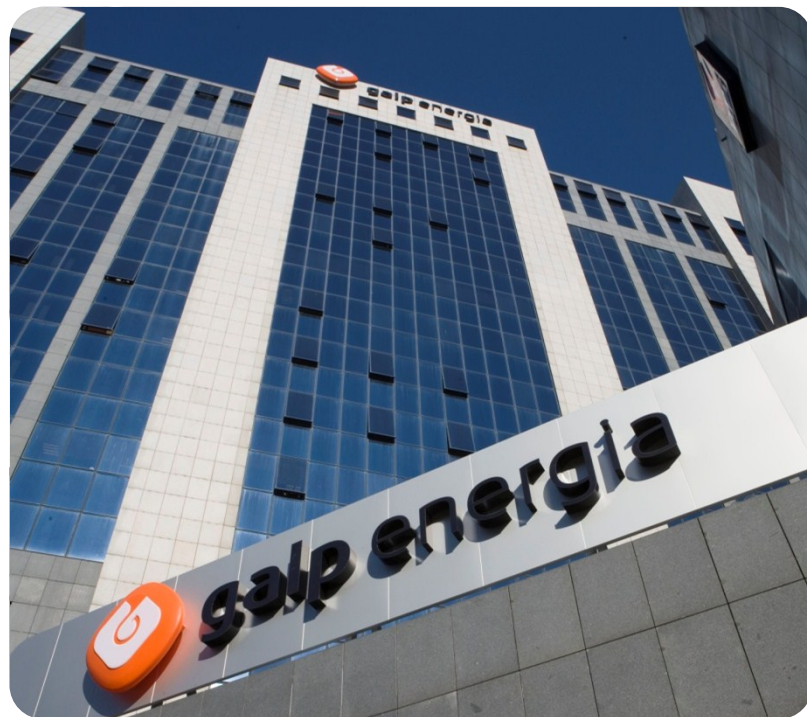


Financial outlook
Claudio De Marco
Chief Financial Officer



Financial slack successfully achieved

Capital allocation towards upstream

Project delivery enhancing cash generation

Committed to a sound capital structure

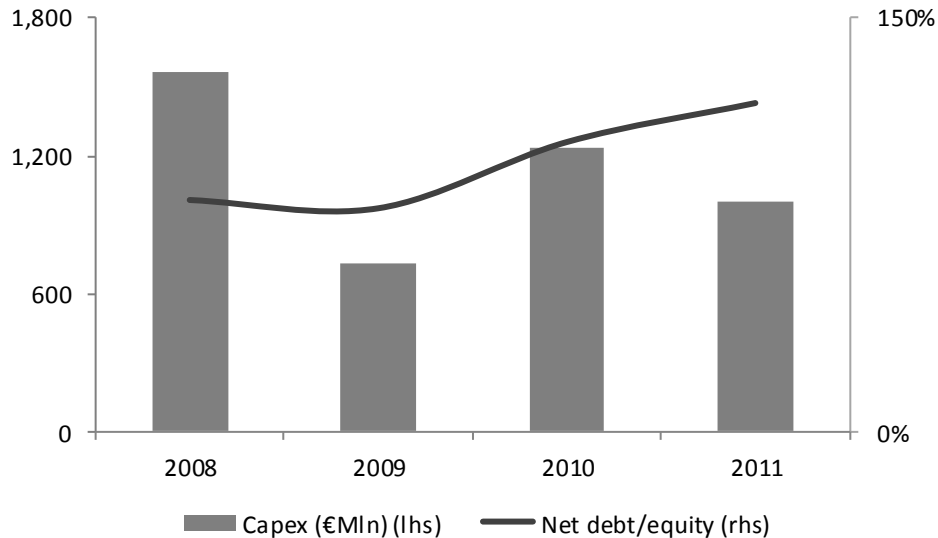
New sustainable dividend policy

Final remarks

Appendix

Solid foundations built over years of demanding capex

Gearing evolution



- Downstream transformational projects responsible for financial effort
- High potential upstream projects being developed
- Gearing level increased rapidly
- 2011 net debt to equity of 119%

A cash in of \$5.2 bln

Galp Energia's Brazilian portfolio



- Sinopec to hold 30% of Petrogal Brasil¹, after the subscription of the capital increase
- Partnership with one of the largest energy groups worldwide
- Development of Brazilian projects fully funded

