

BRASKEM SA
Form 6-K
November 14, 2012

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 November, 2012
(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

September 30, 2012

and Report on the Review

of the Quarterly Information

Report on Review of Quarterly Information

To the Board of Directors and Shareholders

Braskem S.A.

Introduction

We have reviewed the accompanying parent company and consolidated interim accounting information of Braskem S.A., included in the Quarterly Information Form (ITR) for the quarter ended September 30, 2012, comprising the balance sheet as at that date and the statements of operations and comprehensive income for the quarter and nine-month periods then ended, and the statements of changes in equity and cash flows for the nine-month period then ended, and a summary of significant accounting policies and other explanatory information.

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

Scope of review

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

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

Conclusion on the parent

company interim information

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

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 nine-month period ended September 30, 2012. 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, November 7, 2012.

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 September 30, 2012

All amounts in thousands of reais

Assets	Note	Parent Company		Consolidated	
		Sep/2012	Dec/2011	Sep/2012	Dec/2011
Current assets					
Cash and cash equivalents	5	2,830,396	2,224,335	3,568,870	2,986,819
Financial investments	6	240,457	168,979	241,733	170,297
Trade accounts receivable	7	1,690,742	1,097,482	2,534,964	1,843,756
Inventories	8	2,180,381	1,968,509	3,907,673	3,623,522
Taxes recoverable	10	917,709	606,258	1,452,693	1,036,253
Dividends and interest on capital		22,002	30,268		
Prepaid expenses		24,434	60,109	57,375	104,496
Related parties	9	90,767	25,660	24,753	86,591
Other receivables	13	190,502	136,513	432,973	328,583
		8,187,390	6,318,113	12,221,034	10,180,317
Non-current assets					
Financial investments	6	28,485	34,720	28,481	34,752
Trade accounts receivable	7	48,817	49,858	51,984	51,056
Taxes recoverable	10	1,092,964	1,062,974	1,605,966	1,506,247
Deferred income tax and social contribution	20(b)	1,149,006	415,002	2,041,628	1,237,144
Judicial deposits	11	161,454	151,592	183,797	174,220
Related parties	9	683,630	1,624,513	150,861	58,169
Insurance claims	12	136,279	246,357	137,467	252,670
Other receivables	13	144,930	138,265	228,793	182,533
Investments in subsidiaries and jointly-controlled subsidiaries	14	9,832,294	8,091,220	87,187	
Investment in associates	14	33,092	29,870	33,092	29,870
Other investments		6,454	6,575	10,154	10,844
Property, plant and equipment	15	11,847,268	11,665,942	21,142,882	20,662,721
Intangible assets	16	2,246,258	2,248,675	2,973,317	3,016,692
		27,410,931	25,765,563	28,675,609	27,216,918
Total assets		35,598,321	32,083,676	40,896,643	37,397,235

The Management notes are an integral part of the financial statements

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Braskem S.A.**Balance sheet****at September 30, 2012****All amounts in thousands of reais**

Liabilities and equity	Note	Parent Company		Consolidated	
		Sep/2012	Dec/2011	Sep/2012	Dec/2011
Current liabilities					
Trade payables		6,942,871	5,052,757	9,016,995	6,847,340
Borrowings	17	1,053,121	961,519	1,287,755	1,391,779
Hedge operations	18.2	253,509	82,912	253,509	83,392
Payroll and related charges		217,884	155,248	314,950	242,102
Taxes payable	19	247,650	215,924	472,937	329,987
Dividends and interest on capital	26(d)	484,192	1,617	487,401	4,838
Advances from customers	23	426,678	13,935	109,944	19,119
Sundry provisions	21	1,452	18,759	12,439	23,629
Accounts payable to related parties	9	228,264	79,790		
Other Payables	24	179,103	47,514	524,037	119,402
		10,034,724	6,629,975	12,479,967	9,061,588
Non-current liabilities					
Borrowings	17	10,886,216	11,276,196	15,734,911	13,753,033
Debentures					19,102
Hedge operations	18.2		10,278		10,278
Taxes payable	19	1,077,317	1,500,584	1,189,614	1,613,179
Accounts payable to related parties	9	3,680,680	1,297,567		44,833
Long-term incentives		10,044	15,213	10,044	15,213
Deferred income tax and social contribution	20(b)	999,219	900,716	2,087,785	1,953,353
Pension plans	22		134,506	16,546	149,575
Provision for losses on subsidiaries and jointly-controlled subsidiaries		116,311	90,990	9,931	
Advances from customers	23	79,955	77,846	213,213	218,531
Sundry provisions	21	113,445	94,913	326,541	298,094
Other payables	24	256,794	241,412	271,921	280,546

		17,219,981	15,640,221	19,860,506	18,355,737
Equity	26				
Capital	(a)	8,043,222	8,043,222	8,043,222	8,043,222
Capital reserve		845,998	845,998	845,998	845,998
Revenue reserves		108,714	591,307	108,714	591,307
Other comprehensive income		355,336	315,586	355,336	315,586
Treasury shares	(b)	(48,019)	(11,325)	(96,911)	(60,217)
Profit (losses) accumulated		(961,635)	28,692	(961,635)	28,692
Total attributable to the Company's shareholders		8,343,616	9,813,480	8,294,724	9,764,588
Non-controlling interest	2.4			261,446	215,322
		8,343,616	9,813,480	8,556,170	9,979,910
Total liabilities and equity		35,598,321	32,083,676	40,896,643	37,397,235

The Management notes are an integral part of the financial statements

Braskem S.A.

Statement of operations for the period

at September 30, 2012

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

		Parent Company			
	Note	3Q12	YTD12	3Q11	YTD11
Net sales revenue	28	5,521,331	15,217,855	5,038,885	13,757,516
Cost of products sold		(4,836,705)	(13,582,928)	(4,276,831)	(11,576,192)
Gross profit		684,626	1,634,927	762,054	2,181,324
Income (expenses)					
Selling		(52,820)	(144,034)	(46,704)	(123,396)
Distribution		(91,307)	(274,833)	(84,753)	(234,747)
General and administrative		(170,457)	(511,731)	(167,626)	(517,084)
Research and development		(22,945)	(62,562)	(16,090)	(41,945)
Results from equity investments	14(c)	(55,848)	196,242	(35,020)	(51,185)
Other operating income (expenses), net		(11,423)	30,075	(9,126)	(13,581)
Operating profit		279,826	868,084	402,735	1,199,386
Financial results	31				
Financial expenses		(541,698)	(2,778,412)	(2,250,432)	(2,237,267)
Financial income		56,868	257,850	243,040	439,537
		(484,830)	(2,520,562)	(2,007,392)	(1,797,730)
Loss before income tax and social contribution		(205,004)	(1,652,478)	(1,604,657)	(598,344)
Current income tax and social contribution	20(a)	(6)	(6)	(50,633)	(154,402)
Deferred income tax and social contribution	20(a)	70,405	641,020	604,479	424,605
		70,399	641,014	553,846	270,203
Loss for the period		(134,605)	(1,011,464)	(1,050,811)	(328,141)

The Management notes are an integral part of the financial statements

Braskem S.A.

Statement of operations for the period

at September 30, 2012

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

				Consolidated	
	Note	3Q12	YTD12	3Q11	YTD11
Net sales revenue	28	9,454,393	26,817,002	8,685,938	24,465,845
Cost of products sold		(8,497,552)	(24,371,426)	(7,764,969)	(21,302,177)
Gross profit		956,841	2,445,576	920,969	3,163,668
Income (expenses)					
Selling		(112,035)	(306,788)	(88,920)	(253,477)
Distribution		(137,887)	(404,525)	(127,052)	(355,589)
General and administrative		(262,941)	(811,018)	(254,331)	(778,865)
Research and development		(28,335)	(79,692)	(24,797)	(68,546)
Results from equity investments	14(c)	(34,827)	(32,747)	(1,303)	(2,051)
Other operating income (expenses), net	30	6,547	291,410	(8,134)	(40,915)
Operating profit		387,363	1,102,216	416,432	1,664,225
Financial results	31				
Financial expenses		(558,885)	(3,142,131)	(2,531,068)	(2,801,395)
Financial income		(9,434)	364,564	467,275	603,638
		(568,319)	(2,777,567)	(2,063,793)	(2,197,757)
Loss before income tax and social contribution		(180,956)	(1,675,351)	(1,647,361)	(533,532)
Current income tax and social contribution	20(a)	(17,069)	(24,963)	(34,232)	(206,613)
Deferred income tax and social contribution	20(a)	73,777	695,086	635,668	424,190
		56,708	670,123	601,436	217,577
Loss for the period		(124,248)	(1,005,228)	(1,045,925)	(315,955)
Attributable to:					

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Company's shareholders		(134,605)	(1,011,464)	(1,050,811)	(328,141)
Non-controlling interests in subsidiaries	2.4	10,357	6,236	4,886	12,186
		(124,248)	(1,005,228)	(1,045,925)	(315,955)

Loss per share attributable to the shareholders of the Company at the end of the period (R\$)

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Basic loss per share - common		(1.2699)	(0.4553)
Basic loss per share - preferred		(1.2699)	(0.4553)
Diluted loss per share - common		(1.2694)	(0.4551)
Diluted loss per share - preferred		(1.2694)	(0.4551)

The Management notes are an integral part of the financial statements

Braskem S.A.**Statement of comprehensive income****at September 30, 2012****All amounts in thousands of reais**

		Parent Company					
	Note	3Q12	YTD12	3Q11	YTD11	3Q12	YTD12
Loss for the period		(134,605)	(1,011,464)	(1,050,811)	(328,141)	(124,248)	(1,005,228)
Other comprehensive income or loss:							
Cash flow hedge	18.2.2	625	16,238	2,008	3,233	625	16,238
Cash flow hedge - subsidiaries				(3,317)	32,614		
Foreign currency translation adjustment	14(b)	11,566	48,189	80,677	66,265	17,177	66,446
Income tax and social contribution related to components of comprehensive income	18.2.2	(213)	(5,522)	(1,990)	(1,099)	(213)	(5,522)
Total other comprehensive income		11,978	58,905	77,378	101,013	17,589	77,162
Total comprehensive loss for the period		(122,627)	(952,559)	(973,433)	(227,128)	(106,659)	(928,066)
Attributable to:							
Company's shareholders						(122,627)	(952,559)
Non-controlling interest						15,968	24,493
						(106,659)	(928,066)

The Management notes are an integral part of the financial statements

Braskem S.A.**Statement of changes in equity****All amounts in thousands of reais**

	Note	Social capital	Capital reserve	Legal reserve	Tax incentives
At December 31, 2010		8,043,222	845,998	87,710	5,347
Comprehensive income for the period:					
Loss for the period					
Fair value of cash flow hedge, net of taxes					
Foreign currency translation adjustment					
Equity valuation adjustments					
Deemed cost of jointly-controlled subsidiary					
Realization of additional property, plant and equipment price-level					
Contributions and distributions to shareholders:					
Additional dividends approved at Shareholders' Meeting					
Expired dividends					
Repurchase of treasury shares					
Gain on interest in subsidiary					
At September 30, 2011		8,043,222	845,998	87,710	5,347
At December 31, 2011		8,043,222	845,998	87,710	4,547
Comprehensive income for the period:					
Loss for the period					
Fair value of cash flow hedge, net of taxes	18.2.2				
Foreign currency translation adjustment	14(b)				
Equity valuation adjustments					

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

Contributions and distributions to shareholders:

Additional dividends approved at Shareholders' Meeting	26(d)
Gain on interest in subsidiary	14(b)
Repurchase of treasury shares	26(b)

At September 30, 2012	8,043,222	845,998	87,710	4,547
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The Management notes are an integral part of the financial statements

Braskem S.A.**Statement of changes in equity****All amounts in thousands of reais**

	Note	Social Capital	Capital reserves	Legal reserve	Tax incentives	Unr r
At December 31, 2010		8,043,222	845,998	87,710	5,347	9
Comprehensive income for the period:						
Profit (loss) for the period						
Fair value of cash flow hedge, net of taxes						
Foreign currency translation adjustment						
Equity valuation adjustments						
Deemed cost of jointly-controlled subsidiary						
Realization of additional property, plant and equipment price-level restatement, net of taxes						
Contributions and distributions to shareholders:						
Additional dividends approved at Shareholders' Meeting						
Non-controlling interest						
Expired dividends						
Repurchase of treasury shares						
Gain on interest in subsidiary						
At September 30, 2011		8,043,222	845,998	87,710	5,347	9
At December 31, 2011		8,043,222	845,998	87,710	4,547	
Comprehensive income for the period:						
Profit (loss) for the period						
Fair value of cash flow hedge, net of taxes	18.2.2					
Foreign currency translation adjustment	14(b)					

Equity valuation adjustments

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

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

Contributions and distributions to shareholders:

Additional dividends approved at Shareholders' Meeting 26(d)

Capital increase from non-controlling interest

Gain (loss) on interest in subsidiary 14(b)

Repurchase of treasury shares 26(b)

At September 30, 2012

8,043,222 845,998 87,710 4,547

The Management notes are an integral part of the financial statements

Braskem S.A.

Statement of cash flows

at September 30, 2012

All amounts in thousands of reais

	Parent Company		Consolidated	
	Sep/2012	Sep/2011	Sep/2012	Sep/2011
Loss before income tax and social contribution	(1,652,478)	(598,344)	(1,675,351)	(533,532)
Adjustments for reconciliation of loss				
Depreciation, amortization and depletion	884,551	790,223	1,436,596	1,280,371
Results from equity investments	(196,242)	51,185	32,747	2,051
Interest and monetary and exchange variations, net	1,656,561	1,493,995	2,014,083	1,847,811
Provisions for losses and write-off of long-lived assets	66,707	(486)	(13,271)	12,846
	759,099	1,736,573	1,794,804	2,609,547
Changes in operating working capital				
Held-for-trading financial investments	(64,122)	64,736	(46,819)	72,465
Trade accounts receivable	(630,257)	(478,770)	(700,603)	(628,090)
Inventories	(198,835)	(160,704)	(291,830)	(431,669)
Taxes recoverable	(309,235)	(143,915)	(495,471)	(218,797)
Prepaid expenses	35,675	27,348	46,935	31,223
Related parties		(322,208)		
Other receivables	(67,889)	13,389	(71,765)	(184,460)
Trade payables	1,890,048	762,702	2,177,544	1,850,849
Taxes payable	(301,217)	74,497	(278,425)	39,252
Long-term incentives	(5,168)	1,204	(5,169)	1,204
Advances from customers	414,852	20,317	85,507	159,930
Sundry provisions	19,534	(63,710)	17,257	(24,327)
Other payables	230,727	(326,674)	341,467	(151,851)
Cash from operations	1,773,212	1,204,785	2,573,432	3,125,276
Interest paid	(451,337)	(402,577)	(525,356)	(565,963)
Income tax and social contribution paid	(29,809)	(40,885)	(29,429)	(71,552)
Net cash generated by operating activities	1,292,066	761,323	2,018,647	2,487,761

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Proceeds from the sale of fixed assets and investments		423	6,026	2,638
Proceeds from the capital decrease in associates		6,600		6,600
Cash effect from incorporated subsidiary	394			
Acquisitions of investments in subsidiaries and associates	(110,536)	(415,168)		
Acquisitions to property, plant and equipment	(1,121,218)	(1,003,771)	(1,850,714)	(1,474,537)
Acquisitions of intangible assets	(7,655)	(1,986)	(8,130)	(7,118)
Held-to-maturity financial investments	13,045	(2,760)	(6,626)	(11,802)
Net cash used in investing activities	(1,225,970)	(1,416,662)	(1,859,444)	(1,484,219)
Short-term and long-term debts				
Obtained borrowings	3,127,193	2,993,438	5,596,279	5,137,845
Payment of borrowings	(4,175,358)	(3,071,827)	(5,085,521)	(4,813,476)
Related parties				
Obtained loans	1,794,853	2,186,512		
Payment of loans	(293,928)	(1,613,622)		
Current accounts, net	123,918			
Dividends paid	(19)	(664,851)	(19)	(664,851)
Non-controlling interests in subsidiaries			17,426	(3,869)
Repurchase of shares	(36,694)	(946)	(36,694)	(946)
Capital increase				2,361
Net cash provided by (used in) financing activities	539,965	(171,296)	491,471	(342,936)
Exchange variation on cash of foreign subsidiaries			(34,076)	(104,722)
Increase (decrease) in cash and cash equivalents	606,061	(826,635)	616,598	555,884
Represented by				
Cash and cash equivalents at the beginning of the year	2,224,335	2,339,060	2,952,272	2,698,075
Cash and cash equivalents at the end of the year	2,830,396	1,512,425	3,568,870	3,253,959
Increase (decrease) in cash and cash equivalents	606,061	(826,635)	616,598	555,884

The Management notes are an integral part of the financial statements

Braskem S.A.

