

BRASKEM SA  
Form 6-K  
March 23, 2007

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**SECURITIES AND EXCHANGE COMMISSION**  
**Washington, D.C. 20549**

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**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 March, 2007**  
**(Commission File No. 1-14862 )**

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**BRASKEM S.A.**  
*(Exact Name as Specified in its Charter)*

**N/A**  
*(Translation of registrant's name into English)*

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**Rua Eteno, 1561, Polo Petroquimico de Camacari**  
**Camacari, Bahia - CEP 42810-000 Brazil**  
*(Address of principal executive offices)*

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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- \_\_\_\_\_.

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**Acquisition of the Petrochemical  
Assets of The Ipiranga Group**  
*José Carlos Grubisich*  
*March 2007*

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## **Forward-looking Statements**

**This presentation contains forward-looking statements. Such statements are not statements of historical facts, and reflect the beliefs and expectations of Braskem's management. The words "anticipates", "wishes", "expects", "estimates", "intends", "forecasts", "plans", "predicts", "projects", "targets" and similar words are intended to identify these statements. Although Braskem believes that expectations and assumptions reflected in the forward-looking statements are reasonable based on information currently available to Braskem's management.**

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**Forward-looking statements included in this presentation speak only as of the date they are made (December 31, 2006), and the Company does not undertake any obligation to update them in light of new information or future developments.**

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**Braskem shall not be responsible for any transaction or investment decisions that are taken based on information included in this presentation.**

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## **Our Vision**

**To become  
Latin America's leader  
in thermoplastic resins**

**To rank amongst the  
TOP 10 global  
petrochemical  
companies in market  
capitalization**

## Strategic Drivers

### *Growth with value creation*

Expand production  
and  
sales outside of South  
America, becoming a  
global leader in PP

Leverage Braskem's  
production chains and  
Brazil's alternative  
sources of raw  
materials  
by broadening its  
portfolio of products  
and  
services

Strengthen market  
leadership in Brazil  
through consolidation  
in  
the local market,  
capturing synergies

Consolidate market  
position in key  
products  
in Latin America and  
guarantee  
competitive  
sources of raw  
material

## Strategic Drivers

### *Main projects*

- Implementation of an International distribution network
- Investment opportunities in the Americas

- Capacity increases in isoprene and paraxylene
- Converging from MTBE to ETBE
- Hydrocarbonic resins
- Green polymers

- Politeño's acquisition
- Acquisition of the Petrochemical Assets of the Ipiranga Group (Ipiranga and Copesul)
- Debottleneckings in PE and PVC
- New PP plant in Camaçari

- Petroquímica Paulínia
- Venezuela Projects:
  - PP plant
  - Jose Olefins Complex - 1st and 2nd generation

**Braskem**  
***The***  
***largest petrochemical company in Latin America***

**Gross  
Revenue**

**US\$ 9.9  
Billion**

**Net Revenue**

**US\$ 7.8  
Billion**

**EBITDA**

**US\$ 1.4  
Billion**

**NetDebt /  
Ebitda**

**2.6 x**

**Assets**

**US\$ 10.3  
Billion**

**Note: Unaudited pro-forma 2006 figures**

**Braskem**

***Consistent improvement leveraged by the acquisition***

**\* Pro forma - includes Ipiranga and Copesul's figures for 2006**



## **The Transaction**

### ***Step by step***

|                |                                                                            |
|----------------|----------------------------------------------------------------------------|
| <b>STAGE 1</b> | <b>Ultrapar acquires the stake of the controlling shareholders</b>         |
| <b>STAGE 2</b> | <b>Tag along to ordinary shares from CBPI, DPPI and RIPI</b>               |
| <b>STAGE 3</b> | <b>Tender offer for the delisting of Copesul</b>                           |
| <b>STAGE 4</b> | <b>Ultrapar incorporates preferred shares of CBPI, DPPI and RIPI</b>       |
| <b>STAGE 5</b> | <b>Ultrapar hands over the petrochemical assets to Braskem / Petrobras</b> |

