

WEBCAST – CONFERENCE CALL

Fourth Quarter 2014 Results



February 26th, 2015

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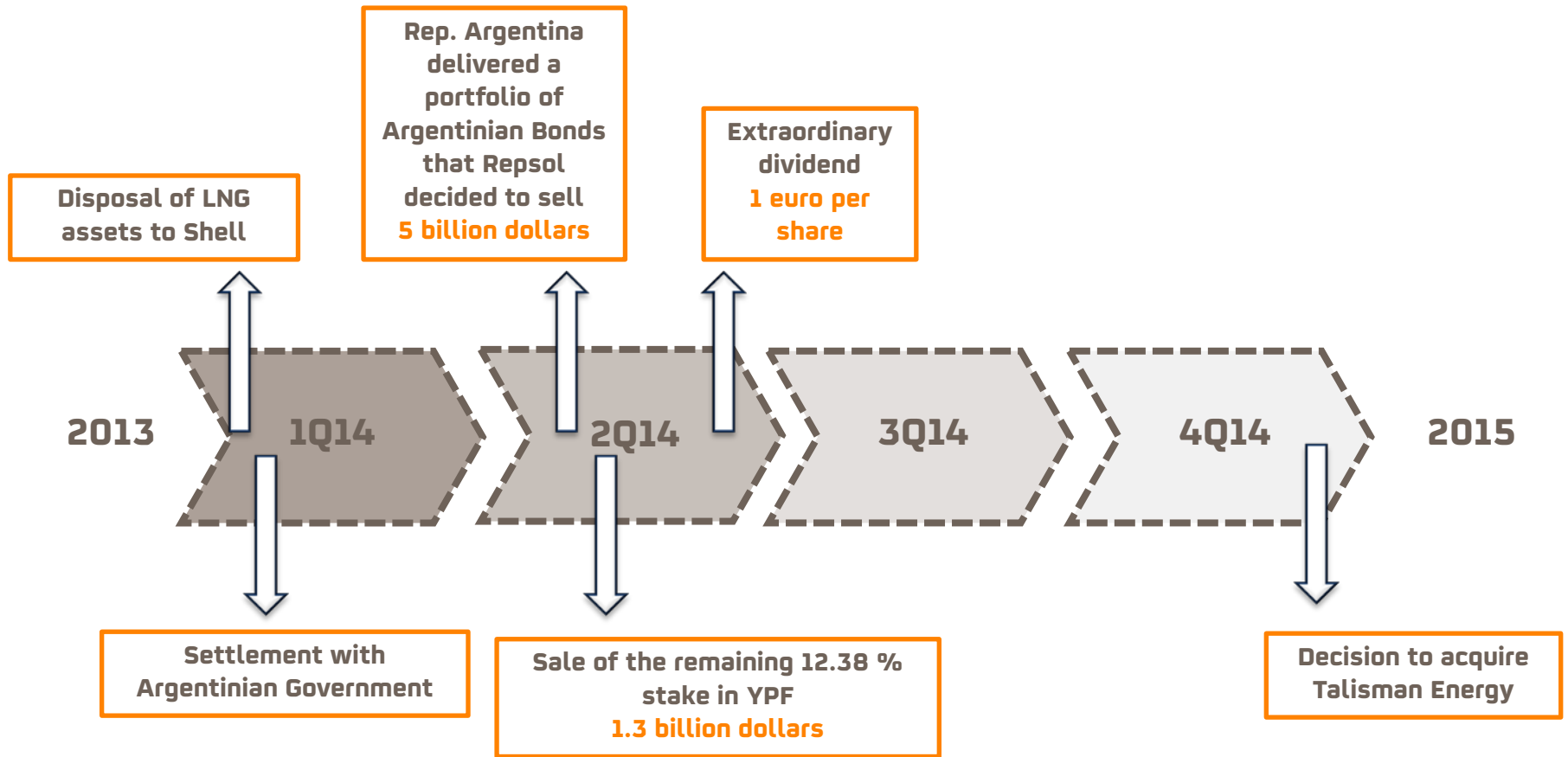
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1. Main events of 2014
2. Quarterly and full year results
3. Outlook for 2015
4. Conclusions

