

BRASKEM SA
Form 6-K/A
August 13, 2010

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 6-K/A

**REPORT OF FOREIGN PRIVATE ISSUER PURSUANT TO RULE 13A-16
OR 15D-16 OF THE SECURITIES EXCHANGE ACT OF 1934**

For the month of August, 2010
(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- _____.

EBITDA grows 17% to R\$1.04 billion in 2Q10

Quattor EBITDA doubles and reaches R\$214 million with a 15% margin

São Paulo, August 10, 2010 --- **BRASKEM S.A.** (BM&FBOVESPA: BRKM3, BRKM5 and BRKM6; NYSE: BAK; LATIBEX: XBRK), the leading thermoplastic resin producer in the Americas, announces today its results for the second quarter of 2010 (2Q10).

With the acquisition of the control of Quattor Participações SA (Quattor) and Sunoco Chemicals in April 2010, this release is based on pro-forma consolidated information that includes 100% of the results from these new assets for all periods stated. In accordance with CVM Instruction 247, these figures consider the proportional consolidation of the interest in Cetrel S.A. - Empresa de Proteção Ambiental. The quarterly information was reviewed by independent external auditors, with the exception of Braskem America (the former Sunoco Chemicals) in 2009 and 1Q10.

On June 30, 2010, the Brazilian real/U.S. dollar exchange rate was R\$1.8015/US\$1.00.

According to Braskem CEO Bernardo Gradin:

"With each passing quarter, Brazil has demonstrated the capacity to grow its economy, which has kept resin demand at high levels. This scenario helped Braskem's strong performance, in particular the recovery in the Quattor operations, as a consequence of the company's new administration initiatives, aiming always at better serving the Brazilian market. In this second quarter we began to reap the gains from the Quattor merger, which presents opportunities to capture synergies estimated at R\$ 400 million in annual and recurring EBITDA as of 2012, confirming the acquisition's potential for value accretion. The scenario of the economy and international petrochemical industry require attention, whether due to the deterioration of the crisis in developed countries or the slight slowdown in the Chinese economy, which could cause downward pressure on demand for commodities in the international market, or due to the new resin or petrochemical production capacity coming online."

1. HIGHLIGHTS:

1.1 Braskem's pro-forma consolidated EBITDA¹, including Quattor and Braskem America (former Sunoco Chemicals), reaches R\$3.8 billion in the last 12 months:

Braskem's pro-forma consolidated EBITDA in the last 12 months grew to R\$3.8 billion, up 9% from the prior period, for margin of 15.5%. This increase reflects the good performance of the domestic economy, the opportunities seized in the export market and the higher capacity operating rate at Quattor due to the better availability of raw material.

1.2 Quattor increases capacity operating rate in the quarter

The better stability of feedstock supply enabled crackers in São Paulo and Rio de Janeiro to operate at an average capacity utilization rate of 83% in 2Q10, increasing by 16% from the prior quarter. The higher reliability of the plants, with adjustment in feedstock supplies, should result in continuous operational improvement over the coming quarters.

1.3 Quattor recorded EBITDA of R\$214 million in 2Q10, with EBITDA margin of 15.0%:

¹ EBITDA may be defined as earnings before the net financial result, income and social contribution taxes, depreciation, amortization and non-operating income. EBITDA is used by the Company's management as a measure of performance, but does not represent cash flow for the periods presented and should not be considered a substitute for net income or an indicator of liquidity. The Company believes that in addition to serving as a measure of operating performance, EBITDA allows for comparisons with other companies. Note however that EBITDA is not a measure established in accordance with Brazilian Corporation Law or U.S. Generally Accepted Accounting Principles (US GAAP), and may be defined and calculated differently by other companies.

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The higher supply of products due to the increase in operating rates at Quattor's plants and the better sales mix (domestic market versus exports) supported EBITDA growth of nearly 100% to R\$214 million, for EBITDA margin of 15.0%, up significantly from the margin of 8.8% in 1Q10.

1.4 Green ethylene plant:

The green ethylene plant located at the Triunfo petrochemical complex is in the commissioning and pre-operational phase, with operations for the global market expected to begin in September 2010. In July, the Rio Grande do Sul State Environmental Protection Foundation (FEPAM/RS) granted the plant's operating license, and Braskem has already finished contracting the ethanol required to guarantee feedstock supplies. The new plant will consume 460,000 m³ of ethanol per year. Braskem will be the first company in the world to produce polyethylene certified as made from renewable raw materials on an industrial scale.

1.5 Quattor transaction advances on schedule:

In line with the acquisition transaction phases disclosed in the material fact dated January 22, 2010, the merger by Braskem of stock in Quattor Participações S.A. was announced on June 18, making it a wholly owned subsidiary of the Company. Braskem maintains its focus on concluding the other phases involved in this transaction, and has already captured synergies in this consolidation process, always aiming at maximizing and creating value for its shareholders.

1.6 Braskem raises an additional US\$350 million in long-term debt

Braskem announced the reopening of its bond maturing in May 2020 that initially was issued in the amount of US\$ 400 million, placing a further US\$ 350 million at a yield of 6.875% p.a., the Company's lowest yield ever. The bonds were assigned ratings of Ba1 from Moody's, BB+ from S&P and BB+ from Fitch.

1.7 Braskem prepays debt of R\$4.1 billion in 2Q10

Soon after the conclusion of the Quattor acquisition in April, Braskem, consistent with its strategy to adjust the profile of its consolidated debt to what it considers ideal in terms of exposure to currencies, markets, costs and terms, prepaid a portion of its debt, most notably those originated at Quattor, in the amount of R\$ 4.1 billion. The debt prepayment transactions generated nonrecurring financial expenses of R\$ 44 million, but lengthened the profile of the Company's consolidated debt from 6.6 years to 8.2 years.

