

## DIRECTORS' REPORT

The Directors of Australian Pipeline Limited ("Responsible Entity") submit their report and the annual financial report of APT Investment Trust ("APTIT") and its controlled entities (together "Consolidated Entity") for the financial year ended 30 June 2015. This report refers to the consolidated results of APTIT, one of the two stapled entities of APA Group, with the other stapled entity being Australian Pipeline Trust (together "APA").

### DIRECTORS

The names of the Directors of the Responsible Entity during the financial year and since the financial year end are:

Leonard Bleasel AM	Chairman
Michael McCormack	Chief Executive Officer and Managing Director
Steven Crane	
John Fletcher	
Russell Higgins AO	
Patricia McKenzie	
Robert Wright	

Details of the Directors, their qualifications, experience, special responsibilities and directorships of other listed entities are set out on pages 19 to 21.

The Company Secretary of the Responsible Entity during and since the financial year end is Mark Knapman.

### PRINCIPAL ACTIVITIES

APTIT operates as an investment and financing entity within the APA stapled group.

### STATE OF AFFAIRS

No significant change in the state of affairs of APTIT occurred during the year.

### SUBSEQUENT EVENTS

Except as disclosed elsewhere in this report, the Directors are unaware of any matter or circumstance that has occurred since the end of the year that has significantly affected or may significantly affect the operations of the Consolidated Entity, the results of those operations or the state of affairs of the Consolidated Entity in future years.

### REVIEW AND RESULTS OF OPERATIONS

APTIT reported net profit after tax of \$46.3 million (2014: \$38.7 million) for the year ended 30 June 2015 and total revenue of \$46.4 million (2014: \$38.7 million).

### DISTRIBUTIONS

Distributions paid to unitholders during the financial year were:

	Final FY 2014 distribution paid 10 September 2014		Interim FY 2015 distribution paid 18 March 2015	
	Cents per unit	Total distribution \$000	Cents per unit	Total distribution \$000
APTIT profit distribution	2.33	19,465	2.38	19,860
APTIT capital distribution	-	-	-	-
	<b>2.33</b>	<b>19,465</b>	<b>2.38</b>	<b>19,860</b>

On 26 August 2015, the Directors declared a final distribution for APTIT for the financial year of 2.38 cents per unit which is payable on 16 September 2015 and will comprise the following components:

	Final FY 2015 distribution payable 16 September 2015	
	Cents per unit	Total distribution \$000
APTIT profit distribution	2.38	26,488
APTIT capital distribution	-	-
	<b>2.38</b>	<b>26,488</b>

Distribution information is presented on an accounting classification basis. The APA Group Annual Tax Statement and Annual Tax Return Guide (to be released in September 2015) will provide the classification of distribution components for the purposes of preparation of securityholder income tax returns.

## DIRECTORS' REPORT CONTINUED

For the year ended 30 June 2015

### OTHER INFORMATION

Details of the Director and Company Secretary of the Responsible Entity are set out in the Australian Pipeline Trust Directors' report at pages 1 to 22. That report also contains information on the Directors' directorships of other listed entities, their attendance at meetings and securityholdings, options, indemnification of officers, remuneration and the auditor's provision of non-audit services and independence.

### INFORMATION REQUIRED FOR REGISTERED SCHEMES

Fees paid to the Responsible Entity and its associates (including directors and secretaries of the Responsible Entity, related bodies corporate and directors and secretaries of related bodies corporate) out of APA scheme property during the year are disclosed in Note 16 to the financial statements.

Except as disclosed in this report, neither the Responsible Entity nor any of its associates holds any APTIT units.

The number of APTIT units issued during the year, and the number of APTIT units at the end of the year, are disclosed in Note 11 to the financial statements.

The value of APA's assets as at the end of the year is disclosed in the balance sheet in total assets, and the basis of valuation is included in the notes to the financial statements.

### AUDITOR'S INDEPENDENCE DECLARATION

A copy of the Auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is included on page 96.

### ROUNDING OF AMOUNTS

APA is an entity of the kind referred to in ASIC Class Order 98/0100 dated 10 July 1998 and, in accordance with that Class Order, amounts in the Directors' report and the financial report are rounded to the nearest thousand dollars, unless otherwise indicated.

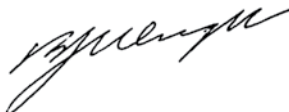
Signed in accordance with a resolution of the Directors of the Responsible Entity made pursuant to section 298(2) of the *Corporations Act 2001*.

On behalf of the Directors



Leonard Bleasel AM  
**Chairman**

Sydney, 26 August 2015



Robert Wright  
**Director**