2016-2020

VALUE & RESILIENCE

REPSOL

November, 2015

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Strategic Plan 2016-2020: Agenda

Strategic Plan 2016-2020: Agenda

2012-2016 Strategic Plan delivery

Key strategic lines 2016-2020: Value & Resilience

Financial outlook

Summary

Repsol 3Q 2015 Results

2012-2015 Milestones

2012-2016 Strategic Plan: Growth and Delivery

2012	2013	2014	2015
YPF expropriation	LNG business divestment	YPF settlement and full monetization	Talisman Acquisition
Cartagena & Petronor refineries upgrade	Start-ups: Carabobo and Sapinhoa	New CEO appointment	Hybrid bonds issuance
Discoveries: Pão de Açucar and Sagari	Discoveries: Brazil, Alaska and Russia	Discoveries: T&T and Gulf of Mexico	Start-up: Perla
Start-ups: Margarita & Mid Continent		Start-up: Kinteroni	
		Extraordinary dividend	

2012-2016 Strategic Plan targets achieved

		// Targets //	// Delivery //	
High growth in Upstream	• Upstream as growth engine	CAGR>7% Prod 2016 ~500 kboepd	>25%/y (1) ~650 kboepd	✓
	• Reserves Replacement	RRR > 120%	190% (2011-2014)	✓
Maximize Downstream profitability	• Maximize profitability and cash	€1.2 B/y	€1.3 B/y (2)	✓
	• Fully-invested assets	€0.7 B/y	€0.7 B/y (2)	✓
Competitive shareholder compensation	• Competitive pay-out ratio	Stable dividend of €1/share	~€1/share per year (3)	✓
	• Dividend ~ €1/share		Extraordinary dividend in 2014	✓
Financial strength	• Self-financed plan	Self-financed	Leverage increase (Talisman acquisition)	✓ (dashed)
	• Commitment to maintain investment grade	Maintain investment grade	Achieved	✓

1. 25% CAGR estimated with 2015 production of 650 kboed (average daily production with Talisman integrated all year). Organic growth with a CAGR of ~7% excluding Lybia's impact (3% with it).
2. Downstream figures do not include any LNG business figures.
3. Dividend paid of €1/share every year with scrip dividend option. Extraordinary dividend of €1/share paid in 2014 after YPF agreement compensation.

Repsol today

An integrated company operating across the entire value chain

~2.2 billion boe proved reserves

Integrated business model

Delivery on commitments

~650 kboepd production

// Talisman acquisition //

May 2015: closing

Diversified and global portfolio

- Transformative deal with a long-term view
- Competitive multiples: EV/2P reserves ~$10/bbl
- E&P portfolio and competitiveness upgrade
- Global scale and diversification
- Generates new oportunities
- Enhanced value-creation capabilities

~1 million bpd refining capacity

World-class explorer

Core businesses: Upstream and Downstream

Capable and talented workforce

Non-operated shareholding: GNF

Tier 1 Downstream

Strategic Plan 2016-2020: Agenda

- 2012-2016 Strategic Plan delivery
- Key strategic lines 2016-2020: Value & Resilience
- Financial outlook
- Summary
- Repsol 3Q 2015 Results

Key strategic lines 2016-2020

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VALUE

Shift from **growth to value delivery,** prepared for the next growth wave

Commitment to **maintain shareholder compensation** in line with current company level

RESILIENCE

Top tier resilience among integrated companies

Self-financing strategy even in a stress scenario

FCF breakeven after dividends at **$50/bbl Brent**

PORTFOLIO MANAGEMENT

Capex flexibility
(~40% Capex reduction vs. 2014)

Creating value through portfolio management
(€6.2 B divestments)

EFFICIENCY

Synergies and company-wide Efficiency Program with strict accountability:

€2.1 B/y savings
(€1.5 B Opex + €0.6 B Capex)

Creating value even in a stress scenario through efficiency and portfolio management

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Scenario assumptions

Stress scenario 2016-2020

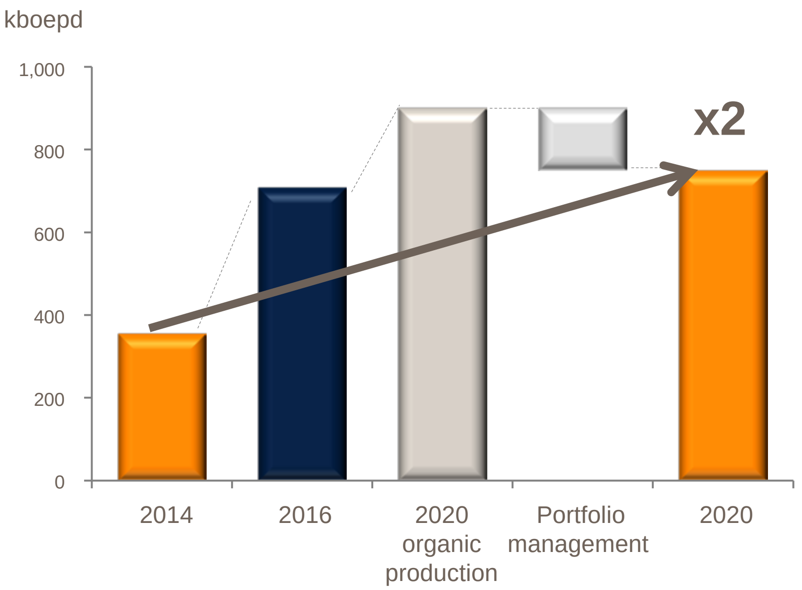
Brent price	Henry Hub price	Repsol refining margin indicator
$50/bbl flat	$3.5/Mbtu flat	$6.4/bbl flat

Base scenario 2016-2020

	2016	2017	2018	2019	2020
Brent price ($/bbl)	65.0	75.0	85.0	90.0	91.8
Henry Hub price ($/Mbtu)	3.5	4.0	4.6	4.7	4.8
Repsol refining margin indicator ($/bbl)	←		6.4		→

Shift from growth to value

// Upstream production evolution //

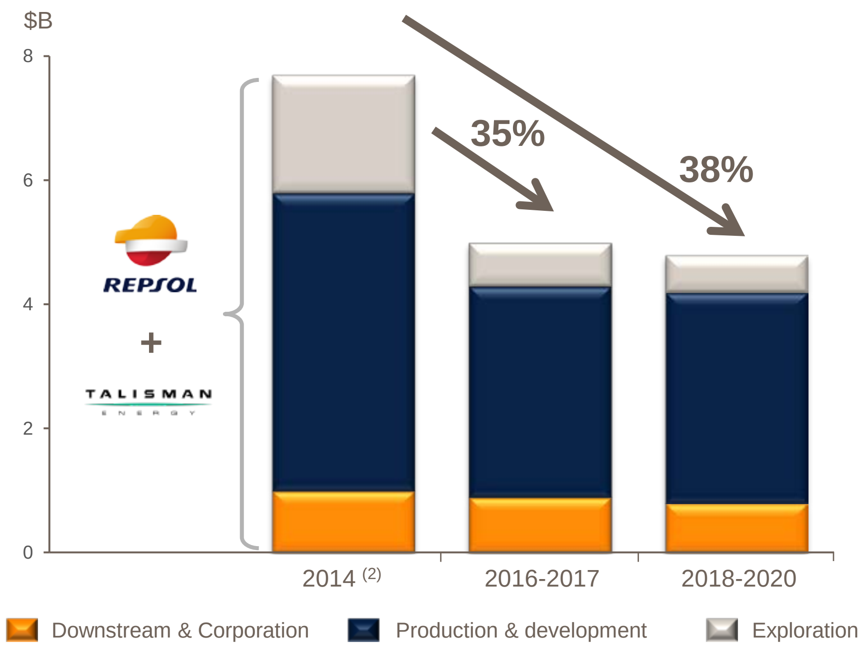


- Achieved critical mass in E&P business
- Extensive portfolio of assets and development projects
- Optionality to improve portfolio value by divestments

Achieving optimal size and portfolio mix

Capex reduction as a key lever

// Group annual Capex [1] //



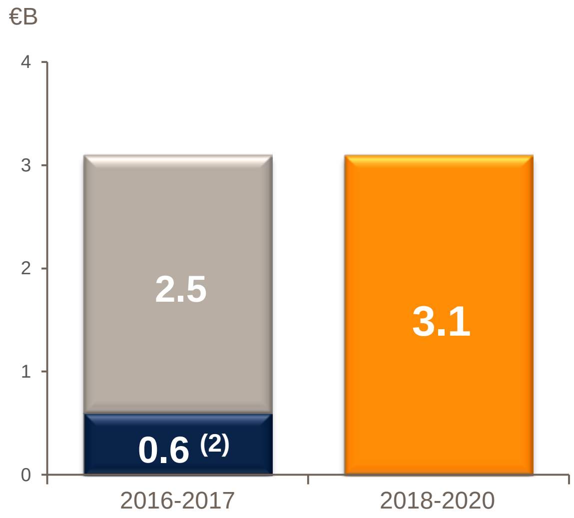
- Upstream assets in an advanced stage of investment
- Limited presence in capital-intensive new developments
- High share of unconventionals (price responsive Capex)
- Investment portfolio prioritization after Talisman integration
- Exploration with limited commitments
  - Expense [3] reduced from ~$2.1 B/y (2011-2014) to ~$0.9 B/y (2016-2020)
- Low Downstream capital requirements

High flexibility to manage investments

1. All figures in dollars using an exchange rate of $/€ 1.1 for the whole period. Capex does not include G&G and G&A from exploration, includes efficiency program.
2. Repsol and Talisman were two separate companies in 2014. In 2015 there are effects of the combined company. Figures include proportional share of JVs.
3. Exploration expense includes G&G and G&A.

