

PETROBRAS *DAY*²⁰¹⁹ New York



New York, December 4th, 2019

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The presentation may contain forward-looking statements about future events 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.

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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

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Roberto Castello Branco
—
CEO

The first results of a new Petrobras

Five strategic pillars underpinning our transformational agenda



Maximize returns on capital employed

- Focusing on assets in which we are the natural owner
- Pre-salt production reached 60% of output



Reduction of cost of capital

- Continuing the deleveraging path
- Transparency and liability management



Relentless search for low costs

- Cost cutting and resilience to low-price scenarios



Meritocracy

- Merit-based variable compensation program
- EVA® implementation



People, environment and safety

- People's empowerment
- Safety culture
- Decarbonizing oil production



~ US\$ 21 billion¹

Debt reduction

~ US\$ 16 billion²

Divestments of non-core assets

~ US\$ 13 billion

Free cash flow (9M19)

~ US\$ 17 billion

Acquisition of Búzios surplus



Opening refining market

Agreement with CADE (anti-trust body) to sell 50% of refining capacity



Opening gas market

Agreement with CADE to foster competition in Brazilian gas market



Privatization of BR Distribuidora

First one through capital markets in Brazil



Credit rating upgrade

Upgrade from Moody's and Fitch on the stand-alone credit profile

¹ Including IFRS16

² Sales updated until 11/28/2019, including signed and closed transactions



Resilience Plan launched in March 2019

- Voluntary dismissal programs
 - » 2,962 employees enlisted
- Revision of advertising and sponsorship expenses
 - » Reduction of ~US\$ 40 million
- Optimization of use of office buildings
 - » Reduction of ~ 45,000 m² in Brazil
 - » Closing of 8 offices abroad, 5 to come
- Creation of Digital Transformation and Innovation Executive Office
 - » Digital twin implementation in 3Q19

Empowerment of Executive Committee

Creation of new Executive Offices:
Institutional Relations and Digital Transformation and Innovation

Reduction of the number of Board advisory committees

Improvement in flexibility and efficiency in organizational structure

New shareholder remuneration policy

Empowerment of people - responsibility with accountability
EVA[®] - recognition program



Mind the Gap
PETROBRAS2020/2024

Key messages

Focus on a higher value generation for shareholders



Safety as a priority



Active portfolio management



Debt reduction and capital discipline



Digital transformation



Resilience to low oil prices



Transition to low-carbon economy



Performance measurement for value generation 2020



< 1.0



1.5x



US\$ 2.6 billion³

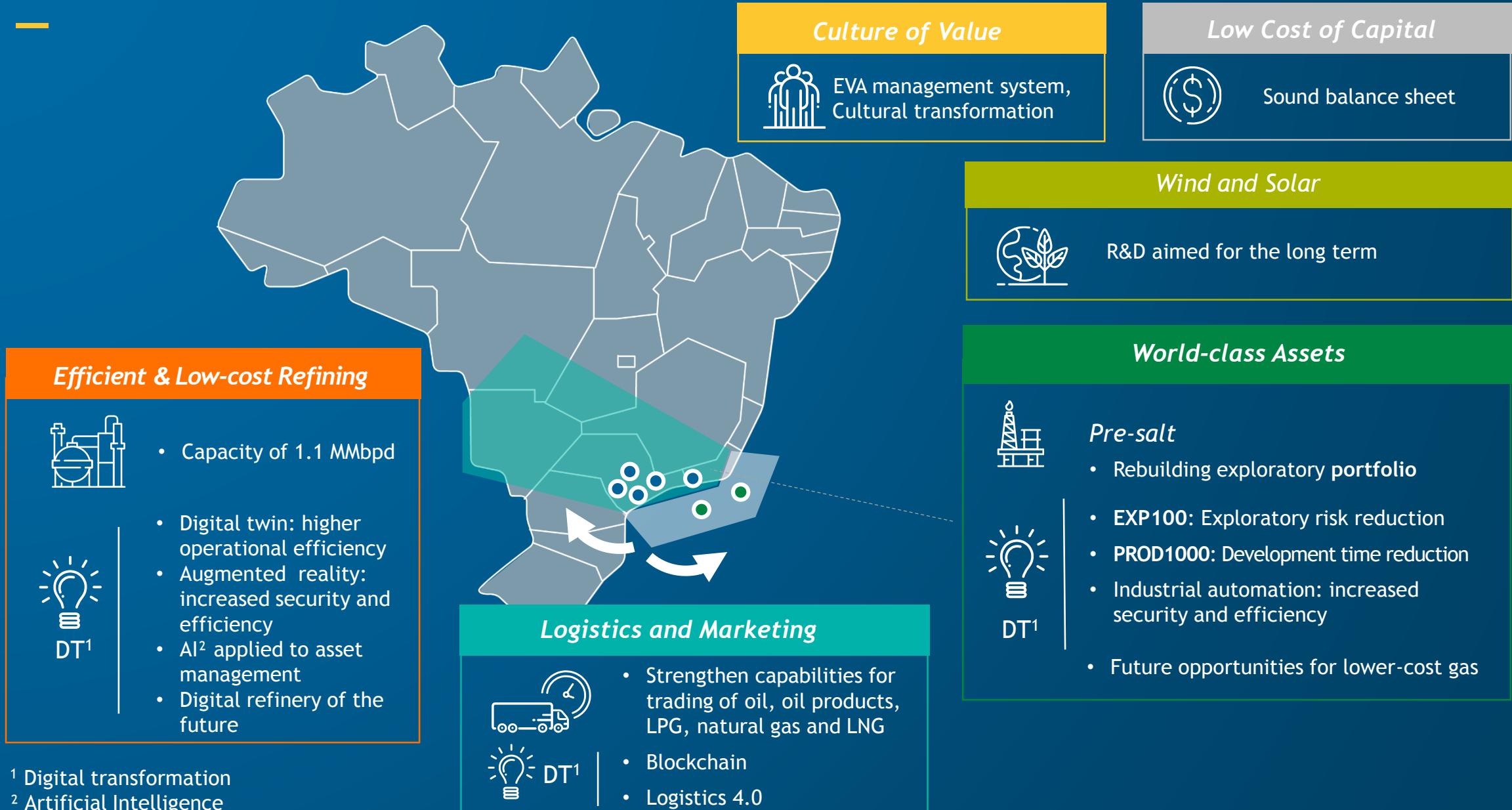
Ambition: Zero fatalities

¹TRI: Total recordable injuries

²ND/EBITDA: Net debt/LTM adjusted EBITDA (including IFRS16)|

³ EVA: Economic Value Added.

Petrobras of the future



Andrea Almeida
—
CFO

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Maximize shareholder return



Improve balance sheet through deleveraging, lower interest expense and optimization of cash position

