



Braskem

3Q13 Earnings Conference Call

November 8, 2013



Disclaimer on forward-looking statements

This presentation includes forward-looking statements. These forward-looking statements are not solely historical data, but rather reflect the targets and expectations of Braskem's management. The terms "anticipate," "believe," "expect," "foresee," "intend," "plan," "estimate," "project," "aim" and similar terms are used to indicate forward-looking statements. Although we believe these forward-looking statements are based on reasonable assumptions, they are subject to various risks and uncertainties, and are prepared using the information currently available to Braskem.

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Braskem assumes no liability for transactions or investment decisions taken based on the information in this presentation.

3Q13 Highlights

OPERATIONAL & SCENARIO

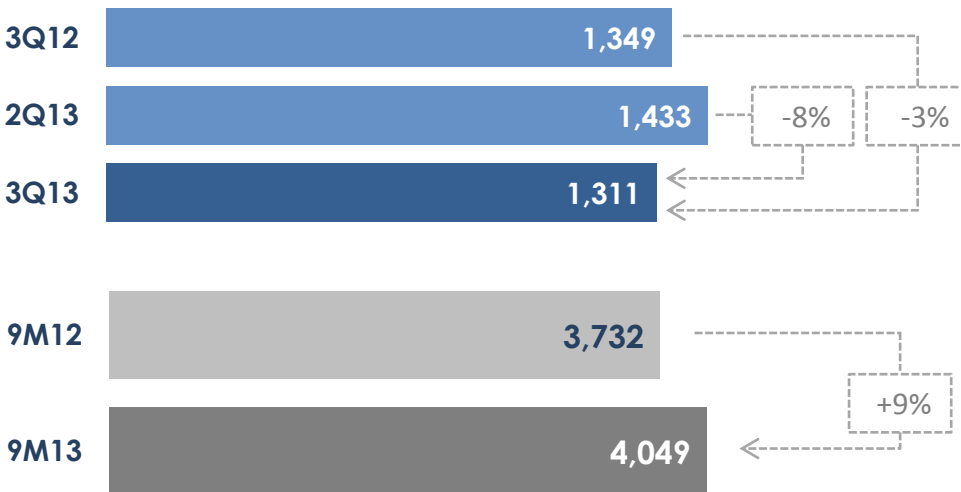
- Crackers utilization rate averaged 92%, down 2 p.p. from 2Q13, due to the power outage in Brazil's Northeast.
- Brazilian resin market totaled 1.3 million tons, down 8% and 3% from 2Q13 and 3Q12, respectively.
- Braskem's sales followed this trend and reached 898 kton. However, its market share expanded to 68%, up 2 p.p. from 2Q13.
- EBITDA of R\$1,650 million in 3Q13, up 57% on the prior quarter. In U.S. dollar, EBITDA grew 42% to US\$720 million.
- The federal government approved the tax rate relief of PIS and COFINS on the purchase of raw material by first and second generation chemical producers.

EXPANSION, DIVERSIFICATION & FINANCIAL HEALTH

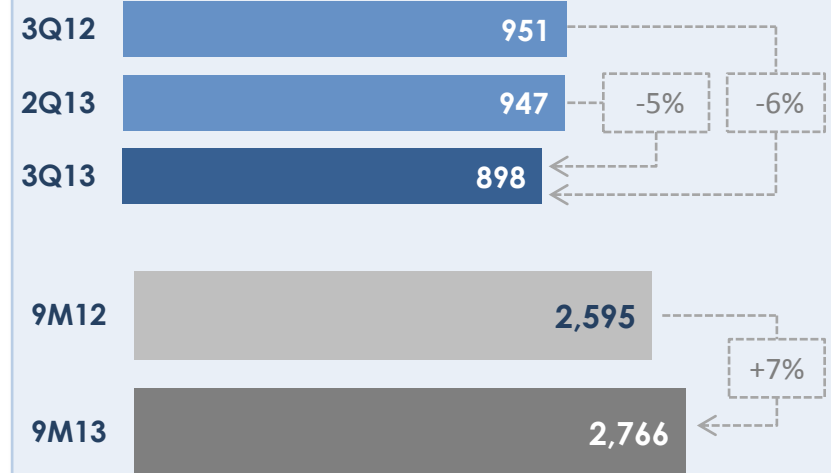
- In partnership with the manufacturing industry, Braskem announced the Plastics Chain Competitiveness Incentive Plan (PIC) to promote exports of manufactured plastic goods.
- Braskem signed a memorandum of understanding (MoU) with Styrolution to assess the creation of a joint venture to install a plant in Brazil producing ABS and SAN.
- Braskem announced investments to convert and expand one of its PE production lines in Bahia to metallocene, a more technologically advanced resin.
- Construction on the new petrochemical complex in Mexico (Ethylene XXI) continues to advance, with the project reaching 48% completion.
- Leverage ratio (Net Debt/EBITDA) of 2.73x, down 9% from 2Q13.

