



The Woodside operated North West Shelf Karratha Gas Plant

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APPENDIX 4D

For the half-year period ended 30 June 2011

Results for Announcement to the Market

				US\$ million
Revenues from ordinary activities	increased	7.2%*	to	2,253
Net profit after tax and before significant items (underlying profit)	increased	3.6%*	to	842**
Net profit for the period attributable to members (reported profit)	decreased	8.1%*	to	828**
Dividends (distributions)				
Interim Dividend - fully franked (US cents per share)	55cps		(50cps 1H 2010)	
Record date for determining entitlements to the dividend				26 August 2011

* Comparisons are to the half-year period ended 30 June 2010. ** Amounts exclude non-controlling interests.

ABOUT WOODSIDE

Woodside is the biggest operator of oil and gas production in Australia. We are Australia's largest independent dedicated oil and gas company. Throughout Woodside's 57-year history we have strived for excellence in our safety and environmental performance and we aim to ensure that wherever we operate, the community benefits from our presence.

Woodside produces around 700,000 barrels of oil equivalent each day from an extensive portfolio of facilities which we operate on behalf of some of the world's major oil and gas companies. Our operated facilities* include six liquefied natural gas trains, four offshore platforms and four oil floating production storage and offloading (FPSO) vessels. To build them today would cost more than \$70 billion.

We are the most active exploration company in the deepwater provinces of Australia, having participated in around 40% of Australia's deepwater exploration wells, including Alaric, Australia's deepest water-depth exploration well (water depth of 1,961 m). We have been operating our landmark Australian project, the North West Shelf, for more than 25 years and it remains one of the world's premier LNG

facilities. Woodside is one of the world's largest non-government operators of LNG plants.

The natural gas we produce and market helps meet the demand for cleaner energy from our customer countries, including Australia, Japan, China, Korea and other countries in the Asia Pacific region.

Our international assets include a revenue stream from Algeria, deepwater production facilities in the USA Gulf of Mexico plus exploration acreage in the USA, Brazil, Peru and South Korea.

In 2012 Woodside will begin production from the Pluto LNG Project. At full capacity it will add more than 100,000 barrels of oil equivalent a day to our operated production. We are seeking to expand the Pluto facilities and build new standalone projects including our Browse and Sunrise LNG developments.

Through the depth of our experience, the capability of our people, and our strong relationships with customers, co-venturers, governments and communities, we seek to be the partner of choice.

*Five LNG trains in operation, one in commissioning phase. Three platforms in operation, one in commissioning phase.

ABOUT THIS REPORT

This 2011 Half-Year Report is a summary of Woodside's operations, activities and financial position as at 30 June 2011.

Woodside Petroleum Ltd (ABN 55 004 898 962) is the parent company of the Woodside group of companies. In this report, unless otherwise stated, references to 'Woodside' and 'the Group', 'we', 'us' and 'our' refer to Woodside

Petroleum Ltd and its controlled entities, as a whole. References to 'the company' refer to Woodside Petroleum Ltd unless otherwise stated. The text does not distinguish between the activities of the parent company and those of its controlled entities.

References to '1H' refer to first half of the year, i.e. the period between

1 January and 30 June 2011. All dollar figures are expressed in US currency unless otherwise stated.

This report should be read in conjunction with the 2010 Annual Report and 2010 Sustainable Development Report, available on Woodside's website, www.woodside.com.au.

DIRECTORS' REPORT

FINANCIAL OVERVIEW

The Directors of Woodside Petroleum Ltd present their report and the consolidated financial report for the half-year ended 30 June 2011 as follows:

REVENUE UP 7.2%

Revenue increased by 7.2% compared to first-half (1H) 2010, largely due to higher commodity prices. 1H 2011 sales volume was 11.9% lower while production was down by 13.1% compared to the 1H 2010, primarily as a result of planned maintenance and project outages (-4.3%), cyclone interruptions (-3.6%), average field decline (-3.4%) and divestments (Otway, GOM shelf; -3.4%), partially offset by increased reliability (+1.6%).

UNDERLYING PROFIT UP 3.6%

The underlying business is performing well and with stronger commodity prices the underlying net profit after tax (NPAT) was lifted by 3.6% to \$842 million. The reported profit after tax of \$828 million was lower by 8.1% largely due to last year's first-half being positively impacted by a gain on the sale of Woodside's Otway assets and a lower income tax expense.

WELL POSITIONED TO FUND GROWTH

With \$2.9 billion in cash and undrawn facilities, together with continuing strong cash flows from the underlying business, Woodside has sufficient liquidity to fully fund its committed activities. The interim dividend is 55 cents per share (fully franked). This compares to 50 cents per share in 1H 2010.

	1H 2011	1H 2010	
	MMboe	MMboe	Variance
Production volume	31.9	36.7	(13.1%)
Sales volume	31.7	36.0	(11.9%)
Continuing operations	US\$M	US\$M	Variance
Revenue	2,253	2,102	7.2%
EBITDAX	1,725	1,742	-
Expensed exploration / evaluation	(213)	(145)	-
Depreciation / amortisation	(279)	(379)	-
EBIT	1,233	1,218	1.2%
Net finance income/(costs)	(15)	22	-
Income tax expense	(374)	(224)	-
PRRT expense	(16)	(115)	-
Reported Profit (NPAT after significant items)	828	901	(8.1%)
Deduct significant items after tax	(14)	88	-
NPAT (underlying profit before significant items)	842	813	3.6%
Underlying earnings per share (e.p.s in cents)	107	105	1.9%
Interim dividend (cents)	55	50	-
Net operating cashflow	1,391	1,007	38.1%
Gearing (%)	27	23	-
Total Debt	4,961	4,909	-
Cash and cash equivalents	607	1,768	-

All amounts are in US\$M and exclude non-controlling interests, unless otherwise stated.

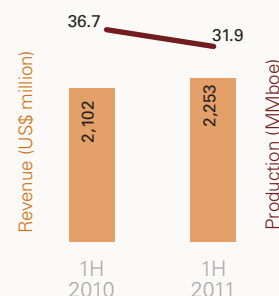
EBITDAX = earnings before interest, tax, depreciation, amortisation and exploration (includes significant items).

EBIT = earnings before interest and tax (includes significant items).

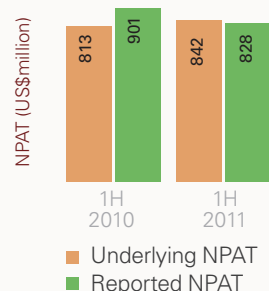
Gearing = (net debt) divided by (net debt + equity).

Total debt = total drawn facilities in USD equivalent terms.

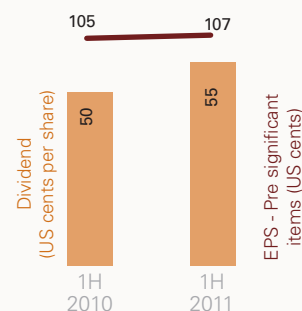
PRODUCTION AND SALES REVENUE



NET PROFIT AFTER TAX

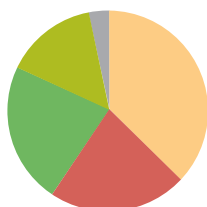


DIVIDENDS AND EPS



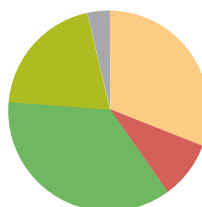
Production

LNG	37%
Pipeline gas	22%
Oil	23%
Condensate	15%
LPG	3%



Revenue

LNG	31%
Pipeline gas	9%
Oil	36%
Condensate	20%
LPG	4%



The charts show a well balanced production portfolio with around 80% linked to the oil price. The average realised oil price in 1H 2011 was US\$111.50/bbl, up 41%.

