PRESS **RELEASE**

26 APRIL 2022

Cepsa reports EBITDA of €605M in first quarter

Financial highlights

€605m
CCS EBITDA

€58m
CCS NET INCOME

€205m
Cash flow from Operations ex-WC

1.5x
Leverage

€3.4bn
Liquidity

- **CCS EBITDA** was **€605m** in Q1'22 versus €324m in Q1'21, driven by higher crude prices, increased Upstream production and sustained solid Chemicals results, despite high energy costs
- **CCS Net Income** was **€58m** (IFRS Net Income €265m), an improvement versus €53m in Q1'21 (IFRS Net Income €75m)
- **Cash flow** from operations before working capital reached **€205m**, below Q1'21 figure of €309m due to increased taxes in Upstream compared to tax credits in Q1'21
- Continued deleveraging, with **Net Debt to EBITDA ratio** decreasing to **1.5x** driven by stronger EBITDA performance
- **Strong liquidity position** of **€3.4bn,** covering 4.5 years of debt maturities
- Solid results underpin the **new 2030 Strategy 'Positive Motion'** announced at the end of March to become a leader in sustainable mobility and energy in Spain and Portugal and a benchmark in the energy transition
- Cepsa signed a series of **strategic alliances** to decarbonize air transport on a large scale, including the Iberia Group, Binter and Air Nostrum, through the development, production, and supply of sustainable aviation biofuels (SAF)
- As of April 1, Cepsa is offering **special discounts of up to €25 cts/l** on top of the €20 cts/l offered by the Government of Spain, to ensure that loyal customers can fill-up their tank with fuel prices similar to those of 2021. The discounts to help mitigate the impact of current extraordinarily high energy prices will remain in force until June 30

Maarten Wetselaar, Cepsa CEO

"This is another solid quarter for Cepsa, with good delivery across all of our financial metrics. The performance follows the announcement of our 2030 'Positive Motion' Strategy, which outlines an ambitious journey for Cepsa to become a leader in green hydrogen, biofuels and e-mobility.

There is no question that these are uncertain times, particularly across the energy markets, and we continue to remain flexible to react to ongoing developments as required."

Market Environment

Crude prices in Q1 increased significantly, averaging 101.4 $/bbl during the quarter, (60.9 $/bbl in Q1'21 and 79.7 $/bbl in Q4'21) mainly as a consequence of the tight supply situation, exacerbated by the geopolitical tensions derived from the Ukraine conflict.

Refining margins increased during the quarter, with Cepsa's average margin at 2.5 $/bbl (1.9 $/bbl in Q1'21 and 3.8 $/bbl in Q4'21), although negatively impacted by the increase in natural gas prices caused by the Ukraine conflict, which registered an average of 95.6 €/MWh (18.5 €/MWh in Q1'21 and 92.2 €/MWh in Q4'21).

Spanish fuel demand increased vs Q1'21 by 8%, even though it declined 8% vs Q4'21, affected by a strike in the transportation sector in Spain, which translated into reduced mobility.

Volatility in electricity prices remained during the quarter. Spanish pool prices continued to increase vs Q4'21 to an average of 229 €/MWh (+9% vs Q4'21), and 4x when compared with Q1'21.

Results Breakdown

Cepsa's three main business divisions (Energy, Chemicals and Upstream) had a positive performance during the first quarter. EBTIDA was boosted by higher crude prices, increased Upstream production and sustained solid results from Chemicals, although high natural gas prices affected refining margins. By division:

— **Energy** (Commercial & Clean Energies, Mobility & New Commerce, Energy Parks and Trading). CCS EBITDA for the segment during Q1 stood at €143m (€89m in Q1'21 and €108m in Q4'21), mainly as a consequence of the improvement in the Energy Parks business. Refining margins during the quarter averaged 2.5 $/bbl, impacted by higher energy costs and reduced utilization vs Q4 at 83%, due to the planned turnaround of a crude unit at the Gibraltar-San Roque Energy Park. Commercial sales decreased by 8% versus Q4'21 as a result of the transportation strike mentioned earlier. Margins remained stable.

— **Chemicals.** Continued to register strong results, with CCS EBITDA of €110m, (€100m in Q1'21 and €106m in Q4'21) with similar volumes and sustained robust margins, despite the high gas and power prices recorded during the quarter.

