

RESULTS ANNOUNCEMENT

4TH Quarter 2015 and Fiscal Year 2015

Conference Call / Webcast
March, 22nd 2016

DISCLAIMER



FORWARD-LOOKING STATEMENTS:

DISCLAIMER

The presentation may contain forward-looking statements about future events within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, that are not based on historical facts and are not assurances of future results. Such forward-looking statements merely reflect the Company's current views and estimates of future economic circumstances, industry conditions, company performance and financial results. Such terms as "anticipate", "believe", "expect", "forecast", "intend", "plan", "project", "seek", "should", along with similar or analogous expressions, are used to identify such forward-looking statements. Readers are cautioned that these statements are only projections and may differ materially from actual future results or events. Readers are referred to the documents filed by the Company with the SEC, specifically the Company's most recent Annual Report on Form 20-F, which identify important risk factors that could cause actual results to differ from those contained in the forward-looking statements, including, among other things, risks relating to general economic and business conditions, including crude oil and other commodity prices, refining margins and prevailing exchange rates, uncertainties inherent in making estimates of our oil and gas reserves including recently discovered oil and gas reserves, international and Brazilian political, economic and social developments, receipt of governmental approvals and licenses and our ability to obtain financing.

We undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information or future events or for any other reason. Figures for 2016 on are estimates or targets.

All forward-looking statements are expressly qualified in their entirety by this cautionary statement, and you should not place reliance on any forward-looking statement contained in this presentation.

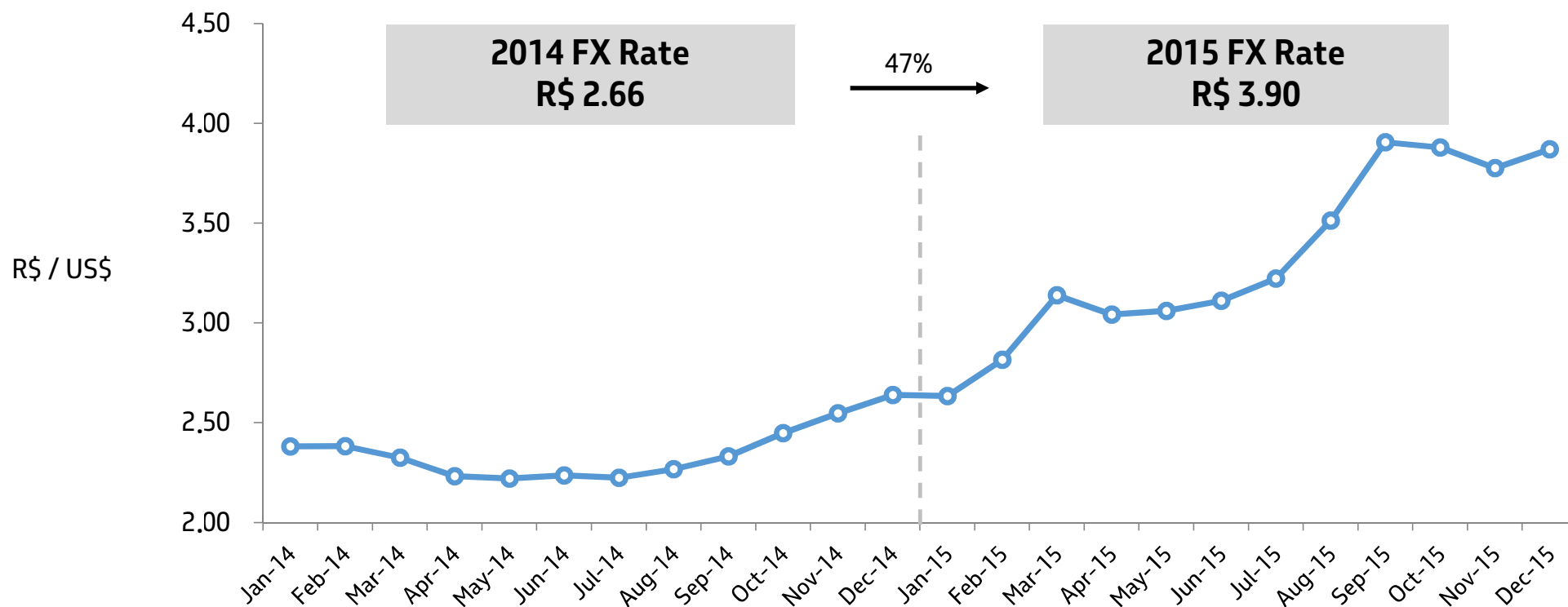
In addition, this presentation also contains certain financial measures that are not recognized under Brazilian GAAP or IFRS. These measures do not have standardized meanings and may not be comparable to similarly-titled measures provided by other companies. We are providing these measures because we use them as a measure of company performance; they should not be considered in isolation or as a substitute for other financial measures that have been disclosed in accordance with Brazilian GAAP or IFRS.

NON-SEC COMPLIANT OIL AND GAS RESERVES:

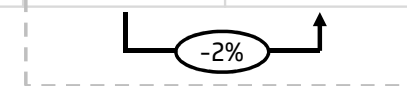
CAUTIONARY STATEMENT FOR US INVESTORS

We present certain data in this presentation, such as oil and gas resources, that we are not permitted to present in documents filed with the United States Securities and Exchange Commission (SEC) under new Subpart 1200 to Regulation S-K because such terms do not qualify as proved, probable or possible reserves under Rule 4-10(a) of Regulation S-X.

Exchange Rate

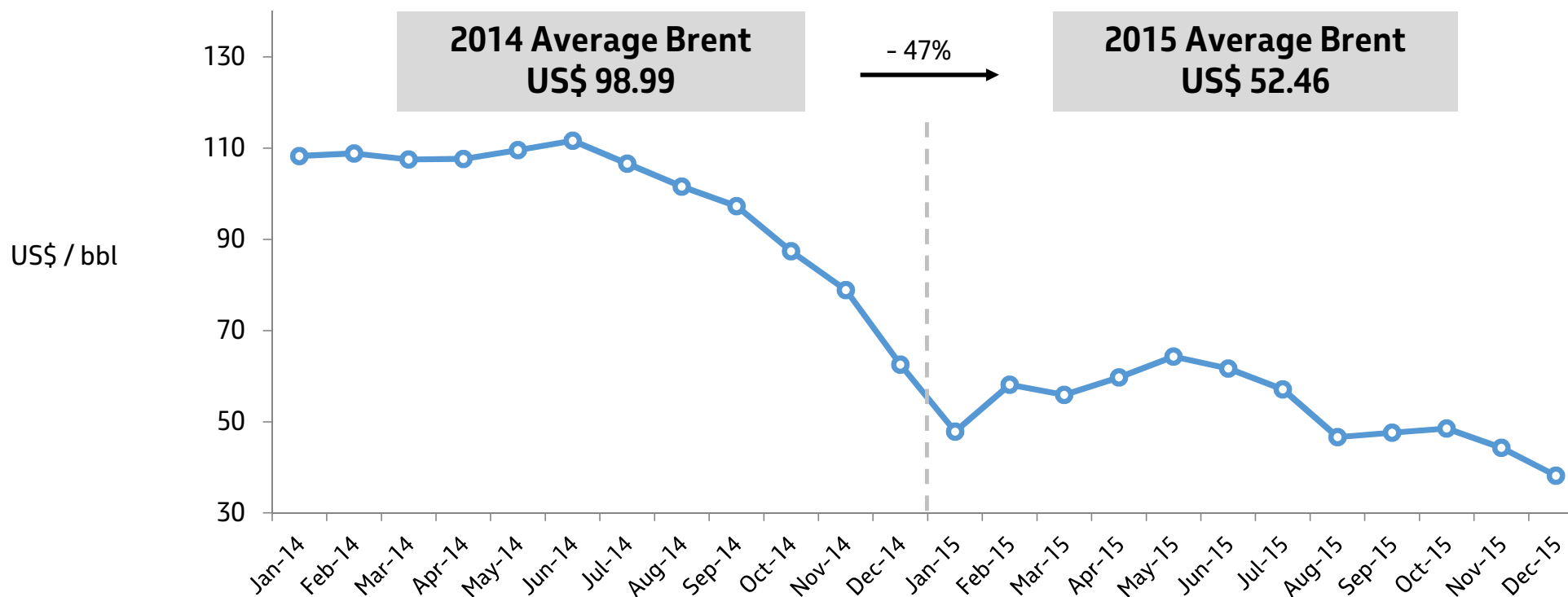


FX Rate (R\$/US\$)	1Q14	2Q14	3Q14	4Q14	1Q15	2Q15	3Q15	4Q15
Average	2.37	2.23	2.27	2.54	2.87	3.07	3.54	3.84
End of Period	2.26	2.20	2.45	2.66	3.21	3.10	3.97	3.90

