



CAPITAL MARKETS DAY 2018

London, February 20

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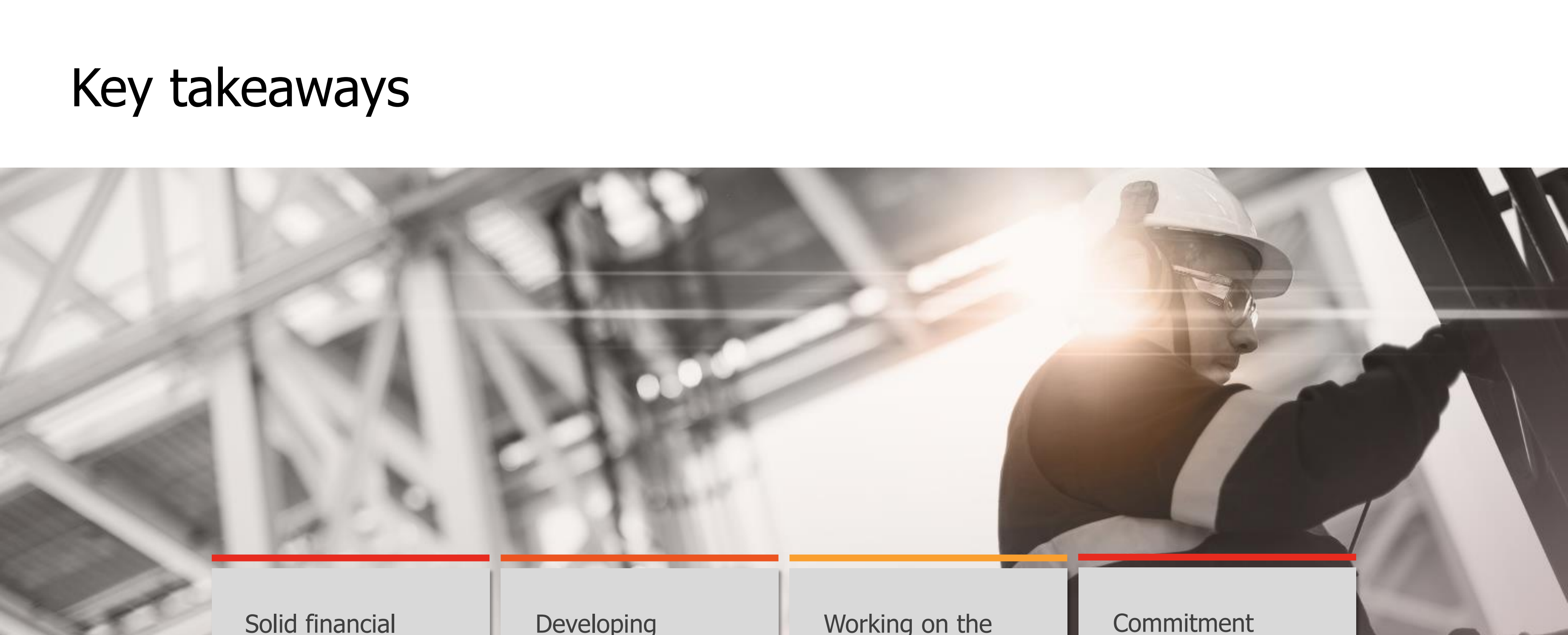
Actual future results, including financial and operating performance; demand growth and energy mix; Galp's production growth and mix; the amount and mix of capital expenditures; future distributions; resource additions and recoveries; project plans, timing, costs, and capacities; efficiency gains; cost savings; integration benefits; product sales and mix; production rates; and the impact of technology could differ materially due to a number of factors. These include changes in oil or gas prices or other market conditions affecting the oil, gas, and petrochemical industries; reservoir performance; timely completion of development projects; war and other political or security disturbances; changes in law or government regulation, including environmental regulations and political sanctions; the outcome of commercial negotiations; the actions of competitors and customers; unexpected technological developments; general economic conditions, including the occurrence and duration of economic recessions; unforeseen technical difficulties; and other factors.

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STRATEGY Overview

Key takeaways



Solid financial position entering into a new cash cycle

Developing a resilient and competitive portfolio

Working on the next growth cycle (2020+)

Commitment to shareholder value creation

2017 commitments delivered

Project execution

Record production (>100 kboepd)

Coral South FLNG FID

Strong downstream performance

WI production

c.93 kboepd

Downstream oil and gas

+4% volumes

Financial Performance

Positive Group post-dividend FCF

Maintaining solid financial position

Delivering efficiency improvements

Ebitda

c.1.9 €bn

Capex

c.1.0 €bn

Business development

Reinforcing pre-salt exposure

Launching digital initiatives

Preparing lower carbon investments

Acquisition of

20%

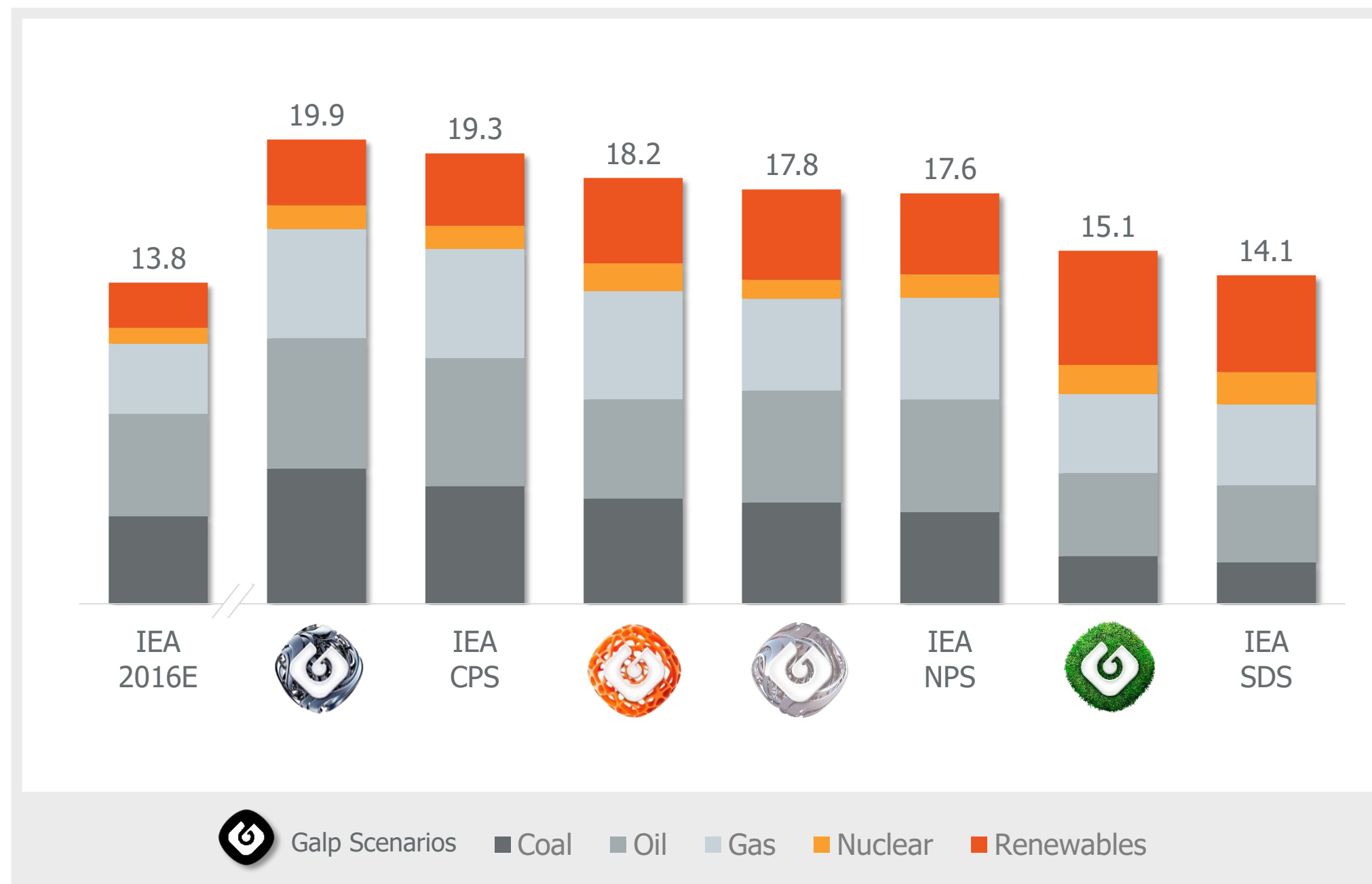
Carcará North

3%

BM-S-8

Oil & Gas to maintain a key role while renewables growing

Total primary energy demand mix in 2040 by scenario (bn toe)



Energy demand expected to grow under any scenario

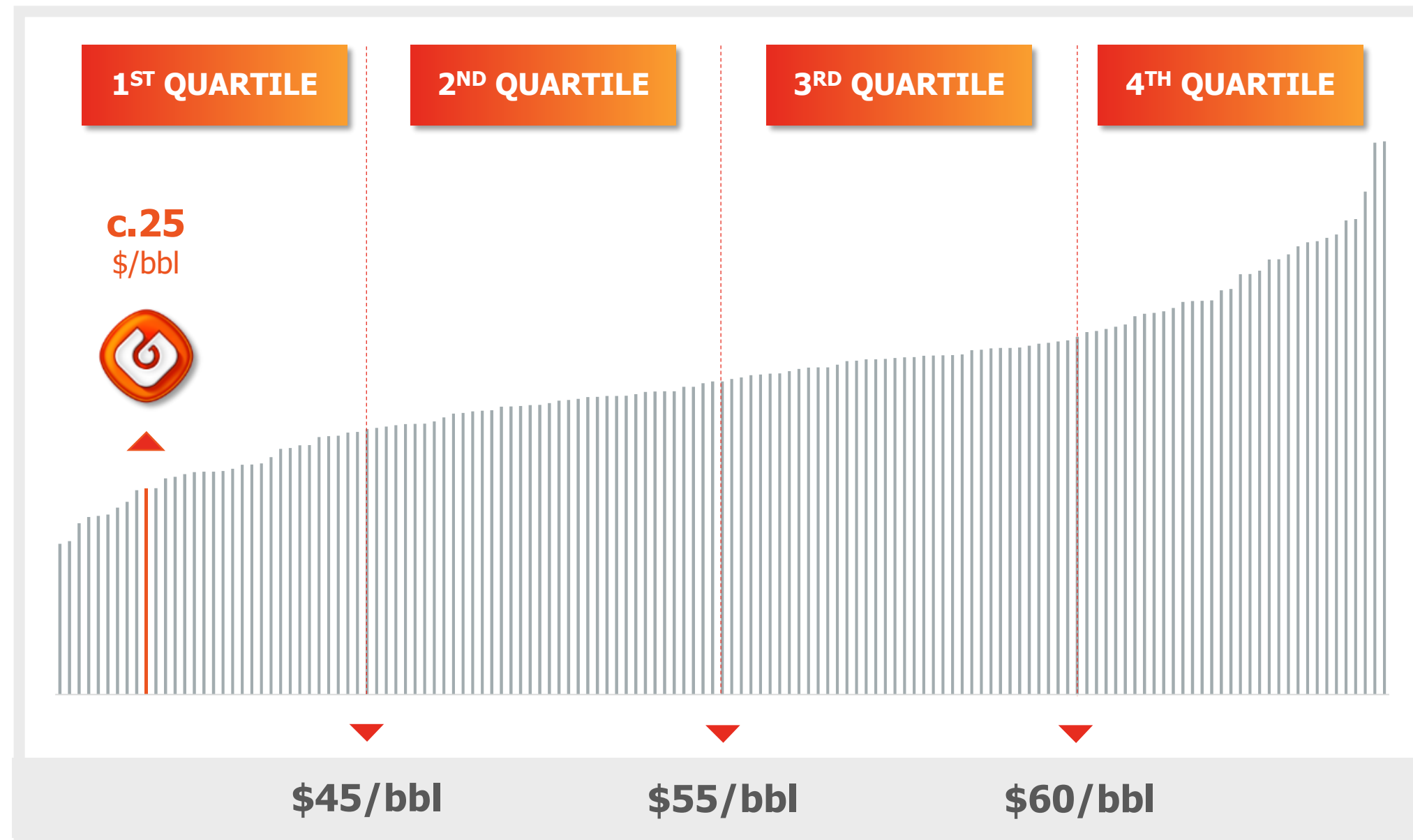
Galp developed four scenarios internally

A clear strategy



Top quartile upstream portfolio

Portfolio breakeven (\$/bbl)



Exposure to world-class assets

Maintain portfolio resilience and competitiveness

Brazilian pre-salt: Cornerstone of future growth



Focus on BM-S-11
FPSO execution
and development
enhancement

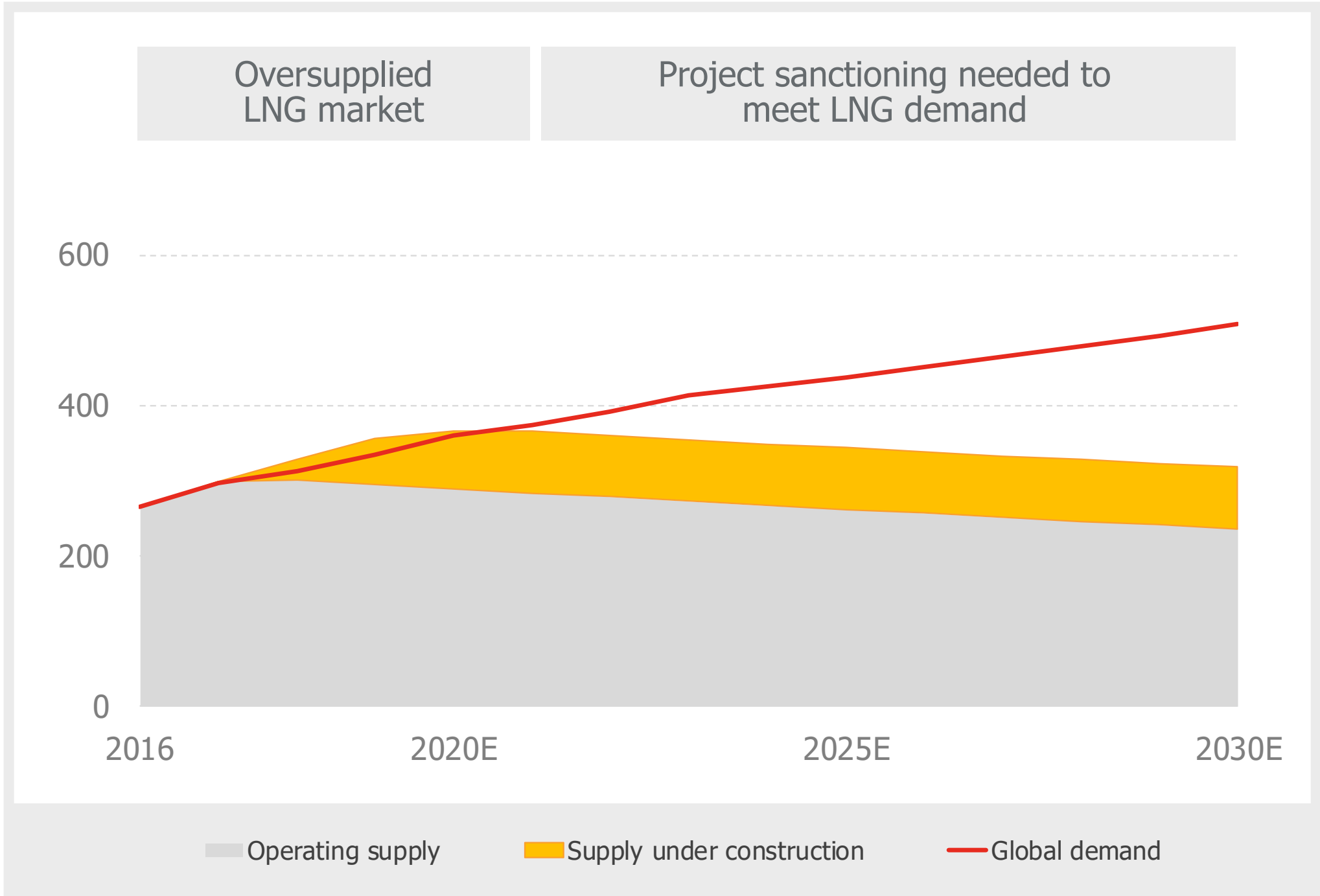
De-risking
existing
high quality
portfolio