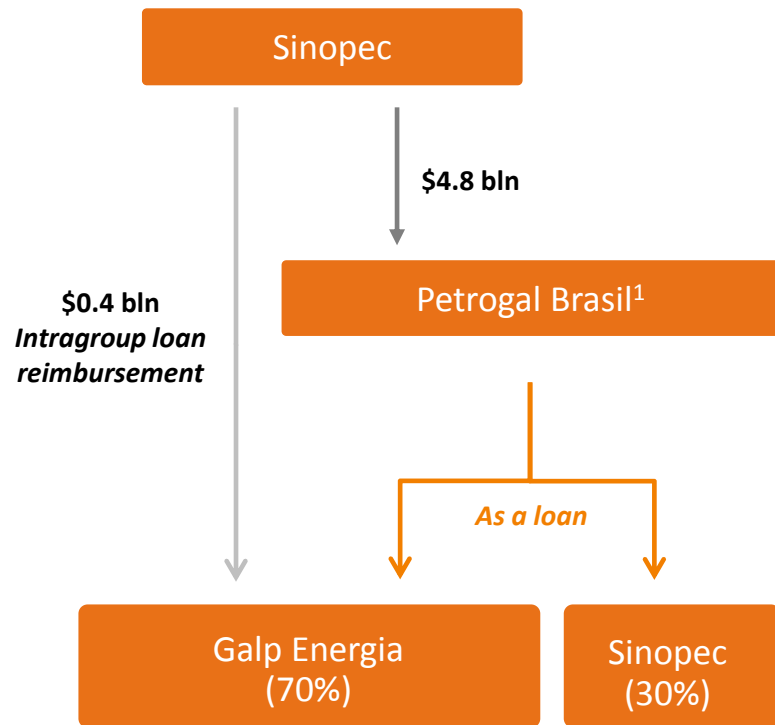
Transaction executed in a challenging market environment

Galp Energia's Brazilian assets

	Basin	# projects	% Galp Energia	Operator
Offshore	Potiguar	5	20%	Petrobras
	Santos	6	10-20%	Petrobras
	Espírito Santo	1	20%	Petrobras
	Pernambuco	3	20%	Petrobras
	Campos	1	15%	Petrobras
Onshore	Potiguar			
	Sergipe-Alagoas	5	40-50%	Petrobras/Galp
	Amazonas			

- Financial environment deteriorated
- Several interested parties in the deal, but few committed bidders
- Implicit valuation of \$12.5 bln based on a minority stake of 30%
- Control and full consolidation of Petrogal Brasil¹ maintained

Flexibility to manage extra-cash at the holding level



- Brazilian transaction ending a period of stretched balance sheet
- 10% to 20% of \$4.8 bln to be retained to fund short-term capex needs
- The remaining to be lent to shareholders on a pro-rata basis with reimbursements according to capex execution

Control and full consolidation maintained

- Petrogal Brasil's Board of Directors to be appointed proportionally by Galp Energia and Sinopec
- Full consolidation of operations by Galp Energia
- Net profit at the holding level impacted by Sinopec's 30% share accounted in minority interests
- Capex to be fully accounted at Galp Energia's level

Financial slack successfully achieved

Capital allocation towards upstream

Project delivery enhancing cash generation

Committed to a sound capital structure

New sustainable dividend policy

Final remarks

Appendix

Capital allocation reflects the Company's strategic path

Upstream

- Reinforcing exploration budget to address new opportunities
- Developing world class projects

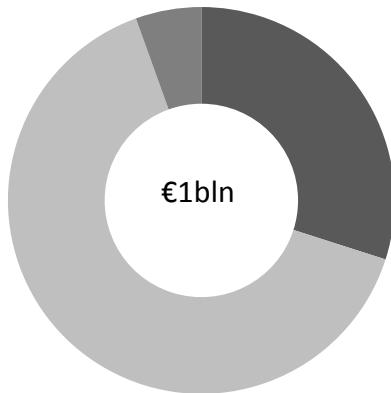
Downstream

- Absorbing only maintenance capex
- Investing towards higher operational safety and energy efficiency

