

# WEBCAST – CONFERENCE CALL

## Third Quarter 2017 Results

November 3rd, 2017



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- 

# Key messages from third quarter of 2017



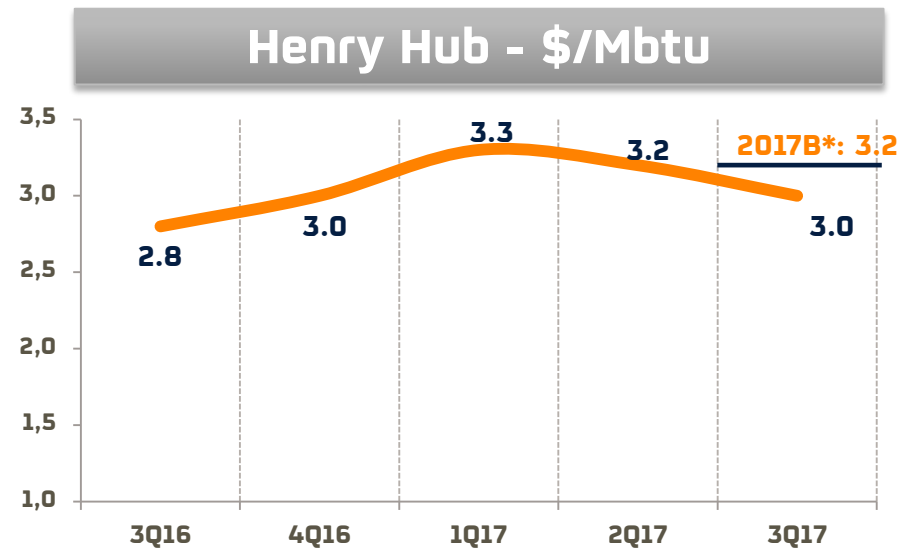
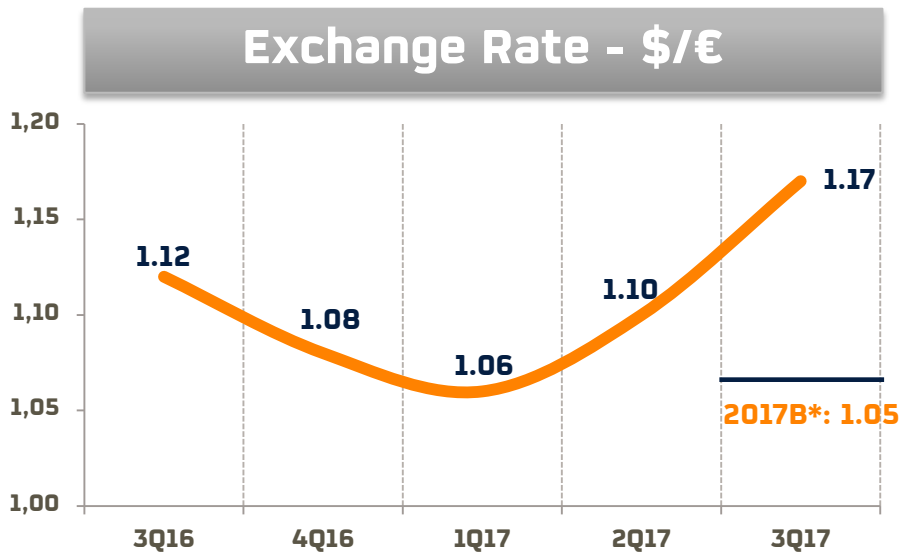
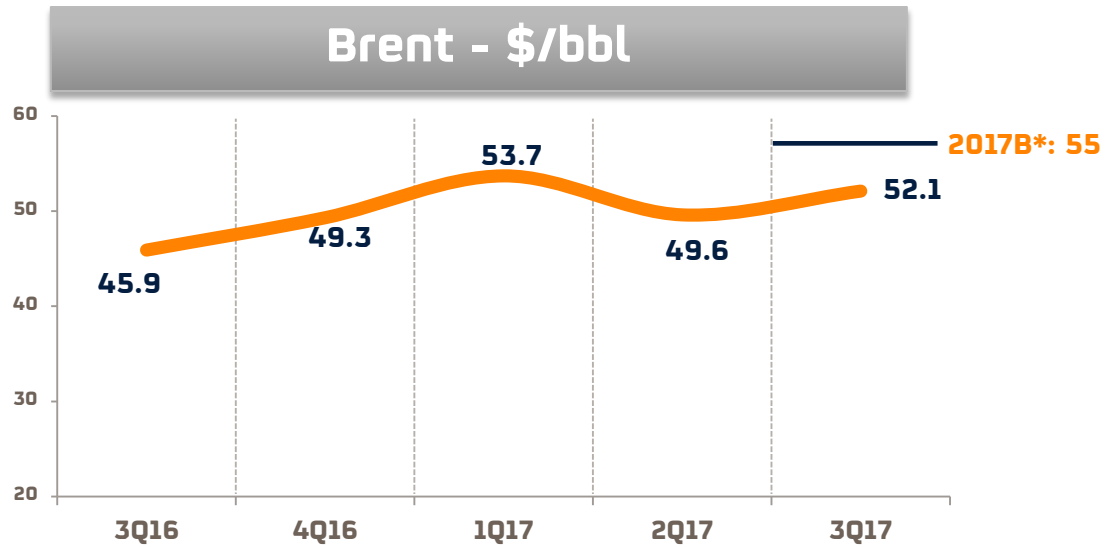
**Free Cash Flow before dividends and interests: ~€700M**

