

BRASKEM SA  
Form 6-K  
August 08, 2014

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

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**FORM 6-K**

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

**For the month of August, 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**

**June 30, 2014**

**and Independent Auditors' Report Review**

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## **Report on Review of Quarterly Information**

To the Board of Directors and Shareholders

Braskem S.A.

### **Introduction**

We have reviewed the accompanying parent company and consolidated interim accounting information of Braskem S.A., included in the Quarterly Information Form (ITR) for the quarter ended June 30, 2014, comprising the balance sheet as at that date and the statements of operations and comprehensive income for the quarter and six-months periods then ended, and the statements of changes in equity and cash flows for the six-months period then ended, and a summary of significant accounting policies and other explanatory information.

Management is responsible for the preparation of the parent company interim accounting information in accordance with the accounting standard CPC 21 - Interim Financial Reporting, of the Brazilian Accounting Pronouncements Committee (CPC), and of the consolidated interim accounting information in accordance with CPC 21 and International Accounting Standard (IAS) 34 - Interim Financial Reporting issued by the International Accounting Standards Board (IASB), as well as the presentation of this information in accordance with the standards issued by the Brazilian Securities Commission (CVM), applicable to the preparation of the Quarterly Information (ITR). Our responsibility is to express a conclusion on this interim accounting information based on our review.

### **Scope of review**

We conducted our review in accordance with Brazilian and International Standards on Reviews of Interim Financial Information (NBC TR 2410 – Review of Interim Financial Information Performed by the Independent Auditor of the Entity and ISRE 2410 – Review of Interim Financial Information Performed by the Independent Auditor of the Entity, respectively). A review of interim information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less

in scope than an audit conducted in accordance with Brazilian and International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

**Conclusion on the parent**

**company interim information**

Based on our review, nothing has come to our attention that causes us to believe that the accompanying parent company interim accounting information included in the quarterly information referred to above has not been prepared, in all material respects, in accordance with CPC 21 applicable to the preparation of the Quarterly Information, and presented in accordance with the standards issued by the CVM.

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**Conclusion on the consolidated**

**interim information**

Based on our review, nothing has come to our attention that causes us to believe that the accompanying consolidated interim accounting information included in the quarterly information referred to above has not been prepared, in all material respects, in accordance with CPC 21 and IAS 34 applicable to the preparation of the Quarterly Information, and presented in accordance with the standards issued by the CVM.

**Other matters**

**Statements of value added**

We have also reviewed the parent company and consolidated statements of value added for the six-month period ended June 30, 2014. These statements are the responsibility of the Company's management, and are required to be presented in accordance with standards issued by the CVM applicable to the preparation of Quarterly Information (ITR) and are considered supplementary information under IFRS, which do not require the presentation of the statement of value added. These statements have been submitted to the same review procedures described above and, based on our review, nothing has come to our attention that causes us to believe that they have not been prepared, in all material respects, in a manner consistent with the parent company and consolidated interim accounting information taken as a whole.

Salvador, August 7, 2014

PricewaterhouseCoopers

Auditores Independentes

CRC 2SP000160/O-5 "F" BA

Fábio Cajazeira Mendes

Contador CRC 1SP196825/O-0 "S" BA

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**Braskem S.A.****Balance sheet****at June 30, 2014****All amounts in thousands of reais**

| <b>Assets</b>                               | <b>Note</b> | <b>Consolidated</b> |                             | <b>Parent Company</b> |                             |
|---|-------------|---------------------|-----------------------------|-----------------------|-----------------------------|
|   |             | <b>Jun/2014</b>     | <b>Dec/2013<br/>Revised</b> | <b>Jun/2014</b>       | <b>Dec/2013<br/>Revised</b> |
| <b>Current assets</b>                       |             |                     |                             |                       |                             |
| Cash and cash equivalents                   | 3           | 3,150,894           | 4,335,859                   | 2,244,509             | 2,425,078                   |
| Financial investments                       | 4           | 155,307             | 86,719                      | 155,307               | 86,535                      |
| Trade accounts receivable                   | 5           | 2,799,470           | 2,810,520                   | 4,056,636             | 3,814,830                   |
| Inventories                                 | 6           | 5,118,116           | 5,033,593                   | 3,060,239             | 2,848,700                   |
| Taxes recoverable                           | 8           | 2,363,511           | 2,237,213                   | 1,236,182             | 1,246,858                   |
| Dividends and interest on capital           | 7           |                     | 150                         | 77,880                | 78,031                      |
| Prepaid expenses                            |             | 152,475             | 62,997                      | 91,432                | 19,778                      |
| Related parties                             | 7           | 166,057             | 124,487                     | 45,910                | 100,173                     |
| Derivatives operations                      | 14.1.1      | 32,341              | 34,101                      | 32,141                | 28,951                      |
| Other receivables                           |             | 247,509             | 233,808                     | 162,636               | 141,360                     |
|   |             | <b>14,185,680</b>   | <b>14,959,447</b>           | <b>11,162,872</b>     | <b>10,790,294</b>           |
| <b>Non-current assets held for sale</b>     | 1(a)(x)     |                     | 37,681                      |                       |                             |
|   |             | <b>14,185,680</b>   | <b>14,997,128</b>           | <b>11,162,872</b>     | <b>10,790,294</b>           |
| <b>Non-current assets</b>                   |             |                     |                             |                       |                             |
| Financial investments                       | 4           | 22,622              | 20,779                      | 22,622                | 20,774                      |
| Trade accounts receivable                   | 5           | 27,189              | 61,875                      | 18,851                | 60,328                      |
| Advances to suppliers                       | 6           | 77,177              | 116,714                     | 77,177                | 116,714                     |
| Taxes recoverable                           | 8           | 1,099,224           | 1,285,990                   | 837,071               | 899,751                     |
| Deferred income tax and social contribution | 16          | 705,573             | 1,123,313                   | 335,260               | 674,273                     |
| Judicial deposits                           |             | 211,603             | 209,910                     | 195,289               | 194,397                     |
| Related parties                             | 7           | 136,013             | 133,649                     | 93,363                | 404,668                     |
| Insurance claims                            |             | 162,597             | 139,497                     | 161,402               | 138,308                     |
| Derivatives operations                      | 14.1.1      | 63,851              | 137,345                     |                       |                             |
| Other receivables                           |             | 138,848             | 141,526                     | 117,074               | 112,497                     |

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|  |    |                   |                   |                   |                   |
|--|----|-------------------|-------------------|-------------------|-------------------|
| Investments in subsidiaries and jointly-controlled investments | 9  | 116,465           | 115,385           | 10,809,165        | 10,479,371        |
| Other investments  |    | 6,510             | 6,501             | 6,123             | 6,123             |
| Property, plant and equipment                                  | 10 | 26,687,540        | 25,413,548        | 11,705,971        | 11,650,667        |
| Intangible assets  | 11 | 2,851,273         | 2,912,630         | 2,222,134         | 2,225,326         |
|  |    | <b>32,306,485</b> | <b>31,818,662</b> | <b>26,601,502</b> | <b>26,983,197</b> |
| <b>Total assets</b>  |    | <b>46,492,165</b> | <b>46,815,790</b> | <b>37,764,374</b> | <b>37,773,491</b> |

The Management notes are an integral part of the financial statements



**Braskem S.A.****Balance sheet****at June 30, 2014****All amounts in thousands of reais****Continued**

| <b>Liabilities and shareholders' equity</b>                             | <b>Note</b> | <b>Consolidated</b> |                   | <b>Parent Company</b> |                   |
|---|-------------|---------------------|-------------------|-----------------------|-------------------|
|   |             | <b>Jun/2014</b>     | <b>Dec/2013</b>   | <b>Jun/2014</b>       | <b>Dec/2013</b>   |
|   | 2.1.1(a)    |                     | <b>Revised</b>    |                       | <b>Revised</b>    |
| <b>Current liabilities</b>  |             |                     |                   |                       |                   |
| Trade payables  |             | 9,766,021           | 10,421,687        | 8,429,953             | 8,845,000         |
| Borrowings  | 12          | 1,329,292           | 1,248,804         | 1,885,195             | 1,283,000         |
| Project finance   | 13          | 26,966              | 25,745            |                       |                   |
| Derivatives operations  | 14.1.1      | 53,400              | 95,123            | 13,549                | 20,000            |
| Payroll and related charges   |             | 436,779             | 490,816           | 292,696               | 320,000           |
| Taxes payable   | 15          | 524,644             | 445,424           | 271,848               | 316,000           |
| Dividends and interest on capital                                       |             | 4,533               | 131,799           | 1,756                 | 129,000           |
| Advances from customers   |             | 213,829             | 297,403           | 38,632                | 38,000            |
| Sundry provisions   | 17          | 92,616              | 105,856           | 53,305                | 60,000            |
| Post-employment benefits  | 18          |                     | 158,137           |                       | 158,000           |
| Accounts payable to related parties                                     | 7           |                     |                   | 225,885               | 127,000           |
| Other payables  |             | 148,732             | 174,007           | 72,022                | 54,000            |
|   |             | <b>12,596,812</b>   | <b>13,594,801</b> | <b>11,284,841</b>     | <b>11,354,000</b> |
| <b>Non-current liabilities</b>  |             |                     |                   |                       |                   |
| Borrowings  | 12          | 16,482,787          | 17,353,687        | 10,147,682            | 11,721,000        |
| Project finance   | 13          | 5,447,011           | 4,705,661         |                       |                   |
| Derivatives operations  | 14.1.1      | 367,438             | 396,040           | 367,395               | 396,000           |
| Taxes payable   | 15          | 819,638             | 902,875           | 756,728               | 839,000           |
| Accounts payable to related parties                                     | 7           |                     |                   | 6,015,641             | 5,148,000         |
| Long-term incentives  |             |                     | 9,274             |                       | 9,000             |
| Deferred income tax and social contribution                             | 16          | 842,295             | 863,405           |                       |                   |
| Post-employment benefits  | 18          | 276,502             | 44,054            | 207,134               |                   |
| Provision for losses on subsidiaries and jointly-controlled investments |             |                     |                   | 175,181               | 149,000           |
| Advances from customers   |             | 108,404             | 152,635           | 36,135                | 53,000            |
| Sundry provisions   | 17          | 453,609             | 449,694           | 221,891               | 226,000           |
| Other payables  |             | 736,604             | 662,330           | 250,272               | 281,000           |
|   |             | <b>25,534,288</b>   | <b>25,539,655</b> | <b>18,178,059</b>     | <b>18,825,000</b> |
| <b>Shareholders' equity</b>   | 20          |                     |                   |                       |                   |
| Capital   |             | 8,043,222           | 8,043,222         | 8,043,222             | 8,043,000         |
| Capital reserve   |             | 232,430             | 232,430           | 232,430               | 232,000           |

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|   |                   |                   |                   |                   |
|---|-------------------|-------------------|-------------------|-------------------|
| Revenue reserves                                  | 55,307            | 410,149           | 55,307            | 410,149           |
| Other comprehensive income                        | (577,370)         | (1,092,691)       | (577,370)         | (1,092,691)       |
| Treasury shares                                   | (48,892)          | (48,892)          |                   |                   |
| Accumulated profit                                | 547,885           |                   | 547,885           |                   |
| Total attributable to the Company's shareholders  | 8,252,582         | 7,544,218         | 8,301,474         | 7,593,116         |
| Non-controlling interest in Braskem Idesa         | 108,483           | 137,116           |                   |                   |
|   | <b>8,361,065</b>  | <b>7,681,334</b>  | <b>8,301,474</b>  | <b>7,593,116</b>  |
| <b>Total liabilities and shareholders' equity</b> | <b>46,492,165</b> | <b>46,815,790</b> | <b>37,764,374</b> | <b>37,773,116</b> |

The Management notes are an integral part of the financial statements

**Braskem S.A.****Statement of operations and statement of comprehensive income****at June 30, 2014****All amounts in thousands of reais**

|   |             |                   | <b>Consolidated</b> |                  |                   |
|---|-------------|-------------------|---------------------|------------------|-------------------|
|   | <b>Note</b> | <b>2Q14</b>       | <b>YTD14</b>        | <b>2Q13</b>      | <b>YTD13</b>      |
|   | 2.1.1(b)    |                   |                     | <b>Revised</b>   | <b>Revised</b>    |
| <b>Net sales revenue</b>                                | 22          | <b>10,853,109</b> | <b>22,695,735</b>   | <b>9,747,244</b> | <b>19,248,414</b> |
| Cost of products sold                                   |             | (9,599,795)       | (19,924,421)        | (8,654,081)      | (17,144,235)      |
| <b>Gross profit</b>                                     |             | <b>1,253,314</b>  | <b>2,771,314</b>    | <b>1,093,163</b> | <b>2,104,179</b>  |
| <b>Income (expenses)</b>                                |             |                   |                     |                  |                   |
| Selling and distribution                                |             | (281,691)         | (551,200)           | (245,199)        | (497,238)         |
| General and administrative                              |             | (289,726)         | (564,740)           | (248,368)        | (501,730)         |
| Research and development                                |             | (32,876)          | (67,018)            | (26,677)         | (51,241)          |
| Results from equity investments                         | 9(c)        | 592               | 586                 | 1,528            | (3,194)           |
| Other operating income (expenses), net                  | 23          | (14,966)          | 174,983             | (24,914)         | (53,678)          |
| <b>Operating profit</b>                                 |             | <b>634,647</b>    | <b>1,763,925</b>    | <b>549,533</b>   | <b>997,098</b>    |
| <b>Financial results</b>                                | 24          |                   |                     |                  |                   |
| Financial expenses                                      |             | (522,589)         | (1,099,617)         | (1,002,054)      | (1,232,967)       |
| Financial income  |             | 44,861            | 61,744              | 330,401          | 453,513           |
|   |             | <b>(477,728)</b>  | <b>(1,037,873)</b>  | <b>(671,653)</b> | <b>(779,454)</b>  |
| <b>Profit before income tax and social contribution</b> |             | <b>156,919</b>    | <b>726,052</b>      | <b>(122,120)</b> | <b>217,644</b>    |
| Current and deferred income tax and social contribution | 16          | (32,516)          | (205,306)           | (2,965)          | (109,831)         |
| <b>Profit for the period</b>                            |             | <b>124,403</b>    | <b>520,746</b>      | <b>(125,085)</b> | <b>107,813</b>    |
| <b>Attributable to:</b>                                 |             |                   |                     |                  |                   |
| Company's shareholders                                  |             | 128,477           | 533,783             | (114,087)        | 101,920           |

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|   |                |                |                  |                |
|---|----------------|----------------|------------------|----------------|
| Non-controlling interest in Braskem Idesa | (4,074)        | (13,037)       | (10,998)         | 5,893          |
| <b>Profit for the period</b>              | <b>124,403</b> | <b>520,746</b> | <b>(125,085)</b> | <b>107,813</b> |

The Management notes are an integral part of the financial statements

**Braskem S.A.****Statement of operations and statement of comprehensive income****at June 30, 2014****All amounts in thousands of reais**

|   |             |                  | <b>Parent Company</b> |                  |                   |
|---|-------------|------------------|-----------------------|------------------|-------------------|
|   | <b>Note</b> | <b>2Q14</b>      | <b>YTD14</b>          | <b>2Q13</b>      | <b>YTD13</b>      |
|   | 2.1.1(b)    |                  |                       | <b>Revised</b>   | <b>Revised</b>    |
| <b>Net sales revenue</b>                                | 22          | <b>6,069,598</b> | <b>12,664,673</b>     | <b>5,799,541</b> | <b>11,308,324</b> |
| Cost of products sold                                   |             | (5,475,322)      | (11,200,186)          | (5,018,467)      | (9,988,118)       |
| <b>Gross profit</b>                                     |             | <b>594,276</b>   | <b>1,464,487</b>      | <b>781,074</b>   | <b>1,320,206</b>  |
| <b>Income (expenses)</b>                                |             |                  |                       |                  |                   |
| Selling and distribution                                |             | (160,856)        | (323,780)             | (145,941)        | (294,515)         |
| General and administrative                              |             | (186,567)        | (360,304)             | (155,995)        | (310,183)         |
| Research and development                                |             | (24,091)         | (44,664)              | (20,426)         | (38,941)          |
| Results from equity investments                         | 9(c)        | 231,776          | 453,157               | (118,014)        | 44,169            |
| Other operating income (expenses), net                  | 23          | 4,950            | 256,831               | 11,907           | (8,324)           |
| <b>Operating profit</b>                                 |             | <b>459,488</b>   | <b>1,445,727</b>      | <b>352,605</b>   | <b>712,412</b>    |
| <b>Financial results</b>                                | 24          |                  |                       |                  |                   |
| Financial expenses                                      |             | (411,323)        | (803,421)             | (739,901)        | (891,410)         |
| Financial income  |             | (10,802)         | (101,875)             | 307,972          | 353,286           |
|   |             | <b>(422,125)</b> | <b>(905,296)</b>      | <b>(431,929)</b> | <b>(538,124)</b>  |
| <b>Profit before income tax and social contribution</b> |             | <b>37,363</b>    | <b>540,431</b>        | <b>(79,324)</b>  | <b>174,288</b>    |
| Current and deferred income tax and social contribution | 16          | 91,114           | (6,648)               | (34,763)         | (72,368)          |
| <b>Profit for the period</b>                            |             | <b>128,477</b>   | <b>533,783</b>        | <b>(114,087)</b> | <b>101,920</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 June 30, 2014

All amounts in thousands of reais, except earnings per share

Continued

|  |             |                |                  | <b>Consolidated</b> |                  |
|--|-------------|----------------|------------------|---------------------|------------------|
|  | <b>Nota</b> | <b>2Q14</b>    | <b>YTD14</b>     | <b>2Q13</b>         | <b>YTD13</b>     |
|  | 2.1.1(b)    |                |                  | <b>Revised</b>      | <b>Revised</b>   |
| <b>Profit for the period</b>   |             | <b>124,403</b> | <b>520,746</b>   | <b>(125,085)</b>    | <b>107,813</b>   |
| <b>Other comprehensive income:</b>                                     |             |                |                  |                     |                  |
| <b>Items that will be subsequently reclassified to profit or loss:</b> |             |                |                  |                     |                  |
| Fair value of cash flow hedge  |             | 6,893          | 31,583           |                     |                  |
| Income tax and social contribution                                     |             | (2,343)        | (10,738)         |                     |                  |
| Fair value of cash flow hedge Braskem Idesa                            |             | (17,811)       | (37,867)         |                     |                  |
|  |             | (13,261)       | (17,022)         |                     |                  |
| Exchange variation of foreign sales hedge                              | 14.1.1(c)   | 408,812        | 946,688          | (1,517,598)         | (1,517,598)      |
| Income tax and social contribution                                     |             | (138,996)      | (321,874)        | 515,983             | 515,983          |
|  |             | 269,816        | 624,814          | (1,001,615)         | (1,001,615)      |
| Foreign currency translation adjustment                                |             | (44,296)       | (93,965)         | 111,427             | 108,250          |
| <b>Total</b>   |             | <b>212,259</b> | <b>513,827</b>   | <b>(890,188)</b>    | <b>(893,365)</b> |
| <b>Total comprehensive income for the period</b>                       |             | <b>336,662</b> | <b>1,034,573</b> | <b>(1,015,273)</b>  | <b>(785,552)</b> |
| <b>Attributable to:</b>  |             |                |                  |                     |                  |
| Company's shareholders   |             | 347,783        | 1,063,206        | (1,009,153)         | (799,967)        |
| Non-controlling interest in Braskem Idesa                              |             | (11,121)       | (28,633)         | (6,120)             | 14,415           |
| <b>Total comprehensive income for the period</b>                       |             | <b>336,662</b> | <b>1,034,573</b> | <b>(1,015,273)</b>  | <b>(785,552)</b> |

## Parent Company

|  | <b>Nota</b> | <b>2Q14</b> | <b>YTD14</b> | <b>2Q13</b>    | <b>YTD13</b>   |
|--|-------------|-------------|--------------|----------------|----------------|
|  | 2.1.1(b)    |             |              | <b>Revised</b> | <b>Revised</b> |

|  |           |                |                  |                    |                  |
|--|-----------|----------------|------------------|--------------------|------------------|
| <b>Profit for the period</b>   |           | <b>128,477</b> | <b>533,783</b>   | <b>(114,087)</b>   | <b>101,920</b>   |
| <b>Other comprehensive income:</b>                                     |           |                |                  |                    |                  |
| <b>Items that will be subsequently reclassified to profit or loss:</b> |           |                |                  |                    |                  |
| Fair value of cash flow hedge  |           | 6,893          | 31,583           |                    |                  |
| Income tax and social contribution                                     |           | (2,343)        | (10,738)         |                    |                  |
| Fair value of cash flow hedge Braskem Idesa                            |           | (13,358)       | (28,400)         |                    |                  |
|  |           | (8,808)        | (7,555)          |                    |                  |
| Exchange variation of foreign sales hedge                              | 14.1.1(c) | 408,812        | 946,688          | (1,517,598)        | (1,517,598)      |
| Income tax and social contribution                                     |           | (138,996)      | (321,874)        | 515,983            | 515,983          |
|  |           | 269,816        | 624,814          | (1,001,615)        | (1,001,615)      |
| Foreign currency translation adjustment                                |           | (41,702)       | (87,836)         | 106,549            | 99,728           |
| <b>Total</b>   |           | <b>219,306</b> | <b>529,423</b>   | <b>(895,066)</b>   | <b>(901,887)</b> |
| <b>Total comprehensive income for the period</b>                       |           | <b>347,783</b> | <b>1,063,206</b> | <b>(1,009,153)</b> | <b>(799,967)</b> |

|  |                 | <b>2Q14</b>              | <b>YTD14</b>             |
|--|-----------------|--------------------------|--------------------------|
|  | <b>Nota</b>     | <b>Basic and Diluted</b> | <b>Basic and Diluted</b> |
|  | <b>2.1.1(b)</b> |                          | <b>Basic</b>             |
| <b>Profit per share attributable to the shareholders of the Company of continued operations at the end of the period (R\$)</b> |                 |                          |                          |
|  | 21              |                          |                          |
| Earnings per share - common  |                 |                          |                          |
| Earnings per share - preferred shares class "A"  |                 |                          |                          |
| Earnings per share - preferred shares class "B"  |                 |                          |                          |

