

## **Braskem confirms investment to produce 200 kton/year of green polyethylene**

***Strategic clients are already receiving samples of the product made 100%  
from renewable raw materials***

Braskem, the Brazilian petrochemical company that leads the thermoplastic resins market in Latin America, today confirmed their project for the implantation of a new production plant for polyethylene made from sugar can ethanol, to enter into operations at the end of 2009 and with a capacity of 200 thousand tons per annum. The news was officially relayed by José Carlos Grubisich, the Braskem CEO, who is in Germany to take part in the K 2007 International Trade Fair, the largest international event for the petrochemical and plastics sector.

The first company to produce a globally certified polyethylene made 100% from renewable raw materials; Braskem has already produced around 1,000 kg of the green polymer in its pilot plant, working at full capacity, in its Center of Technology and Innovation. To date, Braskem has brokered pre-contract sales orders with a variety of companies that are leaders in their segments of the international and Brazilian market, and who are interested in becoming partners regarding this technological breakthrough of a project that will have positive impacts on the environment.

José Carlos Grubisich, the Braskem CEO, affirms, "Braskem's investment into the production of a green polyethylene confirms our commitment to innovation and sustainable development, opening very positive perspectives so that our clients, producers of manufactured plastics, can count on a competitive difference in their market positioning". He adds: "This project is in line with our growth strategy with the creation of value and represents an important step toward the vision of positioning Braskem among the top ten petrochemical companies world-wide".

The companies interested in realizing supply contracts with Braskem have already started to receive samples of the green polyethylene with the aim of keeping the transformers and end users up to date. The production of plastics made from ethanol is aimed at supplying the main international markets that require products with superior quality and performance; most notably the automobile, food packaging, cosmetics and personal hygiene industries. The product has the same physical properties as traditional polyethylene and requires no investments in new equipment for the manufacturers of plastics.

With annual turnover in the region of US\$ 11 billion, Braskem operates in the international market, side by side with its strategic clients and offering the same

standards of service as local producers. The company counts with commercial operations and market development bases in Europe, the US and Argentina, and is concluding a study for the setting up of an office in China.

Braskem exports total approximately US\$ 2.5 billion per annum and reach over 50 countries spread over all five continents. The North American market accounts for the most common destination with 36% of the total, demonstrating the company's ability to compete. For thermoplastics, Europe accounts for 30% of the total and is second only to South America, which accounts for 45%.

Products with a high technological aggregate hold a significant place in the Braskem list of exports, with the company being one of the world's largest producers of ultra high molecular weight polyethylene under the **UTECH®** brand, which is primarily destined for the North American market. Also of note is the **Braskem Idealis®** resin, a high molecular weight polyethylene that is in high demand in the European market. These are examples of the results from the Braskem Center of Technology and Innovation, the most modern and well equipped of its kind among petrochemical companies in Latin America, which has assets that required investments of over US\$ 150 million, including eight pilot plants.

In addition to green polyethylene, Braskem is currently developing other projects aimed at the longer term and focused on biopolymers, such as polypropylene made from biomass. Grubisich affirms, "Braskem is proud to be at the forefront of a technological breakthrough that will align the interests of the company, our shareholders, clients and society, which is more and more demanding regarding initiatives that contribute to the sustainability of the planet".

Braskem, the world class Brazilian petrochemical company, is the market leader in thermoplastic resins in Latin America and the third largest private, Brazilian owned industrial company. With 18 industrial plants distributed throughout Brazil, the company produces over 10 million tons of thermoplastic resins and other petrochemical products, per annum.

29/10/2007

*For further information, please contact:*

*Maria Luiza Abbott*

*AJA Media Solutions*

[cuca@ajasolutions.co.uk](mailto:cuca@ajasolutions.co.uk)

*Mobile: +44 (0)772 029 7199*