To	Company Announcements Office	Facsimile	1300 135 638
Company	ASX Limited	Date	1 May 2023
From	Helen Hardy	Pages	2
Subject	Upgrade to FY2023 Energy Markets earnings outlook		

Please find attached a release on the above subject.

Regards

Authorised for lodgement by:
Helen Hardy
Company Secretary

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ASX/Media release

1 May 2023

Upgrade to FY2023 Energy Markets earnings outlook

Origin Energy Limited (Origin) provides the following update to earnings guidance and operating conditions for the 2023 financial year. This guidance is provided on the basis that market conditions and the regulatory environment do not materially change.

For FY2023, Origin now expects Energy Markets Underlying EBITDA to be between $950 million and $1,200 million. Origin had previously guided towards the higher end of the $600 million to $730 million range. The increase in expected earnings is mainly driven by a stronger than expected contribution from Octopus Energy in the UK and an improvement in the underlying performance of the Energy Markets business. There is also a benefit from additional coal supply secured at a lower cost.

In the UK, following a volatile first half, market conditions have stabilised over the winter period and Octopus has seen a rapid return to more normal trading conditions. With the more volatile shoulder period concluded, Origin now expects to record a significant positive EBITDA contribution from Octopus in FY2023. Following the recent acquisition of Bulb, Octopus is now the second largest energy retailer by customer accounts. This, together with strong momentum in Kraken licensing, positions in international markets and across other energy services, means Octopus is well positioned to grow revenue and EBITDA margins as the energy transition continues to accelerate.

As certain acquisition accounting matters relating to Bulb are yet to be finalised, there is a wider than normal range of reported earnings outcomes for Octopus at this stage.

Underlying performance of Origin's domestic Energy Markets business has also improved. Optimisation of Origin's flexible electricity generation and gas supply portfolios in a lower wholesale price environment has reduced energy procurement costs and is expected to provide an earnings benefit over the balance of the financial year across both electricity and gas.

In addition, on 23 December 2022 the NSW Government introduced a legislated domestic coal price cap, which is intended to place downward pressure on consumer electricity prices. Since the introduction of the price cap, forward wholesale electricity prices have reduced, and this is expected to have a positive impact on consumer tariffs from FY2024. Origin has also been able to contract additional coal supply at the capped price of $125/tonne which, together with higher than anticipated deliveries of legacy-priced coal, has resulted in lower coal supply costs for FY2023.

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