## **The Transaction**

### ***Step by step - Braskem's financial effort***

|                |                                                                                                                            |
|----------------|----------------------------------------------------------------------------------------------------------------------------|
| <b>STAGE 1</b> | <b>Braskem disbursement : US\$ 309 million<br/>Liabilities (100%) : US\$ 532 million<br/>Management of the assets</b>      |
| <b>STAGE 2</b> | <b>Braskem disbursement : US\$ 131 million</b>                                                                             |
| <b>STAGE 3</b> | <b>Braskem disbursement : US\$ 413 million<br/>Petrobras disbursement : US\$ 275 million</b>                               |
| <b>STAGE 4</b> | <b>Ultrapar holds 100% of CBPI, DPPI and RIPI<br/>total capital</b>                                                        |
| <b>STAGE 5</b> | <b>Ultrapar hands over 60% of IQ stake to<br/>Braskem and 40% to Petrobras<br/>Braskem disbursement : US\$ 279 million</b> |

## **Braskem** ***Potential to increase multiples (EV/EBITDA)***

### **• Transaction Multiple: 6.2x**

Acquired Asset  
+ Debt

US\$  
2,415 MM

Acquisition  
EBITDA (Ipiranga  
+ 55% of Copesul)

US\$  
390 MM

\* Analysts' average for 2007

Source: Citigroup, JP Morgan and Bear Stearns

# **Ipiranga Petroquímica**

## **Profile**

### ***Complementary businesses***

#### **• Ipiranga Petroquímica:**

**5 units 550 kt de PE**  
**180 kt de PP**

**Net Revenue: R\$ 2**  
**billion**

**Ebitda: R\$ 184**  
**million**

☐ **Leader in HDPE: 38% market share**

☐ **Capacity utilization rate in 2006:**

☐ **89% for PE**

☐ **81% for PP**

☐ **More than US\$ 300 million in exports around 40% of total volume**

☐ **Production technology in PP: Spheripol (same as in Petroquímica Paulínia)**

☐ **Production technology in PE (HDPE) Hostalen - the only one in Brazil**

☐ **Technology & Innovation Center - 7 new resins launched in 2006**

## Copesul Profile

*Integration coupled with opportunity of capturing synergies*

### • Copesul:

**Production: 1.25 million t of ethylene  
0.6 million t of propylene**

**Net Revenue: R\$ 6.4 billion**

**Ebitda: R\$ 1.1 billion**

2<sup>nd</sup> Largest raw material unit in Latin America

85% of ethylene and 100% of propylene supplied to Ipiranga and Braskem

440 kt of aromatics production capacity

58% of imported raw material - naphtha and condensate

Storage capacity of naphtha/condensate 2 times larger than Braskem

More than US\$ 300 million in exports - around 15% of total volume - 50% in Latin America

## **Braskem: Increased scale with improved profitability**

- **Ethylene Production Capacity: 1.3 MM tons - 2.5 MM tons**
- **Resins Production Capacity: 2.3 MM tons - 3.1 MM tons**
- **Market share higher than 50% in all resins**

## **Largest Petrochemical Company in Latin America**

\* Unaudited pro-forma figures

**Braskem: even more  
strengthened position of leading  
producer in the region ...**

- **More than 10 million tons of petrochemical and chemical products in 2008, with 5.6 being of ethylene and resins.**

Source: CMAI and Braskem 2007

**coupled with industry leadership for all the resi**

**Source: Braskem/ Brazilian Association of Chemical Industry - 2006**

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**Braskem: positioned  
among the largest petrochemical  
companies in the world**

- **Braskem's Ebitda is the 7th highest in the world  
among petrochemical companies\***

**\*Braskem estimates. 2005 results only in petrochemical businesses of mentioned companies**

## **Braskem: Improvement of the quality of the bus**

- **Strengthening of partnership with Petrobras**
- **Improved profitability and EBITDA**
- **Expansion of product portfolio, consolidating the leading position in its respective segments**
- **Combination of product portfolio, specially in HDPE**
- **Client base expansion and supply of value-added services based on Innovation & Technology structure**
- **Full integration between 1st and 2nd generation, leading to improved competitiveness**
- **Greater operational flexibility**
- **Improvement of the supply chain management**
  - ♦ Greater flexibility when acquiring naphtha

