

# WEBCAST – CONFERENCE CALL

## First Quarter 2014 Results

May 8<sup>th</sup>, 2014



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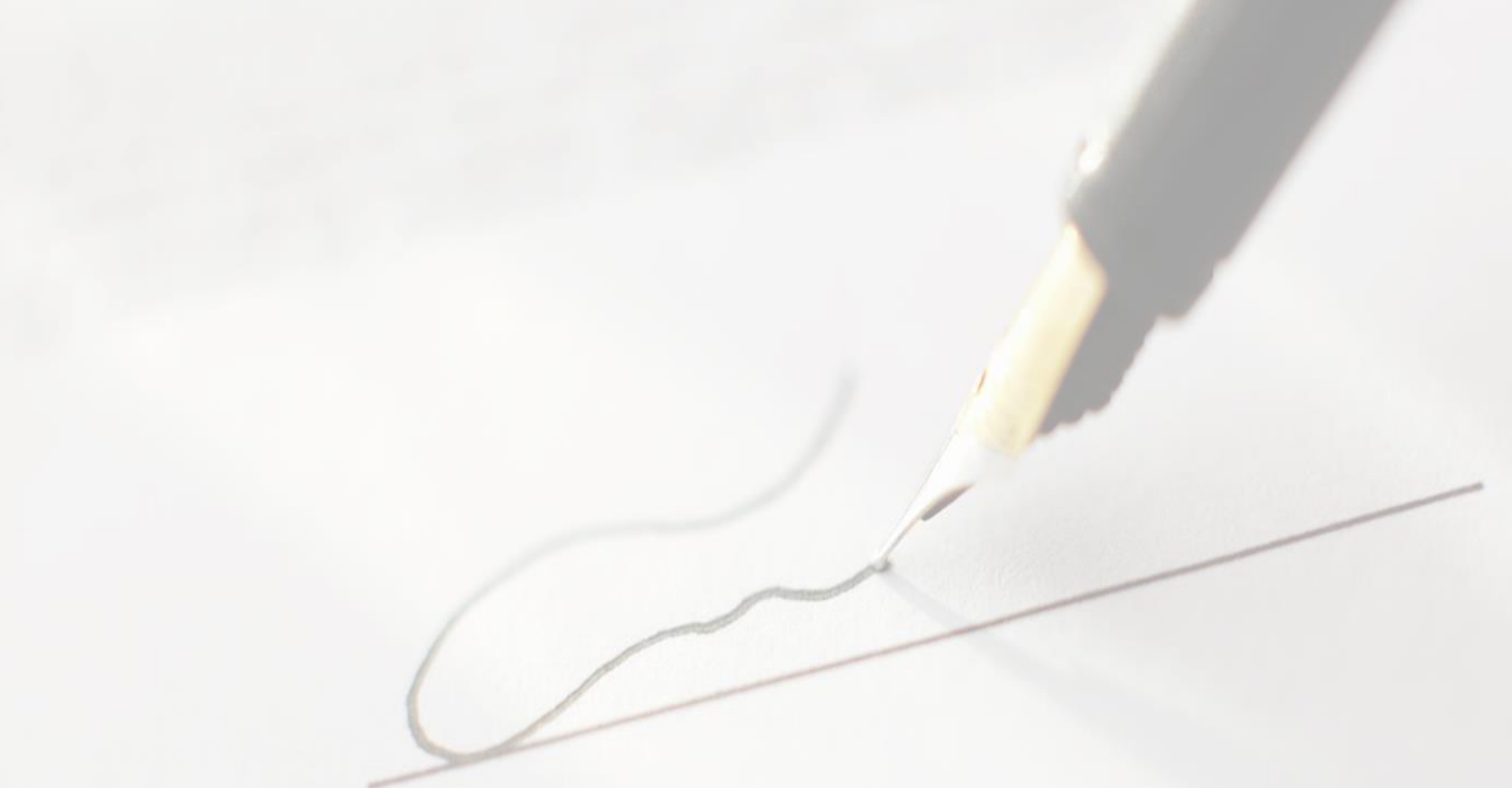
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1. YPF Compensation Process
2. Main Events of 1Q 2014
3. Quarterly Results
4. Conclusions



# YPF Compensation Process

1

## Update on the YPF compensation process

- Repsol sold **11.86%** of YPF shares for **1.26 billion dollars**.
- Repsol is expecting to receive Argentinian **bonds** with a nominal value of **5,317 million dollars**.

