



Repsol Europe Finance

14-16 Avenue Pasteur
2310 Luxembourg
Luxembourg

Tel. (+352) 27860070
www.repsoleuropefinancesarl.com

Luxembourg, February 16, 2023

In accordance with Law of 23 December 2016, on market abuse, Repsol Europe Finance S.à.r.l. (the “**Company**”) is filing the attached official notice on the results for the fourth quarter and full year 2022, published by Repsol, S.A., the Guarantor of the Company’s Euro 10,000,000,000 Guaranteed Euro Medium Term Note Programme.

This official notice Repsol, S.A. has been filed today by Repsol, S.A. with the Spanish Securities Market Commission (*Comisión Nacional del Mercado de Valores*).

* * *



Q4 & FY 2022 Results

February 16, 2023



Index

1. Delivering our strategy while committed with the energy transition	2
2. 4Q22: Adjusted Net Income €2,007 million	4
3. Net Income performance by Business Segment	6
▪ Upstream	6
▪ Industrial	9
▪ Commercial and Renewables	11
▪ Corporate and others	13
▪ Inventory Effect	14
▪ Special Items	14
4. Adjusted Cash Flow Statement Analysis	15
5. Net Debt Evolution and Liquidity	16
6. Relevant Events	17
7. Appendix I - Metrics by Business Segments	22
Operating Indicators	25
8. Appendix II – Repsol’s Reporting Consolidated Financial Statements	28
9. Appendix III - IFRS Consolidated Financial Statements	32
10. Appendix IV - Basis of Presentation	38

Delivering our strategy while committed with the energy transition

Josu Jon Imaz, CEO

“Repsol delivered a significant progress on its strategy”

“During the year, Repsol delivered a significant progress on its strategic objectives, boosting its transformation through the improvement of its multi-energy and decarbonization profile. The partnerships we have built to promote growth and development in key areas reinforce the fulfillment of Repsol’s 2021-2025 Strategic Plan and our leadership in the energy transition.

Moreover, we have also reached three years in advance the target set in the 2021-2025 Strategic Plan of reducing our share capital by 200 million shares”.

Strategic Plan 2021-2025 delivery

Value crystallization:

New partnerships

Upstream: Repsol agreed to partner with USA institutional investor EIG with a 25% stake for a total consideration of \$4.8 billion, valuing the Upstream business at \$19 billion. The unit will continue to focus on the growth of key regional hubs with a diversified portfolio of exploration and production assets in OECD countries.

Low Carbon Generation: Repsol partner with the consortium formed by the French insurance company Crédit Agricole Assurances and Switzerland-based Energy Infrastructure Partners (EIP) with a 25% stake in Repsol Renovables for a total cash consideration of €986 million. The transaction, a new milestone in the fulfillment of the multienergy company’s 2021-2025 Strategic Plan, valued Repsol’s renewable business¹ at €4,383 million.

Shareholder distribution:

Three years in advance

Share buyback: Bringing forward by three years the repurchase of 200 million shares and the redemption target set in the 2021-2025 Strategic Plan.

2023 cash dividend: 11% increase with a remuneration in cash of 0.70 gross euros per share, subject to the approval of the next AGM, bringing forward the remuneration foreseen for 2024 under the 2021-2025 Strategic Plan.

2023 new share buyback programme: The Board of Directors of Repsol, S.A. has resolved to implement an own shares buy-back programme where the maximum number of shares to be acquired will be 35 million and to propose to the next Annual General Meeting a capital reduction of 50 million shares through the redemption of own shares.

Portfolio management:

Improving our portfolio

Upstream: Value over volume. Reducing the number of countries from more than 25 to 15. We have increased our presence, through opportunistic acquisitions, in the unconventional plays of Marcellus and Eagle Ford in the USA.

Low Carbon Generation: Double-digit return. Incorporation of TRIG as partner in the Valdesolar solar plant and Pontegadea in the Kappa solar plant, demonstrating Repsol’s renewable growth model.

Agreement to acquire Asterion Energies, integrating 7,700 MW of which 2,500 MW are at an advanced stage of development for a total of €560 million. The transaction will represent a new milestone in the fulfillment of Repsol’s 2021-2025 Strategic Plan.

¹ Considers the business value after the divestment of a 49% stake in the wind project Delta I

Strategic projects:

Delivering in our commitments

Upstream: Final Investment Decision (FID) was taken in Leon and Castile in the Gulf of Mexico (USA), Pikka phase 1 oil project located on the North Slope of Alaska (USA), phase 3 in Eagle Ford (USA), Cypre (Trinidad and Tobago) and the development of Lapa SW (Brazil).

Industrial: On-going construction of Spain's first advanced biofuels plant at Cartagena refinery. It will have the capacity to produce 250,000 tons per year of advanced biofuels such as biodiesel, biojet, bionaphtha, and biopropane and will allow a reduction of 0.9 M/tn of CO₂ per year.

Repsol became shareholder in the waste-to-renewable fuels and chemicals technology leader Enerkem. Investment in this leader in waste valorization technology is aligned with the company's strategic focus on decarbonization and circularity as key levers to reach the company's target of becoming zero net emissions by 2050.

Commercial: Reached 5.5 million clients within its digital application Waylet and entered into the electricity and gas market in Portugal, achieving 1.5 million customers in the Iberian peninsula.

Financial Position

Net debt stood at €2,256 million

The **cash flow from operations** during 2022 was €8,923 million, €3,470 million higher than in the same period of 2021. Group's **Net Debt** at the end of 2022 stood at €2,256 million, €3,506 million lower than at the end of 2021. The strong cash flow from operations generated during the period as well as the proceeds from the sale of a 25% stake in Repsol Renovables more than covered recurrent cash out flows, dividends and the acquisition of treasury shares.

The Group's **gearing** at the end of 2022 stood at 8.0%², compared with 20.2% at the end of 2021. During the fourth quarter of 2022 both S&P and Moody's upgraded Repsol's long-term credit rating to BBB+ and Baa1, with stable outlook, from BBB and Baa2 respectively.

² Gearing ratio defined as: $Net\ Debt / (Net\ Debt + Equity)$

4Q22: Adjusted Net Income €2,007 million

(Unaudited figures)

Prepared according to Repsol's reporting model (See Appendix IV – Basis of presentation)

Results (€ Million)	Q4 2022	Q3 2022	Q4 2021	% Change Q4 22/Q4 21	Jan - Dec 2022	Jan - Dec 2021	% Change 2022 / 2021
Upstream	598	753	624	(4.2)	3,029	1,687	79.5
Industrial	1,119	638	267	-	3,150	606	-
Commercial and Renewables	167	158	145	15.2	540	542	(0.4)
Corporate and Others	123	(72)	(164)	-	(58)	(381)	84.8
Adjusted Net Income	2,007	1,477	872	130.2	6,661	2,454	171.4
Inventory effect	(579)	(552)	169	-	75	797	(90.6)
Special items	(399)	(242)	(481)	17.0	(2,485)	(752)	(230.5)
Net Income	1,029	683	560	83.8	4,251	2,499	70.1
Earnings per share (€/share)	0.75	0.47	0.37	102.4	2.96	1.64	81.2
Financial data (€ Million)	Q4 2022	Q3 2022	Q4 2021	% Change Q4 22/Q4 21	Jan - Dec 2022	Jan - Dec 2021	% Change 2022 / 2021
EBITDA	2,950	2,844	2,584	14.2	13,813	8,170	69.1
EBITDA CCS	3,743	3,609	2,352	59.1	13,710	7,071	93.9
Operating Cash Flow	2,804	3,189	2,082	34.7	8,923	5,453	63.6
Investments	1,785	962	1,360	31.3	4,182	2,994	39.7
Group's Effective Tax Rate (%)	(34)	(42)	(38)	4.0	(37)	(39)	2.0
Net Debt ^(*)	2,256	2,181	5,762	(60.8)	2,256	5,762	(60.8)
International prices	Q4 2022	Q3 2022	Q4 2021	% Change Q4 22/Q4 21	Jan - Dec 2022	Jan - Dec 2021	% Change 2022 / 2021
Brent (\$/bbl)	88.9	100.8	79.8	11.4	101.3	70.9	42.9
Henry Hub ^(**) (\$/MBtu)	6.3	8.2	5.8	8.6	6.6	3.9	69.2
Average exchange rate (\$/€)	1.02	1.01	1.14	(10.5)	1.05	1.18	(11.0)
Operational data	Q4 2022	Q3 2022	Q4 2021	% Change Q4 22/Q4 21	Jan - Dec 2022	Jan - Dec 2021	% Change 2022 / 2021
Liquids Production (Thousand bbl/d)	181	191	190	(4.8)	185	206	(10.4)
Gas Production ^(***) (Million scf/d)	2,081	2,012	2,082	(0.0)	2,048	2,054	(0.2)
Total Production (Thousand boe/d)	551	549	561	(1.8)	550	572	(3.9)
Crude Oil Realization Price (\$/bbl)	77.3	88.4	71.1	8.7	90.0	62.7	43.5
Gas Realization Price (\$/Thousand scf)	6.4	8.5	6.6	(3.0)	7.4	4.6	60.9
Distillation Utilization Spanish Refining (%)	82.3	88.2	76.0	6.3	86.1	76.0	10.1
Conversion Utilization Spanish Refining (%)	99.9	103.1	87.5	12.4	95.2	83.4	11.8
Refining Margin Indicator in Spain (\$/bbl)	18.9	12.7	4.4	-	15.6	2.4	-
Sustainability data	Q4 2022	Q3 2022	Q4 2021	Change Q4 22/Q4 21	Jan - Dec 2022	Jan - Dec 2021	Change 2022 / 2021
Process safety indicator (PSIR)	0.56	0.35	0.22	0.3	0.41	0.25	0.2
Total recordable injury rate (TRIR)	1.59	1.78	1.02	0.6	1.59	0.89	0.7
Annual CO ₂ e emissions reduction (Kt) ^(****)	60	85	267	(207)	338	558	(220)

(*) It includes leases: €3,686 million, €4,009 million and €3,681 as of fourth quarter 2022, third quarter 2022 and fourth quarter 2021, respectively. (**) Henry Hub First of Month Index. (***) 1,000 Mcf/d = 28.32 Mm3/d = 0.178 Mboe/d. (****) Estimated.

