

Ms. Carolina Rocha [Press Manager]: Good evening. Good evening. Let's start the press conference relative to the Petrobras Business Plan and Management. The attending members are President Aldemir Bendine, the Chief Financial Officer and Chief Investor Relations Officer, Ivan Monteiro, the Exploration and Production Officer, Solange Guedes, the Downstream Officer, Jorge Celestino, the Engineering, Technology and Materials Officer, Roberto Moro, Governance, Risk and Compliance Officer, João Elek, Services Corporate Officer, Antonio Sergio Oliveira Santana and the Corporate executive manager of Gas and Energy, representing the Gas and Energy Officer, Roberto Murilo de Carvalho de Souza.

Before starting the questions, President Bendine will make an introduction and then we will have a presentation that will be conducted by the Executive Manager of Corporate Strategy, Antonio Castro, ok? After that, we will open for questions and answers. Thank You.

Mr. Aldemir Bendine [President]: Good evening ladies and gentlemen. I appreciate all of you for the patience of being here in this early evening for the disclosure of Petrobras Business Plan for the period 2015-2019. Initially, I would like to point out that this is another phase in which the new Board proposes to continue all the strategic planning we have developed for the company in the face of this new reality that the company is experiencing.

Obviously, this was not the right time to be here at the end of the month of June presenting a business plan that is already valid for 2015. However, we had a logical sequence for the disclosure of our planning, given that we have taken office with the challenge of presenting our audited balance sheet for the year 2014.

As a result, we also had to work very strongly to develop our financial viability, right? And now the third point, which for us is crucial, which is to disclose, by giving extensive knowledge to society, the market, in general, our business plan and how we see the company for the next 5 years.

I would like to recall that at the end of the year, in a deeper and larger process, we will be already working within the reality of Petrobras 2016 to 2020. This Plan has been approved on Friday by the Board of Directors of the company, after thorough discussions.

And this is a plan that, along with a new reality, related to Petrobras investment portfolio, also has a very positive scale for the entire production chain of oil and gas, because despite a lower value over the last years, it still has a very significant investment value, and we have no doubt that it can give new impetus to the oil and gas chain, after all, we are talking about an amount, even in the year 2015, of 29 billion of dollars that Petrobras injects in Brazilian economy to support its activities, its Investment Plan.

**2015-2019 Business and Management Plan
Press Conference Transcription
June 29, 2015**

This Investment Plan, it is natural that it undergoes a process ... it has been built upon a process of a new reality, given that when the previous plan, that would be for the year 2014 onwards, was developed, we worked in a perspective Brent above \$ 120, and today we are facing a new reality where it represents nearly 50%, the value of placement.

We were also faced with a reality and a very favorable exchange rate of national currency; today we live also a new reality. But what we want to highlight in this plan is that it has been done quite daring, since our primary goal is to put the company in a correct managerial direction while maintaining its level of activity and productivity, and looking under this new scenario today we are facing in the oil and gas market.

The company is also turning to its core business, back to its essences, which is the entire oil and gas chain. Notably, investments will be focused on exploration and production. And that's how we expect to get our biggest goal achieved, which is a "deleveraging" of the company's debt.

The company due to a very favorable scenario it faced in previous years, made certain projections, which has generated an extremely high dollar debt that put us in a situation of a certain discomfort.

But due to the correction routes that we have set during this time in view of this new reality, we understand that we have the ability to make this robust plan to continue, to be performed, to place the company in a new situation - and I think this is already being happening, evidenced by the credibility that foreign and local investors have given the company - and we will pursue, very hard, to fulfill this business plan so that the company may generate once again enough value, profitability for its investors shareholders.

Initially, we will see a presentation of the main points of this new business plan and, then, we will open for questions and answers, according to the interest of all of you. Thanks.

Mr. Antonio Castro [Executive Manager of Corporate Strategy]: Ladies and gentlemen, good evening. After this first usual slide, informing the company's liability limits on the content of this presentation, we will begin outlining the plan's objectives: deleverage and generate value to shareholders. In order to achieve these goals, the company will act with even greater capital discipline, strengthening performance management and taking decisions with a focus on profitability.

2015-2019 PNG has been prepared aimed at achieving the following goals: reducing net leverage below 40% by 2018, and below 35% by 2020; the net debt-EBITDA less than 3, by 2018, and less than 2.5 by 2020.

The following assumptions were adopted for financial planning: prices of oil products in Brazil, import parity; Brent, US\$ 60 for Brazil in 2015, US\$ 70 per barrel in the period 16 and 19 in annual

**2015-2019 Business and Management Plan
Press Conference Transcription
June 29, 2015**

average; nominal exchange rate, annual average of R\$ 3.10 in 2015, R\$ 3.26 in 2016, R\$ 3.29, 2017-2019, and R\$ 3.56 in 2020. There are no plans to issue new shares on the horizon of 2015-2019 PNG.

The divestment plan for the 2015/2016 biennium was revised and now aims to 15.1 billion dollars; for the biennium 2017/2018, 2015-2019 PNG foresees generate additional cash flow of 42.6 billion dollars through business restructuring, sale of assets, additional divestitures.

To achieve the plan's objectives, we have adopted good practices of portfolio management to determine investments for the period 2015/2019. The selected project portfolio gives priority to oil production projects in Brazil, with emphasis on pre-salt, and to ensure continuity of operations of the Downstream, Gas and Energy segments, and other areas of the company.

The resources allocated to each segment in 2015-2019 PNG, which are a product of the selectiveness of investments, with a focus on profitability, and aimed at achieving the deleveraging targets, are presented in this table. The Exploration and Production line includes 4.9 billion of foreign investments, and the Downstream segment includes 1.3 billion investment for the distribution business.

