

Earnings Conference Call

1Q17

Investor Relations
São Paulo, May 15th, 2017

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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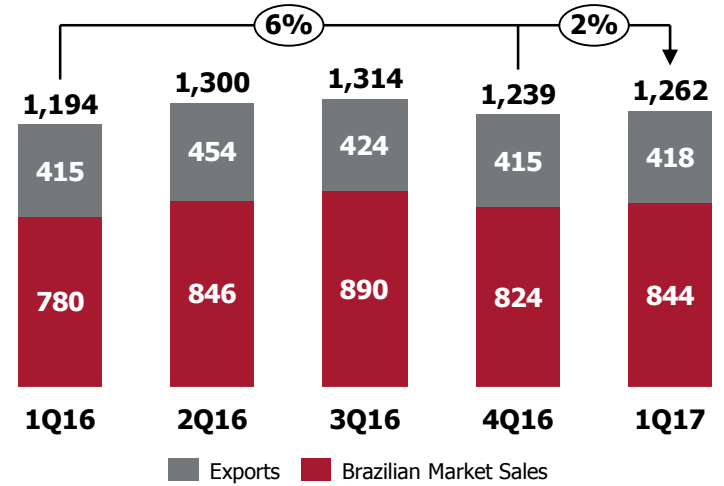
Brazil:

- Crackers operated at an average capacity utilization rate of 95%, up 6 p.p. from 1Q16 and 5 p.p. from 4Q16, reflecting the:
 - good operating performance of all crackers,
 - normalization of operations at the cracker in Bahia following the scheduled shutdown in 4Q16,
 - higher supply of local feedstock in the Rio de Janeiro cracker; and
 - delivery of imported ethane from the United States at the Rio de Janeiro cracker.
- Brazilian demand for resins (PE, PP and PVC) came to 1.2 million tons in 1Q17, growing 5% from 1Q16;
- The Company's market share expanded 2 p.p., with total sales of 844 kton, representing increases of 8% and 2% from 1Q16 and 4Q16
- Exports
 - Resin exports amounted to 418 kton, increasing 1% in relation to both 1Q16 and 4Q16;
 - Exports of basic petrochemicals came to 334 kton, advancing 27% and 23% from 1Q16 and 4Q16, respectively. New record for the Company in the quarter
- EBITDA of R\$2,391 million (US\$761 million) to account for 68% of the Company's consolidated EBITDA from all segments.

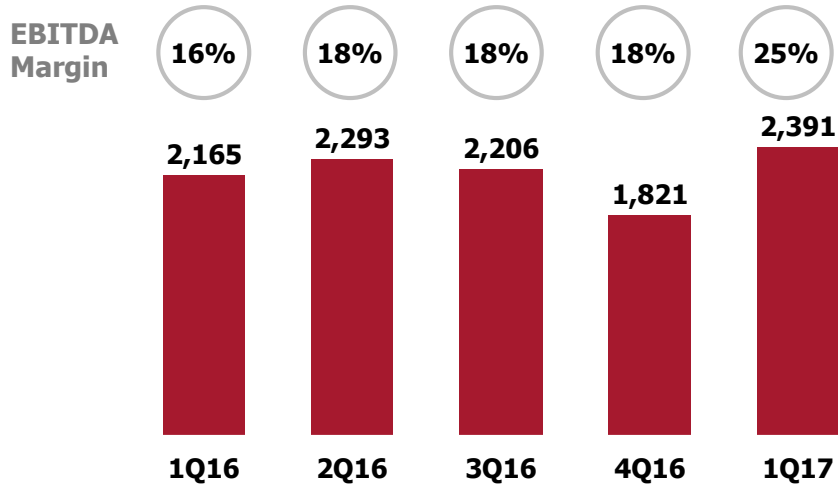
Brazilian Market of Resins (kton)



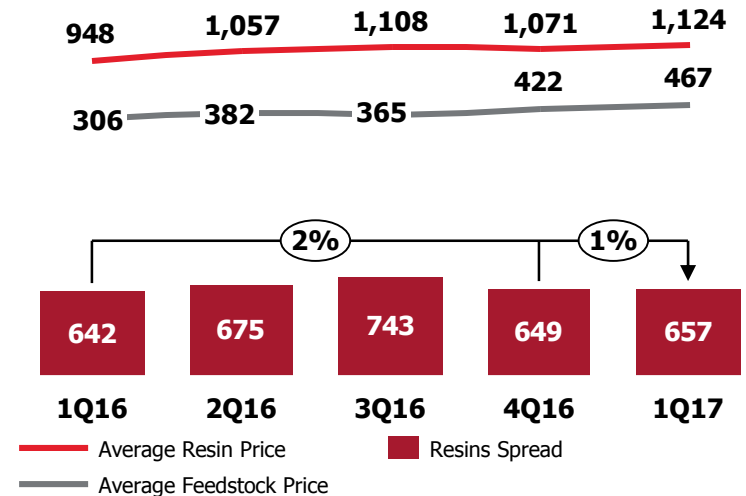
Total Sales – (kton)



