

PETROBRAS - PETROLEO BRASILEIRO SA
Form 6-K
March 20, 2018

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 March, 2018
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 follows up on the review of its participation in the fertilizer sector

Rio de Janeiro, March 20, 2018 – Petróleo Brasileiro S.A. – Petrobras reports that it has decided to mothball its fertilizer plants located in Sergipe (Fafen-SE) and Bahia (Fafen-BA).

The decision to mothball these units is aligned with the company's strategic position to fully withdraw from fertilizer production activities, pursuant to its 2018-2022 Business and Management Plan. Besides, in 2017, Fafen-SE and Fafen-BA featured negative results close to R\$ 600 million and R\$ 200 million, respectively, and the long-term scenario still shows negative results.

As such, Petrobras made a provision for impairment of the fertilizer plants in the 4Q 2017, resulting in an amount of R\$ 1.3 billion. The information relating to this provision is presented in the 2017 financial statements, in Explanatory Note 14 - Impairment.

The mothballing of both units should start by the end of the first half of 2018. This process basically consists in the progressive shutdown of production at the industrial units, adopting for such conservation actions for the equipment and prevention of environmental impacts, while preserving the integrity of the facilities. Petrobras has prepared a transition plan for suppliers and clients, which will be implemented from the disclosure herein, as well as social responsibility actions whose purpose is to mitigate impacts that may occur to the communities.

www.petrobras.com.br/ir

Contacts:

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FORWARD-LOOKING STATEMENTS

This release includes 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 subject to risks and uncertainties. The forward-looking statements, which address the Company's expected business and financial performance, among other matters, contain words such as believe, expect, estimate, anticipate, optimistic, intend, plan, aim, will, may, should, could, would, likely, and similar expressions cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date on which they are made. There is no assurance that the expected events, trends or results will actually occur. We undertake 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.

The Company's actual results could differ materially from those expressed or forecast in any forward-looking statements as a result of a variety of assumptions and factors. These factors include, but are not limited to, the following: (i) failure to comply with laws or regulations, including fraudulent activity, corruption, and bribery; (ii) the outcome of ongoing corruption investigations and any new facts or information that may arise in relation to the Lava Jato Operation ; (iii) the effectiveness of the Company's risk management policies and procedures, including operational risk; and (iv) litigation, such as class actions or proceedings brought by governmental and regulatory agencies. A description of other factors can be found in the Company's Annual Report on Form 20-F for the year ended December 31, 2016, and the Company's other filings with the U.S. Securities and Exchange Commission.

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: March 20, 2018.

PETRÓLEO BRASILEIRO S.A PETROBRAS

By: /s/ Ivan de Souza Monteiro
Ivan de Souza Monteiro
Chief Financial Officer and Investor Relations
Officer