

Results & Strategy execution update

NINE MONTHS AND THIRD QUARTER 2012



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Key highlights

- Key wells in Brazil de-risking portfolio
- Establishment of a structured relationship with ENH in Mozambique, increasing Galp Energia's influence in the area
- Sines hydrocracker commissioning underway
- EBITDA in 3Q12 of €306 Mln, up 38% YoY, driven by crude production growth in Brazil and stronger LNG trading activity

Key highlights

Strategy execution update

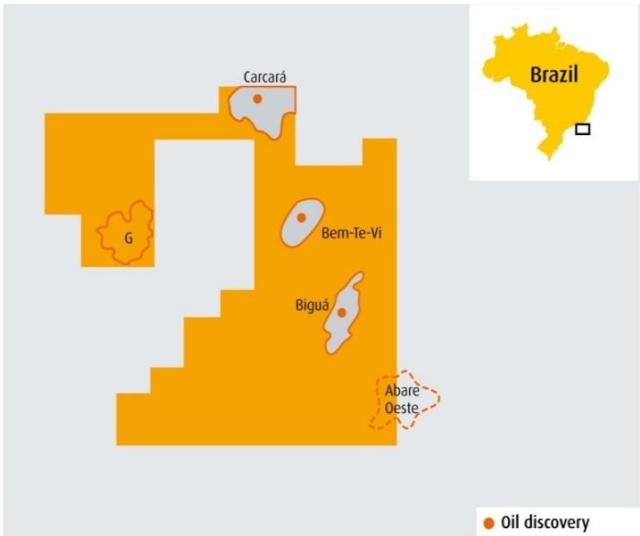
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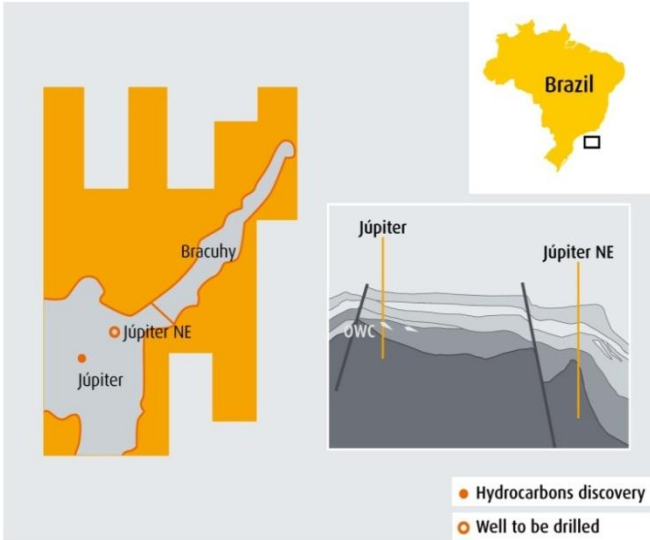
Key wells in Brazil de-risking portfolio

BM-S-8



- Carcará well already proved a significant oil discovery with an over 400 meters oil column
- Well already reached target depth and being prepared for a DST

