



2024

REPSOL Group

Alternative
Performance
Measures
reconciliations
1st Quarter

*Translation of a report
originally issued in Spanish.
In the event of a discrepancy,
the Spanish language
version prevails*



ALTERNATIVE PERFORMANCE MEASURES

Repsol's financial disclosures contain figures and measures prepared in accordance with the regulations applicable to financial information, as well as other measures prepared in accordance with the Group's Reporting Model known as Alternative Performance Measures (APMs). APMs are measures which are "adjusted" compared to those presented as IFRS-EU or with the *Report on oil and gas exploration and production activities*, and readers should therefore consider them in conjunction with, rather than instead of, the latter.

APMs are useful for users of financial information as they are the measures employed by Repsol's Management to evaluate its financial performance, cash flows or financial position when making operational or strategic decisions for the Group.

1. Financial performance measures

Adjusted income

Million euros	First quarter													
	Adjusted income		Reclassifications of joint ventures		Special items		Inventory effect ⁽²⁾		Non-controlling interest		Total adjustments		IFRS-EU profit/loss	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Operating income	1,754 ⁽¹⁾	2,802 ⁽¹⁾	(112)	(121)	(310)	(464)	(1)	(365)	—	—	(423)	(950)	1,331	1,852
Financial result	(18)	—	26	33	21	(25)	—	—	—	—	47	8	29	8
Net income of companies accounted for using the equity method - net of tax	(8)	1	132	(34)	—	—	—	—	—	—	132	(34)	124	(33)
Adjusted income before tax	1,728	2,803	46	(122)	(289)	(489)	(1)	(365)	—	—	(244)	(976)	1,484	1,827
Income tax	(461)	(912)	(46)	122	54	47	—	94	—	—	8	263	(453)	(649)
Consolidated net income for the year	1,267	1,891	—	—	(235)	(442)	(1)	(271)	—	—	(236)	(713)	1,031	1,178
Net income attributed to non-controlling interests	—	—	—	—	—	—	—	—	(62)	(66)	(62)	(66)	(62)	(66)
TOTAL NET INCOME ATTRIBUTABLE TO THE PARENT COMPANY	1,267	1,891	—	—	(235)	(442)	(1)	(271)	(62)	(66)	(298)	(779)	969	1,112

⁽¹⁾ Net income from continuing operations at current cost of supply (CCS).

⁽²⁾ The Inventory effect represents an adjustment to "Supplies" and "Changes in inventory of finished goods and work in progress" on the IFRS-EU income statement.

Special items

Million euros	First quarter	
	2024	2023
Divestments	4	16
Workforce restructuring	(34)	(12)
Impairment of assets ⁽¹⁾	259	361
Provisions and others	(464)	(807)
TOTAL	(235)	(442)

⁽¹⁾ The difference with the heading "(Charges for)/reversal of impairment provisions" in the IFRS-EU income statement is largely down to the fact that the latter includes impairment of credit risk and dry wells and impairment of exploratory wells in the normal course of business and excludes the tax effect of impairment, impairment of deferred tax assets and impairment of joint ventures.

EBITDA

<i>Million euros</i>	First quarter					
	Group Reporting Model		Reclassification of joint ventures		IFRS-EU ⁽²⁾	
	2024	2023	2024	2023	2024	2023
Upstream	1,025	1,311	(273)	(411)	752	752
Industrial	877	1,563	(6)	(1)	871	871
Customer	264	288	(12)	(7)	252	281
LCG	24	64	—	—	24	24
Corporate and others	(47)	(530)	(10)	29	(55)	(55)
EBITDA	2,143	2,696	(301)	(390)	1,844	1,844
Upstream				—		
Industrial	(6)	(6)	—	(8)	(6)	(6)
Customer	7	31	—	—	7	31
LCG	—	—	—	—	—	—
Corporate and others	—	—	—	—	—	—
Inventory effect ⁽¹⁾	1	365	—	(8)	—	—
CCS EBITDA	2,144	3,061	(301)	(398)	1,845	1,845

⁽¹⁾ Before tax.

