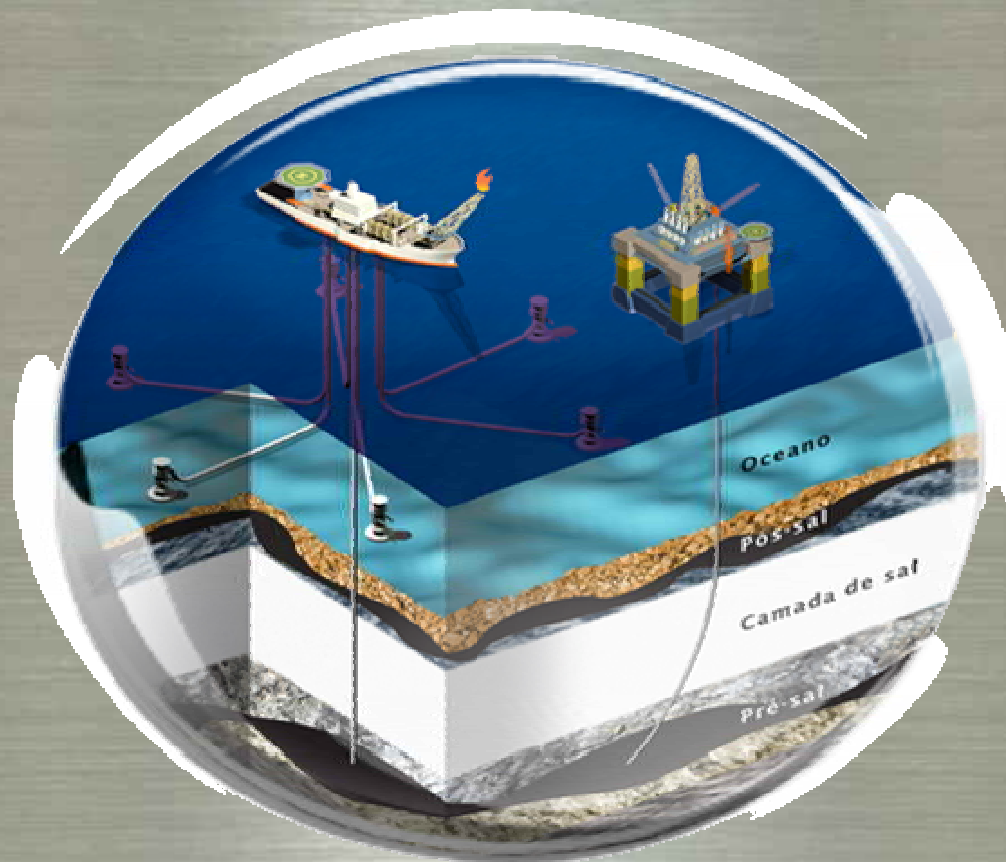


November, 2009



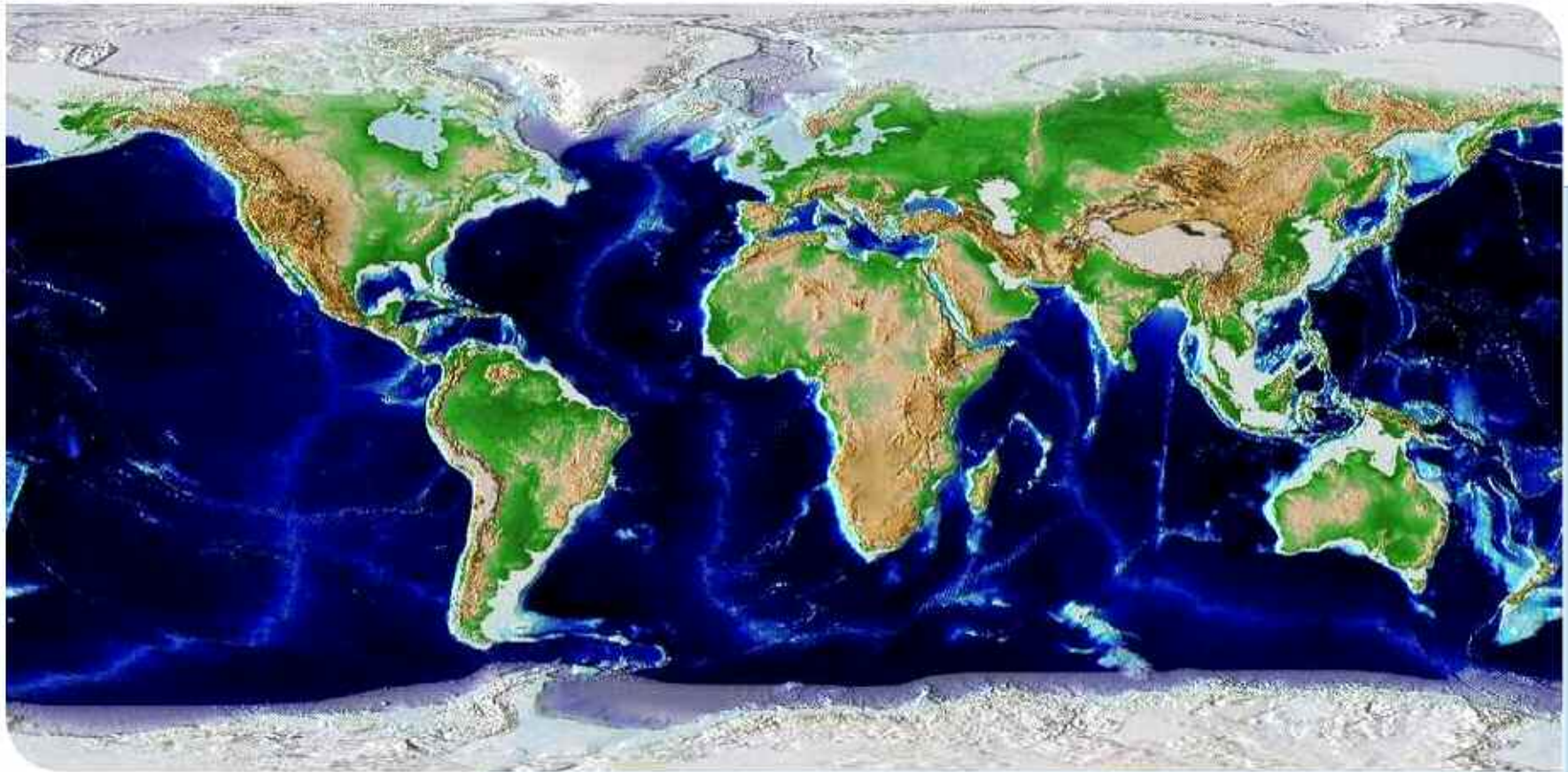
PETROBRAS



CSIS

EARTH DEVELOPMENT

Earth Planet as today



