INVESTOR DAY

Lisbon, 22 October 2007

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STRATEGY OVERVIEW

Lisbon, 22 October 2007

Manuel Ferreira De Oliveira, CEO

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A FOCUSED MANAGEMENT TEAM

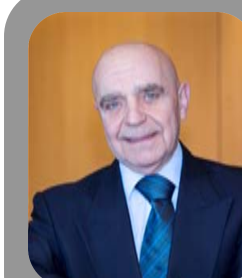
Chief Executive Officer

Manuel Ferreira De Oliveira

CFO	Head of Refining, Supply and Logistics	Head of Power	Head of E&P and International Oil	Head of Oil Marketing	Head of Natural Gas
Francesco Antonietti	**José António Marques Gonçalves**	**André Freire de Almeida Palmeiro Ribeiro**	**Fernando Manuel dos Santos Gomes**	**João Pedro Leitão Pinheiro de Figuereido Brito**	**Massimo Guiseppe Rivara**





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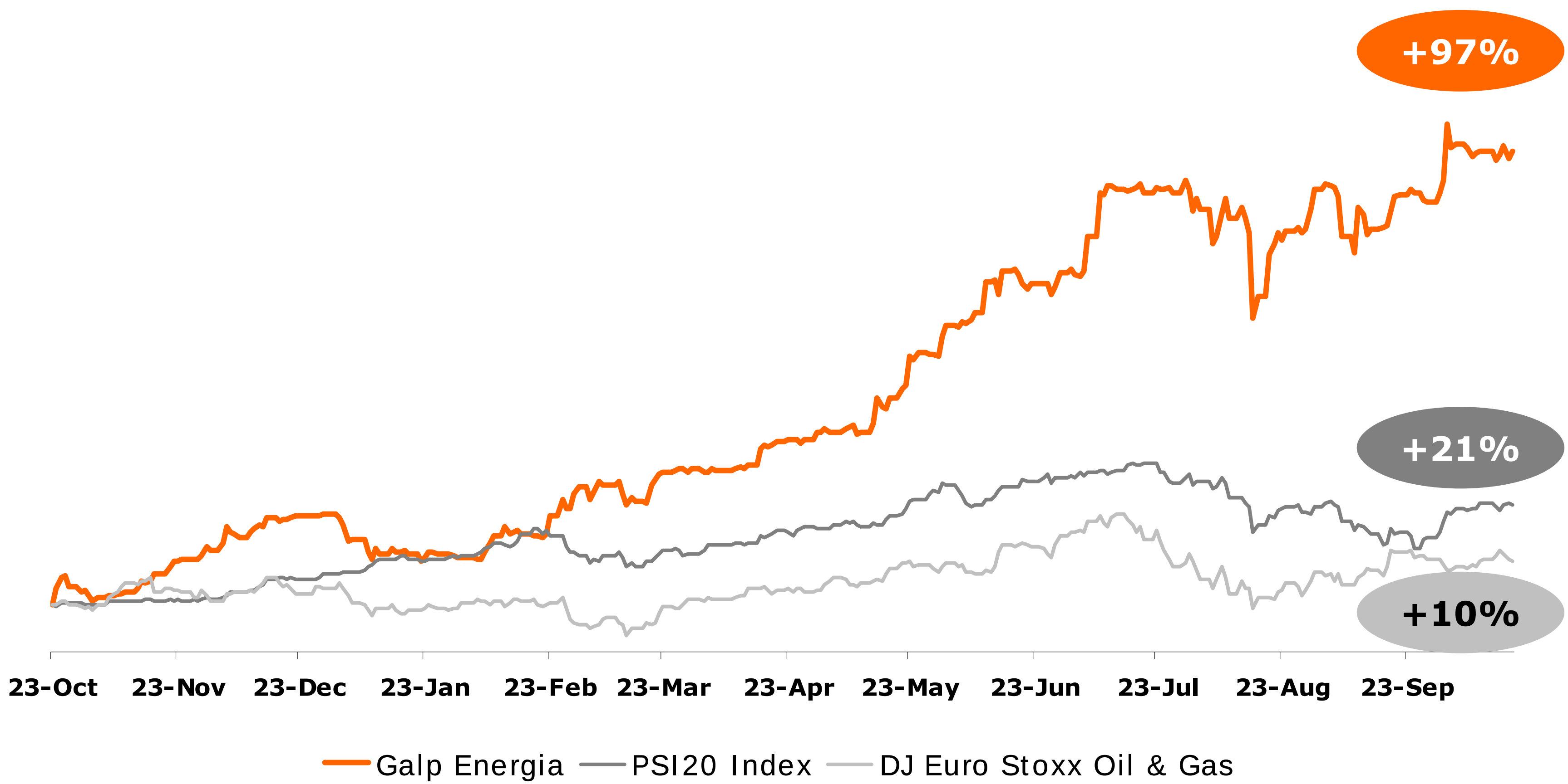
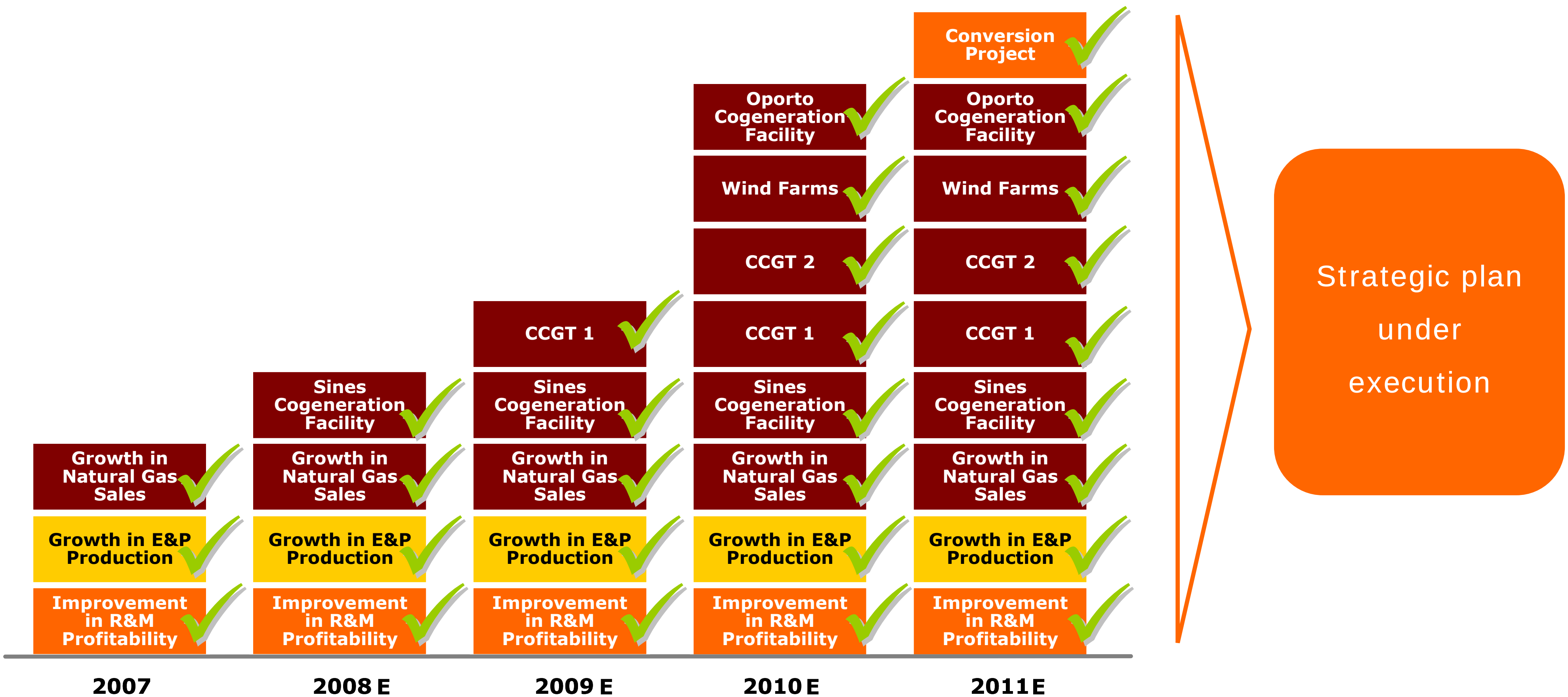
A TOTAL RETURN OF 102% IN ONE YEAR



Source: Bloomberg

PROVEN TRACK RECORD ON IMPLEMENTATION



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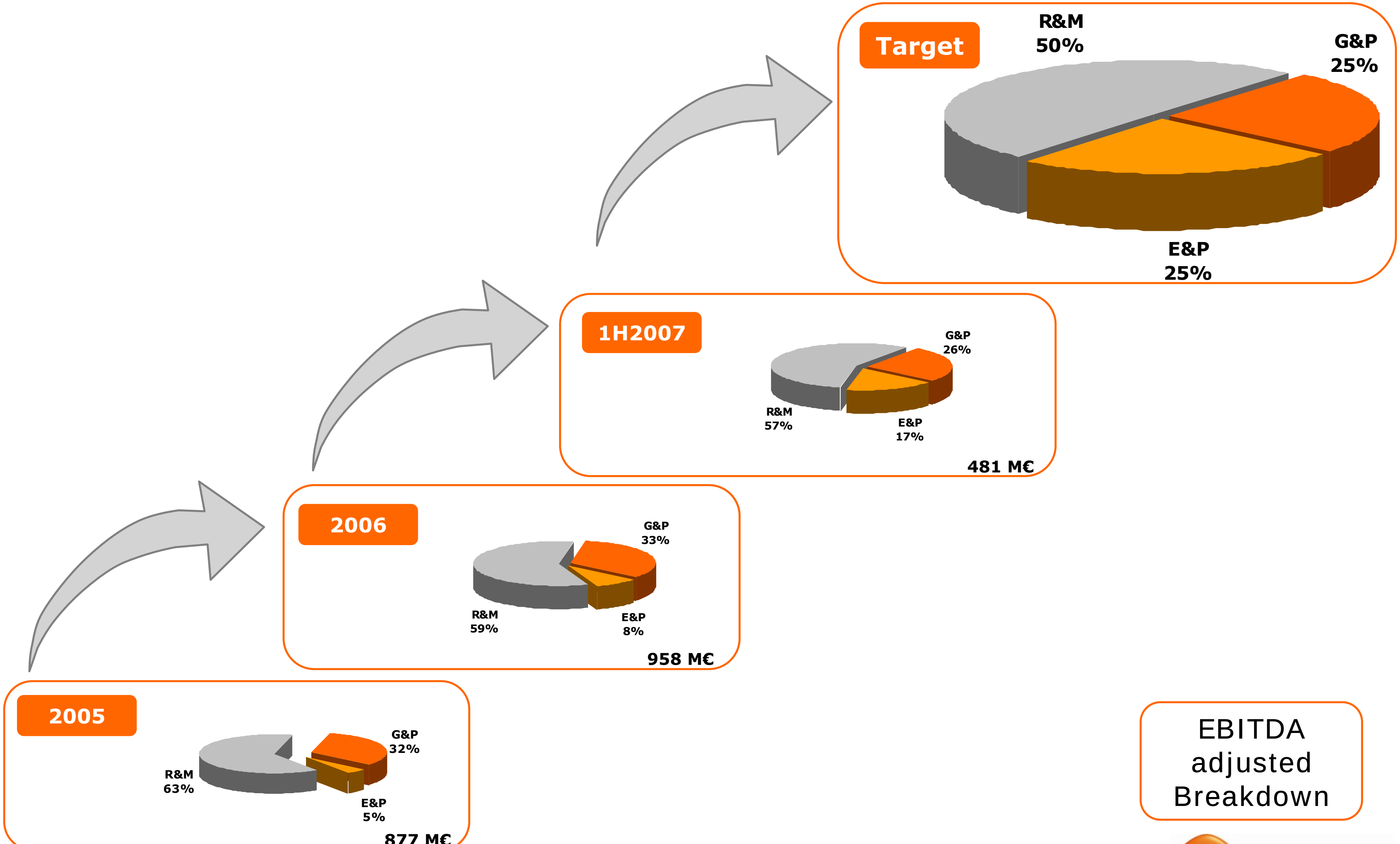
GROWING WITH A MORE BALANCED PORTFOLIO



EBITDA adjusted Breakdown

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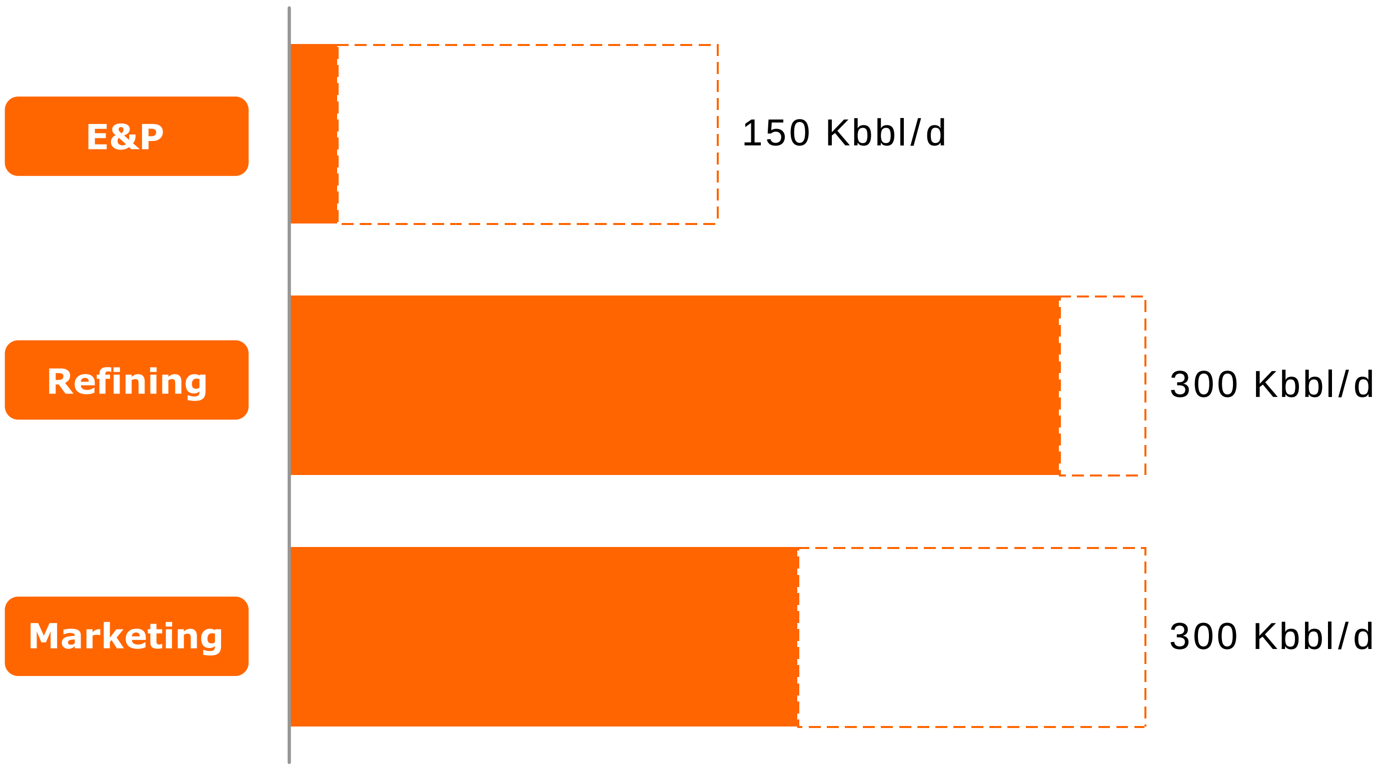
TOWARDS A MORE INTEGRATED OIL BUSINESS



Building an E&P Portfolio

Improving refining competitiveness

Distributing refining throughput

To be achieved

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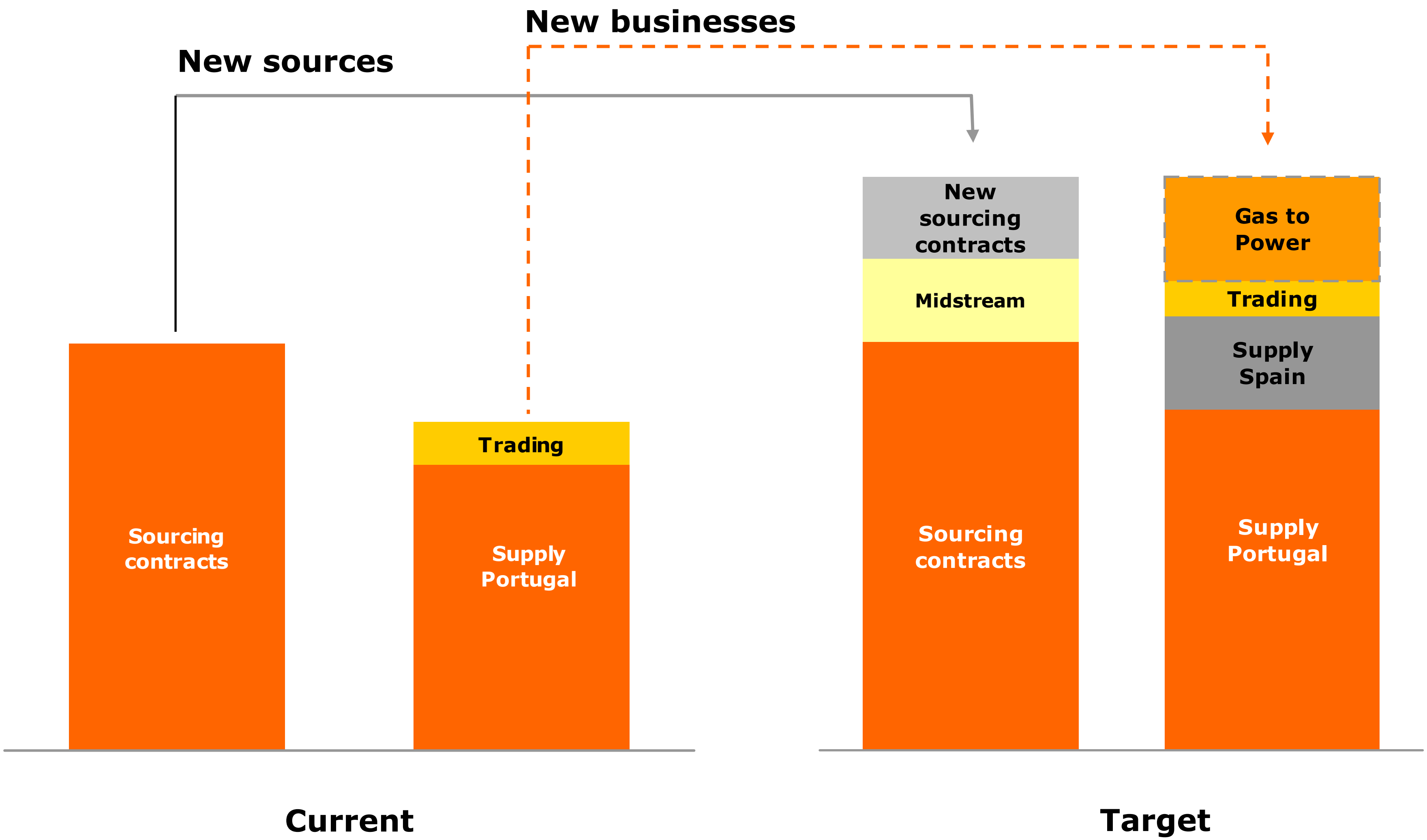
TOWARDS A MORE INTEGRATED GAS & POWER PORTFOLIO



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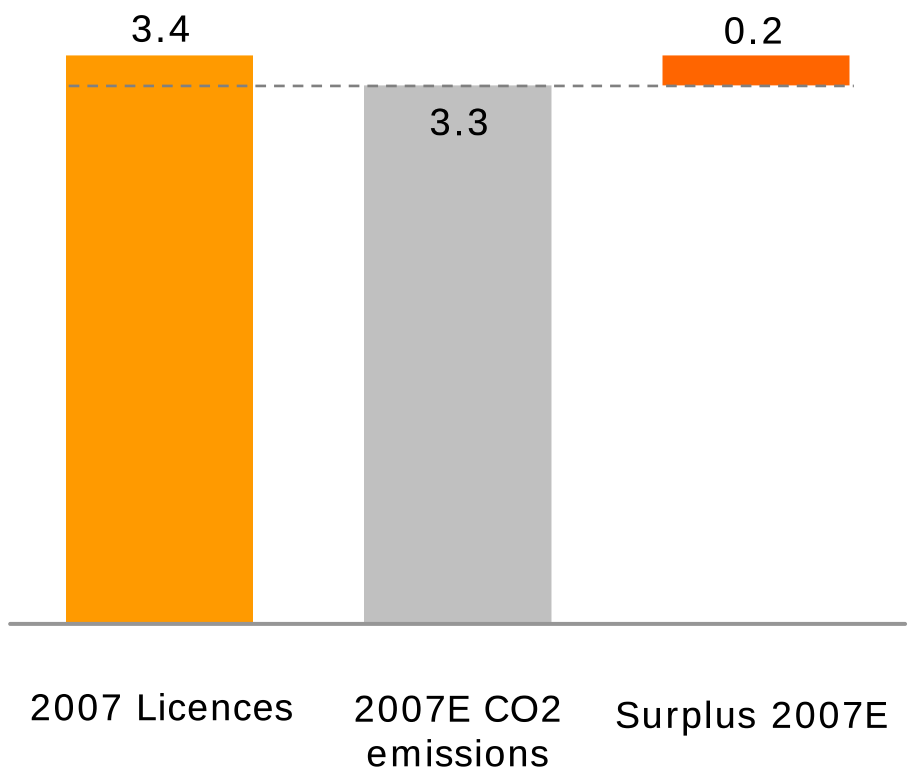
CAREFULLY MANAGING THE ENVIRONMENTAL RISK

Galp CO2 emissions balance (Mton)

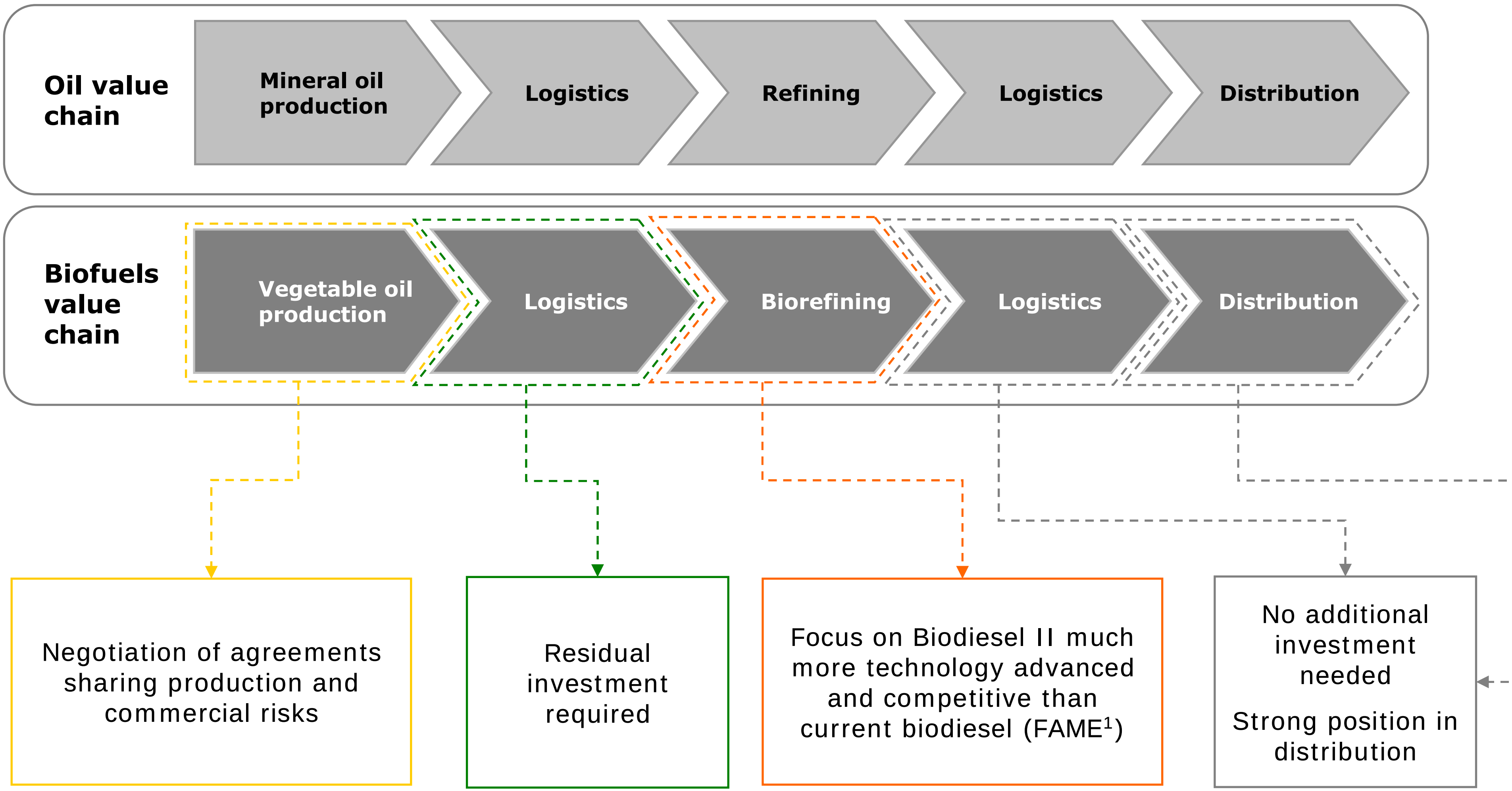


- Licenses for 2008-2012 period on PNALE's[1] EU approval
- Expected reduction in CO2 emissions in line with estimated PNALE reduction
- New projects consider CO2 cost
- Actively developing clean energy projects

Biofuel, wind, hydro and other

[1] PNALE – Portuguese Emissions' Licence Allocation Plan

BIOFUELS IS A NATURAL CORE BUSINESS TO GALP



[1] FAME – Fatty Acid Methyl Ester

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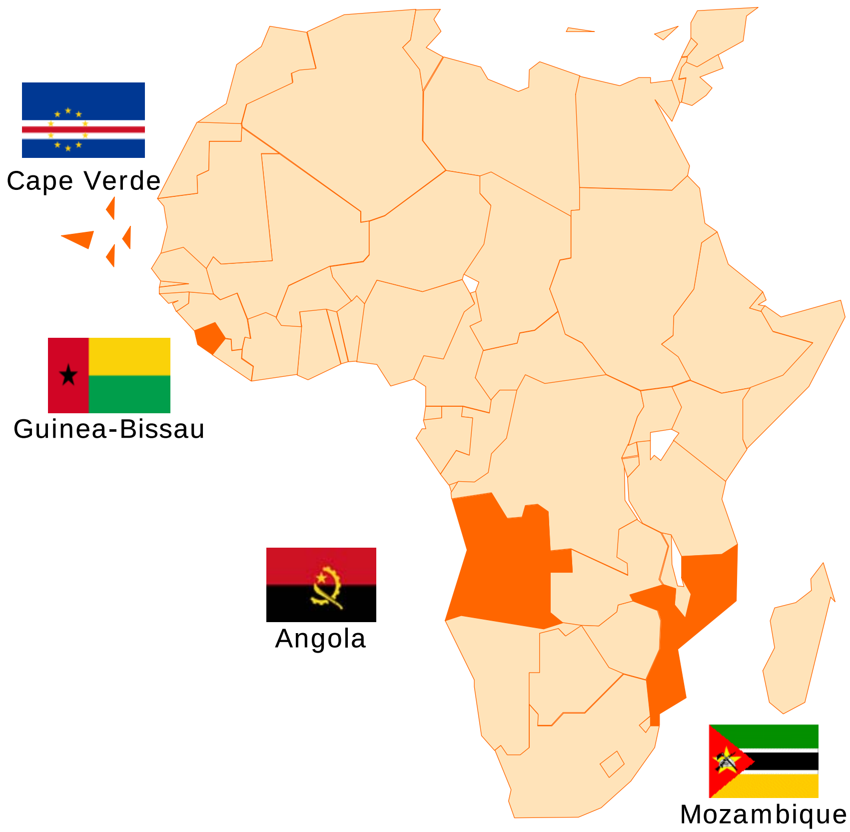
STRATEGIC PRESENCE IN AFRICAN DOWNSTREAM

