



**ASX APPENDIX 4E
FINAL REPORT**

For the year ended 30 June 2003

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

Results for announcement to the market:

				A\$'000
Revenues from ordinary activities	up	38.0%	to	3,352,303
Profit from ordinary activities after tax attributable to members	up	25.9%	to	161,952
Net profit for the period attributable to members	up	25.9%	to	161,952
Earnings per share - Basic	up	22.8%	to	24.8 cents
Earnings per share - Diluted	up	22.9%	to	24.7 cents
Dividends		Amount per security		Franked amount per security at 30% tax
Final dividend declared subsequent to 30 June 2003		5 cents		2 cents
Previous corresponding period		3 cents		3 cents
Date for determining entitlements to the dividend				19 September 2003
Brief explanation of any of the figures reported above or other item(s) of importance not previously released to the market:				
Nil				
Discussion and Analysis of the results for the year ended 30 June 2003				
Refer to the Directors' Review for commentary.				

STATEMENT OF FINANCIAL PERFORMANCE

Origin Energy Limited and Controlled Entities

for year ended 30 June	Note	Consolidated	Consolidated
		2003 A\$'000	2002 A\$'000
Revenue from ordinary activities	3	3,352,303	2,428,808
Expenses from ordinary activities excluding borrowing costs	3	(3,068,179)	(2,204,790)
Borrowing costs		(50,138)	(44,476)
Share of net profits of associates and joint venture entities accounted for using the equity method	12	12,565	8,338
Profit from ordinary activities before related income tax expense		246,551	187,880
Income tax expense relating to ordinary activities	4	80,248	54,280
Net profit		166,303	133,600
Net profit attributable to outside equity interests		4,351	4,940
Net profit attributable to members of the parent entity, Origin Energy Limited	10	161,952	128,660
Non-owner transaction changes in equity			
Net decrease in retained profits on initial adoption of revised AASB 1028 "Employee Benefits"		(283)	-
Net exchange difference relating to self-sustaining foreign operations		(1,779)	(1,444)
Total revenues, expenses and valuation adjustments attributable to members of Origin Energy Limited recognised directly in equity		(2,062)	(1,444)
Total changes in equity from non-owner related transactions attributable to members of the parent entity, Origin Energy Limited	10	159,890	127,216
Basic earnings per share	9	24.8¢	20.2¢
Diluted earnings per share	9	24.7¢	20.1¢

The Statement of Financial Performance should be read in conjunction with the notes to the financial statements set out on pages 5 to 19.

STATEMENT OF FINANCIAL POSITION

Origin Energy Limited and Controlled Entities

	Note	Consolidated 2003 A\$'000	Consolidated 2002 A\$'000
as at 30 June			
CURRENT ASSETS			
Cash assets		16,431	17,255
Receivables		621,085	485,538
Inventories		53,913	46,392
Other		43,063	37,064
TOTAL CURRENT ASSETS		734,492	586,249
NON-CURRENT ASSETS			
Receivables		31,675	21,499
Investments accounted for using the equity method		55,272	53,347
Other financial assets		170,713	196,135
Property, plant and equipment		1,352,527	1,155,372
Exploration, evaluation and development expenditure		154,300	130,655
Intangible assets		777,948	634,436
Deferred tax assets		123,192	171,654
Other		8,622	8,587
TOTAL NON-CURRENT ASSETS		2,674,249	2,371,685
TOTAL ASSETS		3,408,741	2,957,934
CURRENT LIABILITIES			
Payables		475,026	371,534
Interest-bearing liabilities		85,522	85,238
Current tax liabilities		546	3,290
Provisions		71,330	67,451
TOTAL CURRENT LIABILITIES		632,424	527,513
NON-CURRENT LIABILITIES			
Payables		11,840	6,100
Interest-bearing liabilities		663,012	565,139
Deferred tax liabilities		243,904	197,055
Provisions		67,957	36,088
TOTAL NON-CURRENT LIABILITIES		986,713	804,382
TOTAL LIABILITIES		1,619,137	1,331,895
NET ASSETS		1,789,604	1,626,039
EQUITY			
Contributed equity	7	418,612	385,039
Reserves		110,764	112,347
Retained profits	10	1,223,977	1,095,158
Total parent entity interest		1,753,353	1,592,544
Outside equity interests		36,251	33,495
TOTAL EQUITY	10	1,789,604	1,626,039

The Statement of Financial Position should be read in conjunction with the notes to the financial statements set out on pages 5 to 19.

