Capital Markets Day 2013

An integrated energy player focused on exploration and production
Strategy overview

Manuel Ferreira De Oliveira
Chief Executive Officer
A clear strategy to become an integrated energy player focused on E&P

Allocating capital to high potential upstream assets to benefit from market trends

Consistently following strategic path delineated

Materialising potential on exploration while maximising value on production

Ensuring growth whilst maintaining financial strength
Consistently delivering

Allocating capital to high quality upstream assets

Ensuring sustained upstream value creation

Addressing main challenges

Becoming an integrated player focused on E&P
Galp Energia has reinforced the foundations for upstream long-term value creation

**High impact wells delivered**

- Carcará well unlocking field development
- Reinforcing confidence on Júpiter resource potential
- 75 tcf of GIIP resources already discovered in Mozambique

**Developing world-class projects**

- Focus on optimisation and productivity
- Increasing recoverability of resources
- Mitigating project execution risk

**Expanding projects inventory**

- Leveraging exploration knowledge
- Managing portfolio risk with higher stakes and optionality on operator role
- Targeting new basins
Robust financial capacity in place to support upstream long-term value creation

**Reaping upstream initial rewards**
- Shift towards upstream completed
- Upstream strategy starting to materialise in earnings ramp-up

**Leveraging existing downstream and gas assets**
- Upgrade project up and running to deliver returns
- Leveraging trading know-how and LNG supply contracts

**Regaining financial flexibility**
- Rigorous capital discipline
- Strong liquidity position
Shareholder return impacted by non fundamental variables

Share price evolution

End of shareholder agreement
Growing fears over the Portuguese economy
Ease of Euro Zone debt crisis following Greek elections
Eni and CGD placement

MSCI Energy -4%
Galp Energia -7%
Peers -11%
SXEP -11%

Source: Bloomberg; Share price evolution from 29.02.2012 to 28.02.2013
Peers average in Euros: Repsol, BG, Statoil, BP, Shell, OMV, Eni, Petrobras and Total
Consistently delivering

Allocating capital to high quality upstream assets

Ensuring sustained upstream value creation

Addressing main challenges

Becoming an integrated player focused on E&P
Long-term energy outlook remains robust

Global energy demand (mtoe)

CAGR 2010-2035

<table>
<thead>
<tr>
<th>Year</th>
<th>Oil</th>
<th>Gas</th>
<th>Coal</th>
<th>Other</th>
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<tbody>
<tr>
<td>2010</td>
<td>2,403</td>
<td>3,474</td>
<td>2,740</td>
<td>4,113</td>
</tr>
<tr>
<td>2035</td>
<td>4,217</td>
<td>4,218</td>
<td>4,106</td>
<td>4,656</td>
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</table>

<table>
<thead>
<tr>
<th>Oil price (LHS)</th>
<th>Oil price scenarios, real prices (LHS)</th>
<th>Global spare capacity (RHS)</th>
</tr>
</thead>
<tbody>
<tr>
<td>USD/bbl</td>
<td>mbpod</td>
<td>7.0</td>
</tr>
<tr>
<td>2008 2010 2012</td>
<td>2010 2035</td>
<td>Long term view</td>
</tr>
<tr>
<td>0.5% 0.8% 1.6%</td>
<td>4.113 4.656</td>
<td>4.113 4.656</td>
</tr>
</tbody>
</table>

NG net trade balance (bcm)

<table>
<thead>
<tr>
<th>Region</th>
<th>2010</th>
<th>2035</th>
</tr>
</thead>
<tbody>
<tr>
<td>US</td>
<td>-76</td>
<td>34</td>
</tr>
<tr>
<td>Europe</td>
<td>-265</td>
<td>118</td>
</tr>
<tr>
<td>Asia</td>
<td>-454</td>
<td>-515</td>
</tr>
</tbody>
</table>

Source: IEA WEO 2012 New Policies Scenario; Wood Mackenzie, October 2012; brokers’ research

Long-term view

USD/bbl (2008-2012)

mbpod (2010-2035)
Challenging Iberian environment

GDP growth

Iberian demand

Source: DGEG, Cores, IMF, Eurostat, Company analysis
A strong set of assets in upstream

**Brazil**
- World-class development projects in Santos basin key to production growth
- Portfolio still has large upside

**Mozambique**
- Material and growing resource base
- One of the largest natural gas development projects
- Unique key features enhance project competitiveness

**Angola**
- 3 producing fields already reached peak production
- Fields in Block 14 and Block 32 to be developed offering relevant production growth

**Other areas**
- High-impact exploration portfolio
- Recent farm-ins strengthen and diversify resource potential
Solid foundations to increase cash flow from downstream and gas operations

**Refining**
- High complex refining system set to deliver improved returns
- Presence in biofuels to leverage demand growth in the coming years

**Oil Marketing**
- Leading player in the Iberian oil market
- Efficient network in Africa to take advantage of emerging markets growth

**NG supply**
- Strong and diversified portfolio of long-term gas supply contracts
- LNG supply and trading expertise

**NG infrastructure**
- NG distribution network representing a regulated asset base of €1.2 bn
- Resilient source of cash flow
**Capital allocation towards high quality upstream assets**

