

**REPSOL**



# Repsol YPF First Quarter 2009 Preliminary Results

**WEBCAST – CONFERENCE CALL**

**May 8<sup>th</sup>, 2009**

**Repsol YPF  
1Q09 Preliminary Results**

**May 2009**

# Disclaimer



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*This document contains statements that Repsol YPF believes constitute forward-looking statements within the meaning of the US Private Securities Litigation Reform Act of 1995. These forward-looking statements may include statements regarding the intent, belief, or current expectations of Repsol YPF and its management, including statements with respect to trends affecting Repsol YPF's financial condition, financial ratios, results of operations, business, strategy, geographic concentration, production volume and reserves, as well as Repsol YPF's plans, expectations or objectives with respect to capital expenditures, business, strategy, geographic concentration, 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. 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 YPF's control or may be difficult to predict.*

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*Finally, please note that the information contained in the document has not been verified or revised by the Auditors of Repsol YPF.*



# 1Q 2009 HIGHLIGHTS

**Miguel Martínez**  
COO

# 1Q 2009 Highlights



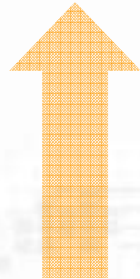
## World macroeconomic environment

**Quite good quarterly results** despite macroeconomic scenario:

- Plunge in oil and gas prices
- General drop in demand

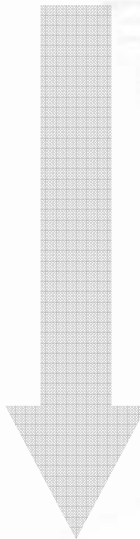
**963 M€ CCS Operating Income** (28% lower YoY vs 54% drop in Brent prices)

## 1Q 2009: BUSINESS EVOLUTION



- **DOWNSTREAM & GAS NATURAL** better performance YoY

- Downstream strength: adjusted CCS operating income of 311 M€, 26% higher than 1Q08



- **UPSTREAM**

- Drop in oil and gas prices

- **YPF:**

- Lower international prices

# 1Q 2009 Highlights



## 1Q 2009: MACRO ENVIRONMENT

**First quarter of the year defined by the following variables:**

- Lower prices YoY
- Lower refining margins
- Strong marketing margins
- Plunging global demand
- Strength of the dollar vs. the euro



# 1Q 2009 RESULTS

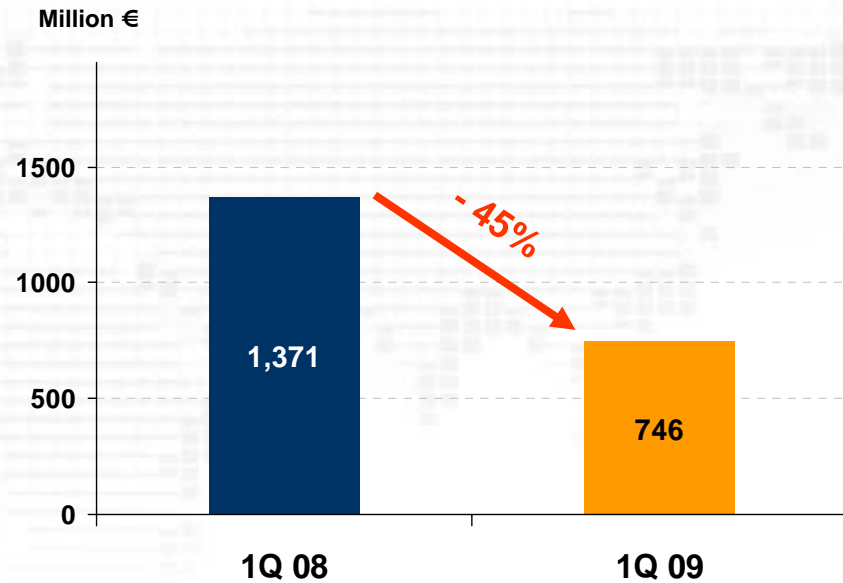
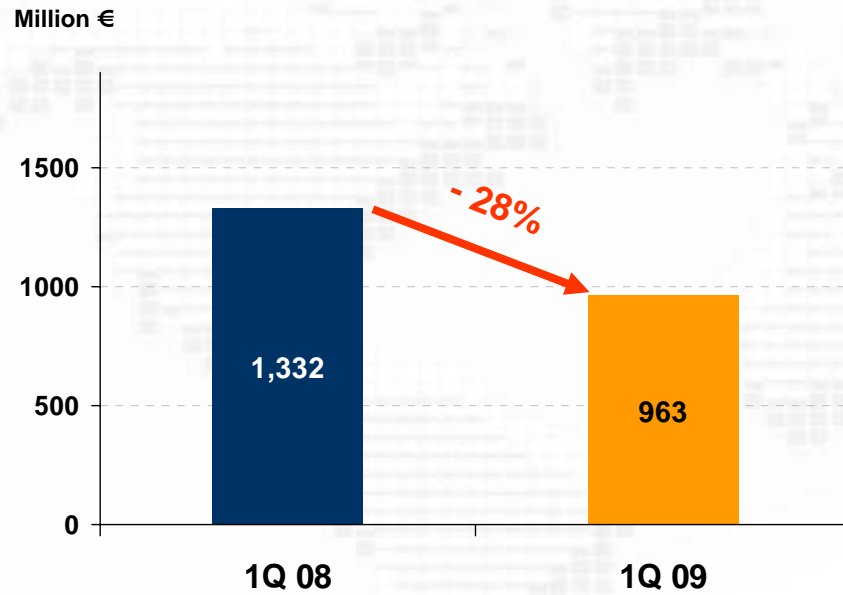
**Miguel Martínez**  
COO

