

# 3Q22 Results

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# REPSOL CONFERENCE CALL



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# Agenda

01. Key messages
02. Divisional performance
03. ESG Day
04. Financial results
05. Outlook



**€1.5 B**

**Adjusted Net Income**

-30% vs 2Q22

**€3.2 B**

**CFFO**

+73% vs 2Q22

Positive contribution of WC

## Accelerating portfolio transformation

**EIG** to acquire **25%** of Repsol's Upstream business for **\$3.4 B** (\$4.8 B EV)

**€4.3 B** proceeds and **€23 B EV** (100%) between Upstream and Renewables transactions

## Increasing shareholder remuneration

**Additional 50 M shares capital reduction** expected before end-22 (for 200 M SBB in '22)

**Delivered all SBB** commitments in '21-25 SP  
**+11% dividend increase in 2023** (to 0.70 €/sh)

## Reinforcing balance-sheet

**Capital discipline and value over volume** in highly volatile scenario

**-62% Net Debt** reduction in 9M22

**€2.2 B**

**Net Debt**

€2,850 M decrease vs June'22

**7.3%**

**Gearing**

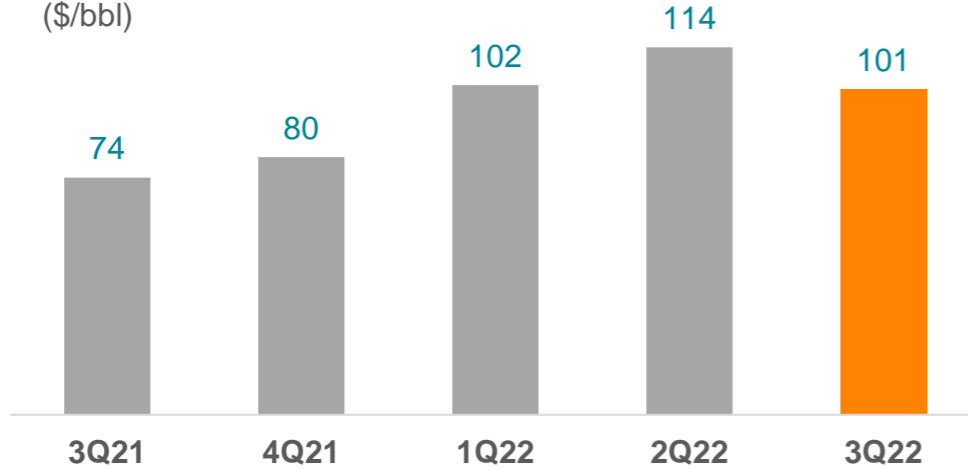
-9.3 p.p. vs June'22



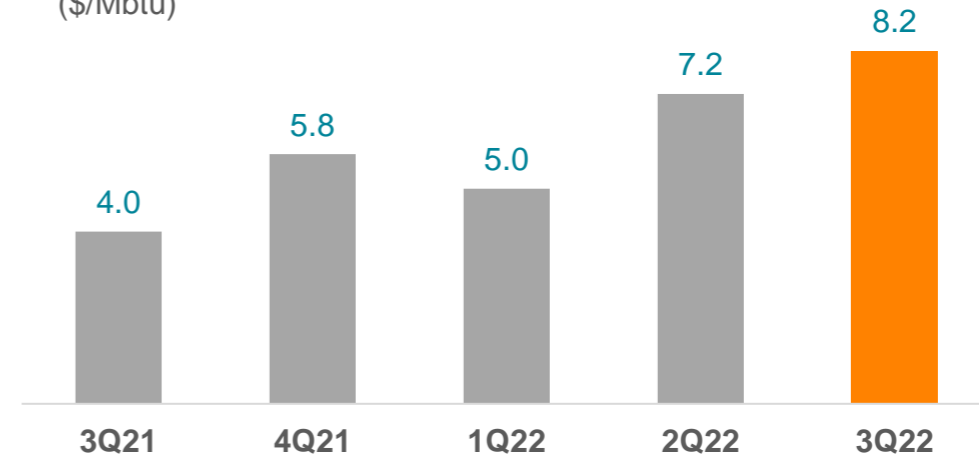
## Supportive macro scenario driven by higher gas prices and stronger dollar