2012: a year of capital allocation shift towards upstream

Capex by segment

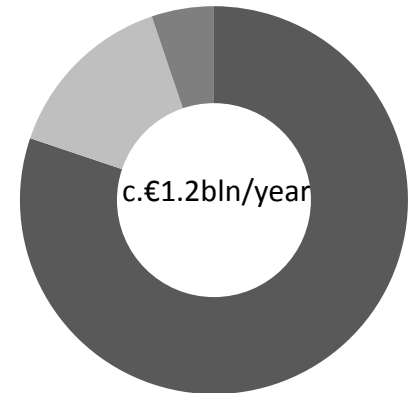
2011



2012



2013 - 2016



E&P

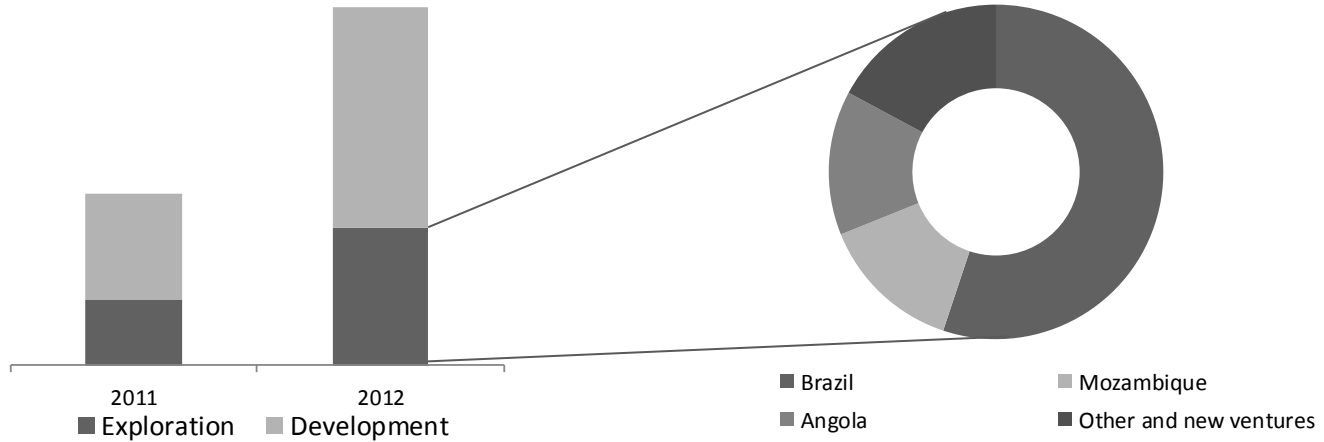
R&M

G&P

Strengthening and diversifying our exploration portfolio

E&P capex

2012 exploration capex



Financial slack successfully achieved

Capital allocation towards upstream

Project delivery enhancing cash generation

Committed to a sound capital structure

New sustainable dividend policy

Final remarks

Appendix

Strong cash generation from projects already implemented

Upstream

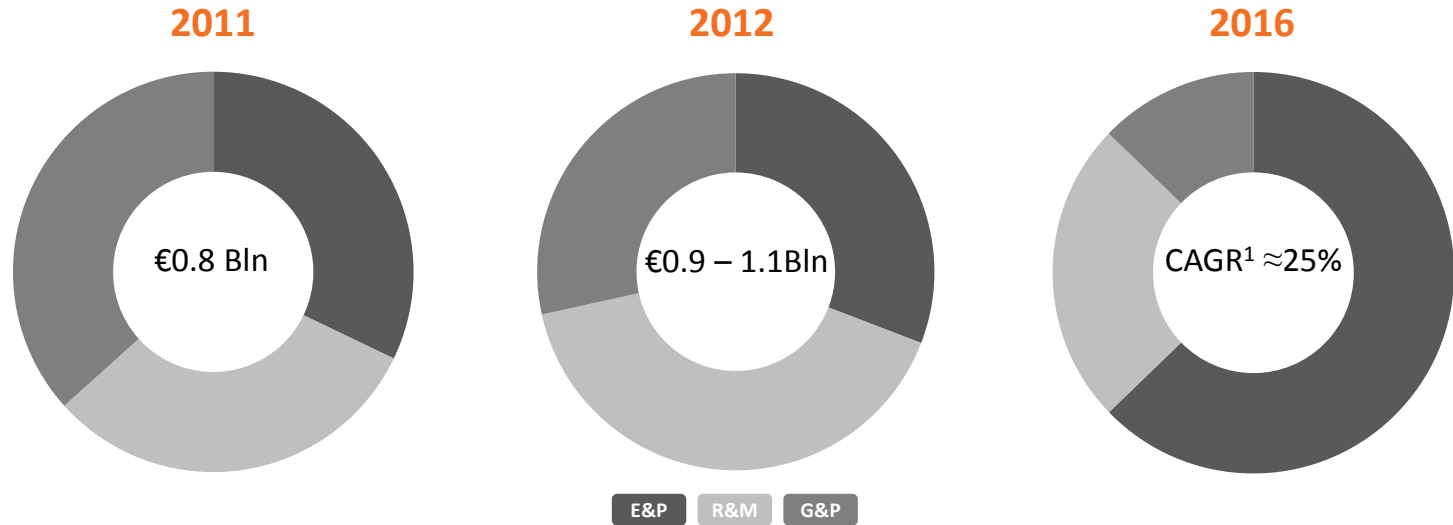
- Earnings growth by developing upstream projects
- Oil price exposure increasing on cash generation

