Investors Update
Delivering value growth through the cycle

November 2018
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”, “notices” 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 and circumstances described in the filings made by Repsol and its affiliates with the Comisión Nacional del Mercado de Valores and with any other supervisory authority of those markets where the securities issued by Repsol and/or its affiliates are listed.

This document mentions resources which do not constitute proved reserves and will be recognized as such when they comply with the formal conditions required by the system “SPE/WPC/AAPG/SPEE Petroleum Resources Management System” [SPE-PRMS] [SPE – Society of Petroleum Engineers].

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.

This document does not constitute an offer or invitation to purchase or subscribe shares, pursuant to the provisions of the Royal Legislative Decree 4/2015 of the 23rd of October approving the recast text of the Spanish Securities Market Law and its implementing regulations. In addition, this document does not constitute an offer to purchase, sell, or exchange, neither a request for an offer of purchase, sale or exchange of securities in any other jurisdiction.

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 document are included in Appendix IV “Alternative Performance Measures” of the Interim consolidated financial statements for the nine month period ended September 30, 2018 and in Repsol’s website.

The information contained in the document has not been verified or revised by the Auditors of Repsol.
2018-2020

Delivering value growth through the cycle

1. Company overview
2. Upstream update
3. Downstream update
4. Low carbon business
5. Financing
6. Conclusions and key targets
7. Historic data book
Company overview
Repsol: A unique, Integrated Global Position

Company overview

Core businesses: Upstream and Downstream

~700 kboe/d production

~2.4 billion boe proved reserves

1 Million bbl/d refining capacity

~2.6 Millions tons of base chemicals capacity

~4,700 service stations

1. As of 31/12/2017. 2. Includes 1.2 Million tons of Ethylene and 1.4 Million tons of other base Chemicals
Repsol is now a double-geared engine with a strong Upstream and Downstream.

A successfully-navigated journey delivering value and resilience

Company overview

- Successful performance in lower part of the commodity cycle
- Upstream doubled in size and cash positive as of 2017
- Downstream leads the EU industry

- Reset cost base through efficiencies & synergies
- Maintained rating & built financial flexibility
- Redeploying capital for the energy transition with GNF divestment

Net Debt / EBITDA: 0.9x¹

¹ As of 31/12/2017
1. Increasing shareholder returns
   - Dividend per share 8% p.a. growth with full buyback of shares
   - Dividend target fully covered at $50/bbl
   - CFFO dividend coverage to grow from 3.9x in 2017 to 4.3x in 2020
   - Sustainable long term pay-out

2. Growing our portfolio profitably
   - Growth across all value-creation metrics, at any oil price
   - Downstream activated as asset-light growth engine
   - Upstream delivering performance improvement and portfolio upgrade
   - Strong pipeline of attractive growth projects in both divisions

3. Thriving in the energy transition
   - Develop long term options
   - Leverage our competitive advantages
   - Reduce carbon footprint
   - Build new capabilities

4. Financial flexibility

A unique value proposition

Note: CFFO (Cash Flow from Operation) = EBITDA +/- Working Capital variation + Dividends from affiliates - tax paid - abandonment cost and others
In this document, economics shown under $50/bbl Brent and $3/Mbtu HH flat in the period 2018-20, although it is not Repsol’s price deck.
Increasing shareholder returns

Company overview

Dividend per share based on disbursement year

€/share

2016 2017 2018 2019 2020
0.80 0.80 0.90 0.95 1.00
0.27 0.19 0.19 0.19 0.19

Historic cash dividend
Historic scrip dividend
Scrip dividend + buybacks

CAGR +8%

Note: Dividends in 2018-2020 include scrip option with buyback of dilution
Growing our portfolio profitability
Company overview

CFFO at $50/bbl

CAGR: +12%

€ Billion

4.6

0.4

UPSTREAM
+€1.0B

New production
Efficiency and Digital program

0.6

0.3

0.2

0.3

0.1

6.5

2017 CFFO at $50/bbl

2020 CFFO at $50/bbl

Note1: CFFO (Cash Flow from Operation) = EBITDA +/- Working Capital variation + Dividends from affiliates - taxes paid - abandonment cost and others
Note2: Forecasts made under flat $50/bbl Brent price and flat $3/Mbtu Henry Hub price.

1. Adjusting values to $50/bbl and excluding Spain extraordinary tax refund effect. Unadjusted CFFO in 2017 was €5.5B
2. Including growth, production mix and portfolio management

ROACE 6%

>9%

>10% @ $60/bbl

At $50/bbl flat Brent

UPSTREAM
+€1.0B

DOWNSTREAM
+€0.8B

International margins
Profitability improvement
Expand & Low carbon business
Corporation and others

Note1: CFFO (Cash Flow from Operation) = EBITDA +/- Working Capital variation + Dividends from affiliates - taxes paid - abandonment cost and others
Note2: Forecasts made under flat $50/bbl Brent price and flat $3/Mbtu Henry Hub price.

1. Adjusting values to $50/bbl and excluding Spain extraordinary tax refund effect. Unadjusted CFFO in 2017 was €5.5B
2. Including growth, production mix and portfolio management

6%

+3 %
Sources of cash

Uses of cash

Net Debt / EBITDA evolution

Capex, announced dividends (including dividend increase to €1/share by 2020) and buybacks, fully financed at $50/bbl

Repsol has financial flexibility in 2018-2020 of >€4B, since it will keep leverage ratio well below industry average of 1.1x

1. Financing costs include leases, financial charges, dividends to minority, hybrid interests and other movements
1. Excluding Capex from Talisman acquisition.

