Official Notice

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The Hague, February 26, 2014

In accordance with Article 14 of Law of 9 May 2006, on market abuse, Repsol International Finance, B.V. is filing the attached English translation of the official notice published on February 25, 2014 by Repsol, S.A. (Guarantor of the Euro 10,000,000,000 Guaranteed Euro Medium Term Note Programme of the Company), related to the preview of income statements of the 4Q and Full Year 2013.

The Spanish version of the press release has been also filed today by Repsol, S.A. with the Spanish Securities Market Commission (*Comisión Nacional del Mercado de Valores*).

4Q 2013
Results

REPSOL

Madrid, 25 February 2014

On 26 February 2013, Repsol signed an agreement with Shell for the sale of certain LNG assets and businesses, which has been completed in three different transactions carried out in October and December 2013, and January 2014.

According to the International Financial Reporting Standards, the results generated by these assets and businesses, so as the capital gains and provisions generated by their sale, must be booked as results from discontinued operations in the accounts of 2013. Likewise, and for comparative purposes, the profit and loss account and cash flow statement of the year ended on December 31, 2012 must be re-expressed with respect to the previously formulated. However, given that during 2013 Repsol Management's decisions on the allocation of resources, and the performance evaluation of the different activities of the Group have been carried out taking into account the LNG assets and businesses object of the sale process, the figures shown hereafter are proforma figures under the consideration that such assets and businesses form part of the income from continued operations.

Reconciliation between these results and the result under the International Financial Reporting Standards is included on the tables shown within this earnings release.

In addition, the average number of outstanding shares used for calculating earnings per share at 31 December 2012 and in the fourth quarter of that year, has been modified in accordance with applicable accounting standards, to include the effect of the capital increases carried out as part of the shareholders' remuneration scheme known as "Repsol dividendo flexible" (Repsol flexible dividend).

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TABLES:

1. PROFORMA INCOME FROM CONTINUED OPERATIONS (M€)

Unaudited figures

4Q 2012	3Q 2013	4Q 2013	% Variation 4Q13/4Q12	FOURTH QUARTER 2013 RESULTS	Jan-Dec 2012	Jan-Dec 2013	% Variation 13/12
858	799	605	-29.5	CCS OPERATING INCOME	4,285	3,627	-15.4
313	354	252	-19.5	CCS NET INCOME	1,878	1,704	-9.3
1,053	840	604	-42.6	CCS ADJUSTED OPERATING INCOME	4,321	3,737	-13.5
517	387	251	-51.5	CCS ADJUSTED NET INCOME	1,954	1,823	-6.7
743	844	508	-31.6	OPERATING INCOME (MIFO)	4,286	3,343	-22.0
235	384	188	-20.0	NET INCOME (MIFO)	1,890	1,517	-19.7
938	885	507	-45.9	ADJUSTED OPERATING INCOME (MIFO)	4,322	3,453	-20.1
439	417	187	-57.4	ADJUSTED NET INCOME (MIFO)	1,966	1,636	-16.8

2. NET INCOME (*) (M€)

Unaudited figures

4Q 2012	3Q 2013	4Q 2013	% Variation 4Q13/4Q12	FOURTH QUARTER 2013 RESULTS	Jan-Dec 2012	Jan-Dec 2013	% Variation 13/12
342	356	-1,028	-	CCS NET INCOME	2,048	382	-81.3
264	386	-1,092	-	NET INCOME (MIFO)	2,060	195	-90.5

(*) This result includes both continued and discontinued operations for the purpose of this Earnings Release (essentially YPF and YPF Gas)

MAIN HIGHLIGHTS AND KEY FINANCIAL FIGURES

January – December 2013 Results

- **CCS Adjusted Net Income** for the year amounted to € 1,823 M and **CCS adjusted operating income amounted** to € 3,737 M, 7% and 14% lower year-on-year. The production start-up of the key projects in Upstream and the higher margins and volumes in the LNG business could not offset the lower results due to the production shutdown in Libya, the lower refining margins and the worse performance in Chemicals.

- Average **production** in 2013 (346 Kboe/d) was 4% higher than the same period in 2012 (332 Kboe/d). The start-up and increase in production of five of the ten key projects and the lower maintenance activity in Trinidad and Tobago could offset the disruptions of production in Libya, over a hundred days during the year, and the sale of the 20% stake of Block 16 in Ecuador. Average **production** in 2013 would have been 8% higher than in 2012 if Libya had operated at the normal level.

- At the end of 2013, proven reserves were 1,515 Mboe, and the organic Reserve Replacement Ratio stood above 275%. It is the fourth consecutive year that Repsol has closed the year with a ratio above 120%.

- At year-end 2013, in light of the conversations underway with the Argentine government with a view to reaching a rapid, adequate and effective solution to the ongoing controversy, and on the basis of the fact that Repsol is seeking certain and monetary compensation of USD 5,000 M, the Group has recognized an impairment charge on its **equity interests in YPF S.A. and YPF Gas S.A.** Therefore, an impairment of € 1,279 M after tax, will be recorded in the full-year 2013 results.

- On 31 December 2013, after obtaining permits and approvals and having met other conditions precedent provided for in the agreement, **the sale to Shell was materialised of the main LNG purchase and supply contracts, as well as minority interests in the Atlantic LNG and Peru LNG businesses**, amounting to € 2,446 M that generated a gain after tax of € 1,189 M. On 1 January 2014, and after obtaining the necessary approvals, the sale of Repsol Comercializadora de Gas, S.A., whose basic activities are marketing, transportation and trading, was completed for approximately USD 730 M. The transaction generated a gain after tax of € 328 M, recognised in the financial statements of 2014. On October 11 2013, Repsol sold its 25% stake in the Bahía de Bizkaia Electricidad (BBE) combined cycle power plant to BP for € 135 M and generated a after tax gain of € 74 M. This asset, initially included within the perimeter of the sale to Shell, was finally transferred to BP after it exercised its right of first refusal.

- Following the agreement of sale of assets to Shell, **Repsol will retain the main LNG business assets with the Canaport regasification plant and pipelines in Canada and the United States**. The inability to continue managing these assets together with others already transferred to Shell, has prompted the company to rethink the applicable business models for managing them and has led to cautious provisions reflecting their potential loss in value, for a total amount of € 1,105 M after tax.

Fourth Quarter Results

- **CCS adjusted net income** in the quarter stood at € 251 M and **CCS adjusted operating income** amounted to € 604 M, 51% and 43% lower year-on-year respectively.

- The key factors explaining the results for the quarter are:

  - In **Upstream**, adjusted operating income amounted to € 211 M, 57% lower than the same quarter in 2012. The difference is mainly due to the lower volumes produced in Libya and higher exploration costs, partially offset by improved results in Brazil and Trinidad and Tobago.

  - Fourth quarter **production** reached 321 Kboe/d, 8% lower than the same period in 2012. The increase in production from the new projects could not offset the disruption of production in Libya (suspended since October 27) and Shenzi's shutdown due to Hurricane Karen in the Gulf of Mexico.

  - In **LNG**, adjusted operating income amounted to € 219 M, 99% higher year-on-year. The improved results are the consequence of the increased margin and volume in LNG commercial operations, both in the assets sold to Shell and in the North American assets.

  - In **Downstream**, CCS adjusted operating income amounted to € 18 M, 94% lower than the same quarter in 2012. Better results of the commercial businesses could not offset weaker performance in Refining and Chemicals, highly affected by maintenance shutdowns.

  - In **Gas Natural Fenosa**, adjusted operating income amounted to € 210 M, 7% lower year-on-year. The difference is essentially caused by the lower results from the electrical business in Spain, affected by taxation and by the new regulation approved in July 2013.

  - **Net financial debt of the Group including preference shares and excluding Gas Natural Fenosa**, stood at the end of the fourth quarter of 2013 at € 5,358 M, which is € 1,759 M and € 2,074 M less quarter-on-quarter and year-on-year, respectively, essentially as a result of the LNG assets sale. The transaction was completed on 1 January 2014, with an additional cash inflow of € 513 M. The net debt to capital employed ratio, including preference shares and excluding Gas Natural Fenosa, stood at the end of 2013 at 16.3%. Without taking into consideration capital employed from discontinued operations, the ratio was 19.3%.

  - **The Repsol Group, excluding Gas Natural Fenosa, had a liquidity position** of € 9,282 M at 31 December 2013 (including committed and unused credit lines), sufficient to cover 2.7 times short-term debt maturities.

1.- BREAKDOWN OF RESULTS BY BUSINESS AREA

1.1.- UPSTREAM

Unaudited figures

4Q 2012	3Q 2013	4Q 2013	% Variation 4Q13/4Q12		Jan- Dec 2012	Jan-Dec 2013	% Variation 13/12
407	384	212	-47.9	**OPERATING INCOME** (M€)	2,208	1,757	-20.4
492	400	211	-57.1	**ADJUSTED OPERATING INCOME** (M€)	2,303	1,793	-22.1
145	135	121	-16.6	**LIQUIDS PRODUCTION** (Thousand boepd)	142	139	-2.1
1,137	1,172	1,123	-1.2	**GAS PRODUCTION (*)** (Million scf/d)	1,068	1,163	8.9
347	344	321	-7.5	**TOTAL PRODUCTION** (Thousand boepd)	332	346	4.0
801	558	608	-24.1	**OPERATING INVESTMENTS** (M€)	2,423	2,317	-4.4
145	166	293	102.1	**EXPLORATION EXPENSE** (M€)	611	654	7.0

4Q 2012	3Q 2013	4Q 2013	% Variation 4Q13/4Q12	INTERNATIONAL PRICES	Jan-Dec 2012	Jan-Dec 2013	% Variation 13/12
110.1	110.3	109.2	-0.8	**Brent** ($/Bbl)	111.7	108.7	-2.7
88.2	105.8	97.6	10.7	**WTI** ($/Bbl)	94.1	98	4.1
3.4	3.6	3.6	5.9	**Henry Hub** ($/MBtu)	2.8	3.7	32.1
1.30	1.32	1.36	4.6	**Average exchange rate ($/€)**	1.28	1.33	3.9

4Q 2012	3Q 2013	4Q 2013	% Variation 4Q13/4Q12	REALISATION PRICES	Jan-Dec 2012	Jan-Dec 2013	% Variation 13/12
89.8	89.0	85.6	-4.7	**OIL** ($/Bbl)	89.0	88.7	-0.3
3.9	3.8	4.1	5.1	**GAS** ($/Thousands scf)	3.7	4.0	8.1

(*)1,000 Mcf/d = 28.32 Mm3/d = 0.178 Mboed

Adjusted operating income in the fourth quarter of 2013 amounted to € 211 M, 57% lower year-on-year.