<table>
<thead>
<tr>
<th>Upstream business</th>
<th>Downstream and gas businesses</th>
</tr>
</thead>
<tbody>
<tr>
<td>Favourable global environment supporting oil and gas demand</td>
<td>Challenging global and local market outlook</td>
</tr>
<tr>
<td>High impact exploration portfolio and world class development projects</td>
<td>Integrated and complex refining system and a leading position in the Iberian oil &amp; gas market</td>
</tr>
</tbody>
</table>

**Increase capital allocation to exploration and development activities**

**Focus on efficiency and improvement on overall margin capture**
Consistently delivering

Allocating capital to high quality upstream assets

**Ensuring sustained upstream value creation**

Addressing main challenges

Becoming an integrated player focused on E&P
Benefiting from a unique set of competitive advantages

**Who we are**
- National flag carrier

**What we have**
- Financial strength

**What we bring**
- Integrated know-how

- Strong and flexible player
- Enduring partnerships
- Knowledge from breakthrough projects
A clear and sustainable E&P strategy

**Exploration**
- De-risk current exploration prospects and continuously feed the exploration funnel
- Build a balanced portfolio
- Reinforce internal expertise on new geological plays

**Production**
- Gain the most value from every project
- Deliver profitable production growth in the coming years and sustain it in the long-term
- Accelerate time to market of resources

Ensure a sustainable and value creating upstream activity
Capturing value from early exploration to production

E&P projects lifecycle

Exploration

Appraisal

Development

Production

Cumulative value creation

Full cycle value creation highly driven by exploration and appraisal activities
Steering towards a high impact exploration activity

Strong corporate commitment and reinforced budget

Focus on frontier and emerging plays
- Focus on basins where we can leverage our competitive advantages
- Build inventory with early mover positions in new plays
- Revisit underexplored areas with new technology

Materiality
- Increase Galp Energia’s average stake and exposure
- Ensure sustainable and impactful exploration activities
- Unlock high impact plays with success rate above industry average

Active risk management
- Geographic diversification of portfolio
- Balanced and disciplined project exposure
- Operator role to better control project execution

Increasing the depth of our exploration portfolio
Exploration pipeline potential to deliver significant shareholder value

Exploration de-risking process

Bubble size corresponds to the net unrisked potential
Source: DeGolyer and MacNaughton @ 31.12.2012

Unlock 100-200 mboe per year through the drillbit

Average PoS

- 0%
- 20%
- 40%

2013 prospects to de-risk
Areas to de-risk going forward

Time
Recent new portfolio additions starting to realise exploration strategy

Exploration portfolio recent additions

Morocco

Key data:
- Operator
- Shallow water
- Gross potential¹: 450 mbbl
- Stake: 50%

Namibia

Key data:
- Non-Operator
- Deep water
- Gross potential: 8 bn bbl
- Stake: 14%

¹ Includes only primary targets
Building a balanced E&P portfolio on a promising set of assets

- Portugal
- Brazil
- Angola
- Mozambique
- East Timor
- Uruguay
- Morocco
- Equatorial Guinea
- Venezuela
- Namibia

# of projects

- Core area
- Potential area
## Continuously adding resources through the drillbit

<table>
<thead>
<tr>
<th>New ventures</th>
<th>Exploration resources&lt;sup&gt;1&lt;/sup&gt;</th>
<th>Contingent resources</th>
<th>Reserves</th>
</tr>
</thead>
<tbody>
<tr>
<td>Under continuous evaluation</td>
<td><strong>Unrisksed</strong>&lt;br&gt;3,203 mboe&lt;br&gt;+14% YoY</td>
<td><strong>3C</strong>&lt;br&gt;3,245 mboe&lt;br&gt;+21% YoY</td>
<td><strong>3P</strong>&lt;br&gt;783 mboe&lt;br&gt;+10% YoY</td>
</tr>
<tr>
<td></td>
<td><strong>Risked</strong>&lt;br&gt;526 mboe&lt;br&gt;+10% YoY</td>
<td><strong>2C</strong>&lt;br&gt;1,583 mboe&lt;br&gt;+82% YoY</td>
<td><strong>2P</strong>&lt;br&gt;640 mboe&lt;br&gt;+60% YoY</td>
</tr>
</tbody>
</table>

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<sup>1</sup>Mean estimate resources

As certified by DeGolyer and MacNaughton @ 31.12.2012
Strong pipeline of projects to deliver production and value until end of decade

Key production units onstream until 2020:

- Lula / Iracema – 10x FPSO
- Iara – 2x FPSO
- Júpiter – 1x FPSO
- Carcará – 1x FPSO
- Block 14 – 2x CPT
- Block 32 – 2x FPSO
- Mozambique – 2x LNG trains
Ensuring sustainable production in the long run

Target long-term production profile

Production target
300 kboepd

- Sanctioned projects
- Pre-sanctioned projects
- Identified projects to de-risk
- New ventures

Long term view
Maximising value and optimising operations along the development phase