1.8 Synergies should amount to R\$400 million in EBITDA

This integration process identified opportunities to capture synergies and create value, with expected gains of R\$400 million in annual and recurring EBITDA as of 2012. The Company estimates to capture R\$340 million in net present value from synergies on the financial front. The opportunities from industrial and logistic fronts represent over 50% of the EBITDA amount. Investments of approximately R\$350 million will be required to realize these synergies. Braskem began to capture these gains in 2Q10.

1.9 Settlement of the outstanding balance from participation in the Tax Renegotiation Program (Refis) under the scope of Executive Order 470/09

Last June, Braskem settled the outstanding balance of tax debits renegotiated under the tax debt renegotiation program (Refis) offered by MP 470, making use of its tax credits balance under Law 12,249/10.

Key Indicators CONSOLIDATED	Unit	2Q10 (A)	1Q10(B)	2Q09 (C)	Change		1H10 (D)	1H09 (E)	Change %
					(A/B)	(A/C)			
Net Revenue	R\$ million	6,539	6,272	4,996	4	31	12,810	9,573	34
EBITDA	R\$ million	1,042	909	735	15	42	1,951	1,293	51
EBITDA Margin	%	15.9%	14.5%	14.7%	1.4 p.p.	1.2 p.p.	15.2%	13.5%	1.7 p.p.

2. OPERATING PERFORMANCE:

2.1 Performance of the Polymers Unit

2

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The international thermoplastic resin market was marked by price increases until late April, when the upward trend reversed, reflecting (i) the volatility in and lower prices for raw materials motivated by the crisis in Greece, which negatively influenced the consumer confidence and generated uncertainty in relation to the economic recovery in Europe and its impact on the world economy; (ii) the slowdown in Chinese demand due to the normalization of tax and monetary policies, after the expansion in credit to contain the impacts of the global financial crisis, and the paring back of government measures to stimulate the economy; and (iii) the beginning of the startup of new capacity in Asia and the Middle East.

This scenario led demand² for thermoplastic resins in Brazil to remain stable at the end of 2Q10, since customers opted to consume inventories in June while they waited for an alignment in domestic prices in light of the downward move in international prices. As a result, demand totaled 1,158 ktons, virtually stable in relation to the previous quarter. Import volumes remained practically stable between the two quarters, at 293 kton, with a temporary increase in June. North America, Argentina and Colombia remain the country's main suppliers, accounting for 65% of total imports.

In relation to 2Q09, demand increased by 9.4%, reflecting the growth in the local economy and in sectors related to the thermoplastic resin industry. Prices in Brazilian Reais followed the movements in international prices in the quarter, remaining slightly above the 1Q10 levels, despite a decrease in June.

The continued strong performance of the infrastructure, construction and consumer goods sectors, as well as the higher demand from the automotive industry, remained positive drivers of the Company's sales performance in the quarter. PE sales volume increased 2% compared to 1Q10, reflecting the recovery in operating rates and Quattor's sales performance, while, at the same period, PP sales volume declined by 3%, due to the scheduled shutdowns at Braskem and Quattor sites.

According to the Brazilian Chemical Manufacturers' Association (Abiquim), apparent consumption of PVC in the Brazilian market was 282 kton, up 3.8% from 1Q10. This is mainly due to the higher demand from segments related to shoe manufacturing and construction. Braskem's sales volume remained virtually in line with the previous quarter, reflecting the lower production volume, which was impacted by a scheduled maintenance shutdown at the PVC site in Camaçari.

Performance (tons)								
Thermoplastic Resins	2Q10 (A)	1Q10(B)	2Q09 (C)	Change%	Change%	1H10 (D)	1H09 (E)	Change%
CONSOLIDATED				(A)/ (B)	(A)/ (C)			(D)/ (E)
Sales - Domestic Market								
PE's	390,365	384,464	387,034	2	1	774,829	713,545	9
PP	288,344	296,668	282,908	(3)	2	585,012	510,249	15
PVC	120,895	123,158	119,514	(2)	1	244,052	196,511	24
Total Resins	799,603	804,290	789,456	(1)	1	1,603,894	1,420,305	13
Sales - Export Market								
PE's	177,232	186,982	261,762	(5)	(32)	364,214	506,570	(28)
PP	261,276	267,055	322,543	(2)	(19)	528,331	644,572	(18)
PVC	73	-	14,000	-	(99)	73	39,813	(100)
Total Resins	438,580	454,037	598,305	(3)	(27)	892,617	1,190,954	(25)
Total Sales								
PE's	567,597	571,446	648,796	(1)	(13)	1,139,043	1,220,115	(7)
PP	549,619	563,723	605,450	(3)	(9)	1,113,343	1,154,820	(4)
PVC	120,968	123,158	133,514	(2)	(9)	244,125	236,324	3
Total Resins	1,238,184	1,258,327	1,387,761	(2)	(11)	2,496,511	2,611,259	(4)

Braskem's resin sales in the export market in 2Q10, which includes Braskem America, totaled 439 kton in the quarter, down 3% from the previous quarter, mainly impacted by the contraction in the global market as of late May.

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² Demand was measured based on the Company's estimates, since Abiquim did not publish 2Q10 data for apparent consumption in Brazil's PE and PP market.

3

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Resin sales totaled 1,238 kton, 2% lower than in 1Q10, while production volume increased 3%, supported by the higher capacity operating rates at the plants of Quattor and Braskem America.

Performance (tons) Thermoplastic Resins CONSOLIDATED	2Q10 (A)	1Q10(B)	2Q09 (C)	Change% (A)/ (B)	Change% (A)/ (C)	1H10 (D)	1H09 (E)	Change% (D)/ (E)
Production								
PE's	630,398	590,379	609,426	7	3	1,220,777	1,137,250	7
PP	578,457	566,988	592,358	2	(2)	1,145,444	1,098,120	4
PVC	110,466	122,614	120,260	(10)	(8)	233,080	219,363	6
Total Resins	1,319,320	1,279,981	1,322,044	3	(0)	2,599,301	2,454,733	6

The trajectories in capacity utilization rates for the main products of Braskem consolidated are presented below:

* Excludes the new 200,000 ton plant of Quattor

In 1H10, Brazil's thermoplastic resin market totaled 2,300 kton, 18% higher than in 1H09. Meanwhile, Braskem's sales in the domestic market grew 13%.

