

Ref.No.IVL004/08/2011

August 10, 2011

The President
The Stock Exchange of Thailand

Subject: Submission of Reviewed Financial Statements of Indorama Ventures Public Company Limited for the 2nd quarter of 2011 and the 6 months ended June 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 2nd quarter of 2011 and the 6 months ended June 30, 2011 (a copy in Thai and English)
2. Management's Discussion and Analysis (MD&A) for the 2nd quarter of 2011 and the 6 months ended June 30, 2011 (a copy in Thai and English)
3. Company's performance report, Form F45-3 for the 2nd quarter of 2011 and the 6 months ended June 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 2Q 2011 AND 6 MONTHS ENDED JUNE 30, 2011 (CONSOLIDATED)

For the first six months of 2011, Indorama Ventures PCL (SET: "IVL") announces a consolidated EBITDA of US\$ 362 million (Baht 11,007 million) and a consolidated Core net profit after tax and minority of US\$ 238 million (Baht 7,247 million). The consolidated financial position has continued to strengthen and at the end of June 30, 2011 the net gearing reduced from 48% to 37% with strong liquidity of around US\$ 1,454 million which includes cash and cash equivalents and unutilized credit lines.

Key Financial Information

US\$ in Millions	2Q11 vs.					6M11 vs.		
	2Q11	1Q11	2Q10	1Q11	2Q10	6M11	6M10	6M10
Exchange Rate Baht vs US\$	30.75	30.30	32.44	1%	-5%	30.75	32.44	-5%
Exchange Rate Baht vs Euro	44.52	42.86	39.59	4%	12%	44.52	39.59	12%
*Consolidated Sales	1,692	1,328	737	27%	130%	3,019	1,469	105%
PET resins	1,199	869	456	38%	163%	2,066	889	132%
Polyester & wool	212	189	100	12%	111%	400	205	95%
PTA	285	269	180	6%	58%	555	375	48%
*Core EBITDA	181	157	94	15%	93%	339	176	93%
PET resins	127	84	56	51%	127%	211	103	105%
Polyester & wool	30	38	13	-21%	131%	68	23	196%
PTA	27	42	23	-36%	17%	69	51	35%
*Consolidated EBITDA	147	215	88	-31%	67%	362	179	103%
PET resins	103	117	54	-12%	89%	224	105	113%
Polyester & wool	25	48	11	-47%	121%	68	24	178%
PTA	22	55	22	-60%	-1%	78	51	54%
*Core profit before tax and minority	122	111	59	10%	107%	234	108	116%
Net profit after tax and minority	79	362	63	-78%	25%	441	109	306%
CAPEX	67	713	56	-91%	21%	781	68	1052%
Net Debt	1,168	1,088	1,019	7%	15%	1,168	1,019	15%
Net Debt to Equity	0.6	0.5	1.2	9%	-52%	0.6	1.2	-52%
Interest Coverage	9.3	16.4	9.9	-43%	-5%	12.5	9.5	32%
Core ROCE	18%	19%	16%	-5%	12%	20%	15%	33%
ROCE	13%	28%	15%	-53%	-7%	22%	15%	47%

