2Q20 RESULTS

July 27
2020

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This presentation may include forward-looking statements, including, without limitation, regarding future results, namely cash flows, dividends, and shareholder returns; liquidity; capital and operating expenditures; performance levels and project plans, timing, and outcomes; production rates; developments of Galp's markets; and impacts of the COVID-19 pandemic on Galp's businesses and results, which may significantly differ depending on a number of factors including supply and demand for oil, gas, petroleum products, power and other market factors affecting them; the outcome of government policies and actions, including actions taken to address COVID-19 and to maintain the functioning of national and international economies and markets; the impacts of the COVID-19 pandemic on people and economies; the impact of Galp's actions to protect the health and safety of its employees, customers, suppliers and communities; actions of Galp's competitors and commercial counterparties; the ability to access short- and long-term debt markets on a timely and affordable basis; the actions of consumers; other legal and political factors including obtaining necessary permits; unexpected operating events or technical difficulties; the outcome of commercial negotiations including negotiations with governments and private entities; and other factors discussed in Galp's Management Report & Accounts filed with the Portuguese Securities Market Commission (CMVM) for the year ended December 31, 2019 and available on our website at galp.com. Statements regarding potential future financial or operating results made at Galp's Capital Markets Day of February 18, 2020 should not be considered to be updated or re-affirmed as of any later date except to the extent specifically updated or re-affirmed in this release or in subsequent public disclosures. Forward-looking statements are statements other than in respect of historical facts and involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied by such forward-looking statements. Important factors that may cause actual results to differ from forward-looking statements are referred in Galp's Management Report & Accounts for the year ended 31 December 2019. Galp and its respective representatives, agents, employees or advisers do not intend to, and expressly disclaim any duty, undertaking or obligation to, make or disseminate any supplement, amendment, update or revision to any of the information, opinions or forward-looking statements contained in this announcement to reflect any change in events, conditions or circumstances.

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RECENT DEVELOPMENTS

Carlos Gomes da Silva, CEO

2Q20: QUICK ADAPTATION

TO CHALLENGING COVID-19 CONTEXT

- **Upstream** operations marginally impacted during the quarter
- **Downstream** significant slowdown, mainly during April and May, with June showing recovery
- **Renewables & New Businesses** JV agreement with ACS Group related with Solar PV Spanish acquisition
- Implementing **cash preservation** and **value protection** initiatives

Increase **business resilience**	Maintaining **focus on key strategic projects**

160 € m
CFFO

-10 € m
FCF

1.1x
Net Debt to Ebitda

3.0 € bn
Cash + undrawn credit lines

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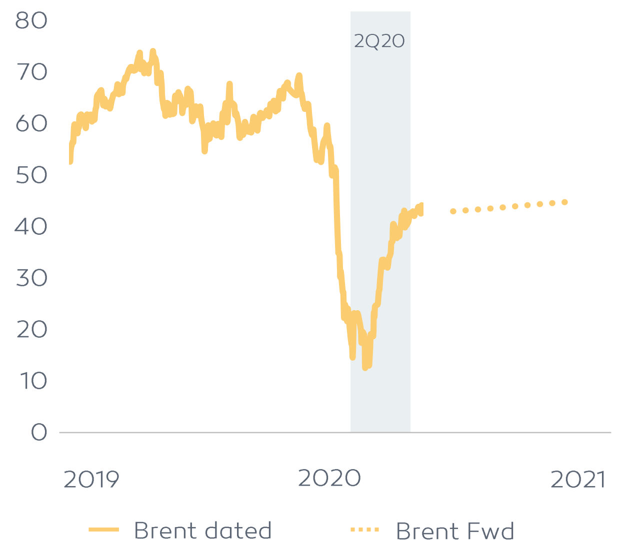
COVID-19 LEADING TO HARSH MARKET CONDITIONS

