Matters discussed in this presentation may constitute forward-looking statements. Forward-looking statements are statements other than in respect of historical facts. The words “believe,” “expect,” “anticipate,” “intends,” “estimate,” “will,” “may,” “continue,” “should” and similar expressions identify forward-looking statements. Forward-looking statements may include statements regarding: objectives, goals, strategies, outlook and growth prospects; future plans, events or performance and potential for future growth; liquidity, capital resources and capital expenditures; economic outlook and industry trends; developments of Galp Energia’s markets; the impact of regulatory initiatives; and the strength of Galp Energia’s competitors. The forward-looking statements in this presentation are based upon various assumptions, many of which are based, in turn, upon further assumptions, including without limitation, management’s examination of historical operating trends, data contained in Galp Energia’s records and other data available from third parties. Although Galp Energia believes that these assumptions were reasonable when made, these assumptions are inherently subject to significant known and unknown risks, uncertainties, contingencies and other important factors which are difficult or impossible to predict and are beyond its control. Such risks, uncertainties, contingencies and other important factors could cause the actual results of Galp Energia or the industry to differ materially from those results expressed or implied in this presentation by such forward-looking statements.

The information, opinions and forward-looking statements contained in this presentation speak only as at the date of this presentation, and are subject to change without notice. Galp Energia does not intend to, and expressly disclaim any duty, undertaking or obligation to, make or disseminate any supplement, amendment, update or revision to any of the information, opinions or forward-looking statements contained in this presentation to reflect any change in events, conditions or circumstances.
A FOCUSED MANAGEMENT TEAM

Chief Executive Officer
Manuel Ferreira De Oliveira

CFO
Francesco Antonietti

Head of Refining, Supply and Logistics
José António Marques Gonçalves

Head of Power
André Freire de Almeida Palmeiro Ribeiro

Head of E&P and International Oil
Fernando Manuel dos Santos Gomes

Head of Oil Marketing
João Pedro Leitão Pinheiro de Figuereido Brito

Head of Natural Gas
Massimo Guiseppe Rivara
A TOTAL RETURN OF 102% IN ONE YEAR

Source: Bloomberg
PROVEN TRACK RECORD ON IMPLEMENTATION
GROWING WITH A MORE BALANCED PORTFOLIO

Target
- R&M: 50%
- E&P: 25%
- G&P: 25%

1H2007
- R&M: 57%
- E&P: 17%
- G&P: 26%
481 M€

2006
- R&M: 59%
- E&P: 8%
- G&P: 33%
958 M€

2005
- R&M: 63%
- E&P: 5%
- G&P: 32%
877 M€

EBITDA adjusted Breakdown

Investor Day
TOWARDS A MORE INTEGRATED OIL BUSINESS

- **E&P**: 150 Kbbl/d
- **Refining**: 300 Kbbl/d
- **Marketing**: 300 Kbbl/d

- **Building an E&P Portfolio**
- **Improving refining competitiveness**
- **Distributing refining throughput**

To be achieved
TOWARDS A MORE INTEGRATED GAS & POWER PORTFOLIO

New sources

New businesses

Current

Sourcing contracts
Supply Portugal
Trading

Target

New sourcing contracts
Midstream
Trading
Gas to Power
Supply Spain
Supply Portugal
CAREFULLY MANAGING THE ENVIRONMENTAL RISK

- Licenses for 2008-2012 period on PNALE’s EU approval
- Expected reduction in CO2 emissions in line with estimated PNALE reduction
- New projects consider CO2 cost
- Actively developing clean energy projects

Galp CO2 emissions balance (Mton)

<table>
<thead>
<tr>
<th></th>
<th>2007 Licences</th>
<th>2007E CO2 emissions</th>
<th>Surplus 2007E</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007 Licences</td>
<td>3.4</td>
<td>3.3</td>
<td>0.2</td>
</tr>
</tbody>
</table>

1 PNALE – Portuguese Emissions’ Licence Allocation Plan
BIOFUELS IS A NATURAL CORE BUSINESS TO GALP

Oil value chain:
- Mineral oil production
- Logistics
- Refining
- Logistics
- Distribution

Biofuels value chain:
- Vegetable oil production
- Logistics
- Biorefining
- Logistics
- Distribution

- Negotiation of agreements sharing production and commercial risks
- Residual investment required
- Focus on Biodiesel II much more technology advanced and competitive than current biodiesel (FAME¹)
- No additional investment needed
  Strong position in distribution

¹ FAME – Fatty Acid Methyl Ester

Investor Day
STRATEGIC PRESENCE IN AFRICAN DOWNSTREAM

Galp presence in Africa

- GDP growth of 15% in Angola in 2006 (35%-2007E)
- Positive EBITDA contribution (10M€)
- Leverage on Galp’s access to oil & gas upstream and biodiesel feedstock

An option to grow
TO BECOME AN INTEGRATED ENERGY COMPANY

- The right assets
- The right strengths
- The right opportunities

Integrated expansion focusing on return

Sustained value creation
EXPLORATION & PRODUCTION

Lisbon, 22 October 2007

Fernando Gomes
LONG TERM PEAK OIL PRODUCTION ON CURRENT PORTFOLIO EXPECTED AT 80 KBBL/D

- **4 blocks** offshore
- **10 blocks** offshore
- **3 areas** onshore

**Working production evolution**

- **2004**: 1.9 Mbbl
- **2005**: 1.8 Mbbl
- **2006**: 3.5 Mbbl
- **2007E**: 6.2 Mbbl
- **2012E**: 12.4 Mbbl

Strong growth still to be extracted from current portfolio

1 Corresponds to 44 onshore blocks
### GAINING SCALE IN E&P WITH LIMITED RISK PROFILE

**Rationale**
- Building an E&P portfolio
- Attractive 14% IRR assuming 35 Usd/bbl
- Balancing political and geopolitical risk
- Global market to expand activity

**Strengths**
- Flag carrier, with strong ties with Portuguese speaking countries
- Ability to exploit geopolitical opportunities
- Partnership with NOC’s (Petrobras, Sonangol) and IOC’s (ENI, Chevron, Total)

<table>
<thead>
<tr>
<th>Year</th>
<th>Refining Coverage</th>
<th>Working Production Target (Kbbl/d)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2008E</td>
<td>7%</td>
<td>18</td>
</tr>
<tr>
<td>2012E</td>
<td>11%</td>
<td>34</td>
</tr>
<tr>
<td></td>
<td></td>
<td>150</td>
</tr>
</tbody>
</table>

Long term target 50%
EVALUATING NEW OPPORTUNITIES TO SUPPORT FURTHER GROWTH

• 9th round: 312 blocks being auctioned, onshore and offshore
• Galp already present in some of the basins
• Partnership with Petrobras

• MoU signed with PDVSA to study the development of several projects (short, medium and long term)
  • ST: to enter into producing fields
  • MT: Stake in a NG upstream project and a liquefaction plant
  • LT: Certification of reserves at Orinoco Belt

