

PETROBRAS - PETROLEO BRASILEIRO SA
Form 6-K
November 12, 2008

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 November, 2008

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

Petróleo Brasileiro S.A. - Petrobras

Independent accountants' review report for the
Quarterly Information (ITR) of the
Quarter ended September 30, 2008

(A free translation of the original report in Portuguese, as filed with
the Brazilian Securities Commission (CVM), prepared in accordance
with rules of the CVM)

(A free translation of the original report in Portuguese)

**FEDERAL PUBLIC SERVICE
BRAZILIAN SECURITIES COMMISSION (CVM)
ITR - QUARTERLY INFORMATION - As of - 09/30/2008
COMMERCIAL, INDUSTRIAL & OTHER TYPES OF COMPANY**

Corporation Law

THE REGISTRATION WITH THE CVM DOES NOT IMPLY THAT ANY OPINION IS EXPRESSED ON THE COMPANY. THE INFORMATION PROVIDED IS THE RESPONSIBILITY OF THE COMPANY'S MANAGEMENT

1.01 - IDENTIFICATION

1 - CVM CODE 00951-2	2 - NAME OF THE COMPANY PETRÓLEO BRASILEIRO S.A. - PETROBRAS	3 - CNPJ (Taxpayers Record Number) 33.000.167/0001-01
4 - NIRE 33300032061		

01.02 - HEAD OFFICE

1 - ADDRESS Av. República do Chile, 65 - 24 th floor			2 - QUARTER OR DISTRICT Centro	
3 - CEP (ZIP CODE) 20031-912	4 - CITY Rio de Janeiro		5 - STATE RJ	
6 - AREA CODE 021	7 - PHONE 3224-2040	8 - PHONE 3224-2041	9 - PHONE -	10 - TELEX
11 - AREA CODE 021	12 - FAX 3224-9999	13 - FAX 3224-6055	14 - FAX 3224-7784	
15 - E-MAIL petroinvest@petrobras.com.br				

01.03 - DIRECTOR OF INVESTOR RELATIONS (BUSINESS ADDRESS)

1 - NAME Almir Guilherme Barbassa				
2 - ADDRESS Av. República do Chile, 65 - 23 rd floor			3 - QUARTER OR DISTRICT Centro	
4 - CEP (ZIP CODE) 20031-912	5 - CITY Rio de Janeiro		6 - STATE RJ	
7 - AREA CODE 021	8 - PHONE NUMBER 3224-2040	9 - PHONE NO. 3224-2041	10 - PHONE NO. -	11 - TELEX
12 - AREA CODE 021	13 - FAX 3224-9999	14 - FAX 3224-6055	15 - FAX 3224-7784	
16 - E-MAIL barbassa@petrobras.com.br				

01.04 - GENERAL INFORMATION/INDEPENDENT ACCOUNTANTS

CURRENT FISCAL YEAR		CURRENT QUARTER			PREVIOUS QUARTER		
1 - BEGINNING	2 - ENDING	3 - QUARTER	4 - BEGINNING	5 - END	6 - QUARTER	7 - BEGINNING	8 - END
01/01/2008	12/31/2008	3	07/01/2008	09/30/2008	2	04/01/2008	06/30/2008

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9- NAME OF INDEPENDENT ACCOUNTING FIRM KPMG Auditores Independentes	10- CVM CODE 00418-9
11- NAME OF THE ENGAGEMENT PARTNER Manuel Fernandes Rodrigues de Sousa	12- CPF (Taxpayers registration) 783.840.017-15

Pag: 1

01.05 - CURRENT BREAKDOWN OF PAID-IN CAPITAL

No. OF SHARES (THOUSANDS)	1- CURRENT QUARTER 09/30/2008	2 - PREVIOUS QUARTER 06/30/2008	3 - PREVIOUS YEAR 09/30/2007
Capital Paid-in			
1 - Common	5.073.347	5.073.347	2.536.674
2 - Preferred	3.700.729	3.700.729	1.850.364
3 - Total	8.774.076	8.774.076	4.387.038
Treasury Stock			
4 - Common	0	0	0
5 - Preferred	0	0	0
6 - Total	0	0	0

01.06 - CHARACTERISTICS OF THE COMPANY

1 - TYPE OF COMPANY Commercial, Industrial and Other
2 - SITUATION Operational
3 - TYPE OF SHARE CONTROL State Holding Company
4 - ACTIVITY CODE 1010 - Oil and Gas
5 - MAIN ACTIVITY Prospecting Oil/Gas, Refining and Energy Activities
6 - TYPE OF CONSOLIDATION Total
7 - TYPE OF SPECIAL REVIEW REPORT Unqualified

01.07 - CORPORATIONS/PARTNERSHIPS EXCLUDED FROM THE CONSOLIDATED STATEMENTS

1 - ITEM	2 - CNPJ (TAXPAYERS RECORD NUMBER)	3 - NAME
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01.08 - DIVIDENDS/INTEREST ON CAPITAL APPROVED AND/OR PAID DURING AND AFTER THE CURRENT QUARTER

1 - ITEM	2 - EVENT	3 - APPROVAL DATE	4 - TYPE	5 - PET BEGINS ON	6 - TYPE OF SHARE	7 - DIVIDENDS PER SHARE
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01.09 - SUBSCRIBED CAPITAL AND CHANGES IN THE CURRENT YEAR

1 - ITEM	2 - DATE OF CHANGE	3 - CAPITAL (R\$ Thousand)	4 - AMOUNT OF CHANGE (R\$ Thousand)	5 - REASON FOR CHANGE	7 - NUMBER OF SHARES ISSUED (Thousands)	8 - SHARE ISSUE PRICE (R\$)
01	04/04/2008	78.966.691	26.322.230	Revenue Reserves/Capital Reserves	0	0,0000000000

1.10 - INVESTOR RELATIONS DIRECTOR

1 - DATE 11/11//2008	2 - SIGNATURE
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02.01 - UNCONSOLIDATED BALANCE SHEET - ASSETS (IN THOUSAND OF REAIS)

