REPSOL

WEBCAST – CONFERENCE CALL

Second Quarter 2019 Results

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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 included in Annex 2 "Alternative Performance Measures" in the interim Management Report for 1H 2019 and the Repsol website.

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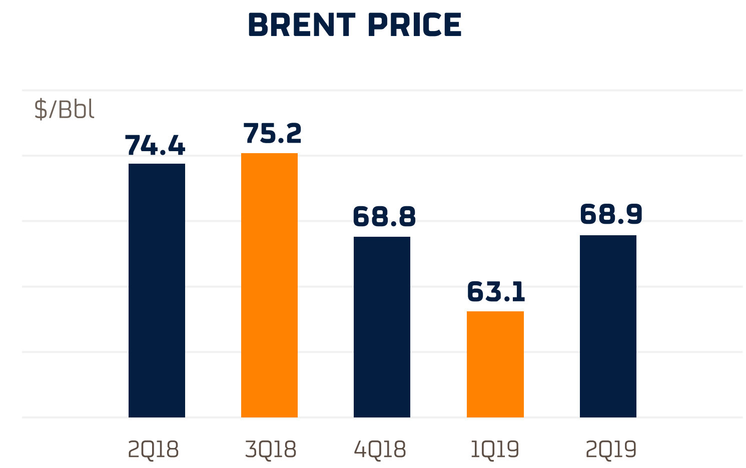
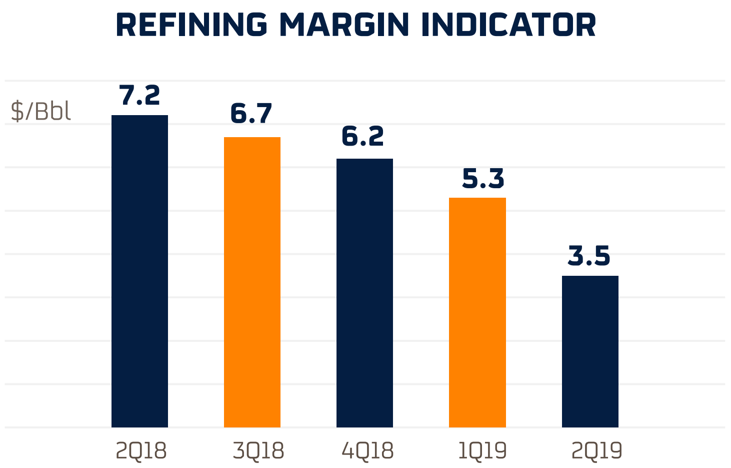
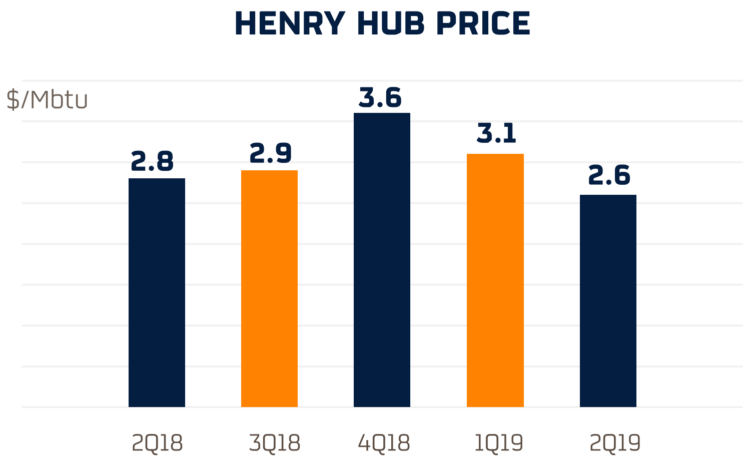
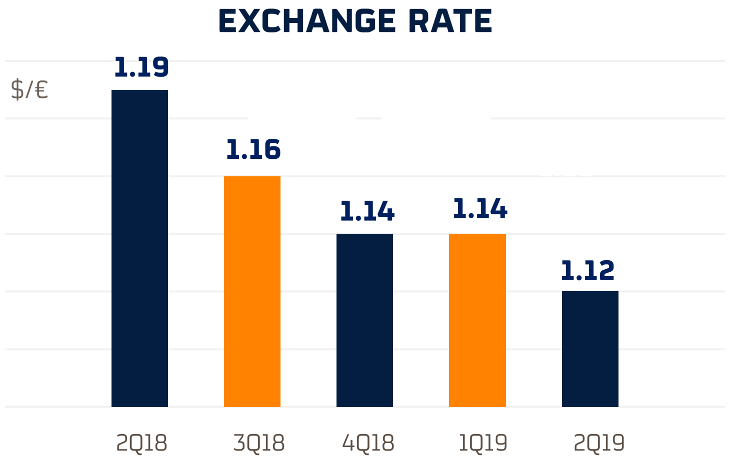
Resilient results in a volatile environment

Market environment









Strong operating cash flow delivery

Key messages

Resilient performance in Downstream businesses despite a weaker quarter in Refining

Upstream

- Flat **production** vs 1Q19
- **CFFO** increased **27%** vs 2Q18
- **Capex** increased **25%** vs 2Q18
- **Buckskin** started production ahead of planned date with significant cost savings

Low Carbon

- Agreement to **develop 2 wind farms** and a **photovoltaic power plant** in Spain (800MW)

Downstream

- Weaker EBITDA contribution from **Refining**
- Improved results from **Chemicals**
- Good performance in **Peru** and **Commercial Businesses**
- **€ 630 M CFFO** in 2Q19 vs € 194 M in 2Q18

