Project AlphaPet II: Acquisition of BP Amoco Chemical’s Decatur, Alabama, Assets

IVL Firmly On Track: BP Amoco Chemical’s Decatur – 8th Highly Complementary Acquisition Since Jan 2015

January 7, 2016
Disclaimer

This presentation and certain statements included herein contain “forward-looking statements” about the financial condition and results of operations of Indorama Ventures Public Company Limited (the “Company”), which are based on management’s current beliefs, assumptions, expectations and projections about future economic performance and events, considering the information currently available to the management. Any statements preceded by, followed by or that include the words “targets”, “believes”, “expects”, “aims”, “intends”, “will”, “may”, “anticipates”, “would”, “plans”, “could”, “should”, “predicts”, “projects”, “estimates”, “foresees” or similar expressions or the negative thereof, identify or signal the presence of forward-looking statements as well as predictions, projections and forecasts of the economy or economic trends of the markets, which are not necessarily indicative of the future or likely performance of the Company. Such forward-looking statements, as well as those included in any other material discussed at the presentation, are not statements of historical facts and concern future circumstances and results and involve known and unknown risks, uncertainties and other important factors beyond the Company’s control that could cause the actual results, performance or achievements of the Company to be materially different from the expectations of future results, performance or achievements expressed or implied by such forward-looking statements. Factors that could contribute to such differences include, but are not limited to: the highly competitive nature of the industries in which the Company operates; a potential recurrence of regional or global overcapacity; exposures to macro-economic, political, legal and regulatory risks in markets where the Company operates; dependence on availability, sourcing and cost of raw materials; ability to maintain cost structure and efficient operation of manufacturing facilities; shortages or disruptions of supplies to customers; operational risks of production facilities; costs and difficulties of integrating future acquired businesses and technologies; dependence of informal relationships with other Indorama group entities in Indonesia and India; project and other risks carried by significant capital investments including future development of new facilities; exchange rate and interest rate fluctuations; pending environmental lawsuits; changes in laws and regulations relating beverage containers and packaging; the impact of environmental, health and safety laws and regulations in the countries in which the Company operates.

All such factors are difficult or impossible to predict and contain uncertainties that may materially affect actual results. New factors emerge from time to time, and it is not possible for management to predict all such factors or to assess the impact of each such factor on the Company. Such forward-looking statements are also based on numerous assumptions and estimates regarding the Company and its subsidiaries’ present and future business strategies and the environment in which the Company will operate in the future. Any forward-looking statements are not guarantees of future performance and speak only as at the date of this presentation, and none of the Company, nor any of its agents, employees or advisors intends or has any duty or obligation to supplement, amend, update or revise any such forward-looking statements to reflect any change in the Company’s expectations with regard thereto or any change in events, conditions or circumstances on which any such statements are based or whether in the light of new information, future events or otherwise, except as may be required by applicable laws and stock exchange regulations. The above and other risks and uncertainties are described in the Company’s most recent annual registration statement (Form 56-1), and additional risks or uncertainties may be described from time to time in other reports filed by the Company with the Securities and Exchange Commission of Thailand and the Stock Exchange of Thailand. Given the aforementioned and other risks, uncertainties and assumptions, you should not place undue reliance on these forward-looking statements as a prediction of actual results or otherwise.

The results of operations for the periods reflected herein are not necessarily indicative of results that may be achieved for future periods, and the Company’s actual results may differ materially from those discussed in the forward-looking statements as a result of various factors not foreseen at the time of giving this presentation.

This presentation must not be treated as advice relating to legal, taxation, financial, accounting or investment matters. By attending this presentation, you acknowledge that you will be solely responsible for your own assessment of the market and the market position of the Company and of the risks and merits of any investment in the Shares, and that you will conduct your own analysis and be solely responsible for forming your own view of the potential future performance of the Company’s business.
IVL – Strong, Focused and Committed Industry Leader
Delivering a Distinct and Compelling Investment Platform

Creating Significant Growth Within Each of Our 3 Powerful Verticals
HVA, PET, Feedstock

