

BRASKEM SA  
Form 6-K/A  
May 12, 2014

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**SECURITIES AND EXCHANGE COMMISSION**  
**Washington, D.C. 20549**

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**FORM 6-K/A**

**REPORT OF FOREIGN PRIVATE ISSUER PURSUANT TO RULE 13A-16  
OR 15D-16 OF THE SECURITIES EXCHANGE ACT OF 1934**

**For the month of May, 2014**  
**(Commission File No. 1-14862 )**

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**BRASKEM S.A.**  
*(Exact Name as Specified in its Charter)*

**N/A**  
*(Translation of registrant's name into English)*

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**Rua Eteno, 1561, Polo Petroquimico de Camacari**  
**Camacari, Bahia - CEP 42810-000 Brazil**  
*(Address of principal executive offices)*

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Indicate by check mark whether the registrant files or will file annual reports under cover Form 20-F or Form 40-F.

Form 20-F  Form 40-F

Indicate by check mark if the registrant is submitting the Form 6-K  
in paper as permitted by Regulation S-T Rule 101(b)(1).

Indicate by check mark if the registrant is submitting the Form 6-K  
in paper as permitted by Regulation S-T Rule 101(b)(7).

Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby furnishing the information to  
the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes  No

If "Yes" is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b): 82- \_\_\_\_\_.

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**Braskem S.A.**

**Quarterly Information (ITR) at**

**March 31, 2014**

**and Independent Auditors' Report Review**

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## Report of Independent Registered Public Accounting Firm

To the Board of Directors and Shareholders

Braskem S.A.

We have reviewed the accompanying condensed consolidated balance sheet of Braskem S.A. and its subsidiaries as of March 31, 2014, and the related condensed consolidated statements of operations and comprehensive income, and changes in shareholders' equity for the three month periods ended March 31, 2014, and March 31, 2013 and the condensed consolidated statement of cash flows for the three month periods ended March 31, 2014 and March 31, 2013. These interim financial statements are the responsibility of the Company's management.

We conducted our review in accordance with the standards of the Public Company Accounting Oversight Board (United States). A review of interim financial information consists principally of applying analytical procedures and making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with the standards of the Public Company Accounting Oversight Board (United States), the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based on our review, we are not aware of any material modifications that should be made to the accompanying condensed consolidated interim financial statements for them to be in conformity with IAS 34 — Interim Financial Reporting issued by the International Accounting Standard Board (IASB).

We previously audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the consolidated balance sheet as of December 31, 2013, and the related consolidated statements of operations, comprehensive income, and changes in equity, and of cash flows for the year then ended (not presented herein), and in our report dated February 13, 2014, we expressed an unqualified opinion on those consolidated financial statements. In our opinion, the information set forth in the accompanying consolidated balance sheet as of December 31, 2013, is fairly stated in all material respects in relation to the consolidated balance sheet from which it

has been derived.

/s/ PricewaterhouseCoopers Auditores Independentes

Salvador-Bahia,

May 7, 2014

**Braskem S.A.**

**Balance sheet**

**at March 31, 2014**

**All amounts in thousands of  
reais**

| <b>Assets</b>                     | <b>Note</b> | <b>Mar/2014</b> | <b>Dec/2013<br/>Revised</b> |
|-----------------------------------|-------------|-----------------|-----------------------------|
| <b>Current assets</b>             | 2.1.1(a)    |                 |                             |
| Cash and cash equivalents         | 3           | 3,214,065       | 4,335,859                   |
| Financial investments             | 4           | 87,499          | 86,719                      |
| Trade accounts receivable         | 5           | 2,830,606       | 2,810,520                   |
| Inventories                       | 6           | 5,551,054       | 5,033,593                   |
| Taxes recoverable                 | 8           | 2,390,438       | 2,237,213                   |
| Dividends and interest on capital | 7           | 154             | 150                         |
| Prepaid expenses                  |             | 46,295          | 62,997                      |
| Related parties                   | 7           | 456,232         | 124,487                     |
| Derivatives operations            | 14.1.1      | 40,229          | 34,101                      |
| Other receivables                 |             | 244,598         | 233,808                     |

|  |         |                   |                   |
|--|---------|-------------------|-------------------|
|  |         | <b>14,861,170</b> | <b>14,959,447</b> |
| <b>Non-current assets held for sale</b>                        | 1(a)(x) |                   | 37,681            |
|  |         | <b>14,861,170</b> | <b>14,997,128</b> |
| <b>Non-current assets</b>                                      |         |                   |                   |
| Financial investments  | 4       | 25,950            | 20,779            |
| Trade accounts receivable                                      | 5       | 18,144            | 61,875            |
| Advances to suppliers  | 6       | 104,232           | 116,714           |
| Taxes recoverable  | 8       | 1,199,760         | 1,285,990         |
| Deferred income tax and social contribution                    | 16      | 806,852           | 1,123,313         |
| Judicial deposits  |         | 212,014           | 209,910           |
| Related parties  | 7       | 134,815           | 133,649           |
| Insurance claims   |         | 126,446           | 139,497           |
| Derivatives operations   | 14.1.1  | 100,995           | 137,345           |
| Other receivables  |         | 141,491           | 141,526           |
| Investments in subsidiaries and jointly-controlled investments | 9       | 116,011           | 115,385           |
| Other investments  |         | 6,511             | 6,501             |
| Property, plant and equipment                                  | 10      | 25,838,557        | 25,413,548        |
| Intangible assets  | 11      | 2,883,527         | 2,912,630         |
|  |         | <b>31,715,305</b> | <b>31,818,662</b> |
| <b>Total assets</b>  |         | <b>46,576,475</b> | <b>46,815,790</b> |

The Management notes are an integral part of the financial statements

**Braskem S.A.****Balance sheet****at March 31, 2014****All amounts in thousands of reais****Continued**

| <b>Liabilities and shareholders' equity</b> | <b>Note</b> | <b>Mar/2014</b>   | <b>Dec/2013</b>   |
|---|-------------|-------------------|-------------------|
|   | 2.1.1(a)    |                   | <b>Revised</b>    |
| <b>Current liabilities</b>                  |             |                   |                   |
| Trade payables                              |             | 9,959,674         | 10,421,687        |
| Borrowings                                  | 12          | 1,224,291         | 1,248,804         |
| Project finance                             | 13          | 22,676            | 25,745            |
| Derivatives operations                      | 14.1.1      | 79,407            | 95,123            |
| Payroll and related charges                 |             | 559,485           | 490,816           |
| Taxes payable                               | 15          | 473,325           | 445,424           |
| Dividends and interest on capital           |             | 131,797           | 131,799           |
| Advances from customers                     |             | 308,537           | 297,403           |
| Sundry provisions                           | 17          | 88,019            | 105,856           |
| Post-employment benefits                    | 18          |                   | 158,137           |
| Other payables                              |             | 105,172           | 174,007           |
|   |             | <b>12,952,383</b> | <b>13,594,801</b> |
| <b>Non-current liabilities</b>              |             |                   |                   |
| Borrowings                                  | 12          | 16,922,109        | 17,353,687        |
| Project finance                             | 13          | 4,559,160         | 4,705,661         |
| Derivatives operations                      | 14.1.1      | 382,006           | 396,040           |
| Taxes payable                               | 15          | 887,743           | 902,875           |
| Long-term incentives                        |             | 9,398             | 9,274             |
| Deferred income tax and social contribution | 16          | 847,724           | 863,405           |
| Post-employment benefits                    | 18          | 277,029           | 44,054            |
| Advances from customers                     |             | 129,415           | 152,635           |
| Sundry provisions                           | 17          | 452,980           | 449,694           |
| Other payables                              |             | 777,283           | 662,330           |
|   |             | <b>25,244,847</b> | <b>25,539,655</b> |
| <b>Shareholders' equity</b>                 |             |                   |                   |
| Capital                                     | 20          | 8,043,222         | 8,043,222         |
| Capital reserve                             |             | 232,430           | 232,430           |

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|   |                   |                   |
|---|-------------------|-------------------|
| Revenue reserves                                  | 410,149           | 410,149           |
| Other comprehensive income                        | (789,625)         | (1,092,691)       |
| Treasury shares                                   | (48,892)          | (48,892)          |
| Accumulated profit                                | 412,357           |                   |
| Total attributable to the Company's shareholders  | 8,259,641         | 7,544,218         |
| Non-controlling interest in Braskem Idesa         | 119,604           | 137,116           |
|   | <b>8,379,245</b>  | <b>7,681,334</b>  |
| <b>Total liabilities and shareholders' equity</b> | <b>46,576,475</b> | <b>46,815,790</b> |

The Management notes are an integral part of the financial statements

**Braskem S.A.****Statement of operations and statement of comprehensive income****at March 31, 2014****All amounts in thousands of reais, except earnings (loss) per share**

|   | Note<br>2.1.1(b) | Mar/2014          | Mar/2013<br>Revised |
|---|------------------|-------------------|---------------------|
| <b>Net sales revenue</b>                                | 22               | <b>11,842,626</b> | <b>9,501,170</b>    |
| Cost of products sold                                   |                  | (10,324,626)      | (8,490,154)         |
| <b>Gross profit</b>                                     |                  | <b>1,518,000</b>  | <b>1,011,016</b>    |
| <b>Income (expenses)</b>                                |                  |                   |                     |
| Selling and distribution                                |                  | (269,509)         | (252,039)           |
| General and administrative                              |                  | (275,014)         | (253,362)           |
| Research and development                                |                  | (34,142)          | (24,564)            |
| Results from equity investments                         | 9(c)             | (6)               | (4,722)             |
| Other operating income (expenses), net                  | 23               | 189,949           | (28,764)            |
| <b>Operating profit</b>                                 |                  | <b>1,129,278</b>  | <b>447,565</b>      |
| <b>Financial results</b>                                | 24               |                   |                     |
| Financial expenses                                      |                  | (577,028)         | (230,913)           |
| Financial income  |                  | 16,883            | 123,112             |
|   |                  | <b>(560,145)</b>  | <b>(107,801)</b>    |
| <b>Profit before income tax and social contribution</b> |                  | <b>569,133</b>    | <b>339,764</b>      |
| Current and deferred income tax and social contribution | 16               | (172,790)         | (106,866)           |
| <b>Profit for the period</b>                            |                  | <b>396,343</b>    | <b>232,898</b>      |
| <b>Attributable to:</b>                                 |                  |                   |                     |
| Company's shareholders                                  |                  | 405,306           | 216,007             |
| Non-controlling interest in Braskem Idesa               |                  | (8,963)           | 16,891              |
| <b>Profit for the period</b>                            |                  | <b>396,343</b>    | <b>232,898</b>      |



The Management notes are an integral part of the financial statements

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Braskem S.A.

**Statement of operations and statement of comprehensive income**

at March 31, 2014

All amounts in thousands of reais, except earnings (loss) per share

Continued

|   | Note<br>2.1.1(b) | Mar/2014                      | Mar/2013<br>Revised                      |
|---|------------------|-------------------------------|--|
| <b>Profit for the period</b>  |                  | <b>396,343</b>                | <b>232,898</b>                           |
| <b>Other comprehensive income or loss:</b>                              |                  |                               |  |
| <b>Items that will be subsequently reclassified to profit and loss:</b> |                  |                               |  |
| Fair value of cash flow hedge   |                  | 24,690                        |  |
| Income tax and social contribution                                      |                  | (8,395)                       |  |
| Fair value of cash flow hedge Braskem Idesa                             |                  | (20,056)                      |  |
|   |                  | (3,761)                       |  |
| Exchange variation of foreign sales hedge                               | 14.1.1(b.iii)    | 537,876                       |  |
| Income tax and social contribution                                      |                  | (182,878)                     |  |
|   |                  | 354,998                       |  |
| Foreign currency translation adjustment                                 |                  | (49,669)                      | (3,177)                                  |
|   |                  | <b>301,568</b>                | <b>(3,177)</b>                           |
| <b>Total comprehensive income for the period</b>                        |                  | <b>697,911</b>                | <b>229,721</b>                           |
| <b>Attributable to:</b>   |                  |                               |  |
| Company's shareholders  |                  | 715,423                       | 209,186                                  |
| Non-controlling interest in Braskem Idesa                               |                  | (17,512)                      | 20,535                                   |
| <b>Total comprehensive income for the period</b>                        |                  | <b>697,911</b>                | <b>229,721</b>                           |
|   | Note<br>2.1.1(b) | Mar/2014<br>Basic and Diluted | Mar/2013<br>Basic and Diluted<br>Revised |

**Profit per share attributable to the shareholders of the  
Company  
of continued operations at the end of the period (R\$)**

|   |    |        |        |
|---|----|--------|--------|
|   | 21 |        |        |
| Earnings per share - common                     |    | 0.4351 | 0.0160 |
| Earnings per share - preferred shares class "A" |    | 0.6062 | 0.6062 |
| Earnings per share - preferred shares class "B" |    | 0.6062 | 0.6062 |

The Management notes are an integral part of the financial statements

**Braskem S.A.****Statement of changes in shareholder's equity**

All amounts in thousands of reais

|   | Note | Revenue reserves |                |         |                               |               | Attributed to shareholders |                 | Accu     |
|---|------|------------------|----------------|---------|-------------------------------|---------------|----------------------------|-----------------|----------|
|   |      | Capital          | Legal reserve  | Returns | Additional dividends proposed | comprehensive | Other income               | Treasury shares |          |
|   |      |                  |                |         |                               |               |                            |                 |          |
| <b>At December 31, 2012</b>   |      | <b>8,043,222</b> | <b>797,979</b> |         |                               |               | <b>337,411</b>             | <b>(48,892)</b> | <b>(</b> |
| Comprehensive income for the period:  |      |                  |                |         |                               |               |                            |                 |          |
| Profit for the period   |      |                  |                |         |                               |               |                            |                 |          |
| Foreign currency translation adjustment   |      |                  |                |         |                               |               | (6,821)                    |                 |          |
|   |      |                  |                |         |                               |               | (6,821)                    |                 |          |
| Equity valuation adjustments:   |      |                  |                |         |                               |               |                            |                 |          |
| Realization of additional property, plant and equipment price-level restatement, net of taxes |      |                  |                |         |                               |               | (6,809)                    |                 |          |
| Realization of deemed cost of jointly-controlled investment, net of taxes                     |      |                  |                |         |                               |               | (242)                      |                 |          |
|   |      |                  |                |         |                               |               | (7,051)                    |                 |          |
| Contributions and distributions to shareholders:  |      |                  |                |         |                               |               |                            |                 |          |
| Loss on interest in subsidiary  |      |                  |                |         |                               |               | (1,980)                    |                 |          |

|   |          |                  |                |               |               |                |                    |
|---|----------|------------------|----------------|---------------|---------------|----------------|--------------------|
|   |          |                  |                |               |               | (1,980)        |                    |
| <b>At March 31, 2013</b>  |          |                  |                |               |               |                |                    |
| <b>(Revised)</b>  | 2.1.1(b) | <b>8,043,222</b> | <b>797,979</b> |               |               | <b>321,559</b> | <b>(48,892)</b>    |
| <b>At December 31, 2013</b>   |          | <b>8,043,222</b> | <b>232,430</b> | <b>26,895</b> | <b>28,412</b> | <b>354,842</b> | <b>(1,092,691)</b> |
| Comprehensive income<br>for the period:   |          |                  |                |               |               |                |                    |
| Profit (loss) for the<br>period   |          |                  |                |               |               |                |                    |
| Exchange variation of<br>foreign sales hedge, net<br>of taxes   |          |                  |                |               |               | 354,998        |                    |
| Fair value of cash flow<br>hedge, net of taxes  |          |                  |                |               |               | 1,253          |                    |
| Foreign currency<br>translation adjustment  |          |                  |                |               |               | (46,134)       |                    |
|   |          |                  |                |               |               | 310,117        |                    |
| Equity valuation<br>adjustments:  |          |                  |                |               |               |                |                    |
| Realization of<br>additional property,<br>plant and equipment<br>price-level restatement,<br>net of taxes |          |                  |                |               |               | (6,810)        |                    |
| Realization of deemed<br>cost of<br>jointly-controlled<br>investment, net of taxes                        |          |                  |                |               |               | (241)          |                    |
|   |          |                  |                |               |               | (7,051)        |                    |
| <b>At March 31, 2014</b>  |          | <b>8,043,222</b> | <b>232,430</b> | <b>26,895</b> | <b>28,412</b> | <b>354,842</b> | <b>(789,625)</b>   |
|   |          |                  |                |               |               |                | <b>(48,892)</b>    |

