

ASX Announcement

Monday, 24 August 2015

ASX: WPL
OTC: WOPEY

Woodside Petroleum Ltd.
ACN 004 898 962
Woodside Plaza
240 St Georges Terrace
Perth WA 6000
Australia
www.woodside.com.au

2015 HALF-YEAR SHAREHOLDER REVIEW

The attached Half-Year Shareholder Review provides a summary of Woodside's 2015 Half-Year Report and the Half-Year 2015 results, which were released to the ASX on 19 August 2015.

These documents are available on the company's website at www.woodside.com.au.

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RESULTS FOR FIRST HALF 2015	1H 2014	1H 2015	Variance %
	MMboe	MMboe	
Production volume	46.5	42.0	(9.7)
Sales volume	44.7	43.4	(2.9)
	US\$m	US\$m	
Sales revenue	3,354	2,305	(31.3)
Operating revenue	3,551	2,556	(28.0)
EBITDAX¹	2,736	1,783	(34.8)
Exploration and evaluation expensed	(146)	(185)	26.7
Depreciation and amortisation	(703)	(651)	(7.4)
EBIT²	1,887	947	(49.8)
Net finance income/(costs)	(89)	(53)	(40.4)
Petroleum resource rent tax benefit/(expense)	(89)	93	(204.5)
Income tax expense	(560)	(273)	(51.3)
Total taxes	(649)	(180)	(72.3)
Non-controlling interest	(44)	(35)	(20.5)
Reported NPAT (including non-recurring items)	1,105	679	(38.6)
(Deduct)/add back non-recurring items:			
Loss on disposal of Woodside USA assets	31	-	n.m ⁶
Underlying NPAT (excluding non-recurring items)³	1,136	679	(40.2)
Reported earnings per share (eps in cents)	134	83	(38.6)
Underlying earnings per share (eps in cents) ³	138	83	(39.9)
Interim dividend (cps)	111	66	(40.5)
Net Cash from operating activities	2,028	1,083	(46.6)
Gearing (%) ⁴	3.9	19.9	n.m ⁶
Total debt ⁵	3,326	3,971	19.4
Cash and cash equivalents	2,703	155	(94.3)

1. EBITDAX – earnings before interest, tax, depreciation, amortisation, exploration and evaluation (includes non-recurring items).
2. EBIT – earnings before interest and tax (includes non-recurring items).
3. The underlying (non-International Financial Reporting Standards (IFRS)) profit is unaudited but is derived from auditor reviewed accounts by removing the impact of non-recurring items from the reported (IFRS) auditor reviewed profit.
4. Gearing – (net debt) divided by (net debt + net equity).
5. Total debt – total interest bearing liabilities.
6. n.m. – not meaningful.

WE ARE UNDERTAKING A RANGE OF
HIGH-IMPACT EXPLORATION ACTIVITIES TO
GENERATE FUTURE GROWTH OPPORTUNITIES.



Event calendar 2015

26 August	Ex-dividend date for interim dividend
28 August	Record date for interim dividend
23 September	Payment date for interim dividend
15 October	Third Quarter 2015 Report
31 December	Woodside financial year end
21 January 2016	Fourth Quarter 2015 Report

Registered office

Woodside Petroleum Ltd
Woodside Plaza
240 St Georges Terrace
Perth, Western Australia 6000

Shareholder registry: enquiries

Investors seeking information about their shareholdings should contact the company's share registry:
Computershare Investor Services Pty Limited
Level 11, 172 St Georges Terrace
Perth, Western Australia 6000

Postal address: GPO Box D182
Perth, Western Australia 6840
Telephone: 1300 558 507 (within Australia)
(+61) 3 9415 4632 (outside Australia)
Facsimile: (+61) 3 9473 2500
Email: web_queries@computershare.com.au
Website: www.investorcentre.com/wpl

The share registry can assist with queries on share transfers, dividend payments, the Dividend Reinvestment Plan, notification of tax file numbers and changes of name, address or bank details.

This review provides a summary of Woodside's 2015 Half-Year Report (incorporating Appendix 4D) and the 1H 2015 results (Australian Securities Exchange (ASX) release dated 19 August 2015) which are both available on the company's website, www.woodside.com.au.



