



EARNINGS CONFERENCE CALL

1Q18

MAY 2018

Braskem



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.

	Brazil			US and Europe			Mexico		
	1Q18	vs. 1Q17	vs. 4Q17	1Q18	vs. 1Q17	vs. 4Q17	1Q18	vs. 1Q17	vs. 4Q17
Demand	PE+PP+PVC 1.3 Million tons			PP US* 1.9 Million tons			PE 0.6 Million tons		
	7% ▲	3% ▲	-1% ▼	-4% ▼	2% ▲	9% ▲	3% ▲	8% ▲	
Spreads**	Chemicals 388 US\$/t			PP US 617 US\$/t			PE 1,140 US\$/t		
	-20% ▼	13% ▲	8% ▲	1% ▲					
	Resins 688 US\$/t			PP Europe 471 US\$/t					
	5% ▲	8% ▲	4% ▲	-7% ▼					

Operational Highlights

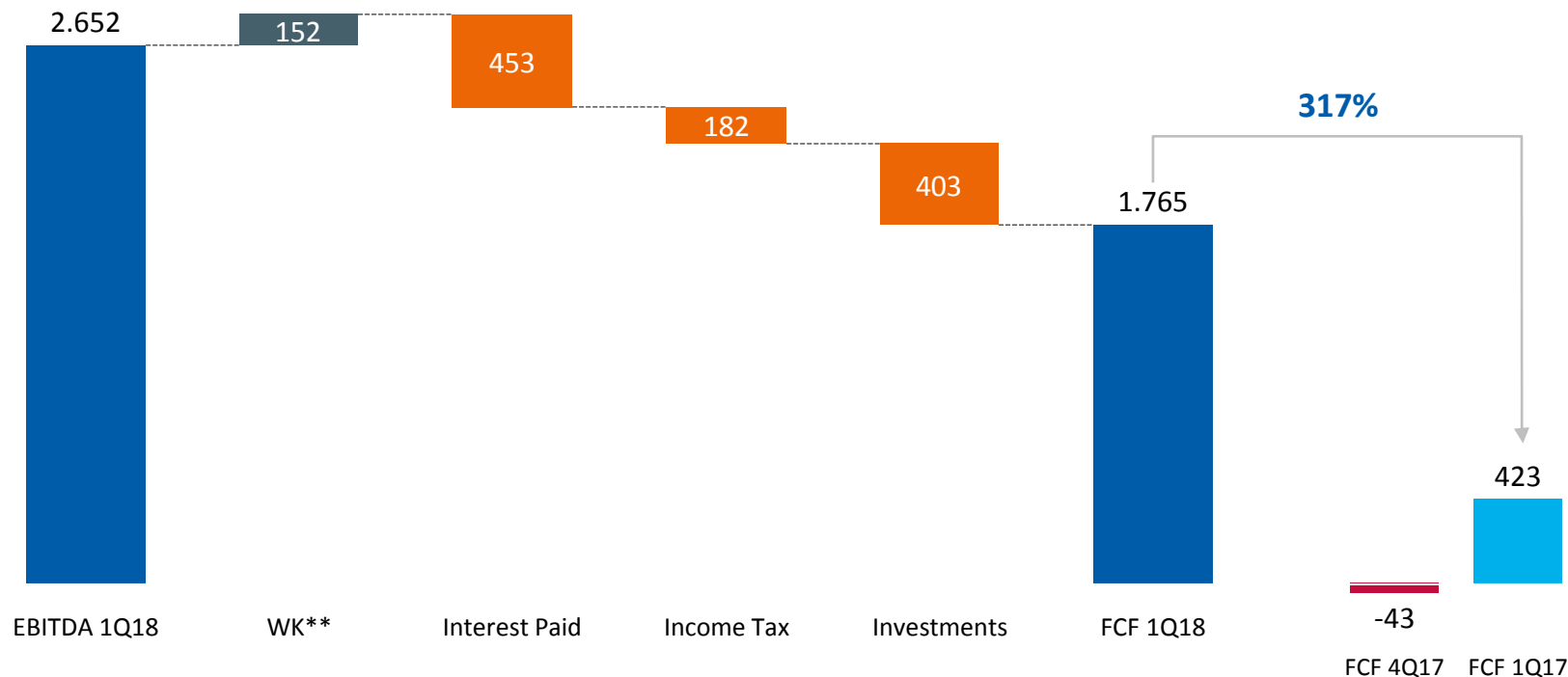
	Brazil			US and Europe			Mexico					
	1Q18	vs. 1Q17	vs. 4Q17	1Q18	vs. 1Q17	vs. 4Q17	1Q18	vs. 1Q17	vs. 4Q17			
Utilization Rate	Crackers	90%	-5 p.p ▼	-5 p.p ▼	PP Plants	92%	-9p.p ▼	-7 p.p ▼	PE Plants	85%	-12 p.p ▼	-1 p.p ▼
Sales (Resins)	Brazil	73%	5% ▲	-1% ▼	US and Europe	100%	-5% ▼	-2% ▼	Mexico	72%	17% ▲	1% ▲
	Exports	27%	-24% ▼	-6% ▼		Exports	28%	-59% ▼	-33% ▼			
	<i>Of which 67% exported to Mercosul</i>			<i>100% of sales in the US and Europe</i>			<i>Of which 76% exported to the US, Europe and Central America</i>					
EBITDA	US\$ 451 Million	-41% ▼	-20% ▼	US\$ 176 Million	-7% ▼	-	US\$ 165 Million	-3% ▼	-5% ▼			