Sizeable
resources
with low cost
base

Fostering
new
opportunities

Mozambique: Developing a world-class LNG project

Global LNG supply and demand (mtpa)



Time to market and scalability advantage

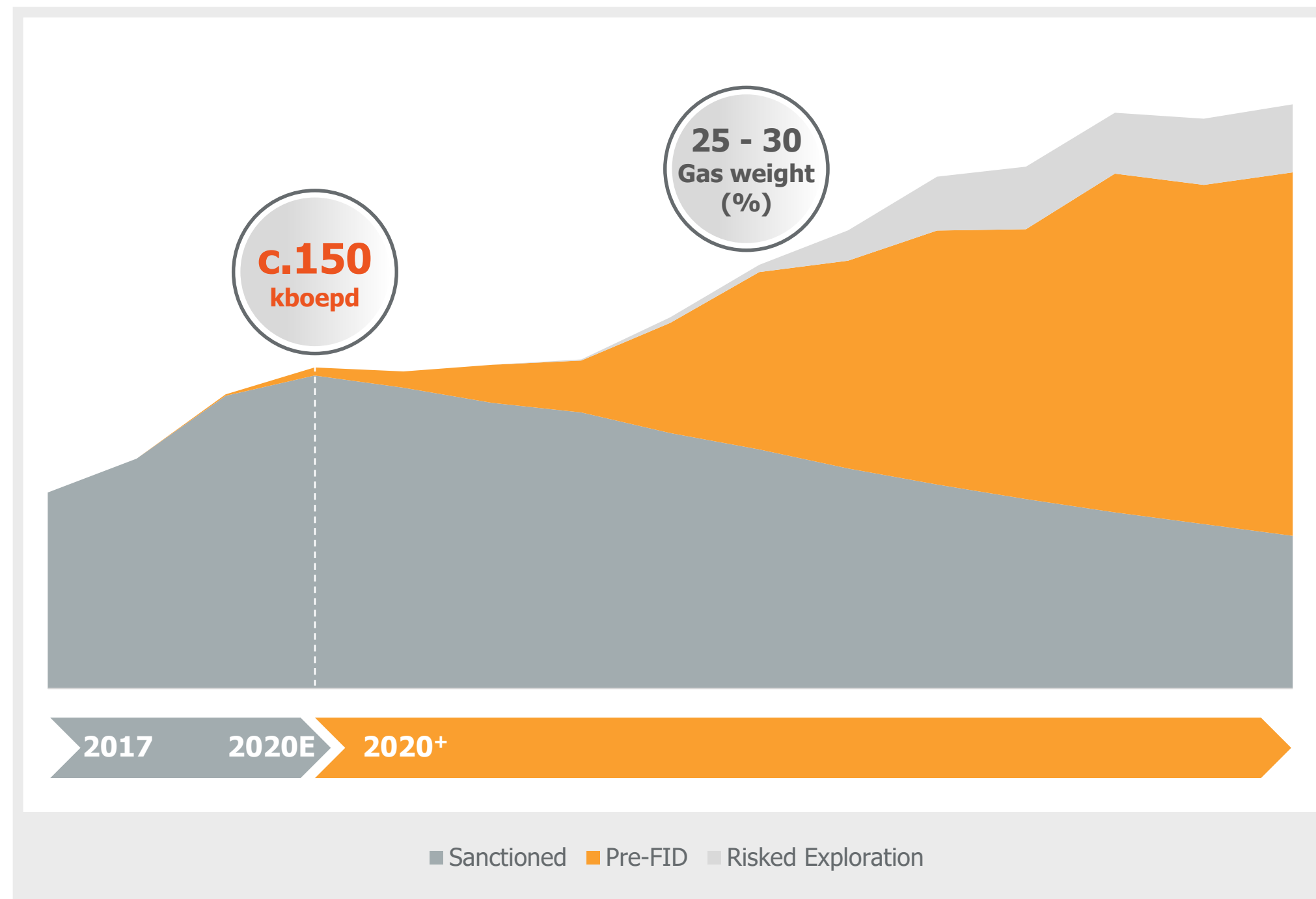
Coral South FLNG under development

Preparing Mamba LNG 1st phase

Note: Assumes 90% plant utilisation capacity and LNG demand CAGR 2016-2030 of 5%, and annual average decline for operating supply of c.2%.

Grow a competitive and resilient upstream portfolio

Working interest production (kboepd)

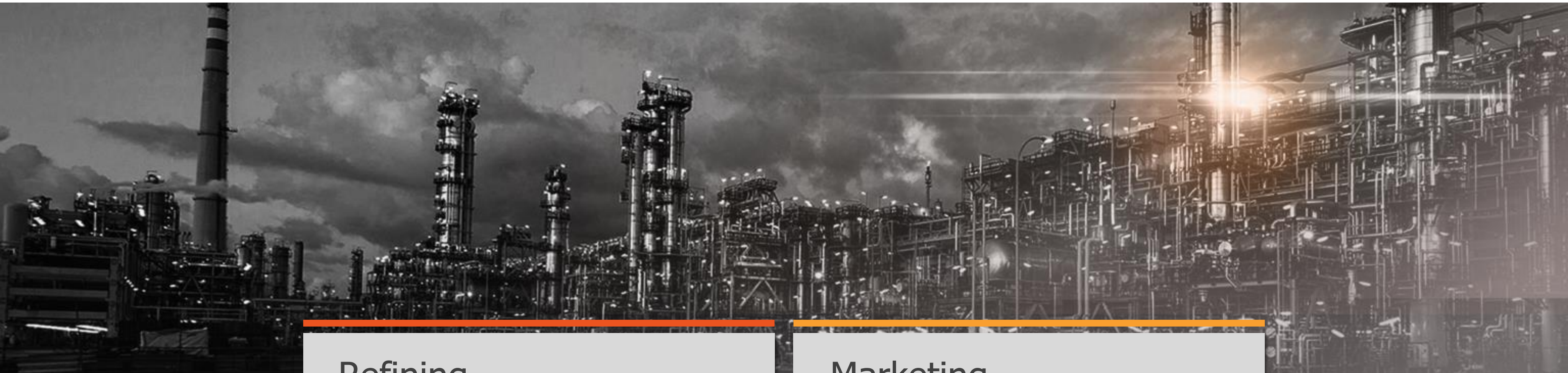


Execute and extract focus /
Accelerate de-risking phase

Balance exposure to gas

Selectively feed the upstream funnel

Adapting Refining & Marketing to market changes



Refining

Deliver efficiency and enhanced conversion initiatives

Prepare for IMO global cap

Explore petrochemicals integration

Marketing

Reinforce market share in Iberia

Improve convenience and customer experience

Develop African business clusters

Developing a sustainable Gas & Power business



NG & LNG portfolio

Adapt supply basket to
market trends

Expand trading activities

New market opportunities /
outlets

Marketing offer

Increase market share
in Iberia

New business segments

Energy efficiency
solutions provider

Building portfolio optionality



Low carbon solutions

Develop a portfolio of renewable energy

Focus on innovative technologies

New business models

Enhance client centricity

Develop mobility solutions

Innovation & digitalisation

Promote digital mindset

Foster innovation agenda

Growing sustainably

Eco-efficient and safe operations

Promote safety above benchmark, and 50% reduction target in 2018¹

Leading environmental performance and 20% cut in refining CO₂ intensity²

Climate integrated into strategy

Applying internal carbon price (\$40/tCO₂e) sensitivity

Commitment to Zero Routine Flaring

MEMBER OF
Dow Jones Sustainability Indices
In Collaboration with RobecoSAM



FTSE4Good



WATER



CLIMATE



TCFD

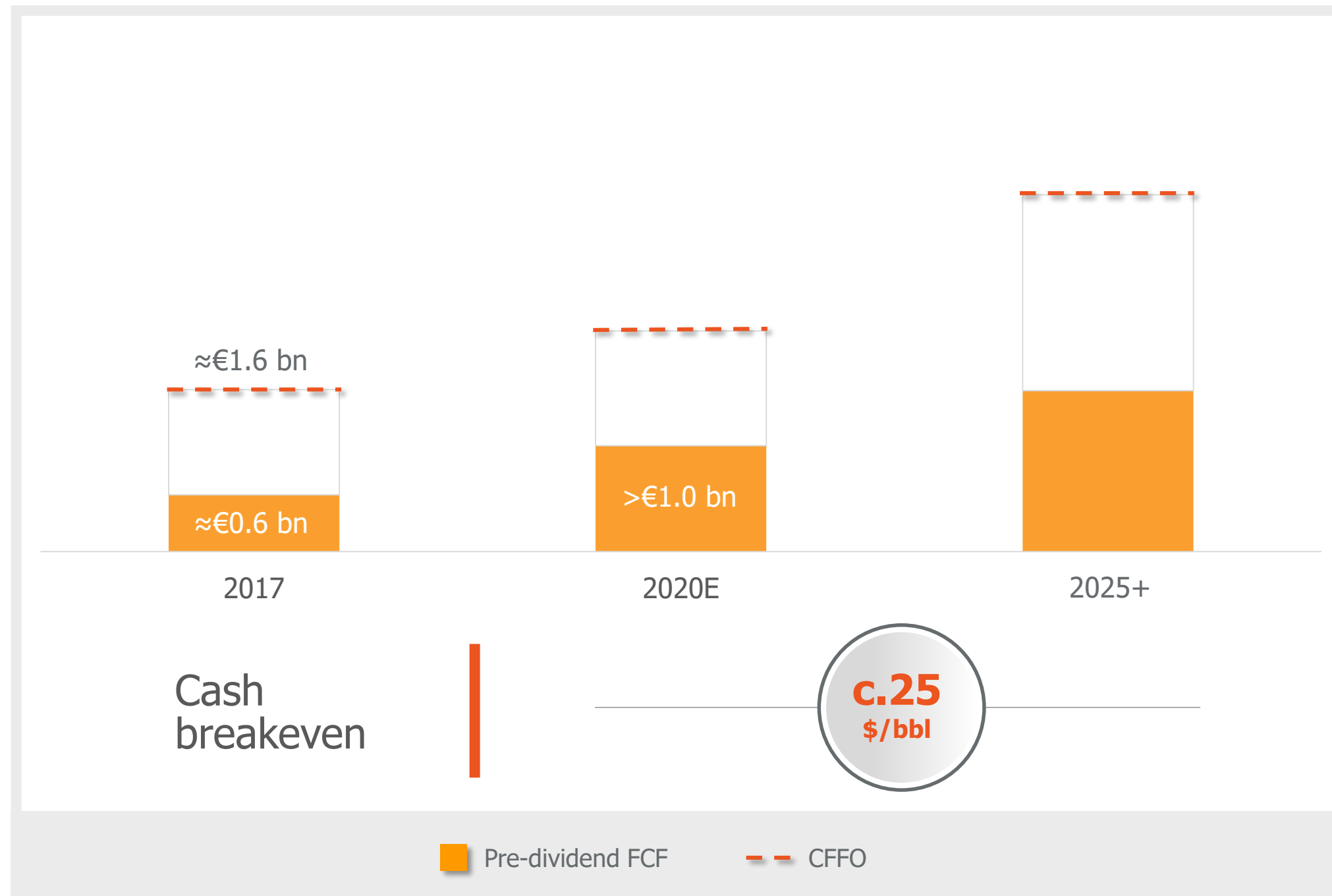
TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

¹ Tier 1 events, based on 2015.

² Average reduction expected by 2022, based on 2013.

