

PETROBRAS - PETROLEO BRASILEIRO SA  
Form 6-K  
May 12, 2014

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## SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

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### FORM 6-K

Report of Foreign Private Issuer  
Pursuant to Rule 13a-16 or 15d-16 of the  
Securities Exchange Act of 1934

**For the month of May, 2014**

**Commission File Number 1-15106**

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### PETRÓLEO BRASILEIRO S.A. - PETROBRAS

(Exact name of registrant as specified in its charter)

### Brazilian Petroleum Corporation - PETROBRAS

(Translation of Registrant's name into English)

**Avenida República do Chile, 65  
20031-912 - Rio de Janeiro, RJ  
Federative Republic of Brazil**  
(Address of principal executive office)

Indicate by check mark whether the registrant files or will file annual reports under cover Form 20-F or Form 40-F.

Form 20-F  Form 40-F

Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes  No

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**Petróleo Brasileiro S.A. – Petrobras**

Quarterly Information - ITR

At March 31, 2014 and report on review of

Quarterly Information

(A free translation of the original in Portuguese)

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Report of Independent Registered Public Accounting Firm

(A free translation of the original in Portuguese)

**Report on review of quarterly information**

To the Board of Directors and Shareholders

Petróleo Brasileiro S.A. - Petrobras

**Introduction**

We have reviewed the accompanying parent company and consolidated interim accounting information of Petróleo Brasileiro S.A - Petrobras, included in the Quarterly Information Form for the quarter ended March 31, 2014, comprising the balance sheet as at that date and the statements of income, comprehensive income, changes in equity and cash flows for the quarter then ended, and a summary of significant accounting policies and other explanatory information.

Management is responsible for the preparation of the parent company interim accounting information in accordance with the accounting standard CPC 21 (R1), Interim Financial Reporting, of the Brazilian Accounting Pronouncements Committee (CPC), and of the consolidated interim accounting information in accordance with CPC 21 (R1) and International Accounting Standard IAS 34 - Interim Financial Reporting issued by the International Accounting Standards Board (IASB), as well as the presentation of this information in accordance with the standards issued by the Brazilian Securities Commission (CVM), applicable to the preparation of the Quarterly Information. Our responsibility is to express a conclusion on this interim accounting information based on our review.

**Scope of review**

We conducted our review in accordance with Brazilian and International Standards on Reviews of Interim Financial Information (NBC TR 2410 – Review of Interim Financial Information Performed by the Independent Auditor of the Entity and ISRE 2410 – Review of Interim Financial Information Performed by the Independent Auditor of the Entity, respectively). A

review of interim information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Brazilian and International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### **Conclusion on the parent company interim information**

Based on our review, nothing has come to our attention that causes us to believe that the accompanying parent company interim accounting information included in the quarterly information referred to above has not been prepared, in all material respects, in accordance with CPC 21 (R1) applicable to the preparation of the Quarterly Information, and presented in accordance with the standards issued by the CVM.

### **Conclusion on the consolidated interim information**

Based on our review, nothing has come to our attention that causes us to believe that the accompanying consolidated interim accounting information included in the quarterly information referred to above has not been prepared, in all material respects, in accordance with CPC 21 (R1) and IAS 34 applicable to the preparation of the Quarterly Information, and presented in accordance with the standards issued by the CVM.

### **Other matters**

#### **Statements of value added**

We have also reviewed the parent company and consolidated statements of value added for the three-month period ended March 31, 2014. These statements are the responsibility of the Company's management, and are required to be presented in accordance with standards issued by the CVM applicable to the preparation of Quarterly Information and are considered supplementary information under IFRS, which do not require the presentation of the statement of value added. These statements have been submitted to the same review procedures described above and, based on our review, nothing has come to our attention that causes us to believe that they have not been prepared, in all material respects, in a manner consistent with the parent company and consolidated interim accounting information taken as a whole.

Rio de Janeiro, May 9, 2014

/s/ PricewaterhouseCoopers

Auditores Independentes

CRC 2SP000160/O-5 "F" RJ

/s/ Marcos Donizete Panassol

Contador CRC 1SP155975/O-8 "S" RJ



**Petróleo Brasileiro S.A. – Petrobras**

Company Data / Share Capital Composition

**Number of Shares**

**(Thousand)**

**Current Quarter  
03/31/2014**

From Paid-in Capital

Common

7,442,454

Preferred

5,602,043

Total

13,044,497

Treasury Shares

Common

0

Preferred

0

Total

0

**Petróleo Brasileiro S.A. – Petrobras**

## Company Data / Cash Dividends

<b>Event</b>	<b>Approval</b>		<b>Payment</b>		<b>Dividends Per Share (Reais/Share)</b>
	<b>Date</b>	<b>Type</b>	<b>Begin</b>	<b>Type of Shares</b>	
Board of Directors Meeting	02/25/2014	Interest on Shareholders' equity	04/25/2014	Preferred	0.96720
Board of Directors Meeting	02/25/2014	Interest on Shareholders' equity	04/25/2014	Commom	0.52170

**Petróleo Brasileiro S.A. – Petrobras**

## Individual Interim Accounting Information / Statement of Financial Position - Assets

*(R\$ Thousand)*

<b>Account Code</b>	<b>Account Description</b>	<b>Current Quarter March 31, 2014</b>	<b>Previous Fiscal Year 31, 2013</b>
1	Total Assets	655,054,125	633,173,147
1.01	Current Assets	94,735,399	87,479,632
1.01.01	Cash and Cash Equivalents	14,409,713	7,916,932
1.01.02	Short Term Investments	19,412,428	22,752,497
1.01.03	Trade Receivables, Net	18,201,769	16,300,802
1.01.04	Inventories	28,795,763	27,476,460
1.01.06	Recoverable Income Taxes	9,221,879	9,280,857
1.01.06.01	Current Recoverable Income Taxes	9,221,879	9,280,857
1.01.06.01.01	Current Income Tax and Social Contribution	1,573,217	1,467,911
1.01.06.01.02	Other Recoverable Taxes	7,648,662	7,812,946
1.01.08	Other Current Assets	4,693,847	3,752,084
1.01.08.01	Non-Current Assets Held for Sale	692,872	781,020
1.01.08.03	Others	4,000,975	2,971,064
1.01.08.03.01	Advances to Suppliers	1,345,057	1,406,594
1.01.08.03.02	Others	2,655,918	1,564,470
1.02	Non-Current Assets	560,318,726	545,693,515
1.02.01	Long-Term Receivables	27,518,368	26,330,089
1.02.01.01	Financial Investments at Fair Value	21,474	30,696
1.02.01.02	Financial Investments Valued at Amortized Cost	230,739	226,967
1.02.01.03	Trade Receivables, Net	4,691,971	4,452,998
1.02.01.06	Deferred income Taxes	11,504,183	10,898,894
1.02.01.06.02	Taxes and contributions	11,504,183	10,898,894
1.02.01.09	Other Non-Current Assets	11,070,001	10,720,534
1.02.01.09.03	Advances to Suppliers	1,939,944	2,171,595
1.02.01.09.04	Judicial Deposits	5,025,318	4,825,714
1.02.01.09.05	Other Long-Term Assets	4,104,739	3,723,225
1.02.02	Investments	84,881,560	83,496,708
1.02.03	Property, Plant and Equipment	414,709,884	402,567,124
1.02.04	Intangible Assets	33,208,914	33,289,202
1.02.05	Deferred	–	10,392



