

RIO OIL & GAS 2012

PROCUREMENT POLICY AND CRITICAL EQUIPMENT SUPPLY



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DISCLOSURE & IMPORTANT NOTICE

The presentation may contain forecasts about future events. Such forecasts 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 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. **The Company is not obliged to update the presentation/such forecasts in light of new information or future developments.**



PRESENTATION SUMMARY

- 1. Business Plan**
- 2. Pre-salt Overview**
- 3. Local Content**
- 4. Brazilian Companies**
- 5. Relevant equipment demand for the period 2012-2017**
- 6. Suppliers Qualification & Register**
- 7. Conclusion**

BUSINESS PLAN

Investments during the 2012-2016 period

2012-2016 BP

=

Under Implementation

All E&P projects in Brazil and projects of the remaining segments in phase IV*

+

Under Evaluation

Projects for the remaining segments currently in phase I, II and III.

US\$ 236.5 Billion

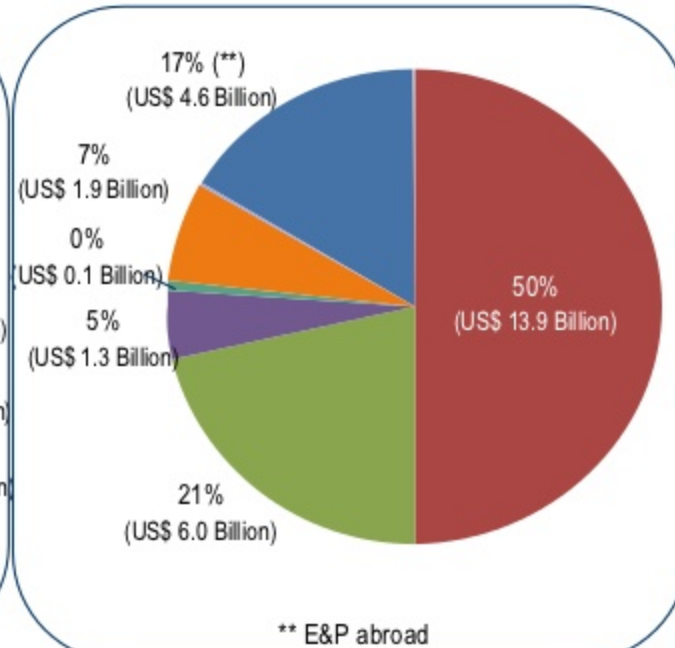
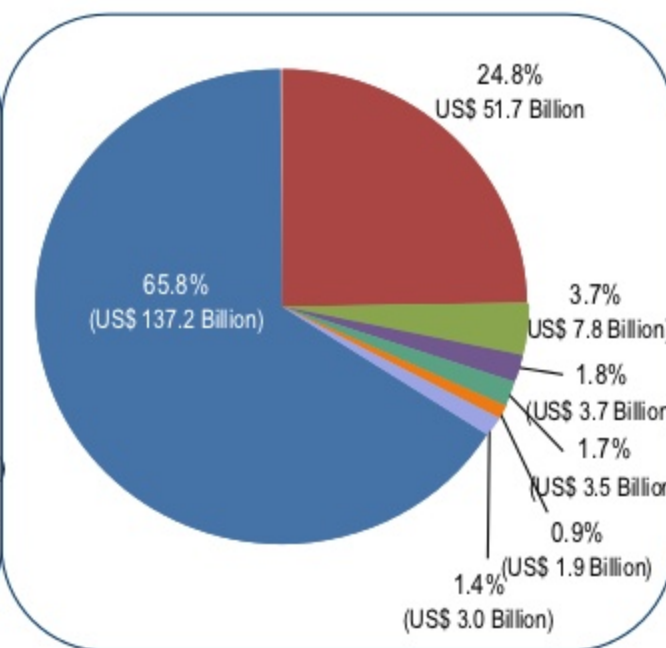
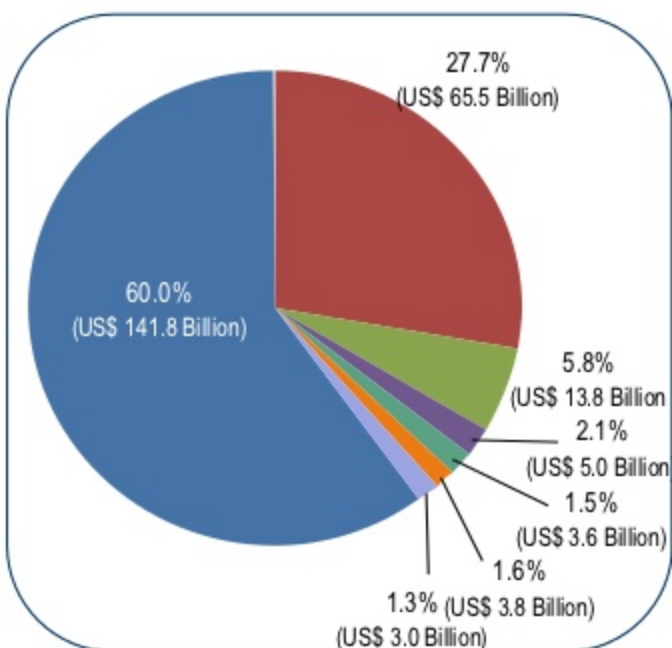
980 projects

