



origin

Macquarie Australia Conference

Frank Calabria CEO

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Origin's key priorities



REDUCING DEBT AND IMPROVING RETURNS

- Execute Lattice Energy¹ IPO
- Complete asset sales program
- Maximise earnings and operating cash flow
- Limit capital expenditure



LEADERSHIP IN ENERGY MARKETS

- “Digital first”
- Customer experience, lifetime value and innovative products
- Gas portfolio strength
- Growing renewable energy
- New energy solutions



LEADERSHIP IN INTEGRATED GAS

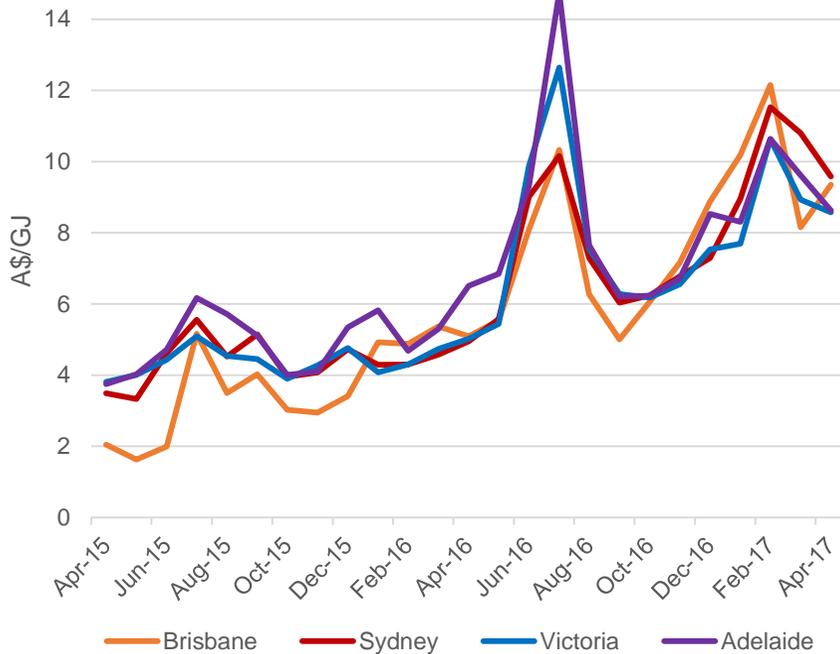
- Transition APLNG from project to operations
- Leverage scale and capability in unconventional gas
- Improve productivity and reduce unit costs

HIGH PERFORMANCE CULTURE

- Customer-oriented, performance-driven culture

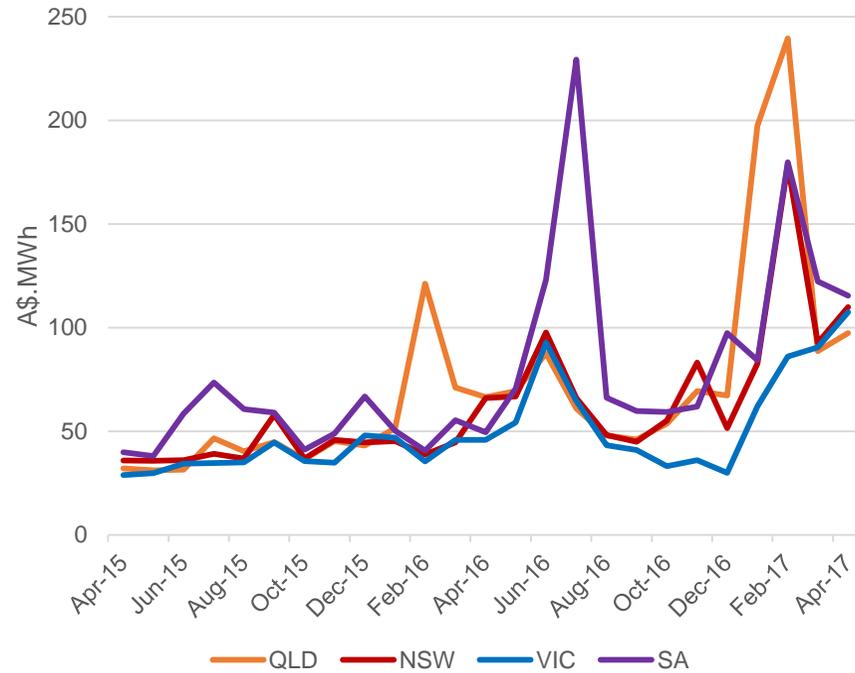
Energy markets in transition - highlighting increased risks to security and affordability

