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Results
Third quarter 2017

October 30, 2017

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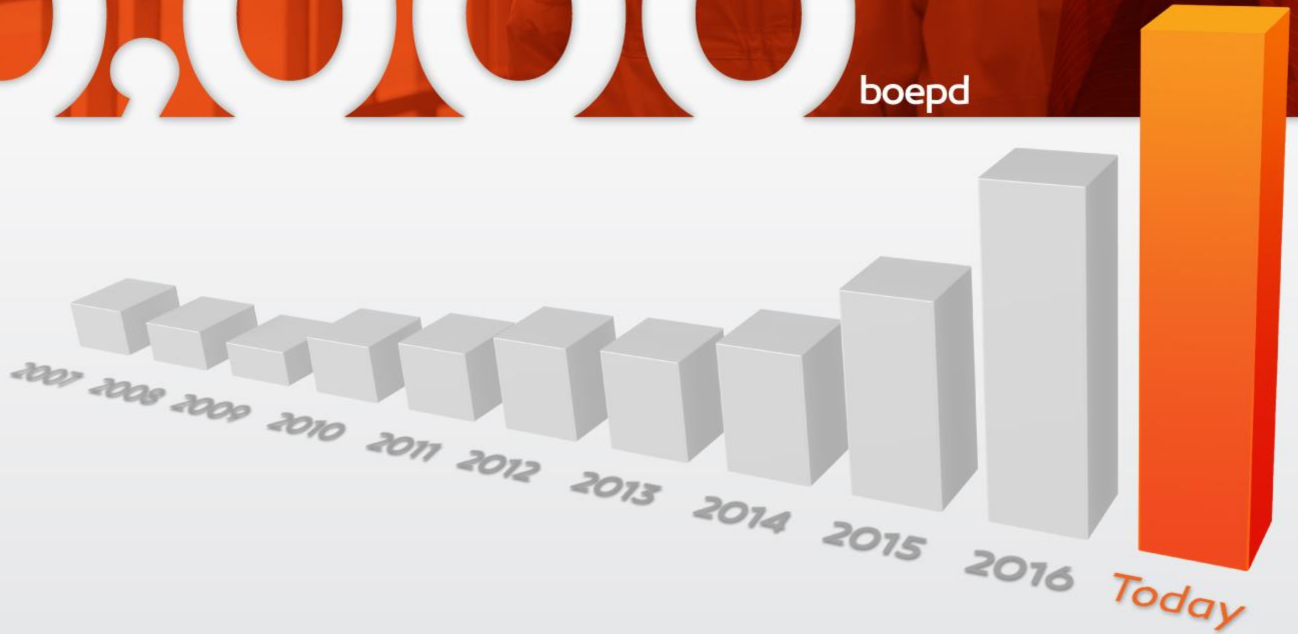
Upstream production reaching a new milestone

