

BRASKEM SA
Form 6-K
February 12, 2015

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

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 February, 2015
(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- _____.

Net Revenue reached R\$46 billion in 2014

EBITDA was R\$5,620 million

HIGHLIGHTS:

4 In 4Q14, the average cracker utilization rate was 86%. In 2014, the average cracker utilization rate also stood at 86%, mainly reflecting the two scheduled maintenance shutdowns and the feedstock supply issues at the petrochemical complex in Rio de Janeiro in the first half of the year.

4 In 4Q14, Brazilian demand for thermoplastic resins (PE, PP, PVC) was 1.3 million tons, down 5% from the previous quarter due to fourth-quarter seasonality. In 2014, the Brazilian market of thermoplastic resins reached around 5.3 million tons, down 1% from 2013. Braskem's sales followed the market trend and reached 850 kton in the quarter and 3.6 million tons in the year.

4 PP sales of the USA and Europe business unit decreased 4% from 3Q14, influenced by the postponement of a portion of purchases in the quarter. In 2014, sales volume grew 4% to 1,863 kton.

4 Braskem's consolidated EBITDA reached R\$1,352 million, down 10% from 3Q14. In U.S. Dollar, EBITDA was US\$536 million. Compared to 4Q13, EBITDA increased 19% in Brazilian real and 6% in U.S. dollar.

4 In 2014, Braskem recorded EBITDA of R\$5,620 million. The Brazilian real depreciation and the recovery in petrochemical spreads in the international market were the main factors responsible for this performance. In U.S. dollar, EBITDA increased 8% from 2013, to US\$2,392 million.

4 Braskem's leverage, as measured by the ratio of net debt to EBITDA in U.S. dollar, stood at 2.58x, down 10% from the previous year. In Brazilian real, the leverage ratio stood at 2.92 times, down 6%.

4 On December 2014, Braskem contracted a new revolving credit facility in the amount of US\$ 750 million, with a 5-year term.

4 In 2014, Braskem recorded net income of R\$726 million

Capacity-expansion and feedstock-diversification projects

4 Mexico Project

§ In line with the Company's strategy to expand and diversify its feedstock profile, the Mexico project continued to advance, with construction reaching 88% completion.

§ On April 8 and August 11, the subsidiary Braskem-Idesa withdrew the third and fourth installments of the project finance in the amounts of US\$465 million and R\$383 million, respectively.

4 The Company completed its investment in the expansion and conversion of one of its polyethylene production lines in Bahia to produce metallocene-based LLDPE. This resin, of more modern technology, will supply the industry of plastic films.

Other projects

4 The Plastics Chain Competitiveness Incentive Plan (PICPlast), which was developed to stimulate the industry growth in Brazil Brazil's plastics chain, made progress on new fronts. In last quarter was launched the Sector Fund, which will promote the plastic image through environmental education programs and responsible consumption, as well as by expanding recycling in the country.

4 For the tenth consecutive time, Braskem was selected a component of the Corporate Sustainability Index (ISE) of the São Paulo Stock Exchange (BM&FBovespa).

MESSAGE FROM MANAGEMENT

The recovery in the U.S. economy and the good performance of other developed markets, such as the United Kingdom, had a positive impact on the world economy in 2014. However, world GDP growth fell short of initial forecasts for the year, reflecting the slower growth in emerging economies and in the Euro zone.

China posted GDP growth of 7.4% in 2014, below the 7.5% target set by the government, but still above the consensus expectation of 7.2%. This weaker economic growth reflects the shift in China's growth policy, with the adoption of a greater emphasis on domestic consumption and on sustainability.

In the case of the Brazilian economy, the consensus expectation is calling for GDP growth of less than 1% p.a., reflecting the prospects throughout the year of electricity rationing, the fewer number of business days during the World Cup, the contraction in industrial production and higher interest rates. In this context, the Brazilian market of thermoplastic resins amounted to 5.3 million tons, down 1% on the previous year.

