

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 and subsidiaries

Consolidated financial statements

September 30, 2012 and 2011 with
Report of Independent Registered
Public Accounting Firm

Petróleo Brasileiro S.A. - Petrobras and subsidiaries

Consolidated financial statements

September 30, 2012 and 2011

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**Report of independent registered
public accounting firm**

To the Board of Directors and Shareholders

Petróleo Brasileiro S.A. - Petrobras

We have reviewed the accompanying condensed consolidated statement of position of Petróleo Brasileiro S.A. - Petrobras and its subsidiaries as of September 30, 2012, and the related condensed consolidated statement of income, of cash flows, of comprehensive income and of shareholders' equity for the nine-month period ended September 30, 2012. This interim financial information is responsibility of the Company's management.

We conducted our review in accordance with the standards of the Public Company Accounting Oversight Board (United States). A review of interim financial information consists principally of applying analytical procedures and making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with the standards of the Public Company Accounting Oversight Board (United States), the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based on our review, we are not aware of any material modifications that should be made to the accompanying condensed consolidated interim financial information for it to be in conformity International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

Rio de Janeiro, Brazil

October 26, 2012

Petróleo Brasileiro S.A. - Petrobras and subsidiaries

Consolidated Statement of Financial Position

September 30, 2012 and December 31, 2011

(In millions of Dollars)

Assets	Note	09.30.2012	12.31.2011	Liabilities
Current assets				Current liabilities
Cash and cash equivalents	5	14,866	19,057	Trade accounts payable
Marketable securities	6	11,166	8,961	Current deposits
Trade accounts receivable, net	7	11,576	11,756	Current provisions
Inventories	8	14,949	15,165	Taxes payable
Recoverable Taxes	20.1	6,212	5,358	Dividends payable
Advances to suppliers		1,048	740	Payroll and other liabilities
Other current assets		2,138	2,065	Employee obligations
		61,955	63,102	Other current liabilities
Non-current assets				Non-current liabilities
Long-term receivables				Long-term liabilities
Trade accounts receivable, net	7.1	3,145	3,253	Long-term debt
Marketable Securities	6	314	3,064	Finance lease liabilities
Restricted deposits for legal proceedings and guarantees	9	1,579	1,575	Deferred tax liabilities
Deferred tax assets	20	8,737	10,689	Employee obligations
Advances to suppliers		3,056	3,141	Legal provisions
Other long-term receivables		1,765	1,725	Provision for contingencies
		18,596	23,447	Other non-current liabilities
Investments	11.1	5,984	6,530	
Property, plant and equipment , net	12	191,395	182,465	Shareholders' equity
Intangible assets	13	40,537	43,866	Paid in capital
		237,916	232,861	Additional paid-in capital
				Profit reserves
				Accumulated depreciation
				Petrobras' equity
				Non-current liabilities
				Total equity
Total Assets		318,467	319,410	Total liabilities

See the accompanying notes to the consolidated financial statements.

Petróleo Brasileiro S.A. - Petrobras and subsidiaries

Consolidated Statement of Income

September 30, 2012 and 2011

(In millions of Dollars)

	Note	Jan-Sep/2012	Jan-Sep/2011
Sales revenues	23	108,443	109,661
Cost of sales	25	(79,920)	(72,955)
Gross profit		28,523	36,706
Income (expenses)			
Selling expenses	25	(3,776)	(4,013)
Administrative and general expenses	25	(3,768)	(3,824)
Exploration costs		(2,949)	(1,796)
Research and development expenses	25	(801)	(1,035)
Other taxes	25	(255)	(316)
Other operating income and expenses, net	24	(3,386)	(3,465)
		(14,935)	(14,449)
Net income before financial results and income taxes		13,588	22,257
Financial income (expenses), net	26	(3,281)	(146)
Equity in results of non consolidated companies		(45)	177
Net income before income taxes		10,262	22,288
Income tax	20.5	(3,104)	(5,200)
Net income		7,158	17,088
Net income (loss) attributable to:			
Shareholders of Petrobras		7,271	17,316
Non-controlling interests		(113)	(228)
		7,158	17,088

Basic and diluted earnings per share in U.S. dollar	22.3	0.56	1.33
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See the accompanying notes to the consolidated financial statements.

Petróleo Brasileiro S.A. - Petrobras and subsidiaries

Consolidated Statement of Comprehensive Income

September 30, 2012 and 2011

(In millions of Dollars)

	Jan-Sep/2012	Jan-Sep/2011
Net income	7,158	17,088
Other comprehensive income		
Cummulative translation adjustments	(13,437)	(20,760)
Deemed cost of associates	4	(4)
Unrealized results on available-for-sale securities	-	-
Recognized in shareholders' equity	422	(4)
Reclassified to profit or loss	2	12
Unrealized results on cash flow hedge	-	-
Recognized in shareholders' equity	-	(19)
Reclassified to profit or loss	6	(5)
Deferred income tax	(143)	6
	(13,146)	(20,774)
Total comprehensive income (loss)	(5,988)	(3,686)
Comprehensive income attributable to:		
Shareholders of Petrobras	(5,752)	(3,507)
Non-controlling interests	(236)	(179)
Total comprehensive income (loss)	(5,988)	(3,686)

See the accompanying notes to the consolidated financial statements.

Petróleo Brasileiro S.A. - Petrobras and subsidiaries

Consolidated Statement of Changes in Shareholders' Equity

September 30, 2012 and 2011*(In millions of Dollars)*

	Additional paid in capital		Accumulated other comprehensive income		Legal	Statutory	income
	Paid-in capital	Shares issuance costs	Change in interest in subsidiaries	Cumulative translation adjustment			
Balance at December 31, 2010	107,341	(279)	286	30,130	215	5,806	571
Capital increase with reserves	14	-	-	-	-	-	-
Capital increase with issuing of shares	-	-	-	-	-	-	-
Cumulative translation adjustments	-	-	-	(22,433)	-	-	-
Unrealized gains in investments available-for-sale securities and cash flow hedge	-	-	-	-	37	-	-
Realization of deemed cost	-	-	-	-	(6)	-	-
Change in interest in subsidiaries	-	-	309	-	-	-	-
Net income	-	-	-	-	-	-	-
Distributions:							
Allocations of net income in reserves	-	-	-	-	-	1,006	537
Dividends	-	-	-	-	-	-	-

	107,355	(279)	595	7,697	246	6,812	1,108
Balance at December 31, 2011	107,355	316		7,943			60,2
Capital increase with reserves	7	-	-	-	-	-	-
Capital increase with issuing of shares	-	-	-	-	-	-	-
Cumulative translation adjustments	-	-	-	(13,911)	-	-	-
Unrealized gains in investments available-for-sale securities and cash flow hedge	-	-	-	-	287	-	-
Realization of deemed cost	-	-	-	-	(4)		