Enlarged portfolio allows divestments

// Asset divestment plan of €3.1 B in 2016-2017 and €3.1 B in 2018-2020 //



✓ **€1 B in divestments commitment, after Talisman acquisition, fully achieved [1]**

✓ **Finding natural owners of assets willing to pay full value**

- 2015 CLH and piped LPG divestments

✓ **Sales focus on assets not linked to oil prices, subscale and high-cost/ high-breakeven positions to improve portfolio value**

- With time flexibility to sell at right price

Creating value and strengthening balance sheet

1. Sale of CLH and piped LPG in 2015.
2. Sale of piped LPG to generate €0.7 B (€0.1 B in 2015 and €0.6 B to be accounted for 2016.)

Synergies and Efficiency Program to reach €2.1 B/y in 2018

Strict accountability on Efficiency Program delivery for the management team

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		// 2018 Opex impact //	// 2018 Capex impact //
Synergies	• Savings from combining the organizations • Benefits from enhanced portfolio • Other savings	€0.3 B	
Upstream Opex & Capex efficiency	• Capture of cost deflation • Efficiency improvement • Cultural change	€0.5 B	€0.6 B
Downstream profit improvement and efficiency	• Integration value maximization • Operational optimization • Reliability of industrial facilities	€0.5 B	
Corporation right-sizing	• Optimization of key support functions • Simplification: focus on value creation	€0.2 B	
		€1.5 B	**€0.6 B**

New Efficiency Program

50% of Opex savings already under implementation
Reduction of 1,500 Group employees already announced

Synergies from Talisman integration are already being delivered

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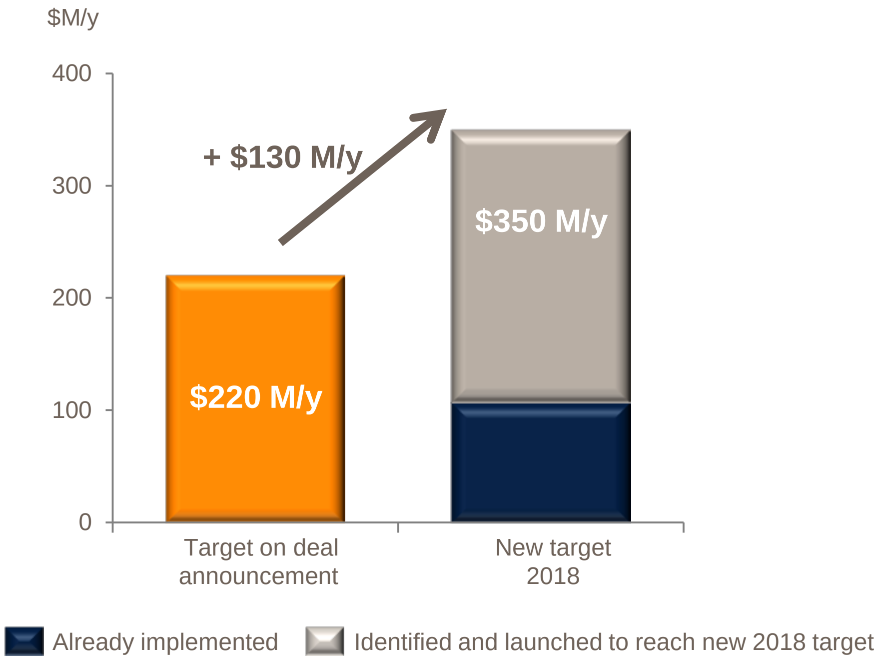
// Integration synergies //



// Selected examples //

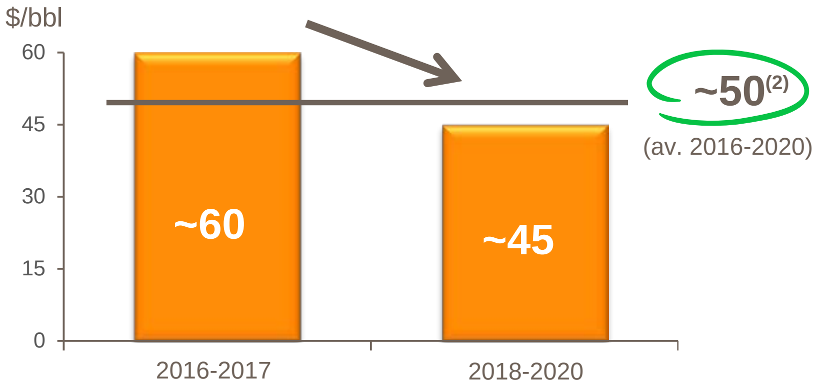
- Workforce and contractors reduction from overlaps
- Removal of duplications in general services, helpdesk support, communications, office events, etc.
- Removal of duplicate boards/committees and external services
- Cost of debt savings from joint financial optimization
- Improved liquids commercialization from Talisman production using Repsol trading capabilities

>30% of synergies already implemented

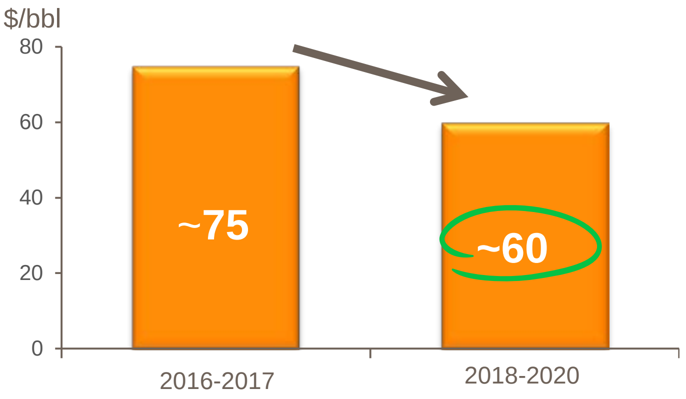
New synergies target of $350 M/y by 2018
(Raised from $220 M/y at the time of the acquisition announcement)

Breakevens

// Group FCF breakeven [1] after dividends //



// Upstream FCF breakeven [1] //

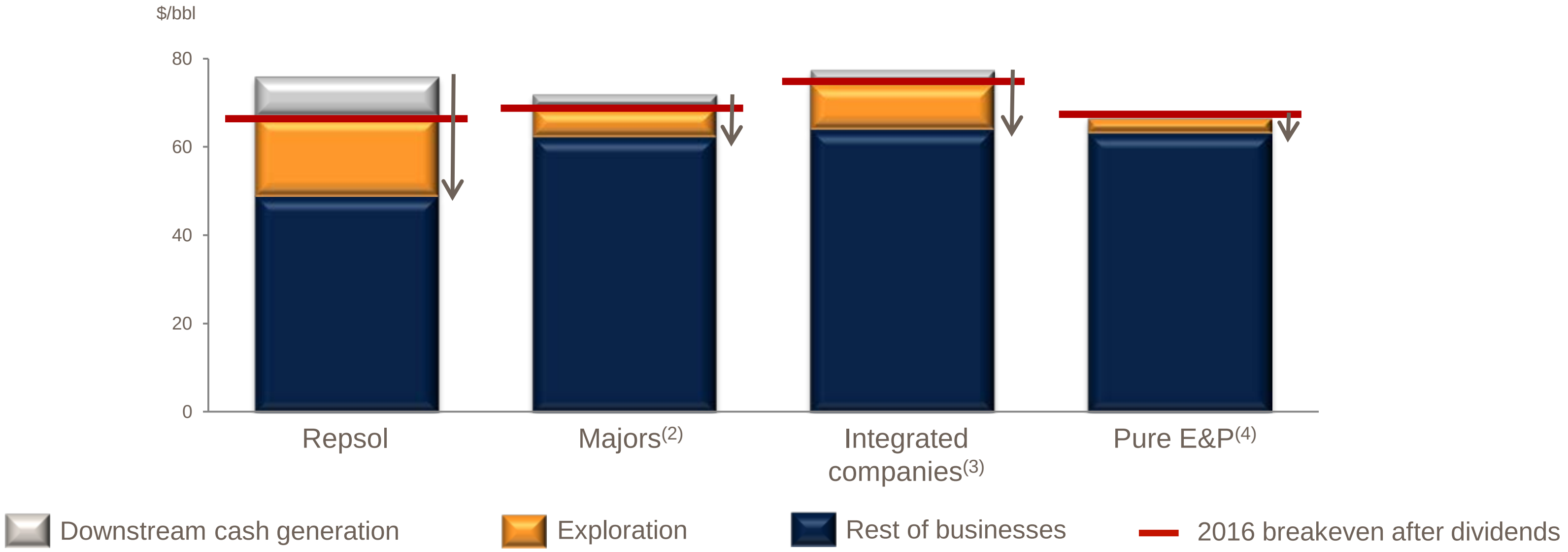


Resilience: $50/bbl free cash flow breakeven after dividend

1. Scenario used to estimate breakevens of HH $3.5/Mbtu and Repsol refining margin indicator of $6.4/bbl, both flat from 2016 to 2020. Breakeven does not include any proceeds from divestments, with the exception of the piped LPG sale already accomplished (piped LPG sale of €0.7 B in September 2015, with €0.6 B to be accounted for in 2016).
2. Sensitivities: With HH at $3/Mbtu (instead of $3.5/Mbtu) breakeven increases an average of $2/bbl. With refining margin indicator at $5/bbl (instead of $6.4/bbl) breakeven increases an average of $5/bbl.

