



## HALF YEARLY REPORT

Name of entity

Origin Energy Limited and its Controlled Entities

ACN	Half yearly <i>(tick)</i>	Preliminary final <i>(tick)</i>	Half year ended ('current period')
000 051 696	✓		31 December 2001

**For announcement to the market** (refer note \* below)

				\$'A'000
Revenues from ordinary activities <i>(item 1.1)</i>	up	45.5%	to	1,237,468
Profit from ordinary activities after tax (before amortisation of goodwill) attributable to members <i>(item 1.20)</i>	up	9.9%	to	57,476
Profit from ordinary activities after tax attributable to members <i>(item 1.23)</i>	up	10.4%	to	54,662
Profit from extraordinary items after tax attributable to members <i>(item 2.5(d))</i>		0.0%		-
Net profit for the period attributable to members <i>(item 1.11)</i>	up	10.4%	to	54,662

Dividends	Amount per security	Franked amount per security at 30%
Interim dividend <i>(item 15.6)</i>	2.0 cents	2.0 cents
Previous corresponding period <i>(item 15.7)</i>	Nil	Nil

Date for determining entitlements to the dividend *(see item 15.2)* 7 March 2002

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

Nil

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

Nil

## Consolidated profit and loss account

	Current period \$A'000	Previous corresponding period \$A'000	% Change +/-
1.1 Revenues from ordinary activities	1,237,468	850,716	45.5%
1.2 Expenses from ordinary activities (see items 1.24+12.5+12.6)	(1,134,693)	(763,363)	-48.6%
1.3 Borrowing costs	(23,318)	(16,916)	-37.8%
1.4 Share of net profit of associates and joint venture entities (see item 16.7)	3,543	2,392	48.1%
<b>1.5 Profit from ordinary activities before tax</b>	<b>83,000</b>	<b>72,829</b>	<b>14.0%</b>
1.6 Income tax on ordinary activities	25,776	20,632	24.9%
<b>1.7 Profit from ordinary activities after tax</b>	<b>57,224</b>	<b>52,197</b>	<b>9.6%</b>
1.8 Profit from extraordinary items after tax (see item 2.5)	-	-	-
<b>1.9 Net profit</b>	<b>57,224</b>	<b>52,197</b>	<b>9.6%</b>
1.10 Net profit attributable to outside equity interests	2,562	2,669	-4.0%
<b>1.11 Net profit for the period attributable to members</b>	<b>54,662</b>	<b>49,528</b>	<b>10.4%</b>
<b>Non-owner transaction changes in equity:</b>			
Net exchange differences on translation of financial statements of self-sustaining foreign operations:			
- Net (loss) on translation of assets and liabilities of overseas controlled entities	(708)	(19)	
Net increase in asset revaluation reserve:			
- Adjustments arising from the Demerger	-	1,748	
Total revenues, expenses and valuation adjustments attributable to members of Origin Energy Limited recognised directly in equity	(708)	1,729	
<b>Total changes in equity from non-owner related transactions attributable to members of Origin Energy Limited</b>	<b>53,954</b>	<b>51,257</b>	
Basic earnings per share	8.7 cents	8.7 cents	
Diluted earnings per share	8.7 cents	8.7 cents	
Weighted average number of ordinary shares outstanding during the period used in the calculation of basic earnings per share	627,644,269	570,137,369	10.1%
Weighted average number of ordinary shares outstanding during the period used in the calculation of diluted earnings per share	630,582,404	571,305,707	10.4%
<b>Consolidated retained profits</b>			
1.12 Retained profits at the beginning of the financial period	999,223	926,561	
1.13 Net profit attributable to members (item 1.11)	54,662	49,528	
1.14 Net transfers (to) and from reserves	(8)	(19)	
1.15 Net effect of changes in accounting policies	-	-	
1.16 Dividends and other equity distributions paid or payable	(14,708)	(43)	
<b>1.17 Retained profits at the end of the financial period</b>	<b>1,039,169</b>	<b>976,027</b>	