Galp presence in Africa



- GDP growth of 15% in Angola in 2006 (35%-2007E)
- Positive EBITDA contribution (10M€)
- Leverage on Galp's access to oil & gas upstream and biodiesel feedstock

An option to grow

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TO BECOME AN INTEGRATED ENERGY COMPANY

The right assets

The right strengths

The right opportunities

Integrated expansion focusing on return

Sustained value creation

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EXPLORATION & PRODUCTION

Lisbon, 22 October 2007

Fernando Gomes

LONG TERM PEAK OIL PRODUCTION ON CURRENT PORTFOLIO EXPECTED AT 80 KBBL/D

Angola

- 4 blocks offshore

Brazil

- 10 blocks offshore
- 3 areas onshore[1]

Portugal

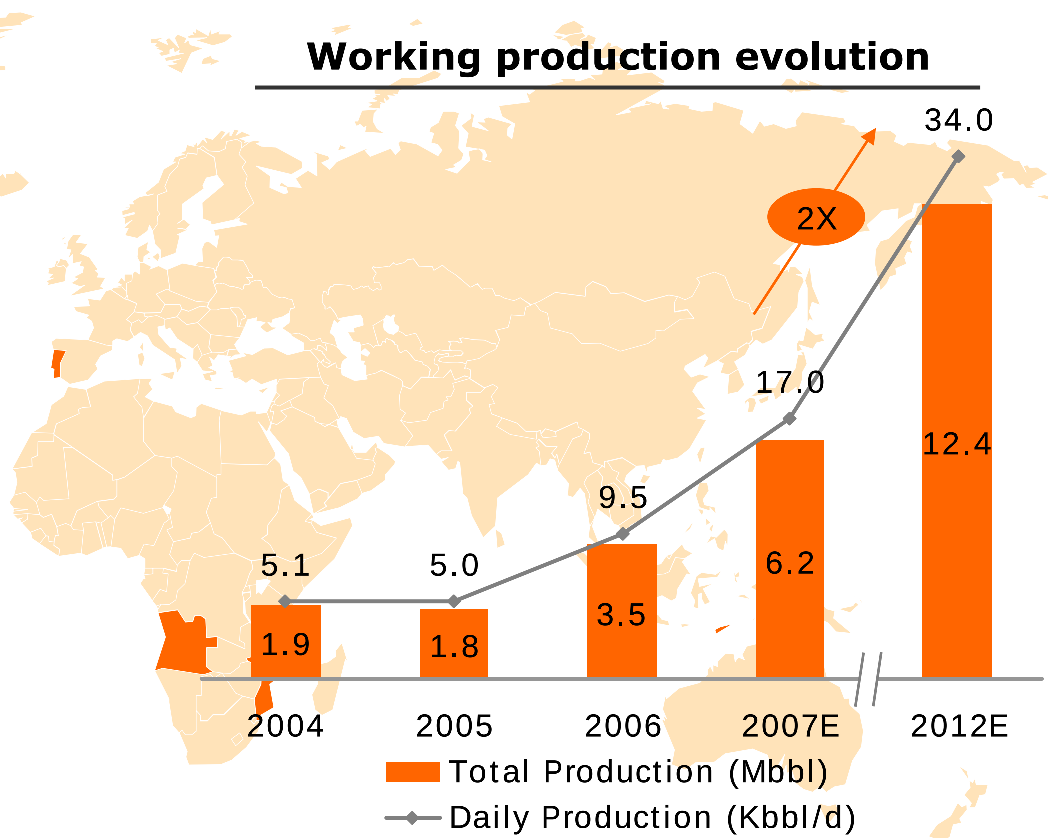
- 7 blocks offshore

East-Timor

- 5 blocks offshore

Mozambique

- 1 block offshore



Strong growth still to be extracted from current portfolio

[1] Corresponds to 44 onshore blocks

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GAINING SCALE IN E&P WITH LIMITED RISK PROFILE

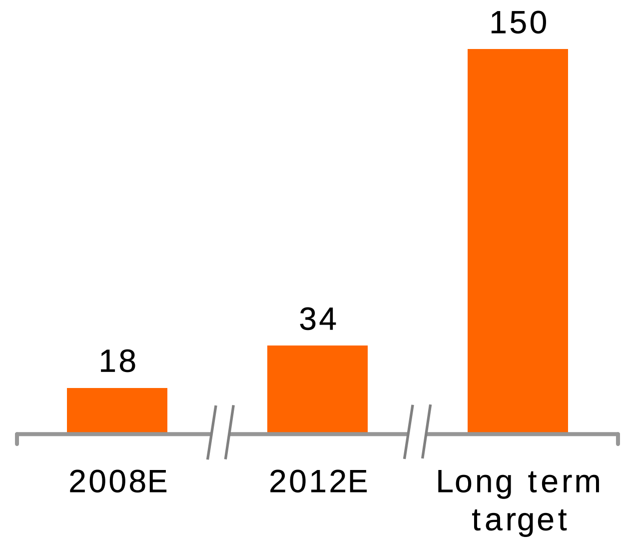
Rationale

- Building an E&P portfolio
- Attractive 14% IRR assuming 35 Usd/bbl
- Balancing political and geopolitical risk
- Global market to expand activity

Strengths

- Flag carrier, with strong ties with Portuguese speaking countries
- Ability to exploit geopolitical opportunities
- Partnership with NOC's (Petrobras, Sonangol) and IOC's (ENI, Chevron, Total)

Working Production target (Kbbl/d)



Refining coverage	2008E	2012E	Long term target
	7%	11%	50%

EVALUATING NEW OPPORTUNITIES TO SUPPORT FURTHER GROWTH

Brazil

- 9th round: 312 blocks being auctioned, onshore and offshore
- Galp already present in some of the basins
- Partnership with Petrobras

Venezuela

- MoU signed with PDVSA to study the development of several projects (short, medium and long term)
  - ST: to enter into producing fields
  - MT: Stake in a NG upstream project and a liquefaction plant
  - LT: Certification of reserves at Orinoco Belt

Angola

- A new bidding round is being launched:
  - 3 onshore blocks (Cabinda Centro[1], Block 11 and Block 12)
  - 7 offshore Blocks including shallow, deep and ultra deep water

[1] Due to force majeure, Sonangol has put the block for auction. Galp didn't have to pay the bonus fee of this project.

CONTINGENT RESOURCES' EVOLUTION CONFIRMS QUALITY OF EXPLORATION ASSETS IN ANGOLA (BLOCKS 14, 14K AND 32)

Million bbl

		June 30, 2006	Dec 31, 2006	
	Reference crude price (Usd/bbl)	62.5	65.0	
Net entitlement[1]	Proved (P1)[2]	35.6	35.7	+0%
	Proved + Probable (P2)[2]	41.4	50.4	+22%
Working reserves	Contingent Resources[3]	43.2	68.1	+58%

Source: Gaffney, Cline & Associates

[1] Net entitlement interest reserves are Galp's share of contractor entitlement to field reserves under the PSA.

[2] Block 14: Kuito, BBLT and TL only

[3] Include other fields and discoveries of Blocks 14 (Negage, Gabela e Lucapa), Block 14K and Block 32

BLOCK 14 – SIGNIFICANT DISCOVERIES IN 2007

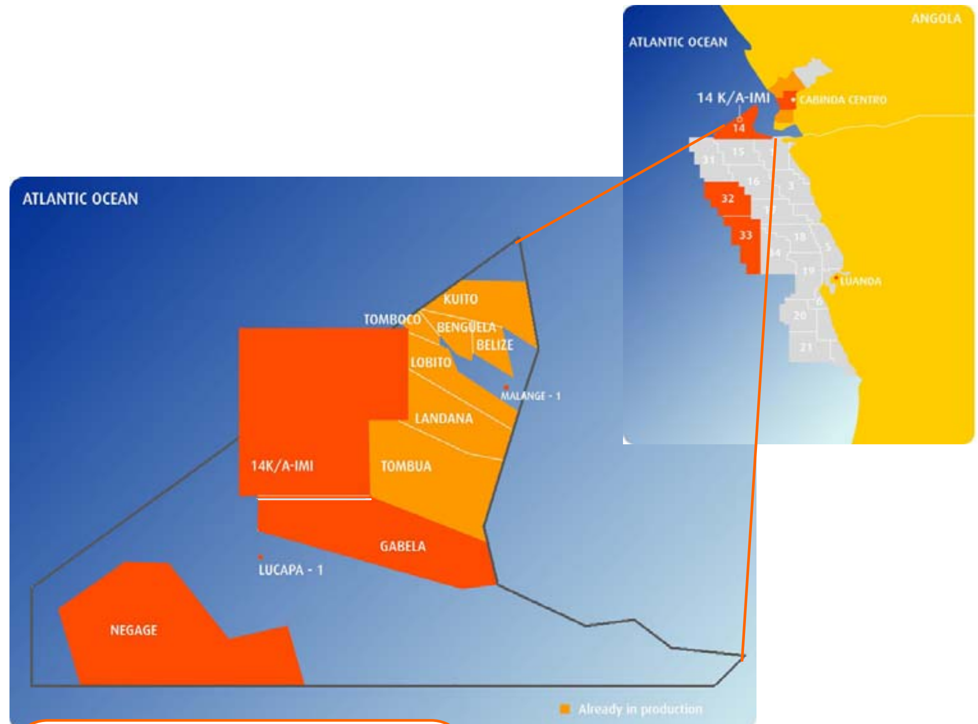
Key highlights

- 11 commercial discoveries
- 2 recent discoveries: Lucapa-1 and Malange-1
- More than 50 prospects identified
- 16 exploration and 16 appraisal wells drilled
- Exploration period expired on February 2007

Next steps

- Appraisal wells planned for 2008
- Definition of development areas already requested

Location



Area: 3,600 km^2
Water depths: 200 – 2,000 m
Galp Energia share: 9%
Operator: Chevron
PSA*: Yes

*PSA – Production Sharing Agreement

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BLOCK 32 – FAVOURABLE PROSPECTS

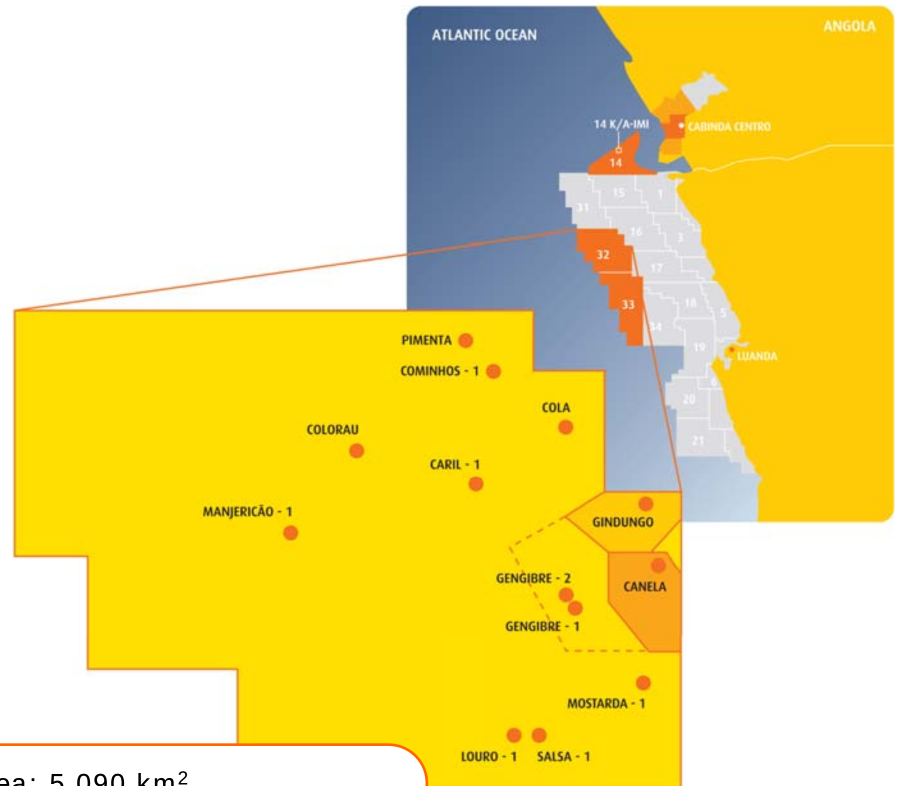
Key highlights

- 12 commercial discoveries
- Two 3D seismic acquisitions covering whole block
- More than 20 prospects identified
- 16 exploration wells drilled
- 2 appraisal wells drilled

Next steps

- Full screening of potential development plans
- Appraisal wells expected in 2008
- Definition of Development Areas
- 3D long offset seismic processing

Location



Area: 5,090 km^2
Water depths: 1,400 – 2,000 m
Galp Energia share: 5%
Operator: Total
PSA*: Yes

*PSA – Production Sharing Agreement

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BM-S-11 – KEY ASSET

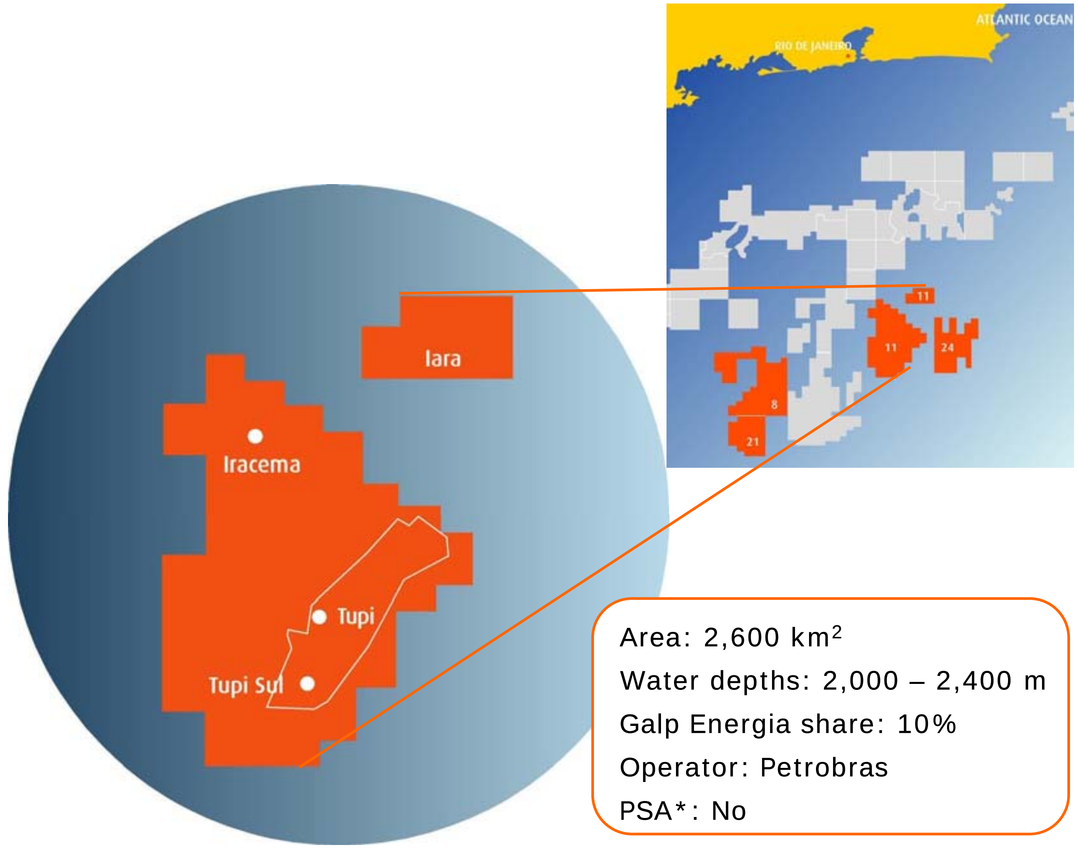
Key highlights

- Tupi discovery
  - Opening of a new hydrocarbon play
  - Hydrocarbons in place: 1.7 to 10 billion boe
- Tupi Sul appraisal well proved the southern extension of Tupi discovery, located 9.5 km away
- Iara Area in 3rd Exploration Phase

Next steps

- Continue evaluation of Tupi Area
- Evaluate further prospects
- Exploration wells planned for 2008

Location

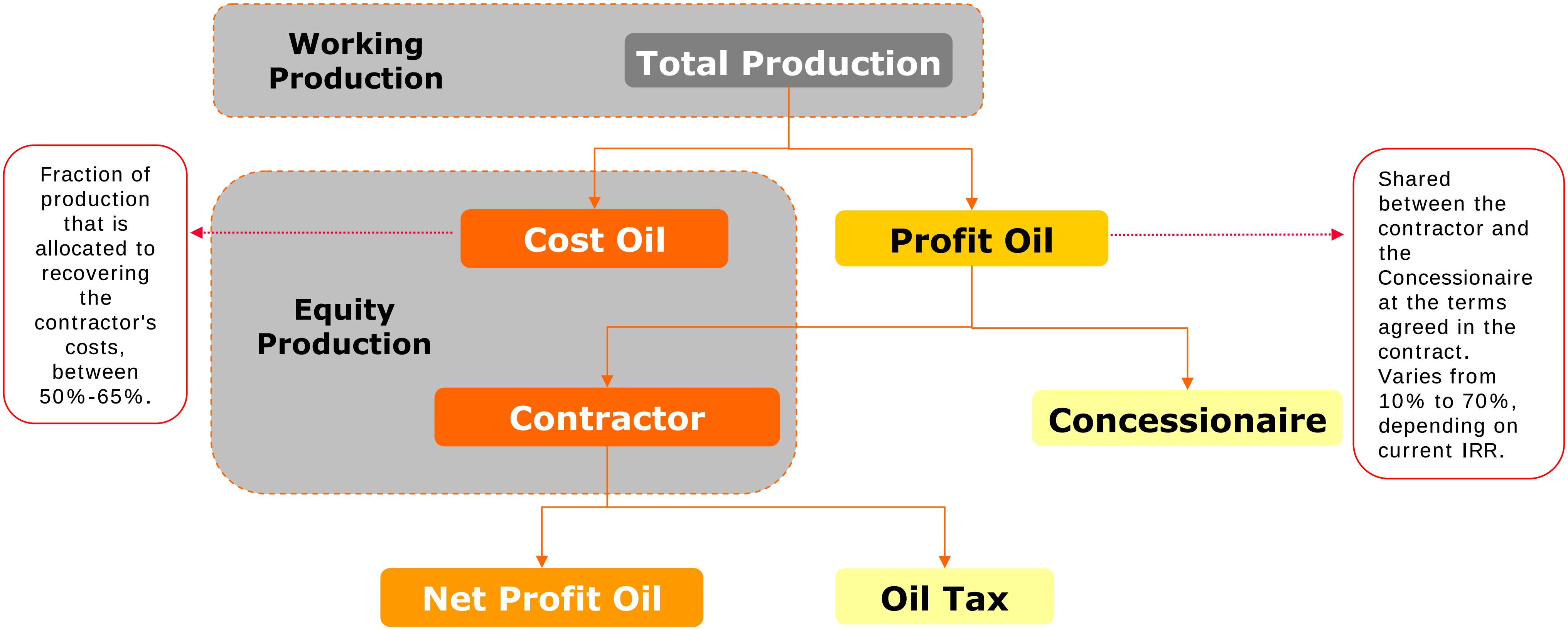


Area: 2,600 km^2
Water depths: 2,000 – 2,400 m
Galp Energia share: 10%
Operator: Petrobras
PSA*: No

*PSA – Production Sharing Agreement

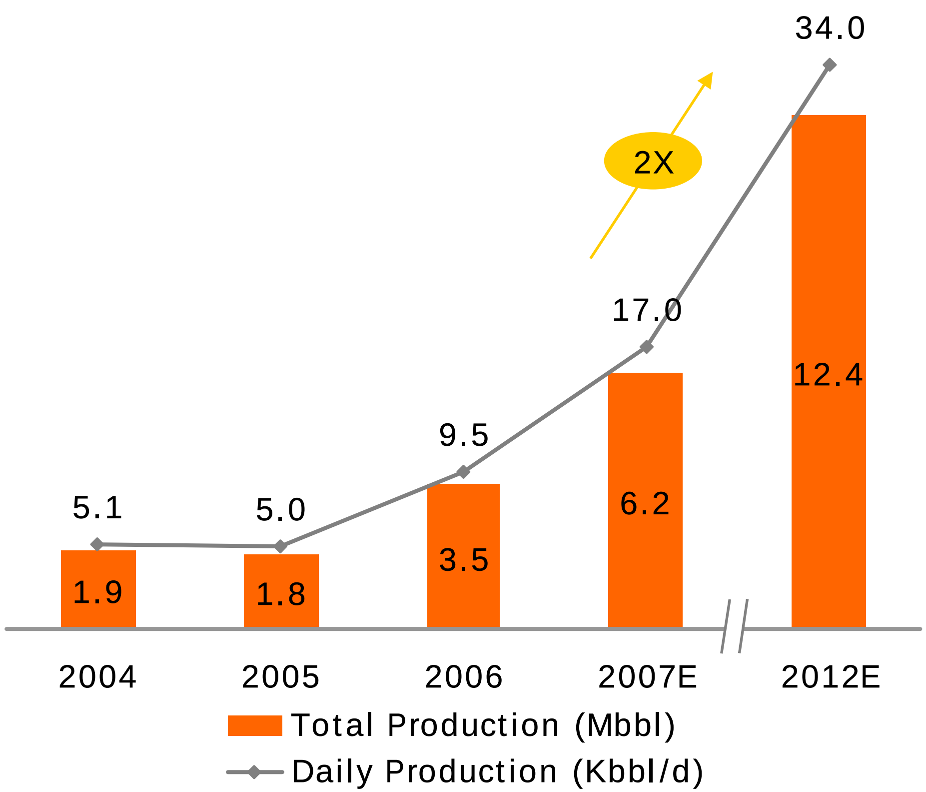
APPENDIX

UNDERSTANDING A PRODUCTION SHARING AGREEMENT



WORKING PRODUCTION TO DOUBLE ON BLOCK 14

Working Production



- Tômbua - Lândana production from CPT to start in 2010
- Increase weight of light oil in working production
- Natural production decline of Kuito field
- Increase of BBLT contribution in production portfolio

BLOCK 14 – STRONG GROWTH IN PRODUCTION EXPECTED

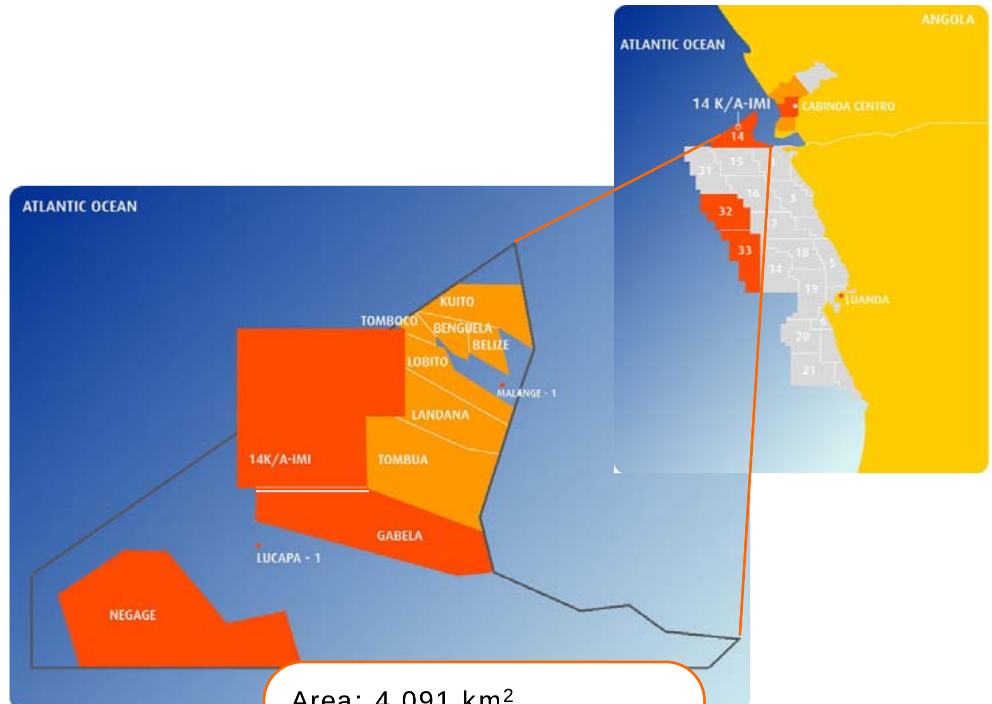
Key highlights

- Producing fields: Kuito, BBLT, TL
- Kuito works for development definition after FPSO contract finished
- Optimization works to lift BBLT production above nominal capacity

Next steps

- Pursue TL EPCI[1]
- Pursue Negage pre-development studies
- Pursue Gabela viability studies

Location



Area: 4,091 km^2
Water depths: 200 – 2,000 m
Galp Energia share: 9%
Operator: Chevron
PSA*: Yes

[1] Engineering, Procurement, Construction and Installation

*PSA – Production Sharing Agreement

BLOCK 14K – PRE-DEVELOPMENT STUDIES UNDER WAY

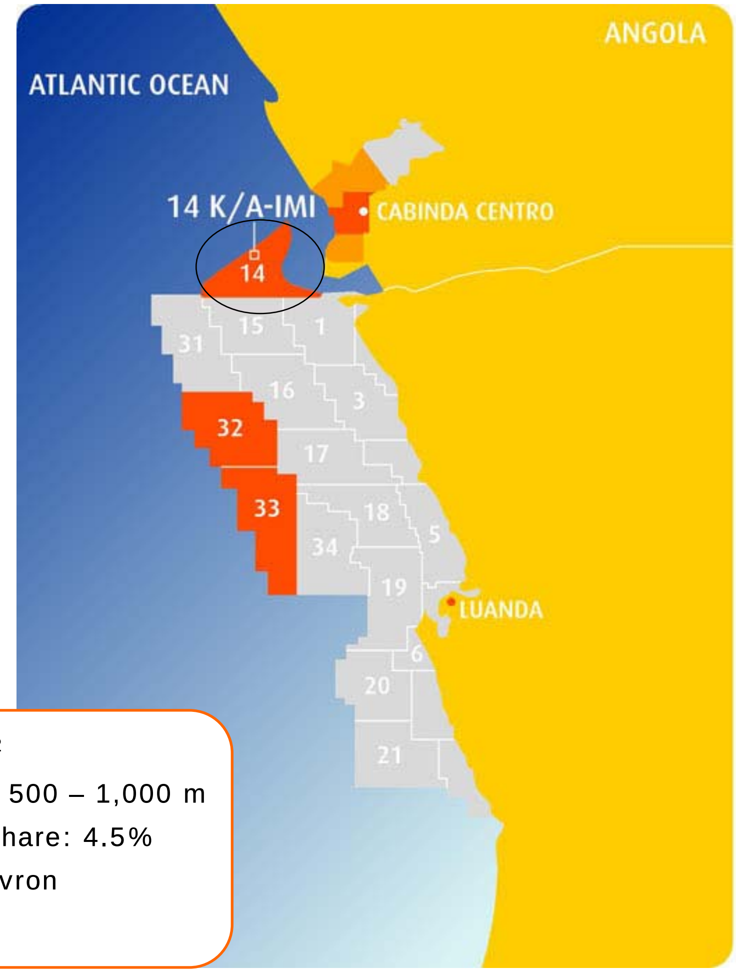
Key highlights

- 2 commercial discoveries
- 3 prospects identified
- 3 exploration wells drilled
- 1 appraisal well drilled in 2007
- Date of Lianzi Commercial Discovery effective since May 2006

