

4Q08 Earnings Conference Call

Braskem

A World Class Brazilian Petrochemical Company

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Forward-looking Statements



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This presentation contains forward-looking statements. These statements do not represent historical fact, but rather reflect the beliefs and expectations of Braskem's management. The words "anticipate", "wish", "expect", "estimate", "intend", "forecast", "plan", "predict", "project", "target" and similar words are intended to identify these statements. Although Braskem believes that the expectations and assumptions reflected in these forward-looking statements are reasonable and based on information currently available to management, Braskem cannot guarantee future results or events.

The forward-looking statements in this presentation are valid only on the date they are made (December 31, 2008) and the Company does not assume any obligation to update them in light of new information or future developments.

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4Q08 Highlights



- Unprecedent financial crisis
- High volatility in the exchange rate, raw materials and resins prices

Market:

- Drop-off in international thermoplastic resin demand
- Destocking in the petrochemical chain due to credit restriction
- Impact in Brazil concentrated in agriculture and durable goods in 4Q08
- Brazil's thermoplastic resin market contracted by 16% in 4Q08

Operating Performance:

- Reduction in the plants capacity utilization rates starting in November
- Net revenue of R$ 4.1 billion in 4Q08, 18% lower than in 3Q08
- EBITDA of R$ 633 million with an EBITDA margin of 15.4%, positively impacted by the effects from the adjustments introduced by law 11,638/07 in the amount of R$ 74 million, not related to the period

4Q08 Highlights



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Real Depreciation:

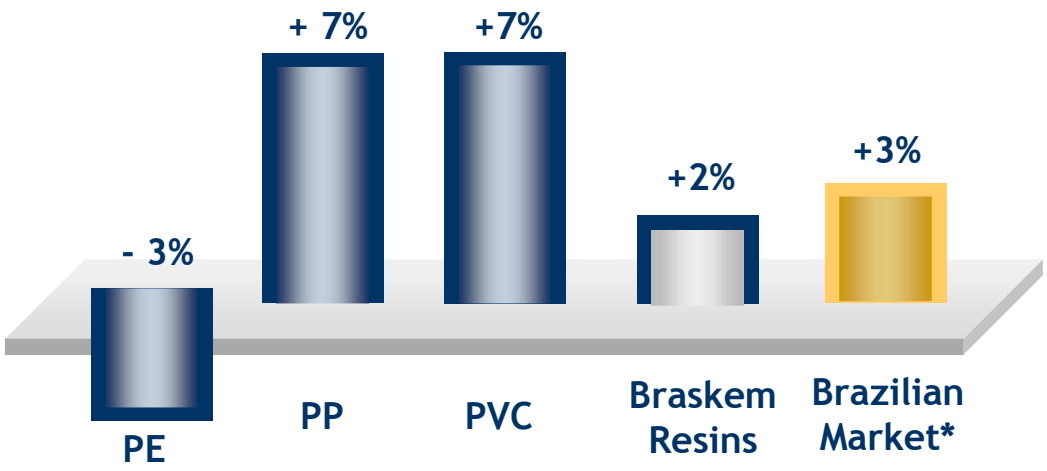
- R$1.9 billion accounting impact on net liabilities pegged to the US dollar
- Increase in the producers competitiveness
- Reduction of resin imports in December

Strategic Actions:

- Approval for the construction of the green PE plant and obtainment of the environmental license to build the facility. Agreement with Toyota Tsusho to sell Green PE in Asia.
- Focusing on the cash position

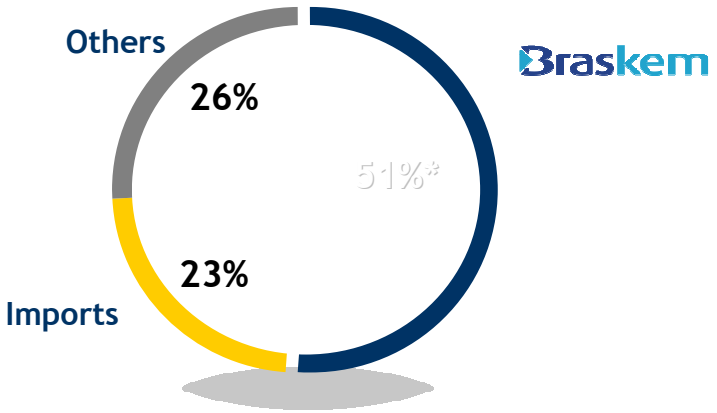
Destocking trend in the petrochemical chain limits growth in domestic market to 3% in 2008

