



Ordinary General Shareholders' Meeting

Call for Ordinary General Shareholders' Meeting
Proposals of Resolutions
Reports of the Board of Directors

Report Explaining the Additional Information
of the Management Report

Report of the Remuneration
Policy for Directors

Audit and Control Committee
of the Board of Directors-Activity Report



2010

Ordinary General Shareholders' Meeting.....	331
Call for Ordinary General Shareholders' Meeting.....	331
Proposals of Resolutions.....	337
Reports of the Board of Directors.....	352
Report Explaining the Additional Information of the Management Report.....	377
Report of the Remuneration Policy for Directors.....	382
Audit and Control Committee of the Board of Directors-Activity Report.....	387

Repsol YPF, S.A. Call For Ordinary General Shareholders' Meeting

By resolution of the Board of Directors of Repsol YPF, S.A., shareholders are called to the Ordinary General Shareholders' Meeting which will be held at the **Palacio Municipal de Congresos, Avenida de la Capital de España-Madrid, Campo de las Naciones, Madrid**, on 14th April 2011 at 12:00 noon on first call, and at the same time and place on 15th April 2011 on the second call, with respect to the following:

Agenda

Points regarding the Annual Accounts, the management by the board and the reelection of the accounts auditor

First. Review and approval, if appropriate, of the Annual Financial Statements and the Management Report of Repsol YPF, S.A., of the Consolidated Annual Financial Statements and the Consolidated Management Report, for the fiscal year ended 31st December 2010, of the proposal of application of its earnings.

Second. Revision and approval, if appropriate, of the management of the Board of Directors of Repsol YPF, S.A. corresponding to the fiscal year 2010.

Third. Appointment of the Accounts Auditor of Repsol YPF, S.A. and of its Consolidated Group for the fiscal year 2011.

Points regarding the amendments of the Articles of association and of the regulations of the General Shareholders Meeting

Forth. Modification of articles 9, 11, 19, 24, 27, 29, 44, 50 and 56 of the Bylaws; and of the articles 3, 5, 8, 13, 14 and 15 of the Regulations of the General Shareholders' Meeting.

Fifth. Modification of article 52 of the Bylaws, regarding the application of profit/loss of the fiscal year.

Sixth. Modification of articles 40 and 35 of the Bylaws, regarding the internal positions and meetings of the Board of Directors.

Points regarding the composition of the Board of Directors

Seventh. Re-election of Mr. Antonio Brufau Niubo as Director.

Eighth. Re-election of Mr. Luis Fernando del Rivero Asensio as Director.

Ninth. Re-election of Mr. Juan Abelló Gallo as Director.

Tenth. Re-election of Mr. Luis Carlos Croissier Batista as Director.

Eleventh. Re-election of Mr. Ángel Durández Adeva as Director.

Twelfth. Re-election of Mr. José Manuel Loureda Mantiñan as Director.

Thirteenth. Appointment of Mr. Mario Fernández Pelaz as Director.

Points regarding the programs of participation in the share capital of the company

Fourteenth. Delivery Plan Shares to the Beneficiaries of Multi-Annual Programs.

Fifteenth. Stock Acquisition Plan 2011-2012.

Point regarding the autorisation and express delegation required for the Board of Directors

Sixteenth. Delegation to the Board of Directors of the power to issue fixed rate, convertible and/or exchangeable securities for company shares or exchangeable for shares in other companies, as well as warrants (options) to subscribe new shares or to acquire shares in circulation of the company or other companies). Fixing the criteria to determine the bases and modes of conversion

and/or exchange and attribution to the Board of Directors of the powers to increase capital by the amount necessary, as well as to totally or partially exclude the pre-emptive subscription rights of the shareholders of said issues. Authorisation for the company to guarantee securities issued by its subsidiaries. To leave without effect, in the portion not used, the seventh resolution of the General Shareholders' Meeting held on 16 June 2006.

Point regarding general matters

Seventeenth. Delegation of powers to supplement, develop, execute, rectify and formalize the resolutions adopted by the General Shareholders' Meeting.

After the exposure of the matters included in the Agenda it will be reported to the General Shareholder's Meeting the amendments of the Regulations of the Board of Directors, according with article 516 of the Stock Companies Act.

Complement to the call

Shareholders representing at least five per cent of the capital may request the publication of a supplemental notice of call to the general meeting, including one or several items on the agenda. This request shall be sent through any certifying means, evidencing that they hold the required stake, to be received at the registered office within five days after publication of the original notice of call.

Rights of attendance

Shareholders whose shares have been registered in the appropriate stock ledger five days prior to the date set for the Shareholders' Meeting and who have the corresponding attendance card may attend.

The attendance cards shall be issued by the proper entity participating in the systems managed by *Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A.* (hereinafter IBERCLEAR) in each particular case. Said attendance cards may be exchanged on the date of the Shareholders' Meeting for other standardized documents of record attendance, issued by the Company with the purpose of facilitating the drawing up of the attendance list, the exercise of the shareholders' voting and other rights.

The registration of attendance cards shall begin two hours before the scheduled time of the General Shareholders' Meeting.

For purposes of verifying the identity of shareholders or those who validly represent them, attendees may be asked, at the place of the General Shareholders Meeting, for evidence of their identity by means of the presentation of a National Identity Document or any other official document generally accepted for these purposes.

Representation

Any shareholder entitled to attend may be represented by a proxy, who needs not to be a shareholder.

If the name of the proxy is left blank on the proxy form received by the Company, it will be presumed granted in favour of the Chairman of the Board.

The voting instructions will be set out in proxy forms. If no express instructions are issued, the proxy will vote for the proposals submitted by the Board.

Save otherwise indicated by the represented shareholder, the proxy will be deemed extended to any business which, although not included on the agenda, may be put to the vote at the General Shareholders Meeting. In this case, the proxy will vote however he may consider most favourable for the interests of the represented shareholder.

Save otherwise expressly indicated by the represented shareholder, in cases where the proxy incurs a conflict of interests for voting on any item, included or not in the Agenda, put to the General Shareholders Meeting, the proxy will be considered granted to the Vice-Secretary to the Board of Directors.

Shareholders who grant a proxy must notify the person designated as representative of the proxy granted thereto. When this is granted to a member of the Board of Directors, the notification shall be deemed to be effected upon receipt by the Company of the documentation setting forth such proxy.

Right of information

In addition to the provisions of Articles 197 and 527 of the Stock Companies Act, as of the date of publication of this notice, the following documents are at shareholders disposal on the Shareholder Information Office, from 10:00 to 18:00, working days, and on the Company's website at www.repsol.com: the Annual Financial Statements of Repsol YPF, S.A. and the Consolidated Annual Financial Statements of Repsol YPF Group, for the fiscal year ending on 31st December 2010; the Management Report of Repsol YPF, S.A. and the Consolidated Management Report for said year; the Report referred to Section 116.bis of the Securities Market Act; the Report of the Auditors on the Annual Financial Statements of Repsol YPF, S.A., and on the Consolidated Annual Financial Statements of Repsol YPF Group; the literal text of the proposals of resolutions already formulated corresponding to the points of the Agenda; the reports of the Board of Directors on each proposal of resolutions corresponding to the points of the Agenda; the Report on the remuneration policy for Directors; the Annual Report on Corporate Governance; and the Activity Report of the Audit and Control Committee.

Shareholders may request the delivery or the sending free of charge of all the mentioned documents.

Distance voting and proxies prior to the general meeting

1. Voting by distance communication prior to the General Shareholders Meeting

Pursuant to Article 23 of the Articles of Association and Article 7 of the Regulations of the General Shareholders Meeting, shareholders entitled to attend may vote through distance communication on the proposals regarding the items on the Agenda prior to the date of the General Shareholders Meeting, provided the identity of the voting shareholder is duly guaranteed.

1.1 Means for distance voting

The means of communication valid for distance voting are as follows:

I. Postal vote

To vote by post on the items on the Agenda, shareholders must complete and sign the "Distance Voting" section of the attendance, proxy and voting card issued by the IBERCLEAR participating entity with which they have deposited their shares.

Once the appropriate section of the card has been completed and signed - with hand-written signature-, the shareholder must send it to the Company to the attention of the Shareholder Information Office at Paseo de la Castellana nº 278, 28046 Madrid.

If the attendance card does not include the section "Distance Voting", the shareholder may use the **Distance Voting Form** provided on the company's web site (www.repsol.com) and also available at the Shareholders Information Office. This form, duly signed, must be sent to the Company together with the corresponding attendance card, also signed- both with hand-written signature-.

II. Electronic vote

Shareholders may vote on the items on the Agenda for the General Meeting through the company's web site (www.repsol.com), entering the AGM 2011 page and following the procedure established there, provided the shareholder has a recognised or advanced electronic signature, based on a recognised and valid electronic certificate issued by the Entidad Pública de Certificación Española (CERES), of the Fábrica Nacional de Moneda y Timbre, and uses it to identify himself.

1.2 Specific rules for distance voting

I. Voting indications

If the shareholder sending a distance vote fails to mark any of the boxes provided for any of the items on the Agenda, he will be presumed to vote for the Board's proposal.

II. Receipt by company

In order to be valid, postal or electronic votes must be received by the company no later than 09:00 on April 13th, 2011. After this time, the Company will only accept the votes cast at the General Shareholders Meeting.

2. Distance proxies

Pursuant to Article 24 of the Articles of Association and Article 8 of the Regulations of the General Shareholders Meeting, shareholders entitled to attend may grant a proxy by distance communication on the proposals regarding the items on the Agenda and prior to the date of the General Shareholders Meeting, provided the identity of the persons concerned is duly guaranteed.

2.1 Means for granting distance proxies

The means of communication valid for distance proxies are as follows:

I. Postal proxy

To grant proxies by post, shareholders must complete the corresponding section of the attendance, proxy and voting card issued by the IBERCLEAR participating entity with which they have deposited their shares.

This section must be signed - with hand-written signature-by the shareholder and sent to the Company to the attention of the Shareholder Information Office, Paseo de la Castellana nº 278, 28046 Madrid.

II. Electronic proxy

Shareholders may grant proxies through the company's web site (www.repsol.com), entering the page of the AGM 2011 and following the procedure established there, provided the shareholder has a recognised or advanced electronic signature, based on a recognised, valid electronic certificate issued by *Entidad Pública de Certificación Española* (CERES), of the *Fábrica Nacional de Moneda y Timbre*, and uses it to identify himself.

2.2 Specific rules for distance proxies

Distance proxies will also be subject to the general rules applicable to representation, related to (i) blank proxies received by the Company; (ii) absence of voting instructions (iii) extension of proxy to any business not included on the agenda that may be put to the vote at the General Shareholders Meeting; as well as voting instructions regarding points not included in the Agenda; (iv) designation of a representative's substitute when the representative is in a conflict of interests in relation with the vote of any business, included or not in the Agenda, that may be put to the vote of the General Shareholders Meeting; and (v) the necessary notification to the representative of the proxy granted.

In order to be valid, distance proxies must be received by the Company no later than 09:00 on April 13th, 2011. After this time, the company will only accept the proxies made in writing through the attendance, proxy and voting cards presented for registration of shareholders on entry at the place and date scheduled for the General Shareholders Meeting.

At the place and date of the General Shareholders Meeting, the proxies must prove their identity by showing their identity cards or any other official document generally accepted for these purposes, together with a print-out of the electronic proof of proxy, if necessary, so that the company can confirm the proxy granted.

3. Rules common to distance voting and distance proxies

I. Confirmation of distance vote or distance proxy

The validity of votes cast and proxies granted through distance communication is subject to checking of the particulars supplied by the shareholder against those contained in the file supplied by IBERCLEAR. In the event of any discrepancy between the number of shares indicated by the shareholder in the proxy form or distance voting form and those

indicated in the aforesaid file, the number of shares indicated by IBERCLEAR will prevail for the purposes of quorum and voting.

II. Rules of priority

Personal attendance of the General Shareholders Meeting by a shareholder who has previously granted a proxy or voted through distance communication, by whatsoever means used, will render that distance proxy or vote void.

If a shareholder validly issues both a distance vote and a proxy, the former will prevail. Similarly, electronic votes and proxies will prevail over those sent by post.

Electronic votes and proxies may be rendered void through express revocation by the shareholder through the same means.

III. Other provisions

The Company reserves the right to modify, suspend, cancel or restrict the electronic voting and proxy mechanisms for technical or security reasons. The Company further reserves the right to request additional identification from shareholders as and when it may so deem fit to guarantee the identity of those concerned, the authenticity of the vote or proxy and, in general, the legal certainty of the General Shareholders Meeting.

The Company will not be responsible for any damages caused to shareholders through unavailability or failure in the maintenance and effective functioning of its web site and the services and contents provided through such site, or for any faults, overrun, overload, fallen lines, connection faults or whatsoever other similar incidents beyond the Company's control, which prevent use of the electronic voting and proxy mechanisms.

The electronic mechanisms for distance voting and proxy will be operative as of March 7th 2011 and up to April 13th 2011 at 09:00.

In any aspects not expressly contemplated in these procedures, the General Conditions set out in the Legal Notice on the Company's web site will be applicable.

Presence of notary

The Board of Directors has requested the presence of a Notary to take the Minutes of the General Shareholders' Meeting.

Electronic shareholders forum

According with a article 528, 2 of the Stock Companies Act, Repsol YPF, S.A. has enable, with the occasion of the General Shareholders' Meeting, an Electronic Shareholders Forum in the web site of the Company (www.repsol.com), which will be accessible due to both individual shareholders and voluntary associations that could be established in accordance with current regulations, in order to facilitate communication prior to the General Shareholders' Meeting.

In the Forum may be published proposals claiming to be a complement to the agenda posted on the announcement, applications to support such proposals, initiatives to achieve the percentage sufficient to execute a right for minorities under the law, as well as offers or requests for voluntary representation.

The Forum does not constitute a communication channel between the Company and its shareholders and is enabled only for the purpose of facilitating communication between the shareholders of Repsol YPF, SA during the General Shareholders' Meeting.

To access the Forum, the shareholders must be obtained through the website (www.repsol.com) a specific password for it by following the instructions and conditions of use of the Forum, that are located in the space dedicated to the General Shareholders' Meeting 2011. Accreditation for the key may be, in general, either through the electronic ID card or through a recognized or advanced electronic signature, based on a recognized and valid electronic certificate issued by *Entidad Pública de Certificación Española* (CERES), of the *Fábrica Nacional de Moneda y Timbre*.

General information

All personal data submitted by the shareholders for the exercise or delegation of their rights of attendance and vote at the General Shareholders Meeting shall be used by the Company for the development, management and control of the shareholding relation, and therefore for inform them about the Company's business and activities.

Save otherwise indicated by the shareholders (using the free telephone number 900 100 100) between the date of the meeting and the following thirty days, the abovementioned data may also be used by the Company to send their shareholders information about the oil&gas sector. Once those thirty days have elapsed – without opposition – the consent for such use shall be considered granted by the shareholder.

The rights of access, rectification, deletion and opposition may be exercised in the terms prescribed by Law by written communication sent to the registered office of the Company, at Paseo de la Castellana 278, 28046 Madrid.

Forecast of holding the shareholders' meeting

It is expected to hold the General Shareholders' Meeting on SECOND CALL, that is, on April 15th 2011, at the place and time indicated above. Otherwise, an announcement shall be made in the daily press with sufficient advance notice, as well as in the company's web site.

Madrid, February 23rd, 2010

Luis Suárez de Lezo Mantilla

The Director Secretary of the Board of Directors

Ordinary Shareholders' Meeting 2011 Resolution proposals

Resolution proposal related to the first point of the Agenda (“Revision and approval, if appropriate, of the Annual Financial Statements and Management Report of Repsol YPF, S.A., of the Consolidated Annual Financial Statements and the Consolidated Management Report, corresponding to the fiscal year ended 31st December 2010, and of the proposal of application of its earnings”).

First. To approve the Annual Financial Statements (Balance Sheet, Profit and Loss Account, Statement of Changes on Equity, Cash Flow Statement and Notes to the Accounts) and the Management Report of Repsol YPF, S.A. corresponding to the fiscal year ending on the 31st of December 2010, as well as the Consolidated Financial Statements and the Consolidated Management Report corresponding to the same fiscal year.

Second. The amount of €1,281,906,636.16 will be assigned to the payment of dividends. Of this amount, €640,953,318.08 has already been paid as interim dividends prior to this General Meeting, while the remaining €640,953,318.08 will be assigned to the payment of a complementary dividend for the year 2010, to the amount of €0.525 per share, which will be paid to the shareholders as from the 7th of July 2011.

The amount of €394,818,429.83 will be allocated to the provisions for the Company's voluntary reserves.

Resolution proposal related to the second point of the Agenda (“Revision and approval, if appropriate, of the management of the Board of Directors of Repsol YPF, S.A. corresponding to the fiscal year 2010.”)

To approve the management of the Board of Directors of Repsol YPF, S.A. corresponding to the fiscal year 2010.

Resolution proposal related to the third point of the Agenda (“Appointment of the Accounts Auditor of Repsol YPF, S.A. and its Consolidated Group for the fiscal year 2011”)

To re-elect as Accounts Auditor of Repsol YPF, S.A. and of its Consolidated Group, for the fiscal year 2011, the company Deloitte, S.L., with registered office in Madrid, Plaza Pablo Ruiz Picasso, number 1 (Torre Picasso) and Tax ID number B-79104469, registered in the Official Registry of Auditors of Spain with number S-0692, and registered in the Mercantile Registry of Madrid, in volume 13.650, sheet 188, section 8, page M-54414. They are equally entrusted with carrying out other auditing services required by Law that may be specified by the Company until the next General Shareholders' Meeting.

Resolution proposal related to the fourth point of the Agenda (“Modification of articles 9, 11, 19, 24, 27, 29, 32, 39, 44, 50 and 56 of the Bylaws; and of articles 3, 5, 8, 13, 14 and 15 of the Regulations of the Shareholders' Meeting.”).

First. Modification of the title and the third and fourth paragraphs of article 9 of the Bylaws (Calls on capital and defaulting shareholders).

The title and third and fourth paragraphs of article 9 of the Bylaws are modified, without variation in the rest of the paragraphs of said precept, said title and third and fourth paragraphs will be drafted as follows:

“Article 9.- Pending payments and defaulting shareholders

[...]

“Shareholders in arrears with the payment of pending payments may not exercise their voting rights. The amount of such shares will be deducted from the capital when calculating the quorum for general meetings.

“Defaulting shareholders may not receive dividends or exercise their pre-emption right in the subscription of new shares or convertible debentures. Once the overdue calls on pending payments have been paid, together with any interest accrued thereon, the shareholder may claim payment of any dividends that have not lapsed, but may not claim any pre-emption subscription right if the time for exercising that right has expired. “

[...]

Second. Modification of article 11 of the Bylaws (Joint ownership and real rights over shares).

Article 11 of the Bylaws is modified, hereinafter it will be drafted as follows:

“Article 11. Joint ownership and real rights over the shares

Joint ownership, usufruct, pledging and attachment of shares in the company will be subject to the provisions of the Stock Companies Act and other applicable provisions. “

Third. Modification of Article 19 of the Bylaws (Calls to shareholders' meetings).

Article 19 of the Bylaws has been modified, it will be drafted as follows:

“Ordinary and extraordinary shareholders' meetings will be called by the board in a notice published in the Official Gazette of the Mercantile Registry and the company website (www.repsol.com) at least one month prior to the date of the meeting, other than if longer notice is required by law, in which case the legal provisions will be heeded. The notice of call published on the company website will be kept accessible on the same at least until the date of the meeting. The notice of call will contain the legally required information and, in any case, will express the name of the company, the date and time of the meeting on first call and the agenda of business to be transacted. It may also mention the date and time on which the shareholders' meeting is to be held on second call, if necessary. Additionally, the board of directors may publish notices in other media, if considered appropriate, to give greater publicity to the notice of call.

The General Meeting will be held in the place indicated in the notice of call, within the municipality in which the Company has its registered office. However, the Meeting may be held in any other place in the country if established by the board of directors in the notice of call.

There will be at least twenty-four hours between the first and second meetings.

If the shareholders' meeting, duly called, is not held on first call and no date has been specified in the notice of call for the second, this will be announced subject to the same requisites of publicising as the meeting on first call, within fifteen days after the inquorate meeting and at least eight days prior to the date of the second meeting.

Shareholders representing at least five per cent (5%) of the capital may request the publication of a supplementary notice of call to add one or several items to the agenda. This right will be exercised by sending attested notice, showing that the aforesaid percentage of the capital is held, to be received at the registered office within five days after publication of the original notice of call. The supplementary notice will be published in the Official Gazette of the Mercantile Registry and the company website at least fifteen days prior to the date scheduled for the meeting.”

Fourth. Modification of the second paragraph of Article 24 of the Bylaws (Proxies).

The second paragraph of article 24 of the Bylaws is modified, without variation in the rest of the paragraphs of the precept indicated, said second paragraph of will be drafted as follows:

“Proxies will be made in writing or by any form of distance communication, provided the identity of the parties is duly guaranteed. Proxies will be granted specially for each Shareholders' Meeting, other than those stated in article 187 of the Stock Companies Act. The legal procedures established and the Regulations of the Shareholders' Meeting will be followed in all cases.”

Fifth. Modification of the second paragraph of article 27 of the Bylaws (Discussion and adoption of resolutions).

The second paragraph of article 27 of the Bylaws is modified, without variation in the rest of the paragraphs of the precept indicated, that will be drafted as follows:

“Following the report by the chairman of the board and any persons he may have authorised to speak, the chairman will give the floor to any shareholders who so request, directing the debate and confining it to the agenda, apart from that which is provided in articles 223.1 and 238 of the Stock Companies Act. The chairman will close the debate when he considers the subject sufficiently discussed, and will then put the proposed resolutions to the vote.”

Sixth. Modification of the third paragraph of Article 29 of the Bylaws (Minutes).

The third paragraph of article 29 of the Bylaws is modified, without variation in the rest of the paragraphs of the precept indicated, said third paragraph will be drafted as follows:

“Whenever a general meeting has been held in the presence of a notary required by the board to issue a certificate, the notarial minute will have the consideration of minutes of the shareholders' meeting and will not require approval. “

Seventh. Modification of the last paragraph of article 32 of the Bylaws (Qualitative composition of the board).

