

Cepsa expands its business model with its entry into renewable energies

- **The Company will develop its first wind farm with an investment of 35 million euros**
- **The site is located in Cádiz, where Cepsa has operated for over 50 years**
- **The wind farm is due to be operating by the end of 2018**

Cepsa has acquired the rights to develop a wind farm in Jerez (Cádiz), representing the Company's first step into wind power and further diversifying the Company's energy business.

On completion the wind farm will have an installed capacity of 28.8 MW, spread across 11 turbines of 2,625 MW, as well as an evacuation line of 66 kV.

Cepsa will finalize the remaining administrative details over the coming months, and then will proceed to the engineering details and construction of the farm.

The Company expects the new wind farm to be in operation at the end of 2018, with a total investment of €35 million.

Expansion of energy model

Cepsa diversifies its energy and business model with its entry into the renewables market. Juan Manuel García-Horrillo, Director of Cepsa's Gas & Power business, said: *"This is a first step for Cepsa into renewable energies. As an integrated energy company we want to keep developing in this field in a progressive manner, complementing the portfolio of petroleum derived products with sources of renewable energy. This project gives us a holistic vision as an energy company and diversifies our sources of energy to be able to meet the energy needs of every reality"*.

According to Cepsa's forecasts, fossil fuels will continue to dominate the market, but solar and wind power will see the most growth over the coming years. This means the company needs to progressively diversify its business and meet demand for other energies whose development looks especially strong in regions such as Latin America, Africa and the Middle East.

Cepsa's entry into this sector will give it access to growth markets, allow it to develop new skills in the energy sector, and mitigate the volatility of other markets where it

operates such as crude oil. The generation of this amount of energy will reduce CO₂ emissions by 32,000 tons/year (compared with the same energy production from the average Spanish energy mix), and give it access to a sector with sustained profitability.

Cepsa in Andalusia

Cepsa continues to invest in Andalusia, where it has operated for over 50 years generating over 3,600 direct jobs, over 2,600 indirect jobs, and 6,000 associated and temporary jobs. Cepsa is also the leading company both in production and revenue with over €14.5 billion, representing 10% of the region's GDP.

Cepsa develops its activity in this region through two refineries, two chemicals plants, 6 cogeneration plants, a combined cycle plants, a biofuels plant (acquired this year), two liquid gas bottling plants, 282 service stations, as well as jet fuel supply to 4 airports, marine fuel to 10 ports, and also has a stake in the MEDGAZ pipeline, which supplies natural gas from Algeria to Europe via Spain (Almería).

Cepsa is an energy group fully owned by the Mubadala Investment Company that employs close to 10,000 people and operates at every stage of the hydrocarbon value chain: exploration and production of oil and gas, refining, distribution and marketing of crude oil and natural gas derivatives, biofuels, co-generation and electricity sales.

Cepsa has developed an important chemicals division that is closely integrated with the refining business, and that produces and markets the raw materials for high value-added products, principally used to make next generation plastics and biodegradable detergents. Cepsa has a leading position in Spain and, through the progressive international expansion of its business, also operates in several continents and markets its products across the world.

Madrid, October 30, 2017

Cepsa – Communications

comunicacion@cepsa.com

Tel: (34) 91 337 62 02

www.cepsa.com

Tel: (34) 91 337 60 00