Turning into a sustainable FCF generator

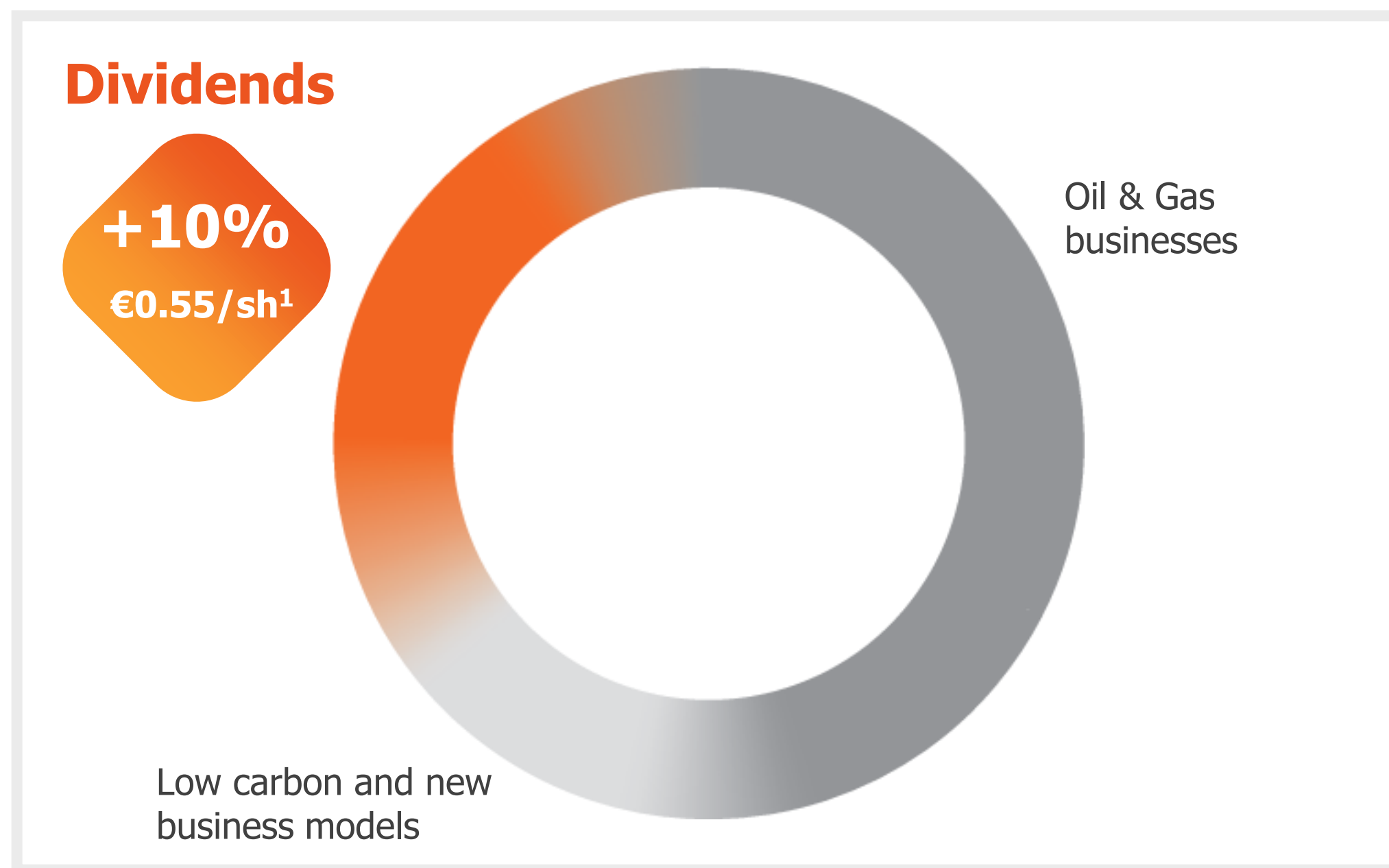
Financial outlook



FCF growth from a highly competitive and resilient portfolio

Ability to fund further profitable growth

Disciplined capital allocation



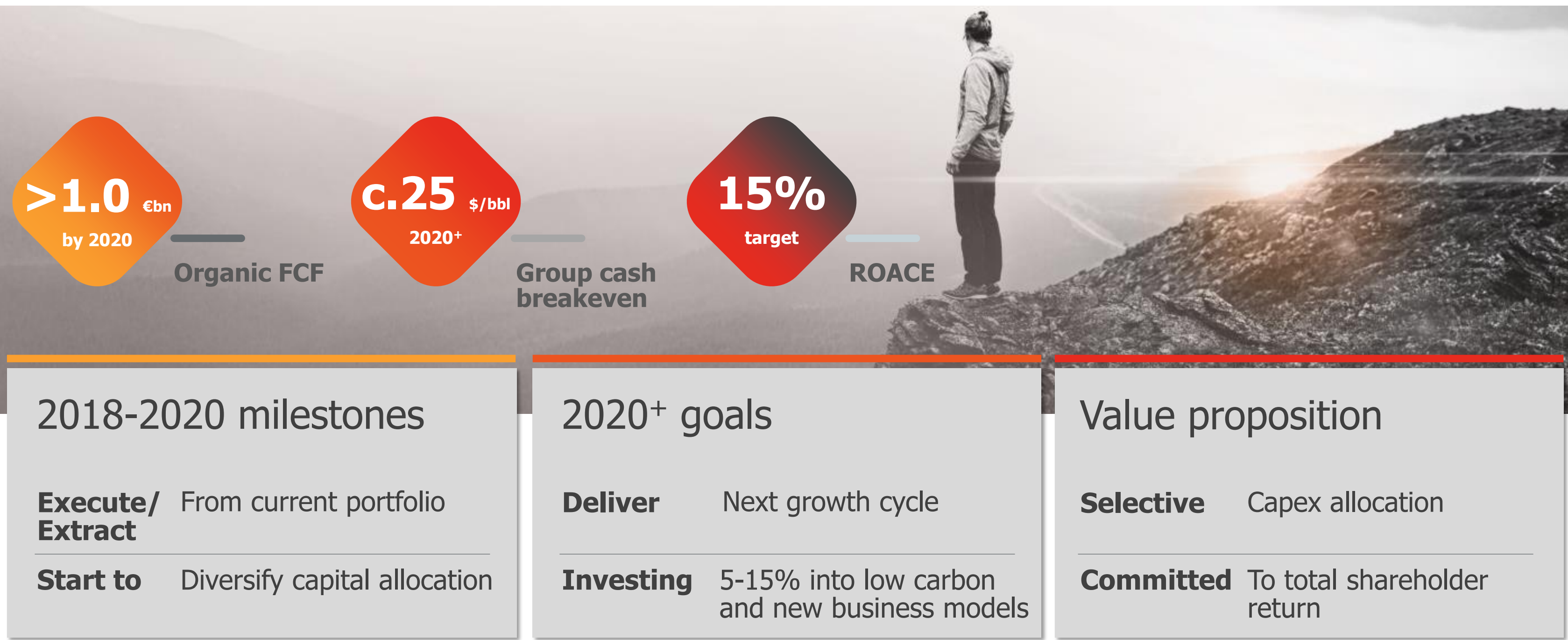
Prioritizing reinvestment in value accretive opportunities

Oil & Gas to remain core and starting to develop low carbon

Dividend now considered at €0.55/sh

Potential to further increase dividends, while maintaining financial discipline




Positioned to deliver unique growth and value





FINANCIAL Outlook

Beating our 2017 guidance

	Guidance @CMD17	Actual
Ebitda	€1.5 - €1.6 bn	€1.9 bn 
Capex	€1.0 - €1.2 bn	€1.0 bn 
Net debt/ Ebitda	<2.0x	1.0x 

E&P

€913 m
+85% YoY

Higher production
and oil price

R&M

€785 m
+36% YoY

Supportive refining
margin and marketing

G&P

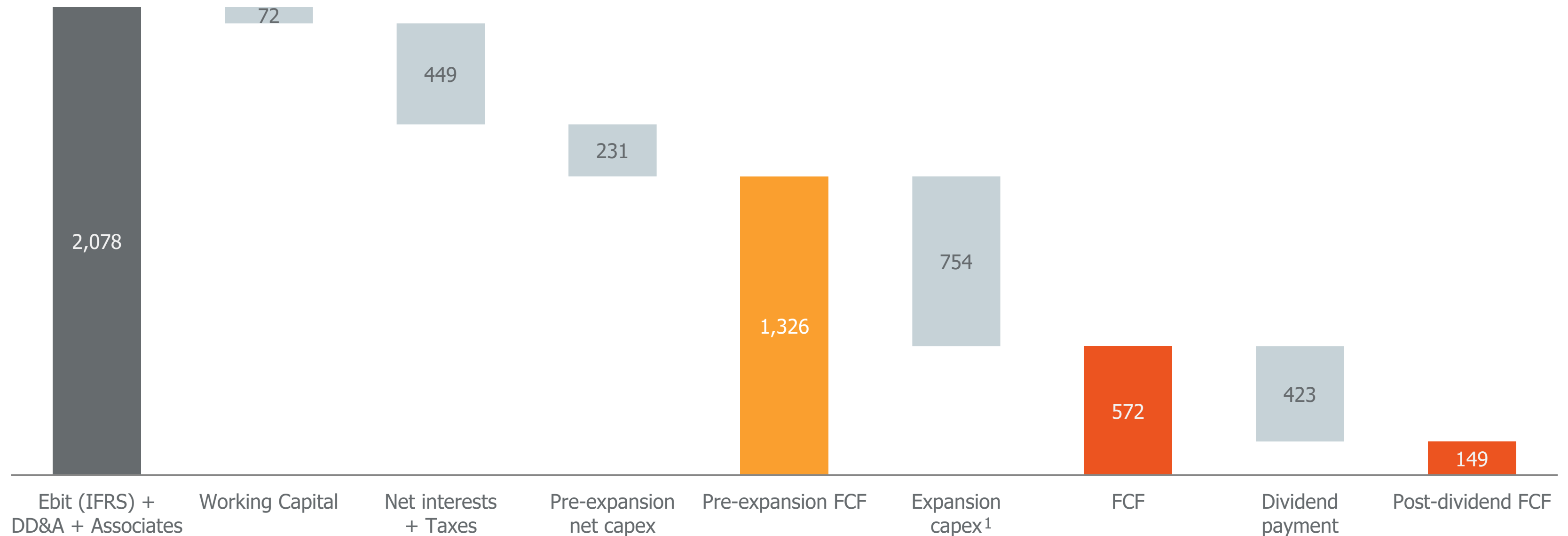
€141 m
(55%) YoY

GGND deconsolidation and
fewer trading opportunities



Positive post-dividend cash flow during 2017

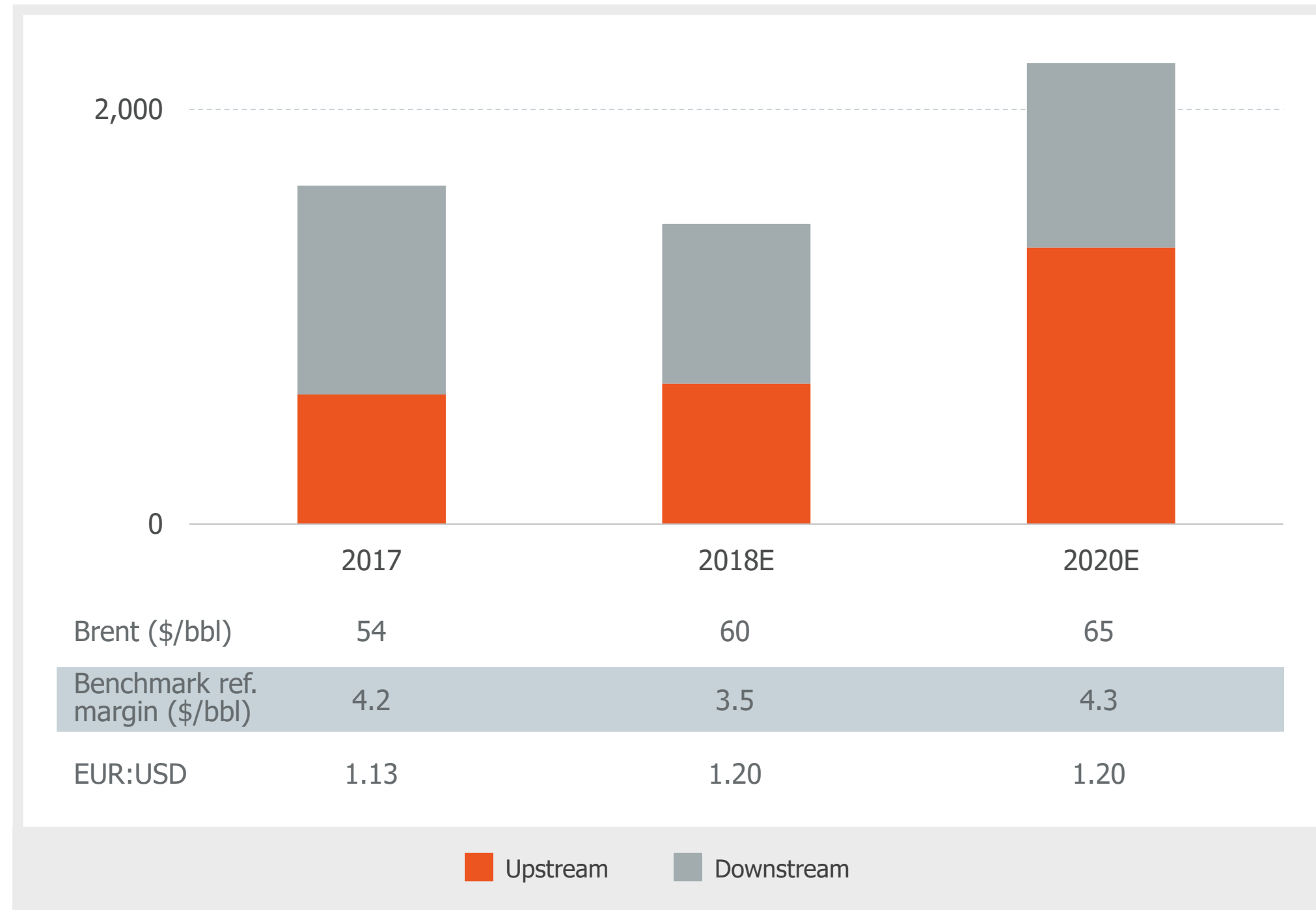
2017 Cash flow (€m)



¹ Includes c.€150 m payment related to Carcará North signing bonus.

