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2024 REPSOL Group

Alternative
Performance
Measures
reconciliations



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 measurements

Adjusted income

	Cumulative twelve months													
	Adjusted income		ADJUSTMENTS										IFRS-EU profit/loss	
			Reclassif. of joint ventures		Special items		Inventory effect ⁽²⁾		Non-controlling interests		Total adjustments			
Million euros	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Operating income	5,155 ⁽¹⁾	7,250 ⁽¹⁾	(772)	(305)	(1,866)	(2,041)	(572)	(610)	—	—	(3,210)	(2,956)	1,945	4,294
Financial result	(158)	8	104	176	(158)	(147)	—	—	—	—	(54)	29	(212)	37
Net income of companies accounted for using the equity method - net of tax	(49)	1	537	124	(49)	(91)	—	—	—	—	488	33	439	34
Net Income before tax	4,948	7,259	(131)	(5)	(2,073)	(2,279)	(572)	(610)	—	—	(2,776)	(2,894)	2,172	4,365
Income tax	(1,621)	(2,248)	131	5	781	1,005	147	157	—	—	1,059	1,167	(562)	(1,081)
Consolidated net income for the year	3,327	5,011	—	—	(1,292)	(1,274)	(425)	(453)	—	—	(1,717)	(1,727)	1,610	3,284
Net income attributed to non-controlling interests	—	—	—	—	—	—	—	—	146	(116)	146	(116)	146	(116)
TOTAL NET INCOME ATTRIBUTABLE TO THE PARENT COMPANY	3,327	5,011	—	—	(1,292)	(1,274)	(425)	(453)	146	(116)	(1,571)	(1,843)	1,756	3,168

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

⁽²⁾ The Inventory effect involves an adjustment to the headings "Supplies" and "Changes in inventories of finished products and products in progress" in the IFRS-EU income statement.

	Fourth quarter													
	Adjusted income		ADJUSTMENTS										IFRS-EU profit/loss	
			Reclassif. of joint ventures		Special items		Inventory effect ⁽²⁾		Non-controlling interests		Total adjustments			
Million euros	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Operating income	1,087 ⁽¹⁾	1,641 ⁽¹⁾	(262)	79	(1,438)	(1,221)	(59)	(396)	—	—	(1,759)	(1,538)	(672)	103
Financial result	(45)	(26)	25	57	(122)	(137)	—	—	—	—	(97)	(80)	(142)	(106)
Net income of companies accounted for using the equity method - net of tax	(19)	(11)	205	117	(3)	(86)	—	—	—	—	202	31	183	20
Income before tax	1,023	1,604	(32)	253	(1,563)	(1,444)	(59)	(396)	—	—	(1,654)	(1,587)	(631)	17
Income tax	(380)	(409)	32	(253)	696	901	16	101	—	—	744	749	364	340
Consolidated net income for the year	643	1,195	—	—	(867)	(543)	(43)	(295)	—	—	(910)	(838)	(267)	357
Net income attributed to non-controlling interests	—	—	—	—	—	—	—	—	231	26	231	26	231	26
TOTAL NET INCOME ATTRIBUTABLE TO THE PARENT COMPANY	643	1,195	—	—	(867)	(543)	(43)	(295)	231	26	(679)	(812)	(36)	383

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

⁽²⁾ The Inventory effect involves an adjustment to the headings "Supplies" and "Changes in inventories of finished products and products in progress" in the IFRS-EU income statement.

Special items

Million euros	Cumulative twelve months		Fourth quarter	
	2024	2023	2024	2023
Divestments	6	14	6	33
Indemnities and workforce restructuring	(64)	(83)	(7)	(40)
Impairment of assets ⁽¹⁾	(488)	(1,184)	(682)	(1,553)
Provisions and others	(746)	(21)	(184)	1,017
TOTAL	(1,292)	(1,274)	(867)	(543)

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

EBITDA

Million euros	Cumulative twelve months					
	Group Reporting Model		Reclassifications of joint ventures		IFRS-EU ⁽²⁾	
	2024	2023	2024	2023	2024	2023
Upstream	4,330	4,760	(1,326)	(1,486)	3,004	3,274
Industrial	1,859	3,438	(20)	5	1,839	3,443
Customer	1,234	1,094	(47)	(38)	1,187	1,056
LCG	144	176	—	—	144	176
Corporate and others	(79)	(214)	(43)	31	(122)	(183)
EBITDA	7,488	9,254	(1,436)	(1,488)	6,052	7,766
Upstream	—	—	—	—	—	—
Industrial	542	538	3	(20)	545	518
Customer	30	72	—	—	30	72
LCG	—	—	—	—	—	—
Corporate and others	—	—	—	—	—	—
Inventory effect ⁽¹⁾	572	610	3	(20)	575	590
CCS EBITDA	8,060	9,864	(1,433)	(1,508)	6,627	8,356

⁽¹⁾ Before taxes.