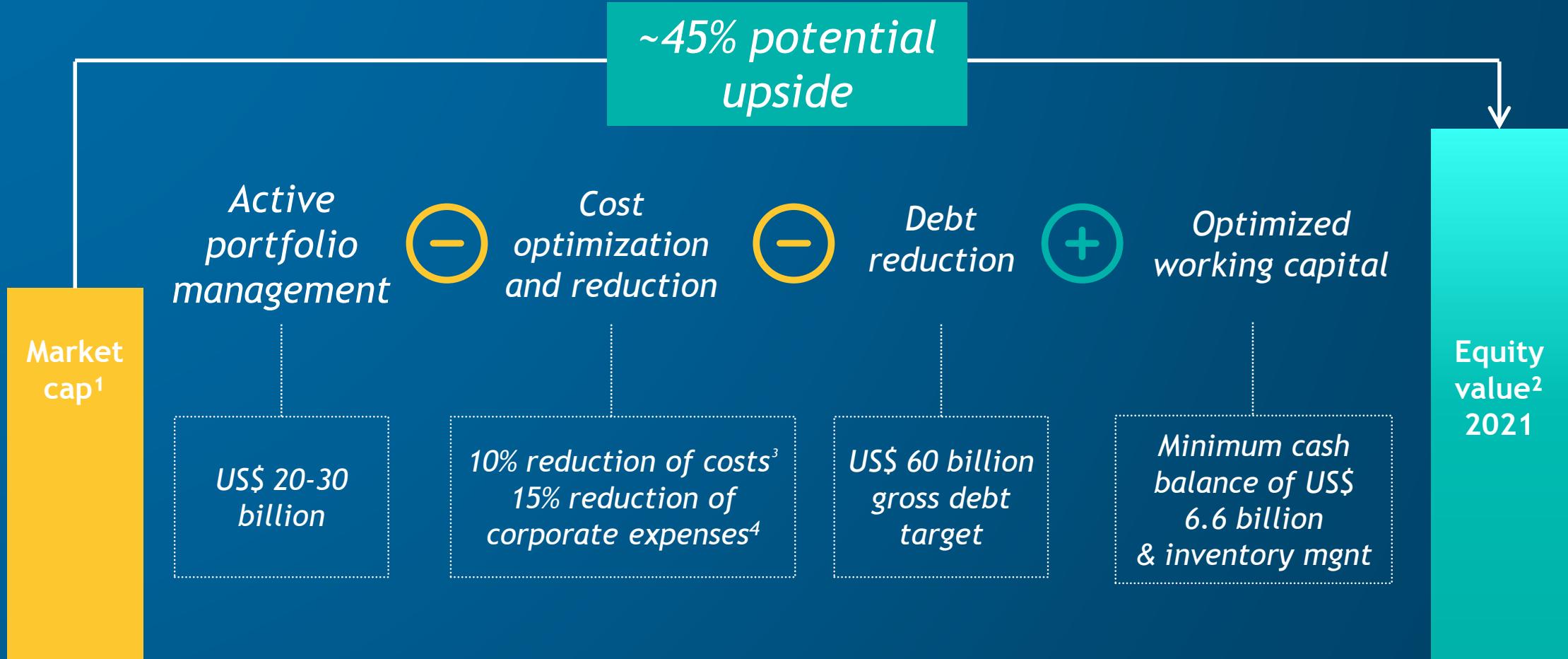


Increase dividend distribution while investing in world-class assets



Risk reduction through contingencies management

Bridging the gap to fair value in two years



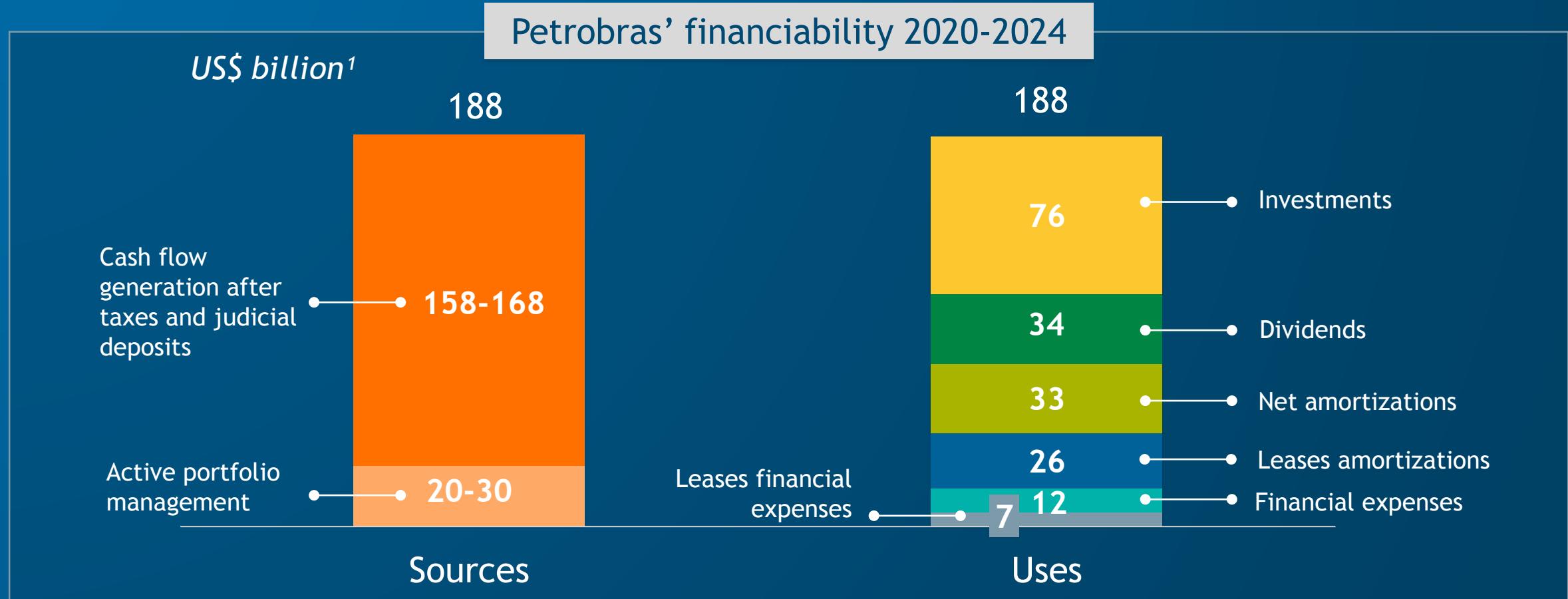
¹ November 29th, 2019

² Equity value based on fair value calculations

³ Costs and expenses without feedstock

⁴ In 2020

Strong FCF generation with higher dividends

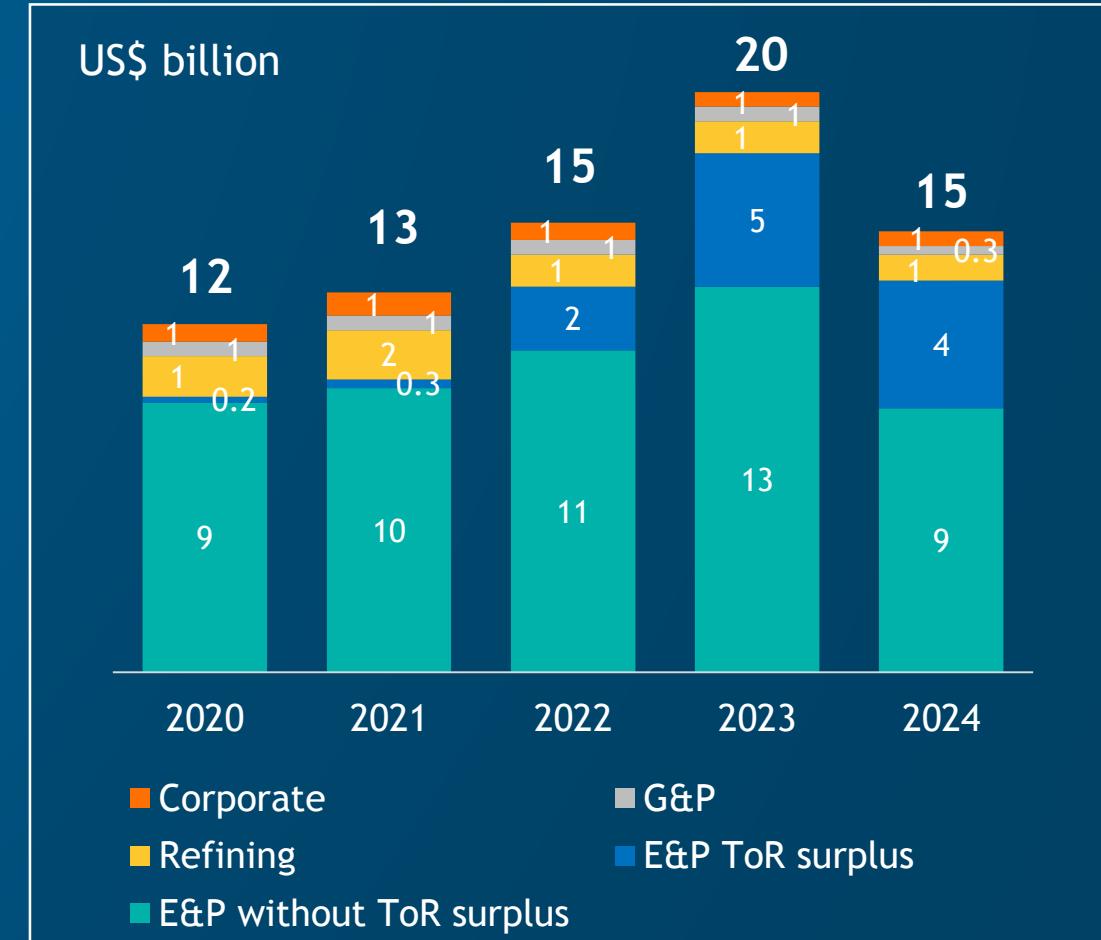
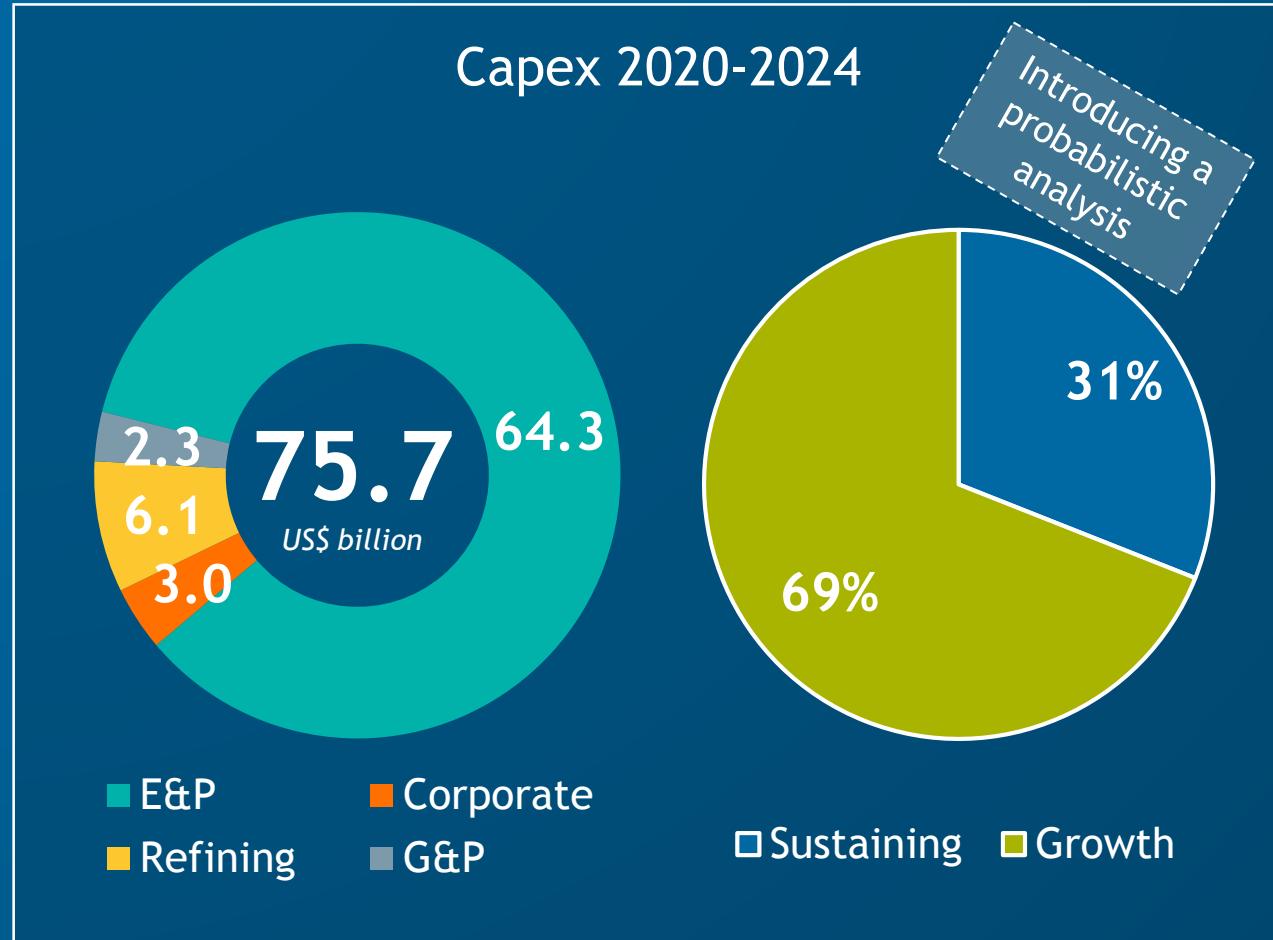


All projects are NPV positive in the resilience scenario - Brent @ US\$ 45 - 50/bbl²

¹ Numbers calculated with Brent @ US\$ 65/bbl

² Brent @ ~US\$ 50/bbl in the 2020-2024 period and US\$ 45/bbl in the long run

Investing in high return projects



Selling assets in which Petrobras is not the natural owner

Divestment plan

- 50% of the refining capacity
- Gas transportation and distribution
- Onshore and shallow water assets
- LPG distribution
- Thermal power plants
- Offshore gas pipelines
- South American assets