Organic growth to support CFFO

CFFO (€m)



Group Ebitda expected at c.€1.8 – €1.9 bn in 2018

Upstream CFFO with CAGR 2017-20 of c.30%

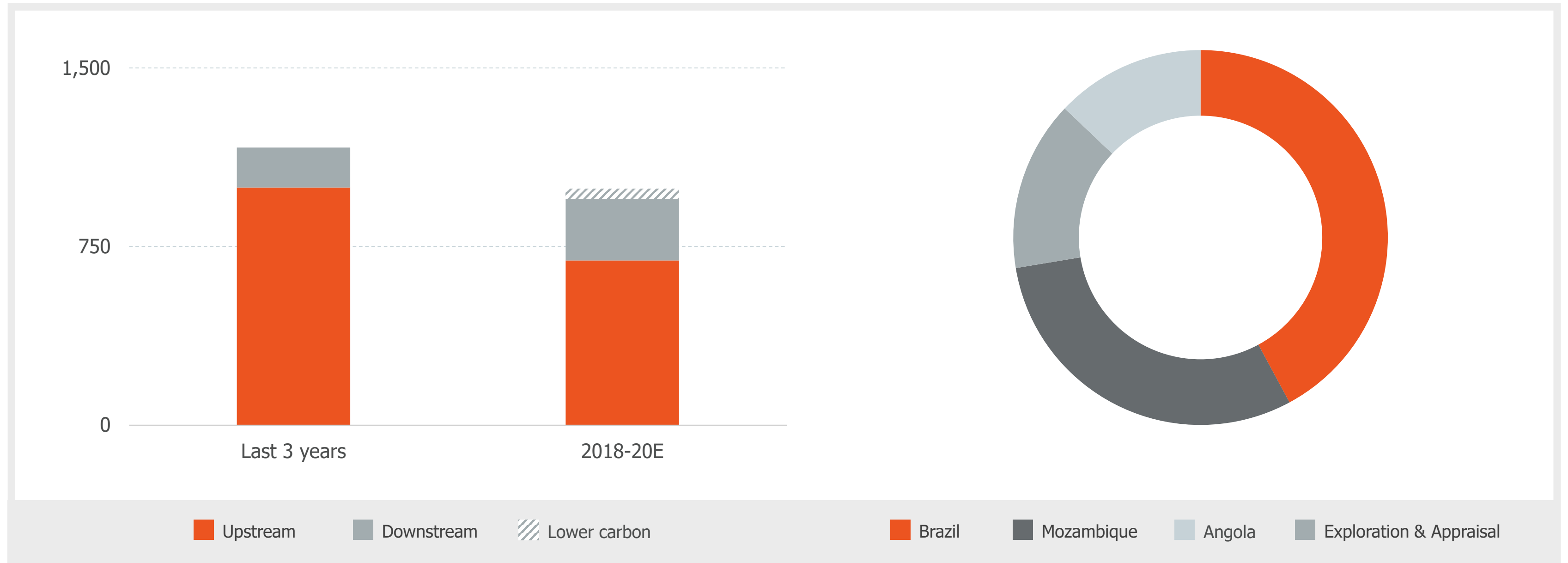
Downstream CFFO of €0.8 - €0.9 bn during the period

Group CFFO CAGR 2017-20 above 10%

Capex to average c.€1 bn p.a.

Annual average net capex (€m)

Upstream 2018-20 capex breakdown

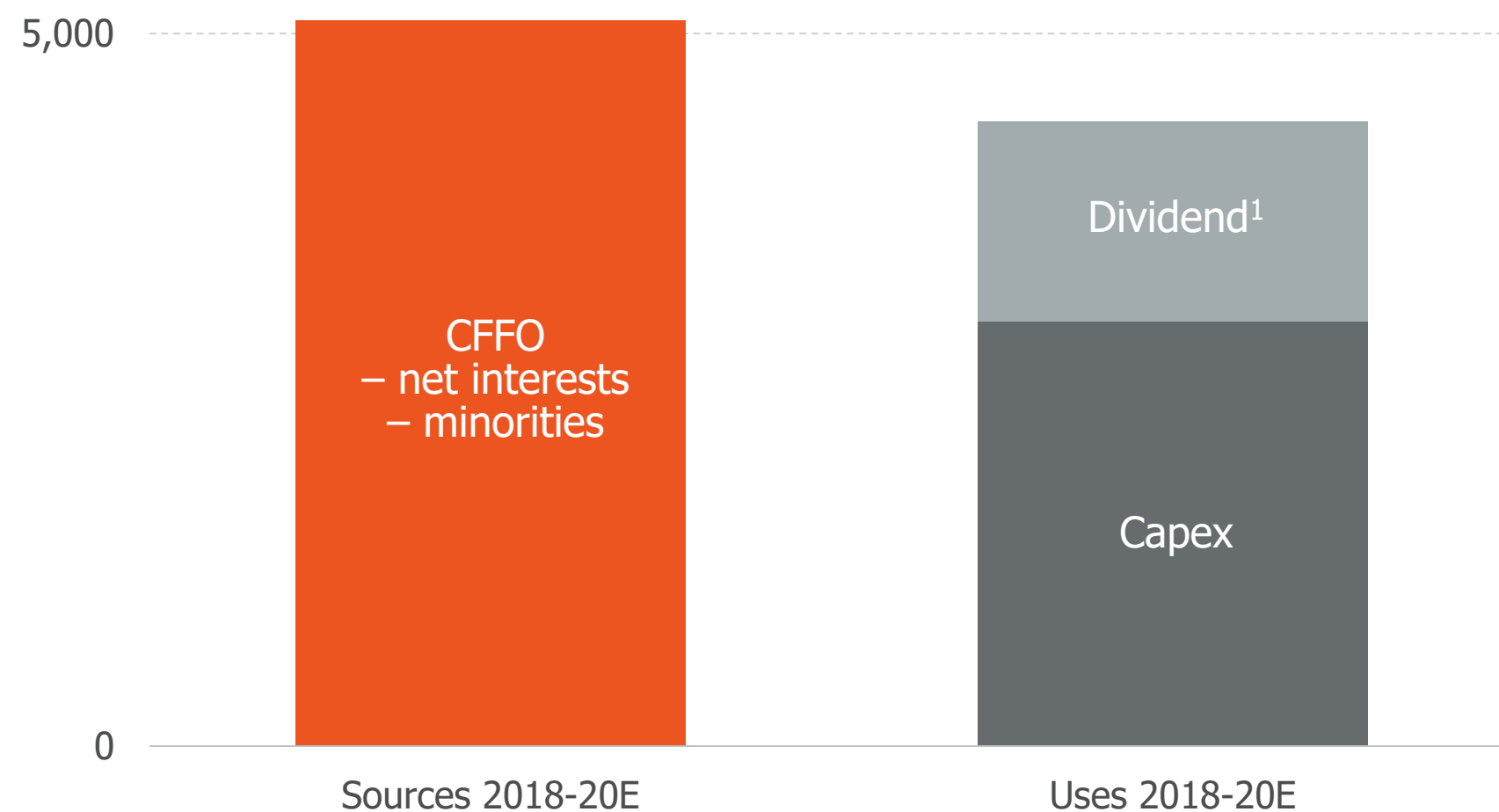


2018 capex guidance of c.€1.0 – €1.1 bn

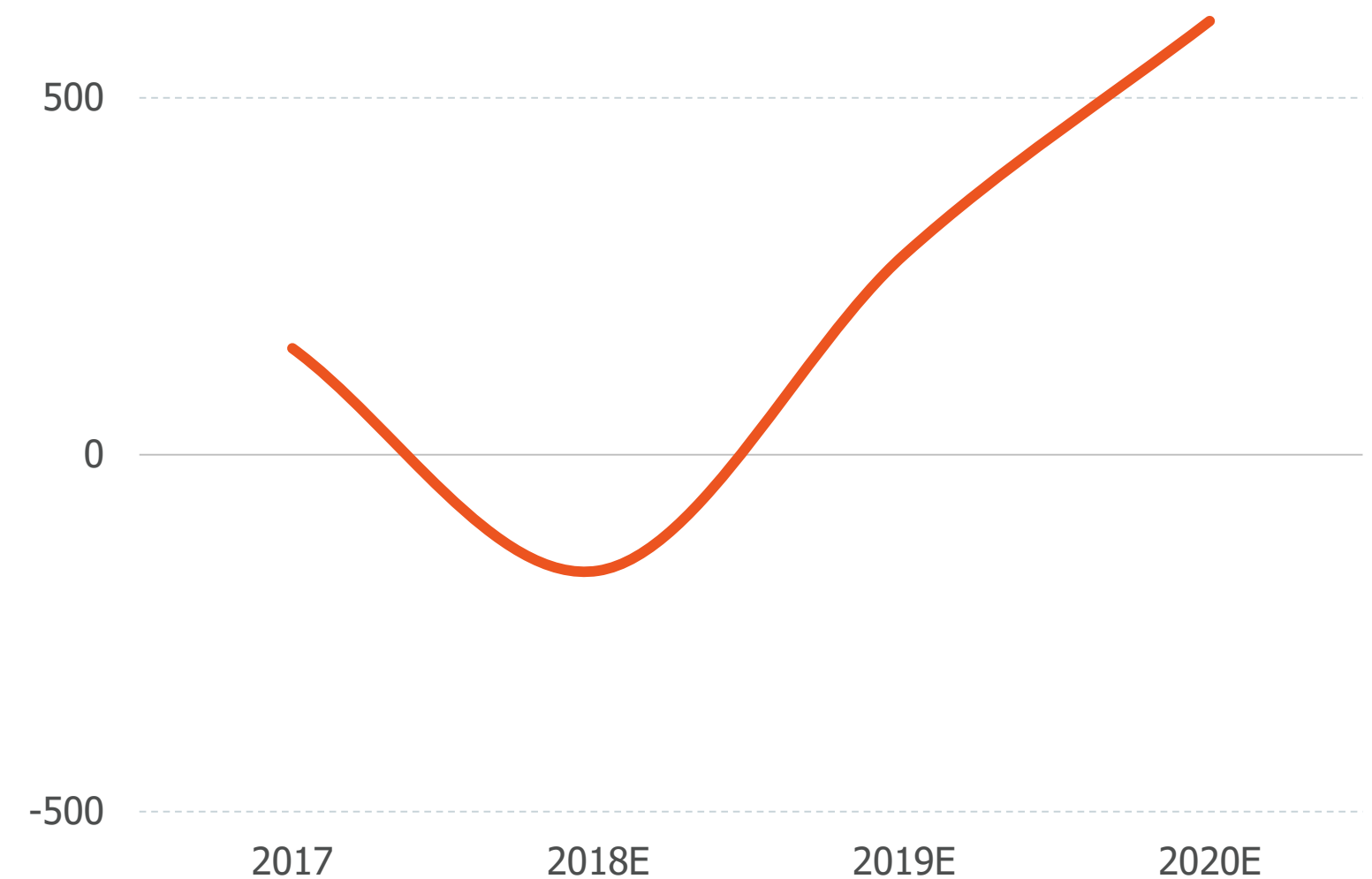
85% of E&P capex allocated to development activities

Cash generation allowing for optionality

Cash sources and uses (€m)



Post-dividend FCF² (€m)

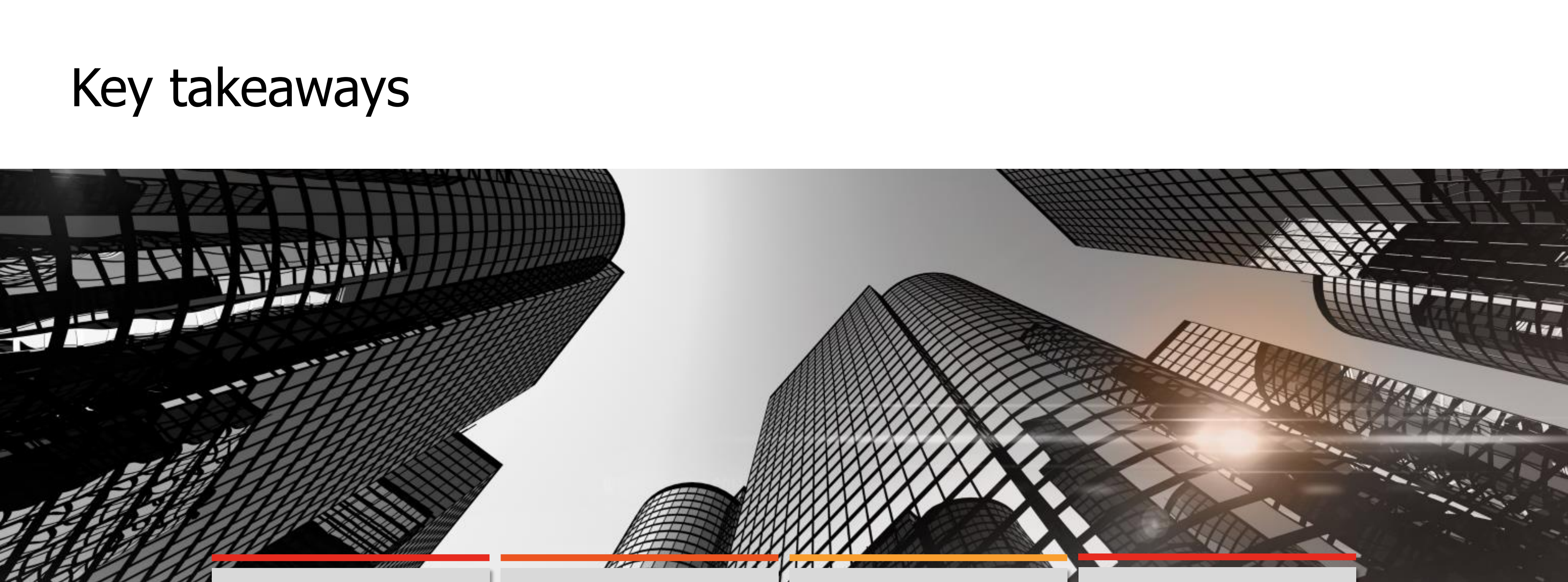


Financial flexibility to support further portfolio expansion and shareholder distribution

¹ Assumes dividend of €0.55 per share.

² Includes payment of BM-S-8 3% stake in 2018.