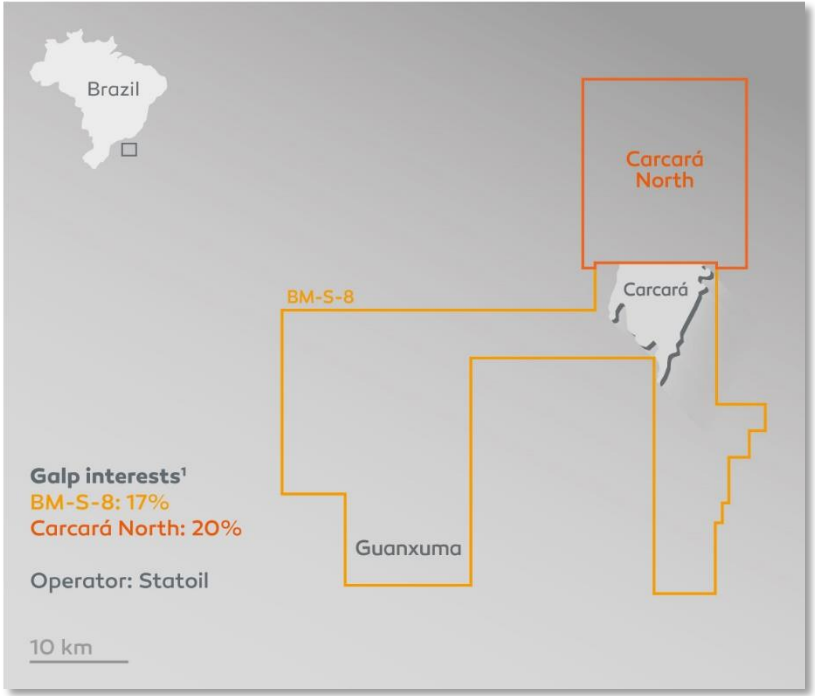
100,000 boepd



watch video

Reinforcing Galp's position in the Carcará discovery in Brazil

BM-S-8 and Carcará North



- Accessing Carcará North in the 2nd PSA bid round, and realigning BM-S-8 equity interests together with Statoil and Exxon
- Carcará North consortium (Statoil op. 40%, Exxon 40%, Galp 20%) offered PO share of 67.12%. Signature bonus of c.$930 m (c.$186 m to Galp)
- Acquiring a further 3% stake in BM-S-8 from Statoil for c.$114 m, o.w. upfront payment of c.$71 m, contingent to ongoing Statoil/QGEP deal
- At least 2 bn bbl of high quality oil expected to be recovered from the unitised areas through strong partnership

Note: Deals refer to Galp's Brazilian subsidiary Petrogal Brasil.
[1] After PSA award and BM-S-8 deal completion

3Q17 highlights

- Ebitda of €487 m, up 27% YoY and in line QoQ, on the back of E&P production growth and a solid R&M contribution
- Lula and Iracema: planned maintenance for the year mostly completed with six FPSOs currently at normalised levels and FPSO #7 ramping-up
- R&M benefiting from higher refining margins, high conversion utilisation and increased exports of gasoline to the U.S.
- Stable G&P contribution QoQ and YoY, excluding the deconsolidation of the infrastructure business
- Pre-dividend free cash flow of €170 m supported by strong operational performance, with interim dividend of €208 m paid in September

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Pre-salt execution driving production growth

Brazil

- Production up QoQ, despite planned maintenance during the quarter
- Ramp-up of unit #7 with 2 producer wells connected, and 2 more expected this year

Angola

- Natural decline from mature blocks 14/14k
- Execution of the Kaombo project ongoing, with production to start in 2018

Robust downstream contribution

Refining & Marketing

- Refining benefiting from higher benchmark margins, conversion utilisation and gasoline exports to the U.S.
- Marketing contribution leveraging Iberian macro momentum

Gas & Power

- Stable contribution from the natural gas activity supported by sales to direct clients
- LNG trading volumes based on structured contracts

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Q3 Ebitda of €487 m, up 27% YoY and in line QoQ

Profit & Loss RCA (€m)

	3Q16	2Q17	3Q17
Turnover	**3,499**	**3,779**	**3,892**
Ebitda	**384**	**473**	**487**
E&P	127	188	215
R&M	180	233	218
G&P[1]	73	46	45
Ebit	**211**	**253**	**302**
Associates	**16**	**41**	**40**
Financial results	**(16)**	**(10)**	**(15)**
Taxes[2]	**(83)**	**(120)**	**(135)**
Non-controlling interests	**(13)**	**(12)**	**(25)**
Net Income	**115**	**151**	**166**
Net Income (IFRS)	**91**	**99**	**163**

- Upstream Ebitda up YoY benefiting from production growth and higher realisation prices, despite USD depreciation
- Supportive downstream results on the back of a higher refining margin, and despite exchange rate, refining hedges and pricing lag impacts
- RCA net income up 45% YoY, with IFRS net income of €163 m considering non-recurring items of €14 m and inventory effect of €11 m

[1] The regulated infrastructure business ceased to be fully consolidated at the end of October 2016.
[2] Includes corporate income taxes and taxes payable on oil and gas production.

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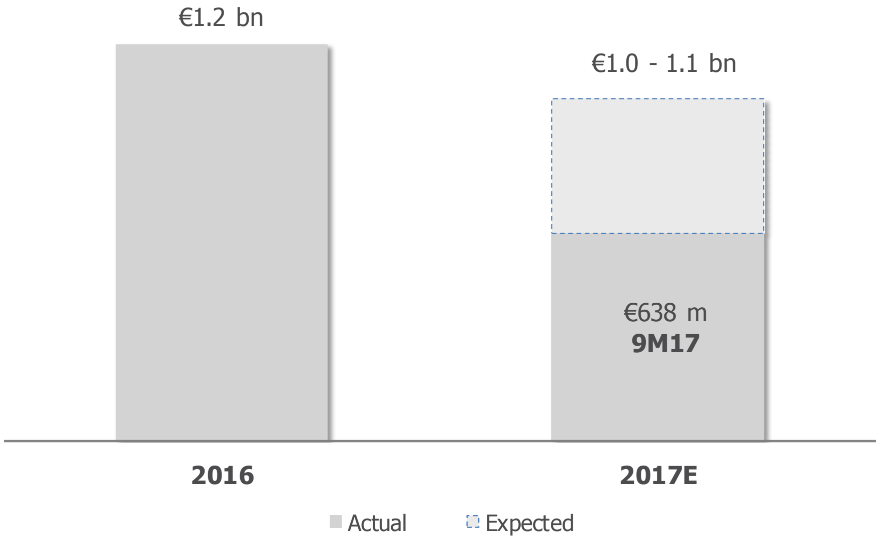
Adjusting FY17 capex estimate with Carcará North acquisition

