



**EBITDA reaches R\$3.2 billion in 2Q18, increasing 5% from 2Q17 and 20% from 1Q18**

## 2Q18 HIGHLIGHTS:

### Braskem – Consolidated:

- ▶ EBITDA amounted to US\$877 million, 7% higher than in 1Q18, due to (i) higher spreads for key chemicals in the international market, for vinyls and for PP in the United States; and (ii) the positive effect from Brazilian real depreciation on costs and expenses pegged to the currency. Compared to 2Q17, EBITDA in U.S. dollar decreased by 7%, due to (i) the lower availability of products for sale caused by the truck drivers' strike in Brazil and by scheduled plant shutdowns in the United States and Mexico; and (ii) lower spreads for key chemicals in the international market, for polyolefins in Brazil and for PP in Europe.
- ▶ The parent company's net income was R\$547 million, corresponding to R\$0.69 per common share and class "A" preferred share<sup>1</sup>, down 48% and 50% from 1Q18 and 2Q17, respectively, reflecting local-currency depreciation in the comparison period, which affected the financial result.
- ▶ Financial leverage measured by the ratio of net debt to EBITDA<sup>2</sup> in U.S. dollar was 1.90x.
- ▶ In May, the Company entered into a US\$1 billion international revolving credit facility, which expires in 2023, with a syndicate of global banks.
- ▶ Company's free cash flow was R\$3.3 billion in 2Q18.
- ▶ In May, R\$1.5 billion additional dividends were paid to the holders of common shares and class "A" preferred shares.
- ▶ In July, the Board of Directors approved the Dividend Distribution Policy that establishes rules for distributing additional dividends after the distribution of mandatory dividends.
- ▶ The recordable and lost-time injury frequency rate, considering both Team Members and Partners per million hours worked, was 0.72, decreasing 29% from the previous quarter.
- ▶ As per the Material Fact notice disclosed on June 15, 2018, Braskem was communicated by Odebrecht S.A., its controlling shareholder, about the beginning of discussions with LyondellBasell, a listed company headquartered in Rotterdam, for a potential transaction involving the transfer to LyondellBasell of the totality of Odebrecht S.A.'s interest in Braskem.

Main Financial Results <i>R\$ million</i>	2Q18 (A)	1Q18 (B)	2Q17 (C)	Chg. (A)/(B)	Chg. (A)/(C)	1H18 (D)	1H17 (E)	Chg. (D)/(E)
Net Revenue	13,786	13,029	11,870	6%	16%	26,815	24,470	10%
EBITDA	3,177	2,652	3,029	20%	5%	5,829	6,636	-12%
Net Profit (Loss)*	547	1,054	1,090	-48%	-50%	1,601	2,897	-45%
Free Cash Flow Generation**	3,321	1,765	1,012	88%	228%	5,087	1,435	254%
<i>Net Revenue (US\$ million)</i>	<i>3,818</i>	<i>4,018</i>	<i>3,695</i>	<i>-5%</i>	<i>3%</i>	<i>7,836</i>	<i>7,705</i>	<i>2%</i>
<i>EBITDA (US\$ million)</i>	<i>877</i>	<i>818</i>	<i>945</i>	<i>7%</i>	<i>-7%</i>	<i>1,695</i>	<i>2,092</i>	<i>-19%</i>

\* Net Profit (Loss) Attributable to Company's Shareholders

\*\* Free Cash Flow Generation relates, according to Annex IV, to the Net Cash provided by operating activities excluding (i) the payment of the leniency agreement; (ii) the redemption of investments in time deposit; and (iii) the effects of reclassifications between the lines of Financial investments held for trading and Cash and Cash Equivalents; subtracted by the line of Cash used in Investing Activities.

<sup>1</sup> In the case of the class "B" preferred shares, the amount is R\$0.03 per share.

<sup>2</sup> Excludes Project Finance in Mexico.



## Petrochemical Industry 2Q18:

- ▶ Spreads of key chemicals<sup>3</sup> produced by Braskem: US\$390/ton, up 1% from 1Q18, influenced mainly by higher butadiene prices in the international market due to scheduled plant shutdowns in the United States and Asia, and by continued strong demand in the quarter. In relation to 2Q17, the decrease of 15% is explained by the more balanced supply-demand scenario for certain chemicals and by the higher naphtha price.
- ▶ Average international spread of the polyolefins<sup>4</sup> produced by Braskem in Brazil: US\$653/ton, down 11% and 7% from 1Q18 and 2Q17, respectively, mainly due to the production ramp-up at new PE plants in the United States that increased the supply of resin in the global market.
- ▶ International spread for vinyls<sup>5</sup>: US\$724/ton, up 1% and 3% from 1Q18 and 2Q17, respectively, explained by scheduled plant shutdowns of certain PVC plants in Asia and, specifically in China, by the slowdown in production due to environmental restrictions and stronger-than-expected demand.
- ▶ PP spread in United States<sup>6</sup>: US\$669/ton, up 8% and 17% from 1Q18 and 2Q17, respectively, due to strong demand, unscheduled plant shutdowns at PP plants and increased supply of monomer following the ramp-up of new propane dehydrogenation (PDH) production in the region.
- ▶ PP spread in Europe<sup>7</sup>: US\$388/ton, down 18% and 23% from 1Q18 and 2Q17, respectively, due to the increased propylene prices, which accompanied the oil price, and weaker demand for PP in the region.
- ▶ PE spread in North America<sup>8</sup>: US\$1,087/ton, down 5% from 1Q18, mainly due to higher ethane prices. In relation to 2Q17, the spread widened by 13%, driven by higher resin prices, which, although limited by the growth in supply, rose in the period due to higher costs of naphtha-based marginal producers in Asia.

Petrochemical Spreads* US\$/ton	2Q18 (A)	1Q18 (B)	2Q17 (C)	Chg. (A)/(B)	Chg. (A)/(C)	1H18 (D)	1H17 (E)	Chg. (D)/(E)
<b>Brazil</b>								
Chemicals	390	388	458	1%	-15%	389	470	-17%
Polyolefins	653	736	703	-11%	-7%	694	694	0%
Vynls	724	716	705	1%	3%	720	685	5%
<b>United States</b>	<b>669</b>	<b>617</b>	<b>573</b>	<b>8%</b>	<b>17%</b>	<b>643</b>	<b>573</b>	<b>12%</b>
<b>Europe</b>	<b>388</b>	<b>471</b>	<b>504</b>	<b>-18%</b>	<b>-23%</b>	<b>430</b>	<b>478</b>	<b>-10%</b>
<b>North America PE</b>	<b>1,087</b>	<b>1,140</b>	<b>965</b>	<b>-5%</b>	<b>13%</b>	<b>1,114</b>	<b>992</b>	<b>12%</b>

\* Source: IHS

## Highlights by Segment:

### Brazil:

- ▶ In 2Q18, the average capacity utilization rate of crackers was 90%. Compared to 2Q17, the rate declined by 3 p.p., mainly due to the logistics constraints caused by the truck drivers' strike. Compared to 1Q18, average capacity utilization rate remained stable, mainly due to the higher availability of raw materials in Rio de Janeiro and improved operations in Bahia, which was impacted by power outage in 1Q18.
- ▶ Brazilian demand for resins (PE, PP and PVC) reached 1.3 million tons in 2Q18, in line with 2Q17. Compared to 1Q18, resin demand contracted 4%, due to logistics constraints caused by the truckers' strike. In the year

<sup>3</sup> Difference between the prices of key chemicals (15% ethylene, 10% propylene, 35% BTX, 10% butadiene, 5% cumene and 25% fuels, based on the capacity mix of Braskem's industrial units in Brazil) and the price of naphtha – Source: IHS.

<sup>4</sup> Difference between PE and PP prices based on the capacity mix of Braskem's industrial units in Brazil and the price of naphtha – Source: IHS

<sup>5</sup> Corresponds to: PVC price - (0.48 x Ethylene Price in Asia) - [(Brent Price/1.725)\*1.75] + (0.685 x Caustic Soda Price)

<sup>6</sup> Difference between the U.S. polypropylene price and the U.S. propylene price.

<sup>7</sup> Difference between the Europe polypropylene price and the Europe propylene price

<sup>8</sup> Difference between the U.S. polypropylene price and the U.S. ethane price



to date, demand for resins grew 4% in relation to 1H17, driven by stronger economic activity, especially in the packaging, automotive and consumer goods industries.

- ▶ Braskem's resin sales in the Brazilian market were 821 kton in 2Q18, decreasing 2% from 2Q17. Compared to 1Q18, Braskem's sales volume in the Brazilian market accompanied the downward trend in the market, contracting 7%. In 1H18, resin sales in Brazil grew 2% to 1,708 kton.
- ▶ In 2Q18, the Company exported 320 kton of resins, down 13% from 2Q17 and in line with the previous quarter, due to lower availability.
- ▶ In 2Q18, the units in Brazil posted EBITDA of R\$1,784 million. The Company estimates that the negative impact of logistics constraints caused by the truckers' strike on EBITDA was roughly US\$54 million (R\$200 million) in 2Q18.
- ▶ At the end of May, the tax rate on Brazilian exports under the Reintegra tax incentive program was reduced from 2% to 0.1% of net revenue. In the same period, the Special Regime for the Chemical Industry (REIQ) was revoked through Provisional Presidential Decree 836/18, effective September 1, 2018. If the decree is passed into law, PIS/Cofins taxation on feedstock purchases will revert back to the general rule (9.25% for domestic feedstock and 11.75% for imported feedstock).

### United States & Europe:

- ▶ In 2Q18, the capacity utilization rate stood at 84%, declining 11 p.p. and 8 p.p. from 2Q17 and 1Q18, respectively, reflecting the scheduled shutdown at the Oyster Creek Unit in Texas and operational problems at the Marcus Hook Unit in Pennsylvania.
- ▶ The segment posted EBITDA of US\$170 million in 2Q18.

### Mexico:

- ▶ In 2Q18, the PE plants operated at capacity utilization rate of 72%, down 11 p.p. and 13 p.p. from 2Q17 and 1Q18, respectively, due to lower supply of ethane and a scheduled shutdown to improve performance of certain equipment, especially the cracker.
- ▶ In the quarter, PE sales to the Mexican market amounted to 135 kton, up 4% from 2Q17 and down 8% from 1Q18, representing 68% of total sales.
- ▶ EBITDA from the Mexico Complex amounted to US\$161 million in 2Q18.



## 1. BRAZIL

Braskem's results in Brazil<sup>9</sup> are formed by the following segments: Basic Petrochemicals, Polyolefins & Vinyls.

BRAZIL	2Q18 (A)	1Q18 (B)	2Q17 (C)	Chg. (A)/(B)	Chg. (A)/(C)	1H18 (D)	1H17 (E)	Chg. (D)/(E)
<b>Financial Overview (R\$ million)</b>								
<b>Net Revenue</b>	<b>9,788</b>	<b>9,190</b>	<b>8,798</b>	<b>7%</b>	<b>11%</b>	<b>18,978</b>	<b>18,334</b>	<b>4%</b>
COGS	(7,816)	(7,589)	(6,752)	3%	16%	(15,406)	(13,781)	12%
<b>Gross Profit</b>	<b>1,972</b>	<b>1,601</b>	<b>2,046</b>	<b>23%</b>	<b>-4%</b>	<b>3,572</b>	<b>4,553</b>	<b>-22%</b>
<b>Gross Margin</b>	<b>20%</b>	<b>17%</b>	<b>23%</b>	<b>3 p.p.</b>	<b>-3 p.p.</b>	<b>19%</b>	<b>25%</b>	<b>-6 p.p.</b>
SG&A	(539)	(522)	(407)	3%	33%	(1,062)	(889)	19%
Other Operating Income (Expenses)	(114)	(81)	211	41%	-154%	(194)	99	-296%
<b>Operating Profit</b>	<b>1,319</b>	<b>998</b>	<b>1,851</b>	<b>32%</b>	<b>-29%</b>	<b>2,317</b>	<b>3,763</b>	<b>-38%</b>
<b>EBITDA</b>	<b>1,784</b>	<b>1,463</b>	<b>2,306</b>	<b>22%</b>	<b>-23%</b>	<b>3,247</b>	<b>4,697</b>	<b>-31%</b>
<b>EBITDA Margin</b>	<b>18%</b>	<b>16%</b>	<b>26%</b>	<b>2 p.p.</b>	<b>-8 p.p.</b>	<b>17%</b>	<b>26%</b>	<b>-9 p.p.</b>
Net Revenue (US\$ million)	2,715	2,833	2,738	-4%	-1%	5,548	5,772	-4%
EBITDA (US\$ million)	495	451	718	10%	-31%	946	1,478	-36%

1H17 EBITDA was restated because the operating result from Germany was also considered in Brazil

<sup>9</sup> Braskem's result in Brazil corresponds to the sum of the results from the Chem7icals, Polyolefins and Vinyls units less eliminations from the revenues and costs with transfers of products among these segments. In 2Q17, EBITDA from Brazil includes the capital gain from the divestment of quantiQ, of R\$277 million, which is not allocated to any operating segment.

