



REPSOL



Tarragona Refinery Jetty

Investor Update

September 2015

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Company Overview

1



Company Overview

Repsol today



1 million boe/d refining capacity

4,700 service stations

~ 2.2 Billion boe proven reserves

~ 27,000 employees

~ 650 kboe/day production

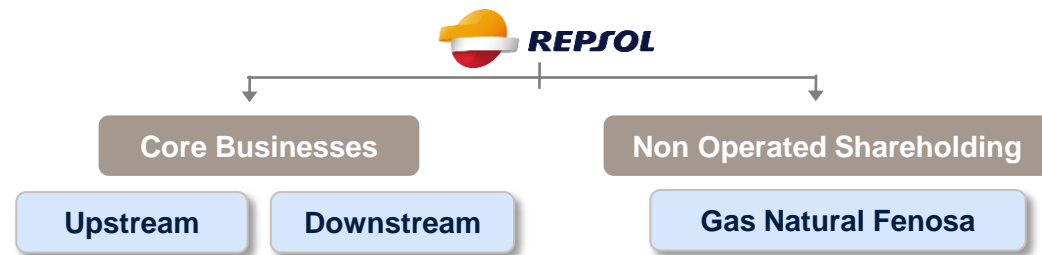
Present in more than 40 countries

30% of Gas Natural Fenosa



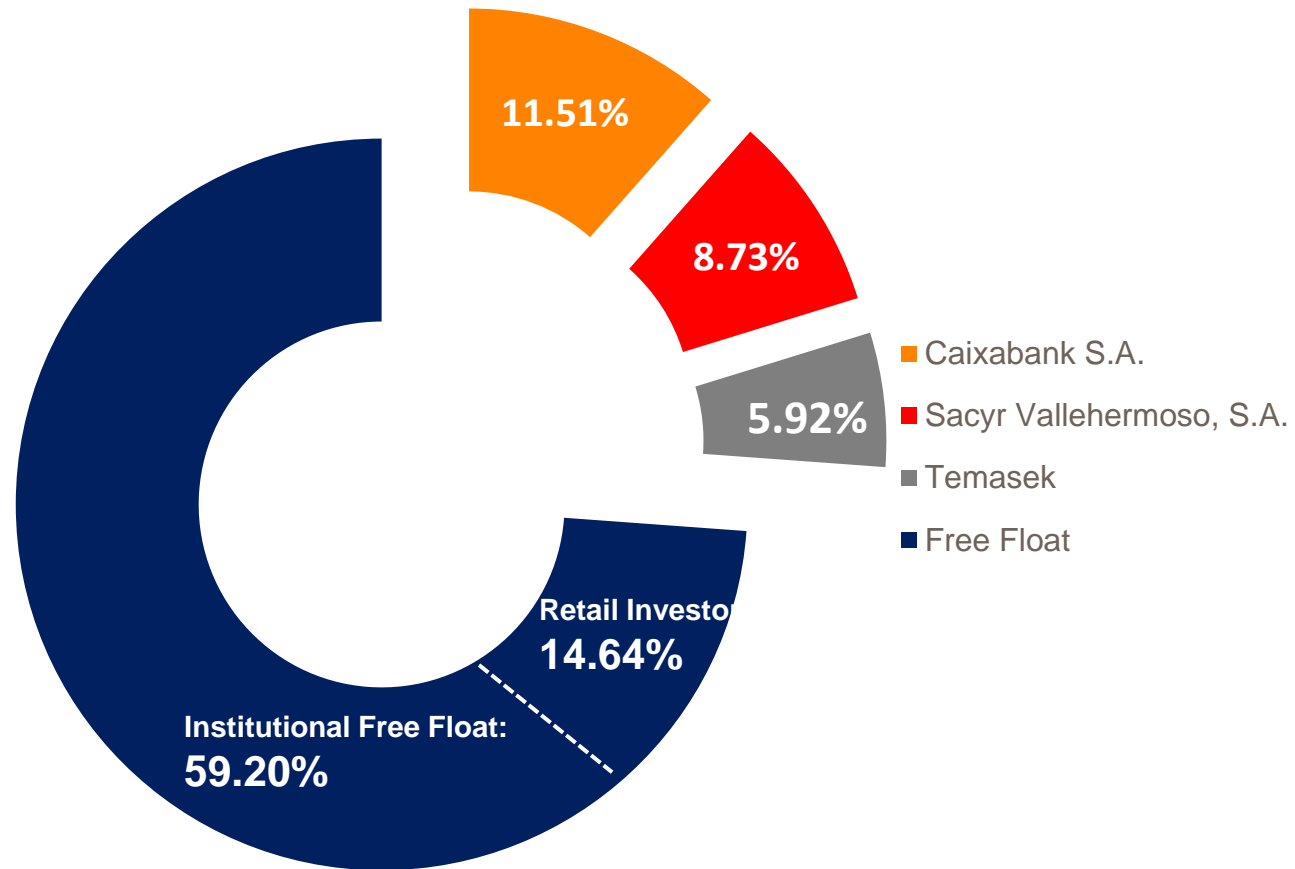
■ Repsol's presence

Note: Additionally our Marketing and Chemical activity extends to Asia ●



Company Overview

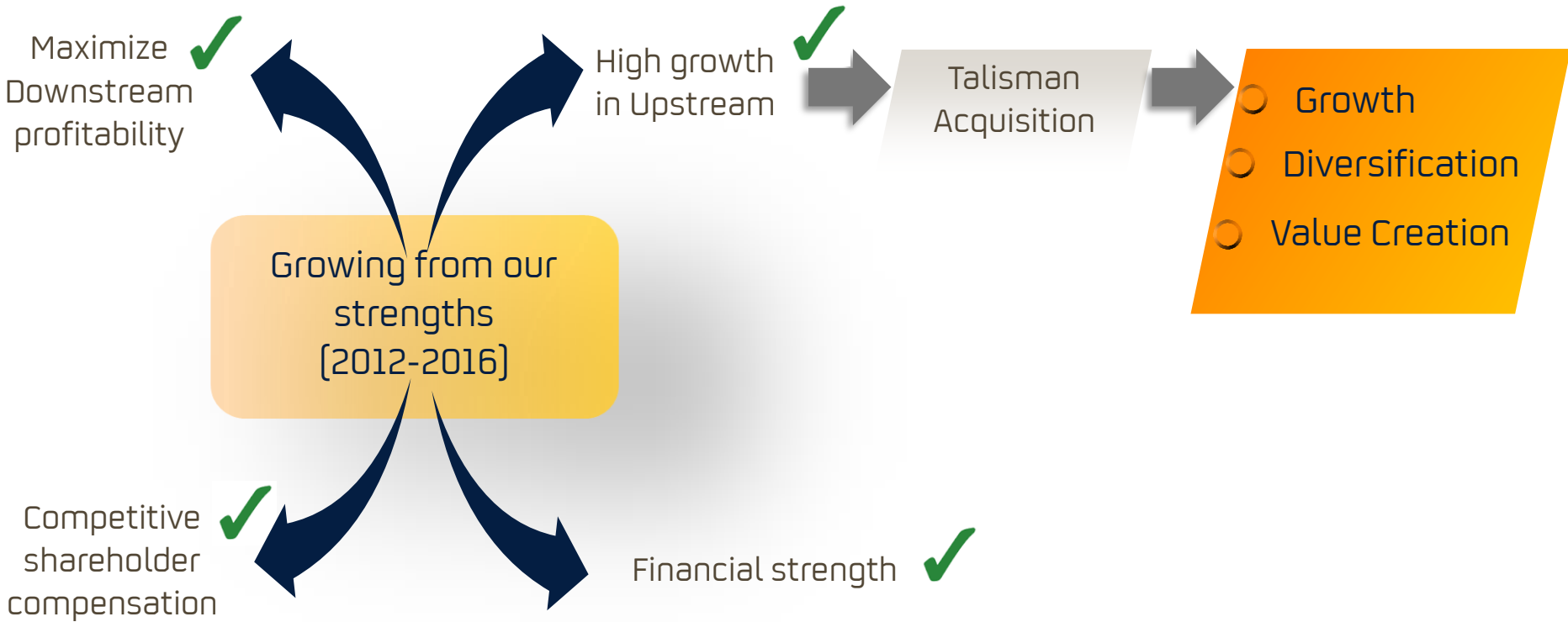
Repsol's Shareholders



Total number of shares: 1,400.36 million

Company Overview

Strategic Plan 2012-2016



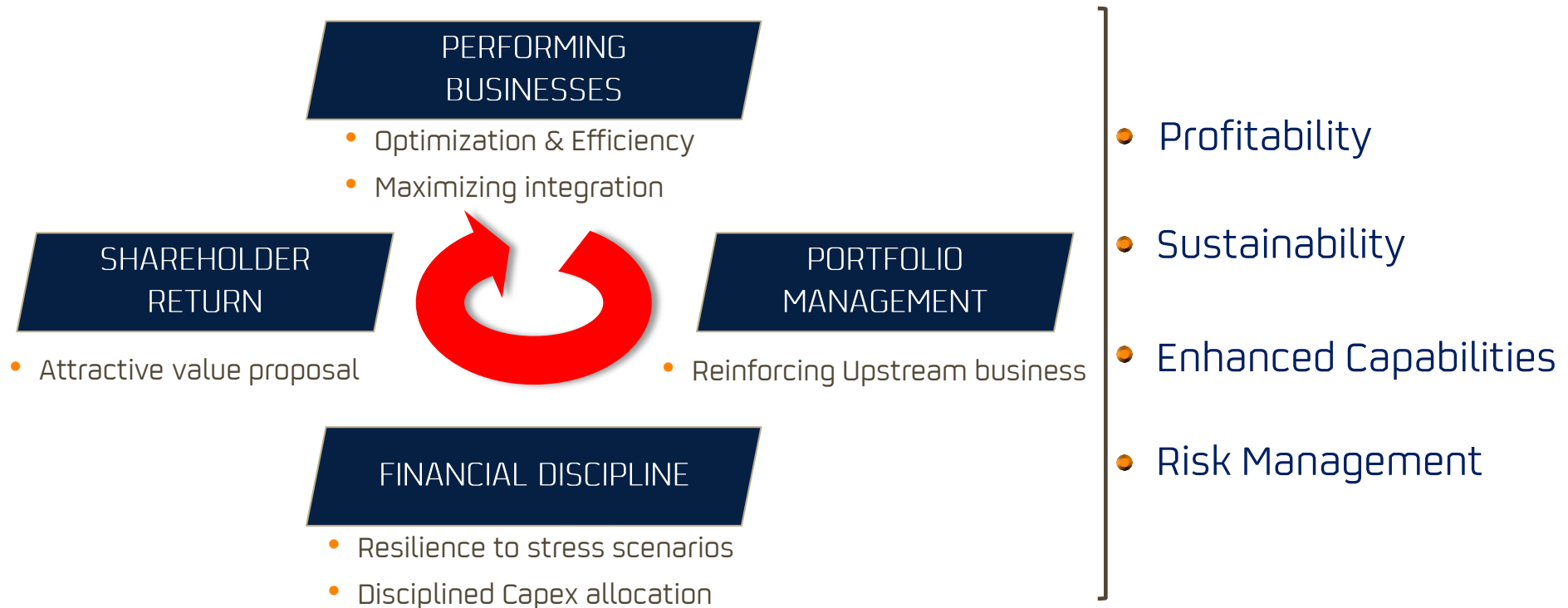
All 2012-2016 Key strategic targets achieved

Company Overview

Strategic Plan 2016-2020



“A new Strategic Plan 2016-2020^(*), focused on value creation”



A proposal for strong value creation

^(*) The Repsol Group will present a new strategic plan before the end of the year 2015

Integration of Talisman Energy

2



Acquisition of Talisman Energy

Growth, Diversification and Value Creation



Transformational deal, upgrading Repsol's portfolio and competitive advantage achieving global scale and diversification, greater exposure to Upstream, leading new opportunities and capabilities to create value.



Greater exposure to Upstream, leading growth platforms. Increase in production, reserves, operated assets and OECD production

Upgrading Repsol's portfolio and competitive advantage by achieving global scale and diversification.

