

# First Quarter 2011 Results

## WEBCAST – CONFERENCE CALL

May 12<sup>th</sup>, 2011

Mr. Miguel Martínez  
COO



**REPSOL**

May 2011

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# **Agenda**

**Q1 2011 Outlook**

**Relevant Issues**

**Operational Highlights**

**Q1 2011 Results**

**Financial Overview**

# Agenda

**Q1 2011 Outlook**

Relevant Issues

Operational Highlights

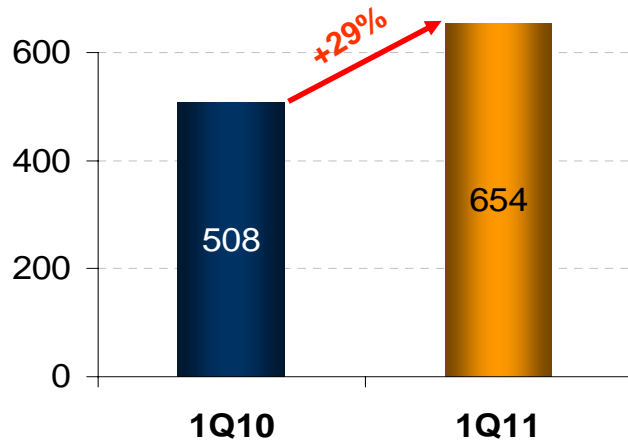
Q1 2011 Results

Financial Overview

# Q1 2011 Outlook

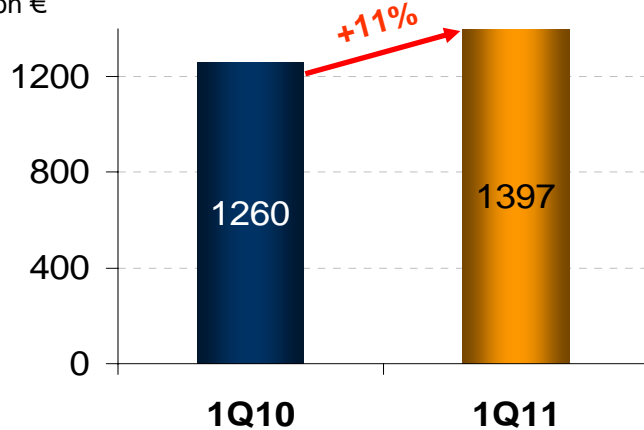
## CCS Adjusted Net Income

Million €



## CCS Adjusted Operating Income

Million €



- Higher Oil and Gas Prices
- Strong Performance in LNG Division
- Recovery of Chemical Business
- Lower Production

# Agenda

Q1 2011 Outlook

**Relevant Issues**

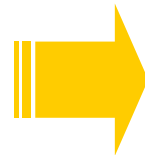
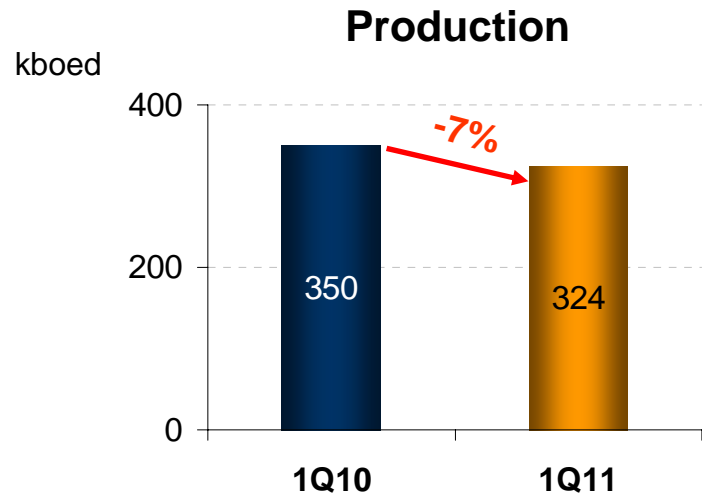
Operational Highlights