The reduction in the adjusted operating income in the fourth quarter of 2013 compared with the same period of the previous year is essentially explained by lower production volumes in Libya and higher exploration costs. These effects could not offset the start-up and increase in production of the key projects.

The main factors explaining the results are the following:

- Lower sales, essentially of liquids in Libya, had a negative impact of € 166 M.
- The exploration costs, due to higher amortization of wells, have lowered the result by € 159 M. This increase in costs was essentially caused by the amortisation of the discoveries of Abaré (2013), Abaré West (2009), Iguazú (2009) and Iguazú Mirim (2013) since they were not included in the ringfence of the Declaration of Comerciality of Carioca Area (December 19, 2013).
- The depreciation of the dollar against the euro had a negative effect of € 19 M.
- Lower amortizations, mainly due to less production in Libya and in Trinidad and Tobago, have increased the result by € 49 M.

- Crude and gas realisation prices, net of royalties, had a positive impact of € 16 M.
- Other costs, mainly due to the incorporation of new assets, explain the difference.

Fourth quarter **production** reached 321 Kboe/d, 8% lower year-on-year. The start-up of Sapinhoa in Brazil (January 2013), of the new assets in Russia: TNO (December 2012) and SK (February 2013), and of Lubina and Montanazo in Spain (October 2012), as well as the higher volumes from Midcontinent in USA, and from the start-up of Phase II of Margarita-Huacaya in Bolivia (September 2013), could not offset the disruption of production in Libya (suspended since October 27) and Shenzi's shutdown due to Hurricane Karen in the Gulf of Mexico.

January – December 2013 Results

Adjusted operating income in 2013 amounted to € 1,793 M, 22% lower than that of 2012. The improvement in the results due to the production start-up of the key projects could not offset the lower contribution of Libya, higher exploration expenses and the depreciation of the dollar.

Average production in 2013 (346 Kboe/d) was 4% higher than that of 2012 (332 Kboe/d). The start-up of five of the ten key projects and the fewer maintenance shutdowns in Trinidad and Tobago could offset the disruptions in Libya, over a hundred days during the year, and the sale of the 20% stake in Block 16 in Ecuador. The average **production** in 2013 would have been 8% higher than that of 2012 if operations in Libya had been normal.

Operating Investments

Operating investments in the fourth quarter of 2013 in the Upstream amounted to € 608 M, 24% lower than in the same period in 2012. Development investments represented 72% of the total and were mainly in the United States (28%), Venezuela (26%), Trinidad and Tobago (13%), Brazil (13%), Bolivia (8%) and Peru (5%). Exploration investments, representing 19% of total investments, were essentially in Brazil (35%), the United States (28%), Mauritania (11%) and Canada (11%).

Operating investments in 2013 in the Upstream division amounted to € 2,317 M, 4% lower than those in 2012. Development investments represented 71% of the total, and were mainly in the United States (34%), Venezuela (17%), Brazil (15%), Trinidad and Tobago (12%), Bolivia (9%) and Peru (5%). Exploration investments represented 24% of the total and were essentially in the United States (26%), Brazil (21%), Norway (9%), Canada (8%), Iraq (8%) and Ireland (7%).

1.2.- LNG

Unaudited figures

4Q 2012	3Q 2013	4Q 2013	% Variation 4Q13/4Q12		Jan-Dec 2012	Jan-Dec 2013	% Variation 13/12
110	129	349	217.3	OPERATING INCOME (M€) (1)	535	959	79.3
110	129	219	99.1	ADJUSTED OPERATING INCOME (M€) (1)	535	829	55.0
43.2	49.8	52.3	21.1	ELECTRICITY PRICES IN THE SPANISH ELECTRICITY POOL (€/MWh)	47.3	44.2	-6.6
99.1	95.8	113.4	14.4	LNG SALES (TBtu)	404.6	439.2	8.6
9	8	11	22.2	OPERATING INVESTMENTS (M€)	35	30	-14.3

1 TBtu= 1,000,000 MBtu
1 bcm= 1,000 Mm^3= 39.683 TBtu
(1) Proforma figures in accordance with the terms set out at the start of this Note.

Adjusted operating income in the fourth quarter of 2013 was € 219 M, 99% higher than the € 110 M of the same quarter in 2012.

The improved results are mainly due to better margins and commercialisation volumes, both in the assets sold to Shell and in the assets in North America. Operating result of the North America businesses was € 35 M this quarter.

On 31 December 2013, after obtaining permits and approvals and having met other conditions precedent provided for in the agreement, **the sale to Shell was materialised of the main LNG purchase and supply contracts, as well as minority interests in the Atlantic LNG and Peru LNG businesses**, amounting to € 2,446 M that generated a gain after tax of € 1,189 M. On 1 January 2014, and after obtaining the necessary approvals, the sale of Repsol Comercializadora de Gas, S.A., whose basic activities are marketing, transportation and trading, was completed for approximately USD 730 M. The transaction generated a gain after tax of € 328 M, recognised in the financial statements of 2014. On 11 October 2013, Repsol sold its 25% stake in the Bahía de Bizkaia Electricidad (BBE) combined cycle power plant to BP for € 135 M and generated a gain after tax of € 74 M. This asset, initially included within the perimeter of the sale to Shell, was finally transferred to BP after it exercised its right of first refusal.

Following the agreement of sale of assets to Shell, **Repsol will retain the main LNG business assets with the Canaport regasification plant and pipelines in Canada and the United States**. The inability to continue managing these assets together with others already transferred to Shell, has prompted the company to rethink the applicable business models for managing them and has led to cautious provisions reflecting their potential loss in value, for a total amount of € 1,105 M after tax.

January – December 2013 Results

Adjusted operating income for 2013 amounted to € 829 M, an increase of 55% compared to 2012. This increase is mainly explained by the better margins and volumes of LNG commercialised in the assets sold to Shell, and the better margins in the North American assets. The operating income of the North American businesses was € 185 M, € 248 M higher year-on-year.

Operating Investments

Operating investments in the fourth quarter and full year 2013 in the LNG business amounted to € 11 M and € 30 M, respectively. These investments are mainly maintenance investments.

1.3.- DOWNSTREAM

Unaudited figures

4Q 2012	3Q 2013	4Q 2013	% Variation 4Q13/4Q12		Jan-Dec 2012	Jan-Dec 2013	% Variation 13/12
235	124	-109	-	CCS OPERATING INCOME(M€)	1,012	326	-67.8
326	143	18	-94.5	CCS ADJUSTED OPERATING INCOME (M€)	920	491	-46.6

4Q 2012	3Q 2013	4Q 2013	% Variation 4Q13/4Q12		Jan-Dec 2012	Jan-Dec 2013	% Variation 13/12
120	169	-206	-	OPERATING INCOME (M€)	1,013	42	-95.9
211	188	-79	-	ADJUSTED OPERATING INCOME (M€)	921	207	-77.5
82.7	80.9	71.7	-11.0	DISTILLATION UTILISATION (%)	74.3	78.1	3.8
98.6	101.1	94.4	-4.2	CONVERSION CAPACITY UTILISATION (%)	89.5	98.7	9.1
11,648	11,140	10,747	-7.7	OIL PRODUCT SALES (Thousand tons)	42,744	43,177	1.0
636	613	527	-17.1	PETROCHEMICAL PRODUCT SALES (Thousand tons)	2,308	2,337	1.3
641	525	666	3.9	LPG SALES (Thousand tons)	2,537	2,464	-2.9
216	139	297	37.5	OPERATING INVESTMENTS(M€)	666	656	-1.5

4Q 2012	3Q 2013	4Q 2013	% Variation 4Q13/4Q12	REFINING MARGIN INDICATOR ($/Bbl)	Jan-Dec 2012	Jan-Dec 2013	% Variation 13/12
6.3	2.6	4.1	-34.9	Spain	5.3	3.3	-37.7

CCS adjusted operating income in the fourth quarter of 2013 was € 18 M, 94% lower than the same quarter of 2012.

The downturn in the CCS adjusted operating income for the fourth quarter of 2013 compared with the same period of 2012 is explained by the following effects:

- In **Refining**, lower refining margins, mainly due to the narrower spread between products and Brent, and lower utilisation, due to higher maintenance, had a negative impact of € 207 M.
- In **Chemicals**, lower petrochemical margins and lower utilisation, as a result of the maintenance shutdown at the Tarragona cracker, had a negative impact on income of € 48 M. We took the advantage of this multiannual procedure (it must be undertaken every 5 years) to implement improvements on the cracker's turbines in order to enhance efficiency.
- The result of the commercial businesses, **LGP and Marketing**, was in line with that of the previous year. It is worth mentioning that volume sales in the Spain Marketing business increased by 3% during the quarter.
- Results in Trading and other activities explain the difference.

January – December 2013 Results

CSS adjusted operating income amounted to € 491 M in 2013, 47% lower than the previous year, mainly as a consequence of lower refining margins and worse results in chemicals due to maintenance shutdowns.

Operating Investments

Operating investments in the Downstream area amounted to € 297 M during the fourth quarter of 2013. Investments in 2013 amounted to € 656 M.