4Q22 Highlights

Adjusted Net Income

€2,007 M

Adjusted net income in the fourth quarter was €2,007 million, €1,135 million higher than in the same period of 2021. **Net income** amounted to €1,029 million, €469 million higher than in the same period of 2021.

Upstream

€598 M

In **Upstream**, adjusted net income was €598 million, €26 million lower than in the same period of 2021 mainly due to lower gas realization prices, higher amortization and production costs as well as higher taxes. These were partially compensated by higher oil realization prices and the appreciation of the dollar against the euro.

Industrial

€1,119 M

In **Industrial**, adjusted net income was €1,119 million, €852 million higher than in the same period of 2021 mainly due to higher results in the Refining businesses as well as in Trading and Wholesale & Gas Trading and the appreciation of the dollar against the euro. This was partially offset by lower results in Chemicals as well as higher taxes due to a higher operating income.

Commercial & Renewables

€167 M

In **Commercial and Renewables**, adjusted net income was €167 million, €22 million higher than in the same period of 2021 mainly due to higher results in Retail Electricity & Gas, LPG and Lubricants, Aviation, Asphalts and Specialties. These were partially offset by lower results in Mobility due to leading fuel discounts in Spain and in the Low Carbon Generation business.

Corporate & Others

€123 M

In **Corporate and others**, adjusted net income was €123 million, compared to €-164 million in the same period of 2021 mainly due to higher results from treasury stock positions.

Special Items

€-399 M

Special Items stood at €-399 million during the fourth quarter of 2022, compared with €-481 million in the same period of 2021 and correspond mainly to provisions for impairment.

Net Income performance by Business Segment

Upstream

(Unaudited figures)

Prepared according to Repsol's reporting model (See Appendix IV – Basis of presentation)

Results (€ Million)	Q4 2022	Q3 2022	Q4 2021	% Change Q4 22/Q4 21	Jan - Dec 2022	Jan - Dec 2021	% Change 2022 / 2021
Adjusted Net Income	598	753	624	(4.2)	3,029	1,687	79.5
Operating income	1,187	1,586	1,116	6.4	5,705	3,027	88.5
Income tax	(594)	(841)	(489)	(21.5)	(2,703)	(1,348)	(100.5)
Income from equity affiliates and non-controlling interests	5	8	(3)	-	27	8	237.5
EBITDA	1,640	2,155	1,502	9.2	7,485	4,429	69.0
Investments	778	603	534	45.7	2,127	1,223	73.9
Effective Tax Rate (%) ^(*)	(50)	(53)	(44)	(6.0)	(47)	(45)	(2.0)
International prices	Q4 2022	Q3 2022	Q4 2021	% Change Q4 22/Q4 21	Jan - Dec 2022	Jan - Dec 2021	% Change 2022 / 2021
Brent (\$/bbl)	88.9	100.8	79.8	11.4	101.3	70.9	42.9
WTI (\$/bbl)	82.6	91.4	77.1	7.1	94.3	68.1	38.5
Henry Hub ^(**) (\$/MBtu)	6.3	8.2	5.8	8.6	6.6	3.9	69.2
Average exchange rate (\$/€)	1.02	1.01	1.14	(10.5)	1.05	1.18	(11.0)
Realization prices	Q4 2022	Q3 2022	Q4 2021	% Change Q4 22/Q4 21	Jan - Dec 2022	Jan - Dec 2021	% Change 2022 / 2021
Crude Oil (\$/bbl)	77.3	88.4	71.1	8.7	90.0	62.7	43.5
Gas (\$/Thousand scf)	6.4	8.5	6.6	(3.0)	7.4	4.6	60.9
Production	Q4 2022	Q3 2022	Q4 2021	% Change Q4 22/Q4 21	Jan - Dec 2022	Jan - Dec 2021	% Change 2022 / 2021
Liquids (Thousand bbl/d)	181	191	190	(4.8)	185	206	(10.4)
Gas ^(***) (Million scf/d)	2,081	2,012	2,082	(0.0)	2,048	2,054	(0.2)
Total (Thousand boe/d)	551	549	561	(1.8)	550	572	(3.9)

(*) Calculated on the Operating Income. (**) Henry Hub First of Month Index. (***) 1,000 Mcf/d = 28.32 Mm³/d = 0.178 Mboe/d.

Fourth quarter 2022 results

Adjusted net income was €598 million, €26 million lower than in the same period of 2021 mainly due to lower gas realization prices, higher amortization and production costs as well as higher taxes. These were partially compensated by higher oil realization prices and the appreciation of the dollar against the euro.

The principal factors that explain the variations in the year-on-year performance in the Upstream division are as follows:

- **Lower gas realization prices**, partially compensated by higher oil realization prices, had a negative impact on the operating income of €45 million.
- **Higher volumes**, excluding country exits, impacted the operating income positively by €43 million, mainly due to the commissioning of new wells in Marcellus and Eagle Ford (USA) and higher production in Libya.
- **Lower royalties** had a positive contribution to the operating income of €4 million.
- **Higher depreciation and amortization** had a negative impact of €57 million on the operating income.

- **Higher production costs and general costs** had a negative impact of €22 million on the operating income.
- **Higher exploration costs** had a negative impact on the operating income of €6 million.
- The **appreciation of the dollar against the euro** had a positive impact on the operating income of €167 million.
- **Income tax** expense increased by €106 million mainly due to a higher operating income and higher taxes.
- **Income from equity affiliates and non-controlling interests and lower contribution from country exits** explain the remaining differences.

Production

Upstream production averaged 551 kboe/d in the fourth quarter of 2022, 9 kboe/d lower year-on-year primarily due to the sale of Chauvin and Duvernay in Canada and Brage in Norway and all producing assets in Malaysia, Ecuador and Vietnam, planned and unplanned maintenance activities in Trinidad and Tobago, lower production in Bolivia, Venezuela and Brazil, and the natural decline of fields. These were partially compensated by the commissioning of new wells in the unconventional assets of Marcellus and Eagle Ford (USA) the ramp-up of production in the YME project (Norway) and higher production in Libya.

Exploration

During the fourth quarter of 2022, one exploration well in Colombia, Cosecha GN 01, was declared positive and two wells were declared negative in the USA: One exploration well, Abilene-1 and one appraisal well, Colt-2.

At the end of the fourth quarter of 2022, one exploration well was in progress: Tinamú-1 in Colombia.

Exploration expenses during the fourth quarter stood at €52 million, 13% higher than in the same period of 2021.

Investments

Accrued **investments** in Upstream in the fourth quarter of 2022 amounted to €778 million, €244 million higher than in the same period of 2021.

- **Development investments** accounted for 90% of the total investment and was concentrated mainly in the USA (65%), Trinidad and Tobago (9%), Norway (8%), Brazil (6%), UK (4%) and Colombia (4%).
- **Exploration investments** represented 9% of the total and was allocated primarily in the USA (42%), Indonesia (17%), Mexico (12%) and Colombia (11%).

2022 results

The **adjusted net income** for 2022 amounted to €3,029 million, €1,342 million higher year-on-year mainly thanks to higher oil and gas realization prices and the appreciation of the dollar against the euro that were partially offset by lower production mainly due to portfolio management, higher exploration and production costs, higher amortization and higher taxes principally due to a higher operating income.

Production

Upstream production averaged 550 kboe/d in 2022, 22 kboe/d lower year-on-year primarily as a consequence of the sale of TFT in Algeria, Brage in Norway and Duvernay and Chauvin in Canada as well as all producing assets in Malaysia, Ecuador, Russia and Vietnam, the intermittent stops in Libya due to security conditions, the negative PSC effect due to higher prices in Bolivia and the natural decline of fields. These were partially compensated by the commissioning of new wells in the unconventional assets of Marcellus and Eagle Ford (USA), the entry into production of the YME project (Norway), lower planned and unplanned maintenance activities in Peru as well as the start-up of production in Matapal and Cassia C (Trinidad and Tobago) and a higher gas demand in Venezuela.

Exploration

During 2022, eleven wells were completed, of which four were declared positive. Two appraisal wells: Monument-2 App and Blacktip North ST1 in the USA and two exploration wells: Tejón-1 and Cosecha GN 01 in Colombia. In addition the remaining seven wells were declared negative. One appraisal well, Colt-2 in the USA and six exploration wells: Sararenda-X3D in Bolivia, Abilene-1 in the USA, Beebei-1 in Guyana, Recong-1X in Indonesia and Caño Caranal DT 01 and Caño Caranal DT 01 ST in Colombia.

At the end of 2022 one exploration well was in progress: Tinamú-1 in Colombia.

Exploration expenses during 2022 stood at €316 million, 116% higher than in the same period of 2021.

Investments

Accrued Investment in **Upstream** during 2022 amounted €2,127 million, €904 million higher than in the same period of 2021.

- **Development investments** accounted for 84% of the total investment and was concentrated mainly in the USA (64%), Trinidad and Tobago (9%), Norway (8%), UK (6%) and Brazil (5%).
- **Exploration investments** represented 15% of the total and was allocated primarily in the USA (43%), Indonesia (18%), Mexico (8%), Guyana (7%) and Colombia (6%).