The last paragraph of article 32 of the Bylaws is modified, without variation in the rest of the paragraphs of the precept indicated, said last paragraph will be drafted as follows:

“Notwithstanding the sovereignty of the general meeting and efficiency of the proportional system, which is compulsory in any cases of share-pooling contemplated in the Stock Companies Act, the shareholders' meeting, and the board when proposing appointments to the shareholders' meeting and exercising its powers of cooptation to fill vacancies, will ensure that the number of non-executive board members considerably outweighs the number of executive directors.

Eighth. Modification of article 39 of the Bylaws (Audit and Control Committee).

Article 39 of the Bylaws is modified, hereinafter it will be drafted as follows:

“The company will have an Audit and Control Committee, consisting of at least three directors appointed by the board, who will have sufficient capacity, experience and dedication to perform the corresponding duties. All the members of this committee will be outside or non-executive directors. At least one of its members will be an external, independent member and will be appointed taking into consideration their knowledge and experience in matters of accounting, auditing or both. One of such members will be appointed chairman of the committee, who will be replaced every four years, becoming eligible for re-election one year after retirement from the position.

The committee will support the board in its supervisory duties, regularly checking the economic and financial reporting process, the internal controls and independence of the external auditor.

The committee will have the following duties, among others:

- 1. Report to the shareholders' meeting on any issues raised by shareholders within its area of competence.*
- 2. Supervise the efficiency of the internal control of the company, internal auditing and the risk management systems, as well as debating with external auditors the significant weaknesses of internal control detected during the audit.*
- 3. Supervise the process of drafting and presenting the regulated financial information.*
- 4. Submit proposal to the board, to be put to the shareholders' meeting, for the appointment of external auditors pursuant to article 264 of the Stock Companies Act.*
- 5. Establish the appropriate liaisons with external auditors to receive information on any issues that may jeopardise their independence and any others related with the auditing of accounts, and any other communications contemplated in account auditing legislation and technical auditing regulations. In any case, they must receive annually from the external auditors written confirmation of their independence towards the company or entities related to the same directly or indirectly, as well as the information of the additional services of any type provided to these entities by said auditors or companies, or by the people or entities linked to the latter, in accordance with that established in the regulations governing the activity of auditors.*
- 6. To issue annually, before the Auditing report, a report which expresses an opinion on the independence of the auditors. In any case, this report must make a declaration on the additional services provided referred to in the previous section.*

7. Any other general or specific reporting and proposals entrusted to it by the board.

The Audit and Control Committee will meet regularly, with the frequency established, and whenever called by the chairman or requested by two of its members. Any member of the company management or employees so required will be obliged to attend committee meetings, collaborating and giving access to any information they may have. The committee will have such means as may be necessary to perform its duties with the required independence. All decisions or recommendations of the committee will be made by majority vote.

The board will develop the powers and rules of procedure of the Audit and Control Committee.”

Ninth. Modification of the first paragraph of article 44 of the Bylaws (General obligations of the directors).

The first paragraph of article 44 of the Bylaws is modified, without any variation in the rest of the paragraphs of the precept indicated, said first paragraph will be drafted as follows:

“Directors will perform the duties imposed by law and these Bylaws and those indicated in the internal regulations of the company. In particular, they will perform their duties with the diligence of a competent entrepreneur and loyal representative, in accordance with the interest of the company, complying with their duty of diligence, loyalty and secrecy marked by law.”

Tenth. Modification of the last paragraph of Article 50 of the Bylaws (Audits).

The last paragraph of article 50 of the Bylaws is modified, without variation in the rest of the paragraphs of the precept indicated, said last paragraph will be drafted as follows:

“Whenever there is just cause to do so, the company directors and persons authorised to request the appointment of an auditor may apply to the Mercantile Court corresponding to the registered office of the company to revoke the appointment made by the shareholders' meeting or mercantile registrar and appoint another.”

Eleventh. Modification of article 56 of the Bylaws (Liquidation of the Company).

Article 56 of the Bylaws is modified, hereinafter it will be drafted as follows:

“Once the company has been wound up, a period of liquidation will commence, apart from in cases of a merger or split up or whatsoever other global transfer of assets and liabilities.

Once the company has been declared to be in liquidation, the representation of the board of directors will cease, in the terms established in the Stock Companies Act, and at the same shareholders' meeting at which the resolution is adopted to wind up the company an uneven number of persons shall be appointed to make the liquidation, establishing the rules for liquidation in accordance with prevailing legal provisions. Should three or more liquidators be appointed, they must exercise their powers of representation collegially as a Liquidation Committee.

Twelfth. Modification of section six of article 3 of the Regulations of the Shareholders' Meeting (Powers of the General Meeting).

Section six of article 3 of the Regulations of the Shareholders' Meeting is modified, without variation in the rest of the sections of the precept indicated, said sixth section will be drafted as follows:

“3.6 Authorisation of the board to increase capital, in pursuance of article 297. 1.b of the Stock Companies Act.”

Thirteenth. Modification of the first and third sections of article 5 of the Regulations of the Shareholders' Meeting (Notice of Call).

The first and third sections article 5 of the Regulations of the Shareholders' Meeting are modified, without variation in the rest of the sections of the precept indicated, said first and third paragraphs will be drafted as follows:

“5.1 Ordinary and extraordinary shareholders' meetings will be called by the board in a notice published in the Official Gazette of the Mercantile Registry and the company website (www.repsol.com) at least one month prior to the date of the meeting, other than when longer notice is required by law, in which case the legal provisions will be heeded. The notice of call published on the company website will be maintained accessible on the same at least

until the date of the meeting. The board of directors may publish notices in other media, is considered appropriate, to give greater publicity to the notice of call.

The General Meeting will be held in the place indicated in the notice of call, within the municipality in which the Company has its registered office. However, the Meeting may be held in any other place in the country if established by the board of directors in the notice of call.

The notice will indicate the name of the Company, the date and time of the meeting on first call and all business to be dispatched shall be included in the agenda. The date and time will also be stated on which, if necessary, the shareholders' meeting is to be held on second call. There shall be at least twenty-four hours between the meetings on first and second call. The notice will also include indication of the place and times at which shareholders may consult the documents to be laid before the general meeting and such other reports as may be required by law or decided by the board, without prejudice to the right of shareholders to request and receive, free of charge, copies of all the above-mentioned documents.

If the shareholders' meeting, duly called, is not held on first call and no date has been specified in the notice of call for the second, this will be announced subject to the same requisites of publicising as the meeting on first call, within fifteen days after the inquorate meeting and at least eight days prior to the date of the second meeting.

The notice of call will be sent to the Spanish Securities Market Commission and a copy of the same will be sent to the stock exchanges on which the shares are listed and the entities at which the shares are deposited, so that they can issue the attendance cards.”

“5.3 Shareholders representing at least five per cent (5%) of the capital may request the publication of a supplementary notice of call to add one or several items to the agenda. This right will be exercised by sending attested notice, showing that the aforesaid percentage of the capital is held, to be received at the registered office within five days after publication of the original notice of call. The supplementary notice will be published in the Official Gazette of the Mercantile Registry and the company website at least fifteen days prior to the date scheduled for the meeting.”

Fourteenth. Modification of the first and second paragraphs of article 8 of the Regulations of the Shareholders' Meeting (Proxies).

Section one of article 8 of the Regulations of the Shareholders' Meeting is modified, without variation in the rest of the sections of the precept indicated, said first section will be drafted as follows:

“Any shareholder entitled to attend a shareholders' meeting may be represented by a proxy, who need not be a shareholder.

Proxies will be made in writing or by any form of distance communication, provided that the identity of the parties is duly guaranteed and subject to whatever procedure may be established in law for this purpose. Proxies will be granted specially for each shareholders' meeting, other than those provided in article 187 of the Stock Companies Act.

The board will establish the most adequate procedure for each shareholders' meeting for granting proxies through distance communication means, in view of the legal provisions in force at the time and the current state of technology. This procedure will be described in detail in the notice of call.

The documents containing the proxies or voting for the general meeting will also indicate the voting instructions. If no express instructions are issued, the proxy will vote in favour of the proposed resolutions submitted by the board on the items on the agenda. When the name of the proxy is left blank in the document delivered to the company, the chairman of the board will be deemed appointed to represent the shareholder in question. The shareholder's proxy may appoint a substitute to exercise the voting right in any conflict of interest.

When the voting instructions issued make no mention of business which, although not included on the agenda, are discussed at the shareholders' meeting, being so permitted by law, the proxy will vote on such matters in whatever way he may consider most favourable to the interests of his principal. “

Fifteenth. Modification of section five of article 13 of the Regulations of the Shareholders' Meeting (Debate and Adoption of Resolutions).

Section five of article 13 of the Regulations of the Shareholders' Meeting is modified, without variation in the rest of the sections of the precept indicated, said fifth section will be drafted as follows:

13.5 The chairman will then inform the general meeting of the highlights of the year and the proposals submitted by the board. His report may be supplemented by any persons he may authorise. The chairman of the Audit and Control Committee will be available at the shareholders' meeting, on behalf of the committee, to answer any questions that the shareholders may raise on matters within the committee's competence. After his report, the chairman will grant the floor to those shareholders who have so requested, directing the debate and seeing that it keeps within the confines of the agenda, apart from that provided in articles 223.1 and 238 of the Stock Companies Act. The chairman will end the debate when, in his opinion, the matter has been sufficiently discussed. The secretary will then read out the different proposed resolutions, which will be put to the vote. The reading of the proposals may be abridged at the decision of the chairman, provided that shareholders representing the majority of subscribed voting capital present at the shareholders' meeting do not object. "

Sixteenth. Modification of section (iv) of article 14 of the Regulations of the Shareholders' Meeting (Voting on Proposed Resolutions).

Section (iv) of article 14 of the Regulations of the Shareholders' Meeting is modified, without variation in the rest of the sections of the precept indicated, said section (iv) will be drafted as follows:

(iv) The shares of shareholders who have participated in the shareholders' meeting by distance voting prior to the date thereof will not be considered present or represented at the shareholders' meeting in question for voting on resolutions concerning business not included on the agenda. Moreover, shares in respect of which voting rights cannot be exercised pursuant to article 514 of the Stock Companies Act will not be considered represented or present for voting on any of the resolutions contemplated therein.

Seventeenth. Modification of section two of article 15 of the Regulations of the Shareholders' Meeting (Minutes of the Shareholders' Meeting).

Section two of article 15 of the Regulations of the Shareholders' Meeting is modified, without variation in the rest of the sections of the precept indicated, said second section will be drafted as follows:

"15.2 If the general meeting has been attended by a notary required by the board to issue minutes, the notarial minutes will be considered to be the minutes of the shareholders' meeting and, consequently, will not require approval."

Resolution proposal related to the fifth point of the Agenda ("Modification of article 52 of the Bylaws, related to the application of earnings for the year").

Article 52 of the Bylaws is modified, hereinafter it will be drafted as follows:

Article 52.- Application of earnings

The shareholders' meeting will resolve on the application of profits of the year, as stated in the approved balance sheet.

Dividends will be distributed among the ordinary shareholders as and when decided by the shareholders' meeting in proportion with their paid-up capital. Apart from when otherwise specified, dividends will be paid at the registered office as from the day following adoption of the corresponding resolution.

Dividends may only be distributed against the profit for the year or retained earnings, provided that the net worth is not, and will not become, as a result of the distribution, smaller than the capital.

Should the net worth of the company be pulled down below the capital as a result of losses from previous years, the profits will be used to offset such losses.

Neither may profits be distributed unless the amount of the reserves available is, at least, equal to the amount of the costs of research and development that appear in the balance sheet assets. In any case, there must be an unavailable reserve equivalent to the trading fund that appears in the balance sheet assets, assigning for this purpose an amount of the profit that represents, at

least, 5% of the amount of said trading fund. Should there be no profit, or should this be insufficient, unrestricted reserves will be used.

A sum equal to 10% of the year's profits will be transferred to the legal reserve until this is equivalent to at least 20% of the capital. Until this limit is exceeded the legal reserve may only be used to offset losses, provided that there are no other reserves available for this purpose, notwithstanding the provisions of article 303 of the Stock Companies Act.

Finally, the shareholders' meeting will decide on the sum to be applied to voluntary reserves and set aside to fund new investments, building and contingencies.

After the above provisions have been met and the necessary sums have been set aside to cover any other items stipulated in law or these Bylaws, dividends may be distributed against the profit for the year or retained earnings in such an amount as the shareholders' meeting may decide. The remainder, if any, will be carried forward to the following financial year.

The General Meeting may agree that the dividend be paid fully or partially in kind, as long as: (i) the goods or securities object of distribution are homogenous; (ii) they are admitted to listing on an official market -at the time the resolution is effective- or that obtaining liquidity is guaranteed by the company for a maximum period of one year; and (iii) that they are not distributed for a value less than they have in the company balance sheet. The same rules will apply in the case of a reduction of capital with refund of contributions when payment to shareholders is made, totally or partially, in kind."

Resolution proposal related to the sixth point of the Agenda ("Modification of articles 40 and 35 of the Bylaws, related to internal positions and meetings of the Board of Directors").

First. Modification of article 40 of the Bylaws (Chairman and Vice-Chairman)

Article 40 of the Bylaws is modified, hereinafter it will be drafted as follows:

"Article 40.- Chairman, Vice-Chairman and Lead Independent Director

The board will elect one of its members to be chairman, appointing also one or several vice-chairmen, who will stand in for the chairman in the order specified upon appointment. In the absence of the chairman and all vice-chairmen, the oldest director will act as chairman.

The chairman of the board will call and preside over meetings of the board and delegate committee, direct the debates of all the corporate bodies he chairs, ensure that the resolutions adopted by the corporate bodies are duly fulfilled, endorse the corresponding minutes and certificates and, in general, do whatsoever may be necessary or convenient to ensure adequate functioning of the board.

The chairman may also be the Chief Executive Officer of the company. The board shall decide whether or not the chairman is to also hold that position.

When the Chairman holds the position of Chief Executive of the company, the board of directors will appoint, at the proposal of the Nomination and Compensation Committee, an independent director who, under the name of Lead Independent Director, will perform the following tasks:

To request that the Chairman of the Board of Directors call this body when considered convenient.

(ii) To request the inclusion of business in the agenda of meetings of the Board of Directors.

(iii) To coordinate and give voice to the concerns of external directors.

(iv) To lead the board's evaluation of the chairman.

(v) To call and chair the meetings of independent directors considered necessary or convenient.

Second. Modification of article 35 of the Bylaws (Board Meetings)

Article 35 of the Bylaws is modified, hereinafter it will be drafted as follows:

"Article 35.- Board Meetings

The board will meet at least six times a year and whenever else it may be called by the chairman or acting chairman, or when requested by the majority, at least a quarter, of the directors or the lead independent director referred to in article 40. Meetings will normally be held at the

registered office, but may be held anywhere else as decided by the Chairman and indicated in the notice of call.

By exception, provided no directors object, the board may adopt written resolutions, without meeting. In this case, directors may send their votes and such comments as they may wish to be put on in the minutes by e-mail.

The board may meet simultaneously in several different venues, provided real-time inter-communication and interactivity and, consequently, unity of action is guaranteed through audiovisual means. In this case, the system of connection will be stated in the notice of call and, if appropriate, the places where the necessary technical means for attending and participating in the meeting will be made available. The resolutions will be deemed adopted at the location of the chairman."

Resolution proposal related to the seventh point of the Agenda ("Re-election as Director of Mr. Antonio Brufau Niubó.")

To re-elect as Director, for a new period of four years, Mr. Antonio Brufau Niubó.

Resolution proposal related to the eighth point of the Agenda ("Re-election as Director of Mr. Luis Fernando del Rivero Asensio")

To re-elect as Director, for a new period of four years, Mr. Luis Fernando del Rivero Asensio.

Resolution proposal related to the ninth point of the Agenda ("Re-election as Director of Mr. Juan Abelló Gallo").

To re-elect as Director, for a new period of four years, Mr. Juan Abelló Gallo.

Resolution proposal related to the tenth point of the Agenda ("Re-elections as Director of Mr. Luis Carlos Croissier Batista").

To re-elect as Director, for a new period of four years, Mr. Luis Carlos Croissier.

Resolution proposal related to the eleventh point of the Agenda ("Re-election as Director of Mr. Ángel Durández Adeva").

To re-elect as Director, for a new period of four years, Mr. Ángel Durández Adeva.

Resolution proposal related to the twelfth point of the Agenda ("Re-election as Director of Mr. José Manuel Loureda Mantiñán").

To re-elect as Director, for a new period of four years, Mr. José Manuel Loureda Mantiñán.

Resolution proposal related to the thirteenth point of the Agenda ("Appointment as Director of Mr. Mario Fernández Pelaz").

To appoint as Director, for the period of four years established in the bylaws, Mr. Mario Fernández Pelaz.

Resolution proposal related to the fourteenth point of the Agenda ("Delivery Share Plan for Beneficiaries of Pluriannual Remuneration Programmes").

To approve the first five cycles (the "First Cycle", the "Second Cycle", the "Third Cycle", the "Fourth Cycle" and the "Fifth Cycle", together the "Cycles") of the Delivery Share Plan to the Beneficiaries of the Pluriannual Remuneration Programmes, which are subject to the following rules:

(i) **Beneficiaries:** the following may be beneficiaries of the Cycles: executive directors, as well as the remaining executives and other employees of Repsol YPF Group who are beneficiaries of the pluriannual cash remuneration programmes called IMP 2007-2010 (which corresponds to the First Cycle), IMP 2008-2011 (which corresponds to the Second Cycle), IMP 2009-2012 (which corresponds to the Third Cycle), IMP 2010-2013 (which corresponds to the Fourth Cycle) and IMP 2011-2014 (which corresponds to the Fifth Cycle) and which is determined in each case by the Board of Directors or, by delegation, the Delegate Committee (currently there are 966 beneficiaries of the IMP 2007-2010 programme, 1,096 of the IMP 2008-2011 programme, 896 of the IMP 2009-2012 programme, 888 of the 2010-2013 programme and an estimated 928 of the 2011-2014 programme).

(ii) **Description of the Cycles:** the beneficiaries may voluntarily dedicate to the acquisition of company shares up to a maximum of 50% of the gross amount that they will receive in accordance with the pluriannual remuneration programme related to each of the Cycles (the "Initial Investment") and they may benefit through said investment from the conditions of the Cycles stipulated herein. The Initial Investment must be made no later than 31 May of each natural year, once the pluriannual remuneration programme corresponding to each case has been paid.

The beneficiaries of each of the Cycles will have the right to receive from the company or, where appropriate, from another Group company, shares in Repsol YPF, S.A. to the proportion of one share for every three shares acquired in the Initial Investment corresponding to each Cycle, as long as all the shares acquired in the Initial Investment are maintained in the beneficiaries' patrimony for a period of three years (the "Final Instalment of Shares"), calculated from the date of finalisation of the period set for their acquisition. In the case that, by applying the ratio of one to three indicated, this results in fractions of shares, the shares to be given will be rounded up/down to the nearest full number, the difference will be paid in cash.

In relation to each Cycle, the amount of each Final Instalment of Shares is conditioned, as well as to the continuance of the beneficiary in Repsol YPF Group (other than if the beneficiary leaves due to a circumstance that leads to advanced liquidation of the non-expired IMP programmes), to the non-concurrence, in the opinion of the Board of Directors, after a report by the Nominations and Compensation Committee, of any of the following circumstances during the period prior to each of the instalments:

- non-fulfilment of internal company regulations by the beneficiary;
- material reformulation of the financial state of the company when this affects the level of compliance with objectives of the pluriannual remuneration programme which causes the Cycle, except when it is legitimate according to a modification of the accounting regulations.

(iii) **Duration:** the Cycles have a duration of three years from the finalisation of the period to make the Initial Investment, in the following way:

- The First Cycle corresponds to the years 2011-2014.
- The Second Cycle corresponds to the years 2012-2015.
- The Third Cycle corresponds to the years 2013-2016.
- The Fourth Cycle corresponds to the years 2014-2017.
- The Fifth Cycle corresponds to the years 2015-2018.

In relation to each Cycle, the Final Instalment of Repsol YPF shares will take place once accomplished the maintenance period of three years, during the first half of the year in which said cycle ends, during the period or on the specific date determined by the Board of Directors or, by delegation, by the Delegate Committee.

(iv) Maximum number of shares to be given:

Taking into account that the estimate made by the Board of Directors of the maximum amount to be invested in Repsol YPF shares by the beneficiaries of the five Cycle amounts to €78,489,550 (the "Maximum Investment"), the maximum aggregate number of Repsol YPF shares that can be given in accordance with this these Cycles (the "Limit of Final Instalment of Shares") will be determined by applying the following formula:

*Limit of Final Instalment of Shares = 1/3 * (Maximum Investment / Repsol YPF Share Listing)*

Where "Repsol YPF Share Listing" will be the average weighted price at which beneficiaries have acquired the Repsol YPF shares referred to in the Initial Investment.

Thus, for informative purposes, taking as the listing price of the Repsol YPF share the average of the previous twelve months to the formulation of this proposal (23 February 2011), the maximum number of Repsol YPF shares that could be given without cost at the end of each Cycle will not exceed 1,377,010 shares, that represent 0.113% of Repsol YPF's current capital.

(v) Other rules: in case of variation of the maximum number of shares due to a decrease or increase in the par value of the shares or an operation with the equivalent effect, the number of shares to be given will be modified proportionally.

Likewise, if it were necessary or convenient for legal or regulatory reasons or reasons of another type, the instalment mechanisms foreseen could be adapted in specific cases, without altering the number of shares linked to the Cycle in question nor the conditions upon which the instalment depends. Said adaptations may include substituting the instalment of shares for equivalent amounts in cash.

The shares to be given may come from the direct or indirect treasury stock of Repsol YPF, be newly issued shares or they may come from third parties with whom agreements have been subscribed to ensure the attention to the commitments undertaken.

