

# 1Q22 Results

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# REPSOL CONFERENCE CALL



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# Agenda

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



## Key messages

# Solid start to 2022 in an increasingly complex and volatile environment



**€1.1 B**

**Adjusted Net Income**

+124% y-o-y  
+21% q-o-q

**€1.1 B**

**CFFO**

+6% y-o-y  
Material Working Capital outflow

**€3.1 B**

**CFFO ex-WC**

€1 B higher vs 4Q21

Results improvement driven by  
Exploration & Production



Cash flow generation held-back  
by impact of higher prices in  
inventories



**€5.9 B**

**Net Debt**

€138 M increase vs Dec'21

**19.5%**

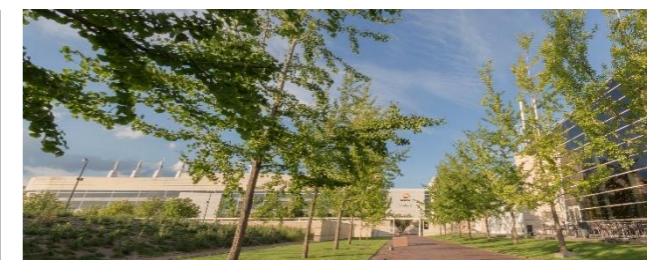
**Gearing**

-0.7 p.p. vs 4Q21

Prioritizing security of supply  
while boosting the Energy  
Transition



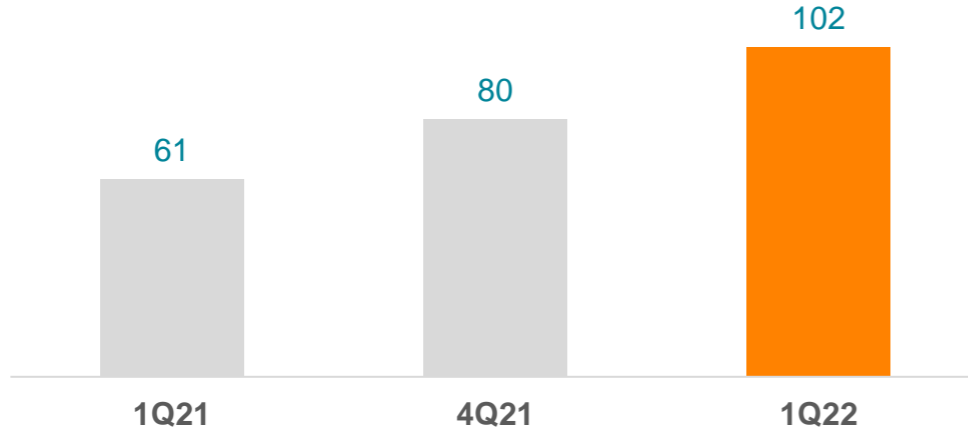
Maximizing value and  
developing new business and  
corporate model



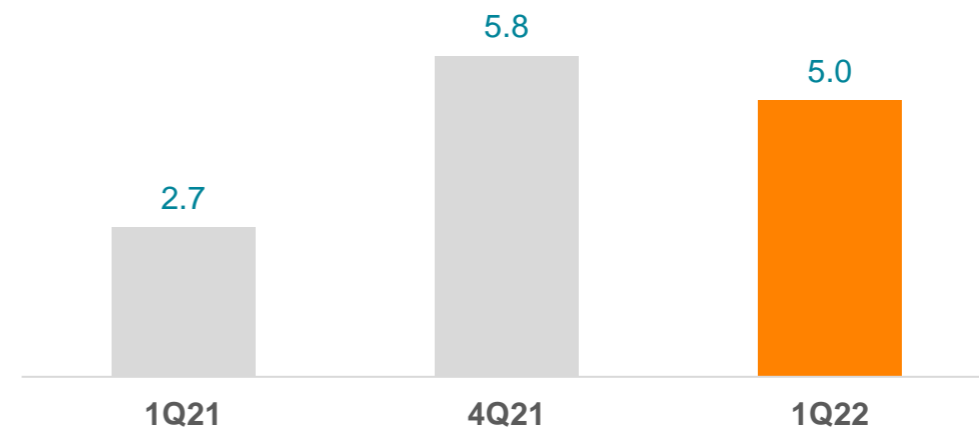
## Positive commodity price scenario and refining margins recovery



