

PETROBRAS - PETROLEO BRASILEIRO SA
Form 6-K
October 30, 2012

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, 2012

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

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This report on Form 6-K is incorporated by reference in the Registration Statement on Form F-3 of Petróleo Brasileiro -- Petrobras (No. 333-163665).

PETRÓLEO BRASILEIRO S.A. –

PETROBRAS

Quarterly Information – ITR
On September 30, 2012 and report on review of
Quarterly information

(A free translation of the original in Portuguese)

ITR - Quarterly Information - 09/30/2012 - PETRÓLEO BRASILEIRO S.A. - PETROBRAS
 ITR - Quarterly Information - 09/30/2012 - PETRÓLEO BRASILEIRO S.A. - PETROBRAS

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ITR - Quarterly Information - 09/30/2012 - PETRÓLEO BRASILEIRO S.A. - PETROBRAS

Company Data / Share Capital Composition

| Number of Shares (Thousand) | Current Quarter 09/30/2012 |
|--|---------------------------------------|
| From Paid-in Capital | |
| Common | 7,442,454 |
| Preferred | 5,602,043 |
| Total | 13,044,497 |
| Treasury Shares | |
| Common | 0 |
| Preferred | 0 |
| Total | 0 |

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Company Data / Cash Dividends

| Event | Approval Date | Type | Payment Begin | Type of Shares | Class of Shares | Dividend Per Share (Real Share) |
|----------------------------|----------------------|----------------------------------|----------------------|-----------------------|------------------------|--|
| Board of Directors Meeting | 12/22/2011 | Interest on Shareholders' equity | 02/29/2012 | Common | | 0.200 |
| Board of Directors Meeting | 12/22/2011 | Interest on Shareholders' equity | 02/29/2012 | Preferred | | 0.200 |
| Board of Directors Meeting | 02/09/2012 | Dividend | 05/18/2012 | Common | | 0.120 |
| Board of Directors Meeting | 02/09/2012 | Dividend | 05/18/2012 | Preferred | | 0.120 |
| Board of Directors Meeting | 04/27/2012 | Interest on Shareholders' equity | 05/31/2012 | Common | | 0.200 |
| Board of Directors Meeting | 04/27/2012 | Interest on Shareholders' equity | 05/31/2012 | Preferred | | 0.200 |

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ITR - Quarterly Information - 09/30/2012 - PETRÓLEO BRASILEIRO S.A. - PETROBRAS

Individual Interim Accounting Information / Statement of Financial Position -Assets**(R\$ Thousand)**

| Account Code | Description Account | Current Quarter 09/30/2012 | Previous Fiscal Year 12/31/2011 |
|---------------------|--|-----------------------------------|--|
| 1 | Total Assets | 532,665,510 | 494,180,658 |
| 1.01 | Current Assets | 95,622,806 | 95,248,068 |
| 1.01.01 | Cash and Cash Equivalents | 14,920,197 | 18,857,502 |
| 1.01.01.01 | Cash and Banks | 37,034 | 672,255 |
| 1.01.01.02 | Short Term Investments | 14,883,163 | 18,185,247 |
| 1.01.02 | Short Term Investments | 26,030,236 | 23,624,649 |
| 1.01.02.01 | Financial Investments at Fair Value | 22,663,049 | 16,785,110 |
| 1.01.02.01.01 | Trading Securities | 16,393,911 | 16,785,110 |
| 1.01.02.01.02 | Available-for-Sale Securities | 6,269,138 | - |
| 1.01.02.02 | Financial Investments Valued at Amortized Cost | 3,367,187 | 6,839,539 |
| 1.01.02.02.01 | Held-to-Maturity Securities | 3,367,187 | 6,839,539 |
| 1.01.03 | Accounts Receivable | 15,313,052 | 20,347,067 |
| 1.01.03.01 | Accounts Receivable, net | 12,041,328 | 17,438,937 |
| 1.01.03.01.01 | Third parties | 4,290,798 | 3,207,385 |
| 1.01.03.01.02 | Subsidiaries and associates | 8,305,126 | 14,633,648 |
| 1.01.03.01.03 | Allowance for Uncollectible Accounts | (554,596) | (402,096) |
| 1.01.03.02 | Other Receivable | 3,271,724 | 2,908,130 |
| 1.01.04 | Inventories | 25,234,484 | 22,434,018 |
| 1.01.06 | Recoverable Taxes | 9,673,522 | 6,577,389 |
| 1.01.06.01 | Current Recoverable Taxes | 9,673,522 | 6,577,389 |
| 1.01.07 | Prepaid Expenses | 1,850,605 | 1,223,829 |
| 1.01.08 | Other Current Assets | 2,600,710 | 2,183,614 |
| 1.01.08.03 | Other | 2,600,710 | 2,183,614 |
| 1.01.08.03.01 | Advances to Suppliers | 1,626,684 | 1,039,642 |
| 1.01.08.03.02 | Dividends Receivable | 200,610 | 721,422 |
| 1.01.08.03.03 | Other | 773,416 | 422,550 |
| 1.02 | Non-Current Assets | 437,042,704 | 398,932,590 |
| 1.02.01 | Long-Term Assets | 26,174,385 | 36,259,041 |
| 1.02.01.01 | Financial Investments at Fair Value | 66,162 | 5,209,632 |
| 1.02.01.01.02 | Available-for-Sale Securities | 66,162 | 5,209,632 |
| 1.02.01.02 | Financial Investments Valued at Amortized Cost | 215,206 | 9,345 |
| 1.02.01.02.01 | Held-to-Maturity Securities | 215,206 | 9,345 |
| 1.02.01.03 | Accounts Receivable | 80,151 | 121,325 |
| 1.02.01.03.02 | Other Receivable | 80,151 | 121,325 |

| | | | |
|---------------|---|------------|------------|
| 1.02.01.04 | Inventories | 72,452 | 66,927 |
| 1.02.01.06 | Deferred Taxes | 10,249,059 | 12,299,990 |
| 1.02.01.06.01 | Deferred Income Tax and Social Contribution | 2,452,476 | 3,170,703 |
| 1.02.01.06.02 | Deferred Value-Added Tax (ICMS) | 1,657,583 | 1,742,022 |
| 1.02.01.06.03 | Deferred PIS/COFINS | 6,139,000 | 7,387,265 |
| 1.02.01.07 | Prepaid Expenses | 2,132,448 | 1,656,257 |
| 1.02.01.08 | Credit with Related Parties | 6,859,826 | 11,507,046 |
| 1.02.01.08.01 | Credit with Associates | 4,463 | 3,694 |
| 1.02.01.08.02 | Credit with Subsidiaries | 6,841,480 | 11,452,611 |
| 1.02.01.08.04 | Credit with Other Related Parties | 13,883 | 50,741 |
| 1.02.01.09 | Other Non-Current Assets | 6,499,081 | 5,388,519 |
| 1.02.01.09.03 | Petroleum and Alcohol Accounts - STN | 835,141 | 831,949 |

ITR - Quarterly Information - 09/30/2012 - PETRÓLEO BRASILEIRO S.A. - PETROBRAS

ITR - Quarterly Information - 09/30/2012 - PETRÓLEO BRASILEIRO S.A. - PETROBRAS

Individual Interim Accounting Information / Statement of Financial Position -Assets**(R\$ Thousand)**

| Account Code | Description Account | Current Quarter 09/30/2012 | Previous Fiscal Year 12/31/2011 |
|---------------------|--|-----------------------------------|--|
| 1.02.01.09.05 | Restricted Deposits for Legal Proceedings and Guarantees | 2,717,528 | 2,563,720 |
| 1.02.01.09.06 | Advances to Suppliers | 1,849,178 | 1,011,348 |
| 1.02.01.09.07 | Other Long-Term Assets | 1,097,234 | 981,502 |
| 1.02.02 | Investments | 75,148,620 | 57,239,381 |
| 1.02.02.01 | Corporate Interests | 75,148,620 | 57,239,381 |
| 1.02.02.01.01 | Investments in Associates | 5,873,369 | 4,050,493 |
| 1.02.02.01.02 | Investments in Subsidiaries | 67,772,108 | 51,937,821 |
| 1.02.02.01.03 | Investments in Jointly Controlled Entities | 1,308,231 | 1,049,439 |
| 1.02.02.01.04 | Other Corporate Interests | 194,912 | 201,628 |
| 1.02.03 | Property, Plant and Equipment | 257,835,879 | 227,301,932 |
| 1.02.03.01 | Assets in Operation | 133,127,995 | 97,038,581 |
| 1.02.03.02 | Assets Under Leasing | 10,429,844 | 10,920,513 |
| 1.02.03.03 | Assets Under Construction | 114,278,040 | 119,342,838 |
| 1.02.04 | Intangible assets | 77,735,298 | 77,886,170 |
| 1.02.04.01 | Intangible assets | 77,735,298 | 77,886,170 |
| 1.02.04.01.02 | Concessions Rights | 76,209,233 | 76,370,148 |
| 1.02.04.01.03 | Software | 1,526,065 | 1,516,022 |
| 1.02.05 | Deferred | 148,522 | 246,066 |

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ITR - Quarterly Information - 09/30/2012 - PETRÓLEO BRASILEIRO S.A. - PETROBRAS

Individual Interim Accounting Information / Statement of Financial Position - Liabilities**(R\$ Thousand)**

| Account Code | Description Account | Current Quarter 09/30/2012 | Previous Fiscal Year 12/31/2011 |
|---------------------|--|---------------------------------------|--|
| 2 | Total Liabilities | 532,665,510 | 494,180,658 |
| 2.01 | Current Liabilities | 57,713,383 | 56,936,498 |
| 2.01.01 | Social and Labor Obligations | 3,503,167 | 2,719,992 |
| 2.01.01.01 | Social Obligations | 500,772 | 502,388 |
| 2.01.01.02 | Labor Obligations | 3,002,395 | 2,217,604 |
| 2.01.02 | Trade Accounts Payable | 14,000,189 | 12,268,055 |
| 2.01.02.01 | National Suppliers | 10,307,753 | 9,252,271 |
| 2.01.02.02 | Foreign Suppliers | 3,692,436 | 3,015,784 |
| 2.01.03 | Taxes | 8,566,476 | 9,257,682 |
| 2.01.03.01 | Federal Taxes | 5,938,530 | 7,200,370 |
| 2.01.03.01.02 | Other Federal Taxes | 5,938,530 | 7,200,370 |
| 2.01.03.02 | State Taxes | 2,526,011 | 1,944,758 |
| 2.01.03.03 | Municipal Taxes | 101,935 | 112,554 |
| 2.01.04 | Current Debt | 4,165,051 | 4,535,117 |
| 2.01.04.01 | Loans and Financing | 2,350,884 | 912,404 |
| 2.01.04.01.01 | Local Currency | 612,784 | 568,739 |
| 2.01.04.01.02 | Foreign Currency | 1,738,100 | 343,665 |
| 2.01.04.02 | Debentures | 68,662 | 1,700,255 |
| 2.01.04.03 | Finance Leases Obligations | 1,745,505 | 1,922,458 |
| 2.01.05 | Other Liabilities | 26,049,128 | 26,814,770 |
| 2.01.05.01 | Related Parties Liabilities | 22,608,130 | 19,972,287 |
| 2.01.05.01.01 | Debt with Associates | 149,307 | 89,323 |
| 2.01.05.01.02 | Debt with Subsidiaries | 13,316,121 | 10,243,980 |
| 2.01.05.01.04 | Debt with Other Related Parties | 9,142,702 | 9,638,984 |
| 2.01.05.02 | Other | 3,440,998 | 6,842,483 |
| 2.01.05.02.01 | Dividends and Interest on Shareholders' Equity | - | 3,878,129 |
| 2.01.05.02.04 | Interests of Employees and Managers | - | 1,295,251 |
| 2.01.05.02.05 | Other | 3,440,998 | 1,669,103 |
| 2.01.06 | Provisions | 1,429,372 | 1,340,882 |
| 2.01.06.02 | Other Provisions | 1,429,372 | 1,340,882 |
| 2.01.06.02.04 | Pension and Health Care Plans Obligations | 1,429,372 | 1,340,882 |
| 2.02 | Non-Current Liabilities | 132,105,633 | 106,769,598 |
| 2.02.01 | Long-Term Debt | 54,627,956 | 50,476,598 |
| 2.02.01.01 | Loans and Financing | 47,801,155 | 42,887,392 |

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| | | | |
|---------------|---|------------|------------|
| 2.02.01.01.01 | Local Currency | 32,720,545 | 27,542,091 |
| 2.02.01.01.02 | Foreign Currency | 15,080,610 | 15,345,301 |
| 2.02.01.02 | Debentures | 100,478 | 167,460 |
| 2.02.01.03 | Finance Leases Obligations | 6,726,323 | 7,421,746 |
| 2.02.02 | Other Liabilities | 18,541,126 | 2,854,727 |
| 2.02.02.01 | Related Parties Liabilities | 14,876,767 | 273,696 |
| 2.02.02.01.01 | Debt with Associates | 61,691 | 58,202 |
| 2.02.02.01.02 | Debt with Subsidiaries | 14,815,076 | 215,494 |
| 2.02.02.02 | Other | 3,664,359 | 2,581,031 |
| 2.02.02.02.03 | Other Accounts Payable and Expenses | 3,664,359 | 2,581,031 |
| 2.02.03 | Deferred Taxes | 32,967,528 | 29,408,005 |
| 2.02.03.01 | Deferred Income Tax and Social Contribution | 32,967,528 | 29,408,005 |

ITR - Quarterly Information - 09/30/2012 - PETRÓLEO BRASILEIRO S.A. - PETROBRAS

ITR - Quarterly Information - 09/30/2012 - PETRÓLEO BRASILEIRO S.A. - PETROBRAS

Individual Interim Accounting Information / Statement of Financial Position - Liabilities**(R\$ Thousand)**

| Account Code | Description Account | Current Quarter 09/30/2012 | Previous Fiscal Year 12/31/2011 |
|---------------------|--|---------------------------------------|--|
| 2.02.03.01.01 | Deferred Income Tax and Social Contribution | 32,967,528 | 29,408,005 |
| 2.02.04 | Provisions | 25,969,023 | 24,030,268 |
| 2.02.04.01 | Tax, Social Security, Labor and Civil Provisions | 603,543 | 437,405 |
| 2.02.04.01.01 | Tax Provisions | 98,578 | 11,556 |
| 2.02.04.01.02 | Social Security and Labor Provisions | 248,047 | 202,681 |
| 2.02.04.01.04 | Civil Provisions | 174,377 | 161,168 |
| 2.02.04.01.05 | Other Process Provisions | 82,541 | 62,000 |
| 2.02.04.02 | Other Provisions | 25,365,480 | 23,592,863 |
| 2.02.04.02.04 | Pension and Health Care Plans Obligations | 17,268,251 | 15,351,424 |
| 2.02.04.02.05 | Provision for Decommissioning Costs | 8,097,229 | 8,241,439 |
| 2.03 | Shareholders' Equity | 342,846,494 | 330,474,562 |
| 2.03.01 | Paid in Capital | 205,392,137 | 205,379,729 |
| 2.03.02 | Capital Reserves | 933,687 | 859,388 |
| 2.03.02.07 | Additional Paid in Capital | 933,687 | 859,388 |
| 2.03.04 | Profit Reserves | 122,950,652 | 122,963,060 |
| 2.03.04.01 | Legal Reserve | 14,308,515 | 14,308,515 |
| 2.03.04.02 | Statutory Reserve | 2,448,518 | 2,448,518 |
| 2.03.04.05 | Undistributed Earnings Reserve | 104,800,895 | 104,800,895 |
| 2.03.04.07 | Tax Incentive Reserve | 1,392,724 | 1,405,132 |
| 2.03.05 | Retained Earnings/ Accumulated Losses | 10,507,455 | - |
| 2.03.06 | Equity Valuation Adjustments | 3,062,563 | 1,272,385 |
| 2.03.06.01 | Cumulative Translation Adjustments | 2,141,924 | 926,685 |
| 2.03.06.02 | Other Comprehensive Income | 920,639 | 345,700 |

ITR - Quarterly Information - 09/30/2012 - PETRÓLEO BRASILEIRO S.A. - PETROBRAS

Individual Interim Accounting Information / Statement of Income**(R\$ Thousand)**

| Account | | Current Quarter 07/01/2012 to 09/30/2012 | 09/30/2012 |
|----------------|--|---|-------------------|
| Code | Description Account | | |
| 3.01 | Sales Revenues | 55,586,985 | 15 |
| 3.02 | Cost of Sales | (43,259,673) | (12) |
| 3.03 | Gross Profit | 12,327,312 | 3 |
| 3.04 | Operating Income/Expenses | (6,068,937) | (2) |
| 3.04.01 | Selling Expenses | (3,144,830) | (8) |
| 3.04.02 | Administrative and General Expenses | (1,760,761) | (5) |
| 3.04.05 | Other Operating Expenses | (4,180,450) | (11) |
| 3.04.05.01 | Other Taxes | (86,348) | (0) |
| 3.04.05.02 | Research and Development Expenses | (581,073) | (2) |
| 3.04.05.03 | Exploration Costs | (1,123,343) | (3) |
| 3.04.05.05 | Other Operating Income and Expenses, Net | (2,389,686) | (6) |
| 3.04.06 | Equity Results | 3,017,104 | 8 |
| 3.05 | Income Before Financial Results, Profit Sharing and Income Taxes | 6,258,375 | 1 |
| 3.06 | Financial Income (Expenses), Net | 565,170 | (1) |
| 3.06.01 | Financial Income | 1,108,172 | 3 |
| 3.06.01.01 | Financial Income | 1,108,172 | 3 |
| 3.06.02 | Financial Expenses | (543,002) | (1) |
| 3.06.02.01 | Financial Expenses | (314,629) | (0) |
| 3.06.02.02 | Exchange and Monetary Variations, net | (228,373) | (0) |
| 3.07 | Income Before Income Taxes | 6,823,545 | 1 |
| 3.08 | Income Tax and Social Contribution | (1,336,857) | (3) |
| 3.08.01 | Current | 222,618 | 0 |
| 3.08.02 | Deferred | (1,559,475) | (4) |
| 3.09 | Net Income from Continuing Operations | 5,486,688 | 1 |
| 3.11 | Income / Loss for the period | 5,486,688 | 1 |
| 3.99 | Income per Share - (Reais / Share) | - | - |
| 3.99.01 | Basic Income per Share | - | - |

ITR - Quarterly Information - 09/30/2012 - PETRÓLEO BRASILEIRO S.A. - PETROBRAS

Individual Interim Accounting Information / Statement of Income**(R\$ Thousand)**

| Account | | Current Quarter 07/01/2012 to 09/30/2012 | Accumulated of the Current Year 01/01/2012 to 09/30/2012 | Same Quarter of Previous Year 07/01/2011 to 09/30/2011 | Accumulated of the Previous Year 01/01/2011 to 09/30/2011 |
|----------------|--------------------------|---|---|---|--|
| | | | | | |
| 3.99.01.01 | Common | 0.42000 | 1.01000 | 0.48419 | 2.15198 |
| 3.99.01.02 | Preferred | 0.42000 | 1.01000 | 0.48419 | 2.15198 |
| 3.99.02 | Diluted Income per Share | - | - | - | - |
| 3.99.02.01 | Common | 0.42000 | 1.01000 | 0.48419 | 2.15198 |
| 3.99.02.02 | Preferred | 0.42000 | 1.01000 | 0.48419 | 2.15198 |

ITR - Quarterly Information - 09/30/2012 - PETRÓLEO BRASILEIRO S.A. - PETROBRAS

Individual Interim Accounting Information / Statement of Comprehensive Income**(R\$ Thousand)**

| Account | Description | Current | Accumulated | Same | Accumulated |
|----------------|---|-------------------|--------------------|-------------------|--------------------|
| | | Quarter | of the | Quarter of | of the |
| Code | Account | 07/01/2012 | 01/01/2012 | 07/01/2011 | 01/01/2011 |
| | | to | to | to | to |
| | | 09/30/2012 | 09/30/2012 | 09/30/2011 | 09/30/2011 |
| 4.01 | Net Income for the Period | 5,486,689 | 13,176,382 | 6,315,997 | 28,071,468 |
| 4.02 | Other Comprehensive Income | 188,117 | 1,805,786 | 1,920,915 | 1,102,301 |
| 4.02.01 | Cumulative Translation Adjustments | (54,151) | 1,215,239 | 1,799,200 | 1,122,916 |
| 4.02.02 | Deemed Cost | 2,694 | 7,804 | 7,995 | 7,995 |
| 4.02.03 | Unrealized Gains / (Losses) on Available-for-Sale Securities - Recognized | 356,109 | 856,951 | 222,246 | (7,357) |
| 4.02.04 | Unrealized Gains / (Losses) on Available-for-Sale Securities - Transferred to Results | 201 | 3,202 | 6,862 | 21,424 |
| 4.02.05 | Unrecognized Gains / (Losses) on Cash Flow Hedge - Recognized | 6,672 | 803 | (39,279) | (36,098) |
| 4.02.06 | Unrecognized Gains / (Losses) on Cash Flow Hedge - Transferred to Results | (2,937) | 12,544 | (545) | (9,080) |
| 4.02.07 | Deferred Income Tax and Social Contribution | (120,471) | (290,757) | (75,564) | 2,501 |
| 4.03 | Comprehensive Income for the Period | 5,674,806 | 14,982,168 | 8,236,912 | 29,173,769 |