Despite the challenging scenario, Braskem, in keeping with its commitment to develop the plastics chain and its focus of serving Clients, worked together with the Brazilian Plastics Industry Association (ABIPLAST) and the manufacturing industry to advance in the Plastics Chain Incentive Plan (PICPLAST). A structural initiative for the industry, the plan provides incentives to boost competitiveness and foster innovation in the sector, stimulate exports of manufactured plastic goods and promote the advantages of using plastic.

Braskem invested R\$2.5 billion in 2014, of which some 60% was allocated to improvement and maintenance its assets and 25% was allocated to building the new petrochemical complex in Mexico, which plays a fundamental role in the Company's strategy to diversify its feedstock profile and its competitiveness.

Developed in partnership with the Mexico group Idesa, the project construction in Mexico reached 88% physical completion by year-end 2014. Located in the Mexican state of Veracruz, the project will produce annually 750 kton of high-density polyethylene and 300 kton of low-density polyethylene using ethane as feedstock. The complex is expected to be commissioned by the end of 2015.

Braskem's project to expand and convert one of its polyethylene lines in the state of Bahia to produce metallocene-based LLDPE, in which R\$50 million was invested, began operations in January 2015. The resin, which is based on more modern technology, will supply producers of plastic films.

Regarding its growth project in Rio de Janeiro, the Company informs that the studies were concluded and the most attractive alternative was the expansion project of its existing production at the Duque de Caxias site, in the Rio de Janeiro State. The progress of the project, at this time, will depend on obtaining a long-term feedstock supply contract with Petrobras. Braskem remains committed to add value to the national feedstock and to meet the future Brazilian demand for thermoplastic resins, contributing to the country's industrialization process.

Progress continued to be made on the feasibility study for the Appalachian Shale Cracker Enterprise (Ascent), an integrated project for the production of polyethylene in the U.S. state of West Virginia. Note that in view of the recent developments in world energy markets, new scenarios are being incorporated into the project analysis.

Also on the international front, Braskem announced a project to produce ultra-high molecular weight polyethylene at its unit in La Porte, Texas (USA). Known commercially as UTEC, the resin was developed using 100% Brazilian technology and has applications across a wide range of industries, such as oil extraction, military equipment and construction. The project, which is expected to start operations in the first half of 2016, seeks to complement the portfolio of products produced in Brazil.

With the aim of restoring some of the competitiveness of the country's industrial sector, the Brazilian government reintroduced, on a permanent basis, the Reintegra program, which provides tax incentives to exporters. The tax refund rate, which is determined annually, was initially set at 0.3% and then increased to 3% as of October 1, 2014. The measure aims to improve the competitiveness of exporters of manufactured goods by refunding a portion of the federal taxes levied on their exports.

Nevertheless, the year 2014 remained a challenging one for the industry. The lack of cost competitiveness due to the high tax burden, energy prices and infrastructure issues, among other factors, led the industrial sector to post a record trade deficit of US\$109 billion. According to estimates, Industrial GDP in 2014 will account for only 24% of Brazil's GDP, a reduction of 4 p.p. from the sector's average contribution in the last 10 years, demonstrating the country's strong deindustrialization trend.

In line with its commitment to the production chain's growth and to the development of new applications, Braskem invested around R\$230 million in innovation and technology and launched 11 new resin grades in 2014.

Company's commitment to innovation led it to be selected by the U.S. magazine Fast Company as one of the world's 50 most innovative companies. The only Brazilian company to feature on the list, Braskem was recognized for its research in products made from renewable resources. The publication evaluates companies based on the impact of their innovations on the world.

In terms of the performance of Braskem's financial indicators, gross revenue was R\$53 billion and net revenue was R\$46 billion, representing growth of 11% and 12%, respectively, in relation to 2013, with these figures reflecting the depreciation in the Brazilian real, the recovery in petrochemical prices at the global level and the higher PP sales volume at the United States & Europe business unit.

