

Ref.No.IVL 002/11/2011

November 9, 2011

The President
The Stock Exchange of Thailand

Subject: Submission of Reviewed Financial Statements of Indorama Ventures Public Company Limited for the 3rd quarter of 2011 and the 9 months ended September 30, 2011 and the Management's Discussion and Analysis

We are pleased to submit:

1. A copy of the Consolidated and Company only Reviewed Financial Statements for the 3rd quarter of 2011 and the 9 months ended September 30, 2011 (a copy in Thai and English)
2. Management's Discussion and Analysis (MD&A) for the 3rd quarter of 2011 and the 9 months ended September 30, 2011 (a copy in Thai and English)
3. Company's performance report, Form F45-3 for the 3rd quarter of 2011 and the 9 months ended September 30, 2011 (a copy in Thai and English)

Please be informed accordingly.

Sincerely yours,

(Mr. Aloke Lohia)
Group Chief Executive Officer

Company Secretary
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INDORAMA VENTURES PUBLIC COMPANY LIMITED

MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)

FOR THE PERIOD OF 3Q 2011 AND 9 MONTHS ENDED SEPTEMBER 30, 2011
(CONSOLIDATED)

For the first nine months of 2011, Indorama Ventures PCL (SET: "IVL") announces a consolidated EBITDA of US\$ 515 million (Baht 15,623 million) and a consolidated net profit after tax and minority (excluding exceptional item) of US\$ 325 million (Baht 9,837 million). The consolidated financial position has continued to remain strong and at the end of September 30, 2011 the net gearing reduced from 48% to 39% with strong liquidity of around US\$ 1,110 million which includes cash and cash equivalents and unutilized credit lines.

Key Financial Information

US\$ in Millions

	<u>3Q11</u>	<u>2Q11</u>	<u>3Q10</u>	<u>9M11</u>	<u>9M10</u>	<u>LTM</u> <u>3Q11</u>	<u>LTM</u> <u>3Q10</u>
Exchange Rate Baht vs US\$	31.17	30.75	30.42	31.17	30.42	31.17	30.42
Exchange Rate Baht vs Euro	42.24	44.52	41.41	42.24	41.41	42.24	41.41
*Consolidated Sales	1,689	1,692	752	4,708	2,222	5,552	2,847
PET resins	1,214	1,199	460	3,279	1,350	3,768	1,708
Polyester & wool	230	212	104	630	309	751	406
PTA	255	285	188	810	563	1,044	733
Consolidated EBITDA	153	147	114	515	292	657	373
PET resins	103	103	63	327	168	397	207
Polyester & wool	25	25	19	93	44	119	56
PTA	22	22	34	101	84	145	111
Net profit after tax and minority	120	79	92	562	200	696	240
*Extraordinary items: Acquisition related	34	(1)	23	237	40	273	39
Operating net profit after tax and minority	86	80	68	325	160	423	201
CAPEX and investment	74	65	18	855	86	982	126
Net Debt	1,238	1,168	948	1,238	948	1,238	948
Net Debt to Equity	0.6	0.6	1.0	0.6	1.0	0.6	1.0
Interest Coverage	9.1	9.3	11.0	11.2	10.0	11.4	9.4
ROE	25%	16%	45%	50%	38%	49%	35%
ROCE	15%	14%	19%	21%	16%	20%	15%

Note: "LTM" is last twelve months

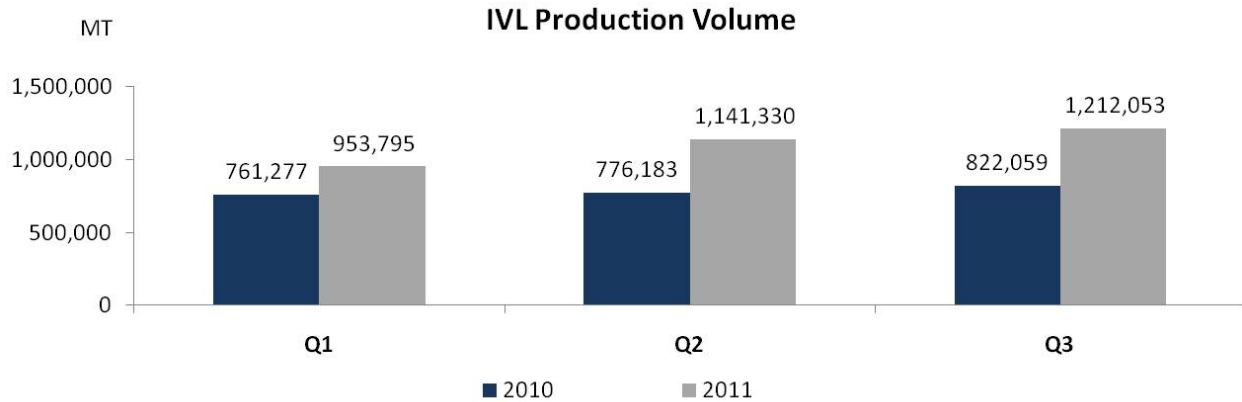
*See note 1) on page 8

Global macro environment, in particular led by Europe debt crisis, and the increase in natural disasters (in Australia, Japan, USA and Thailand) have led to high volatility in crude price and commodity prices. The uncertainty is in general creating hesitancy, which is noticeable since September 2011.

Despite volatility, IVL business model of global diversity and product diversity creates meaningful hedges and as such IVL has been able to maintain high volume growth through completed acquisitions that have been successfully integrated into the IVL portfolio. The production volume in 9M 2011 was 3.3 million tons a growth of 40% over the corresponding period and production volume in 3Q 2011 was 1.2 million tons a growth of 6% QonQ and 47% YonY.