ITR - Quarterly Information - 09/30/2012 - PETRÓLEO BRASILEIRO S.A. - PETROBRAS

Individual Interim Accounting Information / Statement of Cash Flows - Indirect Method**(R\$ Thousand)**

| Account | | Accumulated | |
|----------------|--|---------------------------------|---------------------------------|
| | | Current Year | Pre |
| Code | Description Account | 01/01/2012 to 09/30/2012 | 01/01/2012 to 09/30/2012 |
| 6.01 | Net Cash - Operating Activities | 32,056,086 | 25,62 |
| 6.01.01 | Cash Provided by Operating Activities | 29,514,932 | 38,24 |
| 6.01.01.01 | Net Income for the Period | 13,176,382 | 28,07 |
| 6.01.01.03 | Equity in Earnings (Losses) of Investments | (6,322,767) | (5,14 |
| 6.01.01.05 | Depreciation, Depletion and Amortization | 11,399,341 | 8,70 |
| 6.01.01.06 | Impairment | 287,099 | 23 |
| 6.01.01.07 | Write-off of Dry Wells | 4,009,022 | 1,34 |
| 6.01.01.08 | Residual Value of Permanent Assets Written Off | 89,530 | 12 |
| 6.01.01.09 | Exchange and Monetary Variation and Charges on Financing | 2,922,112 | 42 |
| 6.01.01.10 | Deferred Income Tax and Social Contribution, Net | 3,954,213 | 4,48 |
| 6.01.02 | Changes in Assets and Liabilities | 4,746,714 | (9,65 |
| 6.01.02.01 | Accounts Receivable | (1,111,629) | (56 |
| 6.01.02.02 | Inventories | (3,093,090) | (5,67 |
| 6.01.02.03 | Trade Accounts Payable | 1,731,940 | 1,15 |
| 6.01.02.04 | Taxes, Fees and Contributions | (2,721,502) | (12 |
| 6.01.02.05 | Pension and Health Care Plan | 1,931,245 | 1,12 |
| 6.01.02.06 | Short-Term Operations with Subsidiaries / Associates | 8,009,750 | (5,57 |
| 6.01.03 | Other | (2,205,560) | (2,95 |
| 6.01.03.01 | Other Assets | (3,252,440) | (4,01 |
| 6.01.03.02 | Other liabilities | 1,046,880 | 1,05 |
| 6.02 | Net Cash - Investment Activities | (45,925,394) | (23,47 |
| 6.02.01 | Investments in Exploration and Production | (24,457,742) | (16,97 |
| 6.02.02 | Investments in Refining, Transportation and Marketing | (25,295,492) | (11,77 |
| 6.02.03 | Investments in Gas and Power | (1,988,790) | (2,15 |
| 6.02.04 | Investment in International Segment | (3,972) | (|
| 6.02.06 | Investment in Biofuel | (157,886) | (44 |
| 6.02.07 | Other Investments | (1,139,841) | (1,89 |
| 6.02.08 | Investments in Marketable Securities | 5,429,000 | 8,14 |
| 6.02.09 | Dividends Received | 1,689,329 | 1,63 |
| 6.03 | Net Cash - Financing Activities | 9,932,003 | (38 |
| 6.03.03 | Funding | 4,214,015 | 1,09 |
| 6.03.04 | Amortization of Principal | (2,106,052) | (84 |
| 6.03.05 | Amortization of Interest | (2,324,184) | (2,05 |

| | | | |
|---------|--|-------------|-------|
| 6.03.06 | Intercompany Loans, Net | 16,830,198 | 15,58 |
| 6.03.07 | Non Standard Credit Rights Investment Fund | (496,282) | (5,88 |
| 6.03.08 | Dividends Paid to Shareholders | (6,185,692) | (8,26 |
| 6.05 | Increase (Decrease) in Cash and Cash Equivalents | (3,937,305) | 1,76 |
| 6.05.01 | Opening Balance of Cash and Cash Equivalents | 18,857,502 | 19,99 |
| 6.05.02 | Closing Balance of Cash and Cash Equivalents | 14,920,197 | 21,76 |

ITR - Quarterly Information - 09/30/2012 - PETRÓLEO BRASILEIRO S.A. - PETROBRAS

Individual Interim Accounting Information / Statement of Changes in Shareholders' Equity - 01/01/2012 to 09/30/2012**(R\$ Thousand)**

| Account | | Capital Reserves, Granted Options and Treasury Shares | |
|----------------|---|--|------------------------|
| Code | Description Account | Paid in Capital | Treasury Shares |
| 5.01 | Opening Balance | 205,379,729 | 859,388 |
| 5.03 | Adjusted Opening Balance | 205,379,729 | 859,388 |
| 5.04 | Capital Transactions with Shareholders | 12,408 | 74,299 |
| 5.04.01 | Capital Increases | 12,408 | - |
| 5.04.07 | Interest on Shareholders' Equity | - | - |
| 5.04.08 | Change in Interest in Subsidiaries | - | 74,299 |
| 5.04.09 | Realization of the Deemed Cost | - | - |
| 5.05 | Total of Comprehensive Income | - | - |
| 5.05.01 | Net Income for the Period | - | - |
| 5.05.02 | Other Comprehensive Income | - | - |
| 5.05.02.01 | Adjustments of Financial Instruments | - | - |
| 5.05.02.02 | Taxes on Adjustments of Financial Instruments | - | - |
| 5.05.02.04 | Translation Adjustments for the Period | - | - |
| 5.05.02.07 | Realization of the Deemed Cost | - | - |
| 5.05.03 | Transferred to Results | - | - |
| 5.05.03.01 | Adjustments of Financial Instruments | - | - |
| 5.07 | Final Balance | 205,392,137 | 933,687 |

ITR - Quarterly Information - 09/30/2012 - PETRÓLEO BRASILEIRO S.A. - PETROBRAS

Individual Interim Accounting Information / Statement of Changes in Shareholders' Equity - 01/01/2011 to 09/30/2011**(R\$ Thousand)****Account**

| Code | Description Account | Paid in Capital | Granted | Trea |
|-------------|---|------------------------|----------------|-------------|
| 5.01 | Opening Balance | 205,357,103 | | |
| 5.03 | Adjusted Opening Balance | 205,357,103 | | |
| 5.04 | Capital Transactions with Shareholders | 22,626 | | |
| 5.04.01 | Capital Increases | 22,626 | | |
| 5.04.07 | Interest on Shareholders' Equity | - | | |
| 5.04.08 | Change in Interest in Subsidiaries | - | | |
| 5.04.09 | Realization of the Deemed Cost | - | | |
| 5.05 | Total of Comprehensive Income | - | | |
| 5.05.01 | Net Income for the Period | - | | |
| 5.05.02 | Other Comprehensive Income | - | | |
| 5.05.02.01 | Adjustments of Financial Instruments | - | | |
| 5.05.02.02 | Taxes on Adjustments of Financial Instruments | - | | |
| 5.05.02.04 | Translation Adjustments for the Period | - | | |
| 5.05.02.07 | Realization of the Deemed Cost | - | | |
| 5.05.03 | Adjustments of Financial Instruments Transferred to Results | - | | |
| 5.05.03.01 | Realization of the Deemed Cost | - | | |
| 5.07 | Final Balance | 205,379,729 | | |

ITR - Quarterly Information - 09/30/2012 - PETRÓLEO BRASILEIRO S.A. - PETROBRAS

Individual Interim Accounting Information / Statement of Added Value**(R\$ Thousand)**

| Account | | Accumulated of the |
|----------------|---|--|
| Code | Description Account | Current Year 01/01/2012 to 09/30/2012 |
| 7.01 | Sales Revenues | 246,506,003 |
| 7.01.01 | Sales of Goods, Products and Services | 203,237,371 |
| 7.01.02 | Other Revenues | 3,879,256 |
| 7.01.03 | Revenues Related to the Construction of Own Assets | 39,541,876 |
| 7.01.04 | Allowance/Reversal for uncollectible Accounts | (152,500) |
| 7.02 | Inputs Acquired from Third Parties | (131,047,489) |
| 7.02.01 | Cost of Sales | (40,970,332) |
| 7.02.02 | Materials, Power, Third-Party Services and Other Operating Expenses | (76,465,686) |
| 7.02.03 | Impairment | (287,099) |
| 7.02.04 | Other | (13,324,372) |
| 7.03 | Gross Added Value | 115,458,514 |
| 7.04 | Retentions | (11,399,341) |
| 7.04.01 | Depreciation, Amortization and Depletion | (11,399,341) |
| 7.05 | Net Added Value Produced | 104,059,173 |
| 7.06 | Transferred Added Value | 11,176,691 |
| 7.06.01 | Results of Equity Accounting | 6,322,767 |
| 7.06.02 | Financial Income | 4,326,144 |
| 7.06.03 | Other | 527,780 |
| 7.07 | Total Added Value to be Distributed | 115,235,864 |
| 7.08 | Distribution of Added Value | 115,235,864 |
| 7.08.01 | Personnel | 13,729,103 |
| 7.08.01.01 | Payroll and Related Charges | 9,290,256 |
| 7.08.01.02 | Benefits | 3,825,441 |
| 7.08.01.03 | FGTS | 613,406 |
| 7.08.02 | Taxes, Duties and Social Contributions | 58,818,270 |
| 7.08.02.01 | Federal | 39,966,146 |
| 7.08.02.02 | State | 18,772,697 |
| 7.08.02.03 | Municipal | 79,427 |
| 7.08.03 | Remuneration of Third Party Capital | 29,512,109 |
| 7.08.03.01 | Interest | 9,955,376 |
| 7.08.03.02 | Rental | 19,556,733 |
| 7.08.04 | Remuneration of Shareholders' Equity | 13,176,382 |
| 7.08.04.01 | Interest on Shareholders' Equity | 2,676,731 |
| 7.08.04.03 | Retained Earnings / Loss For The Period | 10,499,651 |

ITR - Quarterly Information - 09/30/2012 - PETRÓLEO BRASILEIRO S.A. - PETROBRAS

Consolidated Interim Accounting Information / Statement of Financial Position - Assets**(R\$ Thousand)**

| Account Code | Description Account | Current Quarter 09/30/2012 | Previous Fiscal Year 12/31/2011 |
|---------------------|--|-----------------------------------|--|
| 1 | Total Assets | 646,683,148 | 599,149,983 |
| 1.01 | Current Assets | 125,807,690 | 118,368,613 |
| 1.01.01 | Cash and Cash Equivalents | 30,187,316 | 35,747,240 |
| 1.01.01.01 | Cash and Banks | 2,370,708 | 3,731,249 |
| 1.01.01.02 | Short Term Investments | 27,816,608 | 32,015,991 |
| 1.01.02 | Short Term Investments | 22,673,562 | 16,808,467 |
| 1.01.02.01 | Financial Investments at Fair Value | 22,663,049 | 16,791,201 |
| 1.01.02.01.01 | Trading Securities | 16,393,911 | 16,785,110 |
| 1.01.02.01.02 | Available-for-Sale Securities | 6,269,138 | 6,091,000 |
| 1.01.02.02 | Financial Investments Valued at Amortized Cost | 10,513 | 17,266 |
| 1.01.02.02.01 | Held-to-Maturity Securities | 10,513 | 17,266 |
| 1.01.03 | Accounts Receivable | 23,291,284 | 21,974,701 |
| 1.01.03.01 | Accounts Receivable, net | 18,003,805 | 16,734,007 |
| 1.01.03.01.01 | Third parties | 14,046,538 | 14,144,777 |
| 1.01.03.01.02 | Subsidiaries and associates | 5,821,141 | 4,274,251 |
| 1.01.03.01.03 | Allowance for Uncollectible Accounts | (1,863,874) | (1,685,021) |
| 1.01.03.02 | Other Receivable | 5,287,479 | 5,240,694 |
| 1.01.04 | Inventories | 30,355,707 | 28,446,924 |
| 1.01.06 | Recoverable Taxes | 12,614,976 | 10,050,597 |
| 1.01.06.01 | Current Recoverable Taxes | 12,614,976 | 10,050,597 |
| 1.01.07 | Prepaid Expenses | 2,128,645 | 1,328,418 |
| 1.01.08 | Other Current Assets | 4,556,200 | 4,012,266 |
| 1.01.08.03 | Other | 4,556,200 | 4,012,266 |
| 1.01.08.03.01 | Advances to Suppliers | 1,807,286 | 1,388,840 |
| 1.01.08.03.02 | Dividends Receivable | 214,359 | 77,914 |
| 1.01.08.03.03 | Other | 2,534,555 | 2,545,512 |
| 1.02 | Non-Current Assets | 520,875,458 | 480,781,370 |
| 1.02.01 | Long-Term Assets | 37,763,987 | 43,982,388 |
| 1.02.01.01 | Financial Investments at Fair Value | 348,745 | 5,472,748 |
| 1.02.01.01.02 | Available-for-Sale Securities | 348,745 | 5,472,748 |
| 1.02.01.02 | Financial Investments Valued at Amortized Cost | 289,188 | 274,363 |
| 1.02.01.02.01 | Held-to-Maturity Securities | 289,188 | 274,363 |
| 1.02.01.03 | Accounts Receivable | 5,471,612 | 5,122,163 |
| 1.02.01.03.02 | Other Receivable | 5,471,612 | 5,122,163 |
| 1.02.01.04 | Inventories | 89,927 | 84,122 |
| 1.02.01.06 | Deferred Taxes | 17,741,364 | 20,050,868 |

| | | | |
|---------------|--|------------|------------|
| 1.02.01.06.01 | Deferred Income Tax and Social Contribution | 6,646,880 | 8,041,846 |
| 1.02.01.06.02 | Deferred Value-Added Tax (ICMS) | 2,022,443 | 2,198,982 |
| 1.02.01.06.03 | Deferred PIS/COFINS | 8,520,117 | 9,337,847 |
| 1.02.01.06.04 | Other Taxes | 551,924 | 472,193 |
| 1.02.01.07 | Prepaid Expenses | 2,383,539 | 1,902,789 |
| 1.02.01.08 | Credit with Related Parties | 79,538 | 148,508 |
| 1.02.01.08.01 | Credit with Associates | 79,538 | 148,508 |
| 1.02.01.09 | Other Non-Current Assets | 11,360,074 | 10,926,827 |
| 1.02.01.09.03 | Petroleum and Alcohol Accounts - STN | 835,141 | 831,949 |
| 1.02.01.09.05 | Restricted Deposits for Legal Proceedings and Guarantees | 3,206,846 | 2,954,915 |

ITR - Quarterly Information - 09/30/2012 - PETRÓLEO BRASILEIRO S.A. - PETROBRAS

Consolidated Interim Accounting Information / Statement of Financial Position - Assets**(R\$ Thousand)**

| Account Code | Description Account | Current Quarter 09/30/2012 | Previous Fiscal Year 12/31/2011 |
|---------------------|-------------------------------|---------------------------------------|--|
| 1.02.01.09.06 | Advances to Suppliers | 6,205,623 | 5,891,800 |
| 1.02.01.09.07 | Other Long-Term Assets | 1,112,464 | 1,248,163 |
| 1.02.02 | Investments | 12,150,947 | 12,248,080 |
| 1.02.02.01 | Corporate Interests | 12,150,947 | 12,248,080 |
| 1.02.02.01.01 | Investments in Associates | 11,912,809 | 12,017,794 |
| 1.02.02.01.04 | Other Corporate Interests | 238,138 | 230,286 |
| 1.02.03 | Property, Plant and Equipment | 388,646,509 | 342,266,918 |
| 1.02.03.01 | Assets in Operation | 223,181,907 | 183,530,046 |
| 1.02.03.02 | Assets Under Leasing | 224,260 | 177,535 |
| 1.02.03.03 | Assets Under Construction | 165,240,342 | 158,559,337 |
| 1.02.04 | Intangible assets | 82,314,015 | 82,283,984 |
| 1.02.04.01 | Intangible assets | 81,374,114 | 81,334,884 |
| 1.02.04.01.02 | Concessions Rights | 79,664,796 | 79,653,873 |
| 1.02.04.01.03 | Software | 1,709,318 | 1,681,011 |
| 1.02.04.02 | Goodwill | 939,901 | 949,100 |

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ITR - Quarterly Information - 09/30/2012 - PETRÓLEO BRASILEIRO S.A. - PETROBRAS

Consolidated Interim Accounting Information / Statement of Financial Position - Liabilities**(R\$ Thousand)**

| Account Code | Description Account | Current Quarter 09/30/2012 | Previous Fiscal Year 12/31/2011 |
|---------------------|--|---------------------------------------|--|
| 2 | Total Liabilities | 646,683,148 | 599,149,983 |
| 2.01 | Current Liabilities | 64,248,495 | 68,212,334 |
| 2.01.01 | Social and Labor Obligations | 4,059,793 | 3,182,067 |
| 2.01.01.01 | Social Obligations | 542,742 | 436,481 |
| 2.01.01.02 | Labor Obligations | 3,517,051 | 2,745,586 |
| 2.01.02 | Trade Accounts Payable | 25,374,961 | 21,417,528 |
| 2.01.02.01 | National Suppliers | 12,614,837 | 12,258,291 |
| 2.01.02.02 | Foreign Suppliers | 12,760,124 | 9,159,237 |
| 2.01.03 | Taxes | 10,521,299 | 10,968,716 |
| 2.01.03.01 | Federal Taxes | 7,602,222 | 8,667,318 |
| 2.01.03.01.01 | Income Tax and Social Contribution Payable | 1,081,553 | 1,324,445 |
| 2.01.03.01.02 | Other Federal Taxes | 6,520,669 | 7,342,873 |
| 2.01.03.02 | State Taxes | 2,796,939 | 2,177,861 |
| 2.01.03.03 | Municipal Taxes | 122,138 | 123,537 |
| 2.01.04 | Current Debt | 15,340,941 | 18,966,329 |
| 2.01.04.01 | Loans and Financing | 14,911,881 | 17,030,834 |
| 2.01.04.01.01 | Local Currency | 2,033,229 | 2,500,959 |
| 2.01.04.01.02 | Foreign Currency | 12,878,652 | 14,529,875 |
| 2.01.04.02 | Debentures | 386,178 | 1,853,433 |
| 2.01.04.03 | Finance Leases Obligations | 42,882 | 82,062 |
| 2.01.05 | Other Liabilities | 7,454,457 | 12,250,659 |
| 2.01.05.01 | Related Parties Liabilities | 964,493 | 834,291 |
| 2.01.05.01.01 | Debt with Associates | 964,493 | 834,291 |
| 2.01.05.02 | Other | 6,489,964 | 11,416,368 |
| 2.01.05.02.01 | Dividends and Interest on Shareholders' Equity | - | 3,878,129 |
| 2.01.05.02.04 | Interests of Employees and Managers | - | 1,560,139 |
| 2.01.05.02.05 | Other | 6,489,964 | 5,978,100 |
| 2.01.06 | Provisions | 1,497,044 | 1,427,035 |
| 2.01.06.02 | Other Provisions | 1,497,044 | 1,427,035 |
| 2.01.06.02.04 | Pension and Health Care Plans Obligations | 1,497,044 | 1,427,035 |
| 2.02 | Non-Current Liabilities | 237,786,275 | 198,714,038 |
| 2.02.01 | Long-Term Debt | 171,215,496 | 136,588,365 |
| 2.02.01.01 | Loans and Financing | 170,393,510 | 135,412,117 |
| 2.02.01.01.01 | Local Currency | 64,791,838 | 57,831,248 |
| 2.02.01.01.02 | Foreign Currency | 105,601,672 | 77,580,869 |
| 2.02.01.02 | Debentures | 635,134 | 993,020 |

| | | | |
|---------------|---|------------|------------|
| 2.02.01.03 | Finance Leases Obligations | 186,852 | 183,228 |
| 2.02.02 | Other Liabilities | 1,381,709 | 2,003,415 |
| 2.02.02.01 | Related Parties Liabilities | 193,099 | 187,149 |
| 2.02.02.01.01 | Debt with Associates | 193,099 | 187,149 |
| 2.02.02.02 | Other | 1,188,610 | 1,816,266 |
| 2.02.02.02.03 | Other Accounts Payable and Expenses | 1,188,610 | 1,816,266 |
| 2.02.03 | Deferred Taxes | 36,314,427 | 33,268,472 |
| 2.02.03.01 | Deferred Income Tax and Social Contribution | 36,314,427 | 33,268,472 |
| 2.02.03.01.01 | Deferred Income Tax and Social Contribution | 36,306,231 | 33,229,769 |
| 2.02.03.01.02 | Other Deferred Taxes | 8,196 | 38,703 |