Braskem's consolidated EBITDA reached R\$5.6 billion, increasing 17% on the prior year. Factors contributing to the performance were the level of petrochemical spreads in the international market and the weaker Brazilian real. The result also incorporates the net positive effect of R\$218 million attributed primarily to the divestment of non-strategic assets and to the full payment of the outstanding tax installments under Federal Law 11.941/09 – Refis tax amnesty program (for more information, see Item 3.1 – Economic and Financial – EBITDA).

In view of the aforementioned, Braskem posted net income of R\$726 million. A highlight was the adoption, in the fourth quarter, of the hedge accounting for the project in Mexico (for more information, see Item 3.1 – Economic and Financial - Net Financial Result).

The results achieved in 2014 also reflect the culture of the Odebrecht Group, which is based on the Odebrecht Entrepreneurial Technology (TEO), in which decentralized management, a strong focus on the Client and entrepreneurship are fundamental pillars.

In the area of workplace safety, the Injury Frequency Rate with and without Lost Time considering both Team Members and Partners was 1.00 accident per million hours worked, which is Braskem's best result ever. In the area of process safety, the Aquapolo Project allowed the Company to reuse water in the production operations at its plants located in the Capuava Complex in the ABC Paulista region of Greater São Paulo. The recycled water is produced from sewage processed at the ABC Water Treatment Station.

Braskem's commitment to sustainable development also supported important internal achievements and external recognition in 2014.

During the year, Braskem was elected Latin America's best publicly traded corporation in Brazil in carbon management by the Carbon Disclosure Project (CDP) in the transparency category. It was also recognized, for the fourth straight year, in the GOLD Category of the GHG Protocol Brazil Program. Braskem also confirmed its inclusion in the Corporate Sustainability Index (ISE) of the BM&FBovespa for the tenth straight year, being one of the 11 Brazilian companies to participate in the index since its creation. And, for the third straight year, Braskem was selected as a component of the Dow Jones Sustainability Index Emerging

Markets of the New York Stock Exchange (NYSE).

Braskem also won, for the sixth time, the transparency trophy of the National Association of Finance, Administration and Accounting Executives (Anefac) and, for the first time, the trophy for Best Annual Financial Statements 2013 in the category of companies with annual revenue over R\$5 billion.

PERFORMANCE

Note that as a result of the decision to maintain its investments in chemical distribution, which are the assets relating to Quantiq, Braskem restated its consolidated quarterly results for 2013 to include the result of this operation.

4 Net Revenue

In 4Q14, Braskem's consolidated net revenue was US\$4.6 billion, down 11% from 3Q14, explained by the lower sales volume and the prices decrease in the international market. In Brazilian real, net revenue was R\$11.6 billion, down 1% on the previous quarter, attenuated by the 12% average Brazilian real depreciation between the periods. Excluding naphtha/condensate resale from the analysis, net revenue in the quarter decreased by 12% in U.S. dollar and by 1% in Brazilian real.

Compared to 4Q13, consolidated net revenue in U.S. dollar decreased 4%, reflecting the lower prices in the international market. In Brazilian real, net revenue grew 8%, influenced by the local-currency depreciation between the periods.

Overseas revenue came to US\$2 billion in 4Q14. Excluding naphtha/condensate resale, the revenue was US\$1.7 billion, down 14% from 3Q14. The decrease is explained by the lower resin sales volume and prices decrease in the international market, which followed the trend in oil and naphtha prices. Compared to the same period of 2013, export sales revenue decreased 2%, influenced by the same factors.

*Exports of products made in Brazil

In 2014, consolidated net revenue amounted to R\$46 billion, an increase of 12% on 2013. This performance is explained by (i) the higher sales volume of PP from the USA and Europe business unit; (ii) the recovery in petrochemical prices in the international market; and (iii) the average U.S. dollar appreciation of 9% in the period. In U.S. dollar, net revenue was US\$20 billion, or 3% higher.