**Petróleo Brasileiro S.A. – Petrobras**

## Individual Interim Accounting Information / Statement of Financial Position - Liabilities

*(R\$ Thousand)*

<b>Account Code</b>	<b>Account Description</b>	<b>Current Quarter March 31, 2014</b>	<b>Previous Fiscal Year 31, 2013</b>
2	Total Liabilities	655,054,125	633,173,147
2.01	Current Liabilities	99,445,839	102,049,038
2.01.01	Social and Labor Obligations	5,545,288	4,127,436
2.01.02	Trade Payables	27,014,675	25,960,929
2.01.04	Loans and Financing	44,019,243	48,410,782
2.01.04.01	Loans and Financing	42,047,266	46,627,015
2.01.04.03	Finance Lease Obligations	1,971,977	1,783,767
2.01.05	Other Liabilities	20,925,627	21,730,059
2.01.05.02	Others	20,925,627	21,730,059
2.01.05.02.01	Dividends and Interest on Shareholders' Equity Payable	9,526,552	9,301,024
2.01.05.02.04	Other taxes	9,004,564	9,734,036
2.01.05.02.05	Other Accounts Payable and Expenses	2,394,511	2,694,999
2.01.06	Provisions	1,941,006	1,819,832
2.01.06.02	Other Provisions	1,941,006	1,819,832
2.01.06.02.04	Pension and Medical Benefits	1,941,006	1,819,832
2.02	Non-Current Liabilities	200,947,607	182,984,298
2.02.01	Loans and Financing	127,588,988	111,695,991
2.02.01.01	Loans and Financing	121,794,597	105,736,502
2.02.01.03	Finance Lease Obligations	5,794,391	5,959,489
2.02.03	Deferred Income Taxes	26,487,685	24,260,070
2.02.03.01	Deferred Income Tax and Social Contribution	26,487,685	24,260,070
2.02.04	Provisions	46,870,934	47,028,237
2.02.04.01	Social Security and Labor Provisions	2,440,770	2,279,536
2.02.04.02	Other Provisions	44,430,164	44,748,701
2.02.04.02.04	Pension and Medical Benefits	26,613,353	26,076,561
2.02.04.02.05	Provision for Dismantling of Areas	15,212,309	15,319,511
2.02.04.02.06	Other Provisions	2,604,502	3,352,629
2.03	Shareholders' Equity	354,660,679	348,139,811
2.03.01	Share Capital	205,410,905	205,410,905
2.03.02	Capital Reserves	952,802	1,048,205
2.03.04	Profit Reserves	148,924,307	148,924,307
2.03.05	Accumulated Profit/Losses	5,365,638	–
2.03.06	Equity Valuation Adjustments	(5,992,973)	(7,243,606)



**Petróleo Brasileiro S.A. – Petrobras**

## Individual Interim Accounting Information / Statement of Income

*(R\$ thousand)*

<b>Account Code</b>	<b>Account Description</b>	<b>Accumulated of the Current Year to 01/01/2014 to 03/31/2014</b>	<b>Accumulated of the Previous Year to 01/01/2013 to 03/31/2013</b>
3.01	Sales Revenues	63,649,614	56,923,458
3.02	Cost of Sales	(50,334,860)	(43,855,447)
3.03	Gross Profit	13,314,754	13,068,011
3.04	Operating Expenses / Income	(7,444,612)	(4,633,835)
3.04.01	Selling Expenses	(3,267,466)	(3,045,885)
3.04.02	General and Administrative Expenses	(1,787,341)	(1,681,540)
3.04.05	Other Operating Expenses	(6,516,101)	(3,856,960)
3.04.05.01	Other Taxes	(199,176)	(85,548)
3.04.05.02	Research and Development Expenses	(588,881)	(645,239)
3.04.05.03	Exploration Costs	(1,476,308)	(1,237,075)
3.04.05.04	Profit sharing	(281,059)	(376,403)
3.04.05.05	Other operating expenses, net	(3,970,677)	(1,512,695)
3.04.06	Share of profit / gains on interest in equity-accounted investments	4,126,296	3,950,550
3.05	Net income before financial results, profit sharing and income taxes	5,870,142	8,434,176
3.06	Finance income (expenses), net	455,341	1,201,807
3.06.01	Finance Income	1,278,489	1,534,162
3.06.01.01	Finance Income	777,424	748,987
3.06.01.02	Foreign Exchange and Inflation Indexation Charges, Net	501,065	785,175
3.06.02	Finance Expenses	(823,148)	(332,355)
3.06.02.01	Finance Expenses	(823,148)	(332,355)
3.07	Net Income Before Income Taxes	6,325,483	9,635,983
3.08	Income Tax and Social Contribution	(962,454)	(2,006,496)
3.08.02	Deferred	(962,454)	(2,006,496)
3.09	Net Income from Continuing Operations	5,363,029	7,629,487
3.11	Income / Loss for the Period	5,363,029	7,629,487
3.99	Basic Income per Share (Reais / Share)		
3.99.01	Basic Income per Share		
3.99.01.01	Common	0.41000	0.58000
3.99.01.02	Preferred	0.41000	0.58000
3.99.02	Diluted Income per Share		
3.99.02.01	Common	0.41000	0.58000

3.99.02.02 Preferred

0.41000

0.58000



**Petróleo Brasileiro S.A. – Petrobras**

## Individual Interim Accounting Information / Statement of Comprehensive Income

*(R\$ thousand)*

<b>Account Code</b>	<b>Account Description</b>	<b>Accumulated of the Current Year 01/01/2014 to 03/31/2014</b>	<b>Accumulated of the Previous Year 01/01/2013 to 03/31/2013</b>
4.01	Net Income for the Period	5,363,029	7,629,487
4.02	Other Comprehensive Income	1,253,242	(396,077)
4.02.04	Unrealized Gains / (Losses) on Available-for-Sale Securities - Recognized	(32)	(119)
4.02.06	Deferred Income Tax and Social Contribution on Available-for-Sale Securities	11	40
4.02.07	Unrealized Gains / (Losses) on Cash Flow Hedge - Recognized	3,720,444	–
4.02.08	Unrealized Gains / (Losses) on Cash Flow Hedge - Transferred to Profit or Loss	423,393	–
4.02.09	Deferred Income Tax and Social Contribution on Cash Flow Hedge	(1,265,171)	–
4.02.10	Share of Other Comprehensive Income of Equity-accounted Investments	(1,625,403)	(395,998)
4.03	Comprehensive Income for the Period	6,616,271	7,233,410

