RESULTS

FIRST QUARTER OF 2013

An integrated energy operator focused on exploration and production

Dow Jones Sustainability Indexes
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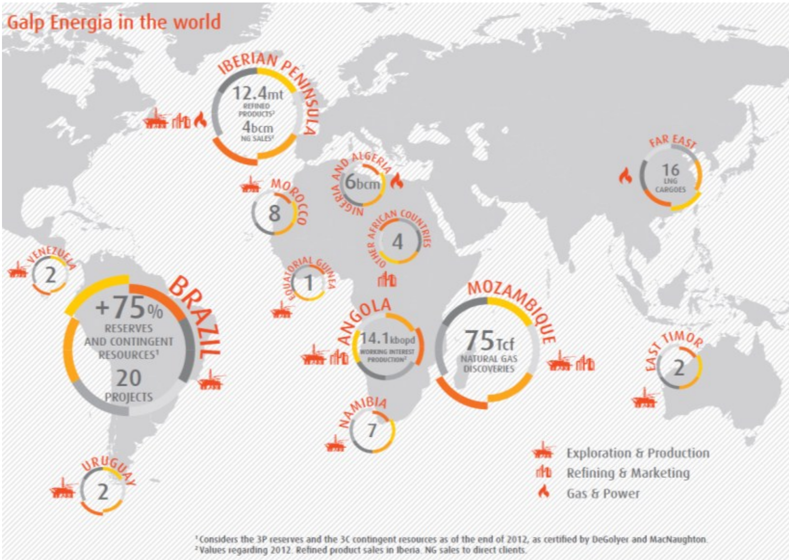
GROWING ENERGY TO CREATE SUSTAINABLE VALUE

Who we are

- We are an integrated energy operator focused on exploration and production, with a portfolio of assets which will lead to a unique profitable growth in the industry.
- Our exploration and production activities are focused in three core countries: Brazil, Mozambique and Angola.
- Our profitable and resilient Iberian businesses will contribute to support our growth in exploration and production.



Our vision and purpose

To be an integrated energy player renowned for the quality of its exploration activities, delivering sustained value to its shareholders.

Our strategy

To strengthen our exploration and production activities in order to deliver profitable and sustainable growth to shareholders, based on efficient and competitive Iberian business, on solid financial capacity and on highly responsible practices.

Our strategic drivers

- Greater focus on exploration.
- Development of world-class production projects.
- Solid financial capacity.

Our competitive advantages

- We are the national flag carrier.
- We offer integrated know-how.
- We benefit from a solid and flexible organisation.
- We establish successful and enduring partnerships.
- We have acquired skills in some of the most promising projects worldwide.

To learn more, visit Galp Energia's website www.galpenergia.com.

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EXECUTIVE SUMMARY

In the first quarter of 2013 Galp Energia pursued its strategy execution, namely in regard to exploration and development activities. The Company proceeded its exploration campaign as it started the drilling of exploration wells in Brazil's Potiguar basin and Namibia's Walvis basin.

In the course of development activities in the quarter, two additional FPSO (floating, production, storage and offloading) were chartered for the development of the Lula field, which was an important step to secure project execution both on time and on cost. On 7 April, FPSO Cidade de Paraty left the Brazilian shipyard Brasfels according to plan and it is already on location, at Lula Northeast. It is expected that this FPSO starts production in the beginning of June.

Galp Energia's strategic focus on the Exploration & Production (E&P) business can already be seen in results achieved as the E&P business already accounted for 40% of the Company's Ebit.

Replacement cost adjusted (RCA) Ebit in the first quarter of 2013 was €148 million (m), up €49 m from a year earlier, as operating performance improved in all segments with the increase in Brazil's production of crude oil and natural gas, the improvement in the refining margin and the increase in both sales volumes and supply margins for LNG on international markets.

Galp Energia's RCA net profit in the first quarter of 2013 amounted to €75 m, up 51% from a year earlier, notwithstanding the strong decrease in oil product volumes sold in Iberia.

Investment in the period was of €189 m, with exploration and production activities absorbing more than 80% of the total.

At the end of the first quarter of 2013 net debt amounted to €1,887 m, or €926 m if the loan to Sinopec were booked as cash and equivalents. With this adjustment, net debt to Ebitda reached 0.9x.

MAIN OPERATING HIGHLIGHTS IN THE FIRST QUARTER OF 2013

- Net entitlement production of oil and natural gas in the first quarter of 2013 was 20.1 thousand barrels of oil equivalent per day (kboepd), up 21% year on year (yoy); production in Brazil accounted for around 60% of total net entitlement production in the period;

- Galp Energia's refining margin in the period was \$1.8/bbl, up \$1.1/bbl yoy, an improvement that followed the positive trend on international markets, despite the operations of the upgrade project only stabilised at the end of March as it was still at the start-up stage;

- Marketing of oil products business continued to be affected by the falling demand in the Iberian Peninsula as a result of the economic slump in the region;

- Volumes of natural gas sold amounted to 1,721 million cubic metres (mm^3), in line with a year earlier; the higher LNG volumes sold on international markets led to a favourable development in the period, mainly on the back of increasing demand from Asian and Latin American countries.

KEY FIGURES

FINANCIAL DATA

€ m (RCA)

	First quarter			
	2012	2013	Chg.	% Chg.
Ebitda	**204**	**253**	**49**	**23.9%**
Exploration & Production	88	91	3	3.9%
Refining & Marketing	32	59	27	82.3%
Gas & Power	83	102	19	22.9%
Ebit	**99**	**148**	**49**	**49.4%**
Exploration & Production	53	60	7	12.9%
Refining & Marketing	(26)	0	26	n.m.
Gas & Power	71	88	16	22.8%
Net profit	**50**	**75**	**26**	**51.5%**
Investment	**187**	**189**	**2**	**1.1%**
Total net debt	**780**	**1,887**	**1,107**	**n.m.**
Net debt to Ebitda ratio	**0.9x**	**1.8x**	**0.9**	**n.m.**

OPERATIONAL DATA

	First quarter			
	2012	2013	Chg.	% Chg.
Average working interest production (kboepd)	22.6	23.5	1.0	4.3%
Average net entitlement production (kboepd)	16.5	20.1	3.5	21.3%
Oil and gas average sale price (USD/boe)	106.8	90.3	(16.5)	(15.4%)
Crude processed (kbbl)	20,263	21,535	1,271	6.3%
Galp Energia refining margin (USD/bbl)	0.8	1.8	1.1	n.m.
Oil sales to direct clients (mton)	2.6	2.4	(0.2)	(9.2%)
NG supply total sales volumes (mm^3)	1,725	1,721	(4.1)	(0.2%)
LNG trading sales (mm^3)	560	646	86	15.4%
Sales of electricity to the grid[1] (GWh)	320	468	149	n.m.

[1] Includes unconsolidated companies where Galp Energia has a significant interest.

MARKET INDICATORS

	First quarter			
	2012	2013	Chg.	% Chg.
Dated Brent price[1] (USD/bbl)	118.6	112.6	(6.0)	(5.1%)
Heavy-light crude price spread[2] (USD/bbl)	(1.7)	(2.0)	0.3	(18.2%)
UK NBP natural gas price[3] (GBp/therm)	59.4	74.1	14.7	24.8%
LNG Japan and Korea price[1] (USD/mmbtu)	15.2	17.9	2.7	17.8%
Benchmark refining margin[4] (USD/bbl)	1.1	2.0	0.9	81.0%
Iberian oil market[5] (mton)	15.7	13.8	(1.9)	(12.4%)
Iberian natural gas market[6] (mm^3)	10,728	9,549	(1,179)	(11.0%)

[1] Source: Platts.

