

DOING BUSINESS WITH PETROBRAS: PROCUREMENT STRATEGIES

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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.

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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.



PRESENTATION SUMMARY



1. Petrobras in numbers
2. Supply History
3. What is Pre-Salt?
4. Critical Items
5. Suppliers Qualification & Register in Petrobras
6. Establishing a Successful G&S Supplier in Brazil
7. Conclusions

PETROBRAS IN NUMBERS

PETROBRAS IN NUMBERS (as per 2014)



Investments

R\$ 104.41 billion

Net Revenue

R\$ 304.89 billion

Net Profit

R\$ 23.57 billion

Shareholders

798.596

Global Presence

17 countries*

Number of Employees

86,111



Vessel Fleet

326 (57 belonging to Petrobras)

Pipelines

34,639 km



Daily Output

2,539,000 barrels of oil equivalent a day.

Proved Reserves

16.57 billion barrels** of oil equivalent (boe)

Production Platforms

134 (77 Fixed; 57 floating)



Biofuels

5 biodiesel plants (3 owned and 2 in partnerships); 10 ethanol plants in partnerships

Thermoelectric Plants

21 plants ***

Wind Energy

4 plants



Refineries

15

Oil product production

2,124,000 barrels per day



Service Stations

7,710

Fertilizers

3 plants

SUPPLY HISTORY



SUPPLY HISTORY



Focus on the Brazilian industry.
Increase of Local Content in
goods and services contracting
(competitiveness and technological adherence).

1950

1960

*Most of the equipment
and materials
are acquired abroad*

1970

1980

*Substitution of imported
equipment and materials*

1990

2000

*Opening of the
Brazilian market to
importing*

2002

2003

What is Pre-Salt?

WHAT IS PRE-SALT?



