

PRESS RELEASE
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Part of the strategy to divest non-integrated downstream
assets in Latin America

REPSOL SELLS ITS BRAZILIAN LPG BUSINESS FOR 20 MILLION EUROS

- Repsol has sold its LPG business Repsol Gas Brasil to the company Ultragaz, market leader in LPG in Brazil and a subsidiary of the Ultrapar group.
- The operation will result in an estimated net capital gain of 10 million euros for Repsol.
- The company will focus all its investment efforts in the country on the exploration and production activities of Repsol Sinopec Brasil.

Repsol has agreed to the sale of 100% of its liquefied petroleum gas (LPG) distribution subsidiary, Repsol Gas Brasil, to the Brazilian company Ultragaz, a leading player in the Brazilian market.

The sale was completed for a total of 20 million euros, resulting in an estimated net capital gain of 10 million euros for Repsol. In 2010, Repsol Gas Brasil sold 22,000 tonnes of product to 2,400, mostly industrial, customers in Sao Paulo and Rio de Janeiro. Ultragaz is part of the Brazilian group Ultrapar, which also has businesses involved in the distribution of fuel and derivative petrochemical products and is quoted on the Sao Paulo and New York stock exchanges.



With this sale, Repsol completes the divestment in non-strategic downstream assets in Brazil to focus its activity on the development of exploration and production projects through Repsol Sinopec Brasil.

Since 2007, Repsol has made \$1.2 billion worth of divestments in Latin America as part of its assets' portfolio management strategy.

Repsol in Brazil

Repsol has a significant and diversified projects portfolio in Brazil, including a producing field (Albacora Leste) a block under development (BM-S-7: Piracuca SP), two planned pilot projects (BM-S-9: Guara and Carioca) and fourteen exploration blocks of great potential.

At the end of last year, Repsol and China's Sinopec entered into an agreement to jointly develop the company's exploration and production projects in Brazil, creating one of Latin America's largest energy companies, valued at \$17.773 billion. Repsol has a 60% stake in the company and Sinopec owns the remaining 40%.

Repsol Sinopec is the leading International company in exploration rights in the Santos, Campos and Espírito Santo basins, participating in 14 blocks and operating six of seven.

Brazil's offshore boasts one of the world's fastest-growing oil and gas reserves. The deal between Repsol and Sinopec highlights the enormous international interest at this historic moment for Brazil, and particularly for the Santos Basin pre-salt activity.

Our achievements