Q1 2011 Results

Financial Overview

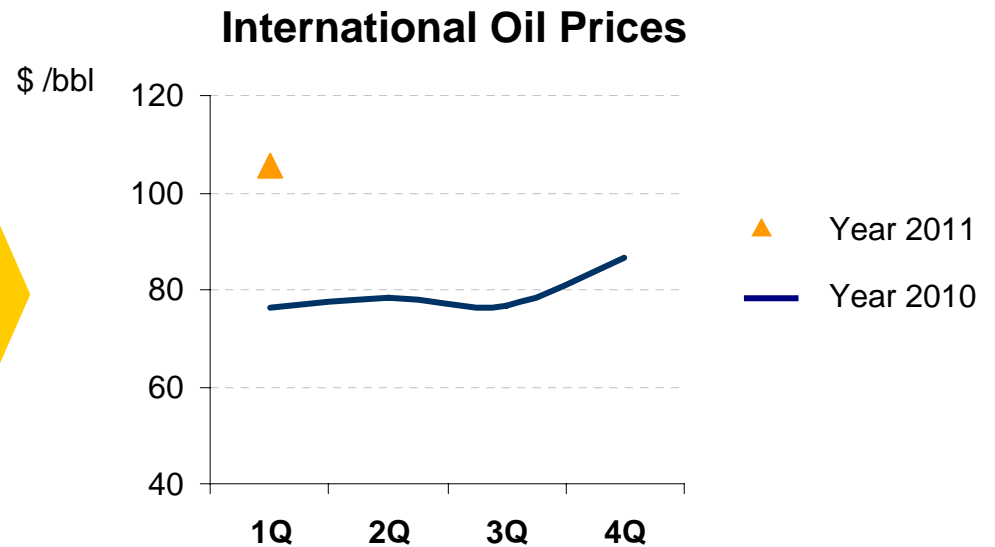
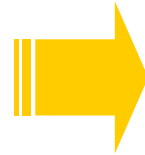
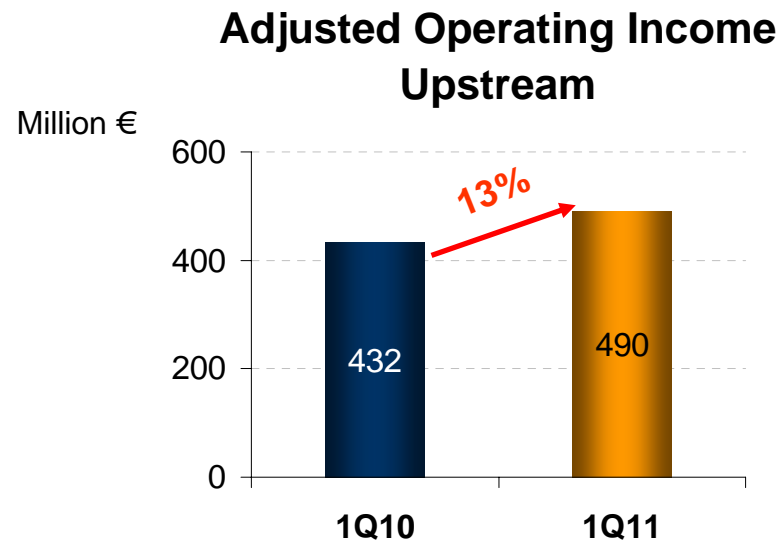
# Relevant Issues

## Production



### Main Factors:

- Unrest in Libya
- Moratorium in GoM
- Maintenance turnarounds in T&T
- Peru LNG on stream
- Ecuador new contracts



# Relevant Issues

## Projects on Time and on Budget

Another year of value creation

Start up of key Downstream projects

Next wave of profitable growth\*

**Shenzi (US GoM)**




FID: 2006  
Production: 121 kboe/d

**Brasil Capital Increase**



**REFAP**  
Alberto Pasqualini - Refap S/A

**Bináo / Cartagena Refineries (Spain)**




On stream: 4Q11

**Kinteroni (Peru)**



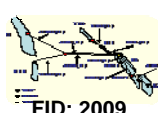
FID: 2009  
Production: 5 Mm<sup>3</sup>/d

**Carabobo (Venezuela)**



FID Pending (2012)  
Production: 400 kboe/d

**Reggane (Algeria)**



FID: 2009  
Pending on Alnaft approval  
Production: 8 Mm<sup>3</sup>/d

**US GoM**

Buckskin  
Shenzi G-104 & Shenzi -8: increase the potential of the current fields and the North flank

**Brazil**

Carioca, Abaré, Abaré West & Iguazú in BM-S-9  
Albacora Leste pre-salt  
Panoramix: new discovery in BM-S-48

**Morocco**

Tangier -Larache, first discovery success in Moroccan offshore

**Sierra Leone & West Africa**


Venus B -1, first offshore discovery in an unexplored area

**I/R (Libya)**



FID: 2007  
Production: 75 kboe/d

**Canoport**



Start-up: 3Q 2009  
Capacity: 10 Bcma

**Peru LNG**



Start-up: 2Q 2010  
Capacity: 6 Bcma

**Lubina-Montanazo (Spain)**



FID  
FID (2009)  
Production: 5.6 kboe/d

**Margarita-Huacaya (Bolivia)**




FID (2010)  
Production: 11 Mm<sup>3</sup>/d

**Guará (Brazil)**



FID (2010)  
Production: 250 kboe/d

**Cardon IV (Venezuela)**



FID Pending (2011)  
Production: 8 Mm<sup>3</sup>/d in 2014

**Piracuc (Brazil)**



FID Pending (2011)  
Production: 25 kboe/d

Sale of 15% stake to Petersen Group

Sale of 4,2% stake to institutional investors

Portfolio: Divestment

Operations: Improvement of recovery factor and development of unconventional resources



Crude RRR 72% 70% 100%



RRR	65%	94%	131%	>110%			
Reserves (Mboe)	1067	1060	1099	3-4% CAGR			
Production (kboe/d)	333	333	344	+275 Mboe average per year			
Add. Resources (Mboe/Year)	362	599	715(**)				

