

WEBCAST – CONFERENCE CALL

Fourth Quarter 2014 Results

February 26th, 2015

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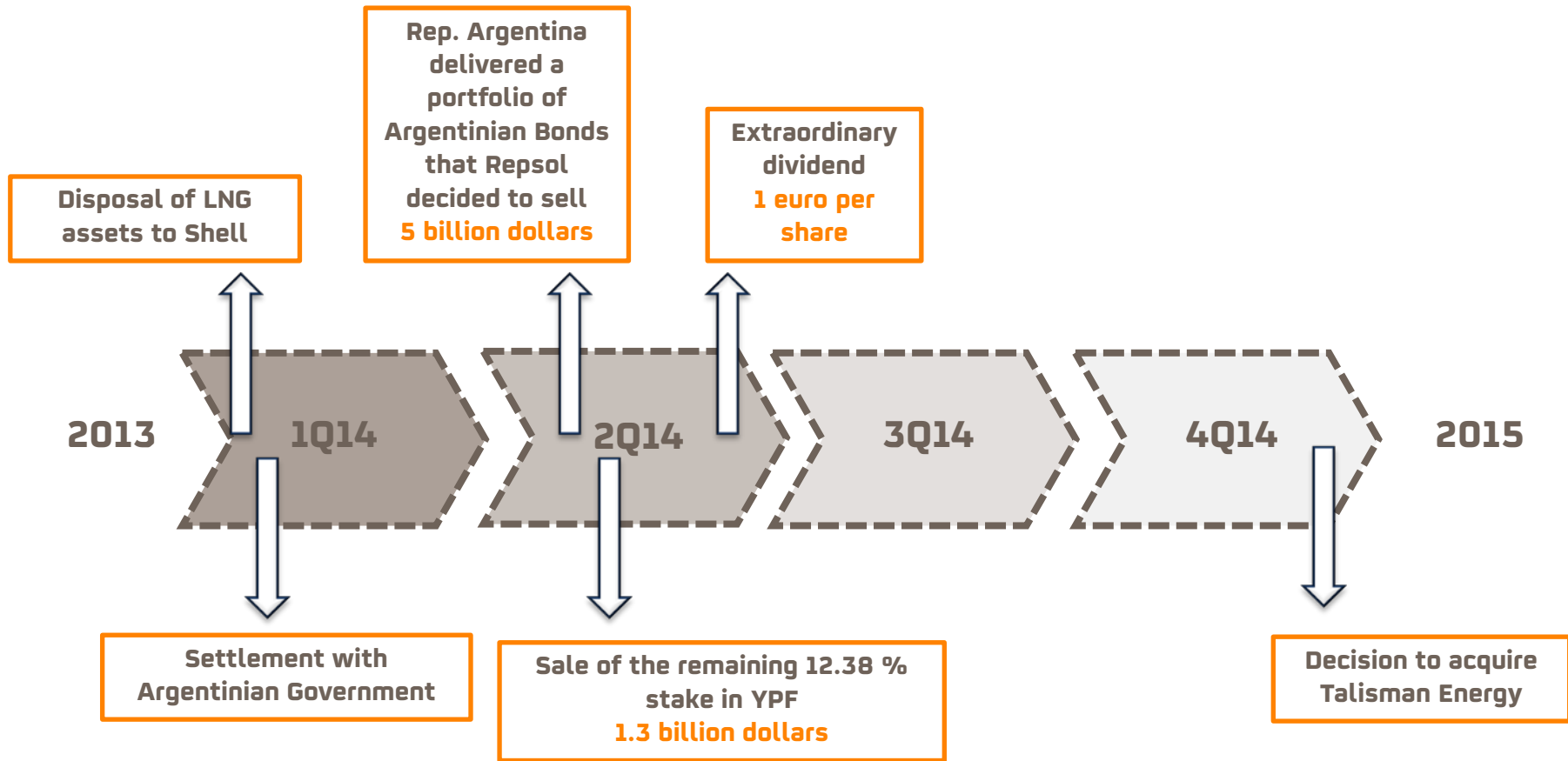
The information contained in the document has not been verified or revised by the Auditors of Repsol.