(vi) Delegation of powers: without this preventing that generally established in the seventeenth point of the agenda or in the sections from this resolution, the company Board of Directors is authorised to put the Cycles into practice. It may specify and interpret, in all that is necessary or convenient, the rules established herein and the content of the contracts and other documentation to be used. In particular and not limited to this, the Board of Directors will have the following powers:

- a. Develop and set the specific conditions of the Cycles in all that is not established in this resolution.
- b. Approve the content of the contracts and all documentation that is necessary or convenient.
- c. Approve as many communications and additional documents as are necessary or convenient to present to any public or private body, including, if necessary, the corresponding leaflets.
- d. Carry out any action, procedure or declaration before any public or private entity or body.
- e. Negotiate, agree and subscribe compensation and liquidity contracts with the financial entities that it freely appoints, in the appropriate terms and conditions.
- f. Define the percentages or minimum amounts applicable to the Initial Investment and any other condition related to the Initial Investment as established in the shareholders' meeting resolution, including, if necessary or convenient, the direct instalment by the company to the beneficiary of the shares of the Initial Investment in exchange for the percentage of the pluriannual remuneration that he dedicates to the Cycle in question.
- g. Draft and subscribe as many notices as are necessary or convenient.
- h. Determine whether the conditions to which receipt of the corresponding shares by the beneficiaries have been fulfilled or not, it may modulate the number of shares to be given according to the concurring circumstances.
- i. Interpret the above resolutions, being able to adapt them, without affecting their basic content, to the new circumstances that may arise, including but not limited to, the modification of the instalment mechanisms, without altering the maximum number of shares linked to each Cycle, which could include substituting the instalment of shares for the instalment of equivalent cash amounts.

j. In general, carry out any actions and subscribe any documents that may be necessary or convenient.

The Board of Directors may delegate in the Delegate Committee all the powers granted in this resolution.

All the provisions hereof are notwithstanding the company affiliates exercising the powers of their competence in each case to set up the Cycles which refer to their executives or employees.

Resolution proposal related to the fifteenth point of the Agenda ("Share Acquisition Plan 2011-2012").

To approve the Share Acquisition Plan 2011-2012, which is subjected to the following rules:

- (i) Beneficiaries:** the beneficiaries of the Plan will be those Repsol YPF Group executives and other employees in Spain who voluntarily decide to opt for the same.
- (ii) Description of the Plan:** beneficiaries may receive part of their remuneration corresponding to the years 2011 and 2012 in Repsol YPF shares, with a maximum annual limit of €12,000 per beneficiary. Said shares will be valued at the Repsol YPF share closing price in the Exchange Electronic Trading System (continuous market) of Spanish stock markets on the date of instalment to the beneficiary. Receipt of remuneration in shares is voluntary for beneficiaries.
- (iii) Duration:** this Plan corresponds to the period 2011-2012. Instalment of the shares may take place periodically or a single instalment at the end of the Plan.
- (iv) Maximum number of shares to be given:** Taking into account that the estimate made by the Board of Directors of the maximum amount to be invested in Repsol YPF shares by the beneficiaries of this plan amounts to €218 million (the "Maximum Share Payment") for each year, the maximum number of Repsol YPF shares that can be given in accordance with this Plan (the "Limit of Final Instalment of Shares") will be determined by applying the following formula:

$$\text{Limit of Final Instalment of Shares} = (\text{Maximum Amount of Payment in Shares} / \text{Repsol YPF Share Listing})$$

Where "Repsol YPF Share Listing" will be the Repsol YPF share closing price in the Exchange Electronic Trading System (continuous market) of Spanish stock markets on the date of instalment to the beneficiary.
- (v) Other rules:** in the case of a decrease or an increase of the par value of the shares or an operation with the equivalent effect, or variation of the number of Repsol YPF Group employees in Spain, the maximum number of shares to be given will be modified proportionally.

Likewise, if it were necessary or convenient for legal or regulatory reasons or reasons of another type, the instalment mechanisms foreseen could be adapted in specific cases, without altering the number of shares linked to the Plan in question nor the conditions upon which the instalment depends.

The shares to be given may come from the direct or indirect treasury stock of Repsol YPF, be newly issued shares or they may come from third parties with whom agreements have been subscribed to ensure the attention to the commitments undertaken.
- (vi) Delegation of powers:** without this preventing that generally established in the seventeenth point of the agenda or in the sections from this resolution, the company Board of Directors is authorised to put the Share Acquisition Plan 2011 -2012 into practice. It may specify and interpret, in all that is necessary or convenient, the rules established herein and the content of the contracts and other documentation to be used. In particular and not limited to this, the Board of Directors will have the following powers:
 - a. Develop and set the specific conditions of the Plan in all that is not established in this resolution. It may establish for this purpose a minimum limit to be received in Repsol YPF shares for the employees that voluntarily join the Plan.
 - b. Approve the content of the contracts and all documentation that is necessary or convenient.

- c. Approve as many communications and additional documents as are necessary or convenient to present to any public or private body, including, if necessary, the corresponding brochures.
- d. Define the frequency to give shares to beneficiaries, whether this be monthly, annually or any other frequency.
- f. Carry out any action, procedure or declaration before any public or private entity or body.
- e. Negotiate, agree and subscribe compensation and liquidity contracts with the financial entities that it freely appoints, in the appropriate terms and conditions. .
- f. Draft and subscribe as many notices as are necessary or convenient.
- g. Interpret the above resolutions, being able to adapt them, without affecting their basic content, to the new circumstances that may arise.
- h. In general, carry out any actions and sign any documents that may be necessary or convenient.

The Board of Directors may delegate in the Delegate Committee all the powers granted in this resolution.

All the provisions hereof are notwithstanding the company affiliates exercising the powers of their competence in each case to set up the Plan which refers to their executives or employees.

Resolution proposal related to the sixteenth point of the Agenda ("Delegation to the Board of Directors of the power to issue fixed rate, convertible and/or exchangeable securities for company shares or exchangeable for shares in other companies, as well as warrants (options to subscribe new shares or to acquire shares in circulation of the company or other companies). Fixing the criteria to determine the bases and modes of conversion and/or exchange and attribution to the Board of Directors of the powers to increase capital by the amount necessary, as well as to totally or partially exclude the pre-emptive subscription rights of the shareholders of said issues. Authorisation for the company to guarantee securities issued by its subsidiaries. To leave without effect, in the portion not used, the seventh resolution of the General Shareholders' Meeting held on 16 June 2006."):

- A. To leave without effect, in the portion not used, the seventh resolution of the General Shareholders' Meeting held on 16 June 2006.
- B. To delegate to the Board of Directors, according to the general regime on issuing debentures and in accordance with that established in articles 511 of the Stock Companies Act and 319 of the Regulations of the Mercantile Registry, applying by similarity that established in article 297.1.b) of the Stock Companies Act, and in accordance with that established in articles 12, 12.bis and 13 of the Bylaws, the power to issue, on one or several occasions, negotiable securities according to the following conditions:
 - 1. **Securities object of issue.** The negotiable securities referred to in this delegation may be debentures, bonds and other fixed rate securities of a similar nature, exchangeable for company shares in circulation and/or convertible in newly issued company shares. Likewise, this delegation may also be used to issue warrants (options to subscribe new company shares or acquire company shares in circulation) and other securities exchangeable for shares of other companies in circulation.
 - 2. **Period.** The securities may be issued on one or several occasions, at any time, within the maximum period of five (5) years from the date of adopting this resolution.
 - 3. **Maximum amount.** The maximum amount of the issue/s of securities agreed according to this delegation will be seven billion Euros (€7,000,000,000) or its equivalent in another currency. For the purpose of calculating the previous limit, in the case of warrants, the sum of premiums and prices of the warrants of each issue approved according to this delegation will be taken into account.

In turn, the maximum limit indicated is subdivided into two additional limits:

- (i) Issues of securities convertible and/or exchangeable for company shares or warrants on newly issued company shares in which, in accordance with section B) (7) of this resolution, that exclude the pre-emption subscription right and whose aggregate maximum amount will be three billion Euros (€3,000,000,000) or its equivalent in another currency, and
- (ii) Issues of securities convertible and/or exchangeable for company shares or warrants in which the pre-emption subscription right is not excluded or securities (including warrants) exchangeable for shares in other companies and whose maximum aggregate amount may not exceed four billion Euros (€4,000,000,000) or its equivalent in another currency.

4. **Scope of the delegation.** Including, but not limited to, it is the responsibility of the Board of Directors to determine, for each issue, (i) its value (respecting at all times the applicable quantitative limits), (ii) the number of securities and their par value; (iii) applicable legislation; (iv) the place of issue -national or foreign- and (v) the currency, in the case of foreign currency, its equivalent in Euros; (vi) the form, whether bonds or debentures - including subordinates - or any other accepted by law; (vii) the date or dates of issue; (viii) the interest rate, (ix) the procedures and dates of payment of the coupon; (x) the amortisation period and the expiry date; (xi) the guarantees, form of payment and batches and premiums; (xii) the form of representation, whether by titles or account entries; (xiii) where appropriate, pre-emption subscription right and subscription regime; (xiv) where appropriate, request acceptance to negotiation in official or unofficial secondary markets, organised or not, national or foreign, of the securities issued with the requirements demanded in each case by current legislation, and (xv) in general, any other condition for issue, (xvi) as well as, when applicable, appointing the Commissary and approving the fundamental rules that must govern the legal relations between the company and the union of holders of the securities issued.

The Board of Directors is also authorised, when deemed convenient and when applicable, subject to obtaining the appropriate authorisations and the approval of the corresponding assemblies of the unions of holders of the securities, to modify the repayment conditions of the fixed rate securities issued and their respective periods and interest rates which, where appropriate, are accrued by those included in each of the issues made in accordance with this authorisation.

5. **Bases and forms of conversion and/or exchange.** For the case of issuing debentures or bonds convertible in new company shares and/or exchangeable for company shares in circulation, for the purpose of establishing the bases and forms of conversion and/or exchange, the following criteria are agreed:

(i) The securities will be convertible to new company shares and/or exchangeable for shares in circulation in accordance with a fixed (determined or undetermined) or variable conversion and/or exchange ratio. The Board of Directors is authorised to determine if they are convertible and/or exchangeable, as well as to establish whether this is voluntary or they must be convertible and/or exchangeable and; in voluntary cases, if they are converted and/or exchanged at the will of the holder or issuer; the frequency and period, which will be established in the issue resolution and no longer than fifteen (15) days from the date of issue.

(ii) In the case that the issue is convertible and exchangeable, the Board of Directors may agree that the issuer reserves the right to opt, at any time, between the conversion in new shares or their exchange for shares in circulation, specifying the nature of the shares to be given at the time of conversion or exchange. A combination of newly issued shares and pre-existing shares may be given. In any case, the issuer must respect the equal treatment of all fixed rate security holders that are converted and/or exchanged on the same date.

(iii) To the effects of conversion and/or exchange, the fixed rate securities will be evaluated for their par value, and the shares at the exchange rate established by the Board of Directors in the resolution in which it makes use of this delegation, or at the exchange rate to be determined on the date or dates indicated in said resolution, according to the listing value in the stock market of company shares on the date/s or in the period/s taken as a reference in the same resolution, with or without discount and, in any case, with a minimum of the highest of the following two: (a) the average exchange rate of the shares in the Continuous Market of Spanish Stock Markets, according to closing rates, during a period to be determined by the Board of Directors; no more than three (3) months nor less than fifteen (15) days before the date of adopting the resolution to issue fixed rate securities by the Board

of Directors, and (b) the exchange rate of the shares on the Continuous Market according to the closing rate on the day prior to adopting said issue resolution.

(iv) It may also be agreed to issue convertible and/or exchangeable fixed rate securities with a variable ratio of conversion and/or exchange. In this case, the price of the shares for the purpose of conversion and/or exchange will be the average of the closing prices of the company shares in the Continuous Market during a period to be determined by the Board of Directors; no more than three (3) months nor less than five (5) days before the date of conversion and/or exchange, with a premium or, where appropriate, a discount on said price per share. The premium or discount can be different for each date of conversion and/or exchange of each issue (or, when appropriate, each stage of an issue), although in the case of setting a discount on the price per share, this may not be greater than 30%.

(v) When effecting the conversion and/or exchange, the fraction of shares that may correspond to be given to the fixed rate security holder will be rounded down to the nearest full number, and each holder will receive the difference that may be produced in cash.

(vi) In accordance with that established in article 415 of the Stock Companies Act, the value of the share for the purpose of the conversion ratio of the debentures for shares may in no case be lower than its par value. Neither may convertible debentures be issued for an amount lower than their par value.

The above criteria will be applied, *mutatis mutandi* and insofar as they are applicable, in relation to the issue of fixed rate securities (or warrants) exchangeable for shares in other companies. If appropriate, the references to Spanish stock markets will be made to the markets where the shares specified are listed.

At the time of agreeing the issue of convertible and/or exchangeable debentures in accordance with the authorisation granted by the General Meeting, the Board of Directors will issue a report developing and specifying, in light of the criteria detailed above, the bases and forms of conversion specifically applicable to said issue. This report will be accompanied by the corresponding auditors' report established in article 414.2 of the Stock Companies Act.

6. Rights of holders of convertible securities. While it is possible to convert and/or exchange fixed rate securities in shares or to exercise warrants, their holders will enjoy as many rights as are conferred to them by current regulations.

7. Capital increase and exclusion of the pre-emption subscription right of convertible securities. The delegation of powers to the Board of Directors also includes, without limitation, the following powers:

(i) The power, by virtue of that established in articles 308 and 511 of the Stock Companies Act, that the Board of Directors may exclude, totally or partially, the pre-emption subscription right of shareholders when this is demanded by company interests, in the framework of a specific issue of convertible debentures that, in accordance with this authorisation, it may possibly decide to execute. In this case, the Board of Directors will issue, at the time of adopting the issue resolution, a report detailing the specific reasons of company interest that justify the said measure, which will be the object of the mandatory auditors' report, in accordance with that established in article 511.3 of the Stock Companies Act. Both reports will be made available to shareholders and will be communicated at the first General Meeting held after adopting the issue resolution.

(ii) The power to increase capital by the amount necessary to attend to the requests for conversion of the convertible debentures. Said power may only be exercised inasmuch as the Board of Directors, adding the capital increased to attend to the issue of convertible debentures and the remaining capital increases that may have been agreed in accordance with the authorisations granted by the General Meeting, does not exceed half of the capital amount stipulated in article 297.1.b) of the Stock Companies Act or the lower limit established in the General Meeting authorisation for the case of the issue excluding the pre-emption subscription right. This authorisation to increase capital includes the authorisation to issue and put into circulation, on one or several occasions, the shares necessary to carry out the conversion, as well as the authorisation to redraft the article of the Bylaws related to the amount of capital and to, if appropriate, annul the part of said capital increase that had not been necessary to attend the conversion.

(iii) In accordance with the criteria established in number 5 above, the power to develop and specify the bases and forms of conversion and/or exchange, including, among other

matters, setting the moment of the conversion and/or exchange and, in general and in the fullest terms, to determine as many extremes and conditions necessary or convenient for issue.

The Board of Directors, in the General Meetings held by the company from now on, will inform shareholders of the use, where appropriate and until the time of holding said meetings, that it has made of this delegation to issue convertible and/or exchangeable debentures.

8. Convertible warrants: The rules established in sections 5 and 7 above will be applied, *mutatis mutandi*, in the case of issuing warrants or other similar securities that may directly or indirectly give rise to the right to subscribe newly issued company shares. The delegation includes the widest powers, with the same scope as the above numbers, to decide all that is convenient in relation to said type of securities.

9. Admission to negotiation. When appropriate, the company will request the admission to negotiation in official or unofficial secondary markets, organised or not, national or foreign, of the debentures, bonds, warrants and any other securities issued by the company in accordance with this delegation, carrying out in such a case all the procedures and actions necessary for the admission to listing before the competent bodies of the different national or foreign securities markets, for which the widest powers are granted to the Board of Directors.

10. Guarantee of issues of fixed rate securities. The Board of Directors is equally authorised, during a period of five (5) years, to guarantee, in the name of the company, the issues of fixed rate securities referred to in this delegation resolution made by the companies that belong to its group of companies.

11. Substitution by the Delegate Committee. The Board of Directors is authorised to delegate in turn, in favour of the Delegate Committee, the delegated powers referred to in this resolution.

Resolution proposal related to the seventeenth point of the Agenda (“Delegation of powers to complement, develop, execute, correct and formalise the resolutions adopted by the General Meeting”)

First. To delegate in the Board of Directors with the widest range possible, including the power to delegate fully or in part the powers received in the Delegate Committee, as many powers necessary to complement, develop, execute and correct any of the resolutions adopted by the General Meeting. The power to correct will include the power to make as many modifications, amendments and additions necessary or convenient as a consequence of objections or observations raised by the securities markets regulating bodies, the Securities Markets, the Mercantile Registry and any other public authority with competence related to the resolutions adopted.

Second. To delegate jointly and indistinctly in the Chairman of the Board of Directors and the Secretary and Vice-Chairman of the board, the powers necessary to formalise the resolutions adopted by the General Meeting, and to register that subject to this requirement, in full or in part, including the powers related to formalising the deposit of annual accounts, being able for this purpose to sign all kinds of public or private documents, even to complement or correct said resolutions.

Ordinary Shareholders' Meeting 2011 Reports of the Board of Directors on the resolution proposals

Report of the Board of Directors on the resolution proposal related to the first point of the Agenda ("Revision and approval, if appropriate, of the Annual Accounts and Management Report of Repsol YPF, S.A., of the Consolidated Annual Accounts and the Consolidated Management Report, corresponding to the fiscal year ending on 31 December 2010, and of the proposal of application of earnings").

The Annual Accounts and the different documents which make up said accounts, in accordance with the Trading Code, the Consolidated Text of the Stock Companies Act and other applicable provisions, including current sectorial regulations, both the individual Repsol YPF, S.A. accounts and the consolidated accounts of its Group of Companies, together with the Management Report of Repsol YPF, S.A. and the Consolidated Management Report, have been formulated by the Board of Directors during their meeting of 23 February 2011, after their revision by the Audit and Control Committee and by the Internal Transparency Committee of Repsol YPF, S.A., and following their certification by the Chief Executive Officer and by the Chief Financial Officer.

The Management Reports, individual and consolidated, include as an Appendix a separate section, the Corporate Governance Annual Report for the fiscal year 2010.

These Annual Accounts and the Management Reports have been object of revision by the Auditors of Repsol YPF, S.A. and of its Consolidated Group.

All of these documents, together with the Auditors' Reports, the explicatory report in relation to the additional information included in the Management Report according to article 116 bis of the Securities Market Act, the Report on Directors' remuneration policy is available to shareholders at our registered office, Paseo de la Castellana, number 278, where they can request their issue or free delivery to the address indicated.

Likewise, said documents are available through the Company website (www.repsol.com).

Together with the approval of the Annual Accounts, we equally propose, as in previous years, the approval of the application of earnings, as indicated in the Individual report.

Report of the Board of Directors on the resolution proposal related to the second point of the Agenda ("Revision and approval, if appropriate, of the management of the Board of Directors of Repsol YPF, S.A. corresponding to the fiscal 2010").

In accordance with that stipulated in article 164 of the Consolidated Text of the Stock Companies Act, the management developed by the Board of Directors during the fiscal year 2010 is subjected to approval by shareholders, the remuneration of the directors is detailed in the Annual Accounts Report, in the Corporate Governance Annual Report and the Report on Directors' remuneration policy.

Report of the Board of Directors on the resolution proposal related to the third point of the Agenda ("Appointment of Auditor of Repsol YPF, S.A. and of its Consolidated Group for the fiscal year 2011.")

The proposal presented by the Board of Directors to the General Meeting for this point of the Agenda has been approved at the request of the Audit and Control Committee, whose responsibility it is, in accordance with the Regulations of the Board of Directors, to select the external Auditor of the Company and its Consolidated Group.

It must be highlighted, to this effect, that the Audit and Control Committee held, at the end of 2010 and the beginning of 2011, an open selection procedure of the most prestigious firms to select the firm that presented a greater balance between quality of the service offered –whose minimum qualities were set as demands before the selection- and the amount of their remuneration, all as established by article 32.4(b)(i) of the Regulations of the Board of Directors.

After analysing the offers received and considering the award criteria previously determined by the Audit and Control Committee, said Committee, in its meeting of 22 February 2011, agreed to propose to the Board of Directors, for its later submission to the General Shareholders' Meeting, the re-election of the entity Deloitte, S.L. as Auditor of Repsol YPF, S.A. and of its Consolidated Group for the fiscal year 2011.

Report of the Board of Directors on the resolution proposal related to the fourth point ("Modification of articles 9, 11, 19, 24, 27, 29, 32, 39, 44, 50 and 56 of the Bylaws; and of articles 3, 5, 8, 13, 14 and 15 of the Regulations of the Shareholders' Meeting"), fifth point ("Modification of article 52 of the Bylaws, related to the application of earnings for the year") and sixth point ("Modification of articles 40 and 35 of the Bylaws, related to internal positions and board of directors' meetings") of the Agenda.

1. Object of the report

In accordance with that established in article 286 of the Consolidated Text of the Stock Companies Act, as well as article 2 of the Regulations of the Shareholders' Meeting, the REPSOL YPF, S.A. Board of Directors (the "**Company**") formulates this report to justify the proposal of modification of certain articles of the Bylaws and the subsequent adaptation of the Regulations of the Shareholders' Meeting, which is submitted for approval by the General Meeting.

2. General justification of the proposal

The entry into force, during the year 2010, of both Legislative Royal Decree 1/2010, of 2 July, which approves the Consolidated Text of the Stock Companies Act ("**Stock Companies Act**"), which has substituted the Consolidated Text of the Joint Stock Companies Act approved by Legislative Royal Decree 1564/1989 ("**Joint Stock Companies Act**"), as well as Act 12/2010, of 30 June, which modifies Act 19/1988, on Financial Auditing, Act 24/1988, on the Securities Market and the Consolidated Text of the Joint Stock Companies Act for their adaptation to community regulations (the "**Bill of Reform of the Financial Audits Act**") has made it advisable to undergo a revision of bylaws in order to adapt those regulatory references which have become outdated for this reason, as well as qualifying the drafting of certain precepts so that they fully correspond with the legal texts.

As many of the regulatory references proposed to be substituted in the Bylaws can also be found reflected in the Regulations of the Shareholders' Meeting, and in order to maintain coordination between both texts, the adaptation of the text of said Regulation is also proposed. Both proposals are presented together to ease their analysis.

Finally, two bylaw modifications are proposed which do not entail the simple adaptation of the regulations, but the introduction of improvements in the Bylaws or of measures of flexibility. Given that these modifications have greater materiality, they will be subjected to differentiated treatment and separate voting at the General Meeting.

