

Q2 2020 Earnings Call

Company Participants

- Andrea Marques De Almeida, Chief Financial Officer & Chief Investor Relations Officer
- Anelise Quintao Lara, Chief Refining and Natural Gas Officer
- Carla Dodsworth Albano Miller, Investor Relations, Executive Manager
- Carlos Alberto Pereira de Oliveira, Chief Exploration & Production Executive Officer
- Roberto da Cunha Castello Branco, Chief Executive Officer

Presentation

Carla Dodsworth Albano Miller {BIO 17540433 <GO>}

Good morning, ladies and gentlemen. Welcome to Petrobras Webcast with Analysts and Investors about the Second Quarter 2020 results.

We'd like to inform you that all participants will follow the transmissions by Internet as listeners. After introduction, a Q&A section will begin, you can send us questions by email at petroinvestor@petrobras.com.br. Today we have with us Roberto Castello Branco, Petrobras CEO; Andrea Almeida, Chief Financial & Investor Relations Officer; Anelise Lara, Chief Refining & Natural Gas Officer; Andre Chiarini Chief Logistics Officer; Carlos Alberto Pereira de Oliveira, Chief Exploration and Production Officer; Marcelo Zenkner, Chief Governance and Compliance Officer; Nicolas Simone, Chief Digital Transformation and Innovation Officer; Roberto Ardenghy, Chief Institutional Relations Officer; and Rudimar Lorenzatto, Chief Production Development Officer.

The presentation will be available on our website. And today, we will start by listening Petrobras' CEO, Roberto, with the main highlights of our results. Roberto, please go ahead.

Roberto da Cunha Castello Branco {BIO 3193867 <GO>}

Thank you, Carla. Good day everybody. It's a pleasure to talk to you. Well, the current crisis contains ingredients of important events of the last century, the Spanish flu in 1918 to 1920 and the Great Depression of 1929 to 1933. Of course, both medical and economic size are much better equipped to deal with this type of event. However, even with that, we had a powerful public health and economic shock suffered by the world. Recessions typically affect more strongly investments and the manufacturing industry. This time it's different. We faced a non-traditional recession as it has hit more severely consumption and service and service include transportation service, which is the main channel of the shock on the oil industry.

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Last quarter was on the most challenging, if not the most for the global economy in the oil industry. Particularly April 2020 is our most to be all remember in the history of our industry, given the unprecedented strength of demand contraction, price collapse and a spike in maritime freight price. Cash is our King, but now it became God, over the last few months, it was God to us. We are very happy to say that there was no cash burn, on the contrary, we managed to reduce net debt, operational cash flow reached USD5.5 billion and free cash flow USD3.4 billion. Given our liquidity position, we are able to start the prepayment of the revolving credit lines withdrawn in last March. It's an important move, so it's the restart of our deleveraging process, it's a movement to cut costs, interest costs, to improve risk perception and by the end of the day, the lines will remain available. So we have liquidity at our disposal. As in a war, the unprecedented scale and speed of the global pandemic compelled us to move swiftly. We are working hard, fast and focused to be a winner. Our goal is to engineer a J-shaped recovery, we are acting not only to survive in the short term, but to promote the structural transformation in order to drive and generate value over time.

The world is moving fast, it was moving fast, but now it's moving even faster, inspiring creativity and innovation in requiring stronger resiliency. We see the crisis as an inflection point from which we must accelerate the execution of our strategy, to allow Petrobras to turn the page of a long history of value destruction. We had more than 10,000 employees in listing for the voluntary dismissal program up to 2,900 already left the company, 5,000 people will leave the company between August and December this year and the remaining 2,300 will leave next year. In addition to that, 25% of the managerial positions were eliminated. We estimate that total savings can reach up to USD1 billion per year. The company is carrying out several other initiatives to diminish costs and to boost efficiency gains. Administrative buildings, which are now 17, will be reduced to 8 due the first quarter of next year.

There is a sharp reduction in the number of spot rates working outside Brazil. Several inefficiencies were already eliminated in the logistics business, and now our focus there is on the optimization of inventories and the number of warehouse. Our wholly-owned subsidiary Transpetro is also embarking in a program to slash costs and inefficiencies and to pursue a dramatic increase improvement in service quality. Digital transformation is key to our future as an agile and efficient company. It's running at fast pace, in several corporate and business areas. Projects are addressing cost efficiency, greenhouse gas emissions and operation strategy.

