

Second Quarter 2012 Results

WEBCAST – CONFERENCE CALL
July 26th, 2012

Miguel Martínez - CFO





REPSOL

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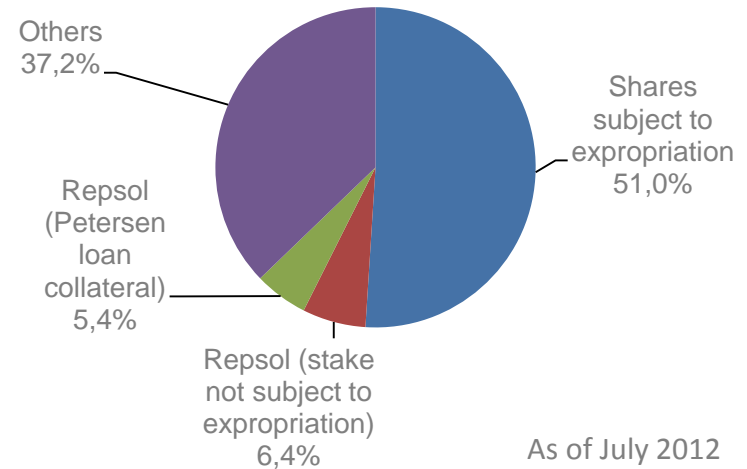
Agenda

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

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YPF Update



As of July 2012

□ Most relevant legal steps:

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

YPF Update

Accounting of the expropriation

Billion €

Deconsolidation of YPF participation

- 4.7

Write off of all loans related to Petersen group

- 1.4

Registration of the value as Assets for Sale

+ 5.6

Deferred tax effect

+ 0.5

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

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Actions to strengthen the Balance Sheet