Note: Capex refers to cash flow from investment activities. "Sustain" are the necessary investments to keep current state of businesses (e.g., keep current production level for Upstream or industrial integrity for Downstream).

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### Core portfolio Capex in line with historical levels

**2018-2020 Capex breakdown**

<table>
<thead>
<tr>
<th>€ Billion</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015-2017</td>
</tr>
<tr>
<td>Core Portfolio 2018-2020</td>
</tr>
<tr>
<td>New Initiatives</td>
</tr>
</tbody>
</table>

### Balanced investments across businesses

**2018-2020 Capex breakdown by business**

- **Downstream and Low carbon business**: 45%
  - Upstream: 53%
  - Downstream: 6.7%

---

1. Excluding Capex from Talisman acquisition.

Note: Capex refers to cash flow from investment activities. "Sustain" are the necessary investments to keep current state of businesses (e.g., keep current production level for Upstream or industrial integrity for Downstream).
Our cash flow priority

Company overview

Target: increase shareholder distributions and maintain capital discipline

2018-2020 Priorities for cash

- Core Portfolio CAPEX
- Dividends & Buybacks
- Sustainable dividend growth
- Downstream Expand and new Low carbon business
- Organic project acceleration
- Additional Buybacks

At $50/bbl

With a more favorable scenario

While maintaining financial flexibility
Key metrics to 2020 @ $50/Bbl Brent flat

Company overview

While focusing on financial discipline with ROACE > WACC, maintaining investment grade and keeping our zero accidents ambition based on operational excellence

Note: EPS considering Adjusted Net Income.
1. 2017 values adjusted to $50/Bbl Brent scenario and to exclude Spain extraordinary tax refund effect. EPS in 2017 €1.6/share without adjustment

Production
2.6% CAGR

CFFO
€1.9B growth

EPS
€0.6/share growth

DPS
8% CAGR

CAGR
2.6%

CAGR +12%

CAGR +12%

CAGR +8%

695
750

2017
2020

4.6
6.5

2017
2020

1.4
2.0

2017
2020

0.8
1.0

2017
2020

Scrip dividends
Cash dividend
Scrip dividends + buybacks

While focusing on financial discipline with ROACE > WACC, maintaining investment grade and keeping our zero accidents ambition based on operational excellence
Upstream update
Core regions in the portfolio

Upstream

North America
Unconventional portfolio, operatorship and valuable midstream positions
- 174 kboe/d
- 72%
- 78%

European, Africa & Brasil
High margin barrels, key development projects from exploration success
- 139 kboe/d
- 12%
- 2% / 40%

Latin America
Regional scale, exploration record and cultural fit
- 297 kboe/d
- 80%
- 20% / 45%

South East Asia
Self-financed growth, relationship with governments/NOCs
- 85 kboe/d
- 70%
- 27% / 55%

Production (kboe/d)
- 2016: 690
- 2017: 695

1P Reserves (Mboe)
- 2016: 2,382
- 2017: 2,355

RRR [%]
- 2016: 124
- 2017: 93

Note: Figures as of 2017
1. **Sustainable scale**
- 750 kboe/d with focused diversification
- Strong pipeline of development projects
- Unconventionals complement exploration to replace reserves

2. **Access-advantaged**
- Strong relationships in core positions
- Proven lower cost of supply through successful exploration and lean developments

3. **Efficient operator**
- Costs below industry average in core positions
- Track record of development project execution
- Ability to manage and turn around difficult assets

4. **Flexibility & low capex intensity**
- Appetite for mid scale assets rather than large, capex-intensive projects
- Focus on short-cycle and phased developments
- Modulating unconventionals and exploration activity for further capex flexibility

**Strengths of a nimble operator but with significant scale**
Pipeline of Repsol’s short-cycle projects...

- **DUVERNAY**
  - Early production

- **EAGLE FORD**
  - Production ramp-up

- **BUCKSKIN**
  - Development Stage 1 FO in ’19

- **SAGARI**
  - FG in 4Q 2017

- **MARCELLUS**
  - Increase to 2 development rigs

- **YME**
  - Fast track development with FO in 2020

- **LIBYA**
  - Production ramp-up

- **MALAYSIA**
  - Bunga Pakima: FG ’18
  - Kinabalu: FG ’17

- **REGGANE**
  - Compression and Suban wells

- **CORRIDOR**
  - Oil-biased new production in Libya, YME, Buckskin, Kinabalu, Duvernay and Eagle Ford

...delivering ~95 kboe/d new production

Dev projects onstream 2020

Main assets increasing production

Production from short-cycle projects
2020+ Repsol’s projects with competitive returns

Upstream

Mid and long-term projects with attractive returns and phased developments

- **Alaska [US]**
  - Advanced appraisal stage
  - Phase 1: FO in 2023-24, production plateau net ~46 kboe/d
  - NPV breakeven: <$45/bbl

- **Duvernay [Canada]**
  - 3 areas in advanced appraisal stage
  - Production ramp-up 2020 to 2024 (net ~66 kboe/d)
  - NPV breakeven: <$50/bbl

- **CPO-9 [Colombia]**
  - Dev. Phase-1 sanctioned, production net 7 kboe/d 2019
  - Dev. Phase-2 FID in 2021-2022 & production plateau net 20 kboe/d
  - NPV breakeven: <$50/bbl

