

# 4Q & FY21 Results

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# REPSOL CONFERENCE CALL



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# Agenda

01. Key messages
02. Divisional highlights
03. Financial results
04. Outlook 2022



## Key messages

# Strong results and cash generation above pre-pandemic levels



### 4Q and FY results capture improved macro scenario

#### €872 M 4Q21 Adj. Net income

Higher prices & production, solid Chemicals and improved Refining

#### €2.5 B FY21 Adj. Net Income

Highest FY result since 2008

#### €6.8 B FY21 CFFO ex-WC

2.7x vs 2020

€900 M higher vs. 2019



### Maximizing value and progressing towards strategic objectives

#### Upstream

Increased activity in unconventional  
Progress in portfolio rationalization

#### Industrial

Chemicals >€1 B EBITDA in FY21  
Refining margins recovery in 2H21

#### Renewables

First asset rotation (Delta I project)



### Extra cash allocated according to strategic priorities

€1.4 B of extra CFFO in 2021 vs. budget

Accelerating capex in profitable growth

Increasing 2022 remuneration

+5% cash dividend

5% capital reduction (75 M shares)

Reinforcing financial position

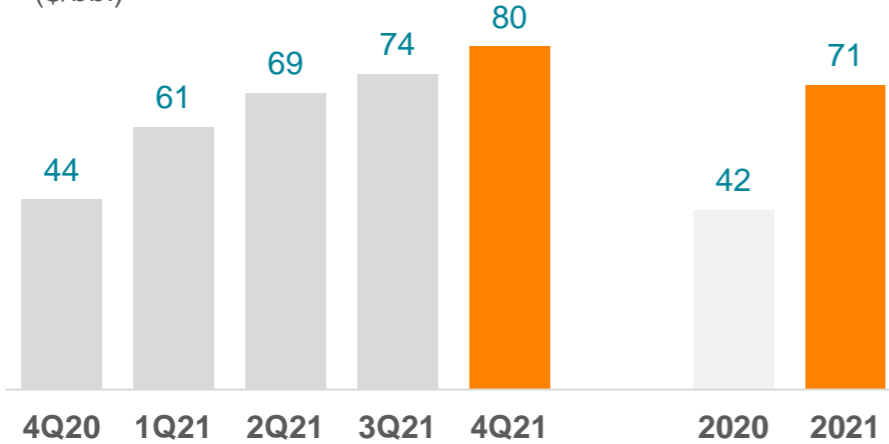
20% gearing as of Dec'21

## Market environment

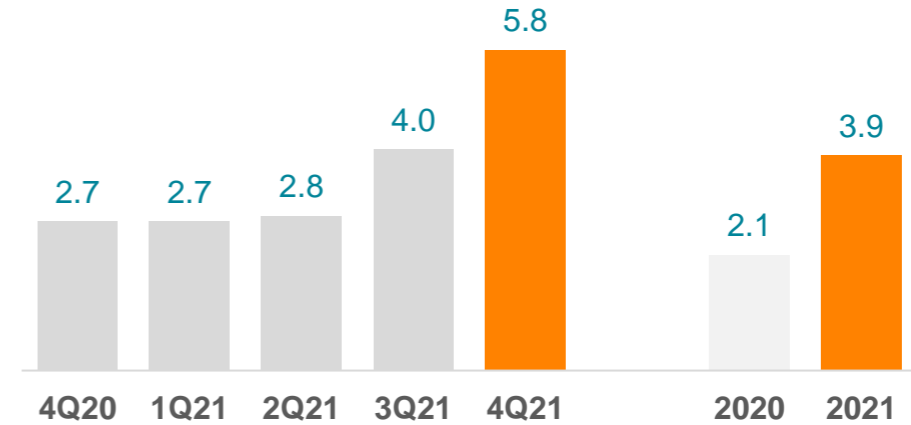
# Supportive price environment



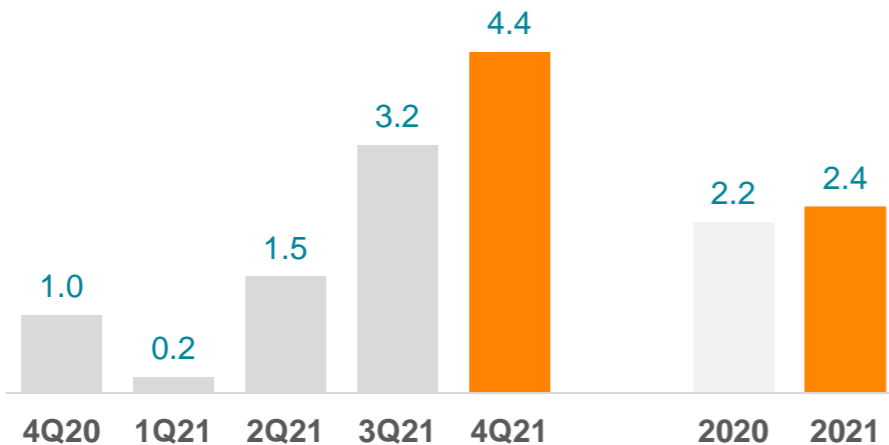
### Brent (\$/bbl)



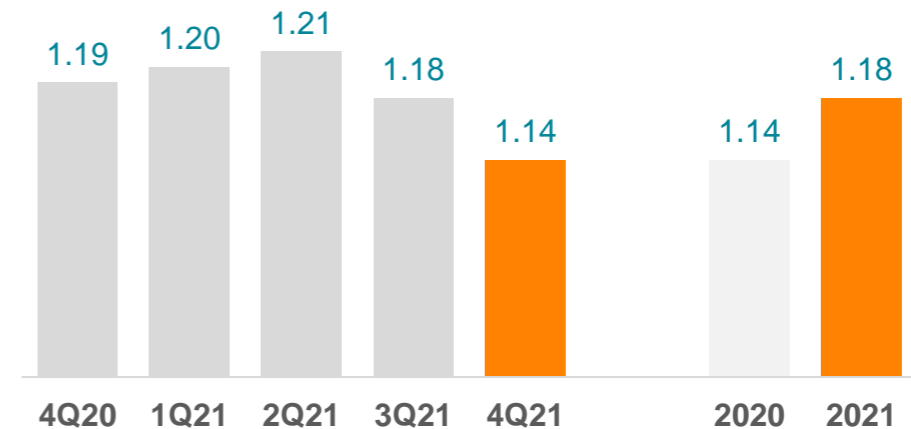
### Henry Hub (\$/Mbtu)



