CALTEX

Caltex Australia

ASX/Media Release

For immediate release
Monday 24 August 2015

Transformation to an integrated value chain delivers solid operating result

Key points:

- First half HCOP NPAT of $375 million (includes a $95 million after tax inventory gain, and significant item of $29 million gain after tax, relating to the sale of a surplus property in Western Australia)
- First half RCOP[1] NPAT of $251 million, excluding significant items
- Strong progress in transforming business model to an integrated transport fuels supply chain business, maintaining position as outright leader in transport fuels, whilst building on our leading retail convenience position
- Supply and Marketing EBIT of $264 million (includes direct shipping & demurrage costs of $20 million incurred in support of Lytton major maintenance program)
- Lytton refinery EBIT of $154 million, reflecting strong first half refiner margins, and the impact of the major Turnaround & Inspection program, which occurred during May and June
- Interim dividend 47.0 cents per share (fully franked) declared, reflecting higher dividend pay-out ratio

Results summary	**Half year ended 30 June**	
	2015 $M	**2014 $M**
Historic Cost result after tax	**375**	**163**
Adjust for:		
Inventory loss / (gain)	(95)	10
Significant items	(29)	0
RCOP result: Excluding significant items		
After tax	**251**	**173**
Before interest and tax	383	290

Historic Cost Profit

On an historic cost profit basis, Caltex's after tax profit was $375 million for the first half of 2015, including a significant gain of $29 million (after tax) relating to the sale of surplus property in Western Australia. This compares favourably to the $163 million after tax profit for the first half of 2014.

[1] The replacement cost of sales operating profit (RCOP) excludes the impact of the fall or rise in oil and product prices (key external factors) 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.

The 2015 half year includes crude and product inventory gains of $95 million after tax, compared with crude and product inventory losses of $10 million after tax for the previous half year to 30 June 2014.

Replacement Cost Operating Profit

On a replacement cost of sales operating profit (RCOP) basis, Caltex's after tax profit was $251 million for the first half of 2015. This compares with $173 million for the first half of 2014.

Business performance

With the closure of the Kurnell refinery and the establishment of Ampol Singapore to source the company's crude and refined product, Caltex continues to evolve towards an integrated transport fuels supply chain business. Caltex's business model creates value by optimising the entire value chain from product sourcing to the customer.

Following its establishment in 2013 and the ramp up of capabilities and activities in 2014, Ampol has now taken on accountability for sourcing all crude, feedstock and product imports during the first half of this year.

The level of activity in Ampol has increased significantly following the closure of Kurnell in late 2014, the introduction of crude and feedstock sourcing activity from the start of 2015 and the commencement of the previously announced BP supply deal late in the half. Ampol has sourced more than 45 Million barrels of crude, product and feed stocks in the first half of 2015.

The competitive landscape continues to be challenging, particularly in the Business to Business sector. However, the change in our business model to one integrated transport fuels supply chain business, optimising the entire value chain, is enabling us to maintain our position as the outright leader in transport fuels across Australia.

The Supply and Marketing segment delivered an EBIT result of $264 million for the 2015 half year. This result includes a realised loss on US dollar denominated product payables of $17 million (2014 first half: a realised gain of $13 million) and a price timing lag loss of $14 million (2014 first half: a price timing lag gain of $11 million). These impacts reflect the significant volatility in both the Australian dollar and the price of crude oil in the first six months of 2015. Normalising for externalities, the underlying Supply and Marketing EBIT of $295 million compares with an underlying EBIT result in the first half of 2014 of $276 million.

The Supply & Marketing EBIT result also includes $20 million in one-off supply costs incurred in support of the Lytton major maintenance program in May and June.

Total sales volumes of transport fuels for the first half of 2015 were 7.7 billion litres, 4.4% lower than in the same period of 2014 (8.1 billion litres), reflecting primarily the timing impact of a major diesel supply contract loss, without the full benefit in the first half of a new larger long term diesel supply contract.

Higher sales of premium grades Vortex 95 and Vortex 98 partially offset the long term decline in demand for unleaded petrol, including E10. Total petrol volumes fell 2.2% to 3.0 billion litres, broadly in line with industry trends.

Total diesel volumes declined 5.2% to 3.5 billion litres. This was driven by the timing of the major supply contract loss mentioned above, lower spot volume marine diesel sales in Western Australia compared to prior year, and reduced diesel requirements as a number of LNG projects near completion. However, the strong growth in premium Vortex diesel product across Caltex's retail segment continues. Premium diesel now represents 30% of total diesel sales.

Jet volumes declined 8% off a strong prior corresponding period volume performance, driven by reduced domestic capacity and by a single major customer spreading supply risk.

Caltex continues to profitably invest in its retail site and terminal network, with 8 new to industry (including 1 diesel stop), 7 new to Caltex and 4 knock down and rebuild retail sites completed in the first half of 2015.

Lytton refinery delivered an EBIT of $154 million in the first half, compared with an EBIT of $40 million for the first half of 2014. The 2015 result does not include supply costs of approximately $20 million incurred in support of the Lytton major Turnaround and Inspection (T&I) maintenance program in May and June 2015. As noted above, these costs are included in the Supply and Marketing result.

Focussed improvement initiatives at Lytton enabled a strong operational performance during the first four months of the year, taking advantage of favourable refiner margins. The Singapore Weighted Average Margin was US$14.51/bbl for the first half of 2015, compared with US$12.60/bbl in the prior corresponding period. For the first four months of the year, the average realised Caltex Refiner Margin was US$15.71/bbl. The average realised CRM[2] for the six months to 30 June 2015 was US$16.00/bbl, above the prior year equivalent of US$9.20/bbl.

During May and June, Lytton refinery successfully completed a T&I maintenance program, which occurs every five years. Consequently, sales from production from the refinery in the first half totalled 2.4 billion litres, down from 2.9 billion litres in the same period last year.

Strong balance sheet

Net debt at 30 June 2015 was $715 million, compared with $639 million at 31 December 2014 and $827 million at 30 June 2014. This equates to a gearing ratio of 21% (net debt / net debt plus equity). On a lease adjusted basis, gearing was 30%. Caltex's strong balance sheet has provided the financial flexibility to enable Caltex to continue to invest in growth opportunities and increase its dividend over time.

Interim dividend

The Board has declared an interim fully franked dividend of 47.0 cps for the first half of 2015, in line with the dividend pay-out ratio of 40% to 60%. This compares to Caltex's 2014 interim dividend of 20 cps, fully franked. The record and payment dates for the interim dividend are 8 September 2015 and 30 September 2015, respectively.

Capital Management

In February 2015 we highlighted that over the next 12 months there would be a focus on the efficient allocation of capital.

Management is actively considering options to grow the business, leveraging our core capabilities of retailing, franchising, supply chain management, infrastructure services and product sourcing. We have underway a formal process to evaluate these options and are doing so in a structured and diligent manner.

The successful closure of the Kurnell refinery in October 2014 and the company's continued evolution into an integrated transport fuels supply chain business, enhanced by the company's ongoing cost and efficiency program, has resulted in significantly improved cash flows. Those improved cash flows will provide greater flexibility to invest in growth opportunities and/or to return additional capital to our shareholders while maintaining the company's target BBB+ credit rating. In the absence of material growth opportunities, the preferred form of additional capital return is an off-market share buy-back.

Analyst contact:
Rohan Gallagher
Head of Investor Relations
Phone: 02 9250 5247
Email: rohan.gallagher@caltex.com.au

Media contact:
Sam Collyer
Senior Media & Communications Adviser
Phone: 02 9250 5094
Email: sam.collyer@caltex.com.au

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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.

2015 Interim Results Announcement

(6 Months to 30 June 2015)

Caltex Australia Limited

ACN 004 201 307

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Strategy Update
Financial Highlights
Supply & Marketing Highlights
Lytton Refinery Highlights
Financial Discipline
Result Summary & Outlook
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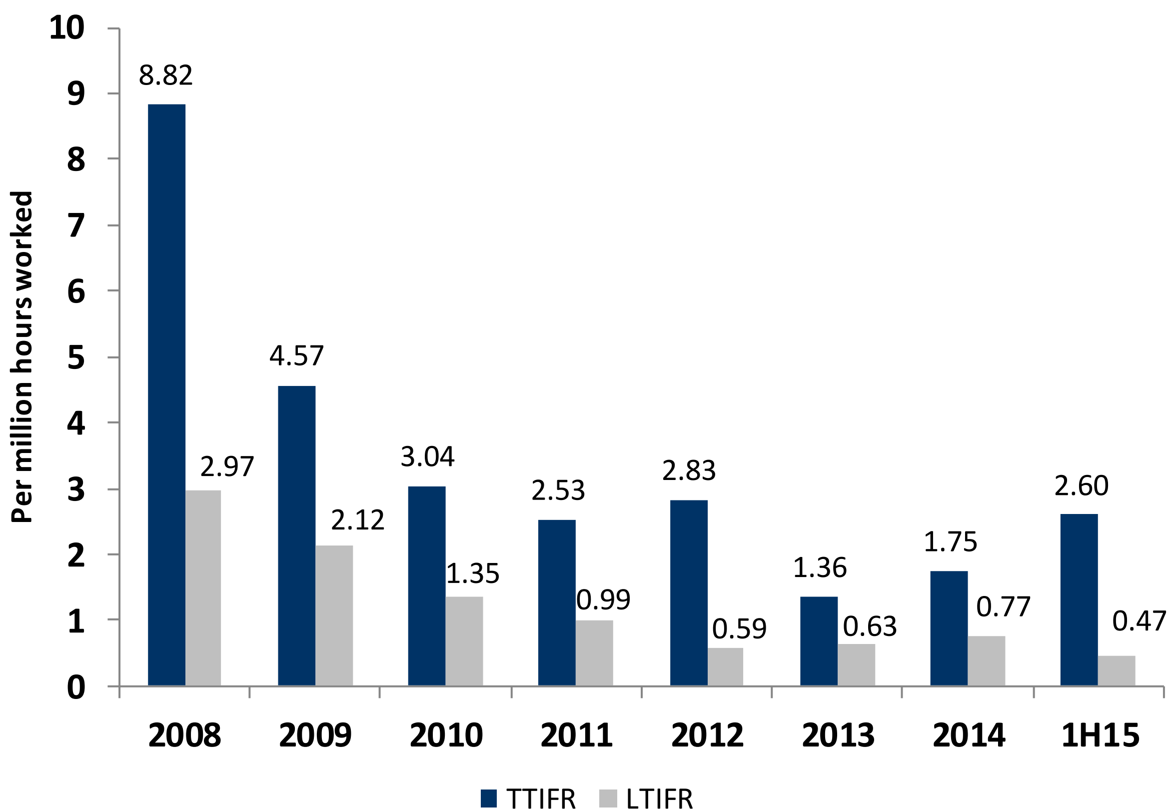
OPERATIONAL EXCELLENCE MOMENT

Operational Excellence (OE) Moment



- Reduction in LTIFR to record low levels (despite increase in TTIFR)
- Lytton Refinery's Turnaround & Inspection (T&I) involved 400,000+ additional man hours (>1,000 contractors on site) across 50 days. Six treated injuries (including one lost time injury) were recorded, all early in the program.
- Completion of the Kurnell Refinery decommissioning stage, with no treated injuries (9 month project)
- Company operated convenience stores (CalStores) reported Zero Lost Time injuries in 2015 which follows on from their zero performance in 2014. Calstores have now surpassed a record 800 days without a treated injury

Note: From 2010 frequency rates include contractors

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Key Highlights

2015 Interim Results Summary

Consolidated Group Result **RCOP NPAT $251 million**	✓ RCOP NPAT $251 million, 45% above prior year ✓ Significant item of $29 million (after tax) from sale of surplus property ✓ Dividend 47.0 cps declared (2014: 20.0 cps) fully franked (51% payout) ✓ Balance sheet strong, supported by improved free cash flows
Supply & Marketing **RCOP EBIT $264 million** **Includes unfavourable externalities of $31 million, and direct shipping & demurrage supply costs of $20 million to support Lytton T&I**	✓ Transformation of business model to an integrated transport fuel supply chain business maintains position as outright leader in transport fuels ✓ Sales volume growth continues for Vortex 95, Vortex 98 petrol and Vortex retail diesel, offset by market decline in base unleaded petrols ✓ Ampol Singapore underpins a more efficient import supply chain ✓ Lubricants volumes and margins stabilised ✓ Kurnell terminal fully operational, final conversion works on track ✘ Business to Business sector challenging for both volumes and margins ✘ Loss of specialties and other margins, following Kurnell refinery closure
Lytton refinery RCOP EBIT of $154 million **Favourable refiner margin offsets lower anticipated (T&I related) production volumes**	✓ Lytton refinery EBIT of $154 million, up $114 million ✓ Strong operational performance during first four months allowed Caltex to take advantage of favourable refiner margins. ✓ Major Turnaround and Inspection (T&I) maintenance program successfully completed in May and June ✓ ISOM upgrade completed on time, ahead of budget (to positively impact premium fuel production, post T&I) ✓ Lytton supply agreement established with BP, enables all volumes to be placed locally in SE Queensland

Key Highlights

Outlook

Short Term **(Next 12 months)**	• Continue to defend Business to Business market position • Prioritise the optimisation of the entire value chain from product sourcing to customer - Continue to build Ampol product sourcing and shipping capabilities - Continue to invest in supply chain infrastructure, including retail network - On-going focus on capturing further operational and margin improvements at Lytton • Continue to implement and embed company wide cost and efficiency program ("Tabula Rasa") • Pursue growth opportunities within core Transport Fuels business • Focus on efficient allocation of capital - In the absence of material growth opportunities, the preferred form of additional capital return is an off-market buy-back
Medium to Longer Term **(Beyond 12 months)**	• Maintain our position as outright leader in transport fuels • On-going optimisation of the entire value chain • Pursue growth opportunities based on our core capabilities of retailing, supply chain management, infrastructure services and product sourcing • Maintain cost and capital discipline

