Investor Update

Strategic Plan 2012-2016

“Growing from our strengths”
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The information contained in the document has not been verified or revised by the Auditors of Repsol.
Company Overview
Repsol today
Company Overview

Operating in more than 30 countries

- Exploration & Production (E&P)
- Pure exploration
- Refining & Marketing (R&M)
- E&P / R&M
- Gas and Power

Core Businesses
- Upstream
- Downstream

Non Operated Shareholding
- Gas Natural Fenosa

Note: Additionally our Marketing activity extends to South East Asia.
Repsol’s Shareholders
Company Overview

Total number of shares as of January 2015: 1,374.69 million

* On 11th November 2013 CaixaBank launched a €594m 3-year Mandatory Exchangeable Bond into Repsol shares (2.5% of share capital)
Repsol: A Transformation Story
2012-2016 Key strategic targets
Repsol: A Transformation Story

- Production growth 2011-16: > 7% CAGR
- RRR 2011-2016: > 120% (+120% vs. average 2008-2011)
- Upstream average capex: €2.9bn/year

- Maintain investment grade rating
- Divestments & treasury stock: up to €4-4.5bn in 2012-2016
- Self-financed plan generating €8.1-8.6bn cash for dividends & debt reduction in base case, resilient to stress scenario

- Strong FCF from the Downstream Business
- Downstream average capex: €0.7bn/year [-50% vs. avg. 2008-11]

- High growth in Upstream
- Maximize return on capital Downstream
- Financial strength
- Competitive shareholder compensation

- Dividend 2012-2016: ~1€/share (scrip option)
- “Repsol Flexible Dividend” program: 64%, 69%, 59%, 63% and 76% acceptance ratio since 2012.
- 1€/share Special dividend from 2014 earnings.

1. Compound annual growth rate. 2. Average Reserve Replacement Ratio 2011-2016. 3. Net Capex, excluding G&G and G&A
4. Targets in 2012. Target more than achieved after LNG disposal. Up to date divestments: 10% of treasury stock (€2.4bn); LPG Chile & Amodaimi (€0.6bn); LNG business (€4.4bn) and 10% stake in TPG (219 M$)
Turnaround plan
Repsol: A transformation story

New areas of Exploration

Prospective
- GoM
- Norway
- European Atlantic
- Angola
- Kurdistan
- Liberia
- Canada
- Colombia
- Russia
- Gabon

Evaluation
- Peru
- Sagari
- Brazil BM-C-33
- Angola
- Reggane
- Brazil Carioca (Lapa)

Construction
- GNL
- GoM
- Buckskin
- Venezuela
- Carabobo
- Brazil Sapinhoa (Guará)
- Peru Kinteroni
- Libya I/R
- Bolivia Margarita-Huacaya
- Venezuela Perla
- US GoM Shenzi
- Russia AROG
- Canaport
- Canada
- Cartagena
- Bilbao
- Peru
- Kinteroni
- Libya I/R
- Bolivia Margarita-Huacaya
- Venezuela Perla
- US GoM Shenzi
- Russia AROG
- Canaport
- Canada
- Cartagena
- Bilbao

Operation

Stage of Advance
- 1.FID: Final Investment Decision
Acquisition of Talisman Energy
Talisman: A major Canadian listed upstream company with a globally diversified portfolio

Key facts

- Dual-listed E&P company with core assets in North America, the Asia Pacific region, Colombia and Northern Europe
- Headquartered in Calgary, Alberta, Canada
- Approximately 2,800 highly trained employees in 18 countries
- 1P reserves 838 Mboe, ~65% Developed
- OECD countries: ~65% of 2P Reserves
- R/P: 12 (2P Reserves / run rate production)

Diversified asset portfolio

- Dual-listed E&P company with core assets in North America, the Asia Pacific region, Colombia and Northern Europe
- Headquartered in Calgary, Alberta, Canada
- Approximately 2,800 highly trained employees in 18 countries

