



Results

FIRST QUARTER 2010

May 6 2010

Extending success into new challenges

First quarter results highlights

Business overview

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First Quarter Results Highlights

Exploration & Production

Production increased driven by Tômbua-Lândana and Tupi

Refining & Marketing

Economic environment in Iberia hurt Marketing results

Gas & Power

Recovery of supply margins in liberalized market

Financials

1Q10 net profit RCA of €65 mln (+32% YoY)

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Production increased driven by Tômboa-Lândana and Tupi

Main E&P data

		1Q10	1Q09	YoY	4Q09	QoQ
Working interest production	kbbbl/d	18.5	13.3	+39%	17.7	+5%
Net entitlement production	kbbbl/d	12.7	8.4	+51%	12.2	+4%
Net entitlement production	M bbl	1.1	0.8	+51%	1.1	+2%
Angola - Block 14	M bbl	1.0	0.8	+29%	0.8	+16%
Brazil - BM-S-11	M bbl	0.2	0.0	n.m.	0.3	(41%)
Realized sale price	\$/bbl	70.9	43.9	+61%	76.9	(8%)
OPEX/net entitlement bbl	\$/bbl	12.7	13.9	(8%)	13.7	(7%)
EBITDA	M €	48	15	+213%	39	+26%
CAPEX	M €	78	33	+133%	38	+104%

- Continued ramp up of Tômboa-Lândana production
- Tupi crude production of 166 thousand barrels
- EBITDA up in the 1Q10 driven by the increase in production and prices

Economic environment in Iberia hurt Marketing results

Main R&M data

		1Q10	1Q09	YoY	4Q09	QoQ
Galp Energia refining margin	\$/bbl	2.7	2.8	(3%)	0.9	+186%
Spread over benchmark	\$/bbl	1.2	(0.2)	n.m.	1.3	(6%)
Crude processed	M bbl	22.2	13.3	+67%	21.1	+5%
Refining throughput	M ton	3.1	1.9	+61%	3.0	+3%
Refined product sales	M ton	4.4	3.9	+10%	4.2	+2%
Sales to direct clients	M ton	2.7	2.8	(3%)	2.8	(2%)
Portugal	M ton	1.6	1.5	+4%	1.5	+3%
Spain	M ton	1.2	1.3	(10%)	1.2	(7%)
Operators	M ton	0.8	0.7	+11%	0.8	+5%
Exports	M ton	0.8	0.4	+99%	0.7	+17%
EBITDA	M €	66	85	(23%)	62	+6%
CAPEX	M €	96	45	+112%	232	(58%)

- Recovery of refining margins QoQ, but still affected by current economic environment
- Negative time-lag effect of €16 Mln reflected crude oil volatility
- Depressed economy impacted oil product sales to direct clients in Spain

Recovery of supply margins in liberalized market

Main G&P data

		1Q10	1Q09	YoY	4Q09	QoQ
NG supply total sales volumes	M m3	1,179	1,075	+10%	1,198	(2%)
Liberalized markets sales volumes	M m3	824	490	+68%	882	(7%)
Electrical and Trading	M m3	469	414	+13%	523	(10%)
Industrial	M m3	356	76	+367%	359	(1%)
Regulated markets sales volumes	M m3	355	585	(39%)	316	+12%
Sales of electricity to the grid	GWh	296	143	+107%	285	+4%
EBITDA	M €	61	48	+28%	52	+18%
CAPEX	M €	16	17	(3%)	24	(33%)

- Recovery of NG volumes and supply margins
- Stable contribution to cash flow from infrastructure assets
- Sines's cogeneration positively impacted consumption of NG and electrical power generation