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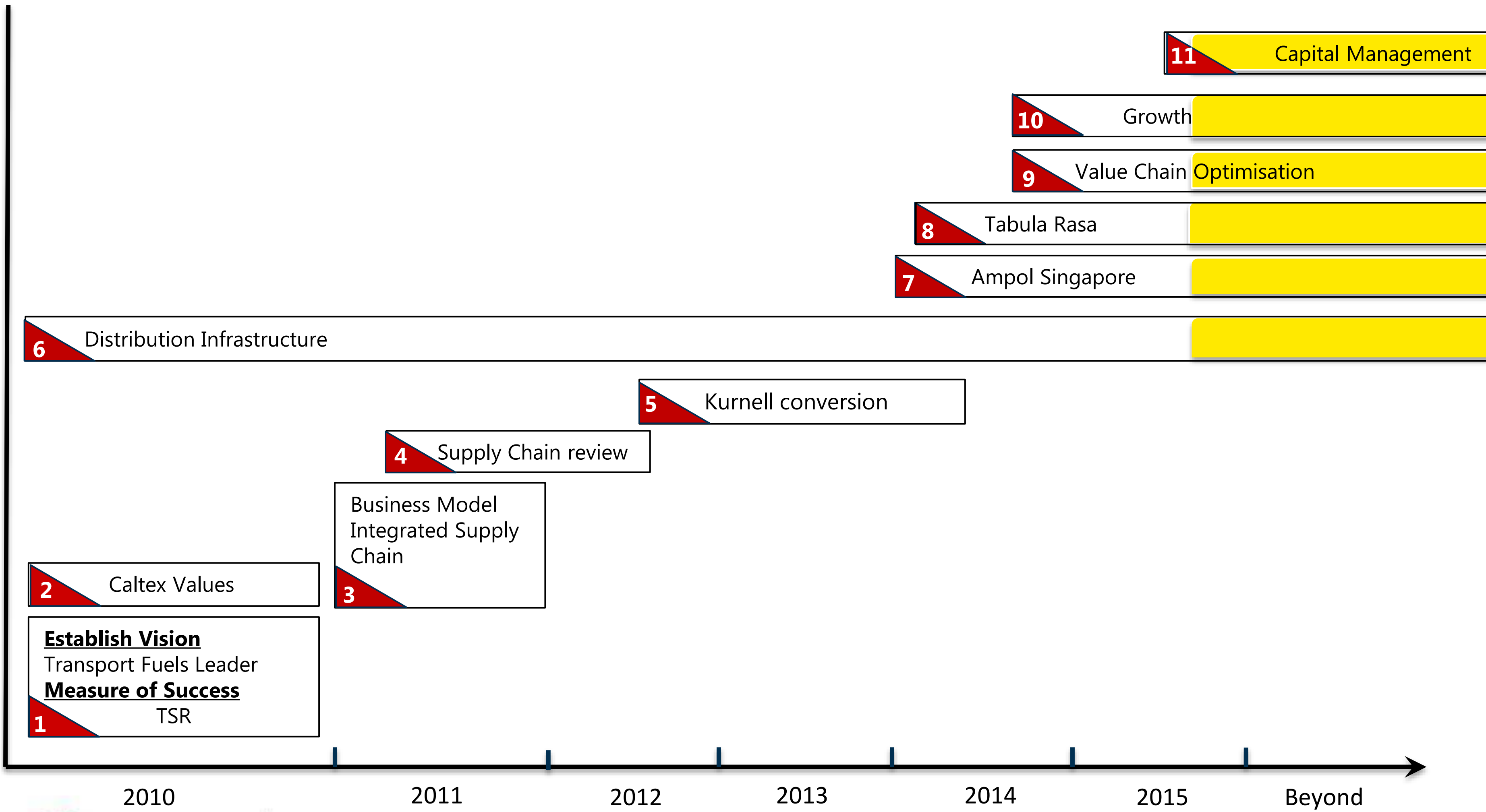
Strategy Update

A focused multi-year transformation strategy…to deliver top quartile shareholder returns



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Financial Highlights

2015 Interim Results Summary (for period ending 30 June)

	1H2015	1H2014	% Change
HISTORIC COST			
EBIT ($m)	551	275	100
NPAT ($m)	375	163	130
EPS (cps)	139	60	130
REPLACEMENT COST			
EBIT ($m)	383	290	32
NPAT ($m)	251	173	45
EPS (cps)	93	64	45
Dividend (cps)	47	20	135
Debt ($m)	715	827	(13)
Gearing (%)	21	23	(12)
Gearing (Lease adjusted %)	30	33	(8)
Working Capital ($M)	902	1,055	(14)
Capital Expenditure ($M)	170	251	(32)
Depreciation & Amortisation ($M)	89	97	(7)

Financial Highlights

Reconciliation to underlying (RCOP) profit metric

	1H 2015 $m (After Tax)	1H 2014 $m (After Tax)
HCOP NPAT	375	163
Add: Inventory loss/(gain)	(95)	10
Add: Significant items (gain)	(29)	0
RCOP NPAT	**251**	**173**

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Financial Highlights
Significant Items

Period Ending June	1H 2015 $ M	1H 2014 $ M
Sale of surplus land	32	0
Total Significant Items (Before Tax)	32	0
Tax	(3)	0
Total Significant Items (After Tax)	29	0

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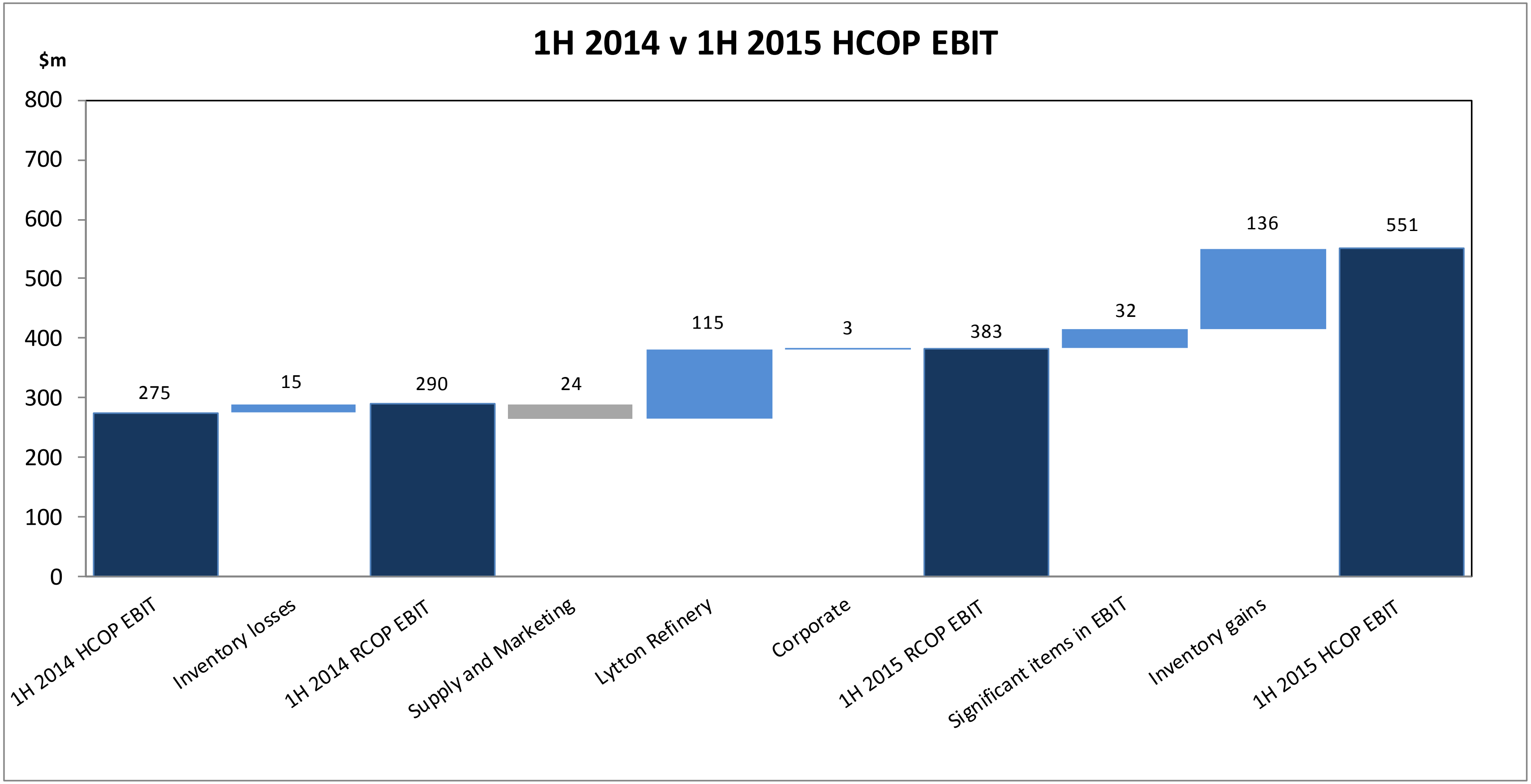
Financial Highlights

Segment Reporting



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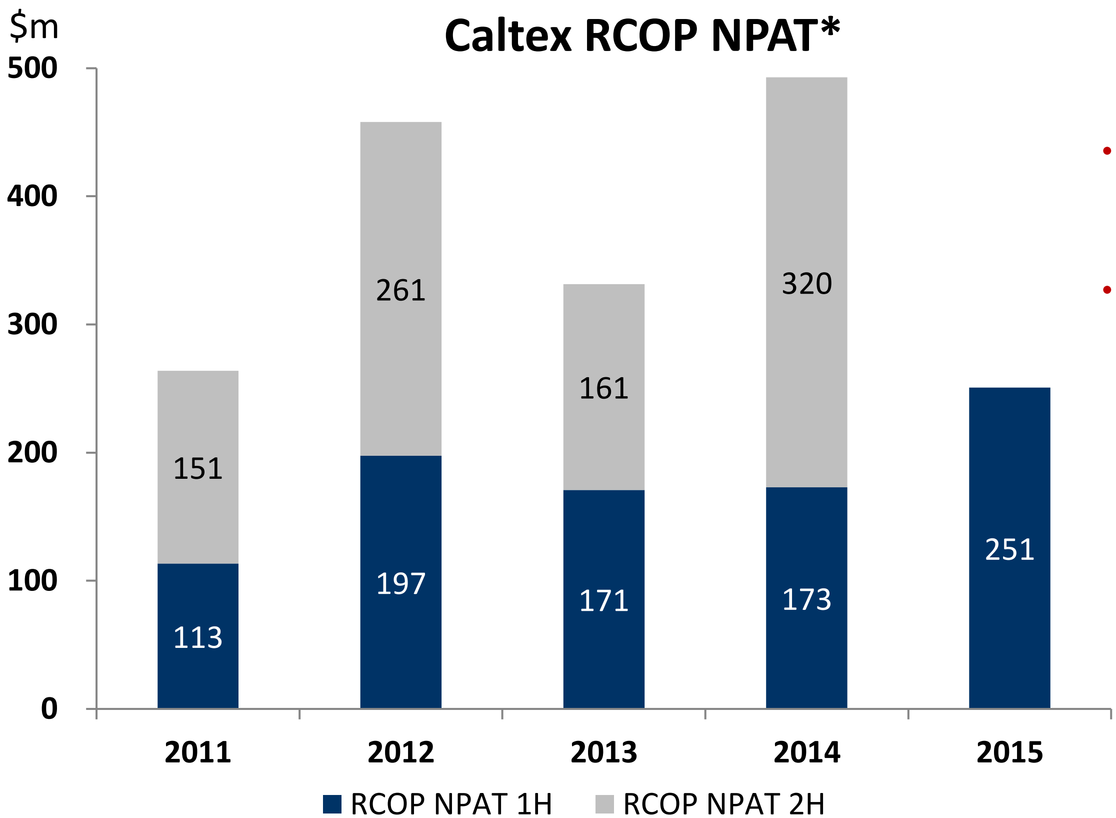
Financial Highlights

Integrated Supply and Marketing result resilient in challenging B2B market; Strong operational performance allows Lytton to capture strong refiner margins



*RCOP Net profit after tax, excluding significant items

- Lytton profitability up $115 million to $154 million. Strong operational performance allows Lytton to take advantage of strong refiner margins
- 7 week major Turnaround & Inspection program successfully completed during May and June
- Integrated Supply & Marketing EBIT of $264 million demonstrates resilience in challenging B2B market
  - Ampol Singapore now accountable for sourcing of crude, feedstock and product imports
  - Supply & Marketing result includes shipping & demurrage supply costs of $20 million incurred to support Lytton T&I program
  - Unfavourable externalities of $31 million included in Supply & Marketing result
- On going cost and efficiency focus reflected in lower Corporate and Finance costs

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Supply & Marketing Highlights

Reporting framework change reflecting integrated supply chain business model

Kurnell Refinery

	2014	2015
Refining	(72)	-

Integrated Supply Chain

	1H14	1H15
• Marketing & Distribution	393	
• Supply Costs	(44)	
• FX impact / Price timing lag	24	
• Kurnell closure & conversion	(13)	
	360	264
Less Externalities	(24)	31
Kurnell closure & conversion	13	0
Supply & Marketing adjusted for externalities, Kurnell closure*	348	295

Lytton Refinery

2014	2015
40	154

Corporate

1H14	1H15
(38)	(35)

Closed refining operations

1H 2015 result impacted by the following:

- Loss of specialties margin and other benefits following Kurnell refinery closure ($11m)
- Kurnell Terminal Costs ($32m)
- Lytton (T&I) Related Supply costs (one-off) ($20m)

Reported Separately

Reported Separately

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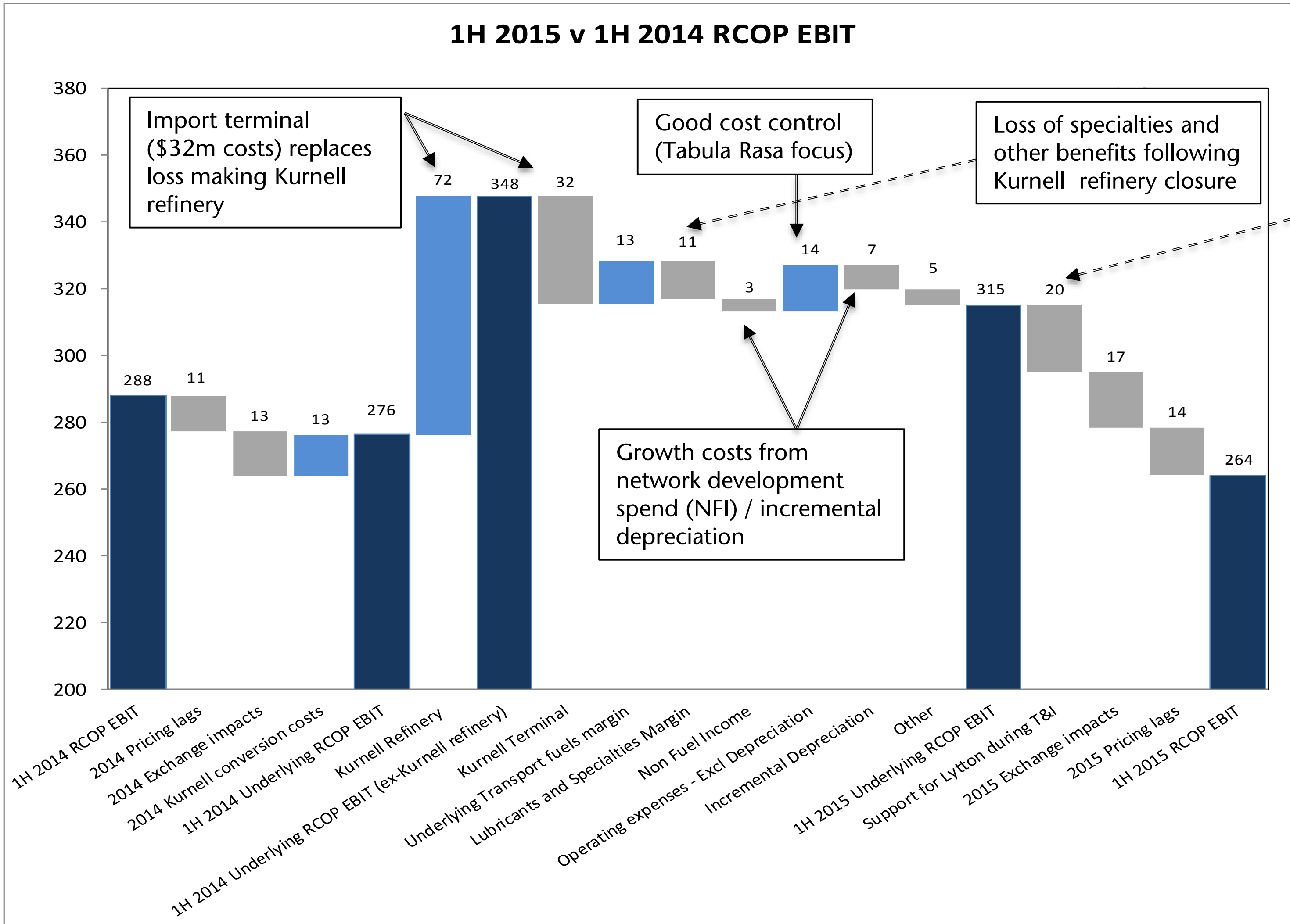
** Allow for rounding*