Statement of value added

At September 30, 2012

All amounts in thousands of reais

	Parent Company		Consolidated	
	Sep/2012	Sep/2011	Sep/2012	Sep/2011
Revenue	18,366,760	16,895,231	31,918,080	29,307,051
Sale of goods, products and services	18,340,952	16,892,265	31,633,956	29,328,874
Other income (expenses), net	46,934	4,056	319,978	(16,318)
Allowance for doubtful accounts	(21,126)	(1,090)	(35,854)	(5,505)
Inputs acquired from third parties	(15,002,976)	(13,474,203)	(26,615,578)	(24,517,510)
Cost of products, goods and services sold	(14,406,977)	(12,920,283)	(25,641,686)	(23,666,638)
Material, energy, outsourced services and others	(595,920)	(543,851)	(968,887)	(849,541)
Impairment / recovery of assets	(79)	(10,069)	(5,005)	(1,331)
Gross value added	3,363,784	3,421,028	5,302,502	4,789,541
Depreciation, amortization and depletion	(884,551)	(790,223)	(1,436,596)	(1,280,371)
Net value added produced by the entity	2,479,233	2,630,805	3,865,906	3,509,170
Value added received in transfer	454,239	388,536	332,018	601,779
Results from equity investments	196,242	(51,185)	(32,747)	(2,051)
Financial income	257,850	439,537	364,564	603,638
Other	147	184	201	192
Total value added to distribute	2,933,472	3,019,341	4,197,924	4,110,949
Personnel	367,267	369,492	622,747	603,112
Direct compensation	266,693	283,533	467,252	466,404
Benefits	74,287	63,527	119,606	103,965
FGTS (Government Severance Pay Fund)	26,287	22,432	35,889	32,743
Taxes, fees and contributions	705,611	636,891	1,312,116	887,205
Federal	(305,607)	198,900	(101,677)	327,298
State	1,006,139	433,852	1,390,302	543,833
Municipal	5,079	4,139	23,491	16,074

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Remuneration on third parties' capital	2,872,058	2,341,099	3,268,289	2,936,587
Financial expenses (including exchange variation)	2,768,283	2,231,492	3,129,692	2,792,591
Rentals	103,775	109,607	138,597	143,996
Remuneration on own capital	(1,011,464)	(328,141)	(1,005,228)	(315,955)
Loss for the period	(1,011,464)	(328,141)	(1,011,464)	(328,141)
Non-controlling interests in loss for the period			6,236	12,186
Value added distributed	2,933,472	3,019,341	4,197,924	4,110,949

The Management notes are an integral part of the financial statements

Braskem S.A.

Notes to the financial statements

at September 30, 2012

All amounts in thousands of reais unless otherwise stated

1. Operations

Braskem S.A. (hereinafter “Parent Company”) is a public corporation headquartered in Camaçari, Bahia, which jointly with its subsidiaries (hereinafter “Braskem” or “Company”), operates 36 industrial units, 29 in Brazil and 7 abroad (5 in the United States and 2 in Germany).

The Company is controlled by Odebrecht S.A. (“Odebrecht”), which indirectly holds interests of 50.11% and 38.11% in its voting and total capital, respectively.

(a) Material operating events

(a.1) In December 2011, Sunoco Chemicals, Inc. (“Sunoco”) announced the definitive shutdown of operations at its refinery that was responsible for supplying propylene, the main feedstock to one of the five polypropylene (“PP”) plants of the subsidiary Braskem America Inc (“Braskem America”) in the United States.

In 2012, Sunoco formally informed the Management of Braskem America of its alternative plan to supply feedstock, as required under the supply agreement entered into in 2010. The definitive termination of the supply agreement occurred on June 8, 2012, upon payment of the respective compensation set forth in the contract, in the amount of R\$235,962 (Note 30).

Despite the termination of the supply agreement, the Management of Braskem America pursued alternative supply and logistics solutions in order to continue operations at the unit and has already identified other sources to supply the feedstock required.

Another important and fundamental step in maintaining the operations at the plant was the acquisition of a propylene splitter unit from Sunoco on June 29, 2012. This unit transforms refinery-grade propylene into polymer-grade propylene. This acquisition does not represent a business combination, since it does not meet the definitions required by IFRS 3 and its corresponding CPC 15 (R1).

With the acquisition, Braskem America expanded its supply sources, since the supply of refinery-grade propylene is more abundant in the U.S. market.

(a.2) On August 17, 2012, the Company inaugurated, in Marechal Deodoro, Alagoas, a new plant with annual production capacity of 200 kton of polyvinyl chloride (“PVC”). With the plant’s inauguration, Braskem’s annual PVC production capacity increased to 710 kton. Total investment in the plant was approximately R\$1 billion.

(a.3) On September 13, 2012, the Company inaugurated, in the Triunfo Petrochemical Complex in the state of Rio Grande do Sul, a new plant with annual production capacity of 103 kton of butadiene. The new plant is already operating at full production capacity. Total investment was approximately R\$300 million.

Braskem S.A.

Notes to the financial statements

at September 30, 2012

All amounts in thousands of reais unless otherwise stated

(b) Corporate events

(b.1) On January 27, 2012, the controlling shareholder of Braskem, BRK Investimentos Petroquímicos S.A. (“BRK”) was proportionally spun-off. In the spin-off, a part of the shares issued by Braskem that were held by BRK was delivered to Petróleo Brasileiro S.A. – Petrobras (“Petrobras”). With the spin-off, BRK became a wholly-owned subsidiary of Odebrecht Serviços e Participações (“OSP”) and maintained ownership of shares corresponding to 50.11% and 28.23% of the voting and total capital of Braskem, respectively. On the same date, the merger of Petrobras Química S.A. – Petroquisa (“Petroquisa”) into Petrobras was approved and Petrobras became the holder of 47.03% and 35.95% of the voting and total capital of Braskem, respectively.

(b.2) On February 27, 2012, the company Braskem International GmbH (“Braskem Áustria”) was incorporated with the purpose of holding equity interests in other companies, in addition to performing financial and commercial operations. The capital stock was fully paid up by the Parent Company, a sole partner, in the amount of R\$81 (EUR 35 thousand) (Note 14(b)).

(b.3) On February 28, 2012, the Extraordinary Shareholders’ Meeting of the Parent Company approved the merger of the subsidiary Ideom Tecnologia Ltda., based on its net book value as of December 31, 2011, in the amount of R\$20,762, pursuant to the terms and conditions set forth in the protocol and justification dated February 6, 2012.

(b.4) On April 30, 2012, the capital stock of the subsidiaries Braskem Petroquímica S.A. (“Braskem Petroquímica”) and Rio Polímeros S.A. (“Riopol”) was increased in the amounts of R\$649,639 and R\$738,799, respectively (Note 14(b)), without the issue of new shares, as approved at the respective shareholders’ meetings. The increases occurred through utilization of the balances recorded under advance for future capital increase.

(b.5) On June 27, 2012, Braskem Áustria incorporated Braskem Petroquímica Ibérica, S.L. (“Braskem Espanha”), which has capital of EUR 3 thousand. The purpose of this subsidiary is to hold equity interests in other companies.

(b.6) On June 30, 2012, BRK was merged into its parent company OSP, which now holds 50.11% and 38.11% of the voting and total capital of the Parent Company, respectively.

(b.7) On August 27, 2012, Braskem Áustria incorporated Braskem Áustria Finance GmbH (“Braskem Áustria Finance”), which has capital of EUR 35 thousand. The subsidiary’s purpose is to raise funds in international financial markets.

Braskem S.A.

Notes to the financial statements

at September 30, 2012

All amounts in thousands of reais unless otherwise stated

(c) Net working capital

On September 30, 2012, net working capital at the Parent Company and Consolidated were negative R\$1,847,334 and R\$258,933, respectively. The consolidated figures are used in the management of working capital, since the Company uses mechanisms to transfer funds between the companies efficiently without jeopardizing the fulfillment of the commitments of each of the entities forming the consolidated statements. For this reasons, any analysis of the Parent Company's working capital will not reflect the actual liquidity position of the consolidated group. Although the consolidated net working capital is negative, the Company does not have any issue regarding liquidity, since this condition is only temporary. Braskem is lending funds to its subsidiary Braskem Idesa, in connection with the investments in property, plant and equipment made by this subsidiary in the Ethylene XXI Project (Note 15), which will be reimbursed upon the inflow of funds from the Project Finance, which is in final phase of structuring. As of September 30, 2012, the amount sent by the Parent Company was R\$400,273 (US\$197 million) and was related to its 65% interest in the project. The Idesa Group, the non-controlling shareholder of Braskem Idesa, has also provided funds for the project corresponding to the 35% interest it holds in the subsidiary, with the amount of R\$215,066 (US\$105 million) recorded in "other accounts payable" under current liabilities in the consolidated financial statements (Note 24(a)).

The Company also has two revolving credit lines that may be used at any time and which allow for a reduction in the cash balance maintained by Braskem (Note 3.3).

(d) Effect of foreign exchange variation

The Company has balances and transactions in U.S. dollar, as well as financial investments, trade accounts receivable, trade payables, borrowings and sales. 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 each operation occurs. These rates are informed by the Central Bank of Brazil.

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

U.S. dollar, end of period

September 2012	R\$ 2.0306
December 2011	R\$ 1.8758
Appreciation of the U.S. dollar in relation to the Brazilian real	8.25%

Average U.S. dollar rate

Nine-month period ended September 30, 2012	R\$ 1.9213
Nine-month period ended September 30, 2011	R\$ 1.6331
Appreciation of the U.S. dollar in relation to the Brazilian real	17.65%

Braskem S.A.

Notes to the financial statements

at September 30, 2012

All amounts in thousands of reais unless otherwise stated

2. Summary of significant accounting policies

2.1. Basis of preparation

This quarterly information should be read together with the financial statements of Braskem S.A. as of December 31, 2011 and for the year then ended, 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 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, 2011 financial statements.

(a) Consolidated quarterly information

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

(b) Parent company quarterly information

The parent company quarterly information was prepared and is being presented in accordance with pronouncement CPC 21.

2.2. Significant 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, 2011 financial statements, except for the method of recognition of jointly controlled investments (Note 2.3). The accounting practice adopted complies with the alternative provided for by IAS 31 and its corresponding CPC 19 (R1), which determine that such investments may initially be valued at their acquisition cost and subsequently using the equity method.

Due to the accounting of jointly controlled companies using the equity method as of 2012, the balance of cash and cash equivalents in the consolidated statement of cash flow at the start of the period (January 1, 2012) was reduced by R\$34,547, which corresponds to the balances at Refinaria de Petróleo Riograndense (“RPR”), Polipropileno Del Sul S.A. (“Propilsur”) and Polietilenos de America S.A. (“Polimerica”) on that date.

2.3. Consolidated quarterly information

On September 30, 2012, investments in jointly controlled companies of the Company are calculated using the equity method and no longer based on proportionate consolidation (Note 2.2). The consolidated information for prior periods will not be restated given the immateriality of the balances of these jointly controlled companies to the Company's financial statements.

Braskem S.A.**Notes to the financial statements****at September 30, 2012****All amounts in thousands of reais unless otherwise stated**

The consolidated quarterly information includes the quarterly information of the Company (Note 2.2) in which it, directly or indirectly, maintains a controlling equity interest or controls the activities, as presented below:

	Headquarters (Country)	Total interest - %		
		Sep/2012	Dec/2011	Sep/2011
Direct and indirect subsidiaries				
Braskem America, Inc. ("Braskem America")	USA	100.00	100.00	100.00
Braskem America Finance Company ("Braskem America Finance")	USA	100.00	100.00	100.00
Braskem Argentina S.A. ("Braskem Argentina")	Argentina	100.00	100.00	100.00
Braskem Austria Finance GmbH ("Braskem Austria Finance") (i)	Austria	100.00		
Braskem Chile Ltda. ("Braskem Chile")	Chile	100.00	100.00	100.00
Braskem Distribuidora Ltda. ("Braskem Distribuidora")	Brazil	100.00	100.00	100.00
Braskem Europe GmbH ("Braskem Alemanha")	Germany	100.00	100.00	100.00
Braskem Finance Limited ("Braskem Finance")	Cayman Island	100.00	100.00	100.00
Braskem Idesa S.A.P.I ("Braskem Idesa")	Mexico	65.00	65.00	65.00
Braskem Idesa Servicios S.A. de CV ("Braskem Idesa Servicios")	Mexico	65.00	65.00	65.00
Braskem Importação e Exportação Ltda. ("Braskem Importação")	Brazil	100.00	100.00	100.00
Braskem Incorporated Limited ("Braskem Inc")	Cayman Island	100.00	100.00	100.00
Braskem International GmbH ("Braskem Austria") (ii)	Austria	100.00		
Braskem Netherlands B.V ("Braskem Holanda")	Netherlands	100.00	100.00	100.00
Braskem Mexico, S de RL de CV ("Braskem Mexico")	Mexico	100.00	100.00	100.00
Braskem Participações S.A. ("Braskem Participações")	Brazil	100.00	100.00	100.00
Braskem Petroquímica S.A. ("Braskem Petroquímica")	Brazil	100.00	100.00	100.00
Braskem Petroquímica Chile Ltda. ("Petroquímica Chile")	Chile	100.00	100.00	100.00
Braskem Petroquímica Ibérica, S.L. ("Braskem Espanha") (iii)	Spain	100.00		
Braskem Qpar S.A. ("Braskem Qpar")	Brazil	100.00	100.00	100.00

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Cetrel S.A. ("Cetrel")		Brazil	53.92	54.09	54.23
Common Industries Ltd. ("Common")		British Virgin Islands	100.00	100.00	100.00
Ideom Tecnologia Ltda. ("Ideom")	(iv)	Brazil		100.00	100.00
IQ Soluções & Química S.A. ("Quantiq")		Brazil	100.00	100.00	100.00
IQAG Armazéns Gerais Ltda. ("IQAG")		Brazil	100.00	100.00	100.00
Lantana Trading Co. Inc. ("Lantana")		Bahamas	100.00	100.00	100.00
Norfolk Trading S.A. ("Norfolk")		Uruguai	100.00	100.00	100.00
Politeno Empreendimentos Ltda. ("Politeno Empreendimentos")		Brazil	100.00	100.00	100.00
Rio Polímeros S.A. ("Riopol")		Brazil	100.00	100.00	100.00

Specific Purpose Entity ("SPE")

Fundo de Investimento Multimercado Crédito Privado Sol ("FIM Sol")		Brazil	100.00	100.00	100.00
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Jointly-controlled subsidiaries

Refinaria de Petróleo Riograndense S.A. ("RPR")		Brazil		33.20	33.20
Polietilenos de America S.A. ("Polimerica")		Venezuela		49.00	49.00
Polipropileno Del Sur S.A. ("Propilsur")		Venezuela		49.00	49.00

- (i) Company incorporated in August 2012 (Note 1 (b.7)).
- (ii) Company incorporated in February 2012 (Note 1 (b.2)).
- (iii) Company incorporated in June 2012 (Note 1 (b.5)).
- (iv) Merged into Braskem in February 2012 (Note 1 (b.3)).

Braskem S.A.

Notes to the financial statements

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2.4. Non-controlling interest in the equity and results of operations

of the Company's subsidiaries

	Equity, adjusted		Profit (loss) for the period, adjusted	
	Sep/2012	Dec/2011	Sep/2012	Sep/2011
Braskem Idesa	128,564	93,578	(1,885)	(2,640)
Cetrel	132,882	121,744	8,121	14,826
Total	261,446	215,322	6,236	12,186

2.5. Reconciliation of equity and profit (loss) for the period

between parent company and consolidated

	Equity		Profit (loss) for the period	
	Sep/2012	Dec/2011	Sep/2012	Sep/2011
Parent Company	8,343,616	9,813,480	(1,011,464)	(328,141)
Braskem shares owned by subsidiary Braskem Petroquímica	(48,892)	(48,892)		
Non-controlling interest	261,446	215,322	6,236	12,186
Consolidated	8,556,170	9,979,910	(1,005,228)	(315,955)

3. Risk management

Braskem is exposed to (i) market risks arising from variations in commodity prices, foreign exchange rates and interest rates; (ii) the credit risks of its counterparties in cash equivalents, financial investments and trade accounts receivable; and (iii) liquidity risks to meet its obligations related to financial liabilities.

Braskem adopts procedures for managing market, credit and liquidity risks that are in conformity with the financial policy approved by the Board of Directors on August 9, 2010. The purpose of risk management is to protect the cash flows of Braskem and reduce the threats to the financing of its operating working capital and investment programs.

3.1. Market risk

Braskem prepares a sensitivity analysis for the main types of market risk to which it is exposed, which is presented in Note 18.4.

