



REPSOL CONFERENCE CALL

Third Quarter 2020 Results

Josu Jon Imaz, CEO

29 October 2020

Disclaimer

ALL RIGHTS ARE RESERVED

@ REPSOL, S.A. 2020

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 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/SEG/SPWLA/EAGE Petroleum Resources Management System" [SPE-PRMS] [SPE – Society of Petroleum Engineers].

In October 2015, the European Securities Markets Authority [ESMA] published its Guidelines on Alternative Performance Measures [APMs]. The guidelines apply to regulated information published on or after 3 July 2016. The information and breakdowns relative to the APMs used in this presentation are updated quarterly on Repsol's [website](#).

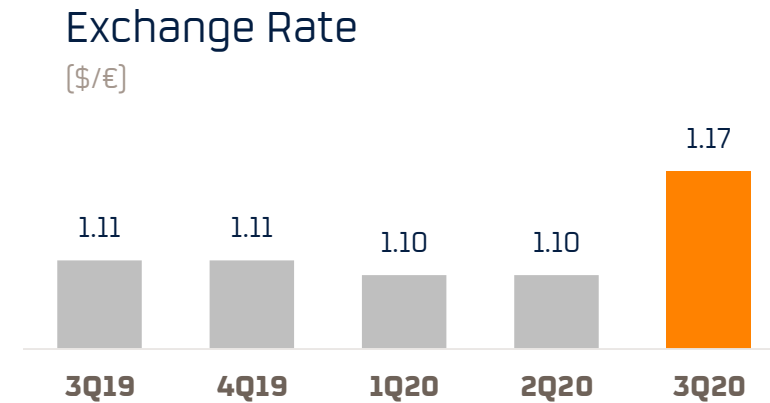
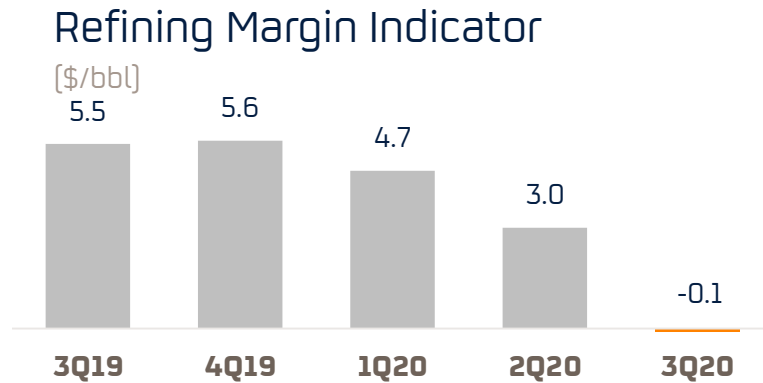
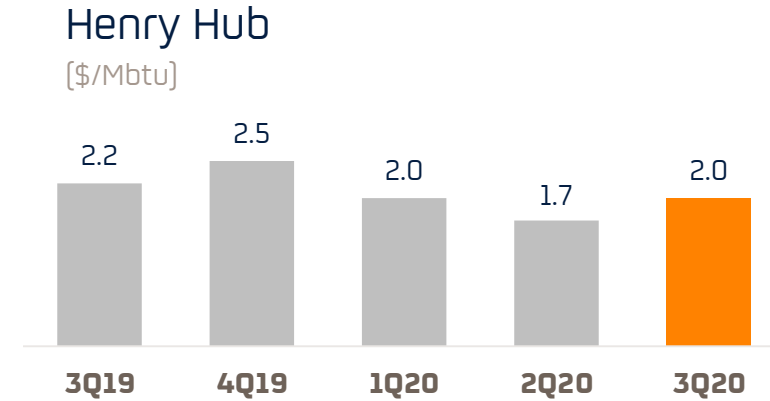
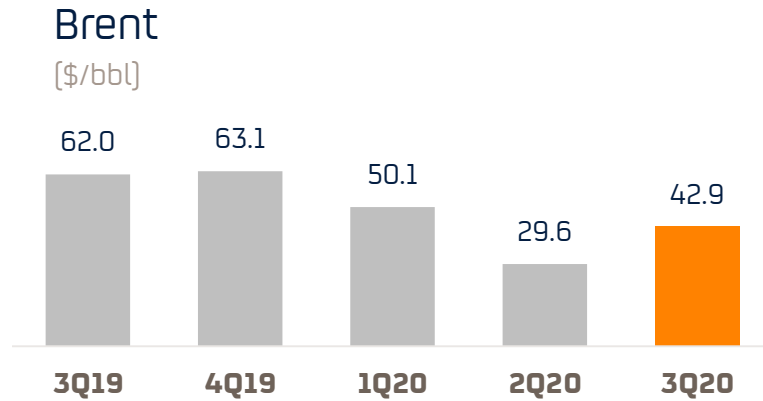
This document does not constitute an offer or invitation to purchase or subscribe shares, pursuant to the provisions of the Royal Legislative Decree 4/2015 of the 23rd of October approving the recast text of the Spanish Securities Market Law and its implementing regulations. In addition, this document 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.