Supply & Marketing Highlights - Key Drivers

Adverse externalities and one-off supply costs impact resilient earnings



One-off supply costs, supporting Lytton T&I ($20m)

Negative change in externalities ($55m) year on year
- 1H14 Favourable externalities ($24m);
- 1H15 Unfavourable externalities ($31m)

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Ampol Singapore

Building capabilities (crude & product sourcing, trading, shipping)

- Established in late 2013, with ramp up of capabilities and activities during 2014 prior to closure of Kurnell refinery

- Activity in Ampol has increased significantly following the closure of Kurnell in October 2014, as well as the commencement of the previously announced BP supply deal in SE Queensland towards the end of the first half 2015

- Ampol is now accountable for sourcing all crude, feedstock and refined product imports

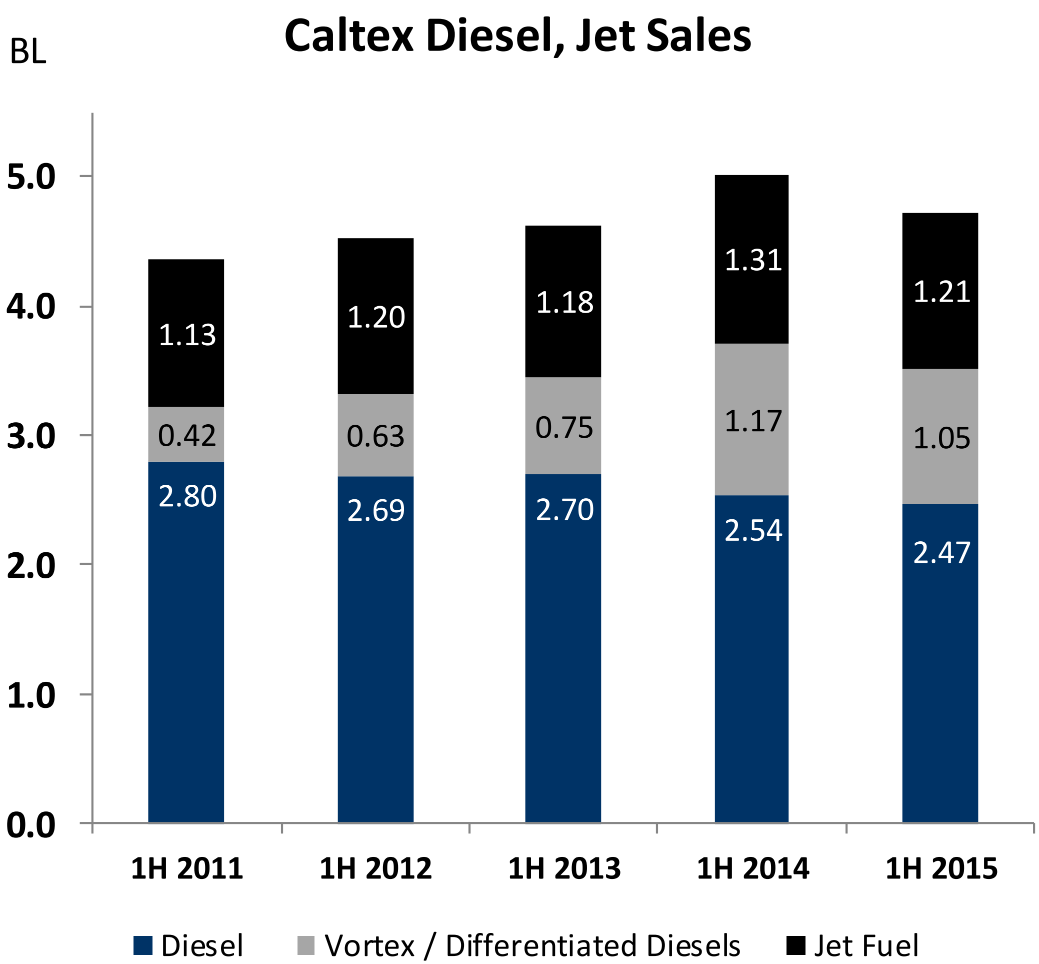
- Ampol sourced more than 45 million barrels of crude, feedstock and refined product in the first half of 2015

- Counterparties include refiners across the region, traders and integrated oil companies (including Chevron)

- Ampol continues to expand and improve its capabilities to optimise the integrated value chain, in line with the company strategy. This includes leveraging our infrastructure positions (e.g. Kurnell terminal)

Supply & Marketing Highlights

Diesel, Jet Fuel Sales - Volumes down, despite strong Vortex retail sales growth



- Total diesel volumes fell 5.2% to 3.5BL, off a record 2014 base
- Mixed results across Vortex / differentiated diesel (net volumes fell 112 ML)
  - Strong retail diesel volume growth continues, Vortex (retail) diesel up 14% (+133 ML).
  - Differentiated commercial diesel volumes fell 245 ML as a result of timing of a major supply contract loss and the commencement of a new larger long term supply contract within the mining sector
- Premium diesel now represents 30% of total diesel sales. Continue to target premium substitution across both commercial and retail segments
- Commercial (B2B) diesel sales volumes (down 12%) also impacted by:
  - Lower spot volume marine diesel sales in Western Australia; and
  - Reduced diesel requirements as a number of LNG projects near completion.
- Vigorously defending commercial diesel market share.
- Jet volumes fell 8% driven by reduced domestic airline capacity and single major customer spreading supply risk

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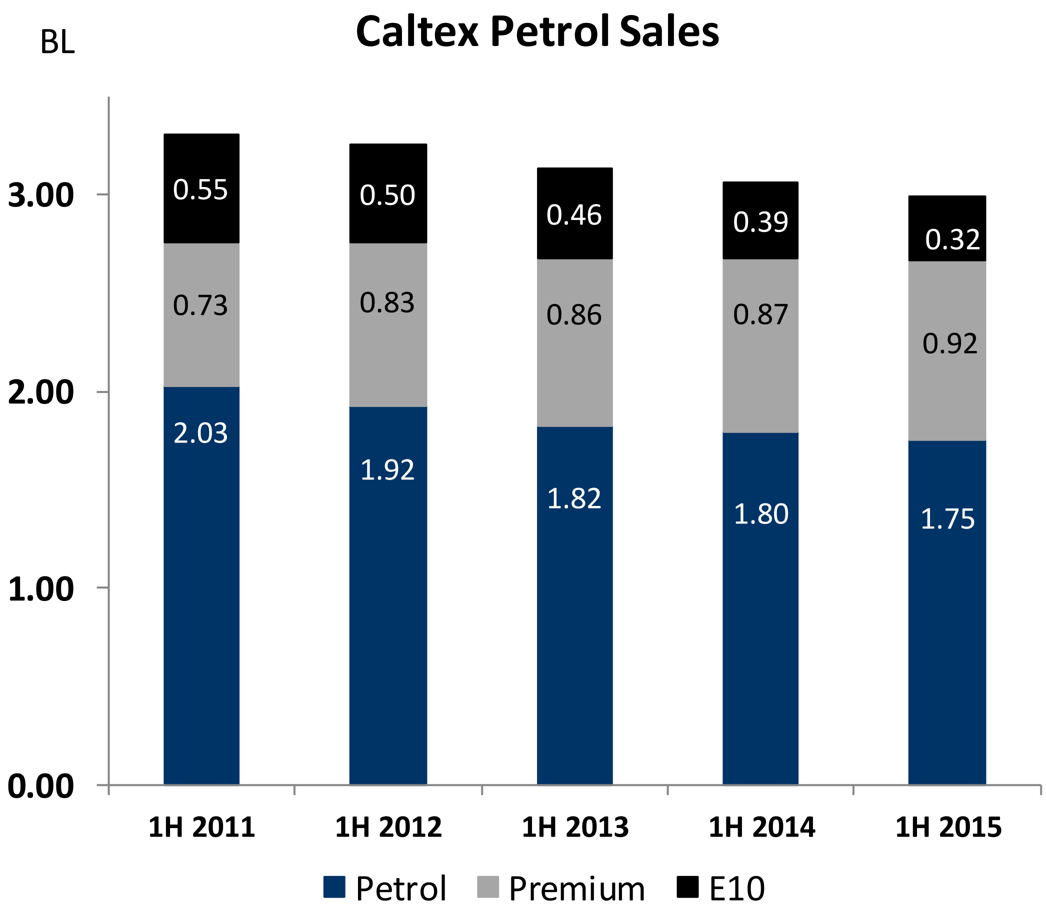
Supply & Marketing Highlights

Petrol Sales - Premium petrols volumes up; Total Market and volumes down



- Premium petrol sales up 5.4%, including Vortex 98 volumes up 13%.
  - Premium now represents 31% of total petrol sales
  - Higher sales of premium grades Vortex 95 and Vortex 98 partially offset the long term decline in demand for unleaded petrol, including E10.
- Total petrol volumes fell 2.2% to 3.0 billion litres, driven by ULP / E10 base petrol sales volumes down 5.3% (including E10 sales down 15%) reflecting diesel and premium petrol substitution, general long term industry-wide decline and some modest slippage in market share

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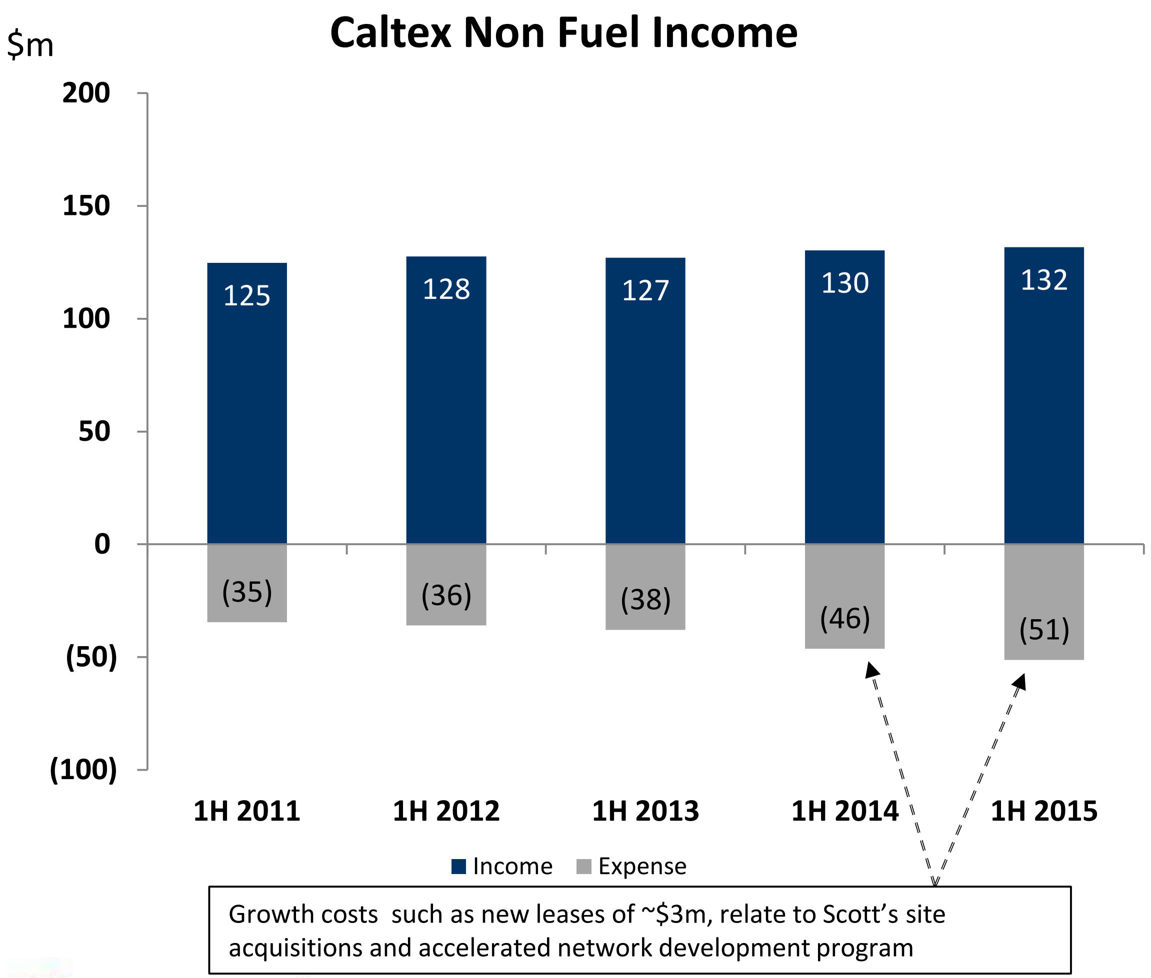
Supply & Marketing Highlights

Non Fuel Income (NFI) – Network development enables transport fuels and convenience growth



- Non fuel income (net) down $3m to $81m
- Non fuel income is an enabler for Transport Fuels volume growth, improved product mix and therefore margin
- Timing differences inevitable due to growth costs (e.g. lease costs), initial franchise fees, completion of upgrade work, etc.
- Revenue up due to:
  - Higher franchise fee income;
  - Dry goods supply chain benefits;
  - Convenience store shop sales growth (year on year +3.9%);
  - Company operated store efficiency initiatives
- Increased expenses due to growth costs from accelerated store development and acquisitions (Scott's) (+$3m)
- Controlled underlying costs (e.g. avg. rent and lease expenses +2.7%)

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Supply & Marketing Highlights

Retail capabilities and other developments

- Convenience store sales grow to $1.2 billion per annum (approx. 3 million customers each week)
  - Trial of new convenience store format and offer
  - Continue to develop meals deals (e.g. new premium sandwich offer)
  - "Win Coffee For A Year" promotion, trialled and continue to develop a barista offer
- Major promotion to drive Vortex premium fuel products sales
  - "Win Fuel For A Lifetime"
  - Vortex fuel economy drive around Australia
- Network development continues
  - New to Industry / Caltex retail outlets (14 completed; ~20 sites targeted p.a.)
  - Retail site rebuilds & refurbishments (including 21CC Retail fit-out) (4 completed; 15-20 sites targeted p.a.)
  - New diesel stops (1 completed; <5 sites targeted p.a.)
  - Targeting faster, more capital efficient roll-outs
  - Small bolt-on acquisition (Hawkins, Qld – former reseller)
- Continue to build and enhance brand and marketing capabilities (e.g. "With You All the Way")
- Retailer of the Year Award, Australian Association of Convenience Stores (AACS) (2014 - 2015)