Next steps

- Pursue Pre-Development Studies
- Pursue Uncertainty Management Plan execution (fiscal, commercial)

Location



Area: 700 km^2
Water depths: 500 – 1,000 m
Galp Energia share: 4.5%
Operator: Chevron
PSA*: Yes

*PSA – Production Sharing Agreement

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BLOCK 33 – NEW OPERATOR TO BE APPOINTED

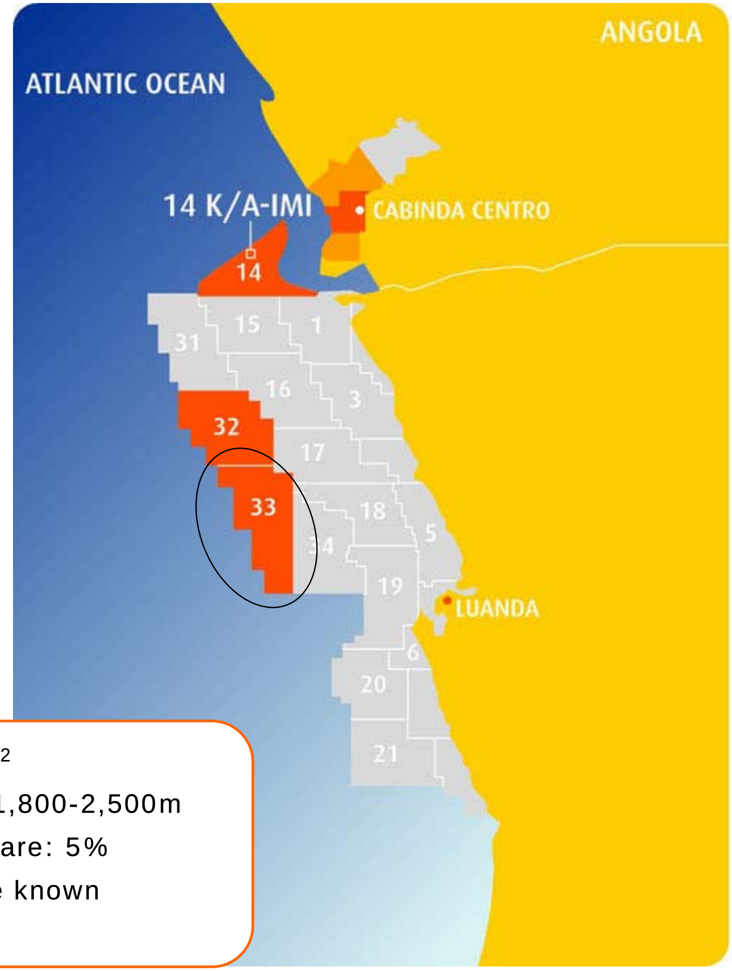
Key highlights

- 3D seismic survey covering whole block
- 1 discovery
- 5 exploration wells drilled
- Calulú Provisional Development Area approved by concessionaire
- Initial Exploration Phase expired on May 2005

Next steps

- Waiting for concessionaire to appoint new operator

Location



Area: 4,925 km^2
Water depths: 1,800-2,500m
Galp Energia share: 5%
Operator: To be known
PSA*: Yes

*PSA – Production Sharing Agreement

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SANTOS BASIN (BLOCKS 8, 21, 24) – DRILLING CAMPAIGN JUST STARTING

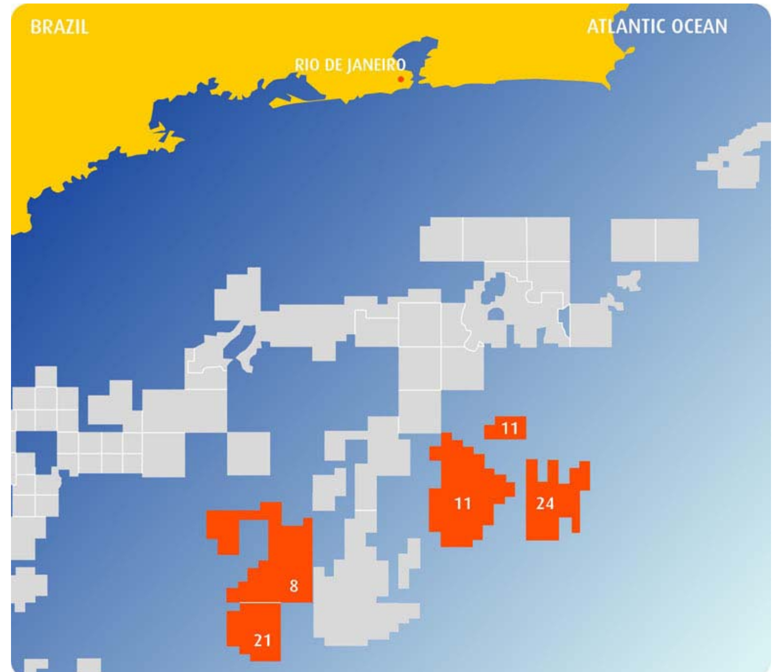
Key highlights

- 3 blocks: BM-S-8, BM-S-21 and BM-S-24
- 3D seismic survey completed
- More than 10 prospects identified
- 2 exploration wells being drilled

Next steps

- Geologic & Geochemical studies under way
- Exploration wells planned for 2008
- Evaluate further prospects

Location



Area: 4,800 km^2

Water depths: 1,600 – 2,500 m

Galp Energia share:
BM-S-8 - 14%
BM-S-21 / 24 - 20%

Operator: Petrobras

PSA*: No

*PSA – Production Sharing Agreement

ESPÍRITO SANTO – POSITIVE SIGNS FROM SEISMIC SURVEY

Key highlights

- Galp operator in 5 blocks
- 3D seismic surveys covering all blocks completed
- More than 20 leads identified
- 8 mature prospects ready to be drilled

Next steps

- Finish seismic and geological evaluation
- 5 operated exploration wells planned for 2007/2008
- Identify more leads and prospects

Location

Area: 378 km^2
Galp Energia share: 50%
Operator: Galp / Petrobras
PSA*: No

*PSA – Production Sharing Agreement

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PORTIGUAR BASIN – OIL DISCOVERIES UNDER EVALUATION

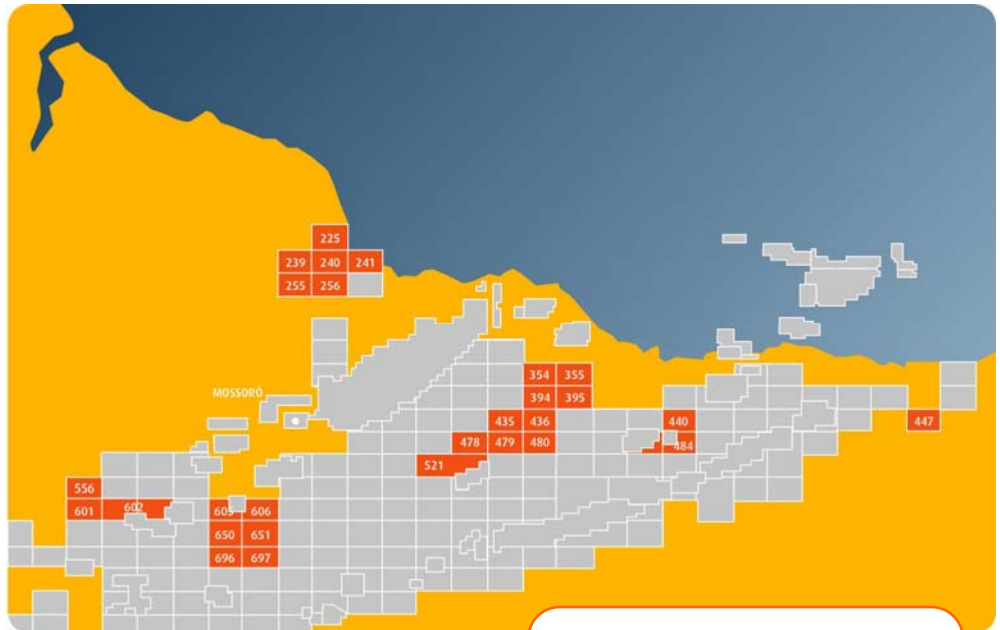
Key highlights

- Galp operator in 20 blocks
- 2D and 3D seismic surveys completed
- More than 30 Leads identified
- More than 12 Prospects identified
- 10 operated exploration wells drilled in 2007
- 3 oil discoveries

Next steps

- Finish seismic and geological evaluation
- Prepare evaluation plans and appraisal wells
- More than 4 operated exploration wells planned for 2008
- Identify more leads and prospects

Location



Area: ≈ 890 km^2
Galp Energia share: 50%
Operator: Galp / Petrobras
PSA*: No

*PSA – Production Sharing Agreement

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SERGIPE/ ALAGOAS – EXPLORATION WORKS IN AN EARLY PHASE

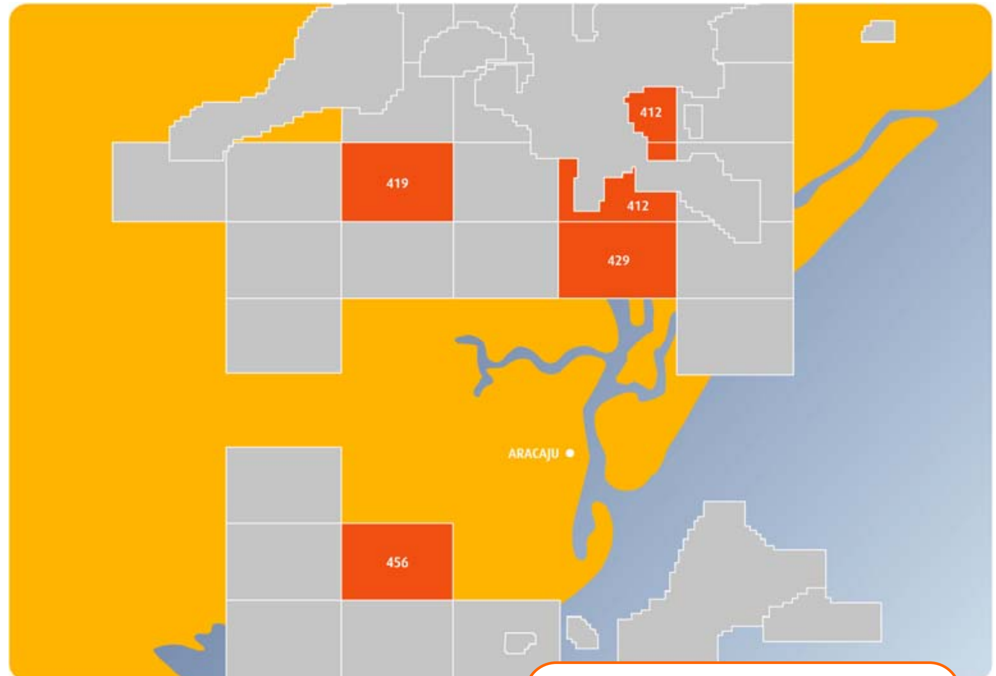
Key highlights

- 2D and 3D seismic surveys completed
- 5 leads identified
- 2 prospects identified
- 1 exploration well planned

Next steps

- Finish seismic and geological evaluation
- Drill 3 exploration wells
- Identify more leads and prospects

Location



Area: 123 km^2
Galp Energia share: 50%
Operator: Galp
PSA*: No

*PSA – Production Sharing Agreement

ESPÍRITO SANTO OFFSHORE – EXPLORATION WORK JUST BEGINNING

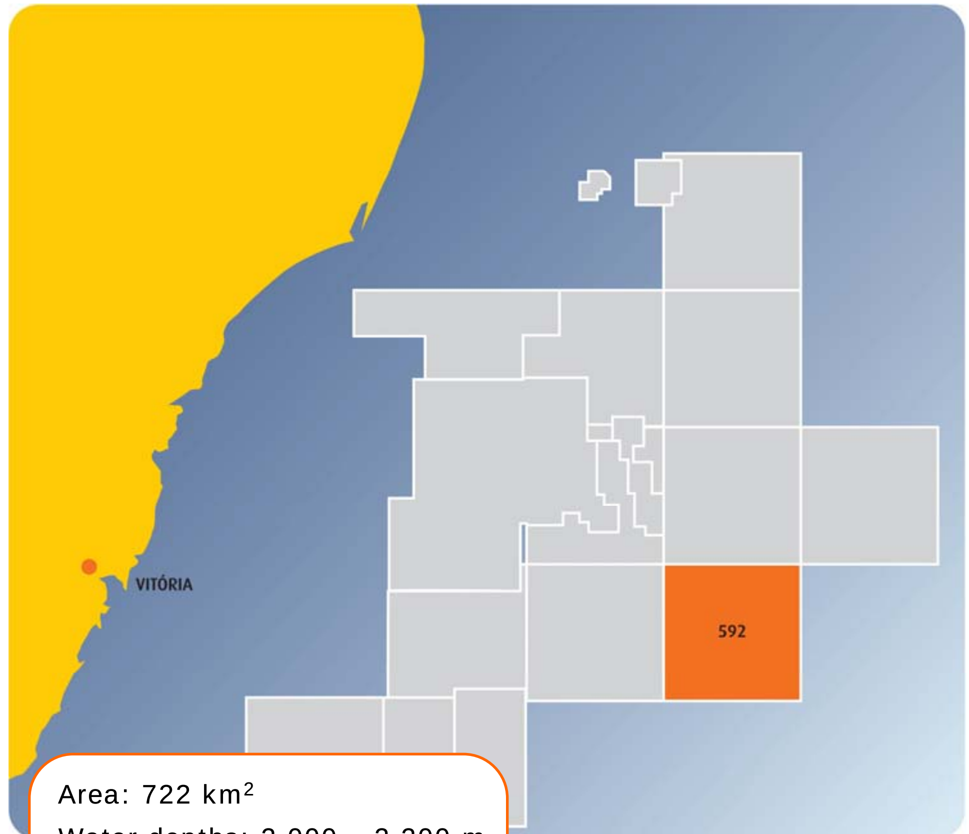
Key highlights

- 3D seismic survey
- 3 leads identified
- 3D Seismic reprocessing on-going

Next steps

- Finish seismic and geological studies
- Identify more leads and prospects
- 1 exploration well to be drilled up to 2010

Location



Area: 722 km^2
Water depths: 2,000 – 2,200 m
Galp Energia share: 20%
Operator: Petrobras
PSA*: No

*PSA – Production Sharing Agreement

POTIGUAR OFFSHORE – FIRST EXPLORATION WELL IN 2012

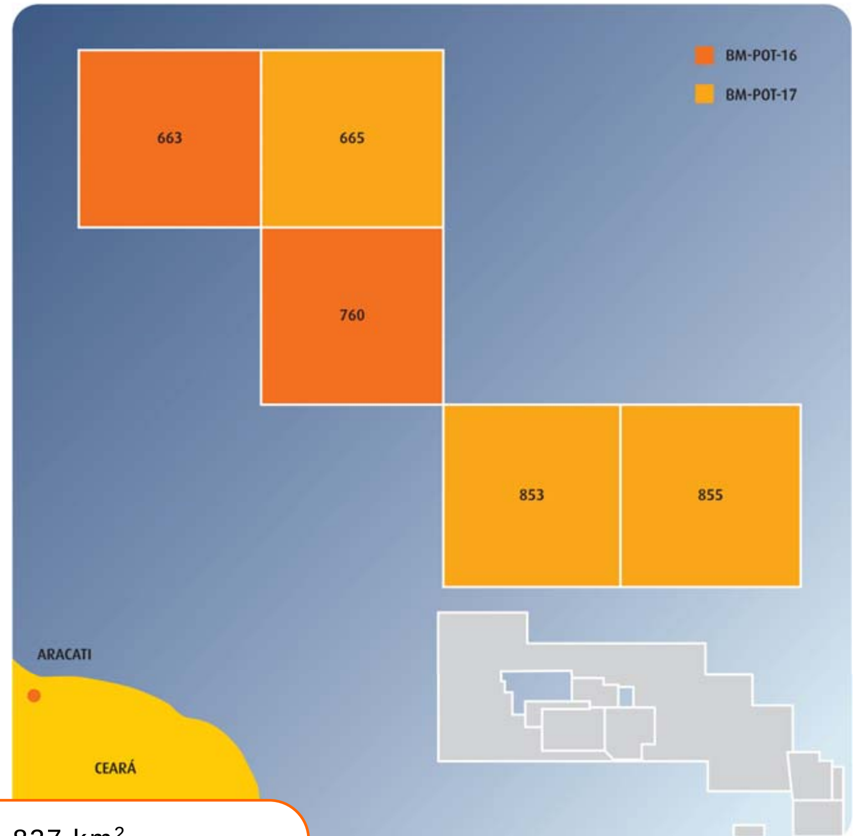
Key highlights

- 3D seismic survey
- More than 10 leads identified
- 3D seismic reprocessing on-going

Next steps

- Finish seismic and geological studies
- Identify more leads and prospects
- BM-POT-16/BM-POT-17: 1 exploration well each, to be drilled up to 2012

Location



Area: 3,837 km^2
Water depths: 50 – 2,000 m
Galp Energia share: 20%
Operator: Petrobras
PSA*: No

*PSA – Production Sharing Agreement

PENICHE – NEW FRONTIER AREA

Key highlights

- Concession contract signed on May 2007
- Exploration Period: 8 years
- Whole area being new frontier
- More than 10 leads identified

Next steps

- Geological studies and seismic reprocessing under way
- 2D and 3D seismic acquisition planned for 2009
- Commitment exploration wells planned for 2010

Location

Area: 12,159 km^2
Water depths: 200 – 3,000 m
Galp Energia share: 30%
Operator: Petrobras
PSA*: No

*PSA – Production Sharing Agreement

ALENTEJO – NEW FRONTIER AREA

Key highlights

- Concession contract signed on February 2007
- Exploration Period: 8 years
- Whole area is new frontier
- Seismic and geological studies under way

Next steps

- 3,000 km 2D seismic acquisition and processing during 2008
- Commitment exploration wells planned for 2010, 1 in each concession

Location

Area: 9,099 km^2
Water depths: 200 – 3,000 m
Galp Energia share: 10%
Operator: Tullow Oil
PSA*: No

*PSA – Production Sharing Agreement

MORE THAN 12 LEADS ALREADY IDENTIFIED

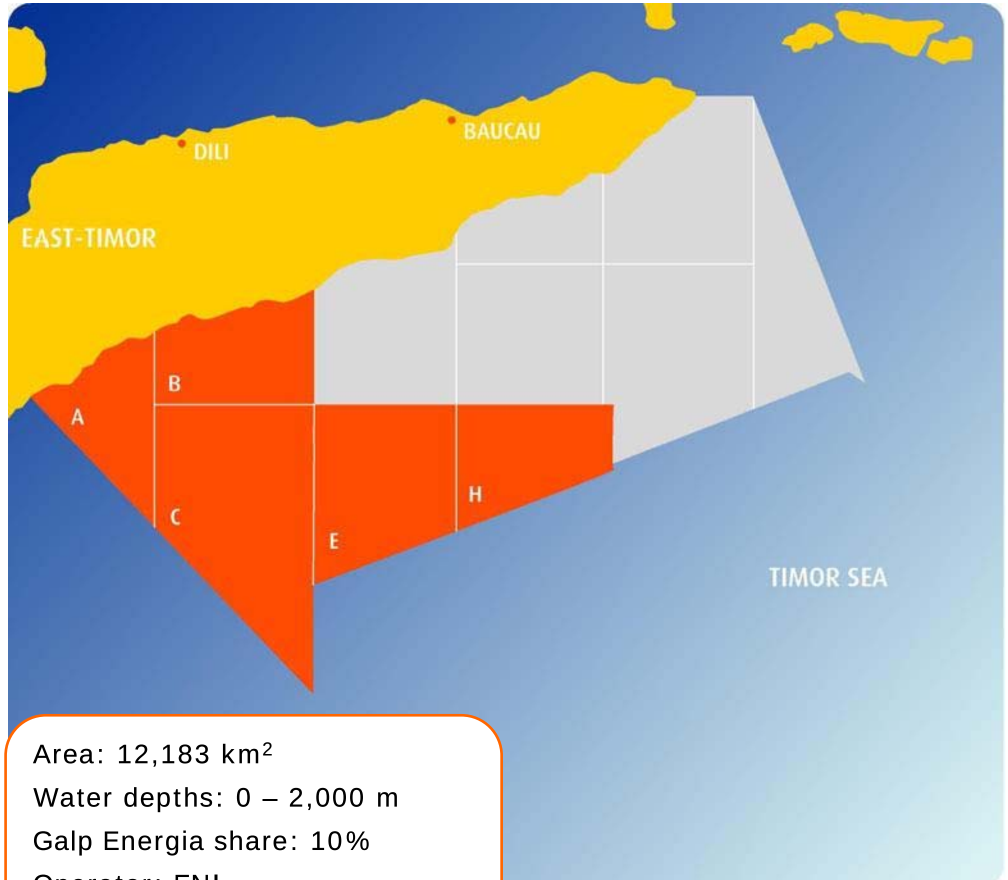
Key highlights

- Farm-in Agreement signed in 2007
- Exploration period: 3+2+2 years
- More than 12 leads identified
- Intensive 2007/2008 seismic acquisition program on-going (more than 8,400 km^2 3D seismic plus 3,100 km 2D seismic)

Next steps

- Seismic processing and geological studies under way
- Identify more leads and prospects
- 2 exploration wells to be drilled up to 2009

Location



Area: 12,183 km^2
Water depths: 0 – 2,000 m
Galp Energia share: 10%
Operator: ENI
PSA*: Yes

*PSA – Production Sharing Agreement

AN UNEXPLOITED AREA

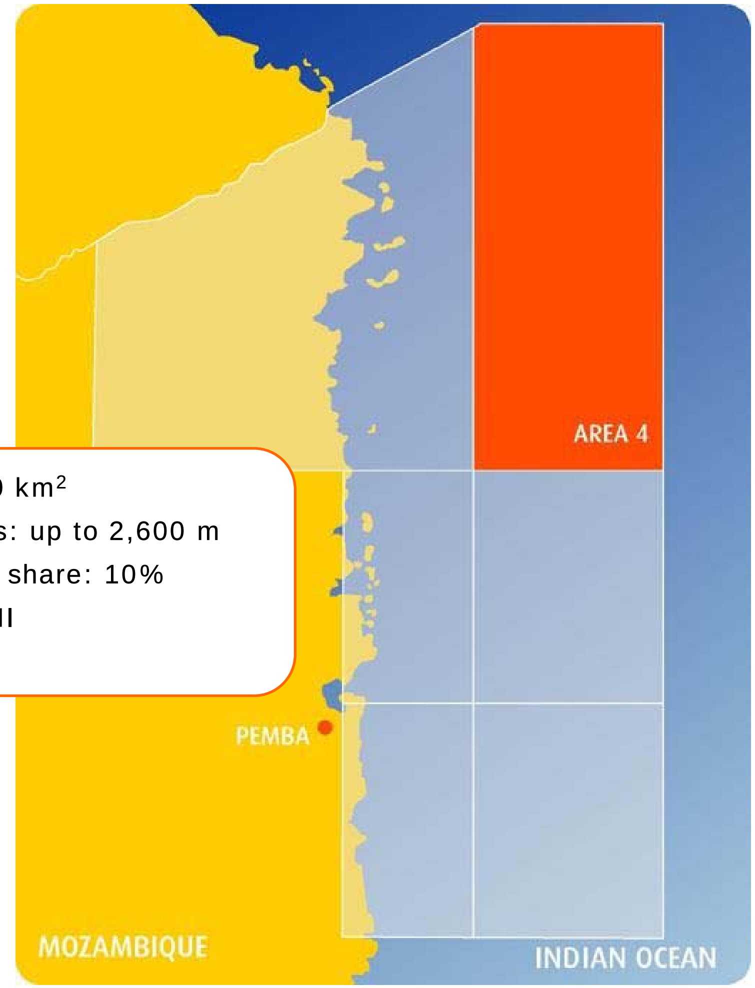
Key highlights

- New frontier area
- Exploration period: 4+2+2 years
- Production period: 30 years
- 1 main lead identified
- Geological studies under way

Next steps

- Acquisition of 2,000 km 2D seismic + 1,000 km^2 3D seismic planned for 2008
- 2 exploration wells for the second period + 2 for the third

Location



Area: 17,000 km^2
Water depths: up to 2,600 m
Galp Energia share: 10%
Operator: ENI
PSA*: Yes

*PSA – Production Sharing Agreement

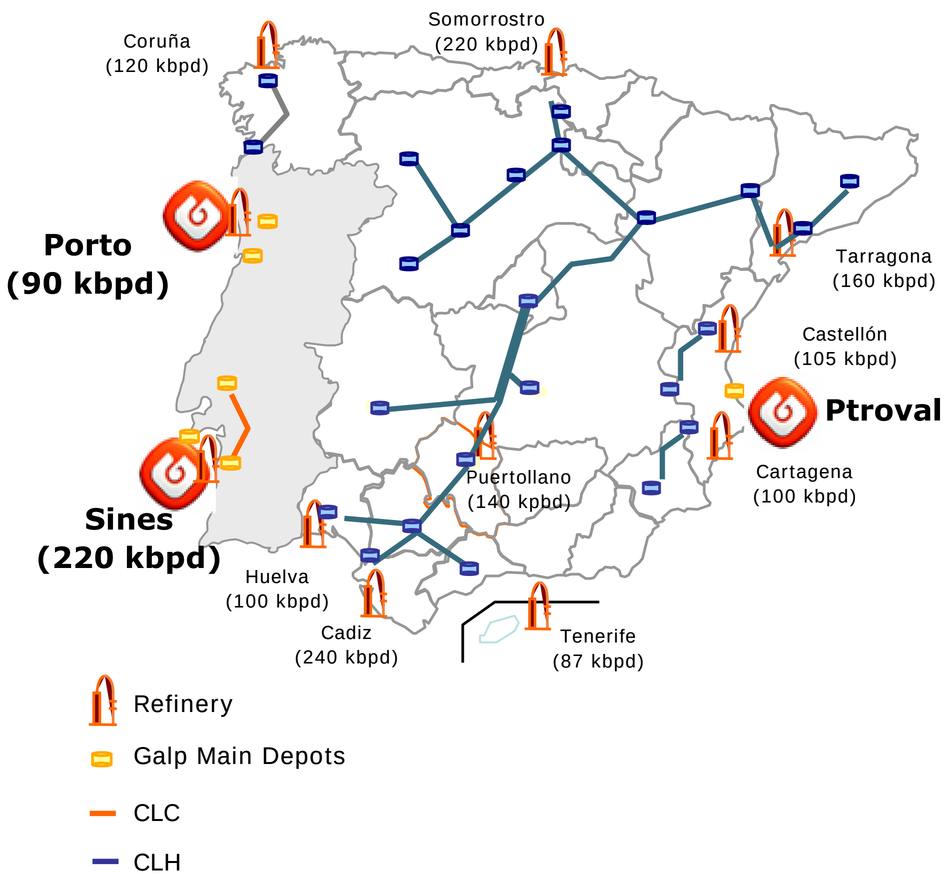
REFINING, SUPPLY AND LOGISTICS

Lisbon, 22 October 2007

Marques Gonçalves

STRONG POSITION IN IBERIA

Refining and Logistics Infrastructure

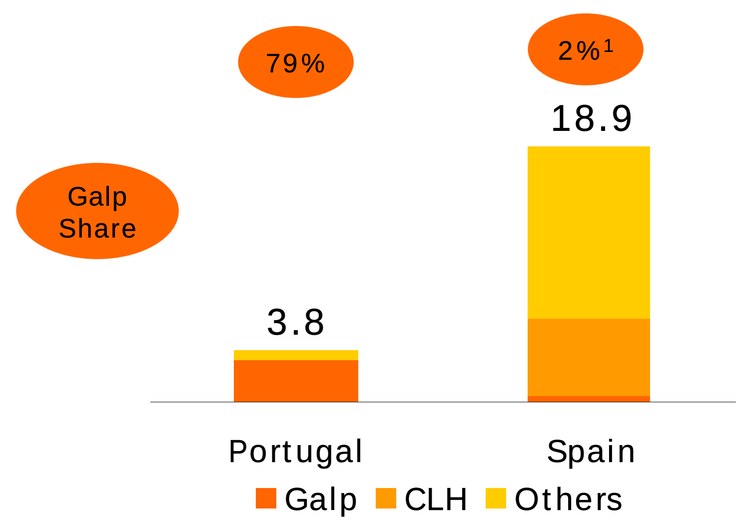


Source: Oil and Gas Journal, 2005 Worldwide Refining Survey

Key Highlights

- 100% of Portuguese or 20% of Iberian refining capacity
- 69% of production corresponds to gasoline (25%) and middle distillates (44%)
- Ownership interest in key logistics assets in Portugal and in Spain

