



REPSOL

WEBCAST – CONFERENCE CALL

Third Quarter 2019 Results



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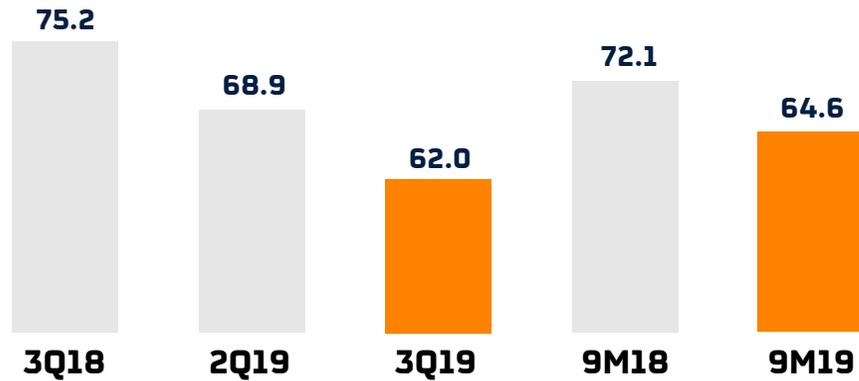


Solid 3Q19 & 9M19 cash generation in a challenging scenario

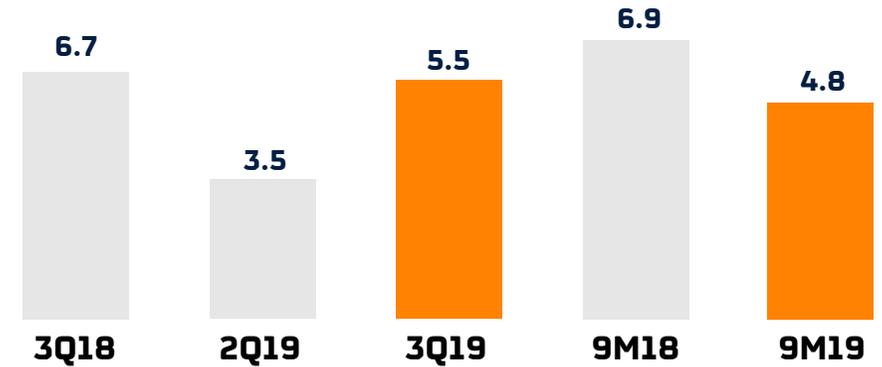
Key messages and operational highlights



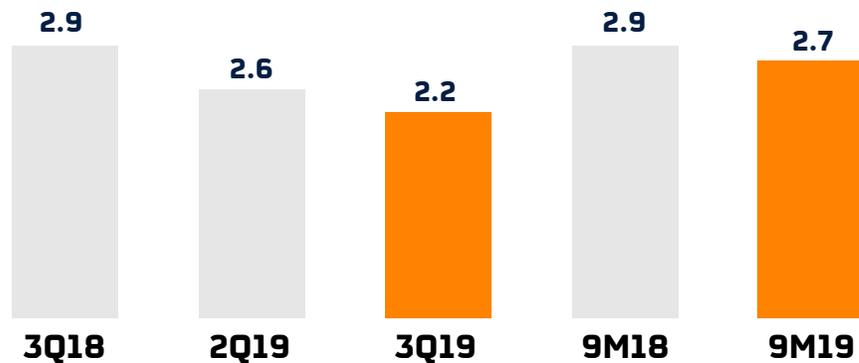
Brent Price [USD/Bbl]



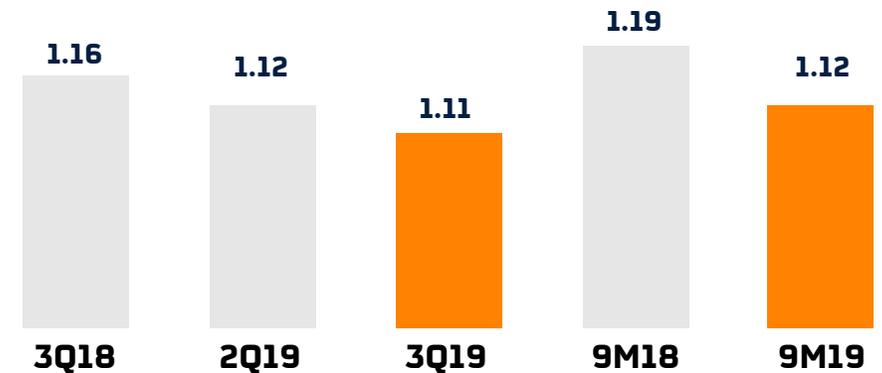
Refining Margin Indicator [USD/Bbl]