2.2 - Basic Petrochemicals Performance

In line with the international scenario for thermoplastic resins, ethylene and propylene prices reversed the upward trend in May and June, reflecting (i) the increase in naphtha supply due to higher production at the refineries in Asia, which limited the exports opportunities from Europe and led to lower prices; (ii) decrease in oil prices, which were impacted by the more pessimistic outlook for the global economy; (iii) the weaker demand in 2nd generation operations.

On the other hand, the higher competitiveness of natural gas in relation to naphtha continued to benefit the use of lighter products, and some cracker byproducts, such as butadiene, maintained the upward trend in international prices during the second quarter.

The shutdowns in 2nd generation operations did not affect production at Braskem's crackers, which continued to operate at high utilization rates. This solid performance and the recovery in the capacity operating rates at Quattor sites led to an average utilization rate of 89% in 2Q10.

Performance (tons) Basic Petrochemicals CONSOLIDATED	2Q10 (A)	1Q10(B)	2Q09 (C)	Change% (A)/ (B)	Change% (A)/ (C)	1H10 (D)	1H09 (E)	Change% (D)/ (E)
Production								
Ethylene	832,218	791,358	793,628	5	5	1,623,575	1,453,702	12
Propylene	389,790	377,468	373,212	3	4	767,258	655,445	17
BTX*	338,212	333,208	320,029	2	6	671,420	585,604	15
Cumene	70,896	70,409	58,924	1	20	141,305	112,234	26

*BTX - Benzene, Toluene, Orthoxylene and Paraxylene

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Total ethylene and propylene sales were 11% higher, reaching 258 kton, due to the better demand for ethylene, such as from the styrene market and the opportunity to direct a higher propylene volume to the export market given the 43% increase in international prices compared to the previous quarter.

Performance (tons) Basic Petrochemicals CONSOLIDATED	2Q10 (A)	1Q10(B)	2Q09 (C)	Change% (A)/ (B)	Change% (A)/ (C)	1H10 (D)	1H09 (E)	Change% (D)/ (E)
Sales - Domestic Market								
Ethylene	142,144	127,399	131,148	12	8	269,543	231,186	17
Propylene	62,468	67,549	54,870	(8)	14	130,017	103,091	26
Cumene	72,217	69,347	53,980	4	34	141,564	106,489	33
BTX*	155,588	165,545	167,368	(6)	(7)	321,132	296,430	8
Sales - Export Market								
Ethylene	-	-	-	-	-	-	-	-
Propylene	53,256	37,257	47,898	43	11	90,513	64,794	40
Cumene	-	-	-	-	-	-	-	-
BTX*	132,080	126,878	110,581	4	19	258,957	217,631	19
Total Sales								
Ethylene	142,144	127,399	131,148	12	8	269,543	231,186	17
Propylene	115,724	104,805	102,768	10	13	220,530	167,885	31
Cumene	72,217	69,347	53,980	4	34	141,564	106,489	33
BTX*	287,668	292,422	277,949	(2)	3	580,090	514,061	13

*BTX - Benzene, Toluene, Orthoxylene and Paraxylene

In the case of aromatics, domestic and total sales of BTX declined by 6% and 2% in relation to 1Q10, respectively. Operational problems in the 2nd generation operations impacted sales volume in the domestic market, which was partially offset by exports.

Scheduled shutdown and operational problems following this maintenance shutdown led butadiene sales to decline by 10% in the quarter. On the other hand, international prices maintained their upward trend (+27%), which helped offset the lower volume.

3. FINANCIAL PERFORMANCE:

3.1 Net Revenue

Braskem posted net revenue in 2Q10 of US\$ 3.6 billion, 5% higher than in the previous quarter. In Brazilian reais, revenue was R\$6.5 billion, 4% higher than in the previous quarter. Excluding in both periods the effects from naphtha/condensate/oil resales for processing at Refap and Refinaria Riograndense, net revenue increased by US\$3.5 billion, up by 4% in U.S. dollars and 3% in Reais.

The slight improvement in average resin prices and the increase from 1Q10 in international prices of basic petrochemicals, including propylene, butadiene and benzene, represented positive revenue drivers in the second quarter.

Export revenue in the quarter was US\$1.2 billion (32% of net revenue), in line with 1Q10. The performance mainly reflects the better opportunities to export basic petrochemicals, especially propylene.

When compared to 2Q09, net revenue in U.S. dollar grew by 52%, or US\$ 1.2 billion, explained by (i) the higher prices of resins and basic petrochemicals, which followed the recovery in international prices, especially for butadiene and cumene, for which prices rose by 219% and 65%, respectively; and (ii) the opportunities seized to export basic petrochemicals, such as propylene and benzene, which registered sales volume growth of 11% and 46%, respectively. In Reais, net revenue increased by 31%.

The variations in total net revenue between the two periods are shown below:

In 1H10, consolidated net revenue was US\$7.1 billion, or R\$12.8 billion, up 62% over the same period of 2009. This performance reflects the higher prices for resins and basic petrochemicals as well as the better sales mix, which registered a higher share of sales in the domestic market. Excluding the effects of naphtha/condensate/oil resales, net revenue amounted to US\$6.8 billion, or R\$12.2 billion.

3.2 Cost of Goods Sold (CoGS)

Braskem's cost of goods sold (CoGS) was R\$5.4 billion in 2Q10, up 2% from the previous quarter, basically reflecting the higher raw material prices.

In relation to 2Q09, CoGS in the quarter rose by 27%. The average ARA naphtha price increased by 41% between the periods and was partially offset by the higher operating efficiency in the period.