Historical Monthly Average Market Gas Prices



Source: AEMO

Historical Monthly Average Electricity Prices



Source: AEMO

- Tightening domestic supply as well as increasing demand from LNG and gas-fired electricity is placing pressure on east coast gas prices

- Increased electricity price and volatility driven by intermittency of renewables, coal withdrawals and higher gas prices

Industry and government need to work together to restore balance between security, affordability and sustainability

Restore Security

- Adapt NEM
- Develop ancillary services
- Ensure availability of synchronous generation

Improve Affordability

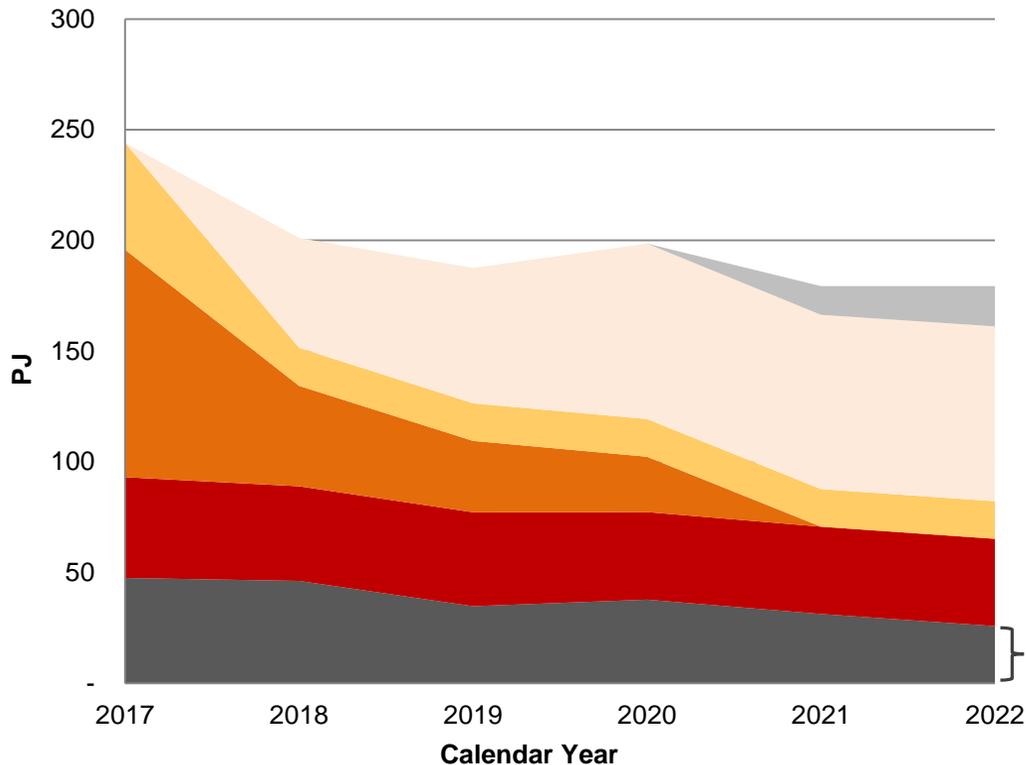
- Policies to support increasing investment in gas supply
- Continue to grow low cost renewables to place downward pressure on electricity prices

Build Sustainability

- Integrate energy/carbon policy to drive further investment in low cost renewables and low-carbon solutions