Located in a remote area, up to 300 km offshore

Water depths that can exceed 2,000 meters

2000m

709m

Corcovado Hill

3000m

Salt

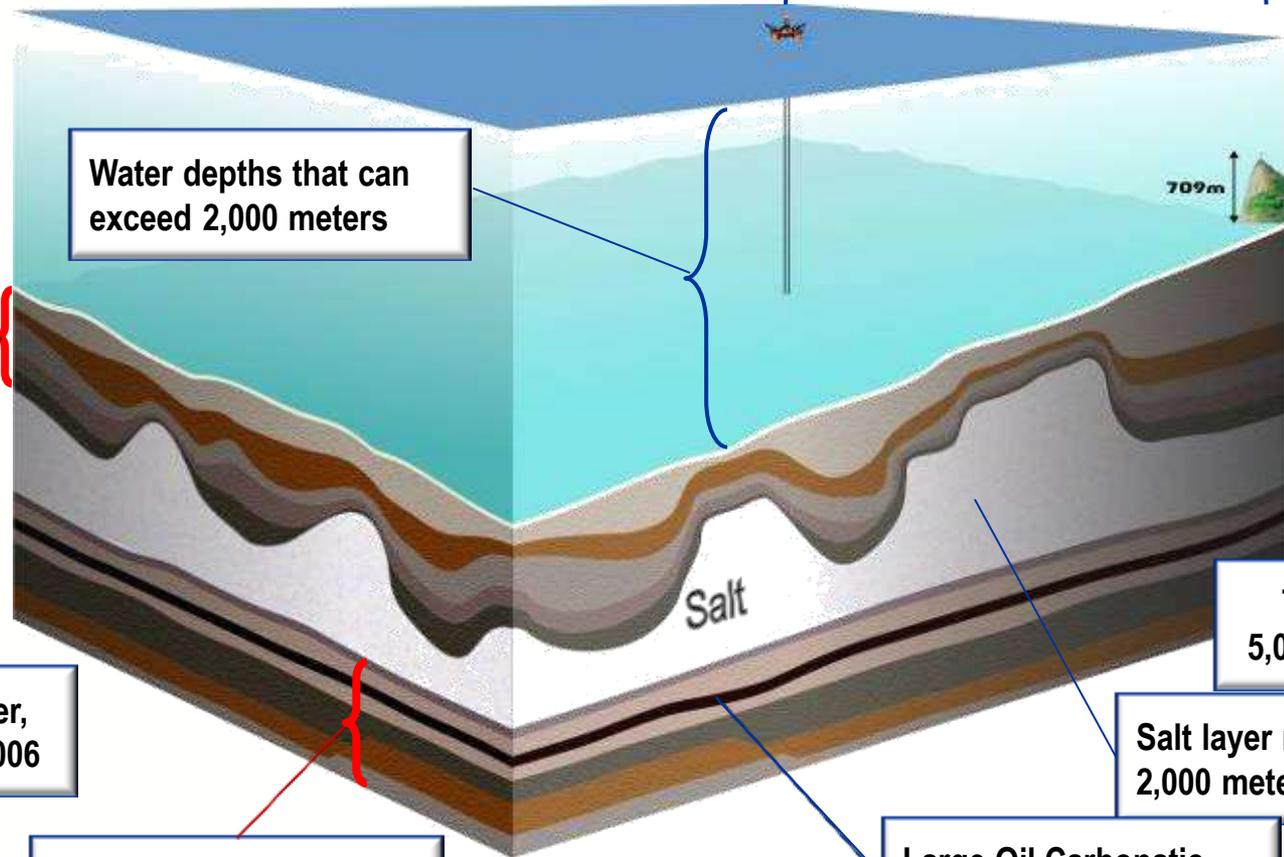
Total depth from 5,000 to 7,000 meters

Post-Salt Layer, focus up to 2006

Salt layer more than 2,000 meters thick.

Pre-Salt Layer
New Exploratory Border

Large Oil Carbonatic Reservoirs



CRITICAL ITEMS (examples)

CRITICAL ITEMS



Item	Unit	TOTAL
Wet Christmas Trees	un	440
Subsea Wellheads	un	440
Flexible flowlines	km	8.000
Manifolds	un	80
Tubing and Casings	t	1.100.000
Umbilicals	km	2.200
Pumps	un	2.200
Compressors	un	460
Winches	un	350
Cranes	un	60
Structural Steel	T	830.000
Generators	un	80
Filters	un	480
Flares	un	20
Storage Tanks	un	600

SUPPLIERS QUALIFICATION & REGISTER IN PETROBRAS

SUPPLIER QUALIFICATION AND REGISTER IN PETROBRAS



Corporate Register

- The Corporate Register is a database of Brazilian and foreign companies interested in participating in bidding for Petrobras.
- These companies, Brazilians or foreigners, are eligible to provide to Petrobras high complexity services or equipment/goods, which are under permanent Petrobras interest.
- The purpose of Petrobras Registry is to allow prior evaluations of companies that wish to take part in bidding processes.
- The first step to negotiate with Petrobras is to have your company registered.
- The evaluation approval, as part of the registration process, ensures the inclusion of the supplier in Petrobras Corporate Registry by obtaining the CRCC - Certificate of Registration and Classification, which is valid up to one year.
- The CRCC must be renewed annually.

SUPPLIER QUALIFICATION AND REGISTER IN PETROBRAS

MANAGERIAL

- ISO-9001 or API Q1 Certification - Quality Management System (SQS)

TECHNICAL

- Supply tradition in the market
- Equipment
- Personnel
- Technology

LEGAL

- Legal Capacity
- Legal Certification
- Legal Fiscal Compliance
- Terms and Declarations

ECONOMIC

- Accounts Credibility
- Structure
- Solvency
- Profitability

Mandatory requirements



SUPPLIER QUALIFICATION AND REGISTER IN PETROBRAS



How to register

- website: www.petronect.com.br
- Petronect is an “e-Procurement” platform which provides tools for carrying out all registration process.

