

The Braskem logo is displayed in a large, white, sans-serif font. The background of the slide is a dark blue space-themed image with a yellow rocket tube, a periodic table, chemical formulas like CO2, and a scientist's silhouette.

Braskem

New ways to look at the world

Meeting with Investors

4Q10 and 2010 Results

Carlos Fadigas
CEO

Marcela Drehmer
CFO

Sao Paulo, March 22, 2011



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 management and are subject to a number of risks and uncertainties.

The forward-looking statements in this presentation are valid only on the date they are made (December 31, 2010) and the Company does not assume any obligation to update them in light of new information or future developments.

Braskem is not responsible for any transaction or investment decision taken based on the information in this presentation.

Agenda

- ▶ 4Q10 and 2010 Results

- ▶ Growth with Value Creation

- ▶ Petrochemical Industry

- ▶ Outlook and Priorities

Agenda

- ▶ **4Q10 and 2010 Results**

- ▶ Growth with Value Creation

- ▶ Petrochemical Industry

- ▶ Outlook and Priorities

Highlights

- ▶ **Braskem's EBITDA** stood at R\$1.1 billion in 4Q10 with a 14.9 % EBITDA margin

- ▶ **2010 EBITDA** reached **R\$4.1 billion**, up **27%** from 2009
 - **Quattor's EBITDA** increased 78% reaching **R\$1 billion**

- ▶ Braskem's **domestic resins sales** increased **11%**

- ▶ **Net Income** of **R\$1.9 billion** in 2010

- ▶ Distribution of **R\$666 million** in **dividends**

- ▶ Braskem is committed to its financial solidity:

- ▶ Debt **prepayment** and long term bonds issues **lengthened** the average debt term to **12.5 years**

- ▶ **Net Debt/EBITDA** ratio fell from **3.59x** (Dec/09 pro forma) to **2.43x** in Dec/10

- ▶ The Administrative Council of Economic Defense (**CADE**), **approved** without restrictions the acquisition of Quattor

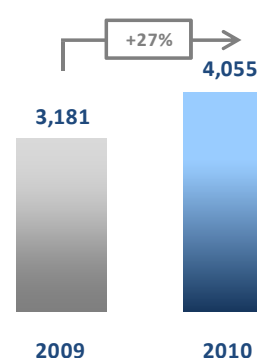
- ▶ **Synergies** from the acquisition are expected to reach **R\$377 million** in annual **EBITDA** for **2011**

- ▶ Ethylene XXI Project – Mexico

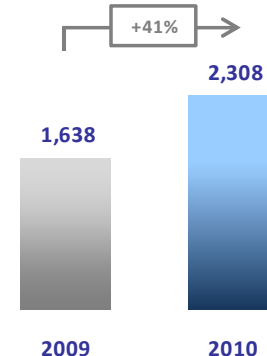
- ▶ Letters of interest to the project finance surpassed its financing needs

- ▶ **Strategic partnership** with Ineos and Lyondell Basell for the use of their **technology** at the **polyethylene** plants

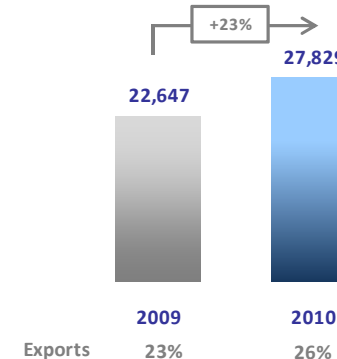
EBITDA (R\$ million)



EBITDA (US\$ million)



Net Revenue (R\$ million)

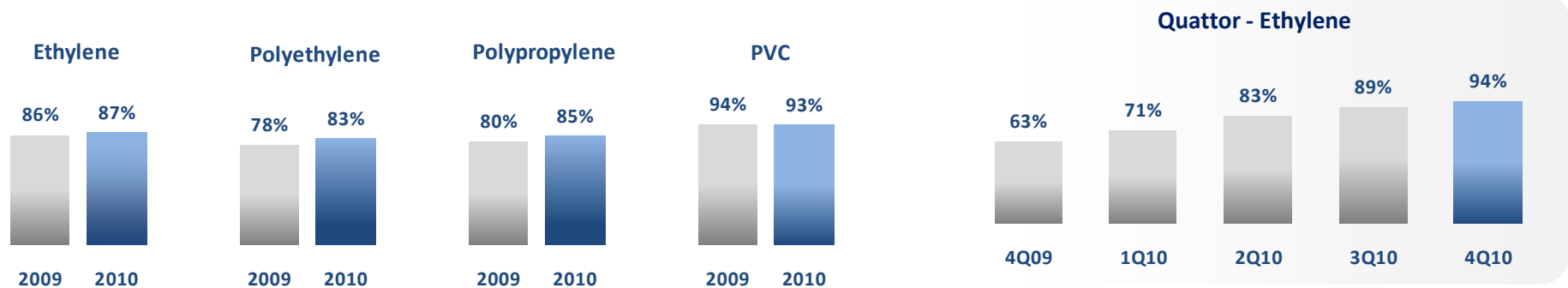


Exports 23% 26%

Capacity utilization rates were positively impacted by the improvement of Quattor's assets

