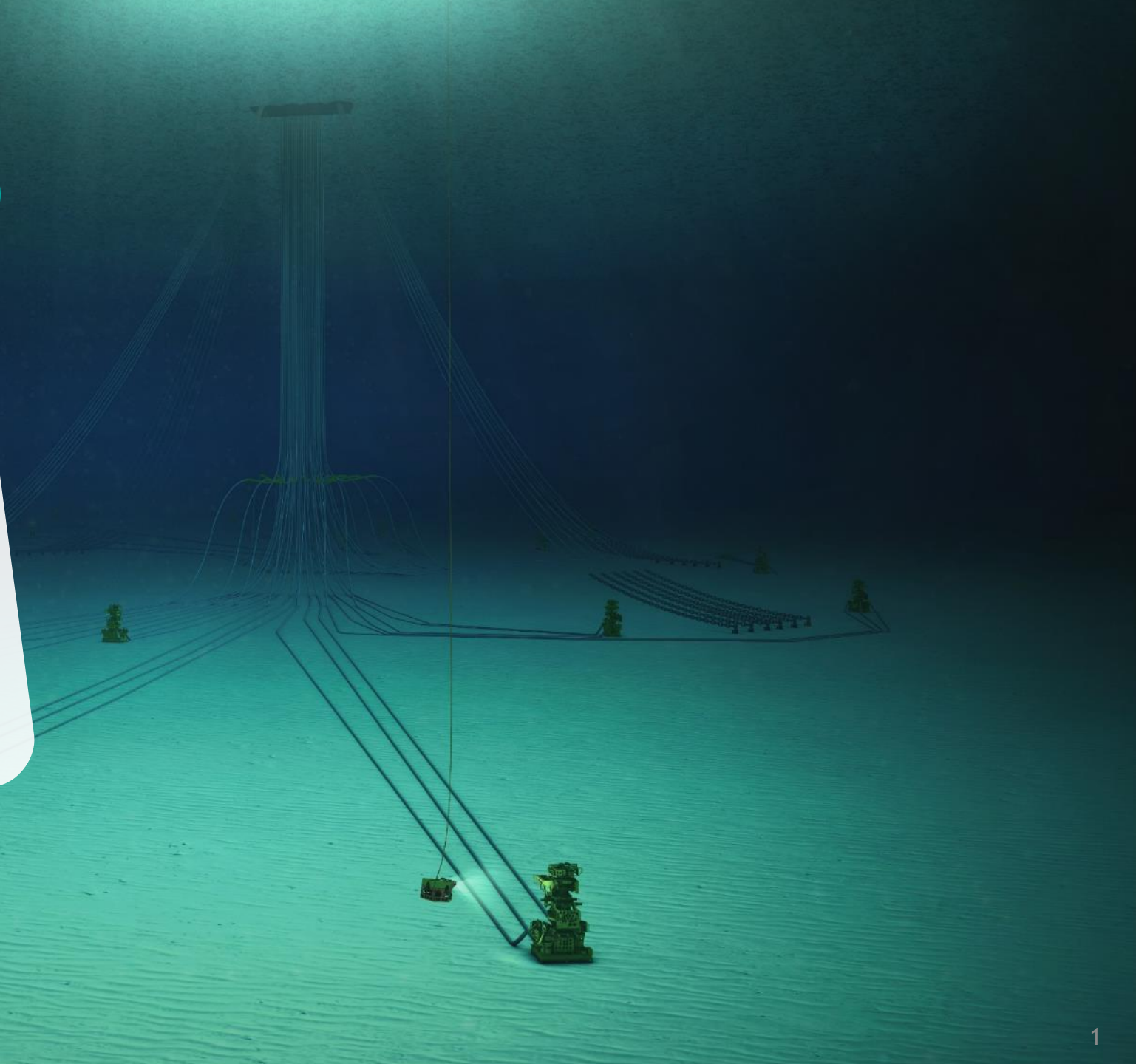


# 3<sup>rd</sup> quarter 2020 Performance

Webcast  
October 29, 2020



# Disclaimer

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.

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 2020 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

# Our actions against Covid-19

## Prevention and focus on health and safety

- Adoption of **definitive home office** for up to 3 times a week, starting in 2021;
- More than **275,000 tests performed** with a comprehensive testing strategy for suspects and contactors and for epidemiological inquiry and screening at the units;
- **Real time monitoring** of cases using data intelligence;
- Special care for boarding platforms: home isolation with health monitoring, virtual briefing and **screening with pre-boarding diagnostic testing**;
- Adjustments in operational routines, with reinforcement in hygiene and **distancing in the environments**;
- More than **11 million facial masks** were distributed in the operational units;
- Rigorous risk evaluation for **gradual return of the effective presence** in operational units.







# *ESG* Environmental, Social and Governance

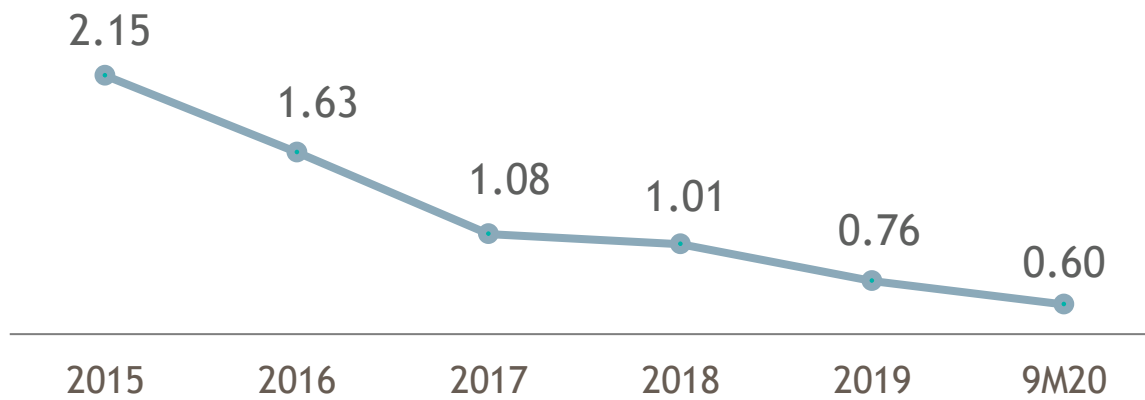


# Safety as priority



## TRI

Total recordable injuries  
per million man-hours

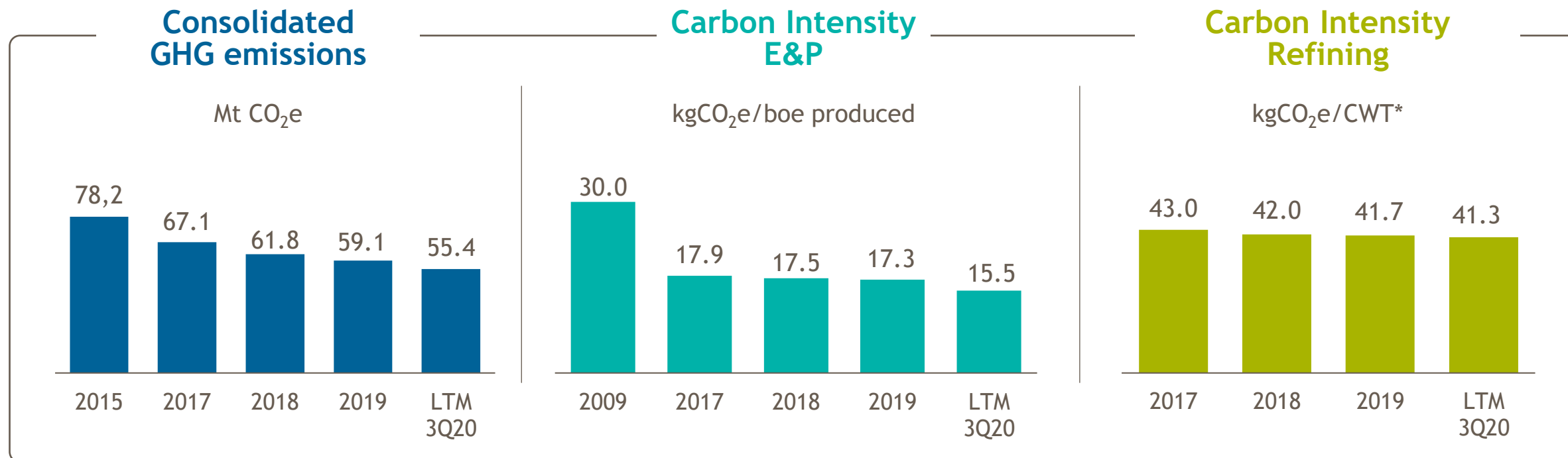


**Ambition of zero fatalities**

- » Top metric is TRI <1.0
- » Continuous reduction of TRI, with a level significantly below our peer group benchmark



# Emission indicators



\* The CWT (Complexity Weighted Tonne) of a refinery considers the potential for distillation - equivalent CO<sub>2</sub> emissions for each process unit.

# Recognition and improvements in Governance initiatives

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- We have been implementing several governance, transparency and compliance measures, working to disseminate the culture of integrity
- In October we launched the [Guide to Ethical Conduct for Petrobras Suppliers](#), in accordance with the highest standards of integrity, social and environmental responsibility







# Financial Highlights





# Main Highlights

We presented strong results even in the most challenging context



Positive free cash flow\* of US\$ 7.5 billion



Issue of US\$ 1 billion, with the lowest yield for a 10-year bond in Petrobras' history



Gross debt reduction of US\$ 11.6 billion between 3Q20 and 2Q20



Solid cash position of US\$ 13.4 billion



Gross debt of US\$ 80 billion, below the target of US\$ 87 billion for 2020



Cash inflow with divestments of US\$ 1.036 billion in 2020



Repurchase of US\$ 5.2 billion\*\* in global bonds and prepayment of revolving credit lines of US\$ 7.6 billion



Revision of the production target for 2020, to 2.84 million boed, of which 2.28 million bpd of oil, with variation of 1.5% up or down

\*Operating cash flow less Capex

\*\* Includes i) Repurchase of US\$ 3.5 billion of principal in September, and ii) repurchase of US\$ 1.7 billion of principal in October

# Change in Dividend Policy

Flexibility

Dividends compatible with cash generation

Financial sustainability preservation

Gross debt > US\$ 60 billion and accounting loss

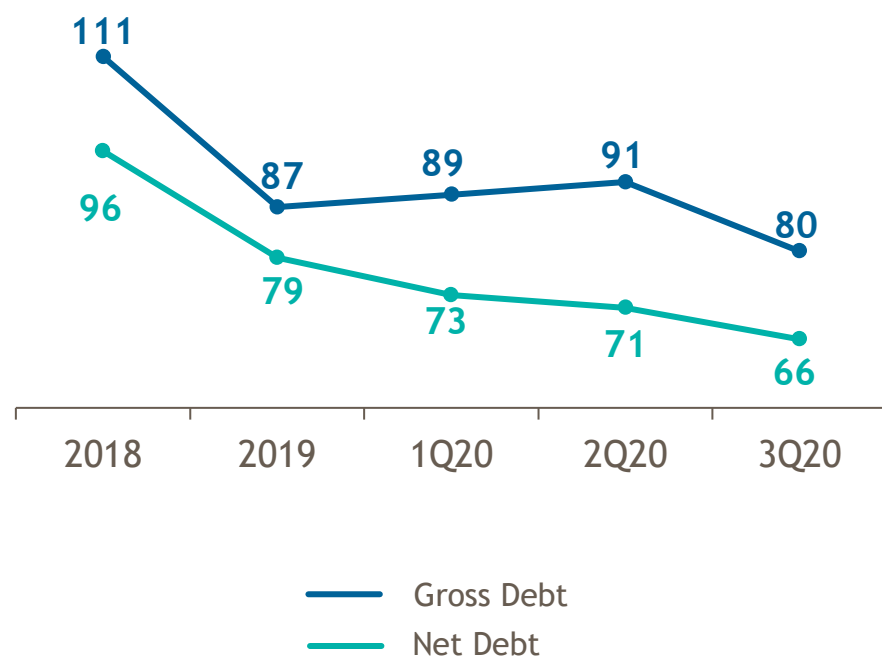
- Possibility of dividends distribution if there is a reduction in net debt in the previous twelve months, distribution limited to that reduction