This chart details the variations that explain the difference between the investments of the financial planning of the previous PNG, 2014-2018, for the 2015-2019 PNG. On the left we have the volume of financing considered in the financial planning PNG 2014-2018, as reported at the time: 206.8 billion dollars. From left to right, we subtracted the year 2014, as planned in the 2014 to 2018 portfolio, 42.4 billion.

There is a variation relative to the upgrade of exchange and inflation assumptions between the previous plan and the current plan, especially with higher exchange rate, we have the share of investments in Brazilian real when converted into US dollars, resulting in lower values, which explains much of the reduction in 28 billion of investments between the previous plan and the 15-19 plan.

Less 12 billion of projects that were removed from the 2014 to 2018 plan; 5.6 billion more of new projects, all in Exploration and Production; 22 billion less in investment, due to delays in implementation of projects and postponement during the portfolio management; 3.5 billion less due to rebudgeting and change in scope of projects; and 2.7 more is the difference in CAPEX relief on account of restructuring and divestments of the previous plan in relation to the current plan. Finally, we added the year 2019 to form the 2015-2019 PNG portfolio, amounting to 130.3 billion dollars.

Here we see how the 108.6 billion of investments in exploration and production are distributed, concentrated in the production development projects, which represent 82% of the total. The \$

11.3 billion to be invested in exploration in Brazil are concentrated in the minimum exploratory program of each block.

This chart shows the segmentation of investments in Downstream in the amount of 12.8 billion dollars including: resources to complete the work of Rnest, investments in BR Distribuidora, infrastructure maintenance, investments in COMPERJ for the receipt and processing of gas and maintenance and preservation of equipment.

For the Gas and Energy segment, a total of 6.3 billion of investments are planned, with 80.4% in gas pipelines, mostly for the flow route of the pre-salt gas. About 14% of the funds should be invested in maintaining power plants and 5.3% in nitrogen fertilizers plant, in shutdowns, infrastructure improvement and SMES.

With the selectivity of investments aimed at achieving the goals of deleveraging 2015-2019 PNG, we are planning to reach 2.8 million barrels per day in 2020, in Brazil, adding to oil and NGL - Natural Gas Liquid. The chart displays this trajectory compared to the target of previous PNG.

Here we will show the main exploration and production projects that will sustain the growth of the oil and natural gas production in Brazil. In 2015, we had the startup of Papa-terra operation in March, and in the third quarter, Iracema Norte. In 2016, Lula Alto, in the first half, Lula Central also in the first half and in the second half of the year, Lapa and PLD Libra. In 2017, Lula southern, Buzios 1, Buzios 3, Lula southern-end and Tartaruga Verde e Mestiça. In 2018, Lula North, Atapu South and Atapu North and Sururu Pilot. In 2019, Buzios 2 and Buzios 4, Revitalization Project of Marlim 1, Berbigão and Sururu, the Sepia and Buzios 5 project, also in assignment agreement. Finally, in 2020, a year beyond the plan horizon, but with investments within the plan's horizon, Libra pilot and Lula West.

Finally, we see the downward trend of total production that we would have if it was not for the contribution of new production systems. They are responsible for more than 700,000 barrels of oil a day in 2020. Half of the projected production for 2020 - 1.4 million barrels a day - will be associated with these new systems. And when we add the natural gas production in barrels of oil equivalent and also compute the volumes to be produced abroad, we estimate to reach 3.7 million barrels of oil equivalent per day in 2020.

We estimate, in 2015-2019 PNG, the growth of the by-products market at an average rate of 1.6% per year between 2014 and 2020, with 2.4% for diesel and 1% per year for gasoline. To achieve the goals will require also the deleveraging of significant efforts to reduce operating expenses. The GNP financial planning incorporates actions productivity expenses so that manageable operating expenses are limited to a maximum of 142 billion dollars in the period 2015/2019. These mapped actions involve: more efficient management of contracted services,

rationalization of structures and business reorganization, personnel costs optimization, reduction of inputs acquisition costs and reduced transport logistical costs.

The results of the financial viability analysis of 2015-2019 PNG, based on the assumptions made and incorporating the productivity gains, have demonstrated that it is possible to achieve the deleveraging targets, as we can see in the graphics. We have estimated in 2020, 32.2% of leverage and 2.03 for the ratio of net debt-EBITDA, engaging 130.3 billion dollars in investments and 42.6 billion in business restructuring and additional divestments in 2017 and 2018, as previously shown.

I conclude by highlighting risks that may impact Petrobras's ability to fully perform the 2015-2019 PNG. Changing in market conditions, such as oil prices and exchange rates; divestitures and other business restructuring operations are subject to market conditions prevailing at the time of the transactions; and the scope of the oil and natural gas production targets, in a scenario of difficulties with suppliers in Brazil. Thanks for your attention.

Mr. Aldemir Bendine [President]: We can now go on with the questions.

Ms. Carolina Rocha [Press Manager]: President, if you could excuse me...

Mr. Aldemir Bendine [President]: Certainly.

Ms. Carolina Rocha [Press Manager]: I would like to ask all journalists to introduce themselves, please. We will broadcast this press conference by Petrobras News Agency. So it is important that each one is identified, state the company's name and that each journalist make only one question so we can have time to respond to everyone, right?

The first question will be addressed by Fernanda Nunes, of the Estado de São Paulo newspaper.

Ms. Fernanda Nunes [O Estado de Sao Paulo]: Hi, good evening. I'll apologize, I'll ...

Mr. Aldemir Bendine [President]: you will make three in one?

Ms. Fernanda Nunes [O Estado de Sao Paulo]: I will break rule from the outset.

[Laughs]

Ms. Fernanda Nunes [O Estado de Sao Paulo] I have basically two questions. Today the market "sort of" chastised the plan, with the fall of the shares, it seems that it has not received the plan that well, although it was within expectations. How do you explain this? The other ... could be ... this ... this result from the market could be a doubt on the financial viability of the project? You mentioned a guaranteed financial viability. What gives such guarantee? How can you assure the market such financial viability? And I also have a little doubt.