- **Campos 33 [Brazil]**
  - Fully appraised
  - First gas/oi 2024-2025, net ~45 kboe/d
  - NPV breakeven: <$40/bbl

- **Sagitario [Brazil]**
  - 3D seismic 2018, 2nd well 2018-2019
  - First oil expected 2025+

Repsol’s new projects have competitive full-cycle IRR and NPV breakeven

New Projects full-cycle NPV 10 Breakeven

<table>
<thead>
<tr>
<th>Peer</th>
<th>Breakeven</th>
</tr>
</thead>
<tbody>
<tr>
<td>Peer 1</td>
<td>74</td>
</tr>
<tr>
<td>Peer 2</td>
<td>68</td>
</tr>
<tr>
<td>Peer 3</td>
<td>56</td>
</tr>
<tr>
<td>Peer 4</td>
<td>56</td>
</tr>
<tr>
<td>Peer 5</td>
<td>55</td>
</tr>
<tr>
<td>Peer 6</td>
<td>54</td>
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<tr>
<td>Peer 7</td>
<td>53</td>
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<tr>
<td>Peer 8</td>
<td>44</td>
</tr>
<tr>
<td>Peer 9</td>
<td>42</td>
</tr>
<tr>
<td>Median Peers</td>
<td>41</td>
</tr>
</tbody>
</table>

IRR of new projects full-cycle

- 21.4%
- 15.2%

Note 1: NPV breakeven does not include exploration cost.
Note 3: IRR = Internal Rate of Return, an investment profitability metric calculated as the discount rate at which the net present value of an investment is equal to zero.

Source: Peer analysis with internal calculations based on GEM 4.19 and 4.20 Wood Mackenzie tool under WMK’s base price scenario.
Exploration strategy
Upstream

Key Exploration advantages

Technical
• Basin knowledge
• G&G Technical Specialties (imaging, structure, carbonates)

Commercial
• Preferred JV partner, deal making and operator capabilities

Government related
• Preferential government interaction
• Government trust

North America
Focus on emerging plays
• Strong technical advantage as Nanushuk play openers.
• Expanding our LATAM expertise and footprint into Mexico

Europe-Russia
Potential growth areas
• Legacy expertise in North Africa-Mediterranean.
• Strategic partnership with GPN for Russian exploration opportunities
• Near-field Exploration in Norway.

South America
Repsol core basins
• Exploiting our legacy advantages in the Caribbean, Guyana margin and Brazil pre-salt.
• Thrust belt knowledge & stakeholders management in the Andean Basins.

South East Asia
Production replacement
• Top explorers in Indonesia.
• Significant remaining potential in Vietnam acreage.
2018-2020 Capex breakdown: focus on core assets

Upstream

~60% of Capex allocated to growth and focused on core plays

2018-2020 Exploration & Development Capex (%)

<table>
<thead>
<tr>
<th>Year</th>
<th>Explore</th>
<th>Grow</th>
<th>Sustain</th>
<th>Conventional</th>
<th>Unconventional</th>
<th>Deepwater</th>
<th>Exploration</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016-2017</td>
<td>17%</td>
<td>42%</td>
<td>41%</td>
<td>44%</td>
<td>30%</td>
<td>8%</td>
<td>17%</td>
</tr>
<tr>
<td>2018-2020</td>
<td>17%</td>
<td>42%</td>
<td>41%</td>
<td>44%</td>
<td>30%</td>
<td>8%</td>
<td>17%</td>
</tr>
<tr>
<td>Avg Peers</td>
<td>18-20</td>
<td>2%</td>
<td>18-20</td>
<td>11.9</td>
<td>7.7</td>
<td>9.2</td>
<td>11.9</td>
</tr>
</tbody>
</table>

Increased development Capex – still leaner than peers – and focused exploration intensity

Development Intensity ($/boe)

- **2016-2017**: 7.7
- **2018-2020**: 9.2
- **Avg Peers**: 11.9

Exploration Intensity ($/boe)

- **2016-2017**: 2.1
- **2018-2020**: 2.2
- **Avg Peers**: 1.7

Source: Internal data; Peer analysis with internal calculations based on IHS Markit Wood Mackenzie tool for production and future Capex. CBT for exploration projections with G&G + G&A estimations added to Exploration costs; 25% to all companies.

1. Includes G&A, G&G exploration expenses. 2. Peers include BP, Chevron, Eni, ExxonMobil, Occidental, OMV, Shell, Equinor and Total.
New efficiency and digitalization program

Upstream

Successful cost efficiency program delivered $1.6B, above $1.3B target

New efficiency and digitalization program\(^1\) to deliver $1.0B/year in FCF by 2020

$ Billion
\[1.6\]

Illustrative examples

- G&A Cost Efficiencies
- Moving from corrective to preventive maintenance
- Capture market deflation
- Drilling projects logistics optimization
- Modifications in well designs

$ Billion/year
\[1.0\]

Illustrative examples

- Production increase through improvements in well completion and stimulation, reservoir management, plant reliability and availability, ...
- Analytics use for Predictive Maintenance improvement and Logistic optimization, ...
- Well design (standardization and centralization) to maximize use of existing inventory.
- Online performance monitoring to optimize wells drilling

2017

Revenues 0.3

$0.7B CFFO per year\(^2\)

OPEX 0.2

Taxes & Others 0.2

CAPEX 0.3

2020

New efficiency and digitalization program is already delivering:
600+ initiatives, and $0.5B planned or in execution during 2018

