BY ELECTRONIC LODGEMENT **ASX ANNOUNCEMENT**

CALTEX AUSTRALIA LIMITED
ACN 004 201 307

LEVEL 24, 2 MARKET STREET
SYDNEY NSW 2000 AUSTRALIA

26 August 2013

Company Announcements Office
Australian Securities Exchange

CALTEX AUSTRALIA LIMITED

2013 HALF YEAR RESULTS FOR ANNOUNCEMENT TO THE MARKET

2013 HALF YEAR REPORT AND 2013 HALF YEAR FINANCIAL REPORT

Caltex Australia Limited (Caltex) attaches the *2013 Half Year Report* for the half year ended 30 June 2013 for immediate release to the market.

The *2013 Half Year Report* includes the information set out in Appendix 4D (under ASX Listing Rule 4.2A) and incorporates the *2013 Half Year Financial Report* (under the *Corporations Act*).

The *2013 Half Year Report* (including the *2013 Half Year Financial Report*) should be read in conjunction with Caltex's *2012 Financial Report*.

Peter Lim
Company Secretary

Phone: **(02) 9250 5562 / 0414 815 732**

Attach.

CALTEX AUSTRALIA LIMITED

ACN 004 201 307

2013 HALF YEAR REPORT

RESULTS FOR ANNOUNCEMENT TO THE MARKET

HALF YEAR INFORMATION GIVEN TO THE ASX
UNDER LISTING RULE 4.2A

THE 2013 HALF YEAR REPORT SHOULD BE READ IN
CONJUNCTION WITH THE 2012 FINANCIAL REPORT

CALTEX AUSTRALIA LIMITED
LEVEL 24, 2 MARKET STREET
SYDNEY NSW 2000 AUSTRALIA

Results for Announcement to the Market

Key Results (Millions of dollars)			Half year ended 30 June	
			2013	2012
Revenues from ordinary activities	↓	3%	11,495	11,794
Profit from ordinary activities after tax/net profit for the period attributable to members:				
Historical cost basis	↑	17%	195	167
Replacement cost basis[1]	↓	13%	171	197

Dividend	2013	2012
Dividends declared:		
Interim dividend:		
- Amount per security (fully franked)	17c	17c
Final dividend		
- Amount per security (fully franked)	N/A	23c
Record date for determining entitlement to 2013 interim dividend		10 September 2013
Date 2013 interim dividend is payable		2 October 2013

Comments update

- On an historic cost profit basis, Caltex's after tax profit was $195 million for the first half of 2013, which favourably compares with $167 million for the first half of 2012. The 2013 half year includes crude and product inventory gains of $24 million after tax. This compares with crude and product inventory losses of $30 million after tax for the previous half year to 30 June 2012.
- On a replacement cost of sales operating profit (RCOP) basis, Caltex's after tax profit was $171 million for the first half of 2013. This compares with $197 million for the first half of 2012.
- Caltex remains committed to maintaining its BBB+ credit rating. Net debt at 30 June 2013 was $729 million, compared with $740 million at 31 December 2012. This equates to a gearing ratio of 24% (net debt / net debt plus equity). On a lease adjusted basis, gearing was 34%. Caltex's strong balance sheet provides the financial flexibility to enable Caltex to successfully convert Kurnell to a leading import terminal and continue to invest in growth opportunities.
- The Board declared an interim dividend of 17 cents per share fully franked.

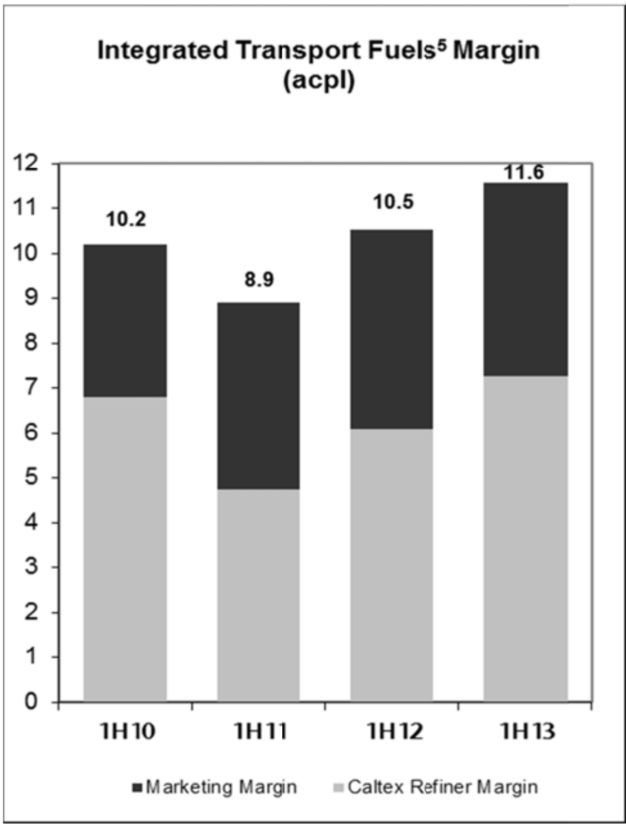
[1] Replacement Cost Operating Profit (RCOP) including significant items (on a pre and post tax basis) is a non International Financial Reporting Standards (IFRS) measure. It is derived from the statutory profit adjusted for inventory (losses)/gains as management believes this presents a clearer picture of the company's underlying business performance as it is consistent with the basis of reporting commonly used within the global refineries industry. This is un-audited. 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.

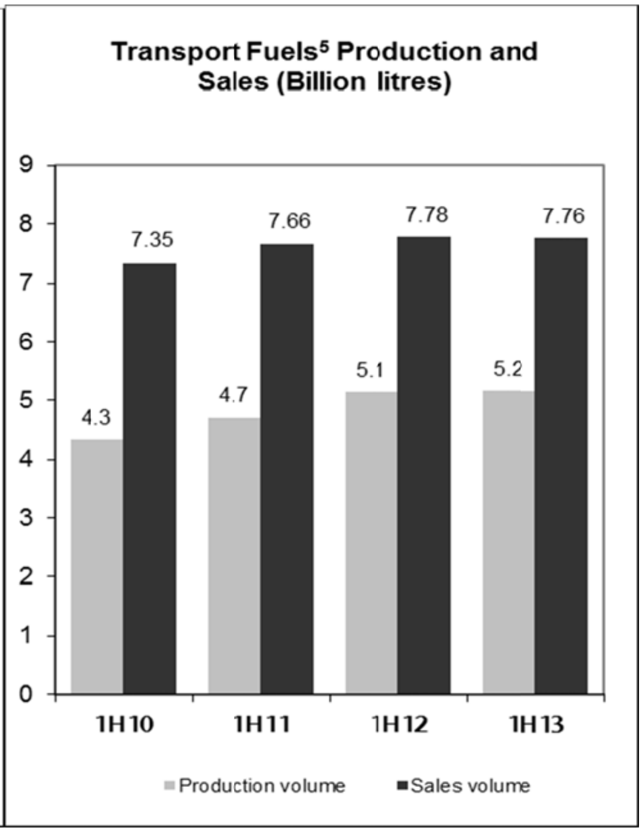
[2] The Caltex Refiner Margin (CRM) represents the difference between the cost of importing a standard Caltex basket of products to Eastern Australia and the cost of importing the crude oil required to make that product basket. The CRM calculation represents: average Singapore refiner margin + product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

[3] Additional Appendix 4D disclosure requirements can be found in the Directors' Report and the 30 June 2013 half year financial statements.