Braskem consolidated operating rates

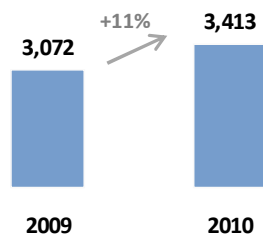
%



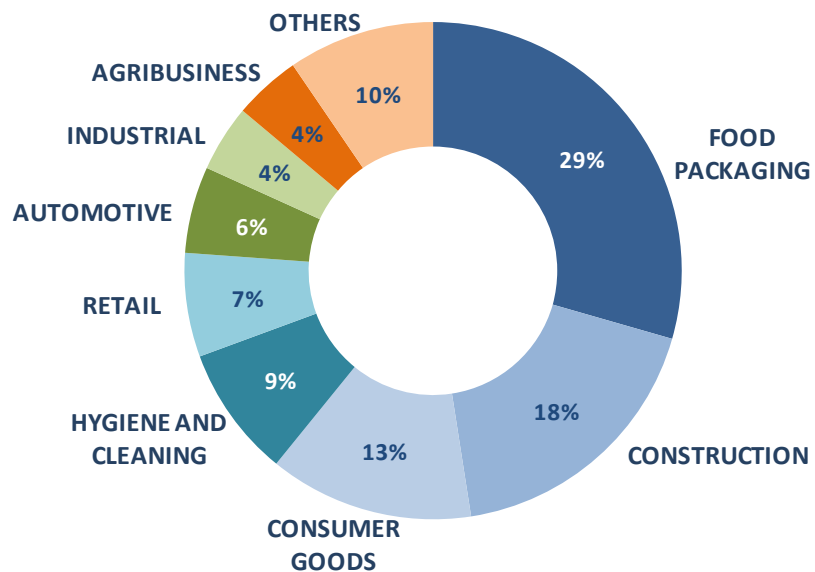
- Raw material supply regularization, in the Southeast and Rio de Janeiro complex, gradually increased the operating rates of Quattor's assets:
 - RJ unit presented a record rate of 93% in the last quarter of the year
- Continuous operational improvement of existing assets (record production rates in the south complex)
- Scheduled maintenance shutdown at Bahia's cracker in the 4Q10 had a higher influence in the PVC production, partially impacting the average operating rate of PE and PP

Domestic market performance

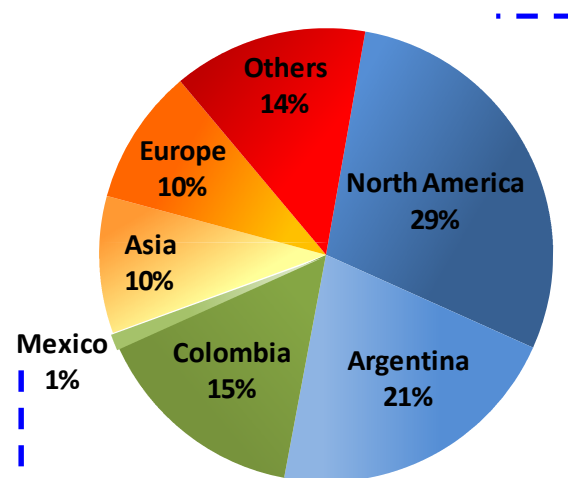
► Braskem's Performance – 2009 Vs. 2010 (Thousand tons)



► Braskem's Sales Profile – 2010



► Origin of Imports in 2010 (PE, PP and PVC)