2012

2013

2014

2015

2016

Divestments

Chile LPG: 540 M\$

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

63,64%

**Conversion of preferred
shares**

Sep/Oct

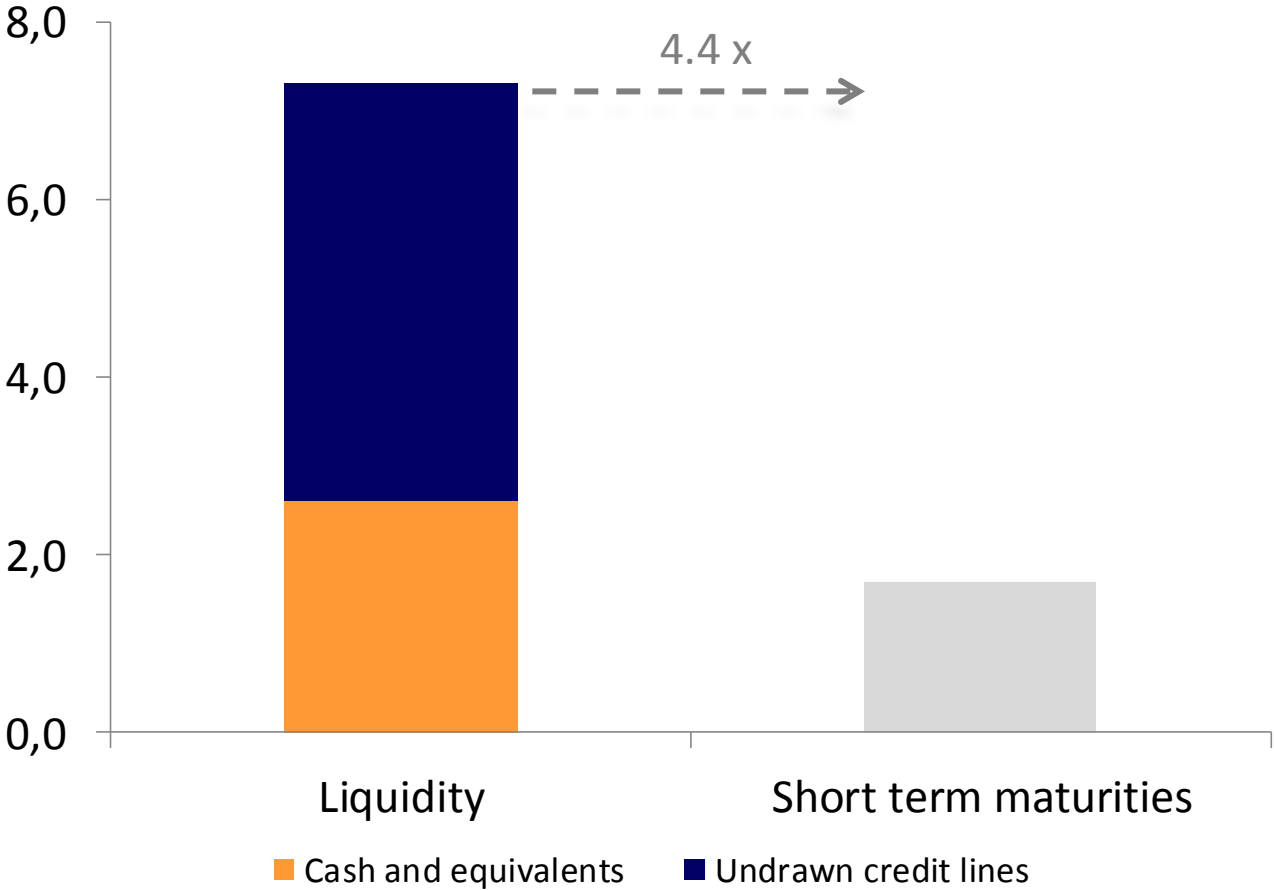
Working capital optimization

Ongoing

Sale of treasury stock

5% (1.4 B €)

Liquidity position



ex YPF and ex Gas Natural

Agenda

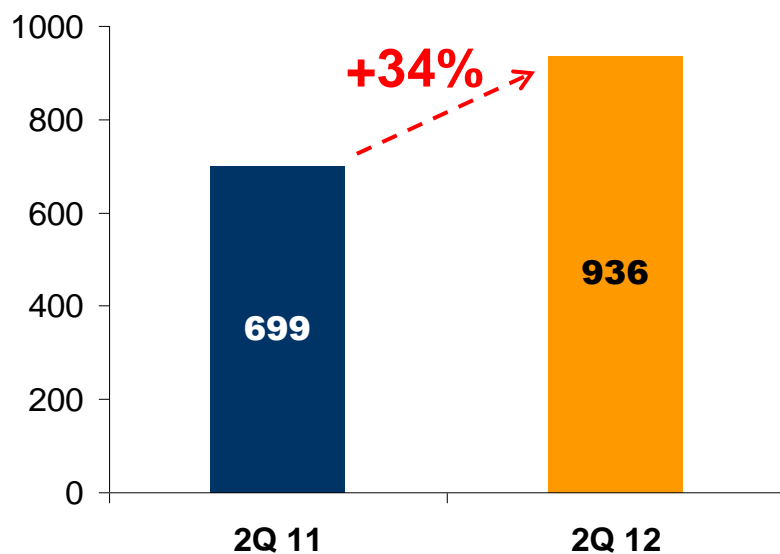
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2Q12 Results

