Ref. No. IRP 46/12/07

December 6, 2007

Subject: Disclosure of information concerning the acquisition of PET production facility in Europe

Attention: The President
The Stock Exchange of Thailand

Dear Sir,

This notice is hereby given that the Board of Directors of Indorama Polymers Public Company Limited (the “Company”), at its Meeting No. 9/2007 dated December 6, 2007, has resolved to approve the acquisition by UAB “Indorama Polymers Europe”, and its two subsidiaries, two PET Polymers production facilities.

The acquisition consists of the purchase of a PET Polymers facility with a capacity of 200,000 tons per annum located in Rotterdam, Netherland, and the purchase of a PET Polymers facility with a capacity of 155,000 tons per annum located in Workington, United Kingdom from the sellers; Eastman Chemical Inc. and its affiliates.

The detail of the transaction as per Schedule 1 of the SET Notification No. Bor.Jor/Por. 21-01 on the Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition and Disposition of Assets, 2004, is as follows;

1. The date of transaction
The Company’s Board of Directors has approved the acquisition by its wholly owned subsidiary at its Meeting No. 9/2007 dated December 6, 2007

2. Parties involved and their relationship
The Assets Purchase Agreement will be entered into between IRP’s wholly owned subsidiary UAB “Indorama Polymers Europe” and its two subsidiaries to be formed on a later date which will be registered in Netherlands and United Kingdom respectively (as buyers) and Eastman Chemical Inc. and its affiliates (as sellers), who are unrelated third parties.

3. General Characteristic and details of assets
The purchasing assets consist of;
1. PET Plant and land at Workington, United Kingdom, with Polycondensation and Solid State Polymerization capacities of 155,000 MT per annum and
2. PET Plant at Rotterdam, Netherland, with Polycondensation and Solid State Polymerization of 200,000 MT per annum located on a long term leasehold land.
This transaction is a purchasing of assets and therefore is regarded as acquisition of assets under the SET Notification No. Bor.Jor/Por. 21-01 which require valuation on transaction value and transaction classification as per the said notification.

4. Total value, payment terms, and determination of value and funding
The total acquisition cost of the two plants will be up to EURO 65 million (approximately Baht 3,250 million at the exchange rate of Baht 50.00 per Euro).

The payment will be made end of January 2008.

The total acquisition cost is based on the agreed terms with the Sellers.

The acquisition will be funded by up to EURO 45 million by way of loans in the subsidiaries and up to EURO 20 million by way of equity to be injected by IRP into its new subsidiary, UAB Indorama Polymers Europe.

The subsidiary will arrange the necessary finance for its working capital.

5. Benefit to the Company (IRP)
IRP has presence in Europe through its existing subsidiary UAB Orion Global Pet, located in Klaipeda, Lithuania (North East Europe) which manufactures PET polymers. UAB Orion Global Pet has been profitable from the start-up of operations at the end of year 2006 and is currently operating at full capacity and has established a large and diversified customer base.

The assets purchase of PET polymers plant will give opportunity to consolidate IRP position in the European market, leverage on its market positioning and have a diversified product portfolio. Also, it will result in optimization of logistics costs considering the two plants are located in North West Europe. This will allow to service a larger and diversified customer base resulting in higher revenues and earnings to IRP.

6. Schedule date of completion
The transfer of ownership in assets and payment consideration for the purpose is expected to be completed by January 2008 on satisfactory completion of certain conditions and regulatory approvals.

7. Valuation and classification of the transaction
According to the SET Notification No. Bor.Jor/Por. 21-01 on the Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition and Disposition of Assets, 2004, the evaluation on the value of transaction as per section 2 clause 7(3) is as follows;

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\text{Value of the payment} / \text{Total assets of the listed company as on September 30, 2007} = 3,250 / 16,740
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= 19.41%

The value of the transactions falls into class 2 transaction as per part 2 of section 3 of the SET Notification No. Bor.Jor./Por. 21-01 and therefore require disclosure to the Stock Exchange of Thailand and written notice served to the shareholders of the company within 21 days from the date of disclosure to the Stock Exchange of Thailand.

8. Opinion of the Board of Directors
The investment decision has been approved by the Board of Directors based on demand growth for PET polymers, demand exceeding supply in Europe, low investment cost in comparison to a Greenfield project and access to a larger customer base across Europe.

The management appointed an independent expert, Siam City Securities Co., Ltd., (SCIS) to do a valuation of the acquiring assets. The independent expert has done the valuation under different methods and the acquisition price for the two PET plants of up to Euro 65 Million is a fair value.

Please be informed accordingly,

Yours Sincerely,
Indorama Polymers Public Company Limited

(Dilip Kumar Agarwal)  
COO & CFO  
Authorized Signatory for Information Disclosure