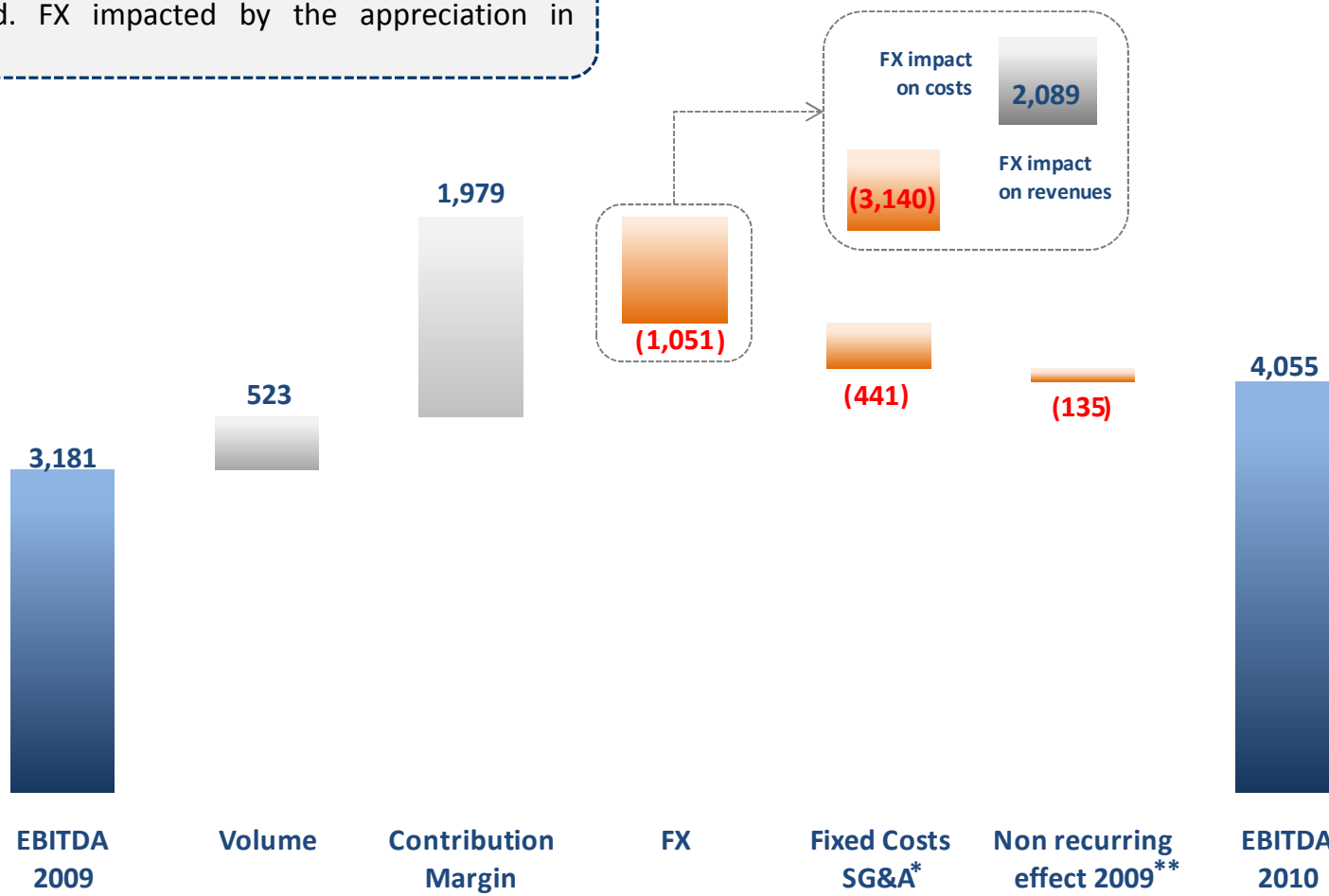
Americas account for 67% of imports

✓ Imports represented 26% of the domestic market

EBITDA performance: 2010 vs. 2009

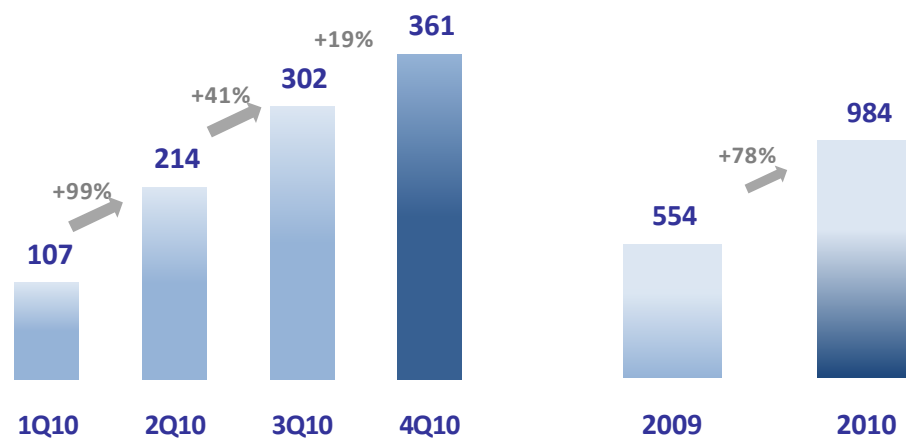
R\$ million

✓ Contribution margin was positive impacted by the higher sales volume and the improvement in resin-naphtha spread. FX impacted by the appreciation in Brazilian real.

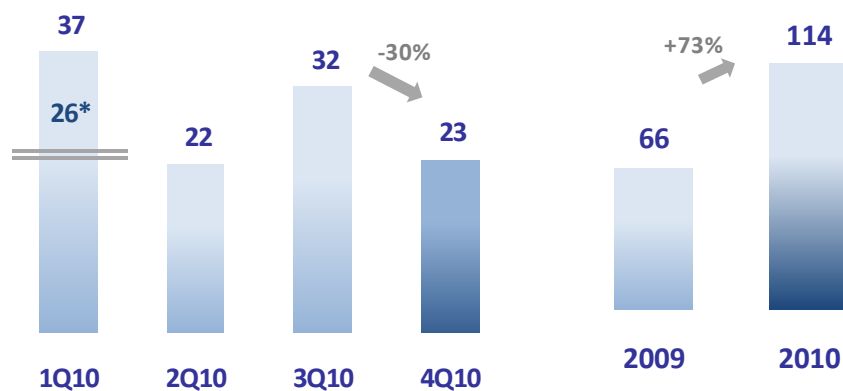


Value creation through acquisitions

Quattor's EBITDA Performance (R\$ million)



Braskem America's EBITDA Performance (US\$ million)

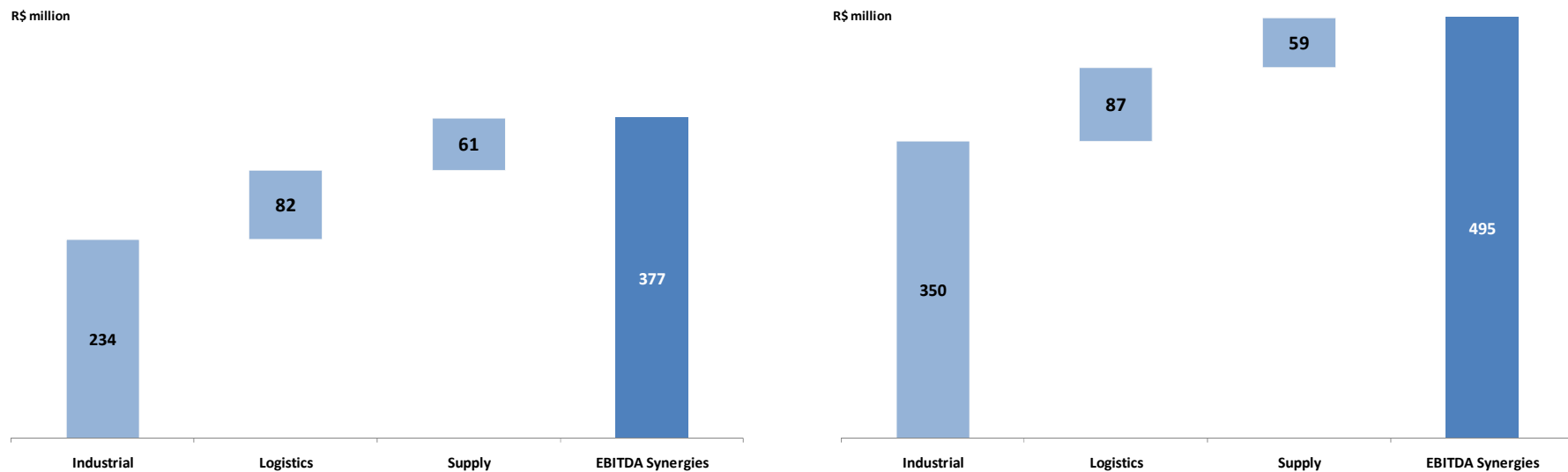


*Excluding the non-recurring positive adjustment in the inventory booking criteria of R\$ 10 MM.