3. Detailed justification of the proposal

1. Modification, for their adaptation to current regulations, of articles 9, 11, 19, 24, 27, 29, 32, 39, 44, 50 and 56 of the Bylaws; and of articles 3, 5, 8, 13, 14 and 15 of the Regulations of the Shareholders' Meeting.

These proposals, as previously stated, are presented together as they aim either simply to update the regulatory reference (currently made to the Joint Stock Companies Act), substituting them for a reference to the corresponding precept of the Stock Companies Act, or to adapt their literal meaning to the exact drafting of the precepts of the Stock Companies Act, without in any case the modifications proposed entailing substantial alterations of the content of said articles, as can be seen below:

i) In article 9 ("Calls on capital and defaulting shareholders"), we propose substituting the expression "calls on capital", previously used in the Joint Stock Companies Act, for that of "payments pending", terminology adopted by the Stock Companies Act (Section Two of Chapter IV of Title III of the Act).

ii) In article 11 ("Joint ownership and real rights over shares"), the reference to articles 66 and 73 of the Joint Stock Companies Act would be substituted by a reference to that stipulated in the Stock Companies Act.

iii) In article 19 ("Calls to shareholders' meetings"), we propose adapting the bylaw provisions to the new legal regime. Thus, Royal Decree-Act 13/2010, of 3 December, on actions in the physical, labour and liberalisation field to promote investments and creating employment, has modified, with effect as of 3 December 2010, article 173.1 of the Stock Companies Act which, having initially included the provisions of the old article 97.1 of the Joint Stock Companies Act, foresaw that calls for the Shareholders' Meetings must be effected "in a notice published in the Official Gazette of the Mercantile Registry and one of the daily newspapers having the largest circulation in the province in which the company has its registered office". Since the new regulation has come into force, article 173.1 of the Stock Companies Act now demands that the call be notified in the Official Gazette of the Mercantile Register and the Company website. Additionally, we proposed clarifying, as was done in article 174.1 of the Stock Companies Act, that the call expresses not only the date, but also the time of the Shareholders' Meeting. Finally, and so that possible regulatory modifications in relation to the content of the notification do not require subsequent modifications to bylaws, we propose clarifying that the notice will contain "the legally demanded information and, in any case" the information currently established in the Stock Companies Act. Furthermore, the possibility is also foreseen that, on the occasion of the call of notice, the board of directors may agree to hold the meeting in a town of a national territory which is different from that in which the company has its registered office, in accordance with article 175 of the Stock Companies Act.

iv) In article 24 ("Proxies"), the reference to article 108 of the Joint Stock Companies Act would be substituted for a reference to article 187 of the Stock Companies Act.

v) In article 27 ("Discussion and adoption of resolutions"), the reference to articles 131 and 134 of the Joint Stock Companies Act would be substituted by a reference to articles 223.1 and 238 of the Stock Companies Act.

vi) In article 29 ("Minutes") we propose eliminating the regulatory reference to revoked article 114 of the Joint Stock Companies Act.

vii) In article 32 ("Qualitative composition of the Board") we propose substituting the reference to the Joint Stock Companies Act for the reference to the Stock Companies Act.

viii) The proposal of modification in article 39 ("Audit and Control Committee") is motivated by the fact that the Reform Bill of the Audit Act, in force since 2 July 2010, introduced a modification to sections 2 and 4 of the Eighteenth Additional Provision of the Securities Market Act, regulating the Audit Committee of security issuing entities admitted to negotiation on official secondary markets. By virtue of the modification operated on section 2 of said Additional Provision, the requirement has been established that at least one member of said Committee must be an independent external director, who will be appointed, taking into account their knowledge and experience in matters of accounting, auditing or in both. Therefore, we propose adding said legal requirement to the text of the first paragraph of article 39 of the Bylaws. Likewise, by virtue of the modification of section 4 of said Additional Provision, the duties that the law attributes to this Committee have

been qualified and extended. Therefore, we propose updating the list previously contained in the Bylaws to reflect the duties anticipated in the new regulation, which the Audit and Control Committee have been performing de facto.

ix) In article 44 ("General obligations of the Directors") we propose modifying slightly its drafting to adapt it to that which is established in articles 225, 226 and 232 of the Stock Companies Act.

x) The modification proposal of the last paragraph of article 50 ("Audits") aims to update the current reference to the Court of First Instance with the reference to the Mercantile Court, current competent entity to process the request to which said paragraph makes reference.

xi) Finally, in relation to article 56 ("Liquidation of the Company"), we propose establishing that should three or more liquidators be appointed, these must exercise their powers of joint representation as a Liquidation Committee. Likewise, and given that the Stock Companies Act has modified the regime applicable to joint stock companies (establishing the obligation to approve a full report on the liquidation operations and a division project among the partners of the resulting asset, previously only applicable to limited liability companies, and eliminating the requirement to publish the final liquidation balance), we propose eliminating the last two paragraphs of this article.

The previous adaptations make it recommendable, as explained, to undertake a similar adaptation of the Regulations of the Shareholders' Meeting, in order to avoid there being a lack of coordination between both texts. Specifically, we propose modifying the following precepts of said Regulation:

xii) In article 3 ("Powers of the General Meeting") we propose substituting in section 3.6 the reference to article 153.1.b of the Joint Stock Companies Act for the reference to article 297.1.b of the Stock Companies Act, the precept which has substituted this.

xiii) In article 5 ("Notice of Call") we propose modifying the drafting of sections 5.1 and 5.3 in line with the modification relating to article 19 of the Bylaws, to reflect the new legal regime on notice of calls.

xiv) In article 8 ("Proxies") the reference to article 108 of the Joint Stock Companies Act would be substituted for a reference to article 187 of the Stock Companies Act.

xv) In article 13 ("Debate and adoption of resolutions"), section 13.5 would be modified to substitute the reference to articles 131 and 134 of the Joint Stock Companies Act for a reference to the corresponding articles of the Stock Companies Act, in this case, articles 223.1 and 238 of said regulation.

xvi) In relation to article 14 ("Voting on proposed resolutions"), we propose substituting, in section (iv), the reference to article 114.1 of the Securities Market Act with the reference that is currently correct, that is, to article 514 of the Stock Companies Act.

xvii) In article 15 ("Minutes"), section two, we propose eliminating the reference to article 114 of the Joint Stock Companies Act.

To ease the comparison between the current drafting of the articles proposed to be modified and the resulting modification, we include below, in two columns, a literal transcription of both texts, merely for the purpose of information. Given that the only object of the proposal is to adapt the outdated regulatory references or to modify slightly the drafting for its total adaptation to current regulations, and given the large number of articles affected, we consider that it is more appropriate to reproduce only the original and modified text of those paragraphs that would be subject to variations in the case of approving the proposal.

A) Bylaws

Current drafting	Proposal of modification
<p>Article 9 Calls on capital and defaulting shareholders</p> <p><i>[First and second paragraphs without modification]</i></p> <p>Shareholders in arrears in the payment of capital may not exercise their voting rights. The amount of such shares shall be deducted from the capital when calculating the quorum for general meetings.</p> <p>Defaulting shareholders may not receive dividends or exercise their pre-emption right in the subscription of new shares or convertible debentures. Once the overdue calls on capital have been paid, together with any interest accrued thereon, the shareholder may claim payment of any dividends that have not lapsed, but may not claim any pre-emptive subscription right if the time for exercising that right has expired.</p> <p><i>[Párrafos quinto a octavo sin modificación]</i></p>	<p>Article 9 Capital Pending payments and defaulting shareholders</p> <p><i>[First and second paragraphs without modification]</i></p> <p>Shareholders in arrears in the payment of capital pending payments may not exercise their voting rights. The amount of such shares shall be deducted from the capital when calculating the quorum for general meetings.</p> <p>Defaulting shareholders may not receive dividends or exercise their pre-emption right in the subscription of new shares or convertible debentures. Once the overdue calls on capital pending payments, have been paid, together with any interest accrued thereon, the shareholder may claim payment of any dividends that have not lapsed, but may not claim any pre-emptive subscription right if the time for exercising that right has expired.</p> <p><i>[Párrafos quinto a octavo sin modificación]</i></p>
<p>Article 11 Joint ownership and real rights over the shares</p> <p>Joint ownership, usufruct, pledging and attachment of shares in the company shall be subject to the provisions of articles 66-73 of the Joint Stock Companies Act and other applicable provisions.</p>	<p>Article 11 Joint ownership and real rights over the shares</p> <p>Joint ownership, usufruct, pledging and attachment of shares in the company shall be subject to the provisions of the Stock Companies Act, articles 66 to 73 of the Consolidated Text of the Joint Stock Companies Act and other applicable provisions.</p>
<p>Article 19 Calls to shareholders' meetings</p> <p>La Junta General, Ordinaria o Extraordinaria, deberá ser convocada por el Consejo de Administración, mediante anuncio publicado en el Boletín Oficial del Registro Mercantil y en uno de los diarios de mayor circulación en la provincia del domicilio social, por lo menos un mes antes de la fecha fijada para su celebración, salvo en los casos en que la ley establezca una antelación diferente, en cuyo caso se estará a lo que ésta disponga. El anuncio expresará la fecha de la reunión en primera convocatoria y todos los asuntos que hayan de tratarse. Podrá, asimismo, hacerse constar la fecha en la que, si procediera, se reunirá la Junta en segunda convocatoria</p>	<p>Article 19 Calls to shareholders' meetings</p> <p>Ordinary and extraordinary shareholders' meetings will be called by the board in a notice published in the Official Gazette of the Mercantile Registry and in one of the daily newspapers having the largest circulation in the province in which the company has its registered office on the company website (www.repsol.com), at least one month prior to the date of the meeting, apart from when longer notice is required by law, in which case the legal provisions will be heeded. The notice of call published on the company website will be maintained accessible on the same at least until the date of the meeting. The notice of call will contain the legally required mentions and, in any case, it will express the name of the company, the date and time of the meeting on first call and the agenda of business to be transacted. It may also mention the date and time on which the shareholders' meeting is to be held on second call, if necessary. Additionally, the board of directors may publish notices in other media, if considered appropriate, to give greater publicity to the notice of call.</p>

<p>There will be at least twenty-four hours between the first and second meetings.</p> <p>If the shareholders' meeting, duly called, is not held on first call and no date has been specified in the notice of call for the second, this will be announced subject to the same requisites of publicising as the meeting on first call, within fifteen days after the inquorate meeting and at least eight days prior to the date of the second meeting.</p> <p>Shareholders representing at least five per cent (5%) of the capital may request the publication of a supplementary notice of call to add one or several items to the agenda. This right will be exercised by sending attested notice, showing that the aforesaid percentage of the capital is held, to be received at the registered office within five days after publication of the original notice of call. The supplementary notice shall be published at least fifteen days prior to the date scheduled for the meeting.</p>	<p>The General Meeting will be held in the place indicated in the notice of call, within the municipality in which the Company has its registered office. However, the Meeting may be held in any other place in the country if established by the board of directors in the notice of call.</p> <p>There will be at least twenty-four hours between the first and second meetings.</p> <p>If the shareholders' meeting, duly called, is not held on first call and no date has been specified in the notice of call for the second, this will be announced subject to the same requisites of publicising as the meeting on first call, within fifteen days after the inquorate meeting and at least eight days prior to the date of the second meeting.</p> <p>Shareholders representing at least five per cent (5%) of the capital may request the publication of a supplementary notice of call to add one or several items to the agenda. This right will be exercised by sending attested notice, showing that the aforesaid percentage of the capital is held, to be received at the registered office within five days after publication of the original notice of call. The supplementary notice will be published in the Official Gazette of the Mercantile Registry and the company website at least fifteen days prior to the date scheduled for the meeting.</p>
<p>Article 24 Proxies</p> <p><i>[First paragraph without modification]</i></p> <p>Proxies will be made in writing or by any form of distance communication, provided the identity of the parties is duly guaranteed. Proxies will be granted specially for each general meeting, apart from those provided in article 108 of the Joint Stock Companies Act. The legal procedures established and the Regulations of the Shareholders' Meeting will be followed in all cases.</p>	<p>Article 24 Proxies</p> <p><i>[First paragraph without modification]</i></p> <p>Proxies will be made in writing or by any form of distance communication, provided the identity of the parties is duly guaranteed. Proxies will be granted specially for each shareholders' meeting, save as provided in article 108 of the Joint Stock Companies Act 187 of the Stock Companies Act. The legal procedures established and the Regulations of the Shareholders' Meeting will be followed in all cases.</p>

<p>Article 27 Debate and adoption of resolutions <i>[First paragraph without modification]</i></p> <p>Following the report by the chairman of the board and any persons he may have authorised to speak, the chairman will give the floor to any shareholders who so request, directing the debate and confining it to the agenda, apart from that which is provided in articles 131 and 134 of the current Joint Stock Companies Act. The chairman will close the debate when he considers the subject to have been discussed sufficiently, and will then put the proposed resolutions to the vote.</p> <p><i>[Third and fourth paragraphs without modification]</i></p>	<p>Article 27 Debate and adoption of resolutions <i>[First paragraph without modification]</i></p> <p>Following the report by the chairman of the board and any persons he may have authorised to speak, the chairman will give the floor to any shareholders who so request, directing the debate and confining it to the agenda, apart from that which is provided in articles 131 and 134 of the current Joint Stock Companies Act 223.1 and 238 of the Stock Companies Act. The chairman will close the debate when he considers the subject to have been discussed sufficiently, and will then put the proposed resolutions to the vote.</p> <p><i>[Third and fourth paragraphs without modification]</i></p>
<p>Article 29 Minutes <i>[First and second paragraphs without modification]</i></p> <p>Whenever a general meeting has been held in the presence of a notary required by the board to issue a certificate, pursuant to article 114 of the Joint Stock Companies Act, the notarial minute will have the consideration of minutes of the shareholders' meeting and will not require approval.</p>	<p>Article 29 Minutes <i>[First and second paragraphs without modification]</i></p> <p>Whenever a general meeting has been held in the presence of notary required by the board to issue a certificate, pursuant to article 114 of the Joint Stock Companies Act, the notarial minute will have the consideration of minutes of the shareholders' meeting and will not require approval.</p>
<p>Article 32 Qualitative composition of the Board <i>[First paragraph without modification]</i></p> <p>Notwithstanding the sovereignty of the general meeting and efficiency of the proportional system, which is compulsory in any cases of share-pooling contemplated in the Joint Stock Companies Act, the shareholders' meeting, and the board when proposing appointments to the shareholders' meeting and exercising its powers of cooptation to fill vacancies, will ensure that the number of non-executive board members considerably outweighs the number of executive directors.</p>	<p>Article 32 Qualitative composition of the Board <i>[First paragraph without modification]</i></p> <p>Notwithstanding the sovereignty of the general meeting and efficiency of the proportional system, which is compulsory in any cases of share-pooling contemplated in the Joint Stock Companies Act Stock Companies Act, the shareholders' meeting, and the board when proposing appointments to the shareholders' meeting and exercising its powers of cooptation to fill vacancies, will ensure that the number of non-executive board members considerably outweighs the number of executive directors.</p>

<p>Article 39 Audit and Control Committee</p> <p>The company will have an Audit and Control Committee, consisting of at least three directors appointed by the board, who will have sufficient capacity, experience and dedication to perform the corresponding duties. All the members of this committee will be outside or non-executive directors. One of such members will be appointed chairman of the committee, who will be replaced every four years, becoming eligible for re-election one year after retirement from the position.</p> <p><i>[Second paragraph without modification]</i></p> <p>The committee will have the following duties, among others:</p> <ol style="list-style-type: none"> 1. Report to the shareholders' meeting on any issues raised by shareholders within its area of competence. 	<p>Article 39 Audit and Control Committee</p> <p>The company shall have an Audit and Control Committee, consisting of at least three directors appointed by the board, who will have sufficient capacity, experience and dedication to perform the corresponding duties. All the members of this committee will be external or non-executive directors. <u>At least one of its members will be an external, independent member and will be appointed taking into consideration their knowledge and experience in matters of accounting, auditing or both.</u> One of such members will be appointed chairman of the committee, who will be replaced every four years, becoming eligible for re-election one year after retirement from the position.</p> <p><i>[Second paragraph without modification]</i></p> <p>The committee will have the following duties, among others:</p> <ol style="list-style-type: none"> 1. Report to the shareholders' meeting on any issues raised by shareholders within its area of competence. 2. <u>Supervise the efficiency of the internal control of the company, internal auditing and the risk management systems, as well as debating with external auditors the significant weaknesses of internal control detected during the audit.</u> 3. <u>Supervise the process of drafting and presenting the regulated financial information.</u> 4. Submit proposal to the board, to be put to the shareholders' meeting, for the appointment of <u>E</u> external <u>A</u> auditors pursuant to article 204 of the current Joint Stock Companies Act, <u>approved by Legislative Royal Decree 1564/1989, of 22 December 264 of the Stock Companies Act.</u>
<p>2. Proponer al Consejo de Administración, para su sometimiento a la Junta General de Accionistas, el nombramiento de los Auditores de Cuentas Externos al que se refiere el artículo 204 del Texto Refundido de la Ley de Sociedades Anónimas, aprobado por Real Decreto-Legislativo 1564/1989, de 22 de Diciembre.</p>	

<p>3. Supervise the internal auditing services.</p> <p>4. Be informed on the financial reporting process and the company's internal control systems.</p> <p>5. Act as liaison with external auditors to receive information on any issues that may jeopardise their independence and any others related with the auditing of accounts, and any other communications contemplated in account auditing legislation and technical auditing regulations.</p>	<p>3. Supervise the internal auditing services.</p> <p>4. Be informed of the financial reporting process and the company's internal control systems.</p> <p>5. Act as <u>Establish the appropriate liaison liaisons</u> with external auditors to receive information on any issues that may jeopardise their independence and any other issues related with the auditing of accounts, and any other communications contemplated in account auditing legislation and technical auditing regulations. <u>In any case, they must receive annually from the external auditors written confirmation of their independence towards the company or entities related to the same directly or indirectly, as well as the information of the additional services of any type provided to these entities by said auditors or companies, or by the people or entities linked to the latter, in accordance with that established in the regulations governing the activity of auditors.</u></p> <p>6. <u>To issue annually, before the Auditing report, a report which expresses an opinion on the independence of the auditors. In any case, this report must make a declaration on the additional service provided referred to in the previous section.</u></p> <p>7. Any other general or specific reporting and proposals entrusted to it by the board.</p> <p><i>[Fourth and fifth paragraphs without modification]</i></p>
<p>6. Any other general or specific reporting and proposals entrusted to it by the board.</p> <p><i>[Fourth and fifth paragraphs without modification]</i></p>	<p>7. Any other general or specific reporting and proposals entrusted to it by the board.</p> <p><i>[Fourth and fifth paragraphs without modification]</i></p>

Article 44**General obligations of the Directors**

Directors will perform the duties imposed by law and these Bylaws and those indicated in the internal regulations of the company. In particular, they will perform their duties with the diligence of a competent entrepreneur and loyal representative, complying with the legal duty of diligent administration. They will also comply with the duties of fidelity, loyalty, and secrecy ordered by law.

[Second paragraph without modification]

Article 44**General obligations of the Directors**

Directors will perform the duties imposed by law and these Bylaws and those indicated in the internal regulations of the company. In particular, they will perform their duties with the diligence of a competent entrepreneur and loyal representative, in accordance with the interest of the company, complying with their duty of diligence, loyalty in accordance with the legal duty of diligent administration. They will also comply with the duties of fidelity, loyalty, and secrecy marked by law.

[Second paragraph without modification]

Article 50
Audits

[First to fourth paragraph without modification]

Whenever there is just cause to do so, the company directors and persons authorised to request appointment of an auditor may apply to the Court of First Instance corresponding to the registered office of the company to revoke the appointment made by the shareholders' meeting or mercantile registrar and appoint another.

Article 56**Liquidation of the Company**

[First paragraph without modification]

Once the company has been declared to be in liquidation, the representation of the board of directors will cease, in the terms established in the Joint Stock Companies Act, and at the same shareholders' meeting at which the resolution is adopted to wind up the company an uneven number of persons will be appointed to carry out the liquidation, establishing the rules for liquidation in accordance with prevailing legal provisions.

On completion of the liquidation, the liquidators will draw up the final balance sheet, which will be checked by the auditors, if any. The amount of corporate assets to be distributed to each share will also be specified.

This balance will be presented before the shareholders' meeting and published in the Official Gazette of the Mercantile Registry and one of the most widely circulating newspapers in the province in which the registered office is situated.

Article 50
Audits

[First to fourth paragraph without modification]

Whenever there is just cause to do so, the company directors and persons authorised to request appointment of an auditor may apply to the ~~Court of First Instance~~ Mercantile Court corresponding to the registered office of the company to revoke the appointment made by the shareholders' meeting or mercantile registrar and appoint another.

Article 56**Liquidation of the Company**

[First paragraph without modification]

Once the company has been declared to be in liquidation, the representation of the board of directors will cease, in the terms established in the ~~Joint Stock Companies Act~~ the Stock Companies Act, and at the same shareholders' meeting at which the resolution is adopted to wind up the company an uneven number of persons will be appointed to make the liquidation, establishing the rules for liquidation in accordance with prevailing legal provisions. Should three or more liquidators be appointed, they must exercise their powers of representation collegially as a Liquidation Committee.

~~On completion of the liquidation, the liquidators will draw up the final balance sheet, which will be checked by the scrutineers, if any. The amount of corporate assets to be distributed to each share will also be specified.~~

This balance will be presented before the shareholders' meeting and published in the Official Gazette of the Mercantile Registry and one of the most widely circulating newspapers in the province in which the registered office is situated.

B) Regulations of the Shareholders' Meeting**Current drafting****Article 3****Powers of the General Meeting**

[First section without modification up to section 3.5]

3.6. Authorisation of the board to increase the capital, in pursuance of article 153.1.b of the Joint Stock Companies Act.

[Remaining sections without modification]

Proposal of modification**Article 3****Powers of the General Meeting**

[First section without modification up to section 3.5]

3.6. Authorisation of the board to increase the capital, in pursuance of article ~~153.1.b~~ 297.1.b of the Joint Stock Companies Act Stock Companies Act.

[Remaining sections without modification]

Article 5
Notice of Call

5.1. Ordinary and extraordinary shareholders' meeting shall be called by the board of directors in a notice published in the Official Gazette of the Mercantile Registry and one of the daily newspapers with the largest circulation in the province of the registered office at least one month prior to the date of the relevant meeting, unless otherwise stipulated in law.

