

PETROBRAS - PETROLEO BRASILEIRO SA
Form 6-K
February 19, 2009

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 6-K

Report of Foreign Private Issuer
Pursuant to Rule 13a-16 or 15d-16 of the
Securities Exchange Act of 1934

For the month of February, 2009

Commission File Number 1-15106

PETRÓLEO BRASILEIRO S.A. - PETROBRAS
(Exact name of registrant as specified in its charter)

Brazilian Petroleum Corporation - PETROBRAS
(Translation of Registrant's name into English)

Avenida República do Chile, 65
20031-912 - Rio de Janeiro, RJ
Federative Republic of Brazil
(Address of principal executive office)

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

Form 20-F Form 40-F

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

Yes No

Memorandums of Understanding between Petrobras and Chinese Institutions

Rio de Janeiro, February 19 2009 PETRÓLEO BRASILEIRO S/A - PETROBRAS, [Bovespa: PETR3/PETR4, NYSE: PBR/PBRA, Latibex: XPBR/XPBRA, BCBA: APBR/APBRA], a Brazilian international energy company, informs that signed this afternoon two Memorandums of Understanding with Chinese institutions and an export oil contract with UNIPEC Asia Co. Ltda, subsidiary of China Petrochemical Corporation SINOPEC, to export 60 to 100 thousand barrels of oil per day.

The Memorandums aims to drive economic development and trade between China and Brazil, which, coordinated by the respective governments, will single out business opportunities based on mutual benefits.

The Memorandum between China Development Bank Corporation (CDB), China Petrochemical Corporation (SINOPEC) and Petrobras presents the following scopes:

- Credit supply to Petrobras, including the option to off-set the debt with the export of oil, as per Chinese institution option and in a volume to be defined in the future;
- Increase the oil export of Petrobras to China;
- Partnerships between Petrobras and Chinese companies to develop projects in several oil industry segments;
- Supply of service, material and equipment by Chinese companies to Petrobras; and
- Promoting contacts between Chinese and Brazilian companies for the purpose of creating joint ventures.

The Memorandum between Petro China - CNPC and Petrobras aims to increase the oil export of Petrobras to China, in the range of 40 trough 60 thousands barrels of oil per day.

The parties will start the negotiation to execute the contracts to be implemented as a result of the agreements.

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 terms are used to identify such 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: February 19, 2009

PETRÓLEO BRASILEIRO S.A--PETROBRAS

By: /s/ Almir Guilherme Barbassa

Almir Guilherme Barbassa
Chief Financial Officer and
Investor Relations Officer

FORWARD-LOOKING STATEMENTS

This press release may contain forward-looking statements. 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.