Domestic Sales 2008 x 2007 %



*Domestic Sale + Imports

Resin Market Share 2008



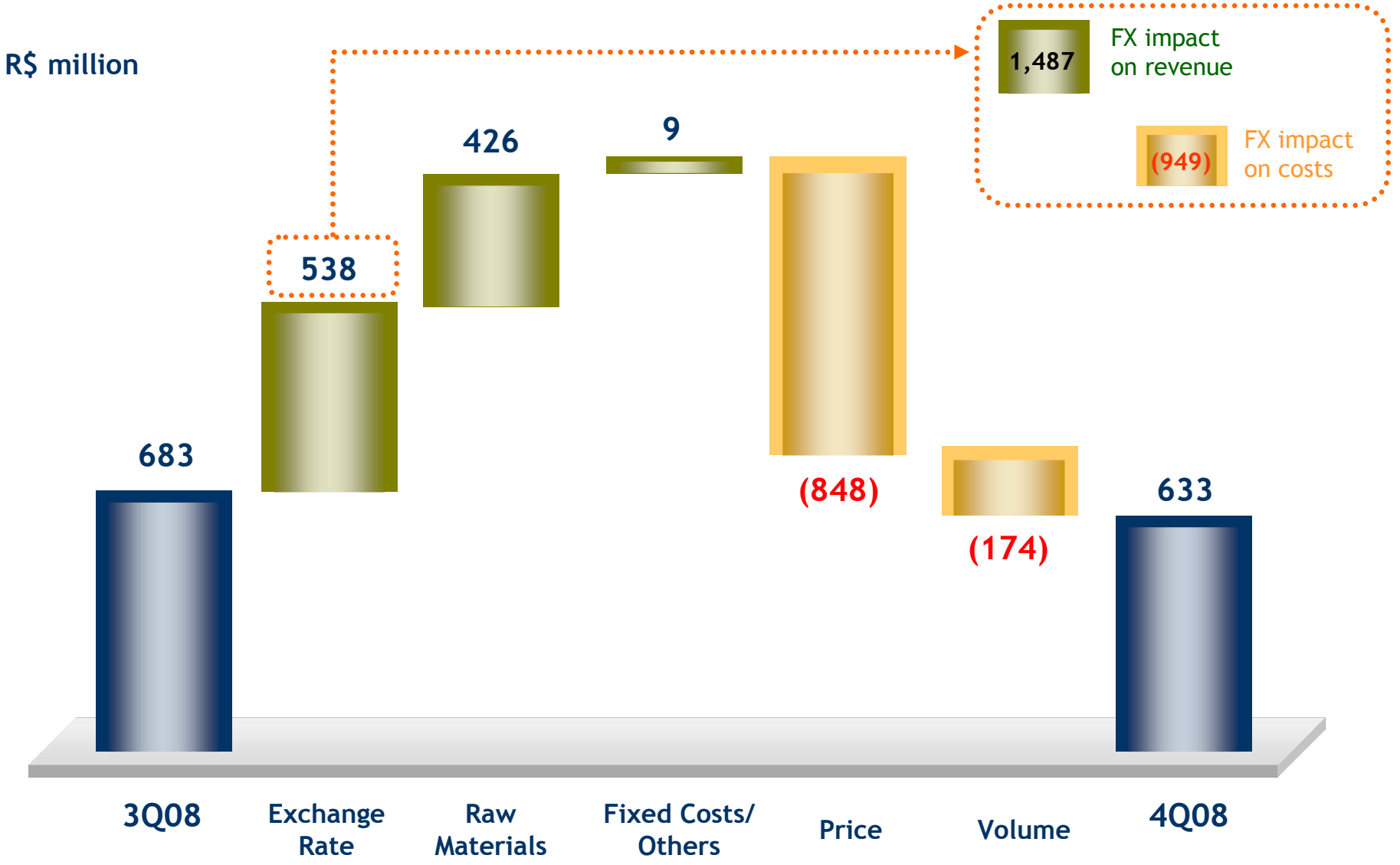
* Braskem market share includes sales of PVC imported by the Company