[2] Source: Platts. dated Urals NWE for heavy crude; dated Brent for light crude.

[3] Source: Bloomberg.

[4] For a complete description of the calculating method for the new benchmark refining margin see "Definitions".

[5] Source: APETRO for Portugal; Cores for Spain and includes estimate for March.

[6] Source: Galp Energia and Enagás. Includes estimate for March.

EXPLORATION & PRODUCTION ACTIVITIES

EXPLORATION AND APPRAISAL ACTIVITIES

BRAZIL

In the Santos basin, Galp Energia proceeded in the first quarter of 2013 with its appraisal campaign of the Lula/Iracema and Iara fields in block BM-S-11.

In the Lula field, the drilling of the Lula West-2 well was completed and the consortium performed a production test in the area. The consortium is currently assessing the data collected in the appraisal activities on the reservoir's flank, which aimed to appraise the potential of this part of the Lula field. It is expected that an FPSO will be allocated to the Lula West area in 2017.

In the Iara field, the consortium drilled the Iara West-2 well in order to evaluate this area of the reservoir and good-quality carbonate reservoirs, namely in regard to the porosity and permeability levels, were found from a 5,260-metre depth. After the completion of the drilling activities the consortium intends to perform a formation test. Also in 2013 the consortium will start drilling Iara HA (High Angle), the first horizontal well drilled in the Iara area, which will be particularly important to better formulate the development plan for this field.

In the Potiguar basin, the consortium where Galp Energia has a 20% stake is drilling the Araraúna prospect at the Cretaceous interval, a campaign that began on 11 February this year. This is the first exploration well to be drilled in the deep water of this basin, located off Brazil's equatorial margin. The Araraúna well is located at a frontier region, thus being considered as high risk. During 2013, Galp Energia will test the potential of two additional prospects – Tango and Pitú.

MOZAMBIQUE

In the Rovuma basin, the consortium for the exploration and development of area 4 has drilled the Coral-3 and Mamba South-3 wells, having also performed formation tests in both areas, which marked the end of the appraisal campaign at the Mamba/Coral complex. After drilling nine exploration and appraisal wells, the Mamba/Coral complex is estimated to have 80 trilion cubic feet (tcf) of gas in place in the reservoir. The consortium will now continue its exploration activities in the block, namely by drilling the Agulha-1 prospect – formerly known as K Bulge – which aims to evaluate the potential for hydrocarbons, namely oil, in the Southern part of area 4. Several follow-ups are identified to test in case of success in Agulha-1.

OTHER EXPLORATION AREAS

In Namibia, an emerging area where Galp Energia has participated since late 2012, the scheduled drilling of three wells, targeting independent prospects located in carbonates and clastics reservoirs of Cretaceous age. Drilling of the first well began on 26 March targeting prospect Wingat, located in Cretaceous-age carbonate reservoirs at the Walvis basin. After completion of this well, of which results are expected by the end of the second quarter of 2013, the rig will proceed to the Orange basin to evaluate the potential of the Moosehead prospect, and will return in the third quarter of the year to the Walvis basin for the testing of the Murombe prospect.

SCHEDULE OF EXPLORATION AND APPRAISAL ACTIVITIES

Area	Target	Interest	Exploration / Appraisal well	Spud date	Duration (# days)	Well status
Brazil[1]						
Lula	Lula West-2	10%	A	**4Q12**	-	Concluded
Iara	Iara West-2	10%	A	**4Q12**	150	In progress
Iara	Iara HA	10%	A	**4Q13**	120	-
BM-S-8	Carcará (extension)	14%	A	**4Q13**	150	-
BM-S-24	Bracuhy	20%	E	**2Q13**	150	-
Campos	Obsidiana	15%	E	**2Q13**	120	-
Potiguar	Araraúna	20%	E	**1Q13**	120	In progress
Potiguar	Tango	20%	E	**2Q13**	120	-
Potiguar	Pitú	20%	E	**4Q13**	120	-
Mozambique						
Rovuma	Mamba South-3	10%	A	**1Q13**	-	Concluded
Rovuma	Agulha-1 (K Bulge)	10%	E	**2Q13**	60	-
Namibia						
PEL 23	Wingat	14%	E	**1Q13**	90	In progress
PEL 24	Moosehead	14%	E	**2Q13**	90	-
PEL 23	Murombe	14%	E	**3Q13**	90	-
Angola						
Block 14	Menongue	9%	A	**4Q13**	60	-
Block 32	Cominhos-2	5%	E	**3Q13**	60	-
Block 32	B-11	5%	A	**4Q13**	60	-

[1] Petrogal Brasil: 70% Galp Energia; 30% Sinopec.

DEVELOPMENT ACTIVITIES

In the first quarter of 2013 Galp Energia and its partners continued to strive to develop Brazil's Lula project according to plan, both on time and on cost.

Two FPSO units were leased from SBM Offshore and Queiroz Galvão Óleo e Gás S. A., which will have a daily production capacity of 150 thousand barrels of oil (kbopd) and 6 mm^3 of natural gas. Both units will be allocated to the Lula Alto and Lula Central areas, with production expected to start in January 2016 and March 2016, respectively.

FPSO Cidade de Paraty left the Brazilian shipyard, Brasfels, on 7 April and it is already on location, at the Lula Northeast area. All the standard safety tests were already successfully concluded in Brazilian waters, and the FPSO is now undergoing the mooring process. Production is expected to start in early June, through one producing well. This FPSO has a daily production capacity of 120 kbopd and 5 mm^3 of natural gas. It will support the interconnection of up to 20 wells, and a line for exporting the associated gas, through a system of uncoupled risers known as Buoyancy Supported Risers (BSR). It is expected that the FPSO will take circa 18 months to reach full capacity, and that it will produce through three producing wells at around 75 kboepd by the end of 2013.

Galp Energia started drilling two new development wells – I3 and I7 – in the Iracema South area in the first quarter of 2013. In addition, the Company continued to drill two producing wells as part of the development plan of the Lula Northeast area. The first producing well to be connected to the FPSO Cidade de Paraty was completed during the quarter, just like three other wells for the acquisition of reservoir data (RDA) in the Lula South, Lula North and Iracema North areas.

The data collected at RDA wells contributes to the increased knowledge on the reservoirs, and it may lead to a positive development of the oil recovery factor. Additionally, in May, a water-alternating-gas (WAG) injection test will start in the Lula field, with the ultimate goal of increasing the oil recoverability at that field. This test aims to improve the knowledge on the reservoir, as well as to assess the impact of this enhanced oil recovery technique in the pre-salt.

OPERATIONAL AND FINANCIAL REVIEW

1. MARKET ENVIRONMENT

DATED BRENT

The dated Brent averaged $112.6/bbl in the first quarter of 2013, 5% below a year earlier, when the price was supported by the U.S. and European embargo on Iranian oil and by political unrest in several African and Middle Eastern oil-producing countries, which cut back market supply thus putting upward pressure on the price during that period. Conversely, the downward revision in 2013 of global oil demand estimates following the slowdown in the world economy put downward pressure on the price.

In the first quarter of 2013, the average spread between heavy and light grades of crude oil widened to -$2.0/bbl from -$1.7/bbl a year earlier.

REFINING MARGINS

Following the start-up of the upgrade project in early 2013, the method of calculating the benchmark margin was revised and applied to historical data for comparative purposes.

