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Key takeaways

- Competitive world-class assets
- Unique growth profile within the industry
- Strong financial position entering a new cash cycle
- Building optionality and flexibility in an uncertain world
- Commitment to shareholder value creation
I Growth momentum building up
I Execute and extract focus
I Explore and build optionality
I Concluding remarks
2016: A year of strong execution

- **Operational Performance**
  - Solid upstream delivery
  - High availability of refining system
  - NG/LNG sales of 7.1 bcm

- **Financial Performance**
  - Benefiting from integrated profile
  - Resilient cash flow from operations
  - Strong capital structure

- **Portfolio Management**
  - Sale of stake in gas infrastructure
  - São Tomé and Príncipe three blocks farm-in
  - Two operatorship positions in Namibia

- **Partnership Development**
  - Petrobras strategic alliance reinforced
  - MoU with Statoil

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Capital Markets Day | February 21, 2017
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Delivering on our commitments

- **WI production (kboepd)**
  - CMD 2016 guidance: 68
  - 2016 actual: 68

- **Ebitda RCA (€m)**
  - CMD 2016 guidance: 1,411
  - 2016 actual: 1,411

- **Capex (€m)**
  - CMD 2016 guidance: 1,218
  - 2016 actual: 1,218

- **Net debt to Ebitda**
  - CMD 2016 guidance: 2.0x
  - 2016 actual: 1.0x
Galp’s 3E’s approach

- **Execute**: Focus on delivery and returns
- **Extract**: Unlock more value from current portfolio
- **Explore**: Screen new opportunities and portfolio management
1. Growth momentum building up
2. Execute and extract focus
3. Explore and build optionality
4. Concluding remarks
Supportive outlook for oil and LNG

Liquids supply gap (mmbpd)

- Demand 2025
- Producing fields
- Under development fields
- Supply gap 2025

LNG supply gap (mtpa)

- Demand 2025
- Onstream projects
- Under construction projects
- Supply gap 2025

World-class upstream portfolio

Upstream ROIC vs. portfolio breakeven (%, $/bbl)

- Average
- Peer company

Portfolio breakeven ($/bbl)

ROIC 2020 (%)

Competitive portfolio within the industry

Resilient to low oil price scenarios

Note: Breakeven NPV 10, 2017 real terms. Breakeven calculated with 2020 weighted average production.
Focus on current portfolio execution

In Production

- Ensure safe operations and high availability
- Increase operational and cost efficiency

2017-21 Deployment

- Deliver projects on time and on budget
- Risk management through mitigation measures

2021+ Deployment

- Ensure the best development solution
- Accelerate time to market of resources

Projects:
- Lula/Iracema
- Block 14/14k
- Cural / Mamba
- Lula West
- Atapu 2
- Carcará
- Júpiter
### Delivering and improving Lula/Iracema project

<table>
<thead>
<tr>
<th>Solid execution</th>
<th>Economics improvement</th>
<th>Recovery factor improvement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Seven installed FPSOs, five in plateau</td>
<td>Significant reduction in D&amp;C time</td>
<td>Focus on value maximisation</td>
</tr>
<tr>
<td>Overall project capex c.70% realised</td>
<td>Capture opportunities from market deflation</td>
<td>Improvements already considered in plan</td>
</tr>
<tr>
<td>2016 exit production of c.80 kboepd</td>
<td></td>
<td>Long-term goal of around 40%</td>
</tr>
</tbody>
</table>
Mozambique: One of the most competitive LNG regions

LNG net present landed cost to Asia ($/ton)\(^1\)

- **2,200** U.S.
- **1,600** Mozambique
- **2,700** Australia

- **Quality and scalability of resource base**
- **Favourable time to market to meet LNG demand**
- **Increase gas share in production and reserves**
- **Stable long-term cash flow generator**

Source: Company reports and press releases.
\(^1\)Assumes present value of capex, gas cost in U.S. (Henry Hub at $3/mmbtu) and transport cost. Considers inflation rate of 2% and discount rate @10%.
Delivering growth from execution and extraction

Working interest production from current portfolio (kboepd)

- 2010-16 CAGR: 23%
- 2016-21 CAGR: 15-20%

- 2010: 20
- 2016: 68
- 2021: 
- 2021+: 

CAGR: Compound Annual Growth Rate
Challenging times for the European refining industry

