

PETROBRAS - PETROLEO BRASILEIRO SA
Form 6-K
January 07, 2019

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

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 January, 2019
Commission File Number 1-15106

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

**PETROBRAS ANNOUNCES FINAL TENDER RESULTS AND
FINAL SETTLEMENT FOR CASH TENDER OFFERS**

RIO DE JANEIRO, BRAZIL – JANUARY 7, 2019 – Petróleo Brasileiro S.A. – Petrobras (“Petrobras”) (NYSE: PBR) announced today the final results of its previously announced debt tender offers. As of 11:59 p.m., New York City time, on January 4, 2019 (the “Expiration Date”) holders of: (i) US\$1,065,388,000 principal amount of the outstanding notes of the series set forth in the table below under the heading “Tender Group 1” (the “Tender Group 1 Notes”) and (ii) US\$107,947,000 and £31,012,000 principal amount of the outstanding notes of the series set forth in the table below under the heading “Tender Group 2” (the “Tender Group 2 Notes” and, together with the Tender Group 1 Notes, the “Notes” and each a “series” of Notes), issued by its wholly-owned subsidiary Petrobras Global Finance B.V. (“PGF”), tendered their Notes, pursuant to PGF’s previously announced cash tender offers (the “Tender Offers”).

The total consideration payable for each series of Notes was determined by PGF, in part, pursuant to a modified “Dutch auction” as described in the offer to purchase dated December 6, 2018 (the “Offer to Purchase”). The clearing premium determined by PGF for the Tender Group 1 Notes was US\$30.00 (the “Tender Group 1 Clearing Premium”), and the clearing premium determined by PGF for the Tender Group 2 Notes was US\$37.50 (the “Tender Group 2 Clearing Premium”).

The following tables summarize the final tender results as of the Expiration Date, the principal amount of Notes that PGF has accepted for purchase and the approximate proration factor for each series of Notes:

Tender Group 1

Title of Security	CUSIP/ISIN	Principal Amount Outstanding ⁽¹⁾	Total Consideration ⁽²⁾	Principal Amount Tendered on or prior to the Early Tender Deadline	Principal Amount Tendered on or prior to the Early Tender Deadline and Accepted for Purchase ⁽³⁾	Approximate Proration Factor ⁽⁴⁾	Principal Amount Tendered after the Early Tender Deadline and on or prior to the Expiration Date
5.375% Global Notes due January 2021	71645WAR2 / US71645WAR25	US\$1,211,450,000	US\$1,027.50	US\$117,016,000	US\$107,574,000	84.23%	US\$0
8.375% Global Notes due May 2021	71647NAP4 / US71647NAP42	US\$1,239,981,000	US\$1,097.50	US\$362,830,000	US\$338,014,000	84.23%	US\$0
6.125% Global Notes	71647NAR0 / US71647NAR08	US\$1,522,388,000	US\$1,037.50	US\$248,170,000	US\$225,507,000	84.23%	US\$0

due						
January						
2022						
4.375%						
Global	71647NAF6 /					
Notes	US71647NAF69	US\$3,412,000,000	US\$965.00	US\$337,360,000	US\$294,853,000	84.23%
due May						
2023						US\$12,000

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- (1) Immediately prior to the commencement of the Tender Offers, including Tender Group 1 Notes held by Petrobras or its affiliates.
Per US\$1,000. The Total Consideration, which was paid with respect to Tender Group 1 Notes validly tendered on or prior to 5:00 p.m., New York City time, on December 19, 2018 (the “Early Tender Deadline”) and accepted for
- (2) purchase, included an early tender premium equal to US\$30.00 per US\$1,000 principal amount for each series of Tender Group 1 Notes accepted for purchase.
- (3) PGF early settled on December 21, 2018 (the “Early Settlement Date”) the Tender Offers with respect to Tender Group 1 Notes validly tendered on or prior to the Early Tender Deadline and accepted for purchase.
Tender Group 1 Notes validly tendered at or prior to the Early Tender Deadline (i) with a bid price that resulted in a bid premium that was less than the Tender Group 1 Clearing Premium were accepted for purchase, (ii) with a bid
- (4) price that resulted in a bid premium equal to the Tender Group 1 Clearing Premium were subject to proration (at the Approximate Proration Factor specified for each series), and (iii) with a bid premium in excess of the Tender Group 1 Clearing Premium were rejected.