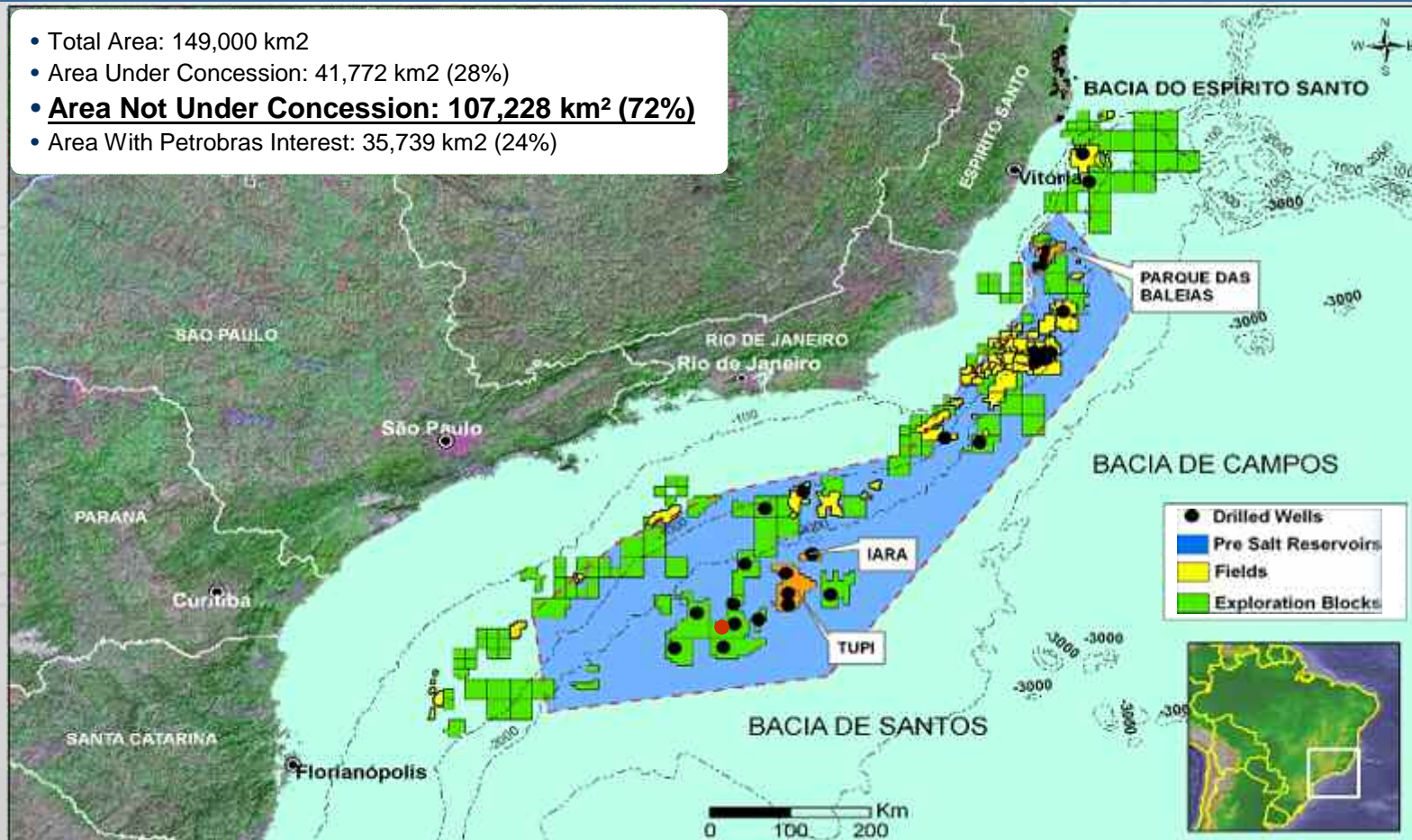
0 4960 Miles

SINBPA/Petrobras - Scotese

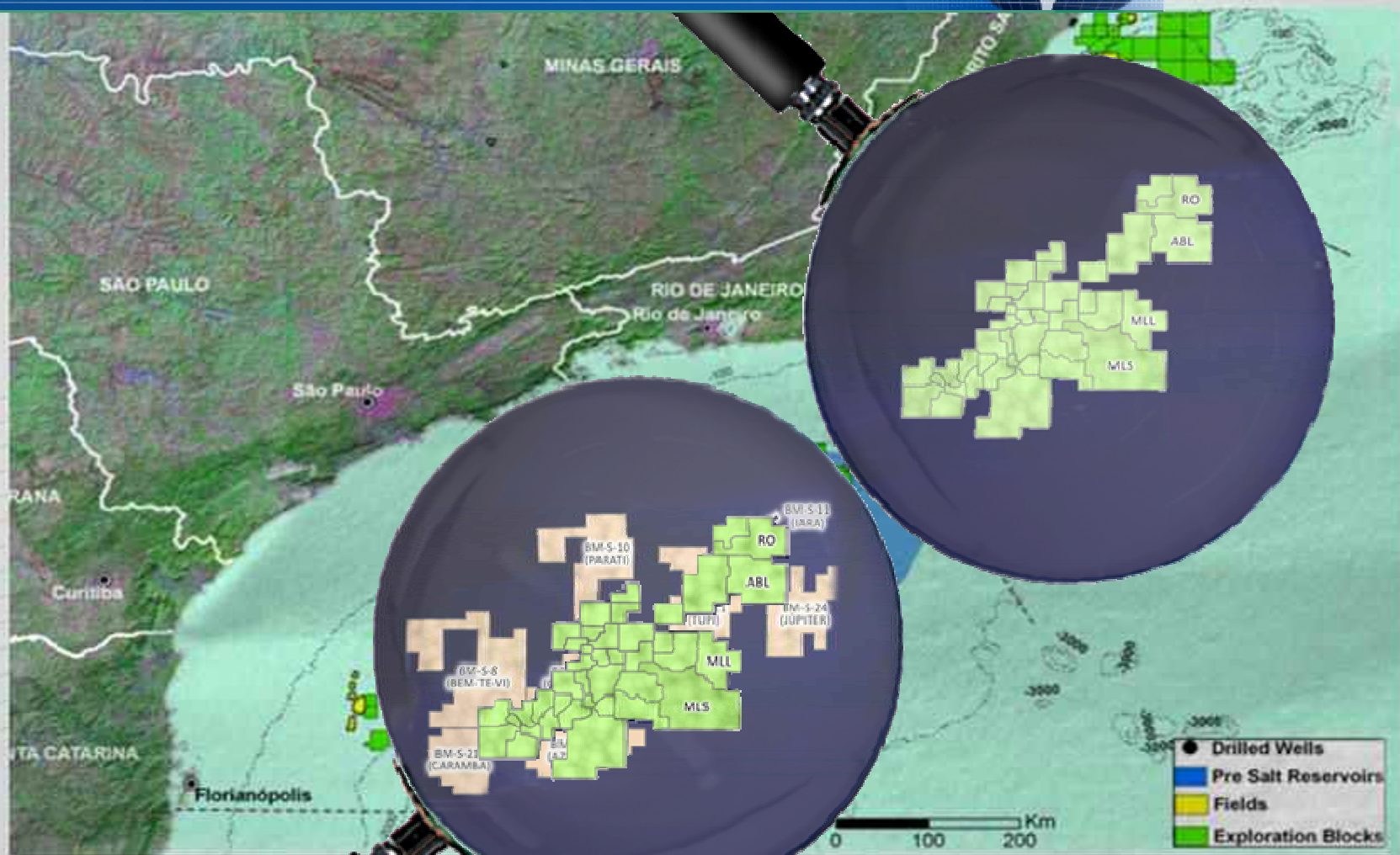
THE PRE-SALT REGION

- The big blue area represents the expected Pre-salt location, with great potential for oil presence
- Currently, there is a production acceleration program in Jubarte (Whales' Park) and an extended well test in Tupi (Santos Basin)

- Total Area: 149,000 km²
- Area Under Concession: 41,772 km² (28%)
- **Area Not Under Concession: 107,228 km² (72%)**
- Area With Petrobras Interest: 35,739 km² (24%)

