

BY ELECTRONIC LODGEMENT

ASX ANNOUNCEMENT



CALTEX AUSTRALIA LIMITED
ACN 004 201 307

LEVEL 24, 2 MARKET STREET
SYDNEY NSW 2000 AUSTRALIA

21 August 2014

Company Announcements Office
Australian Securities Exchange

CALTEX AUSTRALIA LIMITED
CALTEX REFINER MARGIN UPDATE (JULY 2014)

An *ASX Release* titled "Caltex Refiner Margin Update (July 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

21 August 2014

Caltex Refiner Margin Update (July 2014)

Caltex advises its realised lagged¹ Caltex Refiner Margin (CRM²) in respect of CRM sales from production for the month of July 2014.

	July 2014	June 2014	July 2013
Unlagged CRM	US\$11.49/bbl	US\$8.87/bbl	US\$13.33/bbl
Impact of 7 day lag positive/(negative)	US\$2.09/bbl	US(\$0.20)/bbl	US(\$0.84)/bbl
Realised CRM	US\$13.58/bbl	US\$8.67/bbl	US\$12.48/bbl
CRM Sales from production	951ML	992ML	984ML

The July unlagged CRM was US\$11.49/bbl. This is above the prior month (June 2014: US\$8.87/bbl) but below the prior year equivalent (US\$13.33/bbl). Regionally, the unlagged Caltex Singapore Weighted Average Margin was US\$14.14/bbl, higher than the prior month (June 2014: US\$10.94/bbl) but lower than the prior year (July 2013: US\$14.79/bbl).

Lower Brent crude oil prices in the last week of July drove a favourable US\$2.09/bbl seven day timing lag (June unfavourable: US(\$0.20)/bbl).

July 2014 realised CRM was US\$13.58/bbl. This is above June 2014 of US\$8.67/bbl and above the prior year comparative (July 2013: US\$12.48/bbl).

Sales from production in July 2014 (951ML) were broadly in line with both prior month and prior year.

For the seven months from 1 January 2014 to 31 July 2014, the average realised CRM was US\$9.84/bbl (2013: US\$11.88/bbl) with CRM sales from production up 8% to 6,500ML (2013: 6,027ML).

Period end 31 July	YTD 2014	YTD 2013
Realised CRM	US\$9.84/bbl	US\$11.88/bbl
Unlagged CRM	US\$9.30/bbl	US\$12.34/bbl
CRM Sales from production	6,500ML	6,027ML

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
GM, Investor & Corporate Affairs
Phone: 02 9250 5247
Email: rohan.gallagher@caltex.com.au