



**Origin Energy Limited
and its Controlled Entities**

ABN 30 000 051 696

Appendix 4D
31 December 2003

APPENDIX 4D

				A\$'000	
1. Results for announcement to the market:					
Revenues from ordinary activities	up	10.5%	to	1,845,755	
Profit from ordinary activities after tax attributable to members	up	40.2%	to	125,616	
Net profit for the period attributable to members	up	40.2%	to	125,616	
Earnings per share - basic	up	39.1%	to	19.2¢	
Earnings per share - diluted	up	39.4%	to	19.1¢	
Dividends	Amount per security		Franked amount per security at 30% tax		
Interim dividend declared	6 cents		6 cents		
Previous corresponding period	5 cents		2 cents		
Record date for determining entitlements to the dividend:			26 February 2004		
Brief explanation of any of the figures reported above or other item(s) of importance not previously released to the market:					
Refer to the Directors' Report included in the half year financial report for explanations.					
Discussion and Analysis of the results for the half year ended 31 December 2003:					
Refer to the Directors' Report included in the half year financial report for commentary.					
2. Other Information:					
			Consolidated		
			December 2003	June 2003	December 2002
Net tangible asset backing per ordinary security			\$ 1.53	\$ 1.48	\$ 1.48



Origin Energy Limited and its Controlled Entities
ABN 30 000 051 696

HALF YEAR FINANCIAL REPORT
31 December 2003

STATEMENT OF FINANCIAL PERFORMANCE

Origin Energy Limited and its Controlled Entities

for half year ended 31 December	Note	Consolidated	
		2003	2002
		\$'000	\$'000
Revenue from ordinary activities	3(a)	1,845,755	1,669,903
Expenses from ordinary activities excluding borrowing costs	3(b)	(1,654,384)	(1,512,481)
Borrowing costs		(25,350)	(25,485)
Share of net profits of associates and joint venture entities accounted for using the equity method	8	15,882	6,928
Profit from ordinary activities before related income tax expense		181,903	138,865
Income tax expense relating to ordinary activities	4	(54,806)	(47,201)
Net profit		127,097	91,664
Net profit attributable to outside equity interests		(1,481)	(2,065)
Net profit attributable to members of the parent entity, Origin Energy Limited		125,616	89,599
Non-owner transaction changes in equity:			
Net exchange difference relating to self-sustaining foreign operations attributable to members of Origin Energy Limited recognised directly in equity		(966)	1,126
Total changes in equity from non-owner related transactions attributable to members of the parent entity, Origin Energy Limited		124,650	90,725
Basic earnings per share		19.2¢	13.8¢
Diluted earnings per share		19.1¢	13.7¢

The Statement of Financial Performance should be read in conjunction with the notes to the half year financial statements.

STATEMENT OF FINANCIAL POSITION

Origin Energy Limited and its Controlled Entities

as at	Note	Consolidated		
		December	June	December
		2003	2003	2002
		\$'000	\$'000	\$'000
CURRENT ASSETS				
Cash assets		18,912	16,431	30,418
Receivables		543,574	621,085	513,050
Inventories		54,130	53,913	53,246
Other		54,689	43,063	72,190
TOTAL CURRENT ASSETS		671,305	734,492	668,904
NON-CURRENT ASSETS				
Receivables		11,345	31,675	22,350
Investments accounted for using the equity method		66,145	55,272	56,680
Other financial assets		174,005	170,713	186,037
Property, plant and equipment		1,393,314	1,352,527	1,305,353
Exploration, evaluation and development expenditure		170,605	154,300	148,421
Intangible assets		848,477	777,948	730,932
Deferred tax assets		52,874	123,192	199,354
Other		5,171	8,622	8,316
TOTAL NON-CURRENT ASSETS		2,721,936	2,674,249	2,657,443
TOTAL ASSETS		3,393,241	3,408,741	3,326,347
CURRENT LIABILITIES				
Payables		394,501	475,026	479,367
Interest-bearing liabilities		160,047	85,522	105,000
Current tax liabilities		3,905	546	787
Provisions		69,286	71,330	68,894
TOTAL CURRENT LIABILITIES		627,739	632,424	654,048
NON-CURRENT LIABILITIES				
Payables		2,085	11,840	5,881
Interest-bearing liabilities		603,273	663,012	630,125
Deferred tax liabilities		229,846	243,904	230,746
Provisions		60,401	67,957	74,345
TOTAL NON-CURRENT LIABILITIES		895,605	986,713	941,097
TOTAL LIABILITIES		1,523,344	1,619,137	1,595,145
NET ASSETS		1,869,897	1,789,604	1,731,202
EQUITY				
Contributed equity	9	436,971	418,612	399,124
Reserves		109,794	110,764	113,394
Retained profits	10	1,316,414	1,223,977	1,184,810
Total parent entity interest		1,863,179	1,753,353	1,697,328
Outside equity interests	7	6,718	36,251	33,874
TOTAL EQUITY	10	1,869,897	1,789,604	1,731,202