DIRECTORS' REPORT

REVIEW OF OPERATIONS

OUR STRATEGY

Woodside's strategy is to continually improve our existing base business of world class assets, develop our substantial portfolio of discoveries and pursue new opportunities which leverage our capabilities. This strategy is guided by an unwavering focus on sustained growth in shareholder value.

Our base business is comprised primarily of the North West Shelf (NWS) Project and a fleet of oil floating production storage and offloading (FPSO) vessels. Reliable operation of these existing assets provides us with the capacity to grow our business.

We grow our company through the development of discovered oil and gas volumes. These developments include the Pluto LNG Project, which will begin production in 2012.

The revenues from Pluto and our base business will provide the platform to pursue the significant Browse and Sunrise LNG developments and other opportunities. Capturing these opportunities would leverage our deep experience in building and operating large oil and gas projects. We have a strong track record of successfully partnering with many of the world's major oil and gas companies, often in remote and environmentally sensitive regions.

HEALTH AND SAFETY

Woodside's Total Recordable Case Frequency remained flat at 4.82 cases per million hours worked in 1H 2011 compared with 4.89 in 1H 2010. High Potential Incident Frequency fell to 0.77 incidents per million hours worked for 1H 2011, down from 1.59 in 1H 2010. During 1H 2011, there were no major or significant hydrocarbon releases*, compared with one major and two significant releases during 1H 2010.

In late 2010, Woodside introduced a new scorecard measure, based on leading and lagging health, safety and environmental indicators. The focus is on serious injuries and environmental incidents, high potential incidents and closing out action items identified by investigations of these events.

In 2010, Woodside promoted the development of an industry-wide supervisor training program. This program, known as the Safe Supervisory Competency

Program, was launched by the Minister for Resources and Energy in June 2011.

It aims to improve safety performance in the offshore industry by addressing the competence and leadership capabilities of project construction supervisors. Several other operators have now joined us in the development and promotion of this program. Contractors are now being asked to ensure their supervisors go through the training program.

ENVIRONMENT

Woodside continues to improve its environmental performance, with no material environmental incidents occurring in 1H 2011. This is the result of a continuous company-wide focus on achieving high standards in this area.

Woodside maintains its support of comprehensive environmental studies and an impact assessment program for the Browse LNG Development. The second Scott Reef Status Report was completed in June 2011. This Report communicates the findings of research conducted into the ecosystems of Scott Reef over the last 18 years. The extensive marine research program also includes the continuation of coral reef ecosystem surveys, marine megafauna surveys and turtle monitoring. These studies continue to develop our understanding of the environment in which we operate and support environmental impact assessments as part of approvals processes.

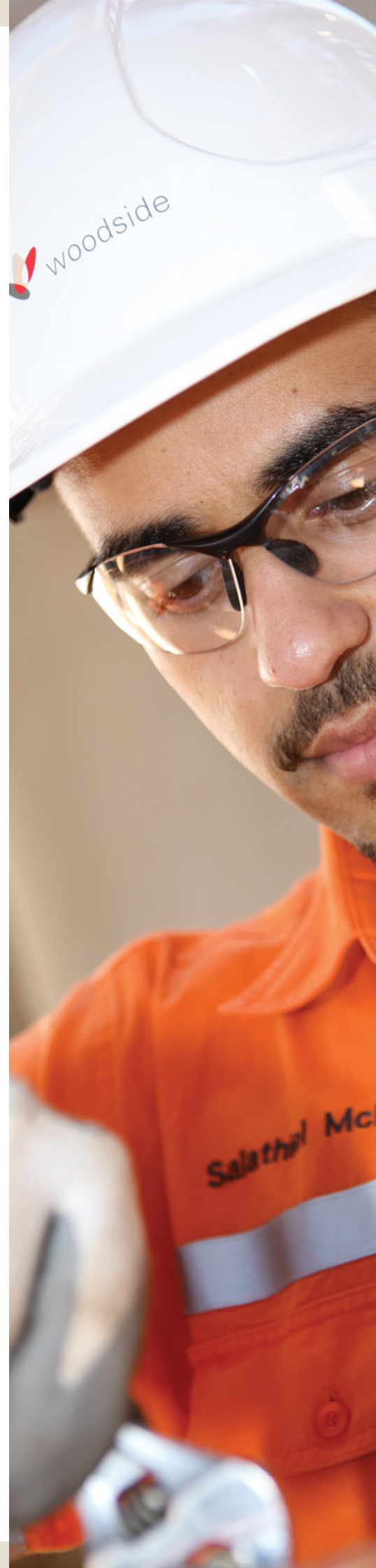
PEOPLE

Woodside recruited 273 people in 1H 2011, supporting our growing business.

Workplace diversity remains a key focus for Woodside. As at 30 June 2011 women represented 26% of Woodside's workforce, while 33% of new employees hired in 1H 2011 were female. Woodside had 65 Indigenous employees at 30 June 2011, with a further 68 Indigenous Australians participating in our Indigenous Training Pathways program during 1H 2011.

Woodside continues to invest heavily in learning and development for our people. This has involved a strong focus on technical and operator training with a continued focus on leadership training through the organisational roll out of the Leading Diverse Teams program.

*Based on the RIDDOR classification system.



REVIEW OF OPERATIONS AUSTRALIA

NORTH WEST SHELF

North West Shelf Project* Woodside 12.5 – 50% (operator)

The first half of 2011 has seen continued strong performance from the Woodside-operated North West Shelf (NWS) facilities.

Woodside delivered 132 cargoes of LNG on behalf of the NWS Venture, compared to 127 in the first half of 2010. This is primarily attributed to increased production from LNG Train 5 following the completion of remedial work during planned maintenance in May 2010. Continued high utilisation also contributed to the strong performance for the first half, resulting in record revenue of \$1.48 billion delivered for Woodside.

Pipeline gas sales of 42,124 TJ (42,457 TJ 1H 2010) were constrained by demand. Condensate production of 4.0 MMbbls (4.5 MMbbls 1H 2010) and LPG production of 69,218 tonnes (77,161 tonnes 1H 2010) were lower as a result of reservoir decline and planned maintenance on the Goodwyn platform. Oil production of 0.4 MMbbls (2.1 MMbbls 1H 2010) was lower following the shut in of the Cossack Pioneer in preparation for its replacement by the Okha FPSO vessel.

Infrastructure investment continued with the North Rankin and NWS oil redevelopment projects currently underway. Progress was also made with the planned Greater Western Flank development, which will contribute to future production.

North Rankin Redevelopment

The North Rankin Redevelopment will extend supply from the North Rankin and Perseus fields. The project involves the construction and installation of a new compression platform, North Rankin B (NRB), alongside the existing North Rankin A (NRA) platform. The compression platform will enable the recovery of approximately five trillion cubic feet[#] (Tcf) of low pressure reserves.

Commissioning continues on the NRB jacket in Indonesia and topsides in Korea. The transport barge for the NRB jacket delivery to the North West Shelf has arrived in Indonesia with load out scheduled for Q3 2011.

Modifications on the NRA platform are continuing on schedule, including preparations to install the bridges linking NRA and NRB. The A\$5 billion project (approximately A\$840 million Woodside's 16.7% share) is scheduled for completion in 2013.

Greater Western Flank Development

Greater Western Flank Development (GWF) is targeted to follow the North Rankin Redevelopment.

The area is located to the south-west of Goodwyn (GWA) and contains 14 fields estimated to hold approximately three Tcf[#] of recoverable gas and approximately 100 MMbbl of condensate.

The first phase of the GWF Development has progressed to front-end engineering and design (FEED) studies as a subsea development tied back to the GWA platform.

NWS Oil Redevelopment

The A\$1.8 billion Oil Redevelopment Project (A\$600 million Woodside's 33.3% share) will enable production from the Cossack, Wanaea, Lambert and Hermes fields beyond 2020. The scope of work included conversion of the Okha into a FPSO vessel.