Source: Braskem / Abiquim

EBITDA

Lower resins prices and reduced volumes overcome the positive FX impact on revenues

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Source: Braskem

Financial Results reflect FX variation



R$ million	4Q08	3Q08	4Q07	2008	2007
Financial Result	**(2,275)**	**(1,616)**	**(137)**	**(3,685)**	**(367)**
Expenses	(2,731)	(1,923)	329	(4,403)	211
Income	456	308	(466)	719	(578)
FX Variation	**(1,872)**	**(1,351)**	**146**	**(2,629)**	**798**
Loss	(2,290)	(1,618)	675	(3,173)	1,607
Gain	418	267	(528)	544	(809)
FX Rate - EOP	**2.34**	**1.91**	**1.77**	**2.34**	**1.77**
FX Variation	**22.1%**	**20.3%**	**-3.7%**	**31.9%**	**-17.2%**

Source: Braskem

Short-term debt well managed and long-term debt well distributed with an average term of 11 years

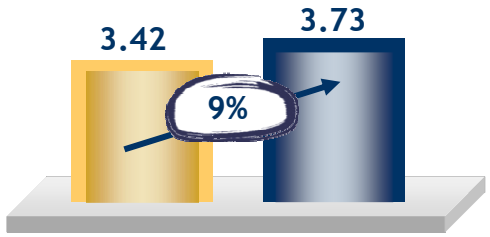
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R$ million (12/31/08)

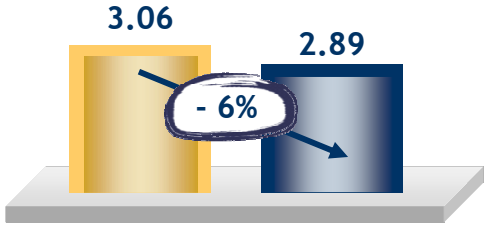
Gross Debt:	11,986
Net Debt:	9,028
Average Term:	10.9 years