Enhanced capabilities to create value.



What Talisman brings to Repsol



Value creation through portfolio management and synergies

Integration of Talisman

New Organizational structure



May 8th:
Closing of the transaction

- The purchase price allocation has been completed
- Goodwill: 2.6 billion Dollars out of which 2.1 billion Dollars are the Deferred tax liabilities → Firmly supported by the synergies identified
- We have one year to adjust and refine the allocation



Upstream division
[4 regional areas]

- Europe, Africa & Brazil
- North America
- South America
- Asia & Russia

Outlook 2015 & Efficiency Measures

3



Outlook 2015 & Efficiency Measures



2015 FY EBITDA¹ €5-5.5Bn



Excluding the contribution of Talisman assets, the EBITDA will be similar to that of 2014, even in an oil price scenario 40 dollars lower and with no contribution from Libya

DOWNSTREAM

- ✓ Energy efficiency saving programs
- ✓ Optimizing oil purchases
- ✓ Maintenance and reliability programs

On going efforts in this line

Refining Margin increase of 1.2\$/bbl compared with 2011

UPSTREAM

- ✓ In a much larger company Repsol maintains Upstream Capex ^[2]



21% _[2015] ^[3]

2015/16

IN LINE WITH 2014

^[1] Assumptions: Brent Price: 59\$/bbl, Henry Hub: 3\$

^[2] Includes G&G and G&A

^[3] In USD

Outlook 2015 & Efficiency Measures

Go Program and synergies



GO PROGRAM + RECURRENT SYNERGIES



Go Program: program launched in order to optimize capex, identify improvement measures to increase our income through efficiency and innovation. These measures comprise, among others, the renegotiation of contracts.