- Maximise recovery factor
- Optimise development concepts
- Reduce capital requirements
- Mitigate execution risk
- Accelerate time to market of resources enabling development of new areas
Extracting the most value through the full cycle

Fast development of high quality projects

Delivers production growth

Increased focus on early exploration

De-risk of candidates to develop

Delivery of profitable production growth

Delivery on downstream and gas operations
Consistently delivering

Allocating capital to high quality upstream assets

Ensuring sustained upstream value creation

**Addressing main challenges**

Becoming an integrated player focused on E&P
Overcoming challenges to succeed on our strategy

- Securing funding and flexibility
- Ensuring project execution
- Developing the right people
- Expanding sustainable practices

Risk management framework in place
Robust financial capacity is a key strategic pillar

Solid funding and liquidity position
Upstream delivery
Resilient Iberian businesses
Active portfolio management

Maintaining financial flexibility to develop the portfolio and support growth
Project execution supported by solid partnerships

- Partner with some of the most experienced and renowned companies worldwide
- Access to multiple technological options
- Knowledge from different projects is a valuable calling card
- Very active player in all the consortia, taking in-house knowledge to project discussions
Developing the right people

**Senior management conference**

- Human capital is a key strategic asset and core to project execution
- Advanced programmes and partnerships with renowned Portuguese and Brazilian universities
- E&P recruitment, targeting a substantial increase in human resources to attract experienced and highly skilled individuals

CEO speaking at the biannual senior management conference, September 2012
Highly responsible practices are embedded in our culture

Safety performance

Loss of containment

Notes: LTIFR - Lost time injury frequency rate.
On the loss of containments chart, columns represent the number of events and figures represent the frequency rate index. Tier 1 and Tier 2 categorization according with API 754.
Consistently delivering

Allocating capital to high quality upstream assets

Ensuring sustained upstream value creation

Addressing main challenges

Becoming an integrated player focused on E&P
An integrated energy player focused on E&P and on delivering shareholder value

- Well positioned to take advantage of growing demand for oil and gas
- Pursuing a clear capital allocation towards upstream
- Building a balanced exploration portfolio
- Maximizing value creation on the development phase
- Addressing relevant challenges key to deliver on a sustainable strategy
Upstream profitable growth

Stephen Whyte
Chief Operating Officer – E&P
Executing a sustainable upstream strategy

- Strategy in place towards a continuous high impact exploration activity
- Enlarging and globally diversifying exploration portfolio
- Reaching 300 kboepd by 2020 from existing portfolio
- Gaining the most value from development phase
Solid track record

High potential exploration portfolio

Profitable production growth

Concluding remarks
An increasingly diversified portfolio

- Portugal
- Brazil
- Angola
- Mozambique
- East Timor
- Uruguay
- Equatorial Guinea
- Morocco
- Venezuela
- Namibia

Exploration and development activities

Exploration activities
Solid track record in exploration

Galp Energia’s major world-class discoveries in new frontier and emerging basins:

- Tupi
- Iracema
- Iara
- Júpiter
- Carcará
- Mamba / Coral

**Exploration performance** (bn boe)

- 2007: 0.8
- 2012: 4.0

Note: 3P reserves + 3C contingent resources

Source: DeGolyer and MacNaughton
Exceptional exploration performance achieved in the recent past

Finding costs\(^1\) (USD/boe)

<table>
<thead>
<tr>
<th>Year</th>
<th>2011</th>
<th>2012</th>
</tr>
</thead>
</table>

Development costs\(^1\) (USD/boe)

<table>
<thead>
<tr>
<th>Year</th>
<th>2011</th>
<th>2012</th>
</tr>
</thead>
</table>

Source: Evaluate Energy and company analysis. Peers include Anadarko, BG Group, BP, Chevron, ConocoPhillips, Eni, EOG, ExxonMobil, Hess, Marathon, Apache, Talisman, Repsol, Shell, Statoil, Total, MOL and OMV.

\(^1\) 3 year average (2009-2011)
Three core hubs established

- Current three core areas established based on previous successful exploration activity
- Still a lot to take from exploration, appraisal and development activities
- Enduring partnerships with NOC’s and cooperation agreements established to ensure a sustainable presence
- 2020 production target supported by identified projects in Brazil, Angola and Mozambique
Solid track record

**High potential exploration portfolio**

Profitable production growth

Concluding remarks
Focus on delivering sustainable value from exploration activity

Exploration
Key objectives

- Deliver high impact organic growth opportunities
- Access promising new exploration areas
- Actively manage a lasting exploration portfolio

Key targets

- Drill 7-10 material exploration wells/year
- De-risk 100-200 mboe net resources/year
- Diversify portfolio risks
Continuously reinforcing and geographically diversifying our exploration portfolio

Exploration resources\(^1\) (mboe)

- Re-fill and diversify:
  - Materiality
  - Focus on frontier and emerging plays
  - Diversification and risk spreading
  - Ability to exercise competitive advantage