Excluding naphtha/condensate resale, net revenue was R\$43 billion or US\$18 billion, increasing 11% and 2%, respectively.

On the same basis, overseas revenue came to US\$7.2 billion or R\$17 billion, increasing 1% and 10% on 2013. The highlights were the recovery in prices in the international market and the higher sales volume of the USA and Europe business unit, as previously mentioned.

*Exports of products made in Brazil

Highlights by Segment

4 Capacity utilization rate

In 4Q14, the average cracker capacity utilization rate was 86%, reflecting the scheduled maintenance shutdown of the São Paulo cracker, which was concluded in October. In addition, seasonally weaker demand also affected utilization rates at the second-generation plants (PE, PP and PVC).

Regarding the PP plants at the USA and Europe business unit, the utilization rate was 93%, reflecting the resumption of operations after operational issues in the previous quarter.

In 2014, Braskem's crackers operated at an average capacity utilization rate of 86%. The reduction of 4 p.p. compared to 2013 is explained by (i) the scheduled maintenance shutdowns of Triunfo and São Paulo crackers; and (ii) the feedstock supply issues that affected operations at the Rio de Janeiro site during the first half of the year.

In the case of PVC, the 7 p.p. recovery in the utilization rate is explained by the normalization of operations at the new plant in Alagoas. Another highlight was the continued good performance of the PP operations at the USA and Europe business unit, reflecting the improvement in the local economies.

4 Polyolefins

Brazilian market: the estimated market for polyolefins (PE and PP) in 4Q14 reached 986 kton, down 6% from 3Q14, influenced by fourth-quarter seasonality and the weak performance of certain sectors of the economy, such as automotive and industrial. Compared to 4Q13, the market contracted 4%, reflecting the slowdown in the local economy.

Production: production volume in the quarter was 1,010 kton, down 5% from 3Q14, which was influenced by the scheduled maintenance shutdown of the São Paulo cracker. Compared to 4Q13, production volume was stable.

Domestic sales: Braskem's sales amounted to 682 kton in 4Q14, decreasing 11% on the previous quarter, affected by the contraction in the Brazilian market and opportunistic imports. In this context, Braskem's market share stood at 69%, down 4 p.p. in the period. Compared to 4Q13, sales volume decreased by 8%, influenced by the same factors.

Export sales: in 4Q14, export sales volume amounted to 276 kton, down 13% from 3Q14, due to the expectation of further price reductions in the international market, following the trend in oil and naphtha prices. Compared to 4Q13, export sales decreased 3%.

In 2014, domestic demand for polyolefins (PE and PP) was approximately 4.1 million tons, down 1% from 2013. The better performance of sectors related to retail and consumer goods was unable to offset the downturn in durable goods sectors, such as automotive, white goods and industrial. Braskem's sales volume fell by 4% to 2,910 kton, with its market share in the year standing at 71%.

In the export market, Braskem's sales came to 1,068 kton. The decrease in PE export volume, influenced by the lower production volume, was partially offset by higher sales of PP due to export opportunities, including other Latin American markets.

In the year, production volume was 4 million tons, down 5% on the previous year, explained by the scheduled and unscheduled maintenance shutdowns in the period, as mentioned above.

4 Vinyls

Brazilian market: PVC demand in 4Q14 was 315 kton, down 2% on 3Q14, reflecting fourth-quarter seasonality. Compared to 4Q13, PVC demand increased by 1%.

Production: PVC production volume was 152 kton, down 11% from 3Q14, influenced by the expectations of weaker demand. Caustic soda production amounted to 112 kton, decreasing 4% from 3Q14.

Compared to 4Q13, PVC production volume decreased 5%. Caustic soda production was 112 kton, up 9% from 4Q13, a period that was affected by the scheduled maintenance shutdown at the Alagoas plant.