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**

|   | <b>Note</b> | <b>Capital</b>   | <b>reserve</b> |
|---|-------------|------------------|----------------|
| <b>At December 31, 2012</b>   |             | <b>8,043,222</b> | <b>797,979</b> |
| Comprehensive income for the period:  |             |                  |                |
| Profit for the period   |             |                  |                |
| Fair value of cash flow hedge, net of taxes   |             |                  |                |
| Foreign currency translation adjustment   |             |                  |                |
| Equity valuation adjustments:   |             |                  |                |
| Realization of additional property, plant and equipment price-level restatement, net of taxes |             |                  |                |
| Realization of deemed cost of jointly-controlled investment, net of taxes                     |             |                  |                |
| Contributions to shareholders:  |             |                  |                |
| Absorption of losses  |             |                  | (565,549)      |
| Capital increase of non-controlling shareholders  |             |                  |                |
| Loss on interest in subsidiary  |             |                  | (565,549)      |
| <b>At June 30, 2013 (Revised)</b>   | 2.1.1(b)    | <b>8,043,222</b> | <b>232,430</b> |
| <b>At December 31, 2013</b>   |             | <b>8,043,222</b> | <b>232,430</b> |
| Comprehensive income for the period:  |             |                  |                |
| Profit (loss) for the period  |             |                  |                |
| Exchange variation of foreign sales hedge, net of taxes                                       |             |                  |                |
| Fair value of cash flow hedge, net of taxes   |             |                  |                |
| Foreign currency translation adjustment   |             |                  |                |
| Equity valuation adjustments:   |             |                  |                |

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Realization of additional property, plant and equipment price-level restatement, net of taxes  
Realization of deemed cost of jointly-controlled investment, net of taxes

Contributions and distributions to shareholders:  
Additional dividends proposed

**At June 30, 2014**

**8,043,222 232,430**

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     | Capital          | Capital<br>reserve re |
|---|----------|------------------|-----------------------|
| <b>At December 31, 2012</b>   |          | <b>8,043,222</b> | <b>797,979</b>        |
| Comprehensive income for the period:  |          |                  |                       |
| Profit for the period   |          |                  |                       |
| Fair value of cash flow hedge, net of taxes   |          |                  |                       |
| Foreign currency translation adjustment   |          |                  |                       |
| Equity valuation adjustments:   |          |                  |                       |
| Realization of additional property, plant and equipment price-level restatement, net of taxes |          |                  |                       |
| Realization of deemed cost of jointly-controlled investment, net of taxes                     |          |                  |                       |
| Contributions to shareholders:  |          |                  |                       |
| Absorption of losses  |          |                  | (565,549)             |
| Loss on interest in subsidiary  |          |                  | (565,549)             |
| <b>At June 30, 2013 (Revised)</b>   | 2.1.1(b) | <b>8,043,222</b> | <b>232,430</b>        |
| <b>At December 31, 2013</b>   |          | <b>8,043,222</b> | <b>232,430</b>        |
| Comprehensive income for the period:  |          |                  |                       |
| Profit for the period   |          |                  |                       |
| Exchange variation of foreign sales hedge, net of taxes                                       |          |                  |                       |
| Fair value of cash flow hedge, net of taxes   |          |                  |                       |
| Foreign currency translation adjustment   |          |                  |                       |
| Equity valuation adjustments:   |          |                  |                       |
| Realization of additional property, plant and equipment price-level restatement, net of taxes |          |                  |                       |

Realization of deemed cost of jointly-controlled investment, net of taxes

Contributions and distributions to shareholders:

Additional dividends proposed

20(b)

**At June 30, 2014**

**8,043,222 232,430**

The Management notes are an integral part of the financial statements

**Braskem S.A.****Statement of cash flows****at June 30, 2014****All amounts in thousands of reais**

|   | <b>Note</b> | <b>Consolidated<br/>Jun/2014</b> | <b>Jun/2013<br/>Revised</b> | <b>Parent Company<br/>Jun/2014</b> | <b>Jun/2013<br/>Revised</b> |
|---|-------------|----------------------------------|-----------------------------|------------------------------------|-----------------------------|
| Profit before income tax and social contribution            | 2.1.1(b)    | 726,052                          | 217,644                     | 540,431                            | 174,288                     |
| Adjustments for reconciliation of profit                    |             |                                  |                             |                                    |                             |
| Depreciation, amortization and depletion                    |             | 1,002,504                        | 971,728                     | 620,242                            | 603,005                     |
| Results from equity investments                             | 9(c)        | (586)                            | 3,194                       | (453,157)                          | (44,169)                    |
| Interest and monetary and exchange variations, net          |             | 567,397                          | 512,015                     | 472,341                            | 494,918                     |
| Cost amount of the investment sold in the divestment date   | 23          | (277,338)                        |                             | (277,338)                          |                             |
| Provision for losses and asset write-downs of long-term     |             | 4,899                            | 43,919                      | 5,938                              | 2,161                       |
|   |             | <b>2,022,928</b>                 | <b>1,748,500</b>            | <b>908,457</b>                     | <b>1,230,203</b>            |
| Changes in operating working capital                        |             |                                  |                             |                                    |                             |
| Held-for-trading financial investments                      |             | (64,543)                         | 101,391                     | (60,281)                           | 105,343                     |
| Trade accounts receivable                                   |             | 35,768                           | (103,943)                   | (200,340)                          | (1,023,648)                 |
| Inventories   |             | (20,830)                         | (280,945)                   | (151,967)                          | (35,376)                    |
| Taxes recoverable   |             | 102,834                          | (109,662)                   | 93,733                             | 982                         |
| Prepaid expenses  |             | (89,478)                         | (80,565)                    | (71,654)                           | (33,534)                    |
| Other receivables   |             | (75,020)                         | 18,738                      | (17,494)                           | (115,762)                   |
| Trade payables  |             | (310,079)                        | 534,074                     | (69,874)                           | 915,174                     |
| Taxes payable   |             | (145,337)                        | (8,789)                     | (127,516)                          | 2,397                       |
| Long-term incentives  |             | (9,274)                          | (562)                       | (9,274)                            | (563)                       |
| Advances from customers                                     |             | (127,805)                        | 200,988                     | (17,207)                           | (231,105)                   |
| Sundry provisions   |             | (9,325)                          | (41,539)                    | (11,770)                           | (24,037)                    |
| Other payables  |             | 59,068                           | 363,945                     | 14,506                             | 20,458                      |
| <b>Cash from (used in) operations</b>                       |             | <b>1,368,907</b>                 | <b>2,341,631</b>            | <b>279,319</b>                     | <b>810,532</b>              |
| Interest paid   |             | (499,792)                        | (512,935)                   | (348,116)                          | (233,154)                   |
| Income tax and social contribution paid                     |             | (42,366)                         | (34,765)                    | (20,377)                           | (12,049)                    |
| <b>Net cash generated (used in) by operating activities</b> |             | <b>826,749</b>                   | <b>1,793,931</b>            | <b>(89,174)</b>                    | <b>565,329</b>              |
| Proceeds from the sale of fixed assets                      |             | 9,968                            | 1,141                       | 9,605                              |                             |

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|  |          |                    |                    |                  |                  |
|--|----------|--------------------|--------------------|------------------|------------------|
| Proceeds from the sale of investments                          |          | 315,000            | 233,000            | 315,000          | 233,000          |
| Beginning cash of Quantiq and IQAG                             | 2.1.1(b) |                    | 9,985              |                  |                  |
| Acquisitions of investments in subsidiaries and associates     |          |                    | (31)               | (4,709)          | (106,245)        |
| Acquisitions to property, plant and equipment                  |          | (2,657,047)        | (2,150,379)        | (682,173)        | (419,171)        |
| Acquisitions of intangible assets                              |          | (14,467)           | (8,264)            | (14,192)         | (7,767)          |
| Held-for-maturity and available for sale financial investments |          | 10,826             | 19,584             | 6,375            | 10,329           |
| <b>Net cash used in investing activities</b>                   |          | <b>(2,335,720)</b> | <b>(1,894,964)</b> | <b>(370,094)</b> | <b>(289,854)</b> |
| Short-term and long-term debt                                  |          |                    |                    |                  |                  |
| Obtained borrowings  |          | 3,312,446          | 4,584,995          | 979,016          | 3,629,200        |
| Payment of borrowings  |          | (3,549,037)        | (4,382,268)        | (1,657,667)      | (3,532,445)      |
| Project finance  | 13       |                    |                    |                  |                  |
| Obtained funds   |          |                    |                    |                  |                  |
| Related parties  |          | 1,021,760          |                    |                  |                  |
| Obtained loans   |          |                    |                    | 303,780          | 130,801          |
| Payment of loans   |          |                    |                    | (188,291)        | (114,621)        |
| Net current transactions                                       |          |                    |                    | 1,323,969        | 185,584          |
| Dividends paid   |          | (482,108)          | (30)               | (482,108)        | (30)             |
| Non-controlling interests in Braskem Idesa                     |          | (70)               | 32,712             |                  |                  |
| <b>Net cash provided (used in) by financing activities</b>     |          | <b>302,991</b>     | <b>235,409</b>     | <b>278,699</b>   | <b>298,489</b>   |
| Exchange variation on cash of foreign subsidiaries             |          | 21,015             | (12,328)           |                  |                  |
| <b>Increase (decrease) in cash and cash equivalents</b>        |          | <b>(1,184,965)</b> | <b>122,048</b>     | <b>(180,569)</b> | <b>573,964</b>   |
| Represented by   |          |                    |                    |                  |                  |
| Cash and cash equivalents at the beginning for the period      |          | 4,335,859          | 3,287,622          | 2,425,078        | 1,627,928        |
| Cash and cash equivalents at the end for the period            |          | 3,150,894          | 3,409,670          | 2,244,509        | 2,201,892        |
| <b>Increase (decrease) in cash and cash equivalents</b>        |          | <b>(1,184,965)</b> | <b>122,048</b>     | <b>(180,569)</b> | <b>573,964</b>   |

The Management notes are an integral part of the financial statements

## Braskem S.A.

## Statement of value added

at June 30, 2014

All amounts in thousands of reais

|  | Note     | Consolidated<br>Jun/2014 | Consolidated<br>Jun/2013<br>Revised | Parent Company<br>Jun/2014 | Parent Company<br>Jun/2013<br>Revised |
|--|----------|--------------------------|-------------------------------------|----------------------------|---------------------------------------|
|  | 2.1.1(b) |                          |                                     |                            |                                       |
| <b>Revenue</b>                                   |          | <b>26,186,970</b>        | <b>22,412,922</b>                   | <b>14,955,378</b>          | <b>13,403,305</b>                     |
| Sale of goods, products and services             |          | 26,024,165               | 22,520,665                          | 14,687,520                 | 13,420,007                            |
| Other income (expenses), net                     |          | 194,817                  | (89,974)                            | 276,683                    | (4,749)                               |
| Allowance for doubtful accounts                  |          | (32,012)                 | (17,769)                            | (8,825)                    | (11,953)                              |
| <b>Inputs acquired from third parties</b>        |          | <b>(22,176,388)</b>      | <b>(19,218,668)</b>                 | <b>(12,752,941)</b>        | <b>(11,462,171)</b>                   |
| Cost of products, goods and services sold        |          | (21,404,582)             | (18,576,791)                        | (12,245,521)               | (11,055,739)                          |
| Material, energy, outsourced services and others |          | (771,912)                | (641,618)                           | (507,265)                  | (406,244)                             |
| Impairment of assets                             |          | 106                      | (259)                               | (155)                      | (188)                                 |
| <b>Gross value added</b>                         |          | <b>4,010,582</b>         | <b>3,194,254</b>                    | <b>2,202,437</b>           | <b>1,941,134</b>                      |
| <b>Depreciation, amortization and depletion</b>  |          | <b>(1,002,504)</b>       | <b>(971,728)</b>                    | <b>(620,242)</b>           | <b>(603,005)</b>                      |
| <b>Net value added produced by the entity</b>    |          | <b>3,008,078</b>         | <b>2,222,526</b>                    | <b>1,582,195</b>           | <b>1,338,129</b>                      |
| <b>Value added received in transfer</b>          |          | <b>62,763</b>            | <b>450,491</b>                      | <b>351,481</b>             | <b>397,631</b>                        |
| Results from equity investments                  | 9(c)     | 586                      | (3,194)                             | 453,157                    | 44,169                                |
| Financial income                                 |          | 61,744                   | 453,513                             | (101,875)                  | 353,286                               |
| Other  |          | 433                      | 172                                 | 199                        | 176                                   |
| <b>Total value added to distribute</b>           |          | <b>3,070,841</b>         | <b>2,673,017</b>                    | <b>1,933,676</b>           | <b>1,735,760</b>                      |
| <b>Personnel</b>                                 |          | <b>486,267</b>           | <b>392,965</b>                      | <b>285,449</b>             | <b>245,928</b>                        |
| Direct compensation                              |          | 372,307                  | 306,272                             | 219,106                    | 192,719                               |
| Benefits   |          | 87,251                   | 62,999                              | 45,399                     | 34,376                                |
| FGTS (Government Severance Pay Fund)             |          | 26,709                   | 23,694                              | 20,944                     | 18,833                                |
| <b>Taxes, fees and contributions</b>             |          | <b>862,520</b>           | <b>871,072</b>                      | <b>233,495</b>             | <b>440,322</b>                        |
| Federal  |          | 292,093                  | 413,609                             | 68,064                     | 131,940                               |
| State  |          | 561,014                  | 447,899                             | 163,222                    | 304,660                               |
| Municipal  |          | 9,413                    | 9,564                               | 2,209                      | 3,722                                 |

|   |                  |                  |                  |                  |
|---|------------------|------------------|------------------|------------------|
| <b>Remuneration on third parties' capital</b>     | <b>1,201,308</b> | <b>1,301,167</b> | <b>880,949</b>   | <b>947,590</b>   |
| Financial expenses (including exchange variation) | 1,093,418        | 1,218,666        | 799,880          | 881,868          |
| Rentals   | 107,890          | 82,501           | 81,069           | 65,722           |
| <b>Remuneration on own capital</b>                | <b>520,746</b>   | <b>107,813</b>   | <b>533,783</b>   | <b>101,920</b>   |
| Profit for the period                             | 533,783          | 101,920          | 533,783          | 101,920          |
| Non-controlling interests in Braskem Idesa        | (13,037)         | 5,893            |                  |                  |
| <b>Value added distributed</b>                    | <b>3,070,841</b> | <b>2,673,017</b> | <b>1,933,676</b> | <b>1,735,760</b> |

- The statement of value added is not required under the standards issued by the International Accounting Standards Board (“IASB”).

The Management notes are an integral part of the financial statements



**Braskem S.A.**

**Notes to the financial statements**

**at June 30, 2014**

**All amounts in thousands of reais, unless otherwise stated**

**1. Operations**

Braskem S.A. (hereinafter “Parent Company”) is a public corporation headquartered in Camaçari, Bahia (“BA”), which jointly with its subsidiaries (hereinafter “Braskem” or “Company”), operates 36 industrial units, 29 of which in the Brazilian states of Alagoas (“AL”), BA, Rio de Janeiro (“RJ”), Rio Grande do Sul (“RS”) and São Paulo (“SP”), five are located in the United States, in the states of Pennsylvania, Texas and West Virginia and two are located 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**

On December 31, 2013, the parent company entered into a share sales agreement with Odebrecht Ambiental (“OA”), through which it sold its interest in the subsidiary Distribuidora de Águas Triunfo S.A. (“DAT”) for R\$315 million, which were received over the course of the second quarter 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 from Braskem to OA, upon the recognition of a gain of R\$277,338 (Note 23).

Other corporate events of 2013 and which did not produce significant impact on these financial statements were presented in the 2013 annual financial statements of the Company in Note 1(b).

**(b) Solvay Indupa**

On December 17, 2013, the Parent Company entered into a share purchase agreement (“Agreement”) with Solvay Argentina S.A. (“Solvay Argentina”), by which it committed to acquire, upon fulfillment of certain conditions envisaged in the Agreement (“Acquisition”), 292,453,490 shares representing 70.59% of the total and voting capital of Solvay Indupa S.A.I.C. (“Solvay Indupa”), at the unit price of US\$0.085, to be paid on the date of consummation of the acquisition. The acquisition price is based on the Enterprise Value of US\$ 290 million.

Solvay Indupa, which produces PVC and caustic soda, has two integrated production sites located in: (i) Santo André, São Paulo, 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, with the capacity to produce 240 kton of PVC\* and 180 kton of caustic soda\*.

Solvay Indupa holds (i) 158,534,671 shares in Solvay Indupa do Brasil S.A. (“Indupa Brasil”) representing 99.99% of its total and voting capital; and (ii) 1,010,638 shares in Solalban Energía S.A. (“Solalban”) representing 58.00% of its total and voting capital.

On December 18, 2013, Braskem submitted to the Securities and Exchange Commission of Argentina (“CNV”) a proposal to carry out a public tender offer for shares representing 29.41% of the capital of Solvay Indupa traded on the Buenos Aires Stock Exchange, pursuant to applicable legislation. This initial proposal was not fully accepted by CNV, and on February 21, 2014 Braskem submitted a new proposal, which is still under analysis by CNV. Moreover, Braskem also intends to cancel the registration of Solvay Indupa do Brasil with the Securities and Exchange Commission of Brazil (CVM).

**Braskem S.A.**

**Notes to the financial statements**

**at June 30, 2014**

**All amounts in thousands of reais, unless otherwise stated**

The conclusion and effective implementation of the Acquisition is subject to, among other operational conditions, approval by Brazil's antitrust agency CADE (*Conselho Administrativo de Defesa Econômica*).

*\* Unaudited*

**(c) Net working capital**

On June 30, 2014, the Parent Company's net working capital was negative R\$121,969 (in 2013, negative R\$564,412). On the other hand, consolidated net working capital is positive R\$1,588,868 (in 2013, R\$1,402,327). Consolidated numbers are used in the management of working capital, since the Company uses mechanisms to transfer funds between the companies efficiently without jeopardizing the fulfillment of the commitments of each of the entities forming the consolidated statements. For this reason, any analysis of the Parent Company's working capital will not reflect the actual liquidity position of the Company.

**(d) 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 those where the functional currency is the euro and the 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, June/2014                          | 2.2025 | U.S. dollar - Mexican peso, June/2014                          |
| U.S. dollar - Brazilian real, Dec/2013                           | 2.3426 | U.S. dollar - Mexican peso, Dec/2013                           |
| Devaluation of the U.S. dollar in relation to the Brazilian real | -5.98% | Devaluation of the U.S. dollar in relation to the Mexican peso |

**Average rate for the period**

|   |        |   |
|---|--------|---|
| U.S. dollar - Brazilian real, June/2014                           | 2.2974 | U.S. dollar - Mexican peso, June/2014                           |
| U.S. dollar - Brazilian real, June/2013                           | 2.0333 | U.S. dollar - Mexican peso, June/2013                           |
| Appreciation of the U.S. dollar in relation to the Brazilian real | 12.99% | Appreciation of the U.S. dollar in relation to the Mexican peso |

**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 accounting practices adopted in Brazil, including the pronouncements issued by the Brazilian Accounting Pronouncements Committee (CPC), and in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB).

**Braskem S.A.**

**Notes to the financial statements**

**at June 30, 2014**

**All amounts in thousands of reais, unless otherwise stated**

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 June 30, 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, due to due legal right of each entity 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 June 30, 2013 were restated as follows:

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

The effects of this restatement are shown below:

**Balance Sheet**

**Dec/2013**

|   | <b>Consolidated</b> |                    |                   | <b>Parent Company</b> |                    |                   |
|---|---------------------|--------------------|-------------------|-----------------------|--------------------|-------------------|
|   | <b>Published</b>    | <b>(a) Effects</b> | <b>Revised</b>    | <b>Published</b>      | <b>(a) Effects</b> | <b>Revised</b>    |
| <b>Assets</b>                                     |                     |                    |                   |                       |                    |                   |
| <b>Current assets</b>                             | <b>14,997,128</b>   |                    | <b>14,997,128</b> | <b>10,790,294</b>     |                    | <b>10,790,294</b> |
| <b>Non-current assets</b>                         |                     |                    |                   |                       |                    |                   |
| Deferred income tax and social contribution       | 2,653,606           | (1,530,293)        | 1,123,313         | 1,769,683             | (1,095,410)        | 674,273           |
| Other assets                                      | 30,695,349          |                    | 30,695,349        | 26,308,924            |                    | 26,308,924        |
|   | <b>33,348,955</b>   | <b>(1,530,293)</b> | <b>31,818,662</b> | <b>28,078,607</b>     | <b>(1,095,410)</b> | <b>26,983,197</b> |
| <b>Total assets</b>                               | <b>48,346,083</b>   | <b>(1,530,293)</b> | <b>46,815,790</b> | <b>38,868,901</b>     | <b>(1,095,410)</b> | <b>37,773,491</b> |
| <b>Liabilities and shareholders' equity</b>       |                     |                    |                   |                       |                    |                   |
| <b>Current liabilities</b>                        | <b>13,594,801</b>   |                    | <b>13,594,801</b> | <b>11,354,706</b>     |                    | <b>11,354,706</b> |
| <b>Non-current liabilities</b>                    |                     |                    |                   |                       |                    |                   |
| Deferred income tax and social contribution       | 2,393,698           | (1,530,293)        | 863,405           | 1,095,410             | (1,095,410)        |                   |
| Other liabilities                                 | 24,676,250          |                    | 24,676,250        | 18,825,675            |                    | 18,825,675        |
|   | <b>27,069,948</b>   | <b>(1,530,293)</b> | <b>25,539,655</b> | <b>19,921,085</b>     | <b>(1,095,410)</b> | <b>18,825,675</b> |
| <b>Shareholders' equity</b>                       | <b>7,681,334</b>    |                    | <b>7,681,334</b>  | <b>7,593,110</b>      |                    | <b>7,593,110</b>  |
| <b>Total liabilities and shareholders' equity</b> | <b>48,346,083</b>   | <b>(1,530,293)</b> | <b>46,815,790</b> | <b>38,868,901</b>     | <b>(1,095,410)</b> | <b>37,773,491</b> |

(b) June 30, 2013 – The statement of operations, of changes in equity, of cash flows, of value added and respective notes were restated to include the results of the operations of Quantiq Distribuidora Ltda. (“Quantiq”) and IQAG Armazéns Gerais Ltda. (“IQAG”) as a result of the decision by the Company not to sell these assets.

The effects of these restatements were as follows:

Braskem S.A.