Henry Hub [USD/MBtu]



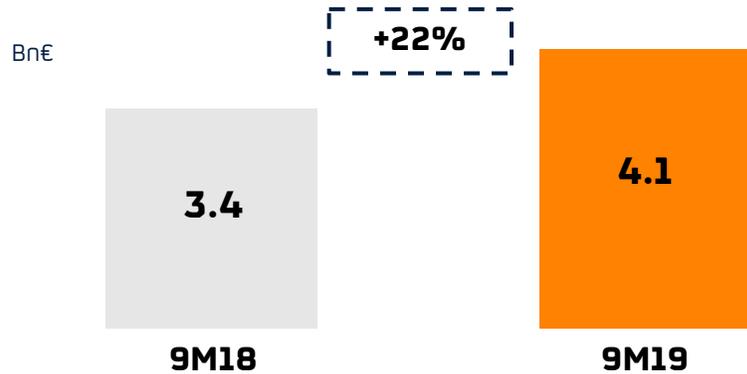
Exchange rate [USD/€]



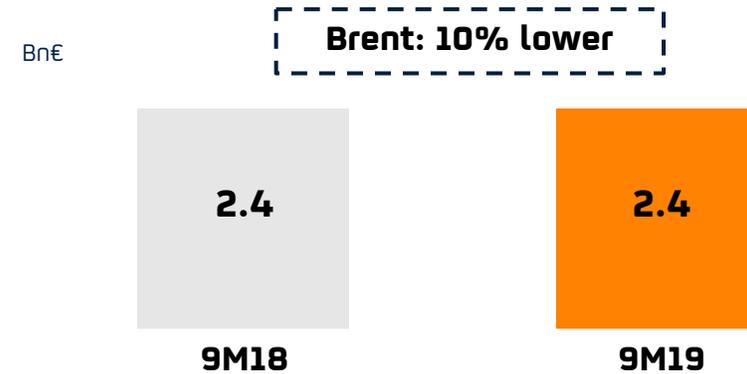
Strong Operating Cash Flow delivery

Key messages and operational highlights

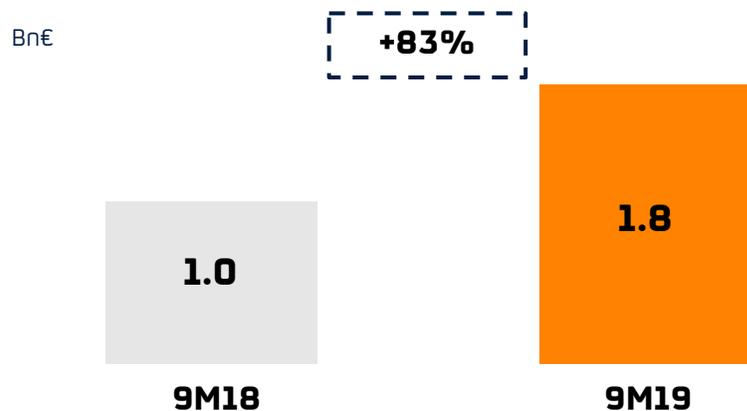
OCF* 22% higher year on year in a challenging scenario