US\$ 208.7 Billion

833 projects

US\$ 27.8 Billion

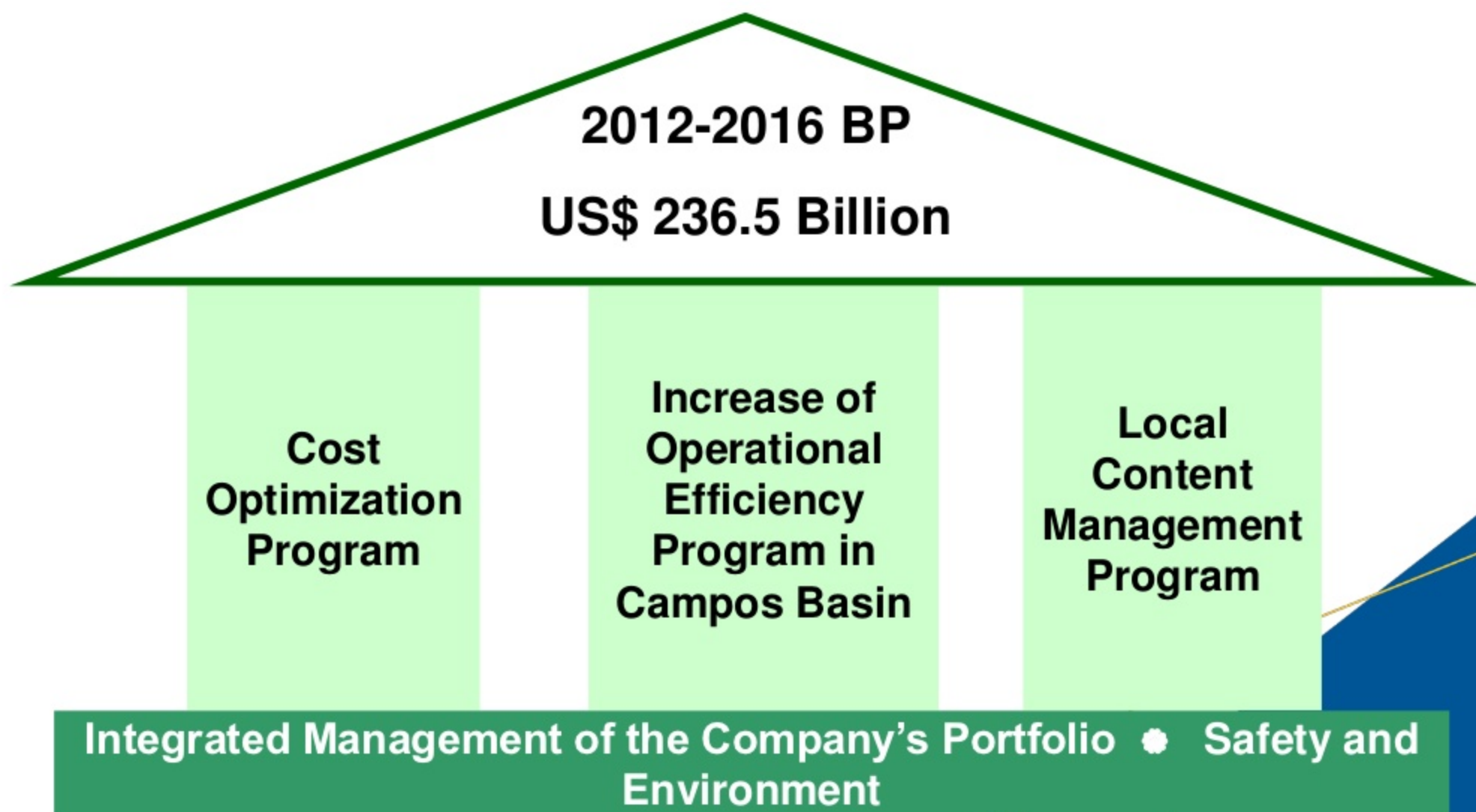
147 projects



■ E&P ■ RTM ■ G&E ■ Petrochemical ■ Distribution ■ Biofuel ■ Corporate