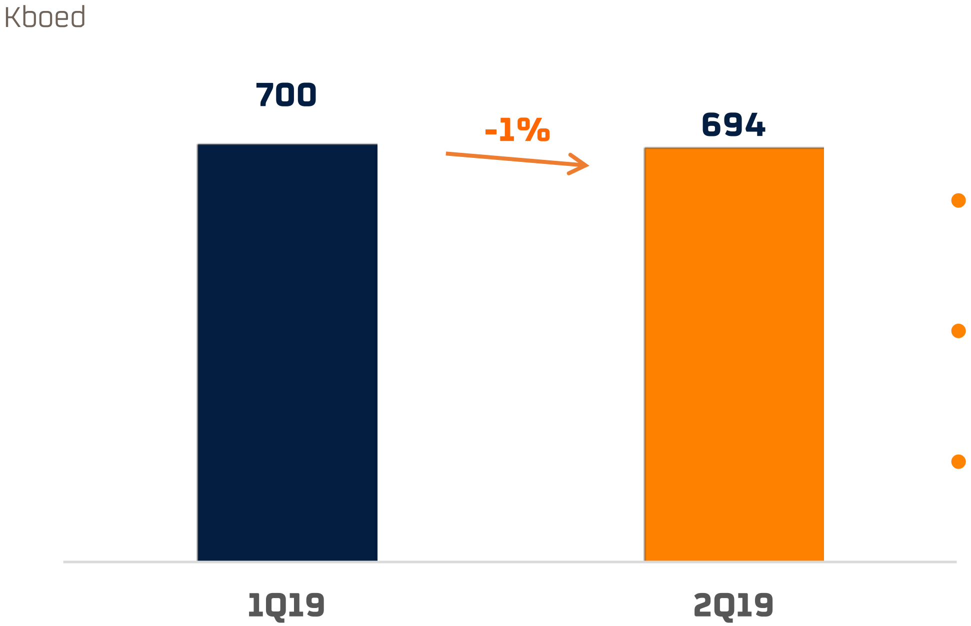
Corporate

- **Net Debt** of **€ 3.7 Bn** at the end of 2Q19 (€ 7.5 Bn including leases) in line with 1Q19
- **Liquidity** covers more than **1.6 times** short term gross debt maturities
- **72%** acceptance of scrip option in July dividend
- Additional share buy-back. **5% capital reduction**

70% Cash Flow from Operations increase 2Q19 vs 2Q18

Production in line with 1Q19

Upstream highlights



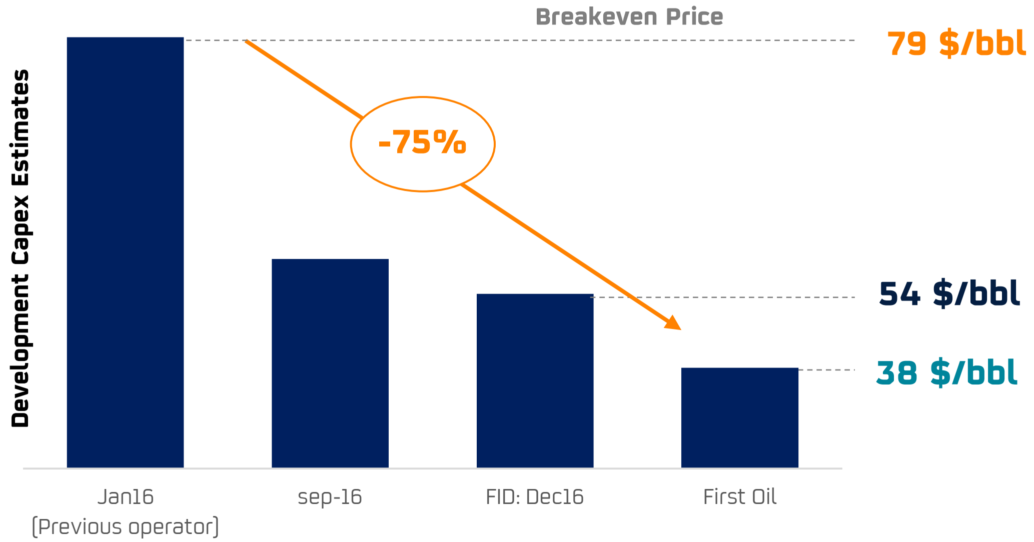
- Planned maintenance in T&T (factored in annual budget)
- Libya at plateau for full quarter (~39 Kboed)
- Lower volumes in Peru due to unscheduled shutdown in Peru LNG

Building an attractive pipeline in the Gulf of Mexico

Upstream highlights

Buckskin First Oil (June 14th 2019)

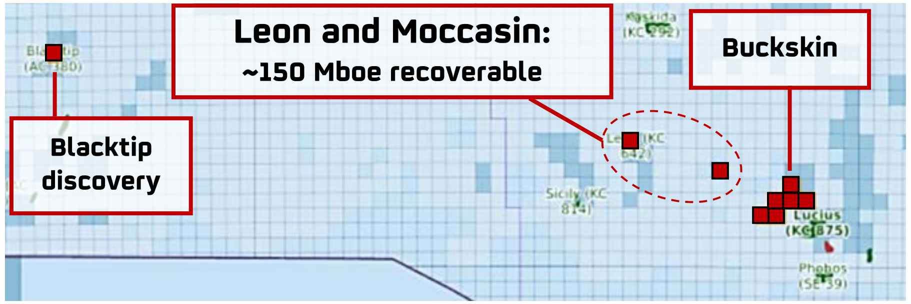
Last example of Repsol development strategy



- Key partner Llog aligned with Repsol **lean development**:
  - **Tie-back** to Lucius instead of a greenfield
  - **~40% Under FID (~75% under first estimations)**
  - Halving Breakeven since first estimation and -30% since FID
- Profitable **short-cycle**:
  - ~6 months ahead of Schedule
  - Phased approach
- High-grading portfolio → **High margin barrels**

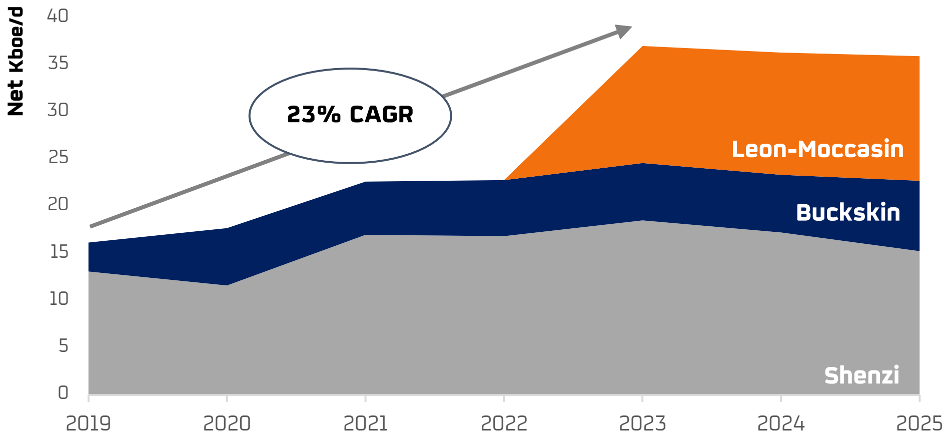
Growing the future

Joint development of Leon and Moccasin



Strategic Alliance: Same operator, same approach application of Buckskin's successful model:

