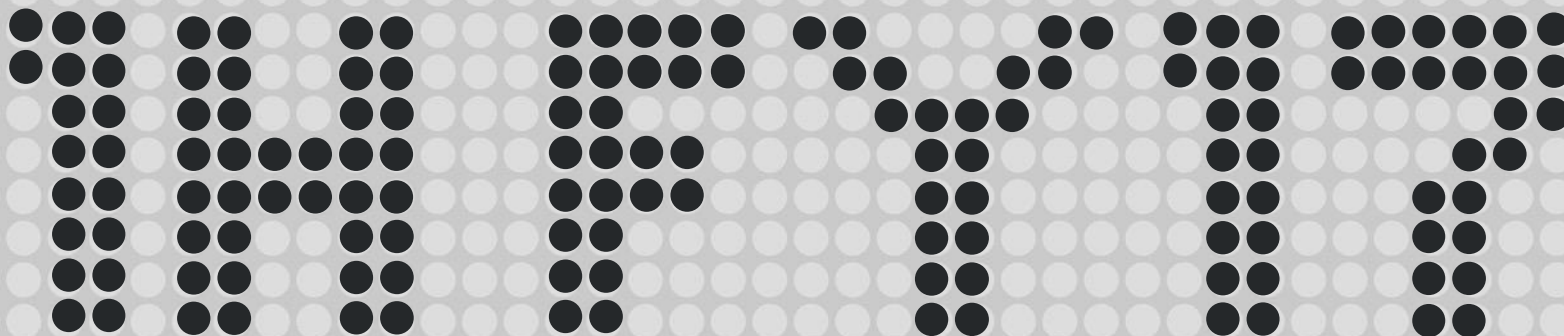


financial results for half year ended 31 December 2016.



22 February 2017

energy. connected.



This presentation has been prepared by Australian Pipeline Limited (ACN 091 344 704) as responsible entity of the Australian Pipeline Trust (ARSN 091 678 778) and APT Investment Trust (ARSN 115 585 441) (APA Group).

The information in this presentation does not contain all the information which a prospective investor may require in evaluating a possible investment in APA Group and should be read in conjunction with the APA Group's other periodic and continuous disclosure announcements which are available at www.apa.com.au.

All references to dollars, cents or '\$' in this presentation are to Australian currency, unless otherwise stated.

Not financial product advice: Please note that Australian Pipeline Limited is not licensed to provide financial product advice in relation to securities in the APA Group. This presentation is for information purposes only and is not financial product or investment advice or a recommendation to acquire APA Group securities and has been prepared without taking into account the objectives, financial situation or needs of individuals. Before making an investment decision, prospective investors should consider the appropriateness of the information having regard to their own objectives, financial situation and needs and seek professional advice if necessary.

Past performance: Past performance information should not be relied upon as (and is not) an indication of future performance.

Forward looking statements: This presentation contains certain forward looking information, including about APA Group, which is subject to risk factors. "Forward-looking statements" may include indications of, and guidance on, future earnings and financial position and performance. Forward-looking statements can generally be identified by the use of forward-looking words such as, 'expect', 'anticipate', 'likely', 'intend', 'could', 'may', 'predict', 'plan', 'propose', 'will', 'believe', 'forecast', 'estimate', 'target', 'outlook', 'guidance' and other similar expressions and include, but are not limited to, forecast EBIT and EBITDA, operating cashflow, distribution guidance and estimated asset life.

APA Group believes that there are reasonable grounds for these forward looking statements and due care and attention have been used in preparing this presentation. However, the forward looking statements, opinions and estimates provided in this presentation are based on assumptions and contingencies which are subject to change without notice, as are statements about market and industry trends, which are based on interpretations of current market conditions and are subject to risk factors associated with the industries in which APA Group operates. Forward-looking statements, opinions and estimates are not guarantees or predictions of future performance and involve known and unknown risks and uncertainties and other factors, many of which are beyond the control of APA Group, and may involve significant elements of subjective judgement and assumptions as to future events which may or may not be correct. There can be no assurance that actual outcomes will not materially differ from these forward-looking statements, opinions and estimates. A number of important factors could cause actual results or performance to differ materially from such forward-looking statements, opinions and estimates.

Investors should form their own views as to these matters and any assumptions on which any forward-looking statements are based. APA Group assumes no obligation to update or revise such information to reflect any change in expectations or assumptions.

Investment risk: An investment in securities in APA Group is subject to investment and other known and unknown risks, some of which are beyond the control of APA Group. APA Group does not guarantee any particular rate of return or the performance of APA Group.

Non-IFRS financial measures: APA Group results are reported under International Financial Reporting Standards (IFRS). However, investors should be aware that this presentation includes certain financial measures that are non-IFRS financial measures for the purposes of providing a more comprehensive understanding of the performance of the APA Group. These non-IFRS financial measures include EBIT, EBITDA and other "normalised" measures. Such non-IFRS information is unaudited, however the numbers have been extracted from the audited financial statements.

Not an offer: This presentation does not constitute an offer, invitation or recommendation to subscribe for or purchase any security. In particular, this presentation does not constitute an offer to sell, or a solicitation of an offer to buy, any securities in the United States. Securities may not be offered or sold, directly or indirectly, in the United States or to persons that are acting for the account or benefit of persons in the United States, unless they have been registered under the U.S. Securities Act of 1933, as amended (the U.S. Securities Act), or are offered and sold in a transaction exempt from, or not subject to, the registration requirements of the U.S. Securities Act and any other applicable state securities laws.

Non-GAAP financial measures: Investors should be aware that certain financial data included in this presentation are "non-GAAP financial measures" under Regulation G of the U.S. Securities Exchange Act of 1934, as amended. These measures are EBITDA, normalised EBITDA and statutory EBITDA. The disclosure of such non-GAAP financial measures in the manner included in the presentation may not be permissible in a registration statement under the U.S. Securities Act. These non-GAAP financial measures do not have a standardised meaning prescribed by Australian Accounting Standards and therefore may not be comparable to similarly titled measures presented by other entities, and should not be construed as an alternative to other financial measures determined in accordance with Australian Accounting Standards. Although APA Group believes these non-GAAP financial measures provide useful information to users in measuring the financial performance and condition of its business, investors are cautioned not to place undue reliance on any non-GAAP financial measures included in this presentation.

results overview and strategic highlights

Mick McCormack
Managing Director and CEO.



1H FY17 highlights



\$ million	1H FY17	1H FY16	change	
Statutory results				
Revenue excluding pass-through ⁽¹⁾	954.3	812.5	Up	17.5%
EBITDA	759.7	667.6	Up	13.8%
Net profit after tax	139.8	99.5	Up	40.5%
Operating cash flow ⁽²⁾	518.2	462.1	Up	12.1%
Operating cash flow per security (cents)	46.5	41.5	Up	12.0%
Distributions				
Distributions per security (cents)	20.5	19.0	Up	7.9%

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

- **Solid results delivered through continued commitment to investment and innovation**
 - Expanded network of integrated assets
 - Enhanced services offering flexibility and reliability
 - Increased capacity through removing bottlenecks

East Coast Grid

- Full period contribution from **DPS and Ethane Pipeline** acquisitions
- **Bi-directional and multi-asset, flexible services** to meet customer needs
- **Capacity augmentation**
 - VNI, Moomba Interconnect
- **New projects** announced
 - Reedy Creek, Western Slopes
- Regulation – **no change to coverage test**

Western Australia

- Full period contribution from **EGP**
- **Mondarra** – contributions from new contracts
- **Emu Downs** – wind farm performing as expected, solar farm FID

IOC enabling dynamic asset and service management

Investments

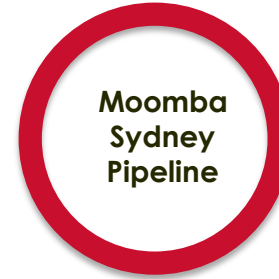
- \$162.7 million capex & acquisitions

evolution of the Moomba Sydney Pipeline



2000

point to point Moomba to Sydney gas haulage



NOW

- Integral part of East Coast Grid
- Bi-directional services
- Foundation contract with AGL renewed with multi-asset, multi-services contract
- Additional contracts as part of multi-asset, multi-services contract with key customers