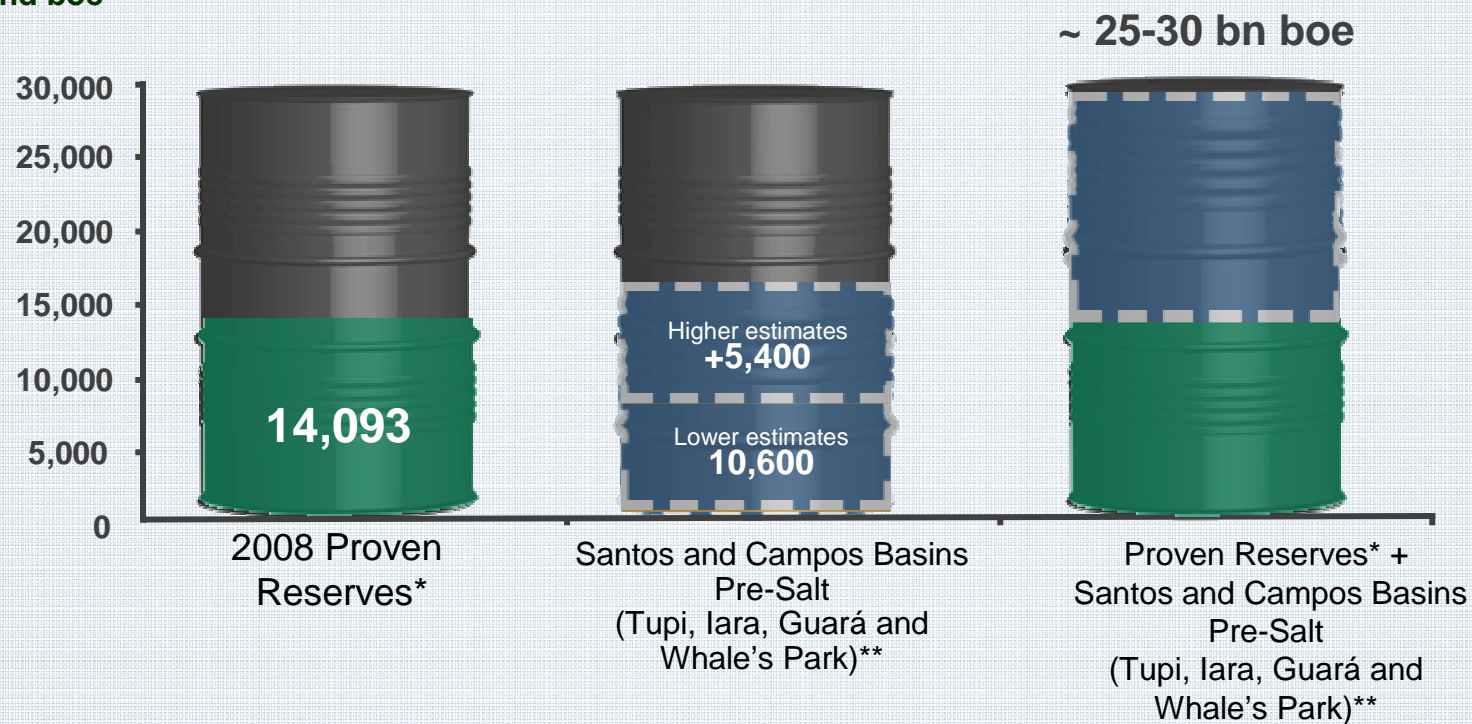


SANTOS PRE-SALT CLUSTER VS. CAMPOS BASIN



ANNOUNCED RECOVERABLE VOLUMES IN SANTOS AND CAMPOS BASINS PRE-SALT

thousand boe



* SPE Criteria

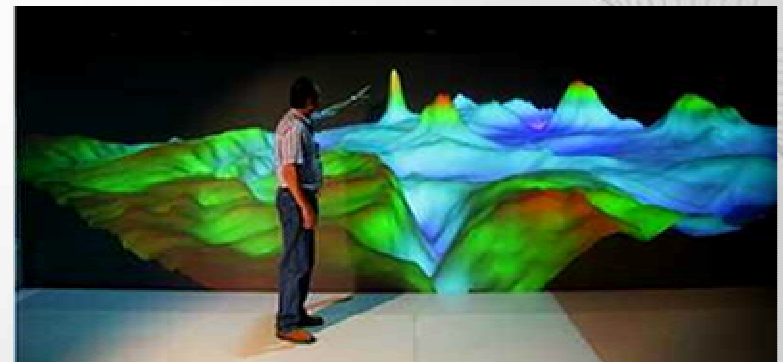
** include Petrobras and Partners

PRE-SALT ACCOMPLISHMENTS TIMELINE

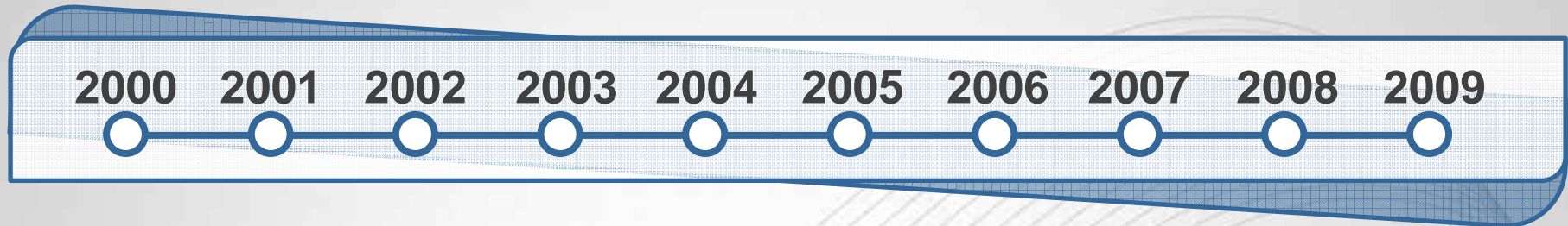
2000 2001 2002 2003 2004 2005 2006 2007 2008 2009

2000-2001: BIDs 2 and 3:
Acquisition of Santos Basin Pre-Salt blocks

2001-2004: Largest seismic acquisition and interpretation in the world



PRE-SALT ACCOMPLISHMENTS TIMELINE



2000-2001: BIDs 2 and 3:
Acquisition of Santos Basin Pre-Salt blocks

2001-2004: Largest seismic acquisition and interpretation in the world

2005-2006: 1st wildcat well: Parati

11 exploratory wells drilled to date by Petrobras as operator: 100% success rate in Santos Basin Pre-Salt Cluster

2009: Santos Basin Pre-Salt First Oil: Tupi EWT (May 1st)

