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ASX ANNOUNCEMENT



**CALTEX AUSTRALIA LIMITED**  
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30 October 2013

Company Announcements Office  
Australian Securities Exchange

**CALTEX AUSTRALIA LIMITED**

**CALTEX REFINER MARGIN UPDATE (SEPTEMBER 2013)**

An *ASX Release* titled "Caltex Refiner Margin Update (September 2013)" is attached for immediate release to the market.



**Peter Lim**  
**Company Secretary**

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**Attach.**

# ASX Release

For immediate release

30 October 2013

## Caltex Refiner Margin Update (September 2013)

Caltex advises its realised lagged<sup>1</sup> Caltex Refiner Margin (CRM<sup>2</sup>) in respect of CRM sales from production for the month of September 2013.

	September 2013	August 2013	September 2012
Unlagged CRM	US\$6.20/bbl	US\$6.84/bbl	US\$14.03/bbl
Impact of 7 day lag (negative)/positive	US\$2.12/bbl	US\$(1.22)/bbl	US\$0.80/bbl
Realised CRM	US\$8.32/bbl	US\$5.62/bbl	US\$14.83/bbl
CRM Sales from production	926ML	947ML	846ML

The September unlagged CRM was US\$6.20/bbl. This is below the prior month (August 2013 US\$6.84/bbl) and significantly below the prior year equivalent (US\$14.03/bbl).

The unlagged Caltex Singapore Weighted Average Margin was US\$9.72/bbl – again below the prior month (August 2013, US\$10.51/bbl) and prior year (September 2012, US\$16.91/bbl).

Refiner margins in September remained under pressure due to on-going surplus regional supply, and the continuing impact on crude oil premiums of supply disruptions in Libya.

A favourable US\$2.12/bbl seven day timing lag (August unfavourable US\$1.22) reflected higher exchange rates and a lower Brent price in the last week of September (compared to the last week of August).

September 2013 realised CRM was US\$8.32/bbl. Whilst this is above the prior month (August 2013: US\$5.62/bbl) it is significantly below the prior year comparative (September 2012 US\$14.83/bbl).

Sales from production in September 2013 (926ML) exceeded the prior year equivalent (September 2012 846ML), but was modestly below the preceding month (947ML). Both refineries are currently operating well.

For the nine months from 1 January 2013 to 30 September 2013, the average realised CRM is US\$10.71/bbl (2012: US\$10.84/bbl) with CRM sales from production totalling 7,900ML (2012: 7,946ML).

Nine months ending 30 September	YTD 2013	YTD 2012
Realised CRM	US\$10.71/bbl	US\$10.84/bbl
Unlagged CRM	US\$10.96/bbl	US\$11.03/bbl
CRM Sales from production	7,900ML	7,946ML

### 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.

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