

# 1Q21 Results

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# REPSOL CONFERENCE CALL



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## Solid first quarter performance continues positive momentum



### Strong quarterly results and cash generation

- Positive CFFO and FCF in all business segments
- Higher oil & gas prices, outstanding Chemicals
- Ongoing weak Refining

### Closer to pre-COVID levels

- Adjusted Net Income: +17% QoQ and +5% YoY
- CFFO +73% YoY and -11% vs. 1Q19

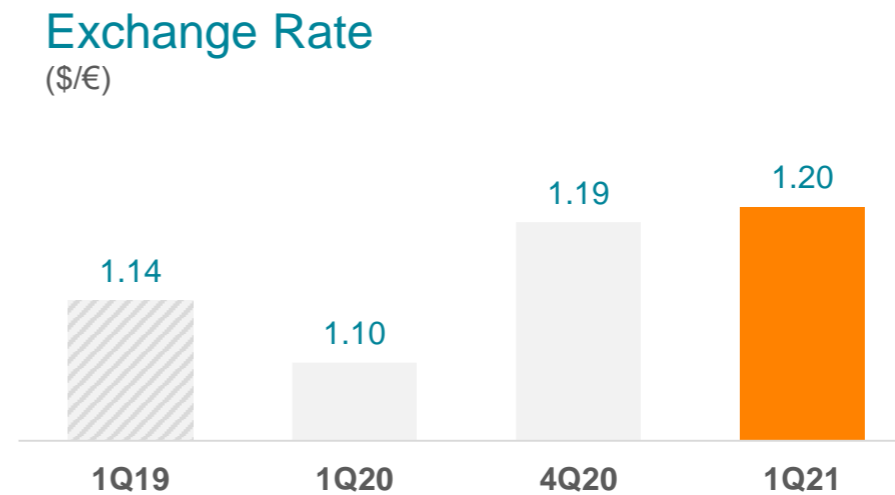
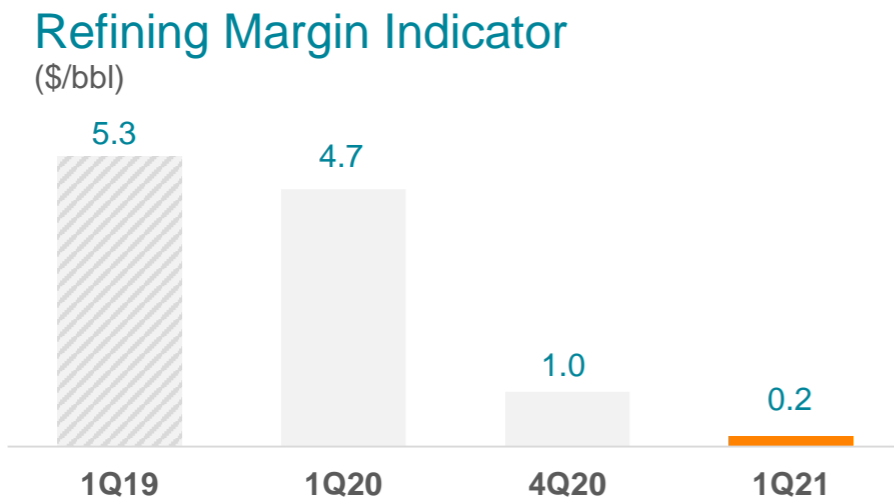
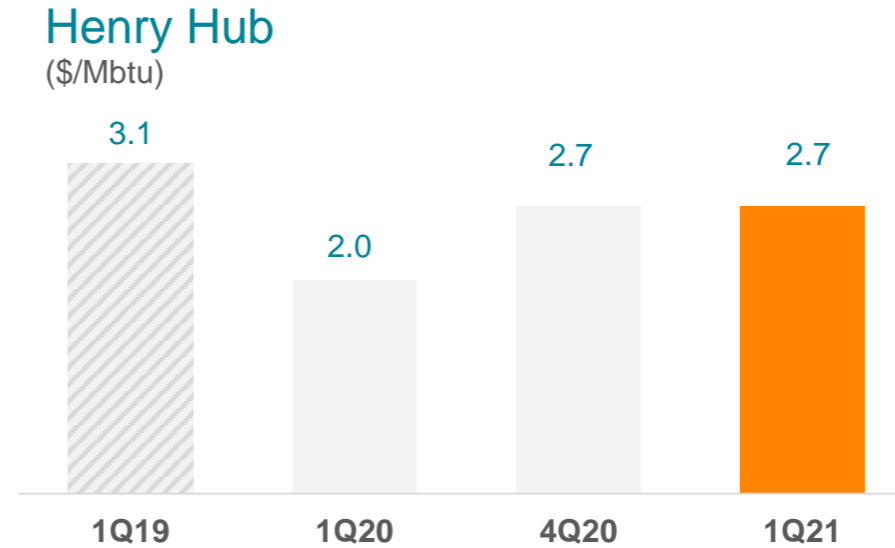
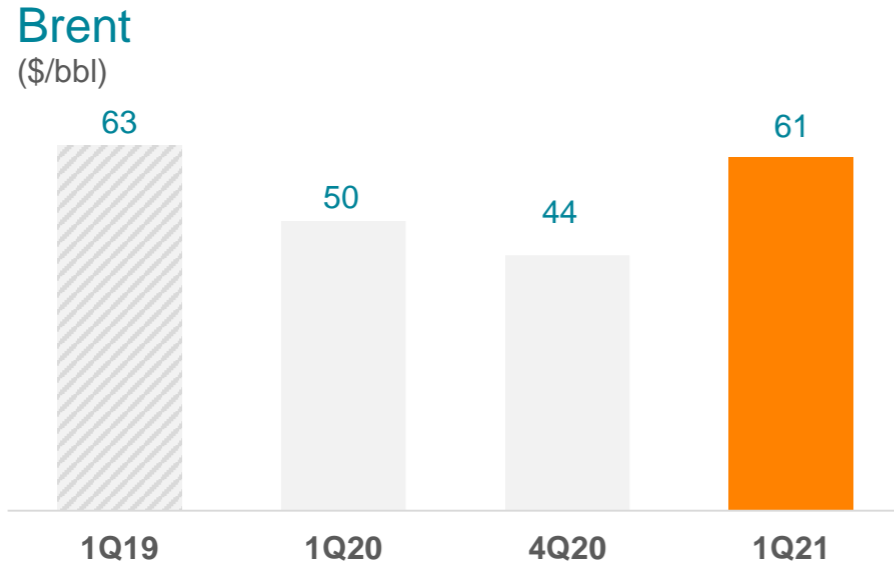
### Reinforced financial strength