⁽²⁾ It corresponds to the headings “Profit or loss before tax” and “Profit or loss adjustments” of the consolidated Cash Flow Statements (EFS) prepared under IFRS-EU.

Million euros	Cumulative twelve months					
	Group Reporting Model		Reclassifications of joint ventures		IFRS-EU ⁽¹⁾	
	2024	2023	2024	2023	2024	2023
Net income before tax	2,303	4,371	(131)	(6)	2,172	4,365
(-) Financial result	315	138	(103)	(175)	212	(37)
(-) Net income from investments accounted for using the equity method	99	90	(538)	(124)	(439)	(34)
Operating income	2,717	4,599	(772)	(305)	1,945	4,294
Depreciation of property, plant and equipment	3,348	2,983	(416)	(547)	2,932	2,436
Operating provisions	1,396	1,916	(150)	(639)	1,246	1,277
(Provision for) / Reversal of impairment	1,056	931	(110)	(621)	946	310
(Provision for) / Reversal of provisions for risks	340	985	(40)	(18)	300	967
Other items	27	(244)	(98)	3	(71)	(241)
EBITDA	7,488	9,254	(1,436)	(1,488)	6,052	7,766

⁽¹⁾ It corresponds to the headings “Profit or loss before tax” and “Profit or loss adjustments” of the consolidated Cash Flow Statements (EFS) prepared under IFRS-EU.

<i>Million euros</i>	Fourth quarter					
	Group Reporting Model		Reclassifications of joint ventures		IFRS-EU ⁽²⁾	
	2024	2023	2024	2023	2024	2023
Upstream	1,113	1,279	(358)	(386)	755	893
Industrial	485	520	(1)	1	484	521
Customer	324	235	(10)	(12)	314	223
LCG	37	40	—	—	37	40
Corporate and others	(36)	(14)	(11)	(9)	(47)	(23)
EBITDA	1,923	2,060	(380)	(406)	1,543	1,654
Upstream	—	—	—	—	—	—
Industrial	55	391	—	—	55	391
Customer	4	5	—	—	4	5
LCG	—	—	—	—	—	—
Corporate and others	—	—	—	—	—	—
Inventory effect ⁽¹⁾	59	396	—	—	59	396
CCS EBITDA	1,982	2,456	(380)	(406)	1,602	2,050

⁽¹⁾ Before taxes.

⁽²⁾ It corresponds to the headings “Profit or loss before tax” and “Profit or loss adjustments” of the consolidated Cash Flow Statements (EFS) prepared under IFRS-EU.

<i>Million euros</i>	Fourth quarter					
	Group Reporting Model		Reclassifications of joint ventures		IFRS-EU ⁽¹⁾	
	2024	2023	2024	2023	2024	2023
Net income before tax	(598)	(235)	(33)	252	(631)	17
(-) Financial result	166	162	(24)	(56)	142	106
(-) Net income from investments accounted for using the equity method	23	96	(206)	(116)	(183)	(20)
Operating income	(409)	23	(263)	80	(672)	103
Depreciation of property, plant and equipment	936	814	(106)	(122)	830	692
Operating provisions	1,389	1,430	(12)	(366)	1,377	1,064
(Provision for) / Reversal of impairment	1,312	1,164	(9)	(364)	1,303	800
(Provision for) / Reversal of provisions for risks	77	266	(3)	(2)	74	264
Other items	7	(207)	1	2	8	(205)
EBITDA	1,923	2,060	(380)	(406)	1,543	1,654

⁽¹⁾ It corresponds to the headings “Profit or loss before tax” and “Profit or loss adjustments” of the consolidated Cash Flow Statements (EFS) prepared under IFRS-EU.

ROACE

NUMERATOR (<i>Million euros</i>)	2024	2023
Operating income IFRS-EU	1,945	4,294
Reclassification of joint ventures	772	305
Income tax ⁽¹⁾	(728)	(1,327)
Net income of companies accounted for using the equity method - net of tax	(98)	(90)
I. ROACE result at weighted average cost	1,891	3,182
DENOMINATOR (<i>Millions euros</i>)	2024	2023
Total equity	29,099	29,070
Net debt	5,008	2,096
Capital employed at period-end	34,107	31,166
II. Average capital employed ⁽²⁾	32,638	29,697
I/II ROACE (%) ⁽³⁾	5.8	10.7

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

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

⁽³⁾ CCS ROACE (without taking into account the equity effect) amounts in 2024 to 7.1%.

