



Conference Call 4Q11 and 2011 Results

Braskem
New ways to look at the world

Investor Relations
São Paulo, March 15, 2012

Forward-looking statements

This presentation contains forward-looking statements. These statements are not historical facts and are based on management's objectives and estimates. The words "anticipate", "believe", "expect", "estimate", "intend", "plan", "project", "aim" and similar words indicate forward-looking statements. Although we believe they are based on reasonable assumptions, these statements are based on the information currently available to Braskem and are subject to a number of risks and uncertainties.

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Scenario and 4Q11 highlights

Scenario

- ▶ Geopolitical tensions in North Africa and Middle East ⇒ volatility in oil and naphtha prices
- ▶ Deterioration in Europe's sovereign debt crisis and deceleration in world economic growth
- ▶ Contraction in international spreads and reduction in capacity utilization rates

4Q11 highlights

- ▶ Average capacity utilization at crackers of 80%
 - Scheduled shutdown at the Triunfo (RS) site and shutdown anticipation at the Camaçari (BA) site
- ▶ Net revenue of R\$8.7 billion and EBITDA of R\$718 million
- ▶ Acceleration of investments in capacity expansion projects: PVC (May/12) and Butadiene (Jul/12)
- ▶ Mexico Project: earthmoving carried out to prepare for construction of industrial plants
- ▶ Payment of assets acquired from Dow, with the results begun to be consolidated
- ▶ Implementation of federal government's Reintegra program, which creates a 3% rebate on federal taxes to improve the competitiveness of Brazilian exports

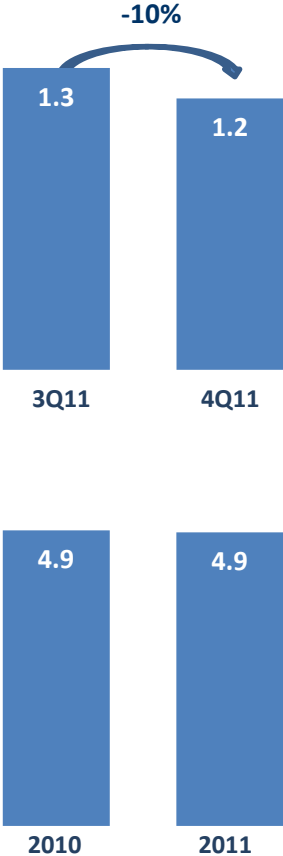
2011 Highlights

Year performance

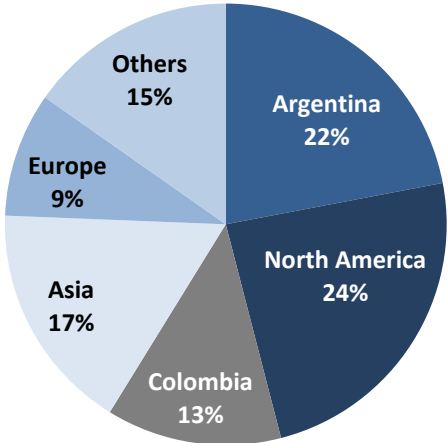
- ▶ Average capacity utilization at crackers of 83%
- ▶ Net revenue of R\$33 billion (US\$20 billion), up 19% (25%) from 2010
- ▶ 2011 EBITDA of R\$3.7 billion, or US\$2.2 billion
 - Power blackout
 - Higher supply of imported goods entering through “subsidized” ports + real appreciation
- ▶ Capture of synergies from Quattor acquisition of R\$400 million in annual and recurring EBITDA, 6% above initial expectation
- ▶ Implementation in second half of program to reduce fixed costs, which neutralized the impacts from IPCA inflation of 6.5%, wage increases and integration of the new assets
- ▶ Partnership with Basf to supply propylene to the acrylic complex to be built in Bahia
- ▶ Conclusion of 1st phase of engineering project for Comperj
- ▶ Leadership in U.S. polypropylene market
- ▶ Braskem considered investment grade by 3 major risk-rating agencies

Uncertainties related to the global economy and imports limited growth in the domestic resin market