Main events of 2014

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Main events of 2014



Main events of 2014



The acquisition of Talisman fits all the requirements we were looking for:

- ✓ OECD or OECD alike countries
- ✓ Growth platforms to value creation and sustainability
- ✓ Create value for our shareholders

Quarterly and full year results

2

Quarterly and full year results



4Q 2014

	4Q 2013	4Q 2014	% Variation
CCS Adjusted Net Income	123	370	+201%
CCS Adjusted Operating Income	211	626	+197%

Million €

FY 2014

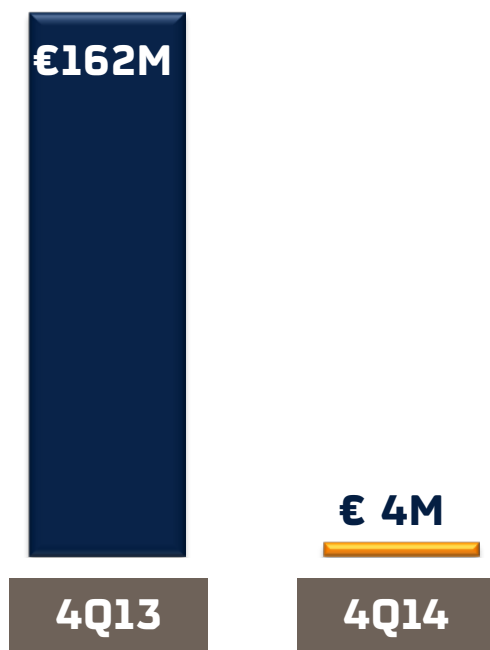
	2013	2014	% Variation
CCS Adjusted Net Income	1,343	1,707	+27 %
CCS Adjusted Operating Income	2,170	2,421	+12 %

Million €

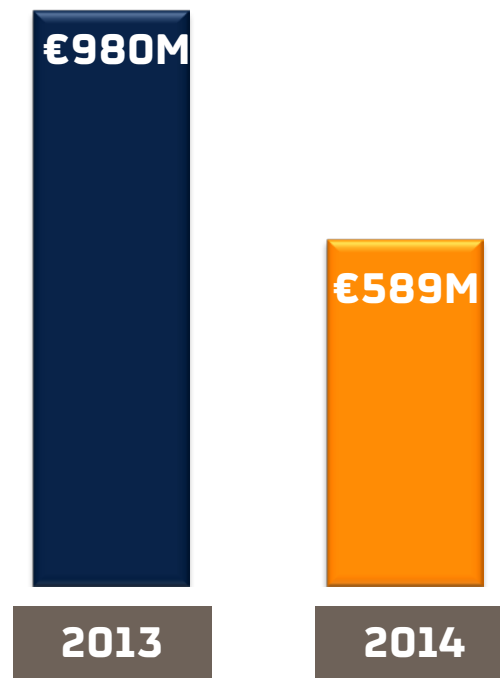
Upstream Results

Adjusted Net Income

QUARTERLY RESULTS

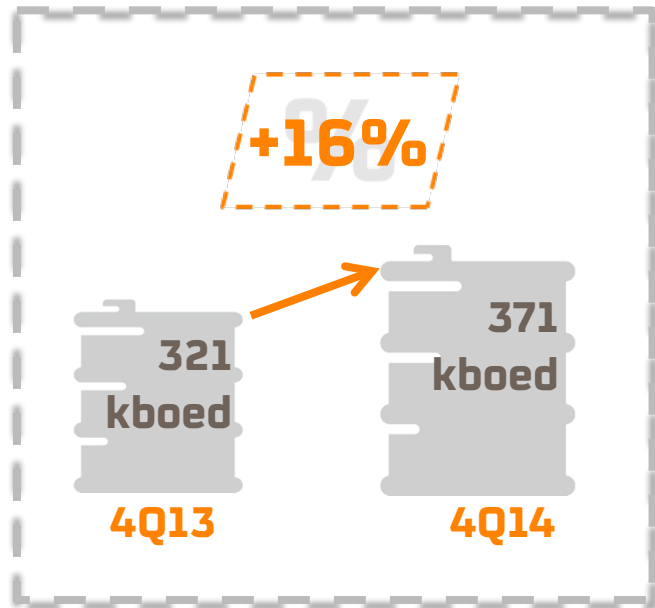


FULL YEAR RESULTS



Upstream Results

Production



In 2014 average production growth of **2.5%**.
With Libya at normal levels, **8%** increase in production