⁽²⁾ Relates to “Profit/(loss) before tax” and “Adjusted profit/(loss)” on the consolidated Statement of Cash Flows under IFRS-EU.

<i>Million euros</i>	First quarter					
	Group Reporting Model		Joint venture reclassification		IFRS-EU ⁽¹⁾	
	2024	2023	2024	2023	2024	2023
Net income before tax	1,438	1,948	46	(121)	1,484	1,827
(-) Financial result	(4)	25	(25)	(33)	(29)	(8)
(-) Net income from investments accounted for using the equity method	8	(1)	(132)	34	(124)	33
Operating income	1,442	1,972	(111)	(120)	1,331	1,852
Depreciation of property, plant and equipment	772	711	(96)	(134)	676	577
Operating provisions	(67)	15	(91)	(134)	(158)	(119)
(Provision for) / Reversal of impairment	(211)	(264)	(92)	(108)	(303)	(372)
(Provision for) / Reversal of provisions for risks	144	279	1	(26)	145	253
Other items	(4)	(2)	(1)	(2)	(5)	(4)
EBITDA	2,143	2,696	(299)	(390)	1,844	2,306

⁽¹⁾ Relates to “Profit/(loss) before tax” and “Adjusted profit/(loss)” on the consolidated Statement of Cash Flows under IFRS-EU.

ROACE

NUMERATOR (Million euros)	Q1 2024	Q1 2023
Operating income IFRS-EU	1,331	1,852
Reclassification of joint ventures	112	121
Income tax ⁽¹⁾	(407)	(802)
Net income of companies accounted for using the equity method - net of tax	(8)	1
I. ROACE result at weighted average cost	1,028	1,172
DENOMINATOR (Millions euros)		
Total equity	30,126	28,758
Net debt	3,901	(568)
Capital employed at period-end	34,027	28,190
II. Average capital employed ⁽²⁾	32,596	28,933
I/II ROACE (%) ⁽³⁾	3.2	4.1

⁽¹⁾ Does not include income tax corresponding to financial results.

⁽²⁾ Corresponds to the average balance of capital employed at the beginning and end of the year.

⁽³⁾ ROACE on CCS (without taking into account the Inventory Effect) amounts in 2024 to 3.2%.

2. Cash flow measures

Free cash flow and cash flow generated

Million euros	First quarter					
	Adjusted cash flow		Reclassifications of joint ventures and others		IFRS-EU statement of cash flow	
	2024	2023	2024	2023	2024	2023
I. Cash flows from / (used in) operating activities (cash flow from operations)	1,362	1,827	(122)	(219)	1,240	1,608
II. Cash flows from / (used in) investing activities	(2,129)	(1,751)	172	(329)	(1,957)	(2,080)
Free cash flow (I+II)	(767)	76	50	(548)	(717)	(472)
Cash generation	(1,441)	1,166	32	(554)	(1,409)	612
III. Cash flows from / (used in) financing activities and others ⁽¹⁾	72	(1,231)	(14)	681	58	(550)
Net increase / (decrease) in cash and cash equivalents (I+II+III)	(695)	(1,155)	36	133	(659)	(1,022)
Cash and cash equivalents at the beginning of the period	4,552	6,945	(423)	(433)	4,129	6,512
Cash and cash equivalents at the end of the period	3,857	5,790	(387)	(300)	3,470	5,490

⁽¹⁾ Includes payments for dividends and payments on other equity instruments, interest payments, other proceeds from/ (payments for) financing activities, proceeds from / (payments for) equity instruments, proceeds from / (payments for) financial liabilities transactions (proceeds/payments) with minority interests and the exchange rate fluctuations effect.