▶ **Brazilian Thermoplastic Resins Market (million tons)**

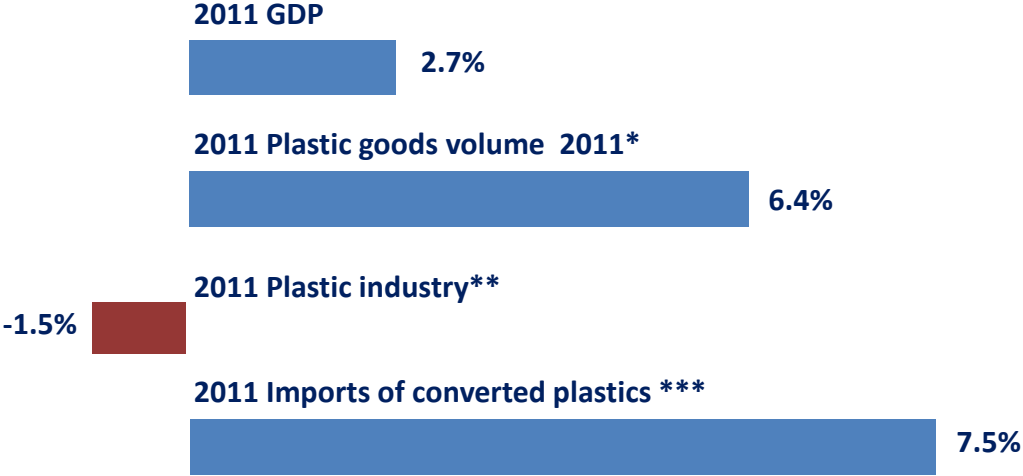


▶ **Origin of Imports (PE+PP+PVC)**



- ✓ Imports accounted for 29% of domestic resin market in 2011
- ✓ Over 60% of imports entered Brazil through “subsidized” ports

▶ **Domestic Consumption growth not captured by Brazilian industry**



Source: IBGE/ Abiplast / Alice / Braskem estimates

* Brazilian demand for plastic goods (apparent consumption)

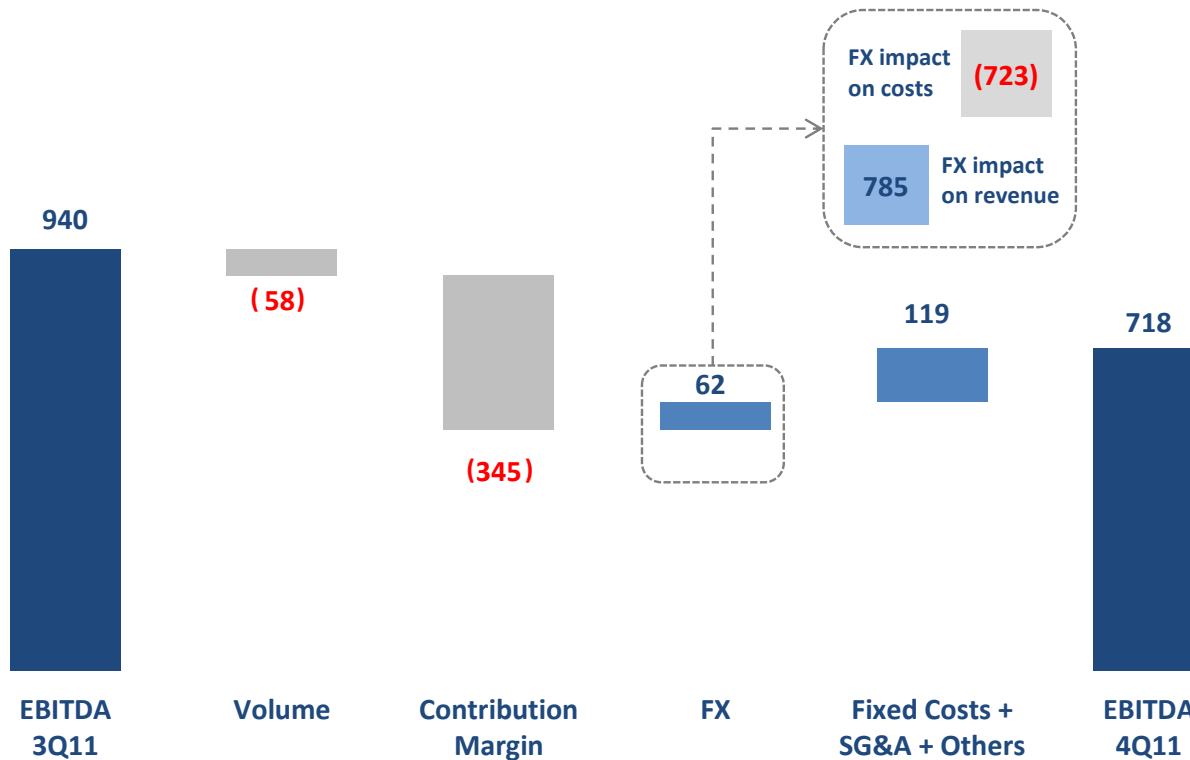
**Production from the plastic industry

***Imports volume of converted plastics

EBITDA Performance – 4Q11 vs. 3Q11

- ✓ EBITDA impacted mainly by the decrease in contribution margin caused by the **lower spreads** in international markets, which were partially offset by **lower expenses**.

