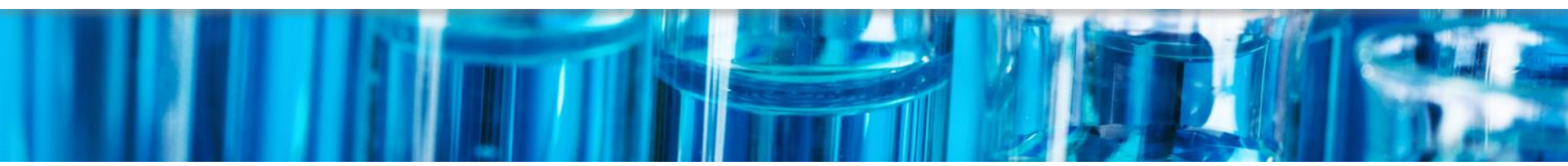




Braskem

2Q14 Earnings Conference Call

São Paulo, August 08, 2014



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.

This presentation was up-to-date as of June 30, 2014, and Braskem does not assume any obligation to update it in light of new information or future developments.

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

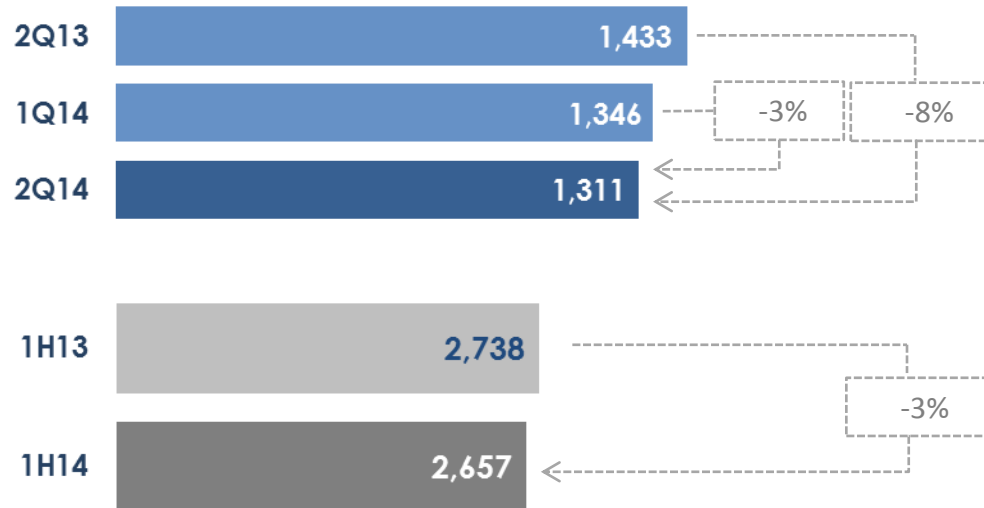
2Q14 Highlights

Operational and financial

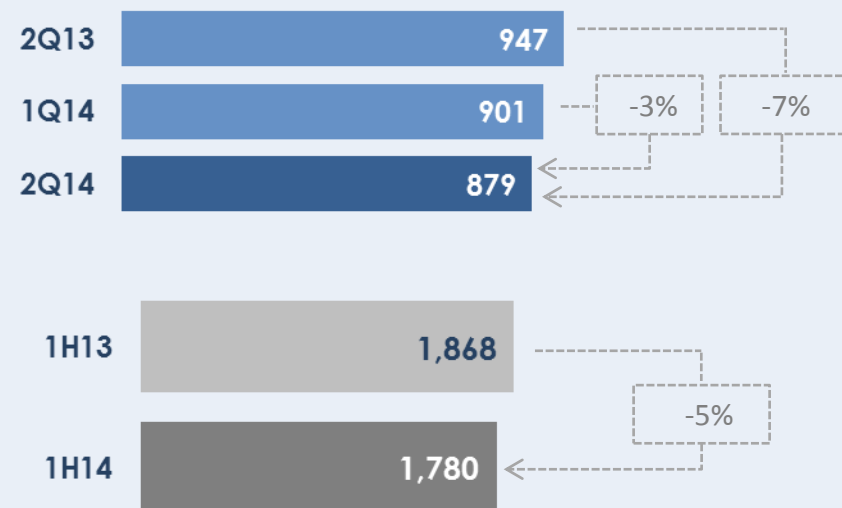
- ▶ In 2Q14, the average cracker capacity utilization **rate** was **84%**, influenced by the scheduled maintenance shutdown of the Triunfo cracker and by the lower feedstock supply at the Rio de Janeiro site.
- ▶ Brazilian thermoplastic resins **market** (PE, PP and PVC) came to 1.3 million tons, down 3% and 8% from 1Q14 and 2Q13, respectively. **Braskem's** sales followed this trend and amounted to **879 kton**.
- ▶ Sales of **PP** in the **USA** and **Europe business unit** reached **479 thousand tons**, **up** 4% and 3% from 1Q14 and 2Q13, respectively.
- ▶ Braskem recorded **EBITDA** of R\$1,130 million in 2Q14, decreasing 17% from recurring EBITDA in the 1Q14. **Compared** to **2Q13**, EBITDA **grew** by **6%**.
- ▶ Braskem recorded net income of **R\$124 million** in 2Q14.
- ▶ **The Company's leverage**, as measured by the ratio of net debt to EBITDA in U.S. dollar, stood at 2.73x, increasing 1% from 1Q14.
- ▶ Construction on the integrated project in **Mexico** reached 75% completion, and equipment assembly of **large pieces** concluded, such as the ethylene tower, concluded.
- ▶ Braskem continues to make **progress** on the Plastics Chain Competitiveness Incentive Plan (**PIC**). In this context, the Company and some of its **Clients** participated in the Agrishow fair, one of the largest agribusiness trade fairs in Brazil, in order to **approximate** them to this sector.

Brazilian market for resins and Braskem's sales

► Brazilian market for thermoplastic resins (kton)