Synergies from Quattor acquisition totaling R\$377 million in EBITDA for 2011

2011 EBITDA*: R\$377 million

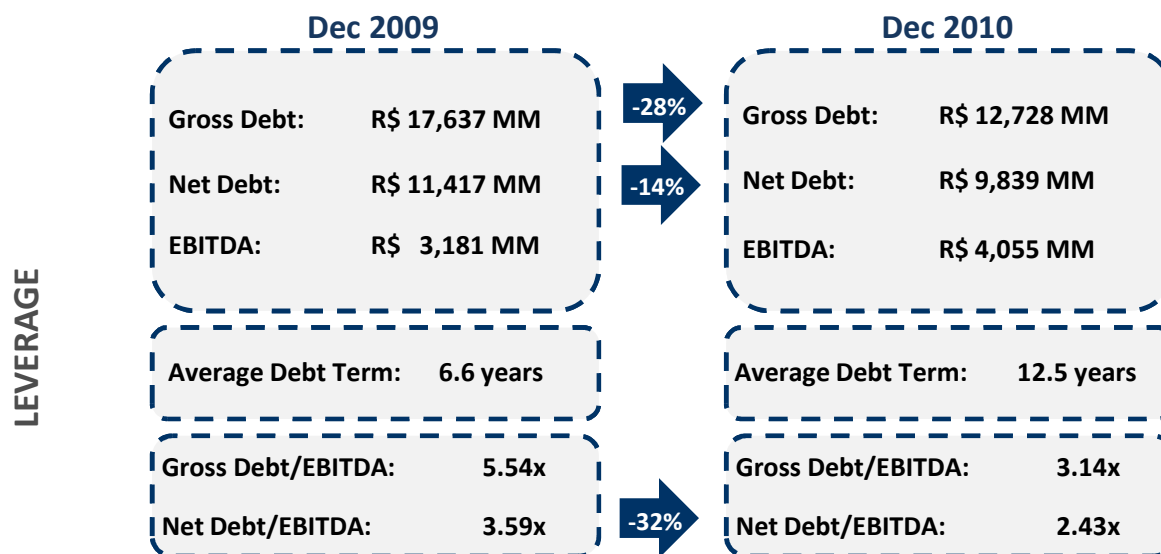
2012 EBITDA*: R\$495 million



Identification of new opportunities, efficient and rapid implementation of initiatives to capture synergies

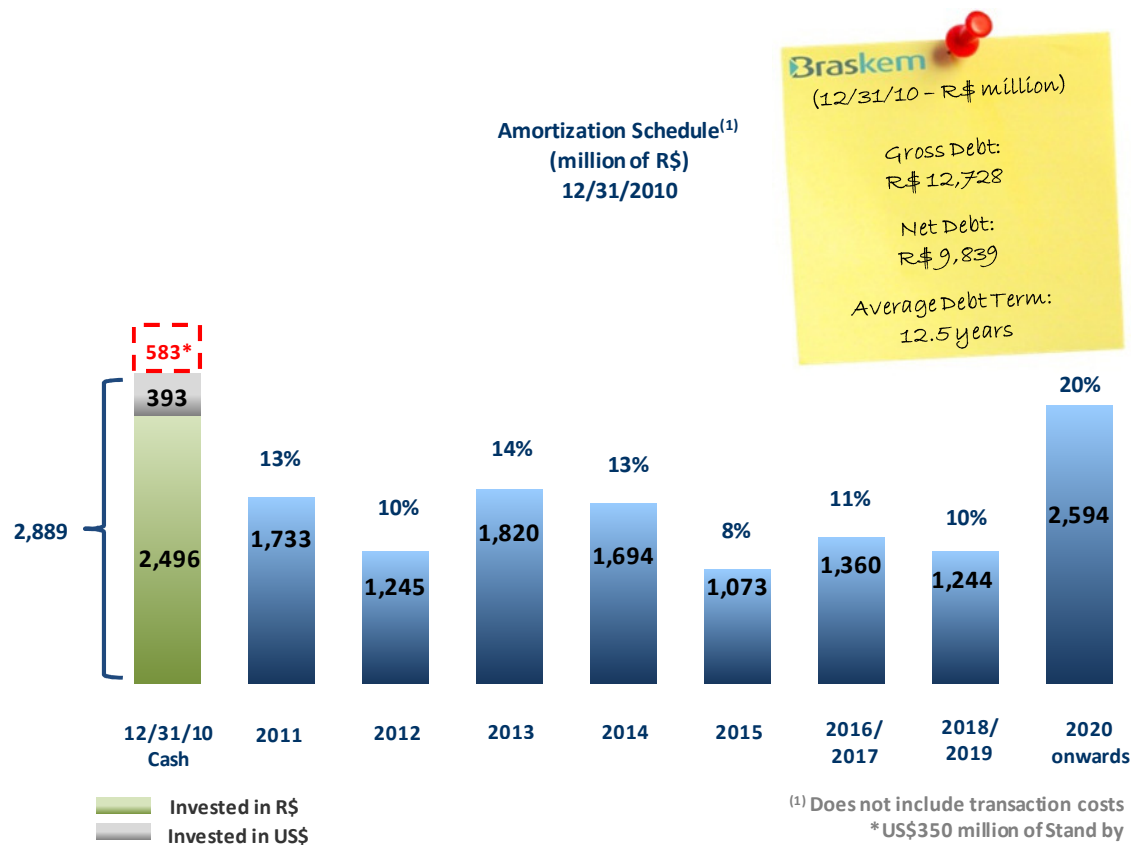
- ✓ Integrated planning for industrial units
- ✓ Centralized maintenance plan assets strategy
- ✓ Optimization of freight and gains in distribution and storage
- ✓ Joint purchase of materials for industrial operations

Indebtedness and leverage decrease



R\$ Million	4Q10 (A)	3Q10 (B)	4Q09 (C)	Chg. (A)/(B)	Chg. (A)/(C)	2010 (D)	2009 (E)	Chg. (D)/(E)
Net Financial Result	(541)	183	(981)	-	-45%	(1,618)	266	-
Foreign Exchange Variation (FX)	106	638	166	-83%	-36%	405	2,782	-85%
Monetary Variation (MV)	(65)	(40)	(140)	63%	-54%	(355)	(511)	-31%
Net Financial Result	(583)	(416)	(1,006)	40%	-42%	(1,668)	(2,005)	-17%

