

# WEBCAST – CONFERENCE CALL

## First Quarter 2018 Results

May 4<sup>th</sup> 2018



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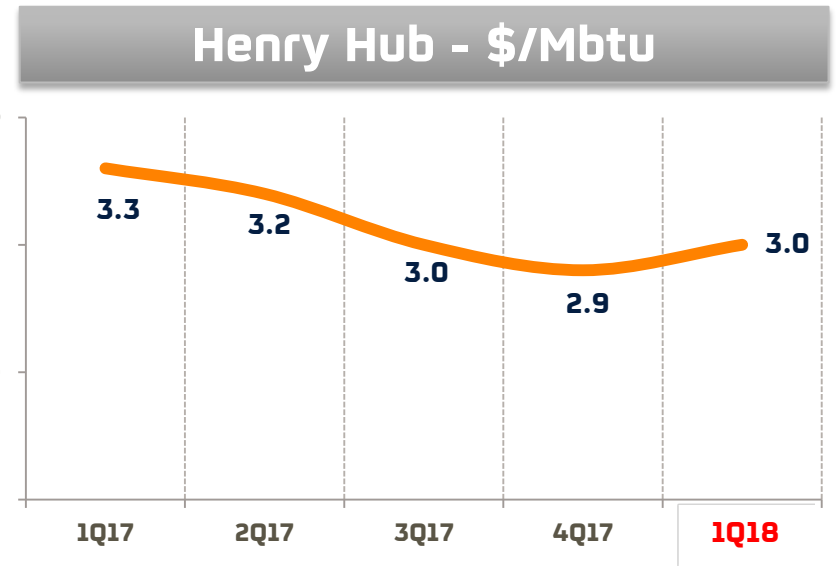
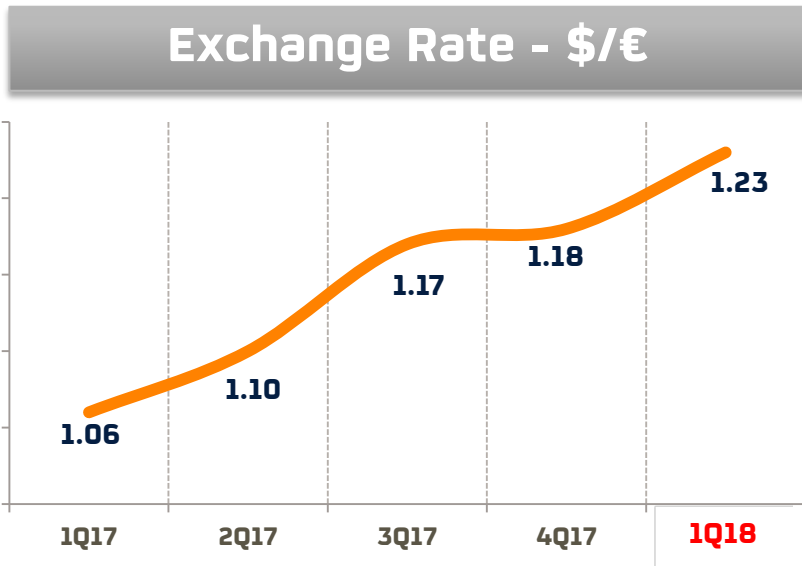
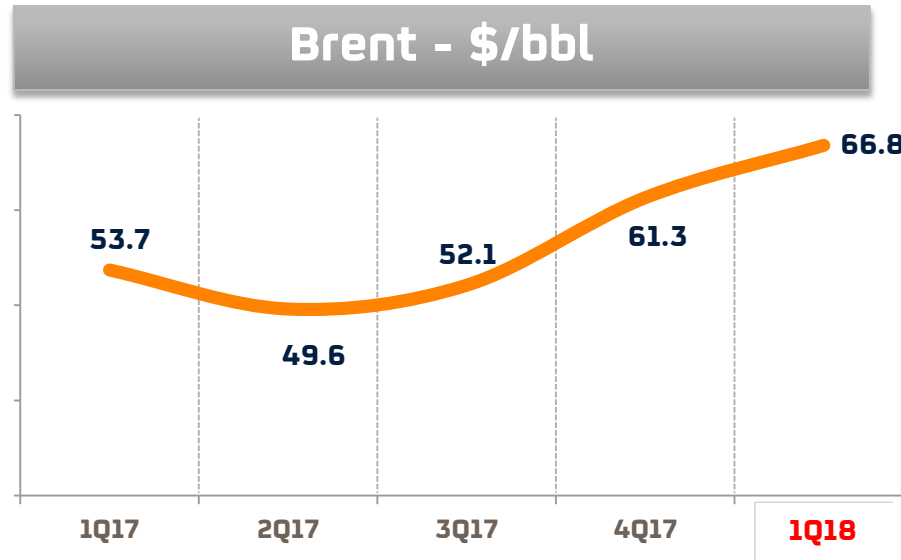
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- 1. Delivery of strategic objectives**
- 2. Operational activity**
- 3. Financial results**
- 4. Conclusions and outlook for 2018**