In June, the Okha FPSO departed the shipyard in Singapore and completed inshore commissioning and sea trials. As advised on 17 June 2011, the subsea refurbishment activities have been delayed by adverse weather conditions and a mechanical breakdown of the primary installation vessel. These activities are now forecast to be complete during Q3 2011. First oil from the Okha is forecast for early Q4 2011.

GREATER ENFIELD AREA*

Enfield Woodside 60% (operator)

Production at Enfield of 2.1 MMbbls (3.3 MMbbls 1H 2010) has benefited from additional volumes from the Horst and Main West infill wells completed during 2H 2010. However production was disrupted at the start of the year as a result of high levels of cyclone activity.

Vincent Woodside 60% (operator)

Production of 1.5 MMbbls (2.3 MMbbls 1H 2010) was reduced at the start of the year due to cyclone interruption and a scheduled maintenance shutdown of the FPSO to reinstate gas compression. The rate of production has increased since gas compression was restored.

Two Phase III production wells were spudded during 1H 2011 and are expected to contribute to production in 2H 2011.

Stybarrow Woodside 50%

Cyclone activity also impacted production from Stybarrow, but this was more than offset by high production rates from the Stybarrow North production well, which came online at the end of 2010. Production for the half was 1.9 MMbbls (1.2 MMbbls 1H 2010).

Laverda Woodside 60% (operator)

In 1H 2011 Laverda North-1 appraised the Laverda oil field and a new oil zone was discovered. Laverda North-1 is located about 10 km west of the Woodside-operated Enfield oil project. In order to further evaluate this prospective area, additional wells are planned in the Laverda area during 2H 2011.

OTHER AUSTRALIAN OIL*

Laminaria-Corallina Woodside 60 – 67% (operator)

Production of 0.9 MMbbls (1.3 MMbbls 1H 2010) was reduced by a combination of natural field decline, planned maintenance and gas lift compressor outages.

Mutineer-Exeter Woodside 8.2%

Production of 43,828 bbls (68,728 bbls 1H 2010) was reduced by an unplanned shutdown for FPSO maintenance at the start of the year coupled with continued natural field decline.

*Production and sales volumes are quoted as Woodside share

[#]100% project

REVIEW OF OPERATIONS

AUSTRALIA (CONTINUED)

PLUTO LNG PROJECT Woodside 90% (operator)

The Pluto and Xena fields contain proved plus probable reserves of 4.8 Tcf of dry gas and 62 MMbbls condensate.

During 1H 2011 the project achieved significant commissioning milestones including the introduction of commissioning gas to the onshore plant. This milestone facilitated start up of the gas turbine generators, which provide electrical power to test all equipment in preparation for a safe start up. Offshore, the Pluto A platform was readied for use with the successful completion of the pressurisation of the offshore trunkline, pipelines and flowlines with commissioning gas. During 2H 2011 commissioning work will continue both onshore and offshore.

As advised on 28 January, Woodside signed an LNG Sale and Purchase Agreement with Asean LNG Trading Co. Ltd (ALTCO), for the supply of up to 19 uncommitted cargoes from the foundation Pluto LNG Project.

As advised on 17 June 2011, Woodside revised the expected cost and schedule of the Pluto LNG Project following its regular review of the progress of the project.

The first LNG cargo is now estimated for March 2012. The revised estimate is attributable to slower than expected progress on the construction and commissioning of the onshore gas plant, seven weeks of direct weather delays and increased contingency.

The revised estimate is expected to result in a A\$900 million cost increase to a total of A\$14.9 billion (100% project). This estimate includes arrangements with customers affected by the delay.

The Pluto LNG Project exceeded Indigenous employment targets during construction and is training local Indigenous people for employment at the onshore LNG plant.

The foundation project creates an LNG Park on the Burrup Peninsula. Woodside's investment in the foundation project's support infrastructure provides a platform for lower risk and lower cost expansions.

Pluto expansion

The Pluto LNG Park provides the opportunity to consider both equity gas development and other resource owner gas supply at the site.

During 1H 2011 exploration drilling continued in the WA-404-P and WA-34-L blocks, resulting in additional discoveries. Successful outcomes from drilling and appraisal work is one part of the business case required to provide the confidence to order long-lead items (LLIs) for an expansion train. No decision has been reached on ordering LLIs.

It is planned to conduct further exploration and appraisal drilling to prove up additional volumes in the Carnarvon Basin.

Discussions continue with other resource owners regarding development of additional trains at Pluto.

BROWSE LNG DEVELOPMENT Woodside 25%, 50% (operator)

The Browse fields include contingent resources in excess of 13.3 Tcf dry gas and 360 MMbbls condensate at the P50 'Best Estimate' confidence level. During 1H 2011 the Browse Joint Venture commenced FEED studies for the development. A dual FEED contracting strategy has been undertaken for several of the major work packages. FEED is progressing on site north of Broome, and in offices in Houston, London, Oslo, Yokohama and Perth.

During the period Woodside successfully executed an agreement with the Goolarabooloo Jabirr Jabirr Native Title claimant group and the Western Australian Government, which will enable the establishment of the Browse LNG Precinct. As part of the Native Title Agreement, Woodside and the Western Australian Government have committed to a significant benefits package for Kimberley Indigenous people that will deliver training, employment, business opportunities and other initiatives valued in excess of A\$1 billion, subject to a Final Investment Decision.

Environmental studies and approvals progressed in line with expectations.

The Western Australian Government's Strategic Assessment for the Browse LNG Precinct is being reviewed by regulators. Environmental approvals are expected to be completed in early 2012.

Work planned for 2H 2011 includes continuing FEED studies and environmental approvals.

SUNRISE LNG DEVELOPMENT Woodside 33.4% (operator)

The Sunrise fields contain contingent resources of 5.1 Tcf dry gas and 226 MMbbls condensate at the P50 'Best Estimate' confidence level.

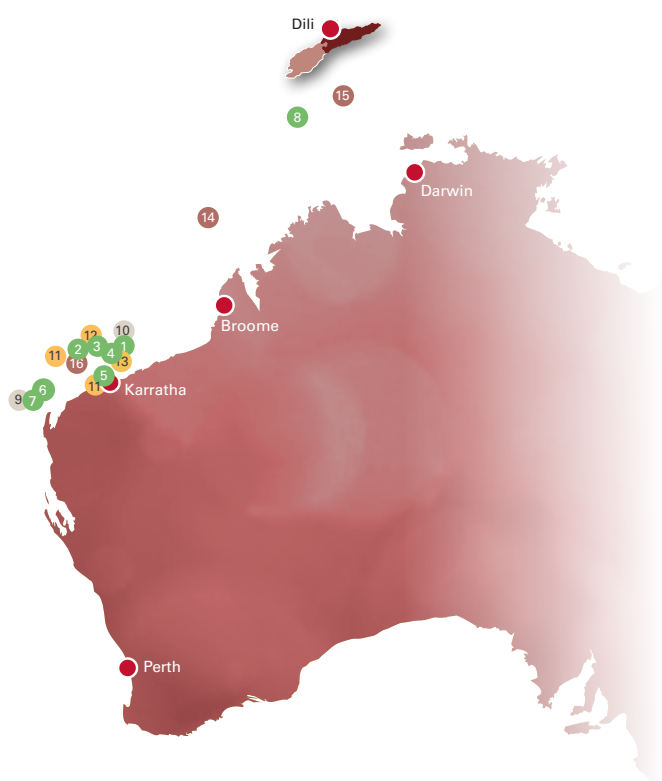
Woodside is continuing to engage with the Australian and Timor-Leste governments to obtain in-principle approval of Floating LNG as the development concept for Greater Sunrise gas. Floating LNG was selected by the Sunrise joint venture as it best meets the requirement of the International Unitisation Agreement, to develop the fields to the best commercial advantage, consistent with good oilfield practice.

