



Ordinary General Shareholders' Meeting

Call for Ordinary General Shareholders' Meeting

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Repsol YPF, S.A. Call for Ordinary General Shareholders' Meeting

By resolution of the Board of Directors of Repsol YPF, S.A., shareholders are called to the Ordinary General Shareholders' Meeting which will be held at the Palacio Municipal de Congresos, Avenida de la Capital de España-Madrid, Campo de las Naciones, Madrid, on 29th April 2010 at 12:00 noon on first call, and at the same time and place on 30th April 2010 on the second call, with respect to the following:

Agenda

First. Review and approval, if appropriate, of the Annual Financial Statements and the Management Report of Repsol YPF, S.A., of the Consolidated Annual Financial Statements and the Consolidated Management Report, for the fiscal year ended 31st December 2009, of the proposal of application of its earnings and of the management by the Board of Directors during said year.

1.1 Approval of the Annual Financial Statements and the Management Report of Repsol YPF, S.A., of the Consolidated Annual Financial Statements and the Consolidated Management Report, for the fiscal year ended 31st December 2009, of the proposal of application of its earnings.

1.2 Approval of the management by the Board of Directors during fiscal year 2009.

Second. Amendment of the Articles of Association.

2.1 Amendment of the first paragraph of Article 9 ("Capital calls and default by the Shareholders").

2.2 Amendment of Article 12.bis ("Preferential subscription right").

2.3 Amendment of the first paragraph of Article 22 ("Special resolutions, constitution and majorities").

Third. Amendment of the Regulations of the General Shareholders Meeting.

3.1 Amendment of paragraph 3.5 of Article 3 ("Powers of the shareholders' meeting").

3.2 Amendment of paragraph 9.2 of Article 9 ("Shareholders' meeting quorum").

Fourth. Appointment, ratification or re-election of Directors.

4.1 Re-election of Mrs. Paulina Beato Blanco as Director.

4.2 Re-election of Mr. Artur Carulla Font as Director.

4.3 Re-election of Mr. Javier Echenique Landiribar as Director.

4.4 Re-election of Pemex Internacional España, S.A. as Director.

4.5 Re-election of Mr. Henri Philippe Reichstul as Director.

Fifth. Appointment of the Accounts Auditor of Repsol YPF, S.A. and of its Consolidated Group.

Sixth. Authorisation to the Board of Directors for the derivative acquisition of shares of Repsol YPF, S.A., directly or through controlled companies, within a period of 5 years from the resolution of the Shareholders Meeting, leaving without effect the authorisation granted by the Ordinary General Shareholders Meeting held on May 14th, 2009.

Seventh. Delegation to the Board of Directors of the power to resolve the increase of the capital stock, up to the maximum amount legally prescribed, with the possibility of excluding the preemptive rights, leaving without effect the sixth resolution of the General Shareholders' Meeting held on May 31st, 2005.

Eighth. Delegation of powers to supplement, develop, execute, rectify and formalize the resolutions adopted by the General Shareholders' Meeting

Complement to the call

Shareholders representing at least five per cent of the capital may request the publication of a supplemental notice of call to the general meeting, including one or several items on the agenda. This request shall be sent through any certifying means, evidencing that they hold the required stake, to be received at the registered office within five days after publication of the original notice of call. The supplemental notice of call shall be published at least fifteen days prior to the date for which the general meeting is scheduled.

Rights of attendance

Shareholders whose shares have been registered in the appropriate stock ledger five days prior to the date set for the Shareholders' Meeting and who have the corresponding attendance card may attend.

The attendance cards shall be issued by the proper entity participating in the systems managed by Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A. (hereinafter IBERCLEAR) in each particular case. Said attendance cards may be exchanged on the date of the Shareholders' Meeting for other standardized documents of record attendance, issued by the Company with the purpose of facilitating the drawing up of the attendance list, the exercise of the shareholders' voting and other rights.

The registration of attendance cards shall begin two hours before the scheduled time of the General Shareholders' Meeting.

For purposes of verifying the identity of shareholders or those who validly represent them, attendees may be asked, at the place of the General Shareholders Meeting, for evidence of their identity by means of the presentation of a National Identity Document or any other official document generally accepted for these purposes.

Representation

Any shareholder entitled to attend may be represented by a proxy, who needs not to be a shareholder.

If the name of the proxy is left blank on the proxy form received by the Company, it will be presumed granted in favour of the Chairman of the Board.

The voting instructions will be set out in proxy forms. If no express instructions are issued, the proxy will vote for the proposals submitted by the Board.

Save otherwise indicated by the represented shareholder, the proxy will be deemed extended to any business which, although not included on the agenda, may be put to the vote at the General Shareholders Meeting. In this case, the proxy will vote however he may consider most favourable for the interests of the represented shareholder.

Save otherwise expressly indicated by the represented shareholder, in cases where the proxy incurs a conflict of interests for voting on any item, included or not in the Agenda, put to the General Shareholders Meeting, the proxy will be considered granted to the Vice-Secretary to the Board of Directors.

Shareholders who grant a proxy must notify the person designated as representative of the proxy granted thereto. When this is granted to a member of the Board of Directors, the notification shall be deemed to be effected upon receipt by the Company of the documentation setting forth such proxy.

Right of information

In addition to the provisions of Article 112 of the Joint Stock Companies Act, as of the date of publication of this notice, the following documents are at shareholders disposal on the Shareholder Information Office, from 10:00 to 18:00, working days, and on the Company's website at www.repsol.com: the Annual Financial Statements of Repsol YPF, S.A. and the Consolidated Annual Financial Statements of Repsol YPF Group, for the fiscal year ending on 31st December 2009; the Management Report of Repsol YPF, S.A. and the Consolidated Management Report for said year; the Report referred to Section 116.bis of the Securities

Market Act; the Report of the Auditors on the Annual Financial Statements of Repsol YPF, S.A., and on the Consolidated Annual Financial Statements of Repsol YPF Group; the literal text of the proposals of resolutions already formulated corresponding to the points of the Agenda; the reports of the Board of Directors on each proposal of resolutions corresponding to the points of the Agenda; the Report on the remuneration policy for Directors; the Annual Report on Corporate Governance; the Corporate Responsibility Report; and the Activity Report of the Audit and Control Committee.

Shareholders may request the delivery or the sending free of charge of all the mentioned documents.

Distance voting and proxies prior to the general meeting

1. Voting by distance communication prior to the General Shareholders Meeting

Pursuant to Article 23 of the Articles of Association and Article 7 of the Regulations of the General Shareholders Meeting, shareholders entitled to attend may vote through distance communication on the proposals regarding the items on the Agenda prior to the date of the General Shareholders Meeting, provided the identity of the voting shareholder is duly guaranteed.

1.1 Means for distance voting

The means of communication valid for distance voting are as follows:

I. Postal vote

To vote by post on the items on the Agenda, shareholders must complete and sign the "Distance Voting" section of the attendance, proxy and voting card issued by the IBERCLEAR participating entity with which they have deposited their shares.

Once the appropriate section of the card has been completed and signed - with hand-written signature-, the shareholder must send it to the Company to the attention of the Shareholder Information Office at Paseo de la Castellana nº 278, 28046 Madrid.

If the attendance card does not include the section "Distance Voting", the shareholder may use the Distance Voting Form provided on the company's web site (www.repsol.com) and also available at the Shareholders Information Office. This form, duly signed, must be sent to the Company together with the corresponding attendance card, also signed- both with hand-written signature-.

II. Electronic vote

Shareholders may vote on the items on the Agenda for the General Meeting through the company's web site (www.repsol.com), entering the AGM 2010 page and following the procedure established there, provided the shareholder has a recognised or advanced electronic signature, based on a recognised and valid electronic certificate issued by the Entidad Pública de Certificación Española (CERES), of the Fábrica Nacional de Moneda y Timbre, and uses it to identify himself.

1.2 Specific rules for distance voting

I. Voting indications

If the shareholder sending a distance vote fails to mark any of the boxes provided for any of the items on the Agenda, he will be presumed to vote for the Board's proposal.

II. Receipt by company

In order to be valid, postal or electronic votes must be received by the company no later than 09:00 on April 28th, 2010. After this time, the Company will only accept the votes cast at the General Shareholders Meeting.

2. Distance proxies

Pursuant to Article 24 of the Articles of Association and Article 8 of the Regulations of the General Shareholders Meeting, shareholders entitled to attend may grant a proxy by distance communication on the proposals regarding the items on the Agenda and prior to the date of the General Shareholders Meeting, provided the identity of the persons concerned is duly guaranteed.

2.1 Means for granting distance proxies

The means of communication valid for distance proxies are as follows:

I. Postal proxy

To grant proxies by post, shareholders must complete the corresponding section of the attendance, proxy and voting card issued by the IBERCLEAR participating entity with which they have deposited their shares.

This section must be signed - with hand-written signature-by the shareholder and sent to the Company to the attention of the Shareholder Information Office, Paseo de la Castellana nº 278, 28046 Madrid.

II. Electronic proxy

Shareholders may grant proxies through the company's web site (www.repsol.com), entering the page of the AGM 2010 and following the procedure established there, provided the shareholder has a recognised or advanced electronic signature, based on a recognised, valid electronic certificate issued by Entidad Pública de Certificación Española (CERES), of the Fábrica Nacional de Moneda y Timbre, and uses it to identify himself.

2.2 Specific rules for distance proxies

Distance proxies will also be subject to the general rules applicable to representation, related to (i) blank proxies received by the Company; (ii) absence of voting instructions (iii) extension of proxy to any business not included on the agenda that may be put to the vote at the General Shareholders Meeting; as well as voting instructions regarding points not included in the Agenda; (iv) designation of a representative's substitute when the representative is in a conflict of interests in relation with the vote of any business, included or not in the Agenda, that may be put to the vote of the General Shareholders Meeting; and (v) the necessary notification to the representative of the proxy granted.

In order to be valid, distance proxies must be received by the Company no later than 09:00 on April 28th, 2010. After this time, the company will only accept the proxies made in writing through the attendance, proxy and voting cards presented for registration of shareholders on entry at the place and date scheduled for the General Shareholders Meeting.

At the place and date of the General Shareholders Meeting, the proxies must prove their identity by showing their identity cards or any other official document generally accepted for these purposes, together with a print-out of the electronic proof of proxy, if necessary, so that the company can confirm the proxy granted.

3. Rules common to distance voting and distance proxies

I. Confirmation of distance vote or distance proxy

The validity of votes cast and proxies granted through distance communication is subject to checking of the particulars supplied by the shareholder against those contained in the file supplied by IBERCLEAR. In the event of any discrepancy between the number of shares indicated by the shareholder in the proxy form or distance voting form and those indicated in the aforesaid file, the number of shares indicated by IBERCLEAR will prevail for the purposes of quorum and voting.

II. Rules of priority

Personal attendance of the General Shareholders Meeting by a shareholder who has previously granted a proxy or voted through distance communication, by whatsoever means used, will render that distance proxy or vote void.

If a shareholder validly issues both a distance vote and a proxy, the former will prevail. Similarly, electronic votes and proxies will prevail over those sent by post.

Electronic votes and proxies may be rendered void through express revocation by the shareholder through the same means.

III. Other provisions

The Company reserves the right to modify, suspend, cancel or restrict the electronic voting and proxy mechanisms for technical or security reasons. The Company further reserves the right to request additional identification from shareholders as and when it may so deem fit to guarantee the identity of those concerned, the authenticity of the vote or proxy and, in general, the legal certainty of the General Shareholders Meeting.

The Company will not be responsible for any damages caused to shareholders through unavailability or failure in the maintenance and effective functioning of its web site and the services and contents provided through such site, or for any faults, overrun, overload, fallen lines, connection faults or whatsoever other similar incidents beyond the Company's control, which prevent use of the electronic voting and proxy mechanisms.

The electronic mechanisms for distance voting and proxy will be operative as of April 5th 2010 and up to April 28th 2010 at 09:00.

In any aspects not expressly contemplated in these procedures, the General Conditions set out in the Legal Notice on the Company's web site will be applicable.

Presence of notary

The Board of Directors has requested the presence of a Notary to take the Minutes of the General Shareholders' Meeting.

General information

All personal data submitted by the shareholders for the exercise or delegation of their rights of attendance and vote at the General Shareholders Meeting shall be used by the Company for the development, management and control of the shareholding relation, and therefore for inform them about the Company's business and activities.

Save otherwise indicated by the shareholders (using the free telephone number 900 100 100) between the date of the meeting and the following thirty days, the abovementioned data may also be used by the Company to send their shareholders information about the oil&gas sector. Once those thirty days have elapsed – without opposition – the consent for such use shall be considered granted by the shareholder.

The rights of access, rectification, deletion and opposition may be exercised in the terms prescribed by Law by written communication sent to the registered office of the Company, at Paseo de la Castellana 278, 28046 Madrid.

Forecast of holding the shareholders meeting

It is expected to hold the General Shareholders' Meeting on SECOND CALL, that is, on April 30th 2010, at the place and time indicated above. Otherwise, an announcement shall be made in the daily press with sufficient advance notice, as well as in the company's web site.

Madrid, March 24th, 2010

The Director Secretary of the Board of Directors

Ordinary General Shareholders' Meeting 2010 Proposal of Resolutions

Proposal of resolutions concerning the first point on the Agenda ("Review and approval, if appropriate, of the Annual Financial Statements and the Management Report of Repsol YPF, S.A., of the Consolidated Annual Financial Statements and the Consolidated Management Report, for the fiscal year ended 31st December 2009, of the proposal of application of its earnings and of the management by the Board of Directors during said year.").

1.1 Approval of the Annual Financial Statements and the Management Report of Repsol YPF, S.A., of the Consolidated Annual Financial Statements and the Consolidated Management Report, for the fiscal year ended 31st December 2009, of the proposal of application of its earnings.