Supply & Marketing Highlights

Capabilities and Other Developments

Retail

- Card and Loyalty
  - Around 1 million StarCard holders, representing around 20% of retail fuel volumes
  - Major promotional card campaigns under way - StarCard debit and SME StarCard
  - Record (monthly) number of StarCard accounts opened in July
- Building digital and data analytics capability
  - New team established

Infrastructure

- Brisbane BP products pipeline (3.5km pipeline) completed April 2015, ahead of schedule, within budget and with zero injuries
- Brisbane jet fuel pipeline construction under way; completion due end FY2015
- Final stages of Kurnell terminal (wharf, product tanks) nearly complete. Total project remains on time, on budget

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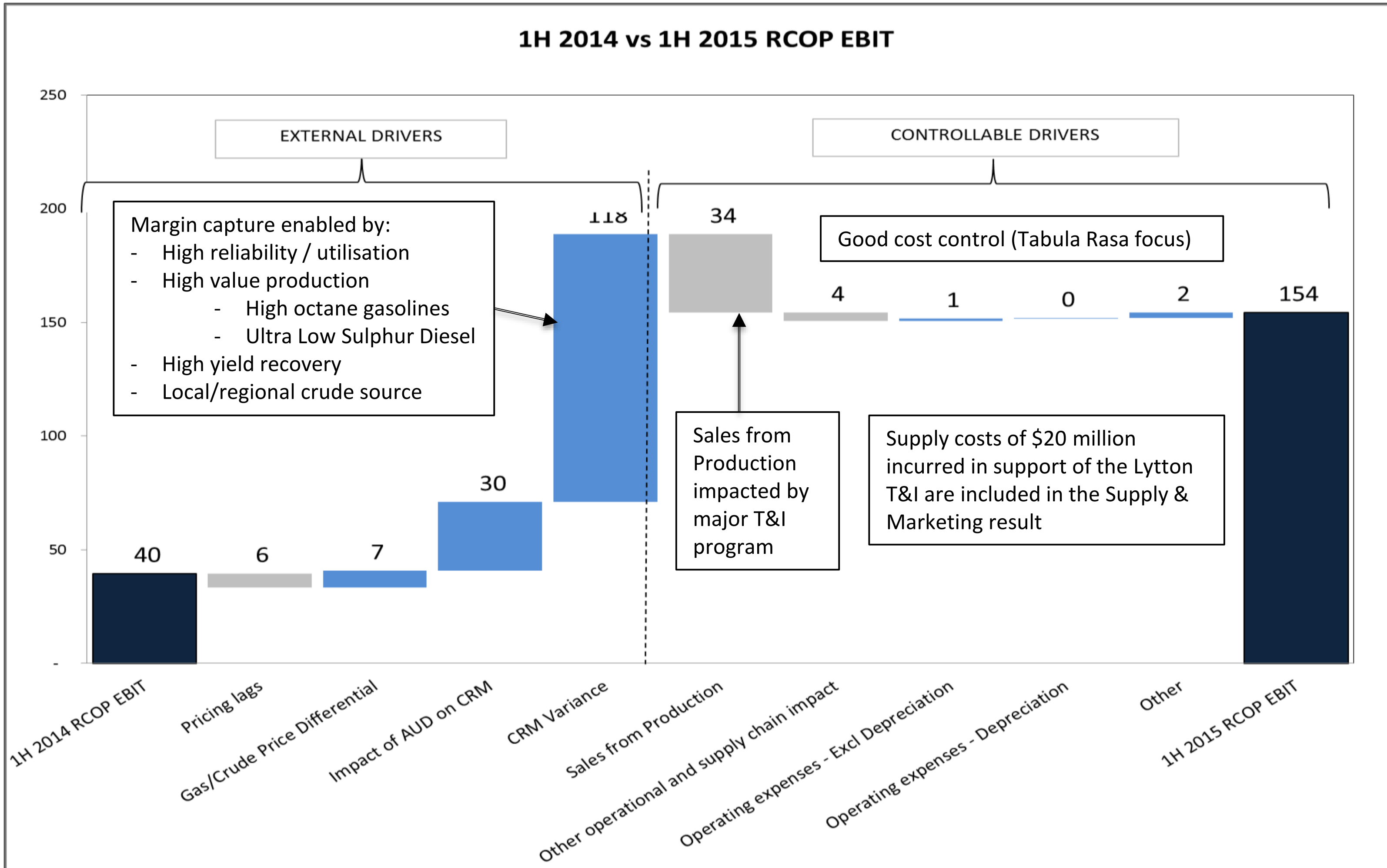
Lytton Refinery Highlights

Strong operational performance enables Lytton to take advantage of strong refiner margins, despite lower production due to major T&I



Comparative analysis based on Lytton's 1H2014 refiner margin of around US$10/bbl, versus last year's avg. refiner margin of US$9.20/bbl (includes Kurnell)

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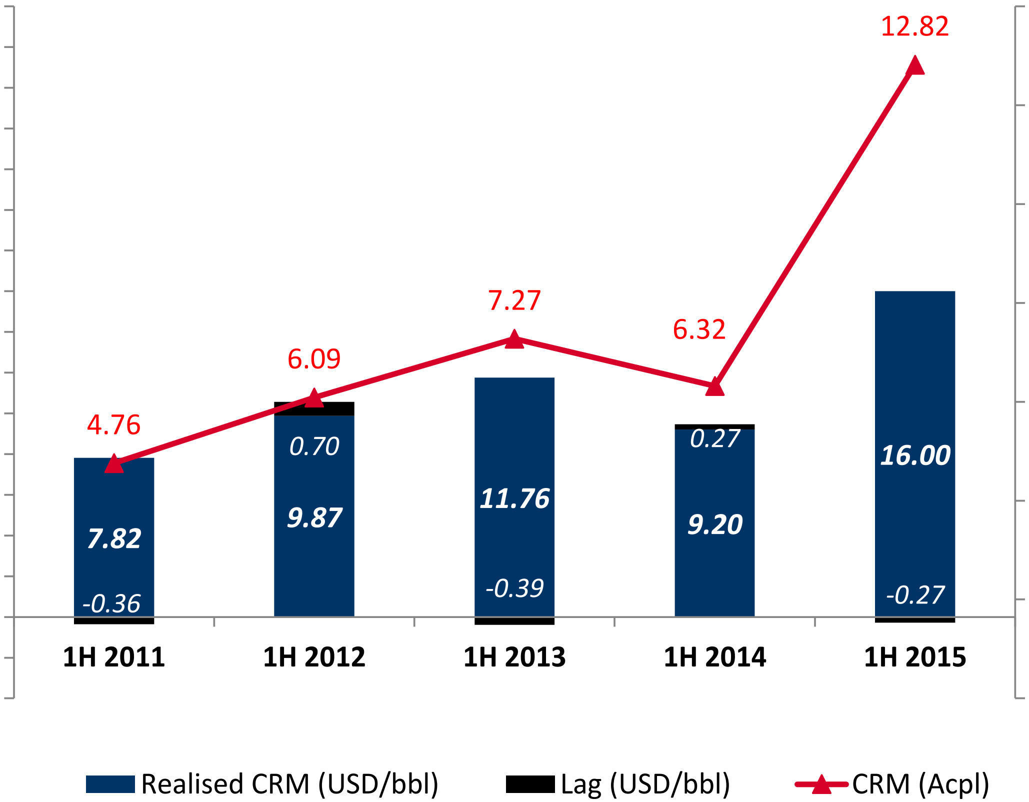
Lytton Refinery Highlights

Stronger Caltex Refiner Margin (CRM) driven by higher Singapore WAM, lower crude premium and efficient yield recovery



Caltex Refiner Margin Build-up (US$/bbl)

	1H15	1H14
Singapore WAM	14.51	12.60
Product freight	4.46	4.89
Quality premium	1.09	1.69
Crude freight	(2.36)	(2.78)
Crude premium	(1.00)	(3.42)
Yield loss*	(0.43)	(4.05)
Lag	(0.27)	0.27
Realised CRM**	16.00	9.20

* Significant reduction in yield loss (US$3.07/bbl), reflects 2014 adverse impact of a sub-optimal Kurnell refinery prior to closure. 2015 reflects Lytton performance only. Yield loss 1.2%

** 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. Numbers used are volume weighted.

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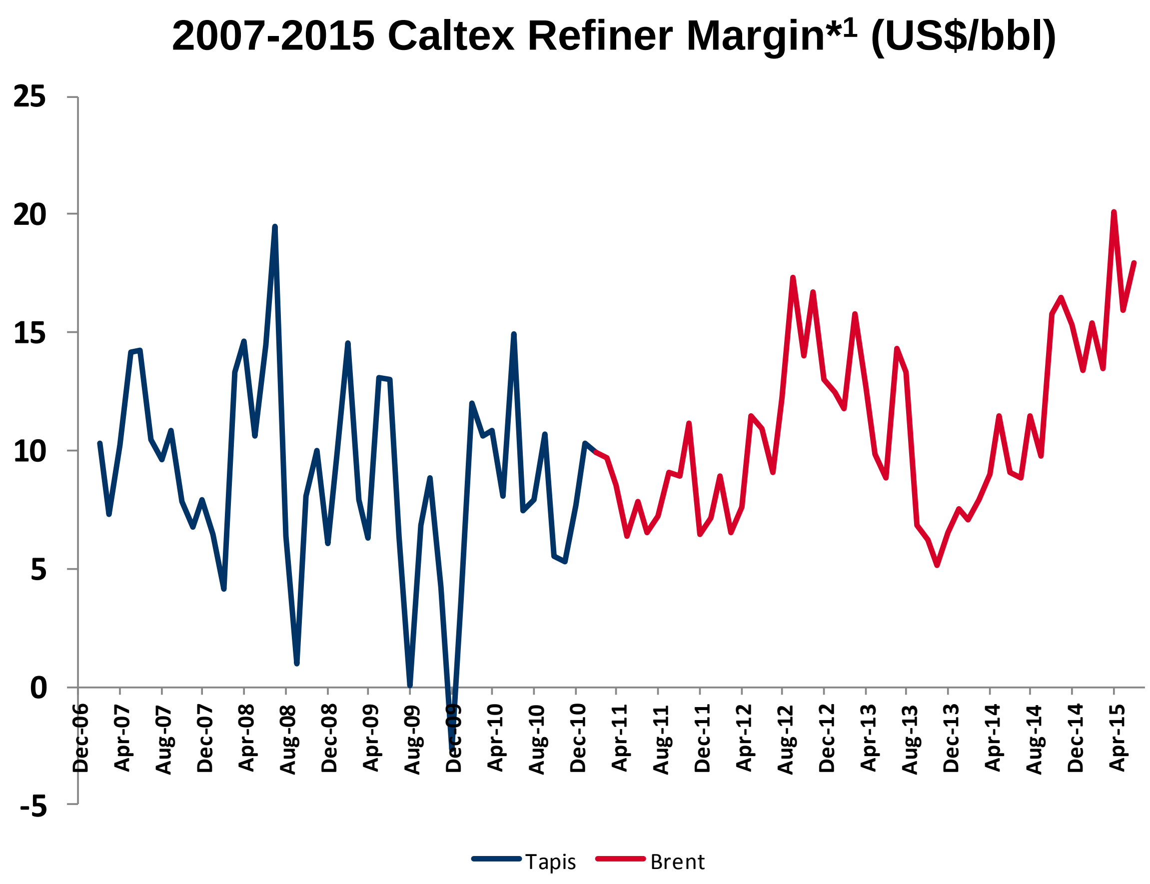
Lytton Refinery Highlights

Caltex Refiner Margin (CRM) driven by stronger Singapore WAM and lower yield loss



*Lagged Caltex Refiner Margin. 1. Price basis shifted from (APPI) Tapis to Platts Dated Brent in January 2011 (consistent with Caltex references)

- Higher CRM driven by stronger market prices (Singapore WAM) and lower yield loss
- Comparable Singapore Weighted Average Margin (SWAM) (US$14.51/bbl versus US$12.60/bbl) year on year, despite volatility

Average realised CRM	2015	2014
1H	US$16.00	US$9.20
2H		US$16.38

CRM unlagged	High	Low	Average
1 year	US$20.10	US$9.77	US$15.10
2 year	US$20.10	US$5.14	US$11.67

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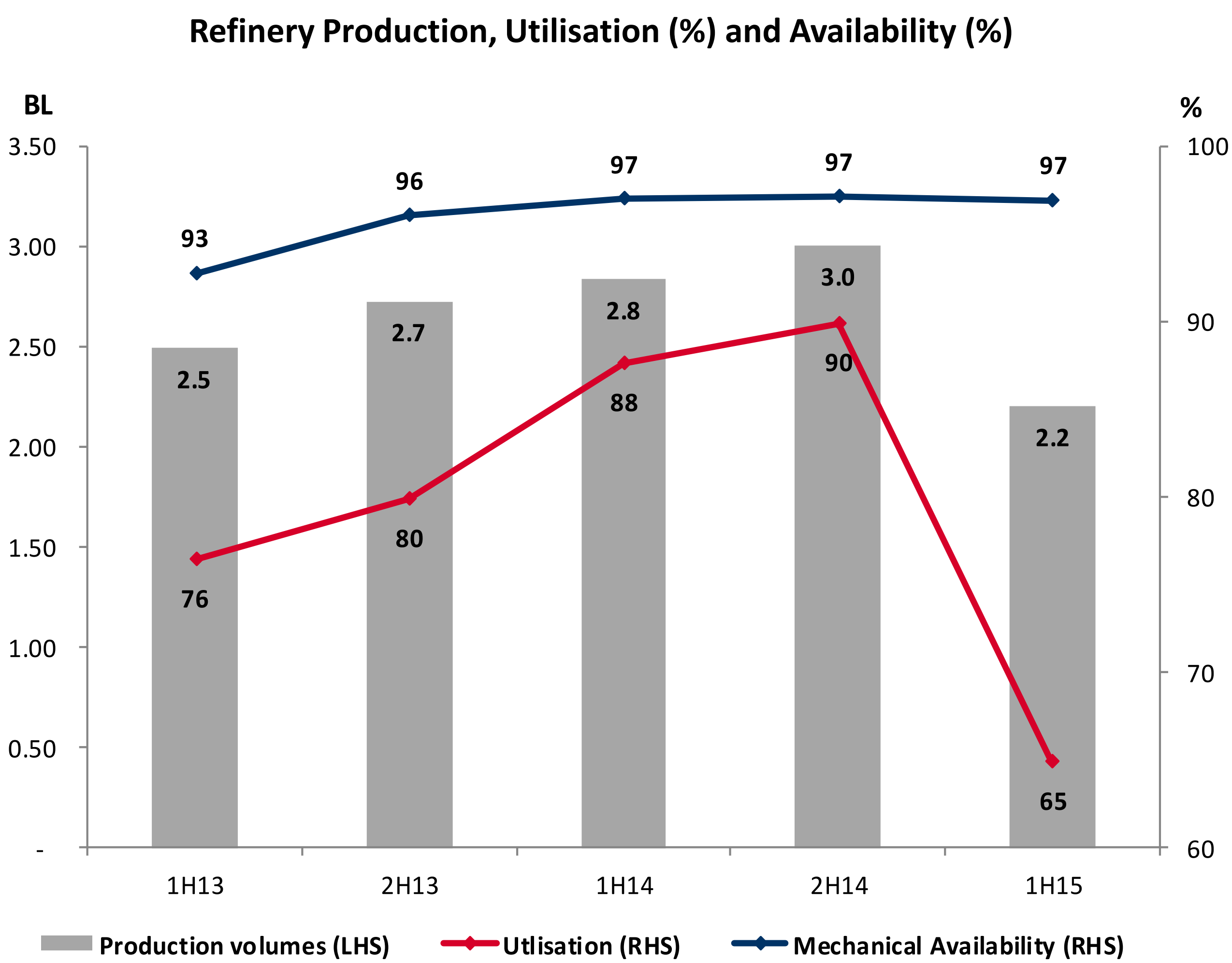
Lytton Refinery Highlights

Operational performance metrics adversely impacted due to Turnaround & Inspection (T&I)



- T&I impacted Lytton operational performance:

1. Mechanical Availability (97%);
2. Utilisation (65%);
3. Yield (98.8%); and
4. Transport fuels production (Sales from production 2.4BL, -12%)

- Utilisation for first quarter, preceding the May-June T&I was 85% (July utilisation 86%, August MTD 88%)

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Lytton Refinery Highlights – Production Mix

Lytton's product slate (% of total volumes) drives Singapore WAM and CRM

	LYTTON					
	1H 2015	**2014**	**2013**	**2012**	**2011**	**2010**
Diesel	38%	38%	39%	40%	38%	39%
Premium Petrols	11%	13%	12%	13%	12%	10%
Jet	13%	12%	10%	10%	9%	7%
	61%	**63%**	**61%**	**63%**	**59%**	**56%**
Unleaded Petrol	32%	33%	35%	34%	37%	41%
Other	7%	4%	4%	4%	4%	3%
Total	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**

"Other" product slate includes high value product (nonene, around 4%). The increase in "other" production volumes in 1H 2015 relates directly to the impact of the Turnaround & Inspection program during May and June.