<table>
<thead>
<tr>
<th>Year</th>
<th>Namibia</th>
<th>Morocco</th>
<th>Portugal</th>
<th>Brazil</th>
<th>Mozambique</th>
<th>Others</th>
<th>Total</th>
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<tbody>
<tr>
<td>2011</td>
<td>2,821</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>3,203</td>
</tr>
</tbody>
</table>

\(^1\)Mean unrisked estimate

Source: DeGolyer and MacNaughton
Geological diversification with increasing weight of emerging basins

Exploration portfolio

2011

2012
Focus on deep water projects while starting to diversify well type portfolio

Exploration portfolio

<table>
<thead>
<tr>
<th>Year</th>
<th>Deep Water</th>
<th>Shallow Water</th>
<th>Onshore</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2012</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Balanced risk exposure

Exploration portfolio profile

<table>
<thead>
<tr>
<th>Probability of success</th>
<th>Related Basins and Blocks</th>
</tr>
</thead>
<tbody>
<tr>
<td>20%</td>
<td>Espírito Santo basin, Guanxuma, Portuço onshore, Pernambuco basin, Alentejo basin</td>
</tr>
<tr>
<td></td>
<td>Mozambique Blocks 14/14K, Blocks 32/33, Bracuhy, Peniche basin, Amazonas basin</td>
</tr>
<tr>
<td></td>
<td>Caramba, Namibia, Morocco</td>
</tr>
<tr>
<td>150 mboe</td>
<td>Net resource potential</td>
</tr>
</tbody>
</table>

Illustrative and non-exhaustive
BM-S-8: Significant exploration potential to be further de-risked

- Evaluation period extension already requested
- Carcará appraisal well and a contingent DST in 4Q13 key to test productivity and the resource potential in the flanks
- One of the best rock quality identified in pre-salt Santos basin
- Guanxuma prospect offers additional prospectivity to be de-risked in 2014
Capital Markets Day - March 5th 2013

- Júpiter NE well confirmed the continuity of the reservoir and the same hydrocarbon mix

- Bracuhy prospect to be drilled during 2013, offering additional upside to the Júpiter discovery

- Testing the continuity of the Júpiter accumulation in a well defined structure with Bracuhy exploration well
Potiguar: A play opener of a new frontier province

- 10 prospects identified in a predominantly stratigraphic setting (Cretaceous clastics)
- First exploration well, Ararauna already being drilled, followed by Pitú and Tango prospects during 2013
- Targeting a potential analogue with Jubilee field in Ghana
Mamba structure appraisal campaign to be concluded during 1H13

K Bulge oil prospect to be drilled in 2Q13

Structure well defined and oil charge concept still valid despite non-successful well nearby

Additional gas prospects identified in the North to be de-risked during 2013
Namibia: Emerging province offers significant resource potential

- Key material and independent prospects to be tested in 2013, Wingat, Moosehead and Murombe
- First exploration well about to start in Wingat prospect
- Multiple objectives over Cretaceous intervals (Carbonate, Fan)
- Several follow-ups identified to test in case of success in current exploration campaign
Morocco: Seismic data points to a potential analogue with Cap Juby oil discovery

- Different Jurassic prospects identified, with Trident, the primary prospect, located in the middle Jurassic targeting light oil

- First exploration well to be drilled on Trident, but with potential also to de-risk Assaka and TMA prospects

- Exploration campaign expected to start before mid-2014, pending rig availability
Targeted 300 mboe to be de-risked during exploration drilling programme in 2013

2013 drilling activity

- **Prospects:**
  - Ararauna
  - Tango
  - Pitú
  - Obsidiana
  - K Bulge
  - Bracuhy
  - Wingat
  - Murombe
  - Moosehead
  - Carcará extension

Bubble size corresponds to net unrisked potential of the prospect; ¹ Mean unrisked estimate

Source: DeGolyer and MacNaughton
Solid track record

High potential exploration portfolio

**Profitable production growth**

Concluding remarks
Reach 300 kboepd by 2020 maximising value creation in development phase

Production

Key objectives

- Maximise oil recoverability
- Reduce capital requirement through project optimisation
- Mitigate execution risks and ensure a fast time to market of resources

Key targets

- De-risk development concepts
- Deliver development projects on time and at a competitive cost
- Reach the 2020 target of 300 kboepd taking the most value out of every project
Robust resource base

3P reserves\(^1\) (mboe)

- **2011** Brazil: 709 mboe
- **2012** Angola: 783 mboe

3C contingent resources\(^2\) (mboe)

- **2011** Brazil: 2,671 mboe
- **2012** Angola: 3,245 mboe

Source: DeGolyer and MacNaughton

\(^1\)Net entitlement; \(^2\)Working interest
Several high impact development projects coming onstream

- **Brazil**: 14 FPSOs producing by 2018
- **Angola**: Additional projects to come onstream
- **Mozambique**: FID and conceptual development decision to be taken by 2014

Illustrative and non-exhaustive
Lula/Iracema: Project being successfully executed with upside potential

- One FPSO in production and nine already contracted for full development
- Lula-1 project revealed high well productivity, reaching full capacity with 4 producing wells
- Appraisal wells, WAG CO₂ and horizontal well to be tested in 2013
- Required development infrastructure already secured at competitive costs
Recovery factor increased from 23% to 28% so far