1 - Code	2 DESCRIPTION	3 - 09/30/2008	4 - 06/30/2008
1	Total Assets	272.554.945	249.270.825
1.01	Current Assets	57.576.596	59.433.372
1.01.01	Cash and Cash Equivalents	7.769.940	17.357.995
1.01.01.01	Cash and Banks	95.024	776.449
1.01.01.02	Short Term Investments	7.674.916	16.581.546
1.01.02	Accounts Receivable, net	23.096.752	17.196.683
1.01.02.01	Customers	23.096.752	17.196.683
1.01.02.01.01	Customers	4.703.681	4.217.431
1.01.02.01.02	Subsidiary and Affiliated Companies	16.719.263	11.657.738
1.01.02.01.03	Other Accounts Receivable	1.961.682	1.608.919
1.01.02.01.04	Allowance for Doubtful Accounts	(287.874)	(287.405)
1.01.02.02	Miscellaneous Credits	0	0
1.01.03	Inventories	19.972.150	17.664.945
1.01.04	Other	6.737.754	7.213.749
1.01.04.01	Dividends Receivable	59.191	542.011
1.01.04.02	Recoverable Taxes	4.686.585	4.596.232
1.01.04.03	Prepaid Expenses	1.460.593	1.696.680
1.01.04.04	Other Current Assets	531.385	378.826
1.02	Non-current Assets	214.978.349	189.837.453
1.02.01	Long-Term Assets	88.616.912	70.421.637
1.02.01.01	Miscellaneous Credits	4.582.699	4.726.045
1.02.01.01.01	Petroleum and Alcohol Accounts STN	804.759	801.042
1.02.01.01.02	Marketable Securities	3.216.043	3.335.993
1.02.01.01.03	Investments in Privatization Process	1.366	1.366
1.02.01.01.04	Other Accounts Receivable	560.531	587.644
1.02.01.02	Accounts Receivable, net	70.331.158	52.766.994
1.02.01.02.01	With Affiliates	0	0
1.02.01.02.02	With Subsidiaries	70.331.158	52.766.994
1.02.01.02.03	Other Companies	0	0
1.02.01.03	Other	13.703.055	12.928.598
1.02.01.03.01	Project Financing	2.302.065	2.077.050
1.02.01.03.02	Deferred Income Tax and Social Contribution	1.711.872	1.806.500
1.02.01.03.03	Deferred Value-Added Tax (ICMS)	1.448.926	1.161.993
1.02.01.03.04	Deferred PASEP/COFINS	3.957.695	3.551.181
1.02.01.03.06	Judicial Deposits	1.467.825	1.458.367
1.02.01.03.07	Advance for Pension Plan	1.384.553	1.346.948
1.02.01.03.08	Advances to Suppliers	366.895	321.646
1.02.01.03.09	Prepaid Expenses	580.559	682.904
1.02.01.03.10	Inventories	254.451	214.683
1.02.01.03.11	Other Non-Current Assets	228.214	307.326
1.02.02	Fixed Assets	126.361.437	119.415.816
1.02.02.01	Investments	29.495.250	28.658.866
1.02.02.01.01	In Affiliates	776.022	821.058

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1.02.02.01.02	Goodwill in Affiliates	1.740.237	1.788.020
1.02.02.01.03	In Subsidiaries	26.323.753	25.390.943

Pag: 4

02.01 - UNCONSOLIDATED BALANCE SHEET - ASSETS (IN THOUSAND OF REAIS)

1 - Code	2 DESCRIPTION	3 - 09/30/2008	4 - 06/30/2008
1.02.02.01.04	Goodwill in Subsidiaries	306.382	309.655
1.02.02.01.05	Other Investments	348.856	349.190
1.02.02.01.06	Rights/Advances - Acquisition Investments	0	0
1.02.02.02	Property, Plant and Equipment	93.012.641	86.886.370
1.02.02.03	Intangible	3.147.807	3.156.232
1.02.02.04	Deferred Charges	705.739	714.348

Pag: 5

02.02 - UNCONSOLIDATED BALANCE SHEET - LIABILITIES (IN THOUSAND OF REAIS)

1 - CODE	2 DESCRIPTION	3 - 09/30/2008	4 - 06/30/2008
2	Liabilities and Stockholders' Equity	272.554.945	249.270.825
2.01	Current Liabilities	92.934.336	80.937.679
2.01.01	Loans and Financing	3.266.970	2.844.566
2.01.01.01	Financings	3.052.452	2.540.250
2.01.01.02	Interest on Financing	214.518	304.316
2.01.02	Debentures	0	0
2.01.03	Suppliers	9.729.171	7.872.396
2.01.04	Taxes, Contribution and Participation	11.804.202	9.756.238
2.01.05	Dividends payable	0	0
2.01.05.01	Dividends and Interest on Stockholders Capital Payable	0	0
2.01.06	Accruals	2.786.427	2.983.433
2.01.06.01	Payroll and Related Charges	1.842.502	1.611.763
2.01.06.02	Provision for Contingencies	54.000	54.000
2.01.06.03	Pension plan	460.259	386.091
2.01.06.04	Healthcare benefits plan	429.666	429.666
2.01.06.05	Profit sharing for employees and management	0	501.913
2.01.07	Debts with Subsidiaries and Affiliated Companies	55.411.808	39.992.406
2.01.07.01	Suppliers	55.411.808	39.992.406
2.01.08	Others	9.935.758	17.488.640
2.01.08.01	Advances from Customers	236.011	198.899
2.01.08.02	Project Financing	575.702	521.970
2.01.08.03	Non-Standardized Credit Rights Investment Fund	5.541.806	14.698.536
2.01.08.04	Others	3.582.239	2.069.235
2.02	Non-Current Liabilities	37.158.050	37.223.438
2.02.01	Non-Current Liabilities	36.480.717	36.772.991
2.02.01.01	Loans and Financing	5.562.257	5.919.948
2.02.01.01.01	Financing	5.562.257	5.919.948
2.02.01.02	Debentures	0	0
2.02.01.03	Accruals	23.768.629	23.149.435
2.02.01.03.01	Healthcare Benefits Plan	9.323.912	9.074.125
2.02.01.03.02	Provision for Contingencies	190.271	197.002
2.02.01.03.03	Pension Plan	4.205.506	4.226.544
2.02.01.03.04	Deferred Income Tax and Social Contribution	10.048.940	9.651.764
2.02.01.04	Subsidiaries and Affiliated Companies	829.159	1.372.407
2.02.01.05	Advance for Future Capital Increase	0	0
2.02.01.06	Others	6.320.672	6.331.201
2.02.01.06.01	Provision for Dismantling of Areas	5.937.035	5.971.638
2.02.01.06.02	Others Accounts and Expenses Payable	383.637	359.563
2.02.02	Deferred Income	677.333	450.447
2.04	Shareholders Equity	142.462.559	131.109.708
2.04.01	Capital	78.966.691	78.966.691
2.04.01.01	Subscribed and Paid-In Capital	78.966.691	78.966.691
2.04.01.02	Monetary Restatement of Capital	0	0

2.04.02	Capital Reserves	514.857	514.857
2.04.02.01	AFRMM and Other	0	0

02.02 - UNCONSOLIDATED BALANCE SHEET - LIABILITIES (IN THOUSAND OF REAIS)

1 - CODE	2 DESCRIPTION	3 - 09/30/2008	4 - 06/30/2008
2.04.02.02	Fiscal Incentive - Income Tax	514.857	514.857
2.04.03	Revaluation Reserve	14.071	15.250
2.04.03.01	Own Assets	0	0
2.04.03.02	Subsidiaries and Affiliated Companies	14.071	15.250
2.04.04	Revenue Reserves	36.450.015	36.450.015
2.04.04.01	Legal	7.612.508	7.612.508
2.04.04.02	Statutory	504.544	504.544
2.04.04.03	For Contingencies	0	0
2.04.04.04	Unrealized Earnings	0	0
2.04.04.05	Retention of Earnings	28.332.963	28.332.963
2.04.04.06	Undistributed Dividends	0	0
2.04.04.07	Others Revenue Reserves	0	0
2.04.05	Retained Earnings/(Accumulated losses)	26.516.925	15.162.895
2.04.06	Advance for Future Capital Increase	0	0

Pag: 7

03.01 - UNCONSOLIDATED STATEMENT OF INCOME FOR THE QUARTER (IN THOUSAND OF REAIS)