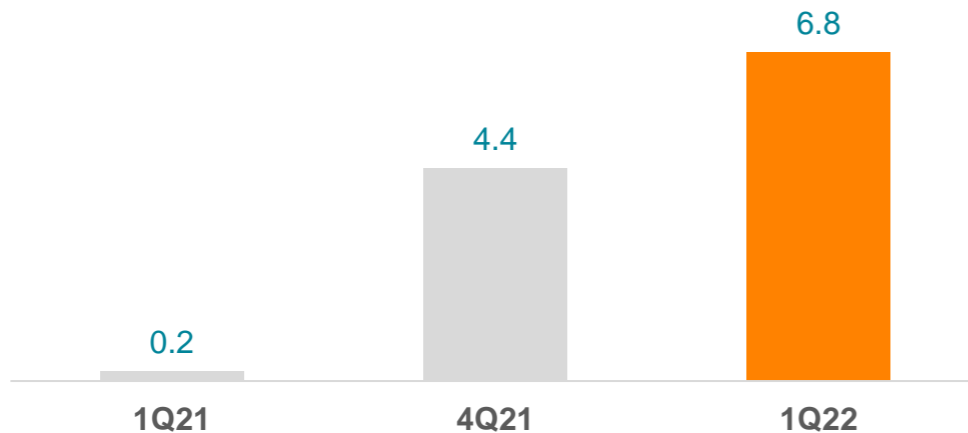
Brent  
(\$/bbl)



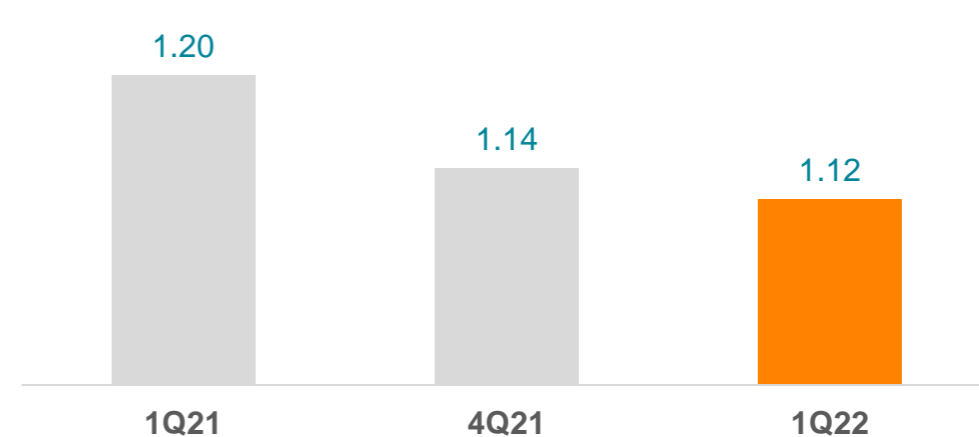
Henry Hub  
(\$/Mbtu)



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



Exchange Rate  
(\$/€)