EBITDA (R\$ million)



Resins Spread (US\$/t)*



(* Source IHS - 55% PE, 32% PP Asia and 13% PVC Ásia

United States and Europe

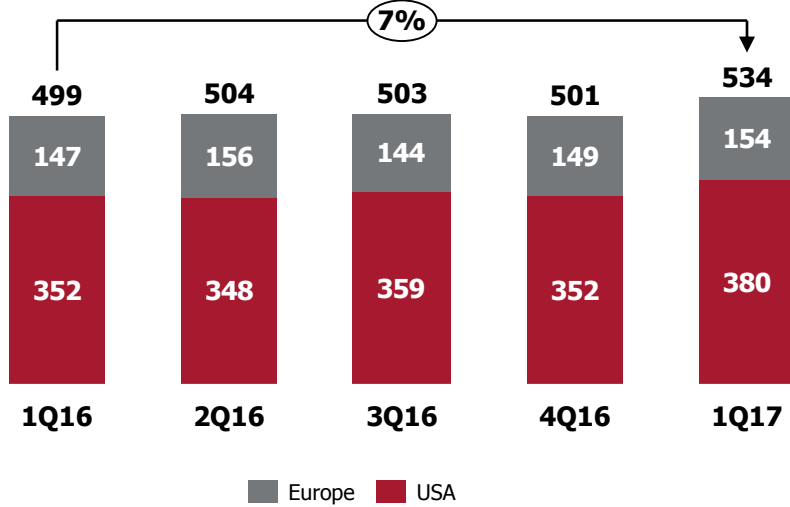
- Capacity utilization rate of PP plants of 101%, increasing 1 p.p. from 1Q16 and 6 p.p. from 4Q16, with the latter increase due to the scheduled shutdown of the Marcus Hook unit in that period;
- Sales: 534 kton, increasing 7% and 6% from 1Q16 and 4Q16, respectively. New record for the quarter;
- EBITDA: US\$188 million (R\$592 million), representing 17% of the Company's consolidated EBITDA from all segments;
- In January, the new plant in La Porte, Texas to produce ultra-high molecular weight polyethylene (UHMWPE) started operating, which will enable Braskem to better serve its clients in North America as well as Europe through exports

Mexico:

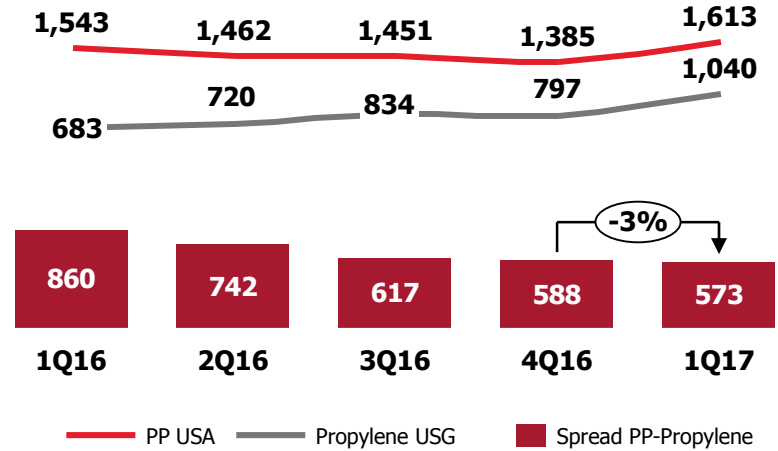
- PE plants operated at an average capacity utilization rate of 97%, 24 p.p. higher than in 4Q16;
- PE production amounted to 250 kton, growing 29% compared to 4Q16, in line with the Company's plans;
- PE sales: 264 kton, 47% sold in the Mexican market;
- EBITDA: US\$171 million (R\$536 million), representing 15% of the Company's consolidated segments.