In order to support artificial intelligence, our high power computing capacity was multiplied by 7 times in relation to what we have by the end of 2018. Our main innovation projects dedicated to lower breakeven price in the E&P business are moving ahead. We have several then, EXP-100, PROD-1000, HISEP, these are very important project, PEP-70. Recently, as we mentioned in our report, we have TOTUS, the True one trip ultra slender technology proved to be successful reducing by 50%, the cost of drilling and completing a well in the post salt. We took steps to order three new FPSOs, the first order of Petrobras in eight years. They will operate in the second stage of Buzios and one of them the (inaudible) will have a capacity to process 225,000 barrels per day to be the largest oil platform in the Brazilian seas and one of the largest in the world.

Our divestment program is well and alive despite all the difficulties arising from the current global recession. In the year, it generated (Technical Difficulty) revenues, cash revenues of almost USD1 billion. The sale of the RLAM, the Bahia refinery is moving -- is on track and we expect to reach a final due to sign a sales and purchase agreement in the near future, perhaps even during this quarter. We still face tremendous challenges in our journey to sustainable value creation. There was some improvement in the macro scenario, the old economy seems to be reacting to the massive injection of gas by monetary and fiscal thoughts about USD15 trillion, demand for fuels improved. It allowed us to optimize the operation of the refineries, but we have to be very cautious, because if the uncertainty still remains, it's very risky to make projections for the near future. We are pretty sure that higher price will not bail us out. We must rely on our own efforts and we are doing our best to become a much better company to reduce on a structural way our costs to increase productivity growth and to deliver value to shareholders.

As I said, Petrobras -- at Petrobras there is no room for pessimism. We strongly believe that with courage, moderate, optimism and hard work, we win. We aim to -- we are engineering a J-shaped recovery and aiming to end much better than in the pre-COVID-19 period.

Thank you. I'll pass now to Carla Albano, to conduct the meeting.

Questions And Answers

A - Carla Dodsworth Albano Miller {BIO 17540433 <GO>}

Thank you, Roberto. We will now begin our Q&A session. The first question came from Frank McGann with Bank of America Merrill Lynch. And the first question is for Capo. Capo, could you provide a bit more definition about expectations for output in the second half of 2020 and the timing and scale of maintenance? How could this affect overall operating efficiency and unit costs?

A - Carlos Alberto Pereira de Oliveira {BIO 19164278 <GO>}

Hello, Frank. Thank you for those questions. Well, the expectations are that we will have less production on the second half than the production that we have been having so far, as we postponed the large stoppage that we were to do at the first semester and now they are in the second half of the year. And they -- those stoppages will happen from September to November this year, will be -- regarding the timing and scale, will be around 8 stoppage of 15 days, they are big more or less, there are big stoppage. But one important thing to mention here that we have already done some activities related to those stoppage, because as we had some interruptions on the production of those platforms. So we took the advantage of those interruptions and then we made some activities. And so today 30% to 40% of the activities that we have predicted to do during those stoppage was big stoppage. We have already done there on the Buzios and other pre-salt platforms and also this explains the good performance that we had so far. So in terms of maintenance that we are predicting for this year, we think that the output for the second half as I mentioned will be lower, but due to the fact that we are going to do the maintenance and stoppages, the big stoppage out there in the second half now.

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A - Carla Dodsworth Albano Miller {BIO 17540433 <GO>}

Thank you, Capo. The second question from Frank is to Roberto. Any indications as to how the current review of the portfolio could lead to adjustments in the company's strategy?

A - Roberto da Cunha Castello Branco {BIO 3193867 <GO>}

Thank you for your question, Frank. Well, there will be no change in our strategy. The strategy remains intact. What we are doing is to enhance our criteria of project evaluation. We established as a baseline price for project evaluation, USD35 per barrel of oil. For instance, Buzios we announced the order to build three new FPSOs. And before that, we estimated the breakeven price. All of them in the three areas of Buzios, they are below USD35 per barrel. So they were approved and we are taking steps to start the development. What can change is some projects that are not as good be canceled or to be re-dimensioned, but there will be no change in our strategy. The five-based pillars continue intact and they are -- we are just accelerating their implementation.

A - Carla Dodsworth Albano Miller {BIO 17540433 <GO>}

Thank you, Roberto. Our next question comes from Christian Audi with Santander. And it's for Anelise. Could you give us some color on how we were seeing demand for oil exports, especially in Asia and Europe? Has the demand from China remained stable over the past weeks?