Domestic sales: In 4Q14, Braskem posted PVC sales of 168 kton, decreasing 3% from 3Q14, in line with the market trend, with market share of 53%. Compared to 4Q13, PVC sales grew by 1%.

In the case of caustic soda, sales volume was 9% lower than in 3Q14, influenced by the slowdown of the Brazilian economy, which resulted in a downturn in demand from various sectors, such as pulp and paper. Compared to 4Q13, caustic soda sales volume decreased by 1%.

In 2014, Brazilian demand for PVC was 1.2 million tons, a decrease of 2% compared to the previous year, with Brazil's weak economic growth affecting the performance of the infrastructure and construction sectors.

Braskem's sales volume, however, amounted to 660 kton, increasing 4% on 2013 and supporting a market share gain of 3 p.p. to 53%. This growth is explained by the normalization of operations at the new plant in Alagoas, which contributed to the 9% growth in PVC production.

The Company's caustic soda sales reached 460 kton in the year, down 2% from 2013.

4 Basic Petrochemicals

In 4Q14, ethylene production amounted to 811 kton, decreasing 4% from 3Q14, which is explained by scheduled shutdown of the São Paulo cracker, which was concluded in October. Compared to 4Q13, a period affected by the scheduled shutdown at the Camaçari site, production volume was 2% higher.

Performance (tons)	4Q14	3Q14	4Q13	Change	Change	2014	2013	Change
BASIC PETROCHEMICALS	(A)	(B)	(C)	(A)/(B)	(A)/(C)	(D)	(E)	(D)/(E)
Production								
Ethylene	810,966	847,593	795,483	-4%	2%	3,237,886	3,372,825	-4%
Propylene	323,231	347,649	348,251	-7%	-7%	1,306,636	1,505,595	-13%
Butadiene	98,295	97,404	96,116	1%	2%	374,827	389,854	-4%
BTX*	263,440	275,846	257,357	-4%	2%	1,013,873	1,217,831	-17%

BTX* - Benzene, Toluene, Orthoxylene and Paraxylene

Ethylene and propylene: the Company's total sales reached 233 kton, down 9% from 3Q14, mainly due to the reduction in propylene sales, which in the previous quarter had benefitted from the good performance of second-generation clients. Compared to 4Q13, sales increased 4%, reflecting the sales opportunities in the export market.

Butadiene: in 4Q14 sales volume amounted to 100 kton, increasing 2% on 3Q14. Compared to 4Q13, sales increased 5%, explained by the higher global demand and limited supply in the

United States and Europe (scheduled maintenance shutdowns at some crackers).

BTX: sales volume amounted to 273 kton, increasing 1% from 3Q14. Compared to 4Q13, which was impacted by an unscheduled shutdown at the paraxylene plant, sales volume grew by 25%.

Performance (tons)	4Q14	3Q14	4Q13	Change	Change	2014	2013	Change
BASIC PETROCHEMICALS	(A)	(B)	(C)	(A)/(B)	(A)/(C)	(D)	(E)	(D)/(E)
Total Sales								
Ethylene/Propylene	233,422	256,770	224,041	-9%	4%	957,123	924,435	4%
Butadiene	100,016	97,962	95,334	2%	5%	378,853	381,764	-1%
BTX*	273,142	270,604	218,165	1%	25%	1,012,091	1,036,147	-2%

BTX* - Benzene, Toluene, Orthoxylene and Paraxylene

In 2014, ethylene production volume was 3.2 million tons, 4% lower than in 2013. The lower production is explained by (i) the scheduled maintenance shutdown (March-April) of one of the lines at the cracker in Triunfo; (ii) the scheduled shutdown of the São Paulo cracker (September-October); and (iii) feedstock supply issues at the Rio de Janeiro site in the first half of the year.

