



CALTEX

Caltex Australia



YEARS

OF REFINING FUEL FOR AUSTRALIA



Now

2005 ANNUAL REPORT

HIGHLIGHTS	2
CHAIRMAN & MANAGING DIRECTOR'S REPORT	4
REFINING & SUPPLY REVIEW	8
MARKETING REVIEW	14
CORPORATE REVIEW	20
CORPORATE GOVERNANCE REPORT	26
SIMPLIFIED FINANCIAL REPORT	41
DIRECTORS' REPORT	48
2005 FINANCIAL REPORT	82
SHAREHOLDER INFORMATION	164
STATISTICAL INFORMATION	166
DIRECTORY	167
CALTEX'S VISION	BC

FRONT COVER:

50 years on and now the same tank, same stairs that appear in the 1956 Kurnell refinery photograph (below) take refinery technicians Luke Pesa (left) and Steve Seaton to the top to inspect it in early 2006.



Then...

Caltex celebrating **50** years of refining
fuel for Australia **1956 – 2006**



ADVICE TO SHAREHOLDERS

The *2005 Annual Report* provides an overview of Caltex Australia's main operating activities for the year ended 31 December 2005.

The *2005 Financial Report*, which is contained within the *2005 Annual Report*, provides detailed financial information for the Caltex Australia Group for the year ended 31 December 2005.

Please note that *2005 Annual Report* can be found at our web site, www.caltex.com.au

THE CALTEX AUSTRALIA GROUP

The Caltex Australia Group consists of:

- Caltex Australia Limited (ACN 004 201 307), which is the parent company of the Caltex Australia Group
- our major operating companies including Caltex Australia Petroleum Pty Ltd, Caltex Refineries (NSW) Pty Ltd, Caltex Refineries (Qld) Pty Ltd, Caltex Petroleum Distributors Pty Ltd and Caltex Lubricating Oil Refinery Pty Ltd, and
- 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 the *2005 Annual Report* as the Caltex Australia Group unless the context requires otherwise.

FINANCIAL CALENDAR FOR CALTEX AUSTRALIA LIMITED

YEAR ENDED 31 DECEMBER 2005

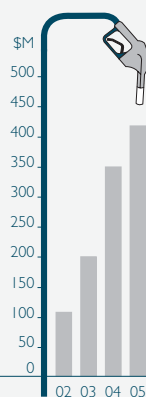
Annual general meeting	27 April 2006
------------------------	---------------

YEAR ENDING 31 DECEMBER 2006*

Half year results & interim dividend announcement	25 August 2006
Record date for interim dividend entitlement	8 September 2006
Interim dividend payable	29 September 2006
Full year results and final dividend announcement	23 February 2007
Record date for final dividend entitlement	9 March 2007
Final dividend payable	30 March 2007

*These dates may be subject to change.

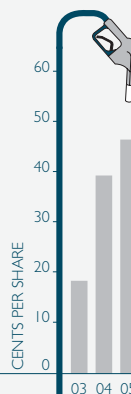
REPLACEMENT COST OF SALES
OPERATING PROFIT



18%
increase

The profit after tax (excluding significant items) on a replacement cost of sales operating basis was \$414 million (2004: \$350 million)

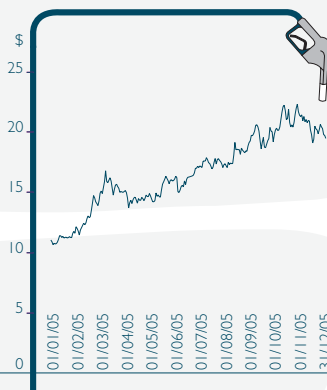
DIVIDENDS



18%
increase

The total dividend was 46 cents per share fully franked (31 cents per share final dividend and 15 cents per share interim dividend) up from 39 cents per share total dividend in 2004

SHARE PRICE



78%
increase

The Caltex share price opened the year at \$10.86 and closed at \$19.38.

Highlights

2005 was a year of records for Caltex

– Higher earnings

The record earnings were the result of a strong operating performance by the company's refining and marketing businesses combined with global market factors

– Higher shareholder return

There was a 78% increase in the Caltex share price and an 18% increase in dividends in 2005 compared with 2004 – a result that provided a total shareholder return of 82%

– Higher throughput at refineries

Improved throughput rates and near record production at the refineries enabled Caltex to capture the benefit of higher refiner margins

– Record transport fuels sales volumes

Caltex strengthened its market leadership in transport fuels sales with growth in petrol, diesel and jet fuel volumes