Key Performance Indicators

	Half year ended 30 June				
	2013	2012	2011	2010	2009
Profit before interest and tax ($m)					
- Historical cost basis (including significant items)	319	285	416	230	526
- Historical cost basis (excluding significant items)[1]	319	285	416	250	526
- Replacement cost basis (including significant items)	284	329	193	240	433
- Replacement cost basis (excluding significant items)[2]	284	329	193	261	433
Profit after interest and tax ($m)					
- Historical cost basis (including significant items)	195	167	270	141	362
- Historical cost basis (excluding significant items)[1]	195	167	270	155	362
- Replacement cost basis (including significant items)	171	197	113	149	298
- Replacement cost basis (excluding significant items)[2]	171	197	113	163	298
Inventory gains/(losses) before tax ($m)	34	(44)	224	(11)	93
Basic earnings per share (cents)					
- Historical cost basis (including significant items)	72.2	61.8	99.9	52.3	134.2
- Replacement cost basis (excluding significant items)[2]	63.3	73.1	41.9	60.3	110.2
Return on equity attributable to members of the parent entity after tax, annualised (%)					
- Historical cost basis (including significant items)[3]	17	15	17	9	25
- Replacement cost basis (excluding significant items)[3]	15	17	7	11	20
Net tangible asset backing per share ($)[4]	8.06	8.13	11.73	10.76	10.60
Net debt ($m)	729	780	675	576	560
Gearing (net debt to net debt plus equity) (%)	24	25	17	16	16





[1] Historical cost basis excluding significant items (on a pre and post tax basis) is a non IFRS measure. It is derived from the statutory profit adjusted for significant items relating to restructuring, redundancy and other related costs. Significant items are events that Management and the Board consider to be outside the scope of usual business. These are excluded to give a clearer reflection of underlying financial performance from one period to the next. This is un-audited.

[2] This is derived from RCOP including significant items adjusted for significant items relating to restructuring, redundancy and other related costs. Significant items are events that Management and the Board consider to be outside the scope of usual business. These are excluded to give a clearer reflection of underlying financial performance of the core business from one period to the next. This is un-audited.

[3] This is a non-IFRS un-audited measure that management and the Board consider key for users of the financial statements.

[4] Net tangible asset backing per share is derived by dividing net tangible assets by the number of shares issued. Net tangible assets are net assets attributable to members of Caltex less intangible assets. The weighted average number of ordinary shares used in the calculation of net tangible assets per share was 270 million (2012: 270 million).

[5] Transport fuels comprise unleaded petrol, diesel and jet. Note that the transport fuels marketing margin applies to total transport fuels sales, whereas the Caltex Refiner Margin applies only to sales from production.

INCOME STATEMENT

for the half year ended 30 June 2013

	Millions of dollars	2013	2012
1	Total revenue	11,495	11,794
2	Total expenses[1]	(11,172)	(11,461)
3	Net foreign exchange loss	(39)	(4)
4	**Replacement cost EBIT**	**284**	**329**
	Finance income	4	-
	Finance expenses	(58)	(48)
5	**Net finance costs**	**(54)**	**(48)**
	Income tax expense[2]	(59)	(84)
	Replacement cost profit (RCOP)	**171**	**197**
6	Inventory gain/(loss) – after tax	24	(30)
	Historical cost net profit after tax	**195**	**167**
7	Interim dividend per share	17c	17c
	Final dividend per share	N/A	23c
	Basic earnings per share		
	- Historical cost	72.2c	61.8c
	- Replacement cost	63.3c	73.1c

Discussion and analysis

1 Total revenue ↓ **3%**	Total revenue decreased primarily due to: • Lower fuel sales volumes than in the prior period (2013: 10.2 billion litres vs. 2012: 10.3 billion litres); and • The impact of lower average product prices, primarily driven by lower average crude prices. Brent crude oil prices decreased from an average of US$113/bbl in 1H12 to US$107/bbl in 1H13.
2 Total expenses – replacement cost basis ↓ **3%**	Total expenses decreased 3% in line with the decrease in total revenue.
3 Net foreign exchange loss ↑ **$35m**	The significant fall in the Australian dollar from 103.7 cents at 31 December 2012 to 92.6 cents at 30 June 2013 resulted in an exchange loss for the half year of $39 million. The gross exchange loss of $85 million was offset by hedging benefits of $46 million.

[1] Excludes finance expenses of $58 million (2012: $48 million) and inventory gains of $34 million (2012: losses of $44 million).

[2] Excludes tax benefit/(loss) on inventory (gains)/losses of $(10) million (2012: $14 million).

INCOME STATEMENT (continued)

for the half year ended 30 June 2013 (continued)

Discussion and analysis (continued)

4 Replacement cost EBIT **↓ 14%**	Replacement cost earnings before interest and tax (EBIT) decrease is largely attributable to: • The sudden and significant fall in the Australian dollar resulted in a net loss (after hedging) on US dollar payables of $39 million in the first half of 2013 (1H12 net loss $4 million), and resulted in a 7 day lag which was $37m unfavourable to prior period; • Refinery and Supply earnings were also impacted by higher depreciation ($27 million higher than 1H12); and • Loss of sales and additional operational expenses as a result of an unplanned outage at the Lytton refinery in May 2013 and a subsequent Sydney premium gasoline pipeline outage from the Kurnell refinery during June. Offsetting these impacts was a higher Caltex Refiner Margin.

RCOP EBIT breakdown[1]

Caltex refiner margin (CRM) **$367m**	**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 basically represents: average Singapore refiner margin + product quality premium + crude discount / (premium) + product freight – crude freight – yield loss.** US dollar CRM was higher in the first half of 2013 at US$11.76/bbl compared with US$9.87/bbl for the first half of 2012. In AUD terms, the CRM was 7.27 Australian cents per litre in 2013, compared with 6.09 Australian cents per litre in 2012 driven by the higher USD margin. CRM sales from production volumes were lower in 1H13 (1H13: 5.1 billion litres vs. 1H12: 5.2 billion litres).
Transport fuels marketing margin **$340m**	**Transport fuels comprise petrol, diesel and jet. The transport fuels marketing margin is based on the average net margin over Import Parity Price in Australia.** Transport fuel volumes are broadly in line with the prior period (2013: 7.76 billion litres vs. 2012: 7.78 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 2013. Overall gasoline sales volumes have declined in the period by about 4%. Premium fuel sales volumes continue to grow with sales of 1.6 billion litres compared to 1.4 billion litres for the same period last year. This was offset by the ongoing decline in regular unleaded petrol sales due to the ongoing increase in sales of vehicles requiring diesel or premium grades of gasoline. Diesel volumes are up 4% across all segments of Caltex's business while Jet fuel volumes have decreased 2%.
Lubricants and specialties margin **$72m**	**Lubricants and specialties products include finished lubricants, base oils, liquefied petroleum gas, petrochemicals, bitumen and marine fuels.** Specialty products sales increased by 5% in 2013, driven by strong bitumen sales. Finished lubricants business result was in line with the prior half year.
Non fuel income **$88m**	**Non fuel income includes convenience store income, franchise income, royalties, property, plant and equipment rentals, StarCard income and share of profits from non-controlled equity distributors.** Non-fuel income has decreased by 4% due to lower franchise and royalty income.
Operating expenses **($549m)**	**Operating expenses in this caption includes Refining and Supply, Marketing, Corporate and other operating expenditure.** The major drivers of the operating expenses increase of $78 million are: • Higher depreciation expense ($28 million); • Higher salaries and wages expenses ($14 million); • Project expenditure in respect of the Kurnell conversion process ($9 million); • Higher maintenance spend at Lytton refinery ($10 million); and • Higher operating expenses related to the unplanned outage at the Lytton refinery and the Sydney premium gasoline pipeline outage from the Kurnell refinery ($4 million).
Other **($34m)**	Other includes a number of miscellaneous items that typically include: foreign exchange impacts, loss on disposal of assets and subsidiary earnings. The most significant impact was the net foreign exchange loss of approximately $39 million (after hedging).
Total RCOP EBIT **$284m**	

[1] The breakdown of RCOP shown here represents a management reporting view of the breakdown and as such individual components may not reconcile to statutory accounts.