### Refining Margin Indicator (\$/bbl)



### Exchange Rate (\$/€)



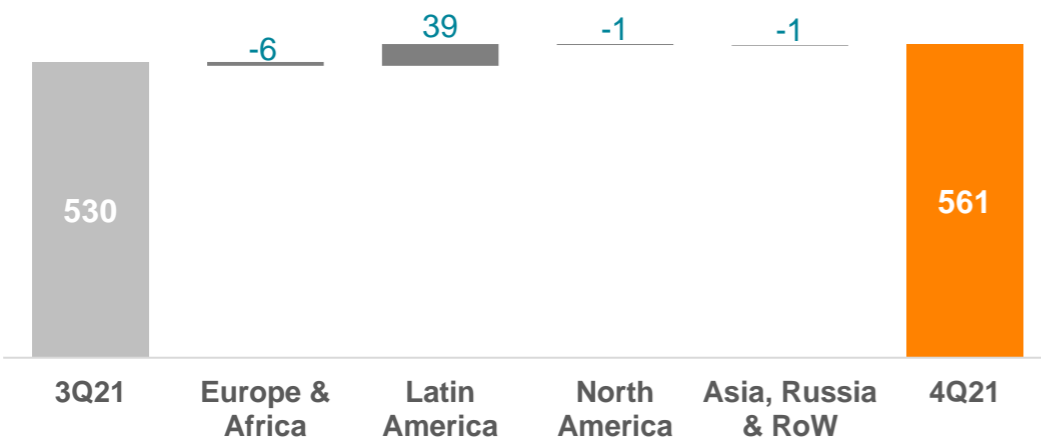
## Divisional highlights - Upstream

# Value-over-volume with focus on capital efficiency and cash generation



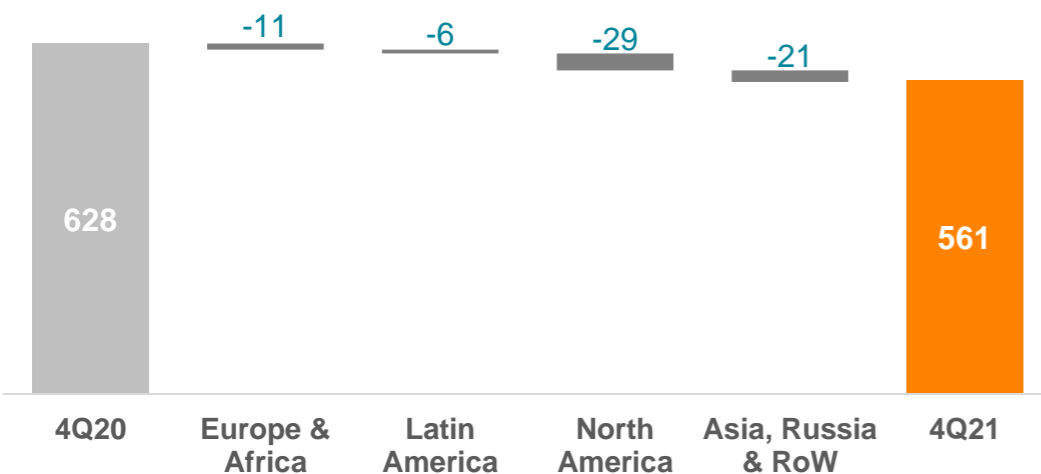
### Production 4Q21 vs 3Q21

(Kboe/d)



### Production 4Q21 vs 4Q20

(Kboe/d)