# Strong decrease in indebtedness in the quarter

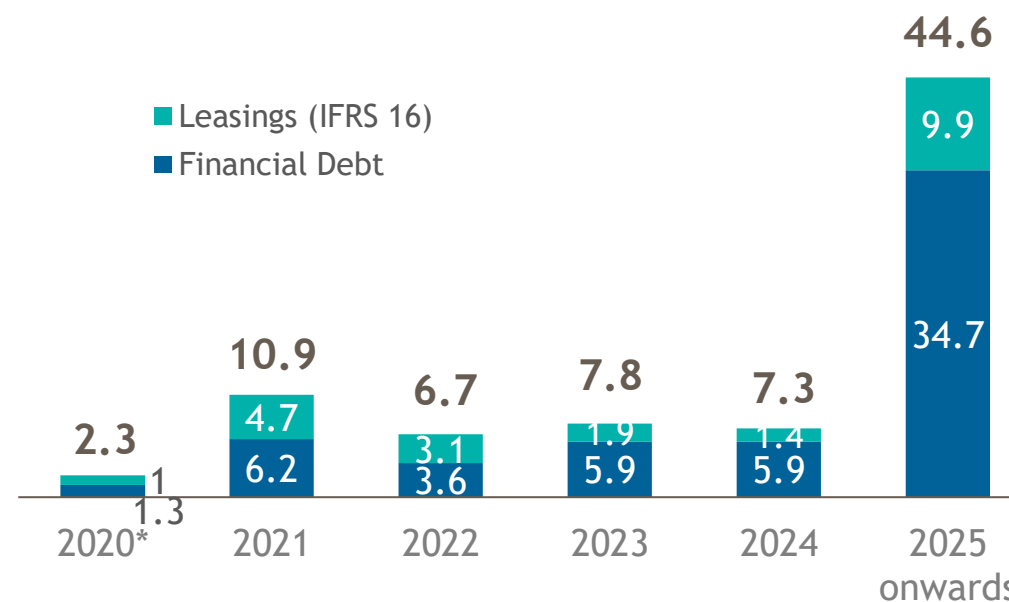
## Indebtedness\*

US\$ billion



## Amortization profile

US\$ billion

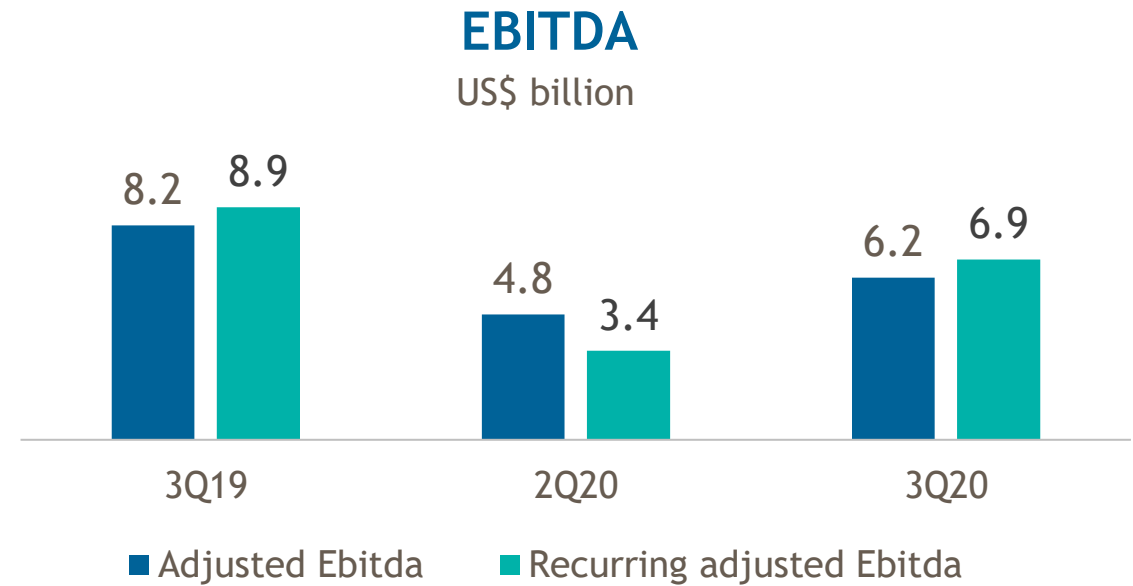


- Average debt maturity of 11.19 years
- Average interest rate of 5.8% p.y.

\* As of 2018, amounts include leases



# Strong EBITDA recovery



*Brent*  
(US\$/bbl)

61.94

29.20

43.00

## 3Q20 x 2Q20

- EBITDA recovered due to the positive effect of Brent oil prices and higher sales, partially offset by lower crack spreads for diesel, fuel oil, LPG and gasoline.



# EBITDA by business segment

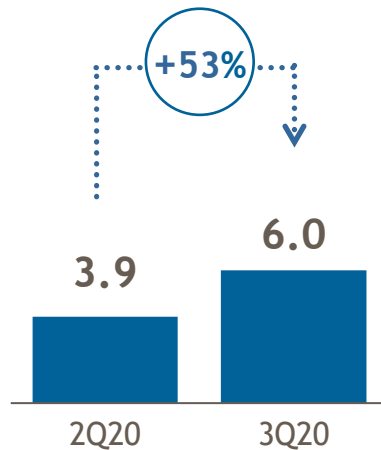
Brent recovery and higher volumes positively affected E&P and Refining segments

## Adjusted EBITDA

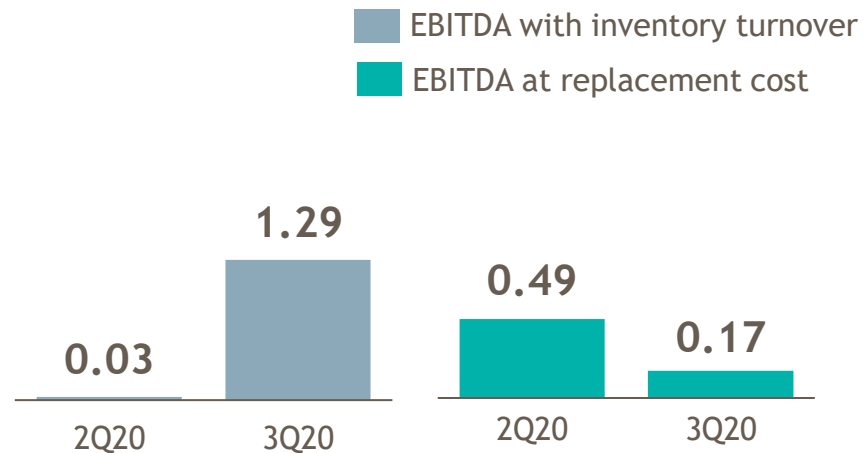
US\$ billion



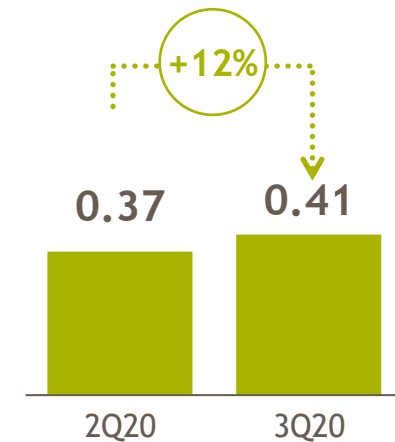
### Exploration & Production



### Refining



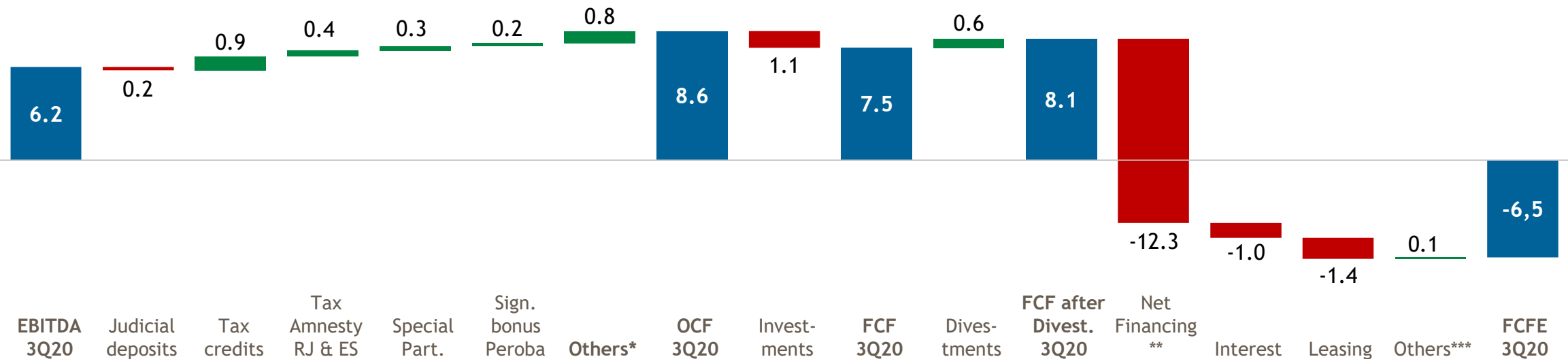
### Gas & Power



# Strong cash generation

## Cash flow evolution in 3Q20

US\$ billion



- Tax credits do not include the R\$ 16.95 billion related to the exclusion of ICMS from the PIS/COFINS calculation base, of which R\$ 2.4 billion were used in Oct/20. We expect to use that difference in the next 12 months
- Partial prepayment of revolving credit lines in the amount of US\$ 7.6 billion
- Prepayment of debt and amortization of principal and interest of US\$ 13.3 billion in the period

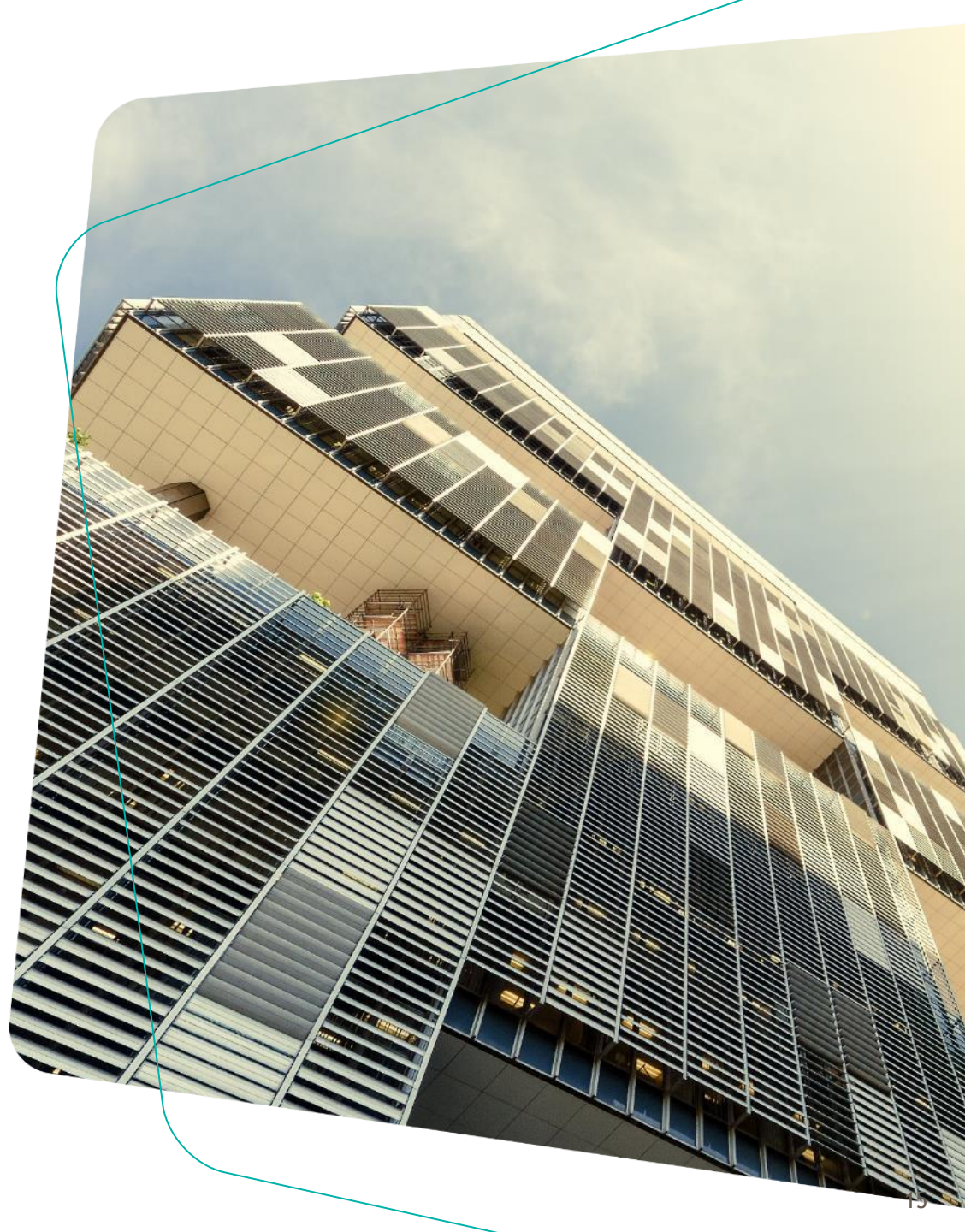
\* Includes working capital and actuarial expense \*\*includes funding, amortization, prepayments and goodwill on security repurchase \*\*\*includes dividends received and non-controlling interest