1.4.- GAS NATURAL FENOSA

Unaudited figures

4Q 2012	3Q 2013	4Q 2013	% Variation 4Q13/4Q12		Jan-Dec 2012	Jan-Dec 2013	% Variation 13/12
219	218	207	-5.5	**OPERATING INCOME** (M€)	920	889	-3.4
226	223	210	-7.1	**ADJUSTED OPERATING INCOME** (M€)	930	925	-0.5
157	92	174	10.8	**OPERATING INVESTMENTS** (M€)	432	444	2.8

Adjusted operating income in the fourth quarter of 2013 amounted to € 210 M, compared to € 226 M in the same period of the previous year, 7% lower year-on-year.

The reduction is mainly due to lower results from the electrical business in Spain, affected by the increased tax burden and new regulations approved in July 2013.

January – December 2013 Results

Adjusted operating income amounted to € 925 M in 2013, in line with the previous year's results. Lower results from the power business in Spain, affected by the increased tax burden and new regulations, were offset by the increased gas wholesale market margins and better results in Latin America.

Operating Investments

Operating investments in Gas Natural Fenosa during the fourth quarter and full year 2013 amounted to € 174 M and € 444 M respectively. Material investments essentially focused on gas distribution and power operations, both in Spain and Latin America.

1.5.- CORPORATE AND OTHER

This caption includes the operating expenses of the Corporation and activities not charged to the businesses, along with inter-segment consolidation adjustments.

In the fourth quarter of 2013 an adjusted expense of € 54 M was recorded compared to the € 101 M expense in the same period of the previous year. The difference in the results is mainly due to the valuation of the CO_2 emission rights portfolio.

2.- FINANCIAL INCOME/CHARGES AND DEBT (*)

(*)This section sets out the data on the financial results and financial situation of the Group, excluding Gas Natural Fenosa. The data corresponding to the Consolidated Group is provided in the fourth quarter 2013 results tables (page 24 of this Earnings Release). According to IFRS-EU accounting principles, the net income/charges from the LNG business included in the sale transaction, as well as the capital gains and provisions associated, and cash flows, must be set out in the captions covering discontinued operations. Evolution of net debt and the income statement as set out below incorporates the effects in accordance with their nature under the captions for continued operations.

Unaudited figures

BREAKDOWN OF NET DEBT + PREFERENCE SHARES(M€) **GROUP, EX GAS NATURAL FENOSA**	3Q2013	4Q2013	% variation 4Q13/3Q13	Jan-Dec 13
NET DEBT + PREFERENCE SHARES EX GAS NATURAL FENOSA AT THE BEGINNING OF THE PERIOD	**6,320**	**7,117**	**12.6**	**7,432**
EBITDA	-1,183	-929	-21.5	-4,694
VARIATION IN TRADE WORKING CAPITAL	537	-141	-	493
INCOME TAX COLLECTIONS / PAYMENTS	322	266	-17.4	1,136
INVESTMENTS **(1)**	741	937	26.5	3,212
DIVESTMENTS **(1)**	-20	-117	485.0	-272
DIVIDENDS PAID AND OTHER PAYOUTS	232	0	-	470
OWN SHARES TRANSACTIONS	-6	17	-	-1,014
TRANSLATION DIFFERENCES	98	34	-65.3	123
INTEREST EXPENSE AND OTHER MOVEMENTS **(2)**	67	-12	-	263
ASSOCIATED EFFECTS TO LNG SALE AT THE CLOSE OF THE PERIOD **(3)**	0	-1,890	-	-1,890
ASSOCIATED EFFECTS TO PETERSEN'S LOANS	9	76	744.4	99
NET DEBT + PREFERENCE SHARES AT THE END OF THE PERIOD	**7,117**	**5,358**	**-24.7**	**5,358**
Debt ratio (4)				
CAPITAL EMPLOYED (M€)	29,953	27,714	-7.4	27,714
NET DEBT + PREFERENCE SHARES/ CAPITAL EMPLOYED (%)	**23.8**	**19.3**	**-18.9**	**19.3**
ROACE before non-adjusted items (%)	6.9	3.9	-43.4	7.1
EBITDA / NET DEBT + PREFERENCE SHARES (x)	**0.7**	**0.7**	**0.0**	**0.9**

(1) At 31 December 2013, there are financial investments amounting to € 22 M and financial divestments amounting to € 42 M not reflected in this table. These amounts do not include LNG divestment proceeds.

(2) This essentially includes interest on debt, dividends collected and provisions applied.

(3) Includes incoming cash flows resulting from the sale of LNG assets (€ 2,581 M), partially offset by the de-consolidation of the financing in place at the companies included within the sales process and of the cash generated by these companies up to the date of sale.

(4) The capital employed shown excludes that corresponding to discontinued operations. Including this, the ratio of net debt with preference stock over capital employed at 31 December 2013 would stand at 16.3%. Likewise, the ROACE presented does not include the result or capital employed in discontinued operations.

Net financial debt of the Group including preference shares and excluding Gas Natural Fenosa, was € 5,358 M at the end of the fourth quarter of 2013, which is € 1,759 M and € 2,074 M less quarter-on-quarter and year-on-year, respectively, essentially as a result of the LNG assets sale. The transaction was completed on 1 January 2014, with an additional cash inflow of € 513 M.

At 31 December 2013, the Repsol Group, excluding Gas Natural Fenosa, had a liquidity position of € 9,282 M (including committed and unused credit lines), sufficient to cover 2.7 times short-term debt maturities. The net debt to capital employed ratio, including preference shares and excluding Gas Natural Fenosa, was 16.3% at the end of 2013. Without taking into consideration capital employed from discontinued operations, the ratio was 19.3%.

Unaudited figures

LIQUIDITY POSITION (M€) - GROUP, EX GAS NATURAL FENOSA	3Q 2013	4Q 2013
CASH AND CASH EQUIVALENTS	3,117	6,159
COMMITTED AND UNUSED CREDIT LINES	3,873	3,123
TOTAL LIQUIDITY	**6,990**	**9,282**

Unaudited figures

4Q 2012	3Q 2013	4Q 2013	% Variation 4Q13/4Q12	FINANCIAL INCOME/EXPENSES OF THE GROUP (M€)	Jan-Dec 2012	Jan-Dec 2013	% Variation 13/12
-112	-90	-94	-16.1	NET INTEREST EXPENSE (incl. preference shares)	-434	-404	-6.9
10	-5	-27	-	HEDGING POSITIONS INCOME/EXPENSE	34	-52	-
-24	-19	-25	4.2	UPDATE OF PROVISIONS	-63	-97	54.0
80	34	36	-55.0	CAPITALISED INTEREST	131	136	3.8
-89	-47	-61	-31.5	OTHER FINANCIAL INCOME/EXPENSES	-263	-145	-44.9
-135	**-127**	**-171**	**26.7**	**TOTAL**	**-595**	**-562**	**-5.5**

The Group´s net financial expenses, excluding Gas Natural Fenosa, at 31 December 2013 was € 562 M, 5% lower than the result of the same period of the previous year, the repurchase of the preference shares had a positive impact, partially offset by the effect of the exchange differences mainly related to the Euro/dollar position.

3.- OTHER CAPTIONS IN THE PROFORMA PROFIT AND LOSS ACCOUNT

3.1.- TAXES

The effective tax rate, excluding the earnings of unconsolidated affiliates, in 2013 was 43%, and the accrued tax expense totalled € 1,096 M. The effective tax rate is lower as compared to the same period of the previous year (46%) mainly due to lower contribution to results of businesses with higher tax rate such as Libya.

3.2.- EQUITY ON EARNINGS OF UNCONSOLIDATED AFFILIATES

Unaudited figures

4Q 2012	3Q 2013	4Q 2013	% Variation 4Q13/4Q12	BREAKDOWN OF UNCONSOLIDATED AFFILIATES (M€)	Jan-Dec 2012	Jan-Dec 2013	% Variation 13/12
9.5	8.4	1.5	-84.2	UPSTREAM	26.8	25.6	-4.5
12.3	13.2	15.8	28.9	LNG	69.6	74.4	7.0
1.7	5.8	2.7	55.2	DOWNSTREAM	17.3	20.2	16.5
0.0	0.6	0.1	-	Gas Natural Fenosa	3.1	2.1	-32.3
23.5	**28.0**	**20.1**	**-14.5**	**TOTAL**	**116.8**	**122.3**	**4.7**

The result of unconsolidated affiliates amounted to € 20 M in the fourth quarter of 2013, 14% lower compared to the € 24 M in the same quarter of the previous year, mainly as a consequence of the lower results in the Upstream due to Transportadora de Gas del Perú S.A. and Guará B.V.

3.3.- MINORITY INTERESTS

The adjusted result attributed to minority interests in the fourth quarter of 2013 was at € 1 M compared with € 19 M in the fourth quarter of 2012, mainly due to the poor results obtained in Pampilla.

This caption essentially covers the minority holdings in La Pampilla refinery in Peru and the Petronor refinery in Bilbao, and those recorded through the stake in Gas Natural Fenosa.

4.- HIGHLIGHTS

The most significant Company-related events that have taken place since the publication of third quarter 2013 results are as follows:

In **Upstream**, on 19 December 2013, the consortium submitted to the ANP the Declaration of Commerciality for the Carioca oil accumulation, including the northeast and southwest regions on the Evaluation Plan and returning the southeast region, which includes the Abaré, Abaré West, Iguazú North and Iguazú South prospects, to the ANP.

On 20 December 2013, Repsol announced it had begun production at the Margarita 6 well in the south of Bolivia which, with six million cubic metres of gas per day, is the most productive well in the history of the country and of the whole Sub-Andean basin, which extends to Bolivia, Argentina and Peru. This well belongs to the second phase of Margarita-Huacaya, which increases its total production to 15 million cubic meters of gas a day.