**Petróleo Brasileiro S.A. – Petrobras**

## Individual Interim Accounting Information / Statement of Cash Flows – Indirect Method

*(R\$ Thousand)*

<b>Account Code</b>	<b>Account Description</b>	<b>Accumulated of the Current Year to 01/01/2014 to 03/31/2014</b>	<b>Accumulated of the Previous Year to 01/01/2013 to 03/31/2013</b>
6.01	Net Cash - Operating Activities	4,384,056	7,864,799
6.01.01	Cash Provided by Operating Activities	9,406,443	11,097,448
6.01.01.01	Net Income for the Period	5,363,029	7,629,488
6.01.01.03	Share of Profit of Equity-accounted Investments	(4,126,296)	(3,950,550)
6.01.01.04	Depreciation, Depletion and Amortization	5,211,784	4,641,913
6.01.01.05	Impairment charges on property, plant and equipment and other assets	142,794	54,573
6.01.01.06	Exploratory expenditures written off	1,056,754	603,349
6.01.01.07	Pension and medical benefits (actuarial expense)	976,354	1,073,990
6.01.01.08	Gain/losses on disposal of assets/ residual value of assets written off	(499,292)	21,397
6.01.01.09	Foreign Exchange variation, indexation and finance charges	318,862	(983,208)
6.01.01.10	Deferred income taxes, net	962,454	2,006,496
6.01.02	Changes in Assets and Liabilities	(5,414,689)	(3,184,364)
6.01.02.01	Trade and Other Receivables	(2,335,731)	(286,886)
6.01.02.02	Inventories	(1,460,236)	(1,573,203)
6.01.02.03	Trade Payables	(356,311)	(259,776)
6.01.02.04	Taxes payable	(1,275,793)	(102,089)
6.01.02.05	Pension and Medical Benefits	(318,388)	(99,083)
6.01.02.06	Short-term Operations with Subsidiaries / Associates	331,770	(863,327)
6.01.03	Others	392,302	(48,285)
6.01.03.01	Other Assets	(2,027,085)	(450,183)
6.01.03.02	Other Liabilities	2,419,387	401,898
6.02	Net Cash - Investment Activities	(13,112,361)	(15,390,873)
6.02.01	Acquisitions of Property, Plant and Equipment, and Intangible Assets	(16,226,407)	(13,654,006)
6.02.02	Additions to Investments	(1,896,382)	(2,963,360)
6.02.08	Receipts from disposal of assets (divestment)	1,255,270	–
6.02.09	Investments in Marketable Securities	3,754,000	1,160,438
6.02.10	Dividends Received	1,158	66,055
6.03	Net Cash - Financing Activities	15,221,086	3,284,141
6.03.04	Proceeds from long-term financing	8,622,764	13,655,876
6.03.05	Repayment of Principal	(7,963,907)	(9,611,564)

6.03.06	Repayment of Interest	(755,726)	(579,548)
6.03.07	Intercompany Loans, Net	15,318,406	(179,939)
6.03.09	Dividends Paid to Shareholders	(451)	(684)
6.05	Increase (Decrease) in Cash and Cash Equivalents	6,492,781	(4,241,933)
	Cash and Cash Equivalents at the Beginning of the		
6.05.01	Period	7,916,932	17,392,885
6.05.02	Cash and Cash Equivalents at the End of the Period	14,409,713	13,150,952

**Petróleo Brasileiro S.A. – Petrobras**

Individual Interim Accounting Information / Statement of Changes in Shareholders' Equity - 01/01/2014 to 03/31/2014

*(R\$ thousand)*

<b>Account Code</b>	<b>Account Description</b>	<b>Share Capital</b>	<b>Capital Reserves, Granted Options and Treasury Shares</b>	<b>Profit Reserves</b>	<b>Retained Earnings / Accumulated Losses</b>	<b>Other Comprehensive Income</b>	<b>Shareholders' Equity</b>
5.01	Opening Balance	205,410,905	1,048,205	148,924,307	–	(7,243,606)	34
	Adjusted Opening						
5.03	Balance	205,410,905	1,048,205	148,924,307	–	(7,243,606)	34
	Capital						
5.04	Transactions with Shareholders	–	(95,403)	–	2,609	(2,609)	(95)
	Change in Interest in						
5.04.08	Subsidiaries	–	(95,403)	–	–	–	(95)
	Realization of the						
5.04.09	Deemed Cost	–	–	–	2,609	(2,609)	–
	Total of						
5.05	Comprehensive Income	–	–	–	5,363,029	1,253,242	6,6
	Net Income for						
5.05.01	the Period	–	–	–	5,363,029	–	5,3
	Other						
5.05.02	Comprehensive Income	–	–	–	–	1,253,242	1,2
5.07	Final Balance	205,410,905	952,802	148,924,307	5,365,638	(5,992,973)	35

**Petróleo Brasileiro S.A. – Petrobras**

Individual Interim Accounting Information / Statement of Changes in Shareholders' Equity - 01/01/2013 to 03/31/2013

*(R\$ thousand)*

<b>Account Code</b>	<b>Account Description</b>	<b>Share Capital</b>	<b>Capital Reserves, Granted Options and Treasury Shares</b>	<b>Profit Reserves</b>	<b>Retained Earnings / Accumulated Losses</b>	<b>Other Comprehensive Income</b>	<b>Shareholders' Equity</b>
5.01	Opening Balance Previous Years	205,392,137	938,861	134,980,228	–	2,128,419	34
5.02	Adjustments Adjusted Opening Balance	–	–	–	(154,132)	(14,504,135)	(14
5.03	Capital Transactions with Shareholders	205,392,137	938,861	134,980,228	(154,132)	(12,375,716)	32
5.04	Change in Interest in Subsidiaries	–	13,927	–	2,609	(2,609)	13
5.04.08	Realization of the Deemed Cost	–	13,927	–	–	–	13
5.04.09	Total of Comprehensive Income	–	–	–	2,609	(2,609)	–
5.05	Net Income for the Period	–	–	–	7,629,487	(396,077)	7,2
5.05.01	Other Comprehensive Income	–	–	–	7,629,487	–	7,6
5.05.02	Income	–	–	–	–	(396,077)	(39
5.07	Final Balance	205,392,137	952,788	134,980,228	7,477,964	(12,774,402)	33

