

BRASKEM SA
Form 6-K
May 09, 2014

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

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 May, 2014
(Commission File No. 1-14862)

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

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

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

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- _____.

Braskem S.A.

Quarterly Information (ITR) at

March 31, 2014

and Independent Auditors' Report Review

Report of independent auditors on the 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 March 31, 2014, comprising the balance sheet as at that date and the statements of operations, comprehensive income, changes in equity and cash flows for the quarter 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.

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 quarter ended March 31, 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, May 7, 2014

PricewaterhouseCoopers

Auditores Independentes

CRC 2SP000160/O-5 "F" BA

Fábio Cajazeira Mendes

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

Braskem S.A.**Balance Sheet**

at March 31, 2014

All amounts in thousands of reais

| Assets | Note | Mar/2014 | Consolidated Dec/2013 Revised | Parent Company Mar/2014 | Dec/2013 Revised |
|---|----------|-------------------|-------------------------------------|----------------------------|---------------------|
| | 2.1.1(a) | | | | |
| Current assets | | | | | |
| Cash and cash equivalents | 3 | 3,214,065 | 4,335,859 | 2,436,543 | 2,425,078 |
| Financial investments | 4 | 87,499 | 86,719 | 87,140 | 86,535 |
| Trade accounts receivable | 5 | 2,830,606 | 2,810,520 | 4,052,788 | 3,814,830 |
| Inventories | 6 | 5,551,054 | 5,033,593 | 3,265,967 | 2,848,700 |
| Taxes recoverable | 8 | 2,390,438 | 2,237,213 | 1,306,712 | 1,246,858 |
| Dividends and interest on capital | 7 | 154 | 150 | 78,034 | 78,031 |
| Prepaid expenses | | 46,295 | 62,997 | 16,743 | 19,778 |
| Related parties | 7 | 456,232 | 124,487 | 403,747 | 100,173 |
| Derivatives operations | 14.1.1 | 40,229 | 34,101 | 36,806 | 28,951 |
| Other receivables | | 244,598 | 233,808 | 164,624 | 141,360 |
| | | 14,861,170 | 14,959,447 | 11,849,104 | 10,790,294 |
| Non-current assets held for sale | 1(a)(x) | | 37,681 | | |
| | | 14,861,170 | 14,997,128 | 11,849,104 | 10,790,294 |
| Non-current assets | | | | | |
| Financial investments | 4 | 25,950 | 20,779 | 25,950 | 20,774 |
| Trade accounts receivable | 5 | 18,144 | 61,875 | 16,865 | 60,328 |
| Advances to suppliers | 6 | 104,232 | 116,714 | 104,232 | 116,714 |
| Taxes recoverable | 8 | 1,199,760 | 1,285,990 | 864,395 | 899,751 |
| Deferred income tax and social contribution | 16 | 806,852 | 1,123,313 | 385,444 | 674,273 |
| Judicial deposits | | 212,014 | 209,910 | 195,585 | 194,397 |
| Related parties | 7 | 134,815 | 133,649 | 141,946 | 404,668 |
| Insurance claims | | 126,446 | 139,497 | 125,258 | 138,308 |
| Derivatives operations | 14.1.1 | 100,995 | 137,345 | | |
| Other receivables | | 141,491 | 141,526 | 111,911 | 112,497 |
| | 9 | 116,011 | 115,385 | 10,630,949 | 10,479,371 |

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| | | | | | |
|--|----|-------------------|-------------------|-------------------|-------------------|
| Investments in subsidiaries and jointly-controlled investments | | | | | |
| Other investments | | 6,511 | 6,501 | 6,123 | 6,123 |
| Property, plant and equipment | 10 | 25,838,557 | 25,413,548 | 11,644,738 | 11,650,667 |
| Intangible assets | 11 | 2,883,527 | 2,912,630 | 2,227,345 | 2,225,326 |
| | | 31,715,305 | 31,818,662 | 26,480,741 | 26,983,197 |
| Total assets | | 46,576,475 | 46,815,790 | 38,329,845 | 37,773,491 |

The Management notes are an integral part of the financial statements

Braskem S.A.

Balance Sheet
at March 31, 2014

All amounts in thousands of reais

Continued

| Liabilities and shareholders' equity | Note | Mar/2014 | Consolidated Dec/2013 | Mar/2014 | Parent Company Dec/2013 |
|---|--------|-------------------|--------------------------|-------------------|----------------------------|
| | | 2.1.1(a) | Revised | | Revised |
| Current liabilities | | | | | |
| Trade payables | | 9,959,674 | 10,421,687 | 9,072,108 | 8,845,414 |
| Borrowings | 12 | 1,224,291 | 1,248,804 | 1,159,650 | 1,283,046 |
| Project finance | 13 | 22,676 | 25,745 | | |
| Derivatives operations | 14.1.1 | 79,407 | 95,123 | 24,140 | 20,751 |
| Payroll and related charges | | 559,485 | 490,816 | 383,407 | 320,548 |
| Taxes payable | 15 | 473,325 | 445,424 | 278,215 | 316,408 |
| Dividends and interest on capital | | 131,797 | 131,799 | 129,020 | 129,022 |
| Advances from customers | | 308,537 | 297,403 | 37,811 | 38,274 |
| Sundry provisions | 17 | 88,019 | 105,856 | 50,531 | 60,991 |
| Post-employment benefits | 18 | | 158,137 | | 158,122 |
| Accounts payable to related parties | 7 | | | 264,016 | 127,629 |
| Other payables | | 105,172 | 174,007 | 19,621 | 54,501 |
| | | 12,952,383 | 13,594,801 | 11,418,519 | 11,354,706 |
| Non-current liabilities | | | | | |
| Borrowings | 12 | 16,922,109 | 17,353,687 | 11,353,602 | 11,721,414 |
| Project finance | 13 | 4,559,160 | 4,705,661 | | |
| Derivatives operations | 14.1.1 | 382,006 | 396,040 | 380,601 | 396,040 |
| Taxes payable | 15 | 887,743 | 902,875 | 824,611 | 839,531 |
| Accounts payable to related parties | 7 | | | 5,092,469 | 5,148,743 |
| Long-term incentives | | 9,398 | 9,274 | 9,398 | 9,274 |
| Deferred income tax and social contribution | 16 | 847,724 | 863,405 | | |
| Post-employment benefits | 18 | 277,029 | 44,054 | 207,134 | |
| Provision for losses on subsidiaries and jointly-controlled investments | | | | 178,252 | 149,213 |
| Advances from customers | | 129,415 | 152,635 | 44,553 | 53,807 |
| Sundry provisions | 17 | 452,980 | 449,694 | 225,648 | 226,007 |
| Other payables | | 777,283 | 662,330 | 286,525 | 281,646 |
| | | 25,244,847 | 25,539,655 | 18,602,793 | 18,825,675 |

| | | | | | |
|---|----|-------------------|-------------------|-------------------|-------------------|
| Shareholders' equity | 20 | | | | |
| Capital | | 8,043,222 | 8,043,222 | 8,043,222 | 8,043,222 |
| Capital reserve | | 232,430 | 232,430 | 232,430 | 232,430 |
| Revenue reserves | | 410,149 | 410,149 | 410,149 | 410,149 |
| Other comprehensive income | | (789,625) | (1,092,691) | (789,625) | (1,092,691) |
| Treasury shares | | (48,892) | (48,892) | | |
| Accumulated profit | | 412,357 | | 412,357 | |
| Total attributable to the Company's shareholders | | 8,259,641 | 7,544,218 | 8,308,533 | 7,593,110 |
| Non-controlling interest in Braskem Idesa | | 119,604 | 137,116 | | |
| | | 8,379,245 | 7,681,334 | 8,308,533 | 7,593,110 |
| Total liabilities and shareholders' equity | | 46,576,475 | 46,815,790 | 38,329,845 | 37,773,491 |

The Management notes are an integral part of the financial statements

Braskem S.A.

Statement of operations and statement of comprehensive income

at March 31, 2014

All amounts in thousands of reais, except earnings per share

| | Note | Mar/2014 | Consolidated Mar/2013 Revised | Mar/2014 | Parent Company Mar/2013 Revised |
|---|----------|-------------------|-------------------------------------|------------------|--|
| | 2.1.1(b) | | | | |
| Net sales revenue | 22 | 11,842,626 | 9,501,170 | 6,595,075 | 5,508,783 |
| Cost of products sold | | (10,324,626) | (8,490,154) | (5,724,864) | (4,969,651) |
| Gross profit | | 1,518,000 | 1,011,016 | 870,211 | 539,132 |
| Income (expenses) | | | | | |
| Selling and distribution | | (269,509) | (252,039) | (162,924) | (148,574) |
| General and administrative | | (275,014) | (253,362) | (173,737) | (154,188) |
| Research and development | | (34,142) | (24,564) | (20,573) | (18,515) |
| Results from equity investments | 9(c) | (6) | (4,722) | 221,381 | 162,183 |
| Other operating income (expenses), net | 23 | 189,949 | (28,764) | 251,881 | (20,231) |
| Operating profit | | 1,129,278 | 447,565 | 986,239 | 359,807 |
| Financial results | 24 | | | | |
| Financial expenses | | (577,028) | (230,913) | (392,098) | (151,509) |
| Financial income | | 16,883 | 123,112 | (91,073) | 45,314 |
| | | (560,145) | (107,801) | (483,171) | (106,195) |
| Profit before income tax and social contribution | | 569,133 | 339,764 | 503,068 | 253,612 |
| Current and deferred income tax and social contribution | 16 | (172,790) | (106,866) | (97,762) | (37,605) |
| Profit for the period | | 396,343 | 232,898 | 405,306 | 216,007 |

Attributable to:

| | | |
|--|---------|---------|
| Company's shareholders | 405,306 | 216,007 |
| Non-controlling interest in Braskem Idesa | (8,963) | 16,891 |

Profit for the period

396,343 232,898

The Management notes are an integral part of the financial statements

Braskem S.A.

Statement of operations and statement of comprehensive income
at March 31, 2014All amounts in thousands of reais, except earnings per
share

Continued

| | Note | Mar/2014 | Consolidated Mar/2013 Revised | Mar/2014 | Parent Company Mar/2013 Revised |
|--|---------------|----------------|-------------------------------------|----------------|--|
| | 2.1.1(b) | | | | |
| Profit for the period | | 396,343 | 232,898 | 405,306 | 216,007 |
| Other comprehensive income: | | | | | |
| Items that will be subsequently reclassified to profit or loss: | | | | | |
| Fair value of cash flow hedge | | 24,690 | | 24,690 | |
| Income tax and social contribution | | (8,395) | | (8,395) | |
| Fair value of cash flow hedge Braskem Idesa | | (20,056) | | (15,042) | |
| | | (3,761) | | 1,253 | |
| Exchange variation of foreign sales hedge | 14.1.1(b.iii) | 537,876 | | 537,876 | |
| Income tax and social contribution | | (182,878) | | (182,878) | |
| | | 354,998 | | 354,998 | |
| Foreign currency translation adjustment | | (49,669) | (3,177) | (46,134) | (6,821) |
| | | 301,568 | (3,177) | 310,117 | (6,821) |
| Total comprehensive income for the period | | 697,911 | 229,721 | 715,423 | 209,186 |
| Attributable to: | | | | | |
| Company's shareholders | | 715,423 | 209,186 | | |
| Non-controlling interest in Braskem Idesa | | (17,512) | 20,535 | | |
| Total comprehensive income for the period | | 697,911 | 229,721 | | |

Parent
Company
Mar/2014 Mar/2013

| | Note 2.1.1(b) | Basic and Diluted | Basic and Diluted Revised |
|--|------------------|----------------------|---------------------------------|
| Profit per share attributable to the shareholders of the Company of continued operations at the end of the period (R\$) | 21 | | |
| Earnings per share - common | | 0.4351 | 0.0160 |
| Earnings per share - preferred shares class "A" | | 0.6062 | 0.6062 |
| Earnings per share - preferred shares class "B" | | 0.6062 | 0.6062 |

The Management notes are an integral part of the financial statements

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

All amounts in thousands of reais

| | | | | | Revenue reserves | Attributed to shareholders' interest | | |
|---|------|------------------|----------------|------------|------------------|--------------------------------------|-----------------|------------------|
| | | Capital | Legal reserve | Returns | Additional | Other | Treasury | Accumulated |
| | Note | Capital | reserve | reserve | dividends | comprehensive | shares | profit (loss) |
| | | | | < Earnings | proposed | income | | |
| At December 31, 2012 | | 8,043,222 | 797,979 | | | 337,411 | (48,892) | (565,000) |
| Comprehensive income for the period: | | | | | | | | |
| Profit for the period | | | | | | | | 216,000 |
| Foreign currency translation adjustment | | | | | | (6,821) | | |
| | | | | | | (6,821) | | 216,000 |
| Equity valuation adjustments: | | | | | | | | |
| Realization of additional property, plant and equipment price-level restatement, net of taxes | | | | | | (6,809) | | 6,809 |
| Realization of deemed cost of jointly-controlled investment, net of taxes | | | | | | (242) | | |
| | | | | | | (7,051) | | 7,051 |

| | | | | | | | | | |
|---|----------|------------------|----------------|---------------|---------------|----------------|--------------------|-----------------|------------------|
| Contributions to shareholders: | | | | | | | | | |
| Loss on interest in subsidiary | | | | | | | (1,980) | | |
| | | | | | | | (1,980) | | |
| At March 31, 2013 (Revised) | 2.1.1(b) | 8,043,222 | 797,979 | | | | 321,559 | (48,892) | (342,000) |
| At December 31, 2013 | | 8,043,222 | 232,430 | 26,895 | 28,412 | 354,842 | (1,092,691) | (48,892) | |
| Comprehensive income for the period: | | | | | | | | | |
| Profit (loss) for the period | | | | | | | | | 405,000 |
| Exchange variation of foreign sales hedge, net of taxes | | | | | | | 354,998 | | |
| Fair value of cash flow hedge, net of taxes | | | | | | | 1,253 | | |
| Foreign currency translation adjustment | | | | | | | (46,134) | | |
| | | | | | | | 310,117 | | 405,000 |
| Equity valuation adjustments: | | | | | | | | | |
| Realization of additional property, plant and equipment price-level restatement, net of taxes | | | | | | | (6,810) | | 6,810 |
| Realization of deemed cost of jointly-controlled investment, net of taxes | | | | | | | (241) | | |
| | | | | | | | (7,051) | | 7,051 |
| At March 31, 2014 | | 8,043,222 | 232,430 | 26,895 | 28,412 | 354,842 | (789,625) | (48,892) | 412,000 |