Net Tangible Asset Backing

	Consolidated 2003	Consolidated 2002
Net tangible asset backing per ordinary security	\$ 1.48	\$ 1.48

STATEMENT OF CASH FLOWS

Origin Energy Limited and Controlled Entities

	Consolidated	Consolidated
Note	2003	2002
	A\$'000	A\$'000
for year ended 30 June		
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash receipts in the course of operations	3,703,004	2,553,539
Cash payments in the course of operations	(3,193,463)	(2,155,062)
Dividends/distributions received from associates/joint venture entities	10,998	6,000
Other dividends received	413	409
Interest received	1,832	1,785
Borrowing costs	(50,571)	(44,919)
Income taxes paid	(39,619)	(22,455)
Subvention payments	(10,000)	(18,000)
Net cash provided by operating activities	422,594	321,297
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for purchases of property, plant and equipment	(146,776)	(169,464)
Payments for exploration, development and mine properties	(132,454)	(135,379)
Proceeds from sale of non-current assets	3,494	18,613
Payments for purchases of investments	(459)	(15,904)
Payments for purchases of businesses	6(C) (131,614)	-
Payments for purchases of controlled entities	6(C) (93,107)	(87,452)
Net cash used in investing activities	(500,916)	(389,586)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from borrowings	1,092,626	385,591
Repayment of borrowings	(987,675)	(485,000)
Dividends paid	(25,858)	(35,282)
Proceeds from issue of securities	7 5,417	198,465
Net cash provided by financing activities	84,510	63,774
NET INCREASE / (DECREASE) IN CASH HELD	6,188	(4,515)
Cash and cash equivalents at the beginning of the year	10,551	15,910
Effect of exchange rate changes on cash	(308)	(844)
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	6(A) 16,431	10,551

The Statement of Cash Flows should be read in conjunction with the notes to the financial statements set out on pages 5 to 19.

NOTES TO THE FINANCIAL INFORMATION

Origin Energy Limited and Controlled Entities

FOR THE YEAR ENDED 30 JUNE 2003

1. BASIS OF PREPARATION OF THE FINAL REPORT

The ASX 4E Report has been prepared in accordance with Accounting Standard AASB 1039 "Concise Financial Reports" (excluding the discussion and analysis requirements of the standard) and applicable Urgent Issues Group Consensus Views. It has been prepared on the basis of historical costs and, except where stated, does not take into account changing money values or current valuations of non-current assets. The accounting policies have been consistently applied by each entity in the consolidated entity and, except where there is a change in an accounting policy, are consistent with those of the previous year.

Changes in accounting policy

PROVISIONS & CONTINGENT LIABILITIES - The consolidated entity has applied AASB 1044 "Provisions, Contingent Liabilities and Contingent Assets" for the first time from 1 July 2002. Dividends are now recognised at the time they are declared, determined or publicly recommended. Previously, final dividends were recognised in the financial year to which they related, despite the dividends being announced after the end of that financial year. The adjustments to the consolidated financial report as at 1 July 2002 as a result of this change were an increase of \$19,435,000 in opening retained profits (refer note 10) and a corresponding reduction in the provision for the dividend reported in current provisions at the beginning of the current financial year. Had the new accounting policy been applied in the previous financial year, the provision for dividend of \$19,435,000 would have been nil.

EMPLOYEE BENEFITS - The consolidated entity has applied the revised AASB 1028 "Employee Benefits" for the first time from 1 July 2002. The liability for wages and salaries, annual leave and sick leave is now calculated using the remuneration rates the company expects to pay as at each reporting date, not wage and salary rates current at reporting date. The initial adjustments to the consolidated financial report as at 1 July 2002 as a result of this change were an increase of \$404,000 in provision for employee benefits, a decrease of \$283,000 in opening retained profits, and an increase of \$121,000 in future income tax benefit.