- Global demand growth shift to Asia/LatAm/Africa
- Lighter crude and feedstock supply
- Excess refining capacity
- New sulphur specifications

Source: JBC Energy.
Solid contribution expected from downstream businesses

**Refining & Marketing**
- Ensure high reliability of refining system
- Focus on higher efficiency and conversion
- Establish differentiated offers

**Gas & Power**
- Build up NG & LNG supply portfolio
- Increase customer base
- Offer smart solutions

Downstream Ebitda target ≈ €1 bn
New cash cycle provides future optionality

Free cash flow and cash breakeven (€m, $/bbl)

- 2016-18 ≈ $65/bbl
- 2019-21 <$35/bbl

Company cash breakeven expected during 2018

Well positioned to capture future opportunities

Note: 2016 free cash flow excludes GGND sale effect and Sinopec loan reimbursement.
I Growth momentum building up
I Execute and extract focus
I Explore and build optionality
I Concluding remarks
Key takeaways from scenario planning

- Oil & Gas maintaining important role, renewables growing
- Transition to a low carbon economy
- Energy demand growth in Africa, LatAm and Asia
- Smart and connected customer solutions
- Technology innovation and digitalisation
- Increasing electrification and decentralisation
Resilience in a complex and uncertain world

Maintaining a competitive upstream portfolio
- Feed upstream funnel
- Exposed to gas
- Resilient

Adapt and integrate downstream businesses
- New consumer behaviour and specs
- Develop international business

Innovative and differentiated business
- Low carbon business
- From product to solutions

New culture: Adapt to a new normal
- Agile and innovative
- Digital
- Partnerships and client centred
I Growth momentum building up
I Execute and extract focus
I Explore and build optionality
I Concluding remarks
Focus on capital allocation diversification and competitive TSR

- Long-term capital allocation

- New business models and low carbon solutions

- Oil & Gas businesses to remain core activities

- Start diversifying into lower carbon solutions

- Committed to shareholder remuneration
Positioned to capture future growth opportunities

<table>
<thead>
<tr>
<th>Growth &amp; value story</th>
<th>Optionality &amp; flexibility</th>
<th>Financial priorities</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>15-20%</strong></td>
<td><strong>FCF&gt;0</strong></td>
<td><strong>Disciplined</strong></td>
</tr>
<tr>
<td>Production CAGR 2016-21</td>
<td>During 2018 @$55/bbl</td>
<td>Capex allocation</td>
</tr>
<tr>
<td><strong>≈20%</strong></td>
<td><strong>Start to</strong></td>
<td><strong>&lt;2.0x</strong></td>
</tr>
<tr>
<td>Ebitda CAGR 2016-21</td>
<td>Diversify capital allocation</td>
<td>Net debt / Ebitda</td>
</tr>
<tr>
<td><strong>≈15%</strong></td>
<td><strong>Create</strong></td>
<td><strong>Commitment</strong></td>
</tr>
<tr>
<td>ROACE @2020⁺</td>
<td>Future optionality</td>
<td>To shareholder remuneration</td>
</tr>
</tbody>
</table>
I 2016 in review

I Executing a disciplined growth plan

I Concluding remarks
Strengthening financial position

2016 Change in net debt (€m)

<table>
<thead>
<tr>
<th>Category</th>
<th>Value (€m)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ebit (IFRS) + DD&amp;A + Associates</td>
<td>1,449</td>
</tr>
<tr>
<td>Working capital</td>
<td>21</td>
</tr>
<tr>
<td>Net interest + Taxes + Other</td>
<td>243</td>
</tr>
<tr>
<td>Pre-expansion capex</td>
<td>389</td>
</tr>
<tr>
<td>Dividends paid</td>
<td>387</td>
</tr>
<tr>
<td>Pre-expansion FCF</td>
<td>449</td>
</tr>
<tr>
<td>Expansion capex</td>
<td>806</td>
</tr>
<tr>
<td>FCF</td>
<td>(357)</td>
</tr>
<tr>
<td>Sinopec loan reimbursement</td>
<td>134</td>
</tr>
<tr>
<td>GGND effect</td>
<td>773</td>
</tr>
</tbody>
</table>

1Considers GGND deconsolidation effect of €632 m plus cash in of €141 m.
2016 results supported by strong upstream performance