## Profit restated to exclude amortisation of goodwill

	Current period \$A'000	Previous corresponding period \$A'000
1.18 Profit from ordinary activities after tax before outside equity interests ( <i>items 1.7</i> ) and amortisation of goodwill.	60,038	54,976
1.19 Less outside equity interests	2,562	2,669
1.20 Profit from ordinary activities after tax (before amortisation of goodwill) attributable to members	57,476	52,307

## Profit from ordinary activities attributable to members

	Current period \$A'000	Previous corresponding period \$A'000
1.21 Profit from ordinary activities after tax ( <i>item 1.7</i> )	57,224	52,197
1.22 Less outside equity interests	2,562	2,669
1.23 <b>Profit from ordinary activities after tax, attributable to members</b>	<b>54,662</b>	<b>49,528</b>

## Revenue and expenses from ordinary activities

	Current period \$A'000	Previous corresponding period \$A'000
1.24 Details of revenue and expenses by nature		
Revenue from sale of goods	1,159,176	771,290
Revenue from rendering of services	63,579	60,501
Total sales revenue	1,222,755	831,791
Other revenue from ordinary activities	14,713	18,925
<b>Revenue from ordinary activities</b>	<b>1,237,468</b>	<b>850,716</b>
Raw materials and consumables used, and changes in finished goods and work in progress	822,838	511,085
Advertising	5,297	3,999
Bad debts	2,743	1,398
Employee expenses	79,686	67,319
Depreciation and amortisation	87,141	66,716
Occupancy expenses	8,979	5,603
Repairs and maintenance	7,586	7,885
Exploration and evaluation costs	23,110	19,726
Royalties	14,833	15,105
Consultancy costs	3,778	4,207
Contracting costs	53,214	41,961
Motor vehicles	8,404	8,160
Administration and other expenses from ordinary activities	17,084	10,199
<b>Expenses from ordinary activities</b>	<b>1,134,693</b>	<b>763,363</b>

## Intangible 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	2,814	-	-	2,814
2.2	Amortisation of other intangibles	9,407	-	-	9,407
2.3	<b>Total amortisation of intangibles</b>	12,221	-	-	12,221
2.4	Extraordinary items (details)	-	-	-	-
2.5	<b>Total extraordinary items</b>	-	-	-	-

Consolidated - previous corresponding 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	2,779	-	-	2,779
2.2	Amortisation of other intangibles	4,934	-	-	4,934
2.3	<b>Total amortisation of intangibles</b>	7,713	-	-	7,713
2.4	Extraordinary items (details)	-	-	-	-
2.5	<b>Total extraordinary items</b>	-	-	-	-

