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ASX ANNOUNCEMENT



**CALTEX AUSTRALIA LIMITED**  
**ACN 004 201 307**

**LEVEL 24, 2 MARKET STREET**  
**SYDNEY NSW 2000 AUSTRALIA**

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23 September 2015

Company Announcements Office  
Australian Securities Exchange

**CALTEX AUSTRALIA LIMITED**  
**CALTEX REFINER MARGIN UPDATE (AUGUST 2015)**

An ASX release titled "Caltex Refiner Margin Update (August 2015)" 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**

# ASX Release

For immediate release  
23 September 2015

## Caltex Refiner Margin Update (August 2015)

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 August 2015.

	August 2015	July 2015	August 2014
Unlagged CRM	US\$18.29/bbl	US\$16.50/bbl	US\$9.77/bbl
Impact of pricing lag positive/(negative)	US\$1.27bbl	US\$1.04/bbl	US\$0.76/bbl
Realised CRM	US\$19.56/bbl	US\$17.54/bbl	US\$10.53/bbl
CRM Sales from current production	503ML	434ML	836ML

The August unlagged CRM was US\$18.29/bbl. This is above the prior month (July 2015: US\$16.50/bbl) and prior year equivalent (US\$9.77/bbl). Regionally, the unlagged Caltex Singapore Weighted Average Margin was US\$15.35/bbl, in line with the prior month (July 2015: US\$15.42/bbl) and above the prior year (August 2014: US\$12.92/bbl).

Lower Brent prices, partially offset by higher petrol and diesel refiner margins in the last week of August, drove a favourable US\$1.27/bbl pricing lag (July favourable: US\$1.04/bbl). The August 2015 realised CRM was US\$19.56/bbl, above July 2015 of US\$17.54/bbl and the prior year comparative (August 2014: US\$10.53/bbl).

Sales from production in August 2015 (503ML) were below the prior year equivalent (August 2014: 836ML) when both Lytton and Kurnell refineries were operating, but higher than the preceding month (July 2015: 434ML).

For the eight months from 1 January 2015 to 31 August 2015, the average realised CRM was US\$16.73/bbl (2014: US\$9.92/bbl) with CRM sales from production totalling 3,353ML (2014: 7,336ML).

Period end 31 August	YTD 2015	YTD 2014
Realised CRM	US\$16.73/bbl	US\$9.92/bbl
Unlagged CRM	US\$16.61/bbl	US\$9.36/bbl
CRM Sales from production	3,353ML	7,336ML

### 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 (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 volume and margin, Lubricants and Specialties volume and margin, Non-Fuel Income and Other Margin less Operating Expenses.

**Analyst contact**

Rohan Gallagher  
Head of Investor Relations  
Phone: 02 9250 5247  
Email: rohan.gallagher@caltex.com.au