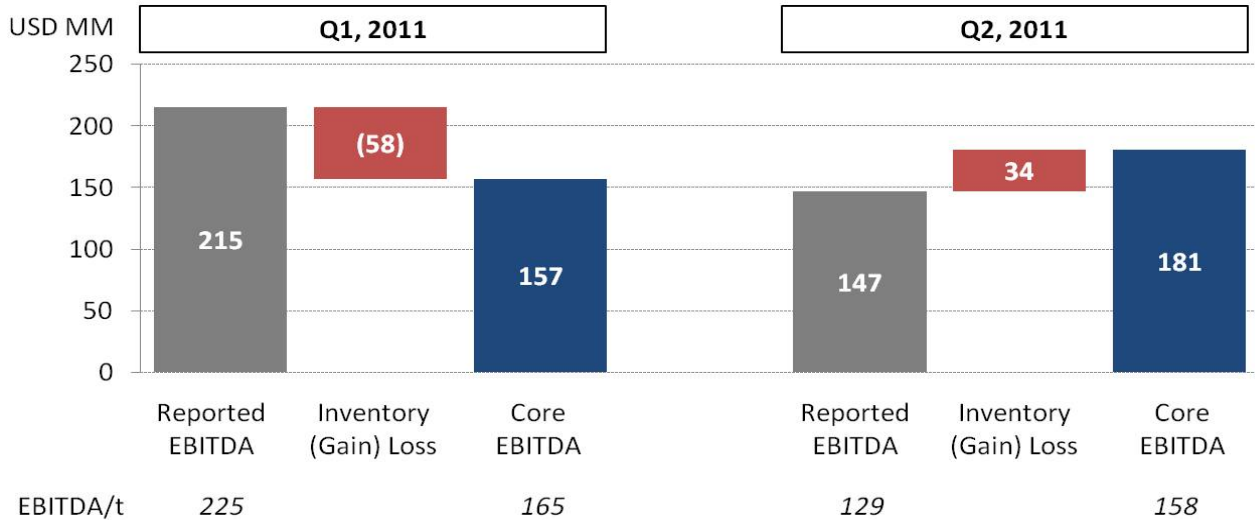
*See note 1) on page 7

- The management has decided to report from this quarter onwards to reflect realistically its earnings from operations both Consolidated EBITDA and Core EBITDA and Net profit after tax and minority and Core profit before tax and minority.

Q2 2011 results were in line with management's expectations. IVL reported consolidated EBITDA of US\$ 147 million in 2Q 2011, which was lower comparing with 1Q 2011 which reported US\$ 215 million and higher compared to 2Q 2010 which reported US\$ 88 million. While, the consolidated Core EBITDA excluding impact from inventory gain/loss would be US\$ 181 million in 2Q 2011, higher than US\$ 157 million in 1Q 2011. 2Q, 2011. Core EBITDA increase is from higher volumes but slightly lower margins.

The YoY results of 2Q 2011 were positively impacted by the strategic growth in volumes from acquisitions and the margin improvement in Europe and USA led by consolidation in the Industry and strong demand reflecting the affordable nature of Polyester. The chart below shows the core EBITDA generated from operations:

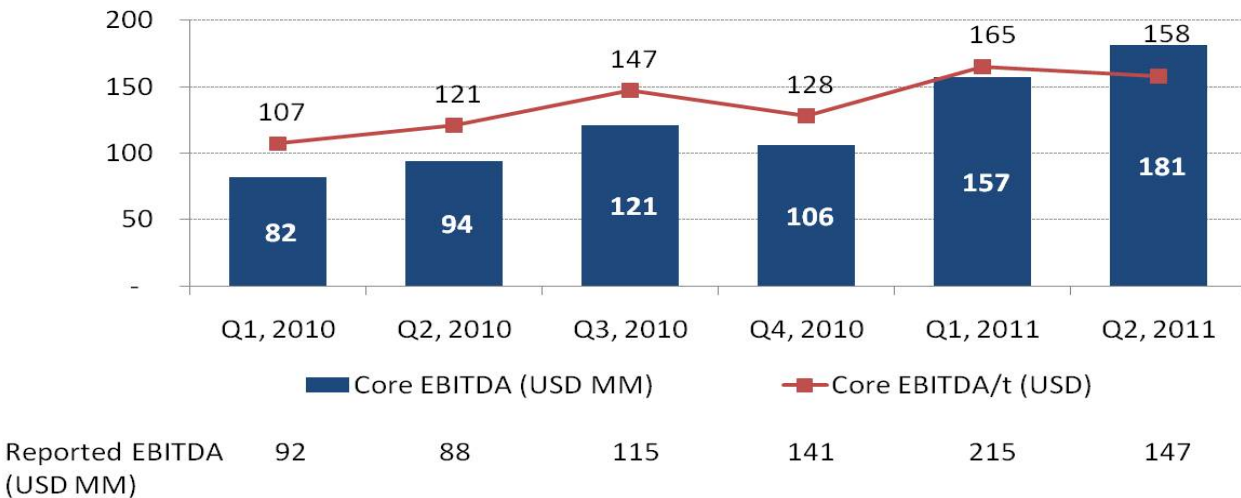
IVL Core EBITDA and Core EBITDA/ton Q1 vs Q2, 2011



IVL reported core profit before tax and minority (excluding exceptional items and inventory gain/loss) of US\$ 122 million in 2Q 2011 which was higher comparing to 1Q 2011 of US\$ 111 million and higher comparing to 2Q 2010 of US\$ 59 million. While, the net profit after tax and minority (including exceptional items and inventory gain/loss) of US\$ 79 million in 2Q 2011 was lower comparing to 1Q 2011 of US\$ 362 million but higher than 2Q 2010 of US\$ 63 million.