The volume growth achieved is taking into account production loss from disruption in plant operations from tornados in AlphaPet plant, Alabama, USA, break-down of a production line at Indorama Polyester

Industries, Rayong facility and currently at Lopburi site in Thailand from floods. The impacted assets are all covered by comprehensive insurance policy for damage to assets, inventories and loss from business interruption and the bulk of claim proceeds will come in subsequent quarters upon finalization of damage assessments. The chart below provides details of quarterly movement in production volume;



The volume growth has translated into growth in both Consolidated EBITDA and Core EBITDA. In 9M, 2011 the reported Consolidated EBITDA was US\$ 515 million a growth of 76% over the corresponding period and the Core EBITDA (after adjusting for inventory gain/loss) was US\$ 473 million a growth of 60% over the corresponding period.

In 3Q 2011 reported Consolidated EBITDA was US\$ 153 million a growth of 4% QonQ and 34% over 3Q 2010 and Core EBITDA (after adjusting for inventory gain/loss) was US\$ 135 million a decrease of 25% QonQ and a growth of 11% over 3Q 2010. The QonQ impact on Core EBITDA is due to lower margins in the PTA business in Asia in the quarter resulting also in reduced blended Core EBITDA of PTA/PET business and PTA/Polyester business. Normalization of Cotton prices from high levels earlier led to decrease in prices for Polyester value chain.

The table below provides details on movement of Consolidated EBITDA and Core EBITDA in year 2011:

(in US\$ million except per ton data)

	3Q 2011	9M 2011
Consolidated EBITDA	153	515
Inventory (gain) loss	-18	-42
Core EBITDA	135	473
Reported EBITDA/Ton	\$127	\$156
Core EBITDA/Ton	\$113	\$143

IVL reported net profit after tax and minority (including exceptional items) of US\$ 562 million in 9M 2011, which was 181% higher YonY of US\$ 200 million. The exceptional gain in the 9M 2011 included gain on bargain purchase net of related transaction costs of US\$ 237 million recorded on acquisitions completed this year. The reported net profit after tax and minority (including exceptional items) of US\$ 120 million in 3Q 2011 was higher QonQ of US\$ 79 million and higher than 3Q 2010 of US\$ 92 million. The exceptional gain in the quarter of US\$ 34 million is from recording of IVL's 75% equity portion of gain on bargain purchase on the acquisition of Trevira GmbH completed on July 1, 2011.

IVL issues maiden Thai Baht Bonds

During the 3rd Quarter 2011, IVL received TRIS rating of A+ and mandated the issue of Baht 6 billion in 5, 7 and 10-year tranches. The issue was successfully completed in October 2011 and the company applied the green-shoe option for a total issue size of Baht 7.5 billion.

Floods in Thailand

The flood in Thailand has directly impacted the plants located at IVL's Lopburi site, which have stopped production from 23rd September 2011. The Lopburi site has plants which are flooded for PET polymers, Wool yarns and Packaging business. The subsidiaries at Lopburi site are fully insured for flood damage to property, plant and equipment, inventories and loss from business interruption. IVL will closely monitor the situation to restore the affected plants back to their normal operations in due course upon assessment of extent of damage and its rectification. Steps have been taken in consultation with insurance company and surveyors. Further, there is ongoing discussion with contractors and suppliers to prepare for restoration which can only take place once water level recedes at the site. Water at the site is gradually receding but not yet at a level to allow management and surveyors to enter and carry out a detailed review of the damage. The sales recorded from the site for 3Q 2011 and 9M 2011 is US\$ 71 million and US\$ 234 million respectively.

IVL for its contingency plan has back-up site for essential functions at its plants in Rayong, Thailand. We would take this opportunity to thank our employees for their cooperation and for making the extra effort to secure our assets as well as run our operations in the most efficient manner to minimize the impact on all of our stakeholders.

Outlook

IVL business has been outperforming since the global recession of 2008. The business has continued to deliver stellar results in the last 12 months that can be summarized from its ROCE and ROE of 20% and 49% respectively.

Looking onwards to 2012 and beyond, IVL has in place significant growth projects that will kick in incrementally over the next 36 months. Pro-forma yearly sales from these projects at current prices will be an additional \$ 2,100 million or 38% increase over last 12 months sales.

The hesitation that is evident in the marketplace today is similar to what we experienced in end 2008 and hindsight tells us that the markets came back with a roar starting the 2nd quarter of 2009 and this rally has lasted till recently when the Greece led financial crisis took center-stage this time and today there is uncertainty again.

Our business today is financially far stronger than it ever was with a Net Debt/Equity of 0.63 times and a liquidity of over US\$ 1 billion which will help us not only operate our business most optimally but also allow us to continue to grow our business with selective and accretive acquisitions and organic opportunities.

In line with the affordable nature of Polyester and its application in daily consumer staples (food, beverage and clothing), all the business segments of IVL has seen resilient demand in all geographies and therefore all the manufacturing sites of IVL achieve high utilization rates and our scale allows for low operating cost. We expect to benefit from favorable geographical mix in key regions where we have attained market leadership and consolidation. Our investments in innovation or value added product lines are already contributing to earnings and are expected to gain traction going forward.

Approved projects from 3Q 2011 till date

The board of directors in its meetings in Q3, 2011 approved investments for acquisition in recycling plants in Europe, a new recycling plant in Thailand and high technology business in Polyester fibers and yarns in Thailand and Indonesia. These projects are in recycling business for long term sustainability and specialty business with higher value addition and margins to leverage on our existing assets. The details of approved projects are given below:

In September 2011, IVL has signed definitive share purchase agreement with WIT Beteiligungs GmbH and Wellman International Trading, affiliates of Aurelius AG ("Seller"), to acquire **100% stake in the recycle and fiber manufacturing businesses of Wellman International in Europe**. The acquisition is expected to be completed within 2011 subject to necessary regulatory approvals. The Business has three production facilities in Europe: a polyester fiber plant based in Mullagh, the Republic of Ireland, with an output of more than 80,000 tons, and recycling plants at Spijk in the Netherlands, with an output of 45,000 tons, and Verdun in France, with an output of 28,000 tons. The plant in Ireland is capable of converting waste polyester into 100% recycled fiber. Post consumer recycled Bottles are flaked and processed with other waste material to produce fibers that can be used in a variety of premium applications, such as in the hygiene industry. The target acquisition has the know-how to blend recycled PET (rPET) and industrial waste and will potentially contribute to make Indorama Ventures a 'zero waste' company" with a low carbon footprint. The acquisition will be in line with customers' sustainability drive and to meet their demands for more recycling of post consumer products. This project acquisition will also provide access to proven recycling technology and the potential for a technology transfer to the Company's Asian assets with a reduced learning curve.