The Management notes are an integral part of the financial statements

**Braskem S.A.****Statement of cash flow****at March 31, 2014****All amounts in thousands of reais**

|  | Note<br>2.1.1(b) | Mar/2014         | Mar/2013<br>Revised |
|--|------------------|------------------|---------------------|
| Profit before income tax and social contribution                 |                  | 569,133          | 339,764             |
| Adjustments for reconciliation of profit                         |                  |                  |                     |
| Depreciation, amortization and depletion                         |                  | 505,535          | 485,354             |
| Results from equity investments                                  | 9(c)             | 6                | 4,722               |
| Interest and monetary and exchange variations, net               |                  | 305,541          | 25,847              |
| Cost amount of the investment sold in the divestment date        | 23               | 37,662           |                     |
| Provision for losses and asset write-downs of long-term          |                  | 3,691            | 1,546               |
|  |                  | <b>1,421,568</b> | <b>857,233</b>      |
| Changes in operating working capital                             |                  |                  |                     |
| Held-for-trading financial investments                           |                  | (4,744)          | (58,272)            |
| Trade accounts receivable  |                  | 23,282           | (142,621)           |
| Inventories  |                  | (498,471)        | (531,330)           |
| Taxes recoverable  |                  | (44,633)         | (151,787)           |
| Prepaid expenses   |                  | 16,702           | 37,157              |
| Other receivables (includes sale amount of subsidiary - note 23) |                  | (332,375)        | (47,919)            |
| Trade payables   |                  | (266,760)        | (204,197)           |
| Taxes payable  |                  | (50,545)         | (53,207)            |
| Long-term incentives   |                  | 124              | 162                 |
| Advances from customers  |                  | (12,086)         | 223,124             |
| Sundry provisions  |                  | (14,551)         | (15,029)            |
| Other payables   |                  | 184,533          | 256,974             |
| <b>Cash from operations</b>                                      |                  | <b>422,044</b>   | <b>170,288</b>      |
| Interest paid  |                  | (193,520)        | (200,543)           |
| Income tax and social contribution paid                          |                  | (22,362)         | (8,440)             |
| <b>Net cash generated (used in) by operating activities</b>      |                  | <b>206,162</b>   | <b>(38,695)</b>     |

|  |                    |                  |
|--|--------------------|------------------|
| Proceeds from the sale of fixed assets                         | 363                | 608              |
| Proceeds from the sale of investments                          |                    | 163,000          |
| Beginning cash of Quantiq and IQAG                             |                    | 9,985            |
| Acquisitions of investments in subsidiaries and associates     |                    | (31)             |
| Acquisitions to property, plant and equipment                  | (1,156,787)        | (1,101,111)      |
| Acquisitions of intangible assets                              | (8,870)            | (524)            |
| Held-for-maturity and available for sale financial investments | 7,265              | 15,086           |
| <b>Net cash used in investing activities</b>                   | <b>(1,158,029)</b> | <b>(912,987)</b> |
| Short-term and long-term debt                                  |                    |                  |
| Obtained borrowings  | 1,656,951          | 2,958,599        |
| Payment of borrowings  | (1,841,649)        | (2,285,518)      |
| Dividends paid   | (2)                | (21)             |
| Non-controlling interests in Braskem Idesa                     |                    | (2,660)          |
| <b>Net cash provided (used in) by financing activities</b>     | <b>(184,700)</b>   | <b>670,400</b>   |
| Exchange variation on cash of foreign subsidiaries             | 14,773             | 6,383            |
| <b>Decrease in cash and cash equivalents</b>                   | <b>(1,121,794)</b> | <b>(274,899)</b> |
| Represented by   |                    |                  |
| Cash and cash equivalents at the beginning for the period      | 4,335,859          | 3,287,622        |
| Cash and cash equivalents at the end for the period            | 3,214,065          | 3,012,723        |
| <b>Decrease in cash and cash equivalents</b>                   | <b>(1,121,794)</b> | <b>(274,899)</b> |

The Management notes are an integral part of the financial statements

**Braskem S.A.**

**Notes to the financial statements**

**at March 31, 2014**

**All amounts in thousands of reais, except where stated otherwise**

**1. Operations**

Braskem S.A. is a public corporation headquartered in Camaçari, Bahia (“BA”), which jointly with its subsidiaries (hereinafter “Braskem” or “Company”), operates 36 industrial units, 29 in Brazil, 5 in the United States and 2 in Germany.

The Company is controlled by Odebrecht S.A. (“Odebrecht”), which directly and indirectly holds interests of 50.11% and 38.32% in its voting and total capital, respectively.

**(a) Significant corporate and operating events impacting these financial statements**

**(i)** The Extraordinary Shareholders Meeting (“ESM”) held on May 15, 2013 approved the increase in the capital stock of the subsidiary Braskem Idesa S.A.P.I (“Braskem Idesa”), without the issue of new shares, in the amount of R\$141,620 (MXN\$850,061 thousand), through capital injection of R\$106,214 (MXN\$637,546 thousand) by the Braskem and R\$35,406 (MXN\$212,515 thousand) by the non-controlling shareholder.

**(ii)** On July 1, 2013, Braskem acquired 2 thousand common shares of Odebrecht Comercializadora de Energia S.A. (“OCE”), equivalent to 20% of the capital of that company, whose main corporate purpose is to buy and sell electricity in the spot market. Due to the provisions in the shareholders' agreement, OCE was classified as a joint subsidiary.

**(iii)** On August 30, 2013, the ESM approved the merger of Rio Polímeros S.A. (“Riopol”) with Braskem Qpar S.A. (“Braskem Qpar”) and the increase in its capital from R\$4,252,353 to R\$7,131,165, through the issue of 293,604,915 common shares.



(iv) On September 19, 2013, the Braskem S.A. and Braskem Austria acquired the shares issued by Braskem Mexico and held by Braskem Participações and Braskem Importação e Exportação Ltda. (“Braskem Importação”) for R\$1,803 and R\$1, respectively.

(v) On November 1, 2013, approval was given to increase the capital of the subsidiary Distribuidora de Águas Triunfo S.A. (“DAT”) through the transfer of assets of the Water Treatment Unit (“WTU”) at the Basic Petrochemicals Unit in the Triunfo Petrochemical Complex in Rio Grande do Sul, amounting to R\$37,561. On December 27, 2013, approval was given to another capital increase of DAT of R\$151 through a new transfer of assets, after which the capital increased to R\$37,717.

(vi) On November 21, 2013, Braskem Mexico constituted Braskem Mexico Servicios S. de R. L. de C.V. (“Braskem Mexico Serviços”), whose capital amounts to MXN\$3 thousand. The purpose of this subsidiary is to provide services to Braskem Idesa.

(vii) On November 27, 2013, Common Industries Ltd. (“Common”) repurchased and canceled 49,995 of its shares held by Braskem Qpar for US\$2,591 thousand. On the same date, Braskem Incorporated Limited (“Braskem Inc”) acquired 5 common shares of Common, also held by Braskem Qpar, for US\$259 and Braskem Inc. became the sole shareholder.

**Braskem S.A.**

**Notes to the financial statements**

**at March 31, 2014**

**All amounts in thousands of reais, except where stated otherwise**

(viii) On December 17, 2013, the Braskem S.A. entered into a share sales agreement (“Agreement”) with Solvay Argentina S.A. (“Solvay Argentina”), through which it committed to acquire, upon the fulfillment of certain conditions provided for in the Agreement (“Acquisition”), shares representing 70.59% of the total and voting capital of Solvay Indupa S.A.I.C. (“Solvay Indupa”).

Solvay Indupa, which produces PVC and caustic soda, has two integrated production sites located in: (i) Santo André, (SP), with the capacity to produce 300 kton of PVC\* and 170 kton of caustic soda\*; and (ii) Bahía Blanca in the Province of Buenos Aires, Argentina, with the capacity to produce 240 kton of PVC\* and 180 kton of caustic soda\*.

The Agreement provides for the acquisition by Braskem of 292,453,490 shares representing 70.59% of the total and voting capital of Solvay Indupa that are held by Solvay Argentina, at the price of US\$ 0.085, to be paid upon the settlement of the acquisition. The acquisition price is based on the Enterprise Value of US\$290 million.

Meanwhile, Solvay Indupa holds, as of December 31, 2013, (i) 158,534,671 shares in Solvay Indupa do Brasil S.A. (“Indupa Brasil”) representing 99.99% of the total and voting capital of Indupa Brasil; and (ii) 1,010,638 shares in Solalban Energía S.A. (“Solalban”) representing 58.00% of the total and voting capital of Solalban. As a result of the Acquisition, Braskem will become an indirect shareholder of Indupa Brasil and of Solalban.

As a result of the Acquisition, Braskem carried out a public tender offer on December 18, 2013 for shares representing 29.41% of the capital of Solvay Indupa traded on the Buenos Aires Stock Exchange - BCBA, pursuant to governing legislation, and also plans to cancel the registration of Solvay Indupa at the Securities and Exchange Commission of Brazil (“CVM”).

The conclusion and effective implementation of the acquisition is subject to, among other operational conditions, approval by Brazil’s antitrust agency CADE (Administrative Council for Economic Defense).

(ix) On December 30, 2013, Quantiq changed its corporate type to limited liability company, with its new name being Quantiq Distribuidora Ltda.

(x) On December 31, 2013, Braskem entered into a share sales agreement with Odebrecht Ambiental (“OA”), through which it sold its interest in the subsidiary DAT for R\$315 million, to be received during the course of 2014.

The assets of DAT were shown in the balance sheet of December 31, 2013 as “assets available for sale.” DAT did not register results or hold liabilities in the year ended on December 31, 2013.

On February 3, 2014, the Extraordinary Shareholders’ Meeting of DAT approved the change in its Management and consequently the transfer of the management of the operations of DAT to OA, upon the recognition of a net gain of R\$277,338.

**Braskem S.A.****Notes to the financial statements****at March 31, 2014****All amounts in thousands of reais, except where stated otherwise****(b) Effect of foreign exchange variation**

The Company is exposed to foreign exchange variation on the balances and transactions made in currencies other than its functional currencies, particularly in U.S. dollar, such as financial investments, trade accounts receivable, trade payables, borrowings and sales. In addition to the exchange effect of the U.S. dollar in relation to the Brazilian real, Braskem is exposed to the U.S. dollar through its subsidiaries abroad, particularly in which the functional currency is Euro or Mexican peso. The balances of assets and liabilities are translated based on the exchange rate at the end of each period, while transactions are based on the effective exchange rate on the date of each operation.

The following table shows the U.S. dollar average and end-of-period exchange rates for the periods in this report:

**Effect of foreign exchange variation****End of period rate**

|   |        |  |         |  |        |
|---|--------|--|---------|--|--------|
| U.S. dollar - Brazilian real, Mar/2014                              | 2.2630 | U.S. dollar - Mexican peso,<br>Mar/2014                              | 13.0595 | U.S. dollar - euro,<br>Mar/2014                              | 0.7259 |
| U.S. dollar - Brazilian real, Dec/2013                              | 2.3426 | U.S. dollar - Mexican peso,<br>Dec/2013                              | 13.1005 | U.S. dollar - euro,<br>Dec/2013                              | 0.7260 |
| Devaluation of the U.S. dollar in<br>relation to the Brazilian real | -3.40% | Devaluation of the U.S.<br>dollar in relation to the<br>Mexican peso | -0.31%  | Devaluation of the U.S.<br>dollar in relation to the<br>euro | -0.02% |

**Average rate for the period**

|  |        |   |         |                                 |        |
|--|--------|---|---------|---------------------------------|--------|
| U.S. dollar - Brazilian real, Mar/2014 | 2.3652 | U.S. dollar - Mexican peso,<br>Mar/2014 | 13.2311 | U.S. dollar - euro,<br>Mar/2014 | 0.7300 |
| U.S. dollar - Brazilian real, Mar/2013 | 1.9977 |   | 12.6419 |                                 | 0.7578 |

|  |        |   |       |  |        |
|--|--------|---|-------|--|--------|
|  |        | U.S. dollar - Mexican peso,<br>Mar/2013                               |       | U.S. dollar - euro,<br>Mar/2013                              |        |
| Appreciation of the U.S. dollar in<br>relation to the Brazilian real | 18.40% | Appreciation of the U.S.<br>dollar in relation to the<br>Mexican peso | 4.66% | Devaluation of the U.S.<br>dollar in relation to the<br>euro | -3.67% |

## 2. Summary of significant accounting policies

### 2.1. Basis of preparation

This Quarterly Information should be read together with the financial statements of Braskem as of December 31, 2013, which were prepared and presented in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB).

The preparation of the quarterly information requires the use of certain critical accounting estimates. It also requires the Management of the Company to exercise its judgment in the process of applying its accounting policies. There were no significant changes in the assumptions and judgments made by the Company's management in the use of estimates for the preparation of the Quarterly Information in relation to those used in the December 31, 2013 financial statements.

On March 31, 2014, the Company started to include in its balance sheet the net value, per legal entity, of the amounts related to deferred income and social contribution tax assets and liabilities on its profit as the Company has the legally enforceable right to offset these amounts. The balance sheet at December 31, 2013 was revised to reflect such adjustment, as shown in Note 2.1.1(a).

#### 2.1.1 Revised

The financial statements for the period ended December 31, 2013 and March 31, 2013 were revised as follows:

- (a) December 31, 2013 – The balance sheets and respective notes were revised to reflect deferred Income Tax (“IR”) and Social Contribution (“CSL”) on a net basis (Note 2.1); and

(b) March 31, 2013 – The statements of operations, equity, cash flows and respective notes were revised to include the results of the operations of Quantiq Distribuidora Ltda. (“Quantiq”) and IQAG Armazéns Gerais Ltda. (“IQAG”) as a result of the Company’s decision to sell these assets.

**Braskem S.A.****Notes to the financial statements****at March 31, 2014****All amounts in thousands of reais, except where stated otherwise**

The effects of the revision of the financial statements follow:

**Balance Sheet**

|   | <b>Published</b>  | <b>(a) Effects</b> | <b>Dec/2013<br/>Revised</b> |
|---|-------------------|--------------------|-----------------------------|
| <b>Assets</b>                                     |                   |                    |                             |
| <b>Current assets</b>                             | <b>14,997,128</b> |                    | <b>14,997,128</b>           |
| <b>Non-current assets</b>                         |                   |                    |                             |
| Deferred income tax and social contribution       | 2,653,606         | (1,530,293)        | 1,123,313                   |
| Other assets                                      | 30,695,349        |                    | 30,695,349                  |
|   | <b>33,348,955</b> | <b>(1,530,293)</b> | <b>31,818,662</b>           |
| <b>Total assets</b>                               | <b>48,346,083</b> | <b>(1,530,293)</b> | <b>46,815,790</b>           |
| <b>Liabilities and shareholders' equity</b>       |                   |                    |                             |
| <b>Current liabilities</b>                        | <b>13,594,801</b> |                    | <b>13,594,801</b>           |
| <b>Non-current liabilities</b>                    |                   |                    |                             |
| Deferred income tax and social contribution       | 2,393,698         | (1,530,293)        | 863,405                     |
| Other liabilities                                 | 24,676,250        |                    | 24,676,250                  |
|   | <b>27,069,948</b> | <b>(1,530,293)</b> | <b>25,539,655</b>           |
| <b>Shareholders' equity</b>                       | <b>7,681,334</b>  |                    | <b>7,681,334</b>            |
| <b>Total liabilities and shareholders' equity</b> | <b>48,346,083</b> | <b>(1,530,293)</b> | <b>46,815,790</b>           |

**Statement of operations for the period**

|   | <b>Published</b> | <b>(b) Effects</b> | <b>Mar/2013<br/>Revised</b> |
|---|------------------|--------------------|-----------------------------|
| <b>Net sales revenue</b>                                    | <b>9,295,751</b> | <b>205,419</b>     | <b>9,501,170</b>            |
| Cost of products sold                                       | (8,315,675)      | (174,479)          | (8,490,154)                 |
| <b>Gross profit</b>   | <b>980,076</b>   | <b>30,940</b>      | <b>1,011,016</b>            |
| <b>Income (expenses)</b>                                    |                  |                    |                             |
| Selling and distribution                                    | (246,372)        | (5,667)            | (252,039)                   |
| General and administrative                                  | (237,006)        | (16,356)           | (253,362)                   |
| Research and development                                    | (24,564)         |                    | (24,564)                    |
| Results from equity investments                             | (4,722)          |                    | (4,722)                     |
| Other operating income (expenses), net                      | (29,055)         | 291                | (28,764)                    |
| <b>Operating profit</b>                                     | <b>438,357</b>   | <b>9,208</b>       | <b>447,565</b>              |
| <b>Financial results</b>                                    |                  |                    |                             |
| Financial expenses  | (230,050)        | (863)              | (230,913)                   |
| Financial income  | 122,864          | 248                | 123,112                     |
|   | <b>(107,186)</b> | <b>(615)</b>       | <b>(107,801)</b>            |
| <b>Profit before income tax and<br/>social contribution</b> | <b>331,171</b>   | <b>8,593</b>       | <b>339,764</b>              |
| Current and deferred income tax and social<br>contribution  | (104,368)        | (2,498)            | (106,866)                   |
| <b>Profit for the period</b>                                | <b>226,803</b>   | <b>6,095</b>       | <b>232,898</b>              |
| <b>Attributable to:</b>                                     |                  |                    |                             |
| Company's shareholders                                      | 209,912          | 6,095              | 216,007                     |
| Non-controlling interest in Braskem Idesa                   | 16,891           |                    | 16,891                      |
|   | <b>226,803</b>   | <b>6,095</b>       | <b>232,898</b>              |



