



# Preliminary Final Report

(equity accounted)

Name of entity

Origin Energy Limited (previously named Boral Limited)

ACN

000 051 696

Financial year ended ('current period')

30 June 2000

## Equity accounted results for announcement to the market (refer note \* below)

	\$'A'000
Sales revenue (item 1.1)	3,192,820
Operating profit after tax (before abnormal items) attributable to members (items 1.4 - 1.7(i) - 1.9(i))	161,879
Abnormal items after tax attributable to members (item 2.5)	(66,349)
Operating profit after tax (before amortisation of goodwill) attributable to members (item 1.26)	110,391
Operating profit after tax attributable to members (item 1.10)	95,530
Extraordinary items after tax attributable to members (item 1.13)	-
Operating profit and extraordinary items after tax attributable to members (item 1.16)	95,530

Dividends	Amount per security	Franked amount per security at 36% tax
Final dividend (item 15.4)	6.0 cents	Nil
Previous corresponding period (item 15.5) **	15 cents	Nil

Date for determining entitlements to the dividend (see item 15.2)

22 September 2000

Brief explanation of omission of directional and percentage changes to profit in accordance with Note 1:

\* Directional and percentage changes are not included because the demerger of the building and construction materials businesses from the company in February 2000 renders comparisons with prior periods misleading. Current period figures (as shown above) include the December half year results of the building and construction materials businesses, in addition to twelve months results for the company's continuing energy businesses.

Short details of any bonus or cash issue or other item(s) of importance not previously released to the market:

Nil

\*\* Dividends per security have been adjusted for the 1 for 2 consolidation in February 2000.

**Consolidated profit and loss account**  
(equity accounted)

	Current period *	Previous corresponding period **	% Change +/-
	\$A'000	\$A'000	
1.1 Sales revenue	3,192,820	4,878,643	-34.6%
1.2 Share of associates' net profit attributable to members' (item 16.7)	14,779	20,444	-27.7%
	3,207,599	4,899,087	-34.5%
1.3 Other revenue	357,083	229,979	55.3%
<b>Total revenue</b>	<b>3,564,682</b>	<b>5,129,066</b>	<b>-30.5%</b>
1.4 <b>Operating profit before abnormal items and tax</b>	253,630	326,318	-22.3%
1.5 Abnormal items before tax (detail in item 2.4)	(123,718)	12	
1.6 Operating profit before tax (items 1.4 + 1.5)	129,912	326,330	-60.2%
1.7 (i) Less tax expense on operating profit	88,804	99,430	-10.7%
(ii) Less tax expense/(benefit) on abnormal items	(57,275)	(535)	
1.8 Operating profit after tax but before outside equity interests	98,383	227,435	-56.7%
1.9 (i) Less outside equity interest applicable to operating profit	2,947	(1,105)	
(ii) Less outside equity interest applicable to abnormal items	(94)	-	-
1.10 <b>Operating profit after tax attributable to members</b>	95,530	228,540	-58.2%
1.11 Extraordinary items after tax	-	-	-
1.12 Less outside equity interests	-	-	-
1.13 Extraordinary items after tax attributable to members	-	-	-
1.14 <b>Total operating profit and extraordinary items after tax</b> (items 1.8 + 1.11)	98,383	227,435	-56.7%
1.15 Operating profit and extraordinary items after tax attributable to outside equity interests (items 1.9 + 1.12)	2,853	(1,105)	
1.16 <b>Operating profit and extraordinary items after tax attributable to members</b> (items 1.10 + 1.13)	95,530	228,540	-58.2%
1.17 Retained profits at beginning of financial period	958,393	895,996	
1.18 Adjustment to retained profits at the beginning of the year on initial adoption of AASB 1016 "Accounting for Investments in Associates"	-	489	
1.19 Aggregate of amounts transferred from reserves	(8,011)	-	
1.20 Total available for appropriation	1,045,912	1,125,025	
1.21 Dividends provided for or paid	119,351	159,057	-25.0%
1.22 Aggregate of amounts transferred to reserves	-	7,575	
1.23 <b>Retained profits at end of financial period</b>	926,561	958,393	
Operating profit after tax (before abnormal items) attributable to members (items 1.4 - 1.7(i) - 1.9(i))	161,879	227,993	-29.0%

\* "Current period" includes December half year results of the building and construction materials businesses and twelve months results for the energy businesses.