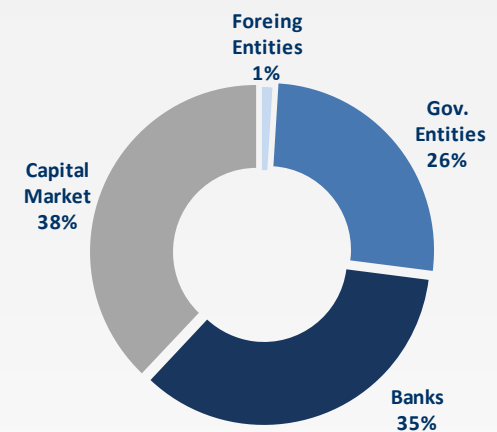
Debt reduction and lengthening the average maturity of debt



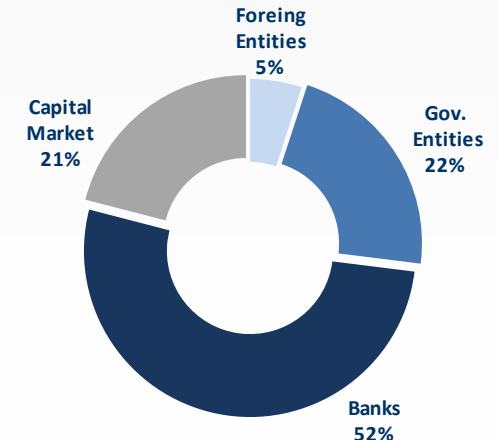
Issue of US\$450 million in perpetual bonds, project finance prepayment and others financing operations lengthened the average debt term to 12.5 years

DEBT PROFILE

2010



2009



→ More balanced source of funds.

Agenda

▶ 4Q10 and 2010 Results

▶ **Growth with Value Creation**

▶ Petrochemical Industry

▶ Outlook and Priorities

Strategic Direction

***“BECOME THE GLOBAL
SUSTAINABLE CHEMICAL
LEADER, INNOVATING FOR
BETTER SERVE THE
PEOPLE”.***



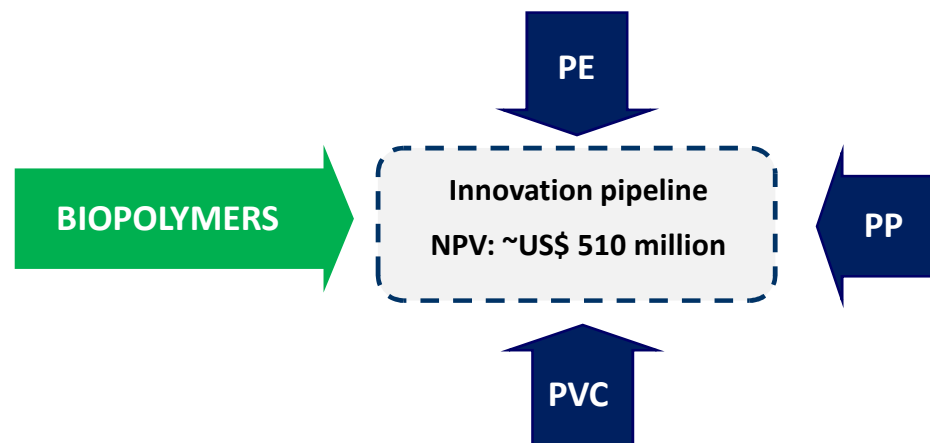
Innovation pipeline: new developments to aggregate further value

Innovation and Technology Center

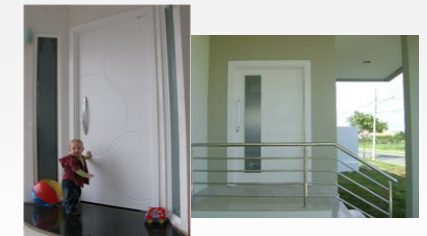
► Strengthening the value chain competitiveness

Structured resource base to support client needs:

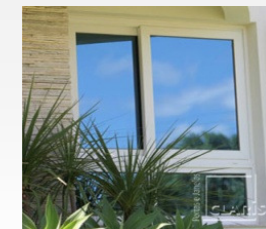
- Over R\$ 330 million in R&D assets
- More than 190 researchers
- 8 pilot plants
- More than 400 patents filed worldwide
- Partnership with universities and R&D centers in Brazil and abroad
- 12% of Polymer Business Unit revenues results from new products launched in the past 3 years



PP
Coffee Bags



PVC
Doors



PVC
Windows

Growth strategy

Increase efficiency and the use of assets in the local market

Brazil

PVC Expansion

- ▶ Startup: May 2012
- ▶ Capacity: 200 kton/year
- ▶ Investment: US\$470 million
- ▶ Disbursement 2011e: R\$380 million
- ▶ Expected NPV: ~US\$450 million
- ▶ Project Financing:
 - ▶ BNDES: up to US\$525 million
 - ▶ BNB: R\$200 million
- ▶ Attractiveness: to supply the increasing Brazilian demand

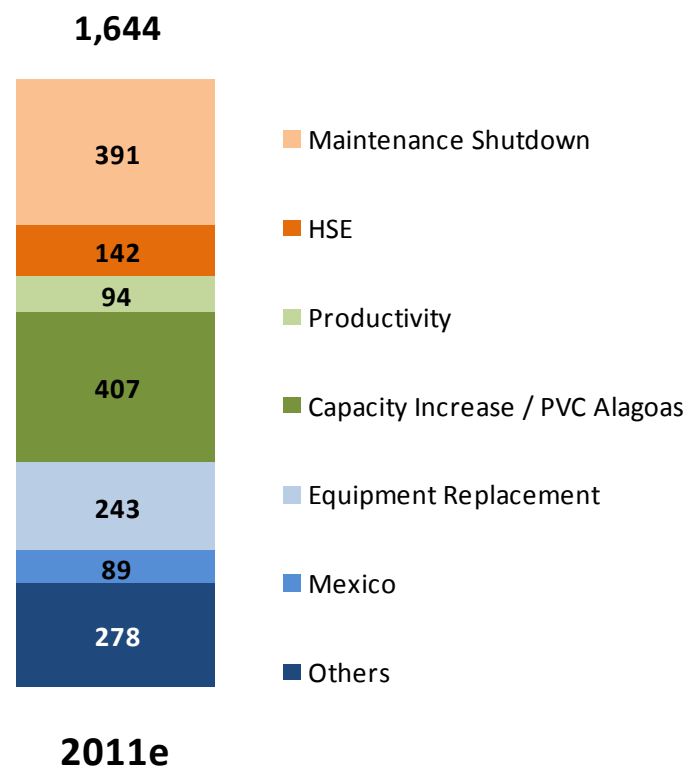
COMPERJ

- ▶ Project configuration and raw material definition together with Petrobras

Brownfield Projects (under review)