Gas – Origin’s portfolio is well positioned to make gas available to customers

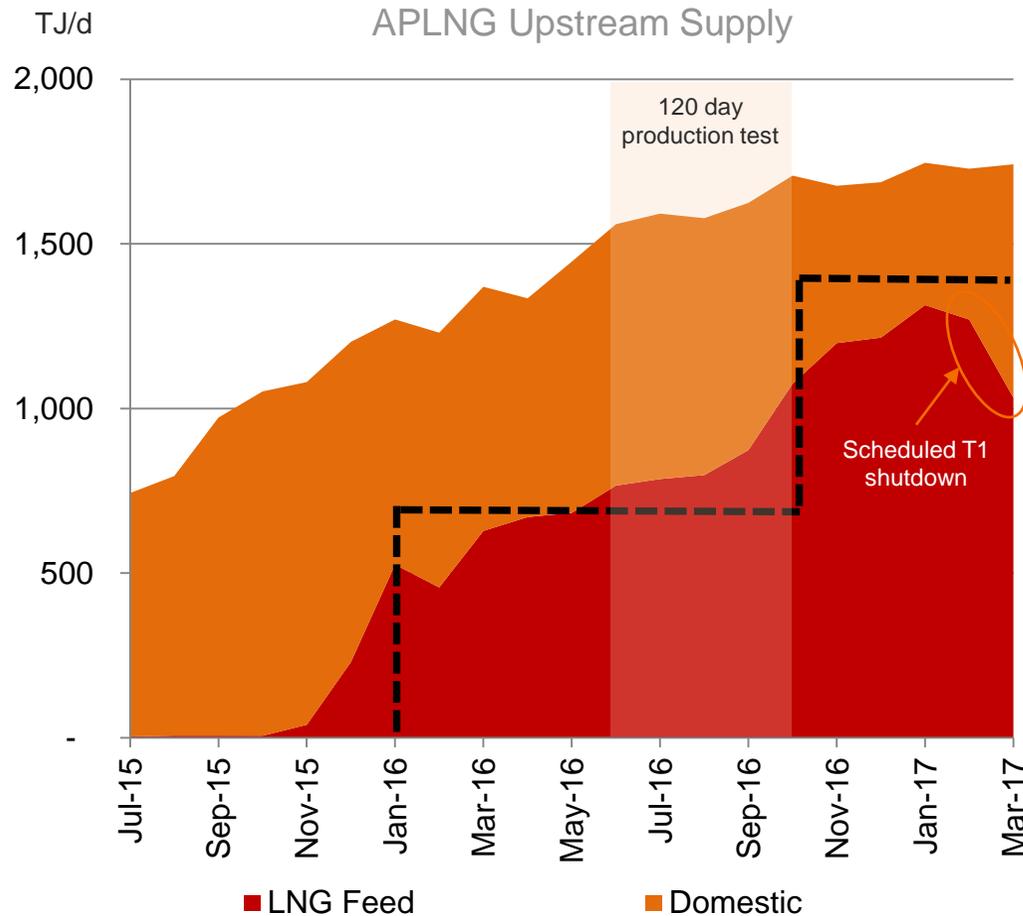
Energy Markets East Coast Gas Portfolio



- Competitive gas position with supply length beyond 2020
 - Ability to manage supply and tenor risk to provide gas to customers under term contracts
- Flexible transport and storage capacity
 - Ability to ensure gas is available for gas-fired electricity when required
- Gas supply agreements with Engie address energy security in SA
 - Bringing 240 MW gas-fired generation back online
 - Supplying a further 8 PJ of gas to Engie
- Future development options to increase gas supply (Ironbark and Beetaloo)

- Ironbark Option
- Other Purchases (Price Review)
- Other Purchases (Oil Linked)
- Other Purchases (CPI Indexed)
- APLNG purchases
- Origin's existing equity gas