ITR - Quarterly Information - 09/30/2012 - PETRÓLEO BRASILEIRO S.A. - PETROBRAS

Consolidated Interim Accounting Information / Statement of Financial Position - Liabilities**(R\$ Thousand)**

| Account Code | Description Account | Current Quarter 09/30/2012 | Previous Fiscal Year 12/31/2011 |
|---------------------|--|---------------------------------------|--|
| 2.02.04 | Provisions | 28,874,643 | 26,853,786 |
| 2.02.04.01 | Tax, Social Security, Labor and Civil Provisions | 1,570,095 | 1,361,456 |
| 2.02.04.01.01 | Tax Provisions | 757,907 | 660,706 |
| 2.02.04.01.02 | Social Security and Labor Provisions | 356,265 | 290,422 |
| 2.02.04.01.04 | Civil Provisions | 296,677 | 297,860 |
| 2.02.04.01.05 | Other Process Provisions | 159,246 | 112,468 |
| 2.02.04.02 | Other Provisions | 27,304,548 | 25,492,330 |
| 2.02.04.02.04 | Pension and Health Care Plans Obligations | 18,545,945 | 16,652,908 |
| 2.02.04.02.05 | Provision for Decommissioning Costs | 8,758,603 | 8,839,422 |
| 2.03 | Consolidated Shareholders' Equity | 344,648,378 | 332,223,611 |
| 2.03.01 | Paid in Capital | 205,392,137 | 205,379,729 |
| 2.03.02 | Capital Reserves | 625,114 | 562,643 |
| 2.03.02.07 | Additional Paid in Capital | 625,114 | 562,643 |
| 2.03.04 | Profit Reserves | 122,611,716 | 122,624,124 |
| 2.03.04.01 | Legal Reserve | 14,308,515 | 14,308,515 |
| 2.03.04.02 | Statutory Reserve | 2,448,518 | 2,448,518 |
| 2.03.04.05 | Undistributed Earnings Reserve | 104,461,959 | 104,461,959 |
| 2.03.04.07 | Tax Incentive Reserve | 1,392,724 | 1,405,132 |
| 2.03.05 | Retained Earnings/ Accumulated Losses | 10,765,923 | - |
| 2.03.06 | Equity Valuation Adjustments | 3,062,563 | 1,272,385 |
| 2.03.06.01 | Cumulative Translation Adjustments | 2,141,924 | 926,685 |
| 2.03.06.02 | Other Comprehensive Income | 920,639 | 345,700 |
| 2.03.09 | Non-controlling Interest | 2,190,925 | 2,384,730 |

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ITR - Quarterly Information - 09/30/2012 - PETRÓLEO BRASILEIRO S.A. - PETROBRAS

Consolidated Interim Accounting Information / Income Statement**(R\$ Thousand)**

| Account | | Current Quarter 07/01/2012 to 09/30/2012 | 09/30/2011 |
|----------------|--|---|-------------------|
| Code | Description Account | | |
| 3.01 | Sales Revenues | 73,792,933 | 20,111,111 |
| 3.02 | Cost of Sales | (55,706,663) | (15,311,111) |
| 3.03 | Gross Profit | 18,086,270 | 5,800,000 |
| 3.04 | Operating Income/Expenses | (9,293,584) | (28,111,111) |
| 3.04.01 | Selling Expenses | (2,531,969) | (7,111,111) |
| 3.04.02 | Administrative and General Expenses | (2,540,273) | (7,111,111) |
| 3.04.05 | Other Operating Expenses | (4,412,813) | (14,000,000) |
| 3.04.05.01 | Other Taxes | (171,129) | |
| 3.04.05.02 | Research and Development Expenses | (585,817) | (1,111,111) |
| 3.04.05.03 | Exploration Costs | (1,292,210) | (5,000,000) |
| 3.04.05.05 | Other Operating Income and Expenses, Net | (2,363,657) | (6,000,000) |
| 3.04.06 | Equity Results | 191,471 | |
| 3.05 | Income Before Financial Results, Profit sharing and Income Taxes | 8,792,686 | 2,000,000 |
| 3.06 | Financial Income (Expenses), Net | (569,439) | (6,000,000) |
| 3.06.01 | Financial Income | 981,206 | |
| 3.06.01.01 | Financial Income | 981,206 | |
| 3.06.02 | Financial Expenses | (1,550,645) | (10,000,000) |
| 3.06.02.01 | Financial Expenses | (1,095,464) | (2,000,000) |
| 3.06.02.02 | Exchange and Monetary Variations, net | (455,181) | (7,000,000) |
| 3.07 | Income Before Income Taxes | 8,223,247 | 1,000,000 |
| 3.08 | Income Tax and Social Contribution | (2,587,862) | (5,000,000) |
| 3.08.01 | Current | (801,554) | (2,000,000) |
| 3.08.02 | Deferred | (1,786,308) | (3,000,000) |
| 3.09 | Net Income from Continuing Operations | 5,635,385 | 1,000,000 |
| 3.11 | Consolidated Income / Loss for the period | 5,635,385 | 1,000,000 |
| 3.11.01 | Attributable to shareholders of the Parent Company | 5,566,356 | 1,000,000 |
| 3.11.02 | Attributable to non-controlling shareholders | 69,029 | |
| 3.99 | Income per Share - (Reais / Share) | - | - |

ITR - Quarterly Information - 09/30/2012 - PETRÓLEO BRASILEIRO S.A. - PETROBRAS

Consolidated Interim Accounting Information / Income Statement**(R\$ Thousand)**

| Account | | Current Quarter 07/01/2012 to 09/30/2012 | Accumulated of the Current Year 01/01/2012 to 09/30/2012 | Same Quarter of the Previous Year 07/01/2011 to 09/30/2011 | Accumulated of the Previous Year 01/01/2011 to 09/30/2011 |
|----------------|--------------------------|---|---|---|--|
| | | | | | |
| 3.99.01 | Basic Income per Share | - | - | - | - |
| 3.99.01.02 | Preferred | 0.42672 | 1.02992 | 0.48572 | 2.16672 |
| 3.99.02 | Diluted Income per Share | - | - | - | - |
| 3.99.02.01 | Common | 0.42672 | 1.02992 | 0.48572 | 2.16672 |
| 3.99.02.02 | Preferred | 0.42672 | 1.02992 | 0.48572 | 2.16672 |

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ITR - Quarterly Information - 09/30/2012 - PETRÓLEO BRASILEIRO S.A. - PETROBRAS

Consolidated Interim Accounting Information / Statement of Comprehensive Income**(R\$
Thousand)**

| Account | Code | Description Account | Current | Accumulated | Same | Accumulated |
|----------------|-------------|---|-------------------|---------------------|----------------------|----------------------|
| | | | Quarter | of the | Quarter of | of the |
| | | | 07/01/2012 | Current Year | Previous Year | Previous Year |
| | | | to | to | to | to |
| | | | 09/30/2012 | 01/01/2012 | 07/01/2011 | 01/01/2011 |
| | | | | 09/30/2012 | 09/30/2011 | 09/30/2011 |
| | 4.01 | Consolidated Net Income for the Period | 5,635,385 | 13,192,374 | 5,279,835 | 27,881,508 |
| | 4.02 | Other Comprehensive Income | 158,110 | 1,766,888 | 2,094,491 | 1,151,689 |
| | 4.02.01 | Cumulative Translation Adjustments | (84,158) | 1,176,341 | 1,972,776 | 1,172,304 |
| | 4.02.02 | Deemed Cost | 2,694 | 7,804 | 7,995 | 7,995 |
| | 4.02.03 | Unrealized Gains / (Losses) on Available-for-Sale Securities - Recognized | 356,109 | 856,951 | 222,246 | (7,357) |
| | 4.02.04 | Unrealized Gains / (Losses) on Available-for-Sale Securities - Transferred to Results | 201 | 3,202 | 6,862 | 21,424 |
| | 4.02.05 | Unrecognized Gains / (Losses) on Cash Flow Hedge - Recognized | 6,672 | 803 | (39,279) | (36,098) |
| | 4.02.06 | Unrecognized Gains / (Losses) on Cash Flow Hedge - Transferred to Results | (2,937) | 12,544 | (545) | (9,080) |
| | 4.02.07 | Deferred Income Tax and Social Contribution | (120,471) | (290,757) | (75,564) | 2,501 |
| | 4.03 | Consolidated Comprehensive Income for the Period | 5,793,495 | 14,959,262 | 7,374,326 | 29,033,197 |
| | 4.03.01 | Attributable to shareholders of the Parent Company | 5,754,473 | 15,240,636 | 8,256,835 | 29,366,121 |
| | 4.03.02 | Attributable to non-controlling shareholders | 39,022 | (281,374) | (882,509) | (332,924) |

ITR - Quarterly Information - 09/30/2012 - PETRÓLEO BRASILEIRO S.A. - PETROBRAS

Consolidated Interim Accounting Information / Statement of Cash Flows - Indirect Method**(R\$ Thousand)**

| Account | | Accumulated Accounts of the | |
|----------------|--|------------------------------------|-------------------|
| | | Current Year | Pre |
| Code | Description Account | 01/01/2012 | 01/01/2012 |
| | | to | 09/30/2012 |
| 6.01 | Net Cash - Operating Activities | 42,467,720 | 42,467,720 |
| 6.01.01 | Cash Provided by Operating Activities | 46,022,325 | 46,022,325 |
| 6.01.01.01 | Net Income for the Period | 13,434,850 | 13,434,850 |
| 6.01.01.02 | Non-Controlling interest | (242,476) | (242,476) |
| 6.01.01.03 | Equity in Earnings (Losses) of Investments | 98,190 | 98,190 |
| 6.01.01.05 | Depreciation, Depletion and Amortization | 15,841,056 | 15,841,056 |
| 6.01.01.06 | Impairment | 1,082,293 | 1,082,293 |
| 6.01.01.07 | Write-off of Dry Wells | 4,126,293 | 4,126,293 |
| 6.01.01.08 | Residual Value of Permanent Assets Written Off | 129,761 | 129,761 |
| 6.01.01.09 | Exchange and Monetary Variation and Charges on Financing | 7,971,926 | 7,971,926 |
| 6.01.01.10 | Deferred Income Tax and Social Contribution, Net | 3,580,432 | 3,580,432 |
| 6.01.02 | Changes in Assets and Liabilities | (1,729,349) | (1,729,349) |
| 6.01.02.01 | Accounts Receivable | (1,347,942) | (1,347,942) |
| 6.01.02.02 | Inventories | (3,660,366) | (3,660,366) |
| 6.01.02.03 | Trade Accounts Payable | 3,665,338 | 3,665,338 |
| 6.01.02.04 | Taxes, Fees and Contributions | (2,630,483) | (2,630,483) |
| 6.01.02.05 | Pension and Health Care Plan | 2,095,465 | 2,095,465 |
| 6.01.02.06 | Short-Term Operations with Subsidiaries / Associates | 148,639 | 148,639 |
| 6.01.03 | Other | (1,825,256) | (1,825,256) |
| 6.01.03.01 | Other Assets | (1,735,730) | (1,735,730) |
| 6.01.03.02 | Other liabilities | (89,526) | (89,526) |
| 6.02 | Net Cash - Investment Activities | (53,817,594) | (53,817,594) |
| 6.02.01 | Investments in Exploration and Production | (30,066,442) | (30,066,442) |
| 6.02.02 | Investments in Refining, Transportation and Marketing | (18,279,465) | (18,279,465) |
| 6.02.03 | Investments in Gas and Power | (2,479,543) | (2,479,543) |
| 6.02.04 | Investment in International Segment | (3,270,027) | (3,270,027) |
| 6.02.05 | Investments in Distribution | (821,726) | (821,726) |
| 6.02.06 | Investment in Biofuel | (39,592) | (39,592) |
| 6.02.07 | Other Investments | (1,142,488) | (1,142,488) |
| 6.02.08 | Investments in Marketable Securities | 2,059,394 | 2,059,394 |
| 6.02.09 | Dividends Received | 222,295 | 222,295 |

| | | | |
|---------|--|--------------|-----|
| 6.03 | Net Cash - Financing Activities | 4,775,325 | |
| 6.03.03 | Share Acquisition of non controlling shareholders | 93,407 | |
| 6.03.04 | Funding | 35,862,210 | 2 |
| 6.03.05 | Amortization of Principal | (17,682,426) | (1) |
| 6.03.06 | Amortization of Interest | (7,312,174) | (5) |
| 6.03.08 | Dividends Paid to Shareholders | (6,185,692) | (8) |
| 6.04 | Effect of Exchange Rate Changes on Cash and Cash Equivalents | 1,014,625 | |
| 6.05 | Increase (Decrease) in Cash and Cash Equivalents | (5,559,924) | |
| 6.05.01 | Opening Balance of Cash and Cash Equivalents | 35,747,240 | 2 |
| 6.05.02 | Closing Balance of Cash and Cash Equivalents | 30,187,316 | 3 |

ITR - Quarterly Information - 09/30/2012 - PETRÓLEO BRASILEIRO S.A. - PETROBRAS

Consolidated Interim Accounting Information / Statement of Changes in Shareholders' Equity - 01/01/2012 to 09/30/2012**(R\$
Thousand)**

| Account | | Capital Reserves, Granted Options and | | | Retained earnings / Other Comprehensive | |
|----------------|--|--|----------------------------|----------------------------|--|---------------|
| Code | Description Account | Paid in Capital | Treasury Shares | Profit Reserves | accumulated losses | Income |
| 5.01 | Opening Balance | 205,379,729 | 562,643 | 122,624,124 | | 1,272,385 |
| 5.03 | Adjusted Opening Balance | 205,379,729 | 562,643 | 122,624,124 | - | 1,272,385 |
| 5.04 | Capital Transactions with Shareholders | 12,408 | 62,471 | (12,408) | (2,676,731) | (7,804) |
| 5.04.01 | Capital Increases | 12,408 | - | (12,408) | - | - |
| 5.04.06 | Dividends | - | - | - | - | - |
| 5.04.07 | Interest on Shareholders' Equity | - | - | - | (2,676,731) | - |
| 5.04.08 | Change in Interest in Subsidiaries | - | 62,471 | - | - | - |
| 5.04.09 | Realization of the Deemed Cost | - | - | - | - | (7,804) |
| 5.05 | Total of Comprehensive Income | - | - | - | 13,442,654 | 1,797,982 |
| 5.05.01 | Net Income for the Period | - | - | - | 13,434,850 | - |
| 5.05.02 | Other Comprehensive Income | - | - | - | 7,804 | 1,782,236 |
| 5.05.02.01 | Adjustments of Financial Instruments | - | - | - | - | 857,754 |
| 5.05.02.02 | Taxes on Adjustments of Financial | - | - | - | - | (290,757) |

| | | | | | | |
|------------|--|-------------|---------|-------------|------------|-----------|
| | Instruments | | | | | |
| | Translation | | | | | |
| 5.05.02.04 | Adjustments for the Period | - | - | - | - | 1,215,239 |
| 5.05.02.07 | Realization of the Deemed Cost | - | - | - | 7,804 | - |
| 5.05.03 | Transferred to Results | - | - | - | - | 15,746 |
| 5.05.03.01 | Adjustments of Financial Instruments | - | - | - | - | 15,746 |
| 5.07 | Final Balance | 205,392,137 | 625,114 | 122,611,716 | 10,765,923 | 3,062,563 |

ITR - Quarterly Information - 09/30/2012 - PETRÓLEO BRASILEIRO S.A. - PETROBRAS

Consolidated Interim Accounting Information / Statement of Changes in Shareholders' Equity - 01/01/2011 to 09/30/2011**(R\$ Thousand)**

| Account | Capital Reserves, | Re |
|----------------|---|---|
| | Granted Options and | |
| Code | Description Account Paid in Capital | Treasury Shares Profit Reserves ac |
| 5.01 | Opening Balance 205,357,103 | (6,257) 101,323,731 |
| 5.03 | Adjusted Opening Balance 205,357,103 | (6,257) 101,323,731 |
| 5.04 | Capital Transactions with Shareholders 22,626 | 108,180 (22,626) |
| 5.04.01 | Capital Increases 22,626 | - (22,626) |
| 5.04.06 | Dividendos - | - - |
| 5.04.08 | Change in Interest in Subsidiaries - | 108,180 - |
| 5.04.09 | Realization of the Deemed Cost - | - - |
| 5.05 | Total of Comprehensive Income - | - - |
| 5.05.01 | Net Income for the Period - | - - |
| 5.05.02 | Other Comprehensive Income - | - - |
| 5.05.02.01 | Adjustments of Financial Instruments - | - - |
| 5.05.02.02 | Taxes on Adjustments of Financial Instruments - | - - |
| 5.05.02.04 | Translation Adjustments for the Period - | - - |
| 5.05.02.07 | Realization of the Deemed Cost - | - - |
| 5.05.03 | Adjustments of Financial Instruments Transferred to Results - | - - |
| 5.05.03.01 | Realization of the Deemed Cost - | - - |
| 5.07 | Final Balance 205,379,729 | 101,923 101,301,105 |

ITR - Quarterly Information - 09/30/2012 - PETRÓLEO BRASILEIRO S.A. - PETROBRAS

Consolidated Interim Accounting Information / Statement of added value**(R\$ Thousand)**

| Account | | Accumulated of the |
|----------------|---|--|
| Code | Description Account | Current Year 01/01/2012 to 09/30/2012 |
| 7.01 | Sales Revenues | 313,770,888 |
| 7.01.01 | Sales of Goods, Products and Services | 255,054,271 |
| 7.01.02 | Other Revenues | 6,151,467 |
| 7.01.03 | Revenues Related to the Construction of Own Assets | 52,750,658 |
| 7.01.04 | Allowance/Reversal for uncollectible Accounts | (185,508) |
| 7.02 | Inputs Acquired from Third Parties | (166,471,458) |
| 7.02.01 | Cost of Sales | (88,235,533) |
| 7.02.02 | Materials, Power, Third-Party Services and Other Operating Expenses | (62,527,114) |
| 7.02.03 | Impairment | (1,082,293) |
| 7.02.04 | Other | (14,626,518) |
| 7.03 | Gross Added Value | 147,299,430 |
| 7.04 | Retentions | (15,841,056) |
| 7.04.01 | Depreciation, Amortization and Depletion | (15,841,056) |
| 7.05 | Net Added Value Produced | 131,458,374 |
| 7.06 | Transferred Added Value | 3,933,661 |
| 7.06.01 | Results of Equity Accounting | (98,190) |
| 7.06.02 | Financial Income | 3,814,851 |
| 7.06.03 | Other | 217,000 |
| 7.07 | Total Added Value to be Distributed | 135,392,035 |
| 7.08 | Distribution of Added Value | 135,392,035 |
| 7.08.01 | Personnel | 17,330,769 |
| 7.08.01.01 | Payroll and Related Charges | 12,204,316 |
| 7.08.01.02 | Benefits | 4,422,506 |
| 7.08.01.03 | FGTS | 703,947 |
| 7.08.02 | Taxes, Duties and Social Contributions | 78,785,200 |
| 7.08.02.01 | Federal | 49,057,622 |
| 7.08.02.02 | State | 29,558,219 |
| 7.08.02.03 | Municipal | 169,359 |
| 7.08.03 | Remuneration of Third Party Capital | 26,083,692 |
| 7.08.03.01 | Interest | 15,760,510 |
| 7.08.03.02 | Rental | 10,323,182 |
| 7.08.04 | Remuneration of Shareholders' Equity | 13,192,374 |
| 7.08.04.01 | Interest on Shareholders' Equity | 2,676,731 |
| 7.08.04.03 | Retained Earnings / Loss For The Period | 10,758,119 |

7.08.04.04

Non-controlling Interest - Retained Earnings

(242,476

ITR - Quarterly Information - 09/30/2012 - PETRÓLEO BRASILEIRO S.A. - PETROBRAS

Notes to the interim financial information
(Consolidated and Parent Company)
(In millions of reais, except when stated otherwise)

1 The Company and its operations

Petróleo Brasileiro S.A. - Petrobras is dedicated, directly or through its subsidiaries (referred to jointly as "Petrobras" or the "Company") to prospecting, drilling, refining, processing, trading and transporting oil originating from wells, shale or other rocks, and oil products, natural gas and other liquid hydrocarbons, in addition to activities connected with energy and it may carry out research, development, production, transport, distribution and trading of all forms of energy, as well as any other correlated or similar activities. The Company's head office is located in Rio de Janeiro - RJ.