AUSTRALIAN EXPLORATION

Exploration wells were drilled in the Carnarvon Basin at Martin-1 (WA-404-P) and Xeres-1 (WA-34-L), both of which discovered gas, and in the Browse Basin at Omar-1 (WA-397-P) which was a dry hole.

Three seismic surveys were acquired, Movida (WA-389-P) in the Carnarvon Basin, and Byron (WA-396-P, WA-397-P) and Phrixus (AC/P48) both in the Browse Basin.

Location of Woodside's production, projects and developments



● Our producing assets (operated)

1 Angel platform	NWS
2 Goodwyn A platform	NWS
3 North Rankin A platform	NWS
4 North West Shelf Oil	NWS
5 Karratha Gas Plant	NWS
6 Nganhurra FPSO	Enfield
7 Maersk Ngujima-Yin FPSO	Vincent
8 Northern Endeavour FPSO	Laminaria-Corallina

● Our producing assets (non-operated)

9 Stybarrow Venture MV16 FPSO	Stybarrow
10 MODEC Venture II FPSO	Mutineer-Exeter

● Our projects

11 Pluto LNG Project including potential Pluto expansions	Pluto
12 North Rankin Redevelopment	NWS
13 NWS Oil Redevelopment	NWS

● Our developments

14 Browse	Browse
15 Sunrise	Sunrise
16 Greater Western Flank	NWS

● International production and/or exploration

REVIEW OF OPERATIONS INTERNATIONAL

USA GULF OF MEXICO

Neptune and Power Play: Woodside 17.5% and 16.3% N.R.I.*

Neptune and Power Play oil developments began production in July and June 2008 respectively, and are in natural field decline. Woodside's share of 2011 production from all of its Gulf of Mexico interests was approximately 0.4 MMbbls of oil, 8,200 bbls of condensate, and 1.1 million MMBtu of gas (0.6 MMbbls, 27,100 bbls and 3.4 million MMBtu 1H 2010).

At Neptune, the Joint Venture continues to prepare for the drilling of an additional development well in 2H 2011. The recompletion of a Neptune producing well originally scheduled for 2011 is now anticipated to occur in 2012.

Exploration

In Q2 2010, Woodside participated in the drilling of the Innsbruck exploration prospect (Woodside 15%, non-operator). Drilling operations were suspended above the targeted sections in order to comply with the US Federal Government's Gulf of Mexico deepwater drilling moratorium.

Woodside expects drilling operations to resume at Innsbruck in 2H 2011.

Gulf of Mexico shelf divestiture

During 1H 2011, Woodside divested all of its Gulf of Mexico shelf properties for a cash consideration of \$27.5 million.

Following this divestment Woodside retains an ongoing presence in deepwater production (Neptune and Power Play) and exploration.

AFRICA

Algeria Ohanet production Woodside 15%

In 1H 2011, Woodside received its full revenue entitlement of \$27.8 million (\$27.2 million 1H 2010) from the Ohanet Joint Venture, which is equivalent to 0.7 MMbbls of condensate and 56,342 tonnes of LPG (0.7 MMbbls, 55,363 tonnes 1H 2010) using the 10 year average oil price at the time of initial production. The revenue stream from Ohanet will cease in October 2011, when the Risk Sharing Contract expires.

Libya Exploration Production Sharing Agreement III (EPSA III)

On 11 January 2011 Woodside signed a Sale and Purchase Agreement for the sale of its interests in the EPSA III contract and has received the cash consideration of \$6 million.

SOUTH KOREA

Korea Exploration Woodside 50% (operator)

Woodside is preparing to drill the first exploration well, Jujak-1, in the offshore block 8/6-1N, which is planned for 2H 2011. Woodside has contracted the Deep Sea Metro-1, a 6th generation drillship, for the drilling of Jujak-1.

SOUTH AMERICA

Brazil, Santos Basin exploration Woodside 12.5% (non-operator)

During 1H 2011 Woodside continued to evaluate the Panoramix oil field. The joint venture intends to commence drilling the Panoramix-3 appraisal well in 2H 2011.

* Net revenue interest

DIRECTORS' REPORT

BUSINESS MANAGEMENT

CAPITAL EXPENDITURE

Capital expenditure in the first half of 2011 was \$1.5 billion (excluding capitalised exploration), a six percent reduction from 1H 2010. The decrease was largely driven by lower expenditure at the Pluto foundation project as it nears completion.

FUNDING AND HEDGING

In May, Woodside issued \$700 million in corporate bonds in the United States 144A bond market. At 30 June 2011, Woodside held \$2.9 billion of cash and undrawn facilities, with gearing at 26.7%. The company's average cost of debt at 30 June was approximately 3.4% per annum on a portfolio basis.

No commodity or currency hedges are in place and no new hedges have been entered into during 1H 2011.

CARBON TAX

In July 2011, the Australian Government announced details of its plan to put a price on carbon emissions generated in Australia. Under the *Clean Energy Future* proposal, the carbon price will be fixed like a tax, before moving to an emissions trading scheme in 2015.

In the fixed price stage, that runs from 1 July 2012 to 30 June 2015, the carbon price will start at A\$23 per tonne and rise by around five percent a year. From 1 July 2015 the price will be set by the market and the number of permits issued by the government each year will be capped.

The proposal outlined that assistance is intended to be provided to emissions-intensive, trade-exposed activities such as the production of LNG. Woodside is continuing to assess the Government's draft legislation and will participate in the consultation process. The draft legislation is yet to be introduced into Parliament.

In 2010, Woodside's share of greenhouse gas emissions from both operated and non-operated assets was 2.46 million tonnes.

MARKETING

Woodside anticipates robust growth in global oil and gas demand beyond this decade. LNG is expected to fulfill an increasing proportion of the global energy market with growth in LNG demand of four to five percent a year to 2025.

The most significant event to impact the LNG industry in the year to date was the Great East Japan Earthquake which struck Japan on 11 March 2011. The loss of nuclear generating capacity due to both direct damage and precautionary shutdowns resulted in significant incremental LNG demand, estimated at 10 million tonnes per annum. This increase in Japanese demand is expected to be sustained for several years. Longer term, the review of nuclear policies in both Japan and other LNG-importing countries is expected to provide positive support to LNG prices.

In addition to LNG, Woodside is involved in marketing pipeline natural gas into Western Australia. We also sell oil, condensate and LPG into the international liquids market.

OUTLOOK

Woodside's 2011 production target is 62-64 MMboe. The company expects continued strong operational performance from the NWS facilities. To ensure ongoing reliability, a significant NWS maintenance shutdown is planned for Q3 2011. In addition, contribution from two infill wells at Vincent and recommencement of oil production from the NWS Oil Redevelopment Project should provide additional volumes to the base business.

Production volumes are expected to increase strongly following first Pluto LNG cargoes, which are now estimated to commence in March 2012.



DIRECTORS' REPORT GOVERNANCE

Board of Directors

The names of the directors in office during the period and until the date of this report are as follows:

Mr M A Chaney, AO (Chairman)

Mr P J Coleman (Managing Director and CEO from 30 May 2011)

Mr D R Voelte (Managing Director and CEO until 29 May 2011)

Ms M A Cilento

Mr E Fraunschiel

Dr C M Haynes, OBE (from 1 June 2011)

Dr A Jamieson, OBE

Dr P J M H Jungels, CBE

Mr D I McEvoy

Mr D Megat (until 20 April 2011)

Mr I Robertson (until 20 April 2011)

Mr Coleman succeeded Mr Voelte as Managing Director and CEO on 30 May 2011, following Mr Voelte's retirement on 29 May 2011. Mr Megat and Mr Robertson retired as directors on 20 April 2011, following the 2011 Annual General Meeting. Dr Haynes was appointed on 1 June 2011.