1. Main events of 2014
2. Quarterly and full year results
3. Outlook for 2015
4. Conclusions

Main events of 2014

1

Main events of 2014



Main events of 2014



The acquisition of Talisman fits all the requirements we were looking for:

- ✓ OECD or OECD alike countries
- ✓ Growth platforms to value creation and sustainability
- ✓ Create value for our shareholders

Quarterly and full year results

2

Quarterly and full year results



4Q 2014

	4Q 2013	4Q 2014	% Variation
CCS Adjusted Net Income	123	370	+201%
CCS Adjusted Operating Income	211	626	+197%

Million €

FY 2014

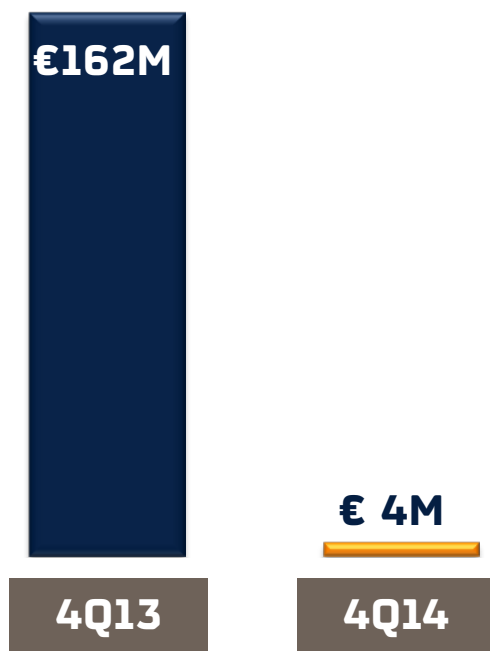
	2013	2014	% Variation
CCS Adjusted Net Income	1,343	1,707	+27 %
CCS Adjusted Operating Income	2,170	2,421	+12 %

Million €

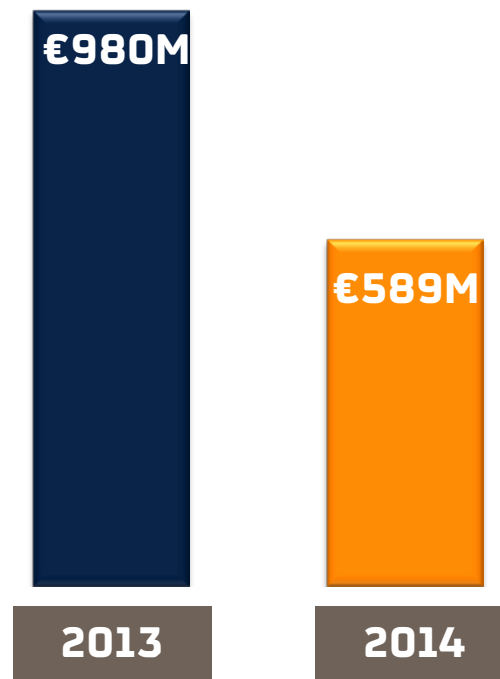
Upstream Results

Adjusted Net Income

QUARTERLY RESULTS

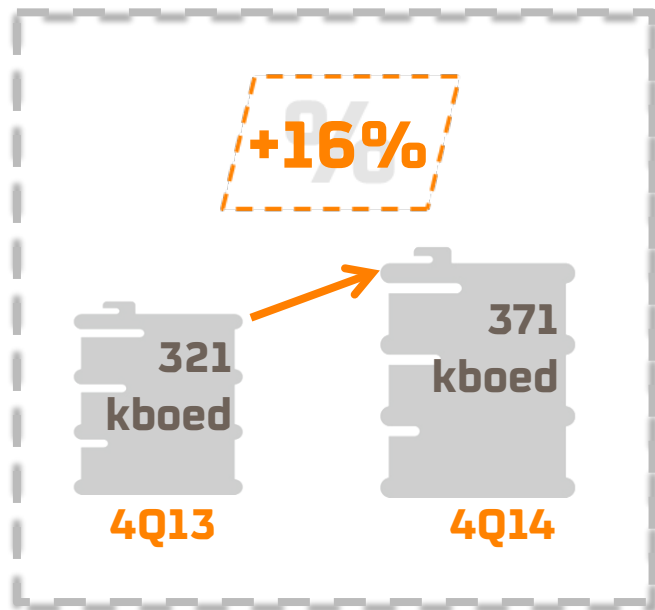


FULL YEAR RESULTS



Upstream Results

Production



In 2014 average production growth of **2.5%**.
With Libya at normal levels, **8%** increase in production