First. To approve the Annual Financial Statements (Balance Sheet, Profit and Loss Account, statement of changes in equity, statement of cash flows, and Notes) and the Management Report of Repsol YPF, S.A. corresponding to the fiscal year ending on the 31st of December 2009, as well as the Consolidated Annual Financial Statements and the Management Report of its Consolidated Group, corresponding to the same fiscal year.

Second. To approve the proposal to allocate the earnings of Repsol YPF, S.A. corresponding to fiscal year 2009, consisting in a profit of 1,972,992,394.68 euros, distributing this amount in the following way:

The sum of 1,037,733,943.56 euros will be allocated to the payment of dividends, of which 518,866,971.78 euros have already been paid out as interim dividends prior to this General Shareholders Meeting. The remaining 518,866,971.78 euros will be allocated to the payment of a complementary dividend for 2009, at a sum of 0.425 euros per share, to be paid to the shareholders as from the 8th of July 2010.

The sum of 935,258,451.12 euros will be allocated to the provisions for the Company's voluntary reserves.

1.2 Approval of the management by the Board of Directors during fiscal year 2009

To approve the management of the Board of Directors of Repsol YPF, S.A. corresponding to fiscal year 2009.

Proposal of resolutions concerning the second point on the Agenda ("Amendment of the Articles of Association").

2.1 Amendment of the first paragraph of Article 9 ("Capital calls and default by the Shareholders").

The first paragraph of Article 9 of the Articles of Association is amended and the rest of the Article remains unchanged. The first paragraph shall be worded as follows:

"In the case of existing any shares that have not been fully paid up, the shareholders are obliged to pay any sums outstanding on their shares as and when decided by the board in a maximum period of five years from the date of the share capital increase decision. Regarding the way and the details of the payment, will be according to the share capital increase decision, this agreement may stipulate the way of payment either through a monetary contribution or a non monetary contribution"

2.2 Amendment of Article 12.bis ("Preferential subscription right").

To amend Article 12. bis of the Company's Articles of Association which, hereinafter, shall be worded as follows:

“In any capital increase involving the issue of new shares in consideration of monetary contributions, the existing shareholders may exercise the right to subscription in the new issue to a number of shares in proportion to the nominal value of the shares already held, within the time limit established for that purpose by the General Meeting of Shareholders or by the Board of Directors, which may not be less than the time period established by applicable law in force at the time.

The General Meeting, or the Board of Directors as the case may be, that resolves to increase the capital may resolve to fully or partially suppress the preferential subscription right, for reasons of corporate interest.

In particular, corporate interest may justify suppression of the preferential subscription right whenever this is necessary to facilitate (i) the acquisition by the company of any assets (including stocks and shares in companies) that may be convenient for the company's business purpose; (ii) the placement of new shares on foreign markets permitting access to sources of financing; (iii) the capture of resources through the use of placement techniques based on prospecting demand with a view to maximizing the issue price of the shares; (iv) incorporation of an industrial or technological partner; or (v) in general, any operation that may be convenient for the company.

Existing shareholders will have no preferential subscription right when the capital increase is made to convert debentures into shares, for the takeover of another company or part of the assets spun off from another company, or when the company has made a takeover bid, the consideration of which is, entirely or partly, to be paid in the form of shares issued by the company.”

2.3. Amendment of the first paragraph of Article 22 (“Special resolutions, constitution and majorities”).

The first paragraph of Article 22 of the Articles of Association is amended and the rest of the Article remains unchanged. The first paragraph shall be worded as follows:

“In order that the General Meeting, whether ordinary or extraordinary, may validly resolve on the increase or reduction of capital and any amendment of the Articles of Association, issue of debentures, to suppress, in full or in part, the preferential subscription right of new shares, as well as, the transformation, merger, demerger, the assignment of assets and liabilities, change of the registered office abroad, or winding-up of the Company, it must be attended, at the first call, by shareholders, present or represented, who hold at least fifty per cent (50%) of the subscribed voting capital. At the second call, it will be sufficient for twenty-five per cent (25%) of the said capital to be present.”

Proposal of resolutions concerning the third point on the Agenda (“Amendment of the Regulations of the General Shareholders Meeting”).

3.1. Amendment of paragraph 3.5 of Article 3 (“Powers of the shareholders’ meeting”).

The paragraph 3.5 of Article 3 of the Regulations of the General Shareholders Meeting is amended and the rest of the Article remains unchanged. The fifth paragraph shall be worded as follows:

“The increase or reduction of capital and any amendment of the Articles of Association, the issuance of debentures, to suppress, in full or in part, the preferential subscription right of new shares, as well as, the transformation, merger, demerger, the assignment of assets and liabilities, change of the registered office abroad or winding-up of the company.”

3.2 Amendment of paragraph 9.2 of Article 9 (“Shareholders’ meeting quorum”).

The paragraph 9.2 of Article 9 of the Regulations of the General Shareholders Meeting is amended and the rest of the Article remains unchanged. The second paragraph shall be worded as follows:

“In order to validly resolve on the increase or reduction of capital and any amendment of the Articles of Association, on debenture issues, to suppress, in full or in part, the preferential subscription right of new share, as well as, the transformation, merger, demerger, assignment of assets and liabilities, change of the registered office abroad or winding-up of the company, the general meeting shall necessarily be attended on first call, in person or by proxy, by shareholders representing at least fifty per cent (50%) of the subscribed voting capital. On second call, the attendance of twenty-five per cent (25%) of that capital shall be sufficient.”

Proposal of resolutions concerning the fourth point on the Agenda (“Appointment, ratification or re-election of Directors”).

4.1 Re-election as Director of Mrs. Paulina Beato

To re-elect Mrs. Paulina Beato, as Director of the Company, for a new period of four years.

4.2 Re-election as Director of Mr. Artur Carulla Font

To re-elect Mr. Carulla Font, as Director of the Company, for a new period of four years.

4.3 Re-election as Director of Mr. Javier Echenique Landiribar

To re-elect Mr. Javier Echenique Landiribar, as Director of the Company, for a new period of four years.

4.4 Re-election as Director of Pemex International España, S.A.

To re-elect Pemex International España, S.A., as Director of the Company, for a new period of four years.

4.5 Re-election as Director of Mr. Henri Philippe Reichstul

To re-elect Mr. Henri Philippe Reichstul, as Director of the Company, for a new period of four years.

Proposal of resolutions concerning the fifth point on the Agenda (“Appointment of the Accounts Auditor of Repsol YPF, S.A. and of its Consolidated Group for the 2010 fiscal year”).

To re-elect as the Accounts Auditor of Repsol YPF, S.A. and of its Consolidated Group the company Deloitte, S.L., domiciled in Madrid, Plaza Pablo Ruiz Picasso, number 1 (Torre Picasso) and tax identification code B-79104469, entered in the Official List of Registered Auditors of Spain under number S-0692, and entered in the Commercial Register of Madrid in volume 13,650, folio 188, section 8, sheet M-54414, for the 2010 fiscal year. It is also entrusted with carrying out the other audit services required by Law and needed by the Company until the next Ordinary General Shareholders Meeting is held.

Proposal of resolutions concerning the sixth point on the Agenda (“Authorization to the Board of Directors, with express power of delegation, for the derivative acquisition of shares of Repsol YPF, S.A., directly or through controlled companies, within a period of 5 years from the resolution of the Shareholders Meeting, leaving without effect the authorization granted by the Ordinary General Shareholders Meeting held on May 14, 2009”).

First. To authorize the Board of Directors for the derivative acquisition of shares of Repsol YPF, S.A., by sale, purchase, exchange or any other onerous legal business modality, directly or through controlled companies, up to a maximum number of shares, that added to those already own by Repsol YPF, S.A. and its subsidiaries, not exceeding 10% of the share capital and for a price or equivalent value that may not be lower than the nominal value of the shares nor exceed the quoted price on the stock market.

The shares so acquired may be disbursed among the employees and directors of the Company and its Group or, if appropriate, used to satisfy the exercise of option rights that such persons may hold.

This authorization, which is subject to the compliance of all other applicable legal requirements, shall be valid for 18 months, counted as from the date of the present General Shareholders Meeting, and leaves without effect the authorization granted by the last Ordinary General Shareholders Meeting held on the 14th May 2009.

Second. To authorize the Board of Directors to delegate, pursuant to the provisions of article 141.1 of Joint Stock Companies Act, the delegated powers contemplated in section first of these resolutions.

Proposal of resolution concerning the seventh point on the Agenda (“Delegation to the Board of Directors of the power to resolve the increase of the capital stock, up to the maximum amount legally prescribed, with the possibility of excluding the preferential subscription right, leaving without effect the sixth resolution of the General Shareholders’ Meeting held on May 31, 2005”):

First. To leave without effect the sixth resolution of those adopted by the General Shareholders’ Meeting on the 31st of May 2005.

Second. To empower the Board of Directors, as broadly as necessary in law, so that, within the provisions of Article 153.1.b) of the Joint Stock Companies Act, it may increase the capital stock once or on several occasions and at any time within a period of five years counted as from the date of holding this Shareholders’ Meeting, up to the maximum amount of 610,431,731 euros, a figure that is lower by fifty euro cents than half the capital of the Company. The capital increases covered by this authorisation shall be carried out by means of issuing and placing new shares in circulation, with or without premium, whose exchange value shall consist of monetary contributions. With regard to each increase, the Board of Directors shall be responsible for deciding if the new shares to be issued are ordinary or without vote. Similarly, the Board of Directors may fix, in all that is not already established, the terms and conditions of the capital increases and the characteristics of the shares, as well as freely offering new shares that are not subscribed within the period or periods for exercising the preferential subscription right. The Board of Directors may also establish that, in the case of incomplete subscription, the capital should be increased only by the amount of subscriptions carried out and to reword the articles of the Articles of Association regarding the capital and number of shares. Similarly, with respect to the capital increases carried out within this authorisation, the Board of Directors also has the power to exclude, totally or partially, the preferential subscription right under the terms of section 159.2 of the Joint Stock Companies Act, limited to the maximum amount of the 20% of the capital of the Company at the time of this authorisation. The Company shall apply, when appropriate, for the listing of the shares issued in virtue of this authorisation on the Stock Markets of Madrid, Barcelona, Bilbao and Valencia by means of the Stock Exchange Network System, as well as on the corresponding foreign markets, the Board of Directors also having the authority to carry out, in this case, those procedures and actions required in order to such listing before the relevant bodies of the different national or foreign stock markets. The Board of Directors is also authorised to delegate the powers conferred by means of this resolution in favor of the Delegate Committee and/or in one or several members of the Board of Directors or proxies of the Company.

Proposal of resolutions concerning the eighth point on the Agenda (“Delegation of powers to supplement, develop, execute, rectify and formalize the resolutions adopted by the General Shareholders’ Meeting”):

First. To delegate to the Board of Directors, as amply as required, including the power of delegating the powers received, all or in part, to the Delegate Committee, as many powers as required to supplement, develop, execute and rectify any of the resolutions adopted by the General Shareholders’ Meeting. The power of rectification shall include the power to make as many amendments, modifications and additions as necessary or convenient as a consequence of objections or observations raised by the regulatory bodies of the securities markets, Stock Markets, Commercial Registry and any other public authority with powers concerning the resolutions adopted.

Second. To delegate indistinctly to the Chairman of the Board of Directors and to the Secretary and Vice-Secretary of the Board those powers required to formalize the resolutions adopted by the General Shareholders’ Meeting, and to register those subject to this requirement, in whole or in part, being able to draw up all kinds of public or private documents to this end, including those to supplement or rectify such resolutions.

Ordinary General Shareholders' Meeting 2010 Reports of the Board of Directors on Proposals of Resolutions

Report of the Board of Directors on the proposal of resolutions concerning the first point on the Agenda ("Review and approval, if appropriate, of the Annual Financial Statements and the Management Report of Repsol YPF, S.A., of the Consolidated Annual Financial Statements and the Consolidated Management Report, for the fiscal year ended 31st December 2009, of the proposal of application of its earnings and of the management by the Board of Directors during said year.").

The Financial Statements and different documents of which these consist, as laid down in the Commercial Code, the Joint-Stock Companies Act and other applicable legislation, including the current sectorial regulations, both the individual ones of Repsol YPF, S.A. and the consolidated ones of its Group of Companies, along with the Management Report of Repsol YPF, S.A. and the Consolidated Management Report, were drawn up by the Board of Directors at its meeting dated February 24th 2010, after review by the Audit and Control Committee and by the Disclosure Committee of Repsol YPF, S.A., and after certification by the Executive Chairman and the Chief Financial Officer.

The Consolidated and Individual Management Reports incorporate, in a separated section as an Annex, the Annual Report on Corporate Governance for the fiscal year 2009.

These Financial Statements and the Management Reports have been examined by the Auditors of Repsol YPF, S.A. and of its Consolidated Group.

All these documents, together with the Auditors Reports, the special Report referred to Section 116.bis of the Securities Market Act, the Corporate Responsibility Report and the Report on the remuneration policy for Directors are available to the shareholders at the company registered office in Paseo de la Castellana 278, where these can be asked for directly or be sent free of charge to wherever is requested.

Additionally, all those documents are available on the company's web site (www.repsol.com).

Along with the approval of the Financial Statements there is similarly a proposal, as in previous years, for the approval of the application of the earnings, as stated in the Notes to the individual Financial Statements, and the management by the Board of Directors during fiscal year 2009, whose remuneration is detailed in the Notes to the Financial Statements, the Annual Report on Corporate Governance and the Report on the remuneration policy for Directors.

Report of the Board of Directors on the proposal of resolutions concerning the second point of the Agenda ("Amendment of the Articles of Association").

1. Purpose of the report

In pursuance of article 144.1.a) of the Joint Stock Companies Act, the Board of Directors of Repsol YPF, S.A. (the "Company") submits this report to justify the proposed amendment of certain Articles of the Articles of Association, laid before the General Meeting of Shareholders for approval.

2. General justification of the proposal

The amendments laid before the General Meeting of Shareholders for approval are proposed to adapt the current text of the Articles of Association to the recent amendment in the regulation of Joint Stock Companies by Law 3/2009, April 3rd.