**Net Debt:** Reduced to ~€7Bn

**Brent \$52** in 3Q: More than **breakeven** at **current commodity prices**

**Credit Rating:** Continuing to target **BBB stable**

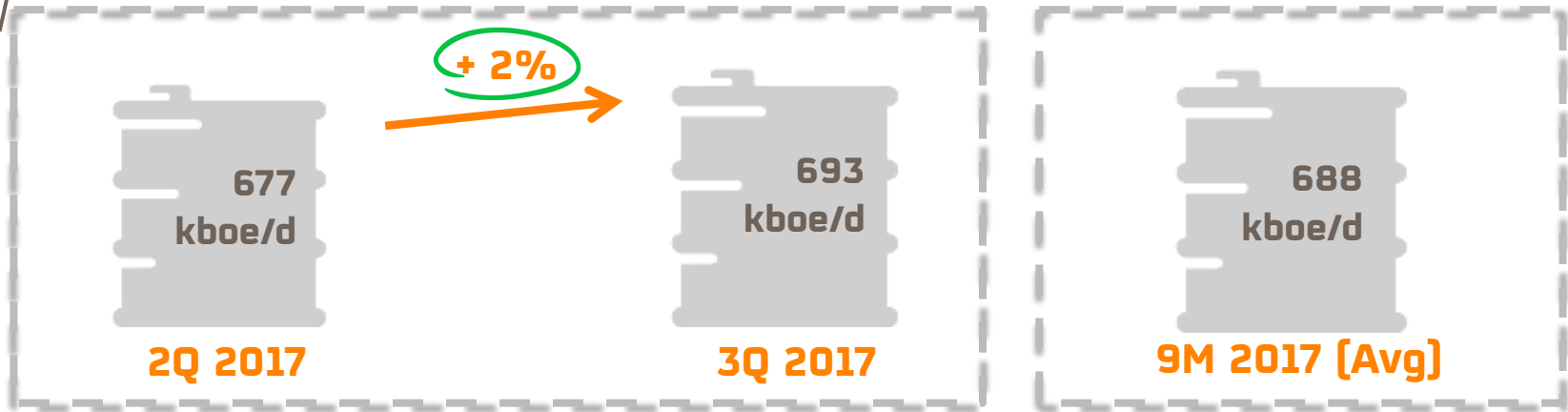
# Market environment



\*Budget for 2017

# Operational Activity

## Upstream



- Higher production in **Libya**:
  - 3Q 17 → **25 kboe/d**<sup>(1)</sup>
  - Ytd → **23 Kboe/d**<sup>(1)</sup>
- **Flyndre** and **MonArb** [UK] → **7 kboe/d**<sup>(1)</sup> in 3Q
- First gas at **Juniper** [T&T] in August → **5 kboe/d**<sup>(1)</sup> in 3Q, ramping-up
- **Kinabalu** [Malaysia] and **Sagari** [Peru] → First production in Q4
- **Reggane** [Algeria] → Start production around year end