PRE-SALT ACCOMPLISHMENTS TIMELINE

2008 2009 2010 2011 2012 2013 2014 2015 2016

Phase 0: Information gathering, Appraisal wells, Small scale production (EWTs)

Last Updates 2009:

- 5 Rigs currently working in the cluster:
- 3 are drilling new wells – TUPI NORDESTE + TUPI SUL P1 wells for EWT/Pilot in BMS-11 + ABARÉ in BMS-9;
- 2 are doing Formation Tests – IARA and GUARÁ;
- 2 new rigs will be allocated to the pre salt cluster shortly.



PRE-SALT – Managing Reservoir Uncertainties

Reservoir Quality Predictability
- best EOR method

Subsea Layout

Production System Integrity

Production System Integrity

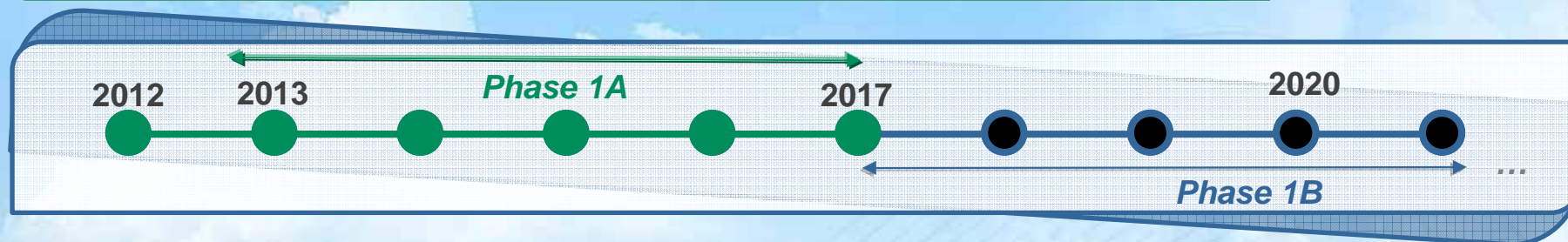
Flexible FPSOs Topsides

CO2 Processing and Treatment

Flow Assurance



10 NEW FPSOS



Phase 1A - Projects

Phase 1a: 1st phase of definitive development,

- Use of consolidated or rapidly-consolidating technologies to achieve production targets
- Generate cash-flow to support Phase 1b