UNITED STATES AND EUROPE

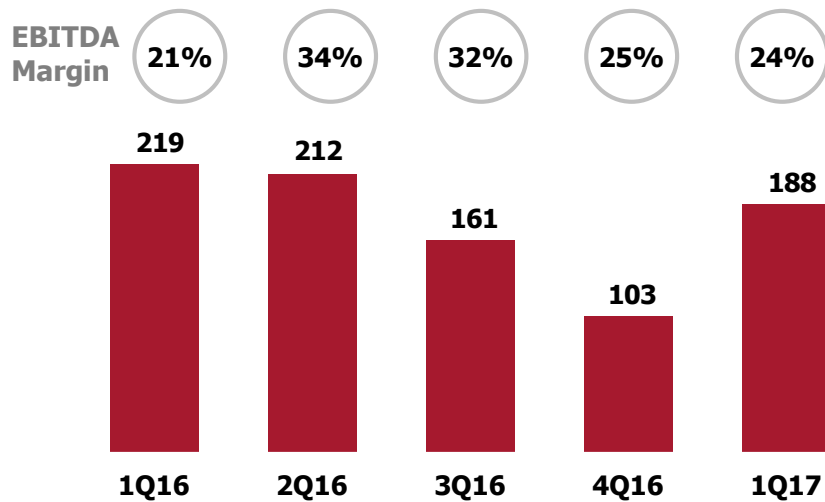
United States and Europe Sales (kton):



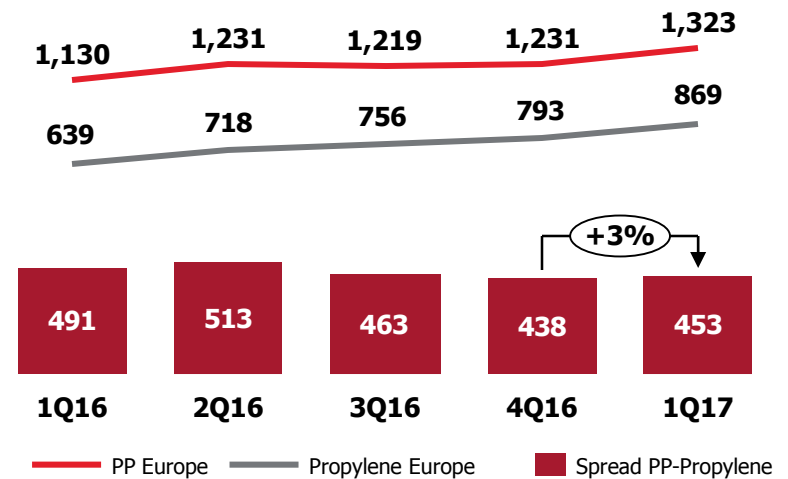
Spread PP USA (US\$/t)



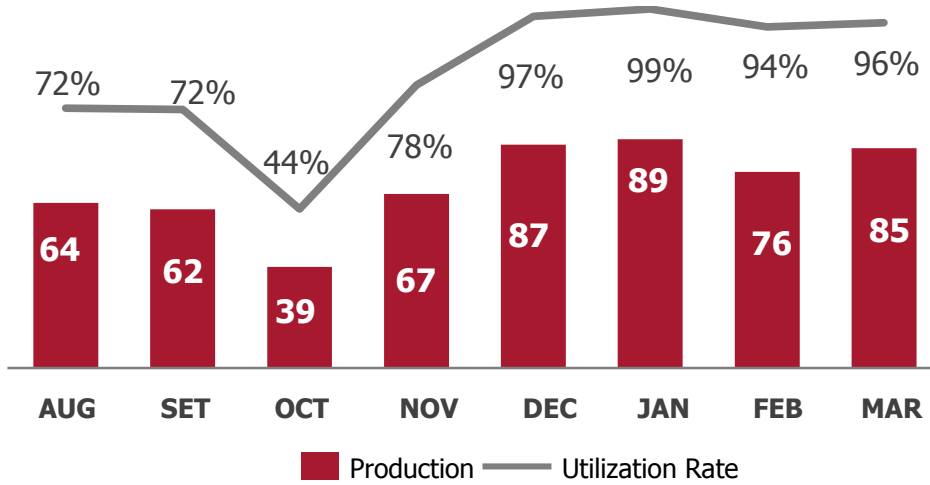
EBITDA (US\$ million)