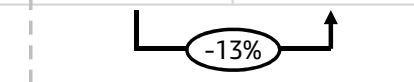


Source: Bloomberg – PTAX Exchange Rate

Oil Prices - Brent



Average Brent	1Q14	2Q14	3Q14	4Q14	1Q15	2Q15	3Q15	4Q15
R\$	256.48	244.47	231.56	193.73	154.89	190.09	177.38	167.86
US\$	108.22	109.63	101.85	76.27	53.97	61.92	50.26	43.69



Source: Platts

Results Highlights

2015 Highlights

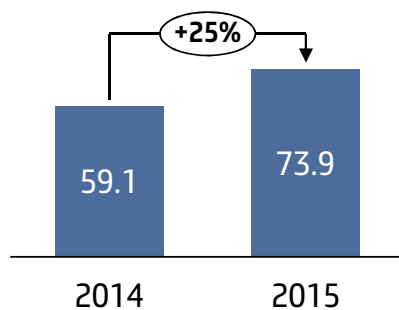
- + Free cash flow of R\$ 15.6 Billion. Petrobras has not posted a positive free cash flow since 2007.
- + Adjusted EBITDA of R\$ 73.9 Billion, 25% higher than 2014
- + Total production of 2,787 mil boed, a 4% increase over 2014, with a daily production record in the pre-salt* of 1,173 th. boe in 12/14/2015
- + Lower expenses related to imports (oil and oil products) and government take
- Impairment of assets (R\$ 47.7 billion) and investments (R\$ 2.1 billion)
- Higher net financial expenses, due to FX devaluation and higher interest expenses

4Q15 Highlights

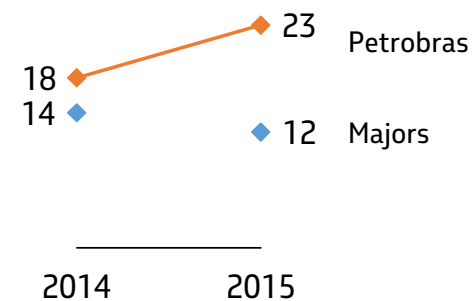
- Impairment of assets (R\$ 46.4 billion) and investments (R\$ 1.9 billion)
- + Free cash flow of R\$ 7.3 billion
- + 57% decrease in net financial expenses

Results Highlights

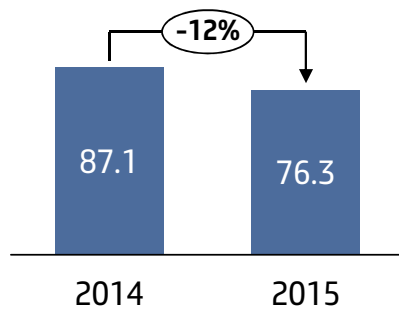
EBITDA (R\$ Billion)



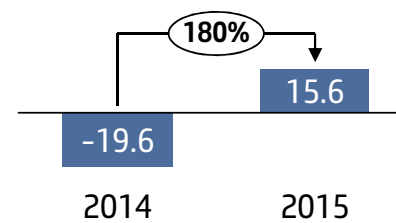
EBITDA Margin (%)



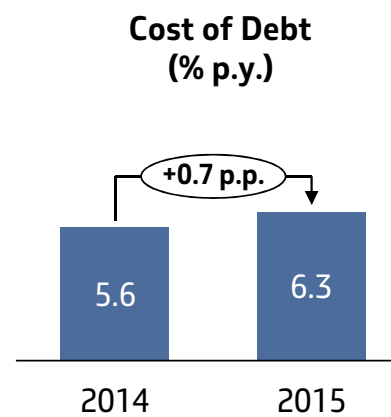
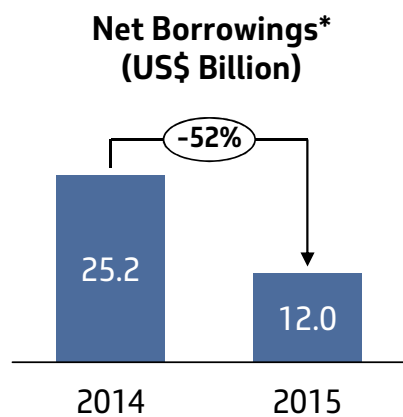
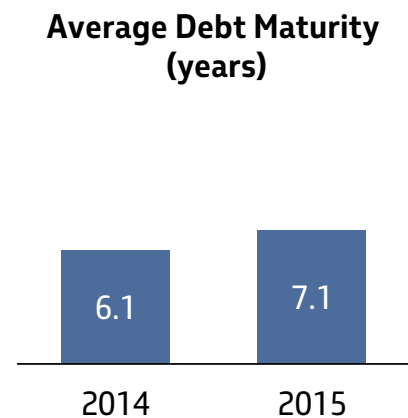
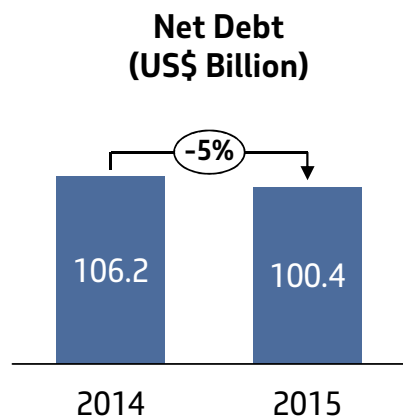
Investments (R\$ Billion)



Free Cash Flow (R\$ Billion)



Results Highlights



* Net of rollovers and pre-payments

2015 Consolidated Net Results: - R\$ 34.8 billion

R\$ Billion	2015	2014	Δ%
Sales Revenues	321.6	337.3	-5
Cost of Sales	-223.1	-256.8	-13
Gross Profit	98.6	80.4	23
Operational Expenses	-111.0	-101.8	9
Operating Income	-12.4	-21.3	42
Financial Results	-28.0	-3.9	-619
Share of earning in equity-accounted investments	-0.8	0.5	-277
Profit-sharing	0.0	-1.0	-100
Net income (loss) before income taxes	-41.2	-25.8	-60
Income Taxes	6.1	3.9	56
Non-controlling interest	0.3	0.3	-1
Net Income/Loss	-34.8	-21.6	-61
Net Income (US\$ Billion)	-8.5	-7.5	13
Adjusted EBITDA	73.9	59.1	25
Investments	76.3	87.1	-12
Brent (US\$/bbl)	52	99	-47
Average Exchange Rate(R\$/US\$)	3.34	2.35	42
End of Period Exchange Rate (R\$/US\$)	3.90	2.66	47

- Lower demand for oil products in the domestic market
- Higher oil exports volumes

