

ASX Announcement

Thursday, 14 February 2019

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WOODSIDE FULL-YEAR PROFIT UP 28% TO \$1,364 MILLION

Woodside has recorded a full-year net profit after tax (NPAT) of \$1,364 million. Production was 91.4 MMboe and operating revenue was \$5,240 million.

The directors have declared a final dividend of US 91 cents per share (cps), bringing the full-year dividend to US 144 cps.

Woodside CEO Peter Coleman said that in 2018 the company delivered strong financial results, solid production and significant progress on growth plans.

“Our net profit after tax increased 28% year-on-year, driven by robust operational performance throughout 2018 and improved market conditions.

“The company generated free cash flow of \$1,524 million, up 83% on 2017. This has supported our strong financial liquidity throughout the year and positions us well to deliver our growth projects.

“During the year we achieved a number of significant milestones in our plans to develop the Scarborough and Browse fields off Western Australia through our world-class facilities on the Burrup Peninsula.

“Our plans for the Burrup Hub will more than double Woodside’s equity LNG production by 2027, providing long-term gas supplies for both domestic and export markets, and delivering significant benefits to shareholders and the community.

“After increasing our equity in Scarborough to 75% in early 2018, we assumed operatorship and have awarded engineering contracts for the upstream development. We have selected an expansion concept for Pluto LNG and begun engineering work on the second production train.

“At the same time, we have progressed our proposal to process the Browse resources through the North West Shelf Project’s Karratha Gas Plant, achieving a landmark preliminary tolling agreement between the two joint ventures.

“In Senegal, we transitioned to operator of SNE, the country’s first offshore oil development. The SNE joint venture has now secured environmental approval and commenced FEED activities for the first phase of the development, targeted for first oil in 2022.

“This year we’ve again demonstrated expertise in project delivery, with Greater Western Flank Phase 2 coming in \$630 million under budget and six months ahead of schedule. Additional near-term growth was realised as Wheatstone train 2 started up, achieving better-than-expected production and positioning us to achieve our targeted output of approximately 100 million barrels of oil equivalent in 2020.

“As we deliver our growth plans, we remain committed to excellence in our base business, which has achieved high reliability and globally competitive cost of production.

“The past year has been a busy one for Woodside, but we are looking forward to achieving even more in 2019 when we plan to start production at Greater Enfield and take a final investment decision on SNE. At the same time, we will be preparing for final investment decisions in 2020 on Scarborough, Pluto LNG Train 2 and Browse,” he said.

Financial headlines

- Increased NPAT by 28% to \$1,364 million
- Increased operating revenue by 32% to \$5,240 million
- Increased free cash flow by 83% to \$1,524 million
- Reduced LNG unit production cost at Pluto LNG and NWS Project to \$3.6/boe
- Competitive cost of debt at 3.9%
- Declared a final dividend of US 91 cps, bringing the full-year dividend to US 144 cps

Key business activities

Base business

- Achieved record LNG production rates at Pluto LNG
- Recorded second-lowest total recordable injury rate at 1.32 per million work hours
- Commissioned the Pluto pipeline gas facility
- Delivered the 5,000th LNG cargo from the NWS Project

Near-term growth

- Commenced production from Greater Western Flank Phase 2, \$630 million under budget (100% project) and six months ahead of schedule
- Commenced production at Wheatstone LNG train 2, with production from trains 1 and 2 exceeding expectations

Burrup Hub

- Acquired increased Scarborough equity and assumed operatorship
- Subsequent to the period, awarded contracts for Scarborough front-end engineering design activities in Woodside's corporate capacity and funded by Woodside on a 100% basis
- Entered FEED for Pluto LNG Train 2
- Commenced concept definition phase for Browse to NWS Project
- Signed a non-binding, preliminary tolling agreement between the NWS Project and the Browse Joint Venture for the processing of gas resources through NWS Project's KGP
- Finalised a long-term domestic gas sale and purchase agreement with Perdaman

Senegal

- Assumed operatorship of the SNE development in Senegal and commenced FEED activities
- Received approval of the SNE development Environmental and Social Impact Assessment

Full-year results teleconference

A teleconference providing an overview of the full-year 2018 results and a question and answer session will be held at 7:30am AWST (10:30am ADST) on 14 February 2019.

Investors are encouraged to participate in this event by dialling the numbers listed below and quoting passcode ID: **9369159**.

For locations within Australia dial toll-free 1800 123 296, or toll 02 8038 5221.

International dial-in numbers (toll-free):

Canada	1855 5616 766	China	4001 203 085
Hong Kong	800 908 865	India	1800 2666 836
Japan	0120 994 669	New Zealand	0800 452 782
Singapore	800 616 2288	United Kingdom	0808 234 0757
United States	1855 293 1544		

For all other countries or operator assistance, please dial + 61 2 8038 5221.

The full-year results briefing pack follows this announcement and will be referred to during the conference call.

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