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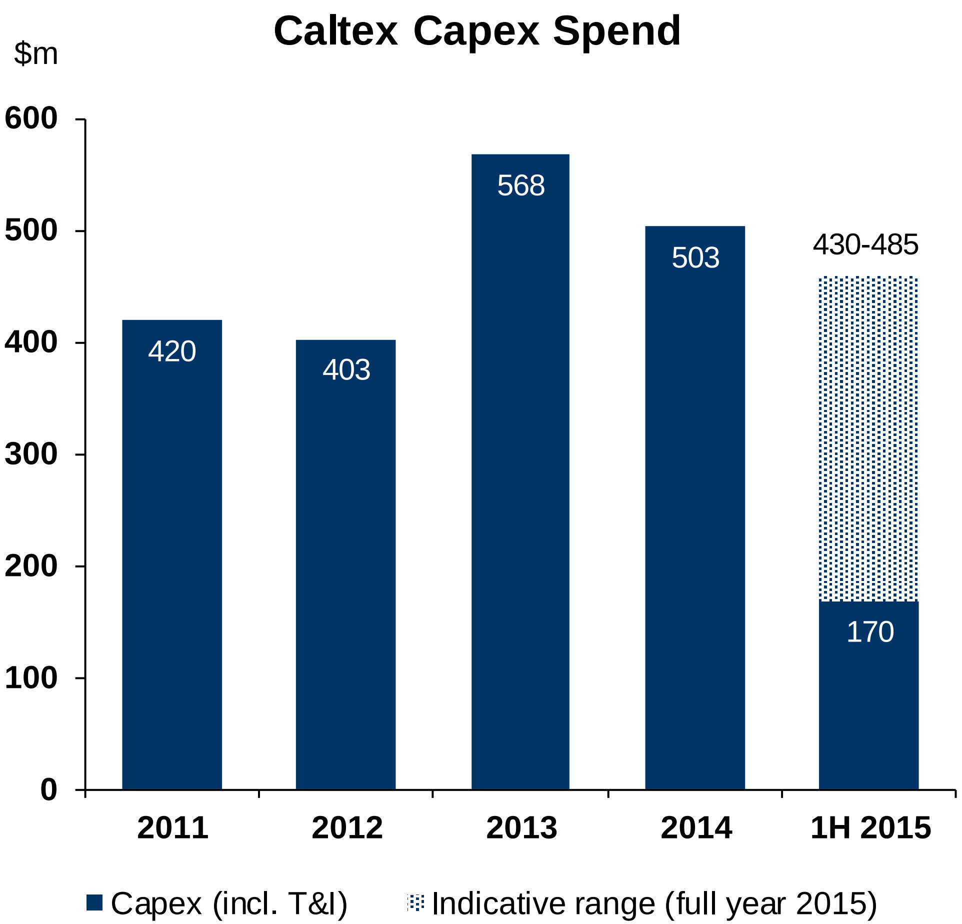
Q&A
Appendices

Financial Discipline - Capital Expenditure

Capital directed to reinvest and grow, whilst ensuring a safe, efficient business



- 1H 2015 total capex spend of $170m, includes $29 million of Kurnell conversion capex (wharf and tank conversions) and Lytton T&I ($51 million)

- 2015 total capex is forecast to be $430m - $485m (versus February 2015 guidance of $455m - $510m)

  Includes:

  - Stay-in-business of $215m - $240m (includes Lytton T&I of approximately $70m);
  - Growth (excluding M&A) of $165m - $195m; and
  - Kurnell terminal transition (around $50 million)

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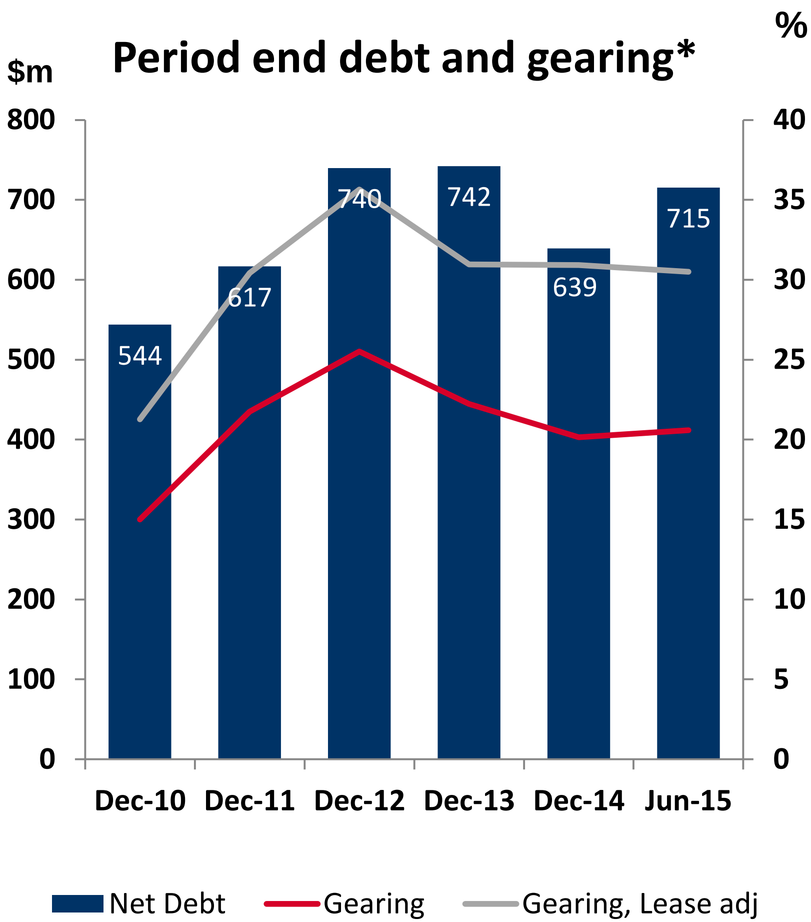
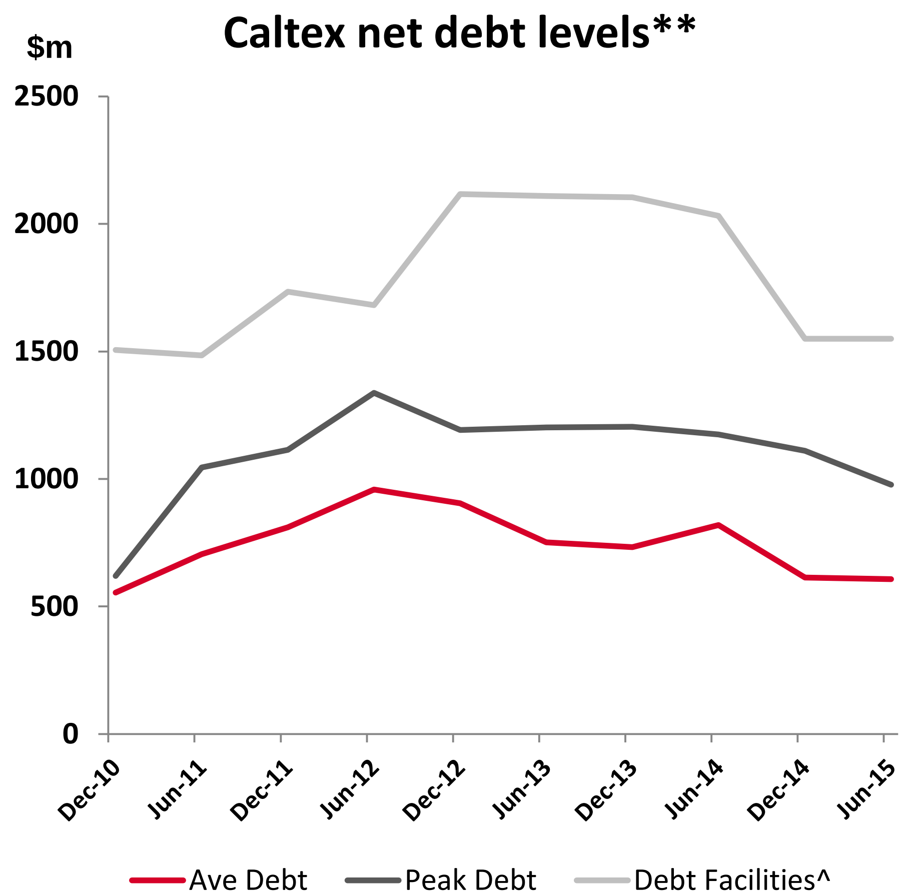
Financial Discipline

Average daily borrowings lower on higher earnings, disciplined capex spend and lower working capital levels





* Gearing = net debt / (net debt + equity); Gearing – Lease adjusted, adjusts net debt to include lease liabilities

** Average debt is the average level of debt through the period; Peak debt is the maximum daily debt through the period

^ Debt facilities includes committed facilities as at 30 June 2015

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Financial Discipline - Returns Focused Capital Mgmt.

Capital management objective

- Given the company's improved cash flows and strong balance sheet, Caltex has reviewed the options for capital management based on established priorities to ensure capital is deployed as efficiently as possible. The company's overarching objective is to deliver top quartile Total Shareholder Returns (TSR) over time.

Committed to maintaining prudent debt levels

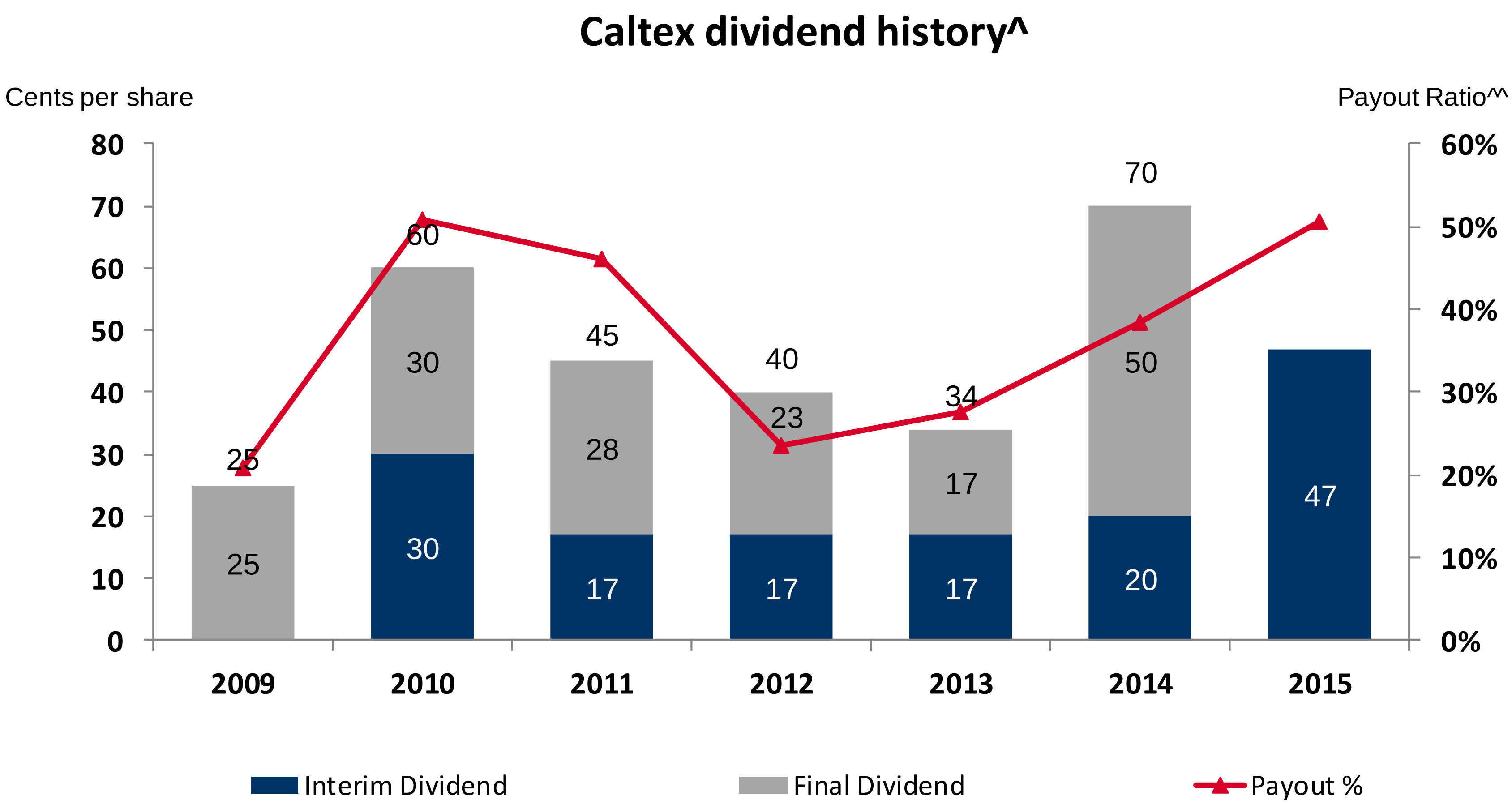
- Maintain a capital structure consistent with a stable investment grade credit rating.
- Substantial headroom remains to invest in growth and respond to changes in the operating environment.

