

PETROBRAS - PETROLEO BRASILEIRO SA
Form 6-K
August 16, 2011

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 August, 2011

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).

Results for the 2nd Quarter of 2011: Net Income of R\$ 10.94 billion

Rio de Janeiro, August 15, 2011 – Petróleo Brasileiro S.A. - Petrobras announces today its consolidated results for the second quarter (2Q11) and first half of 2011 (1H11), presented in accordance with international financial reporting standards (IFRS).

The company posted 2Q11 net income of R\$10.94 billion (R\$0.84 per share), 32% up on the R\$8.29 billion recorded in 2Q10 (R\$0.95 per share), while income before financial results, participations and taxes totaled R\$12.05 billion, versus R\$12.3 billion in 2Q10.

First-half net income came to R\$21.93 billion, 37% higher than the 1H10 figure of R\$16.02 billion, reflecting the 12% increase in sales revenue, fueled by the 2% upturn in oil and natural gas production and, especially, the increase in the domestic sales volume of oil products (+9%) and gas (+7%), whose prices were higher thanks to the 5% increase in the average realization price.

In individual segment terms, the improvement in the Exploration & Production (E&P) result was due to higher crude prices and increased production volume. On the other hand, this same increase in crude prices meant that Refining, Transportation & Marketing (RT&M) net income suffered a decline.

Net Income per Segment (R\$ million) ¹

Segment⁽¹⁾	2Q11	2Q10	1H11	1H10
Exploration & Production	10,593	7,649	19,920	14,961
Refining, Transportation & Marketing	(2,280)	(108)	(2,375)	1,008
Other Segments⁽²⁾	1,546	1,132	3,260	2,242

(1) Includes inter-segment transactions which are eliminated when calculating the Company's net income

(2) Excluding the Corporate segment

First-half investments totaled R\$32 billion, 16% less than in the same period last year, the majority of which allocated to E&P (46%) and RT&M (38%), which jointly absorbed 84% of the total. Most of the investments

were financed by the Company's own cash flow, which, measured by EBITDA, reached R\$16.1 billion in 2Q11 and R\$32.2 billion in 1H11.

Leverage remained at comfortable levels (17%), below the 35% limit established by the Company itself.

Moody's upgraded Petrobras' foreign-currency risk rating from Baa1 to A3. The upgrade also applied to debt of subsidiaries guaranteed by Petrobras.

www.petrobras.com.br/ri

For further information: PETRÓLEO BRASILEIRO S. A. – PETROBRAS

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This document may contain forward-looking statements, as defined by Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, which merely reflect the Company's current expectations. Such terms as "anticipate", "believe", "expect", "forecast", "intend", "plan", "project", "seek", "should", together with similar or analogous expressions, are used to identify such forward-looking statements, which clearly involve risks and uncertainties which may or may not be foreseen by the Company. Consequently, future results may differ from current expectations and readers are cautioned not to place exclusive reliance on the information presented herein.