Rounding of amounts:

The amounts contained in this report have been rounded to the nearest million dollars under the option available to the Group under Australian Securities and Investments Commission Class Order 98/0100 dated 10 July 1998.

Management assurance:

Consistent with recommendation 7.3 of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations, the Board has received assurance from the Chief Executive Officer and the Chief Financial Officer that the Company's half-year financial report for the period ended 30 June 2011 is founded on a sound system of risk management and internal control and that the system is operating effectively in all material respects in relation to financial reporting risks.

Auditor's independence declaration:

The auditor's independence declaration, as required under section 307C of the Corporations Act 2001, is set out on this page and forms part of this report.

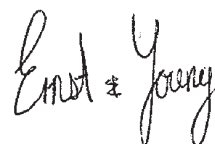
Signed in accordance with a resolution of the directors.



M A Chaney, AO
Chairman
Perth, Western Australia
17 August 2011

Auditor's independence declaration to the directors of Woodside Petroleum Ltd:

In relation to our review of the financial report of Woodside Petroleum Ltd for the half-year ended 30 June 2011, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the *Corporations Act 2001* or any applicable code of professional conduct.



Ernst & Young



R J Curtin
Partner
Perth, Western Australia
17 August 2011

Liability limited by a scheme approved under Professional Standards Legislation.



Consolidated income statement

For the half-year ended 30 June 2011

	Notes	2011 US\$m	2010 US\$m
Revenue from sale of goods	4(a)	2,253	2,102
Cost of sales	4(b)	(781)	(790)
Gross profit		1,472	1,312
Other income	4(c)	41	145
Other expenses	4(d)	(279)	(237)
Profit before tax and net finance costs		1,234	1,220
Finance income	4(e)	-	32
Finance costs	4(f)	(15)	(10)
Profit before tax		1,219	1,242
Taxes			
Income tax expense		(374)	(224)
Petroleum Resource Rent Tax expense		(16)	(115)
Total taxes		(390)	(339)
Profit after tax		829	903
Profit attributable to			
Equity holders of the parent		828	901
Non-controlling interest		1	2
Profit for the period		829	903
Basic and diluted earnings per share attributable to the equity holders of the parent (US cents)		105	117

The accompanying notes form part of the Half-Year Financial Report.

Consolidated statement of comprehensive income

For the half-year ended 30 June 2011

	2011 US\$m	2010 US\$m
Profit for the period	829	903
Other comprehensive income		
Income tax benefit on net gain on hedge of net investment	-	14
	-	14
Cash flow hedges		
Gain taken to equity	-	10
Transferred to income statement	-	7
Income tax expense	-	(5)
	-	12
Net change in fair value of available-for-sale financial assets	(3)	(4)
Income tax benefit	-	1
	(3)	(3)
Other comprehensive income for the year, net of tax	(3)	23
Total comprehensive income for the period	826	926
Total comprehensive income attributable to		
Equity holders of the parent	825	924
Non-controlling interest	1	2
Total comprehensive income for the period	826	926

The accompanying notes form part of the Half-Year Financial Report.

Consolidated statement of financial position

As at 30 June 2011

	Notes	30 June 2011 US\$m	31 December 2010 US\$m
Current assets			
Cash and cash equivalents		607	963
Receivables		485	439
Inventories		120	118
Other financial assets		12	11
Other assets		55	48
Total current assets		1,279	1,579
Non-current assets			
Inventories		37	39
Other financial assets		108	111
Other assets		60	36
Exploration and evaluation assets		2,095	1,801
Oil and gas properties		17,559	16,517
Other plant and equipment		67	72
Deferred tax assets		37	41
Total non-current assets		19,963	18,617
Total assets		21,242	20,196
Current liabilities			
Payables		964	1,234
Interest-bearing liabilities		467	403
Tax payable		207	35
Other financial liabilities		-	18
Other liabilities		16	13
Provisions		164	137
Total current liabilities		1,818	1,840
Non-current liabilities			
Payables		123	35
Interest-bearing liabilities		4,494	4,512
Deferred tax liabilities		1,405	1,333
Other financial liabilities		7	5
Other liabilities		174	174
Provisions		638	611
Total non-current liabilities		6,841	6,670
Total liabilities		8,659	8,510
Net assets		12,583	11,686
Equity			
Issued and fully paid shares	5(a)	5,476	5,036
Shares reserved for employee share plans	5(b)	(60)	(57)
Other reserves		1,025	971
Retained earnings		5,539	5,141
Equity attributable to equity holders of the parent		11,980	11,091
Non-controlling interest		603	595
Total equity		12,583	11,686

The accompanying notes form part of the Half-Year Financial Report.

Consolidated statement of cash flows

For the half-year ended 30 June 2011

	2011 US\$m	2010 US\$m
Cash flows from/(used in) operating activities		
Profit after tax for the period	829	903
Adjustments for:		
Non-cash items		
Depreciation and amortisation	299	394
Impairment loss	14	95
Unrealised foreign exchange loss	14	18
Gain on sale of exploration and evaluation assets	(7)	-
Gain on sale of assets of disposal group held for sale	-	(143)
Gain on sale of fixed assets	(4)	-
Change in fair value of derivative financial instruments	(4)	(17)
Change in fair value of other financial instruments	(11)	-
Net finance costs/(income)	15	(21)
Tax expense	390	339
Exploration and evaluation write down	104	-
Other	19	27
Changes in assets and liabilities		
(Increase)/decrease in trade and other receivables	(98)	141
(Increase) in inventories	(2)	(18)
Increase in provisions	7	7
(Decrease) in other assets and liabilities	(3)	(1)
Increase/(decrease) in trade and other payables	62	(162)
Cash generated from operations	1,624	1,562
Amounts received from employees relating to employee share plans	-	21
Purchases of shares and payments relating to employee share plans	(3)	-
Interest received	8	28
Dividends received	3	4
Interest paid	(96)	(99)
Income tax paid	(112)	(352)
Petroleum Resource Rent Tax paid	(29)	(155)
Payments for restoration	(4)	(2)
Net cash from operating activities	1,391	1,007
Cash flows from/(used in) investing activities		
Payments for capital and exploration expenditure	(1,847)	(1,894)
Proceeds from sale of exploration and evaluation assets	16	-
Proceeds from sale of assets of disposal group held for sale	27	643
Net cash used in investing activities	(1,804)	(1,251)
Cash flows from/(used in) financing activities		
Proceeds/(repayment of) from borrowings	36	(28)
Proceeds from subsidiary shares issued to non-controlling interest	8	82
Proceeds from rights issues	-	1,078
Transactions costs on issue of shares	-	(18)
Proceeds from underwriters of Dividend Reinvestment Plan (DRP)	334	-
Dividends paid (net of DRP)	(331)	-
Dividends paid outside of DRP	-	(262)
Net cash from financing activities	47	852
Net increase/(decrease) in cash held	(366)	608
Cash and cash equivalents at the beginning of the period	963	1,203
Effects of exchange rate changes on the balances of cash held in foreign currencies	10	(43)
Cash and cash equivalents at the end of the period	607	1,768

The accompanying notes form part of the Half-Year Financial Report.