- ▶ PE assets: RJ, RS, SP
- ▶ PP assets: SP, BA

Investments (R\$ million)



Growth strategy

On the path to leadership in sustainable chemicals



Green PE 2010

**Braskem becomes
a global leader in
biopolymers**

- ▶ Successful track record for implementing projects: term and costs
- ▶ Capture of 2.5t CO₂/t PE
- ▶ Partnership with Clients



Green PP 2013

- ▶ Innovation in bioplastic market
- ▶ Production integrated with green propylene
- ▶ Capture of 2.3t CO₂/t PP



Development

- ▶ Partnerships for the development of competitive technologies



- ▶ Cooperation agreement with Cenpes (Petrobras Research Center)
- ▶ Development of other cracks streams to sustainable chemicals
- ▶ PE integrated project study



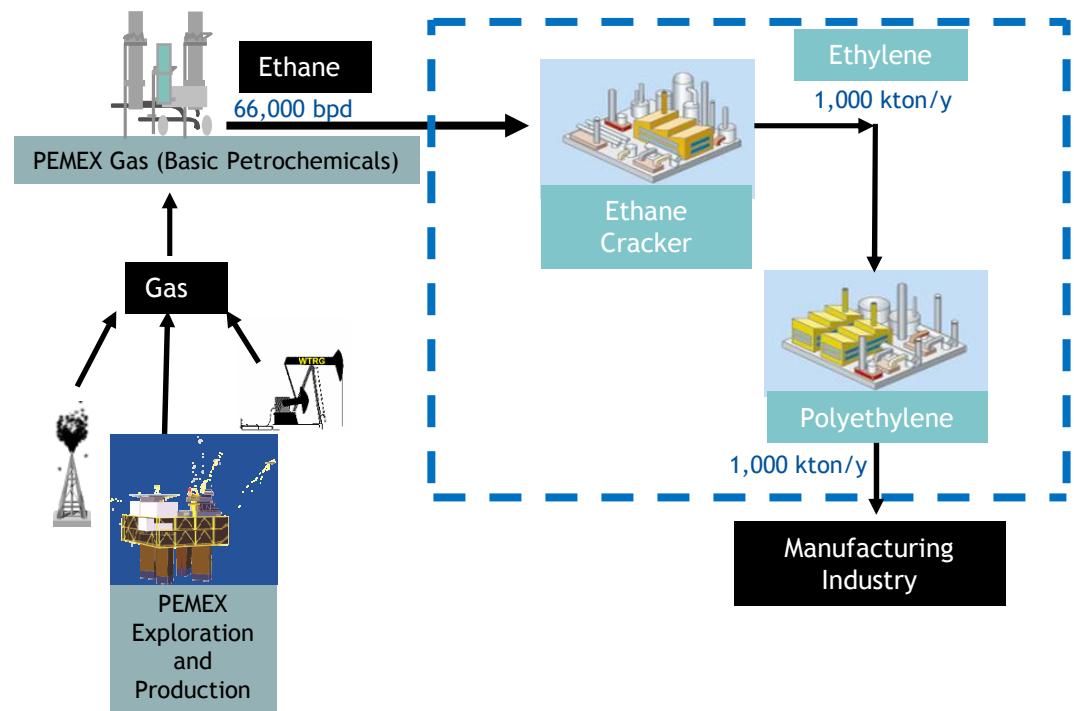
Growth strategy

Projects with competitive raw material

Ethylene XXI Project – JV Braskem and IDESA - Mexico

Characteristics

- ▶ Startup: January 2015
- ▶ Ethane acquisition from PEMEX
- ▶ Integrated project: 1 Mton ethylene and 1Mton PEs
- ▶ Investment: US\$2.5 billion (project finance)
- ▶ Mexico imports 68% of its PE demand (1.8 million ton/year)
- ▶ Financial advisor: Sumitomo Bank
- ▶ Strategic partnership with Ineos and Lyondell Basell for PE plants technologies
- ▶ Structuring of Project Finance: already received US\$5 billion in letters of interest



2011 Focus

- ▶ Selection of the cracker technology
- ▶ Structuring of Project Finance: due diligence, negotiation of financial contracts agreement
- ▶ Studies on environmental impacts and beginning of the process to obtain the construction licenses
- ▶ To finalize the engineering agreement, and the conclusion of the project engineering
- ▶ Definition and negotiation of EPC agreements (Engineering, Procurement and Construction)