multi services & connected assets



Bi-directional



**Moomba
Interconnect**



Storage



Park & Loan



**Capacity
trading**

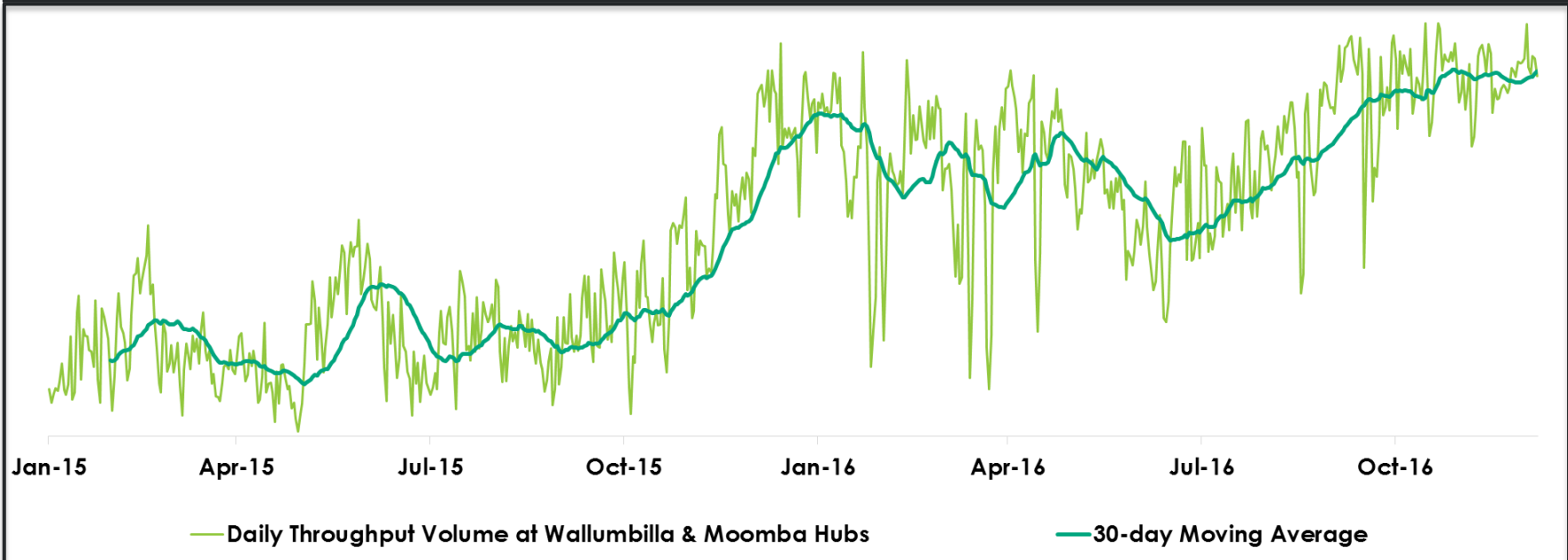
APA's East Coast Grid has:

- Delivered increased throughput
- Managed increased volatility

Made possible by continued investment in:

- East Coast Grid, in particular, removing bottlenecks
- Integrated Operations Centre
- APA Grid (IT, people & systems)

daily throughput and volatility at Wallumbilla & Moomba Hubs



delivering more energy to more customers by removing bottlenecks

Bi-directional projects

- Project completed progressively over 3+ years
- Major pipeline routes on the East Coast Grid now bi-directional - RBP, BWP, SWQP, MSP, VNI

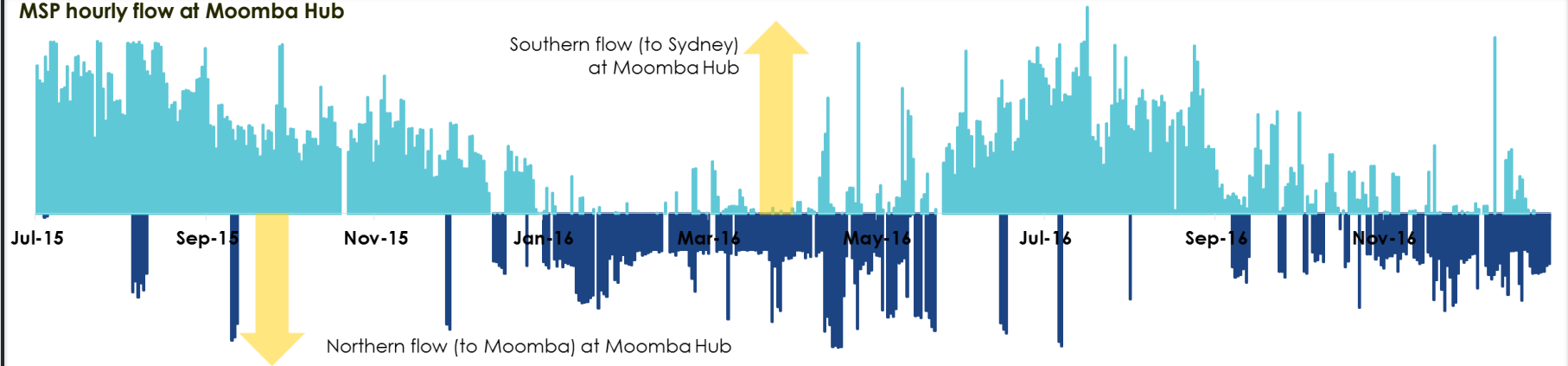
Moomba Interconnect

- Allows for more efficient operation of APA's East Coast Grid

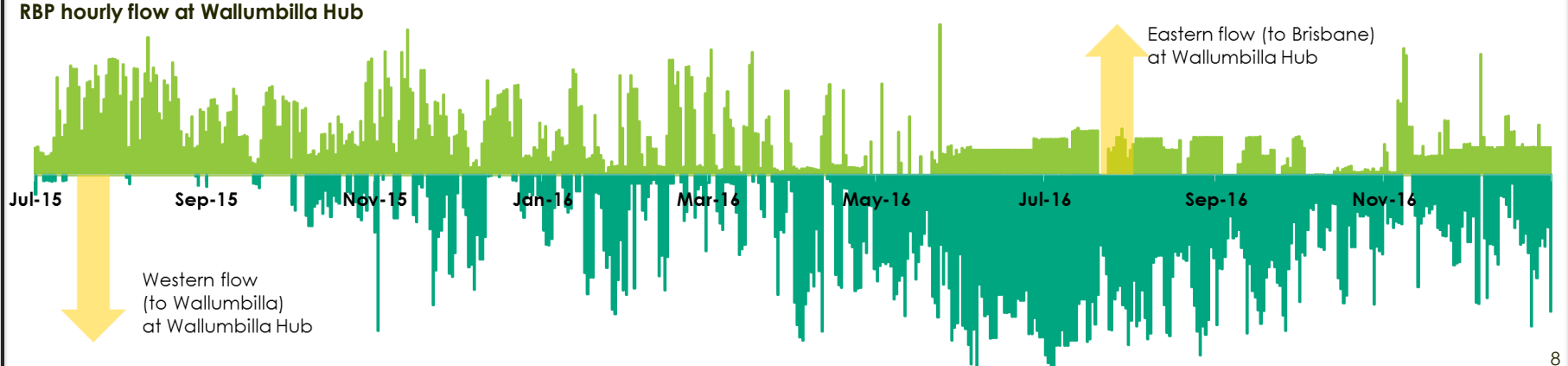
Victorian – Northern Interconnect

- \$240m+ total capex spend
- Increases interconnect capacity to 200TJ/day

MSP hourly flow at Moomba Hub



RBP hourly flow at Wallumbilla Hub



financial performance

Peter Fredricson

Chief Financial Officer



summary results



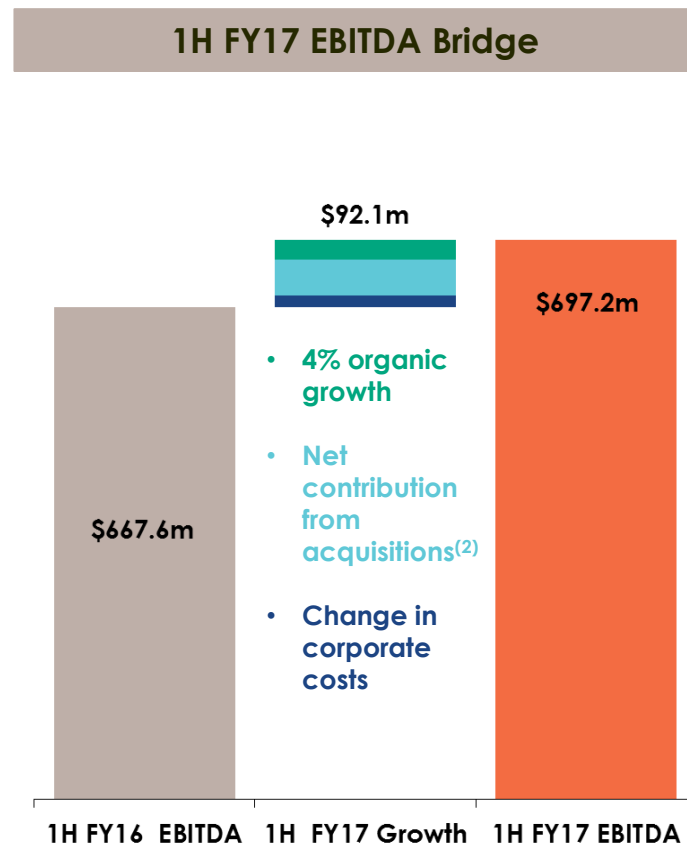
\$ million	1H FY17	1H FY16	Change
Revenue excluding pass-through ⁽¹⁾	954.3	812.5	17.5%
EBITDA	759.7	667.6	13.8%
Depreciation and amortisation	(282.0)	(250.5)	(12.6%)
EBIT	477.7	417.1	14.5%
Net interest expense	(254.7)	(253.3)	(0.6%)
Pre-tax profit	223.0	163.8	36.1%
Tax	(83.1)	(64.2)	(29.4%)
Net profit after tax	139.8	99.5	40.5%
Operating cash flow	518.2	462.1	12.1%
Operating cash flow per security (cents)	46.5	41.5	12.0%