Upstream Results

Adjusted Net Income



4Q 2013

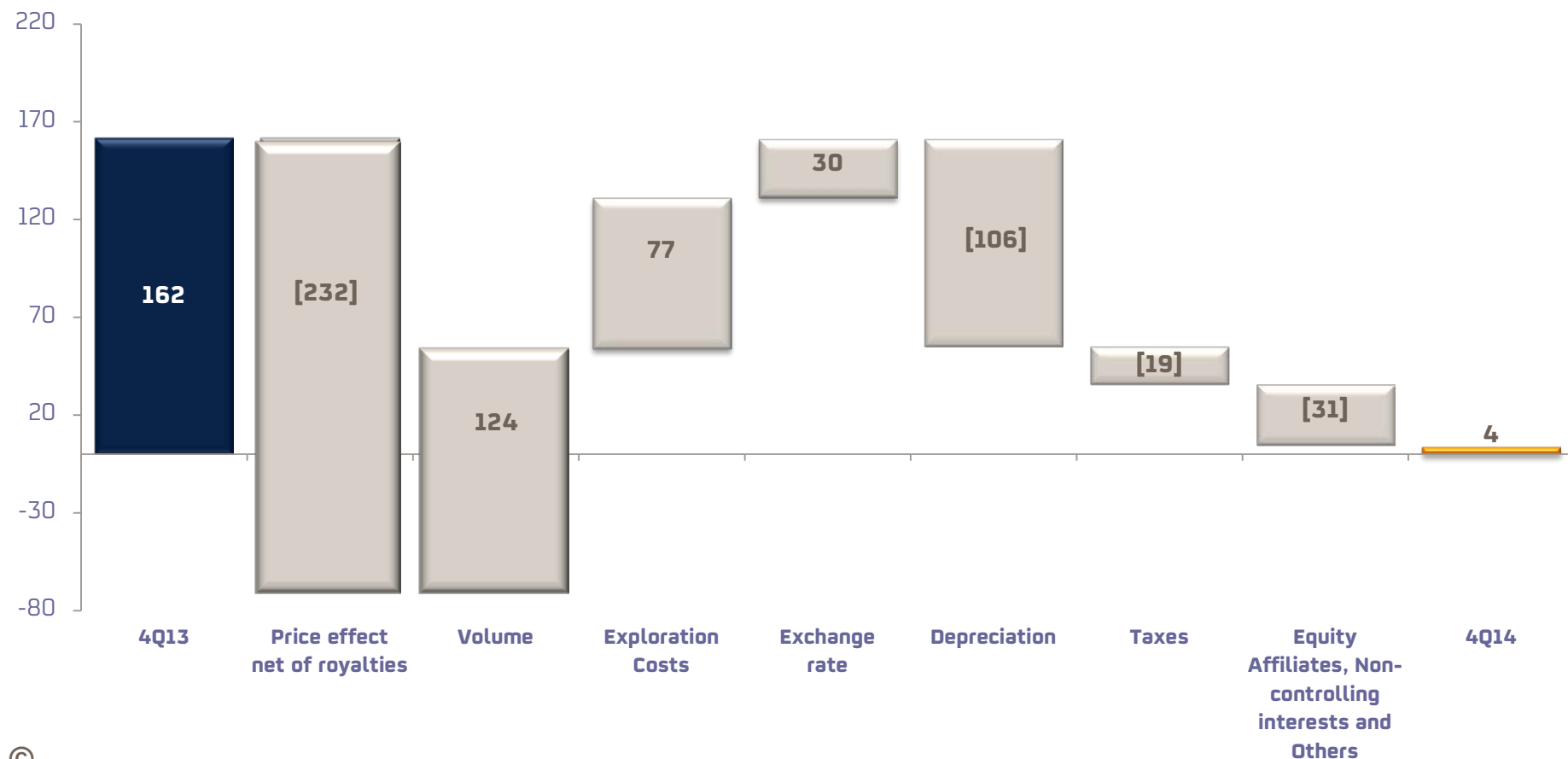
4Q 2014

Adjusted Net Income

162

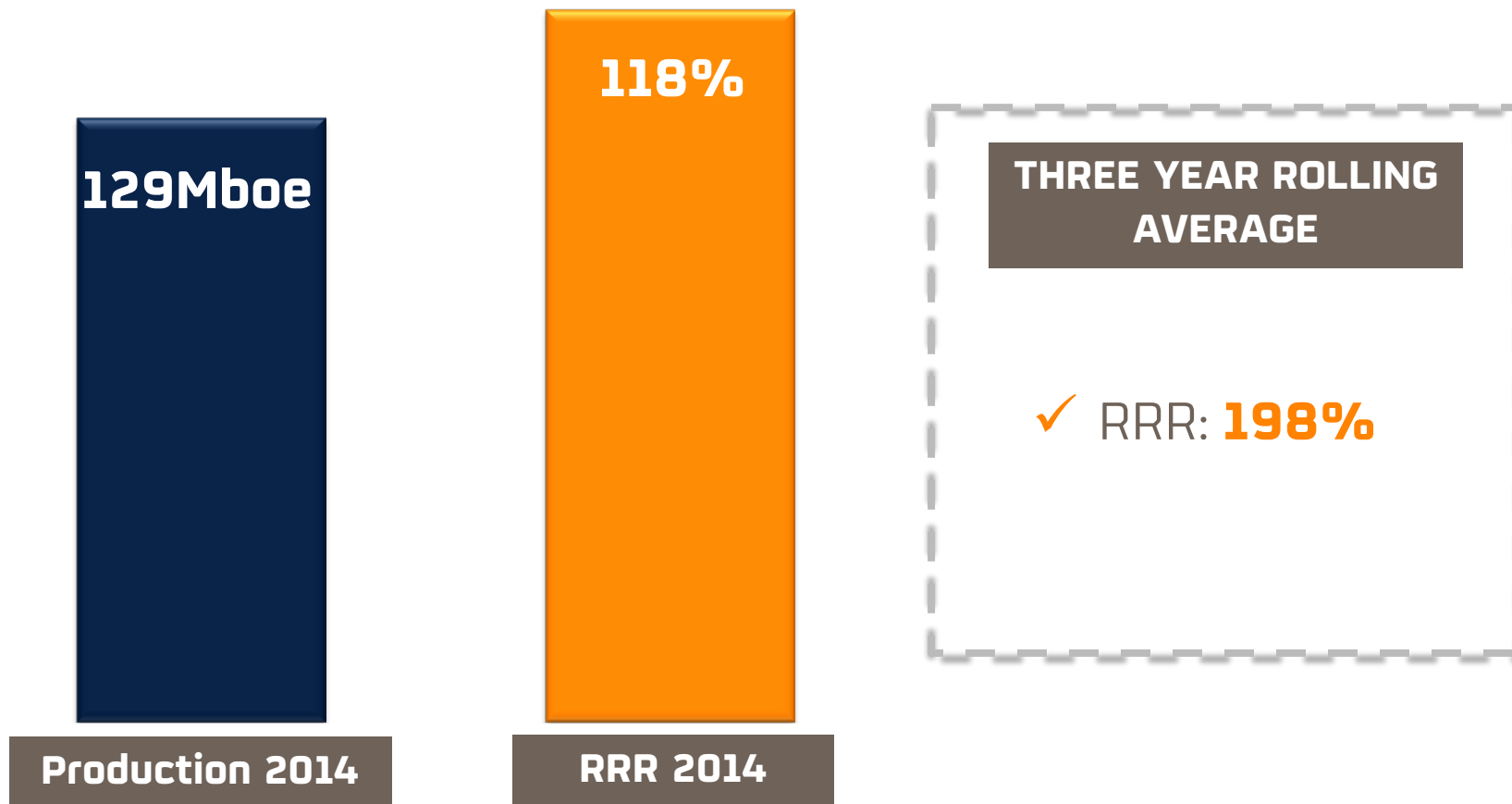
4

Million €



Upstream Results

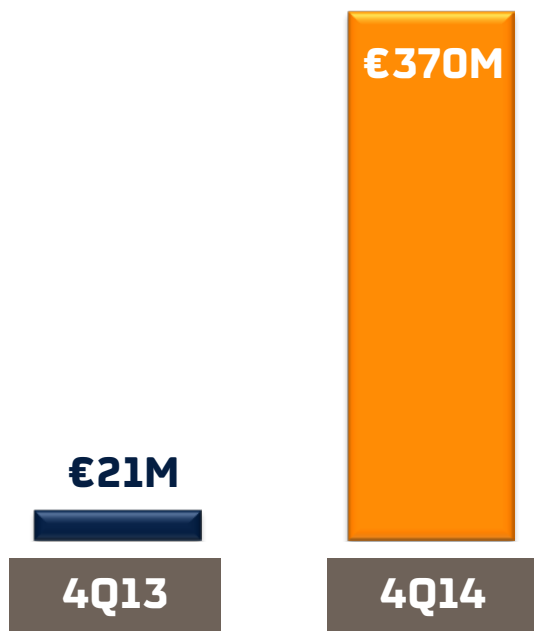
Reserve Replacement Ratio