On 31 January 2014, Repsol reached an agreement with Enagás to sell its 10% stake in the Transportadora de Gas del Perú pipeline for approximately USD 219 M. This transaction will generate estimated net capital gains of nearly USD 75 M.

In **GNL**, on 2 January 2014, Repsol announced it had completed the sale of LNG assets with the transferal to Shell of assets in Peru and Trinidad & Tobago. Previously Repsol had sold its stake in Bahia Bizkaia Electricidad (BBE) to BP. With these agreements, Repsol has received approximately USD 4.3 Bn and has shed financial commitments and non-consolidated debt. Furthermore the agreements significantly strengthen Repsol´s balance sheet and liquidity with a reduction in net debt of USD 3.3 Bn. With this sale closure, the company surpasses the divestment commitment outlined in the 2012.2016 Strategic Plan.

In **Downstream**, on 14 October 2013, The Minister of Public Works, Ana Pastor and Repsol Chairman, Antonio Brufau, presided the signing of the agreement to transfer the company's operations to the new outer port in A Coruña. Repsol will invest more than € 120 M to gradually transfer its current operations of crude oil and solids (coke and sulphur) from the inland port to the new outer port. Crude oil represents more than half of the traffic generated by the company in the port of Coruña, 4 million tons in 2012, about 60% of the total cargo loaded and unloaded by Repsol in A Coruña.

In **Corporation**, on 26 November 2013, in light of the conversations underway with the Argentine government with a view to reaching a rapid, adequate and effective solution to the ongoing controversy, and on the basis of the fact that Repsol is seeking certain and monetary compensation of USD 5,000 M, the Group has recognized an impairment charge on its equity interests in YPF S.A. and YPF Gas S.A..

On 27 November 2013, The Board of Directors has approved the payment of a remuneration to its shareholders in the framework of the Repsol Flexible Dividend Program and in replacement of the interim dividend of 2013, equivalent to € 0.50 gross per share under a scrip dividend scheme and subject to the applicable rounding in accordance with the formula approved by the Annual General Shareholders' Meeting held on May 31, 2013. To this end, and in accordance with the duties conferred by the Shareholders' Meeting, the Board has approved today the timetable for the execution of the paid-up capital increase approved by the Shareholders' Meeting under item 7th of the Agenda and to fix the reference value of the capital increase ("Amount of the Alternative Option") at € 651,235,954.

On 9 December 2013, Repsol was acknowledged as one of the best companies in the world in terms of the quality and the presentation of its corporate responsibility report, according to a survey by consulting company KPMG. In addition to this, the Spanish company has been chosen as one of the 10 best companies in the world in this sense, and is also the Spanish company with the best marks in the survey.

On 18 December 2013, following the resolutions approved on November 27, 2013, the Board of Directors of the Company has agreed to implement the capital increase. The number of free-of-charge allocation rights needed to receive one new share is 37 and the guaranteed price of Repsol's purchase commitment of rights (the "Purchase Commitment") is 0.477 euro gross per right.

On 10 January 2014, Repsol reported the end of the trading period of the free-of-charge allocation rights corresponding to the paid up capital increase. Holders of 62.62% of free-of-charge allocation rights (a total of 815,632,181 rights) opted to receive new shares of Repsol, therefore 22,044,113 of new shares of one (1) euro par value were issued, representing an increase of approximately 1.69% of the share capital of Repsol before the capital increase. Moreover, during the period established for that purpose, holders of 37.38% of free-of-charge allocation rights accepted the irrevocable commitment to purchase rights taken by Repsol. Consequently, Repsol acquired 486,839,688 rights for a total amount of € 232,222,531.18. Repsol waived the shares corresponding to the free-of-charge allocation rights acquired by virtue of the mentioned commitment.

On 14 January 2014, Repsol informed of the launch of the Share Acquisition Plan 2014, approved by the Annual General Shareholders' Meeting held on May 31st, 2012 under point 9th of the Agenda and addressed to Repsol Group's employees in Spain with indefinite duration contract that meet the requirements of its general conditions and who voluntary decide to opt for the same.

On 21 February 2014, Repsol announced that at year-end 2013, due to the heads of agreement announced in November in relation to the shares of YPF S.A. and YPF Gas S.A. subject to the expropriation process, the value of the expropriated shares has been adjusted to USD 5,000 M. Therefore, an impairment of € 1,279 M after tax, will be recorded in the full-year 2013 results.

On 25 February 2014, Repsol's Board of Directors resolved:

- Regarding shareholder remuneration and within points fifth and sixth of the Agenda, the Board of Directors of Repsol, S.A. has agreed to propose to the General Shareholders Meeting continuing with the "Repsol Flexible Dividend" Program in substitution of the final dividend 2013 and the interim dividend 2014. In particular, the Board has approved submitting to the Annual General Shareholders' Meeting under point fifth of the Agenda and in substitution of the final dividend 2013, a remuneration, under the scrip dividend formula, equivalent to 0.50 euro per share.

- In addition, and with the aim of improving and complementing the shareholders' remuneration policy, the Board of Directors has agreed to propose to the General Shareholders' Meeting, under point seventh of the agenda, a reduction in the share capital by means of acquisition of a maximum of 27,152,600 treasury shares (representing a 2.05% of the share capital) through a buy-back programme, for the retirement thereof, with a maximum investment amount of 500 million shares.

- Submission for ratification of the General Shareholders' Meeting of the *Convenio de Solución Amigable y Avenimiento de Expropriación* executed between Repsol, S.A. and the Republic of Argentina, addressed to end the controversy over the expropriation of the controlling stake of Repsol, S.A. and its subsidiaries in YPF, S.A. and YPF Gas, S.A.

Madrid, 25 February 2014

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A teleconference for analysts and institutional investors is scheduled for tomorrow, 26 February, at 13:00 a.m. (CET) to report on Repsol's 2013 full year results.
The teleconference can be followed live at Repsol's website (www.repsol.com). A recording of the entire event will be available for at least one month at the company's website www.repsol.com for investors and any interested party.

TABLES

PROFORMA RESULTS 4Q 2013

REPSOL PROFORMA OPERATING INCOME BASED ON ITS MAIN COMPONENTS (*)

(Million euros)

(Unaudited figures)

Compiled in accordance with International Financial Reporting Standards

	QUARTERLY FIGURES			JANUARY-DECEMBER	
	4Q12	3Q13	4Q13	2012	2013
EBITDA	**1,551**	**1,553**	**1,301**	**6,956**	**6,230**
Operating revenue	14,906	14,775	15,709	59,593	59,728
Operating income	743	844	508	4,286	3,343
Financial expenses	(202)	(192)	(237)	(857)	(814)
Share in income of companies carried by the equity method - net of taxes	24	28	20	117	122
Income before income tax	**565**	**680**	**291**	**3,546**	**2,651**
Income tax	(311)	(277)	(102)	(1,581)	(1,096)
Income from continued operations	**254**	**403**	**189**	**1,965**	**1,555**
Income attributed to minority interests for continued operations	(19)	(19)	(1)	(75)	(38)
NET INCOME FROM CONTINUED OPERATIONS	**235**	**384**	**188**	**1,890**	**1,517**
Income from discontinued operations	29	2	(1,280)	170	(1,322)
Net Income	**264**	**386**	**(1,092)**	**2,060**	**195**

	4Q12	3Q13	4Q13	2012	2013
Earnings per share accrued by parent company (*)					
* Euro/share	0.21	0.29	(0.83)	1.64	0.15
* $/ADR	0.28	0.39	(1.14)	2.17	0.20

(*) Under International Financial Reporting Standards, the net income generated by the LNG assets and business included in the sale agreement signed with Shell in February 2013, as well as the capital gains and provisions associated to the sale, must be booked in the captions covering discontinued operations, both in 2012 and 2013. Results presented in this profit and loss account includes are proforma and are included according to their nature as income from continued operations.

(**) A capital increase for the shareholder's remuneration scheme known as "Repsol dividendo flexible" was carried out in July 2012, January 2013, July 2013 and January 2014, accordingly, share capital is currently represented by 1,324,516,020 shares. The average weighted number of outstanding shares for the presented periods was recalculated in comparison with the previous periods to include the impact of this capital increase in accordance with IAS 33 "Earnings per share". The average number of shares held by the company during each period was also taken into account. The average number of outstanding shares was 1,254,693,972 in 2012 and 1,312,890,612 in 2013.