The Management notes are an integral part of the financial statements

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

All amounts in thousands of reais

| | Note | Capital | Legal | Returns | Revenue reserves Additional dividends proposed | Other comprehensive income | Accumulated profit (loss) | Parent Company Total Braskem shareholders' interest |
|---|------|------------------|----------------|---------|---|----------------------------------|------------------------------|---|
| At December 31, 2012 | | 8,043,222 | 797,979 | | | 337,411 | (565,549) | 8,613,063 |
| Comprehensive income for the period: | | | | | | | | |
| Profit for the period | | | | | | | 216,007 | 216,007 |
| Foreign currency translation adjustment | | | | | | (6,821) | | (6,821) |
| | | | | | | (6,821) | 216,007 | 209,186 |
| Equity valuation adjustments: | | | | | | | | |
| Realization of additional property, plant and equipment price-level restatement, net of taxes | | | | | | (6,809) | 6,809 | |
| Realization of deemed cost of jointly-controlled investment, net of taxes | | | | | | (242) | 242 | |
| | | | | | | (7,051) | 7,051 | |

Contributions to
shareholders:
Loss on interest
in subsidiary

(1,980)

(1,980)

(1,980)

(1,980)

**At March 31,
2013 (Revised)**

2.1.1(b) 8,043,222 797,979

321,559

(342,491)

8,820,269

**At December 31,
2013**

8,043,222 232,430 26,895

28,412

354,842

(1,092,691)

7,593,110

Comprehensive
income for the
period:

Profit for the
period

405,306

405,306

Exchange
variation of
foreign sales
hedge, net of
taxes

354,998

354,998

Fair value of cash
flow hedge, net of
taxes

1,253

1,253

Foreign currency
translation
adjustment

(46,134)

(46,134)

310,117

405,306

715,423

Equity valuation
adjustments:

Realization of
additional
property, plant
and equipment
price-level
restatement, net
of taxes

(6,810)

6,810

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

(241)

241

(7,051)

7,051

**At March 31,
2014**

8,043,222 232,430 26,895

28,412

354,842

(789,625)

412,357

8,308,533

The Management notes are an integral part of the financial statements

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

| | Note | Mar/2014 | Consolidated Mar/2013 Revised | Parent Company Mar/2014 | Parent Company Mar/2013 Revised |
|--|----------|------------------|-------------------------------------|----------------------------|---------------------------------------|
| Profit before income tax and social contribution | 2.1.1(b) | 569,133 | 339,764 | 503,068 | 253,612 |
| Adjustments for reconciliation of profit | | | | | |
| Depreciation, amortization and depletion | | 505,535 | 485,354 | 318,520 | 300,991 |
| Results from equity investments | 9(c) | 6 | 4,722 | (221,381) | (162,183) |
| Interest and monetary and exchange variations, net | | 305,541 | 25,847 | 223,342 | 125,314 |
| Cost amount of the investment sold in the divestment date | 23 | 37,662 | | 37,662 | |
| Provision for losses and asset write-downs of long-term | | 3,691 | 1,546 | 2,769 | (1) |
| | | 1,421,568 | 857,233 | 863,980 | 517,733 |
| Changes in operating working capital | | | | | |
| Held-for-trading financial investments | | (4,744) | (58,272) | 2,677 | (656) |
| Trade accounts receivable | | 23,282 | (142,621) | (183,521) | (409,823) |
| Inventories | | (498,471) | (531,330) | (401,725) | (257,572) |
| Taxes recoverable | | (44,633) | (151,787) | (14,369) | (23,847) |
| Prepaid expenses | | 16,702 | 37,157 | 3,035 | 5,805 |
| Other receivables (includes sale amount of subsidiary - note 23) | | (332,375) | (47,919) | (192,214) | (47,473) |
| Trade payables | | (266,760) | (204,197) | 421,948 | 61,112 |
| Taxes payable | | (50,545) | (53,207) | (144,094) | (25,016) |
| Long-term incentives | | 124 | 162 | 124 | 162 |
| Advances from customers | | (12,086) | 223,124 | (117,330) | (117,547) |
| Sundry provisions | | (14,551) | (15,029) | (43,439) | 886 |
| Other payables | | 184,533 | 256,974 | 182,604 | 16,341 |

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| | | | | |
|--|--------------------|------------------|------------------|------------------|
| Cash from (used in) operations | 422,044 | 170,288 | 377,676 | (279,895) |
| Interest paid | (193,520) | (200,543) | (100,139) | (105,189) |
| Income tax and social contribution paid | (22,362) | (8,440) | (10,132) | (8,428) |
| Net cash generated (used in) by operating activities | 206,162 | (38,695) | 267,405 | (393,512) |
| Proceeds from the sale of fixed assets | 363 | 608 | | |
| Proceeds from the sale of investments | | 163,000 | | 163,000 |
| Beginning cash of Quantiq and IQAG | 2.1.1(b) | 9,985 | | |
| Acquisitions of investments in subsidiaries and associates | | (31) | | (31) |
| Acquisitions to property, plant and equipment | (1,156,787) | (1,101,111) | (309,659) | (227,814) |
| Acquisitions of intangible assets | (8,870) | (524) | (8,868) | (524) |
| Held-for-maturity and available for sale financial investments | 7,265 | 15,086 | 14 | 5,831 |
| Net cash used in investing activities | (1,158,029) | (912,987) | (318,513) | (59,538) |
| Short-term and long-term debt | | | | |
| Obtained borrowings | 1,656,951 | 2,958,599 | 408,598 | 2,401,860 |
| Payment of borrowings | (1,841,649) | (2,285,518) | (792,465) | (2,224,626) |
| Related parties | | | | |
| Obtained loans | | | 191,680 | 377,467 |
| Payment of loans | | | (54,017) | (17,762) |
| Net current transactions | | | 308,779 | 165,260 |
| Dividends paid | (2) | (21) | (2) | (21) |
| Non-controlling interests in Braskem Idesa | | (2,660) | | |
| Net cash provided (used in) by financing activities | (184,700) | 670,400 | 62,573 | 702,178 |
| Exchange variation on cash of foreign subsidiaries | 14,773 | 6,383 | | |
| Increase (decrease) in cash and cash equivalents | (1,121,794) | (274,899) | 11,465 | 249,128 |
| 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 | 3,214,065 | 3,012,723 | 2,436,543 | 1,877,056 |
| Increase (decrease) in cash and cash equivalents | (1,121,794) | (274,899) | 11,465 | 249,128 |

The Management notes are an integral part of the financial statements

Braskem S.A.

Statement of value added

at March 31, 2014

All amounts in thousands of reais

| | Note | Consolidated Mar/2014 | Consolidated Mar/2013 Revised | Parent Company Mar/2014 | Parent Company Mar/2013 Revised |
|--|----------|--------------------------|-------------------------------------|----------------------------|---------------------------------------|
| Revenue | 2.1.1(b) | 13,711,837 | 11,135,948 | 7,882,562 | 6,581,346 |
| Sale of goods, products and services | | 13,530,643 | 11,198,229 | 7,638,722 | 6,606,575 |
| Other income (expenses), net | | 190,532 | (46,734) | 252,665 | (19,401) |
| Allowance for doubtful accounts | | (9,338) | (15,547) | (8,825) | (5,828) |
| Inputs acquired from third parties | | (11,841,094) | (9,578,639) | (6,495,631) | (5,740,966) |
| Cost of products, goods and services sold | | (11,468,834) | (9,252,367) | (6,262,839) | (5,535,699) |
| Material, energy, outsourced services and others | | (372,552) | (326,079) | (232,844) | (205,117) |
| Impairment of assets | | 292 | (193) | 52 | (150) |
| Gross value added | | 1,870,743 | 1,557,309 | 1,386,931 | 840,380 |
| Depreciation, amortization and depletion | | (505,535) | (485,354) | (318,520) | (300,991) |
| Net value added produced by the entity | | 1,365,208 | 1,071,955 | 1,068,411 | 539,389 |
| Value added received in transfer | | 17,177 | 118,476 | 130,399 | 207,583 |
| Results from equity investments | 9(c) | (6) | (4,722) | 221,381 | 162,183 |
| Financial income | | 16,883 | 123,112 | (91,073) | 45,314 |
| Other | | 300 | 86 | 91 | 86 |
| Total value added to distribute | | 1,382,385 | 1,190,431 | 1,198,810 | 746,972 |
| Personnel | | 227,962 | 196,325 | 133,911 | 123,031 |
| Direct compensation | | 174,764 | 152,937 | 102,312 | 95,954 |
| Benefits | | 40,033 | 30,679 | 21,297 | 17,176 |
| FGTS (Government Severance Pay Fund) | | 13,165 | 12,709 | 10,302 | 9,901 |
| Taxes, fees and contributions | | 123,977 | 490,409 | 224,846 | 223,573 |
| Federal | | 210,055 | 254,444 | 127,252 | 64,908 |
| State | | (91,780) | 228,630 | 96,133 | 155,637 |
| Municipal | | 5,702 | 7,335 | 1,461 | 3,028 |

| | | | | |
|---|------------------|------------------|------------------|----------------|
| Remuneration on third parties' capital | 634,103 | 270,799 | 434,747 | 184,361 |
| Financial expenses (including exchange variation) | 574,277 | 227,973 | 390,678 | 149,488 |
| Rentals | 59,826 | 42,826 | 44,069 | 34,873 |
| Remuneration on own capital | 396,343 | 232,898 | 405,306 | 216,007 |
| Profit for the period | 405,306 | 216,007 | 405,306 | 216,007 |
| Non-controlling interests in Braskem Idesa | (8,963) | 16,891 | | |
| Value added distributed | 1,382,385 | 1,190,431 | 1,198,810 | 746,972 |

The Management notes are an integral part of the financial statements

Braskem S.A.

Notes to the financial statements

at March 31, 2014

All amounts in thousands of reais, except where stated otherwise

1. Operations

Braskem S.A. (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

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

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

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

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

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

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

Braskem S.A.

Notes to the financial statements

at March 31, 2014

All amounts in thousands of reais, except where stated otherwise

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

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

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

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

Meanwhile, Solvay Indupa holds, as of March 31, 2014, (i) 158,534,671 shares in Solvay Indupa do Brasil S.A. (“Indupa Brasil”) representing 99.99% of the total and voting capital of Indupa Brasil; and (ii) 1,010,638 shares in Solalban Energía S.A. (“Solalban”) representing 58.00% of the total and voting capital of Solalban. As a result of the Acquisition, Braskem will become an indirect shareholder of Indupa Brasil and of Solalban.

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

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

(ix) On December 30, 2013, IQ Soluções & Quimica S.A. (“Quantiq”) changed its corporate type to limited liability company, with its new name being Quantiq Distribuidora Ltda.

(x) 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 DAT for R\$315 million, to be received during the course of 2014.

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

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

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

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

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

End of period rate

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

Average rate for the period

| | | | | | |
|--|--------|--|---------|--|--------|
| U.S. dollar - Brazilian real, Mar/2014 | 2.3652 | U.S. dollar - Mexican peso, Mar/2014 | 13.2311 | U.S. dollar - euro, Mar/2014 | 0.7300 |
| U.S. dollar - Brazilian real, Mar/2013 | 1.9977 | U.S. dollar - Mexican peso, Mar/2013 | 12.6419 | U.S. dollar - euro, Mar/2013 | 0.7578 |
| Appreciation of the U.S. dollar in relation to the Brazilian real | 18.40% | Appreciation of the U.S. dollar in relation to the Mexican peso | 4.66% | Devaluation of the U.S. dollar in relation to the euro | -3.67% |

2. Summary of significant accounting policies

2.1. Basis of preparation

This Quarterly Information should be read together with the financial statements of Braskem as of December 31, 2013, which were prepared and presented in accordance with 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).

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

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

2.1.1 Revised

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

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

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

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

The effects of the restatement of the financial statements follow:

Balance Sheet

| | Published | (a) Effects | Consolidated Revised | Published | (a) Effects | Dec/2013 Parent Company Revised |
|---|-------------------|--------------------|---------------------------------|-------------------|--------------------|--|
| Assets | | | | | | |
| Current assets | 14,997,128 | | 14,997,128 | 10,790,294 | | 10,790,294 |
| Non-current assets | | | | | | |
| 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 |
| | 33,348,955 | (1,530,293) | 31,818,662 | 28,078,607 | (1,095,410) | 26,983,197 |
| Total assets | 48,346,083 | (1,530,293) | 46,815,790 | 38,868,901 | (1,095,410) | 37,773,491 |
| Liabilities and shareholders' equity | | | | | | |
| Current liabilities | 13,594,801 | | 13,594,801 | 11,354,706 | | 11,354,706 |
| Non-current liabilities | | | | | | |

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| | | | | | | |
|---|-------------------|--------------------|-------------------|-------------------|--------------------|-------------------|
| 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 |
| | 27,069,948 | (1,530,293) | 25,539,655 | 19,921,085 | (1,095,410) | 18,825,675 |
| Shareholders' equity | 7,681,334 | | 7,681,334 | 7,593,110 | | 7,593,110 |
| Total liabilities and shareholders' equity | 48,346,083 | (1,530,293) | 46,815,790 | 38,868,901 | (1,095,410) | 37,773,491 |

Braskem S.A.

