

WEBCAST – CONFERENCE CALL

First Quarter 2018 Results

May 4th 2018



Disclaimer



ALL RIGHTS ARE RESERVED
© REPSOL, S.A. 2018

Repsol, S.A. is the exclusive owner of this document. No part of this document may be reproduced [including photocopying], stored, duplicated, copied, distributed or introduced into a retrieval system of any nature or transmitted in any form or by any means without the prior written permission of Repsol, S.A.

This document contains statements that Repsol believes constitute forward-looking statements which may include statements regarding the intent, belief, or current expectations of Repsol and its management, including statements with respect to trends affecting Repsol's financial condition, financial ratios, results of operations, business, strategy, geographic concentration, production volume and reserves, capital expenditures, costs savings, investments and dividend payout policies. These forward-looking statements may also include assumptions regarding future economic and other conditions, such as future crude oil and other prices, refining and marketing margins and exchange rates and are generally identified by the words "expects", "anticipates", "forecasts", "believes", "estimates", "notices" and similar expressions. These statements are not guarantees of future performance, prices, margins, exchange rates or other events and are subject to material risks, uncertainties, changes and other factors which may be beyond Repsol's control or may be difficult to predict. Within those risks are those factors and circumstances described in the filings made by Repsol and its affiliates with the Comisión Nacional del Mercado de Valores and with any other supervisory authority of those markets where the securities issued by Repsol and/or its affiliates are listed.

Repsol does not undertake to publicly update or revise these forward-looking statements even if experience or future changes make it clear that the projected performance, conditions or events expressed or implied therein will not be realized.