Iberian storage capacity (M m³)



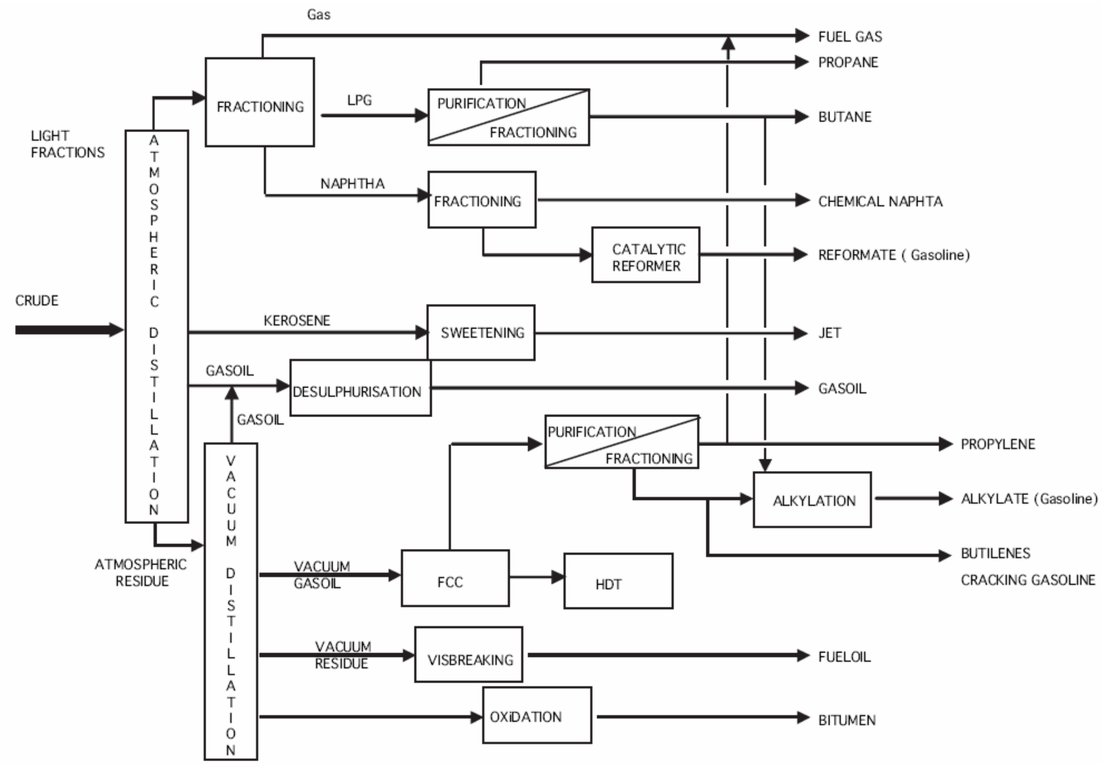
[1] Includes 5% of CLH

SINES IS ONE OF THE MOST RECENT REFINERIES IN EUROPE

Asset Description

- Sines (1979), includes the following units:
  - Topping
  - 2 vacuum distillation
  - Fluid catalytic cracking
  - Visbreaker
  - 2 diesel hydrodesulphurization
- Sines refinery is producing reformulated gasoline for the US markets since early 1990s
- Programmed turnaround in Sept/ Oct 2008

Sines refinery diagram



Capacity: 220 kbbl/d
Nelson complexity index: 5.3

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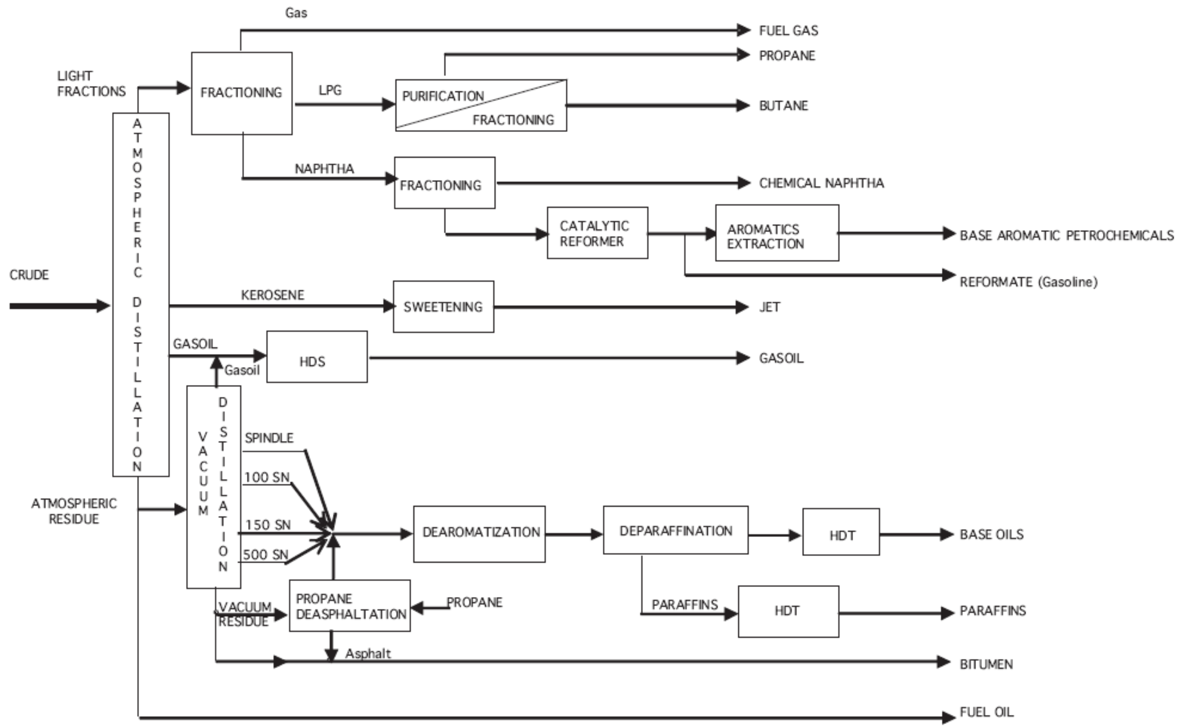
A SPECIALITIES REFINERY IN PORTO

Asset Description

- The Porto refinery complex, built in 1969, includes:
  - Hydroskimming fuel plant
  - Aromatics plant
  - Base oil plant
  - Lubricants blending plant
- Producer of paraxylene, ortoxylene, toluene and benzene for Portuguese and export markets
- Turnaround in progress

Porto refinery diagram



Capacity: 90 kbbl/d
Nelson complexity index: 6.9

ENHANCING VALUE OPPORTUNITY FROM EXISTING PORTFOLIO

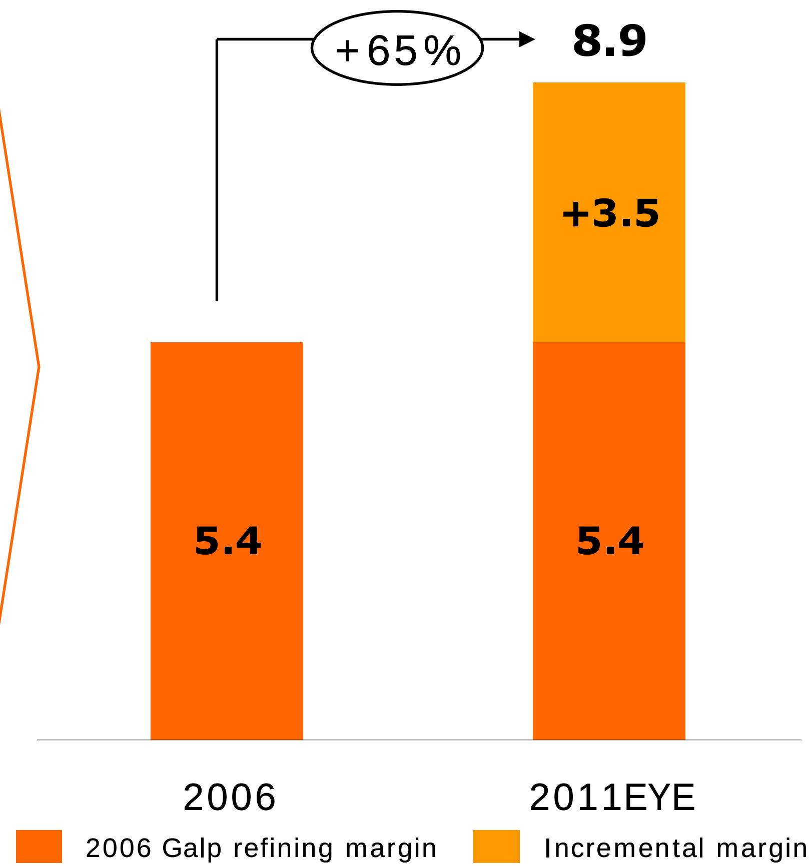
Rationale

- Market conditions favour diesel vs fuel
- Dieselization of Iberian market
- Improvement potential of assets
- Focusing on return

Strengths

- Integrated refining and marketing operations
- Financial capabilities to support investment
- Strategic located assets

Refining margin target (Usd/bbl)



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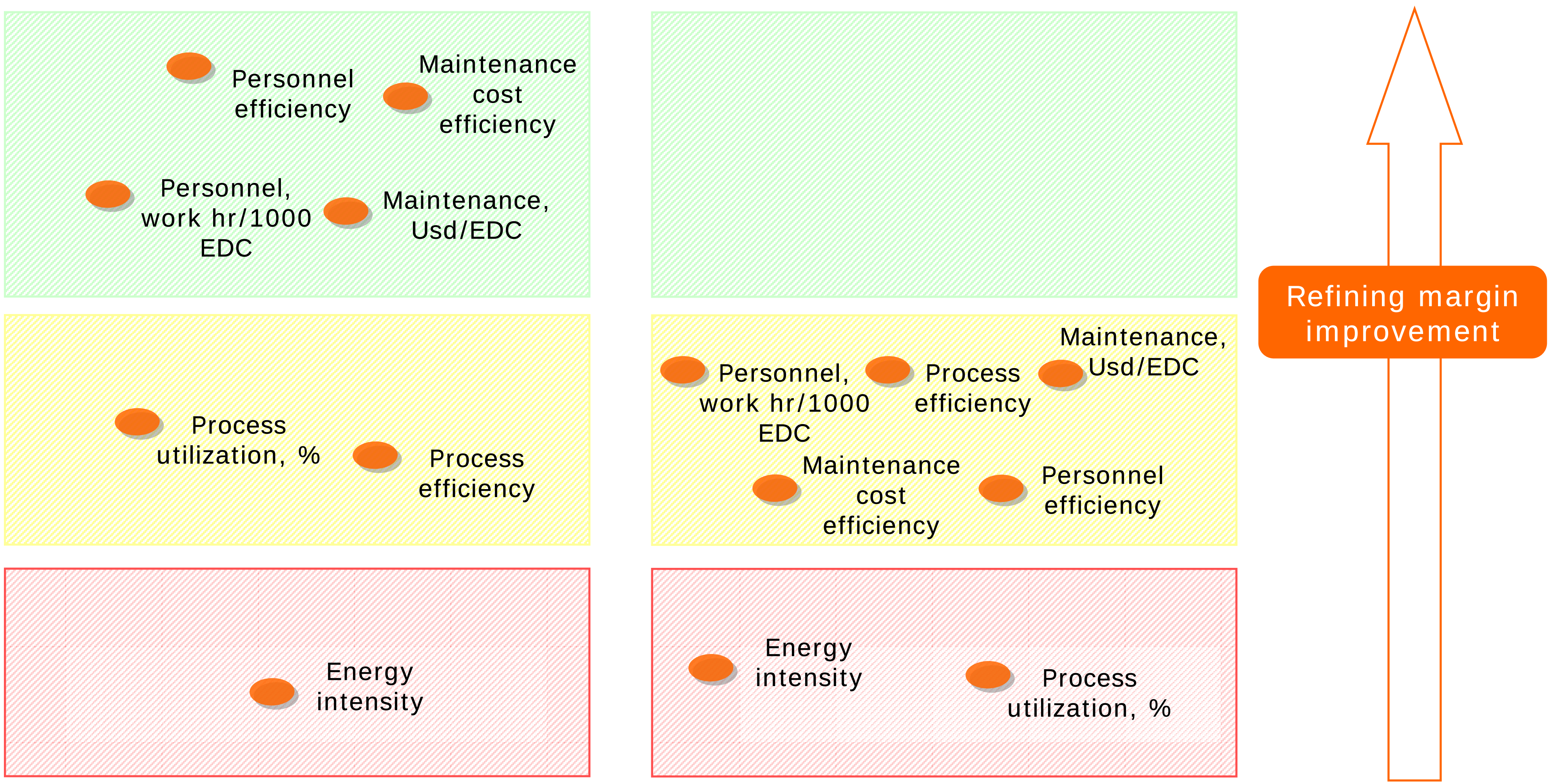
POTENTIAL EFFICIENCY GAINS IN REFINERY OPERATIONS

Sines Refinery **Porto Refinery**



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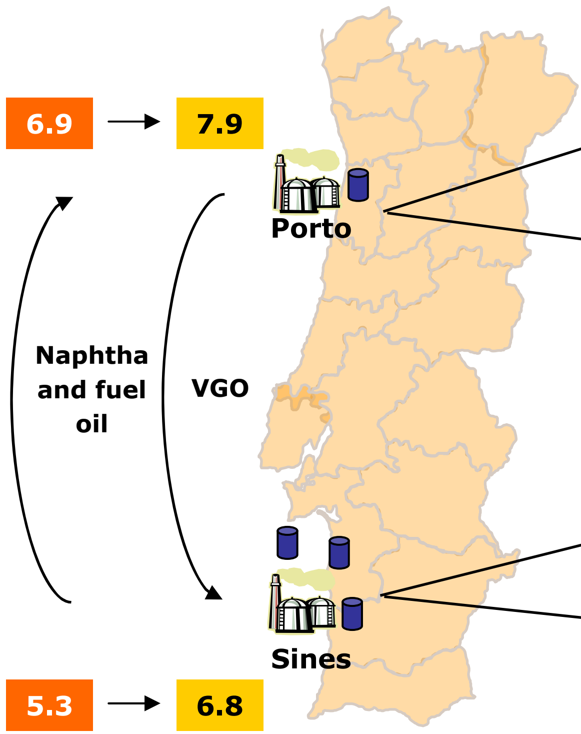

Porto
- ✓ Pre-Flash
- ✓ Vacuum distillation
- ✓ Visbreaker
- ✓ Vacuum Flash
- ✓ Starting operations: 2010

Sines
- ✓ Hydrocracker
- ✓ Vacuum distillation
- ✓ Vacuum Flash
- ✓ Starting operations: 2011

Fully integrated refining system

Nelson complexity index:

Current (orange) | After conversion (yellow)

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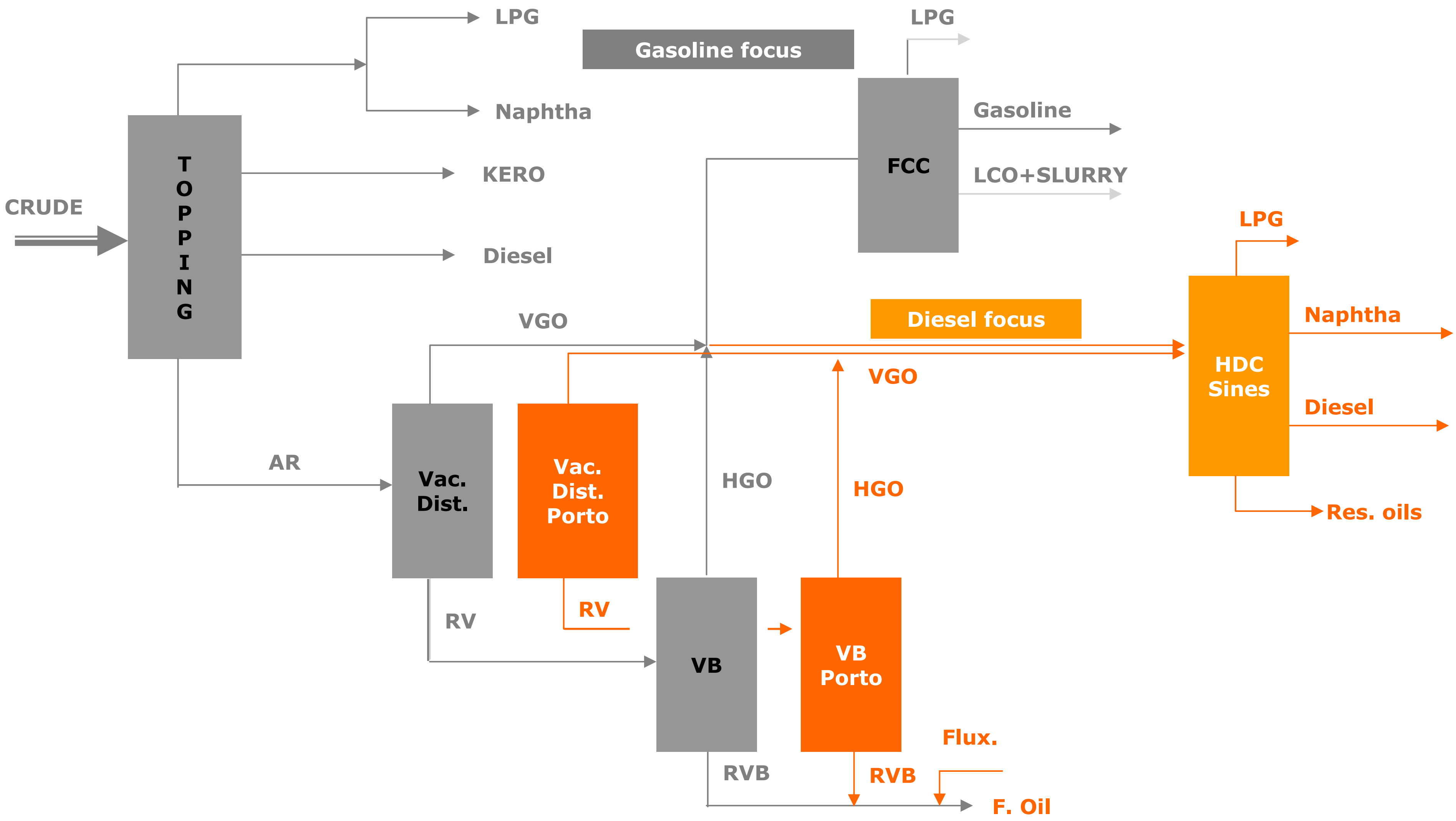
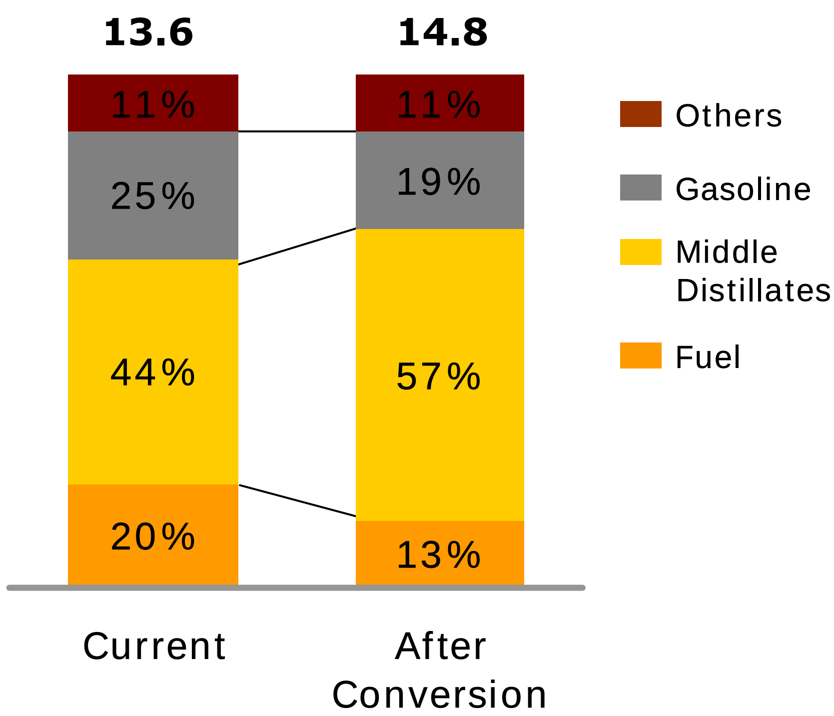
TOWARDS ONE REFINING SYSTEM



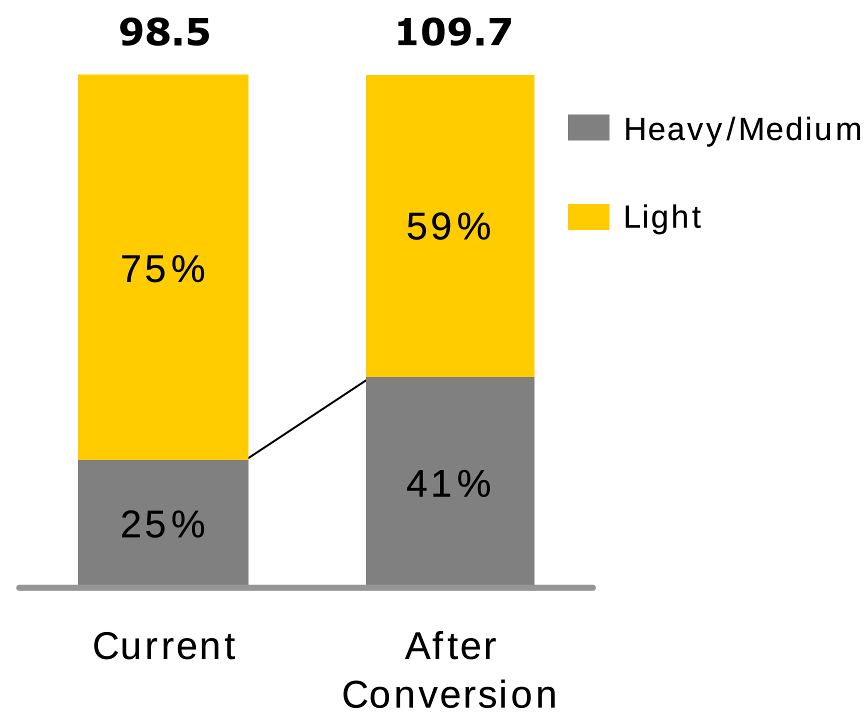
IMPROVING REFINING PORTFOLIO COMPETITIVENESS

Product Yield (M ton; %)



Adjust production mix to market needs

Crude Processed (M bbl; %)



Higher conversion allows usage of heavier crudes

REFINING'S EBITDA FUELLED BY CONVERSION AND OTHER UPGRADING INVESTMENTS

Conversion Economics

Estimated Capex	1,000 M€
Starting operations	
Porto	2010
Sines	2011

Impacts

Refining margin	+ 3 Usd/bbl
EBITDA impact	+ 200 M€[1]

Perfomance Improvement Economics

Estimated Capex

Cogeneration plants	150[2] M€
Energy efficiency program	100 M€
Environmental compliance	174 M€

Impacts

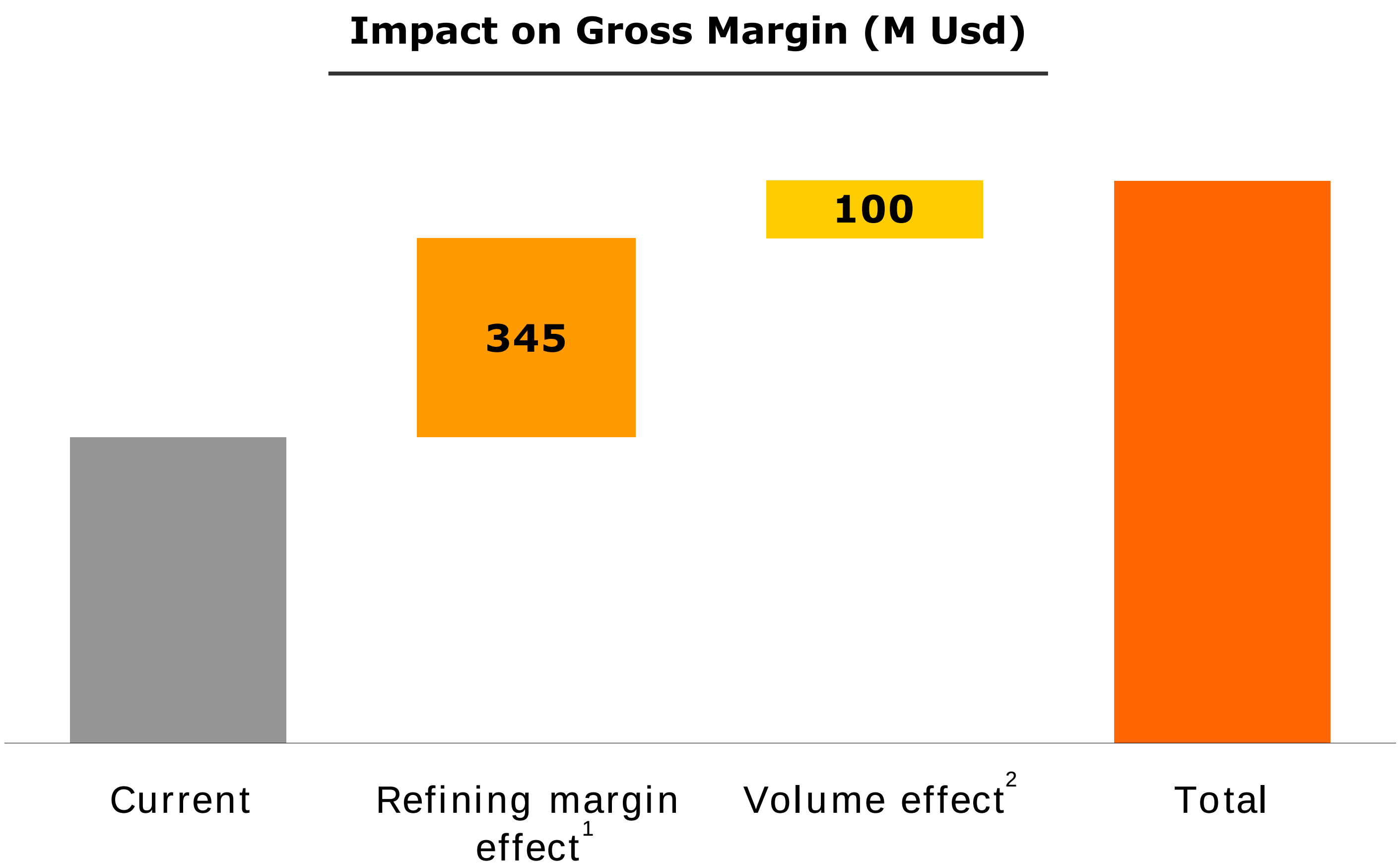
Consumptions & Losses	-15%
Refining margin	+ 0.5 Usd/bbl
EBITDA impact	+ 44 M€[3]

[1] Assuming incremental opex per bbl of 0.9 Usd

[2] Accounted in Power

[3] Assumptions: Eur/ Usd 1.25

EXTRACTING FURTHER VALUE FROM EXISTING ASSETS



[1] Assuming refining margin increment of 3.5 Usd/bbl times 98.5 M bbl.

