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ASX ANNOUNCEMENT



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Company Announcements Office
Australian Securities Exchange

CALTEX AUSTRALIA LIMITED

CALTEX REFINER MARGIN UPDATE (SEPTEMBER 2015)

An ASX release titled "Caltex Refiner Margin Update (September 2015)" is attached for immediate release to the market.



Peter Lim
Company Secretary

ASX Release

For immediate release
23 October 2015

Caltex Refiner Margin Update (September 2015)

Caltex advises its realised lagged¹ Caltex Refiner Margin (CRM²), in respect of CRM sales from production for the month of September 2015.

	September 2015	August 2015	September 2014
Unlagged CRM	US\$18.05/bbl	US\$18.29/bbl	US\$15.80/bbl
Impact of pricing lag positive/(negative)	US(\$0.77)/bbl	US\$1.27/bbl	US(\$0.29)/bbl
Realised CRM	US\$17.28/bbl	US\$19.56/bbl	US\$15.51/bbl
CRM Sales from current production	514ML	503ML	740ML

The September unlagged CRM was US\$18.05/bbl. This is slightly below the prior month (August 2015: US\$18.29/bbl) but above the prior year equivalent (US\$15.80/bbl). Regionally, the unlagged Caltex Singapore Weighted Average Margin was US\$14.48/bbl, below the prior month (August 2015: US\$15.35/bbl) but above the prior year (September 2014: US\$14.42/bbl).

Higher Brent prices and higher petrol and diesel refiner margins in the last week of September drove an unfavourable US (\$0.77)/bbl pricing lag (August favourable: US\$1.27/bbl).

The September 2015 realised CRM was US\$17.28/bbl, below the August 2015 CRM of US\$19.56/bbl but above the prior year comparative (September 2014: US\$15.51/bbl).

Sales from production in September 2015 (514ML) were below the prior year equivalent (September 2014: 740ML) when both Lytton and Kurnell refineries were operating, but continue the strong production performance in the preceding month (August 2015: 503ML).

For the nine months from 1 January 2015 to 30 September 2015, the average realised CRM was US\$16.81/bbl (2014: US\$10.43/bbl) with CRM sales from production totalling 3,867ML (2014: 8,076ML). Year to date (YTD) sales from production in 2015 were impacted by the major planned maintenance program undertaken in May and June.

Period end 30 September	YTD 2015	YTD 2014
Realised CRM	US\$16.81/bbl	US\$10.43/bbl
Unlagged CRM	US\$16.80/bbl	US\$9.95/bbl
CRM Sales from production	3,867ML	8,076ML

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.

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