

BRASKEM SA  
Form 6-K  
May 19, 2008

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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 May, 2008  
(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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**Braskem S.A.**

Quarterly Financial Information  
Quarter ended March 31, 2008

(A free translation of the original report in Portuguese as  
published in Brazil containing Interim  
Financial Information prepared in  
accordance with accounting practices adopted in  
Brazil and rules of the Brazilian Securities Commission (CVM))

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Braskem S.A.  
ITR Quarterly Financial Information Base Date 3/31/2008

### **Independent Auditors Special Review Report**

To  
The Management  
Braskem S.A.  
Camaçari - BA

1. We have conducted a special review of the Quarterly Financial Information of Braskem S.A. and of the Company and its subsidiaries (consolidated information) for the quarter ended March 31, 2008, which comprises the balance sheets, the statements of income, of cash flows, the performance report and the notes, which are the responsibility of its management. The Quarterly Financial Information of the subsidiaries, Copesul - Companhia Petroquímica do Sul and Ipiranga Química S.A. as of March 31, 2008 were reviewed by other independent auditors, and our review, with respect to the amount of investments and income deriving from these subsidiaries, is based exclusively on the comfort letters issued by these other auditors.

2. Our review was performed in accordance with specific rules established by IBRACON (Brazilian Institute of Independent Auditors) and the Federal Accounting Council (CFC), and consisted mainly of: (a) enquiries and discussions with management responsible for the accounting, financial and operational departments of the Company and its subsidiaries, with respect to the main criteria adopted in preparing the Quarterly Financial Information; and (b) a review of the information and subsequent events that had or could have had significant effects on the financial position and operations of the Company and its subsidiaries.

3. Based on our special review and the comfort letters issued by other independent auditors, we are not aware of any material changes that should be made to the aforementioned Quarterly Financial Information for it to be in accordance with accounting practices adopted in Brazil and consistent with the rules issued by the Brazilian Securities and Exchange Commission, specifically applicable to the preparation of the Quarterly Financial Information, comprising the Communiqué dated January 14, 2008.

4. As mentioned in note 9(b), the Company has accumulated ICMS credits from previous years, arising mainly from the differences between the rates of inflow and outflow of inputs and raw materials, domestic outflow which received incentive through the deferral of taxes, and sales destined to the foreign market. The realization of these tax credits depends on the successful implementation of the management's plans as described in this note to the accompanying Quarterly Financial Information. The Quarterly Financial Information as of March 31, 2008, does not include any adjustments related to the recovery of these tax credits due to this uncertainty.

5. As mentioned in Note 17 (c), in relation to the discussion with respect to the constitutionality of Law 7689/88, the Company and its merged companies OPP Química, Trikem and Polialden filed a civil action for the nonpayment of the Social Contribution on Net Income (CSL). Management, based on the opinion of its legal advisors, who assessed the chances of a successful outcome as possible, believe that it should be able to obtain success in its pleading for the maintenance of the nonpayment and, in the event of loss of the rescissory action, the decision would not have a retroactive effect as from the year the law came into effect. Thus, a provision for possible unfavorable outcomes arising from the notices of infraction was neither constituted for the purposes of preparing these financial statements, nor for the years that have not been inspected yet by the Federal Revenue Department.

6. As mentioned in Note 9 (a), OPP Química S.A., merged by the Company in 2003, grounded on a decision taken by the Federal Supreme Court, has recognized in its accounting records Excise Tax (IPI) credits of R\$ 1,030,125 thousand (R\$ 2,542,592 thousand restated up to March 31, 2008), which were offset against IPI due and other federal taxes. Although this decision was the object of a regulatory appeal by the National Treasury, in which what is being questioned is not the right to the credit, but the inaccuracies with respect to the aspects related to the case of the non-taxed inputs, the monetary correction and the rate to be used for calculation purposes of the credits, and despite the assessments drafted against the Company, management, based on the opinion of its legal advisors, considers the chances of a successful outcome as probable and, consequently, no provision has been recorded in the Quarterly Financial Information related to the quarter ended March 31, 2008.

7. As per Note 28, Law no. 11638, which becomes effective as from January 1, 2008, was enacted on December 28, 2007. This Law modified, revoked and introduced new devices in Law no. 6404/76 (Corporate Law) and will cause changes in the accounting practices adopted in Brazil. Although the aforementioned Law has already become in force, the main modifications introduced by it are pending regulation by regulatory agencies to be fully applied by companies. Therefore, in this transition phase, CVM, through a Communiqué of January 14, 2008, permitted the non-application of Law no. 11638/07 devices in the preparation of the Quarterly Information. Thus, the accounting information contained in the Quarterly Information(ITR) of the quarter ended March 31, 2008, was prepared in accordance with CVM's specific rules, and do not comprise the changes in the accounting practices introduced by Law no. 11638/07.