Industrial

(Unaudited figures)

Prepared according to Repsol's reporting model (See Appendix IV – Basis of presentation)

Results (€ Million)	Q4 2022	Q3 2022	Q4 2021	% Change Q4 22/Q4 21	Jan - Dec 2022	Jan - Dec 2021	% Change 2022 / 2021
Adjusted Net Income	1,119	638	267	-	3,150	606	-
Operating income	1,526	891	356	-	4,315	792	-
Income tax	(371)	(228)	(89)	-	(1,071)	(197)	-
Income from equity affiliates and non-controlling interests	(36)	(25)	0	-	(94)	11	-
Inventory effect (after taxes)	(556)	(542)	155	-	56	746	(92.5)
EBITDA	956	334	790	21.0	5,223	2,654	96.8
EBITDA CCS	1,718	1,085	577	197.7	5,149	1,624	217.1
Investments	476	177	493	(3.4)	1,025	859	19.3
Effective Tax Rate (%) ^(*)	(24)	(26)	(25)	1.0	(25)	(25)	0.0

Operational data	Q4 2022	Q3 2022	Q4 2021	% Change Q4 22/Q4 21	Jan - Dec 2022	Jan - Dec 2021	% Change 2022 / 2021
Refining Margin Indicator in Spain (\$/bbl)	18.9	12.7	4.4	-	15.6	2.4	-
Distillation Utilization Spanish Refining (%)	82.3	88.2	76.0	6.3	86.1	76.0	10.1
Conversion Utilization Spanish Refining (%)	99.9	103.1	87.5	12.4	95.2	83.4	11.8
Processed Crude (Mt)	10.4	10.9	9.7	7.2	42.1	38.1	10.5
Intl. Petrochemical Margin Indicator (€/t)	1,209	1,293	1,390	(13.0)	1,316	1,364	(3.5)
Petrochemical Product Sales (Thousand tons)	474	606	733	(35.3)	2,451	2,819	(13.1)

International prices (\$/bbl)	Q4 2022	Q3 2022	Q4 2021	% Change Q4 22/Q4 21	Jan - Dec 2022	Jan - Dec 2021	% Change 2022 / 2021
Maya vs Brent spread	(13.7)	(13.4)	(8.2)	(67.1)	(12.4)	(6.3)	(96.8)
Gasoline vs Brent spread	16.7	21.5	12.9	29.5	21.7	10.5	106.7
Diesel vs Brent spread	49.9	46.5	13.0	283.8	41.8	8.4	-

(*) Calculated on the Operating Income.

Fourth quarter 2022 results

Adjusted net income was €1,119 million, €852 million higher than in the same period of 2021. The principal factors that explain the variations in the year-on-year performance in the Industrial businesses are as follows:

- In **Refining**, operating performance was €1,072 million higher year-on-year thanks to higher refining margins together with higher utilization rates in the distillation and conversion units. Worldwide supply constraints caused by the war in Ukraine, the closure of more than 10% of Europe's refining capacity in the last decade and a recovery in the demand led to higher middle distillates and gasolines spreads and higher differentials between light-to-heavy crude oil.
- In **Repsol Peru**, operating performance was €111 million higher year-on-year due to better refining margins thanks to higher middle distillates and gasolines spreads as well as higher volumes and higher results in the mobility business that were partially compensated by higher costs.
- In **Chemicals**, operating performance was €198 million lower year-on-year mainly because of lower petrochemical margins and sales as well as lower cogeneration results.
- In **Trading and Wholesale & Gas Trading**, operating performance was €176 million higher year-on-year due to a higher contribution from both Trading and Wholesale & Gas Trading businesses.
- The **appreciation of the dollar against the euro** had a positive impact on the operating income of €161 million.

- **Income tax** expense increased by €281 million due to a higher operating income.
- **Results in other activities, non-transcended sales adjustments, equity affiliates and non-controlling interests** covered the remaining difference.

Investments

Accrued **Investments** in the fourth quarter amounted to €476 million, €17 million lower than in the same period of 2021 and correspond mainly to investments in the refining and chemical businesses.

2022 results

Adjusted net income in 2022 was €3,150 million, €2,544 million higher year-on-year mainly due to higher results in the Refining businesses and Trading. These were partially offset by lower results in Chemicals and Wholesale & Gas Trading as well as higher taxes due to a higher operating income.

Investments

Accrued **Investments** during 2022 amounted to €1,025 million, €166 million higher than in 2021 and correspond mainly to investments in the Refining and Chemical businesses.

Commercial and Renewables

(Unaudited figures)

Prepared according to Repsol's reporting model (See Appendix IV – Basis of presentation)

Results (€ Million)	Q4 2022	Q3 2022	Q4 2021	% Change Q4 22/Q4 21	Jan - Dec 2022	Jan - Dec 2021	% Change 2022 / 2021
Adjusted Net Income	167	158	145	15.2	540	542	(0.4)
Operating income	256	237	210	21.9	809	761	6.3
Income tax	(62)	(61)	(52)	(19.2)	(203)	(188)	(8.0)
Income from equity affiliates and non-controlling interests	(27)	(18)	(13)	(107.7)	(66)	(31)	(112.9)
Inventory effect (after taxes)	(23)	(10)	14	-	19	51	(62.7)
EBITDA	325	327	347	(6.3)	1,248	1,219	2.4
EBITDA CCS	356	341	328	8.5	1,219	1,150	6.0
Investments	494	153	294	68.0	925	829	11.6
Effective Tax Rate (%) ^(*)	(24)	(26)	(25)	1.0	(25)	(25)	0.0
Operational data	Q4 2022	Q3 2022	Q4 2021	% Change Q4 22/Q4 21	Jan - Dec 2022	Jan - Dec 2021	% Change 2022 / 2021
Electricity Prices in Spanish pool (€/MWh)	113	146	211	(46.3)	168	111	50.5
Own marketing spanish sales (Diesel & Gasoline in km3)	4,262	4,057	3,779	12.8	16,211	13,994	15.8
Electricity Generation (GWh)	1,658	2,831	1,915	(13.4)	8,734	5,283	65.3
Electricity commercialization (GWh) ^(**)	986	1,113	1,057	(6.7)	4,278	3,964	7.9
LPG Sales (Thousand tons)	313	227	357	(12.3)	1,207	1,266	(4.7)

(*) Calculated on the Operating Income. (**) Estimated.

Fourth quarter 2022 results

Adjusted net income was €167 million, €22 million higher than in the same period of 2021. The principal factors that explain the variations in the year-on-year performance in the Commercial and Renewables businesses are as follows:

- In **Mobility**, operating performance was €31 million lower year-on-year mainly due to leading fuel discounts in Spain offered to our customers that have eroded commercial margins in a context of rising international gasoline and diesel prices. This was partially compensated by higher activity.
- In **Retail Electricity & Gas**, operating performance was €43 million higher year-on-year mainly because of higher margins.
- In **LPG**, operating performance was €31 million higher year-on-year mainly originated by higher margins in the regulated business.
- In **Lubricants, Aviation, Asphalts & Specialties**, operating performance was €13 million higher year-on-year mainly due to higher margins in all segments, mainly Asphalts. This was partially compensated by higher costs.
- In **Low Carbon Generation**, operating performance was €14 million lower year-on-year mainly due to lower Spanish energy pool prices that were partially compensated by higher contribution in CCGTs.
- **Income tax** expense increased by €10 million due to a higher operating income.
- **Results in other activities and equity affiliates and non-controlling interests** covered the remaining difference.

Investments

Accrued **Investments** in the fourth quarter amounted to €494 million, €200 million higher than in the same period of 2021 and they are mainly linked to the development of renewable projects in the USA and Spain.

2022 results

Adjusted net income for 2022 was €540 million, practically in line year-on-year mainly due to higher results in Low Carbon Generation, LPG, Lubricants, Aviation, Asphalts & Specialties and Retail Electricity & Gas that were compensated by lower results in Mobility due to leading fuel discounts in Spain.

Investments

Accrued **Investments** during 2022 amounted to €925 million, €96 million higher than in the same period of 2021 and correspond mainly to the development of renewable projects in Spain and the USA.

Corporate and others

(Unaudited figures)

Prepared according to Repsol's reporting model (See Appendix IV – Basis of presentation)

Results (€ Million)	Q4 2022	Q3 2022	Q4 2021	% Change Q4 22/Q4 21	Jan - Dec 2022	Jan - Dec 2021	% Change 2022 / 2021
Adjusted Net Income	123	(72)	(164)	-	(58)	(381)	84.8
Corporate and adjustments result	24	47	(76)	-	(181)	(208)	13.0
Financial result	143	(157)	(176)	-	86	(315)	-
Income tax	(45)	40	89	-	39	143	(72.7)
Income from equity affiliates and non-controlling interests	1	(2)	(1)	-	(2)	(1)	(100.0)
EBITDA	29	28	(55)	-	(143)	(132)	(8.3)
Net Interests ^(*)	8	(29)	(37)	-	(93)	(175)	46.9
Investments	37	29	39	(5.1)	105	83	26.5
Effective Tax Rate (%) ^(**)	(27)	36	35	(62.0)	41	27	14.0

(*) Does not include interest income/expenses from leases. (**) Calculated on the Operating Income and the Financial Result.

Fourth quarter 2022 results

At operating income level, **Corporate and Adjustments** accounted for €24 million during the fourth quarter of 2022, compared with €-76 million for the same period of 2021, mainly due to non-transcended operations between the Upstream and Trading businesses.

The **Financial result** before taxes in the quarter amounted to €143 million compared with €-176 million for the same period of 2021 mainly due to higher results from treasury stock positions.

2022 results

At operating income level, **Corporate and Adjustments** accounted for €-181 million during 2022, compared with €-208 million in 2021.

The **Financial result** before taxes in 2022 amounted to €86 million compared with €-315 million in 2021 mainly due to higher results from treasury stock positions.

Inventory Effect

Fourth quarter 2022 results

Inventory effect was €-579 million in the fourth quarter of 2022 mainly due to lower crude oil and product prices quarter-on-quarter. This compares with €169 million in the same period of 2021.

2022 results

Inventory effect was €75 million in 2022 mainly due to higher product and crude oil prices. This compares with €797 million in 2021.