The Statement of Financial Position should be read in conjunction with the notes to the half year financial statements.

STATEMENT OF CASH FLOWS

Origin Energy Limited and its Controlled Entities

	Consolidated	
	2003	2002
for half year ended 31 December	\$'000	\$'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash receipts in the course of operations	2,101,113	1,913,902
Cash payments in the course of operations	(1,814,062)	(1,653,187)
Dividends/distributions received from associates/joint venture entities	5,000	4,000
Other dividends received	339	399
Interest received	23	1,093
Borrowing costs paid	(23,564)	(25,615)
Income taxes paid	(3,832)	(15,353)
Subvention payments	(4,000)	(6,000)
Net cash provided by operating activities	261,017	219,239
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for property, plant and equipment	(106,535)	(57,338)
Payments for exploration, development and mine properties	(54,421)	(96,991)
Payments for investments	(9,697)	-
Payments for businesses	-	(131,614)
Purchase of outside equity interests in controlled entity	(73,820)	-
Loans to associated entities	(17,438)	-
Net proceeds from disposal of investments	2,671	-
Proceeds from sale of non-current assets	1,181	2,200
Net cash used in investing activities	(258,059)	(283,743)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from borrowings	230,500	328,115
Repayment of borrowings	(215,714)	(236,662)
Dividends paid	(16,247)	(10,943)
Proceeds from issues of securities	1,202	3,794
Net cash provided by/(used in) financing activities	(259)	84,304
NET INCREASE IN CASH HELD	2,699	19,800
Cash and cash equivalents at the beginning of the year	16,431	10,551
Effect of exchange rate changes on cash	(218)	67
CASH AND CASH EQUIVALENTS AT THE END OF THE HALF YEAR	18,912	30,418

The Statement of Cash Flows should be read in conjunction with the notes to the half year financial statements.

NOTES TO THE FINANCIAL STATEMENTS

Origin Energy Limited and its Controlled Entities

FOR HALF YEAR ENDED 31 DECEMBER 2003

1. BASIS OF PREPARATION OF THE HALF YEAR REPORT

The half year consolidated financial report is a general purpose financial report which has been prepared in accordance with Accounting Standard AASB 1029 "Interim Financial Reporting", the recognition and measurement requirements of applicable AASB Standards, Urgent Issues Group Consensus Views, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001.

This half year financial report should be read in conjunction with the 30 June 2003 Annual Report, Financial Statements and any public announcements by Origin Energy Limited and its controlled entities during the half year in accordance with continuous disclosure obligations arising under the Corporations Act 2001. The half year report does not include full note disclosures of the type normally included in an annual financial report.

It has been prepared on the basis of historical costs and, except where stated, does not take into account changing money values of fair values of non-current assets.

The accounting policies have been consistently applied by each entity in the consolidated entity and are consistent with those applied in the 30 June 2003 Financial Statements.