Downstream

- Stable contribution from R&M business uplifted by upgrade project
- G&P business to maintain solid contribution to earnings

Strategy path to be materialized in earnings from 2012 onwards

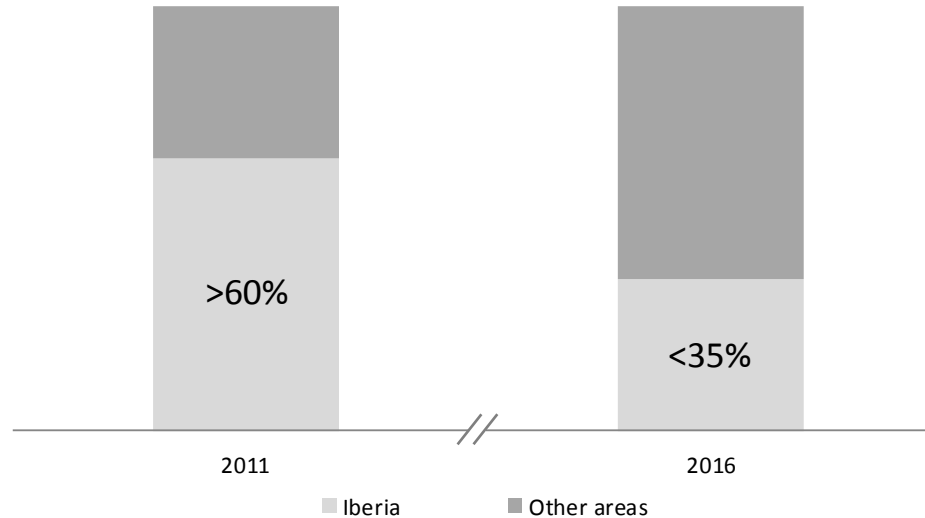
Ebitda by segment



Ebitda growth supported by upstream production ramp up

Exposure to Iberian economic environment will decrease going forward

Ebitda 2011 vs 2016



Financial slack successfully achieved

Capital allocation towards upstream

Project delivery enhancing cash generation

Committed to a sound capital structure

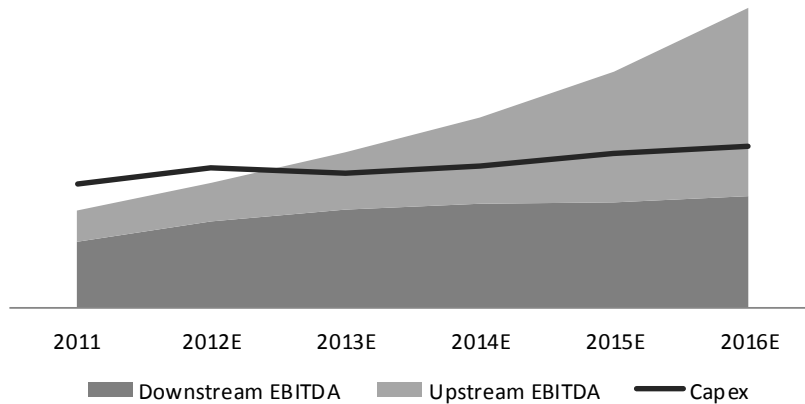
New sustainable dividend policy

Final remarks

Appendix

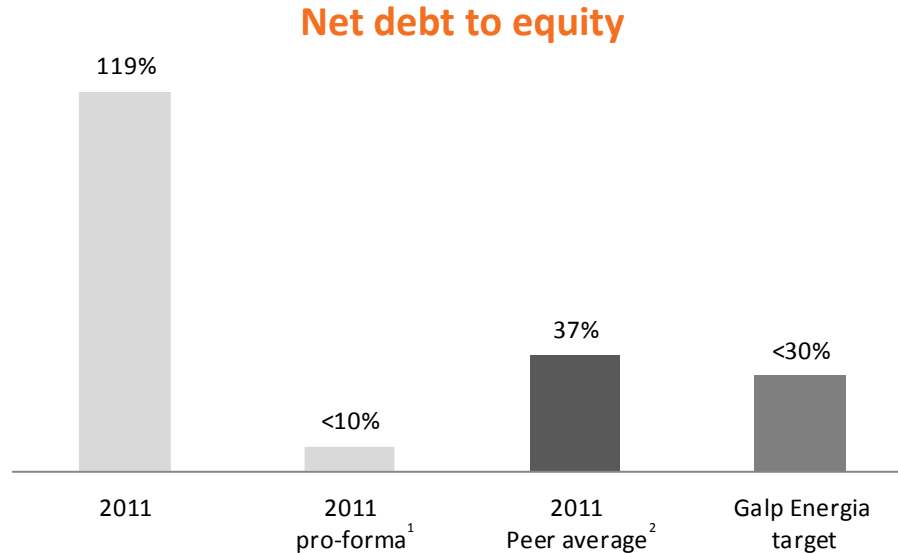
Free cash flow consistently increasing

Cash flow profile



- Downstream assets cash flow positive 2012 onwards
- Brazil self-financed and cash flow positive after 2016
- Current portfolio development fully funded

Sustainable and balanced capital structure going ahead



One of the most robust capital structures amongst peers

Financial management to ensure a sound and flexible capital structure

Building up