## Consolidated balance sheet

	At end of current period \$A'000	As shown in last annual report \$A'000	As shown in last half yearly report \$A'000
<b>Current assets</b>			
4.1 Cash assets	21,155	15,910	11,799
4.2 Receivables	388,347	480,242	269,564
4.3 Investments and other financial assets	681	-	-
4.4 Inventories	48,065	39,680	39,625
4.5 Other	63,824	49,016	30,081
4.6 <b>Total current assets</b>	522,072	584,848	351,069
<b>Non-current assets</b>			
4.7 Receivables	32,792	36,137	50,586
4.8 Investments (equity accounted)	50,132	49,985	7,391
4.9 Other investments and other financial assets	201,153	208,245	144,529
4.11 Exploration and evaluation expenditure capitalised	84,828	63,688	55,354
4.12 Development properties	3,850	193	27,218
4.13 Other property, plant and equipment (net)	1,123,259	1,009,452	916,853
4.14 Intangibles (net)	696,699	705,002	465,644
Deferred tax assets	150,490	161,872	143,021
4.15 Other	8,507	9,404	8,549
4.16 <b>Total non-current assets</b>	2,351,710	2,243,978	1,819,145
4.17 <b>Total assets</b>	2,873,782	2,828,826	2,170,214
<b>Current liabilities</b>			
4.18 Payables	351,555	338,321	171,888
4.19 Interest bearing liabilities	47,041	223,049	39,119
Current tax liabilities	7,637	13,513	21,168
4.20 Provisions	81,526	93,594	37,494
4.21 Other	-	-	-
4.22 <b>Total current liabilities</b>	487,759	668,477	269,669
<b>Non-current liabilities</b>			
4.23 Payables	28,188	40,221	38,720
4.24 Interest bearing liabilities	520,000	520,034	370,000
Deferred tax liabilities	183,084	183,010	144,976
4.25 Provisions	85,330	88,712	41,949
4.26 Other	-	-	-
4.27 <b>Total non-current liabilities</b>	816,602	831,977	595,645
4.28 <b>Total liabilities</b>	1,304,361	1,500,454	865,314
4.29 <b>Net assets</b>	1,569,421	1,328,372	1,304,900
<b>Equity</b>			
4.30 Capital/contributed equity	381,366	178,457	178,457
4.31 Reserves	114,569	115,269	116,881
4.32 Retained profits	1,039,169	999,223	976,027
4.33 <b>Equity attributable to members of the parent entity</b>	1,535,104	1,292,949	1,271,365
4.34 Outside equity interest in controlled entities	34,317	35,423	33,535
4.35 <b>Total equity</b>	1,569,421	1,328,372	1,304,900

## Consolidated statement of cash flows

	Current period \$A'000	Previous corresponding period \$A'000
<b>Cash flows related to operating activities</b>		
7.1 Receipts from customers	1,390,105	845,322
7.2 Payments to suppliers and employees	(1,202,063)	(694,978)
7.3 Dividends/distributions received from associates and joint venture entities	4,000	1,221
7.4 Other dividends received	409	394
7.5 Interest and other items of similar nature received	817	1,341
7.6 Interest and other costs of finance paid	(23,182)	(17,478)
7.7 Income taxes paid	(14,128)	(3,248)
7.8 Other (subvention payments)	(10,000)	(11,000)
7.9 <b>Net operating cash flows</b>	145,958	121,574
<b>Cash flows related to investing activities</b>		
7.10 Payment for purchases of property, plant and equipment	(72,573)	(35,990)
7.11 Proceeds from sale of property, plant and equipment	692	10,506
Payment for purchase of controlled entities	(7,651)	-
7.12 Payment for purchases of equity investments	(700)	(4,550)
7.13 Proceeds from sale of equity investments	-	-
7.14 Loans to other entities	-	-
7.15 Loans repaid by other entities	-	-
7.16 Other (payment for exploration and development)	(59,253)	(34,335)
7.17 <b>Net investing cash flows</b>	(139,485)	(64,369)
<b>Cash flows related to financing activities</b>		
7.18 Proceeds from issues of securities (shares, options, etc)	197,892	-
7.19 Proceeds from borrowings	-	7,884
7.20 Repayment of borrowings	(176,040)	(38,384)
7.21 Dividends paid	(22,653)	(23,219)
7.22 Other	-	-
7.23 <b>Net financing cash flows</b>	(801)	(53,719)
7.24 <b>Net increase/(decrease) in cash held</b>	5,672	3,486
7.25 Cash at beginning of period	15,910	99
7.26 Exchange rate adjustments to <i>item 7.25</i>	(427)	(360)
7.27 <b>Cash at end of period</b> (see reconciliation of cash)	21,155	3,225

## 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 \$Nil (2000: \$Nil)                          |
| (ii) Issue of shares in respect of dividend reinvestment plans \$5,017,000 (2000: \$11,301,000) |

## 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 \$A'000	Previous corresponding period \$A'000
8.1 Cash on hand and at bank	17,632	9,023
8.2 Deposits at call	250	-
8.3 Bank overdraft	-	(8,574)
8.4 Other (term deposits)	3,273	2,776
8.5 <b>Total cash at end of period</b> (item 7.27)	21,155	3,225

