Communication Executive Managing Division
Tel.: +34 91 753 87 87
www.repsol.com
prensa@repsol.com

JANUARY-MARCH 2013 EARNINGS

PRESS RELEASE
Madrid, May 9, 2013
Pages 9

Oil and gas production rose 11.4%

REPSOL NET INCOME INCREASES 1.6% TO 631 MILLION EUROS

- **Net income during the first quarter of 2013 rose 1.6% to 631 million euros. These earnings, at current cost of supply, are especially significant as the year-earlier quarter included earnings from YPF.**
- **The Upstream unit consolidated the positive trend of previous quarters with an operating income of 655 million euros, based on increased production.**
- **Hydrocarbons output increased 11.4% during the quarter as the company started production from five of the key projects outlined in the 2012-2016 Strategic plan, and greater activity in Trinidad and Tobago.**
- **The Downstream unit's operating income increased 113.6% to 173 million euros at current cost of supply.**
- **Wider refining margins and higher distillation volumes achieved by the expansion projects at Cartagena and Bilbao more than made up for the fall in sales and sales margins at forecourts.**
- **Repsol in February agreed to sell to Shell LNG assets for $6.7 billion. The deal will generate a pre-tax gain of $3.5 billion.**
- **In March, Repsol sold treasury shares to Temasek for 1.036 billion euros. The agreement reflects the confidence by international investors in Repsol's growth strategy and increases the company's attractiveness.**

Communication Executive Managing Division
Tel.: +34 91 753 87 87
www.repsol.com
prensa@repsol.com

Repsol posted net income of 631 million euros in the first quarter of 2013, a rise of 1.6% from the year-earlier period at current cost of supply. Calculated based on MIFO criteria, net income was 634 million euros. These earnings are especially significant as the first quarter of 2012 included earnings from YPF.

The improved results are based on a strong performance from all of the company's business units. Operating income from continued operations at current cost of supply rose 19% to 1.287 billion euros.

The Upstream unit continued its growth trend, performing well during the quarter. Production rose 11.4% following the start-up of five of the company's key projects outlined in the 2012-2016 Strategic Plan. Especially significant is the start-up of the giant Sapinhoá field in Brazil, one of the largest developed in that country to date. Greater activity at Trinidad and Tobago also helped boost output.

The downstream unit posted increased earnings following the investments made in the company's refining system. The completion of the Cartagena and Bilbao projects have widened refining margins and increased the company's capacity, setting the assets amongst the industry's best.

Additionally, the company surpassed its 2012-2016 divestment goals at the end of February following the agreement to sell to Shell LNG (liquefied natural gas) assets for 6.7 billion euros.

At the end of the quarter, the Repsol Group (excluding Gas Natural Fenosa) had liquidity of close to 9 billion euros, 2.4 times short-term debt maturities. The company's net financial debt was 13% lower than at the end of 2012, to 3.867 million euros.

In March, Repsol sold treasury shares, amounting to five percent of the company's stock to Temasek of Singapore for 1.036 billion euros. The agreement reflects the confidence by international investors in Repsol's growth strategy and increases the company's attractiveness.

UPSTREAM: IMPROVED EARNINGS AND HIGHER OUTPUT

In the first quarter of 2013, the Upstream unit accounted for more than half of the company's operating income, contributing 655 million euros, slightly more than the same period of 2012.

Production rose 11.4% from the previous year to 360,300 barrels of oil equivalent per day. The rise is due to the contribution of five of the key projects from the 2012-2016 strategic plan already producing: United States (Mid-Continent), Spain (Lubina and Montanazo), Brazil (Sapinhoá), AROG in Russia and Bolivia (Margarita). Greater activity in Trinidad and Tobago also contributed to production gains.

Communication Executive Managing Division
Tel.: +34 91 753 87 87
www.repsol.com
prensa@repsol.com

At the start of 2013, Repsol reached a significant milestone with the start of commercial production at the giant Sapinhoá field in Brazil, which will reach an output of 120,000 barrels of oil equivalent in the first development phase. This project will contribute decisively to the company's growth goals in coming years.

Also significant is the start of commercial production at the Syskonsyninskoye (SK) field in Russia.

During the quarter the company drilled nine wells, of which seven showed very positive results, including three good quality oil and gas discoveries in Alaska.

Investment in the area during the first quarter of 2013 was 545 million euros, 11% less than the previous year. Project development accounted for 76% of total spending, mainly in United States (36%), Brazil (18%), Venezuela (15%), Trinidad and Tobago (13%) and Bolivia (7%). Exploration investment represented 17% of the total, spent mainly in the US (39%), Norway (15%), Bulgaria (13%), Namibia (10%) and Russia (10%.)