Upstream

4



Upstream

A proposal for strong value creation



Exploration Capex:

- Repsol invested slightly below 4.5 Billion dollars in Upstream capex (including G&G and G&A) in 2014.
- Upstream capex of Repsol ex Talisman assets, will be reduced by 21% 2015 ^[1].

Cost Efficiency in our Operations:

Renegotiation process

Existing contracts:

- 5% in Repsol suppliers
- 7% in Talisman supplier

New contracts: reduction between 10% - 20%.

VALUE
CREATION

Portfolio
Management

New organization focus on
business performance,
improving efficiency and agility

Cost and Operational
Synergies

^[1] Includes G&G and G&A. In USD

North America

Eagle Ford [USA]	Marcellus [USA]	Duvernay [Canada]	Mid-continent [USA]
WI: ~ 31% ⁽¹⁾ Liquid rich play 60%/40% liquids- gas mix Production 2015: ~25 Kboed net	Dry Gas with own egressing infrastructure Tier 1 position ~72 Kboed net	WI: 100% Long Term potential ~300K net acres	Current production ~11 Kboed net

Africa & Europe

Reggane [Algeria]	MonArb [UK]
WI: 29.25% First gas 2017 48 Kboed	WI: 30% Redevelopment Production 2017: ~8 Kboed net

Brazil

Sapinhua [former Guara]	Lapa [former Carioca]
WI: 15% 270 Kboed gross Plateau by end 2015	WI: 15% 80 Kboed gross First Oil: end 2016

Russia

SANECO/ TNO/SK
WI: 50% Ongoing production since February 2014. Producing ~18 Kboed net

Latin America

Margarita-Huacaya [Bolivia]	Carabobo-AEP [Venezuela]	Cardon IV [Venezuela]	Kinteroni + Sagari [Peru]	Akacias [Colombia]
WI: 37.5% Phase III in progress. Production in April 2015: 18 Mm3d gross	WI: 11% Production in April 2015: 16 Kboed gross	WI: 32.5% Production start-up 2015 with 150 Mscfd. Ramping up to 800 Mscfd in 2018.	WI: 53.8% First Gas 2014. Plateau of 26 Kboed net in 2019	WI: 45% Extension of Chichimene field >2.5 Bn bbls OIP

South East Asia

Kinabalu [Malaysia]	Corridor & Jambi Merang [Indonesia]	HST/HSD & Red Emperor [Vietnam]
WI: 60% Access to low- cost discovered oil & gas reserves, infrastructure in place	WI: 36% / 25% Upside potential. Jambi Merang: liquids rich project	WI: 60% / 55% HST/HSD foundation and FCF generator. Red Emperor future development

EXPLORATION

Contingent resources

Repsol

Alaska
GoM: Buckskin & Leon
Brazil: C-33 (Seat, Gavea, Pao de, Acucar)
Presalt Albacora / Sagitario (BMS-50)
Russia: Karabashsky

Talisman

Colombia: CP-6
Indonesia: Sakakemang
Malaysia: Sabah Basin
Kurdistan

Prospective resources

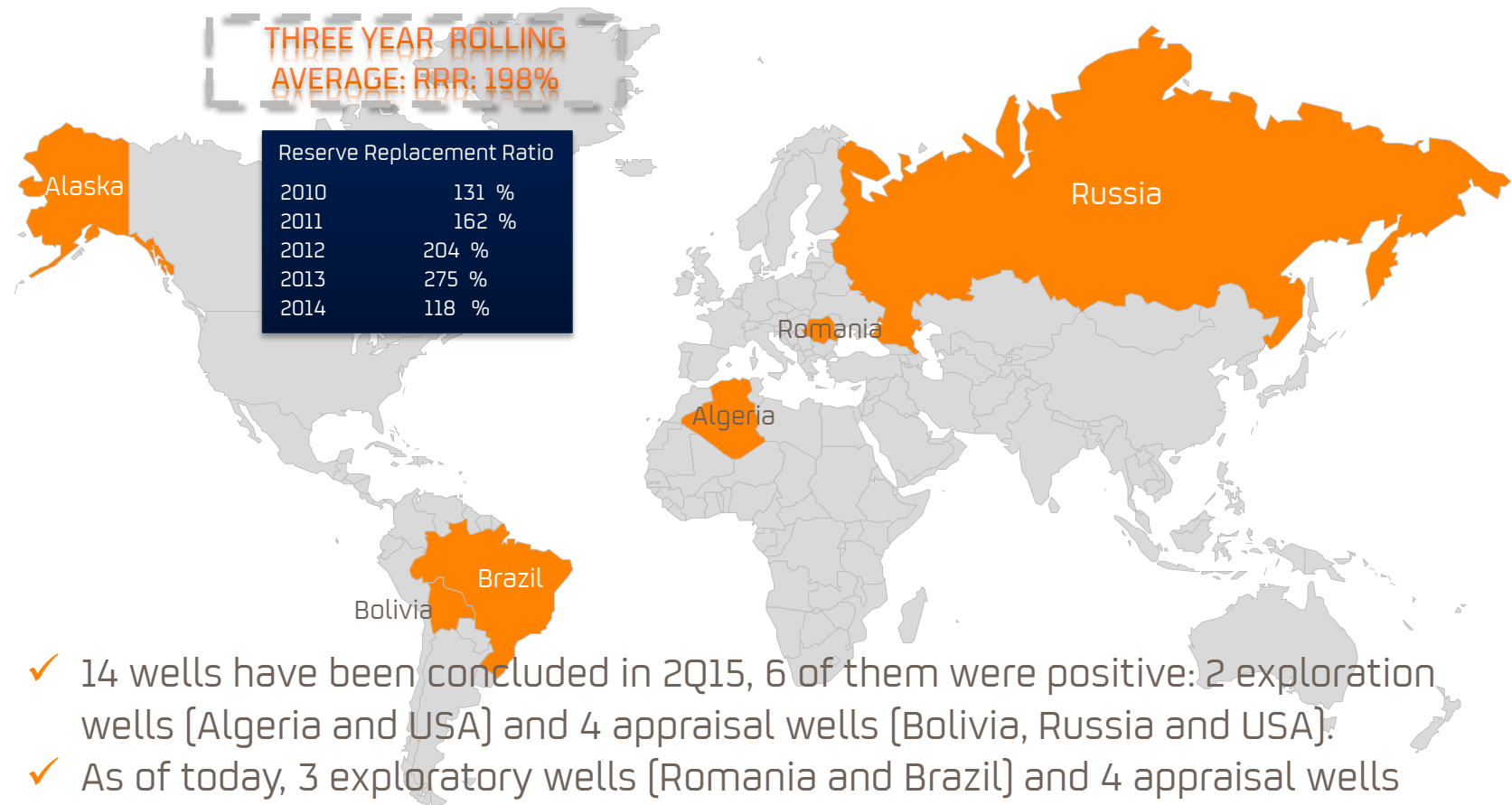
Repsol

GoM: Leon
East Canada
Brazil: Santos Basin & Espirito Santo
Colombia: RC11, RC12 & Tayrona
Peru
Guyana
Angola
Rumania
Portugal
Norway offshore