## Ratios

	Current period	Previous corresponding period
<b>Profit before tax/revenue</b>		
9.1 Consolidated profit from ordinary activities before tax (item 1.5) as a percentage of revenue (item 1.1)	6.7%	8.6%
<b>Profit after tax/equity interests</b>		
9.2 Consolidated net profit from ordinary activities after tax attributable to members (item 1.9) as a percentage of equity at the end of the period (item 4.33)	3.7%	4.1%

## 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) Basic EPS	8.7 cents	8.7 cents
(b) Diluted EPS	8.7 cents	8.7 cents
(c) Weighted average number of ordinary shares outstanding during the period used in the calculation of Basic EPS	627,644,269	570,137,369
(d) Weighted average number of ordinary shares and potential ordinary shares outstanding during the period used in the calculation of Diluted EPS	630,582,404	571,305,707

## NTA Backing

	Current period	Previous corresponding period
11.1 Net tangible asset backing per ordinary security	\$ 1.30	\$ 1.40

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

	Current period \$A'000	Previous corresponding period \$A'000
12.1 Interest revenue included in determining item 1.5	816	1,288
12.2 Interest revenue included in item 12.1 but not yet received	2	29
12.3 Interest costs excluded from borrowing costs, capitalised in asset values	-	-
12.4 Outlays (except those arising from the acquisition of an existing business) capitalised in intangibles	-	-
12.5 Depreciation and amortisation (excluding amortisation of intangibles)	74,920	59,003
12.6 Other specific relevant items not shown in item 1.24	-	-

## Control gained over entities having material effect

Not Applicable

## Loss of control of entities having a material effect

Not applicable

**PRIMARY REPORTING - BUSINESS SEGMENTS**

	Exploration and Production		Retail and Trading		Generation		Networks		Corporate		Consolidated	
	Current Period	Previous Corresponding Period	Current Period	Previous Corresponding Period	Current Period	Previous Corresponding Period	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	A\$'000	A\$'000	A\$'000	A\$'000	A\$'000	A\$'000
<b>REVENUE</b>												
External Sales	140,778	141,788	990,825	606,286	27,630	23,264	63,522	60,453	-	-	1,222,755	831,791
Intersegment Sales	22,875	22,394	-	-	-	-	-	-	-	-	22,875	22,394
Intersegment Sales Elimination	(22,875)	(22,394)	-	-	-	-	-	-	-	-	(22,875)	(22,394)
<b>Total Sales Revenue</b>	140,778	141,788	990,825	606,286	27,630	23,264	63,522	60,453	-	-	1,222,755	831,791
Other revenue	6,020	10,477	304	285	-	-	7,098	6,664	-	-	13,422	17,426
<b>Total Segment Revenue</b>	146,798	152,265	991,129	606,571	27,630	23,264	70,620	67,117	-	-	1,236,177	849,217
Unallocated Revenue											1,291	1,499
<b>Total Revenue</b>											1,237,468	850,716
<b>RESULT</b>												
<b>Segment Result</b>	58,064	65,038	40,694	9,690	(332)	7,046	11,036	10,339	(7,503)	(6,048)	101,959	86,065
Share of Net Profits of Associates and Joint Venture Entities	-	-	566	527	2,977	1,865	-	-	-	-	3,543	2,392
Profit/(Loss) on Sale of Investments	-	-	-	-	-	-	-	-	-	-	-	-
<b>EBIT</b>	58,064	65,038	41,260	10,217	2,645	8,911	11,036	10,339	(7,503)	(6,048)	105,502	88,457
Net Interest Expense											(22,502)	(15,628)
<b>Profit from Ordinary Activities Before Income Tax</b>											83,000	72,829
Income Tax Expense											(25,776)	(20,632)
<b>Net Profit</b>											57,224	52,197
<b>EBITDA</b>	102,809	105,921	72,452	29,659	10,559	12,652	12,294	11,256	(5,471)	(4,315)	192,643	155,173
<b>DEPRECIATION AND AMORTISATION</b>	44,745	40,883	31,192	19,442	7,914	3,741	1,258	917	2,032	1,733	87,141	66,716
<b>ACQUISITIONS OF NON-CURRENT ASSETS (includes capital expenditure)</b>	74,945	57,751	31,246	6,413	31,194	2,238	806	201	227	3,722	138,418	70,325