Despite the lower production volume, combined sales of ethylene and propylene came to 957 kton in 2014, up 4% on the prior year, which is explained by the higher availability of products to third parties due to scheduled shutdowns at second-generation, as well as by the sales opportunities in the export market.

BTX and butadiene sales volumes decreased by 1% and 2%, respectively, influenced by the lower production volume.

4 United States and Europe

Regional market: demand for PP in the United States decreased by 4% from 3Q14. The expectation of a new price decline of resins following the lower oil prices in international markets led to the postponement of a portion of sales in the quarter. In Europe, PP market expanded by 2% from 3Q14, which was affected by seasonally weaker demand (European summer).

Compared to 4Q13, the U.S. market decreased 3%, also due to the factors as mentioned above. European demand grew 4%, reflecting the improvement in the region's economy between the periods.

Production: production volume in 4Q14 was 469 kton, increasing 4% from 3Q14, reflecting the recovery in capacity utilization rates following the unscheduled shutdowns in the United States and Germany. Compared to 4Q13, production volume increased by 1%.

Sales: sales amounted to 454 kton, decreasing 4% and 2% from 3Q14 and 4Q13, respectively. In both cases, the decreases are explained by the lower sales volume in the United States, which followed the downward trend in the local market.

Performance (tons)	4Q14	3Q14	4Q13	Change	Change	2014	2013	Change
UNITED STATES AND EUROPE	(A)	(B)	(C)	(A)/(B)	(A)/(C)	(D)	(E)	(D)/(E)
Sales								
PP	453,582	470,286	462,719	-4%	-2%	1,862,560	1,790,693	4%

Production

PP	469,376	449,263	463,372	4%	1%	1,855,676	1,785,938	4%
----	---------	---------	---------	----	----	-----------	-----------	----

In 2014, the USA and Europe business unit registered PP sales of 1.9 million tons. The 4% increase on 2013 is explained by the recovery in U.S. economy and the better performance of the European economy, which positively affected the automotive, industrial and consumer goods sectors.

In this context, the capacity utilization rate of Braskem's PP plants stood at 94%, while production volume reached 1.9 million tons, or 4% more than in 2013. Another important factor was the investments made in maintenance and to improvement of assets efficiency made over the last three years that increased production capacity by 40 kton/year at the plant in Seadrift, Texas.

4 Cost of Goods Sold (COGS)

Braskem's cost of goods sold (COGS) in 4Q14 amounted to R\$10.1 billion, virtually in line with the previous quarter. The lower level of feedstock prices, which follow the international market trend in, was offset by the average U.S. dollar appreciation of 12% between the periods, which generated a negative impact of R\$943 million.

The Company acquires around 70% of its naphtha feedstock from Petrobras, with the remainder imported from producers in North African countries and in Venezuela. The ARA naphtha price reference for domestic supply (three-month moving average) reached US\$805/ton in 4Q14, down 14% from US\$933/ton in 3Q14. The ARA naphtha price, which is the reference for imported naphtha, stood at US\$611/ton, down 31% from 3Q14.

Regarding the average gas price, the Mont Belvieu price reference for ethane and propane decreased by 12% and 27% from 3Q14 to US\$21 cts/gal (US\$154/ton) and US\$76 cts/gal (US\$398/ton), respectively. The decline is mainly explained by the higher supply in North America. In the case of USG propylene, the average price reference was US\$1,540/ton in the period, decreasing 1% from the prior quarter.

Compared to 4Q13, COGS increased 6%, with the average U.S. dollar appreciation of 12% between the periods partially offset by the lower prices of the main feedstocks.

In 2014, COGS amounted to R\$40 billion, increasing 12% on the prior year, which is mainly explained by (i) the 9% average appreciation in the U.S. dollar, which generated a negative impact of R\$2.9 billion; (ii) the higher PP sales volume of the USA and Europe business unit; and (iii) the higher average propylene price in the international

market.