High Value Added Business
PET Polymers Business
Feedstock Business

Interlinked and Synergistic Businesses to Deliver Enhanced Shareholder and Customer Value
2015 Has Been a Truly Transformative Year for IVL
Eight Transactions Signed - Industry Game Changer

2014 Capacity

- Polypex Turkey: Consolidation of PET in EMEA
- Performance Fibers China: Scales Auto HVA
- Cepsa Canada: Provides PTA integration in North America
- Bangkok Polyester Thailand: Strengthens PET leadership
- US Gas Cracker: Tapping shale gas advantage providing full integration once operational in 2017
- Micropet India: Creates entry into market with huge potential
- BP Decatur: Provides PX and PTA integration; new HVA business
- Cepsa Spain: Strengthens PET leadership

Core EBITDA Margin

- 2014: 8%
- 2018: Double Digit

Core EPS

- 2014: THB 0.85
- 2018: ~4x

Major drivers in IVL’s ongoing transformation

Note: * Includes Poland PET expansion & other organic expansions
IVL on Track: 8th Highly Complementary Acquisition of BP Amoco Chemical’s Decatur Complex, Alabama

**Overview**
- IVL to acquire petrochemicals complex of BP Amoco Chemical’s Decatur Site in Alabama, USA (“BP Decatur”)
- Integrated PTA capacity (with paraxylene) of ~1.0 million tons per annum
- World’s only commercial manufacturer of naphthalene dicarboxylate (NDC*), a specialty chemical used in performance polymers and films for application such as smartphone screens

**Strategic Rationale**
- Enhances feedstock integration with PTA and PX
- Entering adjacent specialty, high margin NDC business
- Strong near-term value through substantial cost synergies
- Additional upside from growth synergies

**Financial Impact**
- Transaction expected to be completed in 1H 2016 subject to regulatory approvals

Note: * IVL do not make NDC today
BP Decatur – A Strong Fit for IVL
Served IVL’s AlphaPet Plant since Startup in 2009

Key Highlights

- Creates one of very few producers worldwide and only producer in North America to manufacture aromatics, PTA, PET and specialties at a single site
- Secured mixed xylene supply from pipeline & barge supplies from refineries
- First-quartile cost position based on scale, integration, technology

Decatur, AL

<table>
<thead>
<tr>
<th>Product</th>
<th>Capacity</th>
<th>Technology</th>
</tr>
</thead>
<tbody>
<tr>
<td>PX</td>
<td>720 KMT</td>
<td>BP Technology</td>
</tr>
<tr>
<td>PTA</td>
<td>1,020 KMT</td>
<td>BP Technology</td>
</tr>
<tr>
<td>NDC</td>
<td></td>
<td>BP Technology</td>
</tr>
</tbody>
</table>

Mixed Xylenes
Acetic Acid
Orthoxylene, Butadiene, Methanol

World scale capacity
Secured and advantaged feedstock
State of the art BP technology
Enhances Integration and Cost Advantage Synergies Across IVL North America Portfolio

**Feedstock**
- Crude Oil -> Naphtha
- NGLs: Ethane/Propane

**Upstream**
- Ortho-xylene + Butadiene
  - PX
    - Capacity: 0.72 MMt
    - Project AlphaPet II (BP Decatur)
  - Ethylene
    - Capacity: 0.37 MMt
  - Propylene
    - Capacity: 0.03 MMt

**Intermediates**
- NDC
  - PTA*
    - Capacity: 1.62 MMt
  - MEG
    - Capacity: 0.33 MMt

**Downstream**
- Performance polymers and films
  - PET Resin
    - Capacity: 1.52 MMt
  - Poly Fiber
    - Capacity: 0.12 MMt
  - PEO
    - Capacity: 0.22 MMt
  - PP Fiber
    - Capacity: 0.10 MMt

Notes:
- *Project AlphaPet II 1.02 MMt and Cepsa Canada 0.60 MMt

Integration Timeline:
- 2003: Entry into HVA with acquisition of Invista
- 2010: Entry into PET through acquisition of Starpet
- 2011: Integration into PTA with Cepsa
- 1H15: Ethylene Integration
- 1H16: Integration into PX, PTA + New HVA (NDC)

