



Conference Call 1Q12

Braskem
Novas formas de ver o mundo

Investor Relations

São Paulo, May 11, 2012

Forward-looking statements

This presentation contains forward-looking statements. These statements are not historical facts and are based on management's objectives and estimates. The words "anticipate", "believe", "expect", "estimate", "intend", "plan", "project", "aim" and similar words indicate forward-looking statements. Although we believe they are based on reasonable assumptions, these statements are based on the information currently available to Braskem and are subject to a number of risks and uncertainties.

The forward-looking statements in this presentation are up-to-date as of March 31, 2012 and Braskem does not assume any obligation to update them in light of new information or future developments.

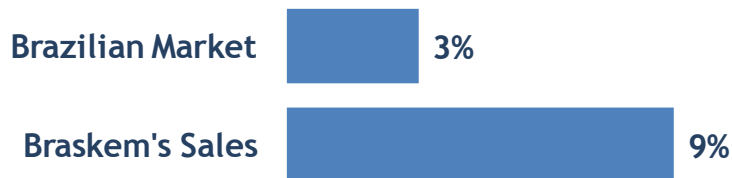
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1Q12 Highlights

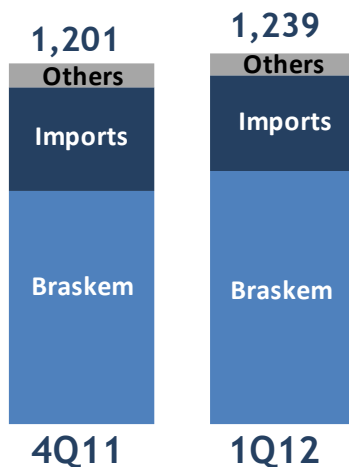
- ▶ *Crackers* average utilization rate of 93% in 1Q12
 - Record-high monthly ethylene production: 306 kton in March
- ▶ Domestic sales of thermoplastic resins increased 9% versus 3% market growth. Expansion of market share to 68%
- ▶ EBITDA of US\$442 million or R\$787 million, up 11% and 10% on 4Q11
 - ▶ Nonrecurring impact of R\$236 million (supply agreement in one of the plants in USA)
- ▶ Identified synergies from the acquisition of Dow's PP assets of R\$27.5 million in annual and recurring EBITDA to be fully captured as of 2014
- ▶ New PVC plant in Alagoas in commissioning phase
- ▶ Butadiene expansion: 88% of the construction already completed
- ▶ Mexico project - progress made aligned with the approved timetable in order to assure its start-up in 2015. Earthmoving works 40% completed in preparation for the start up of civil construction already in May
- ▶ Fitch, S&P and Moody's issued updated reports maintaining Braskem's investment-grade rating with stable outlook
- ▶ 10-year bond issue of US\$500 million due in April 2022 with a yield of 5.40% p.a., which is the lowest yield ever paid by the Company in a debt issue

Performance of the Brazilian market of thermoplastic resins

▶ Thermoplastic Resins 1Q12 vs. 4Q11

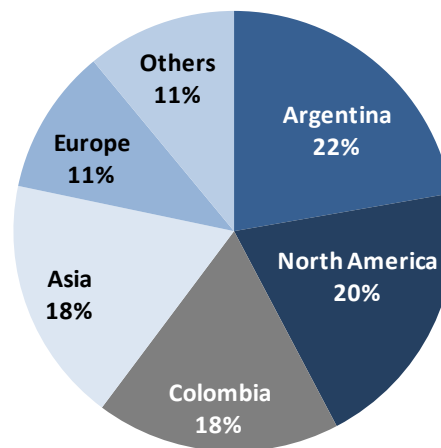


▶ Brazil's Thermoplastic Resin Market (thousands of tons)



➤ **Braskem resumed market share growth: 68%**

▶ Origin of Imports (PE+PP+PVC)



- ✓ Imports of thermoplastic resins accounted for 26% of the domestic market in 1Q12
- ✓ Over 65% of imports entered in Brazil through ports offering tax benefits



PRS 72

- ✓ On April 24, the Brazilian senate moved to unify and reduce the rate of interstate VAT tax on imports from 12% to 4%
- ✓ Effective as of January 2013

