

PETROBRAS - PETROLEO BRASILEIRO SA
Form 6-K
November 02, 2009

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 October, 2009

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 Issues US\$ 4 billion in 10- and 30-year Notes

Rio de Janeiro, October 30 2009 – PETRÓLEO BRASILEIRO S/A - PETROBRAS, announces that it closed today a US\$ 4 billion issuance of 10- and 30-year notes in the international capital markets. The notes were issued by Petrobras' wholly-owned subsidiary Petrobras International Finance Company (“PifCo”) and constitute general senior unsecured and unsubordinated obligations of PifCo that are unconditionally and irrevocably guaranteed by Petrobras. The terms of the notes are as follows:

| | 2020 Notes | 2040 Notes |
|---------------------------|--|-----------------------|
| Amount | US\$ 2.5 billion | US\$1.5 billion |
| Coupon | 5.75% p.a. | 6.875% p.a. |
| Yield | 5.875% p.a. | 7.00% p.a. |
| Due date | 1/20/2020 | 1/20/2040 |
| Spread over U.S. Treasury | + 238.50 basis points | + 270.60 basis points |
| 1st interest payment date | 1/20/2010 | |
| Interest payment dates | January 20 and July 20 of each year | |
| Rating | Baa1 (Moody's), BBB- (Standard & Poor's) and BBB (Fitch) | |
| Joint Bookrunners | Citi, HSBC, J.P. Morgan and Santander | |
| Co-managers | BB Securities and Société Générale | |

The transaction was the largest-ever corporate bond offering by a Brazilian company in the international capital markets, and the book was oversubscribed 2.9 times with more than 500 investors from the United States, Europe, Asia and Latin America participating, most of them dedicated to the high grade market.

The proceeds from the issuance will be used to repay the bridge loans incurred at the beginning of the year, and for general corporate purposes.

www.petrobras.com.br/ri/english

Contacts: PETRÓLEO BRASILEIRO S. A. PETROBRAS

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This document may contain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (Securities Act), and Section 21E of the Securities Exchange Act of 1934, as amended (Exchange Act) that merely reflect the expectations of the Company's management. Such terms as anticipate, believe, expect, forecast, intend, plan, project, seek, should, along with similar or analogous expressions, are used to identify forward-looking statements. These predictions evidently involve risks and uncertainties, whether foreseen or not by the Company. Therefore, the future results of operations may differ from current expectations, and readers must not base their expectations exclusively on the information presented herein.

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.

Date: October 30, 2009

PETRÓLEO BRASILEIRO S.A--PETROBRAS

By: /s/ Almir Guilherme Barbassa

Almir Guilherme Barbassa
Chief Financial Officer and
Investor Relations Officer

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 (Securities Act), and Section 21E of the Securities Exchange Act of 1934, as amended (Exchange Act) that are not based on historical facts and are not assurances of future results. These forward-looking statements are based on management's current view and estimates of future economic circumstances, industry conditions, company performance and financial results. The words "anticipates", "believes", "estimates", "expects", "plans" and similar expressions, as they relate to the company, are intended to identify forward-looking statements. Statements regarding the declaration or payment of dividends, the implementation of principal operating and financing strategies and capital expenditure plans, the direction of future operations and the factors or trends affecting financial condition, liquidity or results of operations are examples of forward-looking statements. Such statements reflect the current views of management and are subject to a number of risks and uncertainties. There is no guarantee that the expected events, trends or results will actually occur. The statements are based on many assumptions and factors, including general economic and market conditions, industry conditions, and operating factors. Any changes in such assumptions or factors could cause actual results to differ materially from current expectations.

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. 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.