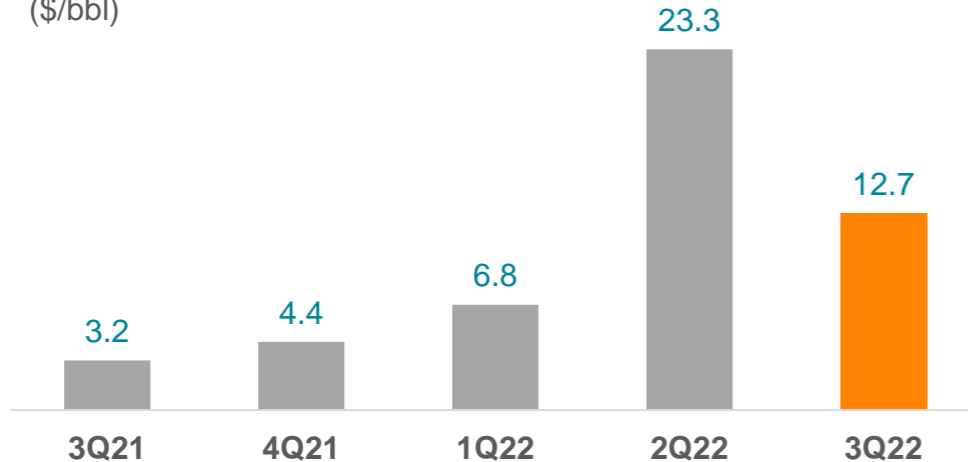
Brent  
(\$/bbl)



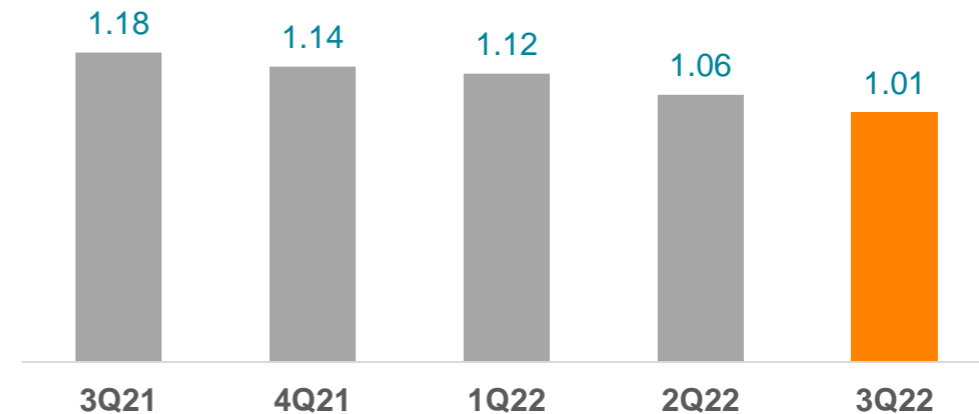
Henry Hub  
(\$/Mbtu)



Repsol's Refining Margin Indicator  
(\$/bbl)