This reform of the Articles of Association is contemplated together with the reform of the Regulations of the General Shareholders Meeting, which is proposed in item three on the agenda.

3. Detailed justification of the proposal

Having broadly defined the reform, we now justify and explain in greater detail the specific amendments to the Articles of Association submitted to the general meeting for approval.

1. Amendment proposal of the first paragraph of Article 9, related to capital calls and default by the Shareholders.

The purpose of this proposal is adapting the provisions related to the payment of any portion of the capital not paid up to the new wording of the first paragraph of Article 42 of the Joint Stock Companies Act as amended by Law 3/2009, which currently states:

"Shareholders must pay to the Company any portion of capital which has been subscribed but not fully paid up in the form and during the maximum terms set up in the Articles of Association."

According to the new wording of said Article of the Joint Stock Companies Act, the Articles of Association of the Company must state the form and maximum term for the payment of any outstanding portion of the subscribed capital.

The proposal submitted to the shareholders also take into consideration (i) paragraph 2 of Article 155 of the Joint Stock Companies Act, which establishes five years, since the relevant resolution, as the maximum term for the payment of shares issued in a capital increase in consideration of non-monetary contributions; and (ii) the fact that neither the corporate law nor the Commercial Register Regulations currently establish any maximum term for the payment of shares issued in a capital increase in consideration of monetary contributions.

Inconsideration of the foregoing, it is proposed that the Board of Directors would be entitled to set the moment, within five years since the resolution approving the capital increase, whether in consideration of monetary or no-monetary contributions, for the payment of not fully paid up shares issued as a consequence of such increase. The resolution approving the capital increase will determine the form of such payment and any other applicable details.

2. Amendment proposal of Article 12.bis ("Preferential subscription right").

Law 3/2009 also amended paragraph 1 of Article 158 of the Joint Stock Companies Act, bringing the regime governing preferential subscription right and convertible bonds into line with the European Court of Justice ruling 18 December 2008.

Therefore and according to the new wording of paragraph 1 of Article 158 of the Joint Stock Companies Act, it is proposed to clarify the references to the preferential subscription right of shareholders in capital increases in consideration of cash contributions, and to delete those related to the preferential subscription rights of convertible bondholders.

3. Amendment proposal of the first paragraph of Article 22, related to special quorum constitution requirements for the valid approval of special resolutions.

Law 3/2009 amended Article 103 of the Joint Stock Companies Act, related to the strengthened quorum and majority required for the approval of certain resolutions by the General Shareholders Meeting.

New corporate events will require this strengthened quorum for the valid constitution of the General Shareholders Meeting in addition to those currently mentioned in Article 22 of the Articles of Association (the issue of debentures, transformation, merger, demerger, increase or reduction of capital or any amendment of the Articles of Association): the suppression or curtailment of preferential subscription rights in issues of new shares, transfer en bloc of assets and liabilities and the transfer of the registered office abroad.

Therefore, it is proposed to include these corporate events in Article 22 of the Articles of Association.

To facilitate comparison of the old and new versions of the Articles to which amendments are proposed, a transcript of both texts is incorporated to this report in two columns, for purely informative purposes.

Comparative information of the articles of the Articles of Association to which amendments are proposed (underlining the proposed amendments).

Present text	Proposed amendment
<p>Article 9.- Capital calls and default by the shareholders</p> <p>The shareholder is obliged to pay the part of the capital not paid up in the manner and terms decided upon by the Board of Directors.</p> <p>Any shareholder who has not paid such calls within the period established for said payment of unpaid capital shall be in default.</p> <p>Shareholders in arrears with the payment of calls on share capital may not exercise their voting right. The amount of their shares shall be deducted from the capital stock for the calculation of the quorum.</p> <p>Neither shall defaulting shareholders be entitled to receive dividends or to preferential subscription in new shares or convertible bonds. Once the amount of the capital calls has been paid, together with the owed interests, the shareholder may claim the payment of the dividends not prescribed, but may not claim the right to preferential subscription if the period for exercising it has already expired.</p> <p>When the shareholder is in default, the Company may, as appropriate and in view of the nature of the unpaid contribution, claim the fulfilment of the payment obligation, with payment of the legal interest and any damages caused by the delayed payment, or transfer the shares for account and risk of the defaulting shareholder or file summary proceedings for collection against the assets of the shareholder in order to collect in cash the undelivered unpaid part of the capital together with the interest.</p>	<p>Article 9.- Capital calls and default by the shareholders</p> <p><i>[Deleted]</i></p> <p><u>In the case of existing any shares that have not been fully paid up, the shareholders are obliged to pay any sums outstanding on their shares as and when decided by the board in a maximum period of five years from the date of the share capital increase decision. Regarding the way and the details of the payment, will be according to the share capital increase decision, this agreement may stipulate the way of payment either through a monetary contribution or a non monetary contribution.</u></p> <p>Any shareholder who has not paid such calls within the period established for said payment of unpaid capital shall be in default.</p> <p>Shareholders in arrears with the payment of calls on share capital may not exercise their voting right. The amount of their shares shall be deducted from the capital stock for the calculation of the quorum.</p> <p>Neither shall defaulting shareholders be entitled to receive dividends or to preferential subscription in new shares or convertible bonds. Once the amount of the capital calls has been paid, together with the owed interests, the shareholder may claim the payment of the dividends not prescribed, but may not claim the right to preferential subscription if the period for exercising it has already expired.</p> <p>When the shareholder is in default, the Company may, as appropriate and in view of the nature of the unpaid contribution, claim the fulfilment of the payment obligation, with payment of the legal interest and any damages caused by the delayed payment, or transfer the shares for account and risk of the defaulting shareholder or file summary proceedings for collection against the assets of the shareholder in order to collect in cash the undelivered unpaid part of the capital together with the interest.</p>

Should the Company have opted to transfer and the sale is not possible, the share shall be redeemed, with the consequent reduction of capital, any sums already received on account of the share being retained by the Company.

The buyer of the unpaid share shall be jointly and severally liable with all preceding transferors, and at the election of the Company's Directors, for payment of the unpaid part.

The liability of the transferors shall last for three years as from the date of the respective transference.

Article 12 Bis.- Preferential subscription right

In any capital increase involving the issue of new shares, the existing shareholders and holders of convertible bonds may exercise the right to subscription in the new issue to a number of shares in proportion to the nominal value of the shares already held or to those that would correspond to holders of convertible bonds should conversion be carried out at that time, within the time limit established for that purpose by the General Meeting of Shareholders or by the Board of Directors, which may not be less than the time period established by applicable law in force at the time.

The General Meeting, or the Board of Directors as the case may be, that resolves to increase the capital may resolve to fully or partially suppress the preferential subscription right of shareholders and holders of convertible debentures, for reasons of corporate interest.

In particular, corporate interest may justify suppression of the preferential subscription right whenever this is necessary to facilitate (I) the acquisition by the company of any assets (including stocks and shares in companies) that may be convenient for the company's business purpose; (II) the placement of new shares on foreign markets permitting access to sources of financing; (III) the capture of resources through the use of placement techniques based on prospecting demand with a view to maximizing the issue price of the shares; (IV) incorporation of an industrial or technological partner; or (V) in general, any operation that may be convenient for the company.

Should the Company have opted to transfer and the sale is not possible, the share shall be redeemed, with the consequent reduction of capital, any sums already received on account of the share being retained by the Company.

The buyer of the unpaid share shall be jointly and severally liable with all preceding transferors, and at the election of the Company's Directors, for payment of the unpaid part.

The liability of the transferors shall last for three years as from the date of the respective transference.

Article 12 Bis.- Preferential subscription right

In any capital increase involving the issue of new shares in consideration of monetary contributions, the existing shareholders and holders of convertible bonds may exercise the right to subscription in the new issue to a number of shares in proportion to the nominal value of the shares already held ~~or to those that would correspond to holders of convertible bonds should conversion be carried out at that time~~, within the time limit established for that purpose by the General Meeting of Shareholders or by the Board of Directors, which may not be less than the time period established by applicable law in force at the time.

The General Meeting, or the Board of Directors as the case may be, that resolves to increase the capital may resolve to fully or partially suppress the preferential subscription right ~~of shareholders and holders of convertible debentures~~; for reasons of corporate interest.

In particular, corporate interest may justify suppression of the preferential subscription right whenever this is necessary to facilitate (I) the acquisition by the company of any assets (including stocks and shares in companies) that may be convenient for the company's business purpose; (II) the placement of new shares on foreign markets permitting access to sources of financing; (III) the capture of resources through the use of placement techniques based on prospecting demand with a view to maximizing the issue price of the shares; (IV) incorporation of an industrial or technological partner; or (V) in general, any operation that may be convenient for the company.

Existing shareholders and convertible debentureholders will have no preferential subscription right when the capital increase is made to convert debentures into shares, for the takeover of another company or part of the assets spun off from another company, or when the company has made a takeover bid, the consideration of which is, entirely or partly, to be paid in the form of shares issued by the company.

Article 22.- Special resolutions, constitution and majorities

In order that the General Meeting, whether ordinary or extraordinary, may validly resolve on the issue of debentures, the increase or reduction of capital, the transformation, merger, demerger or winding-up of the Company and, in general, any modification of the Articles of Association, it must be attended, at the first call, by shareholders, present or represented, who hold at least fifty per cent (50%) of the subscribed voting capital. At the second call, it will be sufficient for twenty-five per cent (25%) of the said capital to be present.

When the General Meeting is attended by shareholders representing less than fifty per cent (50%) of the subscribed voting capital, the resolutions referred to in the first paragraph of this article may only be legally adopted by the vote in favour of two thirds of the capital present or represented at the Meeting.

Special resolutions for modifying the last paragraph of article 27 of the Articles of Association relating to the maximum number of votes that may be voted at the General Shareholders Meeting by a single shareholder or by companies belonging to the same Group, as well as resolutions to modify this special provision, shall require in both the first and second call the affirmative vote of 75% of the Company's voting capital stock present or represented at the General Meeting.

Existing shareholders and convertible debentureholders will have no preferential subscription right when the capital increase is made to convert debentures into shares, for the takeover of another company or part of the assets spun off from another company, or when the company has made a takeover bid, the consideration of which is, entirely or partly, to be paid in the form of shares issued by the company.

Article 22.- Special resolutions, constitution and majorities

In order that the General Meeting, whether ordinary or extraordinary, may validly resolve on the increase or reduction of capital and any amendment of the Articles of Association, issue of debentures, to suppress, in full or in part, the preferential subscription right of new shares, as well as the increase or reduction of capital; the transformation, merger, demerger, the assignment of assets and liabilities, change of the registered office abroad, or winding-up of the Company and, in general, any modification of the Articles of Association; it must be attended, at the first call, by shareholders, present or represented, who hold at least fifty per cent (50%) of the subscribed voting capital. At the second call, it will be sufficient for twenty-five per cent (25%) of the said capital to be present.

When the General Meeting is attended by shareholders representing less than fifty per cent (50%) of the subscribed voting capital, the resolutions referred to in the first paragraph of this article may only be legally adopted by the vote in favour of two thirds of the capital present or represented at the Meeting.

Special resolutions for modifying the last paragraph of article 27 of the Articles of Association relating to the maximum number of votes that may be voted at the General Shareholders Meeting by a single shareholder or by companies belonging to the same Group, as well as resolutions to modify this special provision, shall require in both the first and second call the affirmative vote of 75% of the Company's voting capital stock present or represented at the General Meeting.

Report of the Board of Directors on the proposal of resolutions concerning the third point of the Agenda ("Amendment of the Regulations of the General Shareholders Meeting").

1. 1. Purpose of the report

In pursuance of article 2 of the Regulations of the General Shareholders Meeting, the Board of Directors of Repsol YPF, S.A. (the "Company") submits this report to justify the proposed amendment of certain Articles of the Regulations of the General Shareholders Meeting, laid before the General Meeting of Shareholders for approval.

2. 2. General justification of the proposal

The amendments laid before the General Meeting of Shareholders for approval are proposed to adapt the current text of the Regulations of the General Shareholders Meeting to the Articles of Association as amended in accordance with the proposals of resolutions concerning the second point of the Agenda, which main purpose is adapting such Articles of Association to the recent amendment in the regulation of Joint Stock Companies by Law 3/2009, April 3rd.

3. 3. Detailed justification of the proposal

Having broadly defined the reform, we now justify and explain in greater detail the specific amendments to the Regulations of the General Shareholders Meeting submitted to the general meeting for approval.

1. Amendment proposal of paragraph 3.5 of Article 3 of the Regulations of the General Shareholders Meeting, related to the powers of the shareholders meeting.

Current paragraph 3.5 of Article 3 of the Regulations of the General Shareholders Meeting establishes the powers of the shareholders meeting in relation to the corporate events which, in accordance with Article 103 of the Joint Stock Companies Act, require strengthened majorities and quorum for the valid constitution of the meeting.

Law 3/2009 amended Article 103 of the Joint Stock Companies Act. New corporate events will require this strengthened quorum for the valid constitution of the General Shareholders Meeting in addition to those currently mentioned in paragraph 3.5 of Article 3 of the Regulations of the General Shareholders Meeting (the issue of debentures, transformation, merger, demerger, increase or reduction of capital or any amendment of the Articles of Association): the suppression or curtailment of preferential subscription rights in issues of new shares, transfer en bloc of assets and liabilities and the transfer of the registered office abroad.

Therefore, it is proposed to include these corporate events in paragraph 3.5 of Article 3 of the Regulations of the General Shareholders Meeting.

2. Amendment proposal of paragraph 9.2 of Article 9 of the Regulations of the General Shareholders Meeting, related to special quorum constitution requirements for the valid approval of special resolutions.

Considering the amendment proposed in the previous item and the amendment proposal of Article 22 of the Articles of Association, it is proposed to include in paragraph 9.2 of Article 9 of the Regulations of the General Shareholders Meeting the corporate events that require strengthened quorum for the valid constitution of the General Shareholders Meeting, added by Law 3/2009 to Article 103 of the Joint Stopck Companies Act (suppression or curtailment of preferential subscription rights in issues of new shares, transfer en bloc of assets and liabilities and the transfer of the registered office abroad).