Performance of the Brazilian market and Braskem's sales

• Brazil's Thermoplastic Resin Market (kton)



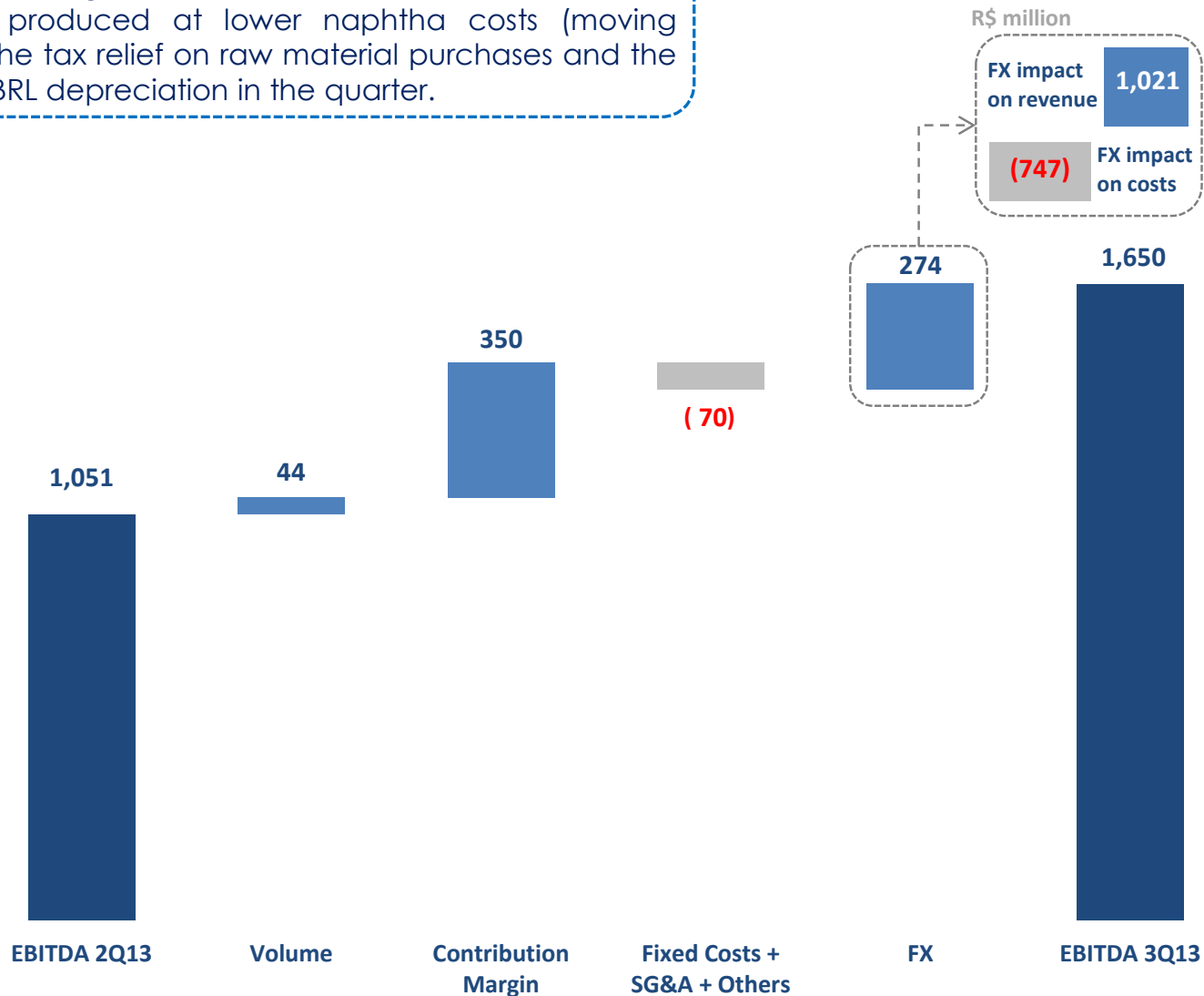
• Braskem's Sales - Domestic Sales



- Consumption of inventories built up in the chain over the first half of the year.
- Market share recovered in 3Q13 to 68%.
- Demand this year has reflected the strong performance of sectors such as infrastructure, agribusiness and automotive.

