CONCISE FINANCIAL REPORT | 2006

WOODSIDE

Woodside has long-term world class assets, talented people and the drive to become **a global leader in LNG.**

We explore, develop, produce and market gas and oil from Australia, the Americas and Africa **to customers across the globe.**

We are committed to returning outstanding and sustainable growth in our shareholders' wealth **...the right way.**

About the Cover

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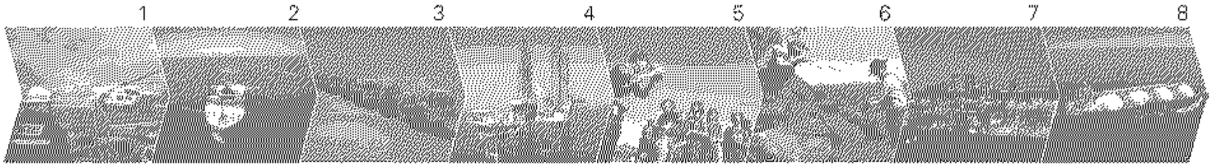


The cover images depict Woodside's diversity of people, places and activities throughout our value chain.

1. Safety comes first at Woodside; The North Rankin helipad with fire and safety crew standing by.
2. Acquiring subsurface data underpins our search for oil and gas; 3D seismic acquisition on the Western Legend.
3. Onshore, oil and gas fields can be identified and evaluated with seismic vibrator trucks; Vibroseis trucks in the Sahara Desert, Libya.
4. Offshore production of discovered oil and gas; an exploration rig alongside the Breton Sound platform in the Gulf of Mexico.
5. Building relationships with local communities is critical to the way we work; Engaging with indigenous children in Karratha.
6. Understanding and protecting the environment is part of our sustainable business principles; Scientists recording rock art in the Pilbara region of Western Australia.
7. Offshore gas and liquids are piped ashore and processed into LNG, LPG and condensate; Round the clock operation at the Karratha gas plant, Western Australia.
8. Gas is liquefied and loaded into large refrigerated ships, capable of carrying LNG across the globe.

CONTENTS ⋮ 2006 CONCISE FINANCIAL REPORT

The financial statements and other specific disclosures have been derived from Woodside Petroleum Ltd. and its controlled entities' (the 'Group') Full Financial Report for the year. Other information included in the Concise Financial Report is consistent with the Group's Full Financial Report.

The Concise Financial Report does not, and cannot be expected to, provide as full an understanding of the financial performance, financial position and financing and investing activities of the Group as the Full Financial Report.

A copy of the Group's 2006 Full Financial Report, including the independent audit report, is available to all shareholders, and will be sent to shareholders without charge upon request. The 2006 Full Financial Report can be requested by telephone (Australia: 1300 557 010, Overseas: +61 (8) 9348 6988) and by internet at www.woodside.com.au.

INCOME STATEMENT | For the year ended 31 December 2006

	Consolidated 2006 $m	2005 $m
Revenue from sale of goods	3,810.4	2,746.7
Cost of sales	(1,204.0)	(854.0)
Petroleum Resource Rent Tax	(200.4)	(123.3)
Gross profit	2,406.0	1,769.4
Dividends and other income	170.4	102.9
Other expenses	(540.9)	(371.3)
Profit before income tax and net finance costs	2,035.5	1,501.0
Finance income	20.2	21.9
Finance costs	(46.4)	(30.7)
Profit before income tax	2,009.3	1,492.2
Income tax expense	(582.3)	(384.8)
Net profit	1,427.0	1,107.4
Basic and diluted earnings per share (cents)	217	169
Dividend per share (cents)	126	93

The income statement is to be read in conjunction with the discussion and analysis on page 3 of this report and the notes to the Concise Financial Report set out on pages 10 to 14 of this report.

INCOME STATEMENT | Discussion and Analysis

Overview

Woodside's 2006 profit before significant items increased by 34.5%, primarily due to higher realised prices and higher sales volumes compared to the previous year. During the year, revenues increased 38.7% to $3,810.4 million, with sales volumes 23.2% higher at 67.7 million barrels of oil equivalents. The 2006 reported results have been impacted by a significant item, the profit on sale of the Kipper (VIC/RL2) gas field.