## Divisional performance - Upstream

### Value-over-volume strategy while moving forward in key projects



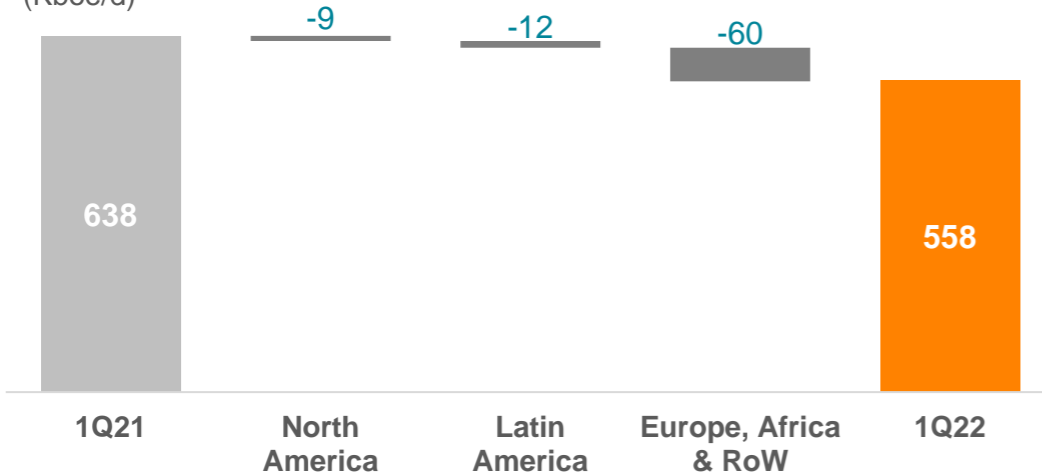
Production 1Q22 vs 4Q21

(Kboe/d)



Production 1Q22 vs 1Q21<sup>(1)</sup>

(Kboe/d)



#### Developing activity

Efficiency and portfolio high-grading  
Anticipating the 3<sup>rd</sup> rig in Eagle Ford

#### Portfolio actions

Exited Russia, Malaysia, Ecuador and Greece  
Disposal of two licenses in Norway

#### Progress in 14 Key SP Projects

<sup>(1)</sup> Production decrease mainly due to divestment of producing assets, the stoppage of production in Libya due to force-majeure and the natural decline of fields

## Adapting to new scenario thanks to flexibility of Repsol's Industrial assets



### Refining

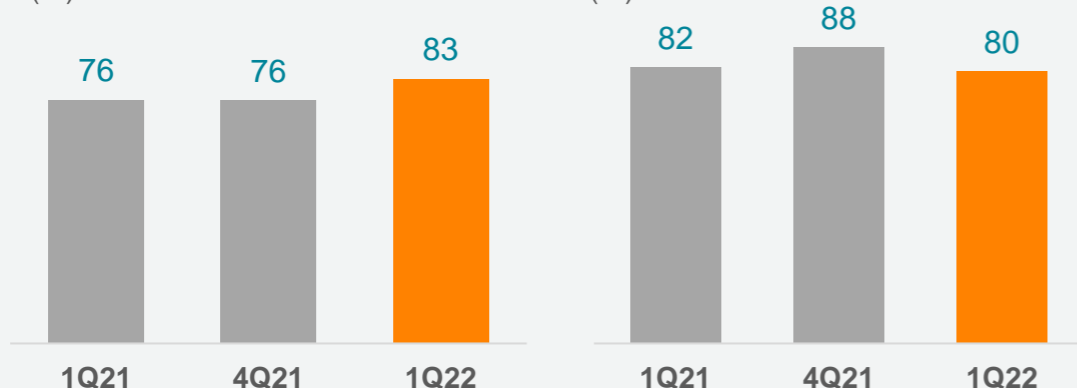
#### Double-digit margins in March

**Middle distillates strength and wider heavy-crude discounts**

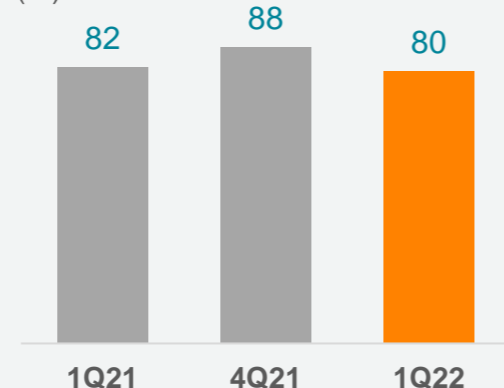
**Utilizations impacted by planned maintenance**  
No turnarounds expected in 2Q22

**Reconfiguring of feedstocks and rebalancing production**  
towards middle distillates

Distillation (%)



Conversion (%)