RECOVERY STARTED IN JUNE

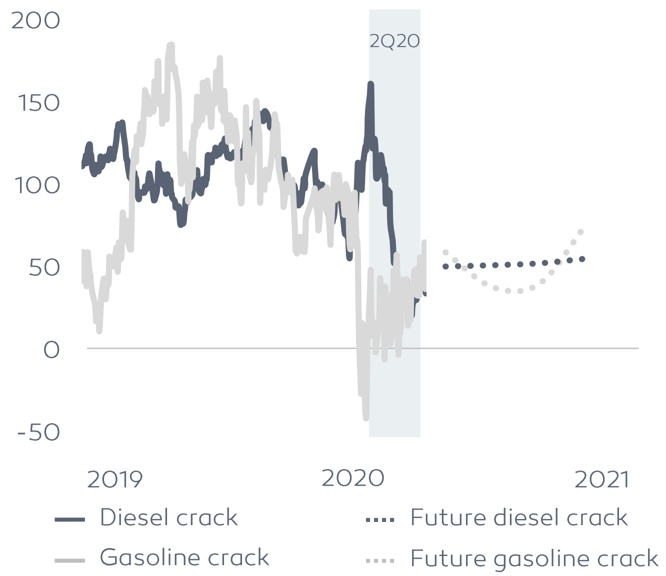
Brent Price ($/bbl)



Significant oil demand drop with uncertain recovery outlook

Adjusting internal Brent price assumptions[1] now considering $40/bbl in 2020 and LT $60/bbl (real 2019)

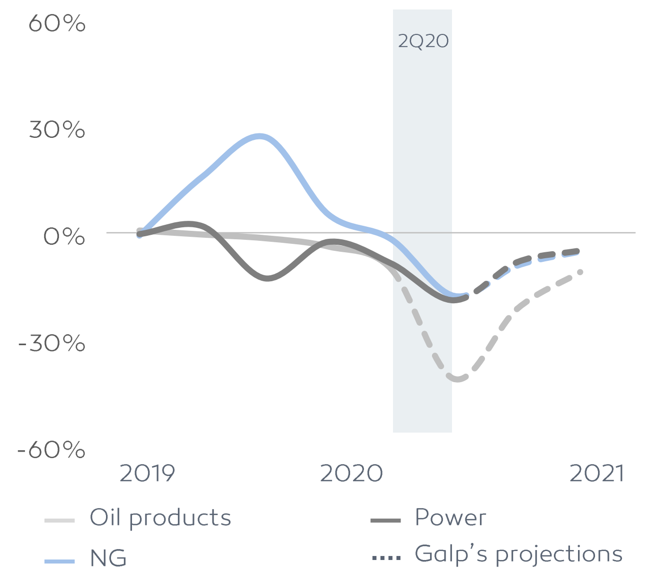
Oil products cracks ($/ton)



Galp refining margin below $2/boe YTD, reflecting lower demand and products cracks

Weak global demand and current inventory levels leading to a challenging refining, supply and trading environment

Iberian demand (YoY, %)



Lockdowns causing severe regional demand drops, but June showing supportive signs

Uncertainty remains on the outbreak evolution and regional/global economic impact

[1] Revised oil price assumptions consider **Brent at $40/bbl in 2020, $45/bbl in 2021, $50/bbl in 2022, $55/bbl in 2023, $60/bbl in 2024 and $65/bbl in 2025 (nominal terms). Long term Brent price now considered at $60/bbl (real terms 2019).**

OPERATIONS IN 2Q20

PERFORMANCE IMPACTED BY MARKET CONDITIONS

Upstream

- Production stable QoQ despite two FPSO stoppages related with Covid-19
- Atapu South FPSO start (end of June)

Refining & Midstream

- Refining system slowdown due to high level of inventories and weak demand
- Midstream contribution also reflecting harsh market conditions

Commercial

- Sales impacted by lockdowns in April and May
- Supportive signs of recovery during June across all segments (ex-aviation)

Renewables & New Businesses

- 2.9 GW solar PV agreement amendment – JV with Galp (75.01%) and ACS Group (24.99%)
- €300-350 m to be paid at completion[1] (expected before YE2020)

[1] Considers acquisition + previous development costs.