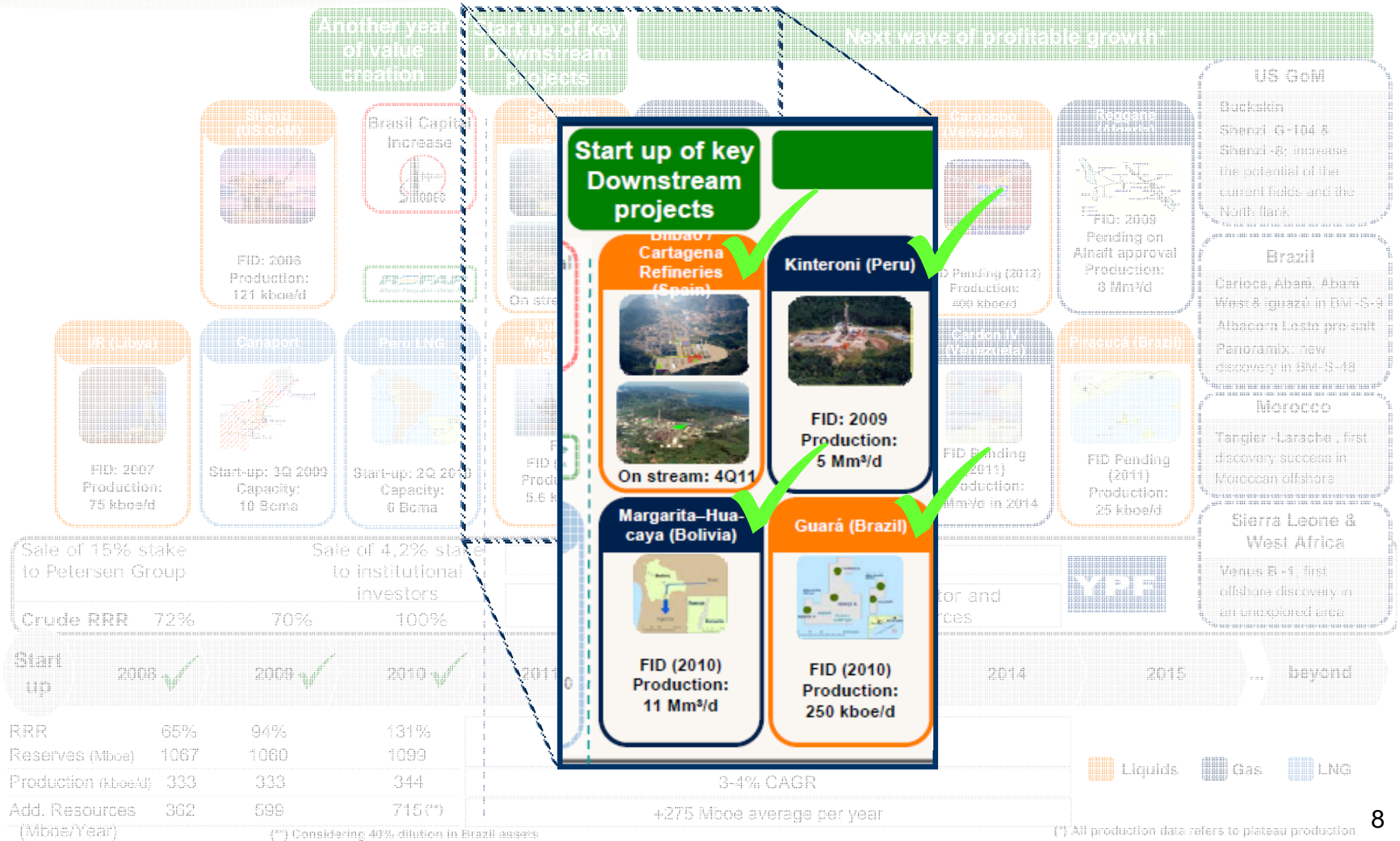
(\*\*) Considering 40% dilution in Brazil assets

(\*) All production data refers to plateau production



# Relevant Issues

## Projects on Time and on Budget



Sale of 15% stake to Petersen Group

Sale of 4.2% stake to institutional investors

Crude RRR	72%	70%	100%
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Start up	2006 ✓	2009 ✓	2010 ✓	2011
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RRR	65%	94%	131%
Reserves (Mboe)	1067	1060	1099
Production (kboe/d)	333	333	344
Add. Resources (Mbne/Year)	362	599	715 (**)