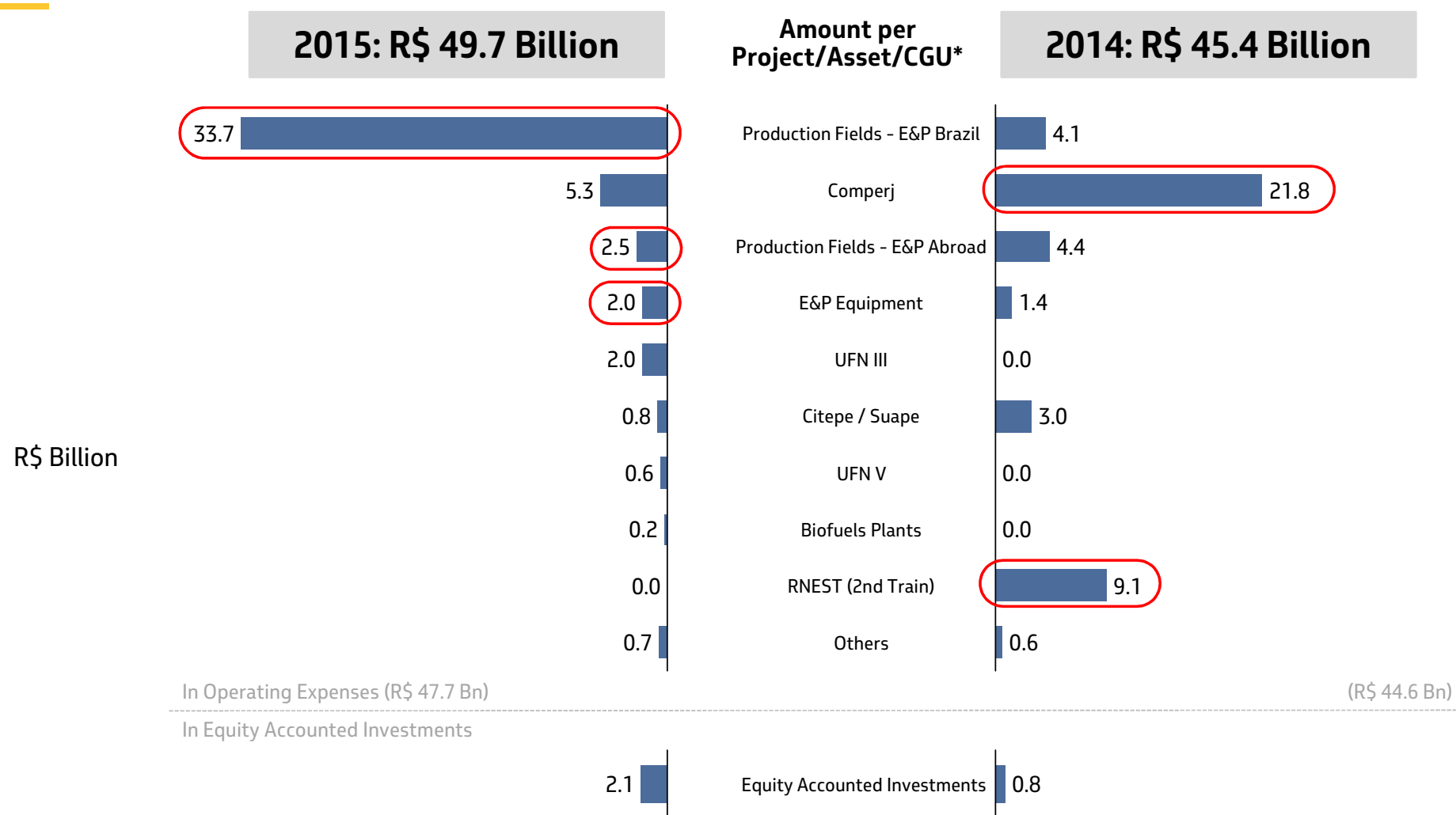
- Lower expenses with imports and government take
- Lower share of imported volumes in the sales mix

2015

- Impairment: R\$ 47.7 Bn
- Tax Expenses: R\$ 9.2 Bn
- Legal contingencies : R\$ 5.6 Bn
- Impairment of trade receivables from the electricity sector: R\$ 1.9 Bn

- Exchange rate losses due to depreciation of the *real*
- Higher interest expenses:
 - Higher Indebtedness;
 - Lower interest capitalization;
 - Interest on tax expenses

Impairment Provision: 2015 and 2014

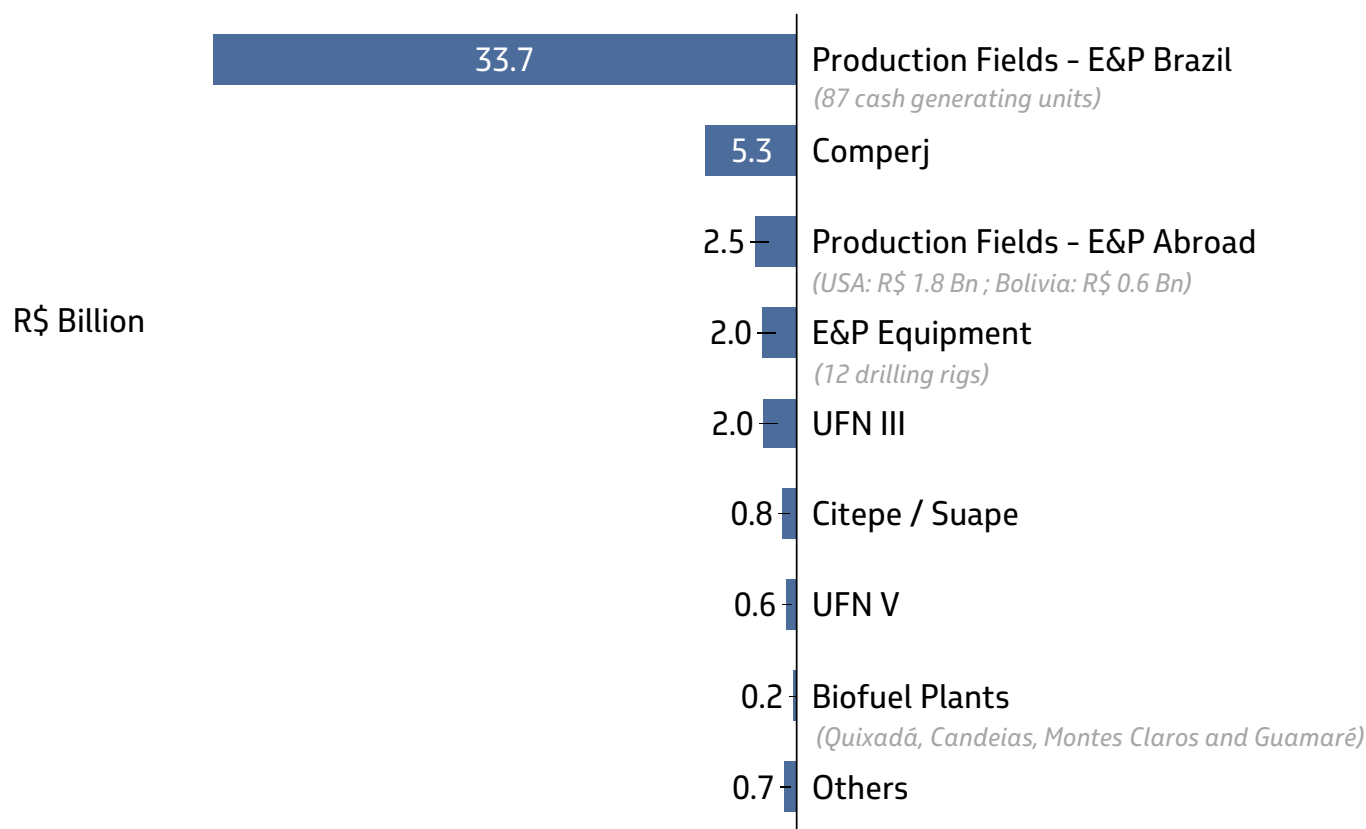


* Cash Generating Unit

Impairment Provision: 2015

R\$ 47.7 Billion

Amount per Project/Asset/CGU*



- **E&P Production Fields**
decrease of oil prices and geological revision of Papa-Terra reservoir
- **Comperj**
postponement of the expected initial cash flow of the project
- **E&P Equipment**
expectation of future idleness of drilling rigs
- **Discount Rate**
higher risk premium reflecting Brazil's loss of investment grade