	2006	2005
	$m	$m
Net profit after tax – before significant items	1,395.9	1,037.7
Add/(subtract) significant items after tax		
Gain on sale of interest in Kipper / VIC/RL2	31.1	-
Gain on sale of investment in Hardman Resources Ltd.	-	51.9
Gain on sale of Blacktip / WA-279-P	-	17.8
Net profit	1,427.0	1,107.4

Items that affected the Group's financial performance in the year were:

Revenue from sale of goods – Higher sales volumes increased revenue by $617.9 million, driven primarily by the commencement of production in Chinguetti and Enfield. Revenue increased by $345.9 million as a result of higher sales prices. As a reference, the average WTI oil price increased from US$56.73 per barrel in 2005 to US$66.30 in 2006. Depreciation of the Australian dollar against the US dollar from an average realised A$/US$ exchange rate of 0.7622 in 2005 to 0.7522 in 2006 resulted in increased revenue of $74.2 million.

Cost of sales – Increased $350.0 million:

- Commencement of production in Chinguetti and Enfield during 2006, and the full year impact of Gryphon (acquired in September 2005) increased cost of sales from 2005 by $303.4 million.
- Laminaria reserves downgrade for the year ending 31 December 2005, increased depreciation expense by $30.1 million.

Petroleum Resource Rent Tax (PRRT) – Increased $77.1 million:

- Higher sales revenue from Enfield and Laminaria $182.3 million; offset by
- Higher deductible expenditure of $107.3 million.

Dividends and other income – Increased by $67.5 million:

- Foreign exchange gains of $20.0 million compared to a loss of $44.8 million in 2005.
- Gains on derivative financial instruments were $26.2 million higher than in 2005.
- Revaluation of investments of $12.2 million.
- Offset by profit on sale of assets of $18.1 million in 2006 compared to $67.9 million recognised in 2005. The $18.1 million recognised in 2006 is predominantly represented by the sale of the Kipper gas field during the year.

Other expenses – Increased $169.6 million primarily due to an increase in exploration and evaluation expense and movement in foreign exchange gains/losses on cash. The exploration and evaluation expense was higher primarily due to the full year impact of Gryphon's permit amortisation expense, and higher unsuccessful wells written off.

Net finance costs – Increased by $17.4 million predominantly due to higher debt levels and interest rates; offset by increased interest capitalised on major construction projects.

Income tax – The effective tax rate increased from 25.8% to 29.0% in 2006, which primarily results from lower United States prior period tax losses recognised in 2006 ($49.9 million) compared to 2005 ($95.4 million).

Key Metrics

Return on equity (net profit attributable to the members of Woodside Petroleum Ltd. divided by total equity) increased from 31.6% in 2005 to 34.0% in 2006 driven primarily by higher realised prices and higher sales volumes. Adjusting for significant items, return on equity increased from 30.2% in 2005 to 33.5% in 2006.

BALANCE SHEET | As at 31 December 2006

	Consolidated	
	2006	2005
	$m	$m
Current assets		
Cash and cash equivalents	313.7	232.9
Receivables	625.6	358.1
Inventories	79.2	56.3
Financial and other assets	182.9	84.8
Total current assets	1,201.4	732.1
Non-current assets		
Inventories	5.1	10.6
Financial and other assets	198.7	97.0
Exploration and evaluation assets	1,103.2	694.6
Oil and gas properties	6,174.9	5,202.6
Other plant and equipment	102.7	100.9
Deferred tax assets	182.7	131.5
Total non-current assets	7,767.3	6,237.2
Total assets	8,968.7	6,969.3
Current liabilities		
Payables	784.3	632.6
Interest-bearing liabilities	313.3	31.4
Tax payable	207.9	152.8
Financial and other liabilities	6.1	43.7
Provisions	74.6	72.0
Total current liabilities	1,386.2	932.5
Non-current liabilities		
Payables	4.2	9.4
Interest-bearing liabilities	1,507.0	1,096.1
Deferred tax liabilities	809.4	673.3
Financial and other liabilities	443.5	356.8
Provisions	616.6	400.6
Total non-current liabilities	3,380.7	2,536.2
Total liabilities	4,766.9	3,468.7
Net assets	4,201.8	3,500.6
Equity		
Issued and fully paid shares	706.5	706.5
Shares reserved for employee share plans	(177.9)	(148.0)
Other reserves	23.5	6.1
Retained earnings	3,649.7	2,936.0
Total equity	4,201.8	3,500.6

The balance sheet is to be read in conjunction with the discussion and analysis on page 5 of this report and the notes to the Concise Financial Report set out on pages 10 to 14 of this report.