FOREIGN CURRENCY TRANSLATION: The consolidated entity has applied the revised AASB1012 "Foreign Currency Translation" for the first time from 1 July 2002. For hedges of specific purchases or sales, the costs (or gains) of entering the hedge and the unrealised exchange differences up to the date of the specific purchase or sale are now deferred and recognised as assets or liabilities on the statement of financial position from the inception of the hedge contract, not when the specific purchase or sale occurs. As a result of this change in accounting policy, payables and receivables were increased by \$15,843,000 representing deferred foreign currency hedge exchange gains and a net hedge receivable as at 30 June 2003.

Origin Energy Limited and 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
	A\$'000	A\$'000	A\$'000	A\$'000	A\$'000	A\$'000	A\$'000	A\$'000	A\$'000	A\$'000
REVENUE										
Total Sales	330,302	304,736	2,836,474	1,937,770	97,308	63,174	149,270	125,382	3,413,354	2,431,062
Intersegment Sales Elimination **	(43,989)	(41,884)	-	-	(42,816)	-	-	-	(86,805)	(41,884)
External Sales Revenue	286,313	262,852	2,836,474	1,937,770	54,492	63,174	149,270	125,382	3,326,549	2,389,178
Other Revenue	1,534	24,116	4,681	1,172	1,667	2	14,490	12,037	22,372	37,327
Total Segment Revenue	287,847	286,968	2,841,155	1,938,942	56,159	63,176	163,760	137,419	3,348,921	2,426,505
Unallocated Revenue									3,382	2,303
Revenue from Ordinary Activities									3,352,303	2,428,808
RESULT										
Segment Result	103,272	103,209	142,123	91,341	15,677	7,904	21,632	19,892	282,704	222,346
Share of Net Profits of Associates and Joint Venture Entities	-	-	1,694	686	10,871	7,652	-	-	12,565	8,338
EARNINGS BEFORE INTEREST AND TAX (EBIT)	103,272	103,209	143,817	92,027	26,548	15,556	21,632	19,892	295,269	230,684
Net Interest Expense									(48,718)	(42,804)
Profit from Ordinary Activities Before Income Tax									246,551	187,880
Income Tax Expense									(80,248)	(54,280)
Net Profit									166,303	133,600
EARNINGS BEFORE INTEREST, TAX, DEPRECIATION AND AMORTISATION (EBITDA)	187,565	185,180	232,055	166,755	48,258	30,202	23,448	22,473	491,326	404,610
DEPRECIATION AND AMORTISATION	84,293	81,971	88,238	74,728	21,710	14,646	1,816	2,581	196,057	173,926
OTHER NON-CASH EXPENSES	23,600	15,501	10,270	18,494	694	1,122	963	3,059	35,527	38,176
ACQUISITIONS OF NON-CURRENT ASSETS (includes capital expenditure)	253,604	184,632	169,628	86,308	100,579	116,312	538	15,932	524,349	403,184

Origin Energy Limited and Controlled Entities

2. SEGMENTS (continued)

	Exploration and Production		Retail		Generation		Networks		Consolidated	
	2003	2002	2003	2002	2003	2002	2003	2002	2003	2002
	A\$'000	A\$'000	A\$'000	A\$'000	A\$'000	A\$'000	A\$'000	A\$'000	A\$'000	A\$'000
ASSETS										
Segment Assets	1,081,787	886,348	1,633,050	1,405,555	309,183	232,894	189,826	190,881	3,213,846	2,715,678
Equity accounted investments	-	-	5,966	4,265	48,956	49,082	350	-	55,272	53,347
Total Segment Assets	1,081,787	886,348	1,639,016	1,409,820	358,139	281,976	190,176	190,881	3,269,118	2,769,025
Unallocated Assets *									139,623	188,909
Total Assets									3,408,741	2,957,934
LIABILITIES										
Segment Liabilities	110,284	82,681	464,108	349,912	12,298	10,086	39,463	38,494	626,153	481,173
Unallocated Liabilities *									992,984	850,722
Total Liabilities									1,619,137	1,331,895

* 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.

** 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 put in place 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. Comparative amounts for 2002 have not been restated.

Corporate costs are allocated across business segments on the basis of external sales revenue.

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.