## Notes to the financial statements

at June 30, 2014

All amounts in thousands of reais, unless otherwise stated

Statement of operations for the period

|   | 2Q13             |                |                  |                   |                |
|---|------------------|----------------|------------------|-------------------|----------------|
|   | Published        | (b) Effects    | Revised          | Published         | (b) Effects    |
| <b>Net sales revenue</b>                                | <b>9,527,624</b> | <b>219,620</b> | <b>9,747,244</b> | <b>18,823,375</b> | <b>425,039</b> |
| Cost of products sold                                   | (8,470,621)      | (183,460)      | (8,654,081)      | (16,786,296)      | (357,939)      |
| <b>Gross profit</b>                                     | <b>1,057,003</b> | <b>36,160</b>  | <b>1,093,163</b> | <b>2,037,079</b>  | <b>67,100</b>  |
| <b>Income (expenses)</b>                                |                  |                |                  |                   |                |
| Selling and distribution                                | (240,196)        | (5,003)        | (245,199)        | (486,568)         | (10,670)       |
| General and administrative                              | (228,153)        | (20,215)       | (248,368)        | (465,159)         | (36,571)       |
| Research and development                                | (26,677)         |                | (26,677)         | (51,241)          |                |
| Results from equity investments                         | 1,528            |                | 1,528            | (3,194)           |                |
| Other operating income (expenses), net                  | (25,103)         | 189            | (24,914)         | (54,158)          | 480            |
| <b>Operating profit</b>                                 | <b>538,402</b>   | <b>11,131</b>  | <b>549,533</b>   | <b>976,759</b>    | <b>20,339</b>  |
| <b>Financial results</b>                                |                  |                |                  |                   |                |
| Financial expenses                                      | (995,764)        | (6,290)        | (1,002,054)      | (1,225,814)       | (7,153)        |
| Financial income  | 329,967          | 434            | 330,401          | 452,831           | 682            |
|   | <b>(665,797)</b> | <b>(5,856)</b> | <b>(671,653)</b> | <b>(772,983)</b>  | <b>(6,471)</b> |
| <b>Profit before income tax and social contribution</b> | <b>(127,395)</b> | <b>5,275</b>   | <b>(122,120)</b> | <b>203,776</b>    | <b>13,868</b>  |
| Current and deferred income tax and social contribution | (829)            | (2,136)        | (2,965)          | (105,197)         | (4,634)        |
| <b>Profit for the period</b>                            | <b>(128,224)</b> | <b>3,139</b>   | <b>(125,085)</b> | <b>98,579</b>     | <b>9,234</b>   |
| <b>Attributable to:</b>                                 |                  |                |                  |                   |                |

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|   |                  |              |                  |               |              |
|---|------------------|--------------|------------------|---------------|--------------|
| Company's shareholders                    | (117,226)        | 3,139        | (114,087)        | 92,686        | 9,234        |
| Non-controlling interest in Braskem Idesa | (10,998)         |              | (10,998)         | 5,893         |              |
|   | <b>(128,224)</b> | <b>3,139</b> | <b>(125,085)</b> | <b>98,579</b> | <b>9,234</b> |



## Braskem S.A.

## Notes to the financial statements

at June 30, 2014

All amounts in thousands of reais, unless otherwise stated

|   | 2Q13             |              |                  |                   | Parent Co         |
|---|------------------|--------------|------------------|-------------------|-------------------|
|   | Published        | (b) Effects  | Revised          | Published         | (b) Effects       |
| <b>Net sales revenue</b>                                | <b>5,799,541</b> |              | <b>5,799,541</b> | <b>11,308,324</b> | <b>11,308,324</b> |
| Cost of products sold                                   | (5,018,467)      |              | (5,018,467)      | (9,988,118)       | (9,988,118)       |
| <b>Gross profit</b>                                     | <b>781,074</b>   |              | <b>781,074</b>   | <b>1,320,206</b>  | <b>1,320,206</b>  |
| <b>Income (expenses)</b>                                |                  |              |                  |                   |                   |
| Selling and distribution                                | (145,941)        |              | (145,941)        | (294,515)         | (294,515)         |
| General and administrative                              | (155,995)        |              | (155,995)        | (310,183)         | (310,183)         |
| Research and development                                | (20,426)         |              | (20,426)         | (38,941)          | (38,941)          |
| Results from equity investments                         | (121,153)        | 3,139        | (118,014)        | 34,935            | 9,234             |
| Other operating income (expenses), net                  | 11,907           |              | 11,907           | (8,324)           |                   |
| <b>Operating profit</b>                                 | <b>349,466</b>   | <b>3,139</b> | <b>352,605</b>   | <b>703,178</b>    | <b>9,234</b>      |
| <b>Financial results</b>                                |                  |              |                  |                   |                   |
| Financial expenses                                      | (739,901)        |              | (739,901)        | (891,410)         | (891,410)         |
| Financial income  | 307,972          |              | 307,972          | 353,286           | 353,286           |
|   | <b>(431,929)</b> |              | <b>(431,929)</b> | <b>(538,124)</b>  | <b>(538,124)</b>  |
| <b>Profit before income tax and social contribution</b> | <b>(82,463)</b>  | <b>3,139</b> | <b>(79,324)</b>  | <b>165,054</b>    | <b>9,234</b>      |
| Current and deferred income tax and social contribution | (34,763)         |              | (34,763)         | (72,368)          | (72,368)          |
| <b>Profit for the period</b>                            | <b>(117,226)</b> | <b>3,139</b> | <b>(114,087)</b> | <b>92,686</b>     | <b>9,234</b>      |



**Braskem S.A.****Notes to the financial statements****at June 30, 2014****All amounts in thousands of reais, unless otherwise stated****Statement of cash flows**

|   | <b>Published</b> | <b>(b) Effects</b> | <b>Consolidated<br/>Revised</b> | <b>Published</b> | <b>(b) Effects</b> | <b>Parent Co</b> |
|---|------------------|--------------------|---------------------------------|------------------|--------------------|------------------|
| Profit before income tax and social contribution        | 203,776          | 13,868             | 217,644                         | 165,054          | 9,234              |                  |
| Adjustments for reconciliation of profit                |                  |                    |                                 |                  |                    |                  |
| Depreciation, amortization and depletion                | 967,935          | 3,793              | 971,728                         | 603,005          |                    |                  |
| Results from equity investments                         | 3,194            |                    | 3,194                           | (34,935)         | (9,234)            |                  |
| Interest and monetary and exchange variations, net      | 511,995          | 20                 | 512,015                         | 494,918          |                    |                  |
| Provision for losses and asset write-downs of long-term | 43,919           |                    | 43,919                          | 2,161            |                    |                  |
|   | <b>1,730,819</b> | <b>17,681</b>      | <b>1,748,500</b>                | <b>1,230,203</b> |                    | <b>1,</b>        |
| Changes in operating working capital                    |                  |                    |                                 |                  |                    |                  |
| Held-for-trading financial investments                  | 101,391          |                    | 101,391                         | 105,343          |                    |                  |
| Trade accounts receivable                               | (82,981)         | (20,962)           | (103,943)                       | (1,023,648)      |                    | (1,0             |
| Inventories   | (269,298)        | (11,647)           | (280,945)                       | (35,376)         |                    |                  |
| Taxes recoverable                                       | (98,296)         | (11,366)           | (109,662)                       | 982              |                    |                  |
| Prepaid expenses  | (79,802)         | (763)              | (80,565)                        | (33,534)         |                    |                  |
| Other receivables                                       | (13,013)         | 31,751             | 18,738                          | (115,762)        |                    | (1               |
| Trade payables  | 537,764          | (3,690)            | 534,074                         | 915,174          |                    |                  |
| Taxes payable   | (8,645)          | (144)              | (8,789)                         | 2,397            |                    |                  |
| Long-term incentives                                    | (562)            |                    | (562)                           | (563)            |                    |                  |
| Advances from customers                                 | 201,441          | (453)              | 200,988                         | (231,105)        |                    | (2               |
| Sundry provisions                                       | (42,216)         | 677                | (41,539)                        | (24,037)         |                    |                  |
| Other payables  | 365,045          | (1,100)            | 363,945                         | 20,458           |                    |                  |
| <b>Cash from (used in) operations</b>                   | <b>2,341,647</b> | <b>(16)</b>        | <b>2,341,631</b>                | <b>810,532</b>   |                    |                  |
| Interest paid   | (512,935)        |                    | (512,935)                       | (233,154)        |                    | (2               |
| Income tax and social contribution paid                 | (34,765)         |                    | (34,765)                        | (12,049)         |                    |                  |

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|  |                    |              |                    |                  |            |
|--|--------------------|--------------|--------------------|------------------|------------|
| <b>Net cash generated (used in) by operating activities</b>    | <b>1,793,947</b>   | <b>(16)</b>  | <b>1,793,931</b>   | <b>565,329</b>   |            |
| Proceeds from the sale of fixed assets                         | 1,141              |              | 1,141              |                  |            |
| Proceeds from the sale of investments                          | 233,000            |              | 233,000            | 233,000          |            |
| Beginning cash of Quantiq and IQAG                             |                    | 9,985        | 9,985              |                  |            |
| Acquisitions of investments in subsidiaries and associates     | (31)               |              | (31)               | (106,245)        | (1)        |
| Acquisitions to property, plant and equipment                  | (2,150,117)        | (262)        | (2,150,379)        | (419,171)        | (4)        |
| Acquisitions of intangible assets                              | (8,264)            |              | (8,264)            | (7,767)          |            |
| Held-for-maturity and available for sale financial investments | 19,584             |              | 19,584             | 10,329           |            |
| <b>Net cash generated (used in) investing activities</b>       | <b>(1,904,687)</b> | <b>9,723</b> | <b>(1,894,964)</b> | <b>(289,854)</b> | <b>(2)</b> |
| Short-term and long-term debt                                  |                    |              |                    |                  |            |
| Obtained borrowings  | 4,584,995          |              | 4,584,995          | 3,629,200        | 3,         |
| Payment of borrowings  | (4,381,882)        | (386)        | (4,382,268)        | (3,532,445)      | (3,5       |
| Related parties  |                    |              |                    |                  |            |
| Obtained loans   |                    |              |                    | 130,801          |            |
| Payment of loans   |                    |              |                    | (114,621)        | (1         |
| Net current transactions                                       |                    |              |                    | 185,584          |            |
| Dividends paid   | (30)               |              | (30)               | (30)             |            |
| Non-controlling interests in Braskem Idesa                     | 32,712             |              | 32,712             |                  |            |
| <b>Net cash provided (used in) by financing activities</b>     | <b>235,795</b>     | <b>(386)</b> | <b>235,409</b>     | <b>298,489</b>   |            |
| Exchange variation on cash of foreign subsidiaries             | (12,328)           |              | (12,328)           |                  |            |
| <b>Increase (decrease) in cash and cash equivalents</b>        | <b>112,727</b>     | <b>9,321</b> | <b>122,048</b>     | <b>573,964</b>   |            |
| Represented by   |                    |              |                    |                  |            |
| Cash and cash equivalents at the beginning for the period      | 3,287,622          |              | 3,287,622          | 1,627,928        | 1,         |
| Cash and cash equivalents at the end for the period            | 3,400,349          | 9,321        | 3,409,670          | 2,201,892        | 2,         |
| <b>Increase (decrease) in cash and cash equivalents</b>        | <b>112,727</b>     | <b>9,321</b> | <b>122,048</b>     | <b>573,964</b>   |            |

## Braskem S.A.

## Notes to the financial statements

at June 30, 2014

All amounts in thousands of reais, unless otherwise stated

Statement of value added

|  | Published           | (b) Effects      | Consolidated<br>Revised | Published           | (b) Effects  | Jun/<br>Parent Comp<br>Rev |
|--|---------------------|------------------|-------------------------|---------------------|--------------|----------------------------|
| <b>Revenue</b>                                   | <b>21,893,699</b>   | <b>519,223</b>   | <b>22,412,922</b>       | <b>13,403,305</b>   |              | <b>13,403,305</b>          |
| Sale of goods, products and services             | 21,958,474          | 562,191          | 22,520,665              | 13,420,007          |              | 13,420,007                 |
| Other income (expenses), net                     | (47,006)            | (42,968)         | (89,974)                | (4,749)             |              | (4,749)                    |
| Allowance for doubtful accounts                  | (17,769)            |                  | (17,769)                | (11,953)            |              | (11,953)                   |
| <b>Inputs acquired from third parties</b>        | <b>(18,860,729)</b> | <b>(357,939)</b> | <b>(19,218,668)</b>     | <b>(11,462,171)</b> |              | <b>(11,462,171)</b>        |
| Cost of products, goods and services sold        | (18,218,852)        | (357,939)        | (18,576,791)            | (11,055,739)        |              | (11,055,739)               |
| Material, energy, outsourced services and others | (641,618)           |                  | (641,618)               | (406,244)           |              | (406,244)                  |
| Impairment of assets                             | (259)               |                  | (259)                   | (188)               |              | (188)                      |
| <b>Gross value added</b>                         | <b>3,032,970</b>    | <b>161,284</b>   | <b>3,194,254</b>        | <b>1,941,134</b>    |              | <b>1,941,134</b>           |
| <b>Depreciation, amortization and depletion</b>  | <b>(967,935)</b>    | <b>(3,793)</b>   | <b>(971,728)</b>        | <b>(603,005)</b>    |              | <b>(603,005)</b>           |
| <b>Net value added produced by the entity</b>    | <b>2,065,035</b>    | <b>157,491</b>   | <b>2,222,526</b>        | <b>1,338,129</b>    |              | <b>1,338,129</b>           |
| <b>Value added received in transfer</b>          | <b>449,809</b>      | <b>682</b>       | <b>450,491</b>          | <b>388,397</b>      | <b>9,234</b> | <b>397,631</b>             |
| Results from equity investments                  | (3,194)             |                  | (3,194)                 | 34,935              | 9,234        | 40,975                     |
| Financial income                                 | 452,831             | 682              | 453,513                 | 353,286             |              | 353,286                    |
| Other  | 172                 |                  | 172                     | 176                 |              | 176                        |
| <b>Total value added to distribute</b>           | <b>2,514,844</b>    | <b>158,173</b>   | <b>2,673,017</b>        | <b>1,726,526</b>    | <b>9,234</b> | <b>1,735,760</b>           |
| <b>Personnel</b>                                 | <b>392,965</b>      |                  | <b>392,965</b>          | <b>245,928</b>      |              | <b>245,928</b>             |
| Direct compensation                              | 306,272             |                  | 306,272                 | 192,719             |              | 192,719                    |
| Benefits   | 62,999              |                  | 62,999                  | 34,376              |              | 34,376                     |
| FGTS (Government Severance Pay Fund)             | 23,694              |                  | 23,694                  | 18,833              |              | 18,833                     |
| <b>Taxes, fees and contributions</b>             | <b>729,286</b>      | <b>141,786</b>   | <b>871,072</b>          | <b>440,322</b>      |              | <b>440,322</b>             |
| Federal  | 355,742             | 57,867           | 413,609                 | 131,940             |              | 131,940                    |
| State  | 364,139             | 83,760           | 447,899                 | 304,660             |              | 304,660                    |
| Municipal  | 9,405               | 159              | 9,564                   | 3,722               |              | 3,722                      |

|   |                  |                |                  |                  |              |                  |
|---|------------------|----------------|------------------|------------------|--------------|------------------|
| <b>Remuneration on third parties' capital</b>     | <b>1,294,014</b> | <b>7,153</b>   | <b>1,301,167</b> | <b>947,590</b>   |              | <b>947,590</b>   |
| Financial expenses (including exchange variation) | 1,211,513        | 7,153          | 1,218,666        | 881,868          |              | 881,868          |
| Rentals   | 82,501           |                | 82,501           | 65,722           |              | 65,722           |
| <b>Remuneration on own capital</b>                | <b>98,579</b>    | <b>9,234</b>   | <b>107,813</b>   | <b>92,686</b>    | <b>9,234</b> | <b>107,813</b>   |
| Profit for the period                             | 92,686           | 9,234          | 101,920          | 92,686           | 9,234        | 101,920          |
| Non-controlling interests in Braskem Idesa        | 5,893            |                | 5,893            |                  |              |                  |
| <b>Value added distributed</b>                    | <b>2,514,844</b> | <b>158,173</b> | <b>2,673,017</b> | <b>1,726,526</b> | <b>9,234</b> | <b>1,735,250</b> |

## 2.1.2 Consolidated and parent company quarterly information

The consolidated Quarterly Information was prepared and is being presented in accordance with the pronouncements CPC 21 (R1) and IAS 34 - Interim Financial Reporting, which establish the minimum content for interim financial statements.

The parent company information was prepared and is being presented in accordance with CPC pronouncement.

## 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 Note 2.2.1.

**Braskem S.A.**

**Notes to the financial statements**

**at June 30, 2014**

**All amounts in thousands of reais, unless otherwise stated**

**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.

**2.2.2 Transaction costs with debt renegotiation**

Costs incurred with debt renegotiation that meet the qualitative and quantitative criteria determined by the standards for reclassification as debt exchange, are deemed transaction costs and amortized through the maturity of the renegotiated debt. The effects of this change in accounting practice are described in Note 12 (a).

**2.3. Consolidated quarterly information**

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

**Braskem S.A.****Notes to the financial statements****at June 30, 2014****All amounts in thousands of reais, unless otherwise stated**

|  | <b>Headquarters<br/>(Country)</b> | <b>Total interest - %</b> |                 |
|--|-----------------------------------|---------------------------|-----------------|
|  |                                   | <b>Jun/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          |
| Braskem México Serviços  | Mexico                            | 100.00                    | 100.00          |
| Braskem Netherlands B.V ("Braskem<br>Holanda")                   | Netherlands                       | 100.00                    | 100.00          |
| Braskem Participações  | Brazil                            | 100.00                    | 100.00          |
| Braskem Petroquímica Chile Ltda.<br>("Petroquímica Chile")       | Chile                             | 100.00                    | 100.00          |
| Braskem Petroquímica Ibérica, S.L.<br>("Braskem Espanha")        | Spain                             | 100.00                    | 100.00          |
| Braskem Petroquímica Ltda ("Braskem<br>Petroquímica")            | Brazil                            | 100.00                    | 100.00          |
| Braskem Qpar   | Brazil                            | 100.00                    | 100.00          |



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|  |     |                        |        |        |
|--|-----|------------------------|--------|--------|
| 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.

**2.4. Reconciliation of equity and profit (loss) for the period between Parent Company and consolidated**

|   |          | Shareholders' equity |                  | Profit (loss) for the period |                |
|---|----------|----------------------|------------------|------------------------------|----------------|
|   | Note     | Jun/2014             | Dec/2013         | Jun/2014                     | Jun/2013       |
|   |          |                      |                  |                              | Revised        |
| <b>Parent Company</b>                                   | 2.1.1(b) | <b>8,301,474</b>     | <b>7,593,110</b> | <b>533,783</b>               | <b>101,920</b> |
| Braskem shares owned by subsidiary Braskem Petroquímica |          | (48,892)             | (48,892)         |                              |                |
| Non-controlling interest in Braskem Idesa               |          | 108,483              | 137,116          | (13,037)                     | 5,893          |
| <b>Consolidated</b>                                     |          | <b>8,361,065</b>     | <b>7,681,334</b> | <b>520,746</b>               | <b>107,813</b> |

**Braskem S.A.**

**Notes to the financial statements**

**at June 30, 2014**

**All amounts in thousands of reais, unless otherwise stated**

**2.5. New standards**

**(i) Accounting standard that will be in force in 2014**

The following standards will be in force in 2014 and will not cause any impacts on the consolidated financial statements of the Company:

- IFRIC 21 – Levies; and
- IAS 39 – Novation of Derivatives and Continuation of Hedge Accounting - Amendments to IAS 39.

**(ii) Accounting standard that will be in force after 2014**

The Company is analyzing the impacts of adopting the standards issued by IASB in 2014 that will be in force after 2014:

- IAS 16 e IAS 38 (applies to fiscal years beginning as of January 1, 2016) – Clarification of Acceptable Methods of Depreciation and Amortisation - Amendments to IAS 16 and IAS 38;
- IFRS 15 (applies to fiscal years beginning as of January 1, 2017) – Revenue from Contracts with Customers; and
- IFRS 9 (applies to fiscal years beginning as of January 1, 2018) – Financial Instruments.

### 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 6.

|                       | <b>Jun/2014</b>  | <b>Consolidated<br/>Dec/2013</b> |
|-----------------------|------------------|----------------------------------|
| Cash and banks (i)    | 330,420          | 987,824                          |
| Cash equivalents:     |                  |                                  |
| Domestic market       | 1,821,268        | 1,906,790                        |
| Foreign market (i)    | 999,206          | 1,441,245                        |
| <b>Total</b>          | <b>3,150,894</b> | <b>4,335,859</b>                 |
| <b>Parent Company</b> | <b>2,244,509</b> | <b>2,425,078</b>                 |

(i) On June 30, 2014, it includes cash and banks of R\$86,789 (R\$656,427 on December 31, 2013) and cash equivalents of R\$99,072 (R\$153,448 on December 31, 2013) of the subsidiary Braskem Idesa, available for use in its project.