**Petróleo Brasileiro S.A. – Petrobras**

## Individual Interim Accounting Information / Statement of Added Value

*(R\$ Thousand)*

<b>Account Code</b>	<b>Account Description</b>	<b>Accumulated</b>	
		<b>Current Year 01/01/2014 to 03/31/2014</b>	<b>Previous Year 01/01/2013 to 03/31/2013</b>
7.01	Income	98,748,118	87,648,307
7.01.01	Sales of Goods, Products and Services Provided	79,390,727	72,059,672
7.01.02	Other Revenues	2,119,484	1,445,397
7.01.03	Revenues Related to the Construction of Own Assets	17,260,141	14,143,162
7.01.04	Allowance / Reversal for Impairment of Trade Receivables	(22,234)	76
7.02	Inputs Acquired from Third Parties	(54,488,504)	(47,452,740)
7.02.01	Cost of Sales	(27,575,353)	(24,984,767)
7.02.02	Materials, Power, Third-Party Services and Other Operating Expenses	(20,719,668)	(17,370,001)
7.02.03	Impairment / Recovery of Assets	(142,795)	(54,573)
7.02.04	Others	(6,050,688)	(5,043,399)
7.03	Gross Added Value	44,259,614	40,195,567
7.04	Retentions	(5,211,784)	(4,641,913)
7.04.01	Depreciation, Amortization and Depletion	(5,211,784)	(4,641,913)
7.05	Net Added Value Produced	39,047,830	35,553,654
7.06	Transferred Added Value	5,037,335	4,658,949
7.06.01	Share of Profit of Equity-accounted Investments	4,126,296	3,950,550
7.06.02	Finance Income	716,062	526,635
7.06.03	Others	194,977	181,764
7.07	Total Added Value to be Distributed	44,085,165	40,212,603
7.08	Distribution of Added Value	44,085,165	40,212,603
7.08.01	Personnel	7,835,599	4,974,786
7.08.01.01	Direct compensation	6,148,605	3,286,041
7.08.01.02	Benefits	1,399,655	1,431,441
7.08.01.03	FGTS	287,339	257,304
7.08.02	Taxes, Duties and Social Contributions	20,252,981	20,272,705
7.08.02.01	Federal	13,324,692	13,801,515
7.08.02.02	State	6,855,680	6,432,023
7.08.02.03	Municipal	72,609	39,167
7.08.03	Remuneration of Third Party Capital	10,633,556	7,335,624
7.08.03.01	Interest	2,333,732	499,053
7.08.03.02	Rental	8,299,824	6,836,571
7.08.04	Remuneration of Shareholders' Equity	5,363,029	7,629,488
7.08.04.03	Retained Earnings / Loss For The Period	5,363,029	7,629,488



**Petróleo Brasileiro S.A. – Petrobras**

## Consolidated Interim Accounting Information / Statement of Financial Position - Assets

*(R\$ Thousand)*

<b>Account Code</b>	<b>Account Description</b>	<b>Previous Fiscal</b>	
		<b>Current Quarter Year</b>	<b>12/31/2013</b>
		<b>03/31/2014</b>	
1	Total Assets	802,014,652	752,966,638
1.01	Current Assets	159,665,082	123,350,379
1.01.01	Cash and Cash Equivalents	68,466,530	37,171,824
1.01.02	Short Term Investments	10,025,962	9,100,565
1.01.03	Trade and Other Receivables	24,040,519	22,652,362
1.01.04	Inventories	35,259,679	33,323,520
1.01.06	Recoverable Income Taxes	11,609,575	11,645,732
1.01.06.01	Current Recoverable Income Taxes	11,609,575	11,645,732
	Current Income Tax and Social		
1.01.06.01.01	Contribution	2,598,888	2,484,097
1.01.06.01.02	Other Recoverable Taxes	9,010,687	9,161,635
1.01.08	Other Current Assets	10,262,817	9,456,376
1.01.08.01	Non-Current Assets Held for Sale	5,441,533	5,638,285
1.01.08.03	Others	4,821,284	3,818,091
1.01.08.03.01	Advances to Suppliers	1,537,180	1,599,888
1.01.08.03.02	Others	3,284,104	2,218,203
1.02	Non-Current Assets	642,349,570	629,616,259
1.02.01	Long-Term Receivables	45,838,038	43,999,364
1.02.01.01	Financial Investments at Fair Value	21,481	30,703
	Financial Investments Valued at		
1.02.01.02	Amortized Cost	273,992	276,514
1.02.01.03	Trade and Other Receivables	11,520,449	10,615,681
1.02.01.06	Deferred Income Taxes	15,868,694	15,250,712
	Deferred Income Tax and Social		
1.02.01.06.01	Contribution	2,687,175	2,647,426
1.02.01.06.02	Taxes and Contributions	13,181,519	12,603,286
1.02.01.09	Other Non-Current Assets	18,153,422	17,825,754
1.02.01.09.03	Advances to Suppliers	7,272,061	7,566,266
1.02.01.09.04	Judicial deposits	6,107,759	5,866,332
1.02.01.09.05	Other Long-Term Assets	4,773,602	4,393,156
1.02.02	Investments	15,619,421	15,615,384
1.02.03	Property, Plant and Equipment	544,913,640	533,880,314
1.02.04	Intangible Assets	35,978,471	36,121,197