Notes to the financial statements

at March 31, 2014

All amounts in thousands of reais, except where stated otherwise

Statement of operations for the period

| | Consolidated | | | | Mar/2013 Parent Company | |
|--|------------------|----------------|------------------|------------------|----------------------------|------------------|
| | Published | (b) Effects | Revised | Published | (b) Effects | Revised |
| Net sales revenue | 9,295,751 | 205,419 | 9,501,170 | 5,508,783 | | 5,508,783 |
| Cost of products sold | (8,315,675) | (174,479) | (8,490,154) | (4,969,651) | | (4,969,651) |
| Gross profit | 980,076 | 30,940 | 1,011,016 | 539,132 | | 539,132 |
| Income (expenses) | | | | | | |
| Selling and distribution | (246,372) | (5,667) | (252,039) | (148,574) | | (148,574) |
| General and administrative | (237,006) | (16,356) | (253,362) | (154,188) | | (154,188) |
| Research and development | (24,564) | | (24,564) | (18,515) | | (18,515) |
| Results from equity investments | (4,722) | | (4,722) | 156,088 | 6,095 | 162,183 |
| Other operating income (expenses), net | (29,055) | 291 | (28,764) | (20,231) | | (20,231) |
| Operating profit | 438,357 | 9,208 | 447,565 | 353,712 | 6,095 | 359,807 |
| Financial results | | | | | | |
| Financial expenses | (230,050) | (863) | (230,913) | (151,509) | | (151,509) |
| Financial income | 122,864 | 248 | 123,112 | 45,314 | | 45,314 |
| | (107,186) | (615) | (107,801) | (106,195) | | (106,195) |

| | | | | | | |
|---|----------------|--------------|----------------|----------------|--------------|----------------|
| Profit before income tax and social contribution | 331,171 | 8,593 | 339,764 | 247,517 | 6,095 | 253,612 |
| Current and deferred income tax and social contribution | (104,368) | (2,498) | (106,866) | (37,605) | | (37,605) |
| Profit for the period | 226,803 | 6,095 | 232,898 | 209,912 | 6,095 | 216,007 |
| Attributable to: | | | | | | |
| Company's shareholders | 209,912 | 6,095 | 216,007 | | | |
| Non-controlling interest in Braskem Idesa | 16,891 | | 16,891 | | | |
| | 226,803 | 6,095 | 232,898 | | | |

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

| | | | Consolidated | | Mar/2013 Parent Company | |
|---|------------------|------------------------|---------------------|------------------|------------------------------------|----------------|
| | Published | (b) Effects | Revised | Published | (b) Effects | Revised |
| Profit before income tax and social contribution | 331,171 | 8,593 | 339,764 | 247,517 | 6,095 | 253,612 |
| Adjustments for reconciliation of profit | | | | | | |
| Depreciation, amortization and depletion | 483,446 | 1,908 | 485,354 | 300,991 | | 300,991 |
| Results from equity investments | 4,722 | | 4,722 | (156,088) | (6,095) | (162,183) |
| Interest and monetary and exchange variations, net | 25,836 | 11 | 25,847 | 125,314 | | 125,314 |
| Provision for losses and asset write-downs of long-term | 1,546 | | 1,546 | (1) | | (1) |
| | 846,721 | 10,512 | 857,233 | 517,733 | | 517,733 |
| Changes in operating working capital | | | | | | |
| Held-for-trading financial investments | (58,272) | | (58,272) | (656) | | (656) |
| Trade accounts receivable | (119,761) | (22,860) | (142,621) | (409,823) | | (409,823) |
| Inventories | (526,189) | (5,141) | (531,330) | (257,572) | | (257,572) |
| Taxes recoverable | (149,086) | (2,701) | (151,787) | (23,847) | | (23,847) |
| Prepaid expenses | 37,768 | (611) | 37,157 | 5,805 | | 5,805 |

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| | | | | | |
|--|------------------|--------------|------------------|------------------|------------------|
| Other receivables | (78,302) | 30,383 | (47,919) | (47,473) | (47,473) |
| Trade payables | (195,916) | (8,281) | (204,197) | 61,112 | 61,112 |
| Taxes payable | (52,697) | (510) | (53,207) | (25,016) | (25,016) |
| Long-term incentives | 162 | | 162 | 162 | 162 |
| Advances from customers | 223,562 | (438) | 223,124 | (117,547) | (117,547) |
| Sundry provisions | (15,168) | 139 | (15,029) | 886 | 886 |
| Other payables | 256,646 | 328 | 256,974 | 16,341 | 16,341 |
| Cash from (used in) operations | 169,468 | 820 | 170,288 | (279,895) | (279,895) |
| Interest paid | (200,543) | | (200,543) | (105,189) | (105,189) |
| Income tax and social contribution paid | (8,440) | | (8,440) | (8,428) | (8,428) |
| Net cash generated (used in) by operating activities | (39,515) | 820 | (38,695) | (393,512) | (393,512) |
| Proceeds from the sale of fixed assets | 608 | | 608 | | |
| Proceeds from the sale of investments | 163,000 | | 163,000 | 163,000 | 163,000 |
| Beginning cash of Quantiq and IQAG | | 9,985 | 9,985 | | |
| Acquisitions of investments in subsidiaries and associates | (31) | | (31) | (31) | (31) |
| Acquisitions to property, plant and equipment | (1,101,042) | (69) | (1,101,111) | (227,814) | (227,814) |
| Acquisitions of intangible assets | (524) | | (524) | (524) | (524) |
| Held-for-maturity and available for sale financial investments | 15,086 | | 15,086 | 5,831 | 5,831 |
| Net cash generated (used in) investing activities | (922,903) | 9,916 | (912,987) | (59,538) | (59,538) |
| Short-term and long-term debt | | | | | |
| Obtained borrowings | 2,958,599 | | 2,958,599 | 2,401,860 | 2,401,860 |
| Payment of borrowings | (2,285,304) | (214) | (2,285,518) | (2,224,626) | (2,224,626) |
| Related parties | | | | | |
| Obtained loans | | | | 377,467 | 377,467 |
| Payment of loans | | | | (17,762) | (17,762) |
| Net current transactions | | | | 165,260 | 165,260 |
| Dividends paid | (21) | | (21) | (21) | (21) |
| Non-controlling interests in Braskem Idesa | (2,660) | | (2,660) | | |

| | | | | | |
|--|------------------|---------------|------------------|----------------|----------------|
| Net cash provided (used in) by financing activities | 670,614 | (214) | 670,400 | 702,178 | 702,178 |
| Exchange variation on cash of foreign subsidiaries | 6,383 | | 6,383 | | |
| Increase (decrease) in cash and cash equivalents | (285,421) | 10,522 | (274,899) | 249,128 | 249,128 |
| Represented by | | | | | |
| Cash and cash equivalents at the beginning for the period | 3,287,622 | | 3,287,622 | 1,627,928 | 1,627,928 |
| Cash and cash equivalents at the end for the period | 3,002,201 | 10,522 | 3,012,723 | 1,877,056 | 1,877,056 |
| Increase (decrease) in cash and cash equivalents | (285,421) | 10,522 | (274,899) | 249,128 | 249,128 |

Braskem S.A.

Notes to the financial statements

at March 31, 2014

All amounts in thousands of reais, except where stated otherwise

Statement of value added

| | Consolidated | | | Mar/2013 Parent Company (b) | | |
|--|--------------------|------------------|--------------------|-----------------------------------|--------------|--------------------|
| | Published | (b) Effects | Revised | Published | Effects | Revised |
| Revenue | 10,884,033 | 251,915 | 11,135,948 | 6,581,346 | | 6,581,346 |
| Sale of goods, products and services | 10,926,490 | 271,739 | 11,198,229 | 6,606,575 | | 6,606,575 |
| Other income (expenses), net | (26,910) | (19,824) | (46,734) | (19,401) | | (19,401) |
| Allowance for doubtful accounts | (15,547) | | (15,547) | (5,828) | | (5,828) |
| Inputs acquired from third parties | (9,404,160) | (174,479) | (9,578,639) | (5,740,966) | | (5,740,966) |
| Cost of products, goods and services sold | (9,077,888) | (174,479) | (9,252,367) | (5,535,699) | | (5,535,699) |
| Material, energy, outsourced services and others | (326,079) | | (326,079) | (205,117) | | (205,117) |
| Impairment of assets | (193) | | (193) | (150) | | (150) |
| Gross value added | 1,479,873 | 77,436 | 1,557,309 | 840,380 | | 840,380 |
| Depreciation, amortization and depletion | (483,446) | (1,908) | (485,354) | (300,991) | | (300,991) |
| Net value added produced by the entity | 996,427 | 75,528 | 1,071,955 | 539,389 | | 539,389 |
| Value added received in transfer | 118,228 | 248 | 118,476 | 201,488 | 6,095 | 207,583 |

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| | | | | | | |
|---|------------------|---------------|------------------|----------------|--------------|----------------|
| Results from equity investments | (4,722) | | (4,722) | 156,088 | 6,095 | 162,183 |
| Financial income | 122,864 | 248 | 123,112 | 45,314 | | 45,314 |
| Other | 86 | | 86 | 86 | | 86 |
| Total value added to distribute | 1,114,655 | 75,776 | 1,190,431 | 740,877 | 6,095 | 746,972 |
| Personnel | 196,325 | | 196,325 | 123,031 | | 123,031 |
| Direct compensation | 152,937 | | 152,937 | 95,954 | | 95,954 |
| Benefits | 30,679 | | 30,679 | 17,176 | | 17,176 |
| FGTS (Government Severance Pay Fund) | 12,709 | | 12,709 | 9,901 | | 9,901 |
| Taxes, fees and contributions | 421,591 | 68,818 | 490,409 | 223,573 | | 223,573 |
| Federal | 225,853 | 28,591 | 254,444 | 64,908 | | 64,908 |
| State | 188,486 | 40,144 | 228,630 | 155,637 | | 155,637 |
| Municipal | 7,252 | 83 | 7,335 | 3,028 | | 3,028 |
| Remuneration on third parties' capital | 269,936 | 863 | 270,799 | 184,361 | | 184,361 |
| Financial expenses (including exchange variation) | 227,110 | 863 | 227,973 | 149,488 | | 149,488 |
| Rentals | 42,826 | | 42,826 | 34,873 | | 34,873 |
| Remuneration on own capital | 226,803 | 6,095 | 232,898 | 209,912 | 6,095 | 216,007 |
| Profit for the period | 209,912 | 6,095 | 216,007 | 209,912 | 6,095 | 216,007 |
| Non-controlling interests in Braskem Idesa | 16,891 | | 16,891 | | | |
| Value added distributed | 1,114,655 | 75,776 | 1,190,431 | 740,877 | 6,095 | 746,972 |

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 Notes 2.2.1.

Braskem S.A.

Notes to the financial statements

at March 31, 2014

All amounts in thousands of reais, except where stated otherwise

2.2.1 Deferred income tax and social contribution

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

2.2.2 Transaction costs with debt refinancing

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

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 March 31, 2014****All amounts in thousands of reais, except where stated otherwise**

| | | Total interest - % | |
|---|-----------------------------------|---------------------------|-----------------|
| | Headquarters (Country) | Mar/2014 | Dec/2013 |
| Direct and Indirect subsidiaries | | | |
| Braskem America Finance Company ("Braskem America Finance") | USA | 100.00 | 100.00 |
| Braskem America, Inc. ("Braskem America") | USA | 100.00 | 100.00 |
| Braskem Argentina S.A. ("Braskem Argentina") | Argentina | 100.00 | 100.00 |
| Braskem Austria | Austria | 100.00 | 100.00 |
| Braskem Austria Finance GmbH ("Braskem Austria Finance") | Austria | 100.00 | 100.00 |
| Braskem Chile Ltda. ("Braskem Chile") | Chile | 100.00 | 100.00 |
| Braskem Europe GmbH ("Braskem Alemanha") | Germany | 100.00 | 100.00 |
| Braskem Finance Limited ("Braskem Finance") | Cayman Islands | 100.00 | 100.00 |
| Braskem Idesa | Mexico | 75.00 | 75.00 |
| Braskem Idesa Servicios S.A. de CV ("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 Holanda") | Netherlands | 100.00 | 100.00 |
| Braskem Participações | Brazil | 100.00 | 100.00 |
| Braskem Petroquímica Chile Ltda. ("Petroquímica Chile") | Chile | 100.00 | 100.00 |
| Braskem Petroquímica Ibérica, S.L. ("Braskem Espanha") | Spain | 100.00 | 100.00 |
| Braskem Petroquímica Ltda ("Braskem Petroquímica") | Brazil | 100.00 | 100.00 |
| Braskem Qpar | Brazil | 100.00 | 100.00 |
| | British Virgin | | |
| Common | (i) 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 |

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| | | | |
|--|-------------|--------|--------|
| 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 |
| Specific Purpose Entity ("SPE") | | | |
| Fundo de Investimento Multimercado Crédito Privado Sol ("FIM Sol") | Brazil | 100.00 | 100.00 |
| Fundo de Investimento Caixa Júpiter Multimercado Crédito Privado Longo Prazo ("Fundo Júpiter") | Brazil | 100.00 | 100.00 |

(i) Subsidiaries in the process of dissolution.

Braskem S.A.**Notes to the financial statements****at March 31, 2014****All amounts in thousands of reais, except where stated otherwise****2.4. Reconciliation of equity and profit (loss) for the period****between Parent Company and consolidated**

| | Note | Shareholders' equity | | Profit (loss) for the period | |
|---|----------|----------------------|------------------|------------------------------|----------------|
| | | Mar/2014 | Dec/2013 | Mar/2014 | Mar/2013 |
| Parent Company | 2.1.1(b) | 8,308,533 | 7,593,110 | 405,306 | 216,007 |
| Braskem shares owned by subsidiary Braskem Petroquímica | | (48,892) | (48,892) | | |
| Non-controlling interest in Braskem Idesa | | 119,604 | 137,116 | (8,963) | 16,891 |
| Consolidated | | 8,379,245 | 7,681,334 | 396,343 | 232,898 |

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.

| | Consolidated | Parent Company |
|----------|--------------|----------------|
| Mar/2014 | Dec/2013 | Mar/2014 |

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| | | | | |
|--------------------|------------------|------------------|------------------|------------------|
| Cash and banks (i) | 240,089 | 987,824 | 52,337 | 131,210 |
| Cash equivalents: | | | | |
| Domestic market | 1,659,926 | 1,906,790 | 1,511,155 | 1,835,423 |
| Foreign market (i) | 1,314,050 | 1,441,245 | 873,051 | 458,445 |
| Total | 3,214,065 | 4,335,859 | 2,436,543 | 2,425,078 |

(i) On March 31, 2014, includes the amount of R\$44,272 on cash and banks (R\$656,427 on December 31, 2013) and R\$105,778 on cash equivalents (R\$153,448 on December 31, 2013) of the subsidiary Braskem Idesa, available for its use.

Braskem S.A.**Notes to the financial statements****at March 31, 2014****All amounts in thousands of reais, except where stated otherwise****4. Financial investments**

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

| | | Mar/2014 | Consolidated Dec/2013 | Parent Company Mar/2014 | Dec/2013 |
|-------------------------|---|-----------------|----------------------------------|------------------------------------|-----------------|
| Held-for-trading | | | | | |
| | Investments in FIM Sol | 66,962 | 61,670 | 66,962 | 61,670 |
| | Investments in foreign currency | 2,955 | 3,773 | 2,955 | 3,773 |
| | Shares | 1,170 | 1,170 | 1,170 | 1,170 |
| Held-to-maturity | | | | | |
| | Quotas of investment funds in credit rights | (i) 42,003 | 40,696 | 42,003 | 40,696 |
| | Time deposit investment | 359 | 189 | | |
| | Investments in foreign currency | (ii) 455,143 | 469,376 | | |
| | Compensation of investments in foreign currency | (ii) (455,143) | (469,376) | | |
| Total | | 113,449 | 107,498 | 113,090 | 107,309 |
| | In current assets | 87,499 | 86,719 | 87,140 | 86,535 |
| | In non-current assets | 25,950 | 20,779 | 25,950 | 20,774 |
| Total | | 113,449 | 107,498 | 113,090 | 107,309 |

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

(ii) On March 31, 2014, Braskem Holanda had a financial investments held-to-maturity that was irrevocably offset by an export prepayment agreement of the 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.