To facilitate comparison of the old and new versions of the Articles to which amendments are proposed, a transcript of both texts is incorporated to this report in two columns, for purely informative purposes.

Comparative information of the articles of the Regulation of the General Shareholders Meeting to which amendments are proposed (underlining the proposed amendments):

Present text	Proposed amendment
<p>3. POWERS OF THE GENERAL MEETING</p> <p>The shareholders, assembled in a duly called shareholders' meeting, shall decide by majority vote on the following matters:</p> <p>3.1. Approval, if appropriate, of the annual accounts of REPSOL YPF, S.A. and the consolidated annual accounts of REPSOL YPF, S.A. and its subsidiaries, the management of corporate affairs by the board and the application of profits/loss.</p> <p>3.2. Appointment and removal of directors and ratification or revocation of provisional appointments of directors made by the board.</p> <p>3.3. Appointment and reappointment of auditors.</p> <p>3.4. Acquisition of treasury stock.</p> <p>3.5. Issuance of debentures, increase or reduction of capital, the transformation, merger, demerger, winding-up of the company and, in general, any amendment of the Articles of Association.</p> <p>3.6. Authorisation of the board to increase the capital, in pursuance of article 153.1.b of the Joint Stock Companies Act.</p> <p>3.7. Decision on matters submitted by the board for authorisation.</p> <p>3.8. Any other decisions attributed to it by law.</p>	<p>3. POWERS OF THE GENERAL MEETING</p> <p>The shareholders, assembled in a duly called shareholders' meeting, shall decide by majority vote on the following matters:</p> <p>3.1. Approval, if appropriate, of the annual accounts of REPSOL YPF, S.A. and the consolidated annual accounts of REPSOL YPF, S.A. and its subsidiaries, the management of corporate affairs by the board and the application of profits/loss.</p> <p>3.2. Appointment and removal of directors and ratification or revocation of provisional appointments of directors made by the board.</p> <p>3.3. Appointment and reappointment of auditors.</p> <p>3.4. Acquisition of treasury stock.</p> <p>3.5. <u>The increase or reduction of capital and any amendment of the Articles of Association, the issuance of debentures, to suppress, in full or in part, the preferential subscription right of new shares, as well as</u> increase or reduction of capital; the transformation, merger, demerger, <u>the assignment of assets and liabilities, change of the registered office abroad or</u> winding-up of the company and, in general, any amendment of the Articles of Association.</p> <p>3.6. Authorisation of the board to increase the capital, in pursuance of article 153.1.b of the Joint Stock Companies Act.</p> <p>3.7. Decision on matters submitted by the board for authorisation.</p> <p>3.8. Any other decisions attributed to it by law.</p>
<p>9. QUORUM</p> <p>9.1. Shareholders' meetings shall be quorate on first call when attended, in person or by proxy, by shareholders representing at least twenty-five per cent of the subscribed voting capital.</p> <p>On second call, the shareholders' meeting shall be valid regardless of the capital attending.</p>	<p>9. QUORUM</p> <p>9.1. Shareholders' meetings shall be quorate on first call when attended, in person or by proxy, by shareholders representing at least twenty-five per cent of the subscribed voting capital.</p> <p>On second call, the shareholders' meeting shall be valid regardless of the capital attending.</p>

9.2. In order to validly resolve on debenture issues, an increase or reduction of capital, the transformation, merger, demerger or winding-up of the company and, in general, any alteration of the bylaws, the general meeting shall necessarily be attended on first call, in person or by proxy, by shareholders representing at least fifty per cent (50%) of the subscribed voting capital. On second call, the attendance of twenty-five per cent (25%) of that capital shall be sufficient.

If the shareholders meeting is attended by shareholders representing less than fifty per cent (50%) of the subscribed voting capital, the resolutions contemplated in the preceding paragraph may only be validly adopted with the favourable vote of two-thirds of the capital present and represented at the meeting.

By exception, special resolutions to amend the last paragraph of Article 27 of the Bylaws concerning the maximum number of votes that may be cast at the general meeting by any one shareholder or by companies belonging to the same group or to amend this special rule, shall require a favourable vote of 75% of the voting capital attending the shareholders' meeting on both first and second call.

9.2. In order to validly resolve on the increase or reduction of capital and any amendment of the Articles of Association, on debenture issues, to suppress, in full or in part, the preferential subscription right of new share, as well as ~~an increase or reduction of capital;~~ the transformation, merger, demerger, assignment of assets and liabilities, change of the registered office abroad or winding-up of the company company and, ~~in general, any alteration of the bylaws;~~ the general meeting shall necessarily be attended on first call, in person or by proxy, by shareholders representing at least fifty per cent (50%) of the subscribed voting capital. On second call, the attendance of twenty-five per cent (25%) of that capital shall be sufficient.

If the shareholders meeting is attended by shareholders representing less than fifty per cent (50%) of the subscribed voting capital, the resolutions contemplated in the preceding paragraph may only be validly adopted with the favourable vote of two-thirds of the capital present and represented at the meeting.

By exception, special resolutions to amend the last paragraph of Article 27 of the Bylaws concerning the maximum number of votes that may be cast at the general meeting by any one shareholder or by companies belonging to the same group or to amend this special rule, shall require a favourable vote of 75% of the voting capital attending the shareholders' meeting on both first and second call.

Report of the Board of Directors on the proposal of resolutions concerning the fourth point of the Agenda (“Appointment, ratification or re-election of Directors.”).

The proposed resolutions contemplated in the following paragraphs were informed favourably by the Nomination and Compensation Committee at its meeting held on 23rd February 2010.

4.1. Re-election as Director of Ms. Paulina Beato Blanco.

The first proposal under this item on the agenda is to re-elect Mrs. Paulina Beato Blanco director for a further term of four years.

The proposal for the re-election of Mrs. Beato put to the general meeting by the board has been approved by the board upon recommendation by the Nomination and Compensation Committee in its meeting held on February 23rd, 2010, where the Committee also confirmed that at the time of her re-election, Mrs. Beato met all the requirements and conditions to be considered fully suitable for the position of Director. In accordance with the Articles of Association and the Regulations of the Board of Directors, the Nomination and Compensation Committee will propose the appointment of Independent Outside Directors.

Mrs. Beato was appointed Director of Repsol YPF, S.A. by resolution of the Board of Directors on December 29th 2005, and subsequently ratified and appointed by the Annual Shareholders Meeting held on June 16th, 2006.

According to the provisions of the Articles of Association and Regulations of the Board of Directors, Mrs. Beato is considered an Independent Outside Director.

The information regarding the shareholding of Mrs. Beato and other Board of Directors where she is a member, as well as a brief professional profile is available for shareholders on the Company's website at www.repsol.com.

4.2. Re-election as Director of Mr. Artur Carulla Font.

The second proposal under this item on the agenda is to re-elect Mr. Artur Carulla Font director for a further term of four years.

The proposal for the re-election of Mr. Carulla put to the general meeting by the board has been approved by the board upon recommendation by the Nomination and Compensation Committee in its meeting held on February 23rd, 2010, where the Committee also confirmed that at the time of his re-election, Mr. Carulla met all the requirements and conditions to be considered fully suitable for the position of Director. In accordance with the Articles of Association and the Regulations of the Board of Directors, the Nomination and Compensation Committee will propose the appointment of Independent Outside Directors.

Mr. Carulla was appointed Director of Repsol YPF, S.A. by resolution of the Annual Shareholders Meeting held on June 16th, 2006.

According to the provisions of the Articles of Association and Regulations of the Board of Directors, Mr. Carulla is considered an Independent Outside Director.

The information regarding the shareholding of Mr. Carulla and other Board of Directors where he is a member, as well as a brief professional profile is available for shareholders on the Company's website at www.repsol.com.

4.3 Re-election as Director of Mr. Javier Echenique Landiribar.

The third proposal under this item on the agenda is to re-elect Mr. Javier Echenique Landiribar director for a further term of four years.

The proposal for the re-election of Mr. Echenique put to the general meeting by the board has been approved by the board upon recommendation by the Nomination and Compensation Committee in its meeting held on February 23rd, 2010, where the Committee also confirmed that at the time of his re-election, Mr. Echenique met all the requirements and conditions to be considered fully suitable for the position of Director. In accordance with the Articles of Association and the Regulations of the Board of Directors, the Nomination and Compensation Committee will propose the appointment of Independent Outside Directors.

Mr. Echenique was appointed Director of Repsol YPF, S.A. by resolution of the Annual Shareholders Meeting held on June 16th, 2006.

According to the provisions of the Articles of Association and Regulations of the Board of Directors, Mr. Echenique is considered an Independent Outside Director.

The information regarding the shareholding of Mr. Echenique and other Board of Directors where he is a member, as well as a brief professional profile is available for shareholders on the Company's website at www.repsol.com.

4.4 Re-election as Director of Pemex Internacional España, S.A.

The fourth proposal under this item on the agenda is to re-elect Pemex Internacional España, S.A., currently represented on the Board by Mr. Raúl Cardoso Maycotte, director for a further term of four years.

The proposal for the re-election of Pemex Internacional España, S.A. put to the general meeting by the board has been approved by the board with the prior and favourable report of the Nomination and Compensation Committee in its meeting held on February 23rd, 2010, where the Committee also confirmed that at the time of its re-election, Pemex Internacional España, S.A. met all the requirements and conditions to be considered fully suitable for the position of Director.

Pemex Internacional España, S.A. was appointed Director of Repsol YPF, S.A. by resolution of the Board of Directors on January 26th 2004, nominated by the shareholder Petróleos Mexicanos, and subsequently ratified and appointed by the Annual Shareholders Meeting held on March 31st, 2004 and re-elected by resolution of the Annual Shareholders Meeting held on June 16th, 2006.

According to the provisions of the Articles of Association and Regulations of the Board of Directors, Pemex Internacional España, S.A. is considered an Institutional Outside Director.

The information regarding the shareholding of Mr. Cardoso and other Board of Directors where he is a member, as well as a brief professional profile is available for shareholders on the Company's website at www.repsol.com.

4.5 Re-election as Director of Mr. Henri Philippe Reichstul.

The fifth proposal under this item on the agenda is to re-elect Mr. Henri Philippe Reichstul director for a further term of four years.

The proposal for the re-election of Mr. Reichstul put to the general meeting by the board has been approved by the board upon recommendation by the Nomination and Compensation Committee in its meeting held on February 23rd, 2010, where the Committee also confirmed that at the time of his re-election, Mr. Reichstul met all the requirements and conditions to be considered fully suitable for the position of Director. In accordance with the Articles of Association and the Regulations of the Board of Directors, the Nomination and Compensation Committee will propose the appointment of Independent Outside Directors.

Mr. Reichstul was appointed Director of Repsol YPF, S.A. by resolution of the Board of Directors on December 29th 2005, and subsequently ratified and appointed by the Annual Shareholders Meeting held on June 16th, 2006.

According to the provisions of the Articles of Association and Regulations of the Board of Directors, Mr. Reichstul is considered an Independent Outside Director.

The information regarding the shareholding of Mr. Reichstul and other Board of Directors where he is a member, as well as a brief professional profile is available for shareholders on the Company's website at www.repsol.com.

Report of the Board of Directors on the proposal of resolutions concerning the fifth point on the Agenda (“Appointment of the Accounts Auditor of Repsol YPF, S.A. and of its Consolidated Group for the year 2010”).

The proposal that the Board of Directors presents to the General Shareholders' Meeting in this point on the agenda was approved at the request of the Audit and Control Committee, which is competent according to the Regulations of the Board of Directors, to select the External Auditor that will provide the audit services corresponding to fiscal year 2010 for the Company and its Consolidated Group.

Report of the Board of Directors on the proposal of resolutions concerning the sixth point on the Agenda (“Authorization to the Board of Directors, with express power of delegation, for the derivative acquisition of shares of Repsol YPF, S.A., directly or through controlled companies, within a period of 5 years from the resolution of the Shareholders’ Meeting, leaving without effect the authorization granted by the Ordinary General Shareholders’ Meeting held on May 14th, 2009.”)

The system governing derivative acquisition of own shares is regulated in articles 75 and following of the Joint-Stock Companies Act, passed by Legislative Royal Decree 1564/1989, of 22nd December.

These articles were recently modified by Law 3/2009, including the following amendments:

- The maximum term of the authorization of the General Shareholders Meeting to the Board for the acquisition of own shares is increased from 18 months to 5 years.
- The maximum nominal value of the shares acquired plus the ones directly or indirectly already owned is also increased from 10% of the subscribed capital to 20%, in case of non-listed companies, and from 5% to 10%, in case of listed companies.

The derivative acquisition of own shares must be authorized by the General Shareholders’ Meeting by means of a resolution with content according to paragraph 1 of article 75 of the Joint-Stock Companies Act. This authorization may not, under any circumstances, exceed 5 years.

In the case of shares of Repsol YPF, S.A., listed on a secondary securities market, the nominal value of the shares acquired plus the ones directly or indirectly already owned cannot exceed 10% of the capital stock, according to paragraph 2 of Article 75 of the Joint-Stock Companies Act.

Since 1996 the General Shareholders’ Meeting has authorized the Board of Directors to acquire shares of Repsol YPF, S.A., either directly or through controlled companies.

At December 31st, 2009 neither Repsol YPF, S.A. nor any of its subsidiaries held any shares of the parent company (this information is included in the Notes to the 2009 Consolidated Financial Statements).

The reason for this proposal lies in that the authorization granted by the last Ordinary General Shareholders’ Meeting, held on May 14th, 2009, was subject to the maximum legal term of 18 months established in the regulations in force at that time. For this reason, if this resolution was not passed, Repsol YPF, S.A. could not purchase its own shares from November 14th 2010 on and thus prior to holding the Ordinary General Shareholders’ Meeting for the fiscal year closed on December 31st 2010.