The quarterly earnings are especially positive as they were obtained amidst falling international prices, with a 5.1% fall in Brent and an 8.3% decline in WTI. Conversely, the company's gas realization prices improved 25.7% compared with a 22.2% rise in the Henry Hub price.

The LNG business posted operating income of 311 million euros in the first quarter of 2013, of which 129 million euros corresponded to the company's assets in North America--excluded from the February 26 agreement to sell LNG assets to Shell for 6.7 billion euros.

DOWNSTREAM: MORE EFFICIENCY IN THE REFINING SYSTEM FOLLOWING THE INVESTMENT PROGRAM

The Downstream unit's operating income was 173 million euros in the quarter at current cost of supply, an improvement of 113.6% from the first quarter of 2012.

The increased value of stocks generated an additional 246 million euros in profit in the first quarter of last year compared to 2013. Considering this effect, the unit's earnings calculated under MIFO criteria fell 46.4% to 178 million euros.

The investments made to improve the Cartagena and Bilbao refineries positively affected earnings and made up for lower sales volumes and margins in forecourts.

The expansion of the two refineries, which were fully operational in the first quarter of 2012, resulted in increased production and refining margins which improved 30% from the year-earlier quarter to $3.9/barrel.

Communication Executive Managing Division
Tel.: +34 91 753 87 87
www.repsol.com
prensa@repsol.com

Utilization rates increased 14.2 percentage points to 79.8% and conversion capacity use rose 14.8 percentage points to 97.8% compared to the year-earlier period due to improved margins.

The chemicals business benefitted from an improved international outlook and higher margins, adding 35 million euros to the unit's operating income.

Investments in the unit totalled 92 million euros in the quarter, 33% less than the year-earlier period following the completion of the expansion projects at the Cartagena and Bilbao refineries.

GAS NATURAL FENOSA

The operating income of Gas Natural Fenosa was 250 million euros in the first quarter of 2013, a rise of 1.6% due to higher wholesale gas sales margins and improved results in Latin America. This offset the lower contribution of Union Fenosa Gas and lower earnings of the electricity business in Spain due to the new tax regime.

Communication Executive Managing Division
Tel.: +34 91 753 87 87
www.repsol.com
prensa@repsol.com

REPSOL SUMMARISED INCOME STATEMENT
(Million Euros)
(Unaudited figures)

	January – March		Change
	2012	**2013**	**2012**
EBITDA	**1,926**	**1,942**	0.8
Operating revenue	15,060	15,508	3.0
Operating income	1,330	1,292	(2.9)
Financial expenses	(282)	(235)	16.7
Share in income from companies carried by the equity method- Net of tax	27	45	66.7
Income before income tax	1,075	1,102	2.5
Income tax	(425)	(451)	(6.1)
Income for the period from continued operations	650	651	0.2
Income attributable to minority interests from continued operations	(21)	(14)	33.3
NET INCOME FROM CONTINUED OPERATIONS	**629**	**637**	**1.3**
Net income from interrupted operations (*)	163	(3)	-
NET INCOME (MIFO)**	**792**	**634**	**(19.9)**
Inventory effect net of taxes	171	3	-
NET INCOME (CCS***)**	621	631	1.6

(*) Includes income net of tax and from external partners contributed by YPF S.A., YPF Gas S.A. and their participated companies in each period and the loans made to Petersen as well as the effects of the expropriation of the shares in YPF S.A. and YPF Gas S.A.

(**) Middle In, First Out

(***) Current Cost of Supply

Communication Executive Managing Division
Tel.: +34 91 753 87 87
www.repsol.com
prensa@repsol.com

REPSOL

BREAKDOWN OF REPSOL OPERATING PROFIT, BY BUSINESSES
(Million Euros)
(Unaudited figures)

	January - March		Change
	2012	2013	2012
Upstream	654	655	0.15
LNG	158	311	96.8
Downstream	81	173	113.5
Gas Natural Fenosa	246	250	1.6
Corporate & adjustments	(60)	(102)	-
Operating income CCS	1,079	1,287	19.3
Inventory effect	251	5	-
Operating income MIFO	1,330	1,292	(2.9)

OPERATING HIGHLIGHTS
(Unaudited figures)

	January – March		Change
	2012	2013	%
Oil and gas production (Thousand boepd)	323	360	11.4
Crude processed (million tons)	8.2	9.5	15.9
Sales of oil products (Thousand tons)	10,138	10,136	0.0
Sales of petrochemical products (Thousand tons)	593	513	(13.5)
LPG sales (ex YPF Gas) (Thousand tons)	782	683	(12.6)