[2] Assuming refining margin of 8.9 Usd/bbl times incremental crude processed of 11.2 M bbl.

OIL MARKETING

Lisbon, 22 October 2007

João Pedro Brito

GALP FOCUSING IN IBERIA

2006 Sales to final clients (M ton)

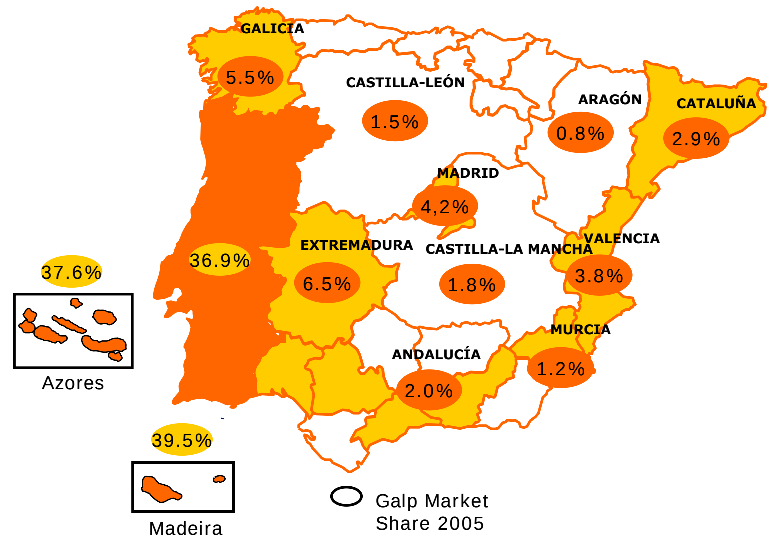
Space to grow in the Spanish market

INCREASE RETAIL ACTIVITY EFFICIENCY AND EFFECTIVENESS

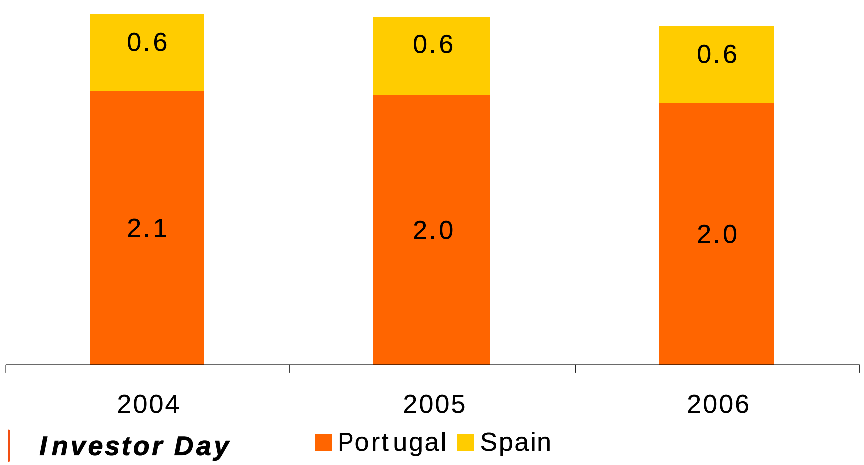
Business Overview

- 1,041 service stations: 818 in Portugal and 223 in Spain
- In the past 3 years there was a significant expansion growth in C-stores business, over 100 stores
- Represents over 19% of refining throughput

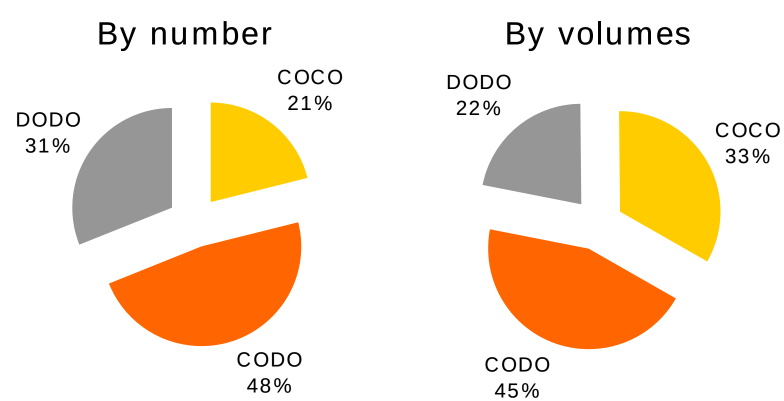
Key areas



Retail volumes (M ton)



Type of service stations



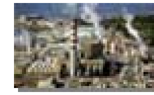
WHOLESALE AS A RELEVANT DISTRIBUTOR OF REFINING THROUGHPUT

Business Overview

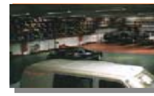
- 52% market share in Portugal
- Represents over 32% of refining throughput
- Aviation and marine segments boosted by increase in tourism activity

Main business segments' clients 2006

Transports 615

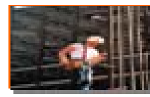


Manufacturing 741

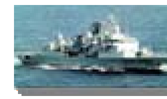


Resellers 772

Aviation 168



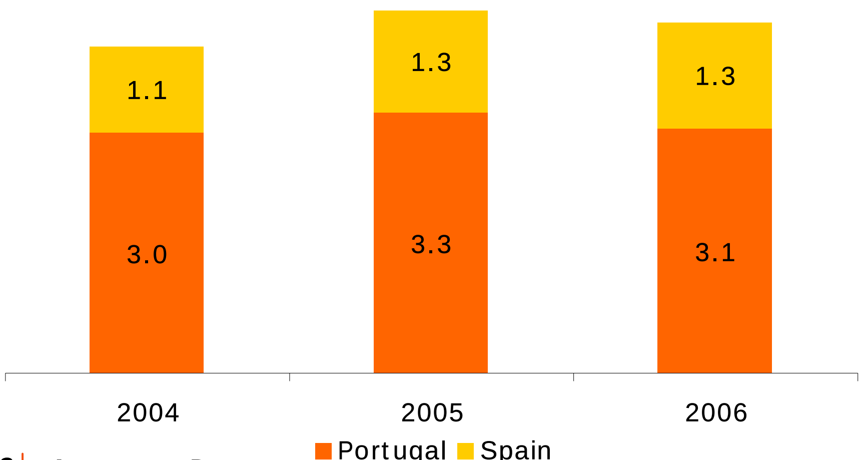
Construction 226



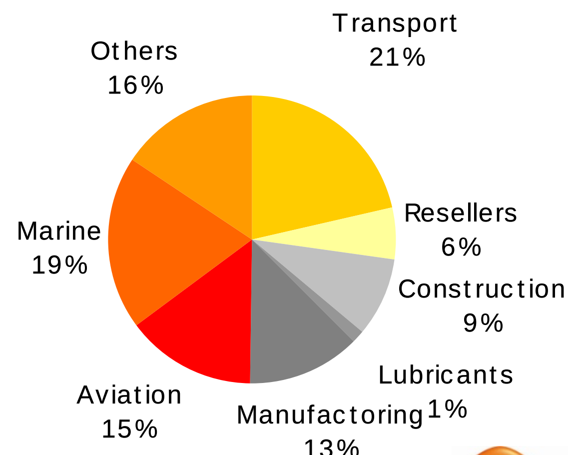
Marine 342

Lubricants 1.002

Wholesale volumes (M ton)



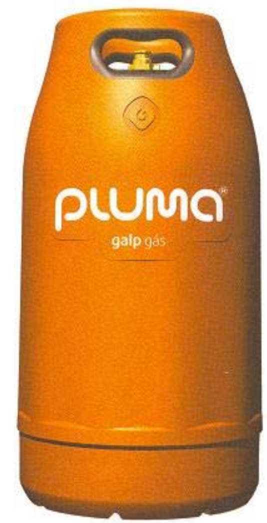
Allocation by segment



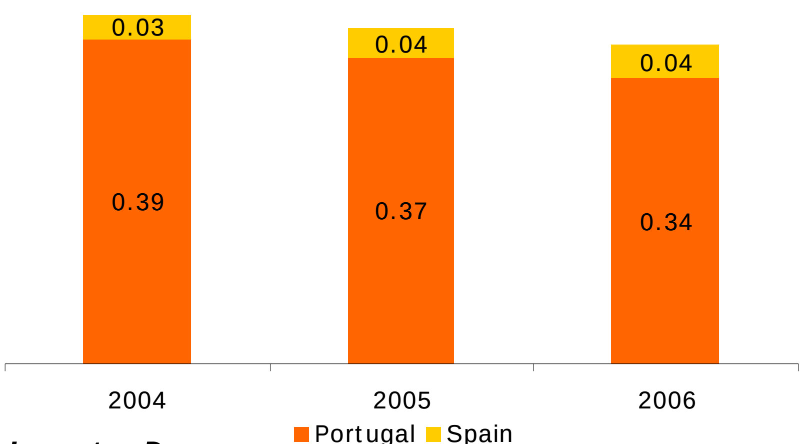
AN INNOVATIVE APPROACH TO A MATURE LPG MARKET

Business Overview

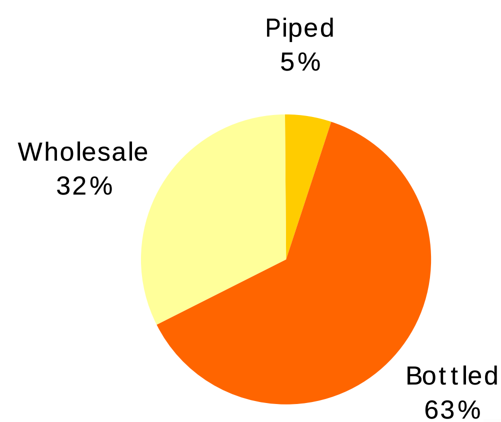
- Stable market share in Portugal of 44%
- Deliveries consistently high levels of profitability
- Over 20 thousand points of sale
- Market to stabilize at current levels
- Launch of new products to capitalize on Galp Energia brand (cookspot and hotspot)



LPG volumes (M ton)



Allocation by segment



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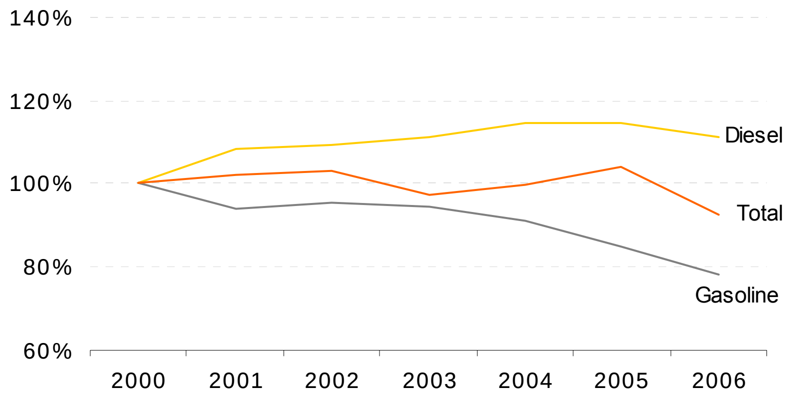
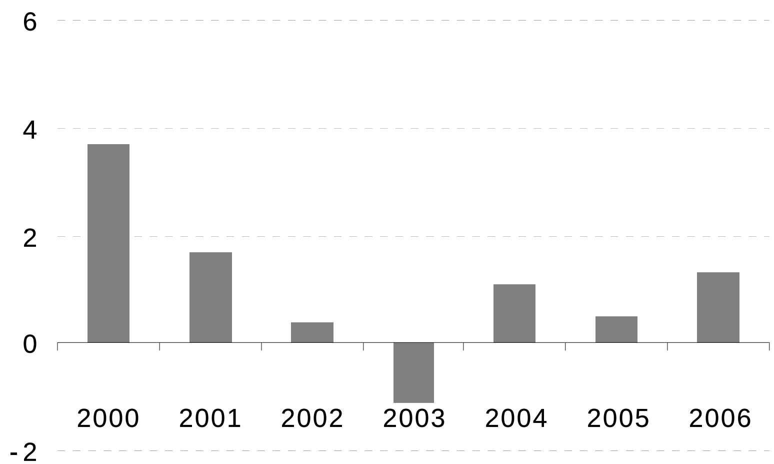
VOLUME GROWTH IMPACTED BY GDP EVOLUTION

Portugal

Sales Volume (%)

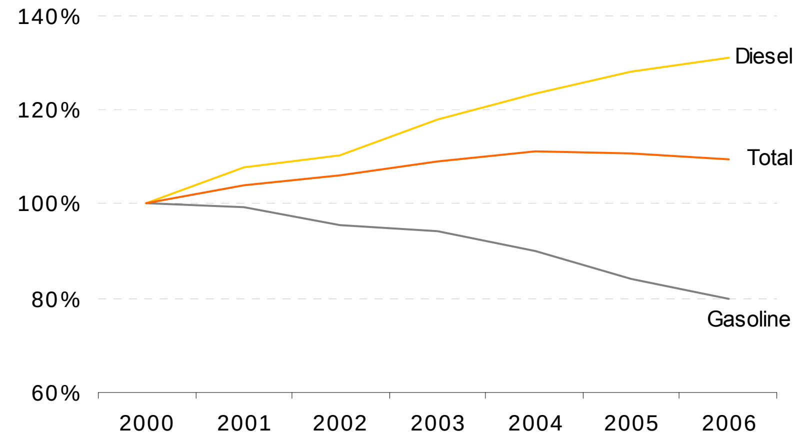


GDP Growth (%)

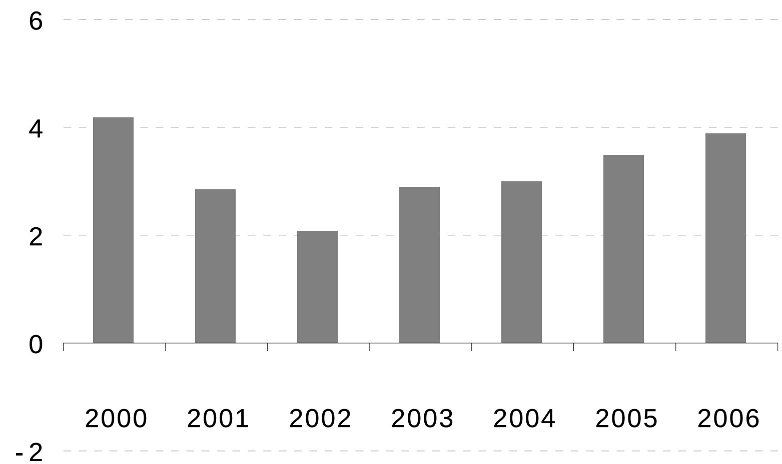


Spain

Sales Volume (%)



GDP Growth (%)



EXTRACTING AND EXPANDING VALUE IN IBERIA

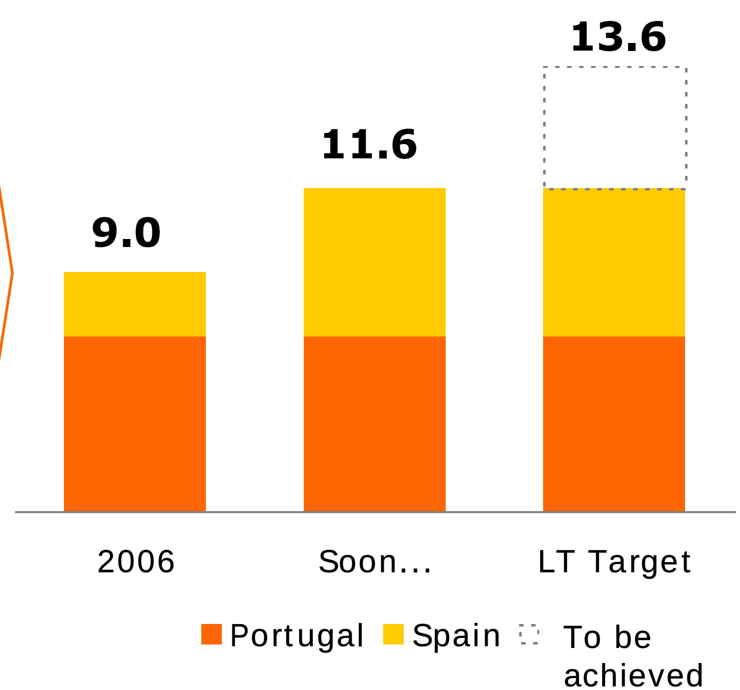
Rationale

- Sustain market leadership in Portugal
- Extract further value from existing assets
- Develop non-fuel business
- Spain is a higher growth market
- Geographical diversification into Spain
- Increase integration between R&M activities

Strengths

- Long position in refining
- Strong brand awareness
- Logistic assets in place to support further growth
- Market knowledge in Portugal and in Spain
- Very small scale in Spain

Galp Iberian Market (M ton)



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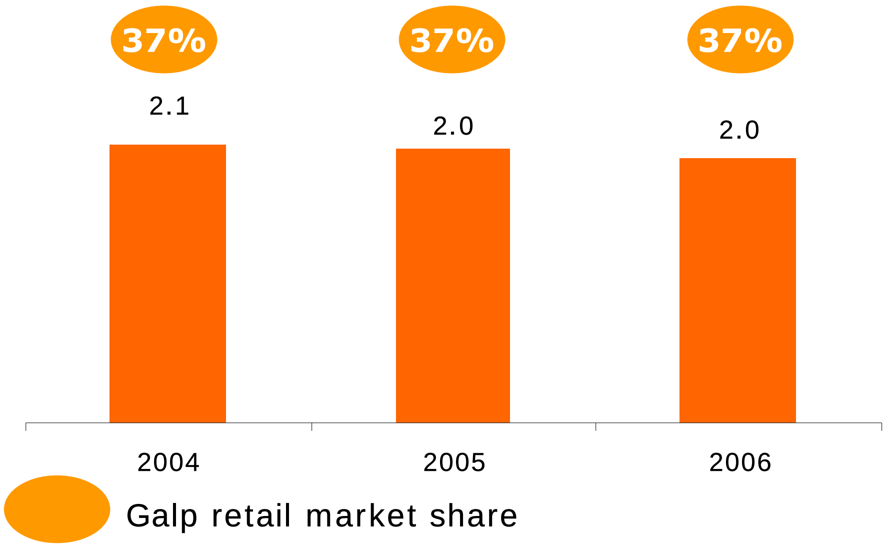
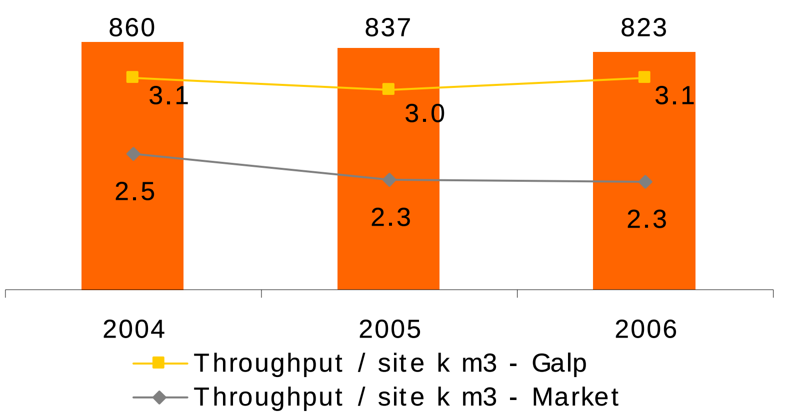
A MORE EFFICIENT AND EFFECTIVE RETAIL ACTIVITY IN PORTUGAL

Galp Sales Volume (M ton)

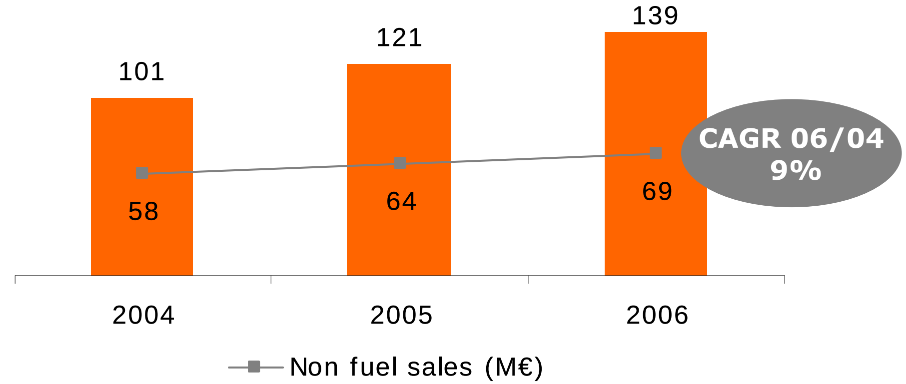


- Strong market share of 37%
- Increase penetration of premium products, from 7% to 15%
- More than 120 million transactions per year

Number of Service Stations



Number of C-Stores



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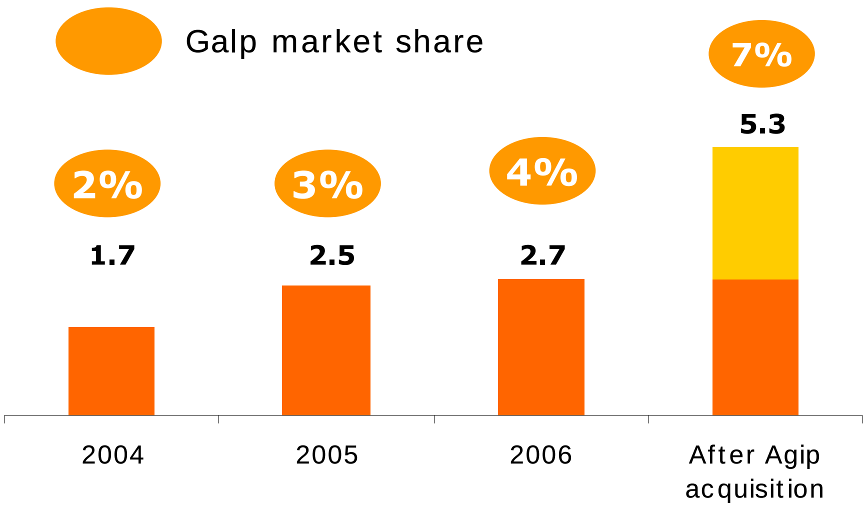
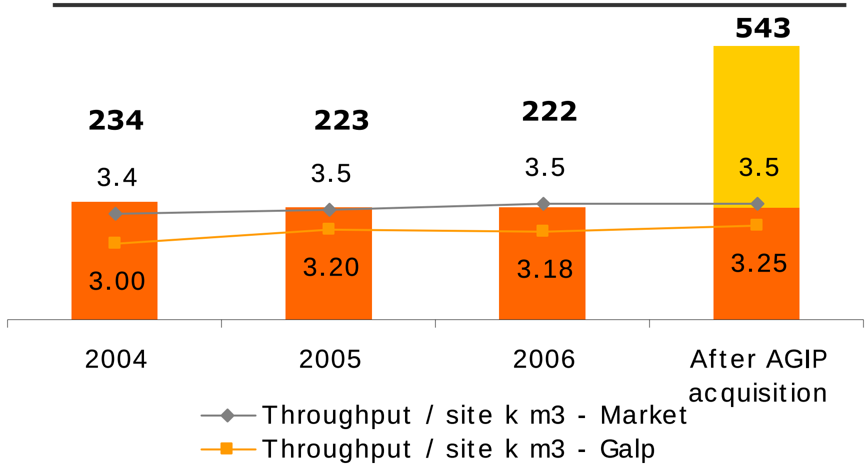
DELIVERING ON SPANISH STRATEGY

Sales Volume (M ton)

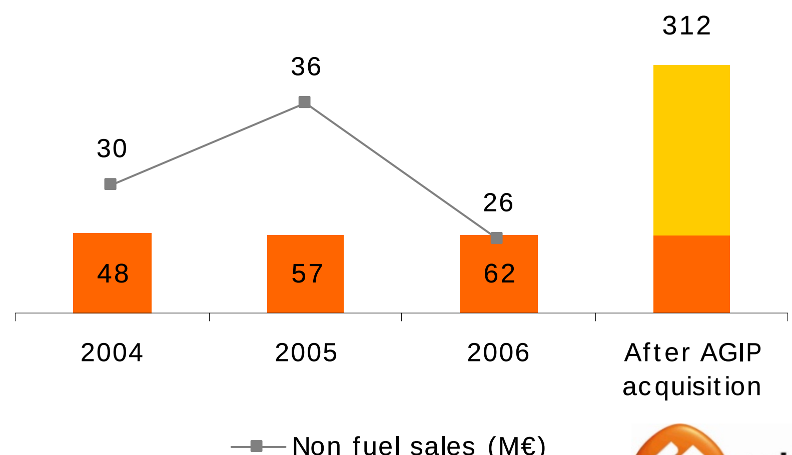


- Boosting Galp presence in Spain
- Market share in Spain increased to 7%
- No geographic overlapping
- Increasing refining and marketing integration
- More than doubling volumes

Number of Service Stations



Number of C-Stores



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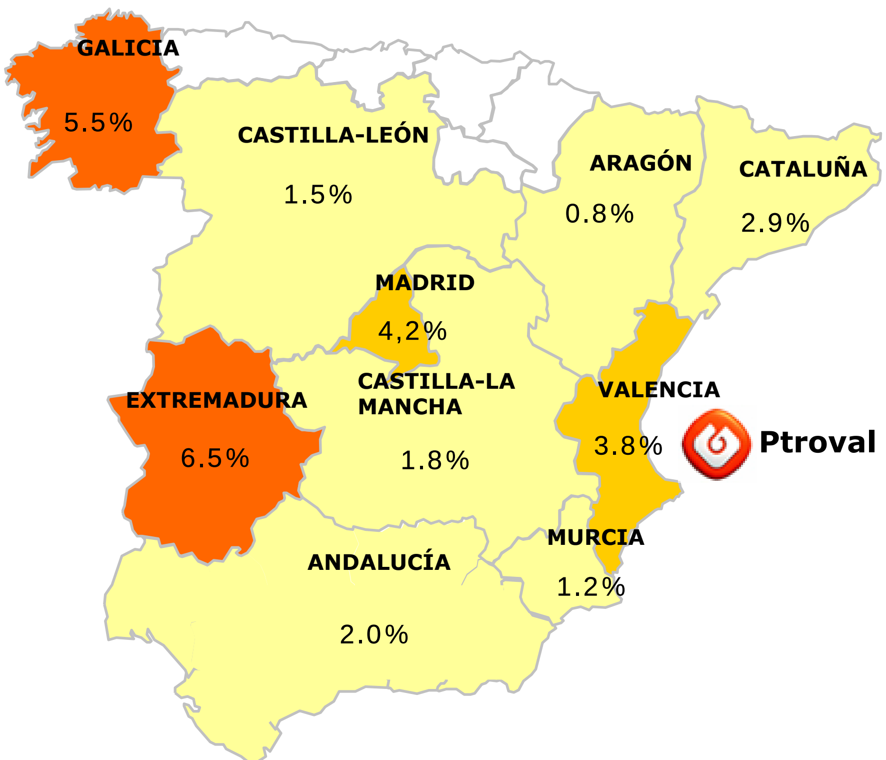
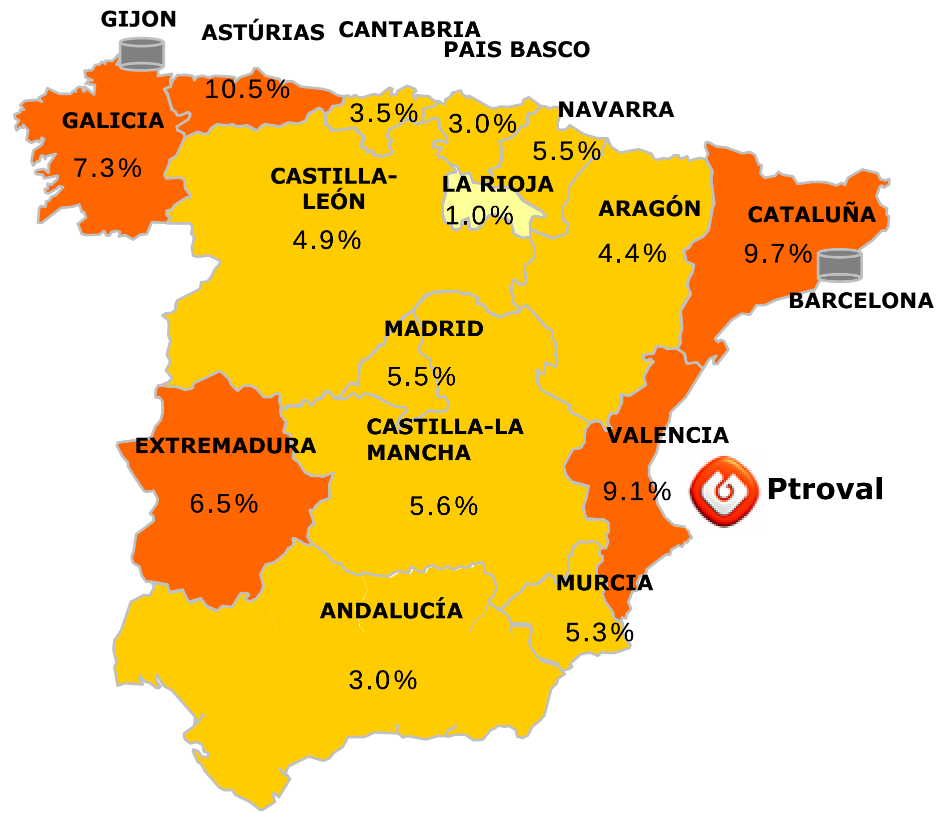
HIGHLY COMPLEMENTARY RETAIL NETWORK