---

1. New efficiency and digital program named RISE: Resilience, Innovation, Sustainability, Engagement. 2. $0.7B CFFO ($0.6B) corresponds to the “efficiency and digital program” amount shown in the CFFO bridge, slide 19
Key target metrics to 2020

Upstream

Production growth: 2.6% CAGR by 2020

<table>
<thead>
<tr>
<th>Year</th>
<th>Production (kboe/d)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>695</td>
</tr>
<tr>
<td>2020</td>
<td>750</td>
</tr>
</tbody>
</table>

Cash Flow growth: +50% 2017-2020

<table>
<thead>
<tr>
<th>Year</th>
<th>CFFO (€ Billion)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>2</td>
</tr>
<tr>
<td>2020</td>
<td>3</td>
</tr>
</tbody>
</table>

All while keeping FCF breakeven below $50/bbl

Data under $50/bbl Brent and HH at $3/Mbtu

Note: 2017 CFFO normalized adjusting values to $50/bbl
Downstream update
European leading integrated margin with proven ability to deliver ongoing profit improvement across the portfolio

### Refining
- 1 million bbl/d of refining capacity
- Highly competitive EU 1Q in Solomon NCM\(^1\) benchmark and fully invested for IMO\(^2\)
- Peru refining leader, updated with new desulfurization units

### Comercial
- More than 4,700 service stations
- LPG leader in Spain
- Customer-centric with 10 million customers and strong energy brand
- Leadership in convenience retail with enhanced digital capabilities
- Spain fuels share: >37%, LPG share: 70%, Peru fuels share: >23%

### Chemicals
- High performing integrated and regional leader
- Capability for more than 30% light feedstock (LPGs)
- Key positions in high value products (PO/Polyols, Rubber, EVA)

### Trading
- Strong position in Europe and growing asset footprint globally

### Lubricants
- Increasing global footprint

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1. NCM: Net Cash Margin. 2. New regulation limiting sulfur content in marine bunkering from International Maritime Organization
**Strategy summary**

**Downstream**

<table>
<thead>
<tr>
<th>Refining</th>
<th>Chemicals</th>
<th>Marketing</th>
<th>LPG</th>
<th>Lubricants</th>
<th>Trading</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Sustain</strong></td>
<td><strong>Grow</strong></td>
<td><strong>Grow</strong></td>
<td><strong>Sustain</strong></td>
<td><strong>Grow</strong></td>
<td><strong>Grow</strong></td>
</tr>
<tr>
<td>• Energy efficiency</td>
<td>• Energy efficiency</td>
<td>• TWP</td>
<td>• Maintain leadership</td>
<td>• Maximize value</td>
<td></td>
</tr>
<tr>
<td>• IMO readiness</td>
<td>• Digitalization and optimization</td>
<td>• Digitalization</td>
<td>in Spain</td>
<td>from the system</td>
<td></td>
</tr>
<tr>
<td>• Digitalization and optimization</td>
<td>• Differentiation</td>
<td>• Non-oil business</td>
<td>• Logistic services</td>
<td>• Digitalization</td>
<td></td>
</tr>
<tr>
<td>• Peru desulphuration units</td>
<td></td>
<td>growth &amp; partnerships</td>
<td>&amp; commercial</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Expand</strong></td>
<td><strong>Chemicals</strong></td>
<td><strong>Grow</strong></td>
<td><strong>Maintain leadership</strong></td>
<td><strong>Grow exports</strong></td>
<td><strong>Grow</strong></td>
</tr>
<tr>
<td>• Biofuels</td>
<td>• Growth in current high value products</td>
<td>• Expansion into new</td>
<td>in Spain</td>
<td>• Maximize value</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>geographies</td>
<td>from the system</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• New mobility businesses</td>
<td>• Digitalization</td>
<td></td>
</tr>
<tr>
<td><strong>A</strong></td>
<td><strong>B</strong></td>
<td><strong>International expansion</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**CAPEX**

18-20 (€ Billion)

1. TWP = Transforming While Performing, a program for operational excellence
Solid historical performance & positive outlook

**Downstream**

**Leading European R&M integrated profit**

- Repsol position

- $/bbl

- $>2.5/bbl

- Avg. 2012-2017

- Worst year [2013]
  - Leadership based on marketing strength

- Best year [2015]
  - Leadership through refining

**Repsol’s assets are fully invested for IMO**

- Leader in EU coking
  - 25%
  - of the total EU coking capacity (while only 6% of total distillation)

- Middle Distillates Yield
  - >50%

- Fuel Oil yield
  - <7%

**Repsol is leading the EU industry in marketing, refining and integration**

Note: Profit is defined here as EBIT CCS, bars represent lower-upper bound of European refining & Marketing companies.
Refining: top quartile position among European peers

Downstream

5 refineries optimized as a single system

Full investment, well prepared to capture IMO effect

Repsol has the largest coking capacity in Europe (25% coking share while 6% in distillation) with coking process becoming highly profitable during IMO

Strong Product Slate: Repsol larger middle distillates production with very low Fuel Oil yield (5-7%)

Top quartile position among European peers

Middle distillates deficit

Product Yield

Diesel/Gasoil 40-45%
Gasoline 10-15%
Naphtha 10-12%
Kerosene 4-7%
Coke 7-8%
Residual fuel oil 3-6%
LPG 2-4%
Others 15%

Fully invested, well prepared to capture IMO effect

Sources:
[1] Source: WoodMackenzie as of 31/12/2017
[2] Source: IHS Markit as of 31/12/2017

Main countries with deficit

Middle distillates deficit (Mtnd)
Chemicals Downstream

Iberian Peninsula petrochemical sites

- Tarragona
- Puertollano
- Sines

Dynasol Joint Venture

- Madrid, Spain
- Alava, Spain
- Houston, USA
- Altamira, Mexico
- Santander, Spain
- Mexico City, Mexico
- Nanjing, China
- Panjin, China

3 Naphtha Crackers strategically located to supply Southern Europe and Mediterranean markets, managed as a single hub.

Feedstock flexibility and high integration with refining activities in the Spanish sites.

