To	Company Announcements Office	Facsimile	1300 135 638
Company	ASX Limited	Date	21 February 2019
From	Helen Hardy	Pages	87
Subject	**ORG Half Year Results for the period ended 31 December 2018**		

We attach the following documents relating to Origin Energy's Results for the half year ended 31 December 2018:

1. ASX Appendix 4D & Interim Financial Statements
2. Directors' Report including the Operating Financial Review

Regards

Helen Hardy
Company Secretary

02 8345 5000

Origin Energy Limited
and its Controlled Entities
Appendix 4D
31 December 2018

Origin Energy Limited and its Controlled Entities

Appendix 4D
Results for announcement to the market
31 December 2018

				31 December 2018	31 December 2017
Total Group Revenue ($million)	up	2%	to	**7,660**	**7,491**
Revenue ($million) - continuing operations	up	5%	to	7,660	7,262
Revenue ($million) - discontinued operations	down	nm*	to	-	229
Net gain/(loss) for the period attributable to members of the parent entity ($million)	up	nm*	to	**796**	**(207)**
From continuing operations ($million)	up	nm*	to	796	(136)
From discontinued operations ($million)	up	nm*	to	-	(71)
				31 December 2018	**30 June 2018**
Net tangible asset backing per ordinary security	up	15%	to	$4.22	$3.68

Dividends

	Amount per security	Franked amount per security at 30 per cent tax
Interim dividend determined subsequent to 31 December 2018	10 cents	10 cents
Previous corresponding period (31 December 2017)	nil	nil
Record date for determining entitlements to the dividend	4 March 2019	
Dividend payment date	29 March 2019	

Brief explanation of any of the figures reported above or other item(s) of importance not previously released to the market.

Refer to the attached Directors' Report and Operating and Financial Review for explanations.

Discussion and Analysis of the results for the year ended 31 December 2018.

Refer to the attached Directors' Report and Operating and Financial Review for commentary.

* not meaningful

Origin Energy Limited
and its Controlled Entities
Interim Financial Statements
31 December 2018

Origin Energy Limited and its Controlled Entities
Interim Financial Statements
Contents

Origin Energy Limited and its Controlled Entities
Interim income statement

for the half year ended 31 December	Note	2018 $million	2017 $million
Continuing operations			
Revenue	A2	7,660	7,262
Other income	A3	18	9
Expenses	A4	(7,041)	(7,442)
Results of equity accounted investees		309	88
Interest income	A3	116	115
Interest expense	A4	(193)	(255)
Profit/(loss) before income tax		**869**	**(223)**
Income tax (expense)/benefit	A5	(72)	88
Profit/(loss) from continuing operations		**797**	**(135)**
Discontinued operations			
Loss from discontinued operations		-	(71)
Profit/(loss) for the period		**797**	**(206)**
Profit/(loss) attributable to:			
Members of the parent entity		796	(207)
Non-controlling interests		1	1
Profit/(loss) for the period		**797**	**(206)**
Earnings per share			
Basic earnings per share	A6	45.3 cents	(11.8) cents
Diluted earnings per share	A6	45.2 cents	(11.8) cents
Profit/(loss) from continuing operations attributable to:			
Members of the parent entity		796	(136)
Non-controlling interests		1	1
Profit/(loss) for the period		**797**	**(135)**
Earnings per share from continuing operations			
Basic earnings per share	A6	45.3 cents	(7.8) cents
Diluted earnings per share	A6	45.2 cents	(7.8) cents

The interim income statement should be read in conjunction with the accompanying notes to the interim financial statements.

Origin Energy Limited and its Controlled Entities
Interim statement of comprehensive income

for the half year ended 31 December	2018 $million	2017 $million
Profit/(loss) for the period	**797**	**(206)**
Other comprehensive income		
Items that can be reclassified to profit or loss		
Exchange differences on translation of foreign operations	297	(50)
Valuation gains taken to equity	-	1
Cash flow hedges	17	(93)
Total other comprehensive income, net of tax	**314**	**(142)**
Total comprehensive income for the period	**1,111**	**(348)**
Total comprehensive income attributable to:		
Members of the parent entity	1,110	(349)
Non-controlling interests	1	1
	1,111	(348)
Total comprehensive income for the period	**1,111**	**(348)**
Total comprehensive income attributable to members of the parent entity arising from:		
Continuing operations	1,110	(261)
Discontinued operations	-	(88)

The interim statement of comprehensive income should be read in conjunction with the accompanying notes to the interim financial statements.

Origin Energy Limited and its Controlled Entities
Interim statement of financial position

as at	Note	31 December 2018 $million	30 June 2018 $million
Current assets			
Cash and cash equivalents		89	150
Trade and other receivables		2,309	2,537
Inventories		241	196
Derivatives		566	522
Other financial assets	B3	401	267
Assets classified as held for sale	C3	301	-
Other assets		139	94
Total current assets		**4,046**	**3,766**
Non-current assets			
Trade and other receivables		5	4
Derivatives		895	1,117
Other financial assets	B3	3,523	3,683
Investments accounted for using the equity method	C1	6,590	5,988
Property, plant and equipment (PP&E)		3,640	3,696
Exploration, evaluation and development assets		85	363
Intangible assets		5,338	5,328
Deferred tax assets		375	277
Other assets		39	35
Total non-current assets		**20,490**	**20,491**
Total assets		**24,536**	**24,257**
Current liabilities			
Trade and other payables		1,963	2,068
Payables to joint ventures		232	221
Interest-bearing liabilities		811	1,089
Derivatives		400	424
Other financial liabilities	B3	395	304
Provision for income tax		97	115
Employee benefits		135	175
Provisions		44	53
Liabilities classified as held for sale	C3	119	-
Total current liabilities		**4,196**	**4,449**
Non-current liabilities			
Trade and other payables		3	5
Interest-bearing liabilities		5,994	6,350
Derivatives		1,170	1,234
Employee benefits		31	30
Provisions		354	361
Total non-current liabilities		**7,552**	**7,980**
Total liabilities		**11,748**	**12,429**
Net assets		**12,788**	**11,828**
Equity			
Contributed Equity	B5	7,146	7,150
Reserves		942	629
Retained earnings		4,676	4,025
Total parent entity interest		**12,764**	**11,804**
Non-controlling interests		24	24
Total equity		**12,788**	**11,828**

The interim statement of financial position should be read in conjunction with the accompanying notes to the interim financial statements.

Origin Energy Limited and its Controlled Entities
Interim statement of changes in equity
for the half year ended 31 December

$million	Contributed equity	Share-based payments reserve	Foreign currency translation reserve	Hedging reserve	Fair value reserve	Retained earnings	Non-controlling interests	Total equity
Balance as at 30 June 2018	**7,150**	**247**	**391**	**13**	**(22)**	**4,025**	**24**	**11,828**
Adoption of AASB9 (refer to note B2)	-	-	-	-	22	(145)	-	(123)
Balance as at 1 July 2018	**7,150**	**247**	**391**	**13**	**-**	**3,880**	**24**	**11,705**
Other comprehensive income	-	-	297	17	-	-	-	314
Profit	-	-	-	-	-	796	1	797
Total comprehensive income for the period	**-**	**-**	**297**	**17**	**-**	**796**	**1**	**1,111**
Dividends paid	-	-	-	-	-	-	(1)	(1)
Movement in contributed equity (refer to note B5)	(4)	-	-	-	-	-	-	(4)
Share-based payments	-	(23)	-	-	-	-	-	(23)
Total transactions with owners recorded directly in equity	**(4)**	**(23)**	**-**	**-**	**-**	**-**	**(1)**	**(28)**
Balance as at 31 December 2018	**7,146**	**224**	**688**	**30**	**-**	**4,676**	**24**	**12,788**
Balance as at 1 July 2017	**7,150**	**222**	**114**	**119**	**(16)**	**3,807**	**22**	**11,418**
Other comprehensive income	-	-	(50)	(93)	1	-	-	(142)
(Loss)/Profit	-	-	-	-	-	(207)	1	(206)
Total comprehensive income for the period	**-**	**-**	**(50)**	**(93)**	**1**	**(207)**	**1**	**(348)**
Dividends paid	-	-	-	-	-	-	(1)	(1)
Movement in contributed equity (refer to note B5)	-	-	-	-	-	-	-	-
Share-based payments	-	12	-	-	-	-	-	12
Total transactions with owners recorded directly in equity	**-**	**12**	**-**	**-**	**-**	**-**	**(1)**	**11**
Balance as at 31 December 2017	**7,150**	**234**	**64**	**26**	**(15)**	**3,600**	**22**	**11,081**

The interim statement of changes in equity should be read in conjunction with the accompanying notes to the interim financial statements.

Origin Energy Limited and its Controlled Entities
Interim statement of cash flows

for the half year ended 31 December	2018 $million	2017 $million
Cash flows from operating activities		
Receipts from customers	8,728	8,323
Payments to suppliers	(8,102)	(7,755)
Cash generated from operations	626	568
Income taxes paid, net of refunds received	(73)	(34)
Net cash from operating activities	**553**	**534**
Cash flows from investing activities		
Acquisition of PP&E	(122)	(138)
Acquisition of exploration and development assets	(5)	(27)
Acquisition of other assets	(62)	(50)
Acquisition of other investments	(4)	(8)
Interest received from other parties	1	-
Australia Pacific LNG (APLNG) investing cash flows		
- Contributions to APLNG	-	(74)
- Receipt of Mandatorily Redeemable Cumulative Preference Shares (MRCPS) interest	117	114
- Proceeds from APLNG buy-back of MRCPS	276	-
Net cash from/(used in) investing activities	**201**	**(183)**
Cash flows from financing activities		
Proceeds from borrowings [(1)]	813	490
Repayment of borrowings [(1)]	(1,388)	(584)
Other [(1)]	4	24
Interest paid	(199)	(248)
Dividends paid to non-controlling interests	(1)	(1)
Loan from equity accounted investees [(2)]	-	76
Purchase of shares on-market (treasury shares)	(42)	-
Net cash used in financing activities	**(813)**	**(243)**
Net (decrease)/increase in cash and cash equivalents	**(59)**	**108**
Cash and cash equivalents at the beginning of the period	**150**	**151**
Effect of exchange rate changes on cash	1	(1)
Cash and cash equivalents at the end of the period [(3)]	**92**	**258**

(1) Comparative amounts have been restated to reflect the net impact of amounts drawn down and repaid within a short period of time to better reflect the nature of the underlying cash flows. In addition, amounts in respect of the close out of FX hedges and operator cash call movements have been moved to a separate line and are now shown within "Other" in financing activities. A $74 million inflow (31 December 2017: $135 million outflow) relating to futures exchange collateral balances, which were previously presented within financing cash flows are now presented in operating cash flows as this is considered a better reflection of the underlying nature of this instrument.

(2) $76 million in the prior period represents cash generated by APLNG as part of its normal business operations deposited to a project finance debt service reserve account. Upon issuance of a bank guarantee to APLNG by the Group the cash was distributed to the Group by way of a loan.

(3) Cash and cash equivalents at the end of the period includes $3 million (31 December 2017: $60 million) of cash and cash equivalents which are classified as held for sale.

The interim statement of cash flows should be read in conjunction with the accompanying notes to the interim financial statements.

Overview

Origin Energy Limited (the Company) is a company domiciled in Australia. The interim financial statements of the Company for the half year ended 31 December 2018, comprise the Company and its controlled entities (together referred to as 'the Group').

The interim financial statements were approved by the Board of Directors on 21 February 2019.

The interim financial statements do not include all of the information required for a full annual financial report, and should be read in conjunction with the financial statements of the Group for the full year ended 30 June 2018, which are available upon request from the Company's registered office at Level 32, Tower 1, 100 Barangaroo Avenue, Barangaroo NSW 2000 or at http://www.originenergy.com.au.

The interim financial statements:

- are general purpose financial statements which have been prepared in accordance with AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001* (Cth);
- have been prepared on a going concern basis. As at 31 December 2018, the consolidated statement of financial position shows a net current liability position of $150 million. The deficit is primarily caused by the classification of Euro 500 million debt as a current liability, with this note due to mature in October 2019. Notwithstanding the net current liability position, the Group has reasonable grounds to believe it will be able to pay its debts as and when they become due based on the continued strong cash flows of the Group’s existing operations, along with the strong financial profile of the Group which includes significant committed undrawn bank debt facilities;
- are presented in Australian dollars;
- are rounded to the nearest million dollars, unless otherwise stated, in accordance with Australian Securities and Investments Commission (ASIC) Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191;
- present reclassified comparative information where required for consistency with the current period presentation.

The accounting policies and judgements/estimates applied by the Group in these interim financial statements are the same as those applied in its financial statements for the full year ended 30 June 2018 except for new standards, amendments to standards and interpretations effective from 1 January 2018.

The following standards, applicable from 1 July 2018, have been adopted by the Group.

- AASB 15 *Revenue from Contracts with Customers*
  The Group has performed a review of all revenue and income streams including an assessment of specific sales contracts across a sample of major customers to identify any potential pricing or performance obligations which were impacted by the new standard. Based on this review, the Group did not identify any material difference in the timing or amount of revenue recognition. Additional information about the Group's revenue streams, as required by the new standard, is set out in note A2.

Overview (continued)

- AASB 9 *Financial Instruments* and AASB 2014-7 *Amendments to Australian Accounting Standards arising from AASB 9*
  The impact of adoption, changes in the significant accounting policies and a reconciliation between the AASB 139 disclosures and the AASB 9 disclosures is provided in note B2.

Estimates of recoverable amounts are based on an asset's value in use or fair value less costs of disposal, using a discounted cash flow method. This requires estimates and assumptions to be made about highly uncertain external factors such as future commodity prices, foreign exchange rates, discount rates, the effects of inflation, regulatory policies, supply-and-demand conditions, reserves, future operating profiles and production costs.

The recoverable amounts of non-current assets have been assessed as at 31 December 2018 based on the types of judgements and estimates described above. Where required, any impairment has been recognised in the interim income statement.

A Results for the half year

This section highlights the performance of the Group for the half year ended 31 December 2018, including results by operating segment, income and expenses, earnings per share and dividends.

The Integrated Gas (IG) operating segment has been split into two separate columns showing the Australia Pacific LNG (APLNG) component of that segment, and the residual component of IG. The comparative balances have been restated to conform to current period presentation.

A1 Segments

The Group's Managing Director monitors the operating results of the business using operating segments which are organised according to the nature and/or geography of the activities undertaken. This section includes the results by operating segment (A1.1) and segment assets and liabilities (A1.2).

A1.1 Segment results for the half year ended 31 December

				Integrated Gas						Total continuing operations		Discontinued operations			
		Energy Markets[1]		Share of APLNG		Other[2]		Corporate[3]						Consolidated	
$million	**Ref.**	**2018**	**2017**	**2018**	**2017**	**2018**	**2017**	**2018**	**2017**	**2018**	**2017**	**2018**	**2017**	**2018**	**2017**
Revenue															
Segment revenue		7,314	7,130	-	-	346	132	-	-	7,660	7,262	-	404	7,660	7,666
Eliminations	**(a)**	-	-	-	-	-	-	-	-	-	-	-	(175)	-	(175)
External revenue		**7,314**	**7,130**	**-**	**-**	**346**	**132**	**-**	**-**	**7,660**	**7,262**	**-**	**229**	**7,660**	**7,491**
EBITDA		**807**	**769**	**1,042**	**675**	**88**	**(681)**	**(52)**	**(78)**	**1,885**	**685**	**-**	**(18)**	**1,885**	**667**
Depreciation and amortisation		(196)	(171)	-	-	(10)	(10)	-	-	(206)	(181)	-	(4)	(206)	(185)
Share of ITDA of equity accounted investees		-	-	(735)	(589)	2	2	-	-	(733)	(587)	-	-	(733)	(587)
EBIT		**611**	**598**	**307**	**86**	**80**	**(689)**	**(52)**	**(78)**	**946**	**(83)**	**-**	**(22)**	**946**	**(105)**
Interest income[4]						115	115	1	-	116	115	-	-	116	115
Interest expense[4]								(193)	(255)	(193)	(255)	-	(6)	(193)	(261)
Income tax expense[5]								(72)	88	(72)	88	-	(43)	(72)	45
Non-controlling interests (NCI)								(1)	(1)	(1)	(1)	-	-	(1)	(1)
Statutory profit/(loss) attributable to members of the parent entity		**611**	**598**	**307**	**86**	**195**	**(574)**	**(317)**	**(246)**	**796**	**(136)**	**-**	**(71)**	**796**	(207)
Reconciliation of statutory profit/(loss) to segment result and underlying profit/(loss)															
Fair value and foreign exchange movements[6]	**(b)**	(38)	(66)	-	-	266	(121)	(3)	(3)	225	(190)	-	(30)	225	(220)
Disposals, impairments and business restructuring	**(c)**	(7)	-	-	-	(36)	(514)	(24)	(44)	(67)	(558)	-	(218)	(67)	(776)
Tax and NCI on items excluded from underlying profit[6]								46	224	46	224	-	23	46	247
Total significant items[6]		**(45)**	**(66)**	**-**	**-**	**230**	**(635)**	**19**	**177**	**204**	**(524)**	**-**	**(225)**	**204**	**(749)**
Segment result and underlying profit/(loss)[6]		656	663	307	86	(35)	62	(336)	(423)	592	388	-	154	592	542
Underlying EBITDA[6]		852	834	1,042	675	(142)	(45)	(25)	(29)	1,727	1,435	-	230	1,727	1,665

(1) Energy retailing, power generation and LPG operations predominantly in Australia.
(2) Growth assets business, LNG trading and management of the Group's exposure to LNG pricing risk.
(3) Various business development and support activities that are not allocated to operating segments.
(4) Interest income earned on MRCPS has been allocated to the Integrated Gas excluding APLNG segment in "Other". Interest expense related to general financing is allocated to the Corporate segment, with the exception of amounts allocated to discontinued operations in the prior year.
(5) Income tax expense for entities in the Origin tax consolidated group is allocated to the Corporate segment with the exception of amounts related to discontinued operations in the prior year.
(6) The comparative period has been restated to include $57 million ($40 million post-tax) of electricity hedge premiums within underlying earnings.

A1 Segments (continued)

Explanatory notes to segment results for the half year ended 31 December

(a) Segment revenue eliminations

In the comparative period, sales between segments occurred on an arm's length basis. The Upstream conventional business (of which assets relating to the Lattice Energy divestment were classified as discontinued operations) sold gas and LPG to the Energy Markets segment.

	2018		2017	
(b) Fair value and foreign exchange movements $million	**Gross**	**Tax and NCI**	**Gross**	**Tax and NCI**
Decrease in fair value of derivatives [(1) (3)]	(9)	3	(131)	39
Increase/(decrease) in fair value of other financial assets/liabilities	306	(92)	(10)	3
Foreign exchange loss on LNG-related financing	(72)	22	(79)	24
Fair value and foreign exchange movements[(3)]	**225**	**(67)**	**(220)**	**66**

(c) Disposals, impairments and business restructuring				
Lattice Energy related recycling of foreign currency translation reserve to profit or loss [(2)]	-	-	(27)	-
Gain on sale of Jingemia [(2)]	-	-	7	(2)
Capital tax loss recognition in respect of Ironbark	-	68	-	-
Disposals	-	68	(20)	(2)
Integrated Gas				
Ironbark permit areas	(49)	15	(514)	154
Heytesbury permit areas impairment reversal	13	(4)	-	-
Lattice Energy [(2)]	-	-	(198)	25
Impairments	(36)	11	(712)	179
One off building lease exit costs	(20)	6	-	-
Restructuring costs	(11)	3	-	-
Transaction costs in respect of the Lattice Energy divestment	-	-	(44)	13
De-recognition of tax assets relating to divestment of Lattice Energy [(2)]	-	-	-	(9)
Finalisation of Lattice tax position on completion	-	25	-	-
Business restructuring	(31)	34	(44)	4
Total disposals, impairments and business restructuring	**(67)**	**113**	**(776)**	**181**

(1) $Nil (pre-tax) (2017: $30 million (pre-tax)) relates to discontinued operations.

(2) Amounts relating to discontinued operations in the prior year.

(3) The comparative period has been restated to include $57 million ($40 million post-tax) of electricity hedge premiums within underlying earnings.

A1 Segments (continued)

A1.2 Segment Assets and Liabilities

			Integrated Gas											
	Energy Markets		Share of APLNG		Other		Corporate		Total continuing operations		Total assets and liabilities held for sale		Consolidated	
$million as at	**31 Dec 2018**	**30 June 2018**	**31 Dec 2018**	**30 June 2018**	**31 Dec 2018**	**30 June 2018**	**31 Dec 2018**	**30 June 2018**	**31 Dec 2018**	**30 June 2018**	**31 Dec 2018**	**30 June 2018**	**31 Dec 2018**	**30 June 2018**
Assets														
Segment assets	12,421	12,447	-	-	401	745	152	156	12,974	13,348	289	-	13,263	13,348
Investments accounted for using the equity method (refer to note C1)	-	-	6,736	6,136	(146)	(148)	-	-	6,590	5,988	-	-	6,590	5,988
Cash, funding related derivatives and tax assets	-	-	-	-	3,445	3,620	1,226	1,301	4,671	4,921	12	-	4,683	4,921
Total assets	**12,421**	**12,447**	**6,736**	**6,136**	**3,700**	**4,217**	**1,378**	**1,457**	**24,235**	**24,257**	**301**	**-**	**24,536**	**24,257**
Liabilities														
Segment liabilities	(3,256)	(3,205)	-	-	(475)	(695)	(665)	(653)	(4,396)	(4,553)	(38)	-	(4,434)	(4,553)
Financial liabilities, interest-bearing liabilities, funding related derivatives and tax liabilities	-	-	-	-	-	-	(7,233)	(7,876)	(7,233)	(7,876)	(81)	-	(7,314)	(7,876)
Total liabilities	**(3,256)**	**(3,205)**	**-**	**-**	**(475)**	**(695)**	**(7,898)**	**(8,529)**	**(11,629)**	**(12,429)**	**(119)**	**-**	**(11,748)**	**(12,429)**
Net assets	**9,165**	**9,242**	**6,736**	**6,136**	**3,225**	**3,522**	**(6,520)**	**(7,072)**	**12,606**	**11,828**	**182**	**-**	**12,788**	**11,828**
Acquisitions of non-current assets (includes capital expenditure)	186	329	-	-	7	107	-	16	193	452	-	68	193	520

A2 Revenue

for the half year ended 31 December	Recognition timing	2018 $million	2017 $million[1]
Revenue from continuing operations			
Electricity - Retail (Consumer & Small Medium Enterprise (SME))	over time	2,503	2,637
Electricity - Business	over time	1,645	1,560
Gas - Retail (Consumer & SME)	over time	584	590
Gas - Business	over time	1,039	752
Electricity - Pool revenue	point in time	1,041	1,093
LPG	point in time	366	331
Solar and Energy Services [2]	various	90	83
Other[3]	point in time	46	84
Energy Markets		**7,314**	**7,130**
LNG	point in time	346	132
Integrated Gas		**346**	**132**
Total Revenue		**7,660**	**7,262**

(1) Excludes amounts classified as discontinued operations.