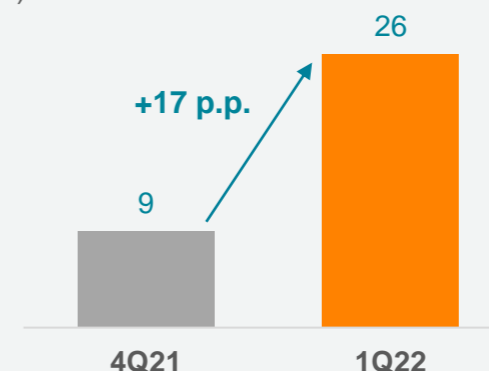
### Chemicals

**Repsol's LPG feedstock flexibility**  
key for competitiveness in high naphtha scenario

**International margins** negatively impacted by higher cost of raw materials

**Margins recovering in April**  
as product prices reflect increase of feedstock costs

Share of LPG in Repsol's feedstock (%)



**C43 - Cartagena**



**Started construction in March'22**

**1<sup>st</sup> Spanish advanced biofuels plant**

**Production of 250 Ktn/y**

**Reduction of 900 Ktn of CO<sub>2</sub>/y**

**Start-up 1H23**

**€200 M investment**

**Enerkem - Circularity**



**Acquisition of a minority stake in Enerkem**

**Leading technology** for the production of renewable fuels and chemical products through **gasification of non-recyclable waste**

**Already partners at Ecoplanta plant in Tarragona**

**SHYNE & Ebro H<sub>2</sub> Corridor**



**SHYNE consortium lead by Repsol**  
33 entities

€3.2 B total investment

Installed capacity target: **500 MW in 2025**  
& 2 GW in 2030 of **renewable H<sub>2</sub>**

Launched **Ebro Hydrogen Corridor** to coordinate **Renewable H<sub>2</sub>** initiatives in northeastern Spain



## Mobility

Anticipating to competitors by lowering fuel price to Waylet app users

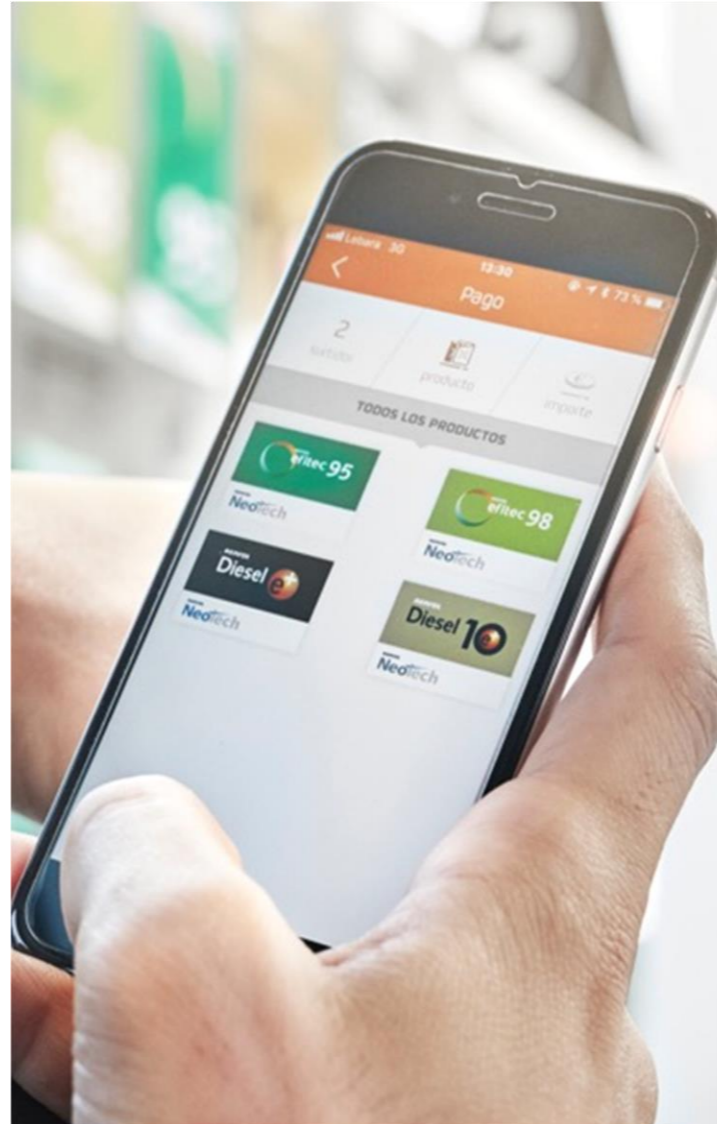
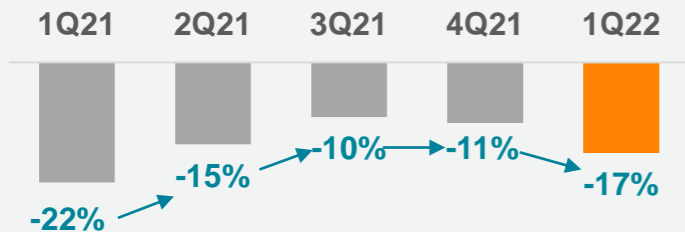
Sales in Service Stations -13% q-o-q