The notice will indicate the date and place of the meeting on first call, and all the business to be dispatched will be included on the agenda. The date will also be stated on which, if necessary, the shareholders' meeting is to be held on second call. There will be at least twenty-four hours between the meetings on first and second call. The notice will also include indication of the place and times at which shareholders may consult the documents to be presented before the general meeting and such other reports as may be required by law or decided by the board, without prejudice to the right of shareholders to request and receive, free of charge, copies of all the above-mentioned documents.

[Third paragraph without modification]

Article 5
Notice of Call

5.1. Ordinary and extraordinary shareholders' meetings will be called by the board of directors in a notice published in the Official Gazette of the Mercantile Registry and on the Company website (www.repsol.com) one of the daily newspapers with the largest circulation in the province of the registered office at least one month prior to the date of the relevant meeting, unless otherwise stipulated in the law. The notice of call published on the company website shall be maintained accessible on the same at least until the date of the meeting. The board of directors may publish notices in other media, is considered appropriate, to give greater publicity to the notice of call.

The General Meeting will be held in the place indicated in the notice of call, within the municipality in which the Company has its registered office. However, the Meeting may be held in any other place in the country if established by the board of directors in the notice of call.

The notice shall indicate the name of the Company, the date and time place of the meeting on first call and all business to be dispatched will be included in the agenda. The date and time will also be stated on which, if necessary, the shareholders' meeting is to be held on second call. There will be at least twenty-four hours between the meetings on first and second call. The notice will also include indication of the place and times at which shareholders may consult the documents to be presented before the general meeting and such other reports as may be required by law or decided by the board, without prejudice to the right of shareholders to request and receive, free of charge, copies of all the above-mentioned documents.

[Third paragraph without modification]

A copy of the notice of call to the shareholders' meeting will be published on the company's web site and a copy will be sent to the stock exchanges on which the shares are listed and the entities at which the shares are deposited, so that they can issue the attendance cards.

[Section 5.2 without modification]

5.3. Shareholders representing at least five per cent (5%) of the capital may request the publication of a supplementary notice of call to add one or several items to the agenda. This right will be exercised by sending attested notice, showing that the aforesaid percentage of the capital is held, to be received at the registered office within five days after publication of the original notice of call. The supplementary notice will be published at least fifteen days prior to the date scheduled for the meeting.

[Section 5.4 without modification]

Article 8
Proxies

8.1 Any shareholder entitled to attend a shareholders' meeting may be represented by a proxy, who need not be a shareholder. Proxies will be made in writing or by any form of distance communication, provided that the identity of the parties is duly guaranteed and subject to whatever procedure may be established in law for this purpose. Proxies will be granted specially for each general meeting, apart from those provided in article 108 of the Joint Stock Companies Act.

[Rest without modification]

~~A copy of the notice of call to the shareholders' meeting will be published on the company's web site and~~ The notice of call will be sent to the Spanish Securities Market Commission and a copy of the same will be sent to the stock exchanges on which the shares are listed and the entities at which the shares are deposited, so that they can issue the attendance cards

[Section 5.2 without modification]

5.3. Shareholders representing at least five per cent (5%) of the capital may request the publication of a supplementary notice of call to add one or several items to the agenda. This right will be exercised by sending attested notice, showing that the aforesaid percentage of the capital is held, to be received at the registered office within five days after publication of the original notice of call. The supplementary notice will be published in the Official Gazette of the Mercantile Registry and the company website at least fifteen days prior to the date scheduled for the meeting.

[Section 5.4 without modification]

Article 8
Proxies

8.1 Any shareholder entitled to attend a shareholders' meeting may be represented by a proxy, who need not be a shareholder. Proxies will be made in writing or by any form of distance communication, provided that the identity of the parties is duly guaranteed and subject to whatever procedure may be established in law for this purpose. Proxies shall be granted specially for each general meeting, save as provided in article ~~108~~ 187 of the Stock Companies Act Joint Stock Companies Act.

[Rest without modification]

Article 13**Debate and adoption of resolutions***[Sections 13.1 to 13.4 without modification]*

13.5 The chairman will then inform the general meeting of the highlights of the year and the proposals submitted by the board. His report may be supplemented by any persons he may authorise. The chairman of the Audit and Control Committee will be available at the shareholders' meeting, on behalf of the committee, to answer any questions that the shareholders may raise on matters within the committee's competence. After his report, the chairman will grant the floor to those shareholders who have so requested, directing the debate and seeing that it remains within the confines of the agenda, other than that provided in articles 131 and 134 of the current Joint Stock Companies Act. The chairman will end the debate when, in his opinion, the matter has been sufficiently discussed. The secretary will then read out the different proposed resolutions, which will be put to a vote. The reading of the proposals may be abridged at the decision of the chairman, provided that shareholders representing the majority of subscribed voting capital present at the shareholders' meeting do not object.

*[Rest without modification]***Article 14****Voting on proposed resolutions***[First paragraph and second paragraph, sections (i) to (iii), without modification]*

(iv) The shares of shareholders who have participated in the shareholders' meeting by distance voting prior to the date thereof will not be considered present or represented at the shareholders' meeting in question for voting on resolutions concerning business not included on the agenda. Furthermore, to adopt any of the agreements included in Article 114.1 of the Securities Market Law, the shares for which the right to vote cannot be exercised due to the provisions established in said precept will not be considered as shares present or represented.

Article 13**Debate and adoption of resolutions***[Sections 13.1 to 13.4 without modification]*

13.5 The chairman will then inform the general meeting on the highlights of the year and the proposals submitted by the board. His report may be supplemented by any persons he may authorise. The chairman of the Audit and Control Committee will be available at the shareholders' meeting, on behalf of the committee, to answer any questions that the shareholders may raise on matters within the committee's competence. After his report, the chairman will grant the floor to those shareholders who have so requested, directing the debate and seeing that it remains within the confines of the agenda, other than that provided in articles **223.1 and 238 of the Stock Companies Act 131 and 134 of the current Joint Stock Companies Act**. The chairman will end the debate when, in his opinion, the matter has been sufficiently discussed. The secretary will then read out the different proposed resolutions, which will be put to a vote. The reading of the proposals may be abridged at the decision of the chairman, provided that shareholders representing the majority of subscribed voting capital present at the shareholders' meeting do not object.

*[Rest without modification]***Article 14****Voting on proposed resolutions***[First paragraph and second paragraph, sections (i) to (iii), without modification]*

(iv) The shares of shareholders who have participated in the shareholders' meeting by distance voting prior to the date thereof will not be considered present or represented at the shareholders' meeting in question for voting on resolutions concerning business not included on the agenda. Moreover, shares in respect of which voting rights cannot be exercised pursuant to article **514 of the Stock Companies Act 114.1 of the Securities Market Act** shall not be considered represented or present for voting on any of the resolutions contemplated therein.

Article 15**Minutes of the Shareholders' Meeting***[Section 15.1 without modification]*

15.2. Whenever a general meeting has been held in the presence of notary required by the board to issue a certificate, pursuant to article 114 of the Joint Stock Companies Act, the notarial minute will have the consideration of minutes of the shareholders' meeting and will not require approval.

Article 15**Minutes of the Shareholders' Meeting***[Section 15.1 without modification]*

15.2. If the general meeting has been attended by a notary ~~required by the board to issue minutes, in pursuance of article 114 of the Joint Stock Companies Act~~, the notarial minute will be considered to be the minutes of the shareholders' meeting and, consequently, will not require approval.

2. Modification of article 52 ("Application of earnings").

In relation to article 52 ("Application of earnings"), we propose substituting the reference made to article 157 of the Joint Stock Companies Act for a reference to the corresponding precept of the Stock Companies Act, that is, article 303 of said legal text.

Furthermore, we propose modifying the fifth paragraph of the bylaw precept to incorporate the new drafting of article 273 of the Stock Companies Act, of sections 3 and 4.

We also propose including an express mention of the possibility of distributing dividends in kind, establishing as a requirement for the same that the assets or securities object of distribution are homogenous, are admitted to listing on an official market at the time the resolution is effective (or that obtaining liquidity is guaranteed by the company in a maximum period of one year) and that they are not distributed for a value lower than they have in the company balance sheet. The purpose of this entry is to make it possible in the future, should the General Meeting consider appropriate according to the circumstances of the company and the market, for this type of distributions to be made. The regulation is completed with the prevision that the same rules for distributing dividends in kind will be applied in the case of a reduction of capital with a refund of contributions in kind.

To ease the comparison between the current drafting of the article proposed to be modified and the resulting modification, below we include, in two columns, a literal transcription of both texts, merely for the purpose of information.

Article 52**Application of earnings**

The shareholders' meeting will resolve on the application of profits of the year, as stated in the approved balance sheet.

Dividends will be distributed among the ordinary shareholders as and when decided by the shareholders' meeting in proportion to their paid-up capital. Unless otherwise specified, dividends will be paid at the registered office as from the day following adoption of the corresponding resolution.

Dividends may only be distributed against the profit for the year or retained earnings, provided that the net worth is not, and will not become as a result of the distribution, smaller than the capital.

Article 52**Application of earnings**

The shareholders' meeting will resolve on the application of profits of the year, as stated in the approved balance sheet.

Dividends will be distributed among the ordinary shareholders as and when decided by the shareholders' meeting in proportion to their paid-up capital. Unless otherwise specified, dividends will be paid at the registered office as from the day following adoption of the corresponding resolution.

Dividends may only be distributed against the profit for the year or retained earnings, provided that the net worth is not, and will not become as a result of the distribution, smaller than the capital.

Should the net worth of the company be pulled down below the capital as a result of losses from previous years, the profits will be used to offset such losses.

Profits may not be distributed until the formation expenses, research and development expenses and goodwill entered under assets on the balance sheet have been written off, unless retained earnings are at least equal to the amount of expenses pending amortisation.

A sum equal to 10% of the year's profits will be transferred to the legal reserve until this is equivalent to at least 20% of the capital. Until this limit is exceeded the legal reserve may only be used to offset losses, provided that there are no other reserves available for this purpose, notwithstanding the provisions of article 157 of the Joint Stock Companies Act.

Finally, the shareholders' meeting will decide on the sum to be applied to voluntary reserves and set aside to fund new investments, building and contingencies.

After the above provisions have been met and the necessary sums have been set aside to cover any other items stipulated in law or these Bylaws, dividends may be distributed against the profit for the year or retained earnings in such sum as the shareholders' meeting may decide. The remainder, if any, will be carried forward to the following financial year.

Should the net worth of the company be pulled down below the capital as a result of losses from previous years, the profits will be used to offset such losses.

Nor may profits be distributed unless the amount of the reserves available is, at least, equal to the amount of the costs of research and development that appear in the balance sheet assets. In any case, there must be an unavailable reserve equivalent to the trading fund that appears in the balance sheet assets, assigning for this purpose an amount of the profit that represents, at least, 5% of the amount of said trading fund. Should there be no profit, or should this be insufficient, unrestricted reserves will be used.

A sum equal to 10% of the year's profits will be transferred to the legal reserve until this is equivalent to at least 20% of the capital. Until this limit is exceeded the legal reserve may only be used to offset losses, provided that there are no other reserves available for this purpose, ~~notwithstanding the provisions of article 157 of the Joint Stock Companies Act.~~ notwithstanding the provisions of article 303 of the Stock Companies Act.

Finally, the shareholders' meeting will decide on the sum to be applied to voluntary reserves and set aside to fund new investments, building and contingencies.

After the above provisions have been met and the necessary sums have been set aside to cover any other items stipulated in law or these Bylaws, dividends may be distributed against the profit for the year or retained earnings in such sum as the shareholders' meeting may decide. The remainder, if any, will be carried forward to the following financial year.

The General Meeting may agree that the dividend be paid fully or partially in kind, as long as: (i) the assets or securities object of distribution are homogenous; (ii) they are admitted to listing on an official market -at the time the resolution is effective- or that obtaining liquidity is guaranteed by the company in a maximum period of one year; and (iii) that they are not distributed for a value less than they have in the company balance sheet. The same rules will apply in the case of a reduction of capital with refund of contributions when payment to shareholders is made, totally or partially, in kind.

3. Modification of articles 40 ("Chairman and Vice-Chairman") and 35 ("Board Meeting") of the Bylaws.

We propose modifying the text of the Bylaws to introduce into the company, in line with the best national and international practices of corporate governance, the figure of the Lead Independent Director, who must exist when, as is the current case, the Chairman of the Board of Directors simultaneously holds the position of Chief Executive Officer of the company.

This measure is inspired by the Unified Good Governance Code of Listed Companies (the "Unified Code") which, in the interest of preserving the best conditions for the good development of the general supervision duties of the Board of Directors, advises listed companies to adopt counterweight measures to avoid the excessive concentration of powers in one person, the Chairman, when he also holds the position of Chief Executive Officer of the company.

In this sense, and in line with the Olivencia Report, the 17th Recommendation of the Unified Code establishes that *"When a company's Chairman is also its Chief Executive, an independent director should be empowered to request the calling of board meetings or the inclusion of new business on the agenda; to coordinate and give voice to the concerns of external directors; and to lead the board's evaluation of the Chairman."*

Likewise, the Regulations of the Board of Directors have been modified to adapt to the introduction of this figure.

The Board of Directors considers the introduction of this figure to be positive, emphasising equally that the Company Corporate Governance system establishes extensive counterweight measures to limit the risk of accumulating powers in the figure of the Chairman and Chief Executive Officer, such as, among others, that half of the members of the Board of Directors be independent and that all the members of the Audit and Control Committee be independent. Likewise, the Appointment and Remuneration Committee has proposed to the Board of Directors the appointment of a new Independent Director as member of the Nomination and Compensation Committee, which will in consequence be composed of a majority of independent directors.

Consequently, and on a bylaw level, we propose modifying articles 40 and 35 of the Bylaws as follows:

a) That in article 40 ("Chairman and Vice-Chairman") we propose foreseeing that, when the Chairman simultaneously holds the position of chief executive of the company, the Board of Directors should appoint (at the proposal of the Nomination and Compensation Committee) an independent member to perform the role of Lead Independent Director, with the following tasks: (i) to request that the Chairman of the Board of Directors call said body when considered convenient; (ii) to request the inclusion of business in the agenda of meetings of the Board of Directors; (iii) to coordinate and give voice to the concerns of external directors; (iv) to lead the board's evaluation of the Chairman; and (v) to call and chair the meetings of independent directors considered necessary or convenient.

b) In article 35 ("Board Meetings") the possibility that the Lead Independent Director could request the Chairman to call the Board would be expressly included.

In addition, and given that the Regulations of the Board of Directors of the company, in its current drafting, already foresees that the Board must be called when requested by members who represent, at least, a quarter of the total, we propose adapting article 35 of the Bylaws to said provision and company practice (given that the current bylaws text only foresees that said duty responds to the majority of the Directors).

To ease the comparison between the current drafting of the articles proposed to be modified and the resulting modification, below we include, in two columns, a literal transcription of both texts, merely for the purpose of information.

Article 40
Chairman and Vice-Chairman
[Current text without modification]

Article 40
Chairman, and Vice-Chairman and Lead Independent Director
[Current text without modification]

When the Chairman holds the position of Chief Executive of the company, the Board of Directors will appoint, at the proposal of the Nomination and Compensation Committee, an independent director who, under the name of Lead Independent Director, will perform the following tasks:

(i) To request that the Chairman of the Board of Directors call this body when considered convenient.

(ii) To request the inclusion of business in the agenda of meetings of the Board of Directors.

(iii) To coordinate and give voice to the concerns of external directors

(iv) To lead the board's evaluation of the chairman

(v) To call and chair the meetings of independent directors considered necessary or convenient.

Article 35
Board Meetings

The board will meet at least six times a year and whenever else it may be called to do so by the chairman or acting chairman, or when requested by the majority of directors. Meetings will normally be held at the registered office, but may be held anywhere else as decided by the Chairman and indicated in the notice of call.

[Rest without modification]

Article 35
Board Meetings

The board will meet at least six times a year and whenever else it may be called to do so by the chairman or acting chairman, or when requested by ~~the majority a quarter, at least,~~ of the directors or the lead independent director referred to in article 40. Meetings will normally be held at the registered office, but may be held anywhere else as decided by the Chairman and indicated in the notice of call.

[Rest without modification]

Report of the Board of Directors on the resolution proposal related to the seventh point of the Agenda: ("Re-election as Director of Mr. Antonio Brufau Niubó").

The seventh point of the Agenda is to re-elect as Director, for a further period of four years, the Chairman of the Board of Directors of Repsol YPF, S.A., Mr. Antonio Brufau Niubó.

The proposal of appointment as a Director of Mr. Antonio Brufau Niubó, which the Board of Directors presents to the General Meeting, has been agreed following a favourable report by the Nomination and Compensation Committee held on 16 February 2011, which equally ratified the concurrence and subsistence, at the time of re-election, of the conditions of full eligibility of Mr. Brufau to hold the position of Director.

Mr. Brufau was appointed Director of Repsol YPF, S.A. by resolution of the Board of Directors on 23 July 1996, later ratified by the General Shareholders' Meeting on 6 June 1997, and re-elected by the General Shareholders' Meeting on 24 March 1999, on 4 April 2003 and 9 May 2007.

According to that established in the Bylaws and the Regulations of the Board of Directors, Mr. Brufau is considered to be a "Executive Director".

Available to the shareholders, on the company website (www.repsol.com), is a brief professional history of Mr. Brufau, other Boards of Directors to which he belongs, and the number of shares in the company which he owns, as well as a more detailed explanation of this proposal.

Report of the Board of Directors on the resolution proposal related to the eighth point of the Agenda: ("Re-election as Director of Mr. Luis Fernando del Rivero Asensio").

The eighth point of the Agenda is to re-elect as Director, for a further period of four years, Mr. Luis Fernando del Rivero Asensio.

The proposal of appointment as a Director of Mr. Luis Fernando del Rivero Asensio, which the Board of Directors presents to the General Meeting, has been agreed following a favourable report by the Nomination and Compensation Committee held on 16 February 2011, which equally ratified the concurrence and subsistence, at the time of re-election, of the conditions of full eligibility of Mr. del Rivero to hold the position of Director.

Mr. del Rivero was appointed Director of Repsol YPF, S.A. by resolution of the board of directors on 29 November 2006 and later ratified and appointed by the General Shareholders' Meeting on 9 May 2007.

According to that established in the Bylaws and the Regulations of the Board of Directors, Mr. del Rivero is considered to be an "External Institutional Director".

Available to the shareholders, on the company website (www.repsol.com), is a brief professional history of Mr. del Rivero, other Boards of Directors to which he belongs, and the number of shares in the company of which he is owner.

Report of the Board of Directors on the resolution proposal related to the ninth point of the Agenda: ("Re-election as Director of Mr. Juan Abelló Gallo").

The ninth point of the Agenda is to re-elect as Director, for a new period of four years, Mr. Juan Abelló Gallo.

The proposal of appointment as a Director of Mr. Juan Abelló Gallo, which the Board of Directors presents to the General Meeting, has been agreed following a favourable report by the Nomination and Compensation Committee held on 16 February 2011, which equally ratified the concurrence and subsistence, at the time of re-election, of the conditions of full eligibility of Mr. Abelló to hold the position of Director.

Mr. Abelló was appointed Director of Repsol YPF, S.A. by resolution of the Board of Directors on 29 November 2006 and later ratified and appointed by the General Shareholders' Meeting on 9 May 2007.

According to that established in the Bylaws and the Regulations of the Board of Directors, Mr. Abelló is considered to be an *“External Institutional Director”*.

Available to the shareholders, on the company website (www.repsol.com), is a brief professional history of Mr. Abelló, other Boards of Directors to which he belongs, and the number of shares in the company which he owns.

Report of the Board of Directors on the resolution proposal related to the tenth point of the Agenda: (“Re-election as Director of Mr. Luis Carlos Croissier Batista”).

The tenth point of the Agenda is to re-elect as Director, for a new period of four years, Mr. Luis Carlos Croissier Batista.

The proposal of appointment as a Director of Mr. Luis Carlos Croissier Batista, which the Board of Directors presents to the General Meeting, has been agreed following a favourable report by the Nomination and Compensation Committee held on 16 February 2011, which equally ratified the concurrence and subsistence, at the time of re-election, of the conditions of full eligibility of Mr. Croissier to hold the position of Director. It is the responsibility of said Commission, in accordance with the company Bylaws and the Regulations of the Board of Directors, to propose the appointment of External Independent Directors.

Mr. Croissier was appointed Director of Repsol YPF, S.A. by resolution of the General Shareholders' Meeting on 9 May 2007.

According to that established in the Bylaws and the Regulations of the Board of Directors, Mr. Croissier is considered to be an *“External Independent Director”*.

Available to the shareholders, on the company website (www.repsol.com), is a brief professional history of Mr. Croissier, other Boards of Directors to which he belongs, and the number of shares in the company which he owns.

Report of the Board of Directors on the resolution proposal related to the eleventh point of the Agenda: (“Re-election as Director of Mr. Ángel Durández Adeva”).

The eleventh point of the Agenda is to re-elect as Director, for a new period of four years, Mr. Ángel Durández Adeva.

The proposal of appointment as a Director of Mr. Ángel Durández Adeva, which the Board of Directors presents to the General Meeting, has been agreed following a favourable report by the Nomination and Compensation Committee held on 16 February 2011, which equally ratified the concurrence and subsistence, at the time of re-election, of the conditions of full eligibility of Mr. Durández to hold the position of Director. It is the responsibility of said Commission, in accordance with the company Bylaws and the Regulations of the Board of Directors, to propose the appointment of External Independent Directors.

Mr. Durández was appointed Director of Repsol YPF, S.A. by resolution of the General Shareholders' Meeting on 9 May 2007.

According to that established in the Bylaws and the Regulations of the Board of Directors, Mr. Croissier is considered to be an *“External Independent Director”*.

Available to the shareholders, on the company website (www.repsol.com), is a brief professional history of Mr. Durández, other Boards of Directors to which he belongs, and the number of shares in the company which he owns.

Report of the Board of Directors on the resolution proposal related to the twelfth point of the Agenda: (“Re-election as Director of Mr. José Manuel Loureda Mantiñán”).

The twelfth point of the Agenda is to re-elect as Director, for a new period of four years, Mr. José Manuel Loureda Mantiñán.