(2) Solar revenue includes the sale of electricity which is recognised over time on delivery of the commodity, as well as supply, sale and installation of solar equipment and the supply of repair services which are recognised when the goods are delivered or services are executed.

(3) Other revenue includes ancillary services and other non-commodity sales which are predominantly recognised in revenue when the goods are delivered or service is executed.

Key estimate: unbilled revenue

At the end of each period, the volume of energy supplied since a customer's last bill is estimated (including network charges) in determining the unbilled revenue included in income. This estimation requires judgement and is based on historical customer consumption and payment patterns. This is recorded within trade and other receivables in the statement of financial position.

Related to this are unbilled network expenses for unread gas and electricity meters, which are estimated based on historical customer consumption patterns and accrued at the end of the reporting period. This is recorded within trade and other payables in the statement of financial position.

A3 Other income

for the half year ended 31 December	2018 $million	2017 $million
Other income from continuing operations		
Fees and services	18	9
Other income	**18**	**9**
Interest earned from other parties	1	-
Interest earned on APLNG MRCPS (refer to note B3)	115	115
Interest income[1]	**116**	**115**

(1) Interest income is recognised as it accrues.

Origin Energy Limited and its Controlled Entities
Notes to the interim financial statements

A4 Expenses

for the half year ended 31 December	2018 $million	2017 $million[1]
Expenses from continuing operations		
Cost of sales	6,311	5,838
Employee expenses	332	333
Depreciation and amortisation	206	181
Impairment of non-current assets [2]	36	514
Impairment of trade receivables (net of bad debts recovered)	43	46
Decrease in fair value of derivatives	9	101
(Increase)/decrease in fair value of other financial assets/liabilities	(306)	10
Net foreign exchange loss	68	79
Other	342	340
Expenses	**7,041**	**7,442**
Interest on interest-bearing liabilities	192	254
Impact of discounting on long term provisions	1	1
Interest expense	**193**	**255**
Financing costs capitalised	-	1

(1) Excludes amounts classified as discontinued operations in the prior period. Certain comparative amounts have been restated in relation to electricity hedge premiums to conform with current year presentation.

(2) Included in the current period is $49 million (tax benefit $15 million) of an impairment in relation to the Ironbark permit areas, along with $13 million of an impairment reversal in relation to the Heytesbury permit assets, following classification to held for sale at 31 December 2018 (refer note C3 Assets and liabilities held for sale). The Ironbark impairment in the current period is based on the expected proceeds from sale following bids received pre 31 December 2018. The recoverable amount of Ironbark is $231 million.

The comparative period amount reflected impairments of $514 million (tax benefit $154 million) relating to the Ironbark permit areas. The Ironbark valuation was determined based on an assessment of fair value less costs of disposal (level 3 fair value hierarchy). Key assumptions in Ironbark's valuation were reserves, future production profiles, commodity prices, operating costs and any future development costs necessary to produce the reserves. The pre-tax discount rate, determined as weighted average cost of capital, that was applied in determining the recoverable amount of $279 million was 12.7%. The impairment charges resulted primarily from a reduction in the reported reserves.

A5 Income tax expense

for the half year ended 31 December	2018 per cent	2017 per cent
Effective statutory tax rate for continuing operations	8	39

The 31 December 2018 effective statutory tax rate for continuing operations of 8% varies from the comparative period of 39% primarily due to the non-deductible impairment expenses for the Lattice Group in the prior year with no similar transactions occurring in the current year, and the current year recognition of capital losses to offset to nil the probable capital gain on the disposal of Origin Energy ATP 788P Pty Ltd (Ironbark permit areas). The variation from the corporate rate of 30% is primarily due to the non-assessability of Origin's share of profit after tax of Australia Pacific LNG. Only dividends received from APLNG are subject to income tax. The greater Australia Pacific LNG's equity income is as a proportion of Origin’s total profit, the greater the impact on the effective tax rate.

A6 Earnings per share

for the half year ended 31 December	2018	2017
Weighted average number of shares on issue-basic[(1)]	1,758,960,368	1,756,352,816
Weighted average number of shares on issue-diluted [(2)]	1,762,030,414	1,762,445,953
STATUTORY PROFIT/(LOSS)		
Earnings per share based on statutory consolidated profit/(loss)		
Statutory profit/(loss) $million	796	(207)
Basic earnings per share	45.3 cents	(11.8) cents
Diluted earnings per share	45.2 cents	(11.8) cents
Continuing operations		
Statutory profit/(loss) $million	796	(136)
Basic earnings per share from continuing operations	45.3 cents	(7.8) cents
Diluted earnings per share from continuing operations	45.2 cents	(7.8) cents
Discontinued operations		
Statutory profit/(loss) $million	-	(71)
Basic earnings per share from discontinued operations	-	(4.0) cents
Diluted earnings per share from discontinued operations	-	(4.0) cents
UNDERLYING PROFIT/(LOSS)		
Earnings per share based on underlying consolidated profit		
Underlying profit $million[(3) (4)]	592	542
Underlying basic earnings per share[(4)]	33.7 cents	30.9 cents
Underlying diluted earnings per share[(4)]	33.6 cents	30.8 cents
Continuing operations		
Underlying profit $million[(3) (4)]	592	388
Underlying basic earnings per share from continuing operations[(4)]	33.7 cents	22.1 cents
Discontinued operations		
Underlying profit $million[(3)]	-	154
Underlying basic earnings per share from discontinued operations	-	8.8 cents

(1) The basic earnings per share calculation uses the weighted average number of shares on issue during the period excluding Treasury shares held.
(2) The diluted earnings per share calculation uses the weighted average number of shares on issue during the period excluding Treasury shares held and is adjusted to reflect the number of shares which would be issued if outstanding options, performance share rights and deferred shares rights were to be exercised (2018: 3,070,046; 2017: 6,093,137).
(3) Refer to note A1 for a reconciliation of statutory loss to underlying consolidated profit.
(4) The comparative period has been restated to include $57 million ($40 million post-tax) of electricity hedge premiums within underlying earnings. As a result underlying earnings per share have also been restated.

A7 Dividends

	2018 $million	2017 $million
Nil final dividend (2017: Nil final dividend)	-	-

B Funding, financial instruments and contributed equity

B1 Capital management

The Group's objectives when managing capital are to safeguard the ability to continue as a going concern so that it can continue to provide returns for shareholders and maintain an optimal capital structure. A strong investment grade credit rating (BBB/Baa2) is required to meet these objectives. The current credit rating is BBB- (positive outlook) from S&P, and Baa3 (positive outlook) from Moody's.

Key factors considered in determining the Group's capital structure and funding strategy at any point in time include expected operating cash flows, capital expenditure plans, maturity profile of existing debt facilities, dividend policy and the ability to access funding from banks, capital markets and other sources.

The Group monitors its capital requirements through a number of metrics including the gearing ratio (target range of approximately 25% - 30%) and an adjusted net debt to adjusted underlying EBITDA ratio (target range of 2.5x - 3.0x). These targets are consistent with attaining a strong investment grade rating.

The gearing ratio is calculated as adjusted net debt divided by total capital. Net debt is adjusted to take into account the effect of FX hedging transactions on the Group's foreign currency debt obligations. The adjusted net debt to adjusted underlying EBITDA ratio is calculated as (adjusted net debt / Origin underlying EBITDA less Origin's share of APLNG underlying EBITDA plus net cash flow from APLNG over the relevant 12 month period).

The Group monitors its current and future funding requirements for at least the next five years and regularly assesses a range of funding alternatives to meet these requirements in advance of when the funds are required.

	31 Dec 2018 $million	30 June 2018 $million
Total interest-bearing liabilities (1)	6,812	7,439
Less: Cash and cash equivalents (2)	(92)	(150)
Net debt	6,720	7,289
Fair value adjustments on FX hedging transactions	(662)	(793)
Adjusted net debt	6,058	6,496
Total equity	12,788	11,828
Total capital	18,846	18,324
Gearing ratio	32%	35%
Ratio of adjusted net debt to adjusted underlying EBITDA	3.1x	3.7x

(1) Includes held for sale amount of $7 million in the current period.
(2) Includes held for sale amount of $3 million in the current period.

Repayment of US144A US$800 million debt
Origin repaid the US144A US$800 million (A$1,123 million) debt on its 9 October 2018 maturity date. The debt had been swapped to AUD resulting in a net settlement of A$853 million. The repayment had a neutral impact on Adjusted Net Debt as the repayment was refinanced with cash flows from operating activities and medium term bank debt.

B2 Adoption of AASB9 *Financial instruments*

AASB 9 replaces the provisions of the former accounting standard *AASB 139 Financial Instruments* that relates to recognition, classification and measurement of financial assets and liabilities, impairment of financial assets and hedge accounting.

The adoption of AASB 9 from 1 July 2018 has resulted in changes to the Group's accounting policies and adjustments to the amounts recognised in the financial statements, in particular the reclassification and remeasurement of MRCPS and settlement residue distribution agreement units at fair value through profit and loss; and the inclusion of a forward looking expected credit loss model in assessing the impairment of trade receivables and unbilled revenue balances. In accordance with the transitional provisions in AASB 9 comparative figures have not been restated.

The total impact on the Group's equity as at 1 July 2018 is set out below.

$million	Ref.	Available-for-sale reserve	Retained earnings
Opening balance - AASB 139		**(22)**	**4,025**
Reclassification and remeasurement of MRCPS issued by APLNG	(a)	-	(108)
Reclassification of Settlement Residue Distribution Agreement units	(a)	22	(22)
Increase in provision for trade receivables and unbilled revenue	(b)	-	(15)
Total impact		**22**	**(145)**
Opening balance - AASB 9		**-**	**3,880**

(a) Classification and measurement of financial assets and liabilities

From 1 July 2018, the Group classifies its financial assets in the following measurement categories:

- those to be measured at amortised cost,
- those to be measured subsequently at fair value through profit or loss (FVPL), and
- those to be measured subsequently at fair value through other comprehensive income (FVOCI).

The classification depends on the Group's business model for managing the financial assets and the contractual terms of the cash flows. Generally, under AASB 9 financial assets must be recorded at fair value unless their cash flows represent solely payments of principal and interest.

The following table sets out the original measurement categories under AASB 139 and the new measurement categories under AASB 9 for each class of the Group's financial assets as at 1 July 2018.

$million	Classification		Carrying amount	
	Original under AASB 139	New under AASB 9	Original amount AASB 139	New amount AASB 9
Trade receivables and unbilled revenue [(1)]	Amortised cost	Amortised cost	2,541	2,541
MRCPS issued by APLNG [(2)]	Amortised cost	FVPL	3,620	3,465
Settlement Residue Distribution Agreement units	Available-for-sale	FVPL	46	46
Origin Foundation investment fund units	Available-for-sale	FVPL	57	57
Equity securities [(3)]	Available-for-sale	FVOCI	15	15
Environmental scheme certificates	FVPL	FVPL	153	153
Futures collateral	FVPL	FVPL	59	59

(1) AASB 9 amount excludes the $15 million impairment adjustment discussed at note B2(b).

(2) The MRCPS issued by APLNG may no longer be measured at amortised cost as the dividend and share redemption cash flows do not strictly qualify as payments of principal and interest. In APLNG's accounts, the liability to shareholders will continue to be measured at amortised cost and will therefore no longer align to Origin's share of MRCPS which will be measured at FVPL.

(3) The Group has elected to present changes in the fair value of all its equity securities in OCI because they are held for strategic purposes and are not expected to be sold in the short to medium term.

B2 Adoption of AASB9 *Financial instruments* (continued)

AASB 9 has not had a significant impact on the Group's accounting policies related to financial liabilities and derivative financial instruments.

(b) Impairment of financial assets

The Group's trade receivables and contract assets are subject to AASB 9's new expected credit loss model for impairment of financial assets.

On adoption of AASB 9, the Group was required to revise its impairment methodologies resulting in a $15 million post-tax increase in the impairment allowance recorded at 1 July 2018.

The Group applies the simplified approach permitted by AASB 9, which requires expected lifetime credit losses to be recognised from initial recognition of trade receivables and contract assets. To measure the lifetime expected credit losses, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due. Contract assets relate to unbilled energy services and have substantially the same risk characteristics as trade receivables for the same types of contracts. The Group has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for contract assets.

(c) Hedging

The Group has elected to adopt the new hedge accounting model in AASB 9. This requires the Group to ensure that hedge accounting relationships are aligned with its risk management objectives and strategy as well as to apply a more qualitative and forward-looking approach to assessing hedge effectiveness.

All hedging relationships designated under AASB 139 as at 30 June 2018 met the criteria for hedge accounting under AASB 9 at 1 July 2018 and are therefore regarded as continuing hedging relationships.

B3 Other financial assets and liabilities

The Group has applied AASB 9 *Financial Instruments* (AASB 9) from 1 July 2018 as discussed in note B2. Under the transition methods chosen, comparative information is not restated.

as at	**31 December 2018**		**30 June 2018** [(1)]	
$million	**Current**	**Non-current**	**Current**	**Non-current**
Other financial assets				
Measured at fair value through profit or loss				
MRCPS issued by APLNG [(2)]	21	3,424	Not applicable prior to adoption of AASB 9	
Settlement Residue Distribution Agreement units	20	25		
Environmental scheme certificates	360	-		
Investment fund units	-	55		
Measured at fair value through other comprehensive income				
Equity securities	-	19		
Previous disclosure under AASB 139				
MRCPS issued by APLNG			37	3,583
Environmental scheme certificates			153	-
Available-for-sale financial assets			18	100
Futures collateral			59	-
	401	**3,523**	**267**	**3,683**
Other financial liabilities				
Measured at fair value through profit or loss				
Environmental scheme surrender obligations	379	-	304	-
Futures collateral	16	-	-	-
	395	**-**	**304**	**-**

(1) 30 June 2018 balances have been reclassified to include $59 million of futures collateral previously disclosed within other assets and to exclude $57 million of deferred option premiums now disclosed within other payables.

(2) The Group has invested in MRCPS issued by APLNG in the amount of US$2,478 million (30 June 2018: US$2,673 million).
MRCPS are the mechanism by which funding for the CSG to LNG Project has been provided by the shareholders of APLNG in proportion to their ordinary equity interests.
The MRCPS have a 6.37% fixed rate dividend obligation based on the relevant observable market interest rates and estimated credit margin at the date of issue. The dividend is paid twice per annum and dividends received are recognised as interest (refer to note A3). The mandatory redemption date for the MRCPS is 30 June 2026.

B4 Fair value of financial assets and liabilities

Financial assets and liabilities measured at fair value are grouped into the following categories based on the level of observable market data used in determining that fair value:

- Level 1: The fair value of financial instruments traded in active markets (such as exchange traded derivatives and renewable energy certificates) is the quoted market price at the end of the reporting period. These instruments are included in level 1.
- Level 2: The fair value of financial instruments that are not traded in an active market (such as over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data. If all significant inputs required to fair value an instrument are observable, either directly (as prices) or indirectly (derived from prices), the instrument is included in level 2.
- Level 3: If one or more of the significant inputs required to fair value an instrument is not based on observable market data, the instrument is included in level 3.

as at 31 December 2018	Level 1 $million	Level 2 $million	Level 3 $million	Total $million
Derivative financial assets	103	1,109	249	1,461
Other financial assets at fair value	460	-	3,464	3,924
Total financial assets carried at fair value	**563**	**1,109**	**3,713**	**5,385**
Derivative financial liabilities	(27)	(882)	(661)	(1,570)
Other financial liabilities at fair value	(395)	-	-	(395)
Total financial liabilities carried at fair value	**(422)**	**(882)**	**(661)**	**(1,965)**

as at 30 June 2018	Level 1 $million	Level 2 $million	Level 3 $million	Total $million
Derivative financial assets	21	1,388	230	1,639
Environmental scheme certificates	153	-	-	153
Available-for-sale financial assets	103	15	-	118
Total financial assets carried at fair value	**277**	**1,403**	**230**	**1,910**
Derivative financial liabilities	(15)	(988)	(655)	(1,658)
Environmental scheme surrender obligations	(304)	-	-	(304)
Total financial liabilities carried at fair value	**(319)**	**(988)**	**(655)**	**(1,962)**

The following table shows a reconciliation of movements in the fair value of level 3 instruments during the period:

	$million
Balance as at 1 July 2018	(425)
New instruments in the period	3,484
Net cash settlements	(392)
Gains/(losses) recognised in profit or loss:	
- Change in fair value	284
- Cost of sales	(16)
- Interest income	115
- Net foreign exchange	2
Balance as at 31 December 2018	**3,052**

B4 Fair value of financial assets and liabilities (continued)

(a) Valuation techniques used to determine fair values

The various techniques used to value the Group's financial instruments are summarised in the following table. To the maximum extent possible, valuations are based on assumptions which are supported by independent and observable market data. For instruments that settle greater than 12 months from reporting date, cash flows are discounted at the applicable market yield adjusted to reflect the credit risk of the specific counterparty.

Instrument	Fair value methodology
Financial instruments traded in active markets	Quoted market prices at reporting date.
Interest rate swaps and cross currency interest rate swaps	Present value of expected future cash flows based on observable yield curves and forward exchange rates at reporting date.
Forward foreign exchange contracts	Present value of future cash flows based on observable forward exchange rates at reporting date.
Electricity, oil and other commodity derivatives (not traded in active markets)	Present value of expected future cash flows based on observable forward commodity price curves (where available). The majority of the Group's level 3 instruments are commodity contracts for which further detail on the significant unobservable inputs is included below.
Other financial instruments	Discounted cash flow analysis.
Long-term borrowings	Present value of future contract cash flows.

(b) Fair value measurements using significant unobservable inputs (Level 3):

The following is a summary of the level 3 financial instruments, the significant inputs for which market observable data is unavailable, and the sensitivity of the estimated fair values to the assumptions applied by management.

Instrument(1)	Unobservable inputs	Relationship to fair value
Electricity derivatives	• Forward electricity spot market price curve • Forward electricity cap price curve • Forecast renewable energy certificate prices • Contract volumes • Generation operating costs	A 10 per cent increase/decrease in the unobservable inputs results in an increase/decrease in fair value of $315 million (June 2018: $327 million).
Oil derivatives	• Forward Japanese Customs-cleared Crude (JCC) price curve	A shift in the JCC price curve of +/- 10 per cent results in a decrease/increase in fair value of $1 million (June 2018: $1 million).
MRCPS issued by APLNG	• Forecast Australia Pacific LNG free cash flows	A 10 per cent increase/(decrease) in APLNG forecast cash flows increases/(decreases) fair value by $9/($11) million.

(1) Excludes $19 million of unlisted equity securities for which management have assessed the carrying value to be a reasonable reflection of fair value at reporting date.

B4 Fair value of financial assets and liabilities (continued)

(c) Day 1 fair value adjustments

Derivatives are initially recognised at fair value. If the fair value differs from the transaction price, the difference is deferred in the statement of financial position and recognised in the income statement over the life of the instrument. The following non-cash amounts have been deferred and/or recognised in the interim income statement during the half year.

as at	31 December 2018 $million
Derivative assets	
Opening balance - net gain	411
Recognised in the interim income statement	(31)
New instruments	8
Closing balance - net gain	**388**
Derivative liabilities	
Opening balance - net gain	313
Recognised in the interim income statement	(21)
Closing balance - net gain	**292**

(d) Financial instruments measured at amortised cost

Except as noted below, the carrying amounts of financial assets and liabilities measured at amortised cost are reasonable approximations of their fair values.

		Carrying value		Fair value	
as at 31 December	**Fair value hierarchy level**	**31 Dec 2018 $million**	**30 Jun 2018 $million**	**31 Dec 2018 $million**	**30 Jun 2018 $million**
Non-current assets					
Other financial assets	3	-	3,583	-	3,428
Non-current liabilities					
Bank loans - unsecured	2	493	220	517	244
Capital markets borrowings - unsecured	2	5,495	6,124	5,669	6,387
		5,988	**6,344**	**6,186**	**6,631**

The fair value of these financial instruments reflect the present value of expected future cash flows based on market pricing data for the relevant underlying interest and foreign exchange rates. Cash flows are discounted at the applicable credit adjusted market yield.

B5 Contributed equity

	6 months to 31 December 2018	12 months to 30 June 2018	6 months to 31 December 2018	12 months to 30 June 2018
	Number of shares		$million	
Ordinary share capital				
Opening balance	1,759,156,516	1,755,333,517	7,150	7,150
Shares issued in accordance with the Long Term Incentive Plans	285,259	3,822,999	-	-
	1,759,441,775	1,759,156,516	7,150	7,150
Less Treasury shares:				
Opening balance	-	-	-	-
Shares purchased on-market	(5,157,586)	-	(42)	-
Utilisation of treasury shares on vesting of employee share schemes	4,614,860	-	38	-
	(542,726)	-	(4)	-
Closing balance	**1,758,899,049**	**1,759,156,516**	**7,146**	**7,150**

Ordinary shares

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

The Group does not have authorised capital or par value in respect of its issued shares.

Treasury shares

Where the Group or other members of the Group purchase shares in the Company, the consideration paid is deducted from the total shareholders' equity and the shares are treated as treasury shares until they are subsequently sold, reissued or cancelled. Treasury shares are purchased primarily for use on vesting of employee share schemes. Shares are accounted for at a weighted average cost.

C Group structure

The following section provides information on the Group's structure and how this impacts the results of the Group as a whole, including details of joint arrangements and changes made to the Group structure during the half year.

C1 Joint arrangements

Joint arrangements are those entities over whose activities the Group has joint control, established by contractual agreement and require consent of two or more parties for strategic, financial and operating decisions. The Group classifies its interests in joint arrangements as either joint operations or joint ventures depending on its rights to the assets and obligations for the liabilities of the arrangements.

C1.1 Interests in joint ventures

Interests in joint ventures are initially recognised at cost and are subsequently adjusted for changes in the Group's share of the joint venture's net assets.

Joint venture entity	Reporting date	Country of incorporation	Ownership interest 2018	Ownership interest 2017
Australia Pacific LNG Pty Ltd[(1)]	30 June	Australia	37.5	37.5
Energia Andina Geothermal SpA[(2)]	31 December	Chile	-	49.9
Energia Austral SpA[(3)]	31 December	Chile	34.0	34.0
KUBU Energy Resources (Pty) Limited	30 June	Botswana	50.0	50.0
PNG Energy Developments Limited	31 December	PNG	50.0	50.0
Venn Energy Trading Pte Limited[(4)]	31 March	Singapore	-	50.0

(1) Australia Pacific LNG Pty Ltd (APLNG) is a separate legal entity. Operating, management and funding decisions require the unanimous support of the Foundation Shareholders, which includes the Group and ConocoPhillips. Accordingly, joint control exists and the Group has classified the investment in APLNG as a joint venture.