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

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

1H FY17 result: EBITDA by business segment

\$ million	1H FY17	1H FY16	Change	% of EBITDA ⁽¹⁾
Energy Infrastructure				
Queensland	460.9	426.7	8.0%	58.4%
New South Wales	80.8	63.3	27.6%	10.2%
Victoria & South Australia	79.4	69.8	13.8%	10.1%
Northern Territory	10.0	9.9	1.6%	1.3%
Western Australia	120.5	101.5	18.8%	15.3%
Energy Infra total	751.7	671.1	12.0%	95.2%
Asset Management	25.2	27.9	(9.5%)	3.2%
Energy Investments	12.5	14.0	(10.2%)	1.6%
Corporate costs	(29.7)	(45.4)	34.5%	(3.8%)
Total EBITDA	759.7	667.6	13.8%	
CC/EBITDA ⁽¹⁾	3.8%	6.4%		



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

(1) As a % of EBITDA before Corporate costs.

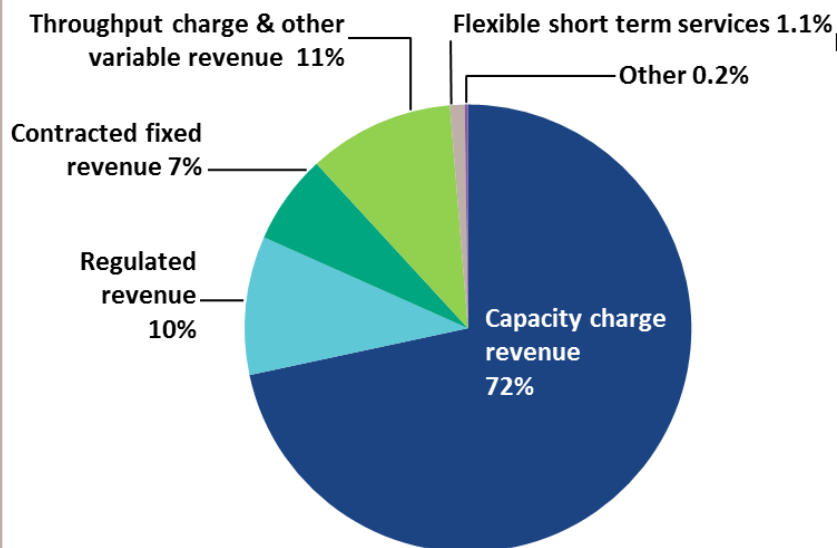
(2) Net contributions from acquisitions during the period of Diamantina and Leichhardt Power Stations and the Ethane Pipeline.

low risk business model

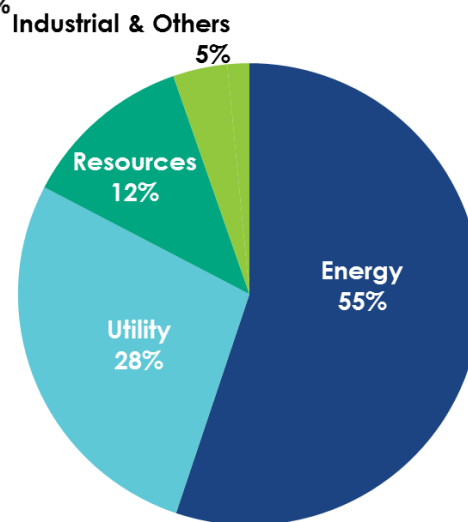
- APA has solid risk management processes in place
- Continue to manage counterparty risks by:
 - Diversification of customers & industry exposures
 - Assessment of counterparty creditworthiness
 - Entering into long term contracts to support major capital spend

Energy Infrastructure revenue split

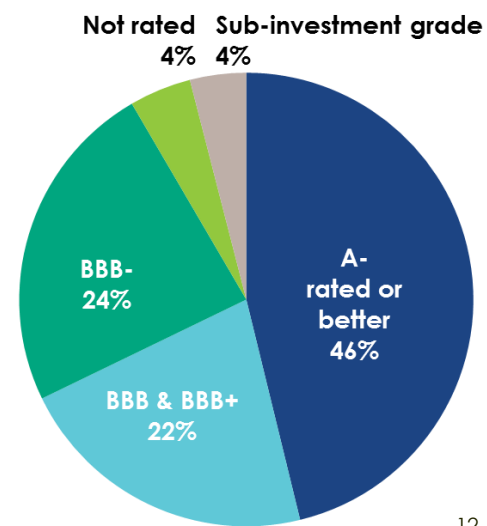
By contract type



By customer industry



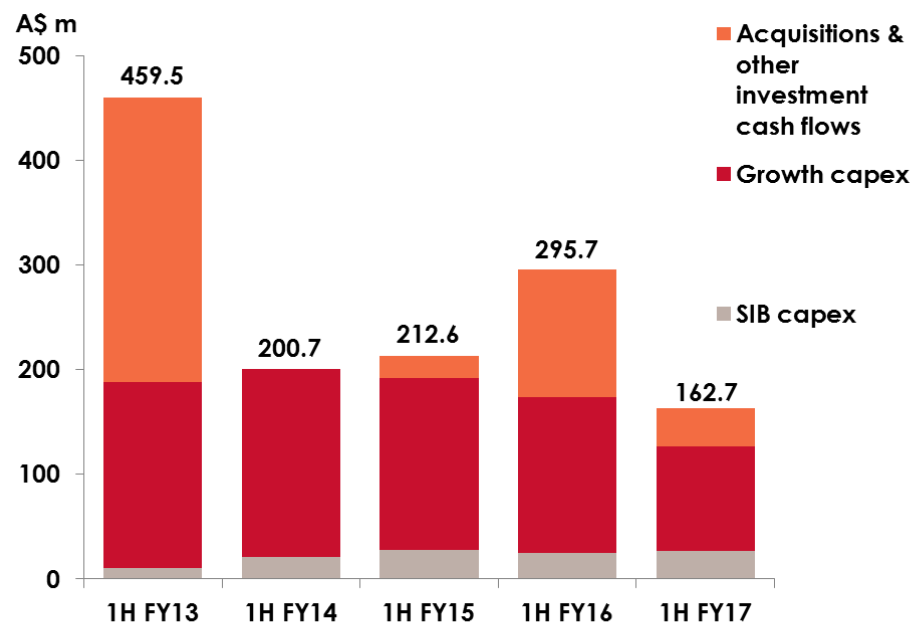
By customer credit rating



capital expenditure and investment cash flows



\$ million	1H FY17	1H FY16
Growth capex		
Regulated – Victoria	46.6	36.0
Non-regulated		
East Coast Grid	22.2	19.7
Western Australia	2.6	79.1
Other	27.7	14.0
Total growth capex	99.2	148.8
Stay-in business capex	27.0	24.7
Total capex	126.2	173.5
Investments & acquisitions	36.5	122.2
Total capital & investment expenditure	162.7	295.7



Notes:

- (1) Value of acquisitions represents value of acquisitions as prescribed in the notes to the financial statements

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

Growth capex projects included:

- VNI expansion (ongoing)
- Moomba Interconnect project
- Reedy Creek Wallumbilla Pipeline
- A number of other projects announced

Acquisitions and investments included:

- 50% interest in Mortlake Pipeline

- Cash and committed undrawn facilities of around \$970 million as at 31 December 2016 to meet the continued capital growth needs of the business
- Credit ratings: S&P BBB (outlook Stable, confirmed Dec 2016), Moody's Baa2 (outlook Stable, confirmed Aug 2016)
- Issued A\$200m, 7-year fixed rate A\$ MTN in Oct 2016
- Key capital ratios are as follows:

Metrics ⁽¹⁾	Dec 2016	Jun 2016	Jun 2015
Gearing ^(1, 2)	66.7%	66.4%	63.4%
Interest cover ratio	2.80 times	2.60 times	2.59 times
Average interest rate applying to drawn debt ^(1, 3)	5.33%	5.64%	6.76%
Interest rate exposure fixed or hedged	86.0%	86.5%	94.0%
Average maturity of senior facilities	7.0 years	7.4 years	8.5 years

Notes:

(1) For the purpose of the calculation, drawn debt that has been kept in USD (rather than AUD) has been nominally exchanged at AUD/USD exchange rate at the respective inception date of 0.7772 for Euro and GBP MTN issuances and 0.7879 for the US144A notes.