April 30, 2008

KPMG Auditores Independentes  
CRC 2SP014428/O-6-S-BA

Anselmo Neves Macedo  
Accountant CRC 1SP160482/O-6-S-BA

**FINANCIAL STATEMENTS 1st QUARTER OF 2008**

<b>BALANCE SHEET ASSETS PARENT COMPANY (in thousands of reais)</b>			
<b>Account</b>	<b>Description</b>	<b>Mar/08</b>	<b>Dec/07</b>
<b>1</b>	<b>Total assets</b>	<b>16,431,070</b>	<b>16,632,385</b>
<b>1.01</b>	<b>Current assets</b>	<b>4,415,138</b>	<b>4,303,223</b>
<b>1.01.01</b>	<b>Cash and cash equivalents</b>	<b>1,085,786</b>	<b>1,264,273</b>
1.01.01.01	Cash and cash equivalents	1,085,786	1,071,600
1.01.01.02	Marketable securities		192,673
<b>1.01.02</b>	<b>Credits</b>	<b>1,328,984</b>	<b>1,506,118</b>
1.01.02.01	Trade accounts receivable	933,820	1,059,661
1.01.02.02	Other credits	395,164	446,457
1.01.02.02.01	Taxes recoverable	269,327	170,650
1.01.02.02.02	Deferred income and social contribution taxes	36,725	36,725
1.01.02.02.03	Dividends and interest on shareholders equity	44,198	45,135
1.01.02.02.04	Prepaid expenses	44,914	57,249
1.01.02.02.05	Investment for sale		136,698
<b>1.01.03</b>	<b>Inventories</b>	<b>1,654,339</b>	<b>1,468,180</b>
<b>1.01.04</b>	<b>Other</b>	<b>346,029</b>	<b>64,652</b>
1.01.04.04	Other accounts receivable	346,029	64,652
<b>1.02</b>	<b>Noncurrent assets</b>	<b>12,015,932</b>	<b>12,329,162</b>
<b>1.02.01</b>	<b>Long-term receivables</b>	<b>1,544,295</b>	<b>1,832,679</b>
1.02.01.01	Other credits	1,459,160	1,733,815
1.02.01.01.01	Marketable securities	14,984	273,998
1.02.01.01.02	Trade accounts receivable	45,542	41,464
1.02.01.01.03	Inventories	21,774	22,790
1.02.01.01.04	Taxes recoverable	906,226	932,652
1.02.01.01.05	Deferred income and social contribution taxes	373,462	366,480
1.02.01.01.06	Deposits in court and compulsory loans	97,172	96,431
1.02.01.02	Related parties	58,060	64,604
1.02.01.02.01	Subsidiaries	15,255	20,219
1.02.01.02.02	Other related parties	42,805	44,385
1.02.01.03	Other	27,075	34,260
<b>1.02.02</b>	<b>Permanent assets</b>	<b>10,471,637</b>	<b>10,496,483</b>
1.02.02.01	Investments	2,635,471	2,572,066
1.02.02.01.01	Investments in associated companies	21,284	23,853
1.02.02.01.02	Investments in subsidiaries	1,451,287	873,200
1.02.02.01.03	Interest in subsidiaries goodwill/ negative goodwill	1,154,661	147,830
1.02.02.01.04	Other investments	8,239	8,239
1.02.02.01.05	Advances for acquisition of investments		1,518,944
1.02.02.02	Property, plant and equipment	6,384,037	6,391,685
1.02.02.03	Intangible assets	170,332	159,222
1.02.02.04	Deferred charges	1,281,797	1,373,510



<b>BALANCE SHEET LIABILITIES AND SHAREHOLDERS EQUITY PARENT COMPANY (in thousands of reais)</b>			
<b>Account</b>	<b>Description</b>	<b>Mar/08</b>	<b>Dec/07</b>
<b>2</b>	<b>Total liabilities</b>	<b>16,431,070</b>	<b>16,632,385</b>
<b>2.01</b>	<b>Current liabilities</b>	<b>3,779,474</b>	<b>4,336,378</b>
<b>2.01.01</b>	<b>Loans and financing</b>	<b>688,138</b>	<b>416,577</b>
<b>2.01.02</b>	<b>Debentures</b>	<b>15,085</b>	<b>20,474</b>
<b>2.01.03</b>	<b>Accounts payable to suppliers</b>	<b>2,386,461</b>	<b>2,365,462</b>
<b>2.01.04</b>	<b>Taxes and contributions payable</b>	<b>95,133</b>	<b>93,961</b>
<b>2.01.05</b>	<b>Dividends payable</b>	<b>281,234</b>	<b>281,241</b>
<b>2.01.08</b>	<b>Other</b>	<b>313,423</b>	<b>1,158,663</b>
2.01.08.01	Salaries and social charges	209,903	183,164
2.01.08.02	Income tax	10,921	
2.01.08.03	Other taxes and contributions	92,599	975,499
2.01.08.03.01	Creditors for acquisition of investments		880,991
2.01.08.03.02	Other	92,599	94,508
<b>2.02</b>	<b>Noncurrent liabilities</b>	<b>6,724,304</b>	<b>6,451,208</b>
<b>2.02.01</b>	<b>Long-term liabilities</b>	<b>6,708,988</b>	<b>6,434,743</b>
2.02.01.01	Loans and financing	4,624,533	4,371,393
2.02.01.02	Debentures	800,000	800,000
2.02.01.04	Related parties	16,052	16,789
2.02.01.06	Other	1,268,403	1,246,561
2.02.01.06.01	Taxes and contributions payable	1,131,466	1,105,110
2.02.01.06.02	Accounts payable to suppliers	24,678	26,338
2.02.01.06.03	Long-term incentives	5,006	4,879
2.02.01.06.04	Deferred income and social contribution taxes	7,198	7,346
2.02.01.06.05	Pension plan and benefits for employees	19,565	19,565
2.02.01.06.06	Other accounts payable	80,490	83,323
<b>2.02.02</b>	<b>Deferred income</b>	<b>15,316</b>	<b>16,465</b>
<b>2.04</b>	<b>Shareholders equity</b>	<b>5,927,292</b>	<b>5,844,799</b>
<b>2.04.01</b>	<b>Paid-in capital</b>	<b>4,640,947</b>	<b>4,640,947</b>
<b>2.04.02</b>	<b>Capital reserves</b>	<b>457,461</b>	<b>458,144</b>
<b>2.04.04</b>	<b>Profit reserves</b>	<b>745,708</b>	<b>745,708</b>
2.04.04.01	Legal reserve	99,972	99,972
2.04.04.02	Profit retention for expansion	645,736	890,192
2.04.04.03	Other revenue reserves		(244,456)
2.04.04.03.01	Treasury shares		(244,456)
<b>2.04.05</b>	<b>Retained earnings</b>	<b>83,176</b>	