The average price of ARA naphtha in the quarter was US\$691/ton, down 3% from 1Q10 (US\$709/ton). However, based on the three-month moving average (which is the reference for the domestic market), the average naphtha price in 2Q10 increased by 5% to US\$ 714/ton, from US\$682/ton. Braskem acquires the bulk of its naphtha feedstock from Petrobras, with the remainder imported directly from suppliers in Argentina, Venezuela and countries from northern Africa.

In 1H10, CoGS came to R\$11 billion, 27% higher than in 1H09. As previously mentioned, the higher CoGS is basically explained by the sharp increase in naphtha prices of 60% between the periods.

3.3 Selling, General and Administrative Expenses (SG&A)

In 2Q10, selling, general and administrative (SG&A) expenses were R\$423 million, up R\$19 million from 1Q10. In relation to 2Q09, these expenses were R\$51 million higher.

Selling Expenses were R\$189 million in 2Q10, R\$4 million lower than in the previous quarter, mainly due to the reduction in the provision for doubtful accounts at Quattor, which was negatively impacted in 1Q10 by the discrepancies in the calculation criteria. In relation to 2Q09, selling expenses increased by 17%, or R\$28 million, due to the postponement of payments involving export expenses at Quattor in 2Q09.

General and administrative expenses were R\$234 million in the quarter, R\$23 million higher than in 1Q10, basically reflecting the extraordinary expenses with technical consulting services and other advisory services related to the Quattor transaction and the salary adjustments in June. In relation to 2Q09, general and administrative expenses increased by R\$23 million, as explained earlier. In 1H10, nonrecurring expenses related to the Quattor transaction totaled R\$ 27 million.

3.4 EBITDA

Braskem recorded consolidated EBITDA in 2Q10 of R\$1,042 million, 15% higher than in 1Q10, due to revenue growth outpacing the increase in costs and the higher stability of raw material supply at Quattor, as mentioned earlier. In U.S. dollar, EBITDA in the quarter was US\$581 million. EBITDA margin in 2Q10 reached 15.9%, expanding 1.4 p.p. from 1Q10.

In relation to 2Q09, EBITDA grew by 42%, reflecting the higher international prices, the better sales mix and the lower volatility of raw material supply at Quattor. In U.S. dollar, EBITDA grew by 64% in relation to 2Q09.

In 1H10, EBITDA was R\$1,951 million, 51% higher than in the first six months of 2009, driven by the better scenario for demand and prices, as explained earlier.

3.5 Net Financial Result

The net financial result in 2Q10 was a financial expense of R\$575 million, which was R\$305 million lower than in 1Q10, which basically reflected the lower tax debits, due to the inclusion of additional debits in the tax renegotiation program (Refis) in February this year.

Since Braskem holds net exposure to the U.S. dollar (more dollar-pegged liabilities than dollar-pegged assets), any shift in the path of the exchange rate has an impact on the accounting financial result. On June 30, 2010, this exposure was composed of: 64% of debt and approximately 74% of suppliers, which was partially offset by 40% of accounts receivable and 34% of cash. Given its heavily dollarized operational cash flow, the Company considers this exposure adequate. Practically 100% of the Company's revenue is directly or indirectly pegged to the variation in the U.S. dollar exchange rate, and most of its costs are also pegged to this currency.

It is important to note that foreign exchange variation has no direct effects on the Company's cash position in the short term. This amount represents foreign exchange accounting impacts, especially those on the Company's debt, with any expenditure occurring when the debt matures, which has an average term of 8.2 years.

Excluding the effects from foreign exchange variation and monetary restatement on its balance-sheet accounts exposed to foreign currencies, the net financial result in 2Q10 was a net financial expense of R\$359 million, down R\$147 million from 1Q10, basically due to (i) the lower tax charges, as mentioned earlier; which were offset by (ii) the higher interest and banking expenses resulting from the prepayment of a portion of debt, in the amount of R\$ 44 million.

Considering the base described above, the net financial result in 1H10 was a financial expense of R\$865 million, an increase of R\$268 million from the same period a year earlier, given the impact from the participation in the Refis in 1Q10.

The following table details the composition of Braskem's net financial result on a quarterly and semiannual basis.

Million of R\$	2Q10	1Q10	2Q09	1H10	1H09
Financial Expenses	(771)	(1,012)	1,505	(1,784)	1,140
Interest Expenses	(258)	(179)	(215)	(437)	(478)
Monetary Variation (MV)	(138)	(159)	(125)	(296)	(210)
Foreign Exchange Variation (FX)	(171)	(284)	1,993	(455)	2,121
IOF/Income Tax/Banking Expenses	(10)	(4)	(10)	(14)	(22)
Net Interest on Fiscal Provisions	(42)	(288)	(31)	(331)	(49)
Others	(152)	(99)	(108)	(251)	(222)
Financial Revenue	196	132	(126)	328	(90)
Interest	93	50	61	144	147
Monetary Variation (MV)	25	20	9	46	47
Foreign Exchange Variation (FX)	67	48	(211)	115	(311)
Net Interest on Fiscal Credits	3	1	1	4	1
Others	7	13	13	20	26
Net Financial Result	(575)	(880)	1,379	(1,455)	1,050

Million of R\$	2Q10	1Q10	2Q09	1H10	1H09
Net Financial Result	(575)	(880)	1,379	(1,455)	1,050
Foreign Exchange Variation (FX)	(104)	(236)	1,782	(339)	1,810
Monetary Variation (MV)	(113)	(138)	(115)	(251)	(164)
Financial Result excluding F/X and MV	(359)	(506)	(287)	(865)	(597)

3.6 Net Income

In 2Q10, Braskem recorded real net income of R\$45 million driven by the strong operating performance combined with the better net financial result in the period.

In relation to 2Q09, net income was R\$ 1,120 million lower, reflecting the U.S. dollar depreciation against the Real in the comparison period, which had a positive impact on the financial result in that period.