Origin Energy Limited and Controlled Entities

	Consolidated	Consolidated
	2003	2002
	\$'000	\$'000
3. PROFIT FROM ORDINARY ACTIVITIES		
(a) Revenue from ordinary activities		
Revenue from operating activities:		
Revenue from sale of goods	3,176,888	2,263,727
Revenue from rendering of services	149,661	125,451
Total sales revenue	3,326,549	2,389,178
Revenue from outside operating activities	25,754	39,630
Revenue from ordinary activities	3,352,303	2,428,808
(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	2,263,030	1,535,775
Advertising	18,448	13,190
Bad and doubtful debts	6,760	8,850
Consultancy costs	24,391	8,177
Contracting costs	102,439	88,657
Depreciation and amortisation	196,057	173,926
Employee expenses	206,683	157,495
Exploration and production costs	57,677	48,999
Motor vehicle expenses	15,957	16,259
Occupancy expenses	26,172	20,422
Repairs and maintenance	18,963	17,140
Royalties	26,134	26,978
Administration and other expenses from ordinary activities	105,468	88,922
	3,068,179	2,204,790
Profit before tax/revenue		
Profit from ordinary activities before related income tax expense as a percentage of revenue from ordinary activities	7.4%	7.7%
Profit after tax/equity interests		
Net profit from ordinary activities after tax attributable to members of the parent entity as a percentage of members equity at the end of the period	9.2%	8.1%

Origin Energy Limited and Controlled Entities

4. INCOME TAX EXPENSE

	Consolidated	Consolidated
	2003	2002
	\$'000	\$'000
Income tax expense/(benefit) on pre-tax accounting profit:		
(i) at Australian tax rate of 30%	73,965	56,363
(ii) adjustment for difference between Australian and overseas tax rates	(7)	63
Income tax expense on pre-tax accounting profit at standard rates	<u>73,958</u>	<u>56,426</u>
Add/(subtract) tax effect of major items causing permanent differences:		
Non-taxable distributions received	(2,649)	(2,458)
Depreciation and amortisation	12,615	16,491
Recoupment of capital losses not previously recognised	(918)	(2,066)
Share of associates' net profit	(3,598)	(2,131)
Recoupment of tax losses not previously brought to account	(165)	(527)
Under/(Over) provision for tax in previous years	733	(981)
Net benefit of subvention payments	-	(11,301)
Other	272	827
	<u>6,290</u>	<u>(2,146)</u>
Income tax expense relating to ordinary activities	<u><u>80,248</u></u>	<u><u>54,280</u></u>

Origin Energy Limited and Controlled Entities

5. DIVIDENDS

Date the dividend is payable

3 October 2003

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) and the last date for receipt of election notices for the dividend.

19 September 2003

Note	Consolidated 2003 \$'000	Consolidated 2002 \$'000
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(a) Dividend Reconciliation

Final prior year dividend under/(over) provided	(1)	1,818
Interim dividend of 5 cents per share, franked to 2 cents per share at 30% paid 24 March 2003 (2002: 2 cents per share, fully franked at 30%)	32,655	12,950
Nil (2002: Final dividend of 3 cents per share, fully franked at 30% paid 21 October 2002)	-	19,435
	10	32,654
Restatement adjustment: Final dividend previously recognised in the year ended 30 June 2002, now recognised in the current financial year as a result of the initial adoption of AASB 1044 "Provisions, Contingent Liabilities and Contingent Assets" (refer note 1).	10	19,435
		-
		52,089
		34,203

(b) Subsequent Event

Since the end of the financial year, the Directors have declared a final dividend of 5 cents per share, franked to 2 cents per share at 30%, payable 3 October 2003.

32,885

The financial effect of this dividend has not been brought to account in the financial statements for the year ended 30 June 2003 and will be recognised in subsequent financial reports.

(c) Dividend Franking Account

Origin Energy Limited has no available franking credits.

