Cepsa

3Q 2021 Results

November 4th, 2021

CEPSA

Today's presenters

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CFO

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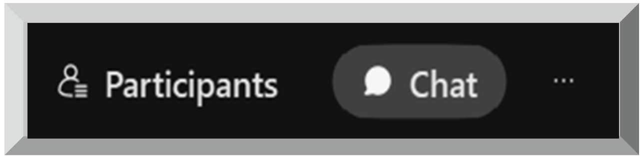

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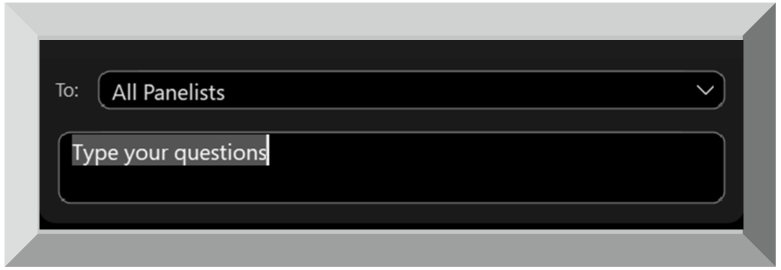


3Q 2021
Highlights & Outlook

3Q 2021 Highlights

Optimization plan and favorable market conditions deliver strong results

Corporate events

- Cepsa announced the **appointment of Maarten Wetselaar as CEO** of the company, effective **1st January 2022.** Current CEO, Philippe Boisseau, to remain as advisor to Maarten and the Board.
- Maarten's mandate is to **accelerate the company's energy transition plans**. Maarten and the management team will work with shareholders to **announce the strategy in 2022**.

Financial Performance

- Strong **EBITDA of €504 M** registered during the quarter:
  - **Upstream** continued delivering solid results due to increased production (progressive lifting of OPEC quotas) and higher crude prices.
  - **Refining EBITDA** was **impacted by** the increase **in energy costs,** with margins somewhat below Q2 but clearly above Q1 2021 and most of 2020.
  - **Commercial volumes continued to increase** in Q3 (+12% vs Q2) with healthy margins.
  - **Chemicals** delivered **another quarter of strong results,** mainly due to sustained robust margins in the LAB segment.

Optimization Plan

- Successful ongoing **execution of the Multi-year Efficiency Program (MEP)**, 3-year plan aimed at improving Gross Margin and capturing sustainable opex savings.
- **€295 M of EBITDA improvement has been delivered in the last twelve months**, in addition to the €73 million achieved in 2020 as part of the Contingency Plan.

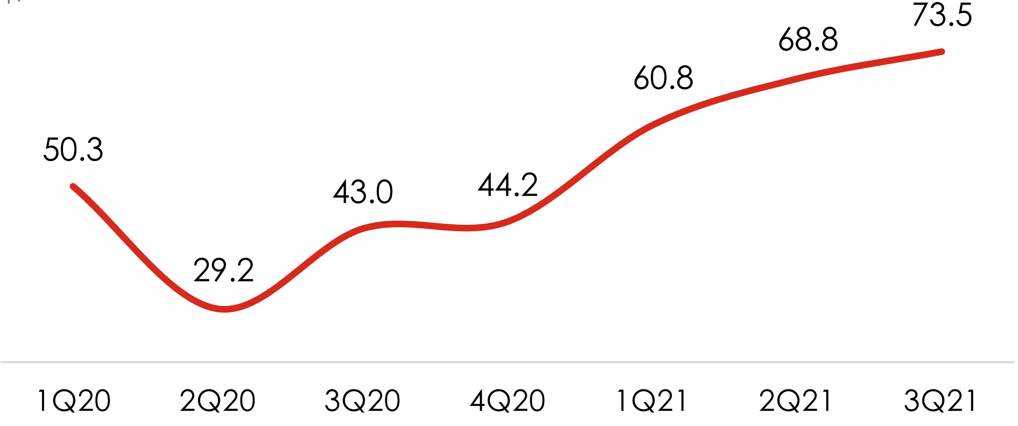
Source: Cepsa. Financial figures reported on a Clean CCS basis, unless otherwise stated

Market environment

Overall market improvement with Refining Margin impacted by increase in energy costs