Legend:
- IVL NA Facilities
- Third Parties

*Note:* Entry into EO/EG with Old World 1H15

*Note:* "Project AlphaPet II 1.02 MMt and Cepsa Canada 0.60 MMt"
Creates Most Integrated Player in An Attractive Market
Only North American Producer Capturing Full Value Chain

IVL North America Portfolio

**Olefins**
- **US Gas Cracker**
  - Lake Charles, LA
  - Products: Ethylene, Propylene

**Ethylene Oxide/ Glycols**
- **IVOG**
  - Clear Lake, TX
  - Products: MEG, PEO

**PET Polymers**
- **Alphapet**, Decatur, AL
- **Starpet**, Asheboro, NC
- **Auriga**, Spartanburg, SC
- **IV Polymers**, Queretaro
  - Products: Necessity and HVA

**PTA**
- **Cepsa**, Canada
  - **Project AlphaPet II**, Decatur, AL
  - Products: PTA

**HVA Fibers**
- **IV Polymers**, Queretaro
  - Products: Polyester, PP, Polyamide 6.6 Fibers

**PET Polymers**
- **Alphapet**, Decatur, AL
- **Starpet**, Asheboro, NC
- **Auriga**, Spartanburg, SC
- **IV Polymers**, Queretaro
  - Products: Necessity and HVA

**NDC**
- **Project AlphaPet II**, Decatur, AL

**PX**
- **Project AlphaPet II**, Decatur, AL

**IVL Integration Profile**

<table>
<thead>
<tr>
<th>Downstream Capacity</th>
<th>PET Resin</th>
<th>Polyester Fiber</th>
</tr>
</thead>
<tbody>
<tr>
<td>Raw Material Requirement @ 90% Utilization</td>
<td></td>
<td></td>
</tr>
<tr>
<td>PTA</td>
<td>100%</td>
<td>1,251</td>
</tr>
<tr>
<td>MEG</td>
<td>57%</td>
<td>520</td>
</tr>
<tr>
<td>PX</td>
<td>67%</td>
<td>962</td>
</tr>
</tbody>
</table>

**Notes:** *Under construction, expected project start-up in late 2017
Source: IVL Analysis
BP Decatur – A Rare Investment Opportunity
Competitive Advantages Through Unique Site Integration

Decatur is the only North American PTA site with PX integration

Pipeline integration with BP Whiting refinery and barge supply chain availability with other refineries for secured mixed xylene supply

PX & PET integration results in advantage of lower logistic cost over peer producers in North America
# NDC - Product Applications
## Serving into Attractive Markets

<table>
<thead>
<tr>
<th>End Markets</th>
<th>Products</th>
<th>End Use Applications</th>
</tr>
</thead>
</table>
| **Specialty Films**    | ▪ Industrial  
                          ▪ Electronics  
                          ▪ Flexibles                                  | ▪ LED displays  
                          ▪ Hard drives  
                          ▪ Multi-layer capacitors                      |
| **Specialty Fibers**   | ▪ Automotive  
                          ▪ Industrial  
                          ▪ High-performance textiles                   | ▪ Tires  
                          ▪ Racing laminates                             |
| **Specialty Packaging**| ▪ Pharma  
                          ▪ Hot fills  
                          ▪ Cosmetics  
                          ▪ PET/PEN blends                               | ▪ Returnable beer bottles  
                          ▪ Baby bottles  
                          ▪ 5 gallon containers                          |
| **Others**             | ▪ Engineering resins  
                          ▪ High performance coatings  
                          ▪ Photovoltaic                               | ▪ Wiring harnesses for cars  
                          ▪ Solar panels                                |

Source: Industry Data, IVL Analysis
BP Decatur Helps to Unlock IVL’s Full Potential
Transaction Confirms Our Strong Commitment

- Adds attractive stream to IVL’s HVA portfolio through technology and know-how and the plant is the world’s only commercial producer of NDC*

- Enhances integration with onsite PX, PTA & PET and creating competitive advantage

- Customers win: supply reliability, expanded choices, complimentary offerings

- Realizing full synergy potential and creating opportunity for growth and expansion

A Natural and Value-Creative Transaction

Note: * IVL do not make NDC today
For further information on IVL, please visit the Investor Section of our website www.indoramaventures.com