1 - Code	2 DESCRIPTION	3- 07/01/2008 a 09/30/2008	4- 01/01/2008 a 09/30/2008	5- 07/01/2007 to 09/30/2007	6- 01/01/2007 to 09/30/2007
3.01	Gross Operating Revenues	58.128.617	155.950.146	44.202.319	123.880.229
3.02	Sales Deductions	(12.218.967)	(34.645.479)	(11.043.451)	(32.027.795)
3.03	Net Operating Revenues	45.909.650	121.304.667	33.158.868	91.852.434
3.04	Cost of Products and Services Sold	(28.479.401)	(71.838.406)	(18.271.459)	(49.733.088)
3.05	Gross profit	17.430.249	49.466.261	14.887.409	42.119.346
3.06	Operating Expenses	(381.018)	(10.665.795)	(7.087.152)	(18.053.808)
3.06.01	Selling	(1.620.443)	(4.586.086)	(1.483.144)	(3.976.752)
3.06.02	General and Administrative	(1.360.663)	(3.565.646)	(1.113.191)	(3.177.463)
3.06.02.01	Management and Board of Directors Remuneration	(1.146)	(3.757)	(958)	(2.982)
3.06.02.02	Administrative	(1.359.517)	(3.561.889)	(1.112.233)	(3.174.481)
3.06.03	Financial	(116.518)	406.684	425.871	1.055.854
3.06.03.01	Income	1.203.108	4.105.104	1.266.172	3.219.509
3.06.03.02	Expenses	(1.319.626)	(3.698.420)	(840.301)	(2.163.655)
3.06.04	Other Operating Income	0	0	0	0
3.06.05	Other Operating Expenses	2.101.859	(5.459.235)	(4.663.477)	(12.261.551)
3.06.05.01	Taxes	(82.707)	(229.609)	(194.192)	(534.453)
3.06.05.02	Cost of Research and Technological Development	(474.761)	(1.258.157)	(406.897)	(1.211.620)
3.06.05.03	Impairment	0	0	0	0
3.06.05.04	Exploratory Costs for the Extraction of Crude Oil and Gas	(642.605)	(1.702.074)	(374.740)	(826.077)
3.06.05.05	Healthcare and Pension Plan	(335.943)	(1.007.827)	(1.087.128)	(1.935.103)
3.06.05.06	Monetary and Foreign Exchange Variations, Net	5.559.581	2.863.481	(1.392.896)	(3.582.556)
3.06.05.07	Other Operating Expenses, Net	(1.921.706)	(4.125.049)	(1.207.624)	(4.171.742)
3.06.06	Equity Pick-up	614.747	2.538.488	(253.211)	306.104
3.07	Operating Income	17.049.231	38.800.466	7.800.257	24.065.538
3.08	Non-operating Income	(22.105)	316.120	(14.887)	(49.354)
3.08.01	Revenues	34.714	427.466	21.227	37.494
3.08.02	Expenses	(56.819)	(111.346)	(36.114)	(86.848)

03.01 - UNCONSOLIDATED STATEMENT OF INCOME FOR THE QUARTER (IN THOUSAND OF REAIS)

1 - Code	2 - DESCRIPTION	3- 07/01/2008 a 09/30/2008	4- 01/01/2008 a 09/30/2008	5- 07/01/2007 to 09/30/2007	6- 01/01/2007 to 09/30/2007
3.09	Income before Taxes/Profit Sharing	17.027.126	39.116.586	7.785.370	24.016.184
3.10	Income Tax and Social Contribution	(5.342.029)	(11.532.747)	(1.162.821)	(6.711.834)
3.11	Deferred Income Tax	(332.245)	(1.114.362)	(950.322)	(444.455)
3.12	Statutory Participations/Contributions	0	0	0	0
3.12.01	Participations	0	0	0	0
3.12.02	Contributions	0	0	0	0
3.13	Reversal of Interest on Stockholders Capital	0	0	0	0
3.15	Net Income for the period	11.352.852	26.469.477	5.672.227	16.859.895
	Number of Shares. Ex-Treasury (Thousands)	8.774.076	8.774.076	4.387.038	4.387.038
	Net Income per Share	1,29391	3,01678	1,29295	3,84312
	Loss per Share				

Pag: 9

04.01 NOTES TO QUARTERLY INFORMATION

1 Presentation of the quarterly financial information

1.1 Significant accounting policies

The quarterly information has been produced in accordance with the accounting practices adopted in Brazil, in conformity with Brazilian Corporation Law and the standards and procedures laid down by the Brazilian Securities and Exchange Commission - CVM.

Certain balances relating to prior periods were reclassified in order to properly compare the interim financial information between the periods.

The authorization for concluding the preparation of these financial statements was granted at the Meeting of the Board of Directors held on November 11, 2008.

2 Conformity to Law No. 11.638/2007

Law No. 11.638 of December 28, 2007 amended and revoked several provisions of Law No. 6.404/76 and 6.385/76 that treat the preparation of the financial statements, with the objective to enable the future convergence of Brazilian accounting practices to international accounting standards (IFRS). These amendments are to be applied to the financial statements at the end of the financial year of 2008.

It should be noted that many of the provisions amended by the new law depend upon regulations to be issued by the Brazilian Securities and Exchange Commission - CVM.

On May 2, 2008, the CVM issued Instruction No. 469/08 that addresses the application of Law No. 11.638/07. In this instruction, companies are given the option as to whether to immediately apply all the accounting provisions contained in the new law to the Quarterly Information (ITRs) in the financial year of 2008, or to inform the amendments that could have effects on the financial statements at the end of the financial year of 2008 in the notes to the ITRs, estimating the possible effects on shareholders' equity and net income for the period.

Petrobras opted to inform the effects of the new Law in the notes to the ITRs, in addition to effectively recording in the financial statements of September 30, 2008 those items deemed mandatory by Instruction No. 469/08, namely:

a. Tax incentives resulting from government investment subsidies or donations will no longer be classified under capital reserve, and will instead now be included in the income statement for the period in the same proportion of the related assets. Company Management may set aside the amount of net income that corresponds to these incentives to form a profit reserve, which may be excluded from the basis of calculation of the obligatory dividend.

The amounts of R\$ 677.333 thousand, Parent Company, and R\$ 677.462 thousand, Consolidated statements, relating to the tax incentives until the third quarter of 2008 have been recorded as deferred income until this matter is regulated definitively.

b. Investments in affiliated companies in which management has significant influence, or in which it holds a 20% (twenty percent) or more interest in the voting capital, in subsidiaries and in other companies that form part of the same group or are under common control, are to be evaluated by the equity method.

The evaluation of investments in affiliated companies by the equity method, in line with the rule described above, must be reflected in the financial statements of September 30, 2008. However, no relevant effects have yet been identified in this respect.

c. Adjustments to present value of assets and liabilities resulting from long-term operations and relevant short-term operations.

Adjustments to present value of assets and liabilities resulting from long-term operations and relevant short-term operations, should be reflected in the financial statements of September 30, 2008, but no relevant effects have yet been identified with regard to these items.

Among the main amendments introduced by Law No. 11.638/07, we draw attention to the following issues that in the opinion of our Management will modify the form of presentation of our financial statements, as a result of the new criteria for determining the income and equity and financial position of the Company, as from the financial year of 2008. The effects presented were based on the Company's best estimates for the pro-forma financial statements of September 30, 2008, with no comparison with previous periods:

a. Increases and reductions in amounts attributed to items in the assets, as a result of their having been valued at market prices, as follows:

Investments in financial instruments, including derivatives, and in credit rights and securities in the current or long-term assets, when saleable or negotiable. Other financial instruments are to be restated at present value or adjusted to probable realization value, if this is lower.

b. In operations involving transformations, mergers, consolidations and spin-offs between independent parties and in which control is effectively transferred, the assets and liabilities of the company to be merged or resulting from consolidation or spin-off are to be recorded at market value.