**Organic FCF breakeven<sup>1</sup> <30 \$/bbl** in 2021

#### Production:

4Q21: +6% vs 3Q21; -11% vs 4Q20

FY21: -12% vs 2020

Start-up of YME (Norway) in October

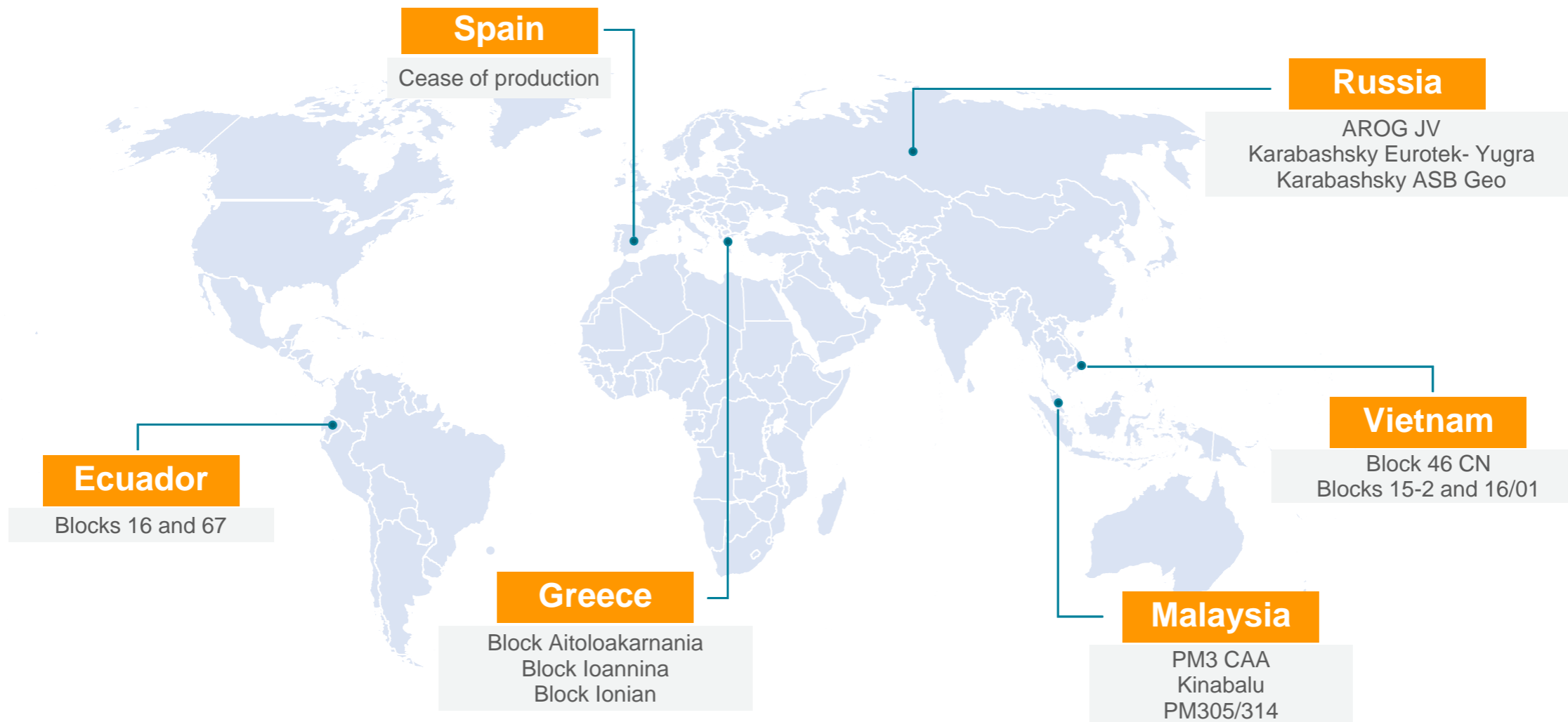
#### FIDs 4Q21:

Shenzi North (GoM) and Akacias (Colombia)

Rockdale assets contributing +12 Kboe/d in 2022

<sup>1</sup>Calculated on the organic FCF of the Upstream segment (does not include inorganic investments -acquisition of projects, assets or companies for the expansion of the Group's activities- nor proceeds from divestments)

## Portfolio rationalization increases the resilience of E&P business



**Completed the exit from Upstream operations in six countries**

# Solid results underpinned by the recovery of Refining and outstanding Chemicals



## Refining

Stronger 4Q margins confirm the recovery of refining in 2H21

Repsol's refining margin indicator:

4.4 \$/bbl 4Q21 vs 3.2 \$/bbl in 3Q21

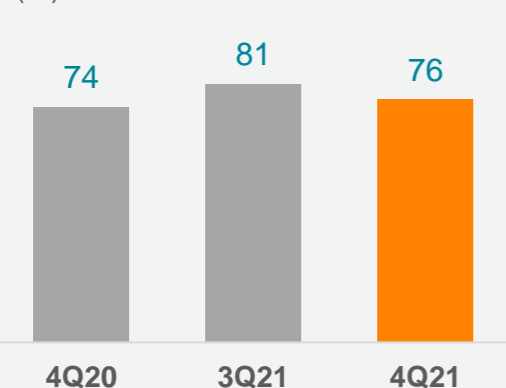
2.4 \$/bbl FY21 (3.8 \$/bbl 2H21)

Cartagena planned maintenance:

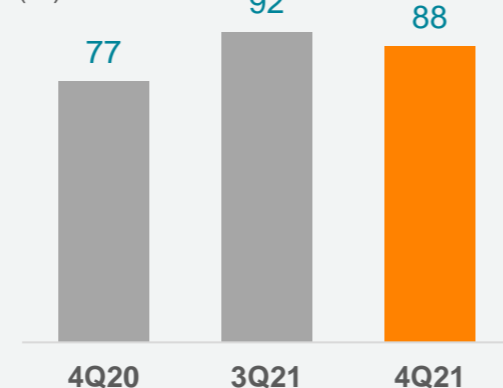
Most important turnaround in refinery's history

€75 M investment (~1/3 in CO<sub>2</sub> reduction initiatives)

Distillation (%)



Conversion (%)



## Chemicals

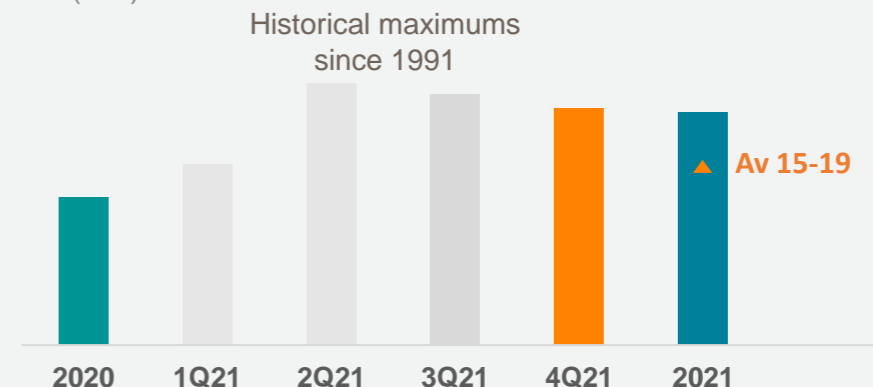
4Q above expectations helps beat FY guidance

FY EBITDA >€1 B in 2021

Record level international margins in 2021 supported by tight supply-demand balance

Margins remain strong YTD in 2022

International Petrochemical Margin (€/tn)





## Transforming our industrial sites into decarbonized energy hubs



	Low carbon fuels	Renewable H <sub>2</sub>	Circularity
Targets	1.3 Mtpa by 2025 >2 Mtpa by 2030 <sup>1</sup>	0.55 GWeq by 2025 and 1.9 GWeq by 2030	Polyolefin production recycling 10% by 2025 <sup>2</sup> & 20% by 2030
2021 Progress	<p><b>C43 - Cartagena</b> Under construction Production capacity of 250 Ktn/y Start up 2023</p> <p><b>Advanced Biofuels</b> (Ecoplanta) Signed agreement with Agbar and Enerkem</p> <p><b>Sustainable Aviation Fuel</b> Vueling and Iberia airline's first sustainable flights</p>	<p><b>Agreement with EDP</b> to implement renewable hydrogen projects</p> <p><b>Repsol produces renewable H2</b> with biomethane for the first time</p> <p><b>FID for first electrolyzer</b> in Bilbao (start-up in 2022)</p> <p><b>SHYNE Project</b> launched Jan'22 to promote Spanish H2 Network</p>	<p><b>Ecoplanta</b> (Solid urban waste) Pre-selected for European Innovation Fund</p> <p><b>Reciclex</b> Repsol joins Acteco to increase recycling capacity</p> <p><b>Recpur I</b> Investment announced for 1st PU recycling plant</p> <p><b>Circular plastics</b> Repsol signs agreement with Técnicas Reunidas</p>

**Setting higher Industrial Low Carbon targets to accelerate transition**

1. Gross volumes. Includes Advanced Biofuels and other Low Carbon fuels

2. Target equivalent to process 135 Ktn/y of wastes in 2025

## First asset rotation and new FIDs in Renewables



### Mobility

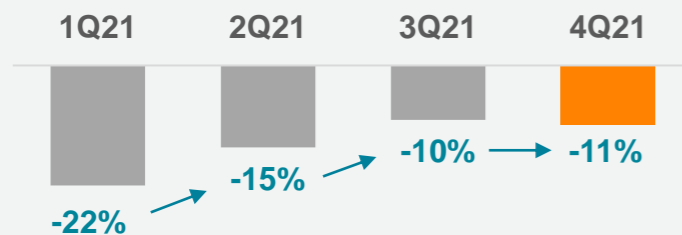
**Omicron drags the recovery of sales in 4Q21**