Impact of Tax Consolidation Legislation

As a consequence of the substantive enactment of the Tax Consolidation legislation and since Origin Energy Limited has not made a decision regarding tax consolidations at the date of signing this report of the implementation date for tax consolidation, the consolidated entity has applied UIG 39 "Effect of Proposed Tax Consolidation Legislation on Deferred Tax Balances". No future income tax benefit previously recognised has been written off to consolidated income tax expense as a consequence of applying UIG 39. There was no impact on the consolidated entity's future income tax benefits arising from tax consolidations as at 31 December 2003.

NOTES TO THE FINANCIAL STATEMENTS

Origin Energy Limited and its Controlled Entities

2. SEGMENTS

(a) Primary reporting - Business segments

	Exploration and Production		Retail		Generation		Networks		Consolidated	
	2003	2002	2003	2002	2003	2002	2003	2002	2003	2002
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
REVENUE										
Total sales	186,359	167,904	1,541,897	1,414,245	64,717	45,253	81,610	76,226	1,874,583	1,703,628
Intersegment sales elimination *	(24,060)	(23,354)	-	-	(21,172)	(22,136)	-	-	(45,232)	(45,490)
External sales revenue	162,299	144,550	1,541,897	1,414,245	43,545	23,117	81,610	76,226	1,829,351	1,658,138
Other revenue	2,958	885	2,205	1,004	1,220	88	8,625	9,107	15,008	11,084
Total segment revenue	165,257	145,435	1,544,102	1,415,249	44,765	23,205	90,235	85,333	1,844,359	1,669,222
Unallocated revenue									1,396	681
Revenue from ordinary activities									1,845,755	1,669,903
RESULT										
Segment result	56,263	47,119	105,395	89,186	16,212	9,021	12,105	11,415	189,975	156,741
Share of net profits of associates and joint venture entities	-	-	1,748	1,124	14,090	5,804	44	-	15,882	6,928
EARNINGS BEFORE INTEREST AND TAX (EBIT)	56,263	47,119	107,143	90,310	30,302	14,825	12,149	11,415	205,857	163,669
Net interest expense									(23,954)	(24,804)
Profit from ordinary activities before income tax									181,903	138,865
Income tax expense									(54,806)	(47,201)
Net profit									127,097	91,664
EARNINGS BEFORE INTEREST, TAX, DEPRECIATION AND AMORTISATION (EBITDA)	102,890	90,248	146,705	129,493	43,672	23,882	13,211	12,300	306,478	255,923
DEPRECIATION AND AMORTISATION	46,627	43,129	39,562	39,183	13,370	9,057	1,062	885	100,621	92,254
OTHER NON-CASH EXPENSES	16,683	16,352	5,898	20,272	2,767	750	473	1,084	25,821	38,458
ACQUISITIONS OF NON-CURRENT ASSETS (includes capital expenditure)	204,921	135,141	19,722	152,480	15,618	94,097	957	95	241,218	381,813

NOTES TO THE FINANCIAL STATEMENTS

Origin Energy Limited and its Controlled Entities

2. SEGMENTS (continued)

	Exploration and Production		Retail		Generation		Networks		Consolidated	
	2003	2002	2003	2002	2003	2002	2003	2002	2003	2002
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
ASSETS										
Segment assets	1,177,319	986,519	1,550,955	1,554,236	337,904	323,977	189,132	175,163	3,255,310	3,039,895
Equity accounted investments	-	-	7,706	5,793	58,045	50,887	394	-	66,145	56,680
Total segment assets	1,177,319	986,519	1,558,661	1,560,029	395,949	374,864	189,526	175,163	3,321,455	3,096,575
Unallocated assets **									71,786	229,772
Total assets									3,393,241	3,326,347
LIABILITIES										
Segment liabilities	91,729	82,835	377,119	394,037	20,538	122,173	36,885	29,442	526,271	628,487
Unallocated liabilities **									997,073	966,658
Total liabilities									1,523,344	1,595,145

* Intersegment pricing is determined on an arm's length basis. Intersegment sales are eliminated on consolidation. With effect from 1 July 2002, a tolling arrangement was established between Retail and Generation in relation to the consolidated entity's three merchant power stations. The tolling arrangement pricing is at commercial rates. The external revenue from the merchant power stations is now recognised in Retail's revenue while Generation receives a tolling fee from Retail for the capacity provided and costs incurred by these power stations.

