



1Q16 TRADING STATEMENT

April 11th, 2016

TRADING STATEMENT

Repsol's Trading Statement provides provisional information for the first quarter of 2016, including data on the economic environment as well as company performance during the period. Repsol Group 1Q16 results will be published on May 5th, 2016.

The information contained herein may hence be subject to change and could differ from the final numbers that will be reported.

ECONOMIC INDICATORS

		1Q16E *	4Q15	1Q15	Var. 1Q16E/4Q15	Var. 1Q16E/1Q15
Average Dated Brent price ¹	(USD/Bbl)	33.9	43.8	53.9	-22.6%	-37.1%
Average WTI Nymex ²	(USD/Bbl)	33.6	42.2	48.6	-20.4%	-30.9%
Average Henry Hub Nymex ²	(USD/MBtu)	2.1	2.3	3.0	-8.7%	-30.0%
Average Algonquin ¹	(USD/MBtu)	3.3	3.0	11.5	10.0%	-71.3%
Average Exchange rate ³	(USD/€)	1.10	1.10	1.13	0.0%	-2.7%

¹Source: Platts

²Source: Bloomberg

³Source: ECB fixing

OPERATIONAL INDICATORS

UPSTREAM		1Q16E *	4Q15	1Q15 ⁽⁴⁾	Var. 1Q16E/4Q15	Var. 1Q16E/1Q15
Production	(Kboe/d)	715	697	355	2.6%	101.4%
Europe, Africa & Brazil	(Kboe/d)	115	93	43	24.5%	169.2%
Latam & Caribe	(Kboe/d)	305	302	257	1.0%	18.6%
North America	(Kboe/d)	187	198	36	-5.8%	416.4%
Asia & Russia	(Kboe/d)	108	105	18	3.3%	491.8%

⁴The average production for the 1Q15 does not include the contribution of Talisman Energy.

DOWNSTREAM		1Q16E *	4Q15	1Q15	Var. 1Q16E/4Q15	Var. 1Q16E/1Q15
Refining Margin Indicator in Spain	(USD/Bbl)	6.3 ⁽⁵⁾	7.3	8.7	-13.7%	-27.6%
Distillation utilization Spanish Refining	(%)	85.8	89.3	82.6	-3.9%	3.9%
Conversion utilization Spanish Refining	(%)	103.0	104.3	98.8	-1.2%	4.3%
North America Natural Gas Sales	(TBtu)	115.9	72.3	106.9	60.3%	8.4%

Source: Repsol

⁵ Managing the refining business during the quarter improved the actual CCS refining margin approximately by 1 USD/Bbl above the indicator

*Estimated

The most significant company-related events since the fourth quarter 2015 earnings release were:

- After their review, the three Rating Agencies, Standard and Poor's, Moody's and Fitch, **confirmed and maintained our previous ratings**, BBB-, Baa2 and BBB respectively.
- S&P restored the "intermediate" equity content of Repsol's 2 Billion Euros hybrid bonds in accordance with a **deed of undertaking**, whereby the Issuer waives the right to early redeem the Securities in certain circumstances.
- Repsol amortized approximately 601 million dollars of Repsol Oil Gas Canada Inc. (formerly Talisman Energy inc.) debt again, **reducing its financing costs**. The total amount amortized as of today stands at 2.3 billion dollars as shown in the table:

MUSD	Bond	Bond	Bond	Bond	Bond	Bond	Bond	TOTAL
	7.750%	3.750%	7.250%	5.750%	5.850%	6.250%	5.500%	
	06/01/2019	02/01/2021	09/15/2027	05/15/2035	02/01/2037	02/01/2038	05/15/2042	
Initial amount outstanding	700	600	300	125	500	600	600	3,425
Total notional repurchased	336	359	246	36	369	481	503	2,330
Notional pending	364	241	54	89	131	119	97	1,095

- The Board of Directors of Repsol, S.A. resolved to convene the **Annual Shareholders' Meeting** in Madrid on May 19, 2016 at 12:00 noon on first call, and at the same time and place on May 20, 2016, on second call. The Annual Shareholders' Meeting is expected to be held on **second call**, that is, on 20 May 2016.
- Repsol reached an agreement for the sale of its **offshore wind power business** in the United Kingdom to SDIC of China for 238 million euros. The cash from this sale is expected to be received during the second quarter of 2016.
- The **Group's net debt estimation** at the end of the first quarter of 2016 is similar to what it was at the end of 2015.

This document does not constitute an offer or invitation to purchase or subscribe shares, pursuant to the provisions of the Spanish Securities market Law [Law 24/1988 of the 28th of July, as amended and restated] and its implementing regulations. In addition, this document does not constitute an offer to purchase, sell, or exchange, neither a request for an offer of purchase, sale or exchange of securities in any other jurisdiction.

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

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