A - Anelise Quintao Lara {BIO 20915362 <GO>}

Hi, Christian. Well, what we've seen is that after Western demand has collapsed for crude oil and oil products during the part of the second quarter, we are seeing demand recovery for all Petrobras crude oil exports market, including Asia and Europe. You're right, over the past few weeks, China's market has suffered from impact from floods in the south of the country, during July affecting demand, but we believe temporarily. And in general, it has experienced a consistent demand for crude oil exports from Petrobras. Our low sulphur crude oil is there well accepted in worldwide.

A - Carla Dodsworth Albano Miller {BIO 17540433 <GO>}

Thank you, Anelise. The second question from Christian is about our development plan. It's for Roberto. Could you please share with us the latest developments regarding the sale of refineries. More specifically, has there been significant interest for all refineries at the price levels that you are aiming to sell them for?

A - Roberto da Cunha Castello Branco {BIO 3193867 <GO>}

Well we didn't see any manifestation of no interest or lack of interest for our refiners. Of course, the -- it's not running at the original pace that we planned, as naturally due to the global recession, the scenario changed. And some of the potential buyers asked for some time in order to get approval, new approvals from the Board of Directors, orders to restructure the arrangements with their financiers. But we -- as we see today, there was no change and interest is alive. We expect to conclude the sale -- the signing of the sales and

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purchase agreement for RLAM in the next couple of months. And we are confident that till the end of 2021, we will have the closings of all refineries for sale.

A - Carla Dodsworth Albano Miller {BIO 17540433 <GO>}

Thank you, Roberto. Our next question comes from the Vicente Falanga with Bradesco BBl. And it's for Anelise. How is the process of unitizing the offshore gas pipeline tariffs? Is the company ready to IPO these assets already in the second half of '20?

A - Anelise Quintao Lara {BIO 20915362 <GO>}

Well, this pipeline, offshore gas pipelines, as you know is an integrated system and it belongs to Petrobras and some pre-salt partners like Shell and Repsol and GALP, Petrogal. And we are finalizing the document that consist of this integration system, the package of this integration system to be able to create this new company that is -- will be dedicated to operate and build new offshore gas pipelines. So we are, as I said in the end of these negotiations with partners, we believe that by the end of the third quarter, we will be ready to sign the document and then the next step would be to create this company. I believe that IPO of this company will stay for 2021. Okay.

A - Carla Dodsworth Albano Miller {BIO 17540433 <GO>}

Thank you, Anelise. There is one more question for you as well from Vicente. So the discount of Brent was quite elastic this quarter around USD5 per barrel. Should we expect this is to return to more normalized levels in the third quarter of 2020, closer to USD1 per barrel?

A - Anelise Quintao Lara {BIO 20915362 <GO>}

Yes. No, no, you're right. Discount to Brent dated, which is the reference to the spot market has increased due to the demand collapsed during the part of the second quarter or when only Chinese refineries were purchasing crude actively. For the moment the buyer markets recovered in the other destinations, the discounts were significantly reducing -- reduced switching to premium. On the other hand, what we saw in this quarter, is that the shipping rates, the freight rates were very high at the beginning especially in April, mid-May, but now they are back to normal levels around USD2.5 per barrel to USD3 per barrel from Brazil to China.

A - Roberto da Cunha Castello Branco {BIO 3193867 <GO>}

It's important to add that our crude oil is traded at a premium to Brent. It's not that the discount to Brent, given the consolidation of its brand name in China, the preference of several Chinese private sector refineries.

A - Carla Dodsworth Albano Miller {BIO 17540433 <GO>}

Thank you, Anelise. Thank you, Roberto. The next question comes from Regis Cardoso with Credit Suisse. And it's for Andrea. It's regarding fiscal things [ph] tax credit. So given the substantial gain on tax credit in second quarter 2020 about BRL17 billion, what should we expect in terms of use of this credit. Does the presence on the current asset implies realizations within the next two quarter of this year?

A - Andrea Marques De Almeida {BIO 19358739 <GO>}

So, Regis, thank you for your question. Actually there is a process that we have to pass through, it's a bit habilitation [ph] process. So as we can start using those credits. This habilitation process can take up to 90 days, so we expect that we will be using this credit for the next up to 24 months. So it will be hard to be use everything this year. So we believe it's going to be up to 24 months, it will depend on how long it takes for us to be able to use the credit toward this process that we have to pass through, but that's it.