(a) Exposure to commodity risks

Braskem is exposed to the variation in the prices of certain commodities and, in general, seeks to transfer the variations caused by fluctuations in market prices. On the other hand, during the period ended September 30, 2012, the Company entered into derivative operations to hedge against the exposure to risks arising from isolated transactions involving the commodities naphtha and ethanol (Note 18.2.1). Additionally, an immaterial part of sales is performed based on fixed-price contracts or contracts with a maximum and/or minimum fluctuation range. These contracts can be commercial agreements or derivative contracts associated with future sales.

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(b) Exposure to foreign exchange risk

Braskem has commercial operations denominated in or pegged to foreign currencies. Braskem's inputs and products have prices denominated in or strongly influenced by international prices of commodities, which are usually denominated in U.S. dollar. Additionally, Braskem has long-term loans in foreign currencies that expose it to variations in the foreign exchange rate between the Brazilian real and the foreign currency, in particular the U.S. dollar. Braskem manages its exposure to foreign exchange risk through the combination of debt, financial investments and accounts receivable denominated in foreign currencies and through derivative operations. Braskem's financial policy for managing foreign exchange risks provides for the maximum and minimum coverage limits that must be observed and which are continuously monitored by its Management.

On September 30, 2012, Braskem prepared a sensitivity analysis for its exposure to U.S. dollar risk, as informed in Note 18.4(c).

(c) Exposure to interest rate risk

Braskem is exposed to the risk that a variation in floating interest rates causes an increase in its financial expense due to payments of future interest. Debt denominated in foreign currency subject to floating rates is mainly subject to fluctuations in Libor. Debt denominated in local currency is mainly subject to the variation in the Long-Term Interest Rate ("TJLP"), to fixed rates in Brazilian real and to the variation in the Interbank Certificate of Deposit ("daily CDI") rate.

In the period ended September 30, 2012, Braskem held swap contracts designated as hedge accounting that: (i) exposure of principal in pre-contractual rate and hedge in CDI overnight rate; and (ii) exposure of principal in LIBOR and hedge in fixed rate (Note 18.2).

On September 30, 2012, Braskem prepared a sensitivity analysis for the exposure to the floating interest rates Libor, CDI and TJLP, as informed in Notes 18.4(d), 18.4(e), 18.4(f), respectively.

3.2. Exposure to credit risk

The transactions that subject Braskem to the concentration of credit risks are mainly in current accounts with banks, financial investments and trade accounts receivable in which Braskem is exposed to the risk of the financial institution or customer involved. In order to manage this risk, Braskem maintains bank current accounts and financial investments with major financial institutions, weighting concentrations in accordance with the credit rating and the daily prices observed in the Credit Default Swap market for the institutions, as well as netting contracts that minimize the total credit risk arising from the many financial transactions entered into by the parties.

On September 30, 2012, Braskem held netting contracts with Banco Citibank S.A. HSBC Bank Brasil S.A. – Banco Múltiplo, Banco Itaú BBA S.A. Banco Safra S.A. Banco Santander (Brasil) S.A. Banco Votorantim S.A. Banco West LB do Brasil S.A. Banco Caixa Geral – Brasil S.A. and Banco Bradesco S.A., which seek to mitigate credit and liquidity risks in the event of the insolvency of the parties involved. Approximately 33% of the amounts held in cash and cash equivalents (Note 5) and financial investments (Note 6) are contemplated by these agreements, whose related liabilities are accounted for under “borrowings” (Note 17).

With respect to the credit risk of customers, Braskem protects itself by performing a rigorous analysis before granting credit and obtaining secured and unsecured guarantees when considered necessary.

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The maximum exposure to credit risk of non-derivative financial instruments on the reporting date is the sum of their carrying amounts less any provisions for impairment losses. On September 30, 2012, the balance of trade accounts receivable was net of allowance for doubtful accounts of R\$289,440 (R\$253,607 on December 31, 2011).

3.3. Liquidity risk and capital management

Braskem has a calculation methodology to determine operating cash and minimum cash for the purpose of, respectively: (i) ensuring the liquidity needed to comply with short-term obligations, calculated based on the operating disbursements projected for the following month; and (ii) ensuring that the Company maintains liquidity during potential crises, calculated based on the projected operating cash generation, less short-term debts, working capital needs and other items.

In the period ended September 30, 2012, some of Braskem's borrowing agreements had financial covenants that linked net debt and the payment of interest to its consolidated EBITDA (earnings before interest, tax, depreciation and amortization) (Note 17 (h)). The Company's Management monitored these indicators on a quarterly basis in U.S. dollar, as established in the borrowing agreements. These agreements were settled in the third quarter of 2012 and the Company no longer holds commitments of this nature.

Additionally, Braskem has two revolving credit lines amounting to: (i) US\$350 million, which may be used without restriction for a period of three years as from September 2010; and (ii) US\$250 million, which may be used without restriction for a period of five years as from August 2011. On September 30, 2012, Braskem had not drawn any credit from these lines.

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4. Business combination

PP assets abroad – Dow Chemical

On September 30, 2011, Braskem, through its subsidiaries Braskem America and Braskem Alemanha, acquired the PP business of Dow Chemical for R\$607.6 million (US\$323 million). On the same date, the amount of R\$312,263 (US\$166 million) was paid, which corresponds to the portion of accounts payables that were assumed in the transaction.

The agreement also provided for adjustments to the amount paid based on the variation in trade accounts receivable and inventory, for which the final amount was a receivable of R\$23.7 million (US\$12.3 million) by the acquirers.

The negotiation included four industrial units, of which two are in the United States and two in Germany, with combined annual production capacity of 1,050 thousand tons of PP.

In the United States and Germany, the acquisition included mainly industrial plants, trade accounts receivable, inventory and assumed liabilities related to the business operation. In the United States, the acquired plants are located in the state of Texas and have annual production capacity of 505 thousand tons of PP. In Germany, the plants have annual production capacity of 545 thousand tons of PP.

The amount paid included trade accounts receivable and inventory located in Mexico through the subsidiary Braskem México, in the amount of R\$13.2 million (US\$7.6 million), net of the accounts payable assumed. Since it represented an isolated asset acquisition closed in the short term with the sale of inventory and the financial settlement of accounts

receivable and payable, this part of the operation was not considered a business combination.

The effective settlement of the operation by the parties occurred on September 30, with financial settlement on October 3, 2011. Until the effective payment to Dow Chemical, the acquirers did not make any relevant decisions regarding the operations of the plants, which began to occur only after October 3. The rights and obligations generated as of October 1, 2011 are the responsibility of the acquirers, such as the inventory produced and the new obligations assumed.

The reasons mentioned above lead to the conclusion that the acquisition of control occurred on October 3, 2011, the date of the registration of the business combination and as of when the acquired assets and liabilities were consolidated into Braskem's financial statements.

This acquisition was approved by Brazil's antitrust authority CADE (*Conselho Administrativo de Defesa Econômica*) on February 8, 2012, by the corresponding U.S. regulatory body on September 9, 2011, and by the European antitrust authorities on September 28, 2011.

The allocation of the amounts of the assets acquired and liabilities assumed in the financial statements for the year ended December 31, 2011 was made on a preliminary basis by the acquirers. The Company contracted independent experts to measure the fair value of this acquisition, which was concluded in the second quarter of 2012. As a result of this assessment, and as required by IFRS 3 and its corresponding CPC 15 (R1), the Company recognized, retrospectively, among other, the following main amounts in the 2011 financial statements:

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- (i) addition of property, plant and equipment, in the amount of R\$36,526;
- (ii) effect on deferred income tax loss, in the amount of R\$15,021.

The Company also recognized a credit, in the amount of R\$8,540, related to an adjustment in the amount paid, as provided for by the initial agreement.

Therefore, the Company recognized a gain (bargain purchase) of R\$30,045 (US\$16.3 million) in the 2011 financial statements under “retained earnings”. The Company also recognized depreciation on the fair value adjustment in the amount of R\$1,992, and its deferred income tax effect in the amount of R\$639.

The following table summarizes the consideration paid to Dow Chemical and the fair values of the assets acquired and liabilities assumed, which were recognized retrospectively in the financial statements of December 31, 2011:

	United States	Germany	Total business combination	Mexico	Total
Transferred consideration					
Cash	285,135	285,551	570,686	13,214	583,900
Total transferred consideration (A)	285,135	285,551	570,686	13,214	583,900

Recognized values of identifiable assets acquired and

liabilities assumedCurrent assets

Trade receivable accounts	143,932	133,438	277,370	18,948	296,318
Inventories	161,617	126,385	288,002	12,661	300,663

Non-current assets

Property, plant and equipment	137,186	222,483	359,669		359,669
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Current liabilities

Trade payables	(140,558)	(153,310)	(293,868)	(18,395)	(312,263)
Other payable accounts	(845)	(141)	(985)		(985)

Non-current liabilities

Deferred income tax	(6,374)	(8,647)	(15,021)		(15,021)
Pension plans		(14,436)	(14,436)		(14,436)

Total comprehensive identified assets and assumed liabilities in a fair value (B)

	294,959	305,773	600,731	13,214	613,945
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Result of business combination (A) - (B)

	9,824	20,222	30,045		30,045
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A specialized independent company estimated the fair value of assets acquired and liabilities assumed, based on the following assumptions:

- (i) the fair value of trade accounts receivable was calculated based on the collectability of the receivables acquired;
- (ii) the fair value of inventory was calculated considering the net realizable value of inventories;

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(iii) the method used to calculate the value of property, plant and equipment was the “replacement cost approach”, reduced by economic and functional obsolescence. The Management, together with its external valuation experts, believed that because it uses the unit value of each asset comprising the plant, the “market approach” would not reflect the actual economic value, since it would not consider the costs with the technologies installed, installation-support and the active connection with the production and distribution system. During the valuation process, the following information was considered: (a) the installation cost of similar plants; (b) the most recent quotes for the expansion and replacement of similar assets; (c) the cash price for replacing the asset, considering the use conditions on the inspection date; and (d) the projected cash flows of the business.

(iv) the fair value of trade payables was determined based on the amount paid to settle the obligations by Dow during the negotiation; and

(v) the fair value of private pension plans was determined based on the net present value of actuarial liabilities.

The information related to the other business combinations carried out by the Company was presented in Note 5 to the annual financial statements for 2011.

Braskem S.A.**Notes to the financial statements****at September 30, 2012****All amounts in thousands of reais unless otherwise stated****5. Cash and cash equivalents**

	Sep/2012	Parent Company Dec/2011	Sep/2012	Consolidated Dec/2011
Cash and banks	17,406	69,306	352,424	349,916
Cash equivalents:				
Domestic market	2,722,737	1,748,027	2,910,313	1,899,825
Foreign market	90,253	407,002	306,133	737,078
Total	2,830,396	2,224,335	3,568,870	2,986,819

This table was presented in the 2011 annual financial statements of the Company, in Note 6.

6. Financial investments

	Sep/2012	Parent Company Dec/2011	Sep/2012	Consolidated Dec/2011
Held-for-trading				
Investments in FIM Sol	50,741	36,410	50,741	36,410
Investments in foreign currency	5,476	10,716	5,476	10,716
Shares	3,023	3,023	3,023	3,023
Loans and receivables				
Investments in FIM Sol	157,571	116,007	157,571	116,007
Investments in national currency	504		504	

Held-to-maturity

	Quotas of investment funds in credit rights	45,219	34,720	45,219	34,720
	Restricted deposits	6,408	2,823	7,680	4,173
	Investments in foreign currency			306,595	
	Compensation of investments in foreign currency (i)			(306,595)	
Total		268,942	203,699	270,214	205,049
	In current assets	240,457	168,979	241,733	170,297
	In non-current assets	28,485	34,720	28,481	34,752
Total		268,942	203,699	270,214	205,049

This table was presented in the 2011 annual financial statements of the Company, in Note 7.

(i) On September 30, 2012, Braskem Holanda had a financial investments held-to-maturity that was irrevocably offset by an export prepayment agreement of the Parent Company, in the amount of US\$150 million, as provided for in the credit assignment agreement entered into between these two companies and Banco Bradesco (Note 17(b)). This accounting offset was carried out in accordance with CPC 39 and IAS 32, which provides for the possibility of offsetting financial instruments when there is intent and rightfully executable right to realize an asset and settle a liability simultaneously.

Braskem S.A.**Notes to the financial statements****at September 30, 2012****All amounts in thousands of reais unless otherwise stated****7. Trade accounts receivable**

	Parent company		Consolidated	
	Sep/2012	Dec/2011	Sep/2012	Dec/2011
Consumers:				
Domestic market	954,662	660,289	1,289,336	866,168
Foreign market	995,094	676,122	1,587,052	1,282,251
Allowance for doubtful accounts	(210,197)	(189,071)	(289,440)	(253,607)
Total	1,739,559	1,147,340	2,586,948	1,894,812
In current assets	1,690,742	1,097,482	2,534,964	1,843,756
In non-current assets	48,817	49,858	51,984	51,056
Total	1,739,559	1,147,340	2,586,948	1,894,812

This table was presented in the 2011 annual financial statements of the Company, in Note 8.

8. Inventories

	Parent company		Consolidated	
	Sep/2012	Dec/2011	Sep/2012	Dec/2011
Finished goods	1,492,993	1,192,940	2,809,472	2,444,547
Raw materials, production inputs and packaging	559,845	620,877	804,652	866,206
Maintenance materials	101,116	95,980	194,985	183,779

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Advances to suppliers	10,334	16,522	57,131	58,200
Imports in transit and other	16,093	42,190	41,433	70,790
Total	2,180,381	1,968,509	3,907,673	3,623,522

This table was presented in the 2011 annual financial statements of the Company, in Note 9.

Braskem S.A.**Notes to the financial statements****at September 30, 2012****All amounts in thousands of reais unless otherwise stated****9. Related parties**

The information concerning related parties was presented in the 2011 annual financial statements of the Company, in Note 10.

(a) Parent company

				Balances at September 30, 2012				
	Trade accounts receivable	Related Parties Receivable notes	Other receivable	Other	Current Total	Current accounts	Related Pa Loan agreements	C receiv
Subsidiaries								
Braskem America	18,088	3,587			21,675			
Braskem Argentina	65,439				65,439			
Braskem Chile	522				522			
Braskem Holanda	11,930	168			12,098			
Braskem Idesa		2,434			2,434			
Braskem Inc	142,856				142,856		7,447	
Braskem Participações		96			96	1,405		
Braskem Petroquímica	25,765		16,283	14,273 (i)	56,321			
Braskem Qpar	580		37,363		37,943	574,079		
Cetrel	29				29			

Lantana								59
Quantiq	1,737			7,729 (i)	9,466			
Riopol	6,308		15,441		21,749			
	273,254	6,285	69,087	22,002	370,628	575,484		7,506
Jointly-controlled subsidiaries								
Propilsur		2,400			2,400			
		2,400			2,400			
Associated companies								
Borealis	7,449	187			7,636			
Sansuy	15,409				15,409			
	22,858	187			23,045			
Related companies								
Petrobras	14,677		12,808		27,485		61,657	38
	14,677		12,808		27,485		61,657	38
EPE								
FIM Sol				2,728,017 (ii)	2,728,017			
				2,728,017	2,728,017			
Total	310,789	8,872	81,895	2,750,019	3,151,575	575,484	69,163	38

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

(ii) Amounts in "cash and cash equivalents" : R\$ 2,519,705 and in "financial investments": R\$ 208,312

Braskem S.A.