In August 2011, investment in **production of recycled polyester fibers and yarns** with capacity of 28,500 tons per annum. Under the project, discarded, or "post consumer," PET bottles will be collected and recycled to produce high quality resin for making containers for consumer drinks; yarns for premium garments of environmentally-conscious brands and colored fibers for automotive and non-woven end applications. Indorama Ventures has launched the ECORAMA brand for its recycled Polyester Fibres and Yarns products and has recently been awarded a Green Label certificate by the Thailand Environment Institute. The project will be located in Nakhon Pathom in Thailand at the site of our existing facility Indorama Polyester Industries, Nakhon Pathom, Thailand. The total investment will be around US\$ 22.4 million. The project is targeted to commence operations by the fourth quarter of 2012

In August 2011, investment in **bi-component fibers project for Hygiene Applications with capacity of 16,000 tons per annum**. The company is highly active in the non-woven materials market and has recently acquired bi-component fiber capacity in Europe through Trevira, that is targeted mainly at the hygiene sector. Hygiene products utilize high technology that requires top class manufacturing and close ties with customers to be able to provide the exacting specifications required for products that remain in close touch with the skin such as baby diapers, feminine hygiene, etc. The new project will produce one of the key components of such applications by tying up technologically with Japan's Toyobo, well-known company in this field, to make bi-component fibers for hygiene end-use. The project will be located in Rayong, Thailand. The total investment will be around US\$ 21.2 million. The project is targeted to commence operations by the second quarter of 2012

In August 2011, investment in **high quality bi-component yarns, FINNE**, at its recently acquired IVI plant (formerly SK Keris) in Tangerang, Indonesia, with capacity of 16,000 tons per annum. IVI owns unique technology to make Bi-component yarns (known as FINNE) through a single step process. The company enjoys significant competitive advantage over companies who currently use a two step process and has secured a leading market share in this segment. The product is very popular for outerwear and has unique properties of drape and touch which few competitors can offer, giving it a good potential for growth. The total investment will be around US\$ 38.0 million. The project is targeted to commence operations by the first quarter of 2013

On-going projects under implementation

In June 2011, IVL board **approved the acquisition of a 50% stake** by IVL through its subsidiary Indorama Netherlands B.V. in PT Polyprima Karyesreska ("PT Polyprima"), **a PTA producer. PT Polyprima is located in Cilegon, West Java, Indonesia and has an installed capacity of 465,000 Mts. per annum.** The technology used is that of Invista. PT Polyprima is currently under a debt restructuring process. After the debt restructuring with creditors and issue of new capital by PT Polyprima, IVL shareholding will be reduced to 41% in PT Polyprima. PT Indorama Synthetics Tbk, (PTIRS) will hold another 41% and the balance 18% by others. The restructuring and approval process is expected to be completed by Q4, 2011. PTIRS is a Group Company of Mr. SP Lohia and Mr. Amit Lohia, Non-Executive directors of IVL having an annual polymer capacity of 290,000 Mts. Currently the plant is not operating and is expected to **start commercial production in Q2, 2012** on completion of required maintenance, revamping and capacity de-bottlenecking. **On de-bottlenecking the capacity will increase to 500,000 Mts per annum.** Indonesia is growing to become one of the large polyester markets and has a shortage of PTA supply. IVL through its equity stake in PT Polyprima will secure the PTA supplies for its Polyester plants in Indonesia. The polymer capacity of IVL in Indonesia after the Greenfield project in Q1 2013 will be approx 500,000 Mts. per annum.

In May 2011, IVL board approved **a Brownfield expansion of PTA production** at the site of its existing plant, owned and operated by its subsidiary **Indorama Holdings Rotterdam BV**. It will add a new production line with **an annual capacity of PTA of 250,000 tons per annum** thus bringing the total capacity at the site to 600,000 tons per annum. This expansion, which is expected to be **completed in 2013** will be cost competitive and enhance integration with key raw material for production of PET polymers in Europe. IVL's total capacity of PTA in Europe will increase to 811,000 tons per annum.

In April 2011, IVL announced the location of the **Brownfield expansion of PET polymers production in Europe with a capacity 220,000 tons per annum.** The aforesaid expansion will be **at the existing site of our PET polymer plant in Poland** under Indorama Polymers Poland S.p.z.o.o. The expansion will benefit from economies of scale on our existing site for PET facility and benefit from piped supply of PTA as co-located with an existing third party PTA supplier. This expansion, which is expected **to be completed by end of 2013** will be cost competitive and take total capacity in Poland to 370,000 tons per year and IVL's total capacity in Europe for PET Polymers to 1.4 million tons per annum.