** Unallocated assets consists of cash and deferred tax assets. Unallocated liabilities consists of current and non-current interest-bearing liabilities and current and deferred tax liabilities.

Corporate revenue and expenses are allocated across business segments on the basis of external sales revenue. Corporate assets and liabilities are allocated across business segments based on their share of total assets and liabilities.

Industry segments:

Exploration and Production
Retail
Generation
Networks

Products and services:

Natural gas and oil
Natural gas, electricity, LPG, energy related products and services
Natural gas-fired cogeneration and power generation
Infrastructure investment and management services

(b) Secondary reporting - geographical segments

The consolidated entity operates predominantly in Australia. More than 90% of revenue, profit, assets and acquisition of non-current assets relate to operations in Australia.

NOTES TO THE FINANCIAL STATEMENTS

Origin Energy Limited and its Controlled Entities

	Consolidated	
	2003	2002
	\$'000	\$'000
3. PROFIT FROM ORDINARY ACTIVITIES		
(a) Revenue from ordinary activities		
Revenue from operating activities:		
Revenue from sale of goods	1,745,842	1,581,882
Revenue from rendering of services	83,509	76,256
Total sales revenue	1,829,351	1,658,138
Interest income	1,396	681
Revenue from outside operating activities	15,008	11,084
Revenue from ordinary activities	1,845,755	1,669,903
(b) Expenses from ordinary activities excluding borrowing costs		
Expenses by nature:		
Raw materials and consumables used, and changes in finished goods and work in progress	1,231,565	1,105,392
Advertising	10,697	10,184
Bad and doubtful debts	6,335	5,194
Consultancy costs	3,258	3,782
Contracting costs	63,664	57,081
Depreciation and amortisation	100,621	92,254
Employee expenses	104,704	101,602
Exploration and production costs	36,312	35,219
Motor vehicle expenses	7,929	8,119
Occupancy expenses	13,870	13,424
Repairs and maintenance	6,420	8,242
Royalties	13,882	14,212
Administration and other expenses from ordinary activities	55,127	57,776
Total expenses from ordinary activities excluding borrowing costs	1,654,384	1,512,481
(c) Individually Significant Items		
Individually significant revenues/(expenses) included in profit from ordinary activities before income tax include:		
Share of net profits of associates and joint venture entities - tax benefit arising on entry into the new tax consolidations regime	9,350	-
Provision for write-down of mine properties - Cooper Basin	(16,212)	-

NOTES TO THE FINANCIAL STATEMENTS

Origin Energy Limited and its Controlled Entities

4. INCOME TAX EXPENSE

	Consolidated	
	2003	2002
	\$'000	\$'000
Prima facie income tax expense on pre-tax accounting profit:		
(i) at Australian tax rate of 30%	54,571	41,660
(ii) adjustment for difference between Australian and overseas tax rates	130	(167)
Income tax expense on pre-tax accounting profit at standard rates	54,701	41,493
Add/(subtract) tax effect of major items causing permanent differences:		
Non-taxable distributions received	(3,292)	(1,615)
Depreciation and amortisation	6,937	6,496
Non-deductible provision for write-down of mine properties	4,863	-
Share of net profits of associates and joint venture entities	(3,832)	(1,173)
Recognition of deferred tax assets not previously brought to account	(4,096)	(182)
Under provision of tax in previous years	-	1,927
Recoupment of capital losses not previously recognised	-	114
Tax rate change on prior year adjustments	-	(286)
Other	(475)	427
	105	5,708
Income tax expense relating to ordinary activities	54,806	47,201

NOTES TO THE FINANCIAL STATEMENTS

Origin Energy Limited and its Controlled Entities

5. DIVIDENDS

	Note	Consolidated	
		2003 \$'000	2002 \$'000
(a) Dividend reconciliation			
Final prior year dividend under provided		-	26
Final dividend of 5 cents per share, franked to 2 cents per share at 30%, paid 3 October 2003		33,183	-
	10	33,183	26
Restatement adjustment:			
Final dividend previously recognised in the year ended 30 June 2002, now recognised in the half year ended 31 December 2002 as a result of the initial adoption of AASB 1044 "Provisions, Contingent Liabilities and Contingent Assets".	10	-	19,435
		<u>33,183</u>	<u>19,461</u>
(b) Subsequent event			
Since 31 December 2003 the Directors have declared an interim dividend of 6 cents per share, fully franked at 30%, payable 18 March 2004.		39,835	-

The financial effect of this dividend has not been brought to account in the financial statements for the half year ended 31 December 2003 and will be recognised in subsequent financial reports.