2 Basis of presentation of interim financial information

The consolidated interim information is being presented in accordance with IAS 34 - Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) and also in accordance with accounting practices adopted in Brazil for interim statements (CPC 21 - R1).

The individual interim accounting information is being presented in accordance with accounting practices adopted in Brazil for interim statements (CPC 21 - R1) and does not present differences in relation to the consolidated information, except for the maintenance of deferred charges, as established in CPC 43 (R1) - Initial Adoption of Technical Pronouncements. The reconciliations of the parent company's shareholders' equity and results with the consolidated are presented in Note 3.1.

This interim financial information is presented with the relevant changes occurred in the interim period, without repeating certain notes to the financial statements previously disclosed, and consider the consolidated information, considering that management understands that consolidated information provides more comprehensive measure of the Company's financial position and the performance of its operations, complemented by some individual information of the parent company. Hence it should be read together with the Company's annual financial statements for the year ended December 31, 2011, which include the full set of notes.

Certain amounts from prior periods have been reclassified for comparability purposes relatively to the current period presentation. These reclassifications did not affect the net income or the shareholders' equity of the Company.

The Company's Board of Directors authorized the publication of this interim quarterly information in a meeting held on October 26, 2012.

2.1 Accounting estimates

In the preparation of the interim financial information it is necessary to use estimates for certain assets, liabilities and other transactions. These estimates include: oil and gas reserves, liabilities of pension and health care plans, depreciation, depletion and amortization, abandonment costs, provisions for legal processes, market value of financial instruments, income tax and social contribution. Notwithstanding Management uses assumptions and judgments that are reviewed periodically, the actual results may differ from these estimates.

ITR - Quarterly Information - 09/30/2012 - PETRÓLEO BRASILEIRO S.A. - PETROBRAS

Notes to the interim financial information
(Consolidated and Parent Company)
(In millions of reais, except when stated otherwise)

3 Consolidation basis

The consolidated interim financial information includes the quarterly information of Petrobras and its subsidiaries and special purpose entities.

The Company did not present material changes in the group of consolidated companies in the nine-month period ended September 30, 2012.

The Company began to recognize in its financial statements for the year ended December 31, 2011 the investments in jointly controlled entities valued by the equity accounting method and no longer by proportionate consolidation, in conformity with the alternative established in IAS 31 and the corresponding CPC 19 (R1), approved by CVM Resolution 666/11.

Accordingly, the interim financial information for the period ended September 30, 2011 is being presented with this change, as follows:

a) Consolidated statement of income

| | Published | Jan-Sep/2011 Effect of proportional consolidation | Re-pres |
|---|---------------|--|----------|
| Sales revenues | 180,448 | (1,529) | 1 |
| Cost of sales | (119,642) | 654 | (11 |
| Gross profit | 60,806 | (875) | 5 |
| Expenses | (23,900) | 322 | (2 |
| Income before financial result, profit-sharing and taxes | 36,906 | (553) | 3 |
| Financial income (expenses), net | (367) | 89 | |
| Equity in results of non-consolidated companies | (29) | 320 | |
| Income before income taxes | 36,510 | (144) | |
| Income tax / social contribution | (8,631) | 147 | |
| Net income | 27,879 | 3 | 2 |
| Net income attributable to: | | | |

| | | |
|---------------------------|---------------|----------|
| Shareholders of Petrobras | 28,264 | - |
| Non-controlling interests | (385) | 3 |
| | 27,879 | 3 |

b) Consolidated statement of cash flows

| | Published | Jan-Sep/2011 Effect of proportional consolidation | Re-pres |
|---|------------------|--|----------------|
| Cash provided by operating activities | 42,522 | (488) | |
| Cash used in investment activities | (41,807) | 410 | (4 |
| Cash provided by financing activities | 2,538 | (149) | |
| Effect of exchange variation on cash and cash equivalents | 83 | 183 | |
| Net change in cash for the period | 3,336 | (44) | |
| Cash and cash equivalents at the beginning of period | 30,323 | (907) | |
| Cash and cash equivalents at the end of the period | 33,659 | (951) | 3 |

ITR - Quarterly Information - 09/30/2012 - PETRÓLEO BRASILEIRO S.A. - PETROBRAS

Notes to the interim financial information

(Consolidated and Parent Company)

*(In millions of reais, except when stated otherwise)***3.1 Reconciliation of the consolidated shareholders' equity and consolidated net income with those of the parent company**

| | Shareholders' equity | | Net income | |
|--|-----------------------------|-------------------|---------------------|---------------------|
| | 09.30.2012 | 12.31.2011 | Jan-Sep/2012 | Jan-Sep/2011 |
| Consolidated - IFRS | 344,648 | 332,224 | 13,192 | 27,882 |
| Equity of non-controlling interests | (2,191) | (2,385) | 243 | 382 |
| Deferred expenses, net of income tax | 389 | 636 | (259) | (193) |
| Parent company adjusted to international accounting standards (CPC) | 342,846 | 330,475 | 13,176 | 28,071 |

4 Accounting practices

The accounting practices and calculation methods used in the preparation of this consolidated and individual quarterly information are the same as those adopted in the preparation of the annual financial statements of the Company for the year ended December 31, 2011.

5 Cash and cash equivalents

| | Consolidated | |
|--|---------------------|-------------------|
| | 09.30.2012 | 12.31.2011 |
| Cash and banks | 2,371 | 3,731 |
| Financial investments | | |
| - <i>In Brazil</i> | | |
| Mutual funds - Interbank Deposit | 14,187 | 10,301 |
| Other investment funds | 2,280 | 4,275 |
| | 16,467 | 14,576 |
| - <i>Abroad</i> | 11,349 | 17,440 |
| Total financial investments | 27,816 | 32,016 |
| Total cash and cash equivalents | 30,187 | 35,747 |

6 Marketable securities

| | Consolidated | |
|--------------------|---------------------|-------------------|
| | 09.30.2012 | 12.31.2011 |
| Trading securities | 16,394 | 16,785 |
| Available-for-sale | 6,618 | 5,479 |
| Held-to-maturity | 300 | 291 |
| | 23,312 | 22,555 |
| Current | 22,674 | 16,808 |
| Non-current | 638 | 5,747 |

Trading and available-for-sale securities refer mainly to investments in treasury notes with maturity terms of more than 90 days and those presented in current assets consider the expectation of their realization in the short term.

Available-for-sale securities include National Treasury Notes, which were previously given in guarantee to Petros, as described in Note 21.

ITR - Quarterly Information - 09/30/2012 - PETRÓLEO BRASILEIRO S.A. - PETROBRAS

Notes to the interim financial information

(Consolidated and Parent Company)

*(In millions of reais, except when stated otherwise)***7 Accounts receivable****7.1 Accounts receivable, net**

| | Consolidated | |
|--|---------------------|-------------------|
| | 09.30.2012 | 12.31.2011 |
| Trade Accounts Receivable | | |
| Third parties | 20,550 | 19,348 |
| Related parties (Note 18.5) | | |
| Jointly controlled entities and associates | 1,671 | 1,549 |
| Receivables from the electricity sector | 4,458 | 3,672 |
| Petroleum and alcohol accounts - STN (*) | 835 | 832 |
| Others | 5,451 | 5,545 |
| | 32,965 | 30,946 |
| Allowance for uncollectible accounts | (3,073) | (2,790) |
| | 29,892 | 28,156 |
| Current | 23,506 | 22,053 |
| Non-current | 6,386 | 6,103 |

(*) National Treasury Secretariat.

7.2 Changes in the allowance for uncollectible accounts

| | Consolidated | |
|------------------------|---------------------|-------------------|
| | 09.30.2012 | 12.31.2011 |
| Opening balance | 2,790 | 2,681 |
| Additions (*) | 490 | 586 |
| Write-offs (*) | (207) | (477) |
| Closing balance | 3,073 | 2,790 |
| Current | 1,864 | 1,685 |
| Non-current | 1,209 | 1,105 |

(*) It includes exchange variation on allowance for uncollectible accounts recorded in companies abroad.

7.3 Overdue accounts receivable – Third-parties

| | Consolidated | |
|---------------------|---------------------|-------------------|
| | 09.30.2012 | 12.31.2011 |
| Up to 3 months | 1,528 | 1,411 |
| From 3 to 6 months | 329 | 215 |
| From 6 to 12 months | 325 | 264 |
| More than 12 months | 3,061 | 2,982 |

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Notes to the interim financial information
 (Consolidated and Parent Company)
 (In millions of reais, except when stated otherwise)

8 Inventories

| | Consolidated | |
|--|---------------------|-------------------|
| | 09.30.2012 | 12.31.2011 |
| Products: | | |
| Oil products (*) | 12,215 | 9,166 |
| Fuel Alcohol (*) | 440 | 782 |
| | 12,655 | 9,948 |
| Raw materials, mainly crude oil (*) | 13,518 | 14,847 |
| Maintenance materials and supplies (*) | 3,772 | 3,369 |
| Others | 501 | 367 |
| | 30,446 | 28,531 |
| Current | 30,356 | 28,447 |
| Non-current | 90 | 84 |

(*) It includes imports in transit.

9 Restricted deposits for legal proceeding and guarantees

| | Consolidated | |
|--------------------------|---------------------|-------------------|
| | 09.30.2012 | 12.31.2011 |
| Non-current asset | | |
| Labor | 1,334 | 1,131 |
| Tax (*) | 1,266 | 1,264 |
| Civil (*) | 474 | 455 |
| Others | 133 | 105 |
| Total | 3,207 | 2,955 |

(*) Net of deposits related to judicial proceedings for which a provision is recorded, when applicable.

10 Mergers, split-offs and other information about assets

Merger of Petroquisa and split-off of BRK

On January 27, 2012, the Extraordinary General Meeting of Petrobras approved the merger of Petrobras Química S.A. (Petroquisa) and the split-off of BRK Investimentos Petroquímicos S.A. (BRK) with the return of the split-off portion to the patrimony of Petrobras, without increasing the capital.

Partial split-off of Downstream

On June 29, 2012, Petrobras started retaining a direct interest of 100% in Alberto Pasqualini S.A. – REFAP, after the partial split-off of its subsidiary Downstream Participações Ltda., which previously held this interest. This restructuring did not affect the shareholders' equity of the Company.

Signing of settlement – Pasadena Refinery

On June 29, 2012, the Company entered into an out of court settlement which intended to terminate all existing lawsuits between Petrobras group companies and companies members of the Belgian Transcor/Astra group, which controls Astra Oil Trading NV (Astra), including those related to the arbitration process which, in April 2009, recognized Astra's exercise of its put option, to sell its interest (50%) in Pasadena Refining System Inc and PRSI Trading Company to Petrobras America S.A. - PAI.

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Notes to the interim financial information
(Consolidated and Parent Company)
(In millions of reais, except when stated otherwise)

With the exception of US\$ 70 million (equivalent to R\$ 140) which was recognized in results in the second quarter of 2012, the amount of US\$ 820.5 million defined in the agreement had been provided for in prior periods.

With the execution of the settlement and the payment of the respective amount, which occurred on the same day the agreement was signed, both parties give full and general release of all the disputes between them.

Fair Value Appraisal -GBD

The appraisal of the fair value of the assets acquired and the liabilities assumed from the subsidiary Gás Brasileiro Distribuidora S.A. – GBD was concluded in June 2012. Petrobras Gás S.A. - Gaspetro acquired 100% of GBD's shares in 2011. This appraisal resulted in a purchase price allocation of the total amount of R\$ 444 (equivalent to US\$ 280 million) to intangible assets totaling R\$ 332 and other assets and liabilities, net of R\$ 112. Therefore, no goodwill was recognized.

Empresa de Logística de E&P S.A.

On July 31, 2012, Alberto Pasqualini S.A. - REFAP was renamed Empresa de Logística de E&P S.A., after transferring its refining assets to Petrobras, with the objective of providing logistics services to oil and gas exploration and production operations in Brazil. The new company, whose operating activities were not initiated, had not affected its equity by transferring the assets.

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Notes to the interim financial information
 (Consolidated and Parent Company)
 (In millions of reais, except when stated otherwise)

11 Investments

11.1 Investments in subsidiaries, jointly controlled entities and associates (Parent company)

| | 09.30.2012 | 12.31.2011 |
|---|---------------|---------------|
| Subsidiaries: | | |
| Petrobras Netherlands B.V. - PNBV | 18,897 | 13,740 |
| Petrobras Gás S.A. - Gaspetro | 11,095 | 10,574 |
| Petrobras Distribuidora S.A. - BR | 10,999 | 9,960 |
| Refinaria Abreu e Lima S.A. | 8,255 | 2,997 |
| Petrobras Transporte S.A. - Transpetro | 3,766 | 3,146 |
| Empresa de Logística de E&P S.A. | 3,422 | - |
| Petrobras Biocombustível S.A. | 1,723 | 1,477 |
| Petrobras International Braspetro - PIB BV | 1,701 | 400 |
| Companhia Integrada Têxtil de Pernambuco - CITEPE | 1,673 | - |
| Companhia Locadora de Equipamentos Petrolíferos S.A. - CLEP | 1,491 | 1,473 |
| Companhia Petroquímica de Pernambuco - SUAPE | 1,074 | - |
| Termomacaé Ltda. | 776 | 743 |
| Comperj Poliolefinas S.A. | 651 | 651 |
| INNOVA S.A. | 414 | 377 |
| Termoceaná Ltda. | 343 | 319 |
| Petrobras Química S.A. - Petroquisa | - | 4,516 |
| Downstream Participações Ltda. | - | 1,124 |
| Other subsidiaries | 1,848 | 1,132 |
| Jointly controlled entities | 1,286 | 1,051 |
| Associates | 3,457 | 1,643 |
| | 72,871 | 55,323 |
| Goodwill | 3,072 | 3,056 |
| Unrealized income of the Parent company | (989) | (1,340) |
| Other investments | 195 | 200 |
| Total investments | 75,149 | 57,239 |

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Notes to the interim financial information
 (Consolidated and Parent Company)
 (In millions of reais, except when stated otherwise)

11.2 Investments in jointly controlled entities and associates (Consolidated)

| | 09.30.2012 | 12.31.2011 |
|---|-------------------|-------------------|
| Associates and jointly controlled entities | | |
| Petrochemical investments | 5,730 | 6,226 |
| Gas distributors | 1,078 | 1,056 |
| Guarani S.A. | 797 | 847 |
| Termoaçu S.A. | 546 | 538 |
| Petroritupano - Orielo | 495 | 458 |
| Nova Fronteira Bionergia S.A. | 417 | 434 |
| Petrowayu - La Concepción | 357 | 330 |
| Petrokariña - Mata | 211 | 195 |
| Transierra S.A. | 143 | 122 |
| UEG Araucária | 127 | 128 |
| Distrilec S.A. | 126 | 216 |
| Other associates and jointly controlled entities | 1,886 | 1,468 |
| | 11,913 | 12,018 |
| Other investments | 238 | 230 |
| | 12,151 | 12,248 |

11.3 Investments in listed companies

| Company | Thousand-share lot | | Type | Quoted stock exchange prices (R\$ per share) | | Market value | |
|---------------------|--------------------|------------|--------|--|------------|--------------|------------|
| | 09.30.2012 | 12.31.2011 | | 09.30.2012 | 12.31.2011 | 09.30.2012 | 12.31.2011 |
| Subsidiaries | | | | | | | |
| Petrobras | | | Common | 1.26 | 2.70 | | |
| Argentina (*) | 1,356,792 | 678,396 | | | | 1,709 | 1,8 |
| | | | | | | 1,709 | 1,8 |

Associates

| | | | | | | | |
|---------|---------|---------|-----------|-------|-------|--------------|------------|
| Braskem | 212,427 | 212,427 | Common | 12.60 | 11.78 | 2,677 | 2,5 |
| Braskem | | | Preferred | 14.27 | 12.80 | | |
| | 75,793 | 75,793 | - A | | | 1,082 | 9 |
| | | | | | | 3,759 | 3,4 |

(*) On September 26, 2012 Petrobras Argentina S.A. made a share capital increase through the capitalization of profit reserves, as approved by an Extraordinary General Meeting held along with the Annual General Meeting on March 29, 2012. This capitalization was carried out by the issuance of 1,009,618,410 new class B common shares. This transaction did not affect the Company's shareholders' equity.

The market value of these shares does not necessarily reflect the realizable value of a large block of shares.

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Notes to the interim financial information
(Consolidated and Parent Company)
(In millions of reais, except when stated otherwise)

12 Property, plant and equipment

12.1 By type of asset

| | Consolidated | | | Expenditur on exploration developme Production oil and ga (producin fields) |
|---|--|----------------------------------|--------------------------------------|--|
| | Land, buildings and improvements | Equipment and other assets | Assets under construction (*) | |
| Balance at December 31, 2010 | 8,756 | 97,174 | 138,578 | 35,5 |
| Additions | 169 | 2,730 | 53,690 | 3,7 |
| Capitalized interest | - | - | 7,325 | |
| Business combinations | - | - | 24 | |
| Write-offs | (41) | (421) | (2,221) | (5 |
| Transfers | 4,205 | 31,283 | (40,294) | 14,8 |
| Depreciation, amortization and depletion | (799) | (9,769) | - | (6,5 |
| Impairment - formation | - | (91) | (276) | (3 |
| Impairment - reversal | 3 | 27 | - | |
| Cumulative translation adjustment | 66 | 3,548 | 1,733 | 7 |
| Balance at December 31, 2011 | 12,359 | 124,481 | 158,559 | 46,8 |
| Cost | 16,865 | 195,977 | 158,559 | 97,6 |
| Accumulated depreciation, amortization and depletion | (4,506) | (71,496) | - | (50,8 |
| Balance at December 31, 2011 | 12,359 | 124,481 | 158,559 | 46,8 |
| Additions | 40 | 3,040 | 44,113 | 2,8 |
| Capitalized interest | - | - | 5,449 | |
| Business combinations | 169 | 370 | 4 | |
| Write-offs | (13) | (38) | (3,988) | (|
| Transfers | 2,477 | 33,113 | (40,421) | 9,5 |
| Depreciation, amortization and depletion | (690) | (9,491) | - | (5,2 |
| Impairment - formation | - | (1) | - | |
| Cumulative translation adjustment | 108 | 2,942 | 1,524 | 5 |
| Balance at September 30, 2012 | 14,450 | 154,416 | 165,240 | 54,5 |
| Cost | 19,729 | 235,205 | 165,240 | 110,7 |
| Accumulated depreciation, amortization and depletion | (5,279) | (80,789) | - | (56,2 |
| Balance at September 30, 2012 | 14,450 | 154,416 | 165,240 | 54,5 |

Weighted average of useful life in years

25 (25 to 40)
except land

20 (3 to 31)

Unit of
production
method

(*) It includes oil and gas exploration and development assets.

At September 30, 2012, property, plant and equipment of consolidated and the parent company includes finance leases assets in the amount of R\$ 224 and R\$ 10,430, respectively (R\$ 178 and R\$ 10,921 at December 31, 2011).