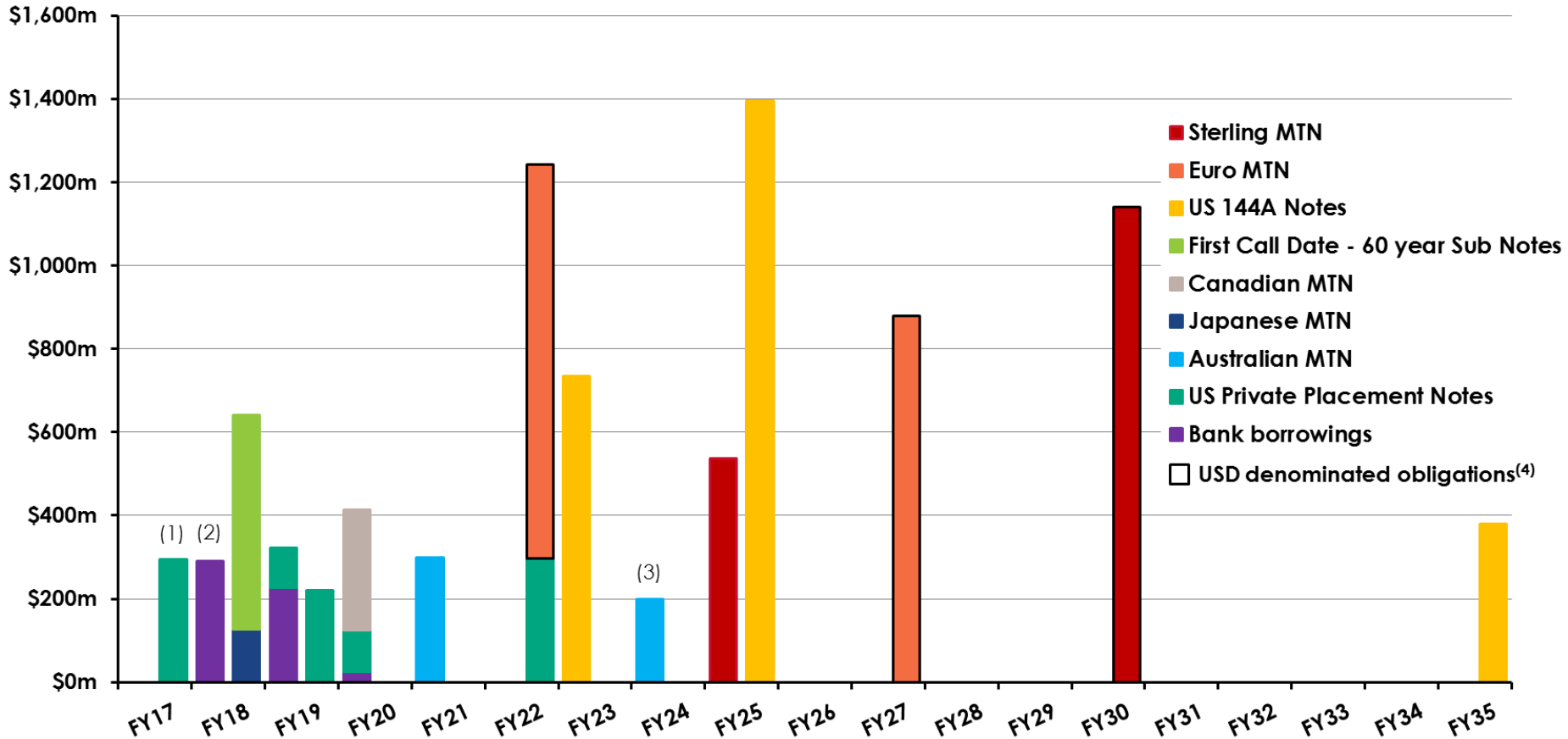
(2) Ratio of net debt to net debt plus book equity.

(3) Includes \$515 million of Subordinated Notes.

debt maturity profile



- APA maintains diversity of funding sources and spread of maturities



Note:

(1) USPP notes of A\$295m equivalent will mature in May 2017

(2) A\$311.25m of bank facilities will mature in September 2017

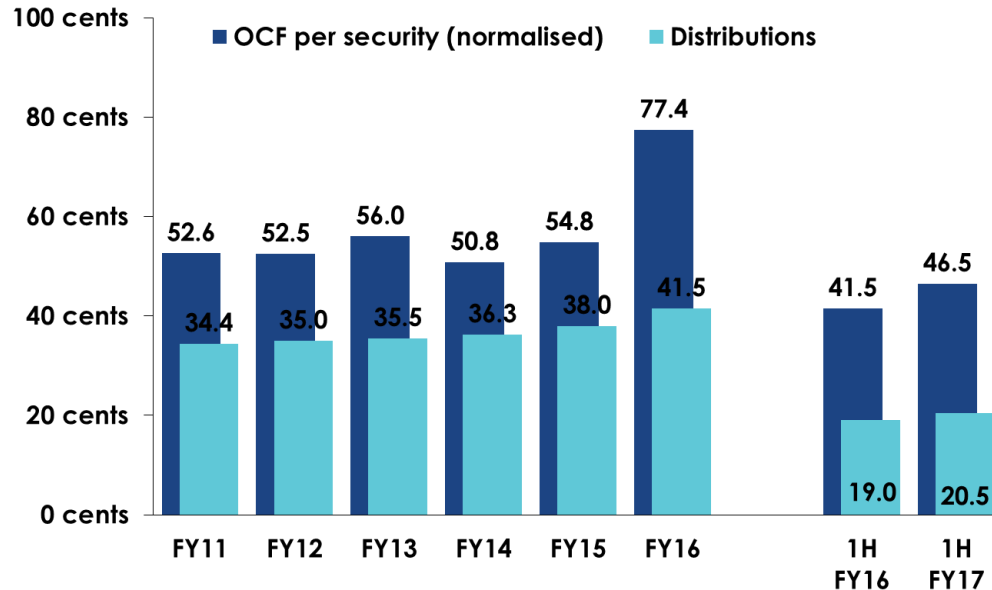
(3) New 7 year AMTN (\$200M @ 3.85% issued in October 2016)

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

fully covered distributions



- Distribution components:
 - 4.67 cents APT franked profit distribution
 - 4.92 cents APT unfranked profit distribution
 - 5.47 cents APT capital distribution
 - 3.48 cents APTIT profit distribution
 - 1.96 cents APTIT capital distribution
 - 20.5 cents



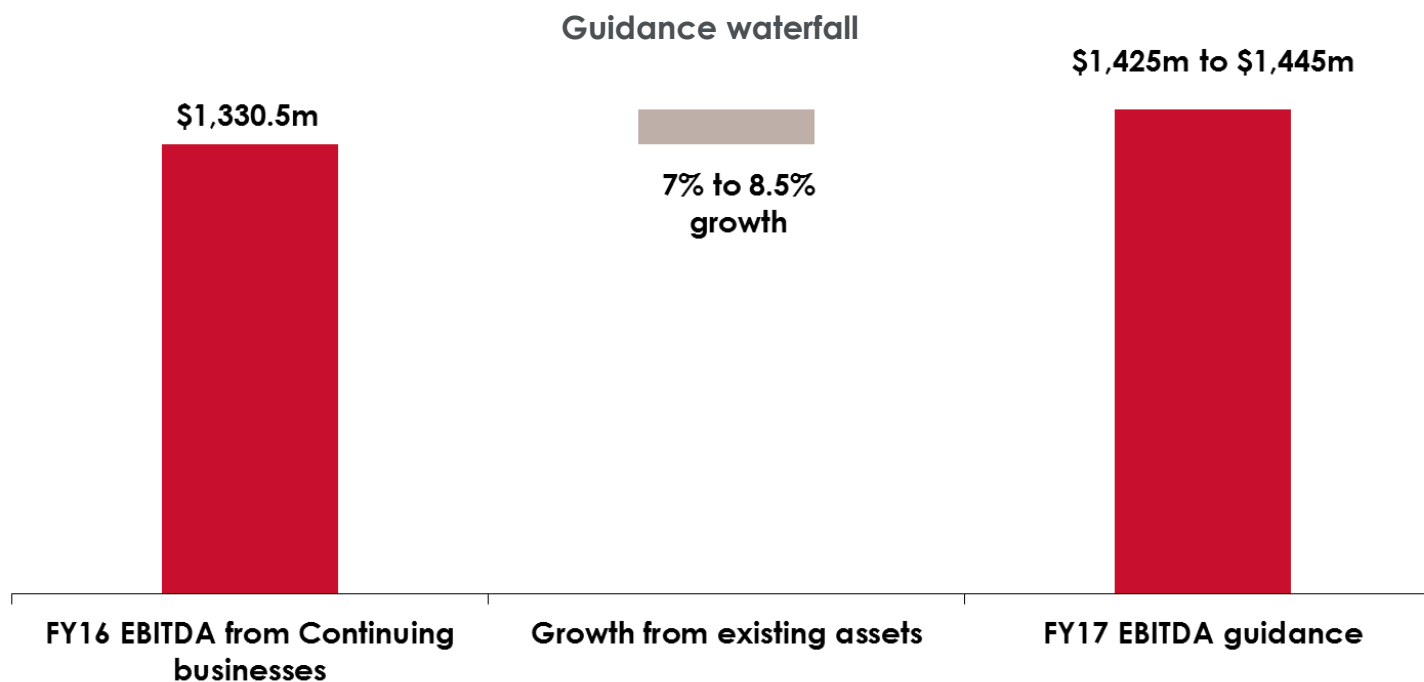
Franking Credits

- APA cash tax payer - calendar 2017
- Franking credits of 2.0 cents per security allocated to the interim APT profit distribution
- Expect future profits from APT to be distributed with some level of franking credits

