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ASX ANNOUNCEMENT



**CALTEX AUSTRALIA LIMITED**  
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19 May 2014

Company Announcements Office  
Australian Securities Exchange

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

An *ASX Release* titled "Caltex Refiner Margin Update (April 2014)" is attached for immediate release to the market.

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**Company Secretary**

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**Attach.**

# ASX Release

## For immediate release

### 19 May 2014

## Caltex Refiner Margin Update (April 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 April 2014.

	April 2014	March 2014	April 2013
Unlagged CRM	US\$11.18/bbl	US\$9.03/bbl	US\$9.83/bbl
Impact of 7 day lag positive/(negative)	US(\$0.67)/bbl	US\$1.47/bbl	US\$1.80/bbl
Realised CRM	US\$10.51/bbl	US\$10.50/bbl	US\$11.63/bbl
CRM Sales from production	957ML	996ML	892ML

The April unlagged CRM was US\$11.18/bbl. This is above the prior month (March 2014: US\$9.03/bbl) and the prior year equivalent (US\$9.83/bbl). Regionally, the unlagged Caltex Singapore Weighted Average Margin was US\$14.52/bbl, higher than the prior month (March 2014: US\$12.97/bbl) and prior year (April 2013: US\$14.27/bbl).

Higher Brent crude oil, gasoline and diesel prices in the last week of April offset the increase in the Australian dollar, resulting in an unfavourable US\$0.67/bbl seven day timing lag (March favourable: US\$1.47/bbl).

April 2014 realised CRM was US\$10.51/bbl, above March 2014 of US\$10.50/bbl, but below the prior year comparative (April 2013: US\$11.63/bbl).

Sales from production in April 2014 (957ML) were higher than prior year levels (April 2013 892ML), but slightly below the preceding month (996ML).

For the four months from 1 January 2014 to 30 April 2014, the average realised CRM was US\$9.23/bbl (2013: US\$13.09/bbl) with CRM sales from production totalling 3,695ML (2013: 3,444ML).

Period ended 30 April	2014	2013
Realised CRM	US\$9.23/bbl	US\$13.09/bbl
Unlagged CRM	US\$8.83/bbl	US\$12.46/bbl
CRM Sales from production	3,695ML	3,444ML

### 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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