In the first quarter of 2013 Galp Energia's benchmark refining margin rose $0.9/bbl yoy to $2.0/bbl, which reflected the rise in both hydrocracking and cracking margins in the period – of $0.8/bbl to $3.4/bbl and of $0.6/bbl to $0.5/bbl, respectively. The increase in margins followed rising crack spreads of both gasoline and diesel.

The increases of 31% and 6% in the crack spreads of gasoline and diesel, respectively, were supported by maintenance activities and unscheduled refinery shutdowns in Europe, the United States of America (USA) and Asia. The gasoline crack spread was also influenced by fears of a shortage of blending components, namely ethanol to be added to U.S. gasoline, which had an impact on demand for the product. Low temperatures in the first quarter of 2013 compared with a year earlier also supported the diesel crack spread.

IBERIAN MARKET

The Iberian market for oil products continued to suffer in the first quarter of the year the effects of an adverse economic environment in both Portugal and Spain. The market contracted 12% yoy to 13.8 million tonnes (mton), especially under the influence of the Spanish market, which contracted 13% in the period.

This contraction came primarily as a result of a 9% fall yoy in the demand for diesel to 7.8 mton and a 10% fall yoy, in the demand for gasoline, mainly in Spain, to 1.3 mton. The market for jet was also hit by a 14% shortfall in the Spanish market and posted 1.2 mton in the Iberian Peninsula overall, down 12% from a year earlier.

The Iberian market for natural gas contracted 11% yoy in the first three months of 2013 to 9,549 mm^3. Despite the stable demand from the industrial and residential segments compared with a year earlier, the steep 48% fall in the electrical segment, which stemmed primarily from rising hydro and wind power generation in the quarter, led to market contraction.

2. OPERATIONAL PERFORMANCE

2.1. EXPLORATION & PRODUCTION

€ m (RCA, except otherwise noted)

	First quarter			
	2012	2013	Chg.	% Chg.
Average working interest production (kboepd)	**22.6**	**23.5**	**1.0**	**4.3%**
Average net entitlement production (kboepd)	**16.5**	**20.1**	**3.5**	**21.3%**
Angola	8.7	8.2	(0.5)	(5.9%)
Brazil	7.9	11.9	4.0	51.3%
Average realised sale price (USD/boe)	**106.8**	**90.3**	**(16.5)**	**(15.4%)**
Royalties[1] (USD/boe)	**10.0**	**9.1**	**(0.9)**	**(8.6%)**
Operating cost (USD/boe)	**17.2**	**11.2**	**(6.0)**	**(34.8%)**
Amortisation[2] (USD/boe)	**26.4**	**18.0**	**(8.4)**	**(31.9%)**
Ebitda	**88**	**91**	**3**	**3.9%**
Depreciation & Amortisation	30	31	1	3.2%
Provisions	4	-	n.m.	n.m.
Ebit	**53**	**60**	**7**	**12.9%**

[1] Based on production from Brazil.

[2] Excludes abandonment provisions.

OPERATIONS

Working interest production of oil and natural gas in the first quarter of 2013 went up by 4% yoy to 23.5 kboepd, 89% of which was oil. This rise was primarily a result of growing production in Brazil's Lula field, namely through FPSO Cidade de Angra dos Reis, which produces from four producing wells since the second quarter of 2012. Production in Brazil increased 51% yoy, with FPSO Cidade de Angra dos Reis accounting for an average production of 11.5 kboepd. Working interest production in Angola fell 21% yoy to 11.6 kbopd due to declining production in the block 14 fields, which are at an advanced maturity stage, and due to maintenance activities, particularly at the BBLT field.

Net entitlement production increased 21% yoy to 20.1 kboepd on the back of rising production in Brazil, which more than offset the falling production in Angola.

Net entitlement production in Angola fell 6% yoy to 8.2 kbopd following lower working interest production, which was partly offset by a revised cost-oil estimate for 2012 with a favourable impact of 1.4 kbopd in the first quarter of 2013.

Production from Brazil amounted to 11.9 kboepd and accounted for 59% of total net entitlement production, up from 48% a year earlier.

RESULTS

The €3 m yoy rise in Ebitda to €91 m was primarily a result of the 21% increase in net entitlement production and the reduction in production costs, despite a lower average realised sale price in the period.

The realised sale price averaged $90.3/boe, compared with $106.8/boe a year earlier, following lower oil prices on international markets and the increasing weight of Brazilian production, where natural gas accounts for around 20%. On the other hand, the annulment of underlifting positions previously accounted for had a negative impact on the average realised sale price in the period.

Unit production costs on a net entitlement basis fell from $17.2/boe to $11.2/boe as the weight of Brazilian production increased, with production of FPSO Cidade de Angra dos Reis close to full capacity contributing to optimise production costs. On the other hand, the anticipated production test at Iracema South in the first quarter of 2012 influenced production costs in the period. Despite increased production compared with a year earlier and maintenance work in Angola's BBLT field, total production costs fell €4 m yoy to €15 m.

Overhead costs increased €2 m yoy to €9 m as the level of activity rose and the E&P team was strengthened.

Depreciation charges, excluding provisions for abandonment, fell to €25 m from €30 m a year earlier, despite the higher asset base and production in Brazil. The upward revision in reserves at the end of 2012 led to a lower depreciation rate in both Angola and Brazil. On a net entitlement basis, unit depreciation charges fell to $18.0/boe from $26.4/boe a year earlier.

Abandonment provisions reached €7 m in the first quarter of 2013, which compares to €4 m a year ago. It should be highlighted that the method of accounting of abandonment provisions has changed in 2013, and are now accounted in the amortisation line. For further information on this accounting change, please see page 22.

Therefore, RCA Ebit rose €7 m yoy to €60 m primarily as a result of increasing activity in Brazil and lower depreciation charges.

Brazil accounted for 72% of the RCA Ebit of this segment – up from 58% in the first quarter of 2012 – as production activities evolved in Brazil's Lula field.

2.2. REFINING & MARKETING

€ m (RCA, except otherwise noted)

	First quarter			
	2012	2013	Chg.	% Chg.
Galp Energia refining margin (USD/bbl)	**0.8**	**1.8**	**1.1**	**n.m.**
Refining cash cost (USD/bbl)	**2.2**	**2.6**	**0.4**	**15.6%**
Crude processed (kbbl)	**20,263**	**21,535**	**1,271**	**6.3%**
Total refined product sales (mton)	**4.2**	**4.1**	**(0.2)**	**(4.0%)**
Sales to direct clients (mton)	2.6	2.4	(0.2)	(9.2%)
Exports[1] (mton)	0.9	1.0	0.1	17.4%
Ebitda	**32**	**59**	**27**	**82.3%**
Depreciation & Amortisation	53	49	(4)	(7.2%)
Provisions	5	9	4	95.1%
Ebit	**(26)**	**0**	**26**	**n.m.**

[1] Galp Energia exports exclude sales to the Spanish market.

OPERATIONS

In January 2013 Galp Energia began operations of the hydrocracker unit at the Sines refinery, thereby starting to operate a more integrated and complex refining system. Operation of the hydrocracker stabilised as the quarter progressed and, quarterly average capacity utilisation rate reached 59%. During the second quarter of 2013, it is expected that the hydrocracker unit will operate at a stable level.

In the first quarter of 2013 close to 22 million barrels of crude (mbbl) were processed, which was 6% ahead of a year earlier and equated to an utilisation rate of 73%.