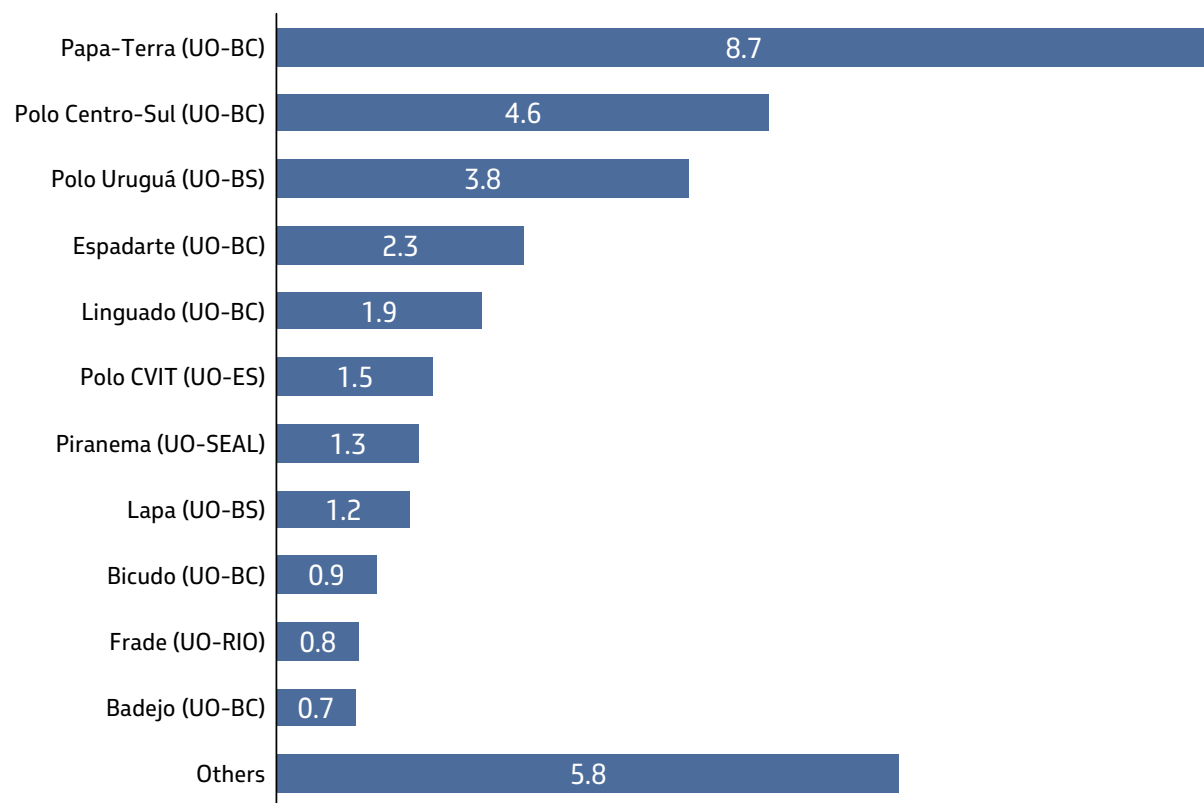
* Cash Generating Unit

Impairment of Assets

Oil and Natural Gas Production Fields in Brazil

Production Fields in Brazil R\$ 33.7 Billion

R\$ Billion

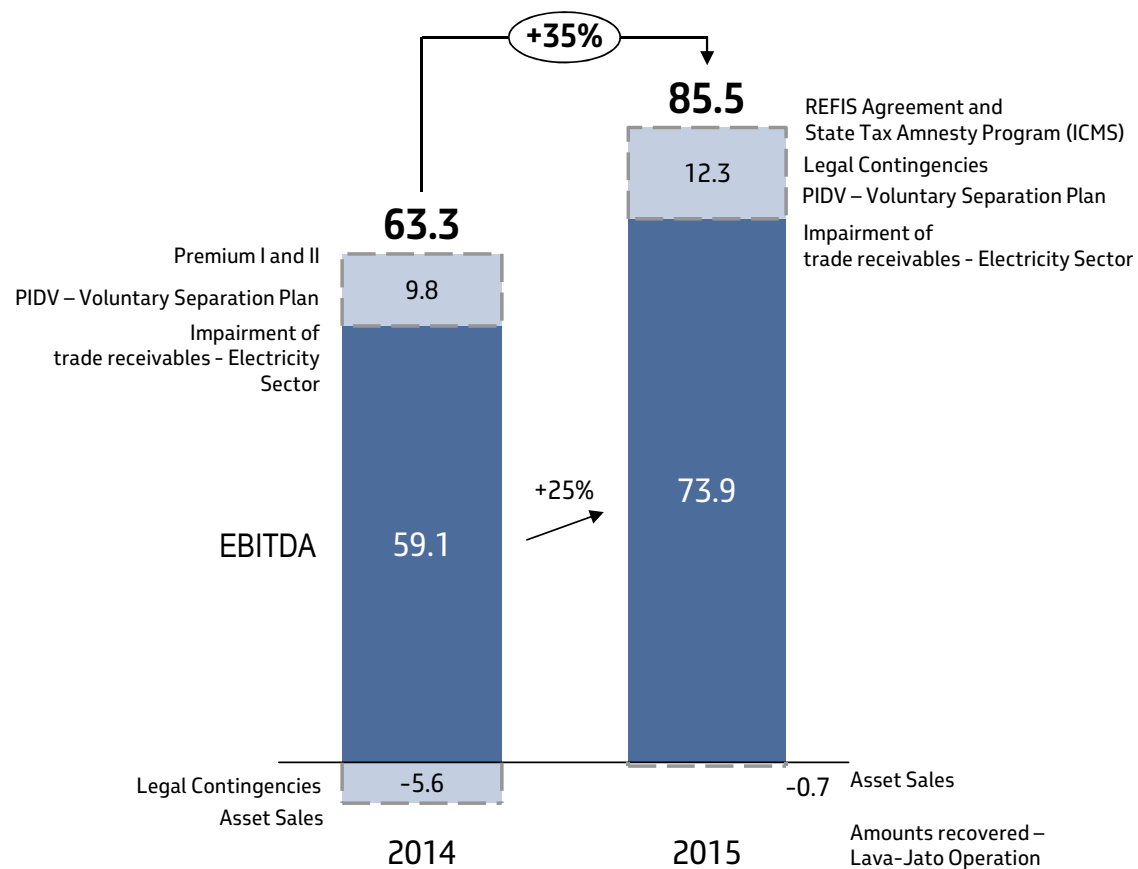


Adjusted EBITDA without Special Items

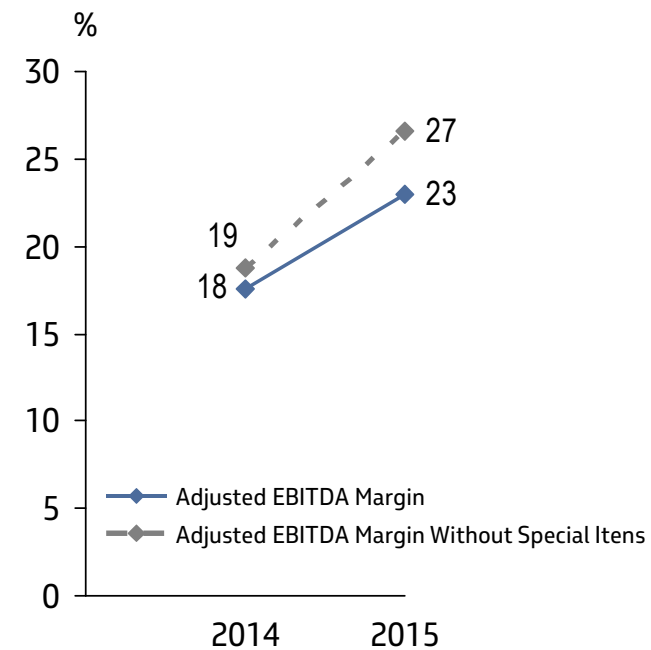
2014 x 2015

R\$ Billion

Adjusted EBITDA Without Special Items

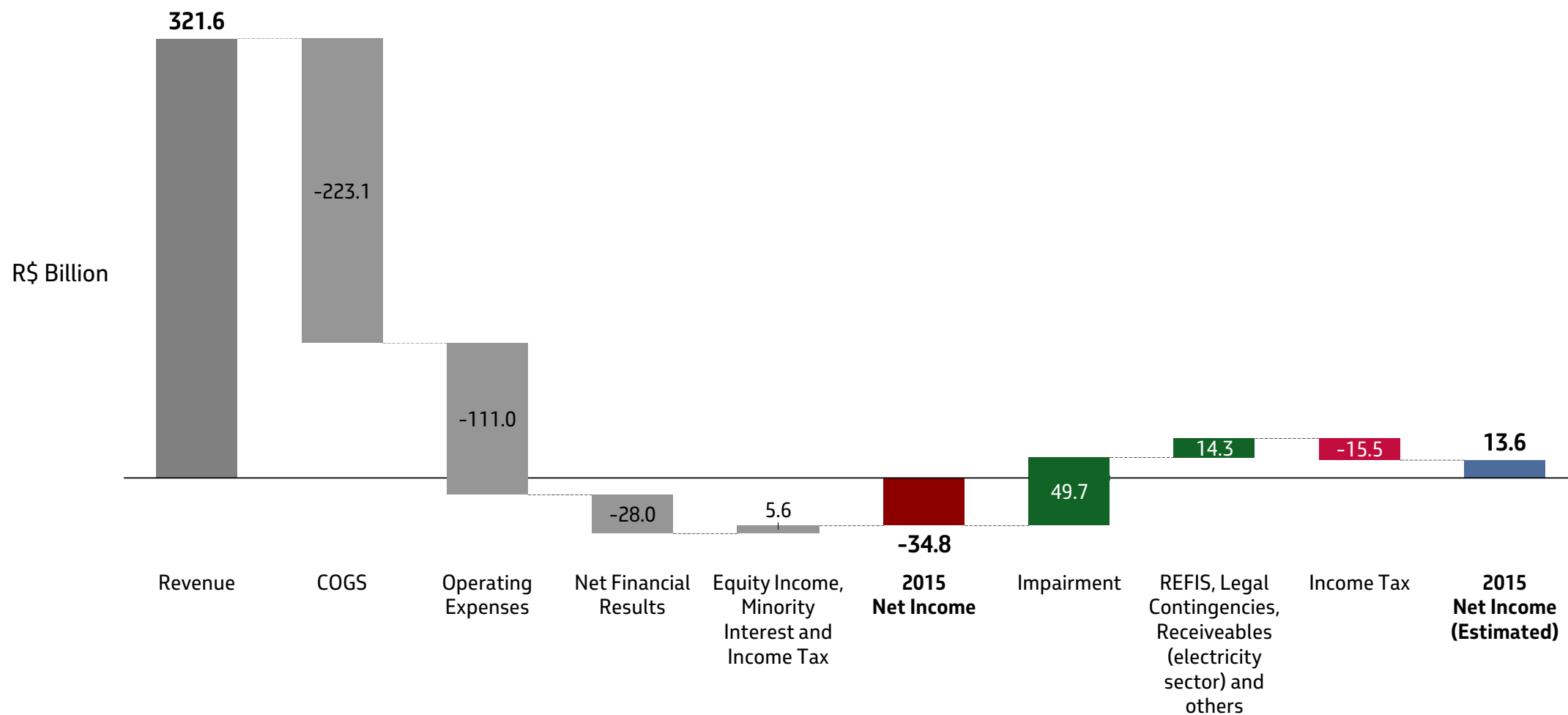


Adjusted EBITDA Margin Without Special Items



Simulation of 2015 Consolidated Net Income

Without special items



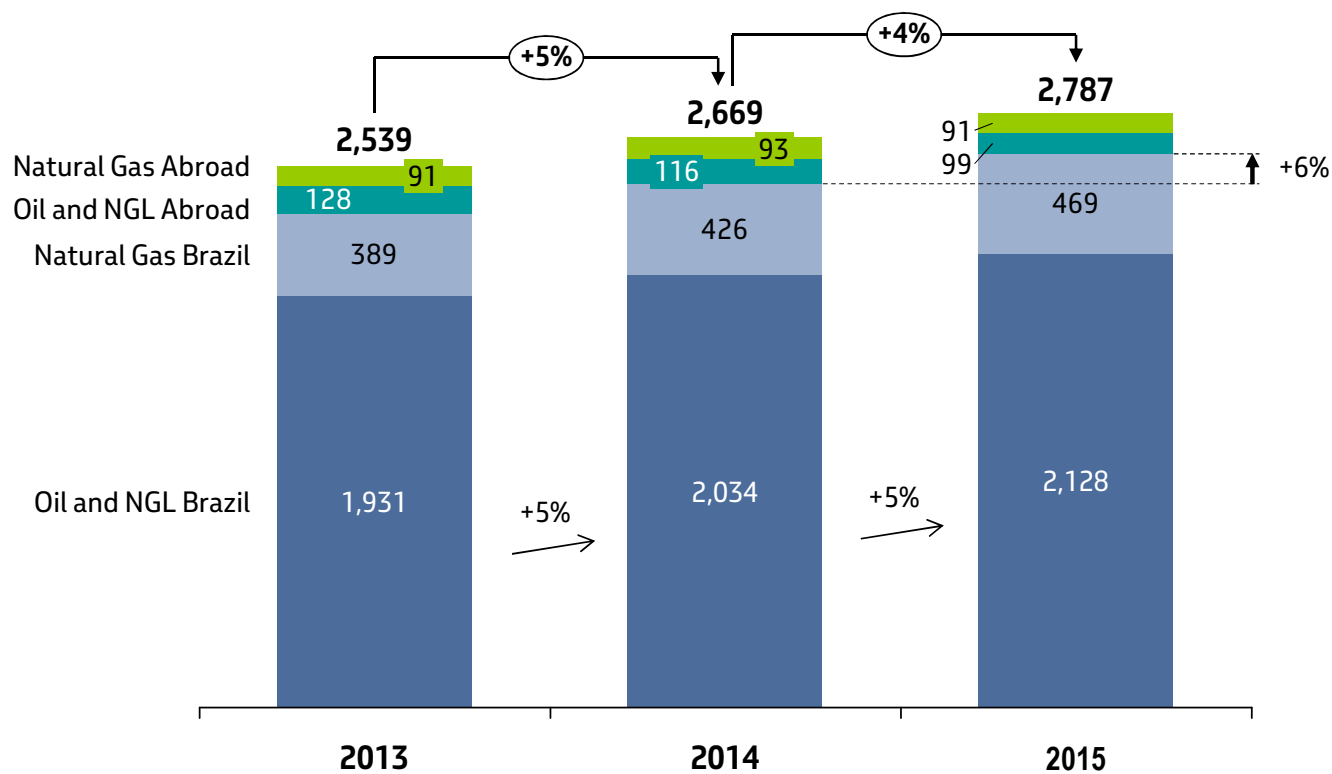
4Q15 Consolidated Net Result: - R\$ 36.9 Billion

R\$ Billion	4Q15	3Q15	Δ%
Sales Revenues	85.1	82.2	3
Cost of Sales	-58.3	-58.5	0
Gross Profit	26.8	23.8	13
Operational Expenses	-67.9	-17.9	-278
Operating Income	-41.0	5.8	-806
Financial Results	-4.9	-11.4	57
Share of earning in equity-accounted investments	-1.3	0.2	-770
Profit-sharing	0.1	0.2	-44
Net income (loss) before income taxes	-47.2	-5.2	-807
Income Taxes	11.6	0.2	6.555
Non-controlling interest	-1.4	1.3	-207
Net Income/Loss	-36.9	-3.8	-883
Net Income (US\$ Billion)	-9.4	-1.1	787
Adjusted EBITDA	17.1	15.5	10
Investments	20.8	19.3	8
Brent (US\$/bbl)	44	50	-13
Average Exchange Rate(R\$/US\$)	3.84	3.54	8
End of Period Exchange Rate (R\$/US\$)	3.90	3.97	-2

- Higher domestic prices of oil products due to diesel and gasoline adjustments in Sep/15
- Lower oil products sales in the domestic market
- Lower expenses with imports and government take
- Lower share of imported volumes in the sales mix
- Impairment
- Lower exchange rate losses due to the appreciation of the *real* over net liabilities in dollars and euros

Oil and Natural Gas Production – Brazil and Abroad

kboed



New Units

- P-58 (Parque das Baleias)
- P-62 (Roncador)
- FPSO Cidade de Mangaratiba (Iracema Sul)
- FPSO Cidade de Ilhabela (Sapinhoá)
- FPSO Itaguaí (Iracema Norte)
- P-61 (Papa-Terra)