(2) Energia Andina Geothermal SpA is a separate legal entity. Key decisions require super majority (four directors) approval, with the Group entitled to appoint two of the five directors. As a consequence joint control exists and the Group has classified the investment as a joint venture. The sale of Origin's shares in Energia Andina Geothermal SpA was completed on 24 August 2018.

(3) Up to its divestment on 7 January 2019, Energia Austral SpA was a separate legal entity. Key decisions required super majority (four directors) approval, with the Group entitled to appoint two of the five directors. As a consequence joint control existed and the Group classified the investment as a joint venture.

(4) Venn Energy Trading Pte Limited was wound-up on 10 July 2018.

Of the above joint arrangements, only APLNG has a material impact to the Group.

C1 Joint arrangements (continued)

C1.2 Investment in Australia Pacific LNG Pty Ltd

Set out below is a summary of APLNG's financial performance for the periods ended 31 December 2018 and 31 December 2017, and its financial position as at 31 December 2018 and 30 June 2018.

Summary APLNG income statement

$million for the half year ended 31 December	**2018 Total APLNG**	**2018 Origin interest**	**2017 Total APLNG**	**2017 Origin interest**
Operating revenue	3,678		2,659	
Operating expenses	(899)		(858)	
EBITDA	**2,779**	**1,042**	**1,801**	**675**
Depreciation and amortisation expense	(1,019)	(382)	(912)	(342)
Interest income	21	8	6	2
Interest expense on MRCPS	(307)	(115)	(305)	(115)
Other interest expense	(305)	(114)	(260)	(97)
Income tax expense	(350)	(132)	(100)	(37)
ITDA	**(1,960)**	**(735)**	**(1,571)**	**(589)**
Statutory result for the period	**819**	**307**	**230**	**86**
Other comprehensive income	-	-	-	-
Statutory total comprehensive income	**819**	**307**	**230**	**86**
Items excluded from segment result (net of tax)	-	-	-	-
Underlying profit for the period	**819**	**307**	**230**	**86**
Underlying EBITDA for the period	**2,779**	**1,042**	**1,801**	**675**

C1 Joint arrangements (continued)

C1.2 Investment in Australia Pacific LNG Pty Ltd (continued)

Summary APLNG statement of financial position (100 per cent share) $million as at	**31 December 2018**	**30 June 2018**
Cash and cash equivalents	1,366	1,223
Assets classified as held for sale	71	65
Other assets	847	607
Current assets	**2,284**	**1,895**
Receivables from shareholders	412	394
Property, plant and equipment (PPE)	36,178	34,865
Exploration, evaluation and development assets	328	256
Other assets	2,008	2,282
Non-current assets	**38,926**	**37,797**
Total assets	**41,210**	**39,692**
Bank loans - secured	748	872
Payable to shareholders (MRCPS)	57	98
Liabilities classified as held for sale	81	76
Other liabilities	935	841
Current liabilities	**1,821**	**1,887**
Bank loans - secured	9,204	9,077
Payable to shareholders (MRCPS)	9,307	9,556
Other liabilities	2,917	2,810
Non-current liabilities	**21,428**	**21,443**
Total liabilities	**23,249**	**23,330**
Net assets	**17,961**	**16,362**
Group's interest of 37.5 per cent of APLNG net assets	6,736	6,136
Group's own costs	25	25
MRCPS elimination(1)	(171)	(173)
Investment in APLNG	**6,590**	**5,988**

(1) During project construction, when the Group received interest on the MRCPS from APLNG, it recorded the interest as income after eliminating a proportion of this interest which related to its ownership interest in APLNG. At the same time, when APLNG paid interest to the Group on MRCPS, the amount was capitalised by APLNG. Therefore, these capitalised interest amounts form part of the cost of APLNG's assets and these assets have been depreciated since commencement of operations. The proportion attributable to the Group’s own interest (37.5 per cent) is eliminated through the equity accounted investment balance as this has previously been recorded in Origin's income statement.

Balance sheet amounts are converted from USD to AUD using an end of period exchange rate of 0.7057 (30 June 2018: 0.7384).

C1 Joint arrangements (continued)

C1.2 Investment in Australia Pacific LNG Pty Ltd (continued)

In September 2016, APLNG made a loan to the Group of US$96 million. A further US$60 million was loaned by APLNG to Origin in September 2017, bringing the total loan amount to US$156 million, equivalent to A$221 million. This is shown as a current payable to joint ventures in the interim statement of financial position of the Group. These loans were made by APLNG to the Group in accordance with the terms of the APLNG project financing facility, which allows APLNG to make a loan to a shareholder if the shareholder provides the project financiers with a letter of credit for the amount of the loan.

C2 Changes in controlled entities

2018

There were no significant business combinations during the period.

Changes in controlled entities

Darling Downs Solar Farm Asset Pty Ltd was deregistered on 3 October 2018.
Darling Downs Solar Farm Asset Holding Pty Ltd was deregistered on 3 October 2018.
OE JV Holdings Pty Limited was deregistered on 5 December 2018.

2017

There were no significant business combinations during the period.

Changes in controlled entities

Lattice Energy Limited transferred its shares in Origin Energy Browse Pty Ltd and Origin Energy Petroleum Pty Ltd to Origin Energy Upstream Holdings Pty Ltd on 31 August 2017.

Origin Energy Power Limited transferred its shares in Darling Downs Solar Farm Operating Holding Pty Ltd to Origin Energy Holdings Pty Limited on 27 July 2017.
Darling Downs Solar Farm Operating Holding Pty Ltd changed its name to Origin Future Energy Pty Limited on 7 August 2017.

Origin Future Energy Pty Ltd transferred its shares in Darling Downs Solar Farm Operating Pty Ltd to Origin Energy Holdings Pty Ltd on 24 August 2017.
Darling Downs Solar Farm Operating Pty Ltd changed its name to Origin Energy Metering Coordinator Pty Ltd on 24 August 2017.

Lattice Energy Resources NZ (Holdings) Limited transferred its shares in Origin Energy Resources NZ (Rimu) Limited to Origin Energy Holdings Pty Ltd on 25 September 2017.

Lattice Energy Limited transferred its shares in Origin Energy CSG 2 Pty Ltd and Origin Energy ATP 788P Pty Ltd to Origin Energy Upstream Holdings Pty Ltd on 26 September 2017.

C3 Assets and liabilities held for sale

The assets and liabilities relating to the divestment of Origin LPG (Vietnam) Limited Liability Company (Vietnam), Origin Energy Petroleum Pty Ltd (Heytesbury) and Origin Energy ATP 788P Pty Limited (Ironbark) have been classified as held for sale at 31 December 2018.

Origin LPG (Vietnam) Limited Liability Company has been fully consolidated by the Group on the basis that its 51% interest in the entity provides the Group with control. The financial information provided in the below table, therefore, represents assets and liabilities for Origin LPG (Vietnam) Limited Liability Company at 100%.

Origin Energy ATP 788P Pty Limited holds the interests in the Ironbark permits. An impairment charge of $49 million (tax benefit $15 million) was recognised on classification to held for sale.

Origin Energy Petroleum Pty Ltd holds the interests in the Heytesbury permits. Prior year impairment losses of $13 million were reversed on classification to held for sale. The corresponding asset forms part of the balance classified as held for sale as at 31 December 2018 as shown in the below table.

Assets and liabilities classified as held for sale	**31 December 2018 $million**			
	Vietnam	**Heytesbury**	**Ironbark**	**Total**
Cash and cash equivalents	3	-	-	3
Trade and other receivables	5	-	-	5
Inventories	1	-	-	1
Property, plant and equipment	19	13	4	36
Exploration and evaluation assets	-	-	247	247
Tax assets	-	3	6	9
Assets classified as held for sale	**28**	**16**	**257**	**301**
Trade and other payables	6	-	-	6
Interest-bearing liabilities	7	-	-	7
Provisions	-	12	20	32
Deferred tax liabilities	-	-	74	74
Liabilities classified as held for sale	**13**	**12**	**94**	**119**

D Other information

This section includes other information to assist in understanding the financial performance and position of the Group, or items required to be disclosed to comply with accounting standards and other pronouncements.

D1 Contingent liabilities

Discussed below are items where either it is not probable that the Group will have to make future payments or the amount of the future payments are not able to be measured reliably.

Guarantees

Bank guarantees and letters of credit have been provided mainly to Australian Energy Market Operator Limited to support the Group's obligations to purchase electricity from the National Electricity Market.

as at	31 December 2018 $million	30 June 2018 $million [1]
Bank guarantees - unsecured	481	408
Letters of credit - unsecured	-	-

(1) Includes unsecured bank guarantees of $9 million related to discontinued operations of which $8 million were cancelled on 3 July 2018 and $1 million are in the process of being cancelled.

The Group's share of guarantees for certain contractual commitments of its joint ventures is shown at note D2. The Group has also given letters of comfort to its bankers in respect of financial arrangements provided by the banks to certain partly-owned controlled entities.

D1 Contingent liabilities (continued)

Joint arrangements

As a participant in certain joint arrangements, the Group is liable for its share of liabilities incurred by these arrangements. In some circumstances the Group may incur more than its proportionate share of such liabilities, but will have the right to recover the excess liability from the other joint arrangement participants.

The Group continues to provide parent company guarantees in excess of its 37.5 per cent shareholding in APLNG in respect of certain historical domestic contracts.

In October 2018, Origin and the other APLNG shareholders agreed to indemnify one of APLNG's long term LNG customers (following that customer's election to defer delivery of 30 cargoes over 6 years (2019-2024)) should APLNG fail to supply make-up cargoes to that customer prior to the expiry of the LNG supply contract. The customer will pay APLNG for the deferred cargoes and APLNG expects to re-sell the gas to other customers and deliver the deferred cargoes to the long term LNG customer between 2025 and the end of the LNG supply contract. The indemnity was provided severally in accordance with each shareholder's proportionate shareholding in APLNG. At the inception of the agreement, any obligation or liability on the part of the shareholders will only be confirmed by the occurrence or non-occurrence of future events and cannot be measured with sufficient reliability.

Legal and regulatory

Certain entities within the Group (and joint venture entities, such as APLNG) are subject to various lawsuits and claims as well as audits and reviews by government, regulatory bodies or other joint venture partners. In most instances it is not possible to reasonably predict the outcome of these matters or their impact on the Group. Where outcomes can be reasonably predicted, provisions are recorded.

A number of sites owned/operated (or previously owned/operated) by the Group have been identified as contaminated. These properties are subject to ongoing environmental management programs. For sites where the requirements can be assessed and remediation costs can be estimated, such costs have been expensed or provided for.

Warranties and indemnities have also been given and/or received by entities in the Group in relation to environmental liabilities for certain properties divested and/or acquired.

Capital expenditure

As part of the acquisition of Browse Basin exploration permits in 2015, the Group agreed to pay cash consideration of US$75 million contingent upon a project Final Investment Decision (FID) and US$75 million contingent upon first production. The Group will pay further contingent consideration of up to US$50 million upon first production if 2P reserves, at the time of FID, reach certain thresholds. These obligations have not been provided for at the reporting date as they are dependent upon uncertain future events not wholly within the Group's control.

D2 Commitments

Detailed below are the Group's contractual commitments which are not recognised as liabilities as the relevant assets have not yet been received.

as at	31 December 2018 $million	30 June 2018 $million
Capital expenditure commitments[(1)]	93	87
Joint venture commitments[(2)]	538	505

(1) Includes $6 million (June 2018: $Nil) of capital expenditure commitments relating to Ironbark which is classified as held for sale.

(2) Includes $459 million (June 2018 restated: $494 million) in relation to the Group's share of Australia Pacific LNG's capital, joint venture and operating lease commitments. Prior year disclosure has been restated by $53 million to reflect additional operating lease arrangements identified during the period.

D3 Subsequent events

Other than the matters described below, no item, transaction or event of a material nature has arisen since 31 December 2018 that would significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group, in future financial periods.

The Group has undertaken two transactions to extend the weighted average tenor of its debt portfolio:

- On 16 January 2019 Origin Energy Finance Limited, a subsidiary of the Group, completed a US Private Placement transaction for US$250 million (~A$350 million equivalent) with a 10 year tenor; and
- On 13 February 2019 the Company entered into a new Syndicated Term Loan Facility with a syndicate of Asian banks. The total volume was approximately A$554 million and the term loan was fully drawn on inception.

The funds from these transactions will be used to repay existing drawn bank debt, lengthening the tenor of the debt book and further improving the Group's available liquidity position in advance of near term capital market note maturities.

On 19 February 2019, Origin entered into an agreement to sell its Ironbark asset to APLNG for $231 million. In its role as upstream operator for APLNG, Origin will be responsible for development of Ironbark. Based on the sale price, Origin has recorded a non-cash post-tax impairment of $34 million in the 31 December 2018 interim financial statements. This is offset by a $68 million tax benefit on recognition of capital losses. The sale is subject to ACCC and foreign investment approvals.

On 15 February 2019, Origin entered into an agreement to acquire 100 per cent of OC Energy Pty Limited, a centralised energy services business, for an upfront payment of $33 million as well as a deferred amount of $25 million. The transaction is subject to customary conditions and completion adjustments, with completion targeted for the second half of FY2019.

On 21 February 2019 the directors declared an interim dividend of 10 cents per share on ordinary shares. The dividend will be paid on 29 March 2019.

Directors' Declaration

In the opinion of the directors of Origin Energy Limited (the Company):

(a) the interim financial statements and notes are in accordance with the *Corporations Act 2001* (Cth), including:

  (i) giving a true and fair view of the financial position of the Group as at 31 December 2018 and of its performance, for the half year ended on that date; and

  (ii) complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and other applicable accounting standards and the *Corporations Regulations 2001* (Cth); 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:

Gordon Cairns, Chairman

Director

Sydney, 21 February 2019

Independent Auditor's Review Report

To the shareholders of Origin Energy Limited

Report on the Interim Financial Report

Conclusion

We have reviewed the accompanying ***Interim Financial Report*** of Origin Energy Limited.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the Interim Financial Report of Origin Energy Limited is not in accordance with the *Corporations Act 2001*, including:

- giving a true and fair view of the ***Group's*** financial position as at 31 December 2018 and of its performance for the half-year ended on that date; and
- complying with *Australian Accounting Standard AASB 134 Interim Financial Reporting* and the *Corporations Regulations 2001*.

The ***Interim Financial Report*** comprises:

- Consolidated interim statement of financial position as at 31 December 2018;
- Consolidated interim income statement, Consolidated interim statement of comprehensive income, Consolidated interim statement of changes in equity and Consolidated interim statement of cash flows for the half-year ended on that date;
- Notes Overview and A to D3 comprising a summary of significant accounting policies and other explanatory information; and
- The Directors' Declaration.

The ***Group*** comprises Origin Energy Limited (the Company) and the entities it controlled at the half-year's end or from time to time during the half-year.

Responsibilities of the Directors for the Interim Financial Report

The Directors of the Company are responsible for:

- the preparation of the Interim Financial Report that gives a true and fair view in accordance with *Australian Accounting Standards* and the *Corporations Act 2001;* and
- such internal control as the Directors determine is necessary to enable the preparation of the Interim Financial Report that is free from material misstatement, whether due to fraud or error.

Auditor's responsibility for the review of the Interim Financial Report

Our responsibility is to express a conclusion on the Interim Financial Report based on our review. We conducted our review in accordance with *Auditing Standard on Review Engagements ASRE 2410 Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the Interim Financial Report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the Group's financial position as at 31 December 2018 and its performance for the half-year ended on that date; and complying with *Australian Accounting Standard AASB 134 Interim Financial Reporting* and the *Corporations Regulations 2001*. As auditor of Origin Energy Limited, *ASRE 2410* requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of an Interim Financial Report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with *Australian Auditing Standards* and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001,* provided to the Directors of Origin Energy Limited on 31 December 2018, would be in the same terms if given to the Directors as at the time of this Auditor's Report.

KPMG

KPMG

D McLennan

Duncan McLennan

Partner

Sydney

21 February 2019

DIRECTORS' REPORT

31 December 2018

(including a message from the Chairman & CEO and the Operating Financial Review)

A message from Gordon and Frank

"We work every day to make energy more affordable, sustainable, smarter and easier for our customers."

As a large energy company with more than 4 million customer accounts, Origin is proud of our role in leading the transition to a cleaner energy future. We work every day to make energy more affordable, more sustainable, smarter and easier for our customers.

Putting the customer first

Origin was the first in the market to deliver flat or falling prices from 1 July 2018 for customers in most states. We announced further discounts from 1 January 2019 for concession customers on standing rates. We have also continued to protect our hardship customers from the impact of price rises since 2016.

Working towards a cleaner energy future

We added 306 megawatts of new contracted solar capacity to our portfolio over the past six months. By 2020, we expect to have a further 773 megawatts of new renewable energy online. The growth in our renewables portfolio supports efforts to meet our commitment to significantly reduce our emissions by 2032.

Back on the ground in the Beetaloo Basin

Origin is committed to the safe and responsible development of gas resources, and as part of these activities we are looking forward to resuming exploration in the Northern Territory's Beetaloo Basin. We have worked closely with our host Traditional Owners and leaseholders during planning and any future developments will only be undertaken following stakeholder agreement and regulatory approval.

Delivering for our shareholders

As we close in on our target capital structure we are delighted to announce the reinstatement of dividends with a fully franked interim dividend of 10 cents per share. This is an important milestone for our company that everyone at Origin has contributed to and worked diligently towards for the past three years.

Giving back to the community

Our Origin Foundation has contributed more than $24 million to the Australian community since its inception in 2010. Our people volunteer their time and skills to our partners, including *SolarBuddy*, through which volunteers assemble individual solar lights for distribution to children who have no access to electricity in developing countries. The Foundation was recently recognised by Workplace Giving, with their Gold Award for Best Pro Bono/Workplace Volunteering in 2018.

Origin will continue to focus our efforts on our part in leading Australia's transition to a low-carbon economy, and in doing so we thank you for your continued support.

Gordon Cairns
Chairman

Frank Calabria
Chief Executive Officer

Directors' Report for the six months ended 31 December 2018

In accordance with the *Corporations Act 2001*, the Directors of Origin Energy Limited (Company) report on the Company and the consolidated entity Origin Energy Group (Origin), being the Company and its controlled entities, for the half year ended 31 December 2018 ("the period"). The Operating and Financial Review forms part of this Directors' Report.

Directors

The names of the Directors of the Company holding office during the half year ended 31 December 2018 and up until the date of this Report are as follows:

Gordon Cairns (Chairman)
Frank Calabria (Managing Director & Chief Executive Officer)
John Akehurst
Maxine Brenner
Teresa Engelhard
Bruce Morgan
Scott Perkins
Steven Sargent

Review of Operations

A review of the operations and results of operations of Origin during the period is set out in the Operating and Financial Review, which is attached to and forms part of this Directors' report.

Dividend

The Directors have determined to pay an interim fully franked dividend of 10 cents per share which will be paid on 29 March 2019 to shareholders on record on 4 March 2019.

Lead Auditor's Independence Declaration

The lead auditor's independence declaration made under Section 307C of the *Corporations Act 2001* is attached to and forms part of the Directors' Report for the half year ended 31 December 2018.

Rounding

The Company is of a kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191 dated 24 March 2016 and in accordance with that class order, amounts in the financial report and Directors' Report have been rounded off to the nearest million dollars unless otherwise stated.

Signed in accordance with a resolution of the Directors:

Mr Gordon Cairns
Chairman
Sydney, 21 February 2019

Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To the Directors of Origin Energy Limited

I declare that, to the best of my knowledge and belief, in relation to the review of Origin Energy Limited for the half-year ended 31 December 2018 there have been:

i. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review; and

ii. no contraventions of any applicable code of professional conduct in relation to the review.

KPMG

KPMG

D McLennan

Duncan McLennan

Partner

Sydney

21 February 2019

This report is attached to and forms part of the Directors' Report.

Operating and Financial Review

31 December 2018

Quarantine Power Station

Table of Contents

1. About Origin

Energy Markets

Leading energy retailer

4.1 million gas, electricity and LPG customer accounts

Growing renewables & storage

From ~21% of Origin's generation mix today to a target of more than 25% by 2020

Strong gas supply

Contract length, cost and transportation flexibility

Significant generation portfolio

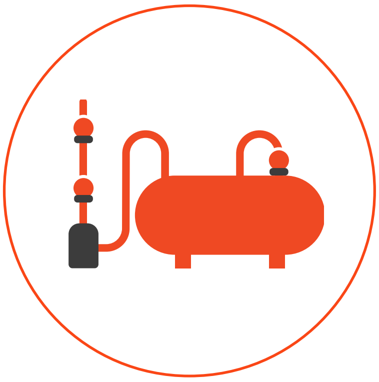
>6,000 MW with fuel and geographic diversity, well positioned to support the intermittency of renewables

Growth opportunities

- Increase generation flexibility and capacity - brownfield growth and integrate storage (provided that regulatory settings are appropriate)
- New revenue streams - adjacencies (e.g. NBN), centralised energy services, solar and storage

Integrated Gas

Share of APLNG (37.5%)



Australia's largest CSG reserves base

2P reserves
of 12,453 PJ[1]
(APLNG 100%)

Largest LNG facility on the east coast of Australia

9 mtpa
nameplate
capacity

Supplier to domestic and export markets

Significant supplier of domestic east coast gas

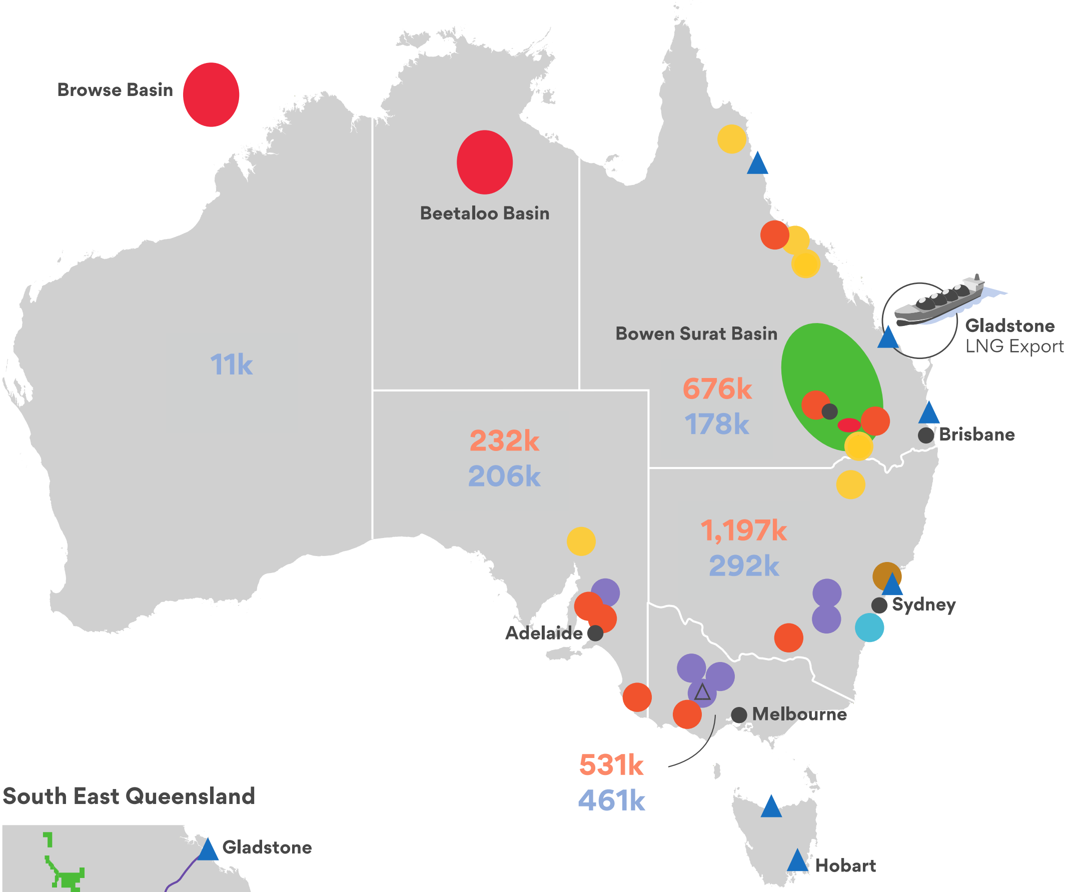
~ 8.6 mtpa LNG export contracts to 2035

Growth opportunities

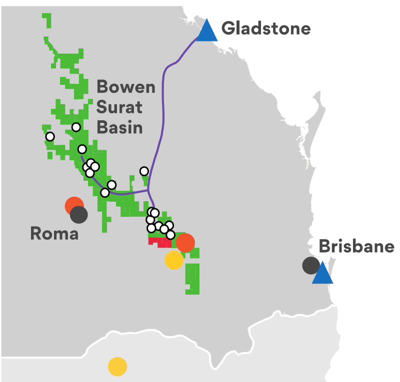
- Beetaloo Basin – multi decade opportunity
- Exploring material plays in APLNG
- Exploration basin review underway

[1] At 30 June 2018. For further information refer to Origin's Annual Reserves Report for the year ended 30 June 2018, announced on 16 August 2018. Approximately 21% of APLNG's 3P CSG reserves (as at 30 June 2018) are subject to reversionary rights and an ongoing royalty interest in favour of Tri-Star. Refer to Appendix 3 for further information.