### Development activity:

- ✓ Red Emperor [Vietnam]
  - ✓ Buckskin [Gulf of Mexico]
- } **2019**

### Exploration program:

- ✓ **3** wells completed in 3Q17 (**1 positive**)

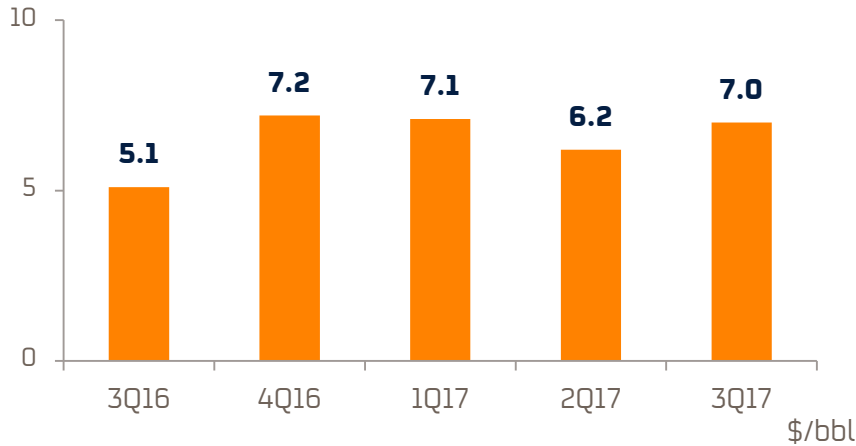
<sup>(1)</sup> Net to Repsol

# Operational activity

Downstream



## Refining Margin Indicator

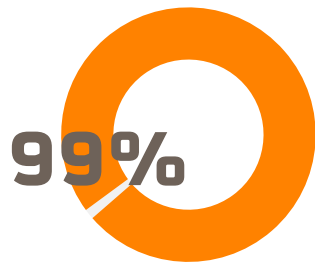


## Petrochemicals

- Higher sales
- Robust demand
- Naphtha, prices higher

## Utilization rates

3Q 2017



Distillation



Conversion units

## Commercial businesses

### Marketing

- Higher volumes due to seasonality and increasing demand in Spain



# Quarterly Results



	Q3 2017	Q3 2016	% Variation
<b>CCS Adjusted Net Income</b>	576	307	+ 88%
<b>Net Income</b>	527	481	+ 10%
<b>EBITDA CCS</b>	1,587	1,148	+ 38%

Million €

UPSTREAM	Q3 2017	Q3 2016	% Variation
<b>CCS Adjusted Net Income</b>	148	-28	-

Million €

DOWNSTREAM	Q3 2017	Q3 2016	% Variation
<b>CCS Adjusted Net Income</b>	502	395	+ 27%

Million €

CORPORATION	Q3 2017	Q3 2016	% Variation
<b>CCS Adjusted Net Income</b>	-74	-60	- 23%

Million €



# Guidance for full year 2017



	2017 Budget	2017 Guidance	
Efficiency & Synergies (€Bn)	2.1	2.1	<ul style="list-style-type: none"> <li>Accelerated delivery of 2018 target</li> <li>Decrease of break-even of Upstream: &lt;\$60</li> </ul>
Group Capex (€Bn)	3.6	~3.0	<ul style="list-style-type: none"> <li>Without impacting production volumes</li> </ul>
Production (kboe/d)	680	685-690	<ul style="list-style-type: none"> <li>Subject to fluctuations in Libya</li> </ul>
Downstream FCF (€Bn)	1.8-2.0	2.0+	<ul style="list-style-type: none"> <li>Avg. Refining Margin Indicator:                             <ul style="list-style-type: none"> <li>✓ 6.80 \$/bbl (average YTD to September)</li> </ul> </li> </ul>

# Conclusions



## ✓ UPSTREAM

- Currently producing **700 kboe/d**
- **Capital investment optimised**, plateau maintained

## ✓ DOWNSTREAM

- Planned refinery maintenance completed in 1H17
- Return to normal high levels of conversion and utilization

## ✓ CORPORATION

- Strength of integrated business model
- Robust under current economic conditions

# Q&A Session

Third Quarter 2017 Results

Repsol Investor Relations

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