

24 June 2019

## Viva Energy Refining Margin update for May 2019

Viva Energy (ASX:VEA) advises its Geelong Refining Margin (**GRM**)<sup>1</sup> in respect of crude intake processed through the Geelong Refinery for the month of May 2019.

	May 2019	May YTD <sup>2</sup>
Crude Intake (Million Barrels)	3.3	17.8
Geelong Refining Margin (US\$/BBL)	4.8	5.4

### May Actual GRM

The actual GRM for May 2019 is US\$4.8/Barrel, which is down from US\$7.8/Barrel in April largely due to weakening of regional gasoline cracks. Crude intake for May of 3.3MBBLs was slightly lower than reported for prior months in 2019, predominantly due to a planned maintenance turnaround of the primary Crude Distillation Unit.

For the purposes of tracking the financial performance of the Geelong Refinery, a sensitivity table was provided in the announcement titled *Viva Energy Results: Full year ended 31 December 2018*, released to the ASX on 27 February 2019.

### Notes

- The Geelong Refining Margin is a non-IFRS measure calculated in the following way: IPP less the COGS, and is expressed in US dollars per barrel (US\$/BBL), where:

IPP: a notional internal sales price which is referable to an import parity price for the relevant refined products, being the relevant Singapore pricing market and relevant quality or market premiums or discounts plus freight and other costs that would be incurred to import the product into Australia

COGS: the actual purchase price of crude oil and other feedstock used to produce finished products

Geelong Refining Margin is a financial measure Viva Energy uses to illustrate and aid in the understanding of the performance of the Geelong Refinery. It involves elements of estimation and is not alone a measure of historical financial performance. In addition, it is only one contributor to the replacement cost Underlying EBITDA of Viva Energy, with other segments including the Retail Fuels and Marketing business and Supply, Corporate and Overheads. In its financial reporting, Viva Energy converts GRM into Australian dollars using the prevailing month average exchange rate.

For further discussion of the impacts of refining margins on financial performance, and the components and calculation of GRM, please see sections 3.3, 4.3.1, 4.4.1 and 4.9 of the Prospectus dated 20 June 2018 and released to the ASX on 13 July 2018.

- In this column, the year-to-date number for crude intake is an aggregate number, and the year-to-date GRM is an average number.

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**About Viva Energy**

Viva Energy (ASX: VEA) is one of Australia's leading energy companies and supplies approximately a quarter of the country's liquid fuel requirements. It is the exclusive supplier of high quality Shell fuels and lubricants in Australia through an extensive network of more than 1,200 service stations across the country.

Viva Energy owns and operates the strategically located Geelong Refinery in Victoria, and operates bulk fuels, aviation, bitumen, marine, chemicals and lubricants businesses supported by more than 20 terminals and 50 airports and airfields across the country.

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