

Significant exploratory discoveries

March, United States

The largest conventional **hydrocarbons** discovery in the **last 30 years** in the United States

June, Trinidad and Tobago

Repsol discovered the largest **volume of gas** to be uncovered in the **last 5 years**

Upstream

- The adjusted net income amounted to €487M, **€452M higher** compared to the same period of 2016
- The hydrocarbon production average was **688 kboe/day**, in line with the objective set for 2017

Downstream

- Continuing to display **solid cash flow generation**, achieving an adjusted net income of €1,431M, **8% higher** than the same period of the previous year
- In Spain, the **refining margin** indicator was **\$6.8/bbl**, compared to the \$6/bbl of the first nine months of the previous year



In May, in line with our commitment to sustainability, Repsol became the world's first company in its sector to issue a certified green bond. It will be used to finance more than **300 initiatives** aimed at improving energy efficiency and reducing CO2 emissions

Our main businesses¹



Upstream

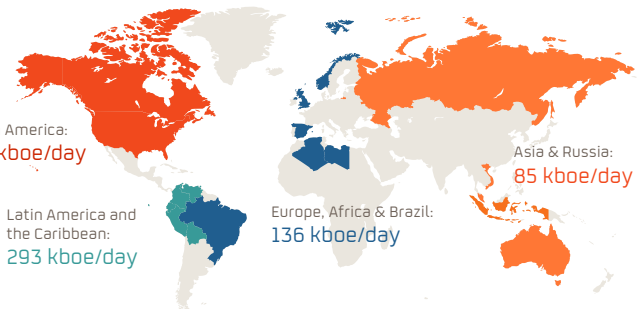
Exploration and Production



January - September¹

Upstream adjusted net results have **increased by €452M** compared to the results recorded for the same period in 2016, mainly due to:

- Higher realization prices
- Resumption of production in Libya
- Lower exploration expenses



Production reached an average of **688 kboe/day**, mainly due to the startup of production in Lapa (Brazil), the startup of wells in Sapinhoa North (Brazil), the startup of production in Juniper (Trinidad and Tobago) and the resumption of production in Libya



Downstream

Refining, Chemicals, Marketing, Lubricants, Trading, LPG & Gas & Power



January - September¹



The **Refining** business increased its contribution to the result, with higher utilisation rates in the distillation units, maintaining a high utilisation of the conversion units



The **Chemicals** business continued to show a resilient performance



The **Marketing, Trading and Gas & Power** businesses improved the result

2016-2020 Strategic Plan

Value and Resilience

- Repsol progress continues to be made towards our Synergies and Efficiency Targets, with the project expected to deliver **€2,100M** in cash savings in 2017
- At the end of the third quarter of 2017, **80% of the initial 2017 target** was posted for in the financial statements



Solid financial position

- The **net debt** stood at **€6,972M**, €1,172M compared to the end of 2016
- The EBITDA CSS obtained is **€4,781M**, **34% higher** year on year
- The debt/EBITDA CSS ratio stood at 1.09

¹ The company carries out a good part of its activities through joint ventures. This means that, when it comes to making decisions on fund allocation or performance assessment, the operating and financial figures of joint ventures are analysed from the same perspective and as thoroughly as those of companies consolidated by global integration. This is the reason why all sector figures include, according to percentage shares, those of joint ventures or companies managed as such. In fiscal year 2014, Repsol decided to take into account the current business environment and use an accounting method for better comparison with the results of other companies in the same industry. Now, Repsol reports its recurring net income based on restocking costs of continued operations (adjusted net income), excluding both discontinued operations and inventory effects.

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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", "notifies" 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.

The information contained in the document has not been verified or revised by the External Auditors of Repsol.

In October 2015, the European Securities Markets Authority (ESMA) published the Guidelines on Alternative Performance Measures (APM), of mandatory application for the regulated information to be published from 3 July 2016.

Information and disclosures related to APM used on the present Q2 2017 Results Earnings Release are included in Appendix IV "Alternative Performance Measures" of the Interim Consolidated Management Report for the nine-month period ended 30 September 2017 and Repsol's website.

Repsol will publish today the Interim Condensed Consolidated Financial Statements for the nine-month period ended 30 September 2017 and they will be available on Repsol's and CNMV's (Comisión Nacional del Mercado de Valores) websites.