# Liability management: lowest historical rate for 10-year bond

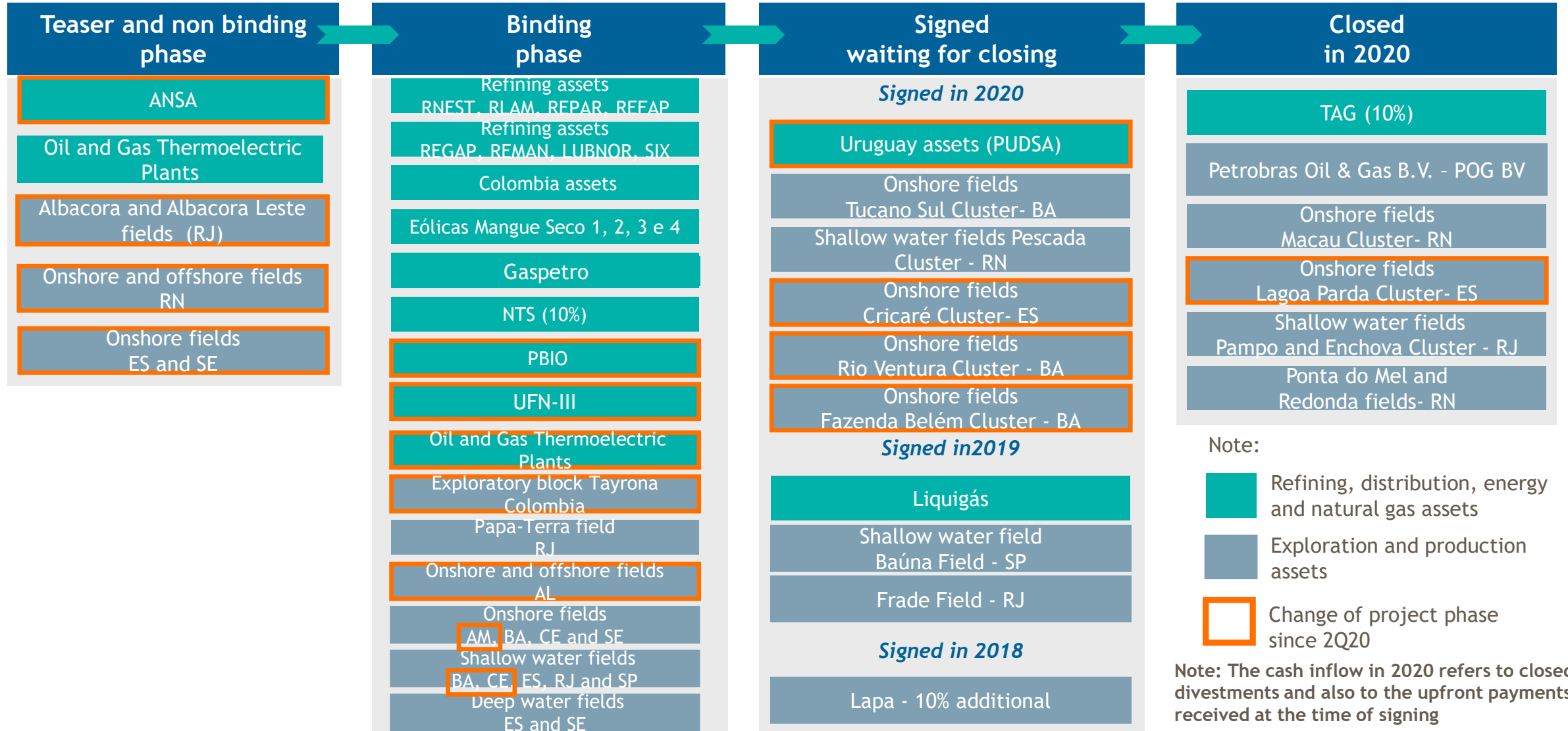
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- Tender offer to purchase bonds maturing between 2022 and 2034, purchase of US\$ 3.5 billion of principal
- Tender offer to purchase bonds maturing between 2023 and 2030, purchase of US\$ 1.67 billion of principal
  - **Lowest yield for a 10-year Petrobras bond (4.4% p.a.)**
- Repurchase of bonds maturing between 2023 and 2030 and principal value of US\$ 1.67 billion



# Divestments continue moving forward

Total cash inflow of US\$ 1.0 billion in 2020





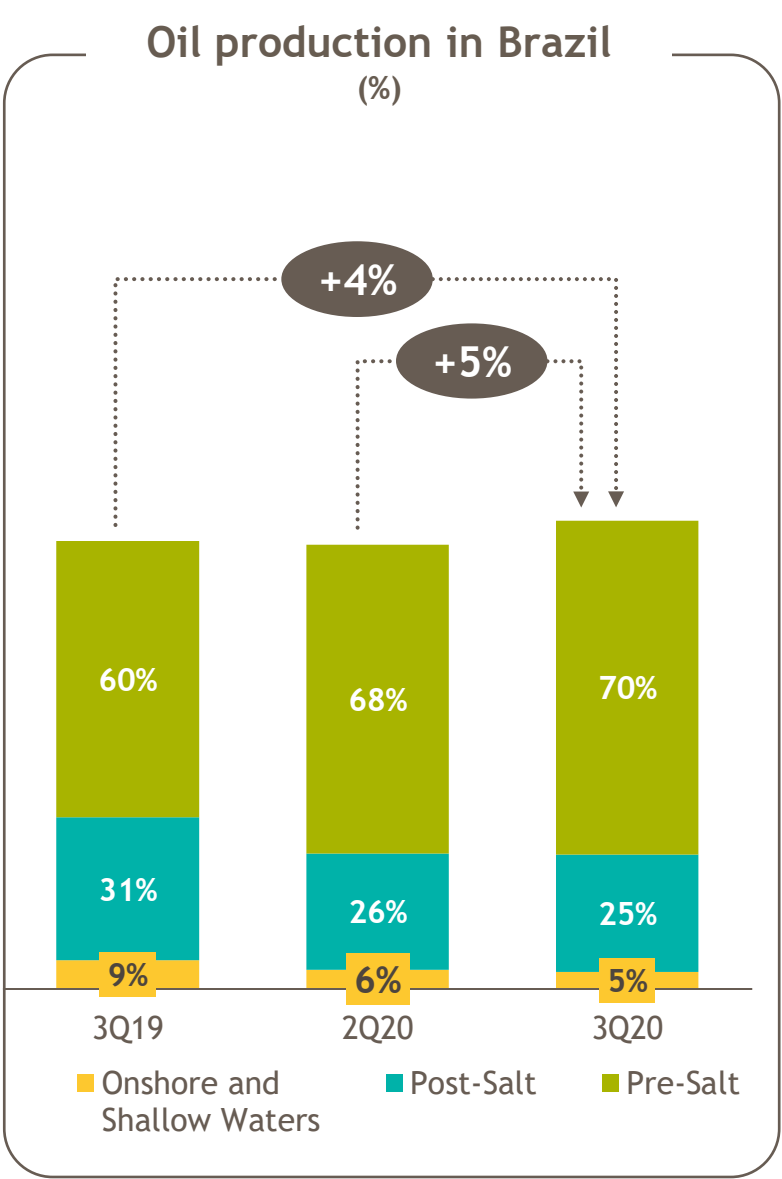
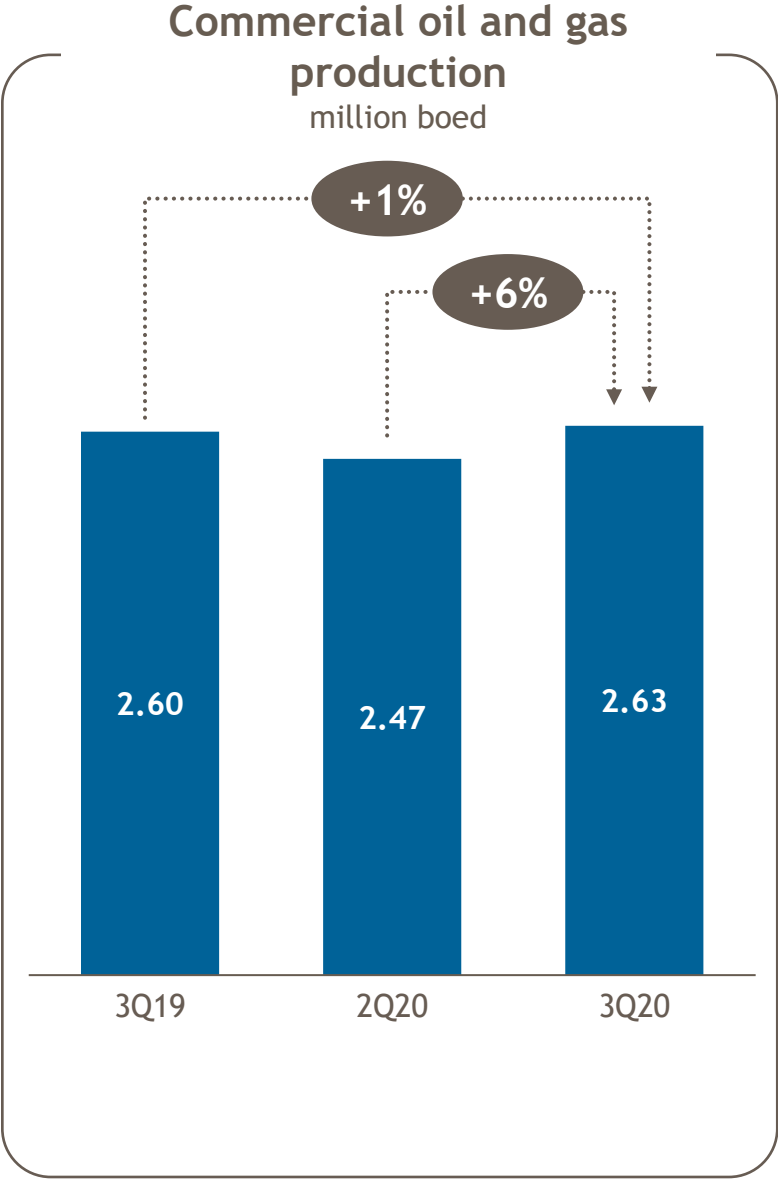
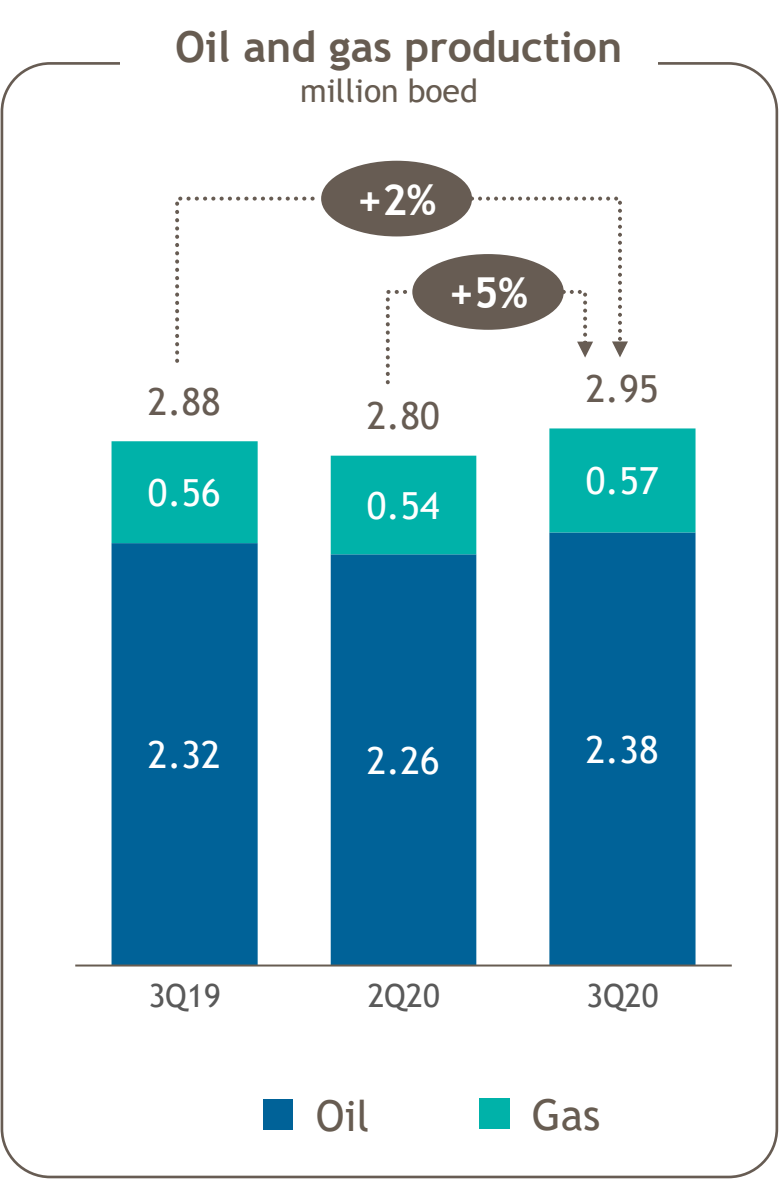