BALANCE SHEET ⋮ Discussion and Analysis

Overview

The Group's net assets increased by 20.0% to $4,201.8 million over the year.

Items that affected the Group's financial position in the period were:

Assets

Cash – Higher cash balance represents an accumulation of cash ahead of dividend payments from offshore subsidiaries.

Receivables – Increased $267.5 million as a result of higher sales levels. Debtors terms and collections remain within a normal commercial range.

Inventories – Increased $17.4 million mainly due to increased warehouse stores and materials to support drilling campaigns and development projects.

Financial and other assets – Increased $199.8 million predominantly attributable to prepayment of Vincent and Stybarrow FPSO costs consistent with the competitive market to secure vessel capacity, favourable revaluation in listed investments and favourable revaluation of embedded derivatives.

Exploration and evaluation – Increased $408.6 million primarily due to:

- Capitalised spend on Pluto and Browse.
- Lease permits acquired in the Gulf of Mexico.
- An increase in exploration and evaluation costs over the year.

Oil and gas properties – Increased $972.3 million predominantly comprised of additions from major capital projects during the year including North West Shelf Projects, Stybarrow, Otway, Vincent, Neptune, Enfield, Gulf of Mexico assets and Chinguetti.

Deferred tax assets – Increased $51.2 million primarily as a result of United States prior period tax losses recognised in 2006.

Liabilities

Payables – $146.5 million higher due to increased exploration and development activity at year end.

Interest Bearing Liabilities – Increased $692.8 million as a result of US$622.0 million drawn down during the year, offset by foreign currency revaluation gains arising from the appreciation of the AUD/USD exchange rate at year end.

Tax payable – Increased $55.1 million consistent with the increase in taxable profit.

Financial and other liabilities – Increased by $49.1 million predominantly due to increase in PRRT liabilities and higher unearned revenue, offset by the revaluation of derivative financial instruments.

Provisions – Increased $218.6 million primarily associated with higher estimates of the future cost of restoring areas impacted by Group activities.

Deferred tax liabilities – Increased $136.1 million resulting from the immediate tax deduction of current period exploration and evaluation expenditure, partially offset by non deductible movements in provisions.

Equity

The increase in equity arises from the reported profit for the year net of dividend payments.

Key Metrics

Gearing (net debt/net debt + equity) has increased from 20.4% in 2005 to 26.4% in 2006. The increased debt was primarily used to replenish working capital in line with growth in the underlying business during the year.

CASH FLOW STATEMENT | For the year ended 31 December 2006

	Consolidated 2006 $m	Consolidated 2005 $m
Cash flows from operating activities		
Receipts from customers	3,851.9	2,817.8
Interest received	19.8	21.1
Dividends received	10.0	7.0
Payments to suppliers and employees	(613.2)	(387.1)
Borrowing costs paid	(19.6)	(8.1)
Other fees and recoveries	18.5	21.8
Royalties and excise payments	(271.2)	(290.2)
Petroleum Resource Rent Tax payments	(126.7)	(86.7)
Income tax paid	(491.4)	(369.3)
Purchase of shares relating to employee share plans	(82.1)	(59.8)
Payments received from employees relating to employee share plans	52.7	48.2
Net cash from operating activities	2,348.7	1,714.7
Cash flows from investing activities		
Payments for capital and exploration expenditure	(2,374.1)	(1,835.3)
Proceeds from sale of investments	3.0	118.3
Proceeds from sale of exploration and evaluation assets	43.3	229.8
Proceeds from sale of other non-current assets	13.3	0.2
Payments for investments in controlled entities	-	(355.6)
Payments for investments in other entities	(1.7)	(2.0)
Net cash used in investing activities	(2,316.2)	(1,844.6)
Cash flows from financing activities		
Proceeds from borrowings	773.4	(10.2)
Advances (to)/from controlled entities	-	-
Dividends paid	(713.3)	(446.7)
Payments for finance lease liabilities	(4.7)	(4.9)
Net cash used in financing activities	55.4	(461.8)
Net increase/(decrease) in cash held	87.9	(591.7)
Cash and cash equivalents at the beginning of the financial year	232.9	797.1
Effects of exchange rate changes on the balances of cash held in foreign currencies	(7.1)	27.5
Cash and cash equivalents at the end of the financial year	313.7	232.9

