

TRADING UPDATE

Lisbon, July 15, 2016

2Q16 Trading Update

This trading update aims to provide estimated macroeconomic, operational and trading conditions experienced by Galp during the second quarter of 2016.

The second quarter margins, prices, production and other data referred to below are currently provisional. All such data is subject to change and may differ from the final numbers that will be reported on July 29.

Market indicators

	1Q16	2Q15	2Q16	Var. 2Q16/1Q16	Var. 2Q16/2Q15
Average dated Brent price ¹ (USD/bbl)	33.9	61.9	45.6	34.3%	(26.3%)
UK NBP natural gas price ² (GBP/therm)	29.9	43.3	30.5	2.1%	(29.7%)
LNG Japan and Korea price ¹ (USD/mmbtu)	5.0	7.3	4.7	(6.6%)	(35.9%)
Benchmark refining margin ¹ (USD/bbl)	3.3	5.2	2.9	(12.1%)	(44.6%)

¹Source: Platts. For a complete description of the method of calculating the benchmark refining margin see page 3.

²Source: Bloomberg.

Operating indicators**Exploration & Production**

	1Q16	2Q15	2Q16	Var. 2Q16/1Q16	Var. 2Q16/2Q15
Average working interest production (kboepd)	56.3	43.8	54.7	(2.8%)	24.9%
Oil production (kbopd)	52.9	40.5	51.7	(2.3%)	27.6%
Average net entitlement production (kboepd)	53.7	40.9	52.2	(2.9%)	27.6%

Refining & Marketing

	1Q16	2Q15	2Q16	Var. 2Q16/1Q16	Var. 2Q16/2Q15
Raw materials processed (mmboe)	25.2	29.8	26.3	4.6%	(11.6%)
Total oil product sales (mton)	4.2	4.7	4.6	9.4%	(3.7%)
Sales to direct clients (mton)	2.1	2.3	2.3	5.5%	(2.2%)

Gas & Power

	1Q16	2Q15	2Q16	Var. 2Q16/1Q16	Var. 2Q16/2Q15
NG supply total sales volumes (mm ³)	1,860	1,869	1,593	(14.3%)	(14.8%)
Sales to direct clients (mm ³)	901	919	882	(2.1%)	(4.0%)
Trading (mm ³)	960	951	712	(25.8%)	(25.1%)

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Results presentation

The second quarter of 2016 results will be disclosed to the market on July 29, before the opening of Euronext Lisbon.

The conference call will take place on July 29, at 11:30 a.m. (UK time). To listen to the conference call, please dial in 10 minutes before the scheduled time to ensure your registration. The conference call and webcast details are as follows:

Hosted by

- Carlos Gomes da Silva (CEO)
- Filipe Silva (CFO)
- Pedro Dias (Head of Strategy & IR)
- Otelo Ruivo (IRO)

Dial-in numbers

- UK: +44 (0) 203 427 1904 or
+44 (0) 800 279 4992 (UK toll free)
- Portugal: +351 800 781 056

Webcast

- <http://edge.media-server.com/m/p/e4bfp8tb>
(audio stream only)

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Benchmark margin methodology

45% Hydrocracking refining margin: Yields: -100% Brent dated, +2.2% LGP FOB Seagoing (50% Butane + 50% Propane), +19.1% EuroBob NWE FOB Bg., +8.7% Naphtha NWE FOB Bg., +8.5% Jet NWE CIF, +45.1% ULSD 10 ppm NWE CIF Cg. +8.9% LSFO 1% FOB Cg; C&L: 7.4%; Terminal rate: \$1/ton; Ocean loss: 0.15% over Brent; Freight 2015: WS Aframax (80 kts) Route Sullom Voe / Rotterdam – Flat \$6.95/ton. Yields in % of weight.

42.5% Rotterdam cracking refining margin : Yields: -100% Brent dated, +2.3% LGP FOB Seagoing (50% Butane + 50% Propane), +25.4% EuroBob NWE FOB Bg., +7.5% Naphtha NWE FOB Bg., +8.5% Jet NWE CIF, +33.3% ULSD 10 ppm NWE CIF Cg. and +15.3% LSFO 1% FOB Cg.; C&L: 7.7%; Terminal rate: \$1/ton; Ocean loss: 0.15% over Brent; Freight 2015: WS Aframax (80 kts) Route Sullom Voe / Rotterdam – Flat \$6.95/ton. Yields in % of weight.

7% Base Oil refining margin yield: -100% Arabian Light, +3.5% LGP FOB Seagoing (50% Butane + 50% Propane), +13.0% Naphtha NWE FOB Bg., +4.4% Jet NWE CIF, 34.0% ULSD 10 ppm NWE CIF, +4.5% VGO 1.6% NWE FOB Cg.,+ 14% Base Oils FOB, +26% HSFO 3.5% NWE Bg.; Consumptions: -6.8% LSFO 1% CIF NWE Cg.; C&L: 7.4%; Terminal rate: \$1/ton; Ocean loss: 0.15% over Arabian Light; Freight 2015: WS Aframax (80 kts) Route Sullom Voe / Rotterdam – Flat \$6.95/ton. Yields in % of weight.

5.5% Rotterdam aromatics refining margin yield: -60% EuroBob NWE FOB Bg., -40% Naphtha NWE FOB Bg., +37% Naphtha NWE FOB Bg., +16.5% EuroBob NWE FOB Bg., +6.5% Benzene Rotterdam FOB Bg., +18.5% Toluene Rotterdam FOB Bg., +16.6% Paraxylene Rotterdam FOB Bg., +4.9% Ortoxylene Rotterdam FOB Bg. Consumption: -18% LSFO 1% CIF NEW. Yields in % of weight.

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