

REPSOL COMPLETES THE PURCHASE OF VIESGO'S ASSETS AND RETAIL CUSTOMERS

- The agreement is a significant step toward Repsol's strategic objective of operating and developing a low-emissions business with high potential for growth and profitability.
- Repsol has completed the purchase after obtaining all the necessary regulatory authorizations for the acquisition of 2,350 megawatts (MW) of low-emissions generation capacity and a portfolio of more than 750,000 customers.
- To market its new energy supply, the company is launching *Repsol Electricidad y Gas*, a subsidiary that will be chaired by María Victoria Zingoni and headed by CEO Francisco Vázquez.
- The company is becoming a relevant player in the Spanish electricity generation market, with a total installed capacity of 2,950 MW and plans to add an additional 289 MW in Valdecaballeros (Extremadura, Spain) and Viana do Castelo (Portugal).

Repsol strengthens its position as a multi-energy provider

~750,000
Customers

2,950 MW
Total installed capacity

2% Market share
Retail electricity and gas in Spain

Repsol today incorporated the non-regulated, low-emissions power generation assets of Viesgo, as well as its retail customers, to become a relevant player in the Spanish electricity market.

After obtaining all the necessary regulatory authorizations, Repsol completed the process with the signature of the final agreement, which set the price of the transaction at 733 million euros. With these assets Repsol strengthens its position as a multi-energy operator, with a total installed capacity of 2,950 MW (2,350 MW from this transaction and 600 MW from its existing cogeneration plants.)

In addition, the company significantly increases its presence in the retail electricity and gas sector in Spain, with a market share greater than 2% and more than 750,000 customers. This constitutes a key step for the implementation of Repsol's roadmap for the energy transition, which includes the objective of acquiring a retail electricity and gas market share greater than 5% and 2.5 million customers by 2025.

The electricity and gas business will be developed through its new subsidiary, *Repsol Electricidad y Gas*. Starting today, it will provide a attractive offers, cutting-edge digital solutions and exclusive benefits for customers throughout Spain such as discounts at Repsol's network of service stations. In addition, the electricity sold by the company, using the Repsol brand, will be certified as 100% low-emissions.

The electricity and gas business will be developed through its new subsidiary, Repsol Electricidad y Gas, which will have its corporate headquarters in Santander (Spain) and employ more than 400 people

The company has appointed María Victoria Zingoni as Chairwoman of Repsol Electricidad y Gas. She will carry out this role in addition to her responsibilities as Executive Managing Director of Repsol's Downstream unit. The CEO of the subsidiary will be Francisco Vázquez, who until now was the Executive Director of Repsol Refining. Repsol Electricidad y Gas will have its corporate headquarters in Santander (Spain) and employ more than 400 qualified workers with experience in the sector, mainly from Viesgo.



The new company, which has ambitious growth plans, will take on the operation of the non-regulated assets acquired from Viesgo. These include modern and efficient hydroelectric power generation and combined-cycle gas turbines. *Repsol Electricidad y Gas* now owns hydropower plants with an installed capacity of 700 MW,

located in northern Spain and with great potential for organic growth. It also owns two combined-cycle gas plants in Spain: one in Algeciras (Cádiz), built in 2011, and another in Escatrón (Zaragoza), built in 2008, with a combined capacity of 1,650 MW. These assets add to the Repsol's existing cogeneration plants in major industrial facilities.

Repsol Electricidad y Gas joins the sector as an operator with a long-term industrial vision aiming to invest and create new opportunities. The new company increases competition in the Spanish sector that will benefit consumers. It has existing customers throughout Spain, mainly in Cantabria, Galicia, Andalusia, Asturias, Castile and León and the Community of Madrid. The company will use its existing sales channels, including its more than 3,400 service stations in Spain, for customer offerings, leveraging the strength and recognition of the Repsol brand.

Repsol becomes a relevant player in the Spanish electricity market and strengthens its position as a multi-energy provider

Driving the energy transition

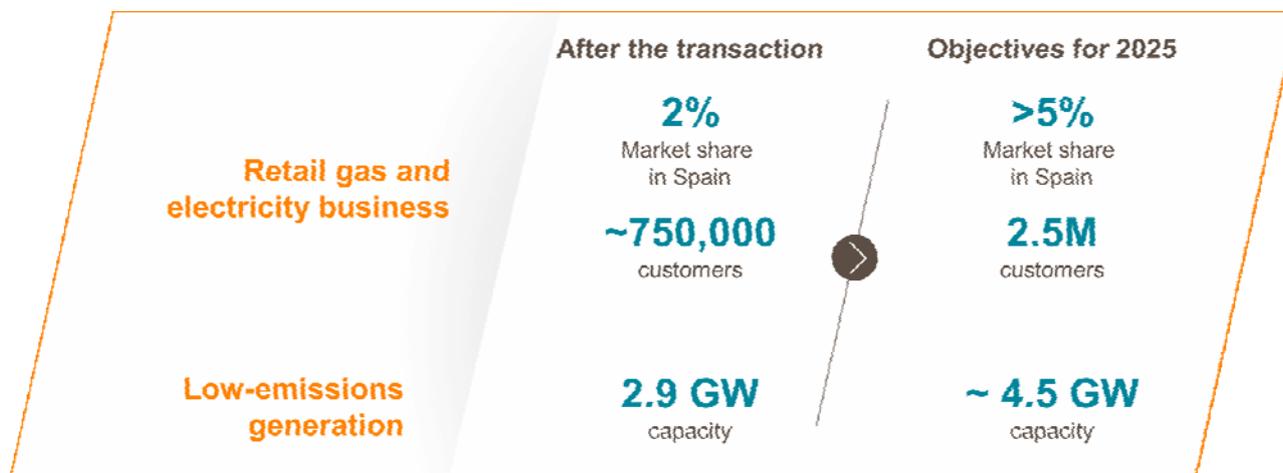
With the addition of these assets, Repsol is advancing toward its goals for the development and operation of a low-emissions business in the electricity sector.

Investments in this area will total 2.5 billion euros between 2018 and 2020, including the 733 million euros allocated to this transaction. Repsol's goal is to have 2.5 million retail gas and electricity customers in Spain by 2025, with a market share above 5% and a low-emissions generation capacity of approximately 4,500 MW.

Repsol recently acquired the 264 MW Valdesolar photovoltaic project planned in the municipality of Valdecaballeros (Badajoz), which is in the permitting phase. With this acquisition, Repsol will achieve over 70% of its strategic goal of low-emissions generation capacity.

On October 19th, the company also announced its participation in the construction of one of the largest floating wind farms in the world, offshore Portugal, 20 kilometers from Viana do Castelo, which will have an installed capacity of 25 MW.

Advancements of Strategic Plan objectives



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