A - Carla Dodsworth Albano Miller {BIO 17540433 <GO>}

Thank you, Andrea. The next question comes from Lilyanna Yang with HSBC. And it's for Anelise. Anelise, Petrobras is working towards divestments in the gas midstream and downstream and bringing in more competition to the gas sector. Could you please comment on the positives and key challenges on the proposed gas law, which has been under discussion in the Congress for the past few years, but has not yet been approved. Thank you.

A - Anelise Quintao Lara {BIO 20915362 <GO>}

I will comment on that and then I'll pass to Roberto, to add also his comments. We are supporting this law -- new gas law. We think that it's the possible arrangement that we could have here in Brazil regarding all the stakeholders, I'm talking about gas producers, gas transportation companies, distribution companies and commercialization company. So in the industry that is very interested in the reduction of the gas price in the country. So when you see all these different players, the -- this new gas law has a lots of advantages, because it addresses the main issues related to the opening of the market. How we are going to give authorization for new gas pipelines transportation, how we will have the free consumers at the industry, we'll have some rights to get the gas directed from the market instead of having to pay the distribution taxes in integrated distribution taxes. All these aspects will be important to make sure that the new market -- new gas market in Brazil will be open and could be a competitive and dynamic one. And by doing that, we expected also that our price reduction in the gas market as a whole. Roberto, if you want to comment?

A - Roberto da Cunha Castello Branco {BIO 3193867 <GO>}

I do agree with you Anelise. I think that Brazil badly needs structural reforms. And this is one of the important reforms that's being launched. Competition -- open competition, will benefit consumers, producers and the Brazilian economy, we too attract investments, it's what we want is competition. We are performing our role as we open room for all the parties indeed to transport gas in the gas pipelines, we sold TAG 100%, we are selling the remaining 10% of NTS. We are trying to sell TAG unfortunately the regulatory agency does not allow more significant reduction in the price of transportation as we see. And this creates cloud of uncertainty about the asset. We expect this to be solved. I expect that the regulatory agency understands the importance of this reform, the importance of resilience to have a gas at lower price, eliminating distortions that existed for a long time in the Brazilian market. We are very positive about that.

A - Carla Dodsworth Albano Miller {BIO 17540433 <GO>}

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Sorry for that. Thank you, Roberto. Thank you, Anelise. The next question comes from Thiago Duarte with BTG Pactual. It's for Andrea. So, Andrea considering the improvement in oil prices in the last 60 days and considering the current future curve as well as the potential of cash generation, when the company believes it will be possible to reach the gross debt target level of USD60 billion?

A - Andrea Marques De Almeida {BIO 19358739 <GO>}

Thiago, thank you very much for your question. It's hard to say because we still see a lot of volatility in the market, even though we know there is at least we see right now the Brent price is around USD40. So definitely better than what we see in the last months, but it's hard. And we still need to finish the review of our portfolio. What I can tell you is that it's going to be very hard to be in 2021 as we expected before. So we are working towards trying to make it in 2022, but it's still it will depend on the revision of the portfolio.

A - Carla Dodsworth Albano Miller {BIO 17540433 <GO>}

Thank you, Andrea. The next question from Thiago, it's for Roberto. Once the price and demand scenarios improves, does the resilient plan lose effect? Should we imagine that part of the cost and investment postpones could be resumed?

A - Roberto da Cunha Castello Branco {BIO 3193867 <GO>}

Well, there is a traditional creeks [ph] cycle when there is a recession companies are crisis, companies respond to the crisis, there is improvement. And the later stage, there will be complacency. We are not addressing this short-term only, we are addressing the long term. Our goal is to reduce our cost structure on a permanent basis. So we are focused on that not to -- for instance, even the voluntary dismissal program, its effects will be felt much more next year and further on, not this year. This year on the contrary, we are making provisions to pay the severance to make the severance payment to the -- and incentives to the employees that aren't leaving us. And many other initiatives are addressing a significant gains overtime, the implementation of digital transformation, the innovations that are being developed, they will have effects from one year to five years ahead. And there will be no complacency as price rise. Discipline is key, discipline in capital allocation, discipline in cost management and they are established on a permanent basis, not just because the oil price collapsed. We do not expect higher price to bring us out. We are fighting on our own.