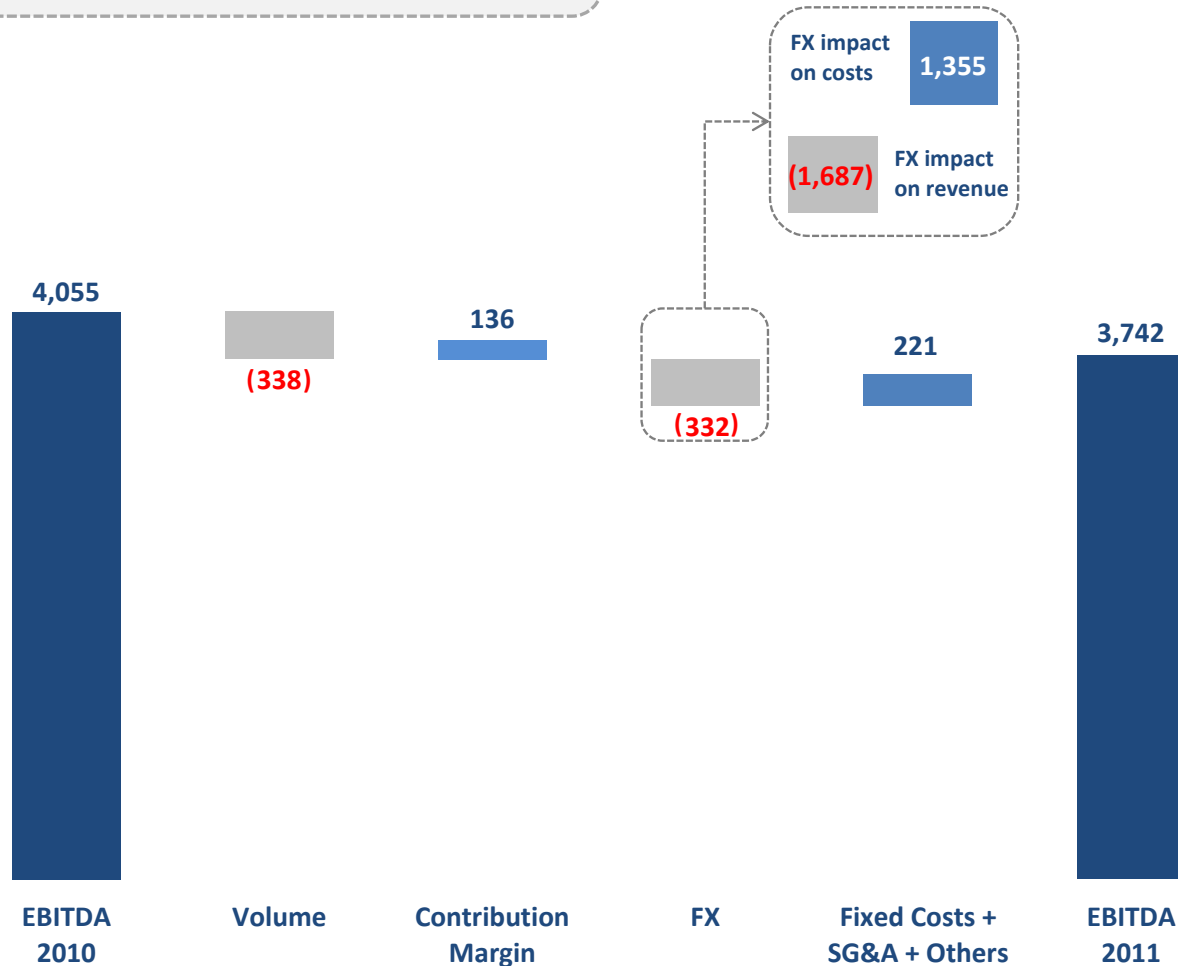
R\$ million



EBITDA Performance – 2011 vs. 2010

✓ The lower sales volume and BRL appreciation were partially offset by the better performance of basic petrochemicals and the reduction in expenses.