# 1Q 2009 Results



CCS Operating Income

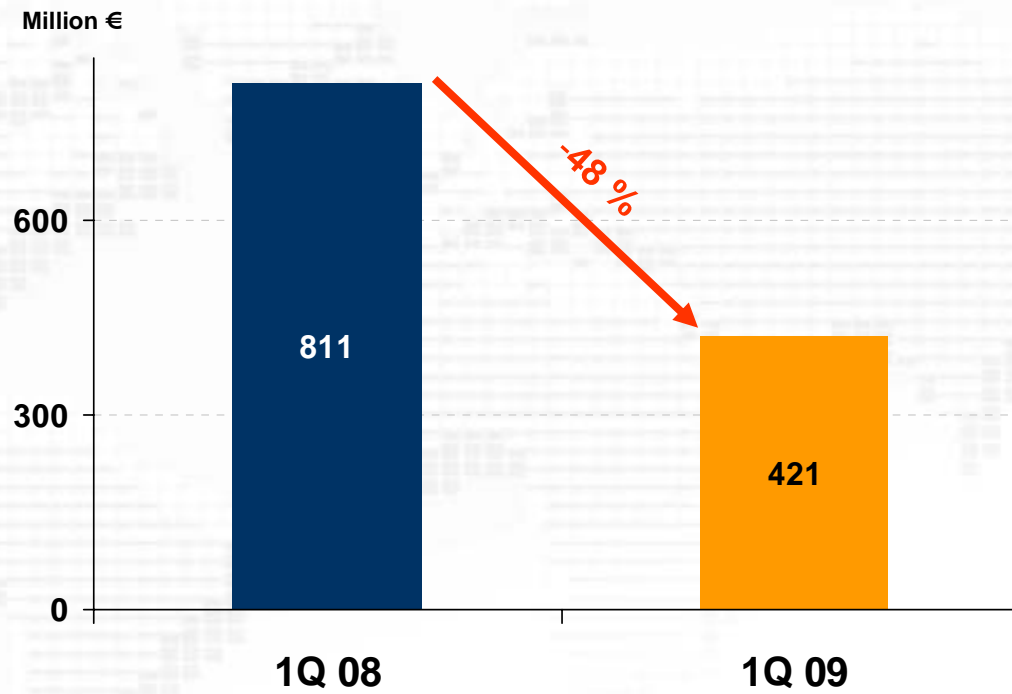
CCS Adjusted Operating Income







## CCS Adjusted Net Income

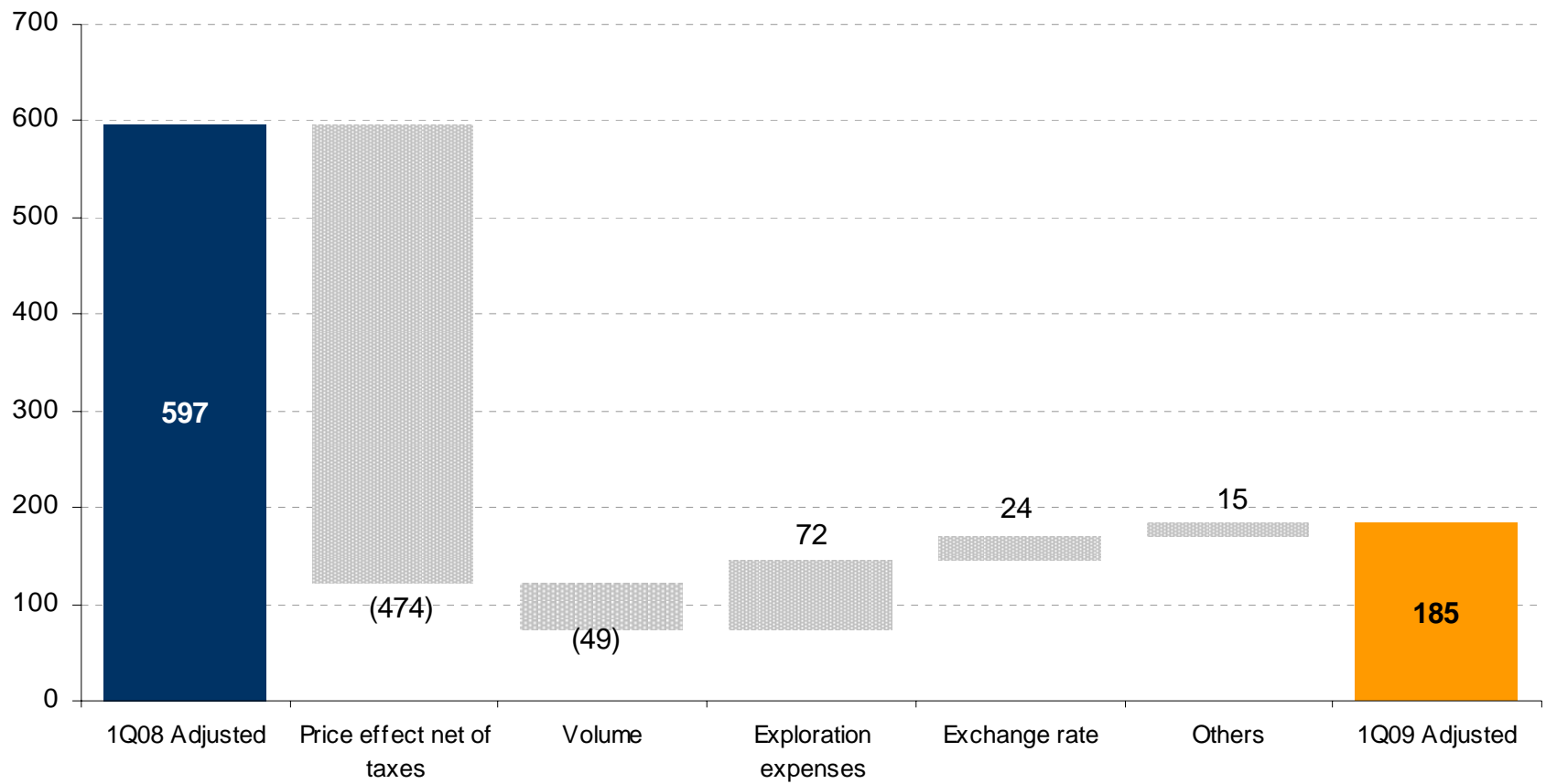


# 1Q 2009 Upstream Results



## UPSTREAM: Adjusted Operating Income

Million €

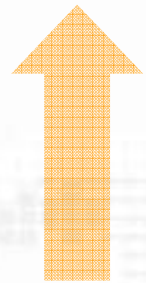