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(Consolidated and Parent Company)

*(In millions of reais, except when stated otherwise)***13 Intangible assets****13.1 By type of asset**

| | Consolidated Software | | | Goodwill from expectations of future profitability | Tot |
|--|-----------------------------------|-----------------|-------------------------------|---|---------------|
| | Rights and concessions | Acquired | Developed in-house | | |
| Balance at December 31, 2010 | 78,952 | 320 | 1,361 | 906 | 81,539 |
| Addition | 829 | 110 | 336 | 19 | 1,334 |
| Acquisition through business combination | - | - | - | 4 | 4 |
| Capitalized interest | - | - | 36 | - | 36 |
| Write-off | (286) | (5) | (12) | - | (303) |
| Transfers | 22 | 19 | (36) | (4) | 21 |
| Amortization | (138) | (113) | (341) | - | (592) |
| Impairment - formation | (2) | - | - | - | (2) |
| Cumulative translation adjustment | 277 | 6 | - | 24 | 307 |
| Balance at December 31, 2011 | 79,654 | 337 | 1,344 | 949 | 82,284 |
| Cost | 81,328 | 1,361 | 2,837 | 949 | 86,575 |
| Accumulated amortization | (1,674) | (1,024) | (1,493) | - | (4,191) |
| Balance at December 31, 2011 | 79,654 | 337 | 1,344 | 949 | 82,284 |
| Addition | 125 | 109 | 210 | - | 444 |
| Capitalized interest | - | - | 23 | - | 23 |
| Write-off | (186) | (3) | (6) | - | (195) |
| Transfers | 11 | 21 | (36) | (27) | (11) |
| Amortization | (142) | (84) | (212) | - | (438) |
| Cumulative translation adjustment | 203 | 6 | - | 18 | 227 |
| Balance at September 30, 2012 | 79,665 | 386 | 1,323 | 940 | 82,314 |
| Cost | 81,534 | 1,509 | 3,029 | 940 | 86,992 |
| Accumulated amortization | (1,869) | (1,123) | (1,706) | - | (4,698) |
| Balance at September 30, 2012 | 79,665 | 386 | 1,323 | 940 | 82,314 |
| Estimated useful life - years | 25 | 5 | 5 | Indefinite | |

At September 30, 2012, the Company's intangible assets comprise the amount of R\$ 74,808 related to the Onerous Assignment agreement, entered into in 2010 by Petrobras, the Federal

Government (assignor) and the Agência Nacional de Petróleo, Gás Natural e Biocombustíveis - ANP (regulator and inspector), referring to the right to carry out prospection and drilling activities for oil, natural gas and other liquid hydrocarbons located in blocks in the pre-salt area (Franco, Florim, Nordeste de Tupi, Entorno de Iara, Sul de Guar e Sul de Tupi), limited to the production of five billion barrels of oil equivalent in up to 40 years, renewable for five more years upon certain conditions.

The agreement establishes that at the time of the declaration of commerciality for the reserves there will be a review of volumes and prices, based on independent technical reports.

Whether the review determines that the acquired rights amount to a greater value than initially paid, the Company may pay the difference to the Federal Government, or may proportionally reduce the total volume of barrels acquired in the terms of the agreement. Whether the review determines that the acquired rights amount to a lower value than initially paid by the Company, the Federal Government will reimburse the difference in cash or bonds, subject to the budgetary laws.

15 Trade accounts payable

| | Consolidated | |
|----------------------------|---------------------|-------------------|
| | 09.30.2012 | 12.31.2011 |
| Current liabilities | | |
| Third parties | | |
| In Brazil | 12,615 | 12,259 |
| Abroad | 12,760 | 9,159 |
| Related parties | 964 | 834 |
| | 26,339 | 22,252 |

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Notes to the interim financial information

(Consolidated and Parent Company)

*(In millions of reais, except when stated otherwise)***16 Loans and Financing**

| | Consolidated | | | |
|---|----------------------------|-------------------|--------------------|-------------------|
| | Current liabilities | | Non-current | |
| | 09.30.2012 | 12.31.2011 | 09.30.2012 | 12.31.2011 |
| Abroad | | | | |
| Financial institutions | 11,262 | 13,641 | 48,604 | 37,590 |
| Bearer bonds - Notes, Global | | | | |
| Notes and Bonds | 1,497 | 803 | 56,641 | 39,441 |
| Others | 14 | 12 | 12 | 195 |
| | 12,773 | 14,456 | 105,257 | 77,226 |
| In Brazil | | | | |
| Export Credit Notes | 355 | 135 | 12,992 | 12,982 |
| BNDES | 1,316 | 1,719 | 43,569 | 37,385 |
| Debentures | 386 | 1,853 | 635 | 993 |
| FINAME | 66 | 79 | 684 | 731 |
| Bank Credit Certificate | 103 | 51 | 3,615 | 3,606 |
| Others | 299 | 591 | 4,277 | 3,482 |
| | 2,525 | 4,428 | 65,772 | 59,179 |
| | 15,298 | 18,884 | 171,029 | 136,405 |
| Interest on debt | 1,605 | 1,648 | | |
| Current portion of the long-term debt (principal) | 5,125 | 6,921 | | |
| Current debt | 8,568 | 10,315 | | |
| | 15,298 | 18,884 | | |

16.1 Maturities of the principal and interest of the debt in non-current liabilities

| | 09.30.2012 |
|------|---------------------|
| | Consolidated |
| 2013 | 2,183 |
| 2014 | 9,276 |
| 2015 | 13,637 |

| | |
|---------------------|----------------|
| 2016 | 27,924 |
| 2017 | 18,492 |
| 2018 and thereafter | 99,517 |
| Total | 171,029 |

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Notes to the interim financial information

(Consolidated and Parent Company)

*(In millions of reais, except when stated otherwise)***16.2 Interest rates for debt in non-current liabilities**

| | Consolidated | |
|--------------------|---------------------|-------------------|
| | 09.30.2012 | 12.31.2011 |
| Abroad | | |
| Up to 6% p.a. | 84,431 | 59,202 |
| From 6 to 8% p.a. | 19,222 | 15,729 |
| From 8 to 10% p.a. | 1,604 | 2,211 |
| More than 10% p.a. | - | 84 |
| | 105,257 | 77,226 |
| In Brazil | | |
| Up to 6% p.a. | 7,988 | 5,383 |
| From 6 to 8% p.a. | 32,999 | 32,311 |
| From 8 to 10% p.a. | 23,454 | 3,621 |
| More than 10% p.a. | 1,331 | 17,864 |
| | 65,772 | 59,179 |
| | 171,029 | 136,405 |

16.3 Balances per currencies in non-current liabilities

| | Consolidated | |
|-----------------------------|---------------------|-------------------|
| | 09.30.2012 | 12.31.2011 |
| U.S. dollar | 95,699 | 68,012 |
| Real indexed to U.S. dollar | 27,949 | 25,942 |
| Real | 37,477 | 32,882 |
| Euro | 5,040 | 4,681 |
| Japanese Yen | 2,622 | 2,897 |
| Pound Sterling | 2,242 | 1,991 |
| | 171,029 | 136,405 |

The sensitivity analysis for financial instruments subject to the exchange variation and the fair value of the long-term loans are disclosed in Notes 31 and 32, respectively.

16.4 Weighted average rate for capitalization of interest

The weighted average rate of the financial charges on the debt, used for capitalization of interest on the balance of assets under construction, was 4.4% p.a. in the nine-month period ended September 30, 2012 (4.6% p.a. in the nine-month period ended September 30, 2011).

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16.5 Funding

The loans and the financing are mainly intended to the development of oil and gas production projects, the building of vessels and pipelines, and the expansion of industrial units.

The main long-term funding carried out in the nine-month period ended September 30, 2012 are presented as follows:

a) Abroad

| Company | Date | Amount | Maturity | Description |
|---------|---------------------|---------------|------------------------------------|---|
| PifCo | Feb/12 | 12,029 | 2015, 2017, 2021 and 2041 | Global notes issued in the amounts of US\$ 1,250 million, US\$ 1,750 million, US\$ 2,750 million and US\$1,250 million with 2.875% p.a., 3.500% p.a., 5.375% p.a. and 6.750% p.a. coupon, respectively. |
| PNBV | Apr/12 to Jun/12 | 3,612 | 2018, 2019 and 2023 | Financing in the amount of US\$1,879 million obtained from Morgan Stanley Bank , JP Morgan Chase, Citibank International PLC, and HSBC Bank PLC - Libor + market interest. |
| PNBV | Aug/12 to Sep/12 | 3,043 | 2019 | Financing in the amount of US\$1,500 million obtained from Export Development Canada and HSBC Holding PLC - Libor + market interest. |
| PGT BV | Sep/12 | 3,043 | 2017 and 2018 | Financing in the amount of US\$1,500 million obtained from Banco do Brasil S/A and Citibank N.A. - Libor + market interest. |
| | | 21,727 | | |

b) In Brazil

| Company | Date | Amount | Maturity | Description |
|---------|------|--------|----------|-------------|
|---------|------|--------|----------|-------------|

| | | | | |
|--|-------------------|--------------|--------------------|---|
| Fundo de Investimento Imobiliário RB Logística | Jan/12 | 409 | 2023,2026 and 2028 | Issuance of real state credit notes for the construction of a laboratory and an administrative building - IPCA + average spread of 5.3% p.a. |
| Fundo de Investimento Imobiliário FCM | May/12 | 514 | 2025 and 2032 | Issuance of real state credit notes for the construction of the assets of Porto Nacional and Porto Cruzeiro do Sul projects - IPCA + 4.0933% p.a. and 4.9781%p.a. |
| Petrobras | Jul/12 and Sep/12 | 4,215 | 2015 and 2022 | Financing obtained from BNDES to be used on the modernization of the domestic refining facilities and other infrastructure projects, as well as research and development projects and modernization and expansion of the technology park. |
| | | 5,138 | | |

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Notes to the interim financial information
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16.6 Funding – Remaining balance

a) Abroad

| Company | Agency | Amount in US\$ million | | |
|---------|-------------------------------|------------------------|------|---------|
| | | Contracted | Used | Balance |
| PNBV | Citibank International PLC | 686 | 549 | 137 |
| PNBV | HSBC Bank PLC | 1,000 | 173 | 827 |

b) In Brazil

| Company | Agency | Contracted | Used | Balance |
|-----------------------------------|---|------------|-------|---------|
| Transpetro (*) | BNDES, Banco do Brasil and Caixa Econômica Federal - CEF | 10,103 | 1,107 | 8,996 |
| Empresa de Logística de E&P | BNDES | 1,109 | 285 | 824 |
| Petrobras | Caixa Econômica Federal - CEF | 300 | - | 300 |
| Petrobras | BNDES | 7,591 | 4,215 | 3,376 |

(*) Purchase and sale agreements of 49 vessels and 20 convoys were signed with 6 Brazilian shipyards in the amount of R\$ 11,225, which 90% is financed by BNDES, Banco do Brasil and Caixa Econômica Federal - CEF

16.7 Guarantees

Petrobras is not required to provide guarantees to financial institutions. There are loans obtained from BNDES which are secured by the assets being financed.

The loans obtained by Special Purpose Entities (SPE) are guaranteed by the assets of the projects, as well as lien of credit rights and shares of the SPEs.

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Notes to the interim financial information
 (Consolidated and Parent Company)
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17 Leases**17.1 Minimum receipts/payments of finance leases**

| | 09.30.2012 Consolidated | |
|---|------------------------------------|-----------------------------|
| | Minimum receipts | Minimum payments |
| 2012 | 152 | 28 |
| 2013 - 2016 | 1,454 | 163 |
| 2017 and thereafter | 4,509 | 342 |
| Estimated receipts/payments of commitments | 6,115 | 533 |
| Less amount of annual interest | (2,840) | (303) |
| Present value of the minimum receipts/payments | 3,275 | 230 |
| Current | 157 | 43 |
| Non-current | 3,118 | 187 |
| At September 30, 2012 | 3,275 | 230 |
| Current | 225 | 82 |
| Non-current | 2,848 | 183 |
| At December 31, 2011 | 3,073 | 265 |

17.2 Future minimum payments of operating leases

| | 09.30.2012 Consolidated |
|---------------------|------------------------------------|
| 2012 | 7,671 |
| 2013 - 2016 | 81,515 |
| 2017 and thereafter | 57,513 |

| | |
|------------------------------|----------------|
| At September 30, 2012 | 146,699 |
| At December 31, 2011 | 104,132 |

In the nine-month period ended September 30, 2012, the Company paid an amount of R\$13,607 related to operating leases.

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18 Related parties

18.1 Commercial transactions and other operations

Petrobras carries out commercial transactions with its subsidiaries, special purpose entities and associates at normal market prices and market conditions. At September 30, 2012 and December 31, 2011, losses were not expected on the realization of these accounts receivable.

18.1.1 By account

| | Jan-Sep/2012 | Parent company 09.30.2011 | |
|---|--------------|------------------------------|-----------------|
| | Result | Assets Current | Non-current |
| Result | | | |
| Operating income, mainly from sales | 93,849 | | |
| Exchange and monetary variations, net | (1,824) | | |
| Financial income (expenses), net | (732) | | |
| Assets | | | |
| Trade accounts receivable | 7,534 | 7,131 | 14,665 |
| Accounts receivable, mainly from sales | 7,333 | - | 7,333 |
| Dividends receivable | 201 | - | 201 |
| Intercompany operations | - | 4,643 | 4,643 |
| Advance for capital increase | - | 1,008 | 1,008 |
| Amounts related to construction of gas pipeline | - | 761 | 761 |
| Reimbursement receivable | - | 286 | 286 |
| Other operations | - | 433 | 433 |
| Liabilities | | | |
| Finance leases | | | (1,000) |
| Financing on credit operations | | | (1,000) |
| Intercompany operations | | | |
| Accounts payable to suppliers | | | (13,000) |
| Purchases of oil, oil products and other | | | (10,000) |
| Affreightment of platforms | | | (2,000) |
| Advance from clients | | | |

Others

Other operations

| | | | | | |
|--------------------------------|---------------|---------------|---------------|---------------|-------------|
| | 91,293 | 7,534 | 7,131 | 14,665 | (16, |
| Jan-Sep/2011 | 83,629 | | | | |
| As of December 31, 2011 | | 14,306 | 11,840 | 26,146 | (12, |

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18.1.2 By company

| | Jan-Sep/2012 | | Parent company 09.30.2012 | | |
|---|---------------|--------------|------------------------------|---------------|-----------------|
| | Result | Current | Assets Non-current | Total | Current |
| <u>Subsidiaries (*)</u> | | | | | |
| BR Distribuidora | 54,578 | 2,367 | 23 | 2,390 | (238) |
| PIB-BV | 16,951 | 1,255 | 4,387 | 5,642 | (5,898) |
| Gaspetro | 4,859 | 1,393 | 761 | 2,154 | (1,632) |
| Empresa de Logística de E&P | 1,812 | 6 | - | 6 | (793) |
| Transpetro | 434 | 216 | - | 216 | (624) |
| Refinaria Abreu e Lima | 236 | 250 | 830 | 1,080 | - |
| Thermoelectric power plants | 116 | 173 | 261 | 434 | (94) |
| Breitener Energética | 84 | - | 44 | 44 | - |
| PNBV | 66 | 78 | 18 | 96 | (2,418) |
| Brasoil | (272) | 1 | 345 | 346 | (10) |
| PIFCo | (246) | 15 | 3 | 18 | (2,924) |
| Other subsidiaries | 469 | 609 | 340 | 949 | (908) |
| | 79,087 | 6,363 | 7,012 | 13,375 | (15,539) |
| <u>Specific purpose entities (SPE)</u> | | | | | |
| PDET Off Shore | (57) | - | 62 | 62 | (307) |
| CDMPI | (45) | - | - | - | (290) |
| Nova Transportadora do Nordeste - NTN | (10) | 392 | 50 | 442 | (295) |
| Nova Transportadora do Sudeste - NTS | (31) | 364 | 3 | 367 | (262) |
| | (143) | 756 | 115 | 871 | (1,154) |
| <u>Associates</u> | | | | | |
| | 12,349 | 415 | 4 | 419 | (150) |
| | 91,293 | 7,534 | 7,131 | 14,665 | (16,843) |

(*) It includes its subsidiaries and jointly controlled entities.

18.1.3 Rates of intercompany loans

| | Parent company | | | |
|----------------------|-----------------------|-------------------|--------------------|-------------------|
| | Assets | | Liabilities | |
| | 09.30.2012 | 12.31.2011 | 09.30.2012 | 12.31.2011 |
| Up to 7% p.a. | 4,313 | 9,103 | (14,635) | - |
| Fom 7% to 10% p.a. | 47 | - | - | - |
| From 10% to 13% p.a. | 9 | 276 | - | - |
| More than 13% p.a. | 274 | 529 | - | - |
| | 4,643 | 9,908 | (14,635) | - |

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18.2 Non standard credit rights investment fund (FIDC-NP)

The Parent Company has resources invested in the non standard credit right investment fund (FIDC-NP) which are mainly earmarked for the acquisition of performing and/or non-performing credit rights of operations performed by subsidiaries of the Petrobras System. The balances of the Parent Company's operations with the nonstandard credit right investment fund (FIDC-NP) are as follows:

| | Parent Company | |
|--|-----------------------|---------------------|
| | 09.30.2012 | 12.31.2011 |
| Financial investments | 570 | 2,474 |
| Marketable securities | 3,367 | 6,840 |
| Financial charges to be allocated | 96 | 153 |
| Assignments of performed rights | (1,022) | (681) |
| Total classified in current assets | 3,011 | 8,786 |
| Assignments of non-performed rights | (9,143) | (9,639) |
| Total classified in current liabilities | (9,143) | (9,639) |
| | Jan-Sep/2012 | Jan-Sep/2011 |
| Financial income FIDC-NP | 662 | 164 |
| Financial expenses FIDC-NP | (1,003) | (964) |
| Financial income (expenses), net | (341) | (800) |

18.3 Guarantees granted

The financial operations carried out by these subsidiaries and guaranteed by Petrobras present the following balances pending settlement:

| Maturity date of the loans | 09.30.2012 | | | | | 12.31.2011 | |
|-------------------------------|---------------|---------------|--------------|-------------------------|---------------|----------------|---------------|
| | PNBV | PifCo | PIB-BV | Ref. Abreu e Lima | TAG | Total | Total |
| 2012 | 3,181 | 3,046 | - | - | - | 6,227 | 8,003 |
| 2013 | 65 | 760 | - | - | - | 825 | 782 |
| 2014 | 453 | 1,172 | - | - | - | 1,625 | 1,612 |
| 2015 | 2,437 | 2,538 | - | - | - | 4,975 | 2,264 |
| 2016 | 3,612 | 8,419 | - | - | - | 12,031 | 11,213 |
| 2017 | 2,530 | 4,082 | 609 | - | - | 7,221 | 3,468 |
| 2018 and thereafter | 22,324 | 40,784 | 3,554 | 10,580 | 11,958 | 89,200 | 67,025 |
| | 34,602 | 60,801 | 4,163 | 10,580 | 11,958 | 122,104 | 94,367 |

18.4 Investment fund of subsidiaries abroad

At September 30, 2012, a subsidiary of PIB-BV had amounts invested abroad in an investment fund that held, among others, debt securities of other consolidated companies of the Petrobras System related to the Company's projects, mainly the Gasene, Malhas, CLEP, and Marlim Leste (P-53) projects, equivalent to R\$ 15,419 (R\$ 14,527 at December 31, 2011, held by PifCo and Brasoil).

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18.5 Transactions with jointly controlled entities, associates, government entities and pension funds

Significant transactions resulted in the following balances:

| | Consolidated | |
|--|---------------------|--------------------|
| | 09.30.2012 | |
| | Assets | Liabilities |
| Jointly controlled entities and associates | 1,671 | 1,116 |
| Gas distributors | 999 | 476 |
| Braskem and its subsidiaries | 402 | 178 |
| Other jointly controlled entities and associates | 270 | 462 |
| Government entities and pension funds | 38,443 | 66,162 |
| Government bonds | 24,962 | - |
| Banco do Brasil S.A. (BB) | 2,040 | 9,215 |
| Restricted deposits for legal proceedings and guarantees (CEF and BB) | 3,393 | - |
| Electricity sector (note 18.5.1) | 4,458 | - |
| Petroleum and alcohol account - Receivable from Federal government (note 18.5.2) | 835 | - |
| BNDES | 7 | 44,615 |
| Caixa Econômica Federal (CEF) | 2,438 | 8,255 |
| Agência Nacional do Petróleo, Gás Natural e Biocombustíveis (ANP) | - | 3,583 |
| Federal government - Proposed dividends and interest on shareholders' equity | - | - |
| Petros (Pension fund) | - | 144 |
| Others | 310 | 350 |
| | 40,114 | 67,278 |
| Current | 34,745 | 7,474 |
| Non-current | 5,369 | 59,804 |

18.5.1 Receivables from the electricity sector

As of September 30, 2012, the Company had a total amount of R\$ 4,458 (R\$ 3,672 at December 31, 2011) of receivables from the electricity sector.

The Company supplies fuel to thermoelectric power plants, direct or indirect subsidiaries of Eletrobras, located in the northern region of Brazil. Part of the costs for supplying fuel to these thermoelectric power stations is borne by funds from the Fuel Consumption Account (CCC), managed by Eletrobras.

The Company also supplies fuel to Independent Power Producers (PIE), companies created for the purpose of producing power exclusively for Amazonas Distribuidora de Energia S.A. - AME, a direct subsidiary of Eletrobras, and the payments for the fuel supplied depend directly on the forwarding of funds from AME to those Independent Power Producers.

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The balance of these receivables at September 30, 2012 was R\$ 4,039 (R\$ 3,217 at December 31, 2011), of which R\$ 3,001 was overdue (R\$ 2,655 at December 31, 2011).

The Company has been using all available resources in order to recover these receivables. The Company has also made a formal statement to Eletrobras, regarding the necessity of issuing warranties to its controlled entities in order to supply fuel from September 1, 2012 on.

