

Repsol to invest €10 billion through 2028, allocating more than half to Spain and Portugal

- The company updates its operational and financial metrics for the 2026-2028 period despite the volatility triggered by the conflict in the Middle East. This update, in the current macroeconomic and geopolitical circumstances, underscores the strength of the businesses, with operating cash flow expected to reach €6.5 billion in 2028, underpinning the Group's growth.
- Repsol maintains its strategic priorities: financial strength, disciplined capital allocation, and enhanced shareholder remuneration.
- Investment plan of between €8.5 and €10 billion, with 55% allocated to Spain and Portugal and 34% to the United States. 30% of the total will be dedicated to low-carbon projects.
- The expected shareholder return will be between 30% and 40% of cash flow from operations over the period, including dividends and share buybacks. Repsol will distribute €3.6 billion in cash dividend through 2028.
- Upstream: Estimated net production for 2028 will stand at 580,000-600,000 barrels of oil equivalent per day, 40% in the United States.
- Industrial: Net investments of between €3.9 and €4.1 billion to maintain facilities at the forefront of the industry and consolidate low-carbon initiatives as a key lever for growth and differentiation.
- Customer: Strengthening leadership in traditional businesses and boosting multi-energy.
- Low Carbon Generation: Reach up to 9,000 MW in operation by 2028, limiting financial exposure.

€3.6 B
in cash dividend
through 2028

50%-55%
CFFO earmarked
for investments to
support the
Group's growth

**Spain, Portugal,
and the US** drive
the company's
growth

Repsol today hosted its Capital Markets Day, where it presented an update of its operational and financial metrics for the 2026-2028 period.

The company maintains the pillars defined in its 2024-2027 Strategic Update: financial strength, attractive shareholder returns, and investment discipline. At the same time, it refines its roadmap through 2028 to continue growing in all its businesses and strengthening its multi-energy profile to supply all the energy that society needs.

After having delivered a solid financial and operational performance in recent years in a different global context, Repsol is now entering a new phase where improving competitiveness and efficiency will continue to be key, as well as generating strong cash flow from operations (CFFO) as a basis for further growth. The company expects to reach a CFFO of €6.5 billion in 2028, 20% more than in 2025, driven mainly by the Exploration & Production, Industrial, and Customer businesses.

To this end, the company will focus on the growth of all its businesses and on continuing to improve their profitability. It will concentrate on the execution of its portfolio of projects, prioritizing the most profitable ones and adapting the pace of investments in line with market developments. This model gives Repsol greater flexibility to continue growing and evolving as a multi-energy company, maintaining its commitment to achieving net zero emissions by 2050.

Repsol leverages its strengths to keep creating value: a vertically integrated model, mainly in Spain and Portugal; its industrial leadership; a solid commitment to profitable low-carbon projects; and a robust financial position. This unique competitive proposition allows value to be captured throughout the cycle, reduces exposure to volatility, strengthens business resilience, and guarantees security of supply, even in circumstances as volatile as the current ones.

Josu Jon Imaz, CEO of Repsol:

"Repsol has the right strategy to drive continued growth, even in a volatile environment, supported by an integrated model, a balanced mix of conventional and low-emission businesses, and a diversified portfolio of assets. Our evolution to consolidate ourselves as a multi-energy company is a differential element that will allow us to keep creating value and be well prepared for the road ahead."

Investments of up to €10 billion

The company preserves its solid financial position, with a low level of debt, reflected in its current credit rating (BBB+/Baa1), on which the investment program and shareholder returns are based.

This commitment is accompanied by a selective investment plan of between €8.5 and €10 billion through 2028, focused on projects already approved by the company, with attractive returns and stronger cash generation, which in turn supports continued progress in the energy transition. Of this total, 55% will be invested in Spain and Portugal and 34% in the United States. 30% will be directed to low-carbon initiatives.

Stable growth in shareholder returns

This 2026-2028 roadmap is underpinned by a capital allocation framework that reinforces an attractive shareholder remuneration policy.

Over the period, Repsol will allocate between 30% and 40% of its cash flow from operations to shareholder returns, including dividends and share buybacks. Specifically, it plans to distribute around €3.6 billion in cash dividend through 2028, a figure that will be completed with share buybacks to reach the committed remuneration range.

For 2026, Repsol has already announced that it will allocate nearly €1.9 billion to remunerate its nearly half a million shareholders. On the one hand, it will distribute €1.051 gross per share in cash dividend in 2026, 7.8% more than in 2025, including the €0.5 already paid out in January 2026. In addition, it has launched a first share buyback programme of up to €350 million to reduce the company's share capital.

Over the next two years, the commitment is to increase the total amount allocated to the cash dividend by 3% per year, to €1.233 billion in 2028. Alongside the share buyback plan, this will allow the dividend per share to increase by more than 6% per year.