# Market environment



# Delivery of strategic objectives



## Upstream:

- Record levels of daily production
- Positive FCF

## Downstream:

- Performance in line with previous quarters

## Corporation:

- Proposed dividend increase to **~0.90€/share**
- Proposed purchase of scrip dividend dilution

## Net debt → **€6.8Bn** impacted by:

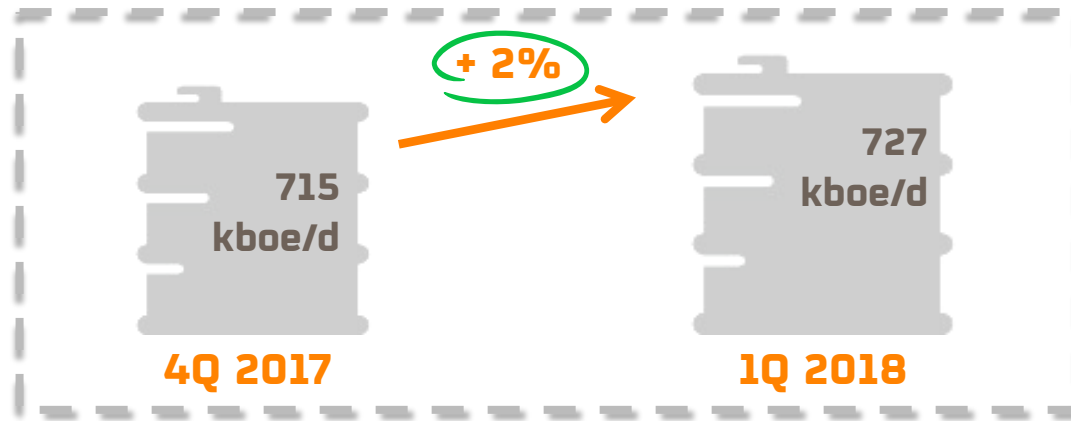
- Dividend payment in January
- Market operations related to own shares

## Gas Natural:

- Closing of disposal progressing as planned

# Operational Activity

## Upstream



### 1Q18 volumes were supported by:

- New barrels/ramp up in:
  - ✓ **Algeria**
  - ✓ **Trinidad & Tobago**
  - ✓ **UK**
  - ✓ **Malaysia**
- El Sharara (**Libya**) → **38 kboe/d**
- Visund (**Norway**) → **11 kboe/d**  
[since February 1st]

### Exploration program:

- ✓ **6** exploratory wells completed [**1 positive**]
- ✓ New exploration acreage acquired in: **Mexico**, **Brazil** and **Norway**

### Development activity:

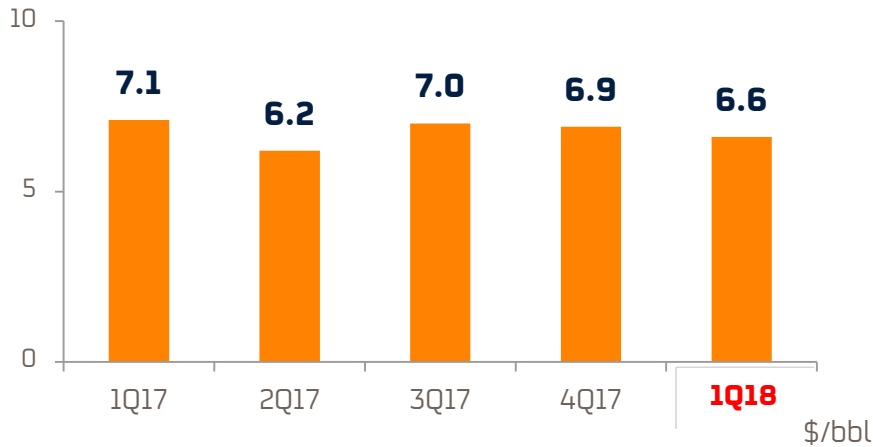
- ✓ Bunga Pakma (**Malaysia**) first production expected in 2Q18

# Operational activity

Downstream



## Refining Margin Indicator



## Petrochemicals

- Results in line with 4Q17 despite:
  - Increase naphta prices
  - Decrease in volumes