Discussion and analysis (continued)

5 Net finance costs ↑ **13%**	Net finance costs increased by $6 million compared with 1H12 due to the net impact of: • The higher cost of funding arising from the $550 million Subordinated Notes Issue; • Increase in non-cash discounting expense relating to changes in provisions; and • Increased interest received due to higher levels of cash on deposit during 2013.
6 Inventory gain after tax ↑ **$54m**	The inventory gain of $34 million ($24 million after tax) in 2013 is driven by the significant fall in the Australian dollar. Whilst the USD Brent Crude oil price fell during the half, the significant fall in the Australian dollar resulted in an increase in the Australian dollar cost of crude. The inventory loss of $44 million ($30 million after tax) in 2012 resulted from a decrease in the regional crude price at the end of the first half in 2012.
7 Interim dividend	The Board declared an interim fully franked dividend of $45.9 million or 17 cents per share. The dividends have a franking credit of 100%. The record date is 10 September 2013, with the dividend payable on 2 October 2013.

BALANCE SHEET
as at 30 June 2013

	Millions of dollars	June 2013	Dec 2012	Change
1	Working capital	1,116	1,108	8
2	Property, plant and equipment (PP&E)	1,861	1,770	91
3	Net debt	(729)	(740)	11
4	Other non-current assets and liabilities	44	22	22
	Total equity	2,292	2,160	132

Discussion and Analysis

1 Working capital

↑ $8m

The increase in working capital is due to higher inventory levels at 30 June 2013 offset by higher payables.

Inventory is higher as a result of inventory build due to the supply issues from the pipeline outage from the Kurnell refinery in June 2013.

Payables are higher due to timing of local and international purchases.

2 PP&E

↑ $91m

The increase in property, plant and equipment is due to:

- capital expenditure and accruals, including major cyclical maintenance, of $174 million.

This is partly offset by:

- depreciation of $80 million, and
- disposals of $3 million.

3 Net debt

↓ $11m

Net debt was $729 million at 30 June 2013, a decrease of $11 million from 31 December 2012.

As a result of this decrease in debt, Caltex's gearing at 30 June 2013 (net debt to net debt plus equity) was 24.1%, decreasing from 25.5% at 31 December 2012. On a lease-adjusted basis, gearing at 30 June 2013 was 34.1% compared with 40% at 31 December 2012.

4 Other non-current assets and liabilities

↑ $22m

Other non-current assets and liabilities have increased due to a reduction in non-current provisions in relation to site remediation provisions. This has been offset by a decrease in the deferred tax asset due to timing differences between the accounting and tax treatment of provisions and depreciation.

CASH FLOWS

for the half year ended 30 June 2013

	Millions of dollars	2013	2012	Change
1	Receipts from customers	13,146	13,530	(384)
2	Payments to suppliers and employees	(10,310)	(10,861)	551
3	Payments for excise	(2,506)	(2,493)	(13)
	Finance costs paid	(46)	(42)	(4)
4	Tax and other activities	(40)	(65)	25
	Net operating cash inflows	**244**	**69**	**175**
	Purchases of property, plant and equipment (PP&E) and major cyclical maintenance	(172)	(141)	(31)
	Other investing cash flows	(2)	(12)	10
	Net investing cash outflows	**(174)**	**(153)**	**(21)**
	Dividends paid	(62)	(76)	14
	Other financing cash (outflows)/inflows	(2)	175	(177)
5	**Net financing cash (outflows)/inflows**	**(64)**	**99**	**(163)**
	Net increase in cash held	**6**	**15**	**(9)**

Discussion and analysis

1 Receipts from customers ↓ $384m	Receipts from customers decreased primarily due to lower fuels sales volumes than in the prior period (2013: 10.2 billion litres vs. 2012: 10.3 billion litres) and the impact of lower average product prices.
2 Payments to suppliers & employees ↓ $551m	Payments to suppliers decreased as a result of lower cost of sales, reflecting the decrease in sales volumes above and also due to the timing of crude and product payments.
3 Payments for excise ↑ $13m	Excise payments are materially in line with 2012 due to transport fuel sales year on year remaining almost steady (2013: 7.76BL vs. 2012: 7.78BL). The decrease in total sales volumes for 2013 (2013: 10.2BL vs. 2012: 10.3BL) was driven by lower intra industry sales, which are not subject to excise until a later point in time.
4 Tax and other activities ↓ $25m	The decrease in tax paid in 2013 is related to a reduction in the tax instalment rate (which influences the timing of payments) after the lodgement of the 2011 income tax return in July 2012.
5 Net financing cash (outflows)/inflows ↓ $163m	Net financing cash flow has moved from an inflow in 2012 to an outflow in 2013. The net cash outflow in 2013 relates largely to the payment of the final 2012 dividend. There was no net drawdown or repayment of borrowings to June 2013. The net cash inflow in 2012 relates to the payment of the final 2011 dividend and a drawdown of borrowings of $175 million.

2013 HALF YEAR FINANCIAL REPORT

FOR

CALTEX AUSTRALIA LIMITED

ACN 004 201 307

The 2013 Half Year Financial Report for Caltex Australia Limited includes the:

- Directors' Report
- Directors' Declaration
- Independent Review Report
- Half Year Financial Statements
- Notes to the Half Year Financial Statements

for the half year ended 30 June 2013

Caltex Australia Group

For the purposes of this report, the Caltex Australia Group refers to:

- Caltex Australia Limited, which is the parent company of the Caltex Australia Group and is listed on the Australian Securities Exchange (ASX)
- our major operating companies, including Caltex Australia Petroleum Pty Ltd, Caltex Refineries (NSW) Pty Ltd, Caltex Refineries (Qld) Pty Ltd, Caltex Petroleum Services Pty Ltd and Calstores Pty Ltd
- a number of wholly owned entities and other companies that are controlled by the Group

Please note that terms such as Caltex and Caltex Australia have the same meaning in this report as the Caltex Australia Group, unless the context requires otherwise.

THE 2013 HALF YEAR FINANCIAL REPORT SHOULD BE READ IN CONJUNCTION WITH THE 2012 FINANCIAL REPORT

Directors’ Report

Introduction

The Board of Caltex Australia Limited presents the 2013 Half Year Directors’ Report and the 2013 Half Year Financial Report for Caltex Australia Limited and its controlled entities (the Caltex Australia Group) for the half year ended 30 June 2013. An Independent Review Report from KPMG, Caltex’s external auditor, is also provided.

Board of directors

The Board of Caltex Australia Limited comprises Ms Elizabeth Bryan (Chairman), Mr Julian Segal (Managing Director & CEO), Mr Trevor Bourne, Mr Richard Brown, Ms Barbara Burger, Mr Greig Gailey, Mr Ryan Krogmeier and Mr Bruce Morgan.

Mr Brown, Ms Burger and Mr Krogmeier each serve as alternate directors for each other.

The following changes to the composition of the Board have occurred since 1 January 2013:

Directors

- Mr John Thorn retired as a director from 9 May 2013.
- Mr Bruce Morgan was appointed as a director from 29 June 2013.

Alternate directors

- Ms Colleen Jones-Cervantes’ appointment as alternate director for Mr Brown, Ms Burger and Mr Krogmeier ended on 25 July 2013.
- Mr Brown, Ms Burger and Mr Krogmeier were appointed as alternate directors for each other from 26 July 2013.

Board profiles

Ms Elizabeth Bryan AM	Chairman (Non-executive/Independent)
Date of appointment – Director:	18 July 2002
Date of appointment – Chairman:	1 October 2007
Board committees:	Nomination Committee (Chairman) and attends meetings of the Audit Committee, Human Resources Committee and OHS & Environmental Risk Committee in an ex-officio capacity

Elizabeth brings management, strategic and financial expertise to the Caltex Board. She has over 30 years of experience in the financial services industry, government policy and administration, and on the boards of companies and statutory organisations. Prior to becoming a professional director, she served for six years as Managing Director of Deutsche Asset Management and its predecessor organisation, NSW State Superannuation Investment and Management Corporation.