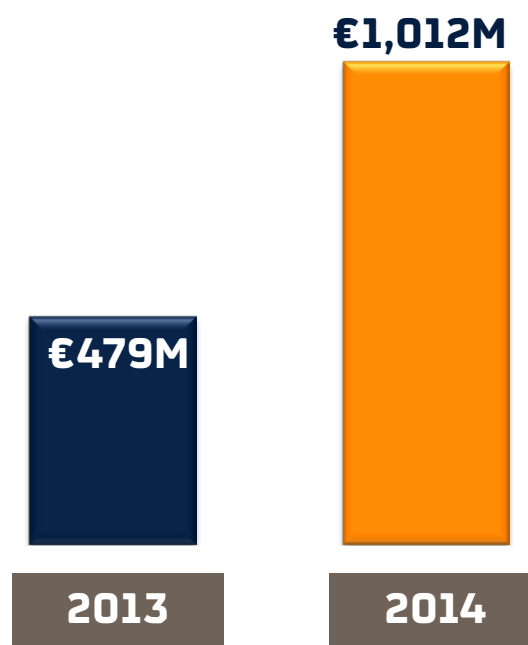
Downstream Results

Adjusted Net Income

QUARTERLY RESULTS



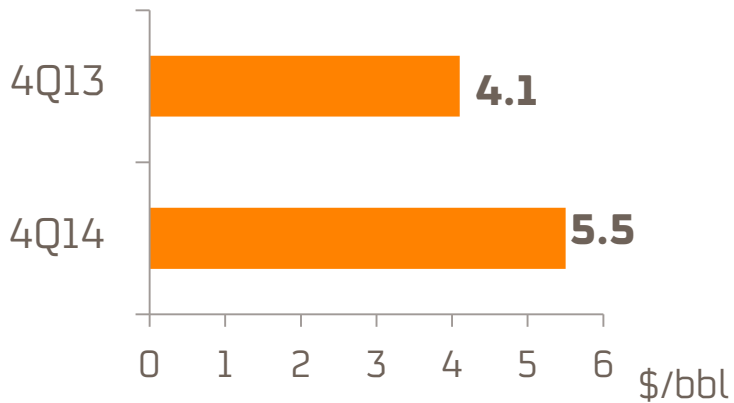
FULL YEAR RESULTS



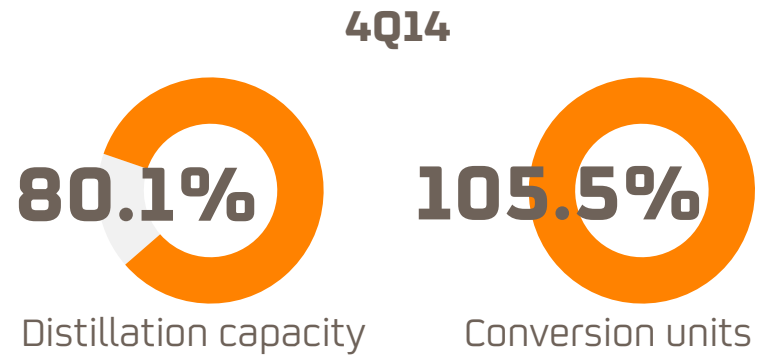
Downstream Results - Refining