Dollar/euro exchange rate at date of closure of each quarter:
1.319 dollars per euro in 4Q12
1.350 dollars per euro in 3Q13
1.379 dollars per euro in 4Q13

REPSOL PROFORMA OPERATING INCOME BY RECURRENT AND NON RECURRENT ITEMS (*)

(Million euros)

(Unaudited figures)

	4Q12			JANUARY - DECEMBER 2012		
	Total	Non recurrent	Adjusted	Total	Non recurrent	Adjusted
Income from continuous operations before financial expenses	**743**	**(195)**	**938**	**4,286**	**(36)**	**4,322**
Upstream	407	(85)	492	2,208	(95)	2,303
LNG	110	-	110	535	-	535
Downstream	120	(91)	211	1,013	92	921
Gas Natural Fenosa	219	(7)	226	920	(10)	930
Corporate and others	(113)	(12)	(101)	(390)	(23)	(367)
Financial expenses	(202)	(38)	(164)	(857)	(50)	(807)
Share in income of companies carried by the equity method - net of taxes	24	-	24	117	-	117
Income before income tax	**565**	**(233)**	**798**	**3,546**	**(86)**	**3,632**
Income tax	(311)	29	(340)	(1,581)	10	(1,591)
Income from continued operations	**254**	**(204)**	**458**	**1,965**	**(76)**	**2,041**
Income attributed to minority interests for continued operations	(19)	-	(19)	(75)	-	(75)
NET INCOME FROM CONTINUED OPERATIONS	**235**	**(204)**	**439**	**1,890**	**(76)**	**1,966**
Income from discontinued operations	29	29	-	170	170	-
Net Income	**264**	**(175)**	**439**	**2,060**	**94**	**1,966**

	3Q13			JANUARY - SEPTEMBER 2013		
	Total	Non recurrent	Adjusted	Total	Non recurrent	Adjusted
Income from continuous operations before financial expenses	**844**	**(41)**	**885**	**2,835**	**(111)**	**2,946**
Upstream	384	(16)	400	1,545	(37)	1,582
LNG	129	-	129	610	-	610
Downstream	169	(19)	188	248	(38)	286
Gas Natural Fenosa	218	(5)	223	682	(33)	715
Corporate and others	(56)	(1)	(55)	(250)	(3)	(247)
Financial expenses	(192)	(1)	(191)	(577)	2	(579)
Share in income of companies carried by the equity method - net of taxes	28	1	27	102	(1)	103
Income before income tax	**680**	**(41)**	**721**	**2,360**	**(110)**	**2,470**
Income tax	(277)	8	(285)	(994)	(10)	(984)
Income from continued operations	**403**	**(33)**	**436**	**1,366**	**(120)**	**1,486**
Income attributed to minority interests for continued operations	(19)	-	(19)	(37)	-	(37)
NET INCOME FROM CONTINUED OPERATIONS	**384**	**(33)**	**417**	**1,329**	**(120)**	**1,449**
Income from discontinued operations	2	2	-	(42)	(42)	-
Net Income	**386**	**(31)**	**417**	**1,287**	**(162)**	**1,449**

	4Q13			JANUARY - DECEMBER 2013		
	Total	Non recurrent	Adjusted	Total	Non recurrent	Adjusted
Income from continuous operations before financial expenses	**508**	**1**	**507**	**3,343**	**(110)**	**3,453**
Upstream	212	1	211	1,757	(36)	1,793
LNG	349	130	219	959	130	829
Downstream	(206)	(127)	(79)	42	(165)	207
Gas Natural Fenosa	207	(3)	210	889	(36)	925
Corporate and others	(54)	-	(54)	(304)	(3)	(301)
Financial expenses	(237)	(29)	(208)	(814)	(27)	(787)
Share in income of companies carried by the equity method - net of taxes	20	(1)	21	122	(2)	124
Income before income tax	**291**	**(29)**	**320**	**2,651**	**(139)**	**2,790**
Income tax	(102)	30	(132)	(1,096)	20	(1,116)
Income from continued operations	**189**	**1**	**188**	**1,555**	**(119)**	**1,674**
Income attributed to minority interests for continued operations	(1)	-	(1)	(38)	-	(38)
NET INCOME FROM CONTINUED OPERATIONS	**188**	**1**	**187**	**1,517**	**(119)**	**1,636**
Income from discontinued operations	(1,280)	(1,280)	-	(1,322)	(1,322)	-
Net Income	**(1,092)**	**(1,279)**	**187**	**195**	**(1,441)**	**1,636**

(*) Under International Financial Reporting Standards, the net income generated by the LNG assets and business included in the sale agreement signed with Shell in February 2013, as well as the capital gains and provisions associated to the sale, must be booked in the captions covering discontinued operations, both in 2012 and 2013. Results presented in this profit and loss account includes are proforma and are included according to their nature as income from continued operations.

BREAKDOWN OF REPSOL PROFROMA OPERATING INCOME BY ACTIVITIES AND GEOGRAPHICAL AREAS (*)

(Million euros)

(Unaudited figures)

Compiled in accordance with International Financial Reporting Standards

	QUARTERLY FIGURES			JANUARY-DECEMBER	
	4Q12	3Q13	4Q13	2012	2013
Upstream	**407**	**384**	**212**	**2,208**	**1,757**
USA and Brazil	112	85	(63)	380	205
North of Africa	258	155	84	1,298	752
Rest of the World	37	144	191	530	800
LNG	**110**	**129**	**349**	**535**	**959**
Downstream	**120**	**169**	**(206)**	**1,013**	**42**
Europe	89	161	(166)	723	65
Rest of the World	31	8	(40)	290	(23)
Gas Natural Fenosa	**219**	**218**	**207**	**920**	**889**
Corporate and others	**(113)**	**(56)**	**(54)**	**(390)**	**(304)**
TOTAL	**743**	**844**	**508**	**4,286**	**3,343**

(*) The data included in this section corresponds to the proforma income statement, ie, by incorporating by nature, as profit from continued operations results related to the sale of certain LNG assets.

BREAKDOWN OF REPSOL PROFORMA EBITDA BY ACTIVITIES AND GEOGRAPHICAL AREAS (*)

(Million of euros)

(Unaudited figures)

Compiled in accordance with International Financial Reporting Standards

	QUARTERLY FIGURES			JANUARY-DECEMBER	
	4Q12	3Q13	4Q13	2012	2013
Upstream	**770**	**699**	**630**	**3,438**	**3,054**
USA and Brazil	209	173	194	845	768
North of Africa	282	168	93	1,380	823
Rest of the World	279	358	343	1,213	1,463
LNG	**149**	**173**	**260**	**720**	**1,001**
Downstream	**322**	**348**	**80**	**1,533**	**863**
Europe	281	322	79	1,393	809
Rest of the World	41	26	1	140	54
Gas Natural Fenosa	**391**	**371**	**371**	**1,537**	**1,535**
Corporate and others	**(81)**	**(38)**	**(40)**	**(272)**	**(223)**
TOTAL	**1,551**	**1,553**	**1,301**	**6,956**	**6,230**

(*) The data included in this section correspond to proforma EBITDA, i.e. by incorporating, according to their nature, the amounts related to the sale of certain LNG assets. These amounts are:

QUARTERLY FIGURES			JANUARY-DECEMBER	
4Q12	3Q13	4Q13	2012	2013
131	156	203	716	727

BREAKDOWN OF REPSOL PROFORMA OPERATING INVESTMENTS BY ACTIVITIES AND GEOGRAPHICAL AREAS (*) (**)

(Million of euros)

(Unaudited figures)

Compiled in accordance with International Financial Reporting Standards

	QUARTERLY FIGURES			JANUARY-DECEMBER	
	4Q12	3Q13	4Q13	2012	2013
Upstream	**801**	**558**	**608**	**2,423**	**2,317**
USA and Brazil	264	246	292	1,144	1,191
North of Africa	21	10	30	44	78
Rest of the World	516	302	286	1,235	1,048
LNG	**9**	**8**	**11**	**35**	**30**
Downstream	**216**	**139**	**297**	**666**	**656**
Europe	194	118	272	612	585
Rest of the World	22	21	25	54	71
Gas Natural Fenosa	**157**	**92**	**174**	**432**	**444**
Corporate and others	**34**	**17**	**17**	**165**	**53**
TOTAL	**1,217**	**814**	**1,107**	**3,721**	**3,500**

(*) Includes investments accrued during the period regardless of having been paid or not. Does not include investments in "other financial assets".

(**) The data included in this section reflect the proforma operating investments, i.e. by incorporating, according to their nature, the amounts related to the sale of certain LNG assets. These amounts are:

QUARTERLY FIGURES			JANUARY-DECEMBER	
4Q12	3Q13	4Q13	2012	2013
5	6	3	15	14

PROFORMA FINANCIAL INCOME/CHARGES AND DEBT FOR THE CONSOLIDATED GROUP (*)

(*) This section sets out the data on the financial results and financial situation of the Group. According to IFRS-EU accounting principles, the net income/charges from the LNG business included in the sale transaction, as well as the capital gains and provisions associated, and cash flows, must be set out in the captions covering discontinued operations. Evolution of net debt and the income statement as set out below incorporates the effects in accordance with their nature under the captions for continued operations.

Unaudited figures (IFRS)

NET DEBT (M€) + PREFERENCE SHARES (M€) – CONSOLIDATED GROUP	3Q2013	4Q2013	% variation 4Q13/3Q13	Jan-Dec 2013
NET DEBT OF THE CONSOLIDATED GROUP AT THE START OF THE PERIOD	**10,754**	**11,647**	**8.3**	**12,120**
EBITDA	-1,553	-1,301	-16.2	-6,230
VARIATION IN TRADE WORKING CAPITAL **(1)**	656	-140	-	674
INCOME TAX COLLECTIONS / PAYMENTS **(1)**	330	333	0.9	1,279
INVESTMENTS **(2)**	916	1,153	25.9	3,960
DIVESTMENTS **(3)**	-26	-292	-	-665
DIVIDENDS PAID AND OTHER PAYOUTS	232	15	-93.5	528
OWN SHARES TRANSACTIONS	-6	17	-	-1,014
TRANSLATION DIFFERENCES	79	18	-77.2	81
INTEREST EXPENSE AND OTHER MOVEMENTS	256	19	-92.5	713
ASSOCIATED EFFECTS TO LNG SALE AT THE CLOSE OF THE PERIOD **(4)**	0	-1,890	-	-1,890
ASSOCIATED EFFECTS TO PETERSEN'S LOANS	9	76	744.4	99
NET DEBT + PREFERENCE SHARES AT THE CLOSE OF THE PERIOD	**11,647**	**9,655**	**-17.1**	**9,655**
Debt ratio (5)				
CAPITAL EMPLOYED (M€)	**34,953**	**32,483**	**-7.1**	**32,483**
NET DEBT + PREFERENCE SHARES / CAPITAL EMPLOYED (%)	**33.3**	**29.7**	**-10.8**	**29.7**
ROACE before non-recurrent items (%)	6.7	4.1	-38.8	6.8
EBITDA / NET DEBT + PREFERENCE SHARES	**0.5**	**0.5**	**0.0**	**0.6**

(1) The difference between these figures and those presented in the Cash Flow Statement is explained by the LNG assets and businesses object to the sale process, whose cash flow is shown in the Cash Flow Statement as cash flow from discontinued operations. This difference amounts to € -172 M and € -386 M in "variation in trade working capital" and" income tax collections /payments" respectively.