2014E Production: 280-290 Kboepd

After contract and royalties

- Colombia 5%
- North Sea 7%
- SE Asia 35%
- North America 50%
- Other 3%

2P Net reserves: 1,243 Mmboe

Year End 2013

- Canada 18%
- U.S. 36%
- SE Asia 32%
- North Sea 10%
- Other 2%
- LatAm 2%

Americas

- Natural gas and associated liquids long-term growth potential
- Upsides from NGL and gas price
- Legacy asset position in Canada
- Efficient operator in Canada and Marcellus
- Capital intensive unconventional
- Upside emerging in Colombia (heavy oil)

EMEA

- JV with Sinopec in UK
- Offshore operator in North Sea (UK and Norway), mainly oil production
- Algeria free cash flow

Asia-Pacific

- Legacy asset position
- Large Free Cash Flow
- Sustainable production
- Additional Exploration & Development potential
- Efficient operator
- Good relations with Governments and NOC's

Source: Company filings, presentation, equity research
Note: All figures shown gross of royalties and in U.S. dollars, unless otherwise noted, includes equity investments
1. Net production (assuming 2013YE reserve report implied royalty rates of 19% for gas and 20% for liquids) from ongoing operations based on company guidance (350-365 kboepd gross)
2. Net reserves as of December 2013YE adjusted to reflect sale of Montney assets (550 Bcf of 2P reserves, assumes to be 100% gas, 19% royalty)
**Transaction Overview**

**Transaction structure**
- Repsol S.A. ("Repsol") to acquire 100% of Talisman Energy Inc. ("Talisman") outstanding common shares
- Structured as Plan of Arrangement

**Consideration & Valuation**
- **US$8 per share**, representing total all-cash consideration of **US$8.3 billion**
- **Total enterprise value of US$12.9 billion**, assuming **US$4.7 billion** in Talisman net debt as of September 30th, 2014
- Immediately accretive to operating cash flow per share, EPS neutral for 2016 and accretive from 2017

**Financing**
- Liquidity on hand
- Designed to secure the Investment Grade rating
- Maintenance of current competitive dividend

**Certainty & timing**
- Offer unanimously approved by Repsol and Talisman Boards of Directors
- Subject to the approval of Talisman shareholders
- Subject to customary Governmental regulatory approvals, including Investment Canada, and third party consents
- Closing estimated by mid-year 2015

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1. Talisman permitted to pay common dividends of up to US$0.18 per share between signing and closing. 2. Using the scenario of prices: forward curve first 3 years and then Repsol price deck.
Transformational deal, upgrading Repsol's portfolio and competitive advantage achieving global scale and diversification, greater exposure to Upstream, leading growth platforms and enhanced capabilities to create value.
Production, Reserves, Operatorship, OECD production

Reserves 1P/2P (MBoe)

<table>
<thead>
<tr>
<th>Before Deal</th>
<th>After Deal</th>
</tr>
</thead>
<tbody>
<tr>
<td>1P</td>
<td>19%</td>
</tr>
<tr>
<td>2P</td>
<td>42%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Before Deal</th>
<th>After Deal</th>
</tr>
</thead>
<tbody>
<tr>
<td>55%</td>
<td>23p.p.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Before Deal</th>
<th>After Deal</th>
</tr>
</thead>
<tbody>
<tr>
<td>1,515 1P</td>
<td>11%</td>
</tr>
<tr>
<td>2,302 2P</td>
<td>76%</td>
</tr>
<tr>
<td>2,353 1P</td>
<td>36%</td>
</tr>
<tr>
<td>3,546 2P</td>
<td>386</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Before Deal</th>
<th>After Deal</th>
</tr>
</thead>
<tbody>
<tr>
<td>680 2P</td>
<td>36%</td>
</tr>
</tbody>
</table>

Note: Considering net reserves (after royalties) and net production (after royalties). Asset sales considered.