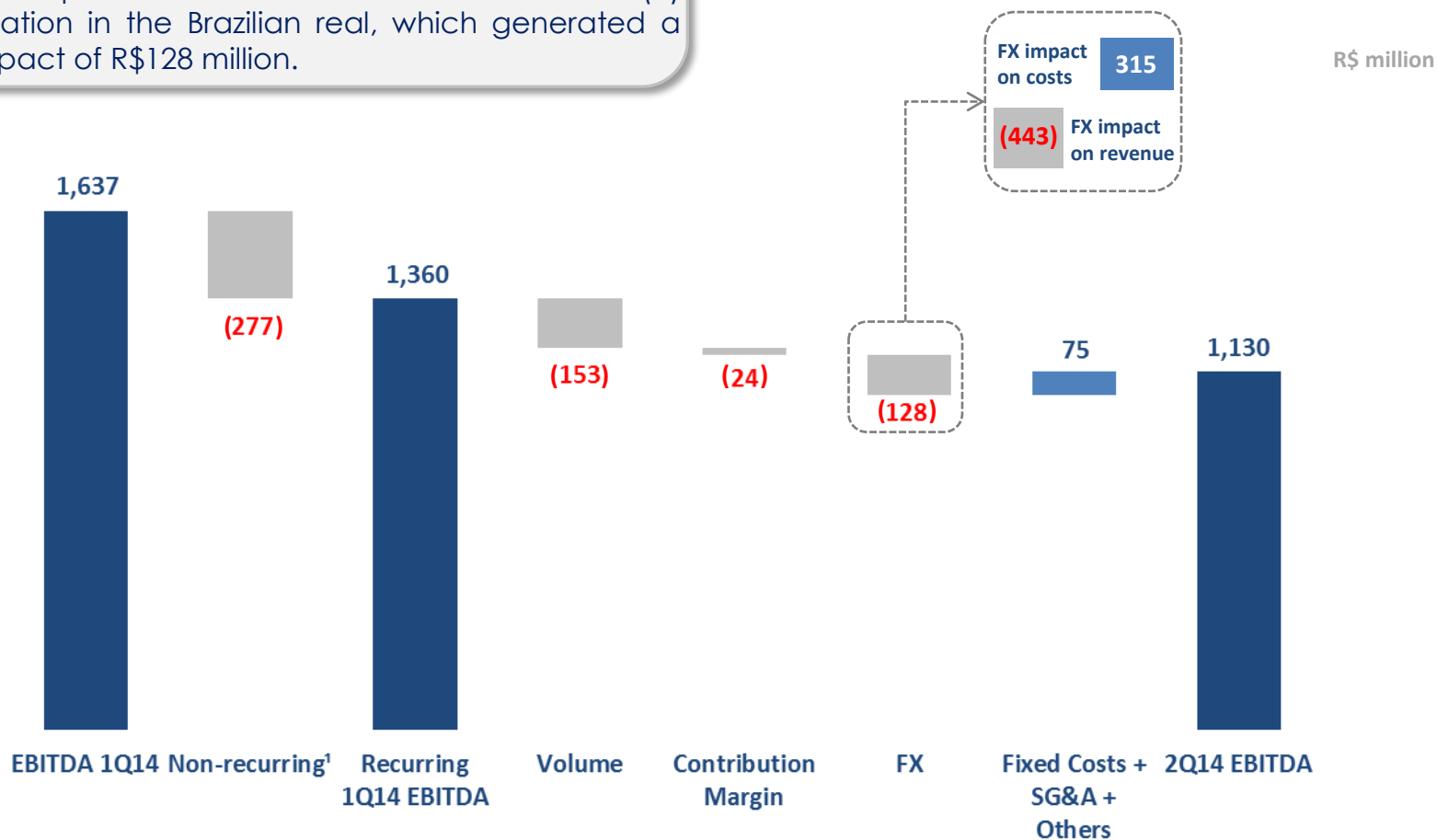
► Braskem's Sales Domestic Market (kton)



- 2Q14 demand was influenced by the weaker economic activity.
- Braskem's sales followed this trend and decreased 3% compared to the 1Q14.
- Demand for resins in the 1H14 was 3% lower than in 1H13, when demand was positively influenced by inventory rebuilding and by the strong performance of certain sectors, such as agribusiness, automotive and infrastructure.

