

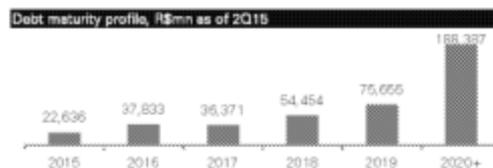
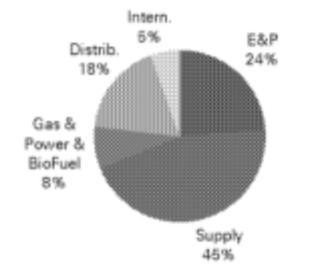


Figure 14: Petrobras 2Q15 summary financials (BRLm)

Petroleo Brasileiro SA										
Income Statement (R\$m)	2Q14	3Q14	4Q14	1Q15	2Q15	qoq	yoy	2013	2014	LTM
<b>Total Revenues</b>	<b>82,298.0</b>	<b>88,377.0</b>	<b>85,040.0</b>	<b>74,353.0</b>	<b>79,943.0</b>	<b>7.6%</b>	<b>-2.9%</b>	<b>304,890.0</b>	<b>337,260.0</b>	<b>327,713.0</b>
COGS	(63,480.0)	(67,936.0)	(63,025.0)	(51,943.0)	(54,381.0)	4.7%	-14.3%	(233,726.0)	(256,823.0)	(237,266.0)
<b>Gross Profit</b>	<b>18,818.0</b>	<b>20,441.0</b>	<b>22,015.0</b>	<b>22,410.0</b>	<b>25,562.0</b>	<b>14.1%</b>	<b>36.8%</b>	<b>71,164.0</b>	<b>80,437.0</b>	<b>90,428.0</b>
Gross Margin	22.9%	23.1%	25.9%	30.1%	32.0%	183.5	911.0	23.3%	23.9%	27.6%
Gross interest expense	(4,146.0)	(3,876.0)	(4,451.0)	(4,984.0)	(6,463.0)	32.9%	66.9%	(12,610.0)	(16,211.0)	(19,654.0)
SG&A	(5,352.0)	(9,440.0)	(7,120.0)	(4,434.0)	(6,660.0)	50.0%	24.3%	(21,352.0)	(27,197.0)	(27,644.0)
<b>Cash Flow (R\$m)</b>	<b>2Q14</b>	<b>3Q14</b>	<b>4Q14</b>	<b>1Q15</b>	<b>2Q15</b>	<b>qoq</b>	<b>yoy</b>	<b>2013</b>	<b>2014</b>	<b>LTM</b>
EBIT	8,945.0	(4,321.0)	(22,283.0)	13,335.0	9,487.0	-28.9%	7.2%	34,354.0	(20,779.0)	(14,362.0)
<b>EBITDA</b>	<b>16,558.0</b>	<b>2,115.0</b>	<b>(23,475.0)</b>	<b>21,851.0</b>	<b>18,515.0</b>	<b>-15.3%</b>	<b>11.8%</b>	<b>62,831.0</b>	<b>9,898.0</b>	<b>19,006.0</b>
EBITDA Margin	20.1%	2.4%	-27.6%	29.4%	23.2%	-62.8	304.1	20.6%	2.9%	5.9%
<b>Reported EBITDA</b>	<b>16,246.0</b>	<b>8,488.0</b>	<b>20,057.0</b>	<b>21,518.0</b>	<b>19,771.0</b>	<b>-8.1%</b>	<b>21.7%</b>	<b>62,987.0</b>	<b>59,140.0</b>	<b>69,834.0</b>
Reported EBITDA Margin	19.7%	9.6%	23.6%	28.9%	24.7%	-420.9	499.1	20.7%	17.5%	21.3%
Change in WC	873.0	(6,941.0)	(628.0)	2,000.0	1,540.0	-23.0%	76.4%	412.0	(2,354.0)	(4,029.0)
Change in Net WA	7,555.0	(10,818.0)	4,854.0	909.0	(3,321.0)	NM	NM	(1,937.0)	4,885.0	(8,376.0)
Broad OCF (w chg in NWA)	9,003.0	12,933.0	(28,329.0)	20,942.0	21,836.0	4.3%	142.5%	64,768.0	5,013.0	27,382.0