As negotiations advanced, on October 1, 2012 the Company received R\$1 billion from AME and granted an extension until October 31, 2012 for Eletrobras to present the requested guarantees.

Additionally, the Company has electricity supply contracts with AME signed in 2005 by its subsidiary Breitener Energética S.A., which, based on the conditions of the agreements, are considered a financial lease of the two thermoelectric power plants, as the contracts determine, among other conditions, the disposal of the power plants to AME at the end of the agreement period with no restitution (20-year term). The balance of these receivables was R\$419 (R\$ 455 as of December, 31, 2011) and none of which were overdue.

18.5.2 Petroleum and alcohol accounts - STN

At September 30, 2012, the balance of the account amounted to R\$ 835 (R\$ 832 at December 31, 2011) and this balance 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 with the Federal Government, in pursuant to what is established in Provisional Measure 2,181, of August 24, 2001, or through offsetting against other amounts that Petrobras may owe the Federal Government at the time, including tax related amounts or a combination of the foregoing operations.

In order to conclude the settlement with the Federal Government, the Company has provided all the information required by the National Treasury Secretariat (STN) to mitigate divergences between the parties.

After exhausting negotiation process under the administrative level, the Company decided to judicially collect the aforementioned credit and, accordingly, filed a lawsuit in July 2011.

18.6 Remuneration of key employees and officers

Short-term benefits for the Company's officers in the nine-month period ended September 30, 2012 were R\$ 8.6 (R\$ 6.4 in the nine-month period ended September 30, 2011, referring to seven officers and nine board members). At September 30, 2012 the Company had seven officers and ten board members.

In the nine-month period ended September 30, 2012, the remuneration of board members and officers for the consolidated Petrobras group amounted to R\$ 38.7 (R\$ 31.6 in the nine-month period ended September 30, 2011).

As established in Federal Law 12,353/2010, the Board of Directors of Petrobras is now composed of ten members, after ratification of the employees' representative in the Annual General Meeting of March 19, 2012.

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Notes to the interim financial information

(Consolidated and Parent Company)

*(In millions of reais, except when stated otherwise)***19 Provisions for decommissioning costs (non-current)**

| Non-current liabilities | Consolidated | |
|--------------------------------|---------------------|-------------------|
| | 09.30.2012 | 12.31.2011 |
| Opening balance | 8,839 | 6,505 |
| Revision of provision | 47 | 2,455 |
| Use by payment | (342) | (488) |
| Accrual of interest | 189 | 210 |
| Others | 26 | 157 |
| Closing balance | 8,759 | 8,839 |

20 Taxes**20.1 Recoverable taxes**

| Current assets | Consolidated | |
|-----------------------|---------------------|-------------------|
| | 09.30.2012 | 12.31.2011 |
| Taxes in Brazil: | | |
| ICMS | 3,371 | 3,186 |
| PIS/COFINS | 3,872 | 2,351 |
| CIDE | 46 | 144 |
| Income tax | 3,427 | 2,251 |
| Social contribution | 742 | 615 |
| Other taxes | 553 | 422 |
| | 12,011 | 8,969 |
| Taxes abroad | 604 | 1,082 |
| | 12,615 | 10,051 |

20.2 Taxes payable

| Current liabilities | Consolidated | |
|----------------------------|---------------------|-------------------|
| | 09.30.2012 | 12.31.2011 |
| ICMS | 2,797 | 2,178 |

| | | |
|--|---------------|---------------|
| PIS/COFINS | 677 | 579 |
| CIDE | 34 | 477 |
| Special participation / Royalties | 4,795 | 5,190 |
| Withholding Income tax and social contribution | 315 | 831 |
| Current income tax and social contribution | 766 | 494 |
| Other taxes | 1,137 | 1,220 |
| | 10,521 | 10,969 |

20.3 Deferred taxes and social contribution - non-current

| | Consolidated | |
|---|---------------------|-------------------|
| | 09.30.2012 | 12.31.2011 |
| Non-current assets | | |
| Deferred income tax and social contribution | 6,647 | 8,042 |
| Deferred ICMS | 2,022 | 2,199 |
| Deferred PIS and COFINS | 8,520 | 9,338 |
| Others | 552 | 472 |
| | 17,741 | 20,051 |
| Non-current liabilities | | |
| Deferred income tax and social contribution | 36,306 | 33,230 |
| Others | 8 | 38 |
| | 36,314 | 33,268 |

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(Consolidated and Parent Company)

*(In millions of reais, except when stated otherwise)***20.4 Deferred income tax and social contribution**

Income taxes in Brazil comprise income tax and the social contribution on net income, where the applicable official rates are 25% and 9%, respectively.

The changes in the deferred income tax and social contribution are presented as follows:

| | Property, plant and equipment Exploration costs for the extraction of crude oil and gas | | Accounts receivable / payable, loans and financing | Finance leases | Provision for legal proceedings | Consolidated |
|--|--|----------------|---|-----------------------|--|---------------------|
| | Other | Other | | | | |
| Balance at December 31, 2010 | (17,482) | (1,897) | (1,852) | (1,123) | 497 | |
| Recognized in the results for the year | (3,854) | (2,321) | 815 | (201) | 150 | |
| Recognized in shareholders' equity | - | - | - | 44 | - | |
| Cumulative translation adjustment | - | (100) | (6) | - | 15 | |
| Others | - | 186 | 246 | (303) | (33) | |
| Balance at December 31, 2011 | (21,336) | (4,132) | (797) | (1,583) | 629 | |
| Recognized in the results for the period | (3,247) | (1,547) | 2,338 | 4 | 22 | |
| Recognized in shareholders' equity | - | - | - | - | - | |
| Cumulative translation adjustment | - | (340) | (4) | - | 11 | |
| Others | (27) | 32 | (142) | (69) | 54 | |
| Balance at September 30, 2012 | (24,610) | (5,987) | 1,395 | (1,648) | 716 | |

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Management considers that the deferred tax assets will be realized in proportion to the realization of the provisions and the final resolution of future events, both of which are based on projections that have been made.

20.5 Reconciliation of income tax and social contribution on income

The reconciliation of the taxes calculated in accordance with statutory rates and the amount of taxes recorded are presented as follows:

| | Consolidated | |
|--|---------------------|---------------------|
| | Jan-Sep/2012 | Jan-Sep/2011 |
| Income before income taxes | 19,044 | 36,366 |
| Income tax and social contribution at statutory rates (34%) | (6,475) | (12,364) |
| Adjustments for calculation of the effective rate: | | |
| · Tax benefit from inclusion of interest on shareholders' equity as operating expenses | 887 | 2,661 |
| · Results of companies abroad subject to different tax rates | 494 | 1,389 |
| · Tax incentives | 210 | 93 |
| · Tax losses | (501) | (345) |
| · Permanent exclusions/(additions), net* | (745) | (166) |
| · Others | 278 | 248 |
| Income tax and social contribution expense | (5,852) | (8,484) |
| Deferred income tax and social contribution | (3,580) | (3,209) |
| Current income tax and social contribution | (2,272) | (5,275) |
| | (5,852) | (8,484) |

| | | |
|---|-------|-------|
| Effective rate for income tax and social contribution | 30.7% | 23.3% |
|---|-------|-------|

(*) It includes equity accounting.

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(Consolidated and Parent Company)*(In millions of reais, except when stated otherwise)***21 Employee benefits**

The Company sponsors defined benefit and variable contribution pension plans, in Brazil and abroad, and has a health care plan, with defined benefits, that covers all present and retired employees of the companies in Brazil and their dependents.

The changes in the benefits granted to employees are presented as follows:

| | Pension Plan | Consolidated Health Care Plan | Total |
|---|-------------------------|--|---------------|
| Balance at December 31, 2010 | 4,795 | 11,786 | 16,581 |
| Costs incurred in the year | 1,047 | 1,846 | 2,893 |
| Payment of contributions | (514) | (611) | (1,125) |
| Payment of the financial commitment agreement | (290) | - | (290) |
| Others | 21 | - | 21 |
| Balance at December 31, 2011 | 5,059 | 13,021 | 18,080 |
| Current | 776 | 651 | 1,427 |
| Non-current | 4,283 | 12,370 | 16,653 |
| | 5,059 | 13,021 | 18,080 |
| Costs incurred in the period | 1,443 | 1,576 | 3,019 |
| Payment of contributions | (409) | (525) | (934) |
| Payment of the financial commitment agreement | (150) | - | (150) |
| Others | 24 | 4 | 28 |
| Balance at September 30, 2012 | 5,967 | 14,076 | 20,043 |
| Current | 846 | 651 | 1,497 |
| Non-current | 5,121 | 13,425 | 18,546 |
| | 5,967 | 14,076 | 20,043 |

The net expenditure with the pension and health care plans includes the following components:

| | Consolidated Pension plan | | | Total |
|---|--------------------------------------|----------------------------------|---------------------------------|--------------|
| | Defined benefit | Variable contribution | Health care plan | |
| Current service cost | 310 | 366 | 215 | 891 |
| Cost of interest: | - | - | - | - |
| · With financial commitment agreement | 417 | - | - | 417 |
| · Actuarial | 4,787 | 125 | 1,306 | 6,218 |
| Estimated income from the plan's assets | (4,483) | (39) | - | (4,522) |
| Amortization of unrecognized actuarial losses | 309 | 13 | 52 | 374 |
| Contributions by participants | (315) | (79) | - | (394) |
| Unrecognized past service cost | 18 | 5 | 3 | 26 |
| Others | 8 | 1 | - | 9 |
| Net costs for the period Jan-Sep/2012 | 1,051 | 392 | 1,576 | 3,019 |
| Related to: | | | | |
| Active employees | 517 | 384 | 597 | 1,498 |
| Retired employess | 534 | 8 | 979 | 1,521 |
| Net costs for the period Jan-Sep/2012 | 1,051 | 392 | 1,576 | 3,019 |
| Net costs for the period Jan-Sep/2011 | 510 | 272 | 1,385 | 2,167 |

At September 30, 2012, the balances of the Terms of Financial Commitment (TFC), signed by the Company and Petros in 2008, totaled R\$ 5,341, of which R\$ 128 in interest falls due in 2012. On the same date, the Company held crude oil and oil products from its inventory pledged as security for the TFC in the amount of R\$5.882, replacing the long-term National Treasury Notes that previously guaranteed the commitment, in July 2012.

In the nine-month period ended September 30, 2012, the Company's contribution to the defined contribution portion of the Petros Plan 2 was R\$ 372.

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22 Shareholders' Equity

22.1 Paid-in capital

At September 30, 2012, subscribed and fully paid-in capital in the amount of R\$ 205,392 is represented by 7,442,454,142 outstanding common shares and 5,602,042,788 outstanding preferred shares, all of which are registered, book-entry shares with no par value.

22.2 Dividends

Interest on shareholders' equity - fiscal year 2012

The Company's Board of Directors approved on April 27, 2012, the early distribution of remuneration to shareholders in the form of interest on shareholders' equity, as established in article 9 of Law 9,249/95 and Decrees 2,673/98 and 3,381/00, in the amount of R\$ 2,609, corresponding to a gross value of R\$ 0.20 per common and preferred shares, which payment occurred on May 31, 2012, based on the shareholding position of May 11, 2012.

This interest on shareholders' equity should be discounted from the remuneration that will be distributed at the closing of fiscal year 2012. The amount is monetarily restated in accordance with the variation of the SELIC rate since the date of effective payment until the end of the aforementioned year. At September 30, 2012 the restated amount of interest on shareholders' equity is R\$ 2.676.

The interest on shareholders' equity is subject to 15% of withholding income tax, except for shareholders that are declared immune or exempt.

22.3 Earnings per share

| | Consolidated | | Parent |
|---|---------------------|---------------------|---------------------|
| | Jan-Sep/2012 | Jan-Sep/2011 | Jan-Sep/2012 |
| Net income attributable to Petrobras' shareholders | 13,435 | 28,264 | 13,176 |
| Weighted average of the number of common and preferred shares outstanding (No. of Shares) | 13,044,496,930 | 13,044,496,930 | 13,044,496,930 |
| Basic and diluted earnings per common and preferred share (R\$ per share) | 1.03 | 2.17 | 1.01 |

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Notes to the interim financial information

(Consolidated and Parent Company)

*(In millions of reais, except when stated otherwise)***23 Sales revenue**

| | Consolidated | |
|----------------------------|---------------------|---------------------|
| | Jan-Sep/2012 | Jan-Sep/2011 |
| Gross sales revenue | 255,054 | 224,876 |
| Sales charges | (47,080) | (45,957) |
| Sales revenues | 207,974 | 178,919 |

24 Other operating expenses, net

| | Consolidated | |
|---|---------------------|---------------------|
| | Jan-Sep/2012 | Jan-Sep/2011 |
| Pension and health care plans | (1,521) | (1,169) |
| Unscheduled stoppages and pre-operating expenses | (1,178) | (970) |
| Allowance for marking inventories to market value | (1,081) | (644) |
| Institutional relations and cultural projects | (1,012) | (933) |
| Losses and contingencies with judicial proceedings | (985) | (392) |
| Expenses related to collective bargaining agreement | (875) | (596) |
| Expenditures on health, safety and environment | (417) | (453) |
| Operating expenses with thermoelectric power stations | (158) | (183) |
| Gains on disposal of non-current assets | (13) | (262) |
| Impairment | (1) | (5) |
| Government grants | 704 | 386 |
| Expenditures/reimbursements from operations in E&P partnerships | 163 | (128) |
| Gains from legal and arbitration proceedings | - | 683 |
| Others | (104) | (987) |
| | (6,478) | (5,653) |

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Notes to the interim financial information

(Consolidated and Parent Company)

*(In millions of reais, except when stated otherwise)***25 Expenses by nature**

| | Consolidated |
|---|-------------------------|
| | Jan-Sep/2012 Jan |
| Raw material / products purchased | (88,236) |
| Production taxes | (23,227) |
| Personnel expenses | (17,331) |
| Depreciation, depletion and amortization | (15,841) |
| Finished goods and work in progress inventories variation | 1,915 |
| Contracted services, freights, rents and general charges | (30,312) |
| Projects without economic viability (It includes dry wells and signature bonuses) | (4,126) |
| Taxes expenses | (489) |
| Losses with judicial and administrative procedures | (985) |
| Gains from legal and arbitration proceedings | - |
| Institutional relations and cultural projects | (1,012) |
| Unscheduled stoppages and pre-operating expenses | (1,178) |
| Expenditures on health, safety and environment | (417) |
| Allowance for marking inventories to market value | (1,081) |
| Impairment | (1) |
| | (182,321) |
| Cost of sales | (153,629) |
| Selling expenses | (7,234) |
| Administrative and general expenses | (7,237) |
| Exploration costs | (5,719) |
| Research and development expenses | (1,535) |
| Other taxes | (489) |
| Other operating income and expenses, net | (6,478) |
| | (182,321) |

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(In millions of reais, except when stated otherwise)

26 Financial income (expenses), net

| | Consolidated | |
|---|---------------------|---------------------|
| | Jan-Sep/2012 | Jan-Sep/2011 |
| Exchange and monetary variation on net debt (*) | (3,740) | (4,416) |
| Expenses on debt | (7,407) | (5,970) |
| Income from investments and marketable securities | 2,643 | 3,912 |
| Financial result on net debt | (8,504) | (6,474) |
| Capitalized financial charges | 5,472 | 5,513 |
| Gains (losses) on derivatives | (78) | (66) |
| Income from marketable securities | 320 | 351 |
| Other financial expenses and income, net | 33 | 187 |
| Other exchange and monetary variations, net | (3,754) | 211 |
| Financial income (expenses), net | (6,511) | (278) |
| Financial income (expenses), net (**) | | |
| Income | 3,815 | 5,396 |
| Expenses | (2,832) | (1,469) |
| Exchange and monetary variations, net | (7,494) | (4,205) |
| | (6,511) | (278) |

(*) Includes monetary variation on debt in local currency indexed to the variation of the US dollar.

(**) Pursuant to item 3.06 of the income statement.

27 Supplementary information on the statement of cash flows

| | Consolidated | |
|--|---------------------|---------------------|
| | Jan-Sep/2012 | Jan-Sep/2011 |
| Amounts paid and received during the period | | |
| Income tax and social contribution | 1,400 | 2,483 |
| Third party withholding income tax | 2,960 | 3,067 |

Investment and financing transactions not involving cash

| | | |
|--|-----|----|
| Acquisition of property, plant and equipment on credit | 282 | 10 |
| Formation of provision for decommissioning costs | - | 5 |

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Notes to the interim financial information

(Consolidated and Parent Company)

*(In millions of reais, except when stated otherwise)***28 Segment information**

| Consolidated assets by Business Area - 2012 | Exploration and Production | Refining, Transportation & Marketing | Gas & Power BI |
|--|---|---|-----------------------------------|
| Current assets | 12,413 | 40,949 | 6,035 |
| Non-current assets | 278,075 | 135,787 | 49,166 |
| Long-term receivables | 9,495 | 8,650 | 3,278 |
| Investments | 138 | 5,823 | 2,299 |
| Property, plant and equipment, net | 192,086 | 121,006 | 42,829 |
| Intangible assets | 76,356 | 308 | 760 |
| As of September 30, 2012 | 290,488 | 176,736 | 55,201 |
| Consolidated assets by Business Area - 12.31.2011 | | | |
| Current assets | 10,537 | 41,203 | 4,707 |
| Non-current assets | 254,164 | 116,982 | 47,150 |
| Long-term receivables | 7,766 | 7,910 | 3,050 |
| Investments | 23 | 6,306 | 2,160 |
| Property, plant and equipment, net | 169,833 | 102,473 | 41,208 |
| Intangible assets | 76,542 | 293 | 732 |
| As of December 31, 2011 | 264,701 | 158,185 | 51,857 |

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(Consolidated and Parent Company)

*(In millions of reais, except when stated otherwise)***Consolidated Statement of Income per Business Area – 2012**

| | Jan-Sep/2012 | | | | | |
|---|---|---|--------------------------------|-----------------|---------------------|-------------------------|
| | Exploration and Production | Refining, Transportation & Marketing | Gas & Power | Biofuels | Distribution | International Co |
| Sales revenues | 107,628 | 170,015 | 16,022 | 632 | 57,182 | 26,147 |
| Intersegments | 106,407 | 53,886 | 2,333 | 469 | 1,084 | 5,473 |
| Third parties | 1,221 | 116,129 | 13,689 | 163 | 56,098 | 20,674 |
| Cost of sales | (47,980) | (189,125) | (12,932) | (668) | (52,114) | (20,413) |
| Gross profit | 59,648 | (19,110) | 3,090 | (36) | 5,068 | 5,734 |
| Income | | | | | | |
| (expenses) | (8,250) | (6,610) | (1,616) | (167) | (3,178) | (2,019) |
| Selling, administrative and general expenses | (742) | (4,643) | (1,363) | (94) | (3,125) | (1,293) |
| Exploration costs | (5,320) | - | - | - | - | (399) |
| Research and development expenses | (720) | (300) | (38) | (53) | (3) | (1) |
| Other taxes | (79) | (94) | (61) | (2) | (20) | (130) |
| Other operating expenses, net | (1,389) | (1,573) | (154) | (18) | (30) | (196) |
| Income before financial results, profit sharing and income taxes | 51,398 | (25,720) | 1,474 | (203) | 1,890 | 3,715 |
| Financial income (expenses), net | - | - | - | - | - | - |
| Equity in results of non-consolidated companies | (4) | (306) | 226 | (67) | 2 | 49 |
| Income before income taxes | 51,394 | (26,026) | 1,700 | (270) | 1,892 | 3,764 |
| Income tax and social contribution | (17,475) | 8,745 | (501) | 69 | (643) | (1,701) |

| | | | | | | |
|------------------------------------|---------------|-----------------|--------------|--------------|--------------|--------------|
| Net income | 33,919 | (17,281) | 1,199 | (201) | 1,249 | 2,063 |
| Net income attributable to: | | | | | | |
| Shareholders of Petrobras | 33,925 | (17,281) | 1,138 | (201) | 1,249 | 1,934 |
| Non-controlling interests | (6) | - | 61 | - | - | 129 |
| | 33,919 | (17,281) | 1,199 | (201) | 1,249 | 2,063 |

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(Consolidated and Parent Company)

*(In millions of reais, except when stated otherwise)***Consolidated Statement of Income per Business Area - 2011**

| | Exploration and Production | Refining, Transportation & Marketing | Gas & Power | Biofuels D |
|---|---|---|--------------------------------|-------------------|
| Sales revenues | 89,919 | 146,413 | 11,965 | 370 |
| Intersegments | 89,287 | 47,585 | 1,606 | 323 |
| Third parties | 632 | 98,828 | 10,359 | 47 |
| Cost of sales | (39,022) | (149,694) | (6,557) | (423) |
| Gross profit | 50,897 | (3,281) | 5,408 | (53) |
| Income (expenses) | (5,058) | (5,018) | (1,895) | (135) |
| Selling, administrative and general expenses | (588) | (3,903) | (1,316) | (79) |
| Exploration costs | (2,524) | - | - | - |
| Research and development expenses | (932) | (277) | (95) | (15) |
| Other taxes | (54) | (58) | (89) | (1) |
| Other operating expenses, net | (960) | (780) | (395) | (40) |
| Income before financial results, profit sharing and income taxes | 45,839 | (8,299) | 3,513 | (188) |
| Financial income (expenses), net | - | - | - | - |
| Equity in results of non-consolidated companies | - | (79) | 317 | 7 |
| Income before income taxes | 45,839 | (8,378) | 3,830 | (181) |
| Income tax and social contribution | (15,586) | 2,821 | (1,194) | 64 |
| Net income | 30,253 | (5,557) | 2,636 | (117) |
| Net income attributable to: | | | | |
| Shareholders of Petrobras | 30,269 | (5,543) | 2,623 | (117) |
| Non-controlling interests | (16) | (14) | 13 | - |
| | 30,253 | (5,557) | 2,636 | (117) |

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Notes to the interim financial information

(Consolidated and Parent Company)

*(In millions of reais, except when stated otherwise)***Consolidated Statement per International Business Area****Consolidated Statement per International Business Area**

| Income statement | Exploration and Production | Refining, Transportation & Marketing | Ga & Pow |
|---|---|---|-----------------------------|
| Sales revenues | 7,691 | 13,392 | 8 |
| Intersegments | 5,437 | 3,173 | |
| Third parties | 2,254 | 10,219 | 8 |
| Income before financial results, profit sharing and income taxes | 4,059 | (244) | 2 |
| Net income attributable to shareholders of Petrobras | 2,461 | (234) | 2 |

| Income statement | Exploration and Production | Refining, Transportation & Marketing | Ga & Pow |
|---|---|---|-----------------------------|
| Sales revenues | 5,761 | 10,602 | 6 |
| Intersegments | 4,542 | 2,709 | |
| Third parties | 1,219 | 7,893 | 6 |
| Income before financial results, profit sharing and income taxes | 2,253 | (92) | 1 |
| Net income attributable to shareholders of Petrobras | 2,004 | (88) | 1 |

| Total assets | Exploration and Production | Refining, Transportation & Marketing | Ga & Pow |
|-------------------------|---|---|-----------------------------|
| As of 09.30.2012 | 29,727 | 6,472 | 1,5 |
| As of 12.31.2011 | 27,358 | 6,365 | 1,7 |

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*(In millions of reais, except when stated otherwise)***29 Legal proceedings and contingencies**

The Company is defendant in numerous legal proceedings of a tax, civil, labor and environmental nature, arising from the normal course of its operations. The classification of the lawsuits in accordance with the expectation of loss as probable, possible or remote, as well as their estimated amounts, is prepared based on advice from its legal advisors and management's best estimates.