EBITDA 2Q14 vs. 1Q14

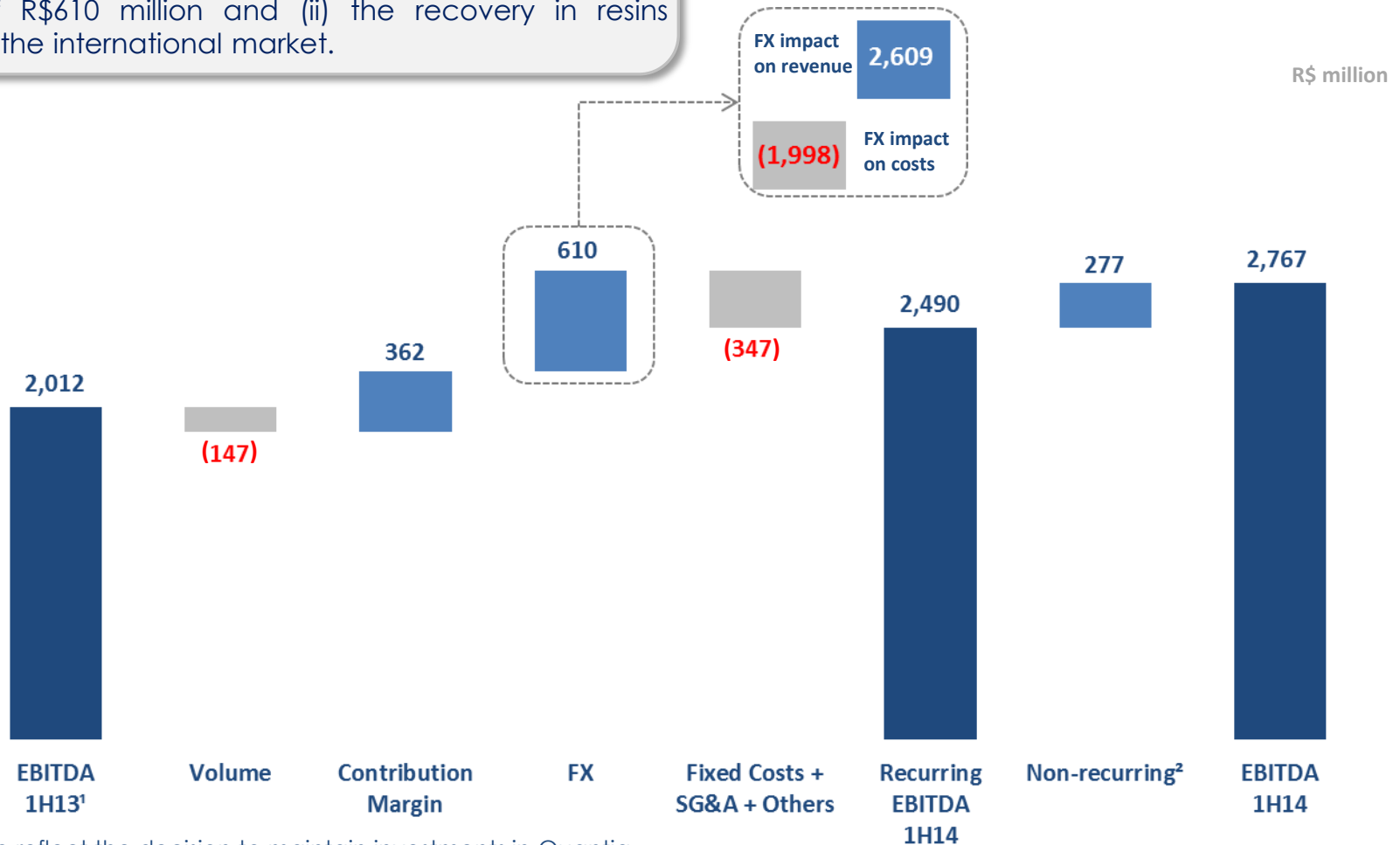
In 2Q14, Braskem recorded EBITDA of R\$1,130 million, decreasing by 17% from 1Q14 in recurring basis. The main factors contributing to this result were (i) the lower sales volume in the Brazilian market, (ii) the reduction in petrochemical spreads in the international market and (iii) the appreciation in the Brazilian real, which generated a negative impact of R\$128 million.



¹ Gain recognized from the WTU sale

EBITDA 1H14 vs. 1H13

In 1H14, Braskem recorded EBITDA of R\$2,767 million, increasing 24% on recurring basis. The main factors contributing to this result were (i) the Brazilian real depreciation in the period, which generated a positive impact of R\$610 million and (ii) the recovery in resins spreads in the international market.



