#### First Quarter 2012 Results

# WEBCAST – CONFERENCE CALL May 10<sup>th</sup>, 2012

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- 1. YPF Update
- 2. Concerns Post YPF expropriation
- 3. 1Q 2012 Results
- 4. Operational activity
- 5. Strategic Plan pillars



# 1. YPF Update

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## **YPF** Update



- Expropriation:
  - Unlawful
  - Discriminatory
  - Contravenes privatization obligation
- Maximum exposure: 5.7 Bn € 4.1 Bn € Book value
  1.6 Bn € Petersen Ioan
- Compensation value ≈ 10.5 Bn USD (our stake)



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## **Concerns post YPF expropriation**



#### **Rating Outlook**



- Management committed to Investment Grade Rating
- Current debt / financial cost not affected
- Alternatives to enhance balance sheet
- Solid financial and liquidity position (ex YPF, ex Gas Natural)



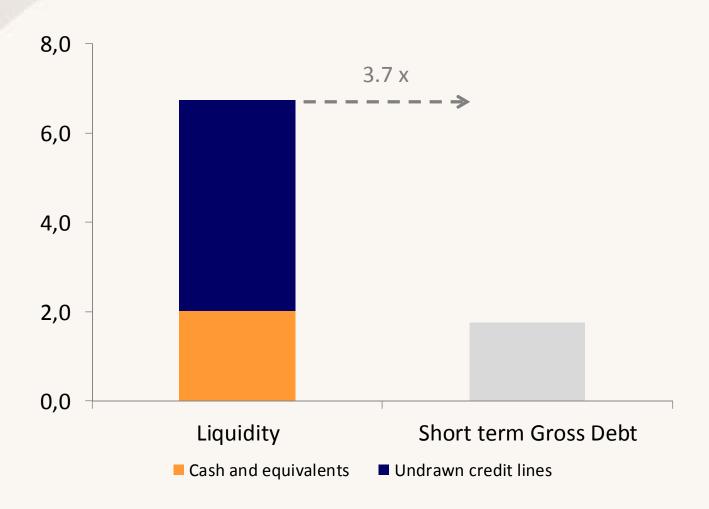
Repsol failure to own 50.01% not a consequence of voluntary disposal

#### **Debt agreements**

- Repsol does not guarantee YPF debt
- No indication of event of default

# **Liquidity position** (ex YPF and ex Gas Natural)







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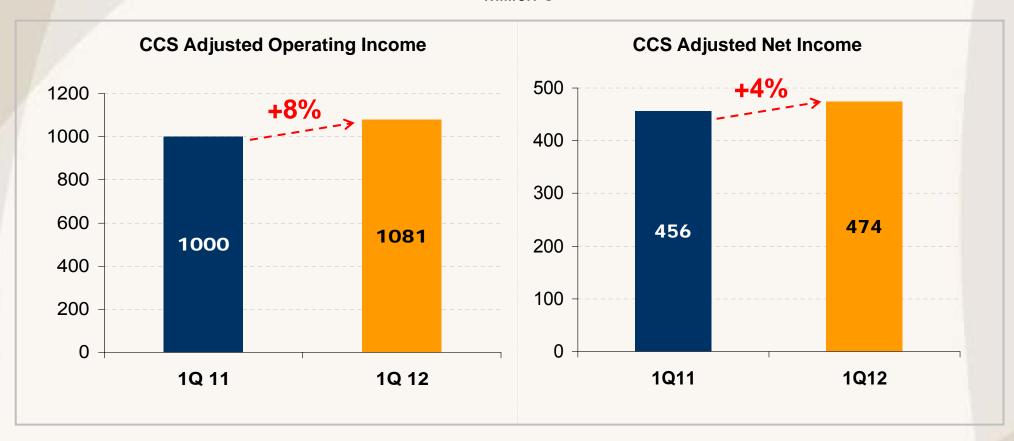
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#### 1Q12 Results (ex YPF and ex Repsol YPF Gas)