1.1. CHEMICALS<sup>10</sup>

CHEMICALS	2Q18 (A)	1Q18 (B)	2Q17 (C)	Chg. (A)/(B)	Chg. (A)/(C)	1H18 (D)	1H17 (E)	Chg. (D)/(E)
<b>Operating Overview (ton)</b>								
<b>Production</b>								
Ethylene	841,720	832,886	870,521	1%	-3%	1,674,607	1,750,316	-4%
Utilization Rate*	90%	90%	93%	0 p.p.	-3 p.p.	90%	94%	-4 p.p.
Propylene	320,628	322,313	352,654	-1%	-9%	642,942	717,887	-10%
Cumene	53,453	57,868	50,611	-8%	6%	111,321	92,671	20%
Butadiene	95,434	89,087	106,067	7%	-10%	184,521	213,674	-14%
Gasoline	227,856	241,121	235,798	-6%	-3%	468,977	500,822	-6%
BTX**	203,185	188,376	235,484	8%	-14%	391,561	486,514	-20%
Others	291,734	267,105	266,690	9%	9%	558,839	531,367	5%
<b>Total</b>	<b>2,034,011</b>	<b>1,998,757</b>	<b>2,117,826</b>	<b>2%</b>	<b>-4%</b>	<b>4,032,768</b>	<b>4,293,251</b>	<b>-6%</b>
<b>Sales - Brazilian Market (Main Chemicals***)</b>								
Ethylene	125,680	117,610	131,467	7%	-4%	243,291	259,220	-6%
Propylene	90,066	83,882	75,743	7%	19%	173,948	160,969	8%
Cumene	52,036	58,027	52,862	-10%	-2%	110,064	94,214	17%
Butadiene	47,543	49,775	46,300	-4%	3%	97,318	90,728	7%
Gasoline	219,846	238,329	230,294	-8%	-5%	458,175	468,583	-2%
BTX**	154,886	160,114	156,552	-3%	-1%	315,001	309,202	2%
<b>Total</b>	<b>690,058</b>	<b>707,738</b>	<b>693,218</b>	<b>-2%</b>	<b>0%</b>	<b>1,397,796</b>	<b>1,382,916</b>	<b>1%</b>
<b>Exports (Main Chemicals***)</b>								
Ethylene	6,507	30,256	11,947	-78%	-46%	36,763	46,447	-21%
Propylene	-	-	21,489	0%	-100%	-	29,317	-100%
Gasoline	4,200	18,540	10,697	-77%	-61%	22,739	38,264	-41%
Butadiene	43,505	40,668	60,981	7%	-29%	84,173	118,479	-29%
BTX**	35,912	28,421	85,722	26%	-58%	64,333	191,124	-66%
<b>Total</b>	<b>90,124</b>	<b>117,885</b>	<b>190,836</b>	<b>-24%</b>	<b>-53%</b>	<b>208,009</b>	<b>423,630</b>	<b>-51%</b>
<b>Financial Overview (R\$ million)</b>								
<b>Net Revenue</b>	<b>7,209</b>	<b>6,721</b>	<b>5,951</b>	<b>7%</b>	<b>21%</b>	<b>13,929</b>	<b>12,515</b>	<b>11%</b>
COGS	(6,085)	(5,816)	(4,988)	5%	22%	(11,901)	(10,204)	17%
<b>Gross Profit</b>	<b>1,123</b>	<b>905</b>	<b>963</b>	<b>24%</b>	<b>17%</b>	<b>2,028</b>	<b>2,311</b>	<b>-12%</b>
<b>Gross Margin</b>	<b>16%</b>	<b>13%</b>	<b>16%</b>	<b>3 p.p.</b>	<b>0 p.p.</b>	<b>15%</b>	<b>18%</b>	<b>-3 p.p.</b>
SG&A	(121)	(176)	(188)	-31%	-36%	(296)	(376)	-21%
Other Operating Income (Expenses)	(21)	(29)	(33)	-30%	-37%	(50)	(43)	17%
<b>EBITDA</b>	<b>1,268</b>	<b>985</b>	<b>1,023</b>	<b>29%</b>	<b>24%</b>	<b>2,253</b>	<b>2,437</b>	<b>-8%</b>
<b>EBITDA Margin</b>	<b>18%</b>	<b>15%</b>	<b>17%</b>	<b>3 p.p.</b>	<b>1 p.p.</b>	<b>16%</b>	<b>19%</b>	<b>-3 p.p.</b>
Net Revenue (US\$ million)	1,995	2,072	1,854	-4%	8%	4,068	3,942	3%
EBITDA (US\$ million)	350	304	320	15%	9%	654	769	-15%

\*It is considered: 91 days of operation for 2Q17 and 2Q18; 90 days for 1Q18

\*\*BTX - Benzene, Toluene and Paraxylene

\*\*\*In 2017, ethylene, propylene, cumene, gasoline, benzene, toluene and paraxylene accounted for approximately 80% of net revenue in the Chemicals segment, for which reason they are considered key chemical products.

<sup>10</sup> The Chemicals segment is formed by and operates four petrochemical complexes (Camaçari, Triunfo, São Paulo and Rio de Janeiro) producing olefins, aromatics and utilities. These units have total annual ethylene production capacity of 3,952 kton, of which approximately 78% is naphtha-based, 16% is gas-based and the remainder is ethanol-based. Of the total ethylene produced by the Chemicals Unit, approximately 80% is transferred for use by Braskem's Polyolefins and Vinyls units. Total annual propylene production capacity is 1,585 kton, of which approximately 65% on average is transferred for use by the Company's Polyolefins segment.

**International References (IHS):**

Chemicals International References* (US\$/ton)	2Q18 (A)	1Q18 (B)	2Q17 (C)	Chg. (A)/(B)	Chg. (A)/(C)	1H18 (D)	1H17 (E)	Chg. (D)/(E)
Ethylene Europe	1,312	1,307	1,142	0%	15%	1,310	1,113	18%
Butadiene USA	1,487	1,066	1,595	40%	-7%	1,276	1,780	-28%
Propylene Polymer Grade USA	1,146	1,168	904	-2%	27%	1,157	972	19%
Cumene USA	940	939	815	0%	15%	939	869	8%
Benzene USA	889	937	807	-5%	10%	913	867	5%
Paraxylene Asia	1,031	998	858	3%	20%	1,015	894	14%
Ortoxylene USA	941	878	852	7%	10%	909	862	6%
Mixed Xylene USA	842	732	674	15%	25%	787	669	18%
MTBE Europe	787	732	667	7%	18%	760	663	15%
Gasoline USA	830	717	617	16%	34%	774	614	26%
Toluene USA	800	740	624	8%	28%	770	641	20%
<b>Average Price** - Main Chemicals (1)</b>	<b>1,026</b>	<b>961</b>	<b>892</b>	<b>7%</b>	<b>15%</b>	<b>994</b>	<b>930</b>	<b>7%</b>
Naphtha (2)	636	573	435	11%	46%	605	460	31%
Ethane	214	188	184	14%	16%	201	178	13%
Propane	456	445	327	2%	39%	451	349	29%
<b>Average Price*** - Raw Material</b>	<b>609</b>	<b>550</b>	<b>419</b>	<b>11%</b>	<b>45%</b>	<b>580</b>	<b>443</b>	<b>31%</b>
<b>Main Chemicals Spread - Naphtha (1-2)</b>	<b>390</b>	<b>388</b>	<b>458</b>	<b>1%</b>	<b>-15%</b>	<b>389</b>	<b>470</b>	<b>-17%</b>

\*Source: IHS (Spot Price)

\*\*Ethylene (15%), Butadiene (10%), Propylene (10%), Cumene (5%), Benzene (20%), Paraxylene (5%), Ortoxylene (2.5%), Mixed Xylene (2.5%), MTBE (5%), Gasoline (20%) and Toluene (5%)

\*\*\*Naphtha (91%), Ethane (4.5%) and Propane (4.5%)

**Capacity Utilization Rate:** negatively affected compared to 2Q17 and stable compared to 1Q18 by the aforementioned events.

**Sales Volume – Brazilian Market:** the reduction compared to 1Q18 was influenced by the logistics constraints mentioned above. However, this effect was partially offset by higher sales volume of ethylene and propylene to third parties, due to the reduction in transfers of these products to the Polyolefins and Vinyls units.

**Sales Volume – Export Market:** the reduction compared to 1Q18 is explained by the logistics constraints caused by the truckers' strike, while the reduction compared to 2Q17 is explained by the lower supply of products for sale due to lower production volume.

**Cost of Goods Sold<sup>11</sup>:** the increase compared to 2Q17 and 1Q18 is explained by the higher price of key feedstocks:

- Average ARA naphtha price reference: accompanied the increase in Brent oil price, due to geopolitical tensions in the Middle East, the United States' withdrawal from the Iran deal, which could limit oil exports from OPEC countries, and the continued decline in oil production in Venezuela.
- Average U.S. ethane price reference: reached the highest level of the last four years, due to: (i) higher demand following the startup of the new crackers in the United States and the growth in exports to other regions; (ii) the effects from the temporary closure of an ethane pipeline in the Northeastern United States; and (iii) the recovery in natural gas prices.
- Average U.S. propane price reference: influenced by higher oil prices and exports in the United States, partially offset by the restocking trend following the end of winter in the region.

**SG&A Expenses<sup>12</sup>:** corresponded to approximately 2% of the segment's net revenue in the period.

**EBITDA:** in 2Q18, EBITDA from the Chemicals segment was US\$350 million (R\$1,268 million).

<sup>11</sup> Cost of goods sold: the Chemicals segment uses naphtha, HLR (refinery gas), ethane and propane as the main feedstocks for its production of olefins and aromatics. Petrobras supplies 100% of the HLR and most of the ethane, propane and naphtha consumed by Braskem, with the remainder met by imports from various suppliers.

<sup>12</sup> Selling, general and administrative expenses.

1.2. POLYOLEFINS<sup>13</sup>

POLYOLEFINS	2Q18 (A)	1Q18 (B)	2Q17 (C)	Chg. (A)/(B)	Chg. (A)/(C)	1H18 (D)	1H17 (E)	Chg. (D)/(E)
<b>Operating Overview (ton)</b>								
<b>Production</b>								
PE	659,783	692,230	679,176	-5%	-3%	1,352,013	1,351,254	0%
Utilization Rate*	87%	92%	90%	-5 p.p.	-3 p.p.	90%	90%	0 p.p.
PP	389,442	411,426	417,182	-5%	-7%	800,868	854,454	-6%
Utilization Rate*	84%	90%	90%	-6 p.p.	-6 p.p.	87%	93%	-6 p.p.
<b>Total</b>	<b>1,049,225</b>	<b>1,103,656</b>	<b>1,096,358</b>	<b>-5%</b>	<b>-4%</b>	<b>2,152,881</b>	<b>2,205,709</b>	<b>-2%</b>
<b>Sales - Brazilian Market</b>								
PE	418,330	481,176	441,775	-13%	-5%	899,506	862,213	4%
PP	291,274	291,343	280,500	0%	4%	582,616	565,322	3%
Market Share	70%	73%	72%	-3 p.p.	-2 p.p.	71%	72%	-1 p.p.
<b>Total</b>	<b>709,604</b>	<b>772,519</b>	<b>722,275</b>	<b>-8%</b>	<b>-2%</b>	<b>1,482,123</b>	<b>1,427,535</b>	<b>4%</b>
<b>Exports</b>								
PE	197,780	210,073	238,690	-6%	-17%	407,853	479,219	-15%
PP	111,043	107,068	119,467	4%	-7%	218,111	269,808	-19%
<b>Total</b>	<b>308,823</b>	<b>317,140</b>	<b>358,157</b>	<b>-3%</b>	<b>-14%</b>	<b>625,964</b>	<b>749,027</b>	<b>-16%</b>
<b>Financial Overview (R\$ million)</b>								
<b>Net Revenue</b>	<b>5,349</b>	<b>5,271</b>	<b>4,860</b>	<b>1%</b>	<b>10%</b>	<b>10,620</b>	<b>9,705</b>	<b>9%</b>
COGS	(4,456)	(4,447)	(3,813)	0%	17%	(8,903)	(7,619)	17%
<b>Gross Profit</b>	<b>893</b>	<b>824</b>	<b>1,047</b>	<b>8%</b>	<b>-15%</b>	<b>1,717</b>	<b>2,086</b>	<b>-18%</b>
Gross Margin	17%	16%	22%	1 p.p.	-5 p.p.	16%	21%	-5 p.p.
SG&A	(315)	(307)	(309)	2%	2%	(622)	(639)	-3%
Other Operating Income (Expenses)	(9)	(25)	(9)	-64%	-3%	(34)	(46)	-26%
<b>EBITDA</b>	<b>676</b>	<b>603</b>	<b>832</b>	<b>12%</b>	<b>-19%</b>	<b>1,280</b>	<b>1,613</b>	<b>-21%</b>
EBITDA Margin	13%	11%	17%	2 p.p.	-4 p.p.	12%	17%	-5 p.p.
Net Revenue (US\$ million)	1,479	1,625	1,512	-9%	-2%	3,104	3,053	2%
EBITDA (US\$ million)	187	186	259	1%	-28%	373	507	-26%

\*It is considered: 91 days of operation for 2Q17 and 2Q18; 90 days for 1Q18

**International references (IHS):**

Polyolefins International References* (US\$/ton)	2Q18 (A)	1Q18 (B)	2Q17 (C)	Chg. (A)/(B)	Chg. (A)/(C)	1H18 (D)	1H17 (E)	Chg. (D)/(E)
PE US	1,272	1,326	1,177	-4%	8%	1,299	1,192	9%
PP Asia	1,245	1,220	1,032	2%	21%	1,233	1,048	18%
<b>Average Price** - Polyolefins (2)</b>	<b>1,262</b>	<b>1,286</b>	<b>1,122</b>	<b>-2%</b>	<b>12%</b>	<b>1,274</b>	<b>1,137</b>	<b>12%</b>
Naphtha	636	573	435	11%	46%	605	460	31%
Ethane	214	188	184	14%	16%	201	178	13%
Propane	456	445	327	2%	39%	451	349	29%
<b>Average Price*** - Raw Material (2)</b>	<b>609</b>	<b>550</b>	<b>419</b>	<b>11%</b>	<b>45%</b>	<b>580</b>	<b>443</b>	<b>31%</b>
<b>Average Spread Polyolefins (1-2)</b>	<b>653</b>	<b>736</b>	<b>703</b>	<b>-11%</b>	<b>-7%</b>	<b>694</b>	<b>694</b>	<b>0%</b>

\*Source: IHS (Spot Price)

\*\* PE USA (62%) and PP Asia (38%)

\*\*\*Naphtha (91%), Ethane (4.5%) and Propane (4.5%)

**Capacity Utilization Rate:** down from prior periods due to the lower supply of ethylene by the Chemicals Unit, as mentioned above and to the lower supply of propylene by the feedstock supplier.