Operations



South East Queensland



Exploration acreage
- Origin upstream acreage
- APLNG upstream acreage
- Production facility
- APLNG pipeline

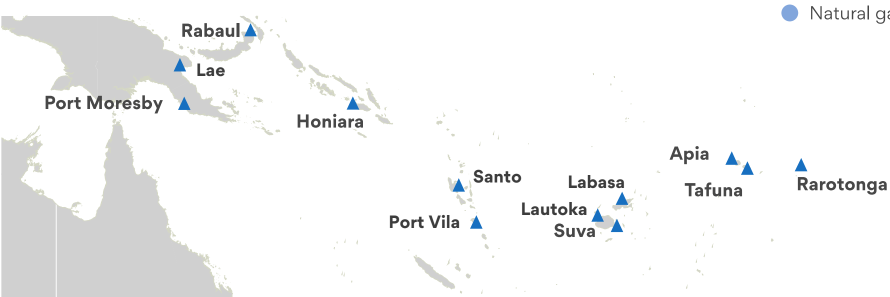
- Office

Generation
- Gas
- Pumped hydro
- Solar (contracted)
- Wind (contracted)
- Coal
- Under construction

- LPG seaboard terminal

- Electricity customer accounts
- Natural gas customer accounts

Pacific Islands LPG



Origin also has one LPG seaboard terminal in Cam Ranh, Vietnam (held for sale at 31 December 2018).

Financial highlights

Statutory Profit
$796M
45.3 cps
Up $932m vs HY2018[2]

NCOIA[4] – total operations
$754M
Up $403m or 115% vs HY2018

Underlying Profit
$592M
33.7 cps
Up $204m or 53% vs HY2018[3]

Underlying ROCE (12 month rolling)
8.6%
Up 1.9% from 6.7% in HY2018[3]

Underlying EBITDA
$1,727M
Up $292m or 20% vs HY2018[3]

Adjusted Net Debt
$6.1B
Down $0.4bn vs June 2018

Operational highlights

Generation output
11.7 TWH
Down 0.9 TWh or 7% vs HY2018

APLNG domestic sales (100%)
104 PJ
Up 7 PJ or 8% vs HY2018, production stable

Energy Markets gas sales (external)
126 PJ
Up 11 PJ or 10% vs HY2018

Average realised LNG price
US$10.13/MMBTU
Up US$2.90/mmbtu or 40% vs HY2018

Contracted renewables online during HY2019:
306 MW
Up 38% from June 18 to 1,116 MW

Cash distribution from APLNG
$393M
Up $277m vs HY2018

[2] HY2018 represents continuing operations.
[3] HY2018 represents continuing operations unless stated otherwise and has been restated (per the announcement on 16 August 2018) to include certain electricity hedge premiums within underlying earnings ($57 million pre-tax, $40 million post-tax). There is no change to Statutory Profit or cash flow. Refer to Appendix 1 for details.
[4] Net cash from operating and investing activities (NCOIA). HY2018 has been restated to reflect a reclassification of movements in futures exchange collateral balances to operating cash flow (and NCOIA), previously in financing cash flow ($135 million outflow). Refer to Appendix 1 for details.

FY2019 guidance update

Provided that market conditions do not materially change and the regulatory and political environment do not adversely impact operations:

Energy Markets Underlying EBITDA
$1.5B-$1.6B

Corporate costs
$60-$65M

Capex (excluding APLNG and OC Energy acquisition)
$385-$445M

APLNG Operating Breakeven
US$23-26/BOE[5]

APLNG Distribution breakeven
US$39-42/BOE[5]

Integrated Gas hedging costs
Oil $115-$125M
LNG $75-$85M

Growth opportunities

Energy Markets

- 773 MW of contracted renewables targeted to come online by 2020
- >100 MW conversion to fast-start gas generation under consideration
- Other brownfield generation (provided regulatory settings are appropriate):
  - Shoalhaven pumped hydro expansion
  - Increased flexibility, capacity and battery storage
- New revenue e.g. adjacencies, centralised energy services, solar and storage

Integrated Gas

- Entering stage 2 in the Beetaloo
  - Drilling two wells targeting independent liquids rich gas plays in CY2019
- Maturing new resources in APLNG
  - Significant exploration program underway in APLNG

[5] AUD/USD 0.72.

Climate

Out of coal fired generation by

2032

50%↓

in Scope 1 & 2 emissions by 2032

~1,200 MW

of new renewable supply committed since March 2016

25%↓

in value chain Scope 3 emissions by 2032

Customers, communities and people

Tariffs flat or reducing

- Lower electricity tariffs in Qld and SA in FY2019
- 3% electricity price increase absorbed in NSW in FY2019
- 17% electricity discount for Victorian customers on standing or non-discounted offers (from 1 Jan 2018)

Concession customers price relief from 1 Jan 2019

Significant reductions for concession customers on standing or non-discounted offers in NSW, ACT, Qld, SA and Vic

Total Recordable Injury Frequency Rate (TRIFR):

3.4

Up from 2.2 at June 2018

Origin-wide programs underway to improve safety performance

$126M

HY2019

regional spend

Origin Foundation

>5,000

employee volunteer hours during HY2019

2. Financial update

Comparative financial information in this report is shown on a continuing operations basis unless stated otherwise. Refer to note C3 of Origin's 31 December 2017 Interim Financial Statements for further detail.

2.1 Financial summary

Half year ended 31 December	2018 ($m)	2017[6,7] ($m)	Change ($m)	Change (%)
Statutory Profit/(Loss) – total operations	796	(207)	1,003	n/a
Statutory Profit/(Loss) – continuing operations	796	(136)	932	n/a
Statutory earnings per share	45.3¢	(7.8¢)	53.1¢	n/a
Underlying EBITDA	1,727	1,435	292	20
Underlying EBIT	788	666	122	18
Underlying Profit	592	388	204	53
Underlying earnings per share	33.7¢	22.1¢	11.6¢	52
Underlying ROCE (12 month rolling)	8.6%	6.7%		1.9%
NCOIA - total operations	754	351	403	115
Adjusted Net Debt	6,058	7,887	(1,829)	(23)
Gearing	32%	42%		(10)
Adjusted Net Debt/Adjusted Underlying EBITDA	3.1x	5.6x		(45)

For the half year ended 31 December 2018, the statutory profit was $796 million compared to a loss of $136 million in HY2018, reflecting higher oil linked revenues in APLNG, lower financing costs, higher impairment charges in the prior period and movements in fair value and foreign exchange expense, partly offset by higher APLNG related commodity hedging costs.

Higher oil linked earnings from APLNG, partially offset by commodity hedging costs, underpinned improved underlying earnings and cash flow in HY2019.

Adjusted Net Debt reduced to $6.1 billion at 31 December 2018, gearing reduced to 32% and Adjusted Net Debt/Adjusted Underlying EBITDA was 3.1x, approaching the target range of 2.5x - 3.0x. Refer to section 2.6 for details.

2.2 Dividend

The Board has determined to pay a 10 cps fully franked dividend in respect of the first half of FY2019.

Origin expects to announce a further 10 cps fully franked dividend at the FY2019 full year results provided that market conditions do not materially change and the regulatory and political environment do not adversely impact operations.

[6] HY2018 has been restated to include certain electricity hedge premiums within underlying earnings ($57 million pre-tax, $40 million post-tax). There is no change to Statutory Profit or cash flow. Refer to Appendix 1 for details.
[7] HY2018 has been restated to reflect a reclassification of movements in futures exchange collateral balances to operating cash flow (and NCOIA), previously in financing cash flow ($135 million outflow). Refer to Appendix 1 for details.

2.3 Reconciliation from Statutory to Underlying Profit

Half year ended 31 December	2018 ($m)	2017[6] ($m)	Change ($m)	Change (%)
Statutory Profit/(Loss) - continuing operations	**796**	**(136)**	**932**	**n/a**
Statutory Profit/(Loss) - discontinued operations	-	(71)	71	n/a
Statutory Profit/(Loss) - total operations	**796**	**(207)**	**1,003**	**n/a**
Items Excluded from Underlying Profit (post-tax)				
Fair value and foreign exchange movements	158	(154)	312	n/a
Oil and gas derivatives	*76*	*(91)*	*167*	*n/a*
Electricity derivatives	*(58)*	*(42)*	*(16)*	*38*
FX and interest rate derivatives	*(24)*	*41*	*(65)*	*n/a*
Other assets/liabilities	*214*	*(7)*	*221*	*n/a*
Foreign exchange loss on LNG financing	*(50)*	*(55)*	*5*	*(9)*
Disposals, impairments and business restructuring	46	(595)	641	n/a
Total Items Excluded from Underlying Profit (post-tax)	**204**	**(749)**	**953**	**n/a**
Underlying Profit - total operations	**592**	**542**	**50**	**9**
Underlying Profit/(Loss) - discontinued operations	-	(154)	154	n/a
Underlying Profit - continuing operations	**592**	**388**	**204**	**53**

Fair value and foreign exchange movements are excluded from Underlying Profit to remove accounting volatility from the underlying result.

Fair value and foreign exchange movements reflect unrealised, fair value gains/(losses) associated with commodity hedging, interest rate swaps and other financial instruments. See below and Appendix 1 for further detail.

- Oil and gas derivatives manage exposure to fluctuations in the underlying commodity price to which Origin is exposed through its gas portfolio and indirectly through Origin's investment in APLNG. See section 2.6 for details of oil hedging carried out in relation to Origin's investment in APLNG.
- Electricity derivatives including swaps, options, power purchase arrangements and forward purchase contracts are used to manage fluctuations in wholesale electricity and environmental certificate prices in respect of electricity purchased to meet customer demand.
- FX and interest rate derivatives manage exposure to foreign exchange and interest rate risk associated with the debt portfolio. A significant portion of debt is Euro denominated and cross currency interest rate swap derivatives hedge that debt to AUD or USD. A portion of the foreign debt is swapped to USD as a natural offset to the investment in APLNG which has a USD functional currency and delivers USD distributions.
- Other assets/liabilities increased by $221 million from HY2018 primarily reflecting fair value movements in relation to Origin's MRCPS issued by APLNG[8] and environmental certificate surrender obligations.
- Foreign exchange loss on LNG financing relates to foreign exchange fluctuations from US dollar and Euro debt instruments swapped to US dollars. The foreign exchange movement provides a partial economic hedge against Origin's US dollar MRCPS issued by APLNG included within other assets/liabilities above.

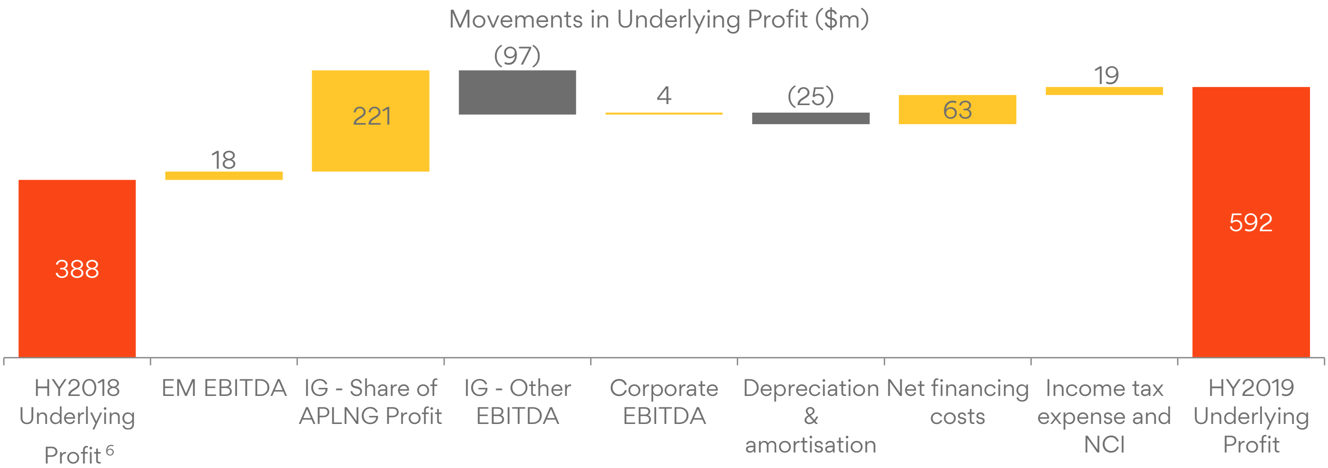
Disposals, impairments and business restructuring items are either non-cash or non-recurring items and they are excluded from Underlying Profit to provide a better reflection of the underlying performance of the business and include:

- A capital tax benefit recognised in respect of Ironbark being held for sale ($68 million) partly offset by an impairment of Ironbark ($34 million post-tax) – net post tax benefit of $34 million;
- Finalisation of the tax position related to the sale of Lattice Energy in FY2018 ($25 million benefit);
- Impairment reversal ($9 million post-tax benefit) in relation to Heytesbury permits held for sale; and
- One-off building lease exit costs ($14 million post-tax) and restructuring costs ($8 million post-tax).

[8] Under AASB 9, from 1 July 2018, MRCPS is considered a financial asset and is held at fair value, rather than at cost.

2.4 Underlying Profit

Half year ended 31 December	2018 ($m)	2017[6] ($m)	Change ($m)	Change (%)
Energy Markets	852	834	18	2
Integrated Gas - Share of APLNG	1,042	675	367	54
Integrated Gas - Other	(142)	(45)	(97)	216
Corporate	(25)	(29)	4	(14)
Underlying EBITDA	**1,727**	**1,435**	**292**	**20**
Underlying depreciation and amortisation	(206)	(181)	(25)	14
Underlying share of ITDA	(733)	(587)	(146)	25
Underlying EBIT	**788**	**666**	**122**	**18**
Underlying interest income - MRCPS	115	115	-	-
Underlying net financing costs - other	(192)	(255)	63	(25)
Underlying profit before income tax and non-controlling interests	**711**	**526**	**185**	**35**
Underlying income tax expense	(118)	(137)	19	(14)
Non-controlling interests' share of underlying profit	(1)	(1)	-	-
Underlying Profit	**592**	**388**	**204**	**53**
Underlying earnings per share	33.7¢	22.1¢	11.6¢	52
Discontinued operations:				
Underlying Profit	-	154	(154)	(100)
Total operations:				
Underlying Profit	592	542	50	9



Underlying Profit from continuing operations increased $204 million to $592 million reflecting higher oil linked revenues in APLNG and reduced interest expense from re-financing and debt reduction, partly offset by Origin's higher APLNG-related commodity hedging costs.

Refer to sections 3.1 and 3.2 respectively for Energy Markets and Integrated Gas analysis.

2.5 Cash flows

Operating cash flow

Half year ended 31 December	2018 ($m)	2017[6,7] ($m)	Change ($m)	Change (%)
Underlying EBITDA	1,727	1,435	292	20
Non-cash APLNG Underlying EBITDA[(a)]	(1,042)	(675)	(367)	54
Other non-cash items in Underlying EBITDA	2	39	(37)	(95)
Change in working capital	(3)	(272)	269	(99)
Energy Markets	*(18)*	*(203)*	*185*	*(91)*
Integrated Gas - Other	*20*	*(20)*	*40*	*n/a*
Corporate	*(5)*	*(49)*	*44*	*(90)*
Other	(58)	(76)	18	(24)
Tax paid	(73)	(34)	(39)	115
Cash flow from operating activities	**553**	**417**	**136**	**33**
Discontinued operations	-	117	(117)	(100)
Cash flow from operating activities – total operations	**553**	**534**	**19**	**4**

[(a)] Cash flows from APLNG are reported within investing and financing activities

Cash flow from operating activities increased $136 million due to favourable movements in working capital ($269 million), partly offset by higher Integrated Gas commodity hedging costs ($97 million) in Underlying EBITDA.

HY2019 working capital increased by $3 million, primarily due to:

- $18 million increase in Energy Markets primarily driven by build-up of SRES inventory for surrender in the second half of FY2019 ($89 million) and higher coal stockpile in preparation for summer ($46 million), partly offset by favourable movement in futures exchange collateral ($74 million) and $43 million relating to net movements in debtors, creditors and prepayments; and
- $20 million decrease in Integrated Gas – Other, driven by timing of ongoing APLNG cost recoveries.

Other includes provision movements and restructuring costs (excluded from Underlying Profit).

Investing cash flow

Half year ended 31 December	2018 ($m)	2017 ($m)	Change ($m)	Change (%)
Capital expenditure	(193)	(138)	(55)	40
Net distribution from APLNG	393	40	353	883
Interest received from other parties	1	-	1	n/a
Cash flow from investing activities	**201**	**(98)**	**299**	**(305)**
Discontinued operations	-	(85)	85	(100)
Cash flow from investing activities – total operations	**201**	**(183)**	**384**	**(210)**

HY2019 capital expenditure of $193 million comprises:

- Mandatory spend ($15 million) primarily related to Power of Choice electricity market reforms;
- Sustaining spend ($130 million) including $64 million Eraring power station planned maintenance, $28 million Uranquinty major inspections and $11 million in LPG; and
- Productivity/growth ($48 million), including Quarantine power station re-power, and IT/digital investments.

Net cash distributions to Origin from APLNG were $393 million comprising:

- $117 million received via MRCPS interest; and
- $276 million received via MRCPS buy back.

Financing cash flow

Half year ended 31 December	2018 ($m)	2017[7] ($m)	Change ($m)	Change (%)
Net proceeds/(repayment) of debt	(575)	(94)	(481)	512
Operator cash call movements	28	24	4	17
On-market purchase of employee shares	(42)	-	(42)	n/a
Close out of FX contracts	(24)	-	(24)	n/a
APLNG – loan proceeds[(a)]	-	76	(76)	(100)
Interest paid	(199)	(248)	49	(20)
Dividends paid	(1)	(1)	-	-
Total cash flow from financing activities	**(813)**	**(243)**	**(570)**	**235**

[(a)] APLNG - loan proceeds represents cash generated by APLNG deposited to project finance debt service reserve accounts. Upon issuance of a bank guarantee to APLNG by Origin the cash was distributed to Origin.

Operator cash call movements represents the movement in funds held and other balances relating to Origin's role as upstream operator of APLNG.

On-market purchase of employee share plans represents the purchase of shares associated with FY2016 and FY2018 employee share remuneration schemes.

Proportionate Free Cash Flow

Free cash flow prepared on the basis of proportionate consolidation of APLNG.

Half year ended 31 December ($m)	Energy Markets		Share of APLNG		Integrated Gas - Other		Corporate		Proportionate Total	
	2018	2017[6,7]	2018	2017	2018	2017	2018	2017	2018	2017[6,7]
Underlying EBITDA	852	834	1,042	675	(142)	(45)	(25)	(29)	1,727	1,435
Non-cash items	-	-	-	-	2	39	-	-	2	39
Change in working capital	(18)	(203)	(62)	(42)	20	(20)	(5)	(49)	(65)	(314)
Other	(33)	(26)	(24)	(10)	(25)	(19)	-	(30)	(82)	(85)
Tax paid	-	-	-	-	-	-	(73)	(34)	(73)	(34)
Cash flow from operating activities	**802**	**604**	**956**	**623**	**(146)**	**(46)**	**(103)**	**(141)**	**1,509**	**1,041**
Total capital expenditure	(180)	(124)	(240)	(227)	(10)	(10)	(3)	(4)	(434)	(364)
Proportionate Free Cash Flow	**621**	**481**	**716**	**397**	**(156)**	**(56)**	**(106)**	**(144)**	**1,075**	**677**

Presenting Free Cash Flow on this basis highlight's cash generation on an unlevered basis prior to the impact of APLNG's project finance debt which is serviced prior to APLNG shareholder distributions.