74% of the debt are pegged to the USD

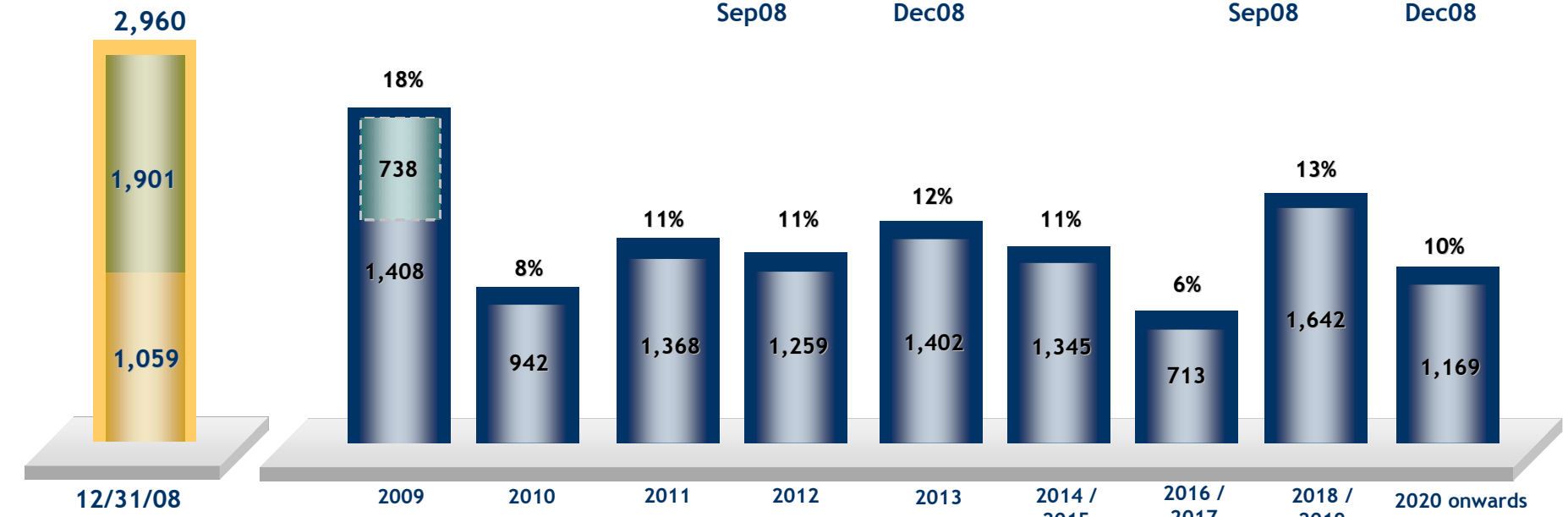
Net Debt / Ebitda (x) R$



Net Debt / Ebitda (x) US$



Cash and Equivalents

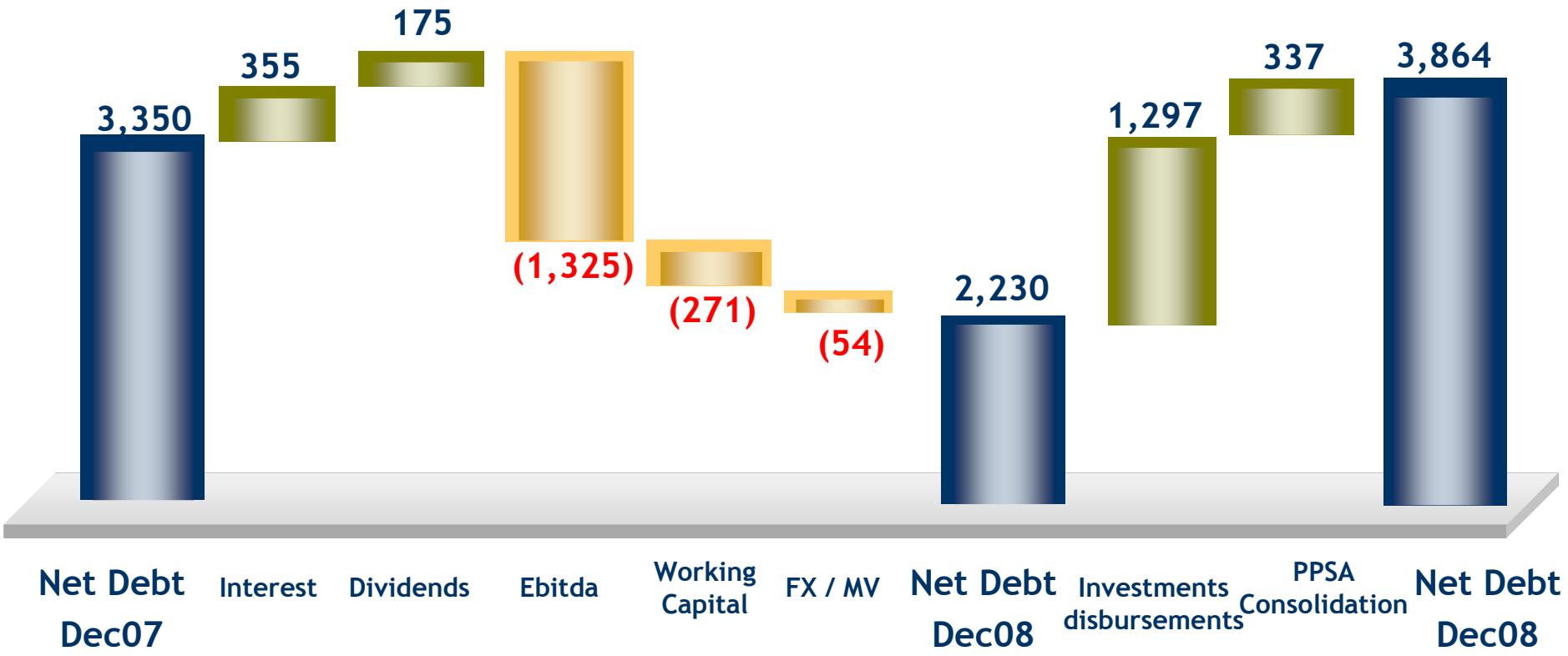


Value related to the loan granted by a Petrobras subsidiary for the delisting of Copesul, due in October 2009

