

**PRESS RELEASE**

Rio de Janeiro, September 26, 2018

## **Galp tops 100 million barrels produced in Brazil ahead of celebrating two decades in the country**

- **The company's average daily production surpassed 100 kboepd, in the second quarter, making it Brazil's third-biggest producer**
- **Galp has invested upwards of \$5 billion on the development of its projects in the pre-salt, which it pioneered**
- **Strong presence at the 2018 Rio Oil & Gas, Latin America's largest Oil & Gas trade fair**

Galp reached the historic milestone of 100 million barrels of oil and gas produced in Brazil, reinforcing its position as the 3rd-largest producer in the country, through its subsidiary Petrogal Brasil.

The 100 million barrels were surpassed in the second quarter of this year, when Galp signaled another important milestone in the country: an average production of more than 100 thousand barrels per day of oil and gas (kboepd) at the Santos Basin pre-salt Lula field, in which Galp was one of the early entrants and developers.

Brazil's priority in Galp's strategy is evident in the total accumulated investment of \$5 billion from the company's entry into the country, at the turn of the century, up until this year's second quarter. In recent years, the projects in Brazil accounted for approximately 80% of the company's total investment in the Oil & Gas Exploration and Production (E&P) business unit.

"Galp has invested in Brazil for about two decades and we intend to continue investing in this country," says Galp CEO Carlos Gomes da Silva. "Our presence has a long-term perspective and is part of the Group's upstream strategy: to ensure the sustainability of Galp's exploration and production portfolio, which should be competitive and profitable in the various scenarios of expected oil prices, also comprising the evaluation of the carbon footprint of our activities," he added.

This commitment is clear in the strengthening of the company's presence in some key areas, such as BM-S-8 and Carcará Norte, and in the selective entry in new areas, through the ANP-promoted bid-rounds. The most recent were the acquisition of a 20%-stake in the C-M-791 area, in the Campos Basin, and of 14% of the Uirapuru block, in the Santos Basin.

"The company's strategy involves the identification of selected assets that can be developed through strong partnerships in which Galp plays an active role," emphasized Gomes da Silva, adding that "the presence in Brazil is for the long-term and our commitment is to develop important projects for the country's growth".

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For Galp, the Brazilian oil and gas industry will play a fundamental role in the transition of the world economy to a paradigm with lower CO<sub>2</sub> emissions, since the world economy in the coming decades will need an increasing amount of energy that new alternative sources are unable to provide, in spite of their predicted high-speed growth.

As a result, oil and gas will continue to be key to meeting the planet's energy needs, and the pre-salt fields are among the most competitive and productive in the world, therefore, they are the ones most likely to meet those needs at affordable prices.

Petrogal Brasil, incorporated in 1999, has a 10% stake in the consortium that operates the BM-S-11 block, which includes the Lula Field, currently with seven FPSO units in operation, and where two additional ones are expected produce first oil before the end of the year. The company employs 79 people in Rio de Janeiro.

Galp's projects in Brazil are being developed through partnerships with some of the industry most solid partners, including Petrobras, Sinopec, Equinor, ExxonMobil, Total and Chevron.

### Presence at Rio Oil & Gas

Galp will participate as a sponsor of Rio Oil & Gas, the largest gas and oil event in Latin America and one of the largest in the sector in the world, held in Rio de Janeiro from September 24 to 27.

Throughout the event, the Group will present projects developed in Brazil and Portugal, in addition to showing the public its investments and plans for the coming years. Four company experts will present technical studies on topics ranging from the importance of siliciclastic reservoirs in Petrogal's portfolio, the general characteristics of pre-salt carbonates in Petrogal's concession areas, and applied geophysics in Brazilian pre-salt reservoirs and 3D modeling in carbonate reservoirs.

### About Galp

Galp is a publicly held, Portuguese-based energy company, with an international presence. Our activities cover all stages of the energy sector's value chain, from prospection and extraction of oil and natural gas from reservoirs located kilometers under the sea surface, to the development of efficient and environmentally sustainable energy solutions for our customers – whether large industries that seek to increase their competitiveness, or individual consumers that seek the most flexible solutions for their home and mobility needs. We also contribute to the economic development of the 11 countries where we operate and to the social progress of the communities that welcome us. Galp employs 6,389 people.

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### Galp

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