Special Items

(Unaudited figures)
Prepared according to Repsol's reporting model (See Appendix IV – Basis of presentation)

Results (€ Million)	Q4 2022	Q3 2022	Q4 2021	% Change Q4 22/Q4 21	Jan - Dec 2022	Jan - Dec 2021	% Change 2022 / 2021
Divestments	23	53	(2)	-	84	13	-
Indemnities and workforce restructuring	(47)	(1)	(27)	(74.1)	(63)	(93)	32.3
Impairment of assets	(328)	(217)	(667)	50.8	(1,775)	(699)	(153.9)
Provisions and others	(47)	(77)	215	-	(731)	27	-
Special Items	(399)	(242)	(481)	17.0	(2,485)	(752)	(230.5)

Fourth quarter 2022 results

Special Items stood at €-399 million during the fourth quarter of 2022, compared with €-481 million in the same period of 2021 and correspond mainly to provisions for impairment.

2022 results

Special Items stood at €-2,485 million during 2022, compared with €-752 million in 2021 and correspond mainly to provisions for impairment, including those in the Refining business, principally in Spain, which reflect the tightening of the environment of business in Europe and its impact on profitability and competitiveness of our facilities, which, as foreseen in Repsol's Strategic Plan, should be the subject of a profound industrial transformation to guarantee its future sustainability.

Adjusted Cash Flow Statement Analysis

(Unaudited figures) (€ millions)

Prepared according to Repsol's reporting model (See Appendix IV – Basis of presentation)

	QUARTERLY DATA		JANUARY - DECEMBER	
	Q4 2022	Q4 2021	2022	2021
I. CASH FLOWS FROM OPERATING ACTIVITIES				
EBITDA CCS	3,743	2,352	13,710	7,071
Inventory Effect	(793)	232	103	1,099
Changes in working capital	1,117	16	(1,871)	(1,371)
Dividends received	6	15	30	37
Income taxes received/ (paid)	(1,160)	(452)	(2,607)	(1,014)
Other proceeds from/ (payments for) operating activities	(109)	(81)	(442)	(369)
	2,804	2,082	8,923	5,453
II. CASH FLOWS USED IN INVESTMENT ACTIVITIES				
Payments for investment activities	(1,744)	(1,174)	(4,392)	(2,868)
Organic investments	(1,741)	(924)	(4,006)	(2,335)
Inorganic investments	(3)	(250)	(386)	(533)
Proceeds from divestments	1	76	680	254
	(1,743)	(1,098)	(3,712)	(2,614)
FREE CASH FLOW (I. + II.)	1,061	984	5,211	2,839
Transactions with non-controlling interests ⁽¹⁾	(1)	200	1,155	200
Payments for dividends and payments on other equity instruments	(41)	(32)	(1,027)	(625)
Net interests	(103)	(136)	(397)	(399)
Treasury shares	(828)	(151)	(1,714)	(722)
CASH GENERATED IN THE PERIOD	88	865	3,228	1,293
Financing activities and others	(1,093)	(863)	(2,189)	35
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	(1,005)	2	1,039	1,328
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	7,950	5,904	5,906	4,578
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	6,945	5,906	6,945	5,906

⁽¹⁾ It includes the proceeds from the sale of a 25% stake in Repsol Renewables as well as proceeds from farm-outs in the Renewables business.

The **cash flow from operations** during the fourth quarter of 2022 was €2,804 million, €722 million higher than the same period of 2021. **Free cash flow** amounted to €1,061 million, €77 million higher than in the same period of 2021. Higher EBITDA CCS, mainly due higher refining margins and higher oil realization prices and the positive impact of the variation of the working capital were partially compensated by lower gas realization prices, higher investments and taxes.

The **cash flow from operations** during 2022 was €8,923 million, €3,470 million higher than in 2021. **Free cash flow** amounted to €5,211 million, €2,372 million higher than in the same period of 2021. Higher EBITDA CCS, mainly due to higher oil and gas realization prices together with higher refining margins and the divestment of some oil and gas producing assets, mainly in Canada, were partially compensated by higher investments, taxes and the negative impact of the variation of the working capital.

Net Debt Evolution and Liquidity

This section presents the changes in the Group's adjusted net debt:

(Unaudited figures) (€ millions)

Prepared according to Repsol's reporting model (See Appendix IV – Basis of presentation)

NET DEBT EVOLUTION ⁽¹⁾ (€ Million)	Q4 2022	Jan - Dec 2022
NET DEBT AT THE START OF THE PERIOD	2,181	5,762
EBITDA CCS	(3,743)	(13,710)
INVENTORY EFFECT	793	(103)
CHANGE IN WORKING CAPITAL	(1,117)	1,871
INCOME TAX RECEIVED /PAID	1,160	2,607
NET INVESTMENT	1,716	3,612
DIVIDENDS PAID AND OTHER EQUITY INSTRUMENTS PAYOUTS	41	1,027
TREASURY SHARES AND EQUITY DERIVATIVES ⁽²⁾	641	1,479
EQUITY INSTRUMENTS	0	0
TRANSACTIONS WITH NON-CONTROLLING INTERESTS ⁽³⁾	1	(1,155)
INTEREST AND OTHER MOVEMENTS ⁽⁴⁾	583	866
NET DEBT AT THE END OF THE PERIOD	2,256	2,256
		Accumulated '22 December
CAPITAL EMPLOYED (M€)		28,229
NET DEBT / CAPITAL EMPLOYED (%)		8.0

(1) It includes leases: €3,686 million, €4,009 million and €3,681 as of fourth quarter 2022, third quarter 2022 and fourth quarter 2021, respectively.

(2) It mainly includes purchases made under the Share Repurchase Programs for their redemption of €-648 million and €-1,388 million as of fourth quarter of 2022 and 2021 respectively (106 million shares acquired under the Share Repurchase Programs launched in November 2021, July 2022 and October 2022) and the impact of the MTM treasury shares derivatives of €163 million and €342 million as of fourth quarter of 2022 and 2021, respectively.

(3) It includes the proceeds from the sale of a 25% stake in Repsol Renewables as well as proceeds from farm-outs in the Renewables business.

(4) Principally includes new lease contracts, interest expenses, exchange rate effect, dividends received, companies' acquisition/sale effect and other effects.

The Group's **net debt** at the end of the fourth quarter stood at €2,256 million practically in line with the net debt at the end of the third quarter of 2022. The strong cash flow from operating activities during the quarter practically covered investments, interests, the acquisition of treasury shares and others. The Group's **gearing** at the end of the fourth quarter stood at 8.0%¹, compared with 7.3% at the end of the third quarter of 2022.

The **group's liquidity** at the end of the fourth quarter of 2022 was €12,014 million (including undrawn committed credit lines); representing 4.01 times short-term gross debt maturities that compares with 4.81 times at the end of the third quarter of 2022.

¹ Gearing ratio defined as: Net Debt / (Net Debt + Equity).

Relevant Events

The main company-related events since the third quarter 2022 results release were as follows:

Upstream

- Nov. 2022** In November, a 20% working interest was obtained from Shell in 8 blocks in the Walker Ridge area (blocks 4, 5, 48, 90, 91, 92, 134 and 135) in the Gulf of Mexico between the Shenandoah and Sparta. Repsol is a partner of Shell in several prospects in the Shenandoah area including Abilene. The deal is subject to regulatory approval.
- Nov. 2022** In November, the Norwegian Petroleum Operations Safety Agency (PSA) approved the use of the Mikkell subsea facilities until December 2039, which translates into a 16-year extension from July 2023. Subsea compression has managed to increase recoverable reserves making this extension necessary.
- Nov. 2022** In November, the National Hydrocarbons Commission of México approved the withdrawal of blocks 10, 11 and 14 where Repsol was the operating partner. In addition, in December, Repsol received authorization to return blocks 5 and 12 in the Burgos basin in the Gulf of Mexico. After these returns in November and December, Repsol's presence in Mexico is reduced to block 29 in deep water in the Salina basin, where it is the operator with a 30% interest.
- Dec. 2022** In December, the acquisition of a new mining domain was agreed from the company INPEX in the strategic area of Eagle Ford.
- Dec. 2022** In December, Carbon-Zero, Cox, Crescent Midstream and Repsol joined forces to develop one of the most important marine hubs on the Gulf of Mexico Coast for CCUS (Carbon Capture Usage & Storage).
- Jan. 2023** In January, the final investment decision (FID) for the Lapa SW block in the Santos basin in Brazil was taken. TotalEnergies operates the project with a 45% interest, in partnership with Shell (30%) and Repsol Sinopec (25%). When it comes into operation in 2025, Lapa SW will increase the gross production in the Lapa field by 25,000 barrels of oil per day.

Industrial

- Dec. 2022** On December 9, Repsol, Naturgy and Reganosa announced a project of 200 MW renewable hydrogen hub. In the initial phase of the project, which is scheduled for start-up in 2025, 30 MW of power will be achieved. In the complete development of the project, the plant will have an output of 200 MW and it will produce more than 4,000 tons of renewable hydrogen per year in the first phase and reach a total production of 30,000 tons per year.

The project is located in the A Coruña municipality of Cerceda, a Just Transition zone affected by the closure of the Meirama thermal power plant and will provide an opportunity for sustainable economic development in Galicia.

The renewable hydrogen generated will be destined for industrial use to replace the conventional hydrogen currently used by the Repsol refinery in A Coruña. Other industries,

such as mobility will use the renewable hydrogen, and it will be injected into the gas grid to be mixed with natural gas. All these uses will reduce the area's carbon footprint and will demonstrate the feasibility of mass production of renewable hydrogen and its distribution to the end consumer.

Dec. 2022 On December 19, Repsol and the EIB signed a €120 million loan agreement to finance the first advanced biofuels plant in Spain. Thus, the European Investment Bank (EIB) is supporting Repsol in the construction and operation of the first advanced biofuels production plant at the company's facilities in Cartagena (Murcia). The plant will produce second generation and advanced biofuels from different types of waste primarily from the agri-food industry, such as used cooking oils, as part of the transition process towards a more circular economy. Construction work began in March, 2022 and is scheduled for completion in the second half of 2023.