Upstream Results

Adjusted Net Income



4Q 2013

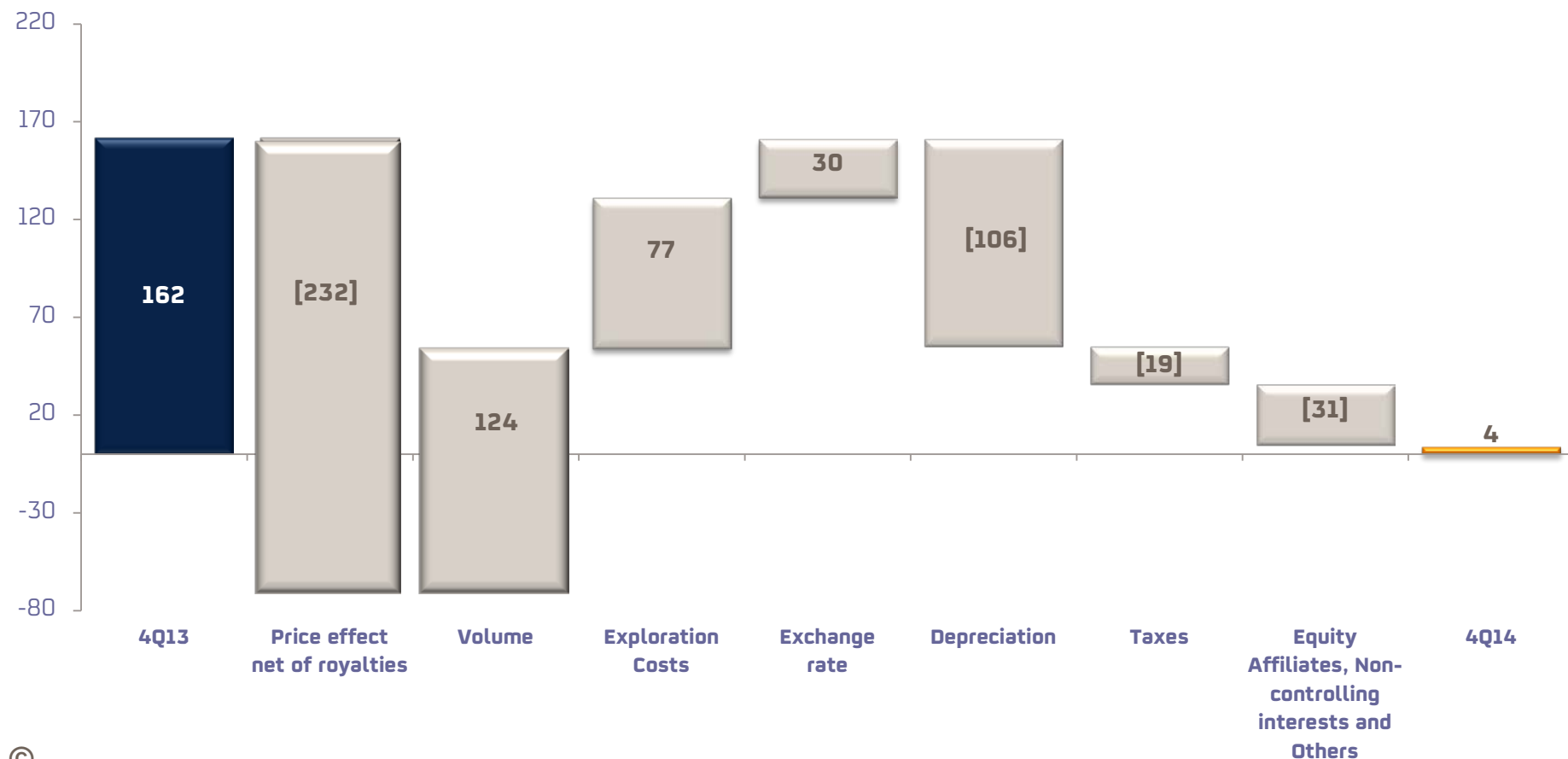
4Q 2014

Adjusted Net Income

162

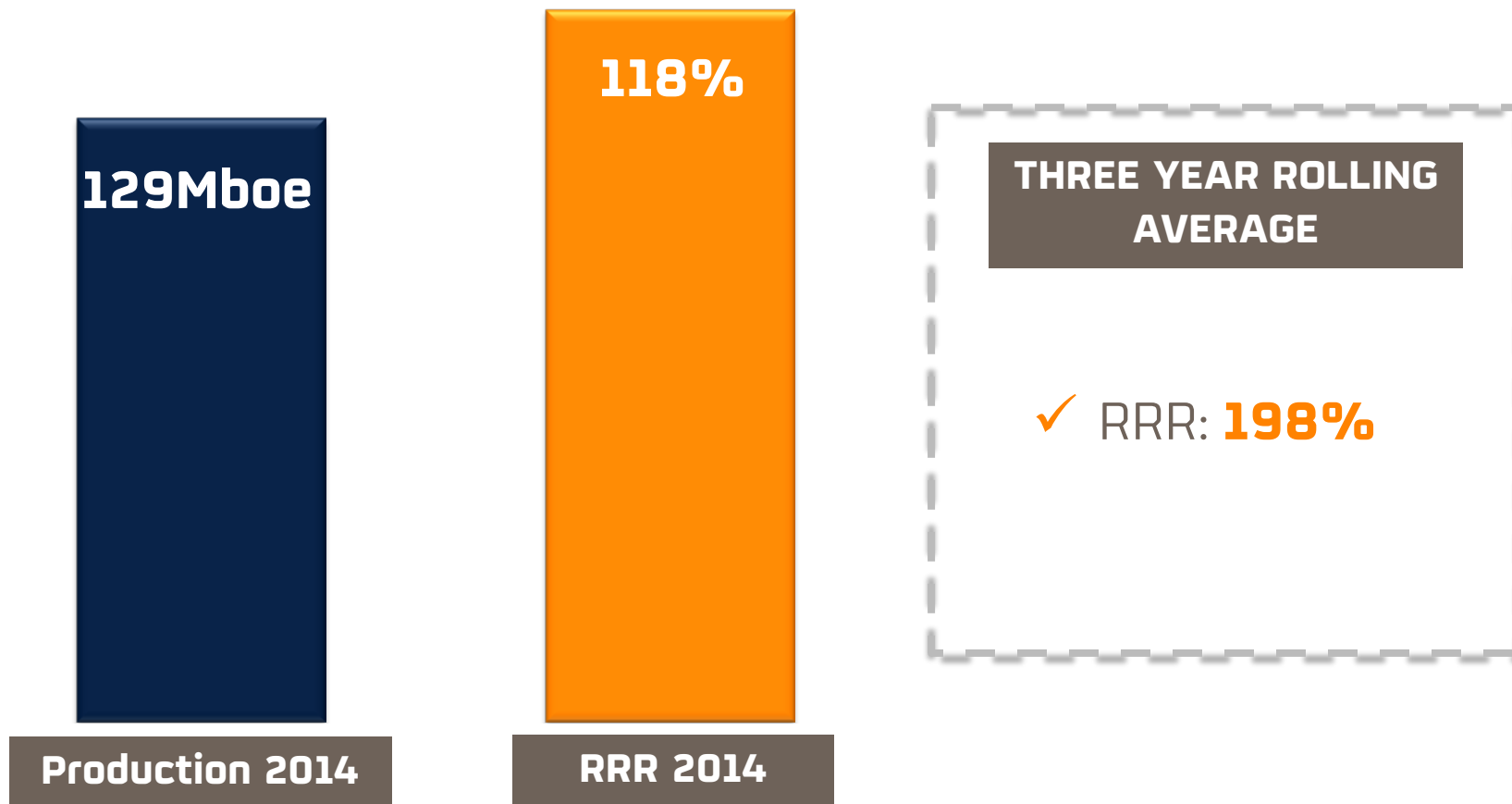
4

Million €



Upstream Results

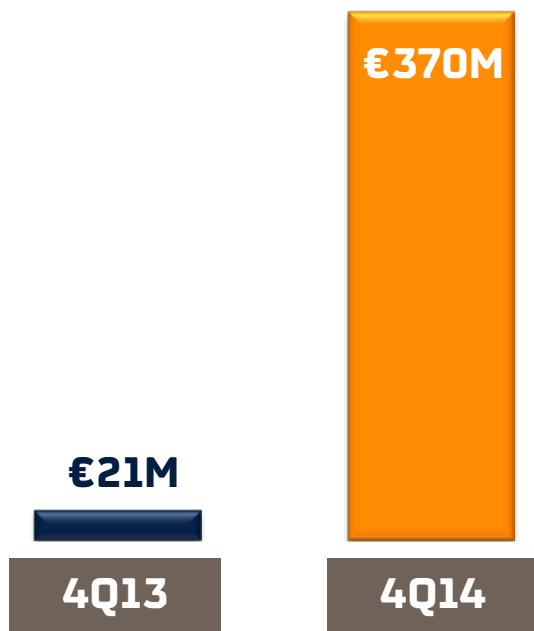
Reserve Replacement Ratio