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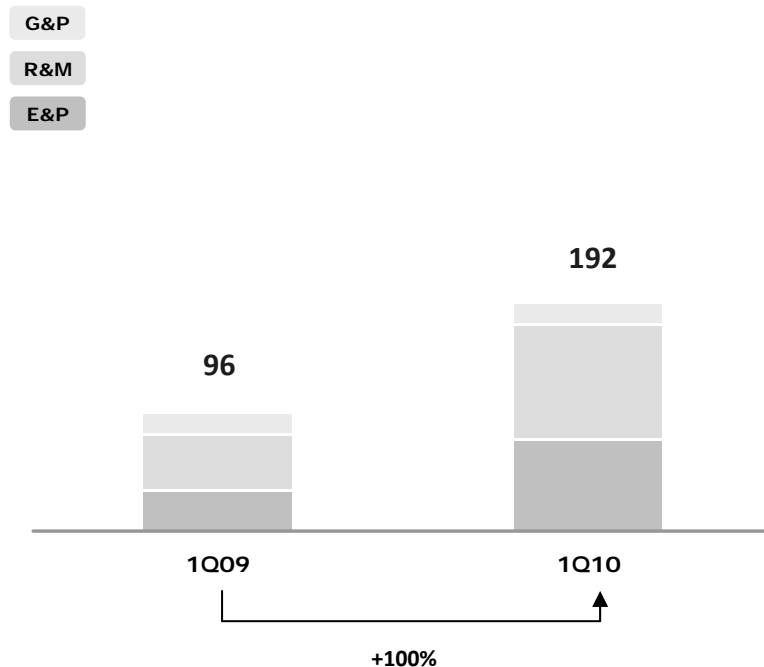
Profit & Loss (€Mln)

	1Q10	1Q09	YoY	4Q09	QoQ
Turnover	3,290	2,927	+12%	2,911	+13%
EBITDA	177	154	+15%	150	+18%
E&P	48	15	+213%	39	+26%
R&M	66	85	(23%)	62	+6%
G&P	61	48	+28%	52	+18%
Others	2	6	(72%)	(2)	n.m.
EBIT	95	75	+27%	51	+86%
Associates	17	17	(3%)	13	+27%
Financial results	(23)	(18)	(30%)	(23)	(0%)
Taxes	(23)	(23)	(3%)	(6)	n.m.
Net Profit	65	49	+32%	34	+90%
Net Profit (IFRS)	98	44	+123%	87	+12%

- Financial expenses impacted by higher debt, partially offset by lower interest rates
- Stable contribution of associates to results
- Effective tax rate of 25%

Capex mainly channeled to upgrade project

Capital expenditure (€Mln)



- E&P capex focused in Tupi's development works
- Upgrade project responsible for around 80% of the R&M capex
- New 82 MW cogeneration at Porto's refinery contributed to G&P investment

Net Debt increased due to capex and net working capital

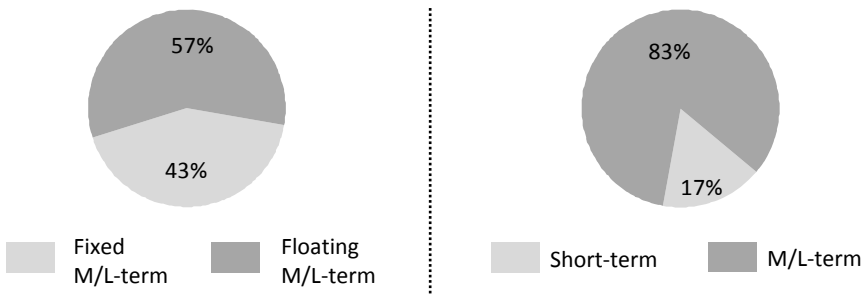
Consolidated balance sheet (€Mln)

	Mar. 2010	Dec. 2009	Change
Fixed assets	4,562	4,379	+183
Work in progress	1,145	1,015	+130
Strategic stock	619	575	+44
Other assets (liabilities)	(355)	(333)	(22)
Working capital	(99)	(305)	+206
Net debt	2,222	1,927	+295
Equity	2,505	2,389	+116
Capital employed	4,726	4,316	+411
Net debt to equity	89%	81%	8.0 p.p.