- Net Debt in line with the end of 2020 (excluding the effect of hybrids)
- S&P and Fitch reaffirm BBB rating with a stable outlook
- Buyback program to offset dilution of January scrip

### Transformation towards strategic objectives

- Accelerating investment in Low Carbon (40% of 1Q21 capex)
- Upstream flexibility benefits from higher oil and gas prices

## Stronger oil and gas prices. Weaker refining environment

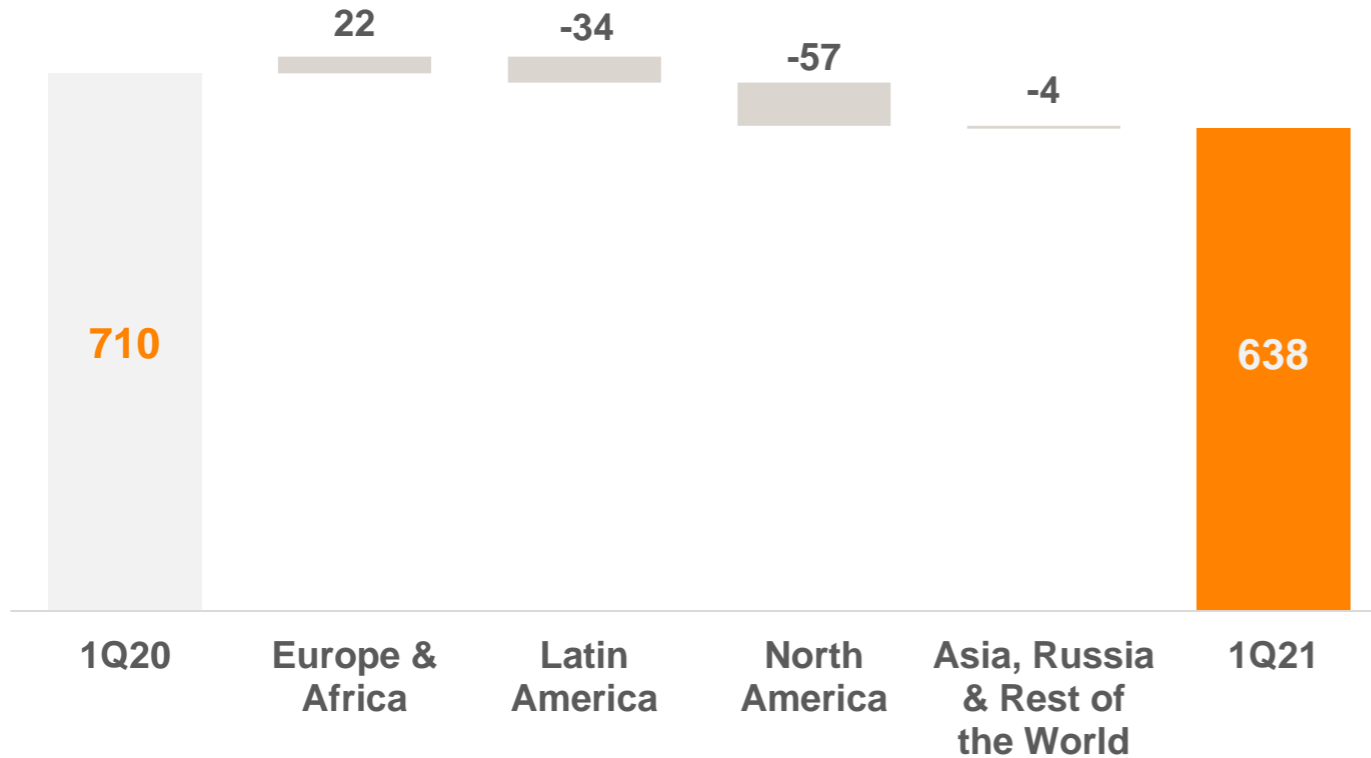


**Strong organic FCF generation supported by higher prices and lower costs**



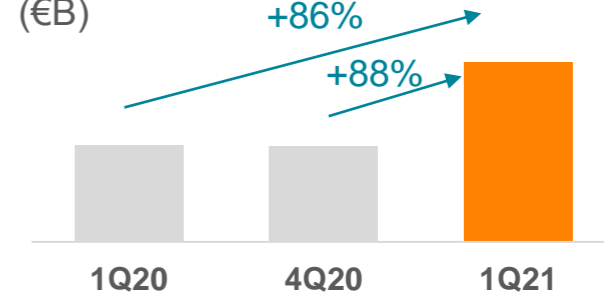
Upstream production YoY

(Kboe/d)

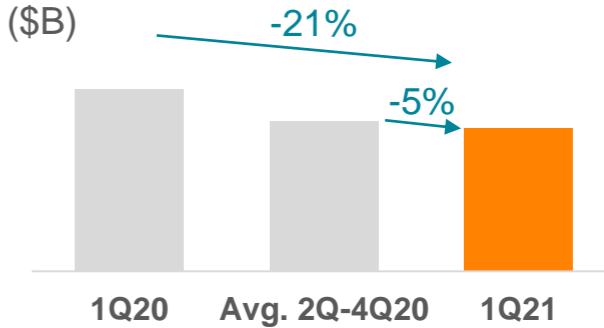


- Weather issues in **Eagle Ford**
- Maintenance activities across several assets
- Higher volumes in **Libya, Bolivia** and **Venezuela**

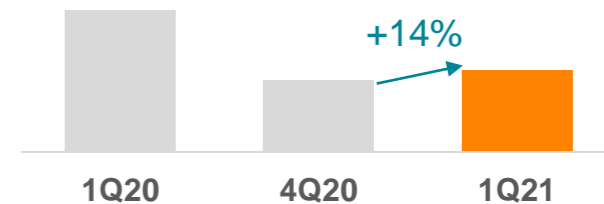
Organic FCF (€B)



Opex (\$B)