The impact of the restructuring of the petrochemical sector during the second quarter of 2008 should be evaluated as supplementary regulations to be issued. Conservatively, in assessing the impacts of the new law, the Company reversal that gain.

c. Investment of rights, the object of which are assets intended for maintaining the company's activities or used for this purpose, including those resulting from transactions that transfer the benefits, risks and control of these assets to the Company.

d. Existing balances of reassessment reserves may, optionally, be written back by the end of the financial year of 2008.

The Company decided to maintain the balances of the respective reassessment reserves, on September 30, 2008, in the amount of R\$ 14.071 thousand (both Parent Company and Consolidated).

e. Classification under deferred assets has been restricted to pre-operating expenses and restructuring expenses that contribute to the increase in income in more than one financial period.

f. In addition, on January 29, 2008, the CVM issued CVM Resolution 534/08 which addresses the changes in foreign exchange rates and currency conversion of financial statements.

This resolution is applicable at the end of the financial year 2008. Petrobras opted to inform the effects of this resolution in the notes to the Quarterly Information of 2008.

The estimate effects by the adoption of the this resolution totalized on the September 30,2008 a reduction on the net income by R\$ 177.602 thousand and R\$ 216.892 thousand in the Parent Company and Consolidated respectively and a increase of R\$ 16.822 thousand in Consolidated Shareholders' equity on the process of conversion of the financial statements and exchange rate loss on investments in companies based abroad.

Considering the facts mentioned, the Company s Management will continue to evaluate the effects resulting from the future regulations.

R\$ thousand

ASSET	09.30.2008				06.30.2008			
	Consolidated		Parent Company		Consolidated		Parent Company	
	6.404/76 (as informed)	Pro-forma 11.638/07 (Estimated)*	6.404/76 (as informed)	Pro-forma 11.638/07 (Estimated)*	6.404/76 (as informed)	Pro-forma 11.638/07 (Estimated)*	6.404/76 (as informed)	Pro-forma 11.638/07 (Estimated)*
Current								
Cash and Cash Equivalents	10.776.131	10.776.131	7.769.940	7.769.940	11.046.248	11.046.248	17.357.995	17.357.995
Accounts Receivable, net	16.924.481	16.924.481	23.096.752	23.096.752	15.600.860	15.515.169	17.196.683	17.196.683
Dividends Receivable	2.882	2.882	59.191	59.191	2.882	2.882	542.011	542.011
Inventories	25.976.804	25.976.804	19.972.150	19.972.150	22.998.563	22.998.563	17.664.945	17.664.945
Taxes, Contributions and Participations	7.725.065	7.725.065	4.686.585	4.686.585	7.142.019	7.142.019	4.596.232	4.596.232
Prepaid Expenses	1.727.828	1.399.610	1.460.593	1.132.375	1.628.173	1.316.456	1.696.680	1.384.680
Other Current Assets	1.751.103	1.706.929	531.385	481.429	1.586.033	1.573.153	378.826	327.826
	64.884.294	64.511.902	57.576.596	57.198.422	60.004.778	59.594.490	59.433.372	59.070.372
Non-Current								
Long-Term								
Assets								
Accounts Receivable, net	2.042.734	2.042.734	70.891.689	70.891.689	2.653.642	2.653.642	53.354.638	53.354.638
Petroleum and alcohol account - STN	804.759	804.759	804.759	804.759	801.042	801.042	801.042	801.042
Marketable securities	3.511.408	3.511.408	3.216.043	3.216.043	3.616.130	3.616.130	3.335.993	3.335.993
Project financing			2.302.065	2.302.065			2.077.050	2.077.050
Advance to Suppliers	409.837	409.837	366.895	366.895	365.813	365.813	321.646	321.646
Judicial Deposits	1.742.616	1.742.616	1.467.825	1.467.825	1.722.225	1.722.225	1.458.367	1.458.367
	3.228	3.228	1.366	1.366	3.228	3.228	1.366	1.366

Investments in privatization process								
Prepaid Expenses	1.416.212	870.509	580.559	34.856	1.414.403	769.713	682.904	38.
Advance for Pension Plan	1.384.553	1.384.553	1.384.553	1.384.553	1.346.948	1.346.948	1.346.948	1.346.
Deferred Income Tax and Social								
Contribution	10.072.044	10.089.254	7.118.493	7.142.752	9.069.910	9.121.080	6.519.674	6.539.
Inventories	254.451	254.451	254.451	254.451	214.683	214.683	214.683	214.
Other Non-current Assets	668.551	668.551	228.214	228.214	793.894	757.261	307.326	270.
	22.310.393	21.781.900	88.616.912	88.095.468	22.001.918	21.371.765	70.421.637	69.759.
Investments Property, plant and equipment	7.761.821	5.563.211	29.495.250	32.254.499	7.650.941	5.213.490	28.658.866	28.811.
Intangible assets	168.177.827	169.586.177	93.012.641	110.794.733	152.271.715	153.717.371	86.886.370	104.792.
Deferred assets	6.437.908	8.299.024	3.147.807	4.314.223	5.751.259	7.824.769	3.156.232	4.344.
	2.372.312	2.266.608	705.739	634.388	2.583.726	2.485.551	714.348	657.
	207.060.261	207.496.920	214.978.349	236.093.311	190.259.559	190.612.946	189.837.453	208.365.
	271.944.555	272.008.822	272.554.945	293.291.733	250.264.337	250.207.436	249.270.825	267.436.

* Including the effects of CVM Resolution 534/08

R\$ thousand

Liabilities	09.30.2008				06.30.2008			
	Consolidated		Parent Company		Consolidated		Parent Company	
	6.404/76 (as informed)	Pro-forma 11.638/07 (Estimated)*	6.404/76 (as informed)	Pro-forma 11.638/07 (Estimated)*	6.404/76 (as informed)	Pro-forma 11.638/07 (Estimated)*	6.404/76 (as informed)	Pro-forma 11.638/07 (Estimated)*
Current								
Financing	11.023.746	11.023.746	3.052.452	3.052.452	7.520.850	7.520.850	2.540.250	2.540.250
Interest on Financing	540.710	540.710	214.518	214.518	780.330	780.330	304.316	304.316
Leasing obligations		471.257		4.749.988		384.936		4.260.257
Suppliers	17.420.518	17.420.518	65.140.979	65.140.979	16.664.213	16.664.213	47.864.802	47.864.802
Taxes, Contributions and Participations	13.654.486	13.654.486	11.804.202	11.804.202	11.430.060	11.430.060	9.756.238	9.756.238
Project financing	333.696	333.696	575.702	575.702	238.378	238.378	521.970	521.970
Provision for Pension plan	490.013	490.013	460.259	460.259	423.647	423.647	386.091	386.091
Provision for Healthcare Plan	455.736	455.736	429.666	429.666	455.736	455.736	429.666	429.666
Payroll and related charges	2.281.953	2.281.953	1.842.502	1.842.502	1.941.894	1.941.894	1.611.763	1.611.763
Provision for Contingencies	54.000	54.000	54.000	54.000	54.000	54.000	54.000	54.000
Advances from Customers	621.551	621.551	236.011	236.011	502.075	502.075	198.899	198.899
Profit sharing for employees					570.196	570.196	501.913	501.913
Non-standard Credit Rights Investment Fund			5.541.806	5.541.806			14.698.536	14.698.536
Other Accounts and Expenses Payable	5.471.376	5.477.817	3.582.239	3.582.239	3.957.873	4.009.799	2.069.235	2.069.235
	52.347.785	52.825.483	92.934.336	97.684.324	44.539.252	44.976.114	80.937.679	85.197.679
Non-Current								
Financing	35.479.442	35.479.442 734.344	5.562.257	5.562.257 17.347.744	32.451.649	32.451.649 730.198	5.919.948	5.919.948 15.109.948

