

Repsol posts adjusted net income of €873 million

- Adjusted net income, which specifically measures business performance, stood at €873 million in the first quarter. Net income was €929 million, partly due to the impact of the inventory effect (€593 million).
- These results reflect the volatility of the global context, especially following the start of the conflict in Iran, which has caused physical disruptions in the energy markets, increased price fluctuations, and reshaped global supply chains.
- With no assets in the Middle East, Repsol is focusing its efforts on ensuring continuity of energy supply, allocating €1.2 billion in the quarter to increase its inventories.
- At the same time, the company is helping mitigate the impact of fuel price volatility on Spanish society, through the application of additional discounts at its service stations, amounting to €35 million to date.

- **Josu Jon Imaz, CEO of Repsol:**

"In an increasingly complex and volatile geopolitical environment, which threatens to transform the energy system, we remain focused on ensuring security of supply, based on the disciplined and efficient operation of our integrated portfolio, while continuing to provide reliable energy to our customers."

€1.2 B

Allocated to strengthening Spain's energy supply

€3.35 B

Tax contribution, 73% in Spain

€35 M

Additional discounts for customers in just over a month

€361 M

Impairments, mainly in the Chemicals business

Repsol reported adjusted net income of €873 million in the first quarter of 2026. This metric, which specifically measures business performance, was influenced by the volatility of a global macroeconomic environment shaped by the conflict in the Middle East. This situation has impacted international energy markets by generating physical product disruptions - oil and, above all, refined products, mainly kerosene and diesel - increasing the fluctuation of commodity prices and stoking uncertainty about the short-term economic outlook.

Repsol, which has no assets in the Middle East and has a diversified portfolio of feedstock supplies, is concentrating its efforts on ensuring the continuity of energy supply, operating its assets efficiently and safely, while mitigating the impact of fuel price volatility on Spanish society by applying additional discounts at its service stations.

The company is implementing a series of measures that will allow it to increase the production of kerosene for aviation in the five refineries that it has in Spain. Thus, Repsol has allocated €1.2 billion in the quarter to increase its crude oil inventories and maximize the available feedstock.

Repsol will increase its kerosene production by between 15% and 20%, especially ahead of the summer and will do everything in its power to help safeguard key sectors such as tourism, an activity of great importance to the Spanish economy.

Efficient and flexible refining

Repsol's integrated refining system is one of the most efficient and advanced in Europe. It is designed to transform oil and alternative raw materials into products that are essential for society. The company's five refineries in Spain operate in an interconnected manner, 24 hours a day, operating as a single unit to optimize production. This integrated system provides significant flexibility to adapt fuel production to demand. To keep it at the forefront, Repsol has invested an average of around €1 billion per year over the past decade. At present, this strategic sector for Europe is under significant pressure. Since 2009, 35 refineries have closed across the continent, representing a 20% reduction in capacity, while global competition continues to intensify.

The investments by Repsol have made its refining system one of the most efficient and flexible, thanks to its capacity to treat a large number of different crudes (about 100 in the last year). 60% of the crude oil processed in the company's refineries comes from the Americas, mainly from the United States, Mexico, and Brazil; and 30% from North Africa, mainly Libya. In addition, the deep conversion schemes of Repsol's refineries make it possible to extract more of the products that society needs most from each barrel, such as diesel and kerosene. This activity generates more than 6,500 direct jobs, which reinforces Repsol's economic and social role, as well as its role as an energy provider.

In the first quarter of 2026, the company has once again started to receive cargoes from Venezuela, a heavy crude oil that Repsol's refineries can transform into products such as gasoline, diesel, and kerosene, essential in the current context of tension in the markets.