Origin Energy Limited and Controlled Entities

6. NOTES TO THE STATEMENT OF CASH FLOWS

	Consolidated	Consolidated
	2003	2002
	\$'000	\$'000
(A) Reconciliation of cash and cash equivalents		
Cash includes cash on hand, at bank and short term deposits at call, net of outstanding bank overdrafts.		
Cash as at the end of the financial period as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows:		
Cash	16,431	17,255
Bank overdrafts	-	(6,704)
	<u>16,431</u>	<u>10,551</u>
(B) 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	<u>28,156</u>	<u>8,117</u>

Origin Energy Limited and Controlled Entities

6. NOTES TO THE STATEMENT OF CASH FLOWS (continued)

(C) The consolidated entity acquired entities/businesses during the year ended 30 June 2003 for total consideration of \$225 million (30 June 2002: \$87 million). The total assets and liabilities acquired are as follows:

	Consolidated 2003 \$'000	Consolidated 2002 \$'000
as at 30 June		
CURRENT ASSETS		
Receivables	133,327	7,168
Inventories	3,470	5,663
Other	3,377	14,573
TOTAL CURRENT ASSETS	<u>140,174</u>	<u>27,404</u>
NON-CURRENT ASSETS		
Receivables	363	-
Property, plant and equipment	93,011	70,572
Deferred tax assets	15,258	229
TOTAL NON-CURRENT ASSETS	<u>108,632</u>	<u>70,801</u>
TOTAL ASSETS	<u>248,806</u>	<u>98,205</u>
CURRENT LIABILITIES		
Payables	99,906	7,129
Provisions	37,183	1,623
TOTAL CURRENT LIABILITIES	<u>137,089</u>	<u>8,752</u>
NON-CURRENT LIABILITIES		
Deferred tax liabilities	-	1,282
Provisions	36,305	719
TOTAL NON-CURRENT LIABILITIES	<u>36,305</u>	<u>2,001</u>
TOTAL LIABILITIES	<u>173,394</u>	<u>10,753</u>
NET ASSETS	<u>75,412</u>	<u>87,452</u>
Goodwill on acquisition	149,309	-
CONSIDERATION	<u>224,721</u>	<u>87,452</u>

Origin Energy Limited and Controlled Entities

	Consolidated	Consolidated
	2003	2002
Note	\$'000	\$'000
7. CONTRIBUTED EQUITY		
ISSUED AND PAID-UP CAPITAL		
657,709,751 (2002: 647,829,152) ordinary shares, fully paid	418,612	385,039
ORDINARY SHARE CAPITAL		
Balance at the beginning of the financial year	385,039	178,457
Shares issued:		
- 2,333,300 (2002: 761,650) shares in accordance with the Senior Executive Option Plan	5,417	1,570
- 7,547,299 (2002: 2,693,165) shares in accordance with the Dividend Reinvestment Plan	28,156	8,117
- Nil (2002: 44,196,526) shares in accordance with the Share Placement	-	123,332
- Nil (2002: 26,500,287) shares in accordance with the Share Purchase Plan	-	73,563
- Nil (2002: 629,145) shares in accordance with the Employee Share Plan	-	-
Total movements in ordinary share capital	33,573	206,582
10	418,612	385,039

Terms and conditions

Holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at shareholders' meetings. In the event of winding up of the company, ordinary shareholders rank after creditors, and are fully entitled to any proceeds of liquidation.

Origin Energy Limited and Controlled Entities

8. ISSUED AND QUOTED SECURITIES AT 30 JUNE 2003

Category of securities	Number issued	Number quoted	
Ordinary securities	657,709,751	657,709,751	
Changes during year ended 30 June 2003			
Increases through issues in accordance with:			
(a) the Dividend Reinvestment Plan	3,062,208	3,062,208	
	4,485,091	4,485,091	
	7,547,299	7,547,299	
(b) the Senior Executive Option Plan (refer Exercised details below)	2,333,300	2,333,300	
	9,880,599	9,880,599	
Options	Number	Exercise price	Expiry date
On issue at 30 June 2003	365,000	\$ 1.66	4 Dec 2003
	50,000	\$ 1.50	4 Dec 2003
	30,000	\$ 1.66	19 Jan 2004
	1,250,000	\$ 2.24	1 Feb 2004
	881,500	\$ 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
Issued during year ended 30 June 2003	2,630,000	\$ 3.56	19 Dec 2007
Exercised during year ended 30 June 2003	1,125,000	\$ 2.92	11 Dec 2002
	280,000	\$ 1.66	4 Dec 2003
	30,000	\$ 2.92	2 Mar 2003
	30,000	\$ 1.66	19 Jan 2004
	784,400	\$ 1.76	6 Dec 2004
	83,900	\$ 1.78	6 Dec 2004
Expired during year ended 30 June 2003	35,000	\$ 2.92	11 Dec 2002
	70,000	\$ 5.02	11 Dec 2002