Agenda

▶ 4Q10 and 2010 Results

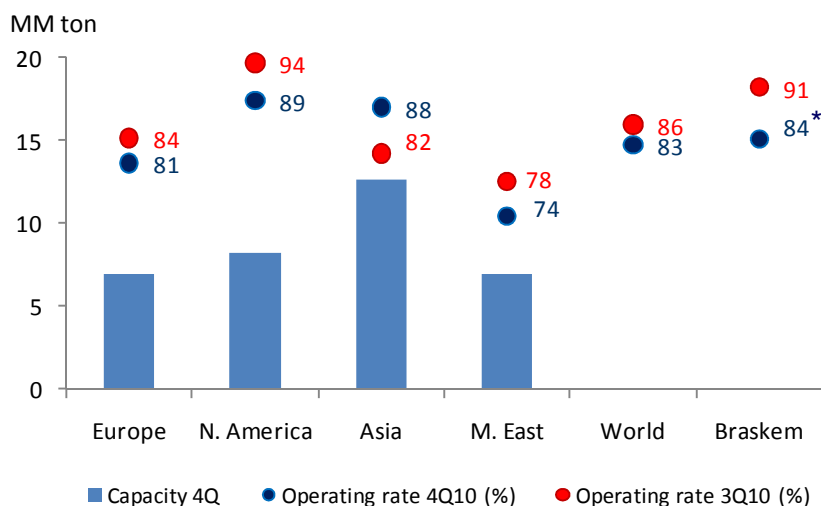
▶ Growth with Value Creation

▶ **Petrochemical Industry**

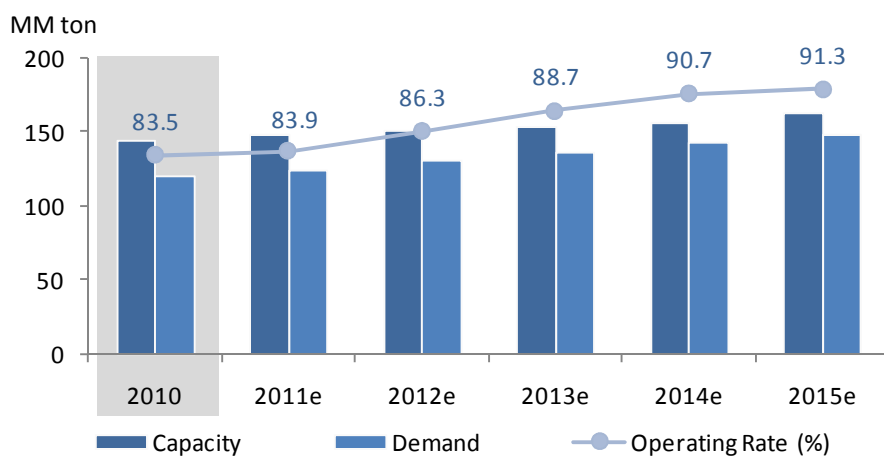
▶ Outlook and Priorities

Outlook on the global petrochemical industry

Ethylene: Operating rate 2010



Ethylene: Supply and Demand Balance



Industry in 2010

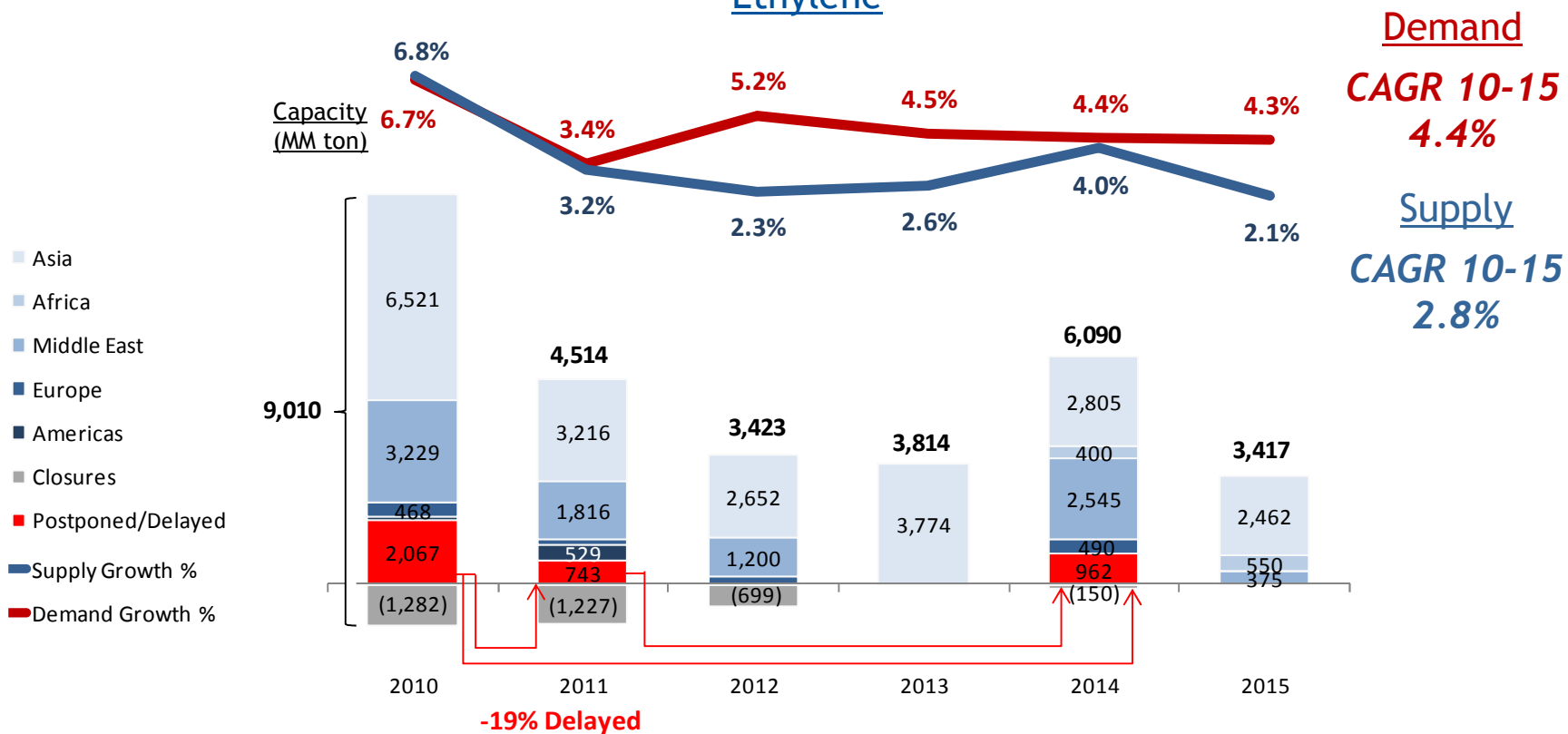
- Operating rates decreased in 4Q10 driven by the rigorous winter in the Northern hemisphere and operational problems at in Europe and Middle East
- Competitive cost base allowed the US to operate at higher rates than other regions throughout 2010
- Global operating rate at 83.5% in 2010, 3.1 p.p. over previous forecast

Global Scenario

- New capacity additions can lead to the closing down of non competitive assets on a permanent basis, especially in Europe
- High volatility in oil prices boosts naphtha prices. Prices of resins and basic petrochemicals follow this trend
- Expectation of improvement in the industry profitability as of 2H11