Source: Rystad; Repsol internal information; Talisman Annual Report.
Significant enhancement of Repsol’s upstream business geographic diversification

Repsol will have operations in more than 50 countries and more than 27,000 employees

1. Data 2014 Estimated. Others include Repsol assets in Africa and Russia. 2. Public 2013 Talisman data
Note: Corporate Center CE split between Upstream and Downstream proportionally to their standalone CE. Corporate Center CE included in Spain. Whole GNF stake considered in Spain. Source: annual report, Capital IQ
With this transaction, Repsol gains a significant competitive edge becoming a much stronger and balanced E&P player.
Portfolio management: Opportunities to optimize capital allocation

A broader portfolio together with a sound financial position provides a better capacity to create and unlock value through portfolio management, allocating capital to the most valuable projects and assets.

**Portfolio management criteria:**
- Prioritizing CF and Net Income
- Exposure to priority plays where to set platforms for growth
- Increasing sustainability (Reserve Life Ratio)
- Geographic Risk Profile

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<table>
<thead>
<tr>
<th>Cost Synergies</th>
<th>Commercial</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>• Enhanced gas, NGLs and oil marketing and trading in North America</td>
</tr>
<tr>
<td></td>
<td>• Growth in N. America gas, NGLs and oil commercial and midstream portfolio size and diversity</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Capex costs</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Leverage scale in procurement in categories with global or regional markets</td>
</tr>
<tr>
<td>• Best practice sharing in Capex and project management</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>G&amp;A costs</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Optimization and integration of corporate functions</td>
</tr>
<tr>
<td>• Integration of regional and country HQ where overlapped</td>
</tr>
<tr>
<td>• IT expenditure optimization and scale</td>
</tr>
</tbody>
</table>

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<table>
<thead>
<tr>
<th>Operational Synergies</th>
<th>Exploration effectiveness</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>• Application of Repsol exploration technology on new portfolio</td>
</tr>
<tr>
<td></td>
<td>• Exploration teams integration and best practice transfer</td>
</tr>
<tr>
<td></td>
<td>• Global exploration portfolio management</td>
</tr>
</tbody>
</table>

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Talisman transaction would generate synergies of ~220 M U$ annual

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1. Conservative estimate
A strategic combination to accelerate growth, diversify asset base and drive shareholder value

- Talisman acquisition consistent with Repsol strategy to strengthen Repsol’s upstream business while providing a platform for future growth
- Creating Value: IRR above WACC
- Creates a truly globally diversified company with an asset base in key sought-after regions in North America, Northern Europe, Southeast Asia and Latin America
- Gives Repsol access to deeper expertise in unconventional plays, heavy oil, and offshore
- Doubles Repsol’s operatorships and increases its weight towards OECD
- Immediately cash flow accretive and EPS neutral for 2016 and accretive from 2017
- Doable opportunity
- Commitment to maintain competitive dividend
The transaction offers competitive multiples for Repsol, especially considering the long term value of the asset.

**EV/EBITDA 2015E [x]**

- **Talisman at US$ 8**
  - 5.0

**EV/2013 1P & 2P reserves [$/boe]**

- **Talisman at US$ 8**
  - EV/Reserves 1P
    - 15.4
  - EV/Reserves 2P
    - 10.4

**Premium of 24% over last 3-month average share price and 14% premium over last 3-month average Enterprise Value**

1. Company filings, FactSet, Equity research and Bloomberg.
2. Finding & Development 5-year average cost of the industry is US$ 24.4/boe.
3. According to Sell Side analysts the average resource finding cost of the industry is 5 $/boe, which compares with 2.9 $/boe of EV/resources in this transaction (assuming Sell Side estimate of 3.2 Bboe for Talisman’s contingent resources).
4. VWAP as of December 11th, 2014.
Net debt proforma post Talisman deal

Resilient credit metrics under stress scenarios

Net debt proforma post deal (BUS$)