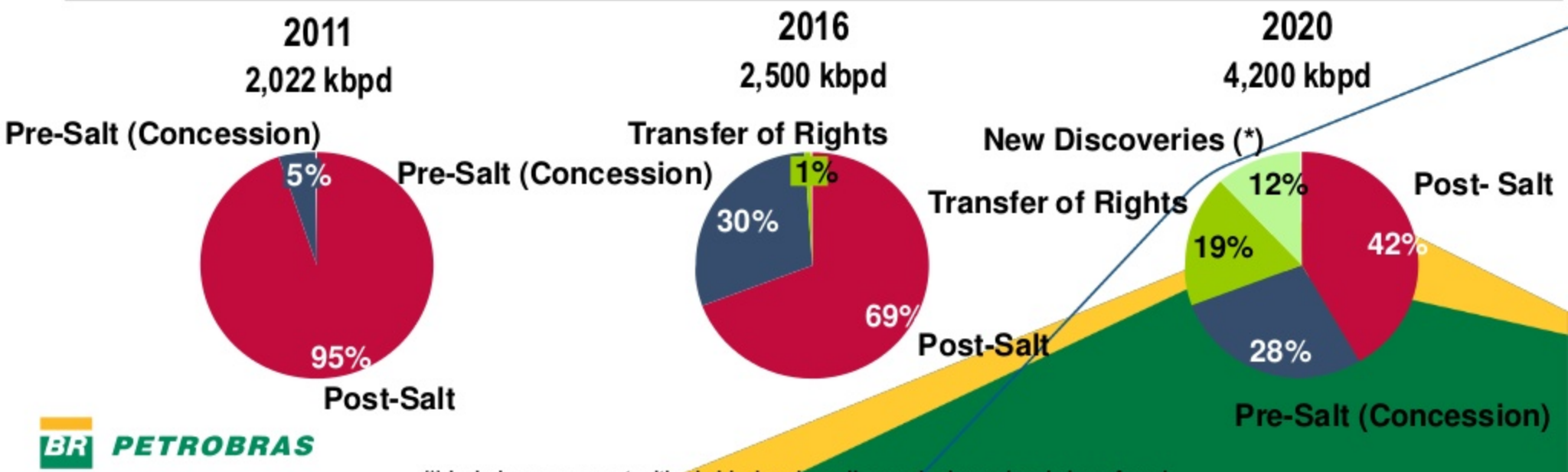
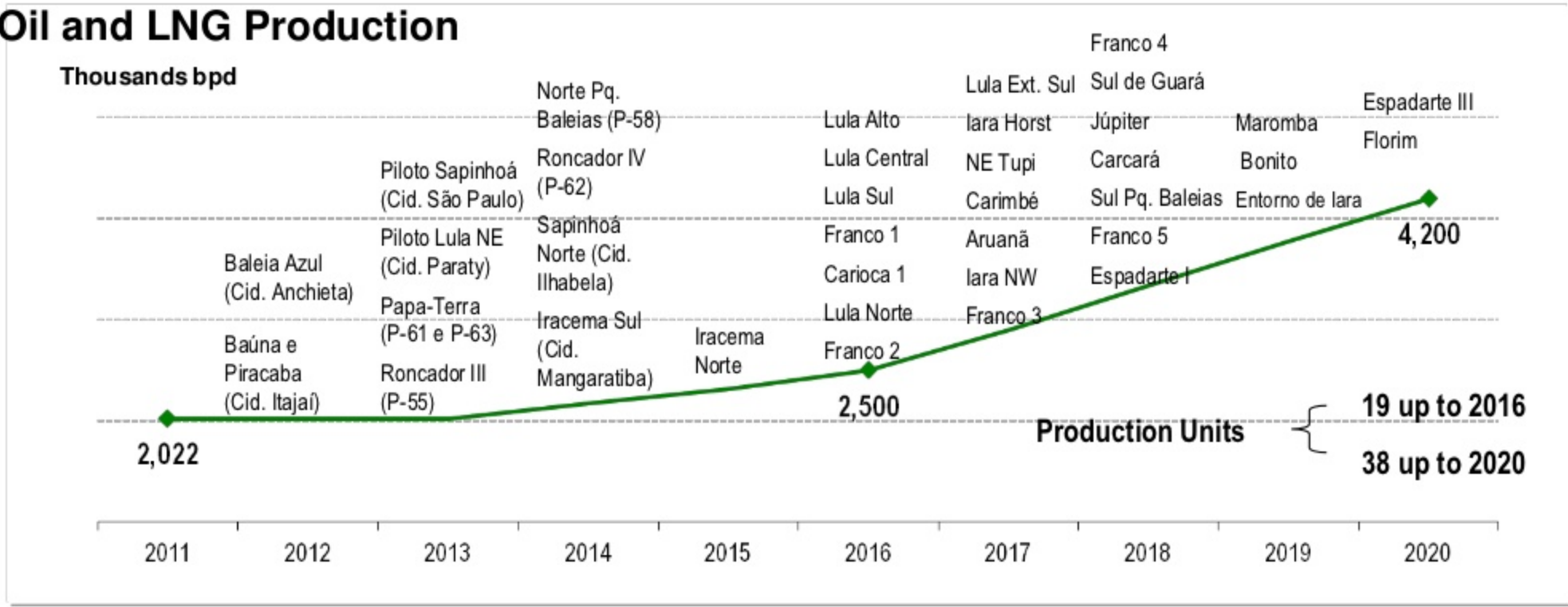
* Includes budget already designated for projects under evaluation for RTM, G&E, Petrochemical, Distribution, Biofuels and Corporate