• A new bidding round is being launched:
  • 3 onshore blocks (Cabinda Centro, Block 11 and Block 12)
  • 7 offshore Blocks including shallow, deep and ultra deep water

1 Due to force majeure, Sonangol has put the block for auction. Galp didn’t have to pay the bonus fee of this project.
CONTINGENT RESOURCES’ EVOLUTION CONFIRMS QUALITY OF EXPLORATION ASSETS IN ANGOLA (BLOCKS 14, 14K AND 32)

<table>
<thead>
<tr>
<th>Million bbl</th>
<th>June 30, 2006</th>
<th>Dec 31, 2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reference crude price (Usd/bbl)</td>
<td>62.5</td>
<td>65.0</td>
</tr>
<tr>
<td><strong>Net entitlement</strong>¹</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Proved (P1)²</td>
<td>35.6</td>
<td>35.7</td>
</tr>
<tr>
<td>Proved + Probable (P2)²</td>
<td>41.4</td>
<td>50.4</td>
</tr>
<tr>
<td><strong>Working reserves</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contingent Resources³</td>
<td>43.2</td>
<td>68.1</td>
</tr>
</tbody>
</table>

Source: Gaffney, Cline & Associates

¹ Net entitlement interest reserves are Galp’s share of contractor entitlement to field reserves under the PSA.
² Block 14: Kuito, BBLT and TL only
³ Include other fields and discoveries of Blocks 14 (Negage, Gabela e Lucapa), Block 14K and Block 32
**Key highlights**

- 11 commercial discoveries
- 2 recent discoveries: Lucapa-1 and Malange-1
- More than 50 prospects identified
- 16 exploration and 16 appraisal wells drilled
- Exploration period expired on February 2007

**Next steps**

- Appraisal wells planned for 2008
- Definition of development areas already requested

**Location**

Area: 3,600 km²  
Water depths: 200 – 2,000 m  
Galp Energia share: 9%  
Operator: Chevron  
PSA*: Yes

*PSA – Production Sharing Agreement*
**Key highlights**

- 12 commercial discoveries
- Two 3D seismic acquisitions covering whole block
- More than 20 prospects identified
- 16 exploration wells drilled
- 2 appraisal wells drilled

**Next steps**

- Full screening of potential development plans
- Appraisal wells expected in 2008
- Definition of Development Areas
- 3D long offset seismic processing

**Location**

Area: 5,090 km²
Water depths: 1,400 – 2,000 m
Galp Energia share: 5%
Operator: Total
PSA*: Yes

*PSA – Production Sharing Agreement
BM-S-11 – KEY ASSET

**Key highlights**

- Tupi discovery
  - Opening of a new hydrocarbon play
  - Hydrocarbons in place: 1.7 to 10 billion boe
- Tupi Sul appraisal well proved the southern extension of Tupi discovery, located 9.5 km away
- Iara Area in 3rd Exploration Phase

**Next steps**

- Continue evaluation of Tupi Area
- Evaluate further prospects
- Exploration wells planned for 2008

**Location**

- Area: 2,600 km²
- Water depths: 2,000 – 2,400 m
- Galp Energia share: 10%
- Operator: Petrobras
- PSA*: No

*PSA – Production Sharing Agreement*
UNDERSTANDING A PRODUCTION SHARING AGREEMENT

Working Production

Total Production

Equity Production

Contractor

Profit Oil

Net Profit Oil

Oil Tax

Cost Oil

Concessionaire

Shared between the contractor and the Concessionaire at the terms agreed in the contract. Varies from 10% to 70%, depending on current IRR.

Fraction of production that is allocated to recovering the contractor’s costs, between 50%-65%.
WORKING PRODUCTION TO DOUBLE ON BLOCK 14

Working Production

- Tômbua - Lândana production from CPT to start in 2010
- Increase weight of light oil in working production
- Natural production decline of Kuito field
- Increase of BBLT contribution in production portfolio
**Key highlights**

- Producing fields: Kuito, BBLT, TL
- Kuito works for development definition after FPSO contract finished
- Optimization works to lift BBLT production above nominal capacity

**Next steps**

- Pursue TL EPCI\(^1\)
- Pursue Negage pre-development studies
- Pursue Gabela viability studies

---

\(^1\) Engineering, Procurement, Construction and Installation

---

*PSA – Production Sharing Agreement
Key highlights

- 2 commercial discoveries
- 3 prospects identified
- 3 exploration wells drilled
- 1 appraisal well drilled in 2007
- Date of Lianzi Commercial Discovery effective since May 2006

Next steps

- Pursue Pre-Development Studies
- Pursue Uncertainty Management Plan execution (fiscal, commercial)

Location

- Area: 700 km²
- Water depths: 500 – 1,000 m
- Galp Energia share: 4.5%
- Operator: Chevron
- PSA*: Yes

*PSA – Production Sharing Agreement
**Key highlights**

- 3D seismic survey covering whole block
- 1 discovery
- 5 exploration wells drilled
- Calulú Provisional Development Area approved by concessionaire
- Initial Exploration Phase expired on May 2005

**Next steps**

- Waiting for concessionaire to appoint new operator

**Location**

- Area: 4,925 km²
- Water depths: 1,800-2,500m
- Galp Energia share: 5%
- Operator: To be known
- PSA*: Yes

*PSA – Production Sharing Agreement*
Key highlights

- 3 blocks: BM-S-8, BM-S-21 and BM-S-24
- 3D seismic survey completed
- More than 10 prospects identified
- 2 exploration wells being drilled

Next steps

- Geologic & Geochemical studies under way
- Exploration wells planned for 2008
- Evaluate further prospects

Location

Area: 4,800 km²
Water depths: 1,600 – 2,500 m
Galp Energia share:
  BM-S-8 - 14%
  BM-S-21 / 24 - 20%
Operator: Petrobras
PSA*: No

*PSA – Production Sharing Agreement
**Key highlights**

- Galp operator in 5 blocks
- 3D seismic surveys covering all blocks completed
- More than 20 leads identified
- 8 mature prospects ready to be drilled

**Next steps**

- Finish seismic and geological evaluation
- 5 operated exploration wells planned for 2007/2008
- Identify more leads and prospects

**Location**

- Area: 378 km²
- Galp Energia share: 50%
- Operator: Galp / Petrobras
- PSA*: No

*PSA – Production Sharing Agreement*
PORTIGUAR BASIN – OIL DISCOVERIES UNDER EVALUATION

Key highlights

- Galp operator in 20 blocks
- 2D and 3D seismic surveys completed
- More than 30 Leads identified
- More than 12 Prospects identified
- 10 operated exploration wells drilled in 2007
- 3 oil discoveries

Next steps

- Finish seismic and geological evaluation
- Prepare evaluation plans and appraisal wells
- More than 4 operated exploration wells planned for 2008
- Identify more leads and prospects

