



Galp Gás Natural Distribuição, S.A.

Annual General Shareholders Meeting

May 25, 2018

Proposal regarding item 4

Resolve on the proposal to allocate the 2017 year results

Galp Gás Natural Distribuição, S.A., closed the year of 2017 with a net profit of EUR 25,480,869.59 (twenty-five million, four hundred and eighty thousand, eight hundred and sixty-nine euros and fifty-nine cents), calculated on an individual basis, in accordance with the International Financial Reporting Standards (IFRS);

The Board of Directors propose to the General Shareholders Meeting the approval of the following allocation of the net profit for 2017 presented in the Annual Report:

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|---|-------------------|
| Endowment to the legal reserve | EUR 1,274,043.48 |
| Distribution of dividends to shareholders | EUR 24,169,967.89 |
| Coverage of accumulated losses | EUR 36.858.22 |

The Board of Directors further propose to the General Shareholders Meeting the approval of a maximum amount of EUR 1,434,560.05 to be distributed to GGND Group employees and executive directors of GGND as profit sharing, an amount already recognized and expressed in the consolidated financial statements of GGND and in the individual of each of its subsidiaries, and the respective net results for 2017 have been calculated already considering that amount.

The breakdown of this amount among the GGND Group employees shall be determined by the Executive Committee in accordance with the applicable internal rules and among the executive directors of the GGND shall be determined by the General Meeting, in accordance with applicable legal terms.

Lisbon, April 10, 2018

The Board of Directors