FY17 guidance



- Based on current operating plans and available information, EBITDA for FY2017 is expected to be towards the upper end of the current range of \$1,425 million to \$1,445 million
- Net interest costs for FY2017 expected within a range of \$510 million to \$520 million
- Distributions per security for FY2017 expected to be in the order of 43.5 cents per security, with the 2.0 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



outlook

Mick McCormack

Managing Director and CEO.



- Gas is an essential fuel in Australia's energy mix
- Australia's gas transmission sector is one of the most successful economic models which supports innovation and investment to meet customer demand
- Australia's energy system needs to undergo an overhaul in order to support growth and move to a cleaner energy future
- Gas-fired electricity generation is fast and efficient and able to support short term peak electricity demand, as well as being relatively quick to build and relatively low capital cost compared with alternatives
- An integrated pipeline infrastructure provides both security and flexibility to source and use gas



APA's portfolio and strategy aligned with future energy needs

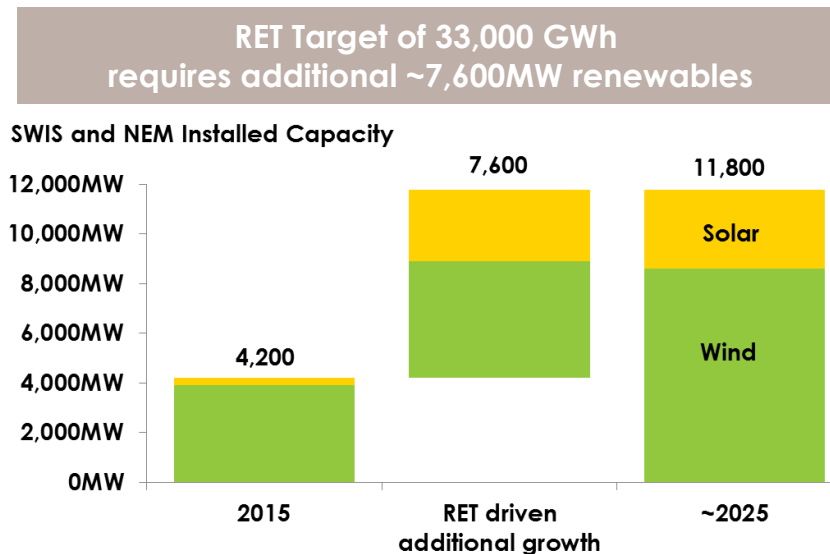


Gas market dynamics

- Gas demand remains solid
- Ongoing need to develop new supply sources and connect them to the market
- Focus needs to be on increasing supply, with enhancement of market-led solutions being priority for COAG and Dr. Vertigan's Gas Market Reform Group

Renewables and power generation dynamics

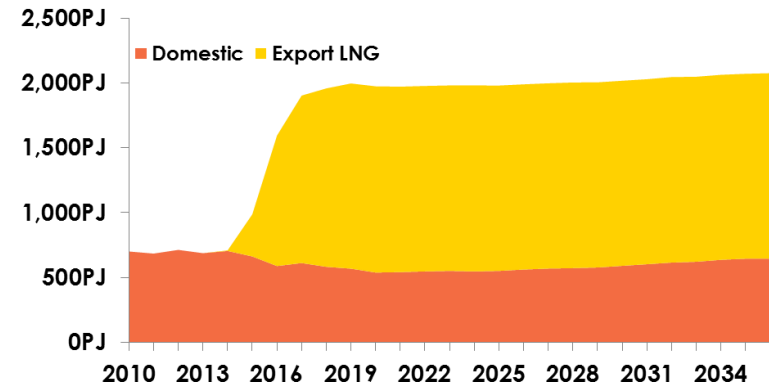
- Government policy remains key
- Commodity market recent strengthening which increases interest for investing in power solutions



Source: ACIL Allen 2014, Lit Search

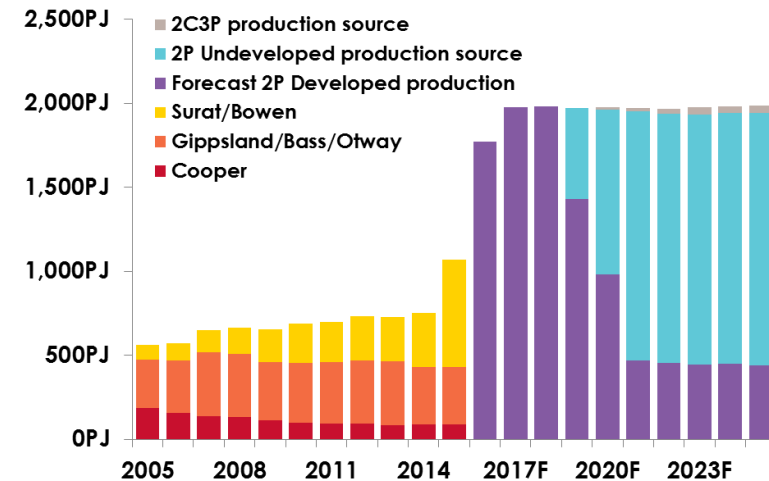
Note: Additional capacity estimate based on 35% capacity factor for wind and 25% for solar and assumptions on wind/solar mix driven by expected LCOE curve.

East coast gas demand



Source: AEMO, National Gas Forecasting Report 2016

East coast gas production by field



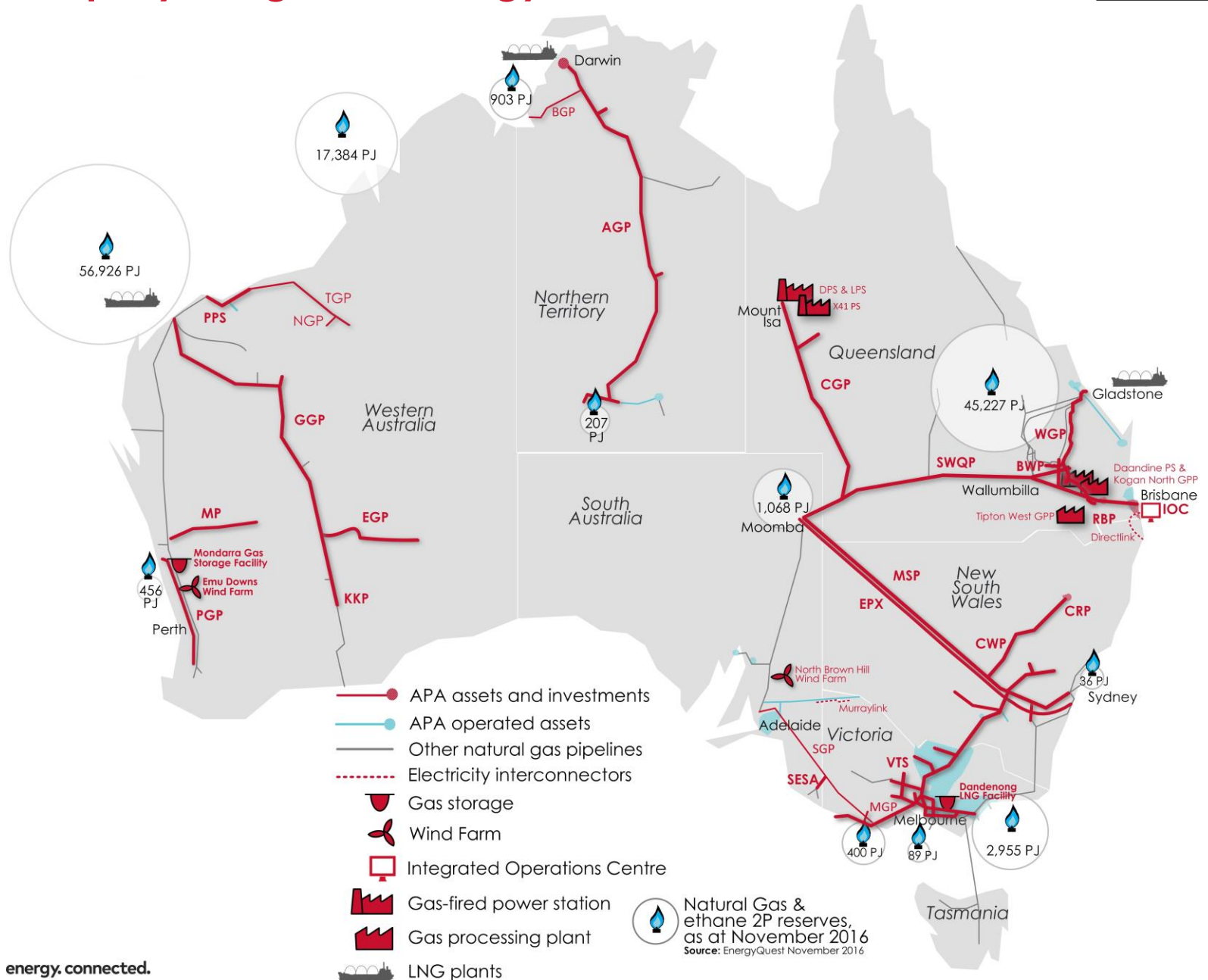
Source: EnergyQuest (actuals); AEMO 2016 GSOO (forecast)