This proposal enhances shareholder certainty by reaffirming the 2024 plan for annual growth in cash remuneration, complemented by share buybacks calibrated to the macroeconomic conditions, including under the most stressed scenario.

Emissions reductions

With respect to decarbonization, Repsol has achieved its goal for 2025 - with a 15% reduction in the Carbon Intensity Indicator compared to 2016 - by implementing a strategy based on the efficiency, competitiveness, and integration of its businesses. The company maintains its ambition to achieve net zero emissions in the long term and continues to move forward on this path with discipline and a focus on value creation, adjusting its medium-term objectives to the prevailing context to deliver a profitable energy transition. It sets a 2030 target to reduce its Carbon Intensity Indicator by 25% (± 1) to reach 55% in 2040 and 100% in 2050.

The updated metrics for the 2026-2028 period cover the company's four businesses - Upstream, Industrial, Customer, and Low Carbon Generation. They are anchored in projects where Repsol has a clear competitive advantage and attractive market opportunities, particularly capitalizing on the integration and efficiency of the Industrial and Customer businesses.

Upstream: Growth through strong project execution, with a US-focused portfolio

In recent years, the Exploration and Production (Upstream) business has focused its efforts on improving its asset portfolio, increasing the quality and profitability of the barrels produced and reducing the carbon intensity of its operations. As a result, it has decreased its geographical exposure from 18 to 10 countries, concentrating operations in geographies with greater competitive advantages and growth possibilities.

Over the 2026-2028 period, the company aims to further improve the profitability of its Upstream business, supported by solid project execution and enhanced asset efficiency. To deliver this, it will make net investments of between €2.6 and €3 billion, of which around 80% will be allocated to the United States, a country that leads growth in the short term, through projects in Alaska, in unconventional assets, and off the south coast.

The first phase of Pikka (Alaska), one of the largest onshore discoveries in the United States in recent decades, will come online in the coming months and will add an estimated net production of 30,000-35,000 barrels of oil equivalent per day (boe/d) in 2028. In addition, production is expected to increase at Leon-Castile, to 20,000 gross boe/d in the short term, as well as increased production from unconventional assets in the Marcellus in Pennsylvania and Eagle Ford in Texas.

Alongside the United States, Repsol has an attractive portfolio of projects in other countries, such as the United Kingdom, where net production is estimated to reach 55,000 - 60,000 boe/d in 2026 through Neo Next+, the joint venture with NEO Energy and TotalEnergies UK in the North Sea. And in Brazil, Raia (BM-C-33), in the Campos basin, has the potential to become one of the country's most important sources of natural gas. It is expected to come online in 2028 and reach a net production of 40,000-50,000 boe/d by 2030.

With all these projects, net production is projected to reach between 580,000 and 600,000 boe/d in 2028, between 6% and 10% higher than in 2025. Around 40% will come from the United States.

Repsol will continue to work to increase the quality and profitability of the barrels produced, doubling the operating cash flow per barrel through 2028. Reducing the carbon intensity of barrels is also a priority, with a goal of reducing emissions to 10 kg of CO₂ per barrel.

These projections for 2028 could be increased by potential improvements in the situation in Venezuela, where the company has a privileged position due to its historical presence, and the new licenses issued by the U.S. authorities allow the resumption of oil and gas operations in the Caribbean country. Additionally, the award of new exploration blocks in the recent licensing round in Libya will open a new stage of growth and strengthen Repsol's presence in this country in the long term.

Industrial: reinforcing industrial assets and reaffirming the commitment to renewable fuels

Repsol has a highly competitive refining system, with top-tier assets and a track record of solid and sustained performance. Its seven major industrial centres - located in Spain, Portugal, and Peru - make a significant contribution to securing the energy supply in these countries, and their activity generates more than 6,500 direct jobs, reinforcing the economic and social role of the company, in addition to its energy contribution.

The Industrial area is key to the company's business model, as the integration of its industrial, trading, and commercial assets with renewable generation and new renewable fuel platforms enables it to provide all the energy that society needs to move forward.

During the 2026-2028 period, the priorities of the Industrial business will continue to be aligned with the Strategic Update presented in 2024: strengthening conventional assets to stay at the forefront of the industry, while consolidating low-carbon platforms as a key lever for growth and differentiation. The trading business will play a growing role, driven by the expansion of its global footprint and product portfolio.

Repsol expects net investments of between €3.9 and €4.1 billion in the Industrial business through 2028, of which 40% will be allocated to low-emission initiatives, such as the production of renewable fuels and hydrogen.

The company plans to increase the production of renewable fuels, to reach 1.5 million tons per year by 2028. Among the projects underway, the Puertollano renewable fuels plant stands out, with start operations in the second quarter of 2026. This plant will add an annual production capacity of 200,000 tons, in addition to the capacity already existing in Cartagena.

This positions Repsol as the main producer of renewable diesel and sustainable aviation fuel (SAF) in Spain and Portugal and as one of the leaders in Europe, contributing more than 70% of the production in both countries and more than 10% in the European Union as a whole. In 2025, more than 90% of the renewable diesel and SAF produced has been traded through the company's own channels.