Ms. Carolina Rocha [Press Manager]: Fernanda, please.

Ms. Fernanda Nunes [O Estado de Sao Paulo]: Just one question. Why did you use 206 billion, am I correct? As a reference, and not 220, which was the amount established in the previous plan, still under Ms. Graça management?

Mr. Aldemir Bendine [President]: Well, in regards to market prices, according to the report of analysts, which is what we have based ourselves, I think the plan has exceeded even the expectations for the homework to be done by the company. We have to understand, also, that today the market is more volatile, due to external events, and I cannot affirm if this is an issue that was well received or not.

From the point of view of financial viability, I think we have already demonstrated through the credibility of recent funding we did... I can even mention an unprecedented operation in Brazil, which was the incentive funding of a bond with a term of 100 years. Up to now, we have already captured an amount of over ... I think ... it was 10 of dollars and 10 reais, that have secured a cash surplus...of approximately 40 billion of reais already in these three months in which we had the funding.

One has to understand, also, that with this plan, we shall now have cash generation ... a larger cash generation on this regard. So, we do not see any difficulty with our financial viability. We are extremely comfortable with respect to this issue.

Ms. Carolina Rocha [Press Manager]: Okay. Claudia Shuffner, of Valor Economico Newspaper?

Ms. Claudia Shuffner [Valor Economico]: Good evening. I am here, thank you. I have two questions. Basically, I would like to understand, doctor Bendine, when you talk about prices in Brazil with import parity, if you refer to 100% of the supply of oil products in the country, and not necessarily what is imported, and if you could give more details on these 42 billion, which surprised the divestment market for the period 17-18.

Mr. Aldemir Bendine [President]: I guess I have not answered only one of the previous questions. To my knowledge, the previous investment plan was estimated at 206 billion; we can clear this out later, I do not know from where ... Castro can provide this information to us later on.

Claudia, the issue of pricing is the usual market formation, and we will work on the international parity for the entire Petrobras product basket. We will not detail, obviously, the formula, because it is part of the company's strategic and policy, but rather always looking to international parity as a whole, and that we had already expressed earlier, unwittingly pass on the volatility and always considering the demand and supply.

The current by products market is a market that is shrinking, isn't it? To give you an idea, today especially, Petrobras is making an export of gasoline, a gasoline cargo is being shipped today, considering that the demand expectation is not at a time that... let's say ... of very much demand. So we will always work with the reference of the international parity in relation to these prices.

We have a challenge with the divestment plan, in addition to the 15 billion that we have reviewed, plus 42 billion additional, I think, as explained before, not only by the sale of assets, but also for structuring business, capture of hidden values, but the company will bring the prerogative of not detailing such assets, even by a logic market reason. I ... if we start to reveal what are the assets that we are interested in selling, we will belittle them, we will put them in a weakened condition at the time of transaction. But the company has a beautiful set of assets, and these assets, we understand, after thorough assessment, will surely undergo good demand in the market at the time when Petrobras decide to work on it.

Ms. Carolina Rocha [Press Manager]: Sabrina Valle of Bloomberg. Where's Sabrina? Ah, here she is. Sabrina Valle of Bloomberg.

Ms. Sabrina Vale [Bloomberg]: Also in relation to the 42 billion, the details, because it has divestment, but it also has the restructuring, there was an internal discussion in the company on changes of areas. I wanted you to comment a little about it, if it is still under discussion, if it has been abandoned, what are you anticipating? And if you have any update, also the plans you have to create value within the company and find the hidden values.

Mr. Aldemir Bendine [President]: Well, Sabrina, I will repeat, I will reserve the right, the Board will reserve the right to treat this with a huge confidentiality, but what we will seek in this development situation of new company business is to seek synergies, a number of situations, not only in the holding itself, but also across the Petrobras system, its affiliates and subsidiaries, where we can have an increase in profitability and gain.

We will also work very strongly the issue of better efficiency in the company's costs. We see a possibility of a very large advance in efficiency. Anyway, it's a set of internal measures, we are predicting that concerns not only the sale of assets – emphasizing it again - but mainly also the development of a number of businesses related to our company and with the focus always very specific in optimizing our oil and gas chain, our core.

This is what we want to pursue, with the maximum possible efficiency, and other types of business that are not so relevant for this time that the company is going through, looking a little bit for the future, we will try to see the actual value of these other assets and those other businesses so that we can develop more strongly in this plan to achieve a better cash for the company.

[Statement made without the use of microphone]

Mr. Aldemir Bendine [President]: Ah, yes. Structure, no. The structure's it. We've already gone a first discussion, a first presentation to the Board of Directors, seeking that further integration of the company, seeking the job I had already spoken to you, that the company acted in a more integrated manner, in a collegiate system.

The first part of the plan has already been presented to the Board of Directors, which is what we are aiming for. We have received some inputs from our own directors, of certain points that should be deepened, and now we are getting to work this second phase of the project and as soon as we have completed it and it has been approved by the Board of Directors, we will get back to you with this new presentation.

What is clear here, and that is what we are trying at this point of new redesign of the organizational structure of the company is to seek greater integration, greater synergy between all areas and a collegial work more effectively in a rapidly , dynamic manner, that can provide the decision-making process with more security and lightness.

Ms. Carolina Rocha [Press Manager]: Ramona. Ramona Ordoñez, of O Globo.

Ms. Ramona Ordoñez [O Globo]: I'm Ramona of O Globo. Good evening. I wonder if you could detail a little, at least in general terms, what are the projects that have been cut in the new plan and, for example, about COMPERJ, what is the future that was designed by 2019 in COMPERJ, if the two trains will be completed or just the first.