Profit & Loss RCA (€m)

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>YoY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Turnover</td>
<td>13,119</td>
<td>(15%)</td>
</tr>
<tr>
<td>Ebitda</td>
<td>1,411</td>
<td>(8%)</td>
</tr>
<tr>
<td>E&amp;P</td>
<td>494</td>
<td>40%</td>
</tr>
<tr>
<td>R&amp;M</td>
<td>576</td>
<td>(26%)</td>
</tr>
<tr>
<td>G&amp;P</td>
<td>313</td>
<td>(18%)</td>
</tr>
<tr>
<td>Ebit</td>
<td>772</td>
<td>(20%)</td>
</tr>
<tr>
<td>Associates</td>
<td>85</td>
<td>2%</td>
</tr>
<tr>
<td>Financial results</td>
<td>(25)</td>
<td>65%</td>
</tr>
<tr>
<td>Taxes</td>
<td>(289)</td>
<td>(1%)</td>
</tr>
<tr>
<td>Non-controlling interests</td>
<td>(61)</td>
<td>14%</td>
</tr>
<tr>
<td>Net Income</td>
<td>483</td>
<td>(24%)</td>
</tr>
<tr>
<td>Net Income (IFRS)</td>
<td>179</td>
<td>46%</td>
</tr>
</tbody>
</table>

Balance Sheet (€m)

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>YoY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net fixed assets</td>
<td>7,721</td>
<td>(171)</td>
</tr>
<tr>
<td>Work in progress</td>
<td>2,650</td>
<td>573</td>
</tr>
<tr>
<td>Working capital</td>
<td>492</td>
<td>(18)</td>
</tr>
<tr>
<td>Loan to Sinopec</td>
<td>610</td>
<td>(113)</td>
</tr>
<tr>
<td>Other assets (liabilities)</td>
<td>(410)</td>
<td>106</td>
</tr>
<tr>
<td>Capital Employed</td>
<td>8,414</td>
<td>(196)</td>
</tr>
<tr>
<td>Net debt</td>
<td>1,870</td>
<td>(552)</td>
</tr>
<tr>
<td>Equity</td>
<td>6,543</td>
<td>355</td>
</tr>
<tr>
<td>Net debt + Equity</td>
<td>8,414</td>
<td>(196)</td>
</tr>
</tbody>
</table>

Implicit net debt to Ebitda of 1.0x\(^1\)

\(^1\)Ratio considers net debt including loan to Sinopec as cash, plus Sinopec MLT shareholder loan to Petrogal Brasil.
2016 in review
Executing a disciplined growth plan
Concluding remarks
Macro assumptions

- **Brent price ($/bbl)**
  - 2016-20 plan
  - 2017-21 plan

- **Benchmark refining margin ($/bbl)**

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Brent price ($/bbl)</td>
<td>44</td>
<td>50</td>
<td>55</td>
<td>60</td>
<td>65</td>
<td>70</td>
</tr>
<tr>
<td>Benchmark refining margin ($/bbl)</td>
<td>3.1</td>
<td>2.5</td>
<td>2.4</td>
<td>2.3</td>
<td>2.2</td>
<td></td>
</tr>
</tbody>
</table>

Note: 2017-21 plan assumes a flat EUR:USD exchange rate of 1.10.
Disciplined capital allocation

Annual average capex (€bn)

- Upstream
- Downstream

- Last 5 years: €1.1 bn
- 2017-21 plan: €0.8-€1.0 bn

2017 Capex guidance: €1.0-€1.2 bn
Project roll-over and efficiencies to reduce upstream capex

Change in upstream capex (€bn)

- Change in upstream capex (€bn)
  - c.€5 bn
  - c.(30%)

Upstream 2017-21 capex breakdown

- Brazil
- Mozambique
- Angola
- E&A

- c.60% committed

2016-20 plan
Efficiency + Cost deflation
Project execution
Exchange rate
Other
2017-21 plan

Change in upstream capex (€bn):

- Upstream 2017-21 capex breakdown
  - Brazil
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2016-20 plan
Efficiency + Cost deflation
Project execution
Exchange rate
Other
2017-21 plan
Sustainable growth with Group Ebitda CAGR 2016-21 of c.20%

Contribution per business RCA (€m)

- Upstream Ebitda
- Downstream Ebitda
- Associates

**2017 Group Ebitda guidance: €1.5-€1.6 bn**

- Upstream technical costs expected to be below $20/boe after 2020
- Spread over benchmark refining margin expected to improve by up to $1/boe after 2018
- Downstream contribution of c.€1 bn p.a. during the period
**2018+: Entering a new cash cycle**

- Post dividend free cash flow\(^1\) (€m)

\(^1\)Post interest and taxes and excluding Sinopec loan reimbursement.