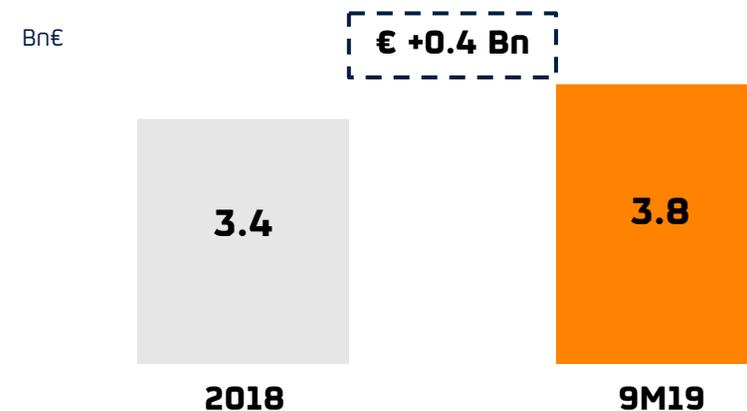
Upstream: Value over volume. FCF BE <50\$/Bbl



Downstream: OCF 83% higher year on year



Net Debt: +€1.4 Bn impact from treasury shares



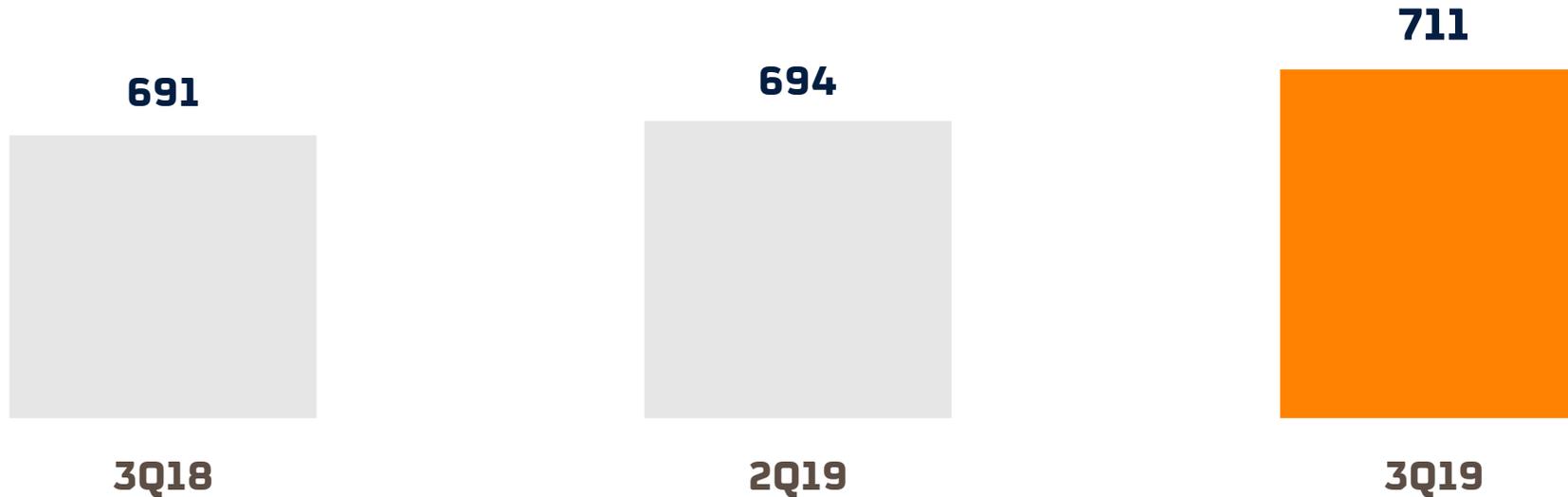
* OCF: Operating Cash Flow

Upstream production

Key messages and operational highlights



Kboed



Q-o-Q increase in production

- Higher volumes in **Marcellus**
- **Buckskin** (GoM*) producing for the full quarter
- Higher uptime in **Peru** and **T&T**

Q-o-Q decrease in production

- Lower gas demand in **Venezuela**
- Modulating our development activity in **Canada**
- Activity in **Libya** affected by *force majeure* periods. Operations stable since August

*GoM: Gulf of Mexico

Development activity

Key messages and operational highlights



Alaska [Pikka]

- Winter campaign already approved: 2 wells and a gravel lay program

North America [Buckskin]

- Partners evaluating data from 2 wells. A third well could be drilled in 2020

Indonesia [Sakakemang]