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Leasing obligations Subsidiaries and affiliated companies	136.431	136.431	829.159	829.159	143.920	143.920	1.372.407	1.372
Deferred Income Tax and Social Contribution	11.980.335	11.840.517	10.048.940	9.929.010	11.990.494	12.876.884	9.651.764	10.407
Provision for Pension plan	4.668.636	4.668.636	4.205.506	4.205.506	4.658.400	4.658.400	4.226.544	4.226
Provision for Healthcare Plan	10.099.236	10.099.236	9.323.912	9.323.912	9.830.104	9.830.104	9.074.125	9.074
Provision for Contingencies	772.117	772.117	190.271	190.271	692.795	692.795	197.002	197
Provision for Dismantling of Areas	6.329.860	6.329.860	5.937.035	5.937.035	6.234.772	6.234.772	5.971.638	5.971
Other Accounts and Expenses Payable	1.703.320	1.703.320	383.637	383.637	1.188.560	1.188.560	359.563	359
	71.169.376	71.763.903	36.480.717	53.708.531	67.190.694	68.807.282	36.772.991	56.639
Deferred income	1.769.800	1.769.800	677.333	677.333	2.246.273	2.246.273	450.447	450
Minority Interests	6.208.824	6.405.026			6.580.201	6.418.819		
Shareholders Equity	78.966.691	78.966.691	78.966.691	78.966.691	78.966.691	78.966.691	78.966.691	78.966
Capital								
Capital Reserves	514.857	514.857	514.857	514.857	514.857	514.857	514.857	514
Equity adjustment		1.179.466		1.095.520		(1.846.240)		(1.860)
Revaluation Reserve	14.071	14.071	14.071	14.071	15.250	15.250	15.250	15
Revenue Reserves	34.392.878	33.072.433	36.497.463	35.171.543	34.502.731	33.010.795	36.496.285	35.018
Net Income	26.560.272	25.497.092	26.469.477	25.458.863	15.708.388	17.097.595	15.116.625	16.493
	140.448.769	139.244.610	142.462.559	141.221.545	129.707.917	127.758.948	131.109.708	129.148
	271.944.555	272.008.822	272.554.945	293.291.733	250.264.337	250.207.436	249.270.825	267.436

* Including the effects of CVM Resolution 534/08

Jan-Sep/2008
R\$ thousand

Statements of Income	Consolidated		Parent Company	
	6.404/76 (as informed)	Pro-forma 11.638/07 (Estimated) *	6.404/76 (as informed)	Pro-forma 11.638/07 (Estimated) *
Gross operational Revenues				
Sales				
Products	207.464.815	201.176.927	155.642.674	155.642.674
Services, mainly freight	189.129	175.187	307.472	307.472
	207.653.944	201.352.114	155.950.146	155.950.146
Sales Deductions	(38.732.584)	(38.391.426)	(34.645.479)	(34.645.479)
Net Operating Revenues	168.921.360	162.960.688	121.304.667	121.304.667
Cost of Products and Services Sold	(109.727.924)	(103.944.415)	(71.838.406)	(69.911.493)
Gross profit	59.193.436	59.016.273	49.466.261	51.393.174
Other operating revenue (expenses)				
Sales	(5.169.933)	(5.030.169)	(4.586.086)	(4.586.086)
Financial:				
Expenses	(2.649.957)	(2.233.063)	(3.698.420)	(5.345.100)
Revenue	1.477.849	1.400.562	4.105.104	4.351.469
Monetary and Foreign Exchange Variations, net	1.813.330	615.287	2.863.481	1.649.286
Generals and Administratives Management and Directors Remuneration	(26.113)	(25.601)	(3.757)	(3.757)
Administrative	(5.141.166)	(5.056.010)	(3.561.889)	(3.561.889)
Taxes	(445.630)	(431.046)	(229.609)	(229.609)
Cost of Research and Technological Development	(1.268.794)	(1.268.794)	(1.258.157)	(1.258.157)
Exploration Costs for the Oil and Gas	(2.169.901)	(2.112.806)	(1.702.074)	(1.702.074)
Healthcare and Pension Plans	(1.068.218)	(1.068.218)	(1.007.827)	(1.007.827)
Other Operating Expenses, Net	(4.477.275)	(4.432.099)	(4.125.049)	(4.125.049)
	(19.125.808)	(19.641.957)	(13.204.283)	(15.818.793)
Participation in Subsidiaries and Affiliated companies				
Equity pick-up	7.336	(105.354)	2.538.488	2.661.203
Operating Income	40.074.964	39.268.962	38.800.466	38.235.584
Non-operating expenses	371.477	(88.207)	316.120	(173.052)
Income before Taxes/Profit Sharing and Minority Interests	40.446.441	39.180.755	39.116.586	38.062.532

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Social contribution	(3.625.361)	(3.605.618)	(3.376.260)	(3.364.761)
Income Tax	(10.543.841)	(10.407.734)	(9.270.849)	(9.238.908)
Income before profit sharing for employees and management and minority interest	26.277.239	25.167.403	26.469.477	25.458.863
Profit sharing for employees and management				
Income before Minority Interest	26.277.239	25.167.403	26.469.477	25.458.863
Minority Interest	283.033	329.689		
Net Income for the period	26.560.272	25.497.092	26.469.477	25.458.863

* Including the effects of CVM Resolution 534/08

Pag: 15

3 Cash and cash equivalents

	R\$ thousand			
	Consolidated		Parent company	
	09.30.2008	06.30.2008	09.30.2008	06.30.2008
Cash and banks	1.511.109	2.072.151	95.024	776.449
Short-term investments				
<i>- Local:</i>				
Exclusive investment funds:				
. DI	3.047.464	2.014.471	1.711.284	1.028.110
. Government bonds	1.119.789	686.853		
. Credit rights			4.046.674	13.382.680
Financial investment funds:				
. Currency	5.694	13.968		
. DI	1.102.705	1.610.151		
Other	447.668	378.505		
	5.723.320	4.703.948	5.757.958	14.410.790
<i>-Foreign</i>				
. Time deposit	1.104.866	2.504.667	885.277	1.429.640
. Fixed income securities	2.436.836	1.765.482	1.031.681	741.116
	3.541.702	4.270.149	1.916.958	2.170.756
Total short-term investments	9.265.022	8.974.097	7.674.916	16.581.546
Total cash and cash equivalents	10.776.131	11.046.248	7.769.940	17.357.995

The financial investments in Brazil have immediate liquidity and are mainly composed of quotas in exclusive funds, whose proceeds are invested in federal government bonds and financial derivative operations, executed by the managers of the funds, with the US dollar futures contracts and interbank deposits (DI) guaranteed by the Brazilian Futures and Commodities Exchange (BM&F). The exclusive funds do not have material financial obligations, and are limited to the obligations of adjustments of the positions of the BM&F, audit services, service fees related to the custody of assets and execution of financial operations and other administrative expenses. Short-term investment balances are recorded at cost, plus accrued income, which is recognized proportionately up to the balance sheet date at amounts not exceeding their respective market values.