Notes to the financial statements

at September 30, 2012

All amounts in thousands of reais unless otherwise stated

	Balances at September 30, 2012									
	Trade payables	Advances from customers	Borrowings	Accounts payable to related parties	Current Total Borrowings	Accounts payable to related parties	Advance to export	Current accounts	Payable to related parties	
Subsidiaries										
Braskem America	1			168,917	168,918	406,120				
Braskem Distribuidora								6,937		
Braskem Holanda		365,700		56,555	422,255	2,505,407				
Braskem Importação								113		
Braskem Inc	2,495,664		109,316	795	2,605,775	3,225,074				85
Braskem Petroquímica	4,627			12	4,639			15,728		
Braskem Qpar	1,916			7	1,923					
Cetrel	2,097				2,097					
IQAG								607		
ISATEC	9				9					
Politeno Empreendimentos									15	
Quantiq	172			1,954	2,126			70,143		
Riopol	2,094			24	2,118			589,974		
	2,506,580	365,700	109,316	225,472	2,792	3,209,860	3,225,074	2,911,527	683,517	85

**Related
companies**

Construtora

Norberto

Odebrecht

("CNO")

1,984

1,984

Petrobras

1,284,156

1,284,156

1,286,140

1,286,140

Total

3,792,720

365,700

109,316

225,472

2,792

4,496,000

3,225,074

2,911,527

683,517

85

Braskem S.A.**Notes to the financial statements****at September 30, 2012****All amounts in thousands of reais unless otherwise stated**

	Income statement transactions from January to September 30, 2012			
	Sales of products	Purchases of raw materials, services and utilities	Financial income (expenses)	Cost of production/general and administrative expenses
Subsidiaries				
Braskem America	11,065		(493)	
Braskem Argentina	111,641		1,887	
Braskem Chile	22,876		116	
Braskem Finance			1	
Braskem Holanda	359,468		(353,055)	
Braskem Idesa			11	
Braskem Inc	143,929	1,680,358	(536,229)	
Braskem Petroquímica	274,427	153,604		
Braskem Qpar	26,907	66,128	(22,822)	
Ideom	2	5,500		
Lantana			4	
Quantiq	138,505	8,772		
Riopol	114,818	71,253		
	1,203,638	1,985,615	(910,580)	
Jointly-controlled subsidiaries				
Polimerica			28	
Propilsur			43	
RPR	11,085	1,482	743	
	11,085	1,482	814	
Associated companies				
Borealis	76,200			
Sansuy	20,961	11,050		
	97,161	11,050		

Related companies

CNO		170,300		
Odebrecht Serviços e Participações ("OSP")		87,538		
Petrobras	495,671	7,618,850		3,488
Refinaria Alberto Pasqualini ("Refap")	3,150	231,385		
	498,821	8,108,073		3,488

Post-employment benefit plan

Odebrecht Previdência Privada ("Odeprev")				15,697
				15,697

Total	1,810,705	10,106,220	(906,278)	15,697
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Braskem S.A.**Notes to the financial statements****at September 30, 2012****All amounts in thousands of reais unless otherwise stated**

	Trade accounts receivable	Related parties	Other	Current		Balances at December 31, 2011	
				Total	Current accounts	Assets Non-current	Total
		Other receivable			Loan agreements	Related parties Advance for future capital increase	
Subsidiaries							
Braskem America	8,164			8,164			
Braskem Argentina	37,149			37,149			
Braskem Chile	496	10		506			
Braskem Holanda	171,590			171,590			
Braskem Inc	30,641			30,641		6,633	6,633
Braskem México		581		581			
Braskem Petroquímica	77,055		14,273 (i)	91,328		649,639	649,639
Braskem Participações		96		96	1,497		1,497
Braskem Qpar	3,137			3,137	155,712		155,712
Ideom	189			189	8,987		8,987
Lantana					54		54
Politeno							
Empreendimentos					1		1
Quantiq	7,788		15,995 (i)	23,783	5,022		5,022
Riopol	12,977			12,977		738,799	738,799
	349,186	687	30,268	380,141	171,273	6,633	1,388,438
Jointly-controlled subsidiaries							1,566,344

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Propilur		5,196		5,196		
Polimerica		3,497		3,497		
		8,693		8,693		
Associated companies						
Borealis	2,936	187		3,123		
	2,936	187		3,123		
Related companies						
Petrobras	5,329	15,990		21,319	58,169	58,169
Other	19,953	103		20,056		
	25,282	16,093		41,375	58,169	58,169
EPE						
FIM Sol		1,665,817	(ii)	1,665,817		
		1,665,817		1,665,817		
Total	377,404	25,660	1,696,085	2,099,149	171,273	64,802 1,388,438 1,624,513

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

(ii) Amounts in "cash and cash equivalents" : R\$ 1,513,400 and in "financial investments": R\$ 152,417

Braskem S.A.

Notes to the financial statements

at September 30, 2012

All amounts in thousands of reais unless otherwise stated

										Balances at December 31, 2011			
										Liabilities			
										Current		Non-current	
	Trade		Accounts payable to related parties		Total	Borrowings	Accounts payable to related parties			Total			
	payables	Borrowings	Advance to Payable export notes				Advance to export	Current accounts	Payable notes				
Subsidiaries													
Braskem Distribuidora								5,500		5,500			
Braskem Holanda			7,157		7,157		1,155,493			1,155,493			
Braskem Importação								119		119			
Braskem Inc	2,307,204	56,309		72,633	2,436,146	3,448,165			7,203	3,455,368			
Braskem Petroquímica	25,523				25,523			17,726		17,726			
Braskem Qpar	1,100				1,100								
Cetrel	58				58								
Ideom	18,899				18,899								
IQAG								115		115			
Quantiq	246				246			14,275		14,275			
Riopol	10,476				10,476			97,136		97,136			
	2,363,506	56,309	7,157	72,633	2,499,605	3,448,165	1,155,493	134,871	7,203	4,745,732			

**Related
companies**

CNO	4,128	4,128
Petrobras	1,360,267	1,360,267
Other	9,930	9,930
	1,374,325	1,374,325

Total	3,737,831	56,309	7,157	72,633	3,873,930	3,448,165	1,155,493	134,871	7,203	4,745,732
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Braskem S.A.**Notes to the financial statements****at September 30, 2012****All amounts in thousands of reais unless otherwise stated**

	Income statement transactions from January to September 30, 2011		
	Sales of products	Purchases of raw materials, services and utilities	Financial income (expenses)
			Cost of production/general and administrative expenses
Subsidiaries			
Braskem America	3,603		420
Braskem Argentina	27,202		6,001
Braskem Chile	3,777		6,292
Braskem Distribuidora			(47)
Braskem Holanda	171,939		20,510
Braskem Idesa			(1,822)
Braskem Importação			(2)
Braskem Inc	26,584	1,706,891	(642,046)
Braskem Participações			1
Braskem Qpar	36,518	1,754	15,005
Cetrel		1,376	
Ideom	156		166
IQAG			(4)
ISATEC			55
Politeno Empreendimentos			1
Quantiq	11,910	433	399
Riopol	6,304	3,382	1,220
	287,993	1,713,836	(593,851)
Associated companies			
Borealis	140,626		
	140,626		
Related companies			

(11)

BRK Investimentos Petroquímicos				
S.A. ("BRK")				
CNO		148,114		
Odebrecht			13	
Petrobras	659,443	5,663,132	3,278	
Refinaria Alberto Pasqualini ("Refap")	11,699	706,453		
	671,142	6,517,699	3,280	
Post-employment benefit plan				
Odeprev				7,688
				7,688
Total	1,099,761	8,231,535	(590,571)	7,688

Braskem S.A.

Notes to the financial statements

at September 30, 2012

All amounts in thousands of reais unless otherwise stated

(b) Consolidated

		Balances at September 30, 2012						
		Current			Non-current		Current	
		Trade accounts receivable	Related parties Receivable notes Other receivable		Related parties Loan agreements Other receivable		Trade payables	
				Total		Total		
Jointly-controlled subsidiaries								
Propilsur			2,400	2,400				
RPR							3,681	
			2,400	2,400			3,681	
Associated companies								
Borealis	8,114		187	8,301				
Sansuy	15,409			15,409				
	23,523		187	23,710				
Related companies								
CNO							1,984	
Petrobras	34,568		22,166	56,734	61,657	89,204	150,861	
	34,568		22,166	56,734	61,657	89,204	150,861	
Total	58,091		2,587	22,166	82,844	61,657	89,204	
						150,861	1,789,031	

Income statement transactions from January to September 30, 2012

	Sales of products	Purchases of raw materials, services and utilities	Financial income (expenses)	Cost of production/general and administrative expenses
Jointly-controlled subsidiary				
Polimerica			28	
Propilur			43	
RPR	11,500	30,725	743	
	11,500	30,725	814	
Associated companies				
Borealis	88,245			
Sansuy	20,961	11,050		
	109,206	11,050		
Related parties				
CNO		171,687		
OSP		87,538		
Petrobras	815,327	12,438,717	3,488	
Refap	3,150	232,010		
	818,477	12,929,952	3,488	
Post-employment benefit plan				
Odeprev				18,565
				18,565
Total	939,183	12,971,727	4,302	18,565

Braskem S.A.

Notes to the financial statements

at September 30, 2012

All amounts in thousands of reais unless otherwise stated

	Balances at December 31, 2011					
	Trade accounts receivable	Related parties	Current Total	Assets Non-current Related parties Loan agreements	Current Trade payables	Liabilities Non-current Payable accounts to related parties Advance for future capital increase
Jointly-controlled subsidiaries						
Propilur		2,598	2,598			24,855
Polimerica		1,748	1,748			19,978
		4,346	4,346			44,833
Associated companies						
Borealis	2,936	187	3,123			
	2,936	187	3,123			
Related parties						
CNO					4,128	
Petrobras	6,887	81,955	88,842	58,169	1,777,503	
Other	19,954	103	20,057		10,003	
	26,841	82,058	108,899	58,169	1,791,634	
Total	29,777	86,591	116,368	58,169	1,791,634	44,833

Income statement transactions from January to September 30, 2011

	Sales of products	Purchases of raw materials, services and utilities	Financial income (expenses)	Cost of production/general and administrative expenses
Jointly-controlled subsidiary				
RPR	20,617		(56)	
	20,617		(56)	
Associated companies				
Borealis	140,626			
	140,626			
Related companies				
BRK			(11)	
CNO		148,114		
Odebrecht			13	
Petrobras	1,076,071	10,087,406	3,278	
Refap	11,699	709,394		
	1,087,770	10,944,914	3,280	
Post-employment benefit plan				
Odeprev				10,321
				10,321
Total	1,249,013	10,944,914	3,224	10,321

Braskem S.A.**Notes to the financial statements****at September 30, 2012****All amounts in thousands of reais unless otherwise stated****(c) Key management personnel**

Non-current liabilities	Sep/2012	Dec/2011
Long-term incentives	2,267	4,121
Total	2,267	4,121

Income statement transactions	Sep/2012	Parent Company Sep/2011	Sep/2012	Consolidated Sep/2011
Remuneration				
Short-term benefits to employees and managers	29,771	25,555	29,771	28,030
Post-employment benefit	156	146	156	169
Long-term incentives	308	1,111	308	1,111
Total	30,235	26,812	30,235	29,310

Braskem S.A.

Notes to the financial statements

at September 30, 2012

All amounts in thousands of reais unless otherwise stated

10. Taxes recoverable

	Note	Parent Company Sep/2012	Parent Company Dec/2011	Sep/2012	Consolidated Dec/2011
Parent Company and subsidiaries in Brazil					
Excise tax (IPI)		34,237	30,625	37,616	31,575
Value-added tax on sales and services (ICMS)		590,085	649,546	1,024,160	1,057,964
Social integration program (PIS) and social contribution on revenue (COFINS)		567,258	280,480	752,389	470,962
PIS and COFINS - Law 9,718/98		154,528	151,457	160,804	157,733
PIS - Decree-Law 2,445 and 2,449/88		74,473	180,234	107,151	199,972
Income tax and social contribution (IR and CSL)		302,119	242,615	445,099	372,489
Tax on net income (ILL)		15,286	14,912	15,286	14,912
REINTEGRA program	(a)	147,812	13,804	177,961	17,924
Additional state income tax (AIRE)		56,001	56,001	56,001	56,001
Other		68,874	49,558	94,445	81,345
Foreign subsidiaries					
Value-added tax				169,643	64,291
Income tax				17,794	17,332
Other				310	
Total		2,010,673	1,669,232	3,058,659	2,542,500
In current assets		917,709	606,258	1,452,693	1,036,253
In non-current assets		1,092,964	1,062,974	1,605,966	1,506,247
Total		2,010,673	1,669,232	3,058,659	2,542,500

The information related to taxes recoverable was presented in the 2011 annual financial statements of the Company, in Note 11.

(a) REINTEGRA Program

On December 14, 2011, Federal Law 12,546 was approved, which created the program called “REINTEGRA”. The program aims to refund to exporters the federal taxes levied on the production chain for goods sold abroad. Such credits may be made in two ways: (i) by offsetting own debits overdue or undue related to taxes levied by the Federal Revenue Service; or (ii) by a cash reimbursement. In the period ended September 30, 2012, the Company recognized credits in the amount of R\$167,324 (Note 29) and offset the amount of R\$7,287.

Braskem S.A.**Notes to the financial statements****at September 30, 2012****All amounts in thousands of reais unless otherwise stated****11. Judicial deposits**

	Parent Company			Consolidated
	Sep/2012	Dec/2011	Sep/2012	Dec/2011
Judicial deposits				
Tax contingencies	95,816	96,081	104,986	105,611
Labor and social security contingencies	60,722	50,595	73,077	60,187
Other	4,916	4,916	5,734	8,422
Total	161,454	151,592	183,797	174,220

This table was presented in the 2011 annual financial statements of the Company, in Note 12.

12. Insurance claims – non-current assets

On September 30, 2012, the main amounts under this item were as follows:

(i) damages receivable for losses that occurred in December 2010 and February 2011 in the furnaces and electric system at the Olefins plants of the Basic Petrochemicals unit of the Northeast Complex in the amounts of R\$80,642 and R\$29,210, respectively; and

(ii) damages receivable for losses at the Chlor-Alkali plant in the state of Alagoas in the amount of R\$8,332.

Regarding the damages mentioned in item (i) above, the amount of R\$29,227 is presented in the line “other accounts receivable” under current assets (Note 13). In the period, the Company received R\$79,600 associated with these damages.

The information related to insurance claims was presented in the 2011 annual financial statements, in Note 13.

Braskem S.A.

Notes to the financial statements

at September 30, 2012

All amounts in thousands of reais unless otherwise stated

13. Other accounts receivable - consolidated

The information related to other accounts receivable was presented in the 2011 annual financial statements, in Note 14.

(a) Current assets

On September 30, 2012, the main balances forming this line under this line are:

- (i) R\$120,933 in advances to service suppliers (R\$96,213 on December 31, 2011);
- (ii) R\$57,477 in insurance claims (Note 12); and
- (iii) R\$113,565 in advances to suppliers related to the Ethylene XXI project of Braskem Idesa (Note 15).

(b) Non-current

On September 30, 2012, the main balance under this item refers to the mandatory Eletrobras loan in the periods from 1977 to 1986 and 1987 to 1994, in the amount of R\$80,488.

Braskem S.A.**Notes to the financial statements****at September 30, 2012****All amounts in thousands of reais unless otherwise stated****14. Investments**

The information related to investments was presented in the Company's 2011 annual financial statements, in Note 15.

(a) Information on investments

(a.1) Investments of the parent company	Interest in total capital (%)	Adjusted net profit (loss) for the period		Parent company Adjusted equity	
		Sep/2012	Sep/2012	Sep/2011	Sep/2012
Subsidiaries					
Braskem Alemanha	5.66	(89,569)		149,463	208,192
Braskem America	100.00	241,194	(6,071)	734,792	480,405
Braskem Argentina	96.77	819	41	5,284	4,465
Braskem Austria	(i) 100.00			81	
Braskem Chile	99.02	244	(52)	1,787	1,543
Braskem Distribuidora	100.00	(85,594)	7,952	83,919	94,490
Braskem Holanda	100.00	(97,171)	12,267	420,305	489,925
Braskem Finance	100.00	(25,321)	(122,308)	(116,311)	(90,990)
Braskem Idesa	65.00	(5,386)	(8,311)	367,324	267,367
Braskem Importação	0.04	(2)	4	203	205
Braskem Inc.	100.00	119,364	(27,955)	307,354	187,990
Braskem Participações	100.00	(1,388)	1,965	(121)	781
Braskem Petroquímica	100.00	52,899	33,473	1,615,776	913,193
Braskem Qpar	96.96	(92,531)	60,966	2,629,525	2,722,056
Cetrel	52.68	16,804	31,892	312,562	290,192

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Ideom	(ii)			(13,976)		20,762
IQAG		0.12	984	128	3,177	1,690
Petroquímica Chile		97.96	85	1,083	6,793	6,708
Politeno Empreendimentos		99.98	(4)	18	27	31
Quantiq		99.90	21,346	22,759	250,245	228,899
Riopol		100.00	112,672	47,209	2,619,045	1,767,574
Jointly-controlled subsidiary						
RPR		33.20	12,858	11,721	125,274	120,655

(i) Company incorporated in February 2012 (Note 1(b.2)).

(ii) Company merged into the Parent Company in February 2012 (Note 1(b.3)).