I would also like to know about an item regarding optimization of personnel costs ... what does that mean? Is it a forecast to cut staff or reduce commissioned positions? And lastly, on news that you ... that this would be the last plan that would be disclosed in a press conference, finally, that the plan would not be disclosed in this manner anymore. Thank You.

Mr. Aldemir Bendine [President]: Well, for some of these investments, right? Or interruption in these investments, we had initially announced that the company, the country still has a need for refining increase, so that we are not caught up by this ... subject to the exchange rate volatility, by the import model. And we have taken some decisions.

The first is the completion of the second train of Rnest with funds from the company's own cash, right? Regarding the COMPERJ: we have a unit also with own resources, we will give sequence, and then we will seek complementary solutions for COMPERJ, but COMPERJ becomes, in our view, currently, a refinery matter. We have no more a vision for COMPERJ as a petrochemical complex, at least in this first moment.

We understand that today the petrochemical segment does not have such a big attraction. If this scenario presents a new design in the future, we can reassess it in the future, but it is fundamental for us at this moment to expand our refining capacity. So we'll give COMPERJ, treatment based on Petrobras' point of view as of refining.

This does not prevent that with partnerships, with strategic investors, that we can have an evolution for the second train or even an expansion of the petrochemical project, but on this condition. For the Petrobras system at this time, our focus on COMPERJ is to seek an alternative to the completion of the first train.

As for the issue of disclosure of the business plan, there is a great expectation, and it does not ... I do not want to bring this to you in a definitive way, but the company had a particular disclosure model for the business plan and we are complying with the same model. Even due to the generated expectation and due to the moment the company is facing, but I, personally, I have the understanding that a business plan, is simply a part of the strategic annual planning of the company and that is usually disclosed in an event, via investor relations. The company had the prerogative, and it used this prerogative of detailing certain points of its business plan that generated vulnerability... and it even took off... or also generated a weakness in its own pursuit of its business plan. In other words, we spoke out in a very explicit way and that made us very vulnerable in a negotiating table and in compliance with the business plan.

I personally understand that business plan is not something to be done in a press conference, but, given the expectation and within a process of transparency, we adopted to do so, but what we always want to discuss annually with you, with the investors, in general, is the company's strategic planning. Business plan is simply a chapter of this strategic planning.

Ms. Ramona Ordoñez [O Globo]: In respect to the personal cost optimization, an item included in the goal? What does that mean?

Mr. Ivan Monteiro [Chief Financial Officer]: It's because in all ... all lines where we will revisit, not only reduction of suppliers costs, project optimization etc., there is also reducing costs of personal. This is a normal thing in all organizations. It is very much related to optimization, in line with the improvement of governance, structure rationalization.

Ms. Carolina Rocha [Press Manager]: Ok. Lucas Vettorazzo, of Folha de São Paulo.

Mr. Lucas Vettorazzo [Folha de São Paulo]: Hello Good evening... I have two questions and a doubt to clarify, may I? I would like you, if possible, to repeat the issue of less 28 billion in exchange rate and inflation, am I right? It has been not clear to me why that figure.

The second thing is the question of delays and project postponements. Are these projects to be worked on after the plan? Is there any project that has been delayed? If so, could you tell what project this is?

And doubt I also have is related to... first you say that in the first two years of the plan, you will make a 15 billion divestment that may reach 42 billion. Is it 15 billion plus 42 or 15 billion to 42? We even had to correct this information in our website.

And the last question is again on COMPERJ and Rnest. Is there already a deadline for when COMPERJ will start operating and when the second train of Rnest will start? Thanks. Good evening.

Mr. Ivan Monteiro [Chief Financial Officer]: Starting with the exchange. The exchange... investments are made in Brazilian reais, okay? They are projected in reais. Since the exchange rate has increased a lot, right? There was a devaluation of the Real, when you convert it into dollar you have a large decrease. I do not know if you've noticed, but there are two items that account for "forty-something" billions of dollars: one is that and the other is the simple fact that we are taking 14 off and adding another year. Since one was 42 and the other "twenty and a little bit more," only these two movements already account for approximately forty-odd billion dollars. That's your first question.

Delays and postponements is as the expression says, some projects, have been discontinued, and it does not mean that we will... we can... we can return to consider this project in the future, but currently this is not a priority. And delays are normal delays that have occurred as a result of... the difficulty we have found in the supply chain, right? So this is an important component that we highlight in the plan.

The 42 is in addition to 15.1. The figure we had disclosed of divestment was 13.7 for 15 e 16. This figure rises to 15.1, and we announce it to 17 and 18 plus 42, right? So it's not...

In regards to COMPERJ, Mr. President, if you will I will pass to Jorge.

Mr. Lucas Vettorazzo [Folha de São Paulo]: Sorry, Mr. Ivan, you said that some projects were discontinued. Can you tell which projects are these?!

Mr. Ivan Monteiro [Chief Financial Officer]: I do not have a list of them here with me... it is a large set of projects.

Mr. Aldemir Bendine (Petrobras President): Oh, Lucas, we referred to this when we disclosed the 2014 balance sheet, and we have applied the impairment test in a series of assets, many of these assets, we adopted cancellation, specifically the ones disclosed, were two refineries.

There are a number of projects that we adopt a methodology that we refer to as "hibernation", that is, we hold the projects at the moment for a possible return in a more optimistic scenario of the market. It's a large set, these hibernation projects, but we gave prominence to these two specifically Rnest and COMPERJ at the time of the balance sheet, because they were the ones with higher values.

There are other minor projects we did not... did not elaborate, even because they are not projects... given the magnitude or comparison with these two major projects, that bring... an impact so... so relevant in relation to these figures. Regarding COMPERJ and Rnest, I think Jorge can elaborate a little more.