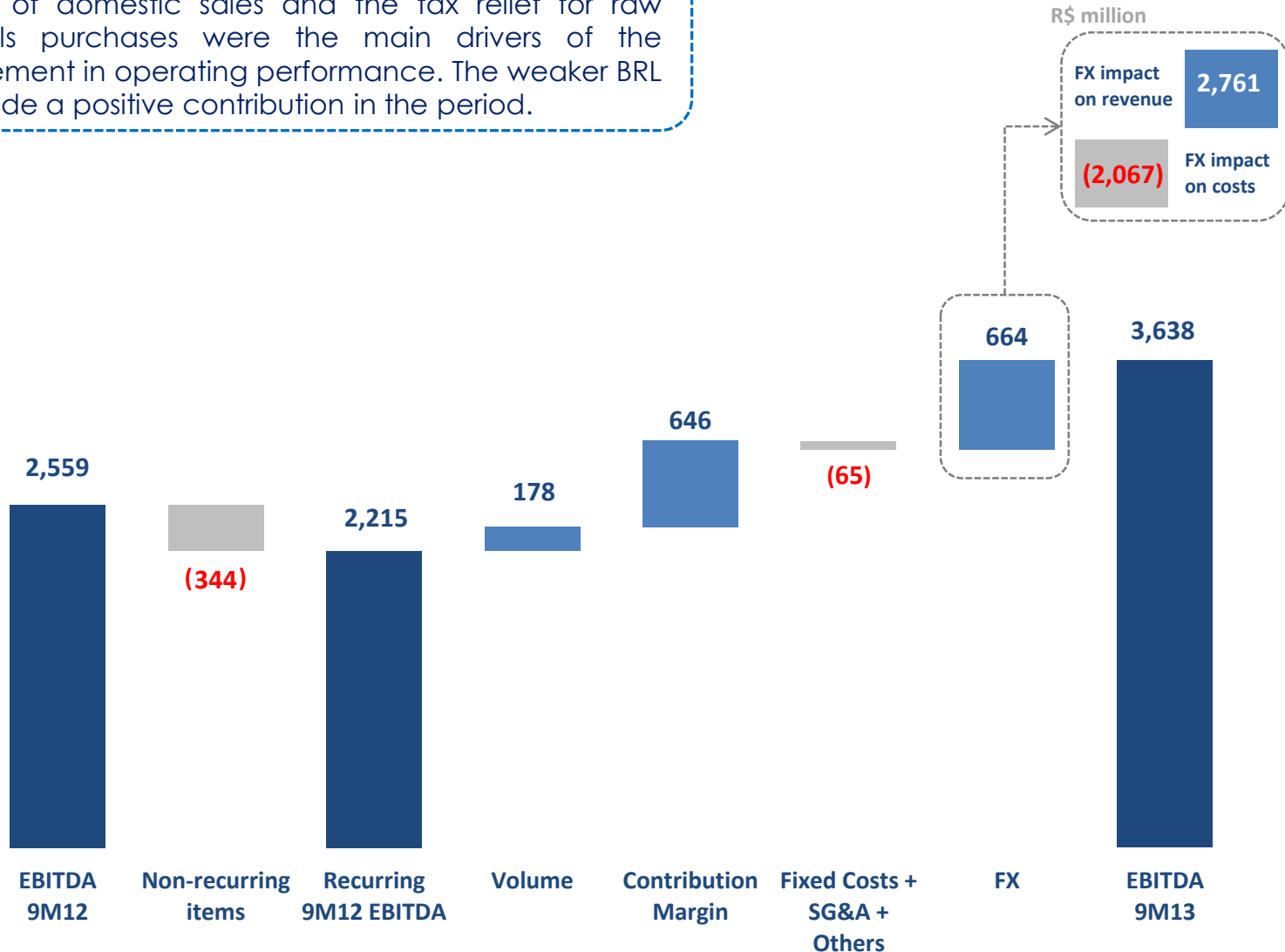
EBITDA - 3Q13 vs. 2Q13

✓ EBITDA growth is mainly explained by the improvement in contribution margin, which benefitted from the sale of inventories produced at lower naphtha costs (moving average), the tax relief on raw material purchases and the continued BRL depreciation in the quarter.