3.7 Free Cash Flow

Operating cash flow of Braskem in 2Q10 was R\$771 million, compared to R\$1.1 billion in the previous quarter, corresponding to a reduction of R\$285 million. In 2Q10, working capital contributed with R\$288 million. The key drivers of this increase were (i) the increase of R\$755 million in the Suppliers line, (ii) the positive variation of R\$294 million in the Marketable Securities line, related to the shortening of transactions maturities, which were reclassified as cash equivalents; partially offset by (iii) the negative variation of R\$328 million in the Accounts Receivable line, due to Quattor's increased sales and the booking of PP America's sales (which had no balance sheet in 1Q10) and (iv) the increase of R\$461 million in our Inventories, due to the increased volume of resins in our inventories, as previously explained.

Million of R\$	2Q10	1Q10	2Q09	1H10	1H09
Operating Cash Flow	771	1,056	1,396	1,827	1,629

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Interest Paid	(266)	(179)	(231)	(445)	(426)
Income Tax and Social Contribution	(17)	(5)	(21)	(22)	(31)
Investment Activities	(1,702)	(327)	(189)	(2,029)	(539)
Free Cash Flow	(1,214)	545	955	(670)	633

9

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As a result of the prepayment of debt, there was an increase in Interest Paid in the non recurring amount of R\$ 44 million. This line was also impacted by the debt extension.

In 1H10, Free Cash Flow was negative R\$670 million, compared with positive R\$633 million in the same six-month period of 2009. The decrease basically reflects the acquisitions of Quattor, Polibutenos, Unipar Comercial and Sunoco Chemicals for R\$1.4 billion in 2010.

3.8 - Capital Structure and Liquidity

On June 30, 2010, Braskem's gross debt stood at US\$7,984 million, down 17% from the balance on March 31, 2010. This reduction is part of the strategy to balance the debt profile resulting from the prepayment of a portion of debt through the placement of R\$3.74 billion in the private share offering. Meanwhile, the cash balance and investments in U.S. dollar declined by 11%, reflecting the joint management of the cash balances at Braskem and Quattor, of US\$ 1,929 million.

As a result, on June 30, 2010, Braskem's consolidated net debt stood at US\$6,055 million, down 19% from the level on March 31, 2010.

The reduction in net debt in BRL, combined with the EBITDA growth of 9% (R\$3.8 billion) in the last 12 months, led to a decline in financial leverage as measured by the net debt/EBITDA ratio from 3.12 times in the first quarter³ (last 12 months) to 2.84 times in 2Q10, up slightly from 2.67x, which represented Braskem's pre-acquisition leverage level.

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On June 30, 2010, the average debt term was 8.2 years, lengthening from 6.6 years at the close of March 2010. The percentage of debt pegged to the U.S. dollar already reflects the operations to adjust the debt profile and stood at 64%.

The following charts show Braskem's gross debt by category and indexer.

The chart below presents the Company's consolidated amortization schedule as of June 30, 2010. The Company's high liquidity ensures that its cash and cash equivalents cover the payment of obligations maturing over the next 24 months.

³ After capital increase of R\$3.74 billion.

As mentioned earlier, Braskem issued another US\$ 350 million in bonds maturing in May 2020 that initially were issued in the amount of US\$ 400 million, with a yield of 6.875% p.a., the lowest yield ever obtained by the Company.

In addition to this issue, in May 2010, Braskem raised R\$300 million through a receivables-backed investment fund (FIDC) composed of R\$272.4 million in senior shares and R\$27.6 million in subordinated shares. The process was concluded at the end of June. The senior shares (AA+ rating) had a final yield of the CDI overnight rate + 1.25% p.a., while the subordinated Mezzanine shares (BB+ rating), reflecting their higher exposure to potential non-performance in the fund, had a final yield of CDI + 5.80% p.a., both in line with the underwriting agreement. The weighted cost of the transaction was CDI + 1.58% p.a. This financial transaction helped boost the Company's working capital and maintain credit to customers, while underscoring Braskem's continued capacity to tap a wide variety of credit markets under various different liquidity situations.

4. CAPITAL EXPENDITURE:

In line with its commitment to capital discipline and making investments with returns above their cost of capital, Braskem made investments totaling R\$621 million (excluding capitalized interest) in 1H10, of which R\$119 million represents investments made in Quattor, R\$7 million in Braskem America and R\$7 million in the Ethylene XXI Project in Mexico.

Of this total, the bulk was allocated to capacity expansions, with the Green Ethylene plant requiring R\$251 million in investment in the first six months of the year. The plant's investments remain within budget and the project should become operational in September. At Quattor, these investments totaled R\$76 million.

Braskem also spent R\$101 million on scheduled maintenance shutdowns, in keeping with its objective of maintaining its plants operating at high levels of operating reliability. The Company invested in general maintenance shutdowns at the Camaçari PVC plant in Bahia and at one of the PE plants in the Triunfo complex, which lasted nearly 10 days, and in small shutdowns at other units. As previously mentioned, a maintenance shutdown at the ethylene cracker in Camaçari, Bahia is also scheduled. The maintenance is scheduled for November and should last 40 days.

5. OUTLOOK:

5.1 World and Brazilian Scenario

The world economy, which had been presenting a slow recovery, once again returned to be a reason for caution at the end of the first half of the year, with the release of below-expectation economic indicators in developed countries and signs of slower growth in China. The consensus expectation for Brazil's GDP growth in 2010 is 7%.

In this scenario, Braskem continues to expect growth of some 10% in Brazil's resins market, led by the PVC segment. World economic growth, though slower, does not alter expectations for the supply and demand balance for ethylene, which is the reference used to evaluate the economic cycle of the petrochemical industry.