In March 2011, IVL announced to set up **a new 313,000 tons per annum Continuous Polymerization resin Plant at Purwakarta, Indonesia.** The output from this plant will cater to the growing demand of the Polyester Fiber, Yarn and Chips market in Indonesia and Asian region. PT Indorama Polychem Indonesia, a new wholly owned subsidiary, has been incorporated in Indonesia to implement the greenfield expansion. The plant is expected to commercially **start operation in Q1, 2013**

In August 2010, the IVL Board of Directors approved implementation of **a PET Recycling project or Flake to Resins with a capacity of 36,000 tpa in AlphaPet Inc., USA.** The project is in line with demand from branded beverage companies in the fast moving consumer goods sector. The process and technology is approved and availability of clean flakes has been tied-up from within a close proximity of the plant. The project is expected to complete and **start-up in quarter 4, 2011.** It is expected to be value accretive to earnings and will not have a material impact on net gearing. Also, the project meets CSR objectives of IVL to protect environment and to promote recycling

In August 2010, the IVL approved implementation of a new PET plant by its subsidiary Indorama Polymers PCL "IRP". IRP through a new wholly owned subsidiary will be setting up **a 75,000 tons per annum solid state polymerization "SSP" plant to produce PET at Port Harcourt, Nigeria.** This is the first PET investment of IVL in Africa and thus establishing its foothold in the 450,000 tons per annum market. Currently, there is only one producer of PET in Africa. The plant is expected to complete and **start commercial operations in quarter 1, 2012.** It is expected to be value accretive to earnings.

In May 2010, the IVL approved expansion of PET production at the site of its existing plant, owned and operated by its subsidiary **Indorama Polymers Rotterdam BV.** It will add a new production line with an **annual capacity of PET resin of 190,000 tons** thus bringing the total capacity at the site to 390,000 tons.

The expansion is expected to be completed and **start operations in quarter 2, 2012**. The new plant will generate employment. The proposed expansion is being taken up to increase market share in Europe, to integrate with the PTA capacity at Rotterdam and utilities at the same location and benefit from economies of scale. It is expected to be value accretive to earnings.

On completion of all the announced acquisitions and expansions, IVL will have an increasingly advantaged portfolio of regional business **with a total capacity of 7.7 million tons per annum** (including joint ventures Ottana Polimeri, Trevira and Polyprima which will be accounted on equity income basis). IVL has a leading market position in Thailand, North America and Europe.

	Capacity End 2010		Capacity End 2011		Committed Capacity by End 2013	
	Million tpa	%	Million tpa	%	Million tpa	%
*Consolidated						
Asia	1.9	58%	2.5	47%	3.0	44%
MEA	-	-	-	-	0.1	1%
Europe	0.8	24%	1.1	21%	1.9	29%
North America	0.6	18%	1.7	32%	1.7	26%
Total	3.3	100%	5.3	100%	6.7	100%
*Equity Income						
Asia	-	-	-	-	0.5	50%
Europe	0.4	100%	0.5	100%	0.5	50%
Total	0.4	100%	0.5	100%	1.0	100%
Grand Total	3.7	100%	5.8	100%	7.7	100%

Note : "tpa" is tons per annum

*Reported volumes for capacity, production, sales and utilization include only Consolidated volumes and excludes Equity income volume

Note 1)

The consolidated financials are based upon elimination of intra-company (or intra business segment) transactions. For this reason the total of each segment may not tally with consolidated financials.

Net profit after tax and minority for 9M, 2011 includes net extraordinary gain of US\$ 237 million (Baht 7,189 million) of which US\$ 249 (Baht 7,556 million) is towards income from gain on a bargain purchase or Negative goodwill on completed acquisitions (details are provided in the Note 4 – Acquisitions of subsidiaries in the Reviewed Financial Statements), and US\$ 12 million (Baht 367 million) towards transaction expenses incurred on acquisitions completed during the year. All extraordinary items were recorded within first six months, except gain on a bargain purchase of Trevira of US\$ 35 million (Baht 1033 million) and additional transaction expenses of US\$ 1 million (Baht 36million) which were recorded in 3Q, 2011. Gain on bargain purchase on Trevira acquisition in Q3'2011 is part of share of profit in Joint Venture Investments in the financial statement.

9M, 2010 net profit after tax and minority included gain on a bargain purchase or negative goodwill from the acquisition of UAB Ottana Polimeri Europe of US\$ 23 million (Baht 736 million) completed in Q3, 2010, and utility assets in Rotterdam, Netherlands of US\$ 17 million (Baht 563 million) completed in Q2, 2010. Gain on bargain purchase on Ottana Polimeri acquisition in Q3'2010 is part of share of profit in Joint Venture Investments in the financial statement.

Core EBITDA is after excluding inventory gain/loss from reported EBITDA. Inventory gain/loss in a period results from movement in prices of raw materials and products from end of last reported period to the end of current reported period. The cost of sales are impacted by inventory gain/loss wherein inventory gain decreases cost of sales and inventory loss increases cost of sales.

Beginning from January 1, 2011, IVL has adopted and applied new and revised Thai Financial Reporting Standards (TFRS) in accordance with the announcement by Federation of Accounting Policy “FAP”, Thailand. The adopted new and revised TFRS are in the following areas: Presentation of financial statements, Accounting for business combinations, Accounting for property, plant and equipment and Accounting for employee benefits. The total shareholders’ equity as on January 1, 2011 has been restated by Baht 284 million. The previous periods are restated for comparison purpose; details are provided in the Note 3 – Changes in Accounting Policies in the Reviewed Financial Statements.

Forward-Looking Statements: This earnings release includes forward-looking statements concerning current expectations for demand for the company’s products, implementation and impact of previously announced growth initiatives. Such expectations are based upon certain preliminary information, internal estimates, and management assumptions, expectations, and plans, and are subject to a number of risks and uncertainties inherent in projecting future conditions, events, and results. Actual results could differ materially from expectations expressed in the forward-looking statements if one or more of the underlying assumptions or expectations prove to be inaccurate or are unrealized.

The Polyester Chain businesses are generally traded in US dollars and therefore IVL believes in helping its reader with translated US Dollar figures. IVL reporting currency is in Thai Baht and the accompanying pages are an integral part of this report. The accompanying pages report the Reviewed Thai Baht results of 3Q 2011 and its translation in US Dollars at average exchange rates and closing exchange rates where applicable. Readers should rely on the Thai Baht results only.