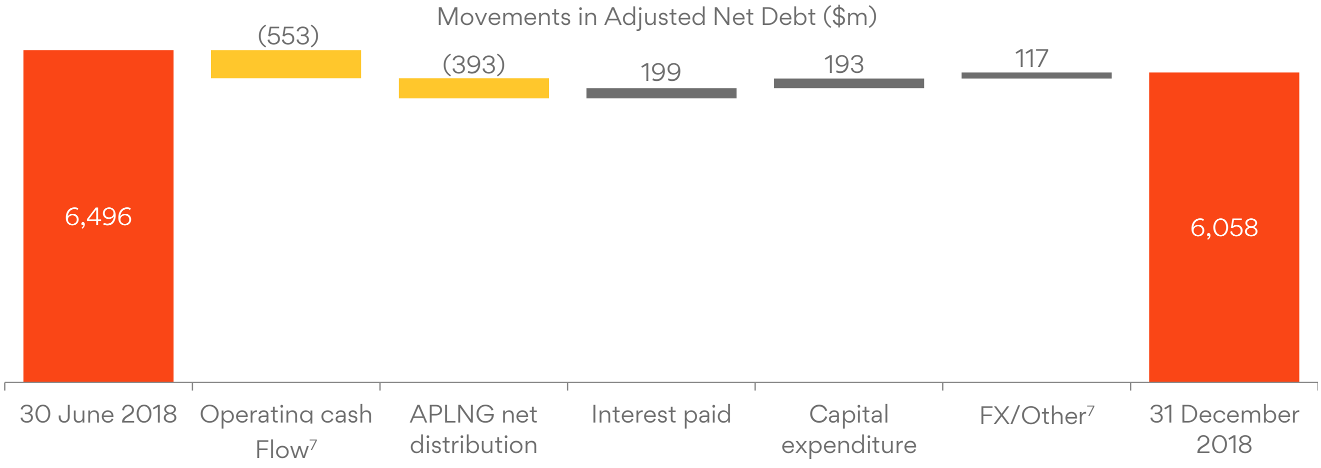
Proportionate Free Cash Flow increased 59% to $1,075 million in HY2019 underpinned by higher APLNG cash flows, favourable working capital movements, partially offset by APLNG-related commodity hedging costs.

On a rolling 12 month basis, the CY2018 Proportionate Free Cash Flow amounted to $2,206 million, representing a yield of 17%[9].

[9] FCF Yield based on 30 day VWAP for Origin of $7.31 per share at 20 February 2019.

2.6 Capital management

Adjusted net debt down $438 million



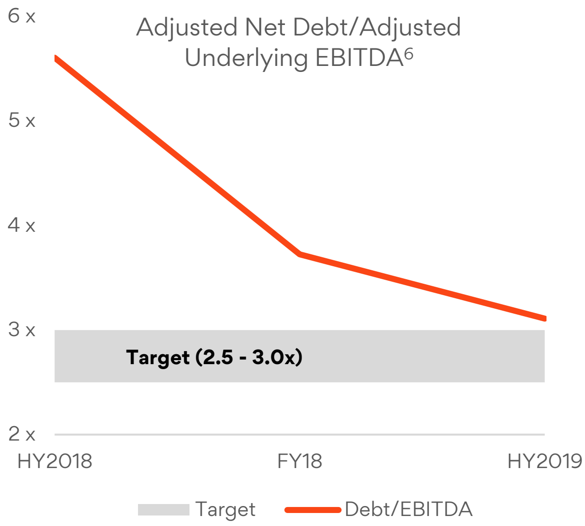
Strong cash generation from both Energy Markets and Integrated Gas, combined with lower interest cost contributed to a reduction in Adjusted Net Debt from $6.5 billion to $6.1 billion.

FX/Other relates primarily to non-cash translation of USD denominated debt to Australian dollars (A$81 million) and the on-market purchase of employee shares ($42 million).

Origin's overarching capital management objective is to achieve a strong (BBB/Baa2) investment grade credit rating. This equates to an Adjusted Net Debt/Adjusted Underlying EBITDA ratio of 2.5-3.0x and a gearing range of ~25%-30%. Adjusted Net Debt/Adjusted Underlying EBITDA as at 31 December 2018 was 3.1x and gearing was 32%, down from 3.7x and 35% respectively at 30 June 2018.

The current credit ratings are BBB- (positive outlook) from S&P and Baa3 (positive outlook) from Moody's.

During the period Origin repaid the US144A US$800 million debt obligation on its 9 October 2018 maturity date. The debt had been swapped to A$ resulting in a net settlement of A$853 million. The repayment had a neutral impact on Adjusted Net Debt as it was refinanced with operating cash flows and medium-term bank debt.



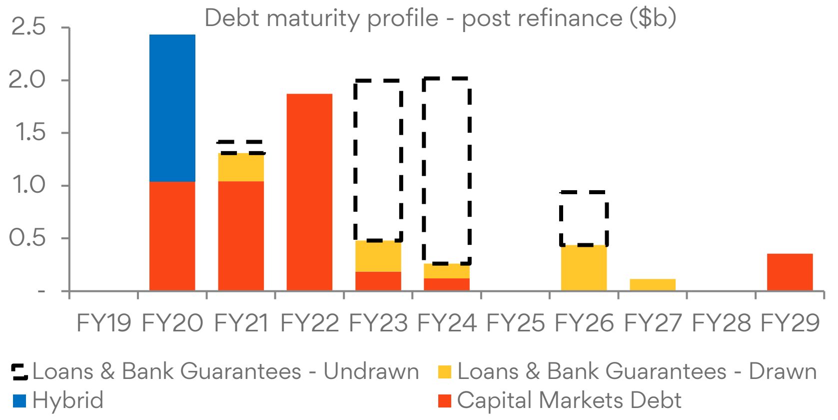
Subsequent to 31 December 2018 Origin raised US$250 million via a US Private Placement 10 year note and ~A$550 million (A$ equivalent) via a term loan facility with maturities ranging from 7.0 to 7.4 years. Proceeds from this have been used to pay down existing bank debt and will be utilised, along with other undrawn committed debt facilities, to fund maturing debt in FY2020, including the September 2019 hybrid.

Debt portfolio management

Average term to maturity increased from 3.1 years at June 2018 to 3.3 years as at 31 December 2018, including the above refinancing post 31 December 2018.

Origin's average interest rate for the first half of FY2019 was 5.9%, down from 6.5% for FY2018.

As at 31 December 2018, Origin's committed and undrawn debt facilities and cash totalled $3.2 billion.



The hybrid has a legal maturity of 2074, which is reflected in the company's interim financial statements. However, the company has the right to call the hybrid at par on 16 September 2019 ("call date") and has previously advised its intention, subject to market conditions, to exercise this right. For this reason, the maturity of the hybrid in the chart reflects the call date.

APLNG funding

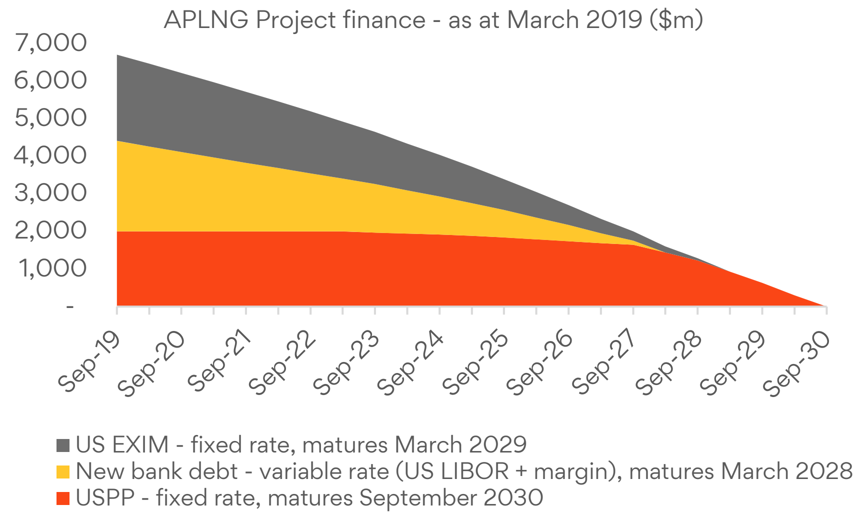
During the construction phase of APLNG, the shareholders, including Origin, contributed capital into APLNG via ordinary equity and the investment in preference shares (termed MRCPS) issued by APLNG. APLNG distributes funds to shareholders firstly via fixed dividends of 6.37% per annum on the MRCPS, recognised as interest income by Origin and second via buy-back of MRCPS, refer to section 2.5 above. The fair value of MRCPS held by Origin at 31 December 2018 was A$3,445 million.

APLNG signed a US$8.5 billion project finance facility in 2012 to fund the balance of the construction of the LNG project and the facility was fully drawn in 2017. During the HY2019 APLNG made principal repayments of US$331 million (A$458 million). The outstanding project finance loan balances as at 31 December 2018 was US$7,189 million (A$10,187 million), gross of unamortised debt fees of US$166 million (A$235 million) (all APLNG 100%).

The recently announced APLNG refinance strategy targeting a lower interest cost and a modest principal deferral is now complete. In September 2018, APLNG refinanced US$1.4 billion of project finance debt with a new 12 year US Private Placement note resulting in deferral of principal amortisation. In February 2019, APLNG priced a further US$600 million with a 12 year US Private Placement with terms, principal deferral and maturity consistent with the note issued in September 2018. In February 2019, APLNG also refinanced US$2.5 billion of project finance debt with a new bank loan agreement via a syndicate of international and domestic banks. The February 2019 transactions are subject to customary conditions precedent and are expected to settle in March 2019.

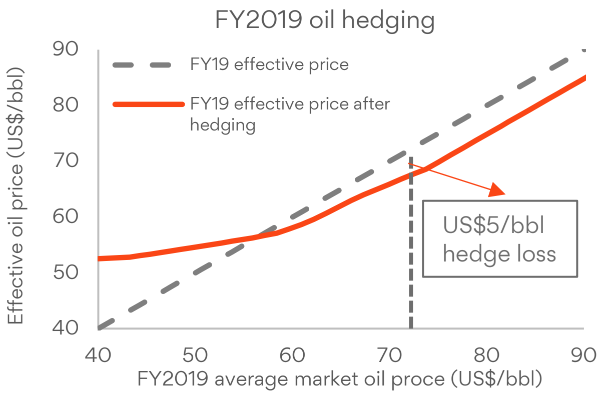
The estimated impact of the refinancing is a reduction in the distribution breakeven of ~US$3.5/boe and a higher cash distribution to Origin of ~A$100 million per annum on average over the FY2020 to FY2025 period driven by lower interest cost and principal amortisation deferral.

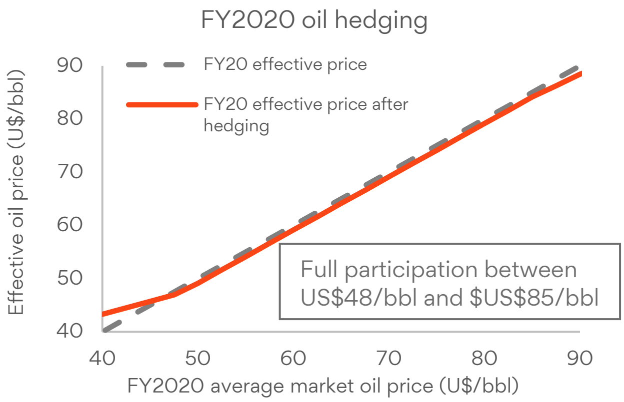
The chart outlines APLNG's debt amortisation profile following funding of the refinanced transactions.



Oil hedging

Origin has entered into oil hedging instruments to manage its share of APLNG FY2019 and FY2020 oil price based on an underlying principle of protecting the Company's investment grade credit rating.





Effective oil prices are in JCC crude oil equivalents and are inclusive of contract pricing lags, hedging gains / (losses) and premium costs.

HY2019 total oil hedging costs amounted to $73 million (including $17 million of option premium spend). This reflects a hedge loss of US$5/bbl over 11 mmbbl.

Total FY2019 oil hedging costs are expected to be $115 - $125 million (including $34 million hedge premium).

In FY2020, 11.6 mmbbl of oil have been hedged at a floor price of US$48/bbl and 3.4 mmbbl have been capped at a strike price of US$85/bbl, for a total premium cost of $27 million (AUD/USD 0.72). Origin's share of APLNG related JCC oil price exposure is estimated to be approximately 23 mmboe in FY2020. The hedging program remains under review in line with our directive of protecting the investment grade credit rating.

LNG hedging and trading

Gas volumes produced by APLNG in excess of the contracted volumes are sold to the domestic gas market and the spot LNG market. To manage the price risk associated with these volumes, Origin entered into a number of forward fixed price hedge contracts that settle over the period to the end of FY2020. Since entering into those contracts, the JKM spot price has increased resulting in higher cash flow from APLNG and a loss on those fixed price contracts.

HY2019 total LNG hedging and trading costs were $56 million reflecting higher realised JKM prices. We expect FY2019 LNG hedge and trading costs to be $75-$85 million.

In FY2020 Origin has largely closed out a previous hedge position against the expected APLNG uncontracted sales exposure at a cost of $50-$60 million. There are no LNG hedge positions related to APLNG's uncontracted sales exposure beyond FY2020.

In 2013 Origin established a Henry Hub linked contract to purchase 0.25 mtpa from Cameron LNG for a period of 20 years commencing in FY2020, subject to the commencement of production at that project. In 2016 Origin established a contract with ENN Energy Trading Company Limited to sell 0.28 mtpa on a Brent oil-linked basis commencing in FY2019 and ending in December 2023. The ENN contract provides a volumetric hedge for LNG from the Cameron contract for the period to December 2023.

Based on forward[10] market prices the value of the contracts in FY2020 is a $27 million loss. The net present value of the combined contractual position, based on forward[10] market and independent forecast prices, over the life of the contracts is not material.

[10] As at 19 February 2019.

Portfolio management

We continue to assess our portfolio with a focus on optimising it for value and growth opportunities. We have a number of transactions underway or completed in the half year consistent with this strategy.

On 19 February 2019 we announced the sale of the Ironbark asset to APLNG for $231 million. The sale represents the best way for Origin to maximise value from Ironbark. APLNG is able to realise additional value from the asset by utilising its existing nearby gas processing infrastructure to efficiently bring the gas to market whilst Origin will derive value from the development through its investment in Australia Pacific LNG.

Two small non-core asset sale transactions are underway, the Heytesbury depleted gas fields are to be sold for a nominal amount to Lochard Energy and the sale of our interest in the Vietnamese LPG business is expected to settle in the second half of FY2019 for net cash flow of ~$15 million.

On 15 February 2019, Origin entered into an agreement to acquire OC Energy which will add 55,000 serviced hot water and embedded electricity network customers and a further approximately 30,000 customers as contracted developments are completed and centralised energy services are installed. The purchase price is $58 million, comprising an upfront payment of $33 million and deferred payments of $25 million. The acquisition expands our business in the growing centralised energy services sector.

3. Review of segment operations

Segment summary

Half year ended 31 December ($m)	Energy Markets		Integrated Gas				Corporate		Total continuing operations	
			Share of APLNG		Other					
	2018	2017[6,7]	2018	2017	2018	2017	2018	2017	2018	2017[6,7]
Underlying EBITDA	852	834	1,042	675	(142)	(45)	(25)	(29)	1,727	1,435
Underlying EBIT	656	663	307	86	(150)	(53)	(25)	(29)	788	666
Underlying Profit/(Loss)	656	663	307	86	(35)	62	(336)	(423)	592	388
Operating cash flow	802	604	-	-	(146)	(46)	(103)	(141)	553	417
Investing cash flow	(180)	(124)	393	40	(10)	(10)	(2)	(4)	201	(98)
NCOIA	**621**	**481**	**393**	**40**	**(156)**	**(56)**	**(105)**	**(144)**	**754**	**320**

3.1 Energy Markets

Underlying EBITDA

$852M

Up $18m or 2% vs HY2018[6]

Electricity Generation

11.7 TWh

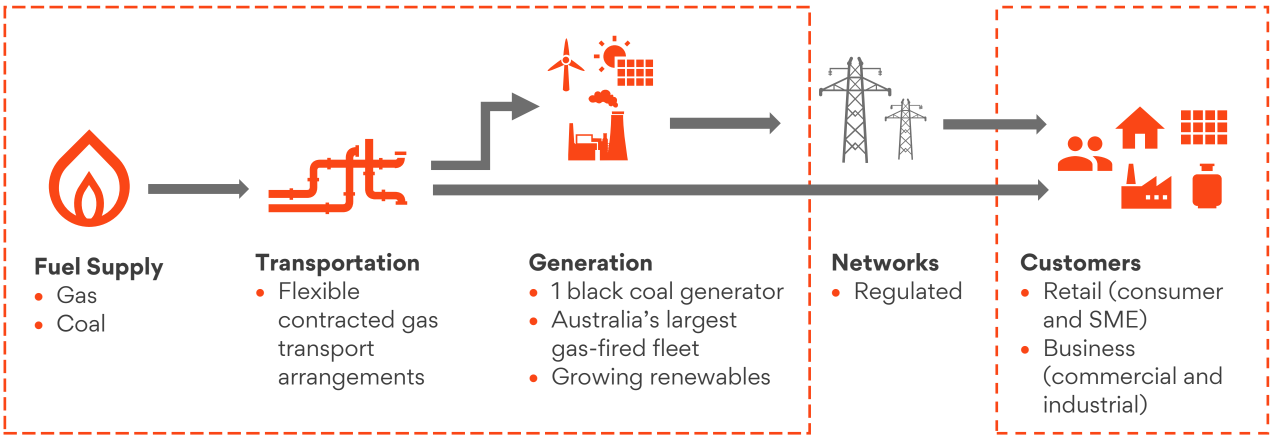
Down 0.9 TWh or 7% vs HY2018 (owned and contracted)

10%

Increase in external gas sales

vs HY2018 to 126 PJ

Overview



Energy Markets operations

Energy Markets comprises Australia's largest energy retail business by number of customer accounts. The generation portfolio includes Australia's largest fleet of gas-fired peaking power stations supported by a substantial contracted fuel position, a growing supply of contracted renewable energy and Australia's largest power station, the Eraring black coal-fired power station.

Energy Markets reports on an integrated portfolio basis. Electricity and Natural Gas gross profit and retail costs to serve are reported separately, as are the EBITDA of the Solar and Energy Services, Future Energy and LPG divisions.

Operations

Wholesale electricity prices remained elevated during the period as the impact from the drought (on hydro storage levels) and higher coal and gas prices offset the impact of new renewable supply.

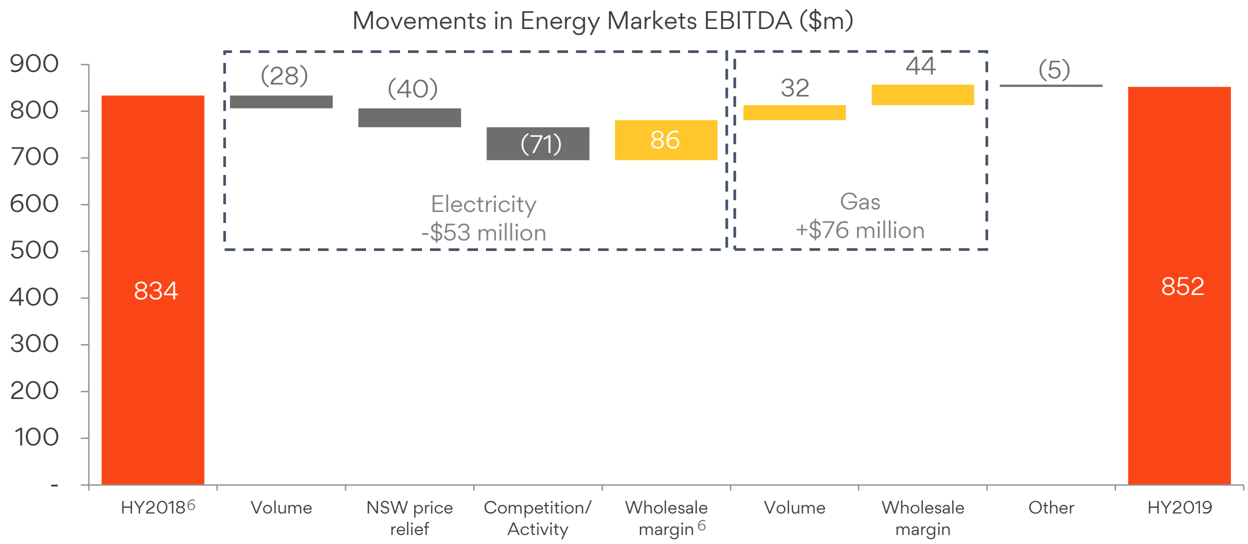
Total owned and contracted electricity generation output moderated by 0.9 TWh and sales volumes reduced 0.7 TWh. Gas-fired generation reduced by approximately 1 TWh as more gas was directed to the wholesale gas market resulting in higher electricity pool purchases (to offset the reduction in gas-fired generation) as well as higher external gas sales. Eraring continued to deliver reliably with relatively stable output compared to HY2018 and an availability factor of 82% despite an 11 week one unit outage.

Retail markets continue to face heightened levels of competition and while we have sustained net customer losses of 28,000 in the period, we have maintained a customer lifetime value approach and improved our churn differential to market. We continue to work with government to address affordability by lowering prices in QLD and SA, absorbing a 3% price increase in NSW, continuing price relief in VIC into 2019 and providing a 10% discount to concession customers not already on a discount or other form of benefit. We are transforming our retail business, with improved customer experience and Net Promoter Score, while also focusing on reducing costs and growing new revenue streams.

Financial summary

Underlying EBITDA

Half year ended 31 December	2018 ($m)	2017[6] ($m)	Change ($m)	Change (%)
Electricity gross profit	719	772	(53)	(7)
Natural Gas gross profit	398	321	76	24
Electricity & Natural Gas cost to serve	(307)	(307)	-	-
LPG EBITDA	40	56	(17)	(29)
Solar & Energy Services EBITDA	11	4	7	175
Future Energy costs	(9)	(13)	4	(31)
Underlying EBITDA	**852**	**834**	**18**	**2**



Underlying EBITDA increased by $18 million primarily reflecting continued growth in gas, partly offset by lower electricity gross profit. See further explanations on the following pages.

Electricity

Gross profit summary

Half year ended 31 December	2018	$/MWh	2017	$/MWh	Change %	Change $/MWh
Revenue ($m)	**4,148**	**228.5**	**4,196**	**222.3**	**(1)**	**6.2**
Retail (consumer & SME)	2,503	294.3	2,637	296.7	(5)	(2.4)
Business	1,645	170.5	1,560	156.1	5	14.5
Cost of goods sold ($m)	**(3,428)**	**(188.9)**	**(3,424)**	**(181.4)**	**0**	**(7.5)**
Network costs	(1,631)	(89.8)	(1,720)	(91.1)	(5)	1.3
Wholesale energy costs[6]	(1,687)	(92.9)	(1,595)	(84.5)	6	(8.4)
Generation operating costs	(111)	(6.1)	(109)	(5.8)	2	(0.3)
Energy procurement costs	(1,798)	(99.0)	(1,704)	(90.3)	5	(8.8)
Gross profit ($m)	**719**	**39.6**	**772**	**40.9**	**(7)**	**(1.3)**
Gross margin %	17.3%		18.4%		(6)	
Average customer accounts ('000)	2,654		2,686		(1)	
$ Gross profit per customer	**271**		**288**		**(6)**	

Volume Summary

Half year ended 31 December	2018			2017			Change	Change
Volumes sold (TWh)	Retail	Business	Total	Retail	Business	Total	TWh	%
NSW[(a)]	4.1	4.8	8.9	4.2	4.6	8.8	0.1	1
Queensland	2.2	1.8	4.0	2.4	2.0	4.4	(0.4)	(9)
Victoria	1.6	2.2	3.8	1.7	2.5	4.1	(0.3)	(7)
South Australia	0.7	0.9	1.5	0.6	1.0	1.5	-	-
Total volumes sold	**8.5**	**9.6**	**18.2**	**8.9**	**10.0**	**18.9**	**(0.7)**	**(4)**

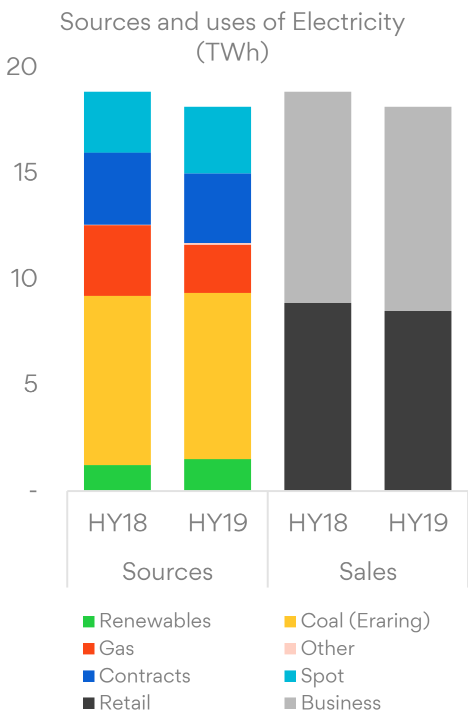
(a) Australian Capital Territory customers are included in New South Wales.