The production plant will be located within the premises of Repsol's industrial complex in Cartagena, Murcia. The plant will process 300,000 tons per annum (tpa) of lipidic residues for the production of up to 250,000 tpa of 2nd generation or/and advanced biofuels for the transport sector.

Jan. 2023 On January 3, Repsol joined forces with ASAJA to transform agricultural and livestock waste into renewable fuels. Repsol and ASAJA, the largest professional agricultural organization in Spain that represents more than 200,000 farmers and breeders, have signed a collaboration agreement to promote projects that focus on the circular economy to promote sustainability in rural areas.

Both entities will share their knowledge and capabilities to seek solutions to improve the management of agricultural and livestock by-products in rural and sparsely populated environments where logistics can be a major obstacle. Repsol will analyze the potential of these wastes and by-products as new raw materials for the manufacture of renewable fuels and circular materials in its industrial complexes.

Feb. 2023 On February 2, Repsol reinforced its commitment to the circular economy with a new investment at its Puertollano Industrial Complex. With an investment of €26 million, this new line will manufacture 25,000 tons of recycled plastic per year, almost double the current capacity (16,000 tons). Its start-up is scheduled for the last quarter of 2024.

Commercial And Renewables

Oct. 2022 On October 31, the company announced that Repsol, through its investment vehicle Repsol Deep Tech, invested in the technology start-up Smarkia, together with MN8 Energy, one of the largest renewable energy companies in the USA, founded within Goldman Sachs Assets Management.

Through its Deep Tech fund, Repsol acquired 33% of the technology company Smarkia, a software-as-a-service platform that provides its customers with energy optimization solutions. In the same operation, Repsol transferred one of its energy optimization technologies to Smarkia, which will be in charge of its commercialization.

Dec. 2022 On December 16, Repsol accelerated its growth in renewables with the agreement to acquire Asterion Energies, incorporating a 7,700 MW portfolio in Spain, Italy, and France

for European infrastructure fund Asterion Industrial, for a total of €560 million plus contingent payments of up to €20 million.

Asterion Energies managed a portfolio of renewable projects mostly under development totaling 7,700 megawatts (MW) in Spain (84%), Italy (12%), and France (4%), all of which are stable markets with high development potential. In addition, Asterion Energies' asset portfolio included 4,900 MW of PV solar and 2,800 MW of wind generation, of which 2,500 MW were at an advanced stage of development or under construction.

The transaction will represent a new milestone in the fulfillment of Repsol's 2021-2025 Strategic Plan, which foresees reaching 6,000 MW of installed renewable generation capacity by 2025 and 20,000 MW by 2030.

Dec. 2022 On December 27, Repsol announced that it will extend its fuel discounts during all the winter season. Following the Spanish government's announcement that it will not extend the state's fuel price subsidy after the end of 2022, Repsol, aware of the complex economic situation that continues to affect Spain, is strengthening its commitment to its customers and, from January 1 until March 31, 2023, will offer an extraordinary discount of 10 euro cents per liter of fuel to Waylet users, when they fill up at the more than 3,300 service stations that the company has in Spain during the winter.

Repsol's commitment to its customers is allowing all users of the Waylet payment and loyalty application to continue to benefit from a reduction of 10 euro cents. In line with Repsol's multi-energy strategy, after the winter, the company will link fuel discounts to its multi-energy offer, which includes electricity and gas, as well as solar and electric mobility.

Repsol was the first operator to voluntarily establish, on March 16, 2022, discounts -both for individuals and haulers- in addition to other discounts that its customers have been enjoying for years, and which were also added to the state bonus implemented on April 1, 2022. Since that date Repsol's customers have benefited from additional savings of more than 440 million euros, fully covered by the company by reducing its commercial margins.

Feb. 2023 On February 8, it was announced that Repsol started producing electricity at its first renewable project in Castilla y León (Spain), named PI. Located in the provinces of Palencia and Valladolid, it consists of seven wind farms which will have a total installed capacity of 175 MW once completed.

In addition Repsol is making progress in the development of other renewable projects, such as Delta II in Aragon. This facility consists of 26 wind farms, located in the three provinces of Aragon, Spain (Zaragoza, Huesca and Teruel), with a total capacity of 860 MW, the company's largest renewable project to date. Of these 26 wind farms, four are already operational, with a total potential of 160 MW.

Feb. 2023 On February 13, it was announced that Repsol Ibereólica Renovables Chile, a company 50% owned by Repsol and the Ibereólica Renovables Group, have completed a new milestone with the start of electricity production at the Atacama wind farm, the second wind project jointly developed by the two companies, with an installed capacity of 165.3 MW. It will produce about 450 GWh per year, equivalent to the consumption of more than 150,000 Chilean households and will prevent 320,000 tons of CO₂ emissions per year.

Corporation

Nov. 2022 On November 2, Repsol informed that its CEO, pursuant to the delegation granted in his favor by the Board of Directors of Repsol, resolved to start implementing the Buy-Back Programme that was approved by the Board on October 26, under: (a) the Regulation (EU) No. 596/2014, of the European Parliament and of the Council, of 16 April 2014, on market abuse and the Commission Delegated Regulation (EU) 2016/1052, 8 March 2016, supplementing the Regulation (EU) No. 596/2014 on market abuse with regard to the regulatory technical standards for the terms applicable to buy-back programmes and stabilization measures; and (b) the authorization for the acquisition of own shares granted by the General Shareholders' Meeting of 2022 under item tenth of the agenda (the "Buy-Back Programme").

The maximum number of shares to be acquired under the Buy-Back Programme were 36,000,000 treasury shares, which represented 2.61% of Repsol's share capital as of November 2. The Programme's maximum net investment was set to be 847,008,000 euros (the "Maximum Investment").

The Buy-back Programme commenced on November 3, 2022 and ended on December 29, 2022. Between those dates Repsol informed regularly about the transactions carried out under the Buy-back Programme

Nov. 2022 On November 16, Repsol informed that Standard & Poor's announced on that date its decision to upgrade Repsol's long-term rating to BBB+ from BBB, with stable outlook.

Nov. 2022 On November 18, Repsol, S.A. informed that its share capital resulting from the capital reduction, which was recorded with the Commercial Registry of Madrid on November 15, 2022, amounted to 1,377,396,053 euros, corresponding to 1,377,396,053 shares of 1 euro of face value each, which granted a total of 1,377,396,053 voting rights (one per share).

Dec. 2022 On December 20, Repsol informed that Moody's Investors Service announced on that date its decision to upgrade Repsol's long-term rating to Baa1 from Baa2, with stable outlook.

Dec. 2022 On December 29, Repsol informed that the Company reached the maximum number of shares to be acquired under the Buy-back Programme, i.e. 36,000,000 shares. As a result of the foregoing, and in accordance with the terms of the Buy-back Program, the Company also informed that the purpose of the Buy-back Programme was fulfilled and that, therefore, its completion occurs before the deadline of validity (December 31, 2022).

Repsol also informed that the CEO, pursuant to the delegation granted in his favor by the Board of Directors, resolved to execute the capital reduction approved by the Board of Directors on October 26, 2022, pursuant to the resolution approved by the General Shareholders' Meeting 2022 under item eight of the agenda.

The share capital of Repsol was reduced by 50,000,000 euros, through the redemption of 50,000,000 own shares with a par value of one euro each, representing approximately 3.63% of the share capital prior to the capital reduction. The share capital of the Company resulting from the reduction has been set at 1,327,396,053 euros, corresponding to 1,327,396,053 shares with a par value of one euro each.

As a result of the capital reduction, the following shares were redeemed: (i) 36,000,000 own shares acquired under the Buy-back Programme; (ii) 2,850,000 own shares included in the treasury shares as of October 26, 2022; and (iii) 11,150,000 shares acquired by the settlement of derivatives instruments on own shares entered into by the Company prior to October 26, 2022.

- Jan. 2023** On January 16, Repsol, S.A. launched the Share Acquisition Plan 2023 (the “Plan”), the Plan applies to Repsol Group’s employees in Spain that meet the requirements of its general conditions and who voluntarily decided to opt for the same.
- Jan. 2023** On January 17, Repsol published its “Trading Statement,” which is a document that provides provisional information for the fourth quarter and full year results of 2022, including data on the economic environment as well as company performance during the periods.
- Jan. 2023** On January 20, Repsol International Finance (RIF) announced a capped tender offer in cash, up to a maximum amount of €325 million, at a 98.7% fixed price on the €1 billion, Non Call March 2025, 4.5%, 2075 maturity issued hybrid bond. Results were announced on January 27, with €229 million tendered and accepted. Settlement was done on January 30, repurchasing and cancelling 22.9% of the issuance, meaning a total cash out including accrued interests of €235 million.
- Jan. 2023** On January 31, Repsol informed that its share capital resulting from the capital reduction, which was recorded with the Commercial Registry of Madrid on January 27, 2023, amounts to 1,327,396,053 euros, corresponding to 1,327,396,053 shares of 1 euro of face value each, which grant a total of 1,327,396,053 voting rights (one per share).

Madrid, February 16, 2023

A conference call has been scheduled for research analysts and institutional investors for today, February 16, 2023 at 12:30 (CET) to report on the Repsol Group’s fourth quarter and full year 2022 results. Shareholders and other interested parties can follow the call live through Repsol’s corporate website (www.repsol.com). A full recording of the event will also be available to shareholders and investors and any other interested party at www.repsol.com for a period of no less than one month from the date of the live broadcast. Moreover Repsol publish today both 2022 Consolidated Financial Statements and 2022 Integrated Management Report that will be available on Repsol’s corporate website as well as at the Spanish regulator CNMV (Comisión Nacional del Mercado de Valores).