- The financial performance in Year 2011 has been stronger backed by higher volumes and increase in Core EBITDA per ton. The chart below reflects on same:

IVL Consolidated Core EBITDA Q1, 2010 to Q2, 2011



➤ The YoY and the QoQ impacts are tabulated below;

	YoY	QoQ
Volume	Growth in all Segments and Regions	Growth in all Segments and Regions
Utilization Rate	Negative in PET and Polyester on lost production due to tornados in USA and breakdown in Rayong. EBITDA impact approximately US\$ 16 million after provisions.	Negative in PET and Polyester on lost production due to tornados in USA and breakdown in Rayong. EBITDA impact approximately US\$ 16 million after provisions.
Margin in PTA	Unchanged globally	Sharp correction in Asia from one time surge in Q1 2011. European and USA margins uniform across quarters
Margin in PET	Improved in USA and Europe led by consolidation and demand. Asian margins were stable	Improved in USA and Europe led by consolidation and demand. Significantly Improved in Asia due to lower PTA margins.
Margin in Polyester and Wool	Improved globally on affordability and availability with respect to cotton.	Maintained globally on affordability and availability with respect to cotton.
Feedstock and Product Price	Sharp surge leading to one time inventory gains of US\$ 25 million	Sharp decline leading to one time inventory loss of US\$ 34 million

3Q 2011 Outlook

Recently we saw the credit rating downgrade of USA and the fear of lower economic growth in USA and Europe has re-emerged, leading to lower commodity prices including prices of crude oil and petrochemicals this week. Cotton futures have come down in line with the general apprehensions about the economic situation.

In line with the affordable nature of Polyester and application in daily consumer staples (food & beverage and clothing), all the business segments of IVL has seen resilient demand in all geographies and all the manufacturing sites of IVL are running at high utilization rates to-date. Therefore, IVL expects a positive volume growth sequentially and year on year. The plants of AlphaPet, in Alabama, USA and Indorama Polyester Industries, in Rayong, Thailand, are fully operational in the quarter after unplanned shutdown in Q2, 2011 from tornados and break-down respectively.

IVL had completed major acquisitions in 1Q, 2011 that have been fully integrated in 2Q, 2011 with positive results and are expected to contribute to growth in revenues, earnings and cash flows in 3Q, 2011 and subsequent quarters. 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 in enhanced blended margins and are expected to gain traction going forward. IVL has also seen slightly improved PTA margins in July and August over 2Q, 2011.

Our view of strengthening Paraxylene pricing is that this has historically been positive for IVL since IVL is a contractual buyer of Paraxylene in both Asia and in Europe with committed supply. IVL has consistently benefitted from PTA integration since this significantly reduces the volatility of margins of PET especially in Asia and also is a much desired attribute of stability and reliability to our downstream customers. The production of PTA in IVL group is virtually for captive consumption as our total PTA production in Asia is approximately 1.37 million tpa and our Polymer capacity in Asia is 1.30 million tpa which will increase by end 2013 to 1.65 million tpa. We are also supporting our PET operations in Europe with Thai PTA because third party PTA in Europe has suffered from frequent supply disruptions.

Therefore in summary we expect the blended margins of IVL value chain to maintain and do not see any significant impact on IVL from the global slowdown or considering the Paraxylene/PTA situation.

Projects announced in 2Q 2011 and to-date in 3Q 2011

Capacity re-rating

The capacity of plants have been re-rated to reflect the de-bottlenecking projects taken-up by the various plants in each business segment (includes joint venture Ottana Polimeri) from time-to-time. The utilization reports are reported based on re-rated capacity of plants in each business segment. The capacity re-rating has resulted in total capacity increasing from 5.4 million tons per annum to 5.7 million tons per annum. The table below provides details:

	Earlier Capacity	Re-rated Capacity
	Million tpa	Million tpa
PET	3.2	3.3
Polyester fibers & yarns	0.4	0.5
PTA	1.8	1.9
Total	5.4	5.7

Note : "tpa" is tons per annum

Approved projects in Board Meeting on August 10, 2011

The board in its meeting on August 10, 2011 approved investments in a new recycling plant in Thailand and high technology business in Polyester fibers and yarns in Thailand and Indonesia. These projects are in specialty business with higher value addition and margins to leverage on our existing assets. The details of approved projects are given below:

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

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

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

On July 01, 2011, Trevira Holdings GmbH, the joint venture entity (**75% held by IVL** : 25% held by Sinterama S.p.A.), has **completed the acquisition Trevira GmbH, of Germany**. Trevira GmbH is a fully integrated Polyester Fiber Company in Europe with a capacity of **120,000 tons per annum of Staple Fiber and Filament Yarn** at its manufacturing locations in Germany and Poland. Trevira GmbH is the market leader in Europe in high value applications of polyester, especially in automotive and home textiles. The company is a widely known and well-recognized brand both amongst customers and producers of synthetic fabrics. The acquisition of Trevira GmbH will facilitate the entry of IVL into the branded specialist filament business and provide access to an outstanding research and development facility with accompanying intellectual property. Through both partners' global marketing and sales networks, customers will be presented with a much deeper portfolio of value-added products and we will be able to attract new customers seeking to benefit from the unique and comprehensive branded product range.

In the board of directors meeting held on June 29, 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 the board of directors meeting held on May 18, 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 792,000 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's subsidiary - PT Indorama Ventures Indonesia (formerly PT SK Keris) agreed to set up a **new 300,000 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. 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 by end of 2011**. 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 1, 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 7.6 million tons per annum (including joint ventures Ottana Polimeri, Trevira and Polyprima). 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	%
Asia	1.9	51%	2.5	43%	3.5	46%
MEA	-	-	0.1	1%	0.1	1%
Europe	1.2	33%	1.6	28%	2.3	31%
North America	0.6	16%	1.6	28%	1.6	22%
Total	3.7	100%	5.8	100%	7.6	100%

Note : "tpa" is tons per annum

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 6M, 2011 includes net extraordinary gain of US\$ 203 million (Baht 6,176 million) of which US\$ 214 (Baht 6,523 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\$ 11 million (Baht 347 million) towards transaction expenses incurred on acquisitions completed during the year. All extraordinary items were recorded within 1Q, 2011, except additional transaction expenses of US\$ 1 million (Baht 23 million) which were recorded in 2Q, 2011.

Q2 and 6M, 2010 net profit after tax and minority included US\$ 17 million (Baht 563 million) of gain on a bargain purchase or negative goodwill on acquisition of utility assets in Rotterdam, Netherlands in Q2, 2010.

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.

Core profit before tax and minority is after excluding exceptional items extraordinary gains from bargain purchase and excluding inventory gain/loss in a period which results from movement in prices of raw materials and products from end of last reported period to the end of current reported period.

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 2010 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 6M 2011 is US\$ 441 million (before excluding extraordinary gain of US\$ 203 million) which is higher than US\$ 109 million in 6M 2010 (before excluding extraordinary gain of US\$ 18 million). The net profit after tax and minority after excluding extraordinary items in 6M 2011 is US\$ 238 million (after excluding extraordinary gain of US\$ 203 million) which is higher than US\$ 91 million in 6M 2010 (after excluding extraordinary gain of US\$ 18 million). The net profit after tax and minority of US\$ 238 million in 6M 2011 excludes net extraordinary gain of US\$ 203 million of which US\$ 214 is towards income from gain on a bargain purchase or Negative goodwill on completed acquisitions, netting by US\$ 11 million towards transaction expenses incurred on acquisitions completed during the year

The net profit after tax and minority in Q2 2011 is US\$ 79 million which is higher than US\$ 63 million in Q2 2010 (before excluding extraordinary gain of US\$ 18 million). The net profit after tax and minority after excluding extraordinary items in Q2, 2011 is US\$ 79 million which is much higher than US\$ 46 million in Q2, 2010 (after excluding extraordinary gain of US\$ 18 million). The net profit after tax and minority of US\$ 46 million in Q2, 2010 excludes extraordinary gain of US\$ 18 million from gain on a bargain purchase or Negative goodwill on completed acquisitions.

Cash Flow

IVL generated US\$ 189 million of cash from operating activities in 6M 2011, higher than cash from operating activities of US\$ 103 million generated in 6M 2010. The higher prices of all our products and higher volumes from acquisitions led to cash outflow for working capital of US\$ 158 million. The free cash flow before capex was US\$ 127 million compared to US\$ 76 million in 6M 2010. During the year, there was net cash outflow for capex and investments of US\$ 781 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. The capex and investments are funded by long term loans and internal cash. IVL raised US\$ 566 million in cash proceeds from the rights issue of shares in February 2011. The consolidated cash and cash equivalents as on June 30, 2011 are US\$ 670 million (Baht 20,595 million) ensuring a healthy financial position and high liquidity in the group.