3-4% CAGR

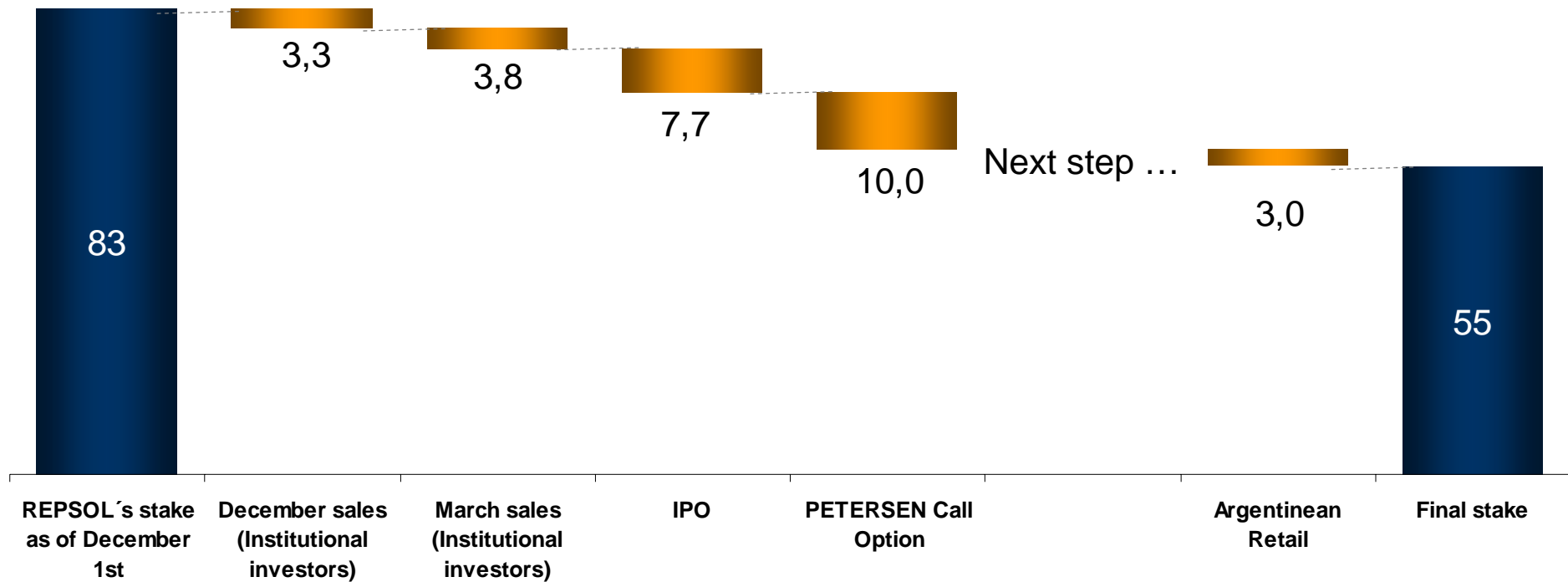
+275 Mboe average per year

(\*) All production data refers to plateau production

# Relevant Issues

## Partial Sale of Stake in YPF

% of YPF shares



# Agenda

Q1 2011 Outlook

Relevant Issues

**Operational Highlights**

Q1 2011 Results

Financial Overview

# Operational Highlights as of Mid May

## Upstream



- 5 exploratory wells; 3 in Brazil, 1 in Bolivia and 1 in US
- Appraisal wells: Peru, Venezuela, Brazil and GoM
- New exploratory acreage: farm-in into 164 blocks in Alaska

## LNG



- North America: Improvement of marketing conditions
- Peru LNG: Agreement with Kogas
- Argentina: 9 shipments awarded by ENARSA

## Downstream



- Integrated margin ranking solid among peers
- Programmed maintenance turnover at the Tarragona refinery
- Recovery of margins and volumes in the Chemical business
- Marketing business continues to show solid figures



- Production affected by strikes
- Progress on non-conventional resources (Tight gas, Shale oil and gas)
- Extension of the concessions in Mendoza province