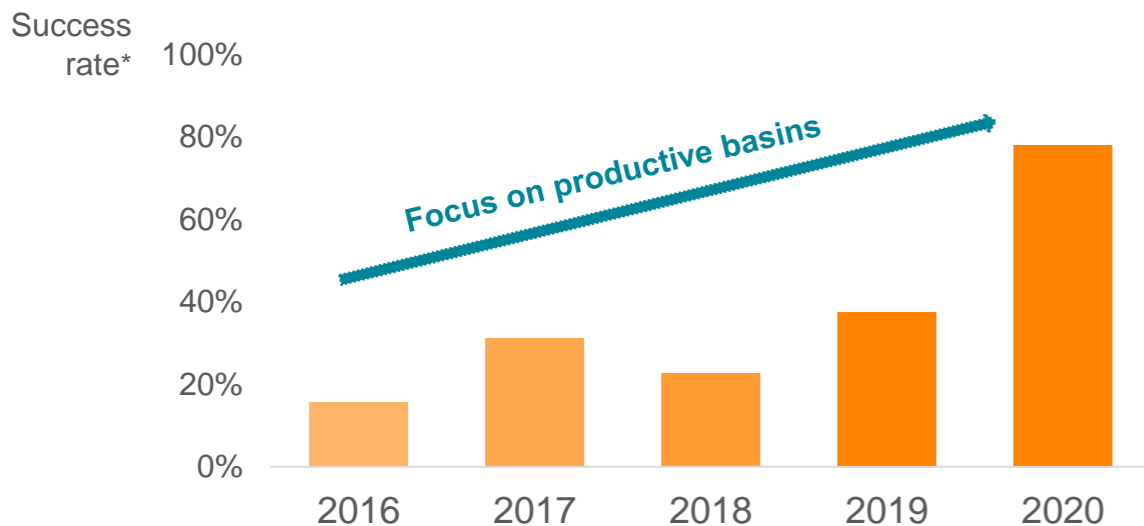


Capex (\$B)





### Selective Exploration strategy



**Boicobo Sur (Bolivia): ~1 Tcf of resources in Caipipendi producing block**

**2018-2020 discoveries concentrated around 3 areas: GoM, Alaska and South-East Asia**

### Progress on 14 key projects in SP

- YME Norway**
  - First oil projected for 4Q21
- Pikka Alaska**
  - FID expected end-2021
  - First oil projected for 2025
- Sakakemang Indonesia**
  - FID expected end-2021/early-2022
  - First gas two years later
- Campos 33 Brazil**
  - Approved development concept

\* positive wells / total wells

# Outstanding Chemicals supported by record-level margins



## Refining

Ongoing challenging environment

- Lower margin indicator (\$0.2 /bbl) vs. 1Q20 and 4Q20
- Narrower **middle distillates** differentials and tighter **light-to-heavy** crude spreads
- **Strength of heavy crudes** weights against complex refiners

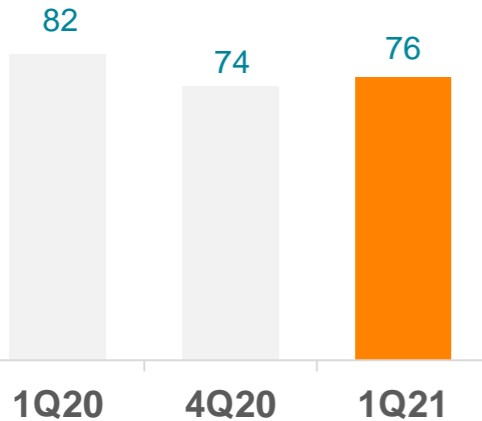
## Chemicals

Exceptional delivery

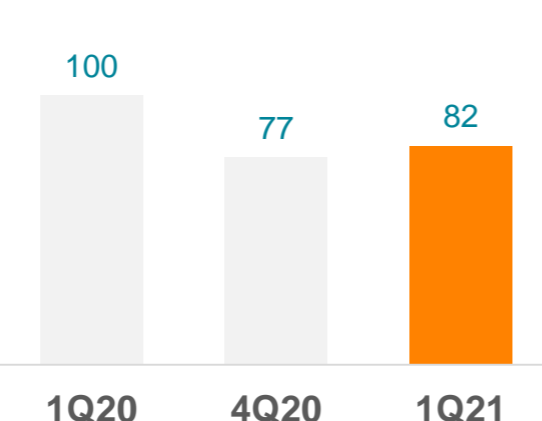
- **Highest margins in decades** for polyolefins and intermediates
- **Solid demand** and **market supply constraints**
- **Higher utilization rates**

