

## **BRASKEM SINGS PARTNERSHIP DEAL WITH MEXICHEM TO COMMERCIALIZE PVC SPECIALTIES**

Braskem has started the commercialization at the pre-marketing stage of PVC specialties resins made by Colombian company Mexichem, through a supply contract signed between the companies with a duration of 5 years. The agreement aims at keeping the regular supply of this market segment due to an initiative by Braskem to hibernate a small and old industrial plant located in the neighborhood of Vila Prudente, in Sao Paulo, as of the next year.

That decision has been taken based on the business' sustainability, which due to the plant's low production scale and to the distance from the main sources of raw materials (MVC) – transported by Braskem from Camaçari, in the state of Bahia, in a complex logistic operation – had been pointing to a loss of competitiveness.

It is important to stress that Braskem will remain in the PVC Specialties business through the partnership with Mexichem, keeping the same line of products, and awaiting for a better occasion to invest in a new plant. The unit in Vila Prudente will be turned into a Products Distribution Center, where, in addition to PVC Specialties, it may also store and dispatch other resins made by Braskem.

The production halt in that plant will benefit the population living in the region due to the consequent reduction in environmental impacts and to their lower exposition to the risks inherent to any industrial activity. The plant's halt has been forecasted to January 31st, 2010. During the two subsequent months its facilities will be cleaned and sanitized, and the assets will be kept under "hibernation", awaiting a future decision.

The Commercial team responsible for the PVC Specialties business has undertaken the previous communication to Clients ensuring the continuity of Braskem's business. The group of company's members involved with the operation, comprising 53 people, and all partners have been informed simultaneously on the decision and on the measures taken to identify all relocation opportunities to other areas in the company or to minimize the impact generated by the need to undertake shutdowns. The necessary adjustments will be aligned to Braskem's commitments with transparency, respect and valorization of our personnel, including specialized and differentiated support to the involved group during this career reorientation stage.