**Braskem S.A.****Notes to the financial statements****at June 30, 2014****All amounts in thousands of reais, unless otherwise stated****4. Financial investments**

The information on financial investments was presented in the 2013 annual financial statements of the Company, in Note 7.

|   | <b>Jun/2014</b> | <b>Consolidated<br/>Dec/2013</b> |
|---|-----------------|----------------------------------|
| <b>Held-for-trading</b>                         |                 |                                  |
| Investments in FIM Sol                          | 74,316          | 61,670                           |
| Investments in foreign currency                 | 2,534           | 3,773                            |
| Shares  | 1,170           | 1,170                            |
| <b>Loans and receivables</b>                    |                 |                                  |
| Investments in FIM Sol                          | 61,148          |                                  |
| <b>Held-to-maturity</b>                         |                 |                                  |
| Quotas of investment funds in credit rights     | 37,165          | 40,696                           |
| Restricted deposits                             | 1,596           |                                  |
| Time deposit investment                         |                 | 189                              |
| Investments in foreign currency                 | (ii) 330,858    | 469,376                          |
| Compensation of investments in foreign currency | (ii) (330,858)  | (469,376)                        |
| <b>Total</b>                                    | <b>177,929</b>  | <b>107,498</b>                   |
| <br>  |                 |                                  |
| In current assets                               | 155,307         | 86,719                           |
| In non-current assets                           | 22,622          | 20,779                           |
| <b>Total</b>                                    | <b>177,929</b>  | <b>107,498</b>                   |
| <br>  |                 |                                  |
| <b>Parent Company</b>                           |                 |                                  |
| In current assets                               | 155,307         | 86,535                           |
| In non-current assets                           | 22,622          | 20,774                           |
| <b>Total</b>                                    | <b>177,929</b>  | <b>107,309</b>                   |

(i) On June 30, 2014, Braskem Holanda had a financial investments held-to-maturity that was irrevocably offset by an export prepayment agreement of the Parent Company, 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 CPC 39 and 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 June 30, 2014****All amounts in thousands of reais, unless otherwise stated****5. Trade accounts receivable**

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

|                                 | <b>Jun/2014</b>  | <b>Consolidated<br/>Dec/2013</b> | <b>Jun/2014</b>  | <b>Parent Company<br/>Dec/2013</b> |
|---------------------------------|------------------|----------------------------------|------------------|------------------------------------|
| Customers                       |                  |                                  |                  |                                    |
| Domestic market                 | 1,569,071        | 1,578,008                        | 997,778          | 1,203,071                          |
| Foreign market                  | 1,572,353        | 1,577,140                        | 3,310,057        | 2,872,881                          |
| Allowance for doubtful accounts | (314,765)        | (282,753)                        | (232,348)        | (200,794)                          |
| <b>Total</b>                    | <b>2,826,659</b> | <b>2,872,395</b>                 | <b>4,075,487</b> | <b>3,875,158</b>                   |
| In current assets               | 2,799,470        | 2,810,520                        | 4,056,636        | 3,814,830                          |
| In non-current assets           | 27,189           | 61,875                           | 18,851           | 60,328                             |
| <b>Total</b>                    | <b>2,826,659</b> | <b>2,872,395</b>                 | <b>4,075,487</b> | <b>3,875,158</b>                   |

**6. Inventories**

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

|                | <b>Jun/2014</b> | <b>Consolidated<br/>Dec/2013</b> | <b>Jun/2014</b> | <b>Parent company<br/>Dec/2013</b> |
|----------------|-----------------|----------------------------------|-----------------|------------------------------------|
| Finished goods | 3,573,288       | 3,429,979                        | 1,927,904       | 1,717,416                          |
|                | 1,052,582       | 1,113,272                        | 826,667         | 851,448                            |

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|  |                  |                  |                  |                  |
|--|------------------|------------------|------------------|------------------|
| Raw materials, production inputs and packaging |                  |                  |                  |                  |
| Maintenance materials                          | 234,100          | 230,822          | 123,075          | 122,848          |
| Advances to suppliers                          | 229,345          | 236,672          | 192,262          | 190,931          |
| Imports in transit and other                   | 105,978          | 139,562          | 67,508           | 82,771           |
| Total  | <b>5,195,293</b> | <b>5,150,307</b> | <b>3,137,416</b> | <b>2,965,414</b> |
| In current assets                              | 5,118,116        | 5,033,593        | 3,060,239        | 2,848,700        |
| In non-current assets                          | 77,177           | 116,714          | 77,177           | 116,714          |
| Total  | <b>5,195,293</b> | <b>5,150,307</b> | <b>3,137,416</b> | <b>2,965,414</b> |

**Braskem S.A.****Notes to the financial statements****at June 30, 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 10.

**(a) Consolidated**

|   | <b>Trade<br/>accounts<br/>receivable</b> | <b>Related parties<br/>Receivable<br/>notes</b> | <b>Other<br/>Other<br/>receivable</b> | <b>Other</b> | <b>Current<br/>Total</b> | <b>Related<br/>Loan<br/>agreements re</b> |
|---|--|---|---------------------------------------|--------------|--------------------------|---|
| <b>Jointly-controlled investment</b>            |  |   |                                       |              |                          |   |
| Refinaria de Petróleo Riograndense S.A. ("RPR") |  |   |                                       |              |                          |   |
| <b>Associated companies</b>                     |  |   |                                       |              |                          |   |
| Borealis Brasil S.A. ("Borealis")               | 6,731                                    | 187   |                                       |              | 6,918                    |   |
|   | <b>6,731</b>                             | <b>187</b>                                      |                                       |              | <b>6,918</b>             |   |
| <b>Related companies</b>                        |  |   |                                       |              |                          |   |
| Odebrecht and subsidiaries                      | 4,483                                    | 108,984   | 50                                    | 72,963(i)    | 186,480                  |   |
| Petrobras and subsidiaries                      | 72,474                                   | 9,925   | 46,911                                | 41,413(i)    | 170,723                  | 69,711                                    |
| Other   | 14,626                                   |   |                                       |              | 14,626                   |   |



|              |               |                |               |                |                |               |
|--------------|---------------|----------------|---------------|----------------|----------------|---------------|
|              | <b>91,583</b> | <b>118,909</b> | <b>46,961</b> | <b>114,376</b> | <b>371,829</b> | <b>69,711</b> |
| <b>Total</b> | <b>98,314</b> | <b>119,096</b> | <b>46,961</b> | <b>114,376</b> | <b>378,747</b> | <b>69,711</b> |

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

**Braskem S.A.****Notes to the financial statements****at June 30, 2014****All amounts in thousands of reais, except where stated otherwise**

|  | <b>Income statement transactions from January to June 30, 2014</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  | 5,745  | 22,652  |  |   |
| OCE  |  | 314   |  |   |
|  | <b>5,745</b>   | <b>22,966</b>   |  |   |
| <b>Associated companies</b>                  |  |   |  |   |
| Borealis                                     | 91,829   |   |  |   |
|  | <b>91,829</b>  |   |  |   |
| <b>Related companies</b>                     |  |   |  |   |
| Odebrecht and subsidiaries                   | 18,479   | 177,163   |  |   |
| Petrobras and subsidiaries                   | 737,371  | 9,452,398   | 2,364                                      |   |
| Other  | 12,291   | 5,477   |  |   |
|  | <b>768,141</b>   | <b>9,635,038</b>  | <b>2,364</b>                               |   |
| <b>Post employment benefit plan</b>          |  |   |  |   |
| Odebrecht Previdência Privada<br>("Odeprev") |  |   |  | 10,811  |
|  |  |   |  | <b>10,811</b>   |
| <b>Total</b>                                 | <b>865,715</b>   | <b>9,658,004</b>  | <b>2,364</b>                               | <b>10,811</b>   |

**Balances a**

|                                      |                                 |  |                              |               | Current        |                                       | Non-current                  |                |
|--------------------------------------|---------------------------------|--|------------------------------|---------------|----------------|---------------------------------------|------------------------------|----------------|
|                                      | Trade<br>accounts<br>receivable | Related parties<br>Receivable<br>notes | Other<br>Other<br>receivable | Other         | Total          | Related parties<br>Loan<br>agreements | Other<br>Other<br>receivable | 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(ii)    |
| 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>782,565</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).

**Braskem S.A.**

**Notes to the financial statements**

**at June 30, 2014**

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

|                                      | <b>Income statement transactions from January to June 30, 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                                  | 10,521   | 20,316  |  |   |
|                                      | <b>10,521</b>  | <b>20,316</b>   |  |   |
| <b>Associated companies</b>          |  |   |  |   |
| Borealis                             | 180,194  |   |  |   |
| Other                                | 18,556   | 4,352   |  |   |
|                                      | <b>198,750</b>   | <b>4,352</b>  |  |   |
| <b>Related companies</b>             |  |   |  |   |
| Odebrecht and subsidiaries           | 10,798   | 142,166   |  |   |
| Petrobras and subsidiaries           | 667,142  | 8,930,305   | 2,206                                      |   |
|                                      | <b>677,940</b>   | <b>9,072,471</b>  | <b>2,206</b>                               |   |
| <b>Post employment benefit plan</b>  |  |   |  |   |
| Odeprev                              |  |   |  | 8,840   |
|                                      |  |   |  | <b>8,840</b>  |
| <b>Total</b>                         | <b>887,211</b>   | <b>9,097,139</b>  | <b>2,206</b>                               | <b>8,840</b>  |



**Braskem S.A.**

**Notes to the financial statements**

**at June 30, 2014**

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

**(b) Parent Company**

|                             | Trade accounts receivable |              | Related Parties Receivable notes | Other         | Current Total    | Current accounts | Related Parties Loan agreements | Other receivable |
|-----------------------------|---------------------------|--------------|----------------------------------|---------------|------------------|------------------|---------------------------------|------------------|
|                             |                           |              | Other receivable                 |               |                  |                  |                                 |                  |
| <b>Subsidiaries</b>         |                           |              |                                  |               |                  |                  |                                 |                  |
| Braskem America             | 13,959                    |              | 5,204                            |               | 19,163           |                  |                                 |                  |
| Braskem Argentina           | 55,090                    |              |                                  |               | 55,090           |                  |                                 |                  |
| Braskem Chile               | 7,742                     |              |                                  |               | 7,742            |                  |                                 |                  |
| Braskem Holanda             | 287,239                   |              |                                  |               | 287,239          |                  |                                 |                  |
| Braskem Idesa               | 5,972                     | 2,742        | 34                               |               | 8,748            |                  |                                 |                  |
| Braskem Inc                 | 2,123,249                 |              | 33                               |               | 2,123,282        |                  | 8,751                           |                  |
| Braskem Petroquímica        | 20,372                    |              | 71                               | 66,300(i)     | 86,743           |                  |                                 |                  |
| Braskem Qpar                | 14,382                    |              | 196                              |               | 14,578           |                  |                                 |                  |
| Quantiq                     | 2,339                     |              |                                  | 11,580(i)     | 13,919           |                  |                                 |                  |
| Other                       | 72                        |              | 6,039                            |               | 6,111            | 1,848            | 64                              |                  |
|                             | <b>2,530,416</b>          | <b>2,742</b> | <b>11,577</b>                    | <b>77,880</b> | <b>2,622,615</b> | <b>1,848</b>     | <b>8,815</b>                    |                  |
| <b>Associated companies</b> |                           |              |                                  |               |                  |                  |                                 |                  |
| Borealis                    | 4,373                     |              | 187                              |               | 4,560            |                  |                                 |                  |
|                             | <b>4,373</b>              | <b>187</b>   |                                  |               | <b>4,560</b>     |                  |                                 |                  |
| <b>Related companies</b>    |                           |              |                                  |               |                  |                  |                                 |                  |
| Odebrecht and subsidiaries  | 4,483                     |              | 54                               | 72,963(ii)    | 77,500           |                  |                                 |                  |
| Petrobras and subsidiaries  | 50,696                    | 9,925        | 21,425                           | 29,943(ii)    | 111,989          |                  | 69,711                          | 12,980           |
| Other                       | 14,626                    |              |                                  |               | 14,626           |                  |                                 |                  |

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|              |                  |               |               |                  |                  |              |               |               |
|--------------|------------------|---------------|---------------|------------------|------------------|--------------|---------------|---------------|
|              | <b>69,805</b>    | <b>9,925</b>  | <b>21,479</b> | <b>102,906</b>   | <b>204,115</b>   |              | <b>69,711</b> | <b>12,988</b> |
| <b>SPE</b>   |                  |               |               |                  |                  |              |               |               |
| FIM Sol      |                  |               |               | 1,660,129(iii)   | 1,660,129        |              |               |               |
|              |                  |               |               | <b>1,660,129</b> | <b>1,660,129</b> |              |               |               |
| <b>Total</b> | <b>2,604,594</b> | <b>12,854</b> | <b>33,056</b> | <b>1,840,915</b> | <b>4,491,419</b> | <b>1,848</b> | <b>78,526</b> | <b>12,988</b> |

- (i) Amounts in “dividends and interest on capital”
- (ii) Amount in “inventory – advance to suppliers” (Note 6)
- (iii) Amounts in “cash and cash equivalents”: R\$1,524,665 and in “financial investments”: R\$135,464

**Braskem S.A.****Notes to the financial statements****at June 30, 2014****All amounts in thousands of reais, except where stated otherwise**

|                            | Balances at June 30, 2014 |               |   |               |                  |                  |   |                                     |
|----------------------------|---------------------------|---------------|---|---------------|------------------|------------------|---|-------------------------------------|
|                            | Trade payables            | Borrowings    | Accounts payable to related parties Advance to export | Other payable | Current Total    | Borrowings       | Accounts payable to related parties Advance to export | Current Payables to related parties |
| <b>Subsidiaries</b>        |                           |               |   |               |                  |                  |   |                                     |
| Braskem America            | 2,863                     |               | 20,521  | 3,184         | 26,568           |                  | 623,308   |                                     |
| Braskem Austria            |                           |               | 45,091  |               | 45,091           |                  | 308,350   |                                     |
| Braskem Holanda            |                           |               | 156,227   |               | 156,227          |                  | 3,818,751   |                                     |
| Braskem Inc                | 3,958,540                 | 56,734        |   | 862           | 4,016,136        | 3,498,092        |   | 92,888                              |
| Braskem Petroquímica       | 4,919                     |               |   |               | 4,919            |                  |   | 370,790                             |
| Braskem Qpar               | 7,189                     |               |   |               | 7,189            |                  |   | 740,235                             |
| Quantiq                    | 591                       |               |   |               | 591              |                  |   | 53,418                              |
| IQAG                       |                           |               |   |               |                  |                  |   | 6,349                               |
| Other                      |                           |               |   |               |                  |                  |   | 106                                 |
|                            | <b>3,974,102</b>          | <b>56,734</b> | <b>221,839</b>  | <b>4,046</b>  | <b>4,256,721</b> | <b>3,498,092</b> | <b>4,750,409</b>                                      | <b>1,170,898</b>                    |
| <b>Related companies</b>   |                           |               |   |               |                  |                  |   |                                     |
| Odebrecht and subsidiaries | 27,592                    |               |   |               | 27,592           |                  |   |                                     |
| Petrobras and subsidiaries | 1,070,294                 |               |   |               | 1,070,294        |                  |   |                                     |
|                            | <b>1,097,886</b>          |               |   |               | <b>1,097,886</b> |                  |   |                                     |
| <b>Total</b>               | <b>5,071,988</b>          | <b>56,734</b> | <b>221,839</b>  | <b>4,046</b>  | <b>5,354,607</b> | <b>3,498,092</b> | <b>4,750,409</b>                                      | <b>1,170,898</b>                    |
|                            |                           |               |   |               |                  |                  |   | <b>94,333</b>                       |





**Braskem S.A.****Notes to the financial statements****at June 30, 2014****All amounts in thousands of reais, except where stated otherwise**

|                                      | <b>Income statement transactions from January to June 30, 2014</b> |   |  |   |
|--------------------------------------|--|---|--|---|
|                                      | <b>Sales<br/>of products</b>                                       | <b>Purchases<br/>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>Subsidiaries</b>                  |  |   |  |   |
| Braskem America                      | 5,491  |   | 12,978                                     |   |
| Braskem Argentina                    | 109,285  |   | (6,121)                                    |   |
| Braskem Austria                      |  |   | 17,338                                     |   |
| Braskem Chile                        | 11,614   |   | (817)                                      |   |
| Braskem Holanda                      | 233,217  |   | 99,320                                     |   |
| Braskem Idesa                        | 19,794   |   | (1,449)                                    |   |
| Braskem Inc                          | 395,670  | 1,787,207   | 303,664                                    |   |
| Braskem Petroquímica                 | 398,391  | 170,264   |  |   |
| Braskem Qpar                         | 120,551  | 235,186   |  |   |
| Quantiq                              | 49,072   | 15,504  |  |   |
| Other                                |  |   | (178)                                      |   |
|                                      | <b>1,343,085</b>   | <b>2,208,161</b>  | <b>424,735</b>                             |   |
| <b>Jointly-controlled investment</b> |  |   |  |   |
| RPR                                  | 5,619  | 549   |  |   |
| OCE                                  |  | 314   |  |   |
|                                      | <b>5,619</b>   | <b>863</b>  |  |   |
| <b>Associated companies</b>          |  |   |  |   |
| Borealis                             | 52,830   |   |  |   |
|                                      | <b>52,830</b>  |   |  |   |
| <b>Related companies</b>             |  |   |  |   |
| Odebrecht and subsidiaries           | 18,479   | 165,173   |  |   |
| Petrobras and subsidiaries           | 411,798  | 6,364,306   | 2,364                                      |   |
| Other                                | 12,292   | 5,477   |  |   |
|                                      | <b>442,569</b>   | <b>6,534,956</b>  | <b>2,364</b>                               |   |

**Post-employment benefit plan**  
Odeprev

7,475  
**7,475**

**Total**

**1,844,103**

**8,743,980**

**427,099**

**7,475**

Braskem S.A.

## Notes to the financial statements

at June 30, 2014

All amounts in thousands of reais, except where stated otherwise

|                                      |  |  |               | <b>Current</b> |                  |                             |  |
|--------------------------------------|--|--|---------------|----------------|------------------|-----------------------------|--|
|                                      | <b>Trade<br/>accounts<br/>receivable</b> | <b>Related Parties<br/>Receivable    Other<br/>notes    receivable</b> |               | <b>Other</b>   | <b>Total</b>     | <b>Current<br/>accounts</b> | <b>Related Pa<br/>Loan    O<br/>agreements    receiv</b> |
| <b>Subsidiaries</b>                  |  |  |               |                |                  |                             |  |
| Braskem America                      | 47,985                                   |  | 39,287        |                | 87,272           |                             |  |
| Braskem Argentina                    | 53,415                                   |  |               |                | 53,415           |                             |  |
| Braskem Chile                        | 12,613                                   |  |               |                | 12,613           |                             |  |
| Braskem Holanda                      | 265,132                                  |  |               |                | 265,132          |                             |  |
| Braskem Idesa                        | 23,794                                   | 2,742  | 5,577         |                | 32,113           |                             |  |
| Braskem Inc                          | 1,759,572                                |  | 33            |                | 1,759,605        |                             | 9,104  |
| Braskem Petroquímica                 | 39,332                                   |  | 71            | 66,300(i)      | 105,703          |                             |  |
| Braskem Qpar                         | 28,905                                   |  | 23,342        |                | 52,247           | 313,417                     |  |
| Quantiq                              |  |  | 596           | 11,580(i)      | 12,176           |                             |  |
| Other                                | 2,021                                    | 263  | 2,103         |                | 4,387            | 1,742                       | 67   |
|                                      | <b>2,232,769</b>                         | <b>3,005</b>   | <b>71,009</b> | <b>77,880</b>  | <b>2,384,663</b> | <b>315,159</b>              | <b>9,171</b>   |
| <b>Jointly-controlled investment</b> |  |  |               |                |                  |                             |  |
| RPR                                  |  |  |               | 151(i)         | 151              |                             |  |
|                                      |  |  |               | <b>151</b>     | <b>151</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           | 3,651                                    |  |               | 35,473(ii)     | 39,124           |                             |  |

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|                            |                  |               |               |                  |                  |                |               |           |
|----------------------------|------------------|---------------|---------------|------------------|------------------|----------------|---------------|-----------|
| Petrobras and subsidiaries | 99,018           | 9,925         | 16,047        | 28,233(ii)       | 153,223          |                | 67,348        | 12        |
| Other                      | 14,980           |               |               |                  | 14,980           |                |               |           |
|                            | <b>117,649</b>   | <b>9,925</b>  | <b>16,047</b> | <b>63,706</b>    | <b>207,327</b>   |                | <b>67,348</b> | <b>12</b> |
| <b>SPE</b>                 |                  |               |               |                  |                  |                |               |           |
| FIM Sol                    |                  |               |               | 1,396,323(iii)   | 1,396,323        |                |               |           |
|                            |                  |               |               | <b>1,396,323</b> | <b>1,396,323</b> |                |               |           |
| <b>Total</b>               | <b>2,361,786</b> | <b>13,117</b> | <b>87,056</b> | <b>1,538,060</b> | <b>4,000,019</b> | <b>315,159</b> | <b>76,519</b> | <b>12</b> |

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

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

(iii) Amounts in “cash and cash equivalents”: R\$1,334,653 and in “financial investments”: R\$61,670

(iv) Amount of R\$20,000 under “Property, plant and equipment” related to ongoing construction works and R\$116,714 under “inventory – advance to suppliers” (Note 6)

Balances at D

|                          | Trade payables   | Borrowings     | Accounts payable to related parties Advance to export | Other payable | Current Total    | Borrowings       | Accounts payable to related parties Advance to export | Current Accounts payable |
|--------------------------|------------------|----------------|---|---------------|------------------|------------------|---|--------------------------|
| <b>Subsidiaries</b>      |                  |                |   |               |                  |                  |   |                          |
| Braskem America          | 3,018            |                | 34,064  | 3,170         | 40,252           |                  | 662,956   |                          |
| Braskem Austria          |                  |                | 48,036  |               | 48,036           |                  | 351,390   |                          |
| Braskem Holanda          |                  |                | 41,090  |               | 41,090           |                  | 3,874,252   |                          |
| Braskem Importação       |                  |                |   |               |                  |                  |   | 101                      |
| Braskem Inc              | 3,863,320        | 248,544        |   | 917           | 4,112,781        | 3,720,604        |   |                          |
| Braskem Participações    |                  |                |   |               |                  |                  |   |                          |
| Braskem Petroquímica     | 5,625            |                |   | 6             | 5,631            |                  |   | 138,742                  |
| Braskem Qpar             | 3,692            |                |   | 11            | 3,703            |                  |   |                          |
| Quantiq                  | 327              |                |   |               | 327              |                  |   | 16,782                   |
| IQAG                     |                  |                |   |               |                  |                  |   | 4,270                    |
| Politeno Empreendimentos |                  |                |   |               |                  |                  |   | 7                        |
|                          | <b>3,875,982</b> | <b>248,544</b> | <b>123,190</b>  | <b>4,104</b>  | <b>4,251,820</b> | <b>3,720,604</b> | <b>4,888,598</b>                                      | <b>159,902</b>           |

**Jointly-controlled investment**

|     |            |  |  |  |            |
|-----|------------|--|--|--|------------|
| RPR | 256        |  |  |  | 256        |
|     | <b>256</b> |  |  |  | <b>256</b> |

**Related companies**

|                            |                  |  |  |            |                  |
|----------------------------|------------------|--|--|------------|------------------|
| Odebrecht and subsidiaries | 61,631           |  |  | 335        | 61,966           |
| Petrobras and subsidiaries | 1,572,473        |  |  |            | 1,572,473        |
|                            | <b>1,634,104</b> |  |  | <b>335</b> | <b>1,634,439</b> |

|              |                  |                |                |              |                  |                  |                  |                |          |
|--------------|------------------|----------------|----------------|--------------|------------------|------------------|------------------|----------------|----------|
| <b>Total</b> | <b>5,510,342</b> | <b>248,544</b> | <b>123,190</b> | <b>4,439</b> | <b>5,886,515</b> | <b>3,720,604</b> | <b>4,888,598</b> | <b>159,902</b> | <b>1</b> |
|--------------|------------------|----------------|----------------|--------------|------------------|------------------|------------------|----------------|----------|