Disciplined use of free cash flow to generate sustainable long term earnings growth

- The company's priority is to invest in the business and in growth initiatives to generate sustainable, long term earnings growth.
- Deliver a more attractive ordinary dividend stream to shareholders (40-60% dividend payout ratio of RCOP NPAT).
- Capital management opportunities in the absence of sustainable growth investments will be considered.
- The preferred form of additional capital return is an off-market buy-back.

Financial Discipline - Dividend

Interim dividend of 47 cents per share (2014: 20cps)



^ Dividends declared relating to the operating financial year period; all dividends fully franked

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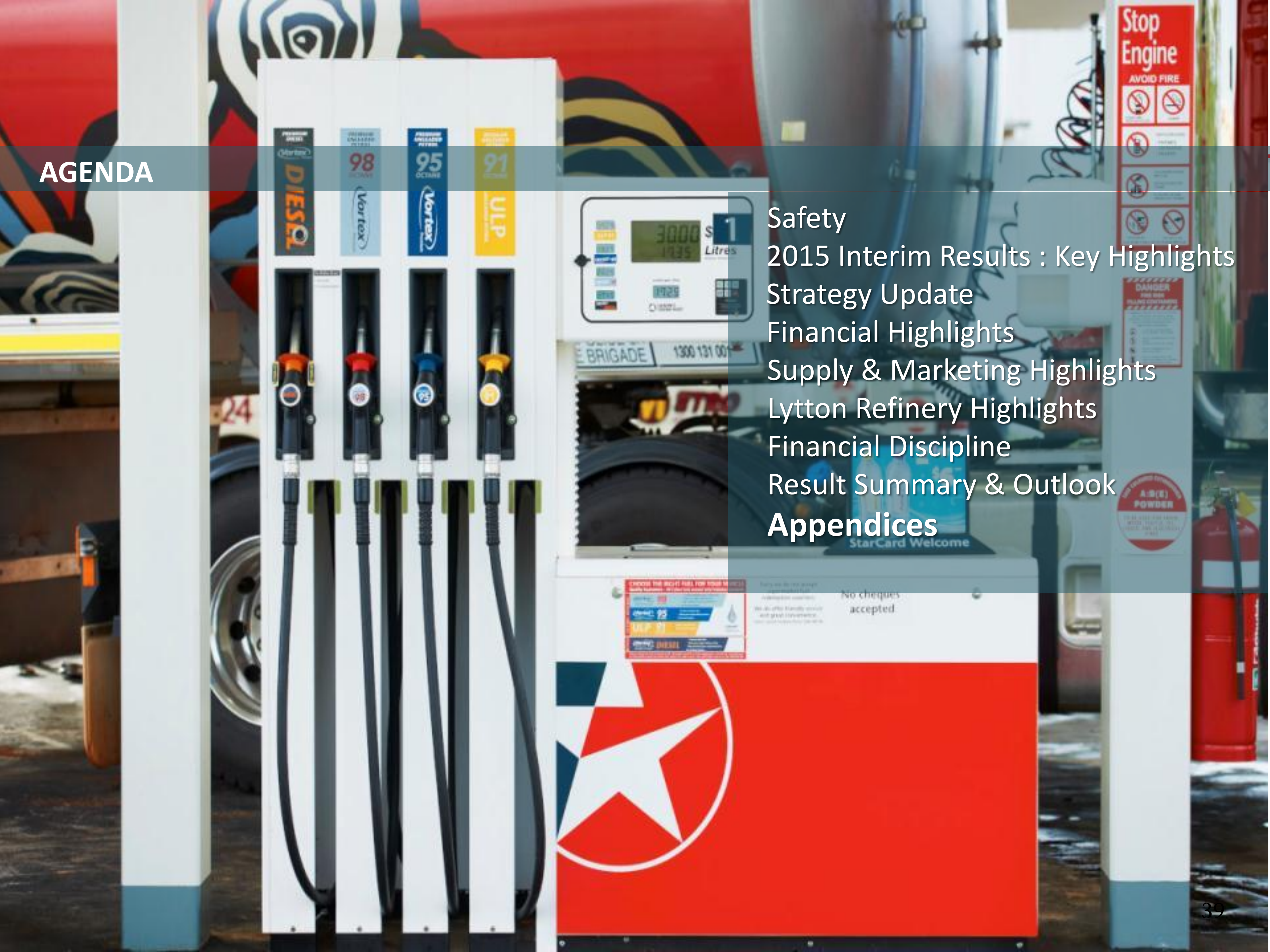
AGENDA

RESULT SUMMARY & OUTLOOK

RESULT TAKE-AWAYS	• RCOP NPAT $251 million, 45% above prior year • Significant item of $29 million (after tax) from sale of surplus property • Dividend 47.0 cps declared (2014: 20cps) fully franked (51% payout) • Balance sheet strong, supported by improved free cash flows • Supply & Marketing RCOP EBIT $264 million includes unfavourable externalities ($31m) and direct shipping & demurrage supply costs ($20m) to support Lytton T&I • Ampol Singapore underpins a more efficient import supply chain • Major Turnaround & Inspection (T&I) maintenance program successfully completed • Lytton refinery EBIT of $154 million, reflects strong refiner margins, focused cost improvements and anticipated lower volumes due to major T&I • Tabula Rasa cost and efficiency review tracking well (est. $25 million 1H benefit)
SHORT-TERM OUTLOOK	• Continue to defend Business to Business market position • Prioritise the optimisation of the entire value chain by building Ampol Singapore capabilities, investing in supply chain infrastructure, including retail network and on-going improvements at Lytton • Continue to build Ampol product sourcing and shipping capabilities • Continue to implement and embed company wide cost & efficiency program ("Tabula Rasa") • Pursue growth opportunities within core Transport Fuels business • Focus on efficient allocation of capital. In the absence of material growth opportunities, the preferred form of additional capital return is an off-market buy-back
SUMMARY	• Caltex is one integrated transport fuels company that is underpinned by comprehensive infrastructure with a diverse set of customers spanning consumer, commercial and wholesale • We have a clear strategy to grow earnings, reduce volatility of earnings and cash flow and increase balance sheet flexibility to maximise longer term shareholder returns

Q&A



AGENDA

Safety
2015 Interim Results : Key Highlights
Strategy Update
Financial Highlights
Supply & Marketing Highlights
Lytton Refinery Highlights
Financial Discipline
Result Summary & Outlook
Appendices

Appendix

Caltex's Strategy

CALTEX'S VISION

Outright leader in transport fuels across Australia

MEASURE OF SUCCESS

Safely and reliably deliver top quartile total shareholder returns

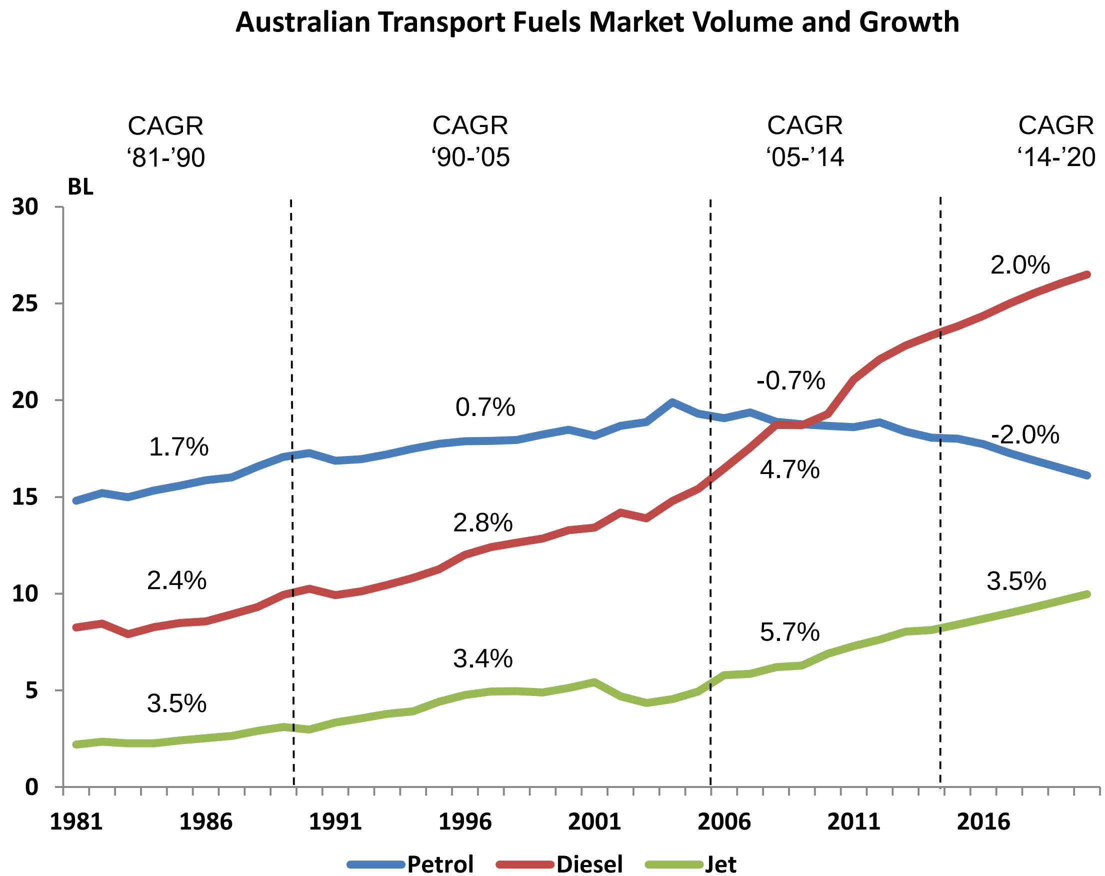
KEY STRATEGY PILLARS

Superior supply chain		Comprehensive targeted offer to customers across products, channels and geographies			Organisational Competitiveness			Corporate Growth
Enhance competitive product sourcing	Enhance competitive infrastructure	Grow retail sales	Grow commercial and wholesale sales	Seed future growth options	Cost efficient and effective	Capital efficient and effective	VCO	Long-term growth options

Understanding and management of risk; relentless pursuit of Operational Excellence	Highly capable people	Competitive and reliable supply of product into each key geography	Large scale, cost – competitive terminal, pipeline, depot and fleet infrastructure in each geography	Scale across the value chain, anchored by key customer portfolio	Comprehensive network of outlets, profitable franchise network, leading fuel card offer and Brand	Cost and capital efficient

Appendix - Australian Fuels Demand Growth

Demand growth forecast for jet fuel, diesel, but slower versus previous decade growth

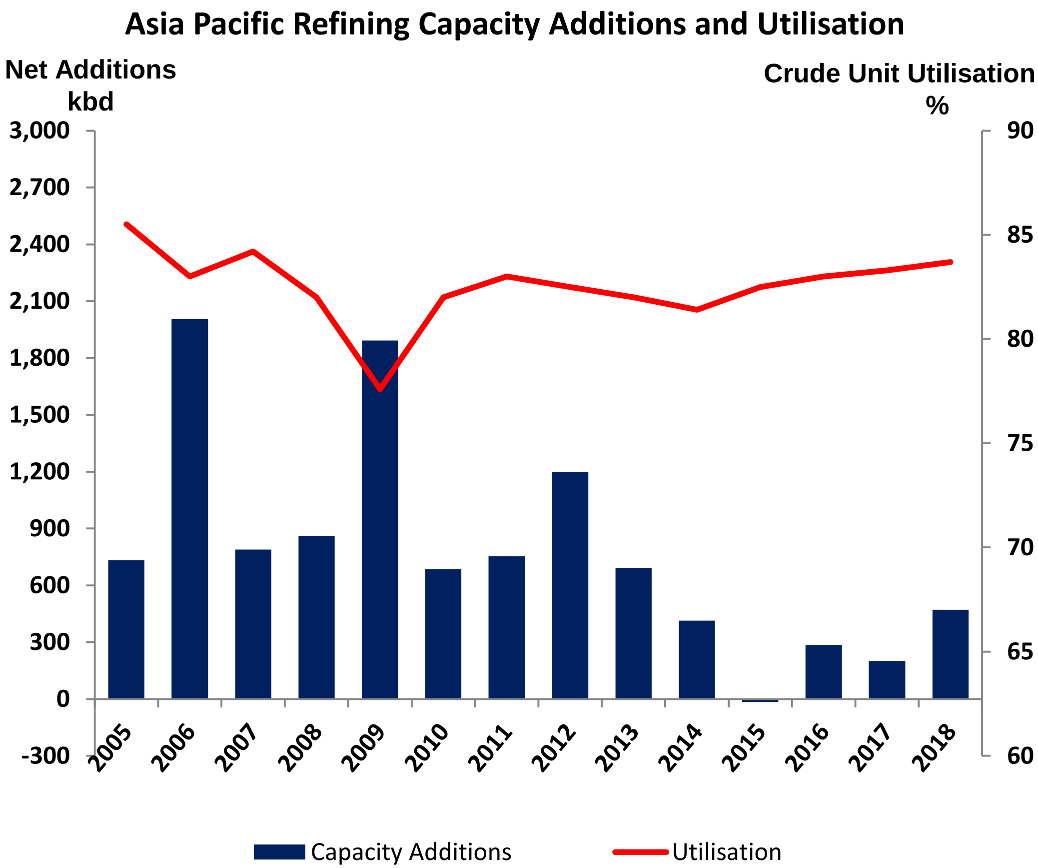


Source: ABARE, DRET & CTX Analysis

- Slowing growth in diesel forecasts, compared to the previous decade, due to (1) lower resource sector growth, and (2) slowing diesel vehicle substitution
- Steady jet fuel growth expected due to increasing passenger travel, partially offset by fuel efficiency gains
- Petrol demand forecast to decline steadily due to (1) vehicle fuel efficiency improvements; and (2) diesel substitution
- Within the overall petrol market an ongoing switch to higher octane, premium petrol is expected (98 octane in particular) due to new vehicle requirements

Appendix - Regional Supply Capacity

Regional refining utilisation expected to increase gradually out to 2018

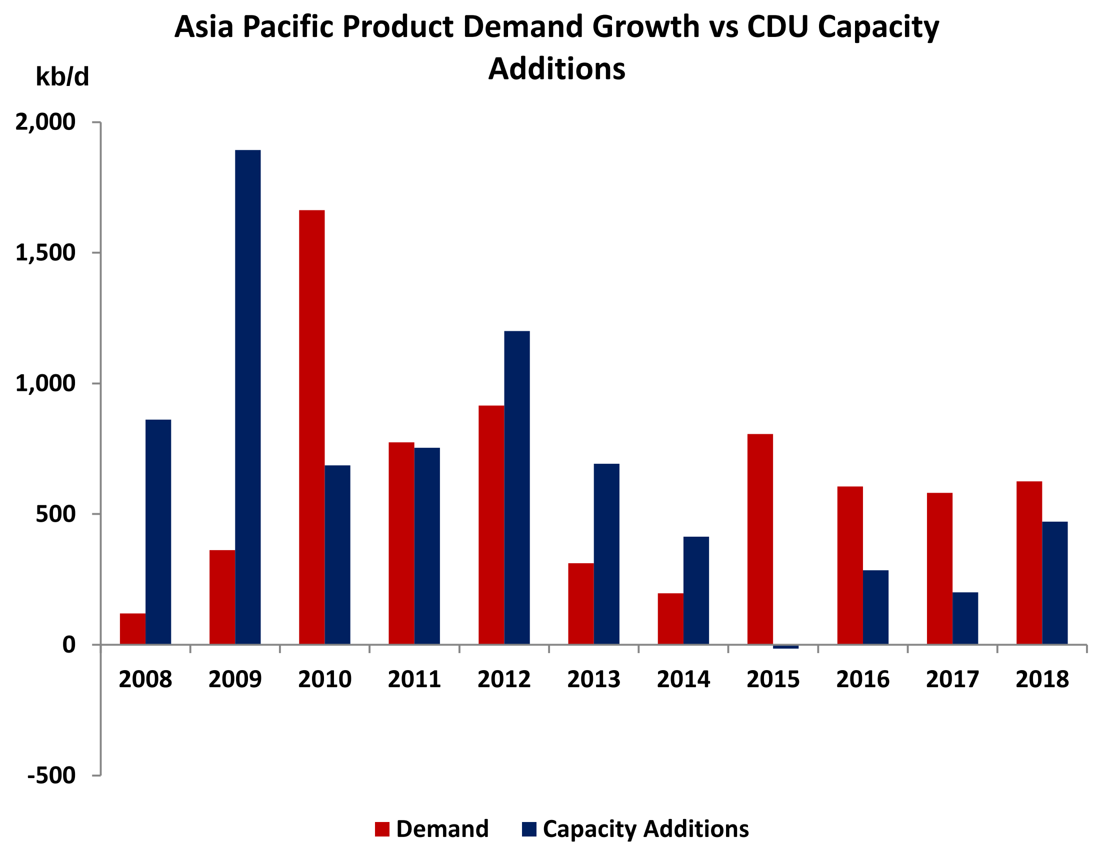


- New 2015 regional refining capacity additions to be offset by capacity closures in Japan, Australia (BP Bulwer Island), Taiwan
- Moderate net capacity additions are expected over 2016-18, with project delays pushing back the timing of some projects
- Refinery utilisation is expected to increase gradually over 2015-18 as regional product demand growth exceeds capacity additions. However, utilisation rates are not projected to return to the levels experienced in the early 2000s.