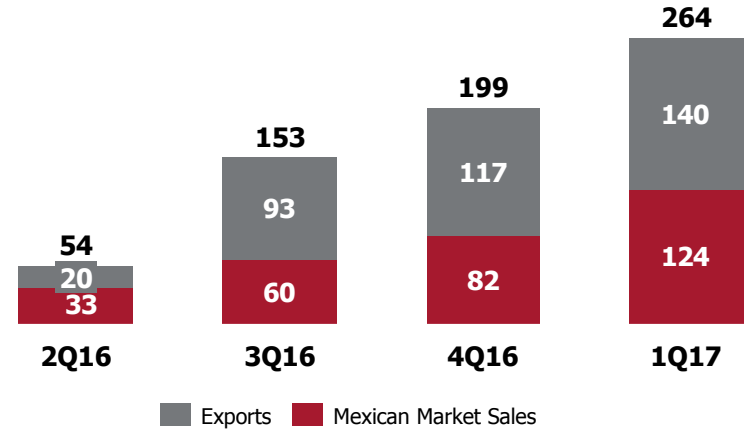
Spread PP Europe (US\$/t)



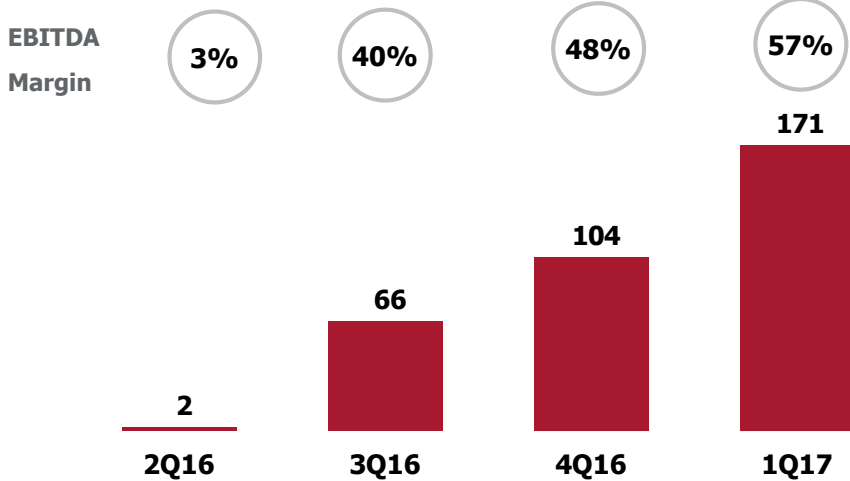
Production (kton) and Utilization Rate (%)



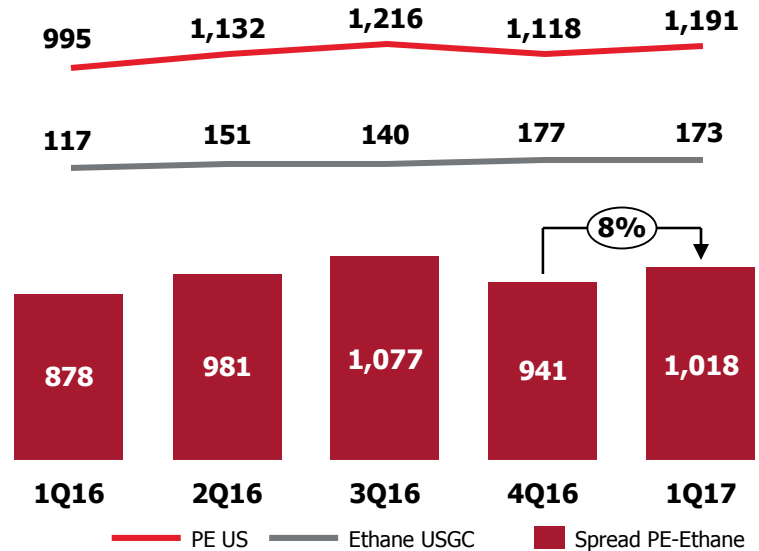
Mexico PE Sales (kton)



EBITDA (US\$ million)



Spread PE Mexico (US\$/t)