SHORT-TERM CALL TO ACTION

FOCUS ON INCREASING RESILIENCE

Upstream

- Production costs expected consistently <$3/boe
- Rescheduling key development plans

Commercial

- Immediate operations and cost adjustments
- Innovating and adapting the non-fuel offer to reach new clients

SG&A structure adjustments

corporate and business units

Refining & Midstream

- Reduced operational levels mitigating refining contribution
- Maintenance rescheduling, reducing future stoppages in 2020

Renewables & New Businesses

- Adjusting portfolio development plan

Focus on **business flexibility** and **cash preservation**

CHALLENGING 2020 OUTLOOK

MAINTAINING GALP STRATEGIC GROWTH PATH

2H20 Outlook

Upstream

Resuming ramp-up with production growth YoY now expected at c.10%

Refining & Midstream

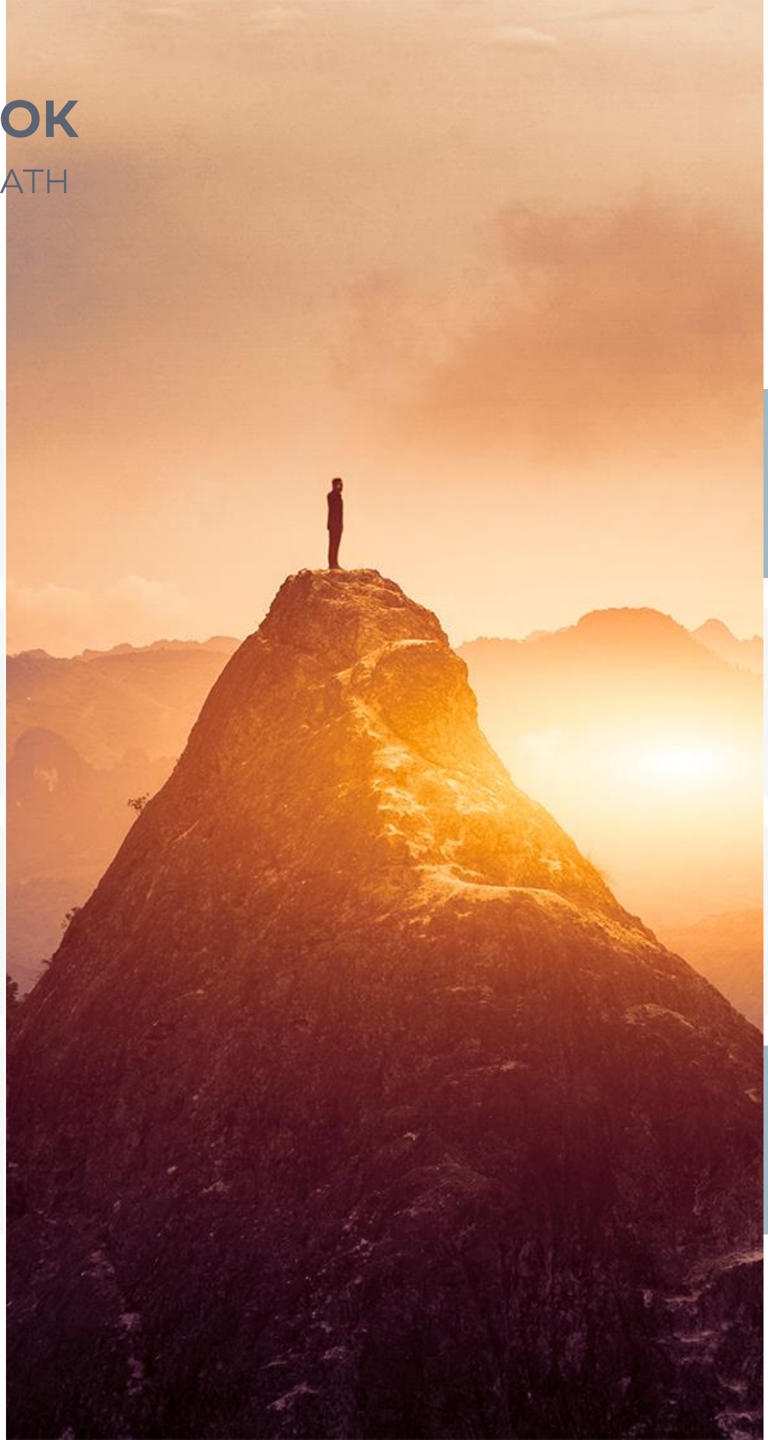
Still expecting a weak and volatile refining and trading environment

Commercial

Recent demand indicators showing a recovery

Renewables & New Businesses

No contribution given solar completion delay



Positioning Galp for the future of energy

Focus on existing key strategic project enhancements

Exploring new opportunities with natural integration with current portfolio

Decarbonisation strategy to benefit from new energies developments

Ensuring project returns and sustainability

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PROTECTING SHORT TERM VALUE

TO SUPPORT GROWTH STRATEGY

Adjusting to lower operational contribution

c.20 $/bbl

FCF[1] neutral @Brent

(ex. 1H20 inventory effect)

Cash savings initiatives

2020/21 net capex expected at €0.5 – 0.7 bn p.a.