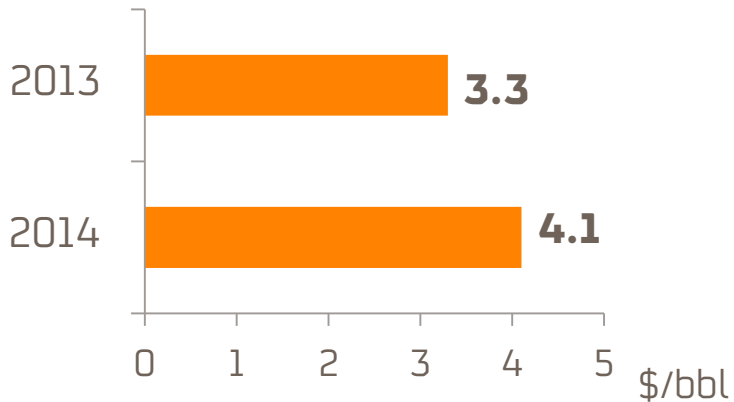
Refining Margin Indicator



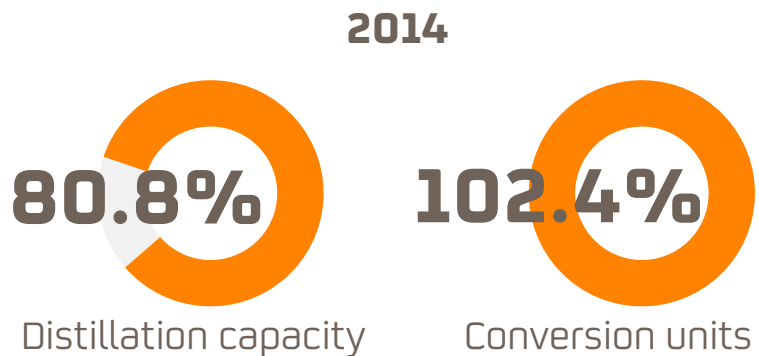
Utilization rates



Refining Margin Indicator



Utilization rates



Downstream Results

Petrochemicals business

- Higher results thanks to:
 - ✓ Competitiveness programs implemented
 - ✓ Better market environment

Commercial businesses

- Higher results in LPG division.
- Growth in sales in the Marketing business

Gas & Power

- Higher volumes and prices in North America.
- Positive impact of contractual commitments MtM.