EBITDA - 9M13 vs. 9M12

✓ The improvement in international spreads, the higher volume of domestic sales and the tax relief for raw materials purchases were the main drivers of the improvement in operating performance. The weaker BRL also made a positive contribution in the period.



* Sunoco compensation + Refis

Longer debt profile with diversified financing sources. Liquidity levels remain stable

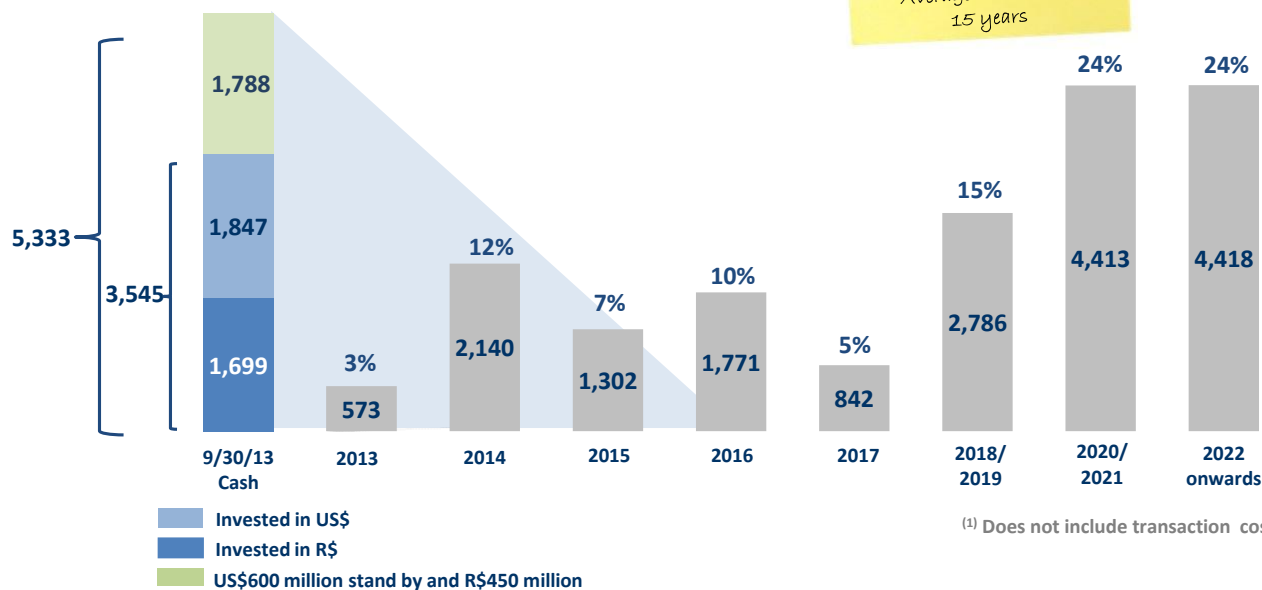
Amortization Schedule ⁽¹⁾ (R\$ million) Sept. 30, 2013

Braskem
(09/30/13 - R\$ million)

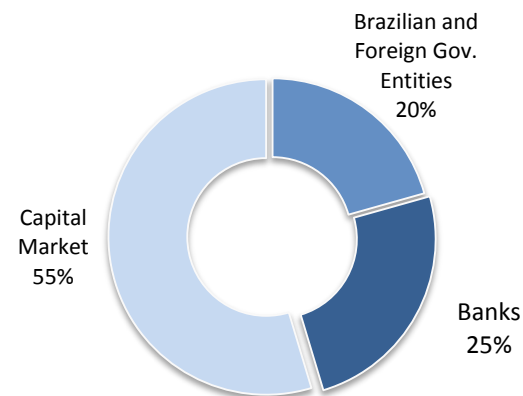
Gross Debt:
R\$ 18,163

Net Debt:
R\$ 14,618

Average Debt Term:
15 years



Diversified funding sources



⁽¹⁾ Does not include transaction costs

Net Debt / EBITDA (US\$)

