BY ELECTRONIC LODGEMENT **ASX ANNOUNCEMENT**

CALTEX

CALTEX AUSTRALIA LIMITED
ACN 004 201 307

LEVEL 24, 2 MARKET STREET
SYDNEY NSW 2000 AUSTRALIA

---

27 June 2013

Company Announcements Office
Australian Securities Exchange

CALTEX AUSTRALIA LIMITED
2013 HALF YEAR PROFIT OUTLOOK

An *ASX Release* titled "2013 half year profit outlook" is attached for immediate release to the market.

Peter Lim
Company Secretary

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

Attach.

ASX Release
For immediate release
27 June 2013

2013 half year profit outlook

Key points:

- **Half year Historic Cost Profit (HCOP) outlook $180 million - $200 million**
- **Half year Replacement Cost Operating Profit (RCOP[1]) outlook $160 million - $175 million**
- **Resilient underlying Marketing & Distribution result adversely impacted by one-offs (around $11 million, before tax)**
- **Fall in Australian dollar has negative short term Refining & Supply profit impact (around $45 million, before tax), but longer term benefit through higher Australian dollar refiner margin**
- **Kurnell conversion continues to be on schedule**

Results summary	**Half year ended 30 June**	
	2013 outlook $M	**2012 $M**
Historic Cost Profit after tax	**180-200**	167
RCOP profit:		
After tax	**160-175**	197
Before interest and tax	**270-290**	329

Historic Cost Profit

On an Historic Cost Profit basis, Caltex expects an after tax profit in the range of $180 million to $200 million for the half year ended 30 June 2013. The half year outlook includes forecast product and crude oil inventory gains of approximately $20 million after tax, compared with product and crude oil inventory losses of $30 million after tax for the half year to 30 June 2012.

Replacement Cost Operating Profit

On a Replacement Cost Operating Profit (RCOP) basis, Caltex forecasts an after tax profit of $160 million to $175 million for the first half of 2013. This compares with $197 million for the first half of 2012.

Marketing & Distribution performance

The Marketing and Distribution result for the first half of 2013 has been adversely impacted by the sudden and significant fall in the Australian dollar during May and June (approximately $5 million), as well as the impact of the loss of premium petrol sales into the Sydney market following the recent pipeline outage from the Kurnell refinery (approximately $6 million). This issue has now been resolved and supply is gradually returning to normal.

Including the above impacts, Marketing and Distribution is expected to deliver an EBIT of approximately $365 million for the first half of 2013, compared with $367 million for the same period in

[1] The Replacement Cost 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 historical cost, including the effect of contract based revenue lags.

2012. Adjusting for the two one-off impacts above, the underlying Marketing and Distribution business continues to perform well in a competitive market.

Sales volumes of high value transport fuels are expected to be broadly in line with prior year (7.8 billion litres). This is despite the loss of a large mining supply contract in the second quarter of 2012, and the impact of the Sydney premium petrol supply interruption during June this year. Despite the lost volumes associated with the Sydney premium petrol supply interruption, sales of Vortex premium petrols are expected to grow by approximately 4% compared with the same period last year. This was offset by the ongoing decline in regular unleaded petrol sales. Total diesel sales are expected to be approximately 4% higher than last year, driven by higher retail Vortex diesel sales.

Refining and Supply performance

Refining and Supply is expected to make an RCOP EBIT loss of approximately $50 million in the first half. This result includes a number of one-off impacts. The sudden and significant fall in the Australian dollar will result in a net loss on US dollar payables of approximately $45 million in the first half of 2013. The actual loss was mitigated by the company's policy of hedging 50% of the outstanding payables. In addition, an unplanned outage at the Lytton refinery during May adversely impacted production volumes of transport fuels by around 100 million litres. The lower production and associated costs, combined with the Sydney premium petrol supply interruption, together negatively impacted the Refining and Supply result by approximately $20 million.

The Singapore Weighted Average Margin is forecast to be approximately US$14.50/bbl for the first half of 2013, compared to US$14.73/bbl in the prior corresponding period. The average Caltex Refiner Margin for the six months to 30 June 2013 is forecast to be approximately US$12.00/bbl. This is above the prior year equivalent of US$9.87/bbl.

Fall in Australian dollar – negative short term impact, longer term benefit

The significant fall in the Australian dollar from 104 US cents at 30 April 2013 to approximately 93 US cents has had a short term negative impact on the company's earnings during the first six months of 2013. This includes a net exchange loss of approximately $45 million on US dollar denominated crude and product payables (mitigated by the company's policy of hedging 50% of the outstanding payables), and the lag in passing the currency impact through to our retail and commercial channels (impact approximately $5 million).

A lower Australian dollar will have a favourable impact on the Australian dollar refiner margins. By way of illustration and assuming all other assumptions remain constant, at an average Caltex Refiner Margin of US$10/bbl, the recent 11% depreciation of the Australian dollar to 93 US cents should result in the higher Australian dollar refiner margin offsetting the negative foreign exchange impacts in the first half of 2013 within approximately six months.

Debt position

Net debt at 30 June 2013 is forecast to be approximately $750 million, compared with $780 million at 30 June 2012.

Notes

The forecast results for the 2013 half year are subject to audit and normal period end close processes.

The forecast results are premised on an AUD/USD exchange rate at 30 June 2013 of 93 US cents, a June average lagged CRM of US$12.00/bbl, with the Dated Brent crude benchmark averaging US$103.00/bbl for June.

Any changes in key externalities such as the AUD/USD exchange rate, refiner margins and crude oil prices from those assumed in the profit outlook can have material impacts on both the RCOP and historic cost results for the half year.

Analyst contact
Rohan Gallagher
GM, Investor & Corporate Affairs
Phone: 02 9250 5247
Email: rohan.gallagher@caltex.com.au

Media contact
Sam Collyer
Senior Media Adviser
Phone: 02 92505094
Email: sam.collyer@caltex.com.au

---

[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.