- €1.1 Bln allocated to fixed assets not yet generating return
- Net debt increase reflected capex and working capital during the 1Q10
- Working capital impacted by increase in receivables

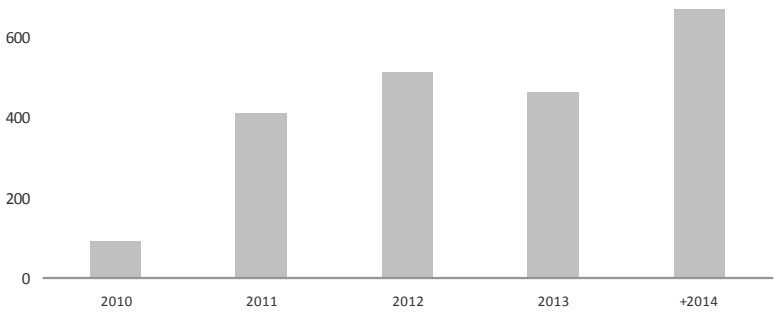
Major debt reimbursement starting in 2011

Debt structure as of March 2010



- Net debt totalled €2.2 Bln
- Average M/L-term debt maturity of 4.1 years
- Average interest rate of 3.2%
- Current liquidity of €1.5¹ Bln

M/L-term debt reimbursement profile (€Mln)



¹ Liquidity position as of end March 2010

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Exploration & Production

Tômbua-Lândana's 2Q10 production will continue to ramp up

Refining & Marketing

Still cautious refining margin environment

Gas & Power

Recent Spanish NG acquisition to contribute from 2Q10 onwards

Financials

Current liquidity position of €1.5 Bln to support medium term capex

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Development of Tupi ongoing

FPSO Cidade de Angra dos Reis



- Recent wells, Tupi NE and OW confirm high reservoir quality
- Intensive drilling program during 2010
- Construction of 216 km NG pipeline already started and to be concluded in July
- 100 kbpd FPSO on time to start operations by 4Q2010

Upgrade project in line with schedule

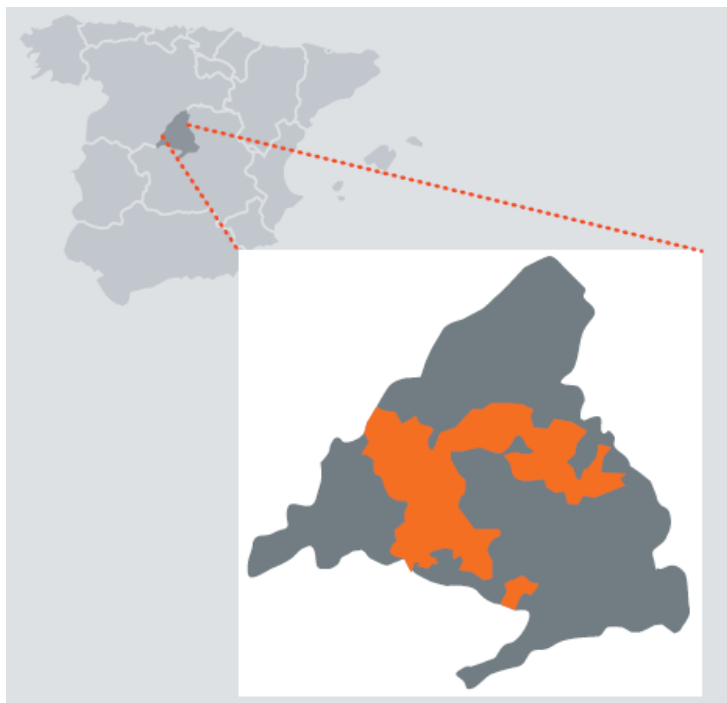
Works at Sines' refinery



- Equipment with longest delivery items (Hydrocracker reactors) already on site and installed
- Works progress according to plan
- All critical equipment & contracts already awarded

Acquisition in Madrid recently completed

Natural gas supply customers in Madrid



- Increase leverage in natural gas supply in a market 8x bigger than Portugal
- Provides a base for further growth in the Spanish market
- Around 0.4 bcm per annum incremental natural gas volumes and 400 thousand new clients

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RCA figures except otherwise noted.

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