

Board of Directors approves Second Quarter and First Half 2009 Report

In accordance with the terms of article 248 of the Portuguese Securities Code, Galp Energia, SGPS, S.A. ("Galp Energia") hereby discloses the following information:

The Board of Directors of Galp Energia approved the Second Quarter and First Half 2009 Report, subject to limited review by the independent auditors, Deloitte & Associados, SROC, S.A..

The Second Quarter and First Half 2009 Report will be published today (Portuguese version only) according to the period established on the legislation.

The Consolidated Financial Statements of Galp Energia for the first half 2009, including the Balance Sheet, Profit & Loss Account and Cash-Flow Statements, are attached to this announcement.

Galp Energia, SGPS, S.A.

Investor Relations

Tiago Villas-Boas, Head
Inês Santos
Maria Borrega
Samuel Dias
Tiago Lage

Contacts :

Tel: +351 21 724 08 66
Fax: +351 21 724 29 65

Address: Rua Tomás da Fonseca, Torre A, 1600-209
Lisboa, Portugal

Website: www.galpenergia.com
Email: investor.relations@galpenergia.com

Reuters: GALP.LS
Bloomberg: GALP PL



Galp Energia, SGPS, SA and Subsidiaries

CONSOLIDATED BALANCE SHEET AS OF 30 JUNE 2009 AND 31 DECEMBER 2008 (IFRS/IAS)

(Translation of consolidated balance sheet originally issued in Portuguese)

Thousands of Euros		
	June 2009	December 2008
Assets		
Non-current assets:		
Tangible fixed assets	2,818,099	2,760,142
Goodwill	188,278	171,506
Other intangible assets	438,895	409,403
Investments in associates	376,318	297,468
Investments in participated companies	2,735	1,173
Other receivables	94,356	83,741
Deferred tax assets	197,123	200,034
Other investments	545	4,789
Total non-current assets:	4,116,349	3,928,256
Current assets:		
Inventories	1,065,080	1,076,494
Trade receivables	928,712	987,704
Other receivables	522,968	500,475
Other investments	1,130	2,903
Cash and cash equivalents	125,750	127,168
Total current assets:	2,643,640	2,694,744
Total assets:	6,759,989	6,623,000
Equity and liabilities		
Equity:		
Capital	829,251	829,251
Share premium account	82,006	82,006
Translation reserve	(17,900)	(27,449)
Other reserves	193,364	174,480
Hedging reserve	(7,520)	(1,752)
Retained earnings	977,158	1,144,432
Interim dividend	-	(124,095)
Net profit for the period	136,541	116,971
Equity attributable to equity holders of the parent:	2,192,900	2,193,844
Minority interest	24,421	24,975
Total equity:	2,217,321	2,218,819
Liabilities:		
Non-current liabilities:		
Bank loans and overdrafts	1,284,637	1,304,078
Bonds	700,000	-
Other payables	67,553	56,156
Liabilities for retirement and other benefits	270,444	255,896
Deferred tax liabilities	27,388	18,245
Other financial instruments	10,055	3,014
Provisions	105,418	99,468
Total non-current liabilities:	2,465,495	1,736,857
Current liabilities:		
Bank loans and overdrafts	240,299	684,949
Bonds	1,711	1,711
Trade payables	829,905	993,266
Other payables	993,545	982,021
Other financial instruments	1,002	1,503
Income tax	10,711	3,874
Total current liabilities:	2,077,173	2,667,324
Total liabilities:	4,542,668	4,404,181
Total equity and liabilities:	6,759,989	6,623,000



Galp Energia, SGPS, SA and Subsidiaries

**CONSOLIDATED INCOME STATEMENTS BY NATURE FOR THE HALF YEARS ENDED
30 JUNE 2009 AND 2008 (IFRS/IAS)**

(Translation of consolidated income statements by nature originally issued in Portuguese)