<b>Bonds</b>	<b>Nominal</b>
Bonar X	US\$ 500 million
Discount 33	US\$ 1,250 million
Bonar 2024	US\$ 3,250 million
Boden 2015	US\$ 317 million

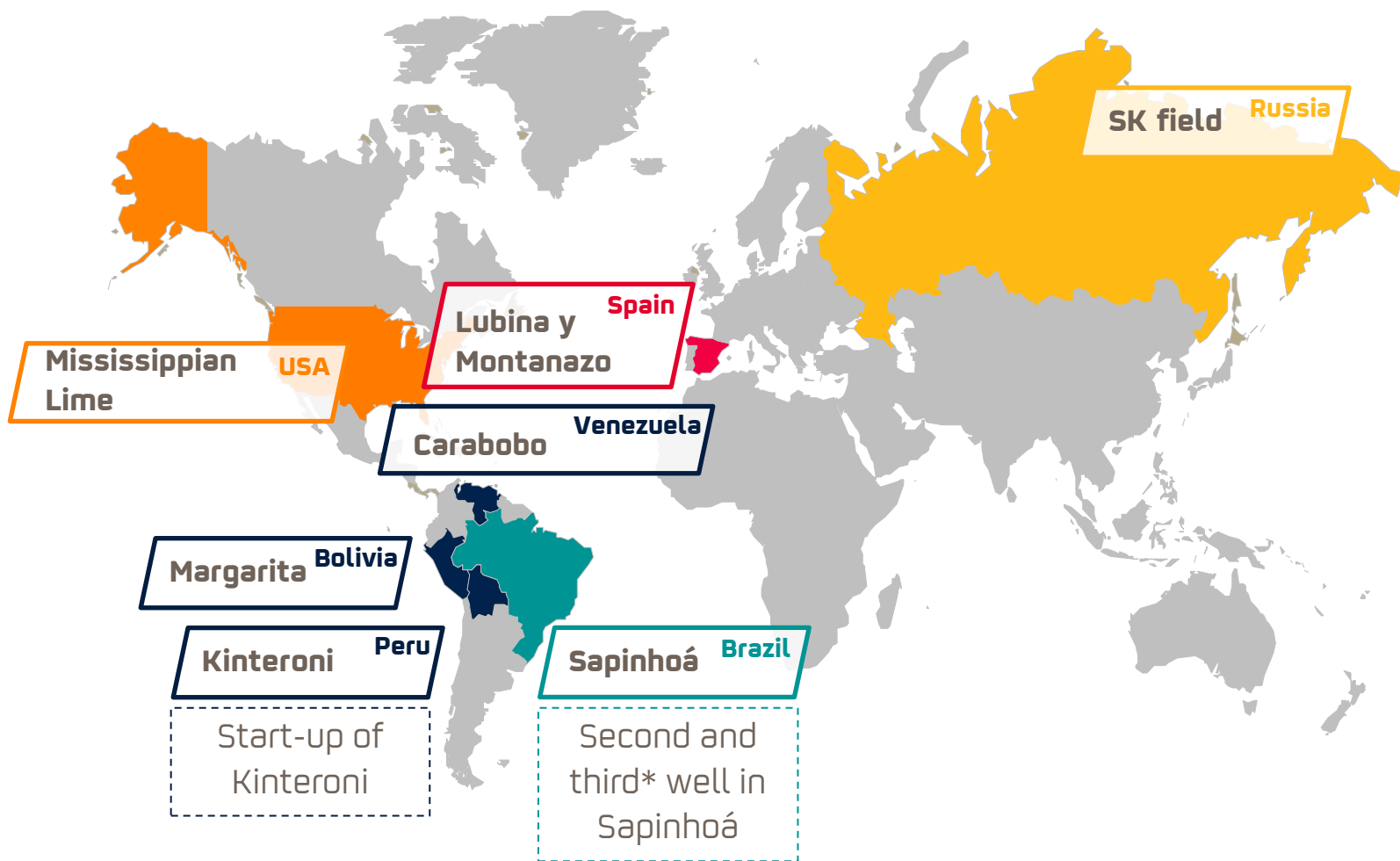


# Main Events of 1Q 2014

2

# Main Events of 1Q 2014

## Key Projects



\*Connected in April

**7 out of 10 key growth projects are already onstream**



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# Main Events of 1Q 2014

Exploration – Encouraging results



**31 wells spudded during this year**





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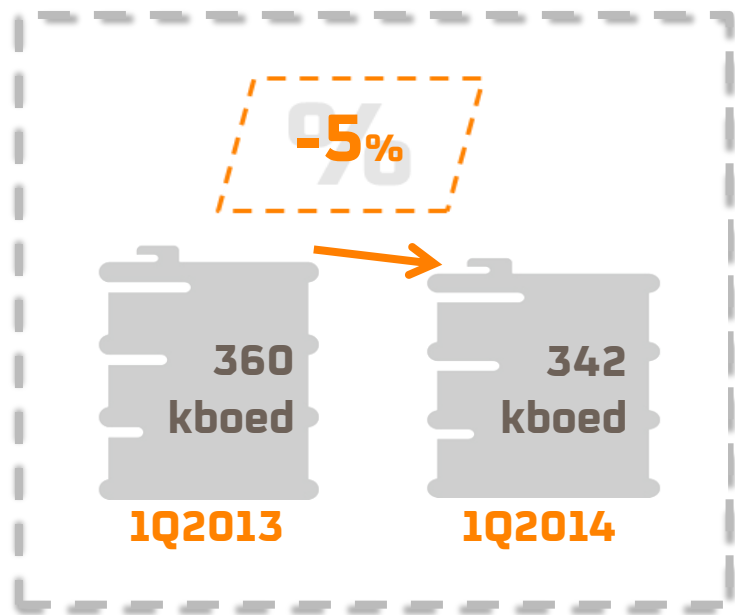