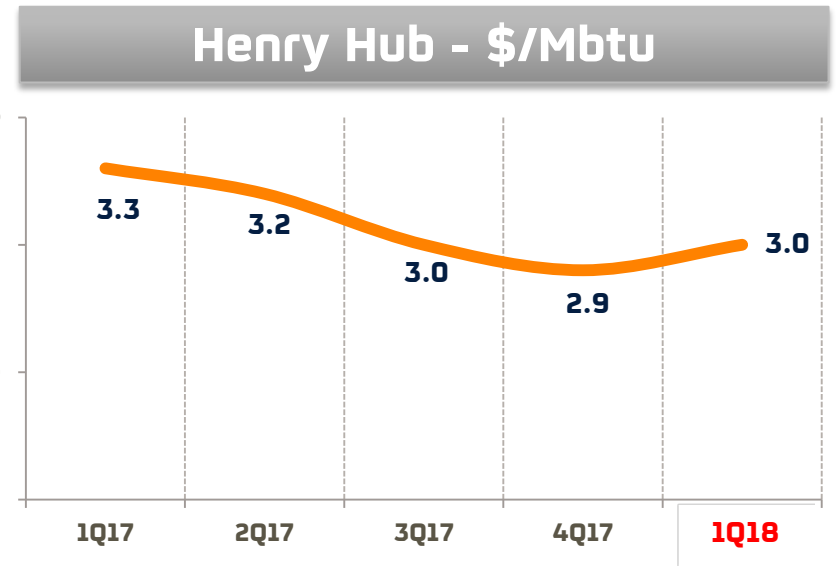
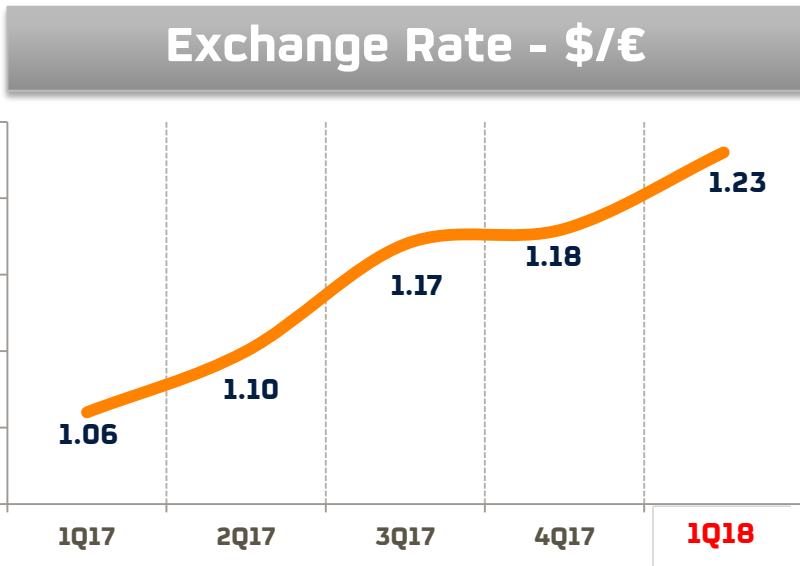
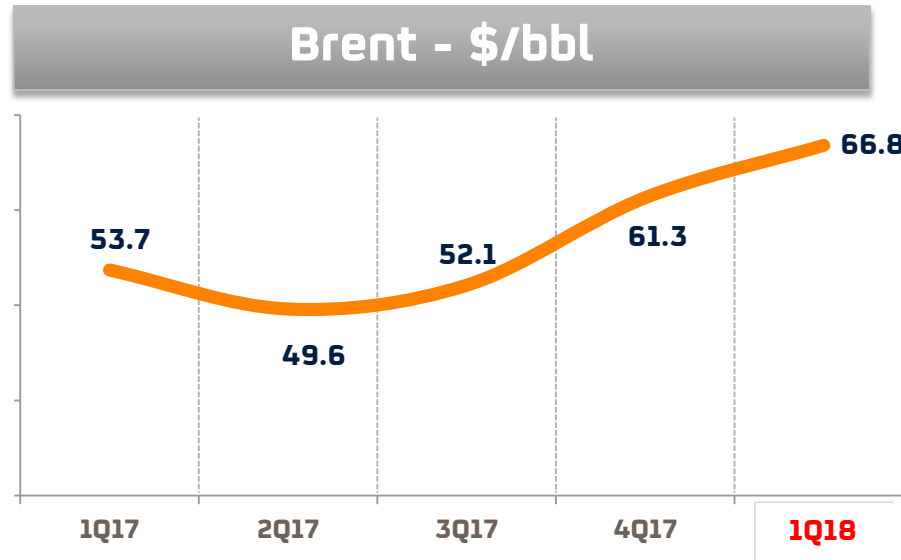
This document does not constitute an offer or invitation to purchase or subscribe shares, pursuant to the provisions of the Royal Legislative Decree 4/2015 of the 23rd of October approving the recast text of the Spanish Securities Market Law and its implementing regulations. In addition, this document does not constitute an offer to purchase, sell, or exchange, neither a request for an offer of purchase, sale or exchange of securities in any other jurisdiction.

The information contained in the document has not been verified or revised by the Auditors of Repsol.



- 1. Delivery of strategic objectives**
- 2. Operational activity**
- 3. Financial results**
- 4. Conclusions and outlook for 2018**

Market environment



Delivery of strategic objectives



Upstream:

- Record levels of daily production
- Positive FCF

Downstream:

- Performance in line with previous quarters

Corporation:

- Proposed dividend increase to **~0.90€/share**
- Proposed purchase of scrip dividend dilution

Net debt → **€6.8Bn** impacted by:

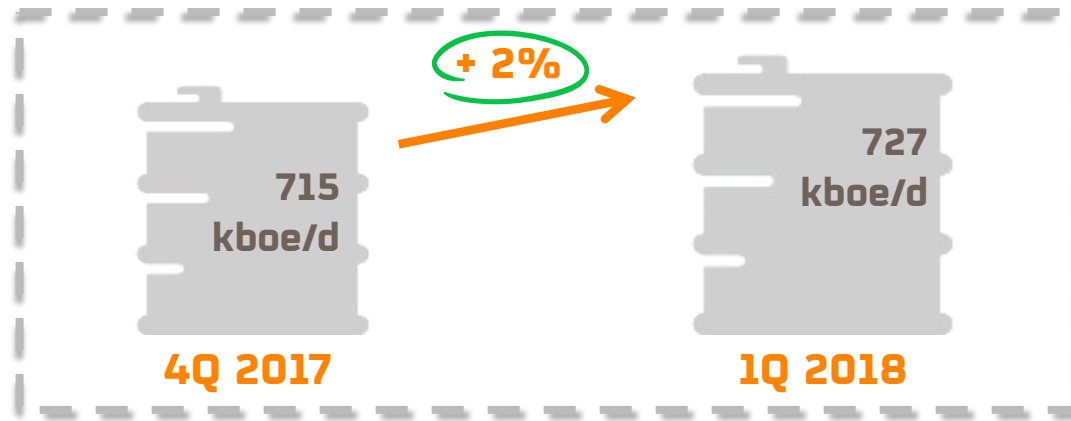
- Dividend payment in January
- Market operations related to own shares