Capital employed at year-end	Cumulative 12 months					
	Group Reporting Model		Joint arrangements reclassification and others		IFRS-EU	
	2024	2023	2024	2023	2024	2023
€ Million						
Upstream	11,554	12,716	(991)	(557)	10,563	12,159
Industrial	11,917	10,929	(40)	(2)	11,877	10,927
Customer	2,801	2,788	38	18	2,839	2,806
LCG	6,185	3,897	—	—	6,185	3,897
Corporate and others	1,650	836	—	—	1,650	836
TOTAL	34,107	31,166	(993)	(541)	33,114	30,625

Capital employed at year-end	Cumulative 12 months					
	Group Reporting Model		Joint arrangements reclassification and others		IFRS-EU	
	2024	2023	2024	2023	2024	2023
€ Million						
Property, plant and equipment and investment in companies	36,155	32,173	(1,867)	(1,353)	34,288	30,820
Deferred tax assets and liabilities	1,173	736	574	611	1,747	1,347
Working capital ⁽¹⁾	2,699	4,435	(48)	52	2,651	4,487
Provisions	(6,667)	(6,361)	16	(141)	(6,651)	(6,502)
Other assets and liabilities	747	183	332	290	1,079	473
TOTAL	34,107	31,166	(993)	(541)	33,114	30,625

⁽¹⁾ Relates to balances in inventories, trade and other accounts receivable, other current assets and trade and other accounts payable.

2. Cash flow measurements

Free cash flow and Cash generation

Million euros	Cumulative twelve months					
	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)	5,410	7,064	(445)	(553)	4,965	6,511
II. Cash flows from / (used in) investing activities	(5,933)	(5,634)	3,239	(219)	(2,694)	(5,853)
Free cash flow (I+II)	(523)	1,430	2,794	(772)	2,271	658
Cash generation	(2,554)	1,178	2,624	(941)	70	237
III. Cash flows from / (used in) financing activities and others ⁽¹⁾	1,064	(3,823)	(2,706)	782	(1,642)	(3,041)
Net increase / (decrease) in cash and cash equivalents (I+II+III)	541	(2,393)	88	10	629	(2,383)
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	5,093	4,552	(335)	(423)	4,758	4,129

⁽¹⁾ It includes includes payments for dividends and remuneration of other equity instruments, interest payments, other receipts/(payments) of financing activities, receipts/(payments) for equity instruments, collections/(payments) for issuance/(return) of financial liabilities, transactions (collections/ payments) with minority shareholders and the effect of changes in exchange rates.

Million euros	Fourth 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)	1,618	2,244	(10)	(103)	1,608	2,141
II. Cash flows from / (used in) investing activities	(951)	(1,180)	1,236	(24)	285	(1,204)
Free cash flow (I+II)	667	1,064	1,226	(127)	1,893	937
Cash generation	607	947	1,145	(290)	1,752	657
III. Cash flows from / (used in) financing activities and others ⁽¹⁾	206	(1,308)	(1,264)	268	(1,058)	(1,040)
Net increase / (decrease) in cash and cash equivalents (I+II+III)	873	(244)	(38)	141	835	(103)
Cash and cash equivalents at the beginning of the period	4,220	4,796	(297)	(564)	3,923	4,232
Cash and cash equivalents at the end of the period	5,093	4,552	(335)	(423)	4,758	4,129

⁽¹⁾ It includes includes payments for dividends and remuneration of other equity instruments, interest payments, other receipts/(payments) of financing activities, receipts/(payments) for equity instruments, collections/(payments) for issuance/(return) of financial liabilities, transactions (collections/ payments) with minority shareholders and the effect of changes in exchange rates.

Liquidity

Million euros	Group Reporting Model		Reclassifications of joint ventures and others		IFRS-EU	
	2024	2023	2024	2023	2024	2023
Cash and banks	3,745	3,151	(339)	(408)	3,406	2,743
Other financial assets	1,348	1,401	4	(16)	1,352	1,386
Cash and cash equivalents	5,093	4,552	(335)	(423)	4,758	4,129
Deposits of immediate availability ⁽¹⁾	1,655	3,878	—	—	1,655	3,878
Undrawn credit lines	2,705	2,637	(20)	(18)	2,685	2,619
Liquidity	9,453	11,067	(355)	(441)	9,098	10,626

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

Operating investments (investments)

Million euros	Cumulative twelve months									
	Operating investments						Reclassif. of joint ventures and others		IFRS-EU ⁽¹⁾	
	2024			2023			2024	2023	2024	2023
	Organic	Inorganic	Total	Organic	Inorganic	Total				
Upstream	2,533	27	2,560	2,389	238	2,627	(866)	(825)	1,694	1,802
Industrial	1,248	26	1,274	1,155	6	1,161	(103)	(15)	1,171	1,146
Customer	339	70	409	326	97	423	(112)	(93)	297	330
LCG	1,709	769	2,478	1,152	724	1,876	7	(46)	2,485	1,830
Corporate and others	69	10	79	80	—	80	(4)	(1)	75	79
TOTAL	5,898	902	6,800	5,102	1,065	6,167	(1,078)	(980)	5,722	5,187

⁽¹⁾ Corresponds to the headings “Payments for investments” on the consolidated Statement of Cash Flows prepared under IFRS-EU, not including the items corresponding to “Other financial assets”.