29.1 Provisions for legal proceedings

The Company recognizes in an amount sufficient to cover the losses considered as probable and that could be reasonably estimated. The main proceedings are related to withholding income taxes on securities issued abroad, losses and damages from the cancellation of an assignment of VAT (IPI) credits to a third party; as well as compensation for fishermen affected by the oil spill occurred in Rio de Janeiro in January 2000.

The Federal Public Attorney's Office and the Public Attorney's Office of the State of Paraná filed lawsuits against Petrobras with respect to compensation for pain and suffering, financial damages and environmental recovery due to oil spillages: (i) at Terminal São Francisco do Sul – Refinaria Presidente Vargas, on July 16, 2000, provided for in 2011 which updated amount as of September 30, 2012 is R\$ 70; and (ii) in the Araucária – Paranaguá polyduct (OLAPA), at the headwaters of Rio do Meio (the Meio river), in the town of Morretes – state of Paraná, on February 16, 2001, which resulted in a reconciliation agreement signed on April 26, 2012, provided for in March, 2012 of R\$ 106, R\$ 94 of which were paid in May 2012, and R\$ 12 are provisioned in order to support expenses to recover the area.

The amounts recorded as provisions, net of restricted deposits for legal proceedings, are as follows:

| Non-current liabilities | Consolidated | | Parent company | |
|--------------------------------|---------------------|-------------------|-----------------------|-------------------|
| | 09.30.2012 | 12.31.2011 | 09.30.2012 | 12.31.2011 |
| Labor claims | 356 | 290 | 248 | 202 |
| Tax claims | 758 | 661 | 99 | 12 |

| | | | | |
|------------------|--------------|--------------|------------|------------|
| Civil claims (*) | 297 | 298 | 174 | 161 |
| Other claims | 159 | 112 | 83 | 62 |
| | 1,570 | 1,361 | 604 | 437 |

(*) Net of restricted deposits for legal proceedings and guarantees, when applicable.

| | Consolidated | | Parent company | |
|---------------------------------|---------------------|-------------------|-----------------------|-------------------|
| | 09.30.2012 | 12.31.2011 | 09.30.2012 | 12.31.2011 |
| Opening balance | 1,361 | 1,265 | 437 | 425 |
| Addition of provision | 929 | 534 | 626 | 335 |
| Use by payments | (720) | (183) | (475) | (118) |
| Transfers per deposits in court | (70) | (266) | (75) | (237) |
| Accrual of interest | 91 | 72 | 91 | 86 |
| Others | (21) | (61) | - | (54) |
| Closing balance | 1,570 | 1,361 | 604 | 437 |

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29.2 Legal proceedings classified as possible losses (not provisioned for)

| Nature | Consolidated Estimate |
|-----------------------|--------------------------|
| Tax | 39,755 |
| Civil - General | 3,335 |
| Labor | 2,652 |
| Civil - Environmental | 1,096 |
| Others | 7 |
| | 46,845 |

The following tables present in detail the main lawsuits of a tax and civil nature, whose expectations of loss are classified as possible:

a) *Proceedings of a tax nature*

Plaintiff: Federal Revenue Department of Brazil

- 1) Deduction from the calculation basis of income tax (IRPJ) and social contribution (CSLL) and a fine
 Current situation: Awaiting a hearing of a voluntary appeal at the Administrative Board of Tax Appeals.
- 2) Profit of subsidiaries and associates domiciled abroad in 2005, 2006, 2007 and 2008 not included in
 Current situation: Awaiting a hearing of an appeal at the administrative instance.
- 3) Deduction from the calculation basis of IRPJ and CSLL of expenses incurred in 2007 related to bene
 Current situation The question is being argued in the ambit of two processes at the administrative lev
- 4) Withheld income tax (IRRF) on remittances for payment of affreightment of vessels in the period f
 Current situation: The Company is discussing the issue in the judicial sphere and has a preliminary d
 tax liability.
- 5) Non payment of CIDE on imports of naphtha sold to Braskem.
 Current situation: The issue is being discussed at the administrative level.
- 6) Non-payment of CIDE in the period from March 2002 till October 2003 in transactions with distribut
 of judicial injunctions that determined the sale without transfer of that tribute.
 Current situation: Awaiting a hearing of an appeal in the Higher Chamber of Tax Appeals (CSRF).
- 7) Non-payment of tax on financial operations (IOF) on intercompany loans.
 Current situation: Awaiting a hearing of an appeal at the administrative instance.

8) Withheld income tax (IRRF) on remittances abroad for payment of petroleum imports.
Current situation: Awaiting a hearing of an appeal at the administrative instance.

Plaintiff: State Finance Department of Rio de Janeiro

9) ICMS on exit operations of liquid natural gas (LNG) without issuing a tax document in the ambit of
Current situation: The question involves processes in various administrative and judicial stages, when
rights.

10) Difference in ICMS rate in operations of sale of aviation jet fuel, due to the declaration of unconst
Current situation The question involves processes which are in progress at the administrative level, w
defense.

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Plaintiff: State Finance Department of São Paulo

11) Withdrawal of collection of ICMS on the importing of a drilling rig – temporary admission in São Paulo and clearance in Rio de Janeiro and a fine for breach of accessory obligations.

Current situation: One of the processes is in the administrative stage and another was submitted to judicial proceedings, obtaining a decision favorable to the Company.

4,201

Plaintiff: Municipal governments of Anchieta, Aracruz, Guarapari, Itapemirim, Marataízes, Linhares, Vila Velha, **Vitória and Maragogipe.**

12) Failure to withhold and collect tax on services provided offshore (ISSQN) in some municipalities located in the State of Espírito Santo, despite Petrobras having made the withholding and payment of these taxes to the municipalities where the respective service providers are established, in accordance with Complementary Law 116/03.

Current situation: The question involves processes in various administrative and judicial stages, where the Company has sought to ensure its rights.

1,875

Plaintiff: State Finance Departments of Rio de Janeiro and Sergipe

13) Use of ICMS credits on the purchase of drilling bits and chemical products used in formulating drilling fluid.

Current situation: The question involves processes in various administrative and judicial stages, where the Company has sought to ensure its rights.

912

14) Other processes of a tax nature

7,719

Total for proceedings of a tax nature

39,755

b) Proceedings of a civil nature - General

Plaintiff: Agência Nacional de Petróleo, Gás Natural e Biocombustíveis - ANP

1) Differences in the payment of special participation charge in fields of the Campos Basin: Albacora, Carapeba, Cherne, Espadarte, Marimba, Marlim, Marlim Sul, Namorado, Pampo and Roncador fields. In addition, the plaintiff is claiming fines for alleged non-compliance with minimum exploratory programs.

1,168

Current stage: With the conclusion of the administrative phase of this proceeding, this matter was brought before the judicial courts. The Company obtained an injunction suspending the collection of fines until the end of the trial process, which is currently before the first instance, in the production of evidence phase.

2) Other proceedings of a civil nature

2,167

Total for proceedings of a civil nature

3,335

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c) Other Information

Plaintiff: Porto Seguro Imóveis Ltda.

On August 28, 2012, the Superior Court (STJ), unanimously upheld the special appeal filed by Petrobras, dismissing the plaintiff's claims. Porto Seguro Imóveis Ltda., a former minority shareholder of Petroquisa, filed a lawsuit related to alleged losses suffered as a result of the disposal of Petroquisa's interest in various petrochemical companies included in the National Privatization Program. Based on the aforementioned decision, the possibility of an outflow of resources related to this contingent liability which amounted to R\$ 7,791 was considered remote.

29.3 Contingencies from operating partnerships - Frade field

In November 2011, there was an oil spillage in the Frade field, located in the Campos basin, which is operated by Chevron Brasil. The federal public prosecutor is conducting an investigation and has initiated a process claiming R\$ 20 billion in damages against Chevron Brasil, Chevron Latin America Marketing LLC and Transocean Brasil Ltda., where the latter was operator of the platform at the time of the spillage.

In April 2012, a new public civil suit was filed by the Federal Public Attorney's Office against Chevron and Transocean, due to droplets of oil identified in underwater images within the Frade field. In this suit the Federal Public Attorney's Office intends to condemn the defendants to a further R\$ 20 billion as compensation for damages to the community.

The assessment by the Company's lawyers is that the amounts claimed are not reasonable and are disproportionately high in relation to the extent of the damages caused. In the second suit, as the oil was not identified on the surface, it is not even possible to conceive of the existence of any actual damage to the community.

Petrobras holds a 30% interest in the Frade consortium. Although it is not a party to the legal suits, because of its equity interest, Petrobras may be contractually obliged to pay 30% of the total contingencies related to the Frade field. In the event Chevron is held legally responsible, Petrobras may be contractually subject to the payment of up to 30% of the costs referring to the compensations.

29.4 Contingent

29.4.1 Recovery of maintenance costs – Barracuda & Caratinga

In 2006, Petrobras, as representative of Barracuda & Caratinga Leasing Company B.V. (BCLC), filed to an arbitration abroad against Kellogg, Brown, Root, LLC (KBR), to obtain indemnifications for maintenance costs incurred on flexible lines of the Barracuda and Caratinga field, during the period covered by a contractual guarantee.

On September 21, 2011, the arbitration Court decided in favor of BCLC, definitively, condemning KBR to indemnify R\$ 339, pleaded in the arbitration, plus Petrobras' internal costs in conducting the arbitration, in addition to legal fees and costs of the arbitration. After the decision, the Company recognized in 2011 the amount of R\$ 339 in non-current assets.

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30 Guarantees for concession agreements for oil exploration

Petrobras gave guarantees to the Agência Nacional de Petróleo, Gás Natural e Biocombustíveis (ANP) in the total amount of R\$ 6,424 for the Minimum Exploration Programs established in the concession agreements for exploration areas, with R\$ 5,644 remaining in force, net of commitments that have been undertaken. Of this amount, R\$ 3,192 corresponds to crude oil from previously identified producing fields pledged as security and R\$ 2,452 refers to bank guarantees.

31 Risk management and derivative financial instruments

Petrobras is exposed to a series of risks arising from its operations: market risk related to the price of oil and oil products, foreign exchange and interest rates risk, credit risk and liquidity risk.

31.1 Risk management

The Petrobras' risk management policy aims at contributing towards an appropriate equilibrium between its objectives for growth and return and its risk exposure level, whether inherent to the exercise of its activities or arising from the context within which it operates, so that, through effective allocation of its physical, financial and human resources, the Company may achieve its strategic goals.

The Executive Board, responsible for the management of the Company's risks, set up the Financial Integration Committee to periodically assess and establish guidelines for measuring, monitoring, and managing the risks, and to support its decisions. This Committee is permanently composed of all the executive managers of the financial department, and the executive managers of the business departments are convened for discussions of specific themes.

31.2 Market risk

31.2.1 Risk management of prices of oil and oil products

Petrobras preferably maintains exposure to the prices cycle, not using derivatives for hedging the purchases and sales that aim to attend the Company's operational requirements.

Operations with derivatives are limited to hedging the expected results from transactions carried out abroad, which are usually short-term, accompanying the terms of commercial operations.

The main parameters used in risk management, for changes in the Company's prices of crude oil and oil products, in the transactions carried out abroad, are: operating cash flow at risk (CFAR), Value at Risk (VAR) and Stop Loss.

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a) Notional amount, fair value and guarantees of derivative instruments of crude oil and oil products

| Statement of Financial Position | Consolidated Notional value | | Fair value ** | |
|---|--------------------------------|----------------|---------------|--------------|
| | (in thousands of bbl)* | | | |
| | 09.30.2012 | 12.31.2011 | 09.30.2012 | 12.31.2011 |
| Futures contracts | (3,311) | (6,217) | (29) | 34 |
| Purchase commitments | 33,735 | 30,193 | | |
| Sale commitments | (37,046) | (36,410) | | |
| Options contracts | (1,429) | (2,130) | (0.7) | (4) |
| Call | 286 | (730) | (0.8) | (3) |
| Long position | 6,280 | 6,728 | | |
| Short position | (5,994) | (7,458) | | |
| Put | (1,715) | (1,400) | 0.1 | (1) |
| Long position | 6,145 | 3,990 | | |
| Short position | (7,860) | (5,390) | | |
| Forward contracts | 50 | 275 | (0.4) | (0.1) |
| Long position | 50 | 275 | | |
| Total recognized in other current assets and liabilities | | | (30.1) | 30 |

(*) A negative notional amount (in bbl) represents a short position

(**) Negative fair values were recorded in liabilities and positive fair values in assets.

| Financial income | Jan-Sep/2012 | Jan-Sep/2011 |
|--|--------------|--------------|
| Gain (loss) recognized in the results for the period | (202) | (76) |

| Garantees given as collateral | Consolidated 09.30.2012 | 12.31.2011 |
|-------------------------------|----------------------------|------------|
| | | |

Generally consist of deposits

117

168

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b) Sensitivity analysis of crude oil and oil products derivatives

The probable scenario is the fair value at September 30, 2012. The stressed scenarios consider price changes on the risk variable of 25% and 50%, respectively, comparatively to September 30, 2012.

| | | Consolidated Probable at 09.30.2012 | Possible (Δ of 25%) | Remote (Δ of 50%) |
|----------------------|--|--|--------------------------------|------------------------------|
| Oil and Oil Products | Risk | | | |
| Brent | Derivative (Brent prices increase) | 11 | (405) | (820) |
| | Inventories (Brent prices decrease) | (2) | 416 | 834 |
| | | 9 | 11 | 14 |
| Diesel | Derivative (Diesel prices increase) | 2 | (70) | (141) |
| | Inventories (Diesel prices decrease) | (11) | 61 | 133 |
| | | (9) | (9) | (8) |
| Freight | Derivative (Freight costs decrease) | (1) | (1) | (1) |
| | Inventories (Freight costs increase) | 1 | 1 | 2 |
| | | - | - | 1 |
| Gasoline | Derivative (Gasoline prices increase) | (11) | (57) | (103) |
| | Inventories (Gasoline prices decrease) | 35 | 87 | 138 |
| | | 24 | 30 | 35 |
| LLS | Derivative (LLS prices decrease) | 5 | (12) | (29) |
| | Inventories (LLS prices increase) | (4) | 13 | 30 |
| | | 1 | 1 | 1 |

| | | | | |
|----------|--|-----------|-----------|------------|
| Naphtha | Derivative (Naphtha prices decrease) | 2 | (6) | (14) |
| | Inventories (Naphtha prices increase) | (2) | 6 | 14 |
| | | - | - | - |
| Fuel Oil | Derivative (Fuel Oil prices increase) | (2) | (135) | (268) |
| | Inventories (Fuel Oil prices decrease) | 7 | 141 | 276 |
| | | 5 | 6 | 8 |
| Propane | Derivative (Propane prices increase) | (1) | (29) | (57) |
| | Inventories (Propane prices decrease) | 1 | 29 | 57 |
| | | - | - | - |
| WTI | Derivative (WTI prices decrease) | (34) | (180) | (332) |
| | Inventories (WTI prices increase) | 58 | 193 | 329 |
| | | 24 | 13 | (3) |

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c) Embedded derivatives - Sale of ethanol

The Company entered into a sales agreement of ethanol based on a price formula set in the time of signing the contract. The selling price of each ethanol cargo is based on the prices of two distinct references: ethanol and of naphtha.

Considering that naphtha market prices does not have a strict relationship with the cost or market value of ethanol, the portion referring to the derivative instrument was separated from the main agreement and recognized at fair value (level 3), and classified as financial income. The Company determined the fair value of this agreement based on the difference between the spreads for naphtha and ethanol.

The notional value, fair value and the sensitivity analysis of the swap are presented below:

| Forward contracts | Notional value (in thousand of m ³) | Fair value | | Sensitivity analysis at 06.30.2012 | | | |
|----------------------------------|---|------------|------------|------------------------------------|---------------------|-------------------|------------------------------------|
| | | 09.30.2012 | 12.31.2011 | Probable (*) | Possible (Δ of 25%) | Remote (Δ of 50%) | Risk |
| Long position (Maturity in 2015) | 663 | 54 | 49 | (6) | (71) | (142) | Fall in Naphtha vs. Ethanol spread |

(*) The probable scenario was obtained from the difference between future ethanol and naphtha contracts maturing on December 31, 2012.

Financial income

| | Jan-Sep/2012 | Jan-Sep/2011 |
|--|---------------------|---------------------|
| Gain (loss) recognized in the results for the period | 1 | (10) |

The Company determined the fair value of this contract based on practices used on the market, where the difference between the spreads for naphtha and ethanol is calculated. The selling price of the ethanol in the agreement refers to the Brazilian market (ESALQ). The values of the parameters used in the calculation were obtained from market prices for ethanol and naphtha on the CBOT (Chicago Board of Trade) future market on the last working day of the period of the financial statements.

31.2.2 Foreign Exchange risk management

Foreign exchange risk is one of the financial risks that the Company is exposed to and it originates from changes in the levels or volatility of the exchange rate that reference asset and liabilities positions.

Regarding foreign exchange risk management, Petrobras seeks to identify and handle them in an integrated manner, through the recognition or creation of “natural hedges”, benefiting from the correlation between its income and expenses. In the short term, for the foreign exchange variation inherent to the contracts with the costs and receipts in different currencies, this natural hedge is carried out through allocating cash and cash equivalents between the real and the US dollar or another currency.

The risk management is done for the net exposure. Periodical analyses of the foreign exchange risk are prepared, assisting the decisions of the executive Board. The foreign exchange risk management strategy may involve the use of derivative instruments to minimize the foreign exchange exposure of certain obligations of the Company.

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a) Main transactions and future commitments hedged by foreign currency derivative operations

Swap Contracts

Yen vs. Dollar

The Company entered into a risk management hedge operation denominated cross currency swap, aimed at fixing the amounts in U.S. dollar of bonds issued in yens. The Company does not intend to settle these contracts before the end of the term. Hedge accounting has been adopted for this relationship between the derivative and the loan, qualified as cash flow hedge.