**Braskem S.A.****Notes to the financial statements****at June 30, 2014****All amounts in thousands of reais, except where stated otherwise**

|                                      | <b>Income statement transactions from January to June 30, 2013</b> |   |   |
|--------------------------------------|--|---|---|
|                                      | <b>Sales<br/>of<br/>products</b>                                   | <b>Purchases<br/>of<br/>raw<br/>materials,<br/>services<br/>and<br/>utilities</b> | <b>Financial<br/>income<br/>(expenses)<br/>Cost of<br/>production/general<br/>and administrative<br/>expenses</b> |
| <b>Subsidiaries</b>                  |  |   |   |
| Braskem America                      | 5,495  |   | (71,063)  |
| Braskem Argentina                    | 102,101  |   | 8,541   |
| Braskem Austria                      |  |   | (47,905)  |
| Braskem Chile                        | 14,141   |   | 976   |
| Braskem Finance                      |  |   | 1   |
| Braskem Holanda                      | 137,576  |   | (307,266)   |
| Braskem Idesa                        | 24,814   |   | 38,118  |
| Braskem Importação                   |  |   | (1)   |
| Braskem Inc                          | 1,049,513  | 327,887   | (613,698)   |
| Braskem Petroquímica                 | 235,928  | 103,142   |   |
| Braskem Qpar                         | 5,874  | 58,969  |   |
| Lantana                              |  |   | 5   |
| Quantiq                              | 66,223   | 1,035   |   |
| Riopol                               | 95,653   | 66,020  |   |
|                                      | <b>1,737,318</b>   | <b>557,053</b>  | <b>(992,292)</b>  |
| <b>Jointly-controlled investment</b> |  |   |   |
| RPR                                  | 10,167   | 175   |   |
|                                      | <b>10,167</b>  | <b>175</b>  |   |
| <b>Associated companies</b>          |  |   |   |
| Borealis                             | 166,666  |   |   |
| Other                                | 18,556   | 4,352   |   |
|                                      | <b>185,222</b>   | <b>4,352</b>  |   |

**Related companies**

|                            |                |                  |              |
|----------------------------|----------------|------------------|--------------|
| Odebrecht and subsidiaries | 10,798         | 141,846          |              |
| Petrobras and subsidiaries | 476,498        | 5,663,346        | 2,206        |
|                            | <b>487,296</b> | <b>5,805,192</b> | <b>2,206</b> |

**Post employment benefit plan**

|         |  |  |  |              |
|---------|--|--|--|--------------|
| Odeprev |  |  |  | 6,896        |
|         |  |  |  | <b>6,896</b> |

|              |                  |                  |                  |              |
|--------------|------------------|------------------|------------------|--------------|
| <b>Total</b> | <b>2,420,003</b> | <b>6,366,772</b> | <b>(990,086)</b> | <b>6,896</b> |
|--------------|------------------|------------------|------------------|--------------|



**Braskem S.A.****Notes to the financial statements****at June 30, 2014****All amounts in thousands of reais, except where stated otherwise****(c) Key management personnel**

| <b>Non-current liabilities</b> | <b>Jun/2014</b> | <b>Parent company and Consolidated<br/>Dec/2013</b> |
|--------------------------------|-----------------|---|
| Long-term incentives           |                 | 2,333   |
| <b>Total</b>                   |                 | <b>2,333</b>  |

| <b>Income statement transactions</b>          | <b>Jun/2014</b> | <b>Parent company and Consolidated<br/>Jun/2013</b> |
|---|-----------------|---|
| <b>Remuneration</b>                           |                 |   |
| Short-term benefits to employees and managers | 7,736           | 23,432  |
| Post-employment benefit                       | 143             | 140   |
| Long-term incentives                          | 560             | 51  |
| <b>Total</b>                                  | <b>8,439</b>    | <b>23,623</b>                                       |

(i) In a meeting held on May 7, 2014, the Board of Directors approved the termination of the long-term incentive plan. The plan had been created in September 2005 and was not based on the Company's shares. Through this plan, members of strategic programs could acquire securities issued by the Company called "Certificates of Investment Units". These securities did not entitle their holder to the status of Braskem shareholder or to any rights or privileges inherent to such status, especially voting and other political rights. The amount paid to terminate the plan was R\$14,002.



**Braskem S.A.****Notes to the financial statements****at June 30, 2014****All amounts in thousands of reais, except where stated otherwise****8. Taxes recoverable**

The information on taxes recoverable was presented in the 2013 annual financial statements of the Company, in Note 11.

|   | <b>Jun/2014</b>  | <b>Consolidated<br/>Dec/2013</b> | <b>Jun/2014</b>  | <b>Parent company<br/>Dec/2013</b> |
|---|------------------|----------------------------------|------------------|------------------------------------|
| <b>Parent Company and subsidiaries in Brazil</b>                                      |                  |                                  |                  |                                    |
| Industrialized product Tax (IPI)  | 26,449           | 28,701                           | 23,544           | 26,307                             |
| Value-added tax on sales and services (ICMS) - normal operations                      | 499,415          | 738,282                          | 309,465          | 410,004                            |
| ICMS - credits from PP&E  | 130,077          | 123,354                          | 98,434           | 93,018                             |
| Social integration program (PIS) and social contribution on revenue (COFINS) - normal | 733,745          | 719,448                          | 689,388          | 650,355                            |
| PIS and COFINS - credits from PP&E  | 284,364          | 269,006                          | 161,237          | 134,161                            |
| PIS and COFINS - Law 9,718/98   | 11,526           | 24,207                           | 10,947           | 22,602                             |
| PIS - Decree-Law 2,445 and 2,449/88   | 91,230           | 88,339                           | 68,691           | 65,801                             |
| IR and CSL  | 541,291          | 542,686                          | 426,392          | 395,214                            |
| REINTEGRA program   | 198,996          | 267,049                          | 194,153          | 232,507                            |
| Other   | 133,270          | 155,965                          | 91,002           | 116,640                            |
| <b>Foreign subsidiaries</b>   |                  |                                  |                  |                                    |
| Value-added tax (a)   | 810,642          | 563,650                          |                  |                                    |
| Income tax  | 1,730            | 2,516                            |                  |                                    |
| <b>Total</b>  | <b>3,462,735</b> | <b>3,523,203</b>                 | <b>2,073,253</b> | <b>2,146,609</b>                   |

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|                    |                  |                  |                  |                  |
|--------------------|------------------|------------------|------------------|------------------|
| Current assets     | 2,363,511        | 2,237,213        | 1,236,182        | 1,246,858        |
| Non-current assets | 1,099,224        | 1,285,990        | 837,071          | 899,751          |
| Total              | <b>3,462,735</b> | <b>3,523,203</b> | <b>2,073,253</b> | <b>2,146,609</b> |

**(a) Value added tax (“VAT”)**

On June 30, 2014, this line included:

(i) R\$34,018 from sales by Braskem Alemanha to other countries. These credits are refunded in cash by the local government; and

(ii) R\$776,624 from purchases of machinery and equipment for the Ethylene XXI Project. These credits will be reimbursed, in cash, by the local government, after their validation.

The Management expects these credits to be received in the short term based on the legislation of the countries involved.

**Braskem S.A.****Notes to the financial statements****at June 30, 2014****All amounts in thousands of reais, except where stated otherwise****9. Investments**

The information related to investments was presented in the Company's annual financial statements, in Note 15.

**(a) Information on investments**

|                            | Note     | Direct | Interest in total capital<br>total (%) - Jun/2014<br>Direct and Indirect | Adjusted net profit<br>(loss)<br>for the period |                     |           | Adjusted<br>equity<br>Dec/2013 |
|----------------------------|----------|--------|--|---|---------------------|-----------|--------------------------------|
|                            |          |        |  | Jun/2014  | Jun/2013<br>Revised | Jun/2014  |                                |
| <b>Subsidiaries</b>        | 2.1.1(b) |        |  |   |                     |           |                                |
| Braskem Alemanha           |          | 5.66   | 100.00   | 28,448  | (34,616)            | 1,019,355 | 1,056,093                      |
| Braskem America            |          |        | 100.00   | 47,164  | 11,329              | 928,781   | 940,124                        |
| Braskem America<br>Finance |          |        | 100.00   | (11)  | 72                  | 1,370     | 1,448                          |
| Braskem Argentina          |          | 96.77  | 100.00   | 6,488   | 169                 | 17,865    | 11,379                         |
| Braskem Austria            |          | 100.00 | 100.00   | (1,539)   | (346)               | (5,323)   | (4,097)                        |
| Braskem Austria<br>Finance |          |        | 100.00   | (13)  |                     | 14        | 25                             |
| Braskem Chile              |          | 99.02  | 100.00   | (187)   | 48                  | 1,676     | 1,863                          |
| Braskem Espanha            |          |        | 100.00   |   |                     | (9)       | (9)                            |
| Braskem Holanda            |          | 100.00 | 100.00   | 19,767  | (3,195)             | 1,301,847 | 1,333,390                      |
| Braskem Finance            |          | 100.00 | 100.00   | (24,726)  | (10,224)            | (169,284) | (144,558)                      |
| Braskem Idesa              |          | 75.00  | 75.00  | (52,149)  | 23,507              | 433,935   | 548,465                        |
| Braskem Idesa<br>Serviços  |          |        | 75.00  | 540   | 788                 | 5,387     | 5,138                          |
| Braskem<br>Importação      |          | 0.04   | 100.00   | 1   | (1)                 | 202       | 201                            |
| Braskem Inc.               |          | 100.00 | 100.00   | 141,637   | (99,240)            | 294,659   | 153,021                        |
| Braskem México             |          | 99.97  | 100.00   | 21,006  | 1,557               | 282,607   | 271,654                        |
|                            | (i)      |        | 100.00   | 72  |                     | 1,416     |                                |

|  |        |        |         |           |           |           |        |
|--|--------|--------|---------|-----------|-----------|-----------|--------|
| Braskem México                                       |        |        |         |           |           |           |        |
| Serviços   |        |        |         |           |           |           |        |
| Braskem  |        |        |         |           |           |           |        |
| Participações  | 100.00 | 100.00 | (15)    | 1,518     | (573)     | (558)     |        |
| Braskem  |        |        |         |           |           |           |        |
| Petroquímica   | 100.00 | 100.00 | 102,342 | 45,285    | 1,750,187 | 1,647,845 |        |
| Braskem Qpar   | 98.61  | 100.00 | 249,661 | (105,614) | 5,850,739 | 5,601,077 |        |
| Common   |        | 100.00 |         | 699       | (12)      | (12)      |        |
| DAT  | (ii)   |        |         |           |           |           | 37,681 |
| IQAG   | 0.12   | 100.00 | 2,329   | 1,744     | 9,513     | 7,184     |        |
| Lantana  |        | 100.00 | 39      | (44)      | (589)     | (592)     |        |
| Norfolk  |        | 100.00 | (57)    | 7,284     | (160)     | (103)     |        |
| Petroquímica Chile                                   | 97.96  | 100.00 | 2,106   | (962)     | 7,105     | 4,999     |        |
| Politeno   |        |        |         |           |           |           |        |
| Empreendimentos                                      | 99.98  | 100.00 | (2)     | (6)       | 596       | 598       |        |
| Quantiq  | 99.90  | 100.00 | 13,927  | 9,234     | 257,510   | 243,584   |        |
| Riopol   | (iii)  |        |         | 246,472   |           |           |        |
| <b>Jointly-controlled investment</b>                 |        |        |         |           |           |           |        |
| RPR  | 33.20  | 33.20  | (1,236) | 6,483     | 123,743   | 124,980   |        |
| OCE  | (iv)   | 20.00  | 20.00   | 224       | 554       | 689       |        |
| Propilsur  |        | 49.00  | (88)    | (2,433)   | 111,561   | 109,300   |        |
| <b>Associates</b>                                    |        |        |         |           |           |           |        |
| Borealis   | 20.00  | 20.00  | 4,345   | 5,492     | 166,746   | 166,746   |        |
| Companhia de Desenvolvimento Rio Verde ("Codeverde") | 35.97  | 35.97  | (596)   | (406)     | 46,342    | 46,342    |        |

- (i) Company incorporated on November 21, 2013.
- (ii) Company divested on February 3, 2014 (Note 1(a)).
- (iii) Company merged into Braskem Qpar in September 2013.
- (iv) Shares acquired in July 2013.

## Braskem S.A.

## Notes to the financial statements

at June 30, 2014

All amounts in thousands of reais, except where stated otherwise

## (b) Changes in investments – parent company

|   | Balance at<br>Dec/2013 | Capital<br>increase | Dividends<br>and<br>interest<br>on equity | Effect<br>of results | Equity in results of<br>investees<br>Adjustment of<br>unrealized profit amo |
|---|------------------------|---------------------|---|----------------------|---|
| <b>Subsidiaries and jointly-controlled investment</b>       |                        |                     |   |                      |   |
| <b>Domestic subsidiaries</b>                                |                        |                     |   |                      |   |
| Braskem Petroquímica  | 1,502,856              |                     |   | 102,342              | (315)   |
| Braskem Qpar  | 6,383,358              |                     |   | 246,363              | (492)   |
| DAT   | 37,681                 |                     |   | (19)                 |   |
| Politeno Empreendimentos                                    | 598                    |                     |   | (2)                  |   |
| Quantiq   | 247,388                |                     | 50  | 13,927               | (85)  |
| RPR   | 41,500                 |                     |   | (410)                |   |
| OCE   | 138                    |                     | (3)                                       | (24)                 |   |
|   | <b>8,213,519</b>       |                     | <b>47</b>                                 | <b>362,177</b>       | <b>(892)</b>  |
| <b>Foreign subsidiaries</b>                                 |                        |                     |   |                      |   |
| Braskem Alemanha  | 59,548                 |                     |   | 1,610                | (6)   |
| Braskem Argentina   | 7,507                  |                     |   | 6,488                | 3,246   |
| Braskem Chile   | 1,863                  |                     |   | (187)                |   |
| Braskem Holanda   | 1,333,141              |                     |   | 19,767               | 249   |
| Braskem Idesa   | 410,942                |                     |   | (39,111)             | 405   |
| Braskem Inc.  | 142,849                |                     |   | 141,637              | 3,183   |
| Braskem México  | 271,654                | 4,709               |   | 21,005               |   |
| Petroquímica Chile  | 4,999                  |                     |   | 2,106                |   |
|   | <b>2,232,503</b>       | <b>4,709</b>        |   | <b>153,315</b>       | <b>7,077</b>  |
| <b>Total subsidiaries and jointly-controlled investment</b> | <b>10,446,022</b>      | <b>4,709</b>        | <b>47</b>                                 | <b>515,492</b>       | <b>6,185</b>  |

|   |                   |              |           |                |              |
|---|-------------------|--------------|-----------|----------------|--------------|
| <b>Associate</b>  |                   |              |           |                |              |
| Borealis  | 33,349            |              |           | 957            |              |
| <b>Total associate</b>  | <b>33,349</b>     |              |           | <b>957</b>     |              |
| <b>Total subsidiaries, jointly-controlled investment and associates</b> | <b>10,479,371</b> | <b>4,709</b> | <b>47</b> | <b>516,449</b> | <b>6,185</b> |

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**Braskem S.A.****Notes to the financial statements****at June 30, 2014****All amounts in thousands of reais, except where stated otherwise****(c) Equity accounting results - breakdown**

|                                       | <b>Nota</b> | <b>Jun/2014</b> | <b>Consolidated<br/>Jun/2013</b> | <b>Jun/2014</b> | <b>Parent company<br/>Jun/2013</b> |
|---------------------------------------|-------------|-----------------|----------------------------------|-----------------|------------------------------------|
|                                       | 2.1.1(b)    |                 |                                  |                 |                                    |
| Equity in the results                 |             | 448             | (3,194)                          | 522,634         | 111,882                            |
| Amortization of fair value adjustment |             |                 |                                  | (43,385) (i)    | (58,607)                           |
| Provision for losses on investments   |             |                 |                                  | (26,280)        | (9,106)                            |
| Other                                 |             | 138             |                                  | 188             |                                    |
|                                       |             | <b>586</b>      | <b>(3,194)</b>                   | <b>453,157</b>  | <b>44,169</b>                      |

(i) Amortization of fair value adjustments comprises the following:

- R\$41,667 related to the amortization of fair value adjustments on the assets and liabilities from the acquisition of Quattor. This amount is distributed in the following items of the consolidated statement of operations: “net sales revenue” of R\$8,859; “cost of sales” of R\$45,986; “general and administrative expenses” of R\$45 and “financial results” of R\$8,242. The effect of deferred income tax and social contribution was R\$21,465.

- R\$1,718 related to the amortization of fair value adjustments on property, plant and equipment of the subsidiary Braskem Petroquímica.

**10. Property, plant and equipment**

|  | Jun/2014          |   |                   | Consolidated<br>Dec/2013 |   |                   |
|--|-------------------|---|-------------------|--------------------------|---|-------------------|
|  | Cost              | Accumulated<br>depreciation/<br>depletion | Net               | Cost                     | Accumulated<br>depreciation/<br>depletion | Net               |
| Land   | 422,692           |   | 422,692           | 428,908                  |   | 428,908           |
| Buildings and<br>improvements                | 1,839,758         | (814,950)                                 | 1,024,808         | 1,830,245                | (783,084)                                 | 1,047,161         |
| Machinery,<br>equipment and<br>installations | 25,954,081        | (11,873,845)                              | 14,080,236        | 25,671,115               | (11,044,102)                              | 14,627,013        |
| Projects in<br>progress                      | 10,683,802        |   | 10,683,802        | 8,832,906                |   | 8,832,906         |
| Other  | 971,189           | (495,187)                                 | 476,002           | 936,228                  | (458,668)                                 | 477,560           |
| <b>Total</b>                                 | <b>39,871,522</b> | <b>(13,183,982)</b>                       | <b>26,687,540</b> | <b>37,699,402</b>        | <b>(12,285,854)</b>                       | <b>25,413,548</b> |

The information on property, plant and equipment was presented in the Company's 2013 annual financial statements, in Note 16.

#### **Impairment test for property, plant and equipment**

There were no significant events or circumstances in the period ended June 30, 2014 that indicate the need for impairment testing on the property, plant and equipment.

**Braskem S.A.****Notes to the financial statements****at June 30, 2014****All amounts in thousands of reais, except where stated otherwise****11. Intangible assets**

The information on intangible assets was presented in the 2013 annual financial statements of the Company, in Note 17.

|  | <b>Jun/2014</b>  |                                     |                  | <b>Consolidated<br/>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 future profitability | 3,187,722        | (1,128,804)                         | 2,058,918        | 3,187,722                        | (1,128,804)                         | 2,058,918        |
| Trademarks and patents                 | 210,845          | (86,253)                            | 124,592          | 208,574                          | (82,176)                            | 126,398          |
| Software and use rights                | 482,935          | (270,928)                           | 212,007          | 473,560                          | (244,924)                           | 228,636          |
| Contracts with customers and suppliers | 691,476          | (235,720)                           | 455,756          | 712,499                          | (213,821)                           | 498,678          |
| <b>Total</b>                           | <b>4,572,978</b> | <b>(1,721,705)</b>                  | <b>2,851,273</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 June 30, 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.

**12. Borrowings**

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

|                                   | Annual financial charges     |  | Consolidated      |                   |
|-----------------------------------|------------------------------|--|-------------------|-------------------|
|                                   | Monetary restatement         | Average interest (unless otherwise stated) | Jun/2014          | Dec/2013          |
| <b><u>Foreign currency</u></b>    |                              |  |                   |                   |
| Bonds and Medium term notes (MTN) | Note 12 (a)                  | Note 12 (a)                                | 9,793,844         | 10,432,526        |
| Advances on exchange contracts    | US dollar exchange variation | 0.88%                                      | 165,188           | 117,132           |
| Export prepayment                 | Note 12 (b)                  | Note 12 (b)                                | 375,607           | 540,744           |
| BNDES                             | Note 12 (c)                  | Note 12 (c)                                | 377,567           | 453,065           |
| Export credit notes               | Note 12 (d)                  | Note 12 (d)                                | 792,207           | 843,060           |
| Working capital                   |                              | 1.68%                                      |                   |                   |
|                                   | US dollar exchange variation | above Libor                                | 981,971           | 633,632           |
| Other                             |                              | 4.00%                                      |                   |                   |
|                                   | US dollar exchange variation | above Libor                                | 1,218             | 1,268             |
| Transactions costs                |                              |  | (268,137)         | (81,375)          |
| <b><u>Local currency</u></b>      |                              |  |                   |                   |
| Export credit notes               | Note 12 (d)                  | Note 12 (d)                                | 2,530,186         | 2,528,077         |
| BNDES                             | Note 12 (c)                  | Note 12 (c)                                | 2,425,382         | 2,464,987         |
| BNB/ FINAME/ FINEP/ FUNDES        |                              | 6.44%                                      | 612,243           | 658,372           |
| BNB/ FINAME/ FINEP/ FUNDES        | TJLP                         | 0.42%                                      | 12,281            | 16,093            |
| Other                             | CDI                          | 0.04%                                      | 28,356            |                   |
| Transactions costs                |                              |  | (15,834)          | (5,090)           |
| <b>Total</b>                      |                              |  | <b>17,812,079</b> | <b>18,602,491</b> |
| Current liabilities               |                              |  | 1,329,292         | 1,248,804         |
| Non-current liabilities           |                              |  | 16,482,787        | 17,353,687        |
| <b>Total</b>                      |                              |  | <b>17,812,079</b> | <b>18,602,491</b> |

**Braskem S.A.****Notes to the financial statements****at June 30, 2014****All amounts in thousands of reais, except where stated otherwise**

|                                | <b>Jun/2014</b>   | <b>Parent company<br/>Dec/2013</b> |
|--------------------------------|-------------------|------------------------------------|
| <b><u>Foreign currency</u></b> |                   |                                    |
| Current liabilities            | 1,243,381         | 735,512                            |
| Non-current liabilities        | 5,487,495         | 6,940,002                          |
|                                | <b>6,730,876</b>  | <b>7,675,514</b>                   |
| <b><u>Local currency</u></b>   |                   |                                    |
| Current liabilities            | 641,814           | 547,534                            |
| Non-current liabilities        | 4,660,187         | 4,781,412                          |
|                                | <b>5,302,001</b>  | <b>5,328,946</b>                   |
| Current liabilities            | 1,885,195         | 1,283,046                          |
| Non-current liabilities        | 10,147,682        | 11,721,414                         |
| <b>Total</b>                   | <b>12,032,877</b> | <b>13,004,460</b>                  |

**(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>Jun/2014</b> | <b>Consolidated<br/>Dec/2013</b> |
|--------------------|---|------------------|----------------------------------|-----------------|----------------------------------|
| July 1997          | 250,000                                     | June 2015        | 9.38                             | 129,351         | 152,328                          |
| January 2004       | 250,000                                     | January 2014     | 11.75                            |                 | 178,897                          |
| September 2006 (i) | 275,000                                     | January 2017     | 8.00                             | 148,936         | 305,006                          |
| June 2008 (i)      | 500,000                                     | June 2018        | 7.25                             | 328,428         | 1,000,375                        |
| May 2010 (i)       | 400,000                                     | May 2020         | 7.00                             | 106,091         | 940,780                          |
| May 2010           | 350,000                                     | May 2020         | 7.00                             | 778,819         | 828,360                          |
| October 2010       | 450,000                                     | no maturity date | 7.38                             | 1,008,587       | 1,072,742                        |
| April 2011         | 750,000                                     | April 2021       | 5.75                             | 1,666,091       | 1,772,070                        |
| July 2011          | 500,000                                     | July 2041        | 7.13                             | 1,135,687       | 1,207,927                        |

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|               |     |                  |                  |      |                  |                   |
|---------------|-----|------------------|------------------|------|------------------|-------------------|
| February 2012 |     | 250,000          | April 2021       | 5.75 | 557,221          | 592,666           |
| February 2012 |     | 250,000          | no maturity date | 7.38 | 560,326          | 595,968           |
| May 2012      |     | 500,000          | May 2022         | 5.38 | 1,110,787        | 1,181,443         |
| July 2012     |     | 250,000          | July 2041        | 7.13 | 567,843          | 603,964           |
| February 2014 | (i) | 500,000          | February 2024    | 6.45 | 1,130,451        |                   |
| May 2014      | (i) | 250,000          | February 2024    | 6.45 | 565,226          |                   |
| <b>Total</b>  |     | <b>5,725,000</b> |                  |      | <b>9,793,844</b> | <b>10,432,526</b> |

(i) The Bonds issued in February and May 2014 were primarily to refinance the Bonds issued in September 2006, June 2008 and May 2010. The issues in 2014 were considered as refinancing of previous debt in accordance with CPC 38 (IFRS 9), and hence all expenses involved in structuring the operations, including premiums paid to holders of the refinanced bonds, were deemed transaction costs.