Distributions

No interim distribution, with FY dividend dependent on FY performance

Additional potential levers

Asset rotation

Balance sheet protection

Net debt control

[1] FCF = CFFO – Operating Leases (IFRS 16) – Net Interests – Net Capex.

2Q20 RESULTS

Filipe Silva, CFO

GROUP EBITDA OF €291 M IN 2Q20

STRONGLY IMPACTED BY MACRO CONDITIONS

€m	2Q19	1Q20	2Q20
RCA Ebitda	615	469	**291**
Upstream	408	286	**204**
Refining & Midstream	97	90	**19**
Commercial	105	90	**59**
Renewables & New Businesses	0	-1	**-4**
RCA Ebit	386	217	**-57**
Associates	47	19	**24**
Financial results	-10	-60	**-10**
Taxes[1]	-191	-146	**-20**
Non-controlling interests	-34	-1	**12**
RCA Net Income	199	29	**-52**
IFRS Net Income	231	-257	**-154**

Upstream impacted by lower oil prices, while maintaining production QoQ

Refining & Midstream reflecting lower supply and trading contribution and pressured refining environment

Commercial impacted by the significant lower demand led by lockdown measures

RCA Ebit includes impairments of €92 m in smaller exploration assets

Financial results impacted by FX variation and MTM gains from G&P derivatives offsetting CO_2 licences loss

RCA Net income of -€52 m and IFRS net income at -€154 m, reflecting -€84 m of inventory effect

[1] Includes SPT payable in Brazil and IRP payable in Angola.

CASH GENERATION

SUSTAINING FCF DESPITE THE IMPACT ON OPERATIONAL PERFORMANCE

CFFO of €160 m

Lower operational contribution from the harsh market conditions and relevant inventory effect

Investment and financial cash flow

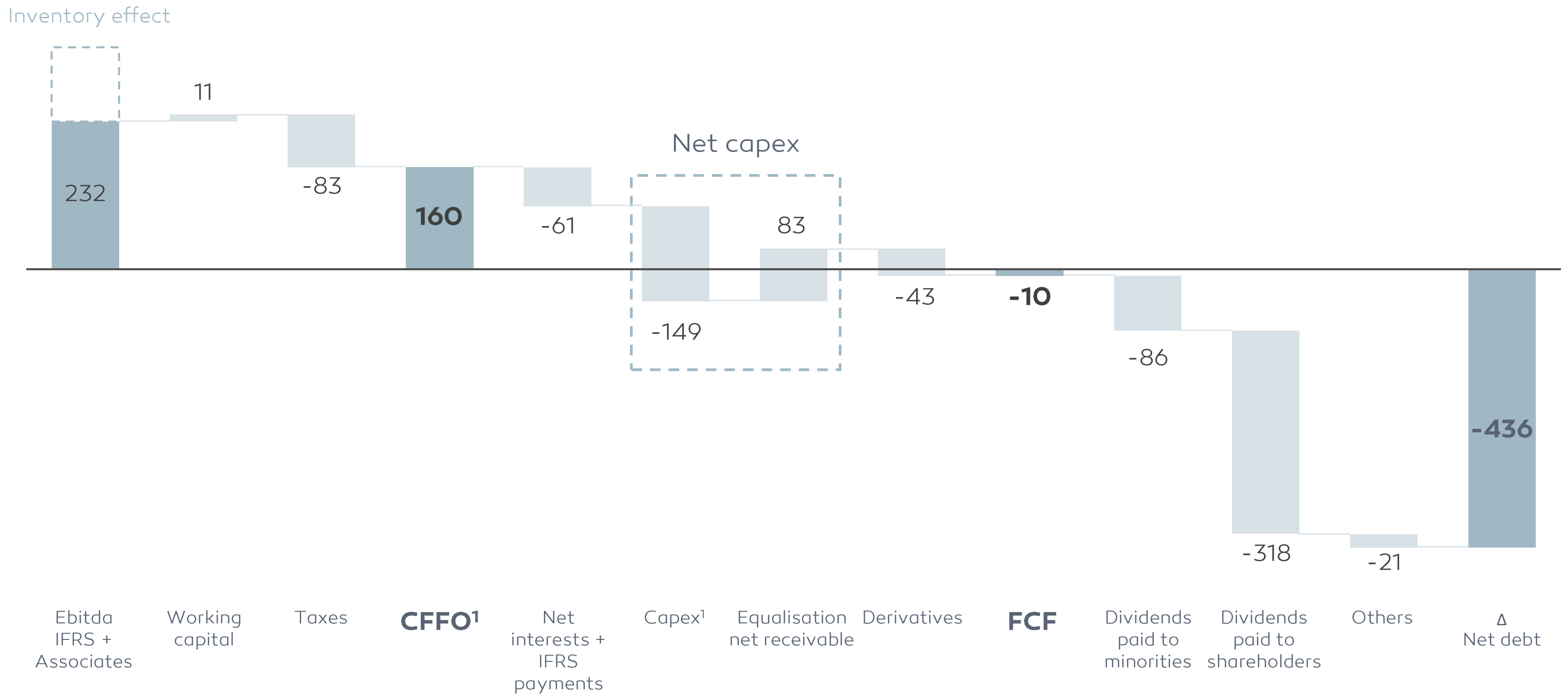
Net capex already reflecting plan adjustments and the equalisation settlement in Brazil