Appendix I - Metrics by Business Segments



Adjusted Net Income & Net Income by Business Segments

(Unaudited figures) (€ millions)

Prepared according to Repsol's reporting model (See Appendix IV – Basis of presentation)

€ Million	Q4 2022							
	Operating income	Financial Results	Income Tax	Income from equity affiliates and non-controlling interests	Adjusted net income	Inventory effect	Special Items	Net Income
Upstream	1,187	-	(594)	5	598	-	(327)	271
Industrial	1,526	-	(371)	(36)	1,119	(556)	(317)	246
Commercial and Renewables	256	-	(62)	(27)	167	(23)	(79)	65
Corporate & Others	24	143	(45)	1	123	-	324	447
TOTAL	2,993	143	(1,072)	(57)	2,007	(579)	(399)	1,029
NET INCOME							(399)	1,029

€ Million	Q3 2022							
	Operating income	Financial Results	Income Tax	Income from equity affiliates and non-controlling interests	Adjusted net income	Inventory effect	Special Items	Net Income
Upstream	1,586	-	(841)	8	753	-	150	903
Industrial	891	-	(228)	(25)	638	(542)	(407)	(311)
Commercial and Renewables	237	-	(61)	(18)	158	(10)	16	164
Corporate & Others	47	(157)	40	(2)	(72)	-	(1)	(73)
TOTAL	2,761	(157)	(1,090)	(37)	1,477	(552)	(242)	683
NET INCOME							(242)	683

€ Million	Q4 2021							
	Operating income	Financial Results	Income Tax	Income from equity affiliates and non-controlling interests	Adjusted net income	Inventory effect	Special Items	Net Income
Upstream	1,116	-	(489)	(3)	624	-	(271)	353
Industrial	356	-	(89)	-	267	155	(262)	160
Commercial and Renewables	210	-	(52)	(13)	145	14	5	164
Corporate & Others	(76)	(176)	89	(1)	(164)	-	47	(117)
TOTAL	1,606	(176)	(541)	(17)	872	169	(481)	560
NET INCOME							(481)	560

€ Million	January - December 2022							
	Operating income	Financial Results	Income Tax	Income from equity affiliates and non-controlling interests	Adjusted net income	Inventory effect	Special Items	Net Income
Upstream	5,705	-	(2,703)	27	3,029	-	(570)	2,459
Industrial	4,315	-	(1,071)	(94)	3,150	56	(1,884)	1,322
Commercial and Renewables	809	-	(203)	(66)	540	19	(167)	392
Corporate & Others	(181)	86	39	(2)	(58)	-	136	78
TOTAL	10,648	86	(3,938)	(135)	6,661	75	(2,485)	4,251
NET INCOME							(2,485)	4,251

€ Million	January - December 2021							
	Operating income	Financial Results	Income Tax	Income from equity affiliates and non-controlling interests	Adjusted net income	Inventory effect	Special Items	Net Income
Upstream	3,027	-	(1,348)	8	1,687	-	(590)	1,097
Industrial	792	-	(197)	11	606	746	(300)	1,052
Commercial and Renewables	761	-	(188)	(31)	542	51	(7)	586
Corporate & Others	(208)	(315)	143	(1)	(381)	-	145	(236)
TOTAL	4,372	(315)	(1,590)	(13)	2,454	797	(752)	2,499
NET INCOME							(752)	2,499

Other Financial Information by Segment

(Unaudited figures) (€ millions)

Prepared according to Repsol's reporting model (See Appendix IV – Basis of presentation)

EBITDA	QUARTERLY DATA			JANUARY - DECEMBER	
€ Million	Q4 2022	Q3 2022	Q4 2021	2022	2021
UPSTREAM	1,640	2,155	1,502	7,485	4,429
INDUSTRIAL	956	334	790	5,223	2,654
COMMERCIAL AND RENEWABLES	325	327	347	1,248	1,219
CORPORATION & OTHERS	29	28	(55)	(143)	(132)
TOTAL	2,950	2,844	2,584	13,813	8,170

INVESTMENTS	QUARTERLY DATA			JANUARY - DECEMBER	
€ Million	Q4 2022	Q3 2022	Q4 2021	2022	2021
UPSTREAM	778	603	534	2,127	1,223
INDUSTRIAL	476	177	493	1,025	859
COMMERCIAL AND RENEWABLES	494	153	294	925	829
CORPORATION & OTHERS	37	29	39	105	83
TOTAL	1,785	962	1,360	4,182	2,994

€ Million	CAPITAL EMPLOYED		REVENUES	
	CUMULATIVE DATA		JANUARY - DECEMBER	
	DECEMBER 2022	DECEMBER 2021	2022	2021
UPSTREAM	12,282	12,348	10,712	6,809
INDUSTRIAL	11,108	11,163	61,848	39,956
COMMERCIAL AND RENEWABLES	4,667	4,451	34,185	21,891
CORPORATION & OTHERS	172	594	(28,021)	(16,526)
TOTAL	28,229	28,556	78,724	52,130
ROACE (%) ^(*)	14.2	8.2		

(*) December 2022 ROACE CCS is 13.9%

Q4 & FY 2022 Results

Operating Indicators



Operating Indicators (I)

	Unit	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Jan - Dec 2021	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Jan - Dec 2022	% Variation 2022 / 2021
HYDROCARBON PRODUCTION	kboe/d	638	561	530	561	572	558	540	549	551	550	(3.9)
Liquids production	kboe/d	234	208	194	190	206	189	180	191	181	185	(10.4)
North America	kboe/d	49	46	40	42	44	44	45	54	43	47	5.1
Latin America	kboe/d	82	81	78	78	80	79	77	70	67	73	(8.6)
Europe, Africa and rest of the world	kboe/d	103	81	76	69	82	66	58	67	70	65	(20.5)
Natural gas production	kboe/d	404	353	336	371	366	370	361	358	371	365	(0.2)
North America	kboe/d	118	112	106	102	110	114	117	124	133	122	11.3
Latin America	kboe/d	204	171	166	205	186	195	187	178	184	186	(0.1)
Europe, Africa and rest of the world	kboe/d	83	70	64	63	70	60	56	56	55	57	(18.6)
Natural gas production	(Million scf/d)	2,267	1,983	1,886	2,082	2,054	2,076	2,025	2,012	2,081	2,048	(0.2)

Operating Indicators (II)

	Unit	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Jan - Dec 2021	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Jan - Dec 2022	% Variation 2022 / 2021
PROCESSED CRUDE OIL	Mtoe	9.3	8.8	10.2	9.7	38.1	9.8	11.1	10.9	10.4	42.1	10.5
Europe	Mtoe	8.4	7.8	9.1	8.6	34.0	9.1	10.2	10.0	9.3	38.6	13.3
Rest of the world	Mtoe	0.9	1.0	1.1	1.1	4.1	0.7	0.8	1.0	1.1	3.6	(13.1)
SALES OF OIL PRODUCTS	kt	10,068	10,218	11,913	11,320	43,519	10,675	12,013	11,917	11,624	46,229	6.2
Europe Sales	kt	8,875	8,726	10,427	9,775	37,803	9,441	10,702	10,492	10,123	40,758	7.8
Own network*	kt	3,952	4,047	5,063	4,839	17,901	5,064	5,834	5,673	5,796	22,367	24.9
Light products	kt	3,246	3,368	4,268	4,022	14,904	3,951	4,455	4,443	4,424	17,273	15.9
Other Products	kt	706	679	795	817	2,997	1,113	1,379	1,230	1,372	5,094	70.0
Other Sales to Domestic Market	kt	1,542	1,851	2,052	2,330	7,775	2,040	2,242	2,310	2,269	8,861	14.0
Light products	kt	1,509	1,812	1,927	2,186	7,434	1,890	2,207	2,220	2,124	8,441	13.5
Other Products	kt	33	39	125	144	341	150	35	90	145	420	23.2
Exports	kt	3,381	2,828	3,312	2,606	12,127	2,337	2,626	2,509	2,058	9,530	(21.4)
Light products	kt	1,462	920	1,441	1,039	4,862	738	954	996	954	3,642	(25.1)
Other Products	kt	1,919	1,908	1,871	1,567	7,265	1,599	1,672	1,513	1,104	5,888	(19.0)
Rest of the world sales	kt	1,193	1,492	1,486	1,545	5,716	1,234	1,311	1,425	1,501	5,471	(4.3)
Own network	kt	756	815	818	801	3,190	757	723	809	854	3,143	(1.5)
Light products	kt	712	763	776	742	2,993	716	676	753	786	2,931	(2.1)
Other Products	kt	44	52	42	59	197	41	47	56	68	212	7.6
Other Sales to Domestic Market	kt	240	403	414	471	1,528	362	404	397	452	1,615	5.7
Light products	kt	169	311	359	371	1,210	309	318	350	377	1,354	11.9
Other Products	kt	71	92	55	100	318	53	86	47	75	261	(17.9)
Exports	kt	197	274	254	273	998	115	184	219	195	713	(28.6)
Light products	kt	33	2	7	0	42	0	0	0	0	0	(100.0)
Other Products	kt	164	272	247	273	956	115	184	219	195	713	(25.4)
CHEMICALS												
Sales of petrochemical products	kt	711	671	704	733	2,819	687	683	606	474	2,451	(13.1)
Europe	kt	569	552	578	572	2,271	592	565	485	390	2,032	(10.5)
Base	kt	168	180	222	208	779	185	192	145	95	618	(20.7)
Derivative	kt	401	372	356	364	1,492	408	372	340	295	1,415	(5.2)
Rest of the world	kt	142	119	126	161	548	95	119	120	84	418	(23.8)
Base	kt	32	32	15	31	110	8	11	14	2	34	(69.3)
Derivative	kt	110	87	111	130	438	88	108	107	82	384	(12.4)
LPG												
LPG sales	kt	387	263	259	357	1,266	417	249	227	313	1,207	(4.7)
Europe	kt	382	257	252	350	1,240	410	244	219	307	1,180	(4.8)
Rest of the world	kt	5	6	7	7	26	7	5	8	7	27	2.3