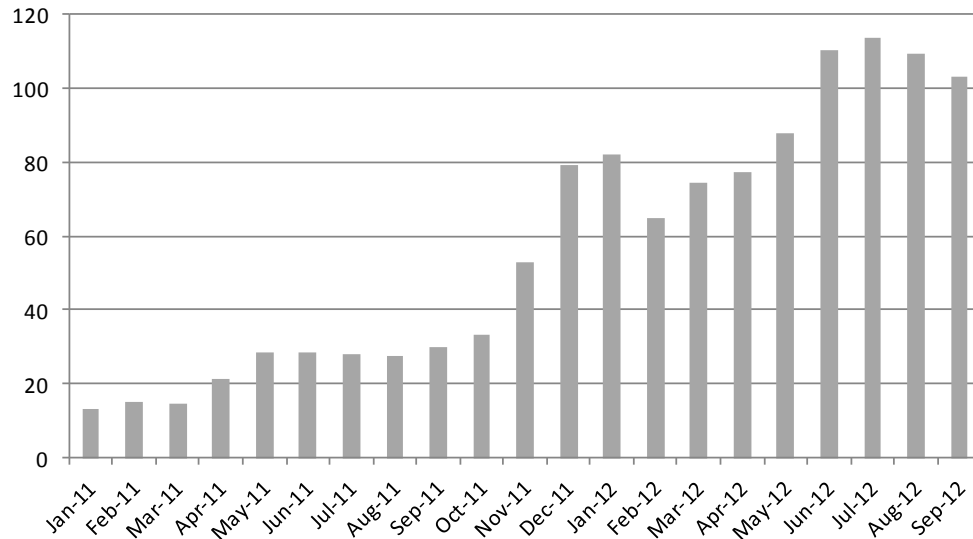
BM-S-24



- Initial results confirmed the continuity of previous discovery
- Data gathering still ongoing and already maturing different development scenarios

Several milestones achieved with potential additional upside

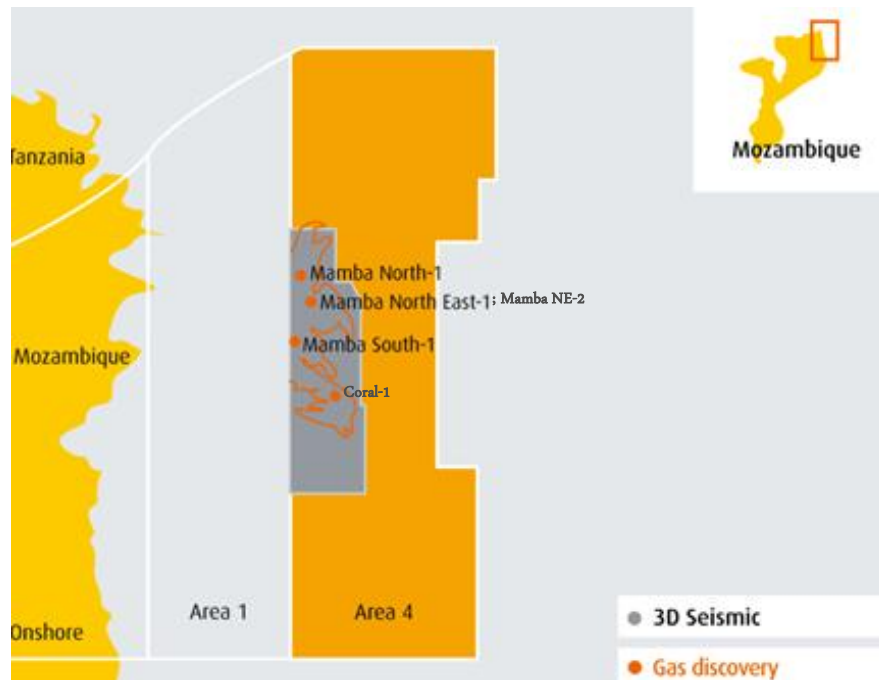
Lula-1¹ project production (kboepd)



- Lula-1 project at plateau production in 3Q12 changing slightly MoM due to maintenance works
- WAG and highly deviated wells to be tested during 2013 to improve recovery factor
- FPSO Cidade de Paraty on schedule to start operations by 2Q13 in Lula NE area

Working together with ENH in Mozambique

Mozambique



- Formal agreement established increasing Galp Energia's influence in the area
- Agreement can open new opportunities in Mozambique
- Appraisal activities underway to better understand the reservoir and oil potential to be tested by 2013