Demand growth shall overcome new capacity additions

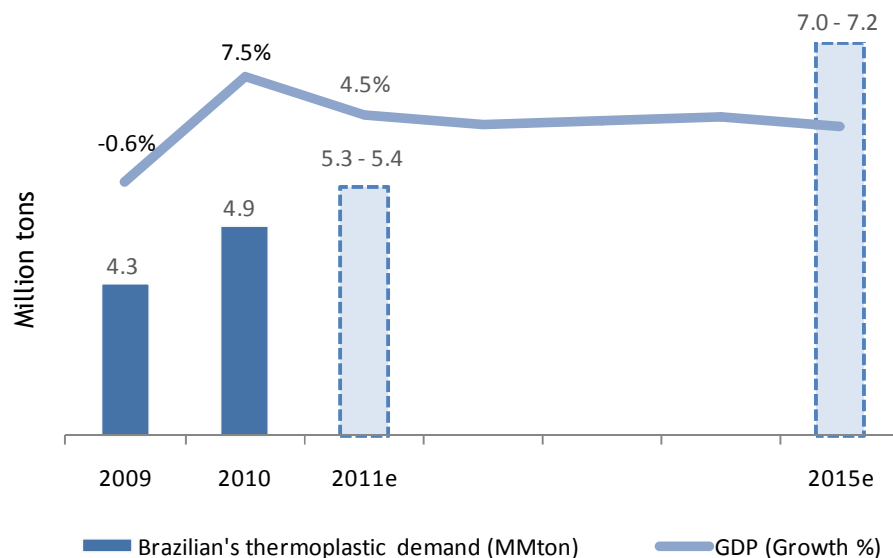
Ethylene



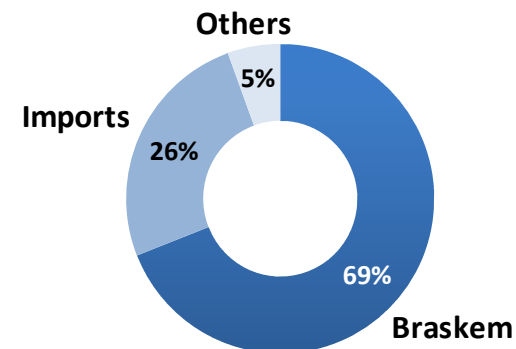
- Limited additional capacity until 2015
 - No new investments announced motivated by financial crisis
 - Sanctions in Qatar restrict investments in petrochemicals
- No further availability of cheap gas for new projects
- Greenfield projects: 4-5 years to startup

Brazil: strong potential growth

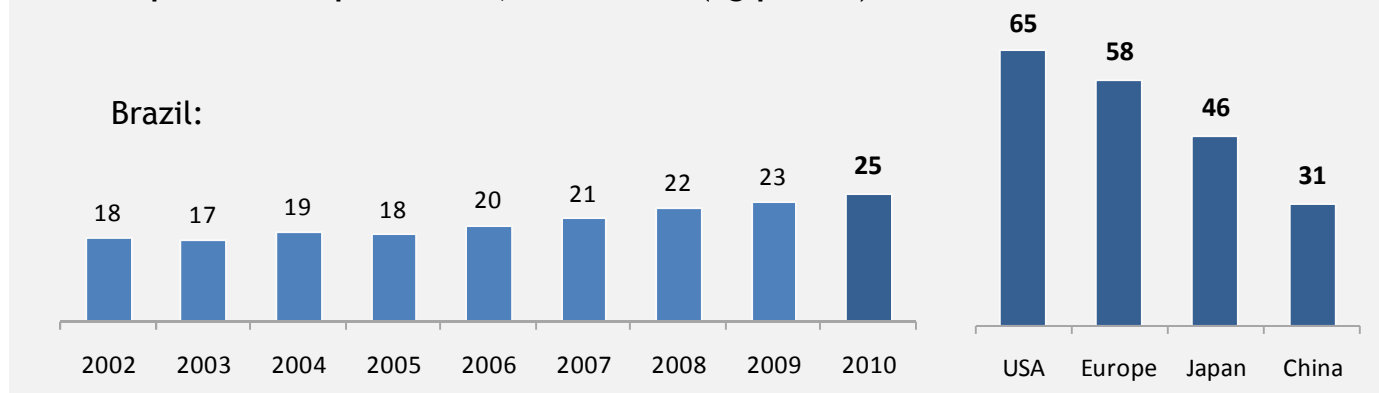
Brazilian's thermoplastic demand (PE, PP, PVC) X GDP Growth%



2010 Market Share



Per-capita Consumption of PE, PP and PVC (kg/person)



Agenda

- ▶ 4Q10 and 2010 Results

- ▶ Growth with Value Creation

- ▶ Petrochemical Industry

- ▶ Outlook and Priorities

Outlook and Priorities

Petrochemical Market

- ▶ Political instability in Arab countries and oil price volatility
- ▶ Global petrochemical scenario continues to be marked by recovery, but oversupply is still expected for 2011. Mitigating factors:
 - Operational instability, delays on the startup of new plants and trade sanctions imposed on Iran
 - Strong demand from emerging countries like China, India and Brazil

Braskem's priorities

- ▶ Strengthening of the Brazilian petrochemical and plastics production chain
- ▶ To follow the domestic resins' market growth: 9-10% in 2011
- ▶ Ensure capture of the identified synergies
- ▶ Adding value through the acquired assets
 - Quattor: continue improvement in its operational efficiency
 - Braskem America: return above capital employed
- ▶ Growth Projects
 - PVC Alagoas
 - Implementing project in Mexico, which is based on competitive raw materials
 - To define Comperj's configuration with Petrobras
 - Expand the use of renewable feedstock

The Braskem logo is displayed in a large, white, sans-serif font. The background of the slide is a dark blue space-themed image with a yellow rocket tube, a periodic table, chemical formulas like CO2, and a scientist silhouette.

Braskem

New ways to look at the world

Meeting with Investors

4Q10 and 2010 Results

Carlos Fadigas
CEO

Marcela Drehmer
CFO

Sao Paulo, March 22, 2011