The proposal of appointment as a Director of Mr. José Manuel Loureda Mantiñán, which the Board of Directors presents to the General Meeting, has been agreed following a favourable report by the Nomination and Compensation Committee held on 16 February 2011, which equally ratified the concurrence and subsistence, at the time of re-election, of the conditions of full eligibility of Mr. Loureda to hold the position of Director.

Mr. Loureda was appointed Director of Repsol YPF, S.A. by resolution of the Board of Directors on 31 January 2007 and later ratified and appointed by the General Shareholders' Meeting on 9 May 2007.

According to that established in the Bylaws and the Regulations of the Board of Directors, Mr. Loureda is considered to be an *“External Institutional Director”*.

Available to the shareholders, on the company website (www.repsol.com), is a brief professional history of Mr. Loureda, other Boards of Directors to which he belongs, and the number of shares in the company which he owns.

Report of the Board of Directors on the resolution proposal related to the thirteenth point of the Agenda: (“Appointment as Director of Mr. Mario Fernández Pelaz”).

The thirteenth point of the Agenda consists of appointing as Director, for a period of four years, Mr. Mario Fernández Pelaz, to cover the vacancy created by the resignation of Mr. Carmelo de las Morenas López.

Mr. de las Morenas López was appointed director of Repsol YPF, S.A. on 23 July 2003, and re-elected for the last time, by resolution by the General Meeting on 9 May 2007, which approved his re-election as director for the period of four years stipulated in the bylaws.

For this reason, as the period of his last re-election as director will soon expire (9 May 2011), in order to ease his replacement by subjecting this proposal to the General Shareholders' Meeting, he communicated his resignation of his position in the meetings of the Nomination and Compensation Committee and the Board of Directors on 16 and 23 February 2011 respectively. Said resignation will be effective as of 15 April 2011, in the meeting that the Board of Directors will hold before the start of the General Shareholders' Meeting.

The proposal of appointment as a Director of Mr. Mario Fernández Pelaz, that the Board of Directors presents to the General Shareholders' Meeting, has been agreed at the proposal of the Nomination and Compensation Committee. It is the responsibility of said Committee, in accordance with the company Bylaws and the Regulations of the Board of Directors, to propose the appointment of External Independent Directors.

Consequently, according to that established in the Bylaws and the Regulations of the Board of Directors, Mr. Fernández Pelaz would be considered to be an *“External Independent Director”*.

Below shareholders will find a brief history of Mr. Fernández Pelaz:

- Lawyer specialised in Financial Law (securities market and credit market), corporate law, acquisitions, etc.
- Professor of Mercantile Law in the Faculty of Law of Deusto University and in the Faculty of Business Science at the same University, from 1966 to 1997.
- Professor of different Masters at Deusto University.
- Minister and later Vice-president of the Basque Government (1980-1985). Chairman of the Central Administration-Basque Government Transfers Mixed Committee, Chairman of the Basque Financial Council, Chairman of the Economic Committee of the Basque Government.
- Member of the Arbitration Committee of the Basque Autonomous Community since its creation until the year 2009.
- Executive Director of Grupo BBVA and member of the Executive Committee from 1997 to 2002.
- Main Partner of Uría Menéndez from 2002 to June 2009.
- Since July 2009, Chairman of BBK.
- Author of different publications on mercantile and financial matters.

Mr. Fernández Pelaz owns, directly and indirectly, a total of 4,000 shares in Repsol YPF, S.A.

Report of the Board of Directors on the resolution proposal to the fourteenth point (“Delivery Share Plan for Beneficiaries of Pluriannual Remuneration Programmes”) and fifteenth point (“Share Acquisition Plan 2011-2012”) of the Agenda.

The company Board of Directors has approved, following a report from the Nomination and Compensation Committee, two remuneration plans linked or referenced to the value of company shares, aimed at employees and executives of Repsol YPF Group. To put these plans into practice, in accordance with the Stock Companies Act, they must be submitted to the General Shareholders' Meeting.

The first of the plans indicated (the “Delivery Share Plan for Beneficiaries of the Pluriannual Remuneration Programmes”) contemplates the payment of shares in favour of its beneficiaries (Executive Directors, Executives and other professionals of Repsol Group YPF who are beneficiaries of certain pluriannual remuneration programmes) and linked to certain investment and continuance requirements. The second of the plans, called “Share Acquisition Plan 2011-2012”, is aimed at executives and employees of Repsol YPF Group in Spain, and its purpose is to allow those who wish to do so to receive up to €12,000 of their annual remuneration in company shares. Both plans aim to favour employee and executive investment in company capital, increasing their motivation and loyalty, and contributing to the structuring of a common group culture in terms of compensation and benefits.

The plans indicated are explained in greater detail below.

a) Delivery Share Plan for Beneficiaries of Pluriannual Remuneration Programmes.

The company is running certain pluriannual remuneration programmes (IMP) in cash aimed at executive directors, executives and other professional groups. These plans last for four years and are linked to the fulfilment of certain objectives. Currently in force are IMP 2007-2010 (already finalised and pending payment), IMP 2008-2011, IMP 2009-2012, IMP 2010-2013 and IMP 2011-2014.

The purpose of the Delivery Share Plan for Beneficiaries of Pluriannual Remuneration Programmes is to allow Executive Directors, as well as the beneficiaries of said pluriannual remuneration programmes, to invest up to 50% of the gross amount received in the liquidation of each of the programmes in company shares, with the particularity that, if they keep the shares for three years and fulfil other conditions (continuance in the Group, fulfilment of internal regulations and lack of material reformulation of the financial state of the company that affects the level of compliance with the pluriannual remuneration programme objectives), at the end of the period indicated, they will receive one Repsol YPF share for every three shares of the initial investment that they have maintained.

The proposal submitted to the General Meeting contemplates the approval of five cycles of the Delivery Share Plan for Beneficiaries of Pluriannual Remuneration Programmes, aimed at regulating investment by beneficiaries up to a maximum of 50% of the gross amounts that correspond to them in accordance with the pluriannual remuneration programmes IMP 2007-2010 (liquidated in 2011), IMP 2008-2011 (liquidated in 2012), IMP 2009-2012 (liquidated in 2013), IMP 2010-2013 (liquidated in 2014) and IMP 2011-2014 (liquidated in 2015). In consequence, the shares object of the Plan given to its beneficiaries, in the proportion of one for every three invested and maintained, would be produced, if applicable, in the years 2014 (for the first cycle), 2015 (for the second cycle), 2016 (for the third cycle), 2017 (for the fourth cycle) and 2018 (for the fifth cycle).

The proposal contemplates the maximum amount for each of the cycles that can be dedicated to investment in shares, and the formula to determine the maximum number of shares to be given during each cycle, and it is completed with the usual powers of development of the regulations of the Plan and interpretation in favour of the Board of Directors and, by delegation, of the Delegate Committee.

b) Share Acquisition Plan 2011-2012

The Share Acquisition Plan 2011-2012 aims to allow executives and the rest of the employees of Repsol YPF Group in Spain who wish to do so, to receive up to €12,000 of the annual remuneration in company shares. It is therefore a plan that does not involve additional remuneration, but it simply allows its beneficiaries to structure their remuneration in a different payment form

–in shares–, at their own discretion. The plan is equally designed taking into consideration the treatment as income exempt of tax that giving company shares to employees of Repsol YPF Group in Spain has on Personal Income Tax, as long as it does not exceed an annual remuneration of €12,000, that the offer is made as part of the general compensation policy of the company or its groups –as is the case–, that employees, together with their partners and their immediate family do not own, directly or indirectly, more than 5 per cent of the shares in the company or in other companies of the Group and that these maintain the shares received for at least three years.

The proposal contemplates the maximum amount that can be dedicated to investment in shares, and the formula to determine the maximum number of shares to be given, and it is completed with the usual powers of development of the regulations of the Plan and interpretation in favour of the Board of Directors and, by delegation, of the Delegate Committee.

Report of the Board of Directors on the resolution proposal related to the sixteenth point of the Agenda (“Delegation to the Board of Directors of the power to issue fixed rate, convertible and/or exchangeable securities for company shares or exchangeable for shares in other companies, as well as warrants (options to subscribe new shares or to acquire shares in circulation of the company or other companies). Fixing the criteria to determine the bases and modes of conversion and/or exchange and attribution to the Board of Directors of the powers to increase capital by the amount necessary, as well as to totally or partially exclude the pre-emptive subscription rights of the shareholders of said issues. Authorisation for the company to guarantee securities issued by its subsidiaries. To leave without effect, in the portion not used, the seventh resolution of the General Shareholders' Meeting held on 16 June 2006.”):

The object of this report is to justify the proposal of the General Shareholders' Meeting that, under the sixteenth point of the Agenda, grants powers to the Board of Directors of Repsol YPF, S.A. (the “Company”), with the express power of delegation in favour of the Delegate Committee, to issue, on one or several occasions, debentures, bonds and other fixed rate securities of a similar nature, exchangeable and/or convertible in Company shares or exchangeable for shares of other companies, as well as warrants convertible and/or exchangeable for shares in the Company or other companies.

The Board of Directors considers that it highly recommendable to have the delegated powers allowed in current regulations to be, at all times, in conditions to capture in the primary securities markets those funds that are necessary to adequately manage the company interests. From this perspective, the delegation proposed aims to grant the company administration body the leeway and response capacity required by the competitive environment in which the company moves; in which the success of a strategic initiative or a financial operation often depends on the possibility of carrying it out quickly, without the hesitation and cost entailed in calling and holding a General Shareholder's Meeting.

With this purpose, according to that established in articles 511 of the Stock Companies Act and 319 of the Regulations of the Mercantile Registry, applying by analogy that stipulated in article 297.1.b) of the Stock Companies Act, we propose to the General Meeting adopting the resolution formulated under the sixteenth point of its Agenda.

The proposal establishes a maximum amount appointed to the issues under the delegation of €7 billion or its equivalent in another currency, distributed among issues of debentures that are convertible and/or exchangeable for company shares, or warrants on newly issued shares in which, under section B)7 of the proposal formulated, the pre-emptive subscription right is excluded (whose maximum amount will in turn be €3 billion), and the issues of debentures that are convertible and/or exchangeable or warrants, or debentures exchangeable for other companies shares, in which the pre-emptive subscription right is not excluded (whose maximum amount will in turn be €4 billion) .

The proposal also contemplates authorising the Board of Directors to issue convertible and/or exchangeable debentures or bonds or warrants and to agree, when appropriate, the necessary capital increase to attend the conversion or exercising of the subscription option, as long as this increase by delegation does not exceed half of the company capital, as stipulated in article 297.1.b) of the Stock Companies Act, or the lower limit established in the General Meeting authorisation for the case in which the issue excludes the pre-emptive subscription right.

Additionally, also in the case of issuing convertible and/or exchangeable securities, the resolution proposed includes the criteria to determine the bases and forms of the conversion and/or exchange, although it does allow the Board of Directors to specify some of these bases and forms for each issue, always within the limits and in accordance with the criteria set by the General Meeting. Consequentially, it will be the Board of Directors who determines the specific ratio of conversion and/or exchange for which it will issue, at the time of approving an issue of convertible and/or exchangeable securities, under this delegation, a report developing and specifying the specific bases and forms of conversion, exchange or exercising that will also be object of the corresponding auditors' report, as established in article 414.2 of the Stock Companies Act.

In particular, the resolution proposal submitted to approval by the General Meeting establishes that the securities issued will be evaluated by their par amount, and the shares at a fixed (determined or to be determined) or variable exchange rate, determined by the resolution of the Board of Directors.

Thus, to the effects of conversion and/or exchange, the fixed rate securities will be evaluated for their par amount, and the shares at the exchange rate established by the Board of Directors in the resolution in which it makes use of this delegation, or at the exchange rate to be determined on the date or dates indicated in said resolution, according to the listing value on the stock market of company shares on the date/s or in the period/s taken as a reference in the same resolution, with or without discount and, in any case, with a minimum of the highest of the following two: (a) the average exchange rate of the shares in the Continuous Market of Spanish Stock Markets, according to closing rates, during a period to be determined by the Board of Directors; no more than three (3) months nor less than fifteen (15) days before the date of adopting the resolution to issue fixed rate securities by the Board of Directors, and (b) the exchange rate of the shares on the Continuous Market according to the closing rate on the day prior to adopting said issue resolution. In this way, the board considers that it is granted sufficient margin of flexibility to set the value of shares for the purpose of conversion, exchange or exercising according to market conditions and other applicable considerations, although this must be, at least, substantially equivalent to its market value at the time that the board resolves the issue of fixed rate securities.

It may also be agreed to issue convertible and/or exchangeable fixed rate securities with a variable ratio of conversion and/or exchange. In this case, the price of the shares for the purpose of conversion and/or exchange, will be the arithmetical average of the closing prices of the company shares in the Continuous Market during a period to be determined by the Board of Directors; no more than three (3) months or less than five (5) days before the date of conversion and/or exchange, with a premium or, where appropriate, a discount on said price per share. The premium or discount can be different for each date of conversion and/or exchange of each issue (or, when appropriate, each stage of an issue), although in the case of setting a discount on the price per share, this may not be greater than 30%. Again, the board considers that this provides it with sufficient leeway to set the variable conversion and/or exchange ratio according to market circumstances and the remaining considerations that the board must attend to, by establishing a maximum discount in order to ensure that the type of issue of new shares in the case of conversion, should the discount be granted, does not deviate more than 30% in relation to the market value of the shares at the time of conversion.

Similar criteria will be used, *mutatis mutandi* and insofar as they are applicable, to issue debentures (or warrants) exchangeable for shares in other companies (in this case, the references to the Spanish stock markets will be made, if appropriate, to the markets where said shares are listed).

In the case of warrants on newly issued shares, inasmuch as they are compatible with their nature, the rules on convertible debentures assigned in the proposal shall be applied.

In addition, and in accordance with that stipulated in article 415.2 of the Stock Companies Act, convertible debentures may not be converted into shares when the par value of the shares is

less than the value of the debentures. Neither may convertible debentures be issued for an amount lower than their par value.

On the other hand, it is stated that the authorisation to issue fixed rate securities includes, in accordance with that established in article 511 of the Stock Companies Act and in the case that the object of the issue is convertible debentures, attributing the Board of Directors the power to exclude, totally or partially, the pre-emptive subscription right of shareholders when this is required to capture financial resources on the markets or in other ways justified by company interests. The Board of Directors considers that this additional possibility, that considerably extends the leeway and capacity of response offered by a simple delegation of the power to issue convertible debentures, is justified by the flexibility and agility with which it is necessary to act in current financial markets in which the market conditions are more propitious. This justification also exists when capturing financial resources is intended to be made on international markets or by techniques of demand prospecting or bookbuilding or when otherwise justified by company interests. Finally, the withdrawal of the pre-emptive subscription right allows a relative reduction of the financial cost of the loan and the costs associated to the operation -including, in particular, the commissions of the financial entities that participate in the issue- in comparison with an issue in which pre-emptive subscription right are given, and at the same time it has a lesser effect of distortion in the negotiation of company shares during the issue period.

With all this, note that the exclusion of the pre-emptive subscription right is a power that the General Meeting delegates in the Board of Directors and it corresponds to the latter, taking into account the specific circumstances and in relation to legal requirements, to decide in each case whether excluding such a right is appropriate or not. Additionally, in the case that in an issue the board resolves the exclusion of the pre-emptive subscription right, it must issue at the same time a report explaining the reasons of company interest that justify said exclusion, which will be object of the compulsory auditors' report established in articles 417.2 and 511.3 of the Stock Companies Act, and they will be available to shareholders and communicated in the first General Meeting held after adopting the issue resolution.

The proposal is completed with the request that, when appropriate, the securities issued under this authorisation are admitted to negotiation in any secondary market, organised or not, national or foreign, authorising the board to carry out the appropriate procedures for such purposes, with the express possibility that the powers of any kind granted to the Board of Directors may in turn be delegated by the board to the Delegate Committee.

Likewise, the proposal includes authorising the board to guarantee the issue of fixed rate securities referred to in this resolution that may be made by companies belonging to Repsol YPF Group.

Finally, it must be specified that the proposal includes leaving without effect, in the portion not used, the seventh resolution of the General Shareholders' Meeting of 16 June 2006, due to identity in the matter regulated.

Report of the Board of Directors on the resolution proposal related to the seventeenth point of the Agenda ("Delegation of powers to complement, develop, execute, correct and formalise the resolutions adopted by the General Meeting")

This is the usual resolution that grants the Board of Directors the ordinary powers for the appropriate execution of the resolutions of the General Meeting itself, including the powers to formalise the deposit of the Annual Accounts and to register the resolutions subject to the same.

Report explaining the additional information of the Management Report for the fiscal year ended on december 31st, 2010

In accordance with Section 116.bis of the Securities Market Act, the present report, regarding the additional information required by said provision to be included in the Management Report, is formulated for its presentation at the Ordinary General Shareholders' Meeting of the Company.

-
- A** Structure of the capital, including any securities not traded on a EU regulated market, indicating the different classes of shares, if any, the rights and obligations granted by each class and the percentage of capital it represents.
- Repsol YPF, S.A. currently has a capital of 1,220,863,463 euros, divided into 1,220,863,463 shares with a par value of 1 euro each, fully subscribed and paid up, all in the same class and, consequently, with the same rights and obligations.
- The Repsol YPF, S.A. shares are issued in book-entry form and were admitted in their entirety for listing in the electronic continuous trading system of the Spanish stock exchanges (Madrid, Barcelona, Bilbao and Valencia), New York (New York Stock Exchange) and Buenos Aires (Bolsa de Comercio de Buenos Aires). At the date of the present Management Report, Repsol YPF, S.A. ADSs, are listed in the New York Stock Exchange-NYSE but on February 22nd, 2011 the company has formally applied for the delisting of the ADSs in said market. In this sense, it is estimated that the last day of trading of the ADSs on the NYSE will be March 4th, 2011.
-
- B** Any restriction on the transferability of shares
- As set out in the 11th Additional Provision of Act 34/1998 on the hydrocarbons sector, as per the wording of Royal Decree Law 4/2006, 24 February, administrative authorization must be sought from the National Energy Commission for certain holding acquisitions that involve companies that carry out regulated activities or activities that are subject to administrative intervention which entails a special binding relationship.
- The Ruling of the Court of Justice of the European Communities (CJEC) of 28 July 2008 set out that, by enforcing this requirement, the Kingdom of Spain has breached the obligations incumbent upon it under articles 43 (freedom of establishment) and 56 (freedom of movement of capital) of the European Community Constitutional Treaty.
-
- C** Direct or indirect significant interest in the share capital.
- As of the last date available, the following were the most significant holdings in the share capital of Repsol YPF, S.A.:

Shareholder	Total % of the share capital
Sacyr Vallehermoso, S.A.(1)	20.01
Criteria Caixa Corp, S.A.	12.97
Petróleos Mexicanos (2)	4.81

(1) The shareholding of Sacyr Vallehermoso is held through Sacyr Vallehermoso Participaciones Mobiliarias, S.L.

(3) The shareholding of Petroleos Mexicanos (Pemex) is held through Pemex Internacional España, S.A. and through several equity swap instruments with certain financial institutions providing mechanisms furnishing Pemex with the financial rights and the exercise of voting rights up to 4.81% of the company's share capital.

D

Any restriction on voting rights

- Article 27 of the Corporate Articles of Association of Repsol YPF, S.A. lays down that the maximum number of votes than an individual shareholder, or companies belonging to the same Group, may cast at the General Meeting of Shareholders shall be 10% of the Share Capital with voting rights.
- Furthermore, article 34 of Royal Decree Law 6/2000 sets out certain restrictions on the exercise of voting rights in more than one principal operator in the same market or sector. Among others, it lists the markets for the production and distribution of fuels, the production and supply of liquid petroleum gases and the production and supply of natural gas, principal operator being understood to be any of the entities that hold the five largest shares in the market in question.

Such constraints are specified as follows:

- Natural or legal persons who have a direct or indirect holding of over 3% in the Share Capital or the voting rights of two or more principal operators in the same market may not exercise the voting rights attached to the excess over and above such percentage in more than one of those companies.
- A principal operator may not exercise voting rights representing more than 3% of the Share Capital of another principal operator in the same market.

These prohibitions shall not apply to parent companies which have the status of principal operator with respect to their controlled companies that have the same status, provided that such structure is imposed by the legal system or is the consequence of a mere redistribution of securities or assets among companies in the same Group.

The National Energy Commission, as the energy market regulatory body, may authorize the exercise of the voting rights attached to the excess, provided that this does not favour the exchange of strategic information or entail risks of coordination in their strategic activities.

E

Shareholders' agreements

Repsol YPF, S.A. has not been notified of any shareholders' agreement regulating the exercising of voting right at its general meetings or limiting or establishing condition for the free transferability of the Repsol YPF, S.A. shares.

F

Rules applicable to the appointment and replacement of directors and to the amendment of the Articles of Association.

• Appointment

Members of the board are appointed by the General Meeting of Shareholders, without prejudice to the power of the Board to appoint shareholders to fill any vacancies that may arise, up to the next general meeting.

No-one affected by the prohibitions established in article 213 of the Stock Companies Act or any other incompatibilities established in current laws may be appointed director of the company.

Nor may persons or entities that are in a permanent conflict of interest with the company be directors, including competing companies, their directors, executives or employees, or any persons related to or proposed by such companies.

Directors must be persons who, as well as meeting the requirements stipulated in law and the bylaws, have recognised prestige and adequate knowledge and professional experience and expertise to perform their duties.

Nominations for the appointment of directors submitted by the Board to the General Meeting and appointments made by cooptation must be approved by the Board (i) upon proposal of the Nomination and Compensation Committee, in the case of Independent Outside Directors, or (ii) subject to a report by said Committee for other directors.

• Re-election

The Nomination and Compensation Committee assesses the quality of work and dedication to office during the preceding term in office of any directors proposed for re-election.

The proposals for re-election of directors submitted by the Board to the General Meeting must be approved by the Board (i) upon proposal of the Nomination and Compensation Committee, in the case of Independent Outside Directors, or (ii) subject to a report by said Committee for other directors.

• Retirement

Directors shall retire from office upon expiry of the term for which they were appointed (unless they are re-elected) and in the other cases contemplated in law, the Articles of Association and the Regulations of the Board.