**Petróleo Brasileiro S.A. – Petrobras**

## Consolidated Interim Accounting Information / Statement of Financial Position - Liabilities

*(R\$ Thousand)*

<b>Account Code</b>	<b>Account Description</b>	<b>Previous Fiscal</b>	
		<b>Current Quarter Year</b>	<b>12/31/2013</b>
		<b>03/31/2014</b>	<b>12/31/2013</b>
2	Total Liabilities	802,014,652	752,966,638
2.01	Current Liabilities	83,746,333	82,524,531
2.01.01	Social and Labor Obligations	6,361,671	4,806,121
2.01.02	Trade Payables	26,905,198	27,922,367
2.01.03	Taxes	734,543	659,129
2.01.03.01	Federal Taxes	734,543	659,129
	Income Tax and Social Contribution		
2.01.03.01.01	Payable	734,543	659,129
2.01.04	Loans and Financing	21,843,616	18,782,899
2.01.04.01	Loans and Financing	21,802,889	18,744,487
2.01.04.03	Finance Lease Obligations	40,727	38,412
2.01.05	Other Liabilities	24,748,010	25,927,790
2.01.05.02	Others	24,748,010	25,927,790
	Dividends and Interest on		
2.01.05.02.01	Shareholders' Equity Payable	9,526,552	9,301,024
2.01.05.02.04	Other Taxes	10,092,932	10,937,674
2.01.05.02.05	Other Accounts Payable and Expenses	5,128,526	5,689,092
2.01.06	Provisions	2,007,631	1,912,388
2.01.06.02	Other Provisions	2,007,631	1,912,388
2.01.06.02.04	Pension and Medical Benefits	2,007,631	1,912,388
	Liabilities associated with non-current		
2.01.07	Assets Held For Sale and Discontinued	1,145,664	2,513,837
	Liabilities associated with Non-current		
2.01.07.01	Assets Held For Sale	1,145,664	2,513,837
2.02	Non-Current Liabilities	362,498,671	321,108,423
2.02.01	Loans and Financing	286,303,185	249,037,996
2.02.01.01	Loans and Financing	286,135,183	248,866,878
2.02.01.03	Finance Lease Obligations	168,002	171,118
2.02.03	Deferred Income Taxes	25,624,143	23,206,032
	Deferred Income Tax and Social		
2.02.03.01	Contribution	25,624,143	23,206,032
2.02.04	Provisions	50,571,343	48,864,395
2.02.04.01	Social Security and Labor Provisions	3,083,203	2,918,084
2.02.04.02	Other Provisions	47,488,140	45,946,311
2.02.04.02.04	Pension and Medical Benefits	28,124,519	27,541,280
2.02.04.02.05	Provision for Decommissioning Costs	16,534,855	16,709,307
2.02.04.02.06	Other Provisions	2,828,766	1,695,724
2.03	Consolidated Shareholders' Equity	355,769,648	349,333,684

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2.03.01	Share Capital	205,410,905	205,410,905
2.03.02	Capital Reserves	641,482	736,885
2.03.04	Profit Reserves	149,035,709	149,035,709
2.03.05	Accumulated Profit / Losses	5,395,469	—
2.03.06	Equity Valuation Adjustments	(5,992,973)	(7,243,606)
2.03.09	Non-controlling Interests	1,279,056	1,393,791

**Petróleo Brasileiro S.A. – Petrobras**

## Consolidated Interim Accounting Information / Statement of Income

*(R\$ Thousand)*

<b>Account Code</b>	<b>Account Description</b>	<b>Accumulated of the Current Year 01/01/2014 to 03/31/2014</b>	<b>Accumulated of the Previous Year 01/01/2013 to 03/31/2013</b>
3.01	Sales Revenues	81,544,805	72,535,347
3.02	Cost of Sales	(62,091,203)	(53,679,286)
3.03	Gross Profit	19,453,602	18,856,061
3.04	Operating Expenses / Income	(11,691,907)	(8,850,158)
3.04.01	Selling Expenses	(2,725,168)	(2,294,333)
3.04.02	General and Administrative Expenses	(2,559,600)	(2,470,832)
3.04.05	Other Operating Expenses	(6,928,837)	(4,241,160)
3.04.05.01	Other Taxes	(326,686)	(223,199)
3.04.05.02	Research and Development Expenses	(592,391)	(673,084)
3.04.05.03	Exploration Costs	(1,525,393)	(1,281,500)
3.04.05.04	Profit Sharing	(335,532)	(413,351)
3.04.05.05	Other Operating Expenses / Income, Net	(4,148,835)	(1,650,026)
3.04.06	Share of Profit in Equity-Accounted Investments	521,698	156,167
3.05	Net Income Before Financial Results and Income Taxes	7,761,695	10,005,903
3.06	Net Finance Income (Expense)	(173,131)	1,389,774
3.06.01	Finance Income	1,674,601	2,588,329
3.06.01.01	Finance Income	1,042,290	971,767
3.06.01.02	Foreign Exchange and Inflation Indexation Charges, Net	632,311	1,616,562
3.06.02	Finance Expenses	(1,847,732)	(1,198,555)
3.06.02.01	Finance Expenses	(1,847,732)	(1,198,555)
3.07	Net Income Before Income Taxes	7,588,564	11,395,677
3.08	Income Tax and Social Contribution	(1,802,824)	(3,560,462)
3.08.01	Current	(1,120,422)	(1,438,869)
3.08.02	Deferred	(682,402)	(2,121,593)
3.09	Net Income from Continuing Operations	5,785,740	7,835,215
3.11	Consolidated Net Income / Loss for the Period	5,785,740	7,835,215
3.11.01	Attributable to Shareholders of Petrobras	5,392,860	7,693,177
3.11.02	Attributable to Non-controlling Interests	392,880	142,038
3.99	Income per Share - (Reais / Share)	–	–

3.99.01	Basic Income per Share	—	—
3.99.01.01	Common	0.41000	0.59000
3.99.01.02	Preferred	0.41000	0.59000
3.99.02	Diluted Income per Share	—	—
3.99.02.01	Common	0.41000	0.59000
3.99.02.02	Preferred	0.41000	0.59000

**Petróleo Brasileiro S.A. – Petrobras**

## Consolidated Interim Accounting Information / Statement of Comprehensive Income

*(R\$ Thousand)*

<b>Account Code</b>	<b>Account Description</b>	<b>Accumulated of the Current Year 01/01/2014 to 03/31/2014</b>	<b>Accumulated of the Previous Year 01/01/2013 to 03/31/2013</b>
4.01	Consolidated Net Income for the Period	5,785,740	7,835,215
4.02	Other Comprehensive Income	912,030	(478,295)
4.02.03	Cumulative translation adjustments	(2,113,165)	(458,760)
	Unrealized Gains / (Losses) on Available-for-Sale Securities -		
4.02.04	Recognized in Shareholders' Equity	(32)	(119)
	Unrealized Gains / (Losses) on Available-for-Sale Securities -		
4.02.05	Transferred to Profit or Loss	–	(92,410)
	Deferred income tax and social contribution on available-for-sale		
4.02.06	securities	11	30,742
	Unrealized Gains / (Losses) on Cash		
4.02.07	Flow Hedge - Recognized	3,895,579	43,156
	Unrealized Gains / (Losses) on Cash		
	Flow Hedge - Transferred to Profit or		
4.02.08	Loss	471,792	(1,958)
	Deferred income tax and social contribution on Unrealized gains /		
4.02.09	(losses) on cash flow hedge	(1,482,950)	–
	Share of other comprehensive income of equity-accounted investments		
4.02.10	Consolidated Comprehensive Income	140,795	1,054
4.03	for the Period	6,697,770	7,356,920
	Attributable to Shareholders of		
4.03.01	Petrobras	6,646,102	7,297,100
	Attributable to Non-controlling		
4.03.02	Interests	51,668	59,820