# Main Events of 1Q 2014

Exploration – On going



## Main Events of 1Q 2014

### Production



- Increased our production year-on-year in Brazil, the United States, Russia, Bolivia and Peru
- Disruptions in Libya
- Drilling work in Trinidad & Tobago
- Kinteroni started producing at the end of the quarter

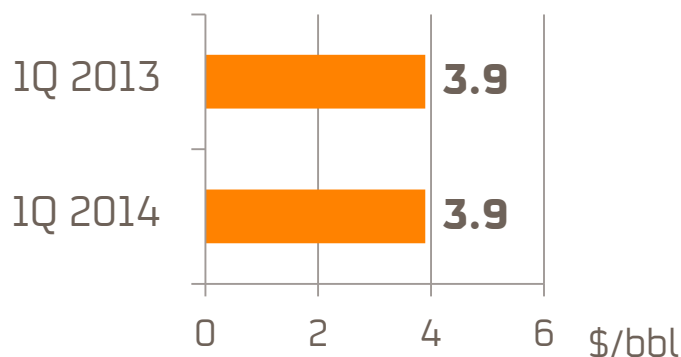
**Expecting production growth in 2014 of around 7%<sup>[\*]</sup> excluding Libya**

<sup>[\*]</sup> Excluding the contribution of Libya in both years [2013 & 2014]