# 1Q 2009 LNG Results

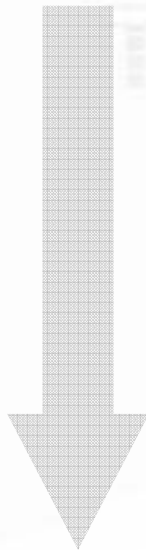


## Adjusted Operating Income

### L N G

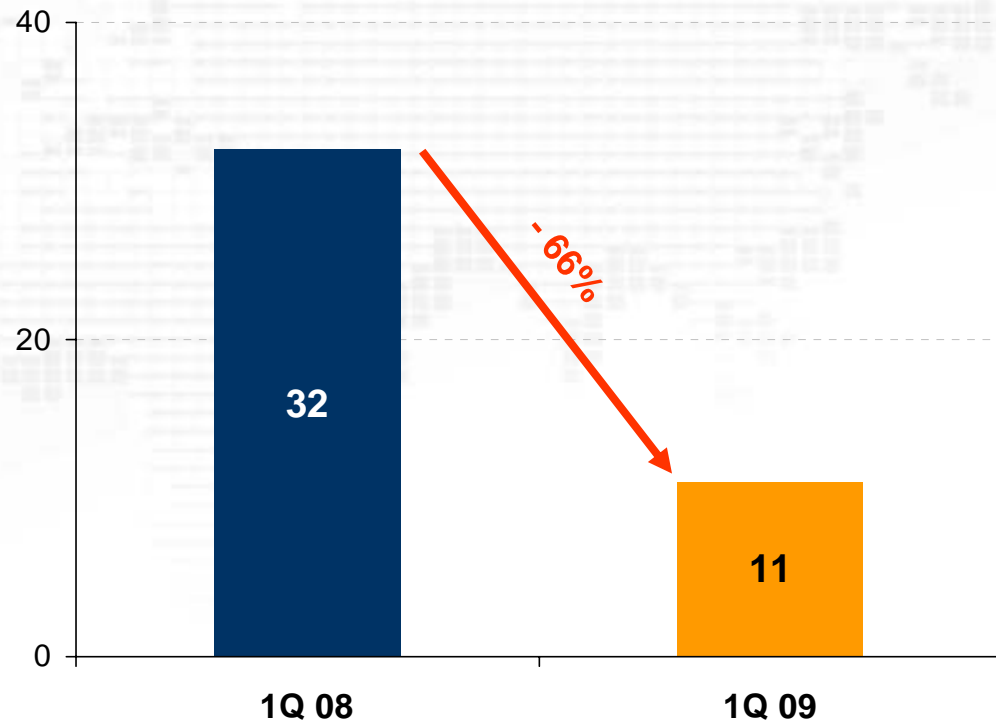


- Higher volume sales in T&T



- Drop in the electricity pool price in Spain
- Lower sales in CCGT
- Lower volume and margins in the marketing segment
- Almost no possibilities of high margin trading with the Asian markets