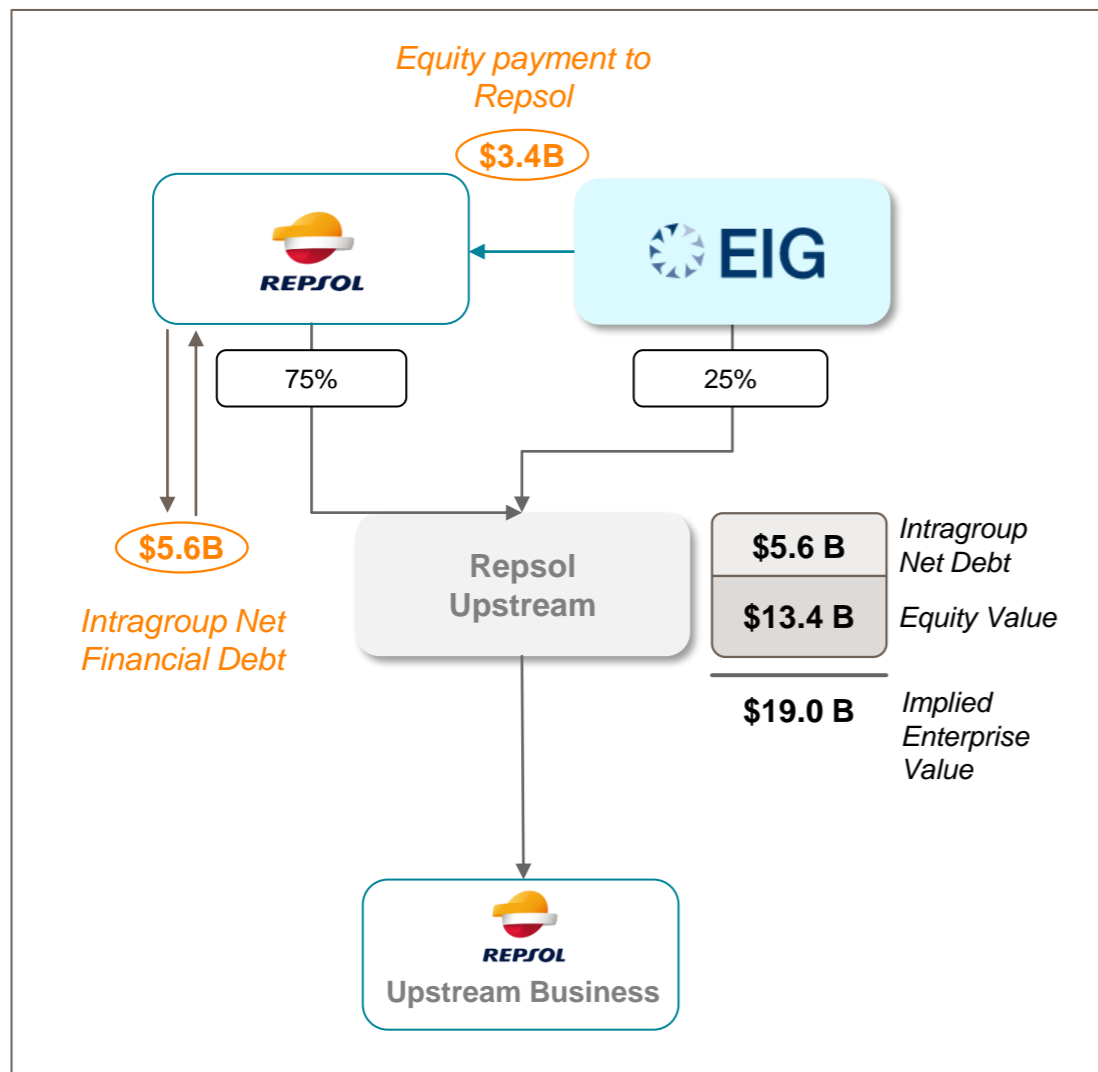


Exchange Rate  
(\$/€)





## Incorporating a leading global investor and crystallizing value



**Strategic partnership with EIG validates Repsol's commitment to the Upstream vertical as a core division**

**Proceeds of \$3.4 B**, for a total consideration of \$4.8 B, including debt

**Enterprise Value of \$19 B for the 100% of the business**, an attractive premium compared to benchmarks

**Repsol will maintain control** and continue to consolidate the Upstream division in its accounts

**Incorporating a leading global investor** with proven capabilities to help Repsol maximize the value of its E&P business

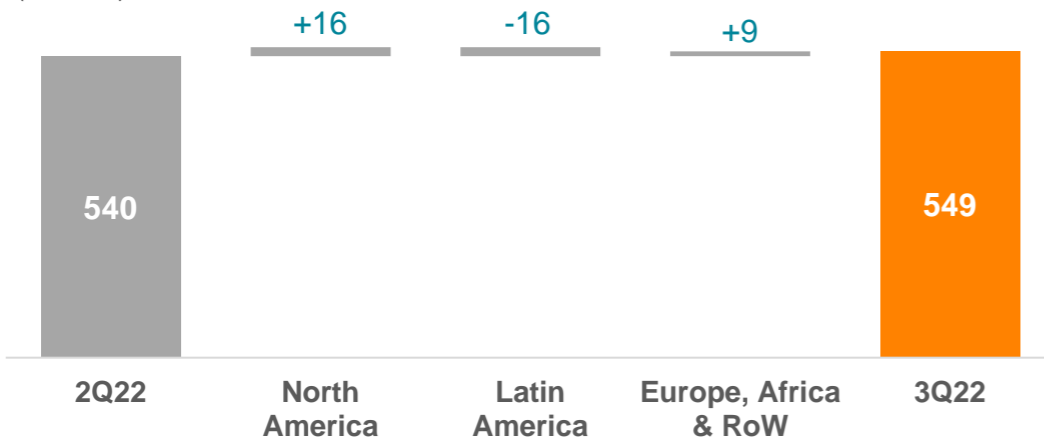
# Divisional performance - Upstream

## Moving forward in key Upstream projects



Production 3Q22 vs 2Q22

(Kboe/d)



Production 3Q22 vs 3Q21

(Kboe/d)