Source: FACTS Global Energy May 2015 Forecast, Caltex estimates
Capacity additions are net of forecast closures

Appendix - Regional Supply and Demand

Regional product demand growth projected to exceed refining capacity additions (3 years)



- Product demand growth in the Asian region is forecast to strengthen in 2015-17, due to lower oil prices and growth in emerging economies.
- Demand forecast to average 2.2% p.a. growth (2015-2018), slightly higher than the 2% p.a. recorded over 2010-14.
- Regional demand growth to 2018 is projected to exceed net refining capacity additions. However, the favourable impact on refining margins is likely to be mitigated by Middle East product imports into the region.

Source: FACTS Global Energy May 2015 Forecast, Caltex estimates
Capacity additions are net of forecast closures

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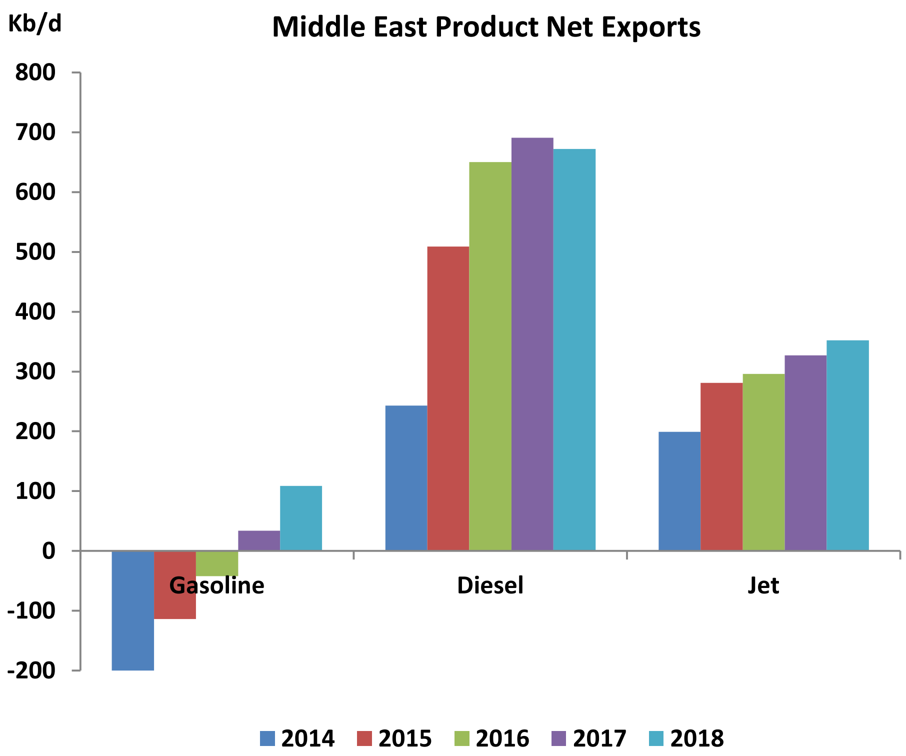
Appendix - Middle East product balances

Middle East region forecast to have growing surpluses of transport fuels



- New refinery capacity is being built in the Middle East, leading to a projected increase in exportable surpluses (particularly diesel, jet)
- Middle East product exports are expected to target European markets, in competition with Indian and other Asian exporters. This is likely to impact global product trade flows, including the risk of increased product availability throughout the Asian region.

Source: FACTS Global Energy May 2015 Forecast
Positive balance indicates net exports

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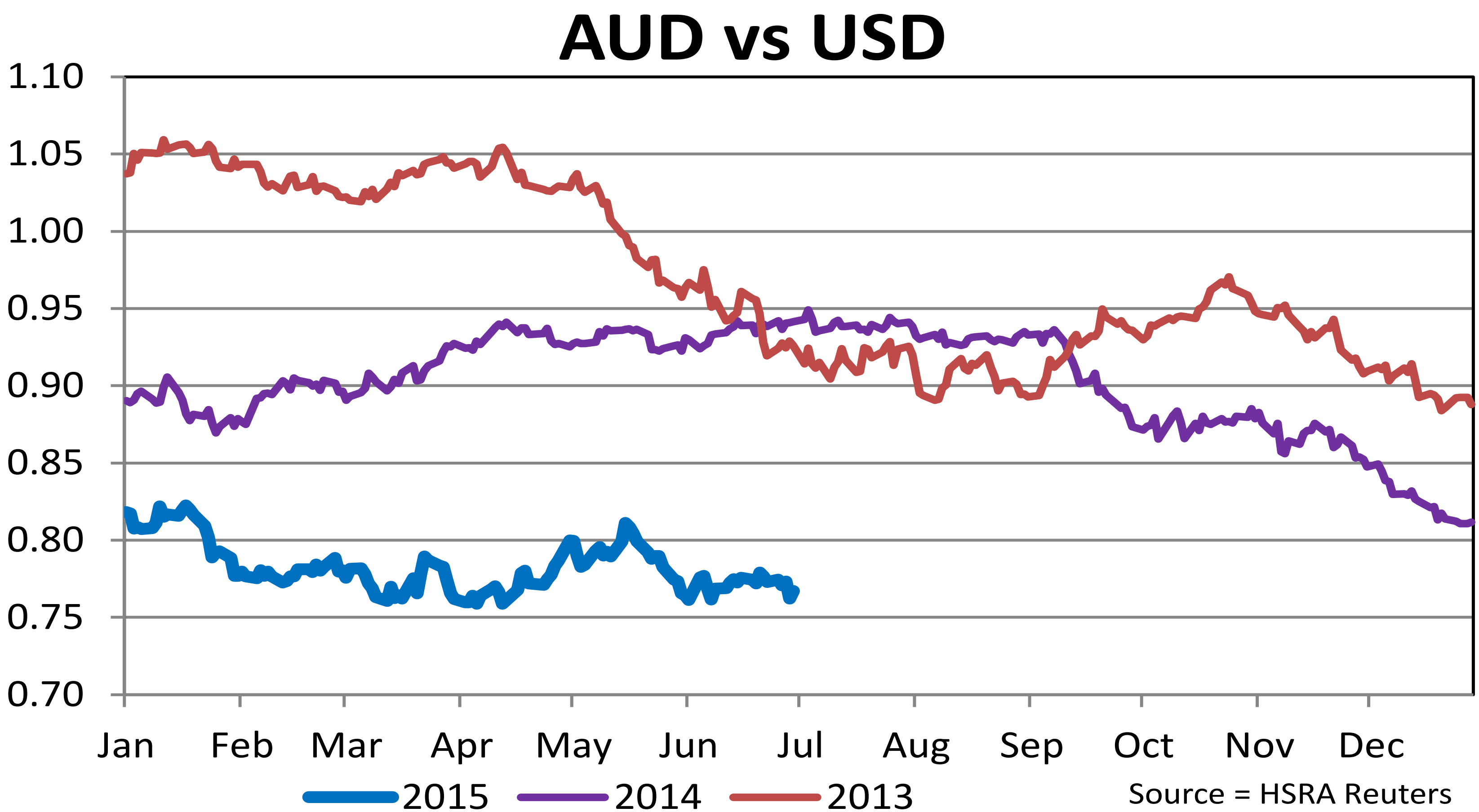
Appendix

AUD-USD Exchange Rate



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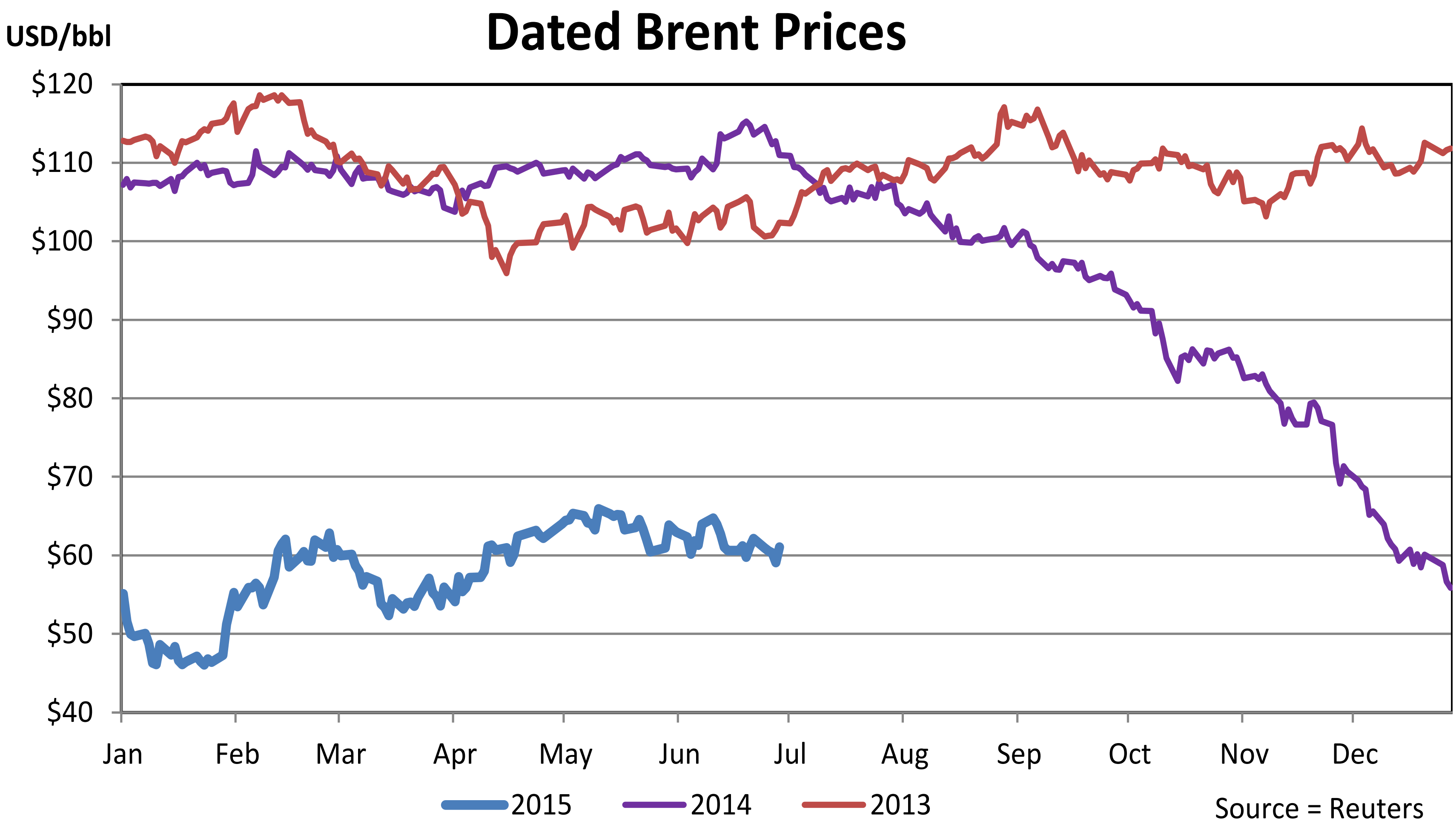
Appendix

Commodity Exposure - Oil Prices



Source = Reuters

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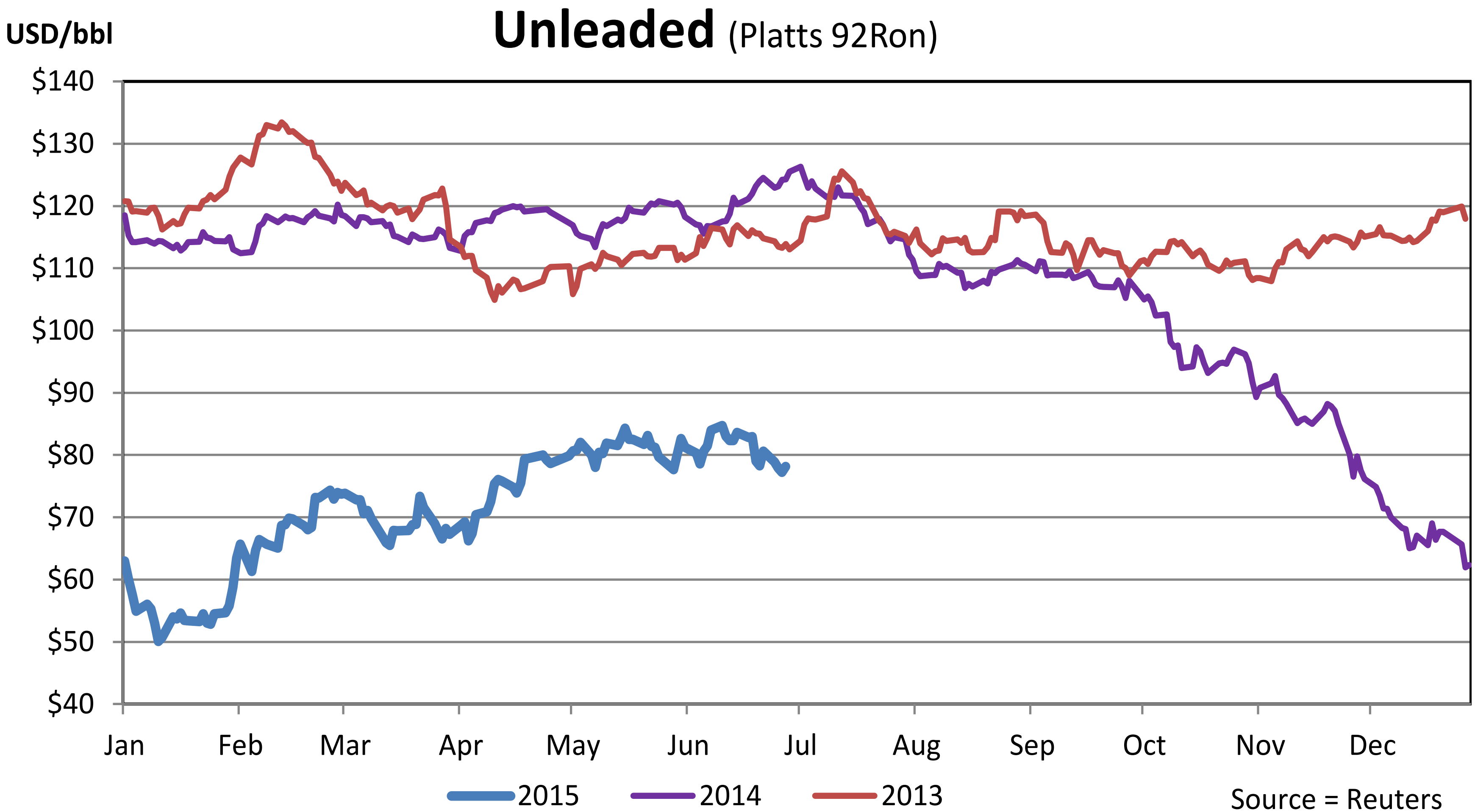
Appendix