# Main Events of 1Q 2014

## Downstream

### Refining Margin Indicator



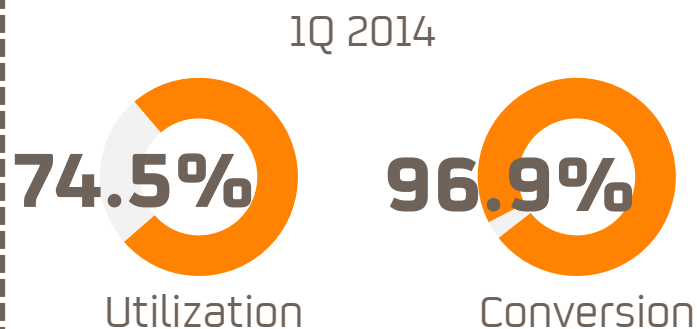
### Chemical businesses

- Break-even point

### Commercial businesses

- Market with stable volumes

### Utilization & Conversion rates



### Gas & Power

- Enhanced flexibility of Canaport facilities
- Increasing our trading activity



# Quarterly Results

# 3

## New reporting criteria

- **Operating and net operating income per business segment**, reporting corporate taxes and results from associate companies and minority interests in every business segment.
- **Gas & Power business included in the Downstream** business segment.
- **Gas Natural Fenosa** reported as **an equity investment**.
- **Financial result** reported within **Corporation**.

# Results Summary



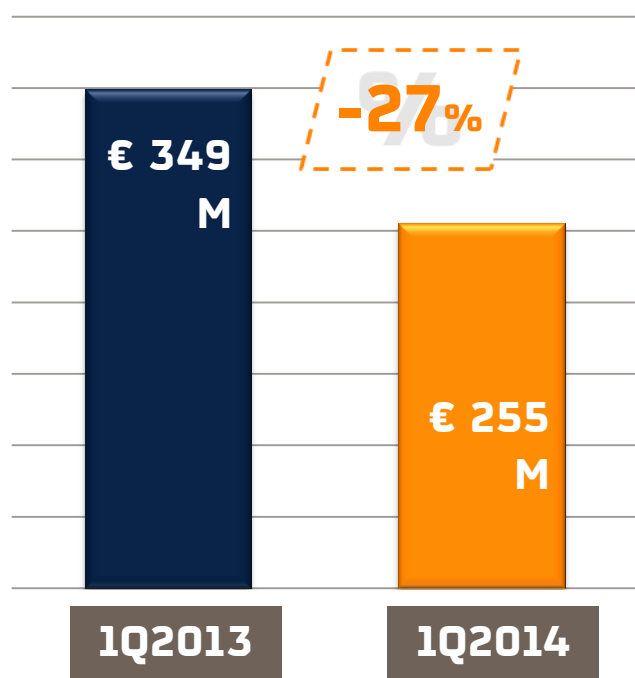
## 1Q 2014

	1Q 2013	1Q 2014	% Variation
<b>Adjusted Net Income</b>	524	532	1.5 %
<b>Net Income</b>	634	807	27%