5. Trade accounts receivable

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

| | Mar/2014 | Consolidated Dec/2013 | Parent Company Mar/2014 | Dec/2013 |
|---------------------------------|------------------|----------------------------------|------------------------------------|------------------|
| Customers | | | | |
| Domestic market | 1,591,445 | 1,578,008 | 1,239,926 | 1,203,071 |
| Foreign market | 1,549,396 | 1,577,140 | 3,039,346 | 2,872,881 |
| Allowance for doubtful accounts | (292,091) | (282,753) | (209,619) | (200,794) |
| Total | 2,848,750 | 2,872,395 | 4,069,653 | 3,875,158 |
| In current assets | 2,830,606 | 2,810,520 | 4,052,788 | 3,814,830 |
| In non-current assets | 18,144 | 61,875 | 16,865 | 60,328 |
| Total | 2,848,750 | 2,872,395 | 4,069,653 | 3,875,158 |

Braskem S.A.**Notes to the financial statements****at March 31, 2014****All amounts in thousands of reais, except where stated otherwise****6. Inventories**

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

| | Mar/2014 | Consolidated Dec/2013 | Mar/2014 | Parent company Dec/2013 |
|--|------------------|----------------------------------|------------------|------------------------------------|
| Finished goods | 3,575,331 | 3,429,979 | 1,763,074 | 1,717,416 |
| Raw materials, production inputs and packaging | 1,400,234 | 1,113,272 | 1,110,385 | 851,448 |
| Maintenance materials | 251,892 | 230,822 | 134,005 | 122,848 |
| Advances to suppliers | 204,195 | 236,672 | 178,440 | 190,931 |
| Imports in transit and other | 223,634 | 139,562 | 184,295 | 82,771 |
| Total | 5,655,286 | 5,150,307 | 3,370,199 | 2,965,414 |
| In current assets | 5,551,054 | 5,033,593 | 3,265,967 | 2,848,700 |
| In non-current assets | 104,232 | 116,714 | 104,232 | 116,714 |
| Total | 5,655,286 | 5,150,307 | 3,370,199 | 2,965,414 |

7. Related parties

The information concerning related parties was presented in the 2013 annual financial statements of the Company, in Note 10.

(a) Consolidated

| | Balances at March 31, 2014 | | | | | | | | | |
|--------------------------------------|---------------------------------|--|---------------|---------------------|------------------|---------------|---------------------------------------|----------------|----------------|-------|
| | | | | | | | Assets | | | |
| | | | | | | | Non-current | | | |
| | Trade accounts receivable | Related parties Receivable notes | | Other receivable | Current Total | | Related parties Loan agreements | | Other | Total |
| Jointly-controlled investment | | | | | | | | | | |
| Refinaria de | | | | | | | | | | |
| Petróleo | | | | | | | | | | |
| Riograndense S.A. | | | | | | | | | | |
| ("RPR") | | | | | | | | | | |
| OCE | | | | | | | | | | |
| | | | | 151 (i) | 151 | | | | | |
| | | | | 3 (i) | 3 | | | | | |
| | | | 154 | | 154 | | | | | |
| Associated companies | | | | | | | | | | |
| Borealis Brasil | | | | | | | | | | |
| S.A. ("Borealis") | | | | | | | | | | |
| | 19,860 | 187 | | | 20,047 | | | | | |
| | 19,860 | 187 | | | 20,047 | | | | | |
| Related companies | | | | | | | | | | |
| Odebrecht and | | | | | | | | | | |
| subsidiaries | | | | | | | | | | |
| | 3,640 | 391,652(iii) | 50 | 52,799(ii) | 448,141 | | | 104,232(ii) | 104,232 | |
| Petrobras and | | | | | | | | | | |
| subsidiaries | | | | | | | | | | |
| | 34,875 | 9,925 | 54,418 | 4,028(ii) | 103,246 | 68,513 | 66,302 | | 134,815 | |
| Other | | | | | | | | | | |
| | 14,929 | | | | 14,929 | | | | | |
| | 53,444 | 401,577 | 54,468 | 56,827 | 566,316 | 68,513 | 66,302 | 104,232 | 239,047 | |
| Total | 73,304 | 401,764 | 54,468 | 56,981 | 586,517 | 68,513 | 66,302 | 104,232 | 239,047 | |

(i) Amounts in "dividends and interest on capital".

(ii) Amount in "inventory – advance to suppliers" (Note 6).

(iii) Includes the amount of R\$315,000 related to the divestment of DAT (Note 1 (a.x)).

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

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

Balances at December 31, 2013

| | Current | | | | Non-current | | | |
|--------------------------------------|---------------------------|----------------------------------|----------------|---------------|---------------------------------|---------------|---------------|----------------|
| | Trade accounts receivable | Related parties Receivable notes | Other | Total | Related parties Loan agreements | Other | Total | |
| | | Other receivable | | | Other receivable | | | |
| Jointly-controlled investment | | | | | | | | |
| RPR | | | 150 (i) | 150 | | | | |
| | | | 150 | 150 | | | | |
| Associated companies | | | | | | | | |
| Borealis | 11,368 | 187 | | 11,555 | | | | |
| | 11,368 | 187 | | 11,555 | | | | |
| Related companies | | | | | | | | |
| Odebrecht and subsidiaries | 440 | | 78,068 | 37,436 (ii) | 115,944 | | 782,565 (iii) | 782,565 |
| Petrobras and subsidiaries | 99,018 | 9,925 | 36,307 | 42,013 (ii) | 187,263 | 67,348 | 66,301 | 133,649 |
| Other | 15,135 | | | | 15,135 | | | |
| | 114,593 | 9,925 | 114,375 | 79,449 | 318,342 | 67,348 | 66,301 | 782,565 |
| Total | 125,961 | 10,112 | 114,375 | 79,599 | 330,047 | 67,348 | 66,301 | 782,565 |

(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 March 31, 2014****All amounts in thousands of reais, except where stated otherwise**

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

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

| | Balances at March 31, 2014 | | | | | | | |
|--|--|---|---|---------------|--------------------------|-----------------------------|--|-----------------------------|
| | Trade accounts receivable | Related Parties Receivable notes | Other Parties Other receivable | Other | Current Total | Current accounts | Related Parties Loan agreements | Other receivable |
| Subsidiaries | | | | | | | | |
| Braskem America Braskem | 12,611 | | 41,897 | | 54,508 | | | |
| Argentina | 77,838 | | | | 77,838 | | | |
| Braskem Chile | 12,803 | | | | 12,803 | | | |
| Braskem Holanda | 307,787 | | | | 307,787 | | | |
| Braskem Idesa | 20,943 | 2,742 | 6,682 | | 30,367 | | | |
| Braskem Inc Braskem | 2,114,118 | | 33 | | 2,114,151 | | 8,892 | |
| Petroquímica | 96,208 | | 71 | 66,300 (i) | 162,579 | | | |
| Braskem Qpar | 11,884 | | 231 | | 12,115 | 49,636 | | |
| Quantiq | | | | 11,580 (i) | 11,580 | | | |
| Other | 265 | | 2,522 | | 2,787 | 1,848 | 66 | |
| | 2,654,457 | 2,742 | 51,436 | 77,880 | 2,786,515 | 51,484 | 8,958 | |
| Jointly-controlled investment | | | | | | | | |
| RPR | | | | 151 (i) | 151 | | | |
| OCE | | | | 3 (i) | 3 | | | |
| | | | | 154 | 154 | | | |

Associated companies

| | | | | | | | | |
|----------|---------------|------------|--|--|---------------|--|--|--|
| Borealis | 13,302 | 187 | | | 13,489 | | | |
| | 13,302 | 187 | | | 13,489 | | | |

Related companies

| | | | | | | | | |
|----------------------------|---------------|----------------|---------------|---------------|----------------|---------------|--|-------------------|
| Odebrecht and subsidiaries | 3,640 | 315,000(iv) | 50 | 52,798 (ii) | 371,488 | | | 104 |
| Petrobras and subsidiaries | 28,715 | 9,925 | 24,407 | 3,623 (ii) | 66,670 | 68,514 | | 12,990 |
| Other | 14,929 | | | | 14,929 | | | |
| | 47,284 | 324,925 | 24,457 | 56,421 | 453,087 | 68,514 | | 12,990 104 |

SPE

| | | | | | | | | |
|---------|--|--|--|------------------|------------------|--|--|--|
| FIM Sol | | | | 1,199,950(iii) | 1,199,950 | | | |
| | | | | 1,199,950 | 1,199,950 | | | |

Total

| | | | | | | | | |
|------------------|----------------|---------------|------------------|------------------|---------------|---------------|---------------|------------|
| 2,715,043 | 327,854 | 75,893 | 1,334,405 | 4,453,195 | 51,484 | 77,472 | 12,990 | 104 |
|------------------|----------------|---------------|------------------|------------------|---------------|---------------|---------------|------------|

- (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\$1,132,988 and in “financial investments”: R\$66,962.
- (iv) Amount related to the divestment of DAT (Note 1 (a.x)).

Braskem S.A.**Notes to the financial statements**

at March 31, 2014

All amounts in thousands of reais, except where stated otherwise

| | | | | | | | Balances at March 31, 2014 | | |
|-----------------------|-----------|-------------------|--|----------------------|-------------------------|-----------|--|---------------------------------|--------------------|
| | | | | | | | Liabilities | | |
| | | | | | | | Current | | Non-Current |
| Trade payables | | Borrowings | Accounts payable to related parties | | Total Borrowings | | Accounts payable to related parties | | Total |
| | | | Advance to export | Other payable | | | Advance to export | Current accounts payable | Notes |
| Subsidiaries | | | | | | | | | |
| Braskem America | 2 | | 9,145 | 3,049 | 12,196 | | 640,429 | | 640,429 |
| Braskem Austria | | | 49,622 | | 49,622 | | 339,450 | | 339,450 |
| Braskem Holanda | | | 201,041 | | 201,041 | | 3,810,498 | | 3,810,498 |
| Braskem Inc | 4,139,774 | 120,894 | | 886 | 4,261,554 | 3,594,180 | | 95,438 | 3,689,618 |
| Braskem Petroquímica | 3,439 | | | | 3,439 | | 151,274 | | 151,274 |
| Braskem Qpar | 3,609 | | | 273 | 3,882 | | | | |
| Quantiq | | | | | | | 48,540 | | 48,540 |
| IQAG | | | | | | | 5,287 | | 5,287 |

| | | | | | | | | | | |
|----------------------------|------------------|----------------|----------------|--------------|------------------|------------------|------------------|----------------|---------------|------------------|
| Other | 4,146,824 | 120,894 | 259,808 | 4,208 | 4,531,734 | 3,594,180 | 4,790,377 | 105 | 1,448 | 1,553 |
| | | | | | | | | 205,206 | 96,886 | 8,686,649 |
| Related companies | | | | | | | | | | |
| Odebrecht and subsidiaries | 16,591 | | | | 16,591 | | | | | |
| Petrobras and subsidiaries | 1,524,216 | | | | 1,524,216 | | | | | |
| | 1,540,807 | | | | 1,540,807 | | | | | |
| Total | 5,687,631 | 120,894 | 259,808 | 4,208 | 6,072,541 | 3,594,180 | 4,790,377 | 205,206 | 96,886 | 8,686,649 |

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

| | Income statement transactions from January to March 31, 2014 | | | |
|--------------------------------------|---|---|--|---|
| | | Purchases of raw materials, services and utilities | Financial income (expenses) | Cost of production/general and administrative expenses |
| | Sales of products | | | |
| Subsidiaries | | | | |
| Braskem America | 3,662 | | 8,458 | |
| Braskem Argentina | 68,830 | | (3,002) | |
| Braskem Austria | | | 10,350 | |
| Braskem Chile | 7,849 | | (512) | |
| Braskem Holanda | 136,670 | | 65,728 | |
| Braskem Idesa | 13,836 | | (1,083) | |
| Braskem Inc | 329,516 | 887,904 | 89,278 | |
| Braskem Petroquímica | 262,425 | 88,579 | | |
| Braskem Qpar | 52,413 | 112,216 | | |
| Quantiq | 26,000 | 6,878 | | |
| Other | | | (102) | |
| | 901,201 | 1,095,577 | 169,115 | |
| Jointly-controlled investment | | | | |
| RPR | 3,057 | 231 | | |
| | 3,057 | 231 | | |
| Associated companies | | | | |
| Borealis | 34,049 | | | |
| | 34,049 | | | |
| Related companies | | | | |
| Odebrecht and subsidiaries | 8,844 | 48,371 | | |
| Petrobras and subsidiaries | 159,876 | 1,439,082 | 1,166 | |
| Other | 5,266 | 36 | | |
| | 173,986 | 1,487,489 | 1,166 | |

Post-employment benefit plan

Odeprev

3,747

3,747

Total

1,112,293

2,583,297

170,281

3,747

Braskem S.A.

Notes to the financial statements

at March 31, 2014

All amounts in thousands of reais, except where stated otherwise

| | Balances at December 31, 2014 | | | | | | | |
|--|---------------------------------|---|---------------|---------------|------------------|--|--------------------|---------------------|
| | | | | Current | | | | |
| | Trade accounts receivable | Related Parties Receivable Other notes receivable | | Other | Total | Related Parties Current accounts | Loan agreements | Other receivable |
| Subsidiaries | | | | | | | | |
| Braskem America Braskem | 47,985 | | 39,287 | | 87,272 | | | |
| 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 Braskem | 1,759,572 | | 33 | | 1,759,605 | | 9,104 | |
| 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 | |
| | 2,232,769 | 3,005 | 71,009 | 77,880 | 2,384,663 | 315,159 | 9,171 | |
| Jointly-controlled investment | | | | | | | | |
| RPR | | | | 151 (i) | 151 | | | |
| | | | | 151 | 151 | | | |
| Associated companies | | | | | | | | |
| Borealis | 11,368 | 187 | | | 11,555 | | | |

| | | | | | | | | | |
|----------------------------|------------------|---------------|---------------|------------------|------------------|----------------|---------------|---------------|----------------|
| | 11,368 | 187 | | | 11,555 | | | | |
| Related companies | | | | | | | | | |
| Odebrecht and subsidiaries | 3,651 | | | 35,473 (ii) | 39,124 | | | | 136,711 |
| Petrobras and subsidiaries | 99,018 | 9,925 | 16,047 | 28,233 (ii) | 153,223 | 67,348 | | 12,990 | |
| Other | 14,980 | | | | 14,980 | | | | |
| | 117,649 | 9,925 | 16,047 | 63,706 | 207,327 | 67,348 | | 12,990 | 136,711 |
| SPE | | | | | | | | | |
| FIM Sol | | | | 1,396,323 (iii) | 1,396,323 | | | | |
| | | | | 1,396,323 | 1,396,323 | | | | |
| Total | 2,361,786 | 13,117 | 87,056 | 1,538,060 | 4,000,019 | 315,159 | 76,519 | 12,990 | 136,711 |

(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).