**Braskem S.A.****Notes to the financial statements****at March 31, 2014****All amounts in thousands of reais, except where stated otherwise****Statement of cash flows**

|   | <b>Published</b> | <b>(b) Effects</b> | <b>Mar/2013<br/>Revised</b> |
|---|------------------|--------------------|-----------------------------|
| Profit before income tax and social contribution        | 331,171          | 8,593              | 339,764                     |
| Adjustments for reconciliation of profit                |                  |                    |                             |
| Depreciation, amortization and depletion                | 483,446          | 1,908              | 485,354                     |
| Results from equity investments                         | 4,722            |                    | 4,722                       |
| Interest and monetary and exchange variations, net      | 25,836           | 11                 | 25,847                      |
| Provision for losses and asset write-downs of long-term | 1,546            |                    | 1,546                       |
|   | <b>846,721</b>   | <b>10,512</b>      | <b>857,233</b>              |
| Changes in operating working capital                    |                  |                    |                             |
| Held-for-trading financial investments                  | (58,272)         |                    | (58,272)                    |
| Trade accounts receivable                               | (119,761)        | (22,860)           | (142,621)                   |
| Inventories   | (526,189)        | (5,141)            | (531,330)                   |
| Taxes recoverable                                       | (149,086)        | (2,701)            | (151,787)                   |
| Prepaid expenses  | 37,768           | (611)              | 37,157                      |
| Other receivables                                       | (78,302)         | 30,383             | (47,919)                    |
| Trade payables  | (195,916)        | (8,281)            | (204,197)                   |
| Taxes payable   | (52,697)         | (510)              | (53,207)                    |
| Long-term incentives                                    | 162              |                    | 162                         |
| Advances from customers                                 | 223,562          | (438)              | 223,124                     |
| Sundry provisions                                       | (15,168)         | 139                | (15,029)                    |
| Other payables  | 256,646          | 328                | 256,974                     |
| <b>Cash from operations</b>                             | <b>169,468</b>   | <b>820</b>         | <b>170,288</b>              |
| Interest paid   | (200,543)        |                    | (200,543)                   |
| Income tax and social contribution paid                 | (8,440)          |                    | (8,440)                     |

|  |                  |               |                  |
|--|------------------|---------------|------------------|
| <b>Net cash generated (used in) by operating activities</b>    | <b>(39,515)</b>  | <b>820</b>    | <b>(38,695)</b>  |
| Proceeds from the sale of fixed assets                         | 608              |               | 608              |
| Proceeds from the sale of investments                          | 163,000          |               | 163,000          |
| Beginning cash of Quantiq and IQAG                             |                  | 9,985         | 9,985            |
| Acquisitions of investments in subsidiaries and associates     | (31)             |               | (31)             |
| Acquisitions to property, plant and equipment                  | (1,101,042)      | (69)          | (1,101,111)      |
| Acquisitions of intangible assets                              | (524)            |               | (524)            |
| Held-for-maturity and available for sale financial investments | 15,086           |               | 15,086           |
| <b>Net cash generated (used in) investing activities</b>       | <b>(922,903)</b> | <b>9,916</b>  | <b>(912,987)</b> |
| Short-term and long-term debt                                  |                  |               |                  |
| Obtained borrowings  | 2,958,599        |               | 2,958,599        |
| Payment of borrowings  | (2,285,304)      | (214)         | (2,285,518)      |
| Dividends paid   | (21)             |               | (21)             |
| Non-controlling interests in Braskem Idesa                     | (2,660)          |               | (2,660)          |
| <b>Net cash provided (used in) by financing activities</b>     | <b>670,614</b>   | <b>(214)</b>  | <b>670,400</b>   |
| Exchange variation on cash of foreign subsidiaries             | 6,383            |               | 6,383            |
| <b>Increase (decrease) in cash and cash equivalents</b>        | <b>(285,421)</b> | <b>10,522</b> | <b>(274,899)</b> |
| Represented by   |                  |               |                  |
| Cash and cash equivalents at the beginning for the period      | 3,287,622        |               | 3,287,622        |
| Cash and cash equivalents at the end for the period            | 3,002,201        | 10,522        | 3,012,723        |
| <b>Increase (decrease) in cash and cash equivalents</b>        | <b>(285,421)</b> | <b>10,522</b> | <b>(274,899)</b> |

**Braskem S.A.**

**Notes to the financial statements**

**at March 31, 2014**

**All amounts in thousands of reais, except where stated otherwise**

### **2.1.2 Consolidated quarterly information**

The consolidated Quarterly Information was prepared and is being presented in accordance with the pronouncement IAS 34 - Interim Financial Reporting, which establish the minimum content for interim financial statements.

### **2.2. Accounting policies**

There were no changes in the accounting practices used in the preparation of the Quarterly Information in relation to those presented in the December 31, 2013 financial statements, except as presented in Notes 2.2.1.

#### **2.2.1 Deferred income tax and social contribution**

Deferred income and social contribution tax assets and liabilities are stated at their net value in the balance sheet when there is a legal and enforceable right to offset current income and social contribution taxes, related to the same legal entity and tax authority. The effects of this change in accounting practice are described in Note 2.1.1 (a).

#### **2.2.2 Transaction costs with debt refinancing**

Costs incurred with debt refinancing that meet the qualitative and quantitative criteria determined by the standards for reclassification as a debt exchange, are deemed transaction costs and amortized through the maturity of the refinanced debt. The effects of said accounting treatment are reported in Note 12 (a).



**Braskem S.A.****Notes to the financial statements****at March 31, 2014****All amounts in thousands of reais, except where stated otherwise****2.3. Consolidated quarterly information**

The consolidated quarterly information includes the quarterly information of Braskem companies in which it, directly or indirectly, maintains a controlling equity interest or controls the activities, as presented below:

|  | <b>Headquarters<br/>(Country)</b> | <b>Total interest - %</b> |                 |
|--|-----------------------------------|---------------------------|-----------------|
|  |                                   | <b>Mar/2014</b>           | <b>Dec/2013</b> |
| <b>Direct and Indirect subsidiaries</b>                          |                                   |                           |                 |
| Braskem America Finance Company<br>("Braskem America Finance")   | USA                               | 100.00                    | 100.00          |
| Braskem America, Inc. ("Braskem<br>America")                     | USA                               | 100.00                    | 100.00          |
| Braskem Argentina S.A. ("Braskem<br>Argentina")                  | Argentina                         | 100.00                    | 100.00          |
| Braskem Austria  | Austria                           | 100.00                    | 100.00          |
| Braskem Austria Finance GmbH<br>("Braskem Austria Finance")      | Austria                           | 100.00                    | 100.00          |
| Braskem Chile Ltda. ("Braskem Chile")                            | Chile                             | 100.00                    | 100.00          |
| Braskem Europe GmbH ("Braskem<br>Alemanha")                      | Germany                           | 100.00                    | 100.00          |
| Braskem Finance Limited ("Braskem<br>Finance")                   | Cayman Islands                    | 100.00                    | 100.00          |
| Braskem Idesa  | Mexico                            | 75.00                     | 75.00           |
| Braskem Idesa Servicios S.A. de CV<br>("Braskem Idesa Serviços") | Mexico                            | 75.00                     | 75.00           |
| Braskem Importação   | Brazil                            | 100.00                    | 100.00          |
| Braskem Inc  | Cayman Islands                    | 100.00                    | 100.00          |
| Braskem México   | Mexico                            | 100.00                    | 100.00          |

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|  |     |                        |        |        |
|--|-----|------------------------|--------|--------|
| Braskem México Serviços  |     | Mexico                 | 100.00 | 100.00 |
| Braskem Netherlands B.V (“Braskem Holanda”)  |     | Netherlands            | 100.00 | 100.00 |
| Braskem Participações  |     | Brazil                 | 100.00 | 100.00 |
| Braskem Petroquímica Chile Ltda. (“Petroquímica Chile”)  |     | Chile                  | 100.00 | 100.00 |
| Braskem Petroquímica Ibérica, S.L. (“Braskem Espanha”)   |     | Spain                  | 100.00 | 100.00 |
| Braskem Petroquímica Ltda (“Braskem Petroquímica”)   |     | Brazil                 | 100.00 | 100.00 |
| Braskem Qpar   |     | Brazil                 | 100.00 | 100.00 |
| Common   | (i) | British Virgin Islands | 100.00 | 100.00 |
| DAT  |     | Brazil                 |        | 100.00 |
| IQAG   |     | Brazil                 | 100.00 | 100.00 |
| Lantana Trading Co. Inc. (“Lantana”)   |     | Bahamas                | 100.00 | 100.00 |
| Norfolk Trading S.A. (“Norfolk”)   | (i) | Uruguay                | 100.00 | 100.00 |
| Politeno Empreendimentos Ltda. (“Politeno Empreendimentos”)                                    |     | Brazil                 | 100.00 | 100.00 |
| Quantiq  |     | Brazil                 | 100.00 | 100.00 |
| <b>Specific Purpose Entity (“SPE”)</b>   |     |                        |        |        |
| Fundo de Investimento Multimercado Crédito Privado Sol (“FIM Sol”)                             |     | Brazil                 | 100.00 | 100.00 |
| Fundo de Investimento Caixa Júpiter Multimercado Crédito Privado Longo Prazo (“Fundo Júpiter”) |     | Brazil                 | 100.00 | 100.00 |
| (i) Subsidiaries in the process of dissolution.  |     |                        |        |        |

**Braskem S.A.****Notes to the financial statements****at March 31, 2014****All amounts in thousands of reais, except where stated otherwise****3. Cash and cash equivalents**

The information on cash and cash equivalents were presented in the 2013 annual financial statements of the Company, in Note 7.

|                    | <b>Mar/2014</b>  | <b>Dec/2013</b>  |
|--------------------|------------------|------------------|
| Cash and banks (i) | 240,089          | 987,824          |
| Cash equivalents:  |                  |                  |
| Domestic market    | 1,659,926        | 1,906,790        |
| Foreign market (i) | 1,314,050        | 1,441,245        |
| <b>Total</b>       | <b>3,214,065</b> | <b>4,335,859</b> |

(i) Includes the amount of R\$44,272 and R\$105,778 corresponding to cash and bank and cash equivalents, respectively, of the subsidiary Braskem Idesa, available for its use.

**4. Financial investments**

The information on financial investments was presented in the 2013 annual financial statements of the Company, in Note 8.

|                         | <b>Mar/2014</b> | <b>Dec/2013</b> |
|-------------------------|-----------------|-----------------|
| <b>Held-for-trading</b> |                 |                 |
| Investments in FIM Sol  | 66,962          | 61,670          |

|   |      |                |                |
|---|------|----------------|----------------|
| Investments in foreign currency                 |      | 2,955          | 3,773          |
| Shares  |      | 1,170          | 1,170          |
| <b>Held-to-maturity</b>                         |      |                |                |
| Quotas of investment funds in credit rights     | (i)  | 42,003         | 40,696         |
| Time deposit investment                         |      | 359            | 189            |
| Investments in foreign currency                 | (ii) | 455,143        | 469,376        |
| Compensation of investments in foreign currency | (ii) | (455,143)      | (469,376)      |
| <b>Total</b>                                    |      | <b>113,449</b> | <b>107,498</b> |
| In current assets                               |      | 87,499         | 86,719         |
| In non-current assets                           |      | 25,950         | 20,779         |
| <b>Total</b>                                    |      | <b>113,449</b> | <b>107,498</b> |

(i) On March 31, 2014, Braskem S.A. held junior subordinated shares issued by receivables-backed investment funds. These shares are measured by their redemption value and are held until the conclusion of operations of said funds. The funds issue two other types of shares that enjoy priority in compensation over the junior subordinated shares. The risk related to the operations of these funds is limited to the value of the shares held by the Braskem S.A..

(ii) On March 31, 2014, Braskem Holanda had a financial investments held-to-maturity that was irrevocably offset by an export prepayment agreement of the Braskem S.A., in the same amount, as provided for in the credit assignment agreement entered into between these two companies and Banco Bradesco (Note 12). This accounting offset was carried out in accordance with IAS 32, which provides for the possibility of offsetting financial instruments when there is intent and rightfully executable right to realize an asset and settle a liability simultaneously.



**Braskem S.A.****Notes to the financial statements****at March 31, 2014****All amounts in thousands of reais, except where stated otherwise****5. Trade accounts receivable**

The information on trade accounts receivable was presented in the 2013 annual financial statements of the Company, in Note 9.

|                                 | <b>Mar/2014</b>  | <b>Dec/2013</b>  |
|---------------------------------|------------------|------------------|
| Consumers                       |                  |                  |
| Domestic market                 | 1,591,445        | 1,578,008        |
| Foreign market                  | 1,549,396        | 1,577,140        |
| Allowance for doubtful accounts | (292,091)        | (282,753)        |
| <b>Total</b>                    | <b>2,848,750</b> | <b>2,872,395</b> |
| In current assets               | 2,830,606        | 2,810,520        |
| In non-current assets           | 18,144           | 61,875           |
| <b>Total</b>                    | <b>2,848,750</b> | <b>2,872,395</b> |

**6. Inventories**

The information on inventories was presented in the 2013 annual financial statements of the Company, in Note 10.

| <b>Mar/2014</b> | <b>Dec/2013</b> |
|-----------------|-----------------|
|-----------------|-----------------|

|  |                  |                  |
|--|------------------|------------------|
| Finished goods                                 | 3,575,331        | 3,429,979        |
| Raw materials, production inputs and packaging | 1,400,234        | 1,113,272        |
| Maintenance materials                          | 251,892          | 230,822          |
| Advances to suppliers                          | 204,195          | 236,672          |
| Imports in transit and other                   | 223,634          | 139,562          |
| <b>Total</b>                                   | <b>5,655,286</b> | <b>5,150,307</b> |
| <br>   |                  |                  |
| In current assets                              | 5,551,054        | 5,033,593        |
| In non-current assets                          | 104,232          | 116,714          |
| <b>Total</b>                                   | <b>5,655,286</b> | <b>5,150,307</b> |

**Braskem S.A.****Notes to the financial statements****at March 31, 2014****All amounts in thousands of reais, except where stated otherwise****7. Related parties**

The information concerning related parties was presented in the 2013 annual financial statements of the Company, in Note 11.

|   | Trade accounts receivable |                            | Current    |               | Related parties |                  | Other  |
|---|---------------------------|----------------------------|------------|---------------|-----------------|------------------|--------|
|   | Receivable notes          | Related parties receivable | Other      | Total         | Loan agreements | Other receivable | Oth    |
| <b>Jointly-controlled investment</b>            |                           |                            |            |               |                 |                  |        |
| Refinaria de Petróleo Riograndense S.A. ("RPR") |                           |                            | 151 (i)    | 151           |                 |                  |        |
| OCE   |                           |                            | 3 (i)      | 3             |                 |                  |        |
|   |                           |                            | <b>154</b> | <b>154</b>    |                 |                  |        |
| <b>Associated companies</b>                     |                           |                            |            |               |                 |                  |        |
| Borealis Brasil S.A. ("Borealis")               | 19,860                    | 187                        |            | 20,047        |                 |                  |        |
|   | <b>19,860</b>             | <b>187</b>                 |            | <b>20,047</b> |                 |                  |        |
| <b>Related companies</b>                        |                           |                            |            |               |                 |                  |        |
| Odebrecht and subsidiaries                      | 3,640                     | 391,652 (iii)              | 50         | 52,799 (ii)   | 448,141         |                  | 104,2  |
| Petrobras and subsidiaries                      | 34,875                    | 9,925                      | 54,418     | 4,028 (ii)    | 103,246         | 68,513           | 66,302 |
| Other   | 14,929                    |                            |            |               | 14,929          |                  |        |

|              |               |                |               |               |                |               |               |              |
|--------------|---------------|----------------|---------------|---------------|----------------|---------------|---------------|--------------|
|              | 53,444        | 401,577        | 54,468        | 56,827        | 566,316        | 68,513        | 66,302        | 104,2        |
| <b>Total</b> | <b>73,304</b> | <b>401,764</b> | <b>54,468</b> | <b>56,981</b> | <b>586,517</b> | <b>68,513</b> | <b>66,302</b> | <b>104,2</b> |

- (i) Amounts in “dividends and interest on capital”  
(ii) Amount in “inventory – advance to suppliers” (Note 6)  
(iii) Includes the amount of R\$315,000 related to the divestment of DAT (Note 1 (a.x))

|  | Income statement transactions from January to March 31, 2014 |   |                                   |   |
|--|--|---|-----------------------------------|---|
|  | Sales<br>of products   | Purchases of<br>raw materials,<br>services and<br>utilities | Financial<br>income<br>(expenses) | Cost of<br>production/general<br>and administrative<br>expenses |
| <b>Jointly-controlled investment</b>         |  |   |                                   |   |
| RPR  | 3,182  | 5,715   |                                   |   |
|  | <b>3,182</b>   | <b>5,715</b>  |                                   |   |
| <b>Associated companies</b>                  |  |   |                                   |   |
| Borealis                                     | 51,103   |   |                                   |   |
|  | <b>51,103</b>  |   |                                   |   |
| <b>Related companies</b>                     |  |   |                                   |   |
| Odebrecht and subsidiaries                   | 8,845  | 49,933  |                                   |   |
| Petrobras and subsidiaries                   | 303,220  | 2,110,336   | 1,166                             |   |
| Other  | 5,267  | 37  |                                   |   |
|  | <b>317,332</b>   | <b>2,160,306</b>  | <b>1,166</b>                      |   |
| <b>Post employment benefit plan</b>          |  |   |                                   |   |
| Odebrecht Previdência Privada<br>("Odeprev") |  |   |                                   | 6,037   |
|  |  |   |                                   | <b>6,037</b>  |
| <b>Total</b>                                 | <b>371,617</b>   | <b>2,166,021</b>  | <b>1,166</b>                      | <b>6,037</b>  |



**Braskem S.A.****Notes to the financial statements****at March 31, 2014****All amounts in thousands of reais, except where stated otherwise**

|                                      | Trade accounts receivable |               | Related parties |                  | Other      | Current        | Balances at     |                |
|--------------------------------------|---------------------------|---------------|-----------------|------------------|------------|----------------|-----------------|----------------|
|                                      | Receivable                | notes         | Receivable      | Other receivable | Other      | Total          | Loan agreements | Other          |
| <b>Jointly-controlled investment</b> |                           |               |                 |                  |            |                |                 |                |
| RPR                                  |                           |               |                 |                  | 150(i)     | 150            |                 |                |
|                                      |                           |               |                 |                  | <b>150</b> | <b>150</b>     |                 |                |
| <b>Associated companies</b>          |                           |               |                 |                  |            |                |                 |                |
| Borealis                             | 11,368                    |               | 187             |                  |            | 11,555         |                 |                |
|                                      | <b>11,368</b>             |               | <b>187</b>      |                  |            | <b>11,555</b>  |                 |                |
| <b>Related companies</b>             |                           |               |                 |                  |            |                |                 |                |
| Odebrecht and subsidiaries           | 440                       |               |                 | 78,068           | 37,436(ii) | 115,944        |                 | 782,565(i)     |
| Petrobras and subsidiaries           | 99,018                    | 9,925         | 36,307          | 42,013(ii)       |            | 187,263        | 67,348          | 66,301         |
| Other                                | 15,135                    |               |                 |                  |            | 15,135         |                 |                |
|                                      | <b>114,593</b>            | <b>9,925</b>  | <b>114,375</b>  | <b>79,449</b>    |            | <b>318,342</b> | <b>67,348</b>   | <b>66,301</b>  |
| <b>Total</b>                         | <b>125,961</b>            | <b>10,112</b> | <b>114,375</b>  | <b>79,599</b>    |            | <b>330,047</b> | <b>67,348</b>   | <b>66,301</b>  |
|                                      |                           |               |                 |                  |            |                |                 | <b>782,565</b> |

(i) Amounts in “dividends and interest on capital”.