Area: ≈ 890 km²
Galp Energia share: 50%
Operator: Galp / Petrobras
PSA*: No

*PSA – Production Sharing Agreement
SERGIPE/ ALAGOAS – EXPLORATION WORKS IN AN EARLY PHASE

**Key highlights**

- 2D and 3D seismic surveys completed
- 5 leads identified
- 2 prospects identified
- 1 exploration well planned

**Next steps**

- Finish seismic and geological evaluation
- Drill 3 exploration wells
- Identify more leads and prospects

**Location**

Area: 123 km²
Galp Energia share: 50%
Operator: Galp
PSA*: No

*PSA – Production Sharing Agreement
ESPÍRITO SANTO OFFSHORE – EXPLORATION WORK JUST BEGINNING

Key highlights

- 3D seismic survey
- 3 leads identified
- 3D Seismic reprocessing on-going

Next steps

- Finish seismic and geological studies
- Identify more leads and prospects
- 1 exploration well to be drilled up to 2010

Location

Area: 722 km²
Water depths: 2,000 – 2,200 m
Galp Energia share: 20%
Operator: Petrobras
PSA*: No

*PSA – Production Sharing Agreement
POTIGUAR OFFSHORE – FIRST EXPLORATION WELL IN 2012

Key highlights

- 3D seismic survey
- More than 10 leads identified
- 3D seismic reprocessing on-going

Next steps

- Finish seismic and geological studies
- Identify more leads and prospects
- BM-POT-16/BM-POT-17: 1 exploration well each, to be drilled up to 2012

Location

Area: 3,837 km²
Water depths: 50 – 2,000 m
Galp Energia share: 20%
Operator: Petrobras
PSA*: No

*PSA – Production Sharing Agreement
**Key highlights**

- Concession contract signed on May 2007
- Exploration Period: 8 years
- Whole area being new frontier
- More than 10 leads identified

**Next steps**

- Geological studies and seismic reprocessing under way
- 2D and 3D seismic acquisition planned for 2009
- Commitment exploration wells planned for 2010

**Location**

Area: 12,159 km²
Water depths: 200 – 3,000 m
Galp Energia share: 30%
Operator: Petrobras
PSA*: No

*PSA – Production Sharing Agreement*
ALENTEJO – NEW FRONTIER AREA

Key highlights

- Concession contract signed on February 2007
- Exploration Period: 8 years
- Whole area is new frontier
- Seismic and geological studies under way

Next steps

- 3,000 km 2D seismic acquisition and processing during 2008
- Commitment exploration wells planned for 2010, 1 in each concession

Location

Area: 9,099 km²
Water depths: 200 – 3,000 m
Galp Energia share: 10%
Operator: Tullow Oil
PSA*: No

*PSA – Production Sharing Agreement
**Key highlights**

- Farm-in Agreement signed in 2007
- Exploration period: 3+2+2 years
- More than 12 leads identified
- Intensive 2007/2008 seismic acquisition program on-going (more than 8,400 km² 3D seismic plus 3,100 km 2D seismic)

**Next steps**

- Seismic processing and geological studies under way
- Identify more leads and prospects
- 2 exploration wells to be drilled up to 2009

---

**Location**

Area: 12,183 km²
Water depths: 0 – 2,000 m
Galp Energia share: 10%
Operator: ENI
PSA*: Yes

*PSA – Production Sharing Agreement*
AN UNEXPLOITED AREA

Key highlights

- New frontier area
- Exploration period: 4+2+2 years
- Production period: 30 years
- 1 main lead identified
- Geological studies under way

Next steps

- Acquisition of 2,000 km 2D seismic + 1,000 km² 3D seismic planned for 2008
- 2 exploration wells for the second period + 2 for the third

Location

Area: 17,000 km²
Water depths: up to 2,600 m
Galp Energia share: 10%
Operator: ENI
PSA*: Yes

*PSA – Production Sharing Agreement
STRONG POSITION IN IBERIA

Refining and Logistics Infrastructure

Key Highlights

• 100% of Portuguese or 20% of Iberian refining capacity
• 69% of production corresponds to gasoline (25%) and middle distillates (44%)
• Ownership interest in key logistics assets in Portugal and in Spain

Iberian storage capacity (M m³)

Source: Oil and Gas Journal, 2005 Worldwide Refining Survey

1 Includes 5% of CLH
SINES IS ONE OF THE MOST RECENT REFINERIES IN EUROPE

**Asset Description**

- Sines (1979), includes the following units:
  - Topping
  - 2 vacuum distillation
  - Fluid catalytic cracking
  - Visbreaker
  - 2 diesel hydrodesulphurization
- Sines refinery is producing reformulated gasoline for the US markets since early 1990s
- Programmed turnaround in Sept/Oct 2008

**Capacity:** 220 kbbl/d
**Nelson complexity index:** 5.3
A SPECIALITIES REFINERY IN PORTO

Asset Description

- The Porto refinery complex, built in 1969, includes:
  - Hydroskimming fuel plant
  - Aromatics plant
  - Base oil plant
  - Lubricants blending plant
- Producer of paraxylene, ortoxylene, toluene and benzene for Portuguese and export markets
- Turnaround in progress

Porto refinery diagram

Capacity: 90 kbbbl/d
Nelson complexity index: 6.9
**Rationale**

- Market conditions favour diesel vs fuel
- Dieselization of Iberian market
- Improvement potential of assets
- Focusing on return

**Strengths**

- Integrated refining and marketing operations
- Financial capabilities to support investment
- Strategic located assets

**Refining margin target (Usd/bbl)**

- **2006**
  - 2006 Galp refining margin: 5.4
  - Incremental margin: +3.5
  - Total: 8.9

- **2011EYE**
  - 2011EYE Galp refining margin: 5.4
POTENTIAL EFFICIENCY GAINS IN REFINERY OPERATIONS

**Sines Refinery**
- Personnel efficiency
- Maintenance cost efficiency
- Personnel, work hr/1000 EDC
- Maintenance, Usd/EDC
- Process utilization, %
- Process efficiency
- Energy intensity

**Porto Refinery**
- Personnel, work hr/1000 EDC
- Process efficiency
- Maintenance, Usd/EDC
- Personnel efficiency
- Maintenance cost efficiency
- Process utilization, %
- Energy intensity

Refining margin improvement
OPTIMIZING REFINING SYSTEM

Nelson complexity index:
- Current
- After conversion

Fully integrated refining system

- Porto: Pre-Flash, Vacuum distillation, Visbreaker, Vacuum Flash, Starting operations: 2010
- Sines: Hydrocracker, Vacuum distillation, Vacuum Flash, Starting operations: 2011
TOWARDS ONE REFINING SYSTEM

Gasoline focus

Vac. Dist. Porto

Vac. Dist. Porto

FCC

HGO

HGO

VB Porto

RVB

RVB

Flux.

F. Oil

LPG

Naphtha

KERO

Diesel

LPG

LCO+SLURRY

Gasoline

CRUDE

AR

Vac. Dist.