Medium and heavy crudes accounted for 73% of total crude oil processed in Galp Energia's refineries, whereas light crude and condensates accounted for the remaining 27%.

In the production profile of the first quarter of 2013 gasoline, fuel oil and jet accounted for 21%, 16% and 6%, respectively, of total production. Given that the hydrocracker was undergoing stabilisation during the period, and as such did not produce evenly throughout the quarter, diesel accounted for 39% of production, compared with 35% in the previous year, and consumptions and losses reached 10% in the period.

Volumes sold to direct clients fell 9% yoy following the adverse economic environment in the Iberian Peninsula, which continued to negatively impact demand for oil products. Volumes sold to direct clients in Africa accounted for 8% of the total, up from 7% a year earlier.

Exports from the Iberian Peninsula increased 17% yoy to 1.0 mton, of which gasoline and fuel oil accounted for 32% and 29%, respectively.

RESULTS

The Refining & Marketing (R&M) business segment reported an RCA Ebitda of €59 m, up from €32 m a year earlier. This increase was mainly due to the improved performance of the refining business.

The improved results from refining were due to a favourable behaviour of the refining margin, which rose $1.1/bbl yoy as it followed the positive trend in the benchmark refining margin, which in turn benefited mainly from the rise in diesel and gasoline crack spreads.

The hydrocracker unit at the Sines refinery did not had an incremental contribution to the refining margin throughout the quarter as it was affected by start-up and stabilisation conditions in the period. Therefore, Galp Energia's refining margin in the quarter was at a $0.2/bbl discount to the benchmark.

Total refinery operating cash costs amounted to €42 m, or $2.6/bbl in unit terms, up from $2.2/bbl a year earlier, an increase that was driven by the purchase of carbon dioxide (CO_2) emission licences as well as by the outages at the hydrocracker unit which were related to its start-up and stabilisation phase.

The adverse economic environment that affected the Iberian market for oil products led to both lower volumes sold and lower marketing margins, although this was partially offset by the decreased operational costs yoy related to that activity. This decrease followed the optimisation measures that have been implemented.

It is worth mentioning that, from 1 January, Galp Energia started to adopt in Spain the replacement cost calculation method it applies in Portugal, with no impact on IFRS results. As such, the standard density used in the conversion of tonnes of products acquired in that market, at the standard temperature (15ºC), started to be adjusted to the real density.

Depreciation charges and provisions in the quarter were in line with a year earlier. Asset depreciation in respect of the hydrocracker unit will not start until the second quarter of 2013, when it is expected to have an impact of around €21 m per quarter.

Ebit in the quarter advanced €26 m yoy, in line with the Ebitda evolution.

2.3. GAS & POWER

€ m (RCA, except otherwise noted)

	First quarter			
	2012	2013	Chg.	% Chg.
NG supply total sales volumes (mm^3)	**1,725**	**1,721**	**(4)**	**(0.2%)**
Sales to direct clients (mm^3)	**1,165**	**1,075**	**(90)**	**(7.8%)**
Electrical	368	199	(169)	(45.9%)
Industrial	558	619	62	11.1%
Residential	213	222	9	4.1%
Trading (mm^3)	**560**	**646**	**86**	**15.4%**
Sales of electricity to the grid[1] (GWh)	**320**	**468**	**149**	**46.5%**
Ebitda	**83**	**102**	**19**	**22.9%**
Depreciation & Amortisation	11	14	3	24.9%
Provisions	1	1	0	3.7%
Ebit	**71**	**88**	**16**	**22.8%**
Supply[2]	41	50	9	22.1%
Infrastructure	24	27	2	10.1%
Power	6	11	5	77.7%

[1] Includes Energin, which does not consolidate but where Galp Energia holds a 35% equity holding; this company had, in the first quarter of 2013, sales of electricity to the grid of 84 GWh.
[2] Includes liberalised and regulated supply activities.

OPERATIONS

Natural gas sold in the first quarter of 2013 amounted to 1,721 mm^3, in line with a year earlier, as rising volumes in the industrial and trading segments offset the 46% fall in the electrical segment volumes, caused by the rise in hydro and wind based power generation in the period.

In the industrial segment, volumes sold rose 11% yoy to 619 mm^3, as Galp Energia's own units, namely the Sines refinery's hydrocracker and the Matosinhos refinery's cogeneration, stepped up their natural gas consumption.

In trading, Galp Energia continued to capture opportunities in international markets having sold eight cargoes of LNG, compared with the seven sold a year earlier. These cargoes were primarily intended for Asian and Latin American countries.

Electricity sold to the grid amounted to 468 GWh, up 149 GWh from a year earlier, an increase that resulted from the electricity generation by the Matosinhos cogeneration, which is in operation since March.

RESULTS

The Gas & Power (G&P) business benefited mainly from the rise in volumes of natural gas sold and the improvement in LNG supply margins on the international market. Ebitda of the supply business increased €10 m yoy to €52 m.

Ebitda from the infrastructure business advanced €4 m to €37 m as Setgás started to be fully consolidated from the third quarter of 2012.

The power business reached an Ebitda of €13 m, a €5 m increase yoy, as sales of electricity to the grid rose.

As such, Ebitda for the whole G&P business segment rose by €19 m yoy to €102 m.

Depreciation and amortisation for the G&P business increased €3 m yoy to €14 m following Setgás full consolidation.

Provisions made in the G&P business segment amounted to €1 m and were primarily related to doubtful debtors.

Ebit for the whole business segment was, at €88 m, 23% higher yoy following the improved operating performance of all activities, particularly LNG trading.

3. FINANCIAL PERFORMANCE

3.1. INCOME STATEMENT

€ m (RCA, except otherwise noted)

	First quarter			
	2012	2013	Chg.	% Chg.
Turnover	4,795	4,471	(325)	(6.8%)
Operating expenses	(4,601)	(4,223)	(377)	(8.2%)
Cost of goods sold	(4,274)	(3,889)	(385)	(9.0%)
Supply and services	(248)	(253)	5	1.8%
Personnel costs	(79)	(82)	3	3.6%
Other operating revenues (expenses)	10	6	(4)	(37.9%)
Ebitda	**204**	**253**	**49**	**23.9%**
Depreciation & Amortisation	(96)	(95)	0	(0.2%)
Provisions	(10)	(10)	(0)	1.1%
Ebit	**99**	**148**	**49**	**49.4%**
Net profit from associated companies	20	18	(3)	(13.4%)
Net profit from investments	-	-	n.m.	n.m.
Financial results	(45)	(37)	8	16.9%
Net profit before taxes and minoritis interests	74	128	54	72.2%
Income tax	(23)	(40)	(17)	73.7%
Effective income tax	*31%*	*31%*	*1 p.p.*	*n.m.*
Minority Interests	(2)	(13)	(11)	n.m.
Net profit	**50**	**75**	**26**	**51.5%**
Non recurrent items	1	(7)	(8)	n.m.
Net profit RC	51	68	17	34.1%
Inventory effect	121	(6)	(127)	n.m.
Net profit IFRS	172	62	(110)	(63.8%)

Sales and services rendered in the first quarter of 2013 fell 7% following lower oil product prices.

Consequently, operating costs fell 8%. Despite higher production of crude oil and natural gas, supply and services costs of €253 m were in line with the first quarter of 2012.

Ebitda for the first quarter of 2013 rose €49 m yoy to €253 m, mainly due to the improved performance of the R&M and G&P business segments.