Assumes a €0.50/sh flat dividend during the period

FCF positive during 2018 at $55/bbl, with Brazil turning positive during 2017

Further upside expected from upstream efficiency gains

---

**Graph Notes:**
- Brent flat @ $55/bbl
- Data span from 2016 to 2021E.

---

**Graph Details:**
- Axes: Y-axis (€m) and X-axis (Years: 2016-2021E)
- Key Points:
  - 2016: Flat line
  - 2017E: Minor increase
  - 2018E: Significant increase
  - 2019E: Steady increase
  - 2020E: Further increase
  - 2021E: Predicted increase
I 2016 in review
I Executing a disciplined growth plan
I Concluding remarks
Ensuring growth while maintaining a strong balance sheet

- Solid financial position supported by competitive portfolio
- Optimising cost structure and improving efficiency
- Significant growth from profitable projects, with 2016-21 Ebitda CAGR at c.20%
- Continue disciplined capital allocation
- Cash flow inflection during 2018 will allow optionality
A clear upstream strategy

Upstream strategy

- **Execute**
- **Extract**
- **Explore**

Build operating capabilities

R&D to promote upstream growth

People

Stakeholder management
2016 key achievements

- Focus on execution and value extraction
- Selective exploration strategy
- Sustaining profitable growth
Key 2016 milestones achieved

Production growth
- Production 48% higher YoY
- Two new FPSOs deployed in Brazil

Cost reduction
- 26 wells drilled
- 23% decrease YoY in D&C average time
- Normalised unit opex at $6.3/boe, lower 14% YoY

HSE
- LTIFR of 0.98 with operated assets LTIFR of 0.00
- Low carbon operations with zero routine flaring as a commitment

Strategic actions
- Reinforcing strategic alliance with Petrobras
- MoU signed with Statoil
- Internal approval of Coral South project
Delivering transformational growth

<table>
<thead>
<tr>
<th>TODAY</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>WI production (kboepd)</td>
<td>90</td>
</tr>
<tr>
<td># Sanctioned projects</td>
<td>11</td>
</tr>
<tr>
<td>Net installed capacity (kbpd)</td>
<td>129</td>
</tr>
<tr>
<td>Upstream staff</td>
<td>228¹</td>
</tr>
</tbody>
</table>

¹Plus c.150 corporate staff dedicated to the upstream activity.
2016 key achievements
- Focus on execution and value extraction
- Selective exploration strategy
- Sustaining profitable growth
Expected production growth based on robust resource base

2016 2P reserves (mmboe)

- Angola: 673
- Brazil
- Mozambique

2016 2C resources (mmboe)

- Angola
- Brazil: 1,320
- Mozambique

Source: All figures are based on DeGolyer and MacNaughton report as of 31.12.2016.
Projects execution on track

SOUTH AMERICA

Iracema N. (2015)
Iracema S. (2014)
Lula NE (2013)
Lula Pilot (2010)
Lula Central
Lula Alto
Lula North
Lula South
Berbigão/Sururu
Lula Ext. South
Atapu 1
Sépia East
Lula South

AFRICA

BBLT/Lianzi/Kuito
TL
Kaombo North
Kaombo South
Coral South
Mamba

2010-15
2016
2017
2018
2019
2020
2021+
De-risking replicant FPSO execution

Hulls
Construction works partially transferred to Asia
Consortium assuming direct management of key ongoing works

Topsides & Integration
Leveraging best performing shipyards in Brazil
Partial scope of works transferred to Asian shipyards

Maintaining estimated cost
Lula/Iracema: Strong productivity supporting project ramp-up

Average production per well (kboepd)\(^1\)

- Brazilian pre-salt: 23
- Lula/Iracema: 30

FPSO ramp-up period (# months)