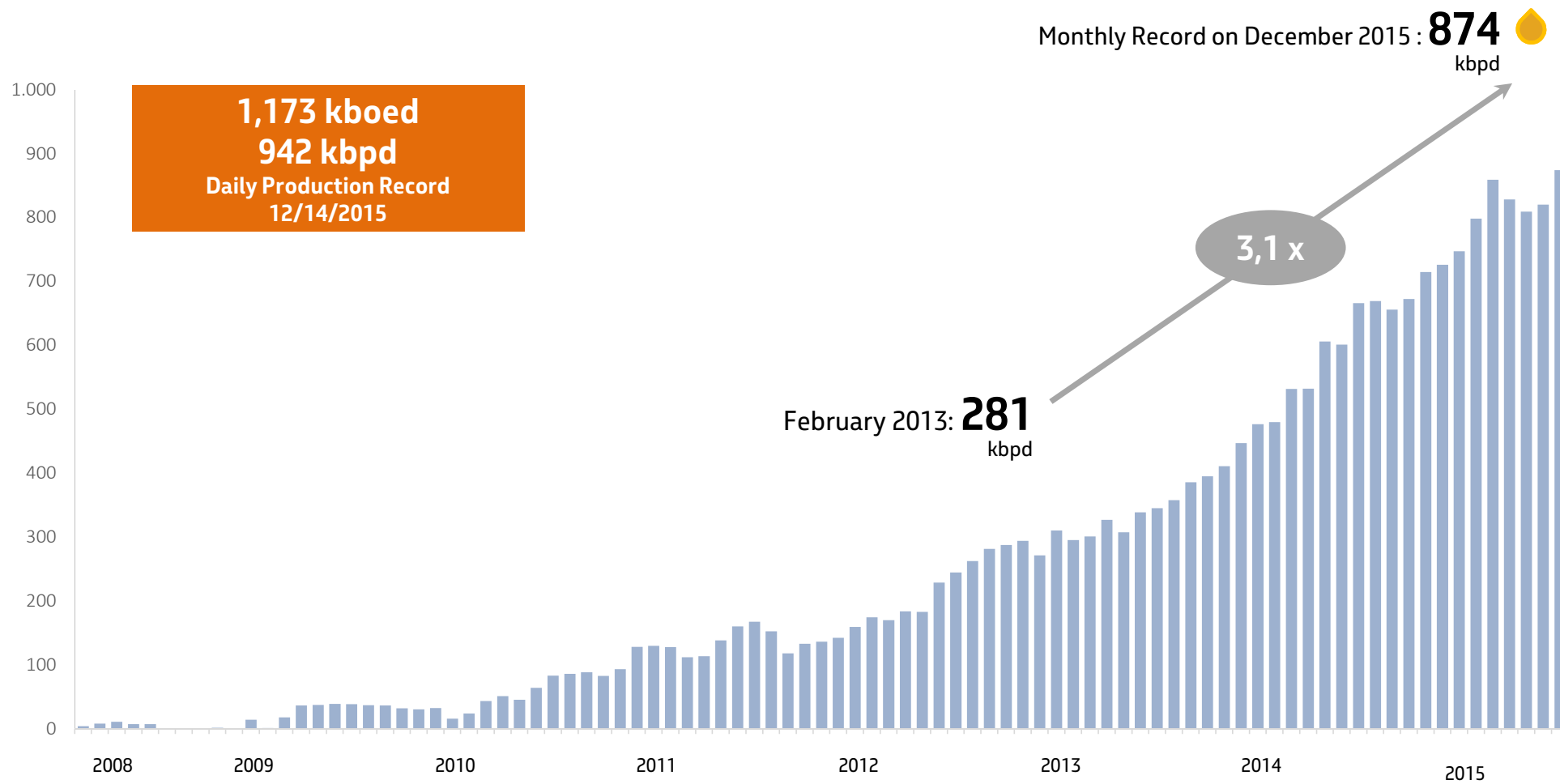
* NGL – Natural Gas Liquids

Exploration & Production

Pre-Salt Production

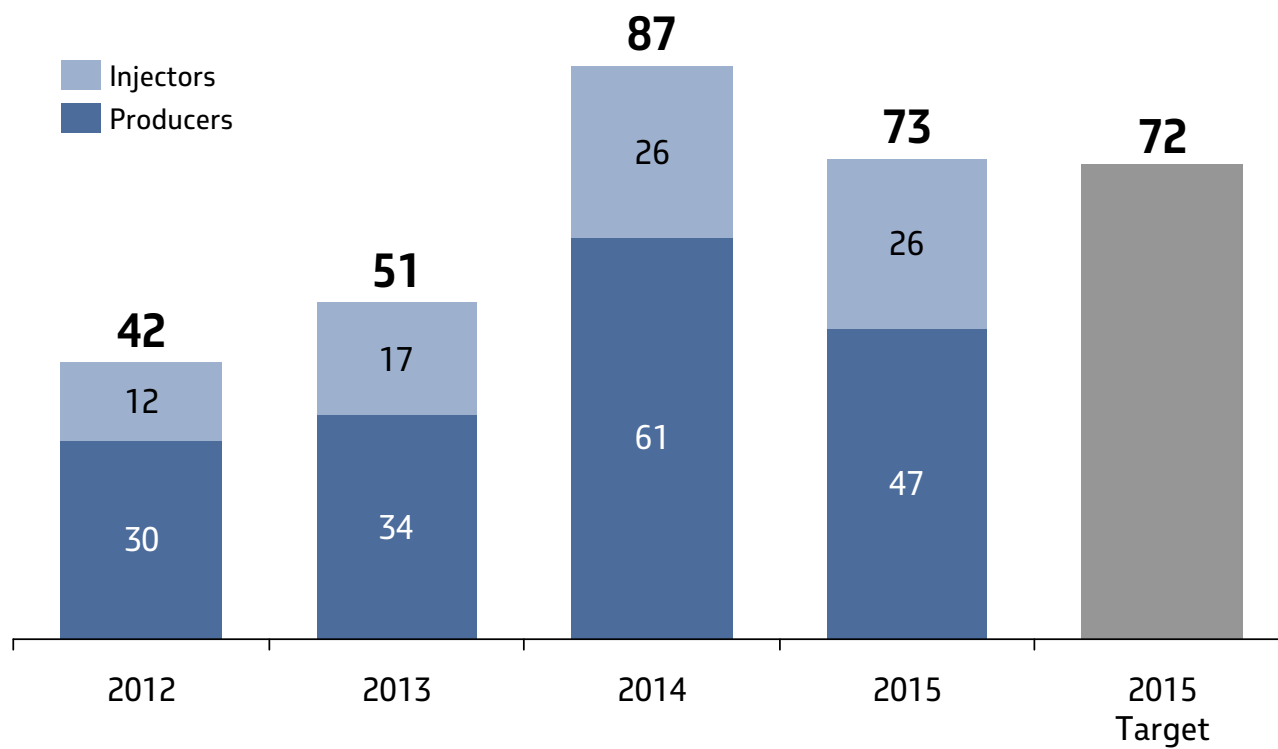


Pre-Salt Average Monthly Production* (kbpd)