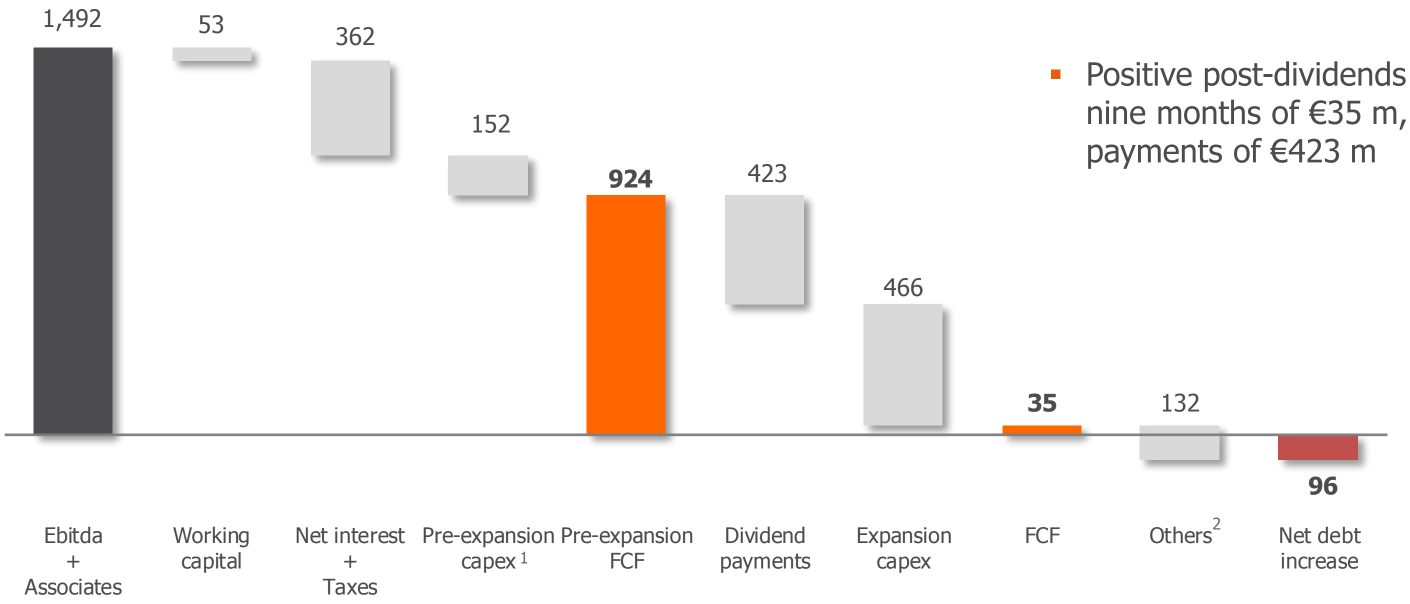
Capital Expenditure (€m)



- Around 88% of total investment YTD allocated to E&P, of which Brazil accounted for c.70%
- Expected FY17 capex of €1.0 - 1.1 bn considering bid round payments in Brazil, despite weaker USD

YTD positive free cash flow, post-dividend

9M17 Change in net debt (€m)



- Operational performance supporting superior cash flow generation
- Positive post-dividends FCF during the first nine months of €35 m, despite dividend payments of €423 m

[1] Includes the proceeds of €22 m from the sale of the 25% indirect stake in Âncora project.
[2] Includes mainly Sinopec loan partial reimbursement and CTAs (Cumulative Translation Adjustment).