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

| | Balances at December 31, 2013 | | | | | | | | | |
|--------------------------------------|--------------------------------------|-------------------|--|----------------------|------------------|-------------------|--|---------------------------------|----------------------|------------------|
| | | | | | Current | | Non-Current | | | |
| | Trade payables | Borrowings | Accounts payable to related parties | | Total | Borrowings | Accounts payable to related parties | | | T |
| | | | Advance to export | Other payable | | | Advance to export | Current Accounts payable | Notes payable | |
| Subsidiaries | | | | | | | | | | |
| Braskem America | 3,018 | | 34,064 | 3,170 | 40,252 | | 662,956 | | | 662,956 |
| Braskem Austria | | | 48,036 | | 48,036 | | 351,390 | | | 351,390 |
| Braskem Holanda | | | 41,090 | | 41,090 | | 3,874,252 | | | 3,874,252 |
| Braskem Importação | | | | | | | | 101 | | |
| Braskem Inc | 3,863,320 | 248,544 | | 917 | 4,112,781 | 3,720,604 | | | 98,795 | 3,819,396 |
| Braskem Participações | | | | | | | | | 1,448 | 1,448 |
| Braskem Petroquímica | 5,625 | | | 6 | 5,631 | | | 138,742 | | 138,742 |
| Braskem Qpar | 3,692 | | | 11 | 3,703 | | | | | |
| Quantiq | 327 | | | | 327 | | | 16,782 | | 16,782 |
| IQAG | | | | | | | | 4,270 | | 4,270 |
| Politeno Empreendimentos | | | | | | | | 7 | | |
| | 3,875,982 | 248,544 | 123,190 | 4,104 | 4,251,820 | 3,720,604 | 4,888,598 | 159,902 | 100,243 | 8,869,065 |
| Jointly-controlled investment | | | | | | | | | | |
| RPR | 256 | | | | 256 | | | | | |
| | 256 | | | | 256 | | | | | |

**Related
companies**

Odebrecht and
subsidiaries

61,631

335 61,966

Petrobras and
subsidiaries

1,572,473

1,572,473

1,634,104

335 1,634,439

Total

5,510,342

248,544

123,190

4,439

5,886,515

3,720,604

4,888,598

159,902

100,243 8,869,

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

| | Income statement transactions from January to March 31, 2013 | | | |
|--------------------------------------|---|---|--|---|
| | Sales of products | Purchases of raw materials, services and utilities | Financial income (expenses) | Cost of production/general and administrative expenses |
| Subsidiaries | | | | |
| Braskem America | 3,079 | | (2,150) | |
| Braskem Argentina | 53,230 | | (1,425) | |
| Braskem Austria | | | (7,304) | |
| Braskem Chile | 5,461 | | 57 | |
| Braskem Finance | | | 1 | |
| Braskem Holanda | 73,566 | | (396) | |
| Braskem Idesa | 4,959 | | (296) | |
| Braskem Importação | | | (1) | |
| Braskem Inc | 448,745 | 67,133 | (14,601) | |
| Braskem Petroquímica | 130,967 | 59,358 | | |
| Braskem Qpar | 2,956 | 23,240 | | |
| Lantana | | | (1) | |
| Quantiq | 28,165 | 1,035 | | |
| Riopol | 40,861 | 28,004 | | |
| | 791,989 | 178,770 | (26,116) | |
| Jointly-controlled investment | | | | |
| RPR | 6,771 | 135 | | |
| | 6,771 | 135 | | |
| Associated companies | | | | |
| Borealis | 46,431 | | | |
| Other | 7,874 | 2,018 | | |
| | 54,305 | 2,018 | | |
| Related companies | | | | |
| Odebrecht and subsidiaries | | 125,267 | | |
| Petrobras and subsidiaries | 174,573 | 3,058,402 | 1,088 | |

174,573 **3,183,669** **1,088**

Post employment benefit plan

Odeprev

3,444

3,444

Total

1,027,638

3,364,592

(25,028)

3,444

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

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

| Non-current liabilities | Parent company and Consolidated | |
|--------------------------------|--|-----------------|
| | Mar/2014 | Dec/2013 |
| Long-term incentives | 1,685 | 2,333 |
| Total | 1,685 | 2,333 |

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

8. Taxes recoverable

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

| | Mar/2014 | Consolidated Dec/2013 | Mar/2014 | Parent company Dec/2013 |
|---|------------------|----------------------------------|------------------|------------------------------------|
| Parent Company and subsidiaries in Brazil | | | | |
| IPI | 31,692 | 28,701 | 28,173 | 26,307 |
| Value-added tax on sales and services (ICMS) - | | | | |
| normal operations | 629,371 | 738,282 | 369,258 | 410,004 |
| ICMS - credits from PP&E | 127,181 | 123,354 | 97,128 | 93,018 |
| Social integration program (PIS) and social | | | | |
| contribution on revenue (COFINS) - normal operations | 773,488 | 719,448 | 710,364 | 650,355 |
| PIS and COFINS - credits from PP&E | 281,057 | 269,006 | 145,809 | 134,161 |
| PIS and COFINS - Law 9,718/98 | 13,274 | 24,207 | 10,947 | 22,602 |
| PIS - Decree-Law 2,445 and 2,449/88 | 88,339 | 88,339 | 65,801 | 65,801 |
| IR and CSL | 548,799 | 542,686 | 409,035 | 395,214 |
| REINTEGRA program | 238,283 | 267,049 | 233,440 | 232,507 |
| Other | 150,873 | 155,965 | 101,152 | 116,640 |
| Foreign subsidiaries | | | | |
| Value-added tax | (a) 704,623 | 563,650 | | |
| Income tax | 3,218 | 2,516 | | |
| Total | 3,590,198 | 3,523,203 | 2,171,107 | 2,146,609 |
| Current assets | 2,390,438 | 2,237,213 | 1,306,712 | 1,246,858 |
| Non-current assets | 1,199,760 | 1,285,990 | 864,395 | 899,751 |
| Total | 3,590,198 | 3,523,203 | 2,171,107 | 2,146,609 |

Braskem S.A.

Notes to the financial statements

at March 31, 2014

All amounts in thousands of reais, except where stated otherwise

(a) Value added tax (“VAT”)

On March 31, 2014, this line included:

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

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

9. Investments

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

(a) Information on investments

| Note | Interest in total capital total (%) - Mar/2014 | | Adjusted net profit (loss) for the period | | | Adjusted equity |
|------|--|------------|---|----------|----------|-----------------|
| | Direct | Indirect | Mar/2014 | Mar/2013 | Mar/2014 | Dec/2013 |
| | | Direct and | | | | |

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| | 2.1.1(b) | | | Revised | | | |
|--|----------|--------|----------|----------------|-----------|--|-----------|
| Subsidiaries | | | | | | | |
| Braskem Alemanha | 5.66 | 100.00 | 16,612 | (113) | 1,035,896 | | 1,056,093 |
| Braskem America | | 100.00 | 29,444 | 8,425 | 936,236 | | 940,124 |
| Braskem America Finance | | 100.00 | (84) | 2 | 1,334 | | 1,448 |
| Braskem Argentina | 96.77 | 100.00 | 2,599 | 2,948 | 13,977 | | 11,379 |
| Braskem Austria | 100.00 | 100.00 | (392) | (105) | (4,336) | | (4,097) |
| Braskem Austria Finance | | 100.00 | (5) | | 22 | | 25 |
| Braskem Chile | 99.02 | 100.00 | (136) | (2) | 1,727 | | 1,863 |
| Braskem Espanha | | 100.00 | | | (9) | | (9) |
| Braskem Holanda | 100.00 | 100.00 | 11,990 | 11,060 | 1,320,840 | | 1,333,390 |
| Braskem Finance | 100.00 | 100.00 | (28,792) | 3,374 | (173,350) | | (144,558) |
| Braskem Idesa | 75.00 | 75.00 | (15,140) | 67,563 | 499,130 | | 548,465 |
| Braskem Idesa Serviços | | 75.00 | 518 | 213 | 5,476 | | 5,138 |
| Braskem Importação | 0.04 | 100.00 | | 1 | 201 | | 201 |
| Braskem Inc. | 100.00 | 100.00 | 101,399 | (16,438) | 254,421 | | 153,021 |
| Braskem México | 99.97 | 100.00 | 15,320 | 463 | 277,914 | | 271,654 |
| Braskem México Serviços | (i) | 100.00 | 199 | | 1,363 | | |
| Braskem Participações | 100.00 | 100.00 | (7) | 457 | (565) | | (558) |
| Braskem Petroquímica | 100.00 | 100.00 | 61,233 | 24,123 | 1,709,078 | | 1,647,845 |
| Braskem Qpar Common | 98.61 | 100.00 | 106,927 | (33,983) | 5,708,005 | | 5,601,077 |
| DAT | (ii) | 100.00 | 100.00 | (90) | (12) | | (12) |
| IQAG | 0.12 | 100.00 | 938 | 982 | 8,122 | | 37,681 |
| Lantana | | 100.00 | 21 | 10 | (607) | | 7,184 |
| Norfolk | | 100.00 | (57) | (401) | (160) | | (592) |
| Petroquímica Chile | 97.96 | 100.00 | 1,081 | (45) | 6,080 | | (103) |
| Politeno Empreendimentos | 99.98 | 100.00 | (1) | (1) | 597 | | 4,999 |
| Quantiq | 99.90 | 100.00 | 7,955 | 6,095 | 251,539 | | 598 |
| Riopol | (iii) | | | 136,799 | | | 243,584 |
| Jointly-controlled investment | | | | | | | |
| RPR | 33.20 | 33.20 | 324 | 2,455 | 125,303 | | 124,980 |
| OCE | (iv) | 20.00 | 20.00 | 159 | 489 | | 689 |
| Propilsur | 49.00 | 49.00 | (88) | (556) | 111,561 | | 109,300 |
| Associates | | | | | | | |
| Borealis | 20.00 | 20.00 | | 16,102 | 166,746 | | 166,746 |
| Companhia de Desenvolvimento Rio Verde ("Codeverde") | 35.97 | 35.97 | (197) | (596) | 44,947 | | 46,342 |

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

Braskem S.A.

Notes to the financial statements

at March 31, 2014

All amounts in thousands of reais, except where stated otherwise

(b) Changes in investments – parent company

| | Balance at Dec/2013 | Dividends and interest on equity | Equity in results of investees Effect of unrealized profit | Adjustment of unrealized profit | Goodwill amortization | Other write-off by sale | Equity valuation adjustments | Currency translation adjustments |
|---|------------------------|---|---|--|--------------------------|-------------------------------|------------------------------------|--|
| Subsidiaries and jointly-controlled investment | | | | | | | | |
| Domestic subsidiaries | | | | | | | | |
| Braskem | | | | | | | | |
| Petroquímica | 1,502,856 | | 61,233 | (651) | (859) | | | |
| Braskem Qpar | 6,383,358 | | 105,438 | (1,439) | (20,748) | | | |
| DAT | 37,681 | | (19) | | | (37,662) | | |
| Politeno | | | | | | | | |
| Empreendimentos | 598 | | (1) | | | | | |
| Quantiq | 247,388 | | 7,955 | (690) | | 41 | | |
| RPR | 41,500 | | 107 | | | | | |
| OCE | 138 | (3) | (37) | | | | | |
| | 8,213,519 | (3) | 174,676 | (2,780) | (21,607) | 41 | (37,662) | |
| Foreign subsidiaries | | | | | | | | |
| Braskem | | | | | | | | |
| Alemanha | 59,548 | | 937 | (251) | | | | (2,084) |
| Braskem | | | | | | | | |
| Argentina | 7,507 | | 2,599 | 1,522 | | | | |
| Braskem Chile | 1,863 | | (136) | | | | | |
| Braskem Holanda | 1,333,141 | | 11,990 | (33) | | | | (24,539) |

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| | | | | | | | |
|---|-------------------|--------------------|-----------------|-----------------|--------------------|-----------------|--------------------|
| Braskem Idesa | 410,942 | (11,354) | (15,133) | | | (15,042) | (10,605) |
| Braskem Inc. | 142,849 | 101,399 | (7,698) | | | | |
| Braskem México | 271,654 | 15,320 | | | | | (9,060) |
| Petroquímica Chile | 4,999 | 1,081 | | | | | |
| | 2,232,503 | 121,836 | (21,593) | | | (15,042) | (46,288) |
| Total subsidiaries and jointly-controlled investment | 10,446,022 | (3) 296,512 | (24,373) | (21,607) | 41 (37,662) | (15,042) | (46,288) 10 |
| Associate | | | | | | | |
| Borealis | 33,349 | | | | | | |
| Total associate | 33,349 | | | | | | |
| Total subsidiaries, jointly-controlled investment and associates | 10,479,371 | (3) 296,512 | (24,373) | (21,607) | 41 (37,662) | (15,042) | (46,288) 10 |

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

| | Nota 2.1.1(b) | Mar/2014 | Consolidated Mar/2013 | Mar/2014 | Parent company Mar/2013 |
|--|------------------|------------|--------------------------|----------------|----------------------------|
| Equity in results of subsidiaries, associate and jointly-controlled investment | | (6) | (4,722) | 272,139 | 179,591 |
| Amortization of fair value adjustment | | | | (21,607)(i) | (21,081) |
| Provision for losses on investments | | | | (29,191) | 3,673 |
| Other | | | | 40 | |
| | | (6) | (4,722) | 221,381 | 162,183 |

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

- R\$20,748 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\$4,430; “cost of sales” of R\$22,996; “general and administrative expenses” of R\$23 and “financial results” of R\$3,987. The effect of deferred income tax and social contribution was R\$10,688.
- R\$859 related to the amortization of fair value adjustments on property, plant and equipment of the subsidiary Braskem Petroquímica.

10. Property, plant and equipment

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

| | Consolidated | | | | | |
|--|---------------------|--|-------------------|-------------------|--|-------------------|
| | Mar/2014 | | | Dec/2013 | | |
| | Cost | Accumulated depreciation/ depletion | Net | Cost | Accumulated depreciation/ depletion | Net |
| Land | 425,228 | | 425,228 | 428,908 | | 428,908 |
| Buildings and improvements | 1,840,548 | (798,978) | 1,041,570 | 1,830,245 | (783,084) | 1,047,161 |
| Machinery, equipment and installations | 25,852,670 | (11,444,109) | 14,408,561 | 25,671,115 | (11,044,102) | 14,627,013 |
| Projects in progress | 9,476,536 | | 9,476,536 | 8,832,906 | | 8,832,906 |
| Other | 963,315 | (476,653) | 486,662 | 936,228 | (458,668) | 477,560 |
| Total | 38,558,297 | (12,719,740) | 25,838,557 | 37,699,402 | (12,285,854) | 25,413,548 |

Impairment test for property, plant and equipment

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

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

| | | | | | Consolidated | |
|--|------------------|-------------------------------------|------------------|------------------|-------------------------------------|------------------|
| | | | Mar/2014 | | Dec/2013 | |
| | Cost | Accumulated amortization | Net | Cost | Accumulated amortization | Net |
| 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 | 211,283 | (84,185) | 127,098 | 208,574 | (82,176) | 126,398 |
| Software and use rights | 479,430 | (257,988) | 221,442 | 473,560 | (244,924) | 228,636 |
| Contracts with customers and suppliers | 700,442 | (224,373) | 476,069 | 712,499 | (213,821) | 498,678 |
| Total | 4,578,877 | (1,695,350) | 2,883,527 | 4,582,355 | (1,669,725) | 2,912,630 |

Impairment of intangible assets with definite and indefinite useful life

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

the need to perform an impairment testing of intangible assets with definite useful life.