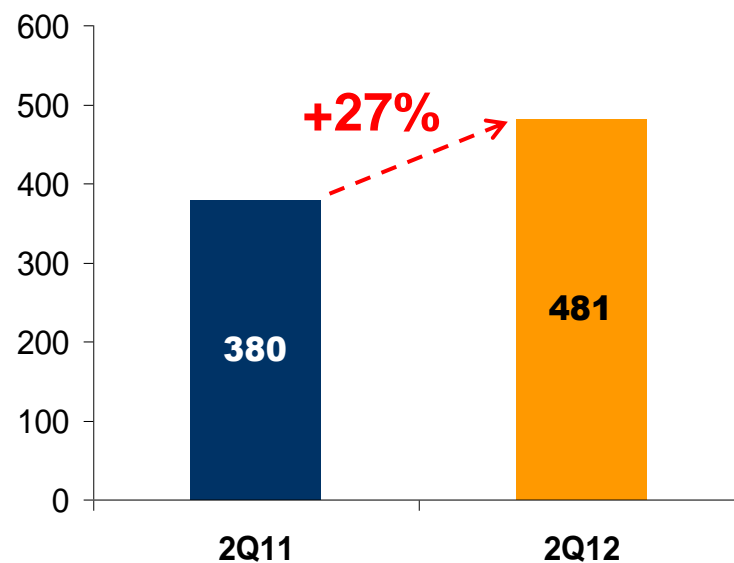
(ex YPF and ex Repsol YPF Gas)