- **Low-cost, Fast-track**
- Standardization & constructability continuing improvement

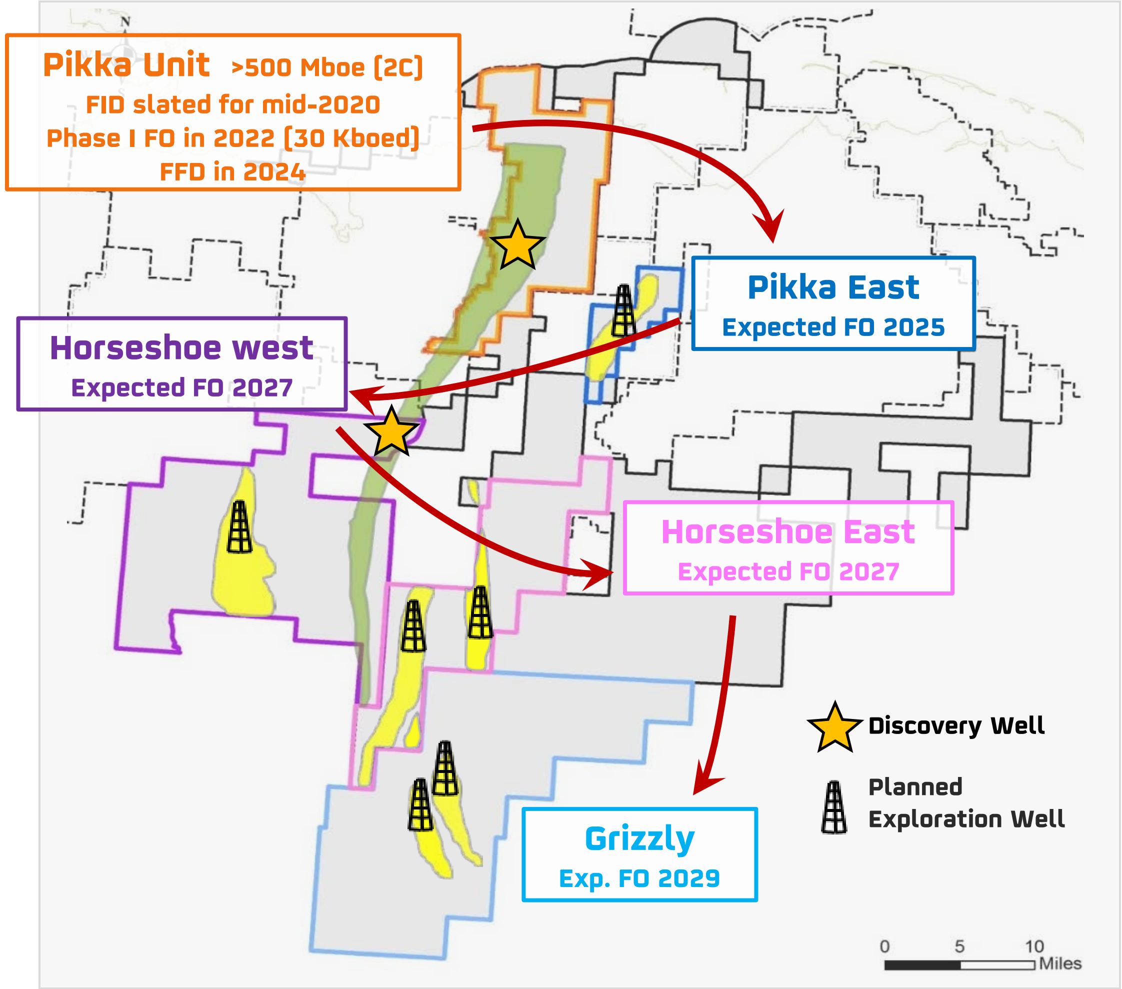


Accelerating Alaska: long term growth platform

Upstream highlights

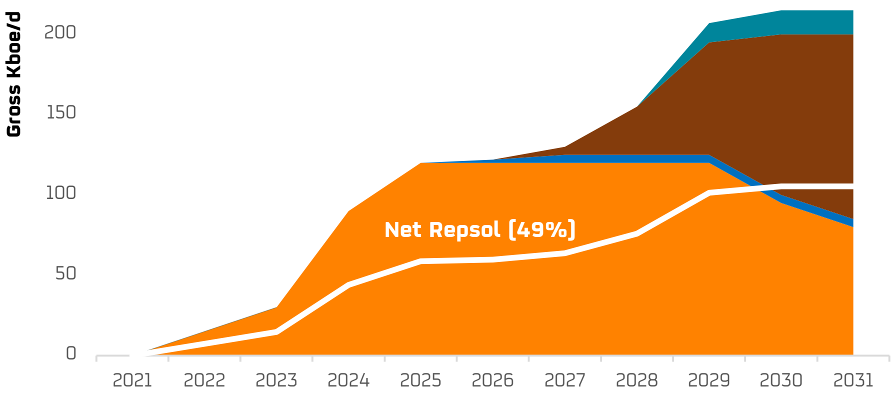
Nanushuk path to success

Huge interests in prolific formation



Gross figures

Leveraging our capabilities to build a new core region

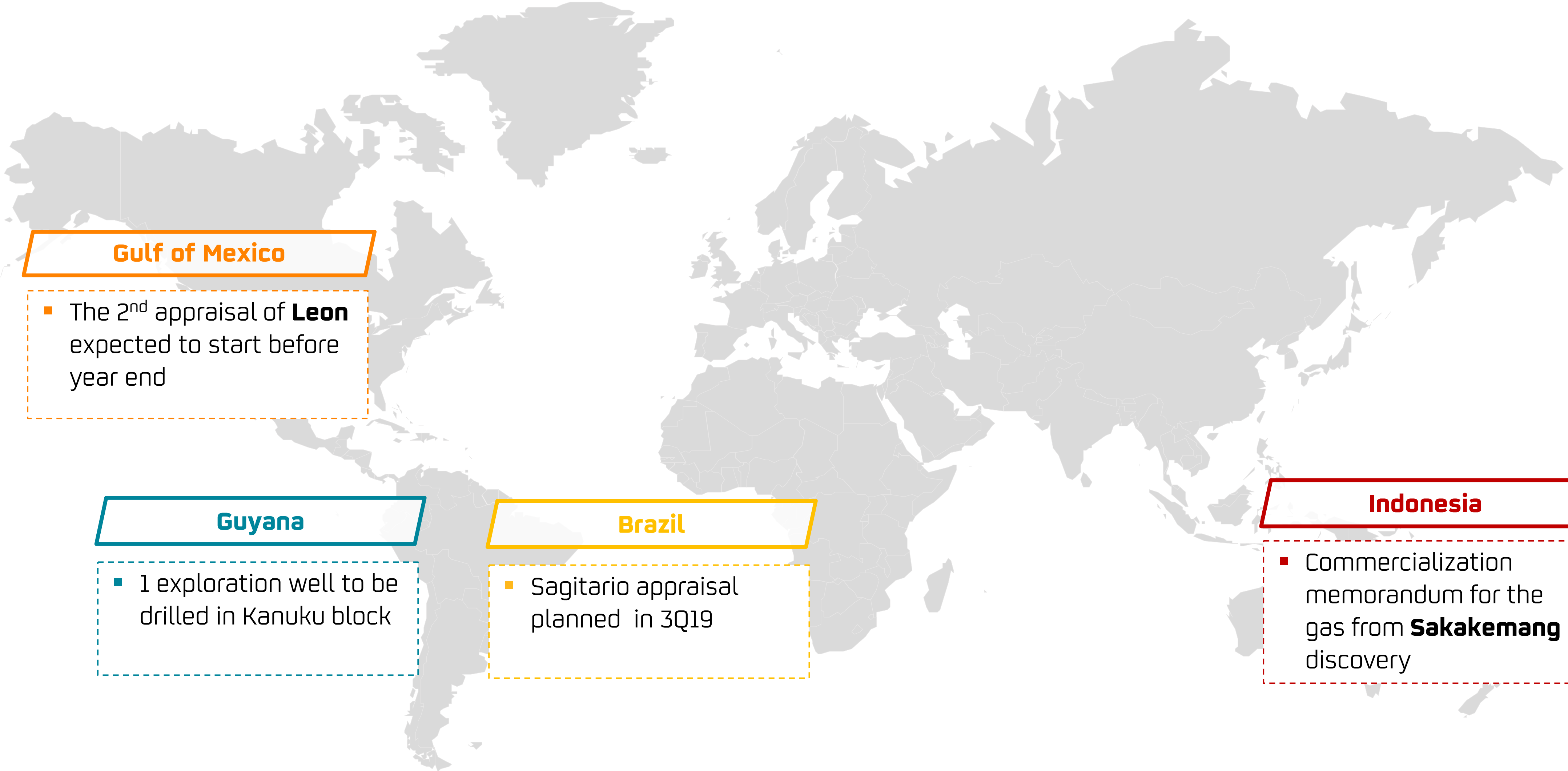


- **Fast Tracking:**
  Anticipated FO for Pikka Unit in 2022, previously estimated for 2023-24
- **Alliance management:**
  Interests aligned with partners for all blocks in a new JOA to take affect in August 2019
- **Exploration-driven growth:**