Million €

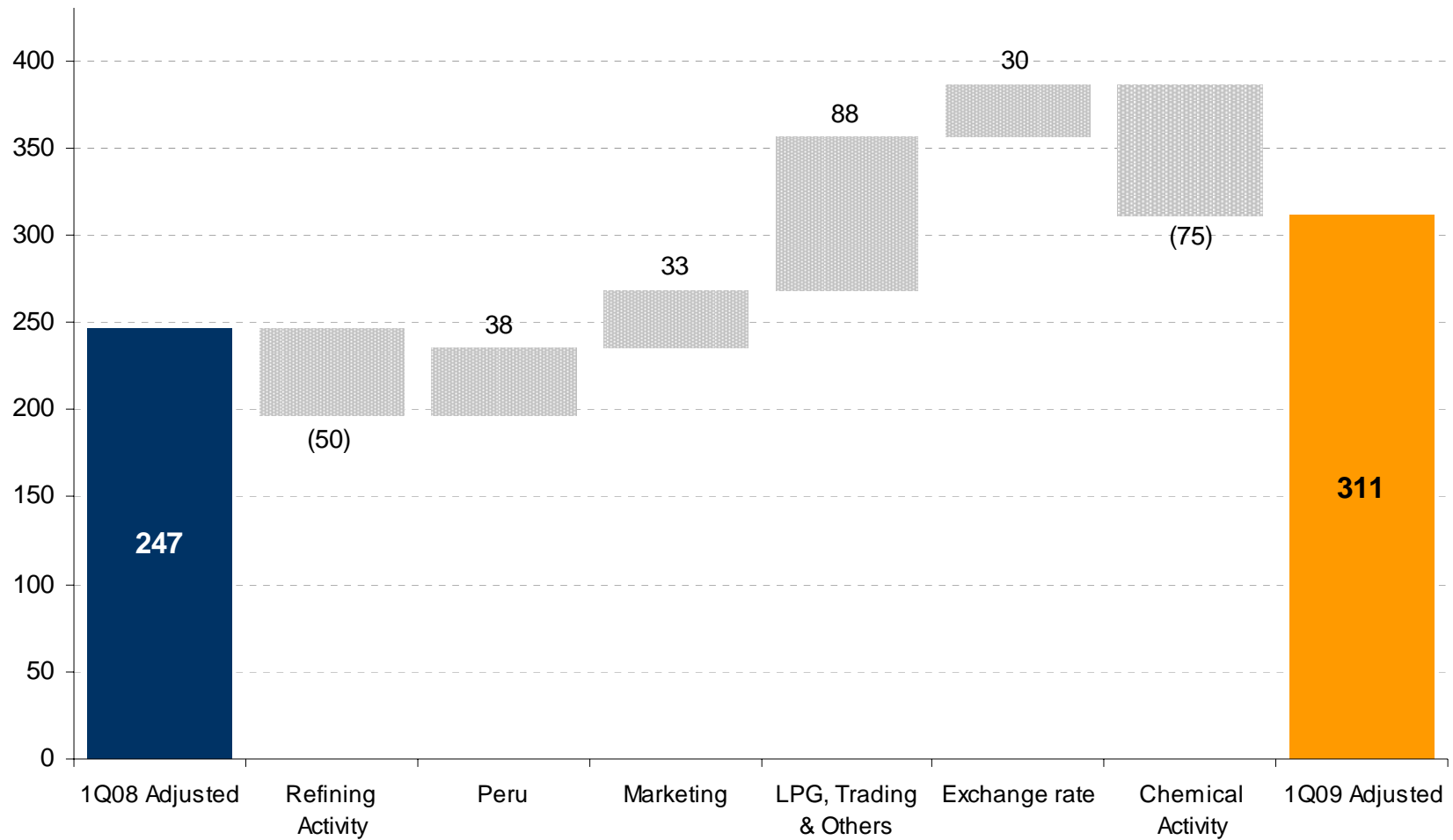


# 1Q 2009 Downstream Results



## DOWNSTREAM: CCS Adjusted Operating Income

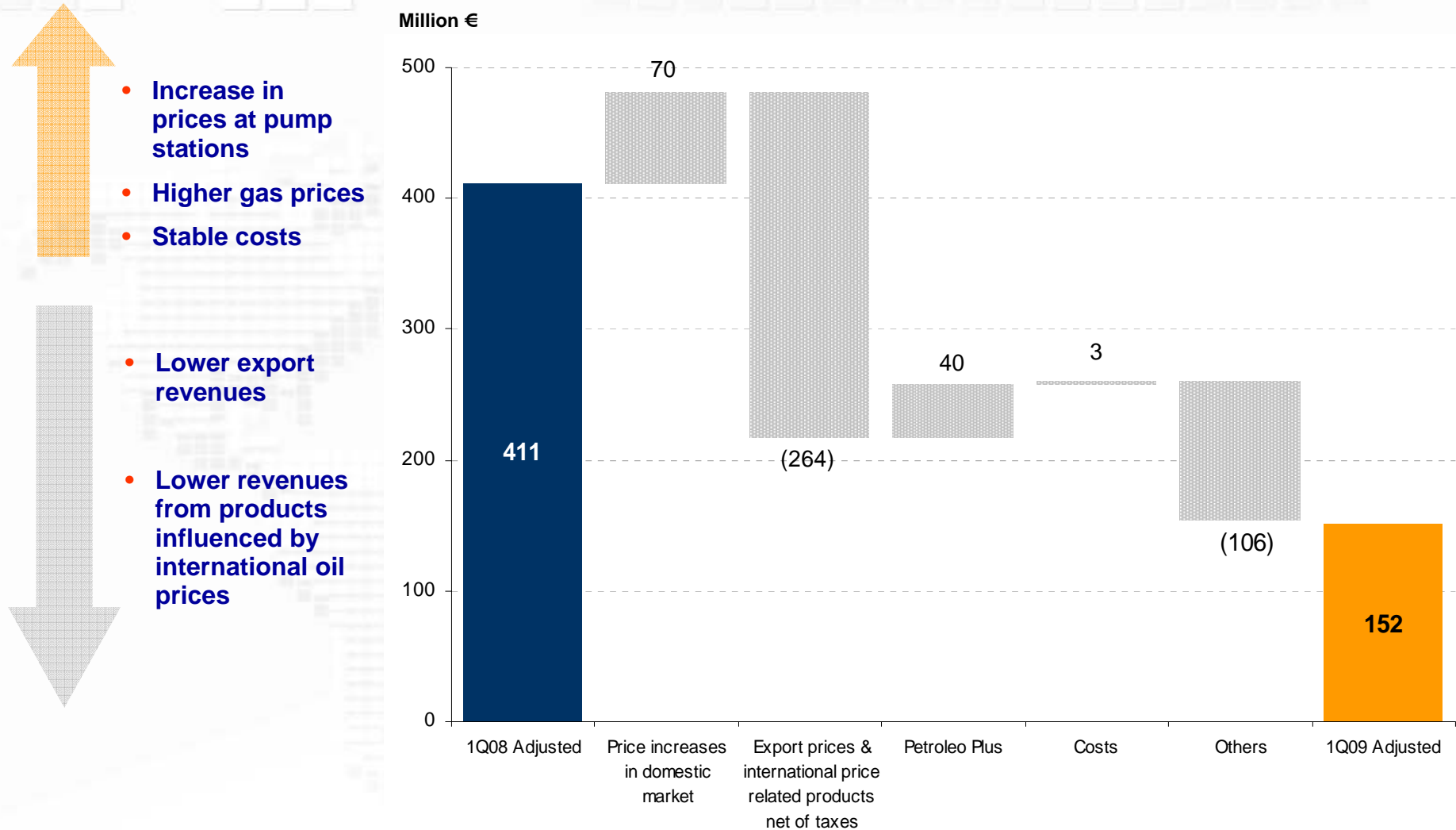
Million €



# 1Q 2009 YPF Results



## YPF: Adjusted Income from Operations

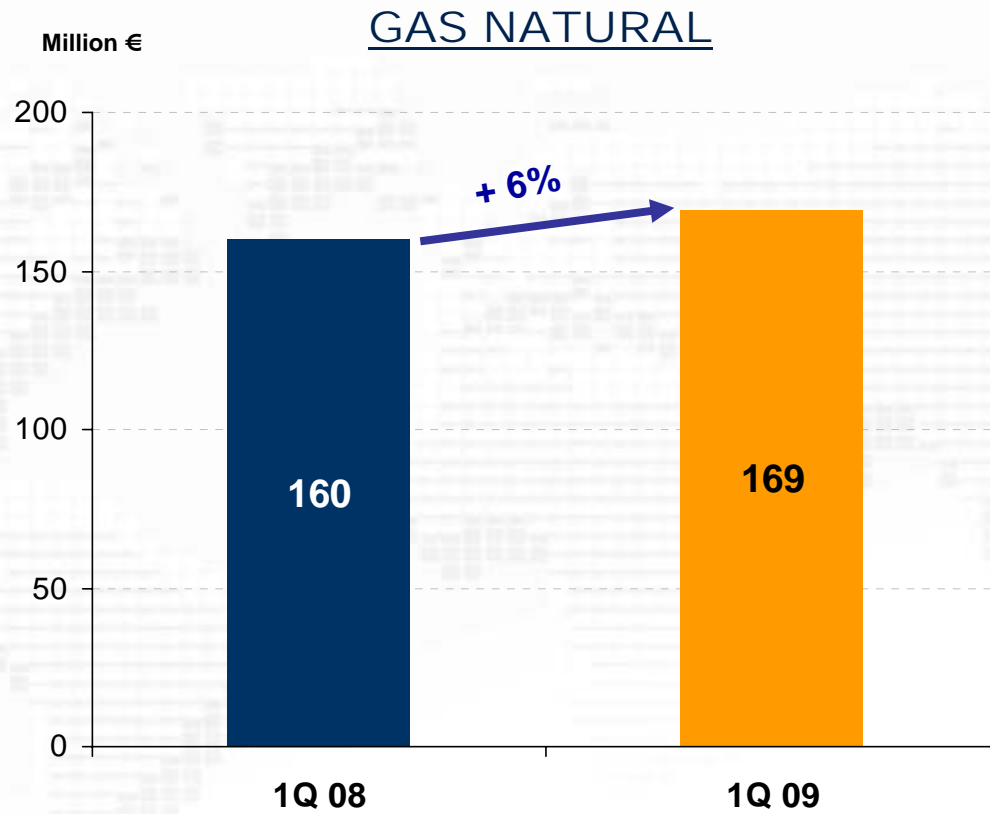


**NOTE:** 1 M € rounding up (down) adjustment

# 1Q 2009 GAS NATURAL Results



## Adjusted Operating Income



# 1Q 2009 Results



## RESULTS HIGHLIGHTS:

**Strong Downstream and Gas Natural activities mitigate the impact of the**

- Weak Chemical business
- Lower oil prices in Upstream
- Lower international prices on YPF revenues

**Effective corporate tax for this quarter was 39.5%.**

# 1Q 2009 MAIN DEVELOPMENTS

Miguel Martínez  
COO



# 1Q 2009 Main Developments



## UPSTREAM:

### 1.- Exploration Success: 10 new discoveries

- **In Brazil:**
  - Piracucá in BMS-7 block, with estimated resources of 550 M Boe in place
  - Panoramix, in BMS-48 block (Repsol operator)
  - Iguazú, in BMS-9 block
  