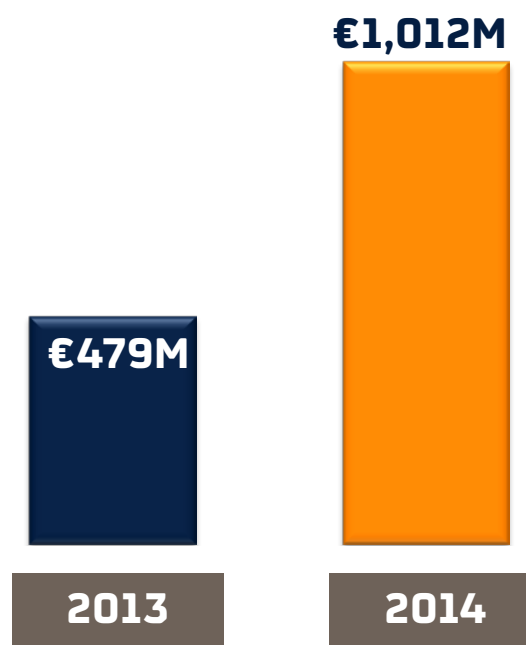
Downstream Results

Adjusted Net Income

QUARTERLY RESULTS



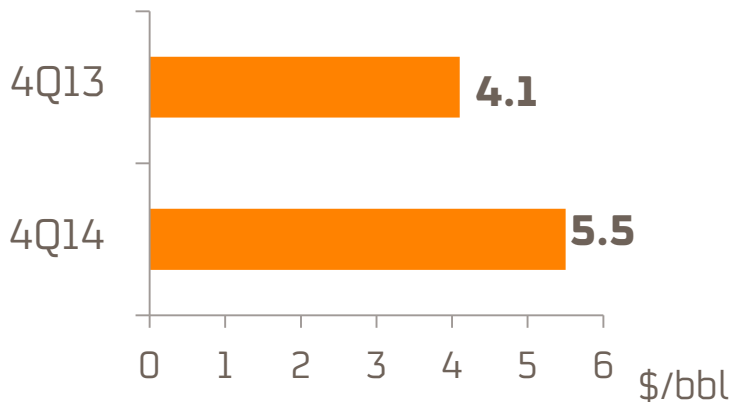
FULL YEAR RESULTS



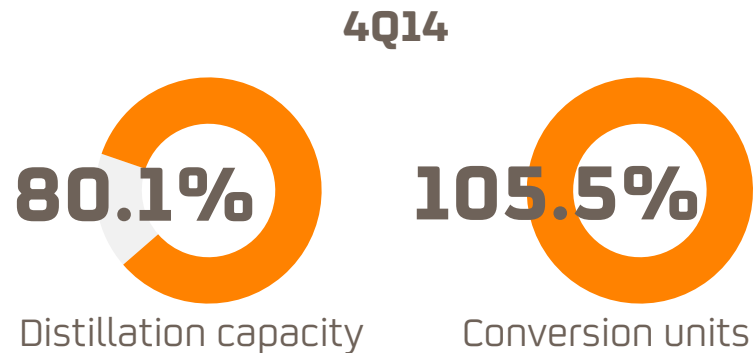
Downstream Results - Refining