The slowdown in demand and the new capacity coming online began to pressure spreads in the petrochemical industry, and the trend for the second half of this year and for 2011 should be a scenario marked by profitability (measured as the difference between the international prices for PE and naphtha) similar to that in 2Q10, which suffered since end-May from a downturn in demand that is believed to be temporary. Despite the beginning of capacity startups in the first half of the year, the factors mitigating the industry's downcycle still remain in place: (i) continued operational problems in Iran – learning curve in the start-up of new plants and structural operational problems; (ii) delays in the startup of new capacities in the Middle East and Asia; and (iii) the expectations of permanent capacity shutdowns, especially in Europe, given the un-sustainability of operations that are less competitive than the current level of industry profitability. For basic petrochemicals, the good profitability trend remains in place for butadiene, but the level of profitability has fallen and should remain at current levels for aromatics - BTX.

In Brazil, the market reacted in late 2Q10 to the lower international prices by consuming inventories. However, this trend should reverse in 3Q10, which is seasonally the strongest in the year, since the sectors related to consumer goods and construction, which account for over 70% of demand at Braskem, continue to post strong growth rates.

5.2 Quattor Transaction

5.2.1 Estimated Synergies

For the near term, Braskem is focused on capturing synergies from its recent acquisitions and continually increasing its operational efficiency and translating these gains into better results and profitability to reduce its level of leverage in order to maintain its financial health and mitigate the impacts from the low cycle in the petrochemical industry.

Synergies will be monitored in four categories: industrial, logistics, supply and financial. Most of the annual and recurring synergies, which amount to R\$400 million in EBITDA, is concentrated in initiatives on the industrial and logistics fronts. The financial synergies, which do not have an EBITDA impact, total R\$340 million in net present value and basically include tax gains and lower debt carrying costs.

Over the next 2 years, Braskem will invest R\$ 350 million to support the capture of these synergies, which should be concluded by the end of 2012, with virtually the total amount captured in 2011.

5.2.2 Acquisition and Merger of Rio Polímeros SA (RioPol) Shares

On August 9, Braskem's Board of Directors approved the immediate acquisition by Braskem of the 190,784,674 common shares and the 30 preferred shares issued by RioPol which are held by BNDES Participações S.A. BNDESPAR, deriving from the assumption of a liability in favor of BNDESPAR accepted in occasion of the Quattor acquisition. The original value of the liability accepted by Braskem, which corresponds to 60% of the total, is R\$174.6 million, restated according to the TJLP (Long Term Interest Rate) + 2.5% since June 2008. The payment of the option, whose original maturity was 2013, was postponed to 15% in 2015, 35% in 2016 and remaining 50% in 2017, with no change in the restatement rate.

On the same date, the Company's Board of Directors also approved the submission to the Shareholders' Meetings of Braskem and RioPol, to be held on August 30, 2010, of the Merger of RioPol's shares by Braskem.

5.3 Strategic Investments

Disbursements for operational investments scheduled for 2010, including Quattor and Braskem America, should reach some R\$1.6 billion, which includes investments in maintenance, capacity expansion, transfers to joint ventures and scheduled shutdowns. Braskem also remains committed to reducing its costs and fixed expenses in order to boost its competitiveness.

As part of its medium and long term growth plan to become one of the world's five-largest petrochemical companies in terms of enterprise value, Braskem is working to diversify its energy matrix, with a higher share of natural gas and a stronger presence in the Americas.

Projects maturing over the medium and long terms include:

1) The project to expand PVC capacity by 200 kton/year, with investments of US\$ 470 million. Scheduled to start operations in the first half of 2012, Braskem expects to begin investments and ordering new equipment before the end of this year, with some R\$50 million in investments expected to be disbursed in 2010.

2) The integrated project in Mexico, between Braskem and IDESA with 65% and 35% shares, respectively, has an annual production capacity of 1 million tons per year of polyethylene resins using ethane as feedstock and is based on a supply agreement signed with PEMEX-Gás for the supply of 66,000 barrels/day of ethane for a period of 20 years. Fixed investment is estimated at some US\$ 2.5 billion, adopting a project finance model for the debt portion, with conclusion of construction and operational startup of the units expected for January 2015. Since Mexico is a net importer and depends on foreign polyethylene suppliers, this project is extremely attractive and of major importance to the development of the local petrochemical industry.

Braskem also has similar projects in less advanced phases in Peru and Venezuela.

Braskem's management remains confident and committed to Braskem's strategy. Given Brazil's favorable economic situation and financial solidity, it remains one of the best-positioned countries in the current economic scenario. Braskem maintains its commitment to sustainable growth and development, and will continue to act proactively in pursuit of the best opportunities, seeking to create value for shareholders and increase competitiveness throughout the entire petrochemical and plastics production chain.

6. EXHIBITS LIST

	Page
EXHIBIT I: Consolidated Income Statement Pro Forma	16
EXHIBIT II: Consolidated Income Statement - Real	16
EXHIBIT III: Braskem, Quattor and Braskem America Income Statement	17
EXHIBIT IV: Consolidated Balance Sheet	18
EXHIBIT V: Braskem Balance Sheet	19
EXHIBIT VI: Quattor Balance Sheet	20
EXHIBIT VII: Braskem America Balance Sheet	21
EXHIBIT VIII: Cash Flow Statement	22
EXHIBIT IX: Consolidated Production Volume	23
EXHIBIT X: Braskem Production Volume and Operating Rate	24
EXHIBIT XI: Quattor and Braskem America Production Volume and Operating Rate	25
EXHIBIT XII: Consolidated Sales Volume Domestic Market	26
EXHIBIT XIII: Braskem Sales Volume Domestic Market	27
EXHIBIT XIV: Quattor Sales Volume Domestic Market	28
EXHIBIT XV: Consolidated Sales Volume Export Market	29
EXHIBIT XVI: Braskem Sales Volume Export Market	30
EXHIBIT XVII: Quattor and Braskem America Sales Volume Export Market	31
EXHIBIT XVIII: Consolidated Net Revenue	32
EXHIBIT XIX: Braskem Net Revenue	33
EXHIBIT XX: Quattor and Braskem America Net Revenue	34

Braskem, a world-class Brazilian petrochemical company, is the leader in the thermoplastic resins segment in the Americas and the third-largest Brazilian industrial company owned by the private sector. The Company operates 29 industrial plants across Brazil and has annual production capacity of 6 million tons of chemical and petrochemical products.