RV

RV

VB

HGO

Res. oils
IMPROVING REFINING PORTFOLIO COMPETITIVENESS

**Product Yield (M ton; %)**

<table>
<thead>
<tr>
<th></th>
<th>Current</th>
<th>After Conversion</th>
</tr>
</thead>
<tbody>
<tr>
<td>13.6</td>
<td></td>
<td></td>
</tr>
<tr>
<td>11%</td>
<td>11%</td>
<td></td>
</tr>
<tr>
<td>25%</td>
<td>19%</td>
<td></td>
</tr>
<tr>
<td>44%</td>
<td>57%</td>
<td></td>
</tr>
<tr>
<td>20%</td>
<td>13%</td>
<td></td>
</tr>
</tbody>
</table>

**Crude Processed (M bbl; %)**

<table>
<thead>
<tr>
<th></th>
<th>Current</th>
<th>After Conversion</th>
</tr>
</thead>
<tbody>
<tr>
<td>98.5</td>
<td></td>
<td></td>
</tr>
<tr>
<td>75%</td>
<td>59%</td>
<td></td>
</tr>
<tr>
<td>25%</td>
<td>41%</td>
<td></td>
</tr>
</tbody>
</table>

Adjust production mix to market needs

Higher conversion allows usage of heavier crudes
REFINING’S EBITDA FUELED BY CONVERSION AND OTHER UPGRADING INVESTMENTS

### Conversion Economics

<table>
<thead>
<tr>
<th>Estimated Capex</th>
<th>1,000 M€</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Starting operations</strong></td>
<td></td>
</tr>
<tr>
<td>Porto</td>
<td>2010</td>
</tr>
<tr>
<td>Sines</td>
<td>2011</td>
</tr>
<tr>
<td><strong>Impacts</strong></td>
<td></td>
</tr>
<tr>
<td>Refining margin</td>
<td>+ 3 Usd/bbl</td>
</tr>
<tr>
<td>EBITDA impact</td>
<td>+ 200 M€¹</td>
</tr>
</tbody>
</table>

¹ Assuming incremental opex per bbl of 0.9 Usd

### Performance Improvement Economics

<table>
<thead>
<tr>
<th>Estimated Capex</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Cogeneration plants</td>
<td>150² M€</td>
</tr>
<tr>
<td>Energy efficiency program</td>
<td>100 M€</td>
</tr>
<tr>
<td>Environmental compliance</td>
<td>174 M€</td>
</tr>
<tr>
<td><strong>Impacts</strong></td>
<td></td>
</tr>
<tr>
<td>Consumptions &amp; Losses</td>
<td>-15%</td>
</tr>
<tr>
<td>Refining margin</td>
<td>+ 0.5 Usd/bbl</td>
</tr>
<tr>
<td>EBITDA impact</td>
<td>+ 44 M€³</td>
</tr>
</tbody>
</table>

² Accounted in Power
³ Assumptions: Eur/Usd 1.25
1 Assuming refining margin increment of 3.5 Usd/bbl times 98.5 M bbl.
2 Assuming refining margin of 8.9 Usd/bbl times incremental crude processed of 11.2 M bbl.
OIL MARKETING

Lisbon, 22 October 2007

João Pedro Brito
GALP FOCUSING IN IBERIA

2006 Sales to final clients (M ton)

- Portugal
- Spain

Market Share

3.6%
46%

Space to grow in the Spanish market
INCREASE RETAIL ACTIVITY EFFICIENCY AND EFFECTIVENESS

Business Overview

- 1,041 service stations: 818 in Portugal and 223 in Spain
- In the past 3 years there was a significant expansion growth in C-stores business, over 100 stores
- Represents over 19% of refining throughput

Retail volumes (M ton)

<table>
<thead>
<tr>
<th>Year</th>
<th>Portugal</th>
<th>Spain</th>
</tr>
</thead>
<tbody>
<tr>
<td>2004</td>
<td>0.6</td>
<td>2.1</td>
</tr>
<tr>
<td>2005</td>
<td>0.6</td>
<td>2.0</td>
</tr>
<tr>
<td>2006</td>
<td>0.6</td>
<td>2.0</td>
</tr>
</tbody>
</table>

Key areas

- MURCIA
- MADRID
- VALENCIA
- CASTILLA-LEÓN
- GALICIA
- ARAGÓN
- CATALUÑA
- EXTREMADURA
- CASTILLA-LA MANCHA
- ANDALUCIA
- NURCIA

Type of service stations

- By number:
  - DODO 31%
  - COCO 21%
- By volumes:
  - CODO 48%
  - DODO 22%
  - COCO 33%
WHOLESALE AS A RELEVANT DISTRIBUTOR OF REFINING THROUGHPUT

**Business Overview**

- 52% market share in Portugal
- Represents over 32% of refining throughput
- Aviation and marine segments boosted by increase in tourism activity

**Wholesale volumes (M ton)**

<table>
<thead>
<tr>
<th>Year</th>
<th>Portugal</th>
<th>Spain</th>
</tr>
</thead>
<tbody>
<tr>
<td>2004</td>
<td>3.0</td>
<td>1.1</td>
</tr>
<tr>
<td>2005</td>
<td>3.3</td>
<td>1.3</td>
</tr>
<tr>
<td>2006</td>
<td>3.1</td>
<td>1.3</td>
</tr>
</tbody>
</table>

**Main business segments’ clients 2006**

- Transports: 615
- Manufacturing: 741
- Resellers: 772
- Aviation: 168
- Construction: 226
- Marine: 342
- Lubricants: 1,002

**Allocation by segment**

- Transport: 21%
- Others: 16%
- Lubricants: 13%
- Manufacturing: 13%
- Aviation: 15%
- Marine: 19%
- Construction: 9%
- Resellers: 6%
AN INNOVATIVE APPROACH TO A MATURE LPG MARKET

Business Overview

- Stable market share in Portugal of 44%
- Deliveries consistently high levels of profitability
- Over 20 thousand points of sale
- Market to stabilize at current levels
- Launch of new products to capitalize on Galp Energia brand (cookspot and hotspot)

LPG volumes (M ton)

<table>
<thead>
<tr>
<th>Year</th>
<th>Portugal</th>
<th>Spain</th>
</tr>
</thead>
<tbody>
<tr>
<td>2004</td>
<td>0.39</td>
<td></td>
</tr>
<tr>
<td>2005</td>
<td>0.37</td>
<td>0.04</td>
</tr>
<tr>
<td>2006</td>
<td>0.34</td>
<td>0.04</td>
</tr>
</tbody>
</table>