Repsol's FCF breakeven reduction capacity well positioned within industry

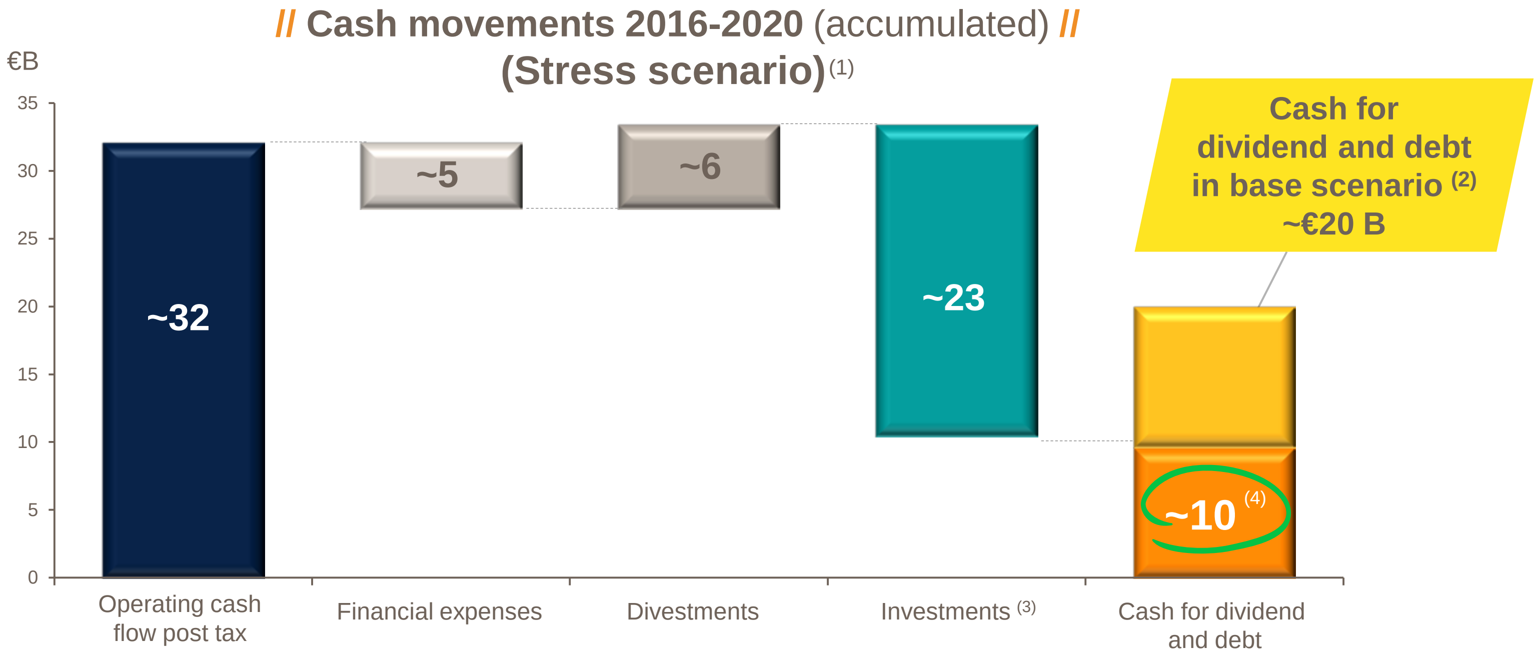
// Company FCF breakeven in 2016 (after dividends)[1] //



Repsol's strong Downstream significantly contributes to lowering breakeven
Exploration provides high flexibility to reduce breakeven

1. Wood Mackenzie data except for Downstream business.
2. Majors: Exxon, Statoil, Shell, Chevron, BP and Total.
3. Integrated companies: OMV, ENI.
4. Pure E&P: Chesapeake, Anadarko, Apache, Devon, Oxy, EOG and CNRL.

Self-financed Strategic Plan



Self-financed Strategic Plan even under the stress scenario ($50/bbl flat)

1. Scenario used (stress): Brent $50/bbl, HH $3.5/Mbtu and Repsol refining margin indicator of $6.4/bbl, from 2016 to 2020.
2. Base case scenario starting at Brent = $65/bbl and HH = $3.5/Mbtu in 2016, increasing to $75/bbl and $4.0/Mbtu in 2017, $85/bbl and $4.6/Mbtu in 2018, $90/bbl and $4.7/Mbtu in 2019 and $91.8/bbl and $4.8/Mbtu in 2020, with a constant refining margin of $6.4/bbl.
3. From the ~€23 B investments, ~€19 B are from Upstream and ~€4 B from Downstream.
4. FCF sensitivities (5 years accumulated): Brent +$5/bbl = €1.5 B; HH +$0.5/Mbtu = €0.7 B; Repsol refining margin indicator +$1/bbl = €1.1 B.

Upstream

Downstream

Corporation

Upstream strategy 2016-2020

// Starting point // (Repsol + Talisman)

- **Broad geographic footprint** with some subscale positions
- Long pipeline of **organic growth** opportunities
- **Unconventionals** portfolio

Efficiency Program

- Opex
- Capex

Portfolio management

- Exploration optimization
- Investment rationalization
- Divestments

// Strategic positioning //

- Lower Capex intensity and improved value
- More resilient with FCF Upstream breakeven down to ~$75/bbl in 2016-2017 and ~$60/bbl in 2018-2020
- Geographically and play-type focused (3 regions, 3 play types)
- Production scaled at 700-750 kboepd sustained by the right reserve base

3 core regions in the portfolio

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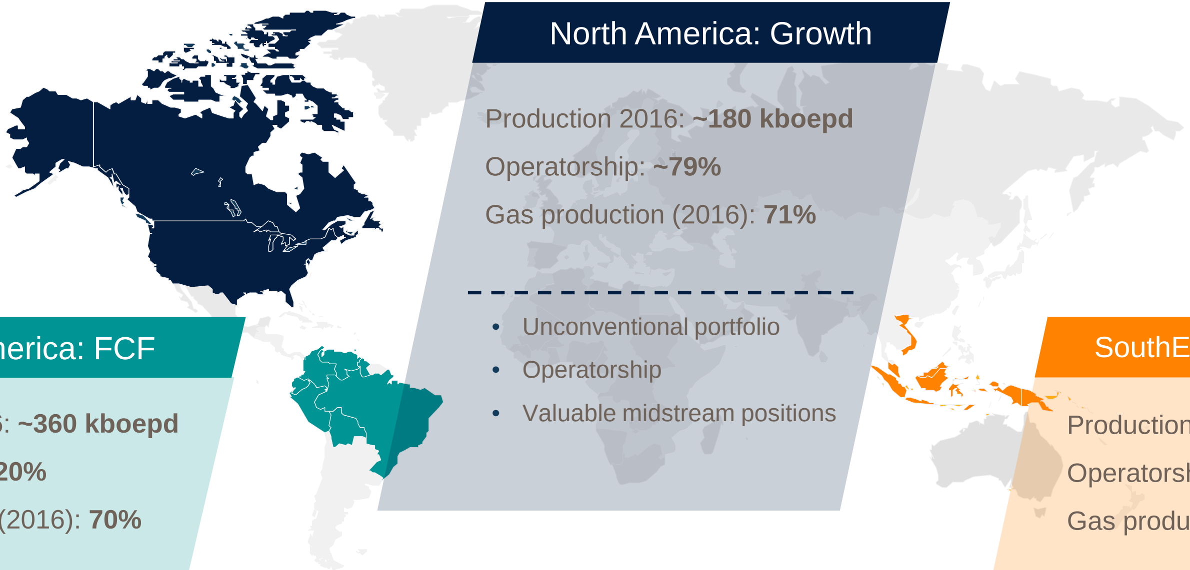


North America: Growth

Production 2016: **~180 kboepd**

Operatorship: **~79%**

Gas production (2016): **71%**

- Unconventional portfolio
- Operatorship
- Valuable midstream positions

Latin America: FCF

Production 2016: **~360 kboepd**

Operatorship: **~20%**

Gas production (2016): **70%**

- Regional scale
- Exploration track record
- Cultural fit

SouthEast Asia: FCF & Growth

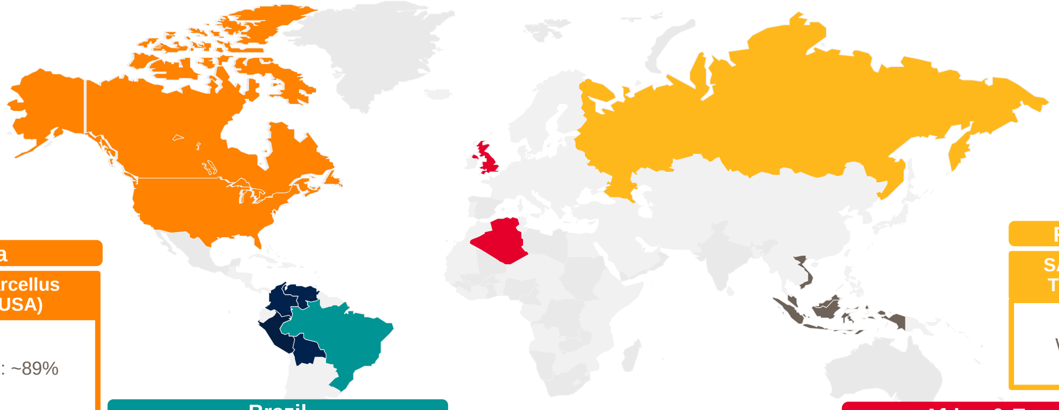
Production 2016: **~85 kboepd**

Operatorship: **~37%**

Gas production (2016): **77%**

- Self-financed growth
- Relationship with governments/NOCs
- High potential exploration blocks