\*\* "Previous corresponding period" includes twelve months results for both the building and construction materials businesses and the energy businesses.

Refer Directors' Review of Results for pro forma year-on-year comparison of the energy businesses' results.

## Profit restated to exclude amortisation of goodwill

	Current period *	Previous corresponding period **	
	\$A'000	\$A'000	
1.24	Operating profit after tax before outside equity interests (item 1.8) and amortisation of goodwill	113,244	248,697
1.25	Less outside equity interests	2,853	(1,105)
1.26	Operating profit after tax (before amortisation of goodwill) attributable to members	110,391	249,802

## Intangible, abnormal and extraordinary items

		Consolidated - current period *			
		Before tax	Related tax (expense) / benefit	Related outside equity interests	Amount (after tax) attributable to members
		\$A'000	\$A'000	\$A'000	\$A'000
2.1	Amortisation of goodwill	16,032	1,171	-	14,861
2.2	Amortisation of other intangibles	10,142	-	-	10,142
2.3	<b>Total amortisation of intangibles</b>	26,174	1,171	-	25,003
2.4	Abnormal items:				
	Profit on sale of businesses	6,000	1,170	-	7,170
	GST implementation costs	(7,792)	2,805	22	(4,965)
	Change in tax rate	-	29,785	(626)	29,159
	Recognition of exploration tax benefits	-	10,194	(1,421)	8,773
	Environmental provision	(5,000)	1,800	-	(3,200)
	Provision for write down of assets due to:				
	- change in accounting policy	(81,744)	6,609	1,736	(73,399)
	- other	(35,182)	4,912	383	(29,887)
2.5	<b>Total abnormal items</b>	(123,718)	57,275	94	(66,349)

## Comparison of half year profits

	Current year *	Previous year **	
	\$A'000	\$A'000	
3.1	Consolidated operating profit after tax attributable to members reported for the 1st half year (item 1.10 in the half yearly report)		
	(i) after abnormals	130,186	114,646
	(ii) before abnormals	124,867	108,496
3.2	Consolidated operating profit after tax attributable to members for the 2nd half year		
	(i) after abnormals	(34,656)	113,894
	(ii) before abnormals	37,012	119,497

\* "Current period" includes December half year results of the building and construction materials businesses and twelve months results for the energy businesses.

\*\* "Previous corresponding period" includes twelve months results for both the building and construction materials businesses and the energy businesses.

## Consolidated balance sheet

	At end of current period \$A'000	As shown in last annual report * \$A'000	As in last half yearly report * \$A'000
<b>Current assets</b>			
4.1 Cash	18,641	137,495	109,907
4.2 Receivables	341,324	1,280,394	951,521
4.4 Inventories	37,358	478,255	444,550
4.5 Other	26,707	63,706	97,651
4.6 <b>Total current assets</b>	424,030	1,959,850	1,603,629
<b>Non-current assets</b>			
4.7 Receivables	48,794	164,576	133,565
4.8 Investments in associates	6,166	91,369	99,700
4.9 Other investments	139,979	90,093	129,595
4.11 Exploration and evaluation expenditure capitalised	52,483	44,596	47,270
4.12 Development properties (oil and gas interests)	26,138	23,127	24,329
4.13 Other Property, plant and equipment (net)	918,180	3,420,374	3,311,619
4.14 Intangibles (net)	473,275	756,517	731,692
4.15 Other	142,206	332,350	336,094
4.16 <b>Total non-current assets</b>	1,807,221	4,923,002	4,813,864
4.17 <b>Total assets</b>	2,231,251	6,882,852	6,417,493
<b>Current liabilities</b>			
4.18 Accounts payable	221,876	638,930	591,607
4.19 Borrowings	19,566	399,857	482,112
4.20 Provisions	77,529	349,671	379,947
4.22 <b>Total current liabilities</b>	318,971	1,388,458	1,453,666
<b>Non-current liabilities</b>			
4.23 Accounts payable	45,592	63,863	51,798
4.24 Borrowings	430,000	1,829,805	1,309,329
4.25 Provisions	196,251	510,985	449,831
4.27 <b>Total non-current liabilities</b>	671,843	2,404,653	1,810,958
4.28 <b>Total liabilities</b>	990,814	3,793,111	3,264,624
4.29 <b>Net assets</b>	1,240,437	3,089,741	3,152,869
<b>Equity</b>			
4.30 Capital	167,156	1,942,675	1,962,195
4.31 Reserves	115,133	155,205	166,832
4.32 Retained profits	926,561	958,393	988,436
4.33 Equity attributable to members of the parent entity	1,208,850	3,056,273	3,117,463
4.34 Outside equity interest in controlled entities	31,587	33,468	35,406
4.35 <b>Total equity</b>	1,240,437	3,089,741	3,152,869

