

## **Galp Gás Natural Distribuição, S.A.**

### **Annual General Shareholders Meeting May 26, 2017**

#### **Proposal regarding item 2**

#### **Resolve on the proposal to allocate the 2016 year results**

1. Galp Gás Natural Distribuição, S.A., on an individual basis, closed the year of 2016 with a net profit of 65,217,062.29 EUR (sixty-five million, two hundred and seventeen thousand, sixty-two euros and twenty-nine cents), calculated in accordance with the International Financial Reporting Standards (IFRS);
2. The Board of Directors presented in the Annual Report, in accordance with the law, the following allocation of the net profit for 2016:

Allocation to the legal reserve	3,260,853.12 EUR
Dividend distribution	61,955,632.90 EUR
Retained earnings	576.27 EUR

3. It is proposed to the Annual General Shareholders Meeting the approval of the proposal referred above in the following conditions:
  - a) From the global amount of dividends to distribute to the shareholders, the amount of 56,955,632.90 EUR shall be paid within 30 days of the Annual General Shareholders Meeting, and the amount of 5,000,000.00 EUR shall be paid within 230 days of the same meeting;
  - b) Pursuant to paragraph 2 of Article 294 of the Code of Commercial Companies, the resolution of the Annual General Shareholders Meeting related to the postponement of the payment of dividends to the shareholders of the amount of 5,000,000.00 EUR is subject to the written consent of each of the shareholders.

The Shareholders

Galp Gas & Power, SGPS, S.A.

Meet Europe Natural Gas, Lda.