

New well in the west of Tupi confirms light oil potential

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 the drilling of another well located in Tupi/Iracema area confirmed the light oil potential in the pre-salt reservoirs in ultra-deep waters in Santos basin.

The new well, informally known as Tupi W, was drilled at a water depth of 2,139 meters, around 275 kilometers off the coast of the State of Rio de Janeiro and 11 kilometers northwest from the first well drilled in Tupi.

The Tupi W well confirmed, by cable testing, the light oil (API density of 28^º) accumulation extension until the western extreme of the Tupi's Evaluation Plan Area, also proving an oil reservoir thickness of around 90 meters, further reinforcing the hydrocarbons volume estimate for Tupi/Iracema area.

The information obtained with this well, along with information gathered from previous wells, reinforces the estimated volumes of recoverable light oil and natural gas in the range between 5 and 8 billion barrels in the pre-salt reservoirs of Tupi's area. The final evaluation of volumes for Tupi/Iracema area is being executed and will be released at the Commerciality Declaration date, expected at the end of December this year.

The productivity of the pre-salt reservoirs will be evaluated at Tupi W well through formation tests scheduled for the next months. If those results confirm the initial productivity data, the consortium will consider the allocation of a Floating Production, Storage and Offloading vessel to the west area of Tupi.

The contractor group will carry on the activities and investments in accordance with the Evaluation Plan already approved by ANP, the Brazilian national agency for oil, natural gas and biofuels, until the Commerciality Declaration date, expected for the end of 2010.

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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