The cash flow statement is to be read in conjunction with the discussion and analysis on page 7 of this report and the notes to the Concise Financial Report set out on pages 10 to 14 of this report.

Overview

Issues that affected the Group's cash flows during the period were:

Cash flows from operating activities

- Increased receipts from customers arose from higher revenues as a result of a combination of higher sales prices and higher volumes.
- Payments to suppliers and employees increased by $226.1 million primarily due to increased production costs and exploration and evaluation expense.
- Payments for secondary and income taxes increased by $143.1 million mainly due to higher underlying taxable profits.

Cash flows used in investing activities

- Higher oil and gas properties expenditure arose from project spend (LNG Phase 5, Stybarrow, Otway, Vincent, Neptune, Enfield, Gryphon and Mauritania). Exploration and evaluation expenditure increased during the year primarily due to capitalised spend on Pluto and Browse, lease permits acquired in the Gulf of Mexico, and an increase in exploration and evaluation costs over the year.
- Proceeds from sale of investments are primarily comprised of the net proceeds from the sale of shares in Energy Partners, Ltd.
- Proceeds from sale of exploration and evaluation assets mainly consist of the sale of the Kipper (VIC/RL2) gas field.

Cash flows used in financing activities

- Proceeds from borrowings are represented by net proceeds from debt facilities drawn down during the year of US$622.0 million.
- Dividend payments of $1.07 per share, compared with 67 cents per share in the prior year.

STATEMENT OF CHANGES IN EQUITY | For the year ended 31 December 2006

Consolidated	Issued and fully paid shares $m	Shares reserved for employee share plan $m	Other reserves $m	Retained earnings $m	Total equity $m
Balance at 1 January 2005	706.5	(136.9)	(7.1)	2,208.6	2,771.1
Adoption of new accounting standards relating to financial instruments	-	-	35.0	66.7	101.7
Balance at 1 January 2005	706.5	(136.9)	27.9	2,275.3	2,872.8
Employee share plan purchases	-	(59.9)	-	-	(59.9)
Employee share plan redemptions	-	43.0	-	-	43.0
Dividends applied	-	5.8	-	-	5.8
Cost of share based payment	-	-	18.7	-	18.7
Currency translation differences	-	-	7.8	-	7.8
Cash flow hedges	-	-	(20.8)	-	(20.8)
Available-for-sale financial assets	-	-	(27.5)	-	(27.5)
Amounts recognised directly in equity	-	(11.1)	(21.8)	-	(32.9)
Net profit for the year	-	-	-	1,107.4	1,107.4
Dividends paid	-	-	-	(446.7)	(446.7)
Balance at 31 December 2005	706.5	(148.0)	6.1	2,936.0	3,500.6
Balance at 1 January 2006	706.5	(148.0)	6.1	2,936.0	3,500.6
Employee share plan purchases	-	(72.7)	-	-	(72.7)
Employee share plan redemptions	-	35.1	-	-	35.1
Dividends applied	-	7.7	-	-	7.7
Cost of share based payment	-	-	22.2	-	22.2
Currency translation differences	-	-	(57.8)	-	(57.8)
Cash flow hedges	-	-	35.5	-	35.5
Available-for-sale financial assets	-	-	17.5	-	17.5
Amounts recognised directly in equity	-	(29.9)	17.4	-	(12.5)
Net profit for the year	-	-	-	1,427.0	1,427.0
Dividends paid	-	-	-	(713.3)	(713.3)
Balance at 31 December 2006	706.5	(177.9)	23.5	3,649.7	4,201.8

The statement of changes in equity is to be read in conjunction with the discussion and analysis on page 9 of this report and the notes to the Concise Financial Report set out on pages 10 to 14 of this report.