The company is also making progress on the synthetic fuels demo plant in Bilbao, which will be fully operational in 2027, as well as on the Ecoplanta in Tarragona that is set to be commissioned in 2029 after an investment of more than €800 million. This facility, a pioneering project in Europe, will transform urban waste into 240,000 tons of renewable and circular methanol every year. Due to its innovative nature, the Ecoplanta has been selected by the European Union to receive funding through the Innovation Fund program.

Repsol is the largest producer and consumer of hydrogen in Spain and Portugal, and it will progressively replace the conventional hydrogen it uses as a raw material in its industrial centers with renewable hydrogen. The goal is to reach an equivalent production of up to 300 MW by 2028. To this end, it has already approved the investment of its first two large-scale electrolyzers, with a capacity of 100 MW each, in Cartagena and Bilbao. Both have been recognized as important projects of common European interest (IPCEI) and have, therefore, received NextGenerationEU funds. In the first half of 2026, approval is expected for a third large electrolyzer, with a capacity of 150 MW, in Tarragona.

Customer: multi-energy leadership in Spain and Portugal

Repsol's Customer business has established itself as leading player in Spain and Portugal, with more than 24 million customers and a unique multi-energy proposal.

With net investments of €1.4 to €1.6 billion planned between 2026 and 2028, the Customer area will focus its efforts on consolidating the leadership of its traditional businesses – mobility, lubricants, aviation, and LPG –, as well as driving the growth of the new businesses – power and gas, electric mobility, and distributed generation –, with the aim of consolidating a commercial platform that goes beyond energy.

In this regard, the company will continue to evolve the business model of its more than 3,800 service stations in Spain and Portugal, providing the most complete mobility energy offerings in the sector (conventional fuels, AutoGas, electric mobility, and renewable fuels) and value services for the customer, through the consolidation of its alliances with leading partners in their respective segments, such as Amazon, El Corte Inglés, Enrique Tomás, Inpost y Levaduramadre, among others.

Repsol will also continue to work on strengthening the distribution and marketing of Nexa Diesel of 100% renewable origin, Repsol's highest quality diesel, as a solution to tackle the challenge of decarbonizing transport, alongside the promotion of electric mobility.

Another growing business is lubricants, with the ambition to consolidate its national leadership and boost its international presence and the aim to double the size of the business by 2030.

As for the gas and power market in Spain and Portugal, in which Repsol is already the fourth operator with more than three million customers, the goal is to boost organic growth and exceed 4 million by 2028.

The entire multi-energy offering is leveraged on the strengthening of physical and digital channels, as a tool for customer proximity, aiming to increase the number of digital users to 13 million by 2028, mostly through the Waylet app, which already has 10 million users. By 2028, the Customer business expects the number of multi-energy customers to grow by 30% to reach 1.6 million. It also expects the wide range of multi-energy solutions will be offered at 80% of the station network in Spain.

Low Carbon Generation: self-funded growth

The Low Carbon Generation business, supported mainly by the organic development of its portfolio of solar and wind projects, will continue to be central to the company's strategy.

Since entering the business in 2018, Repsol has deployed a profitable growth model, which has allowed it to reach 6,000 MW of renewable energy in operation and the incorporation of partners into its portfolio to crystallize value. In less than seven years, this model has allowed the company to rotate more than 3,000 MW of wind and solar in operation, reaffirming the attractiveness of its portfolio and bringing in partners such as Pontegadea, Schrodgers Greencoat, Stonepeak, and TRIG.

In the 2026-2028 period, Repsol expects to reach up to 9,000 MW in operation. This growth will be delivered under strict investment discipline, concentrating spending on the highest-return projects and limiting the company's financial exposure by leveraging additional financing avenues - such as asset rotations, the incorporation of partners, or project financing - to maximize value generation and secure returns above 10%. The objective is for the business to be self-funded over the period.

In particular, Repsol will allocate net investments of between €500 million and €1 billion to this area during the period, mainly to opportunities in Spain and the United States, following two different strategies.

In Spain, where the company has more than 3,200 MW of renewable energy in operation (hydro, wind, and solar), the updated path through 2028 prioritizes the development of higher-value projects - especially wind and Battery Energy Storage Systems (BESS) - as well as maximizing the value of existing assets through hybridizations. Additionally, the company foresees future growth options, not included in the projections, subject to the development of projects such as the Aguayo II pumped-storage hydro plant in Cantabria, and opportunities linked to the boom in data centers in Spain.

In the United States, where Repsol already has more than 2,000 MW in operation, priority will be given to projects with the higher returns and favorable regulatory conditions. At the same time, the company will maintain a broad pipeline of initiatives to capture future opportunities arising from growing power demand and potential regulatory changes, while considering the possibility of bringing in a partner.

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