Galp Current



Galp + AGIP



Market Share

- Below 3%
- 3 - 6%
- Above 6%
- AGIP Logistic assets

Source: Cores 2005

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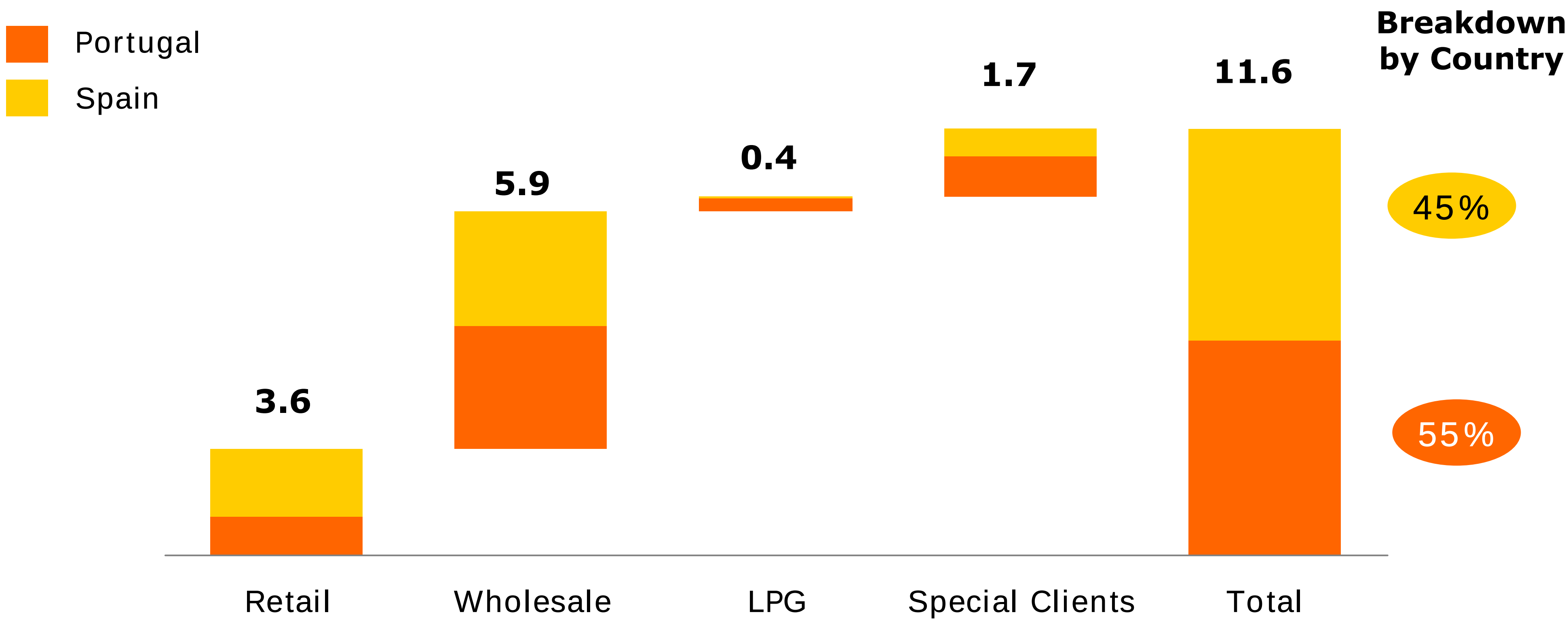
GEOGRAPHICAL DIVERSIFICATION ACHIEVED

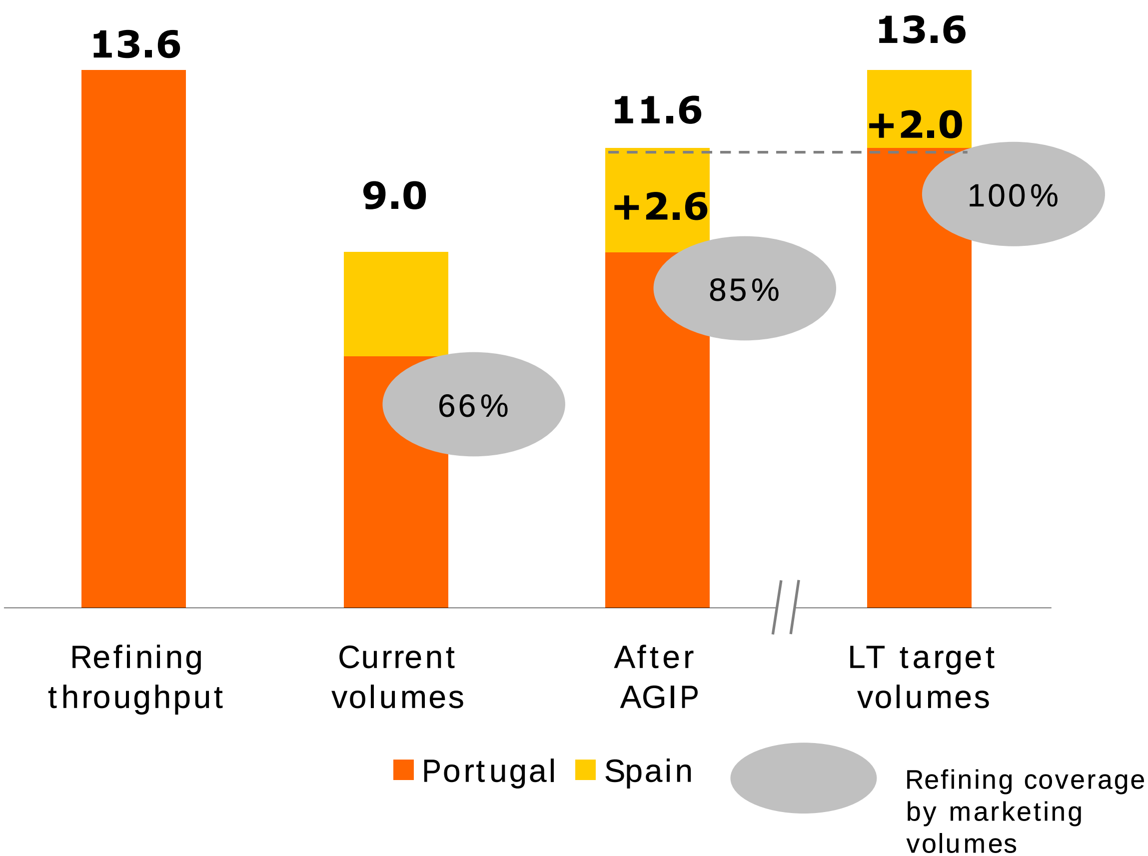
Sales Galp + AGIP (M ton)



12% Iberian market share

FURTHER INTEGRATION TO REDUCE RISK ENHANCES VALUE

Sales volumes (M ton)



To hedge 100% of refining throughput Galp Energia needs to get additional 2 M ton in Spain while diversifies geographical exposure

NATURAL GAS

Lisbon, 22 October 2007

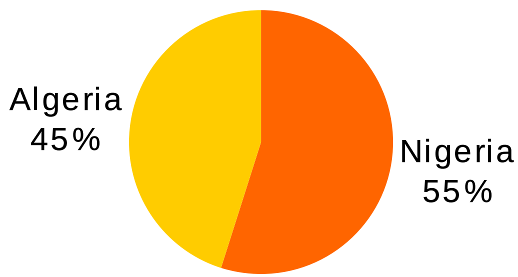
Massimo Rivara

STRONG COMPETITIVENESS OF EXISTING CONTRACTS

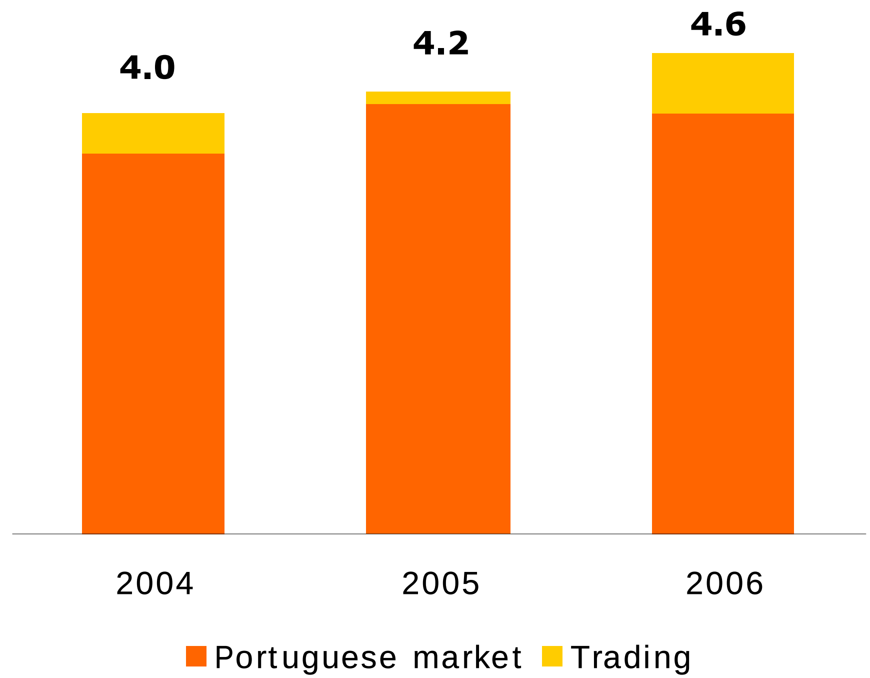
Sourcing Contracts

- 5.7 bcm secured
- High flexibility
- Maturity 2020/2026
- Option to deliver in any point in Iberia

NG supply sources 2006



Sales volumes (bcm)



Leverage on gas contracts to explore trading opportunities

SEEKING FOR NEW SOURCES

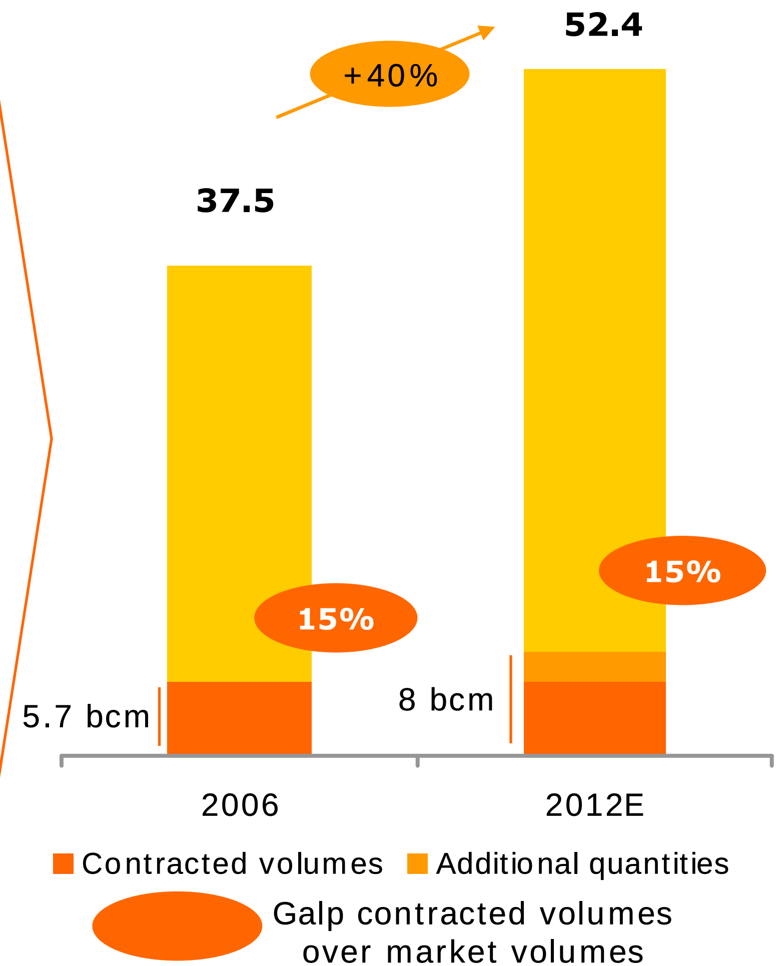
Rationale

- Strong growth prospects
- Geographical expansion into Spain
- Defend current market share in Iberia
- Access to sourcing as a critical success factor

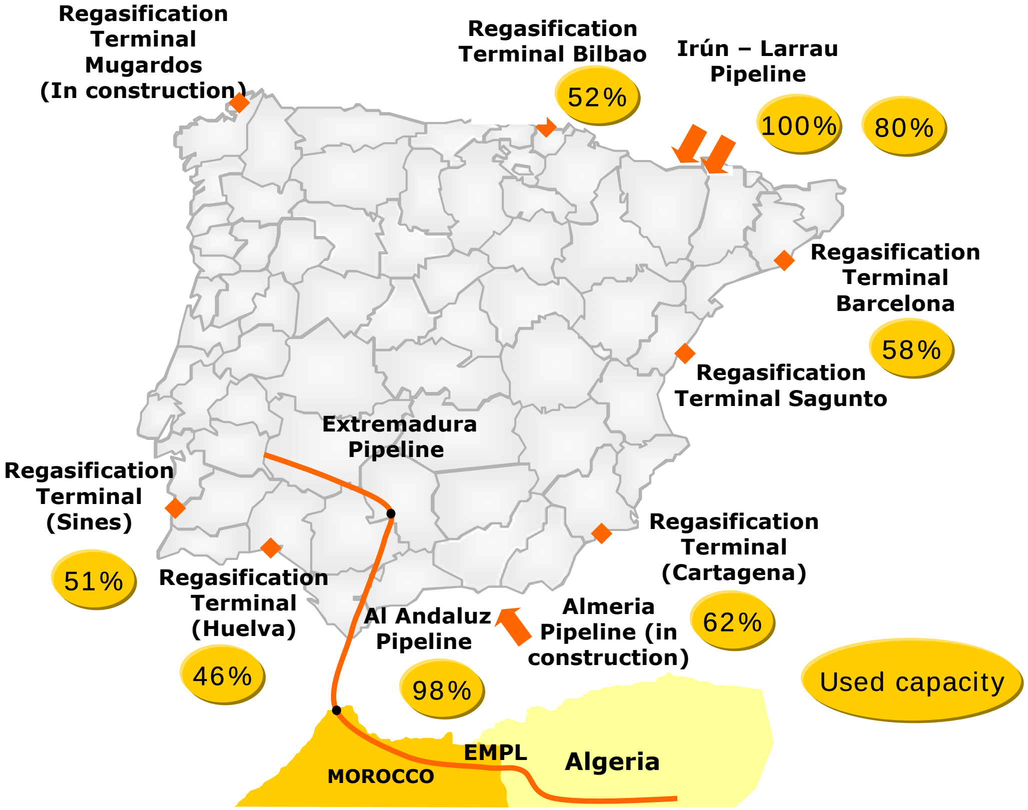
Strengths

- Competitive gas sourcing
- Strong costumer base
- Developing power projects
- Access to critical infrastructure

Iberian market (bcm)



GUARANTEED ACCESS TO CRITICAL INFRASTRUCTURE



Pipeline	Galp Share	Capacity bcm/ year	KM	Final Year
Al Andaluz	33%	7.8	315	2020
Extremadura	49%	6.1	250	2020
EMPL	27%	12.0	1,105	2017

- Regasification capacity available for Iberian needs
- Galp Energia has an important stake in the unique pipeline access to the Portuguese market
- International pipelines:
    - Capacity of 3.7 bcm/year to enter in Portugal
    - Stable dividend contribution
    - Tariff definition based on 11% return

GALP STORAGE ASSETS KEY FOR OPPORTUNISTIC TRADING

Galp Storage

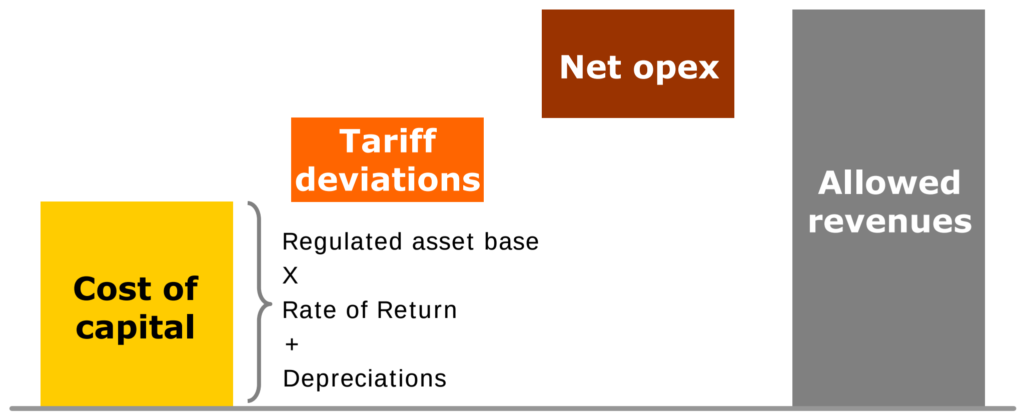
- Location : Carriço
- Underground storage capacity:
  - 1st cavern already in operation (40 Mm^3)
  - 2nd cavern to start operations in 4Q2010 (45 Mm^3)
  - Additional two caverns to be built (110 Mm^3)

Rationale

- Stable return
- Equivalent to a LNG vessel
- Ability to exploit trading opportunities
- One of the few commercial companies with own storage capacity in Iberia

Regulation

- Regulated asset base of 17 M€
- Return on regulated asset base of 8%
- Second cavern capex of 24 M€
- Concession period of 40 year



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STABLE RETURN WITH GROWTH POTENTIAL

Infrastructure

- Over 800 thousand clients

▲ Autonomous Distribution Units

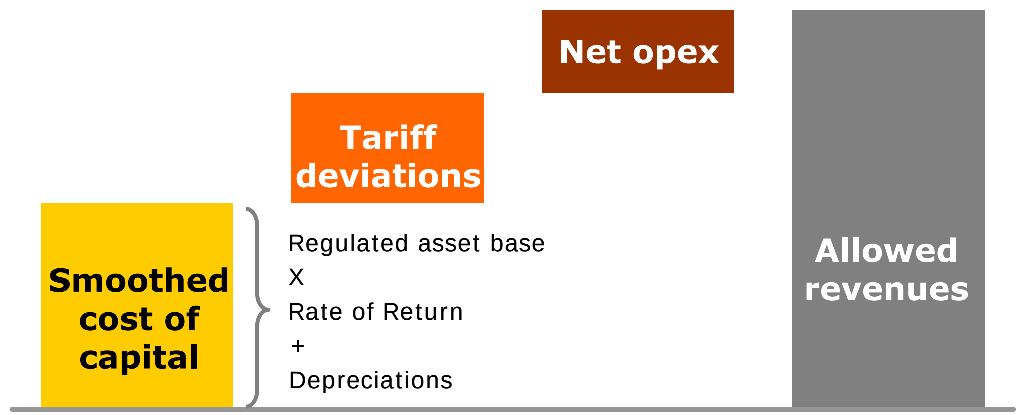
- Above 9,000 Km of network and additional 1,400 km planned for next four years
- 5 local distribution companies under concession agreements until 2035
- 4 Autonomous distribution units (not linked to high pressure pipeline)

Liberalization

- Unbundling of commercialization activities for companies with more than 100 thousand clients
- Others will have to present separate accounts

Regulation

- Actual regulated asset base of 853 M€
- Expected revaluation in 2008 above 20%
- Return on regulated assets to be announced in 1st Half 2008



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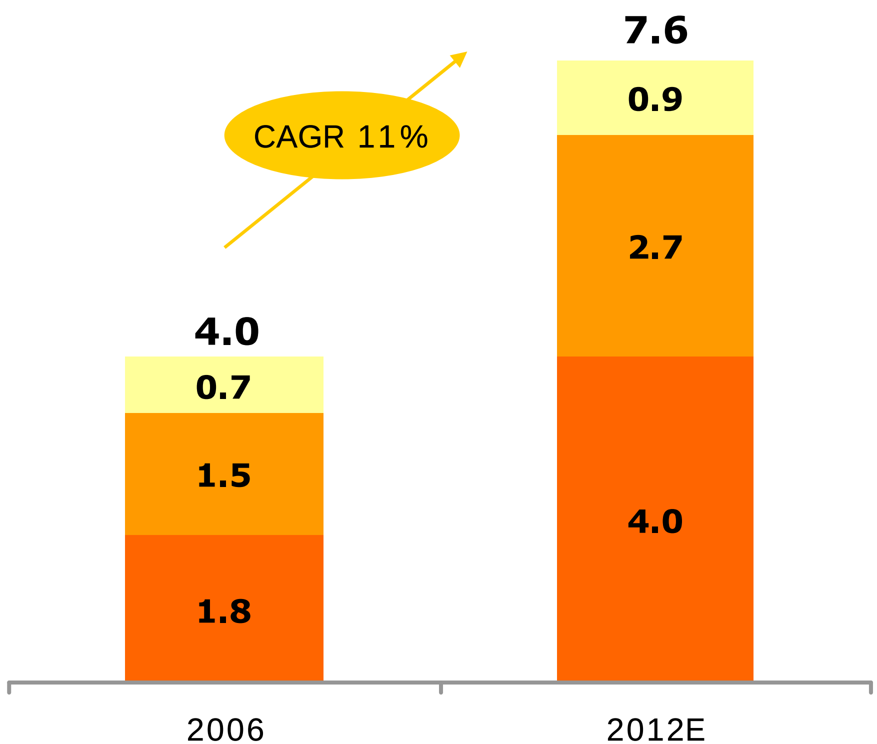
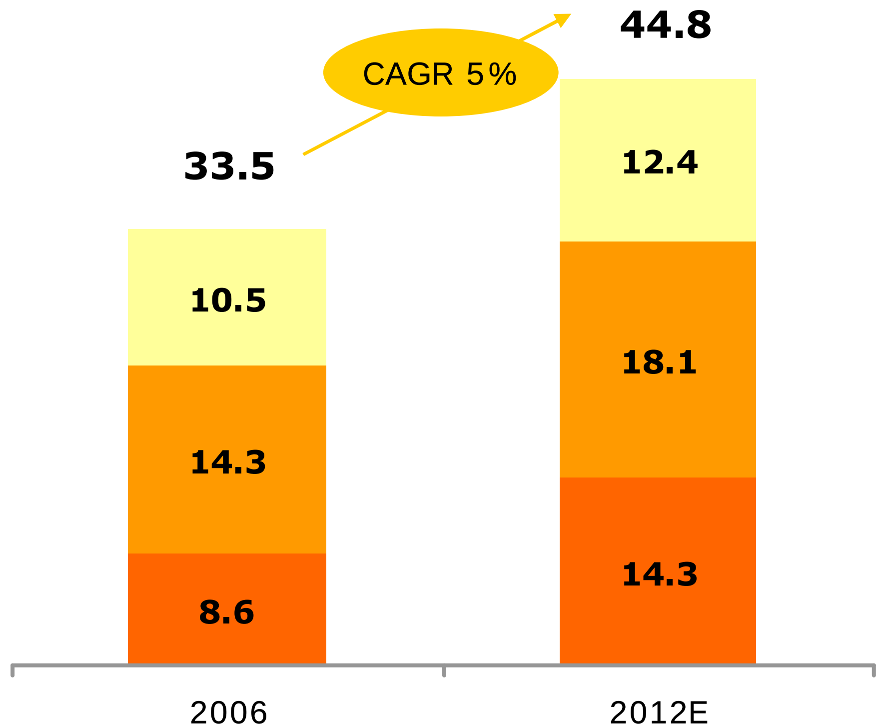
STRONG GROWTH PROSPECTS IN IBERIAN NATURAL GAS MARKET

NG Market – Portugal (bcm)



NG Market – Spain (bcm)

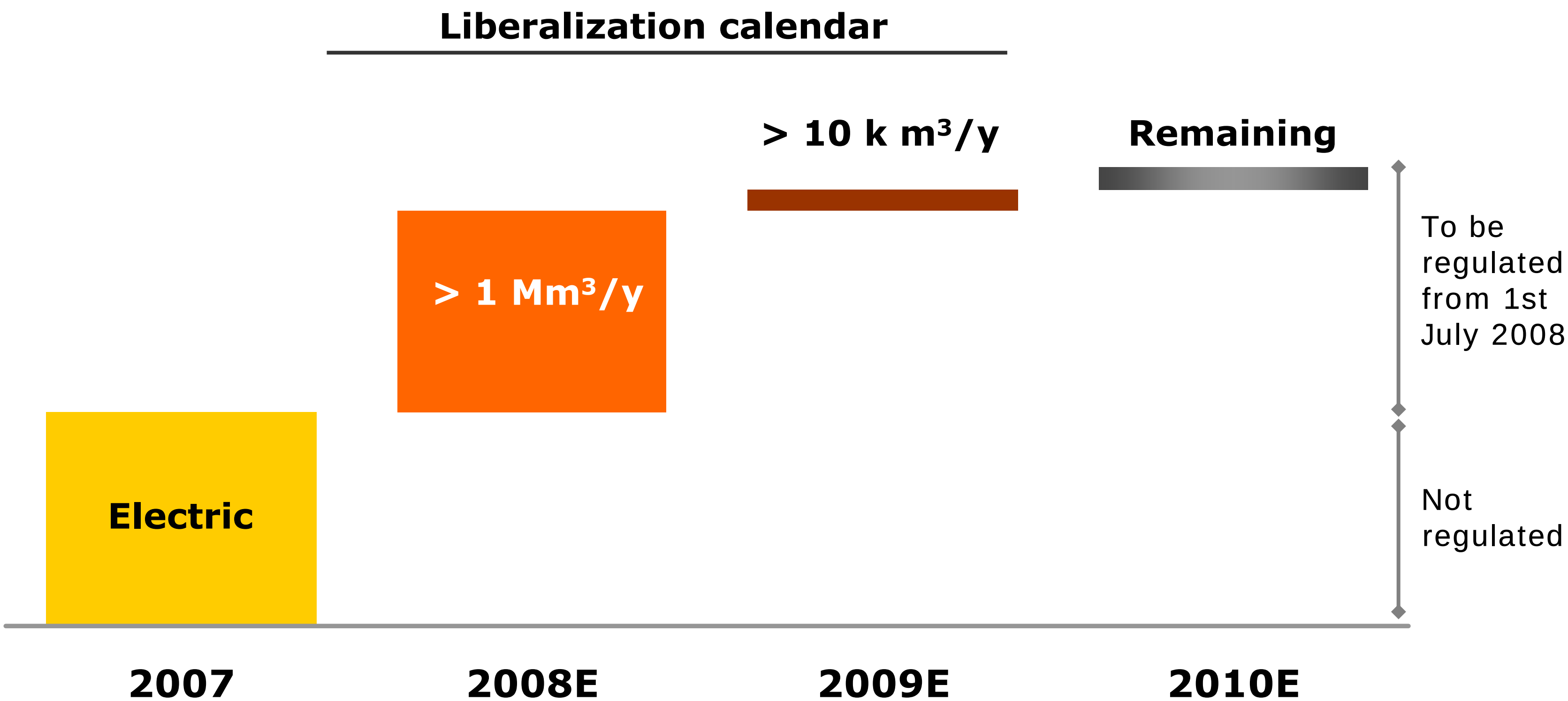


	Portugal 2006	Portugal 2012E	Spain 2006	Spain 2012E
NG in Primary Energy	15%	22%	22%	25%