- FPSO#1: 18
- FPSO#2: 15
- FPSO#3: 13
- FPSO#4: 13
- FPSO#5: 10

Outstanding productivity within the industry

Shorter ramp-up periods supported by higher productivity and faster well connection

\(^1\)Source: ANP December 2016 well production data from pre-salt Santos and Campos basins.
Lula/Iracema: Increasing operational efficiency to maximise returns

- **D&C average time (# days)**
  - 239 (2010)
  - 85 (2016)
  - 75 (LT ambition)

- **D&C spread rate ($m/day)**
  - Current: 1.00
  - Target (2018+): 0.85

- **Plateau period (# years)**
  - PoD: c.(15%)
  - 2016-20 plan: c.20%
  - Current view: 3
  - FPSO#1 expected: 7

**Logistics and well design optimisation**

**Benefiting from market deflation**

**Leveraging geology and reservoir management**
Lula/Iracema: Working towards 40% recovery factor

- Expected oil recovery factor (%)

<table>
<thead>
<tr>
<th>Previous</th>
<th>Current</th>
<th>LT ambition</th>
</tr>
</thead>
<tbody>
<tr>
<td>28%</td>
<td>30%</td>
<td>40%</td>
</tr>
</tbody>
</table>

Note: Galp's view.
Greater Iara: Enhancing development of key pre-salt project

**BM-S-11 | Berbigão/Sururu/Atapu**

- Optimising PoD for three different accumulations
- Unitisation negotiations ongoing
- Production to start in 2018
- Further appraisal in Sururu to support future development activities
Preparing next wave of pre-salt developments

**BM-S-8 | Carcará**

- Statoil as new operator of the block
- Bid round for open area expected during 2017

**BM-S-24 | Sépia East/Júpiter**

- Sépia unitisation agreement expected to be submitted in 2017
- Ongoing studies to improve technical feasibility of Júpiter
Mozambique: A large scale integrated project

Mamba onshore
2x5 mtpa LNG trains (1st phase)
World-class LNG project due to quality and scalability of resource base
Geographical location to support project’s competitiveness
EPC proposals under evaluation

Coral offshore
1 FLNG (>3.3 mtpa)
Accelerating time to market
Internal approval of Coral South project
FLNG to be connected to six wells
Angola: Production increase with Kaombo start-up

Block 32 and Block 14/14k

Two FPSOs expected to start production in 2018

Drilling campaign proceeding in Kaombo, Block 32, with 14 out of 59 wells drilled

Kaombo start-up more than offsets mature projects in Block 14

Block 14 cost reduction achieved through process optimisation
2016 key achievements
Focus on execution and value extraction
Selective exploration strategy
Sustaining profitable growth
Regional focused exploration strategy

Galp current exploration projects

- Atlantic margin focus
- Leverage competitive advantages and synergies with current portfolio
- Screening opportunities with focus on DROs
Planned exploration activities

**Alentejo basin**
( Portugal)

First ever deepwater well to be drilled in Portugal

**Potiguar basin**
(Brazil)

Broadband 3D seismic across all blocks expected in 2017

**BM-S-8**
(Brazil)

Guanxuma to be drilled in 2017

**Blocks 5, 6, 11, 12**
(São Tomé and Príncipe)

Expanded presence through farm-in during 2016
2016 key achievements
Focus on execution and value extraction
Selective exploration strategy
Sustaining profitable growth
3E’s strategy paying off

Working interest production (kboepd)

- Net incremental production
- Maintenance activities
- 2017E
- 2021E

CAGR 2016-21
15%-20%
(sanctioned projects)

Note: Sanctioned projects include Lula/Iracema and Iara in Brazil, and Block 32 and 14/14k in Angola. Remaining projects in Brazil and Mozambique not included.
## Key levers for profitability

### Execute
- Delivering production CAGR 2016-21 of 15%-20% from BM-S-11 and Block 32
- Developing Coral and maturing Mamba and Carcará for FID

### Extract
- Enhance project development through operational and cost optimisation
- Improve Lula/Iracema recovery factor

### Explore
- Leveraging on strategic partnerships within core areas
- Pursuing selective and disciplined exploration activities
Positioned to capture future growth opportunities

**Growth & value story**
- **15-20%** Production CAGR 2016-21
- **≈20%** Ebitda CAGR 2016-21
- **≈15%** ROACE @2020+

**Optionality & flexibility**
- **FCF>0** During 2018 @$55/bbl
- **Start to** Diversify capital allocation
- **Create** Future optionality