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) | Mar/2014 | Dec/2013 |
| <u>Foreign currency</u> | | | | |
| Bonds and Medium term notes (MTN) | Note 12 (a) | Note 12 (a) | 10,061,916 | 10,432,526 |
| Advances on exchange contracts | US dollar exchange variation | 1.24% | 113,386 | 117,132 |
| Export prepayment BNDES | Note 12 (b) Note 12 (c) | Note 12 (b) Note 12 (c) | 524,995 412,522 | 540,744 453,065 |
| Export credit notes | Note 12 (d) | Note 12 (d) | 816,937 | 843,060 |
| Working capital | US dollar exchange variation | 1.77% above Libor | 781,785 | 633,632 |
| Other Transactions costs | US dollar exchange variation | 4.00% above Libor | 1,241 (229,049) | 1,268 (81,375) |
| <u>Local currency</u> | | | | |
| Export credit notes BNDES | Note 12 (d) Note 12 (c) | Note 12 (d) Note 12 (c) | 2,623,356 2,407,563 | 2,528,077 2,464,987 |
| BNB/ FINAME/ FINEP/ FUNDES | | 6.48% | 634,305 | 658,372 |
| BNB/ FINAME/ FINEP/ FUNDES Transactions costs | TJLP | 0.38% | 14,191 (16,748) | 16,093 (5,090) |
| Total | | | 18,146,400 | 18,602,491 |
| Current liabilities | | | 1,224,291 | 1,248,804 |
| Non-current liabilities | | | 16,922,109 | 17,353,687 |
| Total | | | 18,146,400 | 18,602,491 |

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

| | | Mar/2014 | Parent company Dec/2013 |
|--------------------------------|-------------------------|-------------------|------------------------------------|
| <u>Foreign currency</u> | | | |
| | Current liabilities | 501,898 | 735,512 |
| | Non-current liabilities | 6,680,045 | 6,940,002 |
| | | 7,181,943 | 7,675,514 |
| <u>Local currency</u> | | | |
| | Current liabilities | 657,752 | 547,534 |
| | Non-current liabilities | 4,673,557 | 4,781,412 |
| | | 5,331,309 | 5,328,946 |
| | Current liabilities | 1,159,650 | 1,283,046 |
| | Non-current liabilities | 11,353,602 | 11,721,414 |
| | Total | 12,513,252 | 13,004,460 |

(a) Bonds and MTN

| Issue date | | Issue amount (US\$ in thousands) | Maturity | Interest (% per year) | Mar/2014 | Consolidated Dec/2013 |
|-------------------|-----|---|-----------------|------------------------------|-----------------|----------------------------------|
| July 1997 | | 250,000 | June 2015 | 9.38 | 150,574 | 152,328 |
| January 2004 | | 250,000 | January 2014 | 11.75 | | 178,897 |
| September 2006 | (i) | 275,000 | January 2017 | 8.00 | 185,369 | 305,006 |
| June 2008 | (i) | 500,000 | June 2018 | 7.25 | 423,915 | 1,000,375 |
| May 2010 | (i) | 400,000 | May 2020 | 7.00 | 539,290 | 940,780 |
| May 2010 | | 350,000 | May 2020 | 7.00 | 814,073 | 828,360 |
| | | | no maturity | | | |
| October 2010 | | 450,000 | date | 7.38 | 1,036,291 | 1,072,742 |
| April 2011 | | 750,000 | April 2021 | 5.75 | 1,736,173 | 1,772,070 |

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| | | | | | | |
|---------------|-----|------------------|-------------|------|-------------------|-------------------|
| July 2011 | | 500,000 | July 2041 | 7.13 | 1,146,728 | 1,207,927 |
| February 2012 | | 250,000 | April 2021 | 5.75 | 580,660 | 592,666 |
| | | | no maturity | | | |
| February 2012 | | 250,000 | date | 7.38 | 575,718 | 595,968 |
| May 2012 | | 500,000 | May 2022 | 5.38 | 1,156,503 | 1,181,443 |
| July 2012 | | 250,000 | July 2041 | 7.13 | 573,364 | 603,964 |
| | | | February | | | |
| February 2014 | (i) | 500,000 | 2024 | 6.45 | 1,143,258 | |
| Total | | 5,475,000 | | | 10,061,916 | 10,432,526 |

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

(b) Export prepayments (“EPP”)

| Issue date | Initial amount of the transaction (US\$ thousand) | Maturity | Charges (% per year) | Consolidated | |
|---------------|---|---------------|--|----------------|----------------|
| | | | | Mar/2014 | Dec/2013 |
| December 2010 | 100,000 | December-2017 | US dollar exchange variation + semiannual Libor + 2.47 | 115,576 | 118,505 |
| January 2013 | 200,000 | November-2022 | US dollar exchange variation + semiannual Libor + 2.47 | 409,419 | 422,239 |
| Total | 300,000 | | | 524,995 | 540,744 |

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

| Projects | Issue date | Maturity | Charges (% per year) | Mar/2014 | Consolidated Dec/2013 |
|-------------------------------------|-------------------|-----------------|--|-----------------|----------------------------------|
| <u>Foreign currency</u> | | | | | |
| Other | 2006 | October-2016 | US dollar exchange variation + 6.79 | 5,754 | 6,533 |
| Braskem Qpar expansion | 2006/2007/2008 | April-2016 | US dollar exchange variation + 6.64 to 6.79 | 8,957 | 10,389 |
| Green PE plant | 2009 | July-2017 | US dollar exchange variation + 6.57 | 35,797 | 39,838 |
| Limit of credit II New plant PVC | 2009 | January-2017 | US dollar exchange variation + 6.57 | 71,746 | 80,826 |
| Alagoas | 2010 | January-2020 | US dollar exchange variation + 6.57 | 106,598 | 115,082 |
| Limit of credit III | 2011 | October-2018 | US dollar exchange variation + 6.41 to 6.44 | 145,948 | 159,917 |
| Butadiene plant | 2011 | January-2021 | US dollar exchange variation + 6.44 | 37,722 | 40,480 |
| | | | | 412,522 | 453,065 |
| <u>Local currency</u> | | | | | |
| Other | 2006 | September-2016 | TJLP + 2.80 | 44,804 | 49,294 |
| Braskem Qpar expansion | 2006/2007/2008 | February-2016 | TJLP + 2.15 to 3.30 | 67,037 | 75,867 |
| Green PE plant | 2008/2009 | June-2017 | TJLP + 0.00 to 4.78 | 260,054 | 280,631 |
| Limit of credit II | 2009 | January-2017 | TJLP + 2.58 to 3.58 | 221,334 | 240,915 |
| Limit of credit II New plant PVC | 2009 | January-2017 | 4.50 | 9,889 | 10,763 |
| Alagoas | 2010 | December-2019 | TJLP + 0.00 to 3.58 | 337,578 | 352,364 |
| New plant PVC Alagoas | 2010 | December-2019 | 5.50 | 38,415 | 40,091 |
| Limit of credit III | 2011 | October-2019 | TJLP + 0.00 to 3.58 | 980,041 | 969,715 |

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| | | | | | |
|---------------------|------|---------------|---------------------|------------------|------------------|
| Limit of credit III | 2011 | October-2019 | SELIC + 2.58 | 93,530 | 82,362 |
| Limit of credit III | 2011 | November-2019 | 3.50 to 5.50 | 225,306 | 228,583 |
| Butadiene plant | 2011 | December-2020 | TJLP + 0.00 to 3.45 | 129,575 | 134,402 |
| | | | | 2,407,563 | 2,464,987 |
| Total | | | | 2,820,085 | 2,918,052 |

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

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

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| | | | | | | |
|---------------|------|------------------|---------------|------|------------------|------------------|
| March-2013 | (ii) | 50,000 | March-2016 | 8.00 | 50,257 | 50,257 |
| March-2013 | (ii) | 17,500 | March-2016 | 8.00 | 17,590 | 17,583 |
| August-2013 | (ii) | 10,000 | August-2016 | 8.00 | 10,120 | 10,129 |
| December-2013 | (ii) | 150,000 | December-2016 | 8.00 | 153,176 | 150,257 |
| March-2014 | | 10,354 | June-2014 | 8.00 | 10,354 | |
| March-2014 | | 55,446 | June-2014 | 8.00 | 55,446 | |
| Total | | 2,608,300 | | | 2,623,356 | 2,528,077 |

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

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

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

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

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

(f) Capitalized financial charges - consolidated

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

(g) Guarantees

Braskem gave collateral for part of its borrowings as follows:

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

(h) Financial covenants

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

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

The information on project finance was presented in the 2013 annual financial statements in Note 19.

| Identification | Contract value US\$ thousands | Value received US\$ thousands | Maturity | Charges (% per year) | Consolidated | |
|-----------------------|--|--|-----------------|---|---------------------|------------------|
| | | | | | Mar/2014 | Dec/2013 |
| Project finance I | 700,000 | 484,847 | February-2027 | Us dollar exchange variation + quarterly Libor + 3.25 | 1,102,285 | 1,141,515 |
| Project finance II | 210,000 | 51,422 | February-2027 | Us dollar exchange variation + 6.17 | 180,209 | 121,387 |
| Project finance III | 600,000 | 263,264 | February-2029 | Us dollar exchange variation + 4.33 | 599,833 | 621,410 |
| Project finance IV | 660,000 | 551,173 | February-2029 | Us dollar exchange variation + quarterly Libor + 3.88 | 1,191,225 | 1,298,791 |
| Project finance V | 400,000 | 277,055 | February-2029 | Us dollar exchange variation + quarterly Libor + 4.65 | 630,702 | 653,288 |
| Project finance VI | 90,000 | 33,811 | February-2029 | Us dollar exchange variation + quarterly Libor + 2.73 | 76,896 | 79,630 |
| Project finance VII | 533,095 | 369,242 | February-2029 | Us dollar exchange variation + quarterly Libor + 4.64 | 849,442 | 866,581 |
| Transactions costs | | | | | (48,756) | (51,196) |
| Total | 3,193,095 | 2,030,814 | | | 4,581,836 | 4,731,406 |
| Current liabilities | | | | | 22,676 | 25,745 |

| | | |
|-------------------------|------------------|------------------|
| Non-current liabilities | 4,559,160 | 4,705,661 |
| Total | 4,581,836 | 4,731,406 |

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

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

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

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

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

The information related to financial instruments was presented in the 2013 financial statements of the Company, in Note 20.

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

| | | | Fair value | | Book value | | Fair value | |
|----------------------------------|------|----------------------------|------------|------------------|------------------|------------------|------------------|--|
| | Note | Classification by category | hierarchy | Mar/2014 | Dec/2013 | Mar/2014 | Dec/2013 | |
| Cash and cash equivalents | 3 | | | | | | | |
| Cash and banks | | Loans and receivables | | 240,089 | 987,824 | 240,089 | 987,824 | |
| Financial investments in Brazil | | Held-for-trading | Level 2 | 526,937 | 687,938 | 526,937 | 687,938 | |
| Financial investments in Brazil | | Loans and receivables | | 1,132,989 | 1,218,852 | 1,132,989 | 1,218,852 | |
| Financial investments abroad | | Held-for-trading | Level 2 | 1,314,050 | 1,441,245 | 1,314,050 | 1,441,245 | |
| | | | | 3,214,065 | 4,335,859 | 3,214,065 | 4,335,859 | |
| Financial investments | 4 | | | | | | | |
| | | Held-for-trading | Level 2 | 66,962 | 61,670 | 66,962 | 61,670 | |

| | | | | | | | |
|---|----|-----------------------------|---------|-------------------|-------------------|-------------------|-------------------|
| FIM Sol investments | | | | | | | |
| Investments in foreign currency | | Held-for-trading | Level 2 | 2,955 | 3,773 | 2,955 | 3,773 |
| Investments in foreign currency | | Held-to-maturity | | 359 | 189 | 359 | 189 |
| Shares | | Held-for-trading | | 1,170 | 1,170 | 1,170 | 1,170 |
| Quotas of receivables investment fund | | | | | | | |
| Restricted deposits | | Held-to-maturity | | 42,003 | 40,696 | 42,003 | 40,696 |
| | | | | 113,449 | 107,498 | 113,449 | 107,498 |
| Trade accounts receivable | 5 | Loans and receivables | | 2,848,750 | 2,872,395 | 2,848,750 | 2,872,395 |
| Related parties credits | 7 | Loans and receivables | | 591,047 | 258,136 | 591,047 | 258,136 |
| Trade payables | | Other financial liabilities | | 9,959,674 | 10,421,687 | 9,959,674 | 10,421,687 |
| Borrowings | 12 | | | | | | |
| Foreign currency - Bond | | Other financial liabilities | Level 1 | 10,061,916 | 10,432,526 | 9,890,817 | 10,241,359 |
| Foreign currency - other borrowings | | Other financial liabilities | | 2,650,866 | 2,588,901 | 2,650,866 | 2,588,901 |
| Local currency | | Other financial liabilities | | 5,679,415 | 5,667,529 | 5,679,415 | 5,667,529 |
| | | | | 18,392,197 | 18,688,956 | 18,221,098 | 18,497,789 |
| Project finance | 13 | Other financial liabilities | | 4,630,592 | 4,782,602 | 4,630,592 | 4,782,602 |
| Other payables | | | | | | | |
| Creditors for the acquisitions of shares | | Other financial liabilities | | 280,831 | 275,743 | 280,831 | 275,743 |
| Accounts payable to non-controlling (Braskem Idesa) | | Other financial liabilities | | 478,578 | 341,993 | 478,578 | 341,993 |
| | | | | 759,409 | 617,736 | 759,409 | 617,736 |

(a) Fair value hierarchy

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

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

Braskem S.A.

