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ASX ANNOUNCEMENT



CALTEX AUSTRALIA LIMITED
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10 December 2013

Company Announcements Office
Australian Securities Exchange

CALTEX AUSTRALIA LIMITED

CALTEX REFINER MARGIN UPDATE (NOVEMBER 2013)

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

A handwritten signature in black ink, appearing to be "Peter Lim", written in a cursive style.

Peter Lim

Company Secretary

Phone: (02) 9250 5562 / 0414 815 732

Attach.

ASX Release

For immediate release

10 December 2013

Caltex Refiner Margin Update (November 2013)

Caltex advises its realised lagged¹ Caltex Refiner Margin (CRM²) in respect of CRM sales from production for the month of November 2013.

	November 2013	October 2013	November 2012
Unlagged CRM	US\$6.55/bbl	US\$5.14/bbl	US\$12.98/bbl
Impact of 7 day lag (negative)/positive	US(\$2.68)/bbl	US\$1.31/bbl	US(\$0.39)/bbl
Realised CRM	US\$3.87/bbl	US\$6.45/bbl	US\$12.59/bbl
CRM Sales from production	1,045ML	922ML	1,003ML

The November unlagged CRM was US\$6.55/bbl. This is above the prior month (October 2013: US\$5.14/bbl) and significantly below the prior year equivalent (US\$12.98/bbl).

Regionally, the unlagged Caltex Singapore Weighted Average Margin was US\$11.93/bbl - higher than the prior month (October 2013: US\$10.72/bbl) but below prior year (November 2012: US\$13.84/bbl).

November resulted in an unfavourable US\$2.68/bbl seven day timing lag (October favourable: US\$1.31/bbl). This was driven by a significantly lower exchange rate in the last week of November (compared to the last week of October) and a higher Brent crude price in the last week of November (compared to the last week of October).

The realised November 2013 CRM was US\$3.87/bbl. Again, this is well below both the prior month (October 2013: US\$6.45/bbl) and significantly below the prior year comparative (November 2012: US\$12.59/bbl).

Sales from production in November 2013 (1,045ML) were modestly above (4%) the prior year equivalent (November 2012: 1,003ML), and 13% above the preceding month (922ML). Both refineries operated well in November.

For the eleven months from 1 January 2013 to 30 November 2013, the average realised CRM is US\$9.58/bbl (2012: US\$11.73/bbl) with CRM sales from production totalling 9,867ML (2012: 9,962ML).

Period end 30 November	YTD 2013	YTD 2012
Realised CRM	US\$9.58/bbl	US\$11.73/bbl
Unlagged CRM	US\$9.95/bbl	US\$11.81/bbl
CRM Sales from production	9,867ML	9,962ML

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 (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

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