

Second Quarter 2012 Results

WEBCAST – CONFERENCE CALL
July 26th, 2012

Miguel Martínez - CFO





REPSOL

Disclaimer



ALL RIGHTS ARE RESERVED

© REPSOL, S.A. 2012

Repsol, S.A. is the exclusive owner of this document. No part of this document may be reproduced (including photocopying), stored, duplicated, copied, distributed or introduced into a retrieval system of any nature or transmitted in any form or by any means without the prior written permission of Repsol, S.A.

This document does not constitute an offer or invitation to purchase or subscribe shares, in accordance with the provisions of the Spanish Securities Market Law (Law 24/1988, of July 28, as amended and restated) and its implementing regulations. In addition, this document does not constitute an offer of purchase, sale or exchange, nor a request for an offer of purchase, sale or exchange of securities in any other jurisdiction.

This document contains statements that Repsol believes constitute forward-looking statements which may include statements regarding the intent, belief, or current expectations of Repsol and its management, including statements with respect to trends affecting Repsol's financial condition, financial ratios, results of operations, business, strategy, geographic concentration, production volume and reserves, capital expenditures, costs savings, investments and dividend payout policies. These forward-looking statements may also include assumptions regarding future economic and other conditions, such as future crude oil and other prices, refining and marketing margins and exchange rates and are generally identified by the words "expects", "anticipates", "forecasts", "believes", "estimates", "notices" and similar expressions. These statements are not guarantees of future performance, prices, margins, exchange rates or other events and are subject to material risks, uncertainties, changes and other factors which may be beyond Repsol's control or may be difficult to predict. Within those risks are those factors and circumstances described in the filings made by Repsol and its affiliates with the Comisión Nacional del Mercado de Valores in Spain, the Comisión Nacional de Valores in Argentina, the Securities and Exchange Commission in the United States and with any other supervisory authority of those markets where the securities issued by Repsol and/or its affiliates are listed.

Repsol does not undertake to publicly update or revise these forward-looking statements even if experience or future changes make it clear that the projected performance, conditions or events expressed or implied therein will not be realized.

The information contained in the document has not been verified or revised by the Auditors of Repsol.

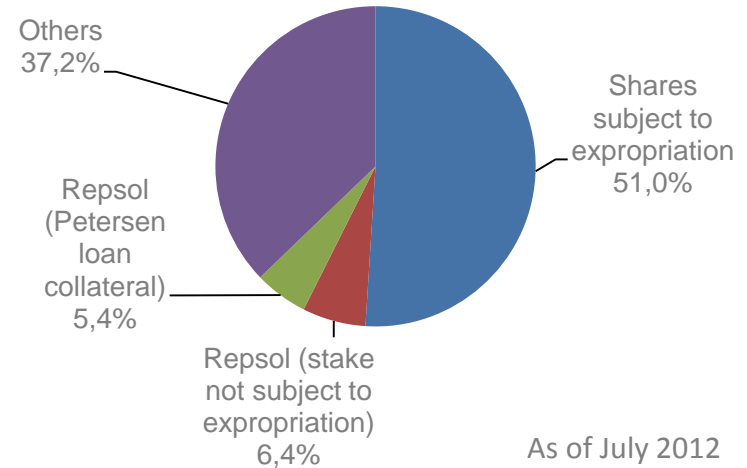
Agenda

- 1. YPF Update**
- 2. Actions to strengthen the balance sheet**
- 3. 2Q 2012 Results**
- 4. Operational activity**

Agenda

- 1. YPF Update**
2. Actions to strengthen the balance sheet
3. 2Q 2012 Results
4. Operational activity

YPF Update



□ Most relevant legal steps:

- **May 10th 2012:** Notification to the Argentinean State of the intention of filing for international arbitration before ICSID.
- **June 1st 2012:** Claim of unconstitutionality against temporary occupation of the shares of YPF subject to expropriation.
- **May 15th 2012:** Class action lawsuit in New York.