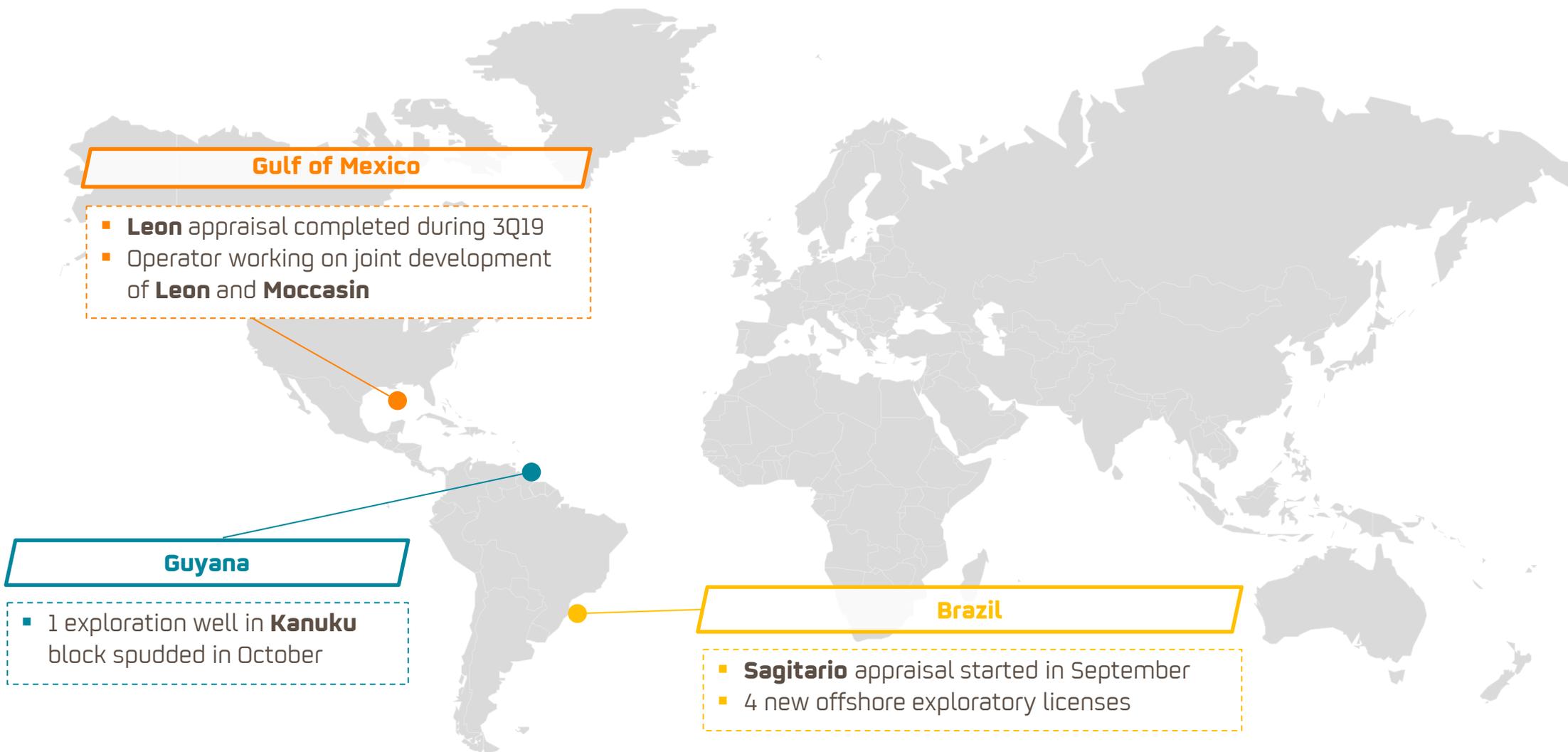
- Working on the final location of the **Kaliberau-Dalam** appraisal (2020E)
- Potential early development

Malaysia [Kinabalu]

- The second phase of the **redevelopment** project was sanctioned in July

Exploration activity

Key messages and operational highlights



Gulf of Mexico

- **Leon** appraisal completed during 3Q19
- Operator working on joint development of **Leon** and **Moccasin**