Consolidated statement of changes in equity

For the half-year ended 30 June 2011

	Issued and fully paid shares	Shares reserved for employee share plans	Employee benefits reserve	Foreign currency translation reserve	Hedge of net investment reserve	Hedging reserve	Investment fair value reserve	Retained earnings	Equity holders of the parent	Non-controlling interest	Total equity
	US\$m	US\$m	US\$m	US\$m	US\$m	US\$m	US\$m	US\$m	US\$m	US\$m	US\$m
At 1 January 2011	5,036	(57)	192	679	110	-	(10)	5,141	11,091	595	11,686
Profit for the period	-	-	-	-	-	-	-	828	828	1	829
Other comprehensive income	-	-	-	-	-	-	(3)	-	(3)	-	(3)
Total comprehensive income for the period	-	-	-	-	-	-	(3)	828	825	1	826
Subsidiary shares issued to non-controlling interest	-	-	-	-	-	-	-	-	-	7	7
Dividend Reinvestment Plan	440	-	-	-	-	-	-	-	440	-	440
Shares issued	-	-	-	-	-	-	-	-	-	-	-
Employee share plan purchases	-	(3)	-	-	-	-	-	-	(3)	-	(3)
Employee share plan redemptions	-	-	-	-	-	-	-	-	-	-	-
Dividends applied	-	-	-	-	-	-	-	-	-	-	-
Share-based payments	-	-	57	-	-	-	-	-	57	-	57
Dividends paid	-	-	-	-	-	-	-	(430)	(430)	-	(430)
At 30 June 2011	5,476	(60)	249	679	110	-	(13)	5,539	11,980	603	12,583
At 1 January 2010	3,705	(78)	91	679	96	(14)	(6)	4,339	8,812	456	9,268
Profit for the period	-	-	-	-	-	-	-	901	901	2	903
Other comprehensive income	-	-	-	-	14	12	(3)	-	23	-	23
Total comprehensive income for the period	-	-	-	-	14	12	(3)	901	924	2	926
Subsidiary shares issued to non-controlling interest	-	-	-	-	-	-	-	-	-	83	83
Dividend Reinvestment Plan	121	-	-	-	-	-	-	-	121	-	121
Shares issued	1,077	-	-	-	-	-	-	-	1,077	-	1,077
Employee share plan purchases	-	-	-	-	-	-	-	-	-	-	-
Employee share plan redemptions	-	21	-	-	-	-	-	-	21	-	21
Dividends applied	-	-	-	-	-	-	-	-	-	-	-
Share-based payments	-	-	48	-	-	-	-	-	48	-	48
Dividends paid	-	-	-	-	-	-	-	(383)	(383)	-	(383)
At 30 June 2010	4,903	(57)	139	679	110	(2)	(9)	4,857	10,620	541	11,161

The accompanying notes form part of the Half-Year Financial Report.

Notes to and forming part of the Half-Year Financial Report

For the half-year ended 30 June 2011

1. General information

This general purpose condensed financial report for the half-year ended 30 June 2011 was authorised for issue in accordance with a resolution of the directors on 17 August 2011.

Woodside Petroleum Ltd is a company limited by shares, domiciled and incorporated in Australia. Its shares are publicly traded on the Australian Securities Exchange.

The nature of the operations and principal activities of the Group during the period were hydrocarbon exploration, evaluation, development, production and marketing.

2. Summary of significant accounting policies

Basis of preparation

The general purpose condensed financial report for the half-year ended 30 June 2011 has been prepared in accordance with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*.

The Financial Report is presented in US dollars. The amounts contained in this report have been rounded to the nearest million dollars under the option available to the Group under Australian Securities and Investments Commission Class Order 98/0100 dated 10 July 1998, unless otherwise stated.

The Financial Report does not include all notes of the type normally included in an annual financial report. Accordingly, this financial report is to be read in conjunction with the Annual Financial Report for the year ended 31 December 2010 and any public announcements made by Woodside Petroleum Ltd during the period ended 30 June 2011 in accordance with the continuous disclosure requirements of the *Corporations Act 2001* and the *ASX Listing Rules*.

Changes in accounting policy

Except as disclosed below, the accounting policies and methods of computation are the same as disclosed in the Annual Financial Report for the year ended 31 December 2010. Certain comparative information has been reclassified to be presented on a consistent basis with the current period's presentation.

The Group has adopted all new and amended Australia Accounting Standards effective from 1 January 2011 including:

- AASB 2009-12 *Amendments to Australian Accounting Standards* [AASBs 5, 8, 108, 110, 112, 119, 133, 137, 139, 1023 & 1031 and Interpretations 2, 4, 16, 1039 & 1052]
- AASB 2010-3 *Amendments to Australian Accounting Standards arising from the Annual Improvements Project* [AASB 3, AASB 7, AASB 121, AASB 128, AASB 131, AASB 132 & AASB 139]
- AASB 2010-4 *Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project* [AASB 1, AASB 7, AASB 101 & AASB 134 and Interpretation 13]
- AASB 2010-5 *Amendments to Australian Accounting Standards* [AASB 1, 3, 4, 5, 101, 107, 112, 118, 119, 121, 132, 133, 134, 137, 139, 140, 1023 & 1038 and Interpretations 112, 115, 127, 132 & 1042]
- AASB 124 (Revised) *Related Party Disclosures*

Amended Standards did not result in any significant changes to accounting policies.

3. Operating segments

The Group has identified its operating segments based on the internal reports that are reviewed and used by the executive management team (the chief operating decision makers) in assessing performance and in determining the allocation of resources.

Notes to and forming part of the Half-Year Financial Report

For the half-year ended 30 June 2011

3. Operating segments (continued)

(a) Revenue and profit after tax for the period ended 30 June 2011

	North West Shelf Business Unit			Australia Business Unit			Pluto Business Unit			Browse Business Unit			United States Business Unit			Other			Unallocated items			Consolidated		
	30 June 2011 US\$m	30 June 2010 US\$m	30 June 2011 US\$m	30 June 2010 US\$m	30 June 2011 US\$m	30 June 2010 US\$m	30 June 2011 US\$m	30 June 2010 US\$m	30 June 2011 US\$m	30 June 2010 US\$m	30 June 2011 US\$m	30 June 2010 US\$m	30 June 2011 US\$m	30 June 2010 US\$m	30 June 2011 US\$m	30 June 2010 US\$m	30 June 2011 US\$m	30 June 2010 US\$m	30 June 2011 US\$m	30 June 2010 US\$m	30 June 2011 US\$m			
Revenue																								
Revenue from external customers	1,481	1,382	692	631	-	-	-	-	-	52	62	28	27	-	-	-	-	-	-	2,253	2,102			
Cost of sales																								
Cost of production	(343)	(293)	(120)	(87)	-	-	-	-	-	(8)	(6)	(4)	(3)	(5)	-	-	-	-	(480)	(389)				
Shipping and direct sales costs	(20)	(17)	(1)	(3)	(3)	(2)	-	-	-	(3)	(4)	-	-	(1)	(1)	(1)	(1)	(1)	(28)	(27)				
Oil and gas properties depreciation and amortisation	(90)	(103)	(149)	(215)	-	-	-	-	-	(18)	(40)	(15)	(15)	(1)	(1)	(1)	(1)	(1)	(273)	(374)				
Total cost of sales	(453)	(413)	(270)	(305)	(3)	(2)	-	-	-	(29)	(50)	(19)	(18)	(7)	(2)	(2)	(7)	(2)	(781)	(790)				
Gross profit	1,028	969	422	326	(3)	(2)	-	-	-	23	12	9	9	(7)	(2)	(2)	(7)	(2)	1,472	1,312				
Exploration and evaluation	(1)	(1)	(1)	(2)	(113)	(64)	(33)	(1)	(29)	(29)	(30)	(34)	(45)	(2)	(2)	(2)	(2)	(2)	(213)	(145)				
Share of associates' net profit	1	2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1	2				
Change in fair value of derivative financial instruments	6	5	-	3	-	-	-	-	-	-	-	-	-	(2)	9	4	(2)	9	4	17				
Change in fair value of other financial instruments	-	-	-	-	-	-	-	-	-	-	-	11	-	-	-	-	-	-	11	-				
Gain on sale of assets of disposal group held for sale	-	-	-	143	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	143				
Gain on sale of fixed assets	-	-	-	-	-	-	-	-	-	4	-	-	-	-	-	-	-	-	4	-				
Gain on sale of exploration and evaluation assets	-	-	-	-	-	-	-	-	1	1	-	6	-	-	-	-	-	7	-	-				
Depreciation of other plant and equipment	-	-	-	-	-	-	-	-	(1)	(1)	-	-	-	(5)	(5)	(5)	(5)	(6)	(6)	(5)				
Net defined benefit plan loss	-	-	-	-	-	-	-	-	-	-	-	-	-	(1)	(1)	(3)	(1)	(3)	(1)	(3)				
Other exchange (loss)/gain	(1)	(6)	4	(1)	3	18	(2)	-	-	-	-	(1)	(7)	3	(36)	21	(20)	21	(17)	32				
Exchange gain/(loss) on cash balances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3	(43)				
Impairment loss	-	-	(14)	(3)	-	-	-	-	-	-	(92)	-	-	-	-	-	-	-	(14)	(95)				
Other income	5	6	2	13	1	1	(1)	-	-	-	-	-	-	4	6	11	4	6	11	26				
Other expenses	(4)	(1)	-	1	(7)	2	-	-	(12)	(12)	(10)	(1)	(5)	(4)	(8)	(8)	(4)	(8)	(28)	(21)				
Profit before tax and net finance income	1,034	974	413	480	(119)	(45)	(36)	(1)	(14)	(14)	(120)	(10)	(48)	(34)	(20)	(20)	(34)	(20)	1,234	1,220				
Finance income / (costs)																			-	32				
Finance costs																			(15)	(10)				
Profit before tax																			1,219	1,242				
Taxes																			(390)	(339)				
Profit after tax																			829	903				