— **Upstream**. Material improvement in results, with CCS EBITDA of €384m (€171m in Q1'21 and €290m in Q4'21), on the back of higher crude prices (+67% vs Q1'21 and +27% vs Q4'21) and increased production of 81.5 kbopd, significantly above previous quarters (71.9 kbopd in Q1'21 and 74.2 kbopd in Q4'21) due to lower OPEC quota restrictions, production ramp-up in Abu Dhabi and operational improvements in fields to reduce their natural decline.

2030 Strategy – Cepsa 'Positive Motion'

55%	15-20%	€7-8bn	>60%
Reduction in scope 1 & 2 by 2030	Reduction in Carbon Intensity Index by 2030	Investment this decade	Allocated to sustainable businesses

Cepsa presented its new 2030 Strategy, 'Positive Motion' on 30 March with the aim of becoming a leader in sustainable mobility and energy in Spain and Portugal, and a benchmark in the energy transition.

By 2030, Cepsa will reduce its CO_2 emissions (Scope 1 and 2) by 55% compared to 2019 and become carbon neutral before 2050. As for Scope 3, the company will reduce its carbon intensity index between 15% and 20% by 2030.

Under the plan, Cepsa will invest between 7 billion and 8 billion euros this decade, of which more than 60% will be allocated to sustainable businesses as of 2023. This will translate into a greater contribution of sustainable businesses to account for more than half of EBITDA by 2030.

Major Events

Cepsa signed a series of strategic alliances during the quarter to decarbonize air transport on a large scale, including with the Iberia Group, Binter and Air Nostrum, through the development, production, and supply of sustainable aviation biofuels from circular raw materials such as used cooking oils or non-food animal fats. The agreements contemplate other alternative energy sources such as renewable hydrogen and electricity to promote sustainable mobility in aircraft and ground fleets.

The company began dismantling its refinery in Tenerife, part of a strategic commitment between Cepsa and the Government of the Canary Islands to promote sustainability and energy transition by transforming the land into green areas for the city.

As of April 1, Cepsa is offering special discounts of up to €25 cts/l on top of the €20 cts/l offered by the Government of Spain, to ensure that loyal customers can fill-up their tank with fuel prices similar to those seen in 2021. The discounts to help mitigate the impact of current extraordinarily high energy prices, will remain in force until June 30.

Market Indicators

Market Indicators	Q1'22	Q4'21	Q1'21	Variation vs. Q1'21	Variation vs. Q4'21	FY 2021
Dated Brent oil price ($/bbl)	101.4	79.7	60.9	*67%*	*27%*	70.7
Refining margin ($/bbl)	2.5	3.8	1.9	*33%*	*(34)%*	3.7
Dutch TTF Natural gas price (€/MWh)	95.6	92.2	18.5	*417%*	*4%*	45.7
Spanish pool price (€/MWh)	229.4	211.0	45.2	*407%*	*9%*	111.9
Average EUR/USD FX	1.12	1.14	1.20	*(7)%*	*(2)%*	1.18
Spanish fuel demand (m^3)	9,435	10,286	8,768	*8%*	*(8)%*	38,113

Cepsa Refining margin indicator has been amended to reflect corporate group allocations, including variable energy costs.

Operational KPIs

Operational Overview	Q1'22	Q4'21	Q1'21	Variation vs. Q1'21	Variation vs. Q4'21	FY 2021
Refining output (mton)	5.1	5.4	4.2	*21%*	*(6)%*	20.3
Refining utilization (%)	83%	87%	67%	*23%*	*(4)%*	81%
Bios installed capacity (kt/y)	578	578	578	-	-	578
Commercial product sales (mton)*	4.1	4.5	3.6	*14%*	*(8)%*	16.2
Electricity production (GWh)	724	842	470	*54%*	*(14)%*	2,719
Natural gas sales (GWh)	6,756	8,039	8,488	*(20)%*	*(16)%*	34,374
Chemical product sales (kton)	720	738	715	*1%*	*(2)%*	2,943
Working interest crude production (kbopd)	81.5	74.2	71.9	*13%*	*10%*	73.9
Realized crude price($/bbl)	86.5	75.3	59.7	*45%*	*15%*	68.2
Upstream opex ($/boe)	9.2	10.3	9.1	*2%*	*(11)%*	9.2