### Utilization of Repsol's refining capacity

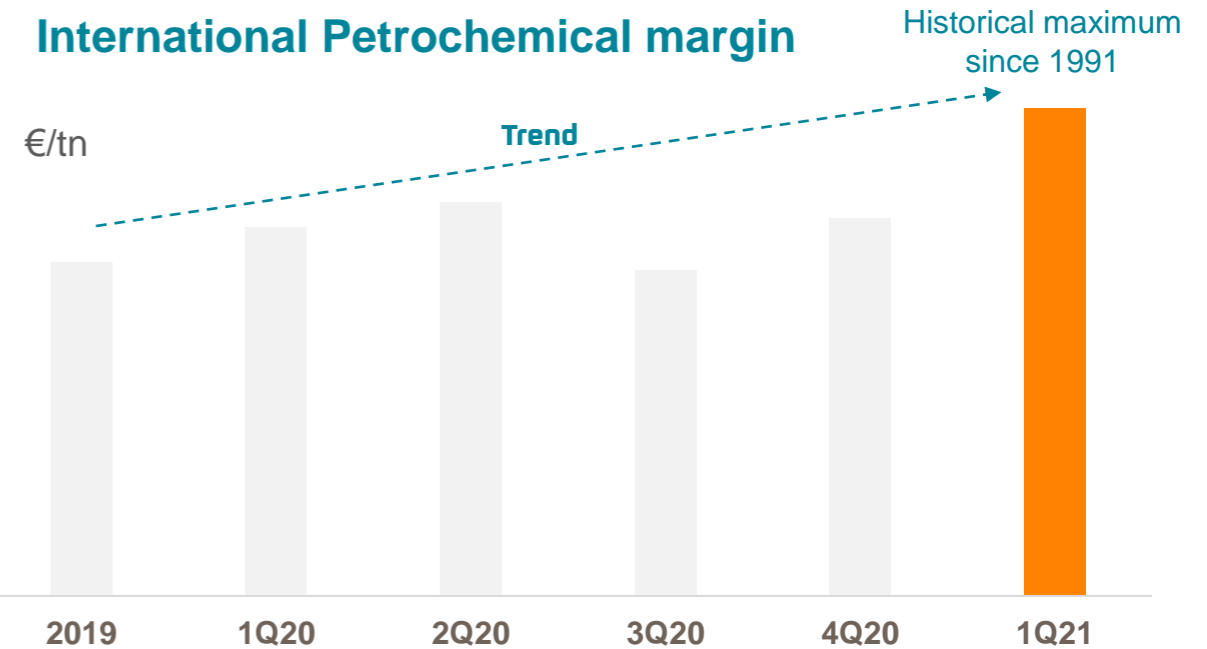
Distillation utilization (%)



Conversion utilization (%)



### International Petrochemical margin





## Mobility business impacted by COVID-19 and Filomena storm



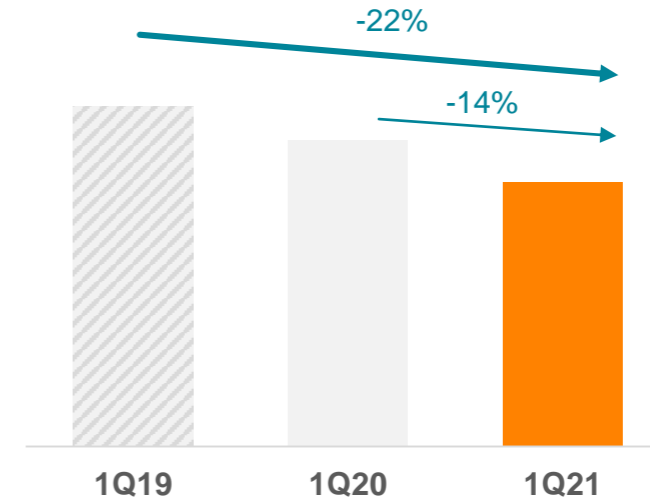
### Mobility

- **Sales in Service Stations** -14% vs. 1Q20 and -22% vs.1Q19
- COVID-19 **mobility restrictions**
- **Filomena storm collapsed mobility and supply** for two weeks in Spain
- Divestment of Service Stations and direct fuels sales **businesses in Italy**