DISCLAIMER

This press release contains forward-looking statements. These forward-looking statements are not historical data, but rather reflect the targets and expectations of Braskem's management. Words such as "anticipate", "wish", "expect", "foresee", "intend", "plan", "predict", "project", "aim" and similar terms seek to identify statements that necessarily involve known and unknown risks. Braskem does not undertake any responsibility for transactions or investment decisions based on the information contained in this document.

EXHIBIT I

Consolidated Income Statement Pro Forma

(R\$ million)

Income Statement CONSOLIDATED - Pro Forma	2Q10	1Q10	2Q09	Change (%)	Change (%)	1H10	1H09	Change (%)
	(A)	(B)	(C)	(A)/(B)	(A)/(C)	(D)	(E)	(D)/(E)
Gross Revenue	8,469	8,069	6,471	5	31	16,538	12,496	32
Net Revenue	6,539	6,272	4,996	4	31	12,810	9,573	34
Cost of Good Sold	(5,376)	(5,269)	(4,222)	2	27	(10,645)	(8,355)	27
Gross Profit	1,163	1,002	774	16	50	2,165	1,218	78
Selling Expenses	(189)	(193)	(161)	(2)	17	(382)	(334)	14
General and Administrative Expenses	(234)	(211)	(210)	11	11	(444)	(378)	17
Depreciation and Amortization	(37)	(32)	(33)	15	14	(70)	(61)	14
Other operating income (expenses)	(21)	(22)	18	(1)	-	(43)	179	-
Operating profit before financial result	676	(125)	417	-	62	551	642	(14)
EBITDA	1,042	909	735	15	42	1,951	1,293	51
EBITDA Margin	15.9%	14.5%	14.7%	1.4 p.p.	1.2 p.p.	15.2%	13.5%	1.7 p.p.
Depreciation and Amortization	360	365	347	(1)	4	725	670	8
Cost	323	332	314	(3)	3	655	609	8
Expense	37	32	33	15	14	70	61	14

EXHIBIT II

Consolidated Income Statement Real

(R\$ million)

	2Q10 (A)	1Q10 (B)	2Q09 (C)	Change (%) (A)/(B)	Change (%) (A)/(C)	1H10 (D)	1H09 (E)	Change (%) (D)/(E)
Gross Revenue	8,437	5,630	4,753	50	78	14,067	8,912	58
Net Revenue	6,516	4,466	3,688	46	77	10,982	6,948	58
Cost of Good Sold	(5,357)	(3,673)	(3,047)	46	76	(9,030)	(5,909)	53
Gross Profit	1,160	793	641	46	81	1,953	1,039	88
Selling Expenses	(188)	(116)	(134)	63	41	(304)	(260)	17
General and Administrative Expenses	(233)	(159)	(153)	47	52	(392)	(268)	46
Depreciation and Amortization	(37)	(28)	(27)	31	38	(65)	(49)	33

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Result with Fixed Assets write off and Others	(13)	(4)	(0)	190	-	(17)	(1)	1,636
Other operating income (expenses)	(21)	(8)	18	161	-	(30)	131	-
Investment in Subsidiary and Associated Companies	7	7	(2)	6	-	14	(10)	(234)
Operating profit before financial result	674	484	342	39	97	1,158	583	99
Net financial result	(575)	(645)	1,192	(11)	-	(1,220)	984	-
Profit (loss) before tax and social contribution	99	(161)	1,535	-	(94)	(62)	1,567	-
Income tax / social contribution	(65)	37	(379)	-	(83)	(27)	(401)	(93)
Profit (loss) before minority interest	34	(123)	1,156	-	(97)	(89)	1,166	-
Minority Interest	11	-	-	-	-	11	-	-
Net profit / Loss	45	(123)	1,156	-	(96)	(78)	1,166	-
Earnings (loss) per share (EPS)	0.06	(0.24)	2.22	-	(97)	(0.10)	2.24	-
EBITDA	1,040	729	566	43	84	1,768	1,023	73
EBITDA Margin	16.0%	16.3%	15.3%	-0.4 p.p.	0.6 p.p.	16.1%	14.7%	1.4 p.p.
Depreciation and Amortization	360	247	221	46	63	607	429	41
Cost	323	218	194	48	67	541	380	42
Expense	37	28	27	31	38	65	49	33

Quattor, in the period from January to March, Unipar Comercial and Polibutenos, in the period from January to April, are not considered in the Braskem's Consolidated Result once they were acquired in April and May, respectively.

EXHIBIT III

Braskem, Quattor and Braskem America Income Statement

(R\$ million)

Income Statement	2Q10	1Q10	2Q09	Change (%)	Change (%)	1H10	1H09	Change (%)
BRASKEM	(A)	(B)	(C)	(A)/(B)	(A)/(C)	(D)	(E)	(D)/(E)
Gross Revenue	5,864	5,630	4,753	4	23	11,494	8,912	29
Net Revenue	4,663	4,466	3,688	4	26	9,129	6,948	31
Cost of Good Sold	(3,774)	(3,673)	(3,047)	3	24	(7,447)	(5,909)	26
Gross Profit	889	793	641	12	39	1,682	1,039	62
Selling Expenses	(124)	(116)	(134)	7	(7)	(240)	(260)	(8)
General and Administrative Expenses	(170)	(159)	(153)	7	11	(328)	(268)	22
Depreciation and Amortization	(29)	(28)	(27)	4	10	(58)	(49)	18
Other operating income (expenses)	(20)	(8)	18	138	-	(28)	131	-
Operating profit	468	480	342	(3)	37	948	583	63
EBITDA	791	729	566	9	40	1,520	1,023	49
EBITDA Margin	17.0%	16.3%	15.3%	0.7 p.p.	1.6 p.p.	16.7%	14.7%	1.9 p.p.
Depreciacion and Amortization	246	247	221	(0)	11	492	429	15
Cost	216	218	194	(1)	11	434	380	14
Expense	29	28	27	4	10	58	49	18

