Results

First quarter 2015

Repsol's adjusted net income amounted to

928 million Euros

REPSOL

74% rise *compared to Q1 2014.*

As a result of improved performance in downstream business, coupled with higher financial result due to the favourable impact of exchange rate and lower interests as a result of debt reduction.

Net profit stood at 761 million euros.

/ Downstream

The company's **best in class assets** led to a **123%** increase up to **USD8.7/barrel** in refining margin indicator as compared to Q1 2014.

Good perspectives for this business in 2015.

/ Solid results

Repsol continues generating **solid results** thanks to its integrated model, in a context of low crude oil prices.

Closing of **Talisman Energy acquisition** on 8 May

Transaction value is **USD8,300M** (€6,640M) plus debt.

Repsol's **low net debt** (€126M) enabled the oil company to enter into an acquisition agreement while keeping a solid financial position and attractive yield for shareholders.

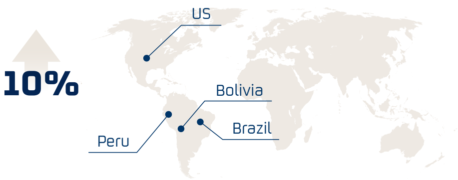
After the closing, Repsol will be amongst the **top 15** private oil and gas companies.

Our main businesses[1]

Upstream

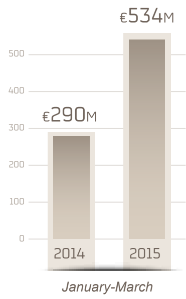
(Exploration and Production)

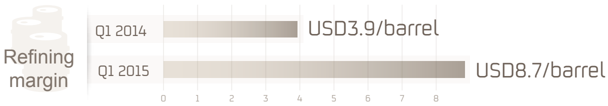
- -€190M as a consequence of **the falling price of crude oil**, the **production halt in Libya**, higher exploration costs and higher taxes in Brazil.
  - ***Excluding exploration costs, the operating results would have been positive.***
- Exploration success: new gas discovery in Illizi Basin, Southeast Algeria.
- Annual production is up 4% thanks to projects in Brazil, the US, Bolivia, and Peru. Excluding the effect of Libya, production would be **up 10%**.



Downstream

(Refining, Chemical, Marketing, LPG and Gas & Power)



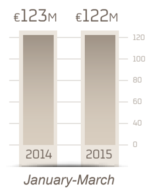


- The **refining** system's efficiency resulted in better performance of refining margin and higher use of conversion units.
- Increased income in **Chemicals** following sales rise and margin increase in a context of higher international prices.
- **Commercial businesses** reported higher results, especially in Marketing and LPG businesses.

Gas Natural Fenosa[2]

[30% stake]

- Results in line with same period of last year, as CGE Chile balances higher financial costs, the impact of new regulations in the Spanish gas industry, and the divestments made.



Solid financial position

Net debt

reaches lowest position in its history: **€126M**

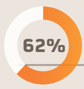
€1,809M less than closing of financial year 2014 thanks to the increase in dollar value and corporate bonds issuance in the first quarter.

-93%

Dividend

Attractive dividend yield of €1 per share as adopted at the Shareholders' General Meeting.

Repsol's Flexible Dividend Scheme gains wide acceptance:



Acceptance

January 2015

[1] The company carries out a good part of its activities through joint ventures. This means that, when it comes to making decisions on fund allocation or performance assessment, the operating and financial figures of joint ventures are analysed from the same perspective and as thoroughly as those of companies consolidated by global integration. This is the reason why all sector figures include, according to percentage shares, those of joint ventures or companies managed as such.

In fiscal year 2014, Repsol decided to take into account the current business environment and use an accounting method for better comparison with the results of other companies in the same industry. Now, Repsol reports its recurring net income based on restocking costs of continued operations (adjusted net income), excluding both discontinued operations and inventory effects.

[2] From 1 January 2014, Gas Natural results are no longer reported in Repsol statements using a consolidated method. The equity accounting method is used instead.