Talisman

North America
South East Asia:
Indonesia/Malaysia/Vietnam/PNG
Colombia

Exploration



- ✓ 14 wells have been concluded in 2Q15, 6 of them were positive: 2 exploration wells (Algeria and USA) and 4 appraisal wells (Bolivia, Russia and USA).
- ✓ As of today, 3 exploratory wells (Romania and Brazil) and 4 appraisal wells (Brazil, Bolivia and Algeria) are on-going.
- ✓ In the second half of the year, the drilling schedule is composed of less risky exploration and will entail lower investment than in this first half.

Key development projects

Lapa

- Lapa and Reggane progress as planned to deliver production in 4Q16 (Lapa) and 1Q17 (Reggane)
- In Lapa, development will commence in the North East area but the test performed in the well Lapa 9-SPS-102 encourages a faster development of Lapa South.

Sapinhoá

- The third well was connected to our 2nd FPSO in place in May 2015.
- Gas injection commenced in June allowing gross production to increase to 90 kboed.
- At the end of 2015, peak production is expected to be reached in the 2nd FPSO.
- The field will reach a plateau of 270 kboed gross at the end of 2015.

Akacias

- CPO-9 block reached gross production of 10 kboed (Repsol owns a 45% stake)
- Working on the definition of the Field Development Plan for Akacias project.
- Expected to go into a final investment decision for development before year end.

Duvernay

- Appraisal drilling of the company's lands in the South Duvernay continued.
- Drilling operations at a two well pad in Ferrier are now finished.

Kinabalu & PM3

- The final investment decision has been taken by the end of June In Kinabalu.
- Negotiations for a ten-year extension of the license of PM3 field are well advanced.

Cardón IV

- Repsol started up the first producing well in Perla field (largest offshore gas field in Latin America).
- First phase of the development will produce gross 150Mscf per day.
- Next phase will come on stream by year end and will produce 450Mscf per day.
- With this start-up, the eighth key growth projects of our 2016-2020 Strategic Plan has been delivered.

Red Emperor

- The outline development plan was approved by partners and PetroVietnam in January.
- Commercial Declaration has been completed in early July.
- FID is estimated before year end.



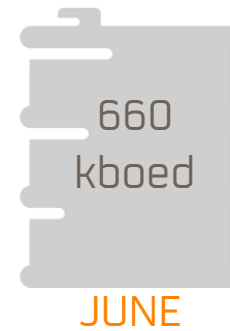
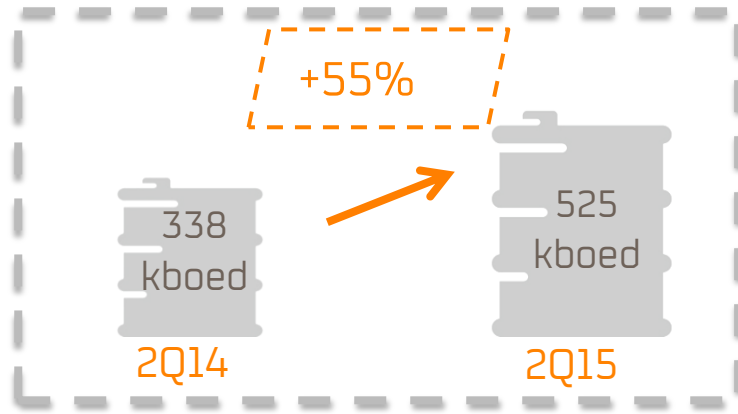
Upstream

Repsol's growth



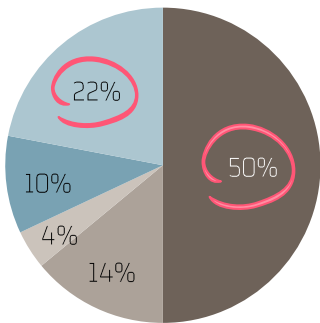
Increase in production, capital employed and OECD production

Production (Kboepd)



190 kboed	• North America region
108 kboed	• Asia & Russia region
93 kboed	• Europe, Africa & Brazil region
269 kboed	• South America region