(b) **Export prepayments (“EPP”)**

| Issue date    | Initial amount<br>of the transaction<br>(US\$ thousand) | Maturity Charges (% per year)  | Cons<br>Jun/2014 I |
|---------------|---|--|--------------------|
| December 2010 | 100,000   | December-2017 US dollar exchange variation + semiannual Libor + 2.47 |                    |
| January 2013  | 200,000   | November-2022 US dollar exchange variation + semiannual Libor + 2.47 | 375,607            |
| <b>Total</b>  | <b>300,000</b>  |  | <b>375,607</b>     |

(i) Settled early in June 2014.

**Braskem S.A.****Notes to the financial statements****at June 30, 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>Jun/2014</b>  | <b>Consolidated December</b> |
|--------------------------------|-------------------|--|------------------|------------------------------|
| <b><u>Foreign currency</u></b> |                   |  |                  |                              |
| Other                          | 2006              | October-2016 US dollar exchange variation + 6.82         | 5,058            |                              |
| Braskem Qpar expansion         | 2006/2007/2008    | April-2016 US dollar exchange variation + 6.67 to 6.82   | 7,668            |                              |
| Green PE plant                 | 2009              | July-2017 US dollar exchange variation + 6.60            | 32,228           |                              |
| Limit of credit II             | 2009              | January-2017 US dollar exchange variation + 6.60         | 63,667           |                              |
| New plant PVC Alagoas          | 2010              | January-2020 US dollar exchange variation + 6.60         | 99,303           | 1                            |
| Limit of credit III            | 2011              | October-2018 US dollar exchange variation + 6.44 to 6.47 | 134,272          | 1                            |
| Butadiene plant                | 2011              | January-2021 US dollar exchange variation + 6.47         | 35,371           | 4                            |
|                                |                   |  | <b>377,567</b>   | <b>4</b>                     |
| <b><u>Local currency</u></b>   |                   |  |                  |                              |
| Other                          | 2006              | September-2016 TJLP + 2.80                               | 40,323           | 4                            |
| Braskem Qpar expansion         | 2006/2007/2008    | February-2016 TJLP + 2.15 to 3.30                        | 58,225           | 1                            |
| Green PE plant                 | 2008/2009         | June-2017 TJLP + 0.00 to 4.78                            | 239,542          | 2                            |
| Limit of credit II             | 2009              | January-2017 TJLP + 2.58 to 3.58                         | 201,804          | 2                            |
| Limit of credit II             | 2009              | January-2017 4.50  | 9,017            |                              |
| New plant PVC Alagoas          | 2010              | December-2019 TJLP + 0.00 to 3.58                        | 322,867          | 3                            |
| New plant PVC Alagoas          | 2010              | December-2019 5.50                                       | 36,745           | 4                            |
| Limit of credit III            | 2011              | October-2019 TJLP + 0.00 to 3.58                         | 1,028,742        | 9                            |
| Limit of credit III            | 2011              | October-2019 SELIC + 2.58                                | 109,099          | 1                            |
| Limit of credit III            | 2011              | November-2019 3.50 to 5.50                               | 254,242          | 2                            |
| Butadiene plant                | 2011              | December-2020 TJLP + 0.00 to 3.45                        | 124,776          | 1                            |
|                                |                   |  | <b>2,425,382</b> | <b>2,4</b>                   |
| <b>Total</b>                   |                   |  | <b>2,802,949</b> | <b>2,9</b>                   |





## Braskem S.A.

## Notes to the financial statements

at June 30, 2014

All amounts in thousands of reais, except where stated otherwise

## (d) Export credit notes ("NCE")

| Issue date              | Initial amount<br>of the transaction | Maturity Charges (% per year)                     | Consolidated<br>Jun/2014 | Consolidated<br>Dec/2013 |
|-------------------------|--------------------------------------|---|--------------------------|--------------------------|
| <b>Foreign currency</b> |                                      |   |                          |                          |
| November 2006           | 167,014                              | May 2018 Us dollar exchange variation + 8.10      | 173,689                  | 184,778                  |
| April 2007              | 101,605                              | March 2018 Us dollar exchange variation + 7.87    | 112,099                  | 119,255                  |
| May 2007                | 146,010                              | May 2019 Us dollar exchange variation + 7.85      | 166,196                  | 176,806                  |
| January 2008            | 266,430                              | February 2020 Us dollar exchange variation + 7.30 | 340,223                  | 362,221                  |
|                         | <b>681,059</b>                       |   | <b>792,207</b>           | <b>843,060</b>           |
| <b>Local currency</b>   |                                      |   |                          |                          |
| April-2010              | 50,000                               | October-2021 105% of CDI                          | 50,971                   | 50,880                   |
| June-2010               | 200,000                              | October-2021 105% of CDI                          | 203,883                  | 203,521                  |
| February-2011           | 250,000                              | October-2021 105% of CDI                          | 203,883                  | 203,521                  |
| April-2011 (i)          | 450,000                              | April-2019 112.5% of CDI                          | 459,999                  | 459,408                  |
| June-2011               | 80,000                               | October-2021 105% of CDI                          | 81,553                   | 81,408                   |
| August-2011 (i)         | 400,000                              | August-2019 112.5% of CDI                         | 403,865                  | 403,513                  |
| June-2012               | 100,000                              | October-2021 105% of CDI                          | 101,942                  | 101,761                  |
| September-2012          | 300,000                              | October-2021 105% of CDI                          | 305,825                  | 305,282                  |
| October-2012            | 85,000                               | October-2021 105% of CDI                          | 86,651                   | 86,496                   |
| February-2013 (ii)      | 100,000                              | February-2016 8.00                                | 101,183                  | 101,183                  |
| February-2013 (iii)     | 50,000                               | February-2016 7.50                                |                          | 50,505                   |
| February-2013 (ii)      | 100,000                              | February-2016 8.00                                | 101,032                  | 101,010                  |
| February-2013 (ii)      | 50,000                               | February-2016 8.00                                | 50,440                   | 50,440                   |
| February-2013 (ii)      | 100,000                              | February-2016 8.00                                | 100,988                  | 100,923                  |
| March-2013 (ii)         | 50,000                               | March-2016 8.00                                   | 50,246                   | 50,257                   |
| March-2013 (iii)        | 17,500                               | March-2016 8.00                                   |                          | 17,583                   |
| August-2013 (iii)       | 10,000                               | August-2016 8.00                                  |                          | 10,129                   |
| December-2013 (ii)      | 150,000                              | December-2016 8.00                                | 150,225                  | 150,257                  |
| June-2014 (ii)          | 50,000                               | June-2017 7.50                                    | 50,000                   |                          |
| June-2014 (ii)          | 17,500                               | June-2017 8.00                                    | 17,500                   |                          |

|              |      |                  |                |                  |                  |
|--------------|------|------------------|----------------|------------------|------------------|
| June-2014    | (ii) | 10,000           | June-2017 8.00 | 10,000           |                  |
| <b>Total</b> |      | <b>2,620,000</b> |                | <b>2,530,186</b> | <b>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 67.10% to 92.70% of CDI) (Note 14.1.1 (a)).

(iii) Financing settled early in June 2014.

**Braskem S.A.****Notes to the financial statements****at June 30, 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>Jun/2014</b>   | <b>Consolidated<br/>Dec/2013</b> |
|---------------------|-------------------|----------------------------------|
| 2015                | 564,619           | 1,121,998                        |
| 2016                | 1,740,234         | 1,738,496                        |
| 2017                | 969,143           | 1,576,790                        |
| 2018                | 1,319,268         | 1,881,848                        |
| 2019                | 2,083,676         | 1,479,686                        |
| 2020                | 1,446,179         | 2,366,125                        |
| 2021                | 2,398,652         | 2,561,516                        |
| 2022                | 1,155,045         | 1,248,355                        |
| 2023                | 2,464             | 1,676                            |
| 2024                | 1,648,912         |                                  |
| 2025 and thereafter | 3,154,595         | 3,377,197                        |
| <b>Total</b>        | <b>16,482,787</b> | <b>17,353,687</b>                |

**(f) Capitalized financial charges - consolidated**

In the period ended June 30, 2014, a total of R\$ 40,890 corresponding to financial charges were capitalized (R\$48,618 in the period ended June 30, 2013), including monetary variation and part of the exchange variation. The average rate of these charges in the period was 7.53% p.a. (6.90% p.a. in the period ended June 30, 2013).

**(g) Guarantees**

Braskem gave collateral for part of its borrowings as follows:

| <b>Loans</b> | <b>Maturity</b> | <b>Total debt<br/>Jun/2014</b> | <b>Total<br/>guaranteed</b> | <b>Guarantees</b>  |
|--------------|-----------------|--------------------------------|-----------------------------|--|
| BNB          | March-2023      | 314,627                        | 314,627                     | Mortgage of plants, pledge of machinery and equipment                    |
| BNDES        | January-2021    | 2,802,949                      | 2,802,949                   | Mortgage of plants, land and property, pledge of machinery and equipment |
| FUNDES       | June-2020       | 191,685                        | 191,685                     | Mortgage of plants, land and property, pledge of machinery and equipment |
| FINEP        | August-2023     | 115,137                        | 115,137                     | Bank surety  |
| FINAME       | February-2022   | 3,075                          | 3,075                       | Pledge of equipment  |
| <b>Total</b> |                 | <b>3,427,473</b>               | <b>3,427,473</b>            |  |

**Braskem S.A.****Notes to the financial statements****at June 30, 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 19.

| <b>Identification</b> | <b>Contract value<br/>US\$ thousands</b> | <b>Value received<br/>US\$ thousands</b> | <b>Maturity</b> | <b>Charges (% per year)</b>                           |
|-----------------------|--|--|-----------------|---|
| Project finance I     | 700,000                                  | 571,098                                  | February-2027   | Us dollar exchange variation + quarterly Libor + 3.25 |
| Project finance II    | 210,000                                  | 79,050                                   | February-2027   | Us dollar exchange variation + 6.17                   |
| Project finance III   | 600,000                                  | 404,046                                  | February-2029   | Us dollar exchange variation + 4.33                   |
| Project finance IV    | 660,000                                  | 630,743                                  | February-2029   | Us dollar exchange variation + quarterly Libor + 3.88 |
| Project finance V     | 400,000                                  | 326,342                                  | February-2029   | Us dollar exchange variation + quarterly Libor + 4.65 |
| Project finance VI    | 90,000                                   | 49,593                                   | February-2029   | Us dollar exchange variation + quarterly Libor + 2.73 |
| Project finance VII   | 533,095                                  | 434,928                                  | February-2029   | Us dollar exchange variation + quarterly Libor + 4.64 |
| Transactions costs    |  |  |                 |   |
| <b>Total</b>          | <b>3,193,095</b>                         | <b>2,495,800</b>                         |                 |   |

Current liabilities

Non-current

liabilities

**Total**

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).

Braskem Idesa capitalized the charges incurred on this financing in the period ending June 30, 2014, in the amount of R\$178,305 (R\$18,076 in the period ended June 30, 2013), including a portion of exchange variation. The average interest rate over these charges in the period was 7.00% p.a.

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

|                     | <b>Jun/2014</b>  | <b>Consolidated<br/>Dec/2013</b> |
|---------------------|------------------|----------------------------------|
| 2016                | 102,945          | 85,068                           |
| 2017                | 299,844          | 254,883                          |
| 2018                | 367,631          | 313,944                          |
| 2019                | 382,707          | 327,391                          |
| 2020                | 453,166          | 389,584                          |
| 2021                | 518,924          | 447,535                          |
| 2022                | 434,279          | 377,156                          |
| 2023                | 571,794          | 493,770                          |
| 2024                | 618,608          | 534,866                          |
| 2025 and thereafter | 1,697,113        | 1,481,464                        |
| <b>Total</b>        | <b>5,447,011</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 14.1.1 (d.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 June 30, 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 20.

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

|                                       | Note | Classification by category | Fair value hierarchy | Book value       |                  |                  |
|---------------------------------------|------|----------------------------|----------------------|------------------|------------------|------------------|
|                                       |      |                            |                      | Jun/2014         | Dec/2013         | Jun/2013         |
| <b>Cash and cash equivalents</b>      | 3    |                            |                      |                  |                  |                  |
| Cash and banks                        |      |                            |                      | 330,420          | 987,824          | 330,420          |
| Financial investments in Brazil       |      | Held-for-trading           | Level 2              | 357,127          | 687,938          | 357,127          |
| Financial investments in Brazil       |      | Loans and receivables      |                      | 1,464,141        | 1,218,852        | 1,464,141        |
| Financial investments abroad          |      | Held-for-trading           | Level 2              | 999,206          | 1,441,245        | 999,206          |
|                                       |      |                            |                      | <b>3,150,894</b> | <b>4,335,859</b> | <b>3,150,894</b> |
| <b>Financial investments</b>          | 4    |                            |                      |                  |                  |                  |
| FIM Sol investments                   |      | Held-for-trading           | Level 2              | 74,316           | 61,670           | 74,316           |
| Investments in foreign currency       |      | Held-for-trading           | Level 2              | 2,534            | 3,773            | 2,534            |
| Investments in foreign currency       |      | Held-to-maturity           |                      |                  | 189              |                  |
| Shares                                |      | Held-for-trading           |                      | 1,170            | 1,170            | 1,170            |
| FIM Sol investments                   |      | Loans and receivables      |                      | 61,148           |                  | 61,148           |
| Quotas of receivables investment fund |      |                            |                      |                  |                  |                  |
| Restricted deposits                   |      | Held-to-maturity           |                      | 37,165           | 40,696           | 37,165           |
| Restricted deposits                   |      | Held-to-maturity           |                      | 1,596            |                  | 1,596            |
|                                       |      |                            |                      | <b>177,929</b>   | <b>107,498</b>   | <b>177,929</b>   |

|  |    |                             |                   |                   |                   |
|--|----|-----------------------------|-------------------|-------------------|-------------------|
| <b>Trade accounts receivable</b>                       | 5  |                             | <b>2,826,659</b>  | <b>2,872,395</b>  | <b>2,826,659</b>  |
| <b>Related parties credits</b>                         | 7  | Loans and receivables       | <b>302,070</b>    | <b>258,136</b>    | <b>302,070</b>    |
| <b>Trade payables</b>                                  |    |                             | <b>9,766,021</b>  | <b>10,421,687</b> | <b>9,766,021</b>  |
| <b>Borrowings</b>                                      | 12 |                             |                   |                   |                   |
| Foreign currency - Bond                                |    | Other financial liabilities | 9,793,844         | 10,432,526        | 9,955,100         |
| Foreign currency - other borrowings                    |    | Other financial liabilities | 2,693,758         | 2,588,901         | 2,693,758         |
| Local currency   |    | Other financial liabilities | 5,608,448         | 5,667,529         | 5,608,448         |
|  |    |                             | <b>18,096,050</b> | <b>18,688,956</b> | <b>18,257,306</b> |
| <b>Project finance</b>                                 | 13 | Other financial liabilities | <b>5,555,400</b>  | <b>4,782,602</b>  | <b>5,555,400</b>  |
| <b>Other payables</b>                                  |    |                             |                   |                   |                   |
| Creditors for the acquisitions of shares               |    | Other financial liabilities | 286,072           | 275,743           | 286,072           |
| Accounts payable to non-controlling<br>(Braskem Idesa) |    | Other financial liabilities | 475,470           | 341,993           | 475,470           |
|  |    |                             | <b>761,542</b>    | <b>617,736</b>    | <b>761,542</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 June 30, 2014****All amounts in thousands of reais, except where stated otherwise****14.1.1 Derivative financial instruments designated and not designated for hedge accounting**

| <b>Identification</b>                            | <b>Note</b>   | <b>Fair value hierarchy</b> | <b>Operation characteristics</b> |                    | <b>Balance at Dec/2013</b> | <b>Change in fair value</b> |
|--|---------------|-----------------------------|----------------------------------|--------------------|----------------------------|-----------------------------|
|  |               |                             | <b>Principal exposure</b>        | <b>Derivatives</b> |                            |                             |
| <b><u>Non-hedge accounting transactions</u></b>  |               |                             |                                  |                    |                            |                             |
| Commodity swap - Naphtha                         |               | Level 2                     | Fixed price                      | Variable price     | (470)                      |                             |
| Interest rate swaps                              | 14.1.1 (a)    | Level 2                     | Fixed rate                       | CDI                | 20,751                     | (6,538)                     |
| Contract for the future purchase                 |               | Level 2                     | Euro                             | Dollar             | (5,022)                    | 1,890                       |
|  |               |                             |                                  |                    | <b>15,259</b>              | <b>(4,648)</b>              |
| <b><u>Hedge accounting transactions</u></b>      |               |                             |                                  |                    |                            |                             |
| Exchange swap                                    | 14.1.1 (b)    | Level 2                     | CDI                              | Dollar             | 367,559                    | (17,570)                    |
| Commodity swap - ethylene                        |               | Level 2                     | Variable price                   | Fixed price        | (69)                       | (72)                        |
| Commodity swap - PGP                             |               | Level 2                     | Fixed price                      | Variable price     | (59)                       | (132)                       |
| Interest rate swaps                              | 14.1.1 (d.i)  | Level 2                     | Libor                            | Dollar             | (110,253)                  | 71,950                      |
| Contract for the future purchase - Currency      | 14.1.1 (d.ii) | Level 2                     | Peso mexicano                    | Dollar             | 47,280                     | (26,650)                    |
|  |               |                             |                                  |                    | <b>304,458</b>             | <b>27,510</b>               |
| Current assets (other receivables)               |               |                             |                                  |                    | (34,101)                   |                             |
| Non current assets (other receivables)           |               |                             |                                  |                    | (137,345)                  |                             |
| Current liabilities (derivatives operations)     |               |                             |                                  |                    | 95,123                     |                             |
| Non current liabilities (derivatives operations) |               |                             |                                  |                    | 396,040                    |                             |
|  |               |                             |                                  |                    | <b>319,717</b>             | <b>22,870</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.

**(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>Jun/2014</b>   | <b>Dec/2013</b> |
| Swap NCE I                                   | 100,000                  | 90.65% CDI                       | February-2016   | 3,012             | 4,086           |
| Swap NCE II                                  | 50,000                   | 88.20% CDI                       | February-2016   | 1,648             | 2,243           |
| Swap NCE III                                 | 100,000                  | 92.64% CDI                       | February-2016   | 3,267             | 4,435           |
| Swap NCE IV                                  | 50,000                   | 92.70% CDI                       | February-2016   | 1,671             | 2,315           |
| Swap NCE V                                   | 100,000                  | 91.92% CDI                       | February-2016   | (414)             | 4,407           |
| Swap NCE VI                                  | 50,000                   | 92.25% CDI                       | March-2016      | 3,176             | 2,310           |
| Swap NCE VII                                 | 17,500                   | 91.10% CDI                       | March-2016      | 1,624             | 765             |
| Swap NCE VIII                                | 10,000                   | 77.52% CDI                       | August-2016     | 534               | 190             |
| Swap NCE IX                                  | 50,000                   | 68.15% CDI                       | December - 2016 | 110               |                 |
| Swap NCE X                                   | 50,000                   | 67.15% CDI                       | December - 2016 | (536)             |                 |
| Swap NCE XI                                  | 50,000                   | 67.10% CDI                       | December - 2016 | (544)             |                 |
| <b>Total</b>                                 | <b>627,500</b>           |                                  |                 | <b>13,548</b>     | <b>20,751</b>   |
| Current liabilities (derivatives operations) |                          |                                  |                 | 13,548            | 20,751          |
| <b>Total</b>                                 |                          |                                  |                 | <b>13,548</b>     | <b>20,751</b>   |

**Braskem S.A.****Notes to the financial statements****at June 30, 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\$ thousands (hedge)</b> | <b>Interest rate (hedge)</b> | <b>Maturity</b> | <b>Fair value</b> |                 |
|--|----------------------|-------------------------------|------------------------------|-----------------|-------------------|-----------------|
|  |                      |                               |                              |                 | <b>Jun/2014</b>   | <b>Dec/2013</b> |
| Swap NCE I                                       | 200.000              | 122,100                       | 5.44%                        | August 2019     | 99,229            | 101,904         |
| Swap NCE II                                      | 100.000              | 60,187                        | 5.40%                        | August 2019     | 47,406            | 48,414          |
| Swap NCE III                                     | 100.000              | 59,588                        | 5.37%                        | August 2019     | 45,874            | 46,642          |
| Swap NCE IV                                      | 100.000              | 56,205                        | 5.50%                        | April 2019      | 32,676            | 39,005          |
| Swap NCE V                                       | 100.000              | 56,180                        | 5.50%                        | April 2019      | 32,613            | 38,939          |
| Swap NCE VI                                      | 150.000              | 82,372                        | 5.43%                        | April 2019      | 43,579            | 52,745          |
| Swap NCE VII                                     | 100.000              | 58,089                        | 4.93%                        | April 2019      | 33,877            | 39,910          |
| <b>Total</b>                                     | <b>850.000</b>       | <b>494,721</b>                |                              |                 | <b>335,254</b>    | <b>367,559</b>  |
| Current assets (other receivables)               |                      |                               |                              |                 | (32,141)          | (28,481)        |
| Non Current liabilities (derivatives operations) |                      |                               |                              |                 | 367,395           | 396,040         |
| <b>Total</b>                                     |                      |                               |                              |                 | <b>335,254</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.