NOTES TO THE FINANCIAL STATEMENTS

Origin Energy Limited and its Controlled Entities

6. NON-CASH FINANCING AND INVESTING ACTIVITIES

	Consolidated	
	2003	2002
	\$'000	\$'000
The following non-cash financing and investing activities have not been included in the Statement of Cash Flows:		
Issue of shares in respect of the Dividend Reinvestment Plan	17,157	10,291

NOTES TO THE FINANCIAL STATEMENTS

Origin Energy Limited and its Controlled Entities

7. ACQUISITION OF CONTROLLED ENTITIES

2003

Name	Date Acquired	Additional consolidated entity's interest	Consideration	Contribution to consolidated net profit
Oil Company of Australia Limited (now known as Origin Energy CSG Limited)	30 September 2003	14.77%	\$73,820,000	\$800,000

At 30 June 2003 Origin Energy Limited and its controlled entities owned 85.23% of Oil Company of Australia Limited. During the period the remaining 14.77% interest in Oil Company of Australia Limited was acquired. Oil Company of Australia Limited has been accounted for as a 100% owned controlled entity from 30 September 2003.

This acquisition resulted in a reduction to the outside equity interest in the statement of financial position of \$30,056,000.

2002

Name	Date Acquired	Consolidated entity's interest	Consideration	Contribution to consolidated net profit/(loss)
AES Australia Holding BV AES Mount Stuart BV AES Mount Stuart General Partnership	13 December 2002	100%	\$89,025,000	(\$76,000)

NOTES TO THE FINANCIAL STATEMENTS

Origin Energy Limited and its Controlled Entities

8. MATERIAL INTERESTS IN ENTITIES WHICH ARE NOT CONTROLLED ENTITIES

	Percentage of ownership interest held at the end of the period		Share of net profits	
	Consolidated		Consolidated	
	2003	2002	2003	2002
	%	%	\$'000	\$'000
Equity accounted associates and joint venture entities:				
Bulwer Island Energy Partnership	50.0	50.0	2,479	3,631
CUBE Pty Ltd* (refer note 3(c))	50.0	50.0	11,611	2,173
Rockgas Ltd	50.0	50.0	1,748	1,124
Campaspe Asset Management Services Pty Ltd	50.0	-	44	-
Total			15,882	6,928
Other material interests:				
Envestra Limited	18.6	19.1	7,692	7,692
Total			7,692	7,692

* Osborne Cogeneration Pty Ltd, a company incorporated in SA, is a wholly owned controlled entity of CUBE Pty Ltd.

NOTES TO THE FINANCIAL STATEMENTS

Origin Energy Limited and its Controlled Entities

		Consolidated	
		2003	2002
		\$'000	\$'000
9. CONTRIBUTED EQUITY			
ISSUED AND PAID-UP CAPITAL			
		436,971	399,124
- 662,599,548 (2002: 652,317,960) ordinary shares, fully paid			
ORDINARY SHARE CAPITAL			
		418,612	385,039
Balance at the beginning of the financial year			
Shares issued:			
		1,202	3,794
- 705,350 (2002: 1,426,600) shares in accordance with the Senior Executive Option Plan			
		17,157	10,291
- 4,184,447 (2002: 2,693,165) shares in accordance with the Dividend Reinvestment Plan			
	10	18,359	14,085
Total movements in ordinary share capital			
		436,971	399,124
Ordinary share capital at the end of the period			