At the same time, Repsol is also implementing measures to minimize the impact of fuel price volatility on Spanish society. Since mid-March, it has been applying additional discounts for its professional customers through the Solred loyalty card and for individuals who use the Waylet application as a payment method at any of the company's over 3,300 service stations in Spain. Yesterday, the company announced the extension of the discounts for individual customers until May 31. As was the case in the context of Russia's invasion of Ukraine, in 2022, Repsol was the first operator to announce and apply discounts at its service stations after the outbreak of the conflict in Iran. In just over a month, it has provided its customers with additional discounts amounting to €35 million.

Repsol's integrated model has once again demonstrated its resilience, even in a turbulent context such as the current one. Net income stood at €929 million in the first three months of 2026. This result has been influenced by the inventory effect (€593 million), which reflects the positive impact of rising crude oil and refined product prices on the book value of stored inventories.

During the first quarter of 2026, the company has made a total tax contribution of €3.35 billion, including taxes and similar public charges, in more than 27 countries. 73% of this tax contribution was generated in Spain, totaling €2.45 billion. This corresponds, mainly, to taxes on fuels (reduced as of March 22 by the measures approved by the Spanish Government to address the situation arising from the conflict in the Middle East).

Start-up of key projects in Exploration and Production

The adjusted net income of the Exploration and Production (Upstream) area stood at €302 million between January and March 2026, 5.3% less than in the same period of 2025.

With a total production of 539,000 barrels of oil equivalent per day (boe/d) in the quarter, Repsol has continued to make progress on several key projects that will contribute new barrels in the short term and support production in the medium and long term.

In Brazil, Lapa South-West – a project developed by the Repsol Sinopec Brasil joint venture together with TotalEnergies and Shell – began producing oil in March. When it reaches plateau, it will add 25,000 gross barrels of oil per day to the Lapa field, which will reach a total of about 60,000 gross barrels per day, of which 14,000 are net Repsol. In this country, progress is also being made on the Raia project (BM-C-33), in the Campos basin, with the potential to become one of the most important sources of natural gas in the country. After commissioning, scheduled for 2028, it is expected to reach a gross production of around 200,000 boe/d in 2030.

In the United Kingdom, the merger between NEO NEXT – Repsol and NEO UK– and TotalEnergies was completed at the end of March, creating the largest oil and gas producer in the British North Sea, with an expected net production for Repsol of more than 60,000 boe/d.

In the United States, specifically in Alaska, oil production is set to begin in the coming weeks at the Pikka project, one of the largest onshore discoveries in the country in recent decades. It is expected to reach a gross production of 80,000 barrels of oil per day in the third quarter of the year. At the Quokka unit, located east of Pikka, the first appraisal well was successfully completed earlier this month, thus increasing the potential of Repsol's assets in Alaska.

In addition, Repsol's commitment to this state has been reinforced after obtaining 42 new exploration licenses in the last federal bidding round, supporting future development plans. Work is also underway to further maximize production from the unconventional assets in Marcellus (Pennsylvania) and Eagle Ford (Texas).

In Libya, the company was awarded two new exploration blocks in the first licensing round held in two decades, which will open a new stage of growth and strengthen the company's long-term presence in the country. Libya is a key player in global energy markets thanks to its oil and gas reserves. The quality of its crude oil and its proximity to Europe - more than 70% of Libyan oil is exported to the continent - makes it a strategic supplier for the European Union and Spain. Libya has made significant progress in security and stability in recent years, thanks to the crucial role of the Libyan National Army (LNA), which currently protects oil facilities and staff. This progress is clearly reflected on the ground and has created a more favourable environment for investment and growth in the energy sector in the country.

By 2026, the company expects to reach global net production of between 560,000 and 570,000 barrels of oil equivalent per day (boe/d). And in the strategic horizon, between 580,000 and 600,000 boe/d in 2028.