Programs supporting the 2012-2016 BP



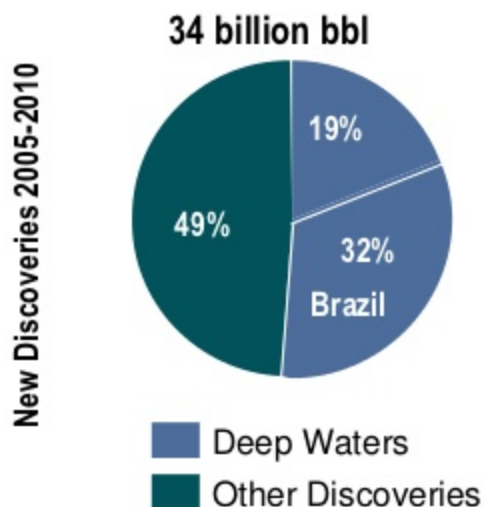
Production Curve in Brazil – Post-Salt, Pre-Salt and Transfer of Rights

Oil and LNG Production



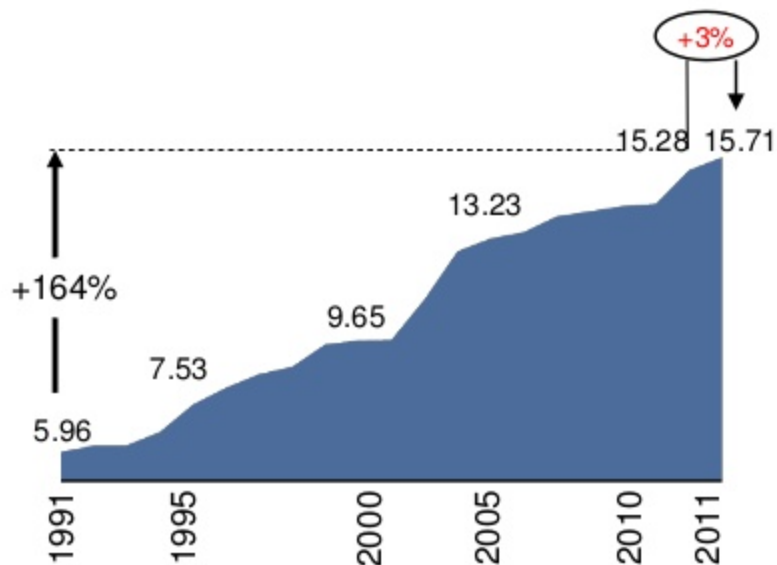
(*) Includes new opportunities in blocks where discoveries have already been found

PETROBRAS: Reserve Replacement Ratio > 100% for the 20th consecutive year



- In the last 5 years, more than 50% of the new discoveries worldwide were made in deep waters. **Brazil accounts for 63% of these discoveries.**
- Projections indicate that as Brazil develops these newly discovered reserves, it will lead non-OPEC supply growth until 2030 (PFC Energy).