Mr. Jorge Celestino [Downstream Officer]: Okay, regarding COMPERJ there are some phases, the first phase which is the entire central portion of utilities and all... all the infrastructure for the PGN startup that we have, with the schedule, October 17, okay? The other... the other works, right? In the refinery, we are developing models of partnership and new business development for ... to detail how we were going to complete the units. Regarding Rnest we are rescheduling the second train with works forecasting in 2017/2018, starting in late 2018, the second train.

Ms. Carolina Rocha [Press Manager]: Well, I'll call Marta Nogueira, of Reuters. Marta, please ask one question, okay, guys? Otherwise you will not be able to reach the end.

Ms. Marta Nogueira [Reuters]: All right? Good evening. You made a very big change in that, in this quest... I'm here. In this search for... the debt levels, didn't you? The previous plans, they predicted a ... an improvement of these debt levels for 2015, now you are predicting for 2020. I would ask if you could explain a little how it will be this... how are you going to achieve this goal, if you have a clear way to put it to us. I did not understand very well when... COMPERJ starts. You mentioned Rnest, the date of COMPERJ. And then I wanted to add a question you put...

Ms. Carolina Rocha [Press Manager]: Guys, please, we will not make it to the end, Marta.

Ms. Marta Nogueira [Reuters]: How much is the demand for fuel by 2020. You mentioned how it increases per year and so. I was wondering how you are planning to supply the market now with the discontinuance of the two Premium, right? Oh, sorry, let me ask one more?

[Laughs]

Ms. Marta Nogueira [Reuters] On the issue of fuel prices? What I wanted to ask is whether you made any changes from the previous management. We understand that you do not want to open, for strategic reasons, but there are some issues to be resolved, but if you can tell whether there was a change?

Mr. Aldemir Bendine [President]: Well, let me try to clarify some points then I ask for help here. There are many. I did not take note of all. Well, in regards to deleverage, I do not know if I understand your question, but your prospect is that we bring to comfortable levels even 2015... the leverage, I think...

Unidentified Speaker: I remembered it was... 2016.

Mr. Aldemir Bendine [President]: Ah, yes. Sorry. I can answer for 2015 to 2019. No. We have no ability to bring 2.5, two and a half times, the debt-EBITDA ratio in such a short term, given the new situation in the market. You could have - as I said - the magnitude of the previous project and was backed by the price of Brent, in a totally different exchange conditions that we are experiencing today, 18 months later. We are working in a situation where the price of a barrel ... practically halved, right? In relation to that earlier plan.

And as we have, because we are a company that operates internationally, I have no way ... and backed by dollar, and then also with this devaluation of the Real, to reach... a level of debt in proportion to what was being imagined before. What we're trying to put to you is that we made an extremely robust plan, a very realistic plan before the new reality that the Oil and Gas Industry passes. Incidentally, this is not a prerogative of Petrobras, all majors have adopted the same strategy, right? A reduction in its investment plan, a search on balance, right? ... Of its debt.

We are in a situation a bit outclassed in relation to the majors because they did, maybe, that homework more ahead, we are starting a process now ... only now. It is ... It is a very big challenge, but it is a realistic challenge, isn't it? Bringing the company's debt level on indicators that give sustainability to good business.

So what we'll work very strongly is that cash flow ... the increase in cash flow. Try to increasingly optimize profitability, our focus becomes increasingly profitable. You saw that in our production curve, we made a very significant reduction on also this new scenario. It's ... Well, and we had to find a way to strike a balance where you search this reduction in debt and without giving up, because what I had said earlier: the company will not go into reverse, the company will not stop, on the contrary, it still has, if you add... the OPEX and CAPEX of this year, we are talking about an order of magnitude of about almost 200 billion reais.

So due to the magnitude of the company's figures, it is logical that an exercise had to be done... very strong, but we believe that this is a very feasible plan and we'll make all our efforts to meet these expectations, not only of the market, but most of our shareholders, our investors. I think that was the first point. Next ... okay Jorge. COMPERJ Rnest, date issue.

Mr. Jorge Celestino [Downstream Officer]: Ok, back then to the COMPERJ and Rnest. Rnest, rescheduling the works with startup scheduled for late 2018, the second train Rnest. COMPERJ,

all of the part related to Utilities Center and the other offsites, other utilities for PGN startup on October of 2017, and the part of the refinery we are redesigning, we are restructuring a business model so that we seek a partner, right? To... to complete the work. So that's COMPERJ and Rnest.

Regarding the balance of by-products, our projections indicate ... That with the assets we have, the assets... with the dates planned for the startup of the second train of Rnest... we will continue with an import around minus 250... 250 thousand barrels day. Nothing too out of what we do today. We have even imported more, and the country, right? And our logistics systems have sufficient capacity to deal... and the international market is liquid and has availability of products so that we can guarantee the supply.

[Statement made without the use of microphone]

Mr. Jorge Celestino [Downstream Officer]: 250 000 Net import.

[Statement made without the use of microphone]

Mr. Jorge Celestino [Downstream Officer]: Of by-products, by-products. Set of by-products, gasoline, diesel, okay? Per day, per day. Market day around 2 and a half million barrels, 2.7 million barrels of oil.

Ms. Carolina Rocha [Press Manager]: Ok, Rodrigo?

Mr. Aldemir Bendine [President]: It has been clear that this is the balance of the issue of by-products of the present situation. Of course, with the entry into operation of refineries, this will be mitigated, it should decrease, and has a data to be added is that the train 1 of Rnest, it does not work 100% of its capacity because we are still requesting some permits to complement its real production capacity.

Ms. Carolina Rocha [Press Manager]: Marta, please use the microphone.

Ms. Marta Nogueira [Reuters]: It is until 2020 or only now?

Mr. Jorge Celestino [Downstream Officer]: Certainly. Importing today, import today, is around 300 thousand barrels / day. With the market growing and with the second train of Rnest, such imports will drop to around 250,000 barrels per day. OK? In 2018.