IVL CONSOLIDATED RESULTS

Net Profit after Tax and Minority

The net profit after tax and minority in 9M 2011 is US\$ 562 million which is higher than US\$ 200 million in 9M 2010. The net profit after tax and minority after excluding extraordinary items in 9M 2011 is US\$ 325 million (after excluding extraordinary gain of US\$ 237 million) which is higher than US\$ 160 million in 9M 2010 (after excluding extraordinary gain of US\$ 40 million). The net profit after tax and minority of US\$ 325 million in 9M 2011 excludes net extraordinary gain of US\$ 237 million of which US\$ 249 is towards income from gain on a bargain purchase or Negative goodwill on completed acquisitions, netting by US\$ 12 million towards transaction expenses incurred on acquisitions completed during the year.

The net profit after tax and minority in 3Q 2011 is US\$ 120 million which is higher than US\$ 92 million in 3Q 2010. The net profit after tax and minority (after excluding extraordinary gain of US\$ 34 million) is US\$ 86 million which is higher than US\$ 68 million in 3Q 2010 (after excluding extraordinary gain of US\$ 23 million) and US\$ 80 million in 2Q 2011. The net profit after tax and minority of US\$ 86 million in 3Q 2011 excludes extraordinary gain of US\$ 35 million from gain on a bargain purchase or Negative goodwill on completed acquisition of Trevira GmbH, Germany, netting by US\$ 1 million towards transaction expenses incurred on acquisitions completed during the period.

Financial Status and Ratios

IVL total debt decreased QonQ from US\$ 1,838 million to US\$ 1,598 million, a decrease of US\$ 240 million through prepayments and scheduled repayment of long term loans. IVL Net Debt stands at US\$ 1,238 million as on September 30, 2011, which was 25% higher than the net debt as on 31st December 2010, despite completing US\$ 855 million of major capex and investments of PET polymers and Polyester fibers and yarns business with a combined capacity of 1.90 million tons per annum. The table below provides movement of total debt and net debt in US\$ million;

	3Q 2011	2Q 2011	3Q 2010	4Q 2010
Bank overdraft and short-term loans	331	339	197	176
<i>% of Total Debt</i>	21%	18%	19%	17%
Long term debt (Current-portion)	184	168	186	195
<i>% of Total Debt</i>	11%	9%	18%	19%
Long term debt (Non current-portion)	1,084	1,331	656	683
<i>% of Total Debt</i>	68%	72%	63%	65%
Total Debt	1,598	1,838	1,039	1,054
Cash & Cash under management	360	670	91	67
Cash and cash equivalents	130	170	73	49
Current investments	230	500	18	18
Total Net Debt	1,238	1,168	948	988
Financial Ratios				
Interest Coverage (times)	9.1	9.3	11.0	12.0
Net debt to EBITDA (times) LTM basis	1.9	1.9	2.5	2.3
Net debt-to-Equity (times)	0.6	0.6	1.0	0.9
Debt to Equity (times)	0.8	0.9	1.0	1.0

The Net Gearing ratio decreased to 39% as at 30th September 2011 from 48% at the end of year 2010. The annualized ROCE is 21% in 9M 2011, which does not include extraordinary income, against 16% in 9M 2010. The current ratio has improved to 1.5 times as at 30th September 2011 from 1.1 times at the end of year 2010. IVL has prepaid long term loans with current maturities of US\$ 199 million in Q2, 2011 and Q3, 2011 from surplus cash. As at 30th September 2011, IVL had high liquidity of around US\$ 1.1 billion with unutilized credit facilities of around US\$ 750 million and cash and cash equivalents of US\$ 360 million.

Cash Flow

IVL generated US\$ 252 million of cash from operating activities in 9M 2011, higher than cash from operating activities of US\$ 249 million generated in 9M 2010. The higher prices of all our products and higher volumes from acquisitions led to cash outflow for working capital of US\$ 263 million. The free cash flow before capex was US\$ 191 million compared to US\$ 211 million in 9M 2010. During the year, there was net cash outflow for capex and investments of US\$ 855 million primarily for the acquisitions of PET plant in China, the Invista PET and Polyester plants in USA & Mexico, the SK Chemicals PET and Polyester plants in Indonesia and Poland, and Trevira Polyester plants in Europe. The capex and investments are funded by long term loans and internal cash. IVL raised US\$ 568 million in cash proceeds from the rights issue of shares in February 2011. The consolidated cash and cash equivalents as on September 30, 2011 are US\$ 360 million (Baht 11,225 million) ensuring a healthy financial position and high liquidity in the group.

Issuance and offering of Thai Baht Debentures

In the extraordinary general meeting of shareholders held on September 22, 2011, IVL board approved the issuance and offering of debenture in amount not exceeding Baht 25,000 million by issuing either single or multiple offering. The maturity is not exceeding 15 years from the issuing date of each issuance. IVL successfully completed its maiden issue of Thai Baht Debentures for Baht 7,500 million in October, 2011 out of which around 61% subscription is for 7 year tranche and 10 year tranche. The details of issue are;

5 Year Tranche Baht 2,900 million Coupon 4.70%

7 Year Tranche Baht 1,400 million Coupon 5.04%

10 year tranche Baht 3,200 million Coupon 5.35%

The issue has achieved objectives of access to the bond market, increase average life of debt, lock-in fixed interest rate for long term, refinance existing high cost debt and liquidity for planned capex and investments. The company rating and issue rating of A+ by Thai Rating Information Service "TRIS", Thailand.

Rights issue of shares

In November, 2010, the IVL Board of Directors approved the issuance of 481,585,672 free Transferable Subscription Right (TSRs) or "IVL-T1" to the Company's existing shareholders (rights issue) at the ratio of 9 existing shares to 1 TSR. The TSR has an exercise ratio of 1 TSR for 1 share. The issuance and offering of the TSRs was subsequently approved in the Extraordinary General Meeting of Shareholders convening in December, 2010. On February 24, 2011 the subscription of TSRs was completed with 99.67% of TSRs being exercised into shares. Total new 479,986,198 shares started trading on the SET on March 3, 2011. The company received net proceeds from this rights issue of US\$ 568 million.