At September 30, 2008, the Parent company had amounts invested in the Petrobras System's nonstandardized credit assignment investment fund (FIDC-NP). This investment fund is intended predominantly for acquiring performing and/non-performing credit rights from operations carried out by the companies in the Petrobras System, and aimed at optimizing the financial management of the cash of the Parent company and its subsidiaries. Petrobras consolidates the FIDC-NP in its financial statements. The assignment of credit rights recorded in the current liabilities of the Parent company in the amount R\$ 5.541.806 thousand (R\$ 14.698.536 thousand at June 30, 2008) was offset in the Consolidated statements by the amounts invested in the FIDC-NP. The investments in the government bonds are

recorded under cash and cash equivalents (Consolidated statements) according to their respective terms.

At September 30 and June 30, 2008, the Company and its subsidiary PifCo had amounts invested abroad in an investment fund that held, amongst others, debt securities of companies of the Petrobras System and a special purpose entity, related mainly to the CLEP and Malhas projects, in amounts equivalent to R\$ 8.626.037 thousand and R\$ 7.171.950 thousand, respectively. This amount refers to Consolidated companies and was offset against the balance of financing in current and non-current liabilities.

4 Trade accounts receivable, net

	R\$ thousand			
	Consolidated		Parent company	
	09.30.2008	06.30.2008	09.30.2008	06.30.2008
Clients				
Third parties	16.960.674	16.296.820	4.703.681	4.217.431
Related parties (<i>Note 5.1</i>)	958.106	1.307.565	87.050.421 (*)	64.424.732 (*)
Other	3.557.556	2.940.507	2.522.213	2.196.563
	21.476.336	20.544.892	94.276.315	70.838.726
Less: allowance for doubtful accounts	(2.509.121)	(2.290.390)	(287.874)	(287.405)
	18.967.215	18.254.502	93.988.441	70.551.321
Less: long-term accounts receivable, net	(2.042.734)	(2.653.642)	(70.891.689)	(53.354.638)
Short-term accounts receivable, net	16.924.481	15.600.860	23.096.752	17.196.683

(*) This does not include dividends receivable of R\$ 59.191 thousand as of September 30, 2008 (R\$ 542.011 thousand at June 30, 2008) and reimbursements receivable of R\$ 1.471.409 thousand as of September 30, 2008 (R\$ 1.532.408 thousand at June 30, 2008) and Credit Assignment Investment Fund of R\$ 3.237.690 thousand at September 30, 2008 (R\$ 13.081.992 thousand at June 30, 2008).

	R\$ thousand			
	Consolidated		Parent company	
	09.30.2008	06.30.2008	09.30.2008	06.30.2008
Change in allowance for doubtful accounts				
Balance at the beginning of the quarter	2.290.390	2.349.012	287.405	278.969
Additions (*)	219.200	22.115	3.327	10.573
Write-offs (**)	(469)	(80.737)	(2.858)	(2.137)
Balance at the end of the quarter	2.509.121	2.290.390	287.874	287.405
Short-term	1.454.669	1.416.888	287.874	287.405
Long-term	1.054.452	873.502		

- (*) Includes positive exchange variation of provision for uncollectible accounts constituted at foreign companies.
- (**) Includes negative exchange variation of provision for uncollectible accounts constituted at foreign companies.

5 Related party transactions

Petrobras carries out commercial transactions with its subsidiaries, affiliated companies and a special purpose companies under normal market conditions. The transactions for the purchase of petroleum and oil products carried out by Petrobras with the subsidiary PifCo have longer settlement terms due to the fact that PifCo is a subsidiary created for this purpose, with the levying of the due charges in the period. The passing on of prepayments for exports and international market funding is done at the same rates obtained by the subsidiary. The revenue, earnings and charges in connection with other transactions, especially intercompany loans, are established based on normal market conditions and/or in accordance with specific legislation.

5.1 Assets

	R\$ thousand								
	Parent Company								
	Current Assets				Non-current Assets				
	Account receivable, mainly from sales	Cash and cash equivalents	Dividends receivable	Advance for capital increase	Amounts earmarked for building gas pipelines	Loans	Other operations	Reimbursements receivable	Tot
Petroquisa and subsidiaries (*)	13.279					4			
Petrobras Distribuidora and subsidiaries (*)	1.621.417					245.218	229.523		2.096.158
Gaspetro and subsidiaries (*)	573.841			8.028	848.920	13.060			1.443.849
PifCo and subsidiaries	11.339.233					42.396.580	21.779		53.757.592
PNBV and subsidiaries	3.819			9.414			5.072		18.315
Downstream and subsidiary	384.776					326.335			711.111
Transpetro and subsidiary	736.690		59.191						795.881
PIB-BV Holanda and subsidiaries (*)	201.277						72.968		274.245
Brasoil and subsidiaries	11.428					25.045.228	4.452		25.480.108
BOC	172					408.870	54		409.096
17 de Maio and subsidiaries	36.889					47.518			84.407
Petrobras Comercializadora	138.288								138.288

de Energia Ltda. Credit Rights Investment Fund (**)	(808.984)	4.046.674								3.
Other subsidiaries and affiliated companies	598.349		132.610		515.513	12				1.
Petrobras Negócios Eletrônicos	383									
Thermoelectrics Affiliated companies	392.957		132.610		515.513					1.
Other	203.849									
Specific Purpose Entity	1.160					12				
	977.423								1.471.409	2.
09/30/2008	15.827.897	4.046.674	59.191	150.052	848.920	68.998.326	333.860		1.471.409	91.
06/30/2008	11.357.050	13.382.680	542.011	160.666	749.097	51.770.290	86.941		1.532.408	79.

(*) Includes transactions with jointly-controlled subsidiaries

(**) Includes R\$66.210 thousand of prepaid expenses.

R\$ thousand**Interest Rates of Active Loans**

Index	september-08	june-08
TJLP + 5% p.a.	326.250	277.078
LIBOR + 1 to 3% p.a.	67.850.680	50.802.165
1,70% p.a.	326.334	275.102
101% of CDI	250.198	184.192
14,5% p.a.	86.265	86.987
IGPM + 6% p.a.	158.596	144.761
Other rates	3	5
	68.998.326	51.770.290

Bolivia-Brazil gas pipeline

The section of the Bolivia-Brazil gas pipeline in Bolivia is the property of Gás Transboliviano S.A. (GTB), in which Gaspetro holds a minority interest (11%).

A US\$ 350 million turnkey contract for the construction of the Bolivian section of the pipeline was entered into with Yacimientos Petrolíferos Fiscales Bolivianos (YPFB), which was subsequently passed on to GTB, and it will be paid off over 12 years starting in January 2000, in the form of transport services.