- **In GOM,** a discovery at the Buckskin prospect (Repsol operator)
  
- **In North Africa:**
  - Four discoveries in Algeria (Repsol operator)
  - Block NC-202 in Libya (Repsol operator)
  - Anchois in Morocco (Repsol operator)

**2.- Start Up of Shenzi:** Shenzi field came on stream in March, slightly ahead of schedule and on budget. Production volumes are meeting expectations

# 1Q 2009 Main Developments



## 3.- DOWNSTREAM: Temporary suspension of operations at the Cartagena Refinery

- In current scenario, with depressed margins and demand, the integration at our refineries contributes greater differential value
- Production capacity of Cartagena compensated temporarily by Repsol's other refineries
- Market supply not affected

## 4.- Investment Plan on track

- Investment Plan remains on track
- Adjustments are being made as required by current situation
- Despite the difficult scenario, we remain focused on creating long-term value with financial discipline

# 1Q 2009 Main Developments



## **5.- Cost Savings Plan:**

- Implemented by the Company at the beginning of 2009
- Savings in the first quarter of the year are in line with our expectations
- More than 800 initiatives being monitored

## **6.- Bond issue:**

- 5-year bond issue carried out in March for 1,000 M€. Spread of 370 basic points over mid swap reference
- The aim of this transaction, is to enable us to maintain a comfortable cash position



# 1Q 2009 FINANCIAL RESULTS

Miguel Martínez  
COO

# Credit metrics overview



Million Euro

	31 Dec 2008	31 Mar 2008	31 Mar 2009	31 Mar 09 (Ex Gas Nat.)
NET DEBT	3,334	2,357	5,376	3,181
CAPITAL EMPLOYED	28,128	25,940	31,289	27,883
NET DEBT / CAPITAL EMPLOYED (%)	11.9%	9.1%	17.2%	11.4%
<hr/>				
EBITDA	8,160	2,422	1,443	1,209
EBITDA / NET DEBT <sup>(1)</sup>	2.4	4.1	1.1	1.5
<hr/>				
NET INTEREST	211	62	69	41
NET INTEREST + DIVIDENDS PREFERRED SHARES	421	113	111	82
EBITDA / NET INTEREST	38.6	39.1	20.8	29.4
EBITDA / NET INTEREST + DIVIDENDS PREFERRED	19.4	21.4	13.0	14.7

(1) Annualized figures

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