**2012 RDA wells**

- RDA wells evaluated peripheral connectivity

**Lula geological cross section**

- Continuity confirmed

**Schematic water front displacement**

- Homogeneous displacement improves recovery expectations
FPSO construction monitored to guarantee the fast development of Lula/Iracema

Next FPSO coming onstream

Lula NE\(^1\) (120 kbopd)

First oil scheduled for May-2013

Iracema South\(^2\) (150 kbopd)

First oil scheduled for 4Q14

Iracema North\(^3\) (150 kbopd)

First oil scheduled for 4Q15

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1 FPSO Cidade de Paraty at Angra dos Reis shipyard – Brazil; 2 FPSO Cidade de Mangaratiba hull being converted at Cosco shipyard – China; 3 VLCC “Algarve” to be converted into FPSO Cidade de Itaguaí
Future FPSO to benefit from learning curve of pilot units

- Production ramp-up schedule of pilot units combines revenue objectives with dynamic reservoir data acquisition
- FPSO C. Angra dos Reis, reached full capacity in c.18 months since the DoC
- FPSO C. de Paraty expected to achieve full capacity in 18 months, with 5 producing wells
Replicant FPSO being developed in Brazil progressing according to plan

Works at Rio Grande do Sul shipyard¹

- Hulls being constructed at Rio Grande do Sul shipyard
- Standard design and common construction strategy enables fast deployment of subsequent units
- Topside and integration package contracts already awarded
- Surpassing local content commitment of 30% while promoting new capacity for subsequent projects

¹ Hulls being constructed in dry dock at Rio Grande do Sul shipyard - Brazil
Addressing key development optimisation challenges of Lula/Iracema

### Key development breakthroughs

**Risk mitigation**
- Chartering additional FPSO on the international market
- Rigs and subsea equipment procurement strategy in place

**Development wells**
- Drilling and completion duration to be reduced by 25%
- Achieved flow rates reduced the number of wells required to reach full capacity

**Oil recoverability**
- Test WAG CO₂ injectors performance during 2013, expected to improve reservoir management
- RDA¹ and EWT² campaign to better understand the reservoir connectivity

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¹ Reservoir data acquisition
² Extended well test
World-class pre-salt projects to start production by 2017/2018

Future onstream projects

Iara

Carcará

Júpiter

Forthcoming appraisal activities to de-risk the development of each project benefiting from knowledge acquired at Lula/Iracema
Iara: De-risking development through appraisal activities

- Three additional appraisal wells, of which one is horizontal, to increase knowledge and de-risk development, with ongoing Iara West 2
- Contingent EWT scheduled for the end of 2013 and production expected to start by 2017 with two FPSO
- Horizontal well to improve efficiency of project development
Carcará: Results justify a standalone development project

- One FPSO allocated to Carcará area by 2018
- Expected high well productivity given the high pressures identified
- Development project to be optimised after the appraisal well in Carcará and the exploration well in Guanxuma
Conducting conceptual engineering development studies with several technological opportunities identified.

Oil rim development being matured and gas cap development pending on ongoing studies.

High CO₂ content identified with potential to be monetised to EOR development.

One FPSO expected to be in place in Júpiter area by 2018.
Mozambique: World-class natural gas province established with over 100 tcf

Mozambique: LNG possible routes

- A large scale LNG project being successfully de-risked
- Perfectly located to arbitrage on LNG market dynamics between Asia and Europe
- Area 4 potential of c.75 tcf GIIP with production phase to start by 2018 with two trains of 5 Mtpa each
- Expected excellent flow rates of up to 150 mmscf/d (c.27 kboepd)
Rovuma basin: One of the most competitive LNG incremental projects

LNG projects - breakeven price analysis

Project competitiveness and location key to secure LNG supply contracts

Source: Wood Mackenzie LNG Tool (Nov 2012)
Columns in dark grey represent incremental projects
Recent progress de-risked development project

Key development challenges

**Unitisation**
- Heads of agreement already established between Eni and Anadarko
- Unitisation delay risk offset by signing of Heads of Agreement

**Infrastructure development**
- Common and coordinated development with Area 1 increased efficiency potential of facilities
- FEED accelerated and FID expected by 2014

**Mozambique framework**
- Develop national infrastructure to support the project
- Establish legal framework

Cooperation agreement with ENH to leverage Galp’s activity in Mozambique
Angola is a development story

- Current producing-fields (Kuito, BBLT and Tômbua-Lândana) already reached peak production
- New fields in Block 14 and Block 14K to be developed
- Block 32 start-up production expected by 2016

Angolan assets
Ensuring production increase in Angola from 2015 onwards

**Block 14/14K**

Production of five new areas coming onstream from 2015 onwards

**Block 32**

Two FPSO expected to be installed in Kaombo split hub area by 2016 and 2017
Profitable production growth strategy in place towards 300 kboepd by 2020

Working interest production profile (kboepd)

- Angola
- Lula/Iracema
- Iara
- Carcará
- Júpiter
- Mozambique
- Production CAGR 12-20: ≈ 35%