Million €

# 1Q 2014 Upstream Results

## Adjusted Net Income



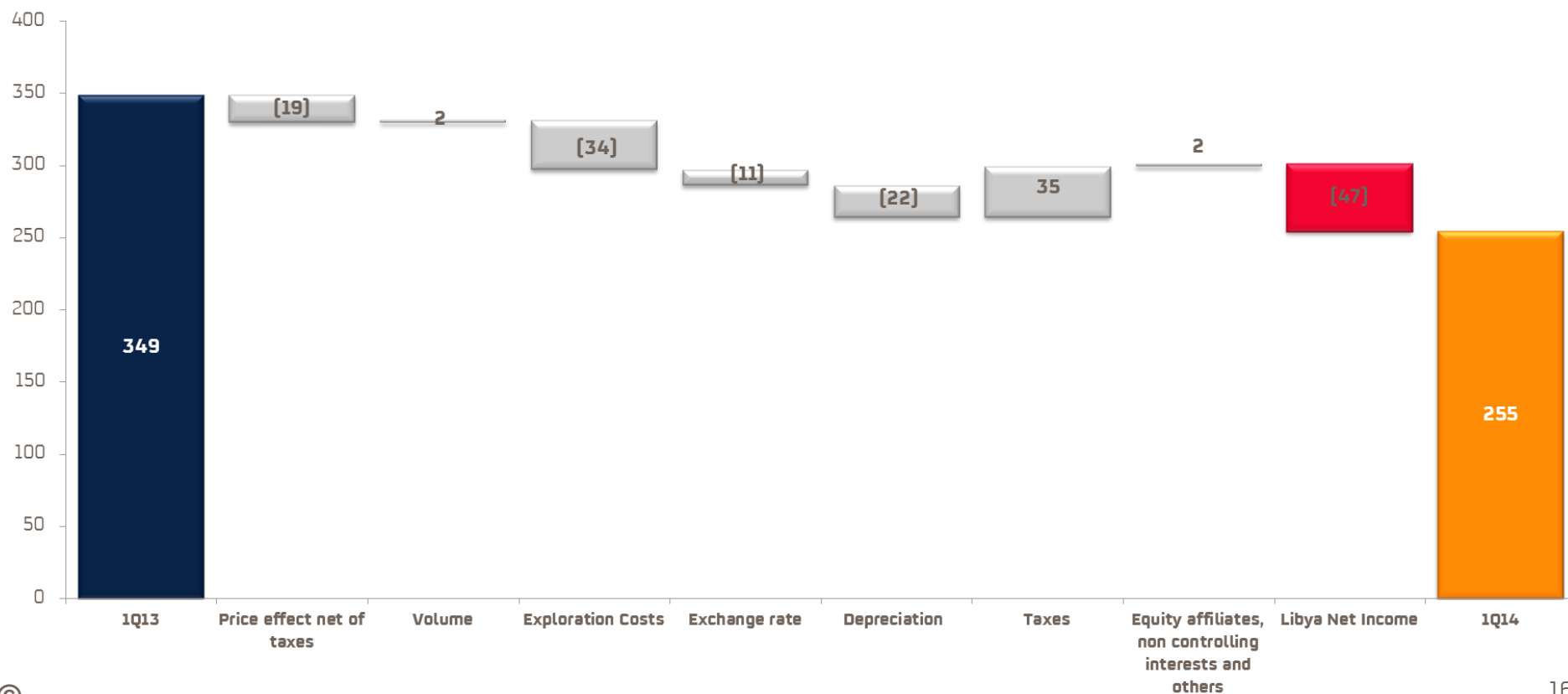
- Disruptions in Libya
- Increased production ex Libya
- Lower crude and gas prices
- Lower taxes

# 1Q 2014 Upstream Results

## Adjusted Net Income

	1Q 2013	1Q 2014	% Variation
<b>Adjusted Operating Income</b>	<b>349</b>	<b>255</b>	<b>-27%</b>