STATEMENT OF CHANGES IN EQUITY ⋮ Discussion and Analysis

Overview

Items that affected the Group's Statement of Changes in Equity during the period were:

Issued and fully paid shares

There were no shares issued during 2005 and 2006.

Shares held for employee share plan

The $29.9 million increase in shares reserved for employee share plans (being the Woodside Employee Share Plan and the Executive Incentive Plan) resulted mainly from an increase in the number of employees and a general increase in salary rates.

Other reserves

The $17.4 million movement through other reserves has been impacted by the following;

- The employee benefits reserve which records the cost of share-based payments associated with the employees share plans,
- Foreign exchange differences arising from the translation of the financial statements of foreign subsidiaries, and liabilities that hedge the net investment in foreign subsidiaries,
- The hedging reserve that is used to record the effective portion of changes in the fair value of cash flow hedges, and
- The investment fair value reserve, which records changes in the fair value of the Group's available for sale investments.

Retained Earnings

Increased by the Group's 2006 profit. Dividends declared during the year partially offset this increase.

1. Preparation of Concise Financial Report

The Concise Financial Report has been prepared in accordance with the Corporations Act 2001 and Accounting Standard AASB 1039 Concise Financial Reports. The Concise Financial Report and specific disclosures required by AASB 1039 have been derived from the Group's Full Financial Report for the financial year. Information included in the Concise Financial Report is consistent with the Group's Full Financial Report, and is presented in Australian dollars. The Group's accounting policies have been consistently applied to all periods presented in the Concise Financial Report. A full description of the accounting policies adopted by the consolidated entity is provided in the 2006 financial statements which form part of the Full Financial Report. The Concise Financial Report does not, and cannot be expected to, provide as full an understanding of the financial performance, financial position and financing and investing activities of the Economic Entity as the Full Financial Report.

2. Earnings Per Share

	Consolidated	
	2006	2005
Net profit ($m)	1,427.0	1,107.4
Weighted average number of shares on issue[1]	657,178,947	655,150,640
Basic and diluted earnings per share from continuing operations (cents)[2]	217	169

(1) There have been no conversions to, calls of, or subscriptions for ordinary shares or issues of potential ordinary shares since the reporting date and before the completion of this financial report.

(2) Earnings per share is calculated by dividing net profit for the year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year. The weighted average number of shares makes allowance for shares reserved for employee share plans. Diluted earnings per share is not significantly different from basic earnings per share.

3. Dividends Paid and Proposed

	Consolidated	
	2006	2005
	$m	$m
(a) Dividends paid during the year[1]		
Prior year fully franked final dividend 58 cents, paid 22 March 2006 (2005: 32 cents, paid 23 March 2005)	386.6	213.3
Current year fully franked interim dividend 49 cents, paid 20 September 2006 (2005: 35 cents, paid 23 September 2005)	326.7	233.4
	713.3	446.7
(b) Dividend declared (not recorded as a liability)[1]		
Fully franked final dividend 77 cents, to be paid 28 March 2007 (2005: 58 cents, paid 22 March 2006)	513.3	386.6
Dividend per share in respect of financial year (cents)	126	93
(c) Franking credit balance		
Franking credits available for the subsequent financial year arising from:		
Franking account balance as at the beginning of the financial year	895.6	698.0
Current year tax payment instalments and adjustments	327.5	325.5
Franked dividends received	-	0.2
Interim dividends paid	(140.0)	(100.0)
Franking account balance as at the end of the financial year	1,083.1	923.7
Current year income tax payable	196.4	137.6
Dividends declared	(220.0)	(165.7)
Franking account balance after payment of tax and dividends	1,059.5	895.6

(1) Fully franked at 30.0% (2005: 30.0%).