### Developing activity



(2) Aggregate of the 3 phases. Net

(3) Gross

## Refining margins above mid-cycle. Chemicals impacted by demand and costs



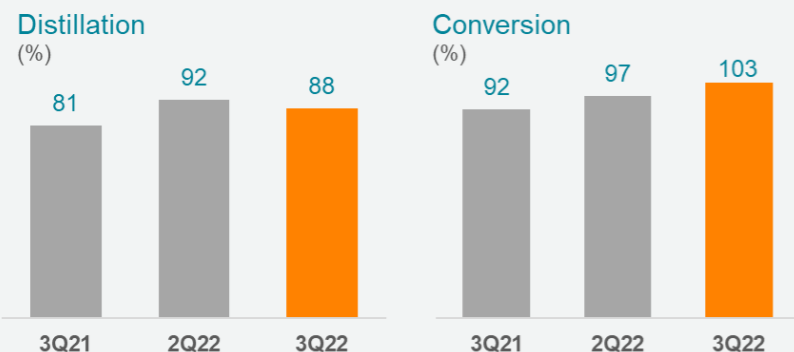
### Refining

Margins above mid-cycle levels in very volatile quarter

Maximizing output of **middle distillates**

**50% reduction** of natural gas consumption vs historical levels

Planned turnaround of **Tarragona** starting September 23<sup>rd</sup>



### Chemicals

Challenging environment anticipates economic downturn

**Weakness of polyolefins and intermediate products**

Margins impacted by **lower demand** and **higher energy costs**

Production costs reflect the difficulties with **gas supply and high cost of electricity**

### Transformation

Industrial complexes evolving into multi-energy hubs

Planned **electrolyzers** in **Cartagena** (100 MW), **Tarragona** (150 MW) and **Bilbao** (100 MW + 2.5 MW pilot starting in 2023)

**Acquisition of 27% stake in Acteco**, specialized in the collection, management, recycling and recovery of waste in Spain

**Ecoplanta** project entering engineering phase



## Crystallizing value and progressing in the Renewables project pipeline



### Mobility

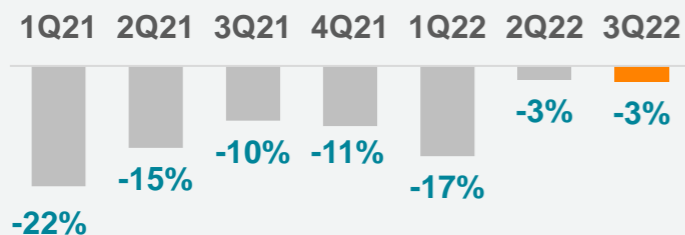
Higher sales offset by the discounts applied in Spain

Results in Service Stations in Spain penalized by discounts

Sales in Spanish Service Stations +8% YoY

# of Waylet app users >5 M

Sales in Spain service stations vs. 2019 levels



### Retail E&G

Approaching 1.5 M customers in Iberia

Agreement to acquire 100,000 customers portfolio



### Renewables

Completed sale of 25% minority stake for 905 M€

New partners reinforce Repsol's growth strategy towards 6 GW of capacity in 2025

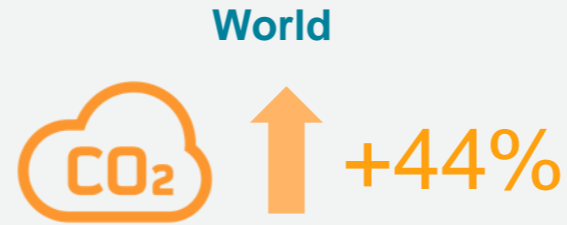
Implied EV of €4.4 B for 100% of Repsol's renewable business

1.2 GW of generation capacity under construction

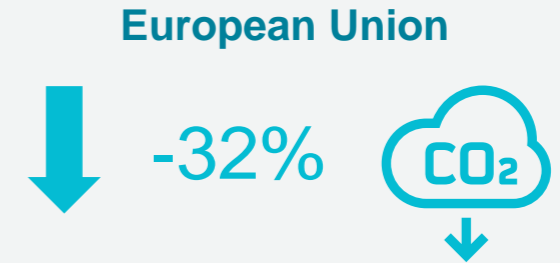
Construction begun in Frye solar project (600 MW) in Texas