Profitable production growth strategy in place towards 300 kboepd by 2020
Highly profitable development projects enabling higher returns in the future

<table>
<thead>
<tr>
<th>Year</th>
<th>OPEX USD/boe&lt;sup&gt;1&lt;/sup&gt;</th>
<th>DD&amp;A USD/boe&lt;sup&gt;1&lt;/sup&gt;</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>13.3</td>
<td>20.6</td>
</tr>
<tr>
<td>Long term</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<sup>1</sup> Based on net entitlement production
Solid track record and long term approach

A clear exploration strategy

Profitable production growth

Concluding remarks
Ensuring enduring and rewarding upstream activity

- Building an increasingly diversified portfolio driven by a broad range of exploration projects

- Focus on delivering sustainable value from early exploration phase

- Reaching 300 kboepd by 2020 gaining the most value from projects

- Production growth with emphasis on value maximisation
Maturing material exploration areas to be de-risked after 2013

Caramba appraisal well with significant updip potential

Frontier area with multiple objectives identified to be matured

3D seismic campaign concluded with several prospects identified

Several leads identified and 3D seismic acquisition already contracted

Caramba

Pernambuco

Alentejo

Uruguay
Promising exploration and appraisal drilling activity in 2013

**Galp Energia 2013 drilling schedule**

**Brazil**

<table>
<thead>
<tr>
<th>Area</th>
<th>Target</th>
<th>Interest</th>
<th>E/A</th>
<th>Spud Date</th>
<th>Duration (# days)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lula</td>
<td>Lula West – 2</td>
<td>10%</td>
<td>A</td>
<td>4Q12</td>
<td>120</td>
</tr>
<tr>
<td>Iara</td>
<td>Iara W</td>
<td>10%</td>
<td>A</td>
<td>4Q12</td>
<td>120</td>
</tr>
<tr>
<td>Iara</td>
<td>Iara HA</td>
<td>10%</td>
<td>A</td>
<td>2Q13</td>
<td>120</td>
</tr>
<tr>
<td>BM-S-8</td>
<td>Carcará (extension)</td>
<td>14%</td>
<td>A</td>
<td>4Q13</td>
<td>120</td>
</tr>
<tr>
<td>BM-S-24</td>
<td>Bracuhy</td>
<td>20%</td>
<td>E</td>
<td>2Q13</td>
<td>150</td>
</tr>
<tr>
<td>Campos</td>
<td>Obsidiana</td>
<td>15%</td>
<td>E</td>
<td>2Q13</td>
<td>120</td>
</tr>
<tr>
<td>Potiguar</td>
<td>Ararauna</td>
<td>20%</td>
<td>E</td>
<td>1Q13</td>
<td>120</td>
</tr>
<tr>
<td>Potiguar</td>
<td>Tango</td>
<td>20%</td>
<td>E</td>
<td>2Q13</td>
<td>120</td>
</tr>
<tr>
<td>Potiguar</td>
<td>Pitú</td>
<td>20%</td>
<td>E</td>
<td>3Q13</td>
<td>120</td>
</tr>
</tbody>
</table>

**Africa**

<table>
<thead>
<tr>
<th>Country</th>
<th>Area</th>
<th>Target</th>
<th>Interest</th>
<th>E/A</th>
<th>Spud Date</th>
<th>Duration (# days)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Namibia</td>
<td>PEL 23</td>
<td>Wingat</td>
<td>14%</td>
<td>E</td>
<td>1Q13</td>
<td>90</td>
</tr>
<tr>
<td></td>
<td>PEL 24</td>
<td>Moosehead</td>
<td>14%</td>
<td>E</td>
<td>2Q13</td>
<td>90</td>
</tr>
<tr>
<td></td>
<td>PEL 23</td>
<td>Murombe</td>
<td>14%</td>
<td>E</td>
<td>3Q13</td>
<td>90</td>
</tr>
<tr>
<td>Mozambique</td>
<td>Rovuma</td>
<td>K Bulge</td>
<td>10%</td>
<td>E</td>
<td>2Q13</td>
<td>60</td>
</tr>
<tr>
<td>Angola</td>
<td>Block 14</td>
<td>Menongue</td>
<td>9%</td>
<td>A</td>
<td>4Q13</td>
<td>60</td>
</tr>
<tr>
<td></td>
<td>Block 32</td>
<td>Cominhos</td>
<td>5%</td>
<td>E</td>
<td>3Q13</td>
<td>60</td>
</tr>
<tr>
<td></td>
<td>Block 32</td>
<td>Cominhos-2</td>
<td>5%</td>
<td>A</td>
<td>4Q13</td>
<td>60</td>
</tr>
</tbody>
</table>

1Petrogal Brasil: 70% Galp Energia; 30% Sinopec
E: Exploration well; A: Appraisal well
Galp Energia reserves and resources portfolio

