

BRAZILIAN PETROLEUM CORP

Form 6-K

December 16, 2005

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 December, 2005

Commission File Number 1-15106

PETRÓLEO BRASILEIRO S.A. - PETROBRAS

(Exact name of registrant as specified in its charter)

Brazilian Petroleum Corporation - PETROBRAS

(Translation of Registrant's name into English)

Avenida República do Chile, 65

20031-912 - Rio de Janeiro, RJ

Federative Republic of Brazil

(Address of principal executive office)

Indicate by check mark whether the registrant files or will file annual reports under cover Form 20-F or Form 40-F.

Form 20-F ☒ Form 40-F ☐

Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes ☐ No ☒

PETRÓLEO BRASILEIRO S.A. - PETROBRAS

Public Company

PRESS RELEASE

Distribution of Interest on Own Capital

(Rio de Janeiro, December 16, 2005) - PETRÓLEO BRASILEIRO S/A - PETROBRAS, [Bovespa: PETR3/PETR4, NYSE: PBR/PBRA, Latibex: XPBR/XPBRA], a Brazilian international energy company, announces to shareholders and the market in general that the Board of Directors, meeting today, approved payment to shareholders in the form of interest on own capital, in accordance with Article 9 of Law 9,249/95 and Decrees nº 2,673/98 and 3,381/00.

The amount of R\$ 2,194 million to be distributed, corresponding to a gross value of R\$ 0.50 per common and preferred shares, is being accrued in our Financial Statements on December 31, 2005 and will be disbursed by March 31, 2006, based on the shareholding position as of December 30, 2005. In accordance with Decrees 2,673/98, and 3,381/00 if the payment occurs after December 31, 2005 interest based on the SELIC rate will be payable from December 31, 2005 through the effective payment date. The shares will be negotiated ex-interest on capital from January 02, 2006. This interest on capital will be offset against any remuneration payable at the close of the 2005 fiscal year and will be subject to income tax of 15% (fifteen per cent) withheld at source except in the case of shareholders who are exempt.

The gross value of R\$ 0.50 of interest on own capital per common and preferred shares corresponds to R\$ 2.00 per shares before the effect of the stock split which took place in September of 2005.

<http://www.petrobras.com.br/ri/english>

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This document may contain forecasts that merely reflect the expectations of the Company's management. Such terms as anticipate, believe, expect, forecast, intend, plan, project, seek, should, along with similar or analogous expressions, are used to identify forecasts. These predictions evidently involve risks and uncertainties, whether foreseen or not by the Company. Therefore, the future results of operations may differ from current expectations, and readers must not base their expectations exclusively on the information presented herein.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Date: December 16, 2005

PETRÓLEO BRASILEIRO S.A--PETROBRAS

By: /s/ José Sergio Gabrielli de
Azevedo

**José Sergio Gabrielli de
Azevedo
Chief Financial Officer and
Investor Relations Director**

FORWARD-LOOKING STATEMENTS

This press release may contain forward-looking statements. These statements are statements that are not historical facts, and 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.
