BY ELECTRONIC LODGEMENT **ASX ANNOUNCEMENT**

CALTEX

CALTEX AUSTRALIA LIMITED
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14 December 2012

Company Announcements Office
Australian Securities Exchange

CALTEX AUSTRALIA LIMITED
2012 FULL YEAR PROFIT OUTLOOK

An *ASX Release* titled "2012 full year profit outlook" is attached for immediate release to the market.

Peter Lim
Company Secretary

Contact number: **(02) 9250 5562 / 0414 815 732**

Attach.

CALTEX

ASX Release

For immediate release

14 December 2012

2012 full year profit outlook

Key points:

- **Full year historic cost profit (HCOP) outlook $45million - $65 million including significant items**
- **Full year RCOP[1] NPAT outlook $455 million - $475 million before significant items**
- **Another record Marketing result.**
- **Refining & Supply benefits from a higher Caltex Refiner Margin (CRM), lower depreciation charge and good operational performance**
- **Significant items of around $440 million (pre-tax), including $430 million Kurnell closure**

Results guidance	**Full Year ended 31 December**	
	2012 outlook	**2011**
Historic Cost result after tax	**$M**	**$M**
Including significant items	**$45- 65**	**(714)**
Excluding significant items	$355-375	402
RCOP result:		
After tax		
Excluding significant items	**$455-475**	**264**
Including significant items	$145-165	(852)
Before interest and tax		
Excluding significant items	$750-780	442
Including significant items	$310-340	(1,152)

Historic cost profit

On an historic cost profit basis, Caltex expects an after tax profit in the range of $45 million – $65 million for the 2012 full year, including significant items of approximately $310 million (after tax). This compares to the 2011 full year result of a $714 million loss, including significant items of $(1,116) million (after tax). The 2012 outlook includes a forecast product and crude oil inventory loss of approximately $100 million after tax, compared with an inventory gain of $138 million after tax in 2011.

Significant items of approximately $440 million (pre-tax discounted basis) include the previously announced provisions of $430 million in respect of future costs relating to the closure of the Kurnell refinery. This includes employment benefits, refinery dismantling and clean-up costs.

Replacement Cost Operating Profit

On an RCOP basis, Caltex forecasts an after tax profit for the 2012 full year of $455 million to $475 million, excluding significant items. This outlook compares with $264 million for the 2011 full year, excluding significant items. The higher 2012 result is due to continued growth in Marketing earnings, with another record Marketing result, and an excellent operational performance across all parts of the supply chain. Improved refinery reliability and higher production volumes at both Lytton and Kurnell

[1] The replacement cost of sales operating profit (RCOP) excludes the impact of the fall or rise in oil prices (a key external factor) and presents a clearer picture of the company's underlying business performance. It is calculated by restating the cost of sales using the replacement cost of goods sold rather than the historic cost, including the effect of contract based revenue lags.

refineries allowed the refineries to benefit from a period of strong regional refiner margins. The RCOP result also benefitted from a lower depreciation charge following the impairment of the refinery assets in 2011.

Marketing Performance

Marketing continues to focus on its core strategy of driving sales of premium product fuels, diesel (including Vortex diesel), jet and lubricants, with record volumes achieved to date for each of these products. These growth areas have offset the ongoing trend of declining unleaded petrol sales. The increased penetration of our premium products, complemented by modest on-going growth initiatives, are expected to see Marketing deliver another record EBIT result for 2012, in the range of $730 million to $740 million (2011: $697 million).

Refining & Supply

Improved refinery reliability during the second half has resulted in near record production of petrol, diesel and jet fuel, allowing both the Lytton and Kurnell refineries to take advantage of a period of strong refiner margins. Refining & Supply is expected to deliver an EBIT result of approximately $100 million, the majority of which has been contributed by Lytton. Lytton has leveraged its more advantaged hardware to deliver a significantly improved profit result. Despite Kurnell's improved operational performance in the second half of 2012, the refinery's poor competitive position will continue to adversely impact its ability to generate acceptable returns over time. The refinery remains on track to close in late 2014.

The Caltex Refiner Margin (CRM) on a November year to date basis has averaged US$11.73/bbl (including a second half average of approximately US$13.74/bbl). This compares favourably to the first half (H1 2012 average: US$9.87/bbl) and prior year (2011: US$7.98/bbl) comparatives. A lower depreciation expense following the 2011 asset impairment charge has also boosted the underlying result.

Debt position

Net debt at 31 December 2012 is forecast to be approximately $750 million, compared with $617 million at 31 December 2011.

Caltex is committed to maintaining a BBB+ credit rating.

Notes

The forecast results for the 2012 full year are subject to audit and normal period end close processes.

The forecast results assume a December year end AUD/USD exchange rate of 104.5 cents, a December average unlagged CRM[2] of around US$13.00/bbl and a December average Dated Brent crude benchmark of around US$110/bbl. Small changes in these key externalities during the balance of the month of December 2012 can materially affect both the RCOP and historic cost results for the full year.

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[2] The Caltex Refiner Margin (CRM) represents the difference between the cost of importing a standard Caltex basket of products to Eastern Australia and the cost of importing the crude oil required to make that product basket. The CRM calculation represents: average Singapore refiner margin + product quality premium + crude discount/(premium) + product freight - crude freight - yield loss.