Million euros	Fourth quarter									
	Operating investments						Reclassif. of joint ventures and others		IFRS-EU ⁽¹⁾	
	2024			2023			2024	2023	2024	2023
Million euros	Organic	Inorganic	Total	Organic	Inorganic	Total				
Upstream	726	—	726	644	109	753	(512)	(373)	214	380
Industrial	336	—	336	462	6	468	(90)	2	246	470
Customer	115	3	118	122	48	170	(2)	(39)	116	131
LCG	389	14	403	411	(32)	379	(69)	(79)	334	300
Corporate and others	25	8	33	35	—	35	(4)	—	29	35
TOTAL	1,591	25	1,616	1,674	131	1,805	(677)	(489)	939	1,316

⁽¹⁾ Corresponds to the headings “Payments for investments” on the consolidated Statement of Cash Flows prepared under IFRS-EU, not including the items corresponding to “Other financial assets”.

3. Financial metrics

Net debt

Million euros	Net debt	Reclassifications of joint ventures	IFRS-EU balance sheet
	Dic-2024	Dic-2024	Dic-2024
Non-current assets			
Non-current financial instruments ⁽¹⁾⁽²⁾	1,097	397	1,494
Current assets			
Other current financial assets ⁽²⁾	1,939	172	2,111
Cash and cash equivalents	5,093	(335)	4,758
Non-current liabilities			
Non-current financial liabilities ⁽²⁾	(10,262)	829	(9,433)
Current liabilities			
Current financial liabilities ⁽²⁾	(2,875)	(70)	(2,945)
NET DEBT ⁽³⁾	(5,008)	993	(4,015)

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

⁽²⁾ Includes non-current and current net leases for an amount of €-3,611 and €-670 million respectively according to the Reporting model and €-2,986 and €-605 million respectively according to the IFRS-EU balance sheet.

⁽³⁾ Reconciliations from previous periods of this magnitude are available at www.repsol.com.

Gross debt

Million euros	Gross debt	Reclassifications of joint ventures and others	IFRS - EU balance sheet
	Dic-2024	Dic-2024	Dic-2024
Current financial liabilities (ex derivatives)	(2,714)	(70)	(2,784)
Net mark to market valuation of current financial derivatives	21	—	21
Current gross debt	(2,693)	(70)	(2,763)
Non-current financial liabilities (ex derivatives)	(10,236)	830	(9,406)
Net mark to market valuation of non-current derivatives	—	—	—
Non-current gross debt	(10,236)	830	(9,406)
GROSS DEBT ⁽¹⁾	(12,929)	760	(12,169)

⁽¹⁾ Reconciliations from previous periods of this magnitude are available at www.repsol.com.

Leverage ratio

Million euros	Cumulative 12 months					
	Group Reporting Model		Reclassifications of joint ventures		IFRS - EU Balance sheet	
	2024	2023	2024	2023	2024	2023
Net debt	5,008	2,096	993	541	4,015	1,555
Capital employed	34,107	31,166	(993)	(541)	33,114	30,625
Leverage (%) ⁽¹⁾	14.7	6.7			12.1	5.1

⁽¹⁾ The leverage ratio, excluding net lease debt (€4,281 million), came to 2.1% in 2024.

Solvency ratio

Million euros	Cumulative 12 months					
	Group Reporting Model		Reclassifications of joint ventures		IFRS - EU Balance sheet	
	2024	2023	2024	2023	2024	2023
Liquidity	9,453	11,067	(355)	(441)	9,098	10,626
Current Gross debt	2,693	3,240	70	5	2,763	3,244
Solvency	3.5	3.4			3.3	3.3

4. Strategic Plan Follow-up Actions 2024-27

2024-27 Strategic Plan monitoring metrics

€ Million	Group Reporting Model	Reclass. joint ventures and other ⁽¹⁾	IFRS - EU statement of cash flows
Payments for investments (gross investments)	(6,807)	(1,211)	(8,018)
Divestment proceeds	874	4,179	5,053
Other flows from investing activities		271	271
Cash flows from investing activities	(5,933)	3,239	(2,694)
Transactions with non-controlling interests ⁽²⁾	211		
Changes in net debt due to changes in the scope of consolidation	61		
Net investment	(5,661)		
Net low carbon investment	(2,706)		
% Net low carbon investment	48		

⁽¹⁾ Relates to investments in joint ventures and investments/divestments in financial assets.

⁽²⁾ Relates mainly to the capital contributions made by the shareholder Janus Renewables, S.L. (see Note 10.5 of the Financial Statements).