Entering in a new refining era by the end of the year

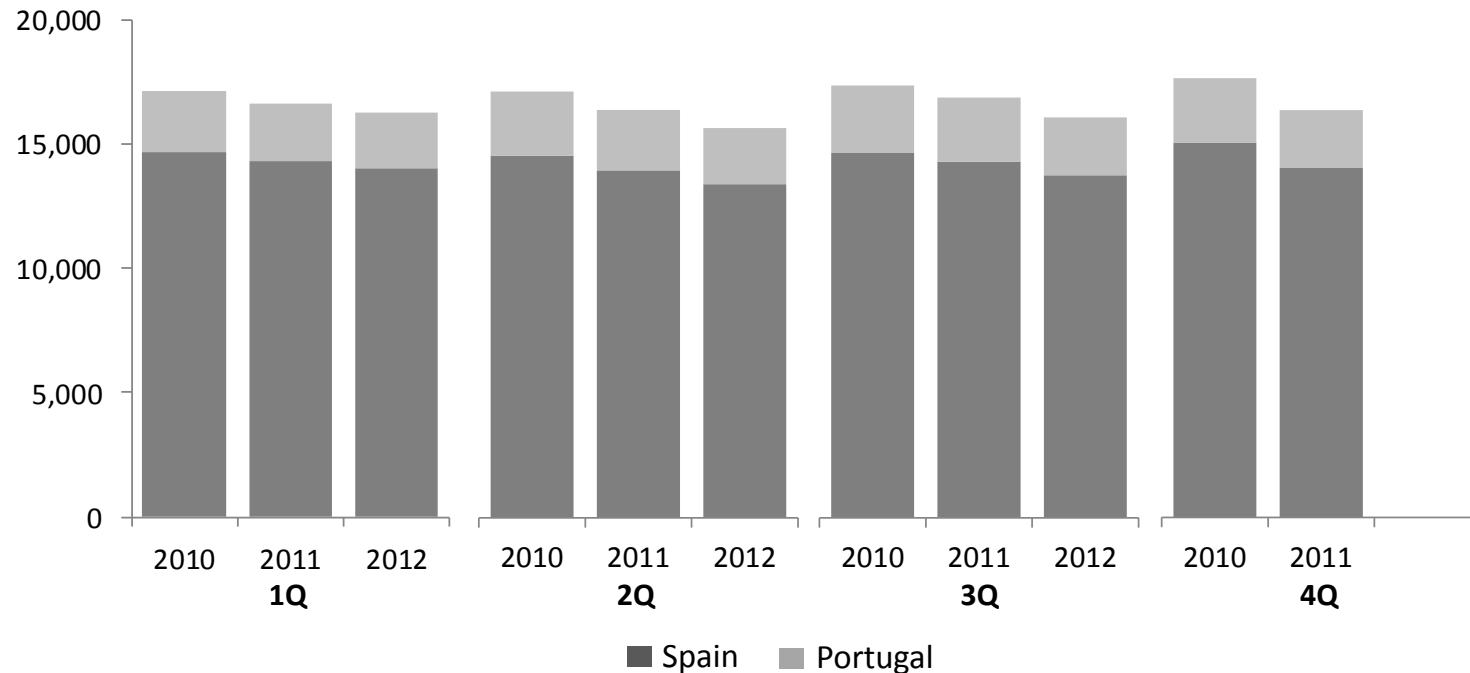
New units at Sines refinery



Hydrocracker commissioning underway with steady production expected for the end of 4Q12

Iberian oil market to be further impacted by austerity measures

Iberian oil products market (Mton)