Index

- 01.** Market environment
- 02.** Key messages
- 03.** Operational highlights
- 04.** Financial results
- 05.** Resilience Plan 2020 delivery and outlook

Higher oil and gas prices, challenging refining environment



Strong cash performance demonstrates strength of Resilience Plan

Strong CFFO in very challenging scenario

- **CFFO 3Q20:** €1.3 Bn [vs. €0.9 Bn in 1H20]
- **Organic FCF 3Q20:** €0.8 Bn [€0.5 Bn in Upstream division]

Resilience Plan delivering ahead of targets

- On track to surpass the €2.2 Bn of targeted savings in 2020
- **Net Debt: €3.3 Bn [-€649 M vs. June].** On track to achieve main financial objective of Resilience Plan

Delivered shareholder remuneration commitments

- Canceled shares issued with 2020 scrips
- Share capital reduction executed in October [99 M shares]

COVID-19 impacting business performance

- **Upstream:** operations adapted to market environment
- **Refining:** negative margin indicator but positive premium
- **Commercial and Renewables:** increased contribution to cash and results

Continue progress in Energy Transition

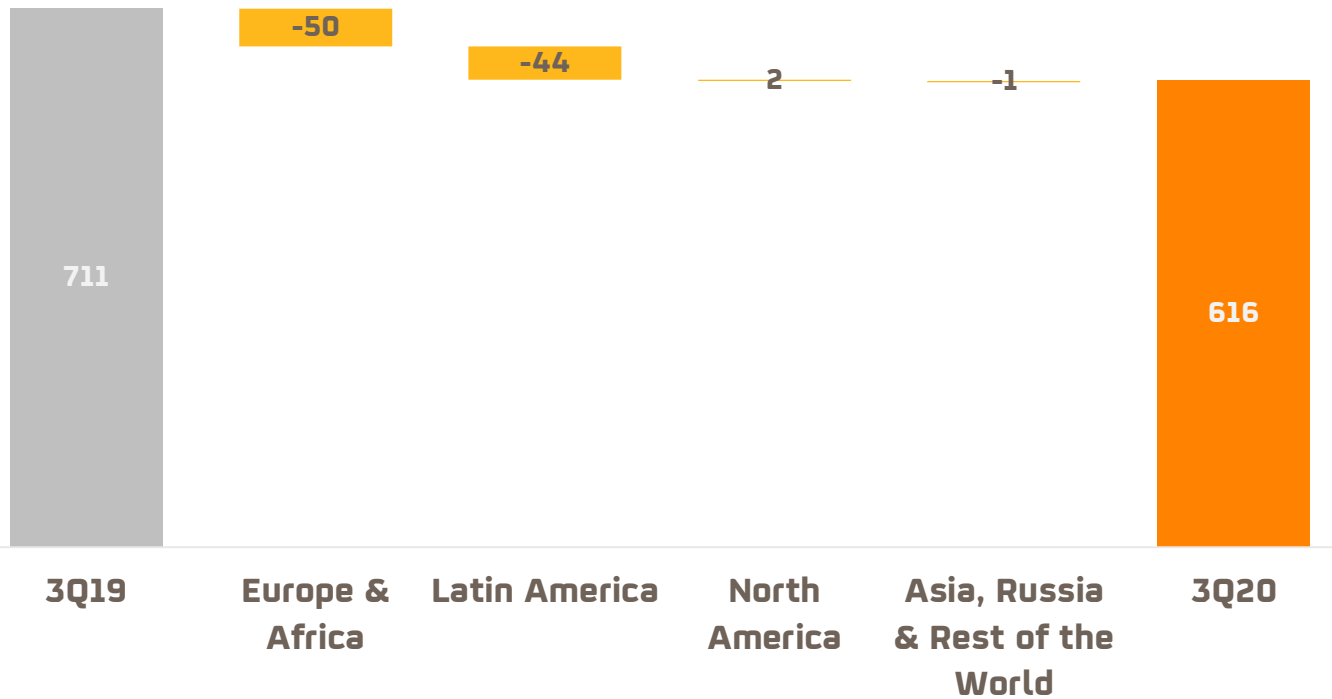
- First **biojet** producer in Spain
- Approval for **new advanced fuels plant** in Cartagena