(2) At 31 December 2013, there are financial investments amounting to € 25 M not reflected in this table. Additionally, this table includes investments amounting to € 14 M, corresponding to the LNG businesses and assets object of the sale process, and that are included in the Statement of Cash flow in the caption covering discontinued operations.

(3) At 31 December 2013, there are financial divestments amounting to € 47 M (out of which € 23 M correspond to financial assets which are part of the LNG businesses object of the sale process, and which are included in the Statement of Cash flow in the caption covering discontinued operations) not reflected in this table. Additionally, there are other divestments (non-financial) amounting to € 6 M, corresponding to the LNG businesses and assets object of the sale process, that are included in the Statement of Cash flow in the caption covering discontinued operations. These amounts do not include LNG divestment proceeds which are included in the caption "Associated effects to LNG sale at the close of the period".

(4) Includes incoming cash flows resulting from the sale of LNG assets (€ 2,581 M), partially offset by the de-consolidation of the financing in place at the companies included within the sales process and of the cash generated by these companies up to the date of sale.

(5) The capital employed excludes that corresponding to discontinued operations. Including this, the ratio of net debt with preference stock over capital employed at 31 December 2013 would amount to 25.7%. Likewise, the ROACE presented does not include the result or capital employed in discontinued operations.

Unaudited figures (IFRS)

4Q 2012	3Q 2013	4Q 2013	% Variation 4Q13/4Q12	FINANCIAL INCOME / EXPENSES CONSOLIDATED GROUP (M€)	Jan-Dec 2012	Jan-Dec 2013	% Variation 13/12
-171	-149	-155	-9.4	NET INTEREST EXPENSE (incl. preference shares)	-668	-642	-3.9
11	-5	-27	-	HEDGING POSITION INCOME / EXPENSE	36	-53	-
-35	-24	-30	-14.3	UPDATE OF PROVISIONS	-83	-115	38.6
82	36	38	-53.7	CAPITALISED INTEREST	135	142	5.2
-88	-50	-63	-28.4	OTHER FINANCIAL INCOME / EXPENSES	-277	-146	-47.3
-202	**-192**	**-237**	**17.3**	**TOTAL**	**-857**	**-814**	**-5.0**

TABLES

FINANCIAL STATEMENTS IFRS-EU
4Q 2013

CONCILIATION OF REPSOL PROFORMA RESULTS AND RESULTS UNDER IFRS-EU

(Million euros)

(Unaudited figures)

	4Q12			JANUARY - DECEMBER 2012		
	Proforma Results	LNG Reclasification	Results under IFRS	Proforma Results	LNG Reclasification	Results under IFRS
Income from continuous operations before financial expenses	**743**	**(115)**	**628**	**4,286**	**(620)**	**3,666**
Financial expenses	(202)	22	(180)	(857)	47	(810)
Share in income of companies carried by the equity method - net of taxes	24	(13)	11	117	(70)	47
Income before income tax	**565**	**(106)**	**459**	**3,546**	**(643)**	**2,903**
Income tax	(311)	33	(278)	(1,581)	175	(1,406)
Income from continued operations	**254**	**(73)**	**181**	**1,965**	**(468)**	**1,497**
Income attributed to minority interests for continued operations	(19)	-	(19)	(75)	-	(75)
NET INCOME FROM CONTINUED OPERATIONS	**235**	**(73)**	**162**	**1,890**	**(468)**	**1,422**
Income from discontinued operations	29	73	102	170	468	638
Net Income	**264**	**-**	**264**	**2,060**	**-**	**2,060**

	3Q13			JANUARY - SEPTEMBER 2013		
	Proforma Results	LNG Reclasification	Results under IFRS	Proforma Results	LNG Reclasification	Results under IFRS
Income from continuous operations before financial expenses	**844**	**(134)**	**710**	**2,835**	**(458)**	**2,377**
Financial expenses	(192)	21	(171)	(577)	40	(537)
Share in income of companies carried by the equity method - net of taxes	28	(14)	14	102	(59)	43
Income before income tax	**680**	**(127)**	**553**	**2,360**	**(477)**	**1,883**
Income tax	(277)	34	(243)	(994)	124	(870)
Income from continued operations	**403**	**(93)**	**310**	**1,366**	**(353)**	**1,013**
Income attributed to minority interests for continued operations	(19)	-	(19)	(37)	-	(37)
NET INCOME FROM CONTINUED OPERATIONS	**384**	**(93)**	**291**	**1,329**	**(353)**	**976**
Income from discontinued operations	2	93	95	(42)	353	311
Net Income	**386**	**-**	**386**	**1,287**	**-**	**1,287**

	4Q13			JANUARY - DECEMBER 2013		
	Proforma Results	LNG Reclasification	Results under IFRS	Proforma Results	LNG Reclasification	Results under IFRS
Income from continuous operations before financial expenses	**508**	**(314)**	**194**	**3,343**	**(772)**	**2,571**
Financial expenses	(237)	19	(218)	(814)	59	(755)
Share in income of companies carried by the equity method - net of taxes	20	(15)	5	122	(74)	48
Income before income tax	**291**	**(310)**	**(19)**	**2,651**	**(787)**	**1,864**
Income tax	(102)	25	(77)	(1,096)	149	(947)
Income from continued operations	**189**	**(285)**	**(96)**	**1,555**	**(638)**	**917**
Income attributed to minority interests for continued operations	(1)	-	(1)	(38)	-	(38)
NET INCOME FROM CONTINUED OPERATIONS	**188**	**(285)**	**(97)**	**1,517**	**(638)**	**879**
Income from discontinued operations	(1,280)	285	(995)	(1,322)	638	(684)
Net Income	**(1,092)**	**-**	**(1,092)**	**195**	**-**	**195**

REPSOL BALANCE SHEET

(Million euros)

(Unaudited figures)

Compiled in accordance with International Financial Reporting Standards

	DECEMBER 2012	DECEMBER 2013
NON-CURRENT ASSETS		
Goodwill	2,678	2,648
Other intangible assets	2,836	2,677
Property, Plant and Equipmment	28,227	26,244
Investment property	25	24
Equity-accounted financial investments	737	412
Non-current assets classified as held for sale subject to expropriation	5,392	3,625
Non-current financial assets		
Financial assets available for sale	641	1,268
Non-current financial instruments	672	398
Others	-	136
Deferred tax assets	3,310	4,897
Other non-current assets	242	253
CURRENT ASSETS		
Non-current assets classified as held for sale	340	1,851
Inventories	5,501	5,256
Trade and other receivables	7,781	7,726
Other current assets	221	144
Other current financial assets	415	93
Cash and cash equivalents	5,903	7,434
TOTAL ASSETS	**64,921**	**65,086**
TOTAL EQUITY		
Attributable to equity holders of the parent	26,702	27,207
Attributable to minority interests	770	713
NON-CURRENT LIABILITIES		
Subsidies	61	66
Non-current provisions	2,258	3,625
Non-current financial debt	15,300	13,125
Deferred tax liabilities	3,063	3,352
Other non-current liabilities		
Non-current debt for finance leases	2,745	1,427
Others	712	752
CURRENT LIABILITIES		
Liabilities associated with non-current assets held for sale	27	1,533
Current provisions	291	303
Current financial liabilities	3,790	4,519
Trade debtors and other payables:		
Current debt for finance leases	224	170
Other trade debtors and payables	8,978	8,294
TOTAL LIABILITIES	**64,921**	**65,086**

STATEMENT OF CASH FLOW

(Million euros)

(Unaudited figures)

Compiled in accordance with International Financial Reporting Standards

	JANUARY - DECEMBER	
	2012	2013
I.CASH FLOWS FROM OPERATING ACTIVITIES (*)		
Income before taxes and associates	2,903	1,864
Adjustments:		
Depreciation of Property, Plant and Equipment	2,499	2,559
Other adjustments (net)	838	1,080
EBITDA	**6,240**	**5,503**
Variation in working capital	624	(502)
	-	-
Dividends received	26	33
Income taxes received/(paid)	(1,399)	(893)
Other proceeds/(payments) from operating activities	(282)	(145)
OTHER CASH FLOWS FROM OPERATING ACTIVITIES	**(1,655)**	**(1,005)**
	5,209	**3,996**
II. CASH FLOWS FROM INVESTING ACTIVITIES (*)		
Investment payments		
Group companies, associates, and business units	(255)	(183)
Property, plant and equipment, intangible assets and property investments	(3,409)	(3,438)
Other financial assets	(228)	(350)
Total Investments	**(3,892)**	**(3,971)**
Proceeds on divestments	1,125	683
Other cash flows	(122)	-
	(2,889)	**(3,288)**
III. CASH FLOWS FROM FINANCING ACTIVITIES (*)		
Receipts/Payments from equity instruments	1,388	1,014
Proceeds on issue of financial liabilities	7,943	8,876
Payments for return and amortization of financial obligations	(7,229)	(10,201)
Dividends paid and other payouts	(947)	(528)
Interest paid	(830)	(827)
Other proceeds/(payments) from financing activities	386	(147)
	711	**(1,813)**
Impact of translation differences from continued operations.	**(78)**	**(54)**
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS FROM CONTINUED OPERATIONS	**2,953**	**(1,159)**
Cash flows from operating activities from discontinued operations	1,569	129
Cash flows from investment activities from discontinued operations	(868)	2,319
Cash flows from finance activities from discontinued operations	(421)	246
Impact from translation differences from discontinued operations	(7)	(4)
NET INCREASE /(DECREASE) IN CASH AND CASH EQUIVALENTS FROM DISCONTINUED OPERATIONS	**273**	**2,690**
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	**2,677**	**5,903**
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	**5,903**	**7,434**

NOTE: Includes the necessary modifications regarding the cash flow statement published in 2012 in relation to the sale of certain LNG assets to Shell and BP.