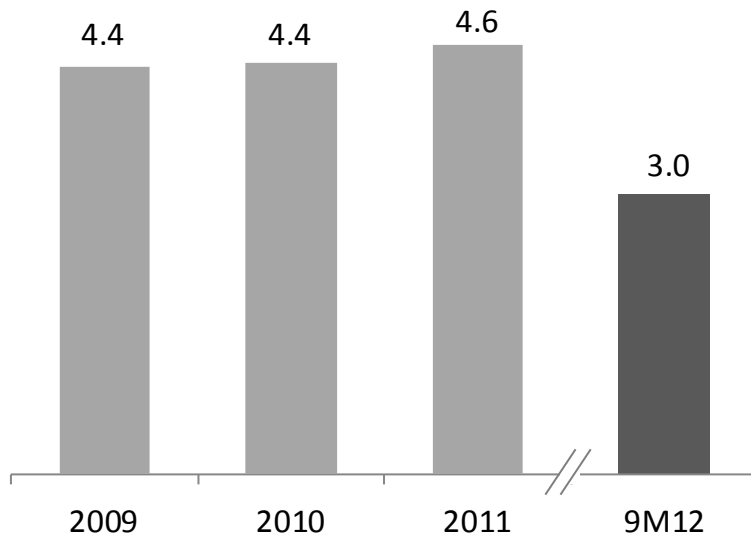


Iberian oil market has been impacted by macro economic environment

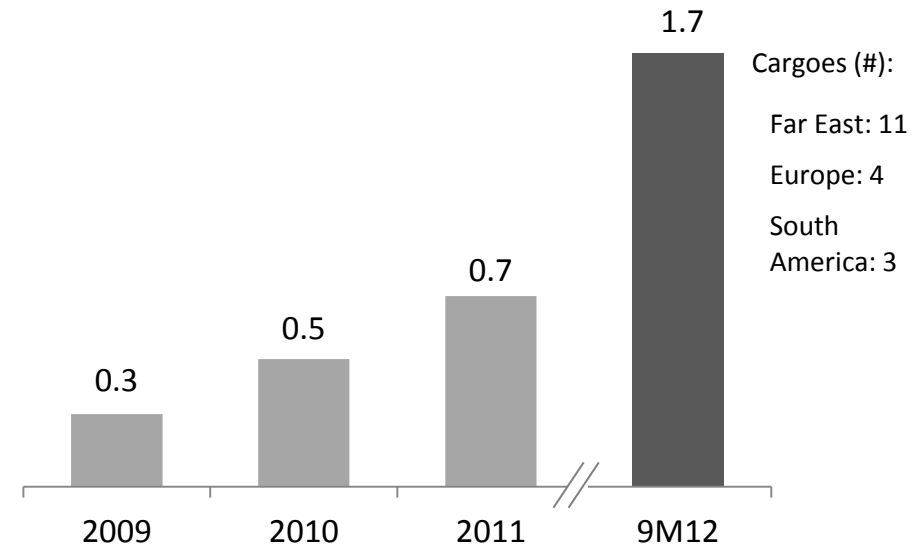
Source: APETRO for Portuguese market and Cores for Spanish market (includes estimate for August and September 2012)

Leveraging on international LNG tight market

Iberian volumes (Bcm)



LNG trading volumes (Bcm)



Securing access to key valuable markets, through existing long-term and flexible LNG sourcing contracts supported by Iberian marketing activities

Executing our strategy according to highly sustainable practices

Dow Jones Sustainability Index



- Presence in the Dow Jones Sustainability Index (DJSI) World and the DJSI Europe for the first time
- Part of the restricted group of oil & gas companies in DJSI Europe
- Recognition of Galp Energia's commitment to ensuring a sustainable growth

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Net profit in 3Q12 of €98 Mln, up 58% YoY

Profit & Loss (€Mln)

	3Q12	3Q11	YoY	QoQ	9M12	YoY
Turnover	4,925	4,277	+15%	+8%	14,276	+15%
EBITDA	306	222	+38%	+9%	786	+33%
E&P	110	63	+74%	+11%	297	+60%
R&M	86	75	+14%	(17%)	218	+12%
G&P	105	80	+31%	+40%	262	+31%
Others	6	4	+39%	+85%	9	+3%
EBIT	173	112	+55%	(1%)	443	+53%
Associates	14	17	(18%)	(34%)	56	+6%
Financial results	(13)	(29)	(55%)	(156%)	(30)	+68%
Taxes	(59)	(35)	+70%	(18%)	(154)	n.m.
Minority interests	(17)	(3)	n.m.	(13%)	(38)	n.m.
Net Profit	98	62	+58%	(24%)	277	+57%
Net Profit (IFRS)	173	95	n.m.	n.m.	331	(15%)