Upside in Divestment

- BR Distribuidora
- Braskem
- Post-salt assets
- Bolivian assets



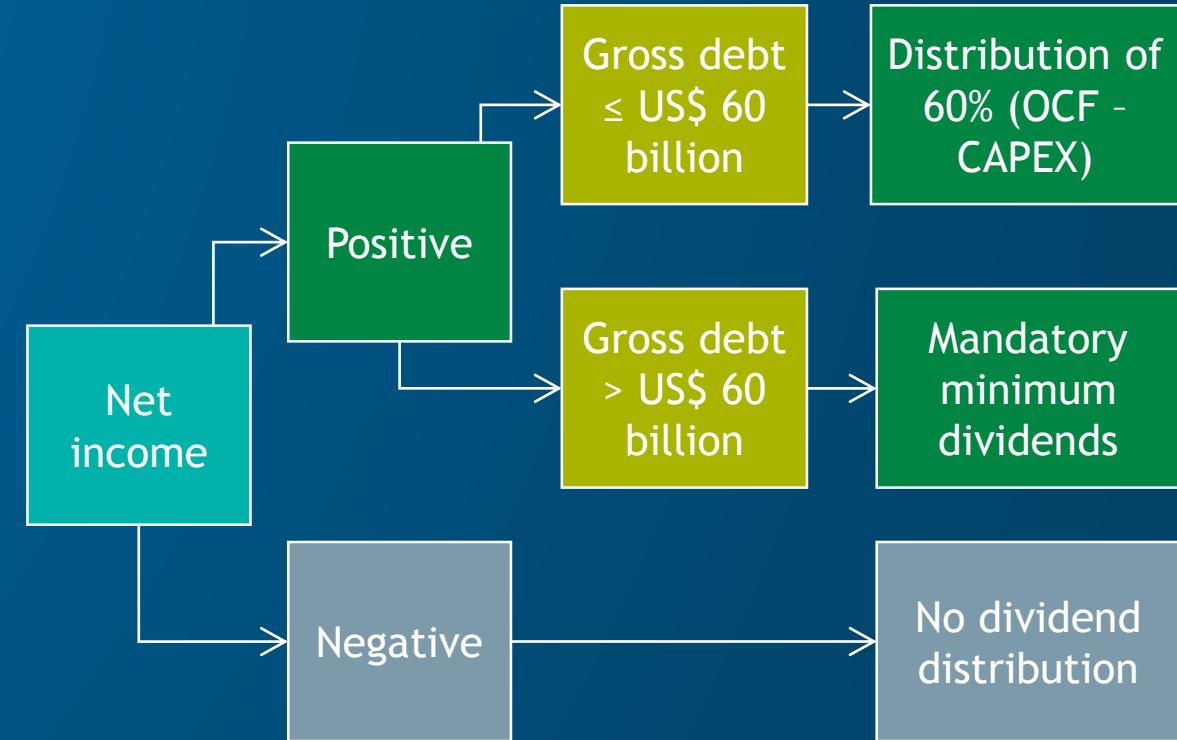
Returning value to our shareholders

New dividend policy

Distribution formula

$$D = 60\% \times (OCF - CAPEX^1)$$

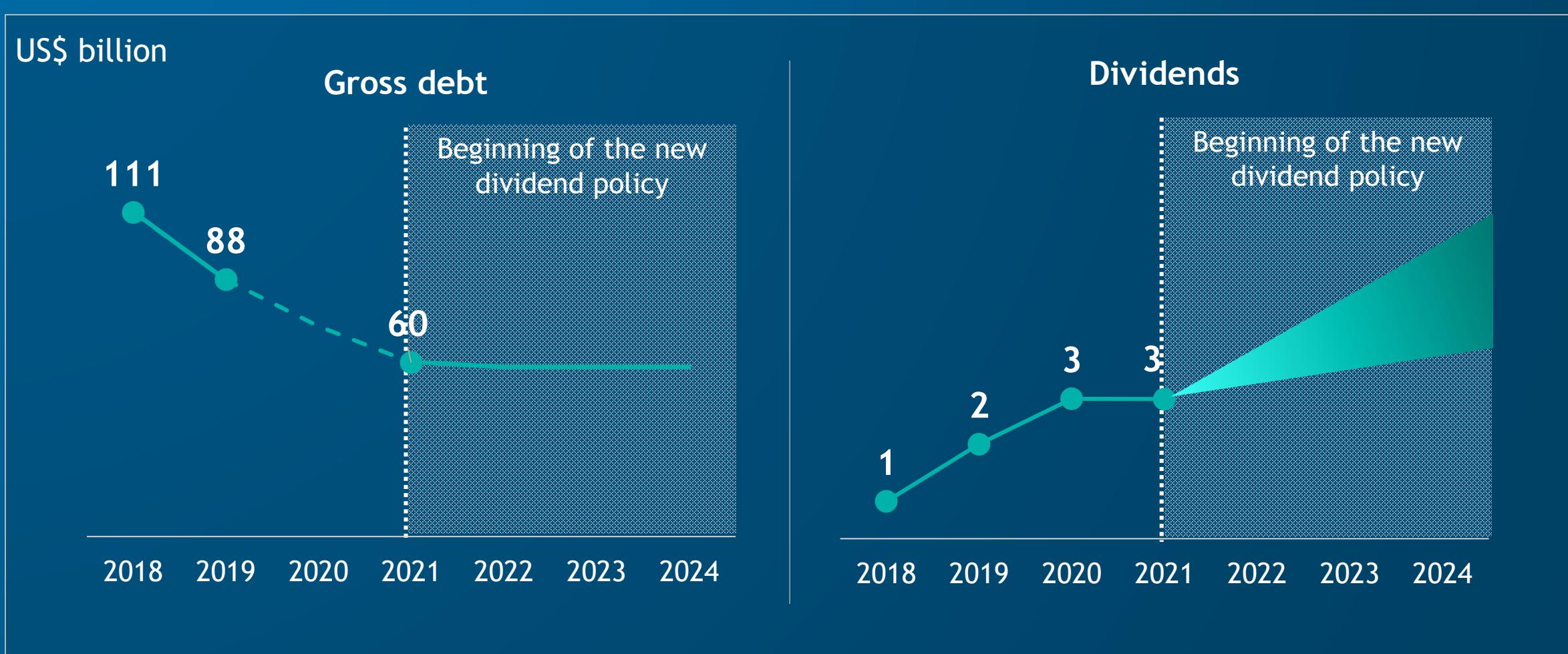
Dividends
Operating cash flow



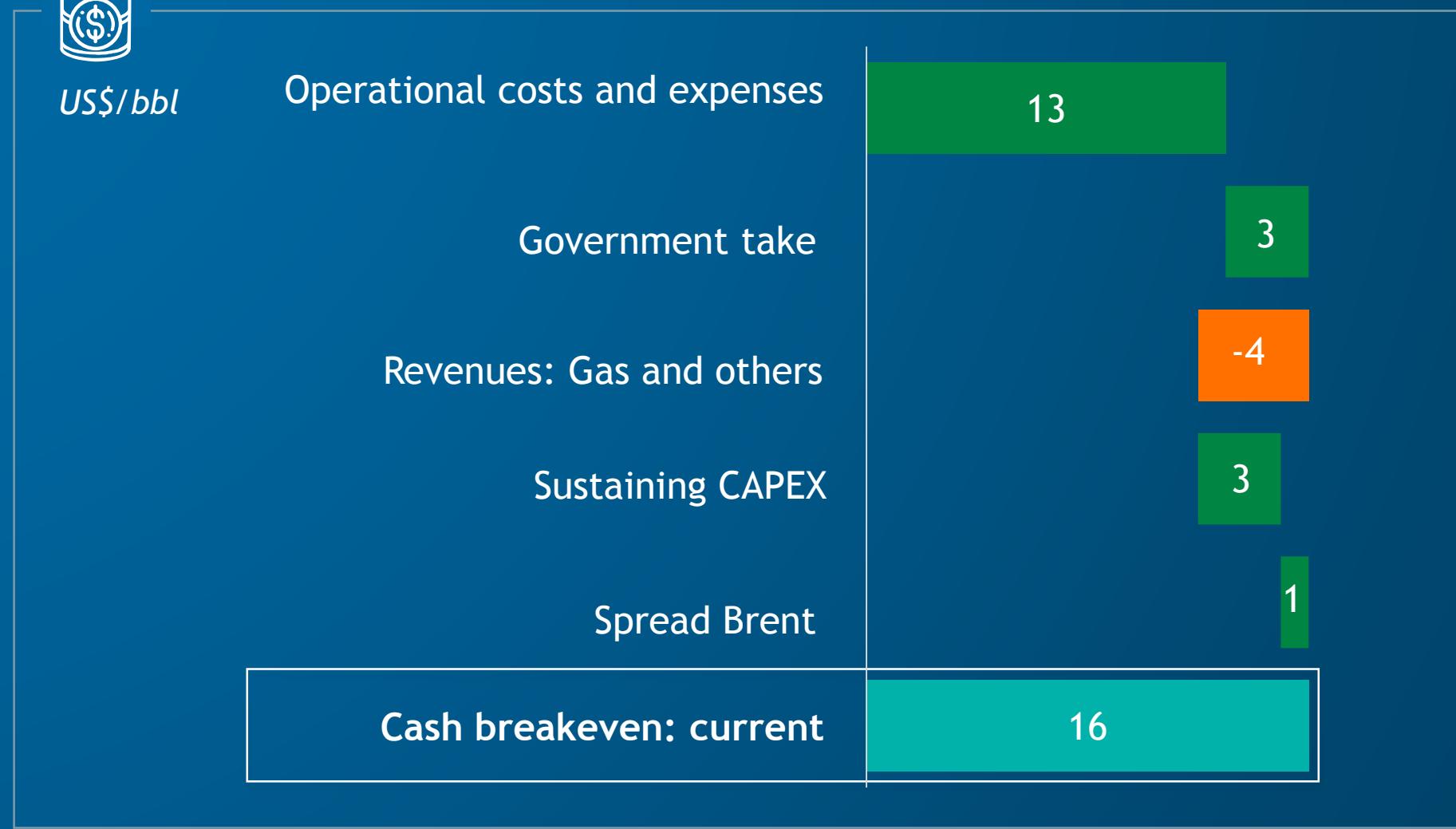
- Annual calculation based on year end figures
- At least two distributions per year
- Amount to be distributed is gross of taxes
- Cash flows and gross debt in accordance with IFRS16

¹Excludes bid rounds and acquisitions

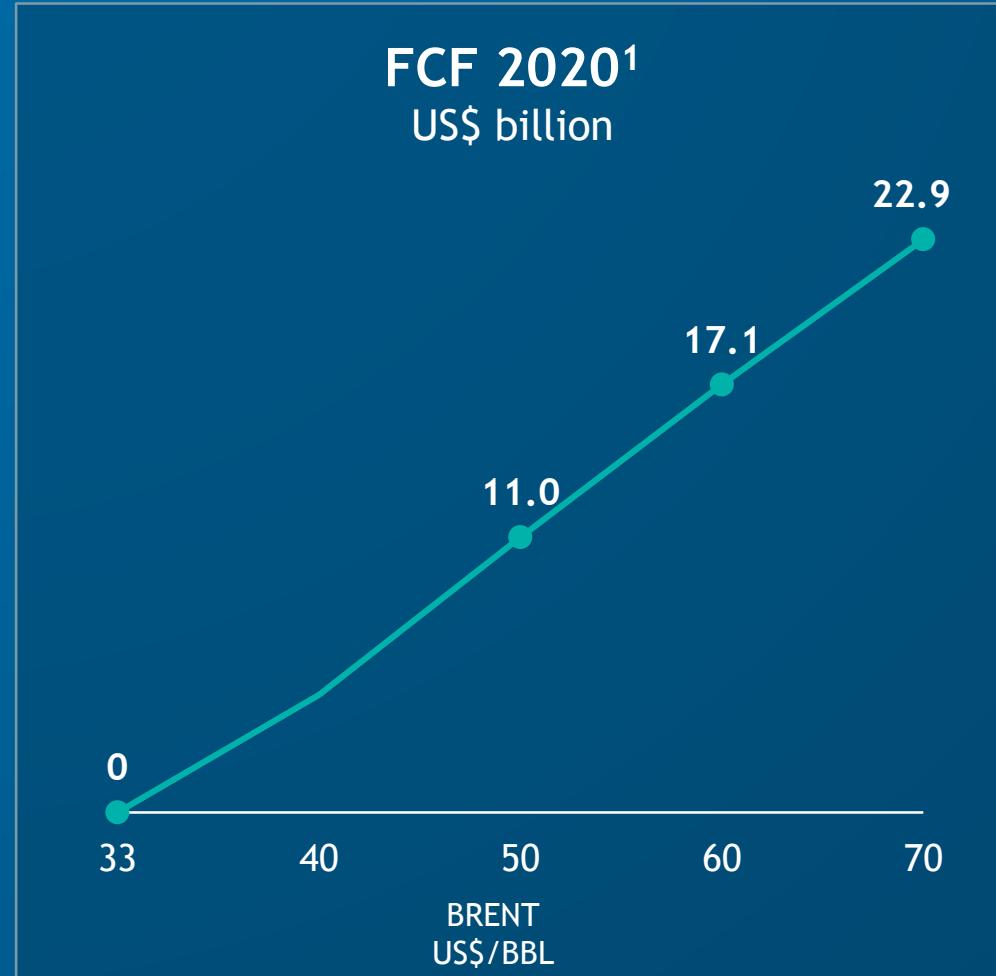
Focus on deleveraging with higher dividends