(ii) Amount in “inventory – advance to suppliers” (Note 6)

(iii) Amount of R\$665,851 under “Property, plant and equipment” related to ongoing construction works, and R\$116,714 under “inventory – advance to suppliers” (Note 6).

|                                      | <b>Income statement transactions from January to March 31, 2013</b> |   |  |   |
|--------------------------------------|---|---|--|---|
|                                      | <b>Sales<br/>of products</b>  | <b>Purchases of<br/>raw<br/>materials,<br/>services and<br/>utilities</b> | <b>Financial<br/>income<br/>(expenses)</b> | <b>Cost of<br/>production/general<br/>and administrative<br/>expenses</b> |
| <b>Jointly-controlled investment</b> |   |   |  |   |
| RPR                                  | 7,428   | 11,702  |  |   |
|                                      | <b>7,428</b>  | <b>11,702</b>   |  |   |
| <b>Associated companies</b>          |   |   |  |   |
| Borealis                             | 50,445  |   |  |   |
| Other                                | 7,874   | 2,018   |  |   |
|                                      | <b>58,319</b>   | <b>2,018</b>  |  |   |
| <b>Related companies</b>             |   |   |  |   |
| Odebrecht and subsidiaries           |   | 125,267   |  |   |
| Petrobras and subsidiaries           | 299,884   | 4,794,408   | 329  |   |
|                                      | <b>299,884</b>  | <b>4,919,675</b>  | <b>329</b>                                 |   |
| <b>Post employment benefit plan</b>  |   |   |  |   |
| Odeprev                              |   |   |  | 4,410   |
|                                      |   |   |  | <b>4,410</b>  |
| <b>Total</b>                         | <b>365,631</b>  | <b>4,933,395</b>  | <b>329</b>                                 | <b>4,410</b>  |

**Braskem S.A.****Notes to the financial statements****at March 31, 2014****All amounts in thousands of reais, except where stated otherwise****(a) Key management personnel**

The Company considered as “Key management personnel” the members of the Board of Directors and Board of Executive Officers, composed of the Chief Executive Officer and vice-presidents. Not all members of the Board of Executive Officers are members of the Statutory Board of Executive Officers.

| <b>Non-current liabilities</b> | <b>Mar/2014</b> | <b>Dec/2013</b> |
|--------------------------------|-----------------|-----------------|
| Long-term incentives           | 1,685           | 2,333           |
| <b>Total</b>                   | <b>1,685</b>    | <b>2,333</b>    |

| <b>Income statement transactions</b>          | <b>Mar/2014</b> | <b>Mar/2013</b> |
|---|-----------------|-----------------|
| <b>Remuneration</b>                           |                 |                 |
| Short-term benefits to employees and managers | 3,486           | 4,728           |
| Post-employment benefit                       | 76              | 68              |
| Long-term incentives                          | 22              | 42              |
| <b>Total</b>                                  | <b>3,584</b>    | <b>4,838</b>    |

**8. Taxes recoverable**



The information on taxes recoverable was presented in the 2013 annual financial statements of the Company, in Note 12.

|                        |  | <b>Mar/2014</b>  | <b>Dec/2013</b>  |
|------------------------|--|------------------|------------------|
| <b>Brazil</b>          |  |                  |                  |
|                        | IPI  | 31,692           | 28,701           |
|                        | Value-added tax on sales and services (ICMS) - normal operations                                 | 629,371          | 738,282          |
|                        | ICMS - credits from PP&E   | 127,181          | 123,354          |
|                        | Social integration program (PIS) and social contribution on revenue (COFINS) - normal operations | 773,488          | 719,448          |
|                        | PIS and COFINS - credits from PP&E   | 281,057          | 269,006          |
|                        | PIS and COFINS - Law 9,718/98  | 13,274           | 24,207           |
|                        | PIS - Decree-Law 2,445 and 2,449/88  | 88,339           | 88,339           |
|                        | IR and CSL   | 548,799          | 542,686          |
|                        | REINTEGRA program  | 238,283          | 267,049          |
|                        | Other  | 150,873          | 155,965          |
| <b>Other countries</b> |  |                  |                  |
|                        | Value-added tax  | (a) 704,623      | 563,650          |
|                        | Income tax   | 3,218            | 2,516            |
| <b>Total</b>           |  | <b>3,590,198</b> | <b>3,523,203</b> |
| Current assets         |  | 2,390,438        | 2,237,213        |
| Non-current assets     |  | 1,199,760        | 1,285,990        |
| <b>Total</b>           |  | <b>3,590,198</b> | <b>3,523,203</b> |

**Braskem S.A.**

**Notes to the financial statements**

**at March 31, 2014**

**All amounts in thousands of reais, except where stated otherwise**

**(a) Value added tax (“VAT”)**

On March 31, 2014, this line included:

(i) R\$34,823 from sales by Braskem Alemanha to other countries. These credits are refunded in cash by the local government; and

(ii) R\$661,337 from purchases of machinery and equipment for the Ethylene XXI Project (Note 10). These credits will be reimbursed, in cash, by the Mexican government, after their validation. The Company expects to recover these credits at the short term.

**9. Investments**

The information related to investments was presented in the Company’s annual financial statements, in Note 16.

**(a) Information on investments**

**Interest in total  
capital**

**Adjusted net profit  
(loss)  
for the period**

**Adjusted  
equity**

|  | Note     | Direct | Indirect | Mar/2014 | Mar/2013<br>Revised | Mar/2014 | Dec/2013 |
|--|----------|--------|----------|----------|---------------------|----------|----------|
| <b>total (%) -<br/>Mar/2014<br/>Direct<br/>and</b>         |          |        |          |          |                     |          |          |
|  | 2.1.1(b) |        |          |          |                     |          |          |
| <b>Jointly-controlled investment</b>                       |          |        |          |          |                     |          |          |
| RPR  |          | 33.20  | 33.20    | 324      | 2,455               | 125,303  | 124,980  |
| OCE  | (i)      | 20.00  | 20.00    | 159      |                     | 489      | 689      |
| Propilsur  |          | 49.00  | 49.00    | (88)     | (556)               | 111,561  | 109,300  |
| <b>Associates</b>  |          |        |          |          |                     |          |          |
| Borealis   |          | 20.00  | 20.00    |          | 16,102              | 166,746  | 166,746  |
| Companhia de<br>Desenvolvimento Rio<br>Verde ("Codeverde") |          | 35.97  | 35.97    | (197)    | (596)               | 44,947   | 46,342   |

(i) Shares acquired in July 2013 (Note 1(a.ii)).

**(b) Changes in investments**

|   | Balance at<br>Dec/2013 | Dividends<br>and<br>interest<br>on equity | Effect<br>of results | Currency<br>translation<br>adjustments | Balance at<br>Mar/2014 |
|---|------------------------|---|----------------------|--|------------------------|
| <b>Jointly-controlled investments</b>                     |                        |   |                      |  |                        |
| Propilsur   | 40,398                 |   | (74)                 | 633                                    | 40,957                 |
| RPR   | 41,500                 |   | 107                  |  | 41,607                 |
| OCE   | 138                    | (3)                                       | (37)                 |  | 98                     |
|   | <b>82,036</b>          | <b>(3)</b>                                | <b>(4)</b>           | <b>633</b>                             | <b>82,662</b>          |
| <b>Associate</b>  |                        |   |                      |  |                        |
| Borealis  | 33,349                 |   |                      |  | 33,349                 |
| <b>Total associate</b>                                    | <b>33,349</b>          |   |                      |  | <b>33,349</b>          |
| <b>Total jointly-controlled investments and associate</b> | <b>115,385</b>         | <b>(3)</b>                                | <b>(4)</b>           | <b>633</b>                             | <b>116,011</b>         |



**Braskem S.A.****Notes to the financial statements****at March 31, 2014****All amounts in thousands of reais, except where stated otherwise****(c) Breakdown of equity accounting results**

|  | <b>Mar/2014</b> | <b>Mar/2013</b> |
|--|-----------------|-----------------|
| Equity in results of subsidiaries, associate and jointly-controlled investment | (6)             | (4,722)         |
|  | <b>(6)</b>      | <b>(4,722)</b>  |

**10. Property, plant and equipment**

The information on property, plant and equipment was presented in the Company's 2013 annual financial statements, in Note 17.

|  | <b>Mar/2014</b> |  |            | <b>Dec/2013</b> |  |            |
|--|-----------------|--|------------|-----------------|--|------------|
|  | <b>Cost</b>     | <b>Accumulated<br/>depreciation/<br/>depletion</b> | <b>Net</b> | <b>Cost</b>     | <b>Accumulated<br/>depreciation/<br/>depletion</b> | <b>Net</b> |
| Land                                   | 425,228         |  | 425,228    | 428,908         |  | 428,908    |
| Buildings and improvements             | 1,840,548       | (798,978)  | 1,041,570  | 1,830,245       | (783,084)  | 1,047,161  |
| Machinery, equipment and installations | 25,852,670      | (11,444,109)                                       | 14,408,561 | 25,671,115      | (11,044,102)                                       | 14,627,013 |
| Projects in progress                   | 9,476,536       |  | 9,476,536  | 8,832,906       |  | 8,832,906  |
| Other                                  | 963,315         | (476,653)  | 486,662    | 936,228         | (458,668)  | 477,560    |

|              |                   |                     |                   |                   |                     |                   |
|--------------|-------------------|---------------------|-------------------|-------------------|---------------------|-------------------|
| <b>Total</b> | <b>38,558,297</b> | <b>(12,719,740)</b> | <b>25,838,557</b> | <b>37,699,402</b> | <b>(12,285,854)</b> | <b>25,413,548</b> |
|--------------|-------------------|---------------------|-------------------|-------------------|---------------------|-------------------|

### Impairment test for property, plant and equipment

There were no significant events or circumstances in the period ended March 31, 2014 that indicate the need for impairment testing on the property, plant and equipment.

### 11. Intangible assets

The information on intangible assets was presented in the 2013 annual financial statements of the Company, in Note 18.

|  | <b>Mar/2014</b>  |                                     |                  | <b>Dec/2013</b>  |                                     |                  |
|--|------------------|-------------------------------------|------------------|------------------|-------------------------------------|------------------|
|  | <b>Cost</b>      | <b>Accumulated<br/>amortization</b> | <b>Net</b>       | <b>Cost</b>      | <b>Accumulated<br/>amortization</b> | <b>Net</b>       |
| Goodwill based on<br>future profitability    | 3,187,722        | (1,128,804)                         | 2,058,918        | 3,187,722        | (1,128,804)                         | 2,058,918        |
| Trademarks and patents                       | 211,283          | (84,185)                            | 127,098          | 208,574          | (82,176)                            | 126,398          |
| Software and use rights                      | 479,430          | (257,988)                           | 221,442          | 473,560          | (244,924)                           | 228,636          |
| Contracts with<br>customers and<br>suppliers | 700,442          | (224,373)                           | 476,069          | 712,499          | (213,821)                           | 498,678          |
| <b>Total</b>                                 | <b>4,578,877</b> | <b>(1,695,350)</b>                  | <b>2,883,527</b> | <b>4,582,355</b> | <b>(1,669,725)</b>                  | <b>2,912,630</b> |

### Impairment of intangible assets with definite and indefinite useful life

There were no significant events or circumstances in the period ended March 31, 2014 that indicated the need for updating the impairment testing of intangible assets with indefinite useful life made in October 2013, or that indicated the need to perform an impairment testing of intangible assets with definite useful life.



**Braskem S.A.****Notes to the financial statements****at March 31, 2014****All amounts in thousands of reais, except where stated otherwise****12. Borrowings**

The information on borrowings was presented in the 2013 annual financial statements of the Company, in Note 19.

|                                   |                              | <b>Annual financial charges</b> | <b>Average interest (unless otherwise stated)</b> | <b>Mar/2014</b>   | <b>Dec/2013</b>   |
|-----------------------------------|------------------------------|---------------------------------|---|-------------------|-------------------|
|                                   | <b>Monetary restatement</b>  |                                 |   |                   |                   |
| <b><u>Foreign currency</u></b>    |                              |                                 |   |                   |                   |
| Bonds and Medium term notes (MTN) | Note 12 (a)                  | Note 12 (a)                     |   | 10,061,916        | 10,432,526        |
| Advances on exchange contracts    | US dollar exchange variation | 1.24%                           |   | 113,386           | 117,132           |
| Export prepayment                 | Note 12 (b)                  | Note 12 (b)                     |   | 524,995           | 540,744           |
| BNDES                             | Note 12 (c)                  | Note 12 (c)                     |   | 412,522           | 453,065           |
| Export credit notes               | Note 12 (d)                  | Note 12 (d)                     |   | 816,937           | 843,060           |
| Working capital                   |                              | 1.77%                           |   |                   |                   |
|                                   | US dollar exchange variation | above Libor                     |   | 781,785           | 633,632           |
| Other                             |                              | 4.00%                           |   |                   |                   |
|                                   | US dollar exchange variation | above Libor                     |   | 1,241             | 1,268             |
| Transactions costs                |                              |                                 |   | (229,049)         | (81,375)          |
| <b><u>Local currency</u></b>      |                              |                                 |   |                   |                   |
| Export credit notes               | Note 12 (d)                  | Note 12 (d)                     |   | 2,623,356         | 2,528,077         |
| BNDES                             | Note 12 (c)                  | Note 12 (c)                     |   | 2,407,563         | 2,464,987         |
| BNB/ FINAME/ FINEP/ FUNDES        |                              | 6.48%                           |   | 634,305           | 658,372           |
| BNB/ FINAME/ FINEP/ FUNDES        | TJLP                         | 0.38%                           |   | 14,191            | 16,093            |
| Transactions costs                |                              |                                 |   | (16,748)          | (5,090)           |
| <b>Total</b>                      |                              |                                 |   | <b>18,146,400</b> | <b>18,602,491</b> |



|                         |                   |                   |
|-------------------------|-------------------|-------------------|
| Current liabilities     | 1,224,291         | 1,248,804         |
| Non-current liabilities | 16,922,109        | 17,353,687        |
| <b>Total</b>            | <b>18,146,400</b> | <b>18,602,491</b> |

**Braskem S.A.****Notes to the financial statements****at March 31, 2014****All amounts in thousands of reais, except where stated otherwise****(a) Bonds and MTN**

| <b>Issue date</b>  | <b>Issue amount<br/>(US\$ in thousands)</b> | <b>Maturity</b>  | <b>Interest<br/>(% per year)</b> | <b>Mar/2014</b>   | <b>Dec/2013</b>   |
|--------------------|---|------------------|----------------------------------|-------------------|-------------------|
| July 1997          | 250,000                                     | June 2015        | 9.38                             | 150,574           | 152,328           |
| January 2004       | 250,000                                     | January 2014     | 11.75                            |                   | 178,897           |
| September 2006 (i) | 275,000                                     | January 2017     | 8.00                             | 185,369           | 305,006           |
| June 2008 (i)      | 500,000                                     | June 2018        | 7.25                             | 423,915           | 1,000,375         |
| May 2010 (i)       | 400,000                                     | May 2020         | 7.00                             | 539,290           | 940,780           |
| May 2010           | 350,000                                     | May 2020         | 7.00                             | 814,073           | 828,360           |
| October 2010       | 450,000                                     | no maturity date | 7.38                             | 1,036,291         | 1,072,742         |
| April 2011         | 750,000                                     | April 2021       | 5.75                             | 1,736,173         | 1,772,070         |
| July 2011          | 500,000                                     | July 2041        | 7.13                             | 1,146,728         | 1,207,927         |
| February 2012      | 250,000                                     | April 2021       | 5.75                             | 580,660           | 592,666           |
| February 2012      | 250,000                                     | no maturity date | 7.38                             | 575,718           | 595,968           |
| May 2012           | 500,000                                     | May 2022         | 5.38                             | 1,156,503         | 1,181,443         |
| July 2012          | 250,000                                     | July 2041        | 7.13                             | 573,364           | 603,964           |
| February 2014 (i)  | 500,000                                     | February 2024    | 6.45                             | 1,143,258         |                   |
| <b>Total</b>       | <b>5,475,000</b>                            |                  |                                  | <b>10,061,916</b> | <b>10,432,526</b> |

(i) The Bonds issued in February 2014 had the primary objective of refinancing the Bonds issued in September 2006, June 2008 and May 2010. The operation was considered a refinancing of said debt, in accordance with IFRS 9, for which reason all expenses involved in structuring the February 2014 operation and Bond exchange were considered transaction costs.