**Financial priorities**
- **Disciplined** Capex allocation
- **<2.0x** Net debt / Ebitda
- **Commitment** To shareholder remuneration
## Ebitda sensitivity to macro variables

### Galp assumptions

<table>
<thead>
<tr>
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<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Brent price ($/bbl)</td>
<td>50</td>
<td>55</td>
<td>60</td>
<td>65</td>
<td>70</td>
</tr>
<tr>
<td>Benchmark refining margin ($/bbl)</td>
<td>2.5</td>
<td>2.4</td>
<td>2.4</td>
<td>2.3</td>
<td>2.2</td>
</tr>
<tr>
<td>EUR:USD</td>
<td>1.10</td>
<td>1.10</td>
<td>1.10</td>
<td>1.10</td>
<td>1.10</td>
</tr>
</tbody>
</table>

### Ebitda sensitivities

<table>
<thead>
<tr>
<th></th>
<th>Change</th>
<th>2017E</th>
<th>2021E</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brent price</td>
<td>$5.0/bbl</td>
<td>€125 m</td>
<td>€220 m</td>
</tr>
<tr>
<td>Benchmark refining margin</td>
<td>$1.0/bbl</td>
<td>€100 m</td>
<td>€100 m</td>
</tr>
<tr>
<td>EUR:USD</td>
<td>(0.05)</td>
<td>€50 m</td>
<td>€120 m</td>
</tr>
</tbody>
</table>

1Benchmark refining margin = 42.5% cracking margin + 45.0% hydrocracking margin + 5.5% aromatics margin + 7.0% base oils margin.
### Key indicators on Galp’s debt

#### Debt indicators

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross debt</td>
<td>€3.6 bn</td>
<td>€2.9 bn</td>
</tr>
<tr>
<td>Cash and equivalents</td>
<td>€1.1 bn</td>
<td>€1.0 bn</td>
</tr>
<tr>
<td>Net debt</td>
<td>€2.4 bn</td>
<td>€1.9 bn</td>
</tr>
<tr>
<td>Net debt considering loan to Sinopec as cash</td>
<td>€1.7 bn</td>
<td>€1.3 bn</td>
</tr>
<tr>
<td>Net debt to EBITDA ratio¹</td>
<td>1.2x</td>
<td>1.0x</td>
</tr>
<tr>
<td>Available credit lines</td>
<td>€1.1 bn</td>
<td>€1.2 bn</td>
</tr>
<tr>
<td>Average life of debt</td>
<td>3.1y</td>
<td>2.6y</td>
</tr>
<tr>
<td>Average interest rate</td>
<td>3.8%</td>
<td>3.5%</td>
</tr>
<tr>
<td>% Debt @ floating rate</td>
<td>58%</td>
<td>50%</td>
</tr>
</tbody>
</table>

#### Debt reimbursement (€m)

- **Profile @ YE2015**: c.70%
- **Profile @ YE2016**:

1RATIO CONSIDERS NET DEBT INCLUDING LOAN TO SINOPEC AS CASH, PLUS SINOPEC MLT SHAREHOLDER LOAN TO PETROGAL BRASIL.
## Galp’s reserves and resources

### Reserves and resources (mmboe)\(^1\)

<table>
<thead>
<tr>
<th>Reserves</th>
<th>2015</th>
<th>2016</th>
<th>% Chg.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1P</td>
<td>276</td>
<td>274</td>
<td>(1%)</td>
</tr>
<tr>
<td>2P</td>
<td>701</td>
<td>673</td>
<td>(4%)</td>
</tr>
<tr>
<td>3P</td>
<td>960</td>
<td>927</td>
<td>(3%)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Contingent resources</th>
<th>2015</th>
<th>2016</th>
<th>% Chg.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1C</td>
<td>307</td>
<td>300</td>
<td>(2%)</td>
</tr>
<tr>
<td>2C</td>
<td>1,342</td>
<td>1,320</td>
<td>(2%)</td>
</tr>
<tr>
<td>3C</td>
<td>3,025</td>
<td>2,993</td>
<td>(1%)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Prospective resources</th>
<th>2015</th>
<th>2016</th>
<th>% Chg.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unrisked</td>
<td>1,493</td>
<td>2,658</td>
<td>78%</td>
</tr>
<tr>
<td>Risked</td>
<td>226</td>
<td>383</td>
<td>69%</td>
</tr>
</tbody>
</table>

