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ASX ANNOUNCEMENT



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28 September 2012

Company Announcements Office
Australian Securities Exchange

CALTEX AUSTRALIA LIMITED
CALTEX REFINER MARGIN UPDATE (AUGUST 2012)

An *ASX Release* titled "Caltex Refiner Margin Update (August 2012)" is attached for immediate release to the market.



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Company Secretary

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Attach.

ASX Release

For immediate release

28 September 2012

Caltex Refiner Margin Update (August 2012)

Caltex advises its realised lagged¹ Caltex Refiner Margin (CRM²) in respect of CRM sales from production for the month of August 2012.

Measure	August 2012	July 2012	August 2011
Unlagged CRM	US\$17.35/bbl	US\$12.19/bbl	US\$9.04/bbl
Impact of 7 day lag (negative)/positive	(US\$2.80/bbl)	(US\$3.20/bbl)	(US\$0.07/bbl)
Realised CRM	US\$14.56/bbl	US\$8.99/bbl	US\$8.97/bbl
CRM Sales from production	927ML	1,005ML	908ML

The August unlagged Singapore Weighted Average Margin was US\$15.98/bbl, 14% higher than the July margin of US\$14.02/bbl. Margins were supported by strong regional demand, whilst supply continued to be impacted by continuing regional shutdown activity. In addition, a number of August crude cargoes purchased by Caltex were priced off lower July crude markers, resulting in lower crude premia.

The increase in the Dated Brent crude price from an average price in July 2012 of \$103/bbl to an average of \$113/bbl in August resulted in a negative timing lag of US\$2.80/bbl.

August 2012 sales from production fell slightly from July levels due to the commencement of planned maintenance at Kurnell.

Notes

1. A fall in the Australian dollar crude price, particularly at the latter end of the month produces a positive lag effect on the CRM (i.e. increases the CRM) and, conversely, in the event of a rise in the Australian dollar crude price, a negative lag effect occurs (i.e. reduces the CRM).
2. 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 is calculated in the following manner:

Weighted Singapore product prices (for a standard Caltex basket of products)

Less: Reference crude price (from 1 January 2011 the Caltex reference crude marker is Dated Brent, in 2010 it was APPI Tapis)

Equals: Singapore Weighted Average Margin (Dated Brent basis)

Plus: Product quality premium
Crude discount
Product freight

Less: Crude premium
Crude freight
Yield Loss

Equals: Caltex Refiner Margin

The Caltex Refiner Margin is converted to an Australian dollar basis using the prevailing average monthly exchange rate.

CRM is just one contributor to the Replacement Cost Operating Profit (RCOP) EBIT earnings (excluding significant items). Other items contributing to the RCOP EBIT include Transport Fuels Marketing volume and margin, Lubricants and Specialties volume and margin, Non-Fuel Income and Other Margin less Operating Expenses.

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