<table>
<thead>
<tr>
<th></th>
<th>Reserves&lt;sup&gt;1&lt;/sup&gt; (mboe)</th>
<th>Contingent resources&lt;sup&gt;2&lt;/sup&gt; (mboe)</th>
<th>Exploration resources&lt;sup&gt;3&lt;/sup&gt; (mboe)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1P</td>
<td>145</td>
<td>154</td>
<td>1C</td>
</tr>
<tr>
<td>2P</td>
<td>399</td>
<td>640</td>
<td>2C</td>
</tr>
<tr>
<td>3P</td>
<td>709</td>
<td>783</td>
<td>3C</td>
</tr>
</tbody>
</table>

<sup>1</sup> Net entitlement; <sup>2</sup> Working Interest; <sup>3</sup> Working interest - Mean estimate

Source: DeGolyer and MacNaughton
Financial outlook

Filipe Silva
Chief Financial Officer
The key building blocks are in place

- Well defined projects and capex priorities
- Focus on cash generation
- Healthy financial position
- Value creation underpins shareholder return
Our capex priorities

Focus on cash generation

Financial strength and liquidity

Concluding remarks
Capital allocation reflecting focus on upstream

**Capex profile evolution**

**2008-2010**
- c.20%
- c.€1.2 bn/yr

**2011**
- c.30%
- c.€1.0 bn

**2012**
- c.70%
- c.€0.9 bn

Period of intensive upstream capex already underway
Recent exploration success driving capex upwards

- Capex estimate shifting upwards given new exploration and development projects
- Downstream and gas capex of c.€200 m/yr, focused on maintenance
- 2013 capex guidance of €1.2 - 1.4 bn
Continued focus on exploration

- Exploration capex to rise reflecting increased focus on new areas
- Development of the new projects will continue to weigh on the investment programme, accounting for c.60% of upstream capex
- Exploration in new geographies leads to portfolio diversification (country and oil/gas mix)

**Exploration vs. development capex**

- **2012**: €0.7 bn
- **Going forward**: €1.2 - 1.4 bn/yr

Legend:
- Exploration
- Development
Our capex priorities

Focus on cash generation

Financial strength and liquidity

Concluding remarks
Upstream Ebitda: from potential to reality

**Upstream Ebitda**

- **Ebitda (€m)**
- **# FPSO in Brazil**

<table>
<thead>
<tr>
<th>Year</th>
<th>Ebitda (€m)</th>
<th>FPSO in Brazil</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>2013</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>2014</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>2015</td>
<td>4</td>
<td>4</td>
</tr>
<tr>
<td>2016</td>
<td>8</td>
<td>8</td>
</tr>
<tr>
<td>2017</td>
<td>12</td>
<td>12</td>
</tr>
</tbody>
</table>

**Upstream profitability (USD/boe)**

- **2012**: 22.7
- **Going forward**: c. €0.4 bn

**Notes**

- Upstream profitability (USD/boe) is based on Noplat using Brent price of $112/boe and net entitlement production.

**Upstream Ebitda growth tracking**

- FPSO ramp-up

**Scale and higher margin Brazil barrels contribute to upstream profitability**
Downstream and gas Ebitda: stable cash generation

- R&M benefiting from refining upgrade
- Stable gas business and strong trading environment
- Increased focus on cost optimisation
Galp Energia Ebitda: growing over 25% p.a. until 2017

### Income statement (€m)

<table>
<thead>
<tr>
<th></th>
<th>2012</th>
<th>YoY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Turnover</td>
<td>18,507</td>
<td>10%</td>
</tr>
<tr>
<td>EBITDA</td>
<td>1,015</td>
<td>27%</td>
</tr>
<tr>
<td>EBIT</td>
<td>584</td>
<td>48%</td>
</tr>
<tr>
<td>Associates</td>
<td>72</td>
<td>(1%)</td>
</tr>
<tr>
<td>Financial results</td>
<td>(63)</td>
<td>49%</td>
</tr>
<tr>
<td>Taxes</td>
<td>(182)</td>
<td>n.m.</td>
</tr>
<tr>
<td>Minority interests</td>
<td>(53)</td>
<td>n.m.</td>
</tr>
<tr>
<td>Net income</td>
<td>359</td>
<td>43%</td>
</tr>
</tbody>
</table>

### Ebitda 2012-2017 (€m)

- **2013 Ebitda guidance of €1.1 - 1.3 bn**
Free cash flow positive during 2017\(^1\)

Ebitda - Capex profile

\(^{1}\) Post interest, taxes, and dividends
Our capex priorities

Focus on cash generation

Financial strength and liquidity

Concluding remarks
## A strong starting point

### Balance sheet YE2012 (€m)

<table>
<thead>
<tr>
<th>Description</th>
<th>Value (€m)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fixed assets</td>
<td>6,599</td>
</tr>
<tr>
<td>Working capital</td>
<td>1,339</td>
</tr>
<tr>
<td>Other assets (liabilities)</td>
<td>(452)</td>
</tr>
<tr>
<td>Net debt(^1)</td>
<td>780</td>
</tr>
<tr>
<td>Equity</td>
<td>6,706</td>
</tr>
<tr>
<td>Net debt(^1) to Ebitda</td>
<td>0.8x</td>
</tr>
</tbody>
</table>