4 **Selling, General and Administrative Expenses (SG&A)**

In 4Q14, **SG&A Expenses** amounted to R\$686 million, increasing R\$50 million from the prior quarter. Compared to 4Q13, SG&A expenses increased by 19%.

Selling Expenses in the quarter were R\$303 million, increasing 1% from 3Q14. Compared to 4Q13, SG&A expenses increased 18%. In both periods, the increase was influenced by the higher costs with logistics, such as freight, storage and distribution, and the Company's conservative strategy in credit granted to the chain.

General and Administrative Expenses amounted to R\$383 million, increasing 14% and 19% from 3Q14 and 4Q13, respectively, which is mainly explained by (i) higher payroll expenses (collective bargaining agreement), with wages adjusted retroactively to September at the units in Alagoas, Bahia and Rio de Janeiro; and (ii) sporadic expenses of around R\$7 million with advertising materials, institutional marketing and audit service.

In 2014, SG&A expenses amounted to R\$2.5 billion, increasing 14% from 2013. The increase is mainly explained by (i) higher expenses related to logistics costs, due to the total sales volume growth; (ii) the Company's conservative strategy for granting credit to the chain; (iii) higher payroll expenses related to the collective bargaining agreement and to the price adjustment in the health insurance policy; and (iv) sporadic expenses of approximately R\$17 million with institutional marketing, advertising materials and third-party services.

4 EBITDA

Braskem's consolidated EBITDA amounted to R\$1,352 million, decreasing 10% from 3Q14. EBITDA margin excluding naphtha and condensate resale stood at 12.1%. The main factors contributing to this performance were (i) the lower resin sales volume; and (ii) the lower petrochemical prices in the international market; which were partially offset by (iii) the average 12% appreciation in the U.S. dollar. The result was also influenced by (iv) the R\$66 million negative impact from the fair value adjustment of inventories at the USA and Europe business unit to reflect the sharp decline in propylene and PP prices in international markets; and (v) the R\$106 million positive impact from the full settlement of the outstanding tax installments under Federal Law 11,941/09 (Refis tax amnesty program) – see details below. In U.S. dollar, EBITDA was US\$536 million.

Compared to 4Q13, EBITDA increased 6% in U.S. dollar and 19% in Brazilian real. The increase was mainly due to (i) the recovery in petrochemical spreads in the international market; (ii) the 12% average Brazilian real depreciation between the periods; and (iii) extraordinary effects that generated a positive net impact of R\$40 million in 4Q14 (as explained above); which were partially offset by (iv) the lower resin sales volume.

In 2014, Braskem's consolidated EBITDA was R\$5.6 billion or US\$2.4 billion, increasing 17% and 8%, respectively. The main factors influencing this performance were the recovery in petrochemical spreads in international markets and the 9% depreciation in the Brazilian real. The result also reflects (i) the positive nonrecurring impact of R\$277 million from the divestment of a non-strategic asset; and (ii) the net positive impact of R\$72 million (explained below) related to additional inclusions and the full settlement of the outstanding tax liabilities under Federal Law 11,941/09 (Refis tax amnesty program); which were partially offset by (iii) the additional R\$65 million provision for the Petros Plans; and (iv) the R\$66 million negative impact from the fair value adjustment at the USA and Europe business unit mentioned above.

Payment in installments of tax liabilities under Federal Law 11,941/09

In June 2014, due to the reopening of the federal tax amnesty program, as authorized under Federal Law 12.972, Braskem opted to include in the program another R\$75 million in tax liabilities, which generated (a) the extraordinary expense of R\$34 million in the quarter.

In November 2014, Braskem's Management decided to settle in full its outstanding installments under the program, in accordance with Federal Law 13.043/14 (for more information see Note 17 – Taxes Payable in the 2014 Financial Statements). A total of R\$1 billion in outstanding liabilities were settled. The effects on the 4Q14 results were (b) the R\$72 million negative impact related to the inclusion of new tax contingencies in the installment payment plans in the last quarter; which were offset by (c) the use of R\$98 million in credits from subsidiaries; and (d) the R\$80 million gain from the discount received for prepayment.