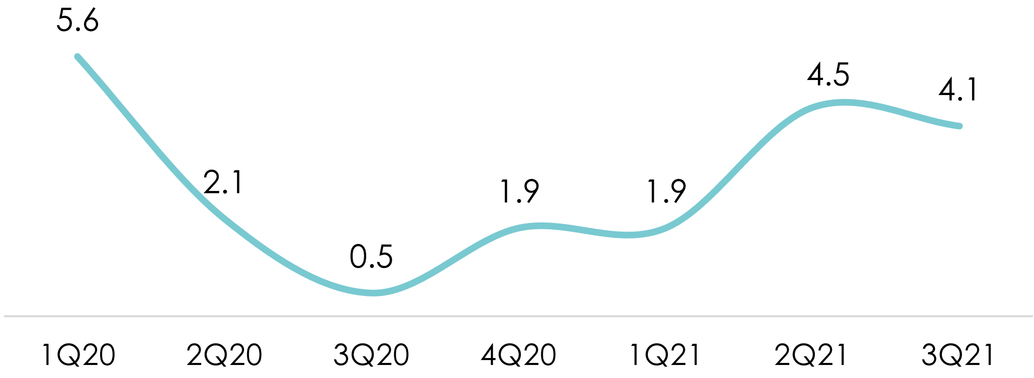
Brent

$/bbl



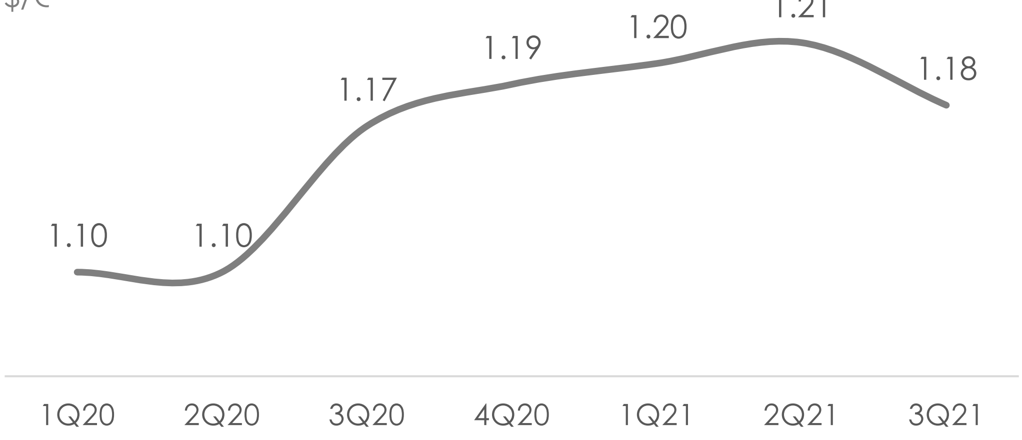
Cepsa refining margin [1]

$/bbl



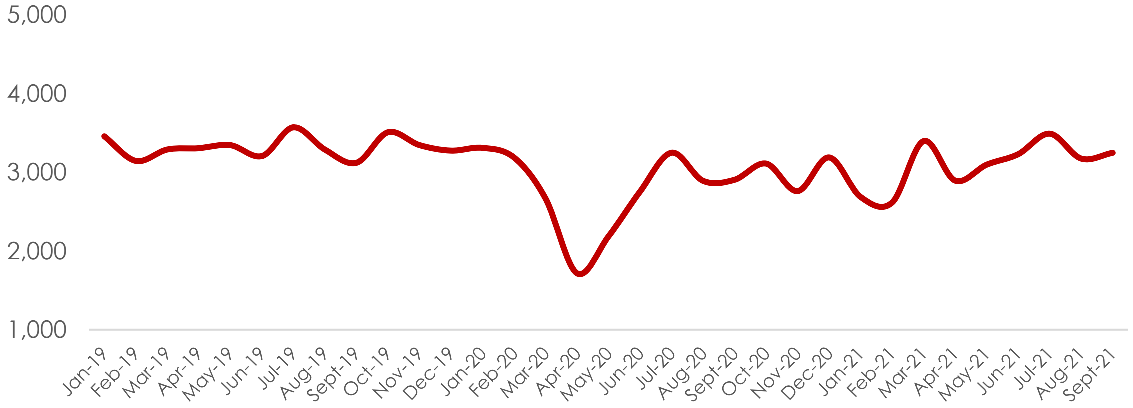
Exchange rate

$/€



Fuel demand in Spain [2]