Product Prices - Regional Traded Petrol



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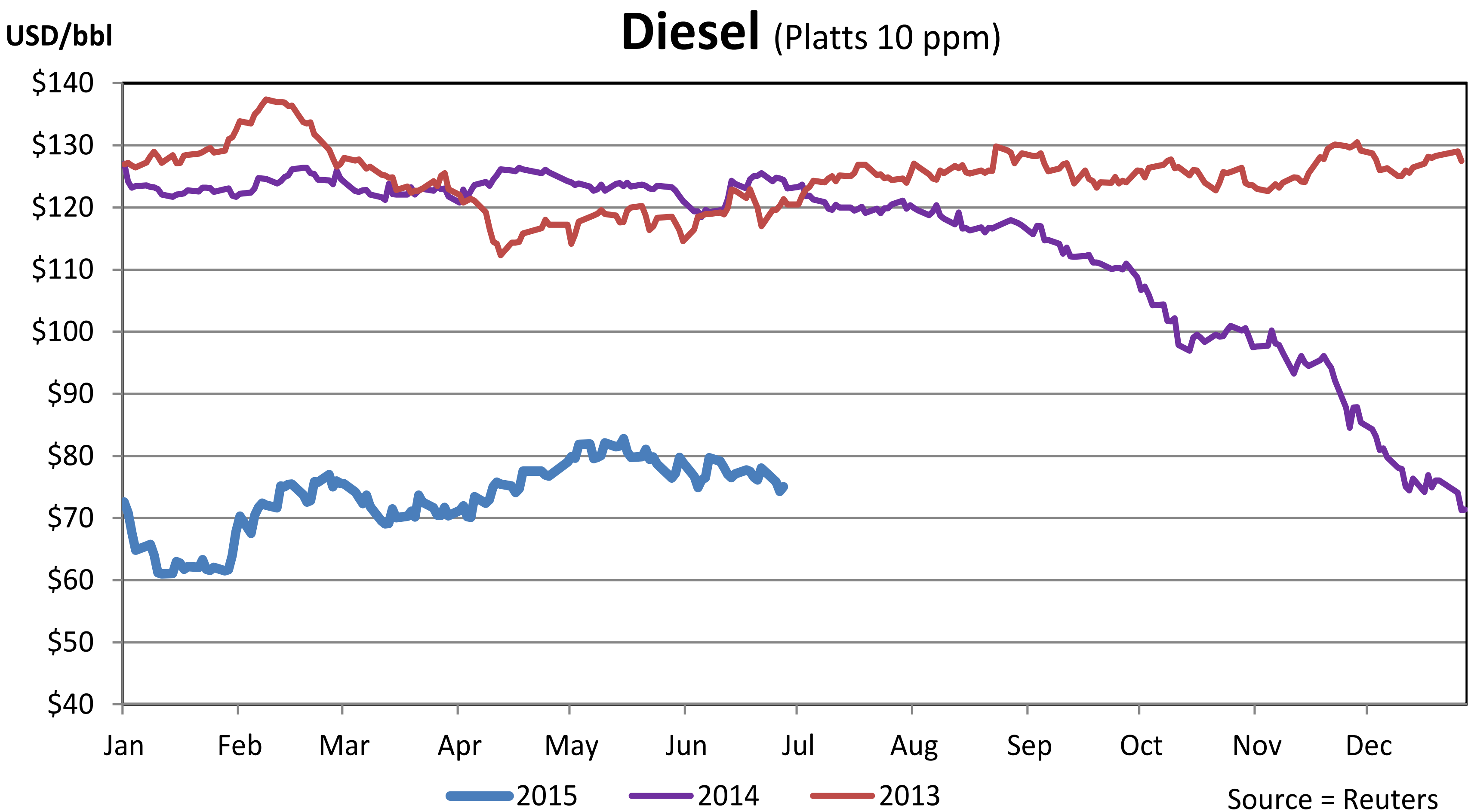
Appendix

Product Prices - Regional Diesel



Source = Reuters

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Appendix - Reporting Framework Change

Reconciling 2014 to 2015 segment reporting

2014 Segmentation Basis	1H 2014
Marketing	393
Supply Chain*	(65)
Corporate	(38)
RCOP EBIT	**290**

2015 Segmentation Basis	1H 2014
Lytton	40
Supply and Marketing*	288
Corporate	(38)
RCOP EBIT	**290**

Supply Chain* consisted of:

Lytton	40
Kurnell	(72)
Supply**	(20)
Kurnell Closure costs	(13)
Total Supply Chain	**(65)**

*** Includes FX impact on USD payables and pricing lags*

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Appendix

Integrated Supply & Marketing performance broadly flat, despite competitive business to business sector

1H 2015	EBIT	Comment / Source
Reported EBIT	264	ASX Results Release
Adjustments:		
Add-back Externalities	31	FX $17m; Price timing lags $14m (Release)
Lytton (T&I) supply related costs	20	ASX Results Release
Underlying Supply & Marketing EBIT	**315**	

1H 2014	EBIT	Comment / Source
Marketing & Distribution	393	1H Results 2014 presentation, page 18
Refining & Supply	(65)	1H Results 2014 presentation, page 18
	328	
Less Lytton Refinery	(40)	Now treated separately; 1H Results presentation (p.36)
Supply & Marketing	288	
Adjustments		
Add-back Kurnell conversion costs	13	1H Results 2014 presentation, page 36
Less: Favourable externalities	(24)	1H Results 2014 presentation, page 36
Rounding	(2)	
Underlying Supply & Marketing EBIT	**275**	
Kurnell Conversion		
Add-back: Kurnell refinery operating losses	72	1H Results 2014 presentation, page 36
Less: Kurnell Terminal costs (1H 2015)	(32)	New costs; Includes $12m depreciation
1H 2015 EBIT Equivalent	**315**	

Appendix

Financial Discipline - Indicative Capital Expenditure* (includes T&I**)

$ millions	2013	2014	1H 2015	2015 Forecast*
Lytton				
- Stay in business (includes T&I)	93	58	62	80-90
- Growth	13	56	18	40-50
	106	**114**	**80**	**120-140**
Marketing and Supply				
- Stay in business	116	104	33	130-140
- Growth	173	186	28	125-145
	289	**289**	**61**	**255-285**
Kurnell Refinery	39	29		0
Kurnell Terminal Transition	127	67	29	50
Corporate – Other	7	4	0	5-10
Total	**568**	**503**	**170**	**430-485**

* Indicative ranges only. Subject to change pending market conditions, opportunities, etc.
** T & I = Turnaround & Inspection

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Appendix

Financial Discipline - Depreciation & Amortisation*

$ millions	2013	2014	1H 2015	2015 Forecast*
Lytton	24	34	18	40-45
Marketing and Supply	91	99	68	140-145
Corporate **	8	33	4	5-10
	123	**166**	**89**	**185-200**
Kurnell Refinery	42	37	0	0
Total	**166**	**203**	**89**	**185-200**

** Indicative forecasts only. Subject to any major capex / M&A changes*

*** 2014 Corporate D&A included $23m in significant items. Underlying 2014 corporate D&A approximates $10m*

Appendix

Company-wide efficiency and organisation structure review "Tabula Rasa" - Benefits

Tabula Rasa	2016 Expected Recurring Savings $M	Comments
Head count reduction (net 250-300 FTEs, previously approx. 350FTEs)	40 - 45	Previously $40m - $50m Head count down Cost savings per headcount up
Increased offshoring of IT services	10	On track
Improved procurement of non-fuel goods and services via Singapore procurement function	10	On track
Other cost and efficiency opportunities	20 - 35	Previously $20m - $30m
Total Recurring Benefits	**80 - 100**	

- 1H 2015 Realised Benefits ($m) approx. 25
- 2014 Realised Benefits ($m) approx. 15

- Cumulative benefits ($m) approx. 40

Additional one off Benefits

1. Working Capital: On track to deliver one-off inventory reduction of around 1 million barrels in 2015 across the supply chain
2. US Private placement repaid early - est. $15m in interest savings over 16mth period from January 2015 to April 2016 - on track

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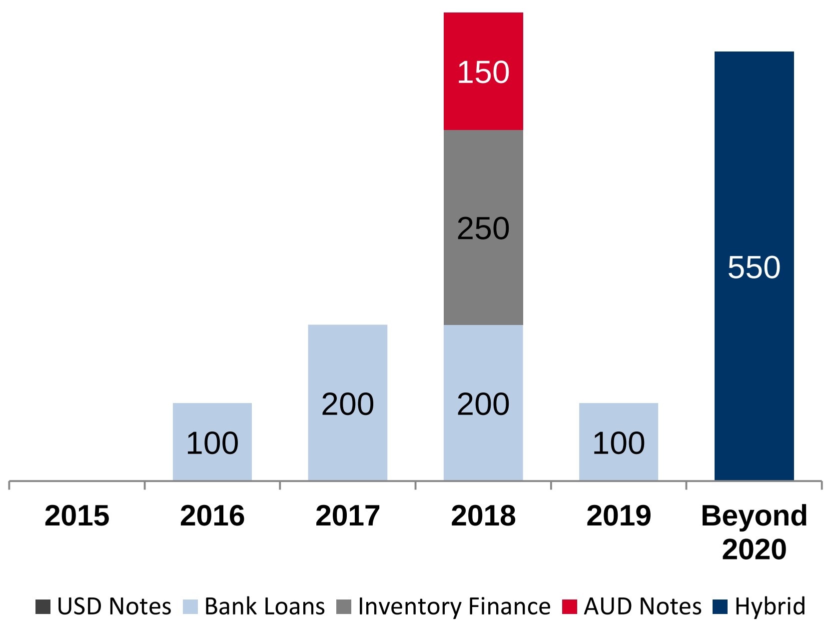
Appendix

Financial Discipline: Available Finance Facilities supports growth and competitive dividend

Current sources of funding

	A$m	Source
US$ notes	0	US institutional
A$ notes	150	Australian and Asian institutional
Bank loans	600	Australian and global banks
Inventory finance	250	Australian bank
Hybrid	550	Australian and Asian retail and institutional investors
	$1,550m	

Debt maturity profile



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Appendix

Financial Discipline: Kurnell Closure Cash-flow

Item	Description	Indicative amount	Timing
Closure costs	Includes redundancy, decommissioning and remediation	$(430)m*	• Majority of redundancies took place 4Q 2014, $29 million remaining at 30 June 2015 • Dismantling and removal 2015 / 2016 • Remediation post removal
Terminal conversion costs	Conversion and expansion of current import facilities	$(270)m	• Work commenced 2012 • Refinery closure sequence commenced October 2014 • Residual wharf and tank upgrade work 2015 (post refinery closure) (est. $50m, unchanged)
Working capital release	Working capital (Requirements of operating a refined product import facility are lower than operating an oil refinery)	~$200m	• Reduction of 2.0m barrels (reflected in lower net 2014 debt levels) • Completed 2014
Tax credit	Benefit from tax write-down of assets	~$120m	• Involves the tax write-down of c.$400m in assets • Now completed

* *Pre-tax estimates*

Appendix

Summary Financial Information

	1H 2015	2014	2013	2012	2011
Dividends					
Dividends ($/share)	0.47	0.20	0.34	0.40	0.45
Dividend payout ratio - RCOP basis (excl. significant items)	51%	38%	28%	24%	46%
Dividend franking percentage	100%	100%	100%	100%	100%
Other data					
Total revenue ($m)	9,739	24,231	24,676	23,542	22,400
Earnings per share - HCOP basis (cents per share)	139	7	196	21	(264)
Earnings per share - RCOP basis (cents per share) (excl. significant items)	93	183	123	170	98
Earnings before interest and tax - RCOP basis ($m) (excl. significant items)	383	794	551	756	442
Operating cash flow per share ($/share)	0.70	2.45	2.25	1.48	1.65
Interest cover - RCOP basis (excl. significant items)	9.8	7.1	6.2	7.8	6.5
Return on capital employed - RCOP basis (excl. significant items)	7%	16%	10%	16%	9%
Total equity ($m)	2,758	2,533	2,597	2,160	2,218
Return on equity (members of the parent entity) after tax - (HCOP basis)	14%	5%	20%	3%	-32%
Total assets ($m)	5,457	5,129	6,021	5,386	4,861
Net tangible asset backing ($/share)	9.47	8.64	9.05	7.55	7.82
Net debt ($m)	715	639	742	740	617
Net debt to net debt plus equity	21%	20%	22%	26%	22%

IMPORTANT NOTICE

This presentation for Caltex Australia Limited is designed to provide:

- an overview of the financial and operational highlights for the Caltex Australia Group for the 6 months period ended 30 June; and
- a high level overview of aspects of the operations of the Caltex Australia Group, including comments about Caltex's expectations of the outlook for 2015 and future years, as at 24 August 2015.

This presentation contains forward-looking statements relating to operations of the Caltex Australia Group that are based on management’s own current expectations, estimates and projections about matters relevant to Caltex’s future financial performance. Words such as “likely”, “aims”, “looking forward”, “potential”, “anticipates”, “expects”, “predicts”, “plans”, “targets”, “believes” and “estimates” and similar expressions are intended to identify forward-looking statements.

References in the presentation to assumptions, estimates and outcomes and forward-looking statements about assumptions, estimates and outcomes, which are based on internal business data and external sources, are uncertain given the nature of the industry, business risks, and other factors. Also, they may be affected by internal and external factors that may have a material effect on future business performance and results. No assurance or guarantee is, or should be taken to be, given in relation to the future business performance or results of the Caltex Australia Group or the likelihood that the assumptions, estimates or outcomes will be achieved.

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