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www.woodside.com.au



2015 HALF-YEAR REPORT 30 JUNE 2015

ABOUT WOODSIDE

Woodside is an Australian oil and gas company with a global presence, recognised for its world-class capabilities – as an explorer, a developer, a producer and a supplier.

Our mission is to deliver superior shareholder returns through realising our vision of becoming a global leader in upstream oil and gas.

Wherever we work, we are committed to living our values of integrity, respect, working sustainably, discipline, excellence and working together.

Our operations are characterised by strong safety and environmental performance in remote and challenging locations.

Our producing LNG assets in the north-west of Australia are among the world's best facilities. Today, our exploration portfolio includes emerging and frontier provinces in Australia and the Asia-Pacific region, the Atlantic margins, Latin America and Sub-Saharan Africa. We have significant equity interests in high-quality exploration and development opportunities.

We are Australia's most experienced LNG operator and largest independent oil and gas company.

Our proven track record and distinctive capabilities are underpinned by 60 years of experience, making us a partner of choice.

We operate five floating oil production, storage and offloading vessels, the largest owner-operated fleet in Australia, and we have an excellent track record of efficiently and safely producing from current fields.

We are growing our portfolio through acquisitions while maintaining a disciplined approach to ensure that we continue to increase shareholder value and appropriately manage risk.

We also have interests in Canada and Timor-Leste and a dedicated office in Singapore to support our growing LNG marketing, trading and shipping activities.

Known as a reliable and safe energy supplier, our enduring relationships with foundation customers throughout the Asia-Pacific region span more than 25 years.

We are open and honest in our relationships. Sharing ideas and aspirations we have the courage to always do the right thing for our people, partners, customers and communities.



OUR STRATEGY

During a challenging first half for the oil and gas industry, we maintained an unwavering focus on delivering against the three key elements of our strategy: maximising our core business; leveraging our capabilities and growing our portfolio. We remain on track to achieve our vision to become a global leader in upstream oil and gas and deliver superior shareholder returns.

Peter Coleman
Chief Executive Officer and Managing Director

1H 2015 - KEY ACHIEVEMENTS

- Total Recordable Injury Rate per million hours worked was 1.84 in 1H 2015, slightly better than the 2014 full year result of 1.90.
- The Browse Joint Venture participants agreed to enter the front-end engineering and design (FEED) phase for the proposed floating LNG development, a key milestone in preparing for a final investment decision, targeted for 2H 2016.
- The transaction to acquire interests in Wheatstone LNG, Kitimat LNG and Balnaves oil projects successfully completed in April 2015, increasing the reserves and resources stated in the 2014 Annual Report as follows:
 - Proved (1P) Developed and Undeveloped reserves increased by 191.8 MMboe (18.3%),
 - Proved plus Probable (2P) Developed and Undeveloped reserves by 260.9MMboe (19.5%) and
 - Contingent resource (2C) by 2,632.0 MMboe (151%).
- \$3.75 billion refinanced via bond and bank markets in 2015. We reduced the cost of debt, maintained sufficient liquidity and extended term to maturity.
- We made significant gains in our productivity program during 1H 2015, targeting \$800 million of enduring benefits by 2016.
- Exploration drilling completed three wells with the Pyxis-1 well in the Carnarvon basin resulting in a gas discovery that offers future tie-back potential to existing Pluto LNG infrastructure and increased net contingent resources (2C) by 68 MMboe.

FUTURE OBJECTIVES

- Continue to deliver against our strategic health and safety roadmap, achieving our goal of global top quartile health and safety performance by 2017.
- Evaluate further acquisition opportunities that meet our target investment criteria and provide opportunities to capitalise on the low price environment.
- Execute a range of high impact exploration activities across our portfolio.
- Increase the value of the NWS Project through our commitment to operational excellence and maximising utilisation of existing assets.
- Execute the Woodside-operated Julimar Project remaining on target to achieve ready for start-up in 2H 2016.
- Undertake the activities required to finalise the costs and technical definition for the proposed Browse FLNG development to enable a final investment decision.
- Deliver cost savings across our portfolio of oil assets in response to a lower oil price environment.
- Focus on appraisal of the Liard Basin, generating a cost competitive LNG solution at the Kitimat site and securing sufficient LNG sales commitments.

