

## **BRASKEM INITIATES OPERATIONS IN EUROPE AND RECEIVES A VISIT FROM THE MAYOR OF ROTTERDAM**

### ***European base is an important step in the company's international expansion strategy***

Local government and business representatives from the Netherlands are visiting Braskem today to mark the official start of the company's operations in Europe. The visitors are members of a committee, led by the mayor of Rotterdam, Mr. Ivo Opstelten, and the Dutch Consul General in São Paulo, Mr. Marc Vogelaar. Braskem chose Rotterdam as its commercial base in Europe because of its strategic location and the strong support provided by the local and national governments to help international companies set up their operations in the Netherlands. The initiative is an important step in Braskem's process to become more international and is in line with its value-creation strategy.

"Braskem's decision has left us very satisfied and is an important sign of how attractive Rotterdam, in particular, and the Netherlands, as a whole, are for new international investments. This is not only due to the excellent location and infrastructure but particularly to the facilities and flexibility provided to companies," said Mr. Opstelten. Throughout the study and preparation period for the installation of the office, the Dutch authorities, particularly the "OBR" City Development Corporation department, the Port of Rotterdam and mayor's office, provided all the help needed to streamline the process.

Europe is the second-largest destination for Braskem's exports and was responsible for around US\$ 150 million in the first semester of 2006, equivalent to 24% of the company's total exports in the period. "With the start of our operations in Europe, Braskem is taking a decisive step in establishing a platform for growth in Europe, which will allow us to remain closer to our strategic customers in the region, develop the local market and increase the profitability of our operations," said José Carlos Grubisich, chief executive officer of Braskem.

Besides its commercial base in Rotterdam, Braskem will also be able to rely on its product distribution center in Antwerp, Belgium, to improve customer service particularly in terms of supplies and logistics. This strategy will allow the company to supply the local market more efficiently and faster.

Braskem will maintain its own team in the Netherlands, made up of local employees managed by Brazilian executives. This new base will allow the company to strengthen its presence on the European market where it has a growing share with products such as the

**Braskem Idealis®** resin, a high-density polyethylene with differentiated qualities developed for Europe. "We want to expand our customer base in continental Europe and provide products with higher added value and better services, as well as increase the company's exposure on the international market," said Ulisses da Silva, general manager of Braskem Europe.

Braskem, a world-class Brazilian petrochemical company, is the leader in the thermoplastics segment in Latin America and is positioned among the three largest industrial companies of the Brazilian private sector. With 14 industrial plants located throughout Brazil, the company produces 6,0 million tons of thermoplastic resins and other chemical and petrochemical products a year.

27/09/2006

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