A - Carla Dodsworth Albano Miller {BIO 17540433 <GO>}

Thank you, Roberto. The next question comes from Bruno Montanari with Morgan Stanley. And it's to Andrea. The oil market condition stabilized faster than many market participants expected. With that in mind, should we expect to see Petrobras further repaying its revolving credit lines, it potentially resumed the liability management effort with gross debt reduction.

A - Andrea Marques De Almeida {BIO 19358739 <GO>}

Thank you, Bruno, for your question. We definitely want to reduce and to repay the committed bank lines into the end of the year. If everything continues like we see right now, we don't know, again, we just know that the scenario can change. So if does not

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change, we want to repay the committed bank facilities until the end of the year. And in terms of debt reduction growth, debt reduction as I mentioned, the goal is to finish the year with USD87 billion. And if the market allows us, we will always try to reduce it further. So liability management will come back definitely, that's the goal. As Roberto said, our pillars stays the same and the cost of the -- reduction of cost of capital is one very important pillar. So if we can reduce the total level of debt and reduce the cost of debt, that's the focus. That's what we are going to do.

A - Carla Dodsworth Albano Miller {BIO 17540433 <GO>}

Thank you, Andrea. The next question comes from Andre Hachem with Itau. And it's for Capo. The agreements over the TOR surplus, volumes with the Chinese NOCs, was expected to occur during the second half of '20. Could there be any setback in that regards due to the crisis and travel restrictions?

A - Carlos Alberto Pereira de Oliveira {BIO 19164278 <GO>}

Thank you for the question. Well, we have all being facing some challenges due to the effects of the COVID-19. But so far, as I have mentioned that there is no change in our target to close the deal, to close the co-participation agreement until December 2020 this year, as we have planned since the beginning. So things are going good.

A - Carla Dodsworth Albano Miller {BIO 17540433 <GO>}

Thank you, Capo. The next question comes from Luiz Carvalho with UBS. And it's to Andrea. Andrea, can you share more thoughts on dividends for this year due to the impairments and visibility towards the second half of the year?

A - Andrea Marques De Almeida {BIO 19358739 <GO>}

Thank you for the question. Again, it's hard to tell what will be the net income for the year. As you know, our dividend policy will trigger a higher dividend whenever we reach the USD60 billion gross debt. Regarding the net income for the year because of the impairment impact that we had in the first quarter, it will be very hard to, I would say to imagine that we will overcome that and come back to positive. But if that happens, we will have more data then. It's just hard to say right now. And just reaffirming that the trigger to higher dividend will be the USD60 billion gross debt.

A - Carla Dodsworth Albano Miller {BIO 17540433 <GO>}

Thank you, Andrea. There's another question also from Luiz for you. So now that we are exiting the COVID crisis, what would be the ideal cash position for the company? And also any plans of potential debt buyback to reduce the financial costs even further?

A - Andrea Marques De Almeida {BIO 19358739 <GO>}

So yeah, again, we don't want to keep the level of cash, the way it is right now. If volatility goes down, the objective is to go back to the levels we had before the crisis that was around USD5.5 billion. And if we have the levels of cash, that means that we would have the, the committed bank facilities available again. So it's a combination of the cash level with the insurance available if anything happens. And we, as you know, we can draw

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down them again if needed, if something any event happens. So we do have goals to reduce the gross debt until the end of the year. We are at USD91 billion right now, the goal is to end the year at USD87 billion. And if we have extra cash in -- if we have, let's say, a less volatile market, we may be able to do even better than that, but it's hard to say right now. So I would say that in the end for sure, liability management programs will be there to reduce the cost of debt. I think that's the overall and if everything goes even better than what we see right now, we might have better results, but hard to say at the middle of the year.

A - Carla Dodsworth Albano Miller {BIO 17540433 <GO>}

Thank you, Andrea. The next question comes from Bruno Amorim with Goldman Sachs. And it's for Capo. Capo, can you please update us on the plan to curve declines in production in the Campos Basin. So he wants to know about CapEx, recent achievements and plans for upcoming years.