**PRIMARY REPORTING - BUSINESS SEGMENTS**

	Exploration and Production		Retail and Trading		Generation		Networks		Corporate		Consolidated	
	Current Period	As shown in last annual report	Current Period	As shown in last annual report	Current Period	As shown in last annual report	Current Period	As shown in last annual report	Current Period	As shown in last annual report	Current Period	As shown in last annual report
	A\$'000	A\$'000	A\$'000	A\$'000	A\$'000	A\$'000	A\$'000	A\$'000	A\$'000	A\$'000	A\$'000	A\$'000
<b>ASSETS</b>												
Segment Assets	828,938	774,089	1,370,149	1,452,830	241,219	127,055	173,286	176,502	38,411	70,581	2,652,003	2,601,057
Investments in Associates and Joint Venture Entities	-	-	3,721	3,277	46,411	46,709	-	-	-	-	50,132	49,986
<b>Total Segment Assets</b>	828,938	774,089	1,373,870	1,456,107	287,630	173,764	173,286	176,502	38,411	70,581	2,702,135	2,651,043
Unallocated Assets *											171,647	177,783
<b>Total Assets</b>											2,873,782	2,828,826
<b>LIABILITIES</b>												
Segment Liabilities	72,303	78,855	321,023	349,905	75,099	17,509	19,471	23,908	58,702	90,679	546,598	560,856
Unallocated Liabilities **											757,763	939,598
<b>Total Liabilities</b>											1,304,361	1,500,454

\* Unallocated assets consists of cash and deferred tax assets

\*\* Unallocated liabilities consists of current and non-current interest bearing liabilities, current tax liabilities and deferred tax liabilities

**Industry Segments:**

Exploration and Production  
Retail and Trading  
Generation  
Networks

**Products and Services:**

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

**GEOGRAPHICAL SEGMENTS**

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

## Dividends

15.1 Date the dividend is payable

22 March 2002

15.2 Date to determine entitlements to the dividend (ie on the basis of registrable transfers received by 5.00pm if securities are not CHES approved, or security holding balances established by 5.00pm or such later time permitted by SCH Business Rules if securities are CHES approved)

7 March 2002

## Amount per security

Franking rate applicable	Amount per security	Franked amount per security at 30%
15.6 <b>Interim dividend:</b> Current year	2.0 cents	2.0 cents
15.7 Previous year	Nil	Nil

## Interim dividend on all securities

15.10 Ordinary securities

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

15.13 **Total**

Current period \$A'000	Previous corresponding period \$A'000
12,926	-
1,782	43
14,708	43

The dividend plans shown below are in operation.

Dividend Reinvestment Plan

The last date for receipt of election notices for the dividend

7 March 2002

Any other disclosures in relation to dividends

Nil

## Details of aggregate share of profits/(losses) of associates and joint venture entities

		Current period \$A'000	Previous corresponding period \$A'000
16.1	Profit / (loss) from ordinary activities before tax	5,337	4,979
16.2	Income tax on ordinary activities	1,794	2,587
16.3	<b>Profit / (loss) from ordinary activities after income tax</b>	3,543	2,392
16.4	Extraordinary items net of tax	-	-
16.5	<b>Net profit / (loss)</b>	3,543	2,392
16.6	Outside equity interests	-	-
16.7	<b>Net profit / (loss) attributable to members</b>	3,543	2,392

## Material interests in entities which are not controlled entities

The consolidated entity has an interest (that is material to it) in the following entities.