1,000m³



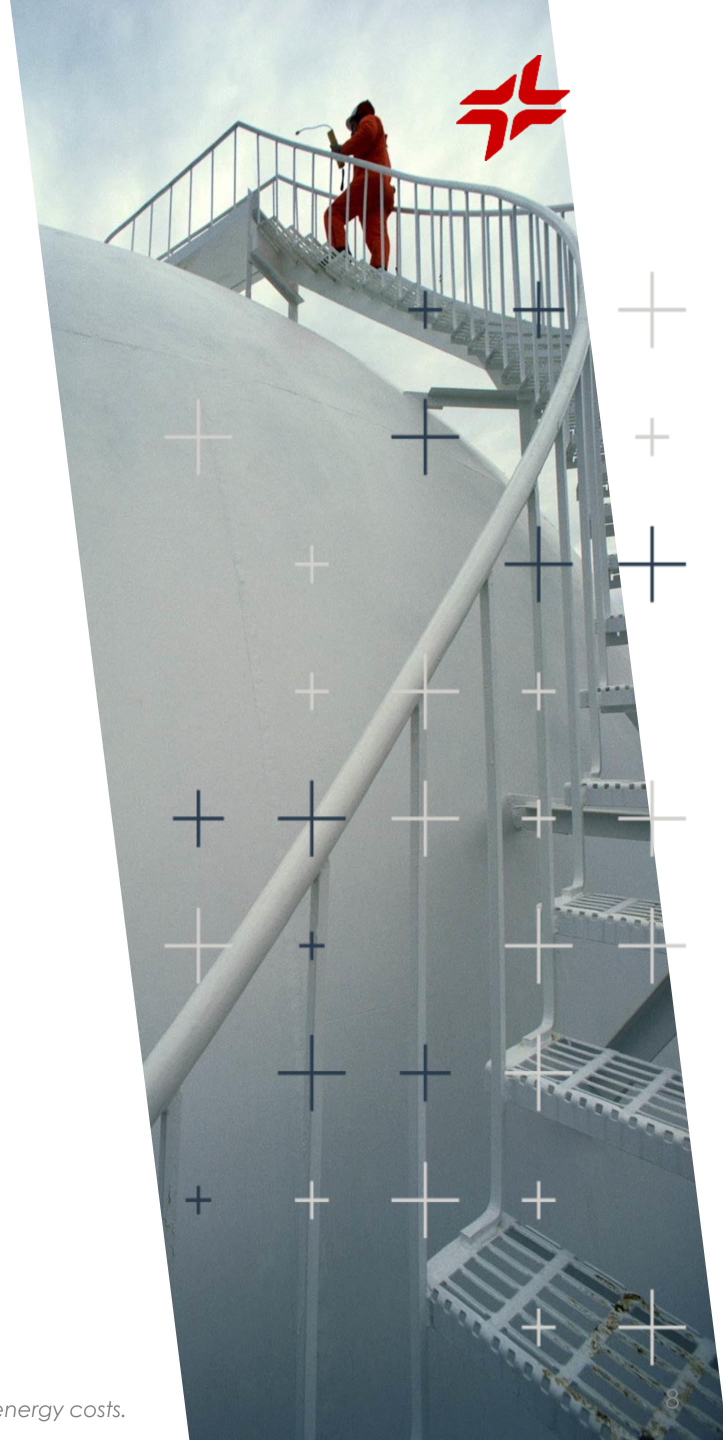
Source: Cepsa, Exolum. Average figures for each quarter.

1. Cepsa's refining margin corresponds to a variable cost margin after crude differentials, freight and corporate group allocations, including variable energy costs; 2. Relates to gasoline, automotive diesel, agricultural and heating gasoil

Key operating metrics

Efficient and reliable operations are enabling Cepsa to take full advantage of more favorable market conditions

Key Operational KPIs	3Q 2021	2Q 2021	Δ 3Q'21 / 2Q'21
WI Upstream Production (kbopd)	80.4	76.9	+5%
Realized Crude Oil Price ($/b)	70.6	65.5	+8%
Upstream Opex ($/bbl)	8.5	9.0	(6%)
Cepsa refining margin ($/bbl)[1]	4.1	4.5	(9%)
Utilization rate refineries (%)	88%	81%	+8%
Commercial Product Sales (Mt)	4.3	3.8	+12%
Chemicals Product Sales (Kt)	758	732	+4%
Natural Gas Sales (Gwh)	10,200	7,639	+34%



Source: Cepsa. 1. Cepsa's refining margin corresponds to a variable cost margin after crude differentials, freight and corporate group allocations, including variable energy costs.