\* Includes building and construction materials businesses. Refer Directors' Review of Results for pro forma 30 June 1999 balance sheet for energy businesses.

## Consolidated statement of cash flows

	Current period *	Previous corresponding period **	
	\$A'000	\$A'000	
<b>Cash flows related to operating activities</b>			
7.1	Receipts from customers	3,317,191	4,752,404
7.2	Payments to suppliers and employees	(2,779,731)	(4,179,999)
7.3	Dividends received from associates	5,853	8,239
7.4	Other dividends received	421	382
7.5	Interest and other items of similar nature received	33,187	36,345
7.6	Interest and other costs of finance paid	(112,583)	(159,304)
7.7	Income taxes paid	(36,268)	(110,634)
7.9	<b>Net operating cash flows</b>	428,070	347,433
<b>Cash flows related to investing activities</b>			
7.10	Payment for purchases of property, plant and equipment	(211,859)	(934,785)
7.11	Proceeds from sale of property, plant and equipment	96,469	102,166
7.12	Payment for purchases of equity investments	(56,682)	(4,551)
7.13	Proceeds from sale of equity investments	37,070	44,545
7.15	Loans repaid by other entities	304,500	-
7.17	<b>Net investing cash flows</b>	169,498	(792,625)
<b>Cash flows related to financing activities</b>			
7.18	Proceeds from issues of securities (shares, options, etc)	-	2,492
7.19	Proceeds from borrowings	2,206,330	3,606,335
7.20	Repayment of borrowings	(2,802,610)	(2,730,116)
7.21	Dividends paid	(102,519)	(125,521)
7.22	Other (on-market share buy-backs)	-	(387,143)
7.23	<b>Net financing cash flows</b>	(698,799)	366,047
7.24	<b>Net increase/(decrease) in cash held</b>	(101,231)	(79,145)
7.25	Cash at beginning of period	100,307	185,121
7.26	Exchange rate adjustments to 7.25	1,023	(5,669)
7.27	<b>Cash at end of period</b> (see reconciliation of cash)	99	100,307

\* "Current period" includes December half year results of the building and construction materials businesses and twelve months results for the energy businesses.

\*\* "Previous corresponding period" includes twelve months results for both the building and construction materials businesses and the energy businesses.

## Non-cash financing and investing activities

Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows are as follows:

- |       |   |
|-------|---|
| (i)   | Capital expenditure acquired by finance leases \$86,000 (1999: \$15,000)                    |
| (ii)  | Issue of shares in respect of dividend reinvestment plans \$19,520,000 (1999: \$43,834,000) |
| (iii) | Deferred receipt in respect of the sale of assets \$Nil (1999: \$15,382,000)                |

## Reconciliation of cash

Reconciliation of cash at the end of the period (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows:

	Current period *	Previous corresponding period **
	\$A'000	\$A'000
8.1 Cash on hand and at bank	12,777	79,142
8.2 Deposits at call	2,109	6,144
8.3 Bank overdraft	(18,542)	(37,188)
8.4 Other (term deposits)	3,755	52,209
8.5 <b>Total cash at end of period</b> (item 7.27)	99	100,307