**Petróleo Brasileiro S.A. – Petrobras**

## Consolidated Interim Accounting Information / Statement of Cash Flows – Indirect Method

*(R\$ Thousand)*

<b>Account Code</b>	<b>Account Description</b>	<b>Accumulated of the Current Year 01/01/2014 to 03/31/2014</b>	<b>Accumulated of the Previous Year 01/01/2013 to 03/31/2013</b>
6.01	Net Cash - Operating Activities	9,415,128	14,879,766
6.01.01	Cash Provided by Operating Activities	16,276,556	17,256,151
6.01.01.01	Net Income for the Period	5,392,860	7,693,177
6.01.01.02	Non-controlling Interests	392,880	142,038
6.01.01.03	Share of Profit/ Loss of Equity-accounted Investments	(521,698)	(156,167)
6.01.01.04	Depreciation, Depletion and Amortization	7,123,082	6,382,414
6.01.01.05	Impairment charges on property, plant and equipment and other assets	275,777	147,099
6.01.01.06	Write-off of Dry Wells	1,056,830	606,565
6.01.01.07	Actuarial Expense - Pension and Medical Benefits	1,040,741	1,402,099
6.01.01.08	Gain/losses on disposal of assets/ residual value of assets written off	(583,685)	(29,293)
6.01.01.09	Foreign exchange variation, indexation and finance charges	1,417,367	(1,053,374)
6.01.01.10	Deferred Income Tax, Net	682,402	2,121,593
6.01.02	Changes in Assets and Liabilities	(7,114,512)	(2,279,651)
6.01.02.01	Trade and Other Receivables	(2,548,594)	373,597
6.01.02.02	Inventories	(2,469,986)	(2,324,407)
6.01.02.03	Trade Payables	(486,786)	400,414
6.01.02.04	Taxes payable	(1,273,711)	(430,903)
6.01.02.05	Pension and Medical Benefits	(335,435)	(298,352)
6.01.03	Others	253,084	(96,734)
6.01.03.01	Other Assets	(1,995,588)	(530,462)
6.01.03.02	Other Liabilities	2,248,672	433,728
6.02	Net Cash - Investment Activities	(20,193,704)	(16,320,311)
6.02.01	Capital Expenditures	(20,686,334)	(18,443,924)
6.02.02	Investments in investees	(13,076)	(92)
6.02.08	Receipts from disposal of assets (divestment)	869,316	8,069
6.02.09	Investments in Marketable Securities	(726,388)	2,087,655
6.02.10	Dividends Received	362,778	27,981
6.03	Net Cash - Financing Activities	43,892,014	1,027,983
6.03.03	Acquisition of non-controlling interest	(108,921)	(103,930)
6.03.04	Proceeds from financing	53,907,471	7,329,276

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6.03.05	Repayment of principal	(6,135,176)	(3,072,228)
6.03.06	Repayment of interest	(3,770,909)	(3,124,451)
6.03.09	Dividends paid to shareholders	(451)	(684)
6.04	Effect of exchange rate changes on cash and cash equivalents	(1,818,732)	19,636
6.05	Increase (Decrease) in Cash and Cash Equivalents	31,294,706	(392,926)
6.05.01	Cash and Cash Equivalents at the Beginning of the Period	37,171,824	27,628,003
6.05.02	Cash and Cash Equivalents at the End of the Period	68,466,530	27,235,077



**Petróleo Brasileiro S.A. – Petrobras**

Consolidated Interim Accounting Information / Statement of Changes in Shareholders' Equity - 01/01/2014 to 03/31/2014

*(R\$ Thousand)*

<b>Account Code</b>	<b>Account Description</b>	<b>Share Capital</b>	<b>Capital Reserves, Granted Options and Treasury Shares</b>	<b>Profit Reserves</b>	<b>Retained Earnings / Accumulated Losses</b>	<b>Other Comprehensive Income</b>	<b>Shareholders' Equity</b>
5.01	Opening Balance	205,410,905	736,885	149,035,709	–	(7,243,606)	34
5.03	Adjusted Opening Balance	205,410,905	736,885	149,035,709	–	(7,243,606)	34
5.04	Capital Transactions with Shareholders	–	(95,403)	–	2,609	(2,609)	(95)
5.04.06	Dividends	–	–	–	–	–	–
5.04.08	Change in Interest in Subsidiaries	–	(95,403)	–	–	–	(95)
5.04.09	Realization of the Deemed Cost	–	–	–	2,609	(2,609)	–
5.05	Total of Comprehensive Income	–	–	–	5,392,860	1,253,242	6,6
5.05.01	Net Income for the Period	–	–	–	5,392,860	–	5,3
5.05.02	Other Comprehensive Income	–	–	–	–	1,253,242	1,2
5.07	Final Balance	205,410,905	641,482	149,035,709	5,395,469	(5,992,973)	35

**Petróleo Brasileiro S.A. – Petrobras**

Consolidated Interim Accounting Information / Statement of Changes in Shareholders' Equity - 01/01/2013 to 03/31/2013

*(R\$ Thousand)*

<b>Account Code</b>	<b>Account Description</b>	<b>Share Capital</b>	<b>Capital Reserves, Granted Options and Treasury Shares</b>	<b>Profit Reserves</b>	<b>Retained Earnings / Accumulated Losses</b>	<b>Other Comprehensive Income</b>	<b>Shareholders' Equity</b>
5.01	Opening Balance	205,392,137	630,288	134,928,829	–	2,128,418	34
5.02	Previous Years Adjustments	–	–	–	(154,132)	(14,504,135)	(14
5.03	Adjusted Opening Balance	205,392,137	630,288	134,928,829	(154,132)	(12,375,717)	32
5.04	Capital Transactions with Shareholders	–	11,180	–	2,609	(2,609)	11
5.04.08	Change in Interest in Subsidiaries	–	11,180	–	–	–	11
5.04.09	Realization of the Deemed Cost	–	–	–	2,609	(2,609)	–
5.05	Total of Comprehensive Income	–	–	–	7,693,177	(396,077)	7,2
5.05.01	Net Income for the Period	–	–	–	7,693,177	–	7,6
5.05.02	Other Comprehensive Income	–	–	–	–	(396,077)	(39
5.07	Ending Balance	205,392,137	641,468	134,928,829	7,541,654	(12,774,403)	33