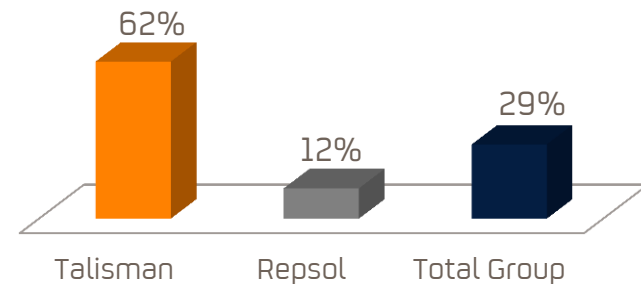
Capital Employed



Upstream Division Capital Employed in NA from 30% to 50%, Latam from 50% to 22%

Capital Employed : ~€23B

OECD production (%) 2Q15



Downstream

5



Downstream

Improve profitability on operational excellence and efficiency **REPSOL**



Refining

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



Petrochemicals

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

Maximize return on investment and cash generation



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

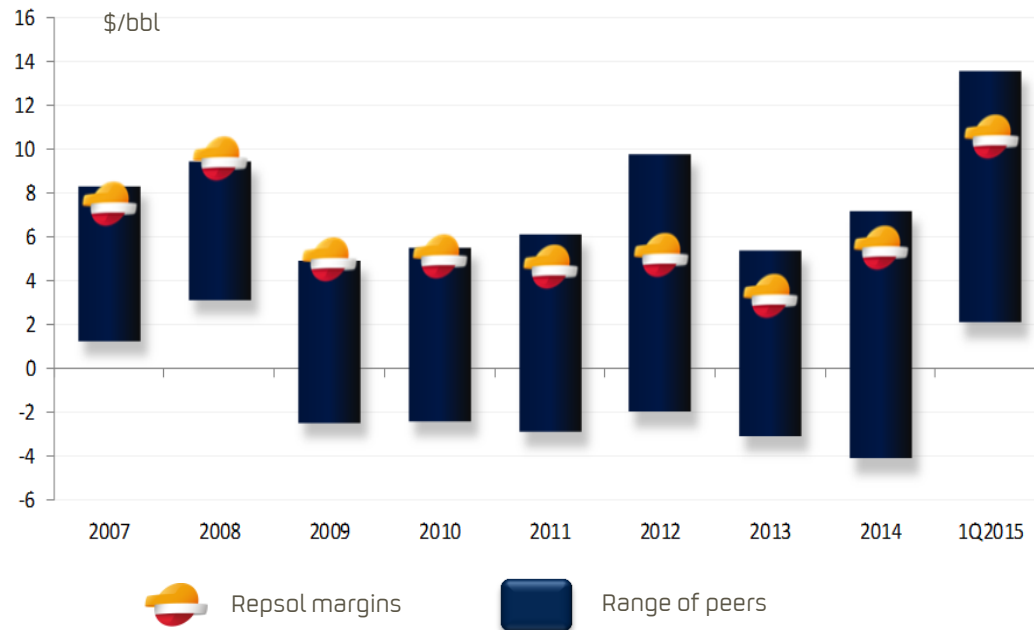
Downstream

Increased competitiveness of Downstream business



Competitive Downstream business, linked to quality assets and geographical situation

Integrated Margin^(*) of Refining and Marketing
[Repsol vs the sector]



- 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

Leadership in integrated Refining and Marketing margin in Europe

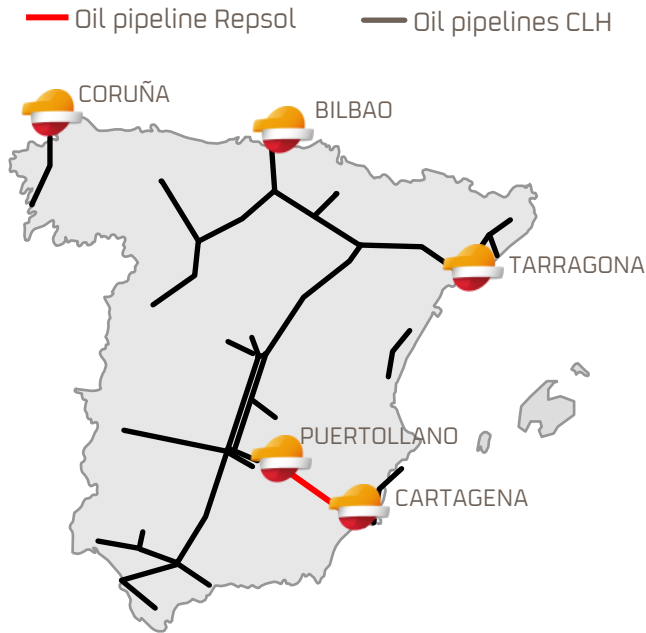
^(*) Integrated R&M margin calculated as CCS/LIFO-Adjusted operating profit of the R&M Segment divided by the total volume of crude processed (excludes petrochemical business) of a 14-peer-group. Based on annual reports and Repsol's estimates. Source: Company filings

Downstream

Increased competitiveness of Downstream business

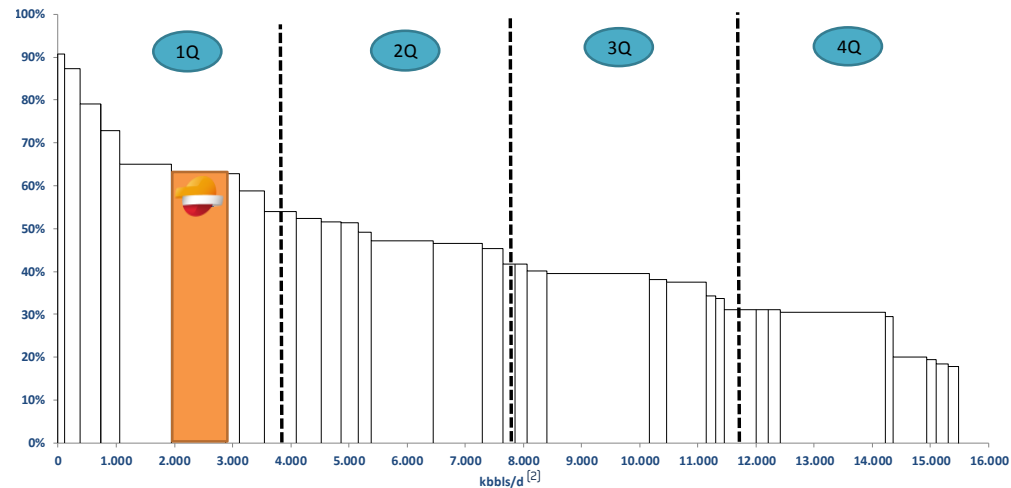


Improved competitiveness of refining assets

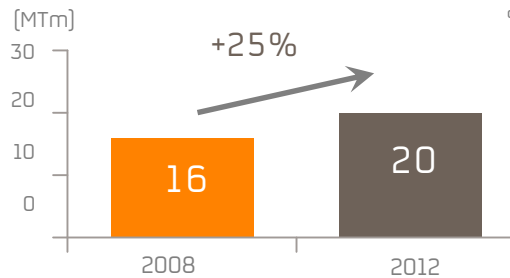


- Increased competitiveness of refining assets
- Top quartile position among European peers along the cycle
- Divested non-core / low return assets (€1.4bn) ⁽¹⁾

