

PETROBRAS - PETROLEO BRASILEIRO SA
Form 6-K
January 26, 2017

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
UNDER THE SECURITIES EXCHANGE ACT OF 1934

For the month of January 2017

Commission File Number 001-15106

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 of Form 20-F or Form 40-F.

Form 20-F

Form 40-F

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1):

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7):

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

If Yes is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b): 82-

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

RIO DE JANEIRO, BRAZIL JANUARY 26, 2017 Petróleo Brasileiro S.A. Petrobras (Petrobras) (NYSE: PBR) announces that holders of US\$4,885,558,000 and 631,553,000 principal amount of the outstanding notes of the series set forth in the table below (all such notes, collectively, the Old Notes and each a series of Old Notes), issued by its wholly-owned subsidiary Petrobras Global Finance B.V. (PGF), tendered their Old Notes at or prior to 5:00 p.m., New York City time, on January 25, 2017 (the Early Tender Date), pursuant to PGF's previously announced cash tender offers (the Tender Offers).

The following table summarizes the early tender results as of the Early Tender Date and the principal amount of Old Notes that PGF has accepted for purchase:

| Series of Security | CUSIP / ISIN | Principal Amount Outstanding | Acceptance Priority Level | Total Consideration ⁽¹⁾ | Principal Amount Tendered | Principal Amount Accepted for Purchase |
|--|-----------------------------|------------------------------|---------------------------|------------------------------------|---------------------------|--|
| 5% Global Notes due January 2019 | 71647NAB5 / US71647NAB55 | US\$1,452,566,000 | 1 | US\$1,006.25 | US\$757,016,000 | US\$757,016,000 |
| 5% Floating Rate Global Notes due January 2019 | 71647NAE9 / US71647NAE94 | US\$750,492,000 | 2 | US\$1,016.25 | US\$418,445,000 | US\$418,445,000 |
| 5% Global Notes due March 2019 | 71645WAN1 / US71645WAN11 | US\$1,813,907,000 | 3 | US\$1,105.00 | US\$1,104,402,000 | US\$1,104,402,000 |
| 5% Global Notes due April 2019 | NA/XS0835886598 | 1,300,000,000 | 4 | 1,051.25 | 631,553,000 | 631,553,000 |
| 5% Global Notes due January 2020 | 71645WAP6 / US71645WAP68 | US\$2,500,000,000 | 5 | US\$1,048.75 | US\$1,331,303,000 | US\$1,331,303,000 |
| 5% Global Notes due March 2020 | 71647NAH2 / US71647NAH26 | US\$1,500,000,000 | 6 | US\$1,027.50 | US\$956,103,000 | US\$956,103,000 |
| 5% Floating Rate Global Notes due March 2020 | 71647NAL3 / US71647NAL38 | US\$500,000,000 | 7 | US\$1,016.25 | US\$318,289,000 | US\$318,289,000 |

(1) Per US\$1,000 or 1,000, as applicable. The Total Consideration includes an early tender premium equal to US\$30.00 per US\$1,000 principal amount for each series of US dollar denominated Old Notes accepted for purchase, and 30.00 per 1,000 principal amount for each series of Euro denominated Old Notes accepted for purchase.

PGF has accepted for purchase all of the Old Notes validly tendered in the Tender Offers on or prior to the Early Tender Date. The early settlement date on which PGF will make payment for Old Notes accepted in the Tender Offers is expected to be January 30, 2017 (the Early Settlement Date).

Holders of Old Notes that validly tendered on or prior to the Early Tender Date and whose Old Notes have been accepted for purchase are entitled to receive the total consideration set forth in the table above, which includes an

early tender premium as set forth therein, and to receive accrued and unpaid interest on their accepted Old Notes from the last interest payment date to, but not including, the Early Settlement Date. Holders of Old Notes that are validly tendered after the Early Tender Date but on or before 11:59 p.m., New York City time, on February 8, 2017 (the Expiration Date) and whose Old Notes are accepted for purchase will receive only the applicable tender offer consideration, which is equal to the total consideration set forth in the table above *minus* the applicable early tender premium as set forth therein, and to receive accrued and unpaid interest on their accepted Old Notes from the last interest payment date to, but not including, the final settlement date.

