

WEBCAST – CONFERENCE CALL

Third Quarter 2017 Results

November 3rd, 2017



Disclaimer



ALL RIGHTS ARE RESERVED

© REPSOL, S.A. 2017

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 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.

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 in Spain 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 mentions resources which do not constitute proved reserves and will be recognized as such when they comply with the formal conditions required by the system "SPE/WPC/AAPG/SPEE Petroleum Resources Management System" (SPE-PRMS) (SPE – Society of Petroleum Engineers).

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 External Auditors of Repsol..

- 1. Key messages from third quarter of 2017**
- 2. Operational results**
- 3. Financial results**
- 4. Guidance for full year 2017**
- 5. Conclusions**



Key messages from third quarter of 2017



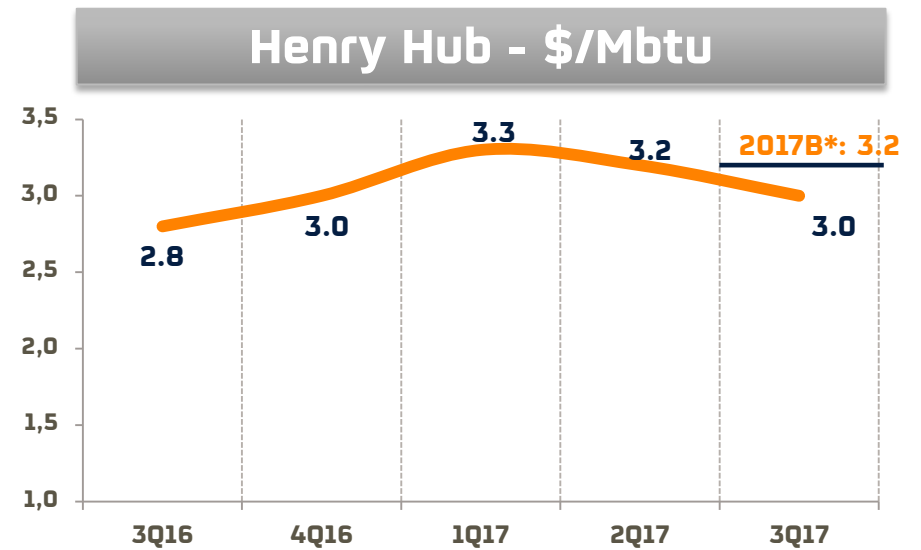
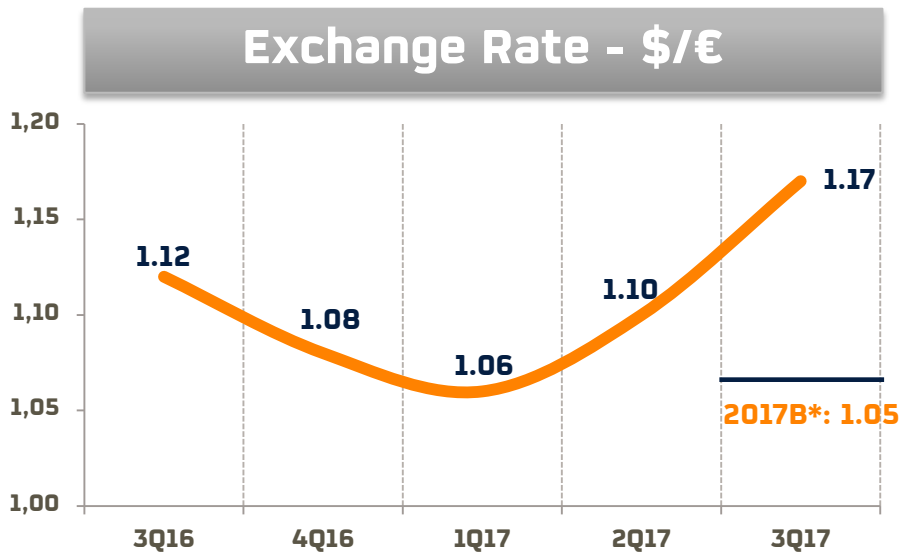
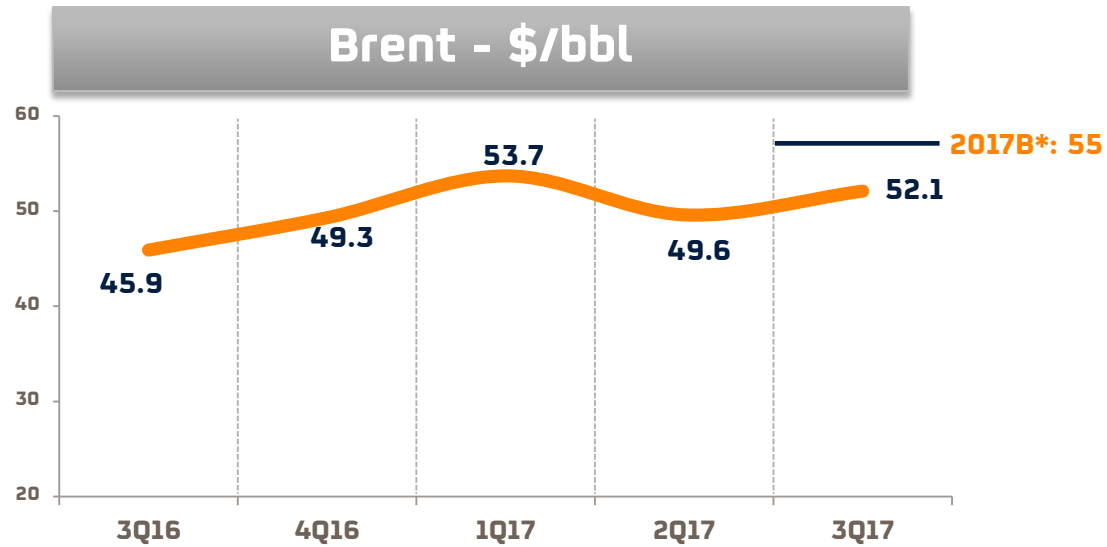
Free Cash Flow before dividends and interests: ~€700M