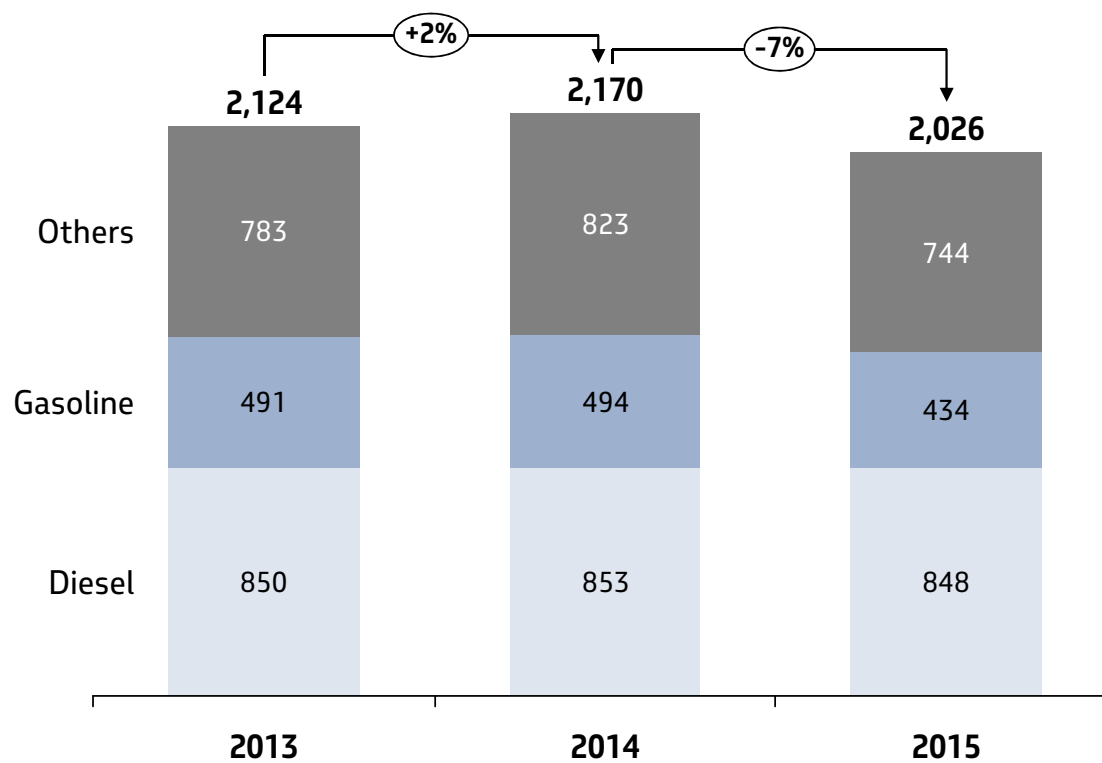
*Petrobras + Partners production

Connection of New Wells in Brazil



Oil Products Output in Brazil

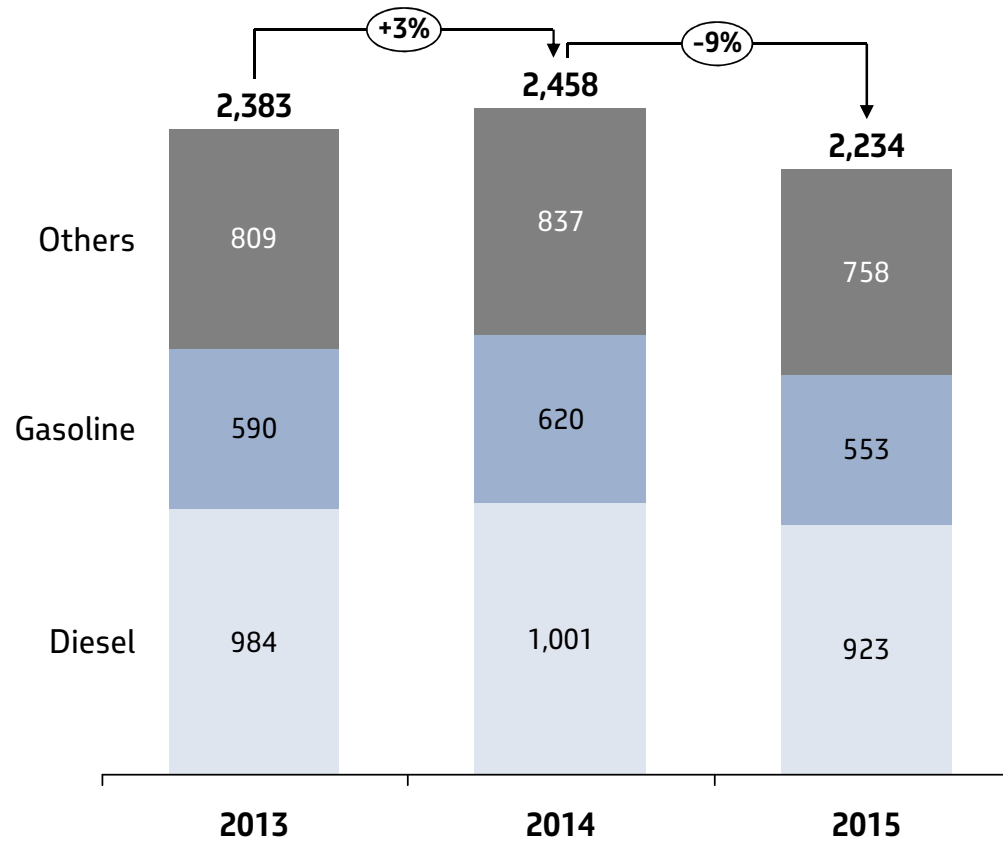
kbpd



Utilization Factor (%)	97	98	89
Yield (%) (Diesel, Gasoline and Jet Fuel)	68	67	68

Sales Volumes in Brazil

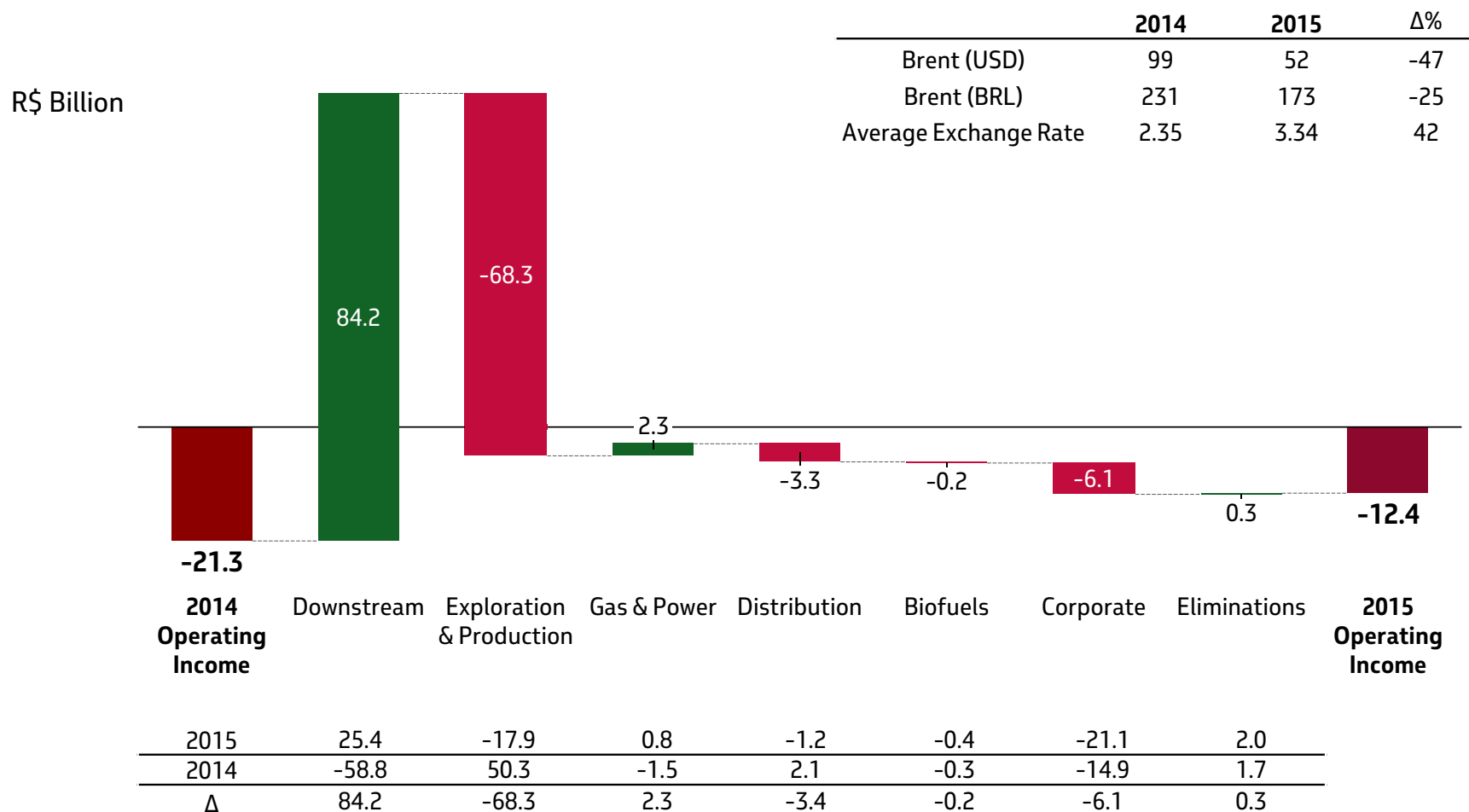
kbpd



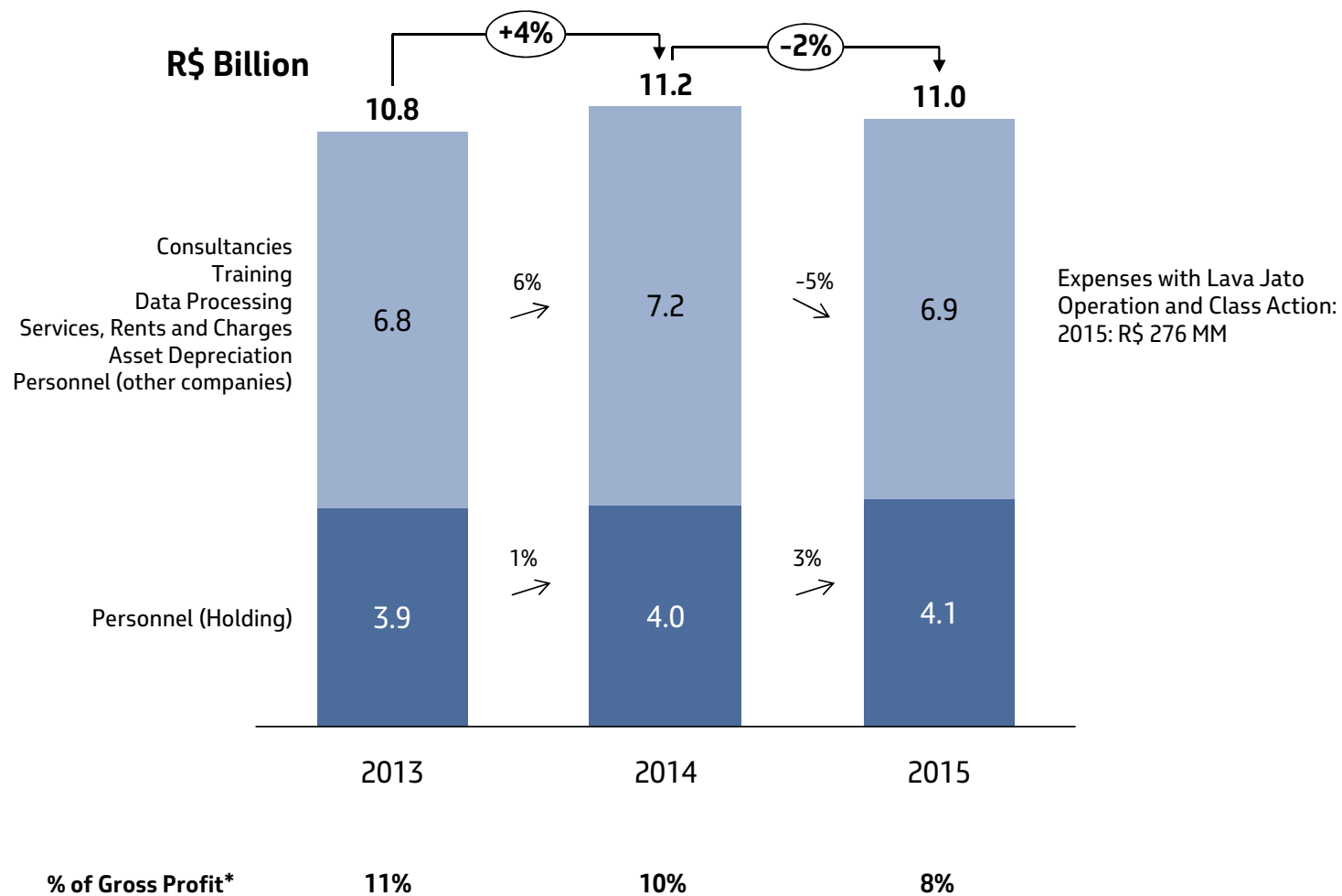
- **Naphtha:** lower demand, mainly from Braskem
- **Gasoline:** increase of ethanol content in gasoline C to 27% from 25%; lower market-share
- **Diesel:** lower consumption in infrastructure projects; lower market share and higher content of biodiesel in the diesel/biodiesel mix