Oil production cash breakeven @ US\$ 16/bbl in 2020



Cash flow resilient to low oil prices



EBITDA 2020
US\$ billion

| BRENT US\$/BBL | 50 | 55 | 60 | 65 | 70 |
|----------------|------|------|------|------|------|
| FX | 25.4 | 28.7 | 32.0 | 35.3 | 38.6 |
| 3.50 | 26.3 | 29.6 | 32.8 | 36.1 | 39.4 |
| 3.70 | 27.0 | 30.3 | 33.6 | 36.9 | 40.2 |
| 3.90 | 27.7 | 31.0 | 34.3 | 37.6 | 40.9 |
| 4.10 | | | | | |

¹ FCF = operating cash flow - total CAPEX
FX rate of US\$ 3.9/BRL

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Carlos Alberto
Pereira de Oliveira

—
*Chief Exploration and
Production Officer*



E&P Strategies

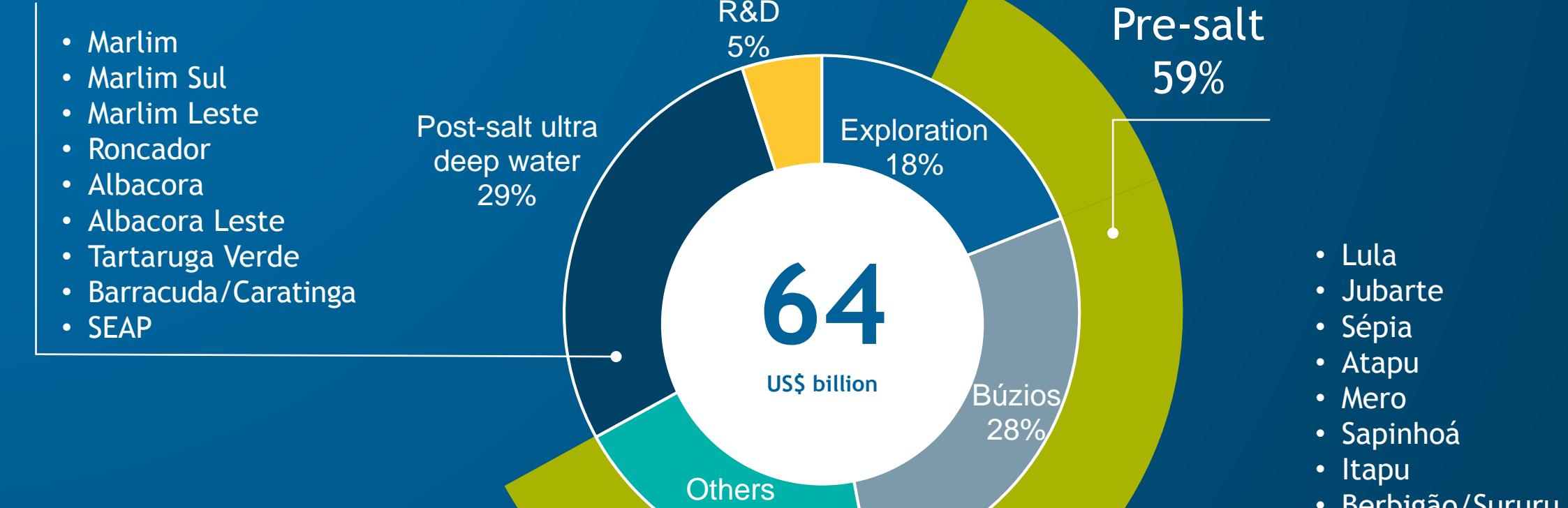


Maximize portfolio value, focusing on deep and ultra-deep waters, seeking operational efficiencies, recovery factor optimization and partnerships