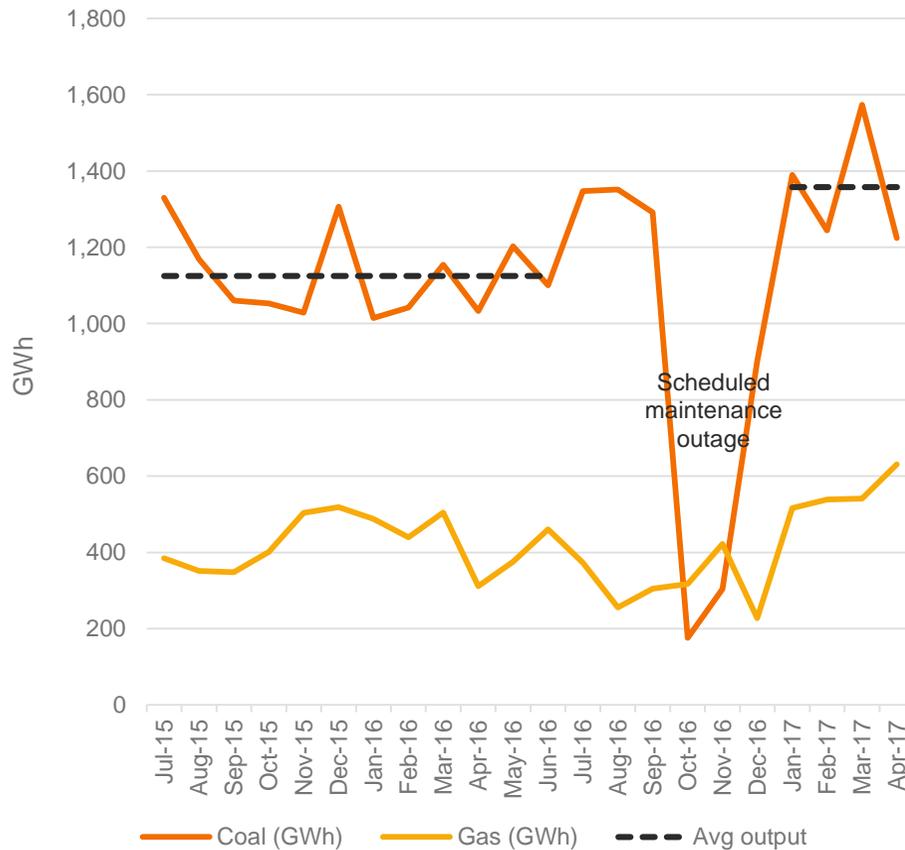
Gas - APLNG continues to be a major supplier of gas to the east coast market



- Net contributor to domestic east coast gas market since inception in 2008
- Supplies ~20% of annual domestic east coast demand
 - More than 100 PJ/a to 2020
 - More than 80 PJ/a to 2030
- In past 6 months, completed more than 100 domestic gas transactions, many with QLD manufacturers, delivering more than 20 PJ in incremental sales
- Flexibility to consider increasing domestic supply following completion of two-train 90 day production test
- Signed 20 year GTA with APA for 50km pipeline (300TJ/day) to Wallumbilla securing firm, direct access to market from mid 2018

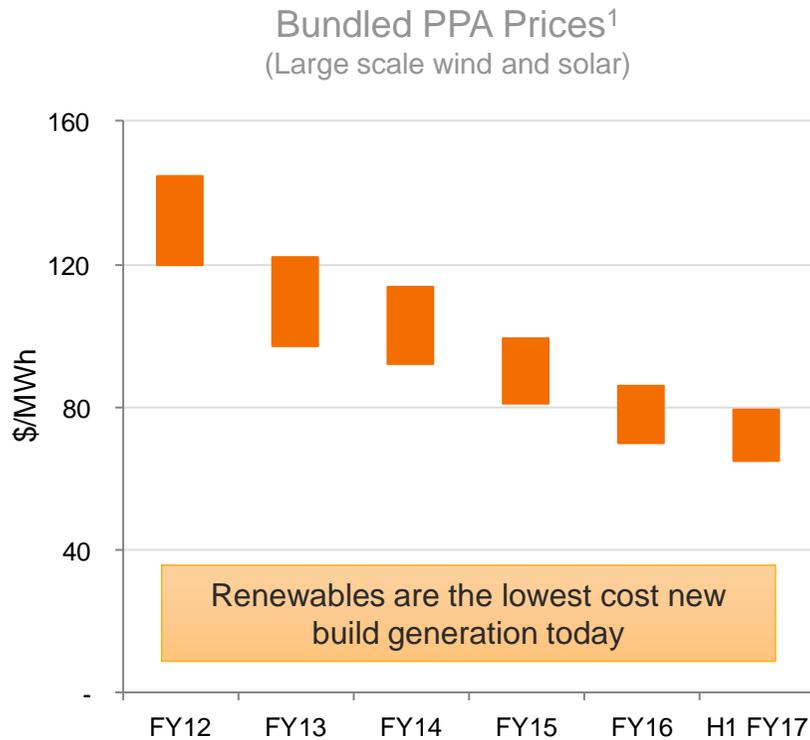
Electricity – Origin’s flexible fuel and generation is able to respond to tight wholesale market