<b>INCOME STATEMENT PARENT COMPANY (in thousands of reais)</b>			
<b>Account code</b>	<b>Account description</b>	<b>1<sup>st</sup> quarter/2008</b>	<b>1<sup>st</sup> quarter/2007</b>
<b>3.01</b>	<b>Revenues</b>	<b>3,711,771</b>	<b>3,693,866</b>
3.01.01	Domestic market sales	3,195,848	3,002,681
3.01.02	Foreign market sales	515,923	691,185
<b>3.02</b>	<b>Sales taxes, freights and returns</b>	<b>(931,668)</b>	<b>(850,552)</b>
<b>3.03</b>	<b>Net revenues</b>	<b>2,780,103</b>	<b>2,843,314</b>
<b>3.04</b>	<b>Cost of goods sold and services rendered</b>	<b>(2,417,298)</b>	<b>(2,322,184)</b>
<b>3.05</b>	<b>Gross profit</b>	<b>362,805</b>	<b>521,130</b>
<b>3.06</b>	<b>Operating (expenses) income</b>	<b>(388,767)</b>	<b>(388,889)</b>
3.06.01	Selling expenses	(63,755)	(113,432)
3.06.02	General and administrative expenses	(133,897)	(116,339)
3.06.02.01	General and administrative expenses	(131,767)	(113,724)
3.06.02.02	Management remuneration	(2,130)	(2,615)
3.06.03	Financial (expenses) income	(169,701)	(94,074)
3.06.03.01	Financial income	97,454	(20,751)
3.06.03.02	Financial expenses	(267,155)	(73,323)
3.06.04	Other operating income	61,406	13,186
3.06.05	Other operating expenses	(136,499)	(111,341)
3.06.05.01	Depreciation and amortization	(96,328)	(97,484)
3.06.05.02	Other operating expenses	(40,171)	(13,857)
3.06.06	Equity in income of subsidiaries and associated companies	53,679	33,111
3.06.06.01	Equity in income of subsidiaries and associated companies	75,224	59,387
3.06.06.02	Amortization of (goodwill)/ negative goodwill, net	(21,694)	(23,647)
3.06.06.03	Exchange variation	149	(2,579)
3.06.06.05	Other		(50)
<b>3.07</b>	<b>Operating profit</b>	<b>(25,962)</b>	<b>132,241</b>
<b>3.08</b>	<b>Non-operating income (expenses), net</b>	<b>112,929</b>	<b>(927)</b>
3.08.01	Non-operating income	254,204	88
3.08.02	Non-operating expenses	(141,275)	(1,015)
<b>3.09</b>	<b>Net income before income and social contribution taxes/ interests</b>	<b>86,967</b>	<b>131,314</b>
3.10	Income and social contribution taxes	(10,921)	(15,242)
3.11	Deferred income and social contribution taxes	7,130	(7,093)
<b>3.15</b>	<b>Net income for the period</b>	<b>83,176</b>	<b>108,979</b>
	<b>Number of shares outstanding</b>	<b>432,838</b>	<b>356,039</b>
	<b>Net income per share (reais)</b>	<b>0.19217</b>	<b>0.30609</b>