Income from derivatives includes refining hedges unwind offset by CO_2 licences provisions

FCF of -€10 m

Change in net debt of €436 m, including dividends paid to shareholders and non-controlling interests

2Q20 Cash Flow IFRS (€ m)



	Ebitda IFRS + Associates	Working capital	Taxes	CFFO[1]	Net interests + IFRS payments	Capex[1]	Equalisation net receivable	Derivatives	FCF	Dividends paid to minorities	Dividends paid to shareholders	Others	Δ Net debt
6M20	351	300	-248	**404**	-136	-360	83	62	**52**	-194	-318	-37	**-497**
2Q19	712	29	-127	**613**	-49	-223	0	0	**342**	-39	-296	-1	**-5**

[1] Adjusted for the effects related with Lula, Sépia and Atapu equalisation processes, namely -€137 m on the CFFO caption and €220 m on net capex, leading to a net receivable position of €83 m.

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CONTROLLED FINANCIAL POSITION

TO SUPPORT MARKET UNCERTAINTY

€m	31 Dec., 2019	31 Mar., 2020	31 Jun., 2020
Net fixed assets[1]	7,358	7,439	**7,008**
Rights of use (IFRS 16)	1,167	1,171	**1,124**
Working capital	952	663	**652**
Other assets/liabilities[1]	-1,161	-1,184	**-982**
Capital employed	8,316	8,089	**7,802**
Net debt	1,435	1,496	**1,932**
Operating leases (IFRS 16)	1,223	1,232	**1,188**
Equity	5,657	5,360	**4,682**
Equity, net debt and op. leases	8,316	8,089	**7,802**

Net fixed assets

Reduction reflecting unitisation settlement and impairments in Upstream

Debt

Reinforcing liquidity and extending average debt maturity

Net debt to Ebitda ratio at 1.1x[2]

[1] Net fixed assets and other assets/liabilities include the estimated impact from unitisations.
[2] Ratio considers the LTM Ebitda RCA (€1,837 m on 30 June 2020), which is adjusted for the impact from the application of IFRS 16 (€195 m on 30 June 2020).

Appendix

2Q20 UPSTREAM

REFLECTING SIGNIFICANT WEAKER OIL PRICE

		2Q19	1Q20	2Q20
Working interest production	kboepd	111.8	131.4	**132.2**
Oil production	kbpd	99.5	118.1	**118.6**
Net entitlement production	kboepd	109.8	129.6	**130.3**
Angola	kbpd	12.2	14.1	**12.7**
Brazil	kboepd	97.6	115.6	**117.6**
Oil and gas realisations - Dif. to Brent	USD/boe	-7.8	-5.8	**-7.8**
Production costs	USD/boe	4.6	2.4	**2.8**
DD&A	USD/boe	14.5	13.1	**13.4**
RCA Ebitda	€ m	408	286	**204**
RCA Ebit	€ m	278	145	**-32**
Net Income from Upstream Associates	€ m	17	-1	**5**
Capex	€ m	177	104	**82**