<table>
<thead>
<tr>
<th>Repsol Net debt proforma 30/09/2014</th>
<th>Talisman Net Debt + Preferred Shares 30/09/2014</th>
<th>Purchase price</th>
<th>Net Debt Proforma</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.5</td>
<td>4.7</td>
<td>8.3</td>
<td>15.4</td>
</tr>
</tbody>
</table>

Net Debt \[^{1}\] / EBITDA \[^{2}\] \[^{3}\]

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stress Case</td>
<td>1.7</td>
<td>1.9</td>
<td>1.9</td>
<td>1.7</td>
</tr>
<tr>
<td>Base Case</td>
<td>1.2</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Resilient credit metrics under stress scenarios

2. Joint Ventures’ EBITDA included
Countries with drilling activity during 2014
27 wells finalized in 2014

Reserve Replacement Ratio

<table>
<thead>
<tr>
<th>Year</th>
<th>Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>131 %</td>
</tr>
<tr>
<td>2011</td>
<td>162 %</td>
</tr>
<tr>
<td>2012</td>
<td>204 %</td>
</tr>
<tr>
<td>2013</td>
<td>275 %</td>
</tr>
</tbody>
</table>

2015 exploration strategy to be reviewed after the closing of Talisman transaction
10 key growth projects in 2012-2016
Delivering Growth

Low risk of delivery: 7 projects already producing

Note: all production figures indicate gross plateau production; WI = Repsol Working Interest; FID = Final Investment Decision; FO: First Oil; FG: First Gas; Net capex 2012-2016, excluding G&G and G&A. 1. Average Repsol net production post royalties 2. Phase I gross production
Downstream
Our businesses strategy
 Improve profitability on operational excellence and efficiency

Maximize return on investment and cash generation

**Refining**
- Reduce energy costs
  - Fuel consumption & losses down by 6% at 2016
- Reduce CO₂ emissions by 15% at 2016
- Operational excellence program in refineries

**Petrochemicals**
- Maximize value of integration with refining
- Competitive Plan:
  - Higher-value applications
  - Efficiency program
- Continue cost reduction program

**Marketing**
- Maximize value of marketing assets and competitive position
- Optimize retail asset portfolio
- Increase non-oil margins
- Increase international margin from lubricants and specialties

**LPG**
- Adequate production and commercial capacity to market conditions in Spain
- Optimize portfolio
Downstream strategy 2010-2014:
Increased competitiveness of Downstream business

Competitive Downstream business, linked to quality assets and geographical situation

- Presence in a premium market for refining
- Completion of expansion and conversion projects
- Integrated refining portfolio, working as a unique system
- Efficient integration between the refining and marketing businesses

Note: Integrated R&M margin calculated as CCS/LIFO-Adjusted operating profit of the R&M Segment divided by the total volume of crude processed (excludes petrochemical business) of a 14-peer-group. Based on annual reports and Repsol’s estimates. Source: Company filings
Downstream strategy 2010-2014:
Increased competitiveness of Downstream business

Improved competitiveness of refining assets

- Increased competitiveness of refining assets
- Top quartile position among European peers along the cycle
- Divested non-core / low return assets [€1.4bn][1]

1. Includes sale of 15% of CLH, non-integrated Downstream in LatAm (Chile, Brazil and Ecuador), PMMA Petrochemicals, Refap in Brazil and LPG France, some of them executed in Dec. 2007. 2. Data source: WoodMackenzie
Maximizing returns from the business and capital discipline

R&M EBITDA

Higher margins largely derived from expansion and conversion projects

R&M CAPEX

Downstream investment cycle already finalized
Gas & Power
Access to premium markets in North America

- Highly seasonal business
- Regasification facility and midstream assets with access to premium markets in North East USA
- Trading activity based in our Houston headquarters

EBITDA 9M14: 238 M€

Regasification plant
Total capacity: 10 bcm/year
Partners: Repsol [75%], Irving Oil [25%]
Regasification capacity: 100% Repsol