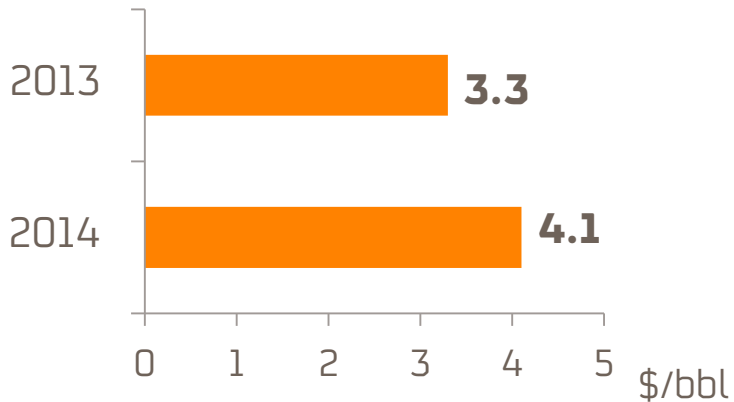
Refining Margin Indicator



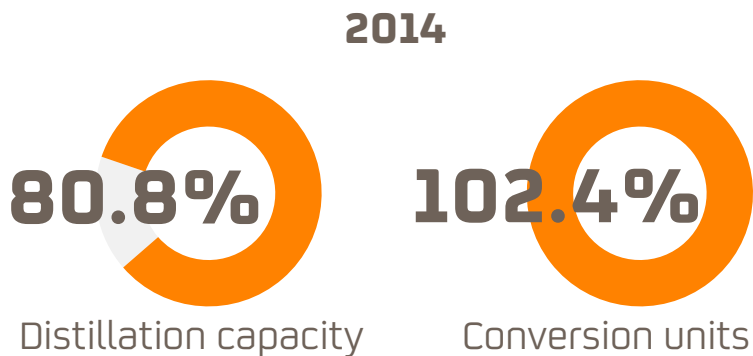
Utilization rates



Refining Margin Indicator



Utilization rates



Downstream Results

Petrochemicals business

- Higher results thanks to:
 - ✓ Competitiveness programs implemented
 - ✓ Better market environment

Commercial businesses

- Higher results in LPG division.
- Growth in sales in the Marketing business

Gas & Power

- Higher volumes and prices in North America.
- Positive impact of contractual commitments MtM.

