

# ASX Announcement

Friday, 20 February 2015

ASX: WPL  
OTC: WOPEY

Woodside Petroleum Ltd.  
ACN 004 898 962  
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Perth WA 6000  
Australia  
[www.woodside.com.au](http://www.woodside.com.au)

## 2014 FULL-YEAR SHAREHOLDER REVIEW

The attached Full-Year Shareholder Review provides a summary of Woodside's 2014 Full-Year Report and the Full-Year 2014 results, which were released to the ASX on 18 February 2015.

These documents are available on the company's website at [www.woodside.com.au](http://www.woodside.com.au).

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## Key metrics

		2013	2014	% change
Operating revenue	US\$ million	5,926	7,435	25
Costs of production	US\$ million	1,242	1,112	(10)
EBITDA <sup>1</sup>	US\$ million	4,188	5,568	33
Depreciation and amortisation <sup>2</sup>	US\$ million	1,263	1,462	16
Impairments		387	434	12
EBIT	US\$ million	2,538	3,672	45
Reported NPAT	US\$ million	1,749	2,414	38
Non-recurring items	US\$ million	47	(7)	n.m. <sup>3</sup>
Underlying NPAT	US\$ million	1,702	2,421	42
Net cash from operating activities	US\$ million	3,330	4,785	44
Capital expenditure	US\$ million	590	561	(5)
Exploration expenditure	US\$ million	261	410	57
Free cash flow	US\$ million	2,271	4,168	84
Dividends paid	US\$ million	1,738	1,764	1
Net debt	US\$ million	1,541	(682)	n.m. <sup>3</sup>
Production	MMboe	87.0	95.1	9
Proved reserves	MMboe	1,143	1,048	(8)
Proved plus Probable reserves	MMboe	1,437	1,339	(7)
Contingent resources	MMboe	1,692	1,743	3
<b>Key ratios</b>				
Gearing	%	9.2	(4.5)	n.m. <sup>3</sup>
Earnings	US cps	213	293	38
Underlying earnings	US cps	207	294	42
Return on equity	%	11.5	15.3	33
Effective income tax rate	%	29.8	30.1	1
<b>Sales volumes</b>				
Gas	MMboe	67.4	72.4	7
Liquids	MMbbl	18.3	20.8	14

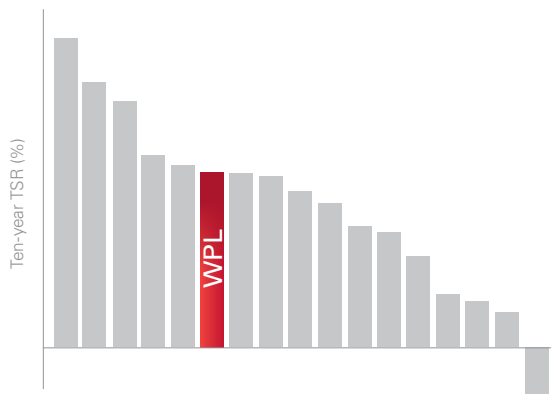
1. EBITDA excludes impairment and amortisation of permit acquisition costs. EBITDA has been restated for 2013.

2. Includes depreciation of other plant and equipment and amortisation of license acquisition costs.  
3. n.m. - not meaningful.

## Total Shareholder Return (TSR) performance against peers

Ten-year compound annual return

Our ten-year TSR is 10.6%, which places us in the second quartile relative to our peer group.



The ten-year TSR reflects the long-term sustainability of our business relative to our peer group which includes: Anadarko, Apache, BG, Conoco Phillips, ENI, Hess, Marathon, Murphy, Oil Search, Origin Energy, Pioneer, Santos, Statoil, Talisman, Repsol and Tullow Oil<sup>1</sup>.