# Exploration & Production Highlights

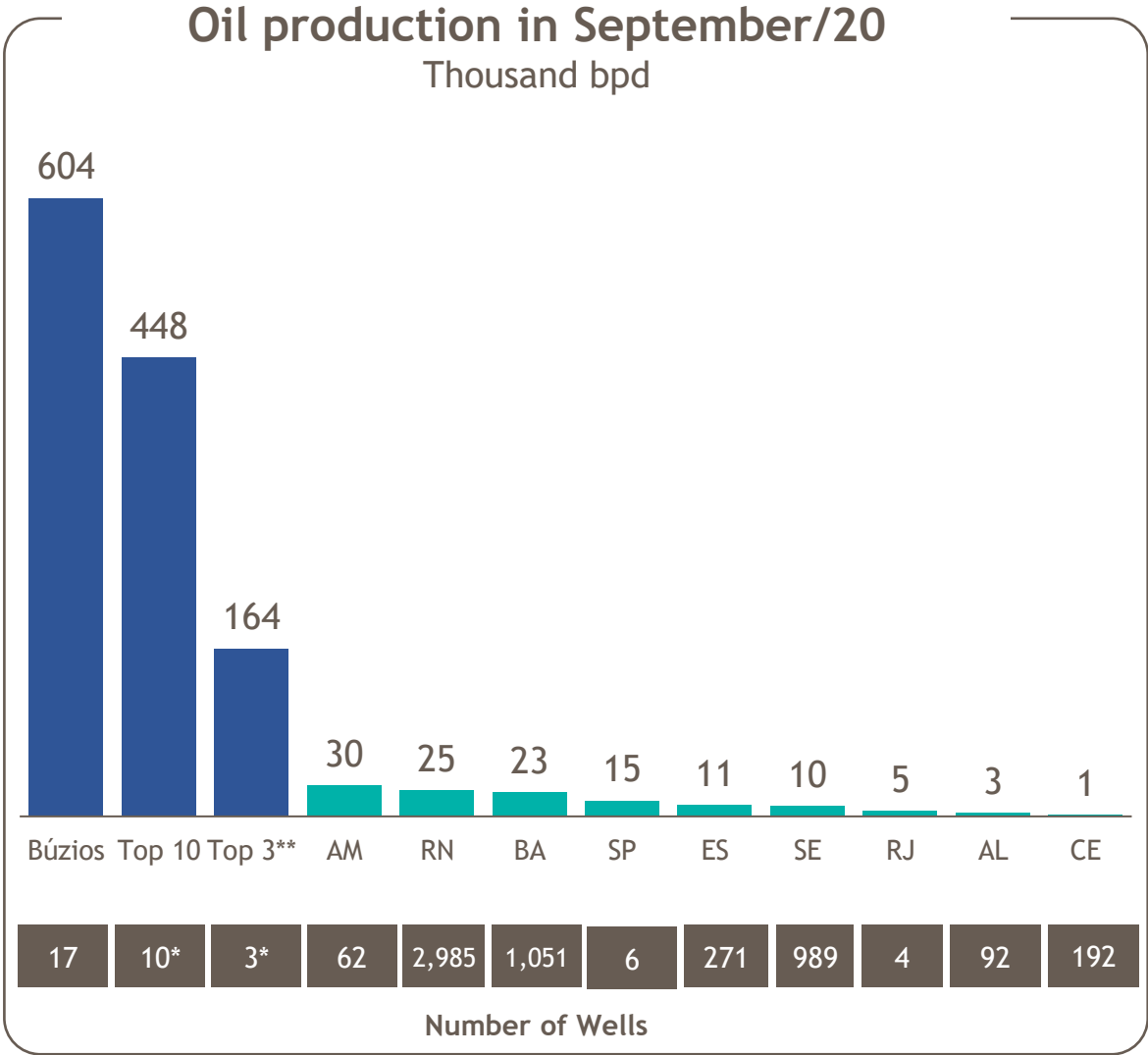
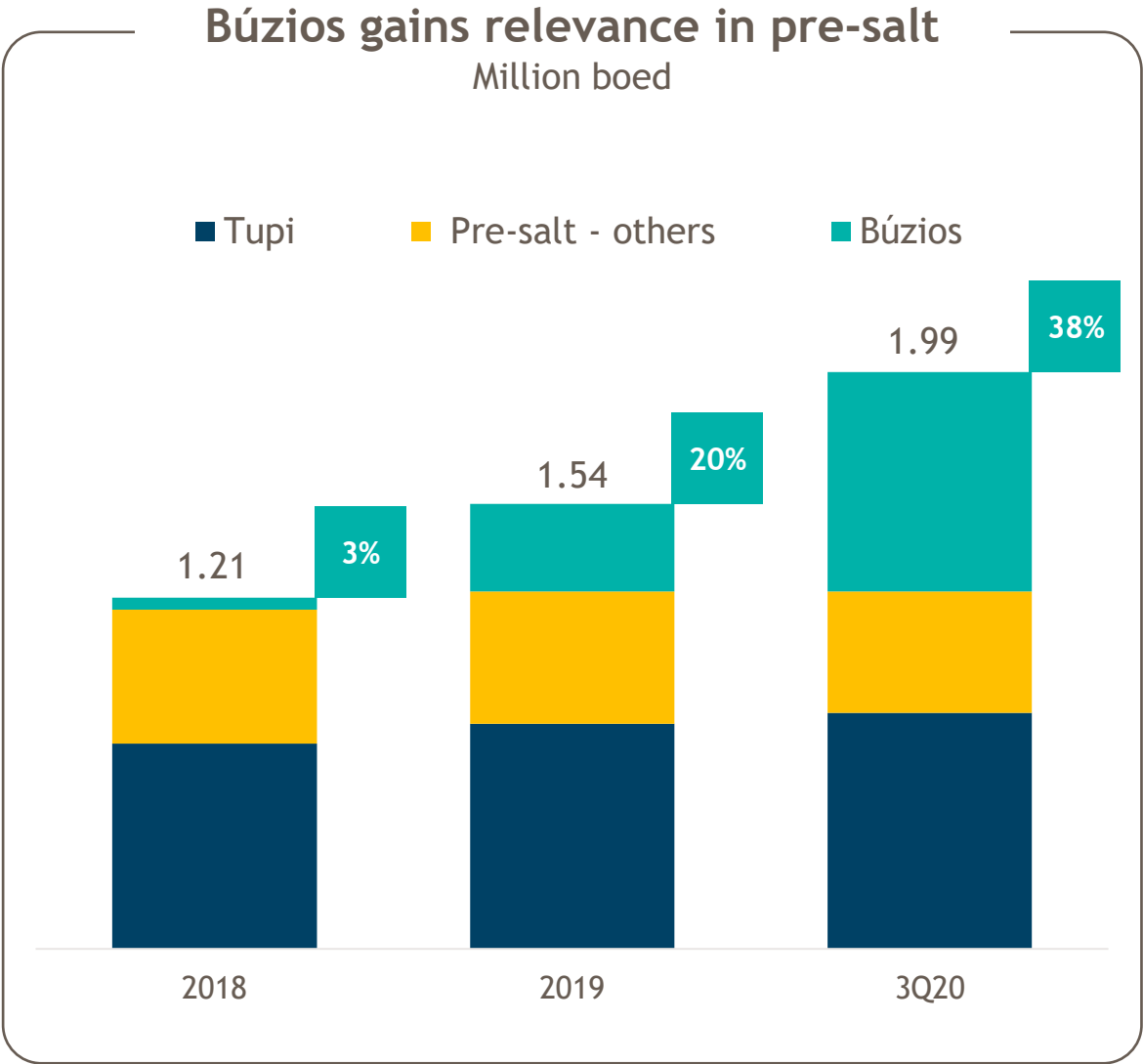




