Strategy overview
Manuel Ferreira De Oliveira
Chief Executive Officer
Delivering on our strategy

Solid foundations in place

Ensuring sustainable and responsible growth

Final remarks
Long-term performance delivering unique returns

Total annualized shareholder return since the IPO

17% 11% 7% 6% 3% -1% -2% -5% -8% 1%

Galp Energia Peers² SXEP

1 Annualized shareholder return, expressed in euros, from 2006/10/23 to 2011/12/31, including dividends payment
² Includes BG Group, BP, Eni, OMV, Petrobras, Repsol, Royal Dutch Shell and Total
## 2011: a year of delivery unlocking further growth

<table>
<thead>
<tr>
<th>Commitment</th>
<th>Delivery</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>Creating value through increased focus in upstream</td>
<td>▪ Drilling in Rovuma basin far exceeding pre-drill estimates, turning Mozambique into a new core area</td>
<td>✔</td>
</tr>
<tr>
<td></td>
<td>▪ Lula development on track, well ahead of expectations</td>
<td></td>
</tr>
<tr>
<td>Downstream transformational optimization</td>
<td>▪ Upgrade project at its final stage</td>
<td>✔</td>
</tr>
<tr>
<td>Reaching a sound capital structure</td>
<td>▪ Capital increase at Brazilian subsidiary allowing for cash-in of c.$5.2 Bln</td>
<td>✔</td>
</tr>
<tr>
<td></td>
<td>▪ Solid financial structure to enable future expansion</td>
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</tbody>
</table>
 Positioned for profitable growth

Focus on three high prolific regions: Brazil, Mozambique and Angola

Still the most leveraged player to the outstanding Santos basin in Brazil

Continuous downstream optimization to maintain contribution to earnings

Enhanced financial flexibility allowing for expansion opportunities

Reaping the rewards on a well-defined strategic path
Delivering on our strategy

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Final remarks
Increasing our upstream portfolio potential in 2011

Intensive exploration activities led to the identification of new drilling targets

World-class gas discovery in Rovuma basin, Mozambique

First development steps taken in Lula field, Brazil, exceeding expectations
Global E&P portfolio benefiting from distinctive capabilities

Regional focus

Portuguese flavour

Early movers

Enduring relationships

# of projects

Core area

Potential area

- Portugal
- Equatorial Guinea
- Brazil
- Venezuela
- Uruguay
- Angola
- Mozambique
- East Timor
Exploration focus to enhance and enlarge current portfolio

- Still a lot to take from current high potential exploration portfolio
- Looking to enlarge portfolio
- Focus on high risk/high reward exploration areas
- Galp Energia to leverage on key distinctive capabilities
- Exploration team allocating c.30% of its time to analyse new opportunities

Exploration resources\(^1\) (Mln Boe)

<table>
<thead>
<tr>
<th>Year</th>
<th>Exploration Resources</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>2,550 Mln Boe</td>
</tr>
<tr>
<td>2011</td>
<td>2,821 Mln Boe</td>
</tr>
</tbody>
</table>

\(^1\) Mean unrisked estimate

Source: DeGolyer and MacNaughton @ 31/12/2011
Continuously adding resources and reserves to portfolio

3C contingent resources\(^1\) (Mln Boe)

- 2010: 2,356
- 2011: 2,672

\[\text{+ 13\%}\]

3P reserves\(^2\) (Mln Boe)

- 2010: 574
- 2011: 709

\[\text{+ 24\%}\]

\(^1\) Working interest 3C resources
\(^2\) Net entitlement 3P reserves

Source: DeGolyer and MacNaughton @ 31.12.2011
Building certainty on high-reward projects

Faster Lula development on better reservoir data
Clear path outlined
Ambition confirmed

WI production (kboepd)

- 2011: 21
- 2015E: 70+
- 2020 target: 300+
Delivering profitable growth on current E&P portfolio

- Strategic partnerships delivering outstanding value
- Exploration in core areas being intensified
- Enlarging exploration portfolio through new ventures
- Still a lot to know and to take from current Brazilian portfolio
- Resource base increased to 6.2 Bln boe
### Upstream growth supported by downstream sound foundations

#### Refining & Marketing
- Total refining capacity of 330 kbdp
- Nelson complexity of 7.7\(^1\) in Sines refinery and 10.7 in Matosinhos refinery
- 3\(^{rd}\) player in Iberia
- 1,502 service stations and 595 non fuel stores in Iberia and in Africa
- Annual sales of c.16 Mln tons of refined products

#### Gas & Power
- Sourcing agreement of 6 bcm of natural gas
- 2\(^{nd}\) natural gas player in Iberia with over 1.3 Mln clients
- 11,655 km of NG distribution network
- 245 MW of total capacity installed by 2012
- 1,200 GWh of annual electrical power generation