Depreciation, amortisation and provisions remained stable in comparison with the first quarter of 2012 as depreciation of the assets related with the hydrocracking complex will only set in from the second quarter of 2013 onwards.

Ebit for the first quarter of 2012 rose €49 m to €148 m, compared to the same period a year earlier, showing a better performance of all business segments.

Financial results increased €8 m as the net interest costs in the first quarter of 2013 were lower and amounted to €40 m from €52 m a year earlier. This decrease was a result of lower average debt in the period.

The financial results were not penalised by the capitalisation of interest costs related with the investment in the upgrade project, which would had an impact of €15 m, and which will stop being capitalised from the second quarter of the year onwards. Financial results were also hit by the change in unfavourable exchange differences arising from the appreciation of the U.S. Dollar against the Euro, and which impacted results by €12 m in the period.

Income tax amounted to €40 m, of which €25 m were related to tax payable for oil exploration and production concession agreements in Angola and Brazil. The effective tax rate was 31%, in line with a year earlier.

Following the capital increase at the Brazilian subsidiary Petrogal Brasil and related companies, fully subscribed to by Sinopec in March 2012, minority interests rose €11 m yoy to €13 m in the first quarter of 2013.

Therefore, net profit for the first quarter of 2013 increased 51% yoy to €75 m.

3.2. INVESTMENT

€ m

	First quarter			
	2012	2013	Chg.	% Chg.
Exploration & Production	135	154	19	14.1%
Exploration and appraisal activities	62	47	(15)	(23.7%)
Development and production activities	74	107	34	45.9%
Refining & Marketing	35	32	(3)	(8.7%)
Gas & Power	16	2	(14)	(86.7%)
Others	0	0	(0)	n.m
Investment[1]	**187**	**189**	**2**	**1.1%**

[1]Figures for the financial year 2012 were restated to exclude capitalized costs.

Investment in the first quarter of 2013 amounted to €189 m, of which around 80% were allocated to the E&P business segment, in accordance with the Company's strategy.

Capital expenditure of €154 m in the E&P business was mainly channelled to development activities in Brazil's block BM-S-11, which absorbed €74 m in the period. Investment was intended to the drilling and completion of wells in the Lula area, on production tests and the construction of FPSO and subsea equipment.

Investment made on exploration activities accounted for close to 30% of total capital expenditure in the E&P business segment and included, among others, exploration and appraisal activities in Mozambique, following the campaign of appraisal wells in the Mamba/Coral complex, and in Brazil, due to exploration and appraisal activities in the period, including the drilling of wells and seismic acquisition.

Capital expenditure of €34 m in the R&M and G&P business segments was mostly allocated to maintenance activities and to strengthen the current asset base, as well as to the biofuel development project.

3.3. CASH FLOW

€ m (IFRS figures)

	First quarter	
	2012	2013
Ebit	268	128
Dividends from associated companies	-	-
Depreciation, depletion and amortisation (DD&A)	95	101
Change in working capital	(205)	(228)
Cash flow from operations	**158**	**1**
Net investment[1]	(193)	(187)
Financial interest	(51)	(43)
Taxes	(18)	(48)
Dividends paid	-	-
Others[1]	2,818	89
Cash flow	**2,714**	**(189)**

[1] The amount resulting of the share capital increase at Petrogal Brasil and related companies, of €2,946 m, subscribed to by Sinopec in 2012, previously allocated at "Net investment" changed to the "Others" caption.

The Company had a net cash outflow of €189 m in the first quarter of 2013 following increases in investment in both working capital and fixed assets in the period.

Despite the favourable operating performance in all business segments, cash flow from operating activities was nil in the period, following an increase in working capital in the quarter, as the average receivables time increased and the average payables time was shortened. It is worth mentioning that the increased working capital, in particular the increased receivables, was mainly a consequence of the fact that the end of the quarter coincided with the Easter holiday.

Overall cash flow was also adversely affected by the investment made in the quarter, which was primarily related to the exploration and production of oil and natural gas.

On the other hand, throughout the first quarter of 2013, the positive impact of €89 m was essentially related to the exchange effect of Group companies assets in foreign currency.

3.4. FINANCIAL POSITION

€ m (except otherwise noted)

	31 December, 2012	31 March, 2013	Change vs. 31 Dec, 2012
Fixed assets	6,599	6,862	263
Other assets (liabilities)	(451)	(551)	(100)
Loan to Sinopec[1]	931	960	29
Working capital[1]	1,324	1,552	228
Capital employed	**8,403**	**8,824**	**421**
Short term debt	1,106	894	(212)
Medium-Long term debt	2,477	3,214	737
Total debt	**3,583**	**4,108**	**525**
Cash	1,886	2,222	336
Total net debt	**1,697**	**1,887**	**189**
Total equity	**6,706**	**6,938**	**232**
Total equity and net debt	**8,403**	**8,824**	**421**
Total net debt including loan to Sinopec	**766**	**926**	**160**

[1] At 31 December 2012 the loan amount to Sinopec changed from €918 m to €931 m, in order to include the amount of that loan accounted for as short term that was previously accounted under working capital, which changed from €1,338 m to €1,324 m.

Fixed assets of €6,862 m at the end of the first quarter of 2013 were €263 m higher than at the end of December 2012 primarily as a result of the investments in the first quarter of the year, namely in the exploration and production of crude oil and natural gas.

Capital employed includes the €960 m balance at 31 March 2013 of the loan granted by Galp Energia to Sinopec in the first quarter of 2012, following the capital increase at Petrogal Brasil and related companies.

3.5. FINANCIAL DEBT

€ m (except otherwise noted)

	31 December, 2012		31 March, 2013		Change vs. 31 Dec, 2012	
	Short term	Long term	Short term	Long term	Short term	Long term
Bonds	566	619	147	1,293	(420)	674
Bank debt	539	1,609	672	1,671	133	63
Commercial paper	-	250	75	250	75	0
Cash and equivalents	(1,886)	-	(2,222)	-	(336)	-
Net debt	**1,697**		**1,887**		**189**	
Net debt including loan to Sinopec[1]	**766**		**926**		**160**	
Average life (years)	2.6		**2.9**		0.33	
Net debt to Ebitda	1.7x		1.8x		0.1x	
Net debt to equity	25%		27%		1.9 p.p.	

[1] At 31 December 2012, the net debt including the loan to Sinopec changed from €780 m previously reported to €766 m, following the reclassification of the amount of that loan accounted for as short term, of €14 m, which was previously accounted under working capital.

Net debt of €1,887 m on 31 March 2013 was up €189 m from that of at the end of December 2012 after both fixed assets and working capital increased in the quarter.

Adjusted net debt would have been €926 m considering the loan to Sinopec now booked at €960 m, following the capital increase at Petrogal Brasil and related companies, as cash and equivalents.

Net debt to Ebitda was 1.8x at 31 March 2013, or 0.9x considering the loan to Sinopec under cash and equivalents.

Long-term debt at the end of March 2013 accounted for 78% of total debt, up from 69% at the end of December 2012. Out of total long-term debt, 32% was on fixed rate at the end of the quarter.

Galp Energia has been implementing its funding strategy with a view to extending maturities. Accordingly, the Company issued, in the first quarter of 2013, €375 m of debt maturing in approximately five years.

In the first quarter of 2013, Galp Energia announced the issuance of €600 m in bonds with a maturity of four years. The longer maturities are already reflected in the reimbursement profile shown below.

After the end of the quarter, Galp Energia has also secured funding totalling circa €300 m, maturing in 4.5 years, and which is also already reflected in the reimbursement profile below.