Prices referenced mainly to Algonquin
GAS NATURAL FENOSA
A liquid asset, with growth capabilities and a strong cash flow generator

Strong LatAm footprint, growth and strong cash generation

**Leading Utility**
An European leading utility company with a strong footprint and growth in Latin America

**Dividend Yield**
Strong cash stream for Repsol via Dividend

**A Good option**
A financial investment that could be used after the LNG sale is completed and if a good opportunity in the upstream business arises

**Recent Developments**
GNF reached an agreement to purchase CGE. With this acquisition GNF maintains its commitment of a 62% payout ratio in cash
Financial Position 7
The Republic of Argentina delivered a portfolio of Argentinean sovereign bonds with a total nominal value of $ 5.3 bn.

Repsol sold the sovereign bonds to JP Morgan in 3 separate transactions for almost $ 5 bn.

Repsol sold the 12.38% stake in YPF in 2 separate transactions for $ 1.3 bn.

The Board of Directors agreed to distribute an extraordinary dividend of 1 euro per share.

As of today Repsol has no exposure to Argentina.
Financial Position

Financial Discipline: self-financed strategic plan

**Net Debt**

<table>
<thead>
<tr>
<th>Year</th>
<th>Net Debt</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>€5.4bn</td>
</tr>
<tr>
<td>3Q14</td>
<td>€2.0bn</td>
</tr>
</tbody>
</table>

**Liquidity Position**

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Liquidity</td>
<td>€2.8bn</td>
</tr>
<tr>
<td>Short term maturities</td>
<td>€7.6bn x 3.6</td>
</tr>
</tbody>
</table>

**Note:** Liquidity position as of September 30th 2014.
Credit Rating Agencies
Repsol’s rating

Rating Agencies underline benefits from upstream portfolio diversification and Repsol’s flexibility to maintain target leverage ratios after acquisition of Talisman Energy

Moody's affirms Repsol's long-term rating at **Baa2** while changing outlook to “Negative” from “Stable”. 19 December 2014

Fitch affirms Repsol’s long-term rating at **BBB** while revising outlook to “Stable” from “Positive”. 22 December 2014

Standard & Poor's affirms rating at **BBB-** while revising outlook to “Stable” from “Positive”. 18 December 2014
On May 28th, 2014, the Board of Directors agreed to distribute an extraordinary dividend of one euro per share from 2014 earnings, with payment day on June 6th, 2014.

Dividend Yield (DY) \(=\) (Gross Dividend during Year / closing price at the end of the period)

1. For the scrip dividend assumes the guaranteed fixed price offered for the free-of-charge allocation of rights.
3. On May 28th, 2014, the Board of Directors agreed to distribute an extraordinary dividend of one euro per share from 2014 earnings, with payment day on June 6th, 2014.
Environmental, Social & Governance
Corporate Responsibility Model
Our commitments

✓ Zero Accidents
✓ Embedded safety culture

✓ Excellence in spill prevention and response
✓ Optimized water & waste management
✓ Biodiversity action plans

✓ Policy on respect for human rights based on the UN Guiding Principles on Business and Human Rights.

✓ Support of EITI since 2003.
✓ Adherence to Code of Best Tax practices and to the register of EU lobbies.
✓ Remuneration disclosure

✓ Ethics and Conduct Regulation
✓ Anticorruption policy
✓ Crime prevention model

✓ Achievement reduction of by 2.5 million tons CO2.
✓ Additional reduction of 1.9 million emissions by 2020
✓ Promoting non-fossil fuel energy initiatives
Monitoring and control of the sustainability indexes

The consistency and commitment of our work has led to recognition of the company's firm commitment to continually improving its performance.

