



### THE MARKET

With over 18 million light vehicles on the road, it is not surprising Canadians purchased more than 240 million litres of oil in 2005. The market has been relatively flat over the past several years, the consequence of extended vehicle servicing intervals and changing consumer behaviour.

Counterbalancing these factors is an increasing population of vehicles and a propensity for consumers to drive farther and more often than ever before.

There are, however, segments within the market that show substantial growth. Sales of synthetics, spurred by manufacturers' recommendations and increased recognition of their benefits, have overcome a slow start and grabbed almost a 15 percent share of the market.

### ACHIEVEMENTS

Castrol lubricants are tested and proven at the very limits of endurance. Many started as specialty formulations for competitive racing and endurance teams before becoming available to the everyday motorist. With a history of more than 100 years, this makes for a remarkable list of achievements. Castrol was first to:

- Add metallic soaps to oil, dramatically improving performance and life
- Produce a motor oil with additives, the breakthrough that every motor oil made today uses for better reliability and efficiency
- Market an affordable multi-grade motor oil for year-round use
- Patent anti-sludge technology to neutralize the components of sludge, thereby prolonging engine life
- Create fully synthetic lubricants for passenger jet engines
- Engineer an oil specifically designed to combat the stresses of hotter, higher-revving engines used in smaller cars



Castrol is used in more vehicles around the globe than any other brand of motor oil. In Canada, Castrol is the best-selling brand of passenger vehicle motor oil.

### HISTORY

Castrol's roots lie with Charles Cheers Wakefield, who founded C. C. Wakefield & Company in the United Kingdom on March 19, 1899. The fledgling company focused on lubrication, an industry where Wakefield's legacy already included development of the Wakefield Box, a device to lubricate axles in steam engines that is still in use today.

Wakefield had the foresight to see the burgeoning potential of the gasoline engine.

His company concentrated on development of the lubricants that would become the lifeblood of automobiles, aircraft and other motorized vehicles throughout the 20th century.

Ten years after start-up, Wakefield introduced the brand that today is synonymous with premium quality, high performance and leading-edge

technology: Castrol. By 1960, it was so highly regarded and well known it was adopted as the company name.

In 1966, Castrol merged with the British oil company Burmah to create Burmah-Castrol, which, in turn, was acquired by BP in 2000. Today, Castrol operates in over 60 countries.

### THE PRODUCT

Castrol creates products that deliver superior performance and greater reliability with the goal of reducing customer operating costs. The most well-known Castrol product is GTX. Formulated with superior base oils, the GTX technology provides maximum protection against viscosity and thermal







breakdown. No wonder it's the first choice of North American motorists.

As a vehicle ages, engine performance decreases and oil breaks down faster. Over time, seals deteriorate, gaskets become brittle and oil consumption increases. Castrol GTX HIGH MILEAGE was developed specifically for older vehicles, to combat this aging process. It provides superior protection against oil burn-off, containing seal conditioners that help reduce leakage and proprietary additives that provide superior protection from wear and harmful deposits.

The fastest growing motor oil in the Castrol lineup is SYNTEC. In independent tests, it has been proven to provide engine protection and performance superior to all leading conventional oils. SYNTEC excels in protecting against corrosive particles such as rust, acid, soot and oxidized fuel



fragments that can cause costly damage to critical engine parts. SYNTEC neutralizes these particles, suspending them away from engine surfaces and preventing them from grouping and forming sludge.

While most frequently associated with automotive oils, Castrol offers lubricants for virtually all kinds of vehicles from motorcycles to heavy industrial trucks, off-road equipment, aircraft and marine. Each excels in its specific application.

**RECENT DEVELOPMENTS**

The company's focus on technology continues to deliver industry-leading products such as Castrol SYNTEC. Partnerships with technology-leading manufacturers such as BMW and Volkswagen have led to co-engineered development of Castrol products specifically designed to maximize the performance of their marques.

Castrol's commitment to technology is being leveraged in worldwide brand communications using the theme: "IT'S MORE THAN JUST OIL. IT'S LIQUID ENGINEERING."

**PROMOTION**

"Win on Sunday . . . Sell on Monday" has been the rallying cry for Castrol's involvement with motorsports for over 100 years. The brand's heritage of proven track performance and its support of winning drivers and teams across all forms of racing proved to be fundamental in building its identity and in fuelling its commitment to technological improvement.

The sentiment still holds true. Castrol is the oil of choice for some of the world's most successful automotive racing teams. From John Force and his 14 NHRA Top Fuel drag racing titles, to the Williams Team in Formula One, Castrol is there with innovative products that help provide a competitive edge.

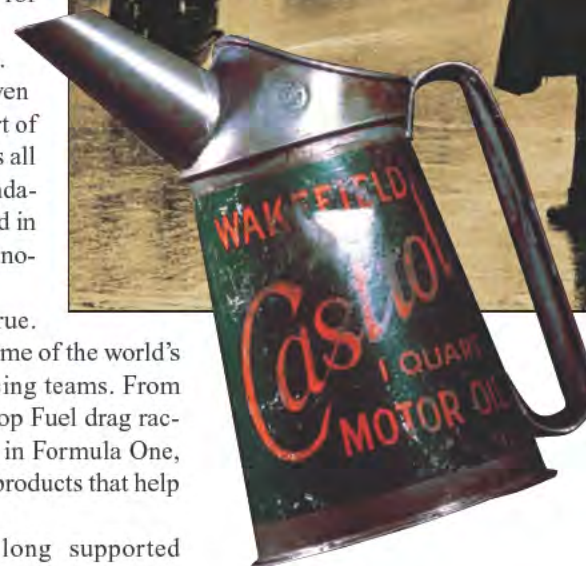
In Canada, Castrol has long supported CASCAR, both the series and through the #17 Castrol Dodge Charger DJ Kennington team. In 2006, Castrol became the title sponsor of Castrol Raceway in Edmonton, the first time in its history that Castrol has attached its name to a motorsports facility.

These sponsorships along with a comprehensive marketing effort including advertising, consumer promotions, PR and the Internet contribute to the success the Castrol brand has enjoyed in Canada and around the world.

**BRAND VALUES**

Castrol Liquid Engineering provides a "strength within" that delivers in performance throughout the life of a vehicle and, in so doing, provides peace of mind and security. With more than 100 years satisfying customer needs, Castrol remains committed to its core brand values:

- A **passion** to help consumers get more out of life through their vehicles
- A drive for **performance** and innovation that respects the environment
- **Progress** derived from challenging the status quo and never standing still
- **Honesty** in clear communications with customers and consumers



**THINGS YOU DIDN'T KNOW ABOUT CASTROL**

- The name Castrol is a derivative of castor oil, an ingredient in the original blend.
- Castrol soared with flight pioneers Alcock and Brown in the first non-stop flight across the Atlantic in 1919.
- The world land-speed record has been broken 21 times by a vehicle using Castrol.
- In July 2005 Wakefield Canada Inc. — named in homage to Castrol founder C. C. Wakefield — was appointed as Castrol's strategic business partner, responsible exclusively for sales, marketing and distribution in Canada. Wakefield, which is independently owned, has its entrepreneurial focus on the Canadian market.