Key takeaways



Superior growth
from competitive
portfolio

Disciplined capital
allocation

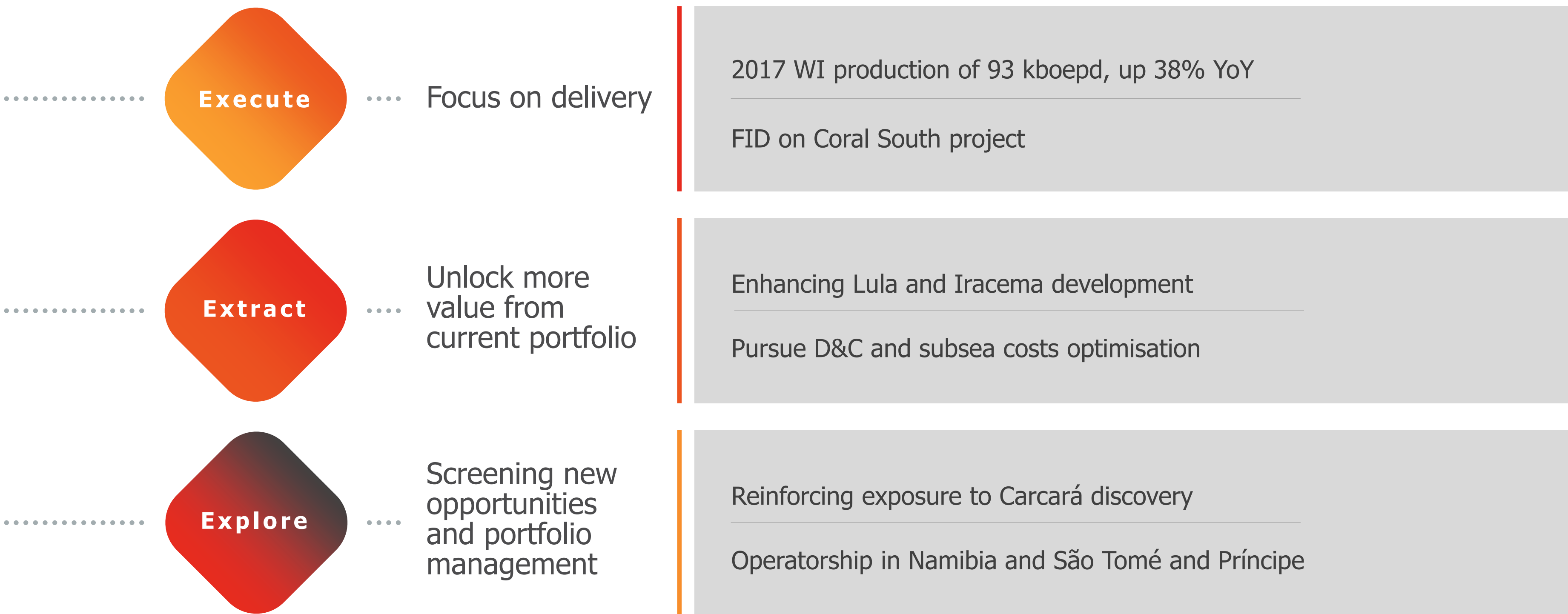
Net debt to Ebitda
<2x

Organic FCF >€1 bn
by 2020



UPSTREAM Update

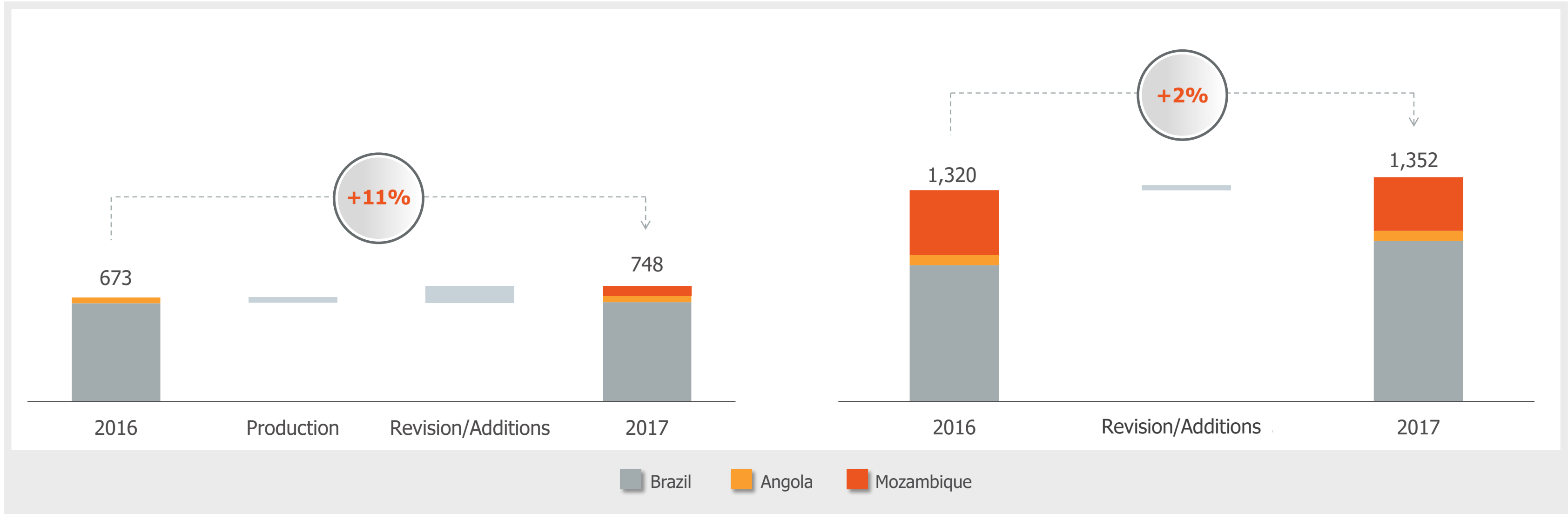
Delivering on commitments and strengthening portfolio



Robust base of high quality resources

2P Reserves (mmboe)

2C Resources (mmboe)



RRR of 198%¹

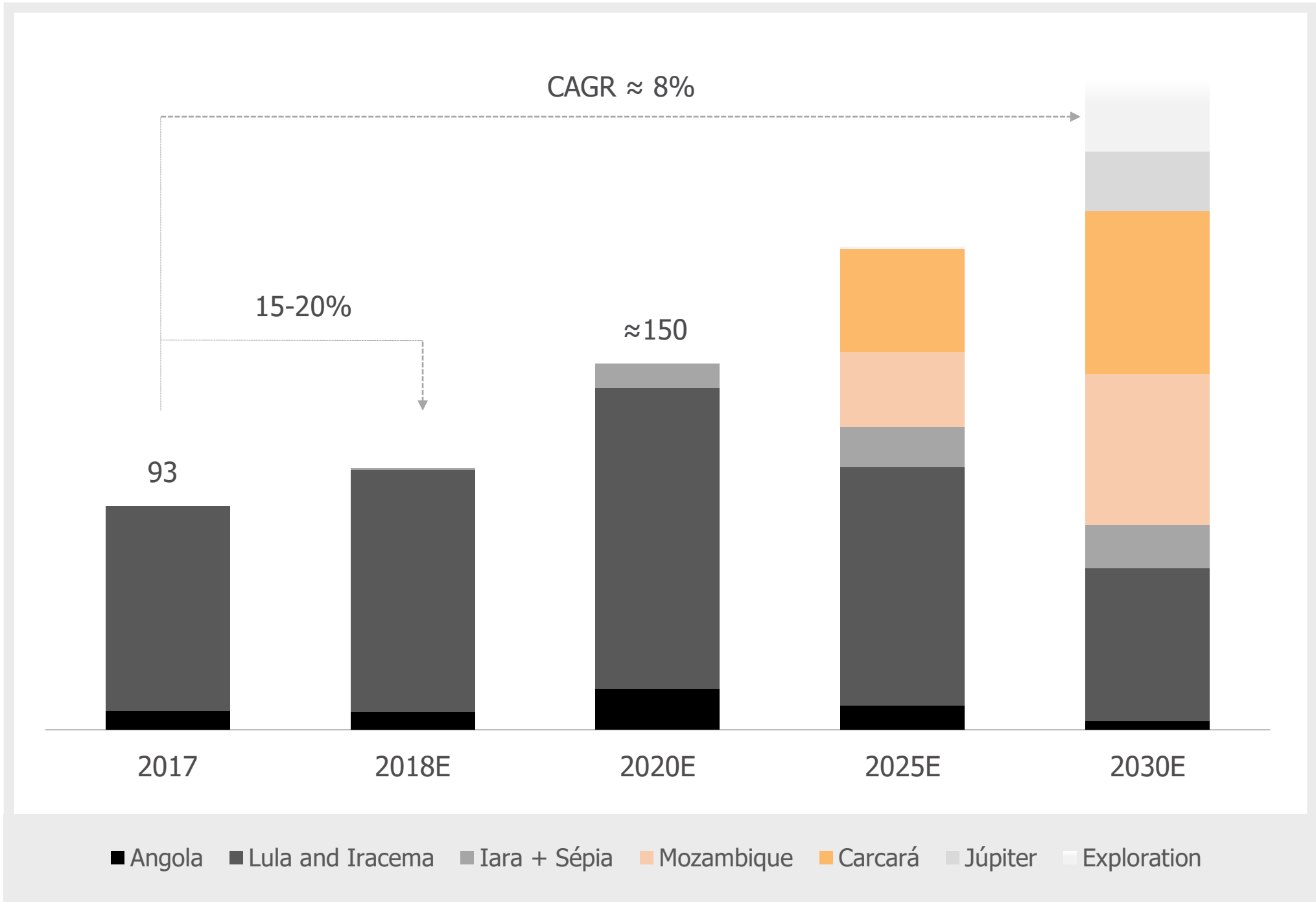
R/P of 22 years²

Source: DeGolyer and McNaughton report as of 31.12.2017.
¹ Three-year average based on 1P reserves. ² Based on 2P reserves.



Unique growth from identified projects

Working interest production (kboepd)



2018 - 2020	Lula North (2018)	Berbigão/Sururu (2018/19)
	Lula Ext. South (2018)	Kaombo South (2019)
	Kaombo North (2018)	Atapu 1 (2019)
2020+	Sépia East (2021)	Carcará
	Coral South (2022)	Mamba 1 st phase
	Lula West	Mamba subs.
	Atapu 2	Júpiter
	Risky exploration	
Additional upside	Optimise developments New ventures	

Note: Galp's view.

Execution of Lula and Iracema on track...



Start-up of first replicant unit

7 units producing, with 6
at plateau

2 additional FPSOs to start-up in 2018

c.80% of 1st phase capex realised

Current recovery factor of 31%

Expected avg. plateau period
of 4 years

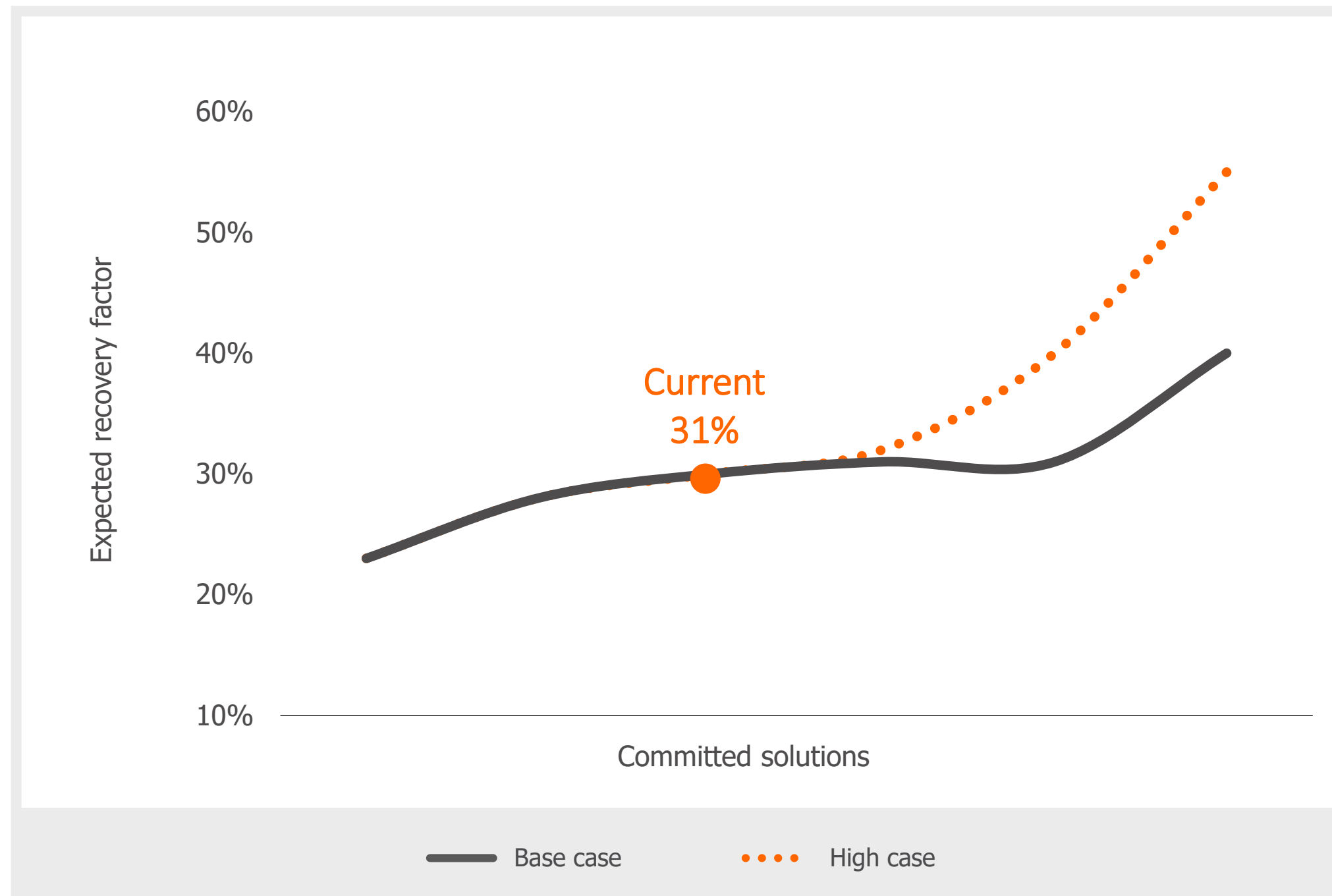
Benefiting from learning curve

Leveraging strong partnerships

Note: Galp's view.