Elizabeth is a director of Westpac Banking Corporation (appointed November 2006) and a member of the Federal Government’s Takeovers Panel (from 8 March 2012). She was previously the Chairman of UniSuper Limited (where she served as a director from January 2002 to June 2011).

Elizabeth holds a Bachelor of Arts (Economics) from the Australian National University and a Master of Arts (Economics) from the University of Hawaii (US).

Board profiles (continued)

Mr Julian Segal	Managing Director & CEO
Date of appointment:	1 July 2009

Julian is responsible for overseeing the Group’s day-to-day operations and brings extensive commercial and management experience to Caltex.

Julian joined Caltex from Incitec Pivot Limited, a leading global chemicals company, where he served as the Managing Director & CEO from June 2005 to May 2009. Prior to Incitec Pivot, Julian spent six years at Orica in a number of senior management positions, including Manager of Strategic Market Planning, General Manager – Australia / Asia Mining Services, and Senior Vice President – Marketing for Orica Mining Services.

Julian holds a Bachelor of Science (Chemical Engineering) from the Israel Institute of Technology and a Master of Business Administration from the Macquarie Graduate School of Management.

Julian is a director of the Australian Institute of Petroleum Limited (appointed 1 July 2009).

Mr Trevor Bourne	Director (Non-executive/Independent)
Date of appointment:	2 March 2006
Board committees:	OHS & Environmental Risk Committee (Chairman), Audit Committee, Human Resources Committee and Nomination Committee

Trevor brings to the Board broad management experience in industrial and capital intensive industries, and a background in engineering and supply chain. From 1999 to 2003, he served as CEO of Tenix Investments. Prior to Tenix, Trevor spent 15 years at Brambles Industries, including six years as Managing Director of Brambles Australasia. He has also previously worked for Incitec Pivot and BHP.

Trevor was previously a director of Origin Energy Limited (from February 2000 to 12 November 2012) and was the Chairman of Hastie Group Limited (where he served as a director from February 2005 until 15 February 2012).

Trevor holds a Bachelor of Science (Mechanical Engineering) from the University of New South Wales and a Master of Business Administration from the University of Newcastle.

Mr Richard Brown	Director (Non-executive)
Date of appointment:	28 June 2012
Board committees:	Nomination Committee

Richard brings to the Board over 30 years of oil industry experience with Chevron and substantial financial and management expertise. He currently serves as Chevron’s Regional Finance Officer – Asia Pacific, based in Singapore. He is responsible for financial and management reporting, credit approval, local cash management, tax matters and risk management for Chevron’s operations in the Asia Pacific region. Richard was appointed to this role from September 2012 and, prior to that, was Chevron’s General Manager – Finance for Europe, Eurasia and Middle East Opco. He has previously held a range of senior finance roles with Chevron in the UK, Europe and Africa.

Richard holds a Bachelor of Arts (Economics) from the University of Warwick (UK).

Board profiles (continued)

Ms Barbara Burger	Director (Non-executive)
Date of appointment:	28 June 2012
Board committees:	OHS & Environmental Risk Committee and Nomination Committee

Barbara brings to the Board extensive experience in marketing, manufacturing and supply chain management. She has worked for Chevron for over 25 years and is currently the President of Chevron Technology Ventures (CTV). CTV champions innovation, commercialisation and integration of emerging technologies and related new business models within Chevron; its business units include advanced biofuels, emerging energy technology and venture capital. Barbara was appointed to this role from 1 June 2013 and, prior to that, was the Vice President – Lubricants Supply Chain and Base Oil for Chevron Lubricants.

Barbara holds a Bachelor of Science (Chemistry) from the University of Rochester (US), a Doctor of Philosophy (Chemistry) from the California Institute of Technology (US) and a Master of Business Administration (Finance) from the University of California (US).

Mr Greig Gailey	Director (Non-executive/Independent)
Date of appointment:	11 December 2007
Board committees:	Human Resources Committee (Chairman), Audit Committee, Nomination Committee and OHS & Environmental Risk Committee

Greig brings to the Board extensive Australian and international oil industry experience, and a management background from industrial and capital intensive industries as well as involvement in public policy. From 1964 to 1998, he worked at British Petroleum Company (BP) where he held various positions throughout Australia and offshore, including management of refining, supply and distribution in Australia and Europe. Greig was subsequently appointed CEO of Fletcher Challenge Energy (New Zealand), a position he held from 1998 to 2001. In August 2001, he joined Pasminco Limited as CEO. Pasminco was transformed and relisted as Zinifex Limited on the ASX in April 2004, and Greig became Managing Director & CEO of Zinifex Limited from that date until standing down in June 2007.

Greig is the Chairman of ConnectEast and of the Board of Trustees of the Energy and Minerals Institute at the University of Western Australia, Deputy Chairman of the Victorian Opera Company, and a member of the advisory board of CSL Australia. He was previously a director of the Australian Davos Connection Limited (from November 2007 to September 2012).

Greig holds a Bachelor of Economics from the University of Queensland.

Mr Ryan Krogmeier	Director (Non-executive)
Date of appointment:	30 March 2012
Board committees:	Human Resources Committee and Nomination Committee

Ryan brings to the Board considerable experience in the oil and gas industry, particularly in the areas of crude and products supply and trading, risk management and financial operations. He currently serves as the Global Vice President of International Products, Joint Ventures and Affiliates for Chevron and was appointed to this role in April 2012. Ryan is based in Singapore and has over 20 years of experience working for Chevron. Previously, he was the Vice President – Americas East, Caribbean and Latin America for Chevron, in which he was responsible for strategy and profits for Chevron's downstream fuels business in those regions.

Ryan is a director of GS Caltex Corporation (in Korea), Star Petroleum Refining Co Ltd (in Thailand) and Singapore Refining Company Pte Ltd (in Singapore).

Ryan holds a Bachelor of Business Administration (Accounting) from the University of Iowa (US) and a Master of Business Administration from the University of California (US).

Board profiles (continued)

Mr Bruce Morgan	Director (Non-executive/Independent)
Date of appointment:	29 June 2013
Board committees:	Audit Committee (Chairman), Human Resources Committee, Nomination Committee and OHS & Environmental Risk Committee

Bruce brings to the Board expertise in accounting, business advisory services, risk and general management. He has served as a partner with professional services firm PwC for over 25 years. He was appointed Chairman of the PwC Board in 2005 and in 2009 was elected as a member of the PwC Global Board. Prior to that, he was managing partner of PwC's Sydney and Brisbane offices. Mr Morgan's practice as an Audit partner focused on the financial services, energy and mining sectors. He retired as a partner of PwC in October 2012.

Bruce is a director of Origin Energy Limited (appointed November 2012), Sydney Water (appointed January 2012), the University of NSW Foundation, the European Australian Business Council and Redkite. Bruce is a Fellow of the Institute of Chartered Accountants in Australia, and holds a Bachelor of Commerce Accounting and Finance from the University of NSW.

Former Directors

Mr John Thorn	Director (Non-executive/Independent)

John served as a director of Caltex Australia Limited from 2 June 2004 to 9 May 2013. He was also Chairman of the Audit Committee and a member of the Human Resources Committee and the Nomination Committee.

John has expertise in accounting and financial services, business advisory, risk and general management. He has over 37 years of professional experience with PwC, where he was a partner from 1982 to 2003 and was responsible for major international and local clients. During this period he served as the Managing Partner of PricewaterhouseCoopers' Assurance and Business Advisory Service practice from 1998 to 2001. He was the National Managing Partner of PwC until 2003.

John is a director of Amcor Limited (appointed December 2004), National Australia Bank Limited (appointed October 2003) and Salmat Limited (appointed September 2003).

John is a Fellow of the Institute of Chartered Accountants in Australia.

Ms Colleen Jones-Cervantes	Alternate director
Date of appointment:	30 March 2012 for Mr Ryan Krogmeier and 28 June 2012 for Mr Richard Brown and Ms Barbara Burger

Colleen served as alternate director for Ryan Krogmeier from 30 March 2012 and Richard Brown and Barbara Burger from 28 June 2012. Her appointment as alternate director for each of Ryan, Richard and Barbara ended on 25 June 2013.