Petrobras: Proven Reserves in Brazil (billion boe)

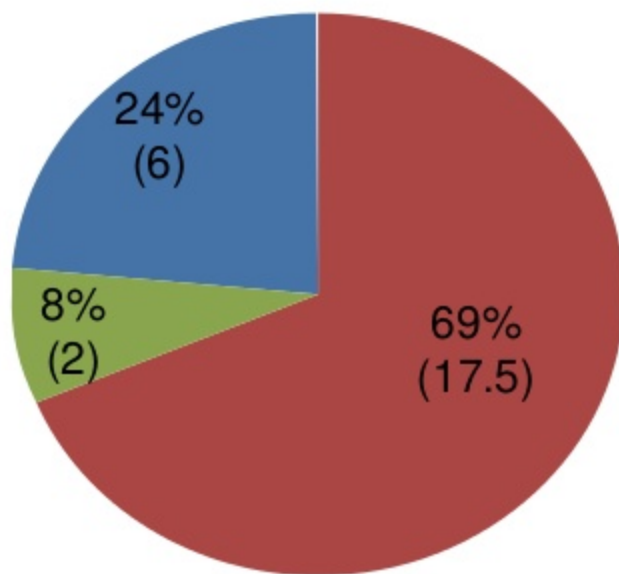


- Reserve/Production → 19.2 years
- Reserves Incorporated in 2011
Total: 1.24 billion boe
Pre-Salt: 1 billion boe

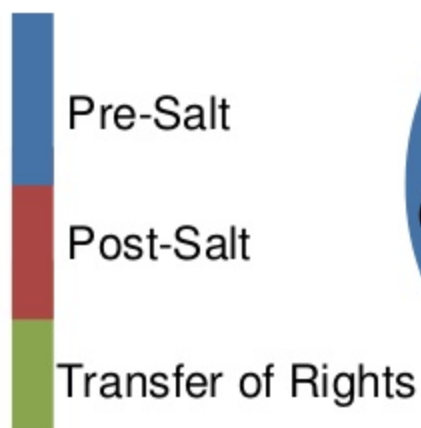
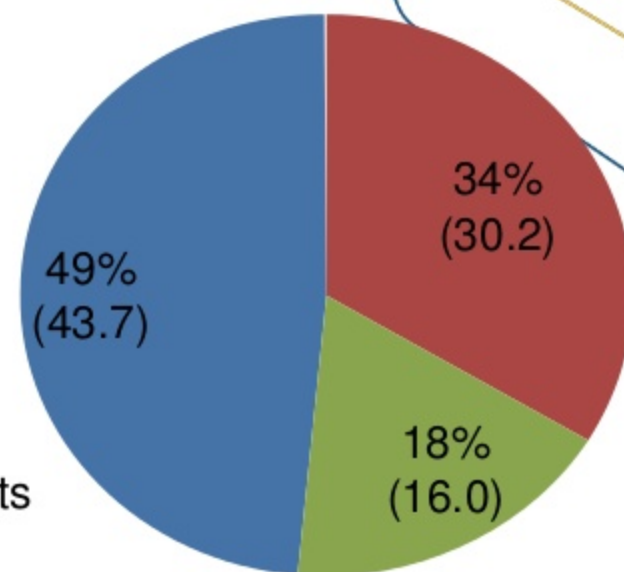
E&P Investments

2012-2016 Period

Exploration
US\$ 25.4 Billion



Production Development
US\$ 89.9 Billion



Besides Exploration and Production Development, E&P investments in infrastructure total US\$ 16.3 billion

BUSINESS PLAN - 2012-2016

More information about the Business Plan 2012-2016 at:

- <http://www.investidorpetrobras.com.br/2012-2016-business-plan.htm>

The screenshot shows a Mozilla Firefox browser window displaying the Petrobras investor portal. The address bar shows the URL: <http://www.investidorpetrobras.com.br/en/financial-results-and-disclosures/presentations/apresentacoes->. The page title is "2012-2016 BP VideoWebcast Presentation - Petrobras RI - Mozilla Firefox".

The main content area is titled "Financial Results and Disclosures" and "2012-2016 BP VideoWebcast Presentation". It features two buttons: "Presentation Download" and "Audio Download". Below these buttons is a large image of the "2012 - 2016 Business and Management Plan" presentation cover. The cover includes the Petrobras logo, the title "2012 - 2016 Business and Management Plan", and "2020 PETROBRAS STRATEGIC PLAN".

The left sidebar contains a navigation menu with the following items:

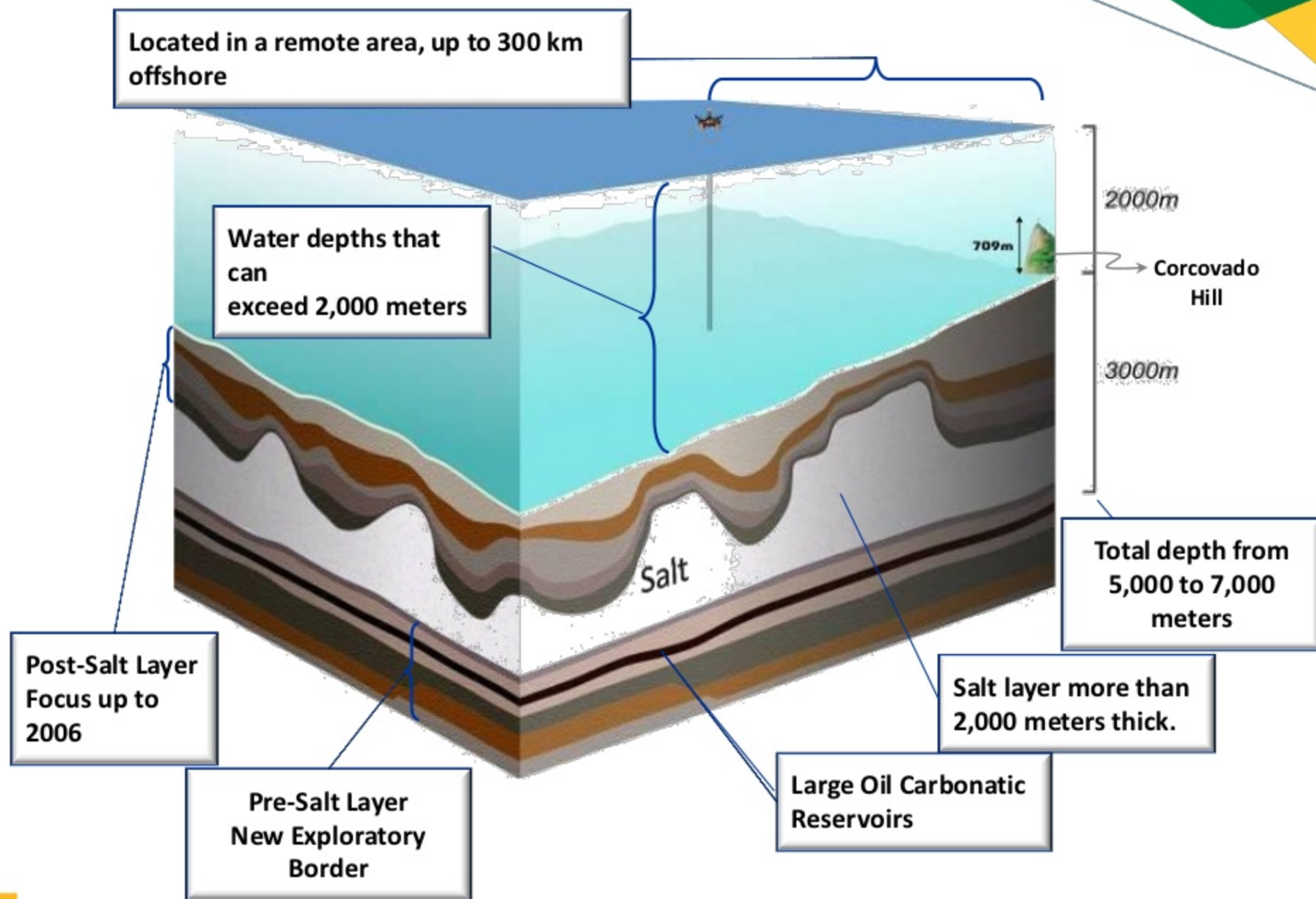
- Shares and Indebtedness
- Operational Highlights
- Financial Results and Disclosures
 - Financial Results
 - CVM and SEC Filings
 - Presentations**
 - Notices and Facts
 - Sustainability Report
 - Meetings
- Services

The right sidebar contains several sections:

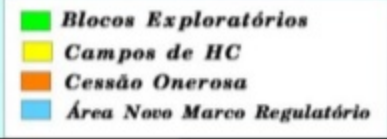
- Dividends: In the first quarter of 2012, the net income was R\$ 9.2 billion.
- Investor's Center
 - Business Plan
 - General Presentation
 - Overview
 - Fact Sheet
 - Sustainability Report
 - Shareholder's Newsletter
 - Shareholder Information
- Interactive Balance Sheets
 - IFRS
 - US GAAP
- IR 2.0
 - Twitter
 - Mobile
 - SlideShare
- IR Alerts

PRE-SALT OVERVIEW

WHAT IS PRE-SALT?