Upstream

3Q 2021 Highlights

- Improved EBITDA of +5% vs Q2. Higher realized oil price (+8% QoQ) with an average of 70.6 $/bbl

- Progressive lifting of OPEC quotas led to slight increase in production (+5%)

3Q Figures

Realized oil price
70.6 $/bbl

WI Production
80.4 kbopd

EBITDA
227 M€

Source: Cepsa. Financial figures reported on a Clean CCS basis, unless otherwise stated

Refining

3Q 2021 Highlights

- Margins decreased slightly to 4.1 $/bbl, although still above Q1 and most of 2020, mainly due to the increase in energy costs
- Enhanced refineries utilization to an avg. of 88% from 81% in Q2, approaching pre-pandemic levels

Source: Cepsa. Financial figures reported on a Clean CCS basis, unless otherwise stated

3Q Figures

Utilization Rate
88 %

Refining Output
5.5 Mt

EBITDA
30 M€

Commercial

3Q 2021 Highlights

- Spanish fuel demand continued to improve in Q3, with an 8% increase vs Q3 2021

- Commercial volumes increased by 12% vs Q2, due to the summer holiday season and as restrictions to mobility eased

3Q Figures

Product Sales
4.3 Mt

Service Stations
1,756

EBITDA
155 M€

Source: Cepsa. Financial figures reported on a Clean CCS basis, unless otherwise stated

Chemicals

3Q 2021 Highlights

- Sales volumes continued improving in Q3, mainly driven by the solvents business segment

- Robust margins remain, especially in the LAB segment, thanks to the new commercial strategy

3Q Figures

Product Sales
758 Kt

LAB Sales
175 Kt

EBITDA
123 M€

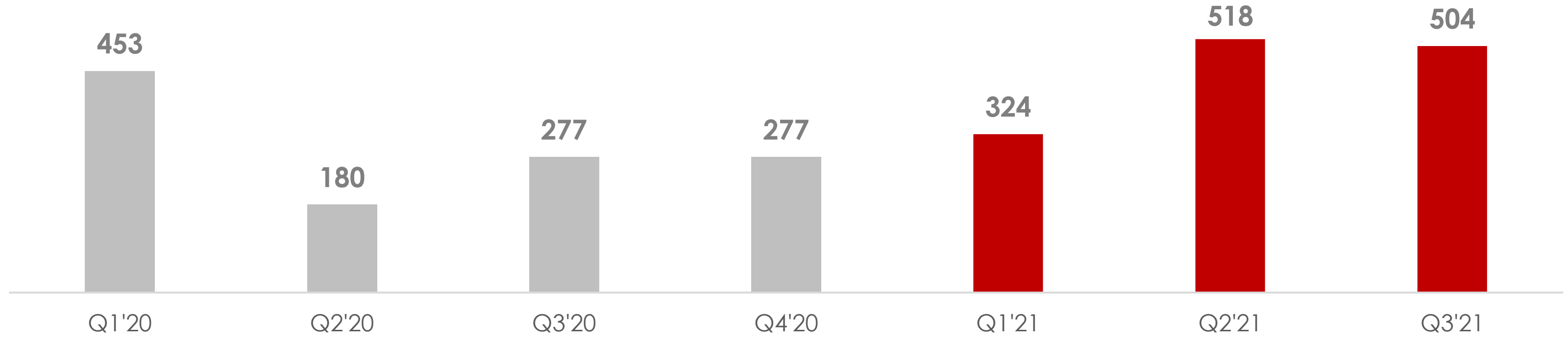
Source: Cepsa. Financial figures reported on a Clean CCS basis, unless otherwise stated

EBITDA breakdown by business

Second quarter of strong EBITDA generation, despite Refining being negatively impacted by the increase in energy costs

EBITDA by Business (€M)[1]	3Q 2021	2Q 2021	Δ 3Q'21 / 2Q'21
Upstream	227	217	*+5%*
Refining	30	79	*(62%)*
Commercial	155	111	*+40%*
Chemicals	123	132	*(6%)*
Corporation[2]	(31)	(20)	*+51%*
Group EBITDA	**504**	**518**	***(3%)***

Quarterly EBITDA evolution (M€)



Source: Cepsa 1. On a Clean CCS basis; 2. Since 2021, certain corporate costs are no longer being allocated to each Business Unit but registered under Corporation