company's
flexibility

Mitigating
execution risk

Enabling new
venture
opportunities

Rewarding
shareholders

Start of a new growth era with a sound capital structure

Financial slack successfully achieved

Capital allocation towards upstream

Project delivery enhancing cash generation

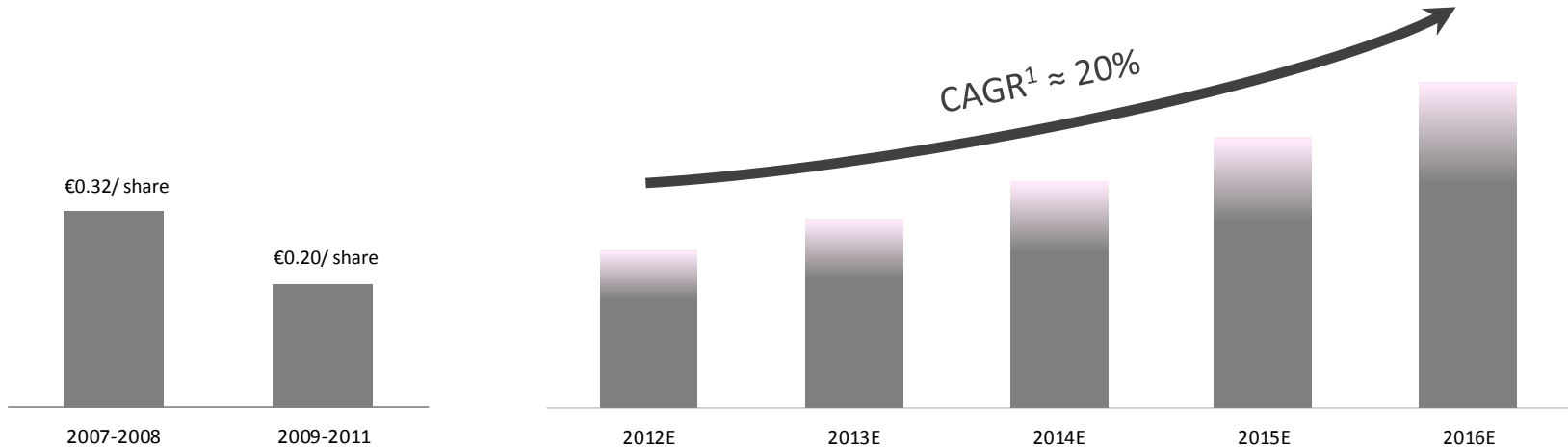
Committed to a sound capital structure

New sustainable dividend policy

Final remarks

Appendix

Rewarding shareholders through a consistent growing dividend



Dividend policy to be driven by an era of progressive earnings growth

Financial slack successfully achieved

Capital allocation towards upstream

Project delivery enhancing cash generation

Committed to a sound capital structure

New sustainable dividend policy

Final remarks

Appendix

Commitment to maintain a sound financial position is a key strategic foundation

- The start of a new growth era with a solid balance sheet
- Execution risk mitigated and enhanced flexibility in project development
- Cash flow from world class projects coming on-stream
- Well balanced cash flow mix
- Consistent dividend policy in line with further growth