... with increased focus on enhancing extraction

Lula and Iracema recovery factor evolution



Improved oil recovery

- Infill drilling activities
- Processing specifications
- Reservoir management

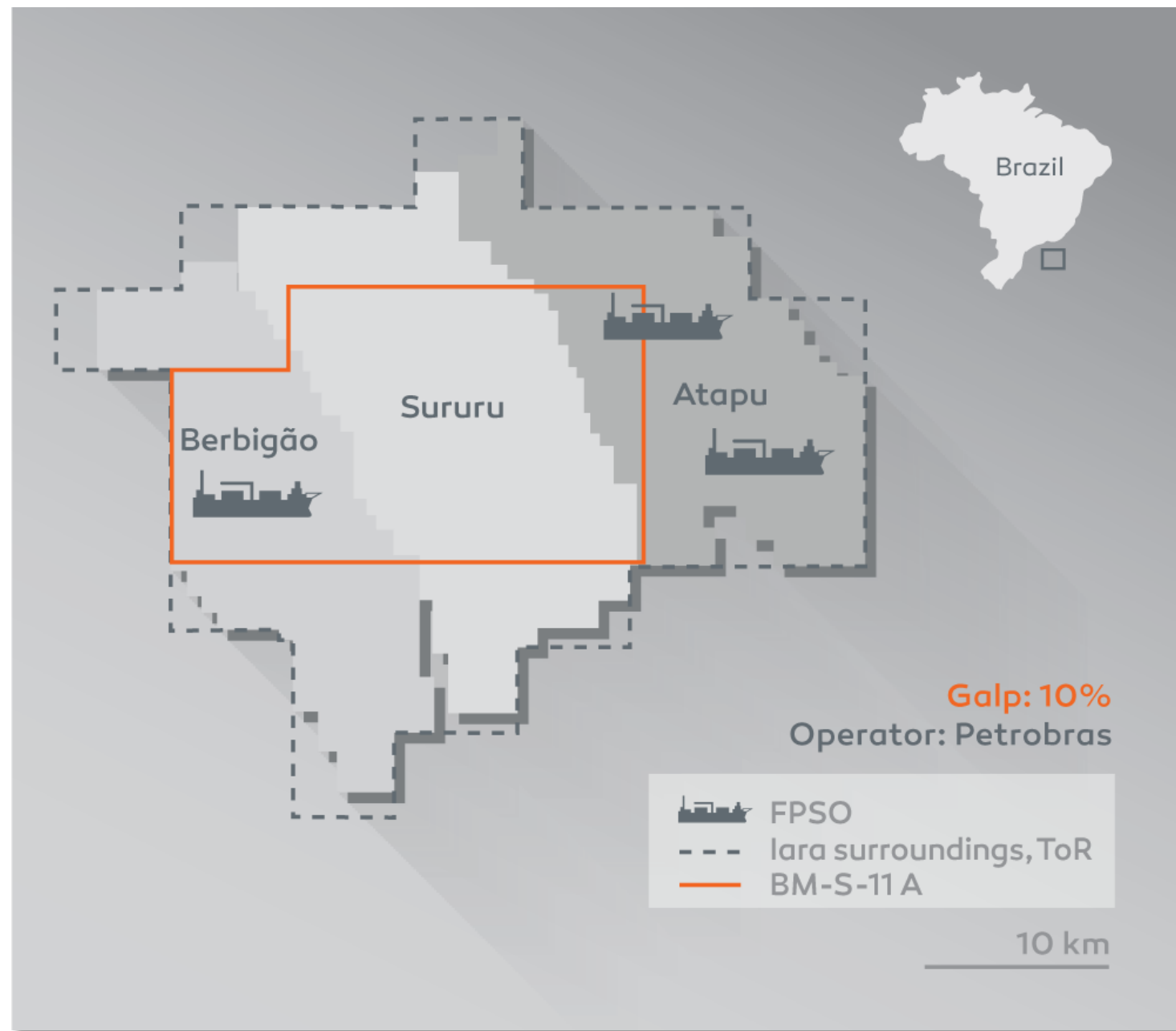
Enhanced oil recovery

- WAG
- Subsea boosting and separation
- 4D seismic

Note: Galp's view.

The next pre-salt growth project

Greater Iara



FPSOs under construction with production to start at Berbigão

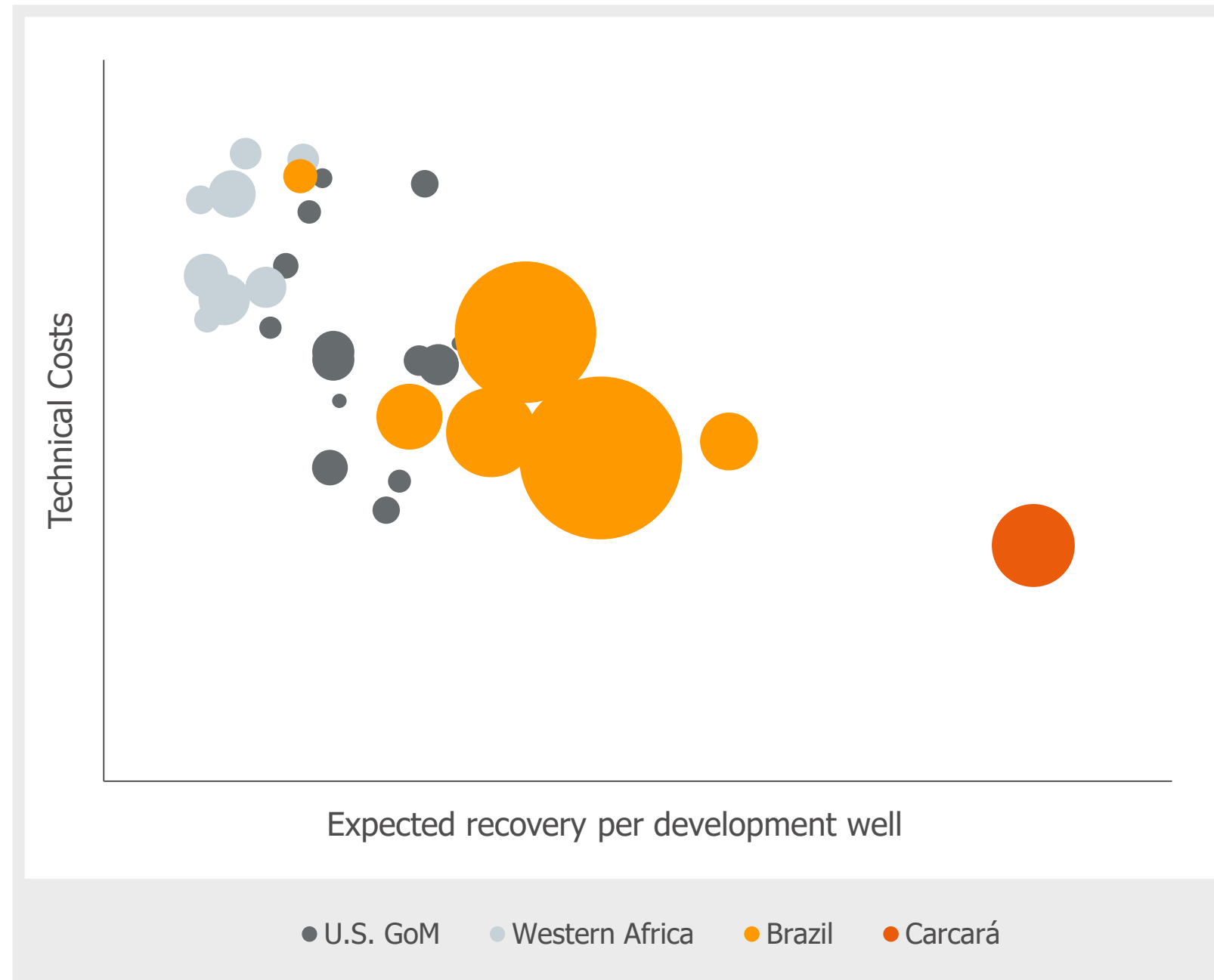
Ongoing drilling campaign and optimising PoD for three different accumulations

EWT and further appraisal in Sururu to support future development activities

Unitisation pre-agreements established for two areas, and now focusing on Atapu

Carcará: top tier project driving 2020+ growth

Deepwater development projects competitiveness



Accessing Carcará North with a 20% interest and increasing BM-S-8 stake to 17%

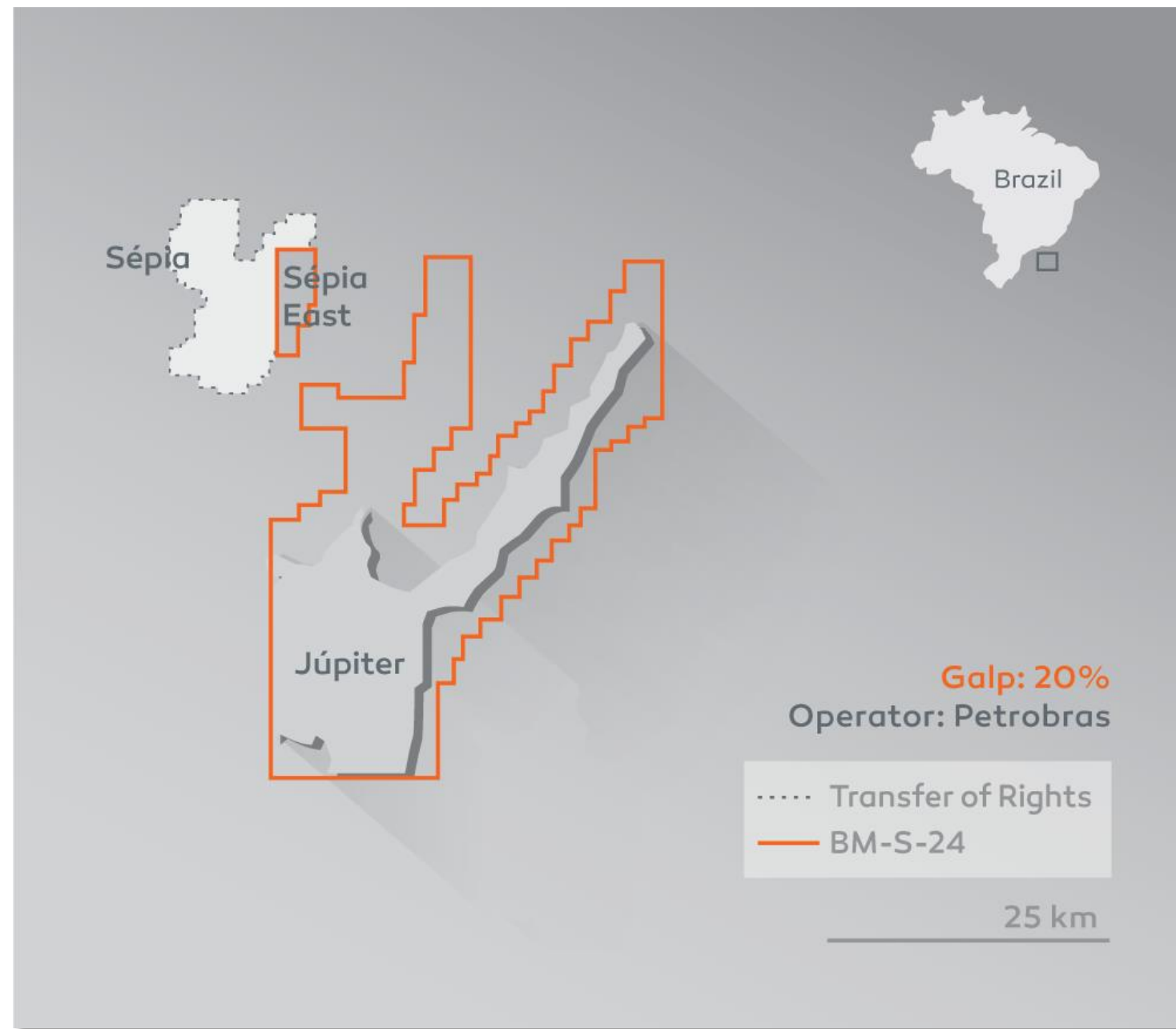
At least 2 bn bbl of high quality oil expected to be recovered with start-up by 2023/24

Carcará reservoir quality to exceed Santos basin average performance with breakeven <\$40/bbl

DST and one appraisal well in Carcará, and one exploration well in Guanxuma during 2018

Further pre-salt contribution from identified projects

BM-S-24 | Sépia East and Júpiter



Unitisation process between Sépia and Sépia East expected to be concluded in 2018

Production from the unitised area to start in 2021, with FPSO awarded

Maturing large scale Júpiter discovery development concept and technological feasible solutions