  Likely material resource upgrade after successful drilling season campaign data conducted by operator Oil Search

Exploration

Upstream highlights

7 exploratory and 2 appraisal wells were concluded (5 positive, 1 under evaluation)



Gulf of Mexico

- The 2nd appraisal of **Leon** expected to start before year end

Guyana

- 1 exploration well to be drilled in Kanuku block

Brazil

- Sagitario appraisal planned in 3Q19

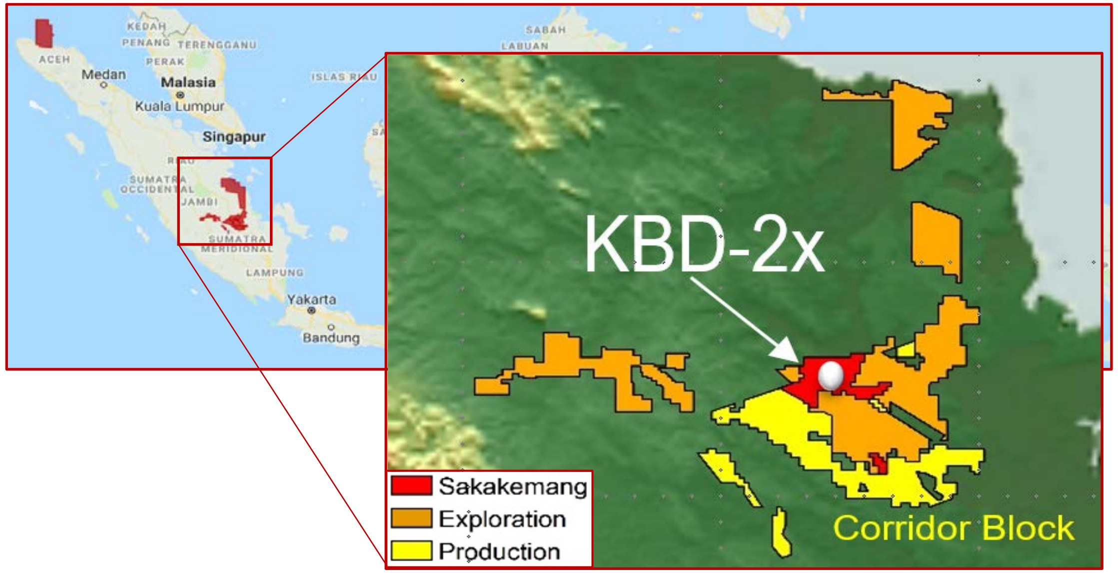
Indonesia

- Commercialization memorandum for the gas from **Sakakemang** discovery

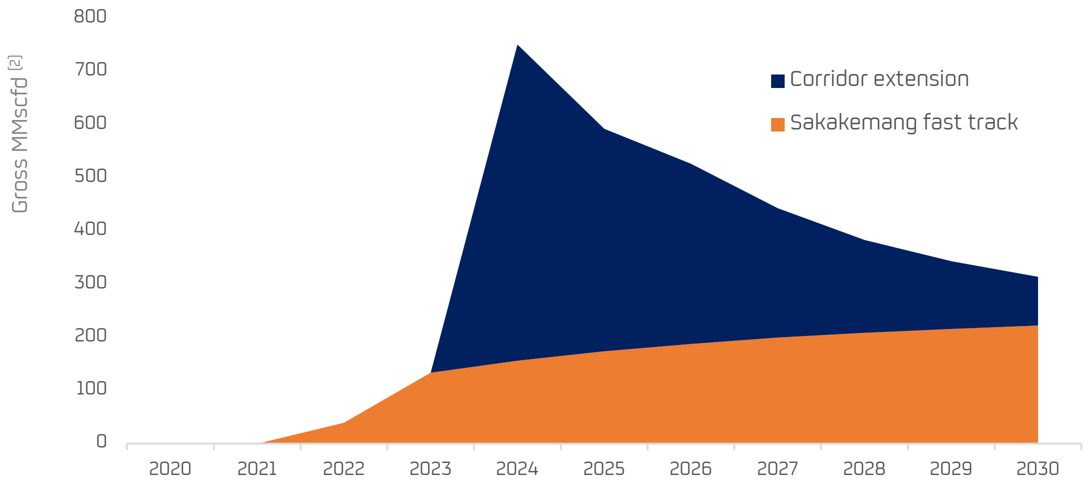
Indonesia: a value creation history since TLM acquisition