YPF Update

Accounting of the expropriation

Billion €

Deconsolidation of YPF participation

- 4.7

Write off of all loans related to Petersen group

- 1.4

Registration of the value as Assets for Sale

+ 5.6

Deferred tax effect

+ 0.5

Net effect on the P&L will be -38 million €

Agenda

1. YPF Update
- 2. Actions to strengthen the balance sheet**
3. 2Q 2012 Results
4. Operational activity

Actions to strengthen the Balance Sheet



2012

2013

2014

2015

2016

Divestments

Chile LPG: 540 M\$

**Adjusted dividend policy
(pay-out, scrip dividend)**

63,64%

**Conversion of preferred
shares**

Sep/Oct

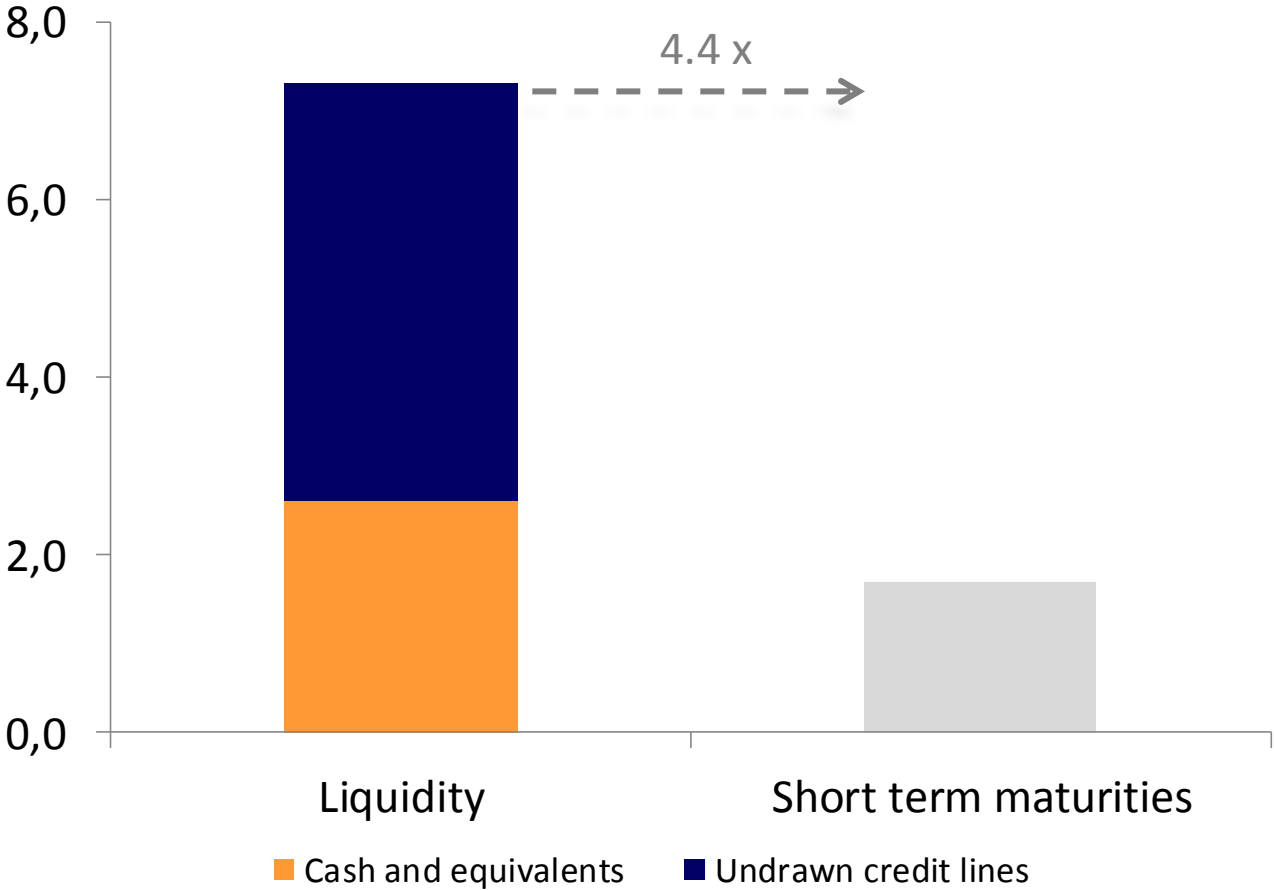
Working capital optimization

Ongoing

Sale of treasury stock

5% (1.4 B €)

Liquidity position



ex YPF and ex Gas Natural

Agenda

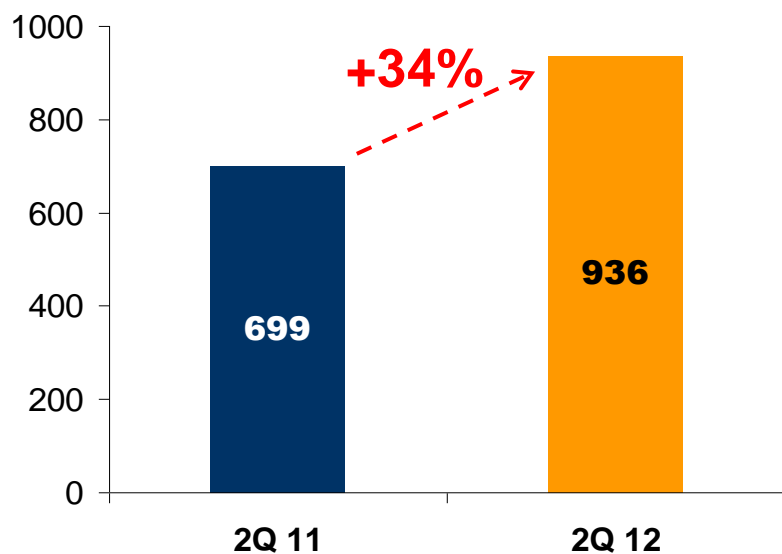
1. YPF Update
2. Actions to strengthen the balance sheet
- 3. 2Q 2012 Results**
4. Operational activity

2Q12 Results

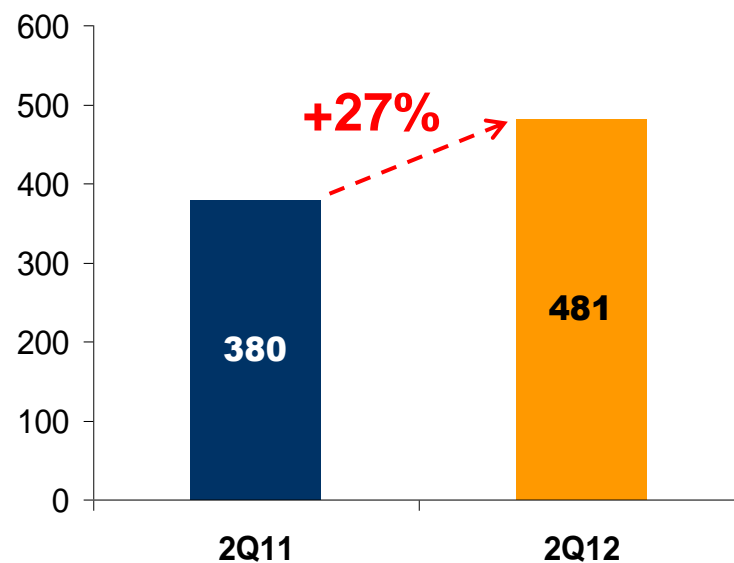
(ex YPF and ex Repsol YPF Gas)