Allocation by segment

- Bottled 63%
- Wholesale 32%
- Piped 5%
VOLUME GROWTH IMPACTED BY GDP EVOLUTION

**Portugal**

**Sales Volume (%)**

- Diesel
- Gasoline
- Total

**GDP Growth (%)**

- 2000: 6%
- 2001: 4%
- 2002: 2%
- 2003: 0%
- 2004: 0%
- 2005: 0%
- 2006: 0%

**Spain**

**Sales Volume (%)**

- Diesel
- Gasoline
- Total

**GDP Growth (%)**

- 2000: 4%
- 2001: 2%
- 2002: 0%
- 2003: 0%
- 2004: 0%
- 2005: 0%
- 2006: 0%
EXTRACTING AND EXPANDING VALUE IN IBERIA

**Rationale**
- Sustain market leadership in Portugal
- Extract further value from existing assets
- Develop non-fuel business
- Spain is a higher growth market
- Geographical diversification into Spain
- Increase integration between R&M activities

**Strengths**
- Long position in refining
- Strong brand awareness
- Logistic assets in place to support further growth
- Market knowledge in Portugal and in Spain
- Very small scale in Spain

**Galp Iberian Market (M ton)**

<table>
<thead>
<tr>
<th>Year</th>
<th>Portugal</th>
<th>Spain</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2006</td>
<td>9.0</td>
<td></td>
<td>9.0</td>
</tr>
<tr>
<td>Soon...</td>
<td></td>
<td></td>
<td>11.6</td>
</tr>
<tr>
<td>LT Target</td>
<td></td>
<td></td>
<td>13.6</td>
</tr>
</tbody>
</table>

Portugal | Spain | To be achieved
A MORE EFFICIENT AND EFFECTIVE RETAIL ACTIVITY IN PORTUGAL

- Strong market share of 37%
- Increase penetration of premium products, from 7% to 15%
- More than 120 million transactions per year

**Galp Sales Volume (M ton)**

<table>
<thead>
<tr>
<th>Year</th>
<th>Galp Sales Volume (M ton)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2004</td>
<td>2.1</td>
</tr>
<tr>
<td>2005</td>
<td>2.0</td>
</tr>
<tr>
<td>2006</td>
<td>2.0</td>
</tr>
</tbody>
</table>

**Number of Service Stations**

<table>
<thead>
<tr>
<th>Year</th>
<th>Number of Service Stations</th>
</tr>
</thead>
<tbody>
<tr>
<td>2004</td>
<td>860</td>
</tr>
<tr>
<td>2005</td>
<td>837</td>
</tr>
<tr>
<td>2006</td>
<td>823</td>
</tr>
</tbody>
</table>

**Number of C-Stores**

<table>
<thead>
<tr>
<th>Year</th>
<th>Number of C-Stores</th>
</tr>
</thead>
<tbody>
<tr>
<td>2004</td>
<td>101</td>
</tr>
<tr>
<td>2005</td>
<td>121</td>
</tr>
<tr>
<td>2006</td>
<td>139</td>
</tr>
</tbody>
</table>

**Non fuel sales (M€)**

<table>
<thead>
<tr>
<th>Year</th>
<th>Non fuel sales (M€)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2004</td>
<td>101</td>
</tr>
<tr>
<td>2005</td>
<td>121</td>
</tr>
<tr>
<td>2006</td>
<td>69</td>
</tr>
</tbody>
</table>

**CAGR 06/04 9%**

*Throughput / site k m3* - Galp
*Throughput / site k m3* - Market
**DELIVERING ON SPANISH STRATEGY**

### Sales Volume (M ton)

- **Galp market share**
  - 2004: 1.7
  - 2005: 2.5
  - 2006: 2.7
  - After Agip acquisition: 7%

### Number of Service Stations

- **Throughput / site k m³ - Market**
  - 2004: 3.4
  - 2005: 3.5
  - 2006: 3.5
  - After AGIP acquisition: 3.5

- **Throughput / site k m³ - Galp**
  - 2004: 3.00
  - 2005: 3.20
  - 2006: 3.18
  - After AGIP acquisition: 3.25

### Non fuel sales (M€)

- 2004: 5.3
- 2005: 2.7
- 2006: 2.5
- After AGIP acquisition: 1.7

### Number of C-STORES

- 2004: 48
- 2005: 57
- 2006: 62
- After AGIP acquisition: 312

- **Throughput / site k m³ - Market**
  - 2004: 30
  - 2005: 36
  - 2006: 26
  - After AGIP acquisition: 312

**Key Points**

- Boosting Galp presence in Spain
- Market share in Spain increased to 7%
- No geographic overlapping
- Increasing refining and marketing integration
- More than doubling volumes
HIGHLY COMPLEMENTARY RETAIL NETWORK

**Galp Current**

- **GALICIA**: 5.5%
- **CASTILLA-LEÓN**: 1.5%
- **ARAGÓN**: 0.8%
- **CATALUÑA**: 2.9%
- **MADRID**: 4.2%
- **EXTREMADURA**: 1.8%
- **ANDALUCÍA**: 2.0%
- **VALENCIA**: 3.8%

**Market Share**

- Below 3%
- 3 - 6%
- Above 6%

Source: Cores 2005

**Galp + AGIP**

- **GALICIA**: 7.3%
- **CASTILLA-LEÓN**: 4.9%
- **ARAGÓN**: 5.5%
- **CATALUÑA**: 9.7%
- **EXTREMADURA**: 6.5%
- **CASTILLA-LA MANCHA**: 5.6%
- **VALENCIA**: 9.1%
- **ANDALUCÍA**: 3.0%
- **MURCIA**: 5.3%

**Market Share**

- Below 3%
- 3 - 6%
- Above 6%
- AGIP Logistic assets

Source: Cores 2005
GEOGRAPHICAL DIVERSIFICATION ACHIEVED

Sales Galp + AGIP (M ton)

GEOGRAPHICAL DIVERSIFICATION ACHIEVED

- Portugal: 3.6 M ton
- Spain: 5.9 M ton
- LPG: 0.4 M ton
- Special Clients: 1.7 M ton
- Total: 11.6 M ton

Breakdown by Country:
- Portugal: 45%
- Spain: 55%

12% Iberian market share
FURTHER INTEGRATION TO REDUCE RISK ENHANCES VALUE

Sales volumes (M ton)

<table>
<thead>
<tr>
<th>Refining throughput</th>
<th>Current volumes</th>
<th>After AGIP</th>
<th>LT target volumes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Portugal</td>
<td>13.6</td>
<td>9.0</td>
<td>11.6</td>
</tr>
<tr>
<td>Spain</td>
<td>2.6</td>
<td>1.0</td>
<td>2.0</td>
</tr>
</tbody>
</table>

To hedge 100% of refining throughput Galp Energia needs to get additional 2 M ton in Spain while diversifies geographical exposure.