At September 30, 2008, the balance of the rights to future transport services, on account of costs already incurred in the construction up to that date, plus interest of 10,7% p.a., is R\$ 488.325 thousand (R\$ 422.616 thousand at June 30, 2008), of which R\$ 366.895 thousand is classified as advances to suppliers (R\$ 321.646 thousand at June 30, 2008) which includes the amount of R\$ 117.214 thousand (R\$ 98.270 thousand at June 30, 2008) related to the anticipated acquisition of the right to transport 6 million cubic meters of gas for a period of 40 years (TCO - Transportation Capacity Option).

The Brazilian section of the gas pipeline is the property of Transportadora Brasileira Gasoduto Bolívia-Brasil S.A. (TBG), a subsidiary of Gaspetro. At September 30, 2008, Petrobras' s total receivable from TBG for management, forwarding of costs and financing related to the construction of the gas pipeline and the anticipated acquisition of the right to transport 6 million cubic meters of gas for a period of 40 years (TCO), amounted to R\$ 848.920 thousand (R\$ 749.097 thousand at June 30, 2008), and is classified under net current assets as accounts receivable, net.

5.2 Liabilities

	R\$ thousand							
	Parent Company							
	Current Liabilities						Non-Curre	
	Suppliers, mainly for purchases of oil and oil products	Advances from clients	Afreightment of platforms	Project Financing	Credit assignment investment fund - FIDC	Other Operations	Loans	Export prepayments
Petroquisa and subsidiaries (*)	(18.715)					(27)		
Petrobras Distribuidora and subsidiaries (*)	(235.662)	(58.708)						
Gaspetro and subsidiaries (*)	(462.411)	(187.500)						
PifCo and subsidiaries	(50.563.286)	(106.544)						(666.722)
PNBV and subsidiaries	(293.707)		(1.447.208)					
Downstream and subsidiary	(35.547)							
Transpetro and subsidiary	(1.109.657)					(50)		
PIB-BV Holanda and subsidiaries (*)	(229.397)	(17.780)				(354)		
Brasoil and subsidiaries	(30.293)	(919)	(8.522)					
Petrobras Comercializadora de Energia Ltda.	(454)							
Credit Rights Investment Fund					(5.541.806)			
Other subsidiaries and associated companies	(530.178)	(32)					(45.206)	
Petrobras Negócios Eletrônicos	(3.383)							
Other Themoelectrics	(8.194)	(32)						
Afilliated companies	(435.135)							
	(83.466)						(45.206)	

Specific Purpose

Companies

(73.641)

(242.006)

09/30/2008

(53.582.948) (371.483)

(1.455.730)

(242.006) (5.541.806)

(431) (45.206)

(666.722)

06/30/2008

(38.424.944) (294.591)

(1.272.299)

(283.592) (14.698.536)

(572) (44.176)

(581.123)

* Includes transactions with jointly-controlled subsidiaries

5.3 Income Statement

R\$ Thousand				
PARENT COMPANY				
INCOME STATEMENT				
	Operational income mainly from sales	Financial income (Expenses), net	Monetary and Exchange Variations, net	TOTAL
Petroquisa and Subsidiaries *	330.312		1.212	331.524
Petrobras Distribuidora S.A. and Subsidiaries *	37.297.615	(77.500)	(16.775)	37.203.340
Gaspetro and Subsidiaries *	3.350.811	(13.197)	66.754	3.404.368
PifCo and Subsidiaries	15.530.328	(211.871)	562.879	15.881.336
PNBV and Subsidiaries	-		(137.023)	(137.023)
Downstream and Subsidiary	3.366.446	3.460	36.653	3.406.559
Transpetro and Subsidiary	363.789		8.900	372.689
PIB-BV Holanda and Subsidiaries *	106.598		9.720	116.318
Brasoil and Subsidiaries		919.370	2.070.184	2.989.554
BOC		21.463	36.836	58.299
Petrobras Comercializadora de Energia Ltda	387.740			387.740
Ipiranga Asfaltos	138.795	636		139.431
Quattor Participações and subsidiary	1.043.795			1.043.795
Refinaria de Petróleo Ipiranga	139.520			139.520
Credit Rights Investment Fund		41.493		41.493
Other subsidiaries and associated companies	4.371.636	22.418	50.024	4.444.078
Petrobras Negócios Eletrônicos	3.630		104	3.734
Others				
Thermoelectric Power Plants	102.790	25.674	41.165	169.629
Affiliated companies	4.265.216	(3.256)	8.755	4.270.715
Specific Purpose Companies	51.045			51.045
09/30/2008	66.478.430	706.272	2.689.364	69.874.066
09/30/2007	52.964.122	947.151	(2.573.887)	51.337.386

* Includes transactions with jointly-controlled subsidiaries.

5.4 Transactions with government entities and pension funds

The Company is controlled by the Federal Government and carries out various transactions with government entities in the normal course of its operations.

Significant transactions with government entities and the pension fund resulted in the following balances:

	R\$ thousand			
	Consolidated			
	09.30.2008		06.30.2008	
	Assets	Liabilities	Assets	Liabilities
Petros (Pension fund)	1.384.553	929.106	1.346.948	594.797
Banco do Brasil S.A.	2.970.997	4.058.280	3.676.914	4.165.703
BNDES		8.686.007		7.703.183
Judicial Deposits (CEF and BB)	1.479.141	61.877	1.524.764	161.982
Petroleum and alcohol account - Federal government credits	804.759		801.042	
Government bonds	4.424.267		4.184.665	
Other	654.462	594.500	679.280	640.438
	11.718.179	14.329.770	12.213.613	13.266.103
Current	4.475.074	4.021.822	4.648.595	3.243.876
Non-current	7.243.105	10.307.948	7.565.018	10.022.227
				Pag: 22

The balances are classified in the balance sheet as follows:

	R\$ thousand			
	Consolidated			
	09.30.2008		06.30.2008	
	Assets	Liabilities	Assets	Liabilities
Assets				
Current assets	4.475.074		4.648.595	
Cash and cash equivalents	3.968.481		4.143.792	
Accounts receivable, net	60.368		85.818	
Other current assets	446.225		418.985	
Non-current assets	7.243.105		7.565.018	
Petroleum and alcohol account - STN	804.759		801.042	
Judicial deposits	1.478.038		1.524.706	
Advance to pension plan	1.384.553		1.346.948	
Marketable Securities	3.370.342		3.661.390	
Other long-term assets	205.413		230.932	
Liabilities				
Current liabilities		4.021.822		3.243.876
Financing		3.320.843		2.511.847
Other current liabilities		700.979		732.029
Non-current liabilities		10.307.948		10.022.227
Financing		9.881.546		9.512.954
Other non-current liabilities		426.402		509.273
	11.718.179	14.329.770	12.213.613	13.266.103

6 Inventories

	R\$ thousand			
	Consolidated		Parent company	
	09.30.2008	06.30.2008	09.30.2008	06.30.2008
Products:				
Petroleum products (*)	9.285.335	7.223.736	6.992.947	5.219.834
Fuel alcohol (*)	394.697	251.820	136.201	71.611
	9.680.032	7.475.556	7.129.148	5.291.445
Raw materials, mainly crude oil (*)	11.245.047	10.889.875	8.858.417	8.606.474
Maintenance materials and supplies (*)	3.251.972	3.071.086	2.785.190	2.700.102
Advances to suppliers	1.445.329	1.300.156	1.400.654	1.257.600
Other	608.875	476.573	53.192	24.007
Total	26.231.255	23.213.246	20.226.601	17.879.628

Short-term	25.976.804	22.998.563	19.972.150	17.664.945
Long-term	254.451	214.683	254.451	214.683

(*) Includes imports in transit.