<b>BALANCE SHEET - ASSETS CONSOLIDATED (in thousands of reais)</b>			
<b>Account</b>	<b>Description</b>	<b>Mar/08</b>	<b>Dec/07</b>
<b>1</b>	<b>Total assets</b>	<b>21,107,519</b>	<b>20,892,001</b>
<b>1.01</b>	<b>Current assets</b>	<b>6,851,343</b>	<b>6,596,287</b>
<b>1.01.01</b>	<b>Cash and cash equivalents</b>	<b>1,727,252</b>	<b>2,138,850</b>
1.01.01.01	Cash and cash equivalents	1,573,874	1,890,151
1.01.01.02	Marketable securities	153,378	248,699
<b>1.01.02</b>	<b>Credits</b>	<b>1,965,927</b>	<b>2,083,403</b>
1.01.02.01	Trade accounts receivable	1,361,984	1,496,976
1.01.02.02	Sundry credits	603,943	586,427
1.01.02.02.01	Taxes recoverable	481,954	310,311
1.01.02.02.02	Deferred income and social contribution taxes	62,763	62,980
1.01.02.02.03	Dividends and interest on shareholders equity	3,000	3,936
1.01.02.02.04	Prepaid expenses	56,226	72,502
1.01.02.02.05	Investment for sale		136,698
<b>1.01.03</b>	<b>Inventories</b>	<b>2,732,641</b>	<b>2,264,272</b>
<b>1.01.04</b>	<b>Other</b>	<b>425,523</b>	<b>109,762</b>
1.01.04.01	Other accounts payable	425,523	109,762
<b>1.02</b>	<b>Noncurrent assets</b>	<b>14,256,176</b>	<b>14,295,714</b>
<b>1.02.01</b>	<b>Long-term receivables</b>	<b>2,005,487</b>	<b>1,959,104</b>
1.02.01.01	Sundry credits	1,916,556	1,862,620
1.02.01.01.01	Marketable securities	204,464	119,789
1.02.01.01.02	Trade accounts receivable	46,005	41,927
1.02.01.01.03	Inventories	21,774	22,790
1.02.01.01.04	Taxes recoverable	1,125,795	1,175,008
1.02.01.01.04	Deferred income and social contribution taxes	405,264	395,452
1.02.01.01.06	Deposits in court and compulsory loans	113,254	107,654
1.02.01.02	Related parties	47,086	48,531
1.02.01.02.03	Other related parties	47,086	48,531
1.02.01.03	Other	41,845	47,953
<b>1.02.02</b>	<b>Permanent assets</b>	<b>12,250,689</b>	<b>12,336,610</b>
1.02.02.01	Investments	41,690	1,073,183
1.02.02.01.01	Associated companies	21,878	24,445
1.02.02.01.02	Subsidiaries	6,912	6,912
1.02.02.01.03	Other investments	12,900	13,840
1.02.02.01.06	Advances for acquisition of investments		1,027,986
1.02.02.02	Property, plant and equipment	9,362,572	8,404,079
1.02.02.03	Intangible assets	185,171	172,418
1.02.02.04	Deferred charges	2,661,256	2,686,930

<b>BALANCE SHEET - LIABILITIES CONSOLIDATED (in thousands of reais)</b>			
<b>Account</b>	<b>Description</b>	<b>Mar/08</b>	<b>Dec/07</b>
<b>2</b>	<b>Total liabilities</b>	<b>21,107,519</b>	<b>20,892,001</b>
<b>2.01</b>	<b>Current liabilities</b>	<b>5,212,522</b>	<b>5,922,906</b>
<b>2.01.01</b>	<b>Loans and financing</b>	<b>1,278,419</b>	<b>1,068,351</b>
<b>2.01.02</b>	<b>Debentures</b>	<b>108,819</b>	<b>111,632</b>
<b>2.01.03</b>	<b>Accounts payable to suppliers</b>	<b>2,866,272</b>	<b>2,967,929</b>
<b>2.01.04</b>	<b>Taxes and contributions</b>	<b>158,008</b>	<b>161,825</b>
<b>2.01.05</b>	<b>Dividends payable</b>	<b>307,767</b>	<b>307,945</b>
<b>2.01.08</b>	<b>Other</b>	<b>493,237</b>	<b>1,305,224</b>
2.01.08.01	Salaries and social charges	260,903	260,807
2.01.08.02	Income tax	54,915	15,365
2.01.08.03	Other taxes and contributions	177,419	1,029,052
2.01.08.03.01	Creditors for acquisition of investments		880,991
2.01.08.03.02	Other	177,419	148,061
<b>2.02</b>	<b>Noncurrent liabilities</b>	<b>9,420,786</b>	<b>8,614,127</b>
<b>2.02.01</b>	<b>Long-term liabilities</b>	<b>9,396,739</b>	<b>8,588,931</b>
2.02.01.01	Loans and financing	7,175,974	6,401,947
2.02.01.02	Debentures	800,000	800,000
2.02.01.03	Other	1,420,765	1,386,984
2.02.01.03.01	Taxes and contributions payable	1,175,441	1,145,816
2.02.01.03.02	Accounts payable to suppliers	27,994	29,654
2.02.01.03.03	Long-term incentives	5,006	4,879
2.02.01.03.04	Deferred income and social contribution taxes	71,525	64,451
2.02.01.03.05	Pension plans and benefits for employees	35,727	35,727
2.02.01.03.06	Other accounts payable	105,072	106,457
<b>2.02.02</b>	<b>Deferred income</b>	<b>24,047</b>	<b>25,196</b>
<b>2.03</b>	<b>Interests of non-controlling shareholders</b>	<b>635,124</b>	<b>597,949</b>
<b>2.04</b>	<b>Shareholders equity</b>	<b>5,839,087</b>	<b>5,757,019</b>
<b>2.04.01</b>	<b>Paid-in capital</b>	<b>4,640,947</b>	<b>4,640,947</b>
<b>2.04.02</b>	<b>Capital reserves</b>	<b>457,461</b>	<b>458,144</b>
<b>2.04.04</b>	<b>Profit reserves</b>	<b>657,928</b>	<b>657,928</b>
2.04.04.01	Legal reserve	99,972	99,972
2.04.04.02	Profit retention for expansion	571,066	815,522
2.04.04.03	Other revenue reserves	(13,110)	(257,566)
2.04.04.03.01	Treasury shares	(13,110)	(257,566)
<b>2.04.05</b>	<b>Retained earnings</b>	<b>82,751</b>	