Short-term outlook

Short-term variability due to volatility of energy costs. Gradual recovery linked to overall improvement in macro environment

Upstream

- Oil price expected to remain range-bound around 80 $/bbl
- Production growth linked to lifting of OPEC quota restrictions
- Oil demand expected to gradually recover

Refining

- Volatile refining margins, impacted in the short term by high energy costs
- Refinery utilization to continue increasing (Sept average of 88%)

Commercial

- Positive demand outlook, with volumes expected to continue increasing further in sync with economic recovery. Additional risks associated with supply chain disruptions
- Sustained healthy margins

Chemicals

- Demand and volumes to remain strong
- Margins expected to hold robust

9M 2021
Results Overview

Results overview

Consolidating the recovery initiated in late 2020, thanks to ongoing efficiency measures and a favorable market environment

EBITDA by business (€M)[1]	9M 2021	9M 2020	Δ '21/'20
Upstream	615	337	+83%
Refining	117	34	+240%
Commercial	345	307	+12%
Chemicals	355	256	+39%
Corporation[2]	(86)	(25)	+248%
Group EBITDA	**1,346**	**910**	**48%**

Key Financial metrics	9M 2021	9M 2020	Δ '21/'20
Net Income	295	31	858%
Cash Flow from operations[3]	1,155	663	+74%
Net Debt	2,348	2,858	(18%)
Total Liquidity	4,119	4,617	(11%)

Source: Cepsa

1. On a Clean CCS basis.; 2. Since 2021, certain corporate costs are no longer being allocated to each Business Unit but registered under Corporation; 3. Before working capital variation

Multi-year Efficiency Program (MEP)

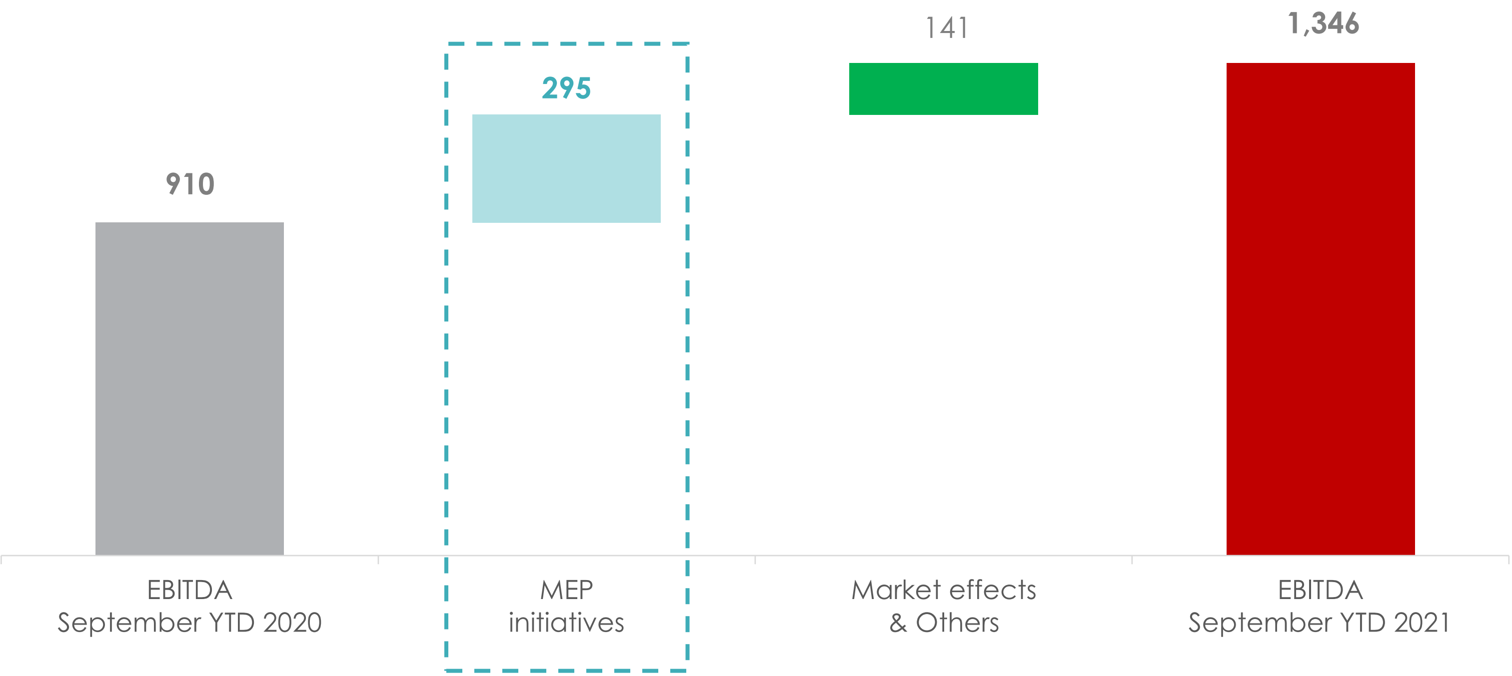
Aimed at boosting EBITDA and cash generation in the period 2020 – 2023