It should also be pointed out that the acquisition and sale of own shares by Repsol YPF, S.A., is subject of strict regulation by the Internal Code of Conduct of the Repsol YPF Group in respect of the Stock Markets, in order to avoid any distortion in the market prices.

Report of the Board of Directors on the proposal of resolutions concerning the seventh point on the Agenda (“Delegation to the Board of Directors of the power to resolve the increase of the capital stock, up to the maximum amount legally prescribed, with the possibility of excluding the preemptive rights, leaving without effect, in the portion not used, the resolution of the General Shareholders’ Meeting held on May 31, 2005.”)

1. Purpose of the report

The agenda of the General Shareholders Meeting of Repsol YPF, S.A. includes as seventh point of the Agenda a proposal, laid before the shareholders meeting for approval – related to the delegation to the Board of Directors of the power to resolve the increase of the capital stock, up to the maximum amount legally prescribed, when the Company needs would require, and the amendment of Articles 5 and 6 of the Articles of Association, related to Capital and Shares, respectively.

In pursuance of Articles 144.1.a), 152.1, 153.1.b) and 159.2 of the Joint-Stock Companies Act, the Board of Directors of Repsol YPF, S.A. (the “Company”) submits this report to justify the proposal to delegate those powers to the Board, including the delegation for exclusion of the preemptive rights.

2. Justification of the proposal to delegate to the Board the powers to increase the capital.

Article 153.1.b) of the Joint-Stock Companies Act empowers the General Shareholders’ Meeting, with the requisites laid down for the amendment of the Articles of Association, to delegate to the Board of Directors the power to resolve the increase in capital stock up to a particular figure, on one or several occasions, on the opportunity and to the amount that the latter decides, without prior consultation of the General Shareholders’ Meeting. These increases cannot under any circumstances exceed half the capital of the Company at the time of the authorisation, and shall have to be done by monetary contributions within five years from the resolution of the General Shareholders’ Meeting.

The Board of Directors considers that the proposal of resolution presented to the General Shareholders’ Meeting is justified by the usefulness of the Board having a mechanism regulated by corporate regulations in force allowing it to resolve one or several capital increases, with no later calling and holding of a new Shareholders’ Meeting, though within the limits, terms and conditions that this Shareholders’ Meeting decides.

The present development of mercantile companies and in particular listed companies, requires that their governing and administrative bodies should be in a position to make use of the possibilities that they are allowed by corporate regulations to provide fast and effective responses to needs arising in the business in which big companies are at present involved. One of these requirements is of course, that of giving the Company new financial resources, a fact which will often be structured by new capital contributions.

Nevertheless, the impossibility of determining in advance what the Company’s needs will be as regards provision of capital and the delays and rises in costs which may be entailed by the usual call to the General Shareholders’ Meeting to increase the capital, making it hard for the Company to respond to market demands effectively and promptly, makes it useful for the Board to be in a position to use the capital mechanism envisaged in our legislation. Indeed, recourse to delegation envisaged in article 153.1.b) of the Joint-Stock Companies Act allows the Company to give the Board of Directors an agile and flexible instrument for catering for the Company’s needs more appropriately, depending on market circumstances.

With all these aims in mind, the General Shareholders’ Meeting is presented the proposal to delegate to the Board the power to resolve the increase the Company’s capital by at most 610,431,731 euro, a figure which is fifty euro cents under half the capital of the Company, giving the Board powers to proceed with any measures which may be required for the listing of the shares which may be issued in execution of the resolution. Furthermore the proposal includes leaving without effect resolution seven of the ones passed by the General Shareholders’ Meeting on May 31st 2005, according to which the Board of Directors was authorised to increase the capital stock under what is envisaged in article 153.1.b) of the Joint-Stock Companies Act.

The proposal sets, in accordance with Article 153.1.b) of the Joint Stock Companies Act, that the shares issued in exercise of this delegation will be in consideration of monetary contributions, and contains the possibility of a non-complete subscription of the new shares, in accordance with Article 161.1 of the Joint Stock Companies Act.

3. Justification of the proposal to delegate to the Board the powers to suppress the preferential subscription right.

In accordance with Article 159.2 of the Joint Stock Companies Act, the General Shareholders' Meeting, when it deems necessary, properly justified by the Board and required by the corporate interest, can also delegate to the Board the power to suppress the preferential subscription right.

The power to suppress the preferential subscription right can only be exercised by the Board in those events required by the company interest, provided that the par value of the new shares plus, if applicable, the share premium, will correspond to the fair value determined by the auditor appointed by the competent Commercial Register, such fair value being referred, unless the contrary is proved, to the quoted price of the shares.

Only the Board can determine in each moment whether the suppression of the preferential subscription rights is proportionate to the benefits to be obtained by the Company and, therefore, decide the suppression because of the corporate interest. In any case, the Board will have to comply with the conditions required by Law.

The Board of Directors considers that this power to exclude the preemptive rights as complementary to that of increasing the capital is justified for several reasons. First of all, the suppression of the preemptive rights tends to allow the relative lowering of the costs associated with the operation (including in particular the commissions of the financial institutions involved in the issue) in comparison with an issue with preemptive rights. Secondly, the power to eliminate the preemptive right puts the administrators in a position to considerably increase the speed of action and response sometimes demanded by current financial markets, allowing the Company to take advantage of the times in which market conditions prove more favourable. Furthermore, the suppression of the preemptive rights means less distortion of the negotiation of Company shares during the issue period, which tends to prove shorter than in an issue with rights.

Although the Joint Stock Companies Act does not in any way limit the AGM's capacity to confer authority on the board of directors to eliminate pre-emptive subscription rights, within the maximum limit of 50% of the company's share capital at the time of authorisation, the board of directors has deemed it more suitable, in line with international recommendations and tendencies in best market practices, and in order to help protect shareholders' interests, to limit this power to a maximum of 20% of the Company share capital at the moment of granting the resolutions, provided that, pursuant to article 159.2 of the Companies Act and as made manifest in this report, the Company's best interests are properly explained to the shareholders.

Even so, note should be taken that the exclusion of the preemptive rights is a power that the General Shareholders' Meeting delegates to the Board of Directors and that the latter must, after taking into consideration the specific circumstances and in respect of the legal requirements, decide in each case if it is proper to exclude said right or not. In the event of the Board of Directors deciding to make use of the possibility of excluding the preemptive rights in a specific capital increase to which it may resolve, making use of the authorisation granted by the General Shareholders' Meeting, it will when resolving the increase issue a report explaining the specific reasons of company interest which justify that decision to eliminate the right, which will in turn be covered by the relevant auditors' report referred to in article 159.2 of the Joint-Stock Companies Act. Both reports will be made available to the shareholders and made known to the first General Shareholders' Meeting to be held after the agreement for increase, according to what is laid down in said precept.

Report of the Board of Directors on the proposal of resolutions concerning the eighth point on the Agenda ("Delegation of powers to supplement, develop, execute, rectify and formalize the resolutions adopted by the General Shareholders' Meeting").

This is the usual resolution that empowers the Board of Directors to execute the resolutions of the General Shareholders' Meeting, including the powers to register the annual financial statements as well as the resolutions subject to this requirement.

Report explaining the Additional Information of the Management Report for the fiscal year ended on December 31st, 2009

In accordance with Section 116.bis of the Securities Market Act, the present report, regarding the additional information required by said provision to be included in the Management Report, is formulated for its presentation at the Ordinary General Shareholders' Meeting of the Company.

-
- A Structure of the capital, including any securities not traded on a EU regulated market, indicating the different classes of shares, if any, the rights and obligations granted by each class and the percentage of capital it represents.
- Repsol YPF, S.A. currently has a capital of 1,220,863,463 euros, divided into 1,220,863,463 shares with a par value of 1 euro each, fully subscribed and paid up, all in the same class and, consequently, with the same rights and obligations.
- The Repsol YPF, S.A. shares are issued in book-entry form and were admitted in their entirety for listing in the electronic continuous trading system of the Spanish stock exchanges (Madrid, Barcelona, Bilbao and Valencia), New York (New York Stock Exchange) and Buenos Aires (Bolsa de Comercio de Buenos Aires).
-
- B Any restriction on the transferability of shares
- As set out in the 11th Additional Provision of Act 34/1998 on the hydrocarbons sector, as per the wording of Royal Decree Law 4/2006, 24 February, administrative authorization must be sought from the National Energy Commission for certain holding acquisitions that involve companies that carry out regulated activities or activities that are subject to administrative intervention which entails a special binding relationship.
- The Ruling of the Court of Justice of the European Communities (CJEC) of 28 July 2008 set out that, by enforcing this requirement, the Kingdom of Spain has breached the obligations incumbent upon it under articles 43 (freedom of establishment) and 56 (freedom of movement of capital) of the European Community Constitutional Treaty.
-
- C Direct or indirect significant interest in the share capital
- As of the last date available, the following were the most significant holdings in the share capital of Repsol YPF, S.A.:

Shareholder	Total % of the share capital
Sacyr Vallehermoso, S.A. (1)	20.01
Criteria Caixa Corp. (2)	14.31
Petroleos Mexicanos (3)	4.81

- (1) The shareholding of Sacyr Vallehermoso is held through Sacyr Vallehermoso Participaciones Mobiliarias, S.L.
- (2) Criteria Caixa Corp. holds 9.28% directly and 5.02% indirectly through Repinves S.A. (a company in which Criteria Caixa Corp. has a 67.60% interest).
- (3) The shareholding of Petroleos Mexicanos (Pemex) is held through Pemex Internacional España, S.A. and through several equity swap instruments with certain financial institutions providing mechanisms furnishing Pemex with the financial rights and the exercise of voting rights up to 4.81% of the company's share capital.

Furthermore, in January 2008 the entities Barclays Global Investors, NA, Barclays Global Investors, Ltd., Barclays Global Fund Advisors and Barclays Global Investors (Deutschland) AG notified the Spanish Securities Market Commission (CNMV) of the existence of a concerted agreement for the exercise of voting rights in Repsol YPF regarding a 3.22% holding. On 4 February 2010, the entity Blackrock, Inc. reported to the CNMV that it had acquired an indirect holding in the share capital of Repsol YPF, S.A. of 3.539% (43,213,390 shares) via the company Blackrock Investment Management (UK), as a consequence of its acquisition of the business of Barclays Global Investors on 1 December 2009.

D

Any restriction on voting rights

- Article 27 of the Corporate Articles of Association of Repsol YPF, S.A. lays down that the maximum number of votes than an individual shareholder, or companies belonging to the same Group, may cast at the General Meeting of Shareholders shall be 10% of the Share Capital with voting rights.
- Furthermore, article 34 of Royal Decree Law 6/2000 sets out certain restrictions on the exercise of voting rights in more than one principal operator in the same market or sector. Among others, it lists the markets for the production and distribution of fuels, the production and supply of liquid petroleum gases and the production and supply of natural gas, principal operator being understood to be any of the entities that hold the five largest shares in the market in question. Such constraints are specified as follows:
 - Natural or legal persons who have a direct or indirect holding of over 3% in the Share Capital or the voting rights of two or more principal operators in the same market may not exercise the voting rights attached to the excess over and above such percentage in more than one of those companies.
 - A principal operator may not exercise voting rights representing more than 3% of the Share Capital of another principal operator in the same market.

These prohibitions shall not apply to parent companies which have the status of principal operator with respect to their controlled companies that have the same status, provided that such structure is imposed by the legal system or is the consequence of a mere redistribution of securities or assets among companies in the same Group.

The National Energy Commission, as the energy market regulatory body, may authorize the exercise of the voting rights attached to the excess, provided that this does not favour the exchange of strategic information or entail risks of coordination in their strategic activities.

E

Shareholders' agreements

Repsol YPF, S.A. has not been notified of any shareholders' agreements regulating the exercising of voting rights at its general meetings or limiting or establishing conditions for the free transferability of the Repsol YPF, S.A. shares.

F

Rules applicable to the appointment and replacement of directors and to the amendment of the Articles of Association.

• Appointment

Members of the board are appointed by the General Meeting of Shareholders, without prejudice to the power of the Board to appoint shareholders to fill any vacancies that may arise, up to the next general meeting.

No-one affected by the prohibitions established in section 124 of the Joint Stock Companies Act or any other incompatibilities established in current laws may be appointed director of the company.

Nor may persons or entities that are in a permanent conflict of interest with the company be directors, including competing companies, their directors, executives or employees, or any persons related to or proposed by such companies.

Directors must be persons who, as well as meeting the requirements stipulated in law and the bylaws, have recognised prestige and adequate knowledge and professional experience and expertise to perform their duties.

Nominations for the appointment of directors submitted by the Board to the General Meeting and appointments made by cooptation must be approved by the Board (i) upon proposal of the Nomination and Compensation Committee, in the case of Independent Outside Directors, or (ii) subject to a report by said Committee for other directors.

• Re-election

The Nomination and Compensation Committee assesses the quality of work and dedication to office during the preceding term in office of any directors proposed for re-election.

The proposals for re-election of directors submitted by the Board to the General Meeting must be approved by the Board (i) upon proposal of the Nomination and Compensation Committee, in the case of Independent Outside Directors, or (ii) subject to a report by said Committee for other directors.

• Retirement

Directors shall retire from office upon expiry of the term for which they were appointed (unless they are re-elected) and in the other cases contemplated in law, the Articles of Association and the Regulations of the Board.

Directors must also tender their resignations to the board in any of the following circumstances:

- When they are affected by any of the cases of incompatibility or prohibition established in law, the Articles of Association or regulations.
- If they are seriously reprimanded by the Nomination and Compensation Committee or the Audit and Control Committee for defaulting their obligations as directors.
- When, in the opinion of the Board, subject to a previous report by the Nomination and Compensation Committee:
 - Their remaining on the Board could jeopardise the interests of the company or adversely affect the functioning of the board or the reputation of the company; or
 - The reasons for their appointment have disappeared. This includes, in particular:
 - Institutional Outside Directors, if the shareholder they represent or that proposed their appointment disposes of all their shares. They shall also tender their resignations and resign, should the board so deem fit, in the corresponding proportion, if the shareholder in question disposes of part of its shareholding interest, to an extent requiring a reduction in the number of its institutional outside directors.
 - Executive Directors, if they cease to hold the executive positions outside the Board to which their appointment as director was linked.