Products sold in over 90 countries, leading position in Iberian Peninsula.

Differentiated products such as EVA and metalocene polyethylene.

Competitive positioning, differentiated products and a customer-oriented organization.
Petrochemical growth in value niches

Downstream

Chemical strategic goals

Global scale in 1-3 higher value products

Further differentiation

Strengthen competitiveness of core business

Key target products

PO-polyols

Rubber

EVA

Rationale

- Strong global demand growth forecast (4-4.5% p.a.)
- Established Sales & Marketing position
- Proprietary proven production technology
- Experience in project execution

- Attractive global demand growth forecast (~2.5% p.a.)
- Established Sales & Marketing position
- Strong product portfolio of customized products / solutions
- Production assets on three continents

- Strong global demand growth forecast (~3.5% p.a.)
- Attractive alternatives of ethylene monetization
- Know-how retrofitting LDPE to EVA units

Ambition to reach Tier 1 positions [Top 5]

Source: Nexant; IHS; ICIS; BCG global Chemicals practice
Leverage refining logistics and trading & marketing capabilities to develop commercial integrated positions

Leverage Trading and Marketing capabilities and knowledge of Latin-American markets to develop commercial positions

Leverage Repsol Trading capabilities and Downstream positions to:
• Develop a top tier global crude position
• Growth in key market niches
• Perform international expansion optimizing integrated margin

Expansion Strategy
Priority Businesses
Commercial Hinterland
Commercial LatAm
Global Trading
Marketing
Trading
LPG
Lubricants

Crudes
Diesel
Gasoline
Chemicals
Fuels & LPG

Commercial Hinterland
Commercial LatAm
Global Trading
Key target metrics to 2020

Downstream

Cash Flow growth: +27% by 2020

<table>
<thead>
<tr>
<th>Year</th>
<th>CFFO (€ Billion)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>2.5</td>
</tr>
<tr>
<td>2020</td>
<td>3.2</td>
</tr>
</tbody>
</table>

ROACE: > 18% in 2018-2020

<table>
<thead>
<tr>
<th>Year</th>
<th>ROACE (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>9.6</td>
</tr>
<tr>
<td>2020</td>
<td>11.3</td>
</tr>
</tbody>
</table>

Avg. Capital Employed (€ Billion)

<table>
<thead>
<tr>
<th>Year</th>
<th>Avg. Capital Employed</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>9.6</td>
</tr>
<tr>
<td>2020</td>
<td>11.3</td>
</tr>
</tbody>
</table>

Note: Downstream metrics without considering new Low carbon business (next section)

Downstream to generate more than €1B FCF per year in 2018-2020
Low carbon business
Ambition to develop a new operated business
Low carbon business

Repsol is swapping a €5-6B exposure to a medium carbon businesses through GNF...

Gas Natural Fenosa
- Non-operated
- No synergies exploited
- 85% regulated business in 2017 EBITDA with a mix of high/low carbon generation

... To an operated and synergistic position in low carbon businesses

- Operated business with full synergies
- Leveraging previous experience in low carbon businesses, markets and know-how
- Focused business mix: wholesale gas, retail G&P and low carbon generation

Ambition

Be players in the future energy transition, fostering sustainability and energy efficiency

Creating profitable low carbon businesses

Enhancing capabilities to thrive in energy transition

Reducing emissions in our operations and products
Roadmap by 2025
Low carbon business

Wholesale Gas
Leverage our industrial self consumption as the largest gas consumer in Spain

• Create a successful wholesale gas business, ensuring a competitive gas supply
• Developing new business through gas flexibility
• Deliver a competitive gas offer for our future retail clients

Retail G&P
Strong brand and ~10M clients base with direct contact

• To become a relevant Spanish low carbon multi-energy retailer
• Progressively sophisticate our offer including advanced energy services and solutions

Low carbon generation
Technical capabilities and experience in managing large scale projects

• Develop a strong position in Spain achieving a low carbon integrated business
• Technological vocation oriented to solar, wind, CCGT and other low carbon technologies
• Diversify in emerging countries that yield higher returns

Targets by 2025

>15% Market share
>5% Market share
2.5M Clients
~ 4.5 GW Capacity

Investments in low carbon businesses with IRR above 10%

1. Spain market share including our refineries’ consumption 2. Spain market share in number of clients 3. Not adjusted for dual clients 4. Assuming an average financial leverage of ~50%
Viesgo: strengthening Repsol’s position as a multi-energy supplier
Low carbon business

Transaction data

- Valued at €750 million[^1]
- 2,350 MW installed capacity
- ~ 750,000 retail customers
- IRR > 10%