# Agenda

Q1 2011 Outlook

Relevant Issues

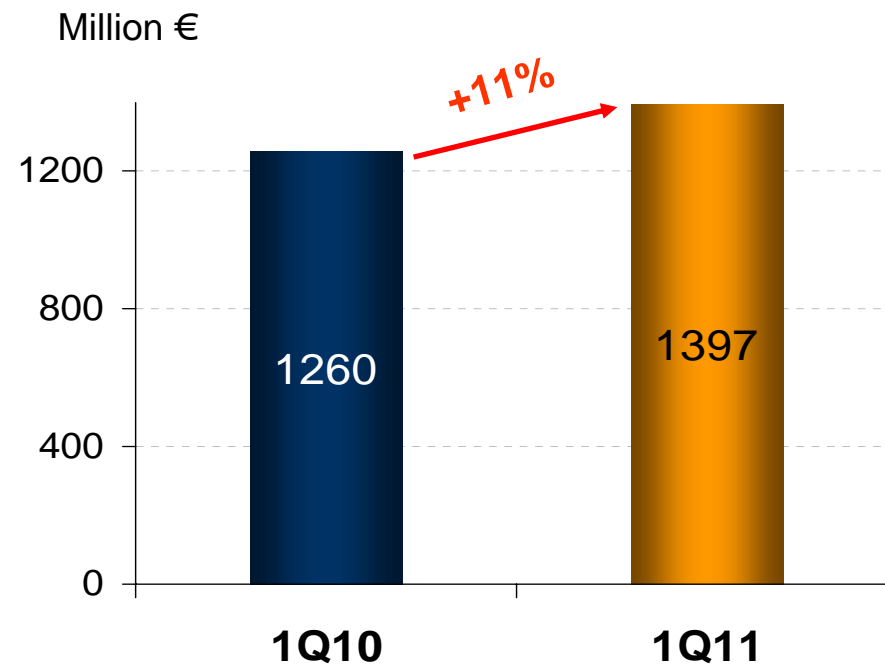
Operational Highlights

**Q1 2011 Results**

Financial Overview

# Q1 2011 Results

## CCS Adjusted Operating Income

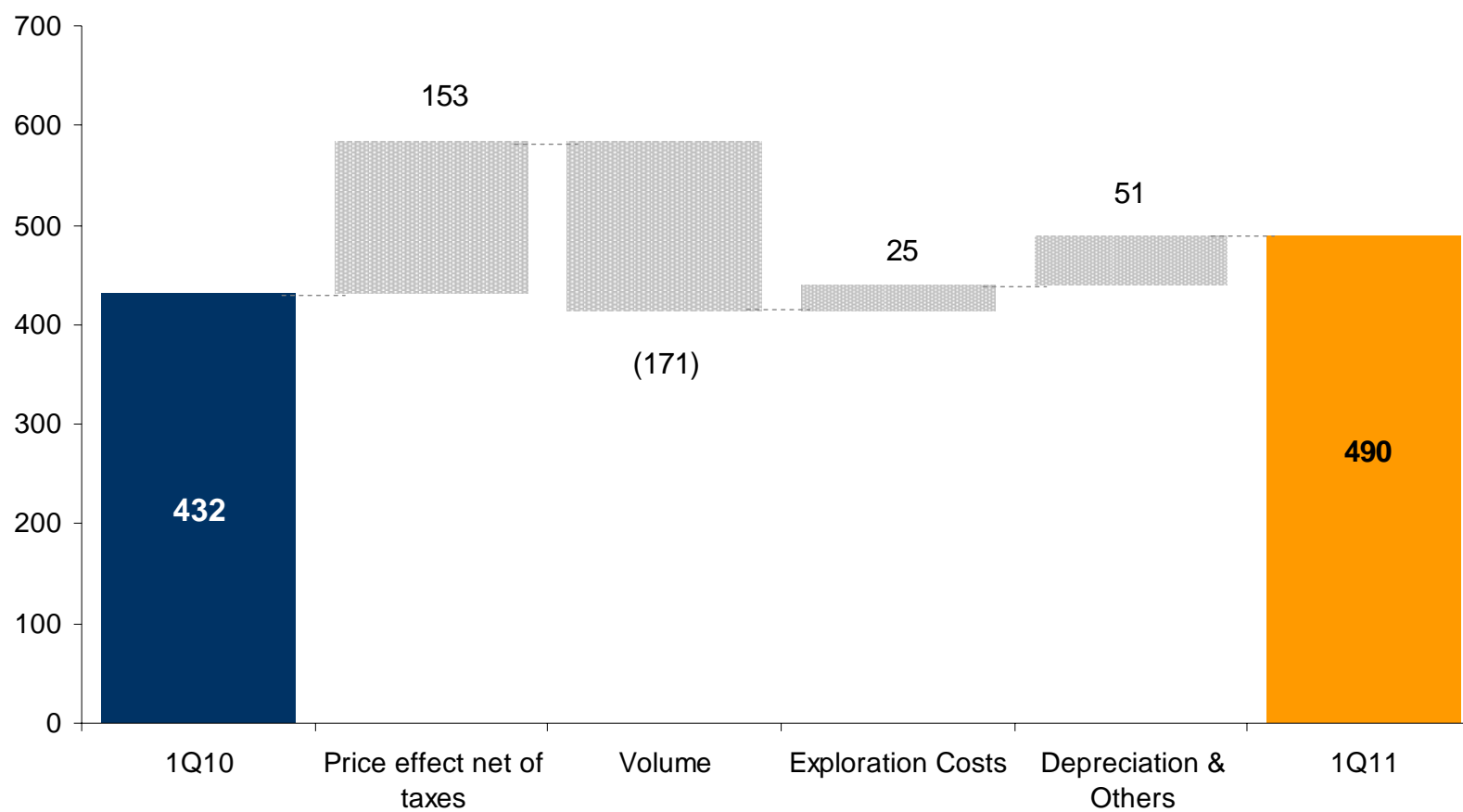


# Q1 2011 Results

## Upstream

### Adjusted Operating Income

Million €

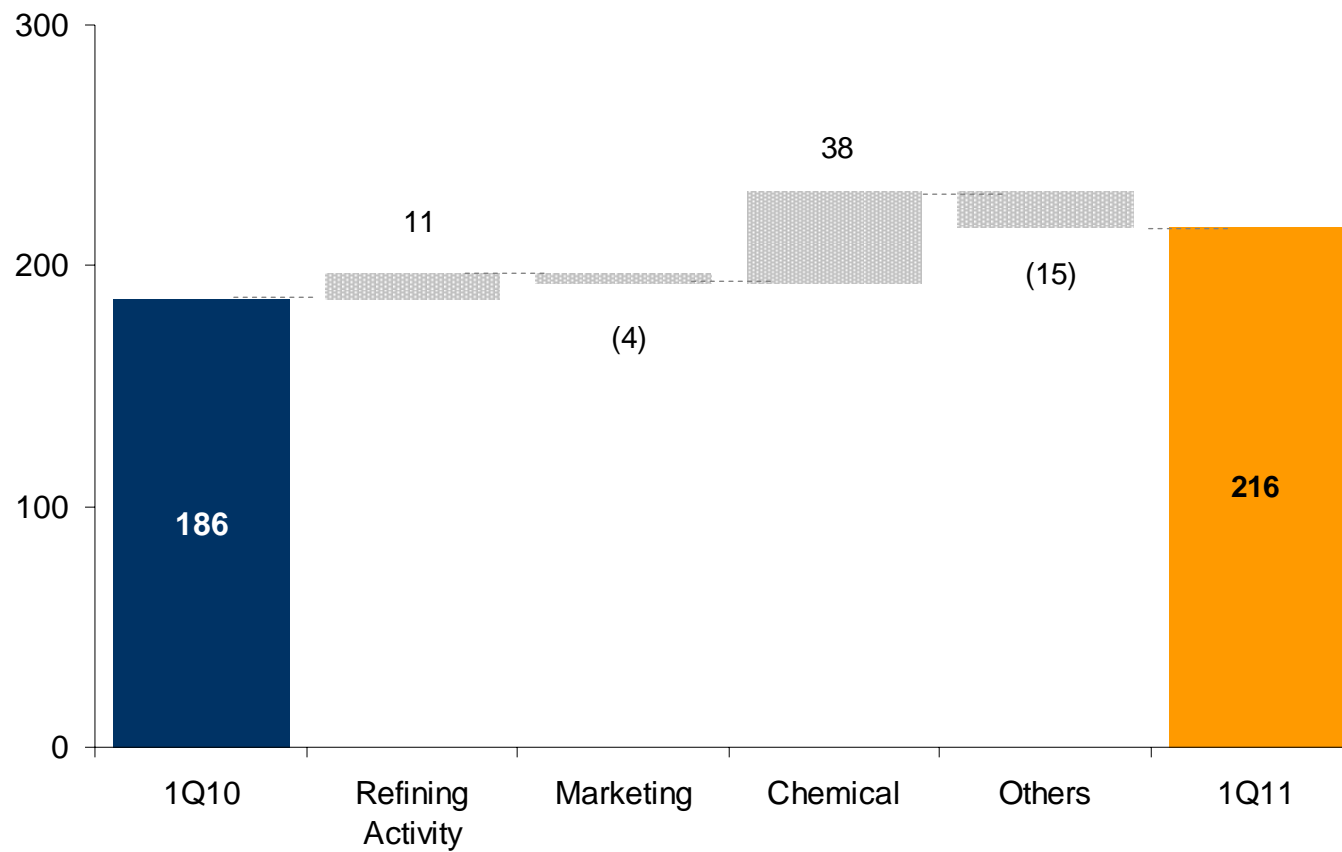


# Q1 2011 Results

## Downstream

Million €