The Board will not propose the removal of any Independent Outside Director before the end of the statutory term for which he/she has been appointed, unless there are just grounds for doing so, in the opinion of the Board, subject to a previous report by the Nomination and Compensation Committee. In particular, there shall be deemed to be just grounds when the director (i) has defaulted the duties corresponding to his/her office; (ii) is in any of the situations described in the preceding paragraphs; or (iii) falls into any of the circumstances described in the Regulations of the Board, whereby he/she can no longer be classified as a Independent Outside Director.

The retirement of Independent Outside Directors may also be proposed as a result of takeover bids, mergers or other similar corporate operations entailing a change in the ownership structure of the company, insofar as this may make it necessary to establish a reasonable balance between Institutional and Independent Outside Directors, in accordance with the ratio of capital represented by the former and the rest of the capital.

• **Amendment of the Articles of Association**

The Articles of Association of Repsol YPF, S.A., available on its web site (www.repsol.com), do not establish any conditions differing from those set out in the Joint Stock Companies Act for their amendment, except for the amendment of the last paragraph of Article 27, concerning the maximum number of votes that may be cast at General Meetings by any one shareholder or the companies belonging to the same group. This resolution, and the resolution to amend this special provision contained in the final paragraph of Article 22 of the Articles of Association, must be adopted with the favourable vote, on first and second call, of 75% of the voting capital attending or represented at the general meeting.

G

Powers of the Board, particularly those concerning the issuing or repurchasing of shares

The Annual General Meeting of Shareholders of the company, held on 31 May 2005 agreed to authorise the Board of Directors to increase the Share Capital, once or several times, during a period of 5 years, by the maximum amount of €610,431,731 (approximately half of the current Share Capital), by issuing new shares the counter value of which shall consist of cash contributions.

Likewise, the Annual General Meeting of Shareholders of the company, held on 14 May 2009, authorised the Board of Directors to engage in the derivative acquisition of own shares, under the terms indicated above in the "Financial situation" section of this Management Report.

Finally, in addition to the powers recognised in the company's Articles of Association and the Board Regulations as being conferred upon the Chairman and Vice-Chairmen of the Board, the Executive Directors have each been granted general powers of attorney to represent the company, conferred by the Board of Directors, and which are duly recorded in the Commercial Register of Madrid.

H

Significant agreements entered into by the company, which are to become effective, be amended or terminate upon a change in the control of the company following a takeover bid, and the effects thereof, unless disclosure may be seriously detrimental to the company. This exception will not be applicable when the company is legally obliged to disclose this information.

The company participates in exploring for and exploiting hydrocarbons through consortiums or joint ventures with other oil companies, both public and private. In the contracts that govern relations between the members of the consortium the other partners are usually granted a right of first refusal over the holding of the partner on which a change of control takes place when the value of said holding is significant in relation to the overall assets of the transaction or when other conditions set out in the contracts occur.

Likewise, according to the rules regulating the oil and gas industry in the different countries in which the company operates, the transfer, total or partial, of research permits and exploitation concessions as well as, on occasions, the change of control in the concessionaire entity or entities and in particular in the entity that has the status of mining area operator, are subject to prior authorisation by the competent administrative authority.

In addition, the agreements entered into by and between Repsol YPF and Caja de Ahorros y Pensiones de Barcelona ("la Caixa") relating to Gas Natural SDG S.A., reported as relevant events through the Securities Market Commission, as well as the Industrial Agreement Activity between Repsol YPF and Gas Natural SDG S.A. foreseen in the abovementioned agreements and disclosed as a relevant event on 29 April 2005 and the Partnership Agreement between Repsol YPF and Gas Natural SDG relating to Repsol-Gas Natural LNG S.L. consider the change in the control structure of either of the parties to be grounds for termination.

I

Agreements between the company and its directors, executives or employees contemplating compensations when the latter resign or are dismissed without cause, or if their employment relationship is terminated as a result of a takeover bid.

• **Executive Directors**

The Chairman and the Secretary and General Counsel are entitled to a Deferred Economic Compensation in the event of termination of their relation with the company, provided such termination is not due to any default of their obligations or at their own desire, without any of the justifying causes contemplated in the contract. The amount of the compensation for termination of the relation is three years' total monetary remuneration.

• **Executives**

The Repsol YPF Group has established a single legal statute for its executives, set out in the Executive Contract, which regulates the compensations applicable in cases of termination of the employment relationship, contemplating as grounds for compensation those stipulated in current legislation.

For members of the Executive Committee, these grounds include resignation by the executive following a business succession or major change in the ownership of the company, resulting in a material change in the members of the governing bodies or in the contents and approach of the principal activity of the company.

The amount of these compensations is calculated according to the age, seniority and salary of the executive, except in one case, for which compensation has been established at the equivalent of three years' total monetary remuneration.

Additional information of these matters is detailed in note 33 to the Consolidated Annual Accounts.

Report on the remuneration policy for directors of Repsol YPF, S.A.

Competences of the board of directors and the nomination and compensation committee

The competences of the Board of Directors and its Nomination and Compensation Committee on Directors' remuneration are established in the By-Laws and in the Regulations of the Board of Directors.

In accordance with article 5.3.c) of the Regulations of the Board of Directors, the Directors' emoluments and, in the case of Executive Directors, the additional remuneration for their executive duties and other conditions of their contracts, have to be approved by the Board.

The Nomination and Compensation Committee, in accordance with article 33.4.a) of the Regulations, will propose to the Board its remuneration policy, assessing the responsibility, dedication and incompatibilities required to the Directors. In the case of Executive Directors, the Committee proposes to the Board their additional remuneration for their executive duties and other conditions of their contracts.

Remuneration policy for directors

1. Corporate Governance framework.

The Spanish National Securities Market Commission (Comisión Nacional del Mercado de Valores) approved on May 22nd, 2006 the Unified Good Governance Code as single text on corporate governance recommendations. The main purposes of this Code were to (i) unify the existing recommendations in Spain until 2003; (ii) harmonize them with those made after that date (OECD principles and European Union recommendations, among others); and (iii) take into account the views of experts from the private sector as well as those from the State Secretariat for the Economy, the Ministry of Justice and the Banco de España.

One of the main principles of the Code is its voluntariness, subject to the "comply or explain" internationally known principle expressly cited in Article 116 of the Securities Market Act.

With this report Repsol YPF follows the new recommendations and continues its transparency policy on remuneration, treating separately the remuneration of Executives and non-Executive Directors and including a description of the main principles of the remuneration policy inside the Group.

2. General principles of the remuneration policy for Directors.

In respect of the exercise by Directors of their oversight and group decision duties, the purpose of the remuneration policy is to remunerate them in a suitable way for their dedication and responsibilities without jeopardizing their independence.

In respect of the exercise by the Executive Directors of their executive duties (apart from their oversight and group decision duties), their remuneration is adapted to the executives remuneration general policy inside Repsol YPF Group, explained hereinafter.

Repsol YPF desires to be placed as an admired and distinguished Company in the fields it operates for the high value added, the excellence in management, the organization culture and the quality of its executive team.

In this regard, Repsol YPF understands remuneration as a value generating element through which the Company is able to retain and attract the best professionals, assuming undertakings with its executives and making them feel part of the organization.

Following these criteria, the determination of the total remuneration takes into consideration comparative figures from the Spanish large corporate groups. The remuneration of the Chief Executive Officer also takes into consideration the trends evolution of the European energy market.

Therefore, the total remuneration must be understood in view of the whole of the remuneration package, harmonizing the balance among all of its elements (fixed, variable short term and medium term remuneration and social benefits):

- Fixed remuneration: is determined taking into consideration the market references mentioned before and the sustainable contribution of each executive.
- Annual variable remuneration: its purpose is to motivate the performance of the executive and assess annually his or her contribution to the achievement of the established goals and to the development of the organization Values. Its maximum amount is established as a percentage of the fixed remuneration.
- Multi-annual variable remuneration: the Company has implemented monetary medium term incentive programs, with a four years measurement period.

These programs sought to strengthen the ties of the executives with the interests of the shareholders through the sustainable creation of value, remunerating the contribution to the achievement of the strategic goals of the Company, and, at the same time, furthering the continuation of the executives within the Group in an increasingly competitive employment market.

- Other benefits: the above described monetary remunerations are complemented with welfare systems and health and life insurances, aligned with the reference market practices.

3. Directors remuneration structure

A. Fixed remuneration

a. Due to membership on the Board of Directors of Repsol YPF

In accordance with Article 45 of the bylaws, the Company may pay remuneration equal to 1.5% of its net profit to its Board members each year for the exercise of their oversight and group decision duties, but this amount can only be paid after covering the legal reserve and any other compulsory reserves and declaring a dividend of at least 4%. The Board of Directors shall decide on the exact sum payable within this limit and on its distribution among the Directors, taking into account the positions held on the Board and its Committees by each Director.

The Nomination and Compensation Committee shall propose to the Board the criteria it considers appropriate to achieve the purposes of this Article of the By-Laws.

The remuneration of the Directors is calculated through the allocation of points for the membership to the Board and its Committees.

The Board of Directors held on February 25, 2009 agreed not to increase the value of the point for 2009, keeping the value of the point set for 2008 fiscal year (Euros 86,143.51 - annual gross).

The allocation of points is the following:

	POINTS
Board of Directors	2
Delegate Committee	2
Nomination and Compensation Committee	0,5
Strategy, Investment and Corporate Social Responsibility Committee	0,5
Audit and Control Committee	1

The amounts of the remuneration earned by each Director in 2009 by virtue of membership to the Board and its Committees are as follows:

	Board of Directors	Delegate Committee	Audit and Control Committee	Nomination and Compensation Committee	Strat., Invest. and CSR Committee	TOTAL
Antonio Brufau	172,287	172,287	–	–	–	344,574
Luis Suárez de Lezo	172,287	172,287	–	–	–	344,574
Antonio Hernández-Gil	71,786	71,786	–	17,947	–	161,519
Carmelo de las Morenas	172,287	–	86,144	–	–	258,431
Henri Philippe Reichstul	172,287	172,287	–	–	–	344,574
Paulina Beato	172,287	–	86,144	–	–	258,431
Javier Echenique	172,287	172,287	86,144	–	–	430,718
Artur Carulla	172,287	114,858	–	43,072	–	330,217
Luis del Rivero	172,287	172,287	–	–	–	344,574
Juan Abelló	172,287	–	–	–	43,072	215,359
Pemex Intern. España	172,287	172,287	–	–	43,072	387,646
José Manuel Loureda	172,287	–	–	28,715	43,072	244,074
Luis Carlos Croissier	172,287	–	–	–	43,072	215,359
Isidro Fainé	172,287	172,287	–	–	–	344,574
Juan María Nin	172,287	–	–	43,072	43,072	258,431
Ángel Durández	172,287	–	86,144	–	–	258,431
María Isabel Gabarro	114,858	–	–	28,715	28,715	172,288
TOTAL	2,770,949	1,392,653	344,576	161,521	244,075	4,913,774

Note: On 14 May, 2009, Mr. Antonio Hernández-Gil leaved the Board of Directors and the Committees to which he belonged, and he was replaced by Ms. M^a Isabel Gabarro, who was appointment member of the Nomination and Compensation Committee and the Strategy, Investment and Corporate Social Responsibility Committee. In this date, Mr. Artur Carulla was appointment member of the Delegate Committee and Mr. José Manuel Loureda of the Nomination and Compensation Committee.

b. Due to membership on the Board of Directors of subsidiaries

The amount accrued by the CEO in 2009 for his membership in the Board of Directors of Group companies, jointly controlled companies or associates, totalled 333,388 euros (67,738 euros for his membership to the Board of Directors of YPF, S.A. and 265,650 euros for his membership to the Board of Directors of Gas Natural SDG, S.A.). The amount accrued in 2009 by the Director and General Counsel for the same concept totalled 103,786 euros (35,869 euros for his membership in the Board of Directors of Compañía Logística de Hidrocarburos, S.A. and 67,917 euros for his membership to the Board of Directors of YPF, S.A.).

The non-Executive Directors has not received remuneration of any other kind due to membership on the Board of Directors of Group companies, jointly controlled companies or associates.

c. Due to the discharge of executive duties

This Section contains information regarding fixed remuneration accrued by the Executive Directors due to the holding of executive positions and the discharge of executive duties.

Taking into consideration the aforementioned, the fixed remuneration earned by the CEO and by the Director and General Counsel in 2009 amounted to 2,310 thousand euros and 959 thousand euros, respectively.

B. Annual variable remuneration

Inside the Board, the short term variable remuneration is only applicable to Executive Directors.

The annual variable remuneration of the Executive Directors is calculated as a percentage of their fixed remuneration taking into consideration the global evaluation of their performance.

The CEO and the Director and General Counsel have accrued in 2009 an annual variable remuneration of 264 thousand euros⁽¹⁾ and 384 thousand euros, respectively.

(1) The statutory attentions for being member of the administrative bodies of the Repsol YPF Group and participated Companies are deducted from the CEO's annual variable remuneration.

C. Multi-annual variable remuneration

Since 2000, the Nomination and Compensation Committee (formerly the Selection and Compensation Committee) of the Board of Directors of Repsol YPF has been implementing a loyalty-building program geared initially toward executives and extendable to other people with responsibilities within the Group. This program consists of setting a medium-/long-term incentive, as part of the remuneration system.

At the end of the 2009 fiscal year, the 2006-2009, 2007-2010, 2008-2011 and 2009-2012 incentive plans were in effect, although it is worth noting that the first of the above-mentioned programs (2006-2009) was closed, in accordance with its terms, on December 31, 2009, and its beneficiaries will receive their respective variable remuneration in the first quarter of 2010, after evaluation the degree of achievement of their objectives.