**Brazilian Market:** the estimated market for polyolefins (PE and PP) in 2Q18 was 1,015 kton, growing 1% from 2Q17, with the highlights consumer-related segments, such as flexible packaging and houseware, and the

<sup>13</sup> The Polyolefins segment is formed by 18 industrial plants in Brazil producing polyethylene (PE) and polypropylene (PP), which includes the production of Braskem's Green PE from renewable feedstock. The industrial operations consist of the PE and PP plants located in the petrochemical complexes of Triunfo, Camaçari, São Paulo, Paulínia and Rio de Janeiro, which have combined annual production capacity of 3,055 kton of PE, with 200 kton of Green PE and 1,850 kton of PP. In 1Q17, the UTEC business, which previously was part of the Polyolefins segment, became part of the United States and Europe segment.



automotive industry. Compared to 1Q18, the estimated market for polyolefins decreased 4%. In 1H18, the market expanded 5% to 2,076 kton.

**Sales Volume – Brazilian Market:** reduction in comparison with both periods, reflecting the lower production and market share.

**Sales Volume – Export Market:** reduction explained by the lower availability of Braskem products.

**Cost of Goods Sold<sup>14</sup>:** influenced by higher feedstock prices.

**SG&A Expenses:** represented 6% of the segment's net revenue in the period.

**EBITDA:** in 2Q18, EBITDA from the Polyolefins segment was US\$187 million (R\$676 million).

### 1.3. VINYL<sup>15</sup>

VINYLS	2Q18 (A)	1Q18 (B)	2Q17 (C)	Chg. (A)/(B)	Chg. (A)/(C)	1H18 (D)	1H17 (E)	Chg. (D)/(E)
<b>Operating Overview (ton)</b>								
<b>Production</b>								
PVC	134,213	104,751	138,489	28%	-3%	238,964	296,836	-19%
Utilization Rate*	76%	60%	78%	16 p.p.	-2 p.p.	69%	85%	-16 p.p.
Caustic Soda	101,045	21,506	88,637	370%	14%	122,551	190,274	-36%
Utilization Rate*	75%	16%	66%	59 p.p.	9 p.p.	65%	72%	-7 p.p.
<b>Total</b>	<b>235,258</b>	<b>126,256</b>	<b>227,127</b>	<b>86%</b>	<b>4%</b>	<b>361,514</b>	<b>487,111</b>	<b>-26%</b>
<b>Sales - Brazilian Market</b>								
PVC	111,726	113,897	112,263	-2%	0%	225,623	251,279	-10%
Market Share	47%	46%	47%	1 p.p.	0 p.p.	47%	51%	-4 p.p.
Caustic Soda	85,596	81,081	94,133	6%	-9%	166,677	200,089	-17%
<b>Total</b>	<b>197,322</b>	<b>194,978</b>	<b>206,396</b>	<b>1%</b>	<b>-4%</b>	<b>392,300</b>	<b>451,369</b>	<b>-13%</b>
<b>Exports</b>								
PVC	10,945	2,574	9,280	325%	18%	13,519	36,478	-63%
<b>Financial Overview (R\$ million)</b>								
<b>Net Revenue</b>	<b>740</b>	<b>657</b>	<b>649</b>	<b>13%</b>	<b>14%</b>	<b>1,397</b>	<b>1,457</b>	<b>-4%</b>
COGS	(665)	(694)	(562)	-4%	18%	(1,359)	(1,252)	9%
<b>Gross Profit</b>	<b>75</b>	<b>-37</b>	<b>87</b>	<b>-</b>	<b>-13%</b>	<b>38</b>	<b>205</b>	<b>-81%</b>
Gross Margin	10%	-6%	13%	16 p.p.	-3 p.p.	3%	14%	-11 p.p.
SG&A	(38)	(43)	(38)	-11%	0%	(81)	(76)	6%
Other Operating Income (Expenses)	(5)	(11)	(32)	-57%	-85%	(16)	(50)	-67%
<b>EBITDA</b>	<b>97</b>	<b>-3</b>	<b>87</b>	<b>-</b>	<b>11%</b>	<b>93</b>	<b>236</b>	<b>-60%</b>
EBITDA Margin	13%	0%	13%	13 p.p.	0 p.p.	7%	16%	-9 p.p.
Net Revenue (US\$ million)	205	203	202	1%	1%	408	459	-11%
EBITDA (US\$ million)	26	-1	27	-	-5%	25	75	-66%

\*It is considered: 91 days of operation for 2Q17 and 2Q18; 90 days for 1Q18

<sup>14</sup> Cost of goods sold: ethylene and propylene are the main feedstocks used to make PE and PP, respectively. For PE production, 100% of the ethylene used is supplied by the Chemicals Unit, as is 65% of the propylene used to make PP, with the remainder supplied by Petrobras.

<sup>15</sup> The Vinyls segment is formed by the industrial and commercial operations of the PVC, Chlorine and Caustic Soda units, as well as other products such as hydrogen and sodium hypochlorite. The industrial operations include three PVC plants located in the petrochemical complexes in Camaçari and Alagoas and the two chlor-alkali plants located in the same two petrochemical complexes. The Company's production capacity is 710 kta of PVC and 539 kta of caustic soda.



**International references (IHS):**

Vinyls International References* (US\$/ton)	2Q18 (A)	1Q18 (B)	2Q17 (C)	Chg. (A)/(B)	Chg. (A)/(C)	1H18 (D)	1H17 (E)	Chg. (D)/(E)
PVC Asia	937	908	883	3%	6%	923	903	2%
<b>PVC Average Price (2)</b>	<b>937</b>	<b>908</b>	<b>883</b>	<b>3%</b>	<b>6%</b>	<b>923</b>	<b>903</b>	<b>2%</b>
Asia Ethylene	1,176	1,160	984	1%	19%	1,168	1,036	13%
Electric Energy**	76	68	50	12%	51%	72	52	37%
Asia Caustic Soda	623	630	502	-1%	24%	627	483	30%
<b>Average Price*** - Raw Material (2)</b>	<b>213</b>	<b>193</b>	<b>179</b>	<b>10%</b>	<b>19%</b>	<b>203</b>	<b>218</b>	<b>-7%</b>
<b>Vinyls Spread (1-2)</b>	<b>724</b>	<b>716</b>	<b>705</b>	<b>1%</b>	<b>3%</b>	<b>720</b>	<b>685</b>	<b>5%</b>

\*Source: IHS (Spot Price)

\*\*Electric Energy =(Brent(\$/bbl)/1.725)\*1.75

\*\*\* (Ethylene Asia x 0.48) + (Electric Energy) - (Caustic Soda Asia x 0.685)

**Capacity Utilization Rate:** up in relation to 1Q18, due to the incident at the chlor-alkali plant in Alagoas and by the power outage that affected the country's Northeast in this period.

**Brazilian Market:** contractions of 1% and 3% compared to 2Q17 and 1Q18, respectively, mainly due to the performance of the construction and infrastructure sectors.

**Sales Volume – Brazilian Market:** in line with 2Q17, but the retraction in the Brazilian market affected sales volume in relation to 1Q18, which decreased 2%.

**Sales Volume – Export Market:** Braskem continued to export PVC to offset the weaker demand in the local market.

**Cost of Goods Sold<sup>16</sup>:** despite the lower sales volume, COGS was affected by higher feedstock prices in the international market.

**SG&A Expenses:** corresponded to 5% of the segment's net revenue in the period.

**EBITDA:** in 2Q18, EBITDA from the Chemicals segment was US\$26 million (R\$97 million).

<sup>16</sup> Cost of goods sold: ethylene and salt are the main inputs used by the Vinyls segment to produce caustic soda, chlorine and PVC. The ethylene is 100% supplied by the Chemicals segment. In salt consumption, Braskem holds significant cost advantages over some competitors thanks to its low-cost extraction of sodium chloride (especially compared to sea salt) and low transportation costs, given its industrial unit's proximity to the salt mine.

2. UNITED STATES AND EUROPE<sup>17</sup>

USA and EUROPE	2Q18 (A)	1Q18 (B)	2Q17 (C)	Chg. (A)/(B)	Chg. (A)/(C)	1H18 (D)	1H17 (E)	Chg. (D)/(E)
<b>Operating Overview (ton)</b>								
<b>Production</b>								
PP USA	313,788	358,277	381,304	-12%	-18%	672,065	753,222	-11%
Utilization Rate*	79%	92%	97%	-13 p.p.	-18 p.p.	86%	97%	-11 p.p.
PP EUR	147,985	141,169	138,488	5%	7%	289,154	292,438	-1%
Utilization Rate*	95%	92%	89%	3 p.p.	6 p.p.	93%	102%	-9 p.p.
<b>Total</b>	<b>461,773</b>	<b>499,446</b>	<b>519,792</b>	<b>-8%</b>	<b>-11%</b>	<b>961,219</b>	<b>1,045,660</b>	<b>-8%</b>
Utilization Rate	84%	92%	95%	-8 p.p.	-11 p.p.	88%	98%	-10 p.p.
<b>Sales</b>								
PP USA	347,947	364,032	375,916	-4%	-7%	711,978	756,066	-6%
PP EUR	147,965	142,445	139,752	4%	6%	290,410	293,940	-1%
<b>Total</b>	<b>495,912</b>	<b>506,477</b>	<b>515,668</b>	<b>-2%</b>	<b>-4%</b>	<b>1,002,388</b>	<b>1,050,006</b>	<b>-5%</b>
<b>Financial Overview (US\$ million)</b>								
<b>Net Revenue</b>	<b>812</b>	<b>824</b>	<b>719</b>	<b>-1%</b>	<b>13%</b>	<b>1,636</b>	<b>1,490</b>	<b>10%</b>
COGS	(610)	(624)	(577)	-2%	6%	(1,234)	(1,129)	9%
<b>Gross Profit</b>	<b>202</b>	<b>200</b>	<b>142</b>	<b>1%</b>	<b>43%</b>	<b>402</b>	<b>362</b>	<b>11%</b>
Gross Margin	25%	24%	20%	1 p.p.	5 p.p.	25%	24%	1 p.p.
SG&A	(41)	(40)	(41)	2%	0%	(80)	(93)	-14%
Other Operating Income (Expenses)	(5)	(3)	0	92%	-	(8)	2	-
<b>EBITDA</b>	<b>170</b>	<b>176</b>	<b>120</b>	<b>-3%</b>	<b>42%</b>	<b>345</b>	<b>308</b>	<b>12%</b>
EBITDA Margin	21%	21%	17%	0 p.p.	4 p.p.	21%	21%	0 p.p.
Net Revenue (R\$ million)	2,933	2,671	2,310	10%	27%	5,604	4,734	18%
EBITDA (R\$ million)	615	569	385	8%	60%	1,184	977	21%

\*It is considered: 91 days of operation for 2Q17 and 2Q18; 90 days for 1Q18

**International references (IHS):**

United States and Europe International References* (US\$/t)	2Q18 (A)	1Q18 (B)	2Q17 (C)	Chg. (A)/(B)	Chg. (A)/(C)	1H18 (D)	1H17 (E)	Chg. (D)/(E)
PP US	1,815	1,786	1,477	2%	23%	1,800	1,545	17%
PP Europe	1,544	1,606	1,457	-4%	6%	1,575	1,390	13%
<b>Average Price** - US and Europe (1)</b>	<b>1,739</b>	<b>1,735</b>	<b>1,472</b>	<b>0%</b>	<b>18%</b>	<b>1,737</b>	<b>1,502</b>	<b>16%</b>
Propylene Polymer Grade US	1,146	1,168	904	-2%	27%	1,157	972	19%
Propylene Polymer Grade Europe	1,156	1,134	953	2%	21%	1,145	911	26%
<b>Average Price*** - Raw Material (2)</b>	<b>1,149</b>	<b>1,159</b>	<b>918</b>	<b>-1%</b>	<b>25%</b>	<b>1,154</b>	<b>955</b>	<b>21%</b>
PP US Spread	669	617	573	8%	17%	643	573	12%
Europe PP Spread	388	471	504	-18%	-23%	430	478	-10%
<b>PP US and Europe - Average Spread (1-2)</b>	<b>590</b>	<b>576</b>	<b>554</b>	<b>2%</b>	<b>7%</b>	<b>583</b>	<b>547</b>	<b>7%</b>

\*Source: IHS (Spot Price)

\*\*PP USA (72%) and PP Europe (28%)

\*\*Propylene USA (72%) and Propylene Europe (28%)

**Capacity Utilization Rate:** down compared to 1Q18 and 2Q17, explained by the 50-day scheduled shutdown at the Oyster Creek Unit in Texas and by operational issues at the Marcus Hook Plant in Pennsylvania.

**Market:** in the USA, demand for PP continued to post solid growth, despite higher resin prices, led by demand from the caps, cup and container and nonwoven segments. In Europe, the market grew in line with the region's economic performance.

**Sales Volume:** down compared to 1Q18 and 2Q17, due to the lower production in the USA.

**Cost of Goods Sold<sup>18</sup>:** the reduction in COGS compared to 1Q18 is explained by the lower sales volume and lower propylene prices in the United States, given monomer's higher supply following the production ramp-up of

<sup>17</sup> The segment's results are formed by six industrial units in the United States and two in Europe, with aggregate production capacity of 2,195 kta, with 1,570 kta in the United States and 625 kta in Europe.

<sup>18</sup> Cost of goods sold: the main feedstock used to make PP in the United States and Europe is propylene, which is supplied to the Company's industrial units by various local producers.



the new propane dehydrogenation plant (PDH) in the region. In relation to 2Q17, the increase is due to higher propylene prices in both the USA and Europe, which is explained by the higher oil price in the period.