Million €

CCS Adjusted Operating Income

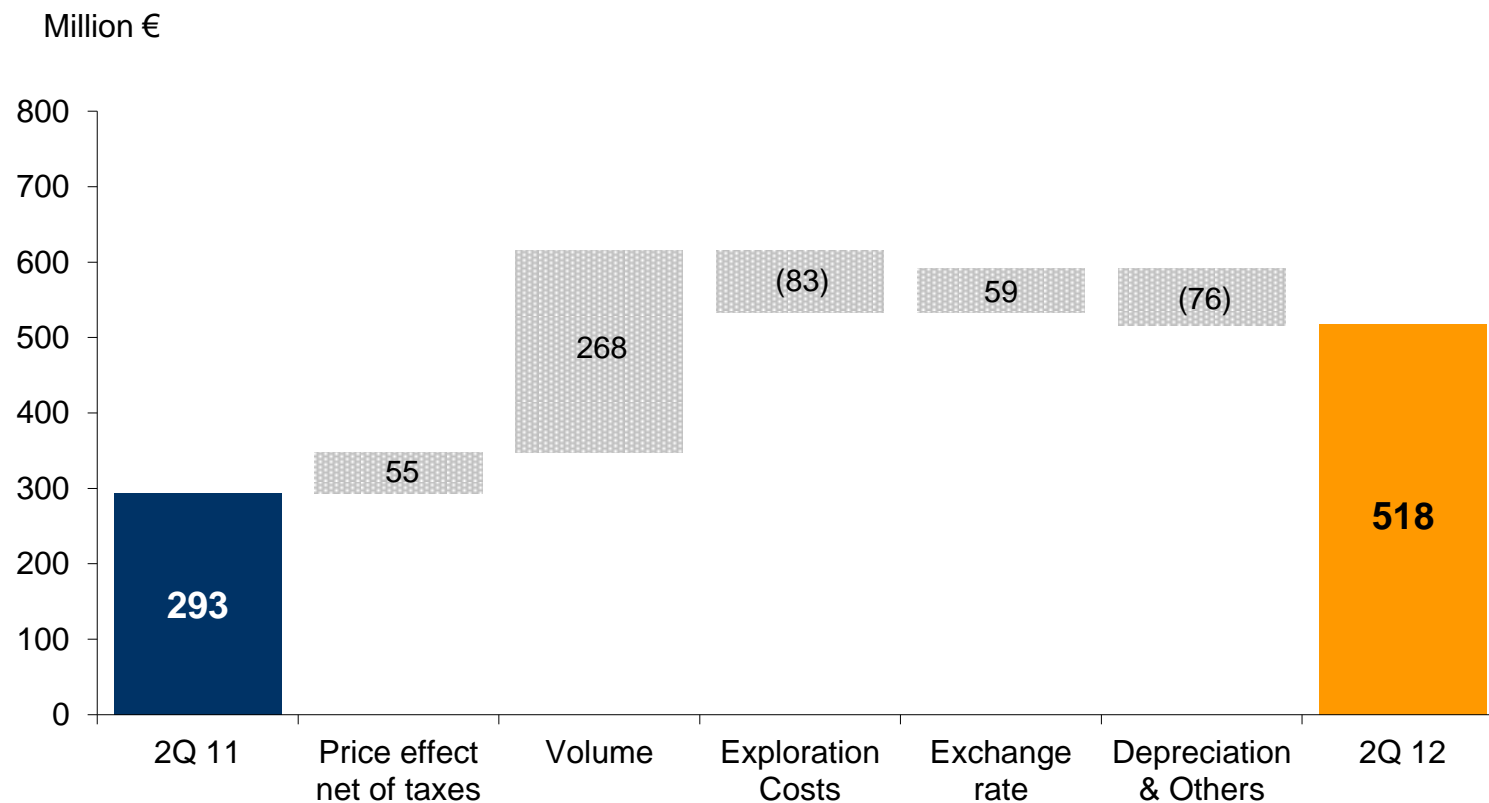


CCS Adjusted Net Income



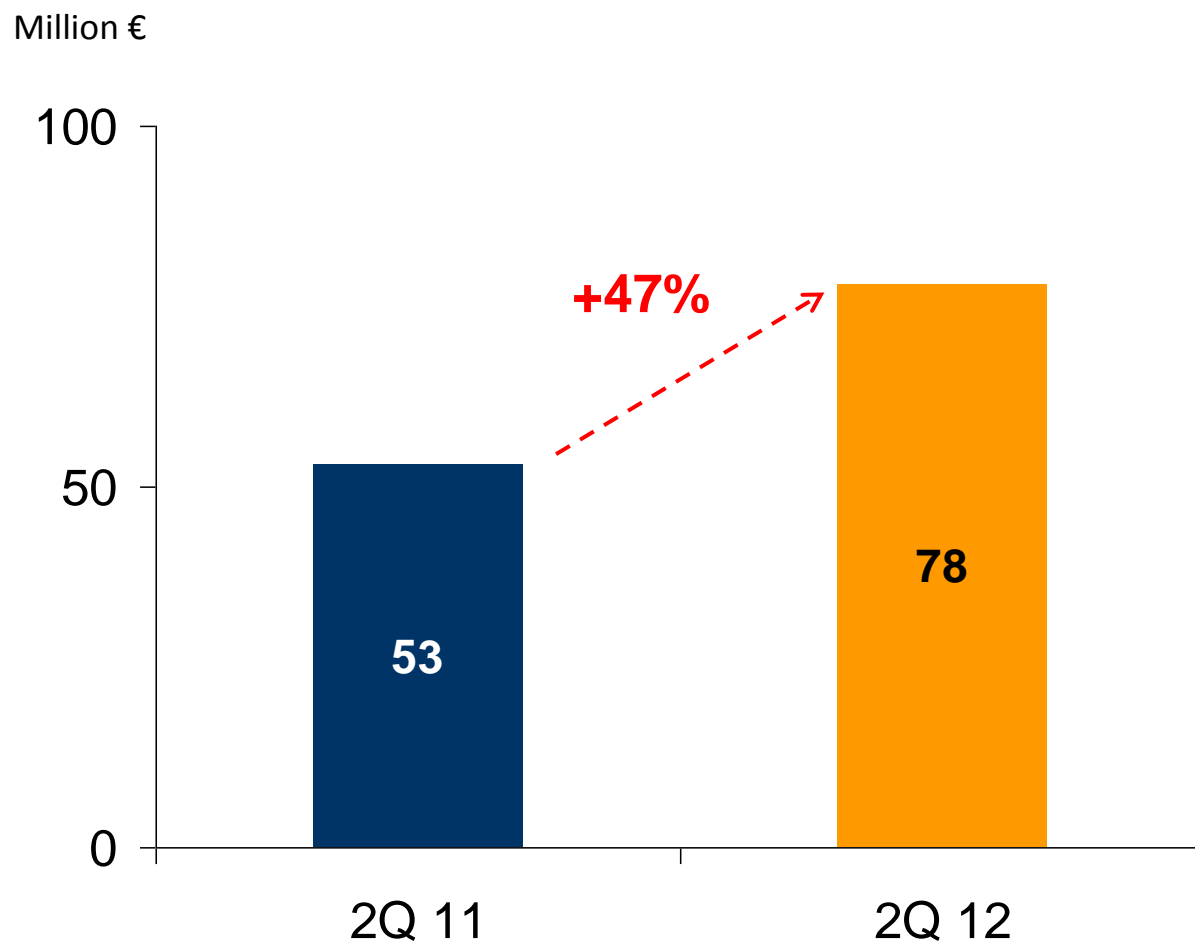
2Q 2012 Upstream

Adjusted Operating Income



LNG

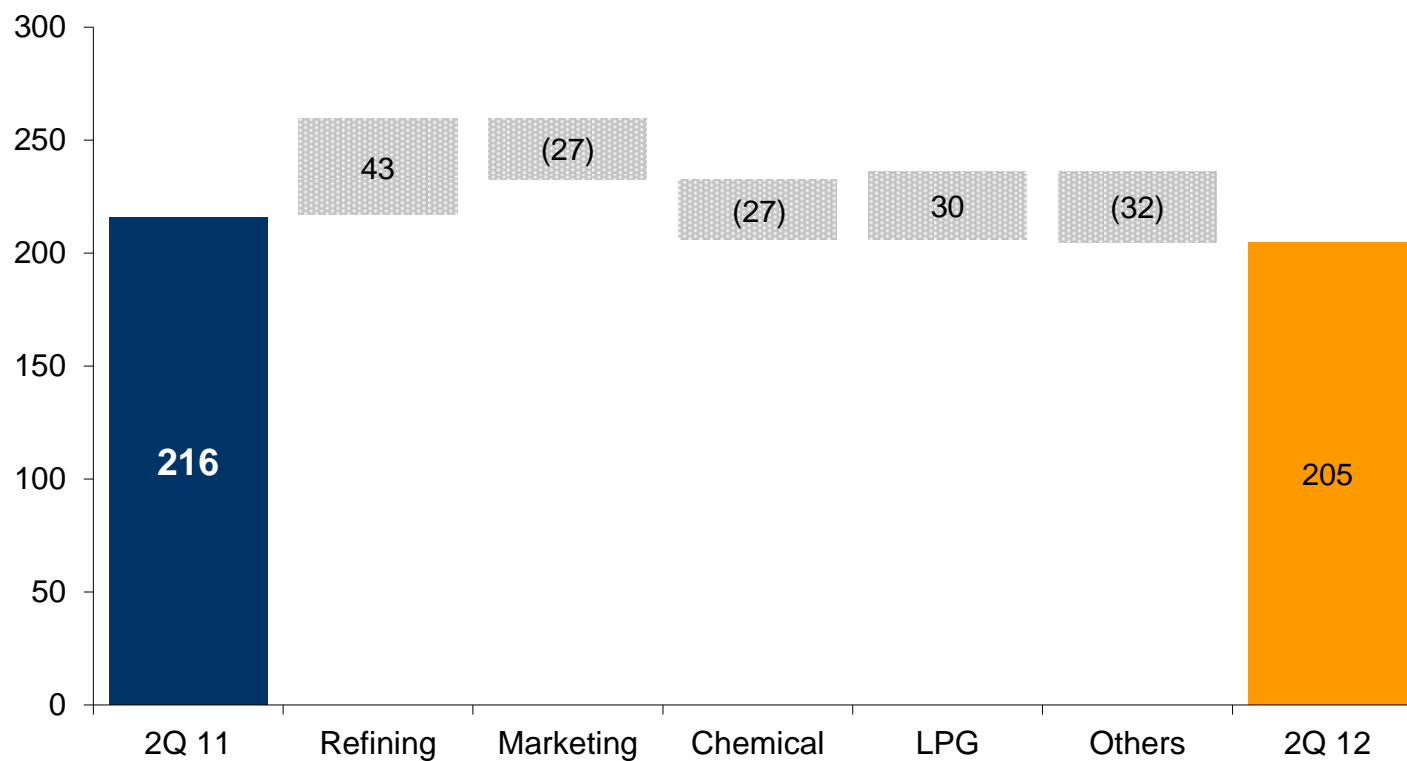
Adjusted Operating Income



2Q 2012 Downstream

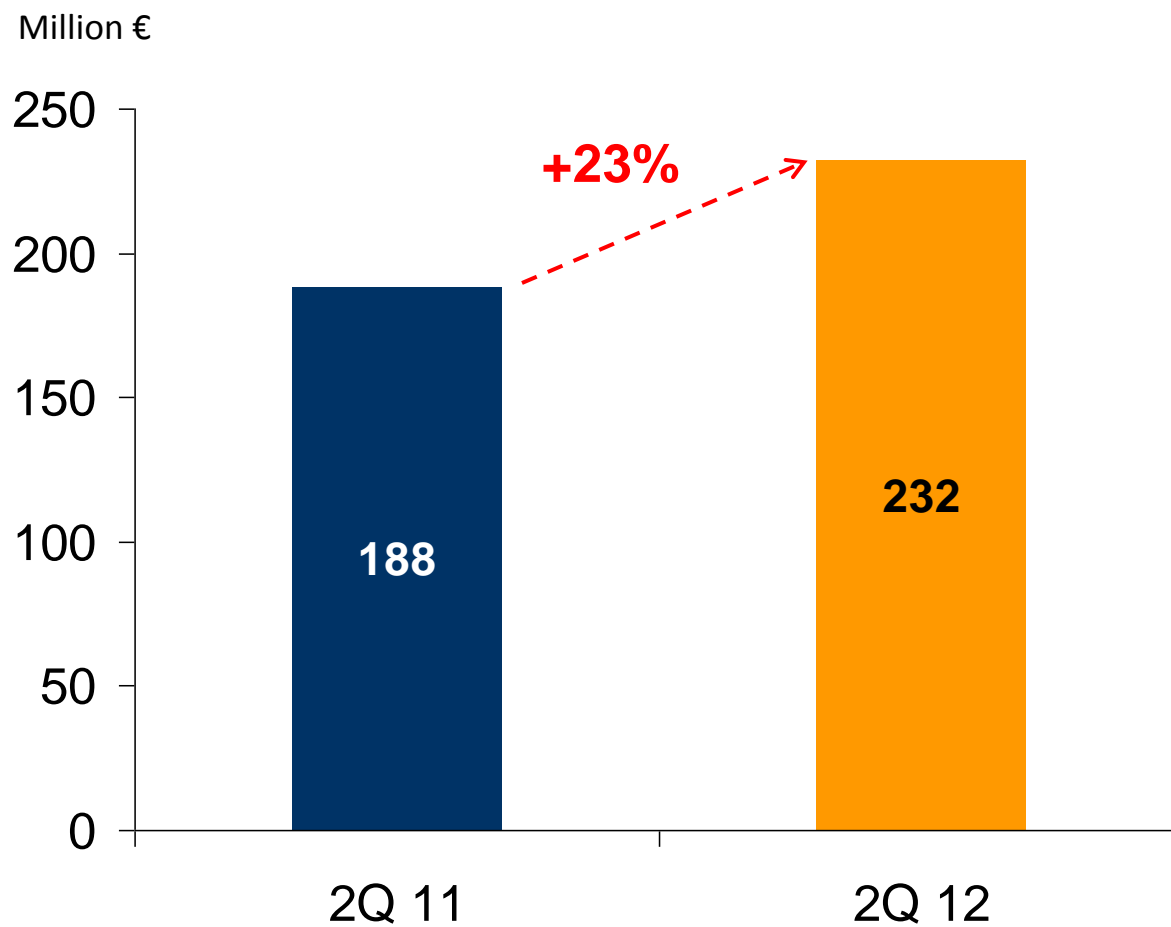
Adjusted Operating Income

Million €



Gas Natural

Adjusted Operating Income