Guyana

- 1 exploration well in **Kanuku** block spudded in October

Brazil

- **Sagitario** appraisal started in September
- 4 new offshore exploratory licenses

Challenging Refining

Key messages and operational highlights



Resilient Refining Margin Indicator

- Strong **middle distillate spreads**
- **Premium** of 0.80 \$/Bbl over Indicator
- **Turnaround** of Bilbao **completed**
- Started **turnaround** of Cartagena's hydrocracker

Commercial businesses: Robust performance

- Opening of the most powerful **electric-vehicle charging station in Europe**
- **Lubricants** internationalization: acquisition of 40% of United Oil (Singapore)
- Mexico expansion:
 - **225** service stations operating
 - **310** contracts signed

Chemicals: Results in line year-on-year

- 3Q19 sales affected by **seasonality and stock build-up**
- Slightly lower **international margins** compared to 2Q19

Low Carbon: Objectives on track

- **Record levels of utilization** in our CCGT power plants
- Retail business: **~965 K clients**
- **3 new renewable projects** (+800 MW)
- **WindFloat Atlantic** started offshore installation [first floating wind farm in continental Europe]

3Q19 results: CCS Adjusted Net Income

Financial results

Group

M€



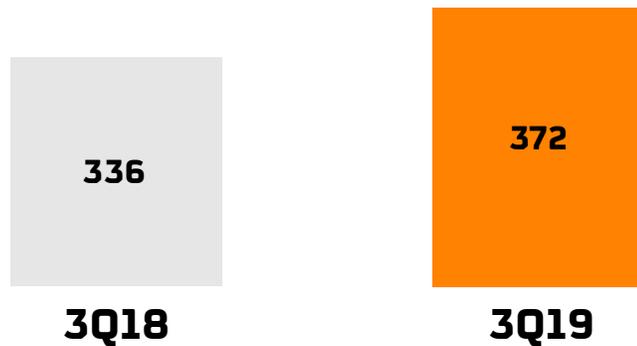
Upstream

M€



Downstream

M€



Corporate & others

M€



Guidance: On track to deliver €1 Bn of additional OCF in 2019

Outlook 2019



FY2019 GUIDANCE

Production	~710 KBoed	<ul style="list-style-type: none">• Prioritizing value over volume.• ~730 Kboed production in October
Ref. Margin Indicator	~6 USD/Bbl	<ul style="list-style-type: none">• Expected IMO-led outperformance in 4Q19• October Refining Margin Indicator: ~8 \$/Bbl• Turnaround of Puertollano will end the accelerated maintenance in 2019
EBITDA CCS	€7.5 Bn	<ul style="list-style-type: none">• Upstream Division: €4.5Bn• Downstream Division: €3.1Bn
Organic Capex	<€3.5 Bn	<ul style="list-style-type: none">• Upstream Division: €2.3Bn• Downstream Division: €1.2Bn