An extensive pipeline of organic opportunities



North America

- **Eagle Ford (USA)**: WI: ~31% in basin and 50% in JV
- **Marcellus (USA)**: WI: ~89%
- **Duvernay (Canada)**: WI: 100%
- **Mid-continent (USA)**: WI: ~11%

Brazil

- **Sapinhoa (former Guara)**: WI: 15%
- **Lapa (former Carioca)**: WI: 15%; FO NE end 2016; FO SW 2019

Russia

- **SANECO / TNO / SK**: WI: 49%

Africa & Europe

- **Reggane (Algeria)**: WI: 29.25%; First gas 2017
- **MonArb (UK)**: WI: 30%; Redevelopment

Latin America

- **M. - Huacaya (Bolivia)**: WI: 37.5%
- **Carabobo – AEP (Venezuela)**: WI: 11%
- **Cardon IV (Venezuela)**: WI: 50%
- **Kinteroni + Sagari (Peru)**: WI: 53.8%
- **Akacias (Colombia)**: WI: 45%

SouthEast Asia

- **PM3, Kinabalu (Malaysia)**: WI:41.4-35 PM3; WI: 60% K
- **C. & J. Merang (Indonesia)**: WI: 36% C / 25% JM
- **Red Emperor (Vietnam)**: WI: 46.8%; FO: 2018

“As is” organic portfolio potential of more than 900 kboepd

// Exploration //

Contingent resources

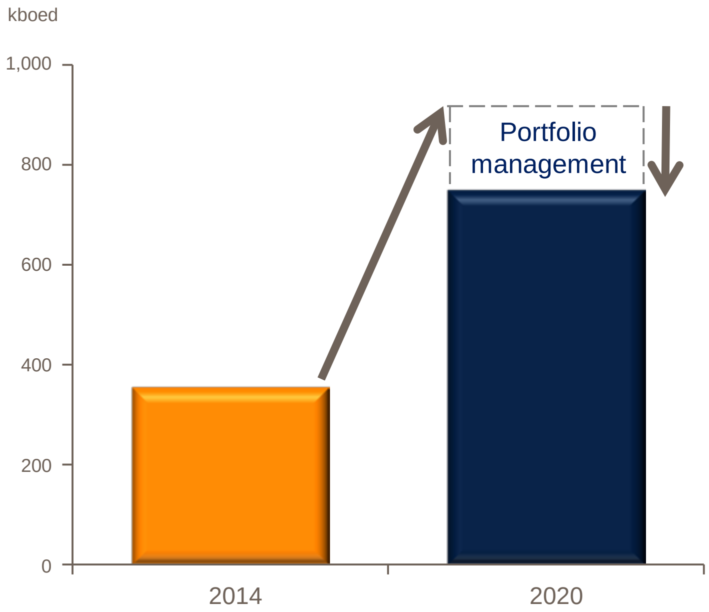
- Brazil: Campos-33, Albacora Leste, Sagitario
- Russia: Karabashky
- Colombia: CPO9 & Niscota
- Alaska: Colville High
- GOM: Buckskin & Leon
- Indonesia: Sakakemang
- Vietnam: Red Emperor extension
- Kurdistan
- Unconventional North America
- PNG: PDL10

Prospective resources

- Brazil: Santos Basin & Espirito Santo
- Colombia: RC11, RC12 & Tayrona
- Unconventional North America
- GOM
- Peru
- Guyana
- Angola
- Romania
- Portugal
- Norway
- Indonesia
- Malaysia
- Vietnam
- PNG: gas aggregated project
- Bulgaria

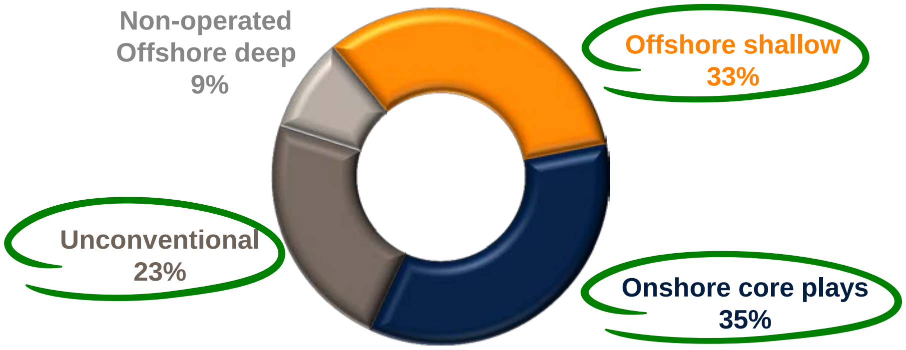
Portfolio management: Production

// 2020 Production ~700-750 kboepd //



// Focus: 3 regions, 3 play types //

Production 2016-2020



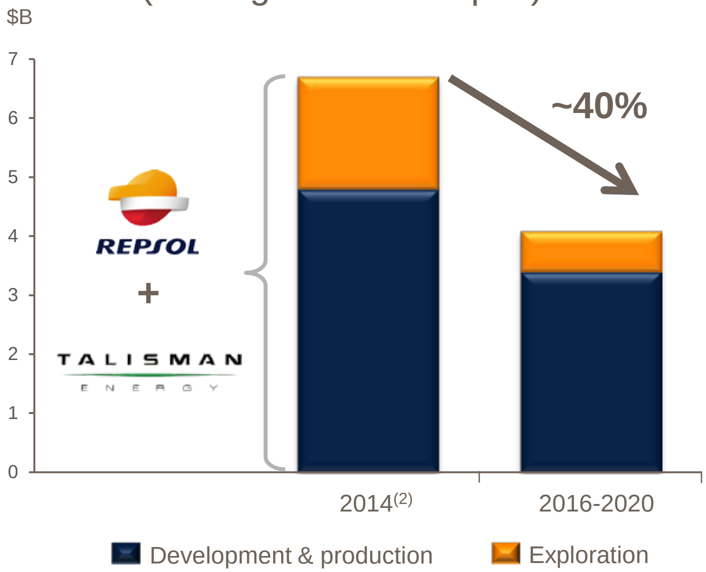
~90% of production from core areas (2016-2020)

North America | Latin America | SouthEast Asia

A larger and more focused E&P portfolio

Portfolio management: Capex

// Capex reduction 2016-2020 //
(Average annual Capex) (1)



// Capex prioritization driven by value and strategic fit //

- Development Capex reduction based on value optimization:
  - Fulfill contractual minimum commitments
  - Slowdown of projects with lower value
  - Modulate unconventional Capex to oil price
- Exploration Capex reduction while ensuring sustained resource additions
  - Focus on core regions/plays
  - Reduce highest-cost development exposure
- Divestment of non-core assets

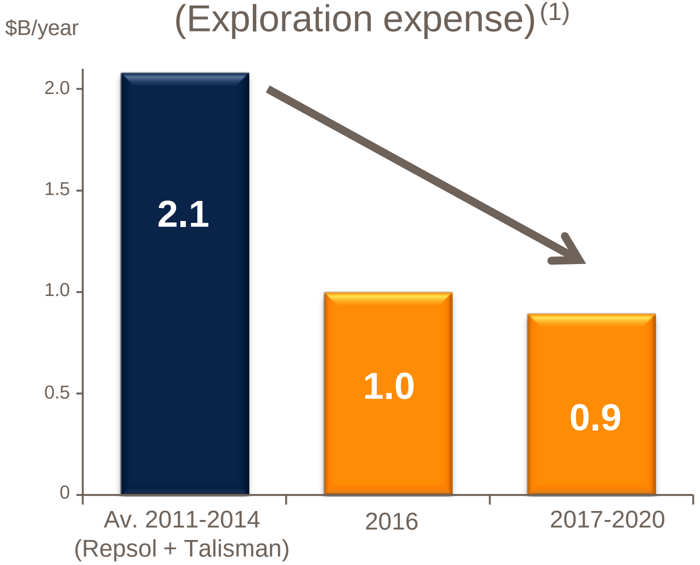
Reduction in Capex while preserving value