Table 1
IVL : KEY OPERATING DATA

	3Q11	2Q11	3Q10	3Q11 vs.		9M11	9M10	9M11 vs.
				2Q11	3Q10			9M10
*Total capacity (in Tonnes)	1,360,617	1,321,715	847,887	3%	60%	3,730,584	2,412,974	55%
PET resins	797,905	763,690	374,856	4%	113%	2,088,546	1,027,157	103%
Polyester & wool	121,617	121,771	72,264	0%	68%	333,228	196,584	70%
PTA	441,096	436,254	400,767	1%	10%	1,308,810	1,189,233	10%
**Total production (in Tonnes)	1,212,053	1,141,330	822,059	6%	47%	3,307,178	2,359,519	40%
PET resins	684,023	619,473	344,926	10%	98%	1,767,908	963,798	83%
Polyester & wool	116,127	100,953	73,264	15%	59%	310,979	208,349	49%
PTA	411,903	420,905	403,870	-2%	2%	1,228,292	1,187,373	3%
Combined operating rate (%)	89%	86%	97%	3%	-8%	89%	98%	-11%
Consolidated EBITDA/ton (USD)	127	129	139	-2%	-9%	156	124	26%
Core EBITDA/ton (USD)	113	158	147	-30%	-24%	143	125	14%

*Capacity based on available days in the quarter for production excluding J/V capacity

**Production volumes based on equivalent production

Table 2
IVL : CASH FLOW

	9M11	9M10	9M11 vs. 9M10
Baht in millions			
EBITDA	15,623	9,438	66%
Net working capital and others	(7,971)	(1,375)	480%
Net financial expenses	(1,267)	(1,041)	22%
Income tax	(593)	(207)	186%
Free cash flow before Capex	5,792	6,815	-15%
Capital expenditures	(4,196)	(1,607)	161%
Net (acquisitions) disposals of subsidiaries and joint ventures	(21,729)	(1,178)	1745%
Free cash flow after Capex	(20,133)	4,030	-600%
Dividends	(5,629)	(1,467)	284%
Proceeds from issues of shares	17,224	3,825	350%
Changes in net debt	8,538	(6,388)	-234%

Note: The consolidated financials are based upon elimination of intra-company (or intra business segment) transactions reason which the total of each segment may not tally with consolidated financials.

Table 3
IVL : FINANCIAL RATIOS

	3Q11	2Q11	3Q10	LTM 3Q11	LTM 3Q10
Current ratio (times)	1.5	1.7	1.0	1.5	1.0
Net gearing ratio (%)	39%	37%	49%	39%	49%
* Net operating gearing ratio (%)	37%	36%	49%	37%	49%
Interest coverage ratio (times)	9.1	9.3	11.0	11.4	9.4
** ROE (%)	24.5%	15.9%	45.2%	49.3%	35.2%
*** ROCE (%)	14.5%	13.6%	18.8%	20.1%	15.3%

* Based on net operating debt which is net debt less debt for capex and investments not generating revenue and earnings

** Net profit after minority to average total equity attributable to shareholders

*** Operating income to average capital employed (net operating debt plus total shareholder's equity)

PET SEGMENT

The segment achieved operating EBITDA of US\$ 327 million in 9M 2011, an increase of 94% from the same period last year of US\$ 168 million. The increase was driven from 76% sales volume growth from acquisitions completed in 1Q 2011 in China, Indonesia, Mexico, Poland and USA. The utilization rate of 85% reflects ramping-up of utilization at acquired facilities and restart of AlphaPet plant in Alabama USA shutdown by tornados in 2Q 2011. The loss of production volume at AlphaPet is covered by insurance claim.

This quarter achieved Core EBITDA of US\$ 96 million, a decrease of 24% QonQ, on lower blended margins led by poor PTA margins. The production volume increased by 10% on higher utilization rate of 86%, with the gradual restart of AlphaPet plant at end of 2Q 2011.

Table 4
PET : CAPACITY AND UTILISATION (%)

	3Q11	2Q11	3Q10	3Q11 vs.		9M11	9M10	9M11 vs.
				2Q11	3Q10			9M10
Production capacity (in Tonnes)	797,905	763,690	374,856	4%	113%	2,088,546	1,027,157	103%
Production volumes (in Tonnes)	684,023	619,473	344,926	10%	98%	1,767,908	963,798	83%
Utilisation rate (%)	86%	81%	92%			85%	94%	

*Capacity based on available days in the quarter for production.

Table 5
PET : SALES REVENUE

	3Q11	2Q11	3Q10	3Q11 vs.		9M11	9M10	9M11 vs.
				2Q11	3Q10			9M10
Sales revenue								
Baht in millions	36,569	36,316	14,548	1%	151%	99,432	43,578	128%
USD in millions	1,214	1,199	460	1%	164%	3,279	1,350	143%
Growth in Baht sales revenue from:								
Volume growth				6%	85%			76%
Price movement				-4%	37%			34%
Exchange rate movement				-1%	-2%			-4%
Proportion of sales revenue by geographic								
Thailand	5%	4%	8%			4%	7%	
Asia (excluding Thailand)	13%	9%	5%			11%	6%	
North America	45%	42%	37%			44%	33%	
Europe	29%	31%	45%			32%	47%	
Rest of the World	7%	15%	6%			9%	7%	

Table 6
PET : OPERATING EBITDA

	3Q11	2Q11	3Q10	3Q11 vs.		9M11	9M10	9M11 vs.
				2Q11	3Q10			3Q11
*Operating EBITDA								
Baht in millions	3,097	3,113	1,994	-1%	55%	9,900	5,426	82%
USD in millions	103	103	63	0%	63%	327	168	94%
*Core EBITDA								
Baht in millions	2,891	3,853	2,115	-25%	37%	9,310	5,487	70%
USD in millions	96	127	67	-24%	44%	307	170	81%

* Based on pro-rata allocation of earnings of PTA business calculated on intra-group sales to PET and Polyester fibers

POLYESTER & WOOL SEGMENT

The segment achieved operating EBITDA of US\$ 93 million in 9M 2011, increasing by 112% from the same period last year of US\$ 44 million. The increase in EBITDA is led by higher production volume resulting from acquisitions completed in 1Q 2011 in Indonesia and USA and slight improvement in margins from product mix. On re-rated capacity, IVL has maintained high utilization rate of 93% despite production loss from breakdown in one line of the process plant of Indorama Polyester Industries (IPI) Rayong facility in 2Q 2011. The damage to machinery and business interruption loss is fully covered by insurance.