Tender Group 2

Title of Security	CUSIP/ISIN	Principal Amount Outstanding⁽¹⁾	Total Consideration⁽²⁾	Tender Offer Consideration⁽³⁾	Principal Amount Tendered on or prior to the Early Tender Deadline and Accepted for Purchase⁽⁴⁾	Principal Amount Tendered after the Early Tender Deadline and on or prior to the Expiration Date and Accepted for Purchase
5.375% Global Notes due October 2029	N/A / XS0835891838	£450,000,000	£950.00	£920.00	£31,012,000	£0
6.875% Global Notes due January 2040	71645WAQ4 / US71645WAQ42	US\$1,160,615,000	US\$967.50	US\$937.50	US\$36,135,000	US\$66,000
6.750% Global Notes due January 2041	71645WAS0 / US71645WAS08	US\$1,222,574,000	US\$960.00	US\$930.00	US\$23,079,000	US\$240,000
5.625% Global Notes due May 2043	71647NAA7 / US71647NAA72	US\$814,406,000	US\$857.50	US\$827.50	US\$48,407,000	US\$20,000

(1) Immediately prior to the commencement of the Tender Offers, including Tender Group 2 Notes held by Petrobras or its affiliates.

Per US\$1,000 or £1,000, as applicable. The Total Consideration, which was paid with respect to Tender Group 2 Notes validly tendered on or prior to the Early Tender Deadline and accepted for purchase, included an early tender

(2) premium equal to US\$30.00 per US\$1,000 principal amount for each series of U.S. dollar denominated Tender Group 2 Notes accepted for purchase, and £30.00 per £1,000 principal amount for each series of Pounds Sterling denominated Tender Group 2 Notes accepted for purchase.

Per US\$1,000 or £1,000, as applicable. The Tender Offer Consideration payable with respect to Tender Group 2 Notes validly tendered after the Early Tender Deadline and on or prior to the Expiration Date and accepted for

(3) purchase is equal to the Total Consideration minus US\$30.00 per US\$1,000 principal amount for each series of U.S. dollar denominated Tender Group 2 Notes accepted for purchase, and £30.00 per £1,000 principal amount for each series of Pounds Sterling denominated Tender Group 2 Notes accepted for purchase.

(4) PGF early settled the Tender Offers with respect to Tender Group 2 Notes validly tendered on or prior to the Early Tender Deadline and accepted for purchase on the Early Settlement Date.

Holders of US\$12,000 principal amount of Tender Group 1 Notes tendered their Tender Group 1 Notes after the Early Tender Deadline and on or prior to the Expiration Date. Because the Tender Offers for Tender Group 1 Notes were oversubscribed at the Early Tender Deadline, Tender Group 1 Notes tendered after the Early Tender Deadline and on or prior to the Expiration Date have not been accepted for purchase and will be returned or credited without expense to the holder's account.

Holders of US\$326,000 principal amount of Tender Group 2 Notes tendered their Tender Group 2 Notes after the Early Tender Deadline and on or prior to the Expiration Date, and PGF has accepted for purchase all of such Notes. Holders of Tender Group 2 Notes that validly tendered after the Early Tender Deadline and on or prior to the Expiration Date will receive the applicable Tender Offer Consideration specified for each series in the table above under the heading "Tender Group 2," and accrued and unpaid interest. The final settlement date on which PGF will make payment for Tender Group 2 Notes tendered after the Early Tender Deadline and on or prior to the Expiration Date and accepted for purchase is expected to be January 8, 2019 (the "Final Settlement Date").