(1) The performance of operating segments is evaluated based on profit before tax, finance income and finance costs. Financing requirements, finance income, finance costs and taxes are managed on a Group basis.

There were no significant inter-segment transactions during the period.

(b) Segment assets at 30 June 2011

	North West Shelf Business Unit			Australia Business Unit			Pluto Business Unit			Browse Business Unit			United States Business Unit			Other			Unallocated items			Consolidated		
	30 June 2011 US\$m	30 June 2010 US\$m	30 June 2011 US\$m	30 June 2011 US\$m	30 June 2010 US\$m	30 June 2011 US\$m	30 June 2011 US\$m	30 June 2010 US\$m	30 June 2011 US\$m	30 June 2011 US\$m	30 June 2010 US\$m	30 June 2011 US\$m	30 June 2011 US\$m	30 June 2010 US\$m	30 June 2011 US\$m	30 June 2011 US\$m	30 June 2010 US\$m	30 June 2011 US\$m	30 June 2011 US\$m	30 June 2010 US\$m	30 June 2011 US\$m	30 June 2010 US\$m	30 June 2011 US\$m	30 June 2010 US\$m
Segment assets	3,940	3,767	1,911	1,850	12,425	13,807	12,425	1,156	956	389	461	575	520	(536)	217	21,242	20,196							

Notes to and forming part of the Half-Year Financial Report

For the half-year ended 30 June 2011

4. Revenue and expenses

	2011 US\$m	2010 US\$m
(a) Revenue from sale of goods		
Liquefied natural gas		
North West Shelf	703	691
Pipeline natural gas		
North West Shelf	199	136
Otway	-	17 ⁽²⁾
United States of America	6	19
	205	172
Condensate		
North West Shelf	444	336
Otway	-	4 ⁽²⁾
Ohanet	17	16
United States of America	1	2
	462	358
Oil		
North West Shelf	67	165
Laminaria	54	61
Mutineer-Exeter	(5)	7
Enfield ⁽¹⁾	214	274
Vincent ⁽¹⁾	211	163
Stybarrow ⁽¹⁾	218	100
United States of America	45	41
	804	811
Liquefied petroleum gas		
North West Shelf	68	54
Otway	-	5 ⁽²⁾
Ohanet	11	11
	79	70
Total revenue from sale of goods	2,253	2,102
(b) Cost of sales		
Cost of production		
Production costs	(233)	(201)
Royalties and excise	(235)	(198)
Insurance	(17)	(16)
Inventory movement	5	26
	(480)	(389)
Shipping and direct sales costs	(28)	(27)
Oil and gas properties depreciation and amortisation		
Land and buildings	(4)	(4)
Transferred exploration and evaluation	(10)	(15)
Plant and equipment	(256)	(352)
Marine vessels and carriers	(3)	(3)
	(273)	(374)
Total cost of sales	(781)	(790)
Gross profit	1,472	1,312

(1) 2010 figures include a crude oil hedging loss of US\$7 million resulting from settlement of Greater Exmouth Area Zero Cost Collars. The commodity price derivative instruments used to manage commodity price fluctuations expired on 31 December 2010. No other commodity hedging programs were placed or in place during 2011.

(2) Reduction in revenue due to the sale of Woodside's interest in the Otway Gas Project.

Notes to and forming part of the Half-Year Financial Report

For the half-year ended 30 June 2011

4. Revenue and expenses (continued)

	2011 US\$m	2010 US\$m
(c) Other income		
Other fees and recoveries	11	26
Share of associates' net profit	1	2
Exchange gain/(loss) on cash balances	3	(43)
Gain on sale of assets of disposal group held for sale	-	143
Gain on sale of fixed assets	4	-
Gain on sale of exploration and evaluation assets	7	-
Change in fair value of derivative financial instruments	4	17
Change in fair value of other financial instruments	11	-
Total other income	41	145
(d) Other expenses		
Exploration and evaluation		
Exploration	(195)	(132)
Amortisation of licence acquisition costs	(15)	(11)
Evaluation	(3)	(2)
Total exploration and evaluation	(213)	(145)
Other costs		
Net defined benefit plan loss	(1)	(3)
Depreciation of other plant and equipment	(6)	(5)
Other exchange (loss)/gain	(17)	32
General, administrative and other costs	(28)	(21)
Impairment of oil and gas properties	-	(95) ⁽¹⁾
Impairment of exploration and evaluation	(14)	-
Total other costs	(66)	(92)
Total other expenses	(279)	(237)
Profit before tax and net finance income	1,234	1,220
(e) Finance income		
Interest	-	32
Total finance income	-	32
(f) Finance costs		
Unwinding of present value discount (accretion)	(15)	(10)
Total finance costs	(15)	(10)
Profit before tax	1,219	1,242

- (1) As part of the Group's regular review of assets whose values may be impaired, a charge of US\$92 million was recognised in relation to the Neptune oil field in the Gulf of Mexico (which is part of the United States Business Unit segment), following an assessment of the expected ultimate reserve recovery. As a result of the impairment, deferred tax assets of US\$40 million are no longer expected to be realised by the Group and were recognised as a charge to income tax expense. The recoverable amount for the cash-generating unit was determined based on a value in use calculation. The real pre-tax discount rate applied to the cash-generating unit was 11%.

Notes to and forming part of the Half-Year Financial Report

For the half-year ended 30 June 2011

5. Contributed equity

	30 June 2011 US\$m	31 December 2010 US\$m
(a) Issued and fully paid shares		
793,229,820 (2010: 783,401,631) ordinary shares ⁽¹⁾	5,476	5,036
(b) Shares reserved for employee share plans		
1,285,491 (2010: 1,578,948) ordinary shares	(60)	(57)

(1) All shares are a single class with equal rights to dividends, capital distributions and voting. The company does not have authorised capital nor par value in respect of its issued shares.