OPTIONS

	Number	Exercise price	Expiry date
On issue at 31 December 2003	1,250,000	\$ 2.24	1 Feb 2004
	571,150	\$ 1.76	6 Dec 2004
	55,500	\$ 1.78	6 Dec 2004
	2,230,000	\$ 1.27	1 Mar 2005
	495,000	\$ 2.74	31 Aug 2006
	3,495,000	\$ 3.20	16 Dec 2006
	30,000	\$ 3.20	14 Jan 2007
	2,630,000	\$ 3.56	19 Dec 2007
	3,910,000	\$ 4.31	19 Dec 2008
Issued during the half year ended 31 December 2003	3,910,000	\$ 4.31	19 Dec 2008
Exercised during the half year ended 31 December 2003	365,000	\$ 1.66	4 Dec 2003
	30,000	\$ 1.66	19 Jan 2004
	310,350	\$ 1.76	6 Dec 2004
Expired during the half year ended 31 December 2003	50,000	\$ 1.50	4 Dec 2003

NOTES TO THE FINANCIAL STATEMENTS

Origin Energy Limited and its Controlled Entities

	Note	Consolidated	
		2003 \$'000	2002 \$'000
10. RETAINED PROFITS AND TOTAL EQUITY			
(a) Retained profits reconciliation			
Previously reported retained profits at the end of the previous financial year		1,223,977	1,095,158
Adjustment to dividends resulting from the initial adoption of AASB 1044 "Provisions, Contingent Liabilities and Contingent Assets"		-	19,435
Restated retained profits at the beginning of the period		1,223,977	1,114,593
Dividends recognised during the half year ended 31 December 2002 as a result of the initial adoption of AASB 1044 "Provisions, Contingent Liabilities and Contingent Assets"	5	-	(19,435)
Dividends paid during the period	5	(33,183)	(26)
Net profit attributable to members of the parent entity, Origin Energy Limited		125,616	89,599
Aggregate of amounts transferred from reserves		4	79
Retained profits at the end of the period		1,316,414	1,184,810
(b) Total equity reconciliation			
Total equity at the beginning of the period		1,789,604	1,626,039
Total changes in parent entity interest in equity recognised in the Statement of Financial Performance		124,650	90,725
Transactions with owners as owners:			
Contributions of equity	9	18,359	14,085
Dividends recognised during the period	5	(33,183)	(26)
Total changes in outside equity interests		(29,533)	379
Total equity at the end of the period		1,869,897	1,731,202

NOTES TO THE FINANCIAL STATEMENTS

Origin Energy Limited and its Controlled Entities

11. CONTINGENT LIABILITIES

Details of contingent liabilities and contingent assets where the probability of future payments/receipts is not considered remote are set out below, as well as details of contingent liabilities and contingent assets, which although considered remote, the Directors consider should be disclosed. The Directors are of the opinion that provisions are not required in respect of these matters, as it is not probable that a future sacrifice of economic benefits will be required or the amount is not capable of reliable measurement.

	Consolidated		
	December 2003 \$'000	June 2003 \$'000	December 2002 \$'000
Contingent liabilities:			
Unsecured:			
Bank guarantees	188,849	169,811	173,140

Origin Energy Limited has given to its bankers letters of responsibility in respect of accommodation provided from time to time by the banks to Origin Energy Limited's wholly or partly owned controlled entities.

Warranties and indemnities have been given by entities in the consolidated entity in relation to environmental liabilities for certain properties as part of the terms and conditions of divestments.

A number of sites within the consolidated entity have been identified as contaminated, all of which are subject to ongoing environmental management programmes to ensure appropriate controls are in place and clean-up requirements are implemented. For sites where the requirements can be assessed and costs estimated, the estimated cost of remediation has been expensed or provided for. The contamination has generally resulted from prior activities conducted at the sites.

Certain entities within the consolidated entity are subject to various lawsuits and claims, including claims for additional income tax, stamp duty and penalties, native title claims and a cross-claim arising from an action brought against Esso/BHP in relation to the Longford explosion in 1998. Any liabilities arising from such lawsuits and claims are not expected to have a material adverse effect on the consolidated financial statements.