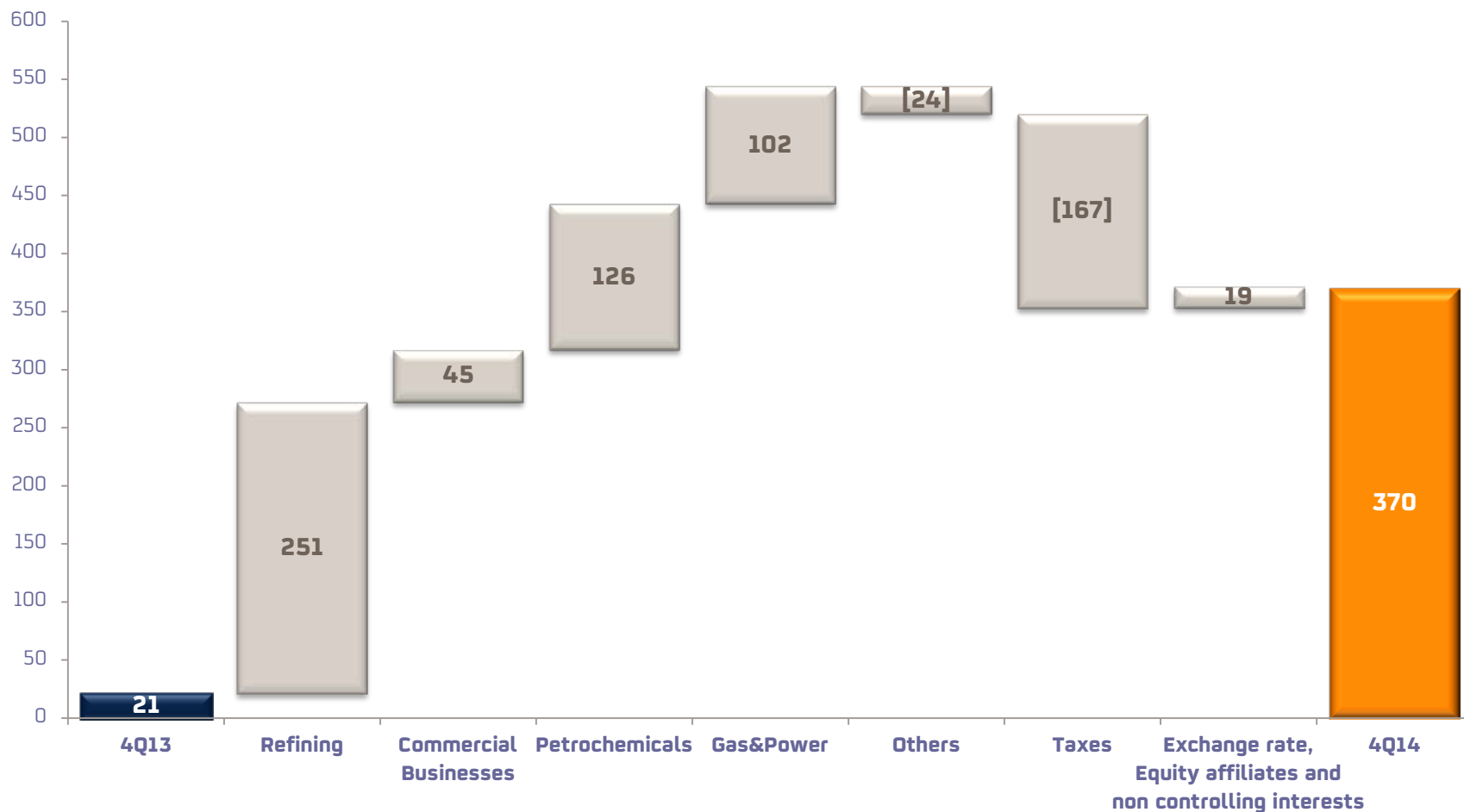
Downstream Results

Adjusted Net Income

4Q 2013 **4Q 2014**

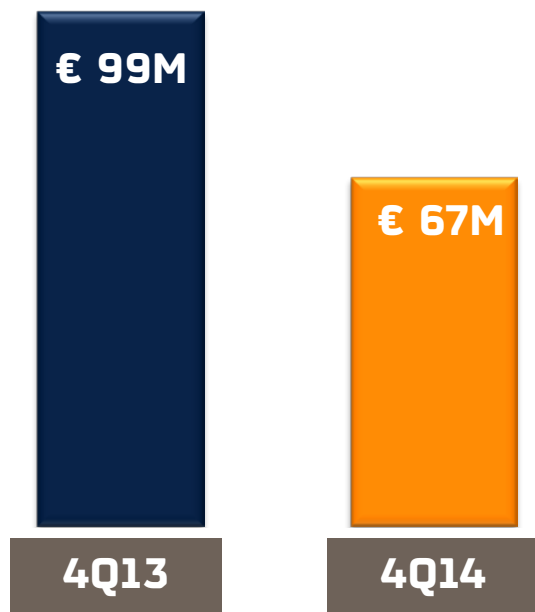
Adjusted Net Income	21	370
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Million €