R\$ million

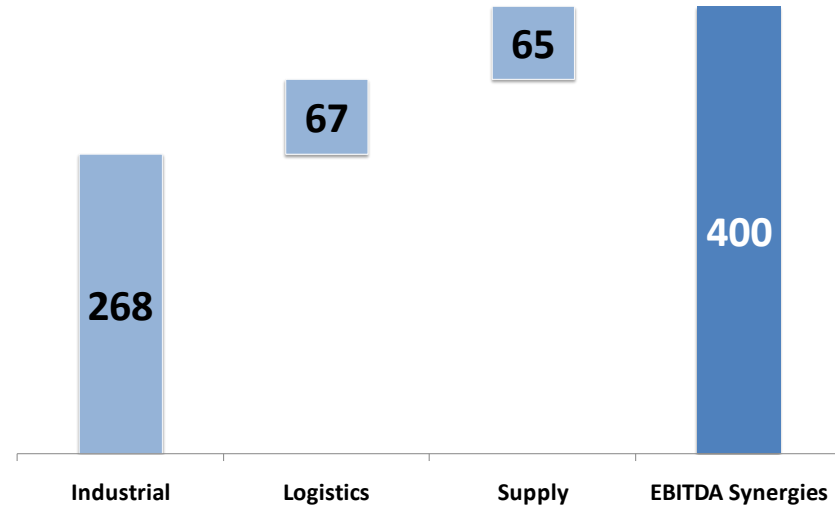


Synergies from Quattor acquisition

In 2011, synergies amounted to R\$400* million, 6% above the estimate of R\$ 377 million

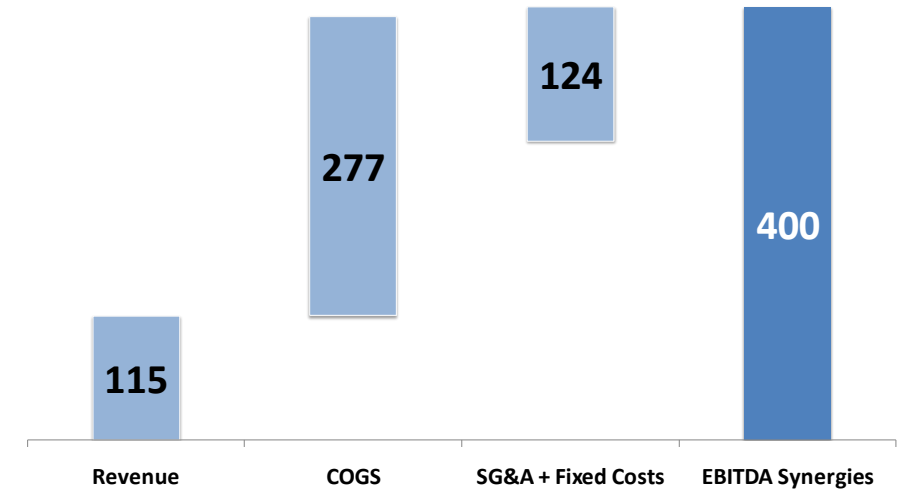
Synergies breakdown

R\$ million



Income statement breakdown

R\$ million



Full synergies of R\$495 million in annual and recurring EBITDA should be captured in 2012

- ✓ Better planning of export activities
- ✓ Reduction in the number of grades
- ✓ Integrated acquisition of feedstocks, such as naphtha and propylene
- ✓ Better integrated planning of petrochemical complexes and 2nd generation plants (thermoplastic resins)