1. Not including G&G and G&A from exploration and including efficiencies.
2.Figures include proportional share of JVs.

Portfolio management: Exploration

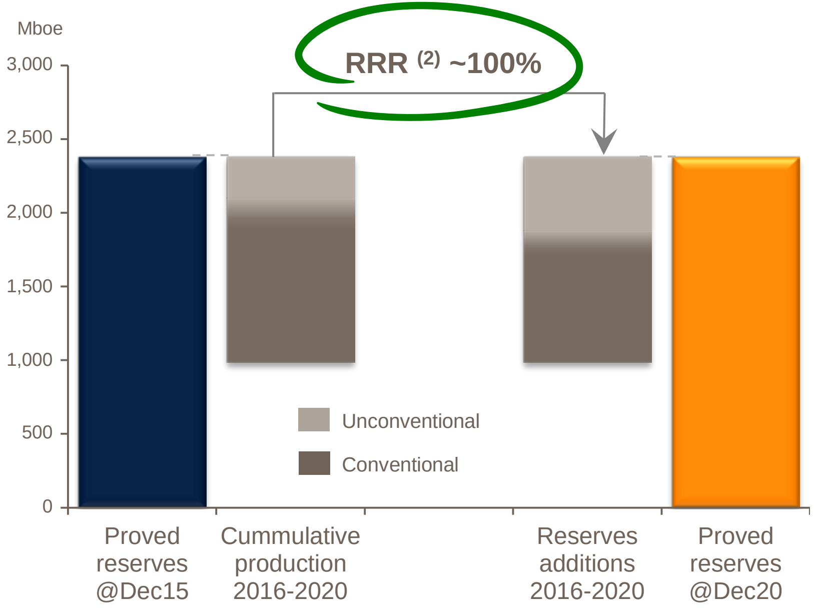
// Lower exploration intensity, more focused, lower risk //

(Exploration expense)[1]



Exploration intensity ($/boe)	**8.8**	**3.9**	**3.2**

// Unconventionals will complement exploration for reserve replacement //

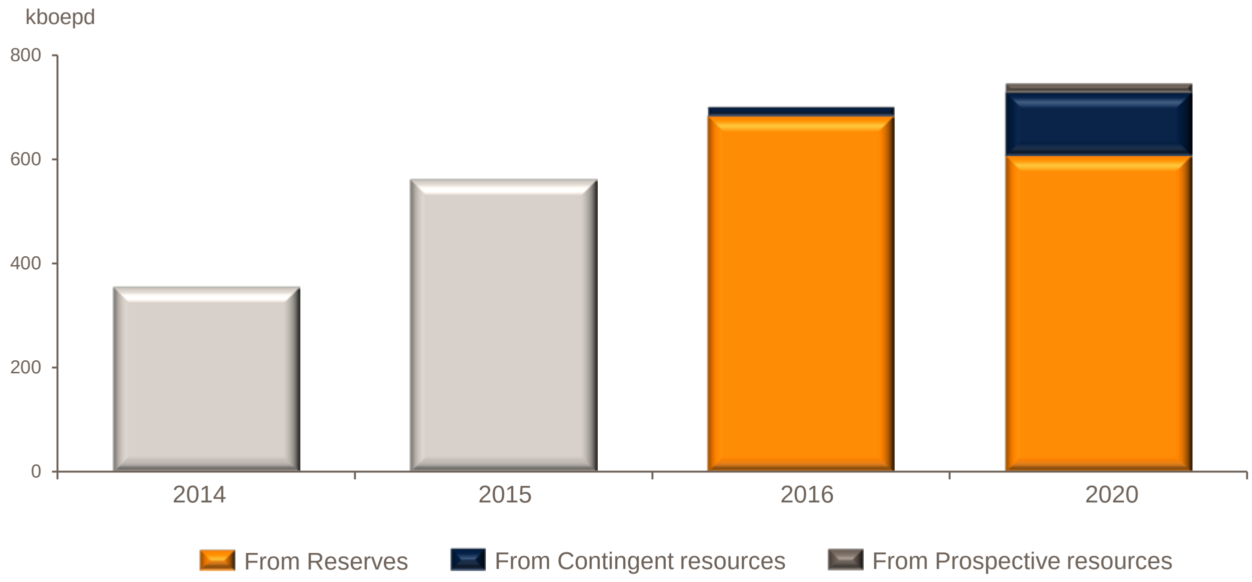


Lower exploration intensity needed for reserve replacement

1. Exploration expense include G&G/G&A. 2. Reserves replacement ratio.

More than 80% of 2020 production coming from today's reserves

// Production evolution //



Production guaranteed with current reserves and resources

E&P Cost Efficiency Program

Focused on structural efficiency gains and industry deflation capture

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// Levers //

Business units
(Opex & Operational Capex)

- Technical standardization
- Operational uptime increase
- Procurement & logistics optimization
- Organizational right-sizing

Large capital projects

- Post -FID projects: Efficiency gains, scope challenge
- Pre-FID projects: Lean and cost-efficient engineering and supply chain design, collaborative approach with contractors, integrated project execution, …

Exploration & drilling

- Simplification of geological targets, coring, testing
- Well design standardization
- Planning and execution efficiencies
- Procurement & logistics optimization
- Organizational right-sizing

Support functions

- Ongoing analisis of added value for every task
- Organization right-sizing
- Optimize support functions

~$1.2 B/y savings by 2018

~$0.6 B/y Capex

+

~$0.6 B/y Opex

E&P Cost Efficiency Program

Selected examples of Upstream saving initiatives

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// Initiative //	// Description //	// Status //	// Yearly impact //
Marcellus (US) well cost optimization	Cost reduction program in well drilling and completion by contract renegotiations	✓ Under implementation	~$66 M Opex
Brazil efficiency program	Program to reduce lifting and structural costs	✓ Under implementation	~$49 M Capex
Staff right-sizing	First wave of global headcount and cost reduction	✓ Under implementation	~$44 M Opex
UK helicopters optimization	Optimization of helicopter use and contracts renegotiation	✓ Under implementation	~$22 M Opex
UK maintenance contract	Optimizing offshore maintenance contracts and renegotiation with suppliers	✓ Under implementation	~$7 M Opex
Transport optimization in Trinidad & Tobago	Transfer of logistics base closer to offshore platforms	✓ Under implementation	~$3 M Opex
Akacias (Colombia) well cost optimization	Cost reduction program in development wells drilling in Akacias, Colombia	To be launched	~$33 M Capex

E&P Cost Efficiency Program
UK transformation plan already delivering results

Program implemented from 2014 delivering in 2015:

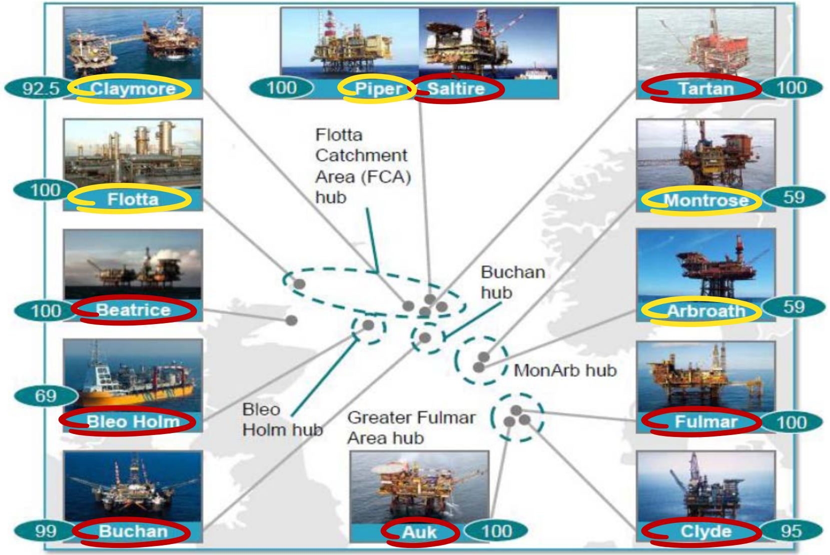
- After more than 10 years of decline, production to increase 15% in 2015
- Reduction of 25% Capex & Opex vs. 2014
- 35% year-on-year reduction in unitary lifting costs
- Key MonArb development project realigned to deliver additional production by mid-2017

Repsol drives a step-change involvement in the JV and a new business plan:

New Business Plan

- **Operational efficiency improvement**
- **Improve recovery factor with new developments**
- **Optimize decommissioning**
- **Fiscal optimization**

// Complex network of operated production facilities //

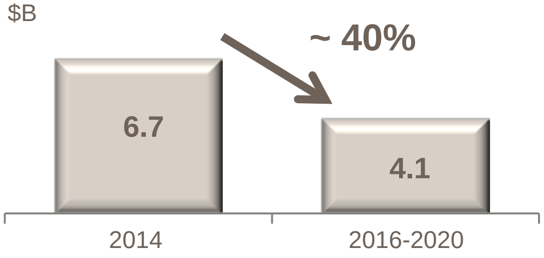


Operation assets
Late life assets (LLA)
TSEUK approximate ownership (%)