Electric | Industrial | Residential and others

Source: Wood Mackenzie and AT Kearney

HIGHER MARGIN VOLUMES KEPT AT GALP



Regulated and electric volumes to be maintained at Galp

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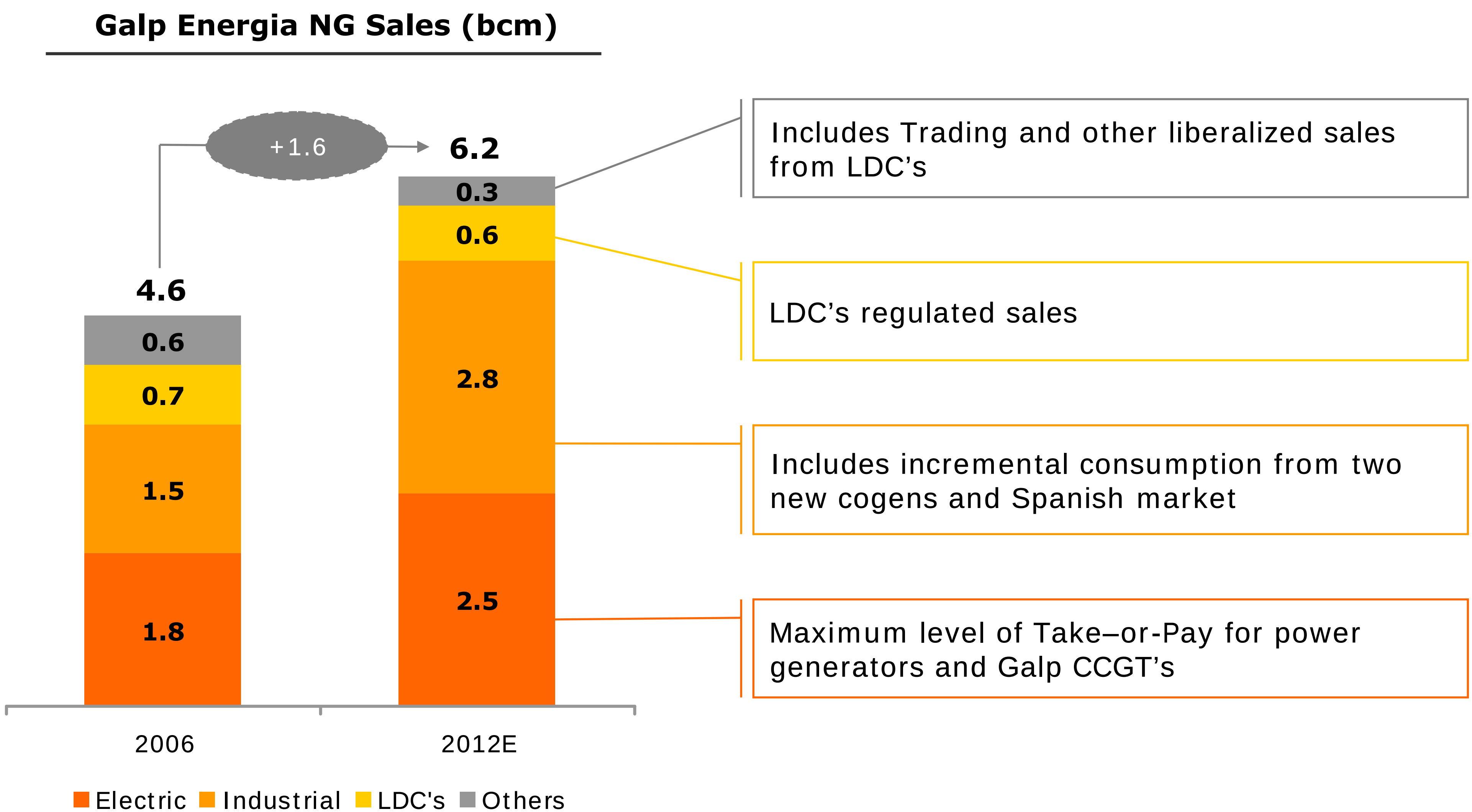
GROWTH COMING FROM OWN CONSUMPTION AND GEOGRAPHICAL EXPANSION

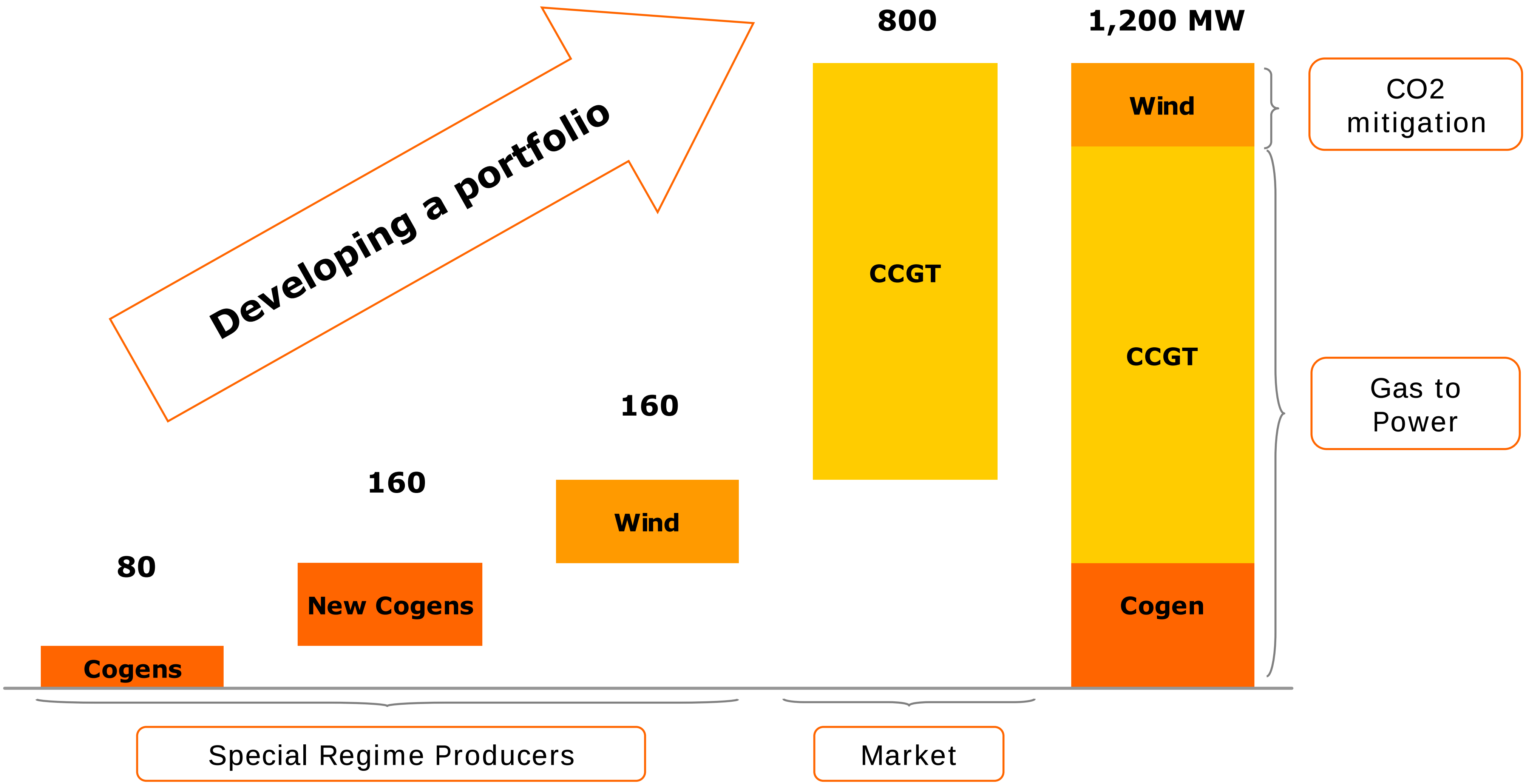


POWER

Lisbon, 22 October 2007

André Ribeiro

A GAS TO POWER PORTFOLIO



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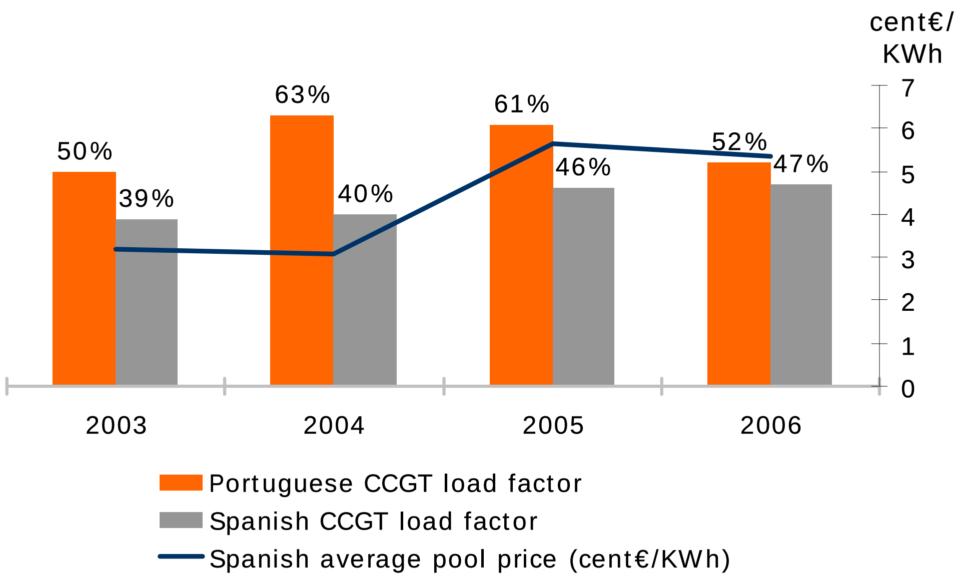
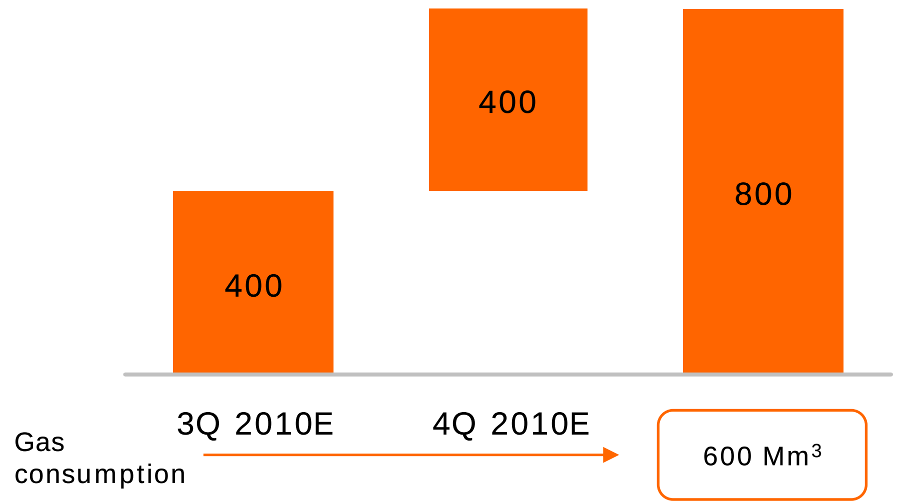
CCGT PROJECTS WITH SOUND FUNDAMENTALS

CCGT load factor and Spanish pool price



- Pool price reflects a CCGTs' higher usage

Projected Installed Capacity (MW)



- Load factor above 50%
- Estimated capex of 420 M€

Source: REN, REE and OMIP

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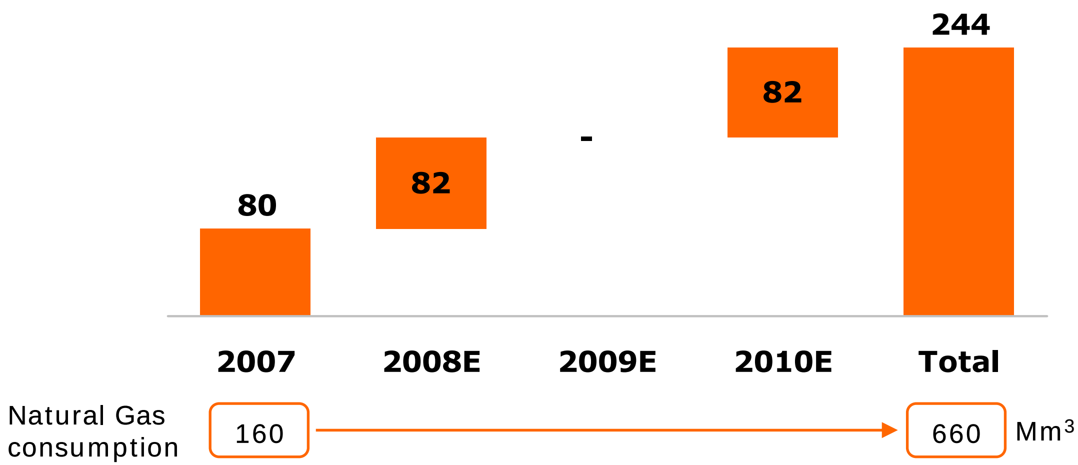
COGENERATION BUSINESS WITH POSITIVE IMPACT ON GALP'S VALUE CHAIN

Regulation

- Granted tariff for a period of 15 years
- Tariff covers avoided costs in
  - Investment in alternative baseload technology
  - O&M and fuel costs
  - CO_2 subject to level of electrical efficiency
- Priority access to the grid
- Tariff of 65.69 €/MWh with brent at 50 Usd/bbl
- After 10 years of operation the tariff is reduced by half of environment charge (PA of 4.5 €/MWh)

Projected installed capacity (MW)



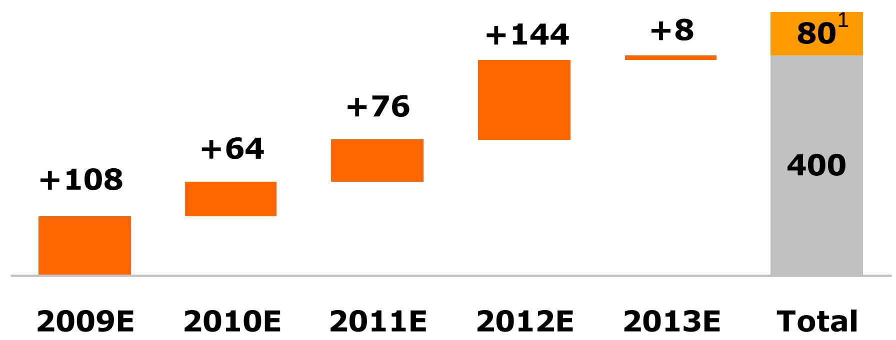
- Annual sales to the grid of 1,200 GWh in 2010
- Estimated capex of 150 M€ in Sines and Porto refineries project
- Positive impact on refineries' energy efficiency
- EBITDA margin above 20%

GALP ENERGIA DELIVERING ON WIND PROJECT

Regulation

- Average regulated tariff of 73.6 €/MWh, to be adjusted with CPI from start of operations
- Granted tariff for a minimum of 15 years or 33 GWh/MW and option to pass to market price plus green certificates
- After 15 years or 33 GWh/MW, tariff will sum market price and green certificates
- Priority access to the grid

Projected installed capacity (MW)



[1] 80 MW of additional capacity to be requested to DGEG

- Premium load factor of 2,800h, 22% above average
- Turbine supply already guaranteed
- Galp's estimated capex of 194 M/€
- Project to be equity consolidated with an expected unlevered return of 7.5%

MOVING INTO POWER BUSINESS

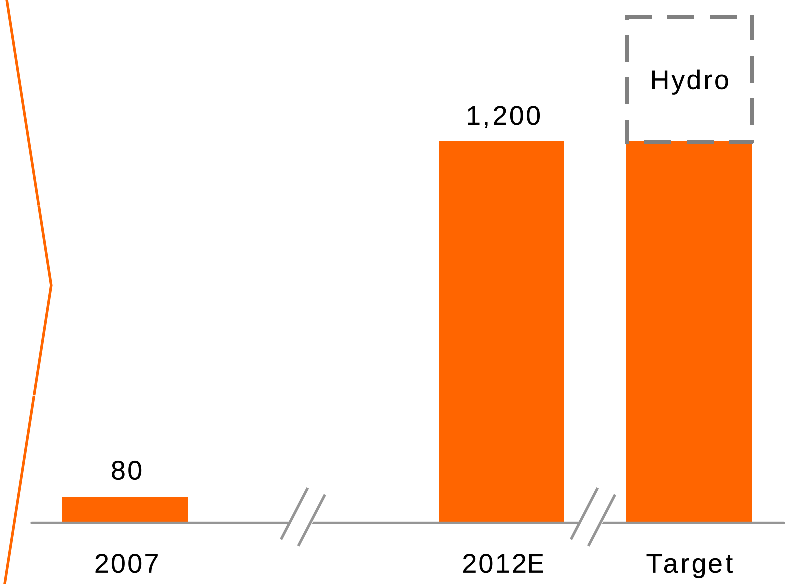
Rationale

- Value accretive Gas & Power integrated approach
- Attractive electricity market growth
- Opportunity in green field generation projects in gas and hydro

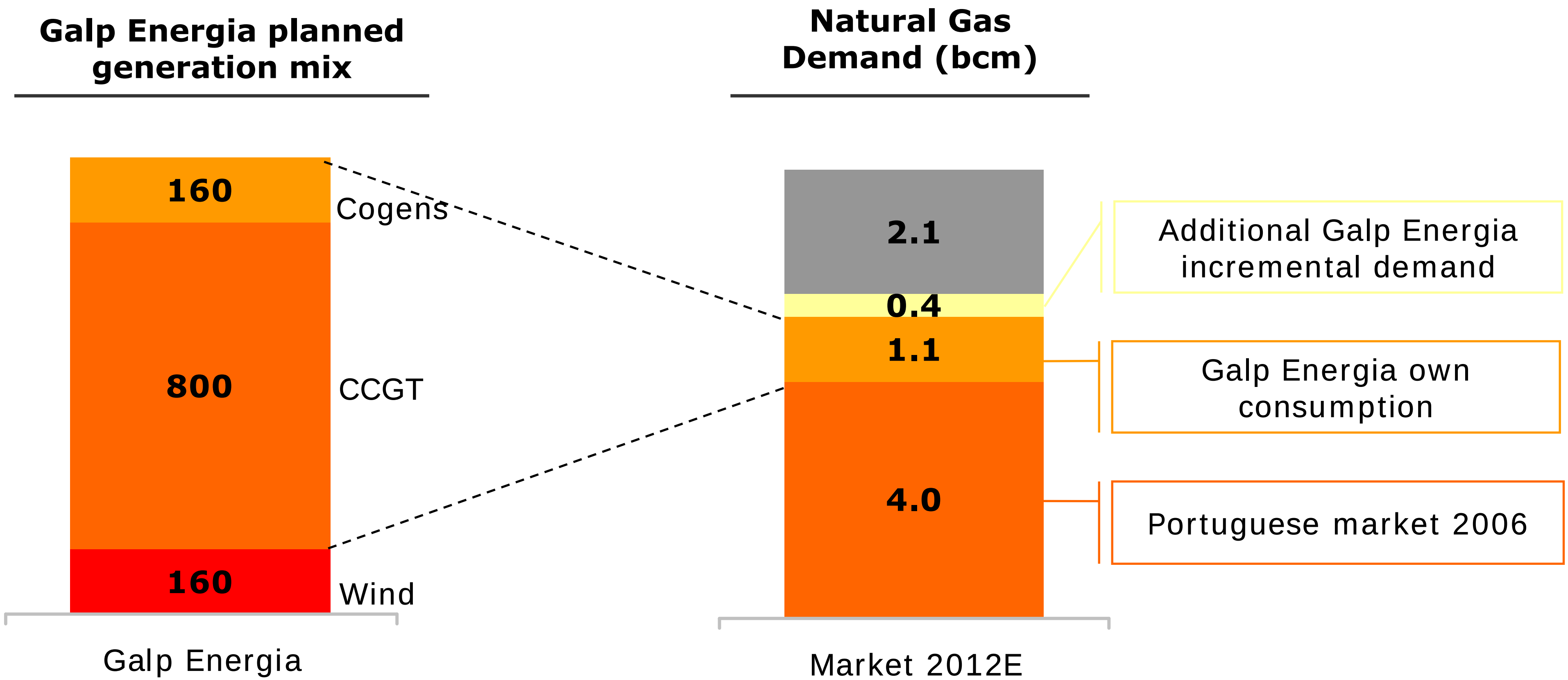
Strengths

- Efficient gas sourcing contracts
- Opportunity to develop competitive generation mix
- Strong customer base
- Track record in competitive environment

Target installed capacity (MW)

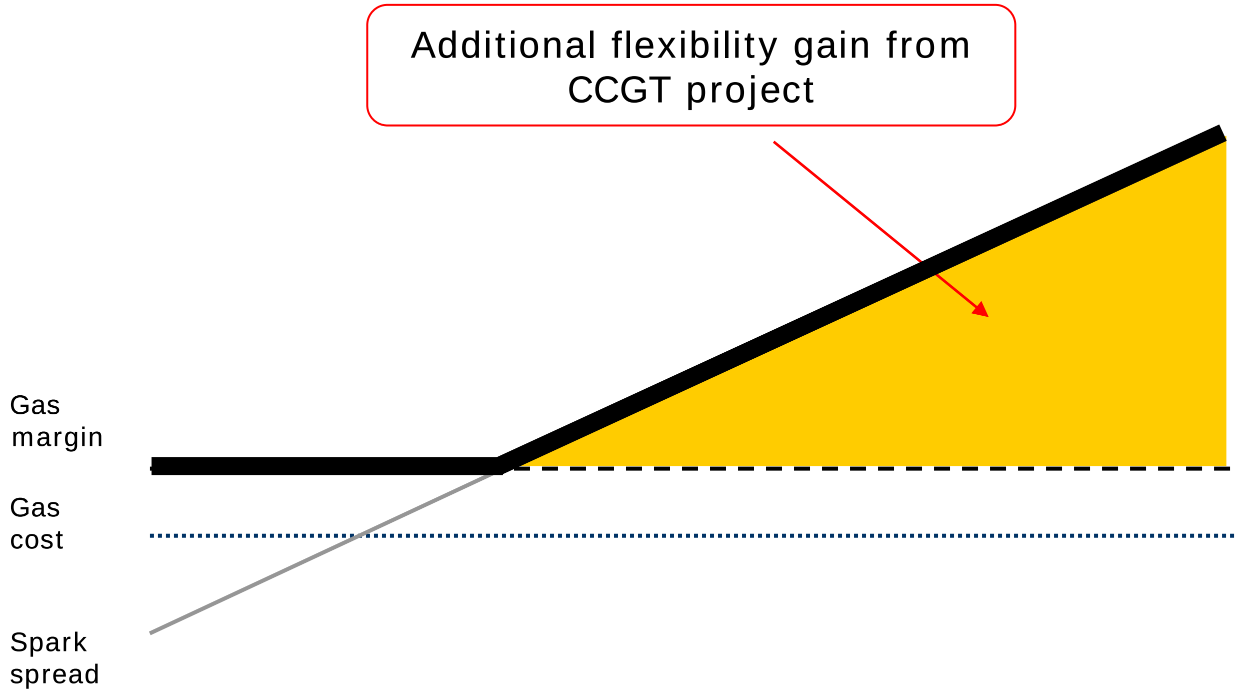


GAS & POWER APPROACH REDUCES OVERALL BUSINESS RISK



Own consumption increases supply management capability

CALL OPTION PROFILE OF INTEGRATED GAS AND ELECTRICITY APPROACH



CCGT project will allow to arbitrage between gas trading and power margins

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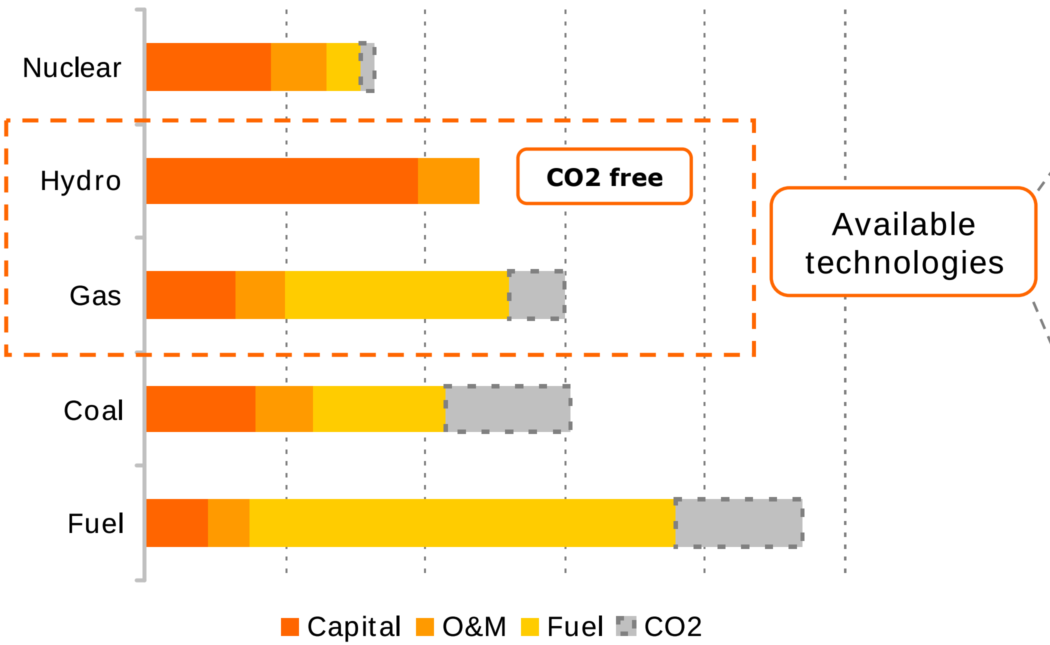
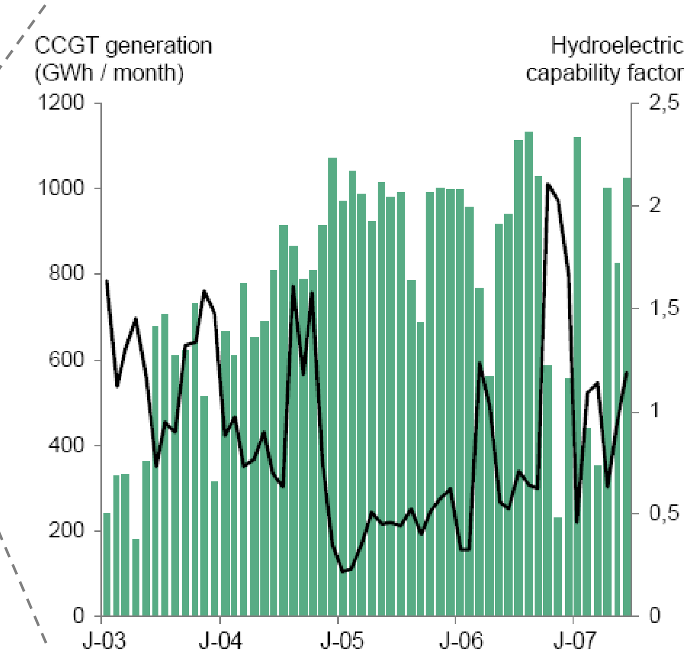
PORTFOLIO'S COMPETITIVENESS TO BE COMPLEMENTED BY HYDRO