- **Group-wide, multi-year program covering all Business Units and Functional Areas** and with a new organization fully devoted to its delivery.
- **1,100+ individual initiatives** tracked by senior management on a bi-weekly basis **aimed at:**
    - Improving Gross Margin,
    - Capturing operating costs savings, and
    - Rationalizing capex
- Sustainable **margin uplift savings captured as of September** have had a positive impact in EBITDA **of €295 M.**

Multi-year Efficiency Program (MEP) – 3Q 2021 progress

MEP efficiencies captured as of September generated €295 M of positive EBITDA impact

MEP EBITDA impact YTD September 2021 (M€)



Source: Cepsa.

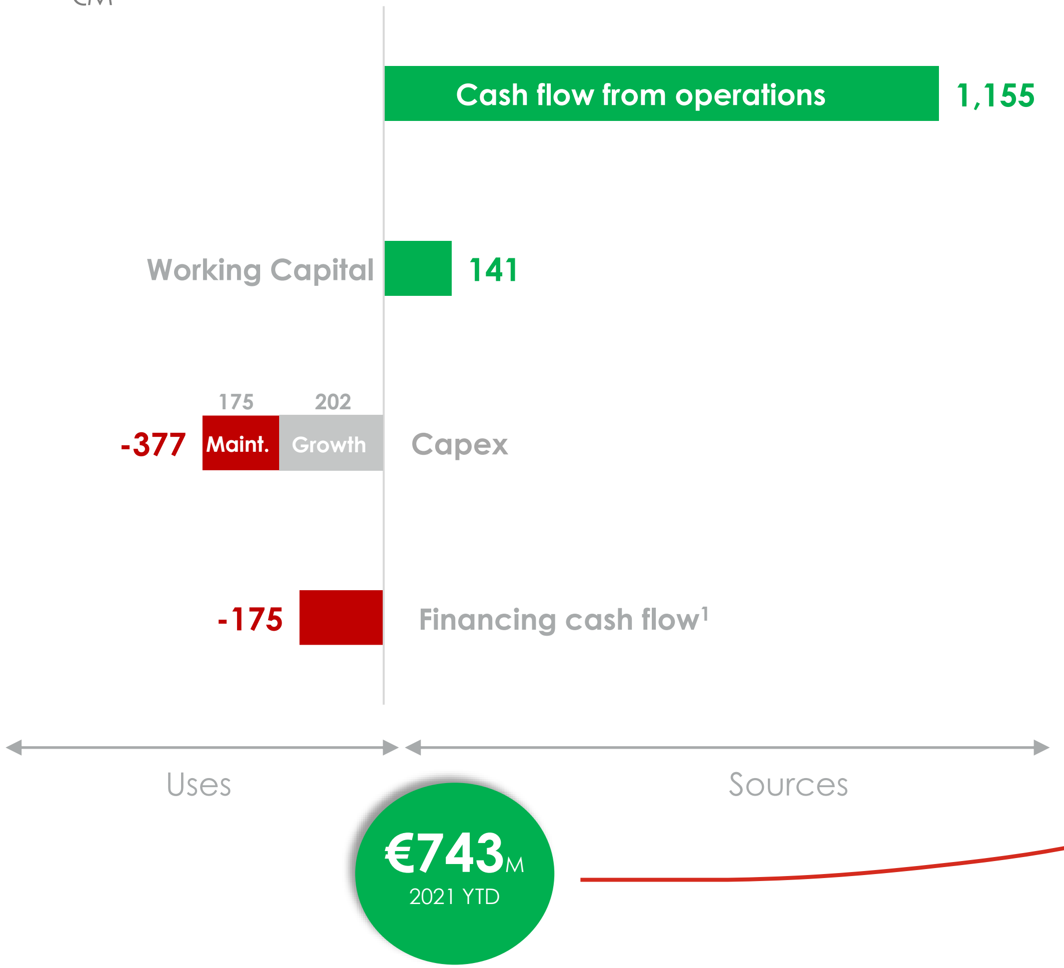
- **MEP efficiencies** captured in the last twelve months as of Sept '21 generated **€295 M of positive EBITDA impact.**
- **Market effects & Others** include, among others, impact derived from the evolution of crude oil and natural gas prices, market refining margins, petrochemical spread differentials and EUR/USD exchange rate.