7 Petroleum and alcohol account - STN

In order to settle accounts with the Federal Government pursuant to Provisional Measure n° 2.181, of August 24, 2001, after providing all the information required by the National Treasury Department (STN), Petrobras is seeking to settle the remaining differences between the parties.

At September 30, 2008, the balance of the account was R\$ 804.759 thousand (R\$ 801.042 thousand at June 30, 2008) and this can be settled by the Federal Government by issuing National Treasury Notes in an amount equal to the final balance for the settling of accounts or through offsetting against other amounts that Petrobras may be owing the Federal Government at the time, including tax related amounts or a combination of the foregoing operations.

8 Marketable Securities

The marketable securities, classified as non-current assets, are comprised as follows:

	R\$ thousand			
	Consolidated		Parent company	
	09.30.2008	06.30.2008	09.30.2008	06.30.2008
NTN-B	3.211.229	3.327.564	3.207.545	3.327.564
B certificates	130.266	108.327		
Other	169.913	180.239	8.498	8.429
	3.511.408	3.616.130	3.216.043	3.335.993

The B Series National Treasury Notes (NTN-B) were used as a guarantee, on October 23, 2008, after the confirmation of the agreements into with Petros, for settling Petrobras' liabilities. The face value of the NTN-Bs is restated by the Amplified Consumer Price Index (IPCA). Interest coupons will be paid half-yearly at the rate of 6% p.a. on the restated face value of these notes. These notes fall due in 2024 and 2035, with retrieval to be made in full on their respective due dates.

The B certificates, which were received by Brasoil on account of the sale of platforms in 2000 and 2001, have semi-annual maturity dates until 2011 and yield interest equivalent to the Libor rate plus 0,70% p.a. to 4,25% p.a.

9 Project financing

Petrobras carries out projects jointly with Brazilian and international finance agencies and companies in the petroleum and energy sector for the purpose of making feasible the investments needed in the business areas in which the company operates.

Considering that the project financing is made feasible through Special Purpose Entities (SPE), the activities of which are essentially controlled by Petrobras, the expenditure incurred by the Company on projects being negotiated or already negotiated with third parties are classified in the consolidated financial statements as non-current assets - property, plant and equipment.

9.1 Specific purpose entities

a) Project financing

Project / Estimated investment	Purpose	Main guarantees	Current stage
Barracuda and Caratinga US\$ 3,1 billion	To make the development of the production of the Barracuda and Caratinga fields in the Campos Basin viable. The SPE Barracuda and Caratinga Leasing Company B.V. (BCLC) is in charge of building all the assets (wells, submarine equipment and production units) required for the project. It also owns them.	Guarantee provided by Brasoil to cover BCLC's financial needs.	Operating, with assets in the final stage of construction.
Marlim US\$ 1,5 billion	Consortium with Companhia Petrolífera Marlim (CPM), which provides Petrobras with submarine equipment for petroleum production in the Marlim field.	70% of the production of the field limited to 720 days.	Operating.
NovaMarlim US\$ 834 million	Consortium with NovaMarlim Petróleo S.A. (NovaMarlim) which provides submarine equipment for petroleum production and reimburses operating costs arising from operating and maintaining the field assets through an advance already made to Petrobras.	30% of the production of the field limited to 720 days.	Operating.
CLEP US\$ 1,3 billion	Companhia Locadora de Equipamentos Petrolíferos (CLEP) provides, for Petrobras use, assets linked to petroleum production located in the Campos Basin, through a lease agreement for a period of 10 years, at the end of which Petrobras will have the right to acquire shares in the SPE or the project's assets.	Lease prepayments in the event the revenue is not sufficient to meet the obligations with financiers.	Operating.
PDET US\$ 1,2 billion	PDET Offshore S.A. is the owner of the project's assets and its objective is to improve the infrastructure for transfer of the oil produced in the Campos Basin to the refineries in the Southeast region and for exporting. The assets will be leased to Petrobras for 12 years.	All the project's assets will be pledged as collateral	Operating.

Project / Estimated investment	Purpose	Main guarantees	Current stage
<p>Malhas</p> <p>US\$ 1,1 billion</p>	<p>A consortium formed by Transpetro, Transportadora Associada de Gás (TAG)ex-TNS, Nova Transportadora do Sudeste (NTS) and Nova Transportadora do Nordeste (NTN). NTS and NTN contribute to the Malhas consortium through building assets related to transport of natural gas. TAG (a 100% Gaspetro company) provides assets that have already been built. Transpetro contributes as operator of the gas pipelines.</p>	<p>Prepayments based on transport capacity to cover any eventual consortium cash shortages.</p>	<p>It has been operating since January 1, 2006. The, Campinas-Rio stretch of pipeline was completed on May 18, 2008 and is currently awaiting the operating license (LO)and authorization to operate (AO), while the Catu-Carmópolis stretch is in the final stages of completion.</p>
<p>Modernization of Revap</p> <p>US\$ 1,2 billion</p>	<p>The objective of this project is to increase the heavy oil processing capacity of the Henrique Lage Refinery (Revap) bringing the diesel it produces into line with new Brazilian specifications and reducing pollution emission levels. To do this the SPE, Cia. de Desenvolvimento e Modernização de Plantas Industriais CDMPI, was created, which will build and will lease to a Petrobras a delayed coking plant, a coke naphtha hydro-treatment unit and related units to be installed in this refinery. The executive committee has authorized an increase in the investment of US\$300 million.</p>	<p>Prepayments of leasing to cover eventual cash shortages of CDMPI.</p>	<p>In the stage of building its assets.</p>
<p>Cabiúnas</p> <p>US\$850 million</p> <p>Consolidated in the leasing agreement</p>	<p>A project with the object of increasing the transport capacity for the Campos Basin gas production. Cayman Cabiunas Investment Co. Ltd. (CCIC) provides the assets to Petrobras under an international lease agreement.</p>	<p>Pledge of 10,4 billion m³ of gas.</p>	<p>Operating.</p>

Others
**(Albacora, Albacora/
Petros and PCGC)**

US\$ 495,5 million

Ownership of
the assets or
an additional
lease payment in
the event the revenue is
not sufficient to meet
obligations with
financers.

Operating.

Pag: 27

b) Project financing in progress

Project / Estimated investment	Purpose	Main guarantees	Current stage
<p>Gasene</p> <p>US\$ 3 billion</p>	<p>Transportadora Gasene S.A. is responsible for the construction and future ownership of pipelines for transport of natural gas with a total length of 1,4 thousand km and a transport capacity of 20 million cubic meters per day, connecting the Cabiúnas Terminal in Rio de Janeiro to the city of Catu in the state of Bahia.</p>	<p>Pledge of credit rights.</p> <p>Pledge of shares in the SPE.</p>	<p>Long-term financing signed with BNDES in December 2007 in the amount equivalent to R\$ 4,51 billion, including funds transferred from the China Development Bank (CDB) in the amount of US\$ 750 million. A loan obtained from BB Fund SPC of up to R\$ 800 million for construction of the gas pipeline with the issuing of US\$ 210 million in promissory notes in October 2006. The first stretch of the Gasene project, the Cabiúnas-Vitória gas pipeline, is currently in the testing stage, while the second stretch, the Cacimbas-Catu pipeline, is in the construction stage.</p>