Upstream highlights

Largest discovery in 18 years in Indonesia[1]



Indonesia new additional production



- Repsol is **located in the best spot** to meet an increasing gas demand
- Top explorers in Indonesia; existing **remaining exploration portfolio around our core position** in order to continue growing if successful
- **Good margins** due to high gas realization prices

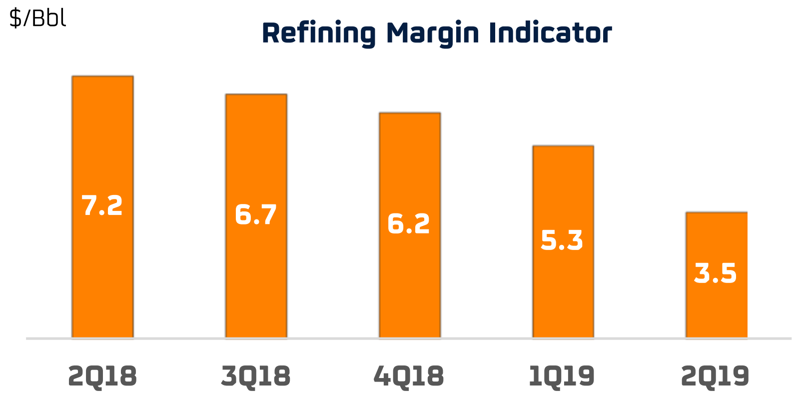
- **Sakakemang** KBD-2X's fast track development due to nearby facilities. **Anticipated FG in 2022**
- **Corridor extension;** first case for a IOC. Gross split contract **until 2043**
- Clear **synergies** between positions and exploration

[1] Source Wood Mackenzie [2] preliminary development cases

Challenging Refining. Improving Chemicals

Downstream highlights

REFINING



PETROCHEMICHAL

- Good set of quarterly results
- Stable international environment
- Cheaper feedstock, higher LPG utilization and absence of operational issues compared to 2Q18

COMMERCIAL BUSINESSES

- Positive **seasonal effect** due to the start of the driving season
- Mexico expansion:
  - **~200** service stations operating
  - **~300** contracts signed

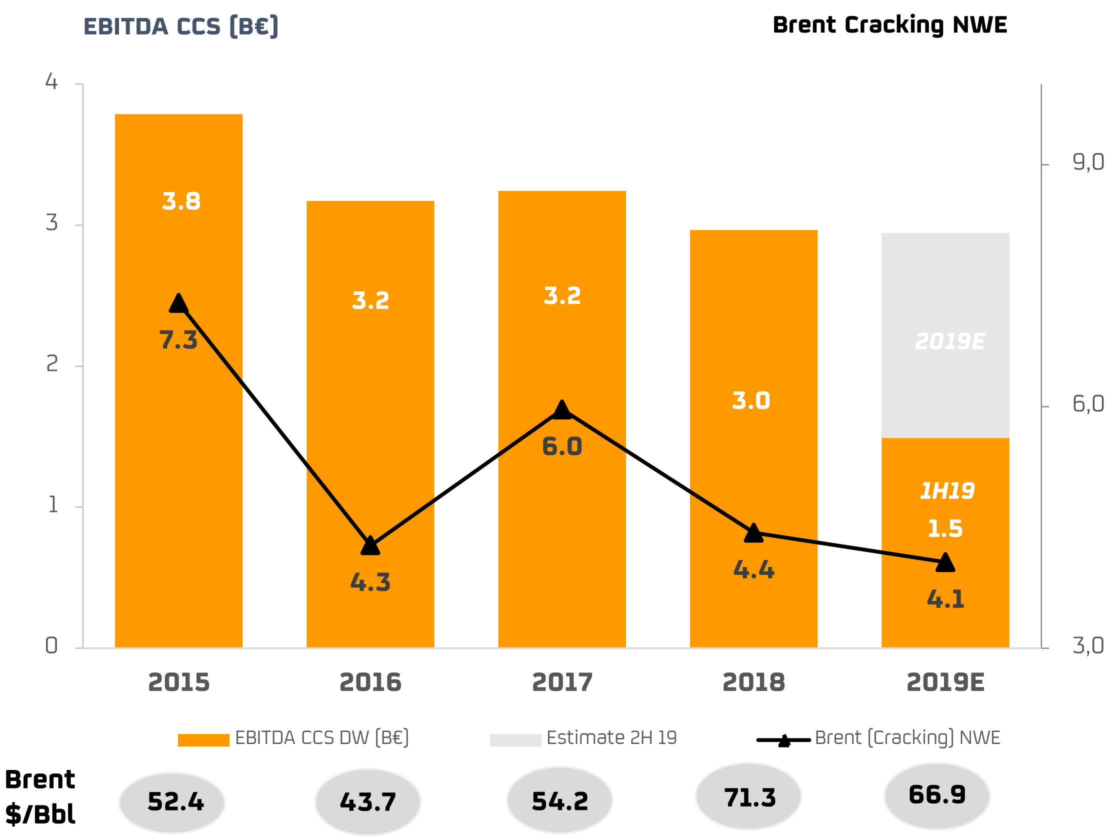
LOW CARBON BUSINESS

- **~1 GW** pipeline of additional renewable power generation
- **>900,000 retail clients** (20% increase since the acquisition)