- EBITDA increase driven by higher Brazilian production and LNG trading volumes
- EBIT impacted by higher provisions in E&P related to the abandonment of Kuito and BBLT fields
- Higher minorities following the capital increase subscribed by Sinopec in Brazil

Sound financial structure maintained

Balance sheet (€Mln)

	Sep.2012	Jun.2012	Sep - Jun	Dec.2011	Sep - Dec
Fixed assets	6.430	6.154	+276	6.002	+428
Work in progress	2.559	2.399	+160	2.174	+385
Other assets (liabilities)	(583)	(460)	(122)	(407)	(176)
Loan to Sinopec	950	976	(26)	-	+950
Working capital	1.310	1.314	(4)	851	+459
Capital employed	8.107	7.983	+124	6.446	+1.662
Net debt	1.369	1.221	+148	3.504	(2.135)
Equity	6.738	6.763	(24)	2.941	+3.797
Net Debt + Equity	8.107	7.983	+124	6.446	+1.662
Net debt to equity	20%	18%	2,3 p.p.	119%	n.m.
Net debt to EBITDA	1,4x	1,3x	0,0x	4,4x	(3,0x)

- Net debt increase followed capex, dividend payment and Setgás acquisition during 3Q12
- Net debt of €419 Mln, considering loan to Sinopec
- Competitive cost of debt of 4.4% maintained

Short term outlook

- 4Q12 working interest production targeted at c.24 kboepd
- Benchmark refining margin to decrease QoQ impacted by the end of maintenance season
- Marketing volumes down YoY, impacted by the Iberian macro economic environment
- Natural gas volumes to decrease QoQ mainly due to electrical and trading segments
- Expected 2012 EBITDA close to €1 Bln, in line with previous guidance

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- Lula development project being successfully executed with upside to be tested
- Forthcoming exploration results with potential to unlock value
- Strategic agreement with ENH with potential to open new opportunities in Mozambique
- Sound capital structure to fund current transformational projects and enabling flexibility to pursue new ventures

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Lula-1 project steady production during 3Q12

Main E&P data

		3Q12	3Q11	YoY	QoQ	9M12	YoY
Working interest production	kboepd	25.9	20.8	+24%	+1%	24.8	+20%
Net entitlement production	kboepd	19.5	12.2	+60%	+4%	18.3	+54%
Angola	kboepd	7.2	8.0	(10%)	(15%)	8.1	(7%)
Brazil	kboepd	12.3	4.2	n.m.	+19%	10.2	n.m.
Realized sale price	\$/boe	102.4	107.2	(4%)	+6%	101.8	(4%)
OPEX/net entitlement production	\$/boe	9.7	15.4	(37%)	+9%	11.7	(26%)
EBITDA	M €	110	63	+74%	+11%	297	+60%
EBIT	M €	59	19	n.m.	(4%)	174	n.m.
CAPEX	M €	159	57	n.m.	+16%	433	+108%

- Lula-1 project drove production growth with an average production of 10.9 kboepd
- Brazil production continuously gaining relevance with 63% of total net entitlement production
- EBIT supported by lower depreciations in Angola

EBITDA was 14% higher YoY on the back of improved refining margins

Main R&M data

		3Q12	3Q11	YoY	QoQ	9M12	YoY
Galp Energia refining margin	\$/bbl	4.4	0.9	n.m.	n.m.	2.6	n.m.
Spread over benchmark	\$/bbl	0.5	1.3	(65%)	+66%	0.8	(52%)
Crude processed	M bbl	21.3	20.7	+3%	(1%)	63.0	+14%
Refining throughput	M ton	3.0	3.0	+1%	(3%)	9.1	+12%
Sales to direct clients	M ton	2.5	2.8	(9%)	+2%	7.6	(3%)
Exports ⁽¹⁾	M ton	0.8	0.7	+24%	+3%	2.5	+36%
EBITDA	M €	86	75	+14%	(17%)	218	+12%
EBIT	M €	22	22	+2%	(57%)	44	+0%
CAPEX	M €	50	148	(66%)	+35%	135	(76%)