During her appointment, Colleen served as Chevron's Vice President – Product Supply & Trading and had global responsibility for the supply of non-crude oil feedstocks to Chevron's refining system, refined products supply and trading, marine fuels marketing and biofuels supply and trading. That division operates from four trading hubs in London, Singapore, the US Gulf Coast and the US west coast and provides coverage to all of Chevron's downstream geography. Colleen is based in the US. She was previously the Vice President of Global Marketing for the Asia Pacific Region and was based in Singapore.

Colleen holds a Bachelor of Science (Mechanical Engineering) from Michigan Technological University (US).

Colleen previously served as a director of Caltex Australia Limited (June 2008 to August 2010) and as an alternate director of Caltex Australia Limited (July 2006 to May 2008 and then from September 2010 onwards).

Review of Results and Operations

General overview

On an historic cost profit basis, Caltex's after tax profit was $195 million for the first half of 2013, which favourably compares with $167 million for the first half of 2012. The 2013 half year includes crude and product inventory gains of $24 million after tax. This compares with crude and product inventory losses of $30 million after tax for the previous half year to 30 June 2012.

Replacement Cost Operating Profit

On a replacement cost of sales operating profit (RCOP) basis, Caltex's after tax profit was $171 million for the first half of 2013. This compares with $197 million for the first half of 2012.

Resilient Marketing earnings

The Marketing EBIT of $365 million for the first half of 2013 was in line with the record result of $367 million achieved in the same period in 2012. The 2013 result was adversely impacted by the sudden and significant fall in the Australian dollar during May and June (approximately $5 million), as well as the loss of premium petrol sales into the Sydney market following the pipeline outage from the Kurnell refinery during June (approximately $6 million). Adjusting for the two one-off impacts above, the underlying Marketing business continues to perform well in an increasingly competitive market.

Total sales volumes of high value transport fuels were in line with prior year (7.8 billion litres). Despite the lost volumes associated with the Sydney premium gasoline supply interruption, sales of Vortex premium gasolines grew by approximately 4% compared with the same period last year. Without the impact of the Sydney premium gasoline supply interruption, underlying premium gasoline growth was in excess of 5%. Growth in premium gasolines was offset by the ongoing market decline in regular unleaded gasoline sales.

Total diesel sales volumes continued to grow (up 4% compared with the same period in 2012), driven by a 19% increase in sales of premium Vortex retail diesel. Commercial diesel sales volumes were in line with the prior year despite a softening environment in the industrial, transport and small and medium enterprise sectors. Sales volumes to the mining sector remained robust with new contract sales volumes offsetting the impact of a major contract loss in the prior year. Whilst jet sales volumes fell 2% over the period, new contract volumes will come on stream in the second half of 2013.

Caltex continues to invest in its infrastructure and retail network. This investment is expected to positively contribute to earnings from the second half of this year.

Refining and Supply performance

Refining and Supply delivered an RCOP EBIT loss of $43 million in the first half. This compares unfavourably to a positive $2 million RCOP EBIT result in the first half of 2012.

The Singapore Weighted Average Margin was US$14.52/bbl for the first half of 2013, compared to US$14.73 in the prior corresponding period. The average Caltex Refiner Margin for the six months to 30 June 2013 was US$11.76, above the prior year equivalent of US$9.87/bbl.

The Refining and Supply result includes a number of one-off impacts (totalling approximately $60 million before tax). The sudden and significant fall in the Australian dollar resulted in a net loss (after hedging) on US dollar payables of approximately $39 million in the first half of 2013. Without the benefit of the company's policy of hedging 50% of the outstanding US dollar payables, the exchange loss would have been $85 million.

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 gasoline supply interruption, together negatively impacted the Refining and Supply result by approximately $20 million.

Operationally, production volumes of high value transport fuels were in line with prior year at 5.1 billion litres, despite the outage at Lytton.

The conversion of Kurnell refinery to a major import terminal is progressing on schedule and budget.

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

The sudden and significant fall in the Australian dollar from 104 cents at 30 April 2013 to approximately 93 US cents at 30 June 2013 had a short term impact on the company's earnings during the first six months of 2013. This includes a net exchange loss of approximately $39 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).

Review of Results and Operations (continued)

A lower Australian dollar will have a favourable impact on the Australian dollar refiner margins. By way of illustration, and assuming all other factors remain constant, at an average Caltex Refiner Margin of US$10/bbl, the 11% depreciation of the Australian dollar during May and June 2013 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.

Strong balance sheet

Caltex remains committed to maintaining its BBB+ credit rating. Net debt at 30 June 2013 was $729 million, compared with $740 million at 31 December 2012. This equates to a gearing ratio of 24% (net debt / net debt plus equity). On a lease adjusted basis, gearing was 34%. Caltex's strong balance sheet provides the financial flexibility to enable Caltex to successfully convert Kurnell to a leading import terminal and continue to invest in growth opportunities.

Dividends Declared

The Board has declared an interim fully franked dividend of 17 cents per share for the first half of 2013. The dividend reflects the reduction in the pay-out ratio (20% to 40%) during the Kurnell closure period. The record and payment dates for the interim dividend are 10 September 2013 and 2 October 2013, respectively.

Significant Events after Balance Date

No items, transactions or events of a material or unusual nature that, in the opinion of the Board, are likely to significantly affect the operations of Caltex, the results of those operations or the state of affairs of the Group in subsequent financial years, have arisen in the period from 30 June 2013 to the date of this report.

Likely Developments

Business Operations

Caltex will continue to purchase, refine, distribute and market petroleum products and operate convenience stores throughout Australia.

Outlook for the second half of 2013

Caltex's national distribution network of refineries, terminals, pipelines and depots supplies around one in every three litres of gasoline, diesel and jet fuel consumed in Australia, with a leading market share. As a result, Caltex serves a broad cross-section of the Australian economy. While this provides some resilience in earnings, Caltex operates in an increasingly competitive price environment. Caltex's willingness to invest alongside its customers ensures it is well positioned to capture growth across Australia's major market segments, such as resources, transportation, aviation and other commercial sectors. This is likely to be supported by good underlying demand across premium gasolines, diesel and jet fuels. Diesel demand is underpinned by GDP growth and the increased prevalence of new diesel cars. We expect increased airline passenger travel to contribute to steady growth in jet fuel. The shift towards higher octane, premium gasoline is also expected to continue.

Recent strength in regional US dollar refining margins is expected to continue in the short term. Whilst a lower Australian dollar will have a favourable impact on future Australian dollar refining margins, refining margins in the medium to longer term are likely to be challenged as a significant increase in regional capacity is forecast to outstrip demand.

Lead Auditor's Independence Declaration

under Section 307C of the *Corporations Act 2001*

To: the directors of Caltex Australia Limited

I declare that, to the best of my knowledge and belief, in relation to the review for the six month period ended 30 June 2013 there have been:

(i) no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the review; and

(ii) no contraventions of any applicable code of professional conduct in relation to the review.

KPMG

Greg Boydell
Partner

Sydney

26 August 2013

Rounding of Amounts

Caltex Australia Limited is an entity to which Class Order 98/100 (as issued by the Australian Securities & Investments Commission) applies. Amounts in the 2013 Half Year Directors' Report and the 2013 Half Year Financial Report have been rounded off to the nearest thousand dollars (unless otherwise stated) in accordance with this class order.

The Directors' Report is made in accordance with a resolution of the Board of Caltex Australia Limited:

EB Bryan Chairman	J Segal Managing Director & CEO

Sydney, 26 August 2013

Directors' Declaration

The Board of Caltex Australia Limited has declared that:

(a) in the directors' opinion, there are reasonable grounds to believe that Caltex Australia Limited will be able to pay its debts as and when they become due and payable; and

(b) in the directors' opinion, the consolidated financial statements for the Caltex Australia Group for the half year ended 30 June 2013, and the notes to the financial statements, are in accordance with the Corporations Act, including:

   (i) section 304 (compliance with Accounting Standards); and

   (ii) section 305 (true and fair view).