Name of entity	Percentage of ownership interest held at the end of the period		Contribution to net profit (item 1.9)	
	Current period	Previous corresponding period	Current period A\$'000	Previous corresponding period A\$'000
<b>17.1 Equity accounted associates and joint venture entities</b>				
Bulwer Island Energy Partnership	50%	33%	2,245	-
<b>17.2 Total</b>			<b>2,245</b>	<b>-</b>
<b>17.3 Other material interests</b>				
Envestra Limited	19.9%	19.9%	6,701	6,524
<b>17.4 Total</b>			<b>6,701</b>	<b>6,524</b>

## Issued and quoted securities at end of current period

Category of securities	Number issued	Number quoted	Issue price	Amount paid-up
18.3 <b>Ordinary securities</b>	646,312,069	646,312,069	-	-
18.4 Changes during current period				
(a) Increases through issues	73,263,690	73,263,690	-	-
(b) Decreases through returns of capital, buy-backs, redemptions, consolidations	-	-	-	-
18.7 <b>Options</b>			Exercise price	Expiry date
	1,160,000	-	\$ 2.92	11 Dec 2002
	70,000	-	\$ 5.02	11 Dec 2002
	30,000	-	\$ 2.92	2 Mar 2003
	900,000	-	\$ 1.66	4 Dec 2003
	50,000	-	\$ 1.50	4 Dec 2003
	160,000	-	\$ 1.66	19 Jan 2004
	1,250,000	-	\$ 2.24	1 Feb 2004
	1,665,900	-	\$ 1.76	6 Dec 2004
	139,400	-	\$ 1.78	6 Dec 2004
	1,830,000	-	\$ 1.27	1 Mar 2005
	400,000	-	\$ 1.27	1 Mar 2005
	495,000	-	\$ 2.74	31 Aug 2006
	3,495,000	-	\$ 3.20	16 Dec 2006
18.8 Issued during current period	495,000	-	\$ 2.74	31 Aug 2006
	3,495,000	-	\$ 3.20	16 Dec 2006
18.9 Exercised during current period	125,000	-	\$ 2.57	16 Aug 2001
	41,500	-	\$ 2.57	22 Oct 2001
	171,500	-	\$ 2.57	22 Oct 2001
	30,000	-	\$ 1.66	4 Dec 2003
	20,000	-	\$ 1.50	4 Dec 2003
	18,650	-	\$ 1.76	6 Dec 2004
18.10 Expired during current period	-	-	-	-

Additional notes to Appendix 4B

**1. INCOME TAX EXPENSE**

	Current period \$A'000	Previous corresponding period \$A'000
Income tax expense on profit from ordinary activities (item 1.6)	25,776	20,632
Income tax expense on pretax accounting profit:		
(i) at Australian tax rate	24,900	24,762
(ii) adjustment for difference between Australian and overseas tax rates	35	101
Income tax expense on pretax accounting profit at standard rates	24,935	24,863
Add/(subtract) tax effect of major items causing permanent differences:		
Non-taxable distributions received	(1,404)	(1,507)
Depreciation and amortisation	8,418	4,038
Capital(profits)/losses	-	(206)
Share of associates' net profit	(389)	(813)
Past tax losses and exploration expenditure recouped	(1,976)	-
Under/(over) provision for tax in previous years	912	1,303
Tax rate change	856	(365)
Net benefit of subvention payments	(5,652)	(5,651)
Other items	76	(1,030)
	841	(4,231)
Income tax expense for the period	25,776	20,632