¹ Adjusted to reflect the decision to maintain investments in Quantiq

² Gain recognized from the WTU sale

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

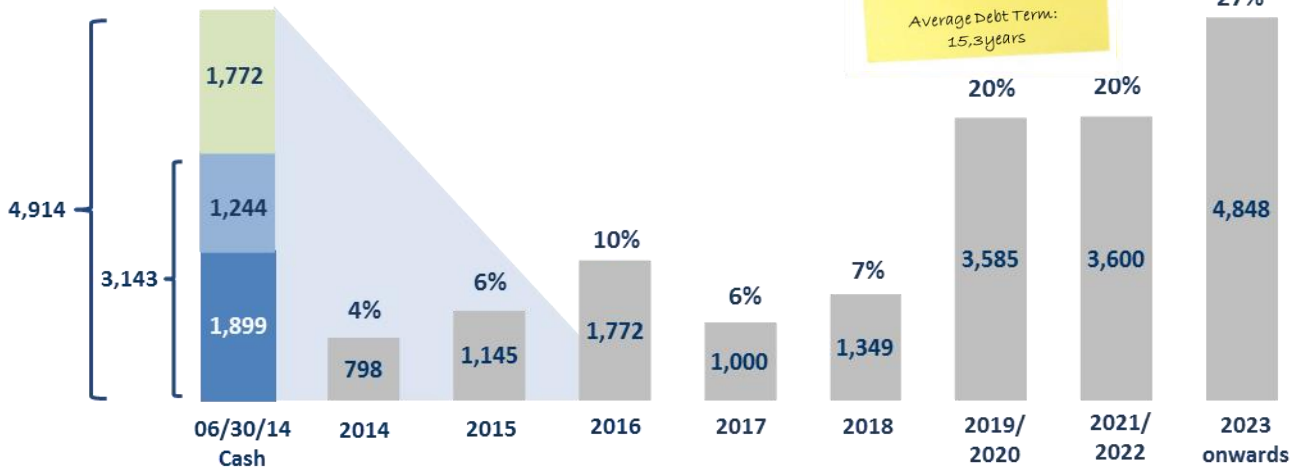
**Amortization Schedule (1)
(R\$ million)
06/30/2014**

Braskem
(06/30/14 - R\$ million)

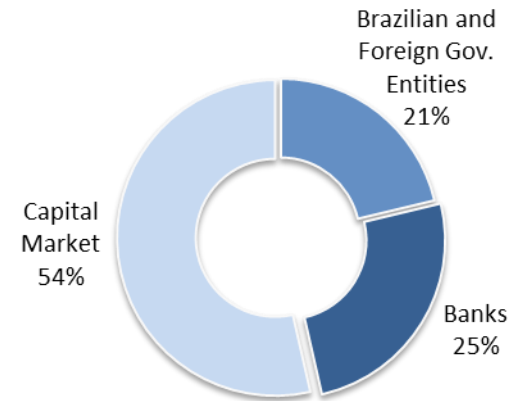
Gross Debt:
R\$ 17,812

Net Debt:
R\$ 14,669

Average Debt Term:
15.3 years



Diversified Funding Sources



⁽¹⁾ Does not include transaction costs

Net Debt / EBITDA (US\$)

US\$ million	2Q14	1Q14
Net Debt ^(a)	6,660	6,615
EBITDA (LTM)	2,426	2,431
Net Debt/EBITDA	2.73x	2.71x

Braskem Rating – Global Scale

Agency	Rating	Outlook	Date
Fitch	BBB-	Negative	10/09/2013
S&P	BBB-	Stable	07/11/2013
Moody's	Baa3	Negative	04/24/2013