- Refining business benefited from increase in benchmark refining margins
- Premium to benchmark was negatively impacted by the narrower heavy-light spread
- EBIT was up 2% YoY, notwithstanding lower oil marketing contribution

EBIT 29% higher YoY supported by LNG trading activity

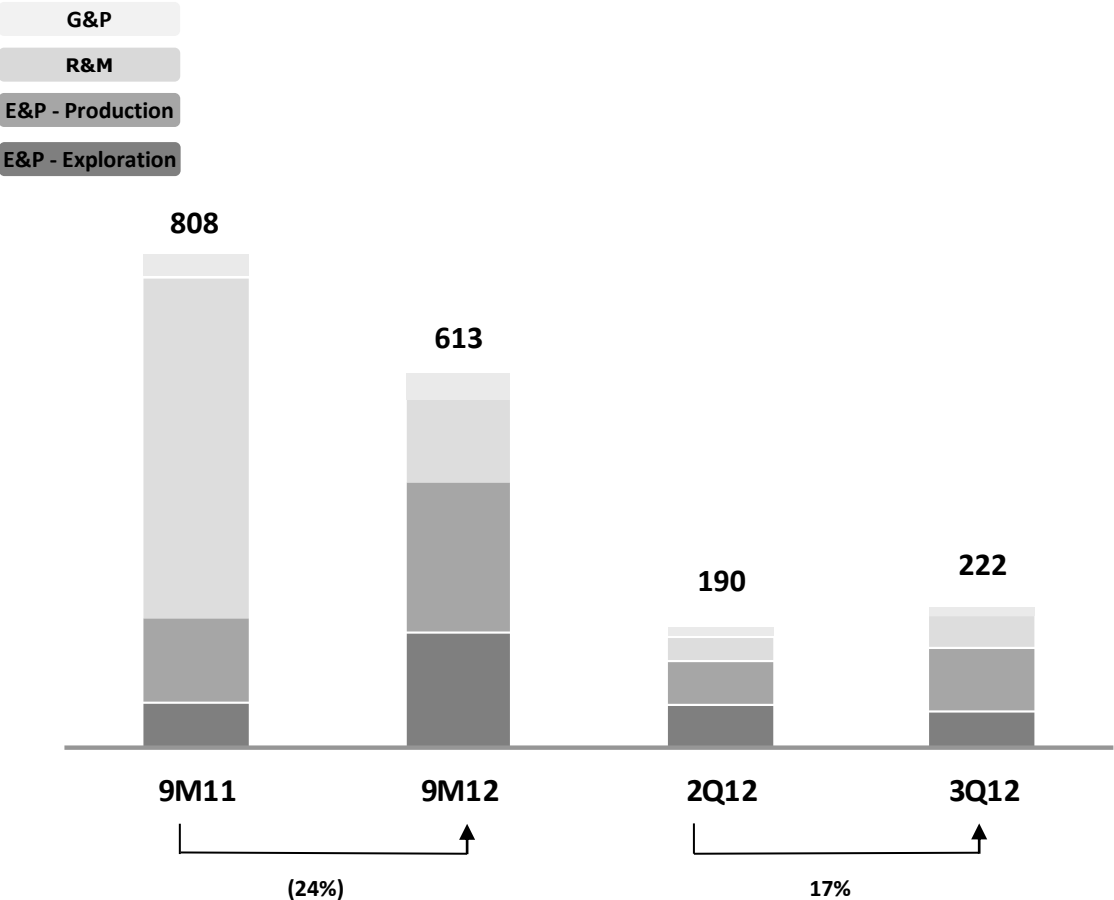
Main G&P data

		3Q12	3Q11	YoY	QoQ	9M12	YoY
NG supply total sales volumes	M m3	1,470	1,159	+27%	(2%)	4,696	+19%
Electrical	M m3	407	490	(17%)	+82%	998	(32%)
Industrial	M m3	493	480	+3%	(4%)	1,565	+5%
Residential and Commercial	M m3	58	88	(34%)	(43%)	373	(21%)
Trading	M m3	488	88	n.m.	(23%)	1,680	n.m.
Sales of electricity to the grid	GWh	317	320	(1%)	+0%	954	+10%
EBITDA	M €	105	80	+31%	+40%	262	+31%
EBIT	M €	88	68	+29%	+47%	219	+30%
CAPEX	M €	12	12	(5%)	(17%)	43	+16%

- LNG trading activity weighting 33% of natural gas supply volumes
- Leveraging on international LNG demand and supply margins
