



Analyst Meeting

4Q07 and Full Year 2007 Performance
Monday 3 March 2008



Agenda

- **2007 Management Highlights**
- **Sales Report**
- **GRM & Plant Utilization**
- **CAPEX**
- **Industry Outlooks**
- **Conclusion and Strategy**
- **Financial Performance**

2007 Highlight – Success Pacesetter

Production

- Higher efficiency

- Dec'07 crude run reached 93%, highest utilization ever since Apr'04.
- Higher GRM in 2007 : \$11.5/bbl versus \$9.9 in 2006

Operation

- Leaner organization
- Cost reduction

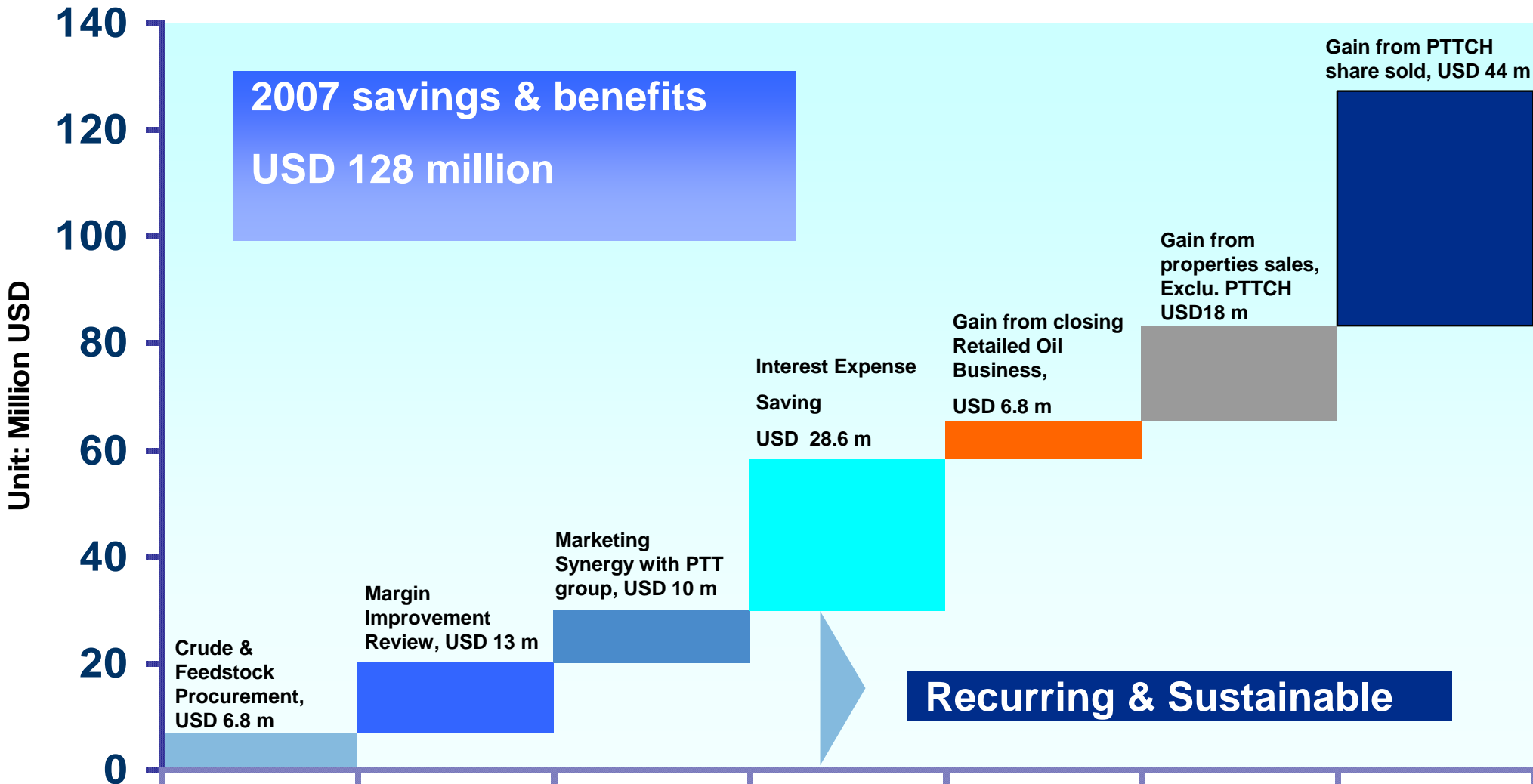
- Successfully undertake cost reduction & efficiency improvement programs
- Win-win synergy with PTT group: crude purchase, co-loading, FX buying, product sale etc.
- Closedown 6 inactive affiliates
- Divest non-core at huge gain
 - Exited loss-making oil retailed business
 - Sold stocks and part of vacant lands
- Reduced ~ 1,500 headcounts via voluntary retirement program