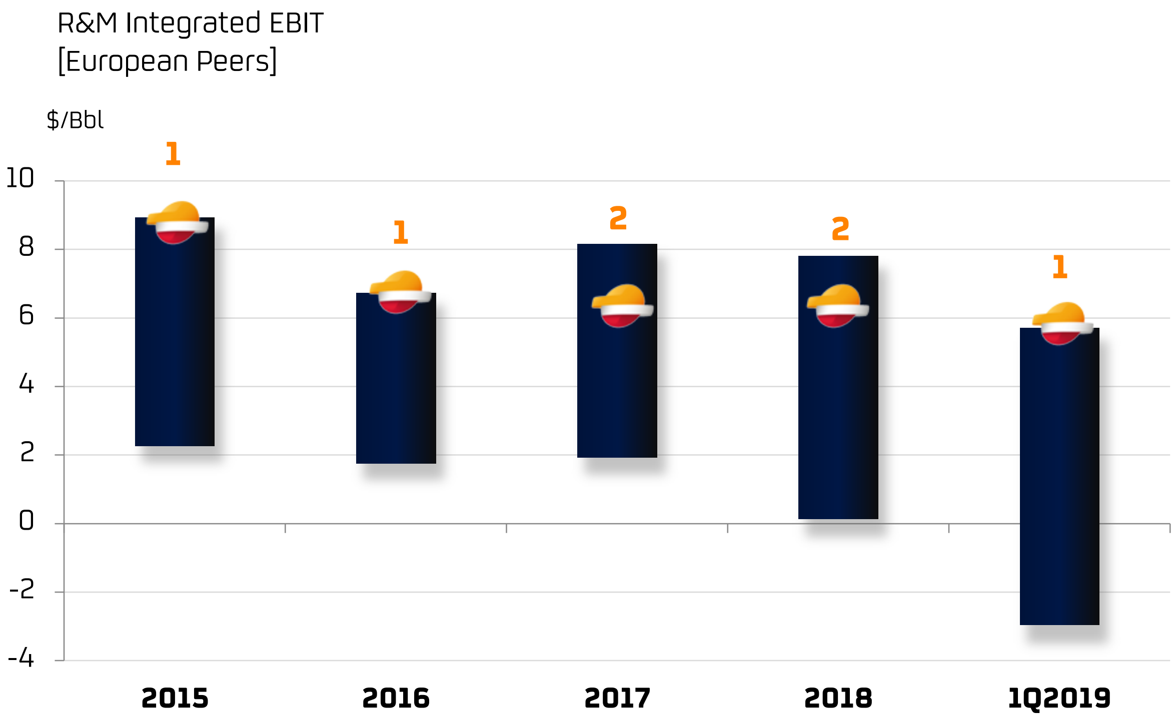
Downstream resilience

Downstream highlights

DW Resilience



Better Performance R&M vs Peers



International expansion will allow us to leverage our competitive advantages and gain global scale

Source Repsol Internal Data & IEA Refining Margins.
Integrated R&M calculated as EBIT CCS – adjusted operating profit from the R&M divided by the total volume of crude processed. European Peers set group: Repsol, Cepsa, ENI, GALP, OMV, MOL, Total, PLN Orlen, Saras, Hellenic, Neste

2Q19 Results

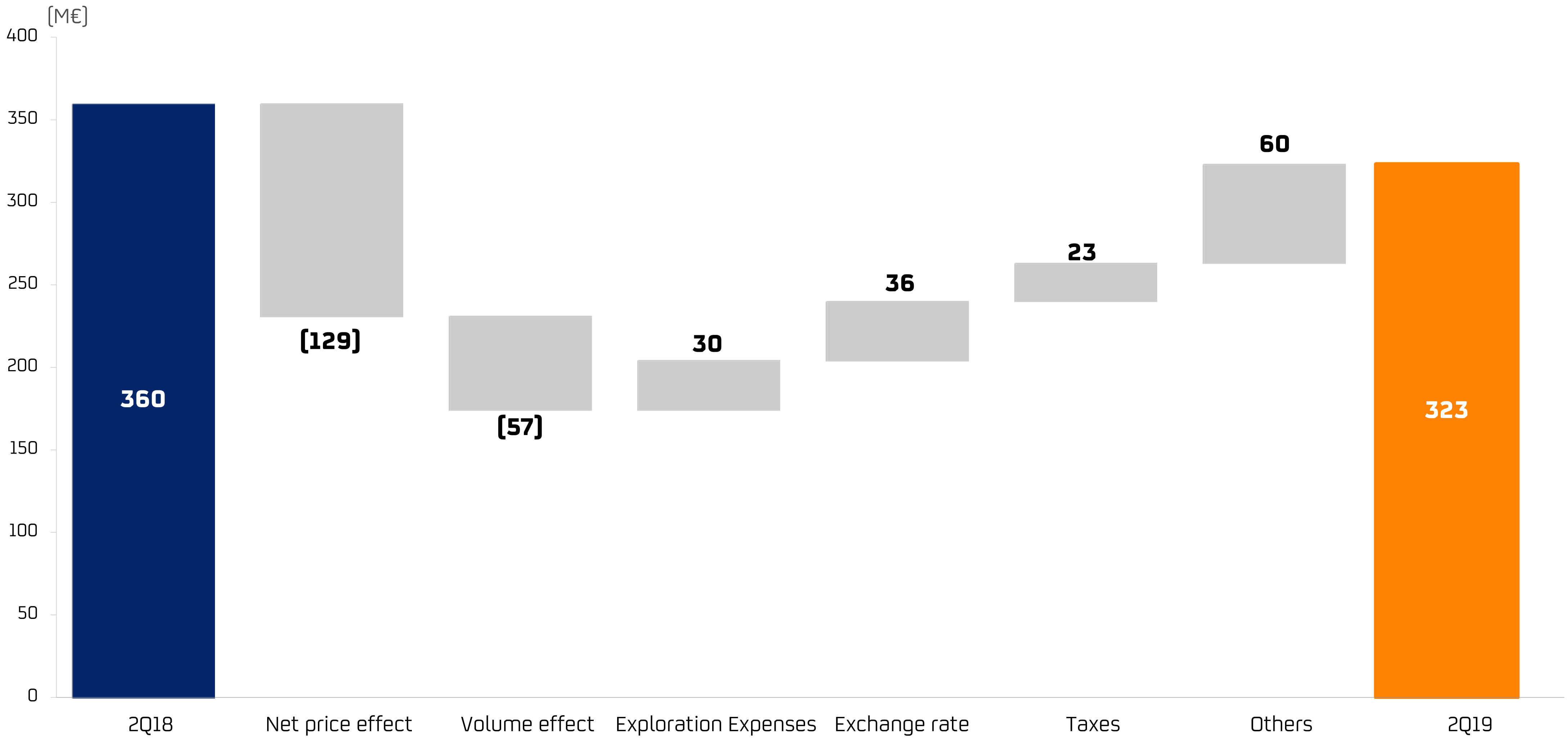
Financial highlights

Results (€ Million)	Q2 2018	Q1 2019	Q2 2019	% Change Q2 19/Q2 18	Jan - June 2018	Jan - June 2019	% Change 2019/2018
Upstream	360	323	323	(10.3)	647	646	(0.2)
Downstream	337	404	311	(7.7)	762	715	(6.2)
Corporate and Others	(148)	(109)	(137)	(7.4)	(277)	(246)	(11.2)
Adjusted Net Income	**549**	**618**	**497**	**(9.5)**	**1,132**	**1,115**	**(1.5)**

Resilient results under a volatile macro scenario.