The total cash payment to purchase the accepted Old Notes on the Early Settlement Date will be approximately US\$5,821,471,639.26, excluding accrued and unpaid interest, based on the US dollar exchange rate described herein. Old Notes that have been validly tendered on or prior to the Early Tender Date, or that are validly tendered after the Early Tender Date and on or prior to the Expiration Date cannot be withdrawn, except as may be required by applicable law.

Subject to the terms and conditions of the Tender Offers, if the purchase of all Old Notes validly tendered in the Tender Offers would cause PGF to purchase an aggregate principal amount of Old Notes that would result in an aggregate amount in cash to be paid to holders, excluding accrued and unpaid interest, in excess of US\$6.0 billion (the Tender Cap), then only an aggregate principal amount of Old Notes that results in the payment of an aggregate amount to holders not in excess of the Tender Cap will be accepted in the Tender Offers. Old Notes tendered on or prior to the Early Tender Date, which have been accepted for purchase on the Early Settlement Date, will have priority over Old Notes tendered after the Early Tender Date. If, on the final settlement date, only a portion of Old Notes tendered after the Early Tender Date may be accepted for purchase consistent with the Tender Cap, PGF will pro rate such Old Notes accepted in the Tender Offers pursuant to the acceptance priority procedures described in the offer to purchase dated January 9, 2017 (as may be amended or supplemented from time to time, the Offer to Purchase). Any tendered Old Notes that are not accepted for purchase will be returned or credited without expense to the holder's account.

The Tender Offers will expire at 11:59 p.m., New York City time, on February 8, 2017.

The exchange rate used in translating Euro into US dollars was US\$1.0725 per Euro, the applicable exchange rate as of 2:00 p.m., New York City time on January 25, 2017, as reported on Bloomberg screen page FXIP under the heading FX Rate vs. USD.

The Tender Offers are being made pursuant to the Offer to Purchase, and the related letter of transmittal dated January 9, 2017 (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 has engaged Banco Bradesco BBI S.A., Citigroup Global Markets Inc., HSBC Securities (USA) Inc., Itau BBA USA Securities, Inc. and Morgan Stanley & Co. LLC to act as dealer managers (the Dealer Managers) in connection with the Tender Offers. Global Bondholder Services Corporation is acting as the depositary and information agent for the Tender Offers.

This press release is not an offer to sell or purchase, nor a solicitation of an offer to sell or purchase, nor the solicitation of tenders with respect to, the securities described herein. The Tender Offers are not being made to holders of Old Notes in any jurisdiction in which PGF is 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 require the Tender Offers to be made by a licensed broker or dealer, the respective Tender Offers will be 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 Banco Bradesco BBI S.A. at +1 (212) 888-9145, Citigroup Global Markets Inc. at +1 (212) 723-6106, HSBC Securities (USA) Inc. at +1 (212) 525-5552, Itau BBA USA Securities, Inc. at +1 (212) 710-6749 and Morgan Stanley & Co. LLC at +1 (212) 761-1057. 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).

Neither the Offer to Purchase nor any documents related to the Tender Offers have been filed with, and have not been approved or reviewed by any federal or state securities commission or regulatory authority of any country. No authority has 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 may contain forward-looking statements 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. No assurance can be given that the transactions described herein will be consummated or as to the ultimate terms of any such transactions. 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 press release. 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 January 9, 2017, relating to the previously announced tender offers by Petrobras Global Finance B.V., a wholly-owned subsidiary of Petróleo Brasileiro S.A. Petrobras.

SIGNATURE

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.

PETRÓLEO BRASILEIRO S.A PETROBRAS

By: /s/ Larry Carris Cardoso
Larry Carris Cardoso
Funding General Manager

Date: January 26, 2017