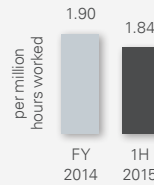
HALF YEAR PERFORMANCE SUMMARY

All dollar figures are expressed in United States currency unless otherwise stated.

TOTAL RECORDABLE INJURY RATE (TRIR)

▼ 3%

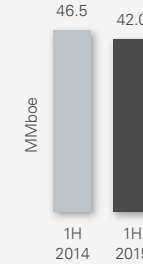
As at 30 June 2015, our TRIR was 1.84 per million hours worked. This is a 3% decrease on the 2014 full-year result of 1.90.



PRODUCTION

▼ 9.7%

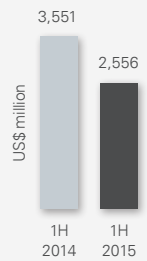
Production of 42.0 MMboe in 1H 2015 was 9.7% lower compared to 1H 2014 primarily due to a planned turnaround at Pluto, an unplanned outage at NWS, net oil field decline and increased cyclone impact across all of our assets. This was partly offset by improved oil reliability and improved NWS gas utilisation.



OPERATING REVENUE

▼ 28.0%

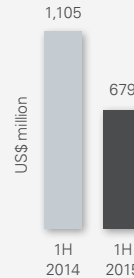
First half operating revenue decreased by 28.0% to \$2,556 million compared to 1H 2014. This was mainly due to lower average realised prices which resulted in a reduction of \$865 million and to a lesser extent lower sales volumes.



REPORTED PROFIT

▼ 38.6%

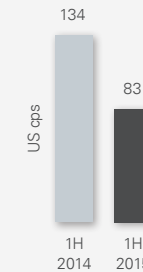
Reported 1H 2015 net profit after tax of \$679 million was lower compared to 1H 2014 predominantly due to lower realised prices. This was partly offset by lower cost of sales, financing and other costs as well as a decrease in income tax and Petroleum Resources Rent Tax (PRRT) expense.



REPORTED EPS

▼ 38.6%

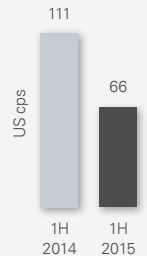
Earnings per share (EPS) on a reported basis were 83 cents per share (cps), down 38.6% from 1H 2014 (134 cps).



INTERIM DIVIDEND

▼ 40.5%

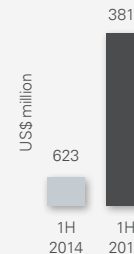
The Board has approved a fully franked interim dividend of 66 cps, representing an 80% payout ratio. This compares to 111 cps (fully franked) in 1H 2014. Further details are provided on page 31 of the 2015 Half Year Report. Woodside's decreased interim dividend and EPS in 1H 2015 reflects the decrease in reported profit.



NET DEBT

▲ \$3.2b

At the end of 1H 2015 total debt was \$4.0 billion and net debt was \$3.8 billion. Pre-tax portfolio cost of debt is currently 2.6%, down from 3.4% in 1H 2014. Woodside finished 1H 2015 with \$0.2 billion in cash and \$3.0 billion in undrawn facilities. We have sufficient liquidity to fully fund our committed activities.



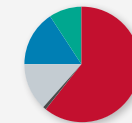
GEARING

19.9%

At the end of the reporting period our gearing level was 19.9%, up from 3.9% in 1H 2014. This reflects recent asset acquisitions and lower operating cash flows. Our stated gearing target is 25% with 10%–30% through the investment cycle.

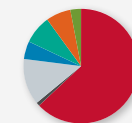


1H 2015 PRODUCTION



Product	%	MMboe
LNG	61	25.6
LPG	1	0.3
Oil	14	5.7
Pipeline gas	15	6.5
Condensate	9	3.9
Total		42.0

1H 2015 OPERATING REVENUE



Product	%	US\$
LNG	63	1,601
LPG	1	20
Oil	13	335
Pipeline gas	5	146
Condensate	8	203
Trading	7	172
LNG processing	3	79
Total		2,556