Million €

CCS Adjusted Operating Income

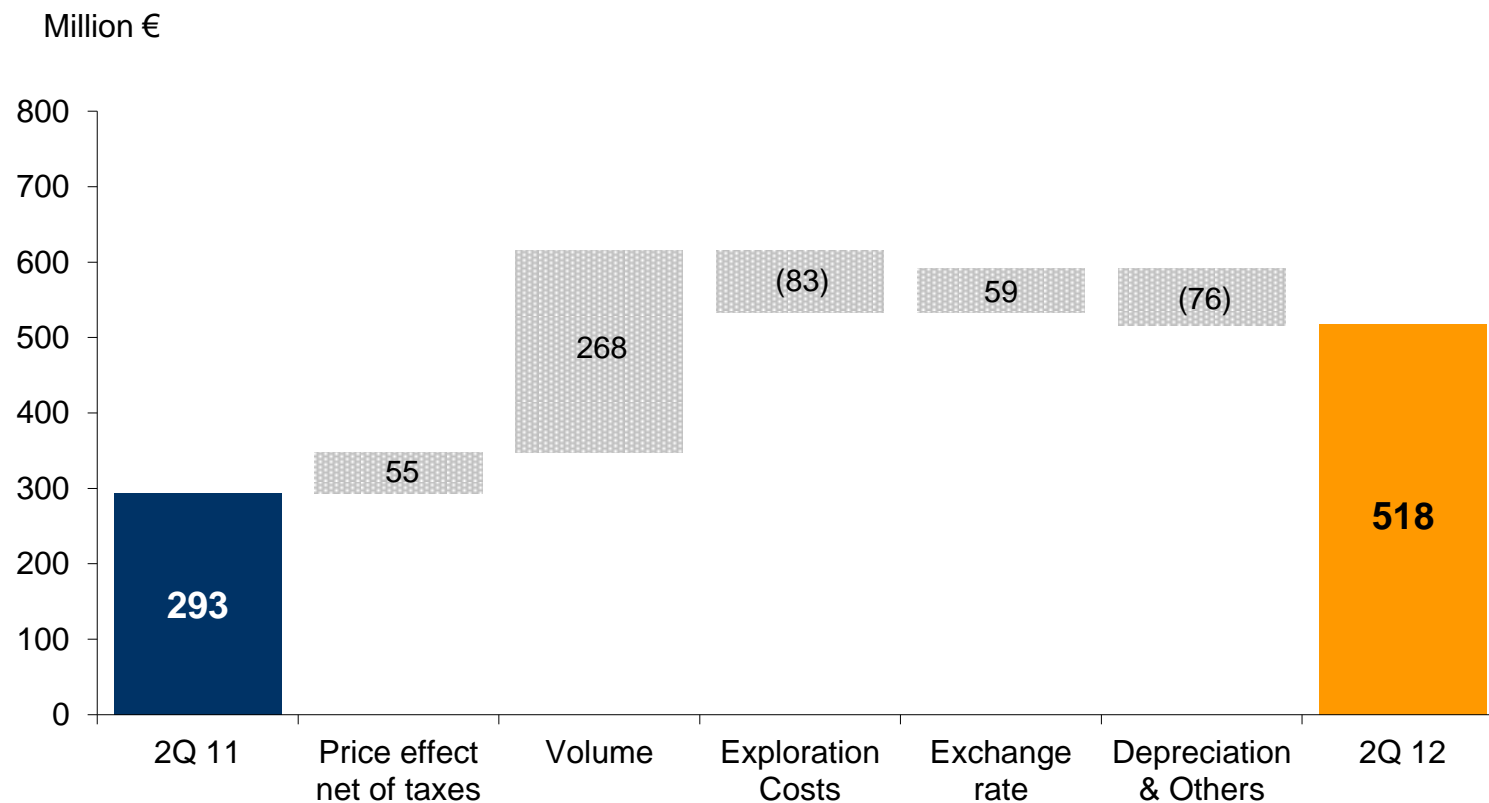


CCS Adjusted Net Income



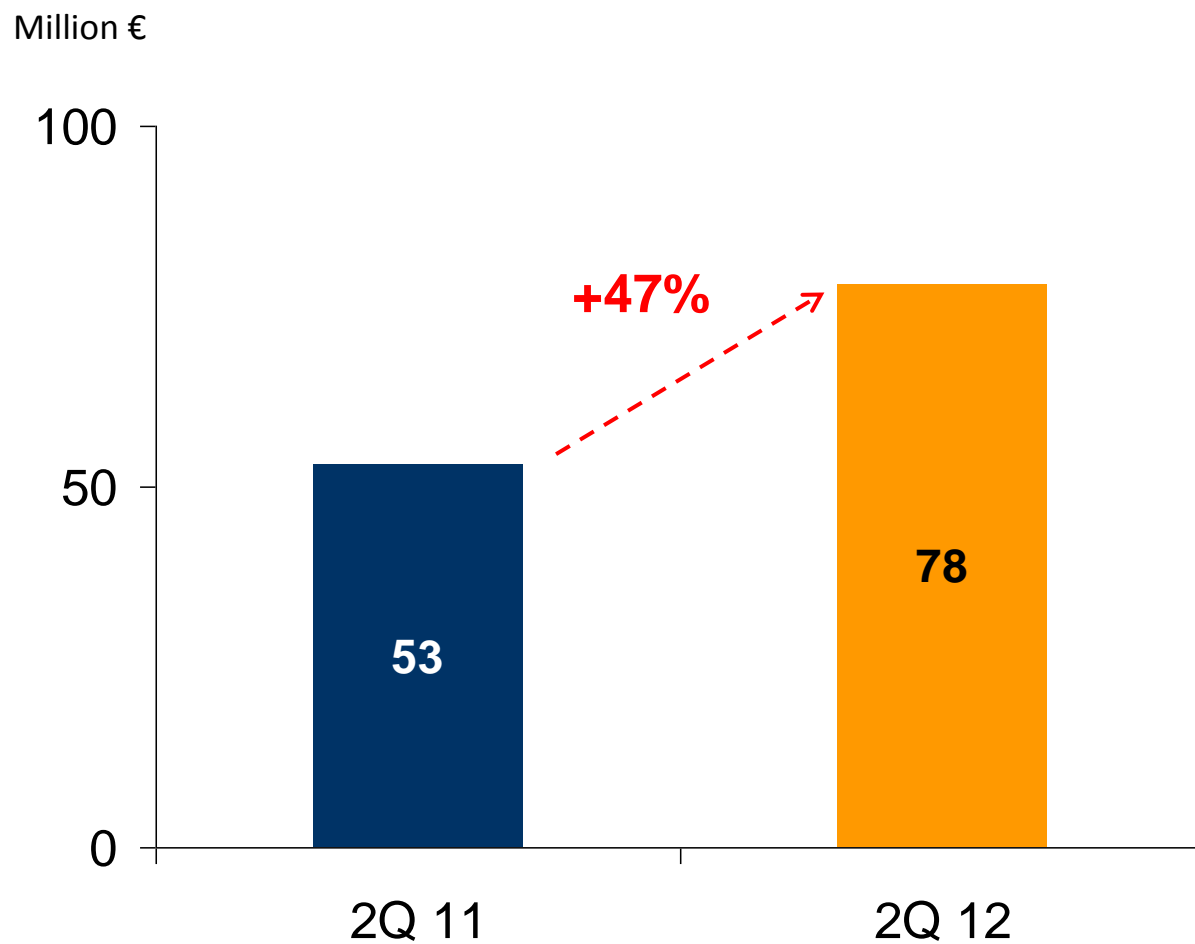
2Q 2012 Upstream

Adjusted Operating Income



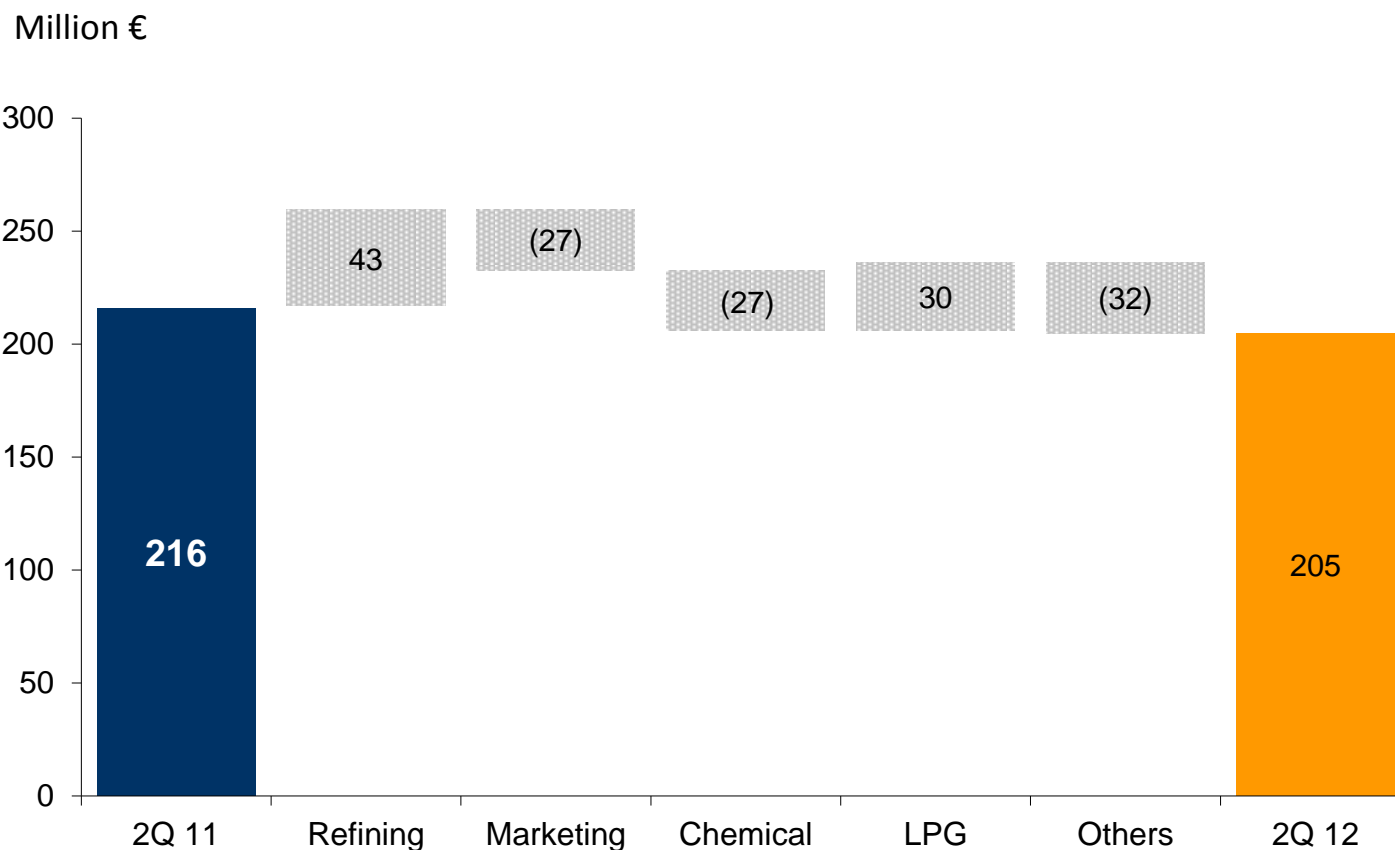
LNG

Adjusted Operating Income



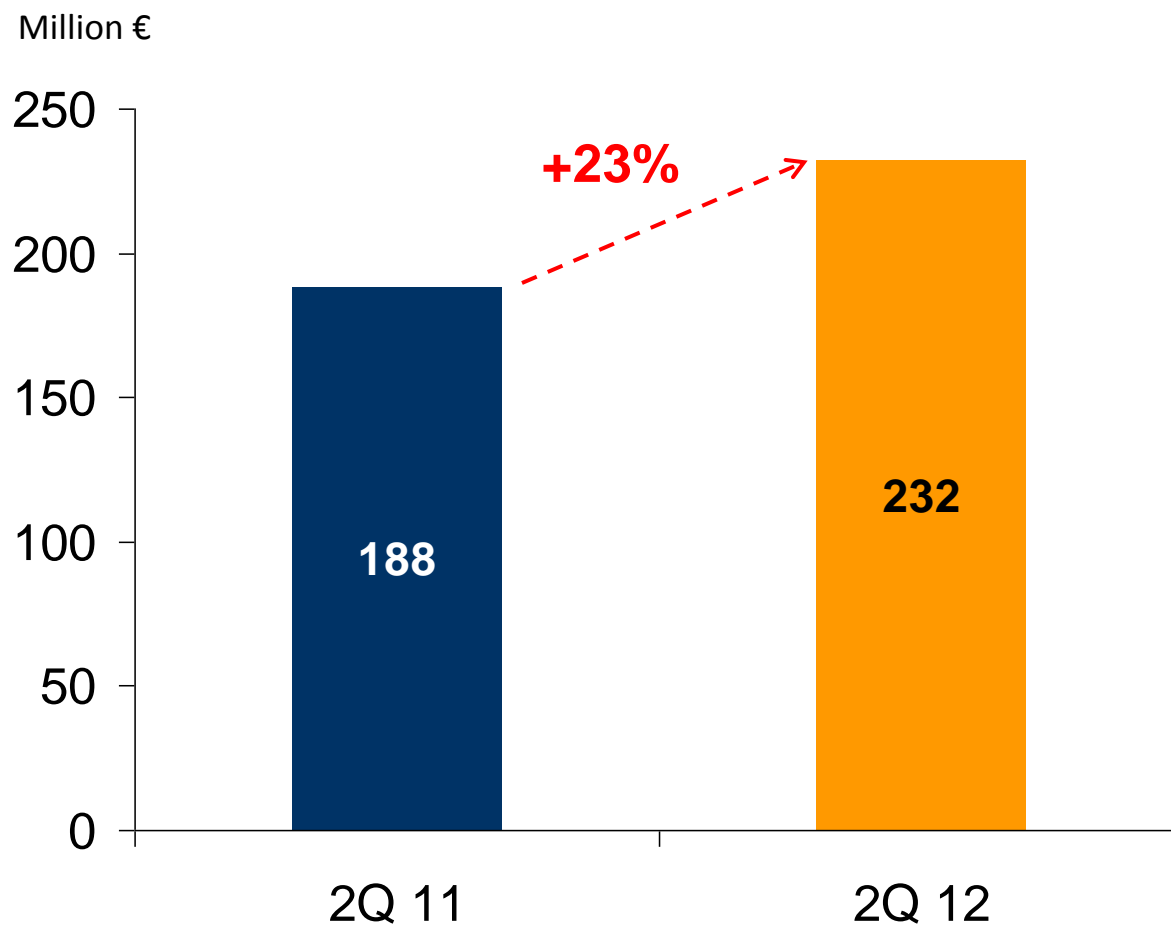
2Q 2012 Downstream

Adjusted Operating Income



Gas Natural