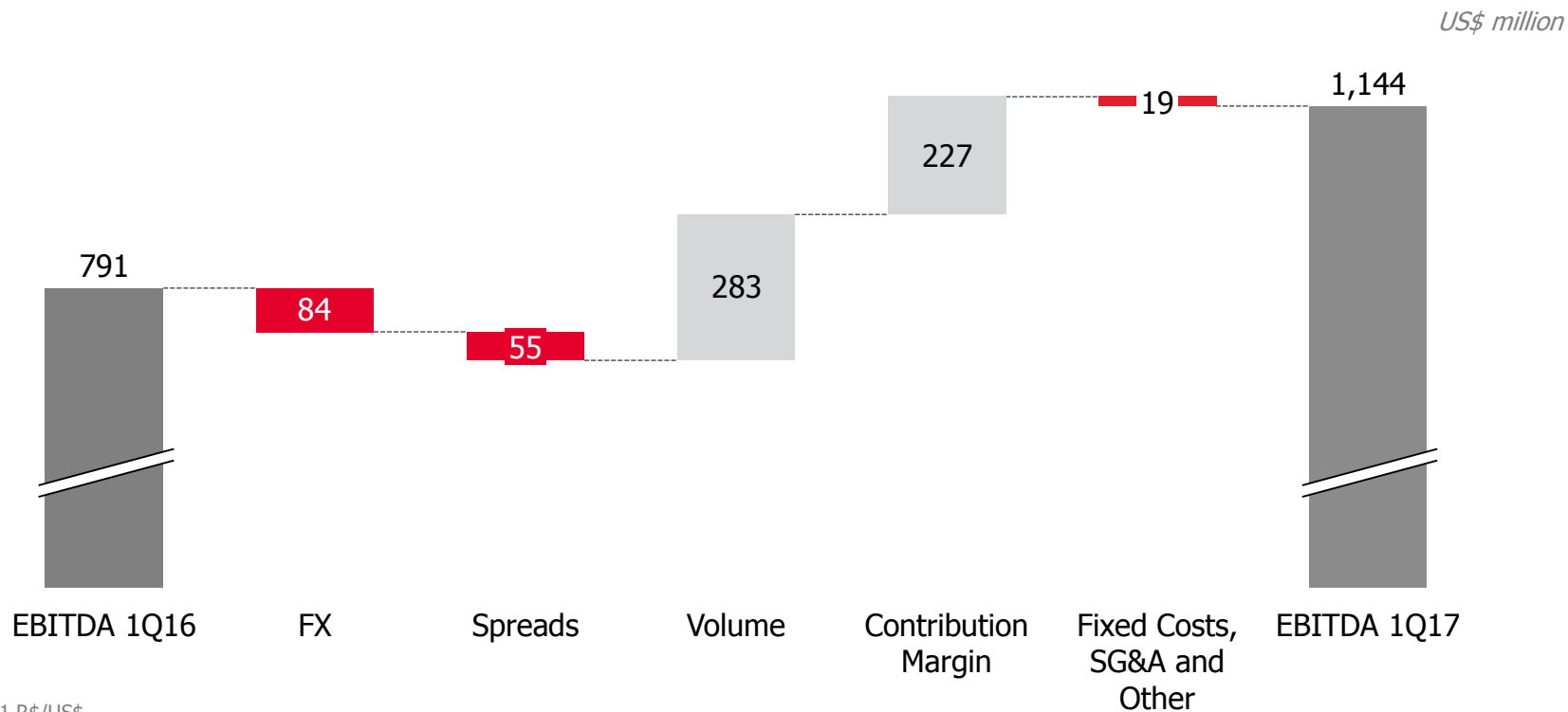
Braskem - Consolidated:

- EBITDA: amounted to US\$1,144 million (R\$3,607 million), advancing 44% from the year-ago period, due to:
 - the increases of 2% in the average international spread for the thermoplastic resins produced by Braskem in Brazil and of 64% in the spreads for basic petrochemicals in the international market;
 - sales volume growth in all segments; and
 - the good performance of the Mexico complex, which in the same period last year was still in the ramp-up phase.
- Consolidated net income of R\$1,905 million and Parent Company net income of R\$1,799 million
 - representing quarterly earnings per share (excluding treasury shares) of R\$2.26 per common share or class A preferred share, and of R\$0.61 per class B preferred share.
- Financial leverage measured by the ratio of net debt to EBITDA in U.S. dollar ended the first quarter of 2017 at 1.57. In Brazilian real, the leverage ratio stood at 1.52.
- In March the Company paid US\$94.8 million referring to the portion of the U.S. Department of Justice (DoJ) under the Global Settlement.

