ASX ANNOUNCEMENT



CALTEX AUSTRALIA LIMITED ACN 004 201 307

> LEVEL 24, 2 MARKET STREET SYDNEY NSW 2000 AUSTRALIA

30 January 2013

Company Announcements Office Australian Securities Exchange

CALTEX AUSTRALIA LIMITED CALTEX REFINER MARGIN UPDATE (DECEMBER 2012)

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

Peter Lim Company Secretary

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

Attach.



Caltex Australia

ASX Release For immediate release 30 January 2013 Caltex Refiner Margin Update (December 2012)

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

	2012 Full Year Actuals	December 2012	November 2012	December 2011
Unlagged CRM	US\$11.83/bbl	US\$12.49/bbl	US\$12.98/bbl	US\$7.17/bbl
Impact of 7 day lag (negative)/positive	US\$0.03/bbl	US\$0.32/bbl	US\$(0.39)/bbl	US\$0.75/bbl
Realised CRM	US\$11.86/bbl	US\$12.81/bbl	US\$12.59/bbl	US\$7.92/bbl
CRM Sales from production	10,913ML	951ML	1,003ML	888ML

The December unlagged CRM was US\$12.49/bbl. This compares favourably to the prior year equivalent (US\$7.17/bbl), but is slightly lower than the prior month (November US\$12.98/bbl).

Regionally, unlagged Singapore Weighted Average Margin for the month was US\$12.93/bbl, down from November (US\$13.84/bbl), but above prior year (December 2011 US\$11.46/bbl).

Weaker Brent and gasoline prices in the last week of December drove a favourable US\$0.32/bbl 7 day timing lag (versus US\$0.39/bbl unfavourable lag in November).

December 2012 CRM sales from production (951ML), whilst lower than November levels (1,003ML), were 7% higher than December 2011, which was impacted by an unplanned shutdown at Lytton and other short term Kurnell supply issues.

On a 2012 full year basis, Caltex's average realised CRM was US\$11.86/bbl. This compares favourably to the 2011 equivalent of US\$8.33/bbl. On a volume basis, 2012 sales from production total 10,913 ML, 9.5% above the prior year (9,966 ML).

Caltex's full year RCOP NPAT outlook of \$455 million to \$475 million remains unchanged. This is despite the December unlagged CRM of US\$12.49/bbl being modestly below (4%) an assumed December average unlagged CRM of around US\$13.00/bbl.

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)

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.

Analyst contact

Rohan Gallagher Investor Relations Manager Phone: 02 9250 5247 Email: rgallag@caltex.com.au