Gas Natural:

- Closing of disposal progressing as planned

Operational Activity

Upstream



1Q18 volumes were supported by:

- New barrels/ramp up in:
 - ✓ **Algeria**
 - ✓ **Trinidad & Tobago**
 - ✓ **UK**
 - ✓ **Malaysia**
- El Sharara (**Libya**) → **38 kboe/d**
- Visund (**Norway**) → **11 kboe/d**
[since February 1st]

Exploration program:

- ✓ **6** exploratory wells completed [**1 positive**]
- ✓ New exploration acreage acquired in: **Mexico**, **Brazil** and **Norway**

Development activity:

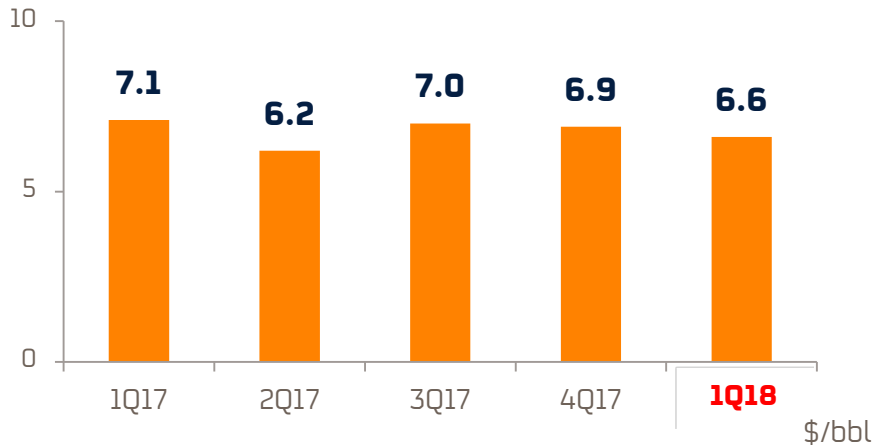
- ✓ Bunga Pakma (**Malaysia**) first production expected in 2Q18

Operational activity

Downstream



Refining Margin Indicator

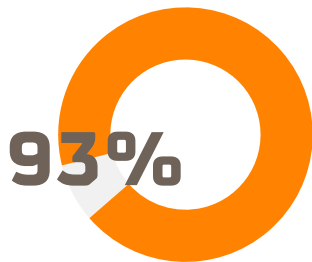


Petrochemicals

- Results in line with 4Q17 despite:
 - Increase naphta prices
 - Decrease in volumes

Utilization rates

1Q 2018



Distillation



Conversion units

Commercial businesses

- Improved LPG results

Financial Results



| | Q1 2018 | Q1 2017 | Variation % |
|--------------------------------|--------------|--------------|--------------|
| CCS Adjusted Net Income | 616 | 570 | + 8% |
| Net Income | 610 | 689 | - 11% |
| EBITDA CCS | 1,816 | 1,731 | + 5% |