- Setgás' stake acquisition positively contributing to infrastructure business

Capex shift to upstream materialized

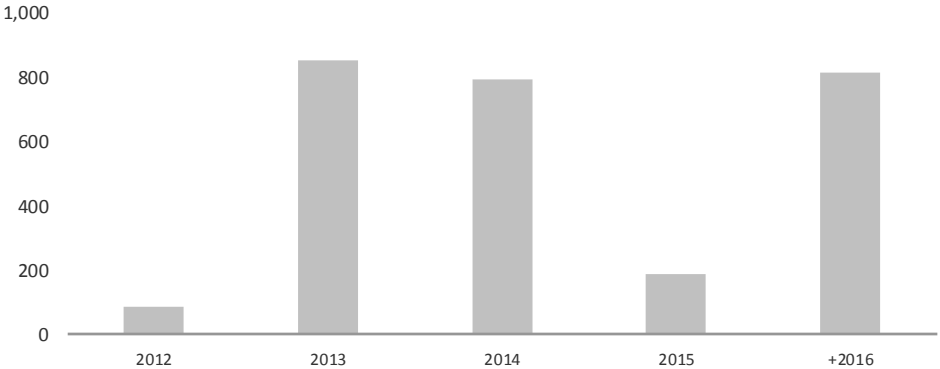
Capital expenditure (€Mln)



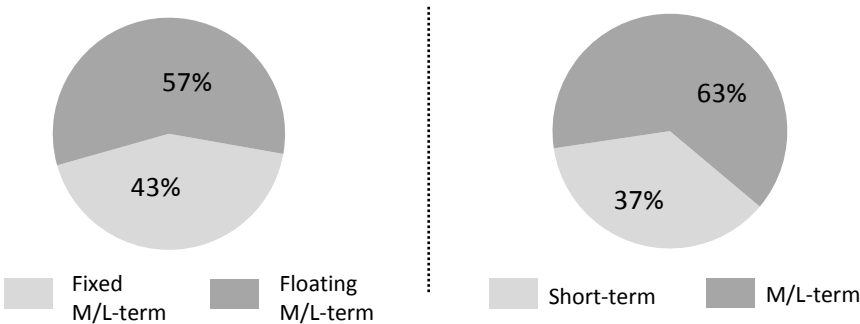
- 72% of total capex in 3Q12 allocated to E&P activities
- Lula project responsible for the majority of E&P development capex
- Downstream capex decreased with the end of refinery upgrade project execution

Competitive interest rate of 4.4% maintained despite sovereign risk

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



Debt structure as of September 2012



¹ As of the end of September 2012

- Total net debt of €1.4 Bln or €0.4 Bln if adjusted by loan to Sinopec
- Upcoming maturities to be refinanced
- Available credit lines of €1.7¹ Bln, of which 60% contract guaranteed
- Net debt to Equity at 6% and net debt to Ebitda of 0.4x at the end of 3Q12, if adjusted by loan to Sinopec

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