Financial Status and Ratios

IVL Net Debt stands at US\$ 1,168 million as on Jun 30, 2011, which was only 17% higher than the net debt as on 31st December 2010, despite completing US\$ 781 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 Net Gearing ratio decreased to 37% as at 30th June 2011 from 48% at the end of year 2010. The annualized ROCE is 22% in 6M 2011, which does not include extraordinary income, against 15% in 6M 2010. The current ratio has improved to 1.7 times as at 30th June 2011 from 1.1 times at the end of year 2010. IVL has prepaid long term loans with current maturities of US\$ 110 million in Q2, 2011 from surplus cash. As at 30th June 2011, IVL had unutilized credit facilities of around USD 784 million, ensuring high liquidity in the group.

Rights Issue

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\$ 566 million.

Table 1
IVL : KEY OPERATING DATA

	2Q11	1Q11	2Q10	2Q11 vs.		6M11	6M10	6M11 vs.
				1Q11	2Q10			6M10
*Total capacity (in Tonnes)	1,321,715	1,048,252	795,106	26%	66%	2,369,967	1,565,087	51%
PET resins	763,690	526,951	336,192	45%	127%	1,290,641	652,301	98%
Polyester & wool	121,771	89,841	62,503	36%	95%	211,612	124,320	70%
PTA	436,254	431,460	396,411	1%	10%	867,714	788,466	10%
**Total production (in Tonnes)	1,141,330	953,795	776,183	20%	47%	2,095,125	1,537,460	36%
PET resins	619,473	464,412	320,878	33%	93%	1,083,885	618,872	75%
Polyester & wool	100,953	93,899	65,780	8%	53%	194,852	135,085	44%
PTA	420,905	395,484	389,525	6%	8%	816,389	783,503	4%
Combined operating rate (%)	86%	91%	98%	-5%	-12%	88%	98%	-10%
Core EBITDA (USD MM)	181	157	94	16%	94%	339	176	93%
Core EBITDA/ton (USD)	158	165	121	-4%	31%	162	114	41%

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

**Production volumes based on equivalent production

Table 2
IVL : CASH FLOW

Baht in millions	6M11	6M10	6M11 vs.
			6M10
EBITDA	11,007	5,832	89%
Net working capital and others	(6,023)	(2,544)	137%
Net financial expenses	(855)	(655)	31%
Income tax	(268)	(140)	92%
Free cash flow before Capex	3,861	2,493	55%
Capital expenditures	(2,292)	(1,163)	97%
Net (acquisitions) disposals of subsidiaries	(21,459)	(1,049)	1946%
Free cash flow after Capex	(19,890)	281	-7178%
Dividends	(3,197)	(1,448)	121%
Proceeds from issues of shares	17,224	3,825	350%
Changes in net debt	5,863	(2,658)	-321%

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

	2Q11	4Q10	2Q10	LTM 2Q11	LTM 2Q10
Current ratio (times)	1.7	1.1	1.0	1.7	1.0
Net gearing ratio (%)	37%	48%	55%	37%	55%
* Net operating gearing ratio (%)	36%	48%	53%	36%	53%
Interest coverage ratio (times)	9.3	12.0	9.9	12.2	8.0
** ROE (%)	15.5%	54.6%	34.3%	47.9%	28.0%
*** ROCE (%)	13.4%	22.1%	14.5%	19.2%	13.1%

* 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

Sales revenue in US dollar terms increased by 38% QoQ and 163% YoY, due to higher sales volume and higher selling prices. The sales volume increased by 31% QoQ and 93% YoY. The volume growth is driven primarily by first full quarter operations of the plants acquired during 1Q 2011 in China, Indonesia, Mexico, Poland and USA. The volume growth was lower (and impacting utilization rates) considering 2 months shutdown of AlphaPet due to the power outage as a result of tornados in Alabama. The plant had restarted at end of 2Q 2011 and is operating at high utilization in 3Q2011. The loss of production volume at AlphaPet is covered by insurance claim. The segment achieved Core EBITDA of US\$ 211 million in 6M 2011, an increase of 105% from the same period last year. Core EBITDA QonQ increased by 51% to US\$ 127 million which was driven by 31% sales volume growth and margin improvement with increase in volume from higher margins from product mix and geographic mix of sales. The integrated margin includes lower contribution from PTA as captive consumption has reduced in the segment in proportion to increase in production.

