

PETROBRAS - PETROLEO BRASILEIRO SA
Form 6-K
July 08, 2016

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 July 2016

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 THE PRICING OF REOPENING OF OUTSTANDING

SERIES OF GLOBAL NOTES AND INCREASE OF TENDER CAP

RIO DE JANEIRO, BRAZIL – JULY 7, 2016 – Petróleo Brasileiro S.A. – Petrobras (“Petrobras”) (NYSE: PBR) announces the pricing of additional notes of its 8.375% Global Notes due 2021 (CUSIP No. 71647N AP4 / ISIN No. US71647NAP42) (the “2021 Notes”) and 8.750% Global Notes due 2026 (CUSIP No. 71647N AQ2 / ISIN No. US71647NAQ25) (the “2026 Notes” and, collectively with the 2021 Notes, the “Notes”) to be issued by its wholly-owned subsidiary Petrobras Global Finance B.V. (“PGF”). The Notes will be unsecured obligations of PGF and will be fully and unconditionally guaranteed by Petrobras. The additional 2021 Notes will be consolidated, form a single series, and be fully fungible with PGF’s outstanding U.S.\$5,000,000,000 aggregate principal amount of 2021 Notes issued on May 23, 2016. The additional 2026 Notes will be consolidated, form a single series, and be fully fungible with PGF’s outstanding U.S.\$1,750,000,000 aggregate principal amount of 2026 Notes issued on May 23, 2016. Closing is expected to occur on July 13, 2016.

The terms of the additional 2021 Notes are as follows:

- Issue: 8.375% Global Notes due 2021
- Amount: US\$1,750,000,000 (total amount outstanding for the series: US\$6,750,000,000)
- Coupon: 8.375%
- Interest Payment Dates: May 23 and November 23 of each year, commencing on November 23, 2016
- Issue price: 101.971% of principal amount, plus accrued interest from May 23, 2016
- Yield to Investors: 7.875%
- Maturity: May 23, 2021

The terms of the additional 2026 Notes are as follows:

- Issue: 8.750% Global Notes due 2026
- Amount: US\$1,250,000,000 (total amount outstanding for the series: US\$3,000,000,000)
- Coupon: 8.750%
- Interest Payment Dates: May 23 and November 23 of each year, commencing on November 23, 2016
- Issue price: 99.981% of principal amount, plus accrued interest from May 23, 2016
- Yield to Investors: 8.750%
- Maturity: May 23, 2026

PGF intends to use the net proceeds from the sale of the Notes to repurchase notes validly tendered and accepted for purchase by PGF in the previously announced cash tender offers (the "Tender Offers"), and to use any remaining net proceeds for general corporate purposes.

In connection with the Tender Offers, PGF announces that it has increased the tender cap from US\$2.0 billion to US\$3.0 billion. Except as described in this press release, all other terms of the Tender Offers as described in the offer to purchase dated July 7, 2016 (as may be amended or supplemented from time to time, the "Offer to Purchase"), and in the related letter of transmittal dated July 7, 2016 (as may be amended or supplemented from time to time, the "Letter of Transmittal") remain unchanged.

PGF has engaged BB Securities Limited, J.P. Morgan Securities LLC, Merrill Lynch, Pierce, Fenner & Smith Incorporated and Santander Investment Securities Inc. 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 neither an offer to sell nor a solicitation of an offer to buy the securities described herein, nor shall there be any sale of these securities in any jurisdiction in which such an offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. The Tender Offers are not being made to holders of 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 BB Securities Limited at +(44) 207 367 5832, J.P. Morgan Securities LLC at +1 (866) 846-2874 (toll free) or +1 (212) 834-7279 (collect), Merrill Lynch, Pierce, Fenner & Smith Incorporated at +1 (888) 292-0700 (toll-free) or +1 (646) 855-8988 (collect) or Santander Investment Securities Inc. at +1 (855) 404-3636 (toll-free) or +1 (212) 940-1442 (collect). 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, the Letter of Transmittal 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 July 7, 2016, 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: July 7, 2016