### Retail E&G

- Acquisition of **Gana Energía**: 100% green energy
- > **1.2 Million** retail clients

Sales in Repsol's Service Stations in Spain



### Lubricants, Asphalts and Specialties

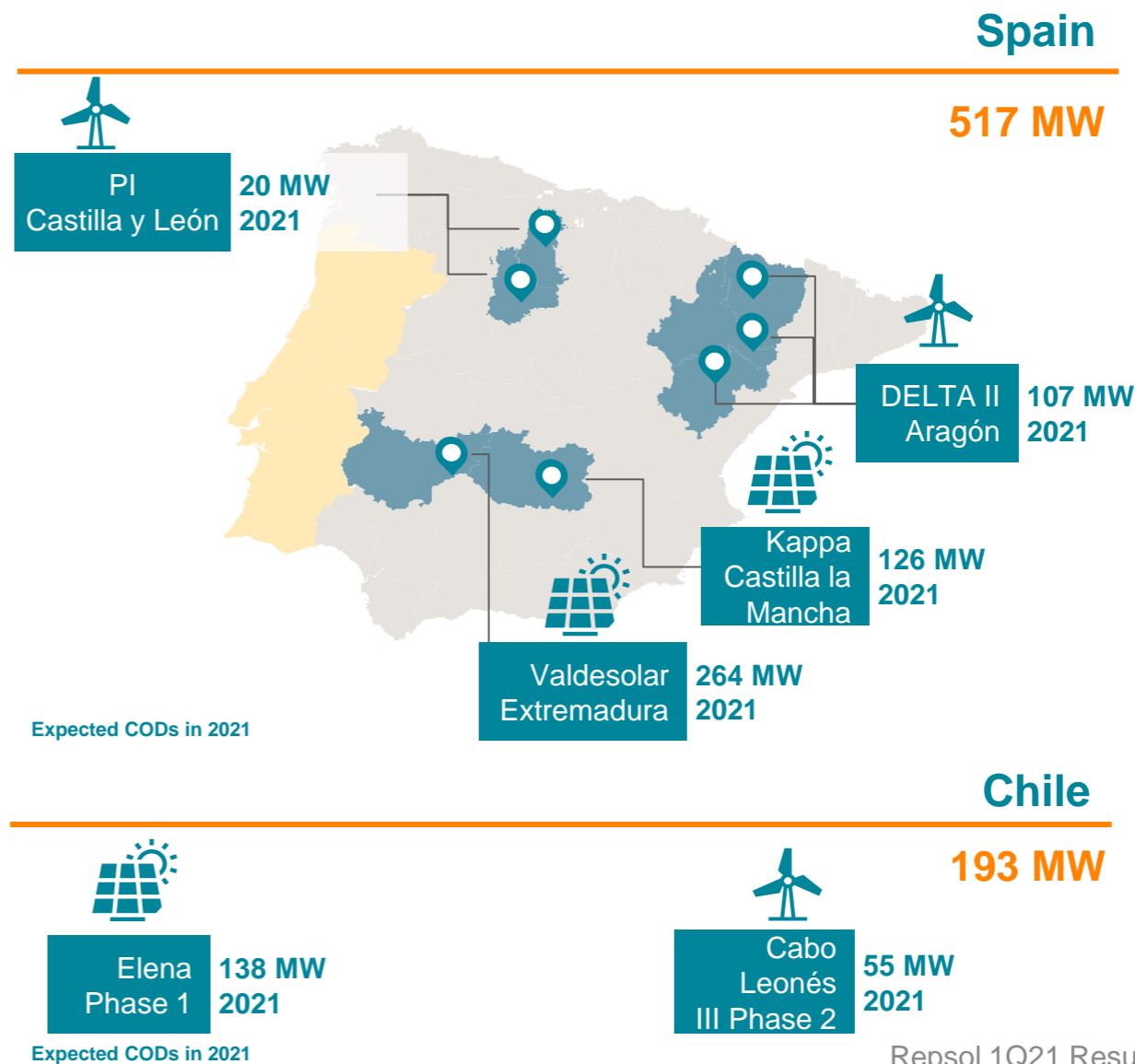
- **Solid results**
- **Higher sales** vs. 1Q20 and **lower costs**
- Launched **new range lubricants** for electric vehicles and motorcycles