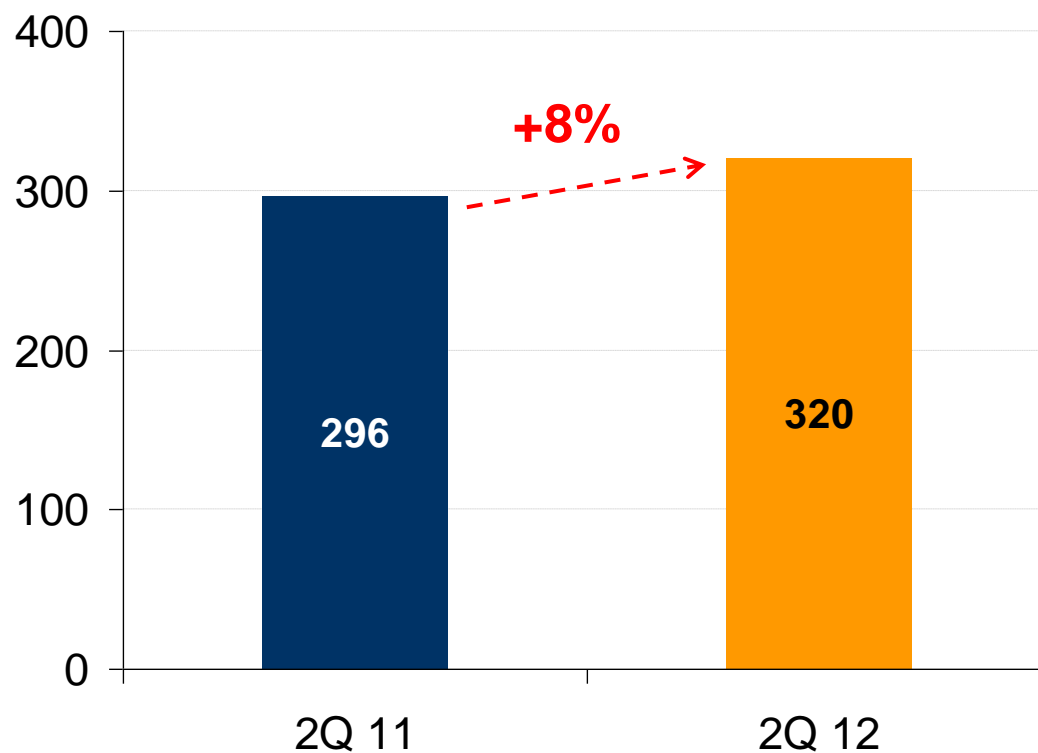
Agenda

1. YPF Update
2. Actions to strengthen the balance sheet
3. 2Q 2012 Results
- 4. Operational activity**

Operational activity

Upstream: Production

kboed



Main Factors:

- Libya
- Bolivia
- T&T

Operational activity

Upstream: Main Development Projects

Bolivia

Margarita-Huacaya



- ✓ Phase I: Started up in May
(Gas delivery: 9 Mm3/d)
- ✓ Phase II: start-up in 4Q 2013