Directors must also tender their resignations to the board in any of the following circumstances:

- When they are affected by any of the cases of incompatibility or prohibition established in law, the Articles of Association or regulations.
- If they are seriously reprimanded by the Nomination and Compensation Committee or the Audit and Control Committee for defaulting their obligations as directors.
- When, in the opinion of the Board, subject to a previous report by the Nomination and Compensation Committee:
 - Their remaining on the Board could jeopardise the interests of the company or adversely affect the functioning of the board or the reputation of the company; or
 - The reasons for their appointment have disappeared. This includes, in particular:
 - Institutional Outside Directors, if the shareholder they represent or that proposed their appointment disposes of all their shares. They shall also tender their resignations and resign, should the board so deem fit, in the corresponding proportion, if the shareholder in question disposes of part of its shareholding interest, to an extent requiring a reduction in the number of its institutional outside directors.
 - Executive Directors, if they cease to hold the executive positions outside the Board to which their appointment as director was linked.

The Board will not propose the removal of any Independent Outside Director before the end of the statutory term for which he/she has been appointed, unless there are just grounds for doing so, in the opinion of the Board, subject to a previous report by the Nomination and Compensation Committee. In particular, there shall be deemed to be just grounds when the director (i) has defaulted the duties corresponding to his/her office; (ii) is in any of the situations described in the preceding paragraphs; or (iii) falls into any of the circumstances described in the Regulations of the Board, whereby he/she can no longer be classified as a Independent Outside Director.

The retirement of Independent Outside Directors may also be proposed as a result of takeover bids, mergers or other similar corporate operations entailing a change in the ownership structure of the company, insofar as this may make it necessary to establish a reasonable balance between Institutional and Independent Outside Directors, in accordance with the ratio of capital represented by the former and the rest of the capital.

• Amendment of the Articles of Association

The Articles of Association of Repsol YPF, S.A., available on its web site (www.repsol.com), do not establish any conditions differing from those set out in the Joint Stock Companies Act for their amendment, except for the amendment of the last paragraph of Article 27, concerning the maximum number of votes that may be cast at General Meetings by any one shareholder

or the companies belonging to the same group. This resolution, and the resolution to amend this special provision contained in the final paragraph of Article 22 of the Articles of Association, must be adopted with the favourable vote, on first and second call, of 75% of the voting capital attending or represented at the general meeting.

G

Powers of the Board, particularly those concerning the issuing or repurchasing of shares

The Annual General Meeting of Shareholders of the company, held on 31 May 2005 agreed to authorise the Board of Directors to increase the Share Capital, once or several times, during a period of 5 years, by the maximum amount of 610,431,731 (approximately half of the current Share Capital), by issuing new shares the counter value of which shall consist of cash contributions.

Likewise, the Annual General Meeting of Shareholders of the company, held on 14 May 2009, authorised the Board of Directors to engage in the derivative acquisition of own shares, under the terms indicated above in the "Financial situation" section of this Management Report.

Finally, in addition to the powers recognised in the company's Articles of Association and the Board Regulations as being conferred upon the Chairman and Vice-Chairmen of the Board, the Executive Directors have each been granted general powers of attorney to represent the company, conferred by the Board of Directors, and which are duly recorded in the Commercial Register of Madrid.

H

Significant agreements entered into by the company, which are to become effective, be amended or terminate upon a change in the control of the company following a takeover bid, and the effects thereof, unless disclosure may be seriously detrimental to the company. This exception will not be applicable when the company is legally obliged to disclose this information.

The company participates in exploring for and exploiting hydrocarbons through consortiums or joint ventures with other oil companies, both public and private. In the contracts that govern relations between the members of the consortium the other partners are usually granted a right of first refusal over the holding of the partner on which a change of control takes place when the value of said holding is significant in relation to the overall assets of the transaction or when other conditions set out in the contracts occur.

Likewise, according to the rules regulating the oil and gas industry in the different countries in which the company operates, the transfer, total or partial, of research permits and exploitation concessions as well as, on occasions, the change of control in the concessionaire entity or entities and in particular in the entity that has the status of mining area operator, are subject to prior authorisation by the competent administrative authority.

In addition, the agreements entered into by and between Repsol YPF and Caja de Ahorros y Pensiones de Barcelona ("la Caixa") relating to Gas Natural SDG S.A., reported as relevant events through the Securities Market Commission, as well as the Industrial Agreement Activity between Repsol YPF and Gas Natural SDG S.A. foreseen in the abovementioned agreements and disclosed as a relevant event on 29 April 2005 and the Partnership Agreement between Repsol YPF and Gas Natural SDG relating to Repsol-Gas Natural LNG S.L. consider the change in the control structure of either of the parties to be grounds for termination.

I

Agreements between the company and its directors, executives or employees contemplating compensations when the latter resign or are dismissed without cause, or if their employment relationship is terminated as a result of a takeover bid.

- **Executive Directors**

The Chairman and the Secretary and General Counsel are entitled to a Deferred Economic Compensation in the event of termination of their relation with the company, provided such termination is not due to any default of their obligations or at their own desire, without any of the justifying causes contemplated in the contract. The amount of the compensation for termination of the relation is three years' total monetary remuneration.

- **Executives**

The Repsol YPF Group has established a single legal statute for its executives, set out in the Executive Contract, which regulates the compensations applicable in cases of termination of the employment relationship, contemplating as grounds for compensation those stipulated in current legislation.

For members of the Executive Committee, these grounds include resignation by the executive following a business succession or major change in the ownership of the company, resulting in a material change in the members of the governing bodies or in the contents and approach of the principal activity of the company. The amount of the compensation of the current members of the Executive Committee is calculated according to the age, seniority and salary of the executive.

Additional information of these matters is detailed in note 33 to the Consolidated Annual Accounts.

Report on the Remuneration Policy for Directors of Repsol YPF, S.A.

I. Competences of the board of directors and the nomination and compensation committee

The competences of the Board of Directors and its Nomination and Compensation Committee on Directors' remuneration are established in the By-Laws and in the Regulations of the Board of Directors.

In accordance with article 5.3.c) of the Regulations of the Board of Directors, the Directors' emoluments and, in the case of Executive Directors, the additional remuneration for their executive duties and other conditions of their contracts, have to be approved by the Board.

The Nomination and Compensation Committee, in accordance with article 33.4.a) of the Regulations, will propose to the Board its remuneration policy, assessing the responsibility, dedication and incompatibilities required to the Directors. In the case of Executive Directors, the Committee proposes to the Board their additional remuneration for their executive duties and other conditions of their contracts.

II. Remuneration policy for directors

1. Corporate Governance framework

The Spanish National Securities Market Commission (Comisión Nacional del Mercado de Valores) approved on May 22nd, 2006 the Unified Good Governance Code as single text on corporate governance recommendations. The main purposes of this Code were to (i) unify the existing recommendations in Spain until 2003; (ii) harmonize them with those made after that date (OECD principles and European Union recommendations, among others); and (iii) take into account the views of experts from the private sector as well as those from the State Secretariat for the Economy, the Ministry of Justice and the Banco de España.

One of the main principles of the Code is its voluntariness, subject to the "comply or explain" internationally known principle expressly cited in Article 116 of the Securities Market Act.

With this report Repsol YPF follows the new recommendations and continues its transparency policy on remuneration, treating separately the remuneration of Executives and non-Executive Directors and including a description of the main principles of the remuneration policy inside the Group.

2. General principles of the remuneration policy for Directors

In respect of the exercise by Directors of their oversight and group decision duties, the purpose of the remuneration policy is to remunerate them in a suitable way for their dedication and responsibilities without jeopardizing their independence.

In respect of the exercise by the Executive Directors of their executive duties (apart from their oversight and group decision duties), their remuneration is adapted to the executives remuneration general policy inside Repsol YPF Group, explained hereinafter.

Repsol YPF desires to be placed as an admired and distinguished Company in the fields it operates for the high value added, the excellence in management, the organization culture and the quality of its executive team.

In this regard, Repsol YPF understands remuneration as a value generating element through which the Company is able to retain and attract the best professionals, assuming undertakings with its executives and making them feel part of the organization.

Following these criteria, the determination of the total remuneration takes into consideration comparative figures from the Spanish large corporate groups. The remuneration of the Chief Executive Officer also takes into consideration the trends evolution of the European energy market.

Therefore, the total remuneration must be understood in view of the whole of the remuneration package, harmonizing the balance among all of its elements (fixed, variable short term and medium term remuneration and social benefits):

- Fixed remuneration: is determined taking into consideration the market references mentioned before and the sustainable contribution of each executive.
- Annual variable remuneration: its purpose is to motivate the performance of the executive and assess annually his or her contribution to the achievement of the established goals and to the development of the organization Values. Its maximum amount is established as a percentage of the fixed remuneration.
- Multi-annual variable remuneration: the Company has implemented monetary medium term incentive programs, with a four years measurement period. These programs sought to strengthen the ties of the executives with the interests of the shareholders through the sustainable creation of value, remunerating the contribution to the achievement of the strategic goals of the Company, and, at the same time, furthering the continuation of the executives within the Group in an increasingly competitive employment market.
- Other benefits: the above described monetary remunerations are complemented with welfare systems and health and life insurances, aligned with the reference market practices.

3. Directors remuneration structure

A. Fixed remuneration

a. Due to membership on the Board of Directors of Repsol YPF

In accordance with Article 45 of the bylaws, the Company may pay remuneration equal to 1.5% of its net profit to its Board members each year for the exercise of their oversight and group decision duties, but this amount can only be paid after covering the legal reserve and any other compulsory reserves and declaring a dividend of at least 4%. The Board of Directors shall decide on the exact sum payable within this limit and on its distribution among the Directors, taking into account the positions held on the Board and its Committees by each Director.

The Nomination and Compensation Committee shall propose to the Board the criteria it considers appropriate to achieve the purposes of this Article of the By-Laws.

The remuneration of the Directors is calculated through the allocation of points for the membership to the Board and its Committees.

The Board of Directors held on February 24, 2010 agreed not to increase the value of the point for 2010, as decided for 2009, keeping the value of the point set for 2008 fiscal year (Euros 86,143.51 - annual gross).

The allocation of points is the following:

	POINTS
Board of Directors	2
Delegate Committee	2
Nomination and Compensation Committee	0.5
Strategy, Investment and Corporate Social Responsibility Committee	0.5
Audit and Control Committee	1

The amounts of the remuneration earned by each Director in 2010 by virtue of membership to the Board and its Committees are as follows:

	Board of Directors	Delegate Committee	Audit and Control Committee	Nomination and Compensation Committee	Strat., Invest. And CSR Committee	TOTAL
Brufau Niubó, Antonio	172,287	172,287	–	–	–	344,574
Del Rivero Asensio, Luis	172,287	172,287	–	–	–	344,574
Fainé Casas, Isidro	172,287	172,287	–	–	–	344,574
Abelló Gallo, Juan	172,287	–	–	–	43,072	215,359
Beato Blanco, Paulina	172,287	–	86,144	–	–	258,431
Carulla Font, Artur	172,287	172,287	–	43,072	–	387,646
Croissier Batista, Luis Carlos	172,287	–	–	–	43,072	215,359
De Las Morenas López, Carmelo	172,287	–	86,144	–	–	258,431
Durández Adeva, Ángel	172,287	–	86,144	–	–	258,431
Echenique Landiribar, Javier	172,287	172,287	86,144	–	–	430,718
Gabarro Miquel, M ^a Isabel	172,287	–	–	43,072	43,072	258,431
Loureda Mantiñán, José Manuel	172,287	–	–	43,072	43,072	258,431
Nin Génova, Juan María	172,287	–	–	43,072	43,072	258,431
Pemex Inter. España S.A.	172,287	172,287	–	–	43,072	387,646
Reichstul, Henri Philippe	172,287	172,287	–	–	–	344,574
Suárez De Lezo Mantilla, Luis	172,287	172,287	–	–	–	344,574
TOTALES	2,756,592	1,378,296	344,576	172,288	258,432	4,910,184

b. Due to membership on the Board of Directors of subsidiaries

The amount accrued by the CEO in 2010 for his membership in the Board of Directors of Group companies, jointly controlled companies or associates, totalled 344,631 euros (78,981 euros for his membership to the Board of Directors of YPF, S.A. and 265,650 euros for his membership to the Board of Directors of Gas Natural SDG, S.A.). The amount accrued in 2010 by the Director and General Counsel for the same concept totalled 190,975 euros (9,921 euros for his membership in the Board of Directors of Compañía Logística de Hidrocarburos, S.A., CLH, 103,500 euros for his membership to the Board of Directors of Gas Natural SDG, S.A. and 77,553 euros for his membership to the Board of Directors of YPF, S.A.).

The non-Executive Directors has not received remuneration of any other kind due to membership on the Board of Directors of Group companies, jointly controlled companies or associates.

c. Due to the discharge of executive duties

This Section contains information regarding fixed remuneration accrued by the Executive Directors due to the holding of executive positions and the discharge of executive duties.

Taking into consideration the aforementioned, the fixed remuneration earned by the CEO and by the Director and General Counsel in 2010 amounted to 2,310 thousand euros and 959 thousand euros, respectively.

B. Annual variable remuneration

Inside the Board, the short term variable remuneration is only applicable to Executive Directors.

The annual variable remuneration of the Executive Directors is calculated as a percentage of their fixed remuneration taking into consideration the global evaluation of their performance.

To calculate the annual variable remuneration of the CEO, the Board of Directors on the proposal of the Nomination and Compensation Committee, previously determined the objectives and the measurable criteria that are considered in order to estimate its amount. Among

the criteria considered for annual variable remuneration for the year 2010 are objectives related to the implementation of the Strategic Plan, implementation of financial standards, results and reputational policy matters, corporate governance, and corporate social responsibility and environmental, of the Company.

As regards for the calculation of the annual variable remuneration of the Director and General Counsel, it is also followed a predetermined and measurable criteria, which are set by the Chairman of the Board of Directors, following the same criteria as for the rest of the management of the Company, that amount is approved by the Board of Directors on the proposal of the Nomination and Compensation Committee.

The CEO and the Director and General Counsel have accrued in 2010 an annual variable remuneration of 362 thousand euros⁽¹⁾ and 384 thousand euros, respectively.

C. Multi-annual variable remuneration

Since 2000, the Nomination and Compensation Committee (formerly the Selection and Compensation Committee) of the Board of Directors of Repsol YPF has been implementing a loyalty-building program geared initially toward executives and extendable to other people with responsibilities within the Group. This program consists of setting a medium-/long-term incentive, as part of the remuneration system.

At the end of the 2010 fiscal year, the 2007-2010, 2008-2011, 2009-2012 and 2010-2013 incentive plans were in effect, although it is worth noting that the first of the above-mentioned programs (2007-2010) was closed, in accordance with its terms, on December 31, 2010, and its beneficiaries will receive their respective variable remuneration in the first quarter of 2011, after evaluation the degree of achievement of their objectives.

The said programs are separate from each other, but their primary characteristics are the same. In all cases, these are specific multiple year remuneration plans for the fiscal years included in each one of them. Each plan is tied to the achievement of a series of Group strategic objectives. The achievement of the respective objectives gives the beneficiaries of each plan the right to receive the medium-term variable remuneration in the first quarter following the fiscal year in which it ends. Nevertheless, in each case, the receipt of the incentive is tied to the beneficiary remaining in the service of the Group until December 31 of the last fiscal year in the program, with the exception of the special cases discussed in its specific terms.

In all the incentive plans, if obtained, would consist of an amount determined at the time of its granting, applying a first variable coefficient, in accordance with the degree of achievement of the objectives set out, additionally multiplied by a second variable coefficient, tied to the beneficiary's performance throughout the period covered by the program.

None of the four plans implies the delivery of shares or options to any of its beneficiaries, nor is it pegged to the value of Repsol YPF stock.

The CEO does not participate in any of the incentive programs in force at this time. Nevertheless, the degree of achievement of the program expiring each year will be taken as reference for the determination of the multi-annual variable remuneration of each year which will be paid in the following year.

The Director and General Counsel is a beneficiary of 2007-2010, 2008-2011, 2009-2012 and 2010-2013 programs.

During 2010, the CEO and the Director and General Counsel have accrued a gross value of 1,207 thousand euros and 280 thousand euros, respectively, for this concept.

Inside the Board, this remuneration concept is only applicable to Executive Directors.

D. Welfare systems

Repsol YPF considers that the remuneration package of the Executive Directors must have a composition in accordance with markets trends. In this regard, the remuneration previously detailed is complemented with a welfare system.

An insurance policy covers the retirement, disability and decease contingencies of the CEO, with Repsol YPF acting as policyholder.

(1) The statutory attentions for being member of the administrative bodies of the Repsol YPF Group and participated Companies are deducted from the CEO's annual variable remuneration.

In case of termination of his relationship with Repsol YPF, the CEO will acquire the ownerships of the funds. The CEO is the beneficiary in case of retirement and disability. In case of decease, the beneficiaries are those appointed by the CEO.

The Director and General Counsel is a beneficiary of the Loyalty Premium (Premio de Permanencia), a remuneration concept of deferred payment. The purpose of this concept, implemented through a Securities Investment Fund (Fondo de Inversión Mobiliaria – FIM) called Loyalty Fund (Fondo de Permanencia), is to reward his continuance in Repsol YPF Group.

Annually Repsol YPF contributes to FIM, under the form of participations, a 20% of the annual fixed remuneration of the Director and General Counsel. The Company is the owner of such participations until retirement of the Director and General Counsel. Upon his retirement, the Director and General Counsel will be the owner of the participations. In addition, in case of termination of his contract (when he is entitled to severance payments) and upon his 62 birthday, he will be entitled to receive the accumulated amount of the Loyalty Premium.

He is also participant of the Repsol YPF pensions' plan of defined contribution, which maximum annual contribution was collectively agreed on 7,212 euros.

In addition, he is the beneficiary of a decease and disability insurance policy, with Repsol YPF acting as policyholder.

The cost of the retirement, disability and death insurance policies and of the contributions to pension plans and to the prevision plans, including, as pertinent, those pertaining to entries on account, which the Company has incurred for Executives Directors, amounted to a total of 2,784 thousand euros in 2010. Of this amount, in the case of the CEO, 208 thousand euros correspond to his death insurance policy, 2,288 thousand euros correspond to the cost of the retirement insurance; in the case of the Director and General Counsel, 90 euros thousand correspond to his death insurance policy, 7 thousand euros to the contributions for the pension plan and to the cost of the retirement insurance, and 192 thousand euros for the contributions to the Loyalty Premium.

Non-Executive Directors are not beneficiaries of any other Repsol YPF welfare system instrument.

E. Other payments

In addition, in 2010 the expenses related to remuneration in kind of the Executive Directors amounted to 51 thousand euros, with respect to the CEO, and 2 thousand euros, with respect to the Director and General Counsel.

The Non-Executive Directors have not received any remuneration in kind.

F. Other contractual conditions

All the Board members are covered by the same third-party liability insurance policy as that covering all the directors and executives of Repsol YPF Group.

G. Other contractual conditions of the Executive Directors

The CEO and the Director and General Counsel are entitled to a Deferred Economic Compensation in the event of termination of their relation with the Company, equivalent to three years' total monetary remuneration, plus one year's total monetary remuneration in compensation for the non-competition agreement for the year following termination.

The Deferred Economic Compensation will be paid to the Executive Directors provided termination of the relation with the Company is due to causes attributable to the Company or by mutual agreement or, in the case of the Director and General Counsel, is due to objective circumstances such as an important change in the Company's share capital ownership.

This report was formulated by the Board of Directors of Repsol YPF in its meeting held on February 23, 2011.

Audit and Control Committee of the Board of Directors of Repsol YPF, S.A.

Activity Report for the 2010 Fiscal Year

Table of Contents

1. Background
2. Composition
3. Regulations of the Audit and Control Committee
4. Operation
5. Resources of the Committee
6. Main activities carried out in the 2010 Fiscal Year
 - 6.1. Economic/financial information
 - 6.2. Internal control systems
 - 6.3. Relations with the Internal Auditor
 - 6.4. Relations with the External Auditor
 - 6.5. Oil and gas reserves
 - 6.6. Environment and security
 - 6.7. Assessment of the operation of the Audit and Control Committee
 - 6.8. Internal Transparency Committee of Repsol YPF, S.A.
 - 6.9. "Communications to the Audit Committee" Application
 - 6.10. Criteria of independence of the New York Stock Exchange (NYSE) for foreign private issuers

APPENDIX: Calendar of meetings held in the 2010 fiscal year

1

Background

The Audit and Control Committee of the Board of Directors of Repsol YPF, S.A. was constituted by the Board at its meeting held on February 27, 1995.

Although recognised by a number of "Codes of Good Corporate Governance" published in Spain, such as the "Olivencia" Report (1998) and the "Aldama" Report (2003), the constitution of this type of Committees in the Board of Directors of listed companies, was not obligatory in this country until November 23 date in which the Financial System Reform Measures Act 44/2002, of 22 November, came into effect.

Article 32 of the Regulations of the Board of Directors of Repsol YPF, S.A. establishes the structure, the operation and the field of activity of the Audit and Control Committee.

In accordance with the provisions of these Regulations, the Committee is an internal body of the Board of Directors with duties of supervision, reporting, advice and proposal, as well as the other duties attributed to it by Law, the Articles of Association or the Regulations of the Board of Directors.

The essential function of the Committee is to act as support for the Board of Directors in its tasks of supervising, through the regular checking of the preparation of economic and financial information, of its executive controls, supervision of the Internal Audit and of the independence of the External Auditor, as well as reviewing compliance with all the legal provisions and internal regulations applicable to the company. Similarly, the Committee has the power to submit the agreement proposal for the Board of Directors, for its subsequent submission to the General Shareholders' Meeting, on the appointment of the External Accounts Auditors, the renewal or cessation of its appointment, and the terms under which it is to be retained.

Since its creation, and until 31 December 2010, the Board of Directors' Audit and Control Committee has met on one hundred and twenty one occasions (the last – in this period – was on 14 December 2010).

2

Composition

Both the Articles of Association and the Regulations of the Board of Directors establish that the Audit and Control Committee will comprise at least three members. Similarly, these rules stipulate that all the members of the Committee should be Outside or non-Executive Directors.