The total cash payment to purchase the accepted Tender Group 2 Notes on the Early Settlement Date and on the Final Settlement Date is approximately US\$136.2 million based on the U.S. dollar exchange rate described herein, excluding accrued and unpaid interest.

Notes that have been validly tendered on or prior to the Expiration Date cannot be withdrawn, except as may be required by applicable law.

The Tender Offers have now expired. No Notes tendered after the Expiration Date will be accepted for purchase pursuant to the Tender Offers.

The exchange rate used to translate Pounds Sterling to U.S. dollars was US\$1.2659 per Pound Sterling, the applicable exchange rate as of 2:00 p.m., New York City time on December 19, 2018, as reported on Bloomberg screen page "FXIP" under the heading "FX Rate vs. USD."

The Tender Offers were made pursuant to the Offer to Purchase, and the related letter of transmittal dated December 6, 2018 (as amended or supplemented from time to time, the "Letter of Transmittal"), which set forth in more detail the terms and conditions of the Tender Offers.

PGF engaged BB Securities Limited, Credit Agricole Securities (USA) Inc., Itau BBA USA Securities, Inc., J.P. Morgan Securities LLC, Merrill Lynch, Pierce, Fenner & Smith Incorporated and Mizuho Securities USA LLC to act as dealer managers (the “Dealer Managers”) in connection with the Tender Offers. Global Bondholder Services Corporation acted as the depository and information agent for the Tender Offers.

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This press release is not an offer to purchase, nor a solicitation of an offer to sell, nor the solicitation of tenders with respect to, the securities described herein. The Tender Offers were not made to holders of Notes in any jurisdiction in which PGF was aware that the making of the Tender Offers would not be in compliance with the laws of such jurisdiction. In any jurisdiction in which the securities laws or blue sky laws required the Tender Offers to be made by a licensed broker or dealer, the respective Tender Offers were deemed to be made on PGF’s behalf by the Dealer Managers or one or more registered brokers or dealers that are licensed under the laws of such jurisdiction.

Any questions or requests for assistance regarding the Tender Offers may be directed to BB Securities Limited at +44 (20) 7367-5803, Credit Agricole Securities (USA) Inc. at +1 (866) 807-6030, Itau BBA USA Securities, Inc. at +1 (212) 710-6749, J.P. Morgan Securities LLC at +1 (866) 834-4666, Merrill Lynch, Pierce, Fenner & Smith Incorporated at +1 (888) 292-0070 and Mizuho Securities USA LLC at +1 (866) 271-7403. Requests for additional copies of the Offer to Purchase, the Letter of Transmittal and related documents may be directed to Global Bondholder Services Corporation at +1 (866)-470-3900 (toll-free) or +1 (212)-430-3774.

Neither the Offer to Purchase nor any documents related to the Tender Offers were filed with, and were not approved or reviewed by, any federal or state securities commission or regulatory authority of any country. No authority passed upon the accuracy or adequacy of the Offer to Purchase or any documents related to the Tender Offers, and it is unlawful and may be a criminal offense to make any representation to the contrary.

Forward-Looking Statements

This press release contains forward-looking statements. Forward-looking statements are information of a non-historical nature or which relate to future events and are subject to risks and uncertainties. No assurance can be given that the transactions described herein will be consummated or as to the ultimate terms of any such transactions. Petrobras undertakes 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.

This report on Form 6-K shall be deemed to be incorporated by reference into the Offer to Purchase dated December 6, 2018, relating to the previously announced tender offers by Petrobras Global Finance B.V., a wholly-owned subsidiary of Petróleo Brasileiro S.A. – Petrobras.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Date: January 7, 2019

PETRÓLEO BRASILEIRO S.A PETROBRAS

By: /s/ Larry Carris Cardoso
Larry Carris Cardoso
Loans and Financing Administration General
Manager