^(a) It does not include the financial structure of the Mexico project

Growth projects

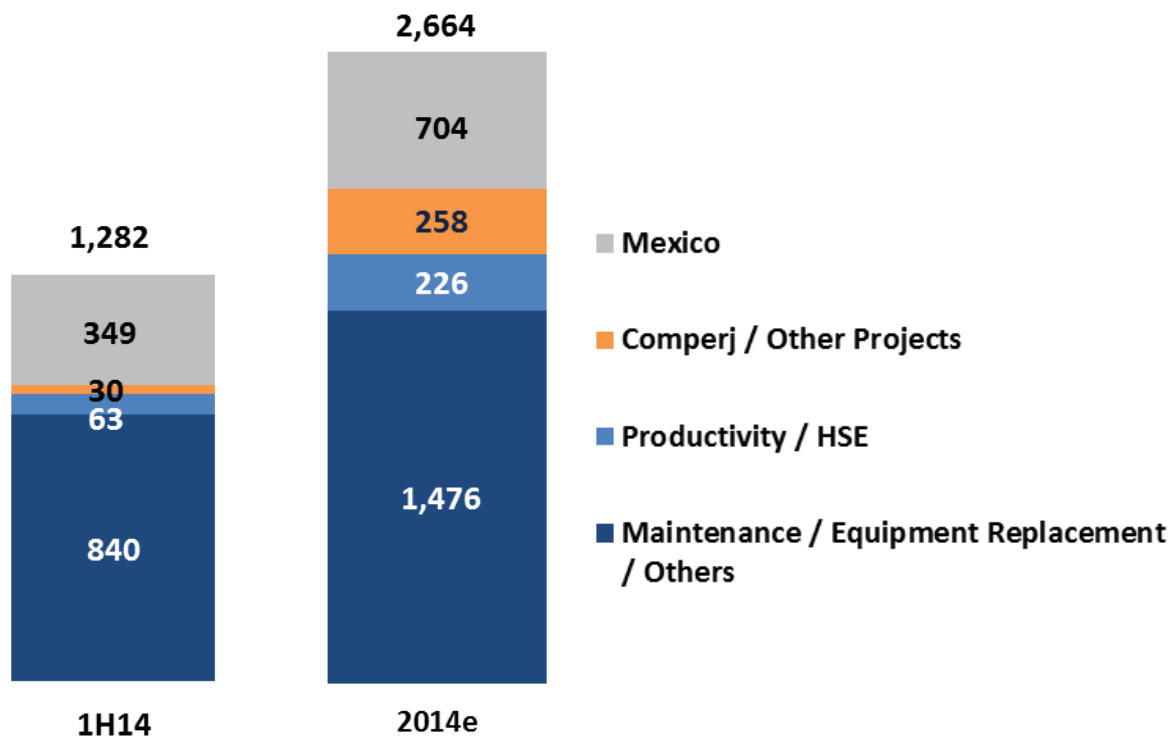
Expansion and diversification with competitive feedstock

- ▶ Mexico Integrated Project:
 - Project has reached **75%** of **physical completion**;
 - Accumulated investment of US\$ 3.2 billion until 2Q14;
 - *Project finance*: US\$2.5 billion;
 - Pre-marketing sales have already reached close to 200 clients.
- ▶ Ascent Project
 - A new supply agreement was signed with Range. Considering the contract already signed with Antero, close to 50% of the feedstock to the project is already secured.
 - Corporate structure is not defined yet.

Other projects

- ▶ UTEC
 - Braskem announced a project to produce ultra-high molecular weight polyethylene in its La Porte, Texas (USA) site. The resin, commercially known as UTEC, uses 100% Brazilian technology and has applications in many industries.
- ▶ Capacity expansion in the U.S.
 - As a result of its investments in maintenance and improvement of the operational efficiency of its assets, Braskem increased its annual PP capacity at its site in Seadrift, Texas (USA) by 40 kton to 225 kton.

R\$ million



- In the first half of 2014, Braskem made operational investments of **R\$1,282 million**:
 - R\$840 million** was allocated to maintenance, reflecting, part of the disbursement for the scheduled maintenance shutdown at Triunfo cracker.
 - R\$349 million** was allocated to the construction of the new petrochemical complex in Mexico.
 - Start of the investment to convert and expand the polyethylene production in Bahia (R\$8 million).

Perspectives and priorities

Scenario

- Expected growth of the global economy in 2014 was revised downward to 3.4%.
- Petrochemical spreads are in line with the last quarters.
- Slower growth of the Brazilian economy. In 2014 the GDP is expected to grow close to 1.0%.

Braskem's Priorities

- Renewal of the naphtha supply contract.
- Making progress on formulating an industrial policy for the petrochemical chain that continues to make the industry more competitive.
- Conclusion of the acquisition of Solvay Indupa.
- Increasing the competitiveness of Braskem's feedstock by reducing costs and diversifying sources.
 - Mexico project: advancing in the construction and continue to expand its pre-marketing activities.
 - Ascent project: to define the corporate structure and feedstock supply.
- Maintaining liquidity levels, cost discipline and financial health.



Braskem

2Q14 Earnings Conference Call

São Paulo, August 08, 2014