Origin Energy Limited and Controlled Entities

9. EARNINGS PER SHARE (EPS)

	Consolidated	Consolidated
	2003	2002
	cents	cents

Details of basic and diluted EPS reported separately in accordance with paragraph 9 and 18 of AASB 1027 "Earnings Per Share" are as follows.

Basic EPS	24.8 cents	20.2 cents
Diluted EPS	24.7 cents	20.1 cents

Weighted average number of shares used as the denominator

	2003	2002
	Number	Number
<i>Number for basic earnings per share</i>		
Ordinary Shares	652,380,401	637,291,869
<i>Number for diluted earnings per share</i>		
Ordinary Shares	652,380,401	637,291,869
Effect of executive share options on issue	4,061,388	2,996,168
	656,441,739	640,288,037

Reconciliation of earnings used in calculating EPS:

	2003	2002
	\$'000	\$'000
Basic and diluted EPS		
Net profit	166,303	133,600
Less: Outside equity interests	4,351	4,940
Amount used as numerator in calculating basic and diluted EPS	161,952	128,660

Information concerning the classification of securities

(a) Fully paid ordinary shares

Fully paid ordinary shares are classified as ordinary shares for the purposes of calculating basic and diluted earnings per share.

(b) Share Options

Share options granted under the Senior Executive Option Plan have been classified as potential ordinary shares and have been included in the determination of diluted earnings per share. The options have not been included in the determination of basic earnings per share.

Origin Energy Limited and Controlled Entities

	Note	Consolidated 2003 \$'000	Consolidated 2002 \$'000
10. RETAINED PROFITS AND TOTAL EQUITY			
Retained profits reconciliation			
Previously reported retained profits at the end of the previous financial year		1,095,158	999,223
Adjustment resulting from initial adoption of revised AASB 1028 "Employee Benefits"		(283)	-
Adjustment to dividends resulting from initial adoption of revised AASB 1044 "Provisions, Contingent Liabilities and Contingent Assets"		19,435	-
Restated retained profits at the beginning of the financial year		1,114,310	999,223
Dividends recognised in the current year as a result of the initial adoption of AASB 1044 "Provisions, Contingent Liabilities and Contingent Assets"	5	(19,435)	-
Current year dividend paid during the year	5	(32,654)	(34,203)
Net profit attributable to members of the parent entity, Origin Energy Limited		161,952	128,660
Aggregate of amounts transferred (to)/from reserves		(196)	1,478
Retained profits at the end of the financial year		1,223,977	1,095,158
Total equity reconciliation			
Total equity at the beginning of the financial year		1,626,039	1,328,372
Total changes in parent entity interest in equity recognised in the Statement of Financial Performance		159,890	127,216
Transactions with owners as owners:			
Contributions of equity	7	33,573	206,582
Dividends recognised during the year	5	(32,654)	(34,203)
Total changes in outside equity interests		2,756	(1,928)
Total equity at the end of the financial year		1,789,604	1,626,039

Origin Energy Limited and Controlled Entities

11. CONTROL GAINED OVER ENTITIES HAVING MATERIAL EFFECT

Name of entity

AES Australia Holding BV
AES Mt Stuart BV
AES Mt Stuart General Partnership

Consolidated operating profit and extraordinary items after tax of the entity since the date in the current period on which control was acquired