**(b) Export prepayments (“EPP”)**

| <b>Issue date</b> | <b>Initial amount<br/>of the transaction<br/>(US\$ thousand)</b> | <b>Maturity Charges (% per year)</b>                                 | <b>Mar/2014</b> |
|-------------------|--|--|-----------------|
| December 2010     | 100.000  | December-2017 US dollar exchange variation + semiannual Libor + 2.47 | 115,576         |
| January 2013      | 200.000  | November-2022 US dollar exchange variation + semiannual Libor + 2.47 | 409,419         |
| <b>Total</b>      | <b>300.000</b>   |  | <b>524,995</b>  |

**Braskem S.A.****Notes to the financial statements****at March 31, 2014****All amounts in thousands of reais, except where stated otherwise****(c) BNDES borrowings**

| <b>Projects</b>                | <b>Issue date</b> | <b>Maturity Charges (% per year)</b>                     | <b>Mar/2014</b>  | <b>Dec/2014</b>  |
|--------------------------------|-------------------|--|------------------|------------------|
| <b><u>Foreign currency</u></b> |                   |  |                  |                  |
| Other                          | 2006              | October-2016 US dollar exchange variation + 6.79         | 5,754            | 6,500            |
| Braskem Qpar expansion         | 2006/2007/2008    | April-2016 US dollar exchange variation + 6.64 to 6.79   | 8,957            | 10,300           |
| Green PE plant                 | 2009              | July-2017 US dollar exchange variation + 6.57            | 35,797           | 39,800           |
| Limit of credit II             | 2009              | January-2017 US dollar exchange variation + 6.57         | 71,746           | 80,800           |
| New plant PVC Alagoas          | 2010              | January-2020 US dollar exchange variation + 6.57         | 106,598          | 115,000          |
| Limit of credit III            | 2011              | October-2018 US dollar exchange variation + 6.41 to 6.44 | 145,948          | 159,900          |
| Butadiene plant                | 2011              | January-2021 US dollar exchange variation + 6.44         | 37,722           | 40,400           |
|                                |                   |  | <b>412,522</b>   | <b>453,000</b>   |
| <b><u>Local currency</u></b>   |                   |  |                  |                  |
| Other                          | 2006              | September-2016 TJLP + 2.80                               | 44,804           | 49,200           |
| Braskem Qpar expansion         | 2006/2007/2008    | February-2016 TJLP + 2.15 to 3.30                        | 67,037           | 75,800           |
| Green PE plant                 | 2008/2009         | June-2017 TJLP + 0.00 to 4.78                            | 260,054          | 280,600          |
| Limit of credit II             | 2009              | January-2017 TJLP + 2.58 to 3.58                         | 221,334          | 240,900          |
| Limit of credit II             | 2009              | January-2017 4.50  | 9,889            | 10,700           |
| New plant PVC Alagoas          | 2010              | December-2019 TJLP + 0.00 to 3.58                        | 337,578          | 352,300          |
| New plant PVC Alagoas          | 2010              | December-2019 5.50                                       | 38,415           | 40,000           |
| Limit of credit III            | 2011              | October-2019 TJLP + 0.00 to 3.58                         | 980,041          | 969,700          |
| Limit of credit III            | 2011              | October-2019 SELIC + 2.58                                | 93,530           | 82,300           |
| Limit of credit III            | 2011              | November-2019 3.50 to 5.50                               | 225,306          | 228,500          |
| Butadiene plant                | 2011              | December-2020 TJLP + 0.00 to 3.45                        | 129,575          | 134,400          |
|                                |                   |  | <b>2,407,563</b> | <b>2,464,900</b> |
| <b>Total</b>                   |                   |  | <b>2,820,085</b> | <b>2,918,000</b> |



**Braskem S.A.****Notes to the financial statements****at March 31, 2014****All amounts in thousands of reais, except where stated otherwise****(d) Export credit notes (“NCE”)**

| <b>Issue date</b>              | <b>Initial amount<br/>of the transaction</b> | <b>Maturity Charges (% per year)</b>              | <b>Mar/2014</b> | <b>Dec/2013</b> |
|--------------------------------|--|---|-----------------|-----------------|
| <b><u>Foreign currency</u></b> |  |   |                 |                 |
| November 2006                  | 167,014                                      | May 2018 Us dollar exchange variation + 8.10      | 182,074         | 184,778         |
| April 2007                     | 101,605                                      | March 2018 Us dollar exchange variation + 7.87    | 117,429         | 119,255         |
| May 2007                       | 146,010                                      | May 2019 Us dollar exchange variation + 7.85      | 174,129         | 176,806         |
| January 2008                   | 266,430                                      | February 2020 Us dollar exchange variation + 7.30 | 343,305         | 362,221         |
|                                | <b>681,059</b>                               |   | <b>816,937</b>  | <b>843,060</b>  |
| <b><u>Local currency</u></b>   |  |   |                 |                 |
| April-2010                     | 50,000                                       | October-2021 105% of CDI                          | 52,164          | 50,880          |
| June-2010                      | 200,000                                      | October-2021 105% of CDI                          | 208,656         | 203,521         |
| February-2011                  | 250,000                                      | October-2021 105% of CDI                          | 208,656         | 203,521         |
| April-2011 (i)                 | 450,000                                      | April-2019 112.5% of CDI                          | 459,852         | 459,408         |
| June-2011                      | 80,000                                       | October-2021 105% of CDI                          | 83,462          | 81,408          |
| August-2011 (i)                | 400,000                                      | August-2019 112.5% of CDI                         | 403,603         | 403,513         |
| June-2012                      | 100,000                                      | October-2021 105% of CDI                          | 104,328         | 101,761         |
| September-2012                 | 300,000                                      | October-2021 105% of CDI                          | 312,984         | 305,282         |
| October-2012                   | 85,000                                       | October-2021 105% of CDI                          | 88,679          | 86,496          |
| February-2013 (ii)             | 100,000                                      | February-2016 8.00                                | 101,139         | 101,183         |
| February-2013 (ii)             | 50,000                                       | February-2016 7.50                                | 50,494          | 50,505          |
| February-2013 (ii)             | 100,000                                      | February-2016 8.00                                | 101,010         | 101,010         |
| February-2013 (ii)             | 50,000                                       | February-2016 8.00                                | 50,419          | 50,440          |
| February-2013 (ii)             | 100,000                                      | February-2016 8.00                                | 100,967         | 100,923         |
| March-2013 (ii)                | 50,000                                       | March-2016 8.00                                   | 50,257          | 50,257          |
| March-2013 (ii)                | 17,500                                       | March-2016 8.00                                   | 17,590          | 17,583          |
| August-2013 (ii)               | 10,000                                       | August-2016 8.00                                  | 10,120          | 10,129          |
| December-2013 (ii)             | 150,000                                      | December-2016 8.00                                | 153,176         | 150,257         |
| March-2014                     | 10,354                                       | June-2014 8.00                                    | 10,354          |                 |
| March-2014                     | 55,446                                       | June-2014 8.00                                    | 55,446          |                 |

|              |                  |                            |
|--------------|------------------|----------------------------|
| <b>Total</b> | <b>2,608,300</b> | <b>2,623,356 2,528,077</b> |
|--------------|------------------|----------------------------|

(i) The Company enters into swap transactions to offset the variation in the Interbank Certificate of Deposit (CDI) rate (Note 14.1.1 (b)).

(ii) The Company enters into swap transactions for these contracts (from 67.47% to 92.70% of CDI) (Note 14.1.1 (a)).

**Braskem S.A.****Notes to the financial statements****at March 31, 2014****All amounts in thousands of reais, except where stated otherwise****(e) Payment schedule**

The maturity profile of the long-term amounts is as follows:

|                     | <b>Mar/2014</b>   | <b>Dec/2013</b>   |
|---------------------|-------------------|-------------------|
| 2015                | 970,152           | 1,121,998         |
| 2016                | 2,105,368         | 1,738,496         |
| 2017                | 995,017           | 1,576,790         |
| 2018                | 1,392,106         | 1,881,848         |
| 2019                | 1,523,297         | 1,479,686         |
| 2020                | 1,901,769         | 2,366,125         |
| 2021                | 2,464,661         | 2,561,516         |
| 2022                | 1,191,406         | 1,248,355         |
| 2023                | 2,513             | 1,676             |
| 2024                | 1,128,970         |                   |
| 2025 and thereafter | 3,246,850         | 3,377,197         |
| <b>Total</b>        | <b>16,922,109</b> | <b>17,353,687</b> |

**(f) Capitalized financial charges**

The Company capitalized financial charges in the period ended March 31, 2014 in the amount of R\$19,842 (R\$23,258 in the period ended March 31, 2013), including monetary variation and part of the exchange variation. The average rate of these charges in the period was 7.41% p.a. (6.98% p.a. in the first quarter of 2013).

**(g) Guarantees**



Braskem gave collateral for part of its borrowings as follows:

| Loans        | Maturity      | Total debt       | Total            | Guarantees   |
|--------------|---------------|------------------|------------------|--|
|              |               | Mar/2014         | guaranteed       |  |
| BNB          | March-2023    | 328,561          | 328,561          | Mortgage of plants, pledge of machinery and equipment                    |
| BNDES        | January-2021  | 2,820,085        | 2,820,085        | Mortgage of plants, land and property, pledge of machinery and equipment |
| FUNDES       | June-2020     | 199,706          | 199,706          | Mortgage of plants, land and property, pledge of machinery and equipment |
| FINEP        | August-2023   | 116,956          | 116,956          | Bank surety  |
| FINAME       | February-2022 | 3,273            | 3,273            | Pledge of equipment  |
| <b>Total</b> |               | <b>3,468,581</b> | <b>3,468,581</b> |  |

**(h) Financial covenants**

The Company has not entered into financing agreements that establish limits for certain indicators related to the capacity to contract debt and pay interest.

**Braskem S.A.****Notes to the financial statements****at March 31, 2014****All amounts in thousands of reais, except where stated otherwise****13. Project finance**

The information on project finance was presented in the 2013 annual financial statements in Note 20.

| <b>Identification</b>   | <b>US\$<br/>thousands</b> | <b>US\$<br/>thousands</b> | <b>Maturity</b> | <b>Charges (% per year)</b>                           | <b>Mar/2014</b>  |
|-------------------------|---------------------------|---------------------------|-----------------|---|------------------|
| Project finance I       | 700,000                   | 484,847                   | February-2027   | Us dollar exchange variation + quarterly Libor + 3.25 | 1,102,289        |
| Project finance II      | 210,000                   | 51,422                    | February-2027   | Us dollar exchange variation + 6.17                   | 180,289          |
| Project finance III     | 600,000                   | 263,264                   | February-2029   | Us dollar exchange variation + 4.33                   | 599,849          |
| Project finance IV      | 660,000                   | 551,173                   | February-2029   | Us dollar exchange variation + quarterly Libor + 3.88 | 1,191,229        |
| Project finance V       | 400,000                   | 277,055                   | February-2029   | Us dollar exchange variation + quarterly Libor + 4.65 | 630,709          |
| Project finance VI      | 90,000                    | 33,811                    | February-2029   | Us dollar exchange variation + quarterly Libor + 2.73 | 76,849           |
| Project finance VII     | 533,095                   | 369,242                   | February-2029   | Us dollar exchange variation + quarterly Libor + 4.64 | 849,449          |
| Transactions costs      |                           |                           |                 |   | (48,709)         |
| <b>Total</b>            | <b>3,193,095</b>          | <b>2,030,814</b>          |                 |   | <b>4,581,849</b> |
| Current liabilities     |                           |                           |                 |   | 22,609           |
| Non-current liabilities |                           |                           |                 |   | 4,559,149        |
| <b>Total</b>            |                           |                           |                 |   | <b>4,581,849</b> |

Braskem Idesa capitalized the charges incurred on this financing in the period ending March 31, 2014, in the amount of R\$72,289 (MXN\$ 394,257 thousand) (R\$99,009 (MXN\$606,676 thousand) in the period ended March 31, 2013, related to contributions by Braskem and the non-controlling shareholder, lent in advance, and reimbursed with the proceeds from the Project Finance. The average interest rate in the period was 5.02% p.a.

The maturity profile of this long-term financing, by year of maturity, is as follows:

|                     | <b>Mar/2014</b>  | <b>Dec/2013</b>  |
|---------------------|------------------|------------------|
| 2016                | 85,198           | 85,068           |
| 2017                | 251,066          | 254,883          |
| 2018                | 308,654          | 313,944          |
| 2019                | 321,612          | 327,391          |
| 2020                | 381,870          | 389,584          |
| 2021                | 438,173          | 447,535          |
| 2022                | 368,623          | 377,156          |
| 2023                | 483,189          | 493,770          |
| 2024                | 523,178          | 534,866          |
| 2025 and thereafter | 1,397,597        | 1,481,464        |
| <b>Total</b>        | <b>4,559,160</b> | <b>4,705,661</b> |

In accordance with the Company's risk management strategy and based on its financial policy, the Management contracted and designated derivative operations under hedge accounting (Note 14.2.1 (c.ii.i)) in order to offset the change in future debt-related financial expenses caused by the fluctuation of the Libor rate.

**Braskem S.A.****Notes to the financial statements****at March 31, 2014****All amounts in thousands of reais, except where stated otherwise****14. Financial instruments**

The information related to financial instruments was presented in the 2013 financial statements of the Company, in Note 21.

**14.1. Non-derivative financial instruments – measured at fair value**

|                                       | Note | Classification<br>by category | Fair<br>value<br>hierarchy | Book value       |                  |                  |
|---------------------------------------|------|-------------------------------|----------------------------|------------------|------------------|------------------|
|                                       |      |                               |                            | Mar/2014         | Dec/2013         | Mar/2014         |
| <b>Cash and cash equivalents</b>      | 3    |                               |                            |                  |                  |                  |
| Cash and banks                        |      | Loans and<br>receivables      |                            | 240,089          | 987,824          | 240,089          |
| Financial investments in Brazil       |      | Held-for-trading              | Level 2                    | 526,937          | 687,938          | 526,937          |
| Financial investments in Brazil       |      | Loans and<br>receivables      |                            | 1,132,989        | 1,218,852        | 1,132,989        |
| Financial investments abroad          |      | Held-for-trading              | Level 2                    | 1,314,050        | 1,441,245        | 1,314,050        |
|                                       |      |                               |                            | <b>3,214,065</b> | <b>4,335,859</b> | <b>3,214,065</b> |
| <b>Financial investments</b>          | 4    |                               |                            |                  |                  |                  |
| FIM Sol investments                   |      | Held-for-trading              | Level 2                    | 66,962           | 61,670           | 66,962           |
| Investments in foreign currency       |      | Held-for-trading              | Level 2                    | 2,955            | 3,773            | 2,955            |
| Investments in foreign currency       |      | Held-to-maturity              |                            | 359              | 189              | 359              |
| Shares                                |      | Held-for-trading              |                            | 1,170            | 1,170            | 1,170            |
| Quotas of receivables investment fund |      |                               |                            |                  |                  |                  |
| Restricted deposits                   |      | Held-to-maturity              |                            | 42,003           | 40,696           | 42,003           |
|                                       |      |                               |                            | <b>113,449</b>   | <b>107,498</b>   | <b>113,449</b>   |

|   |                                   |         |                   |                   |                   |
|---|-----------------------------------|---------|-------------------|-------------------|-------------------|
| <b>Trade accounts receivable</b>                    | Loans and<br>5 receivables        |         | <b>2,848,750</b>  | <b>2,872,395</b>  | <b>2,848,750</b>  |
| <b>Related parties credits</b>                      | Loans and<br>7 receivables        |         | <b>591,047</b>    | <b>258,136</b>    | <b>591,047</b>    |
| <b>Trade payables</b>                               | Other financial<br>liabilities    |         | <b>9,959,674</b>  | <b>10,421,687</b> | <b>9,959,674</b>  |
| <b>Borrowings</b>                                   | 12                                |         |                   |                   |                   |
| Foreign currency - Bond                             | Other financial<br>liabilities    | Level 1 | 10,061,916        | 10,432,526        | 9,890,817         |
| Foreign currency - other borrowings                 | Other financial<br>liabilities    |         | 2,650,866         | 2,588,901         | 2,650,866         |
| Local currency                                      | Other financial<br>liabilities    |         | 5,679,415         | 5,667,529         | 5,679,415         |
|   |                                   |         | <b>18,392,197</b> | <b>18,688,956</b> | <b>18,221,098</b> |
| <b>Project finance</b>                              | Other financial<br>13 liabilities |         | <b>4,630,592</b>  | <b>4,782,602</b>  | <b>4,630,592</b>  |
| <b>Other payables</b>                               |                                   |         |                   |                   |                   |
| Creditors for the acquisitions of shares            | Other financial<br>liabilities    |         | 280,831           | 275,743           | 280,831           |
| Accounts payable to non-controlling (Braskem Idesa) | Other financial<br>liabilities    |         | 478,578           | 341,993           | 478,578           |
|   |                                   |         | <b>759,409</b>    | <b>617,736</b>    | <b>759,409</b>    |

**(a) Fair value hierarchy**

Level 1 – fair value obtained through prices quoted (without adjustments) in active markets for identical assets or liabilities, such as the stock exchange; and

Level 2 – fair value obtained from discounted cash flow models, when the instrument is a forward purchase or sale or a swap contract, or valuation models of option contracts, such as the Black-Scholes model, when the derivative has the characteristics of an option.



Braskem S.A.