Table 4
PET : CAPACITY AND UTILISATION (%)

	2Q11	1Q11	2Q10	2Q11 vs.		6M11	6M10	6M11 vs.
				1Q11	2Q10			6M10
*Production capacity (in Tonnes)	763,690	526,951	336,192	45%	127%	1,290,641	652,301	98%
Production volumes (in Tonnes)	619,473	464,412	320,878	33%	93%	1,083,885	618,872	75%
Utilisation rate (%)	81%	88%	95%			84%	95%	

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

Table 5
PET : SALES REVENUE

	2Q11	1Q11	2Q10	2Q11 vs.		6M11	6M10	6M11 vs.
				1Q11	2Q10			6M10
Sales revenue								
Baht in millions	36,316	26,547	14,771	37%	146%	62,863	29,029	117%
USD in millions	1,199	869	456	38%	163%	2,066	889	132%
Growth in Baht sales revenue from:								
Volume growth				31%	93%			71%
Price movement				4%	30%			32%
Exchange rate movement				1%	-2%			-5%
Proportion of sales revenue by geographic								
Thailand	4%	5%	9%			4%	7%	
Asia (excluding Thailand)	9%	9%	5%			9%	6%	
North America	42%	46%	33%			43%	32%	
Europe	31%	38%	45%			34%	48%	
Rest of the World	15%	3%	8%			10%	7%	

Table 6
PET : OPERATING EBITDA AND MARGIN

	2Q11	1Q11	2Q10	2Q11 vs.		6M11	6M10	6M11 vs.
				1Q11	2Q10			6M10
*Core EBITDA								
Baht in millions	3,853	2,566	1,814	50%	112%	6,419	3,363	91%
USD in millions	127	84	56	51%	127%	211	103	105%
Margin (%)	10.6%	9.7%	12.3%			10.2%	11.6%	
*Operating EBITDA								
Baht in millions	3,113	3,576	1,759	-13%	77%	6,810	3,434	98%
USD in millions	103	117	54	-12%	89%	224	105	113%

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

POLYESTER & WOOL SEGMENT

Sales revenue in US dollar terms increased by 12% QoQ and 111% YoY, mainly due to higher selling prices. The increase in sales volume from the first full quarter operations of new acquired plants in Indonesia and USA was offset by the temporary shutdown in Indorama Polyester Industry (IPI) Rayong facility due to breakdown in the process plant leading to production loss. Rayong facility has restarted operations and the loss is covered by the insurance claim. The segment achieved Core EBITDA of US\$ 68 million in 6M 2011, an increase of 196% over same period last year driven by sales volume growth of 38% and margin improvement to 17.0% in 6M 2011 from 11.2% in 6M 2010. In 2Q 2011 Core EBITDA was US\$ 30 million on higher than 2Q 2010 on volume growth of 43% and addition of higher value added business. While, QoQ was lower on slight decrease in sales volume and lower margins. The integrated margin includes lower contribution from PTA as captive consumption reduced on break down of Rayong facility in the quarter.

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

POLYESTER FIBERS & YARNS				2Q11 vs.		6M11 vs.		
	2Q11	1Q11	2Q10	1Q11	2Q10	6M11	6M10	6M10
*Production capacity (in Tonnes)	120,300	88,386	61,032	36%	97%	208,686	121,394	72%
**Production volumes (in Tonnes)	99,617	92,515	64,618	8%	54%	192,132	132,754	45%
Utilisation rate (%)	83%	105%	106%			92%	109%	

WOOL YARNS				2Q11 vs.		6M11 vs.		
	2Q11	1Q11	2Q10	1Q11	2Q10	6M11	6M10	6M10
*Production capacity (in Tonnes)	1,471	1,455	1,471	1%	0%	2,926	2,926	0%
**Production volumes (in Tonnes)	1,336	1,384	1,162	-3%	15%	2,720	2,331	17%
Utilisation rate (%)	91%	95%	79%			93%	80%	