Changes in fair value, to the extent the hedge is effective, tested quarterly, are recognized in accumulated other comprehensive income until the results of the hedged item is realized.

b) Notional value, fair value and guarantees

| Statement of Financial Position | Consolidated Notional value (in millions) | | Fair value | |
|---|--|------------|------------|------------|
| | 09.30.2012 | 12.31.2011 | 09.30.2012 | 12.31.2011 |
| Cross Currency Swap (Maturity in 2016) | | | 253 | 243 |
| Asset position (JPY) - 2.15% p.a. | JPY 35,000 | JPY 35,000 | 979 | 926 |
| | USD 298 | USD 298 | (726) | (683) |

Liability position (US\$) -
5.69% p.a.

| | | | | |
|---|----------|---------|------------|------------|
| Swap (Maturity in 2012) | | | - | 32 |
| Asset position - US\$ | | USD 127 | - | 241 |
| Liability position - R\$ CDI | | BRL 199 | - | (209) |
| Sale of forward dollar | USD3,562 | USD 87 | 10 | (3) |
| Total recorded in other current assets and liabilities | | | 263 | 272 |

| Financial result and shareholders' equity | Jan-Sep/2012 | Jan-Sep/2011 |
|--|---------------------|---------------------|
| Gain (loss) recognized in the results for the period | 124 | 20 |
| Gain (loss) recognized in shareholders' equity | 13 | (9) |

The existing foreign-currency derivative operations do not require guarantee margin deposit.

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c) Sensitivity analysis of financial instruments subject to foreign exchange variation

The Company has assets and liabilities subject to foreign exchange variations, which main exposure is the Real relative to the U.S. dollar. The balances of assets and liabilities in foreign exchange of subsidiaries outside of Brazil are not included below, when transacted in currency equivalent to their respective functional currencies, which translation gains or losses are recorded in cumulative translation adjustments in the Shareholders' equity and transferred to profit or loss when realized.

The probable scenario based on external data, as well as the stressed scenarios (25% and 50% of foreign exchange variation) are, as follows:

| | Exposure at 30.09.2012 | Risk | Consolidated Scenarios: | | |
|--|----------------------------------|--------|----------------------------|------------------------|----------------------|
| | | | Probable 09.30.2012 | Possible (Δ of 25%) | Remote (Δ of 50%) |
| Financial Instruments | | | | | |
| Financial Instruments (Assets) | 9,153 | Dollar | (138) | 2,288 | 4,576 |
| Financial Instruments (Liabilities) | (89,608) | | 1,350 | (22,402) | (44,804) |
| Forward Derivative (Short Position) | (7,232) | | 27 | (463) | (926) |
| | (87,687) | | 1,239 | (20,577) | (41,154) |
| Financial Instruments (Assets) | 0.2 | | - | - | - |

| | | | | | |
|--|-------------------|-------|--------------|-----------------|-----------------|
| Financial Instruments (Liabilities) | (2,668) | Yen | 1 | (667) | (1,334) |
| Cross-currency Swap | 912 | | (13) | 196 | 326 |
| | (1,755.8) | | (12) | (471) | (1,008) |
| Financial Instruments (Assets) | 1,110 | Euro | (14) | 278 | 555 |
| Financial Instruments (Liabilities) | (5,466) | | 68 | (1,367) | (2,733) |
| | (4,356) | | 54 | (1,089) | (2,178) |
| Financial Instruments (Assets) | 286 | Pound | (5) | 72 | 143 |
| Financial Instruments (Liabilities) | (2,466) | | 41 | (616) | (1,233) |
| | (2,180) | | 36 | (544) | (1,090) |
| Financial Instruments (Assets) | 871 | Peso | (41) | 218 | 436 |
| Financial Instruments (Liabilities) | (2,490) | | 118 | (623) | (1,245) |
| | (1,619) | | 77 | (405) | (809) |
| | (97,597.8) | | 1,394 | (23,086) | (46,239) |

* The probable scenario was calculated considering the following risks for December, 31, 2012: Real x Dollar – 1.51% depreciation of the Dollar relative to the Real / Dollar x Yen – 0.05% depreciation of the Yen / Dollar x Euro: 1.24% depreciation of the Euro / Dollar x Pound Sterling: 1.65% depreciation of the Pound Sterling / Dollar x Peso: 4.97% depreciation of the Peso. The data were obtained from Focus report and Bloomberg.

Considering the balance between liabilities, assets, revenues and future commitments in foreign currency, the impact of possible exchange variations does not jeopardize the liquidity of the Company in the short term, as most of its debt mature in the long term.

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31.2.3 Interest rate risk management

Regarding interest rate risk, the Company is mainly subject to the changes in the LIBOR rate for its funding in foreign currency and for the changes in the Brazilian long-term interest rate (TJLP) for its funding in Reais. An increase in the rates negatively impacts the Company's financial expenses and financial position.

Petrobras considers that the exposure to interest rate changes will not have a material impact, and so, preferably does not use derivative financial instruments to manage this type of risk; except for specific situations faced by some companies of the Petrobras group.

a) Main transactions and future commitments hedged by derivative operations

Swap contracts

Floating interest rate (Libor USD) vs. Fixed rate (USD)

The Company entered into an operation denominated interest rate swap, in order to exchange a floating interest rate to a fixed rate aiming at eliminating the mismatch between the cash flows of assets and liabilities from investment projects. The Company does not intend to settle the operation before its maturity term and, therefore, adopted hedge accounting for the relationship between the funding and the derivative.

Other positions held are shown in the table below:

b) Notional value, fair value, guarantees and sensitivity analysis of the interest rate derivatives

| Statement of Financial Position | Consolidated Notional value (in millions) | | Fair value | |
|---|--|-------------------|---------------------|---------------------|
| | 09.30.2012 | 12.31.2011 | 09.30.2012 | 12.31.2011 |
| | Swaps (maturity in 2020) Short position | USD 460 | USD 478 | (84) |
| Swaps (maturity in 2015) Long position – Euribor | EUR 16 | EUR 20 | (2.8) | (3) |
| Short position – 4.19% Fixed rate | EUR 16 | EUR 20 | (3) | (4) |
| Total recognized in other assets and liabilities | | | (86.8) | (70) |
| Financial result and shareholders' equity | | | Jan-Sep/2012 | Jan-Sep/2011 |
| Gain (loss) recognized in the results for the period | | | (1) | - |
| Gain (loss) recognized in shareholders' equity | | | (17) | (59) |

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| Interest rate derivatives | Risk | Probable (*) | Consolidated Scenarios: Possible (Δ of 25%) | Remote (Δ of 50%) |
|----------------------------------|------------------|---------------------|--|--------------------------|
| Hedge (Derivative - Swap) | Libor decrease | (18) | (9) | 18 |
| Debt | Libor increase | 18 | 9 | (18) |
| Net effect | | - | - | - |
| Hedge (Derivative - Swap) | Euribor decrease | 0.2 | - | 0.1 |
| Debt | Euribor increase | (0.2) | - | (0.1) |
| Net effect | | - | - | - |

* The probable scenario was obtained based on LIBOR futures.

The existing interest rate derivative operations do not require a guarantee margin deposit.

31.3 Credit risk

Petrobras is exposed to the credit risk of clients and financial institutions, resulting from its commercial operations and its cash management. These risks consist of the possibility of non-receipt of sales made and amounts invested, deposited or guaranteed by financial institutions.

Credit risk management in Petrobras is part of financial risk management, which is performed by the Company's officers, under a policy of corporate risk management. The Credit Commissions are, each, composed of executive Managers for Risk Management, Finance and Commercial Department.

The purpose of the Credit Commissions is to analyze questions connected with credit management, not only with respect to granting credit but also with respect to its management; to encourage integration between the units that compose them; and to identify recommendations to be applied in the units involved or to be submitted to the appreciation of

higher jurisdictions.

The credit risk management policy is part of the Company's global risk management policy and aims at reconciling the need for minimizing exposure to credit risk and maximizing the result of sales and financial operations, through an efficient credit analysis process and efficient credit granting and management processes.

In its management of credit risks, Petrobras uses quantitative and qualitative parameters that are appropriate for each of the market segments in which it operates.

The Company's commercial credit portfolio is much diversified and the credits granted are divided between clients on the Brazilian market and foreign markets.

Credit granted to financial institutions is distributed among the major international banks rated by the international risk classifiers as Investment Grade and the most important Brazilian banks.

The maximum exposure to credit risk is represented mainly by the balance of accounts receivable and derivative transactions outstanding.

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31.4 Liquidity risk

The Company's liquidity risk is represented by the possibility of a shortage of funds, cash or another financial asset in order to settle its obligations on the established dates.

The policy on liquidity risk management adopted by the Company provides that the maturity of its debt continues to be lengthen, exploring the funding capacity of the domestic market and developing a strong presence in the international capital market by broadening the investor's base in fixed income.

Petrobras finances the working capital through the centralization of the group's cash and assuming short-term debt that is usually related to the flow of trade, as export credit notes and advances on foreign exchange contracts. Investments in non-current assets are financed through long-term debt as bonds issued in the international market, credit bureaus, financing and pre payment of exports, development banks in Brazil and abroad, and lines of credit with national and international commercial banks.

The principal and interest from debts by maturity:

| Maturity | Consolidated |
|------------------------------|---------------------|
| 2012 | 11,596 |
| 2013 | 16,419 |
| 2014 | 18,575 |
| 2015 | 24,214 |
| 2016 | 36,830 |
| 2017 | 25,442 |
| 2018 and thereafter | 134,169 |
| At September 30, 2012 | 267,245 |
| At December 31, 2011 | 229,381 |

31.5 Financial investments (operations with derivatives)

Operations with derivatives are, both in the domestic and foreign markets, earmarked exclusively for the exchange of indexes of the assets that comprise the portfolios, and their purpose is to provide flexibility to the managers in their quest for efficiency in the management of short-term financial assets.

The market values of the derivatives held in the exclusive investment funds at September 30, 2012 are as follows:

| Contract | Quantity | Notional value | Fair value* | Maturity |
|--|-----------------|-----------------------|--------------------|---------------------|
| <u>Future Interbank Deposit</u> | (85,225) | (7,619) | (6) | 2012 to 2014 |
| Long position | 60,026 | 5,647 | (1) | |
| Short position | (145,251) | (13,266) | (5) | |
| <u>Future dollar</u> | 2,311 | 235 | - | 2012 |
| Long position | 2,311 | 235 | - | |

(*) The positions indicated by a hyphen represent amounts lower than R\$ 500 thousand.

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Notes to the interim financial information
(Consolidated and Parent Company)
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32 Fair value of financial assets and liabilities

Fair values are determined based on market prices, when available, or, in the absence thereof, on the present value of expected cash flows. The fair values of cash and cash equivalents, trade accounts receivable, short term debt and trade accounts payable are the same as their carrying values. The fair values of other long-term assets and liabilities do not differ significantly from their carrying values.

At September 30, 2012, the estimated fair value for the Company's long term debt was R\$ 181,406 and calculated at prevailing market rates, considering natures, terms and risks similar to the recorded contracts, and it may be compared with the carrying value of R\$ 171,029.

The hierarchy of the fair values of the financial assets and liabilities, recorded on a recurring basis, is presented as follows:

| | Fair value measured based on | | | |
|--|---|---|--|---------------------------------|
| | Prices quoted on active market (Level I) | Valuation technique supported by observable prices (Level II) | Valuation technique without use of observable prices (Level III) | Total fair value recorded |
| Assets | | | | |
| Marketable securities | 23,012 | - | - | 23,012 |
| Commodity derivatives | - | - | 54 | 54 |
| Foreign currency derivatives | 10 | 253 | - | 263 |
| Balance at September 30, 2012 | 23,022 | 253 | 54 | 23,329 |
| Balance at December 31, 2011 | 22,362 | 243 | 49 | 22,654 |
| Liabilities | | | | |
| Commodity derivatives | (30.1) | - | - | (30.1) |
| Derivatives (Financial investments) | (6.0) | - | - | (6.0) |
| Interest derivatives | (86.8) | - | - | (86.8) |
| Balance at September 30, 2012 | (122.9) | - | - | (122.9) |
| Balance at December 31, 2011 | (106.3) | (3) | - | (109.3) |

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Notes to the interim financial information
(Consolidated and Parent Company)
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33 Subsequent events

Funding

a) Global Notes Issue

On October 01, 2012 Petrobras Global Finance B.V. (PGF), a wholly-owned subsidiary of Petrobras, issued 6.5-year and 11-year Global Notes denominated in Euros (€) and 17-year Global Notes denominated in Pounds Sterling (£) in the following terms:

| Currency | Volume | Maturity | Coupon* |
|----------------|---------|----------|----------------|
| Euro | € 1,300 | Apr/2019 | 3.25% p.a. |
| Euro | € 700 | Oct/2023 | 4.25% p.a. |
| Pound Sterling | £ 450 | Oct/2029 | 5.375% p.a. |

* With annual payments, starting in 2013.

Global Notes are unsubordinated and unsecured obligations from PGF B.V. fully and unconditionally guaranteed by Petrobras.

b) Financing Contract

On October 12, 2012, Petrobras signed a financing agreement for up to U.S. \$ 1 billion with Japan Bank for International Cooperation (JBIC). JBIC will be responsible for the loan of up to U.S.\$ 600 million of the total and to provide partial guarantees for the remaining portion of U.S.\$ 400 million, which will be provided by The Bank of Tokyo-Mitsubishi UFJ, Ltd (BTMU). The funds will be used for energy efficiency projects to reduce greenhouse gases.

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34 34 Correlation between the notes disclosed in the complete annual financial statements as of December 31, 2011 and the interim statements as of September 30, 2012

| Annual for 2011 | Quarterly information for 3T-2012 | Names of explanatory notes |
|----------------------------|--|---|
| 1 | 1 | The Company and its operations |
| 2 | 2 | Basis of preparation |
| 3 | 3 | Consolidation basis |
| 4 | 4 | Summary of significant accounting policies |
| 5 | 5 | Cash and cash equivalents |
| 6 | 6 | Marketable securities |
| 7 | 7 | Accounts receivable |
| 8 | 8 | Inventories |
| 9 | 9 | Restricted deposits for legal proceedings and guarantees |
| 10 | 10 | Acquisitions and disposal of assets and interests |
| 11 | 11 | Investments |
| 12 | 12 | Property, plant and equipment, net |
| 13 | 13 | Intangible assets |
| 14 | 14 | Exploration activities and valuation of oil and gas reserves |
| 15 | 15 | Trade accounts payable |
| 16 | 16 | Loans and financing |
| 17 | 17 | Leases |
| 18 | 18 | Related parties |
| 19 | 19 | Provision for decommissioning costs |
| 20 | 20 | Taxes |
| 21 | 21 | Employee's post-retirement benefits obligations - Pension and Health care |
| 23 | 22 | Shareholders' equity |
| 24 | 23 | Sales revenues |
| 26 | 24 | Other operating income and expenses, net |
| 25 | 25 | Expenses by nature |
| 27 | 26 | Financial income (expenses), net |
| * | 27 | Supplementary information on the statement of cash flows |
| * | 28 | Segment reporting |
| 28 | 29 | Legal proceedings and contingencies |

The hierarchy of the fair values of the financial assets and liabilities, recorded on a recurring basis, is presented as

| | | |
|-----------|-----------|--|
| 30 | 30 | Guarantees for concession agreements for petroleum exploration |
| 31 | 31 | Derivative instruments, hedging and risk management activities |
| 32 | 32 | Fair value of financial assets and liabilities |
| 34 | 33 | Subsequent events |

(*) Information included in the financial statements for 2011.

The notes to the financial statements in the annual report for 2011 which were deleted in the Interim Financial Statements for 3Q-2012, due to the fact that they do not present material changes and/or are not applicable to the interim information are:

| Number of explanatory notes | Names of explanatory notes |
|------------------------------------|---|
| 22 | Profit sharing |
| 29 | Commitments for purchase of natural gas |
| 33 | Insurance |

(A free translation of the original in Portuguese)

Report on review of quarterly information

To the Board of Directors and Shareholders

Petróleo Brasileiro S.A. - Petrobras

Introduction

We have reviewed the accompanying parent company and consolidated interim accounting information of Petróleo Brasileiro S.A - Petrobras, included in the Quarterly Information Form (ITR) for the quarter ended September 30, 2012, comprising the balance sheet as at that date and the statements of income and comprehensive income for the quarter and nine-month periods then ended, and the statements of changes in equity and cash flows for the nine-month period then ended, and a summary of significant accounting policies and other explanatory information.

Management is responsible for the preparation of the parent company interim accounting information in accordance with the accounting standard CPC 21 (R1), Interim Financial Reporting, of the Brazilian Accounting Pronouncements Committee (CPC), and of the consolidated interim accounting information in accordance with CPC 21 (R1) and International Accounting Standard (IAS) 34 - Interim Financial Reporting issued by the International Accounting Standards Board (IASB), as well as the presentation of this information in accordance with the standards issued by the Brazilian Securities Commission (CVM), applicable to the preparation of the Quarterly Information (ITR). Our responsibility is to express a conclusion on this interim accounting information based on our review.

Scope of review

The hierarchy of the fair values of the financial assets and liabilities, recorded on a recurring basis, is presented as

We conducted our review in accordance with Brazilian and International Standards on Reviews of Interim Financial Information (NBC TR 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity and ISRE 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity, respectively). A review of interim information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Brazilian and International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Petróleo Brasileiro S.A. - Petrobras

Conclusion on the parent

company interim information

Based on our review, nothing has come to our attention that causes us to believe that the accompanying parent company interim accounting information included in the quarterly information referred to above has not been prepared, in all material respects, in accordance with CPC 21 (R1) applicable to the preparation of the Quarterly Information, and presented in accordance with the standards issued by the CVM.

Conclusion on the consolidated

interim information

Based on our review, nothing has come to our attention that causes us to believe that the accompanying consolidated interim accounting information included in the quarterly information referred to above has not been prepared, in all material respects, in accordance with CPC 21 (R1) and IAS 34 applicable to the preparation of the Quarterly Information, and presented in accordance with the standards issued by the CVM.

Other matters

Statements of value added

We have also reviewed the parent company and consolidated statements of value added for the nine-month period ended September 30, 2012. These statements are the responsibility of the Company's management, and are required to be presented in accordance with standards issued by the CVM applicable to the preparation of Quarterly Information (ITR) and are considered supplementary information under IFRS, which do not require the presentation of the statement of value added. These statements have been submitted to the same review procedures described above and, based on our review, nothing has come to our attention that causes us to believe that they have not been prepared, in all material respects, in a manner consistent with the parent company and consolidated interim accounting information taken as a whole.

The hierarchy of the fair values of the financial assets and liabilities, recorded on a recurring basis, is presented as

Audit and review of prior-year information

The Quarterly Information Form (ITR) mentioned in the first paragraph includes accounting

information related to: (i) the income and comprehensive income, for the quarter and nine-month period ended September 30, 2011 and changes in equity, cash flows and value added for the nine-month period ended September 30, 2011, obtained from the Quarterly Information Form (ITR) for the quarter then ended, prepared originally before of the adjustments described in note 3, that were made to restate the financial information relating to 2011, presented for comparison purposes; and (ii) the balance sheets as at December 31, 2011, obtained from the financial statements for the year ended December 31, 2011. The review of the Quarterly Information Form (ITR) for the quarter ended September 30, 2011, as originally prepared, and the examination of the financial statement for the year ended December 31, 2011, were conducted under the responsibility of other independent auditors, who issued unqualified review and audit reports dated November 11, 2011 and February 9, 2012, respectively.

Petróleo Brasileiro S.A. - Petrobras

As part of our review of the financial information for the quarter ended September 30, 2012, we have also reviewed the adjustments described in note 3 that were made to restate the financial information included in the Quarterly Information Form (ITR) for the quarter ended September 30, 2011, presented for comparison purposes. Based on our review, nothing has come to our attention that these adjustments are not appropriate and were not were correctly recorded in all material respects. We were not engaged to audit, review or apply any other procedures to the Company's Quarterly Information Form (ITR) for the quarter ended September 30, 2011 and, therefore, we do not express any opinion or any form of assurance on the financial information for that quarter taken as a whole.

Rio de Janeiro, October 26, 2012

/s/ PricewaterhouseCoopers

PricewaterhouseCoopers

Auditores Independentes

CRC 2SP000160/O-5 "F" RJ

/s/ Marcos Donizete Panassol

Marcos Donizete Panassol

Contador CRC 1SP155975/O-8 "S" RJ

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 29, 2012

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.
