

**TRADING UPDATE**

Lisbon, October 14, 2016

**3Q16 Trading Update**

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

The third 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 October 28.

**Market indicators**

	2Q16	3Q15	3Q16	Var. 3Q16/2Q16	Var. 3Q16/3Q15
Average dated Brent price <sup>1</sup> (USD/bbl)	45.6	50.5	45.9	0.6%	(9.1%)
UK NBP natural gas price <sup>2</sup> (GBp/therm)	30.5	41.3	33.5	10.0%	(18.8%)
LNG Japan and Korea price <sup>1</sup> (USD/mmbtu)	4.7	7.6	5.6	20.0%	(26.0%)
Benchmark refining margin <sup>1</sup> (USD/bbl)	2.9	6.2	2.3	(21.9%)	(63.1%)

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

<sup>2</sup>Source: Bloomberg.

**Operating indicators****Exploration & Production**

	2Q16	3Q15	3Q16	Var. 3Q16/2Q16	Var. 3Q16/3Q15
Average working interest production (kboepd)	54.7	45.7	74.0	35.2%	62.1%
Oil production (kbopd)	51.7	42.2	68.8	33.2%	63.0%
Average net entitlement production (kboepd)	52.2	43.9	71.5	37.1%	62.8%

**Refining & Marketing**

	2Q16	3Q15	3Q16	Var. 3Q16/2Q16	Var. 3Q16/3Q15
Raw materials processed (mmboe)	26.3	29.8	29.4	11.6%	(1.4%)
Total oil product sales (mton)	4.6	4.8	4.7	3.9%	(2.4%)
Sales to direct clients (mton)	2.3	2.4	2.3	(0.2%)	(4.8%)

**Gas & Power**

	2Q16	3Q15	3Q16	Var. 3Q16/2Q16	Var. 3Q16/3Q15
NG supply total sales volumes (mm <sup>3</sup> )	1,593	1,909	1,750	9.8%	(8.4%)
Sales to direct clients (mm <sup>3</sup> )	882	933	950	7.8%	1.8%
Trading (mm <sup>3</sup> )	712	976	800	12.4%	(18.0%)

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### Results presentation

The third quarter of 2016 results will be disclosed to the market on October 28, before the opening of Euronext Lisbon.

The conference call will take place on October 28, 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 1907 or  
+44 (0) 800 279 5736 (UK toll free)
- Portugal: +351 800 781 056

#### Webcast

- <http://edge.media-server.com/m/p/dxw5ndkp>  
(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% Ortoxylyene Rotterdam FOB Bg. Consumption: -18% LSFO 1% CIF NEW. Yields in % of weight.

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