



ASX ANNOUNCEMENT

7 August 2014

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

APA decides to sell into the CKI Offer for Envestra

APA Group (ASX:APA) today announced that it has decided to sell into the Cheung Kong Group consortium's offer for Envestra Limited (Envestra) as detailed in the bidder's statement dated 20 June 2014.

The offer consideration is \$1.32 per Envestra share amounting to \$784 million in gross proceeds and will realise an estimated pre-tax profit of \$430 million which will be reported in the consolidated results of the Group in the year to 30 June 2015. APA confirms that on 25 July 2014, it received \$21 million being the final dividend of 3.5 cents per share paid by Envestra on that date.

APA Managing Director Mick McCormack said: "The cash offer put forward by the consortium well exceeded our valuation of the Envestra business, even at full ownership. While our rationale for owning the Envestra business remains sound, APA assessed the value proposition of the offer and concluded that selling out of this investment and redeploying the proceeds in other opportunities will provide better longer term value for APA securityholders."

APA will use the consideration received to fund ongoing growth and investment projects over the coming 12 to 18 months.

APA retains its Operations and Management Agreement on the Envestra assets, which runs to 2027.

Mark Knapman
Company Secretary
Australian Pipeline Limited

For further information please contact:

Investor enquiries:

Chris Kotsaris

Telephone: (02) 9693 0049

Mob: 0402 060 508

Email: chris.kotsaris@apa.com.au

Media enquiries:

David Symons

Telephone: (02) 8306 4244

Mob: 0410 559 184

Email: media@apa.com.au

About APA Group (APA)

APA is Australia's largest natural gas infrastructure business, owning and/or operating \$12 billion of energy 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 minority interests in energy infrastructure enterprises including Envestra, SEA Gas Pipeline, Energy Infrastructure Investments and GDI.

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

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