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

**Production volumes based on equivalent production

Table 8
POLYESTER & WOOL : SALES REVENUE

				2Q11 vs.		6M11 vs.		
	2Q11	1Q11	2Q10	1Q11	2Q10	6M11	6M10	6M10
Sales revenue								
Baht in millions	6,407	5,776	3,254	11%	97%	12,183	6,707	82%
USD in millions	212	189	100	12%	111%	400	205	95%
Growth in Baht sales revenue from:								
Volume growth				-3%	43%			38%
Price movement				14%	41%			37%
Exchange rate movement				0%	-4%			-5%
Proportion of sales revenue by geographic								
Thailand	16%	21%	21%			18%	22%	
Asia (excluding Thailand)	41%	40%	39%			41%	39%	
North America	22%	9%	9%			16%	7%	
Europe	14%	15%	20%			14%	19%	
Rest of the World	8%	15%	11%			11%	11%	

Table 9
POLYESTER & WOOL : OPERATING EBITDA AND MARGIN

	2Q11	1Q11	2Q10	2Q11 vs.		6M11	6M10	6M11 vs.
				1Q11	2Q10			6M10
*Core EBITDA								
Baht in millions	908	1,161	421	-22%	116%	2,069	751	175%
USD in millions	30	38	13	-21%	131%	68	23	196%
Margin (%)	14.2%	20.1%	12.9%			17.0%	11.2%	
*Operating EBITDA								
Baht in millions	764	1,467	370	-48%	107%	2,061	794	159%
USD in millions	25	48	11	-47%	121%	68	24	178%

* 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 Core EBITDA of US\$ 69 million in 6M 2011, an increase of 35% over the same period last year driven by volume growth of 6% and higher margin. PTA in Asia has seen maximum volatility both in prices and spreads in the first six months of 2011 led by rising then falling crude prices as well as from cotton replacement demand. 1Q 2011 experienced above average demand and margins widened for PTA in Asia. While in 2Q 2011 margins returning to normal levels for PTA in Asia, Asia is the large consumer of PTA in view of concentration of Polyester fibers and yarns in Asia as it is more labor intensive and presence of the downstream chain for garments. Core EBITDA of US\$ 27 million in 2Q 2011 which was higher than 2Q 2010 but lower QonQ. PTA segment saw lower Core EBITDA in 2Q 2011 comparing to 1Q 2011 with spreads returning to normal levels.

Table 10
PTA : CAPACITY AND UTILISATION (%)

	2Q11	1Q11	2Q10	2Q11 vs.		6M11	6M10	6M11 vs.
				1Q11	2Q10			6M10
*Production capacity (in Tonnes)	436,254	431,460	396,411	1%	10%	867,714	788,466	10%
Production volumes (in Tonnes)	420,905	395,484	389,525	6%	8%	816,389	783,503	4%
Utilisation rate (%)	96%	92%	100%			94%	99%	

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

Table 11
PTA : SALES REVENUE

	2Q11	1Q11	2Q10	2Q11 vs.		6M11	6M10	6M11 vs.
				1Q11	2Q10			6M10
Sales revenue								
Baht in millions	16,525	17,240	10,992	-4%	50%	33,765	23,231	45%
USD in millions	546	564	339	-3%	61%	1,110	712	56%
Growth in Baht sales revenue from:								
Volume growth				4%	11%			6%
Price movement				-9%	36%			39%
Exchange rate movement				1%	0%			-3%
Sales to PET business								
Baht in millions	7,180	5,543	3,647	30%	97%	12,724	7,914	61%
USD in millions	237	181	113	31%	111%	418	242	73%
Sales to Polyester business								
Baht in millions	699	3,466	1,501	-80%	-53%	4,166	3,084	35%
USD in millions	23	113	46	-80%	-50%	137	94	45%
Total sales revenue after eliminations								
Baht in millions	8,646	8,230	5,845	5%	48%	16,876	12,233	38%
USD in millions	285	269	180	6%	58%	555	375	48%
PTA integration ratio (%)								
	48%	52%	47%			50%	47%	

	2Q11	1Q11	2Q10	2Q11 vs.		6M11	6M10	6M11 vs.
				1Q11	2Q10			6M10
Proportion of sales revenue (after eliminations) by geographic								
Thailand	19%	22%	26%			21%	26%	
Asia (excluding Thailand)	62%	65%	67%			63%	61%	
North America	0%	0%	0%			0%	0%	
Europe	17%	4%	5%			11%	10%	
Rest of the World	2%	9%	2%			5%	3%	