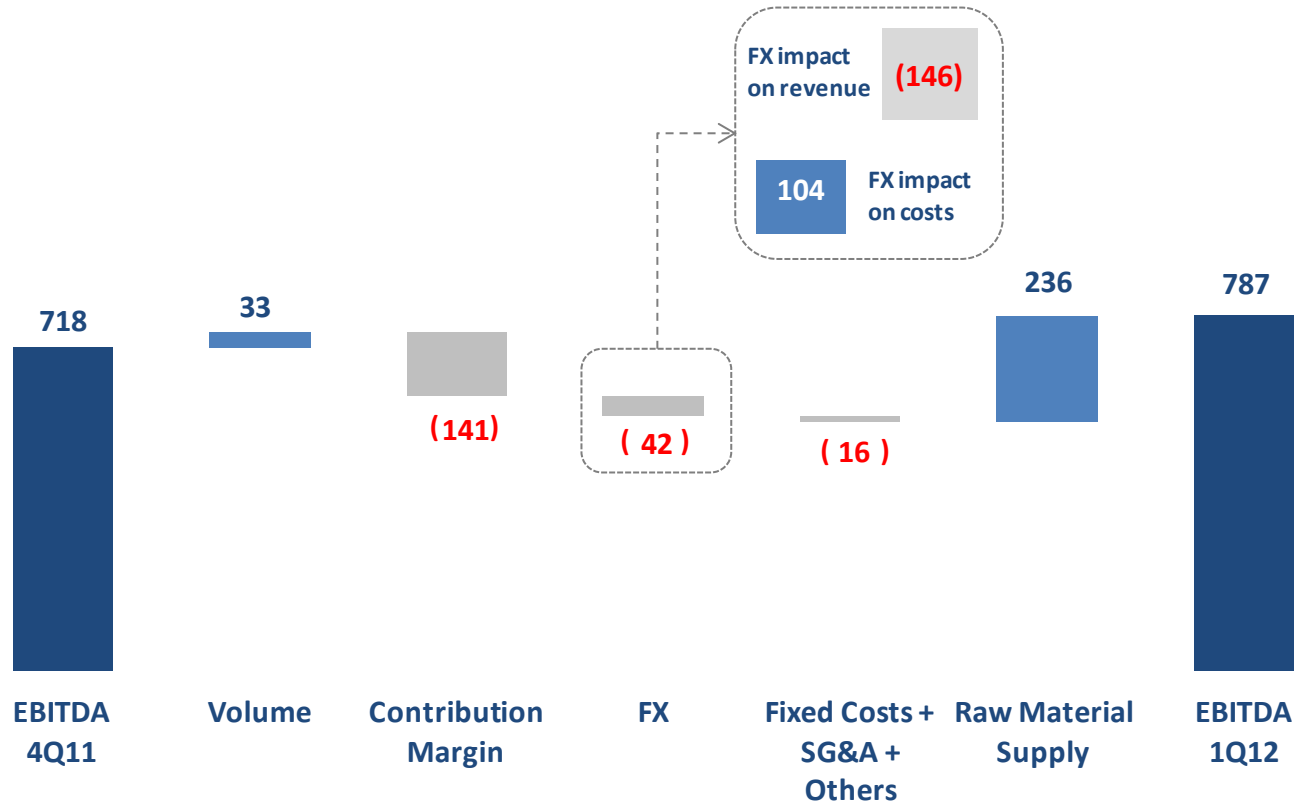
Santa Catarina

- ✓ The state government issued decrees revoking some of its benefits for certain imported goods

EBITDA Performance – 1Q12 vs. 4Q11

✓ The higher sales volume partially offset the lower contribution margin, which followed the contraction in international spreads. EBITDA was positively impacted by the recognition of indemnity of a feedstock supply agreement at one of the plants in the USA.