Braskem S.A.**Notes to the financial statements****at September 30, 2012****All amounts in thousands of reais unless otherwise stated**

				Parent company	
	Interest in	Adjusted net profit		Adjusted	
	total capital (%)	(loss)		equity	
	Sep/2012	Sep/2012	Sep/2011	Sep/2012	Dec/2011
(a.2) Investments of subsidiaries					
Braskem America					
Braskem America Finance	100.00	2,223	74	(3,111)	(3,506)
Braskem Chile					
Braskem Argentina	3.17	819	41	5,284	4,465
Petroquímica Chile	2.03	85	1,083	6,793	6,708
Braskem Distribuidora					
Braskem Argentina	(iv)		41		4,465
Braskem Importação	(iii)		4		
Lantana	96.34	(88,813)	8,856	(540)	88,272
Braskem Holanda					
Braskem Alemanha	94.34	(89,569)	(39)	149,463	208,192
Propilsur	49.00	(859)	(658)	96,475	103,419
Polimerica	49.00	(53,805)	(130)	(19,861)	71,377
Braskem Idesa					
Braskem Idesa Serviços	100.00	611	253	2,929	1,982
Braskem Importação					
Braskem México	0.03	(1,418)	1,703	1,305	2,237
Braskem Inc.					
Braskem Chile	0.98	244	(52)	1,787	1,543
Lantana	3.66	(88,813)	8,856	(540)	88,272
Petroquímica Chile	0.01	85	1,083	6,793	6,708
Braskem Participações					
Braskem Argentina	(iv)	0.06	819	5,284	
Braskem Importação	(iii)	99.96	(2)	203	205
Braskem México		99.97	(1,418)	1,703	2,237

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Politeno Empreendimentos	0.02	(4)	18	27	31
Quantiq	0.10	21,346	22,759	250,245	228,899
Braskem Petroquímica					
Braskem Qpar	3.04	(92,531)	60,966	2,629,525	2,722,056
Cetrel	1.24	16,804	31,892	312,562	290,192
Braskem Qpar					
Common	100.00	610	1,096	7,516	6,906
Common					
Norfolk	100.00	7,028	7,716	69,024	61,995
Quantiq					
IQAG	99.88	984	128	3,177	1,690

(iii) Company acquired by Braskem Participações in December 2011.

(iv) Company acquired by Braskem Participações in August 2012.

	Interest in total capital (%) Sep/2012	Parent company and consolidated Adjusted net profit (loss) for the period			Adjusted equity Dec/2011
		Sep/2012	Sep/2011	Sep/2012	
Associates					
Borealis	20.00	16,102	7,533	165,459	149,349
Companhia de Desenvolvimento Rio Verde ("Codeverde")	35.97	(596)	1,561	46,342	66,606
Sansuy	20.00	(232)	(12)	1,722	1,954

Braskem S.A.

Notes to the financial statements

at September 30, 2012

All amounts in thousands of reais unless otherwise stated

(b) Changes in investments – parent company

		Balance at Dec/2011	Merger at	Shares acquisition	Capital increase	Dividends and interest on capital	Equity in results of investees Adjustment Effect of profit in inventories of results	Goodwill amortization	Other
Subsidiaries									
Domestic subsidiaries									
Braskem Distribuidora	(i)	94,490			75,023		(85,594)		
Braskem Participações		781					(1,388)		121
Braskem Petroquímica	(ii)	773,644			649,639		52,899	941	(2,577)
Braskem Qpar		3,632,228					(89,717)	2,310	(65,826)
Cetrel		147,638		564			9,294		(1,434)
Ideom	(iii)	20,762	(23,387)				2,625		
Politeno Empreendimentos		31					(4)		
Quantiq		234,169					21,346	286	(1,676)
Riopol	(ii)	1,765,777			738,799		112,672	177	
RPR		40,063				(1,689)	3,222		
		6,709,583	(23,387)	564	1,463,461	(1,689)	25,355	3,714	(69,837)
(1,555)									
Foreign subsidiaries									

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Braskem								
Alemanha	12,853			(5,070)				
Braskem America	488,191			241,194		2,025		
Braskem								
Argentina	3,127			819		1,338		
Braskem Austria		81						
Braskem Chile	1,543			244				
Braskem Holanda	507,737			(97,171)				
Braskem Idesa	173,488	34,869		(3,501)				
Braskem Inc.	187,990			119,364				
Petroquímica								
Chile	6,708			85				
	1,381,637	34,950		255,964		3,363		
Total subsidiaries and jointly-controlled	8,091,220	(23,387)	564	1,498,411	(1,689)	281,319	7,077	(69,837) (1,555)
Associate								
Borealis	29,870			3,222				
Total associate	29,870			3,222				

- (i) Capital increase carried out in September 2012, which included the transfer of assets.
- (ii) Capital increase carried out in April 2012 with an Advance for Future Capital Increase (AFAC). (Note 1(b.4)).
- (iii) Company merged into the Parent Company in February 2012 (Note 1(b.3)).

Braskem S.A.**Notes to the financial statements****at September 30, 2012****All amounts in thousands of reais unless otherwise stated****(c) Breakdown of equity accounting results**

	Parent company			Consolidated
	Sep/2012	Sep/2011	Sep/2012	Sep/2011
Equity in results of subsidiaries, associate and jointly-controlled	291,618	113,814	(24,549)	1,609
Amortization of fair value adjustment	(69,837)	(i) (73,155)		
Provision for losses on investments	(25,321)	(92,320)	(9,931)(ii)	(18)
Dividends from other investments / other	(218)	476	1,733	(3,642)
	196,242	(51,185)	(32,747)	(2,051)

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

- R\$65,826 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\$14,147; “cost of sales” of R\$73,382; “general and administrative expenses” of R\$68, and “financial results” of R\$12,138. The effect of deferred income tax and social contribution was R\$33,909.

- R\$4,011 related to the amortization of fair value adjustments on property, plant and equipment of the subsidiaries Braskem Petroquímica and Cetrel.

(ii) Provision for losses in the jointly controlled subsidiary Polimerica

Braskem S.A.

Notes to the financial statements

at September 30, 2012

All amounts in thousands of reais unless otherwise stated

15. Property, plant and equipment

	Sep/2012			Parent company Dec/2011		
	Cost	Accumulated depreciation/ depletion	Net	Cost	Accumulated depreciation/ depletion	Net
Land	84,112		84,112	84,112		84,112
Buildings and improvements	1,421,232	(662,297)	758,935	1,429,520	(632,144)	797,376
Machinery, equipment and installations	15,548,762	(7,355,283)	8,193,479	14,900,873	(6,767,658)	8,133,215
Projects in progress	2,787,950		2,787,950	2,618,316		2,618,316
Other	510,018	(327,855)	182,163	499,450	(306,491)	192,959
Impairment	(159,371)		(159,371)	(160,036)		(160,036)
Total	20,192,703	(8,345,435)	11,847,268	19,372,235	(7,706,293)	11,665,942

	Sep/2012			Consolidated Dec/2011		
	Cost	Accumulated depreciation/ depletion	Net	Cost	Accumulated depreciation/ depletion	Net
Land	427,862		427,862	418,426		418,426
Buildings and improvements	1,872,922	(720,219)	1,152,703	1,859,991	(678,524)	1,181,467
Machinery, equipment and installations	23,649,167	(8,979,222)	14,669,945	22,782,338	(7,923,353)	14,858,985
Projects in progress	4,528,711		4,528,711	3,771,381		3,771,381
Other	944,933	(421,901)	523,032	941,649	(349,151)	592,498
Impairment	(159,371)		(159,371)	(160,036)		(160,036)
Total	31,264,224	(10,121,342)	21,142,882	29,613,749	(8,951,028)	20,662,721

This table was presented in the Company's 2011 annual financial statements, in Note 16.

The projects in progress mainly relate to operating improvements to increase the economic useful life of machinery and equipment and to the expansion projects. On September 30, 2012, the main project in progress was located in Mexico (Ethylene XXI) and involved the construction of an ethylene and polyethylene plant through the subsidiary Braskem Idesa.

Impairment test for property, plant and equipment

In the first quarter of 2012, with the announcement of the shutdown of the refinery of Sunoco (Note 1 (a.1)), the Company's Management decided to conduct impairment testing of the Cash Generating Unit ("CGU") composed of the PP plants in the United States and that is part of the International Business operating segment, in accordance with the guidelines in CPC 1 (IAS 36). The test did not indicate the need to provision for the impairment loss of this CGU.

The following premises were adopted to determine the discounted cash flow: cash flow for 5 years based on the Business Plan, discount rate based on the Weighted Average Cost of Capital (WACC) of 8.1% p.a. and growth rate to determine the perpetuity based on the annual inflation as measured by the U.S. Consumer Price Index (CPI) of 2.3% p.a.

Braskem S.A.**Notes to the financial statements****at September 30, 2012****All amounts in thousands of reais unless otherwise stated**

Given the potential impact on cash flows of the “discount rate” and the “growth rate in perpetuity”, a sensitivity analysis was conducted based on changes in these variables, which confirmed that there was no need for recording a provision. The sensitivity analysis included two scenarios: (i) +0.5% in the discount rate; and

(ii) - 0.5% in the growth rate in perpetuity.

There were no significant events or circumstances in the period ended September 30, 2012 that indicated the need for impairment testing on the property, plant and equipment of the other CGUs and/or operating segments of the Company.

16. Intangible Assets

			Sep/2012		Consolidated company Dec/2011		Parent Sep/2012
	Cost	Accumulated amortization	Net	Cost	Accumulated amortization	Net	Net
Goodwill based on future profitability	3,194,545	(1,130,794)	2,063,751	3,194,545	(1,130,794)	2,063,751	2,058,874
Trademarks and patents	208,883	(68,957)	139,926	189,745	(62,217)	127,528	50,465
Software and use rights	415,745	(180,598)	235,147	410,231	(162,444)	247,787	136,919
Contracts with customers and suppliers	671,190	(136,697)	534,493	671,190	(93,564)	577,626	
Total	4,490,363	(1,517,046)	2,973,317	4,465,711	(1,449,019)	3,016,692	2,246,258

This table was presented in the 2011 annual financial statements of the Company, in Note 17.

Impairment testing of intangible assets with indefinite useful life

In December 2011, the Company tested intangible assets for impairment and did not identify any losses. The projection of cash flows used was 5 years as from December 2011. The following assumptions were adopted to determine value through the discounted cash flow method: projections of cash flows based on estimates of the business for future cash flows, discount rates based on the Weighted Average Cost of Capital (WACC) and growth rates to determine perpetuity based on annual inflation measured by the IPCA consumer price index (*Índice Nacional de Preços ao Consumidor Amplo*).

There were no significant events or circumstances in the period ended September 30, 2012 that indicated the need for impairment testing of the intangible assets with indefinite useful life.

Braskem S.A.

Notes to the financial statements

at September 30, 2012

All amounts in thousands of reais unless otherwise stated

17. Borrowings

	Annual financial charges		Consolidated	
	Monetary restatement	Average interest (unless otherwise stated)	Sep/2012	Dec/2011
Foreign currency				
Bonds and Medium term notes (MTN)	Note 17 (a)	Note 17 (a)	9,286,312	6,147,427
Advances on exchange contracts	(i) US dollar exchange variation	2.03%		131,668
Export prepayments	Note 17 (b)	Note 17 (b)	513,678	1,781,346
BNDES	Note 17 (c)	Note 17 (c)	454,932	413,722
Export credit notes	Note 17 (d)	Note 17 (d)	784,451	723,153
Project financing (NEXI)	(ii) Yen exchange variation	0.95% above Tibor		26,318
Other	US dollar exchange variation	1.69% above Libor	823,029	476,086
Other	Exchange variation (UMBNDDES)	6.09%	1,263	
Transactions costs, net			(61,734)	(84,525)
Local currency				
Export credit notes	Note 17 (d)	Note 17 (d)	2,215,925	2,281,814
BNDES	Note 17 (c)	Note 17 (c)	2,289,451	2,556,521
BNB/ FINAME/ FINEP/ FUNDES		6.86%	667,544	504,476
BNB/ FINAME/ FINEP/ FUNDES	TJLP	0.37%	28,906	40,372
Other	Post-fixed monetary correction	106% of CDI	7,336	148,158
Other	TJLP	2.87%	11,930	
Transactions costs, net			(357)	(1,724)
Total			17,022,666	15,144,812
Current liabilities			1,287,755	1,391,779
Non-current liabilities			15,734,911	13,753,033
Total			17,022,666	15,144,812

In February 2012, the Company prepaid this borrowing.

(ii) In June 2012, the Company paid at maturity the borrowing denominated in yen contracted from NEXI.

	Parent company	
	Sep/2012	Dec/2011
<u>Foreign currency</u>		
Current liabilities	526,129	409,580
Non-current liabilities	6,775,884	7,586,674
	7,302,013	7,996,254
<u>Local currency</u>		
Current liabilities	526,992	551,939
Non-current liabilities	4,110,332	3,689,522
	4,637,324	4,241,461
Current liabilities	1,053,121	961,519
Non-current liabilities	10,886,216	11,276,196
Total	11,939,337	12,237,715

The information related to borrowings was presented in the 2011 annual financial statements of the Company, in Note 19.

Braskem S.A.**Notes to the financial statements****at September 30, 2012****All amounts in thousands of reais unless otherwise stated****(a) Bonds and MTN**

Issue date	Issue amount (US\$ in thousands)	Maturity	Interest (% per year)	Sep/2012	Consolidated Dec/2011
July 1997	250,000	June 2015	9.38	136,666	123,379
January 2004	250,000	January 2014	11.75	175,086	166,392
September 2006	275,000	January 2017	8.00	269,172	253,563
June 2008	500,000	June 2018	7.25	1,038,814	942,622
May 2010	400,000	May 2020	7.00	829,568	752,951
May 2010	350,000	May 2020	7.00	730,472	663,296
October 2010	450,000	no maturity date	7.38	929,869	858,981
April 2011	750,000	April 2021	5.75	1,557,861	1,419,013
July 2011	500,000	July 2041	7.13	1,028,964	967,230
February 2012 (i)	250,000	April 2021	5.75	521,029	
February 2012 (ii)	250,000	no maturity date	7.38	516,594	
May 2012 (iii)	500,000	May 2022	5.38	1,037,735	
July 2012 (iv)	250,000	July 2041	7.13	514,482	
Total	4,975,000			9,286,312	6,147,427

(i) Additional issue to the operation that Braskem Finance carried out in April 2011, in the amount of US\$750 million.

(ii) Additional issue to the perpetual bond issue carried out by Braskem Finance in October 2010 in the amount of US\$450 million.

(iii) Operation conducted by Braskem Finance with an interest coupon of 5.375% per annum and semiannual interest payments on May 2 and November 2 of each year.

(iv) Operation conducted by Braskem America Finance with an interest coupon of 7.125% per annum.

Braskem S.A.**Notes to the financial statements****at September 30, 2012****All amounts in thousands of reais unless otherwise stated****(b) Export prepayments (“EPP”)**

Issue date	Initial amount of the transaction (US\$ thousand)	Maturity Charges (% per year)	C Sep/2012
December 2005 (i)	55,000	December 2012 US dollar exchange variation + semiannual Libor + 1.60	
July 2006 (i)	95,000	June 2013 US dollar exchange variation + 3.17	
July 2006 (i)	75,000	July 2014 US dollar exchange variation + 2.73	
March 2007 (i)	35,000	March 2014 US dollar exchange variation + 4.10	
April 2007 (ii)	150,000	April 2014 US dollar exchange variation + 3.40	
March 2010 (i)	100,000	March 2015 US dollar exchange variation + 4.67	
May 2010	150,000	May 2015 US dollar exchange variation + semiannual Libor + 2.40	307,870
June 2010 (i)	150,000	June 2016 US dollar exchange variation + semiannual Libor + 2.60	
December 2010	100,000	December 2017 US dollar exchange variation + semiannual Libor + 2.47	205,808
March 2011 (iii)	200,000	February 2021 US dollar exchange variation + semiannual Libor + 1.20	
Total	1,110,000		513,678

(i) The Company prepaid these borrowings.

(ii) On September 30, 2012, this borrowing of the Parent Company was offset with a financial investment by the subsidiary Braskem Holanda (Note 6).

(iii) The operation established formal financial covenants for the Company. With the prepayment of this operation, the liability no longer exists. This was the only operation that imposed financial covenants on the Company.