<b>Net interest paid</b>	<b>(3,526.0)</b>	<b>(3,418.0)</b>	<b>(3,916.0)</b>	<b>(7,391.0)</b>	<b>(2,914.0)</b>	<b>-60.6%</b>	<b>-17.4%</b>	<b>(10,043.0)</b>	<b>(13,941.0)</b>	<b>(17,639.0)</b>
Net capex	(19,141.0)	(20,129.0)	(14,146.0)	(17,680.0)	(17,163.0)	-3.0%	-10.4%	(104,416.0)	(72,396.0)	(69,106.0)
Acquisitions	110.0	(57.0)	(194.0)	396.0	109.0	-72.6%	-0.9%	(137.0)	(250.0)	254.0
Cash dividends paid	(8,731.0)	(18.0)	14.0	-	-	NM	NM	(5,776.0)	(8,736.0)	(4.0)
Broad Free Cash Flow (FCF w chg in NWA)	(24,961.0)	(10,806.0)	(39,083.0)	16,756.0	(796.0)	-98.2%	-66.8%	(60,752.0)	(86,417.0)	(56,440.0)
<b>Free cash flow (FCF)</b>	<b>(18,279.0)</b>	<b>(14,683.0)</b>	<b>(32,601.0)</b>	<b>(7,847.0)</b>	<b>(5,066.0)</b>	<b>-27.8%</b>	<b>-69.1%</b>	<b>(63,101.0)</b>	<b>(79,178.0)</b>	<b>(60,787.0)</b>
Net change in debt	(435.0)	23,992.0	19,331.0	49,604.0	14,910.0	-69.9%	NM	71,506.0	83,215.0	107,837.0
<b>Net cash generation</b>	<b>(18,714.0)</b>	<b>9,309.0</b>	<b>(13,270.0)</b>	<b>41,757.0</b>	<b>9,254.0</b>	<b>-77.8%</b>	<b>NM</b>	<b>8,405.0</b>	<b>4,037.0</b>	<b>47,050.0</b>
<b>Balance Sheet (R\$m)</b>	<b>2Q14</b>	<b>3Q14</b>	<b>4Q14</b>	<b>1Q15</b>	<b>2Q15</b>	<b>qoq</b>	<b>yoy</b>	<b>2013</b>	<b>2014</b>	<b>LTM</b>
S-T Debt	23,595.0	28,243.0	31,565.0	39,721.0	44,665.0	12.4%	89.7%	18,782.0	31,565.0	44,665.0
L-T Debt	284,177.0	303,461.0	319,470.0	350,918.0	370,894.0	2.8%	30.5%	249,039.0	319,470.0	370,894.0
<b>Total Debt</b>	<b>307,772.0</b>	<b>331,704.0</b>	<b>351,035.0</b>	<b>400,639.0</b>	<b>415,549.0</b>	<b>3.7%</b>	<b>36.0%</b>	<b>267,820.0</b>	<b>351,035.0</b>	<b>415,549.0</b>
Cash and Cash equivalents	58,140.0	49,624.0	44,239.0	34,450.0	31,166.0	136.6%	39.6%	37,172.0	44,239.0	31,166.0
<b>Net Debt</b>	<b>249,632.0</b>	<b>282,080.0</b>	<b>306,796.0</b>	<b>366,189.0</b>	<b>384,383.0</b>	<b>8.7%</b>	<b>34.0%</b>	<b>230,648.0</b>	<b>306,796.0</b>	<b>384,383.0</b>
Adjusted Cash and Cash equivalents	66,363.0	70,259.0	68,946.0	68,182.0	91,636.0	34.4%	38.1%	46,257.0	68,946.0	91,636.0
<b>Adjusted Net Debt</b>	<b>241,349.0</b>	<b>261,445.0</b>	<b>282,089.0</b>	<b>332,457.0</b>	<b>323,913.0</b>	<b>-2.6%</b>	<b>34.2%</b>	<b>221,563.0</b>	<b>282,089.0</b>	<b>323,913.0</b>