Our Company has won recognition for its energy efficiency and carbon management for the third time in the last five years

**Climate Disclosure Leadership Index (CDLI)**

<table>
<thead>
<tr>
<th></th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Maximum Energy sector score</strong></td>
<td>88</td>
<td>90</td>
<td>92</td>
<td>98</td>
<td>98</td>
</tr>
<tr>
<td><strong>Minimum score for Energy sector companies to be eligible for the CDLI</strong></td>
<td>79</td>
<td>88</td>
<td>90</td>
<td>95</td>
<td>97</td>
</tr>
<tr>
<td><strong>Repsol’s score</strong></td>
<td>75</td>
<td>88</td>
<td>89</td>
<td>98</td>
<td>98</td>
</tr>
</tbody>
</table>

Our Company has won recognition for its energy efficiency and carbon management for the third time in the last five years.
Repsol has achieved all 2012-2016 strategic goals. YPF’s monetization allows Repsol to inorganically accelerate further growth in the upstream, further diversification in the asset base and further shareholder value.

**Positioned for growth**
- Upstream as growth engine
- Focus on exploration
- Delivery based on projects in development phase

**Diversification**
- Balancing our capital employed:
  - More OECD/non-OECD.
  - More Oil vs Gas

**Profitability**
- Maximize return on investment
- Operational excellence
- Fully invested assets in Downstream

**Sound financial position**
- Self-financed strategic plan, resilient to stress scenarios
- Commitment to maintain investment grade
- Competitive dividend pay-out
Repsol in figures

<table>
<thead>
<tr>
<th>Results (€ Million)</th>
<th>3Q 2013</th>
<th>2Q 2014</th>
<th>3Q 2014</th>
<th>% Change 3Q14/3Q13</th>
<th>January - September 2013</th>
<th>January - September 2014</th>
<th>% Change 2014/2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Upstream</td>
<td>184</td>
<td>145</td>
<td>185</td>
<td>0.5</td>
<td>818</td>
<td>585</td>
<td>(28.5)</td>
</tr>
<tr>
<td>Downstream</td>
<td>108</td>
<td>162</td>
<td>190</td>
<td>76.6</td>
<td>458</td>
<td>642</td>
<td>40.2</td>
</tr>
<tr>
<td>Gas Natural Fenosa</td>
<td>106</td>
<td>159</td>
<td>92</td>
<td>(13.2)</td>
<td>359</td>
<td>374</td>
<td>4.2</td>
</tr>
<tr>
<td>Corporate and others</td>
<td>(103)</td>
<td>(76)</td>
<td>(52)</td>
<td>49.5</td>
<td>(415)</td>
<td>(264)</td>
<td>36.4</td>
</tr>
<tr>
<td>ADJUSTED NET INCOME</td>
<td>295</td>
<td>390</td>
<td>415</td>
<td>40.9</td>
<td>1,220</td>
<td>1,337</td>
<td>9.6</td>
</tr>
<tr>
<td>Inventory effect</td>
<td>30</td>
<td>5</td>
<td>(63)</td>
<td>-</td>
<td>(123)</td>
<td>(117)</td>
<td>4.9</td>
</tr>
<tr>
<td>Non-recurring income</td>
<td>(34)</td>
<td>156</td>
<td>(32)</td>
<td>5.9</td>
<td>(121)</td>
<td>159</td>
<td>-</td>
</tr>
<tr>
<td>Income from discontinued operations</td>
<td>95</td>
<td>(31)</td>
<td>(1)</td>
<td>-</td>
<td>311</td>
<td>267</td>
<td>(14.1)</td>
</tr>
<tr>
<td>NET INCOME</td>
<td>386</td>
<td>520</td>
<td>319</td>
<td>(17.3)</td>
<td>1,287</td>
<td>1,646</td>
<td>27.9</td>
</tr>
</tbody>
</table>

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

For more information please refer to section “Basis of preparation of the financial information” of the 3rd Quarter 2014 earnings release.
## Repsol in figures