Braskem S.A.**Notes to the financial statements****at September 30, 2012****All amounts in thousands of reais unless otherwise stated****(c) BNDES borrowings**

Projects	Issue date	Maturity Charges (% per year)	Sep/2012
<u>Foreign currency</u>			
Other	2005/2006	October 2016 US dollar exchange variation + 6.36	8,158
Other	2005/2006	May 2013 Monetary variation (UMBNDDES) + 5.46	400
Plant PP - Paulinia (i)	2006	January 2015 US dollar exchange variation + 6.49	
Limit of credit UNIB-South	2006	July 2014 US dollar exchange variation + 5.38 to 6.06	12,841
Braskem Qpar expansion	2006/2007/2008	April 2016 US dollar exchange variation + 6.06 to 6.36	23,176
Braskem Qpar expansion	2006/2007/2008	January 2015 Monetary variation (UMBNDDES) + 6.21	2,342
Limit of credit I	2007	April 2015 US dollar exchange variation + 4.88 to 5.77	47,322
Green PE	2009	July 2017 US dollar exchange variation + 6.14	46,560
Limit of credit II	2009	January 2017 US dollar exchange variation + 6.14	98,427
Plant expansion PVC Alagoas	2010	January 2020 US dollar exchange variation + 6.14	74,302
Limit of credit III	2011	January 2018 US dollar exchange variation + 5.98 to 6.01	113,207
Butadiene	2011	January 2021 US dollar exchange variation + 6.01	28,197
			454,932
<u>Local currency</u>			
Other	2005/2006	September 2016 TJLP + 2.40 to 2.80	84,535
Plant PP - Paulinia (i)	2006	December 2014 TJLP + 2.40 to 3.40	
Limit of credit UNIB-South	2006	May 2014 TJLP + 2.02 to 3.00	55,569
Braskem Qpar expansion	2006/2007/2008	February 2016 TJLP + 1.00 to 3.50	220,013
Limit of credit I	2007	April 2015 TJLP + 1.81 to 2.32	195,240
Green PE	2008/2009	June 2017 TJLP + 0.00 to 4.78	437,520
Limit of credit II	2009	January 2017 TJLP + 2.58 to 3.58	338,495
Limit of credit II	2009	January 2017 4.50	15,123
Plant expansion PVC Alagoas	2010	December 2019 TJLP + 0.00 to 3.58	266,496
Plant expansion PVC Alagoas	2010	December 2019 5.50	40,419

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Limit of credit III	2011	January 2018 TJLP + 2.05 to 3.45	462,983
Limit of credit III	2011	July 2018 4.00	63,855
Butadiene	2011	December 2020 TJLP + 2.15 to 3.45	109,203
			2,289,451
Total			2,744,383

- (i) The Company settled these borrowings in advance.

Braskem S.A.

Notes to the financial statements

at September 30, 2012

All amounts in thousands of reais unless otherwise stated

(d) Export credit notes ("NCE")

Issue date	Initial amount of the transaction	Maturity	Charges (% per year)	Sep/2012	Consolidated Dec/2011
Foreign currency					
November 2006	167,014	May 2018	Us dollar exchange variation + 8.10	163,483	147,991
April 2007	101,605	March 2018	Us dollar exchange variation + 7.87	105,392	95,533
May 2007	146,010	May 2019	Us dollar exchange variation + 7.85	156,346	141,636
January 2008	266,430	February 2020	Us dollar exchange variation + 7.30	308,296	290,043
March 2008	41,750	March 2016	Us dollar exchange variation + 7.50	50,934	47,950
	722,809			784,451	723,153
Local currency					
December 2005	(i) 100,000	March 2014	106% of CDI		105,345
January 2006	(i) 11,500	January 2014	108% of CDI		7,731
April 2010	50,000	March 2014	12.16	66,337	60,861
June 2010	200,000	June 2014	12.13	258,917	237,590
September 2010	(ii) 71,000	September 2012	100.7% of CDI		81,818
February 2011	250,000	February 2014	99% of CDI	292,524	274,613
April 2011	(iii) 450,000	April 2019	112.5% of CDI	457,755	461,209
June 2011	80,000	June 2014	98.5% of CDI	90,059	84,572
August 2011	(iii) 400,000	August 2019	112.5% of CDI	402,674	404,267
October 2011	250,000	April 2012	108.3% of CDI		158,568
November 2011	(i) 400,000	November 2019	112.5% of CDI		405,240
January 2012	200,000	December 2013	103% of CDI	213,589	
February 2012	30,000	December 2012	8.50	31,598	
June 2012	100,000	June 2014	103% of CDI	102,036	
September 2012	300,000	September 2015	103% of CDI	300,436	
Total	2,892,500			2,215,925	2,281,814

- (i) Borrowings settled in advance.

- (ii) The Company had a swap operation for this borrowing, which was designated as hedge accounting. Both the borrowing and the swap were settled at maturity.

- (iii) The Company entered into hedge transactions for these NCE contracts in order to offset the variation in the Interbank Certificate of Deposit (CDI) rate (Note 18.2.1(a.i)).

Braskem S.A.**Notes to the financial statements****at September 30, 2012****All amounts in thousands of reais unless otherwise stated****(e) Payment schedule**

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

	Sep/2012	Consolidated Dec/2011
2013	406,115	1,252,464
2014	1,650,812	1,781,917
2015	1,471,544	1,123,509
2016	1,052,593	1,204,472
2017	677,813	565,456
2018	1,465,336	1,331,131
2019	1,126,897	1,536,264
2020	1,872,453	1,754,200
2021	2,046,643	1,430,065
2022 and thereafter	3,964,705	1,773,555
Total	15,734,911	13,753,033

(f) Capitalized financial charges - consolidated

The Company capitalized financial charges in the period ended September 30, 2012 in the amount of R\$121,723 (R\$70,226 on September 30, 2011), including monetary variation and part of the exchange variation. The average rate of these charges in the period was 7.16% p.a. (7.34% p.a. on September 30, 2011).

(g) Guarantees

Braskem gave collateral for part of its borrowings as follows:

Loans	Maturity	Total debt Sep/2012	Total guaranteed	Guarantees
BNB	December 2022	318,420	318,420	Mortgage of plants, pledge of machinery and equipment
BNDES	January 2021	2,744,383	2,744,383	Mortgage of plants, land and property, pledge of machinery and equipment
FUNDES	May 2020	210,880	210,880	Mortgage of plants, land and property, pledge of machinery and equipment
FINEP	January 2019	160,410	160,410	Bank surety
FINAME	February 2022	6,740	6,740	Pledge of equipment
Other	May 2013	13,193	13,193	Mortgage of plants and promissory note
Total		3,454,026	3,454,026	

(h) Financial covenants

In the period ended September 30, 2012, the Company settled all borrowing agreements that established limits for certain indicators related to the capacity to contract debt and pay interest.

Braskem S.A.**Notes to the financial statements****at September 30, 2012****All amounts in thousands of reais unless otherwise stated****18. Financial instruments**

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

18.1. Non-derivative financial instruments - consolidated

	Classification by category	Fair value hierarchy	Note	Book value		
				Sep/2012	Dec/2011	Sep/2012
Cash and cash equivalents			5			
Cash and banks	Loans and receivables			352,424	349,916	352,424
Financial investments in Brazil	Held-for-trading	Level 2		438,808	435,580	438,808
Financial investments in Brazil	Loans and receivables			2,471,505	1,464,245	2,471,505
Financial investments abroad	Held-for-trading	Level 2		306,133	737,078	306,133
				3,568,870	2,986,819	3,568,870
Financial investments			6			
FIM Sol investments	Held-for-trading	Level 2		50,741	36,410	50,741
Investments in foreign currency Shares	Held-for-trading	Level 2		5,476	10,716	5,476
	Held-for-trading	Level 1		3,023	3,023	3,023
FIM Sol investments	Loans and receivables			157,571	116,007	157,571
Investments in national currency	Loans and receivables			504		504

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Quotas of receivables investment fund	Held-to-maturity			45,219	34,720	45,219
Restricted deposits	Held-to-maturity			7,680	4,173	7,680
				270,214	205,049	270,214
Trade accounts receivable	Loans and receivables	7		2,586,948	1,894,812	2,586,948
Repurchase of treasury shares commitment	Financial liability at fair value	Level 1	24 (a.ii)	3,743		3,743
Related parties						
Assets	Loans and receivables		9 (b)	175,614	144,760	175,614
Liabilities	Loans and receivables				44,833	
Trade payables	Other financial liabilities			9,016,995	6,847,340	9,016,995
Borrowings						
Foreign currency	Other financial liabilities		17	11,862,402	9,699,720	12,688,348
Local currency	Other financial liabilities			5,221,092	5,531,341	5,221,092
				17,083,494	15,231,061	17,909,440
Debentures	Other financial liabilities				19,102	

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.

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.

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18.2. Derivative financial instruments

Identification	Operation characteristics		Dec/2011	Change fair value (Note 18.2.)	
	Principal exposure	Hedge			
<u>Non-hedge accounting transactions</u>					
Foreign exchange swap	(i)	Yen	CDI	649	(14)
Foreign exchange swap	Note 18.2.1 (a.i)	CDI	Dolar	70,969	153,7
Repurchase of shares swap (3° program)	Note 18.2.1 (a.ii)	Share value	CDI	2,263	(4,30)
Repurchase of shares swap (4° program)	Note 18.2.1 (a.ii)	Share value	CDI		(23)
Commodity swap - naphtha	(ii)	Fixed price	Variable price	480	(2)
Merchandise term - ethanol	(ii)	Variable price	Fixed price	(202)	(5)
Crack swap - naphtha	(ii)	Brent (iii)	Naphtha		5
Non-deliverable forward ("NDF") - ethanol	(ii) Note 18.2.1 (a.iii)	Reais	Dollar		14,7
Contract for the future purchase - ethanol	(ii) Note 18.2.1 (a.iv)	Fixed price	Variable price		4
Contract for the future sale in euro	(ii) Note 18.2.1 (a.v)	Reais	Euro		8
Exchange swap		Dolar	CDI		4
				74,159	164,9
<u>Hedge accounting transactions</u>					
Interest rate swaps	(iv)	Libor	Fixed rate	19,309	(68)
Interest rate swaps	(v)	Pre-contractual rate	CDI	(833)	(1,26)
				18,476	(1,94)
Current assets (other receivables)				(1,035)	
Current liability (hedge operations)				83,392	
Non-current liabilities (hedge operations)				10,278	
				92,635	

(i) In June 2012, the Company paid at maturity the borrowing denominated in yen contracted from NEXI (Note 17 (ii)).

(ii) The Company entered into commodity hedge operations through swap instruments and naphtha and ethanol futures in order to protect itself from the fluctuations in feedstock prices to which it was exposed in certain transactions. It also entered into currency hedge transactions through futures to protect its cash flow, which exchanged exposure to prices in Brazilian real for prices in U.S. dollar or euro, since ethanol (the main feedstock used to produce green polyethylene) is traded in Brazilian real.

(iii) Brent – reference oil price.

(iv) The Company paid in advance the borrowings related to hedge accounting (Note 17 (b.i)).

(v) In September 2012, the Company settled at maturity the NCE contract that was classified as hedge accounting (Note 17(d)).

Braskem S.A.**Notes to the financial statements****at September 30, 2012****All amounts in thousands of reais unless otherwise stated****18.2.1. Existing operations on September 30, 2012****(a) Non-hedge accounting transactions**

The regular changes in the fair value of swaps are recorded as financial income or expenses in the same period in which they occur. Braskem recognized a financial expense of R\$164,925 related to the change in the fair value of these swaps for the period ended September 30, 2012.

(a.i) Swaps related to export credit notes (NCE)

Identification	Nominal value	Interest rate (hedge)	Maturity	Fair value	
				Sep/2012	Dec/2011
Swap NCE I	200,000	5.44%	Aug-2019	73,494	32,023
Swap NCE II	100,000	5.40%	Aug-2019	34,406	13,952
Swap NCE III	100,000	5.37%	Aug-2019	32,769	12,512
Swap NCE IV	100,000	5.50%	Apr-2019	24,926	6,267
Swap NCE V	100,000	5.50%	Apr-2019	24,866	6,215
Swap NCE VI	150,000	5.43%	Apr-2019	32,104	
Swap NCE VII	100,000	4.93%	Apr-2019	25,142	
Total	850,000			247,707	70,969
In current liabilities (hedge operations)				247,707	70,969
Total				247,707	70,969

The purpose of these swap operations is to offset the interest rate risk arising from the borrowings mentioned in Note 17(d).

(a.ii) Swaps related to shares repurchase

Identification	Nominal value	Interest rate (hedge)	Maturity	Fair value	
				Sep/2012	Dec/2011
Repurchase TRS (3° program)	23,218	108% CDI	Aug-2012		2,263
Repurchase TRS (4° program)	3,489	110% CDI	Aug-2013	(238)	
Total	26,707			(238)	2,263
In current assets (other receivables)				(238)	
In current liabilities (hedge operations)					2,263
Total				(238)	2,263

The Braskem shares repurchased by financial institutions are involved in swap transactions that will enable Braskem to pay the same amount that it paid for the shares, plus charges and fees, with the financial institution not exposed to any market risk associated with the shares (Note 26(c)).

Braskem S.A.**Notes to the financial statements****at September 30, 2012****All amounts in thousands of reais unless otherwise stated****(a.iii) NDF – ethanol**

Identification	Nominal value	Fixed exchange (hedge)	Maturity	Fair value	
				Sep/2012	Dec/2011
NDF	5,537	1.8927	Oct-2012	401	
NDF	5,283	1.8300	Oct-2012	576	
NDF	5,558	1.9031	Nov-2012	396	
NDF	5,360	1.8395	Nov-2012	581	
NDF	5,568	1.9130	Dec-2012	366	
NDF	5,437	1.8482	Dec-2012	560	
NDF	5,690	1.9237	Jan-2013	340	
NDF	5,514	1.8552	Jan-2013	545	
NDF	2,186	1.7834	Oct-2012	302	
NDF	4,397	1.8310	Nov-2012	477	
NDF	2,948	1.7922	Nov-2012	405	
NDF	2,981	1.8009	Dec-2012	394	
NDF	3,014	1.8102	Jan-2013	381	
Total	59,473			5,724	
Current liability (hedge operations)				5,724	
Total				5,724	

(a.iv) Future ethanol purchases

Identification	Fixed price - R\$/m³	Maturity	Fair value

(parte ativa)

	Nominal value	(hedge)		Sep/2012	Dec/2011
Ethanol future purchase - BMF	240,240	1,144.00	Oct-2012	10	
Ethanol future purchase - BMF	282,000	1,175.00	Nov-2012	13	
Ethanol future purchase - BMF	250,950	1,195.00	Dec-2012	10	
Total	773,190			33	
In current liabilities (hedge operations)				33	
Total				33	

(a.v) Future sales in euro

	Nominal value	Fixed exchange (hedge)	Maturity	Sep/2012	Fair value Dec/2011
Identification					
Ethanol future sale - BMF	502,550	2.5128	Oct-2012	24	
Ethanol future sale - BMF	504,825	2.5241	Nov-2012	21	
Total	1,007,375			45	
In current liabilities (hedge operations)				45	
Total				45	

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Notes to the financial statements

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(b) Hedge accounting transactions

On September 30, 2012, all operations classified under hedge accounting had been settled.

(b.1) Effectiveness test of transactions designated for hedge accounting

In the period ended September 30, 2012, the Company showed that the derivatives held as hedge accounting were effective in offsetting the changes in the hedged item from the time the derivatives were contracted until the settlement of operations in September 2012, and that all other conditions for qualifying these instruments for hedge accounting were met. Accordingly, the effective portion of the changes in the fair value of the derivatives, amounting to R\$1,948 (Note 18.2.2), was recorded under "other comprehensive income", completely transferred to profit or loss after the settlement of operations.

(c) Estimated maximum loss

The amount at risk of the derivatives held by Braskem on September 30, 2012, 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 US\$12,417 for the NCE swaps and US\$777 for the share repurchase swap.

18.2.2. Hedge operations presented under "other comprehensive income" in shareholders' equity

The derivatives designated as cash flow hedge impacted “other comprehensive income”. The appropriations are allocated to interest expenses in the financial expenses group. The table below shows the summary of changes before the impact of income tax and social contribution:

	Dec/2011	Appropriation of interest	Change in fair value	Sep/2012
Swaps EPP	(17,071)	16,386	685	
Swaps NCE	833	(2,096)	1,263	
	(16,238)	14,290	1,948	

In the period ended September 30, 2012, the appropriation of accrued interest and change in the fair value of derivatives designated as “cash flow hedge” was R\$16,238, which, with the effect of income tax and social contribution of R\$5,522, amounts to R\$10,716 and is presented in “other comprehensive income” (Note 26(e)).

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18.3. Credit quality of financial assets

(a) Trade accounts receivable

Only a few of the Company's customers have risk ratings assigned by credit rating agencies. For this reason, the Company developed its own credit rating system for all accounts receivable from domestic customers and for part of the accounts receivable from foreign customers. The Company does not apply this rating to all of its foreign customers because most accounts receivable from them are covered by an insurance policy or letters of credit issued by banks. On September 30, 2012, the credit ratings were as follows:

	Percentage
1 Minimum risk	20.98%
2 Low risk	32.16%
3 Moderate risk	34.65%
4 High risk	3.34%
5 Very high risk (i)	8.88%

(i) Most customers in this group are inactive and the respective accounts are in the process of collection actions in the courts. Customers in this group which are still active buy from Braskem paying in advance.

Default indicators for the periods ended:

September 30, 2012

December 31, 2011
December 31, 2010

LTM – last 12 months

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Braskem S.A.**Notes to the financial statements****at September 30, 2012****All amounts in thousands of reais unless otherwise stated****(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, the Company uses the following credit rating agencies: Standard & Poor's, Moody's and Fitch Ratings.