The said programs are separate from each other, but their primary characteristics are the same. In all cases, these are specific multiple year remuneration plans for the fiscal years included in each one of them. Each plan is tied to the achievement of a series of Group strategic objectives. The achievement of the respective objectives gives the beneficiaries of each plan the right to receive the medium-term variable remuneration in the first quarter following the fiscal year in which it ends. Nevertheless, in each case, the receipt of the incentive is tied to the beneficiary remaining in the service of the Group until December 31 of the last fiscal year in the program, with the exception of the special cases discussed in its specific terms.

In all the incentive plans, if obtained, would consist of an amount determined at the time of its granting, applying a first variable coefficient, in accordance with the degree of achievement of the objectives set out, additionally multiplied by a second variable coefficient, tied to the beneficiary's performance throughout the period covered by the program.

None of the four plans implies the delivery of shares or options to any of its beneficiaries, nor is it pegged to the value of Repsol YPF stock.

The CEO does not participate in any of the incentive programs in force at this time. Nevertheless, the degree of achievement of the program expiring each year will be taken as reference for the determination of the multi-annual variable remuneration of each year which will be paid in the following year.

The Director and General Counsel is a beneficiary of 2006-2009, 2007-2010, 2008-2011 and 2009-2012 programs.

During 2009, the CEO and the Director and General Counsel have accrued a gross value of 988 thousand euros and 222 thousand euros, respectively, for this concept.

Inside the Board, this remuneration concept is only applicable to Executive Directors.

D. Welfare systems

Repsol YPF considers that the remuneration package of the Executive Directors must have a composition in accordance with markets trends. In this regard, the remuneration previously detailed is complemented with a welfare system.

An insurance policy covers the retirement, disability and decease contingencies of the CEO, with Repsol YPF acting as policyholder.

In case of termination of his relationship with Repsol YPF, the CEO will acquire the ownerships of the funds. The CEO is the beneficiary in case of retirement and disability. In case of decease, the beneficiaries are those appointed by the CEO.

The Director and General Counsel is a beneficiary of the Loyalty Premium (Premio de Permanencia), a remuneration concept of deferred payment. The purpose of this concept, implemented through a Securities Investment Fund (Fondo de Inversión Mobiliaria – FIM) called Loyalty Fund (Fondo de Permanencia), is to reward his continuance in Repsol YPF Group.

Annually Repsol YPF contributes to FIM, under the form of participations, a 20% of the annual fixed remuneration of the Director and General Counsel. The Company is the owner of such participations until retirement of the Director and General Counsel. Upon his retirement, the Director and General Counsel will be the owner of the participations. In addition, in case of termination of his contract (when he is entitled to severance payments) and upon his 62 birthday, he will be entitled to receive the accumulated amount of the Loyalty Premium.

He is also participant of the Repsol YPF pensions' plan of defined contribution, which maximum annual contribution was collectively agreed on 7,212 euros.

In addition, he is the beneficiary of a decease and disability insurance policy, with Repsol YPF acting as policyholder.

The cost of the retirement, disability and death insurance policies and of the contributions to pension plans and to the prevision plans, including, as pertinent, those pertaining to entries on account, which the Company has incurred for Executives Directors, amounted to a total of 2,748 thousand euros in 2009. Of this amount, in the case of the CEO, 198 thousand euros correspond to his death insurance policy, 2,270 thousand euros correspond to the contributions for the pension plan and to the cost of the retirement insurance; in the case of the Director and General Counsel, 81 euros thousand correspond to his death insurance policy, 7 thousand euros to the contributions for the pension plan and to the cost of the retirement insurance, and 192 thousand euros for the contributions to the Loyalty Premium.

Non-Executive Directors are not beneficiaries of any other Repsol YPF welfare system instrument.

E. Other payments

In addition, in 2009 the expenses related to remuneration in kind of the Executive Directors amounted to 51 thousand euros, with respect to the CEO, and 2 thousand euros, with respect to the Director and General Counsel.

The Non-Executive Directors have not received any remuneration in kind.

F. Other contractual conditions

All the Board members are covered by the same third-party liability insurance policy as that covering all the directors and executives of Repsol YPF Group.

G. Other contractual conditions of the Executive Directors

The CEO and the Director and General Counsel are entitled to a Deferred Economic Compensation in the event of termination of their relation with the Company, equivalent to three years' total monetary remuneration, plus one year's total monetary remuneration in compensation for the non-competition agreement for the year following termination.

The Deferred Economic Compensation will be paid to the Executive Directors provided termination of the relation with the Company is due to causes attributable to the Company or by mutual agreement or, in the case of the Director and General Counsel, is due to objective circumstances such as an important change in the Company's share capital ownership.

This report was formulated by the Board of Directors of Repsol YPF in its meeting held on March 24, 2010.

Audit and Control Committee of the Board of Directors of Repsol YPF, S.A.

Activity Report for the 2009 Fiscal Year

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Appendix: Calendar of meetings held in the 2009 fiscal year

1

Background

The Audit and Control Committee of the Board of Directors of Repsol YPF, S.A. was constituted by the Board at its meeting held on February 27, 1995.

Although recognised by a number of “Codes of Good Corporate Governance” published in Spain, such as the “Olivencia” Report (1998) and the “Aldama” Report (2003), the constitution of this type of Committees in the Board of Directors of listed companies, was not obligatory in this country until November 23 date in which the Financial System Reform Measures Act 44/2002, of 22 November, came into effect.

Article 32 of the Regulations of the Board of Directors of Repsol YPF, S.A. establishes the structure, the operation and the field of activity of the Audit and Control Committee.

In accordance with the provisions of these Regulations, the Committee is an internal body of the Board of Directors with duties of supervision, reporting, advice and proposal, as well as the other duties attributed to it by Law, the Articles of Association or the Regulations of the Board of Directors.

The essential function of the Committee is to act as support for the Board of Directors in its tasks of supervising, through the regular checking of the preparation of economic and financial information, of its executive controls, supervision of the Internal Audit and of the independence of the External Auditor, as well as reviewing compliance with all the legal provisions and internal regulations applicable to the company. Similarly, the Committee has the power to submit the agreement proposal for the Board of Directors, for its subsequent submission to the General Shareholders’ Meeting, on the appointment of the External Accounts Auditors, the renewal or cessation of its appointment, and the terms under which it is to be retained.

Since its creation, and until 31 December 2009, the Board of Directors’ Audit and Control Committee has met on one hundred and twelve occasions (the last – in this period – was on 15 December 2009).

2

Composition

Both the Articles of Association and the Regulations of the Board of Directors establish that the Audit and Control Committee will comprise at least three members. Similarly, these rules stipulate that all the members of the Committee should be Outside or non-Executive Directors.

Likewise, and with the aim of ensuring the best fulfilment of its duties, the Regulations of the Board of Directors establish that the members of this Committee will be appointed by the Board, taking into account their knowledge and experience in terms of accountancy, auditing or risk management, and the Chairman must also have experience in business management and knowledge of accounting procedures and, in any event, some of its members must have the financial experience that may be required by the market regulatory bodies of the stock markets in which the shares or titles of the Company are listed, this last is a condition held by Mr. Carmelo de las Morenas López and Mr. Ángel Duráñez Adeva as regards the “financial expert” regulated by the U.S. Securities and Exchange Commission (SEC).

The Committee appoints its Chairman from among its members, who must, in any event, have the status of Independent Outside Director, while the Secretary of the Committee will be the Secretary of the Board of Directors.

The members of the Audit and Control Committee serve for a term of four years as of their appointment, and they may be re-elected after this term, with the exception of its Chairman, who may not be re-elected until one year has elapsed after their resigning from the post, without prejudice to their continuance or re-election as member of the Committee.

During the 2009 fiscal year, the composition of the Audit and Control Committee has been the following:

Position	Members	Type
Chairwoman	Mrs. Paulina Beato Blanco	Independent Outside
Member	Mr. Carmelo de las Morenas López	Independent Outside
Member	Mr. Ángel Duráñez Adeva	Independent Outside
Member	Mr. Javier Echenique Landiribar	Independent Outside

Consequently, during the 2009 fiscal year all the members of the Audit and Control Committee have held the status of “Independent Outside Directors”, in accordance with the requirements set out in Article 3.5 of the Regulations of the Board of Directors, having been appointed due to their recognised personal and professional prestige and to their experience and expertise for the exercise of their duties. Similarly, they are not connected with the executive team and the significant shareholders of the company and they incur none of the situations described in Article 13.2 of the Regulations of the Board of Directors.

During the 2009 fiscal year and until the date of approval of the present Activity Report there has been no change in the composition of the Committee.

The professional profiles of the members of the Committee are the following:

Mrs. Paulina Beato Blanco: Córdoba, 1946. Phd Economics, Complutense University of Madrid and University of Minnesota, Professor of Economic Analysis, Commercial Expert and Economist of the State. Former Executive Chairman of Red Eléctrica de España, Director of CAMPSA and major financial institutions. Formerly Chief Economist in the Sustainable Development Department of Inter-American Development Bank and Consultant in the Banking Supervision and Regulation Division of the International Monetary Fund. Currently she is advisor to the Iberoamerican Secretary General (Secretaría General Iberoamericana), professor for Economic Analysis in various universities and member of a special Board for promoting Knowledge Society in Andalusia.

Mr. Carmelo de las Morenas López: Sevilla, 1940. Ba in Economics and Law. Started Career In Arthur Andersen & Co. Subsequently General Manager of the Spanish Subsidiary of the Delet Banking Corporation and Chief Finance Officer of Madridoil and Transportes Marítimos Pesados. Joined Repsol Group in 1979 holding different Management Positions. In 1989 he was appointed Chief Financial Officer, up to the end of his career in the company. Up to 31 December 2005 was member of the Standard Advisory Council of IASB. Currently he is Chairman of Casa del Alguacil Inversiones, SICAV, S.A., Director of the Britannia Steam Ship Insurance Association, Ltd., Orobaena S.A.T. and Faes Farma, S.A.

Mr. Ángel Duráñez Adeva: Madrid, 1943. BA Economics, Profesor of Commerce, chartered accountant and founding member of the Registry of Economic Auditors. He joined Arthur Andersen in 1965 where he was Partner from 1976 to 2000. Up to March, 2004 he headed the Euroamerica Foundation, of which he was founder, entity dedicated to the development of business, political and cultural relationships between the European Union and the different Latin American Countries. Currently he is Director of Gestevisión Telecinco, S.A., Exponencial-Agencia de Desarrollos Audiovisuales, S.L., Ambers & Co and FRIDE (Foundation for the international relations and the foreign development), Chairman of Arcadia Capital, S.L. and Información y Control de Publicaciones, S.A., Member of Foundation Germán Sánchez Ruipérez and Foundation Independiente y Vicepresident of Fundación Euroamérica.

Mr. Javier Echenique Landiribar: Pamplona (Navarra), 1951. Ba Economics and Actuarial Science. Former Director-General Manager of Allianz-Ercos and General Manager of BBVA Group. Currently is Chairman of Banco Guipuzcoano, Director of Telefónica Móviles México, Actividades de Construcción y Servicios (ACS), S.A., Abertis Infraestructuras, S.A., Grupo Empresarial ENCE, S.A. and Celistics, L.L.C. Delegate of the Board of Telefónica, S.A. in the Basque region, Member of the Advisory Board of Telefónica Spain, Member of Foundation Novia Salcedo and Foundation Altuna, and Member of the Círculo de Empresarios Vascos.

3

Regulation of the Audit and Control Committee

The internal regulation of the Audit and Control Committee is included in Article 39 ("Audit and Control Committee") of the Articles of Association and in Article 32 ("The Audit and Control Committee") of the Regulations of the Board of Directors.

The Articles of Association and the Regulations of the Board of Directors are registered in the Madrid Trade Registry and are accessible to the public on the Company's website (www.repsol.com).

4

Operation

In accordance with the provisions of the Regulations of the Board of Directors, the Audit and Control Committee meets as many times as is necessary in order to fulfil the duties with which it has been entrusted and whenever its Chairman calls it or when so requested by two of its members. The calls to meeting are communicated, with a minimum advance notice of 48 hours, by letter, telex, telegram, fax or e-mail, and will include the agenda of the meeting. The minutes of the previous meeting will be included with the call to meeting, whether they have been approved or not, as will the information that is deemed necessary and that is available.

The meetings are normally held at the registered office of the company, but they may also be held at any other address determined by the Chairman and stated in the call to meeting.

For the Committee to be validly constituted, it is required that more than half of its members attend the meeting, in person or represented, except in the event of a lack of call to meeting, which requires the attendance of all of them. Members of the Committee who do not attend the meeting in person may confer their representation on another member of the Committee.

Agreements must be adopted with the vote in favour of the majority of the members present in person or by representation. In the event of a tie, the Chairman or the person acting in their place at the meeting will have the casting vote.

The Secretary to the Committee draws up the minutes of the agreements adopted at each meeting, which will be available to the members of the Board.

The Chairman of the Committee regularly informs the Board of Directors of the progress of its actions.

The Committee drafts an annual calendar of meetings and an action plan for each fiscal year, including an Annual Report on its actions, informing the Board of this.

Similarly, at least once a year the Committee assesses its operation and the quality and efficiency of its work, informing the Board of this.

5

Resources of the Committee

For the best fulfilment of its duties, the Committee may use the advice of Lawyers or other external professionals, in which case the Secretary of the Board of Directors, on requirement by the Chairman of the Committee, will make available everything necessary for hiring these Lawyers and professionals, whose work will be directly referred to the Committee.

Similarly, it may use the collaboration of any member of the management team or the rest of the staff, and the attendance at its meetings of the Company's Accounts Auditors.

6

Main activities carried out in the 2009 Fiscal Year

In the 2009 fiscal year, the Audit and Control Committee met on ten occasions, as described in the Appendix.