Cash flow generation and Debt overview

Strong cash flow generation allowed Cepsa to pay dividends and continue deleveraging

Cash Flow generation YTD September 2021

€M

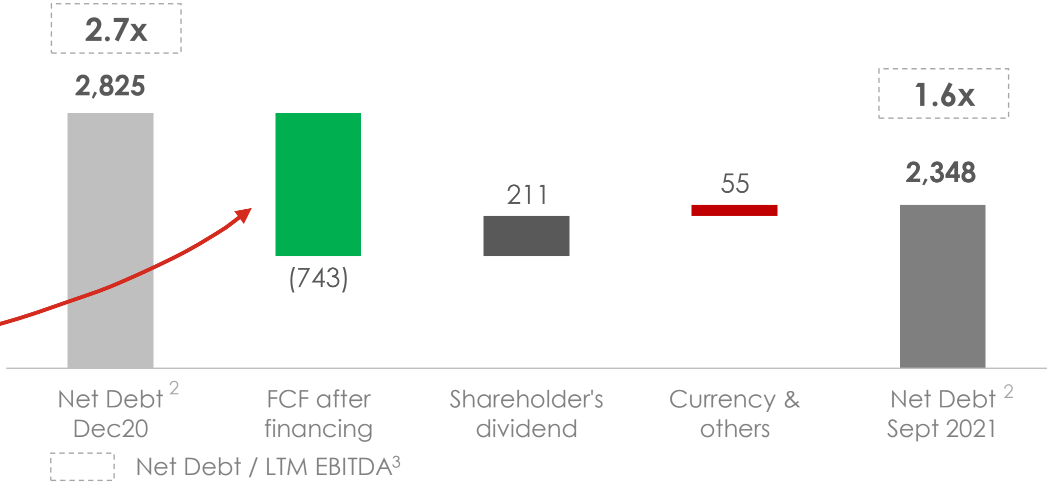


Committed lines & Liquidity

€M

Net Debt evolution Dec 20 – September 21

€M

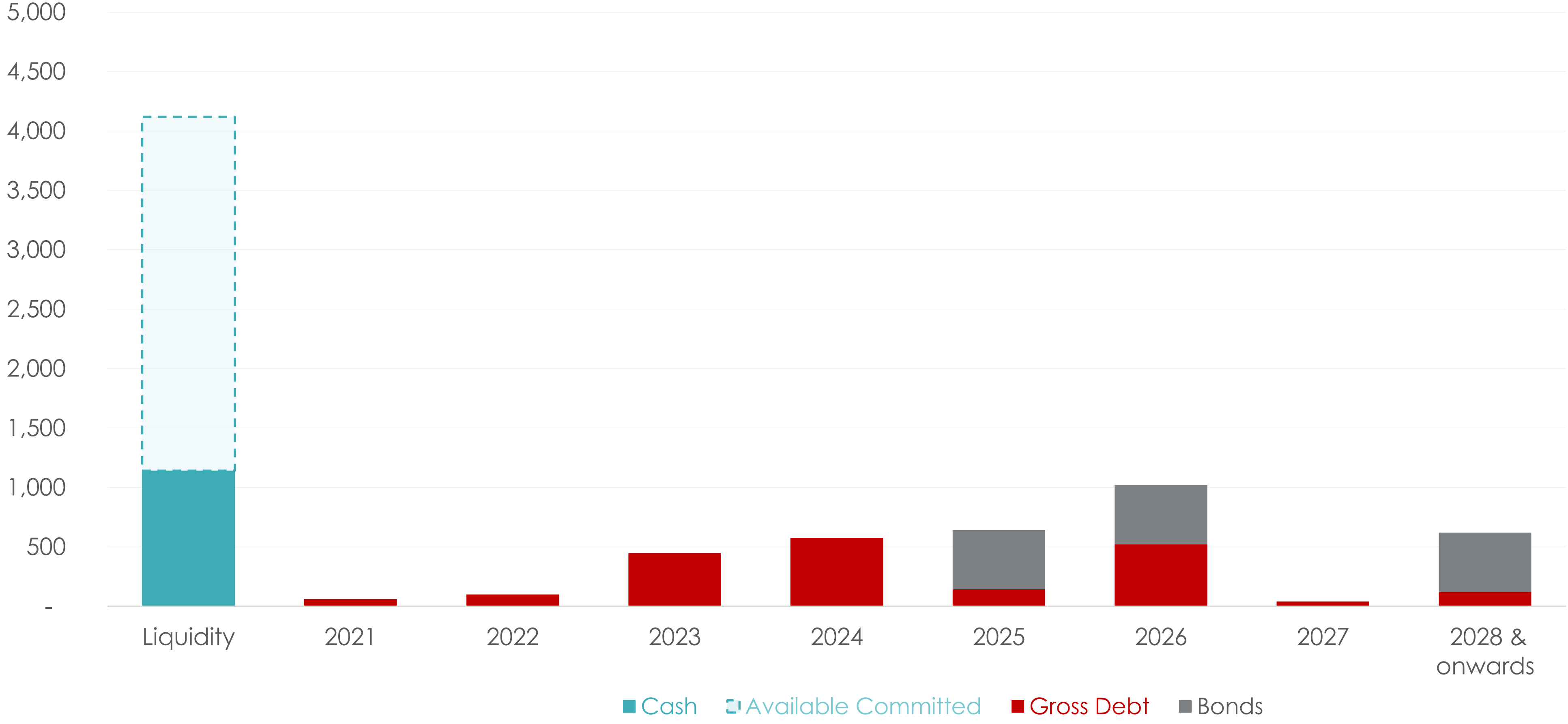


1 Financing cash flows include cost of debt and the monthly payments referred to Operating Leases; 2. Excluding €626 M and €652 M of Operating Leases under IFRS16 accounting in 2020 and YTD 2021, respectively; 3. Net debt w/o IFRS16 to Clean CCS LTM EBITDA

Debt maturity profile

Long-dated average maturity of 4 years with no significant debt maturities in the coming years

Figures in €M



Debt avg maturity
4.0 Yrs

Cash position
€1.1 Bn

Liquidity[1]
€4.1 Bn

1. Cash plus available committed facilities

- Cepsa has **NO financial covenants** in any of its debt facilities.

Ratings summary