Table 12

PTA : OPERATING EBITDA AND MARGIN

	2Q11	1Q11	2Q10	2Q11 vs.		6M11	6M10	6M11 vs.
				1Q11	2Q10			6M10
*Core EBITDA								
Baht in millions	816	1,283	745	-36%	10%	2,099	1,665	26%
USD in millions	27	42	23	-36%	17%	69	51	35%
Margin (%)	9.4%	15.6%	12.7%			12.4%	13.6%	
*Operating EBITDA								
Baht in millions	655	1,669	708	-61%	-8%	2,373	1,651	44%
USD in millions	22	55	22	-60%	-1%	78	51	54%

* 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	2Q11	1Q11	2Q10	2Q11 vs.		6M11	6M10	6M11
				1Q11	2Q10			vs.
								6M10
Net sales	51,300	40,553	23,870	27%	115%	91,853	47,970	91%
Other income	468	144	36	225%	1200%	612	72	750%
Total revenue	51,768	40,697	23,906	27%	117%	92,465	48,042	92%
*Cost of sales	45,985	33,390	20,605	38%	123%	79,375	41,486	91%
Gross profit	5,783	7,307	3,301	-21%	75%	13,090	6,556	100%
*Selling and administrative expenses	2,713	1,827	1,429	48%	90%	4,540	2,832	60%
Foreign exchange gain (loss)	91	(16)	188	n/a	-52%	75	514	-85%
EBITDA	4,453	6,554	2,857	-32%	56%	11,007	5,832	89%
Depreciation and amortization	1,292	1,090	797	19%	62%	2,382	1,594	49%
Operating income	3,161	5,464	2,060	-42%	53%	8,625	4,238	104%
Share of equity income from joint venture	(8)	83	0	n/a	n/a	75	0	n/a
**Extraordinary items	(23)	6,199	563	n/a	n/a	6,176	563	997%
Interest income	171	36	2	375%	8450%	207	3	6800%
Interest expense	649	436	292	49%	122%	1,085	617	76%
Profit (loss) before tax	2,652	11,346	2,333	-77%	14%	13,998	4,187	234%
Income tax expense	264	231	120	14%	120%	495	258	92%
Profit (loss) for the period	2,388	11,115	2,213	-79%	8%	13,503	3,929	244%
Minority interest	22	58	158	-62%	-86%	80	380	-79%
Net profit after minority interest	2,366	11,057	2,055	-79%	15%	13,423	3,549	278%
Weighted average no. of shares(in Million)	4,814	4,505	4,334	7%	11%	4,660	4,144	12%
Annualized earnings per share (in Baht)	1.97	9.82	1.90	-80%	4%	5.76	1.71	236%

*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	Jun-11	Dec-10	Jun-10	Jun-11 vs.	
				Dec-10	Jun-10
Assets					
Cash and current investments	20,595	2,024	2,200	918%	836%
Trade accounts receivable	27,252	11,771	11,875	132%	129%
Inventories	18,487	11,384	8,953	62%	106%
Other current assets	4,131	965	1,346	328%	207%
Total current assets	70,465	26,144	24,374	170%	189%
Investment	3,098	2,013	0	54%	n/a
Property, plant and equipment	67,053	48,820	48,236	37%	39%
Intangible assets	4,885	760	790	543%	518%
Other assets	316	203	291	56%	9%
Total assets	145,818	77,940	73,691	87%	98%
Liabilities					
Bank OD and short-term loans from financial institutions	10,434	5,365	9,007	94%	16%
Trade accounts payable	21,132	10,858	8,361	95%	153%
Current portion of long-term loans	5,134	5,913	4,806	-13%	7%
Current portion of finance lease liabilities	19	22	25	-12%	-23%
Other current liabilities	5,226	1,880	2,142	178%	144%
Total current liabilities	41,946	24,038	24,341	74%	72%
Long-term loans from financial institutions	40,867	20,710	21,356	97%	91%
Finance lease liabilities	48	58	68	-17%	-29%
Other liabilities	1,530	1,014	725	51%	111%
Total liabilities	84,391	45,820	46,490	84%	82%
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	28,303	18,638	12,152	52%	133%
Reserves	(1,847)	(4,206)	(5,544)	-56%	-67%
Total equity attributable to shareholders	61,045	31,797	23,973	92%	155%
Minority interest	382	323	3,228	18%	-88%
Total shareholder's equity	61,427	32,120	27,201	91%	126%
Total liabilities and shareholder's equity	145,818	77,940	73,691	87%	98%

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.