Monthly generation output



- Increased generation at Eraring and gas fired power stations support energy security
- Eraring has run at more than 65% capacity on average since outage in late 2016
 - Benefit of coal stock pile
 - Reduce overall exposure to pool prices
- Gas fleet able to respond to peak demand

Electricity – Origin is increasing electricity supply by accelerating development of low cost renewables



- Largest Australian off-taker of large scale solar
 - Committing to more than 680 MW since early 2016, coming into production from 2018
- Stockyard Hill Wind Farm under negotiation (500 MW)
- Supports competitive cost of energy
- Adds value to gas peaking generation

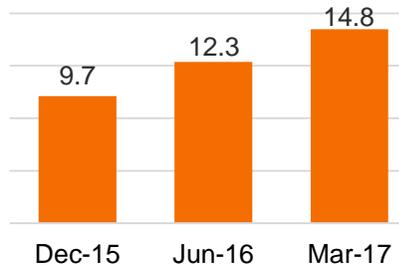
Customers want to be more empowered - Origin is responding through digitisation and product and service innovation

Product innovation

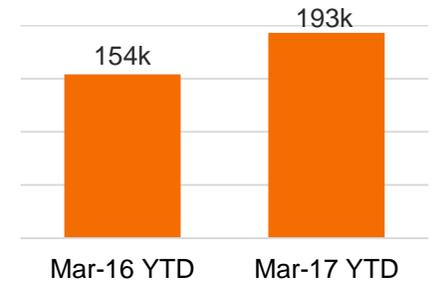
- 
 - ✓ Predictable Plan
- 
 - ✓ Solar as a Service
 - ✓ Solar Boost
- 
 - ✓ Quick and Easy Moves
 - ✓ Movers Hub
 - ✓ Revised product architecture
- 
 - ✓ Tesla Powerwall Batteries
- 
 - ✓ New meters and installations

Increasing customer engagement and online interaction

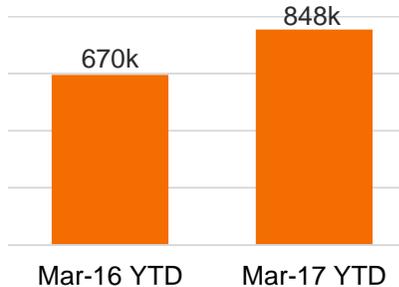
Interaction NPS up 20%



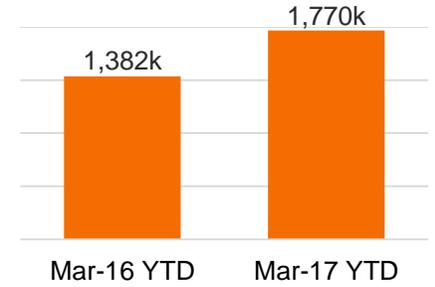
Online sales up 25%



'My Account' visits up 27%



eBilling accounts up 28%



- ✓ Significant growth in digital capability has enabled an uplift in delivery of key projects and an improved speed-to-market

FY2017 guidance remains on track, subject to market conditions

FY2017 Guidance¹	A\$m
Energy Markets	1,440-1,500
E&P ²	350-400
LNG	730-780
Corporate	(65 - 70)
Underlying EBITDA	2,450-2,615
Underlying NPAT	480-590
Adjusted Net Debt	well below \$9 billion
Remaining contributions to APLNG (from 1 January 2017)	A\$0.3 billion

(1) Based on average FY2017 oil price of US\$52.33/bbl and average FY2017 AUD/USD rate of \$0.73

(2) For the purpose of FY2017 guidance, Lattice Energy is assumed to remain within Origin for the balance of the financial year

THANK YOU

For more information

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