EBITDA 1Q17 vs 1Q16

Braskem's consolidated EBITDA in 1Q17 was US\$1,144 million, advancing 44% on 1Q16:

- Spreads for basic petrochemicals
- Good performance of the Mexico complex;
- All segments sales volume growth

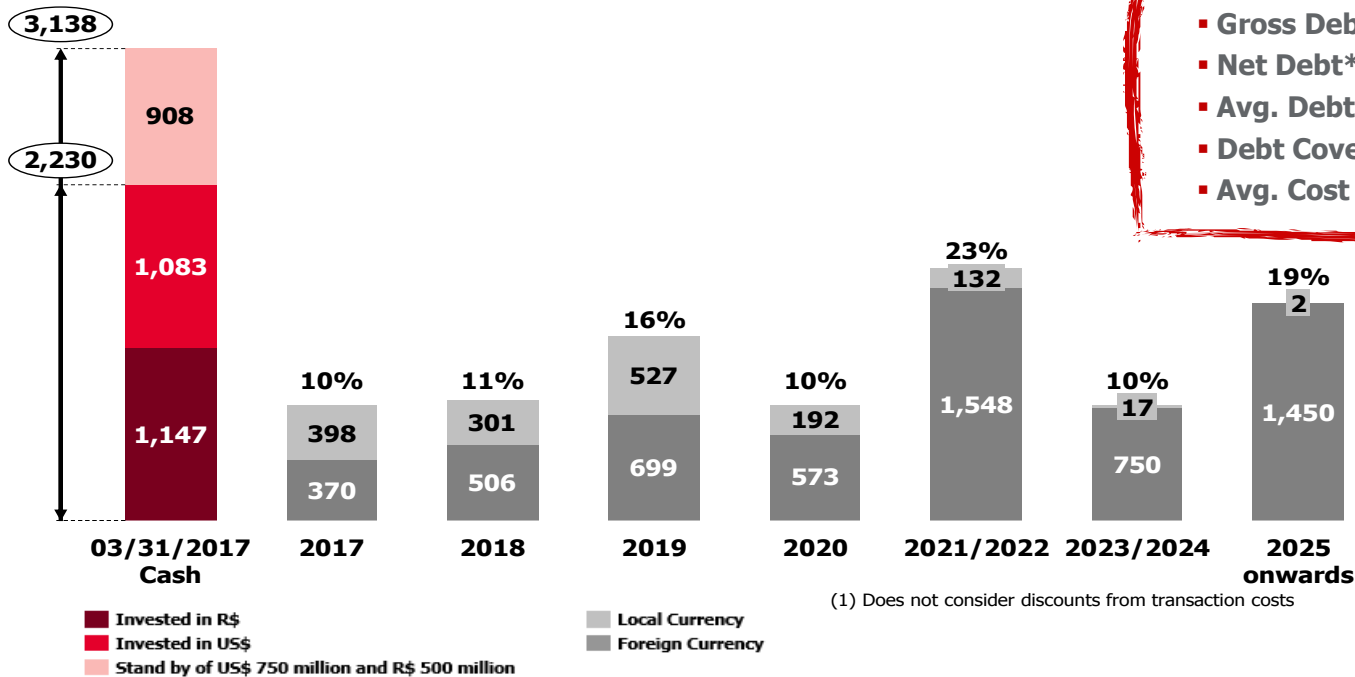


Avg. FX 1Q16: 3.91 R\$/US\$

Avg. FX 1Q17: 3.14 R\$/US\$

AMORTIZATION SCHEDULE AND LEVERAGE

Debt Profile (US\$ million) 03/31/2017¹



- (03/31/2017 – US\$ million)
- **Gross Debt:** US\$ 7,463
 - **Net Debt*:** US\$ 5,233
 - **Avg. Debt Term**:** 17.1 years
 - **Debt Coverage***:** 32 months
 - **Avg. Cost of Debt****:** 5,64% (US\$)

*Does not include the global settlement signed by the Company in December 2016

** Portion of debt in dollars

*** it includes stand bys

**** it considers debt in reais swapped to USD

(1) Does not consider discounts from transaction costs

Net Debt / EBITDA (US\$)

US\$ million	1Q16	4Q16	1Q17
Net Debt (a)	5,334	5,287	5,246
EBITDA (LTM)	3,120	3,152	3,334
Net Debt/EBITDA	1.71x	1.67x	1.57x
Fine / Global Settlement (b)		875	813
Net Debt/EBITDA	1.71x	1.95x	1.82x