Upstream: adapting operations to current environment



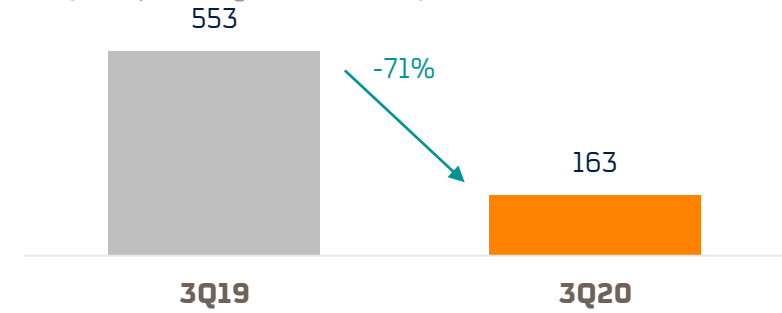
Upstream production

[kboed]



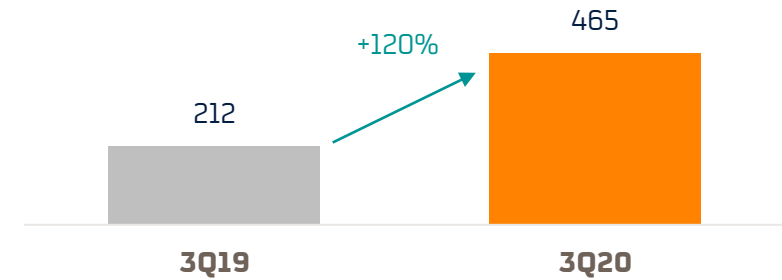
Capex flexibility

[M€ operating investments]



Organic FCF delivery

[M\$]



- **Libya** restarted production on October 11th after the force majeure was lifted in El Sharara. Currently producing ~160,000 bpd [gross].