**Sales in Service Stations in Spain +12% vs 4Q20 and -11% vs 4Q19**

**Waylet app: 3 M registered users**

**Launch of Repsol's transversal loyalty program**

Sales in Spain service stations vs. 2019 levels



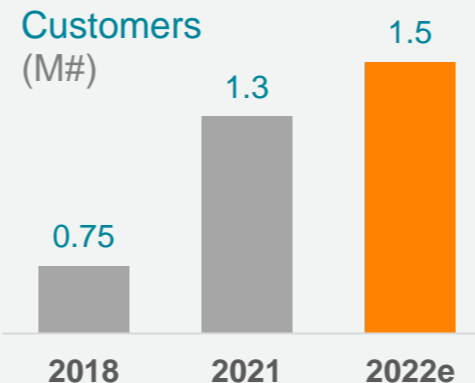
### Retail Electricity & Gas

**1.3 Million retail E&G customers by end of 2021**

**Record level pool-price in Spain in 2021**

**1.5 M clients expected by end of 2022**

**Integrated retail + generation result increased in 2021**



### Renewables

**Delivering on goals and adding new opportunities**

**Acquisition 40% of Hecate, portfolio >40 GW in USA**

**FID taken 600 MW project in Texas, COD by 2023**

**First asset rotation with Delta I project (Spain)**

**Analyzing the option to incorporate a minority partner**

## Financial results

### 4Q21 and FY21 Results

Results (€ Million)	Q4 2021	Q3 2020	Q4 2020	Jan - Dec 2021	Jan - Dec 2020
Upstream	624	385	195	1,687	195
Industrial	267	100	68	606	297
Commercial and Renewables	145	169	153	542	485
Corporate and Others	(164)	(31)	(12)	(381)	(377)
<b>Adjusted Net Income</b>	<b>872</b>	<b>623</b>	<b>404</b>	<b>2,454</b>	<b>600</b>
Inventory effect	169	139	70	797	(978)
Special items	(481)	(58)	(1,185)	(752)	(2,911)
<b>Net Income</b>	<b>560</b>	<b>704</b>	<b>(711)</b>	<b>2,499</b>	<b>(3,289)</b>

Financial data (€ Million)	Q4 2021	Q3 2020	Q4 2020	Jan - Dec 2021	Jan - Dec 2020
EBITDA	2,584	1,951	1,259	8,170	2,730
EBITDA CCS	2,352	1,759	1,160	7,071	4,084
Operating Cash Flow	2,082	1,439	1,075	5,453	3,197
Net Debt	5,762	6,136	6,778	5,762	6,778



## Ensuring performance and financial strength while boosting transformation



Environment	<ul style="list-style-type: none"><li>• Brent 70 \$/bbl</li><li>• Henry Hub 3.7 \$/Mbtu</li><li>• Refining Margin Indicator 4 \$/bbl</li></ul>
Production	~ 600 Kboe/d
CFFO	~ €5.8 B
Capex	~ €3.8 B      • ~ 30% Low Carbon
Distributions	<ul style="list-style-type: none"><li>• €0.63 /share cash dividend (+ 5% vs 2021)</li><li>• 75 M shares redemption (~ 5%) once approved by next AGM 2022</li><li>• Additional 50 M SBB (~ 3.5%) as above price scenario settles, to be redeemed 4Q22/1Q23, once approved by next AGM 2022</li></ul>

**Solid organic cash generation, building growth and advancing in Energy Transition, delivering attractive distributions and keeping gearing ratio**

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