Grow sustained by world-class oil and gas assets in deep and ultra-deep waters

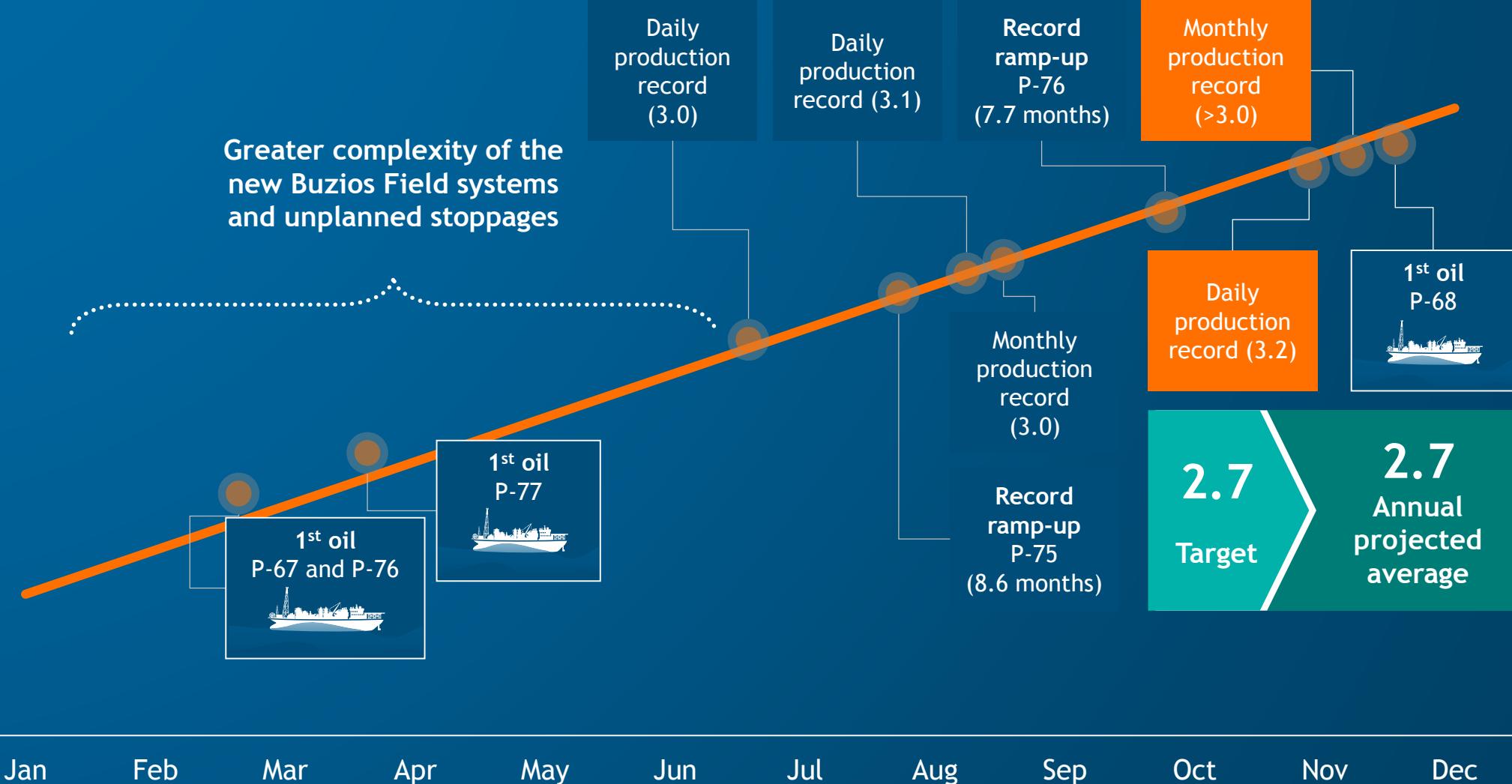
E&P Investments 2020 - 2024



CAPEX dedicated to growth

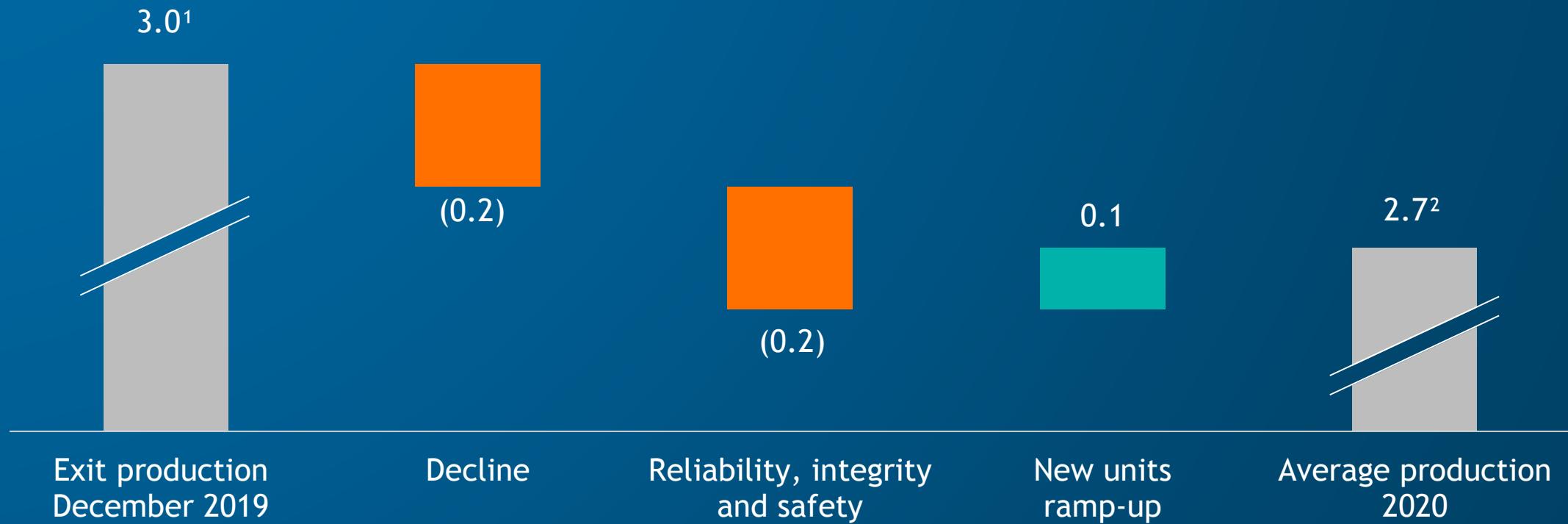


2019 was an all-time high year



2020 production in line with 2019 target

Production MM boed

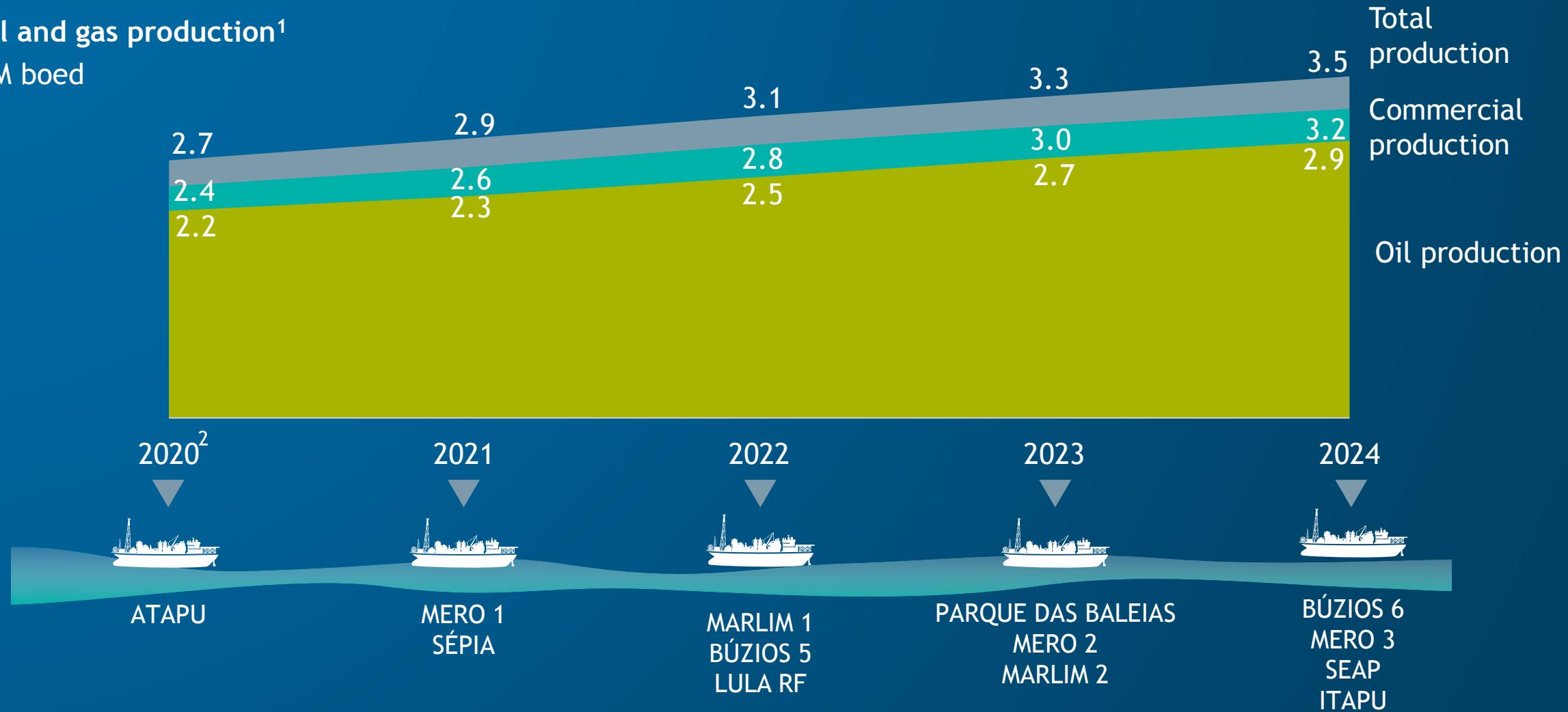


¹ Includes divestment of Nigerian assets and Tartaruga Verde (~100 kbpd of total production)

² +/- 2.5%

Steady production growth

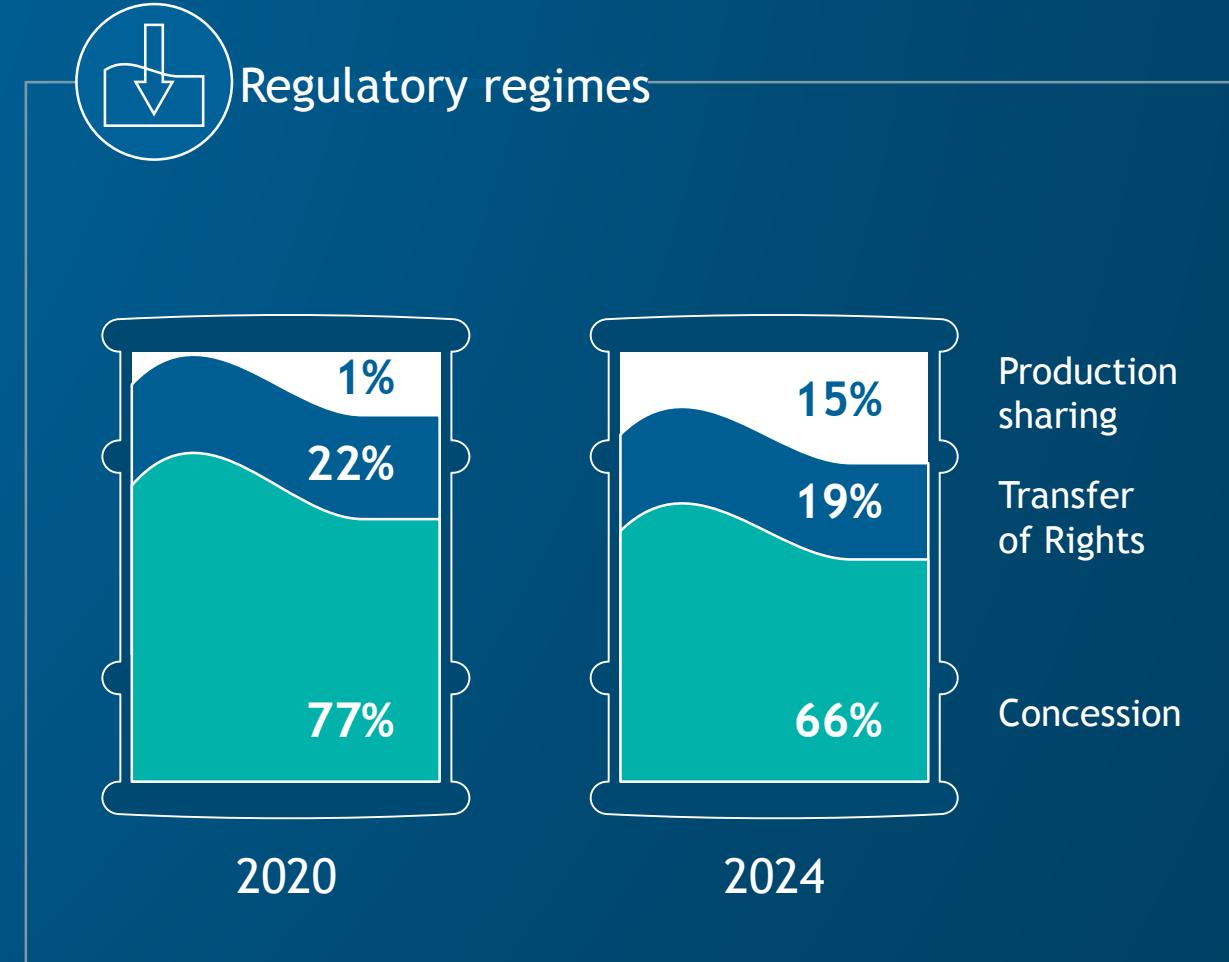
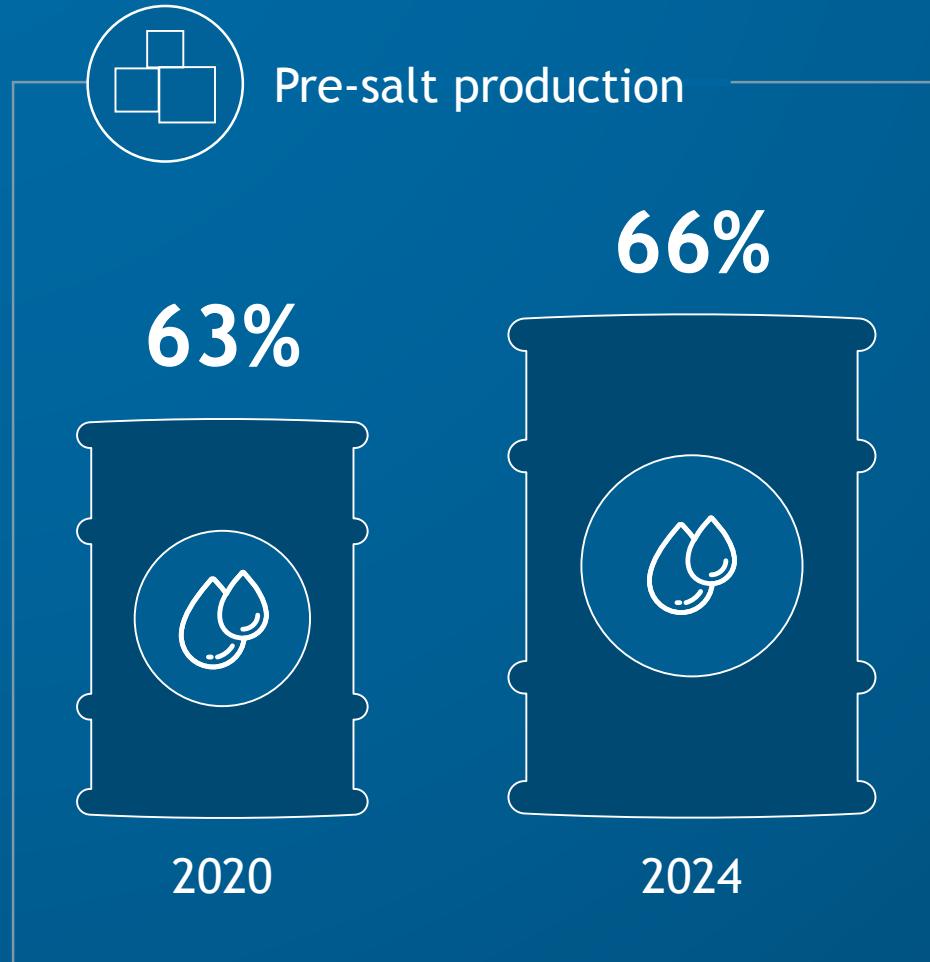
Oil and gas production¹
MM boed



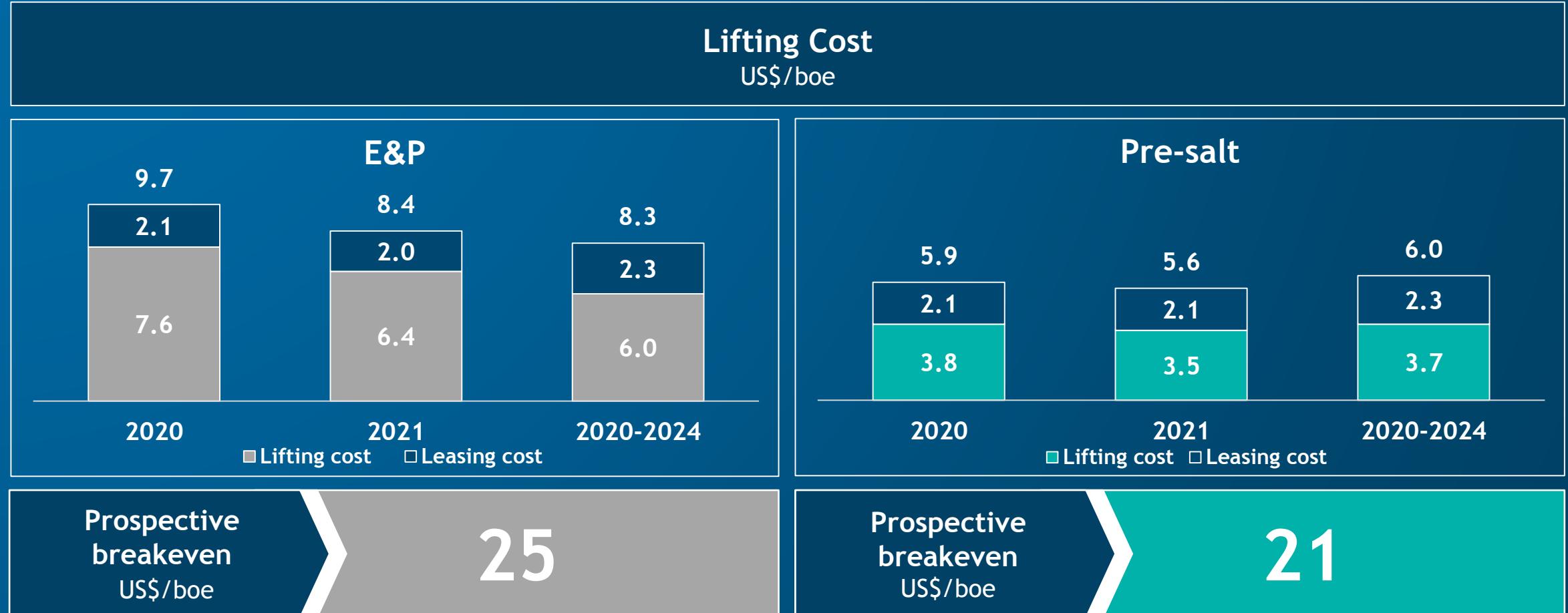
¹ Does not consider divestments, except from Nigerian assets and Tartaruga Verde (~100 kbpd of total production)