Finance

- Stronger financial position
- Interest saving

- Secured long term fund: issued long term Baht & USD Bonds in equivalent of USD 530 million
- 2007 Interest expense of Baht 972 million or 47% saved from 2006
- 2006 Dividend paid in 2007 at 0.12 baht/share or 36% payout ratio, 2007 interim dividend 0.10 baht/share

2007 Incremental Benefits



2008: Ample Room for Improvement

Production

- Ensure CAPEX phase I and II progress is on schedule
- Cost reduction and margin improvement to continue i.e., SGS, MIR and lube initiative
- Non-hydrocarbon inventory and purchasing rearrangement

Operation

- Continue efficiency improvement programs
 - Crude & Freight management i.e., co-loading, NGV
 - Marketing & sales co-operation with PTT group
 - Headcount reduction: realized cost saving around USD16 million/year from January 2008 onwards
- Utilities (electricity, steam, air cooler) sales: price, volume re-set

Finance

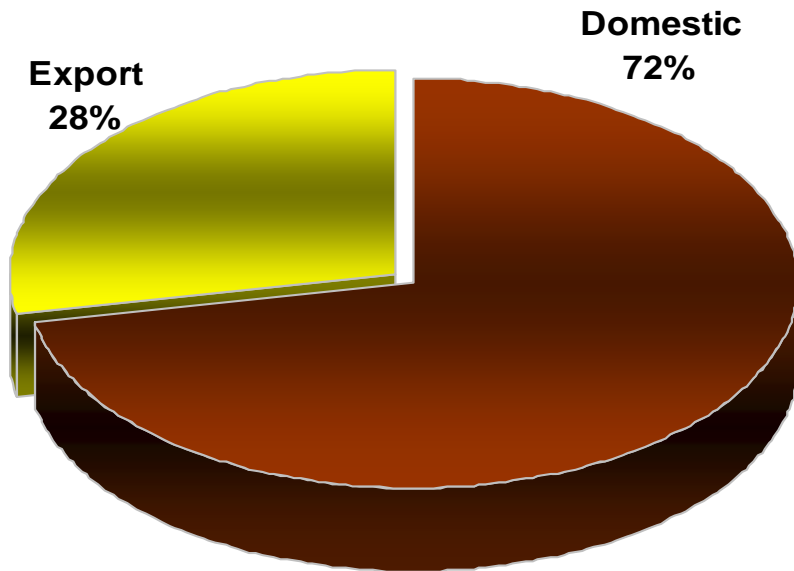
- Currency purchase via PTT group
- FX risk management