Generation assets acquired

- Hydro: 699 MW
- Combined cycle: 1,648 MW

Advancements on Strategic Plan objectives

<table>
<thead>
<tr>
<th>After the transaction</th>
<th>Objectives for 2025</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retail gas &amp; electricity business</td>
<td>&gt;5%</td>
</tr>
<tr>
<td>0.7M Clients[^2]</td>
<td>Clients[^2]</td>
</tr>
<tr>
<td>Low carbon generation</td>
<td>~ 4.5 GW Capacity</td>
</tr>
<tr>
<td>~ 2.9 GW Capacity</td>
<td></td>
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</tbody>
</table>

Investments in low carbon businesses with IRR above 10%^[^3]

---

[^1]: Spain market share in number of clients;[^2]: Not adjusted for dual clients;[^3]: Assuming an average financial leverage of ~50%;[^4]: Transaction closed on November 2nd 2018. Final price of €733 million.
Key targets for Energy Transition and New Capabilities

Low carbon business

€2.5B invested in low carbon business

Emissions reduction
-3% Kt/GJ CO₂

Leaner with digital savings of €0.3B/year by 2020

Capital Employed

Emissions intensity reduction

Pre-tax FCF savings

Capital Employed

€ Billion

ROE 6-7%

IRR¹ >10%

2016-2017

2020

€ Billion

CO₂ emissions reduction² 2.1 Mt CO₂

Corporate Cost reduction from 2017 -9%

By 2020

By 2022

1. Assuming an average financial leverage of ~50% on new low carbon business. 2. Accumulated since 2014
Financing
Strong liquidity position

Financing

Liquidity covers long term debt maturities beyond 2023

(*) Short term debt excludes interest and derivatives € 0.08 billion.
(**) Deposits classified as financial investment in the accounting although they have an immediate availability.
Conclusions & Key targets
Conclusions & key targets

Position of **strength**: Business momentum and financial robustness

**Superior shareholder return across the cycle**: Dividend growth path and high TSR upside

**Strong value growth** with a double engine model: **Upstream and Downstream**

**Upstream** path focused towards **profitable growth**

Our **Downstream is leading the industry** with the positive impact of IMO enhancing our business

Solid foundations for **winning in the energy transition** and ensuring a **sustainable future**

Strong growth of **key financials** and **return on capital**

**Lean, more competitive and sustainable company**, leveraging on our integrated model
9M18 results and 2018 outlook

Conclusions & key targets

Main variables & company targets

Brent (USD/Bbl)

- 2018 Budget: 70.0
- 9M 18: 72.1

Henry Hub (USD/Mbtu)

- 2018 Budget: 3.0
- 9M 18: 2.9

Exchange rate (USD/€)

- 2018 Budget: 1.2
- 9M 18: 1.19

Refining margin indicator

- 2018 Budget: ~7.0
- 9M 18: 6.9

Production volumes

- 2018 Budget: 715
- 9M 18: 713

EBITDA CCS (Bn€)

- 2018 Budget: 7.5
- 9M 18: 5.5

Capex (Bn€)

- 2018 Budget: 4.0
- 2018 Budget (2): 0.1
- 2018 Budget (2): 0.8
- 2018 Budget (2): 0.9
- 9M 18: 2.0

(1) Subject to fluctuations in Libya
(2) Capex is equivalent to payments for investments in the Management report
Key metrics to 2020 @ $50/Bbl Brent flat
Conclusions & key targets

Production
2.6% CAGR

CFFO
€1.9B growth

EPS
€0.6/share growth

DPS
8% CAGR

---

While focusing on financial discipline with ROACE > WACC, maintaining investment grade and keeping our zero accidents ambition based on operational excellence

Note: EPS considering Adjusted Net Income.
1. 2017 values adjusted to $50/Bbl Brent scenario and to exclude Spain extraordinary tax refund effect. EPS in 2017 €1.6/share without adjustment
Historic data book
## International References

<table>
<thead>
<tr>
<th>Unit</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
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<tr>
<td>Brent ($/bbl)</td>
<td>52.4</td>
<td>43.7</td>
<td>54.2</td>
<td>52.4</td>
<td>43.7</td>
<td>54.2</td>
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<td>WTI ($/bbl)</td>
<td>48.8</td>
<td>43.5</td>
<td>50.9</td>
<td>48.8</td>
<td>43.5</td>
<td>50.9</td>
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<td>Henry Hub ($/MBtu)</td>
<td>2.7</td>
<td>2.5</td>
<td>3.1</td>
<td>2.7</td>
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<td>3.1</td>
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<td>Average exchange rate ($/€)</td>
<td>1.11</td>
<td>1.11</td>
<td>1.13</td>
<td>1.11</td>
<td>1.11</td>
<td>1.13</td>
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<tr>
<td>Algonquin ($/MBtu)</td>
<td>4.8</td>
<td>3.1</td>
<td>3.7</td>
<td>4.8</td>
<td>3.1</td>
<td>3.7</td>
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## Spreads vs. Brent ($/bbl)

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<tbody>
<tr>
<td>Maya - Brent (13.8)</td>
<td>(11.6)</td>
<td>(9.7)</td>
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<tr>
<td>Ural - Brent (0.5)</td>
<td>(1.2)</td>
<td>(0.9)</td>
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<tr>
<td>Gasoline - Brent 14.4</td>
<td>11.6</td>
<td>12.0</td>
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<tr>
<td>Diesel - Brent 16.1</td>
<td>10.7</td>
<td>13.1</td>
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<tr>
<td>Fuel oil - Brent (12.2)</td>
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<td>(7.2)</td>
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<tr>
<td>Naphtha - Brent (1.0)</td>
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<td>0.4</td>
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## Refining indicators