Mozambique: developing a world-class gas project

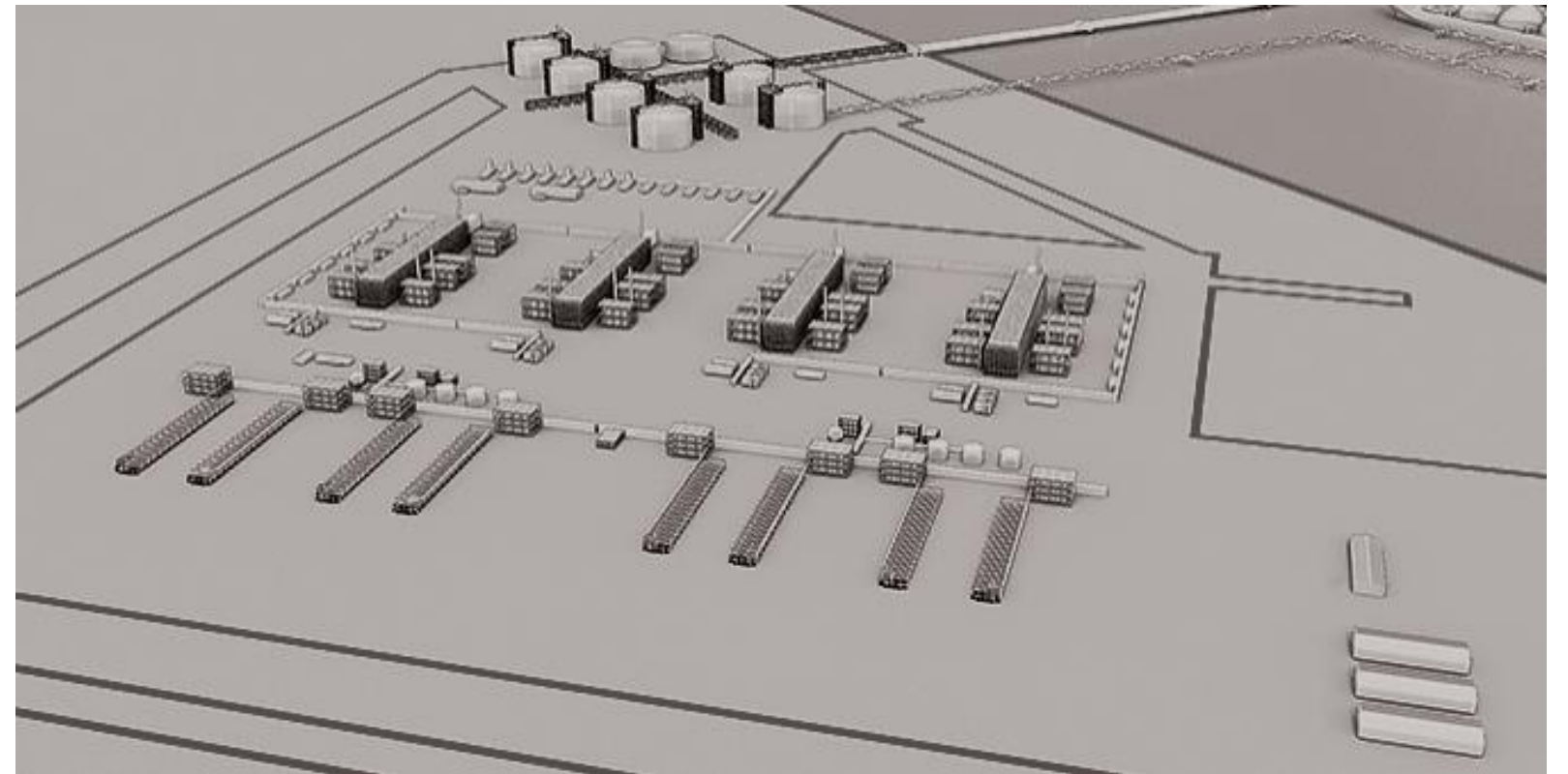
Coral South



FLNG with 3.4 mtpa capacity, starting the developments of Rovuma's discoveries

Focus on execution to ensure first gas by 2022

Mamba onshore

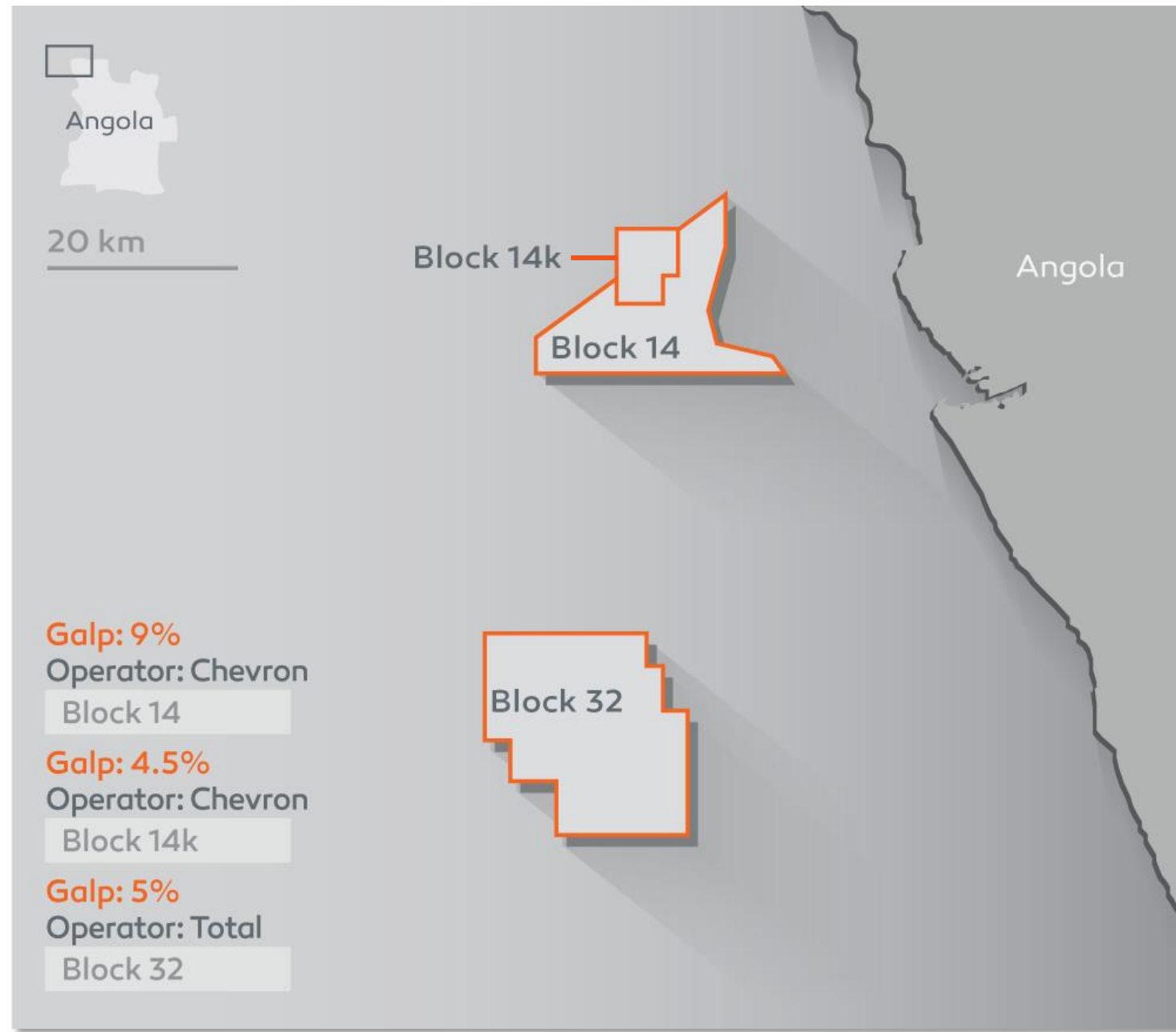


Enhancing the development concept towards a robust and competitive solution

Strong partnership leveraging a large scalable project

Optimising Angola projects

Block 32 and block 14/14k



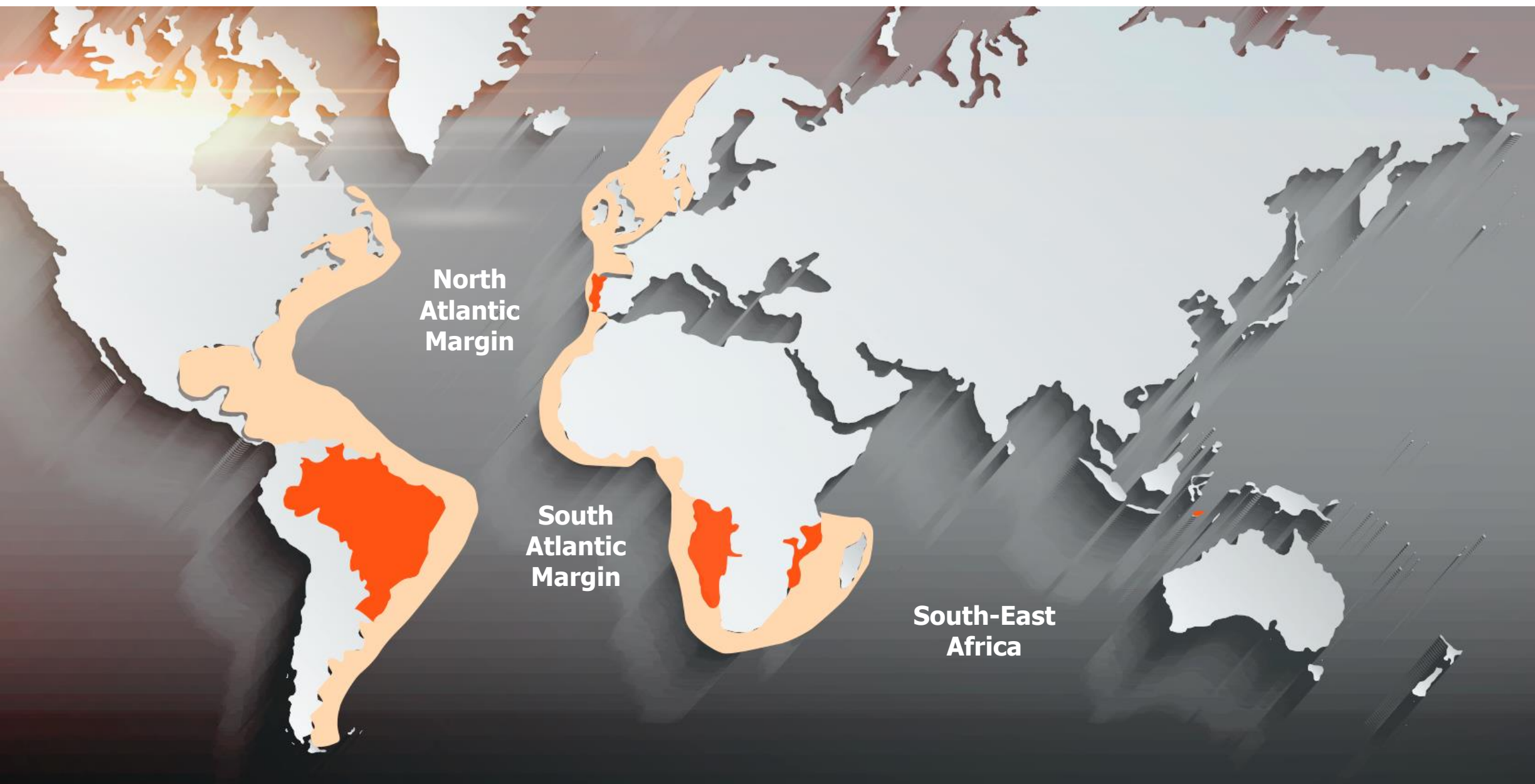
Production from block 32 to start in 2018, offsetting decline from block 14 mature fields

Drilling campaign in Kaombo proceeding according to plan

Optimising development in block 14

Screening further opportunities

Regional focused exploration strategy



Leveraging presence in Brazilian pre-salt top tier acreage

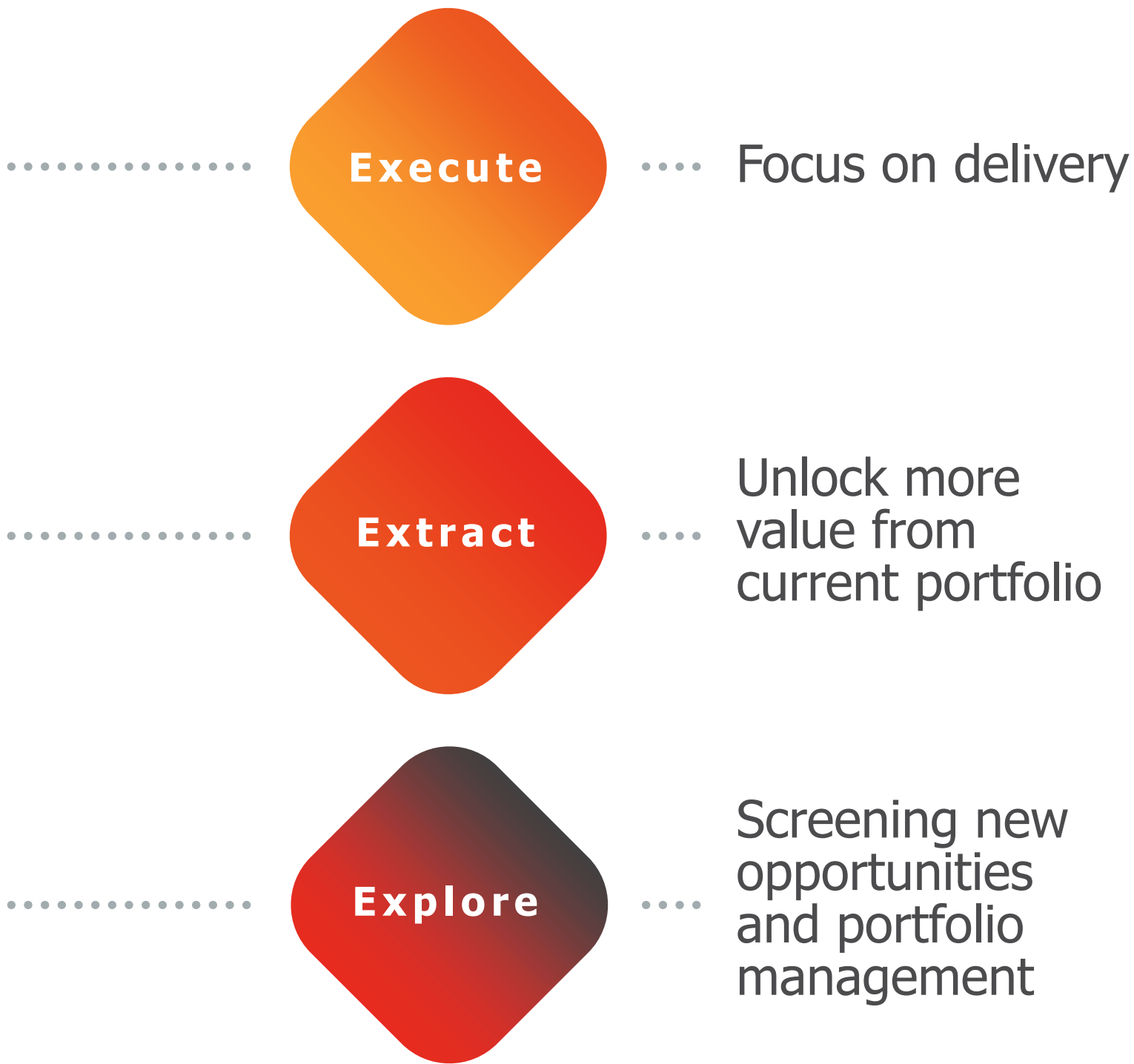
New ventures to include both selected DRO and exploration areas

Developing competitive advantages and synergies with current portfolio

Area of interest

Galp's presence

2018: Key milestones



Two new replicants onstream in Lula and Kaombo start-up

Maintain top production operational efficiency of FPSOs

Lula's first infill well to start production

Coral execution

Mamba development concept definition

Optimise Carcará 1st phase development concept

Cost reduction initiatives

EOR initiatives in Lula

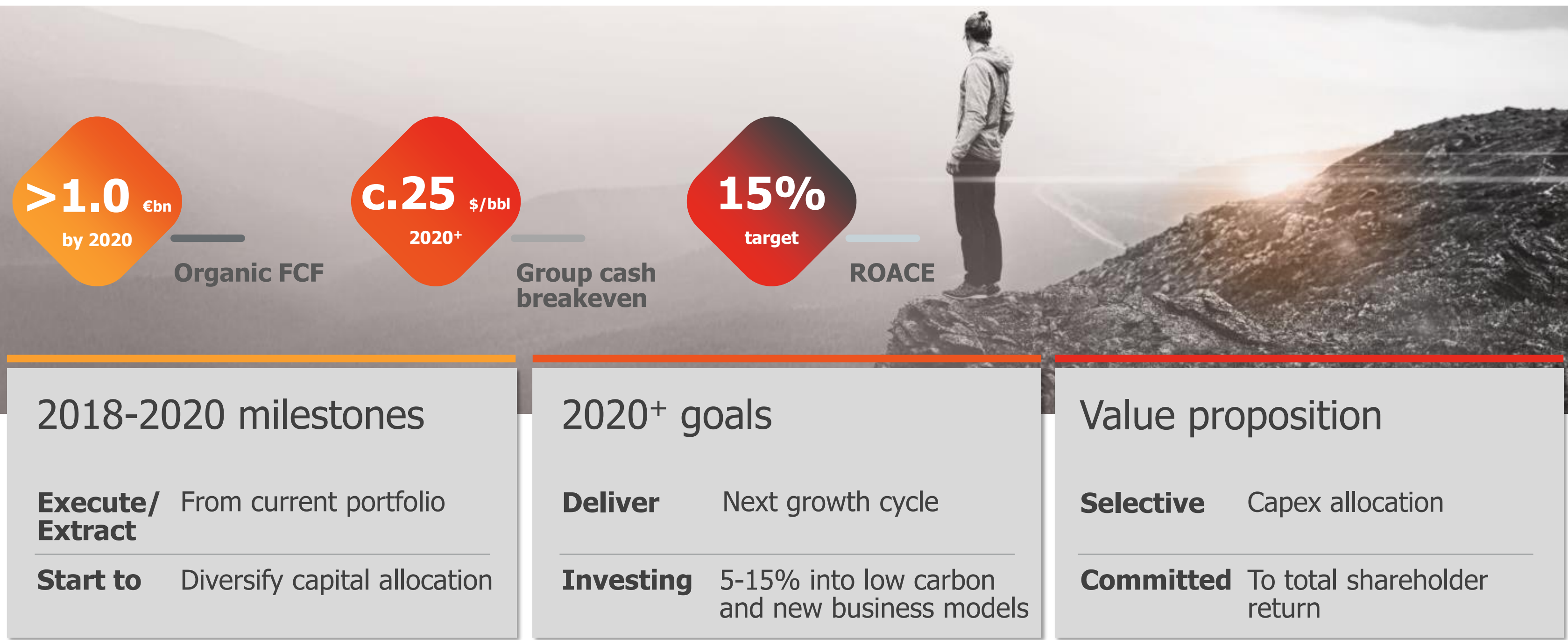
Focus on DRO and exploration areas in the Atlantic margin

Develop and mature operated positions in Namibia and São Tomé and Príncipe

An aerial photograph of a complex multi-level highway interchange in a city, likely Hong Kong, during the 'golden hour' of sunset. The sky is a warm orange, and the city's skyline, featuring numerous skyscrapers, is visible in the background. A semi-transparent dark grey geometric shape, consisting of several overlapping triangles, is positioned in the lower right corner of the image, serving as a background for the text.