executing on our growth strategy and opportunities



APA's investment criteria	Reedy Creek Wallumbilla Pipeline	Emu Downs Solar Farm	Western Slopes Pipeline	Badgingarra Wind Farm
Project details	• 50km, 300 TJ/day bi-directional capacity • \$80m construction cost • Commissioning expected mid 2018	• 20MW solar farm • \$50m construction cost • Commissioning expected Jan 2018	• Preliminary Environmental Assessment process commenced • 450km pipeline to potential new gas source • ~\$500m construction cost	• 130MW wind farm • \$315m construction cost • Commissioning expected Jan 2019
Appropriate funding and capital structure	✓ Corporate funding	✓ \$5.5m ARENA funding ✓ Corporate funding	✓ Subject to regulatory approvals and project FID	✓ Subject to connections agreement ✓ Corporate funding
Contracts with strong counterparties	✓ 20 year contract with Australia Pacific LNG	✓ 13 year contract with Synergy	✓ Subject to project FID by Santos	✓ 12 year contract with Alinta Energy
Appropriate allocation of risk between parties	✓	✓	✓	✓
Leverage operational expertise	✓ Connection to APA's East Coast Grid	✓ Adjacent to Emu Downs Wind Farm ✓ Shared infrastructure	✓ Connection to APA's East Coast Grid	✓ Adjacent to Emu Downs Wind Farm and Emu Downs Solar Farm

APA's uniquely integrated energy assets



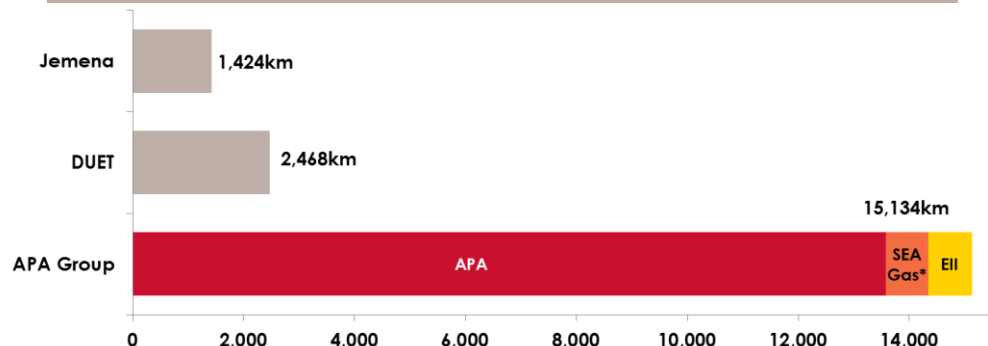
supplementary information



snapshot of APA



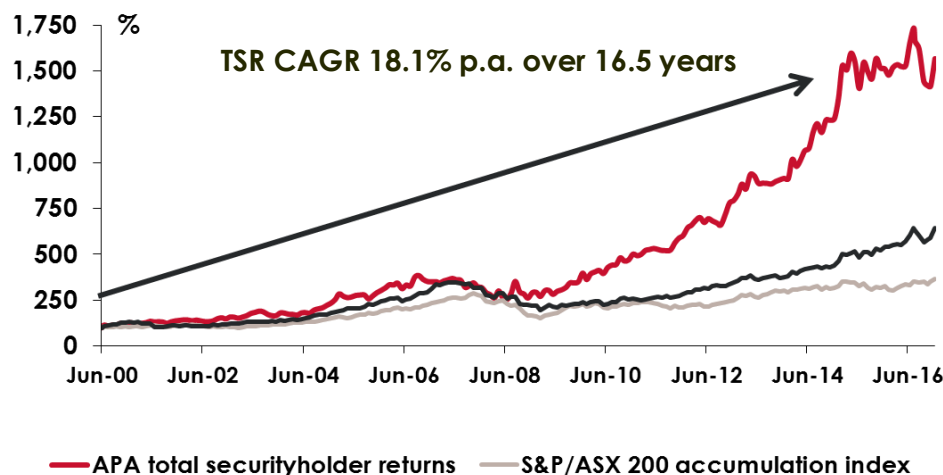
Australian gas transmission pipeline ownership by kilometres ~ APA is Australia's largest gas pipeline owner ~



Note: includes SEA Gas Pipeline and Mortlake Pipeline

Source: AER State of the Energy Market Dec 2015 ; Company reports; APA data as at 31 Dec 2016 and includes the Ethane Pipeline.

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



APA Overview

(Ticker: APA AU)

Market cap A\$9.7 billion (as at 21 Feb 2017)

ASX rank S&P/ASX 50

Credit rating Moody's: Baa2 (outlook Stable)
S&P: BBB (outlook Stable)

Assets owned/operated approximately \$20 billion

- Gas transmission⁽¹⁾**
15,134km transmission pipelines
Underground & LNG gas storage
- Gas distribution⁽²⁾**
28,680 km gas mains & pipelines
1.4 million gas consumers
- Other energy infrastructure**
585 MW power generation
244 km HV electricity transmission
Gas processing plants

Employees ~1,600

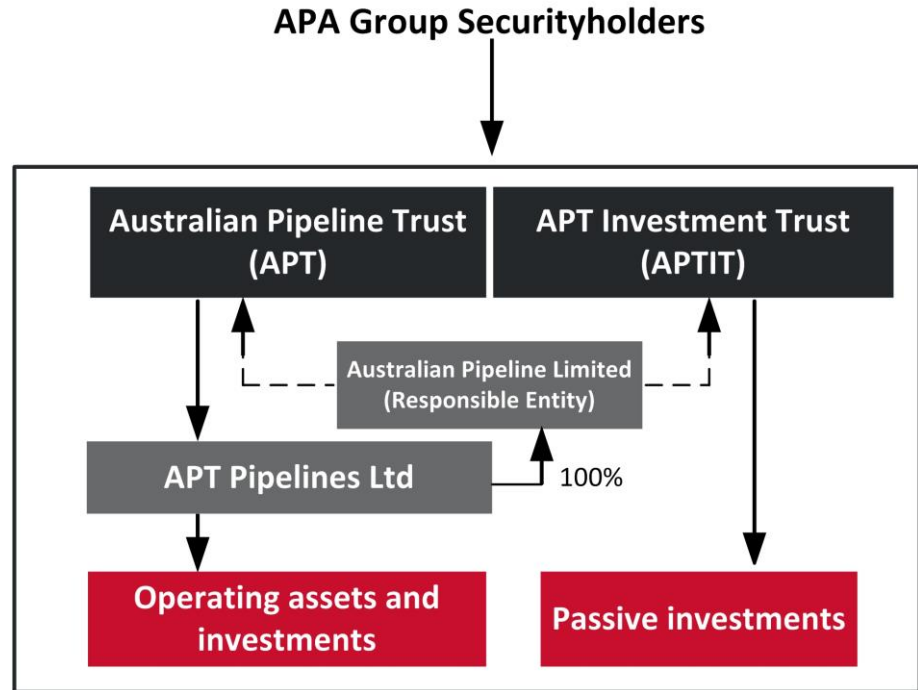
Notes:

- (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.