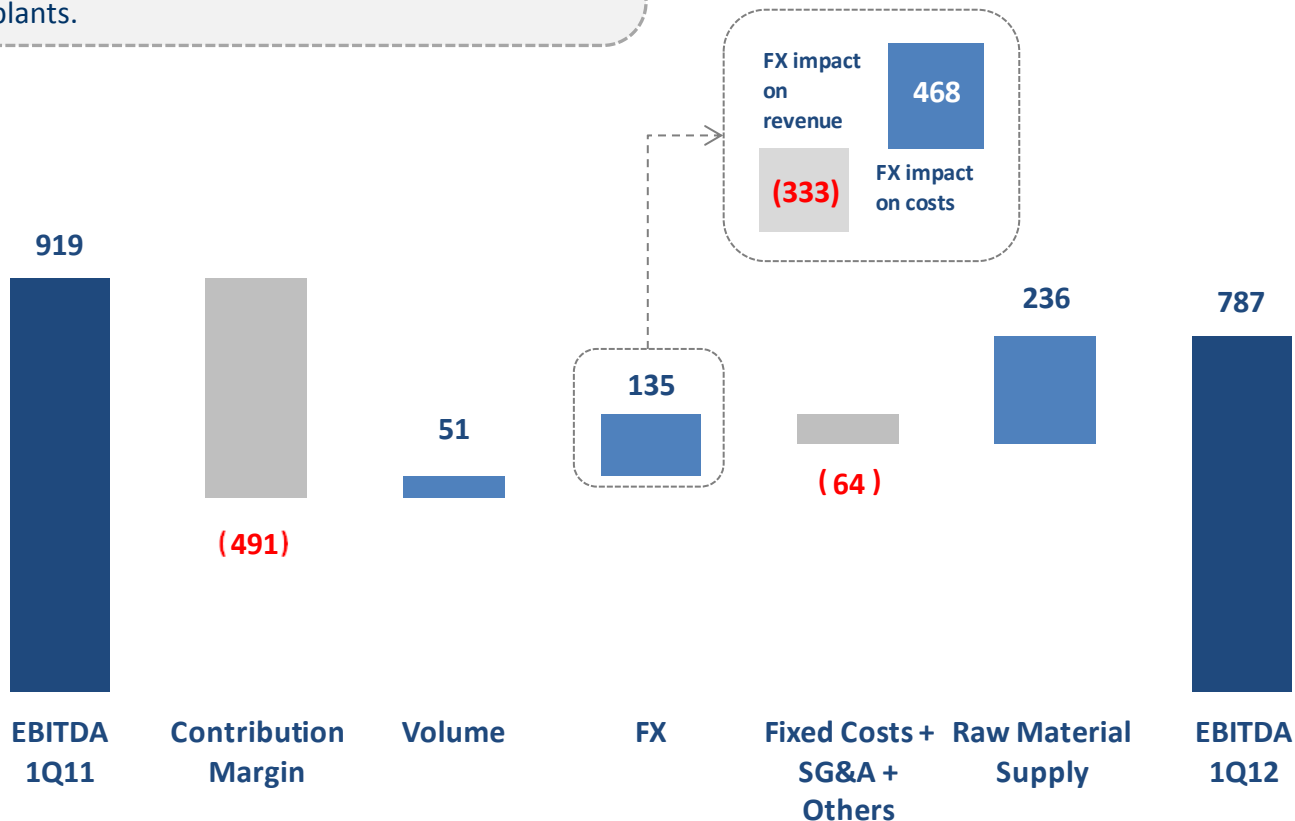
R\$ million



EBITDA Performance – 1Q12 vs. 1Q11

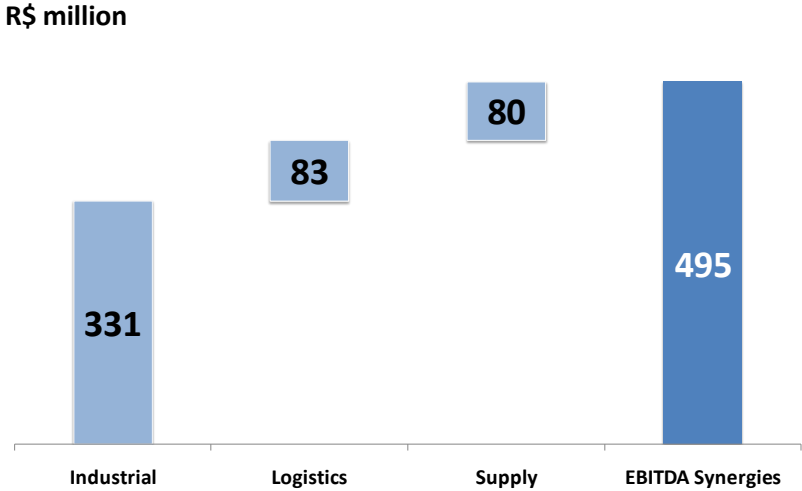
✓ The lower contribution margin, which followed the contraction in international spreads, had a negative impact on the result, exceeding the positive impacts from foreign-exchange variation and higher sales volume. EBITDA was positively affected by the recognition of indemnity of a feedstock supply agreement at one of the U.S. plants.