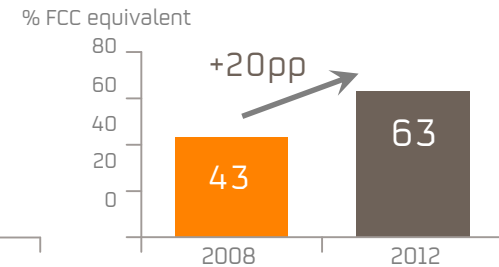
% FCC equivalent



Middle distillates production



Conversion



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

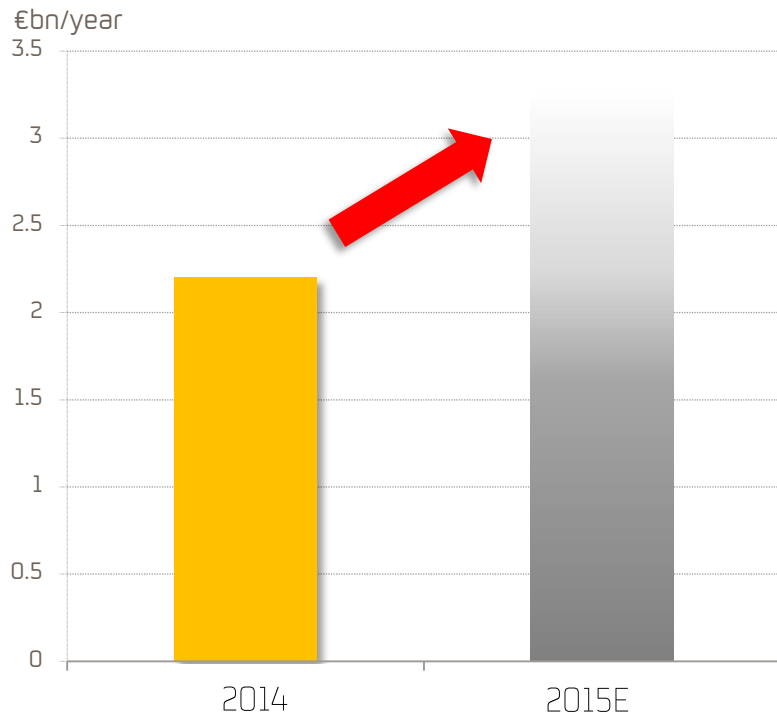
Downstream

Maximizing returns from the business and capital discipline



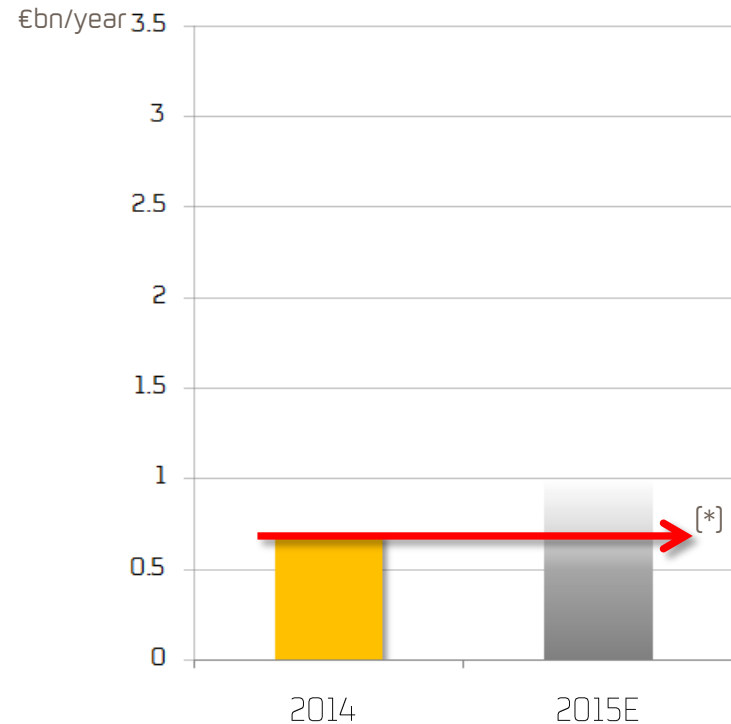
In 2Q15 Results call, Repsol raised again its EBITDA CCS forecast (ex G&P) for 2015 up to 3.2 – 3.4 € bn

R&M EBITDA CCS



Higher margins largely derived from expansion and conversion projects

R&M CAPEX



Downstream investment cycle already finalized

[*] 2015E capex figure includes the investments in La Pampilla Refinery (Peru). This subsidiary is fully consolidated in the financial statements although Repsol stake is 51%. Downstream investments will be applied to maintenance and to our programs to reduce CO2 emissions, increasing profit through energy consumption reduction.

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

1 Bfcd traded in 2014



Regasification plant

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

Acquisition of Talisman will significantly increase access to North American Equity Gas improving Repsol's Trading business position

gasNatural
fenosa



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 with strong cash flow generation via dividends, not linked to oil price and providing financial optionality

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



Resilient credit metrics under stress scenarios



Net Debt to Capital
Employed Ratio
29.8%

Liquidity Position
€ 8.7 Bn

Repsol remains fully committed with keeping
the investment grade

Financial Position

Credit Rating Agencies



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



Fitch ratings

BBB (Stable)

"Repsol's acquisition of Talisman strengthen business profile" 8 May 2015

Fitch affirms Repsol's long-term rating at BBB while maintains outlook to "Stable" 8 May 2015



Moody's

Baa2 (Negative)

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



Standards
& Poors

BBB- (Stable)

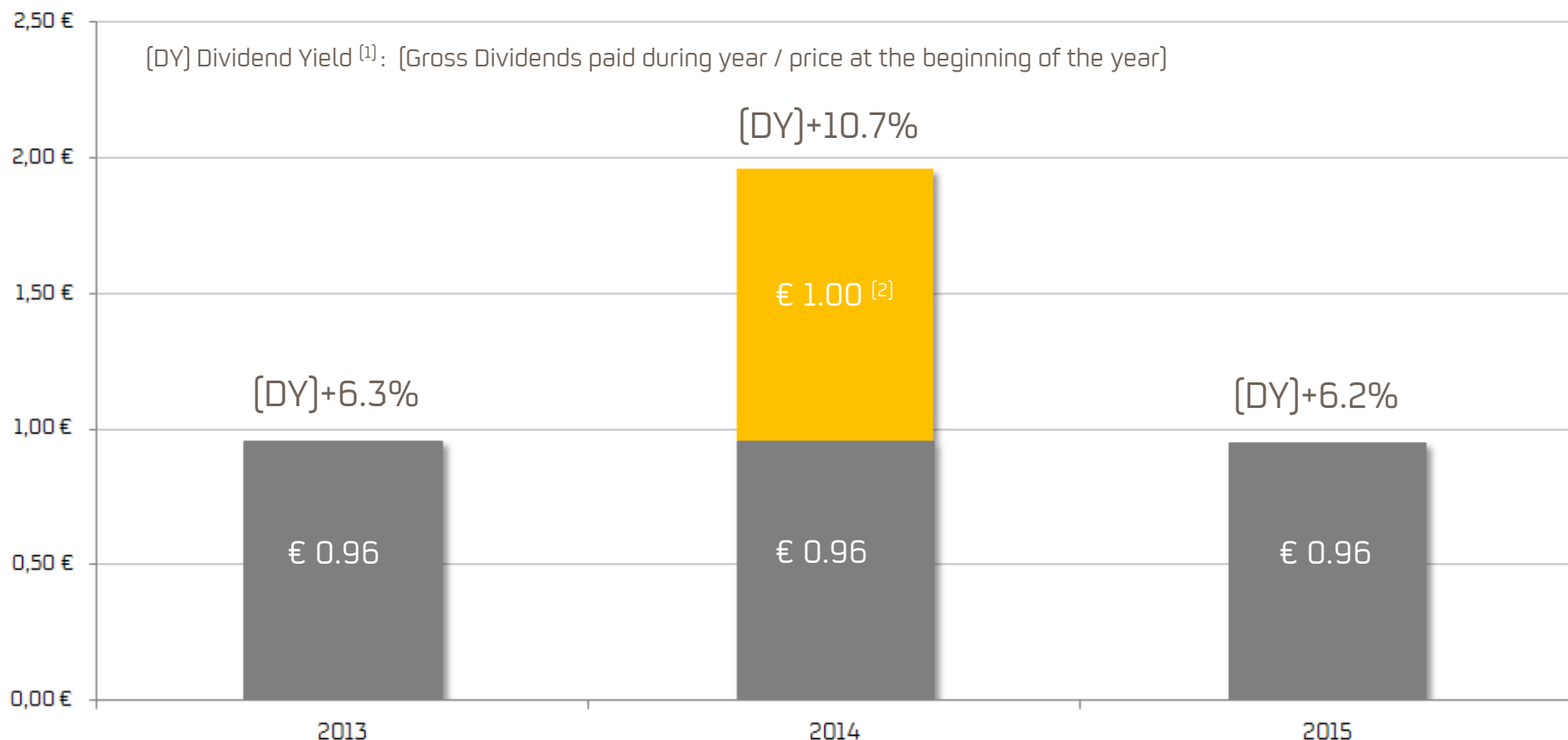
Standard & Poor's affirms rating at BBB- while revising outlook to "Stable" from "Positive". 18 December 2014