Other sales to the domestic market: includes sales to operators and bunker

Exports: expressed from the country of origin

*Service Stations (Controlled and Licensed) and Wholesales

Appendix II - Repsol's Reporting Consolidated Financial Statements



Statement of Financial Position

(Unaudited figures) (€ millions)

Prepared according to Repsol's reporting model (See Appendix IV – Basis of presentation)

	DECEMBER	DECEMBER
	2022	2021
NON-CURRENT ASSETS		
Intangible assets	2,077	3,607
Property, plant and equipment	27,237	26,547
Investments accounted for using the equity method	684	570
Non-current financial assets	557	294
Deferred tax assets	3,048	3,249
Other non-current assets	883	946
CURRENT ASSETS		
Non-current assets held for sale	6	641
Inventories	7,516	5,443
Trade and other receivables	10,187	9,608
Other current assets	301	343
Other current financial assets	3,148	2,459
Cash and cash equivalents	6,945	5,906
TOTAL ASSETS	62,589	59,613
TOTAL EQUITY		
Shareholders' equity	24,611	22,320
Other cumulative comprehensive income	683	94
Non-controlling interests	679	380
NON-CURRENT LIABILITIES		
Non-current provisions	4,616	4,742
Non-current financial liabilities	9,540	10,810
Deferred tax liabilities and other tax items	3,100	2,674
Other non-current liabilities	1,199	674
CURRENT LIABILITIES		
Liabilities related to non-current assets held for sale	0	463
Current provisions	1,645	1,140
Current financial liabilities	3,497	3,748
Trade and other payables	13,019	12,568
TOTAL LIABILITIES	62,589	59,613

Income Statement

(Unaudited figures) (€ millions)

Prepared according to Repsol's reporting model (See Appendix IV – Basis of presentation)

	QUARTERLY DATA			JANUARY - DECEMBER	
	Q4 2022	Q3 2022	Q4 2021	2022	2021
Revenue from operating activities	16,759	21,746	16,212	78,724	52,130
Operating income/loss	2,993	2,761	1,606	10,648	4,372
Financial result	143	(157)	(176)	86	(315)
Net income from investments accounted for using the equity method	(25)	(3)	(5)	(22)	(3)
Net income/loss before taxes	3,111	2,601	1,425	10,712	4,054
Income tax	(1,072)	(1,090)	(541)	(3,938)	(1,590)
Net income/loss after taxes	2,039	1,511	884	6,774	2,464
Net income/loss attributable to non controlling interests	(32)	(34)	(12)	(113)	(10)
ADJUSTED NET INCOME	2,007	1,477	872	6,661	2,454
Inventory effect	(579)	(552)	169	75	797
Special Items	(399)	(242)	(481)	(2,485)	(752)
NET INCOME	1,029	683	560	4,251	2,499

Cash Flow Statement

(Unaudited figures) (€ millions)

Prepared according to Repsol's reporting model (See Appendix IV – Basis of presentation)

	QUARTERLY DATA		JANUARY - DECEMBER	
	Q4 2022	Q4 2021	2022	2021
I. CASH FLOWS FROM OPERATING ACTIVITIES				
EBITDA CCS	3,743	2,352	13,710	7,071
Inventory Effect	(793)	232	103	1,099
Changes in working capital	1,117	16	(1,871)	(1,371)
Dividends received	6	15	30	37
Income taxes received/ (paid)	(1,160)	(452)	(2,607)	(1,014)
Other proceeds from/ (payments for) operating activities	(109)	(81)	(442)	(369)
	2,804	2,082	8,923	5,453
II. CASH FLOWS USED IN INVESTMENT ACTIVITIES				
Payments for investment activities	(1,744)	(1,174)	(4,392)	(2,868)
Organic investments	(1,741)	(924)	(4,006)	(2,335)
Inorganic investments	(3)	(250)	(386)	(533)
Proceeds from divestments	1	76	680	254
	(1,743)	(1,098)	(3,712)	(2,614)
FREE CASH FLOW (I. + II.)	1,061	984	5,211	2,839
Transactions with non-controlling interests ⁽¹⁾	(1)	200	1,155	200
Payments for dividends and payments on other equity instruments	(41)	(32)	(1,027)	(625)
Net interests	(103)	(136)	(397)	(399)
Treasury shares	(828)	(151)	(1,714)	(722)
CASH GENERATED IN THE PERIOD	88	865	3,228	1,293
Financing activities and others	(1,093)	(863)	(2,189)	35
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	(1,005)	2	1,039	1,328
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	7,950	5,904	5,906	4,578
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	6,945	5,906	6,945	5,906

⁽¹⁾ It includes the proceeds from the sale of a 25% stake in Repsol Renewables as well as proceeds from farm-outs in the Renewables business.

Appendix III - IFRS Consolidated Financial Statements



Statement of Financial Position

(Audited figures) (€ millions)

Prepared according to International Financial Reporting Standards (IFRS-EU). Explanatory Notes on the financial statements can be reviewed in the 2022 Consolidated Financial Statements available at www.repsol.com

	DECEMBER 2022	DECEMBER 2021
NON-CURRENT ASSETS		
Intangible assets	1,976	3,497
Property, plant and equipment	22,470	21,726
Investments accounted for using the equity method	4,302	3,554
Non-current financial assets	1,437	1,249
Deferred tax assets	2,757	2,878
Other non-current assets	839	908
CURRENT ASSETS		
Non-current assets held for sale	0	605
Inventories	7,293	5,227
Trade and other receivables	9,027	8,238
Other current assets	293	326
Other current financial assets	3,058	2,451
Cash and cash equivalents	6,512	5,595
TOTAL ASSETS	59,964	56,254
TOTAL EQUITY		
Shareholders' equity	24,611	22,320
Other cumulative comprehensive income	683	94
Non-controlling interests	679	380
NON-CURRENT LIABILITIES		
Non-current provisions	3,553	3,264
Non-current financial liabilities	10,130	10,185
Deferred tax liabilities and other tax items	2,194	2,022
Other non-current liabilities	1,196	671
CURRENT LIABILITIES		
Liabilities related to non-current assets held for sale	0	460
Current provisions	1,579	1,024
Current financial liabilities	3,546	4,611
Trade and other payables	11,793	11,223
TOTAL LIABILITIES	59,964	56,254

Income Statement

(Audited figures) (€ millions)

Prepared according to International Financial Reporting Standards (IFRS-EU). Explanatory Notes on the financial statements can be reviewed in the 2022 Consolidated Financial Statements available at www.repsol.com

	IFRS		IFRS	
	4Q 2022	4Q 2021	DECEMBER 2022	DECEMBER 2021
Sales	15,832	15,405	74,828	49,480
Income from services rendered	97	87	325	265
Changes in inventories of finished goods and work in progress	(257)	53	595	759
Procurements	(11,945)	(11,673)	(56,178)	(37,448)
Amortization and depreciation of non-current assets	(615)	(515)	(2,339)	(2,004)
(Provision for)/Reversal of provisions for impairment	(917)	(602)	(2,673)	(663)
Personnel expenses	(552)	(490)	(1,967)	(1,802)
Transport and freights	(565)	(291)	(1,781)	(1,103)
Supplies	142	(290)	(858)	(769)
Gains/(Losses) on disposal of assets	22	(16)	77	10
Other operating income / (expenses) ⁽¹⁾	(529)	(627)	(4,169)	(2,968)
OPERATING NET INCOME	713	1,041	5,860	3,757
Net interest	1	(30)	(81)	(152)
Change in fair value of financial instruments	(558)	105	941	644
Exchange gains/(losses)	763	(171)	(434)	(131)
Impairment of financial instruments	75	37	49	27
Other financial income and expenses	76	25	(144)	(117)
FINANCIAL RESULT	357	(34)	331	271
NET INCOME FROM INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD ⁽²⁾	272	141	989	301
NET INCOME BEFORE TAX	1,342	1,148	7,180	4,329
Income tax	(270)	(575)	(2,835)	(1,801)
NET INCOME	1,072	573	4,345	2,528
NET INCOME FROM OPERATIONS ATTRIBUTABLE TO NON-CONTROLLING INTERESTS	(43)	(13)	(94)	(29)
TOTAL NET INCOME ATTRIBUTABLE TO THE PARENT	1,029	560	4,251	2,499
EARNINGS PER SHARE ATTRIBUTABLE TO THE PARENT (€/share)				
Basic	0.75	0.37	2.96	1.64
Diluted	0.75	0.37	2.96	1.64

⁽¹⁾ The "Other operating income" and "Other operating expenses" headings of operating income that were presented separately in previous years have been grouped into a single heading called "Other operating income/(expenses)" for the purposes of simplification and improving the clarity of the consolidated income statement.

