investors.

We will continue to be a reliable and attractive investment which delivers solid returns for securityholders by:

- Achieving reliable and sustainable earnings growth by focusing on long-term revenue and reduced costs.
- Maintaining a strong and robust balance sheet.
- Identifying and evaluating additional attractive infrastructure style investments in related energy businesses.
- Providing clarity and transparency of the business through appropriate and timely reporting and communication.

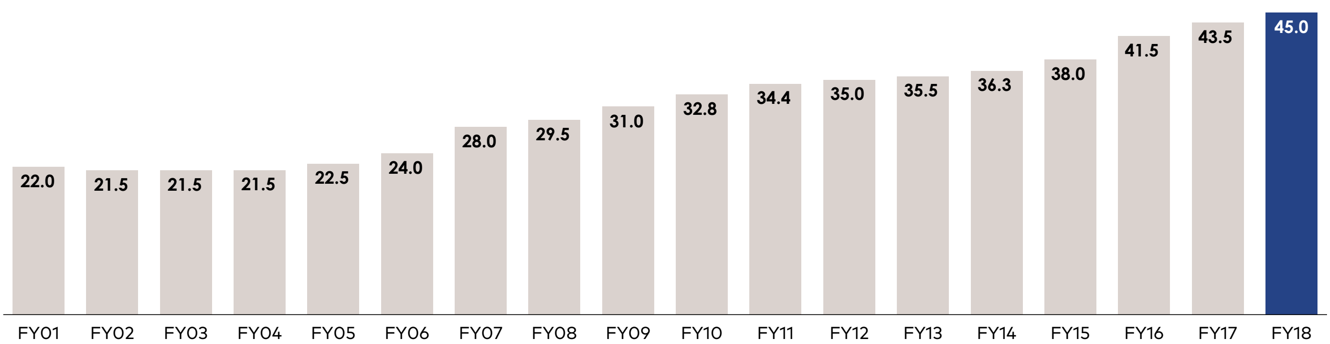
FY2018 Performance

- Total securityholder return of 11.2% for FY2018 (FY2017, 4.1%).
- Delivered investors a 3.4% increase in distributions.
- Maintained investment grade credit ratings (BBB/Baa2).
- Raised ~$500 million through a fully underwritten pro-rata accelerated institutional tradeable retail renounceable entitlement offer in Feb 2018. New Securities were offered at a 6.8% discount to the last closing price on 20 February 2018. Both the Institutional and Retail campaigns were well supported by investors. ~65.6 million new securities were issued in March 2018.
- Redeemed the $515 million Subordinated Notes at the first call date in March 2018, reducing net interest by $4.1 million to $509.7 million. (FY2017, $513.8 million).
- Maintained corporate costs as a proportion of EBITDA (continuing business) at 4.3% in FY2018 (FY2017, 4.3 %).
- APA remains on track in delivering $1.4 billion plus of growth opportunities between FY2017-2019, which will contribute incremental annual revenue of ~$215 million of revenue from FY2020.
- $875.5 million of capital and investment expenditure during FY2018.
- Voluntarily published APA's third Tax Transparency Report (available on APA's website). The Federal Government with support of the Australian Board of Taxation were seeking greater public disclosure of tax information by businesses and endorsed the Tax Transparency Code as part of the 2017-2018 Budget announcements.

Actions for FY2019

- Ensure APA's communications with investors regarding the current CKI Consortium takeover proposal are clear and timely.
- Progress or complete current growth capital projects underway.
- Continue to evaluate and develop additional revenue streams in related energy infrastructure businesses.
- Maintain investment grade credit ratings.

APA'S HISTORICAL ANNUAL DISTRIBUTIONS (CENTS PER SECURITY), HAS CONTINUED TO INCREASE



Key Sustainability Risks

— Debt and equity – Ensuring continued support from debt and equity markets for ongoing capital requirements. Inability to secure new debt facilities at appropriate quantum and price may adversely affect APA's operations and/or financial position and performance.

Risk Management

— APA's investment decisions are made and its balance sheet is utilised with a continuous focus on maintaining long-term investment grade credit ratings.

— A diverse portfolio of long-life assets underpinned by regulated and long-term bilateral agreements, underscores APA's ability to service debt and sustain steady equity distributions.

— Maintain diversified funding base and access to deep and liquid global debt capital and banking markets.

— APA has a long-term sustainable distribution policy having regard for the capital needs of the business and economic conditions. Distributions are fully covered by operating cash flow.

— Financial results and other salient developments are communicated regularly to investors in a timely manner.

As at 30 June 2018, APA had over 77,000 securityholders holding 1.2 billion securities, with the top 20 investors holding 68.7% of securities. Currently, approximately 74% of APA's investors are based in Australia and/or New Zealand.

Emu Downs Solar Farm, Western Australia