Upstream metrics improvement in 2016-2020
Commitments

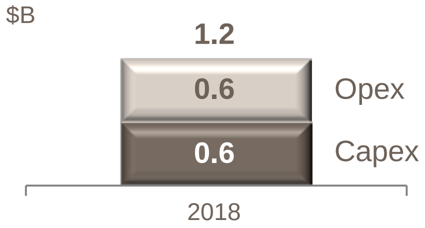
// Capex (1) //

Capex



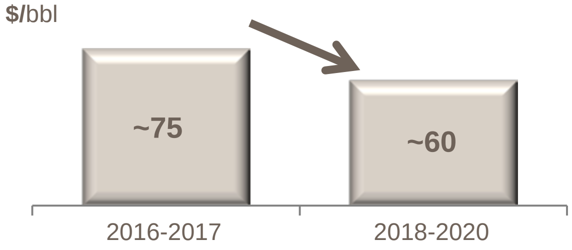
// Opex & Capex savings //

Efficiency



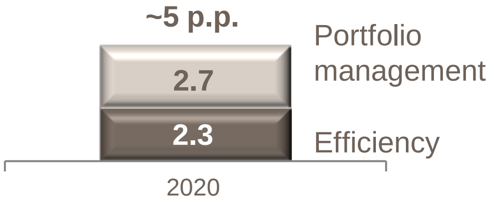
// Upstream FCF breakeven //

Resilience



// ROACE (2) increase //

Value



1. Capex not including G&G and G&A cost from exploration.
2. ROACE increase figures estimated with the stress scenario.


Upstream
Downstream
Corporation

Downstream to provide sustainable value

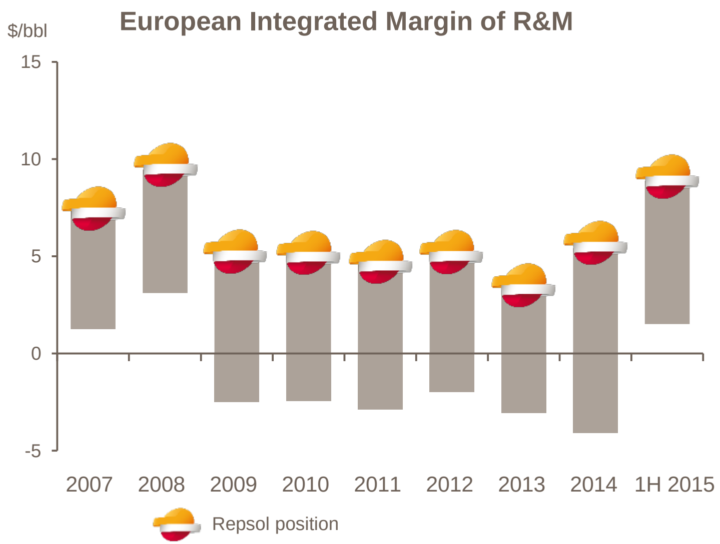
Maximize performance	• Taking advantage of the integration between refining and marketing businesses with focus on reliability
Capital discipline	• Discipline in capital allocation • Divestments of non-core assets for value creation
Margin improvement & Efficiency Program	• Optimizing integrated margin across businesses • Strong focus on reducing energy cost and CO_2 emissions

Objective to generate FCF ~ €1.7 B/y (average 2016-2020)

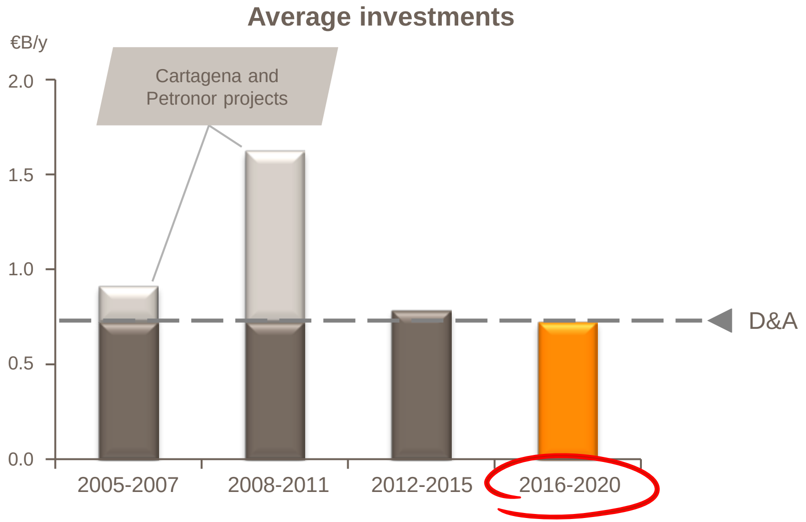
2016-2020 Downstream strategy: Maximizing value and cash generation leveraged on fully invested assets

// Sustainable value from quality assets //

Repsol in leading position among european peers



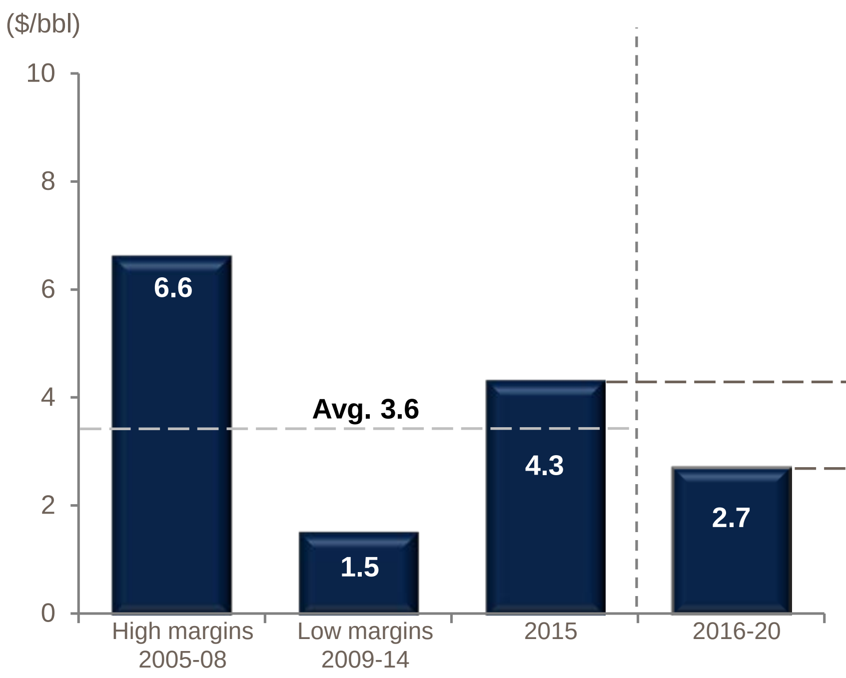
// Investment discipline //

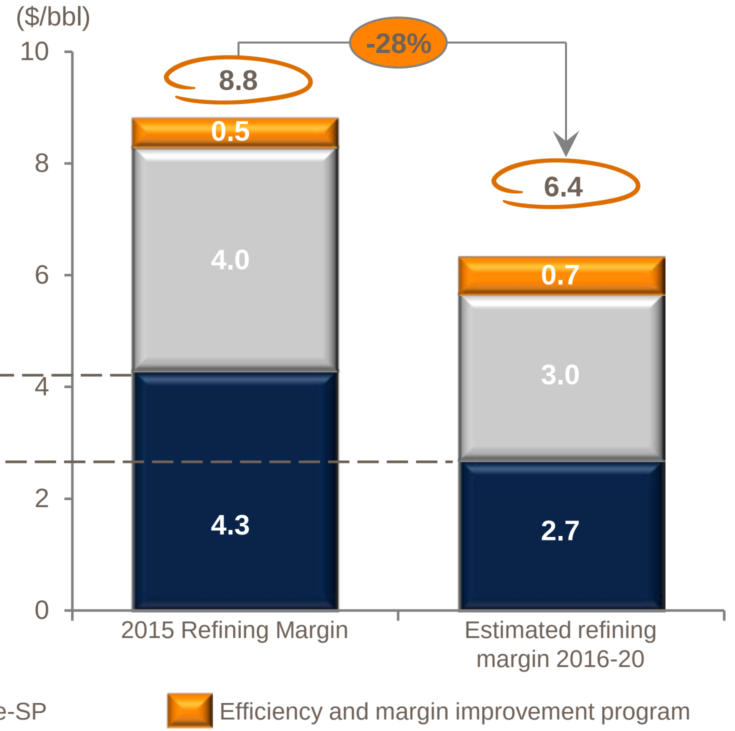


Downstream resilience reinforced by commercial business integration with industrial businesses

Note: Integrated R&M margin calculated as CCS/LIFO-Adjusted operating profit from the R&M segment divided by the total volume of crude processed (excludes petrochemicals business) of a 9-member peer group. Based on annual reports and Repsol's estimates. Source: Company filings.
Peers: 2015: Eni, Total, Cepsa, Galp, Saras, OMV, MOL, Neste Oil, Hellenic // 2014 and previous: Eni, Total, Cepsa, Galp, Saras, OMV, MOL, PKN Orlen, Hellenic.