R\$ million

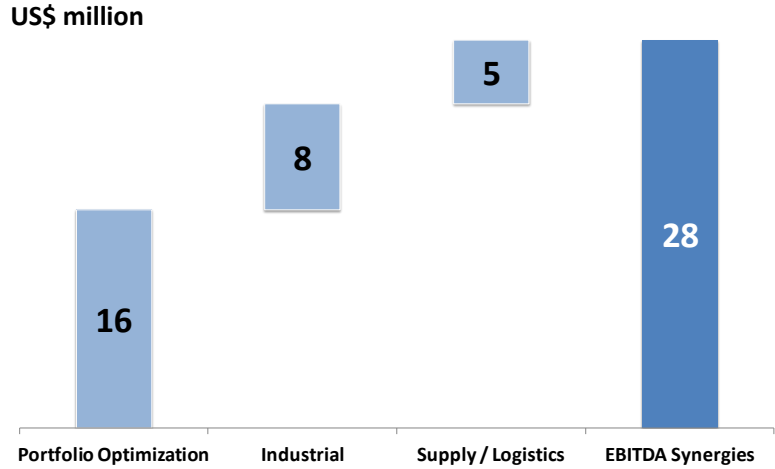


Synergies from acquisitions of Quattor and Dow PP business

Quattor



PP business



Quattor

- ✓ In 2012, we expect to fully capture the synergy gains of R\$495 million in annual and recurring EBITDA
- ✓ By year-end 2011, R\$400 million had already been captured.

Acquisition of PP business

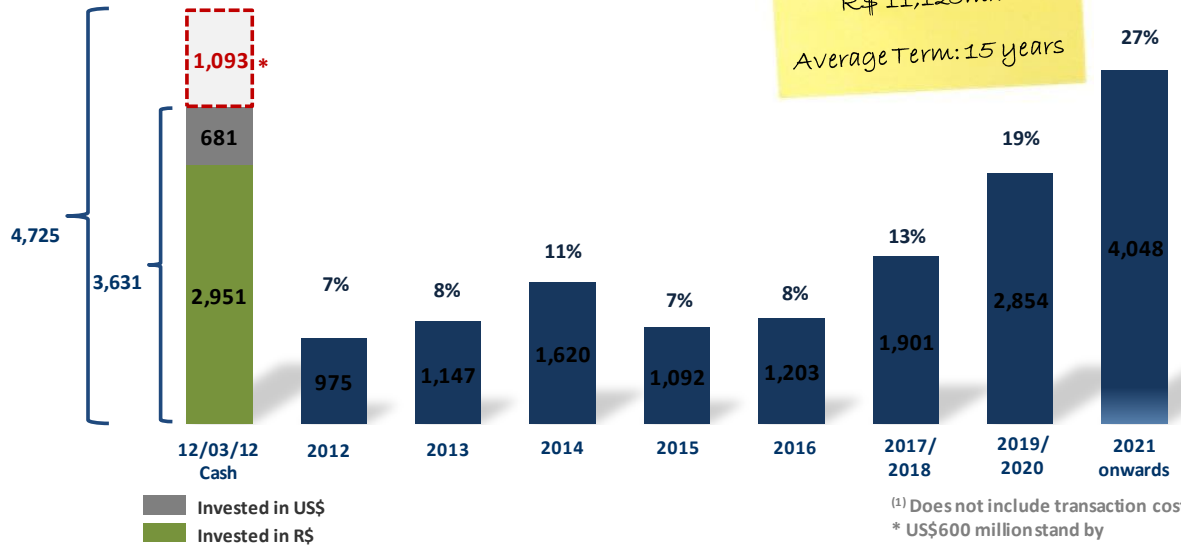
- ✓ It's expected synergy gains of US\$27.5 million in annual and recurring EBITDA to be fully captured as of 2014.