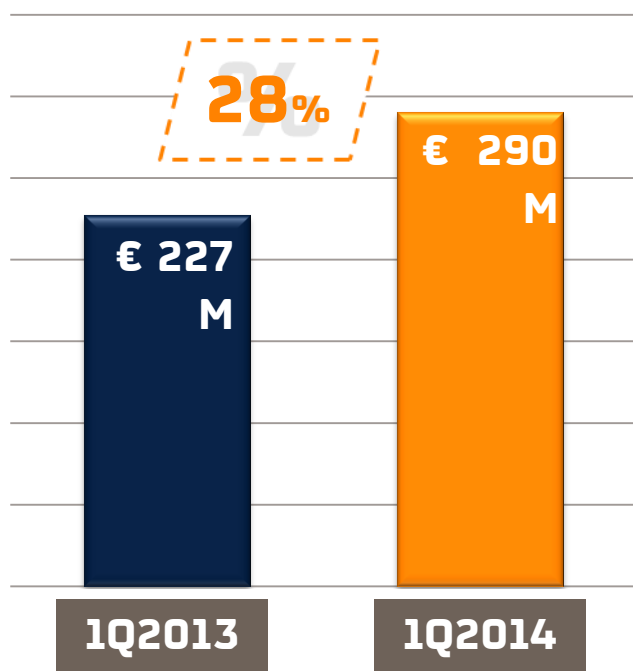
Million €





# 1Q 2014 Downstream Results

## Adjusted Net Income



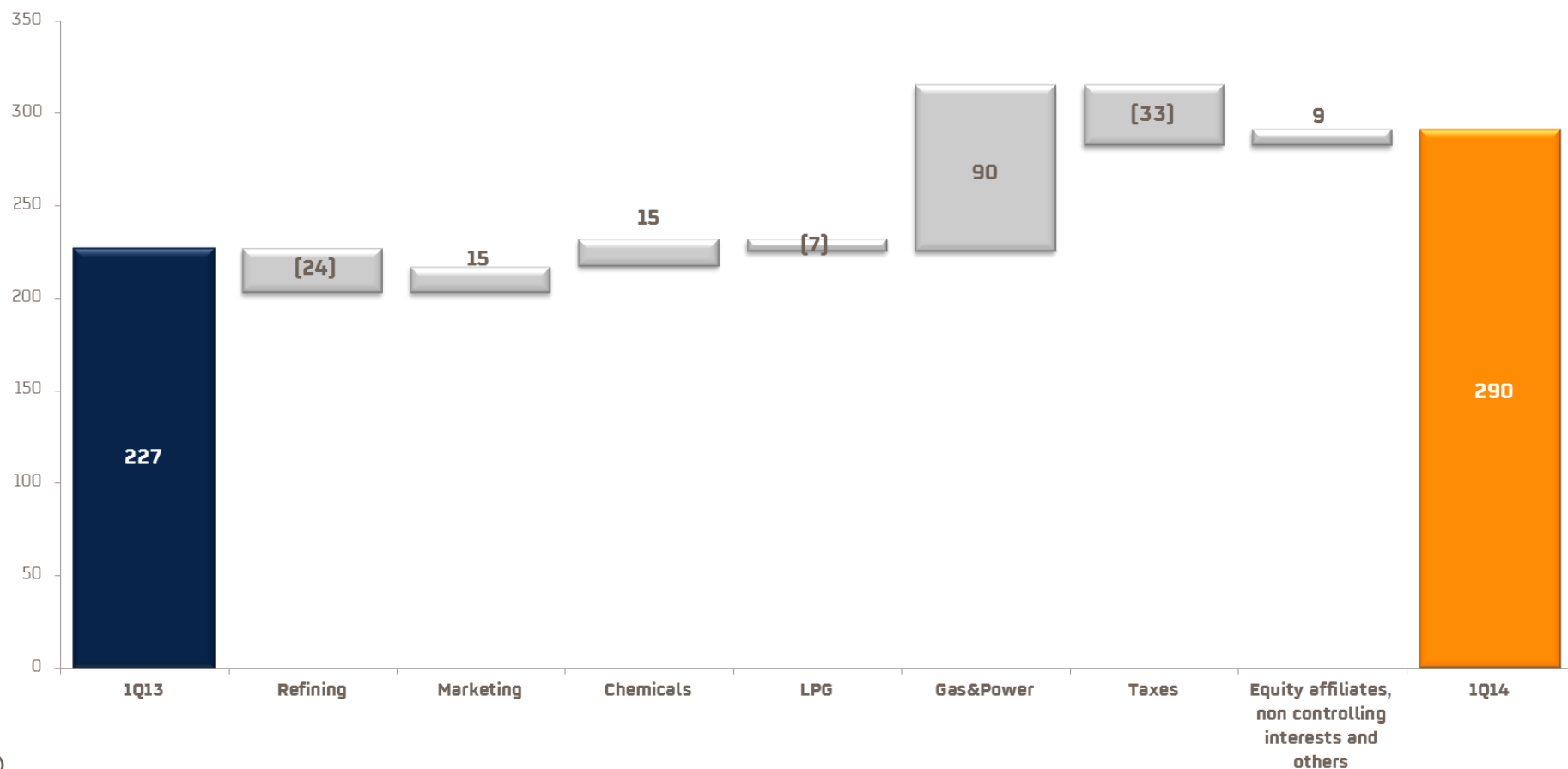
- Refining: Resilient margins despite tough environment
- 2.6 dollars per barrel of premium margin
- Chemicals: Higher volumes
- LPG: lower volumes with higher margins
- Marketing: Increase margins in Service Stations
- G&P: Low temperatures in NA & Increasing trading activity

