

BRAZILIAN PETROLEUM CORP
Form 6-K
December 17, 2004

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 December, 2004

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
20035-900 - 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

Petrobras to acquire the stake of EDP Brasil S.A. in the Fafen Energia (BA) thermoelectric power generation plant.

(Rio de Janeiro, December 17, 2004). PETRÓLEO BRASILEIRO S/A - PETROBRAS, [Bovespa: PETR3/PETR4, NYSE: PBR/PBRA, Latibex: XPBR/XPBRA], a Brazilian international energy company, announces that its Executive Board has approved the conditions agreed in principle with EDP Brasil S.A. for the acquisition of 100% of the shares held by EDP Brasil in the Fafen Energia thermoelectric power generation plant, in Camaçari, state of Bahia, with rated capacity of 133 MW plus 42 tons/hour of steam. Petrobras already controls 20% of the equity of Fafen Energia S.A. and will pay R\$96 million for the remaining 80%, payable in 3 yearly installments, the first for 50% of this amount and the other two for 25% each.

The power plant, the first module of which has been operating since September 2001, currently supplies 22MW and 42 tons/hour of steam to Petrobras's fertilizer plant in the Camaçari petrochemical complex. Construction and testing were recently concluded and, starting January 2005, the plant will supply 100 MW to Bandeirantes Energia, under an already signed contract. Ownership of the power plant will offer Petrobras synergies with Fafen-BA, as well as integration of the Fafen-BA plant with other thermoelectric generators operated by Petrobras.

This acquisition is part of Petrobras's corporate strategy of becoming an integrated power sector player, so as to obtain the maximum benefit from its investments in this market.

<http://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 expressions, are used to identify 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: December 17, 2004

PETRÓLEO BRASILEIRO
S.A--PETROBRAS

By: */s/* José Sergio Gabrielli de
Azevedo

**José Sergio Gabrielli de
Azevedo
Chief Financial Officer
and Investor Relations
Director**

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.
