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# **ASX** Announcement

Thursday, 28 February 2013

#### 2012 FULL-YEAR SHAREHOLDER REVIEW

The attached Full-Year Shareholder Review provides a summary of Woodside's 2012 Full-Year Report and the Full-Year 2012 results, which were released to the ASX on 20 February 2013.

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

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#### 2012 A YEAR OF DELIVERY

Looking back on our achievements over the past year, we can describe 2012 as a year of delivery for

We strengthened our core business,

We delivered early value from our \$2 billion in cash to our balance sheet our equity.

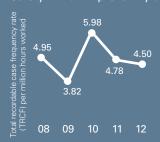
And we leveraged Woodside's

measured in terms of total recordable case frequency, but we must continue to strive for further

change that we are confident will set Woodside up for long-term success.

Please refer to page 6 of the 2012 Annual

#### Safety - TRCF improved by 6%



such as the 'Our Safety Culture' campaign.

#### **Dividend Policy**

In August, the Board approved a Dividend Policy. Consistent with recent practice, Woodside will aim net profit (excluding non-recurring items) expressed in US dollars. consider, among other things, its development profile, available cash

The full Dividend Policy can be found

#### Key announcements 2012

February

Appointment of Executive Director

March

Pluto LNG Project achieves ready for start-up

April

Variation to Browse Basin retention leases approved

Pluto begins LNG production

Offer for sale of Browse equity and LNG volumes

August

Equity changes in Browse Joint Ventures

Woodside reports 2012 half-year profit of \$812 million

September

Sale of Browse equity completed

October

Farm-in offer accepted for offshore Mvanmar PSC

Speculation regarding Israeli petroleum licences

Changes to Board of Directors

December

Woodside enters major gas discovery offshore Israel

Changes to Board of Directors

#### Events calendar 2013

17 January

Fourth quarter 2012 report

20 February

2012 full-year result and final dividend announcement

25 February

Ex-dividend date for final dividend

1 March

Record date for final dividend

3 April

Payment date for final dividend

18 April

First quarter 2013 report

22 April

AGM proxy returns close at 10.00 am (AWST)

24 April

Annual General Meeting

30 June

Woodside half-year end

18 July

Second guarter 2013 report

21 August

2013 half-year result and interim dividend announcement

**TBA August** 

Ex-dividend date for interim dividend TBA August

Record date for interim dividend

TBA October

Payment date for interim dividend

17 October

Third quarter 2013 report

31 December

Woodside year end

Dates are subject to review.

### RESULTS FOR THE VEAR

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		2012	2011	% Change
Reported net profit after tax	(\$ million)	2,983	1,507	97.9
Sales revenue	(\$ million)	6,223	4,802	29.6
Cash flow from operating activities	(\$ million)	3,475	2,242	55.0
Earnings per share		366	190	92.6
Total recordable case frequency	(TRCF)	4.50	4.78	5.9
5 year total shareholder return¹	(TSR, %)	(0.3)	4.6	n.m.²
10 year total shareholder return¹	(TSR, %)	21.7	20.9	3.8
Production	(MMboe)	84.9	64.6	31.4
Proved reserves	(MMboe)	1,231	1,292	(4.7)
Proved plus Probable reserves	(MMboe)	1,544	1,610	(4.1)
Contingent resources	(MMboe)	1,745	2,137	(18.3)

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## **ABOUT WOODSIDE**

Woodside is Australia's largest independent oil and gas company, with a proud history of safe and reliable operations spanning decades.

As the largest operator of oil and gas in Australia, Woodside produces around 900,000 barrels of oil equivalent each day from a portfolio of facilities which we operate on behalf of some of the world's major oil and gas companies.

We have been operating our landmark Australian project. the North West Shelf for 28 vears and it remains one of the world's premier liquefied natural gas (LNG) facilities.

With the successful start-up of the Pluto LNG Plant in 2012, Woodside now operates six of the seven LNG processing trains in Australia, helping to meet the demand for cleaner energy from our pipeline customers in Australia and LNG customers in the Asia Pacific region and beyond.

Woodside also operates four oil floating production storage and offloading (FPSO) vessels in the Exmouth Basin, North West Shelf and Timor Sea

Woodside's international assets include deepwater production facilities in the Gulf of Mexico plus acreage in the USA, Brazil, Peru, Republic of Korea and the Canary Islands. In 2012 we expanded our international presence through conditional agreements to take equity in the Leviathan gas field in offshore Israel and exploration acreage in offshore Myanmar.

#### We do what's right, even when it's not easy.

We strive for excellence in our safety and environmental performance and continue to strengthen our relationships with customers, co-venturers, governments and communities to ensure we are a partner of choice.

