

REPSOL DIVESTS EAGLE FORD STAKE AND ACQUIRES NORWEGIAN PRODUCING ASSETS

- **Statoil will acquire a 13% stake in the Eagle Ford Joint Venture from Repsol, which retains a 37% participation.**
- **At the same time, Repsol acquires a 15% stake in Norway's producing Gudrun field.**
- **The transaction reduces Repsol's capex needs and generates a positive free cash flow of 500 million euros in the 2015-2017 period.**
- **The deal announced helps deliver the objectives outlined in Repsol's 2016-2020 Strategic Plan, including cash generation, capex reduction, efficiencies and synergies, while generating value for the company.**

Repsol has agreed to divest a 13% stake in its Eagle Ford project in the United States to its partner Statoil. At the same time, Repsol will acquire a 15% share in the Gudrun producing field in Norway from Statoil.

Both transactions are valued at the same amount, so that the effect on the P&L account is neutral for Repsol, and increases Repsol's positive free cash flow by 500 million euros in the 2015-2017 period, lower capital expenditure, and generate greater synergies and operational efficiencies.

All these effects are aligned with the strategic priorities outlined in the 2016-2020 Strategic Plan unveiled in October, which focuses on extracting value from the growth achieved in the last decade that culminated with the acquisition of Talisman Energy.

Additionally, Repsol and Statoil have agreed to establish a single operatorship (Statoil) in Eagle Ford, that will help ensure operations become more efficient, through optimal field developments and cost savings, and thus more resilient to low oil prices. After the transaction Repsol retains 37% of the Eagle Ford project.

The effective date for the agreements on Gudrun and Eagle Ford is 1 January 2015.

Finally, the Board of Repsol-Sinopec Brazil, a company in which Repsol holds 60% share, has approved a resolution to propose that Statoil should become operator of the BM-C-33 license in Brazil's Campos basin. RSB will keep its current 35% share in the project, retaining the development and growth potential of one of the most significant discoveries made in that country's offshore acreage.

This change allows Repsol to focus on the development of the three play-types outlined in its 2016-2020 Strategic Plan: Core onshore and shallow offshore assets as well as unconventional plays.

All the transactions outlined are expected to close before the end of 2015, pending the customary approvals in this type of transaction.

Pending partner approval, Statoil also agreed to purchase a 31% stake held by Talisman-Sinopec UK in the Alfa Sentral License in the United Kingdom, for approximately 20 million dollars.