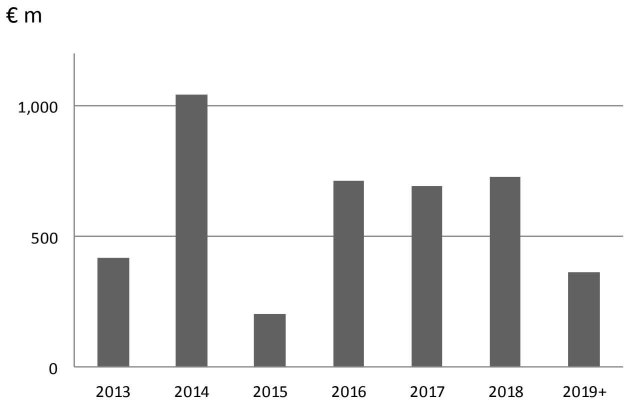
In this manner, the repayment of debt in 2013 was substantially reduced in comparison with the end of 2012.

The average cost of loans contracted in the first quarter of 2013, including spread and commissions, corresponded to Euribor plus 4.0%.

Net cash and equivalents attributable to minority interests at 31 March 2013 amounted to €91 m, with the bulk of this sum booked at the subsidiary Petrogal Brasil.

By the end of March 2013, Galp Energia had contracted, but not used, credit lines of €1.2 billion (bn). Out of this sum, 30% was firmed with international banks and 50% was contractually guaranteed.

DEBT REIMBURSEMENT PROFILE



4. SHORT-TERM OUTLOOK

The purpose of this chapter is to disclose Galp Energia's view on a few key variables that influence its short-term operational performance. However, these variables are not all controlled by the Company as some of them are exogenous.

MARKET ENVIRONMENT

Galp Energia estimates that the price of the dated Brent will decrease in the second quarter of 2013, compared to the first quarter of 2013, as the market is well supplied, notwithstanding the positive effect in price of the ending of the refineries maintenance season.

The benchmark refining margin should increase quarter on quarter (QoQ) in the second quarter of 2013 essentially due to the expected decrease in Brent price and also due to the upcoming driving season, which is expected to have a positive impact on gasoline cracks, whilst diesel cracks should remain stable QoQ.

OPERATING ACTIVITY

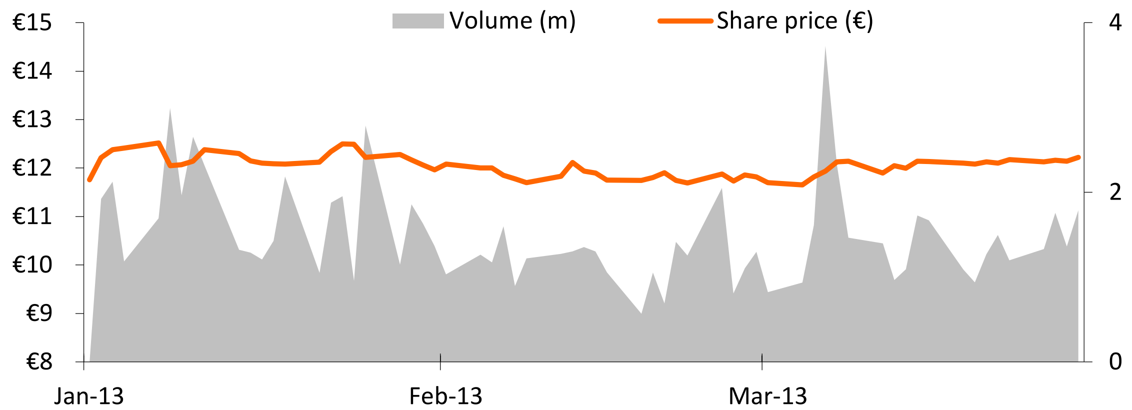
In the E&P business segment, working interest production of oil and natural gas is likely to decrease in the second quarter of 2013 to 22 kboepd following maintenance activities scheduled on FPSO Cidade de Angra dos Reis, and which are related with the processing and injection of CO_2 in the reservoir.

In the R&M business unit, it is estimated that the volume of crude processed will rise between 10% and 15% in the second quarter compared to the first quarter of 2013, following the stabilisation of the hydrocracker unit operations. The sales of oil products to direct clients should decrease compared to the second quarter of 2012, influenced by the adverse economic environment felt in the Iberian Peninsula.

Regarding the G&P business, it is expected that the supply business will continue to benefit from strong LNG trading activity on the international market. In fact, volumes sold of LNG should increase slightly when compared to the first quarter of 2013. On the other hand, volumes of natural gas sold to the electrical segment are expected to remain lower versus last year's figure, following the reduced demand in the Iberian Peninsula.

THE GALP ENERGIA SHARE

PERFORMANCE OF THE GALP ENERGIA SHARE



Source: Euroinvestor

The Galp Energia share appreciated 4% in the first quarter of 2013 and closed the period at €12.22. Since the initial public offering on 23 October 2006 up to the end of March 2013, the share had a favourable performance and appreciated close to 110%. The maximum price in the quarter was €12.60 and the minimum was €11.57.

Trading in the stock covered 242 million shares in the quarter, of which 93 million on the NYSE Euronext Lisbon regulated market. Out of an average daily volume of 3.9 million shares, 1.5 million shares were traded on NYSE Euronext Lisbon. At the end of the first quarter of 2013, Galp Energia had a market capitalisation of €10 bn.

Main indicators		
	2012	1Q13
Min (€)	8.50	11.57
Max (€)	13.77	12.60
Average (€)	11.79	12.04
Close price (€)	11.76	12.22
Volume (m shares)[1]	321.6	92.6
Average volume per day (m shares)[1]	1.3	1.5
Market cap (€m)	9,752	10,133

[1] NYSE Euronext Lisbon

ADDITIONAL INFORMATION

1. BASIS OF PRESENTATION

Galp Energia's unaudited consolidated financial statements for the three months ended on 31 March 2013 and 2012 have been prepared in accordance with IFRS. The financial information in the consolidated income statement is reported for the quarters ended on 31 March 2013 and 2012. The financial information in the consolidated financial position is reported at 31 March 2013 and 31 December 2012.

Galp Energia's financial statements are prepared in accordance with IFRS and the cost of goods sold is valued at weighted average cost (WAC). The use of this valuation method may cause volatility in results when prices of goods and commodities fluctuate following gains or losses in inventories that do not reflect the Company's operating performance. This is called the "inventory effect".

Another factor that may affect the Company's results but is not an indicator of its true performance is the set of non-recurrent events, such as gains or losses on the disposal of assets, impairments or reinstatements of fixed assets and environmental or restructuring charges.

For the purpose of evaluating Galp Energia's operating performance, replacement cost adjusted (RCA) profit measures exclude non-recurrent events and the inventory effect, the latter because the cost of goods sold has been calculated according to the replacement cost (RC) valuation method.

RECENT CHANGES

In 1 January 2013 Galp Energia changed the method of accounting for provisions for the abandonment of assets used in the production of crude oil and natural gas. Provisions are now recognised totally against an asset, which will be amortised according to the unit of production method (UOP), similarly to the previous procedure. In this way, the impact from this change reflects on the utilisation of the depreciations caption, instead of provisions, with a neutral impact on results. This change was not reproduced in the financial statements regarding the first quarter of 2012.