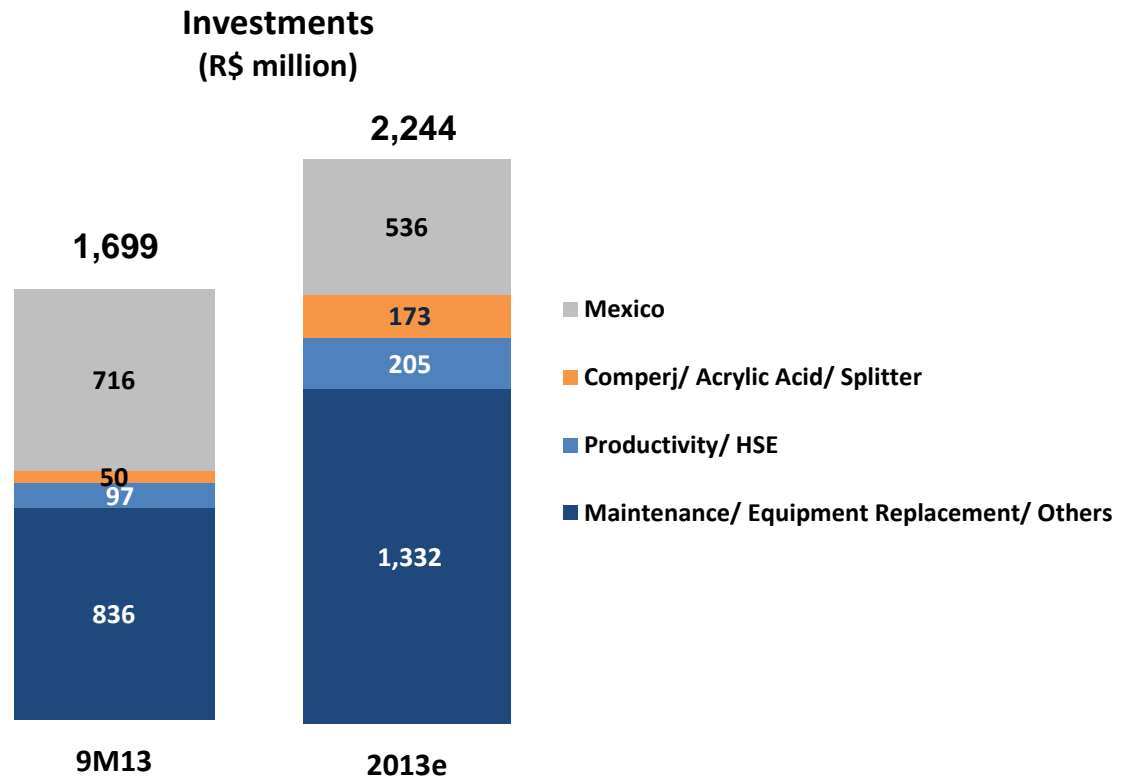
US\$ million	3Q13	2Q13*	△
Net Debt	6,555	6,977	-6%
EBITDA (LTM)	2,373	2,112	+12%
Net Debt/EBITDA	2.73x	3.01x	-9%

Braskem's Ratings - Global Scale

Agency	Rating	Outlook	Date
Fitch	BBB-	Negative	9/10/2013
S&P	BBB-	Stable	7/11/2013
Moody's	Baa3	Negative	4/24/2013

* Excluding the bridge loan for the Mexico project

Growth projects and Capex



✓ Braskem made operating investments of **R\$1,699 million** in **9M13**:

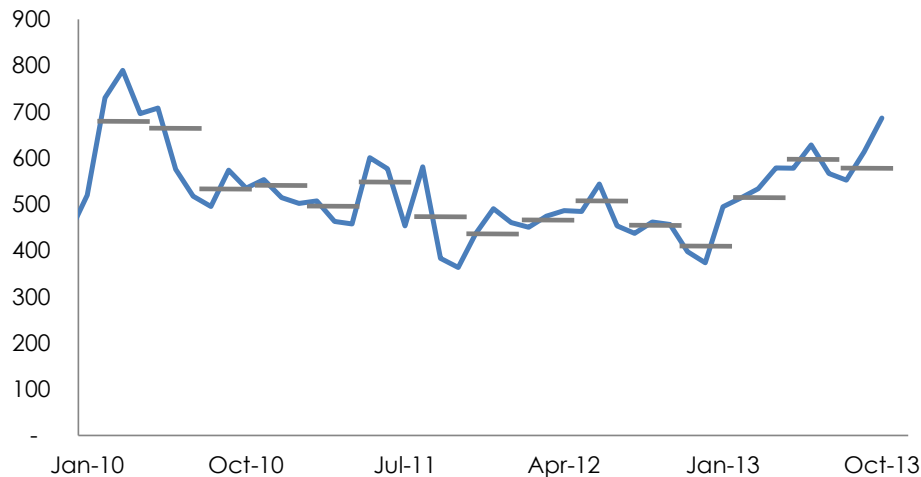
- ~**42%** of this amount, or R\$716 million, was allocated to the project in Mexico. The deviation from the amount initially planned for 2013 is due to:
 - ✓ the anticipation of disbursements with the arrival and assembly of large equipment on site;
 - ✓ the exchange variation effects on the translation of investments from USD to BRL.

Global scenario and petrochemical industry

Positive Scenario – Short Term

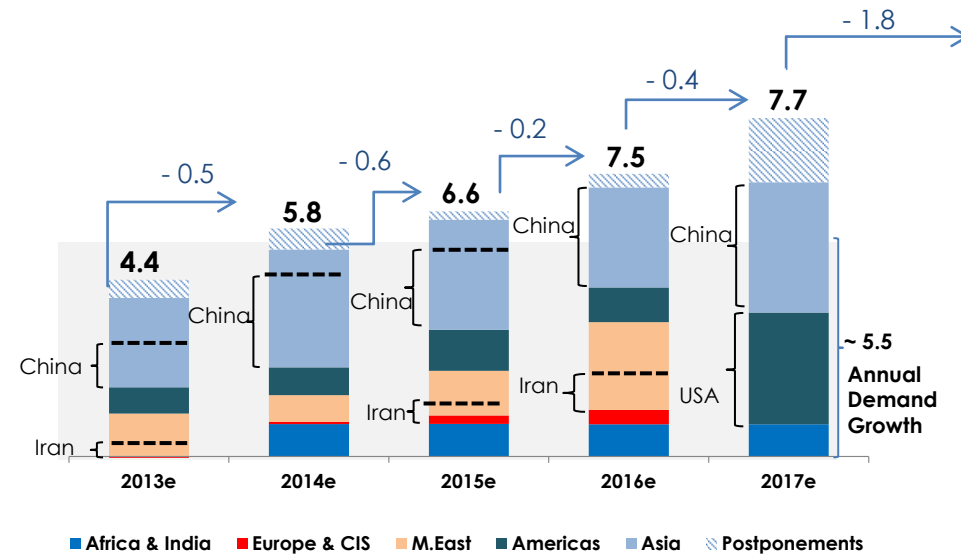
- Average spreads in 2013 are higher than in 2012.

Spread – HDPE (USA) vs. Naphtha (US\$/ton)



- Medium/long term ⇒ gradual recovery in spreads.

Ethylene: Additional Capacity (million tons)



- Postponement/cancelation of new startups in relation to the estimates released in early 2013.
- Uncertainty regarding the startup of the projects announced in China:
 - High costs/investments in order to access feedstock;
 - Infrastructure issues (logistics, water supply, etc.).
- Iran - U.S. embargo affects products sale.
- USA:
 - New capacities to be commissioned only as of 2016-17.

Outlook

Scenario

- Recovery of mature markets and weaker growth in emerging markets.
- Naphtha price influenced by the geopolitical uncertainties impacting oil prices.
- Exchange rate volatility.

Braskem's priorities

- Increase the competitiveness of Braskem's feedstock by reducing costs and diversifying sources.
- Advance on formulating an industrial policy for the petrochemical chain that continues to improve the industry's competitiveness.
- Focus on continually strengthening our relationship with Clients and expanding our market share in Brazil.
- Advance construction on the greenfield project in Mexico and ensure its commissioning on schedule (2015) and on budget.
- Definition of feedstock and tax incentives in order to make Comperj feasible.
- Identify opportunities in the U.S. petrochemical market based on the competitive advantages of shale gas.
- Maintain liquidity levels, cost discipline and financial health in a challenging macroeconomic scenario.



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