Ms. Marta Nogueira [Reuters]: Yeah, later on is another number, right?

Mr. Jorge Celestino [Downstream Officer]: Later on is another number. It depends on how the market behaves and how it enters the...

Mr. Aldemir Bendine [President]: What Jorge is saying is this: an increased demand for refined in the country is estimated in this new reassessment.

Mr. Jorge Celestino [Downstream Officer]: Right.

Ms. Marta Nogueira [Reuters]: Okay, thank you.

Mr. Rodrigo Viga [Jovem Pan / Reuters]: Good evening, Rodrigo Viga, Reuters and Radio Jovem Pan de São Paulo. Mr. Bendine, you said that the plan is still robust, right? ... It has a lot of structure and it's true. Now the question that we make is this: amid all what we saw, there was talk in recent months in connection with Car Wash Operation, who is going to do?

I know that a lot of projects are already contracted. Now, from now on, who is going to make this amount of works? Will it be contractors obviously outside that menu? Will it be international contractors? Who is going to do? And in the coming days, Congress will vote, inevitably, some... some details about the relaxation of Sharing Law. We know that a point is... that's pretty much... defined ... the reduction of Petrobras share of 30%. It seems that this is already confirmed.

Mr. Aldemir Bendine [President]: What is confirmed, sorry?

Mr. Rodrigo Viga [Jovem Pan / Reuters]: the reduction of the mandatory participation of Petrobras in the pre-salt fields of 30%, so, the removal of this obligation. We do not know if it is to 0, to 1, to ... to any percentage. Anyway, I wanted to know the opinion you have about it. Thanks.

Mr. Aldemir Bendine [President]: Well, on the issue of ... compliance with the suppliers record, what we would like to say is: since the creation and startup of the new Governance and Compliance Office, another work performed by all departments working on projects inside Petrobras, we have sought to review our database of vendors. I will not be limited to companies X, Y or Z, if it is reported on the Car Wash Operation.

But anyway, what we want to give is a treatment before this new project decision model, from now on, is that it is backed by a governance and compliance policy totally different. What we will get is a review of all this registration in the first place. Secondly, we will apply protective measures for greater robustness in the relationship with our suppliers and third, apply rules of compliance and risk on top of all these, all these suppliers so that we have greater security in the execution of our ... our projects.

It is natural that this will be done in a comprehensive way, right? And with all base suppliers. If we have no ability to do this in Brazil, I believe that yes, we have, obviously, to find alternatives, including in foreign markets. About sharing model or not, what the regime to be adopted, there is a discussion in Congress lately on this model issue.

I just wanted to point out the following: Petrobras is a company that will comply with the determinations of what is legislated. Petrobras meets the recommendations of what is said in the law. Especially because the regulation of the oil market in the country rests with the State, not for the company. Nonetheless the importance and the size of Petrobras in this market, and finally of everything that Petrobras does currently, Petrobras will always ... always abide with Brazilian legislation. I think this discussion rests with the State. This is where the discussion is occurring, isn't it? And this how we will try to act.

Ms. Carolina Rocha [TV NBR]: Hello, good evening. Carolina Rocha of TV NBR, my question is for Solange. Almost half of the planned investments are in Exploration and Production. I wanted you to tell how this will occur; do they mean new platforms, new ships, rigs, especially in the pre-salt and, due to that, I would like you comment on the Cidade de Itaguaí vessel that, this week will come to the Santos Basin. What is it going to add to this new ... this production of pre-salt and what is the vessel's condition, what is its role and the role of other platforms planned for these next few years.

Mrs. Solange Guedes [E&P Officer]: Good evening, Carolina. The Plan is really a plan, as President Bendine introduced here, it is a bold plan, but it brings realism in its very core. It is very realistic because we will, effectively, work very diligently to deliver the pre-salt. The plan is a demonstration that we have competence and technology for its development.

The plan, as you saw, is very focused, in the pre salt's units. There is even a color code in that material we presented. The executive manager Castro showed you where he visually has the same perception that you have. And even in different regimes, we have there, preferably all three of the pre-salt contracts, we have platforms that are ... will be operating in concession regime, platforms that will be within the assignment agreement regime and also sharing agreement with the Libras units being clearly demonstrated.

Something that also brings to us the strong support in this realism of such projections is the fact that, as watch this ... this future, we may see that all units are contracted through 2018, inclusive. So there we have 3 units to hire in the year 2019, and we will, soon, go to the market to do so. And later, two additional for the year 2020.

So you have a happy memory, of the Cidade de Itaguaí. We are all very happy with the results we're getting, even because, for you – that I'm sure, have an excellent memory – at our last meeting, we were signaling the Itaguaí startup in the fourth quarter of 2015, and there is a real

estimate that will do it in the third quarter of 2015, since, as you reported very well, it has set sail for the lease, but obviously we have a very careful work to anchor the unit, the pull-in in the producers posts.

But we have a great expectation that, really, it is a 150,000 barrels unit, pre-salt wells, a very productive area, where it will operate. And our expectation is that we, in fact, come with a well-anticipated outcome to what we were working before.

Ms. Carolina Rocha [Press Manager]: Carolina Cimenti of GloboNews TV.

Ms. Carolina Cimenti [GloboNews]: Here. President, I would like to make a simpler question. This reduction in production of 4.2 barrels per day, million barrels per day to 2.8, we hear news from suppliers, manufacturers, contract renegotiations. Is this a reduction in ambition? Is Petrobras giving up the target to be among the 10, 15 world's largest? Is it a reduction in ambition for the future?

Mr. Aldemir Bendine [President]. No. What we're doing is to suit Petrobras to the new reality that is imposed at that time in the oil and gas market. This is also tied to a change in philosophy, especially in the matter of profitability generation for the company.

