



ASX/Media Release

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Changes to Origin operating segments

Origin Energy Limited (Origin) announces it has revised its operating segments ahead of the company's interim financial results for the half year ended 31 December 2015, to be released on 18 February 2016.

The adjustment has been made to reflect Origin's divestment of its 53.09% interest in Contact Energy which occurred on 10 August 2015, and the decision announced on 20 August 2015 to combine the Exploration & Production and LNG businesses into a single segment called Integrated Gas from 1 July 2015. The new segment reporting format will be used for the presentation of Origin's interim financial results for the half year ended 31 December 2015. The OFR will include additional information on the performance of the Integrated Gas segment for each of the LNG and E&P operations.

The changes to Origin's operating segments do not result in any change to the reported statutory or underlying profit for the consolidated group in prior periods.

A summary of the new operating segments is provided below. Appendix 1 includes a restatement and reconciliation of segment EBITDA as well as a summary of the restated earnings from continuing operations for the financial year ended 30 June 2015 and for the half year ended 31 December 2014, using the revised segments.

Segments to be reported in the December 2015 Interim Financial Statements (on a continuing operations basis):

Segment	Description
Energy Markets (unchanged)	Integrated provider of energy solutions to retail and wholesale markets in Australia and in the Pacific.
Integrated Gas	Gas and oil exploration and production interests principally in Australia and New Zealand; Origin's equity accounted investment in Australia Pacific LNG, including costs (net of recoveries) incurred by Origin as upstream operator and corporate service provider and other costs incurred in managing this investment and Origin's exposure to LNG pricing risk.
Corporate	Corporate activities that are not allocated to other operating segments

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About Origin Energy

Origin Energy (ASX: ORG) is the leading Australian integrated energy company with market leading positions in energy retailing (approximately 4.3 million customer accounts), power generation (approximately 6,000 MW of capacity owned and contracted) and natural gas production (1,093 PJ of 2P reserves and annual production of 82 PJe). To match its leadership in the supply of green energy, Origin also aspires to be the number one renewables company in Australia.

Through Australia Pacific LNG, its incorporated joint venture with ConocoPhillips and Sinopec, Origin is developing Australia's biggest CSG to LNG project based on the country's largest 2P CSG reserves base.

www.originenergy.com.au



Appendix 1: Changes to Operating Segments

Divestment of Contact Energy

On 10 August 2015, Origin divested its entire 53.09% interest in Contact Energy, with the proceeds directed towards repaying A\$1.4 billion of debt and redeeming NZ\$200m of redeemable preference shares. Contact Energy will be classified as a discontinued operation in the upcoming Interim Financial Results for the half year ended 31 December 2015, with the remainder of the business presented on a continuing operations basis. This classification is consistent with that reported in the Financial Statements for the year ended 30 June 2015.

Integrated Gas segment

At the time Origin took the final investment decision on Train 1 of the Australia Pacific LNG project in July 2011 a dedicated segment was established to allow a complete focus on project delivery. With the completion of the project, Origin has recombined the Exploration & Production and LNG businesses into a single segment called Integrated Gas. This will allow Origin to focus on delivering cost saving initiatives as well as safe and reliable operations across all upstream activities.

Restatement of comparative operating segment EBITDA

As a consequence of the above changes, Origin has revised its operating segments as well as the allocation of certain costs previously captured within the Corporate segment.

Comparative segment balances for the financial year ended 30 June 2015 and the half year ended 31 December 2014 will be restated with reconciliations for segment EBITDA provided below.

First Half FY2015	Energy Markets	Exploration & Production	LNG	Corporate	Consolidated (Continuing Operations)	Contact Energy	Consolidated (Total)
		(now Integrated Gas)					
Underlying EBITDA (previously reported)	617	208	39	(18)	846	234	1,080
<u>Corporate cost reallocations</u>							
1) LNG net recovery		21		(21)			
2) Other corporate expenses	4	5		(9)			
Underlying EBITDA (restated)	621	273		(48)	846	234	1,080

Full Year FY2015	Energy Markets	Exploration & Production	LNG	Corporate	Consolidated (Continuing Operations)	Contact Energy	Consolidated (Total)
		(now Integrated Gas)					
Underlying EBITDA (previously reported)	1,260	399	72	(69)	1,662	487	2,149
<u>Corporate cost reallocations</u>							
1) LNG net recovery		27		(27)			
Underlying EBITDA (restated)	1,260	498		(96)	1,662	487	2,149

- 1) LNG net recovery: Represents costs (net of recoveries) incurred by Origin as Upstream operator and corporate service provider for Australia Pacific LNG, as well as other costs incurred in managing this investment and Origin's exposure to LNG pricing risk.



- 2) Other Corporate reallocations: Represents an internal over-allocation of Corporate costs to Integrated Gas and Energy Markets that occurred in 1H FY2015 which was subsequently reversed in 2H FY2015.

A detailed restatement of underlying earnings from continuing operations for the financial year ended 30 June 2015 and the half year ended 31 December 2014 is provided below.

Reconciliation of statutory to underlying earnings	First Half FY2015	Full Year FY2015
Statutory Profit/(loss)	(25)	(658)
Items excluded from underlying profit	(371)	(1,340)
Underlying Profit - from total operations	346	682
Underlying Profit - from continuing operations	316	603
Underlying Profit - from discontinued operations	30	79

Summary of underlying earnings from continuing operations	First Half FY2015	Full Year FY2015
Underlying EBITDA	846	1,662
Underlying depreciation and amortisation	(304)	(618)
Underlying share of interest, tax, depreciation and amortisation of equity accounted investees	(25)	(62)
Underlying EBIT	517	982
Underlying net financing costs	(56)	(78)
Underlying Profit before income tax and non-controlling interests	461	904
Underlying income tax expense	(144)	(291)
Non-controlling interests' share of Underlying Profit	(1)	(10)
Underlying Profit - from continuing operations	316	603