## Renewables pipeline on track



Additional 710 MW by year-end

- Electricity generated by Repsol +23% YoY
- **Kappa**: first solar farm with 126 MW starting operations in April
- **Chile**: 14-year PPA for the development of Atacama wind project
- PPA with Microsoft



## Progress in the transformation of our portfolio



**Sustainable biofuels** 1.3 Mt by 2025  
>2 Mt by 2030

### Cartagena ecofuels plant

**First steps for the construction** of the first advanced biofuels plant in Spain

**250,000 Tn/y** operational in 2023

Reduction of 900,000 Tn/y of CO<sub>2</sub> emissions

Capex: €188 M



**Plastics circularity** Recycle 20% polyolefin production<sup>1</sup>

### Waste-to-Chemicals plant in Tarragona

JV with Enerkem and Agbar

Solid urban waste transformed into **methanol**

Capacity: **220,000 Tn/y**

Operational in 2025

### Polyurethane foam recycling plant in Puertollano

Operational end-2022, with a capacity to treat **2,000 Tn/y** of waste



**Renewable Hydrogen** 0.4 GWeq by 2025  
1.2 GWeq by 2030

### Renewable hydrogen plant in Petronor

Started engineering work



**Advanced Mobility** Ambition >1,000 charging points Spain<sup>2</sup>

### First ultra-fast charging point in Portugal

Continues expansion of recharging network in **Spain**

## Financial results

### 1Q21 Results

Results (€ Million)	Q1 2021	Q4 2020	Q1 2020
Upstream	327	195	90
Industrial	73	68	288
Commercial and Renewables	101	153	121
Corporate and Others	(30)	(12)	(52)
<b>Adjusted Net Income</b>	<b>471</b>	<b>404</b>	<b>447</b>
Inventory effect	321	70	(790)
Special items	(144)	(1,185)	(144)
<b>Net Income</b>	<b>648</b>	<b>(711)</b>	<b>(487)</b>

Financial data (€ Million)	Q1 2021	Q4 2020	Q1 2020
EBITDA	1,837	1,259	349
EBITDA CCS	1,395	1,160	1,455
Operating Cash Flow	1,030	1,075	596
Net Debt with leases	6,452	6,778	8,364



## Higher oil & gas prices and stronger Chemicals to offset lower Refining



Production	~ 625 kboed	
Refining Margin Indicator	<b>\$2 /bbl</b>	<ul style="list-style-type: none"> <li>• vs. \$3.5/bbl previous guidance</li> </ul>
EBITDA CCS	~ <b>€5.8 Bn</b>	<ul style="list-style-type: none"> <li>• +10% vs. previous guidance</li> <li>• &gt;40% higher than in 2020</li> </ul>
Capex	~ €2.6 Bn	<ul style="list-style-type: none"> <li>• +10% Upstream FY Capex increase (unconventionals)</li> <li>• &gt;25% deployed in Low Carbon platforms</li> </ul>
Net debt*	≤ €6.8 Bn	<ul style="list-style-type: none"> <li>• In line with 2020 (excl. hybrids transactions of 2021)</li> </ul>
Dividend	€0.6 /share	<ul style="list-style-type: none"> <li>• Dividend only in cash starting in July'21</li> </ul>

**Prudent capital allocation policy and revised macro scenario**

## “Resilience mode” in an improving macro environment



### Resilience of Repsol's integrated model

### Upstream ready to capitalize on higher prices

### Ongoing progress in the Energy Transition

### Revised 2021 full-year EBITDA and CFFO targets

- 1Q21 positive operating and free cash flow in all segments
- Upstream: “yield and focus”
- Downstream: **Chemicals** and **Customer Centric** compensate Refining
- **Strong 1Q21 organic FCF generation**
- **Capex flexibility** in unconventional (Marcellus, Eagle Ford)
- **Exploration success** and **new FIDs** 2021/2022
- **Transformation of Industrial assets**
- **Circular economy opportunities**
- Development of **renewables pipeline** on track
- **EBITDA CCS target upgraded +10% to €5.8 Bn** in 2021
- Higher O&G prices and stronger Chemicals to offset lower Refining

# 1Q21 Results

29 April 2021

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