# Braskem

***Solid financial structure:  
financial leverage almost intact***

- **Increased scale combined with a more robust balance sheet boosts growth and internationalization opportunities**

| US\$ million | Braskem<br>Financial<br>Efforts | Net Debt<br>(1) (2) | EBITDA<br>(1) | Net Debt /<br>Ebitda (x) |
|--------------|---------------------------------|---------------------|---------------|--------------------------|
| 12/31/2006   |                                 | 2,111               | 764           | 2.76                     |
| STAGE 1      | 731                             | 2,842               | 1,394         | 2.04                     |
| STAGE 2      | 131                             | 2,973               | 1,394         | 2.13                     |
| STAGE 3      | 413                             | 3,386               | 1,394         | 2.43                     |
| STAGE 5      | 279                             | 3,665               | 1,394         | 2.63                     |

(1) unaudited pro-forma 2006 figures

(2) Does not include changes in working capital

Stage 1 includes debt assumption of US\$ 422 million

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**Braskem**  
***Solid***  
***financial structure: financial leverage almost intact***

- **Increased scale combined with a more robust balance sheet boosts growth and internationalization opportunities**

**Fitch confirms BB+ Positive Outlook for Braskem**

*"Fitch expects the company to be able to increase significantly free cash flow generation, which would allow a significant improvement in credit metrics needed for Braskem's rating to migrate to an Investment Grade category."*

## **Capture of Synergies** *Efficient model to capture synergies*

### **□ Commercial**

- Complementary products portfolio, especially HDPE - Client base integration
- Export contracts optimization

### **□ Industrial**

- Operational flexibility - Shared maintenance services
- Improvement in energy efficiency

### **□ Fiscal and tax optimization**

### **□ Supply chain**

- Gain of scale in procurement
- Logistic optimization

### **□ Competitive management model with potential to improve quality and productivity through the exchange of best practices**

### **□ Possibility of new DBN's in the Southern Complex**



## **Synergies potentialized by new investment opportunities in the Southern Petrochemical Complex**

**Capacity increase in PP and PE Copesul capacity increases**

**Investments of around R\$ 700 million**

# Braskem: next steps in the implementation of its strategy of Growth with Value Creation

(1) JV with Petrobras

(2) JV with Pequiven **Source: Braskem**



## **Growth with value creation**

- **Consistent strategy since the creation of Braskem: proven implementation capacity**
- **Larger scale leverages growth and internationalization projects already identified**
- **Strengthened leadership position in thermoplastic resins markets in Latin America**
- **Full integration between 1st and 2nd generations with increase in competitiveness**
- **Strong growth potential within next 5 years: production capacity may increase from 10 to 14 million tons, including the 90% increase in the resins production capacity from current 3.1 to 5.8 million tons**
- **Consolidation of the partnership model with Petrobras**
- **Solid financial structure preserved**
- **100% tag-along for all shareholders and best corporate governance practices**

## **Social and environmental responsibility**

**Acquisition of the Petrochemical  
Assets of The Ipiranga Group** *José Carlos Grubisich*  
*March 2007*

## SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Date: March 22, 2007

### BRASKEM S.A.

By:       /s/       Carlos José Fadigas de Souza Filho

Name:       Carlos José Fadigas de Souza Filho

Title:       Chief Financial Officer

### FORWARD-LOOKING STATEMENTS

This press release may contain forward-looking statements. These statements are statements that are not historical facts, and are based on management's current view and estimates of future economic circumstances, industry conditions, company performance and financial results. The words "anticipates", "believes", "estimates", "expects", "plans" and similar expressions, as they relate to the company, are intended to identify forward-looking statements. Statements regarding the declaration or payment of dividends, the implementation of principal operating and financing strategies and capital expenditure plans, the direction of future operations and the factors or trends affecting financial condition, liquidity or results of operations are examples of forward-looking statements. Such statements reflect the current views of management and are subject to a number of risks and uncertainties. There is no guarantee that the expected events, trends or results will actually occur. The statements are based on many assumptions and factors, including general economic and market conditions, industry conditions, and operating factors. Any changes in such assumptions or factors could cause actual results to differ materially from current expectations.

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