² 2020 figures include +/- 2.5%

Pre-salt share in total production keeps growing

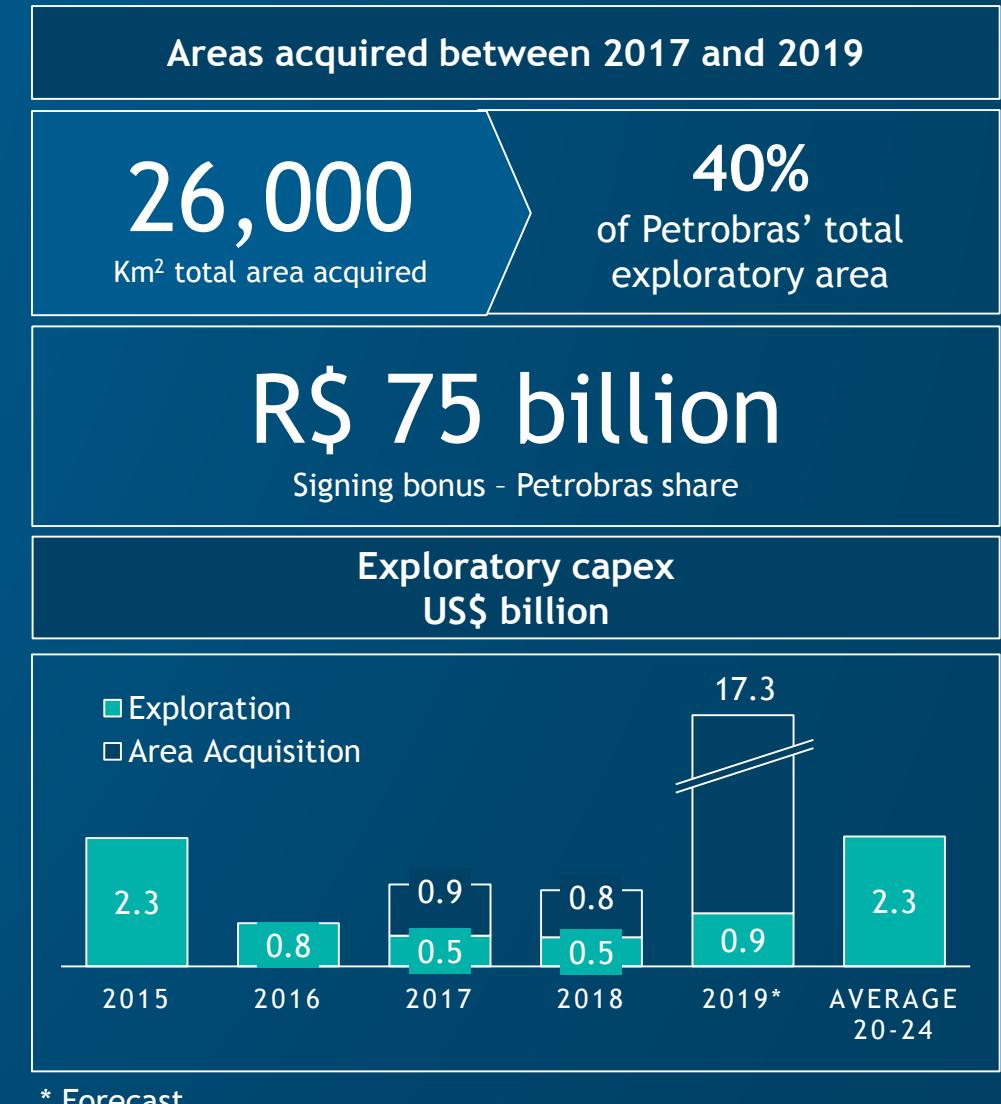


Low breakeven and lifting cost reinforce the pre-salt competitiveness



Note: Pre-salt production development breakeven between US\$ 35-45/bbl

Over the last 3 years, we have invested in growing our pre-salt exploratory portfolio



ToR surplus auction supports reserve replacement



| BÚZIOS | | ITAPU | |
|------------------------------|--------------|--------------------|------------|
| 90% | Petrobras | | |
| 5% | CNPC | | Petrobras |
| 5% | CNOOC | | |
| Bonus US\$ ~17 bi | | Bonus US\$ ~0.5 bi | |
| Profit oil 23.24% | | Profit oil 18.15% | |
| Petrobras' cash disbursement | US\$ ~7.5 bi | US\$ ~16 bi | US\$ ~9 bi |
| | | Bonus | ToR refund |

Regulatory regime: ToR

Production: 600 kboed (daily record)

- 4 units under operation
- 1 platform to begin operation in 2022

Co-participation
agreement until
Sep/2021

Regulatory regime: ToR + PSC

- 7 additional platforms
- Capacity \geq 180 kbpd

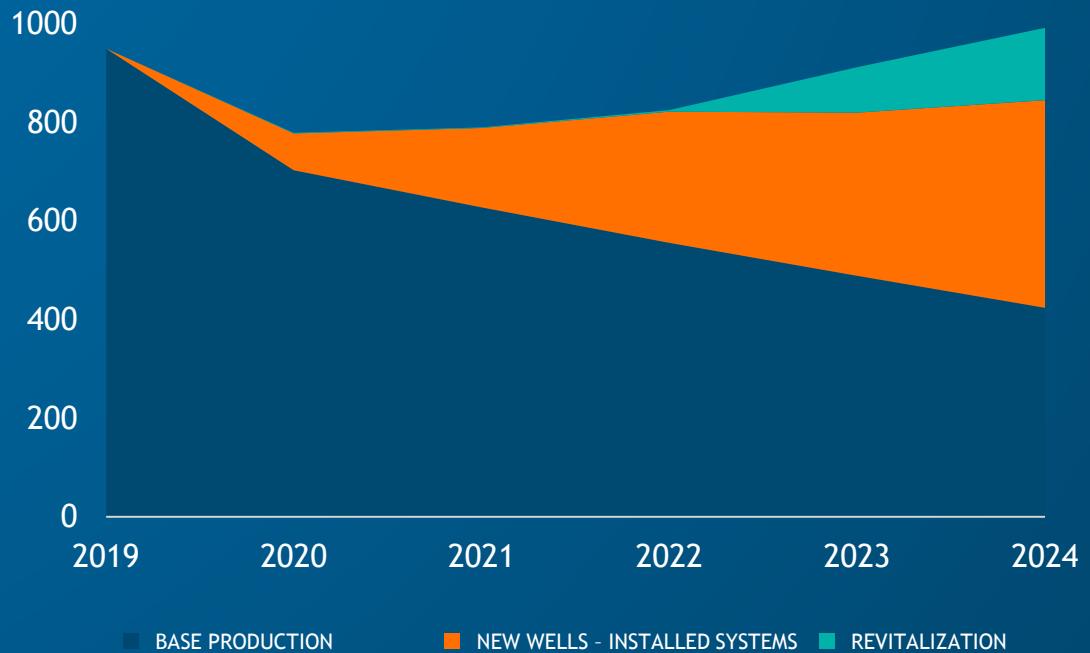
Recovering Campos Basin output

CAPEX Campos Basin 2020-2024



20
US\$ billion

Commercial production
before divestments
kboed



Operational efficiency increase

Complementary projects, revitalization
and new projects

New areas acquisition

Extensions and new findings

Recovery factor increment

Technologies to improve recovery
factor

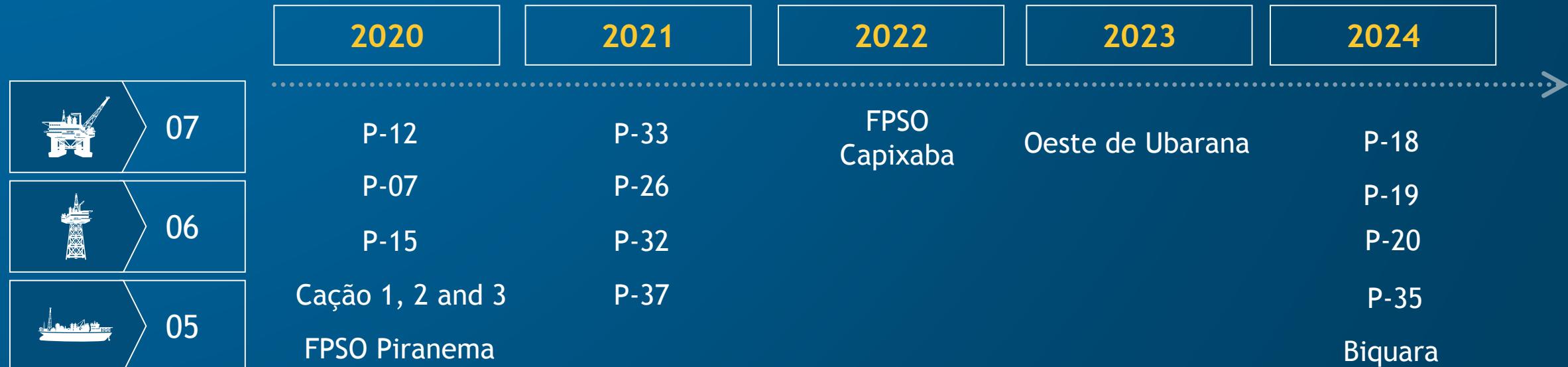
Strategic partnerships

Decommissioning of E&P offshore systems

US\$ 6 billion

is the estimated cost of ongoing decommissioning projects: 18 platforms & subsea pipelines and offshore wells

Decommissioning costs planned



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Anelise Lara

*Chief Refining and
Natural Gas Executive
Officer*



Operate competitively in downstream with focus on SE operations



Be competitive in global oil and gas trading



Divest gas distribution and transportation



Optimize the thermal power portfolio



Make renewable diesel and bio-jet commercially feasible

Investing to ensure asset integrity



- Investments on refining and logistics maintenance
- HDTs in REPLAN, REDUC and RPBC
- HCC in REDUC to produce high quality lubricants