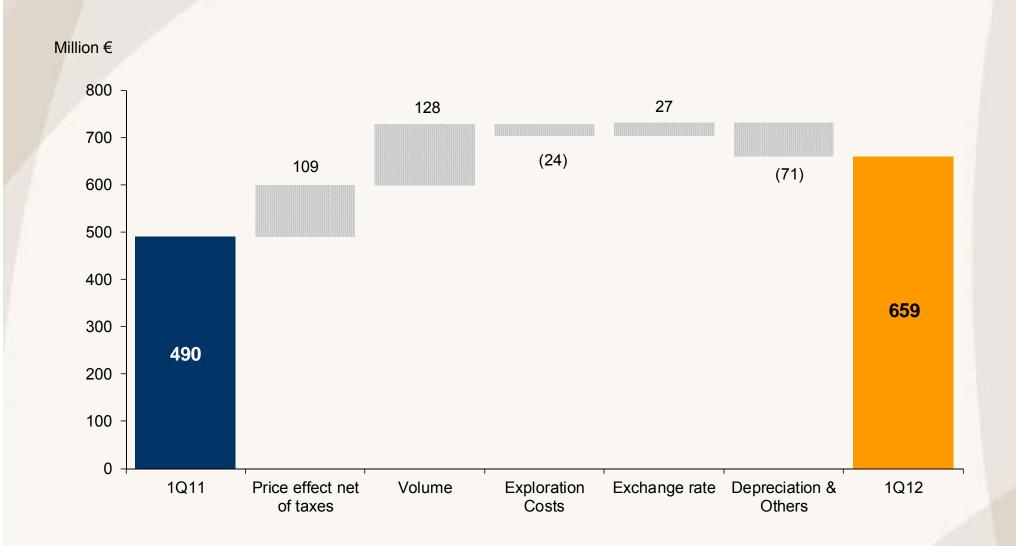
Million €



# 1Q 2012 Upstream

## Adjusted Operating Income

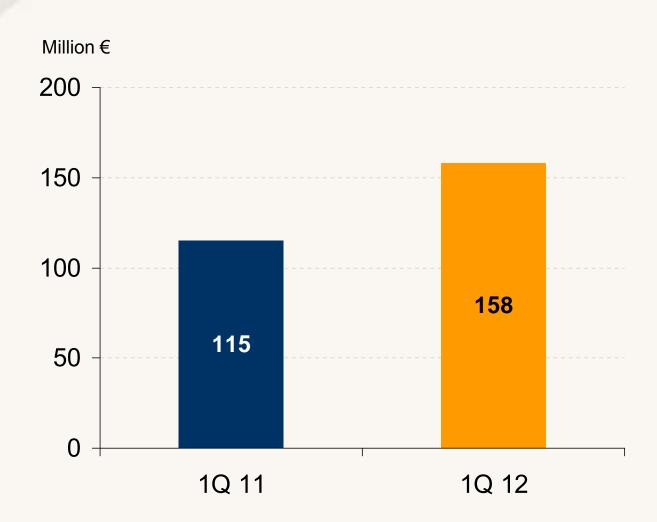




**LNG** 

## Adjusted Operating Income

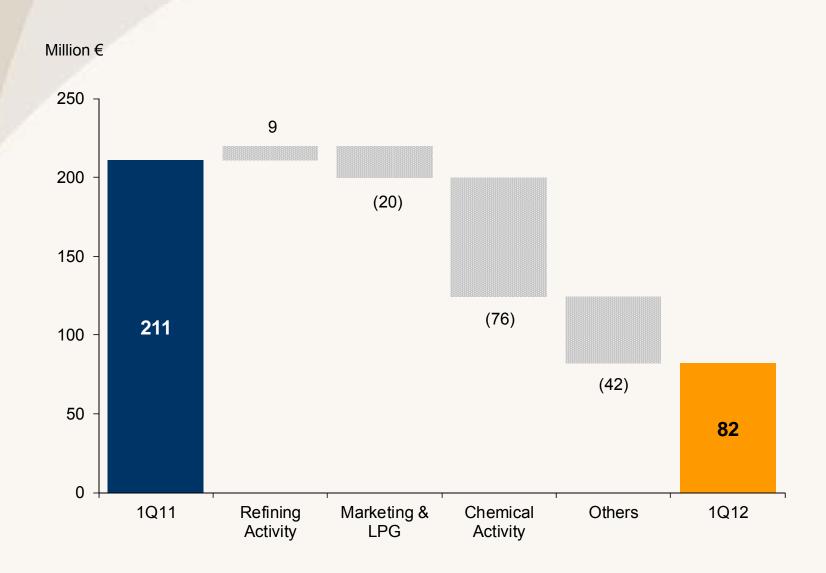




#### 1Q 2012 Downstream

#### **CCS** Adjusted Operating Income

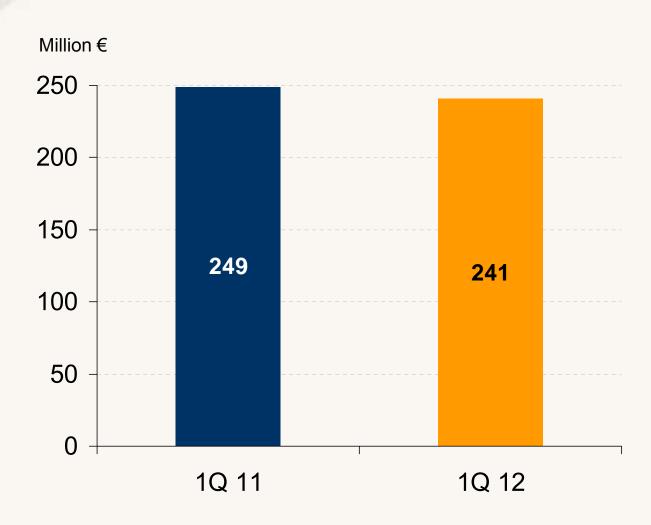




#### **Gas Natural**

## Adjusted Operating Income





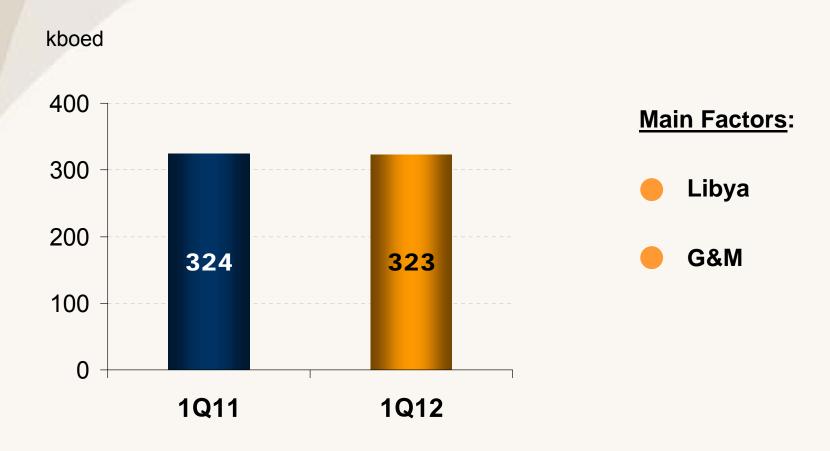


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# **Operational activity**

Upstream: Production





#### **Operational activity**

**Upstream:** Main Development Projects



#### **Bolivia**

#### Perú

#### Brazil

#### Margarita-Huacaya

- √ Start-up last week
- √ Ramping up to 9 Mm3/d
- √ Phase II in development (In 18 months up to 15 Mm3/d)

#### Kinteroni

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

#### Sapinhoa (Formerly Guará)

- √ 4 Wells drilled an 2 on-going
- ✓ Production start-up 1Q2013
- √ 2nd FPSO already signed for production expected in 2015

#### Sabalo field

- √ 3rd train started in February
- ✓ Production up to 22.1 Mm3/d
- ✓ Net Production 1.46 Mm3/d

Organic growth projects carried out on time and on budget

#### **Operational activity**

**Upstream**: Exploratory activity



**Brazil** 

Appraisal work later in 2012 in Pao de Açucar (Campos 33 basin)<sup>(\*)</sup>

Alaska

2 wells drilled (Kachemach and Qugruk). Information provided under evaluation

Cuba & Guyana

Wells progressing in depth. Results by the end of May / June

Seismic

Portugal, Indonesia and Alaska already completed

Remaining activity concentrated in US and Algeria

Acreage

6 new concessions awarded in Norway

3 new licenses in West Siberia area

Around 20 additional exploratory wells to be drilled in the remaining of 2012



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## Strategic Plan pillars



- Upstream organic growth above sector average
- ❖ Enhanced profitability ←→ Rebalanced portfolio
- Self-financing plan / Strong balance sheet
- Competitive shareholder remuneration
- Compensation value of YPF pursued

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