### CCS Adjusted Operating Income



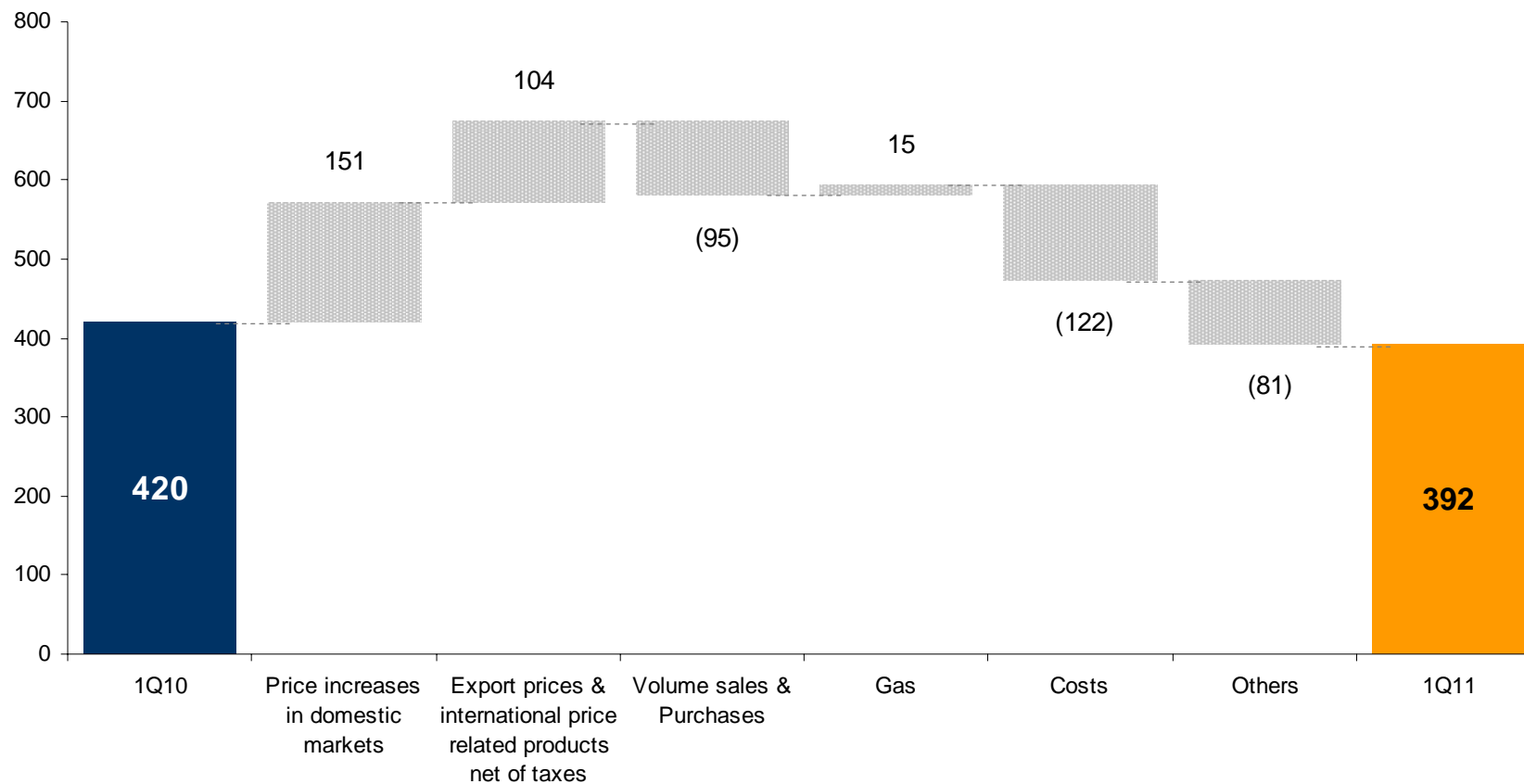


# Q1 2011 Results

## YPF

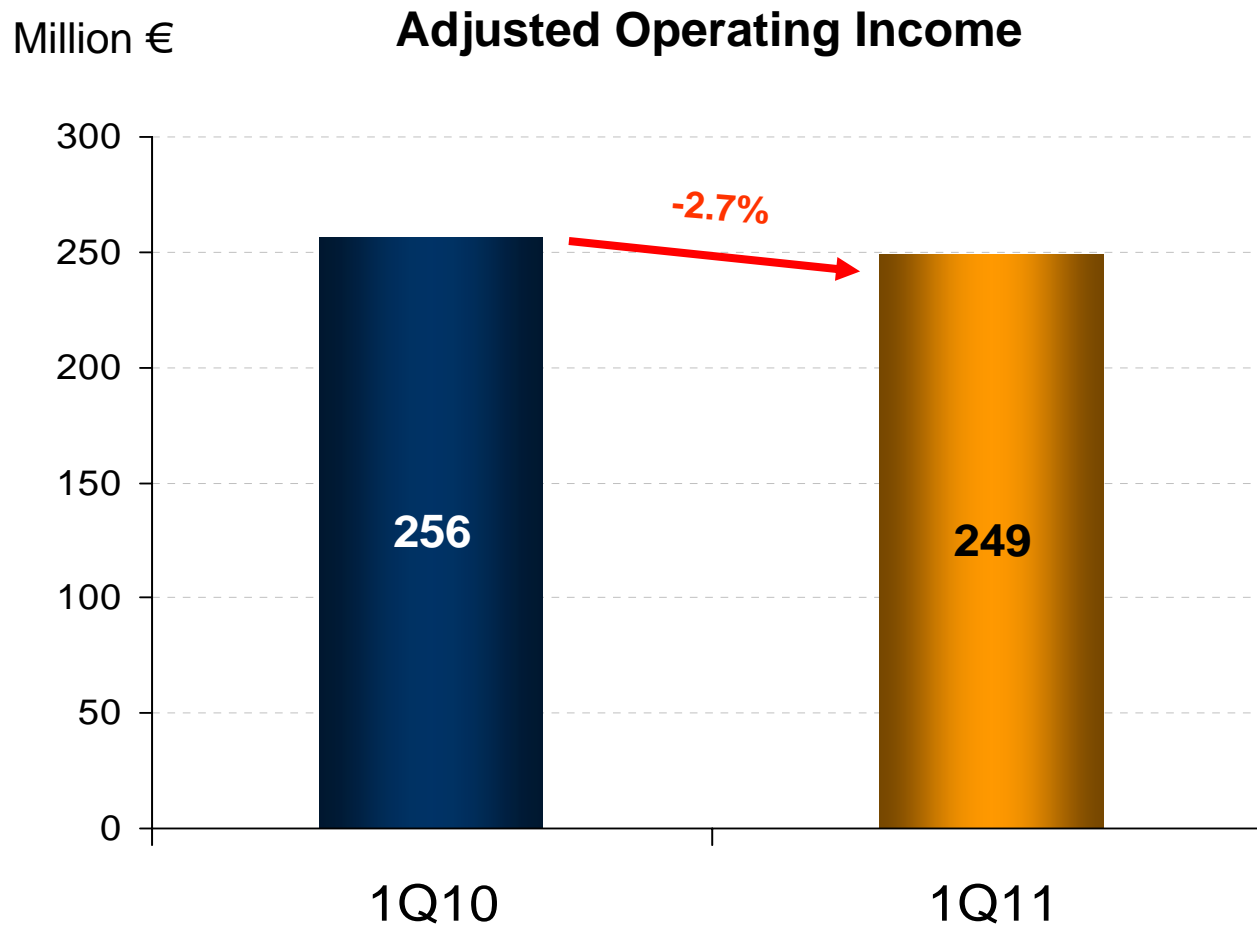
Million €

### Adjusted Operating Income



# Q1 2011 Results

Gas Natural Fenosa



# Agenda

Q1 2011 Outlook

Relevant Issues

Operational Highlights

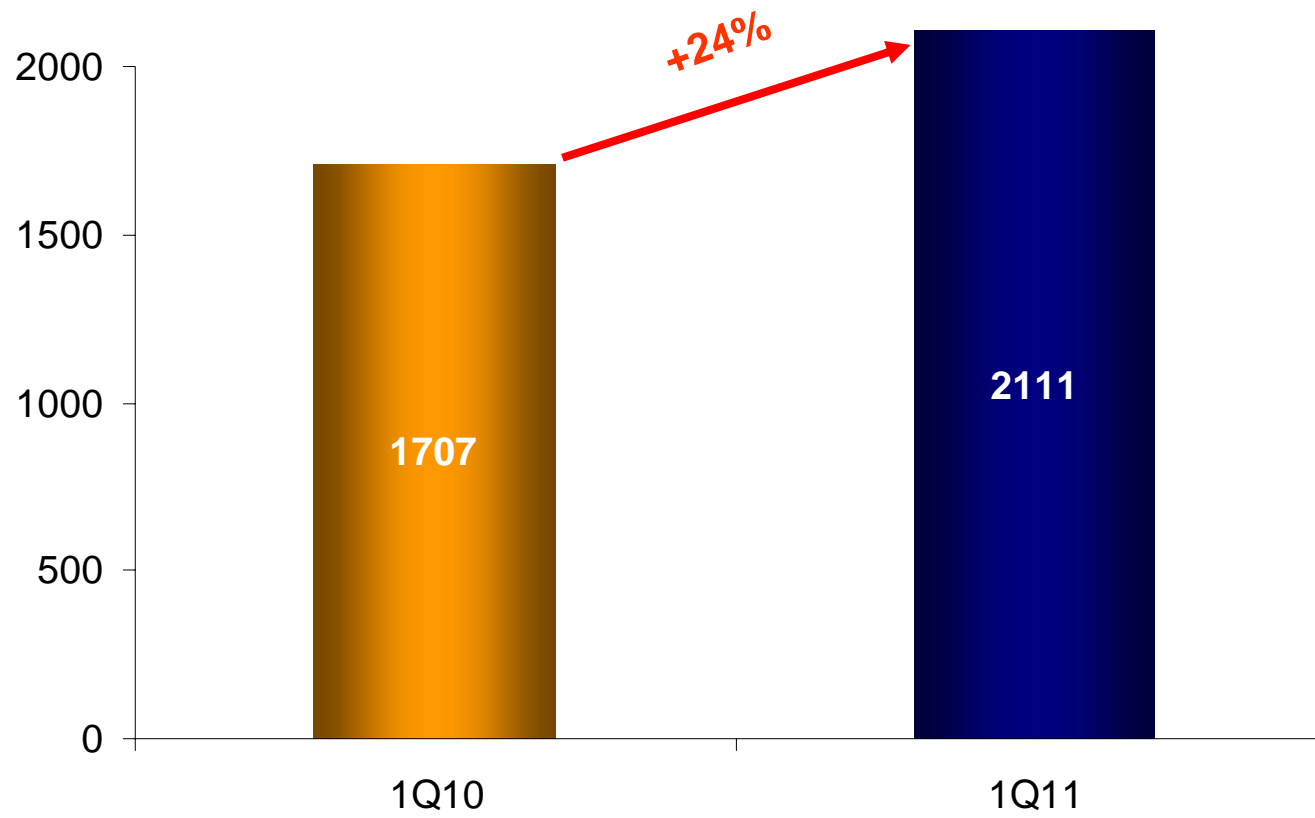
Q1 2011 Results

**Financial Overview**

# Financial Overview

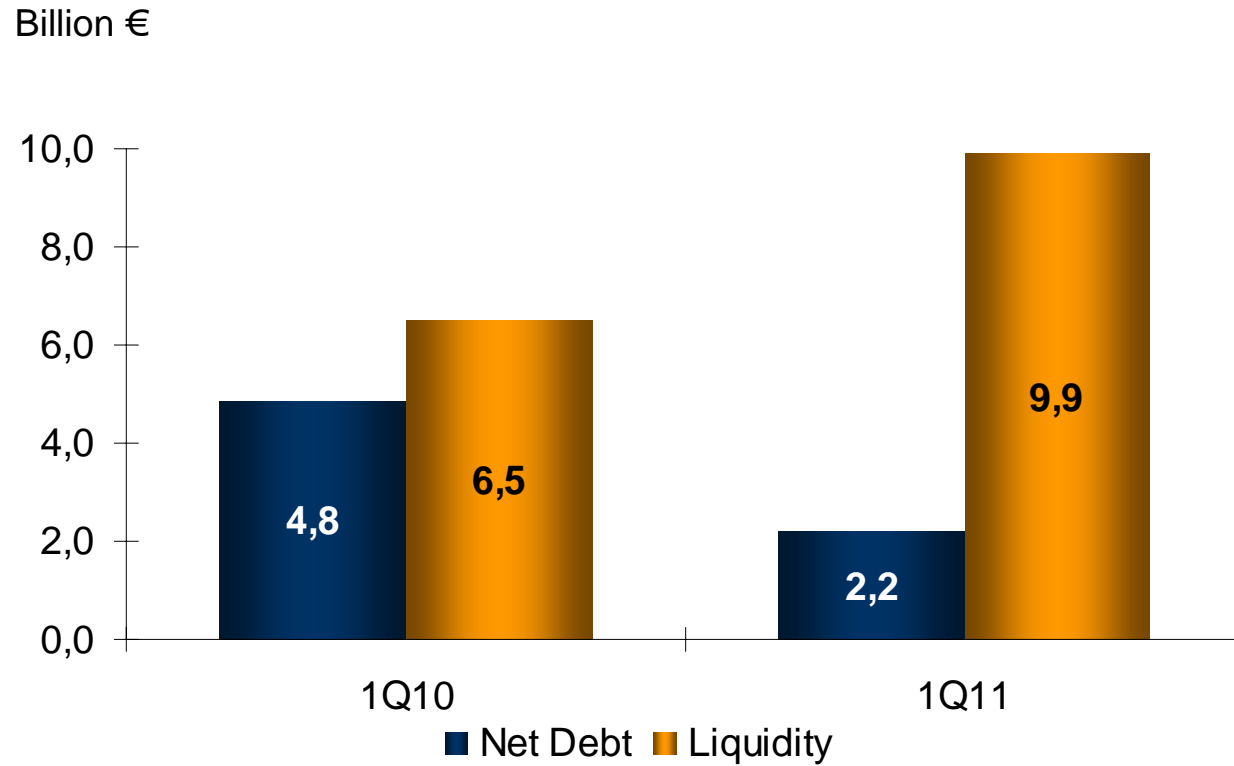
## EBITDA ex Gas Natural

Million €



# Financial Overview

## Liquidity Position



Data Ex Gas Natural

Net Debt (ex Preferred shares) = Gross Debt – Financial Investments – Cash & Equivalents

# Financial Overview

## Credit metrics

<i>Million Euro</i>	31 Mar 10 (Ex Gas Nat.)	31 Mar 11 (Ex Gas Nat.)
NET DEBT	4,843	2,180
CAPITAL EMPLOYED	30,378	31,695
NET DEBT / CAPITAL EMPLOYED (%)	15.9%	6.9%
<hr/>		
EBITDA	1,998	2,111
EBITDA / NET DEBT	1.7	3.9
<hr/>		
NET INTEREST	62	49
NET INTEREST + DIVIDENDS PREFERRED SHARES	92	74
EBITDA / NET INTEREST	32.2	43.3
EBITDA / NET INTEREST + DIVIDENDS PREFERRED	21.7	28.4

## Conclusions

- **2011 is a transition year**
- **Projects 2012, 2013 on time and budget**
- **Long term targets valid**

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