Strategy to lengthen debt profile and strong commitment to maintaining liquidity

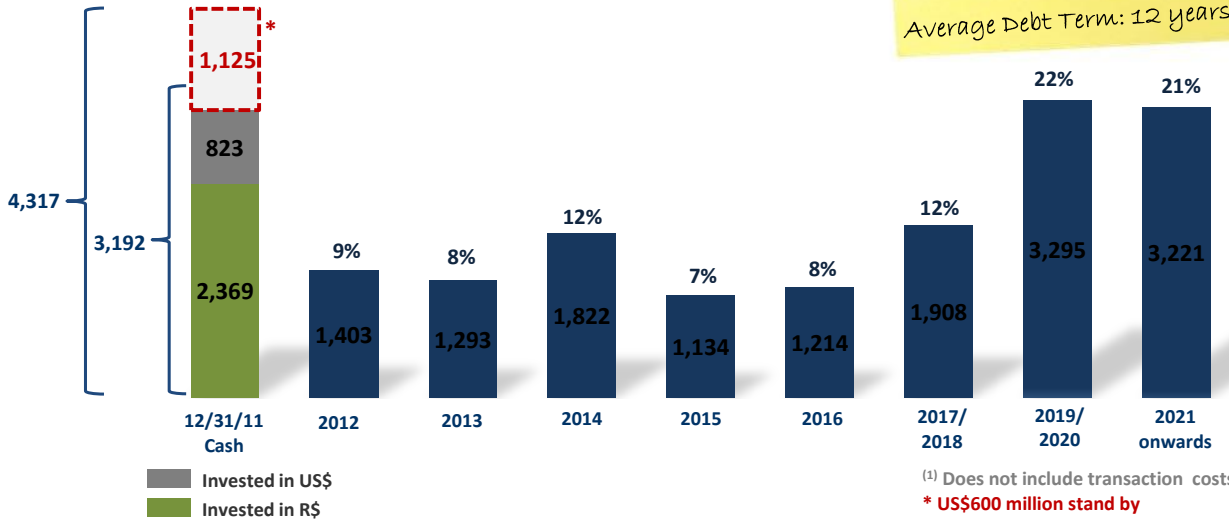
Amortization Schedule⁽¹⁾ (R\$ million) 12/31/2011

Braskem

Gross Debt: R\$ 15,164
63% pegged to USD

Net Debt: R\$ 11,972
73% pegged to USD

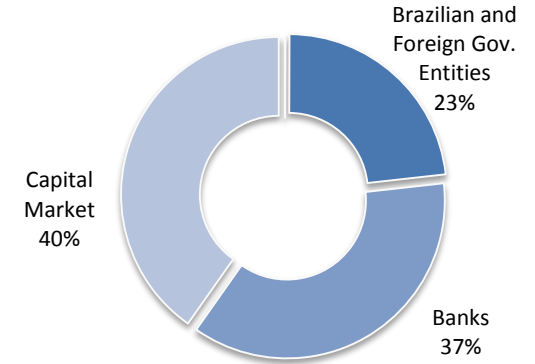
Average Debt Term: 12 years



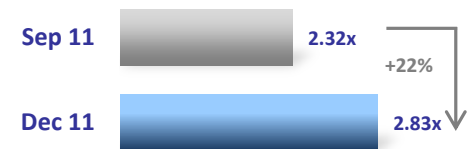
⁽¹⁾ Does not include transaction costs
* US\$600 million stand by

✓ Braskem's high liquidity¹ ensures its cash and cash equivalents cover the payment of obligations maturing over next 29 months

Diversified funding sources



Net Debt/EBITDA (US\$)