SUPPLIER QUALIFICATION AND REGISTER IN PETROBRAS



Choose the language option that fits you best

/ Portal Petronect

» Usuário: » Senha:

- » [Quer se cadastrar na Petrobras?](#)
- » [Esqueceu sua senha?](#)
- » [Dúvidas com a navegação?](#)



O Grupo Petrobras já poupou, em média, a emissão de 1041,970872 toneladas de CO2 por utilizar a Petronect.

| [Mapa do Site](#) | [Español](#) | [English](#)

Sistema Petrobras

Fornecedores

Links



DECLARAÇÃO DE SIGILO

A Petronect assegura o sigilo das suas informações. [Clique aqui e saiba como](#) >>>

Pagamento de Boletos Bancários Eletrônicos via **Débito Direto Autorizado (DDA)**

>> [Clique aqui e saiba mais](#)

DRS e CRCC Online

(DRS - Declaração do Registro Simplificado e CRCC - Certificado de Registro e Classificação Cadastral)

>> [Clique aqui e saiba mais](#)

O Portal utiliza a solução SAP e é compatível com Internet Explorer. [Clique aqui e saiba mais sobre compatibilidade.](#)
Sobre a Petronect | [Fale Conosco](#): [Fornecedores](#) | [Como se cadastrar](#)



SUPPLIER QUALIFICATION AND REGISTER IN PETROBRAS



PETROBRAS / Petronect Portal

>> User: >> Password:

- [Would you like to register in Petrobras?](#)
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Petrobras Group has saved the releasing of around 1041.970512 tons of CO2 by using Petronect.

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Petrobras System

Vendors

Links



Petronect ensures the secrecy of your information. [Click here to learn how >>>](#)

TIPS FOR SUPPLIERS

>> [Click here for further information.](#)



QUESTIONS? Contact Us!
USA, 1 866 791-9432

>> [For more information click here.](#)

The Portal uses SAP solution and is only compatible with the Internet Explorer. [Click here for further information about compatibility.](#)

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SUPPLIER QUALIFICATION AND REGISTER IN PETROBRAS



www.petronect.com.br > Vendors > Registration

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Petrobras System	Vendors	Links
	Registration	
	Purchasing and Contracting	
	Contact Us	
	Training	
	Support Tools	

Electronic Portal for contracting Goods and Services for Petrobras Group

SECURITY STATEMENT

Petronect ensures the security of your information. [Click here to learn how](#) >>>

TIPS FOR SUPPLIERS

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ESTABLISHING A SUCCESSFUL GOODS AND SERVICES (G&S) SUPPLIER IN BRAZIL

ESTABLISHING A SUCCESSFUL GOODS AND SERVICES SUPPLIER IN BRAZIL



Foreign Companies should:

- Understand Petrobras technical requirements (including qualification of local manufacturing and product homologation processes)
- Understand local supply chain (Logistic & Available Infrastructure)
- Evaluate the manufacturing chain and define the possible Local Content ramp-up
- Understand legal requirements and the Brazilian taxes

Supporting foreign companies in Brazil

- ➔ **APEX Brazil - Brazilian Trade and Investment Promotion Agency**
<http://www2.apexbrasil.com.br/en/invest-in-brazil/apex-brasil-services-to-help-you>
- ➔ **ONIP - National Organization of the Petroleum Industry**
<http://www.onip.org.br/areas-of-activity/?lang=en-to-help-you>
- ➔ **Foreign Companies Support in Brazil**
Embassies, Consulates, Chambers of Commerce, Governments Authorities, etc
- ➔ **Legal Guide for Foreign Investors in Brazil: Ministry of External Relations**
<http://www.brasilglobalnet.gov.br/arquivos/publicacoes/manuais/pubguialeali.pdf>

CONCLUSIONS

- There are many opportunities for new suppliers of goods and services to establish manufacturing facilities in Brazil, as well as opportunities to develop engineering solutions in partnership with Petrobras.
 - ↳ It's important to understand the Brazilian business environment
(ex: demands, competitors, local supply chain, laws).
- Local content is a relevant issue in Petrobras' supply strategy for goods and services.

Thank you!

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