Repsol's refining margin indicator evolution
Margins back to a mid cycle scenario





[1] Without taking into account margin from projects and efficiency improvement program

Note: Since the start up of the Bilbao and Cartagena projects, the premium went up from 1.6$/bbl in 2012 to 2.8$/bbl in 2014 and 4.3$/bbl in the first three quarters of 2015

Fundamentals support sustained Repsol refining margins

Lower Opex	✓ Lower oil and gas prices
Growing refined products demand	✓ Average demand growth of 1.2% for 2016-2020 on top of strong 2015 demand ✓ Spain fuels demand growth at 4% in 2015
European refineries at high utilization of effective capacity	✓ Lower EU effective capacity due to low maintenance activity in recent years ✓ Low Brent-WTI and NBP-HH gaps and low $/€ exchange rate
Restarts unlikely in EU	✓ Restarts unlikely due to required investment in working capital and fixed costs with long-term uncertainties remaining for less competitive refineries in EU
Refining project delays and cancellations	✓ Capacity-addition delays and cancellations due to stressed cash position of integrated companies and NOCs
Demand vs. effective capacity tighter than previous years	✓ Capacity additions offset by growing demand
Light-Heavy differentials	✓ Marpol (1) increases diesel demand, while lowering fuel oil demand and price ✓ Large increase in production of heavy crudes

1 Marpol: International convention for the prevention of pollution from ships.

Downstream efficiency and margin improvement program

REPSOL

// Projects //	// Levers //	// EBIT increase by 2018 //
Refining	• Energy cost reduction • Improved planning to increase crude supply flexibility • Operations optimization including fixed-cost reductions • Increased asphalt production in Peru	**~€250 M/y**
Integrated margin	• Optimization of integrated margin across the value chain with: optimization of crackers supply, processing challenging crude...	**~€100 M/y**
Commercial businesses	• Network structure optimization • Logistics and planning improvements	**~€100 M/y**
Chemicals	• Operational improvement focused on raw material flexibility and facilities reliability • Optimization of pricing strategy	**~€50 M/y**

Total target of ~€0.5 B/y

~€500 M/y from Downstream efficiency improvement

Selected examples: Downstream

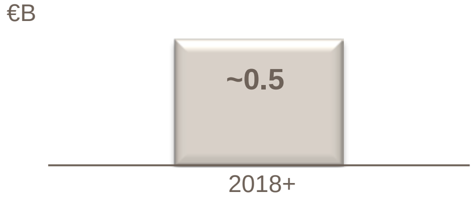
// Initiative //	// Description //	// Status //	// Impact on EBIT //
Petronor steam reduction	Minimize use of turbines, repair leaks, maximize condensate return, optimize steam ratios and pressures	✓ Under implementation	**€41 M/y**
Cartagena hot standby boilers	Technical upgrades allowing reduced consumption and improved safety of supply	✓ Under implementation	**€9 M/y**
Processing more challenging crudes	Margin integration along the supply chain to maximize CPC blend crude oil processing (CPC contaminates LPG to be cracked by chemicals) [1]	✓ Under implementation	**€8 M/y**
Commercial plan for coke	Optimize coke trading and commercialization	✓ Under implementation	**€4 M/y**
Logistics optimization	Optimization of the benzene logistics, from road to railway, with further reduction of emissions of CO_2 by more than 800 t/y	✓ Under implementation	**€2 M/y**
Crackers: Flexibility of raw material	Introduce flexibility of raw material fed to crackers, swapping Naphtha for LPG	To be launched	**€25 M/y**

1. Negative impact for Chemicals and LPG BUs but positive for Refining and Trading, with overall positive impact.

Downstream metrics improvement in 2016-2020
Commitments

Efficiency Program

// Improvement in EBIT //

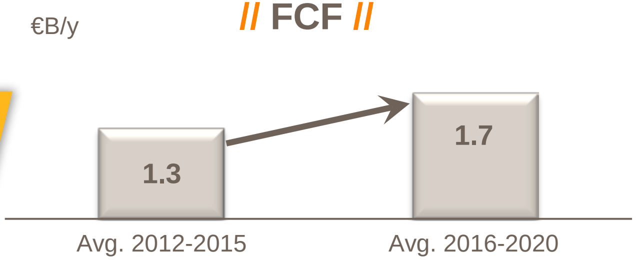


Run-rate Capex

// D&A // // Capex //

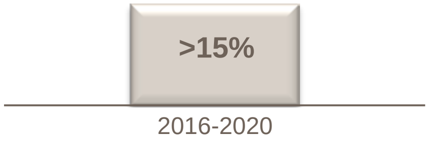
Performance improvement

// FCF //



Value

// ROACE //




Upstream
Downstream
Corporation

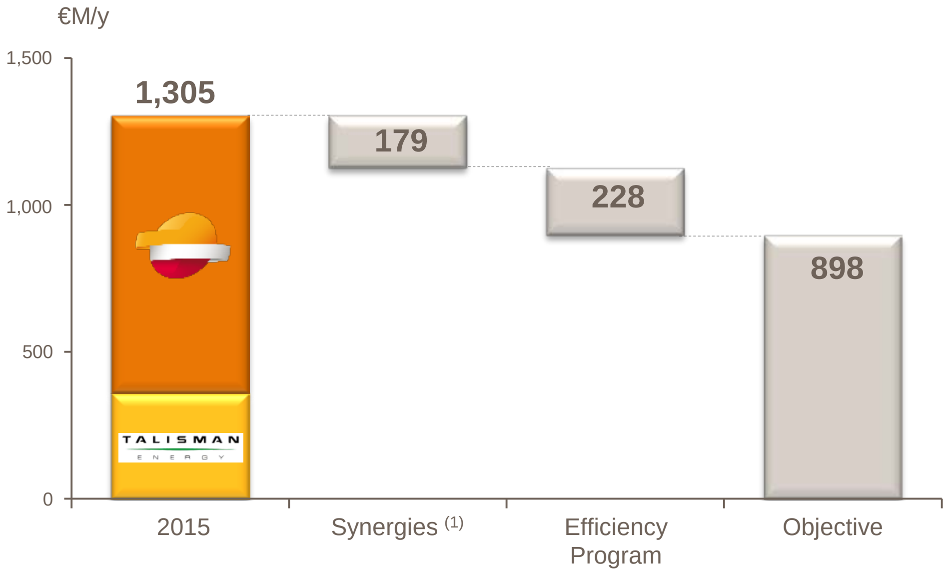
Talisman adding ~ €0.4 B/year corporate cost that will be offset by synergies and efficiency programs

Synergies from integration

+

Corporate Efficiency Program

// Corporate costs //



Reduction of corporate cost in 3 years equivalent to entire Talisman corporation

1. Included in the $350 M/y synergies total target.

Sustainability, a priority for the company

REPSOL

// Carbon strategy – Facing the issues //

Carbon pricing

- Cost of CO_2 applied to all investment decisions

Energy efficiency

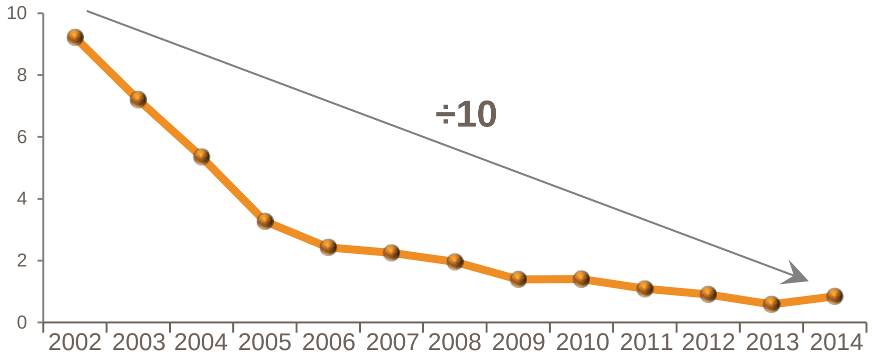
- Efficiency programs ongoing to reduce energy consumption by 12%[(1)]

CO_2 reduction

- Objective: 13%[(1)] reduction in 2020
- 12,7% achieved by the end of 2014[(2)]

// Safety, a non-negotiable value in Repsol //

Lost Time Injuries Frequency



✓ **Goal to achieve zero accidents by 2020**

✓ **Strong commitment to total safety embedded in the cost efficiency program**

(1) Reduction corresponding to the 2014-2020 period referenced to 2010 level.
(2) CO_2 reduction achieved for the 2011-2014 period referenced to 2010 level.

Gas Natural Fenosa strategic stake
Strong profitability with long term strategic vision

REPSOL

30% of valuable stake in a leading gas & power company

Stable dividend with growth potential

**Strong profitability performance
(well above wacc and not linked to oil price)**

Group's renewables platform

Provides strategic optionality for a stronger role of gas in energy mix

Liquid investment that provides financial optionality

Strategic Plan 2016-2020: Agenda

2012-2016 Strategic Plan delivery

Key strategic lines 2016-2020: Value & Resilience

Financial outlook

Summary

Repsol 3Q 2015 Results

Financial Strategic Plan 2016-2020

REPSOL

Sound track record in managing adverse conditions	Resilient Plan with stronger business profile	Conservative financial policy

Commitment to reduce debt

Commitment to maintain investment grade rating

Commitment to maintain shareholder compensation in line with current company level

Capital structure actions driven by conservative financial policy and investment-grade rating commitment

		// 2016-2017 // (2 years accumulated)	// 2018-2020 // (3 years accumulated)
Hybrid issuance [1]		€3.0 B	
Scrip dividend [2]		€1.4 B	€2.2 B
Synergies		€0.3 B	€1.0 B
Divestments		€3.1 B	€3.1 B
Efficiency plans	Opex	€1.2 B	€4.0 B
Efficiency plans	Capex	€0.9 B	€1.4 B

Focus on early delivery in first two years (2016-2017)

1. Hybrid non-dilutive to shareholders. (50% equity content as considered by the rating agencies.)
2. Assumption for the Strategic Plan of 50% acceptance (historic level of acceptance >60%.)