A - Carlos Alberto Pereira de Oliveira {BIO 19164278 <GO>}

Well, as we are now facing some change regarding the oil price, we still have in mind to return to the same levels of production that we have on the 2019 in the Campos Basin of almost 1 million barrels per day of oil. But we will only do that if it really adds value to our portfolio. So due to the lower price of oil, we are testing all the projects and checking if they are really resilient. And what I can anticipate is that the great majority of the projects, they are very resilient to low oil price. So the main aspect here is not only the -- is not the economics of those progress in fact, but the financial aspect is what we have to check with our cash generation and also the management of the debt that we are going to do and we have to look at the whole portfolio of the company.

So, those are the things that we are checking right now. So the economics I think that they are good, but the financial perspective and it will take some month or two months more to see the whole picture of the company as Andrea has already mentioned, and see what step we are going to do with the speed and the velocity of the projects, the shape of the investments that we are going to have, and that includes the Campos Basin as well.

A - Carla Dodsworth Albano Miller {BIO 17540433 <GO>}

Thank you, Capo. There is another question for you also from Bruno. So how long can the pre-salt lifting cost go? Can FPSOs with capacity greater than a 160,000 barrels per day drive even lower lifting costs?

A - Carlos Alberto Pereira de Oliveira {BIO 19164278 <GO>}

Well, what we have been doing regarding the lifting cost is, we want to reduce them more and more. And in fact when we add FPSOs with greater capacity, for sure, the expectation that we have is that we will have a lower lifting cost in the future. And I think that we are going to see also that when you look at the general picture not only the pre-salt lifting costs, as we are taking out some production platform that they are old and so switching them, replacing them by other platforms that they are new like in the Marlim field, for instance, or when we are divesting on the fields that we have in the shallow waters, and

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also on offshore. So when we look at the whole picture, our expectation is that's what we are doing, that's our job is to reduce the lifting cost of the Company for sure.

A - Carla Dodsworth Albano Miller {BIO 17540433 <GO>}

Thank you, Capo. And our last question comes from Rodolfo Angele with JPMorgan. And it's for Anelise. China was a key market during the quarter and we are seeing some of independent refineries operating at very strong utilization rates. How Chinese demand for Petrobras grew? What's Petrobras' expectations for Chinese demand growth in the second half of the year?

A - Anelise Quintao Lara {BIO 20915362 <GO>}

Rodolfo, what we can say is that Chinese appetite for our pre-salt crude is strong. As you know, the important -- a huge amount of crude oil and we see the Chinese demand, will continue to grow. So I'm sure that if you have more oil to sell, they will be buying that. Our question here is what is most valuable trade-off? Produce oil products to sell in Brazil and even abroad, or export crude oil. We have these options. Right? And our decision is always based in the economic side, which is the best that brings the best value for Petrobras. And we take this decision based on these economic parameters. That's it.

A - Carla Dodsworth Albano Miller {BIO 17540433 <GO>}

Thank you, Anelise. So the final question from Rodolfo, it's for Andrea. So Andrea, can you comment on what to expect in terms of CapEx. Ballpark figures for 2021 in the coming years. What will be the focus of the investment program?

A - Andrea Marques De Almeida {BIO 19358739 <GO>}

Rodolfo, thank you for your question. I know there is lots of anxiety about the numbers for next year, but we still need to finish the portfolio review. But what I can confirm, definitely there will be some FX impacts as we mentioned before, because we do have 60% of CapEx that are real. So we might have impacts of FX if we compare to last year numbers. But what we can confirm is that the focus will continue to be on deep and ultra deep waters. They will continue to represent the biggest portion of our investment. And again the focus will continue to be on world-class assets that have a breakeven below USD35 per barrel as Roberto said. So I think on that side, the strategy keeps the same. We will be focusing on the higher return assets and that's what we -- you will see in the coming CapEx announcements whenever we have the new numbers.

A - Carla Dodsworth Albano Miller {BIO 17540433 <GO>}

Thank you, Andrea. Thank you all. At this time, the Q&A session is over. If you have any further questions, you can send it to our Investor Relations team and we will be glad to answer. Roberto will now make his final remarks. So please, Roberto.

A - Roberto da Cunha Castello Branco {BIO 3193867 <GO>}

Thank you, Carla. I'd like to thank you for your attention. It's our goal to maximize transparency and to improve our dialog with the global financial community. And we keep making efforts on restless efforts to create sustainable value over time, is our main

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commitment to you and to all -- to Petrobras employees and all stakeholders, create value on a sustainable basis, with safety, respect to the environment, focusing also on ESG. I look forward to see you or to meet you or even better to see you in person in the future. Have an excellent weekend and stay safe and healthy.

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