Electricity gross profit declined by $53 million driven by:

- 0.7 TWh decrease in volumes (-$28 million) relating to a reduction in Business customer sites, customer usage and lower customer numbers;
- $1.3/MWh reduction in unit margins (-$25 million) comprising:
  - -$40 million from absorbing a 3% tariff increase in NSW;
  - -$71 million from increased competition and customer activity, including continuing impact of discounts; partially offset by
  - +$86 million in wholesale margin, as Business volumes repriced to market.

Generation levels remained relatively consistent reflecting stable output at Eraring despite a major outage, increased renewable supply coming online and lower gas-fired generation as gas was directed to the wholesale market.

Energy procurement costs increased by $8.80/MWh driven primarily by green regulatory schemes, as well as higher hedging costs and generation fuel costs. See Appendix 2 for details of wholesale energy costs.



Natural gas

Gross profit summary

Half year ended 31 December	2018	$/GJ	2017	$/GJ	Change %	Change $/GJ
Revenue ($m)	**1,623**	**12.9**	**1,342**	**11.8**	**21**	**1.2**
Retail (consumer & SME)	584	25.0	590	24.4	(1)	0.6
Business	1,039	10.2	752	8.4	38	1.8
Cost of goods sold ($m)	**(1,225)**	**(9.8)**	**(1,021)**	**(8.9)**	**20**	**(0.8)**
Network costs	(377)	(3.0)	(386)	(3.4)	(2)	0.4
Energy procurement costs	(848)	(6.8)	(635)	(5.6)	33	(1.2)
Gross profit ($m)	**398**	**3.2**	**321**	**2.8**	**24**	**0.4**
Gross margin %	24.5%		23.9%		2	
Average customer accounts ('000)	1,148		1,116		3	
$ Gross profit per customer	**346**		**288**		**20**	

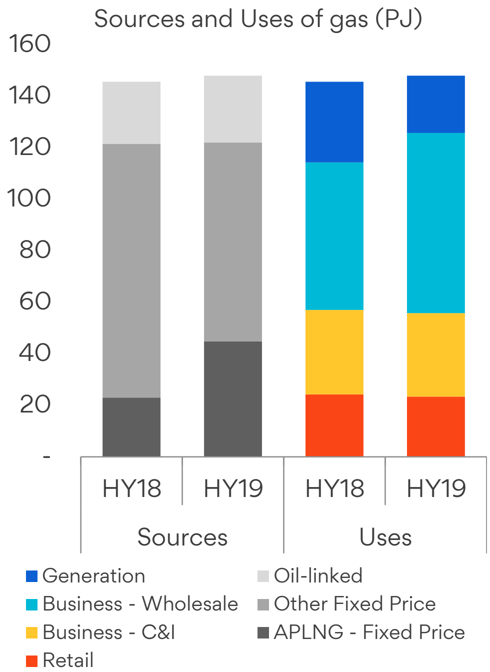
Volume summary

Half year ended 31 December	2018			2017			Change	Change
Volumes sold (PJ)	**Retail**	**Business**	**Total**	**Retail**	**Business[a]**	**Total**	**PJ**	**%**
NSW[b]	5.5	10.6	16.1	5.1	12.0	17.1	(1.0)	(6)
Queensland	1.7	55.9	57.7	1.6	44.6	46.2	11.5	25
Victoria	12.8	29.4	42.3	14.5	27.1	41.6	0.7	2
South Australia[c]	3.3	6.2	9.5	3.0	6.2	9.2	0.2	3
External volumes sold	**23.3**	**102.2**	**125.5**	**24.2**	**89.9**	**114.1**	**11.4**	**10**
Internal sales (generation)			22.2			31.4	(9.2)	(29)
Total volumes sold			**147.7**			**145.5**	**2.2**	**2**

[a] HY2018 wholesale volumes restated to be shown by State, previously all within Queensland Business volumes.
[b] Australian Capital Territory customers are included in New South Wales.
[c] Northern Territory and Western Australia customers are included in South Australia.

Natural gas gross profit increased $76 million driven by:

- 11.4 PJ increase in external sales ($32 million) due to higher volumes directed to short-term wholesale contracts, partially offset by milder weather, energy efficiency and retail fuel substitution, and
- $0.4/GJ increase in unit margins ($44 million) primarily reflecting market driven price increases to wholesale customers.



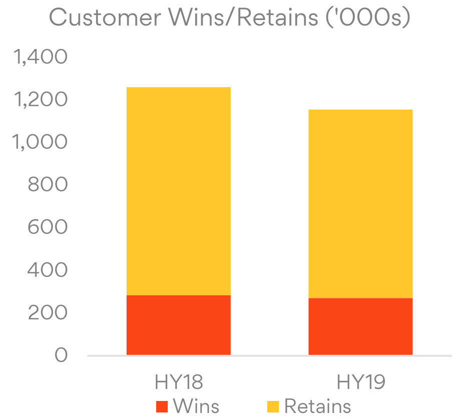
Electricity and natural gas cost to serve

Half year ended 31 December	2018	2017	Change $	Change %
Cost to maintain ($ per average customer[a])	(63)	(61)	(2)	3
Cost to acquire/retain ($ per average customer[a])	(21)	(22)	1	(6)
Elec & Natural Gas Cost to Serve ($ per average customer[a])	**(84)**	**(84)**	**-**	**-**
Maintenance Costs ($m)	(230)	(225)	(5)	2
Acquisition & Retention Costs[b] ($m)	(77)	(82)	5	(6)
Elec & Natural Gas cost to serve ($m)	**(307)**	**(307)**	**-**	**-**

[a] Represents cost to serve per average customer account, excluding serviced hot water accounts.
[b] Customer wins (HY2019: 271,000; HY2018: 285,000) and retains (HY2019: 883,000; HY2018: 975,000).

During the period we commenced our transformation activities and are on track to deliver the target of >$100 million cost reduction by FY2021 with planned reductions in labour and support costs, bad debts, marketing costs and optimisation of channel spend.

Electricity and natural gas cost to serve remained stable in the period with transformation impacts yet to be realised. Sales activity was down overall reflecting a customer lifetime value approach, however HY2019 costs were impacted by trials of new channels such as kiosks located in shopping centres and other public areas.



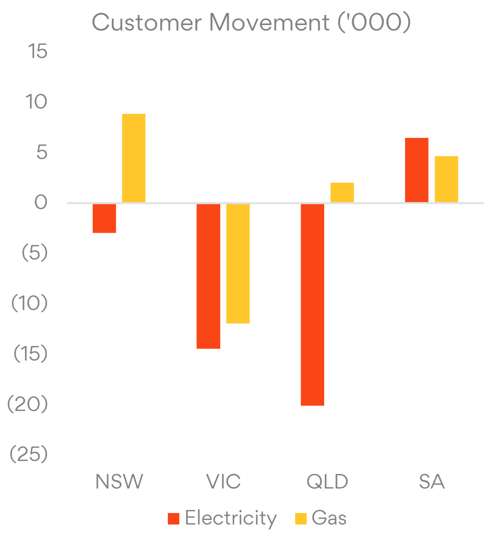
Customer accounts

As at Customer Accounts ('000)	31 December 2018 Electricity	Natural Gas	Total	30 June 2018 Electricity	Natural Gas	Total	Change
NSW[a]	1,197	292	1,489	1,200	284	1,483	6
Queensland	676	178	854	696	176	872	(18)
Victoria	531	461	991	545	472	1,018	(27)
South Australia[b]	232	217	449	225	213	438	11
Total	**2,635**	**1,149**	**3,784**	**2,666**	**1,145**	**3,811**	**(28)**

[a] Australian Capital Territory customers are included in New South Wales.
[b] Northern Territory and Western Australia customers are included in South Australia.

There was a 28,000 decrease in electricity and natural gas customer accounts during the period due to increased competition.

We competed actively during the period, with churn of 16.8% compared to market churn of 25.8%. We continue to focus on a customer lifetime value approach to attract and retain customers.



LPG

Half year ended 31 December	2018	2017	Change	Change %
Volumes (kT)	222	233	(11)	(5)
Revenue ($m)	366	331	34	10
Cost of Goods Sold ($m)	(256)	(210)	(46)	22
Gross Profit ($m)	**110**	**121**	**(11)**	**(9)**
Operating Costs ($m)	(70)	(65)	(4)	6
Underlying EBITDA ($m)	**40**	**56**	**(17)**	**(29)**

As at 31 December 2018, Origin had 364,000 LPG customer accounts, down from 370,000 customer accounts at 30 June 2018.

Gross Profit decreased by $11 million due to higher shipping and fuel costs ($7million) and lower volumes and margin in Asia Pacific ($4 million). Operating costs increased $4 million due to labour and terminal maintenance cost increases.

Solar and Energy Services

Half year ended 31 December	2018 ($m)	2017 ($m)	Change ($m)	Change % (%)
Revenue	90	83	7	8
Cost of Goods Sold	(48)	(42)	(6)	14
Gross Profit	**42**	**41**	**1**	**2**
Operating Costs	(31)	(36)	5	(14)
Underlying EBITDA	**11**	**4**	**7**	**175**

Gross Profit remained stable with reduced earnings associated with the divestment of the Acumen business offset by volume growth in the Solar and Energy Services businesses.

Future Energy

Half year ended 31 December	2018 ($m)	2017 ($m)	Change ($m)	Change (%)
Operating Costs	(9)	(13)	4	(31)
Investments	4	8	(4)	(50)

Lower operating costs during the period driven by lower consultancy costs. The division has continued to make small investments in trialling new energy solutions.

3.2 Integrated Gas

Financial summary

Underlying EBITDA

Half year ended 31 December	2018 ($m)	2017 ($m)	Change ($m)	Change (%)
Share of APLNG	1,042	675	367	54
Integrated Gas Other (see section 3.2.2)	(142)	(45)	(97)	216
Underlying EBITDA	**900**	**630**	**270**	**43**

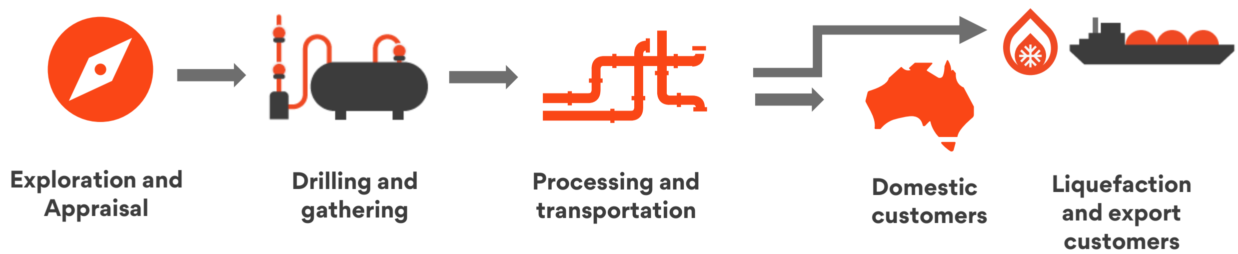
3.2.1 Share of APLNG

Underlying EBITDA
$1,042M
Up $367m or 54% vs HY2018

APLNG Production (37.5%)
127 PJ
In line with HY2018

$393M
distribution to Origin, up from $116 million in HY2018

Overview



Origin has a 37.5% shareholding in APLNG (an equity accounted incorporated joint venture). APLNG operates Australia's largest CSG to LNG export project (by nameplate capacity) and has Australia's largest 2P CSG reserves[11]. Origin is the operator of the upstream CSG exploration and appraisal, development and production activities. ConocoPhillips is the operator of the two train LNG liquefaction facility at Gladstone in Queensland.

As APLNG is an incorporated joint venture, Integrated Gas reports its share of APLNG EBITDA. The share of APLNG ITDA is recorded as one line item between EBITDA and EBIT.

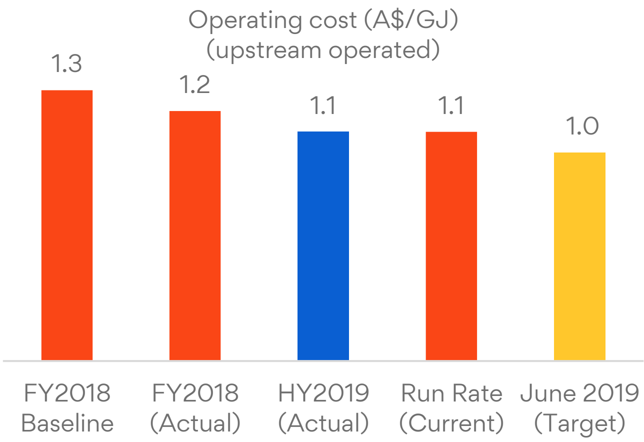
[11] As per EnergyQuest EnergyQuarterly, December 2018. Approximately 21% of APLNG's 3P CSG reserves (as at 30 June 2018) are subject to reversionary rights and an ongoing interest in favour of Tri-Star. Refer to Appendix 3 for further information.

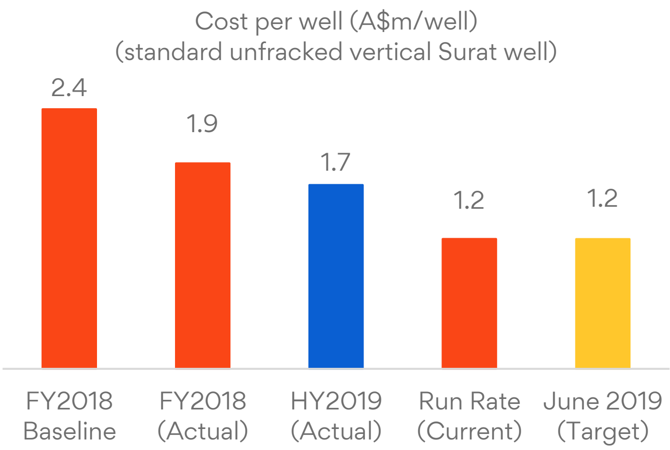
Operations

APLNG continues to deliver stable production, despite planned upstream maintenance, reflecting strong operational performance of both upstream facilities and the LNG liquefaction facility at Curtis Island. APLNG shipped 61 cargoes in HY2019 and remains a large contributor to the Australian east coast domestic gas market, having supplied 104 PJ in HY2019 (100% APLNG) compared to 97 PJ in HY2018.

Under a new asset-led business model, ongoing cost reductions in APLNG are on track to achieve June 2019 run rate unit cost targets of $1.0/GJ for operating costs (upstream operated) and $1.2 million/well capital cost for a standard unfracked vertical Surat well. These cost savings are expected to contribute to a June 2019 run-rate operating breakeven of <US$24/boe and distribution breakeven of <US$40/boe.

Operating cost per GJ (upstream operated) has decreased from $1.2/GJ (FY2018) to $1.1/GJ (HY2019) reflecting lower overheads, reduced electricity costs, and streamlined maintenance activities.





Cost per well has decreased from $1.9 million/well (FY2018) to $1.7 million/well (HY2019) reflecting lower owners' costs, simplified well design, competitive tendering for rig and gathering contracts and improved execution efficiencies.

Planned downstream maintenance outages are posted on the AEMO Gas Bulletin Board. APLNG commenced the planned 4 yearly maintenance of 12 of 15 upstream gas processing facility trains during the period and expects to complete the maintenance by the end of CY2019.

During the period, APLNG announced an agreement with QGC for sharing QGC infrastructure as well as an oil-linked gas purchase of up to 350 PJ (2024 – 2034).

APLNG has also announced that a buyer has elected to defer delivery of 30 cargoes over 6 years (2019 – 2024). The buyer will pay for the deferred cargoes and APLNG expects to re-sell the gas during the period 2019-2024, and then deliver the deferred cargoes during the period from 2025 to the end of the LNG sale and purchase agreement.

APLNG acquired various CSG interests from Tri-Star in 2002 that are subject to reversionary rights and an ongoing royalty in favour of Tri-Star. These interests represent approximately 21% of APLNG's 3P CSG reserves (as at 30 June 2018), refer to Appendix 3 for disclosure relating to Tri-Star litigation associated with these CSG interests.

APLNG Financial Summary

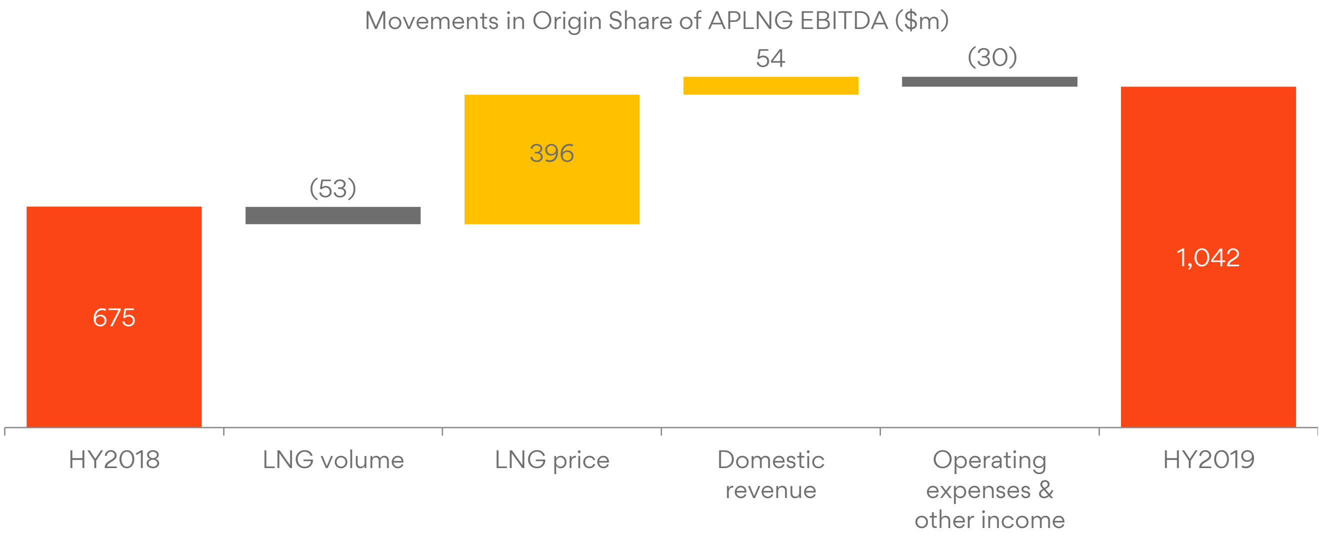
Profit and Loss

Half year ended 31 December ($m)	2018 100% APLNG	2018 Origin share	2017 100% APLNG	2017 Origin share
Commodity and other revenue	3,678	1,379	2,659	997
Operating expenses	(899)	(337)	(858)	(322)
Underlying EBITDA	**2,779**	**1,042**	**1,801**	**675**
Depreciation and amortisation	(1,019)	(382)	(912)	(342)
MRCPS interest expense	(307)	(115)	(305)	(115)
Project finance interest expense	(264)	(99)	(222)	(82)
Other financing expense	(41)	(15)	(38)	(14)
Interest income	21	8	6	2
Income tax expense	(350)	(132)	(100)	(37)
Underlying ITDA	**(1,960)**	**(735)**	**(1,571)**	**(589)**
Underlying Profit	**819**	**307**	**230**	**86**

MRCPS interest expense represents distributions paid to APLNG shareholders, including Origin, in the form of interest on MRCPS.

Project finance interest expense increased due to an increase in USD floating interest rates and foreign exchange movements.

APLNG Underlying EBITDA (Origin share)

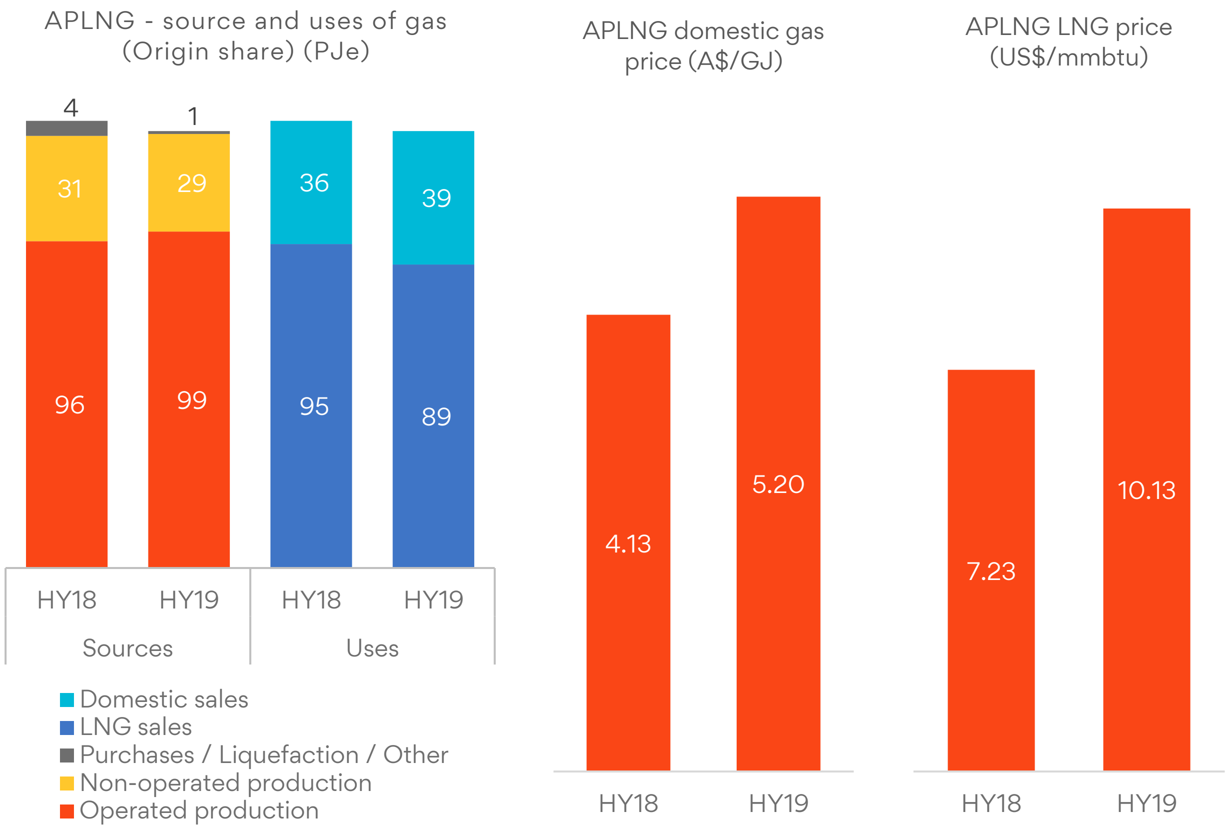


Origin share of APLNG Underlying EBITDA increased by $367 million primarily reflecting higher realised LNG and domestic gas prices as well as a change in sales mix with lower LNG volumes largely offset by higher domestic volumes.