Refining coverage by marketing volumes

Portugal  Spain
NATURAL GAS

Lisbon, 22 October 2007

Massimo Rivara
STRONG COMPETITIVENESS OF EXISTING CONTRACTS

**Sourcing Contracts**

- 5.7 bcm secured
- High flexibility
- Maturity 2020/2026
- Option to deliver in any point in Iberia

**NG supply sources 2006**

- Algeria 45%
- Nigeria 55%

**Sales volumes (bcm)**

- 2004: 4.0 bcm
- 2005: 4.2 bcm
- 2006: 4.6 bcm

*Portuguese market* and *Trading*

**Leverage on gas contracts to explore trading opportunities**
SEEKING FOR NEW SOURCES

**Rationale**
- Strong growth prospects
- Geographical expansion into Spain
- Defend current market share in Iberia
- Access to sourcing as a critical success factor

**Strengths**
- Competitive gas sourcing
- Strong customer base
- Developing power projects
- Access to critical infrastructure

**Iberian market (bcm)**

<table>
<thead>
<tr>
<th>Year</th>
<th>Contracted volumes</th>
<th>Additional quantities</th>
</tr>
</thead>
<tbody>
<tr>
<td>2006</td>
<td>5.7 bcm</td>
<td></td>
</tr>
<tr>
<td>2012E</td>
<td>8 bcm</td>
<td></td>
</tr>
</tbody>
</table>

- **37.5 bcm**
- **52.4 bcm (+40%)**
- **15%**
- **15%**

- **Galp contracted volumes over market volumes**
GUARANTEED ACCESS TO CRITICAL INFRASTRUCTURE

- Regasification capacity available for Iberian needs
- Galp Energia has an important stake in the unique pipeline access to the Portuguese market
- International pipelines:
  - Capacity of 3.7 bcm/year to enter in Portugal
  - Stable dividend contribution
  - Tariff definition based on 11% return

Pipeline | Galp Share | Capacity bcm/year | KM | Final Year
--- | --- | --- | --- | ---
Al Andaluz | 33% | 7.8 | 315 | 2020
Extremadura | 49% | 6.1 | 250 | 2020
EMPL | 27% | 12.0 | 1,105 | 2017
<table>
<thead>
<tr>
<th>Galp Storage</th>
<th>Rationale</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Location : Carriço</td>
<td>• Stable return</td>
</tr>
<tr>
<td>• Underground storage capacity:</td>
<td>• Equivalent to a LNG vessel</td>
</tr>
<tr>
<td>• 1st cavern already in operation (40 Mm³)</td>
<td>• Ability to exploit trading opportunities</td>
</tr>
<tr>
<td>• 2nd cavern to start operations in 4Q2010 (45 Mm³)</td>
<td>• One of the few commercial companies with own storage capacity in Iberia</td>
</tr>
<tr>
<td>• Additional two caverns to be built (110 Mm³)</td>
<td></td>
</tr>
</tbody>
</table>

**Regulation**

- Regulated asset base of 17 M€
- Return on regulated asset base of 8%
- Second cavern capex of 24 M€
- Concession period of 40 year

**Net opex**

**Cost of capital**

Regulated asset base x Rate of Return + Depreciations

**Allowed revenues**

**Tariff deviations**
STABLE RETURN WITH GROWTH POTENTIAL

**Infrastructure**

- Over 800 thousand clients
- Above 9,000 Km of network and additional 1,400 km planned for next four years
- 5 local distribution companies under concession agreements until 2035
- 4 Autonomous distribution units (not linked to high pressure pipeline)

**Liberalization**

- Unbundling of commercialization activities for companies with more than 100 thousand clients
- Others will have to present separate accounts

**Regulation**

- Actual regulated asset base of 853 M€
- Expected revaluation in 2008 above 20%
- Return on regulated assets to be announced in 1st Half 2008
STRONG GROWTH PROSPECTS IN IBERIAN NATURAL GAS MARKET

NG Market – Portugal (bcm)

- 2006
  - Residential and others: 1.5
  - Industrial: 1.8
  - Electric: 1.0
  - NG in Primary Energy: 15%

- 2012E
  - Residential and others: 7.6
  - Industrial: 4.0
  - Electric: 2.7
  - CAGR: 11%

NG Market – Spain (bcm)

- 2006
  - Residential and others: 10.5
  - Industrial: 14.3
  - Electric: 8.6
  - NG in Primary Energy: 22%

- 2012E
  - Residential and others: 33.5
  - Industrial: 18.1
  - Electric: 14.3
  - CAGR: 5%

Source: Wood Mackenzie and AT Kearney
Higher margin volumes kept at Galp

Liberalization calendar

2007

2008E

2009E

2010E

Electric

> 1 Mm³/y

> 10 k m³/y

Remaining

To be regulated from 1st July 2008

Not regulated

Regulated and electric volumes to be maintained at Galp
GROWTH COMING FROM OWN CONSUMPTION AND GEOGRAPHICAL EXPANSION

Galp Energia NG Sales (bcm)

- Includes Trading and other liberalized sales from LDC’s
- LDC’s regulated sales
- Includes incremental consumption from two new cogens and Spanish market
- Maximum level of Take–or-Pay for power generators and Galp CCGT’s

<table>
<thead>
<tr>
<th>Year</th>
<th>Electric</th>
<th>Industrial</th>
<th>LDC's</th>
<th>Others</th>
</tr>
</thead>
<tbody>
<tr>
<td>2006</td>
<td>1.8</td>
<td>1.5</td>
<td>0.7</td>
<td>0.6</td>
</tr>
<tr>
<td>2012E</td>
<td>2.5</td>
<td>2.8</td>
<td>0.6</td>
<td>0.3</td>
</tr>
</tbody>
</table>

Includes Take–or-Pay for power generators and Galp CCGT’s. 

69 Investor Day
POWER

Lisbon, 22 October 2007

André Ribeiro
A GAS TO POWER PORTFOLIO

Developing a portfolio

800

1,200 MW

Wind

CCGT

Cogen

CO2 mitigation

Gas to Power

80

160

160

New Cogens

Wind

Cogens

Special Regime Producers

Market
CCGT PROJECTS WITH SOUND FUNDAMENTALS

**CCGT load factor and Spanish pool price**

- Pool price reflects a CCGTs’ higher usage

**Projected Installed Capacity (MW)**

- Load factor above 50%
- Estimated capex of 420 M€

Source: REN, REE and OMIP
COGENERATION BUSINESS WITH POSITIVE IMPACT ON GALP’S VALUE CHAIN

- Granted tariff for a period of 15 years
- Tariff covers avoided costs in
  - Investment in alternative baseload technology
  - O&M and fuel costs
  - CO₂ subject to level of electrical efficiency
- Priority access to the grid
- Tariff of 65.69 €/MWh with brent at 50 Usd/bbl
- After 10 years of operation the tariff is reduced by half of environment charge (PA of 4.5 €/MWh)
- Annual sales to the grid of 1,200 GWh in 2010
- Estimated capex of 150 M€ in Sines and Porto refineries project
- Positive impact on refineries’ energy efficiency
- EBITDA margin above 20%

### Regulation

<table>
<thead>
<tr>
<th>Natural Gas consumption</th>
<th>160</th>
<th>660 Mm³</th>
</tr>
</thead>
</table>