- Route 3 and natural gas processing unit: focus to enable gas outflow from pre-salt production



- R&D investments in solar and wind power

Adding competition to downstream

Divestments of 8 refineries

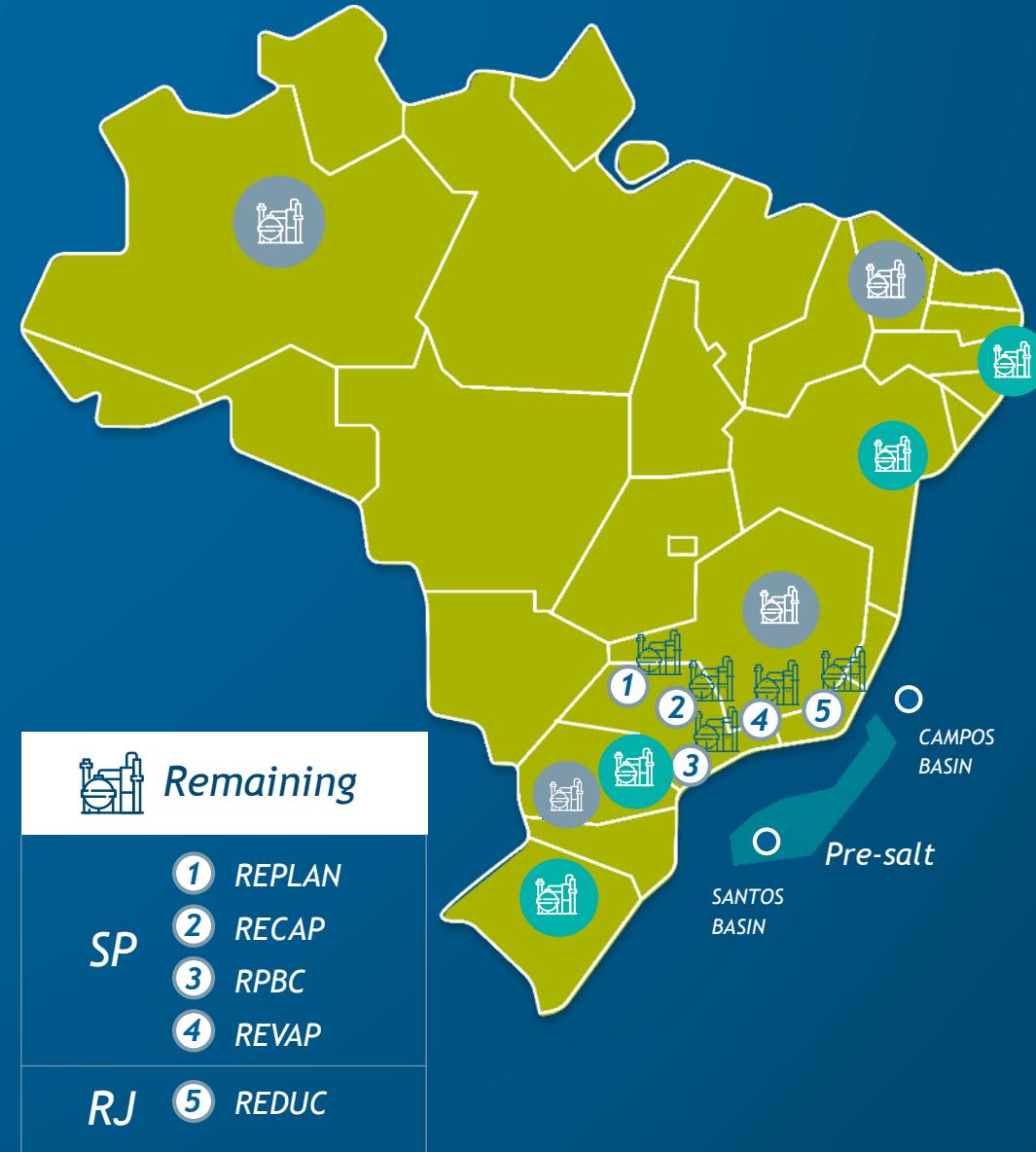
Binding phase

RNEST, RLAM, REPAR
and REFAP

Non binding phase

REGAP, REMAN,
LUBNOR and SIX

Expect to move to
binding in 2 months



Benchmarking in profitability

1 REPLAN

2018 numbers

Solomon index

1st quartile in Latin America

Return on capital

~15%

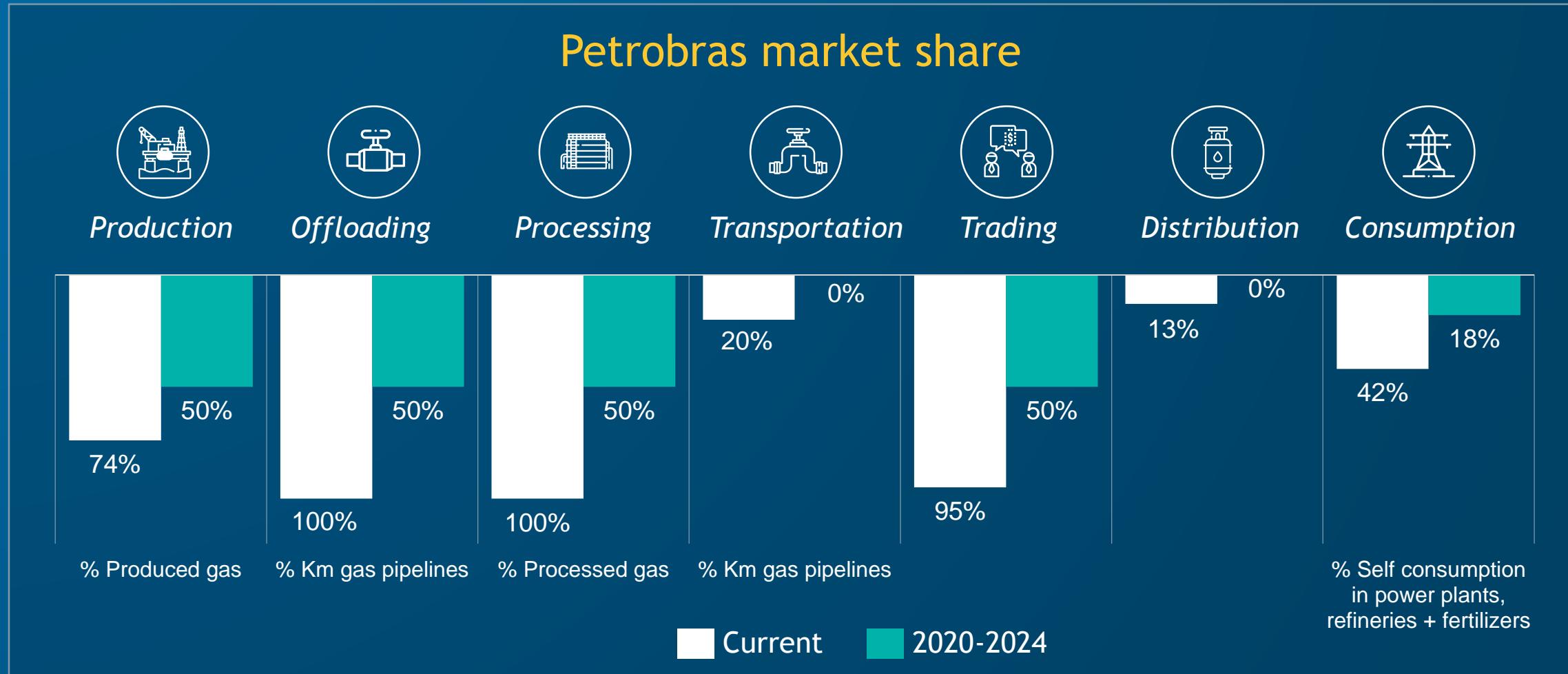
Net margin

~13%

- REPLAN's performance in maintenance, personnel and service costs is equivalent to best refineries in Latin America
- 1st quartile net cash margin performance

Transforming the gas business in a competitive market

Petrobras will focus on gas production and marketing



Opportunities in renewable diesel, BioJET and low sulphur bunker



Renewable diesel and BioJET fuel

Opportunity for co-processing of vegetable oils

- Attractiveness in a scenario of competition with biodiesel
- Technologies that add value to refining assets and enable routes for the transition to a low carbon economy
- Subject to regulatory approval



IMO 2020

Opportunities in Asian, European and US markets

- Pre-salt oil has low sulphur content
- Refining system producing bunker to meet IMO specs

Bunker 0.5%

- 2020 potential gain (vs. 2018): **~ US\$ 1 billion**
- 85% of Petrobras fuel oil production is suitable to produce bunker 0.5%

Crude Oil

- 2020 potential gains (vc. 2018): **+ US\$ 540 million**
- Estimated oil exports for next 12 months: **590 kbpd**

Opportunities in the transition to a low carbon future

Petrobras production is the second lowest in carbon intensity in the industry

Actions to decarbonization



- Closed flare deployment
- CO₂ capture and storage
- Leakage and repair monitoring
- Vapor tank recovery
- Energy efficiency

R&D for decarbonization and renewables



- CO₂ capture and storage
- CO₂ subsea separation
- Supercritical CO₂ turbine
- Renewable diesel and bio-jet fuel
- Offshore wind and solar
- OGCI: partnership initiatives

CAPEX for decarbonization

US\$ 100 million/year

R&D CAPEX

US\$ 70 million/year

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Nicolás Simone

*Chief Digital Transformation
and Innovation Executive
Officer*

Digital Transformation strategies

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Accelerate Petrobras through Digital Transformation and Innovation journey

GO DIGITAL



Information Technology: Technology platforms boosting digital evolution

BE DIGITAL



Digital Transformation: Agile at scale

LEAN



Business process office: Optimizing and automating processes (Lean Petrobras)

INNOVATING



R&D Center: Innovating for value creation, time to market, growth engine and business models

PROTECT



Information and Cybersecurity: Information security as an innovation enabler

Digital Transformation & innovation initiatives

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Using HPC¹ capacity to enhance productivity

Increase 10x HPC capacity in 2019-2020



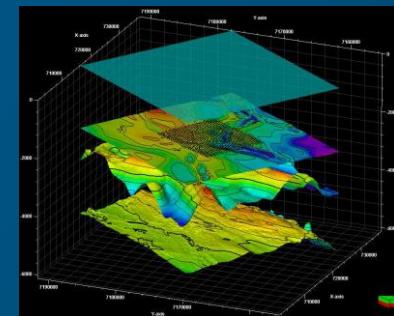
On average, simulation time has decreased by 35% (50% in some cases)



2018

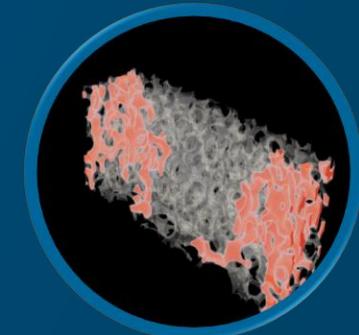
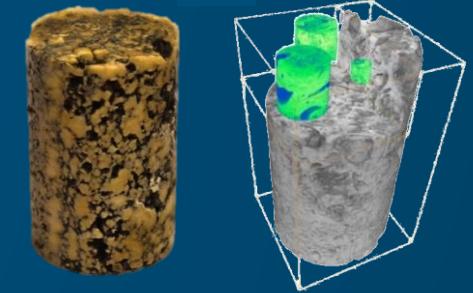
Digital twin of stationary production unity