Operating expenses and other income increase of $30 million primarily reflects increased royalties due to higher effective oil price, and higher gas purchases to offset lower non-operated production, partially offset by lower operator unit costs.

APLNG Volume Summary

Half year ended 31 December	2018		2017	
Volumes (PJ)	**100% APLNG**	**Origin share**	**100% APLNG**	**Origin share**
Production volumes:				
Operated	263	99	256	96
Non-operated	76	29	82	31
Total production	**340**	**127**	**338**	**127**
Purchases	21	8	27	10
Liquefaction/other	(20)	(7)	(15)	(6)
Sales volumes	**341**	**128**	**349**	**131**
Domestic gas sales volumes	104	39	97	36
LNG sales volumes	236	89	253	95
Commodity revenue ($m)	**3,684**	**1,381**	**2,625**	**984**
Domestic gas sales	544	204	400	150
LNG sales	3,140	1,178	2,225	835
Realised price (A$/GJ)				
Domestic gas	5.20		4.13	
LNG	13.28		8.81	



Origin's share of production was stable at 127 PJ with slightly higher production from operated fields, offset by lower production from non-operated fields.

The average realised domestic gas price increased 26% to $5.20/GJ reflecting increased incremental sales at higher market prices as well as higher revenue on oil-linked sales to QGC.

The average realised LNG price increased 40% to US$10.13/mmbtu reflecting higher oil and spot LNG prices.

Cash flow – APLNG 100%

Half year ended 31 December	2018 ($m)	2017 ($m)	Change ($m)	Change (%)
Underlying EBITDA	2,779	1,801	978	54
Change in working capital / other	(230)	(139)	(91)	66
Sustain capital expenditure	(578)	(578)	(0)	0
Exploration and appraisal expenditure	(61)	(27)	(35)	130
Free cash flow	**1,909**	**1,057**	**852**	**81**
Repayment of project finance	(458)	(422)	(36)	8
Net interest paid	(259)	(206)	(53)	26
Distributable cash flow	**1,192**	**429**	**763**	**178**
Loan advanced to Origin	-	(76)	76	(100)
Loans (advanced to) / paid by other shareholders	-	32	(32)	(100)
MRCPS interest	(313)	(307)	(6)	2
MRCPS buy-back	(736)	-	(736)	n/a
Shareholder cash calls	-	197	(197)	(100)
Net increase/(decrease) in cash and cash equivalents	**143**	**275**	**(133)**	**(48)**

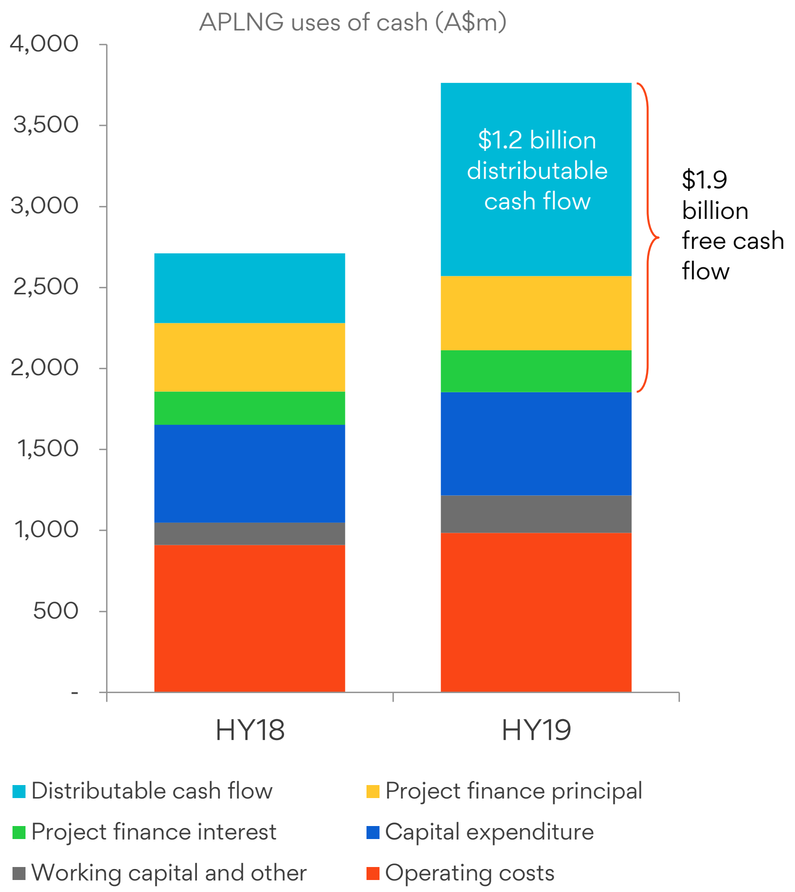
Change in working capital / other of $230 million is primarily driven by increased receivables as a result of increased domestic and LNG realised prices and increase in inventory related to long lead items.

Increase in repayment of project finance of $36 million is driven primarily by foreign exchange movements, partly offset by deferral of amortisation on the $1.4 billion of refinancing until September 2023, refer to section 2.6 for details.

Net interest paid increased $53 million due to foreign exchange movements, higher floating interest rate and up-front costs associated with debt re-financing.

APLNG generated Free Cash Flow of $1.9 billion (APLNG 100%) at an effective oil price of US$73/bbl for HY2019 (US$52/bbl HY2018).

After servicing project finance interest and principal, net cash flow available for distribution was $1.2 billion (Origin's 37.5% share: $447 million). Cash distributed to Origin amounted to $393 million with surplus cash retained for operational and project finance requirements.



APLNG operating cash costs (100%)

Half year ended 31 December	2018 ($m)	2017 ($m)	Change ($m)	Change (%)
Operated upstream operating expenses[a]	(330)	(341)	11	(3)
APLNG Corporate operating expenses	(38)	(46)	8	(17)
Purchases	(167)	(149)	(18)	12
Downstream operating expenses	(121)	(113)	(8)	7
Royalties and tariffs	(180)	(115)	(65)	57
Non-operated operating expenses	(112)	(95)	(17)	18
Other	(37)	(50)	13	(26)
Total operating costs	**(985)**	**(909)**	**(76)**	**8**
Less capitalised costs	52	45	7	16
Other	34	6	27	386
Total operating costs per Profit and Loss	**(899)**	**(858)**	**(42)**	**5**

[a] Production from operated areas during the period was 263 PJ, equating to unit operating costs of $1.1/GJ (excluding pipeline and major turnaround costs).

APLNG capital expenditure (100%)

Half year ended 31 December	2018 ($m)	2017 ($m)	Change ($m)	Change (%)
Operated upstream - sustain	(272)	(408)	137	(33)
Operated upstream - infrastructure	(52)	(19)	(34)	178
Exploration & appraisal (E&A)	(61)	(27)	(35)	130
Operated SIB	(69)	(63)	(7)	10
Downstream	(21)	(26)	5	(20)
Non-operated	(164)	(62)	(102)	164
Total capital expenditure	**(639)**	**(605)**	**(35)**	**6**

Operated upstream - sustain includes drilling of 125 Surat vertical unfracked wells in HY2019, as well as costs of fracture stimulation and drilling of other non-standard wells.

Capital expenditure increased by $35 million due to increased non-operated expenditure (development of Fairview, Roma East and Arcadia), an increase in infrastructure spend due to the construction of Eurombah Creek Reedy Creek Interconnect pipeline and Talinga-Orana Gathering Station, higher E&A due to drilling of deep conventional wells Burunga South 2 and Westgrove 9, offset by a $137 million reduction in Operated upstream - sustain due to reduction in required scope, phasing of activity and dollar per well savings.

3.2.2 Integrated Gas – Other

Integrated Gas - Other comprises unconventional exploration interests in the Beetaloo basin and a potential conventional development resource in the offshore Browse Basin. This division also includes costs (net of recoveries) incurred as upstream operator and corporate service provider to APLNG, other costs incurred in managing Origin's investment in APLNG and exposure to LNG pricing risk and impacts of LNG trading positions held by Origin.

Operations

Beetaloo (Northern Territory)

Origin has a 70% interest in exploration permits over 18,500 km^2 in the Beetaloo Basin. In February 2017, a 2C contingent resource of 6.6TCF[12] (100%) relating to the Velkerri B shale dry gas play was booked following a production test of the Amungee NW-1H well. Interpretation of data obtained from the Amungee well, and other wells drilled in the Beetaloo Basin indicates a compelling exploration opportunity with four stacked, unconventional hydrocarbon plays, including the liquids-rich Kyalla and Velkerri shale plays. We are entering Stage 2 appraisal targeting the Kyalla and Velkerri shale liquids rich gas plays in CY2019.

We continue to work with the Northern Territory government, APPEA and other operators on implementation of the 135 recommendations from the Scientific Inquiry into Hydraulic Fracturing and are engaging with stakeholder groups, including those directly connected to the project area. A number of activities were completed in 2018 ready to enable drilling in the liquids-rich Kyalla and Velkerri shale plays in the 2019 dry season which include sacred site clearances, other access negotiations, water bore drilling to obtain baseline data, and tendering for a drilling rig. In January, Ensign 963 was secured to complete the Stage 2 drilling campaign. Results from these activities are expected over the calendar 2019-2020 period.

Financial Summary

Half year ended 31 December	2018 ($m)	2017 ($m)	Change ($m)	Change (%)
Origin only commodity hedging and trading	(129)	(32)	(97)	304
Other Origin only costs	(13)	(13)	-	-
Underlying EBITDA	**(142)**	**(45)**	**(97)**	**216**
Underlying depreciation and amortisation/ITDA	(8)	(8)	-	-
Interest income - MRCPS	115	115	-	-
Underlying profit/(loss)	**(35)**	**62**	**(97)**	**(156)**

Commodity hedging and trading reflects:

- Oil hedging costs of $73 million, inclusive of $17 million in premiums ($35 million in HY2018). The $38 million increase in HY2019 is due to higher payouts as a result of higher oil prices offset by lower premium amortisation; and
- LNG hedging costs of $56 million ($3 million gain in HY2018) reflect higher realised JKM prices.

Other Origin only costs reflect recoveries relating to Origin's upstream operatorship of APLNG.

Interest income relates to interest on the MRCPS paid to Origin by APLNG.

[12] Origin is not aware of any new information or data that materially affects the information included in the announcement to the ASX on 15 February 2017 and all material assumptions and technical parameters underpinning these estimates continue to apply and have not materially changed.

4. Outlook

Guidance is provided on the basis that market conditions do not materially change and the regulatory and political environment do not adversely impact operations.

Overall, Origin expects Underlying Profit to be higher than FY2018 and further debt reduction in FY2019.

Energy Markets

Energy Markets expected FY2019 Underlying EBITDA is **unchanged at $1.5 - $1.6 billion**.

Electricity gross profit in the second half of FY2019 is expected to be lower than the second half of FY2018 driven by the continued impact of the 3% price increase absorbed in NSW ($40 million), concession offers from 1 January 2019 ($20 million), LREC trading gains in the prior period not repeating ($30 million), together with continued impacts of retail competition and lower customer usage.

Natural Gas gross profit in the second half FY2019 is expected to be broadly in line with the second half of FY2018 as the benefit of short-term sales to wholesale customers is weighted to the first half.

We expect similar output from Eraring as was achieved in HY2019 and approximately 243 MW of contracted renewables to come online by June 2019. There are no major planned outages at Eraring in the second half of FY2019.

Operating costs to serve our customers are expected to remain relatively stable through FY2019. We remain committed to delivering >$100 million in savings by FY2021 through digitising operations and customer interactions, re-design of products and customer journeys and productivity initiatives, with benefits expected from FY2020.

Integrated Gas

APLNG FY2019 production is expected to be 665 – 685 PJ (previously 660-690 PJ). We expect to drill 250-300 operated wells (no change). Increased drilling is expected in FY2019 compared to FY2018 in non-operated areas, particularly Arcadia and Roma East.

There is some flexibility in APLNG's long-term LNG sale and purchase agreements for both the buyers and the seller with respect to volumes. In CY2019 buyers have not downward flexed nominations.

APLNG is targeting **operating breakeven of US$23 – 26/boe** (previously US$22 - 26/boe) and **distribution breakeven of US$39 – 42/boe** in FY2019 (previously US$39 - 44/boe). See details below.

For every US$10/boe above distribution breakeven, Origin's share of APLNG distributable cash flow is expected to be approximately US$200 million.

The operated breakeven range has narrowed slightly with updates to capital expenditure and operating expenses as well as lower spot and domestic revenue as more gas has been directed to SPA contracts.

Further updates to guidance expectations are as follows:

- Lower AUD/USD rate from 0.75 to 0.72
- Lower capital expenditure due to well cost savings, scope and timing changes;
- Higher operating expenses due to additional gas purchases to offset reduced non-operated production; and
- Lower overall financing costs due to project refinancing savings, offset by lower FX rate and one off refinancing costs.

The net effect is an updated distribution breakeven range to US$39 - US$42/boe.

FY2019 breakeven guidance

100% APLNG (A$m)	Prior FY2019 guidance @ 0.75 AUD/USD	Updated FY2019 guidance @ 0.72 AUD/USD
Capital expenditure – Sustain	1,450	1,320
Capital expenditure – E&A	200	140
Operating expenses – pre-capitalisation[a]	1,570	1,690
Less: Spot LNG & domestic revenue	(1,350)	(1,050)
Operating breakeven	**1,870**	**2,100**
Operating breakeven (US$/boe)[b]	**22 – 26**	**23 - 26**
Net interest paid	460	490
Project finance principal	860	820
Distribution breakeven	**3,190**	**3,410**
Distribution breakeven (US$/boe)[b]	**39 - 44**	**39 – 42**

[a] Operating expenses includes royalties payable at the breakeven oil price. Royalties increases as oil price increases.
[b] Range represents variability around work program scope, operating costs and non oil-linked revenue.

100% APLNG (PJ)	Prior FY2019 guidance	Updated FY2019 guidance
Contract LNG	427	461
Domestic & Spot LNG	232	200
Total Sales Volumes	**659**	**661**
Contract LNG (mmboe)	**56.4**	**60.8**

Oil and LNG hedging

Total expected FY2019 oil and LNG hedging costs of $190 - $210 million comprise:

- $115 - $125 million oil hedging costs (including $34 million oil hedge premium); and
- $75 - $85 million LNG hedging costs

FY2020 oil hedge premium costs of $27 million (AUD/USD 0.72).

FY2020 LNG hedge costs expected to be $50 - $60 million.

FY2020 Cameron/ENN trading costs at forward[10] market prices of $27 million.

Refer to section 2.6 for details.

Corporate

Corporate costs are expected to be $60-$65 million.

Capital expenditure is expected to be $385-$445 million, excluding APLNG capital expenditure and the OC Energy acquisition.

A 10 cps fully franked dividend is expected to be announced at the FY2019 full year results provided that market conditions do not materially change and the regulatory and political environment do not adversely impact operations.

We re-affirm our target of >$150 million Origin-wide cost savings by FY2021, including >$100 million from Energy Markets.

5. Important information

Forward looking statements

This Operating and Financial Review (OFR) contains forward looking statements, including statements of current intention, statements of opinion and predictions as to possible future events and future financial prospects. Such statements are not statements of fact and there can be no certainty of outcome in relation to the matters to which the statements relate. Forward looking statements involve known and unknown risks, uncertainties, assumptions and other important factors that could cause the actual outcomes to be materially different from the events or results expressed or implied by such statements, and the outcomes are not all within the control of Origin. Statements about past performance are not necessarily indicative of future performance.

Neither the Company nor any of its subsidiaries, affiliates and associated companies (or any of their respective officers, employees or agents) (the 'Relevant Persons') makes any representation, assurance or guarantee as to the accuracy or likelihood of fulfilment of any forward looking statement or any outcomes expressed or implied in any forward looking statement. The forward looking statements in this OFR reflect views held only at the date of this report and except as required by applicable law or the ASX Listing Rules, the Relevant Persons disclaim any obligation or undertaking to publicly update any forward looking statements, or discussion of future financial prospects, whether as a result of new information or future events.

Non-IFRS financial measures

This OFR and Directors' Report refers to Origin's financial results, including Origin's Statutory Profit and Underlying Profit. Origin's Statutory Profit contains a number of items that when excluded provide a different perspective on the financial and operational performance of the business. Income Statement amounts, presented on an underlying basis such as Underlying Profit, are non-IFRS financial measures, and exclude the impact of these items consistent with the manner in which senior management reviews the financial and operating performance of the business. Each underlying measure disclosed has been adjusted to remove the impact of these items on a consistent basis. A reconciliation and description of the items that contribute to the difference between Statutory Profit and Underlying Profit is provided in section 2.3 of this OFR.

Certain other non-IFRS financial measures are also included in this OFR. These non-IFRS financial measures are used internally by management to assess the performance of Origin's business and make decisions on allocation of resources. Further information regarding the non-IFRS financial measures is included in the Glossary in Appendix 4 of this OFR. Non-IFRS measures have not been subject to audit or review. Certain comparative amounts from the prior corresponding period have been re-presented to conform to the current period's presentation.

Appendix 1 - Consolidated financial supplementary data

ROCE calculation – 12 month rolling

As at	31 Dec 2018 ($m)	31 Dec 2017[6] ($m)	Change ($m)	Change (%)
Capital Employed:				
Net Assets - continuing operations	12,788	10,156	2,632	26
including:				
Investment in APLNG	*6,590*	*5,546*	*1,044*	*19*
MRCPS issued by APLNG	*3,445*	*3,558*	*(112)*	*(3)*
Non-cash fair value uplift	(26)	(29)	3	(10)
Adjusted net assets – continuing operations	12,761	10,126	2,636	26
Origin Adjusted Net Debt	6,058	7,887	(1,829)	(23)
Net derivative liabilities	771	853	(82)	(10)
Origin's share of APLNG net debt (project finance less cash)	3,220	3,329	(109)	(3)
Capital employed - continuing operations	**22,810**	**22,195**	**615**	**3**
Adjusted EBIT – 12 month rolling:				
Origin's Underlying EBIT - continuing operations	1,334	1,073	261	24
Origin's equity share of APLNG interest and tax	609	458	151	33
Dilution depreciation adjustment	2	16	(14)	(87)
Adjusted EBIT - continuing operations	**1,945**	**1,546**	**399**	**26**
Adjusted EBIT - discontinued operations	44	429	**(385)**	**(90)**
Adjusted EBIT	**1,989**	**1,975**	**14**	**1**
Average capital employed - continuing operations	**22,503**	**22,993**	**(490)**	**(2)**
Average capital employed - discontinued operations	463	1,302	(839)	(64)
Average capital employed	**22,966**	**24,295**	**(1,329)**	**(5)**
Underlying ROCE - continuing operations (12 month rolling)	**8.6%**	**6.7%**		**1.9%**
Underlying ROCE (12 month rolling)	**8.7%**	**8.1%**		**0.6%**

Reconciliation of Adjusted Net Debt

Origin has US dollar and Euro foreign currency denominated debt. This foreign currency debt is hedged into either AUD or USD using cross currency interest rate swap (CCIRS) derivatives. Accounting standards require the foreign currency debt and the linked CCIRS derivatives to be disclosed in different lines on the Statement of Financial Position (Balance Sheet). Foreign currency debt is translated at the current market spot rate and classified as interest-bearing liabilities, whilst the associated CCIRS derivatives are measured at current market rates (fair value) and are classified as either derivative assets or derivative liabilities on the Statement of Financial Position. It is the combination of the interest-bearing liabilities and the CCIRS derivative assets or liabilities that reflect the Company's Adjusted Net Debt position or the quantum of funds the Company is required to repay upon maturity of the debt.

As at 31 December 2018, Origin's interest-bearing liabilities on the Statement of Financial Position were $6,812 million. The impact of the associated CCIRS recorded within net derivative assets on the Statement of Financial Position reduces Adjusted Net Debt by $662 million. Adjusted Net Debt of $6,058 million decreased $438 million compared to 30 June 2018.

	Issue Currency	Issue Notional	Hedged Currency	Hedged Notional	AUD $m 31 Dec 2018	AUD $m 31 Dec 2018	AUD $m 31 Dec 2018
					Interest-bearing liabilities	Debt and CCIRS fair value adjustments	Adjusted net debt
AUD debt	AUD	497	AUD	497	497	-	**497**
USD Debt left in USD	USD	650	USD	650	921	-	**921**
EUR debt swapped to AUD	EUR	2,700	AUD	3,691	4,451	(760)	**3,691**
EUR debt swapped to USD	EUR	500	USD	646	809	107	**916**
NZD debt swapped to AUD	NZD	141	AUD	125	134	(9)	**125**
Total					**6,812**	**(662)**	**6,150**
Cash and cash equivalents							**(92)**
Adjusted Net Debt							**6,058**

Discontinued operations

On 31 January 2018, Origin completed the $1,585 million sale of Lattice Energy to Beach Energy. Lattice Energy earnings have been classified as a discontinued operation in the prior period.