### Projected installed capacity (MW)

<table>
<thead>
<tr>
<th>Year</th>
<th>Capacity (MW)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007</td>
<td>80</td>
</tr>
<tr>
<td>2008E</td>
<td>82</td>
</tr>
<tr>
<td>2009E</td>
<td>-</td>
</tr>
<tr>
<td>2010E</td>
<td>82</td>
</tr>
<tr>
<td>Total</td>
<td>244</td>
</tr>
</tbody>
</table>
GALP ENERGIA DELIVERING ON WIND PROJECT

### Regulation

- Average regulated tariff of 73.6 €/MWh, to be adjusted with CPI from start of operations

- Granted tariff for a minimum of 15 years or 33 GWh/MW and option to pass to market price plus green certificates

- After 15 years or 33 GWh/MW, tariff will sum market price and green certificates

- Priority access to the grid

### Projected installed capacity (MW)

<table>
<thead>
<tr>
<th>Year</th>
<th>Capacity (MW)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009E</td>
<td>+108</td>
</tr>
<tr>
<td>2010E</td>
<td>+64</td>
</tr>
<tr>
<td>2011E</td>
<td>+76</td>
</tr>
<tr>
<td>2012E</td>
<td>+144</td>
</tr>
<tr>
<td>2013E</td>
<td>+8</td>
</tr>
<tr>
<td>Total</td>
<td>80(^1)</td>
</tr>
</tbody>
</table>

\(^1\) 80 MW of additional capacity to be requested to DGE

- Premium load factor of 2,800h, 22% above average

- Turbine supply already guaranteed

- Galp’s estimated capex of 194 M/€

- Project to be equity consolidated with an expected unlevered return of 7.5%
### MOVING INTO POWER BUSINESS

#### Rationale
- Value accretive Gas & Power integrated approach
- Attractive electricity market growth
- Opportunity in green field generation projects in gas and hydro

#### Strengths
- Efficient gas sourcing contracts
- Opportunity to develop competitive generation mix
- Strong customer base
- Track record in competitive environment

#### Target installed capacity (MW)

<table>
<thead>
<tr>
<th>Year</th>
<th>Hydro</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007</td>
<td></td>
<td>80</td>
</tr>
<tr>
<td>2012E</td>
<td>1,200</td>
<td></td>
</tr>
<tr>
<td>Target</td>
<td></td>
<td>80</td>
</tr>
</tbody>
</table>
GAS & POWER APPROACH REDUCES OVERALL BUSINESS RISK

Galp Energia planned generation mix:
- Cogens: 160 TWh
- CCGT: 800 TWh
- Wind: 160 TWh

Natural Gas Demand (bcm):
- Galp Energia own consumption: 4.0 bcm
- Additional Galp Energia incremental demand: 0.4 bcm
- Portuguese market 2006: 2.1 bcm

Own consumption increases supply management capability
CALL OPTION PROFILE OF INTEGRATED GAS AND ELECTRICITY APPROACH

Additional flexibility gain from CCGT project

CCGT project will allow to arbitrage between gas trading and power margins
PORTFOLIO’S COMPETITIVENESS TO BE COMPLEMENTED BY HYDRO

Indicative cost structure by generation type (MWh)

- **Nuclear**
- **Hydro** (CO2 free)
- **Gas**
- **Coal**
- **Fuel**

Available technologies

CCGT and Hydro usage

Source: BCG
## New hydro capacity to be licensed

<table>
<thead>
<tr>
<th>Project</th>
<th>Installed capacity (MW)</th>
<th>Production (GWh)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ribeiradio</td>
<td>70</td>
<td>110</td>
</tr>
<tr>
<td>Foz Tua</td>
<td>234</td>
<td>340</td>
</tr>
<tr>
<td>Fridão</td>
<td>163</td>
<td>299</td>
</tr>
<tr>
<td>Padroselos</td>
<td>113</td>
<td>102</td>
</tr>
<tr>
<td>Gouvães</td>
<td>112</td>
<td>153</td>
</tr>
<tr>
<td>Daivões</td>
<td>109</td>
<td>148</td>
</tr>
<tr>
<td>Vidago</td>
<td>90</td>
<td>114</td>
</tr>
<tr>
<td>Almourol</td>
<td>78</td>
<td>209</td>
</tr>
<tr>
<td>Pinhosão</td>
<td>77</td>
<td>106</td>
</tr>
<tr>
<td>Girabolhos</td>
<td>72</td>
<td>99</td>
</tr>
<tr>
<td>Alvito</td>
<td>48</td>
<td>62</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>1,166</strong></td>
<td><strong>1,742</strong></td>
</tr>
</tbody>
</table>

Hydro incremental capacity is an opportunity to diversify.
TO BECOME THE ALTERNATIVE PLAYER IN PORTUGAL

More efficient generation mix than average

1 SRP – Special Regime Production
LOCK IN VALUE IN ELECTRICITY

Sales Mix Base Case

- Galp electricity production
- Final clients
- Pool

Pending on supply margin’s evolution

Sales Mix Target

- Galp electricity production
- Final clients
- Pool

Leverage on oil and gas customer base
FINANCIAL OVERVIEW

Lisbon, 22 October 2007

Francesco Antonietti, CFO
GALP’S BUSINESSES IN DIFFERENT MOMENTUMS

**EBITDA IFRS (M€)**

<table>
<thead>
<tr>
<th></th>
<th>2006</th>
<th>1H2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>E&amp;P</td>
<td>79</td>
<td>80</td>
</tr>
<tr>
<td>R&amp;M</td>
<td>587</td>
<td>425</td>
</tr>
<tr>
<td>G&amp;P</td>
<td>581</td>
<td>118</td>
</tr>
<tr>
<td><strong>Consolidated</strong></td>
<td><strong>1,241</strong></td>
<td><strong>627</strong></td>
</tr>
</tbody>
</table>

**EBITDA Adjusted (M€)**

<table>
<thead>
<tr>
<th></th>
<th>2006</th>
<th>1H2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>E&amp;P</td>
<td>79</td>
<td>80</td>
</tr>
<tr>
<td>R&amp;M</td>
<td>560</td>
<td>272</td>
</tr>
<tr>
<td>G&amp;P</td>
<td>320</td>
<td>125</td>
</tr>
<tr>
<td><strong>Consolidated</strong></td>
<td><strong>958</strong></td>
<td><strong>481</strong></td>
</tr>
</tbody>
</table>

- E&P confirming growth in production
- R&M stable even with lower refining margins
- G&P affected by transportation activities spin-off
ADJUSTED EPS INCREASED BY 71% TO €0.34