Buzios field nodes survey
largest seismic campaign in the world



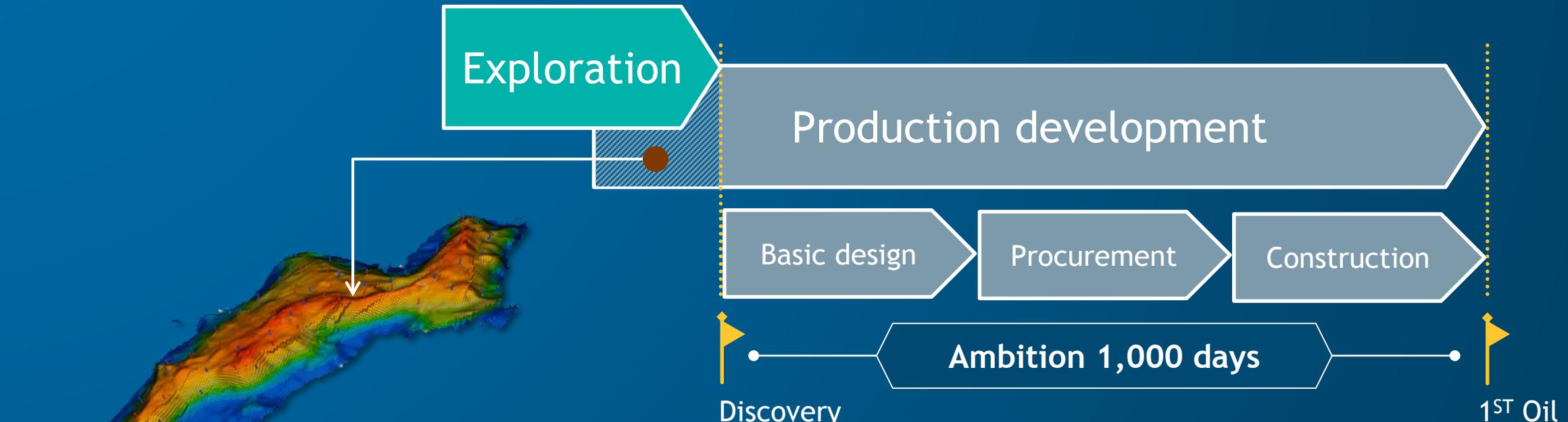
2020

Digital twin of the rocks



Future Vision

Digital transformation will enable our long term ambitions



 **EXP100**
Petrobras ambition
100% discovery chance factor
No exploratory wells

 **PROD1000**
Petrobras ambition
1ST oil 1,000 days after discovery
(vs our ~3,000¹ days average)

The largest R&D Center in Latin America

CENPES

Lab of the labs

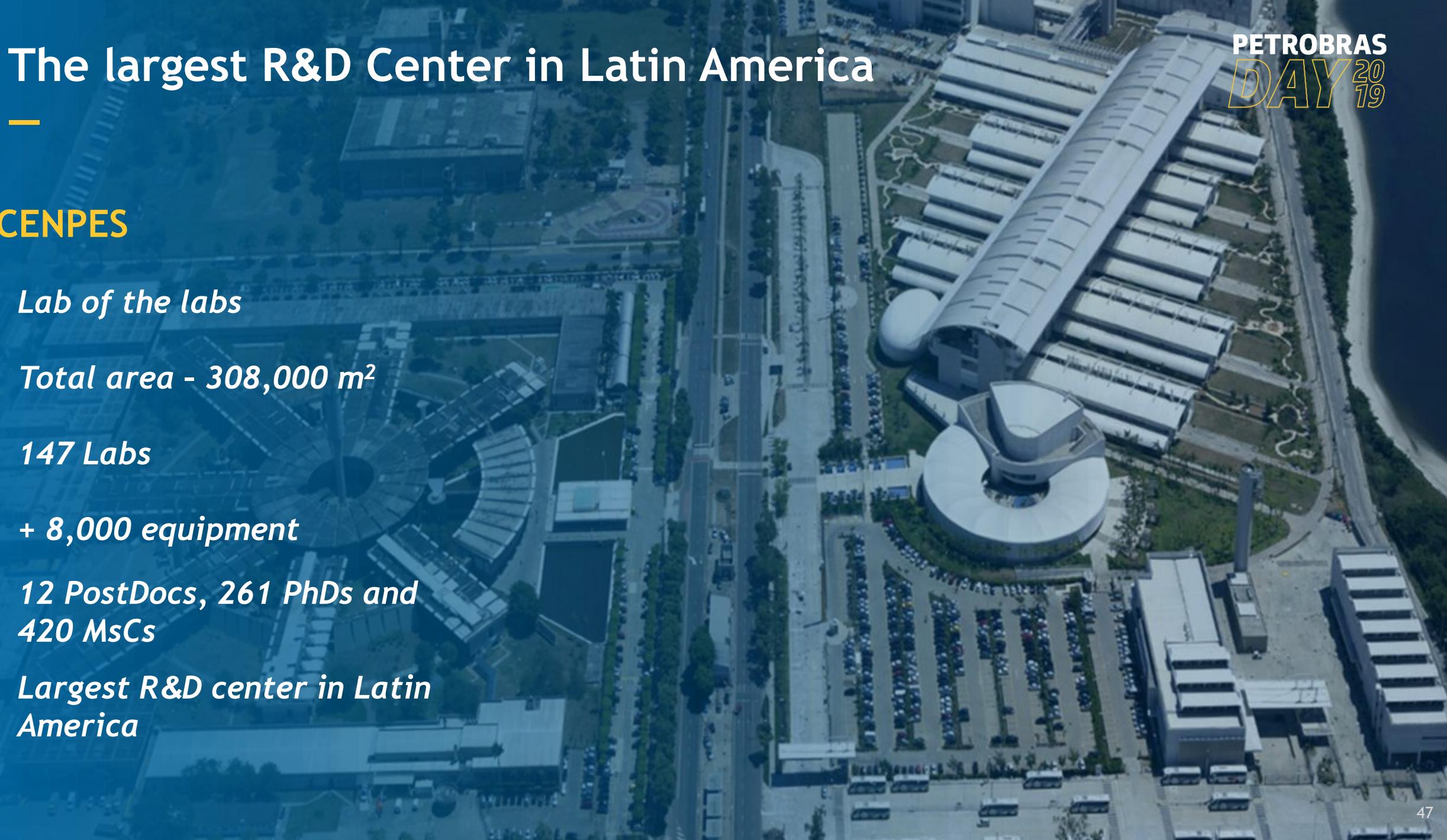
Total area - 308,000 m²

147 Labs

+ 8,000 equipment

*12 PostDocs, 261 PhDs and
420 MsCs*

*Largest R&D center in Latin
America*



The largest R&D Center in Latin America

One more building block in the ecosystem

Data access



Test platforms



Co-working



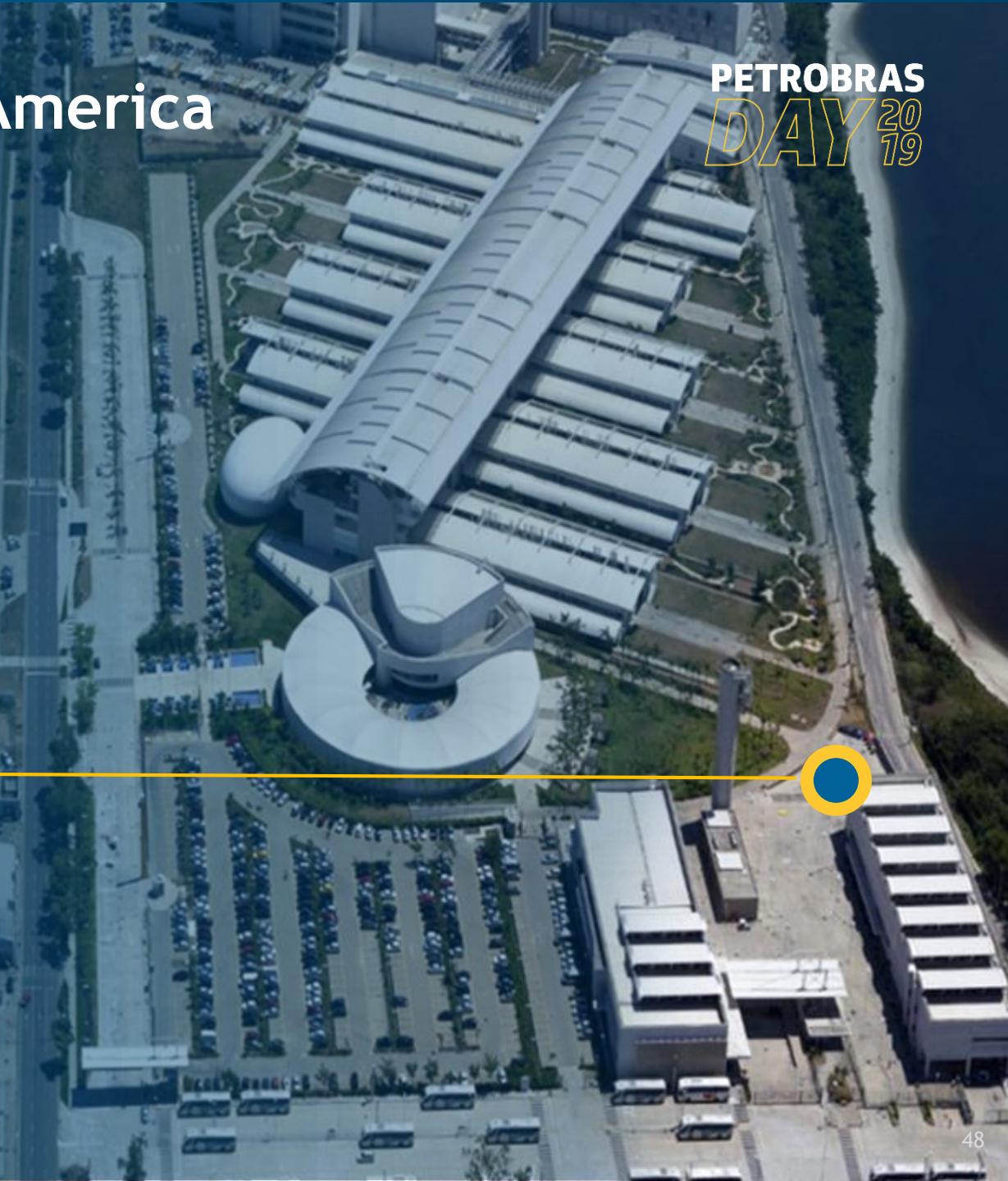
Startups



Partners



*Corporate
Innovation
Lab*



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Roberto Castello Branco

—
CEO final remarks

Our ten sustainability commitments



1. Zero growth in absolute operating emissions until 2025¹
2. Zero routine flaring by 2030
3. 40MM tonCO2 reinjection by 2025 in CCUS projects
4. 32% reduction in carbon intensity in the upstream segment by 2025
5. 30%-50% reduction in methane emission intensity in the upstream segment by 2025
6. 16% reduction in carbon intensity in the refining segment by 2025
7. 30% reduction in freshwater capture in our operations with focus on increasing reuse by 2025
8. Zero increase in residues generation by 2025
9. 100% of Petrobras facilities with a biodiversity action plan by 2025
10. Investments in environmental and social projects

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New York