<b>INCOME STATEMENT CONSOLIDATED (in thousands of reais)</b>			
<b>Account code</b>	<b>Account description</b>	<b>1<sup>st</sup> quarter/2008</b>	<b>1<sup>st</sup> quarter/2007</b>
<b>3.01</b>	<b>Revenues</b>	<b>5,638,013</b>	<b>4,229,948</b>
3.01.01	Domestic market sales	4,706,879	3,398,499
3.01.02	Foreign market sales	931,134	831,449
<b>3.02</b>	<b>Sales taxes, freights and returns</b>	<b>(1,227,818)</b>	<b>(939,264)</b>
<b>3.03</b>	<b>Net revenues</b>	<b>4,410,195</b>	<b>3,290,684</b>
<b>3.04</b>	<b>Cost of goods sold and services rendered</b>	<b>(3,759,914)</b>	<b>(2,615,157)</b>
<b>3.05</b>	<b>Gross profit</b>	<b>650,281</b>	<b>675,527</b>
<b>3.06</b>	<b>Operating (expenses) income</b>	<b>(589,531)</b>	<b>(513,789)</b>
3.06.01	Selling expenses	(93,175)	(137,501)
3.06.02	General and administrative expenses	(167,357)	(134,522)
3.06.02.01	General and administrative expenses	(164,491)	(131,469)
3.06.02.02	Management remuneration	(2,866)	(3,053)
3.06.03	Financial (expenses) income	(200,492)	(112,876)
3.06.03.01	Financial income	30,257	25,294
3.06.03.02	Financial expenses	(230,749)	(138,170)
3.06.04	Other operating income	64,426	14,655
3.06.05	Other operating expenses	(171,394)	(118,581)
3.06.05.01	Depreciation and amortization	(130,566)	(103,127)
3.06.05.02	Other operating expenses	(40,828)	(15,454)
3.06.06	Equity in the results of subsidiaries and associated companies	(21,539)	(24,964)
3.06.06.01	Equity in the results of investees	2,348	(109)
3.06.06.02	Amortization of (goodwill) negative goodwill, net	(22,504)	(22,674)
3.06.06.03	Exchange variation	148	(2,808)
3.06.06.04	Tax incentives	220	1,298
3.06.06.05	Other	(1,751)	(671)
<b>3.07</b>	<b>Operating profit</b>	<b>60,750</b>	<b>161,738</b>
<b>3.08</b>	<b>Non-operating income (expense), net</b>	<b>112,667</b>	<b>(1,646)</b>
3.08.01	Non-operating income	254,372	189
3.08.02	Non-operating expenses	(141,705)	(1,835)
<b>3.09</b>	<b>Net income before income and social contribution taxes/ interests</b>	<b>173,417</b>	<b>160,092</b>
<b>3.10</b>	<b>Income and social contribution taxes</b>	<b>(52,900)</b>	<b>(50,746)</b>
<b>3.11</b>	<b>Deferred income and social contribution taxes</b>	<b>5,529</b>	<b>(2,484)</b>
<b>3.12</b>	<b>Minority interests</b>	<b>(37,166)</b>	<b>(2)</b>
<b>3.13</b>	<b>Employees profit sharing</b>	<b>(6,129)</b>	
<b>3.14</b>	<b>Net income for the period</b>	<b>82,751</b>	<b>106,860</b>
	<b>Number of shares outstanding</b>	<b>432,838</b>	<b>356,039</b>
	<b>Net income per share (reais)</b>	<b>0.19118</b>	<b>0.30014</b>

**NOTES TO THE QUARTERLY FINANCIAL INFORMATION** (in thousands of reais)

**1 Operations**

(a) Braskem S.A. ( Braskem or the Company ) and its subsidiaries, with 18 production units located in the States of Alagoas, Bahia, São Paulo Rio Grande do Sul, engage in the production of basic petrochemicals such as ethane, propene, benzene, and caprolactam, in addition to gasoline and LPG (cooking gas). The thermoplastic resin segment includes polyethylene, polypropylene, PVC and Polyethylene Teraphtalate ("PET"). The Company and its subsidiaries also engage in the import and export of chemicals, petrochemicals, fuels, as well as the production and supply of inputs used to companies pertaining to the Camaçari (in Bahia) and Triunfo (in Rio de Grande do Sul) Petrochemical Complexes, such as steam, water, compressed air and electric power, and the rendering of services to these companies. The Company also invests in other companies. Braskem head offices are located at Camaçari.

**(b) Corporate events**

Since its inception on August 16, 2002, the Company has undergone a major corporate restructuring process, disclosed to the market through material event notices. The main developments in 2007 and 2008 can be summarized as follows:

The Extraordinary General Meeting held on April 2, 2007 approved the merger of Politeno, based on its shareholders equity as of December 31, 2006, amounting to R\$ 498,983. The exchange ratio of Politeno shares for Braskem shares was determined based on the companies' shareholders' equity at book value, in accordance with appraisal reports issued by a specialized firm.

The Company capital was increased by R\$ 19,157 to R\$ 3,627,429 through the issue of 1,533,670 class A preferred shares and now comprises 123,978,672 common, 247,154,278 class A preferred and 803,066 class B preferred shares.

In order to maintain the current capital structured at Braskem, comprising 1/3 common shares and 2/3 preferred shares, the conversion of 486,530 class A preferred into common shares was approved.