Half year ended 31 December	2017 ($m)
Underlying EBITDA	**230**
Underlying depreciation and amortisation	(4)
Underlying EBIT	**227**
Underlying financing costs	(6)
Underlying income tax expense	(66)
Underlying Profit	**154**
Items excluded from underlying profit	(225)
Statutory Profit	**(71)**

Financial instruments and fair value adjustments

($m)	Financial asset/(liability) 31 Dec 2018	Financial asset/(liability) 30 Jun 2018	Balance Sheet Impact: Inc/(dec) in financial instrument	Balance Sheet Impact: Inc/(dec) in other net assets	Balance Sheet Impact: Total inc/(dec) in net assets	Income Statement Impact: Gain/(loss) included in Underlying Profit	Income Statement Impact: Pre-tax Gain/(loss) excluded from Underlying Profit
Oil and gas derivatives							
Oil and gas hedges - Integrated Gas	(2)	(160)	158	(88)	70	(44)	114
Oil and gas hedges - Energy Markets	(31)	92	(123)	124	1	5	(4)
Other commodity hedges	(11)	14	(25)	34	9	10	(1)
	(44)	**(54)**	**10**	**70**	**80**	**(29)**	**109**
Electricity derivatives							
Electricity swaps and options	141	13	128	(140)	(12)	(38)	26
Power purchase agreements	(459)	(405)	(54)	53	(1)	53	(54)
Environmental derivatives	(179)	(123)	(56)	-	(56)	-	(56)
	(497)	**(515)**	**18**	**(87)**	**(69)**	**15**	**(84)**
FX and interest rate derivatives							
Foreign exchange contracts	(230)	(249)	19	(25)	(6)	1	(7)
Foreign currency debt hedges	669	805	(136)	88	(48)	(22)	(26)
Interest rate swaps	(7)	(6)	(1)	-	(1)	-	(1)
	432	**550**	**(118)**	**63**	**(55)**	**(21)**	**(34)**
Decrease in fair value of derivatives (Note A1(b))							**(9)**
Other financial assets/liabilities							
MRCPS issued by APLNG[13]	3,445	3,465	(19)	393	374	117	257
Environmental certificates and surrender obligation	(19)	(151)	132	(425)	(293)	(338)	45
Settlement Residue Distribution Agreement units	45	46	(1)	(10)	(11)	(16)	5
Other investments	58	131	(73)	72	(1)	0	(1)
Increase/(decrease) in fair value of other financial assets/liabilities (financial statements Note A1(b))							**306**
Foreign exchange loss on LNG-related financing							**(72)**
Total Fair value and foreign exchange movements							**225**

Reconciliation of net derivative liability to financial statements

	31 Dec 2018	30 Jun 2018
Derivative assets	1,461	1,639
Derivative liabilities	(1,570)	(1,658)
Net derivative liability	**(109)**	**(19)**

[13] June 2018 MRCPS has been restated for comparative purposes only. Under AASB 9, from 1 July 2018, MRCPS is considered a financial asset and is held at fair value, rather than at cost.

HY2018 restatements and reclassifications

Profit and loss

HY2018 has been restated (per the announcement on 16 August 2018) to include certain electricity hedge premiums within underlying earnings ($57 million pre-tax, $40 million post-tax). There is no change to Statutory Profit or cash flow.

Half year ended 31 December	2017 As reported ($m)	2017 Restated ($m)	Change ($m)	Change (%)
Wholesale energy costs	(1,538)	(1,595)	(57)	(4)
Electricity gross profit	829	772	(57)	7
Energy Markets Underlying EBITDA	891	834	(57)	7
Origin Underlying EBITDA - continuing operations	1,492	1,435	(57)	4
Origin Underlying income tax expense	(154)	(137)	17	12
Origin Underlying Profit	428	388	(40)	10

Cash flow

HY2018 has been restated to reflect a reclassification of movements in futures exchange collateral balances to operating cash flow (and NCOIA) previously in financing cash flow ($135 million outflow).

Half year ended 31 December	2017 As reported ($m)	2017 Restated ($m)	Change ($m)	Change (%)
Total cash flow from operating activities	669	534	(135)	25
Total cash flow from investing activities	(183)	(183)	-	-
Net cash flow from operating and investing activities (NCOIA)	**486**	**351**	**(135)**	**38**
Total cash flow from financing activities	(378)	(243)	135	56
Net increase in cash and cash equivalents	**108**	**108**	**-**	**-**

Appendix 2 - Energy Markets supplementary data

Revenue reconciliation

The table below reconciles the difference between segment revenue and customer revenue disclosed in the Electricity, Natural gas, LPG and Solar & Energy Services tables.

Half year ended 31 December	2018 ($m)	2017 ($m)	Change ($m)	Change (%)
Energy Markets Segment Revenue	**7,314**	**7,130**	**184**	**3**
Less pool and other revenue:				
Internal Generation	(889)	(949)	60	(6)
Renewable PPAs	(114)	(100)	(14)	14
Other PPAs	(38)	(44)	6	(14)
Pool revenue	**(1,041)**	**(1,093)**	**52**	**(5)**
Other[(a)]	**(47)**	**(85)**	**38**	**(45)**
Total Customer Revenue	**6,226**	**5,952**	**274**	**5**

[(a)] Other revenue includes ancillary services, transmission use of system and other items which are partially offset in cost of energy

Wholesale energy costs

Half year ended 31 December	2018 ($m)	$/MWh	2017[6] ($m)	$/MWh	Volume Denominator (TWh) 2018	2017
Pool generation revenue	889	93.5	949	89.7	9.5	10.6
Fuel cost	(490)	(51.5)	(535)	(50.6)	9.5	10.6
Generation operating costs	(111)	(11.7)	(109)	(10.3)	9.5	10.6
Net revenue/(cost) of generation	**288**	**30.4**	**304**	**28.8**	**9.5**	**10.6**
Net revenue/(cost) of generation	**288**	**15.8**	**304**	**16.1**	**18.2**	**18.9**
Other energy procurement costs	(2,086)	(114.6)	(2,008)	(106.4)	18.2	18.9
Energy procurement costs	**(1,798)**	**(99.0)**	**(1,704)**	**(90.3)**	**18.2**	**18.9**

Electricity supply

Half year ended 31 December	Nameplate Capacity (MW)	Type[a]	31 December 2018 Electricity Output (GWh)	31 December 2018 Pool Revenue ($m)	31 December 2018 Pool Revenue ($/MWh)	31 December 2017 Electricity Output (GWh)	31 December 2017 Pool Revenue ($m)	31 December 2017 Pool Revenue ($/MWh)	Change Electricity Output (GWh)	Change Pool Revenue ($m)	Change Pool Revenue ($/MWh)
Eraring	2,922										
Eraring units 1-4	2,880	Black Coal	7,869	696	89	8,007	701	88	(138)	(5)	1
Eraring GT	42	OCGT	-	-	-	-	-	-	-	-	-
Darling Downs	644	CCGT	410	40	98	703	51	73	(293)	(11)	25
Osborne[b]	180	CCGT	272	31	115	660	61	93	(388)	(30)	22
Uranquinty	664	OCGT	158	21	134	314	33	105	(156)	(12)	29
Mortlake	566	OCGT	523	63	120	718	81	112	(195)	(18)	8
Mount Stuart	423	OCGT	1	-	85	3	-	117	(2)	0	(32)
Quarantine	224	OCGT	121	17	138	55	7	134	66	10	4
Ladbroke Grove	80	OCGT	59	9	146	55	7	125	4	2	21
Roma	80	OCGT	13	2	130	20	2	107	(7)	(0)	23
Shoalhaven	240	Pump/Hydro	77	10	128	39	5	125	38	5	3
Internal Generation	**6,023**		**9,503**	**889**	**94**	**10,574**	**949**	**90**	**(1,071)**	**(59)**	**4**
Pelican Point	240	CCGT	713			799			(86)	-	-
Renewable PPAs	1,324[c]	Solar / Wind	1,489	114	77	1,219	100	82	270	14	(5)
Owned and Other Generation	**7,587**		**11,705**	**1,003**	**86**	**12,592**	**1,049**	**83**	**(887)**	**(45)**	**3**

[a] OCGT = Open cycle gas turbine; CCGT = Combined cycle gas turbine.
[b] Origin has a 50 per cent interest in the 180 MW plant and contracts 100 per cent of the output.
[c] Includes 1,116 MW online at 31 December 2018 with the remaining capacity at Bungala 2, Daydream and Darling Downs solar coming online over the second half of FY2019. At 30 June 2018 nameplate capacity was 953 MW with 810 MW online. The remaining capacity at Clare 1 and Bungala 1 came online in the half year ended 31 December 2018.

Appendix 3 – APLNG reversion

In 2002, APLNG acquired various CSG interests from Tri-Star that are subject to reversionary rights and an ongoing royalty in favour of Tri-Star. If triggered, the reversionary rights require APLNG to transfer back to Tri-Star a 45% interest in those CSG interests for no additional consideration. The reversion trigger will occur when the revenue from the sale of petroleum from those CSG interests, plus any other revenue derived from or in connection with those CSG interests, exceeds the aggregate of all expenditure relating to those CSG interests plus interest on that expenditure, royalty payments and the original acquisition price.

The affected CSG interests represent approximately 21% of APLNG's 3P CSG reserves (as at 30 June 2018).

Tri-Star served proceedings on APLNG in 2015 ('reversion proceeding') claiming that reversion occurred as early as 1 November 2008 following ConocoPhillips' investment in APLNG, on the assertion that the equity subscription monies paid by ConocoPhillips was revenue for purposes of the trigger. Tri-Star has also claimed in the alternative that reversion occurred in 2011 or 2012 following Sinopec's investment in APLNG. These claims are referred to in this document as Tri-Star's 'past reversion' claims.

Tri-Star has made other claims in the reversion proceeding against APLNG. These relate to other aspects of the reversion trigger (including as to the calculation of interest) and the calculation of the royalty payable by APLNG to Tri-Star. The outcome of these other claims may impact on when reversion may occur in the future but will not result, if determined in favour of Tri-Star, in reversion having already occurred.

APLNG denies these claims and filed its defence and counter-claim in April 2016. Tri-Star responded with its reply and answer to APLNG's defence and counter-claim in March 2018.

If Tri-Star's past reversion claims are successful, then Tri-Star may be entitled to an order that reversion occurred as early as 1 November 2008. If the court determines that reversion has occurred, then APLNG may no longer have access to the reserves and resources that are subject to Tri-Star's reversionary interests and may need to source alternative supplies of gas (including from third parties) to meet its contracted commitments. There are also likely to be a number of further complex issues that would need to be resolved as a consequence of any such finding in favour of Tri-Star. These matters will need to be determined by the court (either in the current or in separate proceedings) or by agreement between the parties, and they include:

- the terms under which some of the affected CSG interests will be operated where currently there are no joint operating agreements in place;
- the amount of Tri-Star's contribution to the costs incurred by APLNG in exploring and developing the affected CSG interests between the date of reversion and the date of judgment, which APLNG has stated in its defence and counter-claim are in the order of $3.1 billion (as at 31 December 2015); and
- the consequences of APLNG having dealt with Tri-Star's reversionary interests between the date of reversion and the date of judgment, including the gas produced from them. Tri-Star has, in its reply and answer:
    - estimated the value of such gas to be $2.06 billion (as at 31 December 2017) and approximately $1.08 billion per annum thereafter; and
    - alleged that it should be entitled to set-off the value of such gas from any amount owing to APLNG arising from its counter-claim for contribution to the costs incurred by APLNG in exploring and developing the affected CSG interests between the date of reversion and the date of judgment.

If APLNG is successful in defending Tri-Star's past reversion claims in the reversion proceeding, the potential for reversion to otherwise occur in the future in accordance with the reversion trigger will remain.

Tri-Star has also commenced proceedings against APLNG ('markets proceeding') which allege that APLNG breached three CSG joint venture agreements by failing to offer Tri-Star (and the other minority participants in those agreements) an opportunity to participate in the "markets" alleged to be constituted by certain of its LNG and domestic gas sales agreements, including the Sinopec and Kansai LNG sale agreements entered into by APLNG in 2011 and 2012. Tri-Star has alleged that it should have been offered participation in those sales agreements for its share of production from those three CSG joint ventures referable to both its small participating interests and its reversionary interests in those joint ventures. Tri-Star is seeking damages and/or an order that APLNG offer Tri-Star (and the other minority participants in those CSG joint venture agreements) the opportunity to participate in those sales agreements for their proportionate share of production from those three CSG joint ventures.

Tri-Star has also indicated that, in the markets proceeding, it intends to amend its pleadings to seek additional declarations and/or other relief in respect of:

- Tri-Star's ownership and/or rights to access certain infrastructure; and
- APLNG's entitlement as operator to charge (both historically and in the future) certain costs under the relevant CSG joint venture agreements.

APLNG intends to defend the claims in the proceedings.

If APLNG is not successful in defending all or some of the claims being made in the proceedings by Tri-Star, APLNG's financial performance may be materially adversely impacted and the amount and timing of cash flows from APLNG to its shareholders, including Origin, may be significantly affected.

It is anticipated that Tri-Star will deliver amended statements of claim in both the reversion proceeding and the markets proceeding, and APLNG will file its responses, during 2019. Once the pleadings have been finalised, the usual court process would involve a period of document disclosure, potentially court-ordered mediation and then finally a hearing. The timing for each of these steps is difficult to predict at this stage. APLNG expects that the two proceedings will be managed in parallel.

Appendix 4 - Glossary and interpretation

Financial measures

Statutory Financial Measures

Statutory Financial Measures are measures included in the Financial Statements for the Origin Consolidated Group, which are measured and disclosed in accordance with applicable Australian Accounting Standards. Statutory Financial Measures also include measures that have been directly calculated from, or disaggregated directly from financial information included in the Financial Statements for the Origin Consolidated Group.

Term	Meaning
Cash flows from investing activities	Statutory cash flows from investing activities as disclosed in the Statement of Cash Flows in the Origin Consolidated Financial Statements.
Cash flows from operating activities	Statutory cash flows from operating activities as disclosed in the Statement of Cash Flows in the Origin Consolidated Financial Statements.
Cash flows used in financing activities	Statutory cash flows used in financing activities as disclosed in the Statement of Cash Flows in the Origin Consolidated Financial Statements.
Net Debt	Total current and non-current interest-bearing liabilities only, less cash and cash equivalents.
Non-controlling interest	Economic interest in a controlled entity of the consolidated entity that is not held by the Parent entity or a controlled entity of the consolidated entity.
Statutory Profit/Loss	Net profit/loss after tax and non-controlling interests as disclosed in the Income Statement in the Origin Consolidated Financial Statements.
Statutory earnings per share	Statutory Profit/Loss divided by weighted average number of shares as disclosed in the Income Statement in the Origin Consolidated Financial Statements.

Non-IFRS Financial Measures

This document includes certain Non-IFRS Financial Measures. Non-IFRS Financial Measures are defined as financial measures that are presented other than in accordance with all relevant Accounting Standards. Non-IFRS Financial Measures are used internally by management to assess the performance of Origin's business, and to make decisions on allocation of resources. The Non-IFRS Financial Measures have been derived from Statutory Financial Measures included in the Origin Consolidated Financial Statements, and are provided in this report, along with the Statutory Financial Measures to enable further insight and a different perspective into the financial performance, including profit and loss and cash flow outcomes, of the Origin business.

The principal non-IFRS profit and loss measure of Underlying Profit has been reconciled to Statutory Profit in section 2.3. The key Non-IFRS Financial Measures included in this report are defined below.

Term	Meaning
Adjusted Net Debt	Net Debt adjusted to remove fair value adjustments on hedged borrowings.
Adjusted Net Debt/Adjusted Underlying EBITDA	Adjusted Net Debt/Adjusted Underlying EBITDA is calculated as Adjusted Net Debt / (Origin Underlying EBITDA – Share of APLNG Underlying EBITDA + net cash flow from APLNG) over the relevant 12 month period.
Average interest rate	Interest expense for the current period divided by Origin's average drawn debt during the current period.
Current period	Half year ended 31 December 2018.
Free Cash Flow	Net cash from operating activities less capital expenditure.
Gearing	Adjusted Net Debt / Adjusted Net Debt + Total equity
Gross Profit	Revenue less cost of goods sold.
Items excluded from Underlying Profit (IEUP)	Items that do not align with the manner in which the Chief Executive Officer reviews the financial and operating performance of the business which are excluded from Underlying Profit. Items excluded from Underlying Profit are categorised as: Fair value and foreign exchange movements – reflecting the impact of mark to market movements on financial assets and liabilities from period to period. Disposals, impairments and business restructuring – reflecting the impact of actions and decisions to dispose, acquire, revalue or restructure the company's assets and business operations.
MRCPS	Mandatorily redeemable cumulative preference shares.
MRCPS elimination adjustment	The interest on MRCPS was capitalised by APLNG prior to commencement of revenue recognition. As the project is now operational, previously capitalised interest is being unwound through depreciation. The proportion of the unwind attributable to Origin's share is eliminated as Origin had previously eliminated the impact of the capitalised interest through the equity investment balance.
NCOIA	Net cash from operating and investing activities
Non-cash fair value uplift	Reflects the impact of the accounting uplift in the asset base of APLNG which was recorded on the creation of APLNG and subsequent share issues to Sinopec. This balance will be depreciated in APLNG's income statement on an ongoing basis and, therefore, a dilution adjustment is made to remove this depreciation.
Prior period	Half year ended 31 December 2017.
Proportionate Free Cash Flow	Origin plus share of APLNG Free Cash Flow
Share of ITDA	Origin's share of equity accounted investees interest, tax, depreciation and amortisation.
Total Segment Revenue	Total revenue for the Energy Markets, Integrated Gas, Corporate and discontinued operations segments, including inter-segment sales, as disclosed in note A1 of the Origin Consolidated Financial Statements.

Term	Meaning
Underlying earnings per share	Underlying Profit/Loss divided by weighted average number of shares.
Underlying EBITDA	Underlying earnings before underlying interest, underlying tax, underlying depreciation and amortisation (EBITDA) as disclosed in note A1 of the Origin Consolidated Financial Statements.
Underlying share of ITDA	Share of ITDA (interest, tax, depreciation and amortisation) of equity accounted investees adjusted for items excluded from underlying profit.
Underlying Profit/Loss	Underlying net profit/loss after tax and non-controlling interests as disclosed in note A1 of the Origin Consolidated Financial Statements.
Underlying ROCE - 12 month rolling	Underlying ROCE (Return on Capital Employed) is calculated as Adjusted EBIT / Average Capital Employed. • Average Capital Employed = Shareholders Equity + Origin Debt + Origin's Share of APLNG project finance - Non-cash fair value uplift + net derivative liabilities. The average is a simple average of opening and closing in any year. • Adjusted EBIT = Origin Underlying EBIT and Origin's share of APLNG Underlying EBIT + Dilution Adjustment = Statutory Origin EBIT adjusted to remove the following items: a) Items excluded from underlying earnings; b) Origin's share of APLNG underlying interest and tax; and c) the depreciation of the Non-cash fair value uplift adjustment. Adjusted EBIT is calculated on a 12 month rolling basis. In contrast, for remuneration purposes Origin's statutory EBIT is adjusted to remove Origin's share of APLNG statutory interest and tax (which is included in Origin's reported EBIT) and certain items excluded from underlying earnings. Gains and losses on disposals and impairments will only be excluded subject to Board discretion. The Remuneration Report provides specific details.

Non-Financial Terms

Term	Meaning
1P reserves	Proved Reserves are those reserves which analysis of geological and engineering data can be estimated with reasonable certainty to be commercially recoverable. There should be at least a 90 per cent probability that the quantities actually recovered will equal or exceed the estimate.
2P reserves	The sum of Proved plus Probable Reserves. Probable Reserves are those additional reserves which analysis of geological and engineering data indicate are less likely to be recovered than Proved Reserves but more certain than Possible Reserves. There should be at least a 50 per cent possibility that the quantities actually recovered will equal or exceed the best estimate of Proved plus Probable Reserves (2P).
3P reserves	Proved plus Probable plus Possible Reserves. Possible Reserves are those additional Reserves which analysis of geological and engineering data suggest are less likely to be recoverable than Probable Reserves. The total quantities ultimately recovered from the project have at least a 10 per cent probability of

Term	Meaning
	exceeding the sum of Proved plus Probable plus Possible (3P), which is equivalent to the high estimate scenario.
2C resources	The best estimate quantity of petroleum estimated to be potentially recoverable from known accumulations by application of development oil and gas projects, but which are not currently considered to be commercially recoverable due to one or more contingencies. The total quantities ultimately recovered from the project have at least a 50 per cent probability to equal or exceed the best estimate for 2C contingent resources.
AEMO	Australian Energy Market Operator
APLNG	Australia Pacific LNG Pty Limited
APPEA	Australian Petroleum Production and Exploration Association
Boe	Barrel of oil equivalent
Capacity factor	A generation plant's output over a period compared with the expected maximum output from the plant in the period based on 100 per cent availability at the manufacturer's operating specifications.
C&I	Commercial and Industrial
Discounting	For Energy Markets, discounting refers to offers made to customers at a reduced price to the published tariffs. While a customer bill comprises a fixed and a variable portion, Origin's discounts only apply to the variable portion. In some cases, these discounts are conditional, such as requiring direct debit payment or on-time payments.
FEED	Front End Engineering Design
GJ	Gigajoule = 10^9 joules
GJe	Gigajoules equivalent = 10^{-6} PJe
JKM	Japan Korean Marker
Joule	Primary measure of energy in the metric system.
kT	kilo tonnes = 1,000 tonnes
kW	Kilowatt = 10^3 watts
kWh	Kilowatt hour = standard unit of electrical energy representing consumption of one kilowatt over one hour.
Mtpa	Million tonnes per annum
MW	Megawatt = 10^6 watts
MWh	Megawatt hour = 10^3 kilowatt hours
NEM	National Electricity Market

Term	Meaning
NPS	Net Promoter Score (NPS) is a measure of customers' propensity to recommend Origin to friends and family
PJ	Petajoule = 10^{15} joules
PJe	Petajoules equivalent = an energy measurement Origin uses to represent the equivalent energy in different products so the amount of energy contained in these products can be compared. The factors used by Origin to convert to PJe are: 1 million barrels crude oil = 5.8 PJe; 1 million barrels condensate = 5.4 PJe; 1 million tonnes LPG = 49.3 PJe; 1 TWh of electricity = 3.6 PJe.
Scope 1 emissions	Direct emissions driven by Origin's owned and operated business operations, in particular electricity generation and gas development.
Scope 2 emissions	Emissions from the electricity that Origin purchases to undertake activities.
Scope 3 emissions	Indirect emissions through Origin's value chain that are not owned or controlled by Origin.
SME	Small Medium Enterprise
TRIFR	Total Recordable Incident Frequency Rate.
TW	Terawatt = 10^{12} watts
TWh	Terawatt hour = 10^{9} kilowatt hours
Watt	A measure of power when a one ampere of current flows under one volt of pressure.

Interpretation

All comparable results reflect a comparison between the current period and the prior period ended 30 June 2017, unless specifically stated otherwise.

A reference to APLNG or Australia Pacific LNG is a reference to Australia Pacific LNG Pty Limited in which Origin holds a 37.5 per cent shareholding. Origin's shareholding in APLNG is equity accounted.

A reference to $ is a reference to Australian dollars unless specifically marked otherwise.

All references to debt are a reference to interest bearing debt only.

Individual items and totals are rounded to the nearest appropriate number or decimal. Some totals may not add due to rounding of individual components.

When calculating a percentage change, a positive or negative percentage change denotes the mathematical movement in the underlying metric, rather than a positive or a detrimental impact.

Percentage changes on measures for which the numbers change from negative to positive, or vice versa, are labelled as not applicable.