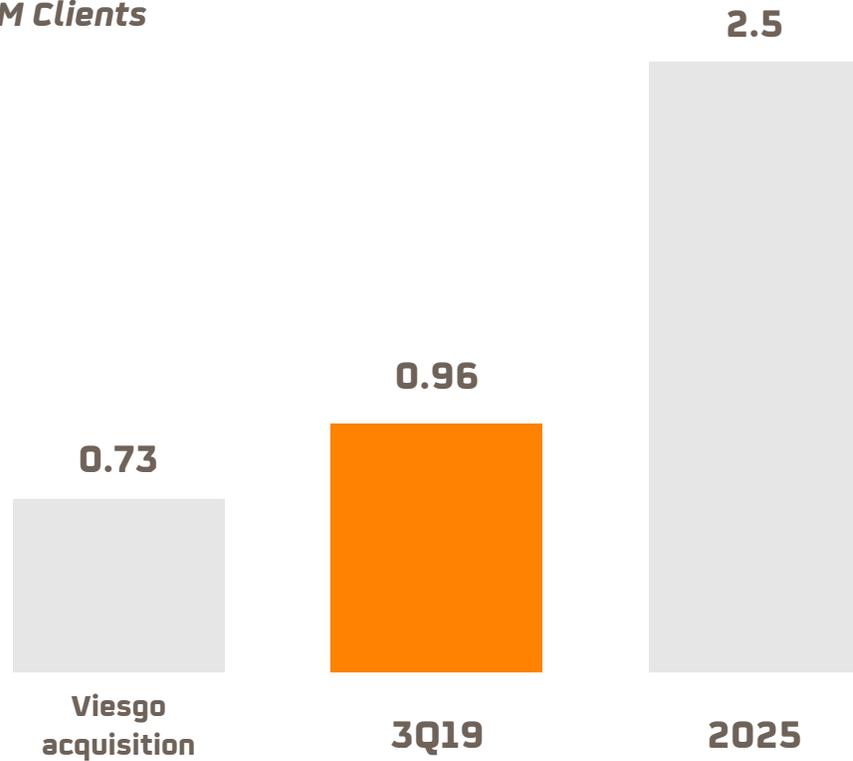
Low Carbon Business

Outlook 2019

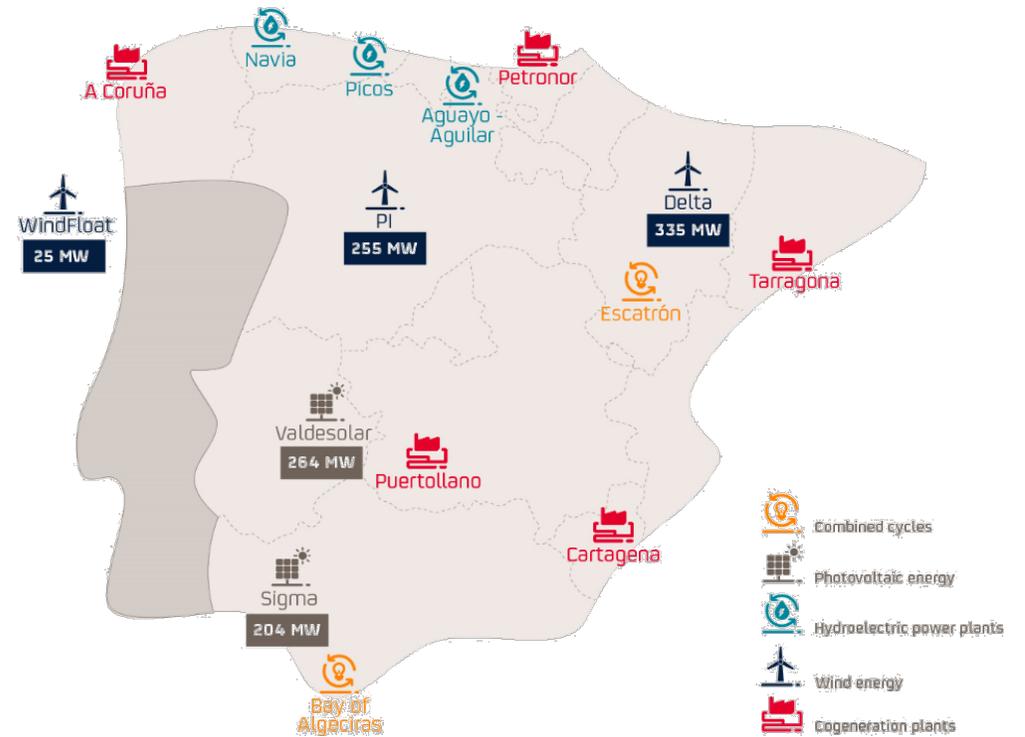


Approaching 1 million retail clients

M Clients



~90% power generation portfolio achieved



IMO: Repsol's Spanish refining system perfectly positioned

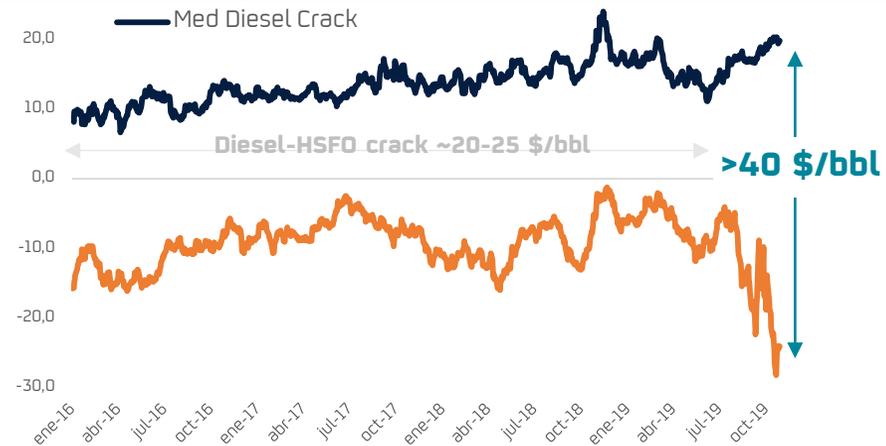
Outlook 2019

Repsol: Top European player in conversion



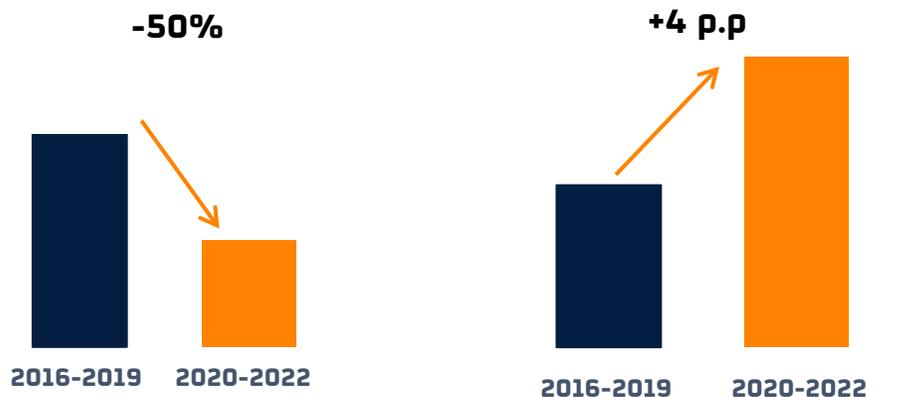
Source: Wood Mackenzie, Refinery Evaluation Model, 2018. Repsol figures, internal data

Diesel-HSFO crack spread > 40\$/Bbl



Source: Platts

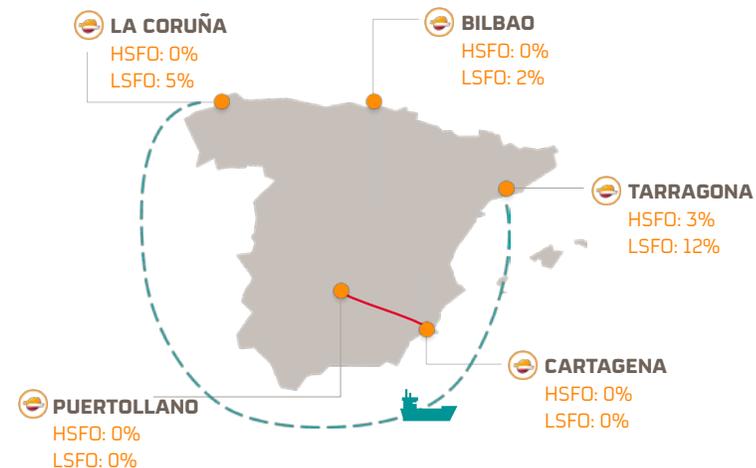
2020-2022: Reduce turnarounds



Turnaround intensity (days)

Conversion Capacity Utilization

Refining in Spain can operate without producing HSFO



On track to deliver 2020 strategic objectives

Conclusions



1. Increasing shareholders returns



- **Removing dilution** associated to the **scrip dividend** and increasing our dividend in 2018 and 2019
- Proposal to 2020 AGM:
 - Shareholder remuneration to reach **1€/share**
 - Additional **5% share capital reduction**

2. Growing our portfolio profitability



- Strong **OCF generation**: on track to deliver 2019 objective
- Strength of Repsol's integrated model allows us to **navigate in a volatile macro environment**

3. Thriving in the energy transition



- Leading into a **less carbon intensive world**
- Become a global **multi-energy customer centric company**



4. Financial flexibility





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