<b>Credit Ratios</b>	<b>2Q14</b>	<b>3Q14</b>	<b>4Q14</b>	<b>1Q15</b>	<b>2Q15</b>	<b>qoq bps</b>	<b>yoy bps</b>	<b>2013</b>	<b>2014</b>	<b>LTM</b>
Interest Coverage	3.39x	0.55x	-6.27x	4.49x	2.86x	-162.8	-112.9	4.96x	0.61x	0.97x
EBITDA-Capex/Interest	-0.62x	-4.65x	-6.45x	0.86x	0.21x	-64.7	83.4	-3.30x	-3.86x	-2.55x
S-T Debt/Tot Debt	7.6%	8.5%	9.0%	9.9%	10.7%	83.2	309.8	7.0%	9.0%	10.7%
Cash/S-T Debt	2.82x	2.49x	2.18x	1.72x	2.05x	33.6	-76.8	2.46x	2.18x	2.05x
Total debt/EBITDA (x)	4.65x	39.21x	-3.74x	4.58x	5.61x	102.7	96.5	4.26x	35.47x	21.86x
Total debt/LTM Reported EBITDA (x)	5.19x	6.07x	5.94x	6.04x	5.95x	-9.1	75.6	4.25x	5.94x	5.95x
Adjusted Net debt/EBITDA (x)	3.64x	30.90x	-3.00x	3.80x	4.37x	57.0	73.0	3.53x	28.50x	17.04x
Adjusted Net debt/EBITDA (x)	3.64x	30.90x	-3.00x	3.80x	4.37x	57.0	73.0	3.53x	28.50x	17.04x
Net debt/LTM EBITDA (x)	4.22x	5.89x	31.00x	21.48x	17.59x	-388.6	1337.2	3.67x	31.00x	17.59x
Adjusted Net debt/LTM EBITDA (x)	4.08x	5.46x	28.50x	19.50x	17.04x	-265.7	1298.0	3.53x	28.50x	17.04x
Adjusted Net debt/LTM Reported EBITDA (x)	4.07x	4.79x	4.77x	5.01x	4.64x	-37.5	56.4	3.52x	4.77x	4.64x
LTM OCF/Total Debt (%)	17.5%	15.3%	3.5%	5.4%	5.5%	11.6	-1194.4	23.3%	3.5%	5.5%
Working Capital turnover (days)	36	30	28	32	32	0	-4	33	27	32
CAPEX (% Revenues)	23.3%	22.8%	16.6%	23.8%	21.5%	-232.2	-190.2	34.2%	21.5%	21.1%

**Capital Structure 2Q15 (R\$m)**      **Liquidity**      **Petrobras 2Q15 revenue breakdown**

	amount	as % total		amount
Bonds	134,569.7	18.6%	Adjusted Cash and Cash equivalents	91,636.0
Banks	280,979.3	38.9%	<b>Total</b>	<b>91,636.0</b>
<b>Total Debt</b>	<b>415,549.0</b>	<b>57.6%</b>	S-T Debt	44,665.0
Shareholders' Equity	307,220.0	42.5%	Surplus/(Deficit)	46,981.0
<b>Total Capitalization</b>	<b>722,769.0</b>	<b>100.0%</b>		



**Equity Value**

Market Cap. As on 10/5/2015	114,680.2
Adjusted Net Debt	323,913.0
<b>Enterprise Value</b>	<b>438,593.2</b>
EWLTM EBITDA	6.28x

\*Adjusted numbers add government securities with maturities of +90 days to cash

Source: Deutsche Bank