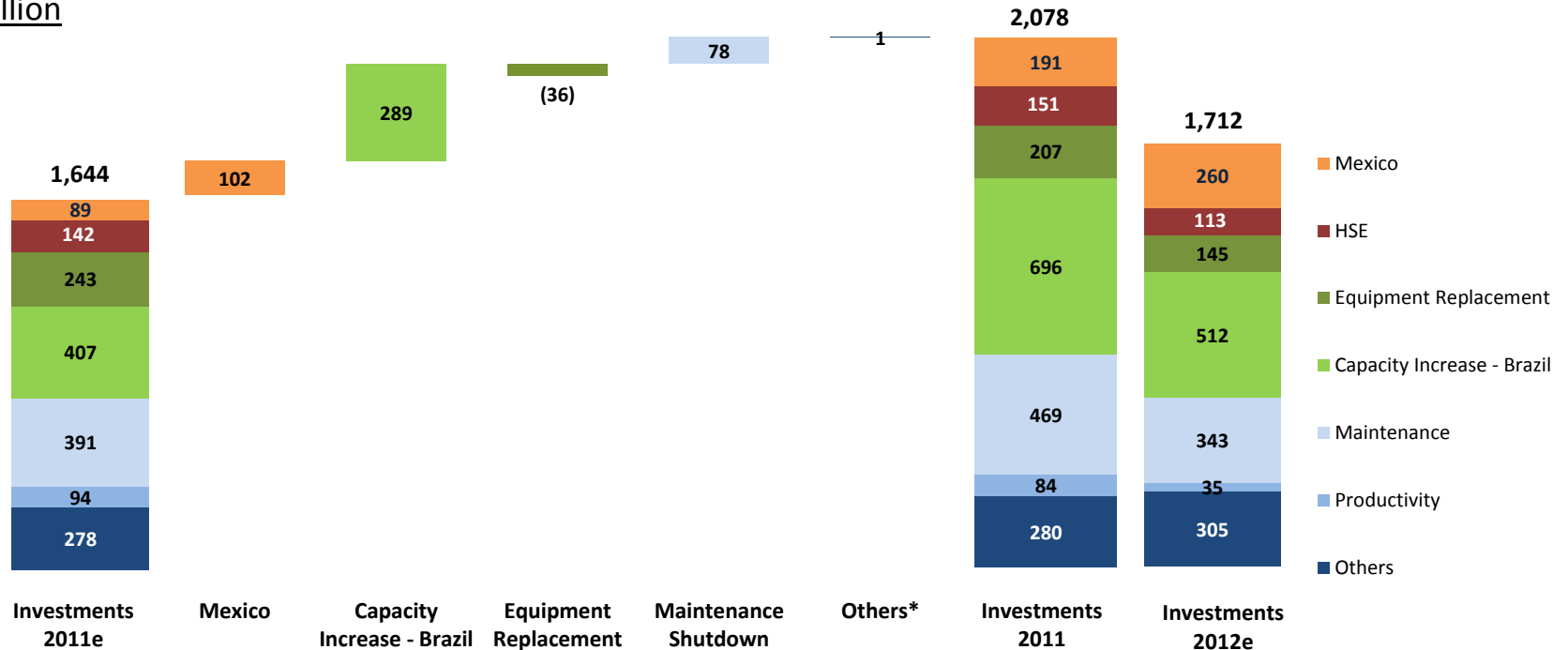
Corporate Credit Rating – Global Scale

Risk Agency	Rating	Outlook	Reviewed on
Fitch	BBB-	Stable	11/01/2011
S&P	BBB-	Stable	03/30/2011
Moody's	Baa3	Stable	03/31/2011

¹ Considers US\$600 million in stand-by loans

Expansion projects and Capex

R\$ million



*Includes HSE, Productivity and Others investments

Main deviations from initially announced 2011 Capex:

- ✓ Investments in **Ethylene XXI - Mexico** project due to the moving forward of earthmoving works and the advances made to acquire equipment with long manufacturing and delivery lead-times;
- ✓ Acceleration of **PVC** and **Butadiene** capacity expansion projects, in line with the Company's strategy to **add value** to existing streams;
- ✓ Higher spending on **maintenance**, due to the unscheduled shutdowns at plants in the Northeast and the moving forward of the scheduled shutdown on one of the lines at Camaçari.

Short-term scenario still challenging

Points of Concern

- Volatility in naphtha and oil prices
- Lack of clear strategy for tackling Europe's sovereign debt crisis and its impacts on world economic growth ⇒ demand for petrochemicals
- Lengthy solution for “subsidized” ports problems

Potential Positive Factors

- Scheduled shutdowns in USA and Asia
- Positive signs from U.S. economy
- Higher economic importance of emerging countries
 - Growing demand for high value added products ⇒ plastics
- Limited addition of new capacities in 2012 and restocking trend in chain could lead to a recovery in petrochemical spreads
- Government committed to increasing the competitiveness of Brazilian industrial producers
 - “Brasil Maior” Plan (Reintegra)
 - Combating imports
 - Measures to control excessive BRL appreciation

2012 Braskem's priorities

- ▶ Strengthening of the partnership with Clients and market share expansion
- ▶ Ending of ports “battle” and development of a Brazilian industrial policy that reinforces the competitiveness of the national petrochemical and plastics chain
- ▶ Expansion of Braskem's competitiveness by capturing identified synergies, reducing fixed costs and maximizing operating efficiency
- ▶ Ensuring delivery of expansion projects on-time and on-cost, adding value to existing streams: PVC (May/12) and Butadiene (July/12)
- ▶ Finalizing project finance structure and advancing construction of Mexican greenfield project, with startup expected in 2015
- ▶ Further progress on engineering studies for Comperj (FEL2) and feedstock definition
- ▶ Increasing Braskem's leadership in renewable chemical
- ▶ Maintaining liquidity and financial health in a scenario of global crisis