(*) Relates to cash flows from continued operations.

TABLES

OPERATING HIGHLIGHTS 4Q 2013

OPERATING HIGHLIGHTS UPSTREAM

	Unit	2012 1Q	2012 2Q	2012 3Q	2012 4Q	2012 Acum	2013 1Q	2013 2Q	2013 3Q	2013 4Q	2013 Acum	% Variation 13 / 12
HYDROCARBON PRODUCTION	**K Boed**	**323**	**320**	**339**	**347**	**332**	**360**	**359**	**344**	**321**	**346**	**4.0%**
Crude and Liquids production	**K Boed**	**136**	**144**	**145**	**145**	**142**	**151**	**149**	**135**	**121**	**139**	**-2.5%**
USA and Brazil	K Boed	33	30	30	33	32	33	35	34	32	34	6.2%
North Africa	K Boed	39	49	47	45	45	43	41	27	15	31	-30.5%
Rest of the world	K Boed	64	65	68	67	66	75	73	75	74	74	12.5%
Natural gas production	**K Boed**	**188**	**176**	**194**	**203**	**190**	**210**	**210**	**209**	**200**	**207**	**8.9%**
USA and Brazil	K Boed	2	2	3	3	3	4	4	5	5	4	70.7%
North Africa	K Boed	6	6	6	6	6	5	6	5	5	5	-6.9%
Rest of the world	K Boed	180	167	186	194	182	201	200	199	190	197	8.5%

OPERATING HIGHLIGHTS DOWNSTREAM

	Unit	2012 1Q	2012 2Q	2012 3Q	2012 4Q	2012 Acum	2013 1Q	2013 2Q	2013 3Q	2013 4Q	2013 Acum	% Variation 13 / 12
CRUDE PROCESSED	**Mtoe**	**8.2**	**8.5**	**10.0**	**10.2**	**37.0**	**9.5**	**9.8**	**10.0**	**8.8**	**38.1**	**3.0%**
Europe	Mtoe	7.3	7.6	9.1	9.3	33.4	8.8	8.9	9.2	8.1	35.0	4.9%
Rest of the world	Mtoe	0.9	0.9	0.9	0.9	3.6	0.7	0.9	0.8	0.7	3.1	-14.8%
SALES OF OIL PRODUCTS	**Kt**	**10,138**	**9,839**	**11,119**	**11,648**	**42,744**	**10,136**	**11,154**	**11,140**	**10,747**	**43,177**	**1.0%**
Europe	**Kt**	**9,029**	**8,737**	**9,973**	**10,538**	**38,277**	**9,105**	**10,043**	**10,124**	**9,794**	**39,066**	**2.1%**
–Own network	**Kt**	**4,961**	**4,796**	**4,891**	**4,769**	**19,417**	**4,493**	**4,747**	**5,061**	**4,869**	**19,170**	**-1.3%**
- Light products	Kt	4,170	4,100	4,206	4,142	16,618	3,893	4,098	4,333	4,263	16,587	-0.2%
- Other Products	Kt	791	696	685	627	2,799	600	649	728	606	2,583	-7.7%
–Other Sales to Domestic Market	**Kt**	**1,660**	**1,878**	**1,882**	**1,711**	**7,131**	**1,584**	**1,583**	**1,722**	**1,845**	**6,734**	**-5.6%**
- Light products	Kt	1,446	1,685	1,808	1,628	6,567	1,532	1,525	1,684	1,743	6,484	-1.3%
- Other Products	Kt	214	193	74	83	564	52	58	38	102	250	-55.7%
–Exports	**Kt**	**2,408**	**2,063**	**3,200**	**4,058**	**11,729**	**3,028**	**3,713**	**3,341**	**3,080**	**13,162**	**12.2%**
- Light products	Kt	797	657	1,263	1,837	4,554	1,055	1,459	1,164	905	4,583	0.6%
- Other Products	Kt	1,611	1,406	1,937	2,221	7,175	1,973	2,254	2,177	2,175	8,579	19.6%
Rest of the world	**Kt**	**1,109**	**1,102**	**1,146**	**1,110**	**4,467**	**1,031**	**1,111**	**1,016**	**953**	**4,111**	**-8.0%**
–Own network	**Kt**	**480**	**518**	**503**	**498**	**1,999**	**495**	**567**	**555**	**592**	**2,209**	**10.5%**
- Light products	Kt	424	450	454	460	1,788	460	500	506	513	1,979	10.7%
- Other Products	Kt	56	68	49	38	211	35	67	49	79	230	9.0%
–Other Sales to Domestic Market	**Kt**	**387**	**403**	**382**	**411**	**1,583**	**377**	**357**	**259**	**151**	**1,144**	**-27.7%**
- Light products	Kt	295	304	311	304	1,214	280	280	205	128	893	-26.4%
- Other Products	Kt	92	99	71	107	369	97	77	54	23	251	-32.0%
–Exports	**Kt**	**242**	**181**	**261**	**201**	**885**	**159**	**187**	**202**	**210**	**758**	**-14.4%**
- Light products	Kt	78	73	99	94	344	66	70	61	86	283	-17.7%
- Other Products	Kt	164	108	162	107	541	93	117	141	124	475	-12.2%
CHEMICALS												
Sales of petrochemicals products	**Kt**	**593**	**541**	**538**	**636**	**2,308**	**513**	**684**	**613**	**527**	**2,337**	**1.3%**
Europe	**Kt**	**518**	**456**	**463**	**561**	**1,998**	**439**	**594**	**522**	**468**	**2,023**	**1.3%**
Base petrochemical	Kt	161	137	151	221	669	121	210	173	158	661	-1.2%
Derivative petrochemicals	Kt	357	319	312	341	1,329	318	384	349	310	1,361	2.5%
Rest of the world	**Kt**	**75**	**86**	**75**	**75**	**311**	**74**	**91**	**91**	**59**	**315**	**1.3%**
Base petrochemical	Kt	22	17	8	14	62	12	16	19	9	57	-7.8%
Derivative petrochemicals	Kt	53	68	67	61	249	62	75	72	50	258	3.5%
LPG												
LPG sales	**Kt**	**782**	**607**	**507**	**641**	**2,537**	**683**	**590**	**525**	**666**	**2,464**	**-2.9%**
Europe	Kt	496	304	229	386	1,415	446	332	247	387	1,413	-0.1%
Rest of the world	Kt	286	303	278	255	1,122	237	258	278	279	1,051	-6.3%

Other sales to the domestic market: includes sales to operators and bunker. (*) Since June 2012, bunker sales are included as exports of other products
Exports: expressed from the country of origin.
LPG sales do not include those for Repsol YPF Gas

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Some of the above mentioned resources do not constitute proved reserves and will be recognized as such when they comply with the formal conditions required by the U. S. Securities and Exchange Commission.

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

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JANUARY-DECEMBER 2013 EARNINGS

PRESS RELEASE
Madrid, February 25, 2014
Pages 8

Repsol approves an agreement with the Argentinean Government over the expropriation of YPF and calls its Annual General Meeting

REPSOL POSTS RECURRING NET INCOME OF 1.823 BILLION EUROS

- **The company's recurring net income for 2013, which specifically measures the performance of its businesses, was 1.823 billion euros, 6.7% less than in the previous year.**
- **Hydrocarbons production continued to grow, by 4% in 2013, thanks to the start-up of three new strategic projects in Brazil, Russia and Bolivia.**
- **In 2013, Repsol again achieved a record reserve replacement ratio, at 275%, and the highest in the industry worldwide.**
- **Exploratory success rate was above the industry average, with nine discoveries in Alaska, Algeria, Brazil, Colombia, Libya and Russia.**
- **The company led its European peers in integrated refining and marketing margins during 2013. The utilization rate of its conversion units was 99%.**
- **Repsol's net debt - excluding Gas Natural Fenosa - fell 27.9% to 5.358 billion euros; while the company's current available liquidity was 9.282 billion euros at the end of the year.**
- **The Board of Directors approved the agreement reached with the Republic of Argentina, by which the latter undertakes to compensate Repsol with $5 billion for the expropriation of the 51% stake in YPF and YPF Gas. The Board agreed to submit the agreement to be ratified at the next Annual General Shareholders' Meeting.**
- **The agreement with Argentina will add income from the recovered value, reinforcing the company's financial strength and increasing Repsol's growth and investment capacity during the next few years.**

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- **Recurring net income at current cost of supply (1.823 billion euros) translated into a MIFO net income of 195 million euros The difference is explained by one-time impairments related to the YPF compensation agreement (1.279 billion euros) and the restatement of the value of North American assets (1.105 billion euros), partially offset by the gains from the sale of Liquefied Natural Gas (LNG) assets (1.263 billion euros.)**

- **The Board of Directors agreed to propose to the AGM the continuation of the "Repsol Flexible Dividend" program, and a complimentary dividend payment to shareholders from 2013 earnings equivalent to approximately 0.50 euros per share.**

Repsol posted a recurring net income of 1.823 billion euros for 2013, calculated at current cost of supply (CCS), 6.7% lower than the previous year.

These earnings - that exclude atypical results and take into account replacement costs of raw materials and products – reflect Repsol's ongoing business performance during a period marked by a complex economic and political environment (general economic slowdown and unrest in Libya) and a significant increase in the company's activity (increased hydrocarbons production and reserves.)

Hydrocarbons production grew 4%, mainly due to the start-up of new key projects in the Upstream business, which offset the effect of production interruptions in Libya. This increase, added to higher margins and volumes from the LNG business, helped compensate for lower refining and petrochemical margins, all in an environment marked by the slowdown in the pace of global growth and weak refining margins in Europe.