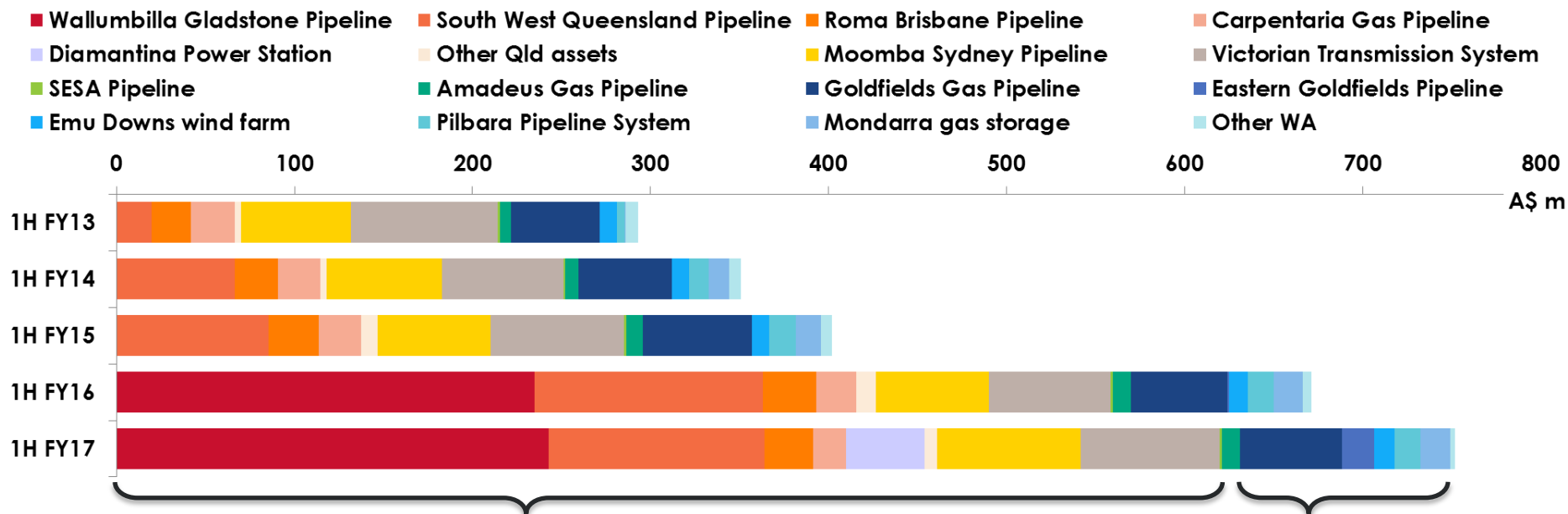
group structure



- 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 tax 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 FY17 operational summary – Energy Infrastructure



East Coast + Northern Territory

- EBITDA increased by 11%
- Queensland assets performed as expected, increasing 8% overall. This included full period contribution from DPS and against an unusually strong 1H FY16 period.
- VNI expansion benefits reflected in NSW and Victoria. NSW includes full period contribution from the Ethane Pipeline.
- East Coast Grid continues to evolve through customers needing to move gas around to manage market volatility

Western Australia

- EBITDA from WA assets increased by 19%
- EGP contributed for the half year period
- All other assets including GGP, Mondarra, Emu Downs continue to perform as expected

1H FY17 operational summary – Asset Management, Energy Investments and Corporate costs



Asset Management

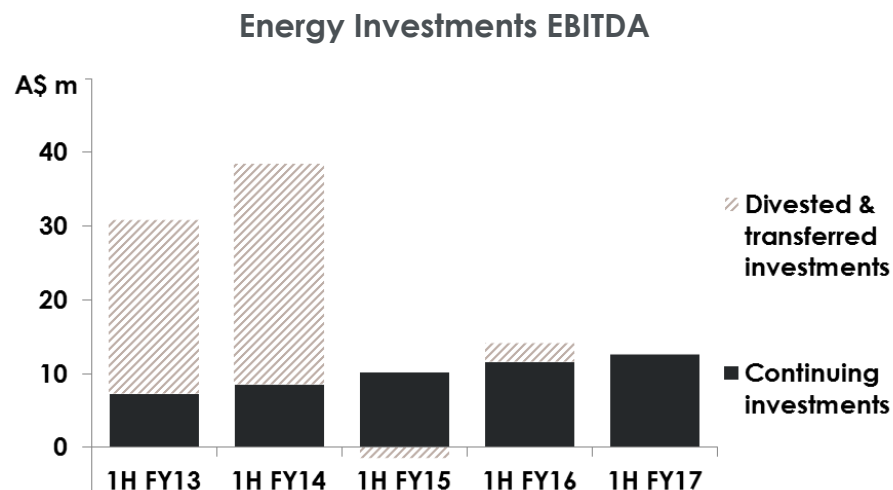
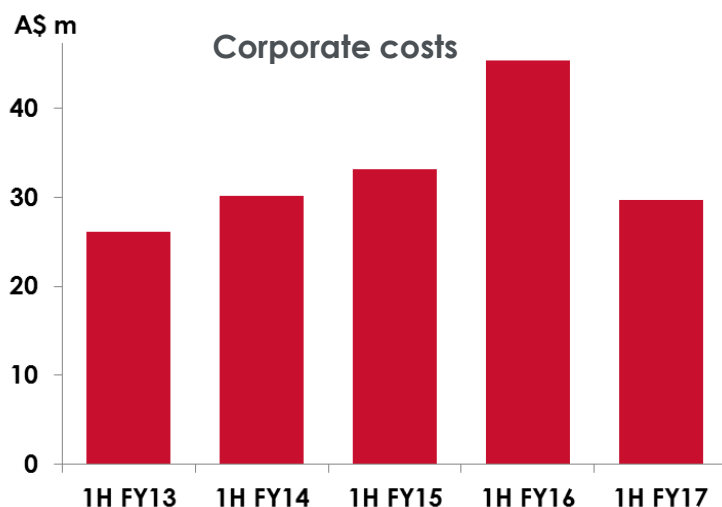
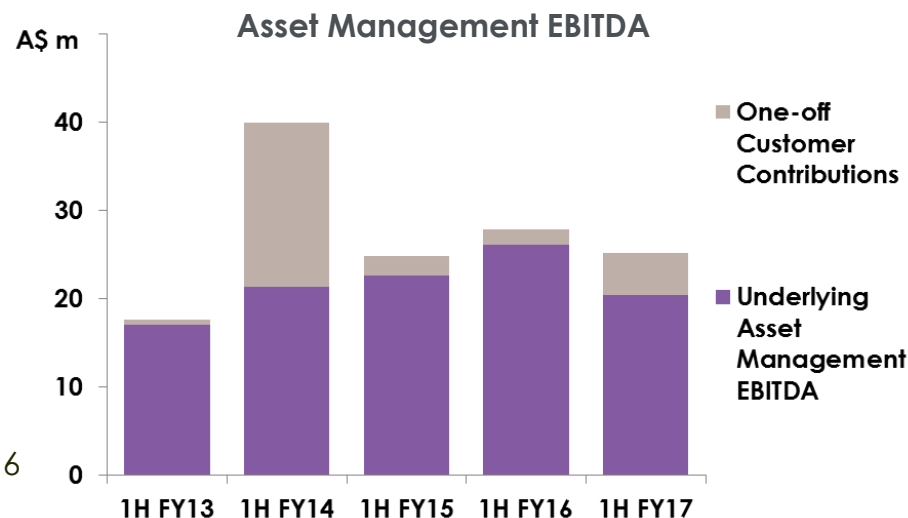
- Connections continued to grow, however lower tariffs due to new SA access arrangement from July '16
- Customer contribution average remains ~\$10m p.a.

Energy Investments

- EPX and DPS transferred out of the segment, into Energy Infrastructure as 100% owned assets
- Investments generally performed well