(14 Mm3/d in 2014)

Perú

Kinteroni



- ✓ First gas 4Q 2012 as planned
- ✓ Gross Production 5 Mm3/d

Brazil

Sapinhoa

- ✓ Logging P3S well and drilling two producing wells, P4S y P5S
- ✓ Guara-Tupi gas pipeline progressing well
- ✓ Reception of FPSO in December

Spain

Lubina-Montanazo

- ✓ Subsea equipment installation and hookup to Casablanca platform
- ✓ Start of production: October (estimated)

Organic growth projects carried out on time and on budget

Operational activity

Upstream: Exploratory activity

Cuba & Guyana

- Cuba: Dry well, no more activity in the area
- Jaguar: Operations suspended for safety reasons

Current operations

- Magadi 1 (Brazil), Sararenda (Bolivia), Sagari (Peru), and a new well in Norway

Seismic

- Indonesia, Portugal and Alaska already completed
- Started campaigns in Angola, Canada and Iraq

Acreage

- 2 new important areas in Namibia and Bulgaria
- 5 blocks in GOM

12 wells to be finished in the remaining of 2012

2012 Progress



- ✓ Successful delivery of development upstream projects.
- ✓ Robust upstream results performance.
- ✓ Asset disposal progress.
- ✓ Well accepted scrip dividend program

Second Quarter 2012 Results

WEBCAST – CONFERENCE CALL
July 26th, 2012

Miguel Martínez - CFO