<table>
<thead>
<tr>
<th>IFRS</th>
<th>Adjusted</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>H106</strong></td>
<td><strong>H107</strong></td>
</tr>
<tr>
<td>Sales</td>
<td>6,130</td>
</tr>
<tr>
<td>EBITDA</td>
<td>615</td>
</tr>
<tr>
<td>EBIT</td>
<td>475</td>
</tr>
<tr>
<td>Income from Associates</td>
<td>19</td>
</tr>
<tr>
<td>Net Income</td>
<td>354</td>
</tr>
<tr>
<td>EPS (Eur/share)</td>
<td>0.43</td>
</tr>
</tbody>
</table>
CONTROLLED OPERATING COSTS

Operating costs¹ 2006 (M€)

<table>
<thead>
<tr>
<th>Segment</th>
<th>Personnel costs</th>
<th>External Supplies &amp; Services</th>
</tr>
</thead>
<tbody>
<tr>
<td>E&amp;P</td>
<td>19 M€</td>
<td>693 M€</td>
</tr>
<tr>
<td>R&amp;M</td>
<td>693 M€</td>
<td>130 M€</td>
</tr>
<tr>
<td>G&amp;P</td>
<td>130 M€</td>
<td>858 M€</td>
</tr>
<tr>
<td>Consolidated</td>
<td>87%</td>
<td>66%</td>
</tr>
</tbody>
</table>

External Supplies & Services 2006 (M€)

<table>
<thead>
<tr>
<th>Segment</th>
<th>Variable costs 2006</th>
<th>Fixed costs 2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>E&amp;P</td>
<td>208 M€</td>
<td>79 M€</td>
</tr>
<tr>
<td>R&amp;M</td>
<td>270 M€</td>
<td></td>
</tr>
<tr>
<td>G&amp;P</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Consolidated</td>
<td>347 M€</td>
<td></td>
</tr>
</tbody>
</table>

Employees (#)

<table>
<thead>
<tr>
<th>Segment</th>
<th>Total 2005</th>
<th>E&amp;P</th>
<th>R&amp;M</th>
<th>G&amp;P</th>
<th>Others</th>
</tr>
</thead>
<tbody>
<tr>
<td>E&amp;P</td>
<td>6,166</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>R&amp;M</td>
<td></td>
<td>12</td>
<td></td>
<td></td>
<td>77</td>
</tr>
<tr>
<td>G&amp;P</td>
<td></td>
<td></td>
<td></td>
<td>(194)²</td>
<td></td>
</tr>
<tr>
<td>Others</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>(38)</td>
</tr>
<tr>
<td>Total 2006</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>5,869</td>
</tr>
</tbody>
</table>

¹ Adjusted results. Gas & Power and consolidated 2005 figures adjusted to reflect unbundling effect.
² Includes 188 employees transferred to REN during the unbundling process.
Note: Segmental figures don’t add up to total due to consolidation adjustments and others.
### Breakdown by segment:

<table>
<thead>
<tr>
<th>MC</th>
<th>Maintenance (%)</th>
<th>Expansion (%)</th>
<th>Total Capex</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>R&amp;M</strong>&lt;sup&gt;1)&lt;/sup&gt;</td>
<td><img src="2005" alt="50" /></td>
<td><img src="2006" alt="30" /></td>
<td><img src="2005" alt="145" /></td>
<td><img src="2006" alt="131" /></td>
</tr>
<tr>
<td><strong>G&amp;P</strong></td>
<td><img src="2005" alt="10" /></td>
<td><img src="2006" alt="10" /></td>
<td><img src="2005" alt="88" /></td>
<td><img src="2006" alt="112" /></td>
</tr>
<tr>
<td><strong>E&amp;P</strong></td>
<td><img src="2005" alt="0" /></td>
<td><img src="2006" alt="0" /></td>
<td><img src="2005" alt="82" /></td>
<td><img src="2006" alt="106" /></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><img src="2005" alt="26" /></td>
<td><img src="2006" alt="14" /></td>
<td><img src="2005" alt="315" /></td>
<td><img src="2006" alt="349" /></td>
</tr>
</tbody>
</table>

<sup>1</sup> Includes other of €3M and €1M in 2005 and 2006 respectively
### LOW DEBT LEVEL AT 0.4x DEBT TO EQUITY

#### Debt exposure to interest rates

- **Fixed rate**: 25%
- **Variable rate**: 75%

#### Debt reimbursement plan (M€)

<table>
<thead>
<tr>
<th>Year</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>&gt;2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash</td>
<td>36</td>
<td>245</td>
<td>38</td>
<td>37</td>
<td>26</td>
<td>20</td>
<td>68</td>
</tr>
</tbody>
</table>

#### 30 June 2007 M€ Short Term Long Term

<table>
<thead>
<tr>
<th>Bond Type</th>
<th>Short Term</th>
<th>Long Term</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bonds</td>
<td>-</td>
<td>226</td>
</tr>
<tr>
<td>Bank debt</td>
<td>325</td>
<td>273</td>
</tr>
<tr>
<td>Commercial Paper</td>
<td>275</td>
<td>-</td>
</tr>
<tr>
<td>Cash</td>
<td>(182)</td>
<td>-</td>
</tr>
<tr>
<td>Net Debt</td>
<td>918</td>
<td></td>
</tr>
</tbody>
</table>

**Average life**: 3.98 years
STRONG CASH FLOW GENERATION FROM OPERATING ACTIVITIES ALLOWED DEBT REDUCTION

€

Net debt 2005: 1,192
Operating cash flow: 1,606
Investment cash flow net of subsidies: 305
Dividends paid: 1,280
Net interests and taxes: 319
Others: 38
Net debt 1H2007: 918

88 Investor Day
### OFF BALANCE SHEET RESPONSIBILITIES

<table>
<thead>
<tr>
<th>Type of benefits</th>
<th>Total responsibilities 2006</th>
<th>Coverage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pensions</td>
<td>397 M€</td>
<td>• Pension Fund: 370 M€ (95% funded)</td>
</tr>
<tr>
<td>Pre and early retirements</td>
<td>81 M€</td>
<td>• Provisions: 213 M€</td>
</tr>
<tr>
<td>Health and life insurance</td>
<td>211 M€</td>
<td>• Accumulated deviation(^1): 106 M€</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• 64 M€ within the corridor</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• 42 M€ outside the corridor</td>
</tr>
</tbody>
</table>

\(^1\) IAS 19 allows companies to defer the recognition of actuarial gains or losses. These actuarial gains or losses are unrecognised, if they fall within a “corridor” (10% of total responsibilities). The excess portion of the corridor, must be recognised over the expected average remaining working lives of the participating employees.
**Annual Dividend of year n**

Net income (IFRS @ replacement cost) \times 50\% payout ratio \rightarrow Annual Dividend

**Interim Dividend of year n+1**

50\% \times Annual dividend of year n \rightarrow Interim dividend

- Subject to approval of all related parties
- 1H results needs to be sufficient to allow dividend payment
- Interim dividend is deducted to the annual dividend approved by the General Meeting

2006 dividend of 0.304 €/share (paid in June 19, 2007)

2007 interim dividend of 0.152 €/share to be paid in November 7, 2007

STABLE AND CLEAR DIVIDEND POLICY