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ASX ANNOUNCEMENT



**CALTEX AUSTRALIA LIMITED**  
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**SYDNEY NSW 2000 AUSTRALIA**

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28 April 2014

Company Announcements Office  
Australian Securities Exchange

**CALTEX AUSTRALIA LIMITED**  
**CALTEX REFINER MARGIN UPDATE (MARCH 2014)**

An *ASX Release* titled "Caltex Refiner Margin Update (March 2014)" 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

28 April 2014

## Caltex Refiner Margin Update (March 2014)

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 March 2014.

	March 2014	February 2014	March 2013
Unlagged CRM	US\$9.03/bbl	US\$7.92/bbl	US\$12.70/bbl
Impact of 7 day lag positive/(negative)	US\$1.47/bbl	US\$0.21/bbl	US\$3.76/bbl
Realised CRM	US\$10.50/bbl	US\$8.13/bbl	US\$16.46/bbl
CRM Sales from production	996ML	789ML	898ML

The March unlagged CRM was US\$9.03/bbl. This is above the prior month (February 2014: US\$7.92/bbl), but below the prior year equivalent (US\$12.70/bbl). Regionally, the unlagged Caltex Singapore Weighted Average Margin was US\$12.97/bbl, broadly in line with the prior month (February 2014: US\$12.88/bbl) and lower than the prior year (March 2013: US\$16.20/bbl).

The higher AUD/USD exchange rate and higher Brent prices in the last week of March drove a favourable US\$1.47/bbl seven day timing lag (February favourable: US\$0.21/bbl). As a result, March 2014 realised CRM was US\$10.50/bbl, above February 2014 of US\$8.13/bbl, but below the prior year comparative (March 2013: US\$16.46/bbl).

From a production perspective, March 2014 CRM sales from production (996ML) were higher than both February (789ML) and prior year levels (March 2013 898ML), reflecting good operating performances from both refineries.

For the three months from 1 January 2014 to 31 March 2014, the average realised CRM was US\$8.78/bbl (2013: US\$13.60/bbl) with CRM sales from production totalling 2,738ML (2013: 2,552ML).

Period end 31 March	YTD 2014	YTD 2013
Realised CRM	US\$8.78/bbl	US\$13.60/bbl
Unlagged CRM	US\$8.01/bbl	US\$13.38/bbl
CRM Sales from production	2,738ML	2,552ML

### 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**

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