As I had already said, the previous plans which provided for that production in Brazil - this production you quoted is the Brazil production, not the total output of Petrobras - it was allocated in an interesting scenario for the Oil and Gas Industry, with the high value of Brent and with very good balance in the exchange rate.

And the reality imposed today to the company, 18 months after that of the previous plan, is that we don't have a market where we can be doing an expansion at any cost, bring even more debt to the company. We have to bring the company to face a new reality, given that the international market today imposes, and believing in those indicators that we put inside the Business Plan.

This value of 60 to 70 dollars a barrel, is very good in terms of profitability for the company, but it is not 120; then we have to bring this production on this new reality. Obviously, delay in delivery due to this ... this time the company experienced, in the process of investigation, also delayed production a little.

So we had to bring it to a new reality. So that's the reality we believe, which is still challenging, but it has been made "down to earth" and we believe that we are fully confident that will fulfill it always seeking, also, not only to meet production but, above all, create value, generate profitability for shareholders.

Ms. Carolina Rocha [Press Manager]: Gustavo Gaudarde, of Brasil Energia.

Mr. Gustavo Gaudarde [Brasil Energia]: Good evening. In fact, I'll give up my question to my colleague Claudia Siqueira. I just wanted a supplement on some things that have been raised here. Project cancellations, we are missing here comments on the fertilizer unit 5, to be sure if it has been really canceled, and why it would be. What would be the reason for the cancellation, if it's for lack of market perspective or is it a matter related to the supply of natural gas.

And also Bendine, you commented on the matter of the single operation which is being discussed in Brasilia. The Minister of Mines and Energy has placed that, from a business point of view, this is a position we have to start from Petrobras, that is, whether it is good or bad for the company. I would like to know if you, from the point of view, as a president, is in favor or not of Petrobras exclusivity in the operation of the pre-salt.

Mr. Aldemir Bendine [President]: Well, as the fertilizer unit, FN5 project, this is one of those projects that meet that condition of hibernated, projects that, at present, are paralyzed. Mostly due to the demand for the product ... for the product to be generated on a larger scale has a low demand.

Second, we have ... would have to face a problem of transportation ... of pipelines to bring gas to this unit, which would be a very massive investment, right? And then we would not make such cost-effective investment at this time, if it not proved adequate, compared to other company's business.

I emphasize once again that the discussion of the oil concession model, it is up to the state, not for the company. Obviously, obviously, the company, has the greatest interest in the participation of the pre-salt exploration. We are Petrobras' technical staff, the expertise of Petrobras is largely responsible for developing this new ... this new way to explore deep waters.

We have the most expertise in this regard. These are extremely productive fields, this is linked to the company's core. No doubt, the interests of Petrobras remain very strong in the pre-salt exploration. That, to us, is clear and certain point. The form it will occur, I think it is up to the state to define.

Ms. Claudia Siqueira [Brasil Energia]: Good evening, I do not know if the question would be for the officer Solange ...

Ms. Carolina Rocha [Press Manager]: Sorry. Introduce yourself, Claudia. Please.

Ms. Claudia Siqueira [Brasil Energia]: Claudia Siqueira, of Brasil Energia, sorry. Petrobras was already saying it would have a very modest participation in the next auctions, and you have significantly cut investment in exploration. I was wondering if Petrobras has margin to go to the auction, to the 13th round due to that and I also want to know: the previous plan estimated 13

new contracted units, this new plan estimates only 5. Were these 8 new units canceled? Are they included in 2030 period? I wanted to know what can be expected of these other 8 units, please.

Mr. Aldemir Bendine [President of Petrobras]: Well, the second part Solange will answer. The first part, we will analyze each and every auction that has been placed. There is no auction on the street, so we do not have, yet, condition to make any assessment. If we have capacity and financial viability, and find that the business interests us and we have ability to participate, obviously we will do all the technical analysis about it. On regards to production.

[Statement made without the use of microphone]

Mr. Aldemir Bendine [President of Petrobras]: We have a margin of financial viability, so we have no difficulty in participating. There is a margin of financial viability. What we need to see is the cost-benefit of, suddenly, having to postpone the issue of debt, because we... cash resources and cash flow that would be provided to accelerate the reduction of debt, would be hence, no ... not computed in this situation. So it is not computed within our cash flow at this time, the participation this year of this possible auction, that we, emphasize, is for the post-salt, and not pre salt.

Ms. Carolina Rocha [Press Manager]: Please Alexandre Tortonello TV Band.

Ms. Solange Guedes [E&P Officer]: I have an addition to make to Claudia ...

Ms. Carolina Rocha [Press Manager]: Sorry.

Mrs. Solange Guedes [E&P Officer]: Regarding the 8 projects that you mentioned, they do ... I commented before about the fact that this ... this plan, brings a very realistic work in relation to projects, right? Regarding ... and focused mainly on financial viability. There was a company's collective effort in this direction.

The projects you mention ... the 8 projects you mention, they had their priority momentarily diminished. They are not out. They just left the horizon until 2019. They are later to 2019, they are projects... they all have a lower degree of maturity than those that are... present, right?

So the cash flow, the risks were managed at the same time in which the profitability was focused. So, they are projects, its calculation is correct, the computing is correct, these projects, they remain under ... the teams working, the partnerships working on projects to seek greater project definition level and it remains in the company's portfolio.

Ms. Carolina Rocha [Press Manager]: Now, yes: Alexandre Tortonello, of Band.

Mr. Alexandre Tortonello [Band]: Good evening. Here in the back. Here. The first question is just on fuel: if Petrobras is considering change in fuel prices, particularly gasoline and diesel, throughout the year. If this ... this is included in the plan of yours. We know it's a government decision.

And the other is the following: the divestment value is the value you expect to get from the sale of these assets or it is the value that they have today in the balance sheet of Petrobras? Thanks.