Operating Income Evolution 2014 x 2015 (-42%)

By segment



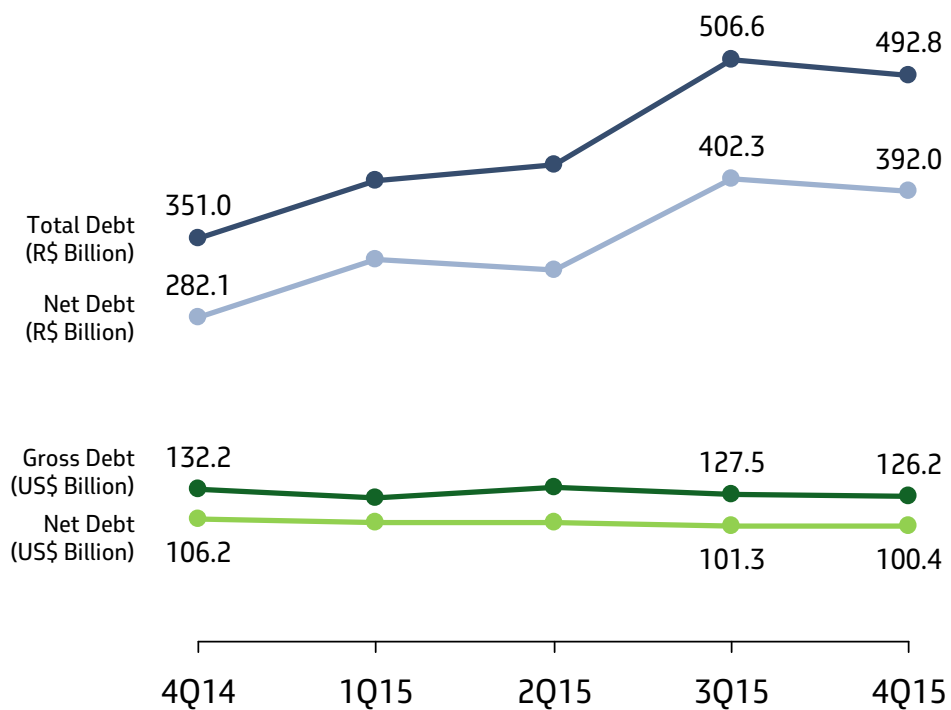
General and Administrative Expenses



* Gross Profit ex-Depreciation

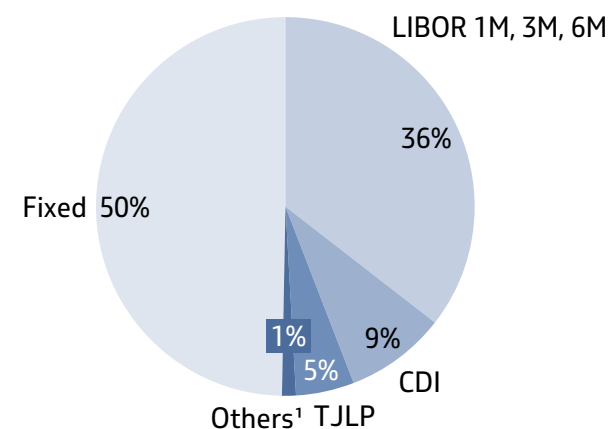
Indebtedness

Indebtedness Evolution



Net Debt/ EBITDA LTM	4.77	3.86	4.64	5.24	5.31
Leverage %	48	52	51	58	60

Debt Profile



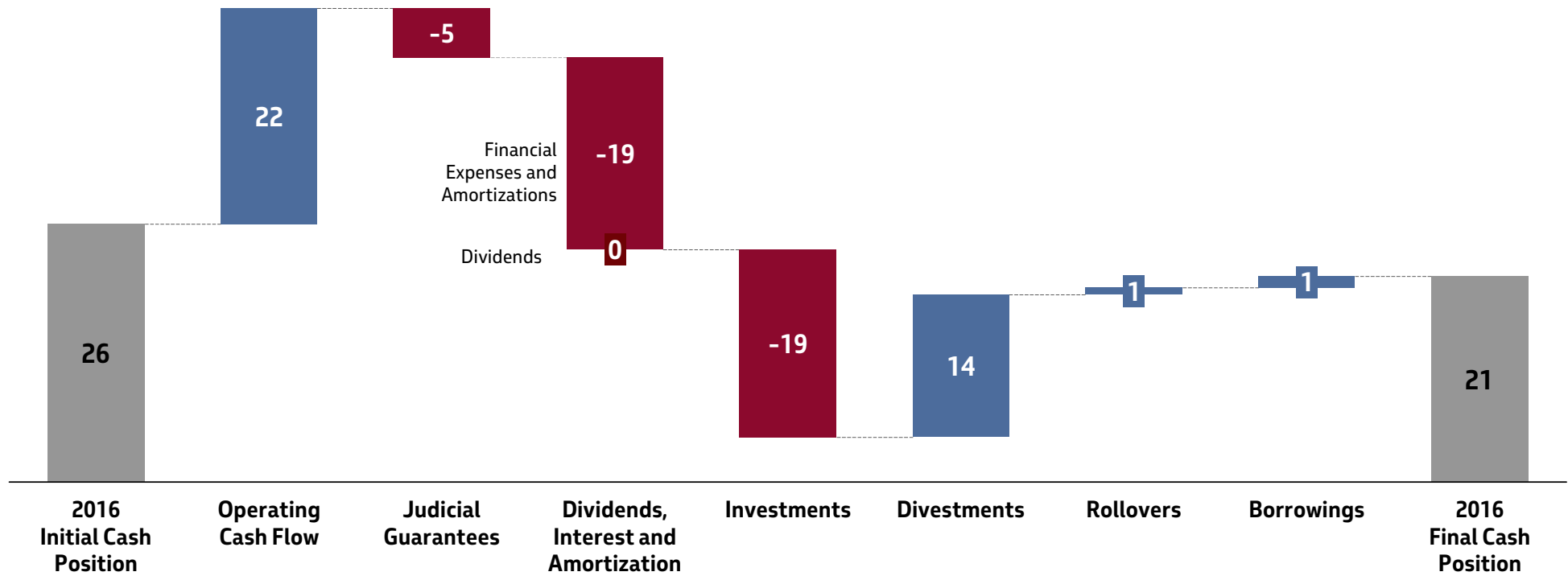
	4Q14	4Q15
Cost of Debt (in USD)	5.6% p.y.	6.3% p.y.
Average Maturity	6.10 years	7.14 years
New Borrowings² (USD Bn)	2014 25,2	2015 12,0

¹ Others: IPCA, TIBOR 6M, EURIBOR 6M, BNDES_006, SCD (Selic).

² Net of roll-overs and pre-payments

2016 Cash Flow

US\$ Billion



Does not include disbursements related to class action, labor contingencies and possible impact of new tax legislations in Rio de Janeiro.

RESULTS ANNOUNCEMENT

4th Quarter and 2015 Year End 2015 Reults

Information:

Investor Relations

+55 21 3224-1510

investors@petrobras.com