The Directors' Declaration is made in accordance with a resolution of the Board of Caltex Australia Limited.

EB Bryan	J Segal
Chairman	Managing Director & CEO

Sydney, 26 August 2013

Independent auditor's review report to the members of Caltex Australia Limited

We have reviewed the accompanying interim financial report of Caltex Australia Limited, which comprises the consolidated balance sheet as at 30 June 2013, consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated cash flow statement for the interim period ended on that date, notes 1 to 14 comprising a summary of significant accounting policies and other explanatory information and the directors' declaration of the Group comprising the company and the entities it controlled at the half-year's end or from time to time during the interim period.

Directors' responsibility for the interim financial report

The directors of the company are responsible for the preparation of the interim financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such control as the directors determine is necessary to enable the preparation of the interim financial report that is free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express a conclusion on the interim financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity,* in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the interim financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the Group's financial position as at 30 June 2013 and its performance for the interim period ended on that date; and complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As auditor of Caltex Australia Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of an interim financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001.*

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the interim financial report of Caltex Australia Limited is not in accordance with the *Corporations Act 2001*, including:

(a) giving a true and fair view of the Group's financial position as at 30 June 2013 and of its performance for the interim period ended on that date; and

(b) complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

KPMG

KPMG

G Boydell

Greg Boydell
Partner

Sydney
26 August 2013

Consolidated Income Statement

for the half year ended 30 June 2013

Thousands of dollars	Note	Consolidated 30 June 2013	30 June 2012
Revenue	2	**11,494,602**	11,793,579
Replacement cost of goods sold (excluding product duties and taxes and inventory gains)		**(8,148,579)**	(8,514,087)
Product duties and taxes		**(2,505,782)**	(2,493,022)
Inventory gains/(losses)		**34,493**	(43,646)
Cost of goods sold - historical cost		**(10,619,868)**	(11,050,755)
Gross profit		**874,734**	742,824
Net foreign exchange losses		**(38,821)**	(3,602)
Refining and Supply expenses		**(122,002)**	(80,489)
Marketing expenses		**(357,707)**	(334,626)
Other expenses		**(37,219)**	(38,881)
Finance costs	3	**(58,125)**	(48,349)
Finance income	3	**4,146**	286
Share of net profit of entities accounted for using the equity method		**103**	401
Profit before income tax expense		**265,109**	237,564
Income tax expense		**(69,648)**	(70,242)
Net profit		**195,461**	167,322
Attributable to:			
Equity holders of the parent entity		**194,975**	166,911
Non-controlling interest		**486**	411
Net profit		**195,461**	167,322
Basic and diluted earnings per share:			
Historical cost - cents per share	5	**72.2**	61.8

The consolidated income statement is to be read in conjunction with the 2012 Financial Report and the notes to the financial statements.

Consolidated Statement of Comprehensive Income

for the half year ended 30 June 2013

Thousands of dollars	Consolidated 30 June 2013	30 June 2012
Profit for the period	**195,461**	167,322
Other comprehensive income		
Items that will not be reclassified to profit or loss:		
Actuarial gain/(loss) on defined benefit plans	**15,632**	(112)
Tax on items that will not be reclassified to profit or loss	**(4,690)**	34
Total items that will not be reclassified to profit or loss	**10,942**	(78)
Items that may be reclassified subsequently to profit or loss:		
Effective/(ineffective) portion of changes in fair value of cash flow hedges	**61,922**	(6,702)
Net change in fair value of cash flow hedges reclassified to profit or loss	**(53,601)**	3,271
Tax on items that may be reclassified subsequently to profit or loss	**(2,496)**	1,490
Total items that may be reclassified subsequently to profit or loss	**5,825**	(1,941)
Other comprehensive income/(expense) for the period, net of income tax	**16,767**	(2,019)
Total comprehensive income for the period	**212,228**	165,303
Attributable to:		
Equity holders of the parent entity	**211,742**	164,892
Non-controlling interest	**486**	411
Total comprehensive income for the period	**212,228**	165,303

The consolidated statement of comprehensive income is to be read in conjunction with the 2012 Financial Report and the notes to the financial statements.

Consolidated Balance Sheet

as at 30 June 2013

Thousands of dollars	Note	Consolidated 30 June 2013	31 December 2012
Current assets			
Cash and cash equivalents		**216,021**	209,929
Receivables		**1,068,541**	1,047,434
Inventories		**1,872,135**	1,651,509
Other		**42,677**	39,802
Total current assets		**3,199,374**	2,948,674
Non-current assets			
Receivables		**3,040**	2,207
Investments accounted for using the equity method		**24,109**	24,157
Other investments		**3**	3
Intangibles		**105,028**	108,064
Property, plant and equipment		**1,861,334**	1,769,915
Deferred tax assets		**503,386**	528,136
Other		**3,168**	4,480
Total non-current assets		**2,500,068**	2,436,962
Total assets		**5,699,442**	5,385,636
Current liabilities			
Payables		**1,709,947**	1,497,147
Interest bearing liabilities	6	**72,694**	1,188
Current tax liabilities		**16,373**	9,862
Provisions		**141,806**	124,200
Total current liabilities		**1,940,820**	1,632,397
Non-current liabilities			
Payables		**6,085**	6,595
Interest bearing liabilities	6	**872,137**	948,744
Provisions		**588,151**	638,321
Total non-current liabilities		**1,466,373**	1,593,660
Total liabilities		**3,407,193**	3,226,057
Net assets		**2,292,249**	2,159,579
Equity			
Issued capital	7	**543,415**	543,415
Treasury stock		**(2,405)**	20
Reserves		**(16,063)**	(7,655)
Retained earnings		**1,755,722**	1,611,905
Total parent entity interest		**2,280,669**	2,147,685
Non-controlling interest		**11,580**	11,894
Total equity		**2,292,249**	2,159,579

The consolidated balance sheet is to be read in conjunction with the 2012 Financial Report and the notes to the financial statements.

Consolidated Statement of Changes in Equity

for the half year ended 30 June 2013

Thousands of dollars

Consolidated	Issued capital	Treasury stock	Hedging reserve	Equity compensation reserve	Retained earnings	Total	Non-controlling interest	Total equity
Balance at 1 January 2012	543,415	(430)	(16,444)	8,107	1,671,357	2,206,005	12,070	2,218,075
Total comprehensive income for the half year								
Profit for the period	-	-	-	-	166,911	166,911	411	167,322
Total other comprehensive (expense)/income	-	-	(2,399)	-	380	(2,019)	-	(2,019)
Total comprehensive income for the half year	-	-	(2,399)	-	167,291	164,892	411	165,303
Own shares acquired	-	(4,353)	-	-	-	(4,353)	-	(4,353)
Shares vested to employees	-	3,450	-	(3,450)	-	-	-	-
Expense on equity settled transactions	-	-	-	4,119	-	4,119	-	4,119
Dividends to shareholders	-	-	-	-	(75,600)	(75,600)	-	(75,600)
Balance at 30 June 2012	543,415	(1,333)	(18,843)	8,776	1,763,048	2,295,063	12,481	2,307,544
Balance at 1 January 2013	**543,415**	**20**	**(19,525)**	**11,870**	**1,611,905**	**2,147,685**	**11,894**	**2,159,579**
Total comprehensive income for the half year								
Profit for the period	**-**	**-**	**-**	**-**	**194,975**	**194,975**	**486**	**195,461**
Total other comprehensive income	**-**	**-**	**5,825**	**-**	**10,942**	**16,767**	**-**	**16,767**
Total comprehensive income for the half year	**-**	**-**	**5,825**	**-**	**205,917**	**211,742**	**486**	**212,228**
Own shares acquired	**-**	**(20,804)**	**-**	**-**	**-**	**(20,804)**	**-**	**(20,804)**
Shares vested to employees	**-**	**18,379**	**-**	**(18,379)**	**-**	**-**	**-**	**-**
Expense on equity settled transactions	**-**	**-**	**-**	**4,146**	**-**	**4,146**	**-**	**4,146**
Dividends to shareholders	**-**	**-**	**-**	**-**	**(62,100)**	**(62,100)**	**(800)**	**(62,900)**
Balance at 30 June 2013	**543,415**	**(2,405)**	**(13,700)**	**(2,363)**	**1,755,722**	**2,280,669**	**11,580**	**2,292,249**

The consolidated statement of changes in equity is to be read in conjunction with the 2012 Financial Report and the notes to the financial statements.