**SG&A Expenses:** represented approximately 5% of the segment's net revenue in 2Q18.

**EBITDA:** in 2Q18, EBITDA from the United States and Europe segment was US\$170 million (R\$615 million).

### 3. MEXICO (Braskem Idesa)<sup>19</sup>

MEXICO	2Q18 (A)	1Q18 (B)	2Q17 (C)	Chg. (A)/(B)	Chg. (A)/(C)	1H18 (D)	1H17 (E)	Chg. (D)/(E)
<b>Operating Overview (ton)</b>								
<b>Production</b>								
PE	187,349	221,293	217,374	-15%	-14%	408,642	467,299	-13%
Utilization Rate*	72%	85%	83%	-13 p.p.	-11 p.p.	79%	90%	-11 p.p.
<b>Sales</b>								
Mexican Market	134,505	145,623	129,659	-8%	4%	280,128	253,907	10%
Exports	61,938	57,982	109,294	7%	-43%	119,920	249,176	-52%
<b>Total</b>	<b>196,443</b>	<b>203,605</b>	<b>238,953</b>	<b>-4%</b>	<b>-18%</b>	<b>400,048</b>	<b>503,082</b>	<b>-20%</b>
<b>Financial Overview (US\$ million)</b>								
Net Revenue	267	268	274	0%	-3%	535	573	-7%
COGS	(152)	(147)	(170)	4%	-10%	(300)	(331)	-10%
Gross Profit	115	121	104	-5%	11%	235	242	-3%
Gross Margin	43%	45%	38%	-2 p.p.	5 p.p.	44%	42%	2 p.p.
SG&A	(20)	(19)	(21)	4%	-6%	(39)	(42)	-8%
Other Operating Income (Expenses)	10	9	(0)	12%	-5290%	19	2	1119%
EBITDA	161	165	142	-2%	13%	326	312	4%
EBITDA Margin	60%	62%	52%	-2 p.p.	8 p.p.	61%	54%	7 p.p.
Net Revenue (R\$ million)	962	869	881	11%	9%	1,832	1,821	1%
EBITDA (R\$ million)	582	536	456	9%	28%	1,118	992	13%

\*It is considered: 91 days of operation for 2Q17 and 2Q18; 90 days for 1Q18

### International references (IHS):

Mexico International References* (US\$/ton)	2Q18 (A)	1Q18 (B)	2Q17 (C)	Chg. (A)/(B)	Chg. (A)/(C)	1H18 (D)	1H17 (E)	Chg. (D)/(E)
PE US (1)	1,301	1,328	1,149	-2%	13%	1,314	1,170	12%
Ethane US (2)	214	188	184	14%	16%	201	178	13%
<b>PE US - Spread (1-2)</b>	<b>1,087</b>	<b>1,140</b>	<b>965</b>	<b>-5%</b>	<b>13%</b>	<b>1,114</b>	<b>992</b>	<b>12%</b>

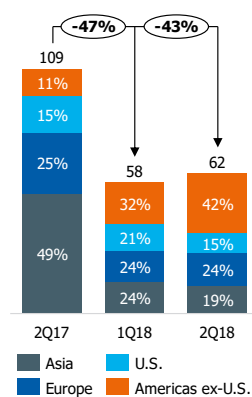
\*Source: IHS (Spot Price)

**Capacity Utilization Rate:** down compared to 2Q17 and 1Q18 due to the lower supply of ethane and the 15-day scheduled shutdown in May to improve the performance of certain equipment, especially the cracker.

**Sales Volume – Mexican Market:** reduction compared to 1Q18 due to the lower production.

**Sales Volume – Export Market:** grew by 4 kton in relation to 1Q18, in line with the strategy of exporting to more profitable markets. Compared to 2Q17, the reduction in exports is explained by the lower supply of products given the lower production and higher volume of sales to the Mexican market.

Destination of exports by region



<sup>19</sup> The segment comprises an ethane-based cracker, two high-density polyethylene (HDPE) plants and one low-density polyethylene (LDPE) plant with combined PE production capacity of 1,050 kta. This unit includes the results of Braskem Idesa SA PI and of the other subsidiaries of Braskem S.A. in Mexico.



**Cost of Goods Sold<sup>20</sup>:** the increase compared to 1Q18 is due to the higher feedstock price, despite the lower sales volume, while the reduction compared to 2Q17 is explained by the lower sales volume.

**SG&A Expenses:** corresponded to 7% of the segment's net revenue in 2Q18.

**Other Income/Expenses, Net (OIE):** in 2Q18, OIE included income of US\$13.8 million related to the delivery-or-pay established in the ethane supply agreement.

**EBITDA:** in 2Q18, EBITDA from the Mexico segment came to US\$161 million (R\$582 million).

## CONSOLIDATED<sup>21</sup>

Financial Overview (R\$ million) CONSOLIDATED 2Q18	Net Revenue	COGS	Gross Profit	SG&A	Minority Interest	Other Revenues and Expenses	Operating Profit	EBITDA
<b>Brazil</b>	<b>9,788</b>	<b>(7,816)</b>	<b>1,972</b>	<b>(539)</b>	-	<b>(114)</b>	<b>1,319</b>	<b>1,784</b>
Chemicals	7,209	(6,085)	1,123	(121)	-	(21)	982	1,268
Polyolefins	5,349	(4,456)	893	(315)	-	(9)	569	676
Vinyls	740	(665)	75	(38)	-	(5)	32	97
Eliminations and Reclassifications	(3,510)	3,390	(120)	(66)	-	(79)	(265)	(257)
<b>U.S. and Europe</b>	<b>2,933</b>	<b>(2,202)</b>	<b>731</b>	<b>(146)</b>	-	<b>(19)</b>	<b>566</b>	<b>615</b>
<b>Mexico</b>	<b>962</b>	<b>(550)</b>	<b>412</b>	<b>(72)</b>	-	<b>39</b>	<b>379</b>	<b>582</b>
<b>Segments Total</b>	<b>13,683</b>	<b>(10,568)</b>	<b>3,115</b>	<b>(757)</b>	-	<b>(94)</b>	<b>2,264</b>	<b>2,981</b>
Other Segments	107	(9)	97	(6)	(2)	0	90	117
Eliminations and Reclassifications	(4)	74	70	36	-	(24)	83	79
<b>Braskem Total</b>	<b>13,786</b>	<b>(10,504)</b>	<b>3,283</b>	<b>(727)</b>	<b>(2)</b>	<b>(118)</b>	<b>2,437</b>	<b>3,177</b>

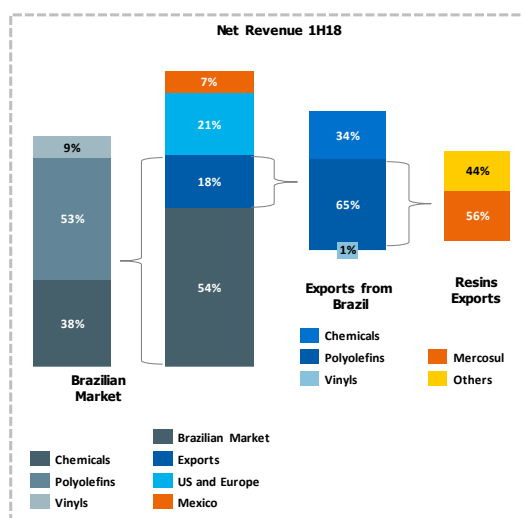
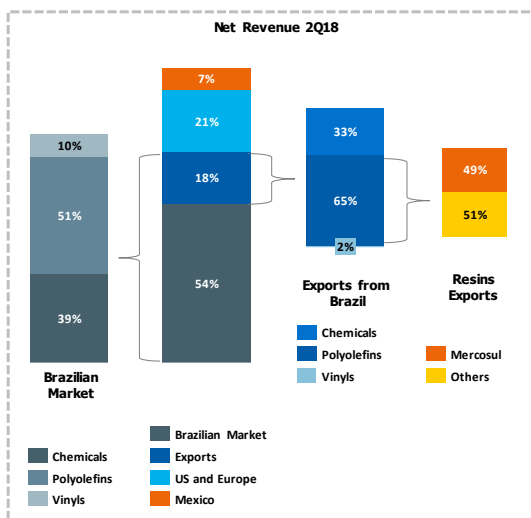
Financial Overview (R\$ million) CONSOLIDATED 1H18	Net Revenue	COGS	Gross Profit	SG&A	Minority Interest	Other Revenues and Expenses	Operating Profit	EBITDA
<b>Brazil</b>	<b>18,978</b>	<b>(15,406)</b>	<b>3,572</b>	<b>(1,062)</b>	-	<b>(194)</b>	<b>2,317</b>	<b>3,247</b>
Chemicals	13,929	(11,901)	2,028	(296)	-	(50)	1,682	2,253
Polyolefins	10,620	(8,903)	1,717	(622)	-	(34)	1,061	1,280
Vinyls	1,397	(1,359)	38	(81)	-	(16)	(59)	93
Eliminations and Reclassifications	(6,969)	6,757	(211)	(62)	-	(94)	(367)	(379)
<b>U.S. and Europe</b>	<b>5,604</b>	<b>(4,226)</b>	<b>1,378</b>	<b>(275)</b>	-	<b>(28)</b>	<b>1,075</b>	<b>1,184</b>
<b>Mexico</b>	<b>1,832</b>	<b>(1,027)</b>	<b>805</b>	<b>(133)</b>	-	<b>68</b>	<b>739</b>	<b>1,118</b>
<b>Segments Total</b>	<b>26,415</b>	<b>(20,659)</b>	<b>5,756</b>	<b>(1,470)</b>	-	<b>(154)</b>	<b>4,131</b>	<b>5,549</b>
Other Segments	177	(14)	163	(15)	(2)	0	147	177
Consolidated before eliminations	26,592	(20,673)	5,918	(1,485)	(1)	(154)	4,278	5,725
Eliminations and Reclassifications	223	(158)	66	42	-	(36)	72	104
<b>Braskem Total</b>	<b>26,815</b>	<b>(20,831)</b>	<b>5,984</b>	<b>(1,442)</b>	<b>(1)</b>	<b>(190)</b>	<b>4,351</b>	<b>5,829</b>

<sup>20</sup> Cost of goods sold: for its ethane supply, Braskem Idesa has a 20-year agreement with the subsidiary of Petróleos Mexicanos (PEMEX), whose price is based on the USG ethane price reference. For its natural gas supply, Braskem Idesa has a supply contract with prices referenced to a basket of sources of natural gas in the U.S. South, especially the Houston Ship Channel natural gas price reference.

<sup>21</sup> Braskem's consolidated result corresponds to the sum of the results in Brazil, United States & Europe and Mexico, less eliminations from the revenues and costs from the transfers of products among these regions.



## NET REVENUE

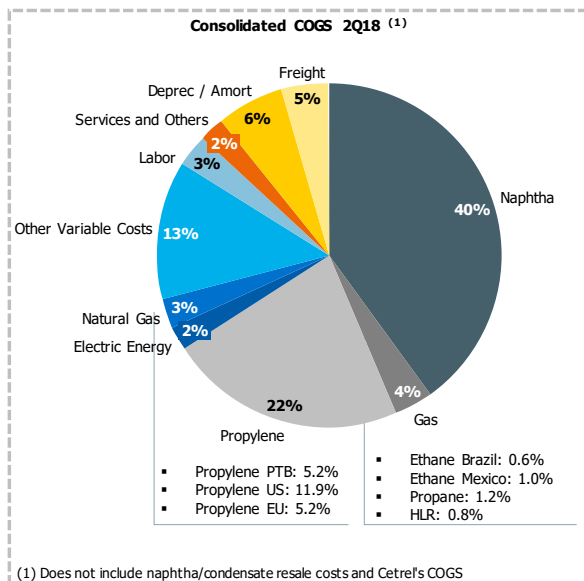


## COST OF GOODS SOLD (COGS)

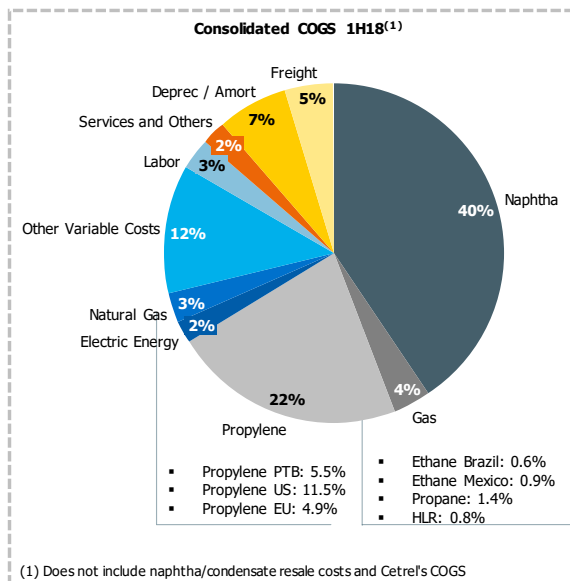
In 2Q18, the reduction in consolidated COGS in U.S. dollar compared to 1Q18 is explained by lower sales volume in all regions, except for PP in Europe, which offset the increases in international price references for feedstock.