4. Retained Earnings

	Consolidated 2006 $m	Consolidated 2005 $m
Movements in retained earnings		
Balance at beginning of year	2,936.0	2,208.6
Adjustment on adoption of new accounting standards AASB 132 and AASB 139, net of tax	-	66.7
Net profit for the year	1,427.0	1,107.4
Dividends	(713.3)	(446.7)
Balance at end of year	3,649.7	2,936.0

5. Auditor Remuneration

	Consolidated 2006 $000	Consolidated 2005 $000
Amounts received or due and receivable by the auditors of the company for:		
Auditing and review of financial reports		
Ernst & Young (Australia)	978	1,228
Overseas Ernst & Young firms	335	290
	1,313	1,518
Non Audit Services		
Ernst & Young (Australia)		
International Accounting Standards assurance	-	304
Other assurance/advisory services	185	288
Other accounting services	176	172
	361	764

6. Segment Reporting

The Group's primary reporting format is business segments and its secondary reporting format is geographical segments.

(a) Business Segments

The Group has the following reportable segments:

North West Shelf Ventures

Exploration, evaluation, development, production and sales of LNG, domestic gas, condensate, LPG and crude oil from the North West Shelf ventures.

Australia Business Unit

Exploration, evaluation, development, production and sale of crude oil in assigned permit areas including Laminaria, Legendre, Mutineer-Exeter, Enfield, Vincent, Otway, and Stybarrow ventures.

Middle East & Africa Business Unit

Exploration, evaluation, development, production and sale of hydrocarbons in assigned permit areas including the Algerian Ohanet project and Chinguetti venture.

United States of America Business Unit

Exploration, evaluation, development, production and sale of gas, condensate and crude oil in assigned permit areas.

Group and Unallocated

This segment comprises the activities undertaken by all other business units and corporate costs.

(b) Geographical Segments

The Group operates in four main geographical segments as follows:

Australia

The main operating activities, producing assets and a significant portion of sales of the Group are within Australia.

Asia

The majority of the Group's sales are made to customers within this region.

Africa

Revenues are received from the Algerian Ohanet project and the Chinguetti venture. Other segment information includes Mauritanian, Kenyan, and Libyan exploration and evaluation.

United States of America

Exploration, evaluation, development, production and sale of gas, condensate and crude oil in assigned permit areas.

Other

Exploration, evaluation and development activities in other areas.

6. Segment Reporting (continued)

Primary Reporting - Business Segments

	North West Shelf Ventures		Australia Business Unit		Middle East and Africa Business Unit		United States Business Unit		Group and Unallocated		Consolidated	
	2006	2005	**2006**	2005	**2006**	2005	**2006**	2005	**2006**	2005	**2006**	2005
	$m	$m	**$m**	$m	**$m**	$m	**$m**	$m	**$m**	$m	**$m**	$m
Revenue												
Revenue from sale of goods	2,263.6	2,056.2	980.8	591.3	409.1	71.2	156.9	28.0	-	-	3,810.4	2,746.7
Cost of sales												
Production costs	(415.8)	(387.5)	(112.3)	(108.5)	(56.0)	(10.4)	(14.4)	(2.3)	(3.3)	-	(601.8)	(508.7)
Shipping and direct sales costs	(59.9)	(75.5)	(4.4)	(5.2)	(4.0)	(0.1)	-	-	(6.9)	-	(75.2)	(80.8)
Depreciation and amortisation	(145.2)	(144.4)	(140.0)	(74.7)	(133.6)	(34.6)	(106.6)	(10.8)	(1.6)	-	(527.0)	(264.5)
Total cost of sales	(620.9)	(607.4)	(256.7)	(188.4)	(193.6)	(45.1)	(121.0)	(13.1)	(11.8)	-	(1,204.0)	(854.0)
Petroleum Resource Rent Tax	-	-	(231.5)	(123.3)	-	-	-	-	31.1	-	(200.4)	(123.3)
Gross profit	1,642.7	1,448.8	492.6	279.6	215.5	26.1	35.9	14.9	19.3	-	2,406.0	1,769.4
Dividends and other income	35.6	28.7	11.6	37.1	10.6	3.0	35.1	0.1	77.5	34.0	170.4	102.9
Other expenses	(0.9)	(3.2)	(6.6)	(7.5)	(42.1)	(6.9)	(35.0)	(12.9)	(34.3)	(34.4)	(118.9)	(64.9)
Exploration expensed	(2.6)	(2.7)	(49.1)	(48.6)	(165.9)	(132.1)	(174.5)	(119.2)	(29.9)	(3.8)	(422.0)	(306.4)
Segment results	1,674.8	1,471.6	448.5	260.6	18.1	(109.9)	(138.5)	(117.1)	32.6	(4.2)	2,035.5	1,501.0
Finance income											20.2	21.9
Finance costs											(46.4)	(30.7)
Income tax expense											(582.3)	(384.8)
Net profit/(loss)											1,427.0	1,107.4
Segment assets	3,086.8	2,607.7	2,576.2	1,764.9	1,152.4	1,100.1	1,079.6	752.9	1,073.7	743.7	8,968.7	6,969.3
Segment liabilities	611.8	475.2	1,106.4	258.7	593.5	106.7	1,576.2	283.5	879.0	2,344.6	4,766.9	3,468.7
Other segment information												
Associates and other investments	5.5	-	-	-	-	-	-	-	58.8	25.5	64.3	25.5
Acquisition of oil and gas property assets, intangible assets and other non-current assets (excluding exploration)	464.8	183.1	735.2	739.8	160.5	321.1	259.2	467.0	23.0	5.5	1,642.7	1,716.5
Non-cash expenses other than depreciation and amortisation	34.4	44.7	28.6	29.2	33.4	67.5	16.9	24.5	(1.6)	133.8	111.7	299.7
Impairment losses	-	-	-	-	-	-	6.9	-	-	-	6.9	-