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<tr>
<td>Refining margin indicator [Spain] $/bbl</td>
<td>8.5</td>
<td>6.3</td>
<td>6.8</td>
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<tr>
<td>Distillation utilization (Spain) %</td>
<td>88.9</td>
<td>88.0</td>
<td>93.6</td>
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<tr>
<td>Conversion utilization (Spain) %</td>
<td>103.7</td>
<td>102.9</td>
<td>104.4</td>
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## Main figures (M€)

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<tr>
<th>Unit</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
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<tbody>
<tr>
<td>Adjusted Net Income</td>
<td>1,852</td>
<td>1,922</td>
<td>2,405</td>
</tr>
<tr>
<td>Upstream</td>
<td>(925)</td>
<td>52</td>
<td>632</td>
</tr>
<tr>
<td>Downstream</td>
<td>2,150</td>
<td>1,883</td>
<td>1,877</td>
</tr>
<tr>
<td>Corporate and others ¹</td>
<td>627</td>
<td>(13)</td>
<td>(104)</td>
</tr>
<tr>
<td>EBIT</td>
<td>1,784</td>
<td>2,067</td>
<td>3,214</td>
</tr>
<tr>
<td>EBITDA CCS</td>
<td>5,112</td>
<td>5,032</td>
<td>6,580</td>
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<tr>
<td>NET CAPEX ²</td>
<td>11,960</td>
<td>(500)</td>
<td>2,856</td>
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<tr>
<td>CAPITAL EMPLOYED ³</td>
<td>40,697</td>
<td>39,255</td>
<td>36,330</td>
</tr>
<tr>
<td>Upstream</td>
<td>23,275</td>
<td>23,853</td>
<td>21,812</td>
</tr>
<tr>
<td>Downstream</td>
<td>9,758</td>
<td>9,469</td>
<td>9,749</td>
</tr>
<tr>
<td>Corporate and others ³</td>
<td>7,664</td>
<td>5,933</td>
<td>4,969</td>
</tr>
</tbody>
</table>

¹ Includes net income contribution form GNF of 453 M€, 361 M€ and 272 M€ in 2015, 2016 and 2017 respectively
² Includes 8,005 M€ of Talisman acquisition in Q2 15
³ Capital employed below 2.3 Bn€ in each single country

## Ratios

<table>
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<tr>
<th>Unit</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
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<tbody>
<tr>
<td>Net debt (11,934)</td>
<td>(8,144)</td>
<td>(6,267)</td>
<td></td>
</tr>
<tr>
<td>Net debt/Capital employed %</td>
<td>29.3</td>
<td>20.7</td>
<td>17.3</td>
</tr>
<tr>
<td>Net debt/EBITDA CCS x</td>
<td>2.33</td>
<td>1.62</td>
<td>0.95</td>
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## Credit metrics

<table>
<thead>
<tr>
<th>Rating</th>
<th>Outlook</th>
<th>Last review</th>
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<tbody>
<tr>
<td>Standard &amp; Poor's</td>
<td>BBB</td>
<td>Stable</td>
</tr>
<tr>
<td>Moody's</td>
<td>Baa2</td>
<td>Stable</td>
</tr>
<tr>
<td>Fitch</td>
<td>BBB</td>
<td>Stable</td>
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Last review
November 28, 2017
June 22, 2017
May 16, 2017
### Upstream

### Historic data book

#### Main figures (M€)

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adjusted Net Income</td>
<td>(925)</td>
<td>52</td>
<td>632</td>
</tr>
<tr>
<td>EBIT</td>
<td>(1,107)</td>
<td>(87)</td>
<td>1,009</td>
</tr>
<tr>
<td>EBITDA</td>
<td>1,611</td>
<td>2,072</td>
<td>3,507</td>
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<tr>
<td>NET CAPEX¹</td>
<td>11,370</td>
<td>1,889</td>
<td>2,072</td>
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</table>

¹ Includes 8,005 M€ of Talisman acquisition in Q2 15

### Organized RRR (%)

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Europe</td>
<td>159</td>
<td>124</td>
<td>93</td>
</tr>
<tr>
<td>Latin America</td>
<td>302</td>
<td>342</td>
<td>348</td>
</tr>
<tr>
<td>North America</td>
<td>139</td>
<td>182</td>
<td>174</td>
</tr>
<tr>
<td>Africa</td>
<td>15</td>
<td>17</td>
<td>38</td>
</tr>
<tr>
<td>Asia</td>
<td>74</td>
<td>98</td>
<td>85</td>
</tr>
<tr>
<td>Total</td>
<td>559</td>
<td>690</td>
<td>695</td>
</tr>
</tbody>
</table>

### Realized prices ($/Boe)

<table>
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<th>2016</th>
<th>2017</th>
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<tbody>
<tr>
<td>Europe</td>
<td>50,9</td>
<td>44,9</td>
<td>55,2</td>
</tr>
<tr>
<td>Latin America</td>
<td>44,0</td>
<td>37,1</td>
<td>47,0</td>
</tr>
<tr>
<td>North America</td>
<td>44,3</td>
<td>36,5</td>
<td>47,4</td>
</tr>
<tr>
<td>Africa</td>
<td>52,5</td>
<td>41,8</td>
<td>52,8</td>
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<tr>
<td>Asia</td>
<td>43,0</td>
<td>39,4</td>
<td>51,2</td>
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</table>