## Utilization rates

1Q 2018



Distillation



Conversion units

## Commercial businesses

- Improved LPG results

# Financial Results



	Q1 2018	Q1 2017	Variation %
<b>CCS Adjusted Net Income</b>	<b>616</b>	<b>570</b>	<b>+ 8%</b>
<b>Net Income</b>	<b>610</b>	<b>689</b>	<b>- 11%</b>
<b>EBITDA CCS</b>	<b>1,816</b>	<b>1,731</b>	<b>+ 5%</b>

Million €



# Financial Results

## UPSTREAM



Q1 2018

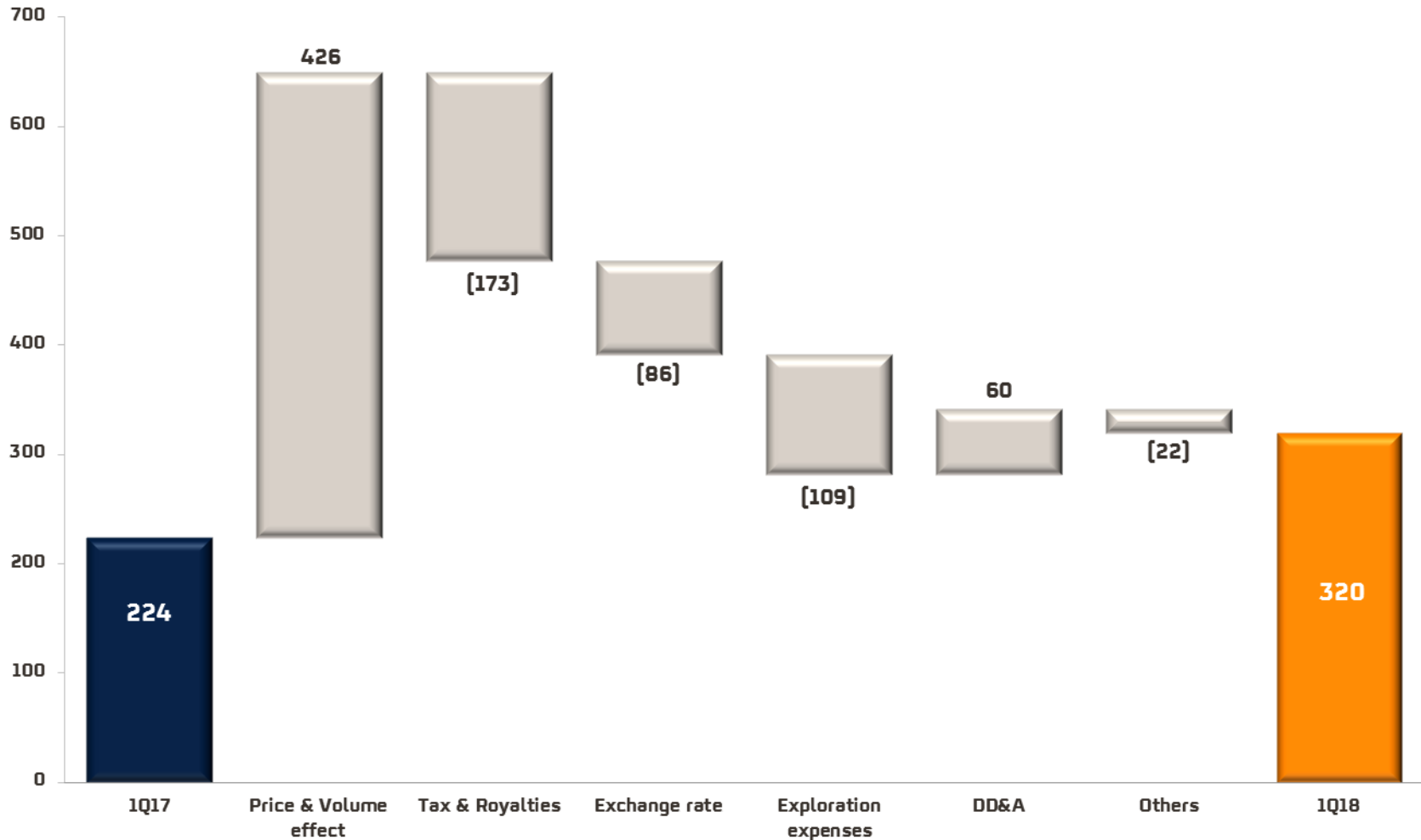
Q1 2017

CCS Adjusted Net Income

320

224

+ 43%



# Financial Results

## DOWNSTREAM



Q1 2018

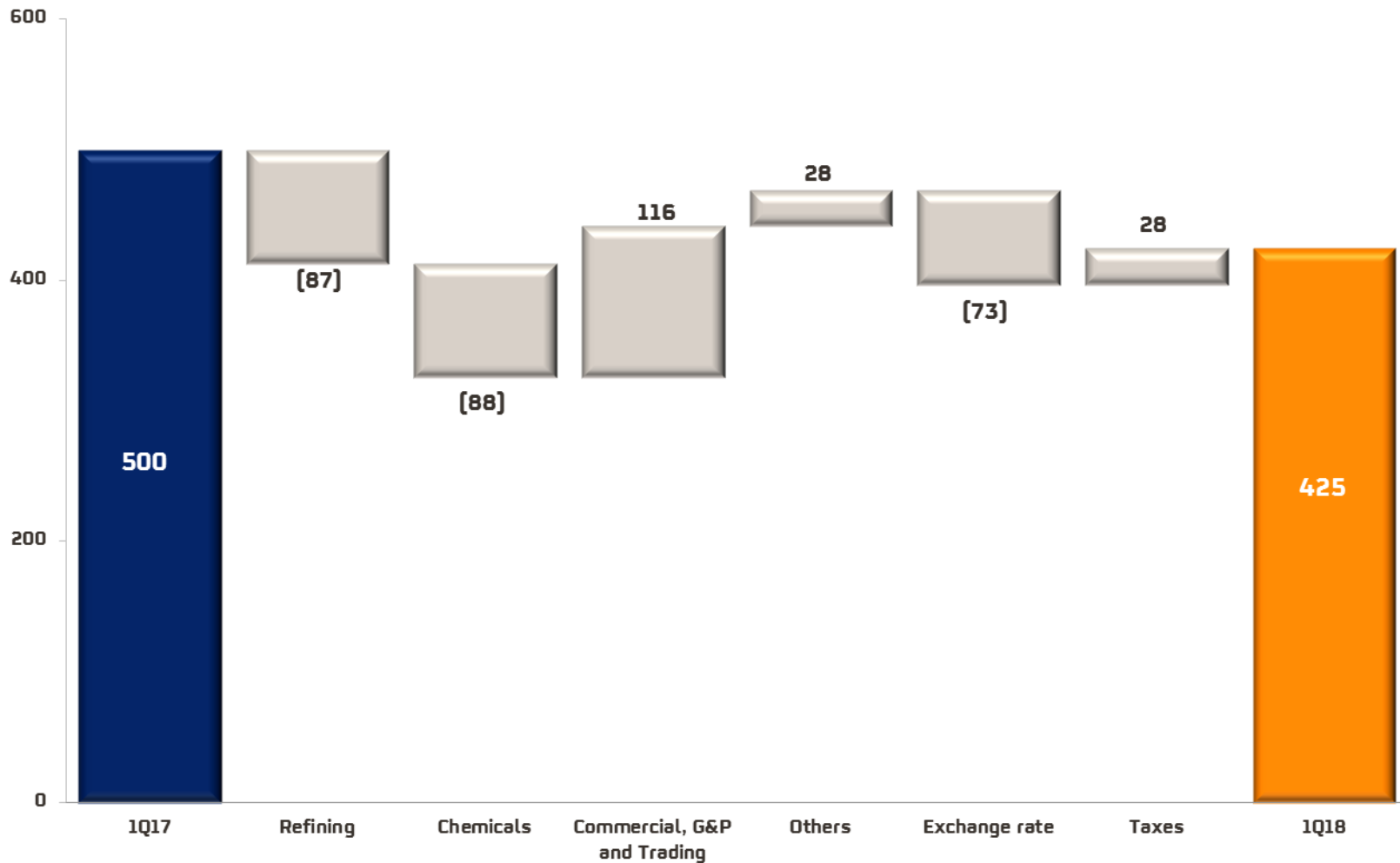
Q1 2017

CCS Adjusted Net Income

425

500

- 15%



# Conclusions and Outlook for 2018



- ✓ **Investment program:** full-year forecast of **~€3.4Bn** (€2.4Bn in Upstream)
- ✓ **Production:** **~700-730 kboe/d** subject to fluctuations in Libya
- ✓ **Downstream:**
  - ✓ Planned maintenance in Tarragona refinery commencing in June
- ✓ **Share capital reduction:**
  - ✓ Subject to approval during the AGM
  - ✓ The final amount of shares to be amortized will depend on the level of acceptance of July's scrip
  - ✓ Committed to cover our dividend payments and scrip buybacks with organic cash flow from 2018 onwards

# Q&A Session

First Quarter 2018 Results

Repsol Investor Relations

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