Certain liabilities that were selected as hedge instruments are protecting dollar-denominated export flows scheduled to occur after the original maturities of these liabilities. For these cases, the Company maintains a strategy to refinance, roll over or swap the liability. The column "Maturity" in the following table already presents the new maturities in accordance with the hedged flows, considering the refinancing, rollover or swap strategy. If these events do not occur, the exchange variation equivalent to the period for which the hedge ratio was effective will be recorded under shareholders' equity through the export period.

**Braskem S.A.****Notes to the financial statements****at June 30, 2014****All amounts in thousands of reais, except where stated otherwise**

On June 30, 2014, the following non-derivative liabilities were designated as hedge for the flow of its exports:

| <b>Identification</b>                                    | <b>Maturity</b> | <b>Hedge</b> | <b>Nominal value<br/>US\$ thousands</b> | <b>Financial liabilities</b> |                   |
|--|-----------------|--------------|---|------------------------------|-------------------|
|  |                 |              |   | <b>Jun/2014</b>              | <b>Dec/2013</b>   |
| <b><u>Operations designated for hedge accounting</u></b> |                 |              |   |                              |                   |
| Trade payables   | 2016            | Dollar       | 839,447                                 | 1,848,881                    | 1,966,488         |
| Trade payables   | 2017            | Dollar       | 749,685                                 | 1,651,181                    | 1,756,212         |
| Export prepayments                                       | 2017            | Dollar       | 80,000                                  | 176,200                      | 187,408           |
| Trade payables   | 2018            | Dollar       | 787,894                                 | 1,735,336                    | 1,744,207         |
| Export prepayments                                       | 2018            | Dollar       |   |                              | 101,513           |
| Bond   | 2019            | Dollar       | 65,143                                  | 143,477                      | 152,604           |
| Accounts payable   | 2019            | Dollar       | 50,000                                  | 110,125                      | 117,130           |
| Export prepayments                                       | 2019            | Dollar       | 618,836                                 | 1,362,988                    | 1,449,688         |
| Accounts payable   | 2020            | Dollar       | 282,000                                 | 621,105                      | 674,669           |
| Trade payables   | 2020            | Dollar       | 62,000                                  | 136,555                      | 131,186           |
| Export prepayments                                       | 2020            | Dollar       | 380,000                                 | 836,950                      | 890,188           |
| Accounts payable   | 2021            | Dollar       | 328,000                                 | 722,420                      | 777,743           |
| Trade payables   | 2021            | Dollar       | 64,000                                  | 140,960                      | 23,426            |
| Export prepayments                                       | 2021            | Dollar       | 324,000                                 | 713,610                      | 876,132           |
| Accounts payable   | 2022            | Dollar       | 216,000                                 | 475,740                      | 506,002           |
| Export credit notes                                      | 2022            | Dollar       | 353,000                                 | 777,483                      | 826,938           |
| Export prepayments                                       | 2022            | Dollar       | 150,000                                 | 330,375                      | 351,388           |
| Accounts payable   | 2023            | Dollar       | 653,972                                 | 1,440,372                    | 1,531,994         |
| Export prepayments                                       | 2023            | Dollar       | 64,400                                  | 141,841                      | 150,863           |
| Accounts payable   | 2024            | Dollar       | 113,854                                 | 250,764                      | 266,715           |
| Export prepayments                                       | 2024            | Dollar       | 575,000                                 | 1,266,438                    | 1,346,995         |
|  |                 |              | <b>6,757,231</b>                        | <b>14,882,801</b>            | <b>15,829,489</b> |

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

The hedge operations of Braskem Idesa share the same guarantees with the Project Finance (Note 13).

**(d.i) Interest rate swap linked to Libor – operation not designated for hedge accounting**

| <b>Identification</b>                        | <b>Nominal<br/>value<br/>US\$<br/>thousands</b> | <b>Interest<br/>rate<br/>(hedge)</b> | <b>Maturity</b> | <b>Fair value</b> |                  |
|--|---|--------------------------------------|-----------------|-------------------|------------------|
|  |   |                                      |                 | <b>Jun/2014</b>   | <b>Dec/2013</b>  |
| Swap Libor I                                 | 299.996   | 1.9825%                              | May-2025        | (7,181)           | (25,124)         |
| Swap Libor II                                | 299.996   | 1.9825%                              | May-2025        | (7,143)           | (25,213)         |
| Swap Libor III                               | 299.996   | 1.9825%                              | May-2025        | (7,143)           | (25,213)         |
| Swap Libor IV                                | 129.976   | 1.9825%                              | May-2025        | (3,111)           | (10,924)         |
| Swap Libor V                                 | 132.996   | 1.9825%                              | May-2025        | (3,167)           | (11,178)         |
| Swap Libor VI                                | 149.932   | 1.9825%                              | May-2025        | (3,569)           | (12,601)         |
| <b>Total</b>                                 | <b>1,312,892</b>                                |                                      |                 | <b>(31,314)</b>   | <b>(110,253)</b> |
| Current Assets (other receivables)           |   |                                      |                 | (63,850)          |                  |
| Non-Current assets (other receivables)       |   |                                      |                 |                   | (137,345)        |
| Current liabilities (derivatives operations) |   |                                      |                 | 32,536            | 27,092           |
| <b>Total</b>                                 |   |                                      |                 | <b>(31,314)</b>   | <b>(110,253)</b> |

In the period ended June 30, 2014, the Company recognized a financial expense of R\$1,892.

**Braskem S.A.****Notes to the financial statements****at June 30, 2014****All amounts in thousands of reais, except where stated otherwise****(d.ii) Currency futures contract– Mexican Peso – operation designated for hedge accounting**

| <b>Identification</b>                            | <b>Nominal<br/>value<br/>US\$<br/>thousands</b> | <b>Foreign exchange<br/>(hedge)</b> | <b>Maturity</b> | <b>Fair value</b> |                 |
|--|---|-------------------------------------|-----------------|-------------------|-----------------|
|  |   |                                     |                 | <b>Jun/2014</b>   | <b>Dec/2013</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      |                   | 3,468           |
| Deliverable Forward                              | 52.182  | 12.9268                             | June-2014       |                   | 3,164           |
| Deliverable Forward                              | 51.191  | 12.8909                             | June-2014       | 769               | 3,624           |
| Deliverable Forward                              | 46.889  | 12.8789                             | July-2014       | 1,002             | 3,612           |
| Deliverable Forward                              | 45.959  | 12.9465                             | September-2014  | 671               | 3,281           |
| Deliverable Forward                              | 36.561  | 12.9044                             | September-2014  | 936               | 2,988           |
| Deliverable Forward                              | 37.215  | 12.9570                             | October-2014    | 787               | 2,923           |
| Deliverable Forward                              | 31.908  | 12.9465                             | December-2014   | 862               | 2,707           |
| Deliverable Forward                              | 28.169  | 12.9881                             | December-2014   | 678               | 2,344           |
| Deliverable Forward                              | 23.381  | 12.9518                             | February-2015   | 807               | 2,202           |
| Deliverable Forward                              | 29.047  | 13.1969                             | March-2015      | (47)              | 1,788           |
| Deliverable Forward                              | 18.625  | 13.0980                             | March-2015      | 351               | 1,519           |
| Deliverable Forward                              | 10.230  | 13.0490                             | April-2015      | 319               | 961             |
| Deliverable Forward                              | 5.897   | 13.1167                             | June-2015       | 148               | 525             |
| Deliverable Forward                              | 7.014   | 13.4329                             | June-2015       | (155)             | 317             |
| Deliverable Forward                              | 2.245   | 13.2538                             | July-2015       | 27                | 176             |
| Deliverable Forward                              | 1.840   | 13.1486                             | August-2015     | 62                | 181             |
| <b>Total</b>                                     | <b>598.116</b>                                  |                                     |                 | <b>7,217</b>      | <b>47,280</b>   |
| Current liabilities (derivatives operations)     |   |                                     |                 | 7,174             | 47,280          |
| Non-Current liabilities (derivatives operations) |   |                                     |                 | 43                |                 |
| <b>Total</b>                                     |   |                                     |                 | <b>7,217</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. After recognizing such designation, in shareholders' equity, the Company recognized a credit of R\$26,545 relating to changes in the fair value of these swaps since the designation through June 30, 2014.

**(e) Estimated maximum loss**

The amount at risk of the derivatives held by Braskem on June 30, 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\$26,403 (US\$11,988 thousand) for the NCE swap designated for hedge accounting and R\$1,009 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\$5,442 (US\$2,471 thousand) for the Libor derivative and R\$369 (US\$168 thousand) for the derivative of Mexican pesos.



**Braskem S.A.**

**Notes to the financial statements**

**at June 30, 2014**

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

**14.2. Credit quality of financial assets**

**(a) Trade accounts receivable**

On June 30, 2014, the credit ratings for the domestic market were as follows:

|                      | <b>Jun/2014</b> | <b>Dec/2013</b> |
|----------------------|-----------------|-----------------|
|                      |                 | (%)             |
| 1 Minimum risk       | 5.74            | 16.56           |
| 2 Low risk           | 38.18           | 32.61           |
| 3 Moderate risk      | 30.13           | 23.54           |
| 4 High risk          | 25.05           | 26.26           |
| 5 Very high risk (i) | 0.91            | 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> |
|----------------------------|---|
|----------------------------|---|

0.37%

**(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>Jun/2014</b>  | <b>Dec/2013</b>  |
|---|------------------|------------------|
| <b>Financial assets with risk assessment</b>    |                  |                  |
| AAA   | 2,946,172        | 3,436,378        |
| AA  | 68,935           | 93,955           |
| A   | 272,935          | 865,105          |
| A-  |                  | 1,485            |
|   | 3,288,042        | 4,396,923        |
| <b>Financial assets without risk assessment</b> |                  |                  |
| Quotas of investment funds in credit rights (i) | 37,165           | 40,696           |
| Sundry funds (ii)                               | 2,534            | 3,773            |
| Other financial assets with no risk assessment  | 1,082            | 1,965            |
|   | 40,781           | 46,434           |
| <b>Total</b>                                    | <b>3,328,823</b> | <b>4,443,357</b> |

**Braskem S.A.**

**Notes to the financial statements**

**at June 30, 2014**

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

- (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 June 30, 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.

**(b) Selection of scenarios**

**(b.1) Probable scenario**

The *Market Readout* published by the Central Bank of Brazil on June 27, 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 June 30, 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%.

**Braskem S.A.****Notes to the financial statements****at June 30, 2014****All amounts in thousands of reais, except where stated otherwise****(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 / Sensitivity</b>                 | <b>Probable</b> | <b>Possible adverse<br/>(25%)</b> | <b>Extreme<br/>adverse<br/>(50%)</b> |
|---|-----------------|-----------------------------------|--------------------------------------|
| <b>Brazilian real/U.S. dollar exchange rate</b> |                 |                                   |                                      |
| Bonds and MTN                                   | (1,072,227)     | (2,385,435)                       | (4,770,871)                          |
| Advance on exchange contracts                   | (18,563)        | (41,297)                          | (82,594)                             |
| BNDES   | (42,428)        | (94,392)                          | (188,783)                            |
| Working capital / structured operations         | (199,346)       | (443,495)                         | (886,990)                            |
| Raw material financing                          | (40,565)        | (90,247)                          | (180,495)                            |
| Export prepayments                              |                 |                                   |                                      |
| Financial investments abroad                    | 160,643         | 357,389                           | 714,778                              |
| <i>Swaps</i>                                    | 139,903         | 311,249                           | 622,497                              |
| <b>U.S. dollar/Mexican peso exchange rate</b>   |                 |                                   |                                      |
| Project finance                                 | (62,303)        | (621,337)                         | (1,242,674)                          |
| Deliverable Forward                             | (17,177)        | (140,726)                         | (234,855)                            |
| <b>U.S. dollar/Euro exchange rate</b>           |                 |                                   |                                      |
| Deliverable Forward                             | 479             | (26,179)                          | (52,358)                             |
| <b>Libor floating interest rate</b>             |                 |                                   |                                      |
| Borrowings                                      | (699)           | (3,494)                           | (6,987)                              |
| Export prepayments                              | (1,705)         | (8,525)                           | (17,051)                             |
| Swaps   | 411             | (2,055)                           | (4,110)                              |

| <b>CDI interest rate</b>                |                 |                         |                        |
|---|-----------------|-------------------------|------------------------|
| Export credit notes                     | (85,556)        | (220,460)               | (399,930)              |
| Agricultural credit note                |                 |                         |                        |
| Financial investments in local currency | (19,475)        | (53,543)                | (107,048)              |
|   | <b>Probable</b> | <b>Possible adverse</b> | <b>Extreme adverse</b> |
| <b>Instrument / Sensitivity</b>         | <b>5.5%</b>     | <b>6.0%</b>             | <b>6.5%</b>            |
| <b>TJLP interest rate</b>               |                 |                         |                        |
| BNDES                                   | (37,659)        | (74,441)                | (110,371)              |
| FINEP                                   | (60)            | (118)                   | (177)                  |
| Other governmental agents               | (54)            | (107)                   | (158)                  |

**Braskem S.A.****Notes to the financial statements****at June 30, 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 21.

|  | <b>Jun/2014</b>  | <b>Consolidated<br/>Dec/2013</b> | <b>Parent company<br/>Jun/2014</b> | <b>Dec/2013</b>  |
|--|------------------|----------------------------------|------------------------------------|------------------|
| <b>Parent Company and subsidiaries in Brazil</b> |                  |                                  |                                    |                  |
| IPI  | 85,171           | 81,282                           | 61,121                             | 60,355           |
| PIS and COFINS                                   | 2,976            | 615                              |                                    |                  |
| IR and CSL                                       | 156,653          | 52,226                           | 20,587                             | 21,200           |
| ICMS   | 83,823           | 120,941                          | 12,557                             | 56,077           |
| Federal tax payment program - Law<br>11,941/09   | 946,784          | 1,024,127                        | 879,755                            | 956,884          |
| Other  | 63,414           | 67,680                           | 54,556                             | 61,423           |
| <b>Foreign subsidiaries</b>                      |                  |                                  |                                    |                  |
| Other  | 5,461            | 1,428                            |                                    |                  |
| <b>Total</b>                                     | <b>1,344,282</b> | <b>1,348,299</b>                 | <b>1,028,576</b>                   | <b>1,155,939</b> |
| Current liabilities                              | 524,644          | 445,424                          | 271,848                            | 316,408          |
| Non-current liabilities                          | 819,638          | 902,875                          | 756,728                            | 839,531          |
| <b>Total</b>                                     | <b>1,344,282</b> | <b>1,348,299</b>                 | <b>1,028,576</b>                   | <b>1,155,939</b> |

**16. Income tax ("IR") and social contribution ("CSL")**

The information related to income tax and social contribution was presented in the Company's 2013 annual financial statements, in Note 22.

(a) **Reconciliation of the effects of income tax and social contribution on profit or loss**

|  | Note     | Consolidated<br>Jun/2014 | Consolidated<br>Jun/2013<br>Revised | Parent company<br>Jun/2014 | Parent company<br>Jun/2013<br>Revised |
|--|----------|--------------------------|-------------------------------------|----------------------------|---------------------------------------|
| <b>Income before IR and CSL</b>                                  | 2.1.1(b) | <b>726,052</b>           | <b>217,644</b>                      | <b>540,431</b>             | <b>174,288</b>                        |
| IR and CSL at the rate of 34%                                    |          | (246,858)                | (73,999)                            | (183,747)                  | (59,258)                              |
| <b>Permanent adjustments to the IR and CSL calculation basis</b> |          |                          |                                     |                            |                                       |
| IR and CSL on equity in results of investees                     |          | (32,619)                 | (1,086)                             | 177,695                    | 18,114                                |
| Other permanent adjustments                                      |          | 74,171                   | (34,746)                            | (596)                      | (31,224)                              |
| <b>Effect of IR and CSL on results of operations</b>             |          | <b>(205,306)</b>         | <b>(109,831)</b>                    | <b>(6,648)</b>             | <b>(72,368)</b>                       |
| <b>Breakdown of IR and CSL:</b>                                  |          |                          |                                     |                            |                                       |
| Current IR and CSL   |          | (125,819)                | (83,323)                            | (246)                      |                                       |
| Deferred IR and CSL  |          | (79,487)                 | (26,508)                            | (6,402)                    | (72,368)                              |
| <b>Total IR and CSL on income statement</b>                      |          | <b>(205,306)</b>         | <b>(109,831)</b>                    | <b>(6,648)</b>             | <b>(72,368)</b>                       |



**Braskem S.A.****Notes to the financial statements****at June 30, 2014****All amounts in thousands of reais, except where stated otherwise****(b) Breakdown of deferred income tax and social contribution**

| <b>Deferred tax - assets</b>                           | <b>Consolidated</b> |                  | <b>Parent company</b> |                  |
|--|---------------------|------------------|-----------------------|------------------|
|  | <b>Jun/2014</b>     | <b>Dec/2013</b>  | <b>Jun/2014</b>       | <b>Dec/2013</b>  |
| Tax losses (IR) and negative base (CSL)                | 1,126,150           | 1,015,587        | 593,497               | 443,185          |
| Goodwill amortized                                     | 10,766              | 12,065           | 8,107                 | 9,190            |
| Exchange variations                                    | 388,039             | 791,508          | 370,657               | 775,841          |
| Temporary adjustments                                  | 388,629             | 408,233          | 334,815               | 295,494          |
| Business combination                                   | 234,840             | 232,039          | 89,769                | 89,770           |
| Pension plan   | 87,979              | 61,927           | 78,464                | 61,927           |
| Deferred charges - write-off                           | 43,154              | 37,971           |                       |                  |
| Investments in subsidiaries (CPC-18)                   |                     | 94,276           |                       | 94,276           |
|  | <b>2,279,557</b>    | <b>2,653,606</b> | <b>1,475,309</b>      | <b>1,769,683</b> |
| <b>Deferred tax - liabilities</b>                      |                     |                  |                       |                  |
| Amortization of goodwill based on future profitability | 675,846             | 643,050          | 561,359               | 544,401          |
| Tax depreciation                                       | 622,522             | 541,325          | 307,818               | 269,193          |
| Temporary differences                                  | 341,489             | 426,186          | 7,125                 | 7,426            |
| Business combination                                   | 565,520             | 585,250          | 82,458                | 83,550           |
| Additional indexation PP&E                             | 133,141             | 140,157          | 133,141               | 140,157          |
| Other  | 77,761              | 57,730           | 48,148                | 50,683           |
|  | <b>2,416,279</b>    | <b>2,393,698</b> | <b>1,140,049</b>      | <b>1,095,410</b> |
| <b>Deffered tax net</b>                                | <b>(136,722)</b>    | <b>259,908</b>   | <b>335,260</b>        | <b>674,273</b>   |
| Asset in Balance Sheet                                 | 705,573             | 1,123,313        | 335,260               | 674,273          |
| (-) Liability in Balance Sheet                         | 842,295             | 863,405          |                       |                  |
| <b>Deffered tax net</b>                                | <b>(136,722)</b>    | <b>259,908</b>   | <b>335,260</b>        | <b>674,273</b>   |

## (c) Net balance of deferred income and social contribution tax assets and liabilities

|  | Headquarters<br>(Country) | IR-CSL<br>Asset  | IR-CSL<br>Liability | Jun/2014<br>Net  |
|--|---------------------------|------------------|---------------------|------------------|
| <b>Assests</b>                                   |                           |                  |                     |                  |
| Braskem S.A.                                     | Brazil                    | 1,475,309        | (1,140,049)         | 335,260          |
| Braskem Argentina                                | Argentina                 | 5,131            |                     | 5,131            |
| Braskem Alemanha                                 | Germany                   | 69,719           |                     | 69,719           |
| Braskem Idesa Serviços                           | Mexico                    | 2,863            |                     | 2,863            |
| Braskem Petroquímica                             | Brazil                    | 206,428          | (140,724)           | 65,704           |
| Braskem Qpar                                     | Brazil                    | 370,350          | (291,825)           | 78,525           |
| IQAG   | Brazil                    | 21               |                     | 21               |
| Quantiq  | Brazil                    | 4,556            | (1,276)             | 3,280            |
| Braskem Qpar - efeitos combinação<br>de negócios | Brazil                    | 145,070          |                     | 145,070          |
|  |                           | <b>2,279,447</b> | <b>(1,573,874)</b>  | <b>705,573</b>   |
| <b>Liabilitys</b>                                |                           |                  |                     |                  |
| Braskem Idesa                                    | México                    |                  | (24,746)            | (24,746)         |
| Braskem Qpar - efeitos combinação<br>de negócios | Brasil                    |                  | (483,062)           | (483,062)        |
| Petroquímica Chile                               | Chile                     | 110              | (231)               | (121)            |
| Braskem America                                  | EUA                       |                  | (334,366)           | (334,366)        |
|  |                           | <b>110</b>       | <b>(842,405)</b>    | <b>(842,295)</b> |

**Braskem S.A.****Notes to the financial statements****at June 30, 2014****All amounts in thousands of reais, except where stated otherwise**

|   | <b>Headquarters<br/>(Country)</b> | <b>IR-CSL<br/>Asset</b> | <b>IR-CSL<br/>Liability</b> | <b>Dec/2013<br/>Net</b> |
|---|-----------------------------------|-------------------------|-----------------------------|-------------------------|
| <b>Assests</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                   |
| 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 - Bussines<br>combination effect | Brazil                            | 142,268                 |                             | 142,268                 |
|   |                                   | <b>2,653,606</b>        | <b>(1,530,293)</b>          | <b>1,123,313</b>        |
| <b>Liabilitys</b>                             |                                   |                         |                             |                         |
| Braskem Qpar - Bussines<br>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 income tax and social contribution**

In the period ended June 30, 2014, there were no material events or circumstances that indicate any compromise of the realization of these deferred taxes.