Secondary Reporting – Geographical Segments

	Australia		Asia		Africa		United States		Other		Consolidated	
	2006	2005	**2006**	2005	**2006**	2005	**2006**	2005	**2006**	2005	**2006**	2005
	$m	$m	**$m**	$m	**$m**	$m	**$m**	$m	**$m**	$m	**$m**	$m
Segment revenue												
Revenue from sale of goods (by location of customer)	425.6	394.4	2,930.0	2,149.9	77.4	94.7	303.2	107.7	74.2	-	3,810.4	2,746.7
Segment assets (by location of assets)	6,536.1	4,952.0	16.0	139.5	1,296.4	1,088.7	1,126.7	783.7	(6.5)	5.4	8,968.7	6,969.3
Other segment information												
Acquisition of oil and gas property assets, intangible assets and other non-current assets	1,222.4	924.3	-	-	160.5	325.1	259.1	467.0	0.7	0.1	1,642.7	1,716.5

7. Events after the Balance Sheet Date

(a) Dividends

Since the reporting date, the Directors have declared a fully franked dividend of 77 cents (2005: 58 cents), payable in March 2007. The amount of this dividend will be $513.3 million (2005: $386.7 million). No provision has been made for this dividend in the financial report as the dividend was not declared or determined by the Directors on or before the end of the financial year.

(b) Sale of interests in Legendre

On 2 February 2007 Woodside Energy Ltd. entered into a Sale & Purchase Agreement with Apache Northwest Pty. Ltd. whereby Woodside agreed to sell its interests in the Legendre oil field and adjacent exploration permits offshore Western Australia for US$65 million. The sale is subject to the consent of joint venture participants and registration and approval by Australian regulatory authorities. Woodside will act as interim Operator until such time as Apache receives all necessary Operator-related government approvals.

(c) Drilling rig contract

On 6 February 2007 Woodside Energy Ltd. entered into a three year US$447 million drilling rig contract commencing in 2009.

DIRECTORS' DECLARATION

In accordance with a resolution of Directors of Woodside Petroleum Ltd., we state that, in the opinion of the Directors, the Concise Financial Report of the Group, comprising Woodside Petroleum Ltd. and its controlled entities for the year ended 31 December 2006, set out on pages 2 to 14:

(i) has been derived from or is consistent with the Full Financial Report for the financial year; and

(ii) complies with Accounting Standard AASB 1039 Concise Financial Reports.

For and on behalf of the Board

Charles Goode AC.
Chairman

Don Voelte
Chief Executive Officer

Perth
21 February 2007

INDEPENDENT AUDIT REPORT ON CONCISE FINANCIAL REPORT

Independent audit report to members of Woodside Petroleum Ltd.