First 2 FPSOs to be chartered (2013-2014)

- Oil Production: 120,000 bpd
- Gas Compression: 5 M m³/d

Additional 8 FPSOs (2015-2016)

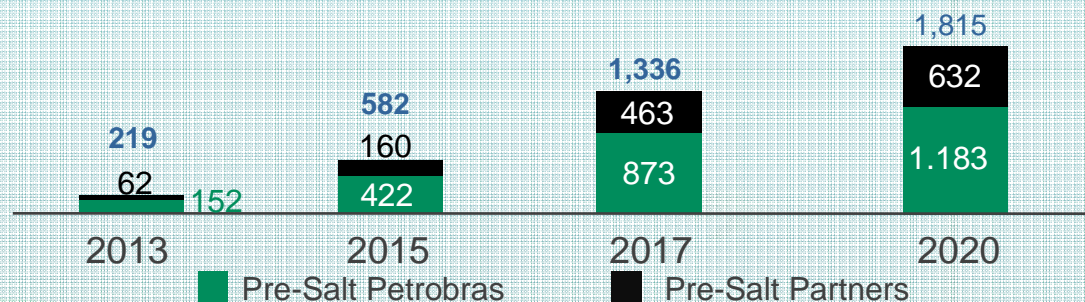
- Construction of the hulls at the Rio Grande Shipyard
- All identical units, manufactured in series
- Process plant under study:
 - Oil Production: 150,000 bpd
 - Gas Compression: 5.5 M m³/d
 - Water-Alternating-Gas injection capability

Phase 1B - Projects

- 2nd phase of definitive development
- Significant production increase
- Innovation acceleration
- Massive use of new technologies specially tailored for Pre-Salt conditions

PRE-SALT OIL PRODUCTION

Petrobras Pre-salt Oil Production (000 b/d)



Pre-salt Capex Through 2020

	2009-2013	2009-2020
Petrobras Total Pre-salt Capex (Production Development)	28.9	111.4
Santos Basin Pre-salt	18.4	98.8
Espírito Santo Pre-salt (includes post-salt fields)	10.3	12.6