Industrial: challenging Refining, resilient Chemicals



Refining

Repsol assets remain among most competitive in Europe

- **Middle-distillate spreads** at narrowest level in more than 20 years
- **All refineries under operation.** Run-rates in line with 2Q20
- **1.8 \$/bbl premium** over refining margin indicator

Chemicals

Resilient through COVID-19 crisis

- **International margins** impacted in 3Q20 by recovery of naphtha price
- **Feedstock advantage for flexible crackers** [wider naphtha-propane spread in 3Q20]
- Increased demand for packaging and healthcare compensating impact to other sectors and applications

Distillation utilization

[%]

69.9

70.0



2Q20

3Q20

Conversion utilization

[%]

82.4

83.9



2Q20

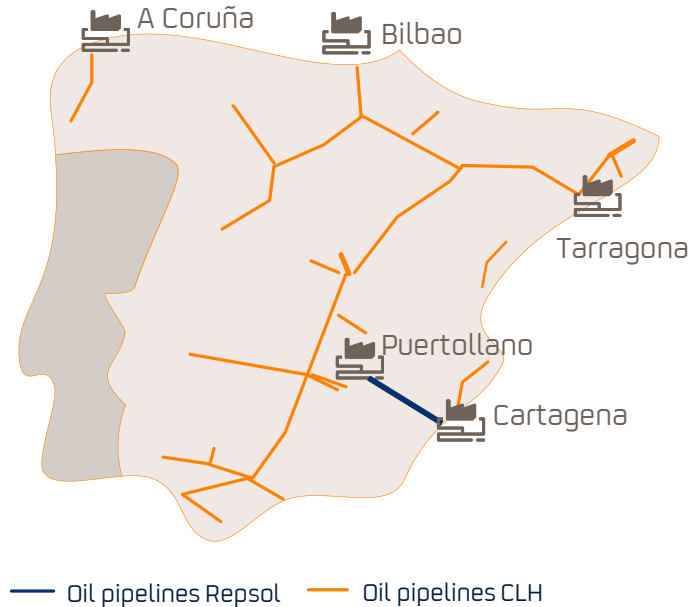
3Q20

Further progress in the decarbonization of industrial operations

1st batch of biojet

Repsol produces in Puertollano **airplane biofuel** for the first time in Spain:

- **First 7,000 tons of aviation fuel** made from biomass [save 440 tons of CO2 emissions]
- Production **to be extended to other Repsol facilities** in Spain
- **Low-Carbon fuels** for industries where alternatives like electrification are not viable today



FID for advanced biofuels plant

Repsol to build Spain's **first low emissions advanced biofuels plant** in Cartagena:

- **Capacity of 250,000 tons/y** of hydrobiodiesel, biojet, bionaphtha, and biopropane
- Will produce advanced biofuels from **recycled raw materials**
- Enables the **reduction of 900,000 tons/y of CO2** emissions
- **Start-up in 1H 2023**. €188 M investment



Commercial and Renewables: higher contribution despite investing phase **REPSOL**

Mobility

- **Sales in Service Stations** -13% 3Q20 vs. 3Q19
- **Gasoline and diesel** demand recovery: ~10% below 2019 level in September
- **Kerosene** demand remains weak: ~74% below 2019 level in September

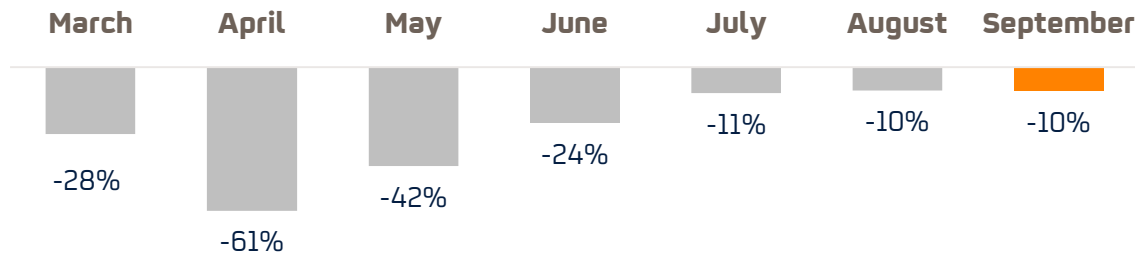
Lubricants, Asphalts and Specialties

- International expansion supports **solid performance**

Electricity and Gas

- **Retail growth** continues in competitive environment
- **Delta** wind farm: supplies first MWh
 - 335 MW installed capacity
 - 1 TWh/y production
 - 300 M€ CAPEX
- **Chile JV**: agreement with Ibereolica closed in October