**Additional notes to Appendix 4B**

**2. CONTRIBUTED EQUITY**

**Issued and paid-up capital**

646,312,069 (June 2001: 573,048,379)  
ordinary shares, fully paid

**Movements in share capital:**

Balance at the beginning of the financial period

**Shares issued:**

- 44,196,526 (June 2001: Nil) shares in accordance with Share Placement
- 26,500,287 (June 2001: Nil) shares in accordance with Share Purchase Plan
- 406,650 (June 2001: Nil) shares in accordance with Share Option Plan
- 1,653,355 (June 2001: 6,304,775) shares in accordance with the Dividend Reinvestment Plan
- 506,872 (June 2001: 453,933) shares in accordance with the Employee Share Plan

**Shares bought back:**

- Purchase of Nil (June 2001: 1,760,507) shares in accordance with the Share Buy-Back Plan

Current period \$A'000	As shown in last annual report \$A'000
381,366	178,457
178,457	167,156
123,332	-
73,579	-
981	-
5,017	11,301
-	-
-	-
381,366	178,457

**3. CONTINGENT LIABILITIES**

Unsecured bank guarantees

Current period \$A'000	As shown in last annual report \$A'000
128,901	211,200

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 Origin Energy Group have been identified as contaminated, generally as a result of prior activities conducted at the sites, and review and appropriate implementation of clean-up requirements for these is ongoing. For sites where the requirements can be assessed and costs estimated, clean-up costs have been expensed or provided for. For some sites, the requirements cannot be accurately assessed at this stage.

Certain entities within the consolidated entity are subject to various lawsuits and claims including native title claims. Any liabilities arising from such lawsuits and claims are not expected to have a material adverse effect on the consolidated financial statements.

## Comments by directors

### Basis of accounts preparation

This half-year consolidated financial report is a general purpose financial report which has been prepared in accordance with the requirements of the Corporations Act 2001, Accounting Standard 1029 "Interim Financial Reporting", Urgent Issues Group Consensus Views and other authoritative pronouncements of the Australian Accounting Standards Board. It is recommended that this half-year financial report be read in conjunction with the 30 June 2001 Annual Report, Financial Statements and any public announcements by Origin Energy Limited and Controlled Entities during the half-year in accordance with continuous disclosure obligations arising under the Corporations Act 2001.

The accounting policies have been consistently applied by each entity in the consolidated entity and, except where there is a change in accounting policy, are consistent with those of the previous financial year.

The carrying amount of non-current assets are reviewed to determine whether they are in excess of their recoverable amount at the end of the half year. If the carrying amount of a non-current asset exceeds the recoverable amount, the asset is written down to the lower amount. In assessing recoverable amounts the relevant cash flows have been discounted to their present value.

For the purpose of preparing the half year financial report, the half year has been treated as a discrete reporting period.

Material factors affecting the revenues and expenses of the consolidated 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.

Class C 30% (2000: 34%) franking account balance of Origin Energy Limited at half year end is \$(11,058,000) (2000:\$71,000). Class C 30% (2000: 34%) franking credits available in wholly owned subsidiaries of Origin Energy Limited at half year end is \$14,202,000.

The payment of a two cent fully franked interim dividend in March 2002 is based on the balance of the dividend franking account at half year end adjusted for estimated franking credits that will arise from the receipt of dividends. The payment of franked dividends over the next twelve months is dependent on receiving franked dividends from non-wholly owned entities.

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

Nil

## Compliance statement

- 1 This report has been prepared under the accounting policies which comply with accounting standards as defined in the Corporations Act 2001.
- 2 This report and the accounts upon which the report is based, use the same accounting policies.
- 3 This report does give a true and fair view of the matters disclosed.
- 4 This report is based on accounts to which one of the following applies.

<input type="checkbox"/> The accounts have been audited.	<input checked="" type="checkbox"/> The accounts have been subject to review.
<input type="checkbox"/> The accounts are in the process of being audited or subject to review.	<input type="checkbox"/> The accounts have <i>not</i> yet been audited or reviewed.
- 5 The audit review report is attached.
- 6 The entity has a formally constituted audit committee.

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

Date: 18 February 2002

Print name: W M Hundy