- The world is not reducing emissions



**Increase in global emissions**  
(2019 vs. 2000)



- Exported CO<sub>2</sub>
- Lower industrial weight

- Must guarantee **security of supply** (including hydrocarbons) at **affordable prices**
- Need to **reinforce Europe's industrial base** to grow sustainably
- Role of **efficient and sustainable renewable fuels** for clean mobility and to decarbonize hard-to-abate sectors
- Importance of **technological neutrality** and **regulation**

## Financial results

### 3Q22 Results

<b>Results (€ Million)</b>	<b>Q3 2022</b>	<b>Q2 2022</b>	<b>Q3 2021</b>
Upstream	753	947	385
Industrial	638	1,157	100
Commercial and Renewables	158	98	169
Corporate and Others	(72)	(81)	(31)
<b>Adjusted Net Income</b>	<b>1,477</b>	<b>2,121</b>	<b>623</b>
Inventory effect	(552)	532	139
Special items	(242)	(1,506)	(58)
<b>Net Income</b>	<b>683</b>	<b>1,147</b>	<b>704</b>
<b>Financial data (€ Million)</b>	<b>Q3 2022</b>	<b>Q2 2022</b>	<b>Q3 2021</b>
EBITDA	2,844	4,635	1,951
EBITDA CCS	3,609	3,902	1,759
Operating Cash Flow	3,189	1,839	1,439
Net Debt	2,181	5,031	6,136





## Increasing shareholder distributions in higher price scenario

### Production

FY22 at 550 Kboe/d  
-20 Kboe/d vs previous guidance

### Cash Flow From Operations

FY22 €8.4 - 8.7 B

### Capex

FY22 ~ €4 B

### Shareholder Remuneration

Distribute 25-30% of organic CFFO

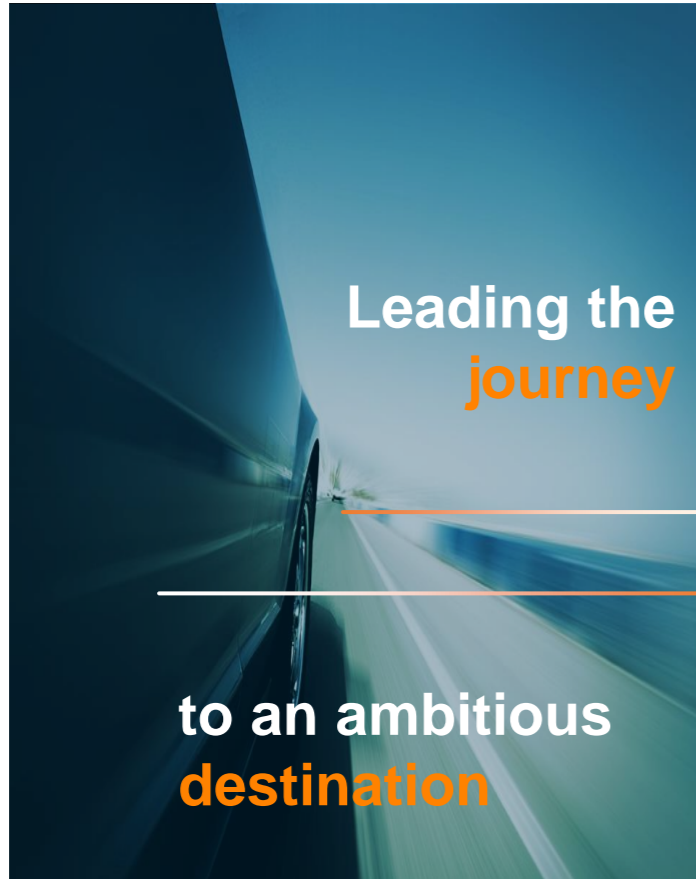
150 M shares already cancelled YTD  
Additional 50 M shares expected to be redeemed  
before end'22

200 M shares expected to be cancelled in 2022  
13% of share capital at the beginning of 2022  
100% of SBB expected in SP 2021-25

+11% dividend increase in 2023 to 0.70 €/share  
(from 0.63 €/sh in 2022, +5% vs 2021)







- **Allocating the extra cash generated in higher price scenario** in accordance with **strategic priorities**: portfolio transformation, shareholder remuneration and financial strength
- **Crystallizing value through strategic partnerships** in Upstream and Renewables divisions
- **Anticipating by 3 years all the share buybacks** defined in the Strategic Plan until 2025
- Clear strategy, organization and operating model to achieve **carbon neutrality in 2050**
- Energy Transition requires **security of supply, affordability and social progress** leveraged on technology and industrial development

**In a strong position to keep delivering our strategic objectives in a volatile environment**

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