Thousands of Euros		
	June 2009	June 2008 restated
Operating income:		
Sales	5,633,538	7,471,635
Services rendered	159,405	64,915
Other operating income	55,670	38,696
Total operating income:	5,848,613	7,575,246
Operating costs:		
Costs of goods sold	4,973,705	6,366,477
External supplies and services	375,982	308,591
Personnel costs	161,806	135,635
Amortisation, depreciation and impairment loss on fixed assets	121,046	105,170
Provision and impairment loss on receivables	20,670	17,182
Other operating costs	26,591	21,431
Total operating costs:	5,679,800	6,954,486
Operating profit:	168,813	620,760
Financial income	5,589	6,629
Financial costs	(38,780)	(24,449)
Exchange gain (loss)	775	4,998
Share of results of investments in associates	43,707	21,968
Income (cost) on financial instruments	12	(8)
Other gains and losses	(578)	(726)
Profit before taxes:	179,538	629,172
Income tax expense	(40,200)	(180,449)
Profit before minority interest:	139,338	448,723
Profit attributable to minority interest	(2,797)	(2,774)
Net profit for the period	136,541	445,949
Earnings per share (in Euros)	0.16	0.54

2008 amounts restated in relation to the approved financial statements for the first half of 2008.



Galp Energia, SGPS, S.A. and Subsidiaries
CONSOLIDATED CASH FLOW STATEMENTS
FOR THE HALF YEARS ENDED 30 JUNE 2009 AND 2008 (IFRS/IAS)
(Translation of cash flow statements originally issued in Portuguese)

Thousands of Euros		
	June 2009	June 2008
Operating Activities:		
Cash receipts from customers	6,017,087	7,707,441
Cash paid to suppliers	(3,891,977)	(5,814,293)
Cash paid to employees	(128,252)	(95,051)
Cash (paid)/received relating to tax on petroleum products	(1,466,633)	(1,200,641)
Cash (paid)/received relating to income tax	(14,053)	(57,970)
Contributions to the pension fund	(191)	-
Payments to early and pre-retired personnel	(5,860)	(6,198)
Cash paid relating to insurance costs of retired personnel	(4,483)	(5,130)
Other (payments)/ receipts relating to operating activities	(288,554)	(195,518)
Net cash from operating activities (1)	217,084	332,640
Investing activities:		
Cash receipts relating to:		
Investments	95	715
Tangible fixed assets	553	2,004
Investment subsidies	14,120	1,947
Interest and similar income	1,128	1,792
Dividends	15,810	15,424
Loans granted	12,877	747
	44,583	22,629
Cash payments relating to:		
Investments	(5,642)	(95)
Tangible fixed assets	(291,433)	(242,180)
Intangible fixed assets	(20,988)	(29,533)
Loans granted	(16,773)	(335)
	(334,836)	(272,143)
Net cash flow used in investing activities (2)	(290,253)	(249,514)
Financing activities:		
Cash receipts relating to:		
Loans obtained	1,102,388	248,080
Interest and similar income	561	1,152
Discounted notes	5,501	1,214
	608,450	250,446
Cash payments relating to:		
Loans obtained	(685,241)	(21,972)
Interest on loans obtained	(13,030)	(12,058)
Interest and similar costs	(33,475)	(11,402)
Dividends/ profit distribution	(143,584)	(139,371)
Repayment of discounted notes	(2,836)	(853)
Repayment of principal and payment of interest on finance lease contracts	(71)	(58)
Payment of interest on finance lease contracts	-	(3)
Interest on bonds	(45)	(276)
	(378,282)	(185,993)
Net cash used in financing activities (3)	230,168	64,453
Net increase in cash and cash equivalents (4) = (1) + (2) + (3)	156,999	147,579
Effect of foreign exchange rate changes	12,211	1,213
Cash and cash equivalents at the beginning of the year	(238,835)	(16,910)
Change in consolidation perimeter	(9,582)	-
Cash and cash equivalents at the end of the year	(79,207)	131,882