**Petróleo Brasileiro S.A. – Petrobras**

## Consolidated Interim Accounting Information / Statement of Added Value

*(R\$ Thousand)*

<b>Account Code</b>	<b>Account Description</b>	<b>Accumulated of the Current Year 01/01/2014 to 03/31/2014</b>	<b>Accumulated of the Previous Year 01/01/2013 to 03/31/2013</b>
7.01	Sales Revenues	121,128,276	107,766,551
	Sales of Goods, Products and Services		
7.01.01	Provided	98,405,677	88,480,874
7.01.02	Other Revenues	2,602,655	1,853,275
	Revenues Related to the Construction		
7.01.03	of Own Assets	20,151,736	17,437,295
	Allowance / Reversal for Impairment of		
7.01.04	Trade Receivables	(31,792)	(4,893)
7.02	Inputs Acquired from Third Parties	(65,868,281)	(56,144,759)
7.02.01	Cost of Sales	(36,618,125)	(31,249,516)
	Materials, Power, Third-Party Services		
7.02.02	and Other Operating Expenses	(22,474,415)	(19,316,897)
7.02.03	Impairment / Recovery of Assets	(275,777)	(147,099)
7.02.04	Others	(6,499,964)	(5,431,247)
7.03	Gross Added Value	55,259,995	51,621,792
7.04	Retentions	(7,123,082)	(6,382,414)
	Depreciation, Amortization and		
7.04.01	Depletion	(7,123,082)	(6,382,414)
7.05	Net Added Value Produced	48,136,913	45,239,378
7.06	Transferred Added Value	1,690,080	1,091,979
	Share of Profit of Equity-accounted		
7.06.01	Investments	521,698	156,167
7.06.02	Finance Income	1,042,290	971,767
7.06.03	Others	126,092	(35,955)
7.07	Total Added Value to be Distributed	49,826,993	46,331,357
7.08	Distribution of Added Value	49,826,993	46,331,357
7.08.01	Personnel	9,128,843	6,289,384
7.08.01.01	Payroll and Related Charges	7,190,081	4,281,516
7.08.01.02	Benefits	1,613,326	1,712,915
7.08.01.03	FGTS	325,436	294,953
7.08.02	Taxes, Duties and Social Contributions	27,600,575	27,617,880
7.08.02.01	Federal	16,308,954	17,342,995
7.08.02.02	State	11,179,906	10,197,290
7.08.02.03	Municipal	111,715	77,595
7.08.03	Remuneration of Third Party Capital	7,311,835	4,588,878
7.08.03.01	Interest	3,452,074	1,252,434
7.08.03.02	Rental	3,859,761	3,336,444

7.08.04	Remuneration of Shareholders' Equity	5,785,740	7,835,215
7.08.04.03	Retained Earnings / Loss For The		
	Period	5,392,860	7,693,177
7.08.04.04	Non-controlling Interests	392,880	142,038

## **Petróleo Brasileiro S.A. – Petrobras**

Notes to the financial statements

*(In millions of reais, except when indicate otherwise)*

### **1. The Company and its operations**

Petróleo Brasileiro S.A. - Petrobras is dedicated, directly or through its subsidiaries (referred to jointly as “Petrobras” or “the Company”) to prospecting, drilling, refining, processing, trading and transporting crude oil from producing onshore and offshore oil fields and from shale or other rocks, as well as oil products, natural gas and other liquid hydrocarbons. In addition, Petrobras carries out energy related activities, such as research, development, production, transport, distribution and trading of all forms of energy, as well as any other correlated or similar activities. The Company’s head office is located in Rio de Janeiro – RJ, Brazil.

### **2. Basis of preparation of interim financial information**

The consolidated interim financial information is being presented in accordance with IAS 34 - Interim Financial Reporting, as issued by the International Accounting Standards Board (IASB) and also in accordance with the accounting practices adopted in Brazil for interim financial reporting (CPC 21 - R1).

The individual interim financial information is being presented in accordance with the accounting practices adopted in Brazil for interim financial reporting (CPC 21 - R1) and does not differ from the consolidated information, except for the maintenance of the noncurrent deferred charges account, as established in CPC 43 (R1) – *First-time adoption of Brazilian Accounting Pronouncements*. The reconciliation between the parent company’s and the consolidated shareholders’ equity and net income is presented in Note 3.1.

This interim financial information presents the significant changes which occurred in the period, avoiding repetition of certain notes to the financial statements previously reported, and presents the consolidated information, considering Management’s understanding that the consolidated information provides a more comprehensive view of the Company’s financial position and operational performance, along with some individual information of the parent company. Hence it should be read together with the Company’s annual financial statements for the year ended December 31, 2013, which include the full set of notes.

This interim financial information was authorized for issue by the Company’s Board of Directors in a meeting held on May 9, 2014.

#### **2.1. Accounting estimates**

The preparation of the interim financial information requires the use of estimates and assumptions for certain assets, liabilities and other transactions. These estimates include: oil and gas reserves, pension and medical benefits liabilities, depreciation, depletion and amortization, decommissioning costs, provisions for legal proceedings, fair value of financial

instruments, present value adjustments of trade receivables and payables from relevant transactions, and income tax and social contribution on net income (CSLL). Even though our management uses assumptions and judgments that are periodically reviewed, the actual results could differ from these estimates.

### **3. Basis of consolidation**

The consolidated interim financial information includes the quarterly information of Petrobras and the entities it controls (its subsidiaries, joint operations and consolidated structured entities).

There were no significant changes in the consolidated entities in the three-month period ended March 31, 2014.

The main disposal of assets and legal mergers are set out in note 9.

**Petróleo Brasileiro S.A. – Petrobras**

Notes to the financial statements

*(Expressed in millions of reais, unless otherwise indicated)***3.1. Reconciliation between shareholders' equity and net income for the parent company and consolidated**

		<b>Shareholders' equity</b>	<b>Jan-Mar 2014</b>	<b>Net income Jan-Mar 2013</b>
	<b>03.31.2014</b>	<b>12.31.2013</b>		
Consolidated - IFRS	355,770	349,334	5,786	7,835
Non-controlling Interests	(1,279)	(1,394)	(393)	(142)
Deferred Expenses, Net of Income Tax	170	200	(30)	(64)
Parent company - Brazilian Accounting Standards (CPC)	354,661	348,140	5,363	7,629

**4. Accounting policies**

The same accounting policies and methods of computation were followed in this consolidated and individual interim financial statements as those followed in the preparation of the annual financial statements of the Company for the year ended December 31, 2013.

**5. Cash and cash equivalents**

	<b>Consolidated 03.31.2014</b>	<b>12.31.2013</b>
Cash at bank and in hand	1,750	2,227
Short-term financial investments - In Brazil		
Single-member funds (Interbank Deposit) and other short-term deposits	15,168	8,182
Other investment funds	20	125
	15,188	8,307
- Abroad	51,529	26,638
Total short-term financial investments	66,717	34,945
Total cash and cash equivalents	68,467	37,172

**6. Marketable securities**

	<b>Consolidated</b>	
	<b>03.31.2014</b>	<b>12.31.2013</b>
Trading securities	10,011	9,085
Available-for-sale securities	30	39
Held-to-maturity securities	280	284
	10,321	9,408
Current	10,026	9,101
Non-current	295	307

Trading securities refer mainly to investments in government bonds that have maturities of more than 90 days. These assets are classified as current assets due to the expectation of their realization in the short term.