Gas Natural Fenosa Results

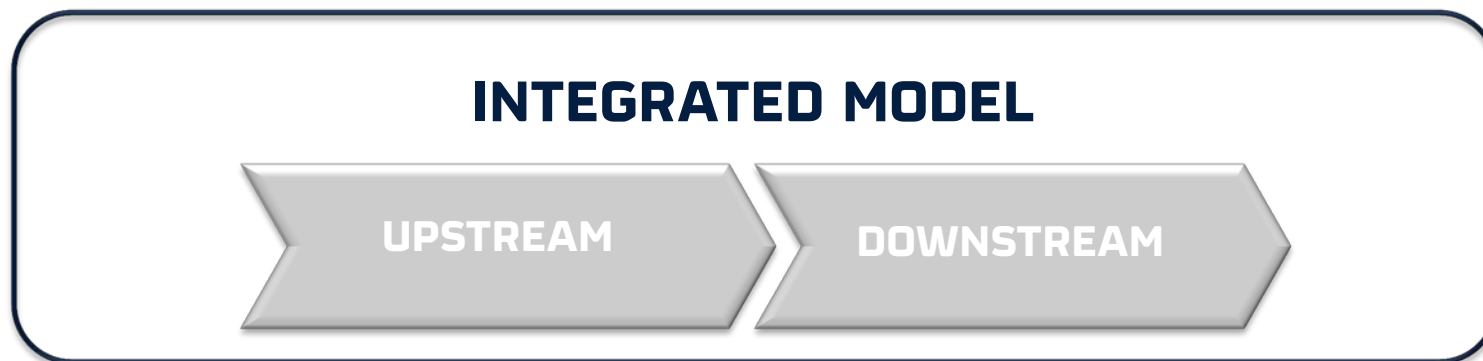
Adjusted Net Income



Impairment in the Egyptian
LNG plant of Dammietta

Benefits of integration

Stability of our results



60% of the production is gas

Negative correlation USD vs. Brent

Gas Natural results and dividends



Stability of our results

Outlook for 2015

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Acquisition of Talisman Energy

Update



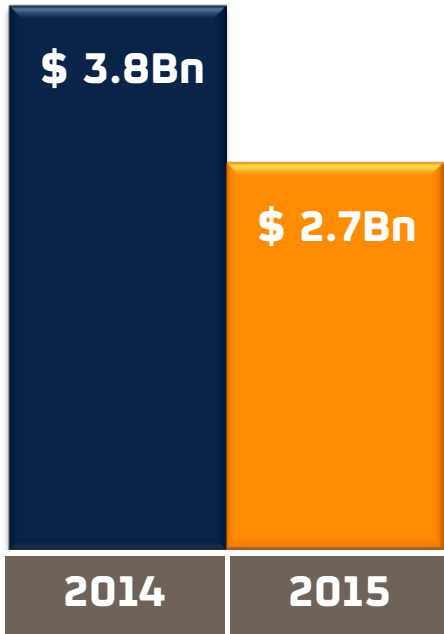
- On 18th February, the **shareholders of Talisman approved the transaction**
- Currently working with Talisman on a smooth integration
- Expecting closing date before the end of the **2Q15**

The outlook for 2015



↓ **35%** Exploration capex reduction

UPSTREAM



Investment



DOWNSTREAM



Reducing the energy costs of our industrial plants

Looking forward



- Maintain **competitive shareholder remuneration** at current levels
- **Strategic lines** of the current and future Repsol:
 - ✓ **Balance** between **Upstream** and **Downstream** divisions
 - ✓ After Talisman acquisition Upstream will focus on efficiency and **value creation**. No longer the mandate to grow
 - ✓ Strong and efficient **Downstream** → **Free Cash Flow generator**
 - ✓ **Optimize** Capex and costs
 - ✓ Fully committed with our **financial discipline**
 - ✓ Portfolio management → Strong driver of **value creation**
 - ✓ Highest standards of **sustainability, safety, governance** and **environmental management**

Conclusions

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Q&A Session

Fourth Quarter 2014 Results



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