# 5% production growth compared to 2Q20



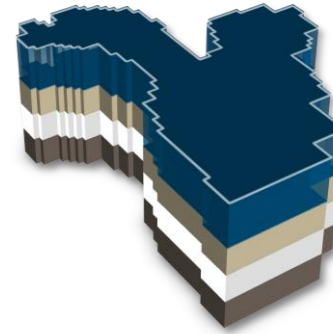
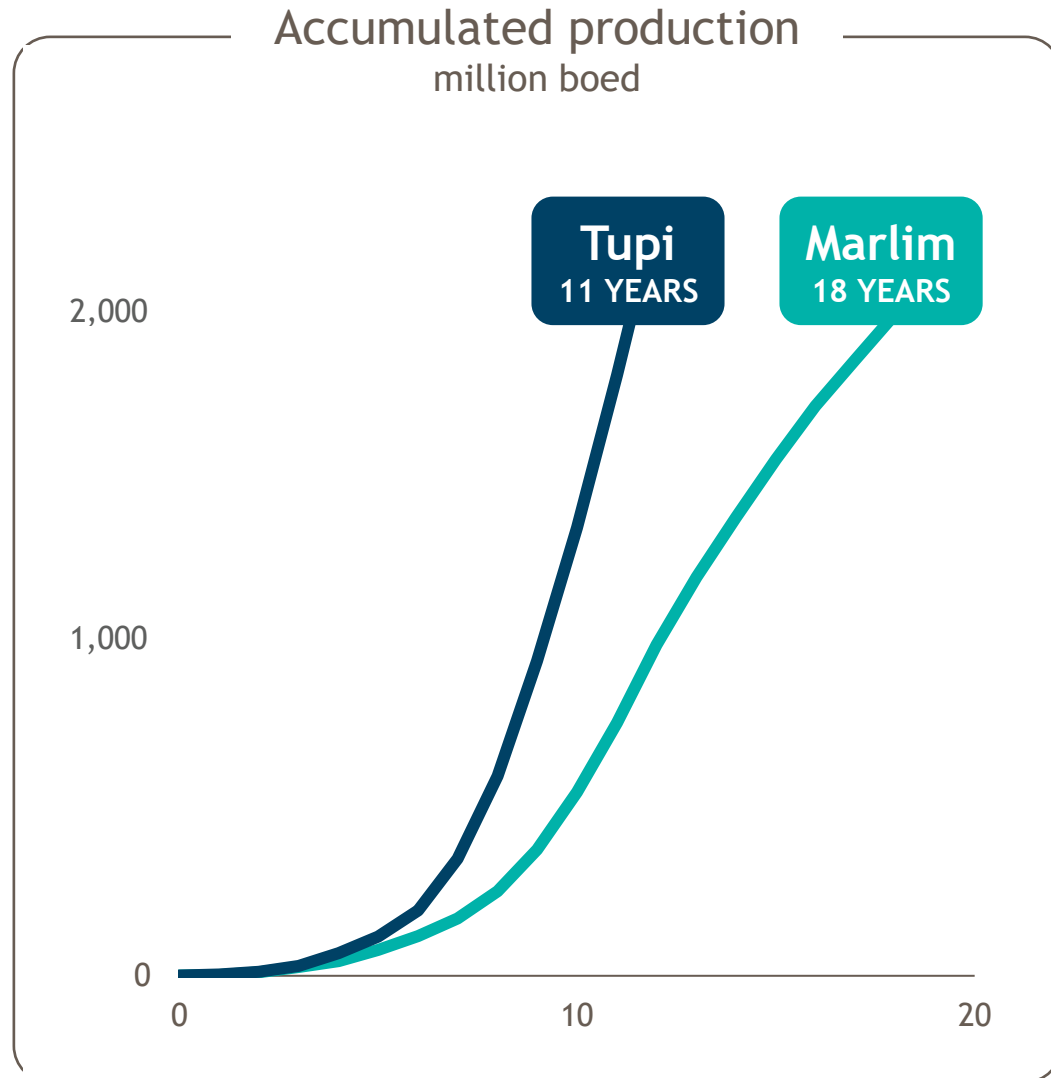
# Pre-salt continues to increase its relevance, with emphasis in Búzios



\*All from Búzios field

\*\*202.8 thousand boed

# We've reached an accumulated production of 2 billion boe in Tupi in 11 years



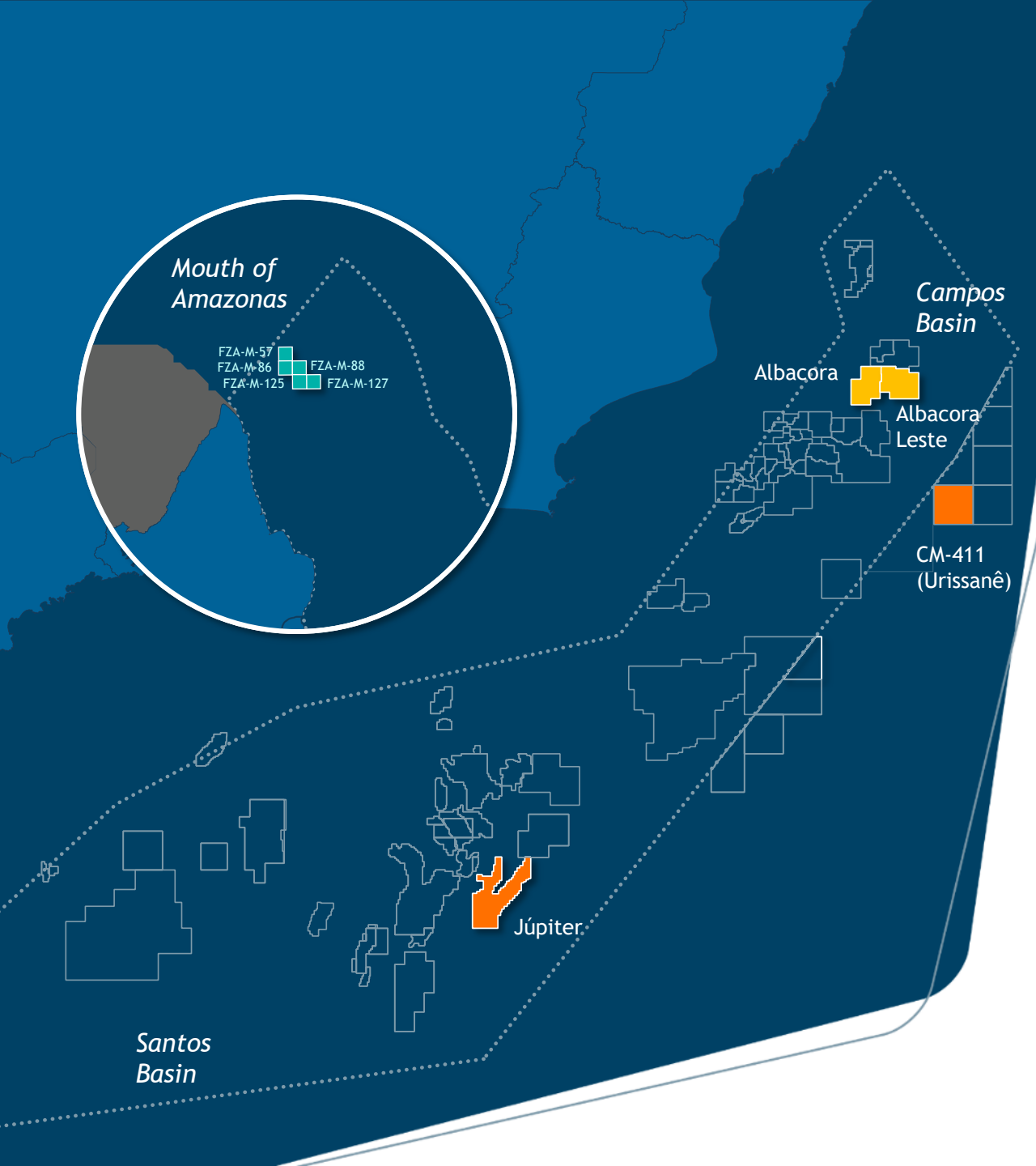
**Tupi** is the world's largest deepwater oil production field

Future goal is to maximize the asset value

- Revitalization of the field before the beginning of the decline
- Development of Complementary Projects, with interconnection of new wells in producing systems
- Increased WAG injection in the field
- Potential for new projects associated with the extension of the concession



# We are strengthening our focus on world-class deepwater and ultra-deepwater assets



## Pre-salt

### Urissanê

Beginning of drilling

### Jupiter

Conclusion of the Drill Stem Test  
Excellent productivity and oil quality

## Equatorial Margin

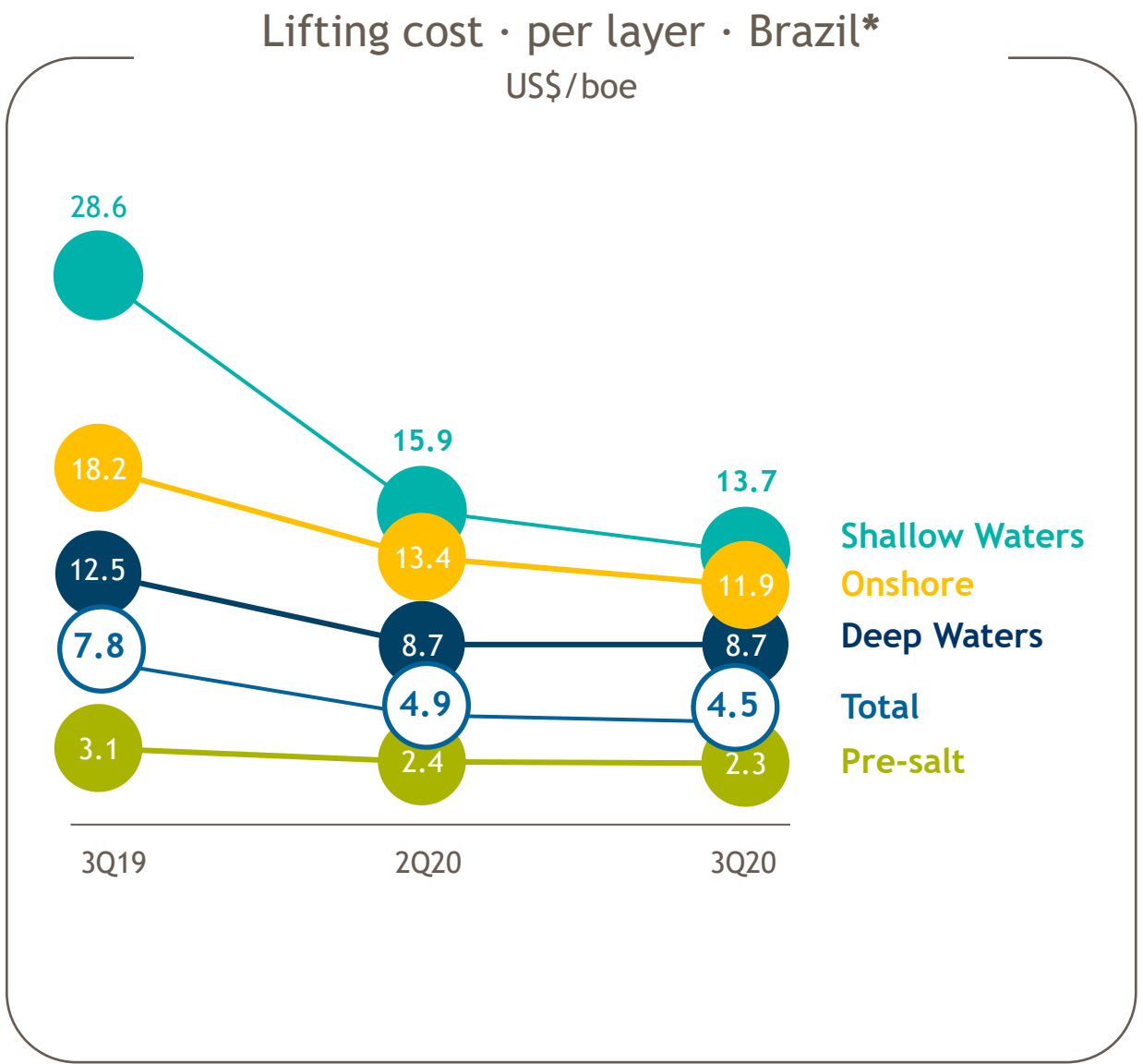
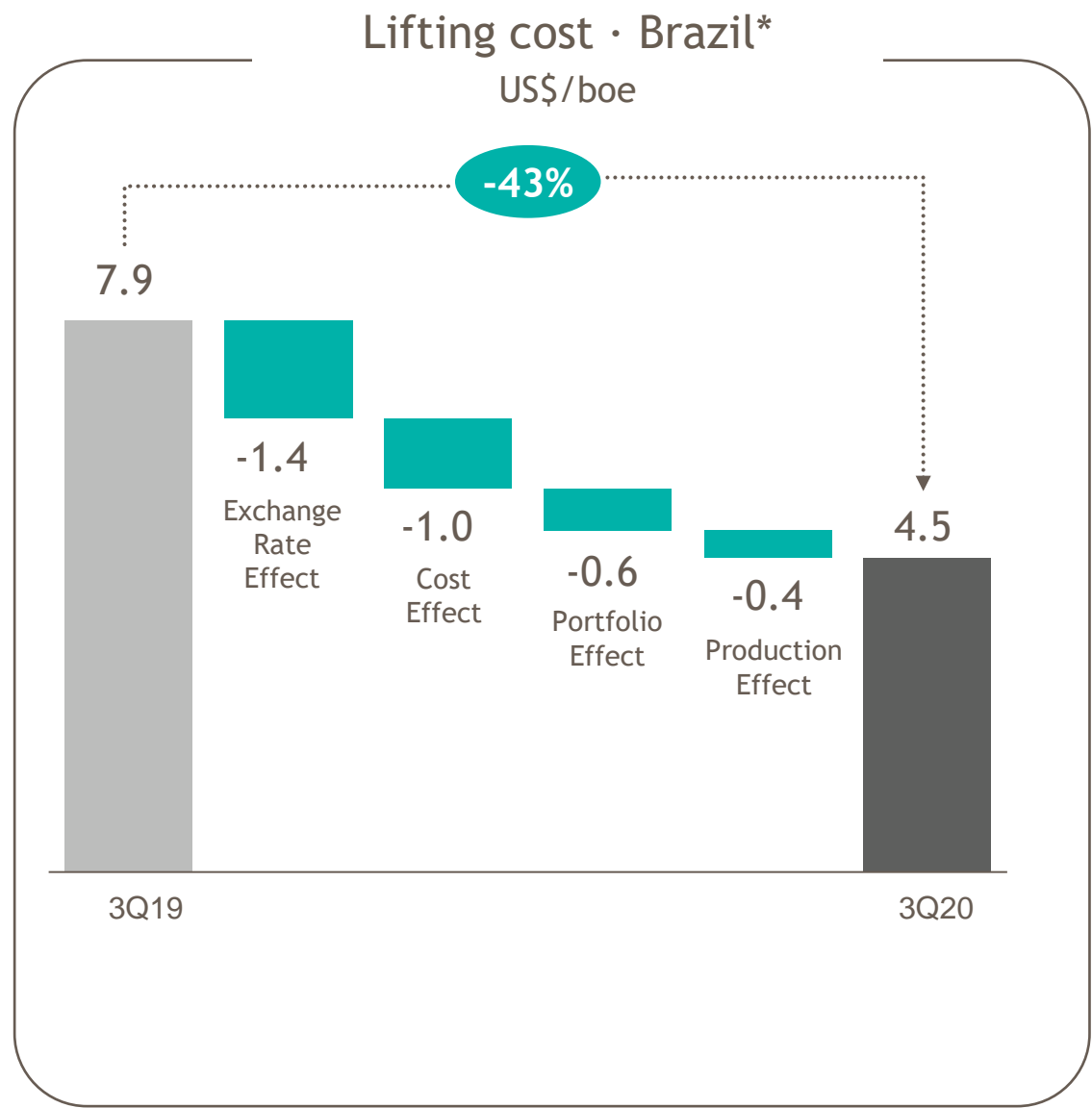
### Foz do Amazonas Basin