Financial slack successfully achieved

Capital allocation towards upstream

Project delivery enhancing cash generation

Committed to a sound capital structure

New sustainable dividend policy

Final remarks

Appendix

2012-2016 Business plan assumptions

Mid-cycle assumptions

	2010	2011	Average 2012-2016
Oil price \$/bbl	79.5	111	95
Benchmark refining margin \$/bbl ¹	2.66	1.33	2.41
EUR:USD	1.33	1.39	1.40

¹ New post-upgrade benchmark refining margin = 42.5% cracking margin + 45.0% hydrocracking margin + 5.5% aromatics margin+ 7.0% base oils margin

Acronyms

#	Number	GWh	GigaWatt hour
\$	United States dollar	HSE	Health, Safety and Environment
%	Percentage	IPO	Initial Public Offering
2D	Two dimensional seismic	Kboepd	Thousand barrels of oil equivalent per day
3D	Three dimensional seismic	Kbpd	Thousand barrels per day
API gravity	American Petroleum Institute gravity	Km²	Square kilometre
BBLT	Benguela, Belize, Lobito, and Tomboco	LNG	Liquified Natural Gas
Bbl	Barrel	LTIFR	Lost time injury frequency rate
Bcm	Billion cubic metres	Mln	Million
Bln	Billion	MW	MegaWatt
Boe	Barrel of oil equivalent	Mmscf/d	Million standard cubic feet per day
c.	Circa	NG	Natural Gas
CAGR	Compound Annual Growth Rate	OWC	Oil-water contact
Capex	Capital expenditure	POS	Probability of success
CO₂	Carbon Dioxide	p.p.	Percentage point
DA	Development area	R&M	Refining & Marketing
DEH	Direct electrical heating	RCA	Replacement Cost adjusted
DoC	Declaration of commerciality	SAM	Sustainable Asset Management
E/A	Exploration well /Appraisal well	SEE	Social, Environmental and Economic impact
E&P	Exploration & Production	SXEP	STOXX Europe 600 Oil & Gas
EBITDA	Earnings before interest, taxes, depreciation and amortization	Tcf	Trillion cubic feet
EOR	Enhanced oil recovery	Ton	Tonne
EWT	Extended Well Test	WAG	Water Alternating Gas
FLNG	Floating liquefied natural gas	WI	Working interest
FPSO	Floating Production Storage Offloading	YE	Year End

Disclaimer

Financial outlook figures are RCA figures except otherwise noted.

Matters discussed in this presentation may constitute forward-looking statements. Forward-looking statements are statements other than in respect of historical facts. The words “believe,” “expect,” “anticipate,” “intends,” “estimate,” “will,” “may,” “continue,” “should” and similar expressions identify forward-looking statements. Forward-looking statements may include statements regarding: objectives, goals, strategies, outlook and growth prospects; future plans, events or performance and potential for future growth; liquidity, capital resources and capital expenditures; economic outlook and industry trends; developments of Galp Energia’s markets; the impact of regulatory initiatives; and the strength of Galp Energia’s competitors. The forward-looking statements in this presentation are based upon various assumptions, many of which are based, in turn, upon further assumptions, including without limitation, management’s examination of historical operating trends, data contained in Galp Energia’s records and other data available from third parties. Although Galp Energia believes that these assumptions were reasonable when made, these assumptions are inherently subject to significant known and unknown risks, uncertainties, contingencies and other important factors which are difficult or impossible to predict and are beyond its control. Such risks, uncertainties, contingencies and other important factors could cause the actual results of Galp Energia or the industry to differ materially from those results expressed or implied in this presentation by such forward-looking statements.

The information, opinions and forward-looking statements contained in this presentation speak only as at the date of this presentation, and are subject to change without notice. Galp Energia does 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 presentation to reflect any change in events, conditions or circumstances.