In 2013, net production reached 346.000 barrels of oil equivalent per day. Three new projects included in the company's growth strategy began producing: Sapinhoa, Brazil, in block BM-S-9, which started commercial production in January and reached total output of 30,000 barrels of oil a day; Syskonsininskoye (SK), in Russia, where gas production began in February and had reached 1.7 million cubic metres per day at the end of the year, and; phase II of the Margarita-Huacaya field in Bolivia, which increased its gas production to 15 million cubic metres per day. Also, in February 2014, the company connected a second well to the Sapinhoa project in Brazil, which will add more than 4,000 barrels per day of new production to the Repsol group.

These projects add to those which began producing in 2012, in Spain (Lubina and Montanazo), USA (Mississippian Lime), Russia (AROG) and Bolivia (phase I of the Margarita field). Development continued in the remaining strategic projects, where the Declaration of Commerciality (DoC) for the Carioca field in block BM-S-9 in Brazil was especially significant.

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The production added by new projects, together with an improved performance from the Trinidad and Tobago fields, allowed for an increase in output in 2013, despite the interruption of operations in Libya for more than three months due to conflicts and security problems in the country.

The reserve replacement ratio (RRR) in 2013 was 275%, which was a new organic record high for Repsol and the highest in the industry worldwide. By the end of the year, proved reserves totalled 1.515 billion barrels of oil equivalent.

Repsol maintained spending in exploration projects during 2013, consolidating the successful trend started in 2005, with nine positive wells in Brazil (BM-S-50), Alaska (North Slope), Algeria (SE Illizi) and Russia (Karabahsky-2), Colombia and Libya. Thus, over the course of the year, Repsol incorporated more than 300 million barrels of oil equivalent, exceeding its annual goal set out in the 2012-2016 strategic plan.

To ensure long-term exploration activity, Repsol acquired 65 new exploration blocks that cover a total area of 64.183 km2 (Repsol net 37.194 km2), mainly in the United States (44 blocks) and Norway (6 blocks).

Regarding its Downstream unit, Repsol has once again demonstrated the quality of its assets, even more so after the completion of the major overhauls at the Cartagena and Petronor refineries, achieving an EBITDA of 863 million euros and leading its European competitors in integrated marketing and refining margins. The use of its refining conversion units reached 99%. All this in an environment marked by the continued fall in demand in Europe, particularly in Spain, which has weakened refining and petrochemical margins as well as retail sales.

Gas Natural Fenosa's operating income was in line with the previous year. Lower earnings of the electricity business in Spain due to higher taxes and the new regulations, were offset by higher wholesale gas margins and improved results in Latin America.

The company's recurring net income of 1.823 billion euros (CCS) translated to a net income (MIFO) of 195 million euros. The difference is explained by a 187 million-euro difference between the result calculated on a CCS basis and that calculated based on MIFO criteria and, mainly, due to the extraordinary impairments related to the YPF compensation agreement (1.279 billion euros) and the restatement of the value of North American assets (1.105 billion euros) partially offset by the sale of Liquefied Natural Gas (LNG) assets in 2013 (1.263 billion euros).

The Republic of Argentina and Repsol reached an agreement that recognises a value of $5 billion as compensation of the expropriated 51% stake in YPF, which has been approved by the Board of Directors and will be included in the Agenda for ratification at the next AGM.

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In February 2013 an agreement was signed to sell LNG assets to Shell that included holdings in liquefaction plants (Atlantic LNG and Peru LNG) and marketing and transportation assets. On December 31, 2013 the first phase of this sale and the transfer of shares was completed for the liquefaction plants and LNG supply contracts. On January 1, 2014 the transaction was completed with the transfer of the remaining sold assets (marketing and transportation). Also, in October Repsol's Bahia Bizkaia Electricidad (BBE) stake was sold to BP.

These sales resulted in Repsol receiving 4.3 billion dollars and booking a post-tax capital gain of 1.263 billion euros in 2013 and 328 million euros in January 2014. As a result of these sales, and by applying maximum financial prudence, Repsol has adjusted in its financial statements the value of the remaining LNG assets, registering a total post-tax provision of 1.105 billion euros.

By the end of the year, net debt - ex Gas Natural Fenosa - was 5.358 billion euros 27.9% lower than the same period of the previous year. Repsol also has significant liquidity, totalling 9.282 billion euros.

Shareholder remuneration continued to be competitive in 2013 with dividend returns at 6%. Through the "Repsol Flexible Dividend" program, which has been a great success, the company continues to offer its shareholders the choice of receiving payment in new shares or in cash.

The Repsol Board of Directors agreed to propose at the next AGM the continuation of the "Repsol Flexible Dividend" program, and a payment of a final dividend from 2013 earnings equivalent to 0.50 euros per share.

During the year Repsol's shares gained 19.5%, more than its European peers (10.4%).

Other milestones in 2013 were the sale of treasury shares (5%), allowing Repsol to include amongst its stakeholders one of the most prestigious investment companies in the world, Temasek; and the voluntary repurchase of the Group's preference shares.

During 2013, Repsol won numerous acknowledgments in corporate social responsibility and commitment to society, and maintained a leadership role in the institutions and organizations in which it participates.

Regarding its commitment to society and its employees, Repsol has invested over 20 million euros in training, which represents an average 40 hours per employee, reduced the accident frequency rate (0.59 in 2013) and avoided the emission into the atmosphere of 353,000 tons of CO_2.

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REPSOL

REPSOL PRO FORMA SUMMARISED INCOME STATEMENT
(Million Euros)
(Unaudited figures)

	January – December		Change
	2012	2013	%
EBITDA	**6,956**	**6,230**	**(10.4)**
Operating revenue	59,593	59,728	0.2
Operating income	4,286	3,343	(22.0)
Financial expenses	(857)	(814)	5.0
Share in income from companies carried by the equity method-Net of tax	117	122	4.3
Income before income tax	3,546	2,651	(25.2)
Income tax	(1,581)	(1,096)	30.7
Income for the period from continued operations	1,965	1,555	(20.9)
Income attributable to minority interests from continued operations	(75)	(38)	49.3
NET INCOME FROM CONTINUED OPERATIONS	**1,890**	**1,517**	(19.7)
Net income from interrupted operations (*)	170	(1,322)	-
NET INCOME (MIFO)**	**2,060**	**195**	(90.5)

Inventory effect net of taxes	(12)	187	-

NET INCOME (CCS***)	**2,048**	**382**	**(81.3)**
ADJUSTED NET INCOME (CCS) CONTINUING OPERATIONS	**1,954**	**1,823**	**(6.7)**

Note: In accordance with International Financial Reporting Standards, the results generated by the assets which were included in the agreement signed with Shell in February of 2013, as well as the capital gains and provisions generated by their sale, must be booked as results from discontinued operations in the accounts for 2012 and 2013. Thus, the figures shown here are proforma figures under the consideration that such assets and businesses form part of the income from continued operations.

(*) Includes income net of tax and from external partners contributed by YPF S.A., YPF Gas S.A. and their participated companies in each period and the loans made to Petersen Group as well as the effects of the expropriation of the shares in YPF S.A. and YPF Gas S.A.

(**) Middle In, First Out

(***) Current Cost of Supply

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BREAKDOWN OF PRO FORMA OPERATING PROFIT, BY BUSINESSES
(Million Euros)
(Unaudited figures)

	January - December		Change
	2012	2013	%
Upstream	2,208	1,757	(20.4)
LNG	535	959	79.3
Downstream	1,012	326	(67.8)
Gas Natural Fenosa	920	889	(3.4)
Corporate & adjustments	(390)	(304)	22.1
Operating income CCS	4,285	3,627	(15.4)
Inventory effect	1	(284)	-
Operating income MIFO	4,286	3,343	(22.0)

OPERATING HIGHLIGHTS
(Unaudited figures)

	January–December		Change
	2012	2013	%
Oil and gas production (Thousand boepd)	332	346	4.0
Crude processed (million tons)	37.0	38.1	3.0
Sales of oil products (Thousand tons)	42,744	43,177	1.0
Sales of petrochemical products (Thousand tons)	2,308	2,337	1.3
LPG sales (ex YPF Gas) (Thousand tons)	2,537	2,464	(2.9)

RESERVE REPLACEMENT RATIOS

2010	2011	2012	2013
131%	162%	204%	275%

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REPSOL COMPARATIVE BALANCE SHEET

(Million Euros)

(Unaudited figures) (IFRS)

	DECEMBER 2012	DECEMBER 2013
NON-CURRENT ASSETS		
Goodwill	2,678	2,648
Other intangible assets	2,836	2,677
Property, plant & equipment	28,227	26,244
Investment property	25	24
Equity-accounted financial investments	737	412
Non-current assets classified as held for sale subject to expropriation	5,392	3,625
NON-CURRENT FINANCIAL ASSETS		
Financial assets classified as held for sale	641	1,268
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Deferred tax assets	3,310	4,897
Other non-current financial assets	242	253
CURRENT ASSETS		
Non-current assets classified as held for sale	340	1,851
Inventories	5,501	5,256
Trade and other receivables	7,781	7,726
Other current assets	221	144
Other current financial assets	415	93
Cash and cash equivalents	5,903	7,434
TOTAL ASSETS	**64,921**	**65,086**
TOTAL EQUITY		
Attributable to equity holders of the parent	26,702	27,207
Attributable to minority interests	770	713
NON-CURRENT LIABILITIES		
Subsidies	61	66
Non-current provisions	2,258	3,625
Non-current financial debt	15,300	13,125
Deferred tax liabilities	3,063	3,352
Other non-current liabilities		
Non-current debt for finance leases	2,745	1,427
Others	712	752
CURRENT LIABILITIES		
Liabilities associated with non-current assets held for sale	27	1,533
Current provisions	291	303
Current financial liabilities	3,790	4,519
TRADE DEBTORS AND OTHER PAYABLES		
Current debt for finance leases	224	170
Other trade debtors and payables	8,978	8,294
TOTAL LIABILITIES	**64,921**	**65,086**

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