

REPSOL BOOSTS ITS ASIAN EXPANSION WITH THE PURCHASE OF 40% OF UNITED OIL COMPANY

- Repsol has formed a Joint Venture with United Global Limited after buying a 40% stake in its Singapore-based lubricants manufacturer and distributor United Oil Company. This will expand Repsol's presence in Asia Pacific and especially Indonesia, the region's largest lubricants markets.
- The Joint Venture will manufacture and supply Repsol's brand of products in Singapore, Indonesia, Malaysia and Vietnam.
- The Joint Venture will upgrade the manufacturing plant in Indonesia and combine Repsol's strong brand and product range with United Oil Company's local knowledge and distribution network.
- The expansion of this business is part of Repsol's *Strategic Plan 2018–2020* goals to grow and internationalize the downstream unit, for which Repsol has allocated 1.5 billion euros, including the service stations, petrochemicals, lubricants and trading businesses.
- Repsol's Lubricants unit aims to double its sales volume to 300,000 metric tons, with 70% from outside Spain. Repsol now has manufacturing and distribution hubs in Spain, Mexico and Indonesia. With this Joint Venture, Repsol produces and distributes these products in Spain, Mexico and Indonesia, and sells them in more than 90.

The Joint Venture aims to become a top-five player in Indonesia, the region's largest lubricants market.

+90

Countries where Repsol sells lubricants

Repsol today signed the purchase agreement for a 40% stake in the Singapore-based lubricants manufacturer United Oil Company, which will manufacture and supply Repsol's brand of products in Singapore, Indonesia, Malaysia and Vietnam.

The agreement will allow Repsol to increase its presence in Southeast Asia, one of the world's largest and fastest-growing lubricants markets with sales of 3 million metric tons per year and an annual growth rate of 4%.

Southeast Asia, and particularly Indonesia, are key target markets for growth, fitting in with the *Strategic Plan 2018–2020* goals to increase the international expansion of the Downstream Unit. Repsol aims to be a top-five player in Indonesia through the capabilities incorporated in this partnership.

The deal represents a third regional manufacturing hub to the ones Repsol already has in Spain and Mexico. United Oil Company has two lubricants plants, in Singapore and Indonesia, with total capacity of 140,000 metric tonnes.

The joint venture unveiled today plans to upgrade United Oil Company's existing manufacturing plant in Indonesia and expand the network of dealers and distributors through a targeted sales and marketing drive. The alliance with United Global Limited will provide immediate access to new customer segments due to the complementary nature of both companies' brands and product lines.

The partnership in Asia adds to the joint venture created last year with Bardahl of Mexico, completing the foundations for the company's immediate strategic growth goals. Repsol aims to double its lubricants sales volumes to 300,000 metric tonnes, with 70% sourced from international business units.

Repsol has allocated 1.5 billion euros in investments for the period 2018–2020 for the growth of its Downstream unit, specifically its service stations, petrochemicals and lubricants businesses.

The agreement signed today is subject to the fulfillment of standard authorizations for this type of transaction.

About Repsol

Repsol is a global energy company present throughout the whole energy value chain. It sells lubricants in more than 90 countries, specializing in high-end products for passenger cars and motorcycles that improve engine performance and efficiency. The company sells numerous lubricant ranges, from high performance cars and motorcycles to LPG-fueled cars, trucks, agricultural vehicles and leisure boats.

Repsol explores for and produces oil and gas in 25 countries, with an output of 715,000 barrels of oil equivalent per day. The company also has one of the most efficient refining systems in Europe based on high-conversion units. Repsol also operates low-emissions electricity generation assets, including photovoltaic and offshore wind power projects, and it is pioneering development of mobility initiatives to build new solutions and provide enhanced energy sources for transportation.

About United Oil Company

United Global is an established independent lubricant manufacturer of a wide range of high quality, well-engineered products under its in-house brands such as “United Oil” as well as for third-party principals. The Group’s other core business is in the trading of base oils, additives and lubricants. It provides a wide range of lubricants and specialty fluids for automotive, industrial and marine applications, as well as metal working fluids, with a wide distribution network covering over 30 countries.

Started in 1999, the Group has established itself as a reliable and responsive service provider as well as a specialist in automatic transmission fluids. The Group’s ability to customize products and production volume at a reasonable price has given it a competitive edge within the market.

United Global owns two blending facilities in Singapore and Indonesia with a combined capacity of 140,000 metric tonnes. The Group was awarded the ISO 9001 certification for its quality management system in respect of the manufacture of lubricants by blending of base oils and additives.