Source: Braskem

Net debt increases by US$500 million on investments of US$1.3 billion

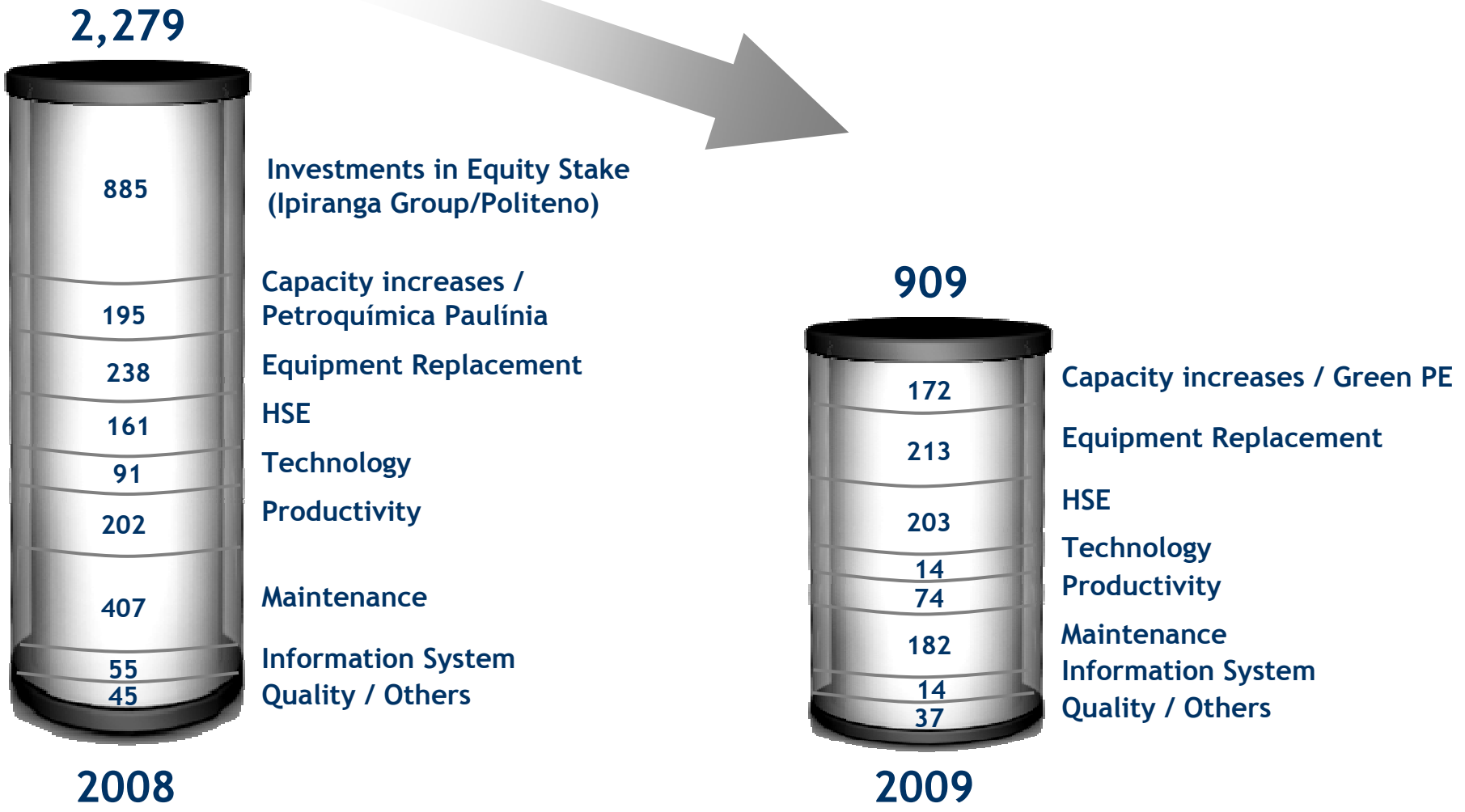
US$ million



Source: Braskem

Focus on priority investment projects

R$ million



Source: Braskem

Short-term priorities



- Focus on financial strength and liquidity
- Acceleration of the capture of synergies from the IPQ/CPS acquisition
- Focus on maintaining operational profitability
- Recovery of plants capacity utilization rates
- Naphtha: conclusion of the new contract with Petrobras
- Green PE Project: construction in progress
- Assessment of growth opportunities during the crisis

Greater operational and financial strength



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