Strategy to lengthen debt profile and strong commitment to maintaining liquidity

Amortization Schedule⁽¹⁾
(R\$ million)
03/31/2012

Braskem

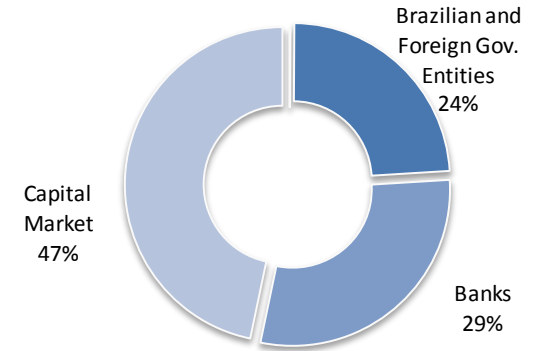
Gross Debt:
R\$ 14,757mm
Net Debt:
R\$ 11,125mm
Average Term: 15 years



⁽¹⁾ Does not include transaction costs
* US\$600 million stand by

✓ Braskem's high liquidity¹ ensures that its cash and cash equivalents cover the payment of obligations maturing over next 37 months

Diversified Funding Sources



Net Debt/EBITDA (US\$)



Credit Risk – Global Scale

Agency	Rating	Outlook	Date*
Fitch	BBB-	Stable	4/15/2012
S&P	BBB-	Stable	3/19/2012
Moody's	Baa3	Stable	4/19/2012

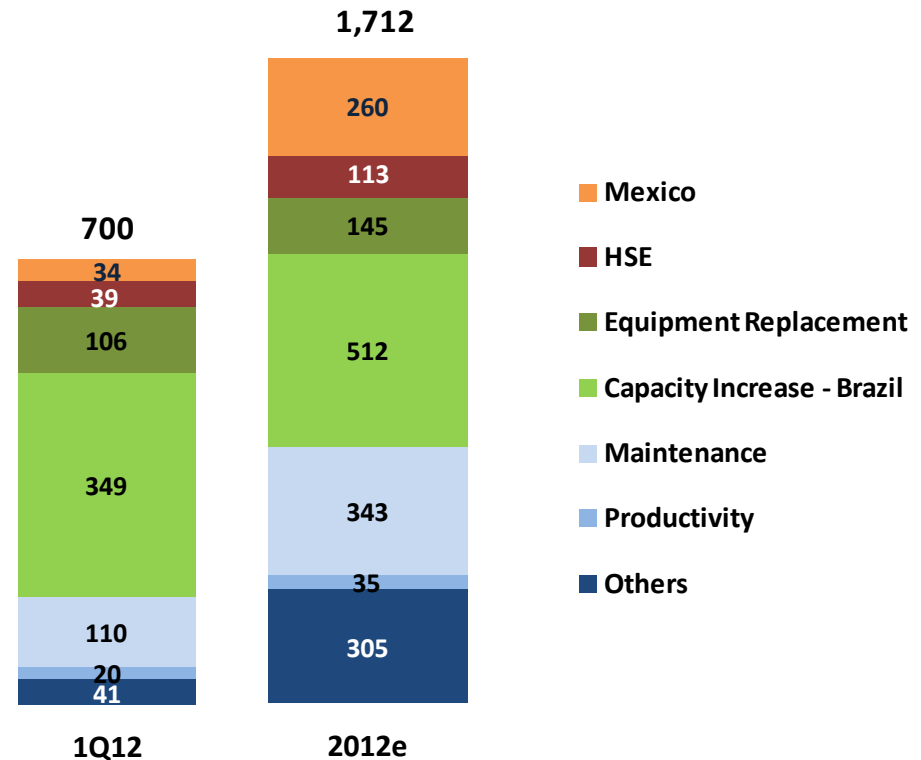
*Date of issue of the last analytical report on the company

¹ Includes US\$600 million in stand-by credit facilities

- ✓ Investments of **R\$ 700 million** in **1Q12**;
 - R\$349 million or around 50% allocated to capacity expansion projects;
 - PVC expansion plant received investments of R\$238 million, while the new Butadiene plant had disbursements of R\$95 million;

- ✓ For **2012**, total investment estimated at **R\$1.7 billion**;
 - Around 40% will be allocated to various expansion projects in Brazil and to the Ethylene XXI greenfield project in Mexico.

Investments (R\$ million)



2012 Outlook

Points of Concern

- Management of the European sovereign debt crisis and risks of a systemic crisis ⇒ impact on world economic growth
- Reduction in Chinese exports to mature markets
- Continued strong credit growth in Brazil and higher default risk

Potential Positive Factors

- Expansion of emerging countries
 - Stronger demand for higher-value products ⇒ plastics
- Limited addition of new capacities in global market
- Brazilian government committed to the strengthening and growth of local manufacturers
 - Brasil Maior Plan (Reintegra)
 - Solution for combating tax incentives at ports - PRS72
 - Measures to control over-valuation of the BRL
 - Brasil Maior Plan for the manufacturing industry