### Net Acreage (km²)

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
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</thead>
<tbody>
<tr>
<td>Europe</td>
<td>1.312</td>
<td>1.230</td>
<td>1.199</td>
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<tr>
<td>Latin America</td>
<td>5.884</td>
<td>4.736</td>
<td>4.475</td>
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<tr>
<td>North America</td>
<td>6.442</td>
<td>5.316</td>
<td>5.234</td>
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<tr>
<td>Africa</td>
<td>2.709</td>
<td>2.744</td>
<td>2.744</td>
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<tr>
<td>Asia</td>
<td>4.319</td>
<td>4.638</td>
<td>4.105</td>
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<tr>
<td>Total</td>
<td>20.666</td>
<td>18.664</td>
<td>17.757</td>
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### Exploration Development Production Proven reserves

<table>
<thead>
<tr>
<th></th>
<th>Kboe/d</th>
<th>Mboe</th>
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<tbody>
<tr>
<td>Europe</td>
<td>29</td>
<td>51</td>
</tr>
<tr>
<td>Latin America</td>
<td>302</td>
<td>348</td>
</tr>
<tr>
<td>North America</td>
<td>139</td>
<td>174</td>
</tr>
<tr>
<td>Africa</td>
<td>15</td>
<td>38</td>
</tr>
<tr>
<td>Asia</td>
<td>74</td>
<td>85</td>
</tr>
<tr>
<td>Total</td>
<td>559</td>
<td>695</td>
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</table>

### Exploration Development Production Proven reserves

<table>
<thead>
<tr>
<th></th>
<th>Oil</th>
<th>Gas</th>
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</thead>
<tbody>
<tr>
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<td>50.9</td>
<td>34.4</td>
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<tr>
<td>Latin America</td>
<td>44.0</td>
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<td>North America</td>
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<tr>
<td>Africa</td>
<td>52.5</td>
<td>-</td>
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<tr>
<td>Asia</td>
<td>43.0</td>
<td>27.5</td>
</tr>
<tr>
<td>Total</td>
<td>559</td>
<td>347</td>
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---

Includes 8,005 M€ of Talisman acquisition in Q2 15

---
### Downstream Assets

<table>
<thead>
<tr>
<th>Refining</th>
<th>Refining capacity (kbbl/d)</th>
<th>Conversion index (%)</th>
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<tbody>
<tr>
<td>Spain</td>
<td>896</td>
<td>63</td>
</tr>
<tr>
<td>Bilbao [Petronor]</td>
<td>220</td>
<td>63</td>
</tr>
<tr>
<td>Tarragona</td>
<td>186</td>
<td>44</td>
</tr>
<tr>
<td>Coruña</td>
<td>120</td>
<td>66</td>
</tr>
<tr>
<td>Puerto Llano</td>
<td>150</td>
<td>66</td>
</tr>
<tr>
<td>Cartagena</td>
<td>200</td>
<td>76</td>
</tr>
<tr>
<td>Peru</td>
<td>117</td>
<td>24</td>
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<table>
<thead>
<tr>
<th>Marketing</th>
<th>Service stations (no.)</th>
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<td>Total</td>
<td>4,709</td>
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<td>Spain</td>
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<td>Portugal</td>
<td>464</td>
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<tr>
<td>Peru</td>
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<td>Italy</td>
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<thead>
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<th>Petrochemical</th>
<th>Capacity (kt/year)</th>
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<tr>
<td>Ethylene</td>
<td>1,214</td>
</tr>
<tr>
<td>Propylene</td>
<td>864</td>
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<tr>
<td>Butadiene</td>
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<td>Benzene</td>
<td>290</td>
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<td>Polyolefins</td>
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<th>Unit</th>
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<th>2017</th>
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<td>Refining</td>
<td></td>
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<tr>
<td>Distillation utilization Spain</td>
<td>%</td>
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<td>86.0</td>
<td>93.2</td>
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<tr>
<td>Peru</td>
<td>%</td>
<td>67.6</td>
<td>68.9</td>
<td>89.8</td>
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<tr>
<td>Conversion utilization Spain</td>
<td>%</td>
<td>103.7</td>
<td>102.0</td>
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<tr>
<td>Processed crude oil</td>
<td>Mtoe</td>
<td>4.33</td>
<td>3.32</td>
<td>4.74</td>
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<table>
<thead>
<tr>
<th>Marketing</th>
<th>Sales of oil products (kt)</th>
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<tr>
<td>Spain</td>
<td>47,605</td>
</tr>
<tr>
<td>Europe</td>
<td>48,048</td>
</tr>
<tr>
<td>Rest</td>
<td>51,836</td>
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<tr>
<td>Total</td>
<td>47,605</td>
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<table>
<thead>
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<th>Petrochemicals</th>
<th>Sales of oil products (kt)</th>
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<td>Basic</td>
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<tr>
<td>Derivatives</td>
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<td>Total Sales</td>
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<td>Europe</td>
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<td>Rest of the world</td>
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<table>
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<th>LPG</th>
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<td>Rest of the world</td>
<td>975</td>
</tr>
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</table>

<table>
<thead>
<tr>
<th>Gas &amp; Power</th>
<th>Sales (Tbtu)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gas Sales in North America</td>
<td>296</td>
</tr>
<tr>
<td>LNG regasified (100%) in Canaport</td>
<td>23</td>
</tr>
</tbody>
</table>