On April 2007, Ultrapar Participações S.A. ( Ultrapar ) acting as agent for itself, the Company and for Petróleo Brasileiro S.A. - Petrobras, acquired for R\$ 2,113,107, the equivalent to 66.2% of common shares and 13.9% of preferred capital shares issued by Refinaria de Petróleo Ipiranga S.A. ( RPI ), 69.2% of common shares and 13.5% of preferred capital shares issued by Distribuidora de Produtos de Petróleo Ipiranga S.A. ( DPPI ), and 3.8% of common shares and 0.4% of preferred capital shares issued by Companhia Brasileira de Petróleo Ipiranga ( CBPI ), held by the controlling shareholders of the Ipiranga Group. Of this amount, the Company paid R\$ 651,928 under the agency agreement among the parties.

Pursuant to the agreement among Ultrapar, Braskem and Petrobras, the Company now holds the control of petrochemical assets, represented by Ipiranga Química S.A. ( Ipiranga Química), Ipiranga Petroquímica S.A. ( IPQ ) and the latter's interest in Companhia Petroquímica do Sul ( Copesul ). Assets associated with oil refining operations held by RPI will be shared on equal terms by Petrobras, Ultrapar and Braskem.

As new controller of these assets, in April 2007 the Company started to fully consolidate Ipiranga Química, IPQ and Copesul, considering a 13.4% interest in the total capital of Ipiranga Química. Until March 31, 2007, Copesul was proportionately consolidated, in accordance with CVM Instruction 247/97.

In October and November 2007, the Company proceeded with the purchase of the Ipiranga Group and acquired the common shares held by minority shareholders in RPI, DPPI and CBPI, in compliance with the provisions of the Brazilian Corporation Law. Under this acquisition, Braskem made Ultrapar an advance of R\$ 203,713, and for consolidation purposes, considered from then on a 17.87% interest in the total capital of Ipiranga Química.

In November 2007, Petrobras, Petrobras Química S.A. Petroquisa ( Petroquisa ) and Odebrecht announced the execution of an agreement intended to carry on the consolidation of the Brazilian petrochemical industry, by merging into Braskem the following petrochemical assets held by Petrobras and Petroquisa:

- 37.3% of the total capital of Copesul;
- 40% of the total capital of both Ipiranga Química and IPQ;
- 40% of the total capital of Petroquímica Paulínia; and
- 100% of the total capital of Petroquímica Triunfo ( Triunfo ).

Up to 100% of the total and voting capital of Triunfo may be merged into Braskem, at the option of Petrobras and Petroquisa. Alternatively, the merger may be replaced with cash provided by Petrobras and Petroquisa for an amount equal to the economic value of this asset.

In December 2007, Ultrapar merged the preferred shares held by minority shareholders of the acquired companies, thus holding 100% of shares in RPI, DPPI and CBPI. Upon conclusion of this last stage, the Company recorded the final installment owed Ultrapar, in the amount of R\$ 633,488. This installment was recognized in December 2007 as

Advance for acquisition of investment in Permanent Assets, as a contra entry to the Creditors for acquisition of investments line, in current liabilities. After the book recording of this stage of the acquisition process, the Company now considers a 60.00% interest in the total capital of Ipiranga Química for equity pick-up and consolidation purposes. On February 27, 2008 the amount provided for as of December 31, 2007 was paid to Ultrapar and IQ shares were transferred to the Company.

In January 2008, the Company settled the last installment for the acquisition of Politeño Indústria e Comércio S.A. ( Politeño ) shares, based on the average performance of that company over the 18 months subsequent to the execution of the purchase and sale agreement in April 2006, as a result of the difference between polyethylene and ethylene prices in the Brazilian domestic market, amounting to R\$ 247,503. To December 2007, this portion was recognized in the Creditors for acquisition of investments line.

On November 13, 2007, Braskem, in conjunction with UNIPAR União de Indústrias Petroquímicas S.A. ( UNIPAR ) and other minority shareholders in Petroflex Indústria e Comércio S.A. (Petroflex) entered into an agreement with Lanxess Deutschland GmbH ( Lanxess ) for the sale of shares in that jointly-controlled entity.

As a result of this disposal, at December 31, 2007, the amount of the investment in Petroflex was stated as Investment for sale .

In March 2008, as all precedent conditions set forth in the sale agreement had been complied with, the transaction was recognized at the final amount of R\$ 252,105, in the Other accounts receivable line, under current assets. Also a non-operating income of R\$ 115,567 was recorded. The financial settlement of the transaction and transfer of shares took place on April 1, 2008. Pursuant to the agreement, changes in Petroflex working capital and net debt may give rise to a reduction in the acquisition price.

As required by CVM Instruction 247/96, the Company determines equity in the earnings of the investment until the actual transfer of the related shares to the purchaser. In 2008, the Company recorded R\$ 2,041 as equity in income of subsidiaries and associated companies and R\$ 195 as amortization of goodwill.

The Company and its subsidiaries, as participants in the corporate restructuring process, may be affected by economic and/or corporate aspects as a result of the outcome of this process.

## **2 Presentation of the Quarterly Financial Information**

The individual and consolidated Quarterly Financial Information were prepared in accordance with the accounting practices adopted in Brazil and also in compliance with the rules and procedures determined by the Brazilian Securities Exchange Commission CVM, Brazilian Institute of Independent Auditors IBRACON, and Federal Accounting Council CFC.

## **3 Significant Accounting Practices**

No significant changes in accounting practices, or in the criteria for presenting quarterly financial information, occurred in relation to the financial statements for the year ended December 31, 2007.

### **(a) Use of estimates**

In the preparation of the financial statements, it is necessary to use estimates to record certain assets, liabilities and transactions. The financial statements of the Company and its subsidiaries include, therefore, various estimates regarding the selection of the useful lives of property, plant and equipment, deferred charges amortization periods and the goodwill of investments, as well as provisions for contingencies, income tax and other similar amounts.