4 Net Financial Result

The net financial result was an expense of R\$721 million in 4Q14, compared to the expense of R\$632 million in the prior quarter.

Braskem holds net exposure to the U.S. dollar (more dollar-denominated liabilities than dollar-denominated assets), and any change in the exchange rate has an impact on the accounting financial result. On December 31, 2014, this exposure was formed: (i) in the operations, by 59% of suppliers, which was partially offset by 78% of accounts receivable; and (ii) in the capital structure, by 74% of net debt. Since the Company's operating cash flow is heavily linked to the dollar, the Company believes that maintaining this level of net exposure to the dollar in liabilities acts as a natural hedge, which is in compliance with its Financial Management Policy. Virtually 100% of its revenue is directly or indirectly pegged to the variation in the U.S. dollar and approximately 80% of its costs are also pegged to this currency.

Since Braskem regularly exports part of its production and aiming to better reflect exchange variation in its result, the Company designated, as of May 1, 2013, part of its dollar-denominated liabilities as hedge for its future exports (hedge accounting of exports).

The subsidiary Braskem Idesa, aiming to better reflect exchange variation in its profit and loss, decided, on October 1st, to designate the liabilities related to the financing of the Mexico project, which adopts a project finance model, as hedge for its future sales.

As a result, the exchange variation arising from liabilities related to the project, which amounted to US\$2,879 million on December 31, 2014, is temporarily recorded under shareholders' equity and transferred to the income statement only when such sales occur, thus enabling the simultaneous recognition of the dollar impact on its liabilities and sales.

In this context, the effect from the 8% U.S. dollar¹ appreciation on the consolidated net exposure of liabilities not designated as hedge accounting generated a negative impact on the financial result of R\$88 million.

Excluding the effects from exchange and monetary variation, the net financial result in 4Q14 was an expense of R\$588 million, increasing by R\$41 million from the expense in the prior quarter. The main factors were (i) the R\$77 million impact on the line "net interest on fiscal provisions," due to the restatement of the provision for Petros plans; which was partially offset by the gain of R\$16 million from the prepayment in full of outstanding tax liabilities under the Refis program. Compared to 4Q13, the net financial expenses increased by R\$139 million, influenced by the items mentioned above and by the exchange variation impact on the calculation of interest on dollar-denominated debt.

The following table shows the composition of Braskem's net financial result.

¹ On December 31, 2014, the Brazilian real/U.S. dollar exchange rate was R\$2.6562/US\$1.00.

	4Q14	3Q14	4Q13	2014	2013
Financial Expenses	(559)	(1,087)	(741)	(2,746)	(2,549)
Interest Expenses	(348)	(348)	(289)	(1,273)	(1,123)
Monetary Variation (MV)	(82)	(76)	(71)	(320)	(300)
Foreign Exchange Variation (FX)	193	(373)	(112)	(39)	(78)
Net Interest on Fiscal Provisions	(117)	(47)	(35)	(222)	(174)
Others	(205)	(244)	(234)	(892)	(875)
Financial Revenue	(162)	455	281	355	773
Interest	66	82	95	253	226
Monetary Variation (MV)	36	16	10	75	24
Foreign Exchange Variation (FX)	(281)	348	155	(46)	333
Net Interest on Fiscal Credits	1	3	(13)	30	56
Others	16	6	34	44	134
Net Financial Result	(721)	(632)	(460)	(2,391)	(1,776)
R\$ million	4Q14	3Q14	4Q13	2014	2013
Net Financial Result	(721)	(632)	(460)	(2,391)	(1,776)
Foreign Exchange Variation (FX)	(88)	(25)	43	(85)	256
Monetary Variation (MV)	(46)	(60)	(61)	(246)	(276)
Net Financial Result Excluding FX and MV					