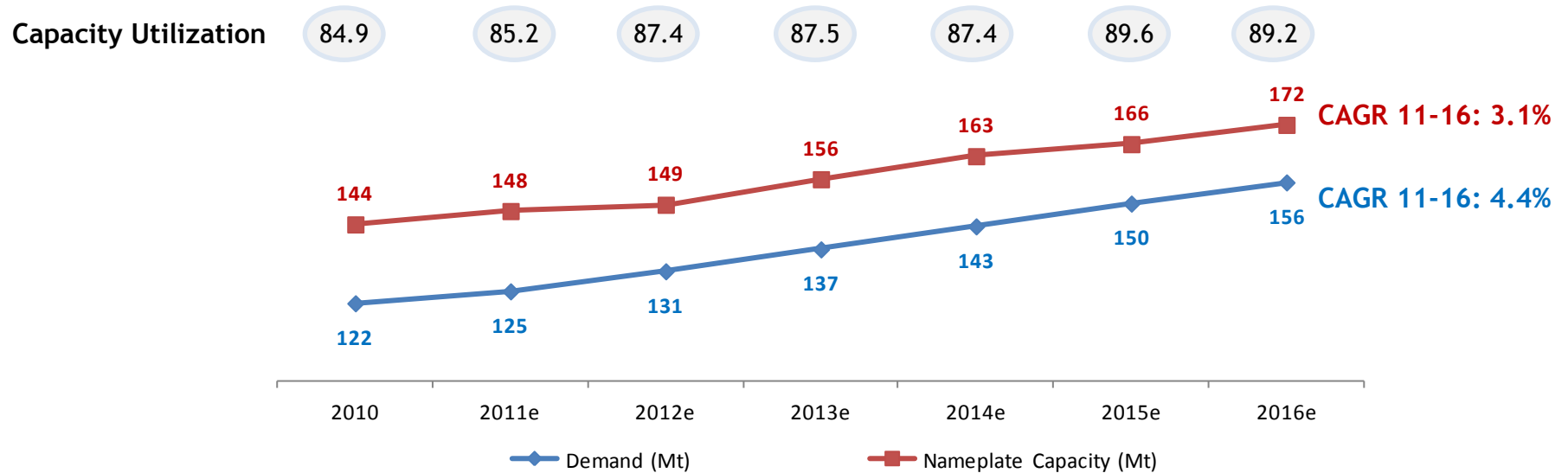
Main highlights – 2012 World Conference - IHS (CMAI)

2012-2016 Cycle

- Global ethylene demand expected to outpace supply in the period, increasing average capacity utilization rates
 - 2016: ~ 90% ⇒ producer pricing power
- U.S. industry regains competitiveness ⇒ shale gas
 - Producers should expand their existing plants (by ~1% of current world capacity) before building new crackers
- Ethane-based players should remain more competitive than naphtha-based players, but will continue to be price takers
- Asian and European petrochemicals operating close to break-even ⇒ expectation of recovery in prices and margins
- Investments in Middle East should be dependent on new gas discoveries and have more diversified feedstock mixes = use of heavy feedstocks (propane and naphtha)
 - Uncertainty on political issues in Iran should limit new capacity additions
- Certain co-products, such as butadiene, should remain highly valued
 - China demand is the main driver and should continue to outpace local supply

Medium and long-term outlooks remain positive for the petrochemical industry

Ethylene: Supply and Demand



- World GDP: average growth of 3.4%
- Demand expected to outstrip supply:
 - ⇒ higher capacity utilization rates
 - ⇒ better spreads
- Gas-based producers (light feedstock) should remain price takers, maximizing their margins
- Higher relevance of emerging countries in global growth

Braskem's priorities in 2012

- ▶ Strengthen relationship with Clients and expand market share
- ▶ End of the “port war” and build an industrial policy in Brazil that increases competitiveness in the petrochemical and plastics chain
- ▶ Increase Braskem's competitiveness by capturing the synergies identified, reducing fixed costs and increasing utilization rates
- ▶ Ensure the start-up of expansion projects in order to add value to the existing streams:
PVC (May/12) and Butadiene (Jul/12)
- ▶ Conclude the project-finance structure and advance in the construction of the greenfield project in Mexico (start-up slated for 2015)
- ▶ Advance the engineering studies for the Comperj project (FEL2) and define the feedstock
- ▶ Consolidate Braskem's leadership in renewable chemistry
- ▶ Maintain liquidity and financial solidity during the global-crisis scenario



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