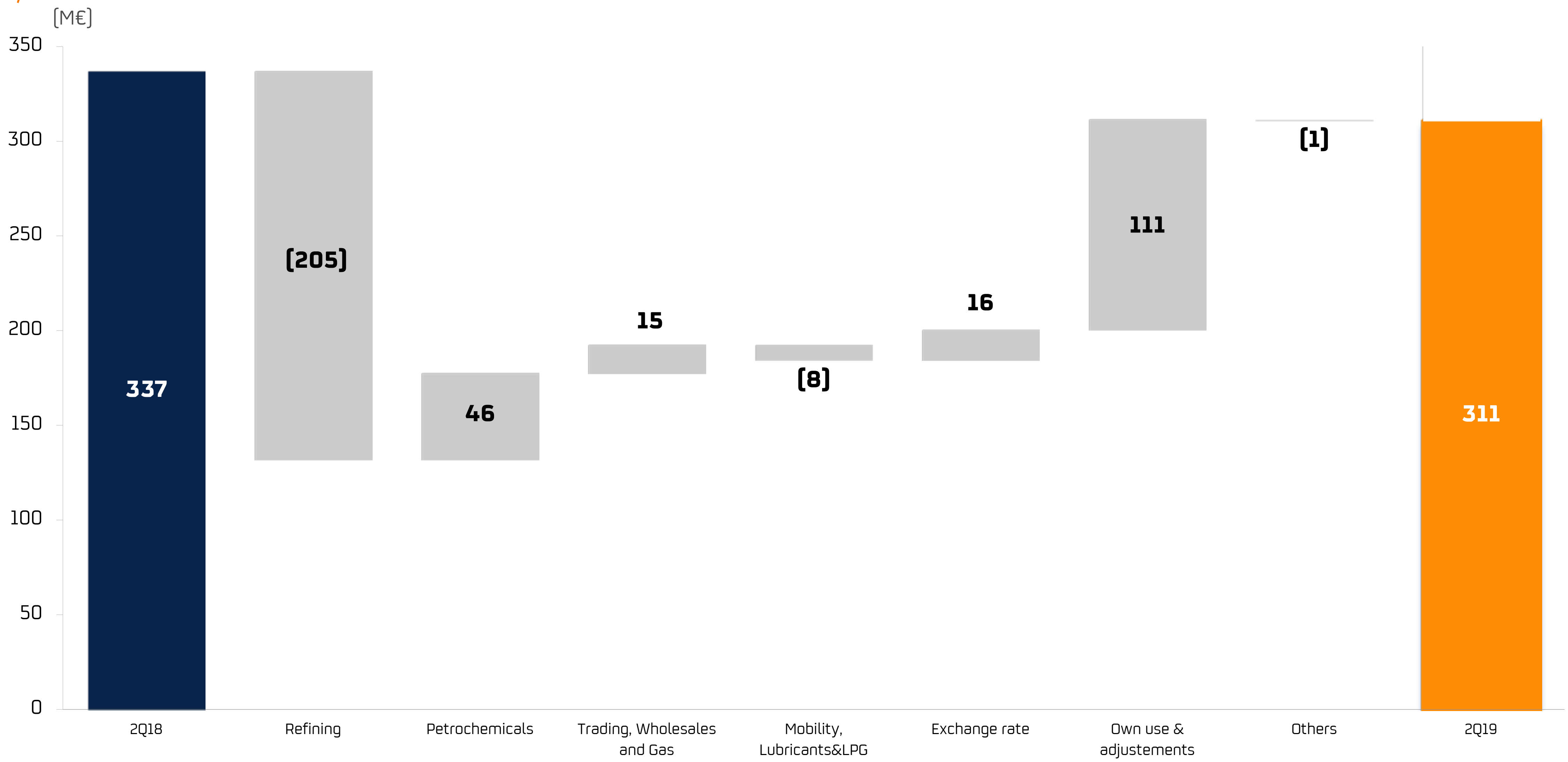
2Q19 Results

Upstream Results



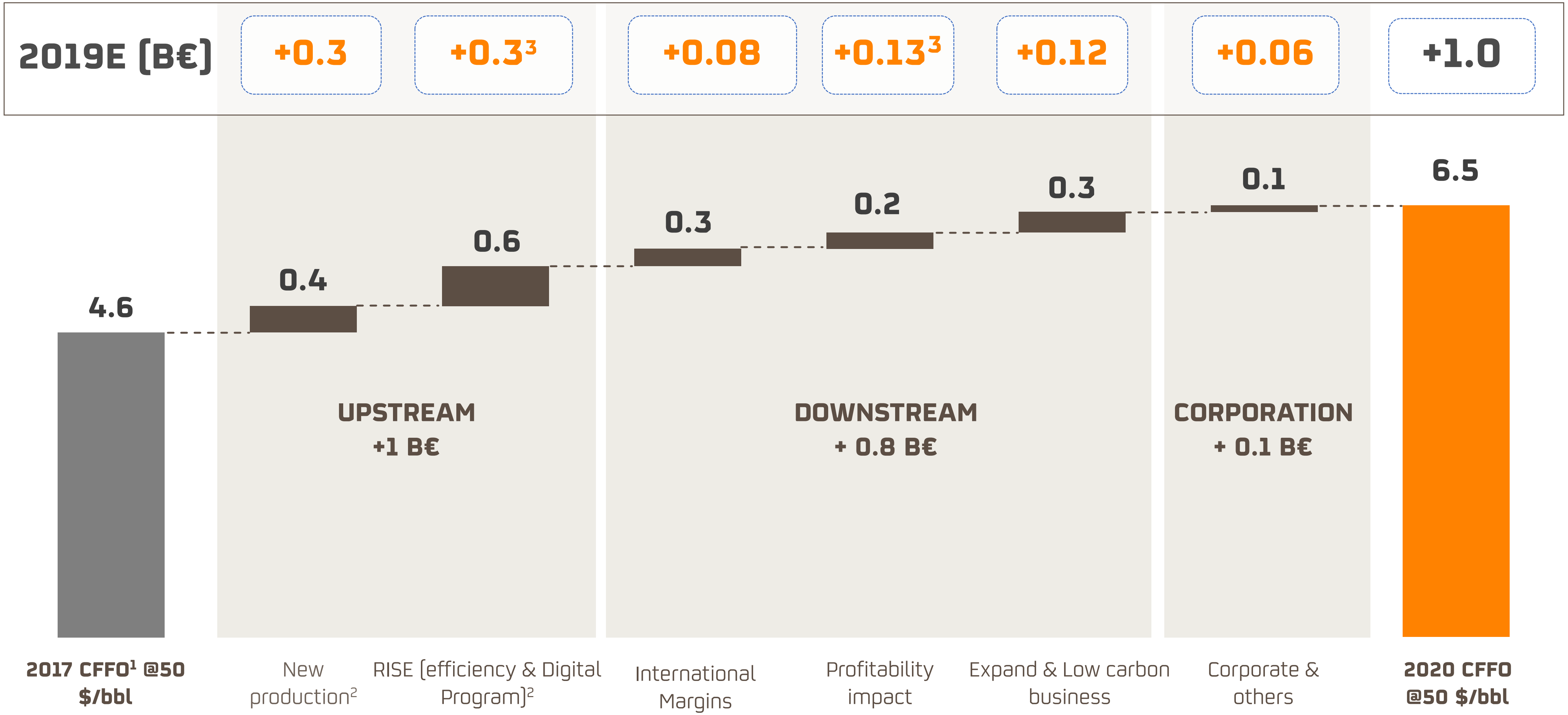
2Q19 Results

Downstream Results



On track to deliver 2020 CFFO objective

Outlook 2019



1. Adjusting values to $50/bbl and excluding Spain extraordinary tax refund effect. CFFO in 2017 was 5.5 B€
2. Rise production impact considered in new prodction
3. Refers to sustainable savings

Digitalization & Efficiency

Outlook 2019

Upstream

Better maintenance, reduction of logistics and decommissioning costs and initiatives in gas commercialization

Downstream

Improving integrated margin, process digitalization

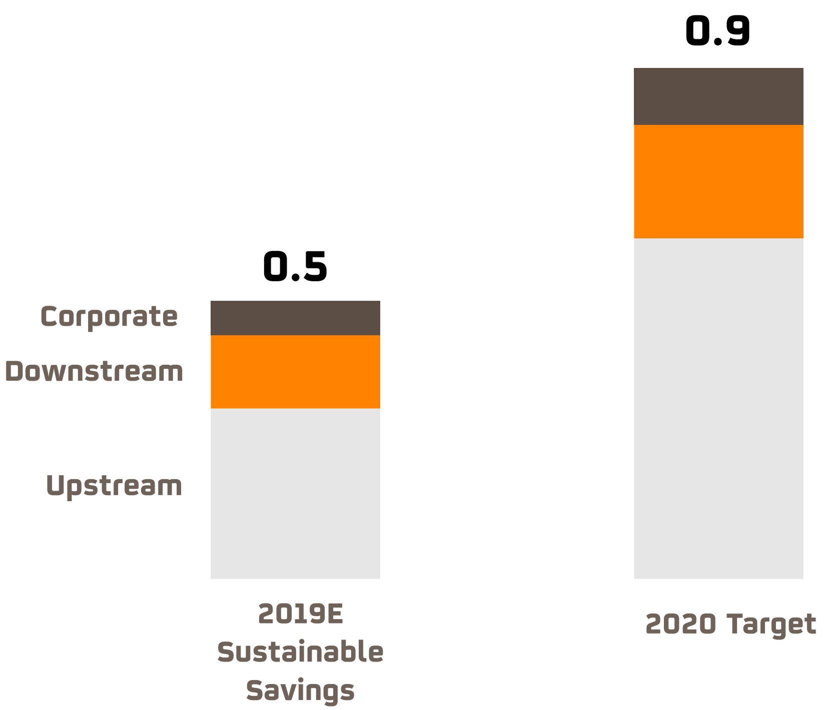
Corporate

Lower corporate costs

Digitalization

>150 initiatives on going, 50 in scale-up: Omnichannel experience, new business models, autonomous plant and zero unexpected failures, E&P digitally-enabled operations excellence, integrated operations centers and Corporate robot process automation (RPAs)

CFFO impact (B€) at 50$/Bbl



Actual 2020 sustainable savings ~€500 million euros with CFFO impact

Rationale of share capital reduction

Outlook 2019

Strategic update for 2018-2020

- ✓ Self-funded plan at 50 dollars Brent
- ✓ Increase shareholder remuneration to 1 €/share with scrip option and buy-back
- ✓ Increase Total Shareholder Return

5% Share capital reduction*

- ✓ Cancelation of treasury shares
- ✓ Disbursement > € 1 Bn (at current prices)
- ✓ In addition to the share buy-back associated to the scrip

Preserving our financial flexibility without jeopardizing neither organic or expand plans nor potential inorganic opportunities

** Subject to approval of the AGM*

On track to deliver 2020 strategic objectives

Conclusions

1. Increasing shareholders returns

- **Dividend increase** by 6% in 2019 to ~0.95€/share *
- 100% **buyback** of scrip dividend
- **5% share capital reduction** (subject to approval of AGM)

2. Growing our portfolio profitability

- Strong **CFFO generation** : on track to deliver 2020 objective
- **Resilience of Repsol's integrated model**: 2019 EBITDA target roughly unchanged
- Efficient delivery of project pipeline

3. Thriving in the energy transition

- Developing an operated **profitable low carbon business** and long term options

4. Financial flexibility

** The price of the purchase commitment of free-of-charge allocation rights in the paid-up capital increases closed in January and July 2019, once the formulas of the "Repsol Flexible Dividend" were applied, was of 0.411 euros/share and 0.505 euros/share, respectively.*

Second Quarter 2019 Results

Repsol Investor Relations

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