### Liquidity and net debt YE2012 (€m)

<table>
<thead>
<tr>
<th>Description</th>
<th>Value (€m)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bank loans</td>
<td>1,924</td>
</tr>
<tr>
<td>EIB + ECA (^2)</td>
<td>1,092</td>
</tr>
<tr>
<td>Bonds</td>
<td>625</td>
</tr>
<tr>
<td>Gross debt</td>
<td>3,590</td>
</tr>
<tr>
<td>Deposits and treasury funds</td>
<td>1,893</td>
</tr>
<tr>
<td>Loan to Sinopec</td>
<td>918</td>
</tr>
<tr>
<td>Net debt(^1)</td>
<td>780</td>
</tr>
</tbody>
</table>

50% of €1.4 bn in undrawn credit lines are committed, and around 50% have a maturity over 1 year

---

1. \(^1\) Considering loan to Siponec of €918 million as cash & equivalents
2. \(^2\) European Investment Bank and Export Credit Agency
Financial discipline: a key priority

- Sustain strong liquidity position
- Benefit from access to broader funding options
- Monetise non-core assets as required
- Maturity extension more in line with cash flow profile
Extending debt maturities

- Addressing all our 2013 funding requirements by Q2 and starting to re-profile our 2014 maturities during 2H13
- Banking and private placement bond markets currently very supportive for 3-5 year maturities
- Healthy financial position to be maintained with net debt to Ebitda rising to up c.2x and falling quickly from 2016 onwards
Our capex priorities

Focus on cash generation

Financial strength and liquidity

Concluding remarks
Value creation underpins shareholder return

- Free cash flow growth driven by a very competitive set of assets
- Disciplined cost management and capital allocation focused on only the highest value-added projects
- Balanced and reliable sources of funding to support capex plan
- Commitment to a healthy capital structure
- €0.24 dividend per share, related to 2012 fiscal year, in line with dividend policy
Appendix
## Mid-cycle assumptions and Ebitda sensitivities

<table>
<thead>
<tr>
<th></th>
<th>2011</th>
<th>2012</th>
<th>Average 2013-2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Oil price USD/bbl</td>
<td>111</td>
<td>112</td>
<td>93</td>
</tr>
<tr>
<td>Benchmark refining margin</td>
<td>1.3</td>
<td>1.7</td>
<td>3.0</td>
</tr>
<tr>
<td>USD/bbl¹</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>EUR:USD</td>
<td>1.40</td>
<td>1.29</td>
<td>1.30</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Change</th>
<th>Approximate impact in 2013</th>
<th>Approximate annual medium-long term impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>Oil price</td>
<td>+ USD 5/bbl</td>
<td>+ €25 m</td>
<td>+ €150 m</td>
</tr>
<tr>
<td>Benchmark refining margin</td>
<td>- USD 0.5/bbl</td>
<td>- €50 m</td>
<td>- €50 m</td>
</tr>
<tr>
<td>USD/bbl¹</td>
<td>+ 0.05</td>
<td>- €30 m</td>
<td>- €100 m</td>
</tr>
</tbody>
</table>

¹ New post-upgrade benchmark refining margin = 42.5% cracking margin + 45.0% hydrocracking margin + 5.5% aromatics margin + 7.0% base oils margin
Closing remarks

Manuel Ferreira De Oliveira
Chief Executive Officer
### 2013: Continuously delivering

<table>
<thead>
<tr>
<th>Value delivery</th>
<th>Value upside</th>
</tr>
</thead>
<tbody>
<tr>
<td>Development of key projects</td>
<td>Exploration focus</td>
</tr>
<tr>
<td>Contribution from refining upgrade</td>
<td>7-10 high impact wells</td>
</tr>
<tr>
<td>Continued robust LNG trading</td>
<td></td>
</tr>
<tr>
<td>c.20% net entitlement production growth</td>
<td></td>
</tr>
<tr>
<td>Estimated upgrade impact of $2-$3/bbl(^1)</td>
<td></td>
</tr>
<tr>
<td>Sustained support to earnings</td>
<td></td>
</tr>
</tbody>
</table>

\(^1\) Based on 2012 market conditions and assuming steady production
## Working to deliver until 2020...and beyond

### Ensure upstream value delivery

<table>
<thead>
<tr>
<th>World-class projects</th>
<th>Exploration driven</th>
</tr>
</thead>
<tbody>
<tr>
<td>▪ Developing pre-salt projects on time and on budget</td>
<td>▪ De-risking resources from exploration portfolio</td>
</tr>
<tr>
<td>▪ LNG Mozambique project being de-risked</td>
<td>▪ Expanding inventory of opportunities</td>
</tr>
</tbody>
</table>

### Focus on cash generation

<table>
<thead>
<tr>
<th>Execution focus</th>
<th>Financial discipline</th>
</tr>
</thead>
<tbody>
<tr>
<td>▪ Mitigating project execution risk</td>
<td>▪ Resilient downstream and gas returns</td>
</tr>
<tr>
<td>▪ Focus on optimisation and profitability</td>
<td>▪ Active portfolio management</td>
</tr>
</tbody>
</table>
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RCA figures except otherwise noted.

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