Scope

The concise financial report and directors' responsibility

The concise financial report comprises the balance sheet, income statement, cash flow statement, statement of changes in equity and accompanying notes to the financial statements and the directors' declaration for the consolidated entity for the year ended 31 December 2006. The consolidated entity comprises both Woodside Petroleum Ltd. (the company) and the entities it controlled during the year.

The directors of the company are responsible for preparing a concise financial report that complies with Accounting Standard AASB 1039 *Concise Financial Reports*, in accordance with the *Corporations Act 2001*. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the concise financial report.

Audit approach

We conducted an independent audit on the concise financial report in order to express an opinion to the members of the company. Our audit was conducted in accordance with Australian Auditing Standards in order to provide reasonable assurance as to whether the concise financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgement, selective testing, the inherent limitations of internal control, and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected.

We performed procedures to assess whether in all material respects the concise financial report is presented fairly in accordance with Accounting Standard AASB 1039 *Concise Financial Reports*.

We formed our audit opinion on the basis of these procedures, which included:

- examining, on a test basis, the information to provide evidence supporting that the amounts and disclosures in the concise financial report are consistent with the full financial report; and
- examining, on a test basis, information to provide evidence supporting the amounts, discussion and analysis, and other disclosures in the concise financial report that were not directly derived from the full financial report.

We have also performed an independent audit of the full financial report of the company and the consolidated entity for the year ended 31 December 2006. Our audit report on the full financial report was signed on 21 February 2007 and was not subject to any qualification. For a better understanding of our approach to the audit of the full financial report, this report should be read in conjunction with our audit report on the full financial report.

Independence

We are independent of the company and the consolidated entity and have met the independence requirements of Australian professional ethical pronouncements and the *Corporations Act 2001*. We have given to the directors of the company a written Auditor's Independence Declaration, a copy of which is included in the Directors' report. In addition to our audit of the full and concise financial reports, we were engaged to undertake the services disclosed in the notes to the financial statements of the full financial report. The provision of these services has not impaired our independence.

Audit Opinion

In our opinion the concise financial report and the directors' declaration of Woodside Petroleum Ltd. complies with Accounting Standard AASB 1039 *Concise Financial Reports*.

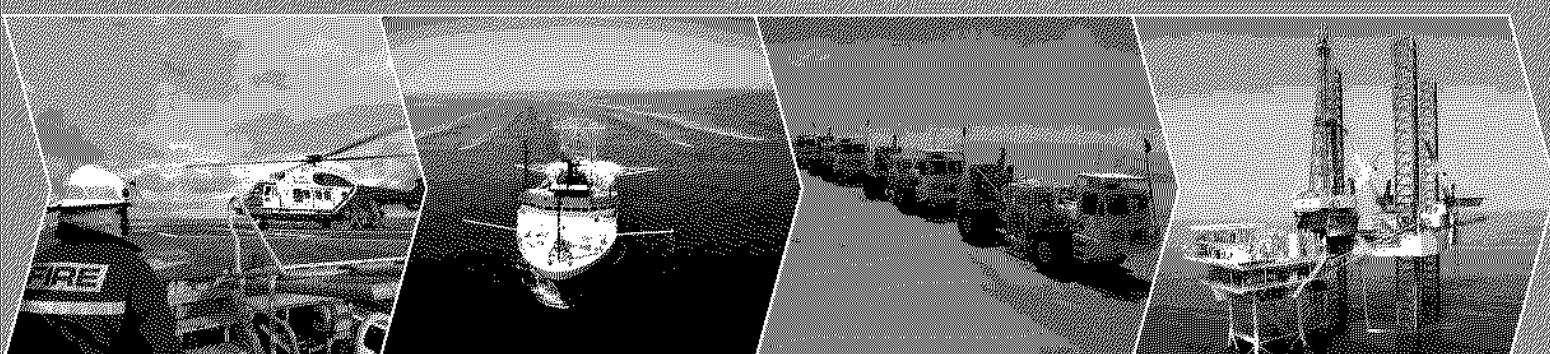
Ernst & Young

G H Meyerowitz
Partner
Perth
21 February 2007

Woodside Petroleum Ltd

Full Financial Report 2006

ABN 55 004 898 962



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