	Sep/2012	Dec/2011
Financial assets with risk assessment		
AAA	3,138,176	2,868,992
AA+	70,277	
AA	5	206
AA-	178,359	72,029
A+	249,231	96,464
A	22	28
A-	1,062	71,367
BB+	11,000	19,028
B+		3,590
	3,648,132	3,131,704
Financial assets without risk assessment		
Quotas of investment funds in credit rights (i)	95,959	34,720
Sundry funds (ii)	53,573	10,723
Restricted deposits (iii)	7,680	4,173
Other financial assets with no risk assessment	33,740	10,548
	190,952	60,164
	3,839,084	3,191,868

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

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

(iii) Risk-free financial assets

Braskem's financial policy determines "A-" as the minimum rating for financial investments. On September 30, 2012, Braskem has balances rated at "BB+" related to Time Deposits with Special Guarantee (*Depósitos a Prazo com Garantia Especial – DPGE*) in the amount of R\$11,000 (R\$19,028 on December 31, 2011). These deposits are guaranteed by the Credit Guarantee Fund – FGC (*Fundo Garantidor de Crédito*), which makes these investments adequate for Braskem's policy.

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18.4. 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 September 30, 2012, the main risks that can affect the value of the Company's financial instruments are:

- Brazilian real/U.S. dollar exchange rate;
- LIBOR floating interest rate;
- CDI interest rate; and
- TJLP interest rate.

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

(b) Selection of scenarios

In accordance with CVM Instruction No. 475/08, the Company included three scenarios in the sensitivity analysis, with one that is probable and two that represent adverse effects to the Company. In the preparation of the adverse scenarios, only the impact of the variables on the financial instruments, including derivatives, and on the items covered by hedge transactions, was considered. The overall impacts on the Company's operations, such as those arising from the revaluation of inventories and revenue and future costs, were not considered. Since the Company manages its exposure to foreign exchange rate risk on a net basis, adverse effects from depreciation in the Brazilian real in relation to the U.S. dollar can be offset by opposing effects on Braskem's operating results.

(b.1) Probable scenario

The *Market Readout* published by the Central Bank of Brazil on September 28, 2012 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 December 31, 2012. 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, the Company considered the expectations for the CDI interest rate for determining the probable scenario for those rates, given their correspondence.

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(b.2) Possible and extreme adverse scenarios

For the Brazilian real/U.S. dollar exchange rate, a positive change of 25% was considered for the possible adverse scenario and of 50% for the extreme scenario based on the exchange rate on September 30, 2012.

For the CDI interest rate, a positive change of 25% was considered for the possible adverse scenario and of 50% for the extreme scenario based on the interest rate on September 30, 2012.

For the LIBOR interest rate, a positive change of 25% was considered for the possible adverse scenario and of 50% for the extreme scenario based on the LIBOR rate on September 30, 2012.

For the TJLP interest rate, an increase of 0.5% was considered for the possible adverse scenario and of 1% for the extreme scenario based on its rate on September 30, 2012, in accordance with the upward or downward adjustments made by the government in the rate, in this order of scale.

The sensitivity values in the table (c) below are the changes in the value of the financial instruments in each scenario, except for tables (d), (e) and (f), which show the changes in future cash flows.

(c) Sensitivity to the Brazilian real/U.S. dollar exchange rate

The sensitivity of each financial instrument, including derivatives and items covered by them, to the variation in the Brazilian real/US dollar exchange rate is presented in the table below:

Instrument	Probable	Possible adverse (25%)	Extreme adverse (50%)
Bonds and MTN	139,940	(2,321,578)	(4,643,156)
BNDES	6,875	(114,049)	(228,097)
Working capital / structured operations	24,191	(401,330)	(802,659)
Raw material financing	33	(540)	(1,081)
Export prepayments	7,741	(128,420)	(256,839)
Financial investments abroad	4,741	78,658	157,316
Swaps	3,819	(63,358)	(126,715)

(d) Sensitivity of future cash flows to the LIBOR floating interest rate

The sensitivity of future interest income and expenses of each financial instrument, including derivatives and items covered by them, is presented in the table below. The figures represent the impact on financial income (expenses), taking into consideration the average term of the respective instrument.

Instrument	Probable	Possible adverse (25%)	Extreme adverse (50%)
Working capital / structured operations	(244)	(1,837)	(3,666)
Export prepayments	(295)	(2,217)	(4,415)

Braskem S.A.**Notes to the financial statements****at September 30, 2012****All amounts in thousands of reais unless otherwise stated****(e) Sensitivity of future cash flows to the CDI interest rate**

The sensitivity of each financial instrument, including derivatives and items covered by them, to the variation in CDI interest rate is presented in the table below:

Instrument	Probable	Possible adverse (25%)	Extreme adverse (50%)
Export credit notes	(13,304)	(94,999)	(178,193)
Agricultural credit note	(3,590)	(26,636)	(52,139)
Working capital / other	(34)	(251)	(489)

(f) Sensitivity of future cash flows to the TJLP interest rate

The sensitivity of each financial instrument, including derivatives and items covered by them, to the variation in TJLP interest rate is presented in the table below:

Instrument	Probable	Possible adverse TJLP + 0.5%	Extreme adverse TJLP + 1%
BNDES	35,594	(34,463)	(67,850)
FINEP	185,247	(182,331)	(361,813)
Other governmental agents	53,156	(52,190)	(103,441)

Braskem S.A.**Notes to the financial statements****at September 30, 2012****All amounts in thousands of reais unless otherwise stated****19. Taxes payable**

	Note	Parent Company		Sep/2012	Consolidated
		Sep/2012	Dec/2011		Dec/2011
IPI		61,665	24,259	81,900	38,654
PIS and COFINS				8,664	7,172
Income tax and social contribution		12,362	13,792	63,590	21,787
ICMS		21,082	29,861	91,090	94,668
Tax debt refinancing program - Law 11,941/09	(a)	1,184,697	1,600,556	1,253,904	1,669,976
Other		45,161	48,040	56,677	64,521
Value-added tax				105,251	40,463
Income tax				1,018	5,925
Other				457	
Total		1,324,967	1,716,508	1,662,551	1,943,166
In current liability		247,650	215,924	472,937	329,987
In non-current liability		1,077,317	1,500,584	1,189,614	1,613,179
Total		1,324,967	1,716,508	1,662,551	1,943,166

The information related to taxes payable was presented in the Company's 2011 annual financial statements, in Note 22.

(a) **Tax renegotiation program – Law 11,941/09**

In June, the Company's Management decided to pay in advance part of the installments under the program, amortizing R\$403,821. In accordance with the applicable rules, Braskem disbursed R\$301,841 on July 31, 2012. The reduction, in the amount of R\$101,980, was recognized as follows: (i) the amounts corresponding to the renegotiated tax payments, of R\$80,496, were recorded under "other net operating income (expenses)"; and (ii) their restatement by the SELIC interest rate, as from the renegotiation date, was recorded under "financial results", in the amount of R\$21,484.

In addition, the installments prepaid were transferred from non-current liabilities to current liabilities.

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20. Income tax ("IR") and social contribution ("CSL")

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

	Sep/2012	Parent Company Sep/2011	Sep/2012	Consolidated Sep/2011
Profit (loss) before IR and CSL and participation of non-controlling interest	(1,652,478)	(598,344)	(1,675,351)	(533,532)
IR and CSL at the rate of 34%	561,843	203,437	569,619	181,401
Permanent adjustments to the IR and CSL calculation basis				
IR and CSL on equity in results of investees	75,406	13,833	(8,347)	(844)
Effects from pre-payment of taxes	27,374	13,896	27,374	13,896
Tax incentives (Sudene and PAT)		61,812	436	62,427
Other permanent differences	(23,609)	(22,775)	81,041	(39,303)
Effect of IR and CSL on results of operations	641,014	270,203	670,123	217,577
Breakdown of IR and CSL:				
Current IR and CSL	(6)	(216,214)	(25,399)	(269,040)
Tax incentives (Sudene and PAT)		61,812	436	62,427
Current IR and CSL	(6)	(154,402)	(24,963)	(206,613)
Deferred IR and CSL	641,020	424,605	695,086	424,190
Deferred IR and CSL	641,020	424,605	695,086	424,190

Total IR and CSL on income statement	641,014	270,203	670,123	217,577
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Braskem S.A.**Notes to the financial statements****at September 30, 2012****All amounts in thousands of reais unless otherwise stated****(b) Deferred income tax and social contribution**

<u>Breakdown of deferred IR and CSL</u>	<u>Note</u>	Sep/2012	Parent Company		Consolidated
			Dec/2011	Sep/2012	Dec/2011
Non-current assets					
Tax losses and negative base		440,484	29,199	1,019,411	545,148
Goodwill amortized		34,226	60,082	37,640	63,820
Foreign currency translation adjustment		233,824		240,004	11,979
Temporary differences		291,923	173,626	384,269	243,805
Business combination - Quattor	(i)	89,771	89,770	242,442	238,315
Pension plan		52,080	45,604	52,080	45,604
Deferred charges - write-off	(i)	6,698	11,200	65,782	82,952
Other	(i)		5,521		5,521
Total		1,149,006	415,002	2,041,628	1,237,144
Non-current liabilities					
Amortization of goodwill based on future profitability	(i)	494,603	420,537	565,627	474,985
Tax depreciation	(i)	195,677	129,137	340,428	213,684
Exchange variations			54,275		54,275
Temporary differences		5,098	5,778	323,172	321,032
Business combination	(i)	86,299	87,948	634,746	667,041
Write-off negative goodwill of incorporated subsidiaries	(i)	1,929	2,375	1,929	2,375
Additional indexation PP&E	(i)	157,697	168,220	157,697	168,220
Other	(i)	57,916	32,446	64,186	51,741
Total		999,219	900,716	2,087,785	1,953,353

(i) Adequacy to Law No. 11,638/07 and 11,941/09

(c) Realization of deferred income tax and social contribution

In December 2011, the Company assessed the realization of deferred income tax and social contribution by analyzing the grounds for accruing the amounts that comprise their calculation base, and opted to maintain the existing balances.

In the period ended September 30, 2012, there were no material events or circumstances that indicate any compromise of the realization of these deferred taxes.

The information related to income tax and social contribution was presented in the 2011 annual financial statements of the Company, in Note 23.

Braskem S.A.**Notes to the financial statements****at September 30, 2012****All amounts in thousands of reais unless otherwise stated****21. Sundry provisions**

	Parent company		Consolidated	
	Sep/2012	Dec/2011	Sep/2012	Dec/2011
Provision for customers bonus	1,452	10,053	11,377	13,577
Provision for recovery of environmental damages	21,745	30,451	27,211	36,777
Judicial and administrative provisions	91,700	73,168	295,319	266,302
Other			5,073	5,067
Total	114,897	113,672	338,980	321,723
In current liabilities	1,452	18,759	12,439	23,629
In non-current liabilities	113,445	94,913	326,541	298,094
Total	114,897	113,672	338,980	321,723

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

Legal provision

	Parent company		Consolidated	
	Sep/2012	Dec/2011	Sep/2012	Dec/2011
Labor claims	33,971	27,986	41,148	36,718
Tax claims				
Income tax and social contribution			29,498	27,753
PIS and COFINS			32,373	30,354
ICMS - interstate purchases			78,341	73,457
ICMS - other			56,009	52,518
Other	50,744	38,197	50,744	38,197

Corporate claims and other	6,985	6,985	7,206	7,305
	91,700	73,168	295,319	266,302

This table and the information on provisions were presented in the 2011 annual financial statements of the Company, in Note 24.

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22. Private pension plans

The information related to private pension plans was presented in the 2011 annual financial statements of the Company, in Note 26.

(a) Defined-benefit plans

The amounts recognized for defined benefit pension plans are as follows:

	Sep/2012	Parent company Dec/2011	Sep/2012	Consolidated Dec/2011
Novamont Braskem America			889	821
Petros Copesul plan (i)		134,506		134,506
Braskem Alemanha			15,657	14,248
		134,506	16,546	149,575

(i) Petros Copesul

On September 28, 2012, the Brazilian Private Pension Plan Superintendence – PREVIC (“PREVIC”) approved the withdrawal of sponsorship of this plan by Braskem. The payment of the mathematical reserves of participants is expected to be made in the fourth quarter of 2012. For this reasons, the provisioned amount of R\$153,554 (Note 24

(a.iii)) was transferred to current liabilities.

(ii) Petros PQU

With the acquisition of Quattor, in April 2010, the Company assumed the liabilities of Petros PQU, a private defined-benefit pension plan. On August 6, 2012, PREVIC approved the withdrawal process, which had been requested on September 30, 2009. Due to the plan's surplus situation, no provision has been accrued.

(b) Defined-contribution plan

(i) Triunfo Vida

On July 27, 2012, PREVIC ratified the withdrawal of sponsorship from this plan, pursuant to the request made on May 31, 2010. The Company did not make any additional disbursement during the withdrawal process.

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Notes to the financial statements

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23. Advances from customers - consolidated

The main balance refers to advances from customers overseas for the acquisition of butadiene for supply between February 2013 and December 2016. The balance of this client in current assets is R\$20,316 and in non-current assets is R\$103,815.

The information related to advances from customers was presented in the 2011 annual financial statements of the Company, in Note 27.

24. Other accounts payable – consolidated

(a) Current

On September 30, 2012, the main balances in this item were:

(i) amounts payable to the non-controlling shareholder of Braskem Idesa, in the amount of R\$215,066, due in February 2013, arising from loans for the Ethylene XXI Project, which will be reimbursed upon disbursement of funds from the associated Project Finance structure (Note 1 (c)).

(ii) creditors arising from stock purchases related to the 4th share repurchase program, with a balance of R\$3,743 (Note 26(c.2)).

(iii) amounts payable to Plano Petros Copesul, in the amount of R\$153,554 (Note 22(a)).

(b) Non-current

The main balance of this item refers to notes payable to BNDESPAR Participações S.A. in the amount of R\$255,448 (R\$235,968 on December 31, 2011), which on August 9, 2010 exercised its option to sell shares in Riopol to Braskem, as part of the business combination of Quattor (currently named Braskem Qpar).

The information related to other accounts payable was presented in the 2011 annual financial statements of the Company, in Note 18.

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All amounts in thousands of reais unless otherwise stated

25. Contingencies

The Company has contingent liabilities related to lawsuits and administrative proceedings arising from the normal course of its business. These contingencies are of a labor and social security, tax, civil and corporate nature and involve risks of losses that are classified by the Company's management as possible. A provision for the lawsuits for which the risk of loss is classified as probable is recognized and is presented in Note 21 of this quarterly information.

The Company received a deficiency notice from the Brazilian Federal Revenue Service due to the use of non-cumulative PIS and COFINS tax credits related to: (i) treatment of effluents; (ii) charges on transmission of electricity; (iii) freight for storage of finished products; and (iv) extemporaneous credits from acquisitions of property, plant and equipment. These deficiency notices have already been contested at the administrative level and comprise the period from 2006 and 2011, and as of September 30, 2012 totaled R\$640 million, of which R\$352 million related to principal and R\$288 million of fine and interest.

The Company's legal counsel, in view of the recent decisions by the Tax Resources Administrative Board and the evidence provided by the Company, assess as possible the chances of success at the administrative level. For this reason, no provision has been accrued for these deficiency notices. Any changes in the court's understanding of the position could cause future impacts on the financial statements of the Company due to such proceedings. For being a matter of recent contingencies, the Company cannot estimate the date for conclusion of the proceedings. No guarantee was accrued for these claims.

Based on the opinion of the internal legal advisors, there were no other significant additions of lawsuits that involve the risk of losses classified as possible or significant changes in the progress of the existing lawsuits.

The description of the main contingent liabilities of the Company was presented in the 2011 annual financial statements, in Note 28.

Braskem S.A.**Notes to the financial statements****at September 30, 2012****All amounts in thousands of reais unless otherwise stated****26. Shareholders' Equity**

The information related to the Company's shareholders' equity was presented in its 2011 annual financial statements, in Note 29.