Communication Executive Managing Division
Tel.: +34 91 753 87 87
www.repsol.com
prensa@repsol.com

REPSOL

REPSOL COMPARATIVE BALANCE SHEET

(Million Euros)

(Unaudited figures) (IFRS)

	DECEMBER 2012	MARCH 2013
NON-CURRENT ASSETS		
Goodwill	2,678	2,683
Other intangible assets	2,836	2,946
Property, plant & equipment	28,227	28,784
Investment property	25	25
Equity-accounted financial investments	737	807
Non-current assets classified as held for sale subject to expropriation	5,392	5,554
Non-current financial assets		
Non-current financial assets	672	680
Others	641	662
Deferred tax assets	3,310	3,262
Other non-current financial assets	242	250
CURRENT ASSETS		
Non-current assets classified as held for sale	340	91
Inventories	5,501	6,127
Trade and other receivables	7,781	8,199
Other current assets	221	236
Other current financial assets	415	415
Cash and cash equivalents	5,903	6,214
TOTAL ASSETS	**64,921**	**66,935**
TOTAL EQUITY		
Attributable to equity holders of the parent	26,702	28,932
Attributable to minority interests	770	774
NON-CURRENT LIABILITIES		
Subsidies	61	61
Non-current provisions	2,258	2,367
Non-current financial debt	15,300	14,546
Deferred tax liabilities	3,063	3,021
Other non-current liabilities		
Non-current debt for finance leases	2,745	2,823
Others	712	736
CURRENT LIABILITIES		
Liabilities associated with non-current assets held for sale	27	15
Current provisions	291	278
Current financial liabilities	3,790	4,244
Trade debtors and other payables		
Current debt for finance leases	224	235
Other trade debtors and payables	8,978	8,903
TOTAL LIABILITIES	**64,921**	**66,935**

Communication Executive Managing Division
Tel.: +34 91 753 87 87
www.repsol.com
prensa@repsol.com

This document does not constitute an offer or invitation to purchase or subscribe shares, in accordance with the provisions of the Spanish Securities Market Law (Law 24/1988, of July 28, as amended and restated) and its implementing regulations. In addition, this document does not constitute an offer of purchase, sale or exchange, nor a request for an offer of purchase, sale or exchange of securities in any other jurisdiction.

This document contains statements that Repsol believes constitute forward-looking statements which may include statements regarding the intent, belief, or current expectations of Repsol and its management, including statements with respect to trends affecting Repsol's financial condition, financial ratios, results of operations, business, strategy, geographic concentration, production volume and reserves, capital expenditures, costs savings, investments and dividend payout policies. These forward-looking statements may also include assumptions regarding future economic and other conditions, such as future crude oil and other prices, refining and marketing margins and exchange rates and are generally identified by the words "expects", "anticipates", "forecasts", "believes", estimates", "notices" and similar expressions. These statements are not guarantees of future performance, prices, margins, exchange rates or other events and are subject to material risks, uncertainties, changes and other factors which may be beyond Repsol's control or may be difficult to predict. Within those risks are those factors and circumstances described in the filings made by Repsol and its affiliates with the Comisión Nacional del Mercado de Valores in Spain, the Comisión Nacional de Valores in Argentina, the Securities and Exchange Commission in the United States and with any other supervisory authority of those markets where the securities issued by Repsol and/or its affiliates are listed.

Repsol does not undertake to publicly update or revise these forward-looking statements even if experience or future changes make it clear that the projected performance, conditions or events expressed or implied therein will not be realized.

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

As a result of the expropriation process of YPF S.A. and YPF Gas, S.A. (formerly known as Repsol YPF Gas, S.A.) shares held by the Repsol Group, the financial information for the first quarter of 2012, unless stated otherwise, has been restated, for comparison purposes in accordance with applicable accounting standards, with respect to the information included in the interim management statements filed with the Spanish Securities Market Commission (Comisión Nacional del Mercado de Valores – CNMV) on 10 May 2012. The restated financial information for the first quarter of 2012 included for comparison purposes in these interim management statements was included in the second quarter 2012 earnings preview, published as relevant event on 26 July 2012 (registration number 170935).

The accounting standards applied for recording the effects of the expropriation process are described in Note 5 ("Expropriation of Repsol Group shares in YPF, S.A. and YPF Gas, S.A.") in the consolidated financial statements at 31 December 2012, filed with the CNMV on 28 February 2013.