Strategic Plan 2016-2020: Agenda

- 2012-2016 Strategic Plan delivery
- Key strategic lines 2016-2020: Value & Resilience
- Financial outlook
- **Summary**
- Repsol 3Q 2015 Results

Strategy 2016-2020: Value and Resilience

Synergies and efficiency

€2.1 B/y

Pre-tax cash savings by 2018 (Opex & Capex)

€1.5 B Opex

€0.6 B Capex

Capex flexibility

Up to 40%

2016-2020 Capex reduction in Upstream vs. 2014

Active portfolio management

700-750 kboed

€6.2 B divestments

E&P and Downstream assets

Breakeven

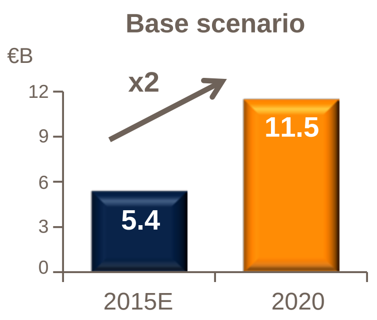
~$50/bbl

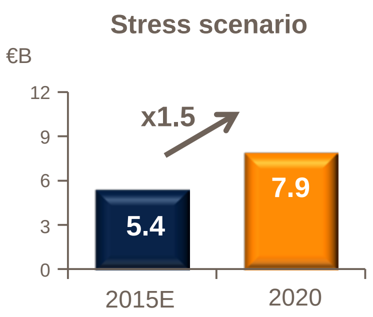
Group FCF breakeven (post dividend) 2016-2020

~$60/bbl

E&P FCF breakeven 2018+

// EBITDA[1] //





// Cash for Dividends & Debt (2016-2020) //

Base scenario	Stress scenario
~€20 B	~€10 B

1. EBITDA at CCS (Current Cost of Supplies.)

Repsol 2020

- Fully-integrated business model
- World-class explorer
- Optimized Upstream portfolio focused on core areas and play types
- Technical capabilities (unconventionals, operatorship...)
- Tier 1 Downstream
- Technology and know-how
- Safety & sustainability
- Highly-committed and talented workforce
- Track record of dealing with complex environments
- Highly efficient and resilient company
- Increasing earnings
- Sound financial position

…and as always…delivering on our commitments

Repsol 2020: Leaner and more competitive

Strategic Plan 2016-2020: Agenda

2012-2016 Strategic Plan delivery

Key strategic lines 2016-2020: Value & Resilience

Financial outlook

Summary

Repsol 3Q 2015 Results

3Q 2015 RESULTS

REPSOL

(Unaudited figures)

Results (€ Million)	Q3 2014	Q2 2015	Q3 2015	% Change Q3 15/Q3 14	January - September 2014	January - September 2015	% Change 2015/2014
Upstream	185	(48)	(395)	-	585	(633)	-
Downstream	190	439	682	258.9	642	1,655	157.8
Gas Natural Fenosa	92	105	103	12.0	374	330	(11.8)
Corporate and others	(52)	(184)	(231)	-	(264)	47	-
ADJUSTED NET INCOME	**415**	**312**	**159**	**(61.7)**	**1,337**	**1,399**	**4.6**
Inventory effect	(63)	83	(272)	-	(117)	(329)	(181.2)
Non-recurring income	(32)	(103)	(108)	(237.5)	159	(238)	-
Income from discontinued operations	(1)	-	-	-	267	-	-
NET INCOME	**319**	**292**	**(221)**	**-**	**1,646**	**832**	**(49.5)**

Note: Repsol Group made the decision in 2014, prompted by the business reality and in order to make its disclosures more comparable with those in the sector, to disclose as a measure of the result of each segment the recurring net operating profit at current cost of supply (CCS) after tax of continuing operations (“Adjusted Net Income”), which excludes both non-recurring net income and the inventory effect.

3Q 2015 RESULTS

(Unaudited figures)

Economic data (€ Million)	Q3 2014	Q2 2015	Q3 2015	% Change Q3 15/Q3 14	January - September 2014	January - September 2015	% Change 2015/2014
EBITDA	1,047	1,421	1,011	(3.4)	3,249	3,394	4.5
EBITDA CCS	1,150	1,297	1,417	23.2	3,433	3,888	13.3
NET CAPITAL EXPENDITURE	909	9,069	695	(23.5)	2,360	10,696	-
NET DEBT	1,998	13,264	13,123	-	1,998	13,123	-
NET DEBT (x) / EBITDA CCS	-	-	2.32	-	0.44	2.47	-

Operational data	Q3 2014	Q2 2015	Q3 2015	% Change Q3 15/Q3 14	January - September 2014	January - September 2015	% Change 2015/2014
LIQUIDS PRODUCTION (Thousand bbl/d)	141	203	244	72.6	131	193	47.3
GAS PRODUCTION (*) (Million scf/d)	1,261	1,811	2,298	82.3	1,222	1,790	46.5
TOTAL PRODUCTION (Thousand boe/d)	**366**	**525**	**653**	**78.6**	**349**	**512**	**46.8**
CRUDE OIL REALIZATION PRICE ($/Bbl)	84.3	55.7	44.4	(47.3)	85.9	48.3	(43.8)
GAS REALIZATION PRICE ($/Thousand scf)	3.6	3.2	2.8	(22.2)	3.9	2.9	(25.6)
DISTILLATION UTILIZATION Spanish Refining (%)	84.8	89.1	94.5	11.4	81.0	88.8	9.6
CONVERSION UTILIZATION Spanish Refining (%)	106.6	105.1	106.4	(0.2)	101.4	103.5	2.1
REFINING MARGIN INDICATOR IN SPAIN ($/Bbl)	3.9	9.1	8.8	125.6	3.6	8.9	147.2

(*) 1,000 Mcf/d = 28.32 Mm^3/d = 0.178 Mboe/d

OPERATING RESULT BY BUSINESS SEGMENTS AND GEOGRAPHICAL AREAS

(Unaudited figures)

€ Million	QUARTERLY DATA Q3 14	QUARTERLY DATA Q2 15	QUARTERLY DATA Q3 15	JANUARY - SEPTEMBER 2014	JANUARY - SEPTEMBER 2015
UPSTREAM	**424**	**(46)**	**(395)**	**1,081**	**(577)**
Europe, Africa & Brazil	204	(14)	(5)	466	(19)
South America	234	118	(35)	799	170
North America	88	(9)	(70)	263	(100)
Asia & Russia	10	51	38	27	93
Exploration & Others	(112)	(192)	(323)	(474)	(721)
DOWNSTREAM	**276**	**622**	**963**	**907**	**2,336**
Europe	300	641	887	697	2,206
Rest of the World	(24)	(19)	76	210	130
CORPORATE AND OTHERS	**(63)**	**(54)**	**(57)**	**(193)**	**(139)**
TOTAL	**637**	**522**	**511**	**1,795**	**1,620**

ADJUSTED NET INCOME BY BUSINESS SEGMENTS AND GEOGRAPHICAL AREAS

(Unaudited figures)

€ Million	QUARTERLY DATA Q3 14	Q2 15	Q3 15	JANUARY - SEPTEMBER 2014	2015
UPSTREAM	**185**	**(48)**	**(395)**	**585**	**(633)**
Europe, Africa & Brazil	56	14	(45)	207	(100)
South America	139	60	(62)	504	25
North America	56	(6)	(54)	167	(73)
Asia & Russia	7	25	5	21	34
Exploration & Others	(73)	(141)	(239)	(314)	(519)
DOWNSTREAM	**190**	**439**	**682**	**642**	**1,655**
Europe	213	461	643	512	1,594
Rest of the World	(23)	(22)	39	130	61
GAS NATURAL FENOSA	**92**	**105**	**103**	**374**	**330**
CORPORATE AND OTHERS	**(52)**	**(184)**	**(231)**	**(264)**	**47**
TOTAL	**415**	**312**	**159**	**1,337**	**1,399**

EBITDA BY BUSINESS SEGMENTS AND GEOGRAPHICAL AREAS

(Unaudited figures)

€ Million	QUARTERLY DATA Q3 14	QUARTERLY DATA Q2 15	QUARTERLY DATA Q3 15	JANUARY - SEPTEMBER 2014	JANUARY - SEPTEMBER 2015
UPSTREAM (1)	**728**	**622**	**334**	**2,087**	**1,237**
Europe, Africa & Brazil	242	107	109	577	275
South America	358	274	101	1,108	549
North America	170	190	174	534	462
Asia & Russia	20	121	130	59	264
Exploration & Others	(62)	(70)	(180)	(191)	(313)
DOWNSTREAM (2)	**361**	**931**	**748**	**1,309**	**2,403**
Europe	385	914	685	1,063	2,252
Rest of the World	(24)	17	63	246	151
CORPORATE AND OTHERS	**(42)**	**(132)**	**(71)**	**(147)**	**(246)**
TOTAL (2)	**1,047**	**1,421**	**1,011**	**3,249**	**3,394**

(1) Contribution of Talisman's assets was €233 million in Q2 2015 and €466 million in the first 9 months of 2015.

(2) EBITDA CCS M€	Q3 14	Q2 15	Q3 15	2014	2015
DOWNSTREAM	**464**	**807**	**1,154**	**1,493**	**2,897**
TOTAL	**1,150**	**1,297**	**1,417**	**3,433**	**3,888**

2016-2020

VALUE & RESILIENCE

November, 2015