

New well in the South of Tupi confirms potential and reservoir extension

In accordance with the terms of article 248 of the Portuguese Securities Code, Galp Energia, SGPS, S.A. ("Galp Energia") hereby discloses the following information:

The contractor group for BM-S-11 in ultra-deep water of Santos Basin, including Galp Energia, Petrobras and BG Group, informs that concluded the drilling of the ninth well located in Tupi's area, confirming the estimated volumes of recoverable light oil and natural gas in the range between 5 and 8 billion barrels of oil equivalent in the pre-salt reservoirs of Tupi's area. The well, informally known as Tupi SW, proved that the oil accumulation, not only is extended until the South extreme of Tupi's Evaluation Plan Area, but also proved that the thickness of the oil reservoir reaches around 128 meters, thus reducing the uncertainty of the hydrocarbons volume estimate for Tupi's area.

The result of the drilling of this well was of great importance, once it has defined, among other variables, the level of oil/water contact in the prospect, indicating the higher thickness of the oil rock, among the studied possibilities. Besides the high recoverable estimated volume, the oil in Tupi has a density of 28° API, which corresponds to an excellent commercial value. The declaration of commercialization is expected in December 31 2010. Until then, two delimitation wells will be drilled.

The new well, is located in Tupi's Evaluation Plan Area, in a water depth of 2,152 meters, around 290 kilometers off the coast of the State of Rio de Janeiro and 11 kilometers Southwest from Tupi Sul well, where the Extended Well Test is being performed in the pre-salt reservoirs of Santos Basin.

The productivity of the pre-salt reservoirs of this well will be evaluated through the realization of formation tests, scheduled for the next months. After confirming the expected productivities, the contractor group for BM-S-11 will study the allocation in the South of Tupi, of one of the standardized floating platforms that are being projected to operate in the pre-salt of Santos Basin.

The contractor group will carry on the activities and investments in accordance with the Evaluation Plan already approved by ANP. Galp Energia holds a stake of 10% in the contractor group that explores BM-S-11, while Petrobras (operator) holds 65% and BG Group holds 25%.

Galp Energia holds stakes in three other blocks in this Basin with high exploratory potential: BM-S-8 (14%), BM-S-21 (20%) e BM-S-24 (20%).

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