## Ratios

	Current period *	Previous corresponding period **
<b>Profit before abnormals and tax/sales</b>		
9.1 Consolidated operating profit before abnormal items and tax (item 1.4) as a percentage of sales revenue (item 1.1)	7.9%	6.7%
<b>Profit after tax/equity interests</b>		
9.2 (i) Consolidated operating profit after tax attributable to members but before abnormal items as a percentage of equity (similarly attributable) at the end of the period.	13.4%	7.5%
(ii) Consolidated operating profit after tax attributable to members (item 1.10) as a percentage of equity (similarly attributable) at the end of the period (item 4.33).	7.9%	7.5%

## Earnings per security (EPS)

	Current period *	Previous corresponding period **
10.1 Calculation of basic and fully diluted EPS in accordance with AASB 1027 "Earnings per share".		
(a) (i) Basic EPS (after abnormals)	11.2 cents	20.3 cents
(ii) Basic EPS (before abnormals)	19.0 cents	20.3 cents
(b) Diluted EPS are not materially different from basic earnings per share.		
(c) Weighted average number of ordinary shares outstanding during the period used in calculation of the Basic EPS	852,494,880	1,123,830,731

\* "Current period" includes December half year results of the building and construction materials businesses and twelve months results for the energy businesses.

\*\* "Previous corresponding period" includes twelve months results for both the building and construction materials businesses and the energy businesses.

## NTA Backing

	Current period *	Previous corresponding period **
11.1 Net tangible asset backing per ordinary security	\$ 1.29	\$ 2.04

## Details of specific receipts/outlays, revenues/expenses

	Current period *	Previous corresponding period **
	\$A'000	\$A'000
12.1 Interest revenue included in determining item 1.4	26,513	41,575
12.2 Interest revenue included in item 12.1 but not yet received	90	8,526
12.3 Interest expense included in item 1.4	101,010	162,404
12.4 Interest costs excluded from item 12.3 and capitalised in asset values	-	36
12.5 Outlays (except those arising from the acquisition of an existing business) capitalised in intangibles.	-	-
12.6 Depreciation and amortisation (excluding amortisation of intangibles).	217,837	289,505

\* "Current period" includes December half year results of the building and construction materials businesses and twelve months results for the energy businesses.

\*\* "Previous corresponding period" includes twelve months results for both the building and construction materials businesses and the energy businesses.

## Control gained over entities having material effect

Not applicable

## Loss of control of entities having a material effect

Boral Limited (renamed "Origin Energy Limited" on 18 February 2000), "the entity", separated its building and construction materials businesses from its energy businesses. The effective date of the separation for accounting purposes was 1 January 2000.

Upon the separation, Blue Circle Southern Cement Limited, which acquired 121 controlled entities carrying on building and construction materials businesses during the half year ended 31 December 1999, was demerged from the entity. The entity retained the energy businesses and was renamed "Origin Energy Limited" on 18 February 2000. Blue Circle Southern Cement Limited, which was renamed "Boral Limited" on 18 February 2000, was separately listed on the Australian Stock Exchange on 21 February 2000.

14.1 Name of entity	Blue Circle Southern Cement Limited and Controlled Entities
14.2 Consolidated operating profit/(loss) and extraordinary items after tax of the entity since the start of the period to the date of loss of control.	\$92,730,000
14.3 Date to which the profit/(loss) in item 14.2 has been calculated.	31 December 1999
14.4 Consolidated operating profit/(loss) and extraordinary items after tax of the entity while controlled during the whole of the previous corresponding period.	\$159,253,000
14.5 Contribution to consolidated operating profit/(loss) and extraordinary items from sale of interest leading to loss of control.	\$Nil