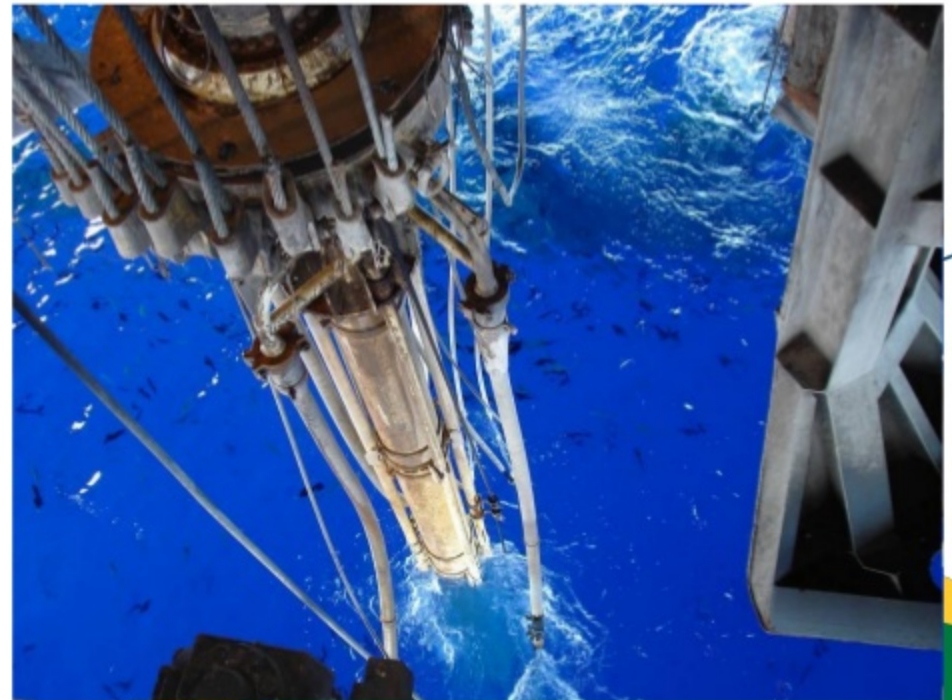
Área total da província149.000 Km²
 Área total concedida.....45.615 Km² (30,6%)
 Área não concedida.....103.385 Km² (69,40%)
 Área concedida, c/ parte, PETROBRAS, 39.615 Km² (26,6%)



PRE-SALT - SOME TECHNOLOGICAL CHALLENGES

Drilling and Completion

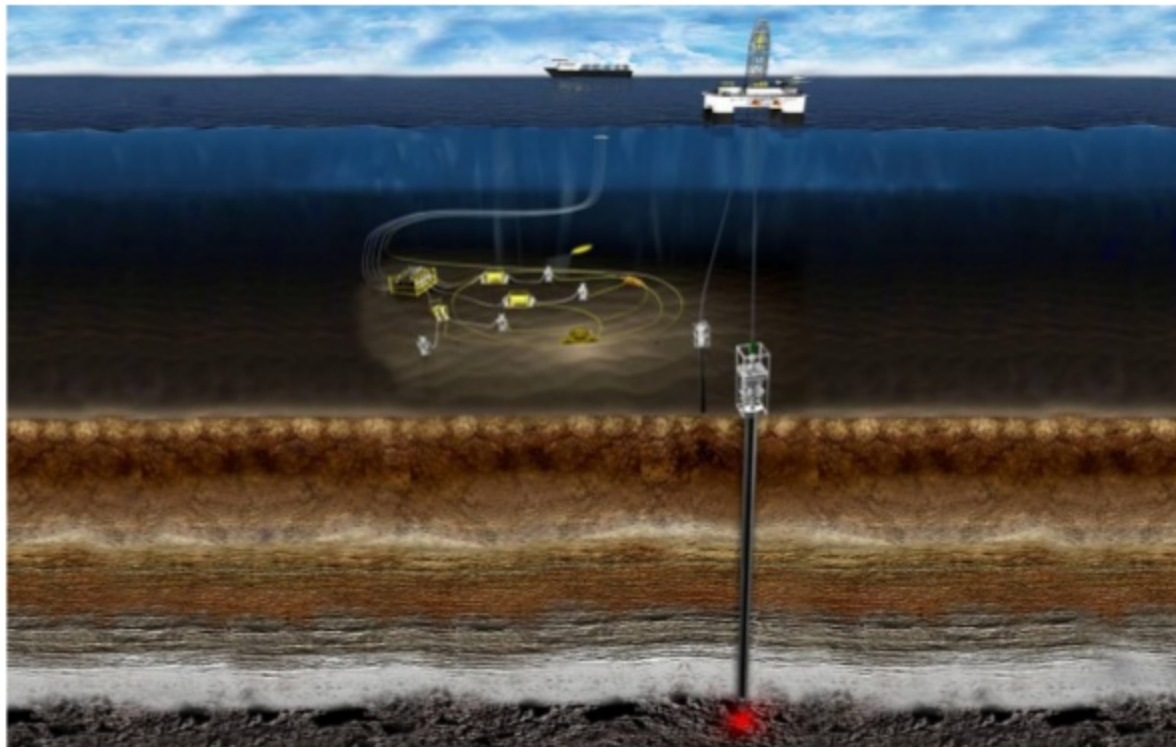
- Construction of high angle wells, deviated into the salt zone
- Well integrity
- Penetration rate in the microbial carbonate reservoir
- New alloys to reduce costs of well materials