Consolidated Cash Flow Statement

for the half year ended 30 June 2013

		Consolidated	
Thousands of dollars	**Note**	**30 June 2013**	**30 June 2012**
Cash flows from operating activities			
Receipts from customers		**13,146,398**	13,529,657
Payments to suppliers, employees and governments		**(12,817,030)**	(13,354,815)
Dividends and disbursements received		**1,350**	350
Interest received		**4,146**	-
Interest and other finance costs paid		**(45,569)**	(41,549)
Income taxes paid		**(45,573)**	(65,109)
Net operating cash inflows		**243,722**	68,534
Cash flows from investing activities			
Purchase of controlled entity, net of cash acquired		**-**	(11,446)
Purchases of property, plant and equipment		**(163,773)**	(122,655)
Major cyclical maintenance		**(7,832)**	(17,904)
Purchases of intangibles		**(2,105)**	(469)
Net proceeds from sale of property, plant and equipment		**105**	-
Net investing cash outflows		**(173,605)**	(152,474)
Cash flows from financing activities			
Proceeds from borrowings		**1,439,000**	7,032,050
Repayments of borrowings		**(1,439,000)**	(6,856,440)
Repayment of finance lease principal		**(1,125)**	(1,197)
Dividends paid to non-controlling interest		**(800)**	-
Dividends paid	4	**(62,100)**	(75,600)
Net financing cash (outflows)/inflows		**(64,025)**	98,813
Net increase in cash and cash equivalents		**6,092**	14,873
Cash and cash equivalents at the beginning of the period		**209,929**	1,818
Cash and cash equivalents at the end of the period		**216,021**	16,691

The consolidated cash flow statement is to be read in conjunction with the 2012 Financial Report and the notes to the financial statements.

Notes to the financial statements
for the half year ended 30 June 2013

1. Statement of significant accounting policies

Caltex Australia Limited (the "Company") is a company domiciled in Australia. The 2013 Half Year Financial Report for the six months ended 30 June 2013 comprises the Company and its controlled entities (together referred to as the "Group") and the Group's interest in associates and jointly controlled entities.

The 2013 Half Year Financial Report is a general purpose financial report which has been prepared in accordance with the requirements of the Corporations Act 2001, Accounting Standard AASB 134 “Interim Financial Reporting". This Half Year Financial Report is to be read in conjunction with the 2012 Financial Report and any public announcements by Caltex Australia Limited during the half year in accordance with continuous disclosure obligations under the Corporations Act 2001 and the Australian Securities Exchange (ASX) Listing Rules. The 2013 Half Year Financial Report was approved and authorised for issue by the board of directors on 26 August 2013.

The Company is of a kind referred to in ASIC Class Order 98/100 dated 10 July 1998 and in accordance with the Class Order, amounts in the consolidated interim financial statements have been rounded off to the nearest thousand dollars, unless otherwise stated.

The 2013 Half Year Financial Report has been prepared on an historical cost basis except the following assets and liabilities that are stated at their fair value: derivative financial instruments.

All accounting policies have been consistently applied by each entity in the Caltex Australia Group. These are consistent with those applied as part of the 31 December 2012 Annual Financial Report. The Half Year Financial Report does not include full note disclosures of the type required in an annual financial report.

From 1 January 2013 the Group applied amendments to AASB 134 *Interim Financial Reporting* outlined in AASB 2011-9 *Amendments to Australian Accounting Standards* – Presentation of Items of Other Comprehensive Income. The change in accounting policy only relates to disclosures and has had no impact on consolidated earnings per share or net income. The changes have been applied retrospectively and require the Group to separately present those items of other comprehensive income that may be reclassified to profit or loss in the future from those that will never be reclassified to profit or loss.

The Group has not elected to early adopt any new standards or amendments.

Thousands of dollars	**30 June 2013**	**30 June 2012**
2. Revenue		
Sale of goods	**11,337,320**	11,645,381
Rental income	**32,045**	29,744
Royalties and franchise income	**51,475**	54,886
Transaction and merchant fees	**43,271**	42,675
Other	**30,491**	20,893
	11,494,602	11,793,579

Thousands of dollars	**30 June 2013**	**30 June 2012**
3. Costs and expenses		
Interest expense	**48,631**	39,241
Finance charges on capitalised leases	**29**	931
Loss on fair value derivative	**2**	200
Unwinding of discount	**11,344**	7,977
Less: Capitalised finance costs	**(1,881)**	-
Finance Costs	**58,125**	48,349
Finance Income	**(4,146)**	(286)
Net finance costs	**53,979**	48,063
Depreciation and amortisation:		
Amortisation of intangibles	**5,140**	4,362
Depreciation and amortisation (excluding intangibles)	**79,525**	52,168
Total amortisation and depreciation expense	**84,665**	56,530

There were no expenses that were considered significant and excluded by management in assessing the underlying performance of the Group for the period ended 30 June 2013 or for the period ended 30 June 2012.

Notes to the financial statements
for the half year ended 30 June 2013 (continued)

4. Dividends

Dividends declared or paid

Dividends recognised in the current year by Caltex Australia Limited are:

	Date of payment	Franked/ unfranked	Cents per share	**Total amount $'000**
2013				
Final 2012	4 April 2013	Franked	**23**	**62,100**
Total amount				**62,100**
2012				
Interim 2012	3 October 2012	Franked	17	45,900
Final 2011	3 April 2012	Franked	28	75,600
Total amount				121,500

Franked dividends paid during the year were franked at the tax rate of 30%.

Subsequent events

Since 30 June 2013, the directors have declared the following dividend. The dividend has not been provided for and there are no income tax consequences for the group.

2013				
Interim 2013	2 October 2013	Franked	**17**	**45,900**

	30 June 2013	**30 June 2012**
5. Basic and diluted earnings per share		
Historical cost - cents per share	**72.2**	61.8
Replacement cost (RCOP) - cents per share	**63.3**	73.1

The calculation of historical cost basic earnings per share for the period ended 30 June 2013 was based on the net profit attributable to ordinary shareholders of the parent entity of $194,975,000 (2012: $166,911,000) and a weighted average number of ordinary shares outstanding during the period ended 30 June 2013 of 270 million shares (2012: 270 million shares).

The calculation of replacement cost (RCOP) basic earnings per share for the period ended 30 June 2013 was based on the net replacement cost profit attributable to ordinary shareholders of the parent entity of $170,830,000 (2012: $197,463,000) and a weighted average number of ordinary shares outstanding as disclosed during the period ended 30 June 2013 of 270 million shares (2012: 270 million shares).

RCOP is calculated by adjusting the statutory profit for inventory gains and losses as follows:

Thousands of dollars	**30 June 2013**	**30 June 2012**
Net profit attributable to equity holders of the parent entity	**194,975**	166,911
Adjust: Inventory (gains)/losses after tax	**(24,145)**	30,552
Replacement cost (RCOP) after tax	**170,830**	197,463

There are no dilutive potential ordinary shares and, therefore, diluted earnings per share equals basic earnings per share.