	30 June 2011 shares	31 December 2010 shares	30 June 2011 US\$m	31 December 2010 US\$m
(c) Movements in issued and fully paid shares				
Balance at the beginning of the period	783,401,631	748,598,989	5,036	3,705
DRP underwriting agreement				
Ordinary shares issued at A\$43.80 (2010 final dividend)	7,397,386	-	334	-
DRP				
Ordinary shares issued at A\$45.42 (2009 final dividend)	-	2,891,112	-	121
Ordinary shares issued at A\$42.49 (2010 interim dividend)	-	3,264,722	-	133
Ordinary shares issued at A\$42.32 (2010 final dividend)	2,430,803	-	106	-
Rights issue				
Ordinary shares issued at A\$42.10	-	28,646,808	-	1,078
Share issue costs (net of tax)			-	(1)
Balance at the end of the period	793,229,820	783,401,631	5,476	5,036

6. Dividends paid and proposed

	30 June 2011 US\$m	30 June 2010 US\$m
(a) Dividends paid during the period		
Prior year fully franked final dividend US\$0.55, paid on 6 April 2011 (2010: US\$0.49 (A\$0.55), paid on 31 March 2010)	430	383
(b) Dividend declared (not recorded as a liability)		
Current year fully franked interim dividend US\$0.55 to be paid on 30 September 2011 (2010: US\$0.50, paid on 23 September 2010)	436	390

Notes to and forming part of the Half-Year Financial Report

For the half-year ended 30 June 2011

7. Change in the composition of the Group

Since the last annual reporting date, there have been no significant changes in the composition of the Group.

8. Contingent liabilities

	30 June 2011 US\$m	31 December 2010 US\$m
(a) Contingent liabilities at the reporting date		
Not otherwise provided for in the Financial Report		
Contingent liabilities ⁽¹⁾	25	26
Guarantees ⁽²⁾	5	4
	30	30
(b) Contingent assets at the reporting date		
Not otherwise accounted for in the Financial Report		
Contingent assets relating to certain claims made or pending ⁽³⁾	16	28

(1) Contingent liabilities relate predominately to actual or potential litigation of the Group for which amounts are reasonably estimated but the liability is not probable and therefore the Group has not provided for such amounts in this Financial Report. Additionally, there are a number of other claims and possible claims that have arisen in the course of business against entities in the Group, the outcome of which cannot be foreseen at present, and for which no amounts have been included in the table above.

(2) The Group has issued guarantees relating to workers compensation liabilities.

(3) Contingent assets relate predominantly to claims receivable by the Group for which amounts are reasonably estimated but the receivable is not virtually certain and therefore the Group has not provided for such amounts in the Financial Report.

9. Events after the end of the reporting period

Dividends

On 17 August 2011, the directors approved a fully franked interim dividend of US\$0.55 per share (2010: US\$0.50 per share). The dividends will be payable to shareholders registered on the record date of 26 August 2011 and will be paid on 30 September 2011.

Directors' declaration

In accordance with a resolution of directors of Woodside Petroleum Ltd, we state that:

In the opinion of the directors:

- (a) the financial statements and notes of the Group are in accordance with the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the Group's financial position as at 30 June 2011 and of its performance for the half-year ended on that date; and
 - (ii) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*; and
- (b) there are reasonable grounds to believe that Woodside Petroleum Ltd will be able to pay its debts as and when they become due and payable.

On behalf of the Board



M A Chaney, AO
Chairman



P J Coleman
Chief Executive Officer

Perth, Western Australia
17 August 2011

INDEPENDENT REVIEW REPORT

To the members of Woodside Petroleum Ltd

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Woodside Petroleum Ltd, which comprises the statement of financial position as at 30 June 2011, and the income statement, statement of comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, notes comprising a description of accounting policies and other explanatory information and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at 30 June 2011 or from time to time during the half-year.

Directors' Responsibility for the half-year Financial Report

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of Interim and Other Financial Reports 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 financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 30 June 2011 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Woodside Petroleum Ltd and the entities it controlled during the period, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year 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.

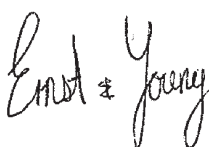
Independence

In conducting our review, we have complied with the independence requirements of 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.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Woodside Petroleum Ltd is not in accordance with the *Corporations Act 2001*, including:

- a) giving a true and fair view of the consolidated entity's financial position as at 30 June 2011 and of its performance for the half-year ended on that date; and
- b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.



Ernst & Young



R J Curtin, Partner
Perth, Western Australia
17 August 2011

APPENDIX 4D

HALF-YEAR REPORT

For 'Results for Announcement to the Market' refer to the inside cover of this Half-Year Report.

Dividends

Ex-dividend date	22 August 2011
Record date for the interim dividend	26 August 2011
Last date for receipt of DRP election notices	26 August 2011
Date the dividend is payable	30 September 2011

		Current period	Previous corresponding period*
Interim dividend - fully franked	US cents per share	55	50

None of these dividends are foreign sourced.

Details of Dividend Reinvestment Plan

The Board of Woodside has determined that the Dividend Reinvestment Plan (DRP) will remain activated for the 2011 interim dividend. Shares issued under the DRP rank equally with existing ordinary fully paid shares and will be issued at a price determined under the DRP rules.

Shareholders who elect to participate in the DRP for the 2011 interim dividend will be issued shares at a share price incorporating a 1.5% discount. The DRP share price for participating shareholders will be determined over 14 trading days commencing on 30 August 2011. The DRP will be fully underwritten for the 2011 interim dividend.

Net Tangible Assets

NTA backing	Current period US\$	Previous corresponding period (US\$)*,**
Net tangible assets (US\$ per ordinary security)	15.10	13.61

Details of entities over which control was gained or lost

Name of entity	Date of gain or loss of control
Nil	N/A

Details of associates and joint venture entities

Name of entity	Percentage of ownership interest held at end of period or date of disposal	
	Current period	Previous corresponding period*
North West Shelf Gas Pty Ltd	16.67%	16.67%
North West Shelf Liaison Company Pty Ltd	16.67%	16.67%
North West Shelf Australia LNG Pty Ltd	16.67%	16.67%
International Gas Transportation Company Limited	16.67%	16.67%
North West Shelf Shipping Service Company Pty Ltd	16.67%	16.67%

* Comparisons are to the half-year period ended 30 June 2010.

** Prior period adjusted for non-controlling interest.

SHAREHOLDER INFORMATION

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 2, 45 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) 8 9323 2033

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.

INVESTOR RELATIONS: ENQUIRIES

Requests for specific information on the Company can be directed to Investor Relations at:

Investor Relations

Woodside Petroleum Ltd
Woodside Plaza

240 St Georges Terrace

Perth, Western Australia 6000

Postal address: GPO Box D188

Perth, Western Australia 6840

Telephone: (61) 8 9348 4000

Facsimile: (61) 8 9214 2777

Email: investor@woodside.com.au

For various reports and updates visit Woodside's website:
www.woodside.com.au

EVENT CALENDAR 2011

22 August Ex-Dividend date for Interim Dividend

26 August Record date for Interim Dividend

30 September Payment date for Interim Dividend

21 October Third Quarter 2011 Report

31 December Woodside Year End

19 January 2012 Fourth Quarter 2011 Report

KEY ASX RELEASES FOR THE FIRST HALF 2011

January Sale of Pluto Uncommitted Cargoes

February Full Year 2010 Net Profit of US\$1,575 million

March Gas Discovery at Martin-1

May Woodside to Issue US\$700 million in Corporate Bonds

May Discovery at Laverda North

May Claim Group Approves Proposal for Browse LNG Precinct

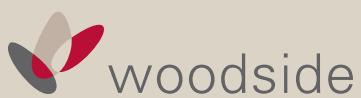
May Woodside Appoints Mr Peter Coleman as new CEO

May Woodside Appoints Dr Chris Haynes as Non-Executive Director

May Woodside Discovers Gas at Xeres-1

June Pluto Cost and Schedule Update

June Woodside Executes Browse Native Title Agreement



Half-Year Report 2011

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