Volumes affected by Omicron and transport strike

# of Waylet app users +1 M YTD

>4 million digital clients

Sales in Spain service stations vs. 2019 levels



## Renewables

Progressing in strategic targets to deliver double-digit returns

Low Carbon Generation (Spain)  
1.9 Tw-h +77% y-o-y

Second asset rotation  
Valdesolar solar farm (Spain)

### USA

Start-up of Jicarilla-2  
Jicarilla-1 under construction  
FID 600 MW solar project in Texas

JV with Ørsted  
to identify and jointly develop  
floating offshore wind projects in  
Spain

# Financial results

## 1Q22 Results



Results (€ Million)	Q1 2022	Q4 2021	Q1 2021
Upstream	731	624	327
Industrial	236	267	73
Commercial and Renewables	117	145	101
Corporate and Others	(28)	(164)	(30)
<b>Adjusted Net Income</b>	<b>1,056</b>	<b>872</b>	<b>471</b>
Inventory effect	674	169	321
Special items	(338)	(481)	(144)
<b>Net Income</b>	<b>1,392</b>	<b>560</b>	<b>648</b>

Financial data (€ Million)	Q1 2022	Q4 2021	Q1 2021
EBITDA	3,384	2,584	1,837
EBITDA CCS	2,456	2,352	1,395
Operating Cash Flow	1,091	2,082	1,030
Net Debt	5,900	5,762	6,452

**+124% YoY** Adjusted Net Income

**Upstream**

**+124% YoY**

Higher realization prices, partially offset by lower production

**Industrial**

**+223% YoY**

Supported by strong Refining and Trading results

**Commercial and Renewables**

**+16% YoY**

Driven by Mobility, LPG and Low Carbon Generation

**Corporate & Others**

**+7% YoY**

Better results from exchange rate positions and lower interests

## Production guidance lowered. Remuneration commitments reaffirmed



### Upstream

FY production at **585 Kboe/d**  
-15 Kboe/d due to Libya, Norway and PSC's

### Refining

**+€700 M** incremental EBITDA CCS <sup>(1)</sup>  
if 1Q margins remain to year-end

### Shareholder Remuneration

Distribute **25 to 30% of CFFO**  
keeping **Gearing at current levels**

**75 M shares** (~5% capital) to be canceled after AGM

**Expected additional 50 M shares** now forecast  
to be canceled before **end-2022**

AGM proposal to provide **more flexibility** for share  
**buybacks** and redemptions



<sup>(1)</sup> Compared to original FY22 budget

## Robust 1Q results while adapting to changes in the Energy Sector



- Security of supply critical for the Energy Transition
- Mitigating the increase of feedstock prices and energy costs
- Reinforcing commitment with society
- Leveraging on digital tools to strengthen the relationship with customers
- Prudent financial policy allocating any extra cash as we generate it
- Monitoring any opportunity to accelerate Net Zero 2050 ambitions and improve shareholder distributions

**In the current scenario the strength of Repsol's integrated model captures commodity environment across the entire value chain, generating more cash to accelerate transformation and increase shareholder remuneration**

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