These projections could be increased by a potential improvement in the situation in Venezuela, where the company has a privileged position due to its historical presence, and where progress has been made in the last months. Within the framework of the general license issued by the U.S. Administration, Repsol has recently signed two strategic agreements with the Venezuelan government and the state-company Petróleos de Venezuela (PDVSA) to increase natural gas and oil production in the country. In the first case, the agreement aims to reinforce the long-term stability of gas production at the Cardón IV asset (a 50/50 joint venture between Repsol and Eni), and define payment mechanisms, including the progressive allocation of crude oil cargoes; as well as exploring the possibilities of exporting natural gas. Under this agreement, the first ship with crude oil from Venezuela as payment for production will arrive next week, with additional cargoes expected going forward.

The other agreement allows Repsol to regain control of operations at the Petroquiriquire asset, increase its oil production in the country and guarantee payment mechanisms. The company has the assets and the technical, operational, and human capabilities on the ground and is prepared to increase gross oil production by 50% within 12 months and triple it in the next three years, as long as the necessary conditions remain in place and using the proceeds generated in the country.

New steps in industrial transformation

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 allows it to provide all the energy necessary for society to move forward.

Throughout the quarter, Repsol has continued to take decisive steps in this regard. This week, the company is beginning the process of commissioning its second renewable fuels plant in Spain, located in the Puertollano industrial complex. With an annual production capacity of 200,000 tons, it further expands the company's production base, alongside the plant already operating in Cartagena since 2024.

In January, Repsol took the final investment decision for its second large-scale electrolyzer to be installed at its Petronor refinery. The new 100 MW infrastructure has been recognized by the European Commission as an Important Project of Common European Interest (IPCEI) and has received the support of the Government of Spain, which has contributed €160 million through NextGenerationEU funds. The electrolyser will have the capacity to produce 15,000 tonnes of renewable hydrogen per year, which will be used, mainly, in the processes of the refinery.

The Industrial area posted adjusted net income of €440 million in the first three months of the year. During the quarter, the company recorded asset impairments amounting to €361 million, mainly in the Chemicals business. The increase in prices and the contraction in the supply of raw materials, such as naphtha and propane, caused by the conflict in the Middle East, have further undermined the competitiveness of the European chemicals industry, structurally eroding the business's margins.

Cost-effective multi-energy strategy

The Client area, which encompasses activities such as service stations, aviation fuels, lubricants, butane, and propane, among others, posted adjusted net income of €160 million.

With 62% of service stations in Spain offering multi-energy solutions, Repsol continues to make strides to provide its customers with all the energy they need for mobility, at home, and in businesses, and to become their sole energy supplier.

In Power and Gas, 129,000 customers were added in the first three months of 2026, reaching a total of 3.2 million, an increase of 20% year-on-year. As a result of the larger customer base, the power marketed by Repsol grew by 26%, compared to the first quarter of 2025.

The number of digital customers reached 11.2 million at the end of the quarter, up 17%, mainly on Waylet, an application through which Repsol applies discounts to individual customers at its service stations to help in the situation generated by the conflict in the Middle East.

New rotations in renewables

Throughout the quarter, Repsol has put new renewable projects into operation in Spain and has added 133 megawatts (MW) to the Pinnington solar plant (United States), reaching its maximum capacity of 825 MW. With these new megawatts, the company has 6,000 MW in operation.

Repsol has continued to make progress with its active asset portfolio management strategy, completing the rotation of the Outpost photovoltaic facility (Texas) during the first quarter and with plans to launch a similar process for Pinnington later this year. In Spain, the company is also moving forward on another rotation of wind and solar assets.

Commitment to shareholders

In line with the shareholder distribution target, Repsol paid the first cash dividend planned for 2026 in January, amounting to €0.5 gross per share. The second cash dividend, expected to be paid in July, will bring total shareholder remuneration for the year to €1.051 gross per share, an increase of approximately 8% compared to 2025. In addition, a further payment of €0.53 gross per share will be made in January 2027, following approval by the Annual General Meeting, to be held on May 14.

This cash dividend will be complemented by share buybacks to reach the committed distribution range of 30% to 40% of the cash flow from operations. Accordingly, a new share buyback program began in March, with a maximum net investment of €350 million.

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