⁽²⁾ Net of taxes

Cash Flow Statement

(Audited figures) (€ millions)

Prepared according to International Financial Reporting Standards (IFRS-EU). Explanatory Notes on the financial statements can be reviewed in the 2022 Consolidated Financial Statements available at www.repsol.com

	JANUARY - DECEMBER	
	2022	2021
I. CASH FLOWS FROM OPERATING ACTIVITIES		
Net income before taxes	7,180	4,329
Adjustments to net income		
Depreciation and amortisation of non current assets	2,339	2,004
Other adjustments to results (net)	1,687	386
EBITDA	11,206	6,719
Changes in working capital	(1,375)	(1,107)
Dividends received	753	281
Income taxes received/ (paid)	(2,398)	(920)
Other proceeds from/ (payments for) operating activities	(354)	(296)
Other cash flows from/ (used in) operating activities	(1,999)	(935)
	7,832	4,677
II. CASH FLOWS USED IN INVESTMENT ACTIVITIES		
Payments for investment activities		
Companies of the Group, equity affiliates and business units	(193)	(539)
Fixed assets, intangible assets and real estate investments	(3,535)	(1,902)
Other financial assets	(1,368)	(1,793)
Payments for investment activities	(5,096)	(4,234)
Proceeds from divestments		
Companies of the Group, equity affiliates and business units	124	270
Fixed assets, intangible assets and real estate investments	473	105
Other financial assets	365	902
Proceeds from divestments	962	1,277
Other cashflow	31	24
	(4,103)	(2,933)
III. CASH FLOWS FROM/ (USED IN) FINANCING ACTIVITIES		
Issuance/ Repayment and Redemption of own capital instruments	0	340
Proceeds from/(payments for) equity instruments	(1,714)	(722)
Changes in ownership interest in companies without loss of control	1,155	200
Proceeds from issue of financial liabilities	13,500	11,417
Repayment and redemption of financial liabilities	(14,648)	(10,592)
Payments for dividends and payments on other equity instruments	(1,027)	(625)
Interest payments	(365)	(356)
Other proceeds from/(payments for) financing activities	267	(191)
	(2,832)	(529)
Effect of changes in exchange rates from continued operations	20	59
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	917	1,274
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	5,595	4,321
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	6,512	5,595

Recognized Income and Expense Statement

(Audited figures) (€ millions)

Prepared according to International Financial Reporting Standards (IFRS-EU). Explanatory Notes on the financial statements can be reviewed in the 2022 Consolidated Financial Statements available at www.repsol.com

	JANUARY - DECEMBER	
	2022	2021
Consolidated Net Income / (Loss) for the period	4,345	2,528
Other comprehensive income. (Items not reclassifiable to net income)	(6)	19
Due to actuarial gains and losses	18	7
Investments accounted for using the equity method	6	21
Equity instruments with changes through other comprehensive income	(29)	(1)
Tax effect	(1)	(8)
Other comprehensive income. (Items reclassifiable to net income)	629	987
Cash flow hedging	(336)	133
Valuation gains / (losses)	(490)	173
Amounts transferred to the income statement	154	(40)
Translation differences	835	820
Valuation gains / (losses)	848	1,081
Amounts transferred to the income statement	(13)	(261)
Share of investments in joint ventures and associates:	11	0
Valuation gains / (losses)	11	0
Amounts transferred to the income statement	0	0
Tax effect	119	34
Total other comprehensive income	623	1,006
Total comprehensive income for the period	4,968	3,534
a) Attributable to the parent	4,896	3,505
b) Attributable to non-controlling interests	72	29

Statement of Changes In Equity

(Audited figures) (€ millions)

Prepared according to International Financial Reporting Standards (IFRS-EU). Explanatory Notes on the financial statements can be reviewed in the 2022 Consolidated Financial Statements available at www.repsol.com

Million euros	Equity attributable to the parent and other equity instrument holders							Equity
	Shareholders' equity					Other cumulative comprehensive income	Non-controlling interests	
	Share capital	Share premium and reserves	Treasury shares and own equity investments	Net income for the period attributable to the parent	Other equity instruments			
Closing balance at 12/31/2020	1,568	21,132	(162)	(3,289)	1,936	(890)	244	20,539
Impact of new standards	-	-	-	-	-	-	-	-
Adjusted opening balance	1,568	21,132	(162)	(3,289)	1,936	(890)	244	20,539
Total recognized income/(expenses)	-	20	-	2,499	-	986	29	3,534
Transactions with partners or owners								
Share capital increase/(reduction)	(41)	(386)	427	-	-	-	-	-
Dividends and shareholder remuneration	-	(916)	-	-	-	-	-	(916)
Transactions with treasury shares and own equity investments (net)	-	46	(906)	-	-	-	-	(860)
Increases/(reductions) due to changes in scope	-	115	-	-	-	-	104	219
Other transactions with partners and owners	-	-	-	-	-	-	0	-
Other equity variations								
Transfers between equity-line items	-	(3,289)	-	3,289	-	-	-	-
Subordinated perpetual obligations	-	(63)	-	-	340	-	-	277
Other variations	-	(4)	-	-	4	(2)	3	1
Closing balance at 12/31/2021	1,527	16,655	(641)	2,499	2,280	94	380	22,794
Impact of new standards	-	-	-	-	-	-	-	-
Adjusted opening balance	1,527	16,655	(641)	2,499	2,280	94	380	22,794
Total recognized income/(expenses)	0	23	0	4,251	0	622	72	4,968
Transactions with partners or owners								
Share capital increase/(reduction)	(200)	(2,267)	2,467	-	-	-	-	0
Dividends and shareholder remuneration	-	(944)	-	-	-	-	(66)	(1,010)
Transactions with treasury shares and own equity investments (net)	-	36	(1,829)	-	-	-	-	(1,793)
Increases/(reductions) due to changes in scope	-	735	-	-	-	32	299	1,066
Other transactions with partners and owners	-	-	-	-	-	-	-	-
Other equity variations								
Transfers between equity-line items	-	2,499	-	(2,499)	-	-	-	-
Subordinated perpetual obligations	-	(60)	-	0	2	0	0	(58)
Other variations	-	73	-	0	4	(65)	(6)	6
Closing balance at 12/31/2022	1,327	16,750	(3)	4,251	2,286	683	679	25,973

Appendix IV - Basis of Presentation



Basis of preparation of the Financial Information

Group's reporting model

The financial information contained in this document, unless expressly indicated otherwise, was prepared in accordance with the Group's reporting model, which is described below:

Repsol presents its segment results and other financial aggregates including joint ventures in accordance with the Group's interest, considering its operational and economic metrics in the same manner and with the same level of detail as for fully consolidated companies. Thus, the Group considers that the nature of its businesses and the way in which results are analyzed for decision-making purposes is adequately reflected. In addition, the Group, considering its business reality and in order to make its disclosures more comparable with those in the sector, uses a measure of segment profit known as adjusted net income, which corresponds to net income from continuing operations at replacement cost ("Current Cost of Supply" or CCS), net of taxes and non-controlling interests, without including certain income and expense that are presented separately ("Special items"). The financial result is assigned to the adjusted net income of Corporate and other.

The Current Cost of Supply (CCS), commonly used in this industry to present the results of the Industrial and the Commercial and Renewables businesses that must work with huge inventories subject to continual price fluctuations, is not an accepted European accounting regulation, yet does enable the comparability with other sector companies as well as the monitoring of businesses independently of the impact of price variations on their inventories. Under income at CCS, the cost of volumes sold during the reporting period is calculated using the procurement and production costs incurred during the same period. Therefore, adjusted net income does not include the so-called inventory effect. This inventory effect is presented separately, net of tax and non-controlling interests, and corresponds to the difference between income at CCS and that obtained using the weighted average cost approach, which is the method used by the Group to determine its earnings in accordance with European accounting regulations.

Furthermore, Adjusted Net Income does not include the so-called Special Items, i.e. 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. These results are presented separately, net of the tax effect and non-controlling interests. The Group's reporting model uses Alternative Performance Measures (APMs), meaning measures that are "adjusted" to those presented under IFRS-EU. The information, breakdowns and reconciliations are updated quarterly and available on Repsol's website.

Operating segments

The reporting segments of the Group are as follows:

- Upstream (Upstream/E&P): Corresponding to exploration and production of crude oil and natural gas reserves.
- Industrial: Corresponding, mainly, to (i) refining activities, (ii) petrochemical, (iii) trading and transportation of crude oil and oil products and (iv) commercialization, transportation and regasification of natural gas and liquefied natural gas (LNG).
- Commercial and Renewables: Corresponding, mainly, to (i) low carbon power generation and renewable sources, (ii) gas and power commercialization, (iii) mobility and commercialization of oil products and (iv) liquefied petroleum gas (LPG).

Corporate and others includes (i) Corporation running expenses and, specifically, those expenses related to managing the Group that have not been invoiced to the business divisions as a service, (ii) the financial result and (iii) consolidation intersegment adjustments.

Disclaimer

This document contains information and statements that constitute forward-looking statements about Repsol. Such estimates or projections may include statements about current plans, objectives and expectations, including statements regarding trends affecting Repsol's financial condition, financial ratios, operating results, business, strategy, geographic concentration, production volumes and reserves, capital expenditures, cost savings, investments and dividend policies. Such estimates or projections may also include assumptions about future economic or other conditions, such as future crude oil or other prices, refining or marketing margins and exchange rates. Forward-looking statements are generally identified by the use of terms such as "expects," "anticipates," "forecasts," "believes," "estimates," "appreciates" and similar expressions. Such statements are not guarantees of future performance, prices, margins, exchange rates or any other event, and are subject to significant risks, uncertainties, changes and other factors that may be beyond Repsol's control or may be difficult to predict. Such risks and uncertainties include those factors and circumstances identified in the communications and documents filed by Repsol and its subsidiaries with the Comisión Nacional del Mercado de Valores in Spain and with the other supervisory authorities of the markets in which the securities issued by Repsol and/or its subsidiaries are traded. Except to the extent required by applicable law, Repsol assumes no obligation - even when new information is published, or new facts are produced - to publicly report the updating or revision of these forward-looking statements.

This document mentions resources which do not constitute proved reserves and will be recognized as such when they comply with the formal conditions required by the system "SPE/WPC/AAPG/SPEE Petroleum Resources Management System" (SPE-PRMS) (SPE – Society of Petroleum Engineers).

This document does not constitute an offer or invitation to purchase or subscribe securities, pursuant to the provisions of the Royal Legislative Decree 4/2015 of the 23rd of October approving the recast text of the Spanish Securities Market Law and its implementing regulations. In addition, this document does not constitute an offer to purchase, sell, or exchange, neither a request for an offer of purchase, sale or exchange of securities in any other jurisdiction.

The information contained in the document has not been verified or revised by the Auditors of Repsol.

Contact details

Investor Relations
investor.relations@repsol.com
 Tel: +34 917 53 55 48

REPSOL S.A

C/ Méndez Álvaro, 44
 28045 Madrid [Spain]
www.repsol.com