## Segments

	Current Period		Previous Corresponding Period		Current Period		Previous Corresponding Period		Current Period		Previous Corresponding Period	
	\$A'000	%	\$A'000	%	\$A'000	%	\$A'000	%	\$A'000	%	\$A'000	%
<b>INDUSTRY SEGMENTS</b>	<b>Revenue*</b>				<b>Operating profit**</b>				<b>Earnings before interest, abnormal items and tax ****</b>			
Exploration and Production	265,812	22.7	191,788	19.8	94,605	73.1	49,915	62.4	96,869	73.9	49,918	61.6
Retail and Trading	874,426	74.8	764,861	79.1	18,545	14.3	19,464	24.3	16,498	12.6	20,413	25.2
Generation	29,411	2.5	10,602	1.1	9,649	7.5	4,357	5.4	9,644	7.4	4,355	5.4
Network	1	-	1	-	19,405	15.0	8,652	10.8	20,893	15.9	8,652	10.7
Corporate	-	-	-	-	(12,851)	(9.9)	(2,355)	(2.9)	(12,852)	(9.8)	(2,355)	(2.9)
<b>SEGMENT TOTAL</b>	<b>1,169,650</b>	<b>100</b>	<b>967,252</b>	<b>100</b>	<b>129,353</b>	<b>100</b>	<b>80,033</b>	<b>100</b>	<b>131,052</b>	<b>100</b>	<b>80,983</b>	<b>100</b>
Energy Profit/(Loss) on Sale of Non-current Assets	-				1,699		950					
Energy Net Interest Expense					(29,937)		(800)					
<b>Energy Segment Total</b>	<b>1,169,650</b>		<b>967,252</b>		<b>101,115</b>		<b>80,183</b>		<b>131,052</b>		<b>80,983</b>	
Discontinued Activities #	2,037,949		3,931,835		152,515		246,135		197,075		298,467	
	<b>3,207,599</b>		<b>4,899,087</b>		<b>253,630</b>		<b>326,318</b>		<b>328,127</b>		<b>379,450</b>	
	<b>Assets</b>				<b>Depreciation, depletion and amortisation</b>				<b>Capital expenditure</b>			
Exploration and Production	764,580	36.7	923,666	41.6	89,640	63.9	67,680	67.3	90,959	62.6	120,355	57.9
Retail and Trading	941,253	45.0	956,826	43.2	41,853	29.8	29,321	29.1	24,580	16.9	33,940	16.3
Generation	117,146	5.6	77,176	3.5	6,495	4.6	2,054	2.0	28,711	19.7	53,053	25.5
Network	69,335	3.3	28,132	1.3	1,684	1.2	1,608	1.6	62	-	621	0.3
Corporate	197,278	9.4	229,488	10.4	637	0.5	50	-	1,161	0.8	1	-
<b>Total</b>	<b>2,089,592</b>	<b>100</b>	<b>2,215,288</b>	<b>100</b>	<b>140,309</b>	<b>100</b>	<b>100,713</b>	<b>100</b>	<b>145,473</b>	<b>100</b>	<b>207,970</b>	<b>100</b>
Discontinued Activities #	-		4,442,192		103,702		215,762		66,473		240,743	
Cash and investments ***	141,659		225,372									
	<b>2,231,251</b>		<b>6,882,852</b>		<b>244,011</b>		<b>316,475</b>		<b>211,946</b>		<b>448,713</b>	

\* Revenue represents external sales from operating activities and equity accounted profit. It excludes intersegment sales as they are considered not material.

\*\* Operating profit represents profit before abnormal items and income tax expense.

\*\*\* Cash and investments excludes investments in associates and interests in partnerships.

\*\*\*\* Earnings before interest, abnormal items and tax includes profit on sale of non-current assets.

# Discontinued activities - current period includes the half year results to 31 December 1999, previous corresponding period includes the full year results to 30 June 1999.

Exploration and Production	Natural gas and oil
Retail and Trading	Natural gas, LPG, electricity, energy related products and services
Generation	Natural gas-fired cogeneration and power generation
Network	Energy asset management services
Discontinued activities	Bricks, plasterboard, timber products, roof tiles, aluminium products, concrete products. Quarrying, road surfacing, premix concrete, flyash, cement, transport, concrete placing, scaffolding. Tyre retreading and retailing, natural stone.