Financial Position

Shareholder remuneration



2015 maintaining our competitive shareholder remuneration at current levels with scrip option



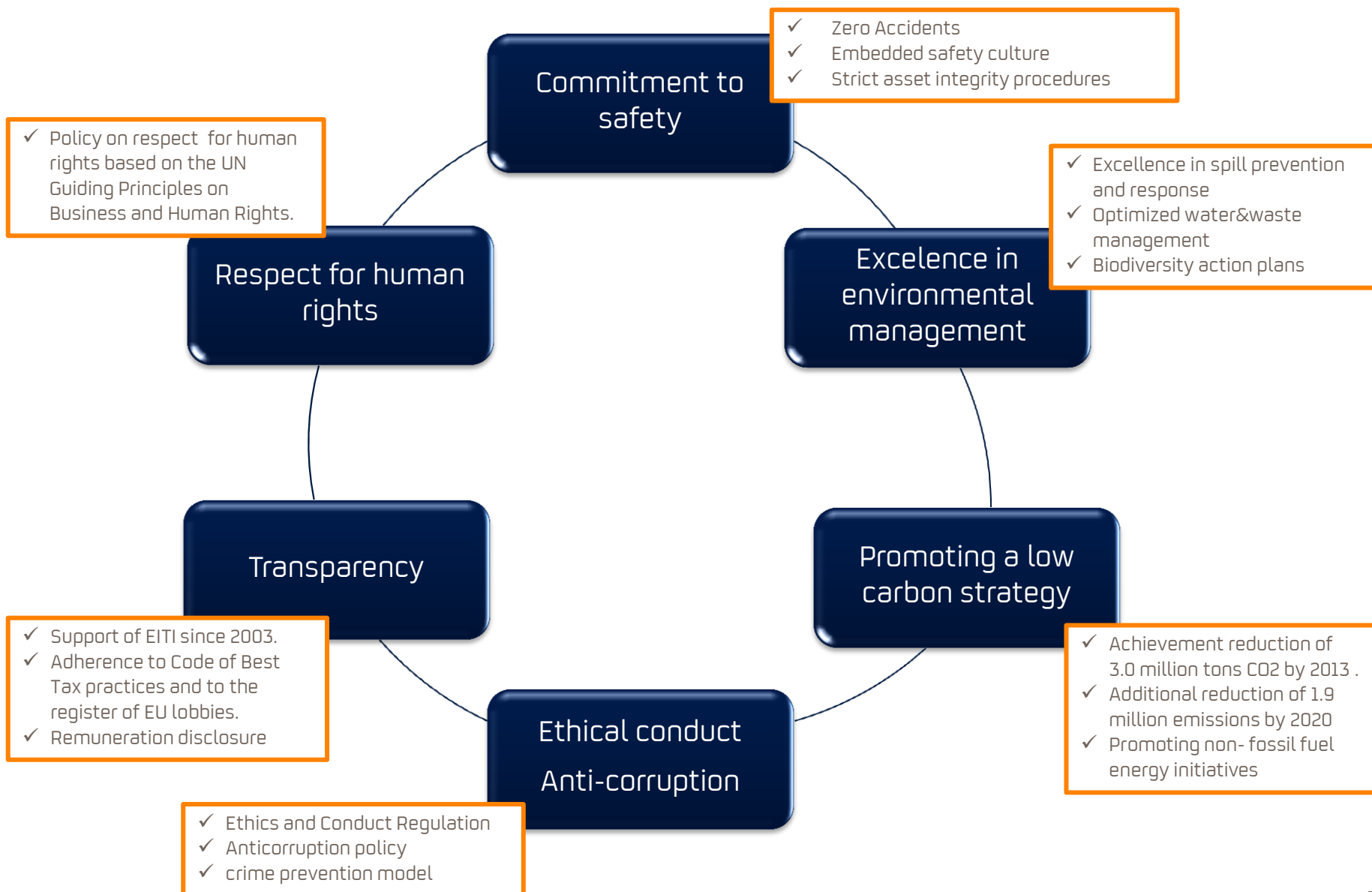
1. For the scrip dividend assumes the guaranteed fixed price offered for the free-of-charge allocation rights.

2. 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



Environmental, Social & Governance

Monitoring and control of the sustainability indexes



Repsol has led the Oil & Gas sector for two consecutive years, in the 2011 and 2012 editions of the prestigious Dow Jones Sustainability Indexes.

The company also leads the Oil & Gas sector on the European index (DJSI Europe).



Repsol is the leading oil and gas company in 2012 for carbon management, according to the Climate Disclosure Leadership Index (CDLI), comprising the top 50 international companies in communication and transparency on climate change

Climate Disclosure Leadership Index (CDLI)

	2009	2010	2011	2012	2013	2014
Maximum Energy sector score	88	90	92	98	98	100
Minimum score for Energy sector companies to be eligible for the CDLI	79	88	90	95	97	98 *
Repsol's score	75	88	89	98	98	96
Repsol's evolution CDLI	-	A	B	A-	B	B

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

[*] Since 2014 leaders are identified by geographical area and not globally as in previous years. According to 2014 score, Repsol is among the companies with the highest score in transparency of the Energy sector.