Adjusted Operating Income



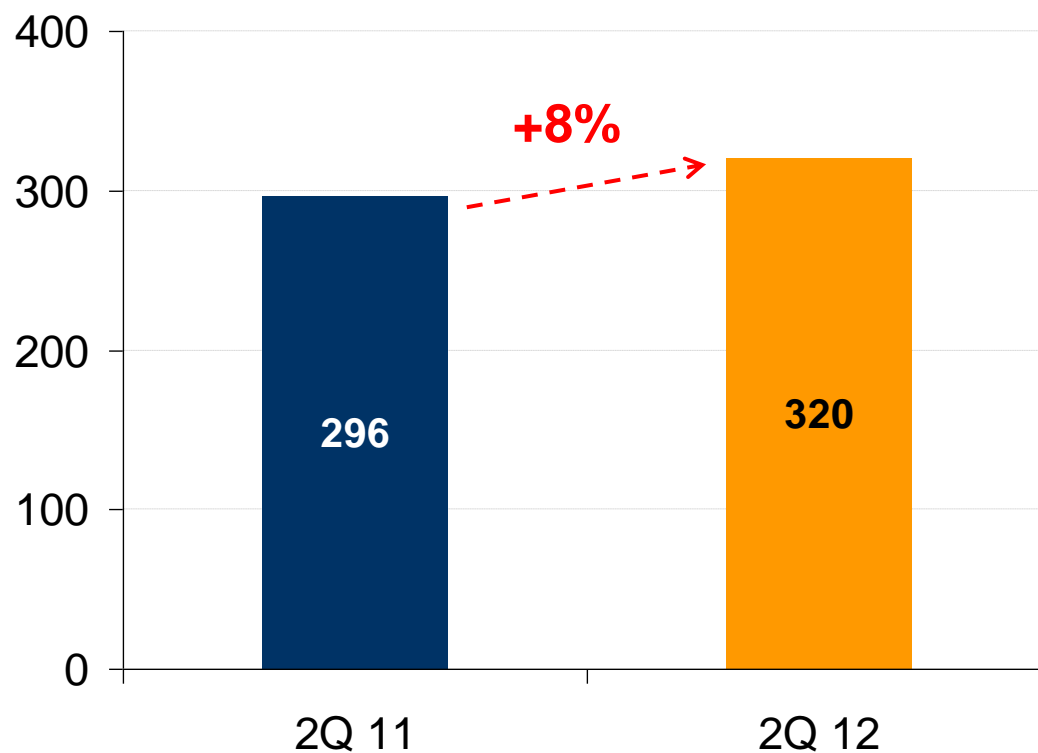
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Operational activity

Upstream: Production

kboed



Main Factors:

- Libya
- Bolivia
- T&T

Operational activity

Upstream: Main Development Projects

Bolivia

Margarita-Huacaya



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

Perú

Kinteroni



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

Brazil

Sapinhoa

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

Spain

Lubina-Montanazo

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

Organic growth projects carried out on time and on budget

Operational activity

Upstream: Exploratory activity

Cuba & Guyana

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

Current operations

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

Seismic

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

Acreage

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

12 wells to be finished in the remaining of 2012

2012 Progress



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

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