## Notes to the financial statements

at March 31, 2014

All amounts in thousands of reais, except where stated otherwise

## 14.1.1 Financial derivatives instruments designated and not designated for hedge accounting

| Identification                                  | Note          | Fair value hierarchy | Operation characteristics |                | Balance at Dec/2013 | Change in fair value | Financial settlement |
|---|---------------|----------------------|---------------------------|----------------|---------------------|----------------------|----------------------|
|   |               |                      | Principal exposure        | Derivatives    |                     |                      |                      |
| <b><u>Non-hedge accounting transactions</u></b> |               |                      |                           |                |                     |                      |                      |
| Commodity swap - Naphtha                        |               | Level 2              | Fixed price               | Variable price | (470)               | 68                   |                      |
| Interest rate swaps                             | 14.1.1 (a)    | Level 2              | Fixed rate                | CDI            | 20,751              | 4,372                | (6,000)              |
| Contract for the future purchase                |               | Level 2              | Euro                      | Dollar         | (5,022)             | 618                  | 2,000                |
|   |               |                      |                           |                | <b>15,259</b>       | <b>5,058</b>         | <b>1,000</b>         |
| <b><u>Hedge accounting transactions</u></b>     |               |                      |                           |                |                     |                      |                      |
| Exchange swap                                   | 14.1.1 (b)    | Level 2              | CDI                       | Dollar         | 367,559             | (17,052)             | (6,000)              |
| Commodity swap - ethylene                       |               | Level 2              | Variable price            | Fixed price    | (69)                | 199                  |                      |
| Commodity swap - PGP                            |               | Level 2              | Fixed price               | Variable price | (59)                | (387)                |                      |
| Interest rate swaps                             | 14.1.1 (d.i)  | Level 2              | Libor                     | Dollar         | (110,253)           | 34,121               | 6,000                |
| Contract for the future purchase - Currency     | 14.1.1 (d.ii) | Level 2              | Peso mexicano             | Dollar         | 47,280              | (7,780)              | (15,000)             |
|   |               |                      |                           |                | <b>304,458</b>      | <b>9,101</b>         | <b>(15,000)</b>      |
|   |               |                      |                           |                | <b>319,717</b>      |                      |                      |

The regular changes in the fair value of derivatives not designated as hedge accounting were recorded as financial income or expenses in the same period in which they occur. In the period ended March 31, 2014, the Company recognized a financial expense of R\$16,189 (financial income of R\$45,035 in the period ended March 31, 2013).

**(a) Interest rate swap linked to NCE**

| <b>Identification</b>                        | <b>Nominal<br/>value</b> | <b>Interest rate<br/>(hedge)</b> | <b>Maturity</b> | <b>Fair value</b> |                 |
|--|--------------------------|----------------------------------|-----------------|-------------------|-----------------|
|  |                          |                                  |                 | <b>Mar/2014</b>   | <b>Dec/2013</b> |
| Swap NCE I                                   | 100,000                  | 90.65% CDI                       | February-2016   | 4,406             | 4,086           |
| Swap NCE II                                  | 50,000                   | 88.20% CDI                       | February-2016   | 2,372             | 2,243           |
| Swap NCE III                                 | 100,000                  | 92.64% CDI                       | February-2016   | 4,725             | 4,435           |
| Swap NCE IV                                  | 50,000                   | 92.70% CDI                       | February-2016   | 2,423             | 2,315           |
| Swap NCE V                                   | 100,000                  | 91.92% CDI                       | February-2016   | 4,638             | 4,407           |
| Swap NCE VI                                  | 50,000                   | 92.25% CDI                       | March-2016      | 2,434             | 2,310           |
| Swap NCE VII                                 | 17,500                   | 91.10% CDI                       | March-2016      | 808               | 765             |
| Swap NCE VIII                                | 10,000                   | 77.52% CDI                       | August-2016     | 239               | 190             |
| Swap NCE IX                                  | 50,000                   | 68.15% CDI                       | December - 2016 | 821               |                 |
| Swap NCE X                                   | 50,000                   | 67.15% CDI                       | December - 2016 | 647               |                 |
| Swap NCE XI                                  | 50,000                   | 67.10% CDI                       | December - 2016 | 627               |                 |
| <b>Total</b>                                 | <b>627,500</b>           |                                  |                 | <b>24,139</b>     | <b>20,751</b>   |
| Current liabilities (derivatives operations) |                          |                                  |                 | 24,140            | 20,751          |
| <b>Total</b>                                 |                          |                                  |                 | <b>24,140</b>     | <b>20,751</b>   |



**Braskem S.A.****Notes to the financial statements****at March 31, 2014****All amounts in thousands of reais, except where stated otherwise****(b) Swaps related to export credit notes (NCE)**

| <b>Identification</b>                            | <b>Nominal value</b> | <b>US\$</b>              | <b>Interest</b>     | <b>Maturity</b> | <b>Fair value</b> |                 |
|--|----------------------|--------------------------|---------------------|-----------------|-------------------|-----------------|
|  |                      | <b>thousands (hedge)</b> | <b>rate (hedge)</b> |                 | <b>Mar/2014</b>   | <b>Dec/2013</b> |
| Swap NCE I                                       | 200,000              | 122,100                  | 5.44%               | August 2019     | 96,583            | 101,904         |
| Swap NCE II                                      | 100,000              | 60,187                   | 5.40%               | August 2019     | 45,813            | 48,414          |
| Swap NCE III                                     | 100,000              | 59,588                   | 5.37%               | August 2019     | 44,083            | 46,642          |
| Swap NCE IV                                      | 100,000              | 56,205                   | 5.50%               | April 2019      | 36,048            | 39,005          |
| Swap NCE V                                       | 100,000              | 56,180                   | 5.50%               | April 2019      | 35,983            | 38,939          |
| Swap NCE VI                                      | 150,000              | 82,372                   | 5.43%               | April 2019      | 37,116            | 52,745          |
| Swap NCE VII                                     | 100,000              | 58,089                   | 4.93%               | April 2019      | 48,460            | 39,910          |
| <b>Total</b>                                     | <b>850,000</b>       | <b>494,721</b>           |                     |                 | <b>344,086</b>    | <b>367,559</b>  |
| Current assets (other receivables)               |                      |                          |                     |                 | (36,516)          | (28,481)        |
| Non Current liabilities (derivatives operations) |                      |                          |                     |                 | 380,602           | 396,040         |
| <b>Total</b>                                     |                      |                          |                     |                 | <b>344,086</b>    | <b>367,559</b>  |

**(c) Non-derivative liabilities designated for export hedge accounting**

On May 1, 2013, Braskem S.A. designated non-derivative financial instrument liabilities, denominated in U.S. dollars, as hedge for the flow of its highly probable future exports. On March 31, 2014, the following non-derivative liabilities were designated as hedge for the flow of its highly probable future exports:

| <b>Identification</b> | <b>Maturity</b> | <b>Hedge</b> | <b>Nominal value US\$ thousands</b> | <b>Mar/2014</b> | <b>Dec/2013</b> |
|-----------------------|-----------------|--------------|-------------------------------------|-----------------|-----------------|
|-----------------------|-----------------|--------------|-------------------------------------|-----------------|-----------------|

**Operations designated for hedge accounting**

|                                      |      |        |                  |                   |                   |
|--------------------------------------|------|--------|------------------|-------------------|-------------------|
| Trade payables                       | 2016 | Dollar | 839,447          | 1,899,668         | 1,966,488         |
| Trade payables                       | 2017 | Dollar | 749,685          | 1,696,537         | 1,756,212         |
| Export prepayments - related parties | 2017 | Dollar | 80,000           | 181,040           | 187,408           |
| Trade payables                       | 2018 | Dollar | 787,894          | 1,783,003         | 1,744,207         |
| Export prepayments - related parties | 2018 | Dollar |                  |                   | 101,513           |
| Bond                                 | 2019 | Dollar | 65,143           | 147,419           | 152,604           |
| Trade payables                       | 2019 | Dollar | 50,000           | 113,150           | 117,130           |
| Export prepayments                   | 2019 | Dollar | 618,836          | 1,400,428         | 1,449,688         |
| Accounts payable                     | 2020 | Dollar | 288,000          | 651,744           | 674,669           |
| Trade payables                       | 2020 | Dollar | 56,000           | 126,728           | 131,186           |
| Export prepayments                   | 2020 | Dollar | 380,000          | 859,940           | 890,188           |
| Accounts payable                     | 2021 | Dollar | 332,000          | 751,316           | 777,743           |
| Trade payables                       | 2021 | Dollar | 10,000           | 22,630            | 23,426            |
| Export prepayments                   | 2021 | Dollar | 374,000          | 846,362           | 876,132           |
| Accounts payable                     | 2022 | Dollar | 216,000          | 488,808           | 506,002           |
| Export credit note                   | 2022 | Dollar | 353,000          | 798,839           | 826,938           |
| Export prepayments                   | 2022 | Dollar | 150,000          | 339,450           | 351,388           |
| Accounts payable                     | 2023 | Dollar | 653,972          | 1,479,938         | 1,531,994         |
| Export prepayments                   | 2023 | Dollar | 64,400           | 145,737           | 150,863           |
| Accounts payable                     | 2024 | Dollar | 113,854          | 257,652           | 266,715           |
| Export prepayments                   | 2024 | Dollar | 575,000          | 1,301,225         | 1,346,995         |
|                                      |      |        | <b>6,757,231</b> | <b>15,291,614</b> | <b>15,829,489</b> |

**(d) Hedge operations by Braskem Idesa related to project finance**

The hedge operations of Braskem Idesa follow the same mode as project finance, whereby the project loan must be paid exclusively with the cash generated by the project itself and shareholders provide limited guarantees (limited recourse project finance) (Note 13).

**Braskem S.A.****Notes to the financial statements****at March 31, 2014****All amounts in thousands of reais, except where stated otherwise**

The periodic changes in the fair value of derivatives not designated as hedge accounting were recorded as financial income or expense in the same period in which they occur. In the period ended March 31, 2014, the Company recognized a financial expense of R\$18,036.

**(d.i) Interest rate swap linked to Libor**

| <b>Identification</b>                        | <b>Nominal<br/>value<br/>US\$<br/>thousands</b> | <b>Interest rate<br/>(hedge)</b> | <b>Maturity</b> | <b>Fair value</b> |                  |
|--|---|----------------------------------|-----------------|-------------------|------------------|
|  |   |                                  |                 | <b>Mar/2014</b>   | <b>Dec/2013</b>  |
| Swap Libor I                                 | 299,996   | 1.9825%                          | May-2025        | (15,879)          | (25,124)         |
| Swap Libor II                                | 299,996   | 1.9825%                          | May-2025        | (15,980)          | (25,213)         |
| Swap Libor III                               | 299,996   | 1.9825%                          | May-2025        | (15,879)          | (25,213)         |
| Swap Libor IV                                | 129,976   | 1.9825%                          | May-2025        | (6,924)           | (10,924)         |
| Swap Libor V                                 | 132,996   | 1.9825%                          | May-2025        | (7,040)           | (11,178)         |
| Swap Libor VI                                | 149,932   | 1.9825%                          | May-2025        | (7,983)           | (12,601)         |
| <b>Total</b>                                 | <b>1,312,892</b>                                |                                  |                 | <b>(69,685)</b>   | <b>(110,253)</b> |
| Current Assets (other receivables)           |   |                                  |                 | (1,409)           |                  |
| Non-Current assets (other receivables)       |   |                                  |                 | (100,995)         | (137,345)        |
| Current liabilities (derivatives operations) |   |                                  |                 | 32,719            | 27,092           |
| <b>Total</b>                                 |   |                                  |                 | <b>(69,685)</b>   | <b>(110,253)</b> |

**(d.ii) Currency futures contract– Mexican Peso**

| <b>Identification</b> | <b>Nominal<br/>value Foreign exchange<br/>(hedge)</b> | <b>Maturity</b> | <b>Fair value</b> |                 |
|-----------------------|---|-----------------|-------------------|-----------------|
|                       |   |                 | <b>Mar/2014</b>   | <b>Dec/2013</b> |

|  | <b>US\$</b>      |         |                |               |               |
|--|------------------|---------|----------------|---------------|---------------|
|  | <b>thousands</b> |         |                |               |               |
| Deliverable Forward                              | 41,020           | 12.6185 | January-2014   |               | 3,620         |
| Deliverable Forward                              | 35,453           | 12.5394 | February-2014  |               | 3,815         |
| Deliverable Forward                              | 39,206           | 12.5926 | March-2014     |               | 4,065         |
| Deliverable Forward                              | 54,084           | 12.8643 | April-2014     | 2,127         | 3,468         |
| Deliverable Forward                              | 52,182           | 12.9268 | June-2014      | 1,755         | 3,164         |
| Deliverable Forward                              | 51,191           | 12.8909 | June-2014      | 2,307         | 3,624         |
| Deliverable Forward                              | 46,889           | 12.8789 | July-2014      | 2,457         | 3,612         |
| Deliverable Forward                              | 45,959           | 12.9465 | September-2014 | 2,130         | 3,281         |
| Deliverable Forward                              | 36,561           | 12.9044 | September-2014 | 2,113         | 2,988         |
| Deliverable Forward                              | 37,215           | 12.9570 | October-2014   | 2,008         | 2,923         |
| Deliverable Forward                              | 31,908           | 12.9465 | December-2014  | 1,930         | 2,707         |
| Deliverable Forward                              | 28,169           | 12.9881 | December-2014  | 1,650         | 2,344         |
| Deliverable Forward                              | 23,381           | 12.9518 | February-2015  | 1,651         | 2,202         |
| Deliverable Forward                              | 29,047           | 13.1969 | March-2015     | 1,029         | 1,788         |
| Deliverable Forward                              | 18,625           | 13.0980 | March-2015     | 1,066         | 1,519         |
| Deliverable Forward                              | 10,230           | 13.0490 | April-2015     | 722           | 961           |
| Deliverable Forward                              | 5,897            | 13.1167 | June-2015      | 384           | 525           |
| Deliverable Forward                              | 7,014            | 13.4329 | June-2015      | 128           | 317           |
| Deliverable Forward                              | 2,245            | 13.2538 | July-2015      | 120           | 176           |
| Deliverable Forward                              | 1,840            | 13.1486 | August-2015    | 138           | 181           |
| <b>Total</b>                                     | <b>598,123</b>   |         |                | <b>23,715</b> | <b>47,280</b> |
| Current liabilities (derivatives operations)     |                  |         |                | 22,311        | 47,280        |
| Non-Current liabilities (derivatives operations) |                  |         |                | 1,404         |               |
| <b>Total</b>                                     |                  |         |                | <b>23,715</b> | <b>47,280</b> |

Before designating these swap operations as hedge accounting, on March 1, 2014, the Company recognized financial income of R\$112 as profit in the period. After recognizing such designation, in shareholders' equity, the Company recognized financial expense of R\$7,768 relating to changes in the fair value of these swaps since the designation through March 31, 2014.

**Braskem S.A.**

**Notes to the financial statements**

**at March 31, 2014**

**All amounts in thousands of reais, except where stated otherwise**

**(e) Estimated maximum loss**

The amount at risk of the derivatives held by Braskem on March 31, 2014, which is defined as the highest loss that could result in one month and in 95% of the cases under normal market conditions, was estimated by the Company at R\$27,548 (US\$12,173 thousand) for the NCE swap designated for hedge accounting and R\$1,888 for the NCE swap that is not designated for hedge accounting.

The value at risk of derivatives related to the Ethylene XXI Project in Mexico in 95% of the cases, under normal market conditions, was estimated at R\$21,123 (US\$9,334 thousand) for the Libor derivative and R\$1,577 (US\$697 thousand) for the derivative of Mexican pesos.

**14.2. Credit quality of financial assets**

**(a) Trade accounts receivable**

On March 31, 2014, the credit ratings for the domestic market were as follows:

|                | <b>Mar/2014</b> | <b>Dec/2013</b> |
|----------------|-----------------|-----------------|
| 1Minimum risk  | 7.28            | 16.56           |
| 2Low risk      | 36.01           | 32.61           |
| 3Moderate risk | 32.02           | 23.54           |
| 4High risk     | 23.79           | 26.26           |

5Very high risk (i) 0.90 1.03

(i) Most clients in this group are inactive and the respective accounts are in the process of collection actions in the courts. Clients in this group that are still active buy from Braskem and pay in advance.

Default indicators for the periods ended:

|                   | <b>Domestic<br/>Market</b> | <b>Last 12 months<br/>Export<br/>Market</b> |
|-------------------|----------------------------|---|
| March 31, 2014    | 0.31%                      | 0.60%                                       |
| March 31, 2013    | 0.79%                      | 0.27%                                       |
| December 31, 2013 | 0.14%                      | 0.13%                                       |
| December 31, 2012 | 0.28%                      | 0.37%                                       |

**Braskem S.A.****Notes to the financial statements****at March 31, 2014****All amounts in thousands of reais, except where stated otherwise****(b) Other financial assets**

In order to determine the credit ratings of counterparties in financial assets classified as cash and cash equivalents, held-for-trading, held-to-maturity and loans and receivables, Braskem uses the following credit rating agencies: Standard & Poor's, Moody's and Fitch Ratings.

|   | <b>Mar/2014</b>  | <b>Dec/2013</b>  |
|---|------------------|------------------|
| <b>Financial assets with risk assessment</b>    |                  |                  |
| AAA   | 2,918,328        | 3,436,378        |
| AA  | 56,489           | 93,955           |
| A   | 305,006          | 865,105          |
| A-  |                  | 1,485            |
|   | 3,279,823        | 4,396,923        |
| <b>Financial assets without risk assessment</b> |                  |                  |
| Quotas of investment funds in credit rights (i) | 42,003           | 40,696           |
| Sundry funds (ii)                               | 2,955            | 3,773            |
| Other financial assets with no risk assessment  | 2,733            | 1,965            |
|   | 47,691           | 46,434           |
| <b>Total</b>                                    | <b>3,327,514</b> | <b>4,443,357</b> |

(i) Financial assets with no internal or external ratings and approved by the Management of the Company.

(ii) Investment funds with no internal and external risk assessment whose portfolio is composed of assets from major financial institutions and that comply with Braskem's financial policy.

Braskem's financial policy determines "A-" as the minimum rating for financial investments.

**14.3. Sensitivity analysis**

Financial instruments, including derivatives, may be subject to changes in their fair value as a result of the variation in commodity prices, foreign exchange rates, interest rates, shares and share indexes, price indexes and other variables. The sensitivity of the derivative and non-derivative financial instruments to these variables are presented below:

**(a) Selection of risks**

On March 31, 2014, the main risks that can affect the value of Braskem's financial instruments are:

- Brazilian real/U.S. dollar exchange rate;
- U.S. dollar/Mexican peso exchange rate;
- U.S. dollar/Euro exchange rate;
- Libor floating interest rate;
- CDI interest rate; and
- TJLP interest rate.