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

## Key announcements 2014

February	Woodside Records US\$1.749 billion Profit in 2013
May	Woodside Terminates Leviathan MOU
July	Woodside to Buy LNG from Corpus Christi Liquefaction LLC Shell Buy-back Update
August	Woodside Achieves Record First Half Profit
November	Appointment of Non-Executive Director NWS Project Approves Development of Persephone Project
December	Browse FLNG Development Update Woodside Purchases Apache Assets



## YEARS OF ACHIEVEMENT

### Share 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  
t: 1300 558 507 (within Australia)  
+61 3 9415 4632 (outside Australia)  
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[www.investorcentre.com/wpl](http://www.investorcentre.com/wpl)

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[woodside.com.au](http://woodside.com.au)



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This review provides a summary of Woodside's 2014 Annual Report and the 2014 Full-Year Results (ASX release dated 18 February 2015) which are both available on the company's website. All dollars are expressed in US currency unless otherwise stated.

## Events calendar 2015

15 January	Fourth quarter 2014 report
18 February	2014 full-year result and final dividend announcement
25 February	Ex-dividend date for final dividend
27 February	Record date for final dividend
25 March	Payment date for final dividend
14 April	Annual General Meeting (AGM) proxy returns close at 10.00 am (AWST)
15 April	First quarter 2015 report
16 April	AGM
30 June	Woodside half-year end
16 July	Second quarter 2015 report
19 August	2015 half-year result and interim dividend announcement
TBA	Ex-dividend date for interim dividend
TBA	Record date for interim dividend
TBA	Payment date for interim dividend
15 October	Third quarter 2015 report
31 December	Woodside year end

2015 dates are subject to review.

## 2014 Full year review

# REALISING OUR GLOBAL VISION



## About Woodside

Woodside is the largest independent 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.

Our operations are characterised by strong safety and environmental performance in remote and challenging locations. Wherever we work, we are committed to living our values for a sustainable future.

We are Australia's most experienced LNG operator. 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 Australasia, the Atlantic margins and Sub-Saharan Africa. We have significant equity interests in high quality development opportunities.

Our proven track record and distinctive capabilities are underpinned by 60 years of experience, making us a partner of choice. We have enduring relationships with foundation customers throughout the Asia-Pacific region, spanning more than 25 years.

Since 1984, we have been operating the landmark Australian project, the North West Shelf, and it remains one of the world's premier LNG facilities. In 2012, we added our Pluto LNG Plant to our onshore operating facilities.

We operate four floating oil production, storage and offloading vessels in the Carnarvon Basin, the North West Shelf and the Timor Sea. This is the largest owner-operated fleet in Australia and we have an excellent track record of efficiently and safely producing from current fields.

We are also growing our portfolio through acquisitions, 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.

Technology and innovation are essential to unlocking future growth. We continually expand our technical knowledge, discover new solutions and learn valuable lessons.

We're 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.



In 2014, we focused on rebuilding our portfolio, improving our productivity and positioning the company to become a global leader.



Peter Coleman  
Chief Executive Officer and  
Managing Director

## 2014 Key performance highlights

- Total recordable injury rate (TRIR) of 1.9, a 37% improvement from 2013.
- Reduced lost time injury frequency by 49% to 0.22.
- Record full-year dividend of US255 cps, and record final dividend of US144 cps.
- Record production of 95.1 MMboe, and top-quartile LNG reliability at North West Shelf (NWS) and Pluto LNG (Pluto).
- Recommended exploration drilling in Australia, with the Toro-1 well in the Exmouth sub-basin resulting in a gas discovery.
- Completed six 3D marine seismic surveys, covering 11,678 km<sup>2</sup>.
- Captured new exploration acreage in Cameroon, Canada (Nova Scotia), Gabon, Morocco, Myanmar and Tanzania.
- Made a final investment decision (FID) for Persephone.
- Completed basis of design for the Browse floating LNG development.
- Entered into a binding transaction to acquire Apache's Wheatstone LNG, Balnaves oil and Kitimat LNG project interests<sup>1</sup>.
- LNG Sale and Purchase Agreements signed with Chubu Electric Power Co. Inc., Korea Gas Corporation and Cheniere Energy<sup>2</sup>.
- Celebrated 30 years of domestic gas production and 25 years of LNG exports at NWS.