### **(b) Consolidated Quarterly Information**

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The consolidated Quarterly Information was prepared in accordance with the consolidation principles established in the Brazilian Corporation Law and supplementary provisions of CVM and includes the balance sheets and statements of income of the Company and its subsidiaries, jointly-controlled entities, and special purpose entities in which the Company has direct or indirect share control or control over activities, as shown below:

		<b>Interest in total capital - %</b>			
		<b>Head office (country)</b>	<b>Mar/08</b>	<b>Dec/07</b>	<b>Mar/07</b>
<b>Subsidiaries</b>					
Braskem America Inc. ( Braskem America )		USA	100.00	100.00	100.00
Braskem Argentina S.R.L ( Braskem Argentina )	(i)	Argentina	98.00	98.00	98.00
Braskem Distribuidora Ltda. and subsidiaries		Brazil	100.00	100.00	100.00
Braskem Europe B.V. ( Braskem Europa )		Holland	100.00	100.00	100.00
		Cayman			
Braskem Incorporated ( Braskem Inc )		Islands	100.00	100.00	100.00
Braskem Participações S.A. ( Braskem Participações )		Brazil	100.00	100.00	100.00
Companhia Alagoas Industrial CINAL		Brazil	100.00	100.00	100.00
Copesul and subsidiaries	(ii)	Brazil	39.19	39.19	
CPP Companhia Petroquímica Paulista ( CPP )	(iii)	Brazil			79.70
Ipiranga Química and subsidiaries	(iv)	Brazil	60.00	60.00	
Politeno Indústria e Comércio S.A. ( Politeno ) and subsidiaries	(v)	Brazil			96.16
Politeno Empreendimentos Ltda. ( Politeno Empreendimentos )	(xiii)	Brazil	100.00	100.00	
Tegal - Terminal de Gases Ltda. ( Tegal )	(vi)	Brazil			95.83
<b>Jointly-controlled entities</b>					
CETREL S.A. - Empresa de Proteção Ambiental ("CETREL")	(vii)				
	(viii)	Brazil	49.75	49.89	49.03
Copesul and subsidiaries		Brazil			29.46
Petroflex and subsidiaries	(ix)	Brazil			20.12
Petroquímica Paulínia S.A. ( Petroquímica Paulínia )	(x)	Brazil	60.00	60.00	60.00
<b>Special Purpose Entities ( EPE s )</b>					
Fundo Parin	(xi)				
Sol-Fundo de Aplicação em Cotas de Fundos de Investimento ( FIQ Sol )	(xii)	Guernsey		100.00	100.00
		Brazil	100.00	100.00	100.00

(i) Including the interest of subsidiary Braskem Distribuidora, the Company interest is equal to 100%.

(ii) Including the interest of indirect subsidiary IPQ, the Company interest is equal to 62.70% at March 31, 2008. As from April 2007, the investment is fully consolidated, under the Ipiranga Group purchase agreement (Note 1(b)).

(iii) Company merged into Petroquímica Paulínia in November 2007.

(iv) Investment consolidated as from April 2007, pursuant to the terms of the purchase agreement of the Ipiranga Group (Note 1(b)).

- (v) Company merged on April 2, 2007.
- (vi) Company merged on July 31, 2007.
- (vii) Investments consolidated on a pro rata basis, according to CVM Instruction 247/96.
- (viii) Including the interest of subsidiary CINAL, Braskem's interest is equal to 54.40% at March 31, 2008. Jointly-controlled entity pursuant to the provisions of the by-laws.
- (ix) Investment consolidated until November 2007, due to the disposal process.
- (x) Jointly-controlled entity as provided in the shareholders' agreement.
- (xi) Investments consolidated in compliance with CVM Instruction 408/04.
- (xii) This fund was wound up in January 2008.
- (xiii) The Company has direct control over this investment as from April 2, 2007.

In the consolidated Quarterly Financial Information, the intercompany investments and the equity pick-up, as well as the intercompany assets, liabilities, income, expenses and unrealized gains arising from transactions between consolidated companies were eliminated.

Goodwill not eliminated on consolidation is reclassified to a specific account in permanent assets which gave rise to it, in accordance with CVM Instruction 247/96. Negative goodwill is reclassified to Deferred income .



For a better presentation of the consolidated quarterly financial information, the cross-holding between the Company and its subsidiary Braskem Participações was reclassified as Treasury shares . Total shares held by that subsidiary, as well as its interest in the total capital of the Company are presented below:

**Braskem  
Participações**

Common shares	580,331
Class A preferred shares	290,165
Interest in total capital	0.24%

Pursuant to paragraph 1, article 23 of CVM Instruction CVM 247/96, the Company has not consolidated on a pro rata basis the financial information of the jointly-controlled entities Companhia de Desenvolvimento Rio Verde CODEVERDE and RPI. This information does not show significant changes and does not lead to distortions in the Company's consolidated financial statements.