Downstream Results

Adjusted Net Income

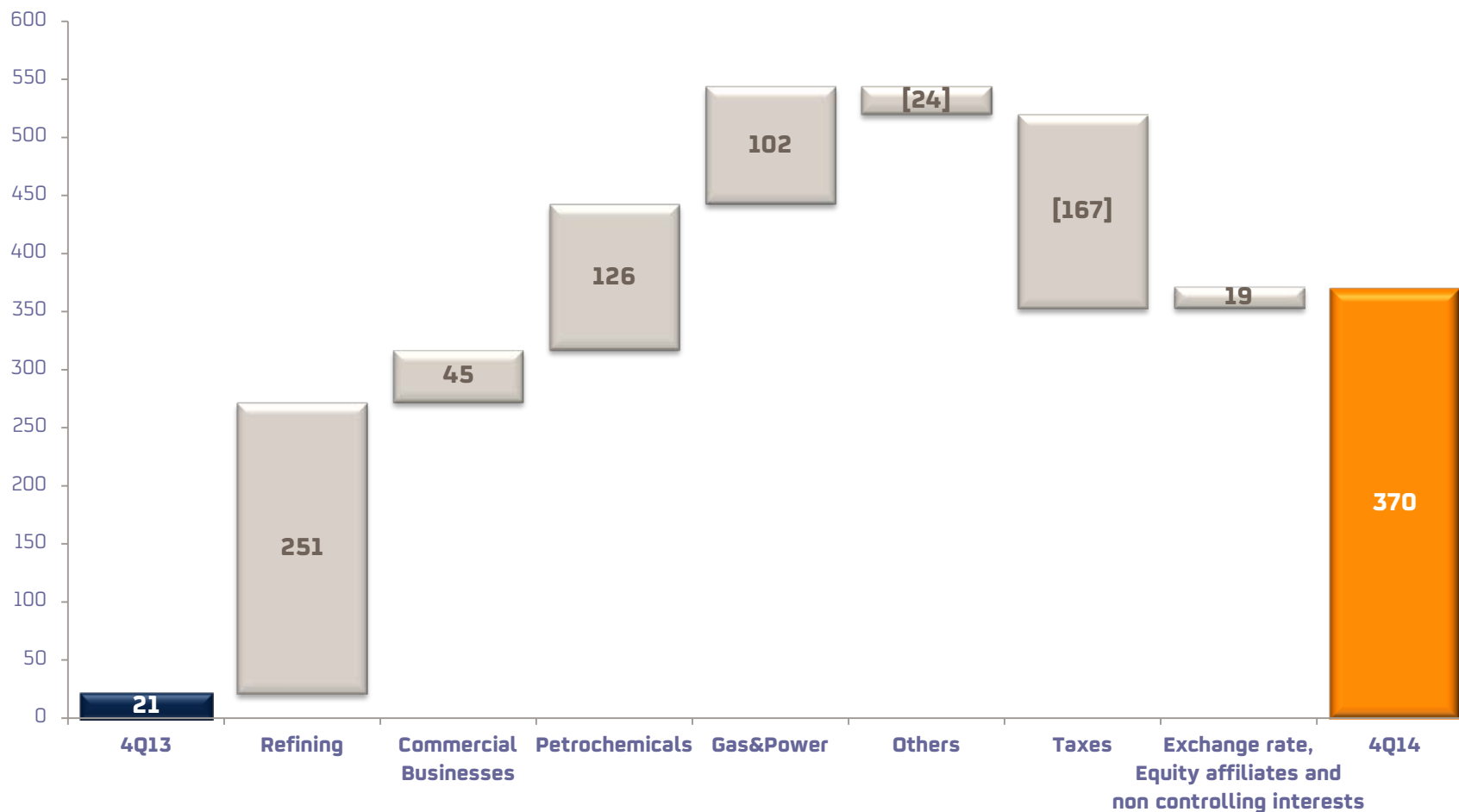
4Q 2013 **4Q 2014**

Adjusted Net Income

21

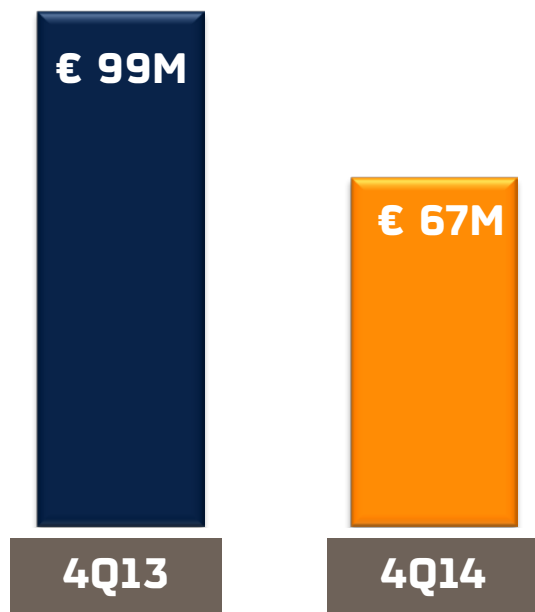
370

Million €



Gas Natural Fenosa Results

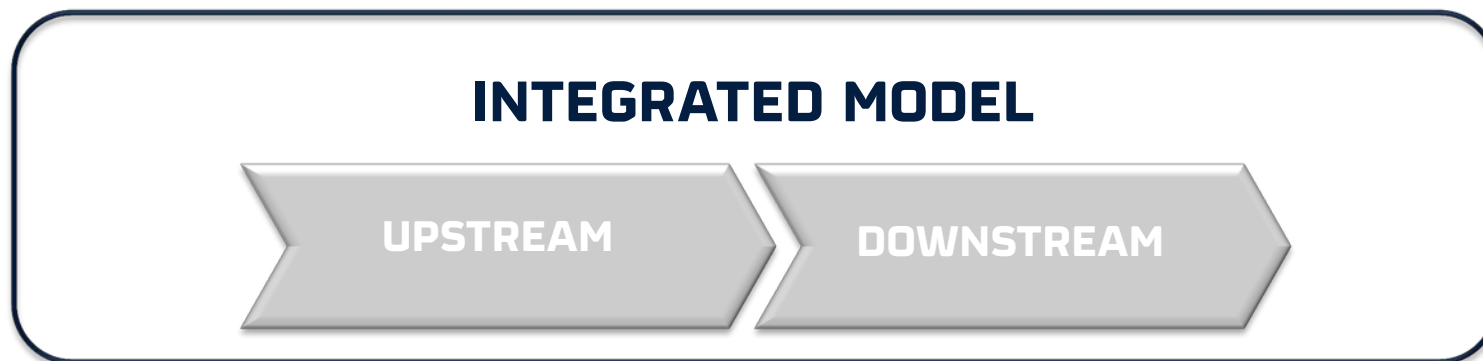
Adjusted Net Income



Impairment in the Egyptian
LNG plant of Dammietta

Benefits of integration

Stability of our results



60% of the
production
is gas

Negative
correlation
USD vs. Brent

Gas Natural
results and
dividends



Stability of our results

Outlook for 2015

3

Acquisition of Talisman Energy

Update



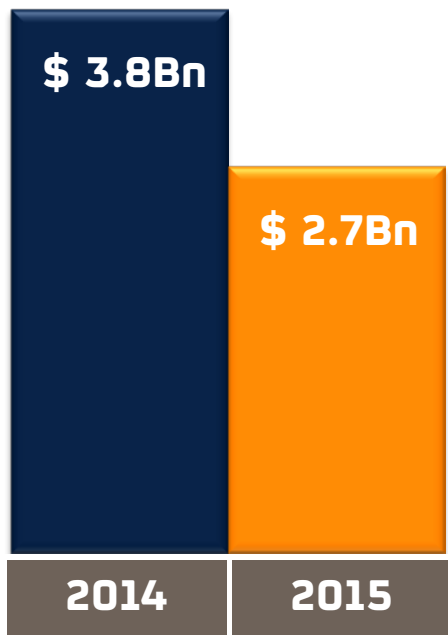
- On 18th February, the **shareholders of Talisman approved the transaction**
- Currently working with Talisman on a smooth integration
- Expecting closing date before the end of the **2Q15**

The outlook for 2015



↓ 35% Exploration capex reduction

UPSTREAM



Investment



DOWNSTREAM



Reducing the energy costs of our industrial plants

Looking forward



- Maintain **competitive shareholder remuneration** at current levels
- **Strategic lines** of the current and future Repsol:
 - ✓ **Balance** between **Upstream** and **Downstream** divisions
 - ✓ After Talisman acquisition Upstream will focus on efficiency and **value creation**. No longer the mandate to grow
 - ✓ Strong and efficient **Downstream** → **Free Cash Flow generator**
 - ✓ **Optimize** Capex and costs
 - ✓ Fully committed with our **financial discipline**
 - ✓ Portfolio management → Strong driver of **value creation**
 - ✓ Highest standards of **sustainability, safety, governance** and **environmental management**

Conclusions

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Q&A Session

Fourth Quarter 2014 Results



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