2026

Repsol Upstream Group

Reconciliations of Alternative Performance Measures

RECONCILIATION OF ALTERNATIVE PERFORMANCE MEASURES TO IFRS-EU FINANCIAL STATEMENTS

Repsol Upstream Group's financial information contains figures and measures prepared in accordance with applicable accounting standards as well as other measures prepared in accordance with the Group's reporting model, known as Alternative Performance Measures (APMs) in accordance with the Guidelines on Alternative Performance Measures of October 2015 published by the European Securities Market Association (ESMA). The APMs are considered "adjusted" figures with respect to those presented in accordance with IFRS-EU and, therefore, should be viewed as complementary, rather than as substitutes for them. APMs are highly useful for users of financial information as they are the measures employed by Management to evaluate the Group's financial performance, cash flows, and its financial position when making operational or strategic decisions.

1.1 Financial performance metrics

Adjusted income

Corresponds to Operating income, net of taxes and excluding certain income and expenses ("Special items"), which are presented separately.

Special items includes certain material items whose separate presentation is considered appropriate in order to facilitate analysis of the ordinary business performance. This heading includes gains/losses on divestments, restructuring costs, asset impairment losses (provisions/reversals), provisions for contingencies and charges, and other relevant income/expenses that do not form part of the ordinary management of the businesses. Special items are presented net of taxes.

Income statement	**2026**	**2025**
Operating income	1,048	1,059
Financial results	(163)	(121)
Income tax	(716)	(433)
Net income from companies accounted for using the equity method	315	73
Net income	**484**	**578**
Special items	439	250
Adjusted income	**923**	**828**

EBITDA ("Earnings before interest, taxes, depreciation, amortization and others"), is a financial indicator that measures the operating margin of a company prior to deducting interest, taxes, impairment, losses, depreciation, and amortization. Since it does not include financial and tax indicators or accounting expenses not involving cash outflow, it is used by Management to evaluate the company's results over time, for a more straightforward exercise in making comparisons with peers within the Oil & Gas sector.

EBITDA is calculated as operating Income + depreciation and amortization + impairment as well as other items which do not represent cash inflows or outflows from operations (restructurings, capital gains/losses from divestment, provisions etc.).

	IFRS [(1)]	
$ Million	**2026**	**2025**
Operating income	1,048	1,059
Amortization and depreciation of non-current assets	566	561
Impairment and other provisions	25	96
Other	127	(45)
Adjusted EBITDA	**1,766**	**1,671**

(1) Corresponds to Income before tax + Adjustments to income in EU-IFRS Statement of Cash Flows.

Capital employed measures the capital invested in the Company from internal and external sources and corresponds to Total equity + Net debt.

Capital employed	$ Million	
	2026	**2025**
Equity	5,402	5,300
Net debt	6,671	7,092
Capital employed	12,073	12,392
Leverage ratio (%)	**55.3%**	**57.2%**

1.2 Cash metrics

Cash flows from operations measures generation of cash from operating activities, and is calculated as:

EBITDA +/- changes in working capital + collection of dividends + collection / - payment of income tax + other collections /- payments relating to operating activities.

Free cash flow measures cash flow generation from operating and investment activities and is useful for evaluating the funds available for paying shareholder dividends and debt service payments.

Cash flow	**Cash flow**		**Other financial assets and others**		**EU-IFRS**	
$ Million	**2026**	**2025**	**2026**	**2025**	**2026**	**2025**
I. Cash flows from / (used in) operating activities (cash flow from operations)	1,526	966	-	-	1,526	966
II. Cash flows from / (used in) investing activities [(1)]	(514)	(756)	(404)	4	(918)	(752)
Free cash flow (I + II)	**1,012**	**210**	**(404)**	**4**	**608**	**214**

[(1)] Free cash flow includes payments for investments and proceeds from divestments, excluding "Other financial assets" and "Other cash flows for investing activities".

1.3 Financial measures

Net debt and ***Net debt without leases*** are the key indicators used by Management to assess the Group's indebtedness. These metrics comprise financial liabilities (excluding lease liabilities, where applicable) less financial assets, cash and cash equivalents.

	2026		
$ Million	**Net debt**	**Leases**	**Net debt without leases**
Non-current assets:			
Non-current financial instruments	448	-	448
Current assets:			
Other current financial assets	843	-	843
Cash and cash equivalents	119	-	119
Non-current liabilities:			
Non-current financial liabilities	(7,725)	(143)	(7,582)
Current liabilities:			
Current financial liabilities	(355)	(124)	(231)
Net debt	**(6,671)**	**(267)**	**(6,404)**

	2025		
$ Million	**Net debt**	**Leases**	**Net debt without leases**
Non-current assets:			
Non-current financial instruments	388	-	388
Current assets:			
Other current financial assets	411	-	411
Cash and cash equivalents	181	-	181
Non-current liabilities:			
Non-current financial liabilities	(7,784)	(177)	(7,607)
Current liabilities:			
Current financial liabilities	(288)	(125)	(163)
Net debt	**(7,092)**	**(302)**	**(6,790)**

Leverage ratio equals net debt divided by Capital employed at the end of the period. This ratio can be used to determine the financial structure and degree of indebtedness with regard to capital contributed by shareholders and entities which provide financing.

Capital employed	$ Million	
	2026	**2025**
Equity	5,402	5,300
Net debt	6,671	7,092
Capital employed	12,073	12,392
Leverage ratio (%)	**55.3%**	**57.2%**