As of 1 January 2013, Galp Energia now recognises the net interest costs which are associated to the established retirement benefit plans in the financial results caption, and which were before accounted in personnel costs. This change was reproduced in the first quarter of 2012 in order to make both periods comparable.

Galp Energia completed on 1 August 2012 the acquisition of a 21.9% equity stake in Setgás, which holds a regulated concession for the distribution of natural gas, thereby raising its share of the company to 66.9%. As from this date Galp Energia started to fully consolidate Setgás, which was previously accounted for in results from associates. As this change was not reflected in the financial statements of previous reporting years, these are not directly comparable.

2. RECONCILIATION OF IFRS AND REPLACEMENT COST ADJUSTED FIGURES

2.1. REPLACEMENT COST ADJUSTED EBIT BY SEGMENT

€ m

2012					First quarter	2013				
Ebit	Inventory effect	Ebit RC	Non-recurrent items	Ebit RCA		Ebit	Inventory effect	Ebit RC	Non-recurrent items	Ebit RCA
268	**(168)**	**101**	**(2)**	**99**	**Ebit**	**128**	**9**	**136**	**12**	**148**
53	-	53	(0)	53	E&P	54	-	54	6	60
142	(166)	(24)	(1)	(26)	R&M	(17)	12	(6)	6	0
73	(2)	71	0	71	G&P	91	(3)	88	(0)	88
(0)	-	(0)	(0)	(0)	Others	(0)	-	(0)	0	(0)

2.2. REPLACEMENT COST ADJUSTED EBITDA BY SEGMENT

€ m

2012					First quarter	2013				
Ebitda	Inventory effect	Ebitda RC	Non-recurrent items	Ebitda RCA		Ebitda	Inventory effect	Ebitda RC	Non-recurrent items	Ebitda RCA
373	**(168)**	**206**	**(1)**	**204**	**Ebitda**	**239**	**9**	**247**	**6**	**253**
88	-	88	0	88	E&P	91	-	91	0	91
200	(166)	34	(1)	32	R&M	41	12	53	6	59
85	(2)	83	-	83	G&P	105	(3)	102	(0)	102
1	-	1	(0)	1	Others	0	-	0	0	1

3. NON-RECURRENT ITEMS

EXPLORATION & PRODUCTION

€ m

	First quarter	
	2012	2013
Exclusion of non-recurrent items		
Gains / losses on disposal of assets	0.0	-
Assets write-offs	-	0.0
Assets impairments	(0.2)	5.9
Non-recurrent items of Ebit	**(0.2)**	**5.9**
Non-recurrent items before income taxes	**(0.2)**	**5.9**
Income taxes on non-recurrent items	0.1	(2.0)
Minority interest	-	(1.2)
Total non-recurrent items	**(0.1)**	**2.7**

REFINING & MARKETING

€ m

	First quarter	
	2012	2013
Exclusion of non-recurrent items		
Accidents caused by natural facts and insurance compensation	(1.1)	0.1
Gains / losses on disposal of assets	(0.5)	(0.1)
Assets write-offs	0.0	0.4
Employees contracts rescission	0.3	5.2
Provisions for environmental charges and others	(0.1)	0.3
Assets impairments	(0.0)	(0.0)
Non-recurrent items of Ebit	**(1.4)**	**5.9**
Capital gains / losses on disposal of financial investments	-	0.1
Non-recurrent items before income taxes	**(1.4)**	**6.0**
Income taxes on non-recurrent items	0.3	(1.7)
Total non-recurrent items	**(1.1)**	**4.3**

GAS & POWER

€ m

	First quarter	
	2012	2013
Exclusion of non-recurrent items		
Assets write-offs	-	(0.0)
Provisions for environmental charges and others	(0.0)	-
Assets impairments	-	(0.2)
Non-recurrent items of Ebit	**(0.0)**	**(0.2)**
Non-recurrent items before income taxes	**(0.0)**	**(0.2)**
Income taxes on non-recurrent items	(0.0)	0.0
Total non-recurrent items	**(0.0)**	**(0.1)**

OTHER

€ m

	First quarter	
	2012	2013
Exclusion of non-recurrent items		
Accidents caused by natural facts and insurance compensation	(0.1)	-
Employees contracts rescission	-	0.1
Non-recurrent items of Ebit	**(0.1)**	**0.1**
Non-recurrent items before income taxes	**(0.1)**	**0.1**
Income taxes on non-recurrent items	0.0	(0.0)
Total non-recurrent items	**(0.0)**	**0.1**

CONSOLIDATED SUMMARY

€ m

	First quarter	
	2012	2013
Exclusion of non-recurrent items		
Accidents caused by natural facts and insurance compensation	(1.1)	0.1
Gains / losses on disposal of assets	(0.5)	(0.1)
Assets write-offs	0.0	0.4
Employees contracts rescission	0.3	5.3
Provisions for environmental charges and others	(0.1)	0.3
Assets impairments	(0.2)	5.7
Non-recurrent items of Ebit	**(1.6)**	**11.8**
Capital gains / losses on disposal of financial investments	-	0.1
Non-recurrent items before income taxes	**(1.6)**	**11.9**
Income taxes on non-recurrent items	0.4	(3.7)
Minority interest	-	(1.2)
Total non-recurrent items	**(1.2)**	**6.9**

4. CONSOLIDATED FINANCIAL STATEMENTS

4.1. IFRS CONSOLIDATED INCOME STATEMENT

€ m

	First quarter	
	2012	2013
Operating income		
Sales	4,684	4,355
Services rendered	112	116
Other operating income	33	27
Total operating income	**4,828**	**4,498**
Operating costs		
Inventories consumed and sold	(4,107)	(3,898)
Material and services consumed	(247)	(253)
Personnel costs	(79)	(87)
Other operating costs	(21)	(22)
Total operating costs	**(4,455)**	**(4,259)**
Ebitda	**373**	**239**
Amortisation and depreciation cost	(95)	(101)
Provision and impairment of receivables	(10)	(10)
Ebit	**268**	**128**
Net profit from associated companies	20	18
Net profit from investments	-	(0)
Financial results		
Financial profit	6	33
Financial costs	(46)	(57)
Exchange gain (loss)	(4)	(16)
Profit and cost on financial instruments	(0)	3
Other gains and losses	(0)	(0)
Profit before taxes	**244**	**108**
Income tax expense	(70)	(34)
Profit before minority interest	**174**	**74**
Profit attributable to minority interest	(2)	(12)
Net profit for the period	**172**	**62**
Earnings per share (in Euros)	**0.21**	**0.08**

4.2. CONSOLIDATED FINANCIAL POSITION

€ m

	31 December, 2012	31 March, 2013
Assets		
Non-current assets		
Tangible fixed assets	4,490	4,687
Goodwill	232	232
Other intangible fixed assets[1]	1,458	1,460
Investments in associates	399	463
Investments in other participated companies	3	3
Other receivables[2]	1,078	1,042
Deferred tax assets	252	252
Other financial investments	19	20
Total non-current assets	**7,932**	**8,159**
Current assets		
Inventories	1,976	1,946
Trade receivables	1,351	1,502
Other receivables	755	818
Other financial investments	7	20
Current Income tax recoverable	(0)	0
Cash and cash equivalents	1,887	2,219
Total current assets	**5,976**	**6,505**
Total assets	**13,909**	**14,663**

	31 December, 2012	31 March, 2013
Total assets	**13,909**	**14,663**
Exploration & Production	6,234	6,523
Refining & Marketing	7,401	7,478
Gas & Power	2,575	2,759