\$762,000

Date from which such profit has been calculated

13 December 2002

Origin Energy Limited and Controlled Entities

12. INTERESTS IN ENTITIES WHICH ARE NOT CONTROLLED ENTITIES

	Percentage of ownership interest held at the end of the period		Contribution to net profit	
	Consolidated 2003 %	Consolidated 2002 %	Consolidated 2003 \$'000	Consolidated 2002 \$'000
	Equity accounted associates and joint venture entities:			
BIEP Pty Ltd	33.3	33.3	-	-
BIEP Security Pty Ltd	33.3	33.3	-	-
Bulwer Island Energy Partnership	50.0	50.0	5,244	5,073
Campaspe Asset Management Services Pty Ltd	50.0	-	-	-
CUBE Pty Ltd*	50.0	50.0	5,627	2,579
Gas Industry Superannuation Pty Ltd	50.0	50.0	-	-
Rockgas Ltd	50.0	50.0	1,694	686
SEA Gas Partnership	50.0	50.0	-	-
Vitalgas Pty Limited	50.0	50.0	-	-
WEBE Pty Ltd	50.0	50.0	-	-
Total			12,565	8,338
Other material interests:				
Envestra Limited	19.1%	19.1%	12,821	11,591
Total			12,821	11,591

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

Origin Energy Limited and Controlled Entities

13. 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	Consolidated
	2003	2002
	\$'000	\$'000
Contingent liabilities not considered remote:		
Unsecured:		
Bank guarantees	169,811	99,566

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.

A Demerger Deed was entered into in the 2000 year containing certain indemnities and other agreements between Origin Energy Limited and Boral Limited and their respective controlled entities covering the transfer of the businesses, investments, debt and assets of Boral Limited and some temporary shared arrangements.

14. EVENTS SUBSEQUENT TO BALANCE DATE

Dividends declared subsequent to 30 June 2003

Refer Note 5.

Oil Company of Australia Limited

On 11 July 2003 Origin announced an off-market cash offer to acquire all the ordinary shares in Oil Company of Australia Limited ("OCA") that it does not already own. At 30 June 2003 Origin held 85.23% of the issued capital of OCA. If successful, the anticipated purchase price of the remaining OCA shares is expected to be approximately \$74 million.

The financial effects of the above transactions have not been brought to account in the financial report for the year ended 30 June 2003.

Annual Meeting

The annual meeting will be held as follows:

Place

Wesley Conference Centre
220 Pitt Street
Sydney NSW 2000

Date

16 October 2003

Time

10:30am

Approximate date the annual report will be available

16 September 2003

Compliance statement

- 1 This report has been prepared in accordance with Accounting Standard AASB 1039 "Concise Financial Reports" (excluding the discussion and analysis requirements of the standard) and applicable Urgent Issues Group Consensus Views.
- 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.

The accounts have been audited.

The accounts have been subject to review.

The accounts are in the process of being audited or subject to review.

The accounts have *not* yet been audited or reviewed.

- 5 The audit report is attached.
- 6 The entity has a formally constituted audit committee.

Sign here:

(Company secretary)

Date:

20 August 2003

Print name:

W M Hundy

Independent audit report on the concise financial report to the members of Origin Energy Limited

Scope

We have audited the concise financial report of Origin Energy Limited and its controlled entities for the financial year ended 30 June 2003, consisting of the statement of financial performance, statement of financial position, statement of cash flow, accompanying notes 1 to 12, and the accompanying discussion and analysis on the statement of financial performance, statement of financial position and statement of cash flows in order to express an opinion on it to the members of the company. The company's directors are responsible for the concise financial report.

Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance whether the concise financial report is free of material misstatement. We have also performed an independent audit of the full financial report of Origin Energy Limited and its controlled entities for the year ended 30 June 2003. Our audit report on the full financial report was signed on 20 August 2003, and was not subject to any qualification.

Our procedures in respect of the audit of the concise financial report included testing that the information in the concise financial report is consistent with the full financial report and examination, on a test basis, of evidence supporting the amounts, discussion and analysis, and other disclosures which were not directly derived from the full financial report. These procedures have been undertaken to form an opinion whether, in all material respects, the concise financial report is presented fairly in accordance with Australian Accounting Standard AASB 1039 "Concise Financial Reports".

The audit opinion expressed in this report has been formed on the above basis.

Audit opinion

In our opinion, the concise financial report of Origin Energy Limited and its controlled entities for the year ended 30 June 2003 complies with Australian Accounting Standard AASB 1039 "Concise Financial Reports".

KPMG

David Rogers
Partner

Sydney
20 August 2003