### Economic data (€ Million)

<table>
<thead>
<tr>
<th></th>
<th>3Q 2013</th>
<th>2Q 2014</th>
<th>3Q 2014</th>
<th>% Change 3Q14/3Q13</th>
<th>January - September 2013</th>
<th>January - September 2014</th>
<th>% Change 2014/2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>EBITDA</td>
<td>1,026</td>
<td>1,025</td>
<td>1,047</td>
<td>2.0</td>
<td>3,241</td>
<td>3,249</td>
<td>0.2</td>
</tr>
<tr>
<td>CAPITAL EXPENDITURES</td>
<td>716</td>
<td>860</td>
<td>961</td>
<td>34.2</td>
<td>2,112</td>
<td>2,549</td>
<td>20.7</td>
</tr>
<tr>
<td>NET DEBT</td>
<td>7,117</td>
<td>2,392</td>
<td>1,998</td>
<td>(71.9)</td>
<td>7,117</td>
<td>1,998</td>
<td>(71.9)</td>
</tr>
<tr>
<td>EBITDA / NET DEBT (x)</td>
<td>-</td>
<td>-</td>
<td>2.10</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

### MARKET CAPITALIZATION

As of September 30th 2014

- **25,385**

### Operational data

<table>
<thead>
<tr>
<th></th>
<th>3Q 2013</th>
<th>2Q 2014</th>
<th>3Q 2014</th>
<th>% Change 3Q14/3Q13</th>
<th>January - September 2013</th>
<th>January - September 2014</th>
<th>% Change 2014/2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>LIQUIDS PRODUCTION (Thousands of bbl/d)</td>
<td>135</td>
<td>122</td>
<td>141</td>
<td>4.7</td>
<td>145</td>
<td>131</td>
<td>(9.3)</td>
</tr>
<tr>
<td>GAS PRODUCTION (*) (Millions of scf/d)</td>
<td>1,172</td>
<td>1,216</td>
<td>1,261</td>
<td>7.6</td>
<td>1,176</td>
<td>1,221</td>
<td>3.8</td>
</tr>
<tr>
<td>TOTAL PRODUCTION (Thousands of boe/d)</td>
<td>344</td>
<td>338</td>
<td>366</td>
<td>6.4</td>
<td>354</td>
<td>349</td>
<td>(1.5)</td>
</tr>
<tr>
<td>CRUDE OIL REALIZATION PRICE ($/Bbl)</td>
<td>89.0</td>
<td>87.8</td>
<td>84.3</td>
<td>(5.3)</td>
<td>89.7</td>
<td>85.9</td>
<td>(4.2)</td>
</tr>
<tr>
<td>GAS REALIZATION PRICE ($/Thousands scf)</td>
<td>3.8</td>
<td>4.0</td>
<td>3.6</td>
<td>(5.3)</td>
<td>4.0</td>
<td>3.9</td>
<td>(1.1)</td>
</tr>
<tr>
<td>DISTILLATION UTILIZATION Spanish Refining (%)</td>
<td>80.9</td>
<td>83.5</td>
<td>84.8</td>
<td>4.8</td>
<td>80.3</td>
<td>81.0</td>
<td>0.9</td>
</tr>
<tr>
<td>CONVERSION UTILIZATION Spanish Refining (%)</td>
<td>101.1</td>
<td>100.6</td>
<td>106.6</td>
<td>5.4</td>
<td>100.1</td>
<td>101.4</td>
<td>1.3</td>
</tr>
<tr>
<td>REFINING MARGIN INDICATOR IN SPAIN ($/Bbl)</td>
<td>2.6</td>
<td>3.1</td>
<td>3.9</td>
<td>50.0</td>
<td>3.0</td>
<td>3.6</td>
<td>20.0</td>
</tr>
</tbody>
</table>

(*) 1,000 Mcf/d = 28.32 Mm³/d = 0.178 Mboe/d
Investor Update

Strategic Plan 2012-2016

“Growing from our strengths”