Strong financial position

Balance Sheet (€m)[1]

	31 December, 2016	30 June, 2017	30 September, 2017
Net fixed assets	7,721	7,458	7,505
Work in progress	*2,650*	*2,460*	*2,463*
Working capital	512	583	565
Loan to Sinopec	610	527	512
Other assets (liabilities)	(429)	(595)	(648)
Capital employed	**8,414**	**7,974**	**7,934**
Net debt[2]	1,870	1,856	1,967
Equity	6,543	6,118	5,968
Net Debt + Equity	**8,414**	**7,974**	**7,934**

- Net fixed assets slightly up QoQ with investment more than offsetting depreciation charges and FX effects during the period
- Net debt of €1.5 bn considering loan to Sinopec as cash, with implicit net debt to Ebitda of 0.9x[3]

[1] IFRS figures.
[2] Not considering loan to Sinopec as cash.
[3] As at 30 September 2017, ratio considers net debt including loan to Sinopec as cash, plus €159 m Sinopec MLT Shareholder Loan to Petrogal Brasil, and LTM RCA Ebitda of €1,776 m.

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E&P: Increased production driving higher quarter results

Main E&P data

		3Q16	2Q17	3Q17
Working interest production[1]	kboepd	**74.0**	**89.9**	**94.6**
Oil production	kbpd	68.8	78.0	82.8
Net entitlement production[1]	kboepd	**71.5**	**88.1**	**92.4**
Angola	kbpd	7.3	6.2	5.6
Brazil	kboepd	64.2	81.8	86.8
Oil and gas average sale price	USD/boe	**36.4**	**43.4**	**45.3**
Production costs	USD/boe	7.6	9.2	7.5
DD&A[2]	USD/boe	13.8	14.2	12.4
Ebitda RCA	€ m	**127**	**188**	**215**
Ebit RCA	€ m	**46**	**63**	**125**
Net Income from E&P Associates	€ m	**2**	**8**	**13**
CAPEX	€ m	**208**	**157**	**194**

- Production up 5% QoQ despite planned maintenance in Brazil and natural decline in Angola
- Ebitda up QoQ benefiting from the increase in production in Brazil and higher oil price, despite USD:EUR depreciation
- Lower DD&A due to the depreciation of the Brazilian Real against the Euro

Note: Unit figures based on net entitlement production.
[1] Includes natural gas exported, excludes natural gas used or reinjected.
[2] Non-cash costs related to operating activities, includes abandonment provisions and excludes exploration expenses written-off.

R&M: Benefitting from supportive macro conditions

Main R&M data

		3Q16	2Q17	3Q17
Galp refining margin	USD/boe	**3.4**	**5.7**	**7.4**
Refining cash cost[1]	USD/boe	1.5	1.6	1.6
Impact of hedging on refining margin[2]	USD/boe	0.2	(0.2)	(0.7)
Raw materials processed	mmboe	**29.4**	**30.0**	**29.7**
Total refined product sales	mton	**4.6**	**4.7**	**4.9**
Sales to direct clients	mton	2.3	2.3	2.4
Ebitda RCA	€ m	**180**	**233**	**218**
Ebit RCA	€ m	**107**	**145**	**134**
Net Income from R&M Associates	€ m	**(2)**	**8**	**2**
CAPEX	€ m	**26**	**24**	**30**

- High availability of refining system allowing to leverage supportive economic environment
- Strong spread over benchmark of $1.8/boe benefiting from high utilisation of conversion units and gasoline exports the U.S.
- Refining margin hedging with €17 m negative impact on results
- Marketing performance impacted by lag in pricing formulas following steep increase in commodities prices

Note: Unit figures based on total raw materials processed.
[1] Excluding impact of refining margin hedging operations.
[2] Impact on Ebitda.

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G&P: Stable contribution in line with volumes sold

Main G&P data

		3Q16	2Q17	3Q17
NG/LNG total sales volumes	mm^3	**1,750**	**1,726**	**1,717**
Sales to direct clients	mm^3	950	1,052	1,065
Trading	mm^3	800	675	652
Ebitda RCA	€ m	**73**	**46**	**45**
Ebit RCA	€ m	**55**	**40**	**36**
Net Income from G&P Associates	€ m	**16**	**25**	**25**
CAPEX	€ m	**10**	**2**	**2**

- Volumes mostly in line, with higher sales to direct clients partially offsetting lower volumes sold through trading
- LNG trading volumes mostly supported by structured contracts
- Steady QoQ contribution from Associates, now including gas infrastructure business

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