Likewise, and with the aim of ensuring the best fulfilment of its duties, the Regulations of the Board of Directors establish that the members of this Committee will be appointed by the Board, taking into account their knowledge and experience in terms of accountancy, auditing or risk management, and the Chairman must also have experience in business management and knowledge of accounting procedures and, in any event, some of its members must have the financial experience that may be required by the market regulatory bodies of the stock markets in which the shares or titles of the Company are listed, this last is a condition held by Mr. Carmelo de las Morenas López and Mr. Ángel Duráñez Adeva as regards the "financial expert" regulated by the U.S. Securities and Exchange Commission (SEC).

The Committee appoints its Chairman from among its members, who must, in any event, have the status of Independent Outside Director, while the Secretary of the Committee will be the Secretary of the Board of Directors.

The members of the Audit and Control Committee serve for a term of four years as of their appointment, and they may be re-elected after this term, with the exception of its Chairman, who may not be re-elected until one year has elapsed after their resigning from the post, without prejudice to their continuance or re-election as member of the Committee.

During the 2010 fiscal year, the composition of the Audit and Control Committee underwent the following changes:

- At 1 January 2010, the following members of the Board of Directors comprised this Committee:

Position	Members	Type
Chairwoman	Mrs. Paulina Beato Blanco	Independent Outside
Member	Mr. Carmelo de las Morenas López	Independent Outside
Member	Mr. Ángel Duráñez Adeva	Independent Outside
Member	Mr. Javier Echenique Landiribar	Independent Outside

- In November 2010, having reached the post of Mrs. Beato as Chairwoman of the Committee the maximum duration of four years provided in the Law and the bylaws, the Audit and Control Committee of 10 November 2010 agreed to appoint Mr. Duráñez as new Chairman of the Audit and Control Committee for a maximum period of 4 years.

As a result of the above changes, the current composition of the Audit and Control Committee is as follows:

Position	Members	Type
Chairman	Mr. Ángel Duráñez Adeva	Independent Outside
Member	Mrs. Paulina Beato Blanco	Independent Outside
Member	Mr. Carmelo de las Morenas López	Independent Outside
Member	Mr. Javier Echenique Landiribar	Independent Outside

Consequently, during the 2010 fiscal year all the members of the Audit and Control Committee have held the status of "Independent Outside Directors", in accordance with the requirements set out in Article 3.5 of the Regulations of the Board of Directors, having been appointed due to their recognised personal and professional prestige and to their experience and expertise for the exercise of their duties. Similarly, they are not connected with the executive team and the significant shareholders of the company and they incur none of the situations described in Article 13.2 of the Regulations of the Board of Directors.

The professional profiles of the members of the Committee are the following:

Mr. Ángel Duráñez Adeva: BA Economics, Profesor of Commerce, chartered accountant and founding member of the Registry of Economic Auditors. He joined Arthur Andersen in 1965 where he was Partner from 1976 to 2000. Up to March, 2004 he headed the Euroamerica Foundation, of which he was founder, entity dedicated to the development of business, political and cultural relationships between the European Union and the different Latin American Countries. Currently he is Director of Gestevisión Telecinco, S.A., Member of the Advisory Board of Exponencial-Agencia de Desarrollos Audiovisuales, S.L., Ambers & Co and FRIDE (Foundation for the international relations and the foreign development), Chairman of Arcadia Capital, S.L. and Información y Control de Publicaciones, S.A., Member of Foundation Germán Sánchez Ruipérez and Foundation Independiente and Vicepresident of Foundation Euroamérica.

Mrs. Paulina Beato Blanco: Phd Economics, University of Minnesota, Professor of Economic Analysis, Commercial Expert and Economist of the State. Former Executive Chairperson of Red Eléctrica de España, Director of CAMPSA and major financial institutions. Formerly Chief Economist in the Sustainable Development Department of Inter-American Development Bank and Consultant in the Banking Supervision and Regulation Division of the International Monetary Fund. Currently she is advisor to the Iberoamerican Secretary General (Secretaría General Iberoamericana), professor for Economic Analysis in various universities and member of a special Board for promoting Knowledge Society in Andalusia.

Mr. Carmelo de las Morenas López: Ba in Economics and Law. Started Career In Arthur Andersen & Co. Subsequently General Manager of the Spanish Subsidiary of the Deltec Banking Corporation and Chief Finance Officer of Madridoil and Transportes Marítimos Pesados. Joined Repsol Group in 1979 holding different Management Positions. In 1989 he was appointed Chief Financial Officer, up to the end of his career in the company. Up to 31 December 2005

was member of the Standard Advisory Council of IASB. Currently he is Chairman of Casa de Alguacil Inversiones SICAV, S.A., Director of the Britannia Steam Ship Insurance Association, Ltd., Orobaena S.A.T. and Faes Farma, S.A.

Mr. Javier Echenique Landiribar: Ba Economics and Actuarial Science. Former Director-General Manager of Allianz-Ercos and General Manager of BBVA Group. Currently Chairman of Banco Guipuzcoano, Director of Telefónica Móviles México, Actividades de Construcción y Servicios (ACS), S.A., Grupo Empresarial Ence, S.A. and Celistics, L.L.C., Delegate of the Board of Telefónica, S.A. in the Basque region, Member of the Advisory Board of Telefónica Spain, Member of Foundation Novia Salcedo and Member of the Círculo de Empresarios Vascos.

3

Regulation of the Audit and Control Committee

The internal regulation of the Audit and Control Committee is included in Article 39 ("Audit and Control Committee") of the Articles of Association and in Article 32 ("The Audit and Control Committee") of the Regulations of the Board of Directors.

The Articles of Association and the Regulations of the Board of Directors are registered in the Madrid Trade Registry and are accessible to the public on the Company's website (www.repsol.com).

4

Operation

In accordance with the provisions of the Regulations of the Board of Directors, the Audit and Control Committee meets as many times as is necessary in order to fulfil the duties with which it has been entrusted and whenever its Chairman calls it or when so requested by two of its members. The calls to meeting are communicated, with a minimum advance notice of 48 hours, by letter, telex, telegram, fax or e-mail, and will include the agenda of the meeting. The minutes of the previous meeting will be included with the call to meeting, whether they have been approved or not, as will the information that is deemed necessary and that is available.

The meetings are normally held at the registered office of the company, but they may also be held at any other address determined by the Chairman and stated in the call to meeting.

For the Committee to be validly constituted, it is required that more than half of its members attend the meeting, in person or represented, except in the event of a lack of call to meeting, which requires the attendance of all of them. Members of the Committee who do not attend the meeting in person may confer their representation on another member of the Committee.

Agreements must be adopted with the vote in favour of the majority of the members present in person or by representation. In the event of a tie, the Chairman or the person acting in their place at the meeting will have the casting vote.

The Secretary to the Committee draws up the minutes of the agreements adopted at each meeting, which will be available to the members of the Board.

The Chairman of the Committee regularly informs the Board of Directors of the progress of its actions.

The Committee drafts an annual calendar of meetings and an action plan for each fiscal year, including an Annual Report on its actions, informing the Board of this.

Similarly, at least once a year the Committee assesses its operation and the quality and efficiency of its work, informing the Board of this.

5

Resources of the Committee

For the best fulfilment of its duties, the Committee may use the advice of Lawyers or other external professionals, in which case the Secretary of the Board of Directors, on requirement by the Chairman of the Committee, will make available everything necessary for hiring these Lawyers and professionals, whose work will be directly referred to the Committee.

Similarly, it may use the collaboration of any member of the management team or the rest of the staff, and the attendance at its meetings of the Company's Accounts Auditors.

6

Main activities carried out in the 2010 Fiscal Year

In the 2010 fiscal year, the Audit and Control Committee met on nine occasions, as described in the Appendix.

In fulfilment of its essential duty of acting as support for the Board of Directors in its tasks of supervising, and among other activities, the Committee carried out the periodic review of the economic/financial information, the supervision of the internal control systems and the control of the independence of the External Accounts Auditor. This Report contains a summary grouped under the various basic duties of the Committee.

Attached, as an Appendix, is a calendar of the meetings held by the Audit and Control Committee during the 2010 fiscal year, with a description of the main issues discussed in them.

6.1

Economic/financial information

During the period covered by this Activity Report, the Audit and Control Committee has analysed, prior to its presentation to the Board, and with the support of the Economy/Finance General Department and the External Accounts Auditor of the Company, the annual financial statements for the 2009 fiscal year, and the quarterly and six-monthly statements for the first quarter, first six months and third quarter of the 2010 fiscal year.

Similarly, the Committee has verified that the Annual Financial Statements for the 2009 fiscal year, submitted to the Board of Directors for their approval, have been certified by the Chairman and the Group Managing Director of Finance and Corporate Services (CFO) on the terms required by the applicable internal and external rules.

Furthermore, in accordance with the provisions of US legislation on securities market, Repsol YPF has filed with the SEC the "Annual Report on Form 20-F", a report that contains the Group's annual financial statements and financial information according to the criteria set out by the above legislation. To this effect, the Committee has reviewed the content of this report prior to its filing.

Similarly, the Committee has checked the content of the Consolidated Financial Statements for the 2009 fiscal year which the Company, in its capacity as company listed in Argentina, has submitted to the Comisión Nacional de Valores (CNV) and the Bolsa de Comercio in Buenos Aires.

6.2

Internal control systems

In order to check the internal control and risk management systems periodically so that the main risks are identified, managed and adequately understood, the Committee has monitored the progress of the Annual Corporate Audit Plan, aimed at covering the Group's critical and significant risks.

Throughout the fiscal year, the Committee has been informed by the Corporate Audit Director of the most relevant facts and recommendations made evident in the tasks performed in the year and the status of the recommendations issued in previous years.

Similarly, the Committee has been informed regarding the systems to control reserves; the annual planning scheme of the Audit and Control Department, based on the coverage of critical risk universe and which objectives are, among others, to continue the process of identifying risks, developing and improving the methodology for this purpose, and to ensure the effectiveness and efficiency of control systems that the Group has established to mitigate the most critical risk; the analysis of the LNG marketing business in North America and managing their risks; the management of purchase and contracts department risks; the analysis of labour relationship risk in the Repsol Group; the control of risks related to IT security and contingency plans.

Additionally, the Audit and Control Committee has supervised the adaptation of the internal control system on financial information of the Repsol YPF Group to the requirements of the Sarbanes – Oxley Act (Section 404). To this effect, the Audit and Control Committee acts as the ultimate control and supervision body of the operation of the Internal Control over Financial Reporting of the Group Repsol.

6.3 Relations with the Internal Auditor

Besides what has been described in the above section, the Committee has, in accordance with the stipulations of the Regulations of the Board, ensured the independence and efficiency of the Internal Audit and that it has the adequate qualification and resources to fulfil its duties in the Group, both in terms of staff and material elements, systems, procedures and manuals of action.

Similarly, the Committee has been informed of the closing and evaluation of the Annual Plan of Corporate Audit 2009, and analysed, approved and monitored the Annual Corporate Audit Plan for the 2010 fiscal year.

6.4 Relations with the External Auditor

a. Selection of the external auditor for the 2010 fiscal year

In fulfilment of the duties assigned to it, the Audit and Control Committee proposed to the Board of Directors, for its subsequent submission to the General Shareholders' Meeting, the re-election of "Deloitte S.L." as the Accounts Auditor of Repsol YPF, S.A. and of its Consolidated Group, for the period of one year, for the review of the Annual Financial Statements and the Management Report of Repsol YPF, S.A. and of its Consolidated Group for the 2010 fiscal year.

The Board of Directors, for its part, agreed to submit this proposal to the Ordinary General Shareholders' Meeting held on 30 April 2010, which approved it.

b. Pre-approval of the services provided by the external auditors

In order to comply with the requirements of the Sarbanes Oxley Act and other regulations applicable to the Company, and as a measure of good corporate governance, the Audit and Control Committee, in its task of ensuring the independence of the External Auditor, agreed in the 2003 fiscal year on a procedure to approve previously all the services, be they auditing or not, provided by the External Auditor, whatever their extent, scope and nature. This procedure is regulated in an Internal Rule mandatory for the whole of the Repsol YPF Group.

By virtue of this, during the 2010 fiscal year, the Audit and Control Committee previously approved all the services provided by the External Auditor.

Similarly, a delegation of powers to the Chairman of the Audit and Control Committee was established so that she may authorise the services provided by the External Auditor. Making use of this delegation, the Chairman has approved the provision of a series of services for which the ratification of the Committee has after been requested.

c. Information received from the external auditors

In addition to the information provided by the external auditors in other meetings of the Committee, at the meeting of the Audit and Control Committee, held on 23 February 2010, and prior to the review of the annual financial statements, the external auditors of the Repsol YPF Group, Deloitte S.L., after their confirmation of independency in compliance with the rules of the SEC of the United States, informed the Committee of the main aspects noted in the audit of the Annual Financial Statements of Repsol YPF Group at 31 December 2009 and its review of the System of Internal Control over Financial Reporting (SICFR).

In this respect, the external auditors informed that the audit opinion on the Annual Financial Statements of Repsol YPF, S.A. and the Consolidated Annual Financial Statements of Repsol YPF Group was favourable and contained no exception whatsoever. They similarly reported that no "material weakness" had been detected in the SICFR to mention to the Committee.

Similarly, at the meeting of the Audit and Control Committee held on 24 June 2010 and in accordance with the professional audit rules in force in the United States (PCAOB Standards), Deloitte informed the Committee prior to the recording of its audit opinion in the SEC with regard to the "Annual report on form 20-F".

Likewise, at the meeting of the Audit and Control Committee held on 27 July 2010, Deloitte informed of the limited review report of the six-monthly summary statements for the first quarter 2010.

At the meeting of the Audit and Control Committee held on 14 December 2010, Deloitte also informed the Committee on its preliminary review of the consolidated financial statements of Repsol YPF, S.A. at 30 September 2010 in relation to the audit of the Annual Financial Statements for the 2010 fiscal year, and on the situation of their work checking the internal controls over the financial information of the Repsol YPF Group, established in accordance with the requirements of the Sarbanes - Oxley Act (Section 404), and the scope and scheduled plan of that review.

d. Selection process of the external auditor for the 2011 financial year

Article 32.4 of the Regulations of the Board of Directors set out that the term of the External Audit contracts should be for annual periods, unless otherwise provided by applicable legal rules. These contracts may be renewed year on year if the quality of the service is satisfactory and an agreement is reached on its remuneration. However, every five years an open selection process will take place for the leading most prestigious firms

of auditors to choose the one that offers the best balance between the quality of the service offered (the minimums of which will be set as a requirement prior to this process) and the sum of its remuneration, which will be communicated to the Board of Directors in a specific point in its Agenda.

Considering all of this, at its meeting of 10 November 2010, the Audit and Control Committee agreed to start the open selection process of the external auditor set out in Article 32.4 of its Regulations, approving the Conditions of it, which is currently in progress.

The resolution proposal related to the appointment of external auditor that the Board will submit to the Ordinary Shareholders' Meeting 2011 will be the result of this selection process.

6.5 Oil and gas reserves

In fulfilment of the duties assigned to it, in the 2010 fiscal year the Committee supervised the sufficiency and the effective operation of the registry and internal control systems and procedures in the measurement, valuation, classification and accounting of the oil and gas reserves of the Repsol YPF Group, such that their inclusion in the periodical information of the Group is in line at all times with sector standards and applicable regulations.

6.6 Environment and security

With the aim of knowing and guiding the policy, objectives and directives of the Repsol YPF Group in the areas of environment and security, throughout the fiscal year the Committee

has been informed by the Resources Department of the evolution of the main security data and environmental parameters and of the actions taken and the objectives of the Repsol YPF Group in these areas.

6.7	<p>Assessment of the operation of the Audit and Control Committee</p> <p>Based on the most important requisites and functions of the Audit and Control Committee contemplated in applicable legislation, in the Articles of Association and the internal regulations of the Board of Directors and the Committee, the Audit and Control Committee made an assessment in 2010 of its own operation and efficiency in line with the recommendations of the "Unified Code".</p> <p>In view of the results of that assessment, at its meeting of 6 October 2010 the Audit and Control Committee concluded that its operation was satisfactory and that it correctly performed the duties commissioned to it in the applicable laws and internal regulations.</p>
6.8	<p>Disclosure Committee ("Comité Interno de Transparencia") of Repsol YPF, S.A.</p> <p>The Audit and Control Committee has been informed regularly throughout the year on the activities of the Disclosure Committee, receiving and considering the information remitted to it by that Committee.</p>
6.9	<p>"Communications to the Audit Committee" Application</p> <p>In accordance with current regulations in the United States for all the companies that are listed on the Stock Exchanges in that country, and as a Corporate Best Governance measure, in the 2005 fiscal year the Audit and Control Committee set up a procedure for persons so wanting to be able to inform it of any incident or irregularity regarding matters related to accounting, internal accounting controls and auditing that affect the Repsol YPF Group.</p> <p>This application can be accessed by both employees of the Repsol YPF Group, through the intranet, and other interested parties, through the Company website (www.repsol.com). In both cases, the complete confidentiality and anonymity of the persons sending the information is guaranteed.</p> <p>The Audit and Control Committee has supervised the measures adopted with regard to the communications received over this system.</p>
6.10	<p>Criteria of independence of the New York Stock Exchange (NYSE) for foreign private issuers</p> <p>The US legislation require companies listed on the New York Stock Exchange – through ADSs, or American Depositary Shares – to comply with certain sections of "Section 303A of the NYSE's Listed Company Manual". In accordance with this, all the members of the Audit and Control Committee must comply with the requirements of independence set out by Rule 10A-3 of the SEC.</p> <p>Since this rule came into force, on 31 July 2005, the Audit and Control Committee of Repsol YPF, S.A. has complied at all times with it.</p>

Appendix

Calendar of meetings held in the 2010 fiscal year

N° 113	<p>27 January 2010</p> <p>Agenda</p> <ul style="list-style-type: none"> • Information on oil and gas reserves. • Report of the Audit and Control Department: (i) assessment of compliance with 2009 planning scheme of the Audit and Control Department; (ii) summary of minutes of the Audit Committee of YPF, S.A. (iii) summary of works made. • Assessment of the operation of the Audit and Control Committee. • Activity Report 2009 of the Audit and Control Committee. • Approval of the retention of services with the External Auditors. • Communications received on accounting, internal accounting controls and auditing matters. • Information on the meetings held by the Disclosure Committee of Repsol YPF, S.A.
N° 114	<p>23 February 2010</p> <p>Agenda</p> <ul style="list-style-type: none"> • Annual Financial Report 2009: (i) External Auditor's Report; (ii) Annual Financial Statements and Management Report for the fiscal year ended 31 December 2009. • Annual Corporate Governance Report 2009. • Information on oil and gas reserves. • Report of the Audit and Control Department (i) internal control system on financial information; (ii) proposal of annual planning scheme 2010 of the Audit and Control Department; (iii) on-line audit activity report 2009. • Approval of the retention of services with the External Auditors. • Communications received on accounting, internal accounting controls and auditing matters. • Information on the meetings held by the Disclosure Committee of Repsol YPF, S.A.
N° 115	<p>24 March 2010</p> <p>Agenda</p> <ul style="list-style-type: none"> • Proposed appointment of the Account Auditors for Repsol YPF, S.A. and its Consolidated Group. • Information on environmental and security matters. • Summary of reports issues by the Audit and Control Department. • Approval of the retention of services with the External Auditors. • Communications received on accounting, internal accounting controls and auditing matters. • External Auditor's Report of Repsol International Finance, B.V.

N° 116

28 April 2010

Agenda

- Review of the preliminary results for the first quarter of 2010.
- LNG marketing business in North America. Business and risks analysis.
- Purchases and contracts department. Risks in the supply chain.
- Approval of the retention of services with the External Auditors.
- Communications received on accounting, internal accounting controls and auditing matters.
- Information on the meetings held by the Disclosure Committee of Repsol YPF, S.A.

N° 117

24 June 2010

Agenda

- Information on environmental and security matters.
- Report of the Audit and Control Department: (i) internal control system on financial information. Assessment of 2009 fiscal year; (ii) analysis of labour relationship risk in the Repsol Group; (iii) monitoring of recommendations contained in audit reports; (iv) summary of YPF's Internal Auditor reports.
- Medium and long term liquidity forecast.
- Information on oil and gas reserves.
- Review of the Annual Report on Form 20-F 2009. External Auditor's Report.
- Approval of the retention of services with the External Auditors.
- Communications received on accounting, internal accounting controls and auditing matters.
- Information on the meetings held by the Disclosure Committee of Repsol YPF, S.A.

N° 118

27 July 2010

Agenda

- Review of the six-monthly 2010 statements. External Auditor's Report.
- Information on the annual financial statements to be submitted to the Comisión Nacional de Valores of Argentina and the Bolsa de Comercio in Buenos Aires.
- Proposed fees of the External Auditor for 2010.
- Information on oil and gas reserves.
- Approval of the retention of services with the External Auditors.
- Communications received on accounting, internal accounting controls and auditing matters.
- Information on the meetings held by the Disclosure Committee of Repsol YPF, S.A.
- Information on developments in the regulation of audit committees.

N° 119

6 October 2010

Agenda

- Information on the control of risks related to IT security and contingency plans.
- Information on oil and gas reserves.
- Summary of Audit and Control department's reports.
- Obligations related with the securities market.
- Assessment of the operation of the Audit and Control Committee.
- Approval of the retention of services with the External Auditors.
- Communications received on accounting, internal accounting controls and auditing matters.

N° 120

10 November 2010

Agenda

- Replacement of the Committee's Chairman. Delegation of powers to the new Chairman.
- External Auditor's Report.
- Review of the preliminary results for the third quarter of 2010.
- Information on environmental and security matters.
- Selection process of the external auditor.
- Approval of the retention of services with the External Auditors.
- Communications received on accounting, internal accounting controls and auditing matters.
- Information on the SEC's comments letter on Form 20-F 2009.
- Information on the meetings held by the Disclosure Committee of Repsol YPF, S.A.

N° 121

14 December 2010

Agenda

- External Auditor's Report.
- Information on oil and gas reserves.
- Report of the Audit and Control Department: (i) summary of audit activity On Line (AOL) in systems 2010; (ii) summary of meetings of the Audit Committee of YPF, S.A.; (iii) summary of reports issued by the Audit and Control department.
- Selection process of the external auditor.
- Approval of the retention of services with the External Auditors.
- Communications received on accounting, internal accounting controls and auditing matters.
- Information on the SEC's comments letter on Form 20-F 2009.
- Program for prevention and detection of crime.

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