**Petróleo Brasileiro S.A. – Petrobras**

Notes to the financial statements

*(Expressed in millions of reais, unless otherwise indicated)***7. Trade and other receivables****7.1. Trade and other receivables, net**

	<b>Consolidated 03.31.2014</b>	<b>12.31.2013</b>
Trade receivables		
Third parties	23,781	23,067
Related parties (Note 17)		
Investees	1,970	1,542
Receivables from the electricity sector	6,110	5,050
Petroleum and alcohol accounts - Federal Government	838	836
Other receivables	6,127	6,066
	38,826	36,561
Provision for impairment of trade receivables	(3,265)	(3,293)
	35,561	33,268
Current	24,041	22,652
Non-current	11,520	10,616

**7.2. Changes in the provision for impairment of trade receivables**

	<b>Consolidated 03.31.2014</b>	<b>12.31.2013</b>
Opening balance	3,293	2,967
Additions (*) (**)	81	470
Write-offs (*)	(109)	(144)
Closing balance	3,265	3,293
Current	1,889	1,873
Non-current	1,376	1,420

(\*) Includes exchange differences arising from translation of the provision for impairment of trade receivables in companies abroad.

(\*\*) Amounts recognized in profit or loss as selling expenses.

**7.3. Trade and other receivables overdue - Third parties**

	<b>Consolidated 03.31.2014</b>	<b>12.31.2013</b>
Up to 3 months	1,055	1,620
From 3 to 6 months	599	372
From 6 to 12 months	753	848
More than 12 months	4,104	3,848
	6,511	6,688

**Petróleo Brasileiro S.A. – Petrobras**

Notes to the financial statements

*(Expressed in millions of reais, unless otherwise indicated)***8. Inventories**

	<b>Consolidated</b>	
	<b>03.31.2014</b>	<b>12.31.2013</b>
Crude Oil	13,274	13,702
Oil Products	13,454	11,679
Intermediate products	2,326	2,165
Natural Gas and LNG (*)	926	939
Biofuels	608	370
Fertilizers	54	60
	30,642	28,915
Materials, supplies and others	4,762	4,532
	35,404	33,447
Current	35,260	33,324
Non-current	144	123

(\*) Liquid Natural Gas

Consolidated inventories are presented net of an R\$ 80 allowance reducing inventories to net realizable value (R\$ 205 as of December 31, 2013), mainly due to the volatility of international prices of crude oil and oil products. The amounts recognized in profit or loss, as other operating expenses are set out in note 23.

A portion of the crude oil and/or oil products inventories have been pledged as security for the Terms of Financial Commitment (TFC) signed by Petrobras and Petros in the amount of R\$ 7,420 (R\$ 6,972 as of December 31, 2013), as set out in note 20.

**9. Disposal of assets and legal mergers****9.1. Disposal of assets****Brasil PCH**

On June 14, 2013, Petrobras entered into an agreement with Cemig Geração e Transmissão S.A. (which further assigned the sale and purchase contract to Chipley SP Participações) for the disposal of its entire equity interest in Brasil PCH S.A., equivalent to 49% of the voting stock, for a consideration of R\$ 650, excluding contractual price adjustments.

On February 14, 2014, the remaining conditions precedent for this transaction were met and the disposal was concluded for a total amount of R\$ 711, including contractual price adjustments. A gain of R\$ 646 before taxes was recognized as other operating income (expenses).

**Innova S.A.**

On August 16, 2013, the Board of Directors of Petrobras approved the disposal of 100% of the share capital of Innova S.A. to Videolar S.A. and its controlling shareholder, at a consideration of R\$ 870, subject to price adjustment before the transaction is concluded.

The transaction was approved in a Shareholders' Extraordinary General Meeting held on September 30, 2013 and its conclusion is subject to certain conditions, including the approval by Conselho Administrativo de Defesa Econômica – CADE.

Due to the pending conditions precedent for conclusion of this transaction, the assets and associated liabilities involved in this transaction were classified as held for sale.

## **Petróleo Brasileiro S.A. – Petrobras**

Notes to the financial statements

*(Expressed in millions of reais, unless otherwise indicated)*

### **Petrobras Colombia Limited (PEC)**

On September 13, 2013, the Board of Directors of Petrobras approved the disposal of 100% of the share capital of Petrobras Colombia Limited (PEC), a subsidiary of Petrobras International Braspetro B.V. (PIB BV), to Perenco Colombia Limited, for a consideration of US\$ 380 million, subject to price adjustment before the closing of the transaction.

On April 30, 2014 the transaction was concluded and assets and liabilities were transferred to Perenco. Gains or losses on the transaction will be determined based on book values as of this date and other contractual adjustments.

Due to the pending conditions precedent for conclusion of this transaction as of March 31, 2014, the assets and associated liabilities involved in the transaction were classified as held for sale.

### **Petrobras Energia Peru. S.A.**

On November 13, 2013, the Board of Directors of Petrobras approved the disposal of 100% of Petrobras Energia Peru S.A. by Petrobras de Valores Internacional de España S.L. – PVIE and Petrobras International Braspetro B.V. – PIB BV, to China National Petroleum Corporation (CNPC), for US\$ 2,647 million, subject to price adjustment before the transaction is concluded.

The transaction is subject to certain conditions precedent, including approval by the Chinese and Peruvian governments, as well as compliance with the procedures under their "Joint Operating Agreement (JOA)", where applicable.

Due to the pending conditions precedent for the conclusion of this transaction, the assets and corresponding liabilities were classified as held for sale.

## **9.2. Assets classified as held for sale**

Assets classified as held for sale and associated liabilities, classified under the Company's current assets and current liabilities are comprised of the following items and business segments:

				<b>Consolidated</b>
				<b>03.31.2014 12.31.2013</b>
				<b>Total</b>
<b>Exploration</b>	<b>Refining,</b>	<b>International</b>	<b>Others</b>	
<b>and</b>	<b>Transport.</b>			

**Production &  
Marketing**

Assets classified as held for sale						
Property, plant and equipment	115	279	3,575	2	3,971	4,169
Trade receivables	—	272	64	—	336	318
Inventories	—	181	284	—	465	283
Investments	—	23	24	—	47	126
Cash and Cash Equivalents	—	—	152	—	152	283
Others	—	33	438	—	471	459
	115	788	4,537	2	5,442	5,638
Liabilities on assets classified as held for sale						
Trade Payables	—	(32)	(161)	—	(193)	(383)
Provision for decommissioning costs	—	—	(70)	—	(70)	(70)
Non-current debt	—	(6)	(45)			