WI production flat QoQ including two stoppages related with Covid-19

Ebitda decrease QoQ driven by lower Brent prices, although benefiting from underlifting reevaluations

Ebit also reflecting impairments of €92 m related with smaller exploration assets

2Q20 REFINING & MIDSTREAM

PERFORMANCE IMPACTED BY DEMAND DETERIORATION AND COMMODITIES ENVIRONMENT

		2Q19	1Q20	2Q20
Raw materials processed	mboe	26.1	26.8	**13.4**
Galp refining margin	USD/boe	3.0	1.9	**1.8**
Oil products supply[1]	mton	4.4	4.1	**2.5**
NG/LNG supply & trading volumes[1]	TWh	22.0	17.7	**11.7**
Trading	TWh	8.0	5.3	**3.7**
Sales of electricity to the grid	TWh	0.3	0.3	**0.3**
RCA Ebitda	€ m	97	90	**19**
RCA Ebit	€ m	22	9	**-60**
Net Income from Ref. & Midstream Associates	€ m	30	24	**18**
Capex	€ m	24	14	**23**

Refining low utilisation reflecting the adjustment to extreme market conditions

Supply and trading volumes down, mainly impacted by the decline in trading activity

Ebitda significantly down due to the lower contribution of the Midstream activities and weak refining

[1] Includes volumes sold to the Commercial segment.

2Q20 COMMERCIAL

OPERATIONAL ADJUSTMENTS TO COPE WITH SIGNIFICANT DEMAND DECREASE

		2Q19	1Q20	2Q20
Commercial sales to clients				
Oil products	mton	2.1	1.8	**1.2**
Natural gas	TWh	7.9	6.7	**4.9**
Electricity	TWh	0.8	0.9	**0.7**
RCA Ebitda	€ m	105	90	**59**
RCA Ebit	€ m	81	68	**36**
Net Income from Commercial Associates	€ m	0	-3	**1**
Capex	€ m	22	24	**26**

All business' segments impacted by Covid-19 lockdown effects, mostly felt in April and May with sales volumes starting to recover in June

Ebitda reflecting lower sales to direct clients, with ongoing initiatives mitigating further impacts

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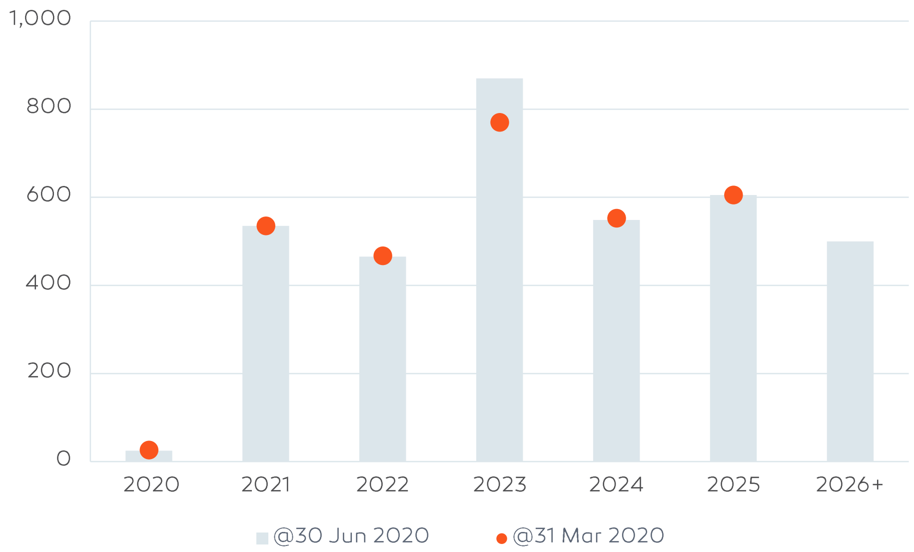
DEBT INDICATORS

Debt indicators

€m	31 Mar., 2020	30 Jun., 2020
Cash and cash equivalents	1,485	**1,696**
Undrawn credit facilities	1,164	**1,263**
Gross debt	2,981	**3,627**
Net debt	1,496	**1,932**
Operating leases (IFRS 16)	1,232	**1,188**
Net debt to RCA Ebitda[1]	0.7x	**1.1x**
% Debt at fixed rate	41%	**51%**

Debt reimbursement (€m)



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