**Includes Bunker and Commercial sales*

Financial Summary

Financial Summary - € million (unless otherwise stated)	Q1'22	Q4'21	Q1'21	Variation vs. Q1'21	Variation vs. Q4'21	FY 2021
Energy	143	108	89	*62%*	*32%*	570
Chemicals	110	106	100	*10%*	*4%*	461
Upstream	384	290	171	*124%*	*32%*	905
Corporation	(32)	(34)	(35)	*(10)%*	*(6)%*	(121)
CCS EBITDA (a)	**605**	**470**	**324**	***87%***	***29%***	**1,815**
CCS EBIT (a)	406	254	155	*161%*	*60%*	1,054
CCS Net Income (a)	58	15	53	*9%*	*287%*	310
IFRS Net Income	265	163	75	*251%*	*63%*	661
Cash flow from operations before WC	**205**	**300**	**309**	***(34)%***	***(32)%***	**1,456**
Cash flow from operations	**56**	**11**	**79**	***(29)%***	***420%***	**1,306**
Accounting Capex	**(89)**	**(163)**	**(104)**	***(14)%***	***(45)%***	**(473)**
Sustainable	*(15)*	*(46)*	*(21)*	*(28)%*	*(67)%*	*(119)*
Growth / Discretionary	*(46)*	*(48)*	*(46)*	*(0)%*	*(4)%*	*(175)*
Maintenance & HSE	*(28)*	*(69)*	*(37)*	*(24)%*	*(60)%*	*(179)*
Free cash flow before WC	**60**	**286**	**136**	***(55)%***	***(79)%***	**1,065**
Free cash flow	**(89)**	**(4)**	**(95)**	***6%***	***n.m.***	**915**
Net debt (b)	**2,918**	**2,759**	**3,032**	***(4)%***	***6%***	**2,759**
Net debt to LTM CCS EBITDA (b)	**1.5x**	**1.6x**	**3.3x**	***(55)%***	***(9)%***	**1.6x**
Liquidity (c)	**3,362**	**3,476**	**4,485**	***(25)%***	***(3)%***	**3,476**

(a) On a Clean CCS basis
(b) Excluding IFRS16 liabilities.
(c) Cash on balance sheet and available committed credit facilities.

PRESS **RELEASE**

Cepsa is a leading international company committed to sustainable mobility and energy with strong technical expertise after more than 90 years of activity. It also has a global Chemicals business with world leading positions and a progressive green plan.

The company presented in 2022 its new strategy for 2030, Positive Motion, projecting its ambition to be a leader in sustainable mobility, biofuels, and green hydrogen in Spain and Portugal and a key benchmark in the Energy Transition. Cepsa puts customers at the heart of its activity and will work with them to help design and achieve their decarbonization efforts.

ESG criteria inspire everything the Company does as part of its goal to become Net Positive. Cepsa intends to cut scope 1 and 2 CO2 emissions by 55% this decade and scope 3 emissions by 15-20%, aiming to reach net zero across all three scopes by 2050.

Madrid, 26 April 2022
Cepsa – Communications
medios@cepsa.com
www.cepsa.com
Tel: (+34) 91 337 60 00

This press release has been prepared by Compañía Española de Petróleos, S.A. ("Cepsa") solely for information purposes.

Some of the information contained in this press release is based on forecasts made by management and reflects the conditions and opinions that prevail as of today's date, which remain subject to change. This document may contain forward-looking statements and information relating to Cepsa and its subsidiaries. Forward-looking statements are statements that are not historical facts and may be identified by words such as "expect", "anticipate", "forecast", "believe", "estimate", "understand" and similar expressions. Forward-looking statements are not guarantees of future *performance, prices, margins, exchange rates or any other event, and are subject to significant risk, uncertainty, modification and other factors that may be beyond Cepsa's control, or that may be difficult to predict.*

Except to the extent required by applicable law, Cepsa makes no commitment to publish any additional information or to update this press release, or to correct any inaccuracies herein.

Whilst this press release has been prepared in good faith, no representation or warranty, expressed or implied, is made or will be given, and no responsibility or liability is or will be accepted by Cepsa or any of its subsidiaries or their respective advisers, employees or agents, as to or in relation to the accuracy or completeness of this press release, and any such liability is expressly disclaimed.

This press release is not intended to be exhaustive, and the information included herein has not been verified or reviewed by Cepsa's external auditors.