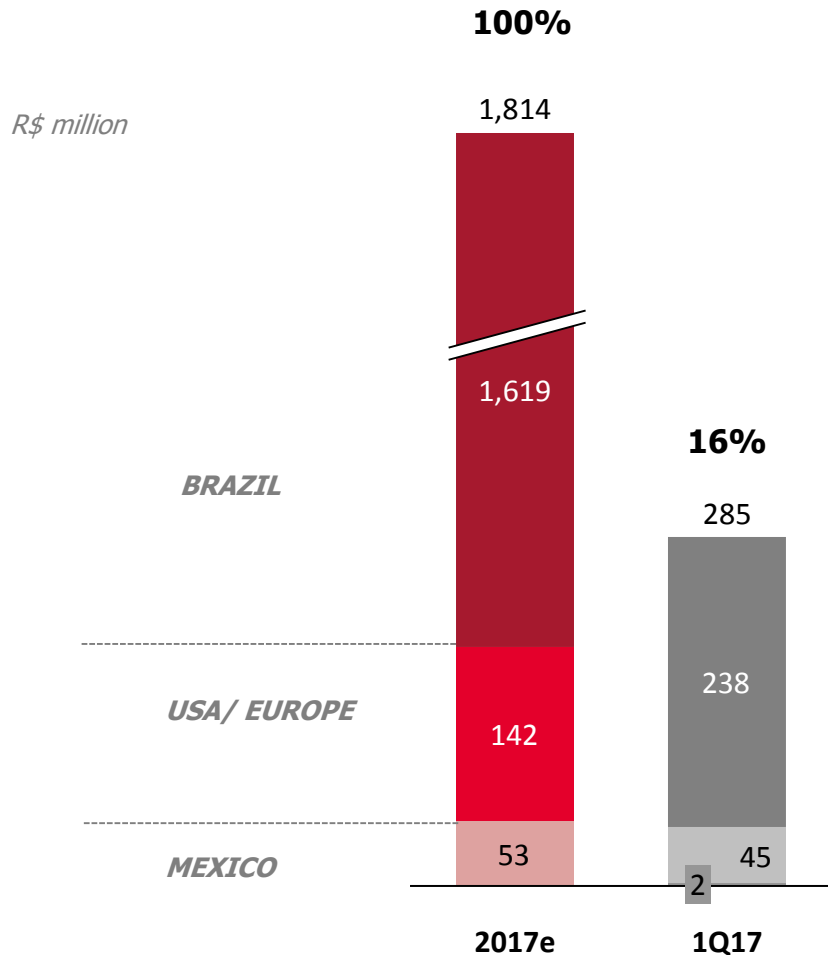
Corporate Credit Rating

Agency	Rating	Outlook	Date
Global Scale			
Moody's	Ba1	Stable	03/17/2017
Fitch	BBB-	Stable	09/30/2016
S&P	BBB-	Negative	04/27/2017

(a) Does not include the financial structure of the Mexico Project

(b) Face Value of USD 957 million, with accounting updated of 12/31/2016

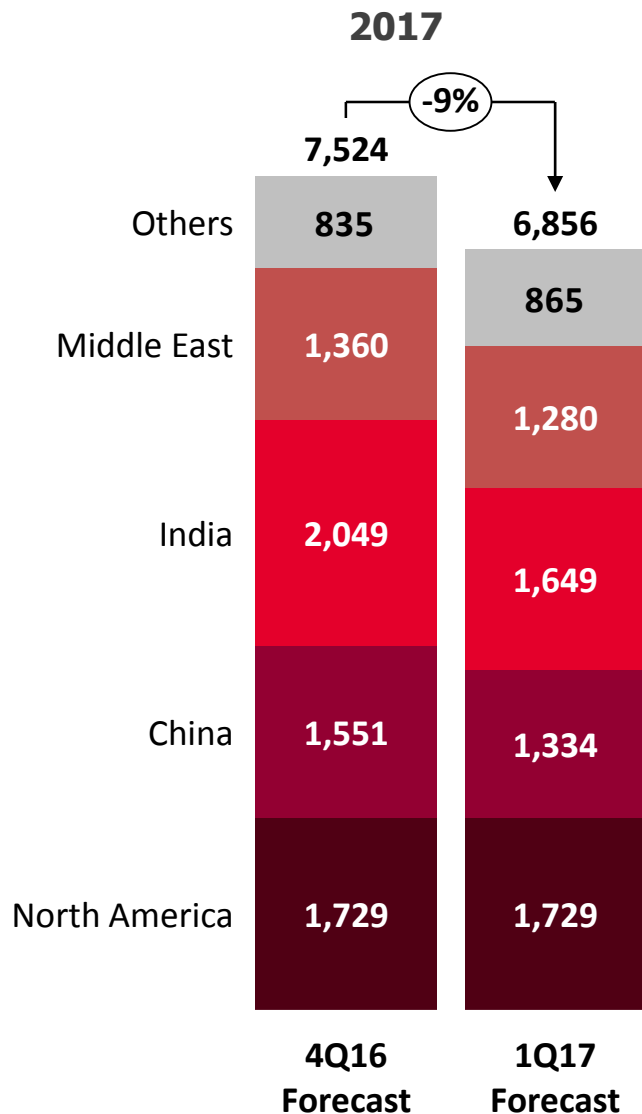
*Considers operational investments, maintenance shutdowns and “spares” of Braskem and its subsidiaries and contributions to the Mexico project.