PRE-SALT - SOME TECHNOLOGICAL CHALLENGES

Reservoir

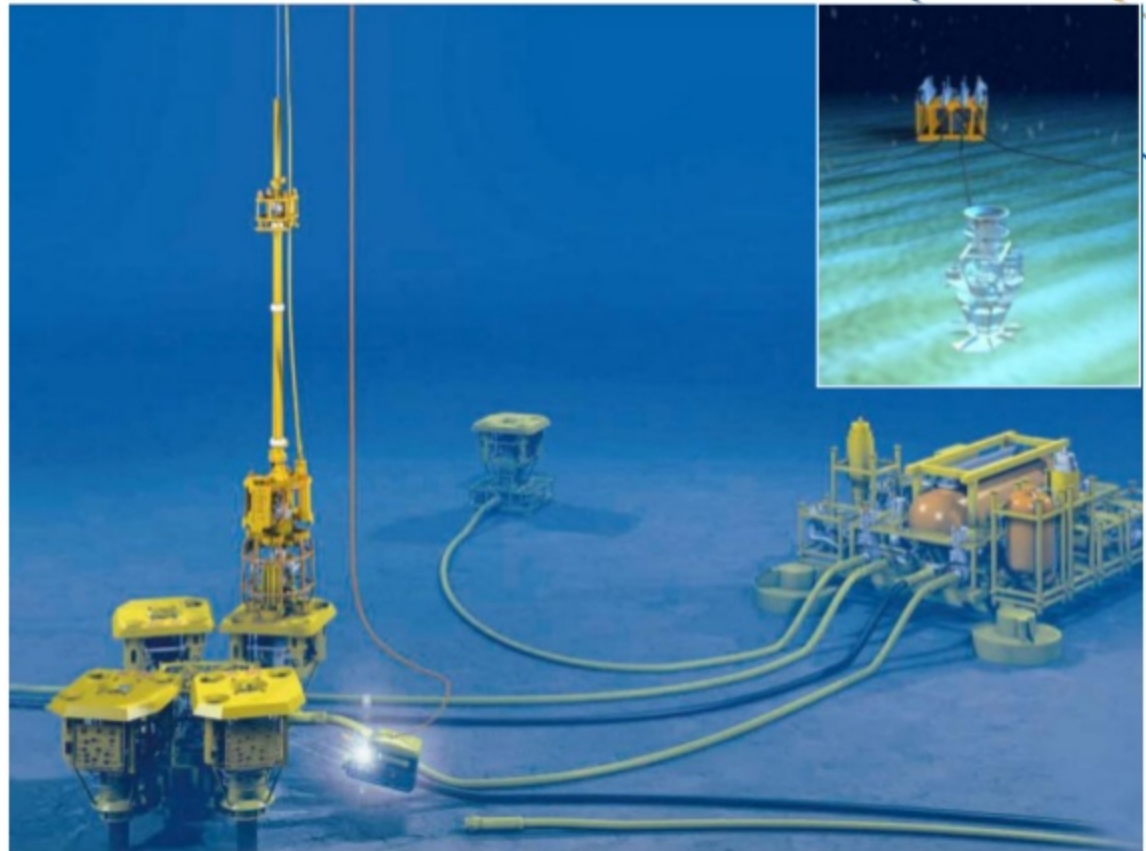
- Reservoir characterization
- Rock fluid interaction
- EOR



PRE-SALT - SOME TECHNOLOGICAL CHALLENGES

Subsea

- Flexible risers for water depth of 2,200m (7,218 ft)
- Flow assurance
- Scaling control



WHAT IS PRE-SALT?

PRE-SALT - SOME TECHNOLOGICAL CHALLENGES

Floating Production Units

- Mooring in 2,200m water depths
- Interaction with the riser's system
- CO2 processing



LOCAL CONTENT

PETROBRAS LOCAL CONTENT POLICY

The projects and contracts of Petrobras must withstand the challenges of the Strategic Plan and maximize Local Content in competitive and sustainable basis, contributing to market development where Petrobras operates, guided by ethics and continued innovation.

LOCAL CONTENT

Legal Requirements



E&P

Exploration and Production:
Evidences to ANP for new concessions contracts, production sharing and transfer of rights



RTC

There is no requirement to Local Content.
The operating company states its goal and proves the percentage achieved



G&P

There is no requirement to Local Content.
The operating company states its goal and proves the percentage achieved

Operating expenses are not subject to the requirements of the Local Content by ANP