**(e) Law n°12,973 on May 13, 2014.**

Provisional Presidential Decree 627 of November 11, 2013 was made into Law 12,973 on May 13, 2014, which, among others, revoked the Transitional Tax System (RTT) and included additional measures, notably: (i) changes in the federal tax laws related to income and social contribution (IRPJ & CSLL), PIS/PASEP and COFINS taxes in order to align tax accounting with corporate accounting; (ii) provisions on the calculation of interest on equity; and (iii) considerations on investments valued using the equity accounting method. The provisions in this law are applicable as from 2015, except in the event of early adoption as from 2014, which is currently being assessed by the Management of the Company.

**17. Sundry provisions**

The information on sundry provisions was presented in the 2013 annual financial statements of the Company, in Note 23.

**Braskem S.A.****Notes to the financial statements****at June 30, 2014****All amounts in thousands of reais, except where stated otherwise**

|   | <b>Jun/2014</b> | <b>Consolidated<br/>Dec/2013</b> | <b>Jun/2014</b> | <b>Parent company<br/>Dec/2013</b> |
|---|-----------------|----------------------------------|-----------------|------------------------------------|
| Measures to                                     |                 |                                  |                 |                                    |
| Provision for customers bonus                   | 41,810          | 45,060                           | 20,792          | 18,058                             |
| Provision for recovery of environmental damages | 113,616         | 132,762                          | 74,929          | 96,182                             |
| Judicial and administrative provisions          | 379,683         | 362,896                          | 179,475         | 172,758                            |
| Other   | 11,116          | 14,832                           |                 |                                    |
| <b>Total</b>                                    | <b>546,225</b>  | <b>555,550</b>                   | <b>275,196</b>  | <b>286,998</b>                     |
| Current liabilities                             | 92,616          | 105,856                          | 53,305          | 60,991                             |
| Non-current liabilities                         | 453,609         | 449,694                          | 221,891         | 226,007                            |
| <b>Total</b>                                    | <b>546,225</b>  | <b>555,550</b>                   | <b>275,196</b>  | <b>286,998</b>                     |

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

|                             | <b>Jun/2014</b> | <b>Consolidated<br/>Dec/2013</b> | <b>Jun/2014</b> | <b>Parent company<br/>Dec/2013</b> |
|-----------------------------|-----------------|----------------------------------|-----------------|------------------------------------|
| Labor claims                | 126,776         | 125,887                          | 114,010         | 113,555                            |
| Tax claims                  |                 |                                  |                 |                                    |
| IR and CSL                  | 33,867          | 32,319                           |                 |                                    |
| PIS and COFINS              | 37,423          | 35,634                           |                 |                                    |
| ICMS - interstate purchases | 90,562          | 86,233                           |                 |                                    |
| ICMS - other                | 12,006          | 11,432                           |                 |                                    |
| Other                       | 69,031          | 61,372                           | 55,447          | 49,186                             |

|                            |                |                |                |                |
|----------------------------|----------------|----------------|----------------|----------------|
| Societary claims and other | 10,018         | 10,019         | 10,018         | 10,017         |
|                            | <b>379,683</b> | <b>362,896</b> | <b>179,475</b> | <b>172,758</b> |

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

The information on post-employment and defined-benefit plans was presented in the 2013 annual financial statements of the Company, in Note 25.

The amounts recognized are as follows:

|                          |                 | <b>Consolidated</b> | <b>Parent company</b> |                 |
|--------------------------|-----------------|---------------------|-----------------------|-----------------|
|                          | <b>Jun/2014</b> | <b>Dec/2013</b>     | <b>Jun/2014</b>       | <b>Dec/2013</b> |
| Petros Plans             | (a) 235,134     | 158,122             | 207,134               | 158,122         |
| Novamont Braskem America | 7,010           | 9,554               |                       |                 |
| Braskem Alemanha         | 34,358          | 34,515              |                       |                 |
|                          | <b>276,502</b>  | <b>202,191</b>      | <b>207,134</b>        | <b>158,122</b>  |
| Current liabilities      |                 | 158,137             |                       | 158,122         |
| Non-current liabilities  | 276,502         | 44,054              | 207,134               |                 |
| <b>Total</b>             | <b>276,502</b>  | <b>202,191</b>      | <b>207,134</b>        | <b>158,122</b>  |

**Braskem S.A.**

**Notes to the financial statements**

**at June 30, 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 administered by Petros. In view of the unlikelihood of said monetization after almost two years since the approval by PREVIC, the Management of the Company had no alternative but to initiate the necessary procedures to resume sponsorship of the plans. This decision was formalized through a legal instrument, on April 3, 2014, to preserve Braskem's rights. The Company expects the conditions for resumption of sponsorship of the plans to be established in the coming months, based on discussions currently being held with PREVIC and Petros. Only after signing the cancelation of the withdrawal of sponsorship and the consequent preparation of actuarial reports will the company be able to measure and account for these plans as defined benefit plans. The provision maintained by the Company is still measured based on the criteria that adopted after the decision to withdraw sponsorship. In the first quarter, the provision was increased based on the estimated costs of past services (Note 23), and was reclassified to non-current liabilities.

**19. Contingencies**

The description of the main contingent liabilities of the Company was presented in the 2013 annual financial statements, in Note 28.

In the period ended June 30, 2014, there were no material events or changes in the provisions reported on December 31, 2013.

**20. Shareholders' Equity**

The information related to the Company's shareholders' equity was presented in its 2013 annual financial statements, in Note 29.

**(a) Capital**

|                                 | Common shares      |                | Preferred shares class A |                | Preferred shares class B |                | Shares unit        |                |
|---------------------------------|--------------------|----------------|--------------------------|----------------|--------------------------|----------------|--------------------|----------------|
|                                 | shares             | %              | shares                   | %              | shares                   | %              | Total              | %              |
| OSP e Odebrecht                 | 226,334,623        | 50.11%         | 79,182,498               | 22.95%         |                          |                | 305,517,121        | 38.32%         |
| Petrobras                       | 212,426,951        | 47.03%         | 75,259,779               | 21.81%         |                          |                | 287,686,730        | 36.08%         |
| 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%          | 115,111,262              | 33.37%         | 593,818                  | 100.00%        | 128,612,158        | 16.13%         |
| <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.

**(b) Dividends**

The Annual Shareholders' Meeting held on April 9, 2014 approved the declaration of dividends in the amount of R\$ 482,593, the payment of which started to be paid on April 22, 2014, of which R\$ 273,796 was paid to holders of common shares and R\$ 208,437 and R\$ 360 to holders of class A and class B preferred shares, respectively.



## Braskem S.A.

## Notes to the financial statements

at June 30, 2014

All amounts in thousands of reais, except where stated otherwise

## (c) Other comprehensive income - shareholders' equity

|   | Additional<br>indexation of<br>PP&E<br>(i) | Deemed<br>cost of<br>PP&E<br>(i) | Defined<br>benefit<br>plan actuarial<br>Gain (loss)<br>(ii) | Fair value<br>of hedge<br>of<br>(iii) | Parent company<br>Foreign<br>currency<br>translation<br>adjustment<br>(iv) | on in<br>subsidiary |
|---|--|----------------------------------|---|---------------------------------------|--|---------------------|
| <b>At December 31, 2012</b>                                   | <b>299,305</b>                             | <b>20,207</b>                    | <b>(11,816)</b>   |                                       | <b>37,158</b>  |                     |
| Additional indexation   |  |                                  |   |                                       |  |                     |
| Realization by depreciation or write-off assets<br>IR and CSL | (20,634)<br>7,016                          |                                  |   |                                       |  |                     |
| Deemed cost of jointly-controlled investment                  |  |                                  |   |                                       |  |                     |
| Realization by depreciation or write-off assets<br>IR and CSL |  | (733)<br>249                     |   |                                       |  |                     |
| Foreign sales hedge   |  |                                  |   |                                       |  |                     |
| Exchange rate<br>IR and CSL                                   |  |                                  |   | (1,517,598)<br>515,983                |  |                     |
| Loss on interest in subsidiary                                |  |                                  |   |                                       |  |                     |
| Foreign currency translation adjustment                       |  |                                  |   |                                       | 99,728   |                     |
| <b>At June 30, 2013</b>                                       | <b>285,687</b>                             | <b>19,723</b>                    | <b>(11,816)</b>   | <b>(1,001,615)</b>                    | <b>136,886</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>   |                     |

|   |                |               |                 |                  |                |
|---|----------------|---------------|-----------------|------------------|----------------|
| Additional indexation                           |                |               |                 |                  |                |
| Realization by depreciation or write-off assets | (16,026)       |               |                 |                  |                |
| IR and CSL                                      | 2,406          |               |                 |                  |                |
| Deemed cost of jointly-controlled investment    |                |               |                 |                  |                |
| Realization by depreciation or write-off assets | (732)          |               |                 |                  |                |
| IR and CSL                                      | 250            |               |                 |                  |                |
| Foreign sales hedge                             |                |               |                 |                  |                |
| Exchange rate                                   |                |               | 946,688         |                  |                |
| IR and CSL                                      |                |               | (321,874)       |                  |                |
| Fair value of Cash flow hedge                   |                |               |                 |                  |                |
| Change in fair value                            |                |               | 3,904           |                  |                |
| Transfer to result                              |                |               | (720)           |                  |                |
| IR and CSL                                      |                |               | (10,739)        |                  |                |
| Foreign currency translation adjustment         |                |               |                 |                  | (87,836)       |
| <b>At June 30, 2014</b>                         | <b>258,449</b> | <b>18,758</b> | <b>(11,647)</b> | <b>(988,097)</b> | <b>154,571</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 June 30, 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 30.

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>Jun/2014</b>          | <b>Jun/2013</b> |
|   | 2.1.1(b)    |                          | <b>Revised</b>  |
| Profit for the period attributed to Company's shareholders  |             | 533,783                  | 101,920         |
| Distribution of dividends attributable to priority:   |             |                          |                 |
| Preferred shares class "A"  |             | 208,437                  | 101,744         |
| Preferred share class "A" potentially convertible<br>(the ratio of 2 shares class "B" for each share class "A") |             |                          |                 |
| Preferred shares class "B"  |             | 360                      | 176             |
|   |             | 208,797                  | 101,920         |
| Distribution of the remaining results to common shares  |             | 273,796                  |                 |
| <b>Distribution of plus income, by class</b>  |             |                          |                 |
| Common shares   |             | 29,064                   |                 |
| Preferred shares class "A"  |             | 22,126                   |                 |
| Ações preferenciais classe "A" potencialmente conversíveis  |             |                          |                 |

(na razão de 2 ações classe "B" para cada ação classe "A")

51,190

**Reconciliation of income available for distribution, by class (numerator):**

|   |         |         |
|---|---------|---------|
| Common shares   | 302,860 |         |
| Preferred shares class "A"  | 230,563 | 101,744 |
| Preferred shares class "B"  | 360     | 176     |
| Preferred share class "A" potentially convertible<br>(the ratio of 2 shares class "B" for each share class "A") |         |         |
|   | 533,783 | 101,920 |

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

|   |             |             |
|---|-------------|-------------|
| Common shares   | 451,668,652 |             |
| Preferred shares class "A"  | 343,848,120 | 343,848,120 |
| Preferred shares class "B"  | 593,818     | 593,818     |
| Preferred share class "A" potentially convertible<br>(the ratio of 2 shares class "B" for each share class "A") |             |             |
|   | 796,110,590 | 344,441,938 |

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

|                            |        |        |
|----------------------------|--------|--------|
| Common shares              | 0.6705 |        |
| Preferred shares class "A" | 0.6705 | 0.2959 |
| Preferred shares class "B" | 0.6062 | 0.2964 |

**Braskem S.A.****Notes to the financial statements****at June 30, 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 31.

|                          | Note     | Jun/2014          | Consolidated<br>Jun/2013<br>Revised | Jun/2014          | Parent company<br>Jun/2013 |
|--------------------------|----------|-------------------|-------------------------------------|-------------------|----------------------------|
|                          | 2.1.1(b) |                   |                                     |                   |                            |
| <b>Sales revenue</b>     |          |                   |                                     |                   |                            |
| Domestic market          |          | 16,579,765        | 14,847,261                          | 11,441,273        | 10,321,698                 |
| Foreign market           |          | 9,616,078         | 7,874,635                           | 3,349,306         | 3,239,042                  |
|                          |          | 26,195,843        | 22,721,896                          | 14,790,579        | 13,560,740                 |
| <b>Sales deductions</b>  |          |                   |                                     |                   |                            |
| Taxes                    |          | (3,328,430)       | (3,272,251)                         | (2,022,847)       | (2,111,683)                |
| Sales returns and other  |          | (171,678)         | (201,231)                           | (103,059)         | (140,733)                  |
|                          |          | (3,500,108)       | (3,473,482)                         | (2,125,906)       | (2,252,416)                |
| <b>Net sales revenue</b> |          | <b>22,695,735</b> | <b>19,248,414</b>                   | <b>12,664,673</b> | <b>11,308,324</b>          |

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

In the period ended June 30, 2014, the main effects on this item were as follows:

- Gain from divestment of DAT (Note 1(a)):

|  | <b>Amount</b> |
|--|---------------|
| Value of Sales                                       | 315,000       |
| Cost value of the investment at the date of disposal | (37,662)      |
| Gain on disposal                                     | 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 June 30, 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 34.

|   | Note     | Jun/2014           | Consolidated<br>Jun/2013<br>Revised | Parent company<br>Jun/2014 | Jun/2013         |
|---|----------|--------------------|-------------------------------------|----------------------------|------------------|
| <b>Financial income</b>                     | 2.1.1(b) |                    |                                     |                            |                  |
| Interest income                             |          | 131,068            | 117,738                             | 118,060                    | 111,664          |
| Monetary variations                         |          | 22,756             | 7,779                               | 22,051                     | 7,332            |
| Exchange rate variations                    |          | (113,059)          | 244,433                             | (257,594)                  | 196,988          |
| Other                                       |          | 20,979             | 83,563                              | 15,608                     | 37,302           |
|   |          | <b>61,744</b>      | <b>453,513</b>                      | <b>(101,875)</b>           | <b>353,286</b>   |
| <b>Financial expenses</b>                   |          |                    |                                     |                            |                  |
| Interest expenses                           |          | (576,717)          | (525,942)                           | (550,926)                  | (498,865)        |
| Monetary variations                         |          | (163,128)          | (147,454)                           | (163,500)                  | (146,693)        |
| Exchange rate variations                    |          | 140,594            | (47,382)                            | 250,367                    | 10,647           |
| Inflation adjustments on fiscal debts       |          | (57,614)           | (104,944)                           | (46,090)                   | (44,775)         |
| Tax expenses on financial operations        |          | (6,805)            | (14,312)                            | (3,541)                    | (9,542)          |
| Discounts granted                           |          | (55,792)           | (38,169)                            | (25,411)                   | (15,619)         |
| Loans transaction costs - amortization      |          | (16,109)           | (2,987)                             | (2,984)                    | (163)            |
| Adjustment to present value - appropriation |          | (295,442)          | (292,373)                           | (226,167)                  | (168,876)        |
| Other                                       |          | (68,604)           | (59,404)                            | (35,169)                   | (17,524)         |
|   |          | <b>(1,099,617)</b> | <b>(1,232,967)</b>                  | <b>(803,421)</b>           | <b>(891,410)</b> |

(1,037,873) (779,454) (905,296) (538,124)

|  | Note     | Jun/2014       | Consolidated<br>Jun/2013<br>Revised | Parent company<br>Jun/2014 | Jun/2013       |
|--|----------|----------------|-------------------------------------|----------------------------|----------------|
| <b>Interest income - origins by application type</b> | 2.1.1(b) |                |                                     |                            |                |
| Held for sale  |          | 13,287         | 4,596                               | 13,287                     | 4,596          |
| Loans and receivables                                |          | 64,541         | 45,706                              | 60,866                     | 42,742         |
| Held-to-maturity                                     |          | 16,919         | 11,728                              | 16,919                     | 9,947          |
|  |          | 94,747         | 62,030                              | 91,072                     | 57,285         |
| Other assets not classifiable                        |          | 36,321         | 55,708                              | 26,988                     | 54,379         |
| <b>Total</b>   |          | <b>131,068</b> | <b>117,738</b>                      | <b>118,060</b>             | <b>111,664</b> |



**Braskem S.A.****Notes to the financial statements****at June 30, 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 35.

|  | Note     | Jun/2014            | Consolidated<br>Jun/2013<br>Revised | Parent company<br>Jun/2014 | Jun/2013            |
|--|----------|---------------------|-------------------------------------|----------------------------|---------------------|
|  | 2.1.1(b) |                     |                                     |                            |                     |
| <b>Classification by nature:</b>         |          |                     |                                     |                            |                     |
| Raw materials other inputs               |          | (17,301,232)        | (14,585,362)                        | (9,566,691)                | (8,428,947)         |
| Personnel expenses                       |          | (1,053,411)         | (909,747)                           | (635,595)                  | (543,676)           |
| Outsourced services                      |          | (810,617)           | (747,250)                           | (457,863)                  | (409,049)           |
| Tax expenses                             |          | (6,358)             | (4,053)                             | (3,122)                    | (1,835)             |
| Depreciation, amortization and depletion |          | (993,645)           | (962,869)                           | (620,242)                  | (603,005)           |
| Freights                                 |          | (708,934)           | (733,237)                           | (451,087)                  | (465,696)           |
| Other expenses                           |          | (58,199)            | (305,604)                           | 62,497                     | (187,873)           |
| <b>Total</b>                             |          | <b>(20,932,396)</b> | <b>(18,248,122)</b>                 | <b>(11,672,103)</b>        | <b>(10,640,081)</b> |
| <b>Classification by function:</b>       |          |                     |                                     |                            |                     |
| Cost of products sold                    |          | (19,924,421)        | (17,144,235)                        | (11,200,186)               | (9,988,118)         |
| Selling and distribution                 |          | (551,200)           | (497,238)                           | (323,780)                  | (294,515)           |
| General and administrative               |          | (564,740)           | (501,730)                           | (360,304)                  | (310,183)           |
| Research and development                 |          | (67,018)            | (51,241)                            | (44,664)                   | (38,941)            |
| Other operating income (expenses), net   |          | 174,983             | (53,678)                            | 256,831                    | (8,324)             |
| <b>Total</b>                             |          | <b>(20,932,396)</b> | <b>(18,248,122)</b>                 | <b>(11,672,103)</b>        | <b>(10,640,081)</b> |



**Braskem S.A.****Notes to the financial statements****at June 30, 2014****All amounts in thousands of reais, except where stated otherwise****26. Segment information**

The information by segment was presented in the 2013 annual financial statements, in Note 36.

|  | <b>Basic</b>          | <b>Basic</b>       |               | <b>Reporting segments</b> |                              |                           |
|--|-----------------------|--------------------|---------------|---------------------------|------------------------------|---------------------------|
| <b>Note</b>                                | <b>petrochemicals</b> | <b>Polyolefins</b> | <b>Vinyls</b> | <b>USA and Europe</b>     | <b>Chemical distribution</b> | <b>reporting segments</b> |
| Net sales revenue                          | 12,660,681            | 8,899,048          | 1,330,720     | 3,983,307                 | 426,764                      | 27,3                      |
| Cost of products sold                      | (11,572,694)          | (7,607,747)        | (1,243,347)   | (3,733,551)               | (357,928)                    | (24,5)                    |
| Gross profit                               | 1,087,987             | 1,291,301          | 87,373        | 249,756                   | 68,836                       | 2,7                       |
| Operating expenses                         |                       |                    |               |                           |                              |                           |
| Selling, general and distribution expenses | (320,878)             | (446,267)          | (90,491)      | (150,204)                 | (46,950)                     | (1,0)                     |
| Results from equity investments            |                       |                    |               |                           |                              |                           |
| Other operating income (expenses), net     | 208,027               | (13,777)           | 25,578        | 1,601                     | (4,511)                      | 2                         |
|  | (112,851)             | (460,044)          | (64,913)      | (148,603)                 | (51,461)                     | (8)                       |
| <b>Operating profit (loss)</b>             | <b>975,136</b>        | <b>831,257</b>     | <b>22,460</b> | <b>101,153</b>            | <b>17,375</b>                | <b>1,9</b>                |

## 2.1.1(b)

|                       | <b>Basic</b>          | <b>Basic</b>       |               | <b>Reporting segments</b> |                              |                           |
|-----------------------|-----------------------|--------------------|---------------|---------------------------|------------------------------|---------------------------|
|                       | <b>petrochemicals</b> | <b>Polyolefins</b> | <b>Vinyls</b> | <b>USA and Europe</b>     | <b>Chemical distribution</b> | <b>reporting segments</b> |
| Net sales revenue     | 12,012,422            | 7,928,361          | 1,266,851     | 3,170,811                 | 429,631                      | 24,8                      |
| Cost of products sold | (11,113,942)          | (6,956,871)        | (1,157,013)   | (3,036,140)               | (362,530)                    | (22,6)                    |

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|  |                |                |               |              |               |            |
|--|----------------|----------------|---------------|--------------|---------------|------------|
| Gross profit                               | 898,480        | 971,490        | 109,838       | 134,671      | 67,101        | 2,1        |
| Operating expenses                         |                |                |               |              |               |            |
| Selling, general and distribution expenses | (242,365)      | (398,535)      | (78,996)      | (126,863)    | (47,241)      | (8         |
| Results from equity investments            |                |                |               |              |               |            |
| Other operating income (expenses), net     | (14,346)       | 34             | 958           | 48           | 480           | (1         |
|  | (256,711)      | (398,501)      | (78,038)      | (126,815)    | (46,761)      | (90        |
| Operating profit (loss)                    | <b>641,769</b> | <b>572,989</b> | <b>31,800</b> | <b>7,856</b> | <b>20,340</b> | <b>1,2</b> |

**Braskem S.A.**

**Notes to the financial statements**

**at June 30, 2014**

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

**27. Subsequent events**

Braskem S.A. has fully and unconditionally guaranteed the obligations of Braskem Finance, Braskem Austria Finance and Braskem America Finance, 100-percent-owned finance subsidiaries of Braskem, under indentures pursuant to which debt securities have been issued and may be issued in the future. There are no significant restrictions on the ability of Braskem to obtain funds from Braskem Finance, Braskem Austria Finance or Braskem America Finance.