For the purposes of the risk sensitivity analysis, Braskem presents the exposures to currencies as if they were independent, that is, without reflecting in the exposure to a foreign exchange rate the risks of the variation in other foreign exchange rates that could be directly influenced by it.



**Braskem S.A.**

**Notes to the financial statements**

**at March 31, 2014**

**All amounts in thousands of reais, except where stated otherwise**

**(b) Selection of scenarios**

**(b.1) Probable scenario**

The *Market Readout* published by the Central Bank of Brazil on March 28, 2014 was used to create the probable scenario for the U.S. dollar/Brazilian real exchange rate and the CDI interest rate, using the reference date of March 31, 2014. The *Market Readout* presents a consensus of market expectations based on a survey of the forecasts made by various financial and non-financial institutions.

The *Market Readout* does not publish forecasts for the interest rates Libor and TJLP. Therefore, Braskem considered the expectations for the CDI interest rate for determining the probable scenario for those rates, given their correspondence. The probable scenario for the TJLP is an increase of 0.5% from the current rate of 5%, in line with the size of the government's most recent decisions to increase or decrease the rate, and accompanying the forecast for the cumulative increase in the CDI rate by end-2014 of 0.50%.

**(b.2) Possible and extreme adverse scenarios**

The sensitivity values in the table below are the changes in the value of the financial instruments in each scenario and show the changes in future cash flows:

| <b>Instrument</b> | <b>Sensibility</b> | <b>Probable</b> | <b>Possible adverse (25%)</b> | <b>Extreme adverse (50%)</b> |
|-------------------|--------------------|-----------------|-------------------------------|------------------------------|
|-------------------|--------------------|-----------------|-------------------------------|------------------------------|

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|   |  |           |             |             |
|---|--|-----------|-------------|-------------|
| Bonds and MTN                           | Brazilian real/U.S. dollar exchange rate | (813,968) | (2,462,579) | (4,925,159) |
| Advance on exchange contracts           | Brazilian real/U.S. dollar exchange rate | (9,369)   | (28,346)    | (56,693)    |
| BNDES                                   | Brazilian real/U.S. dollar exchange rate | (34,088)  | (103,131)   | (206,261)   |
| Working capital / structured operations | Brazilian real/U.S. dollar exchange rate | (132,108) | (399,681)   | (799,361)   |
| Raw material financing                  | Brazilian real/U.S. dollar exchange rate | (103)     | (310)       | (621)       |
| Export prepayments                      | Brazilian real/U.S. dollar exchange rate | (43,382)  | (131,249)   | (262,497)   |
| Financial investments abroad            | Brazilian real/U.S. dollar exchange rate | 140,176   | 424,088     | 848,177     |
| Swaps                                   | Brazilian real/U.S. dollar exchange rate | 104,083   | 314,919     | 629,783     |
| Project finance                         | U.S. dollar/Mexican peso exchange rate   | (73,375)  | (506,168)   | (1,012,337) |
| Deliverable Forward                     | U.S. dollar/Mexican peso exchange rate   | (36,429)  | (211,009)   | (352,413)   |
| Deliverable Forward                     | U.S. dollar/Euro exchange rate           | (239)     | (37,267)    | (74,536)    |
| Borrowings                              | Libor floating interest rate             | (1,322)   | (6,612)     | (13,223)    |
| Export prepayments                      | Libor floating interest rate             | (2,039)   | (10,193)    | (20,387)    |
| Swaps                                   | Libor floating interest rate             | 1,568     | (7,840)     | (15,680)    |
| Export credit notes                     | CDI interest rate                        | (7,865)   | (21,159)    | (40,916)    |
| Agricultural credit note                | CDI interest rate                        | (81,284)  | (208,189)   | (374,179)   |
| Financial investments in local currency | CDI interest rate                        | (16,726)  | (45,985)    | (91,937)    |

|                           |                    | <b>Probable</b> | <b>Possible adverse</b> | <b>Extreme adverse</b> |
|---------------------------|--------------------|-----------------|-------------------------|------------------------|
| <b>Instrument</b>         | <b>Sensibility</b> | <b>5.50%</b>    | <b>6.00%</b>            | <b>6.50%</b>           |
| BNDES                     | TJLP interest rate | (42,537)        | (83,993)                | (124,400)              |
| FINEP                     | TJLP interest rate | (98)            | (194)                   | (289)                  |
| Other governmental agents | TJLP interest rate | (38)            | (76)                    | (114)                  |

**Braskem S.A.****Notes to the financial statements****at March 31, 2014****All amounts in thousands of reais, except where stated otherwise****15. Taxes payable**

The information related to taxes payable was presented in the Company's 2013 annual financial statements, in Note 22.

|  | <b>Mar/2014</b>  | <b>Dec/2013</b>  |
|--|------------------|------------------|
| <b>Brazil</b>                                  |                  |                  |
| IPI  | 92,204           | 81,282           |
| PIS and COFINS                                 | 667              | 615              |
| Income tax and social contribution             | 90,793           | 52,226           |
| ICMS   | 105,905          | 120,941          |
| Federal tax payment program - Law<br>11,941/09 | 1,011,935        | 1,024,127        |
| Other  | 56,698           | 67,680           |
| <b>Other countries</b>                         |                  |                  |
| Other  | 2,866            | 1,428            |
| <b>Total</b>                                   | <b>1,361,068</b> | <b>1,348,299</b> |
| Current liabilities                            | 473,325          | 445,424          |
| Non-current liabilities                        | 887,743          | 902,875          |
| <b>Total</b>                                   | <b>1,361,068</b> | <b>1,348,299</b> |

**16. IR and CSL**

The information related to income tax and social contribution was presented in the Company's 2013 annual financial statements, in Note 23.

**(a) Reconciliation of the effects of IR and CSL**

|  | <b>Note</b> | <b>Mar/2014</b>  | <b>Mar/2013</b>  |
|--|-------------|------------------|------------------|
|  | 2.1.1(b)    |                  | <b>Revised</b>   |
| <b>Income before IR and CSL</b>                                  |             | <b>569,133</b>   | <b>339,764</b>   |
| IR and CSL at the rate of 34%                                    |             | (193,505)        | (115,520)        |
| <b>Permanent adjustments to the IR and CSL calculation basis</b> |             |                  |                  |
| IR and CSL on equity in results of investees                     |             | (8,057)          | (1,605)          |
| Other permanent adjustments                                      |             | 28,772           | 10,259           |
| <b>Effect of IR and CSL on results of operations</b>             |             | <b>(172,790)</b> | <b>(106,866)</b> |
| <b>Breakdown of IR and CSL:</b>                                  |             |                  |                  |
| Current IR and CSL   |             | (53,456)         | (43,883)         |
| Deferred IR and CSL  |             | (119,334)        | (62,983)         |
| <b>Total IR and CSL on income statement</b>                      |             | <b>(172,790)</b> | <b>(106,866)</b> |

**Braskem S.A.****Notes to the financial statements****at March 31, 2014****All amounts in thousands of reais, except where stated otherwise**

Braskem has subsidiaries abroad, whose nominal IR rate differs from those in Brazil, of 34% (IR – 25% and CSL – 9%), as shown below:

|   | <b>Headquarters<br/>(Country)</b> | <b>Official rate - %<br/>Mar/2014</b> |
|---|-----------------------------------|---------------------------------------|
| <b>Direct and Indirect subsidiaries</b>   |                                   |                                       |
| Braskem Alemanha  | Germany                           | 31.90                                 |
| Braskem America e Braskem America Finance   | USA                               | 35.00                                 |
| Braskem Argentina   | Argentina                         | 35.00                                 |
| Braskem Austria e Braskem Austria Finance   | Austria                           | 25.00                                 |
| Braskem Chile e Petroquímica Chile  | Chile                             | 20.00                                 |
| Braskem Espanha   | Spain                             | 30.00                                 |
| Braskem Finance e Braskem Inc   | Cayman Islands (*)                |                                       |
| Braskem Holanda   | Netherland                        | 25.00                                 |
| Braskem Idesa, Braskem Idesa Serviços, Braskem México and Braskem México Serviços | Mexico                            | 30.00                                 |
| Common  | British Virgin Islands (*)        |                                       |
| Lantana   | Bahamas (*)                       |                                       |
| Norfolk   | Uruguay                           | 25.00                                 |

(\*) Country with favored taxation – rate of 0%.

**(b) Breakdown of deferred income tax and social contribution****Deferred tax - assets**

|  | <b>Mar/2014</b>  | <b>Dec/2013</b>  |
|--|------------------|------------------|
| Tax losses (IR) and negative base (CSL)                  | 1,000,037        | 1,015,587        |
| Goodwill amortized                                       | 11,320           | 12,065           |
| Exchange variations                                      | 586,068          | 791,508          |
| Temporary adjustments                                    | 370,234          | 408,233          |
| Business combination                                     | 233,393          | 232,039          |
| Pension plan   | 78,586           | 61,927           |
| Deferred charges - write-off                             | 57,110           | 37,971           |
| Investments in subsidiaries                              |                  | 94,276           |
|  | <b>2,336,748</b> | <b>2,653,606</b> |
| <b>Deferred tax - liabilities</b>                        |                  |                  |
| Amortization of goodwill based on future profitability   | 661,842          | 643,050          |
| Tax depreciation   | 584,197          | 541,325          |
| Temporary differences                                    | 362,609          | 426,186          |
| Business combination                                     | 575,394          | 585,250          |
| Write-off negative goodwill of incorporated subsidiaries | 1,039            | 1,187            |
| Additional indexation PP&E                               | 136,649          | 140,157          |
| Other  | 55,890           | 56,543           |
|  | <b>2,377,620</b> | <b>2,393,698</b> |
| <b>Deffered tax net</b>                                  | <b>(40,872)</b>  | <b>259,908</b>   |
| Asset in Balance Sheet                                   | 806,852          | 1,123,313        |
| (-) Liability in Balance Sheet                           | 847,724          | 863,405          |
| <b>Deffered tax net</b>                                  | <b>(40,872)</b>  | <b>259,908</b>   |

**Braskem S.A.****Notes to the financial statements****at March 31, 2014****All amounts in thousands of reais, except where stated otherwise****(c) Net balance of deferred IR and CSL assets and liabilities**

|   |                                   |                         |                             | <b>Mar/2014</b>  |
|---|-----------------------------------|-------------------------|-----------------------------|------------------|
|   | <b>Headquarters<br/>(Country)</b> | <b>IR-CSL<br/>Asset</b> | <b>IR-CSL<br/>Liability</b> | <b>Net</b>       |
| <b>Assets</b>                                 |                                   |                         |                             |                  |
| Braskem S.A.                                  | Brazil                            | 1,507,558               | (1,122,113)                 | 385,445          |
| Braskem Argentina                             | Argentina                         | 6,467                   |                             | 6,467            |
| Braskem Alemanha                              | Germany                           | 70,524                  |                             | 70,524           |
| Braskem Idesa                                 | Mexico                            | 9,663                   |                             | 9,663            |
| Braskem Petroquímica                          | Brazil                            | 209,176                 | (135,790)                   | 73,386           |
| Braskem Qpar                                  | Brazil                            | 383,975                 | (271,913)                   | 112,062          |
| Petroquímica Chile                            | Chile                             | 113                     | (80)                        | 33               |
| IQAG  | Brazil                            | 22                      |                             | 22               |
| Quantiq                                       | Brazil                            | 5,626                   |                             | 5,626            |
| Braskem Qpar - business<br>combination effect | Brazil                            | 143,624                 |                             | 143,624          |
|   |                                   | <b>2,336,748</b>        | <b>(1,529,896)</b>          | <b>806,852</b>   |
| <b>Liabilities</b>                            |                                   |                         |                             |                  |
| Braskem Qpar - business<br>combination effect | Brazil                            |                         | (492,387)                   | (492,387)        |
| Braskem America                               | USA                               |                         | (355,337)                   | (355,337)        |
|   |                                   |                         | <b>(847,724)</b>            | <b>(847,724)</b> |
|   |                                   |                         |                             | <b>Dec/2013</b>  |
|   | <b>Headquarters<br/>(Country)</b> | <b>IR-CSL<br/>Asset</b> | <b>IR-CSL<br/>Liability</b> | <b>Net</b>       |
| <b>Assets</b>                                 |                                   |                         |                             |                  |
| Braskem S.A.                                  | Brazil                            | 1,769,683               | (1,095,410)                 | 674,273          |
| Braskem Argentina                             | Argentina                         | 5,552                   |                             | 5,552            |
| Braskem Alemanha                              | Germany                           | 67,910                  |                             | 67,910           |
| Braskem Idesa                                 | Mexico                            | 57,613                  | (52,554)                    | 5,059            |

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|  |        |                  |                    |                  |
|--|--------|------------------|--------------------|------------------|
| Braskem Petroquímica                       | Brazil | 215,348          | (129,022)          | 86,326           |
| Braskem Qpar                               | Brazil | 390,017          | (253,307)          | 136,710          |
| Petroquímica Chile                         | Chile  | 123              |                    | 123              |
| IQAG                                       | Brazil | 23               |                    | 23               |
| Quantiq                                    | Brazil | 5,069            |                    | 5,069            |
| Braskem Qpar - business combination effect | Brazil | 142,268          |                    | 142,268          |
|  |        | <b>2,653,606</b> | <b>(1,530,293)</b> | <b>1,123,313</b> |
| <b>Liabilities</b>                         |        |                  |                    |                  |
| Braskem Qpar - business combination effect | Brazil |                  | (501,699)          | (501,699)        |
| Braskem America                            | USA    |                  | (361,706)          | (361,706)        |
|  |        |                  | <b>(863,405)</b>   | <b>(863,405)</b> |

**(d) Realization of deferred IR and CSL**

In the period ended March 31, 2014, there were no material events or circumstances that indicate any compromise of the realization of these deferred taxes.



**Braskem S.A.****Notes to the financial statements****at March 31, 2014****All amounts in thousands of reais, except where stated otherwise****17. Sundry provisions**

The information on sundry provisions was presented in the 2013 annual financial statements of the Company, in Note 24.

|   | <b>Mar/2014</b> | <b>Dec/2013</b> |
|---|-----------------|-----------------|
| Measures to                                     |                 |                 |
| Provision for customers bonus                   | 34,209          | 45,060          |
| Provision for recovery of environmental damages | 119,297         | 132,762         |
| Judicial and administrative provisions          | 376,074         | 362,896         |
| Other   | 11,419          | 14,832          |
| <b>Total</b>                                    | <b>540,999</b>  | <b>555,550</b>  |
| Current liabilities                             | 88,019          | 105,856         |
| Non-current liabilities                         | 452,980         | 449,694         |
| <b>Total</b>                                    | <b>540,999</b>  | <b>555,550</b>  |

The composition of provisions for judicial and administrative suits is as follows:

|                                    | <b>Mar/2014</b> | <b>Dec/2013</b> |
|------------------------------------|-----------------|-----------------|
| Labor claims                       | 124,878         | 125,887         |
| Tax claims                         |                 |                 |
| Income tax and social contribution | 33,068          | 32,319          |
| PIS and COFINS                     | 36,499          | 35,634          |

|                             |                |                |
|-----------------------------|----------------|----------------|
| ICMS - interstate purchases | 88,327         | 86,233         |
| ICMS - other                | 11,710         | 11,432         |
| Other                       | 71,573         | 61,372         |
| Societary claims and other  | 10,019         | 10,019         |
|                             | <b>376,074</b> | <b>362,896</b> |

#### 18. Post-employment (defined-benefit plans)

The information on post-employment (defined-benefit plans) was presented in the 2013 annual financial statements of the Company, in Note 26.

The amounts recognized are as follows:

|                          |     | <b>Mar/2014</b> | <b>Dec/2013</b> |
|--------------------------|-----|-----------------|-----------------|
| Petros Plans             | (a) | 235,134         | 158,122         |
| Novamont Braskem America |     | 7,509           | 9,554           |
| Braskem Alemanha         |     | 34,386          | 34,515          |
|                          |     | <b>277,029</b>  | <b>202,191</b>  |
| Current liabilities      |     |                 | 158,137         |
| Non-current liabilities  |     | 277,029         | 44,054          |
| <b>Total</b>             |     | <b>277,029</b>  | <b>202,191</b>  |

**Braskem S.A.**

**Notes to the financial statements**

**at March 31, 2014**

**All amounts in thousands of reais, except where stated otherwise**

**(a) Petros Plans**

In August and October 2012, the Brazilian Private Pension Plan Superintendence (PREVIC - Superintendência Nacional de Previdência Complementar) approved the withdrawal of the sponsorship by Braskem of these plans, which required the payment of the mathematical reserves of the respective beneficiaries and in turn the monetization of the assets of the plans managed by Petros. In view of the unlikelihood of said monetization after almost two years since the approval by PREVIC, Management of the Company had no other option but to start all necessary procedures to resume the sponsorship of the plans. This decision was formalized through a legal injunction dated April 3 2014 that had the main goal of safeguarding Braskem's rights. Management expects that during the next months, the conditions for the resumption of sponsorship of the plan, including the preparation of the actuarial reports, would be established as a result of the discussions that will necessarily be conducted with PREVIC and Petros. The provision booked by the Company, measured based on the criteria that has been adopted since the decision to withdraw sponsorship, was increased by the estimate of the past service cost (Note 23) and was reclassified to non-current liabilities.

**19. Contingencies**

Braskem has contingent liabilities related to lawsuits and administrative proceedings arising from the normal course of its business, of a labor and social security, tax, civil and corporate nature, which involve risks of losses that are classified by the Company's management as possible.

In the quarter ended March 31, 2014, there were no material events or changes in the provisions reported on December 31, 2013.

A detailed presentation of the Company's contingent liabilities was presented in the 2013 financial statements, in Note 29.

**20. Equity**

The information related to the Company's shareholders' equity was presented in its 2013 annual financial statements, in Note 30.