Agreement to acquire Total's stake and operation of the 5 blocks

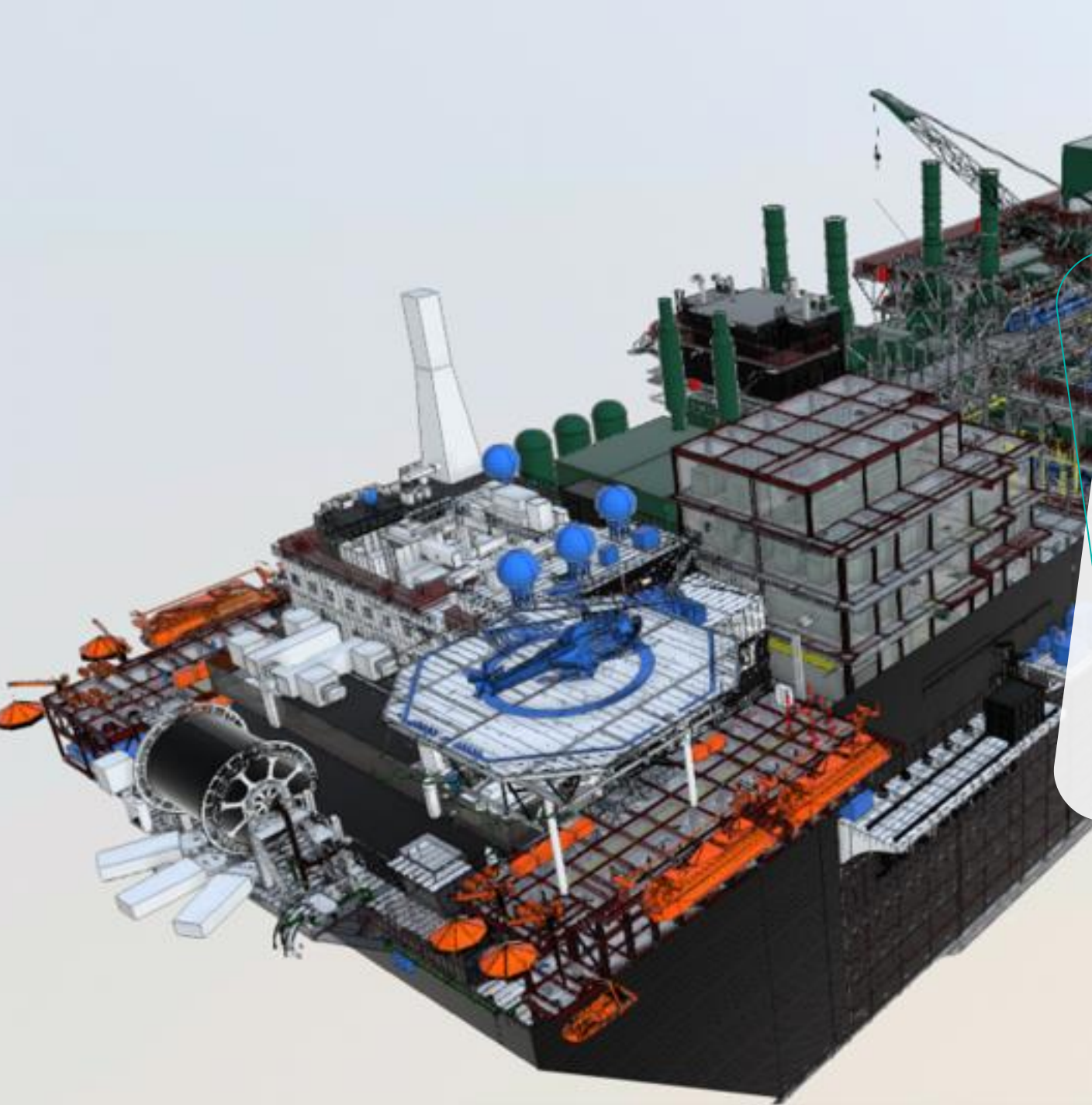
## Divestment

Divestment in Albacora and Albacora Leste + onshore and shallow water assets

# 43% drop in lifting cost in 1 year



\*without leasing cost

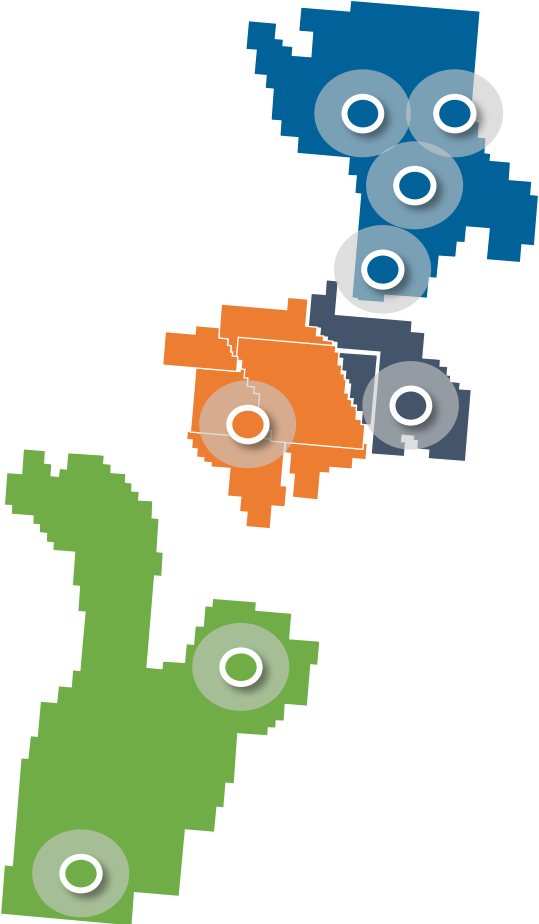


# Production Development Highlights







# Ramp-up of new production systems in Pre-salt

8 new units added 1.2 million bpd of production capacity



## Búzios

|   |      |                   |
|---|------|-------------------|
|  | P-74 | 5 producing wells |
|  | P-75 | 5 producing wells |
|  | P-76 | 4 producing wells |
|  | P-77 | 4 producing wells |



## Atapu

|   |      |                  |
|---|------|------------------|
|  | P-70 | 1 producing well |
|---|------|------------------|





## Berbigão and Sururu

|   |      |                   |
|---|------|-------------------|
|  | P-68 | 4 producing wells |
|---|------|-------------------|



## Tupi

|   |      |                   |
|---|------|-------------------|
|  | P-67 | 6 producing wells |
|  | P-69 | 7 producing wells |



## Highlights



2 new producing wells started operating in 3Q20 and 2 in October (P-75, P-67, P-68, P-69)



Búzios units with 100% of production capacity



P-74 starts gas exports through Route 2



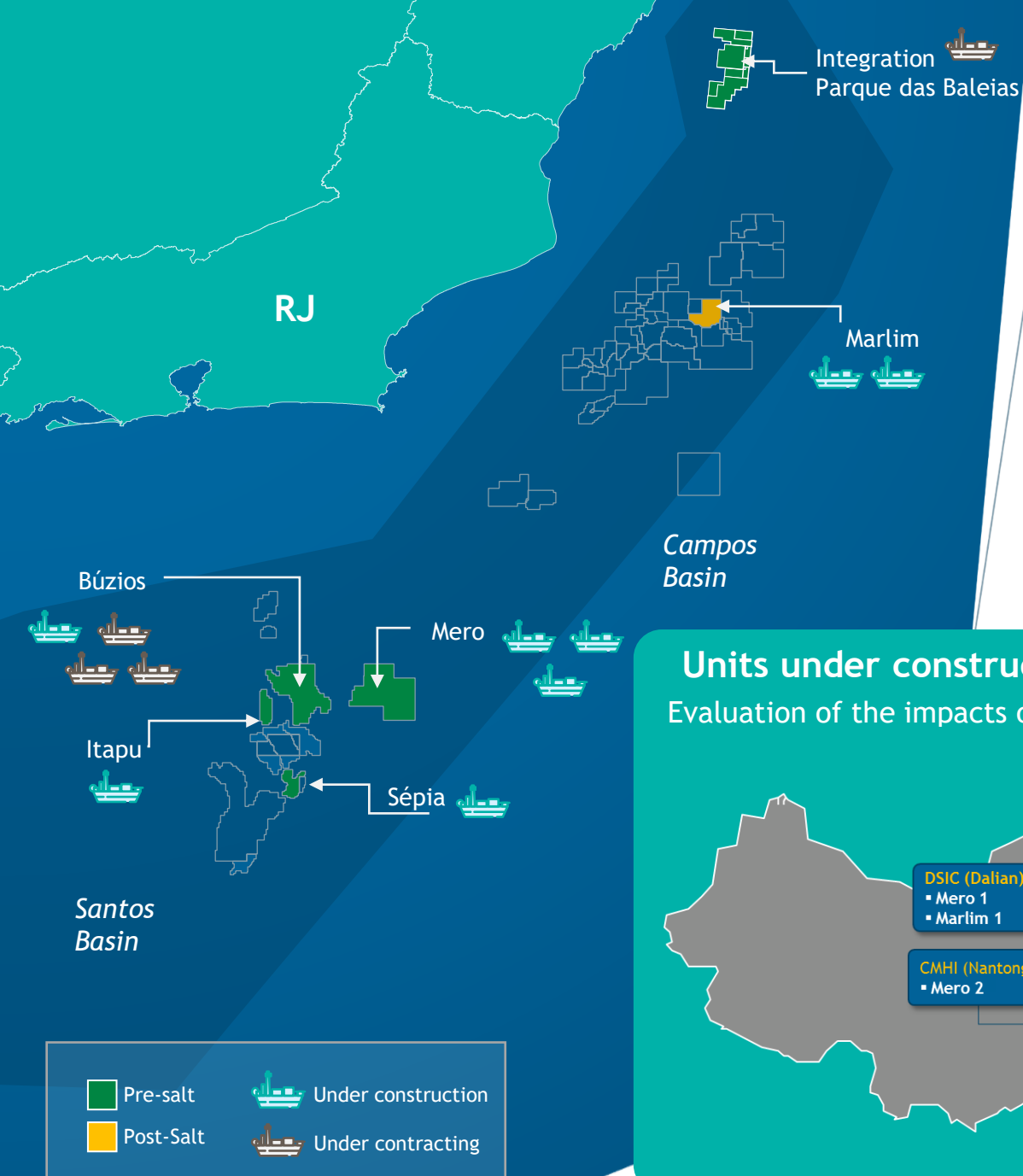
Flare-out of P-70 in October allows production to increase



