

## REPSOL BEGINS FLEXIBLE DIVIDEND PROGRAM FOR THE YEAR 2012

Repsol's Board of Directors has today approved the start of the "Repsol Flexible Dividend" program coinciding with the interim dividend for 2012.

The company first implemented this shareholder remuneration system in July 2012, substituting what would have been the final dividend from 2011 earnings.

The Program offers Repsol shareholders the opportunity to receive newly issued paid up shares of the Company without tax withheld or, at their election, to receive an amount in cash through the sale of the free-of-charge allocation rights ("rights") at the market price or to the Company at a guaranteed fixed price.

To carry out the program, the Board today approved the start of the execution of a capital increase for a maximum 628,089,364 euros, equivalent to a gross disbursement of 0.50 euros/share, subject to the rounding formula approved at the Annual General Shareholders' Meeting. Taking into account the closing price of November 28, 2012 (16.380 euros/share) the guaranteed purchase price is set at 0.482 euros for every right, and the number of rights necessary for the assignation of a new share is 33. The final figures will be calculated based on the average price of the shares during the trading sessions of December 12, 13, 14, 17 and 18, 2012. These figures will be made public on December 19, 2012.

Based on the Board's approval, the capital increase is expected to be executed in accordance with the following provisional timetable<sup>1</sup>:

**December 19th 2012:** Official notice informing of the number of rights necessary to receive one new share and the price at which Repsol has committed to purchase rights, and publication of the Informative Document required by articles 26.1.e) and 41.1.d) of the Royal Decree 1310/2005, November 4th 2005.

The trading sessions which will be taken as reference for the determination of the "Share Price" of Repsol's share (as this term is defined in the resolution approved by

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<sup>1</sup> The relevant items may vary for holders of ordinary shares listed on the Buenos Aires Stock Exchange and of American Depositary Shares.

the General Shareholders Meeting) to be applied in the formula approved by the General Shareholders Meeting for the determination of the (i) purchase price of the rights and (ii) the provisional number of shares, will be 12, 13, 14, 17 and 18 December 2012.

**December 24th, 2012 (23:59, Madrid time):** record date for the allocation of rights.

**December 25th, 2012:** Rights trading period begins in Spain. Also the period to request payment in cash (sale of rights to Repsol) begins. The shares begin to quote ex-coupon.

**January 7th, 2013:** Deadline for requesting payment in cash (sale of rights to Repsol).

**January 10th, 2013:** Rights trading period ends. Repsol acquires rights of those shareholders who had requested payment in cash (sale of rights to Repsol).

**January 11th, 2013:** Official notice announcing the final results of the transaction.

**January 15th, 2013:** Payment date to shareholders who have requested payment in cash (sale of rights to Repsol).

**January 17th, 2013:** New shares allocated to shareholders.

**January 18th, 2013:** First ordinary trading session of the new shares on the Spanish stock exchanges, subject to obtaining all necessary authorisations.