The reconciliation between the parent company and consolidated shareholders equity and the net income for the year is as follows:

	Shareholders equity		Net income for the period	
	Mar/08	Dec/07	Mar/08	Mar/07
<b>Parent company</b>	5,927,292	5,844,799	83,176	108,979
Cross holding classified as treasury shares	(13,110)	(13,110)		
Exclusion of profits in inventories of subsidiaries	(5,793)	(4,205)	(1,588)	(3,675)
Exclusion of the gain on the sale of investment between related parties	(38,476)	(38,476)		
Exclusion of results of financial transactions between related parties	(10,495)	(10,628)	133	526
Reversal of amortization of goodwill on the sale of investments between related parties	23,357	22,327	1,030	1,030
Exclusion of the gain on assignment of right of use between associated companies	(34,942)	(34,942)		
Exclusion of gain of capital contribution to subsidiary	(8,746)	(8,746)		
<b>Consolidated</b>	<b>5,839,087</b>	<b>5,757,019</b>	<b>82,751</b>	<b>106,860</b>

#### 4 Cash and Cash Equivalents

	Parent company		Consolidated	
	Mar/08	Dec/07	Mar/08	Dec/07
Cash and banks	29,729	298,861	108,041	578,820
Financial investments				
Domestic	536,379	259,105	791,423	612,897
Abroad	519,678	513,634	674,410	698,434
	1,085,786	1,071,600	1,573,874	1,890,151

The domestic financial investments are mainly represented by exclusive funds of Braskem (FIQ Sol) and Copesul (FIF Copesul) exclusive funds which, in turn hold quotas of domestic investment funds, such as fixed income investment funds, multiportfolio funds, investment fund quotas in credit rights, and other fixed income securities and time deposits. The financial investments abroad mainly consist of fixed income instruments or instruments issued by first-tier financial institutions, with high marketability. The maximum redemption term of such investments is 90 days.

**5 Marketable Securities**

	Parent company		Consolidated	
	Mar/08	Dec/07	Mar/08	Dec/07
Current assets				
Investment funds		192,673	15,300	133,901
Investment in fixed-income instruments			138,078	114,798
		192,673	153,378	248,699
Long-term receivables				
Investment funds		265,695	189,574	118,141
Subordinated quotas in investment fund in credit rights	6,785		6,785	
Other	8,199	8,303	8,105	1,648
	14,984	273,998	204,464	119,789
Total	14,984	466,671	357,842	368,488

At March 31, 2008 Copesul is the only quotaholder in investment funds, whose portfolio comprises Treasury Financial Bills (LFT), Bank Deposit Certificates (CDB) and simple debentures.

At December 31, 2007, the investment funds included an investment fund where Braskem was the only quotaholder and whose portfolio was comprised by time deposits at Credit Suisse First Boston Bank. The Company redeemed the deposit certificates in February 2008.

**6 Trade Accounts Receivable**

	Parent company		Consolidated	
	Mar/08	Dec/07	Mar/08	Dec/07
Customers				
Domestic market	919,112	1,218,089	1,255,287	1,697,187
Foreign market	390,527	429,364	695,970	725,233
Discounted trade bills		(197,753)	(59,411)	(311,844)
Advances on bills of exchange delivered	(169,265)	(188,358)	(288,335)	(385,155)
Allowance for doubtful accounts	(161,012)	(160,217)	(195,522)	(186,518)
	979,362	1,101,125	1,407,989	1,538,903
Long-term receivables	(45,542)	(41,464)	(46,005)	(41,927)
Current assets	933,820	1,059,661	1,361,984	1,496,976

When carrying out trade bill discount transactions with financial institutions, the Company undertakes to reimburse it in the event of default of the customers.

Changes in the allowance for doubtful accounts are as follows:

	Parent company		Consolidated	
	Mar/08	Mar/07	Mar/08	Mar/07
At beginning of the period	160,217	103,474	186,488	153,350
Additions classified as selling expenses	1,336	15,070	10,383	24,982
Recovery of credits provided for	(541)	(1,198)	(1,128)	(1,298)
Write-off of bills considered non-collectable			(217)	(25)
Exchange variation			(4)	
At the end of the period	161,012	117,346	195,522	177,009

## 7 Inventories

	Parent company		Consolidated	
	Mar/08	Dec/07	Mar/08	Dec/07
Finished goods and work in process	1,084,763	829,111	1,604,536	1,152,137
Raw materials, production inputs and packaging	285,236	317,687	632,547	651,373
Warehouse (*)	284,295	291,605	394,941	401,722
Advances to suppliers	34,249	52,614	103,064	53,239
Imports in transit and other	6,373	19,166	38,174	47,928
Provision for adjustment to realization value	(18,803)	(19,213)	(18,847)	(19,337)
Total	1,676,113	1,490,970	2,754,415	2,287,062
Noncurrent assets (*)	(21,774)	(22,790)	(21,774)	(22,790)
Current assets	1,654,339	1,468,180	2,732,641	2,264,272

(\*) Based on its turnover, part of the maintenance materials inventory was reclassified to noncurrent assets.

Advances to suppliers and expenditures for imports in transit mainly relate to the acquisition of petrochemical naphtha, which is the main raw material of the Company and Copesul.

**8 Related Parties**

**(a) Parent company**

	Current assets		Noncurrent assets	Current assets	
	Cash and	Trade	Dividends and interest on	Credits to	Accounts payable
	cash equivalents	accounts receivable	shareholders equity	related parties (ii)	to suppliers
	Marketable securities	Marketable securities			Account payables to suppliers
<b>Subsidiaries and jointly-controlled entities</b>					
Braskem America		15,241			
Braskem Argentina		2,084			
Braskem Distribuidora		6,415		4,706	
Braskem Europa		34,395			
Braskem Inc.					