CONSOLIDATED COGS	2Q18 (A)	1Q18 (B)	2Q17 (C)	Chg. (A)/(B)	Chg. (A)/(C)	1H18 (D)	1H17 (E)	Chg. (D)/(E)
<b>COGS (US\$ million)</b>	<b>(2,909)</b>	<b>(3,185)</b>	<b>(2,815)</b>	<b>-9%</b>	<b>3%</b>	<b>(6,094)</b>	<b>(5,659)</b>	<b>8%</b>
<b>International References* (US\$/ton)</b>								
Naphtha	636	573	435	11%	46%	605	460	31%
Ethane	214	188	184	14%	16%	201	178	13%
Propane	456	445	327	2%	39%	451	349	29%
Propylene USA	1,146	1,168	904	-2%	27%	1,157	972	19%
Propylene Europe	1,156	1,134	953	2%	21%	1,145	911	26%

\*Source: IHS



(1) Does not include naphtha/condensate resale costs and Cretel's COGS



(1) Does not include naphtha/condensate resale costs and Cretel's COGS



## SG&A EXPENSES

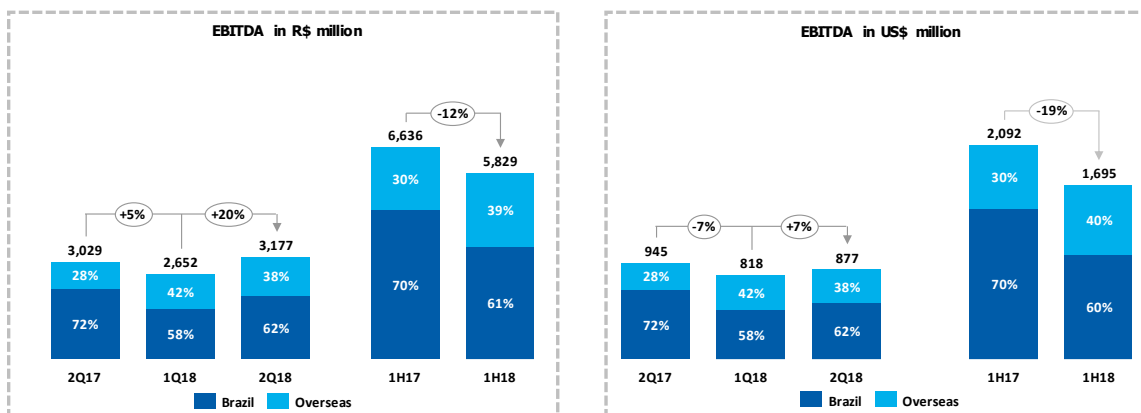
SG&A	2Q18 (A)	1Q18 (B)	2Q17 (C)	Chg. (A)/(B)	Chg. (A)/(C)	1H18 (D)	1H17 (E)	Chg. (D)/(E)
Selling and distribution expenses	(299)	(368)	(358)	-19%	-17%	(666)	(705)	-5%
General and Administrative Expenses	(382)	(309)	(312)	24%	22%	(690)	(622)	11%
Expenses with Research and Technology	(47)	(39)	(38)	20%	21%	(86)	(72)	19%
<b>Total</b>	<b>(727)</b>	<b>(715)</b>	<b>(709)</b>	<b>2%</b>	<b>3%</b>	<b>(1,442)</b>	<b>(1,399)</b>	<b>3%</b>
<i>% of Net Revenue</i>	<i>5%</i>	<i>5%</i>	<i>6%</i>	<i>0 p.p.</i>	<i>-1 p.p.</i>	<i>5%</i>	<i>6%</i>	<i>-1 p.p.</i>

Sales, general and administrative expenses increased compared to 1Q18 and 2Q17, mainly due to the impact of Brazilian real depreciation on international business expenses, the higher expenses with consulting, audit and information technology, which were partially offset by the lower sales volumes and reversal of allowance for doubtful accounts, especially in the chemicals segment.

## OTHER INCOME/EXPENSES, NET (OIE)

In 2Q18, other expenses came to R\$118 million, increasing 62% and 28% compared to 1Q18 and 2Q17, respectively (excluding the capital gain from the quantiQ divestment). The higher expense is primarily due to an accrual related to employee profit sharing.

## EBITDA





## NET FINANCIAL RESULT

Financial Result (R\$ million) Consolidated	2Q18 (A)	1Q18 (B)	2Q17 (C)	Chg. (A)/(B)	Chg. (A)/(C)	1H18 (D)	1H17 (E)	Chg. (D)/(E)
<b>Financial Expenses</b>	<b>(757)</b>	<b>(671)</b>	<b>(821)</b>	<b>13%</b>	<b>-8%</b>	<b>(1,428)</b>	<b>(1,656)</b>	<b>-14%</b>
Interest Expenses	(547)	(472)	(574)	16%	-5%	(1,019)	(1,148)	-11%
Others	(211)	(199)	(247)	6%	-15%	(409)	(508)	-19%
<b>Financial Revenue</b>	<b>152</b>	<b>104</b>	<b>152</b>	<b>46%</b>	<b>0%</b>	<b>256</b>	<b>317</b>	<b>-19%</b>
Interest	123	87	129	42%	-5%	210	267	-21%
Others	28	17	22	68%	29%	45	49	-8%
<b>Net Foreign Exchange Variation</b>	<b>(1,536)</b>	<b>80</b>	<b>(8)</b>	<b>n.a.</b>	<b>n.a.</b>	<b>(1,456)</b>	<b>277</b>	<b>n.a.</b>
Foreign Exchange Variation (Expense)	(2,676)	43	(398)	n.a.	n.a.	(2,633)	67	n.a.
Foreign Exchange Variation (Revenue)	1,139	37	389	n.a.	n.a.	1,176	209	n.a.
<b>Net Financial Result</b>	<b>(2,142)</b>	<b>(487)</b>	<b>(677)</b>	<b>340%</b>	<b>216%</b>	<b>(2,629)</b>	<b>(1,063)</b>	<b>147%</b>
<b>Net Financial Result, w/out foreign exchange variation, net</b>	<b>(605)</b>	<b>(567)</b>	<b>(669)</b>	<b>7%</b>	<b>-10%</b>	<b>(1,172)</b>	<b>(1,340)</b>	<b>-12%</b>
Final Exchange Rate (Dollar - Real)	3.86	3.32	3.31	16.0%	16.6%	3.86	3.31	16.6%
Final Exchange Rate (Dollar - Mexican Peso)	19.65	18.24	18.08	7.7%	8.7%	19.65	18.08	8.7%

Financial expenses: affected by the effects from the 16% Brazilian real depreciation in the comparison period on consolidated net exposure.

Financial income: increase in relation to 1Q18 due to the higher balance of financial investments in Brazilian real.

Net exchange variation: affected by the effects from exchange variation (i) on the net exposure of the financial result not designated for hedge accounting; (ii) on offshore subsidiaries; and (iii) by the effects from the depreciation in the Mexican peso against the U.S. dollar on the outstanding balance of Braskem Idesa's shareholders loan of US\$2,054 million on June 30, 2018.

Net exchange variations also were affected by the expenses with transition of export hedge accounting, which is recorded under shareholders' equity, in the amounts of R\$266 million at Braskem and R\$59 million at Braskem Idesa.

In line with its risk management strategy, Braskem swapped the installments not yet due under the Global Settlement entered into with the Federal Prosecution Office, which originally were denominated in Brazilian real and pegged to the IPCA inflation index, for fixed rates in U.S. dollar. Accordingly, the Company contracted derivative instruments in the amount of R\$1.3 billion divided into five annual installments due on January 30 of every year, as of 2019.

## NET INCOME/LOSS

Net Profit (R\$ million) CONSOLIDATED	2Q18 (A)	1Q18 (B)	2Q17 (C)	Chg. (A)/(B)	Chg. (A)/(C)	1H18 (D)	1H17 (E)	Chg. (D)/(E)
<b>Net Profit (Loss)</b>	493	1,151	1,142	-57%	-57%	1,644	3,057	-46%
<b>Attributable to</b>								
Company's shareholders	547	1,054	1,090	-48%	-50%	1,601	2,897	-45%
Non-controlling interest in Braskem Idesa	(55)	97	53	n.a.	n.a.	43	159	-73%
<b>Net Profit (Loss) per share</b>								
Common Shares	0.69	1.32	1.37	-48%	-50%	2.01	3.63	-45%
Class 'A' Preferred Shares	0.69	1.32	1.37	-48%	-50%	2.01	3.63	-45%
Class 'B' Preferred Shares	0.03	0.55	n.a.	-95%	n.a.	0.58	0.61	-5%



## LIQUIDITY AND CAPITAL RESOURCES

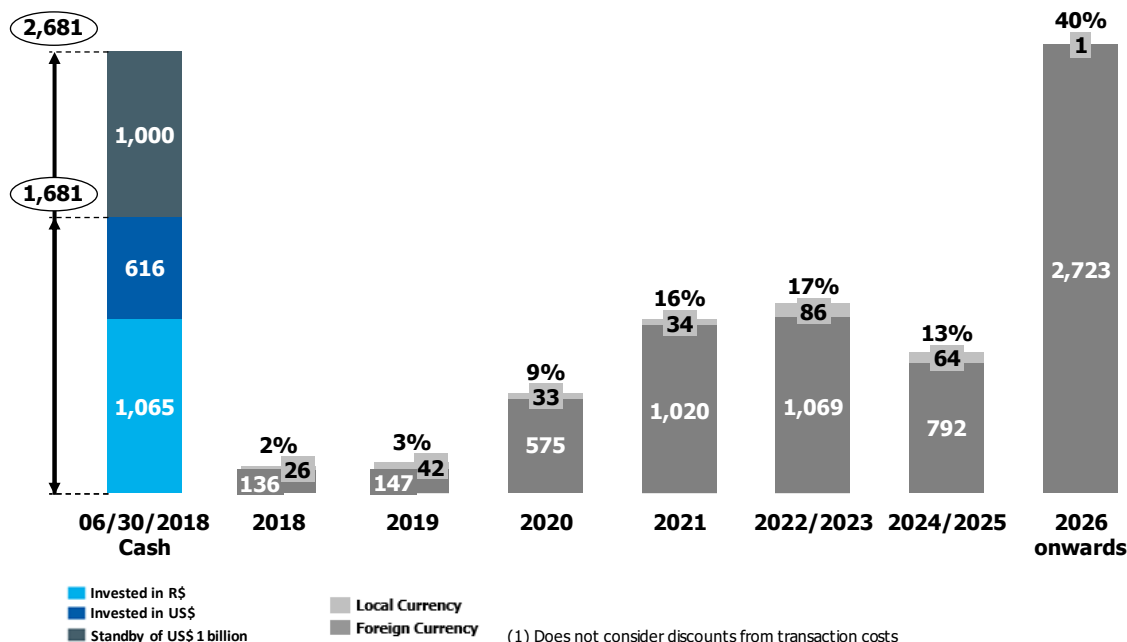
Debt US\$ million	jun/18 (A)		mar/18 (B)		jun/17 (C)		Chg. (A)/(B)	Chg. (A)/(C)
<b>Consolidated Gross Debt</b>	<b>9,520</b>		<b>9,568</b>		<b>10,479</b>		<b>-1%</b>	<b>-9%</b>
in R\$	324	3%	423	4%	1,403	13%	-23%	-77%
in US\$	9,196	97%	9,145	96%	9,076	87%	1%	1%
<b>(-) Debt - Braskem Idesa</b>	<b>2,847</b>		<b>2,883</b>		<b>2,993</b>		<b>-1%</b>	<b>-5%</b>
in US\$	2,847	100%	2,883	100%	2,993	100%	-1%	-5%
<b>(+) Leniency Agreement*</b>	<b>405</b>		<b>420</b>		<b>700</b>		<b>-4%</b>	<b>-42%</b>
in R\$	311	77%	353	84%	633	90%	-12%	-51%
in US\$	94	23%	67	16%	67	10%	39%	40%
<b>(=) Gross Debt (Ex-Braskem Idesa)</b>	<b>7,077</b>		<b>7,105</b>		<b>8,185</b>		<b>0%</b>	<b>-14%</b>
in R\$	635	9%	776	11%	2,035	25%	-18%	-69%
in US\$	6,442	91%	6,329	89%	6,150	75%	2%	5%
<b>(-) Cash and Cash Equivalents (Ex-Braskem Idesa)</b>	<b>1,681</b>		<b>1,499</b>		<b>2,314</b>		<b>12%</b>	<b>-27%</b>
in R\$	1,065	63%	1,042	70%	1,258	54%	2%	-15%
in US\$	616	37%	457	30%	1,056	46%	35%	-42%
<b>(=) Net Debt (Ex-Braskem Idesa)</b>	<b>5,396</b>		<b>5,606</b>		<b>5,871</b>		<b>-4%</b>	<b>-8%</b>
in R\$	(430)	-8%	(266)	-5%	778	13%	61%	-155%
in US\$	5,826	108%	5,872	105%	5,094	87%	-1%	14%
<b>EBITDA (LTM)</b>	<b>2,841</b>		<b>2,826</b>		<b>3,182</b>		<b>1%</b>	<b>-11%</b>
<b>Net Debt/EBITDA</b>	<b>1.90x</b>		<b>1.98x</b>		<b>1.85x</b>		<b>-4%</b>	<b>3%</b>

Includes US\$ 45 million related to the SWAP from IPCA to dollar

On June 30, 2018, Braskem's average debt term was approximately 17 years, while the average weighted cost of the Company's debt was equivalent to exchange variation + 5.71%.

Braskem's liquidity position of R\$1,681 million is sufficient to cover all obligations maturing over the next 36 months. In May, the Company entered into a US\$1 billion international revolving credit facility, which expires in 2023, with a syndicate of global banks. Considering this rotating credit facility, this coverage is 54 months.

**Debt Profile (US\$ million) 06/30/2018<sup>1</sup>**





Risk-rating agencies:

Braskem maintained investment grade ratings at Standard & Poor's (BBB-) and Fitch Ratings (BBB-) above Brazil's sovereign risk, with a stable outlook at the three main rating agencies. The reports are available on the Investor Relations website (<http://www.braskem-ri.com.br/>).