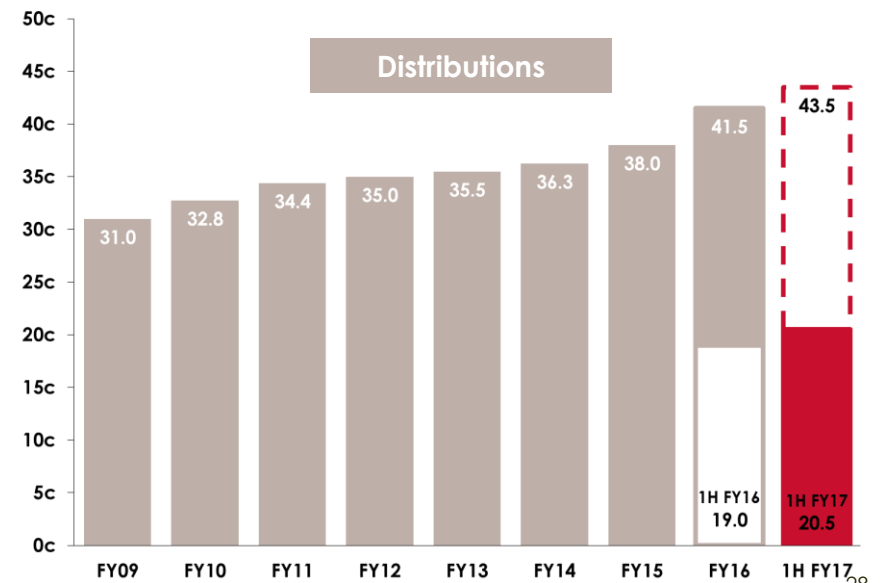
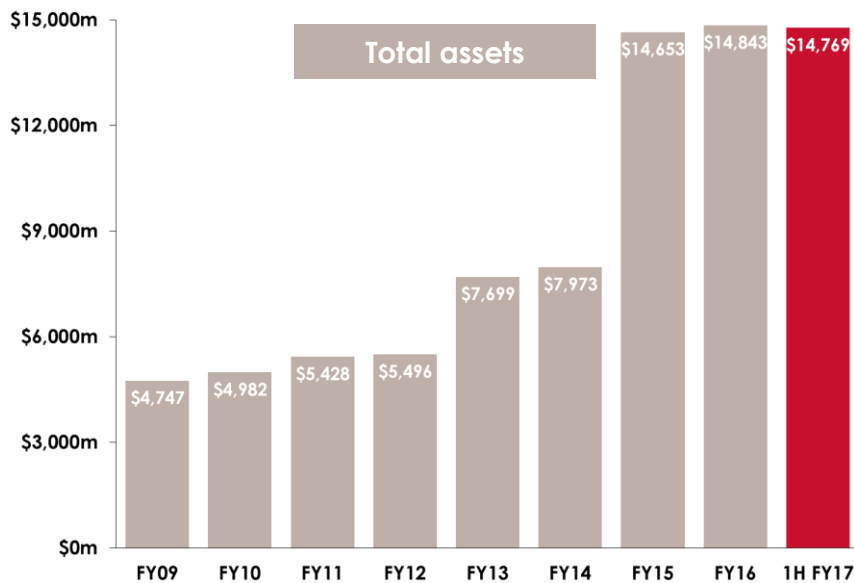
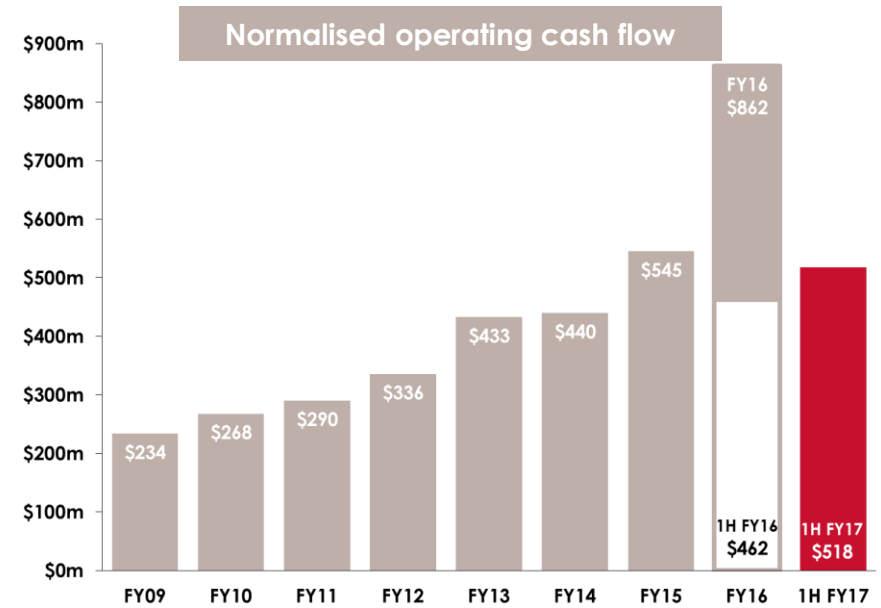
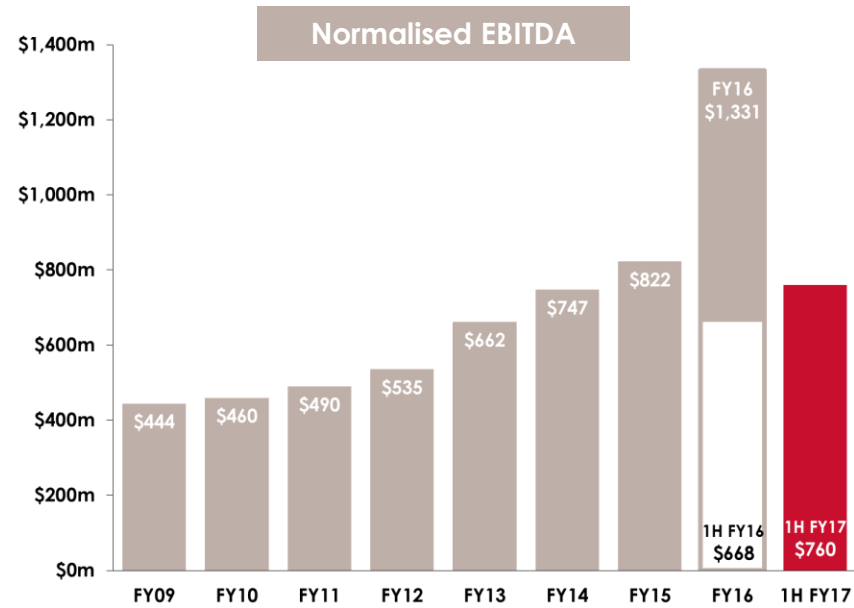
Corporate costs

- Corporate cost decreased due to one-off items in 1H FY16



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

continued growth momentum



Total committed debt facilities at 31 December 2016

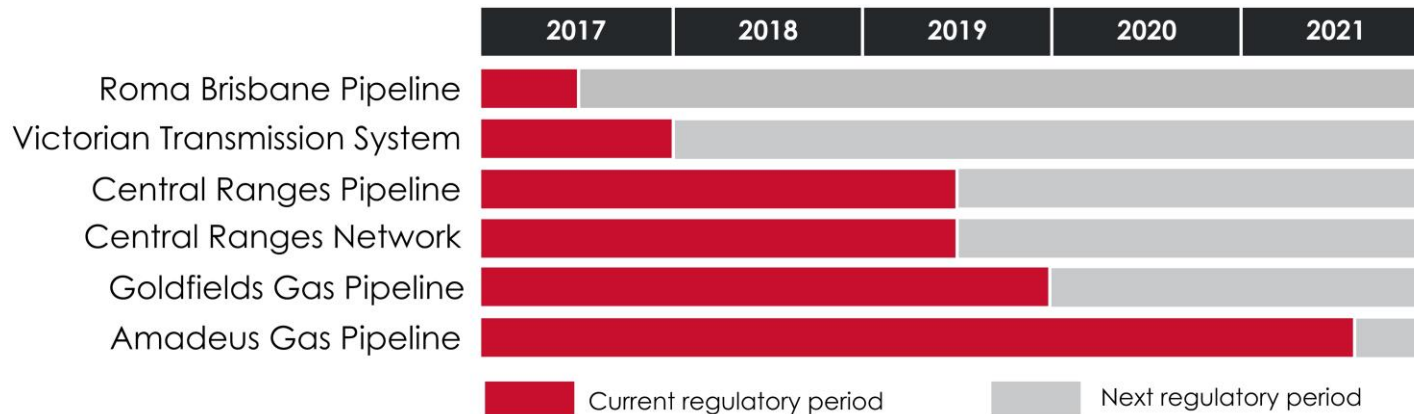
\$ million	Facility amount	Drawn amount	Tenor
2015 & 2016 Bilateral bank facilities	550	25	2 to 5 year facilities maturing between May 2018 to May 2021
2015 Syndicated bank facilities	830	518	2.25, 3.25 and 5.25 year tranches maturing September 2017, 2018 and 2020
2003 US Private placement	96	96	15 year tranche maturing September 2018
2007 US Private placement	811	811	10, 12 and 15 year tranches maturing May 2017, 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	1,777	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
Total	9,830	8,993	

Note: (1) These instruments have been hedged into fixed rate US dollar obligations.

regulatory update



- Approximately 10% of APA's Energy Infrastructure revenues in 1H FY17 was regulated revenue
- APA's major regulatory resets over the next few years are as follows:



- Roma Brisbane Pipeline access arrangement review
 - APA lodged a proposed access arrangement for the July 2017 to June 2022 period in September 2016
 - APA's proposal reflects that this pipeline is now bi-directional
 - A draft decision by the Australian Energy Regulator ("AER") is expected in April 2017, with a final decision to follow in the second half of 2017
- Victorian Transmission System access arrangement review
 - APA lodged a proposed access arrangement for the January 2018 to December 2022 period in January 2017
 - APA's proposal reflects the expansion of system capacity that APA is undertaking, enabling gas to flow from Victoria to New South Wales
 - A draft decision by the AER is expected at the end of June 2017

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 price regulated • 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

For further information contact:

Yoko Kosugi

Head of Investor Relations

Tel: +61 2 9693 0049

E-mail: yoko.kosugi@apa.com.au

Or visit the APA website at:

www.apa.com.au