P-67 reaches nominal capacity and increases operating efficiency



Start of P-69 and P-67 water injection (October)



# Main updates of the 6 future production development projects (12 units)

## Búzios



Beginning of the negotiation for chartering module 6 with a capacity of 225 kbpd



Beginning of EPC contracting of modules 7 and 8



Conclusion of the Basic Reference Project of 180 kbpd



Advances in the contracting of submarine systems and wells for Búzios projects

## Mero



Winner of the FPSO Marechal Duque de Caxias bid decided (Mero 3)



Advances in the contracting of submarine systems and wells for Mero projects

## IPB



Unit start-up postponement with new tender for chartered unit

## Itapu



Acquisition of P-71 for allocation in Itapu and cancellation of the charter bidding

## Units under construction in China

Evaluation of the impacts of COVID-19 on





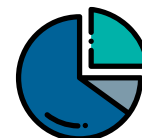
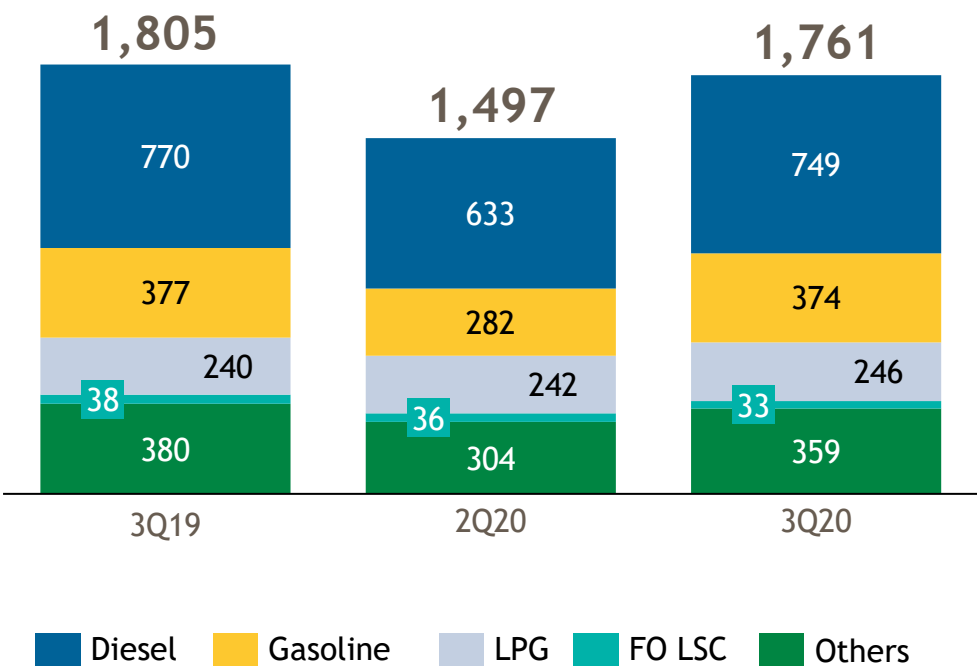
# Marketing and Logistics Highlights



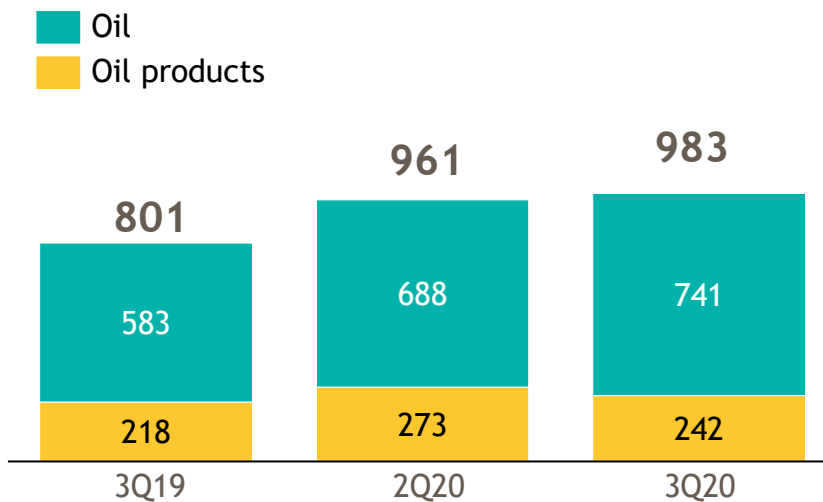
# Sales of oil by-products



Sales volume in Brazil  
Kbpd



Exports  
Kbpd



- In September we reached a new record of 1.14 million tons of fuel oil exports

# Focus on product competitiveness

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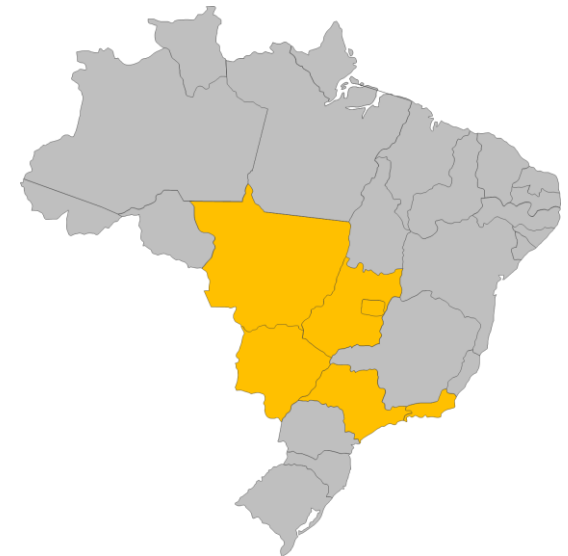



- Expansion of gasoline and diesel bids
- Maintenance of international oil by-products prices during the crisis
- In August 2020, the delivery of bunker in the Port of Santos was 190 thousand tons, 46% of the Brazilian market, the highest volume delivered since April 2009
- Increase in the offer of Diesel S10, setting a sales record in September, with the marketing of 400 kbpd, surpassing the previous record of 361 kbpd, registered in July, by 7.3%

# Record product movement due to logistics integration

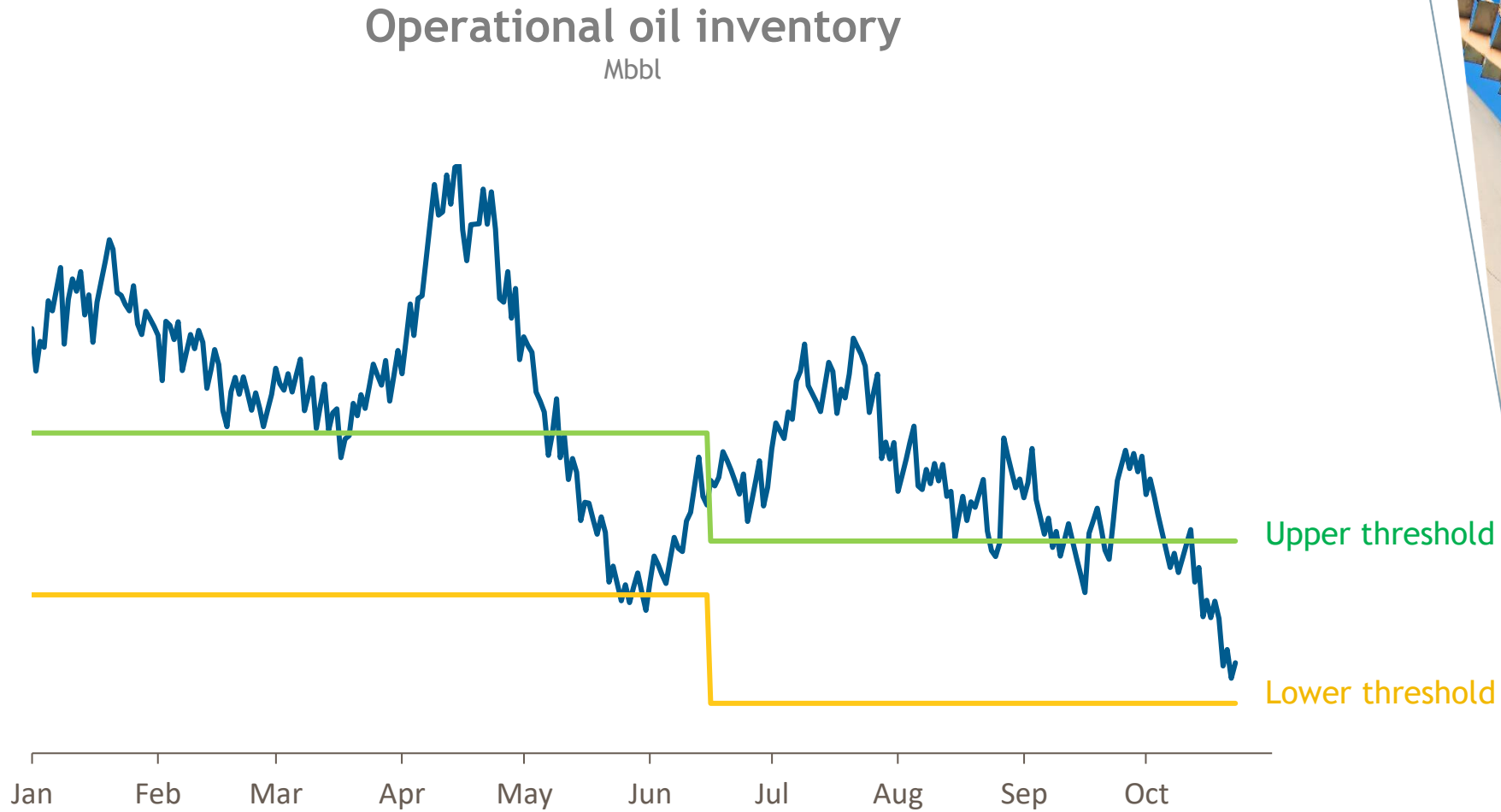


- Increased production of Diesel S10 at refineries in the Southeast and higher delivery capacity in SP and Center-west markets
- Pioneering operation of sending Diesel S10 to the Brasília base of the OSBRA
- Record of 180 export cargoes in 2020
- Transpetro as the largest Ship to Ship (STS) Provider in the country
- 12 ships ceased operations
- Operating availability reached 99.1% in 3Q20, the best result in the last 3 years



 Increase in the capacity of delivery of Diesel S10

# Operations optimization reflected in the reduction of oil inventories, even with the production recovery in the refineries