Transportation fuel demand monthly variation in Spain 2020 vs. 2019



Source: CLH

3Q20 and 9M20 Results



Results [€ Million]	Q3 2020	Q2 2020	Q3 2019	9M 2020	9M 2019
Upstream	51	[141]	218	0	864
Industrial	[67]	8	223	229	671
Commercial and Renewables	169	42	153	332	418
Corporate and Others	[146]	[167]	[72]	[365]	[316]
Adjusted Net Income	7	[258]	522	196	1,637
Net Income	[94]	[1,997]	333	[2,578]	1,466

Financial data [€ Million]	Q3 2020	Q2 2020	Q3 2019	9M 2020	9M 2019
EBITDA	882	240	1,597	1,471	5,309
EBITDA CCS	828	641	1,764	2,924	5,386
Operating Cash Flow	1,258	268	1,544	2,122	4,074
Net Debt	3,338	3,987	3,836		

Resilience Plan delivering above original targets

Self-financed Resilience Plan 2020 expected to exceed the €2.2 Bn of initially targeted cash savings

	Original target	9M20 captured	New 2020 estimate
Opex savings	€350 M	> €350 M	€500 M
Capex savings	€1,000 M	~ €1,000 M	€1,200 M
WC optimization	€800 M	> €400 M	€700 M

Net debt as of September already in line with the end of 2019

- **€3.3 Bn Net Debt** (in line with €4.2 Bn at the end of 2019, excluding €0.9 Bn impact of hybrid bonds transactions)

Reinforced liquidity position in 3Q20

- **€850 M Eurobond** issuance (settled in October) achieved Repsol's lowest interest rate
- **Liquidity covers debt maturities until 2036** and 3.3x short-term gross debt maturities

Updated FY2020 outlook



Production	640-645 kboed	<ul style="list-style-type: none"> • Libya producing from 4Q20
Refining Margin Indicator	2.2-2.5 \$/bbl	<ul style="list-style-type: none"> • Uncertain demand recovery
Net debt	≤ €3.3 Bn	<ul style="list-style-type: none"> • In line with 2019 with the positive effect of hybrid bonds transactions of 2Q20
Energy Transition	<p>-3% Carbon Intensity Indicator</p> <p>-2.1 Mton CO2</p>	<ul style="list-style-type: none"> • vs. 2016 baseline • from 2014

Repsol's Capital Markets Day [Thursday 26 November]

Agenda

[CET]

- 12.00 – 13:30 h **CEO Investor presentation**
- 13:30 – 14:00 h Break
- 14:00 – 15.00 h **Business presentations**
 - Upstream Strategy**
Tomas Garcia Blanco, EMD Exploration and Production
 - Customer Centric Strategy**
Mavi Zingoni, EMD Commercial Businesses and Chemicals
- 15:00 – 16:30 h **Q&A session**

Strategic progress despite negative impact of COVID-19

Delivering on the objectives of Resilience Plan 2020

- Prioritizing health, safety and continuity of operations
- On track to surpass the €2.2 Bn cash savings objective in 2020

Strong cash performance and net debt reduction in 3Q20

- CFFO in 3Q20 > 1H20 despite challenging scenario
- Net Debt at €3.3 Bn in-line with year-end objective
- Leveraged on portfolio flexibility and financial strength

New 5-year Strategic Plan to transform Repsol

- More profitable and competitive
- Repsol's Capital Markets Day on November 26th

Dual future of energy

- Electricity + low carbon fuels
- Projects in industrial complexes Bilbao, Puertollano and Cartagena
- Contribution from all forms of decarbonization to accelerate Energy Transition



REPSOL CONFERENCE CALL

Third Quarter 2020 Results

Repsol Investor Relations
Investor.relations@repsol.com