Notes to the financial statements
for the half year ended 30 June 2013 (continued)

Thousands of dollars	30 June 2013	31 December 2012
6. Interest bearing liabilities		
Current - unsecured		
US notes (i)	**53,947**	-
Hedge payable (i) (ii)	**18,431**	-
Lease liabilities	**316**	1,188
	72,694	1,188
Non-current - unsecured		
Domestic medium term notes (i)	**149,542**	149,500
Subordinated notes (i)	**536,775**	535,183
US notes (i)	**142,370**	177,714
Hedge payable (i) (ii)	**43,380**	86,053
Lease liabilities	**70**	294
	872,137	948,744

(i) The domestic medium term notes and subordinated notes are denominated in Australian dollars, and US notes are denominated in US dollars. Under the note agreements, the Caltex Australia Group is required to comply with certain financial covenants. There is no security or demand placed on the US notes. The US notes and hedge payable will mature in April 2014 and April 2016. The domestic medium term note will mature in November 2018. The subordinated note has a maturity date of September 2037 and Caltex has an option for redemption in 2017.

(ii) The hedge payable is disclosed within interest bearing liabilities as the hedge was entered into specifically as a result of the US dollar borrowings and is inextricably linked to the debt. The non-current hedge payable mainly represents the impact of the movement in the exchange rate from the date of inception (6 May 2009, USD exchange rate 0.7090) to 30 June 2013 (USD exchange rate 0.9261) on the amount hedged (USD 175 million).

Thousands of dollars	30 June 2013	31 December 2012
7. Issued capital		
Ordinary shares		
270 million ordinary shares, fully paid	**543,415**	543,415

Holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at shareholders' meetings. Ordinary shares are issued at par value.

In the event of the winding up of Caltex Australia Limited, ordinary shareholders rank after all creditors and are fully entitled to any proceeds of liquidation.

Caltex grants performance rights to senior executives, see the 2012 Financial Report for further detail. For each right that vests Caltex intends to purchase a share "on-market" following vesting.

	% interest	
	30 June 2013	31 December 2012
8. Investments accounted for using the equity method		
Airport Fuel Services Pty Ltd	**40**	40
Australasian Lubricants Manufacturing Company Pty Ltd	**50**	50
Cairns Airport Refuelling Service Pty Ltd	**25**	25
Geraldton Fuel Company Pty Ltd	**50**	50
South Coast Fuels Pty Ltd	**50**	50
All above companies are incorporated in Australia.		

	30 June 2013	31 December 2012
9. Net tangible assets per share		
Net tangible assets per share (dollars)	**8.06**	7.55

Net tangible assets are net assets attributable to members of Caltex less intangible assets. The weighted average number of ordinary shares used in the calculation of net tangible assets per share was 270 million (2012: 270 million).

Notes to the financial statements
for the half year ended 30 June 2013 (continued)

10. Related Party Information
Arrangements with related parties continue to be in place. For details on these arrangements refer to the 2012 Financial Report.

11. Business combinations
2013

There were no business combinations for the half year ended 30 June 2013.

2012

(a) Direct Fuel Supplies Pty Ltd ("DFS")

On 31 January 2012, the Group terminated the franchise and acquired the assets and liabilities of Direct Fuel Supplies Pty Ltd ("DFS") for a consideration of $11,383,000 plus incidental acquisition costs.

DFS was a Caltex Franchise Reseller for over 15 years who supplied to retail sites, commercial customers and primary producers. DFS's prime marketing area was centred in the city of Bunbury while they operated out of depots at Bridgetown, Picton (Bunbury) and Manjimup.

In the five months up to 30 June 2012, DFS contributed a gross sales revenue of $47,083,459 and a net profit of $939,000 to the consolidated gross sales revenue and net profit for the half year. If the acquisition had occurred on 1 January 2012, the Group estimates that gross sales revenue would have been $9,397,000 greater and net profit would have been $187,000 greater.

The acquisition had the following effect on the Group's assets and liabilities:

Thousands of dollars	Original values	Fair value adjustments	Recognised values
Intangibles	9,778	-	9,778
Property, plant and equipment	1,022	-	1,022
Inventories	798	-	798
Payables	(215)	-	(215)
Net identifiable assets and liabilities	11,383	-	11,383
Consideration paid, satisfied in cash			11,383
Net cash outflow			(11,383)

The recognised values are based on the pre-acquisition carrying amounts and represent the fair value of assets recorded on acquisition.

The intangible asset acquired of $9,778,000 represents the amount paid to DFS for termination of the franchise agreement, which meets the criteria for recognition as a separately identifiable intangible asset at the date of acquisition. This intangible asset is to be amortised over the remainder of the franchise term.

(b) Details of entities over which control has been gained or lost during the year

2013

On 28 May 2013, Ampol Management Services Pte Ltd was incorporated in Singapore. Ampol Management Services Pte Ltd is a wholly owned subsidiary of Caltex Australia Limited.

2012

On 24 May 2012, Ampol International Holdings Pte Ltd was incorporated in Singapore. Ampol International Holdings Pte Ltd is a wholly owned subsidiary of Caltex Australia Limited.

On 4 September 2012, Octane Insurance Pte Ltd was incorporated in Singapore. Octane Insurance Pte Ltd is a wholly owned subsidiary of Caltex Australia Limited.

There were no other entities over which control was gained or lost during the period.

12. Commitments

Thousands of dollars	30 June 2013	31 December 2012
Capital expenditure		
Capital expenditure contracted but not provided for in the financial report and payable:		
Within one year	**112,668**	46,813

Notes to the financial statements
for the half year ended 30 June 2013 (continued)

13. Segmented Reporting

(a) Segment disclosures

The accounting policies used by the Group in reporting segments are consistent with those applied as part of the 31 December 2012 Financial Report.

Types of products and services
The following summary describes the operations in each of the Group's reportable segments:

Marketing
The Marketing function promotes and sells Caltex fuels, lubricants, specialty products and convenience store goods through a national network of Caltex, Caltex Woolworths and Ampol branded service stations, as well as through company owned and non-equity resellers and direct sales to corporate customers.

Refining and Supply
The Group sources the supply of both crude oil and refined products on the international market and refines crude oil into petrol, diesel, jet fuel and many specialty products such as liquid petroleum gas and bitumen. Caltex buys and sells products and schedules product movements to meet marketing sales and the company's broad distribution capabilities encompass pipelines, terminals, depots and both a company and contracted transportation fleet.

(b) Information about reportable segments

	Marketing		Refining & Supply		Total Operating Segments	
Thousands of dollars	**30 June 2013**	**30 June 2012**	**30 June 2013**	**30 June 2012**	**30 June 2013**	**30 June 2012**
Gross segment revenue	**9,516,634**	9,674,884	**1,523,354**	1,643,263	**11,039,988**	11,318,147
Product duties and taxes	**(2,518,938)**	(2,497,378)	**-**	-	**(2,518,938)**	(2,497,378)
External segment revenue	**6,997,696**	7,177,506	**1,523,354**	1,643,263	**8,521,050**	8,820,769
Inter-segment revenue	**-**	-	**6,437,076**	6,607,049	**6,437,076**	6,607,049
Replacement Cost of Sales Operating Profit/(loss) before income tax	**365,183**	366,839	**(43,370)**	1,643	**321,813**	368,482

(c) Reconciliation of reportable segment profit or loss

Thousands of dollars	**30 June 2013**	**30 June 2012**
Profit or loss		
Segment Replacement Cost of Sales Operating Profit for reportable segments before interest and income tax	**321,813**	368,482
Other profit and loss	**(37,704)**	(39,620)
Replacement Cost of Sales Operating Profit before interest and income tax	**284,109**	328,862
Inventory gains/(losses)	**34,493**	(43,646)
Consolidated historical cost earnings before interest and income tax	**318,602**	285,216
Net financing costs	**(53,979)**	(48,063)
Net profit attributable to non-controlling interest	**486**	411
Consolidated profit before income tax	**265,109**	237,564

14. Events after the Reporting Date

No items, transactions or events of a material or unusual nature that, in the opinion of the Board, are likely to significantly affect the operations of Caltex, the results of those operations or the state of affairs of the Group in subsequent financial years, have arisen in the period from 30 June 2013 to the date of this report.