**INVESTMENTS<sup>22</sup>**

Investments	2Q18				1H18				2018e			
	R\$ MM		US\$ MM		R\$ MM		US\$ MM		R\$ MM		US\$ MM	
<b>Corporates (ex-Braskem Idesa)</b>												
<b>Brazil</b>	<b>475</b>	<b>61%</b>	<b>132</b>	<b>61%</b>	<b>782</b>	<b>64%</b>	<b>227</b>	<b>64%</b>	<b>1,824</b>	<b>64%</b>	<b>556</b>	<b>64%</b>
Operating	470	60%	130	60%	766	62%	222	62%	1,804	63%	550	63%
Strategic	5	1%	1	1%	17	1%	5	1%	20	1%	6	1%
<b>USA and Europe</b>	<b>305</b>	<b>39%</b>	<b>85</b>	<b>39%</b>	<b>447</b>	<b>36%</b>	<b>128</b>	<b>36%</b>	<b>1,047</b>	<b>36%</b>	<b>320</b>	<b>36%</b>
Operating	46	6%	13	6%	59	5%	17	5%	183	6%	56	6%
Strategic (i)	259	33%	72	33%	389	32%	112	31%	865	30%	264	30%
<b>Total</b>	<b>780</b>	<b>100%</b>	<b>216</b>	<b>100%</b>	<b>1,230</b>	<b>100%</b>	<b>355</b>	<b>100%</b>	<b>2,872</b>	<b>100%</b>	<b>876</b>	<b>100%</b>
<b>Total</b>												
Operating	516	115%	143	103%	824	184%	238	172%	1,987	69%	606	69%
Strategic	264	59%	73	53%	405	90%	117	84%	885	31%	270	31%
<b>Total</b>	<b>780</b>	<b>174%</b>	<b>216</b>	<b>156%</b>	<b>1,230</b>	<b>274%</b>	<b>355</b>	<b>256%</b>	<b>2,872</b>	<b>100%</b>	<b>876</b>	<b>100%</b>

(i) Includes mainly the investment in the construction of the new PP plant in the US

Investments	2Q18				2018e			
	R\$ MM		US\$ MM		R\$ MM		US\$ MM	
<b>Non-Corporates (Braskem Idesa)</b>								
<b>Mexico</b>								
Operating	6	100%	2	100%	6	100%	2	100%
<b>Total</b>	<b>6</b>		<b>2</b>		<b>6</b>		<b>2</b>	

**FREE CASH FLOW<sup>23</sup>**

In 2Q18, Braskem recorded free cash flow of R\$3,321 million, representing an increase of R\$1,556 million compared to 1Q18, primarily explained by: (i) the higher EBITDA; (ii) variation in the balance of trade payables (suppliers), mainly due to higher feedstock costs and the weaker Brazilian real; and (iii) monetization of the balance of taxes payable. The aforementioned factors offset the higher inventories of finished goods and feedstock due to the truckers' strike in Brazil.

<sup>22</sup> Considers operating investment, maintenance shutdowns and acquisitions of spare parts.

<sup>23</sup> Note that the cash flow analysis above does not consider the reclassification of "cash and cash equivalents" to "financial investments" related to financial investments in Brazilian federal government bonds (Brazilian floating-rate (SELIC) government bond - LFT) and floating-rate bonds (LFs) issued by financial institutions, whose original maturities exceed three months, with high liquidity and expected realization in the short term, in accordance with Note 4 to the Quarterly Financial Statements as of June 30, 2018. In the cash flow presented, this is recorded as "financial investments" (includes LFTs and LFs), with the following effects from reclassifications: (i) reduction in the balance of financial investments of R\$167 million in 1Q17; (ii) reduction in the balance of financial investments of R\$42 million in 4Q17; (iii) increase in the balance of financial investments of R\$100 million in 1Q18; and (iv) increase in the balance of financial investments of R\$46 million in 2Q18.



Free Cash Flow Generation <i>R\$ million</i>	2Q18 (A)	1Q18 (B)	2Q17 (C)	Chg. (A)/(B)	Chg. (A)/(C)	1H18 (D)	1H17 (E)	Chg. (D)/(E)
Net Cash provided by operating activities	4,327	1,801	(909)	140%	n.a.	6,128	(340)	n.a.
(-) Acquisitions of property, plant and equipment and intangible assets	741	404	482	83%	54%	1,145	755	52%
(+) Proceeds from the sale of fixed assets and investments	81	1	451	n.a.	-82%	82	451	-82%
(+) Leniency Agreement	62	268	311	-77%	-80%	330	607	-46%
(+) Reclassification of cash and cash equivalents	46	100	1,648	-54%	-97%	146	1,481	-90%
(+) Redemption of time deposit investments*	455	-	-	0%	0%	455	-	0%
(-) Others**	0	(0)	8	n.a.	-99%	(0)	10	n.a.
<b>(=) Free Cash Flow Generation</b>	<b>3,321</b>	<b>1,765</b>	<b>1,012</b>	<b>88%</b>	<b>228%</b>	<b>5,086</b>	<b>1,435</b>	<b>254%</b>

\* Redemption of time deposit investment in the amount of US\$133 million which was given as guarantee to cover Braskem's obligation related to the constitution of a reserve account for the project finance of the subsidiary Braskem Idesa;

\*\*Includes:(i) Premium in the dollar put option; (ii) Funds received in the investments' capital reduction; and (iii) Financial assets held to maturity

## VALUE LEVERS

### ► New PP plant in the United States

At the end of 2Q18, Braskem already had invested US\$281 million and reached 28% completion, as follows:

- Engineering detailing – 91% completed
- Equipment acquisitions – 77% completed
- Construction – 19% completed

Braskem America entered into a credit facility in the amount of up to US\$225 million that is secured by Euler Hermes, a German export credit agency, which will be used to finance a portion of the investments in the new PP plant. The transaction, which matures on December 30, 2028, has a cost of 0.65% p.a. + semiannual LIBOR, with semiannual amortization as of December 30, 2020. The funds will be disbursed in accordance with the progress of the project's construction and the total amount is expected to be disbursed by December 30, 2020. In July 2018, US\$126 million was disbursed.

### ► Sustainable Development

Braskem continues to focus on strengthening its contribution to sustainable development, mitigating risks and seeking shared value creation. In this context, the highlights in 2Q18 follow:

- Bio-based EVA resin (ethylene vinyl acetate copolymer): developed in partnership with Allbirds from San Francisco, California, the EVA resin made from renewable resources, an innovation of Braskem's I'm green™ brand, will be used in Allbirds's new footwear line Sugarfootwear. Already available in the United States, New Zealand, Australia and Canada, the new line combines comfort, design and sustainability. Green PE: the resin was used for the first time by Unilever in the packaging for one of its DOVE® lines for hair treatment.
- New concept for recycled resins: launched at the international event Sustainable Brands, which was held in Vancouver, Canada in June, this new resin concept features superior chemical resistance and higher recycled content derived from post-consumer thermoformed packaging made from PE. The Company's next step is to identify partners to test the solution in finished goods (small volume thermoformed packaging).
- Review of the Global Sustainable Development Policy: approved by the Board of Directors, the Policy seeks to ensure that Braskem achieves its purpose to "improve people's lives by creating sustainable solutions in chemicals and plastics."
- Braskem Labs: the fourth edition of the acceleration program for entrepreneurs called Braskem Labs Scale received 150 submissions, from which 10 startups were selected in the categories chemicals/plastic and food loss/waste.



- Volunteer Program: in May, Braskem launched the 2018 volunteer games, which are a collaborative competition in which teams formed by team members join forces to work at a social organization in the local community.
- Campaign to reduce waster losses in distribution: a study contracted by the Lower Loss, More Water movement of the UN Global Compact Network Brazil, led by Braskem and Sanasa, indicates that the treated water loss rate in distribution system in Brazil's 100 largest cities stands at 38%, which represents a loss of R\$10 billion/year. This result heightens the vulnerability of access to water, especially for the industrial sector in Brazil's Northeast and Southeast, given the water scarcity threat.

## ► People

In June, Braskem was elected one of the dream companies for young professionals, according to a survey by Companhia de Talentos among 70,000 university students, who ranked companies that are renowned for encouraging happiness, empowerment and learning at work.

## INDICATORS

Indicators US\$ million	2Q18 (A)	1Q18 (B)	2Q17 (C)	Chg. (A)/(B)	Chg. (A)/(C)
<b>Operating</b>					
EBITDA	877	2,652	3,029	-67%	-71%
EBITDA Margin (%)	23%	20%	26%	3 p.p.	-9 p.p.
SG&A/Net Revenue (%)	5.3%	5.5%	6.0%	-2 p.p.	0 p.p.
<b>Financial</b>					
Net Debt*	5,396	5,606	5,871	-4%	-8%
Net Debt/EBITDA LTM*	1.90x	1.98x	1.85x	-4%	3%
EBITDA/Interest Paid LTM	5.70	5.20	6.23	10%	-8%
<b>Company Valuation</b>					
Share Price (Final)	13.2	13.8	9.6	-5%	37%
Shares Outstanding (Million)**	796	796	796	0%	0%
Market Cap	10,479	11,020	7,670	-5%	37%
Net Debt	7,389	7,536	7,983	-2%	-7%
Braskem	5,396	5,606	5,871	-4%	-8%
Braskem Idesa (75%)***	1,993	1,930	2,112	3%	-6%
Enterprise Value (EV)	17,867	18,556	15,653	-4%	14%
EBITDA LTM	3,316	3,297	3,537	1%	-6%
Braskem	2,841	2,826	3,182	1%	-11%
Braskem Idesa (75%)	475	471	356	1%	34%
<b>EV/ EBITDA</b>	<b>5.4x</b>	<b>5.6x</b>	<b>4.4x</b>	<b>-4%</b>	<b>22%</b>
<b>EPS</b>	<b>1.1x</b>	<b>1.3x</b>	<b>0.5x</b>	<b>-18%</b>	<b>102%</b>
<b>Dividend Yield (%)</b>	<b>7%</b>	<b>3%</b>	<b>4%</b>	<b>147%</b>	<b>75%</b>
<b>FCF Yield (%)****</b>	<b>17%</b>	<b>11%</b>	<b>16%</b>	<b>59%</b>	<b>7%</b>

\*Does not consider net debt, EBITDA and interest paid of Braskem Idesa

\*\*Does not consider shares held in treasury

\*\*\*Considers US\$133 million of market security given as collateral to cover Braskem's obligation related to the construction of a reserve account for Braskem Idesa's project finance

\*\*\*\* Does not consider: (i) leniency agreement payment;t and (ii) reclassification of cash equivalents to financial investment held for trading



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### DISCLAIMER

**This release contains forward-looking statements. These forward-looking statements are not solely historical data, but rather reflect the targets and expectations of Braskem's management. Words such as "anticipate," "wish," "expect," "foresee," "intend," "plan," "predict," "project," "aim" and similar terms seek to identify statements that necessarily involve known and unknown risks. Braskem does not undertake any liability for transactions or investment decisions based on the information contained in this document.**



## EXHIBIT I

## Consolidated Statement of Operations

Income Statement (R\$ million)	2Q18	1Q18	2Q17	Change	Change	1H18	1H17	Change
CONSOLIDATED	(A)	(B)	(C)	(A)/(B)	(A)/(C)	(A)	(B)	(A)/(B)
<b>Gross Revenue</b>	<b>16,304</b>	<b>15,561</b>	<b>14,028</b>	<b>5%</b>	<b>16%</b>	<b>31,865</b>	<b>28,783</b>	<b>11%</b>
<b>Net Revenue</b>	<b>13,786</b>	<b>13,029</b>	<b>11,870</b>	<b>6%</b>	<b>16%</b>	<b>26,815</b>	<b>24,470</b>	<b>10%</b>
Cost of Good Sold	(10,504)	(10,327)	(9,046)	2%	16%	(20,831)	(17,981)	16%
<b>Gross Profit</b>	<b>3,283</b>	<b>2,702</b>	<b>2,824</b>	<b>22%</b>	<b>16%</b>	<b>5,984</b>	<b>6,489</b>	<b>-8%</b>
Selling and Distribution Expenses	(299)	(368)	(358)	-19%	-17%	(666)	(705)	-5%
General and Administrative Expenses	(382)	(309)	(312)	24%	22%	(690)	(622)	11%
Expenses with Research and Technology	(47)	(39)	(38)	20%	21%	(86)	(72)	19%
Investment in Subsidiary and Associated Companies	(2)	0	11	n.a.	n.a.	(1)	23	n.a.
Other Net Income (expenses)	(118)	(72)	185	62%	-163%	(190)	107	n.a.
<b>Operating Profit Before Financial Result</b>	<b>2,437</b>	<b>1,914</b>	<b>2,311</b>	<b>27%</b>	<b>5%</b>	<b>4,351</b>	<b>5,220</b>	<b>-17%</b>
<b>Net Financial Result</b>	<b>(2,142)</b>	<b>(487)</b>	<b>(677)</b>	<b>340%</b>	<b>216%</b>	<b>(2,629)</b>	<b>(1,063)</b>	<b>147%</b>
Financial Expenses	(757)	(671)	(821)	13%	-8%	(1,428)	(1,656)	-14%
Financial Revenues	152	104	152	46%	0%	256	317	-19%
Foreign Exchange Variation, net	(1,536)	80	(8)	n.a.	18123%	(1,456)	277	n.a.
<b>Profit Before Tax and Social Contribution</b>	<b>295</b>	<b>1,427</b>	<b>1,634</b>	<b>-79%</b>	<b>-82%</b>	<b>1,722</b>	<b>4,157</b>	<b>-59%</b>
Income Tax / Social Contribution	198	(276)	(492)	n.a.	n.a.	(78)	(1,109)	-93%
Discontinued operations result	-	-	-	n.a.	n.a.	-	9	-100%
<b>Net Profit (Loss)</b>	<b>493</b>	<b>1,151</b>	<b>1,142</b>	<b>-57%</b>	<b>-57%</b>	<b>1,644</b>	<b>3,057</b>	<b>-46%</b>
<b>Attributable to</b>								
Company's shareholders	547	1,054	1,090	-48%	-50%	1,601	2,897	-45%
Non-controlling interest in Braskem Idesa	(55)	97	53	n.a.	n.a.	43	159	-73%

## EXHIBIT II

## Calculation of Consolidated EBITDA

EBITDA Statement R\$ million	2Q18	1Q18	2Q17	Change	Change	1H18	1H17	Change
CONSOLIDATED	(A)	(B)	(C)	(A)/(B)	(A)/(C)	(A)	(B)	(A)/(B)
<b>Net Profit</b>	<b>493</b>	<b>1,151</b>	<b>1,142</b>	<b>-57%</b>	<b>-57%</b>	<b>1,644</b>	<b>3,057</b>	<b>-46%</b>
Income Tax / Social Contribution	(198)	276	492	-172%	-140%	78	1,109	-93%
Financial Result	2,142	487	677	340%	216%	2,629	1,063	147%
Depreciation, amortization and depletion	721	740	722	-3%	0%	1,461	1,424	3%
Cost	666	699	687	-5%	-3%	1,365	1,351	1%
Expenses	55	41	35	34%	55%	96	74	30%
<b>Basic EBITDA</b>	<b>3,157</b>	<b>2,654</b>	<b>3,034</b>	<b>19%</b>	<b>4%</b>	<b>5,811</b>	<b>6,653</b>	<b>-13%</b>
Provisions for the impairment of long-lived assets (i)	18	(2)	6	-910%	192%	16	6	162%
Results from equity investments (ii)	2	(0)	(11)	-3702%	-114%	1	(23)	-106%
<b>Adjusted EBITDA</b>	<b>3,177</b>	<b>2,652</b>	<b>3,029</b>	<b>20%</b>	<b>5%</b>	<b>5,829</b>	<b>6,636</b>	<b>-12%</b>
<i>EBITDA Margin</i>	<i>23%</i>	<i>20%</i>	<i>26%</i>	<i>3 p.p.</i>	<i>-3 p.p.</i>	<i>22.0%</i>	<i>27.0%</i>	<i>-5 p.p.</i>
Adjusted EBITDA US\$ million	877	818	945	7%	-7%	1,695	2,092	-19%

(i) Represents the accrual and reversal of provisions for the impairment of long-lived assets (investments, property, plant and equipment and intangible assets) that were adjusted to form EBITDA, since there is no expectation of their financial realization and if in fact realized they would be duly recorded on the statement of operations.