**(a) Capital**

|                                 | Common             |                | Preferred          |                | Preferred      |                | Shares unit        |                |
|---------------------------------|--------------------|----------------|--------------------|----------------|----------------|----------------|--------------------|----------------|
|                                 | shares             | %              | shares class A     | %              | shares class B | %              | Total              | %              |
| OSP e Odebrecht                 | 226,334,623        | 50.11%         | 79,182,498         | 22.96%         |                |                | 305,517,121        | 38.32%         |
| Petrobras                       | 212,426,951        | 47.03%         | 75,479,347         | 21.88%         |                |                | 287,906,298        | 36.11%         |
| BNDESPAR                        |                    |                | 40,102,837         | 11.62%         |                |                | 40,102,837         | 5.03%          |
| ADR (i)                         |                    |                | 34,191,744         | 9.91%          |                |                | 34,191,744         | 4.29%          |
| Other                           | 12,907,078         | 2.86%          | 114,891,694        | 33.30%         | 593,818        | 100.00%        | 128,392,590        | 16.10%         |
| <b>Total</b>                    | <b>451,668,652</b> | <b>100.00%</b> | <b>343,848,120</b> | <b>99.67%</b>  | <b>593,818</b> | <b>100.00%</b> | <b>796,110,590</b> | <b>99.86%</b>  |
| Braskem shares owned by Braskem |                    |                |                    |                |                |                |                    |                |
| Petroquímica (ii)               |                    |                | 1,154,758          | 0.33%          |                |                | 1,154,758          | 0.14%          |
| <b>Total</b>                    | <b>451,668,652</b> | <b>100.00%</b> | <b>345,002,878</b> | <b>100.00%</b> | <b>593,818</b> | <b>100.00%</b> | <b>797,265,348</b> | <b>100.00%</b> |

(i) American Depositary Receipts traded on the New York Stock Exchange (USA);

(ii) These share are considered "treasury shares" in the consolidated shareholders' equity, amounting to R\$48,892.

**Braskem S.A.****Notes to the financial statements****at March 31, 2014****All amounts in thousands of reais, except where stated otherwise****(b) Other comprehensive income - shareholders' equity**

|   | Additional<br>indexation<br>of<br>PP&E<br>(i) | Deemed<br>cost of<br>PP&E<br>(i) | Defined<br>benefit<br>plan<br>actuarial<br>Gain<br>(loss)<br>(ii) | Fair value<br>of hedge<br>adjustment<br>(iii) | Foreign<br>currency<br>translation<br>adjustment<br>(iv) | Loss<br>on interest<br>in<br>subsidiary<br>(v) |
|---|---|----------------------------------|---|---|--|--|
| <b>At December 31, 2012</b>                                   | <b>299,305</b>                                | <b>20,207</b>                    | <b>(11,816)</b>   |   | <b>37,158</b>  | <b>(7,443)</b>                                 |
| Additional indexation   |   |                                  |   |   |  |  |
| Realization by depreciation or write-off assets<br>IR and CSL | (10,317)<br>3,508                             |                                  |   |   |  |  |
| Deemed cost of jointly-controlled investment                  |   |                                  |   |   |  |  |
| Realization by depreciation or write-off assets<br>IR and CSL |   | (367)<br>125                     |   |   |  |  |
| Loss on interest in subsidiary                                |   |                                  |   |   |  | (1,980)  |
| Foreign currency translation adjustment                       |   |                                  |   |   | (6,821)  |  |
| <b>At March 31, 2013</b>                                      | <b>292,496</b>                                | <b>19,965</b>                    | <b>(11,816)</b>   |   | <b>30,337</b>  | <b>(9,423)</b>                                 |
| <b>At December 31, 2013</b>                                   | <b>272,069</b>                                | <b>19,240</b>                    | <b>(11,647)</b>   | <b>(1,605,356)</b>                            | <b>242,407</b>   | <b>(9,404)</b>                                 |
| Additional indexation   |   |                                  |   |   |  |  |
| Realization by depreciation or write-off assets<br>IR and CSL | (10,317)<br>3,507                             |                                  |   |   |  |  |

|   |                |               |                 |                    |                |                |
|---|----------------|---------------|-----------------|--------------------|----------------|----------------|
| Deemed cost of jointly-controlled investment    |                |               |                 |                    |                |                |
| Realization by depreciation or write-off assets | (366)          |               |                 |                    |                |                |
| IR and CSL                                      | 125            |               |                 |                    |                |                |
| Foreign sales hedge                             |                |               |                 |                    |                |                |
| Exchange rate                                   |                |               |                 | 537,876            |                |                |
| IR and CSL                                      |                |               |                 | (182,878)          |                |                |
| Fair value of Cash flow hedge                   |                |               |                 |                    |                |                |
| Change in fair value                            |                |               |                 | 8,431              |                |                |
| Transfer to result                              |                |               |                 | 1,217              |                |                |
| IR and CSL                                      |                |               |                 | (8,395)            |                |                |
| Foreign currency translation adjustment         |                |               |                 |                    | (46,134)       |                |
| <b>At March 31, 2014</b>                        | <b>265,259</b> | <b>18,999</b> | <b>(11,647)</b> | <b>(1,249,105)</b> | <b>196,273</b> | <b>(9,404)</b> |

- (i) Realization as the asset is depreciated or written-off.
- (ii) Realization upon extinction of the plan.
- (iii) Realization upon maturity, prepayment or loss of efficacy for hedge accounting.
- (iv) Realization upon write-off of subsidiary abroad.
- (v) Realization upon divestment or transfer of control of subsidiary.

**Braskem S.A.****Notes to the financial statements****at March 31, 2014****All amounts in thousands of reais, except where stated otherwise****21. Earnings per share**

The information related to the earnings per share of the Company was presented in its 2013 annual financial statements, in Note 31.

The table below shows the reconciliation of profit or loss for the period adjusted for the amounts used to calculate basic and diluted earnings per share.

|   |             | <b>Basic and diluted</b> |                 |
|---|-------------|--------------------------|-----------------|
|   | <b>Note</b> | <b>Mar/2014</b>          | <b>Mar/2013</b> |
|   | 2.1.1(b)    |                          | <b>Revised</b>  |
| Profit for the period attributed to Company's shareholders                        |             | 405,306                  | 216,007         |
| Distribution of dividends attributable to priority:                               |             |                          |                 |
| Preferred shares class "A"  |             | 208,437                  | 208,437         |
| Preferred shares class "B"  |             | 360                      | 360             |
|   |             | 208,797                  | 208,797         |
| Distribution of the remaining results to common shares                            |             | 196,509                  | 7,210           |
| <b>Reconciliation of income available for distribution, by class (numerator):</b> |             |                          |                 |
| Common shares   |             | 196,509                  | 7,210           |
| Preferred shares class "A"  |             | 208,437                  | 208,437         |
| Preferred shares class "B"  |             | 360                      | 360             |
|   |             | 405,306                  | 216,007         |

**Weighted average number of shares, by class (denominator):**

|                            |             |             |
|----------------------------|-------------|-------------|
| Common shares              | 451,668,652 | 451,668,652 |
| Preferred shares class "A" | 343,848,120 | 343,848,120 |
| Preferred shares class "B" | 593,818     | 593,818     |
|                            | 796,110,590 | 796,110,590 |

**Profit (loss) per share (in R\$)**

|                            |        |        |
|----------------------------|--------|--------|
| Common shares              | 0.4351 | 0.0160 |
| Preferred shares class "A" | 0.6062 | 0.6062 |
| Preferred shares class "B" | 0.6062 | 0.6062 |



**Braskem S.A.****Notes to the financial statements****at March 31, 2014****All amounts in thousands of reais, except where stated otherwise****22. Net sales revenues**

The information on net sales revenue was presented in the 2013 annual financial statements of the Company, in Note 32.

|                          | Note<br>2.1.1(b) | Mar/2014          | Mar/2013<br>Revised |
|--------------------------|------------------|-------------------|---------------------|
| <b>Sales revenue</b>     |                  |                   |                     |
| Domestic market          |                  | 8,505,375         | 7,478,061           |
| Foreign market           |                  | 5,125,059         | 3,836,079           |
|                          |                  | 13,630,434        | 11,314,140          |
| <b>Sales deductions</b>  |                  |                   |                     |
| Taxes                    |                  | (1,688,017)       | (1,697,059)         |
| Sales returns and other  |                  | (99,791)          | (115,911)           |
|                          |                  | (1,787,808)       | (1,812,970)         |
| <b>Net sales revenue</b> |                  | <b>11,842,626</b> | <b>9,501,170</b>    |

**23. Other operating income (expenses)**

In the period ended March 31, 2014, the main effects on this item were as follows:

- Gain on sale of DAT (Note 1(a.ix)):

|   | <b>DAT</b>    |
|---|---------------|
|   | <b>Amount</b> |
| Sale amount   | 315,000       |
| Cost amount of the investment sold in the divestment date | (37,662)      |
| Gain on sale  | 277,338       |

- Expense with additional provision accrued for the Petros Plans in the amount of R\$65,000 (Note 18(a)).

**Braskem S.A.**

**Notes to the financial statements**

**at March 31, 2014**

**All amounts in thousands of reais, except where stated otherwise**

**24. Financial results**

The information on financial results was presented in the 2013 annual financial statements of the Company, in Note 35.

|   | Note<br>2.1.1(b) | Mar/2014         | Mar/2013<br>Revised |
|---|------------------|------------------|---------------------|
| <b>Financial income</b>                     |                  |                  |                     |
| Interest income                             |                  | 52,124           | 34,582              |
| Monetary variations                         |                  | 16,719           | 2,527               |
| Exchange rate variations                    |                  | (60,899)         | 42,497              |
| Other                                       |                  | 8,939            | 43,506              |
|   |                  | <b>16,883</b>    | <b>123,112</b>      |
| <b>Financial expenses</b>                   |                  |                  |                     |
| Interest expenses                           |                  | (306,859)        | (237,231)           |
| Monetary variations                         |                  | (85,866)         | (73,160)            |
| Exchange rate variations                    |                  | 53,865           | 284,996             |
| Inflation adjustments on fiscal debts       |                  | (30,425)         | (24,992)            |
| Tax expenses on financial operations        |                  | (2,760)          | (2,944)             |
| Discounts granted                           |                  | (31,293)         | (14,541)            |
| Loans transaction costs - amortization      |                  | (6,777)          | (2,113)             |
| Adjustment to present value - appropriation |                  | (141,992)        | (137,162)           |
| Other                                       |                  | (24,921)         | (23,766)            |
|   |                  | <b>(577,028)</b> | <b>(230,913)</b>    |
|   |                  | <b>(560,145)</b> | <b>(107,801)</b>    |

|  | Note     | Mar/2014      | Mar/2013       |
|--|----------|---------------|----------------|
| <b>Interest income - Origins by application type</b> | 2.1.1(b) |               | <b>Revised</b> |
| Held for sale  |          | 373           | 1,098          |
| Loans and receivables                                |          | 32,759        | 22,453         |
| Held-to-maturity                                     |          | 8,558         | 2,918          |
|  |          | 41,690        | 26,469         |
| Other assets not classifiable                        |          | 10,434        | 8,113          |
| <b>Total</b>   |          | <b>52,124</b> | <b>34,582</b>  |

**Braskem S.A.****Notes to the financial statements****at March 31, 2014****All amounts in thousands of reais, except where stated otherwise****25. Expenses by nature**

The information on expenses by nature was presented in the 2013 annual financial statements of the Company, in Note 36.

|  | <b>Note</b> | <b>Mar/2014</b>     | <b>Mar/2013</b>    |
|--|-------------|---------------------|--------------------|
|  | 2.1.1(b)    |                     | <b>Revised</b>     |
| <b>Classification by nature:</b>         |             |                     |                    |
| Raw materials other inputs               |             | (8,939,861)         | (7,210,508)        |
| Personnel expenses                       |             | (530,148)           | (450,448)          |
| Outsourced services                      |             | (418,358)           | (378,765)          |
| Tax expenses                             |             | (3,257)             | (1,856)            |
| Depreciation, amortization and depletion |             | (501,105)           | (480,924)          |
| Freights                                 |             | (386,191)           | (367,442)          |
| Other expenses                           |             | 65,578              | (158,940)          |
| <b>Total</b>                             |             | <b>(10,713,342)</b> | <b>(9,048,883)</b> |
| <b>Classification by function:</b>       |             |                     |                    |
| Cost of products sold                    |             | (10,324,626)        | (8,490,154)        |
| Selling and distribution                 |             | (269,509)           | (252,039)          |
| General and administrative               |             | (275,014)           | (253,362)          |
| Research and development                 |             | (34,142)            | (24,564)           |
| Other operating income (expenses), net   |             | 189,949             | (28,764)           |
| <b>Total</b>                             |             | <b>(10,713,342)</b> | <b>(9,048,883)</b> |



**Braskem S.A.****Notes to the financial statements****at March 31, 2014****All amounts in thousands of reais, except where stated otherwise****26. Segment information**

The information related to the presentation of information by segment was presented in the 2013 annual financial statements, in Note 37.

|  | <b>Basic</b>          |                    |               | <b>Reporting segments</b> |                     | <b>Total</b>      | <b>Other</b>    | <b>Corporate</b> |
|--|-----------------------|--------------------|---------------|---------------------------|---------------------|-------------------|-----------------|------------------|
| <b>Note</b>                                | <b>petrochemicals</b> | <b>Polyolefins</b> | <b>Vinyls</b> | <b>USA and</b>            | <b>Chemical</b>     | <b>reportable</b> | <b>segments</b> | <b>unit</b>      |
|  |                       |                    |               | <b>Europe</b>             | <b>distribution</b> | <b>segments</b>   |                 | <b>unit</b>      |
| Net sales revenue                          | 6,638,139             | 4,529,089          | 699,563       | 2,042,039                 | 231,348             | 14,140,178        | 56,599          |                  |
| Cost of products sold                      | (5,993,749)           | (3,807,709)        | (645,765)     | (1,914,377)               | (193,567)           | (12,555,167)      | (56,912)        |                  |
| Gross profit                               | 644,390               | 721,380            | 53,798        | 127,662                   | 37,781              | 1,585,011         | (313)           |                  |
| Operating expenses                         |                       |                    |               |                           |                     |                   |                 |                  |
| Selling, general and distribution expenses | (151,098)             | (233,081)          | (43,075)      | (78,459)                  | (24,159)            | (529,872)         | (15,423)        | (33,370)         |
| Results from equity investments            |                       |                    |               |                           |                     |                   |                 | (6)              |
| Other operating income (expenses), net     | 217,528               | (7,609)            | 1,746         | 2,795                     | (3,070)             | 211,390           | 784             | (22,225)         |

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|                         |         |           |          |          |          |           |          |          |
|-------------------------|---------|-----------|----------|----------|----------|-----------|----------|----------|
|                         | 66,430  | (240,690) | (41,329) | (75,664) | (27,229) | (318,482) | (14,639) | (55,601) |
| Operating profit (loss) | 710,820 | 480,690   | 12,469   | 51,998   | 10,552   | 1,266,529 | (14,952) | (55,601) |

2.1.1(b)

|  | Basic<br>petrochemicals | Polyolefins | Vinyls    | Reporting segments<br>USA and<br>Europe | Chemical<br>distribution | Total<br>reportable<br>segments | Other<br>segments | Corporate<br>unit |
|--|-------------------------|-------------|-----------|---|--------------------------|---------------------------------|-------------------|-------------------|
| Net sales revenue                          | 5,983,719               | 3,858,051   | 644,473   | 1,606,045                               | 207,444                  | 12,299,732                      | 22,026            |                   |
| Cost of products sold                      | (5,555,933)             | (3,409,385) | (593,508) | (1,511,245)                             | (176,504)                | (11,246,575)                    | (24,661)          |                   |
| Gross profit                               | 427,786                 | 448,666     | 50,965    | 94,800                                  | 30,940                   | 1,053,157                       | (2,635)           |                   |
| Operating expenses                         |                         |             |           |   |                          |                                 |                   |                   |
| Selling, general and distribution expenses | (122,134)               | (204,950)   | (40,418)  | (61,740)                                | (22,023)                 | (451,265)                       | (11,423)          | (67,277)          |
| Results from equity investments            |                         |             |           |   |                          |                                 |                   | (4,722)           |
| Other operating income (expenses), net     | (21,446)                | (423)       | 6,664     | 1,054                                   | 291                      | (13,860)                        | (2,432)           | (12,472)          |
|  | (143,580)               | (205,373)   | (33,754)  | (60,686)                                | (21,732)                 | (465,125)                       | (13,855)          | (84,471)          |
| Operating profit (loss)                    | 284,206                 | 243,293     | 17,211    | 34,114                                  | 9,208                    | 588,032                         | (16,490)          | (84,471)          |



**Braskem S.A.**

**Notes to the financial statements**

**at March 31, 2014**

**All amounts in thousands of reais, except where stated otherwise**

**27. Subsequent events**

(a) On April 8, 2014, Braskem Idesa received the third tranche of the Project Finance in the amount of R\$1,021,760 (US\$ 464,986 thousand).

(b) On April 9, 2014, the Annual Shareholders' Meeting approved the payment of dividends for the fiscal year ended December 31, 2013, in the amount of R\$482,593, which will be paid starting April 22, 2014.

(c) On April 16, 2014, Braskem issued \$ 250 million in Bonds through the reopening of his Bond with maturing for February 2024 and interest rate of 6.45% per year. The issue was priced at 103% of face, which represents a yield of 6.04% per year. In May 2014, Braskem used the proceeds raised to swap part of the bonds maturing in 2017, 2018 and 2020.

**28. Information related to guaranteed securities issued by subsidiaries**

Braskem S.A. has fully and unconditionally guaranteed the debt securities issued by Braskem Finance, a 100-percent-owned finance subsidiary of Braskem. There are no significant restrictions on the ability of Braskem to obtain funds from Braskem Finance.