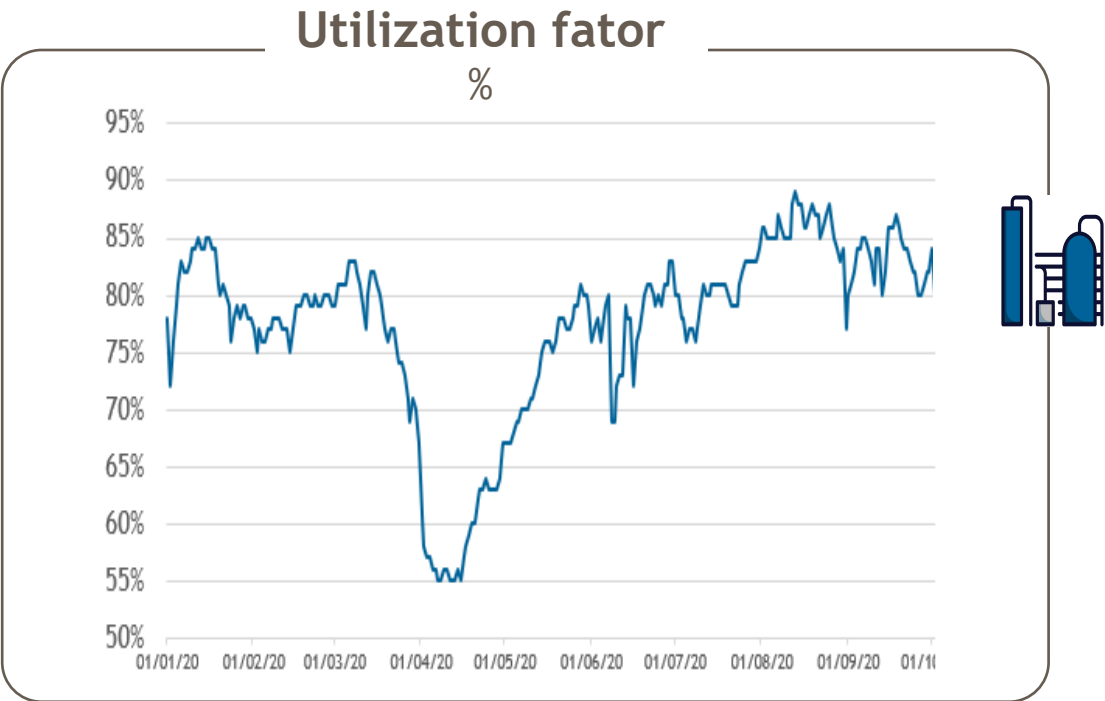
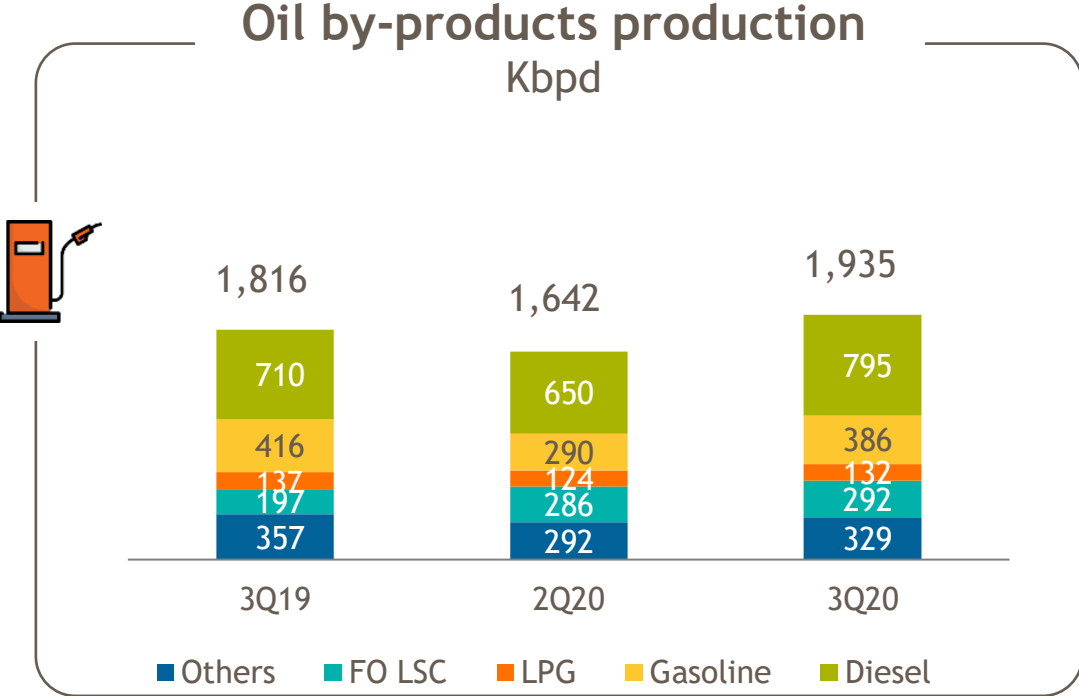






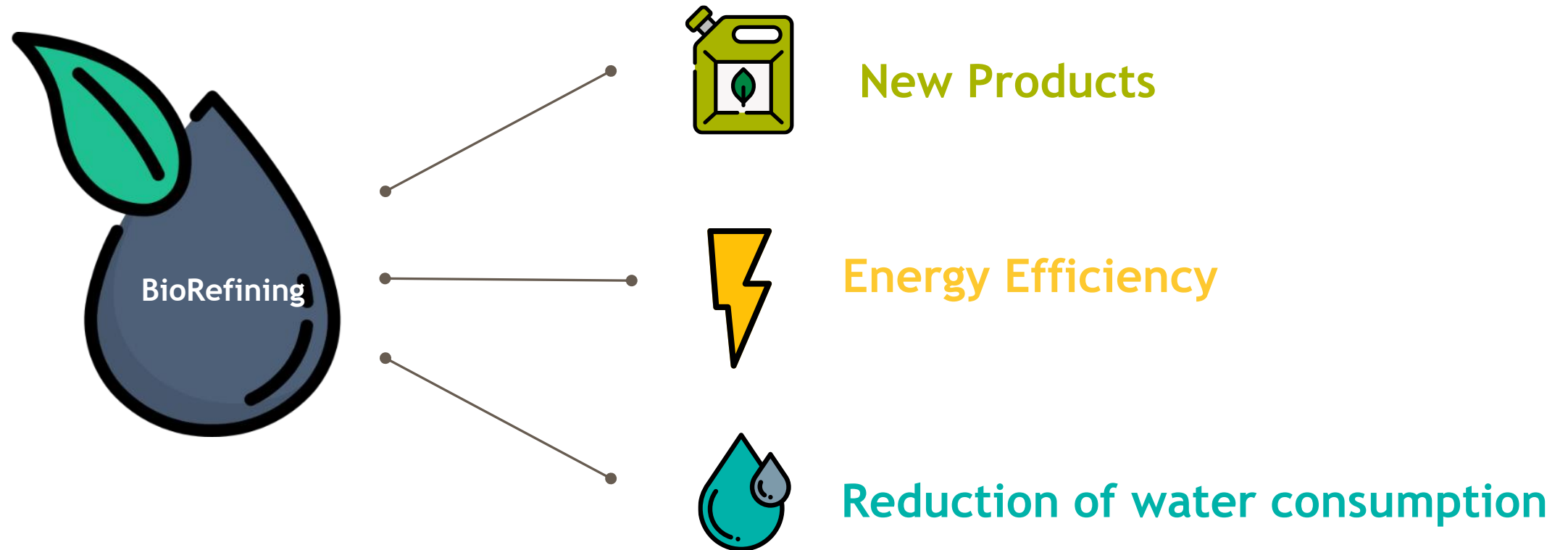
# Refining and Natural Gas Highlights

# Oil by-products production growth due to market recovery



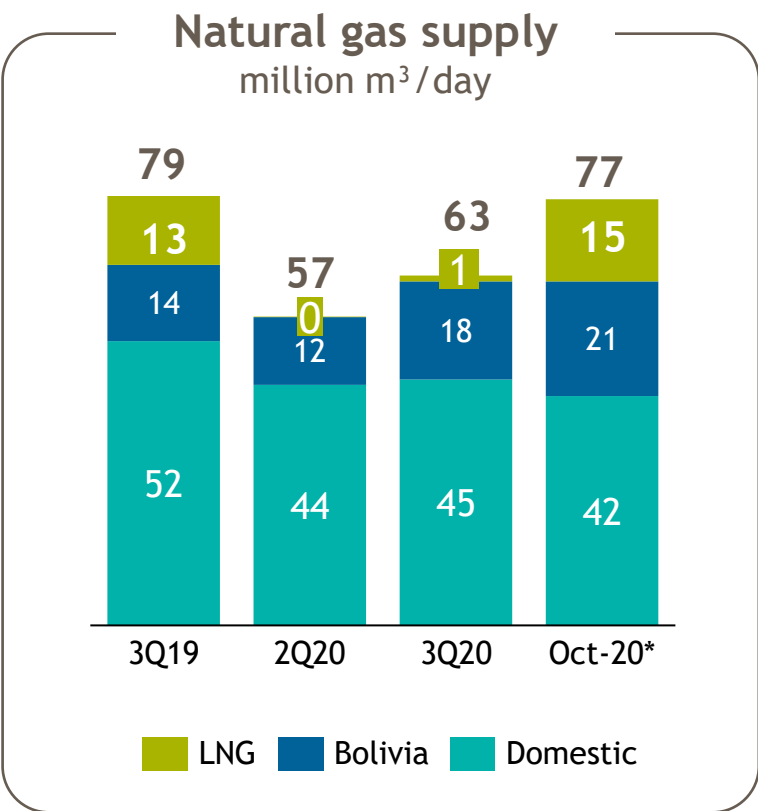
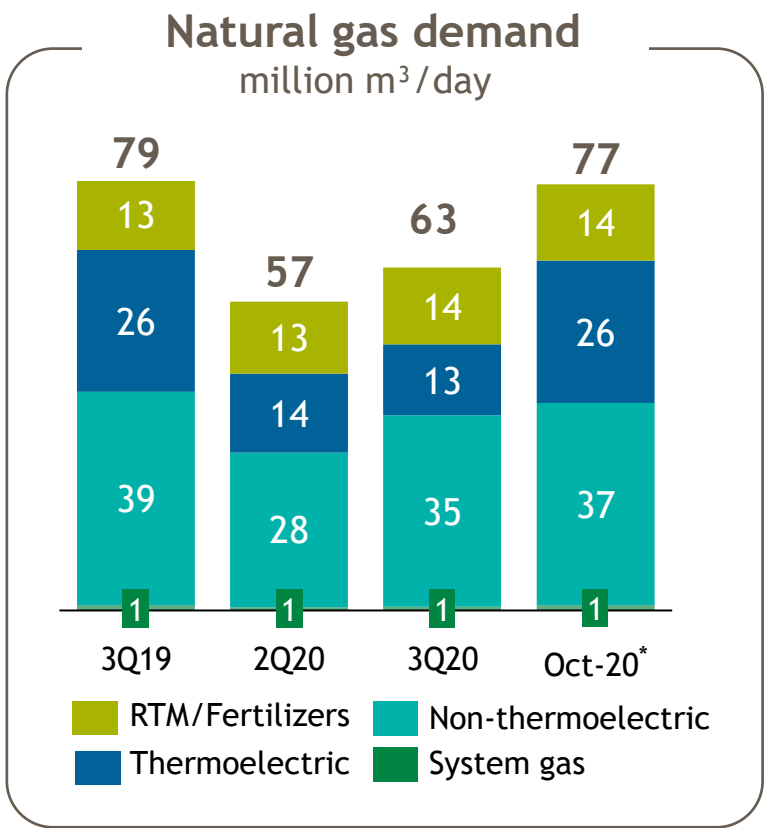
# BioRefining 2030: new generation of fuels

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# Demand close to pre-crisis level



\* average for the period from October 1 to 25

# Important milestones in the G&E area

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## Creation of the Gas+ Program

- New modalities of marketing and product segmentation
- Providing of gas processing services
- Digital contracts and sales through automated platforms

## Signing of the gas flow (SIE) and processing (SIP) contracts

- Guarantee of flow and processing of up to 44MMm<sup>3</sup>/d of the Santos Basin Pre-Salt Gas (PPSBS)





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