(ii) Corresponds to results from equity investments in associated companies and joint ventures.



**EXHIBIT III**  
**Consolidated Balance Sheet - Assets**

ASSETS (R\$ million)	jun/18 (A)	dec/17 (B)	Change (A)/(B)
<b>Current</b>	<b>19,997</b>	<b>17,992</b>	<b>11%</b>
Cash and Cash Equivalents	5,150	3,775	36%
Marketable Securities/Held for Trading	2,056	2,303	-11%
Accounts Receivable	3,306	3,281	1%
Inventories	8,114	6,847	19%
Recoverable Taxes	912	1,349	-32%
Dividends and Interest on Equity	6	11	-46%
Prepaid Expenses	141	134	5%
Related parties	0	0	n.a.
Derivatives operations	16	4	328%
Other Assets	296	288	3%
<b>Non Current</b>	<b>38,159</b>	<b>35,349</b>	<b>8%</b>
Marketable Securities/ Held-to-Maturity	10	10	-1%
Accounts Receivable	37	37	0%
Advances to suppliers	39	46	-16%
Taxes Recoverable	1,056	1,024	3%
Deferred Income Tax and Social Contribution	1,977	1,166	70%
Compulsory Deposits and Escrow Accounts	256	290	-12%
Related parties	0	0	n.a.
Insurance claims	74	40	85%
Derivatives operations	93	33	186%
Other Assets	180	113	59%
Investments	73	101	-28%
Property, Plant and Equipment	31,626	29,762	6%
Intangible Assets	2,740	2,727	0%
<b>Total Assets</b>	<b>58,156</b>	<b>53,342</b>	<b>9%</b>



## Consolidated Balance Sheet – Liabilities

LIABILITIES AND SHAREHOLDERS' EQUITY (R\$ million)	jun/18 (A)	dec/17 (B)	Change (A)/(B)
<b>Current</b>	<b>23,079</b>	<b>19,138</b>	<b>21%</b>
Suppliers	8,258	5,266	57%
Financing*	1,119	1,185	-6%
Braskem Idesa Financing*	10,979	9,691	13%
Debentures	28	27	1%
Derivatives operations	105	7	1424%
Salary and Payroll Charges	496	631	-21%
Taxes Payable	1,050	1,261	-17%
Dividends	5	4	32%
Advances from Customers	201	353	-43%
Leniency Agreement	276	257	7%
Sundry Provisions	109	179	-39%
Accounts payable to related parties	0	0	n.a.
Other payables	454	277	64%
<b>Non Current</b>	<b>30,229</b>	<b>28,513</b>	<b>6%</b>
Suppliers	237	260	-9%
Financing*	24,303	22,177	10%
Debentures	277	286	-3%
Derivatives operations	205	0	n.a.
Taxes Payable	65	53	24%
Accounts payable to related parties	0	0	n.a.
Loan to non-controlling shareholders of Braskem Idesa	2,128	1,757	21%
Deferred Income Tax and Social Contribution	267	940	-72%
Post-employment Benefit	210	194	9%
Provision for losses on subsidiaries	0	0	n.a.
Advances from Customers	0	0	n.a.
Contingencies	1,033	1,093	-5%
Leniency Agreement	1,110	1,372	-19%
Sundry Provisions	238	235	1%
Other payables	155	148	5%
<b>Shareholders' Equity</b>	<b>4,849</b>	<b>5,690</b>	<b>-15%</b>
Capital	8,043	8,043	0%
Capital Reserve	232	232	0%
Profit Reserves	2,446	3,946	-38%
Equity Valuation Adjustments**	-6,537	-5,654	16%
Treasury Shares	-50	-50	0%
Retained Earnings	1,615	0	n.a.
<b>Company's Shareholders</b>	<b>5,750</b>	<b>6,518</b>	<b>-12%</b>
Non Controlling Interest on Braskem Idesa	-901	-828	9%
<b>Total Liabilities and Shareholders' Equity</b>	<b>58,156</b>	<b>53,342</b>	<b>9%</b>

\* On the reporting date of the quarterly financial statements for the period ended June 30, 2018, Braskem was in unremedied default with the obligations typical of project finance. As a result, the entire balance of non-current liabilities, in the amount of R\$10,038 million, was reclassified to current liabilities, in accordance with CPC 26 and its corresponding accounting standard IAS 1 (Presentation of Financial Statements). In accordance with the aforementioned accounting standards, reclassification is required in situations in which the breach of certain contractual obligations entitles creditors to request the prepayment of obligations in the short term. In this context, note that none of the creditors requested said prepayment of obligations and that Braskem Idesa has been settling its debt service obligations in accordance with their original maturity schedule. Furthermore, Braskem Idesa has been negotiating approval of such breaches with its creditors in order to reclassify the entire amount reclassified from current liabilities back to non-current liabilities.

\*\* Includes the exchange variation of financial liabilities designated as hedge accounting.



## EXHIBIT IV

### Consolidated Cash Flow

Consolidated Cash Flow R\$ million	2Q18 (A)	1Q18 (B)	2Q17 (C)	Change (A)/(B)	Change (A)/(C)	1H18 (D)	1H17 (E)	Change (D)/(E)
<b>Profit (Loss) Before Income Tax and Social Contribution and the result of discontinued operations</b>	<b>295</b>	<b>1,427</b>	<b>1,634</b>	<b>-79%</b>	<b>-82%</b>	<b>1,722</b>	<b>4,157</b>	<b>-59%</b>
Adjust for Net Income Restatement					<i>n.a.</i>	0	0	<i>n.a.</i>
Depreciation, Amortization and Depletion	721	740	722	-3%	0%	1,461	1,424	3%
Equity Result	2	(0)	(11)	<i>n.a.</i>	<i>n.a.</i>	1	(23)	<i>n.a.</i>
Interest, Monetary and Exchange Variation, Net	3,631	501	1,077	625%	237%	4,132	1,292	220%
Provision for losses and write-offs of long-lived assets	46	5	17	910%	178%	50	26	96%
<b>Cash Generation before Working Capital</b>	<b>4,694</b>	<b>2,673</b>	<b>3,162</b>	<b>76%</b>	<b>48%</b>	<b>7,367</b>	<b>6,599</b>	<b>12%</b>
<b>Operating Working Capital Variation</b>	<b>2</b>	<b>(134)</b>	<b>(1,338)</b>	<b><i>n.a.</i></b>	<b>-100%</b>	<b>(132)</b>	<b>(3,882)</b>	<b><i>n.a.</i></b>
Account Receivable from Clients	17	(43)	(216)	<i>n.a.</i>	<i>n.a.</i>	(27)	(820)	-97%
Inventories	(1,396)	184	(347)	<i>n.a.</i>	302%	(1,213)	(664)	83%
Recoverable Taxes	218	747	(22)	-71%	<i>n.a.</i>	966	184	425%
Advanced Expenses	(19)	12	(131)	<i>n.a.</i>	-86%	(7)	(103)	-94%
Other Account Receivables	(52)	(86)	(51)	-39%	3%	(138)	(47)	196%
Suppliers	916	354	(63)	158%	<i>n.a.</i>	1,271	(1,346)	<i>n.a.</i>
Taxes Payable	(143)	(675)	(203)	-79%	-29%	(818)	(177)	362%
Advances from Customers	(23)	(129)	(41)	-82%	-43%	(152)	(72)	112%
Leniency Agreement	(62)	(268)	(311)	-77%	-80%	(330)	(607)	-46%
Other Provisions	(89)	(38)	11	138%	<i>n.a.</i>	(127)	(3)	4941%
Other Account Payables	636	(193)	36	-430%	<i>n.a.</i>	443	(227)	-295%
<b>Operating Cash Flow</b>	<b>4,696</b>	<b>2,538</b>	<b>1,825</b>	<b>85%</b>	<b>157%</b>	<b>7,235</b>	<b>2,718</b>	<b>166%</b>
Financial investments (includes LFT's and LF's)	435	(103)	(1,619)	-522%	-127%	332	(1,430)	-123%
<b>Operating Cash Flow and</b>	<b>5,132</b>	<b>2,435</b>	<b>206</b>	<b>111%</b>	<b>2395%</b>	<b>7,567</b>	<b>1,287</b>	<b>488%</b>
Interest Paid	(425)	(453)	(553)	-6%	-23%	(878)	(1,025)	-14%
Income Tax and Social Contribution	(379)	(182)	(561)	108%	-33%	(561)	(602)	-7%
<b>Net Cash provided by operating activities</b>	<b>4,327</b>	<b>1,801</b>	<b>(909)</b>	<b>140%</b>	<b>-576%</b>	<b>6,128</b>	<b>(340)</b>	<b>-1902%</b>
Proceeds from the sale of fixed assets	0	1	1	-79%	-83%	1	1	-19%
Proceeds from the sale of investments	81	-	450	<i>n.a.</i>	-82%	81	450	-82%
Proceeds from the capital reduction of investments	-	2	-	-100%	<i>n.a.</i>	2	-	<i>n.a.</i>
Additions to investment in subsidiaries	-	-	-	<i>n.a.</i>	<i>n.a.</i>	-	-	<i>n.a.</i>
Additions to Fixed and Intangible Assets	(741)	(404)	(482)	83%	54%	(1,145)	(755)	52%
Option Premium in the US dollar sale	(0)	(2)	(8)	-96%	-99%	(2)	(10)	-78%
<b>Cash used in Investing Activities</b>	<b>(660)</b>	<b>(403)</b>	<b>(39)</b>	<b>64%</b>	<b>1612%</b>	<b>(1,063)</b>	<b>(313)</b>	<b>239%</b>
Short-Term and Long-Term Debt								
Obtained Borrowings	1,658	645	827	157%	101%	2,303	1,487	55%
Payment of Borrowings	(1,631)	(2,207)	(627)	-26%	160%	(3,837)	(1,513)	154%
Derivative Transactions- payment	-	-	-	<i>n.a.</i>	<i>n.a.</i>	-	-	<i>n.a.</i>
Braskem Idesa Debt								
Obtained Borrowings	-	-	188	<i>n.a.</i>	-100%	-	188	-100%
Payment of Borrowings	(197)	(174)	(250)	14%	-21%	(371)	(449)	-17%
Dividends	(1,500)	(0)	(0)	<i>n.a.</i>	<i>n.a.</i>	(1,500)	(0)	3657890%
<b>Cash used in Financing Activities</b>	<b>(1,670)</b>	<b>(1,735)</b>	<b>137</b>	<b>-4%</b>	<b>-1318%</b>	<b>(3,405)</b>	<b>(287)</b>	<b>1087%</b>
Exchange Variation on Cash of Foreign Subsidiaries and Jointly Controlled Companies	(260)	(24)	(96)	969%	172%	(285)	(50)	469%
<b>Cash and Cash Equivalents Generation (Application)</b>	<b>1,737</b>	<b>(362)</b>	<b>(906)</b>	<b>-580%</b>	<b>-292%</b>	<b>1,375</b>	<b>(990)</b>	<b>-239%</b>
<b>Represented by</b>								
Cash and Cash Equivalents at The Beginning of The Period	3,413	3,775	6,617	-10%	-48%	3,775	6,702	-44%
Cash and Cash Equivalents at The End of The Period	5,150	3,413	5,711	51%	-10%	5,150	5,711	-10%
<b>Increase (Decrease) in Cash and Cash Equivalents</b>	<b>1,737</b>	<b>(362)</b>	<b>(906)</b>	<b>-580%</b>	<b>-292%</b>	<b>1,375</b>	<b>(990)</b>	<b>-239%</b>