[Unaudited figures]

Results (€ Million)	Q2 2014	Q1 2015	Q2 2015	% Change Q2 15/Q2 14	January - June 2014	January - June 2015	% Change 2015/2014
Upstream	145	(190)	(48)	-	400	(238)	-
Downstream	162	534	439	171.0	452	973	115.3
Gas Natural Fenosa	159	122	105	(34.0)	282	227	(19.5)
Corporate and others	(76)	462	(184)	142.1	(212)	278	-
ADJUSTED NET INCOME	390	928	312	(20.0)	922	1,240	34.5
Inventory effect	5	(140)	83	-	(54)	(57)	5.6
Non-recurring income	156	(27)	(103)	-	191	(130)	-
Income from discontinued operations	(31)	-	-	-	268	-	-
NET INCOME	520	761	292	(43.8)	1,327	1,053	(20.6)

(*) In 2nd Quarter 2015 the Group, for the first time, consolidated the results of the recently acquired company Talisman Energy Inc. ["Talisman"], since the date of closing of the transaction, 8 May.

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 2nd Quarter 2015 earnings release.

[Unaudited figures]

Economic data (€ Million)	Q2 2014	Q1 2015	Q2 2015	% Change Q2 15/Q2 14	January - June 2014	January - June 2015	% Change 2015/2014
EBITDA	1,025	962	1,421	38.6	2,202	2,383	8.2
EBITDA CCS	1,018	1,174	1,297	27.4	2,283	2,471	8.2
NET CAPITAL EXPENDITURE	836	932	9,069	-	1,451	10,001	-
NET DEBT	2,392	126	13,264	-	2,392	13,264	-
EBITDA / NET DEBT (x)	-	-	0.43	-	1.84	0.40	(78.3)

Operational data	Q2 2014	Q1 2015	Q2 2015	% Change Q2 15/Q2 14	January - June 2014	January - June 2015	% Change 2015/2014
LIQUIDS PRODUCTION (Thousand bbl/d)	122	132	203	67.0	126	168	33.1
GAS PRODUCTION ^(*) (Million scf/d)	1,216	1,249	1,811	48.8	1,201	1,531	27.5
TOTAL PRODUCTION (Thousand boe/d)	338	355	525	55.4	340	440	29.6
CRUDE OIL REALIZATION PRICE (\$/Bbl)	87.8	44.6	55.7	(36.6)	86.9	51.1	(41.2)
GAS REALIZATION PRICE (\$/Thousand scf)	4.0	2.8	3.2	(20.0)	4.1	3.1	(24.4)
DISTILLATION UTILIZATION Spanish Refining (%)	83.5	82.6	89.1	6.7	79.0	85.9	8.7
CONVERSION UTILIZATION Spanish Refining (%)	100.6	98.8	105.1	4.5	98.8	102.0	3.2
REFINING MARGIN INDICATOR IN SPAIN (\$/Bbl)	3.1	8.7	9.1	193.5	3.5	8.9	154.3

^(*)In 2nd Quarter 2015 the Group, for the first time, consolidated the results of the recently acquired company Talisman Energy Inc. ["Talisman"], since the date of closing of the transaction, 8 May.

OPERATING INCOME
BY SEGMENT AND BUSINESS AREA

(Unaudited figures)	QUARTERLY DATA			JANUARY - JUNE	
€ Million	Q2 14	Q1 15	Q2 15	2014	2015
UPSTREAM	216	(136)	(46)	657	(182)
Europe, Africa & Brazil	69	-	(14)	262	(14)
South America	280	87	118	565	205
North America	109	(21)	(9)	175	(30)
Asia & Russia	8	4	51	17	55
Exploration & Others	(250)	(206)	(192)	(362)	(398)
DOWNSTREAM	205	751	622	631	1,373
Europe	219	678	641	397	1,319
Rest of the World	(14)	73	(19)	234	54
CORPORATE AND OTHERS	(60)	(28)	(54)	(130)	(82)
TOTAL	361	587	522	1,158	1,109

[*] In 2nd Quarter 2015 the Group, for the first time, consolidated the results of the recently acquired company Talisman Energy Inc. ["Talisman"], since the date of closing of the transaction, 8 May.

ADJUSTED NET INCOME
BY SEGMENT AND BUSINESS AREA

(Unaudited figures)	QUARTERLY DATA			JANUARY - JUNE	
€ Million	Q2 14	Q1 15	Q2 15	2014	2015
UPSTREAM	145	(190)	(48)	400	(238)
Europe, Africa & Brazil	58	(69)	14	151	(55)
South America	177	27	60	365	87
North America	69	(13)	(6)	111	(19)
Asia & Russia	7	4	25	14	29
Exploration & Others	(166)	(139)	(141)	(241)	(280)
DOWNSTREAM	162	534	439	452	973
Europe	165	490	461	299	951
Rest of the World	(3)	44	(22)	153	22
GAS NATURAL FENOSA	159	122	105	282	227
CORPORATE AND OTHERS	(76)	462	(184)	(212)	278
TOTAL	390	928	312	922	1,240

[*] In 2nd Quarter 2015 the Group, for the first time, consolidated the results of the recently acquired company Talisman Energy Inc. ("Talisman"), since the date of closing of the transaction, 8 May.

EBITDA BY SEGMENT AND GEOGRAPHICAL AREA

(Unaudited figures)	QUARTERLY DATA			JANUARY - JUNE	
€ Million	Q2 14	Q1 15	Q2 15	2014	2015
UPSTREAM ⁽¹⁾	643	281	622	1,359	903
Europe, Africa & Brazil	103	59	107	335	166
South America	378	174	274	750	448
North America	193	98	190	364	288
Asia & Russia	18	13	121	39	134
Exploration & Others	(49)	(63)	(70)	(129)	(133)
DOWNSTREAM ⁽²⁾	442	724	931	948	1,655
Europe	436	653	914	678	1,567
Rest of the World	6	71	17	270	88
CORPORATE AND OTHERS	(60)	(43)	(132)	(105)	(175)
TOTAL ⁽²⁾	1,025	962	1,421	2,202	2,383
(1) Contribution of Talisman's assets was €233 million in Q2 2015					
(2) EBITDA CCS M€					
DOWNSTREAM	435	936	807	1,029	1,743
TOTAL	1,018	1,174	1,297	2,283	2,471

^(*)In 2nd Quarter 2015 the Group, for the first time, consolidated the results of the recently acquired company Talisman Energy Inc. ["Talisman"], since the date of closing of the transaction, 8 May.



REPSOL



Tarragona Refinery Jetty

Investor Update

September 2015