In 3Q 2011 utilization increased to 96% QonQ from 83% on completion of partial repairs to IPI Rayong facility line. Core EBITDA in 3Q was US\$ 19 million, lower QonQ on lower margins of PTA as well as from lower prices for polyester fibers and yarns.

Table 7
POLYESTER & WOOL : CAPACITY AND UTILIZATION (%)

POLYESTER FIBERS & YARNS				3Q11 vs.				9M11 vs.
	3Q11	2Q11	3Q10	2Q11	3Q10	9M11	9M10	9M10
*Production capacity (in Tonnes)	120,129	120,300	70,777	0%	70%	328,815	192,171	71%
**Production volumes (in Tonnes)	115,126	99,617	71,951	16%	60%	307,257	204,705	50%
Utilisation rate (%)	96%	83%	102%			93%	107%	

WOOL YARNS				3Q11 vs.				9M11 vs.
	3Q11	2Q11	3Q10	2Q11	3Q10	9M11	9M10	3Q11
*Production capacity (in Tonnes)	1,487	1,471	1,487	1%	0%	4,413	4,413	0%
**Production volumes (in Tonnes)	1,001	1,336	1,313	-25%	-24%	3,721	3,644	2%
Utilisation rate (%)	67%	91%	88%			84%	83%	

*Capacity based on available days in the quarter for production.

**Production volumes based on equivalent production

Table 8
POLYESTER & WOOL : SALES REVENUE

	3Q11	2Q11	3Q10	3Q11 vs.		9M11	9M10	9M11 vs.
				2Q11	3Q10			3Q11
Sales revenue								
Baht in millions	6,927	6,407	3,275	8%	111%	19,110	9,983	91%
USD in millions	230	212	104	9%	122%	630	309	104%
Growth in Baht sales revenue from:								
Volume growth				27%	68%			48%
Price movement				-14%	29%			34%
Exchange rate movement				-1%	-3%			-4%
Proportion of sales revenue by geographic								
Thailand	15%	16%	25%			17%	23%	
Asia (excluding Thailand)	41%	41%	29%			41%	36%	
North America	19%	22%	6%			17%	7%	
Europe	11%	14%	19%			13%	19%	
Rest of the World	14%	8%	21%			12%	14%	

Table 9
POLYESTER & WOOL : OPERATING EBITDA

	3Q11	2Q11	3Q10	3Q11 vs.		9M11	9M10	9M11 vs.
				2Q11	3Q10			3Q11
*Operating EBITDA								
Baht in millions	740	764	613	-3%	21%	2,806	1,410	99%
USD in millions	24.6	25.2	19.4	-3%	27%	92.6	43.7	112%
*Core EBITDA								
Baht in millions	563	908	614	-38%	-8%	2,632	1,370	92%
USD in millions	18.8	30.0	19.4	-37%	-3%	86.8	42.4	105%

* Based on pro-rata allocation of earnings of PTA business calculated on intra-group sales to PET and Polyester fibers



PTA SEGMENT

The segment achieved operating EBITDA of US\$ 101 million in 9M 2011, increasing by 20% from the same period last year of US\$ 84 million. On re-rated capacity, IVL has maintained high utilization rate of 94% and is able to withstand price and margin volatility with integration into PET and Polyester, which has increased from 47% to 50%. PTA in Asia has seen maximum volatility both in prices and spreads in the nine months of 2011 led by crude price volatility and in 1Q 2011 cotton shortage driving substitution demand for Polyester in turn pulling PTA. 1Q 2011 experienced above average demand and margins widened for PTA in Asia which have return to normal levels in 2Q 2011 and 3Q 2011. Asia is the large consumer of PTA in view of regional concentration of Polyester fibers and yarns industry which is labor intensive and integrated with downstream chain for textiles.

In 3Q 2011 achieved Core EBITDA of US\$ 19 million is lower QonQ and YonY as a result of lower margins for PTA in Asia. Margins of PTA in Europe and USA are not impacted.

Table 10
PTA : CAPACITY AND UTILISATION (%)

	3Q11	2Q11	3Q10	3Q11 vs.		9M11	9M10	9M11 vs.
				2Q11	3Q10			3Q11
*Production capacity (in Tonnes)	441,096	436,254	400,767	1%	10%	1,308,810	1,189,233	10%
Production volumes (in Tonnes)	411,903	420,905	403,870	-2%	2%	1,228,292	1,187,373	3%
Utilisation rate (%)	93%	96%	101%			94%	100%	

*Capacity based on available days in the quarter for production.