Investment Grade ratings are a key priority for Cepsa and its shareholders

Agency	LT Rating	Outlook	Last review
FitchRatings	BBB-	Stable Outlook	March 2021
Moody's	Baa3	**Stable Outlook**	**August 2021**
S&P Global	BBB-	Stable Outlook	**July 2021**

- The **Contingency Plan** put in place **and** the **significant dividend reduction in 2020, were very well received by rating agencies**, as they evidenced Cepsa's commitment to conservative financial policies and Investment Grade ratings.
- All three agencies have confirmed Cepsa IG ratings during 2021. In its last review, **Moody's revised Cepsa's rating outlook from negative to stable.**
- **Investment Grade ratings remain a key priority** for both Cepsa's management and its shareholders.

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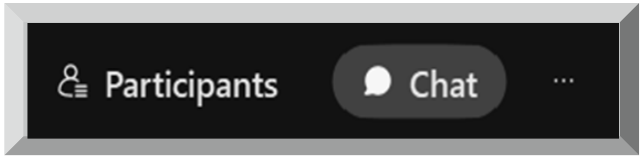

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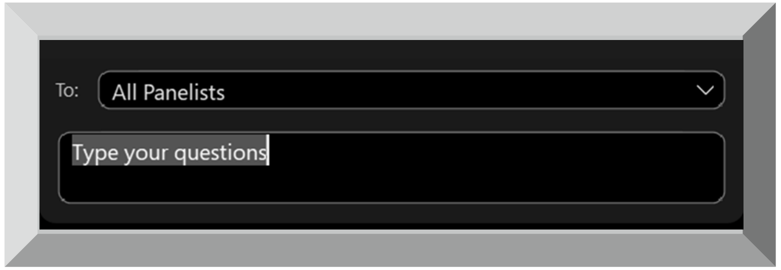


Thank you

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