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ASX ANNOUNCEMENT



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9 December 2014

Company Announcements Office
Australian Securities Exchange

CALTEX AUSTRALIA LIMITED
CALTEX REFINER MARGIN UPDATE (NOVEMBER 2014)

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

9 December 2014

Caltex Refiner Margin Update (November 2014)

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

	November 2014	October 2014	November 2013
Unlagged CRM	US\$15.33/bbl	US\$16.48/bbl	US\$6.55/bbl
Impact of 7 day lag positive/(negative)	US\$2.67/bbl	US\$4.17/bbl	US(\$2.68)/bbl
Realised CRM	US\$17.99/bbl	US\$20.65/bbl	US\$3.87/bbl
CRM Sales from production	471ML	719ML	1,045ML

The November unlagged CRM was US\$15.33/bbl. This is below the prior month (October 2014: US\$16.48/bbl) but higher than the prior year equivalent (US\$6.55/bbl). Regionally, the unlagged Caltex Singapore Weighted Average Margin was US\$14.26/bbl, higher than the prior month (October 2014: US\$13.89/bbl) and prior year (November 2013: US\$11.93/bbl).

Lower Brent crude oil prices partially offset by a lower exchange rate and stronger petrol product prices in the last week of November drove a favourable US\$2.67/bbl seven day timing lag (October favourable: US \$4.17/bbl).

November 2014 realised CRM was US\$17.99/bbl. This is below the prior month (October 2014: US\$20.65/bbl) but higher than the prior year equivalent (November 2013: US\$3.87/bbl).

Sales from production in November 2014 (471ML) were below the prior year (November 2013: 1,045ML), reflecting the first full month of operations following the closure of the Kurnell refinery.

For the eleven months from 1 January 2014 to 30 November 2014, the average realised CRM was US\$10.73/bbl (2013: US\$9.58/bbl) with CRM sales from production lower than prior year at 9,266ML (2013: 9,867ML).

Period end 30 November	YTD 2014	YTD 2013
Realised CRM	US\$10.73/bbl	US\$9.58/bbl
Unlagged CRM	US\$11.61/bbl	US\$9.95/bbl
CRM Sales from production	9,266ML	9,867ML

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

Less: Product freight
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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