## Future objectives

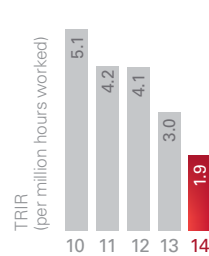
- Achieve global top-quartile health and safety performance by 2017.
- Browse front-end engineering and design phase entry in mid-2015 and an FID in 2016.
- Progress our projects:
  - Xena field tie-in project for Pluto LNG, with first gas expected in the second half of 2015;
  - Greater Western Flank Phase 1 project, scheduled for first gas in early 2016;
  - Persephone project, scheduled for first gas in first half of 2018; and
  - Wheatstone LNG project<sup>1</sup>, with first gas expected in late 2016.
- Continue Greater Western Flank Phase 2 development.
- High impact exploration activities including further drilling in Australia, and up to three international wells in 2015.
- Concentrate on aggregating positions around our existing exploration focus areas in Australasia, the Atlantic margins and Sub-Saharan Africa.
- Continue to evaluate commercial transactions that have the potential to deliver significant shareholder value.
- Leverage technology to deliver sustainable growth through cost reductions and commercialisation of stranded resources.

## 2014 performance summary

All figures in this report are in US dollars unless otherwise stated.

### Safety

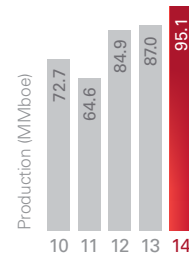
**37%**  
Improvement



Our TRIR was a 37% improvement on 2013. It has significantly improved over the last four years, demonstrating solid progress towards our goal of global top-quartile health and safety performance by 2017.

### Production

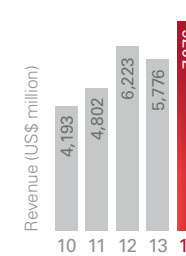
**9%**



2014 delivered record annual production, up 9% on 2013. This was underpinned by higher reliability at Pluto and NWS, a full year of production from the Vincent floating production storage and offloading vessel (FPSO) and reduced cyclone impact across our assets.

### Sales revenue

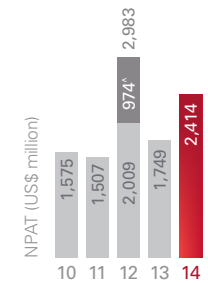
**23%**



We reported a 23% increase in sales revenue. This reflects higher LNG and oil sales (with a full year of production from the Vincent FPSO), and higher LNG realised pricing at Pluto.

### Reported NPAT

**38%**

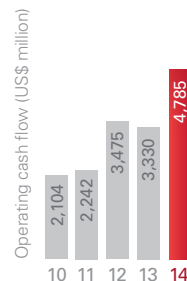


^ Darker area shows impact of Browse partial equity sale

2014 delivered reported NPAT of US\$2,414 million, an increase of 38% compared to 2013. This was supported by higher production, higher realised prices and lower expenses, partly offset by higher depreciation and impairments.

### Operating cash flow

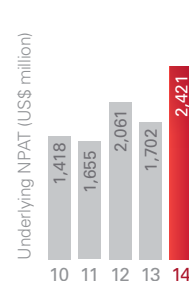
**44%**



Operating cash flow increased by 44%, largely attributable to higher sales receipts.

### Underlying NPAT<sup>1</sup>

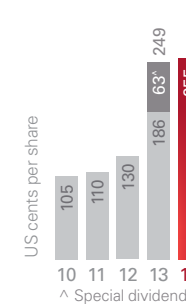
**42%**



2014 saw a record underlying NPAT of US\$2,421 million, 42% higher compared to 2013.

### Dividends per share

**2%**

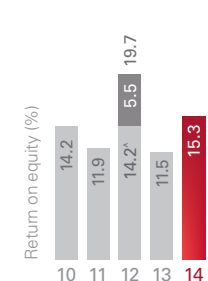


^ Special dividend

Record production and underlying net profit after tax (NPAT), coupled with disciplined capital management, has delivered a record full year dividend of US255 cents per share (cps) (interim dividend US111 cps, final dividend US144 cps).

### Return on equity

**33%**



^ Normalised to remove Browse partial equity sale

Return on equity was 15.3%, up from 11.5%, reflecting higher reported NPAT.

1. The acquisition is subject to transaction close.

2. Purchase remains subject to conditions precedent.

1. 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.