This review provides a summary of Woodside's 2012 Annual Report and the 2012 Full-Year Results (ASX release dated 20 February 2013) which are both available on the company's website. All dollars are expressed in US currency unless otherwise stated.



Outstanding performance of the Pluto LNG Plant since start-up, together with the ongoing reliability of the foundation business delivered a step-change in production and revenue in 2012.

Peter Coleman Chief Executive Officer and Managing Director

#### 2012 KEY PERFORMANCE **HIGHLIGHTS**

- ▶ Record annual production and sales
- ▶ Safe start-up of Pluto LNG and better than expected production ramp-up.
- ▶ Major projects to maximise value of our NWS assets progressed to budget and schedule.
- ▶ Realisation of early value from our Browse assets through sale of a minority portion of Woodside's equity in the proposed Browse LNG Development.
- ▶ Conditional acceptance of Woodside's offer to purchase a 30% participating interest in permits covering the Leviathan gas field.
- ▶ Conditional acceptance of Woodside's offers to purchase equity in two production sharing contracts offshore Myanmar.

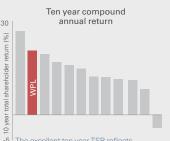
Total Shareholder Return (TSR)

performance against peers

#### **FUTURE OBJECTIVES**

- Improve health and safety outcomes, towards our goal of achieving global top quartile performance by 2017.
- ▶ Progress the North Rankin Redevelopment and Greater Western Flank Phase 1 Projects
- ▶ Consider a final investment decision (FID) on the Browse LNG Development.
- ▶ Continue work to progress Greater Enfield Area oil opportunities.
- ▶ Progress front-end engineering and design work to develop the Xena gas field.
- ▶ Continue to build momentum on the Sunrise LNG Development.
- ▶ Finalise agreements to progress the Leviathan Development and Myanmar offshore exploration, in keeping with our drive to grow Woodside's resource base.
- ▶ Maximise performance of our core business and continue disciplined evaluation of new value-add opportunities.

## Our strategic direction



The excellent ten year TSR reflects the long-term sustainability of our business relative to our peer group which includes: Anadarko, Apache, BG, CNOOC, Inpex, Marathon, Murphy, Pioneer, Repsol, Santos and Talisman

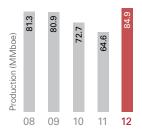
Source: Bloomberg, TSR is the compounded annual return over the specified period



Woodside aims to be a leader in upstream oil and gas by optimising our producing assets and commercialising our growth projects. We will also leverage our worldclass capabilities to capture new growth opportunities.

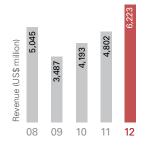
### PERFORMANCE AT A GLANCE

#### Production up 31%



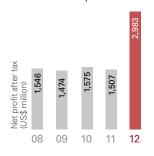
Record annual production was underpinned by the outstanding performance of Pluto LNG, together with ongoing reliability of the foundation business.

#### Sales revenue up 30%



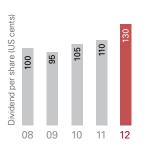
Record annual sales revenue was largely a result of record production and, to a lesser extent, continuina strona commodity prices.

#### Reported net profit after tax up 98%



Record reported net profit after tax was achieved primarily due to increased 2012 production volume and the sale of a minority portion of Woodside's Browse equity.

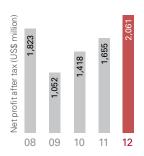
#### Dividends per share (US cents per share) up 18%



With the strong 2012 net profit after tax the Board has declared a record full-year USD dividend of 130 cps (interim dividend 65 cps. final dividend 65 cps).

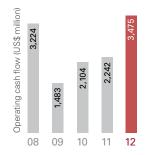
#### Underlying net profit after tax\* up 25%

(excluding non-recurring items)



The increased 2012 production volume was the main driver for the record underlying net profit after tax.

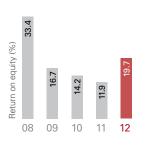
#### Operating cash flow up 55%



Record operating cash flow was largely driven by increased receipts due to Pluto LNG start-up.

#### Return on equity, 7.8 percentage points higher (including non-recurring items)

### Net debt down 62%



Return on equity of 19.7% increased primarily due to the partial equity sale of Browse. Underlying return on equity was 13.6% (excludes Browse equity sale to Japan Australia LNG (MIMI))



The drop in net debt to \$1.9 billion was attributed mainly to the partial equity sale of Browse and additional cash flow from Pluto LNG.

<sup>\*</sup> Woodside's Financial Report complies with Australian Accounting Standards and International Financial Reporting Standards (IFRS). The underlying (non-IFRS) profit is unaudited but is derived from audited accounts by removing the impact of non-recurring items from the reported (IFRS) audited profit. Woodside believes the non-IFRS profit reflects a more meaningful measure of the company's underlying performance.