Consolidated

EBITDA vs. 1Q17 vs. 4Q17
US\$ 818 Million -29% ▼ -10% ▼

Net Profit** vs. 1Q17 vs. 4Q17
R\$ 1,1 Billion -42% ▼ 173% ▲

Free Cash Flow Generation* (R\$ Million)

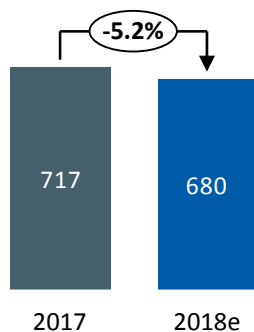


*Free Cash Flow Generation: (i) Net Cash from Operating Activities less payments under the Leniency Agreement; (ii) the effects from reclassifications between the lines Financial Investments and Cash and Cash Equivalents; and (iii) less the line Cash Investment in Investing Activities

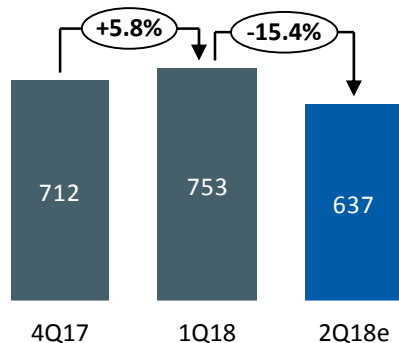
**Does not consider the payment of the leniency agreement and the effects from reclassifications between the lines Financial Investments and Cash and Cash Equivalents

PE Spreads (US\$/kton)

Forecast for FY 2018



Quarterly Spreads

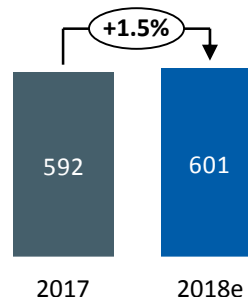


■ Spread PE US - Naphtha ARA

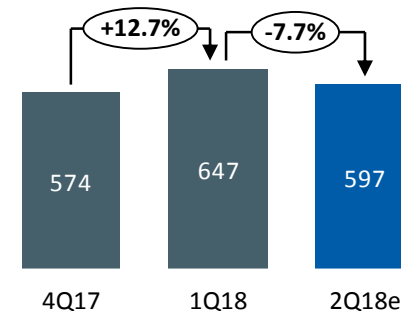
- Spreads are forecasted to be lower than expected in the last quarter, due to the ramp up of new capacities in the U.S generating lower PE prices combined with higher oil prices.
- After several delays, 5 companies have started-up PE units, totaling more than 4 million tons of capacity in North America.

PP Spreads (US\$/kton)

Forecast for FY 2018










Quarterly Spreads



■ Spread PP Asia - Naphtha ARA

- Although China continues to aim for self-sufficiency, only 4 new plants are expected for 2018, half of capacity increased in 2017.
- Global demand is projected to grow more than supply until 2022.

2018e vs. 2017

Consolidated EBITDA (US\$ million)		
Utilization Rate	Stable and high in all regions	
Regional Demand	▪ ~1x GDP – US/EU	
	▪ ~1.5 x GDP Brazil/Mexico	
Petrochemical Spreads	Chemicals	
	Resins Brazil	
	US and Europe	
	Mexico	

2018e vs. 2017

Consolidated Cash Flow (US\$ million)		
Operating cash flow	Not relevant working capital consumption is expected	
Interests	Lower interest rates and gross debt	
Tax	US tax reform	
CAPEX	US\$876 million	

Braskem remains expecting a higher Cash Flow Generation for 2018 as compared with 2017, though a lower EBITDA



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