Income Statement	2Q10	1Q10	2Q09	Change (%)	Change (%)	1H10	1H09	Change (%)
QUATTOR	(A)	(B)	(C)	(A)/(B)	(A)/(C)	(D)	(E)	(D)/(E)
Net Revenue	1,425	1,220	885	17	61	2,645	1,829	45
Cost of Good Sold	(1,190)	(1,086)	(800)	10	49	(2,276)	(1,766)	29
Gross Profit	234	134	85	75	176	368	63	485
SG&A	(108)	(112)	(62)	(3)	74	(220)	(135)	63
Others	(7)	(16)	28	(55)	(127)	(24)	70	-
Operating Profit	119	6	50	-	137	124	(2)	-
EBITDA	214	107	126	99	70	321	168	92
EBITDA Margin	15.0%	8.8%	14.2%	6.2 p.p.	0.8 p.p.	12.1%	9.2%	3.0 p.p.
Depreciacion and Amortization	96	101	107	(5)	(10)	197	200	(2)
Cost	90	99	103	(9)	(13)	189	192	(2)
Expense	6	2	4	202	57	8	7	9

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Income Statement	2Q10	1Q10	2Q09	Change (%)	Change (%)	1H10	1H09	Change (%)
BRASKEM AMERICA	(A)	(B)	(C)	(A)/(B)	(A)/(C)	(D)	(E)	(D)/(E)
Net Revenue	557	552	408	1	37	1,109	764	45
Cost of Good Sold	(514)	(487)	(371)	6	39	(1,001)	(671)	49
Gross Profit	43	65	37	(34)	17	108	94	15
SG&A	(18)	(14)	(18)	29	(3)	(31)	(41)	(25)
Others	(11)	(1)	(2)	664	641	(13)	(3)	-
Operating Profit	14	50	17	-	(16)	64	49	30
EBITDA	40	66	36	(40)	10	106	88	20
EBITDA Margin	7.1%	12.0%	8.8%	-4.9 p.p.	-1.7 p.p.	9.5%	11.5%	-2.0 p.p.
<i>Depreciation and Amortization</i>	15	16	19	(4)	(18)	32	39	(19)
Cost	14	15	17	(5)	(19)	29	36	(20)
<i>Expense</i>	2	1	2	2	(3)	3	3	(9)

EXHIBIT IV
Consolidated Balance Sheet
(R\$ million)

ASSETS	06/30/2010 (A)	03/31/2009 (B)	Change (%) (A)/(B)
Current	10,220	10,208	0
Cash and Cash Equivalents	3,014	3,498	(14)
Marketable Securities	441	730	(40)
Accounts Receivable	2,469	2,229	11
Inventories	3,265	2,760	18
Recoverable Taxes	671	721	(7)
Prepaid Expenses	83	23	-
Others	277	246	258
Non Current	22,816	23,178	(2)
Long-Term Assets			
Marketable Securities	20	19	0
Compulsory Deposits and Escrow accounts	165	157	8
Deferred income tax and social contribution	368	1,020	5
Recoverable Taxes	1,831	1,811	(64)
Associated Companies	130	133	1
Others	219	301	(2)
Investments	51	37	(27)
Fixed Assets	16,210	16,251	36
Intangible	3,542	3,154	(0)
Deferred	279	295	12
Total Assets	33,037	33,386	(1)

LIABILITIES AND SHAREHOLDERS' EQUITY	06/30/2010 (A)	03/31/2009 (B)	Change (%) (A)/(B)
Current	8,312	9,868	(16)
Suppliers	5,964	5,209	(16)
Financing	1,302	2,959	14
Hedge Operations	53	61	(56)
Salaries and payroll charges	269	341	(13)
Dividends and Interest on Equity	5	12	(21)
Taxes payable	457	1,000	(55)
Advances from Customers	40	77	0

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Others	221	209	(54)
Non Current	15,994	14,821	8
Long-Term Liabilities			
Financing	13,082	11,943	10
Hedge Operations	60	52	15
Deferred income tax and social contribution	1,007	1,055	(5)
Taxes Payable	1,396	1,379	1
Others	449	392	15
Minority Interest	130	340	(62)
Shareholders' Equity	8,601	8,356	3
Capital	8,017	7,852	2
Capital Reserves	765	1,792	(57)
Currency Translation Adjustment	12	0	-
Treasury Shares	(12)	(12)	-
Adjustment of Asset Evaluation (Law 11638/07)	(91)	(79)	-
Retained Earnings (Losses)	(90)	(1,197)	(92)
Total Liabilities and Shareholders' Equity	33,037	33,386	(1)

EXHIBIT V
Braskem Balance Sheet
(R\$ million)

ASSETS	06/30/2010 (A)	03/31/2009 (B)	Change (%) (A)/(B)
Current	7,984	7,550	6
Cash and Cash Equivalents	2,980	2,692	11
Marketable Securities	309	600	(48)
Accounts Receivable	1,724	1,722	0
Inventories	2,289	1,908	20
Recoverable Taxes	380	431	(12)
Prepaid Expenses	48	9	437
Others	253	188	35
Non Current	20,869	15,199	37
Long-Term Assets			
Marketable Securities	20	19	8
Compulsory Deposits and Escrow accounts	150	145	4
Deferred income tax and social contribution	226	856	(74)
Recoverable Taxes	1,367	1,343	2
Associated Companies	2,244	109	1,953
Others			