CLOSING REMARKS

Positioned to deliver unique growth and value





APPENDIX

Sensitivity to macro environment volatility

Galp assumptions	2018E	2019E	2020E
Brent price (\$/bbl)	60	60	65
Benchmark refining margin ¹	3.5	3.2	4.3
EUR:USD	1.20	1.20	1.20

		Ebitda		FCF	
Sensitivities	Change	2018E	2020E	2018E	2020E
Brent price	\$5.0/bbl	€140 m	€200 m	€100 m	€80 m
Benchmark refining margin ¹	\$1.0/bbl	€90 m	€100 m	€90 m	€70 m
EUR:USD	0.05	(€70 m)	(€110 m)	(€30 m)	(€35 m)

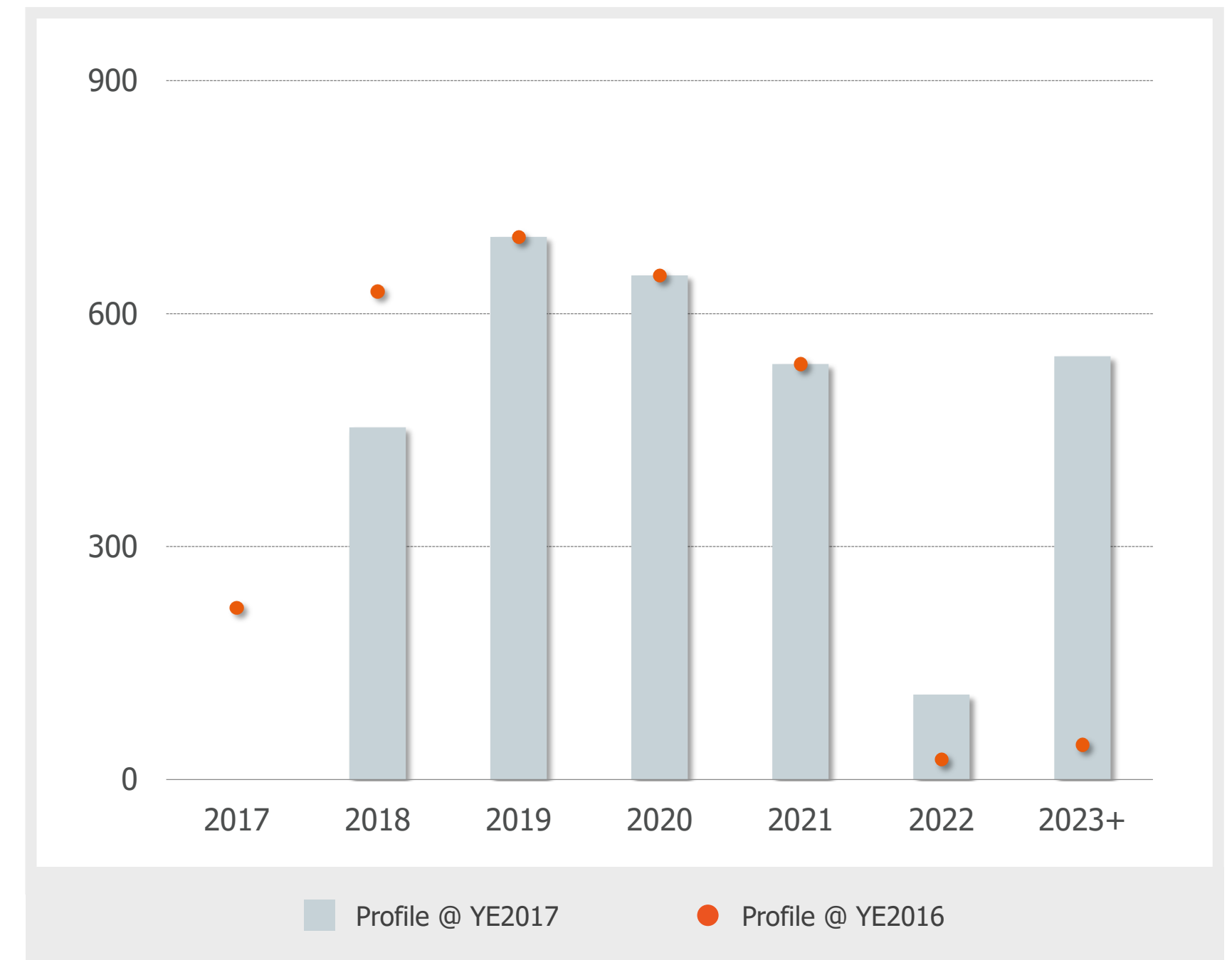
¹ Benchmark refining margin = 42.5% cracking margin + 45.0% hydrocracking margin + 5.5% aromatics margin + 7.0% base oils margin.

Key indicators on Galp's debt

Debt indicators

	2016	2017
Gross debt	€2.9 bn	€3.1 bn
Cash and equivalents	€1.0 bn	€1.2 bn
Net Debt	€1.9 bn	€1.9 bn
Net Debt to Ebitda	1.3x	1.0x
Available credit lines	€1.2 bn	€1.3 bn
% Debt @ fixed rate	50%	60%

Debt reimbursement (€m)



Galp's reserves and resources

Reserves and resources (mmboe)

Reserves	2016	2017	% Chg.
1P	274	383	40%
2P	673	748	11%
3P	927	965	4%

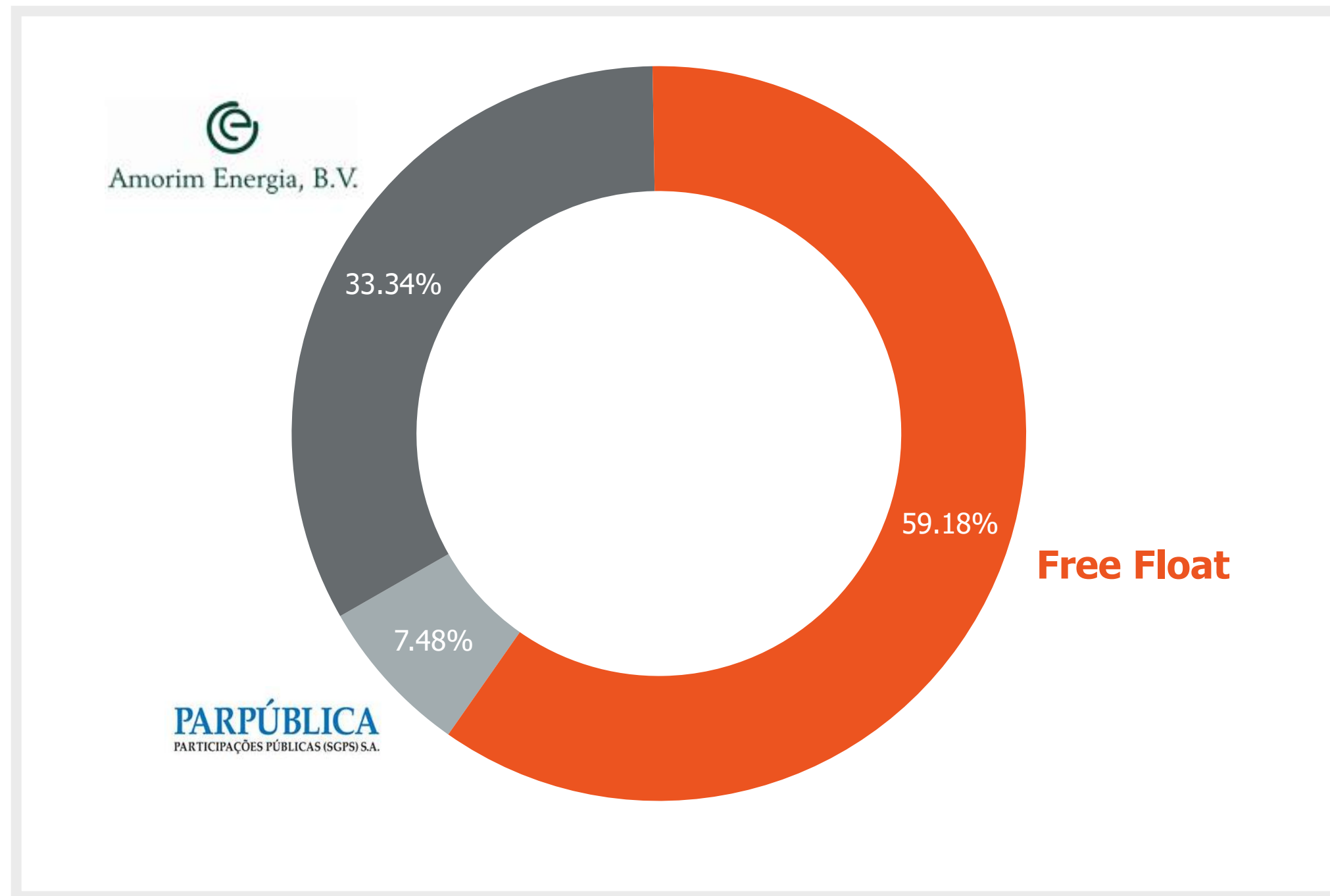
Contingent resources	2016	2017	% Chg.
1C	300	296	(1%)
2C	1,320	1,352	2%
3C	2,993	3,297	10%

Prospective resources	2016	2017	% Chg.
Unrisked	2,658	3,835	44%
Risked	383	566	48%

All figures are based on DeGolyer and MacNaughton report as of 31.12.2017.

Reserves figures on a net entitlement basis. Contingent resources and prospective resources on a working interest basis.

Galp's shareholding structure



Institutional investors account for 83% of Galp's Free Float, o.w.:

- 51% Europe
- 44% North America
- 5% Rest of the world

A committed and experienced team



Chief Executive Officer

Carlos Gomes da Silva

Over 22 years of experience in Oil & Gas and a Galp Board member since 2007. Former Board executive for more than 12 years in the energy and beverage industries.



Chief Financial Officer

Filipe Silva

Over 25 years of experience in the banking sector. Galp Board member since 2012. Former Deutsche Bank CEO in Portugal.



COO Exploration & Production

Thore E. Kristiansen

Over 25 years of experience in Oil & Gas and Galp Board member since 2014. Held senior executive roles in Statoil for South America.



COO Supply, Refining & Planning

Carlos Silva

Over 20 years of experience in the automobile, hotel & real estate and Oil & Gas industries. Galp Board member since 2012.



COO Iberian Oil Marketing & International Oil

Tiago Câmara Pestana

Over 25 years of experience in the retail industry. Galp Board member since 2015. Former CEO of a large retail chain in Portugal.



COO Gas & Power

Pedro Ricardo

Over 20 years of experience in the gas sector and Galp Board member since 2015. Held senior executive roles in supply and trading of natural gas.



Chief Corporate Officer / New Energies

Carlos Costa Pina

Over 17 years of experience in public senior level functions in capital markets, finance and insurance. Galp Board member since 2012.

Acronyms

\$ (or USD)	United States Dollar
%	Percentage
&	And
@	At
€ (or EUR)	Euro
≈	Approximately
x	Times
<	Below
>	Above
+	Plus
1C; 2C; 3C	Contingent resources
1P	Proved reserves
2P	Proved and probable reserves
3P	Proved, probable and possible reserves
4D	Four dimensional
Avg.	Average
Bbl	Barrel
bn	Billion
boe	Barrel of oil equivalent
c.	Circa
CAGR	Compound Annual Growth Rate
Capex	Capital expenditure
CDP	Carbon Disclosure Project
CEO	Chief Executive Officer
CFFO	Cash Flow from Operations

Chg.	Change
CMD17	Capital Markets Day 2017
CO₂	Carbon dioxide
COO	Chief Operating Officer
CPS	Current Policies Scenario
D&C	Drilling and Completion
DD&A	Depreciation, Depletion and Amortisation
DRO	Discovered Resources Opportunities
DST	Drill Stem Test
E	Expected
E&P	Exploration and Production
Ebit	Earnings before interest and taxes
Ebitda	Earnings before interest and taxes, depreciation and amortisation
EOR	Enhanced Oil Recovery
EPC	Engineering, Procurement and Construction
EWT	Extended Well Test
o.w.	Of which
FCF	Free Cash Flow
FID	Final Investment Decision
FLNG	Floating Liquefied Natural Gas
FPSO	Floating Production Storage Offloading
G&P	Gas and Power
GGND	Galp Gás Natural Distribuição, S.A.
IEA	International Energy Agency
IFRS	International Financial Reporting Standards

IMO	International Maritime Organization
Kboepd	Thousand barrels of oil equivalent per day
LNG	Liquefied Natural Gas
m	Million
mmboe	Million barrels of oil equivalent
mtpa	Million tonnes per annum
NG	Natural Gas
NPS	New Policies Scenario
NPV	Net Present Value
p.a.	Per annum
PoD	Plan of Development
R&M	Refining and Marketing
ROACE	Return on Average Capital Employed
R/P	Reserves to Production Ratio
RRR	Reserve Replacement Ratio
SDS	Sustainable Development Scenario
sh	share
tCO₂e	Tonnes of Carbon dioxide equivalent
toe	Tonnes of Oil Equivalent
U.K.	United Kingdom
U.S.	United States of America
WAG	Water Alternating Gas
WI	Working interest
YE	Year end
YoY	Year on Year



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