E&P REGULATORY FRAMEWORK

Pre-Salt and Strategic Areas

NEW REGULATORY MODEL



Other Areas



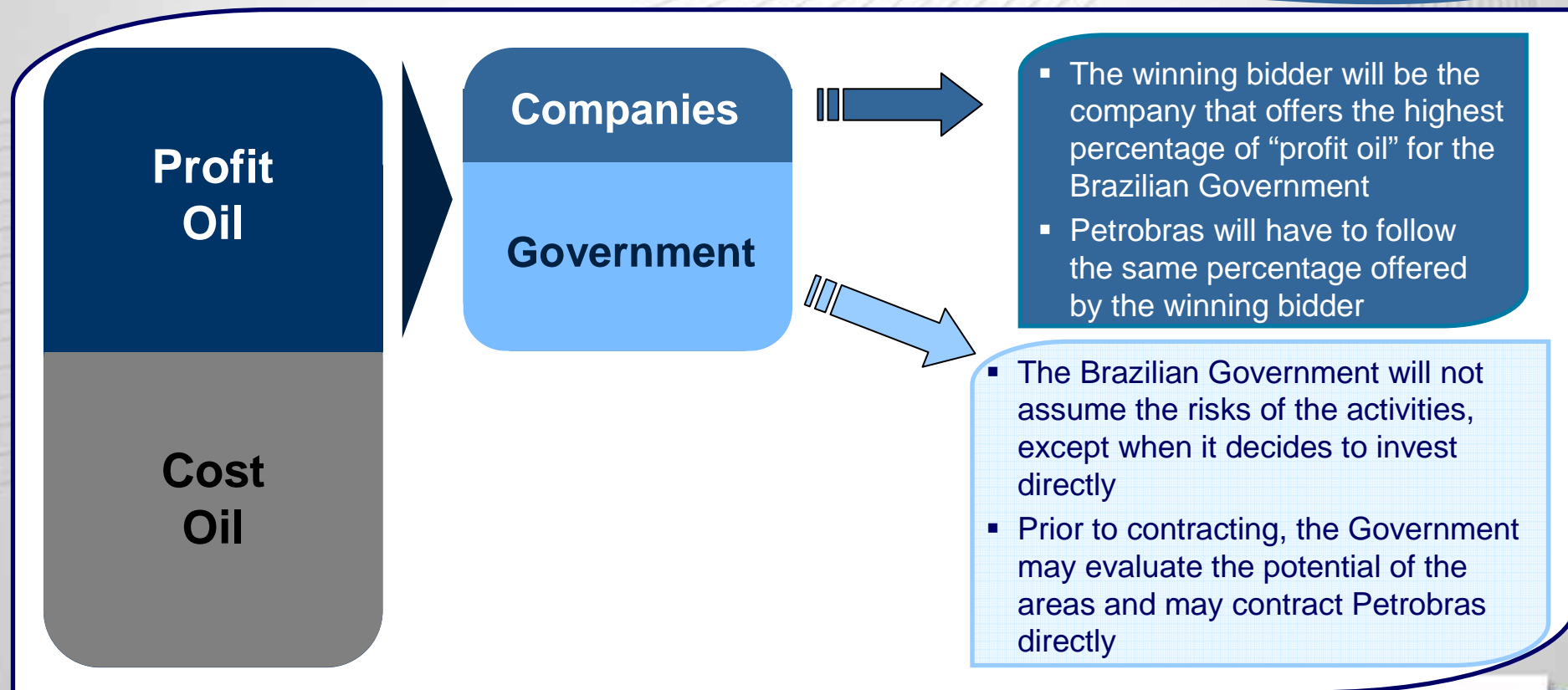
Current
Concession Model

There will be no regulatory changes in the areas under concession, including the pre-salt area already granted

PRODUCTION SHARING AGREEMENTS

Production sharing agreements

- Petrobras will operate all blocks under this regime, with a minimum stake of 30%
- Consortium between Petrobras, Petro-sal and the winning bidder will be managed by the Operational Committee
- Petrobras will be able to participate in the bidding process to increase its stake



PETROBRAS'

The value of capitalization could be up to a maximum of 3 times the value of the oil reserves transferred



- Brazilian Government would make a capital contribution with public debt issuances, priced at market value
- Petrobras would simultaneously pay the Brazilian Government for the reserves with the same securities
- Any cash from minority shareholders will be retained within Petrobras

E&P TRANSFER OF RIGHTS WITH COMPENSATION



- Government may transfer to Petrobras, for compensation, without bidding, the rights to explore and produce oil in the pre-salt areas not under concession. These areas may or may not be contiguous
- Transfer of rights limited to a **maximum produced of 5 billion boe. Petrobras will be the owner of produced volumes**
- **Oil values shall be determined by technical reports prepared by qualified third parties contracted by the government (ANP) and Petrobras, taking into account best industry practices**
- The transaction includes a clause of reappraisal of reserves value **with a maximum deadline of 24 months**
 - If the value of appraisal rises, Petrobras will pay the difference to the Government. If price falls, the contrary will happen
- **Royalties will be paid by Petrobras** and distributed according to the Law nº 9.478/97. **No special participation payment is expected**

TRANSFER OF RIGHTS APPRAISAL

Appraisal need to consider

- Oil Volume
- Production Curve
- Capex
- Production Costs
- Discount Rate
- Fiscal Environment (government participation)
- Reserves development/ Knowledge
- Future Oil prices