Net Debt: Reduced to **~€7Bn**

Brent \$52 in 3Q: More than **breakeven** at **current commodity prices**

Credit Rating: Continuing to target **BBB stable**

Market environment



*Budget for 2017

Operational Activity

Upstream



- Higher production in **Libya**:
 - 3Q 17 → **25 kboe/d⁽¹⁾**
 - Ytd → **23 Kboe/d⁽¹⁾**
- **Flyndre** and **MonArb** [UK] → **7 kboe/d⁽¹⁾** in 3Q
- First gas at **Juniper** [T&T] in August → **5 kboe/d⁽¹⁾** in 3Q, ramping-up
- **Kinabalu** [Malaysia] and **Sagari** [Peru] → First production in Q4
- **Reggane** [Algeria] → Start production around year end

Development activity:

- ✓ Red Emperor [Vietnam]
 - ✓ Buckskin [Gulf of Mexico]
- } **2019**

Exploration program:

- ✓ **3** wells completed in 3Q17 (**1 positive**)

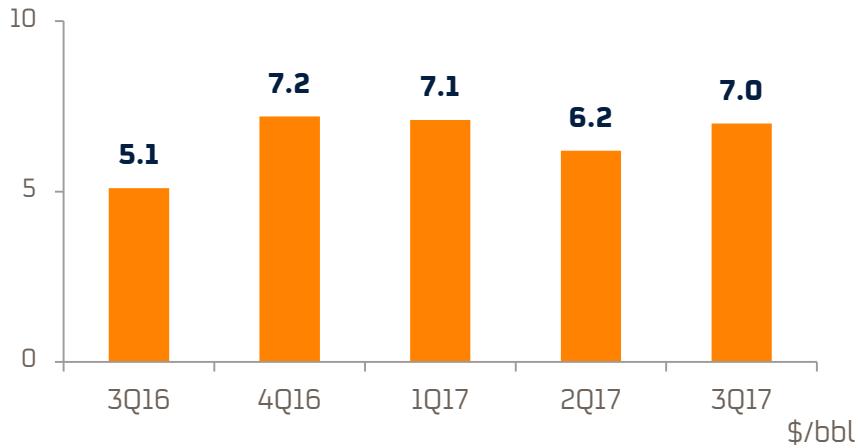
⁽¹⁾ Net to Repsol

Operational activity

Downstream



Refining Margin Indicator

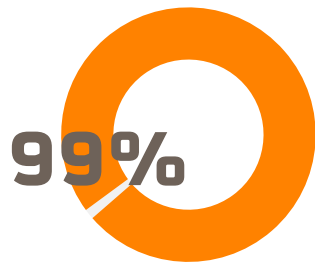


Petrochemicals

- Higher sales
- Robust demand
- Naphtha, prices higher

Utilization rates

3Q 2017



Distillation



Conversion units

Commercial businesses

Marketing

- Higher volumes due to seasonality and increasing demand in Spain

Quarterly Results



	Q3 2017	Q3 2016	% Variation
CCS Adjusted Net Income	576	307	+ 88%
Net Income	527	481	+ 10%
EBITDA CCS	1,587	1,148	+ 38%

Million €

UPSTREAM	Q3 2017	Q3 2016	% Variation
CCS Adjusted Net Income	148	-28	-

Million €

DOWNSTREAM	Q3 2017	Q3 2016	% Variation
CCS Adjusted Net Income	502	395	+ 27%

Million €

CORPORATION	Q3 2017	Q3 2016	% Variation
CCS Adjusted Net Income	-74	-60	- 23%

Million €

Guidance for full year 2017



	2017 Budget	2017 Guidance	
Efficiency & Synergies (€Bn)	2.1	2.1	<ul style="list-style-type: none"> Accelerated delivery of 2018 target Decrease of break-even of Upstream: <\$60
Group Capex (€Bn)	3.6	~3.0	<ul style="list-style-type: none"> Without impacting production volumes
Production (kboe/d)	680	685-690	<ul style="list-style-type: none"> Subject to fluctuations in Libya
Downstream FCF (€Bn)	1.8-2.0	2.0+	<ul style="list-style-type: none"> Avg. Refining Margin Indicator: <ul style="list-style-type: none"> ✓ 6.80 \$/bbl (average YTD to September)

Conclusions



✓ UPSTREAM

- Currently producing **700 kboe/d**
- **Capital investment optimised**, plateau maintained

✓ DOWNSTREAM

- Planned refinery maintenance completed in 1H17
- Return to normal high levels of conversion and utilization

✓ CORPORATION

- Strength of integrated business model
- Robust under current economic conditions

Q&A Session

Third Quarter 2017 Results

Repsol Investor Relations

investorsrelations@repsol.com



WEBCAST – CONFERENCE CALL

Third Quarter 2017 Results

November 3rd, 2017