\(^1\)Prospective resources and contingent resources on a working interest basis. Reserves figures on a net entitlement basis. All figures are based on DeGolyer and MacNaughton report as of 31.12.2016.
Galp’s shareholding structure

Note: Parpública’s 7% stake placed through exchangeable bonds maturing in September 2017.
A committed and experienced team

Chief Executive Officer
Carlos Gomes da Silva
Over 21 years of experience in Oil & Gas. Board executive for more than 12 years in the beverage and energy industries. Galp Board member since 2007.

Filipe Silva
Chief Financial Officer

Thore E. Kristiansen
COO Exploration & Production
Over 25 years of experience in Oil & Gas. Held senior executive roles in Statoil for South America. Galp Board member since 2014.

Carlos Silva
COO Supply, Refining & Planning
Over 20 years of experience in procurement and supply chain in the automobile, hospitality and Oil & Gas industries. Galp Board member since 2012.

Tiago Câmara Pestana
COO Iberian Oil Marketing & International Oil
Over 25 years of experience in the retail industry. Former CEO of retail chain in Portugal (640 stores) for 15 years. Galp Board member since 2015.

Pedro Ricardo
COO Gas & Power
Over 20 years of experience in the gas sector. Held senior executive roles in supply and trading of natural gas. Galp Board member since 2015.

Carlos Costa Pina
Chief Corporate Officer / New Energies
Over 17 years of experience in public senior level functions in capital markets, finance and insurance. Galp Board member since 2012.
Galp’s corporate sustainability internationally recognised
Acronyms

# Number
$ (or USD) Dollar
% Percentage
& And
@ At
€ (or EUR) Euro
≈ Approximately
x Times
< Below
> Above
+ Plus
1C; 2C; 3C Contingent resources
1P Proved reserves
2P Proved and probable reserves
3P Proved, probable and possible reserves
3D Three dimensional
4D Four dimensional
ANP Agency of Petroleum, Natural Gas and Biofuels
Avg. Average
bbl Barrel
BBLT Benguela, Belize, Lobito and Tomboco
bcm Billion cubic metres
bn Billion
BoD Board of Directors
boe Barrel of oil equivalent
c. Circa
CAGR Compound Annual Growth Rate
Capex Capital expenditure
CDP Carbon Disclosure Project
CEO Chief Executive Officer
Chg. Change
CMD Capital Markets Day
CO2 Carbon dioxide
COO Chief Operating Officer
D&C Drilling and Completion
DD&A Depreciation, Depletion and Amortisation
DRO Discovered Resources Opportunities
E Expected
E&A Exploration and Appraisal
E&P Exploration and Production
Ebitda Earnings before interest and taxes, depreciation and amortisation
EPC Engineering, Procurement and Construction
FCF Free Cash Flow
FID Final Investment Decision
FLNG Floating Liquefied Natural Gas
FPSO Floating Production Storage Offloading
G&P Gas and Power
GGND Galp Gás Natural Distribuição, S.A.
HSE Health, Safety and Environment
IEA International Energy Agency
IFRS International Financial Reporting Standards
kboepd Thousand barrels of oil equivalent per day
kbpd Thousand barrels of oil per day
LatAm Latin America
LNG Liquefied Natural Gas
LT Long-term
LTIFR Lost Time Injury Frequency Rate
m Million
MLT Medium-long term
mmboe Million barrels of oil equivalent
mmboe Million barrels of oil per day
MoU Memorandum of Understanding
mtpa Million tonnes per annum
N North
NE Northeast
NG Natural Gas
NPS New Policies Scenario
NPV Net Present Value
Opex Operational expenditure
p.a. Per annum
PoD Plan of Development
R&D Research and Development
R&M Refining and Marketing
RCA Replacement Cost Adjusted
RHS Right Hand Side
ROACE Return on Average Capital Employed
ROIC Return on Invested Capital
RoW Rest of the World
S South
sh Share
TL Tômbua-Lândana
TSR Total Shareholder Return
U.S. United States of America
vs. Versus
WAG Water Alternating Gas
WI Working interest
y Years
YE Year end
YoY Year on Year