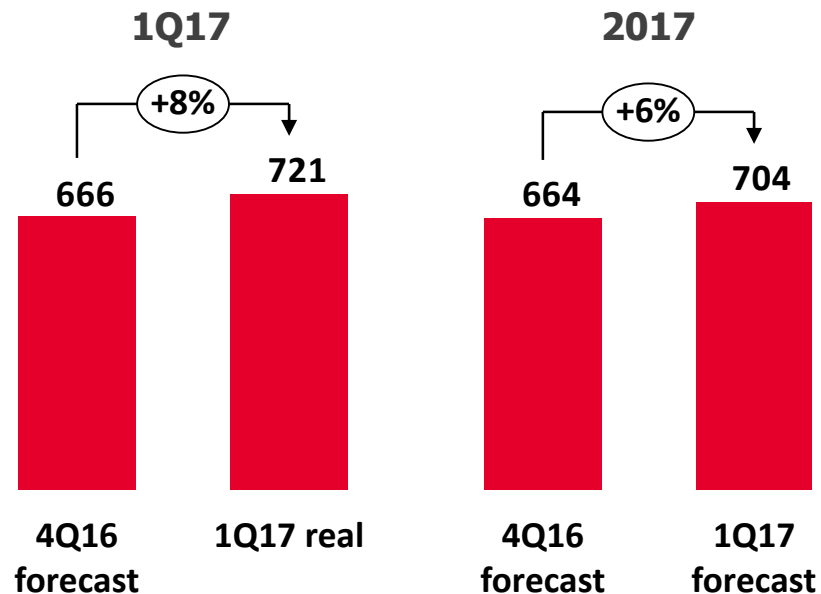
- **In 1Q17, Braskem’s units in Brazil, the United States and Europe made 16% of the total investments planned for the year.**
 - **Brasil** The investment of R\$20 million in strategic projects refers to the project to diversify the feedstock profile of the cracker in Bahia, which already reached 39.2% completion in 1Q17, with startup slated for the second half of 2017.
 - **United States and Europe** units, of the US\$8.7 million (R\$27.2 million) refers to expenses with studies for the project to build a new PP plant in the United States.

PE EXPANSIONS AND SPREADS

PE Capacity Expansions



PE-Naphtha Spreads Forecasts



Spreads are forecasted to **be higher than what was expected** in the last quarter, due to PE/Ethylene project delays:

- ▶ **India's** 1,050 kt/y PE plant and petrochemical complex was supposed to be commissioned by the 1Q17, but was postponed to later this year.
- ▶ **China's** 1,000 kt/y naphtha cracker and 700 kt/y PE plant was postponed to the end of the year.

OUTLOOK 9M17 VS. 1Q17

	Brazil		USA/Europe		Mexico	
	1Q17	9M17e	1Q17	9M17e	1Q17	9M17e
Sales in the Domestic Market	<i>In line with 4Q16</i> 	<i>Gradual demand recovery</i> 	<i>Strong and stable demand</i> 	<i>Strong and stable demand</i> 	<i>Net Importer market of PE</i> 	<i>Net Importer market of PE</i>
Petrochemical Spreads	PP PE PVC Basic	PP PE PVC Basic	PP PE	PP	PE	PE
FX	<i>Appreciated Brazilian Real</i> 	<i>Maintenance</i> 	<i>Neutral</i> 	<i>Neutral</i> 	<i>Appreciated Mexican Peso</i> 	<i>Maintenance</i>
EBITDA (US\$/ R\$)						

CONCENTRATIONS

Goals

1 Productivity and Competitiveness

Focus on operational and commercial efficiency seeking competitiveness of the current operation

1st Quartile Operator

2 Feedstock Diversification

Diversification of the raw material matrix, increasing the share of gas in the feedstock profile

< 50% of polymer production from Naptha

3 Geographic Diversification

Expand the global presence outside Brazil with gains in scale in PE and PP

Results of international operations above 50% of consolidated results

Foundation for the Business Conduction

4 Reputation and Governance

Strengthen Braskem's image and reputation through advances in compliance, sustainability, innovation and people management

Recognition as a world leader and national pride in Brazil

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