Notes to the financial statements

at March 31, 2014

All amounts in thousands of reais, except where stated otherwise

14.1.1 Financial derivatives instruments designated and not designated for hedge accounting

| Identification | Note | Fair value hierarchy | Operation characteristics | | Balance at Dec/2013 | Change in fair value | Financial settlement | Balance at Mar/2014 |
|---|---------------|----------------------|---------------------------|----------------|---------------------|----------------------|----------------------|---------------------|
| | | | Principal exposure | Derivatives | | | | |
| <u>Non-hedge accounting transactions</u> | | | | | | | | |
| Commodity swap - Naphtha | 14.1.1 | Level 2 | Fixed price | Variable price | (470) | 68 | 112 | (290) |
| Interest rate swaps | (a) | Level 2 | Fixed rate | CDI | 20,751 | 4,372 | (983) | 24,140 |
| Contract for the future purchase | | Level 2 | Euro | Dollar | (5,022) | 618 | 2,741 | (1,663) |
| | | | | | 15,259 | 5,058 | 1,870 | 22,187 |
| <u>Hedge accounting transactions</u> | | | | | | | | |
| Exchange swap | 14.1.1 (b) | Level 2 | CDI | Dollar | 367,559 | (17,052) | (6,421) | 344,086 |
| Commodity swap - ethylene | | Level 2 | Variable price | Fixed price | (69) | 199 | 107 | 237 |
| Commodity swap - PGP | 14.1.1 | Level 2 | Fixed price | Variable price | (59) | (387) | 95 | (351) |
| Interest rate swaps | (d.i) | Level 2 | Libor | Dollar | (110,253) | 34,121 | 6,447 | (69,685) |
| Contract for the future purchase - | 14.1.1 (d.ii) | Level 2 | Peso mexicano | Dollar | 47,280 | (7,780) | (15,785) | 23,715 |

| | | | | |
|----------|--|----------------|---------------|-----------------|
| Currency | | | | |
| | | 304,458 | 9,101 | (15,557) |
| | | 319,717 | 14,159 | (13,687) |
| | | | | 298,002 |
| | | | | 320,189 |

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

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

| Identification | Nominal value | Interest rate | | Maturity | Fair value | |
|--|----------------|---------------|-----|--------------------|---------------|---------------|
| | | (hedge) | | | Mar/2014 | Dec/2013 |
| Swap NCE I | 100.000 | 90.65% | CDI | February-2016 | 4,406 | 4,086 |
| Swap NCE II | 50.000 | 88.20% | CDI | February-2016 | 2,372 | 2,243 |
| Swap NCE III | 100.000 | 92.64% | CDI | February-2016 | 4,725 | 4,435 |
| Swap NCE IV | 50.000 | 92.70% | CDI | February-2016 | 2,423 | 2,315 |
| Swap NCE V | 100.000 | 91.92% | CDI | February-2016 | 4,638 | 4,407 |
| Swap NCE VI | 50.000 | 92.25% | CDI | March-2016 | 2,434 | 2,310 |
| Swap NCE VII | 17.500 | 91.10% | CDI | March-2016 | 808 | 765 |
| Swap NCE VIII | 10.000 | 77.52% | CDI | August-2016 | 239 | 190 |
| Swap NCE IX | 50.000 | 68.15% | CDI | December - 2016 | 821 | |
| Swap NCE X | 50.000 | 67.15% | CDI | December - 2016 | 647 | |
| Swap NCE XI | 50.000 | 67.10% | CDI | December - 2016 | 627 | |
| Total | 627.500 | | | | 24,140 | 20,751 |
| Current liabilities (derivatives operations) | | | | | 24,140 | 20,751 |
| Total | | | | | 24,140 | 20,751 |

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

| Identification | Interest rate | | | Fair value | |
|--|----------------------|----------------|-----------------|-------------------|-----------------|
| | Nominal value | (hedge) | Maturity | Mar/2014 | Dec/2013 |
| Swap NCE I | 200.000 | 5.44% | August 2019 | 96,583 | 101,904 |
| Swap NCE II | 100.000 | 5.40% | August 2019 | 45,813 | 48,414 |
| Swap NCE III | 100.000 | 5.37% | August 2019 | 44,083 | 46,642 |
| Swap NCE IV | 100.000 | 5.50% | April 2019 | 36,048 | 39,005 |
| Swap NCE V | 100.000 | 5.50% | April 2019 | 35,983 | 38,939 |
| Swap NCE VI | 150.000 | 5.43% | April 2019 | 37,116 | 52,745 |
| Swap NCE VII | 100.000 | 4.93% | April 2019 | 48,460 | 39,910 |
| Total | 850.000 | | | 344,086 | 367,559 |
| Current assets (other receivables) | | | | (36,516) | (28,481) |
| Non Current liabilities (derivatives operations) | | | | 380,602 | 396,040 |
| Total | | | | 344,086 | 367,559 |

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

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

| Identification | Maturity | Hedge | Nominal value US\$ thousands | Financial liabilities | |
|-----------------------|-----------------|--------------|-------------------------------------|------------------------------|-----------------|
| | | | | Mar/2014 | Dec/2013 |

**Operations designated for
hedge accounting**

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

Braskem S.A.**Notes to the financial statements****at March 31, 2014****All amounts in thousands of reais, except where stated otherwise****(d) Hedge operations by Braskem Idesa related to project finance**

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

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

(d.i) Interest rate swap linked to Libor

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

Total

(69,685)

(110,253)

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Braskem S.A.**Notes to the financial statements****at March 31, 2014****All amounts in thousands of reais, except where stated otherwise****(d.ii) Currency futures contract– Mexican Peso**

| Identification | Nominal value US\$ thousands | Foreign exchange (hedge) | Maturity | Mar/2014 | Dec/2013 |
|--|---|---|-----------------|-----------------|-----------------|
| Deliverable Forward | 41,020 | 12.6185 | January-2014 | | 3,620 |
| Deliverable Forward | 35,453 | 12.5394 | February-2014 | | 3,815 |
| Deliverable Forward | 39,206 | 12.5926 | March-2014 | | 4,065 |
| Deliverable Forward | 54,084 | 12.8643 | April-2014 | 2,127 | 3,468 |
| Deliverable Forward | 52,182 | 12.9268 | June-2014 | 1,755 | 3,164 |
| Deliverable Forward | 51,191 | 12.8909 | June-2014 | 2,307 | 3,624 |
| Deliverable Forward | 46,889 | 12.8789 | July-2014 | 2,457 | 3,612 |
| Deliverable Forward | 45,959 | 12.9465 | September-2014 | 2,130 | 3,281 |
| Deliverable Forward | 36,561 | 12.9044 | September-2014 | 2,113 | 2,988 |
| Deliverable Forward | 37,215 | 12.9570 | October-2014 | 2,008 | 2,923 |
| Deliverable Forward | 31,908 | 12.9465 | December-2014 | 1,930 | 2,707 |
| Deliverable Forward | 28,169 | 12.9881 | December-2014 | 1,650 | 2,344 |
| Deliverable Forward | 23,381 | 12.9518 | February-2015 | 1,651 | 2,202 |
| Deliverable Forward | 29,047 | 13.1969 | March-2015 | 1,029 | 1,788 |
| Deliverable Forward | 18,625 | 13.0980 | March-2015 | 1,066 | 1,519 |
| Deliverable Forward | 10,230 | 13.0490 | April-2015 | 722 | 961 |
| Deliverable Forward | 5,897 | 13.1167 | June-2015 | 384 | 525 |
| Deliverable Forward | 7,014 | 13.4329 | June-2015 | 128 | 317 |
| Deliverable Forward | 2,245 | 13.2538 | July-2015 | 120 | 176 |
| Deliverable Forward | 1,840 | 13.1486 | August-2015 | 138 | 181 |
| Total | 598,116 | | | 23,715 | 47,280 |
| Current liabilities (derivatives operations) | | | | 22,311 | 47,280 |
| Non-Current liabilities (derivatives operations) | | | | 1,404 | |
| Total | | | | 23,715 | 47,280 |

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

(e) Estimated maximum loss

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

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

Braskem S.A.

Notes to the financial statements

at March 31, 2014

All amounts in thousands of reais, except where stated otherwise

14.2. Credit quality of financial assets

(a) Trade accounts receivable

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

| | Mar/2014 | Dec/2013 |
|----------------------|-----------------|-----------------|
| | | (%) |
| 1 Minimum risk | 7.28 | 16.56 |
| 2 Low risk | 36.01 | 32.61 |
| 3 Moderate risk | 32.02 | 23.54 |
| 4 High risk | 23.79 | 26.26 |
| 5 Very high risk (i) | 0.90 | 1.03 |

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

Default indicators for the periods ended:

| Domestic Market | Last 12 months Export Market |
|----------------------------|---|
|----------------------------|---|

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

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

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

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

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

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

14.3. Sensitivity analysis

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

(a) Selection of risks

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

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

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

Braskem S.A.**Notes to the financial statements****at March 31, 2014****All amounts in thousands of reais, except where stated otherwise****(b) Selection of scenarios****(b.1) Probable scenario**

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

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

(b.2) Possible and extreme adverse scenarios

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

| Instrument | Sensibility | Probable | Possible adverse (25%) | Extreme adverse (50%) |
|-------------------|---|-----------------|-----------------------------------|--------------------------------------|
| Bonds and MTN | Brazilian real/U.S. dollar exchange rate | (813,968) | (2,462,579) | (4,925,159) |

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

| Instrument | Sensibility | Probable | Possible adverse (25%) | Extreme adverse (50%) |
|---------------------------|--------------------|-----------------|-------------------------------|------------------------------|
| BNDES | TJLP interest rate | (42,537) | (83,993) | (124,400) |
| FINEP | TJLP interest rate | (98) | (194) | (289) |
| Other governmental agents | TJLP interest rate | (38) | (76) | (114) |

Braskem S.A.**Notes to the financial statements**at **March 31, 2014**

All amounts in thousands of reais, except where stated otherwise

15. Taxes payable

The information related to taxes payable was presented in the Company's 2013 annual financial statements, in Note 21.

| | Mar/2014 | Consolidated Dec/2013 | Parent company Mar/2014 | Dec/2013 |
|--|------------------|----------------------------------|------------------------------------|------------------|
| Parent Company and subsidiaries in Brazil | | | | |
| IPI | 92,204 | 81,282 | 66,820 | 60,355 |
| PIS and COFINS | 667 | 615 | | |
| IR and CSL | 90,793 | 52,226 | 18,929 | 21,200 |
| ICMS | 105,905 | 120,941 | 20,447 | 56,077 |
| Federal tax payment program - Law 11,941/09 | 1,011,935 | 1,024,127 | 944,793 | 956,884 |
| Other | 56,698 | 67,680 | 51,837 | 61,423 |
| Foreign subsidiaries | | | | |
| Other | 2,866 | 1,428 | | |
| Total | 1,361,068 | 1,348,299 | 1,102,826 | 1,155,939 |
| Current liabilities | 473,325 | 445,424 | 278,215 | 316,408 |
| Non-current liabilities | 887,743 | 902,875 | 824,611 | 839,531 |
| Total | 1,361,068 | 1,348,299 | 1,102,826 | 1,155,939 |

16. IR and CSL

The information related to IR and CSL was presented in the Company's 2013 annual financial statements, in Note 22.

(a) Reconciliation of the effects of IR and CSL on profit or loss

| | Note | Mar/2014 | Consolidated Mar/2013 Revised | Mar/2014 | Parent company Mar/2013 Revised |
|--|-------------|------------------|--|-----------------|--|
| Income before IR and CSL | 2.1.1(b) | 569,133 | 339,764 | 503,068 | 253,612 |
| IR and CSL at the rate of 34% | | (193,505) | (115,520) | (171,043) | (86,228) |
| Permanent adjustments to the IR and CSL calculation basis | | | | | |
| IR and CSL on equity in results of investees | | (8,057) | (1,605) | 92,527 | 53,893 |
| Other permanent adjustments | | 28,772 | 10,259 | (19,246) | (5,270) |
| Effect of IR and CSL on results of operations | | (172,790) | (106,866) | (97,762) | (37,605) |
| Breakdown of IR and CSL: | | | | | |
| Current IR and CSL | | (53,456) | (43,883) | | |
| Deferred IR and CSL | | (119,334) | (62,983) | (97,762) | (37,605) |
| Total IR and CSL on income statement | | (172,790) | (106,866) | (97,762) | (37,605) |

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

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

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

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

(b) Breakdown of deferred IR and CSL**Consolidated****Parent company**

| Deferred tax - assets | Mar/2014 | Dec/2013 | Mar/2014 | Dec/2013 |
|--|------------------|------------------|------------------|------------------|
| Tax losses (IR) and negative base (CSL) | 1,000,037 | 1,015,587 | 448,168 | 443,185 |
| Goodwill amortized | 11,320 | 12,065 | 8,552 | 9,190 |
| Exchange variations | 586,068 | 791,508 | 562,494 | 775,841 |
| Temporary adjustments | 370,234 | 408,233 | 319,983 | 295,494 |
| Business combination | 233,393 | 232,039 | 89,769 | 89,770 |
| Pension plan | 78,586 | 61,927 | 78,591 | 61,927 |
| Deferred charges - write-off | 57,110 | 37,971 | - | |
| Investments in subsidiaries (CPC-18) | | 94,276 | | 94,276 |
| | 2,336,748 | 2,653,606 | 1,507,557 | 1,769,683 |
| Deferred tax - liabilities | | | | |
| Amortization of goodwill based on future profitability | 661,842 | 643,050 | 552,880 | 544,401 |
| Tax depreciation | 584,197 | 541,325 | 288,511 | 269,193 |
| Temporary differences | 362,609 | 426,186 | 7,272 | 7,426 |
| Business combination | 575,394 | 585,250 | 83,007 | 83,550 |
| Write-off negative goodwill of incorporated subsidiaries | 1,039 | 1,187 | 1,039 | 1,187 |
| Additional indexation PP&E | 136,649 | 140,157 | 136,649 | 140,157 |
| Other | 55,890 | 56,543 | 52,755 | 49,496 |
| | 2,377,620 | 2,393,698 | 1,122,113 | 1,095,410 |
| Deffered tax net | (40,872) | 259,908 | 385,444 | 674,273 |
| Asset in Balance Sheet | 806,852 | 1,123,313 | 385,444 | 674,273 |
| (-) Liability in Balance Sheet | 847,724 | 863,405 | | |
| Deffered tax net | (40,872) | 259,908 | 385,444 | 674,273 |