	31 December, 2012	31 March, 2013
Equity and liabilities		
Equity		
Share capital	829	829
Share premium	82	82
Translation reserve	(48)	62
Other reserves	2,685	2,685
Hedging reserves	(6)	(5)
Retained earnings	1,516	1,859
Profit attributable to equity holders of the parent	343	62
Equity attributable to equity holders of the parent	**5,401**	**5,575**
Minority interest	1,305	1,363
Total equity	**6,706**	**6,938**
Liabilities		
Non-current liabilities		
Bank loans and overdrafts	1,858	1,921
Bonds	619	1,293
Other payables	534	537
Retirement and other benefit obligations	327	339
Deferred tax liabilities	131	134
Other financial instruments	7	7
Provisions	138	179
Total non-current liabilities	**3,614**	**4,410**
Current liabilities		
Bank loans and overdrafts	539	747
Bonds	566	147
Trade payables	1,469	1,368
Other payables	1,005	1,050
Other financial instruments	9	4
Income tax	0	(0)
Total current liabilities	**3,588**	**3,316**
Total liabilities	**7,203**	**7,726**
Total equity and liabilities	**13,909**	**14,663**

[1] Includes concession agreements for the distribution of natural gas.

[2] Includes loan to Sinopec, accounted for as medium-long term.

DEFINITIONS

Crack spread

Difference between the price of an oil product and the price of dated Brent.

EBIT

Operating profit.

EBITDA

Operating profit plus depreciation, amortisation and provisions.

GALP ENERGIA, COMPANY OR GROUP

Galp Energia, SGPS, S. A. and associates.

IRP

Income tax on oil sales in Angola.

BENCHMARK REFINING MARGIN

The benchmark refining margin is calculated with the following weighting: 45% hydrocracking margin + 42,5% Rotterdam cracking margin + 7% Rotterdam base oils + 5,5% Aromatics.

ROTTERDAM HYDROCRACKING MARGIN

The Rotterdam hydrocracking margin has the following profile: -100% dated Brent, +2.2% LPG FOB Seagoing (50% Butane + 50% Propane), +19.1% PM UL NWE FOB Bg, +8.7% Naphtha NWE FOB Bg., +8.5% Jet NWE CIF, +45.1% ULSD 10 ppm NWE CIF and +8.9% LSFO 1% FOB Cg.; C&Q: 7.9%; Terminal rate: $1/ton; Ocean loss: 0.15% over Brent; Freight 2013: WS Aframax (80 kts). Route Sullom Voe / Rotterdam – Flat $6.80/ton. Yields in % of weight.

ROTTERDAM CRACKING MARGIN

The Rotterdam cracking margin has the following profile: -100% dated Brent, +2.3% LPG FOB Seagoing (50% Butane + 50% Propane), +25.4% PM UL NWE FOB Bg, +7.5% Naphtha NWE FOB Bg, +8.5% Jet NWE CIF, +33.3% ULSD 10 ppm NWE CIF and +15.3% LSFO 1% FOB Cg.; C&Q: 7.4%; Terminal rate: $1/ton; Ocean loss: 0.15% over Brent; Freight 2013: WS Aframax (80 kts). Route Sullow Voe / Rotterdam – Flat $6.80/ton. Yields in % of weight.

ROTTERDAM BASE OILS MARGIN

Base oils refining margin: -100% Arabian Light, +3.5% LPG FOB Seagoing (50% Butane + 50% Propane), +13% Naphtha NWE FOB Bg., +4.4% Jet NWE CIF, +34% ULSD 10 ppm NWE CIF, +4.5% VGO 1.6% NWE FOB Cg, +14.0% Base oils FOB, +26% HSFO 3.5% NWE Bg.; Consumptions: -6.8% LSFO 1% CIF NWE; Losses: 7.4%; Terminal rate: $1/ton; Ocean loss: 0.15% over Arabian Light; Freight 2013: WS Aframax (80 kts) Route Sullom Voe / Rotterdam – Flat $6.80/ton. Yields in % of weight.

ROTTERDAM AROMATICS MARGIN

Rotterdam aromatics margin: -60% PM UL NWE FOB Bg, - 40.0% Naphtha NWE FOB Bg., + 37% Naphtha NWE FOB Bg., + 16.5% PM UL NWE FOB Bg + 6.5% Benzene Rotterdam FOB Bg + 18.5% Toluene Rotterdam FOB Bg + 16.6% Paraxylene Rotterdam FOB Bg + 4.9% Ortoxylene Rotterdam FOB Bg.; Consumptions: - 18% LSFO 1% CIF NEW. Yields in % of weight.

REPLACEMENT COST (RC)

According to this method of valuing inventories, the cost of goods sold is valued at the of replacement, i.e. at the average cost of raw materials on the month when sales materialise irrespective of inventories at the start or end of the period. The RC method is not accepted by accounting standards, as IFRS, and is consequently not adopted for valuing inventories. This method does not reflect the cost of replacing other assets.

REPLACEMENT COST ADJUSTED (RCA)

In addition to using the replacement cost method, adjusted profit excludes non-recurrent events such as capital gains or losses on the disposal of assets, impairment or reinstatement of fixed assets and environmental or restructuring charges which may affect the analysis of the Company’s profit and do not reflect its operational performance.

ABBREVIATIONS:

APETRO: Associação Portuguesa de Empresas Petrolíferas (Portuguese association of oil companies)

bbl: oil barrel

BBLT: Benguela, Belize, Lobito and Tomboco

bn: billion

boe: barrels of oil equivalent

Bg: Barges

Cg: Cargoes

CIF: Costs, Insurance and Freight

CORES: *Corporación de Reservas Estratégicas de Productos Petrolíferos*

D&A: Depreciation & amortisation

E&P: Exploration & Production

€: Euro

FOB: Free on Board

FPSO: Floating, production, storage and offloading unit

G&P: Gas & Power

GWh: Gigawatt hour

IAS: International Accounting Standards

IFRS: International Financial Reporting Standards

LSFO: Low sulphur fuel oil

k: thousand

kbbl: thousand barrels

kboe: thousand barrels of oil equivalent

kboepd: thousand barrels of oil equivalent per day

kbopd: thousand barrels of oil per day

LNG: liquefied natural gas

m: million

m^3: cubic metres

mbbl: million barrels

mbopd: million barrels of oil per day

mm^3: million cubic metres

mt: million tonnes

NBP: National Balancing Point

NYSE: New York Stock Exchange

n.m.: not meaningful

PM UL: Premium unleaded

R&M: Refining & Marketing

RC: replacement cost

RCA: replacement cost adjusted

Ton: tonnes

ULSD CIF Cg: Ultra Low sulphur diesel CIF Cargoes

USD/$: Dollar of the United States of America

USA or US: United States of America

WAC: Weighted-average cost

DISCLAIMER:

This report contains forward-looking statements about the activities and results of Galp Energia as well as some Company plans and objectives. The terms "anticipates", "believes", "estimates", "expects", "predicts", "aims", "plans" and other similar ones aim to identify such forward-looking statements.

As a result of their nature, forward-looking statements involve risks and uncertainties since they are associated with events and circumstances that may occur in the future. Real outcomes and developments may, as a result of several factors, differ significantly from outcomes, either express or implicit, in the statements. These include, but are not limited to, changes in costs, economic conditions or regulatory framework.

Forward-looking statements only refer to the date when they were made and Galp Energia has no obligation to update them in the light of new data or future developments or otherwise explain the reasons actual outcomes are possibly different.

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