



MACQUARIE
ACN 002 574 923

Macquarie Private Wealth

Snapshot

Beach Energy

Business Description

Beach Energy Limited (BPT, formerly Beach Petroleum) holds interests in more than 300 exploration and production tenements in Australia, New Zealand, Papua New Guinea, Egypt, Spain and Albania. As at 1 July 2009, BPT's Proved and Probable recoverable reserves were 66 million barrels of oil equivalent (mmboe) and contingent resources were 293 mmboe.

Strategy Analysis

The company strategy is focused on maintaining a balanced exposure to risk and reward across existing exploration and development projects. Further investment opportunities will be based on affordability and use of low pollutant energy. It is important to BPT that strategic planning allows for flexibility as well as growth. Beach Petroleum reported NPAT of \$260.4m for the year ended 30 June 2009. Revenue from ordinary activities were \$986.76m, up 44% from last year. Basic and Diluted EPS were 25.21 cents compared to 7.12 cents last year. Net operating cash flow was \$173.26m compared to \$199.8m last year. The final dividend declared was 1 cent, taking the full year dividend to 3.75 cents compared with 1.75 cents last year.

28 July 2010

Recommendation

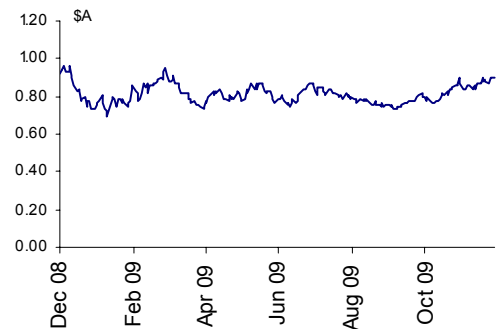
Recommendation: Outperform
Relative to: Small Ind (ex Fins)

Investment Fundamentals

ASX code: BPT
Stock price: \$0.69
Market cap: \$754m

	Y/E 30/06/2010	2010e	2011e	2012e	2013e
Reported e	\$m	34.3	55.3	79.2	101.1
Adjusted e	\$m	40.4	55.3	79.2	101.1
EPS adjusted	¢	3.8	5.1	7.2	9.2
EPS growth	%	-39.8	33.9	43.3	27.1
PE	x	18.3	13.6	9.5	7.5
PE relative	x	1.0	1.1	0.9	0.8
DPS	¢	1.8	0.0	0.0	
Yield	%	2.5			
Franking	%	10.0	0.0	0.0	

Share Price



Source: ASX and Company accounts

Segment Performance

Results by Industry	Revenue (%)	Return on Sales (%)	Return on Assets (%)	Annual Shareholders' Return	
				1 year	3 year
Hydrocarbons	100.0	100.0	100.0	-14.0%	-17.0%
Total	100.0	100.0	100.0	1.0%	12.0%
Results by Geography				Dividend Reinvestment Plan	Yes
Australia	100.0	100.0	100.0	Shareholder Discounts	No
Total	100.0				

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