12. EVENTS SUBSEQUENT TO REPORTING DATE

Refer note 5 for dividends declared subsequent to 31 December 2003.

On 1 January 2004 a fire at the Moomba processing plant interrupted gas supply from the Cooper basin primarily into Adelaide. The primary financial impact on Origin relates to Origin's 13.2% share in the Cooper Basin Joint Venture. Santos Limited, as operator of the Joint Venture has released information on the estimated financial impact of this incident. Based on this advice the impact on profit after tax to Origin is expected to be a loss of \$6 million to \$7 million.

On 2 January 2004 Origin contributed \$55.6 million in equity to the SEA Gas pipeline project.

On 13 February 2004 Origin acquired from Genesis Power Limited a 50% interest in the Kupe gas field (in PML 38146) in the offshore Taranaki Basin, New Zealand. Consideration for the interest includes a cash payment of NZ \$33 million to be paid in a number of instalments, agreement to contract its share of sales gas from the field to Genesis Power, and undertaking operatorship of the field development.

The financial effects of these transactions have not been brought to account in the financial statements for the half year ended 31 December 2003 and will be recognised in subsequent financial reports.

DIRECTORS' DECLARATION

Origin Energy Limited and its Controlled Entities

In the opinion of the Directors of Origin Energy Limited:

- a) the financial statements and notes, set out on pages 2 to 16, are in accordance with the Corporations Act 2001, including:
 - i) giving a true and fair view of the financial position of the consolidated entity as at 31 December 2003 and of its performance, as represented by the results of its operations and cash flows, for the half year ended on that date; and
 - ii) complying with Australian Accounting Standard AASB 1029 "Interim Financial Reporting" and the Corporations Regulations 2001; and
- b) there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Directors:

Mr H Kevin McCann
Chairman
Sydney, 17 February 2004

INDEPENDENT REVIEW REPORT

Origin Energy Limited and its Controlled Entities

Independent review report to the members of Origin Energy Limited

Scope

The financial report and directors' responsibility

The financial report comprises the statement of financial position, statement of financial performance, statement of cash flows, accompanying notes to the financial statements, and the directors' declaration set out on pages 2 to 17 for the Origin Energy Limited Consolidated Entity ("the Consolidated Entity") for the half year ended 31 December 2003. The Consolidated Entity comprises Origin Energy Limited and the entities it controlled during the half year.

The directors of the Company are responsible for the preparation and true and fair presentation of the financial report in accordance with the Corporations Act 2001. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

Review approach

We conducted an independent review in order for the Company to lodge the financial report with the Australian Securities and Investments Commission. Our review was conducted in accordance with Australian Auditing Standards applicable to review engagements.

We performed procedures in order to state whether on the basis of the procedures described anything has come to our attention that would indicate the financial report does not present fairly, in accordance with the Corporations Act 2001, Australian Accounting Standard AASB 1029 "Interim Financial Reporting" and other mandatory financial reporting requirements in Australia, a view which is consistent with our understanding of the Consolidated Entity's financial position, and of its performance as represented by the results of its operations and cash flows.

We formed our statement on the basis of the review procedures performed, which were limited primarily to:

- enquiries of company personnel; and
- analytical procedures applied to the financial data.

While we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our review was not designed to provide assurance on internal controls.

The procedures do not provide all the evidence that would be required in an audit, thus the level of assurance is less than given in an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

A review cannot guarantee that all material misstatements have been detected.

Independence

In conducting our review, we followed applicable independence requirements of Australian professional ethical pronouncements and the Corporations Act 2001.

Statement

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe the half year financial report of Origin Energy Limited is not in accordance with:

- a) the Corporations Act 2001, including:
 - i) giving a true and fair view of the Consolidated Entity's financial position as at 31 December 2003 and of its performance for the half year ended on that date; and
 - ii) complying with Australian Accounting Standard AASB 1029 "Interim Financial Reporting" and the Corporations Regulations 2001; and
- b) other mandatory financial reporting requirements in Australia.

KPMG

David Rogers
Partner

Sydney
17 February 2004