## Dividends

15.1 Date the dividend is payable

23 October 2000

15.2 Date to determine entitlements to the dividend (ie on the basis of registrable transfers received up to 5.00pm if paper based, or by "end of day" if a proper SCH transfer)

22 September 2000

15.3 The final dividend has been declared.

### Amount per security \*

Franking rate applicable		Amount per security	Franked amount per security at 36% tax
15.4	<b>Final dividend:</b> Current year	6.0 cents	Nil
15.5	Previous year	15.0 cents	Nil
15.6	<b>Interim dividend:</b> Current year	15.0 cents	Nil
15.7	Previous year	15.0 cents	15.0 cents

### Total dividend per security \*

15.8 Ordinary securities

Current period	Previous corresponding period
21.0 cents	30.0 cents

### Total dividend

15.10 Ordinary securities

Less: Dividend satisfied pursuant to bonus share election plan

Less: Final prior year dividend over/(under) provided

Current period \$A'000	Previous corresponding period \$A'000
119,288	168,560
-	8,418
(63)	1,085
119,351	159,057

The dividend plans shown below are in operation.

Dividend Reinvestment Plan

Any other disclosures in relation to dividends

Nil

\* Dividends per security have been adjusted for the 1 for 2 consolidation in February 2000.

## Details of aggregate share of profits/(losses) of associates

<b>Entity's share of associates':</b>		Current period *	Previous corresponding period **
		\$A'000	\$A'000
16.1	Operating profit before income tax	21,199	29,539
16.2	Income tax expense	6,420	9,095
16.3	Operating profit after income tax	14,779	20,444
16.4	Extraordinary items net of tax	-	-
16.5	Net profit	14,779	20,444
16.6	Outside equity interests	-	-
16.7	Net profit attributable to members	14,779	20,444

\* "Current period" includes December half year results of the building and construction materials businesses and twelve months results for the energy businesses.

\*\* "Previous corresponding period" includes twelve months results for both the building and construction materials businesses and the energy businesses.

## Material interests in entities which are not controlled entities

Not applicable.

## Issued and quoted securities at end of current period

Category of securities	Number issued	Number quoted	Issue price (cents)	Amount paid-up (cents)
18.3 <b>Ordinary securities</b>	568,050,178	568,050,178	-	-
18.4 Changes during current period				
(a) Increases through issues	7,944,422	7,944,422	-	-
(b) Decreases through returns of capital, buybacks, redemptions, consolidations	(568,050,178)	(568,050,178)	-	-
18.7 <b>Options (after 1 for 2 consolidation)</b>			Exercise price	Expiry date
	880,000	-	\$ 4.04	18 Jan 2001
	150,000	-	\$ 4.04	27 Feb 2001
	125,000	-	\$ 4.04	16 Aug 2001
	213,000	-	\$ 4.04	22 Oct 2001
	1,210,000	-	\$ 5.02	11 Dec 2002
	30,000	-	\$ 5.02	2 Mar 2003
	995,000	-	\$ 1.50	4 Dec 2003
	160,000	-	\$ 1.50	19 Jan 2004
	1,250,000	-	\$ 3.12	1 Feb 2004
	1,794,500	-	\$ 1.78	6 Dec 2004
	750,000	-	\$ 1.27	1 Mar 2005
	1,080,000	-	\$ 1.27	1 Mar 2005
18.8 Issued during current period	1,794,500	-	\$ 1.78	6 Dec 2004
	750,000	-	\$ 1.27	1 Mar 2005
	1,080,000	-	\$ 1.27	1 Mar 2005
18.9 Exercised during current period	-			
18.10 Expired during current period	70,000	-	\$ 5.02	11 Dec 2002
	50,000	-	\$ 1.50	4 Dec 2003
	40,000	-	\$ 1.50	19 Jan 2004