# 1Q 2014 Downstream Results

## Adjusted Net Income

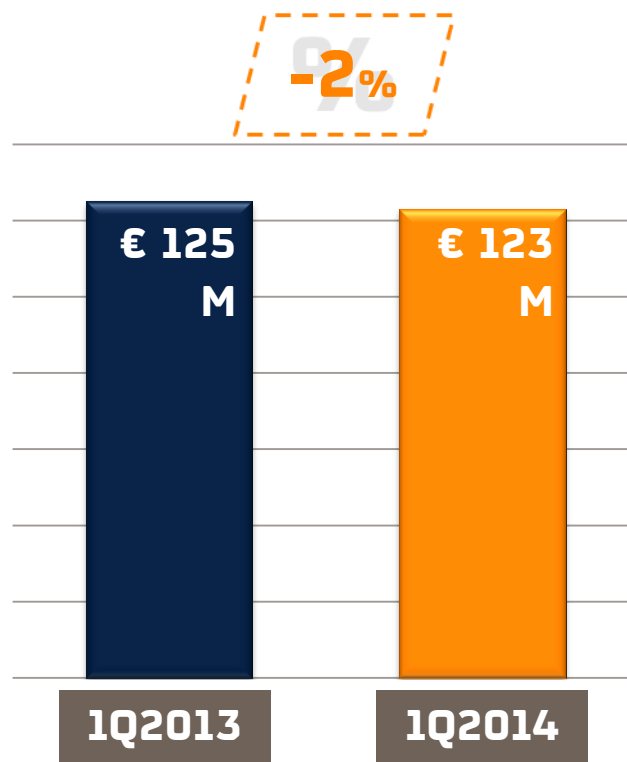
	1Q 2013	1Q 2014	% Variation
<b>CCS Adjusted Operating Income</b>	<b>227</b>	<b>290</b>	<b>28 %</b>

Million €



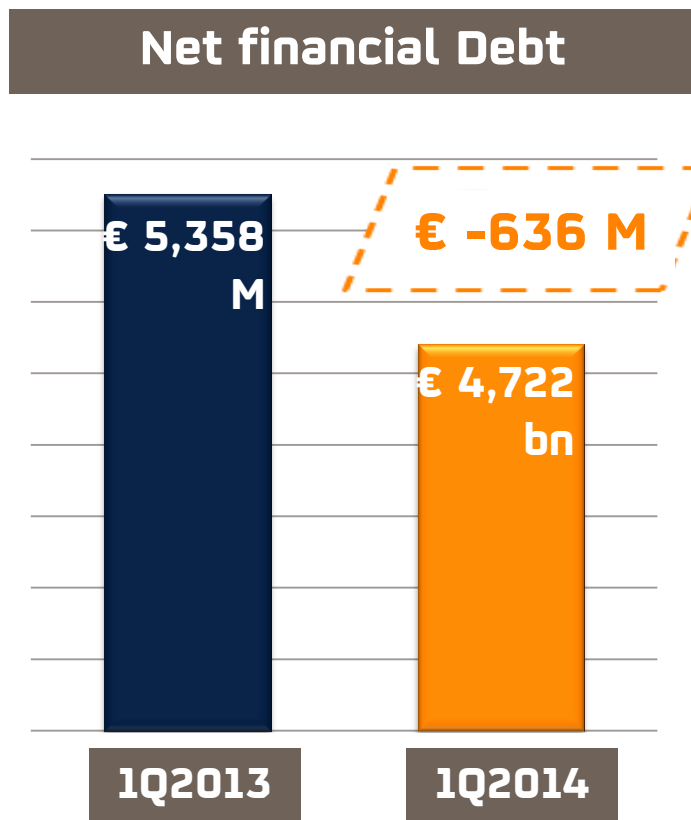
# 1Q 2014 Gas Natural Fenosa Results

## Adjusted Net Income



# Quarterly Results

## Financial Situation (Figures Ex Gas Natural)



Liquidity covers **3.7 times** short term debt

# Conclusions



- Agreement between Argentina and Repsol & Sale 11.86% of YPF
- P&L performance improved

# Q&A Session

First Quarter 2014 Results



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