Table 11
PTA : SALES REVENUE

	3Q11	2Q11	3Q10	3Q11 vs.		9M11	9M10	9M11 vs.
				2Q11	3Q10			3Q11
Sales revenue								
Baht in millions	15,343	16,525	11,190	-7%	37%	49,108	34,421	43%
USD in millions	509	546	354	-7%	44%	1,620	1,066	52%
Growth in Baht sales revenue from:								
Volume growth				-3%	1%			4%
Price movement				-4%	37%			39%
Exchange rate movement				-1%	0%			-2%
Sales to PET business								
Baht in millions	5,620	7,180	3,865	-22%	45%	18,343	11,779	56%
USD in millions	187	237	122	-21%	53%	605	365	66%
Sales to Polyester business								
Baht in millions	2,049	699	1,380	193%	48%	6,215	4,464	39%
USD in millions	68	23	44	195%	56%	205	138	48%
Total sales revenue after eliminations								
Baht in millions	7,674	8,646	5,945	-11%	29%	24,550	18,178	35%
USD in millions	255	285	188	-11%	35%	810	563	44%
PTA integration ratio (%)	50%	48%	47%			50%	47%	

Proportion of sales revenue (after eliminations) by geographic								
Thailand	20%	19%	28%			21%	27%	
Asia (excluding Thailand)	65%	62%	63%			64%	61%	
North America	0%	0%	0%			0%	0%	
Europe	10%	17%	2%			10%	8%	
Rest of the World	4%	2%	7%			5%	4%	

Table 12

PTA : OPERATING EBITDA

	3Q11	2Q11	3Q10	3Q11 vs.		9M11	9M10	9M11 vs.
				2Q11	3Q10			3Q11
*Operating EBITDA								
Baht in millions	677	655	1,068	3%	-37%	3,050	2,718	12%
USD in millions	22.5	21.6	34	4%	-33%	101	84	20%
*Core EBITDA								
Baht in millions	566	816	1,134	-31%	-50%	2,665	2,805	-5%
USD in millions	19	27	36	-30%	-47%	88	87	1%

* Based on pro-rata allocation of earnings of PTA business calculated on intra-group sales to PET and Polyester fibers



IVL CONSOLIDATED STATEMENT OF INCOME

Baht in millions	3Q11	2Q11	3Q10	3Q11 vs.		9M11	9M10	9M11
				2Q11	3Q10			vs.
								9M10
Net sales	50,909	51,300	23,769	-1%	114%	142,762	71,739	99%
Other income	116	468	59	-75%	97%	728	130	460%
Total revenue	51,025	51,768	23,828	-1%	114%	143,490	71,869	100%
*Cost of sales	45,327	45,985	20,101	-1%	125%	124,702	61,587	102%
Gross profit	5,698	5,783	3,727	-1%	53%	18,788	10,282	83%
*Selling and administrative expenses	2,321	2,713	1,450	-14%	60%	6,861	4,282	60%
Foreign exchange gain (loss)	31	91	480	-66%	-94%	106	994	-89%
EBITDA	4,616	4,453	3,607	4%	28%	15,623	9,438	66%
Depreciation and amortization	1,208	1,292	850	-7%	42%	3,590	2,444	47%
Operating income	3,408	3,161	2,757	8%	24%	12,033	6,994	72%
Share of equity income from joint venture	(105)	(8)	0	1213%	n/a	(30)	0	n/a
**Extraordinary items	1,013	(23)	736	-4504%	38%	7,189	1,299	453%
Interest income	134	171	2	-22%	6600%	341	5	6720%
Interest expense	645	649	329	-1%	96%	1,730	946	83%
Profit (loss) before tax	3,805	2,652	3,166	43%	20%	17,803	7,352	142%
Income tax expense	186	264	113	-30%	65%	681	371	84%
Profit (loss) for the period	3,619	2,388	3,053	52%	19%	17,122	6,981	145%
Minority interest	16	22	155	-27%	-90%	96	534	-82%
Net profit after minority interest	3,603	2,366	2,898	52%	24%	17,026	6,447	164%
Weighted average no. of shares(in Million)	4,814	4,814	4,334	0%	11%	4,712	4,208	12%
Annualized earnings per share (in Baht)	2.99	1.97	2.67	52%	12%	4.82	2.04	136%

*Includes depreciation and amortization expenses

**Includes gain on bargain purchase on new acquisitions and their related transaction costs

Note: The consolidated financials are based upon elimination of intra-company (or intra business segment) transactions. For this reason the total of each segment may not tally with consolidated financials.

IVL CONSOLIDATED BALANCE SHEET

Baht in millions	Sep-11	Dec-10	Sep-10	Sep-11 vs.	
				Dec-10	Sep-10
Assets					
Cash and current investments	11,225	2,024	2,777	455%	304%
Trade accounts receivable	26,618	11,771	10,583	126%	152%
Inventories	20,341	11,384	9,439	79%	115%
Other current assets	5,717	965	1,194	492%	379%
Total current assets	63,901	26,144	23,993	144%	166%
Investment	3,918	2,013	891	95%	340%
Property, plant and equipment	66,481	48,820	47,736	36%	39%
Intangible assets	4,361	760	788	474%	453%
Other assets	357	203	306	76%	17%
Total assets	139,018	77,940	73,714	78%	89%
Liabilities					
Bank OD and short-term loans from financial institutions	10,305	5,365	5,986	92%	72%
Trade accounts payable	21,205	10,858	9,326	95%	127%
Current portion of long-term loans	5,703	5,913	5,632	-4%	1%
Current portion of finance lease liabilities	19	22	24	-14%	-21%
Other current liabilities	5,303	1,880	1,909	182%	178%
Total current liabilities	42,535	24,038	22,877	77%	86%
Long-term loans from financial institutions	33,736	20,710	19,896	63%	70%
Finance lease liabilities	44	58	62	-24%	-29%
Other liabilities	1,872	1,014	677	85%	177%
Total liabilities	78,187	45,820	43,512	71%	80%
Shareholder's equity					
Share capital	4,814	4,334	4,334	11%	11%
Share premium	29,775	13,031	13,031	128%	128%
Retained earnings	29,276	18,638	15,030	57%	95%
Reserves	(3,407)	(4,206)	(5,505)	-19%	-38%
Total equity attributable to shareholders	60,458	31,797	26,890	90%	125%
Minority interest	373	323	3,312	15%	-89%
Total shareholder's equity	60,831	32,120	30,202	89%	101%
Total liabilities and shareholder's equity	139,018	77,940	73,714	78%	89%

Note: The consolidated financials are based upon elimination of intra-company (or intra business segment) transactions. For this reason the total of each segment may not tally with consolidated financials.