## Income tax expense

	Current period *	Previous corresponding period **
	\$A'000	\$A'000
Income tax expense on operating profit (item 1.7(i))	88,804	99,430
Income tax expense/(benefit) on abnormal items (item 1.7(ii))	(57,275)	(535)
Income tax expense for the period	31,529	98,895
Income tax expense on pretax accounting profit:		
(i) at Australian tax rate	46,768	117,479
(ii) adjustment for difference between Australian and overseas tax rates	4,069	(13,072)
Income tax expense on pretax accounting profit at standard rates	50,837	104,407
Less tax effect of major items causing permanent differences:		
Rebateable dividend income	2,129	3,262
Past tax losses and exploration expenditure recouped	10,194	24,127
Current tax losses not tax effected	(1,103)	(6,374)
Depreciation and amortisation	(12,898)	(12,711)
Capital profits/(losses)	779	5,023
Over/(under) provision for tax in previous years	880	5,609
Abnormal items not tax effected	(26,686)	-
Share of associates' net profit	5,320	(9,095)
Tax rate change	29,785	0
Tax losses acquired at a discount	16,183	5,469
Other items	(5,275)	(9,798)
	19,308	5,512
Income tax expense for the period	31,529	98,895

\* "Current period" includes December half year results of the building and construction materials businesses and twelve months results for the energy businesses.

\*\* "Previous corresponding period" includes twelve months results for both the building and construction materials businesses and the energy businesses.

## Comments by directors

Material factors affecting the revenues and expenses of the economic entity for the current period.

Refer attached Directors' review

A description of each event since the end of the current period which has had a material effect and is not related to matters already reported.

Nil

Franking credits available and prospects for paying fully or partly franked dividends for at least a year.

The balance of the franking account as at 30 June 2000 is nil after adjusting for expected franking debits that will arise. The 1999/00 final dividend to be paid in October 2000 will be unfranked and the Company does not anticipate paying franked dividends in respect of the 2000/01 year.

Changes in accounting policies since the last annual report are disclosed as follows.

Australian Accounting Standard AASB 1010: "Accounting for the Revaluation of Non-Current Assets" requires that the carrying value of non-current assets does not exceed recoverable amount. Recoverable amount is determined by the estimated future cash flows arising from an asset's continued use and subsequent disposal. The standard allows a test based on either discounted or undiscounted estimated cash flows.

At 30 June 2000, the economic entity changed its policy for determining the recoverable amount of non-current assets from undiscounted future net cash flows to a discounted cash flow basis, using the Company's weighted average cost of capital. Previously, only the carrying value of goodwill had been assessed using expected future cash flows discounted to their present value. This change in accounting policy is consistent with the emerging trends in international accounting practice and best practice in Australia.

The financial effect of this change in accounting policy was to reduce the carrying value of the economic entity's upstream oil and gas assets and consolidated profit before tax for the year ended 30 June 2000 by \$81,744,000 (tax benefit related thereto \$6,609,000), and to reduce profit after tax, attributable to outside equity interests, by \$1,736,000.

The change in accounting policy did not have a material impact on any other assets of the economic entity.

It is impracticable to estimate the impact of the change in accounting policy upon comparative information.

## Annual Meeting

The annual meeting will be held as follows:

Place	The Wesley Centre 220 Pitt Street, Sydney South
Date	20 October 2000
Time	10.30am
Approximate date the annual report will be available	22 September 2000

## Compliance statement

- 1 This report has been prepared under the accounting policies which comply with accounting standards as defined in the Corporations Law.
- 2 This report, and the financial statements prepared under the Corporations Law, use the same accounting policies.
- 3 This report gives a true and fair view of the matters disclosed.
- 4 This report is based on financial statements to which one of the following applies.

The financial statements have been audited.

The financial statements have been subject to review.

The financial statements are in the process of being audited.

The financial statements have *not* yet been audited or reviewed.

- 5 The audit report is not attached. The auditors have advised in writing that they intend to issue an unqualified audit report.
- 6 The entity has a formally constituted audit committee.

Sign here: \_\_\_\_\_  
(Company secretary)

Date: 23 August 2000

Print name: E. J. Cook