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\(^1\) Post-upgrade complexity index. Nelson complexity before the upgrade of 6.3 in Sines
Upgrade to increase refining profitability

Galp Energia refining margin\(^1\) ($/bbl)

- Refining business fundamental to our integrated player strategy
- €1.4 Bln project to start generating returns from mid-2012
- Upgrade crucial considering the current refining environment
- Incremental refining margin throughout 2011 would have ranged between $2.5-$3.5/bbl

\(^1\) Assuming 2011 market conditions
Downstream businesses will face important challenges

### Refining & Marketing
- Guarantee successful integration of refining system
- Deliver Sines post-upgrade steady production
- Improve the marketing business performance
- Strengthen the business in Africa

### Gas & Power
- Maintain key competitive advantages in Iberia
- Strengthen natural gas leading position by raising focus on trading and supply businesses
- Start-up of Matosinhos cogeneration

### Endogenous
- Current European and Iberian adverse environment

### Exogenous
- Progressive increase of competition
Monetization of Brazilian assets enabling stronger capital structure

Robust downstream assets in place and set to deliver sustained long-term earnings

Upstream focus to start generating consistent cash-flow

Outstanding future ahead assured by balanced funding
Exciting future ahead supported by robust fundamentals

Outstanding exploration potential

Delivering high potential projects

Sound downstream business

Solid capital structure

Upstream profitable growth

Balanced funding
Delivering on our strategy

Solid foundations in place

Ensuring sustainable and responsible growth

Final remarks
Sustainability fully integrated into our strategic decision making process

Getting the best from our people

Placing safety at the heart of our operations

Growing with better energy

Giving back to society

Responsible approach allows for higher *competitiveness*, corporate *risk reduction* and enables *social development*
Getting the best from our people

Reservoir geoengineering advanced programme

- Leading highly skilled teams to deliver competitive performance
- Partnering with renowned Portuguese and Brazilian universities to implement innovative training programmes
- Promoting and developing expertise, namely in E&P and in refining businesses, through advanced training courses
Placing safety at the heart of our operations

- Safety management showing continuous improvement, with industry-leading LTIFR
- Integrated HSE management system implemented in 2006
- Safety oriented training averaging more than 24,000 hours per year since 2006
- HSE performance measured across all business segments

Safety performance

Accidents resulting in work absence
Lost time injury frequency rate (LTIFR)¹

<table>
<thead>
<tr>
<th>Year</th>
<th>Accidents</th>
<th>LTIFR</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009</td>
<td>40</td>
<td>2.6</td>
</tr>
<tr>
<td>2010</td>
<td>37</td>
<td>1.2</td>
</tr>
<tr>
<td>2011</td>
<td>31</td>
<td>1.0</td>
</tr>
</tbody>
</table>

¹ LTIFR is measured as the number of lost time accidents during the year per million hours worked (includes employees and contractors)
Actively managing our environmental footprint

CO₂ emissions (kton)

- **2010**: 3,140
- **2011**: 2,941

Leaving a smaller environmental footprint, actively managing CO₂ emissions

Losses of containment index

- **Galp Energia**
  - Tier 1: 0.35
  - Tier 2: 2.24
- **CONCAWE**
  - Tier 1: 0.87
  - Tier 2: 2.71

Ecological preservation guides our activities, with good results within API-754 performance indicator¹

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¹ Recommended practice API 754 – Process Safety Performance Indicators identifies process safety indicators, particularly regarding the refining and petrochemical industry, where losses of containment has the potential to cause harm. Tier 1 and tier 2 represent those events which potential consequences are the most harmful. 2010 figures
Growing with better energy

Biofuels

Over 13,000 hectares planted with Palma in Brazil and around 1,000 hectares with Jatropha in Mozambique

Energy efficiency

More than operating energy efficiently, we educate towards a more sustainable world
Giving back to society

End Hunger, Walk the World - Swaziland

- Sponsoring health initiatives that are vital to local communities
- Eradicating social exclusion
- Intensifying educative initiatives in Africa, namely through scholarships
- Taking action towards sustainable mobility in Portugal
- Actively promoting corporate volunteering
Galp Energia guided by sustainability

- Sustainability incorporated into strategy and our daily routines
- Galp Energia is a sustainable company, with related practices within the industry top 15%
- Highly sustainable practices are already a reality, but there’s still progress to be made
- Continuous improvement recognized by SAM Group, having achieved the qualification of Sector Mover 2012
Delivering on our strategy