Indicative cost structure by generation type (MWh)



CCGT and Hydro usage



Source: BCG

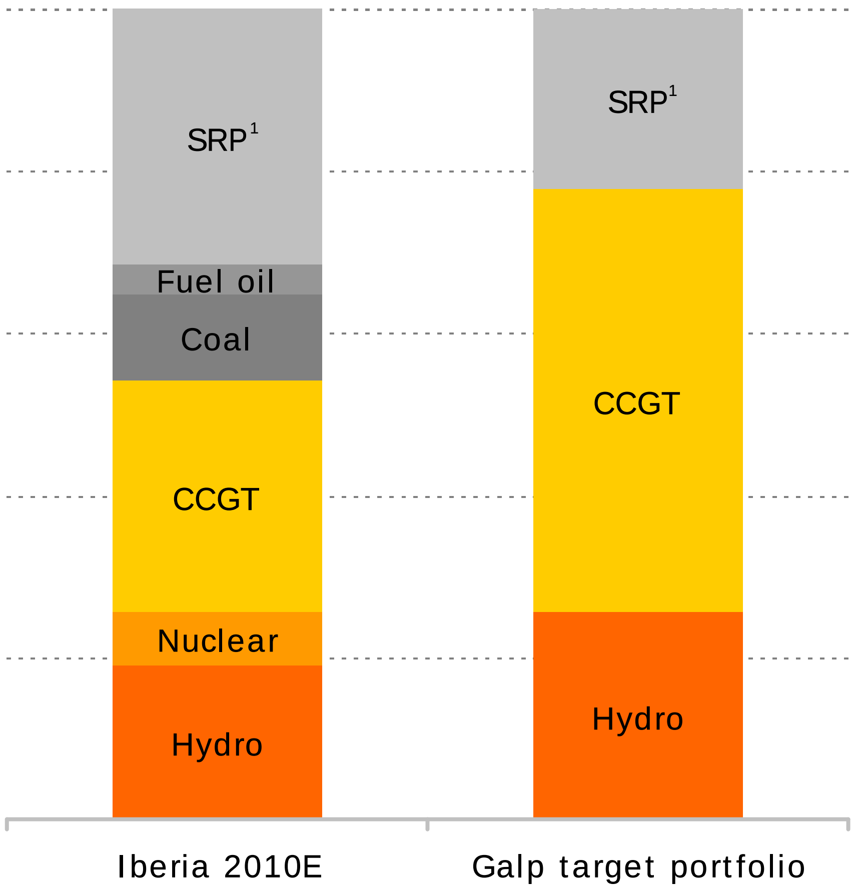
HYDRO INCREMENTAL CAPACITY IS AN OPPORTUNITY TO DIVERSIFY

New hydro capacity to be licensed

Project	Installed capacity (MW)	Production (GWh)
Ribeiradio	70	110
Foz Tua	234	340
Fridão	163	299
Padroselos	113	102
Gouvães	112	153
Daivões	109	148
Vidago	90	114
Almourol	78	209
Pinhosão	77	106
Girabolhos	72	99
Alvito	48	62
Total	1,166	1,742

Source: INAG

TO BECOME THE ALTERNATIVE PLAYER IN PORTUGAL

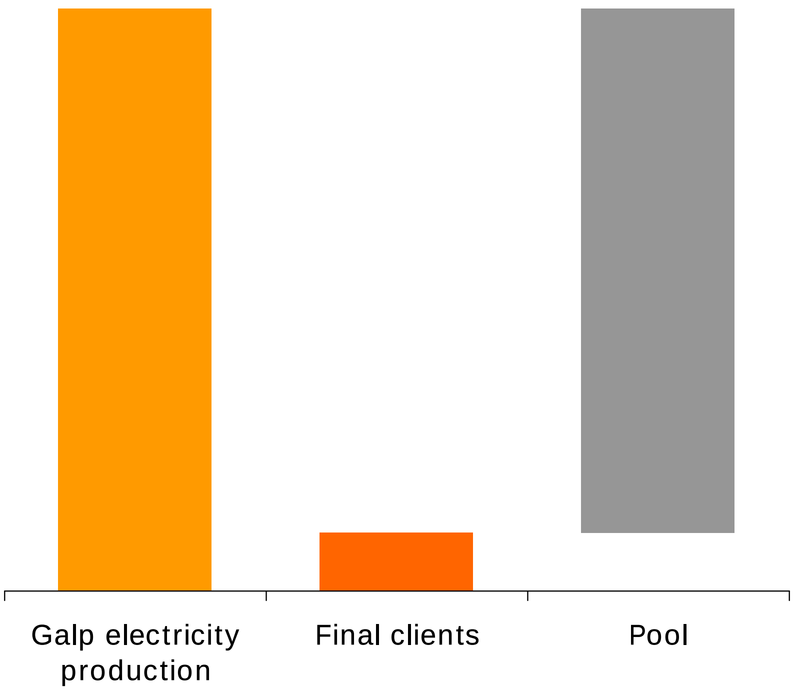


More efficient generation mix than average

[1] SRP – Special Regime Production

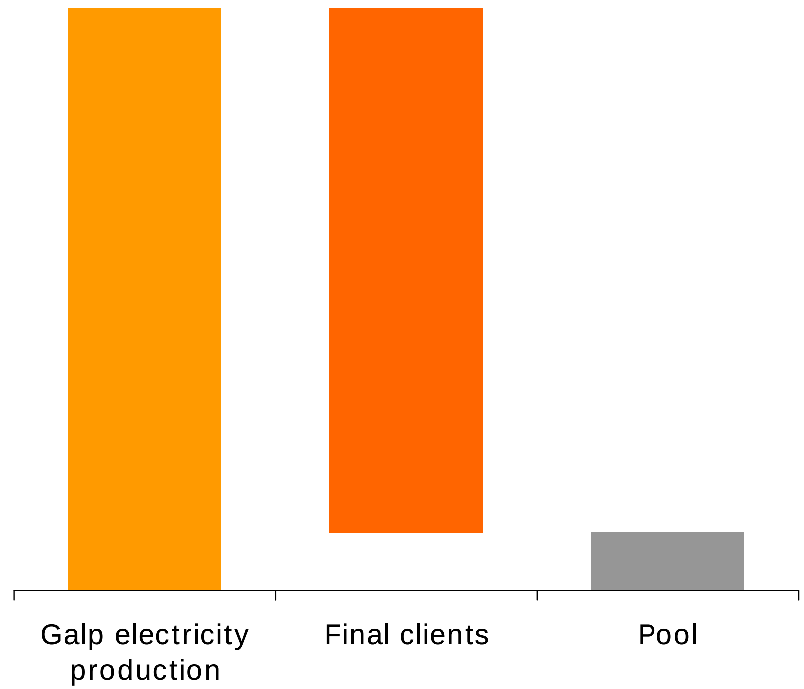
LOCK IN VALUE IN ELECTRICITY

Sales Mix Base Case



Pending on supply margin's evolution

Sales Mix Target



Leverage on oil and gas customer base

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FINANCIAL OVERVIEW

Lisbon, 22 October 2007

Francesco Antonietti, CFO

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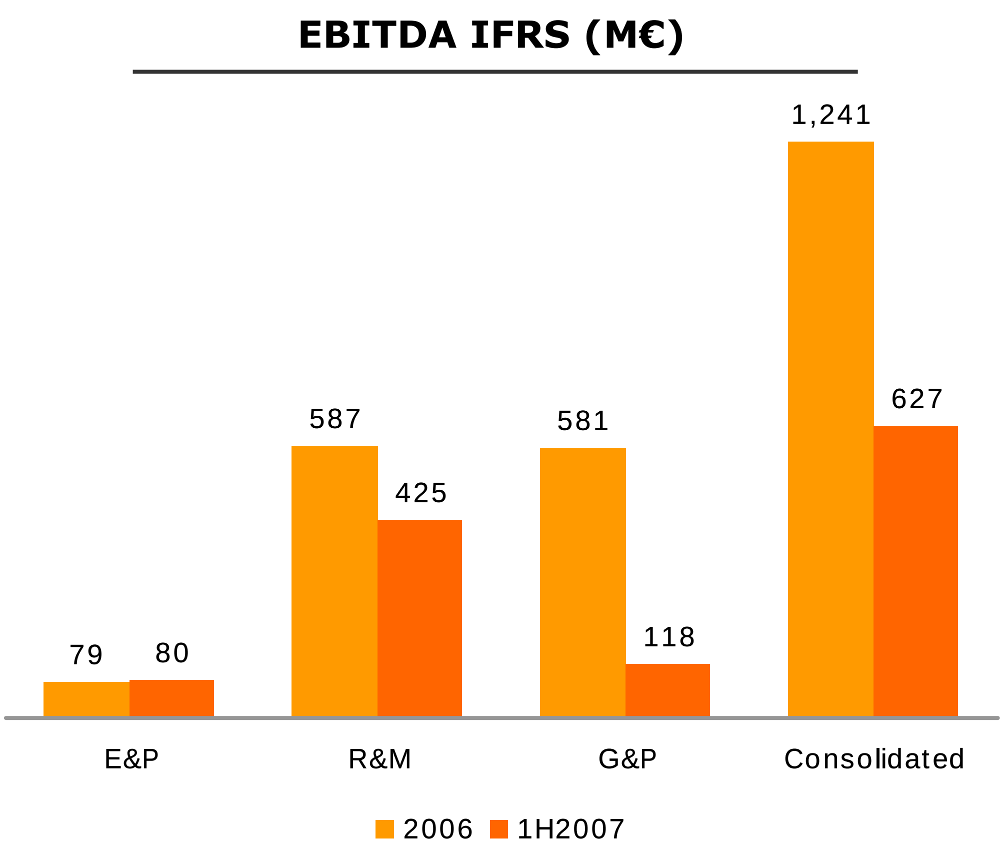
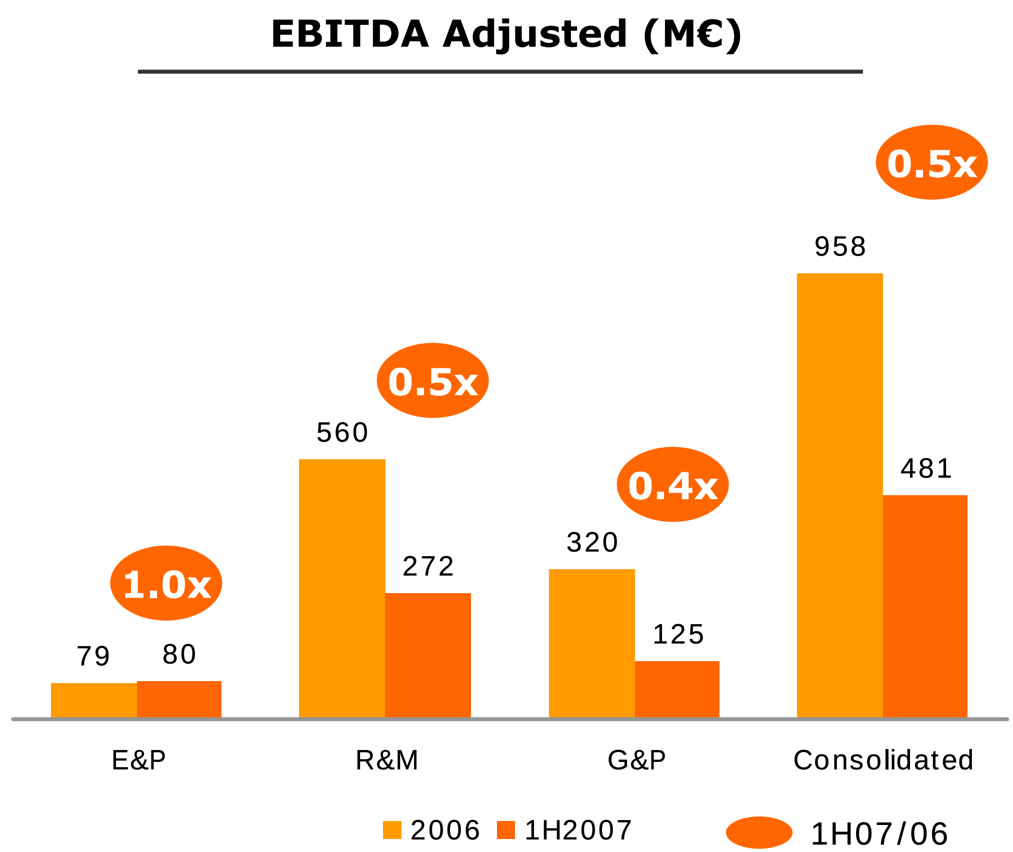
GALP'S BUSINESSES IN DIFFERENT MOMENTUMS





- E&P confirming growth in production
- R&M stable even with lower refining margins
- G&P affected by transportation activities spin-off

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ADJUSTED EPS INCREASED BY 71% TO €0.34

IFRS				Adjusted		
H106	H107	% Ch.	€ Million	H106	H107	% Ch.
6,130	5,894	(3.9%)	**Sales**	6,054	5,890	(3.0%)
615	627	2.0%	**EBITDA**	404	481	19.2%
475	498	4.8%	**EBIT**	264	360	36.4%
19	31	59.4%	**Income from Associates**	19	31	59.4%
354	401	13.4%	**Net Income**	167	285	71.0%
0.43	0.48	13.4%	**EPS (Eur/share)**	0.20	0.34	71.0%

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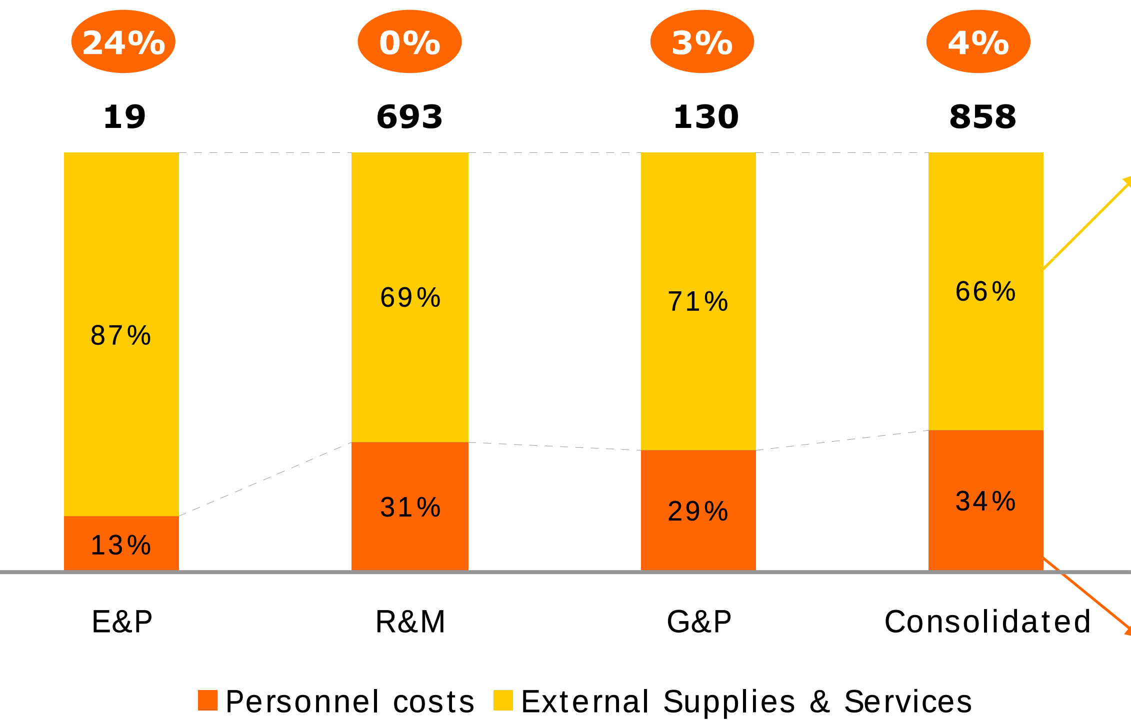
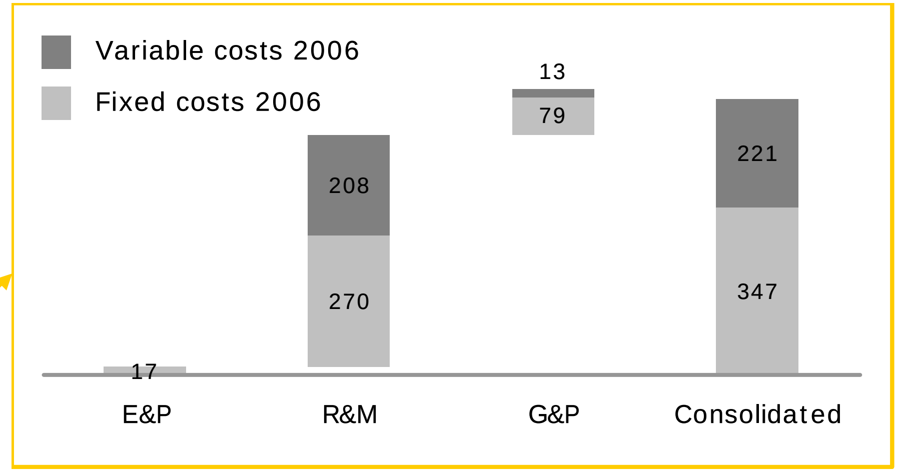
CONTROLLED OPERATING COSTS

Operating costs¹ 2006 (M€)

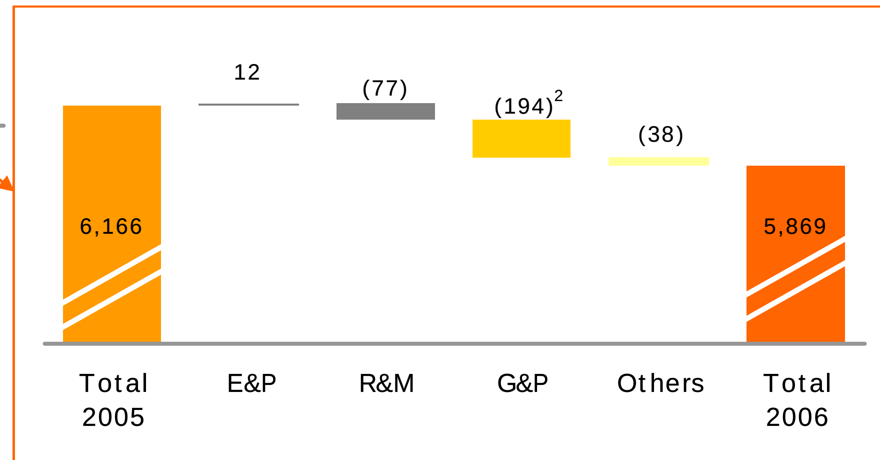


Δ 06/05

External Supplies & Services 2006 (M€)



Employees (#)



¹ Adjusted results. Gas & Power and consolidated 2005 figures adjusted to reflect unbundling effect.
² Includes 188 employees transferred to REN during the unbundling process.
Note: Segmental figures don't add up to total due to consolidation adjustments and others

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CAPITAL EXPENDITURES SUPPORTING GROWTH

Breakdown by segment:

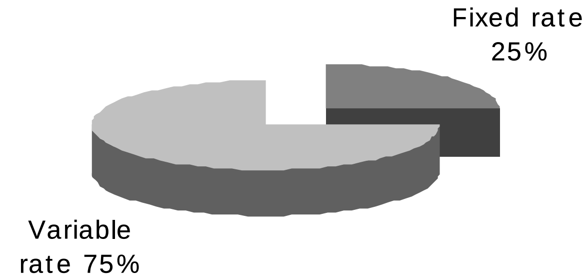
M€	Maintenance (%)		Expansion (%)		Total Capex		Comments
	2005	2006	2005	2006	2005	2006	
R&M[1]	50	30	50	70	145	131	Maintenance and environmental investments in both refineries, construction of new service stations in Portugal and in Spain, construction of strategic storage facilities and development of piped LPG
G&P	10	10	90	90	88	112	Capitalization of cushion gas, investments in other underground storage surface facilities. Expansion of the natural gas network, clients conversion to natural gas and investments in Sines refinery cogeneration plant
E&P	0	0	100	100	82	106	Investments in production activity in Block 14 in Angola, exploration activities in Block 32 in Angola and in Brazil
Total	26	14	74	86	315	349	

(1) Includes other of €3M and €1M in 2005 and 2006 respectively

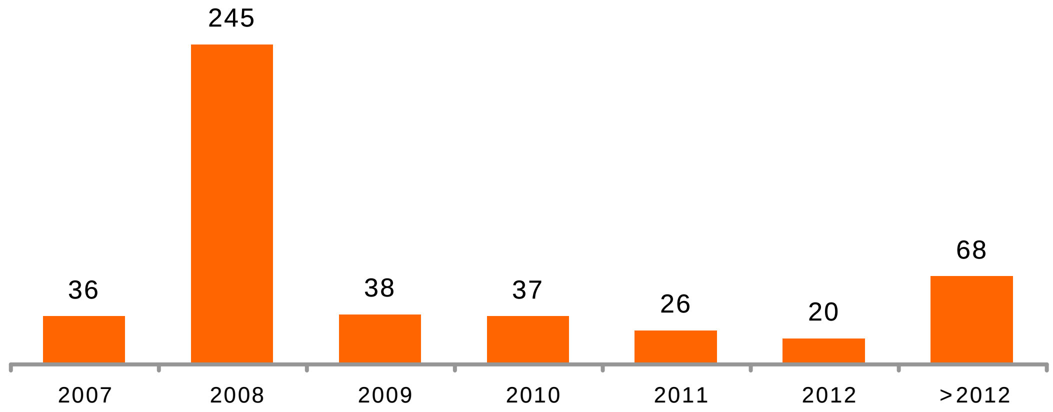
LOW DEBT LEVEL AT 0.4x DEBT TO EQUITY

30 June 2007 M€	Short Term	Long Term
Bonds	-	226
Bank debt	325	273
Commercial Paper	275	-
Cash	(182)	-
Net Debt	**918**	
Average life	-	3.98 years

Debt exposure to interest rates



Debt reimbursement plan (M€)



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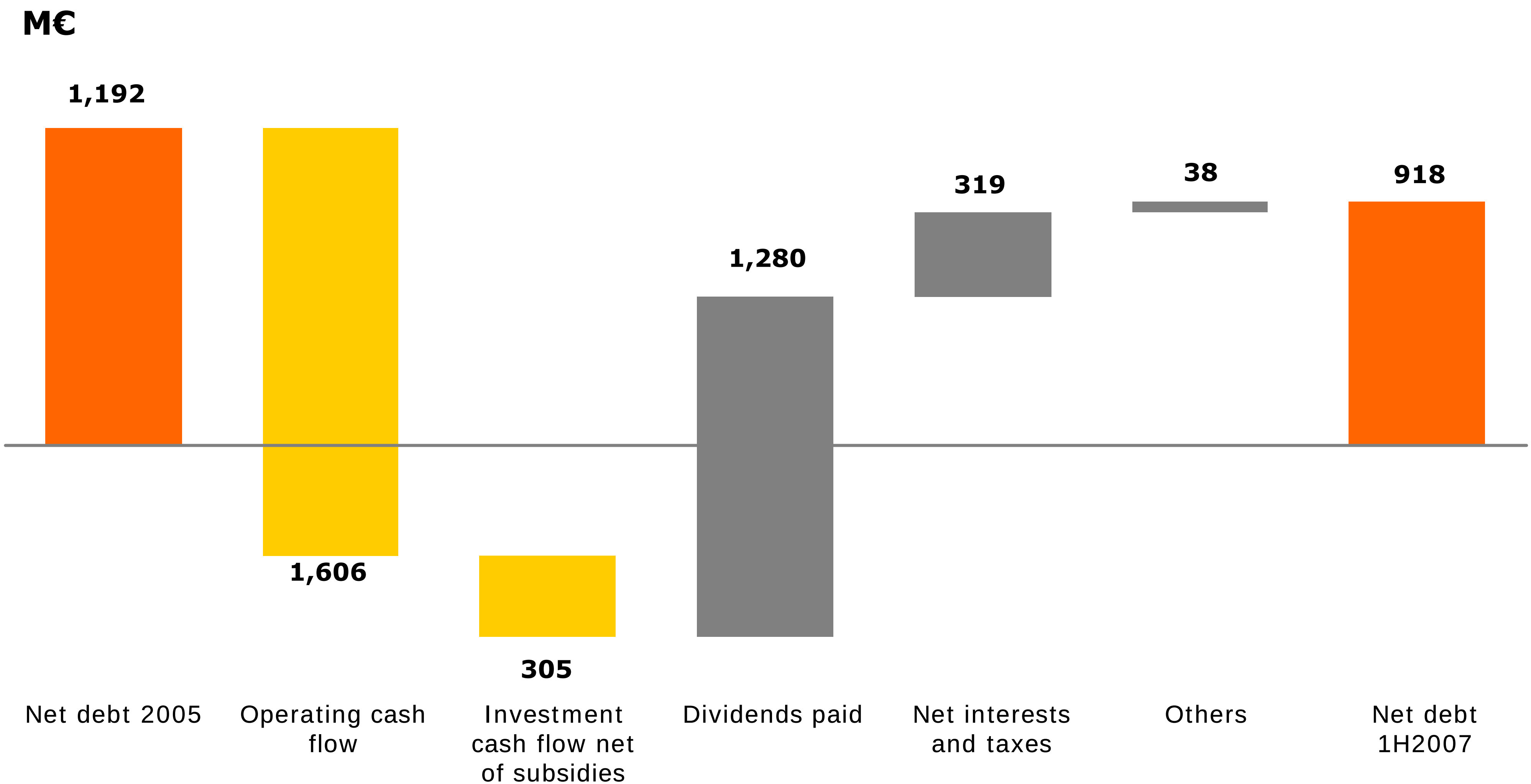
STRONG CASH FLOW GENERATION FROM OPERATING ACTIVITIES ALLOWED DEBT REDUCTION



OFF BALANCE SHEET RESPONSABILITIES

Type of benefits	Total responsibilities 2006
Pensions	397 M€
Pre and early retirements	81 M€
Health and life insurance	211 M€
	689 M€

Coverage

- Pension Fund: 370 M€ (95% funded)
- Provisions: 213 M€
- Accumulated deviation[1]: 106 M€
  - 64 M€ within the corridor
  - 42 M€ outside the corridor

(1) IAS 19 allows companies to defer the recognition of actuarial gains or losses. These actuarial gains or losses are unrecognised, if they fall within a "corridor" (10% of total responsabilities). The excess portion of the corridor, must be recognised over the expected average remaining working lives of the participating employees.

STABLE AND CLEAR DIVIDEND POLICY

Annual Dividend of year n

Net income IFRS @ replacement cost X **50% payout ratio** → **Annual Dividend**

2006 dividend of 0.304 €/share (paid in June 19, 2007)

Interim Dividend of year n+1

50% X **Annual dividend of year n** → **Interim dividend**

2007 interim dividend of 0.152 €/share to be paid in November 7, 2007

- Subject to approval of all related parties
- 1H results needs to be sufficient to allow dividend payment
- Interim dividend is deducted to the annual dividend approved by the General Meeting