### EXHIBIT V Statement of Operations – Deconsolidation Braskem Idesa

Income Statement (R\$ million)	Consolidated Ex Braskem Idesa		Braskem Idesa Consolidated		Eliminations		Consolidated	
	1H18	1H17	1H18	1H17	1H18	1H17	1H18	1H17
<b>Net Revenue</b>	<b>25,265</b>	<b>22,880</b>	<b>1,796</b>	<b>1,858</b>	<b>(246)</b>	<b>(267)</b>	<b>26,815</b>	<b>24,470</b>
Cost of Good Sold	(20,091)	(17,217)	(1,010)	(1,038)	270	274	(20,831)	(17,981)
<b>Gross Profit</b>	<b>5,174</b>	<b>5,663</b>	<b>785</b>	<b>820</b>	<b>25</b>	<b>6</b>	<b>5,984</b>	<b>6,489</b>
Selling and Distribution Expenses	(578)	(620)	(88)	(85)	-	-	(666)	(705)
General and Administrative Expenses	(644)	(576)	(45)	(61)	(2)	15	(690)	(622)
Research and Development Expenses	(86)	(72)	-	-	-	-	(86)	(72)
Other Net Income (expenses)	103	501	-	-	(104)	(478)	(1)	23
Investment in Subsidiary and Associated Companies	(255)	126	65	(19)	-	-	(190)	107
<b>Operating Profit Before Financial Result</b>	<b>3,714</b>	<b>5,022</b>	<b>718</b>	<b>654</b>	<b>(81)</b>	<b>(457)</b>	<b>4,351</b>	<b>5,220</b>
<b>Net Financial Result</b>	<b>(1,996)</b>	<b>(1,294)</b>	<b>(678)</b>	<b>287</b>	<b>45</b>	<b>(56)</b>	<b>(2,629)</b>	<b>(1,063)</b>
Financial Expenses	(1,063)	(1,294)	(508)	(494)	142	132	(1,428)	(1,656)
Financial Revenues	379	446	19	3	(142)	(132)	256	317
Exchange Variation, net	(1,312)	(446)	(190)	779	45	(56)	(1,456)	277
<b>Profit Before Tax and Social Contribution</b>	<b>1,718</b>	<b>3,728</b>	<b>40</b>	<b>941</b>	<b>(36)</b>	<b>(513)</b>	<b>1,722</b>	<b>4,157</b>
Income Tax / Social Contribution	(109)	(840)	31	(269)	-	-	(78)	(1,109)
Discontinued operations result	-	9	-	-	-	-	-	9
<b>Net Profit (Loss)</b>	<b>1,609</b>	<b>2,897</b>	<b>70</b>	<b>672</b>	<b>(36)</b>	<b>(513)</b>	<b>1,644</b>	<b>3,057</b>

### EXHIBIT VI Balance Sheet - Deconsolidation Braskem Idesa

ASSETS (R\$ million)	Consolidated Ex Braskem Idesa		Braskem Idesa Consolidated		Eliminations		Consolidated	
	jun/18	dec/17	jun/18	dec/17	jun/18	dec/17	jun/18	dec/17
<b>Current</b>	<b>18,025</b>	<b>16,771</b>	<b>2,044</b>	<b>1,370</b>	<b>(72)</b>	<b>(148)</b>	<b>19,997</b>	<b>17,992</b>
Cash and Cash Equivalents	4,415	3,480	735	295	-	-	5,150	3,775
Marketable Securities/Held for Trading	2,056	2,303	-	-	-	-	2,056	2,303
Accounts Receivable	2,731	2,809	647	621	(72)	(148)	3,306	3,281
Inventories	7,592	6,500	522	347	-	-	8,114	6,847
Recoverable Taxes	868	1,286	44	63	-	-	912	1,349
Other receivables	364	393	96	45	-	-	459	437
<b>Non Current</b>	<b>30,694</b>	<b>28,598</b>	<b>14,135</b>	<b>12,450</b>	<b>(6,670)</b>	<b>(5,699)</b>	<b>38,159</b>	<b>35,349</b>
Taxes Recoverable	1,056	1,024	0	0	-	-	1,056	1,024
Deferred Income Tax and Social Contribution	790	129	1,186	1,036	-	-	1,977	1,166
Related parties	5,941	5,052	-	-	(5,941)	(5,052)	-	-
Other receivables	667	638	94	33	-	-	761	671
Property, Plant and Equipment	19,679	19,180	12,677	11,228	(730)	(647)	31,626	29,762
Intangible Assets	2,561	2,576	178	152	-	-	2,740	2,727
<b>Total Assets</b>	<b>48,719</b>	<b>45,369</b>	<b>16,179</b>	<b>13,819</b>	<b>(6,742)</b>	<b>(5,847)</b>	<b>58,156</b>	<b>53,342</b>
LIABILITIES AND SHAREHOLDERS' EQUITY (R\$ million)	Consolidated Ex Braskem Idesa		Braskem Idesa Consolidated		Eliminations		Consolidated	
	jun/18	dec/17	jun/18	dec/17	jun/18	dec/17	jun/18	dec/17
<b>Current</b>	<b>11,882</b>	<b>9,343</b>	<b>11,269</b>	<b>9,943</b>	<b>(72)</b>	<b>(148)</b>	<b>23,079</b>	<b>19,138</b>
Suppliers	8,146	5,254	183	160	(72)	(148)	8,258	5,266
Financing	1,119	1,185	-	-	-	-	1,119	1,185
Braskem Idesa Financing	-	-	10,979	9,691	-	-	10,979	9,691
Debentures	28	27	-	-	-	-	28	27
Operações com derivativos	105	-	-	7	-	-	105	7
Salary and Payroll Charges	476	610	19	21	-	-	496	631
Taxes Payable	1,037	1,248	12	13	-	-	1,050	1,261
Other payables	970	1,019	75	51	-	-	1,045	1,070
<b>Non Current</b>	<b>31,013</b>	<b>29,439</b>	<b>8,146</b>	<b>6,830</b>	<b>(8,931)</b>	<b>(7,756)</b>	<b>30,229</b>	<b>28,513</b>
Financing	24,303	22,177	-	-	-	-	24,303	22,177
Debenture	277	286	-	-	-	-	277	286
Accounts payable to related parties	-	-	6,004	5,066	(6,004)	(5,066)	-	-
Loan to non-controlling shareholders of Braskem Idesa	-	-	2,128	1,757	-	-	2,128	1,757
Provision for losses on subsidiaries	2,926	2,690	-	-	(2,926)	(2,690)	-	-
Other payables	3,507	4,286	14	8	-	-	3,798	4,580
<b>Shareholders' Equity</b>	<b>5,824</b>	<b>6,587</b>	<b>(3,236)</b>	<b>(2,954)</b>	<b>2,260</b>	<b>2,057</b>	<b>4,849</b>	<b>5,690</b>
Attributable to Company's Shareholders	5,750	6,518	(3,236)	(2,954)	3,236	2,954	5,750	6,518
Non Controlling Interest on Braskem Idesa	74	69	-	-	(975)	(897)	(901)	(828)
<b>Total Liabilities and Shareholders' Equity</b>	<b>48,719</b>	<b>45,369</b>	<b>16,179</b>	<b>13,819</b>	<b>(6,742)</b>	<b>(5,847)</b>	<b>58,156</b>	<b>53,342</b>



### EXHIBIT VII Cash Flow - Deconsolidation Braskem Idesa

Consolidated Cash Flow (R\$ million)	Consolidated Ex Braskem Idesa		Braskem Idesa Consolidated		Eliminations		Consolidated	
	1H18	1H17	1H18	1H17	1H18	1H17	1H18	1H17
<b>Profit (Loss) Before Income Tax and Social Contribution and the result of discontinued operations</b>	<b>1,718</b>	<b>3,728</b>	<b>40</b>	<b>941</b>	<b>(36)</b>	<b>(513)</b>	<b>1,722</b>	<b>4,157</b>
<b>Adjust for Net Income (Loss) Restatement</b>	<b>4,456</b>	<b>1,700</b>	<b>1,153</b>	<b>230</b>	<b>36</b>	<b>513</b>	<b>5,645</b>	<b>2,442</b>
Depreciation, Amortization and Depletion	1,101	1,091	383	354	(23)	(21)	1,461	1,424
Equity Result	(103)	(501)	-	-	104	478	1	(23)
Interest, Monetary and Exchange Variation, Net	3,410	1,361	767	(125)	(45)	56	4,132	1,292
Provision for losses and write-offs of long-lived assets	48	25	3	0	-	-	50	26
<b>Operating Working Capital Variation</b>	<b>(184)</b>	<b>(3,429)</b>	<b>52</b>	<b>(453)</b>	<b>-</b>	<b>-</b>	<b>(132)</b>	<b>(3,882)</b>
Time deposit investments	-	-	-	-	-	-	-	-
Account Receivable from Clients	76	(585)	(26)	(254)	(77)	18	(27)	(820)
Inventories	(1,053)	(644)	(160)	(20)	-	-	(1,213)	(664)
Recoverable Taxes	947	156	19	28	-	-	966	184
Advanced Expenses	(3)	(73)	(4)	(29)	-	-	(7)	(103)
Other Account Receivables	(107)	(15)	(31)	(32)	-	-	(138)	(47)
Suppliers	1,171	(1,294)	23	(34)	77	(18)	1,271	(1,346)
Taxes Payable	(675)	(22)	(144)	(155)	-	-	(818)	(177)
Advances from Customers	(170)	(64)	18	(8)	-	-	(152)	(72)
Leniency Agreement	(330)	(607)	-	-	-	-	(330)	(607)
Other Account Payables	(39)	(280)	356	51	-	-	316	(230)
<b>Operating Cash Flow</b>	<b>5,991</b>	<b>1,999</b>	<b>1,244</b>	<b>718</b>	<b>-</b>	<b>-</b>	<b>7,235</b>	<b>2,718</b>
Financial investments (includes LFT's and LF's)	332	(1,430)	-	-	-	-	332	(1,430)
<b>Operating Cash Flow and</b>	<b>6,323</b>	<b>569</b>	<b>1,244</b>	<b>718</b>	<b>-</b>	<b>-</b>	<b>7,567</b>	<b>1,287</b>
Interest Paid	(612)	(778)	(266)	(247)	-	-	(878)	(1,025)
Income Tax and Social Contribution	(560)	(601)	(0)	(1)	-	-	(561)	(602)
<b>Net Cash provided by operating activities</b>	<b>5,150</b>	<b>(810)</b>	<b>978</b>	<b>470</b>	<b>-</b>	<b>-</b>	<b>6,128</b>	<b>(340)</b>
Proceeds from the sale of fixed assets	1	1	-	-	-	-	1	1
Proceeds from the sale of investments	81	450	-	-	-	-	81	450
Additions to investment in subsidiaries	2	-	-	-	-	-	2	-
Additions to Fixed and Intangible Assets	(1,135)	(692)	(10)	(63)	-	-	(1,145)	(755)
Other investments	(2)	(10)	-	-	-	-	(2)	(10)
<b>Cash used in Investing Activities</b>	<b>(1,053)</b>	<b>(250)</b>	<b>(10)</b>	<b>(63)</b>	<b>-</b>	<b>-</b>	<b>(1,063)</b>	<b>(313)</b>
Financing								
Obtained Borrowings	2,303	1,487	-	-	-	-	2,303	1,487
Payment of Borrowings	(3,837)	(1,513)	-	-	-	-	(3,837)	(1,513)
Project finance	-	-	-	-	-	-	-	-
Obtained Borrowings	-	-	-	188	-	-	-	188
Payment of Borrowings	-	-	(371)	(449)	-	-	(371)	(449)
Related Parties	-	-	-	-	-	-	-	-
Obtained (Payment of) Borrowings	73	21	(73)	(21)	-	-	-	-
Dividends Paid	(1,500)	(0)	-	-	-	-	(1,500)	(0)
<b>Cash used in Financing Activities</b>	<b>(2,961)</b>	<b>(6)</b>	<b>(444)</b>	<b>(281)</b>	<b>-</b>	<b>-</b>	<b>(3,405)</b>	<b>(287)</b>
Exchange Variation on Cash of Foreign Subsidiaries and Jointly Controlled Companies	(202)	(17)	(83)	(33)	-	-	(285)	(50)
<b>Cash and Cash Equivalents Generation (Application)</b>	<b>934</b>	<b>(1,083)</b>	<b>440</b>	<b>92</b>	<b>-</b>	<b>-</b>	<b>1,375</b>	<b>(990)</b>
Represented by								
Cash and Cash Equivalents at The Beginning of The Period	3,480	6,500	295	202	-	-	3,775	6,702
Cash and Cash Equivalents at The End of The Period	4,415	5,418	735	294	-	-	5,150	5,711
<b>Increase (Decrease) in Cash and Cash Equivalents</b>	<b>934</b>	<b>(1,083)</b>	<b>440</b>	<b>92</b>	<b>-</b>	<b>-</b>	<b>1,375</b>	<b>(990)</b>

### EXHIBIT VIII Financial Result - Braskem Idesa

Financial Result (R\$ million) BRASKEM IDESA	2Q18 (A)	1Q18 (B)	2Q17 (C)	Chg. (A)/(B)	Chg. (A)/(C)	1H18 (D)	1H17 (E)	Chg. (D)/(E)
<b>Financial Expenses</b>	<b>(262)</b>	<b>(245)</b>	<b>(251)</b>	<b>7%</b>	<b>4%</b>	<b>(507)</b>	<b>(494)</b>	<b>3%</b>
Interest Expenses	(256)	(211)	(217)	21%	18%	(467)	(421)	11%
Others	(6)	(34)	(34)	-82%	-82%	(40)	(74)	-45%
<b>Financial Revenue</b>	<b>16</b>	<b>3</b>	<b>1</b>	<b>453%</b>	<b>1090%</b>	<b>19</b>	<b>3</b>	<b>602%</b>
Interest	5	3	1	81%	329%	8	2	227%
Others	11	0	0	n.a.	n.a.	11	0	n.a.
<b>Foreign Exchange Variation, net</b>	<b>(563)</b>	<b>373</b>	<b>265</b>	<b>n.a</b>	<b>n.a</b>	<b>(190)</b>	<b>779</b>	<b>-124%</b>
Foreign Exchange Variation (Expense)	(654)	447	301	n.a	n.a	(207)	874	n.a.
Foreign Exchange Variation (Revenue)	91	(74)	(37)	n.a	n.a	17	(96)	n.a.
<b>Net Financial Result</b>	<b>(809)</b>	<b>131</b>	<b>15</b>	<b>n.a.</b>	<b>n.a.</b>	<b>(678)</b>	<b>287</b>	<b>n.a.</b>
<b>Net Financial Result, w/out foreign exchange variation, net</b>	<b>(246)</b>	<b>(242)</b>	<b>(250)</b>	<b>2%</b>	<b>-1%</b>	<b>(489)</b>	<b>(492)</b>	<b>-1%</b>