Million €

Financial Results

UPSTREAM



Q1 2018

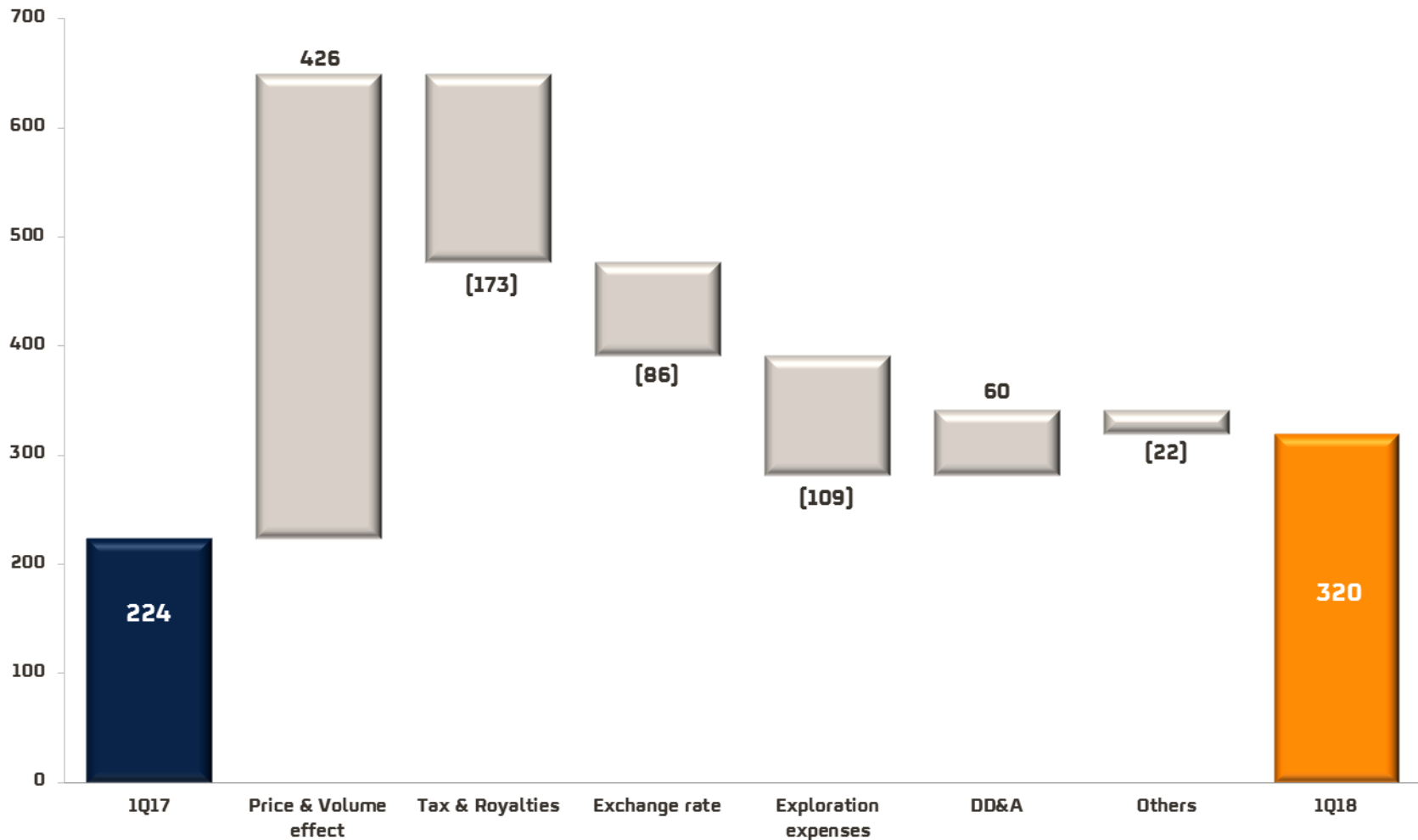
Q1 2017

CCS Adjusted Net Income

320

224

+ 43%



Financial Results

DOWNSTREAM



Q1 2018

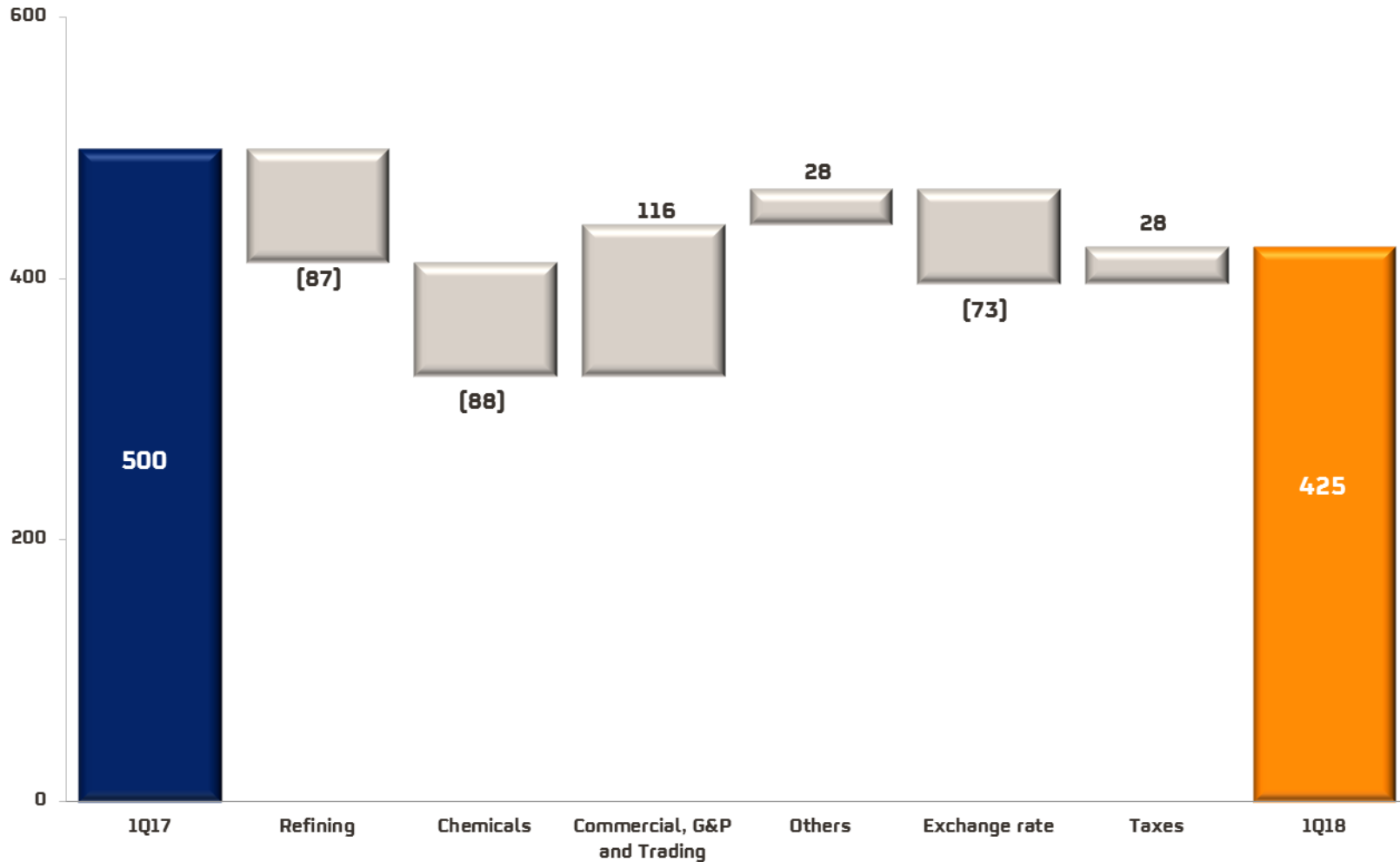
Q1 2017

CCS Adjusted Net Income

425

500

- 15%



Conclusions and Outlook for 2018



- ✓ **Investment program:** full-year forecast of **~€3.4Bn** (€2.4Bn in Upstream)
- ✓ **Production:** **~700-730 kboe/d** subject to fluctuations in Libya
- ✓ **Downstream:**
 - ✓ Planned maintenance in Tarragona refinery commencing in June
- ✓ **Share capital reduction:**
 - ✓ Subject to approval during the AGM
 - ✓ The final amount of shares to be amortized will depend on the level of acceptance of July's scrip
 - ✓ Committed to cover our dividend payments and scrip buybacks with organic cash flow from 2018 onwards

Q&A Session

First Quarter 2018 Results

Repsol Investor Relations

investorsrelations@repsol.com



WEBCAST – CONFERENCE CALL

First Quarter 2018 Results

May 4th 2018