Liquidity

Million euros	First quarter					
	Group Reporting Model		Reclassifications of joint ventures and others		IFRS-EU	
	Mar-2023	Dec-2022	Mar-2023	Dec-2022	Mar-2023	Dec-2022
Cash and banks	3,187	3,151	(372)	(408)	2,815	2,744
Other financial assets	670	1,401	(15)	(16)	655	1,385
Cash and cash equivalents	3,857	4,552	(387)	(423)	3,470	4,129
Deposits of immediate availability ⁽¹⁾	3,833	3,878	—	—	3,833	3,878
Undrawn credit lines	2,642	2,637	(20)	(18)	2,622	2,619
Liquidity	10,332	11,067	(407)	(441)	9,925	10,626

⁽¹⁾ Repsol contracts time deposits but with immediate availability, which are recorded under “Other current financial assets” and which do not meet the accounting criteria for classification as cash and cash equivalents.

Operating investments (investments)

Million euros	First quarter								IFRS-EU ⁽¹⁾	
	Operating investments						Reclassifications of joint ventures and others		2024	2023
	2024			2023			2024	2023	2024	2023
	Organic	Inorganic	Total	Organic	Inorganic	Total				
Upstream	619	—	619	612	129	741	(145)	(119)	474	622
Industrial	241	26	267	157	—	157	(8)	(4)	259	153
Customer	64	1	65	54	—	54	(21)	(16)	44	38
LCG	431	726	1,157	152	609	761	28	(11)	1,185	750
Corporate and other	9	2	11	13	—	13	—	1	11	14
TOTAL	1,364	755	2,119	988	738	1,726	(146)	(149)	1,973	1,577

⁽¹⁾ This corresponds to “Payments on investments” on the consolidated statement of cash flows prepared under IFRS-EU, and does not include items corresponding to “Other financial assets”.

3. Financial position measures

Net debt

Million euros	Net debt	Reclassifications of joint ventures	IFRS-EU balance sheet
	Mar-2024	Mar-2024	Mar-2024
Non-current assets			
Non-current financial instruments ⁽¹⁾⁽²⁾		858	421
Current assets			
Other current financial assets ⁽²⁾		4,588	100
Cash and cash equivalents		3,857	(387)
Non-current liabilities			
Non-current financial liabilities ⁽²⁾		(9,484)	438
Current liabilities			
Current financial liabilities ⁽²⁾		(3,720)	(4)
NET DEBT ⁽³⁾		(3,901)	568

⁽¹⁾ Amounts included under “Non-current financial assets” in the consolidated balance sheet.

⁽²⁾ Includes net non-current and current leases amounting to €-3,227 and €-675 million, respectively, according to the Reporting model and €-2,710 and €-544 million, respectively, according to the IFRS-EU balance sheet.

⁽³⁾ The reconciliations in previous period are available at www.repsol.com.

Gross debt

<i>Million euros</i>	Gross debt	Reclassifications of joint ventures and others	IFRS - EU balance sheet
	Mar-2024	Mar-2024	Mar-2024
Current financial liabilities (ex derivatives)	(3,632)	(3)	(3,635)
Net mark to market valuation of current financial derivatives	11	1	12
Current gross debt	(3,620)	(3)	(3,623)
Non-current financial liabilities (ex derivatives)	(9,483)	438	(9,045)
Net mark to market valuation of non-current derivatives		—	
Non-current gross debt	(9,483)	438	(9,045)
GROSS DEBT ⁽¹⁾	(13,103)	435	(12,668)

⁽¹⁾ The reconciliations in previous periods for this figure are available at www.repsol.com.

Leverage ratio

<i>Million euros</i>	Group Reporting Model		Reclassifications of joint ventures		IFRS-EU balance sheet	
	2024	2023	2024	2023	2024	2023
Net debt	3,901	880	(568)	463	3,333	1,343
Capital employed	34,027	29,638	(567)	463	33,460	30,101
Leverage	11.5%	3.0%			10.0%	4.5%

Solvency ratio

<i>Million euros</i>	Group Reporting Model		Reclassifications of joint ventures		IFRS - EU Balance sheet	
	2024	2023	2024	2023	2024	2023
Liquidity	10,332	10,724	(407)	(310)	9,925	10,414
Current Gross debt	3,620	1,988	3	933	3,623	2,921
Solvency	2.9	5.4			2.7	3.6