Solid foundations in place

Ensuring sustainable and responsible growth

Final remarks
Solid foundations to deliver sustainable value

- Continuously delivering on our strategy
- Clearing the ground on a well defined strategic path
- Incorporating high responsible practices and leading our people further
- Creating shareholder value through key strategic pillars
Acronyms

<table>
<thead>
<tr>
<th>#</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>$</td>
<td>United States dollar</td>
</tr>
<tr>
<td>%</td>
<td>Percentage</td>
</tr>
<tr>
<td>2D</td>
<td>Two dimensional seismic</td>
</tr>
<tr>
<td>3D</td>
<td>Three dimensional seismic</td>
</tr>
<tr>
<td>API gravity</td>
<td>American Petroleum Institute gravity</td>
</tr>
<tr>
<td>BBLT</td>
<td>Benguela, Belize, Lobito, and Tomboco</td>
</tr>
<tr>
<td>Bbl</td>
<td>Barrel</td>
</tr>
<tr>
<td>Bcm</td>
<td>Billion cubic metres</td>
</tr>
<tr>
<td>Bln</td>
<td>Billion</td>
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<tr>
<td>Boe</td>
<td>Barrel of oil equivalent</td>
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<tr>
<td>c.</td>
<td>Circa</td>
</tr>
<tr>
<td>CAGR</td>
<td>Compound Annual Growth Rate</td>
</tr>
<tr>
<td>Capex</td>
<td>Capital expenditure</td>
</tr>
<tr>
<td>CO₂</td>
<td>Carbon Dioxide</td>
</tr>
<tr>
<td>DA</td>
<td>Development area</td>
</tr>
<tr>
<td>DEH</td>
<td>Direct electrical heating</td>
</tr>
<tr>
<td>DoC</td>
<td>Declaration of commerciality</td>
</tr>
<tr>
<td>E/A</td>
<td>Exploration well /Appraisal well</td>
</tr>
<tr>
<td>E&amp;P</td>
<td>Exploration &amp; Production</td>
</tr>
<tr>
<td>EBITDA</td>
<td>Earnings before interest, taxes, depreciation and amortization</td>
</tr>
<tr>
<td>EOR</td>
<td>Enhanced oil recovery</td>
</tr>
<tr>
<td>EWT</td>
<td>Extended Well Test</td>
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<tr>
<td>FLNG</td>
<td>Floating liquefied natural gas</td>
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<tr>
<td>FPSO</td>
<td>Floating Production Storage Offloading</td>
</tr>
<tr>
<td>GWh</td>
<td>GigaWatt hour</td>
</tr>
<tr>
<td>HSE</td>
<td>Health, Safety and Environment</td>
</tr>
<tr>
<td>IPO</td>
<td>Initial Public Offering</td>
</tr>
<tr>
<td>Kboepd</td>
<td>Thousand barrels of oil equivalent per day</td>
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<tr>
<td>Kbpd</td>
<td>Thousand barrels per day</td>
</tr>
<tr>
<td>Km²</td>
<td>Square kilometre</td>
</tr>
<tr>
<td>LNG</td>
<td>Liquified Natural Gas</td>
</tr>
<tr>
<td>LTIFR</td>
<td>Lost time injury frequency rate</td>
</tr>
<tr>
<td>Mln</td>
<td>Million</td>
</tr>
<tr>
<td>MW</td>
<td>MegaWatt</td>
</tr>
<tr>
<td>Mmscf/d</td>
<td>Million standard cubic feet per day</td>
</tr>
<tr>
<td>NG</td>
<td>Natural Gas</td>
</tr>
<tr>
<td>OWC</td>
<td>Oil-water contact</td>
</tr>
<tr>
<td>POS</td>
<td>Probability of success</td>
</tr>
<tr>
<td>p.p.</td>
<td>Percentage point</td>
</tr>
<tr>
<td>R&amp;M</td>
<td>Refining &amp; Marketing</td>
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<tr>
<td>RCA</td>
<td>Replacement Cost adjusted</td>
</tr>
<tr>
<td>SAM</td>
<td>Sustainable Asset Management</td>
</tr>
<tr>
<td>SEE</td>
<td>Social, Environmental and Economic impact</td>
</tr>
<tr>
<td>SXEP</td>
<td>STOXX Europe 600 Oil &amp; Gas</td>
</tr>
<tr>
<td>Tcf</td>
<td>Trillion cubic feet</td>
</tr>
<tr>
<td>Ton</td>
<td>Tonne</td>
</tr>
<tr>
<td>WAG</td>
<td>Water Alternating Gas</td>
</tr>
<tr>
<td>WI</td>
<td>Working interest</td>
</tr>
<tr>
<td>YE</td>
<td>Year End</td>
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</table>
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Financial outlook figures are RCA figures except otherwise noted.

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