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

| | | | | Mar/2014 |
|--|-----------------------------------|-------------------------|-----------------------------|------------------|
| | Headquarters (Country) | IR-CSL Asset | IR-CSL Liability | Net |
| Assests | | | | |
| Braskem S.A. | Brazil | 1,507,558 | (1,122,113) | 385,445 |
| Braskem Argentina | Argentina | 6,467 | | 6,467 |
| Braskem Alemanha | Germany | 70,524 | | 70,524 |
| Braskem Idesa | Mexico | 9,663 | | 9,663 |
| Braskem Petroquímica | Brazil | 209,176 | (135,790) | 73,386 |
| Braskem Qpar | Brazil | 383,975 | (271,913) | 112,062 |
| Petroquímica Chile | Chile | 113 | (80) | 33 |
| IQAG | Brazil | 22 | | 22 |
| Quantiq | Brazil | 5,626 | | 5,626 |
| Braskem Qpar - Bussines combination effect | Brazil | 143,624 | | 143,624 |
| | | 2,336,748 | (1,529,896) | 806,852 |
| Liabilitys | | | | |
| Braskem Qpar - Bussines combination effect | Brazil | | (492,387) | (492,387) |
| Braskem America | USA | | (355,337) | (355,337) |
| | | | (847,724) | (847,724) |
| | | | | |
| | | | | Dec/2014 |
| | Headquarters (Country) | IR-CSL Asset | IR-CSL Liability | Net |
| Assests | | | | |
| 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 |

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| | | | | |
|--|--------|------------------|--------------------|------------------|
| Petroquímica Chile | Chile | 123 | | 123 |
| IQAG | Brazil | 23 | | 23 |
| Quantiq | Brazil | 5,069 | | 5,069 |
| Braskem Qpar - Bussines combination effect | Brazil | 142,268 | | 142,268 |
| | | 2,653,606 | (1,530,293) | 1,123,313 |
| Liability | | | | |
| Braskem Qpar - Bussines combination effect | Brazil | | (501,699) | (501,699) |
| Braskem America | USA | | (361,706) | (361,706) |
| | | | (863,405) | (863,405) |

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

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

17. Sundry provisions

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

| | Mar/2014 | Consolidated Dec/2013 | Mar/2014 | Parent company Dec/2013 |
|---|-----------------|----------------------------------|-----------------|------------------------------------|
| Measures to | | | | |
| Provision for customers bonus | 34,209 | 45,060 | 16,949 | 18,058 |
| Provision for recovery of environmental damages | 119,297 | 132,762 | 78,649 | 96,182 |
| Judicial and administrative provisions | 376,074 | 362,896 | 180,581 | 172,758 |
| Other | 11,419 | 14,832 | | |
| Total | 540,999 | 555,550 | 276,179 | 286,998 |
| Current liabilities | 88,019 | 105,856 | 50,531 | 60,991 |
| Non-current liabilities | 452,980 | 449,694 | 225,648 | 226,007 |
| Total | 540,999 | 555,550 | 276,179 | 286,998 |

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

| | Mar/2014 | Consolidated Dec/2013 | Mar/2014 | Parent company Dec/2013 |
|-----------------------------|-----------------|----------------------------------|-----------------|------------------------------------|
| Labor claims | 124,878 | 125,887 | 112,575 | 113,555 |
| Tax claims | | | | |
| IR and CSL | 33,068 | 32,319 | | |
| PIS and COFINS | 36,499 | 35,634 | | |
| ICMS - interstate purchases | 88,327 | 86,233 | | |
| ICMS - other | 11,710 | 11,432 | | |
| Other | 71,573 | 61,372 | 57,989 | 49,186 |
| Societary claims and other | 10,019 | 10,019 | 10,017 | 10,017 |
| | 376,074 | 362,896 | 180,581 | 172,758 |

Braskem S.A.**Notes to the financial statements****at March 31, 2014****All amounts in thousands of reais, except where stated otherwise****18. Post-employment (defined-benefit plans)**

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

The amounts recognized are as follows:

| | | Consolidated | Parent company | |
|--------------------------|-----------------|---------------------|-----------------------|-----------------|
| | Mar/2014 | Dec/2013 | Mar/2014 | Dec/2013 |
| Petros Plans | (a) 235,134 | 158,122 | 207,134 | 158,122 |
| Novamont Braskem America | 7,509 | 9,554 | | |
| Braskem Alemanha | 34,386 | 34,515 | | |
| | 277,029 | 202,191 | 207,134 | 158,122 |
| Current liabilities | | 158,137 | | 158,122 |
| Non-current liabilities | 277,029 | 44,054 | 207,134 | |
| Total | 277,029 | 202,191 | 207,134 | 158,122 |

(a) Petros Plans

In August and October 2012, the Brazilian Private Pension Plan Superintendence (PREVIC - Superintendência Nacional de Previdência Complementar) approved the withdrawal of the sponsorship by Braskem of these plans, which required the payment of the mathematical reserves of the respective beneficiaries and in turn the monetization

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

19. Contingencies

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

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

A detailed presentation of the Company's contingent liabilities was presented in the 2013 annual financial statements of the Company, in Note 28.

Braskem S.A.**Notes to the financial statements****at March 31, 2014****All amounts in thousands of reais, except where stated otherwise****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 | 22.96% | | | 305,517,121 | 38.32% |
| Petrobras | 212,426,951 | 47.03% | 75,479,347 | 21.88% | | | 287,906,298 | 36.11% |
| BNDESPAR | | | 40,102,837 | 11.62% | | | 40,102,837 | 5.03% |
| ADR (i) | | | 34,191,744 | 9.91% | | | 34,191,744 | 4.29% |
| Other | 12,907,078 | 2.86% | 114,891,694 | 33.30% | 593,818 | 100.00% | 128,392,590 | 16.10% |
| Total | 451,668,652 | 100.00% | 343,848,120 | 99.67% | 593,818 | 100.00% | 796,110,590 | 99.86% |
| Braskem shares owned | | | | | | | | |
| by Braskem Petroquímica (ii) | | | 1,154,758 | 0.33% | | | 1,154,758 | 0.14% |
| Total | 451,668,652 | 100.00% | 345,002,878 | 100.00% | 593,818 | 100.00% | 797,265,348 | 100.00% |

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

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

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

| | Additional indexation of PP&E (i) | Deemed cost of PP&E (i) | Defined benefit plan actuarial Gain (loss) (ii) | Fair value of hedge (iii) | Parent company and consolidated Foreign currency translation adjustment (iv) | Loss on interest in subsidiary (v) | Total |
|---|--|--|--|--|---|---|----------------|
| At December 31, 2012 | 299,305 | 20,207 | (11,816) | | 37,158 | (7,443) | 337,411 |
| Additional indexation | | | | | | | |
| Realization by depreciation or write-off assets | (10,317) | | | | | | (10,317) |
| IR and CSL | 3,508 | | | | | | 3,508 |
| Deemed cost of jointly-controlled investment | | | | | | | |
| Realization by depreciation or write-off assets | | (367) | | | | | (367) |
| IR and CSL | | 125 | | | | | 125 |
| Loss on interest in subsidiary | | | | | | (1,980) | (1,980) |
| Foreign currency translation adjustment | | | | | (6,821) | | (6,821) |
| At March 31, 2013 | 292,496 | 19,965 | (11,816) | | 30,337 | (9,423) | 321,559 |

| | | | | | | | |
|---|----------------|---------------|-----------------|--------------------|----------------|----------------|--------------------|
| At December 31, 2013 | 272,069 | 19,240 | (11,647) | (1,605,356) | 242,407 | (9,404) | (1,092,691) |
| Additional indexation | | | | | | | |
| Realization by depreciation or write-off assets | (10,317) | | | | | | (10,317) |
| IR and CSL | 3,507 | | | | | | 3,507 |
| Deemed cost of jointly-controlled investment | | | | | | | |
| Realization by depreciation or write-off assets | | (366) | | | | | (366) |
| IR and CSL | | 125 | | | | | 125 |
| Foreign sales hedge | | | | | | | |
| Exchange rate | | | | 537,876 | | | 537,876 |
| IR and CSL | | | | (182,878) | | | (182,878) |
| Fair value of Cash flow hedge | | | | | | | |
| Change in fair value | | | | 8,431 | | | 8,431 |
| Transfer to result | | | | 1,217 | | | 1,217 |
| IR and CSL | | | | (8,395) | | | (8,395) |
| Foreign currency translation adjustment | | | | | (46,134) | | (46,134) |
| At March 31, 2014 | 265,259 | 18,999 | (11,647) | (1,249,105) | 196,273 | (9,404) | (789,625) |

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

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

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

| | Note | Basic and diluted | |
|---|-------------|--------------------------|-----------------------------|
| | 2.1.1(b) | Mar/2014 | Mar/2013 Revised |
| Profit for the period attributed to Company's shareholders | | 405,306 | 216,007 |
| Distribution of dividends attributable to priority: | | | |
| Preferred shares class "A" | | 208,437 | 208,437 |
| Preferred shares class "B" | | 360 | 360 |
| | | 208,797 | 208,797 |
| Distribution of the remaining results to common shares | | 196,509 | 7,210 |
| Reconciliation of income available for distribution, by class (numerator): | | | |
| Common shares | | 196,509 | 7,210 |
| Preferred shares class "A" | | 208,437 | 208,437 |
| Preferred shares class "B" | | 360 | 360 |
| | | 405,306 | 216,007 |
| Weighted average number of shares, by class (denominator): | | | |
| Common shares | | 451,668,652 | 451,668,652 |

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| | | |
|---|-------------|-------------|
| Preferred shares class "A" | 343,848,120 | 343,848,120 |
| Preferred shares class "B" | 593,818 | 593,818 |
| | 796,110,590 | 796,110,590 |
| Profit (loss) per share (in R\$) | | |
| Common shares | 0.4351 | 0.0160 |
| Preferred shares class "A" | 0.6062 | 0.6062 |
| Preferred shares class "B" | 0.6062 | 0.6062 |

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

The information on net sales revenue was presented in the 2013 annual financial statements of the Company, in Note 31.

| | Note | Mar/2014 | Consolidated Mar/2013 Revised | Mar/2014 | Parent company Mar/2013 |
|--------------------------|----------|-------------------|-------------------------------------|------------------|----------------------------|
| | 2.1.1(b) | | | | |
| Sales revenue | | | | | |
| Domestic market | | 8,505,375 | 7,478,061 | 5,998,134 | 5,196,361 |
| Foreign market | | 5,125,059 | 3,836,079 | 1,708,229 | 1,492,345 |
| | | 13,630,434 | 11,314,140 | 7,706,363 | 6,688,706 |
| Sales deductions | | | | | |
| Taxes | | (1,688,017) | (1,697,059) | (1,043,647) | (1,097,792) |
| Sales returns and other | | (99,791) | (115,911) | (67,641) | (82,131) |
| | | (1,787,808) | (1,812,970) | (1,111,288) | (1,179,923) |
| Net sales revenue | | 11,842,626 | 9,501,170 | 6,595,075 | 5,508,783 |

23. Other operating income (expenses) - consolidated

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

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

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

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

Braskem S.A.**Notes to the financial statements**

at March 31, 2014

All amounts in thousands of reais, except where stated otherwise

24. Financial results

The information on financial results was presented in the 2013 annual financial statements of the Company, in Note 34.

| | Note | Mar/2014 | Consolidated Mar/2013 Revised | Parent company Mar/2014 | Parent company Mar/2013 |
|--|----------|------------------|-------------------------------------|----------------------------|----------------------------|
| | 2.1.1(b) | | | | |
| Financial income | | | | | |
| Interest income | | 52,124 | 34,582 | 44,121 | 32,324 |
| Monetary variations | | 16,719 | 2,527 | 16,090 | 2,301 |
| Exchange rate variations | | (60,899) | 42,497 | (157,488) | (6,126) |
| Other | | 8,939 | 43,506 | 6,204 | 16,815 |
| | | 16,883 | 123,112 | (91,073) | 45,314 |
| Financial expenses | | | | | |
| Interest expenses | | (306,859) | (237,231) | (287,032) | (224,203) |
| Monetary variations | | (85,866) | (73,160) | (86,180) | (72,772) |
| Exchange rate variations | | 53,865 | 284,996 | 155,923 | 256,902 |
| Inflation adjustments on fiscal debts | | (30,425) | (24,992) | (24,949) | (20,596) |
| Tax expenses on financial operations | | (2,760) | (2,944) | (1,419) | (2,022) |
| Discounts granted | | (31,293) | (14,541) | (16,961) | (3,884) |
| Loans transaction costs - amortization | | (6,777) | (2,113) | (1,843) | (81) |
| Adjustment to present value - appropriation | | (141,992) | (137,162) | (120,162) | (72,053) |
| Other | | (24,921) | (23,766) | (9,475) | (12,800) |
| | | (577,028) | (230,913) | (392,098) | (151,509) |
| | | (560,145) | (107,801) | (483,171) | (106,195) |

| | Note | Mar/2014 | Consolidated Mar/2013 Revised | Mar/2014 | Parent company Mar/2013 |
|--|----------|---------------|-------------------------------------|---------------|----------------------------|
| Interest income - origins by application type | 2.1.1(b) | | | | |
| Held for sale | | 373 | 1,098 | 373 | 1,098 |
| Loans and receivables | | 32,759 | 22,453 | 30,656 | 20,935 |
| Held-to-maturity | | 8,558 | 2,918 | 8,558 | 2,892 |
| | | 41,690 | 26,469 | 39,587 | 24,925 |
| Other assets not classifiable | | 10,434 | 8,113 | 4,534 | 7,399 |
| Total | | 52,124 | 34,582 | 44,121 | 32,324 |

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

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

| | Note | Mar/2014 | Consolidated Mar/2013 Revised | Mar/2014 | Parent company Mar/2013 |
|--|----------|---------------------|-------------------------------------|--------------------|----------------------------|
| | 2.1.1(b) | | | | |
| Classification by nature: | | | | | |
| Raw materials other inputs | | (8,939,861) | (7,210,508) | (4,836,054) | (4,195,776) |
| Personnel expenses | | (530,148) | (450,448) | (332,952) | (270,635) |
| Outsourced services | | (418,358) | (378,765) | (242,230) | (203,029) |
| Tax expenses | | (3,257) | (1,856) | (2,117) | (1,067) |
| Depreciation, amortization and depletion | | (501,105) | (480,924) | (318,520) | (300,991) |
| Freights | | (386,191) | (367,442) | (246,674) | (231,531) |
| Other expenses | | 65,578 | (158,940) | 148,330 | (108,130) |
| Total | | (10,713,342) | (9,048,883) | (5,830,217) | (5,311,159) |
| Classification by function: | | | | | |
| Cost of products sold | | (10,324,626) | (8,490,154) | (5,724,864) | (4,969,651) |
| Selling and distribution | | (269,509) | (252,039) | (162,924) | (148,574) |
| General and administrative | | (275,014) | (253,362) | (173,737) | (154,188) |
| Research and development | | (34,142) | (24,564) | (20,573) | (18,515) |
| Other operating income (expenses), net | | 189,949 | (28,764) | 251,881 | (20,231) |
| Total | | (10,713,342) | (9,048,883) | (5,830,217) | (5,311,159) |

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

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

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

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

2.1.1(b)

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

Braskem S.A.

Notes to the financial statements

at March 31, 2014

All amounts in thousands of reais, except where stated otherwise

27. Subsequent events

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

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

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