(a) Capital

On September 30, 2012, the Company's subscribed and paid up capital stock amounted to R\$8,043,222 and comprised 801,665,617 shares with no par value divided into 451,669,063 common shares, 349,402,736 class A preferred shares, and 593,818 class B preferred shares, distributed as follows:

	Common shares	%	Preferred shares class A	%	Preferred shares class B	%	Total	%
OSP and Odebrecht	226,334,623	50.11%	79,182,498	22.66%			305,517,121	38.11%
Petrobras	212,426,946	47.03%	75,792,587	21.69%			288,219,533	35.95%
BNDESPAR			44,069,052	12.61%			44,069,052	5.50%
ADR	(i)		34,243,744	9.80%			34,243,744	4.27%
Other	12,907,083	2.86%	110,560,239	31.64%	593,818	100.00%	124,061,140	15.48%
Total	451,668,652	100.00%	343,848,120	98.41%	593,818	100.00%	796,110,590	99.31%
Treasury shares	411		4,399,858	1.26%			4,400,269	0.55%
Braskem shares owned by subsidiary of Braskem								
Petroquímica	(ii)		1,154,758	0.33%			1,154,758	0.14%
Total	451,669,063	100.00%	349,402,736	100.00%	593,818	100.00%	801,665,617	100.00%

(i) American Depository Receipt, negotiated in the New York stock market (USA).

(ii) This shares are treated as "treasury shares" in consolidated Equity.

(b) Treasury shares

		Parent company		Consolidated	
	Sep/2012	Dec/2011	Sep/2012	Dec/2011	
Quantity					
Common shares	411	411	411	411	
Preferred shares class "A"	4,399,858	1,542,258	5,554,616	2,697,016	
	4,400,269	1,542,669	5,555,027	2,697,427	
Amount (R\$ thousand)	48,019	11,325	96,911	60,217	

In the period ended September 30, 2012, the variation in treasury shares of R\$36,694 was due to the shares repurchased by Braskem, of which R\$33,204 was related to the 3rd share repurchase program (item (c.1) of these Notes) and R\$3,490 was related to the 4th share repurchase program (item (c.2) of these Notes).

Braskem S.A.

Notes to the financial statements

at September 30, 2012

All amounts in thousands of reais unless otherwise stated

(c) Ongoing share repurchase programs

(c.1) 3rd Share repurchase program

On August 26, 2011, Braskem's Board of Directors approved a program for the repurchase of shares effective for the period between August 29, 2011 and August 28, 2012, through which the Company could acquire up to 12,162,504 class A preferred shares at market price. Shares could be purchased by the Company or by financial institutions hired for that purpose. Upon the expiration of the program, Braskem would have to acquire from financial institutions, at market value, the shares acquired by the latter. The private deal was approved by the Securities and Exchange Commission of Brazil ("CVM").

During the program, the Company repurchased 2,595,300 shares, recording as treasury shares the amount of R\$33,204 (item (b) of these Notes), of which 2,007,600 were repurchased by financial institutions for the amount of R\$26,293, and 587,700 shares were repurchased directly by Braskem for the amount of R\$6,911.

In August 2012, upon the expiration of the program, the Company acquired shares that were held by the financial institutions at market value, in the amount of R\$30,404, and received R\$1,575 related to the swap instrument associated with the repurchase transaction, net of withholding income tax, in the amount of R\$698.

The weighted average cost of the shares repurchased is R\$12.79 (minimum of R\$10.53 and maximum R\$15.15).

(c.2) 4th Share repurchase program

On August 13, 2012, Braskem's Board of Directors approved a program for the repurchase of shares effective for the period between August 29, 2012 and August 28, 2013, through which the Company may acquire up to 13,376,161 class A preferred shares at market price. The shares may be acquired by the Company or by financial institutions hired for such purpose. Upon the expiration of the program, Braskem will have to acquire from financial institutions, at market value, the shares acquired by the latter. The private transaction was approved by the CVM.

As of September 30, 2012, 262,300 shares had been repurchased by financial institutions. The effects of such repurchases are stated under the following lines:

- (i) R\$3,490 in treasury shares (item (b) of these Notes);
- (ii) R\$3,743 in other accounts payable (Note 24(a.ii)); and
- (iii) R\$238 in swap linked to share repurchase (Note 18.2.1 (a.ii)).

The weighted average cost of the shares repurchased is R\$13.30 (minimum of R\$12.66 and maximum of R\$14.07).

Braskem S.A.**Notes to the financial statements****at September 30, 2012****All amounts in thousands of reais unless otherwise stated****(d) Dividends**

On April 27, 2012, the Annual Shareholders' Meeting approved the payment of dividends as per the Management proposal in 2011, in the amount of R\$482,593, equivalent to R\$0.605085049 per common, class A preferred and class B preferred share, to be paid by November 19, 2012.

(e) Other comprehensive income - shareholders' equity

	Additional indexation of PP&E	Deemed cost of jointly-controlled subsidiary	Fair value of cash flow hedges	Parent company and consolidated Foreign currency translation adjustment	Gain on interest in subsidiary	Total
	Note	price-level				
As of December 31, 2010		353,777	(53,292)	(79,135)		221,350
Additional indexation						
Realization by depreciation or writte-off assets		(30,951)				(30,951)
Income tax and social contribution on realization		10,524				10,524
Deemed cost						

Deemed cost of jointly-controlled subsidiary		22,434				22,434
Cash flow hedges						
Change in fair value			(9,550)			(9,550)
Recycled through profit or loss			45,397			45,397
Tax on fair value gains			(1,099)			(1,099)
Gain from change of interest in subsidiary					2,361	2,361
Foreign currency translation adjustment				66,265		66,265
As of September 30, 2011	333,350	22,434	(18,544)	(12,870)	2,361	326,731
As of December 31, 2011	326,541	21,159	(10,716)	(24,504)	3,106	315,586
Additional indexation						
Realization by depreciation or writte-off assets	(30,951)					(30,951)
Income tax and social contribution on realization	10,524					10,524
Deemed cost						
Realization by depreciation or writte-off assets		(1,075)				(1,075)
Income tax and social contribution on realization		365				365
Cash flow hedges	18.2.2					
Change in fair value			1,948			1,948
Recycled through profit or loss			14,290			14,290
Tax on fair value gains			(5,522)			(5,522)
Gain from change of interest in subsidiary	14 (b)				1,982	1,982
Foreign currency translation adjustment				48,189		48,189

**As of September 30,
2012**

306,114

20,449

23,685

5,088

355,336

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Braskem S.A.**Notes to the financial statements****at September 30, 2012****All amounts in thousands of reais unless otherwise stated****27. Earnings per share**

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.

	Basic	Sep/2012 Diluted	Basic
Loss for the period attributed to Company's shareholders	(1,011,464)	(1,011,464)	(328,141)
Reconciliation of income (loss) available for distribution, by class (numerator):			
Common shares	(573,553)	(573,339)	(170,291)
Preferred shares class "A"	(437,911)	(437,748)	(157,850)
Preferred share class "A" potentially convertible (the ratio of 2 shares class "B" for each share class "A")		(377)	
	(1,011,464)	(1,011,464)	(328,141)
Weighted average number of shares, by class (denominator):			
Common shares	451,668,652	451,668,652	374,037,560
Preferred shares class "A" (i)	344,851,898	344,851,898	346,710,220
Preferred share class "A" potentially convertible (the ratio of 2 shares class "B" for each share class "A")		296,909	
	796,520,550	796,817,459	720,747,790
Loss per share (in R\$)			
Common shares	(1.2699)	(1.2694)	(0.4553)
Preferred shares class "A"	(1.2699)	(1.2694)	(0.4553)

(i) In the calculation of the weighted average, the shares of the Company that were repurchased were excluded from the base (Note 26 (c)).

The information related to the earnings per share of the Company was presented in its 2011 annual financial statements, in Note 30.

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Braskem S.A.**Notes to the financial statements****at September 30, 2012****All amounts in thousands of reais unless otherwise stated****28. Net sales revenues**

	Sep/2012	Parent company Sep/2011	Sep/2012	Consolidated Sep/2011
Sales revenue				
Domestic market	13,994,483	13,234,677	20,291,666	19,428,400
Foreign market	4,513,593	3,750,859	11,603,540	10,089,562
	18,508,076	16,985,536	31,895,206	29,517,962
Sales deductions				
Taxes				
Domestic market	(3,123,097)	(3,134,749)	(4,814,268)	(4,861,963)
Foreign market			(2,686)	(1,066)
Sales returns and other	(167,124)	(93,271)	(261,250)	(189,088)
	(3,290,221)	(3,228,020)	(5,078,204)	(5,052,117)
Net sales revenue	15,217,855	13,757,516	26,817,002	24,465,845

This table was presented in the 2011 annual financial statements of the Company, in Note 31.

29. Tax incentives

Braskem receives certain tax incentives granted during the determination of federal and state taxes. On September 30, 2012, the Company recognized credits related to the PRODESIN (ICMS Alagoas) and REINTEGRA tax incentives amounting to R\$21,509 and R\$167,324 (Note 10), respectively, in its statement of operations. In the same period, the

Company did not record credits from the SUDENE (IR exemption/reduction) tax incentive as a result of the tax loss recorded in the period.

The information related to tax incentives was presented in the 2011 annual financial statements of the Company, in Note 32.

30. Other net operating income (expenses) - consolidated

In the period ended September 30, 2012, the main amounts under this item were as follows:

(i) indemnity provided for under the supply agreement between Sunoco and Braskem America in the final amount of R\$235,962 (Note 1(a)).

(ii) reduction in the balance of the tax renegotiation program of Law 11,941/09, amounting to R\$80,496 (Note 19 (a)).

The information related to the other net operating income (expenses) of the Company was presented in the 2011 annual financial statements, in Note 33.

Braskem S.A.

Notes to the financial statements

at September 30, 2012

All amounts in thousands of reais unless otherwise stated

31. Financial results

	Parent Company			Consolidated
	Sep/2012	Sep/2011	Sep/2012	Sep/2011
Financial income				
Interest income	149,567	189,148	158,319	204,253
Monetary variations	27,850	52,645	30,376	41,558
Exchange rate variations	68,801	191,295	151,748	340,037
Others	11,632	6,449	24,121	17,790
	257,850	439,537	364,564	603,638
Financial expenses				
Interest expenses	(678,445)	(654,472)	(750,984)	(735,180)
Monetary variations	(171,150)	(172,353)	(191,530)	(223,661)
Exchange rate variations	(1,522,679)	(1,202,105)	(1,621,951)	(1,366,293)
Update of tax and labor debts	(140,857)	(139,161)	(161,704)	(167,658)
Tax expenses on financial operations	(10,129)	(5,775)	(12,439)	(8,804)
Discounts granted	(16,596)	(16,875)	(37,665)	(34,444)
Loans transaction costs - amortization	(18,801)	(3,982)	(25,771)	(18,579)
Adjustment to present value - appropriation	(165,747)	(18,556)	(212,818)	(46,042)
Others	(54,008)	(23,988)	(127,269)	(200,734)
	(2,778,412)	(2,237,267)	(3,142,131)	(2,801,395)
Total	(2,520,562)	(1,797,730)	(2,777,567)	(2,197,757)

		Parent company		Consolidated
	Sep/2012	Sep/2011	Sep/2012	Sep/2011
Interest income				
Held-for-trading	4,907	83,202	4,282	94,067
Loans and receivables	104,576	65,163	99,039	68,466
Held-to-maturity	10,501	12,709	10,501	12,709
	119,984	161,074	113,822	175,242

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Other assets not classifiable	29,583	28,074	44,497	29,011
Total	149,567	189,148	158,319	204,253

This table was presented in the 2011 annual financial statements of the Company, in Note 34.

Braskem S.A.**Notes to the financial statements****at September 30, 2012****All amounts in thousands of reais unless otherwise stated****32. Expenses by nature**

	Sep/2012	Parent Company Sep/2011	Sep/2012	Consolidated Sep/2011
Classification by nature:				
Raw materials other inputs	(11,343,928)	(9,592,935)	(20,789,175)	(18,218,722)
Personnel expenses	(812,412)	(781,879)	(1,316,516)	(1,200,149)
Outsourced services	(421,737)	(425,479)	(728,146)	(654,902)
Tax expenses	(19,600)	(20,051)	(39,765)	(42,217)
Depreciation, amortization and depletion	(867,627)	(782,470)	(1,342,801)	(1,248,324)
Variable selling expenses	(253,626)	(222,871)	(451,715)	(373,517)
Freights	(623,944)	(507,843)	(951,426)	(747,176)
Other expenses	(233,214)	(159,836)	(353,905)	(273,647)
Total	(14,576,088)	(12,493,364)	(25,973,449)	(22,758,654)
Classification by function:				
Cost of products sold	(13,582,928)	(11,576,192)	(24,371,426)	(21,302,177)
Selling	(144,034)	(123,396)	(306,788)	(253,477)
Distribution	(274,833)	(234,747)	(404,525)	(355,589)
General and administrative	(511,731)	(517,084)	(811,018)	(778,865)
Research and development	(62,562)	(41,945)	(79,692)	(68,546)
Total	(14,576,088)	(12,493,364)	(25,973,449)	(22,758,654)

This table was presented in the 2011 annual financial statements of the Company, in Note 35.

Braskem S.A.

Notes to the financial statements

at September 30, 2012

All amounts in thousands of reais unless otherwise stated

33. Segment information

(a) In April 2012, the Business Leader of Braskem announced the Company's new corporate structure, which is distributed as follows:

- **Basic Petrochemicals:** consists of the CGUs UNIB Bahia, UNIB Sul, UNIB São Paulo and UNIB Rio de Janeiro and is represented by the Basic Petrochemicals operating segment. It was unchanged by the previous organizational structure.
- **Polyolefins and Renewables:** consists of the CGUs polyethylene, polypropylene and green polyethylene and is represented by the Polyolefins operating segment.
- **Vinyls:** consists of the CGUs PVC and Chlor-Alkali, and is represented by the Vinyls operating segment. It was unchanged by the previous organizational structure.
- **Latin America:** this new segment is formed by the businesses of Braskem in Latin America, particularly in Mexico and Venezuela. As of September 30, 2012, it is not a reportable segment and is presented under Other Segments.
- **United States and Europe:** consists of the operations of Braskem in the United States and Europe and is represented by the International Business operating segment.

The change regarding the presentation of information by segment, presented in Note 36 of the 2011 financial statements of the Company, consists of the transfer of the green polyethylene business from the International Business segment to the Polyolefins segment. The following information for September 2012 and 2011 already includes these changes.

Braskem S.A.**Notes to the financial statements****at September 30, 2012****All amounts in thousands of reais unless otherwise stated**

	Basic petrochemicals	Polyolefins	Vinyls	Reporting segments International Chemical business distribution		Total reportable segments	Other segments	Corporate unit before
Net sales revenue	17,598,910	10,736,517	1,469,094	4,047,942	667,410	34,519,873	140,001	
Cost of products sold	(16,249,645)	(9,833,626)	(1,437,676)	(3,937,188)	(558,205)	(32,016,340)	(125,590)	
Gross profit	1,349,265	902,891	31,418	110,754	109,205	2,503,533	14,411	
Operating expenses								
Selling, general and distribution expenses	(355,122)	(657,023)	(96,850)	(182,838)	(71,786)	(1,363,619)	(31,560)	(206,844)
Results from equity investments								(32,747)
Other operating income (expenses), net	(38,469)	(8,861)	(2,641)	260,869	1,170	212,068	(97,008)	176,350
	(393,591)	(665,884)	(99,491)	78,031	(70,616)	(1,151,551)	(128,568)	(63,241)
Operating profit (loss)	955,674	237,007	(68,073)	188,785	38,589	1,351,982	(114,157)	(63,241)

	Basic petrochemicals	Polyolefins	Vinyls	Reporting segments International business	Chemical distribution	Total reportable segments	Other segments	Corporate unit	before
Net sales revenue	17,503,890	9,767,428	1,306,263	2,032,734	570,223	31,180,538	176,262		
Cost of products sold	(15,599,851)	(8,872,584)	(1,219,327)	(1,890,989)	(464,192)	(28,046,943)	(151,509)		
Gross profit	1,904,039	894,844	86,936	141,745	106,031	3,133,595	24,753		
Operating expenses									
Selling, general and distribution expenses	(414,424)	(618,687)	(109,514)	(79,659)	(72,838)	(1,295,122)	(39,398)	(121,957)	
Results from equity investments									(2,051)
Other operating income (expenses)	(8,294)	(8,618)	(21,372)	(19,961)	3,236	(55,009)	20,597	(6,503)	
	(422,718)	(627,305)	(130,886)	(99,620)	(69,602)	(1,350,131)	(18,801)	(130,511)	
Operating profit (loss)	1,481,321	267,539	(43,950)	42,125	36,429	1,783,464	5,952	(130,511)	

The Company does not disclose assets by segment since this information is not presented to its chief decision maker.

The information related to the presentation of information by segment was presented in the 2011 annual financial statements, in Note 36.

Braskem S.A.

Notes to the financial statements

at September 30, 2012

All amounts in thousands of reais unless otherwise stated

34. Insurance coverage

In the period ended September 30, 2012, there were no significant changes in the insurance coverage of Braskem and its subsidiaries.

The information related to insurance coverage was presented in the 2011 annual financial statements of the Company, in Note 37.