In fulfilment of its essential duty of acting as support for the Board of Directors in its tasks of supervising, and among other activities, the Committee carried out the periodic review of the economic/financial information, the supervision of the internal control systems and the control of the independence of the External Accounts Auditor. This Report contains a summary grouped under the various basic duties of the Committee.

Attached, as an Appendix, is a calendar of the meetings held by the Audit and Control Committee during the 2009 fiscal year, with a description of the main issues discussed in them.

6.1

Economic/financial information

During the period covered by this Activity Report, the Audit and Control Committee has analysed, prior to its presentation to the Board, and with the support of the Economy/Finance General Department and the External Accounts Auditor of the Company, the annual financial statements for the 2008 fiscal year, and the quarterly and six-monthly statements for the first quarter, first six months and third quarter of the 2009 fiscal year.

Similarly, the Committee has verified that the Annual Financial Statements for the 2008 fiscal year, submitted to the Board of Directors for their approval, have been certified by the Chairman and the Group Managing Director of Finance and Corporate Services (CFO) on the terms required by the applicable internal and external rules.

Besides this, the fact that the Repsol YPF Group is listed on the New York Stock Exchange requires the submission to the SEC of the "Annual Report on Form 20-F", a report that contains the Group's annual financial statements and financial information according to the criteria set out by US legislation. To this effect, the Committee has reviewed the content of this report prior to its filing.

Similarly, the Committee has checked the content of the Consolidated Financial Statements for the 2008 fiscal year which the Company, in its capacity as company listed in Argentina, has submitted to the Comisión Nacional de Valores (CNV) and the Bolsa de Comercio in Buenos Aires.

6.2

Internal control systems

In order to check the internal control and risk management systems periodically so that the main risks are identified, managed and adequately understood, the Committee has monitored the progress of the Annual Corporate Audit Plan, aimed at covering the Group's critical and significant risks.

Throughout the fiscal year, the Committee has been informed by the Corporate Audit Director of the most relevant facts and recommendations made evident in the tasks performed in the year and the status of the recommendations issued in previous years.

Similarly, the Committee has been informed regarding the systems to control reserves; the annual planning scheme, directed to assess the running and suitability of the internal control systems of the Company in the identification and moderation of the fraud risks, inefficiencies in the internal control, non-fulfilment of the rules and legislation, reputational risk and inadequate assets protection and control over the participated operations; the credit risk management of clients and debtors, the exchange rate and the interest rate, and the theoretical methodological approach proposed to measure and prioritize the risks of the Risk Map; the Compliance Program conceived as one of the factors that mitigate "Regulatory and Compliance Risks".

Additionally, the Audit and Control Committee has supervised the adaptation of the internal control system on financial information of the Repsol YPF Group to the requirements of the

Sarbanes – Oxley Act (Section 404). To this effect, the Audit and Control Committee acts as the ultimate control and supervision body of the operation of the Internal Control over Financial Reporting of the Group Repsol.

6.3

Relations with the internal auditor

Besides what has been described in the above section, the Committee has, in accordance with the stipulations of the Regulations of the Board, ensured the independence and efficiency of the Internal Audit and that it has the adequate qualification and resources to fulfil its duties in the Group, both in terms of staff and material elements, systems, procedures and manuals of action.

Similarly, the Committee has been informed of the closing and evaluation of the Annual Plan of Corporate Audit 2008, and analysed, approved and monitored the Annual Corporate Audit Plan for the 2009 fiscal year.

6.4

Relations with the external auditor

a. Selection of the external auditor for the 2009 fiscal year

In fulfilment of the duties assigned to it, the Audit and Control Committee proposed to the Board of Directors, for its subsequent submission to the General Shareholders' Meeting, the re-election of "Deloitte S.L." as the Accounts Auditor of Repsol YPF, S.A. and of its Consolidated Group, for the period of one year, for the review of the Annual Financial Statements and the Management Report of Repsol YPF, S.A. and of its Consolidated Group for the 2009 fiscal year.

The Board of Directors, for its part, agreed to submit this proposal to the Ordinary General Shareholders' Meeting held on 14 May 2009, which approved it.

b. Pre-approval of the services provided by the external auditors

In order to comply with the requirements of the Sarbanes Oxley Act and other regulations applicable to the Company, and as a measure of good corporate governance, the Audit and Control Committee, in its task of ensuring the independence of the External Auditor, agreed in the 2003 fiscal year on a procedure to approve previously all the services, be they auditing or not, provided by the External Auditor, whatever their extent, scope and nature. This procedure is regulated in an Internal Rule mandatory for the whole of the Repsol YPF Group.

By virtue of this, during the 2009 fiscal year, the Audit and Control Committee previously approved all the services provided by the External Auditor.

Similarly, a delegation of powers to the Chairwoman of the Audit and Control Committee was established so that she may authorise the services provided by the External Auditor. Making use of this delegation, the Chairwoman has approved the provision of a series of services for which the ratification of the Committee has after been requested.

c. Information received from the external auditors

In addition to the information provided by the external auditors in other meetings of the Committee, at the meeting of the Audit and Control Committee, held on 23 February 2009, and prior to the review of the annual financial statements, the external auditors of the Repsol YPF Group, Deloitte S.L., after their confirmation of independency in compliance with the rules of the SEC of the United States, informed the Committee of the main aspects noted in the audit of the Annual Financial Statements of Repsol YPF Group at 31 December 2008 and its review of the System of Internal Control over Financial Reporting (SICFR).

In this respect, the external auditors informed that the audit opinion on the Annual Financial Statements of Repsol YPF S.A. and the Consolidated Annual Financial Statements of Repsol YPF Group was favourable and contained no exception whatsoever. They similarly reported that no "material weakness" had been detected in the SICFR to mention to the Committee.

Similarly, at the meeting of the Audit and Control Committee held on 24 June 2009 and in accordance with the professional audit rules in force in the United States (PCAOB Standards), Deloitte informed the Committee prior to the recording of its audit opinion in the SEC with regard to the "Annual report on form 20-F".

Likewise, at the meeting of the Audit and Control Committee held on 28 July 2009, Deloitte informed of the limited review report of the six-monthly summary statements for the first quarter 2009.

At the meeting of the Audit and Control Committee held on 15 December 2009, Deloitte also informed the Committee on its preliminary review of the consolidated financial statements of Repsol YPF, S.A. at 30 September 2009 in relation to the audit of the Annual Financial Statements for the 2009 fiscal year, and on the situation of their work checking the internal controls over the financial information of the Repsol YPF Group, established in accordance with the requirements of the Sarbanes - Oxley Act (Section 404), and the scheduled plan and objectives of that review.

6.5

Oil and gas reserves

In fulfilment of the duties assigned to it, in the 2009 fiscal year the Committee supervised the sufficiency and the effective operation of the registry and internal control systems and procedures in the measurement, valuation, classification and accounting of the oil and gas reserves of the Repsol YPF Group, such that their inclusion in the periodical information of the Group is in line at all times with sector standards and applicable regulations.

6.6

Environment and security

With the aim of knowing and guiding the policy, objectives and directives of the Repsol YPF Group in the areas of environment and security, throughout the fiscal year the Committee has been informed by the Resources Department of the evolution of the main security data and environmental parameters and of the actions taken and the objectives of the Repsol YPF Group in these areas.

6.7

Assessment of the operation of the Audit and Control Committee

Based on the most important requisites and functions of the Audit and Control Committee contemplated in applicable legislation, in the Articles of Association and the internal regulations of the Board of Directors and the Committee, the Audit and Control Committee made an assessment in 2009 of its own operation and efficiency in line with the recommendations of the "Unified Code".

In view of the results of that assessment, at its meeting of 27 January 2010 the Audit and Control Committee concluded that its operation was satisfactory and that it correctly performed the duties commissioned to it in the applicable laws and internal regulations.

6.8

Disclosure Committee ("Comité Interno de Transparencia") of Repsol YPF, S.A.

The Audit and Control Committee has been informed regularly throughout the year on the activities of the Disclosure Committee, receiving and considering the information remitted to it by that Committee.

6.9

"Communications to the Audit Committee" Application

In accordance with current regulations in the United States for all the companies that are listed on the Stock Exchanges in that country, and as a Corporate Best Governance measure, in the 2005 fiscal year the Audit and Control Committee set up a procedure for persons so wanting to be able to inform it of any incident or irregularity regarding matters related to accounting, internal accounting controls and auditing that affect the Repsol YPF Group.

This application can be accessed by both employees of the Repsol YPF Group, through the intranet, and other interested parties, through the Company website (www.repsol.com). In both cases, the complete confidentiality and anonymity of the persons sending the information is guaranteed.

Similarly, these communications can be sent by e-mail or by postal mail to the addresses enabled to this effect.

The Audit and Control Committee has supervised the measures adopted with regard to the communications received over this system.

6.10

Criteria of independence of the New York Stock Exchange (NYSE) for foreign private issuers

The fact that the shares issued by Repsol YPF are listed on the New York Stock Exchange – through ADSs, or American Depositary Shares – requires that the Company complies with certain rules of American legislation, specifically, certain sections of “Section 303A of the NYSE’s Listed Company Manual”. In accordance with this, all the members of the Audit and Control Committee must comply with the requirements of independence set out by Rule 10A-3 of the SEC.

Since this rule came into force, on 31 July 2005, the Audit and Control Committee of Repsol YPF, S.A. has complied at all times with it.

Appendix

Calendar of meetings held in the 2009 Fiscal Year

N° 103

28 January 2009

Agenda

- Relevant facts of the 2008 fiscal year.
- Information on oil and gas reserves.
- Report of the Audit and Control Department: (I) external assessment of the corporate audit function (II) summary of the reports.
- Communications received on accounting, internal accounting controls and auditing matters.
- Approval of the retention of services with the External Auditors.
- Information on the communications with the SEC of the 20-F 2007 of Repsol YPF, S.A.
- Information on the meetings held by the Disclosure Committee of Repsol YPF, S.A.

N° 104

23 February 2009

Agenda

- Annual Financial Report 2008: (I) Results account for the fiscal year 2008. Conciliation of results ;(II) External Auditor’s Report; (III) Annual Financial Statements and Management Report for the fiscal year ended 31 December 2008. .
- Annual Corporate Governance Report 2008.
- Information on oil and gas reserves.
- Report of the Audit and Control Department (I) External assessment of the internal audit function; (II) proposal for the Corporate Audit Planning 2009.
- Activity Report 2008 of the Audit and Control Committee.
- Approval of the retention of services with the External Auditors.
- Communications received on accounting, internal accounting controls and auditing matters.
- Information on the communications with the SEC of the 20-F 2007 of Repsol YPF, S.A.
- Information on the meetings held by the Disclosure Committee of Repsol YPF, S.A.

N° 105

25 March 2009

Agenda

- Proposed appointment of the Account Auditors for Repsol YPF, S.A. and its Consolidated Group.
- Information on environmental and security matters.
- Approval of the retention of services with the External Auditors.
- Communications received on accounting, internal accounting controls and auditing matters.
- Information on the communications with the SEC of the 20-F 2007 of Repsol YPF, S.A..

N° 106	30 April 2009
Agenda	
<ul style="list-style-type: none"> • Information of the credit risk, exchange rate and interest rate. • Report of the Audit and Control Department: (I) Annual schedule 2008 for the Audit and Control Department: Fulfilment of the closing of the fiscal year; (II) summary of the reports. • Approval of the retention of services with the External Auditors. • Communications received on accounting, internal accounting controls and auditing matters. • Information on the communications with the SEC of the 20-F 2007 of Repsol YPF, S.A. 	

N° 107	7 May 2009
Agenda	
<ul style="list-style-type: none"> • Review of the preliminary results for the third quarter of 2009. 	

N° 108	24 June 2009
Agenda	
<ul style="list-style-type: none"> • Review the Annual Report on Form 20-F 2008. External Auditor's Report. • Report of the Audit and Control Department: (I) system for internal control of the financial reporting. Assessment of 2008 fiscal year; (II) Regulatory Compliance; (III) summary of the reports. • Information of the system to manage the environmental and security risk. • Approval of the retention of services with the External Auditors. • Communications received on accounting, internal accounting controls and auditing matters. • Information on the communications with the SEC of the 20-F 2007 of Repsol YPF, S.A. • Information on the meetings held by the Disclosure Committee of Repsol YPF, S.A. 	

N° 109	28 July 2009
Agenda	
<ul style="list-style-type: none"> • Report of the six-monthly statements –External Audit Report. • Information on the annual financial statements to be submitted to the Comisión Nacional de Valores of Argentina and the Bolsa de Comercio in Buenos Aires. • Proposal of the fees for the External Auditor for 2009 • Information on oil and gas reserves. • Report of the Audit and Control Department. Monitoring the recommendations of the Corporate Auditors Reports. • Information on compliance with the obligations related with the securities market. • Approval of the retention of services with the External Auditors. • Communications received on accounting, internal accounting controls and auditing matters. • Information on the meetings held by the Disclosure Committee of Repsol YPF, S.A. 	

N° 110	30 September 2009
Agenda	

- External Auditor's Report.
- Information of the Audit and Control Department.
- Proposal of assessment of the operation of the Audit and Control Committee.
- Approval of the retention of services with the External Auditors.
- Information of the conclusion of the review process by the SEC of the 20-F 2007 of Repsol YPF, S.A.

N° 111	11 November 2009
Agenda	
<ul style="list-style-type: none"> • Review of the preliminary results for the third quarter of 2009. • Information on environmental and security matters. • Information on oil and gas reserves. • Approval of the retention of services with the External Auditors. • Communications received on accounting, internal accounting controls and auditing matters. • Information on the meetings held by the Disclosure Committee of Repsol YPF, S.A. 	

N° 112	15 December 2009
Agenda	
<ul style="list-style-type: none"> • External Auditors' Report • Corporate Audit Report. • Proposal of schedule and action plan of the Audit and Control Committee for 2010. • Approval of the retention of services with the external auditors. 	

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