

## **BRASKEM MAKES DECISIONS IN ORDER TO INCREASE NET PROFIT OF ITS SHARES**

*The changes will bring possibilities for easier negotiations by making the shares more accessible to the international investor.*

Braskem plans to propose to the General Assembly, which takes place on May the 31st, the grouping of representative shares of its social capital in Brazil and the expansion of its ADSs negotiated in the New York stock market. The initiative is part of a strategy to increase the value of the company's shares and to promote a better relationship with the market.

Through these actions, shares of Braskem will be grouped in a 250/1 proportion, considering each specie and class, and they will also be evaluated in unitary allotments. This will allow changing the minimum portion for negotiation at Bovespa from 100 thousand shares to 100 shares. By the ending of this shares grouping process, the quotations of Braskem shares at BOVESPA will be divided into four, based on the values that preceded the conclusion of the referred grouping. "The initiative creates conditions for a greater participation of investors and stimulates the profitability of the shares in the market", says Paul Altit, vice-president and responsible for Finances and Investors Relations.

In order to adapt the ADSs of the company, negotiated at New York stock market, to this new situation, each one will be divided into two, what will contribute for the profitability increase and will also promote more negotiations.

Each ADS will represent two class A preferential shares instead of the current proportion of 1.000 class A preferential shares for each ADS. At the end of the operation, the quotation of Braskem ADSs will be reduced in 50%, observing the value that precedes the conclusion of the referred process.

Aligned to its commitment with a transparent relationship with the capital market, Braskem is already working with level 1 of Corporative Governance at Bovespa and it is also preparing its way into level 2. The company also offers the right of integral *tag along* to all its shareholders, what protects some holders in a possible change of controllers.

In order to approve the proposal that changes the number of shares by allotment, Braskem Administration Council considered their interest in the transactions number increase and in offering better negotiation conditions for its shareholders. Furthermore, the initiative responds to Bovespa's objective of standardizing the allotment for all quoted companies.

Once it's been approved by the General Assembly on March the 31<sup>st</sup>, shareholders will have 30 days to adjust their positions, at their own criteria, for having entire multiples of 250, selling or buying the necessary shares for this adjustment. After this deadline, the eventual fractions of shares that are left will be grouped in entire numbers and sold in auction at Bovespa. Then the value will be passed on to owners through a bank account deposit. At the end of this term and based upon new criteria, shares will be negotiated in Bovespa, in the New York stock market and in Latibex, the Latin American Companies section at Madrid stock market.

Braskem, a world-class Brazilian petrochemical, is the leader in thermoplastic resins in Latin America and it figures among the three largest private companies in Brazil. With 13 industrial plants located in Brazil, the company produces annually 5,7 million tons of chemical and petrochemical products.

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