Mr. Aldemir Bendine [President of Petrobras]: Well, with respect to price, it is logical that we work not for the year, we work every day making the measurement with respect to international parity, we'll always retain the question on price curve, right? And the pricing policy... sorry! The cost curve and the pricing policy will always be a company's strategy. Today we have a very positive margin.

We are not seeing the need, at least in the short term, to mark-up, but this exercise is done daily within the company, and when you, inside of a curve where you mitigate this volatility, and see a trend that there is a need, it is logical that the company will practice that price that remunerates according to what the shareholders expect, and yes, there would be increase. We cannot make prediction about it. This is a market behavior. Also another reality that I would like to stress, where there was a drop in demand as well.

Regarding the divestment, we tried to be conservative with respect to these assets and also to these business developments. We may be surprised, yes. I personally have an expectation that, suddenly, in some assets that we are pricing a certain value... to be surprised positively in relation to those assets, and as well as have an expectation to anticipation of some projects. Now this is data ... and that's why we are not putting a very perfect schedule about it, because what will direct us to act are the windows of opportunities we may have in the market. So we cannot make that kind of assessment. But we have a very good anticipation, yes, in the development of these new businesses, as well as some divestments we want.

Ms. Carolina Rocha [Press Manager]: We have two last questions: Luís Guilherme of Jornal do Brasil and then Paul Kierman, of The Wall Street Journal.

Mr. Luis Guilherme [Journal do Brasil]: Good evening. I am Luis. When the first information were disclosed this morning on the Business Plan, what drew more attention was the reduction of the investment plan, compared to the previous Plan. But the previous Plan was 2014-2018 and the plan ... the investments were harmed because of ... the investigation, Car Wash Operation. So, in practical terms, what ... what was the reduction? Was there really a ... a reduction compared to what was practiced in the past year? How is this ... this comparison in practice? Because, in the Business Plan it was a theory and then this ... this problem occurred.

Mr. Aldemir Bendine [President of Petrobras]: No, I would say that the biggest impact we had in relation to the company's Investment Plan is closely linked to the situation and the projection that we see for the oil and gas market for the next years. Again I stress that this Plan was prepared in late 2013 with a market view where we saw a ... the price of Brent in constant evolution, and working above 120 dollars a barrel. We are working on a new reality, 18 months later, right? With a future plan, in which we are working in a reality of a barrel close to 60, right? So I think the biggest impact in relation to the company's investment is notably in a marketing issue.

Does the investigation process have consequences in implementing the plan? Yes, that was natural, but I think its representation in such a large volume is ... not the most significant part of the business. The company went through a time where it had to stop, regroup, because it has been cooperating and cooperated much more effectively, and had to devote very strongly in helping the authorities in this investigative process. This ends up bringing some consequences on the implementation of the plan. But, anyways, even though there was an ongoing investigation process, we would have, surely, a very strong impact on the company's investment plan due this marketing condition that we face and the company has to suit to it.

Mr. Paul Kierman [Wall Street Journal]: Good evening. Paul Kierman, The Wall Street Journal, here. I wonder if it is possible ... You spoke about the financial viability of this Business Plan. Can you go a step beyond and rule out the possibility of a new capital contribution by the Brazilian Treasury? I think this is a source of anxiety in the financial market. Also, considering the sharing model and the requirements that the current pre-salt development model involve, is the company able to participate in any new pre-salt auctions, considering the obligations that are imposed on the company? Thanks.

Mr. Aldemir Bendine [President of Petrobras]: The question of a possible capitalization, yes, it is completely ruled out, it is not included in the company's horizon, given the situation we have today and the way we prepared the Business Plan, there is no possibility of capitalization in the company. We will work very strongly in this model now disclosed herein. We will work very strongly on cash generation in the pursuit of efficiency... and especially in the matter of new business development...

And a good portion of divestment. In regards to possible pre salt auctions, we are not putting in the short-term horizon, any possibility of pre salt auction. First, because there is an open discussion on revisiting this model. Second, because until now, at least there was no indication from the federal government that there is a disclosure regarding a possible auction in the areas of pre salt. Especially because we still have an ongoing discussion on the issue of assignment agreement model.

So we still have a value creation potential not only for the company but also for generation to the holder, right? The deposit, which is the state, in regards to the assignment agreement model. So, in our radar there is no possibility of an auction of pre-salt in the short term or in the medium term, and we are fully focused on the question of the reality of this new Business Plan, and no capitalization. We don't have it on our horizon.

Ms. Carolina Rocha [Press Manager]: Well, I want to thank the presence of all. Thank you, President, Directors. Good evening.

Mr. Aldemir Bendine [President of Petrobras]: I thank you. Goodnight to everyone. I would like you to continue believing in the way we are working to put the company in a new position in this market. I know sometimes anxiety is big for all that Petrobras means to Brazilian economy, and for the time the company is facing due to the discussions we had today, not only on this investigative process, but on the model of participation of Petrobras.

But I would like to reaffirm the commitment of Petrobras with its shareholders, reaffirm the commitment of Petrobras to the Brazilian society. We intend with this Business Plan to give a very strong return of stability for the company, and also strongly believing in the country. We know our responsibility in the oil and gas chain, which accounts for 13% of Brazil's GDP, and we expect by the "homework" we have done, to focus heavily on achieving this business plan and bring new impetus to the Oil and Gas Market.

I also want you to understand that we're going to close very strongly regarding divestment plan, and this is a strategy for us. We cannot talk openly about these issues, so all you hear from now on, will deal with speculation, and the company will not make statements on this regard.

In every business we will bring to our board of directors the opportunities arising and in transparency commitment, I will invite you and present to you the development of this divestment plan. I appreciate the understanding that you have had with the company. The sense of partnership, in the way you have sought to support in a transparent disclosure what we are trying to implement here.

So I thank you very deeply and I hope to receive the support of all of you so that the company can give a very positive response for the shareholders and for the country. Thank you. Good evening everyone.