Sales Report

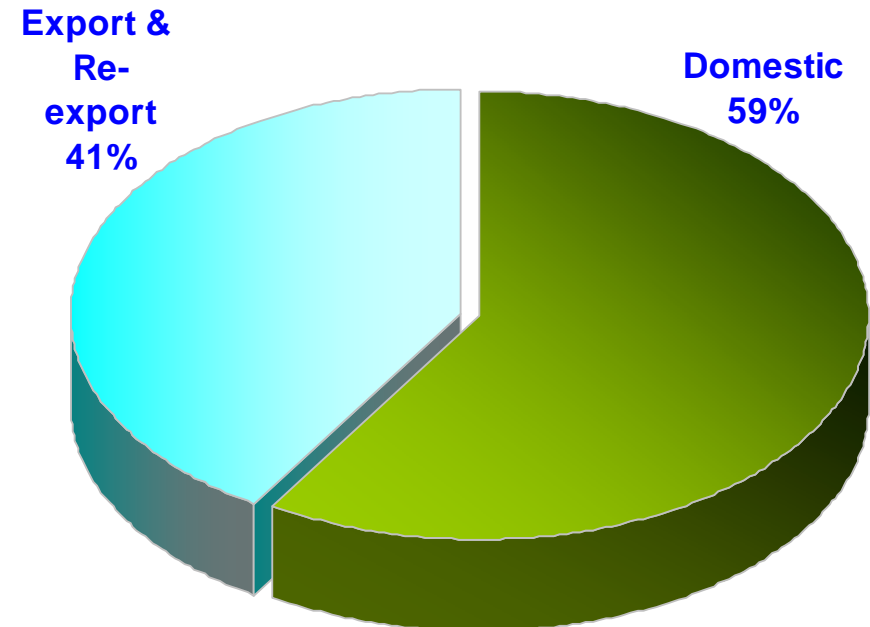


2007 Product Sales Value by Market

Oil products
(~ 72% of sales value)



Petrochemical products
(~ 27% of sales value)



2007 sales included Baht 16,430 million or USD 482 million excise tax & all oil funds

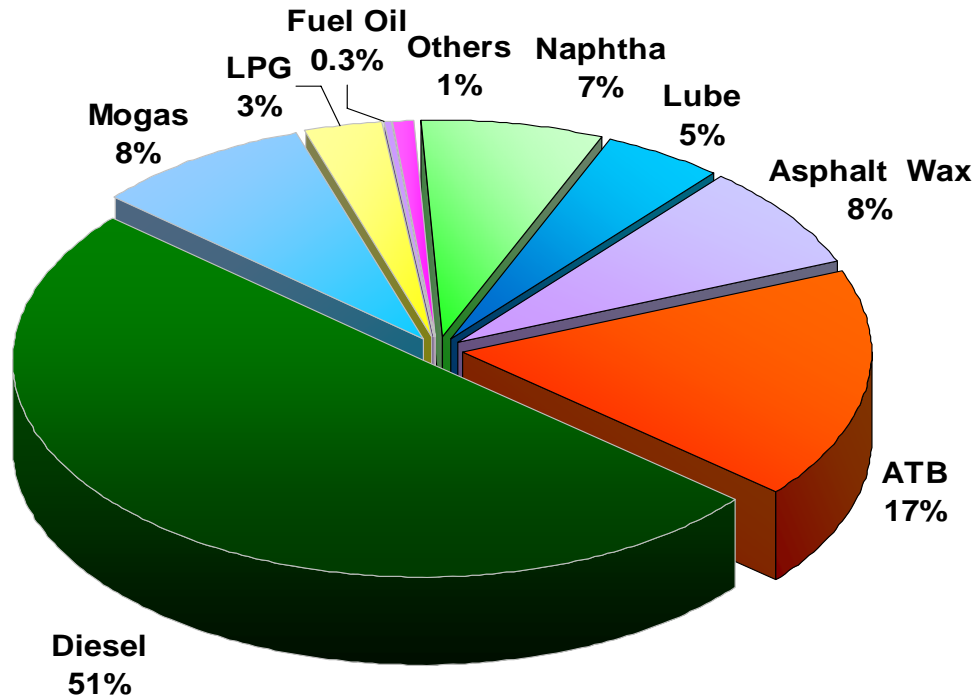
mil. Baht	Oil		Petrochem.		Total
2006	143,006		59,465		202,471
4Q07	49,415	+	15,830	=	65,245
2007	162,702		61,968		224,670

OR

mil. USD	Oil		Petrochem.		Total
2006	3,763		1,565		\$ 5,328
4Q07	1,453	+	466	=	\$ 1,919
2007	4,785		1,823		\$ 6,608

2007 Petroleum Products Sales

Volume

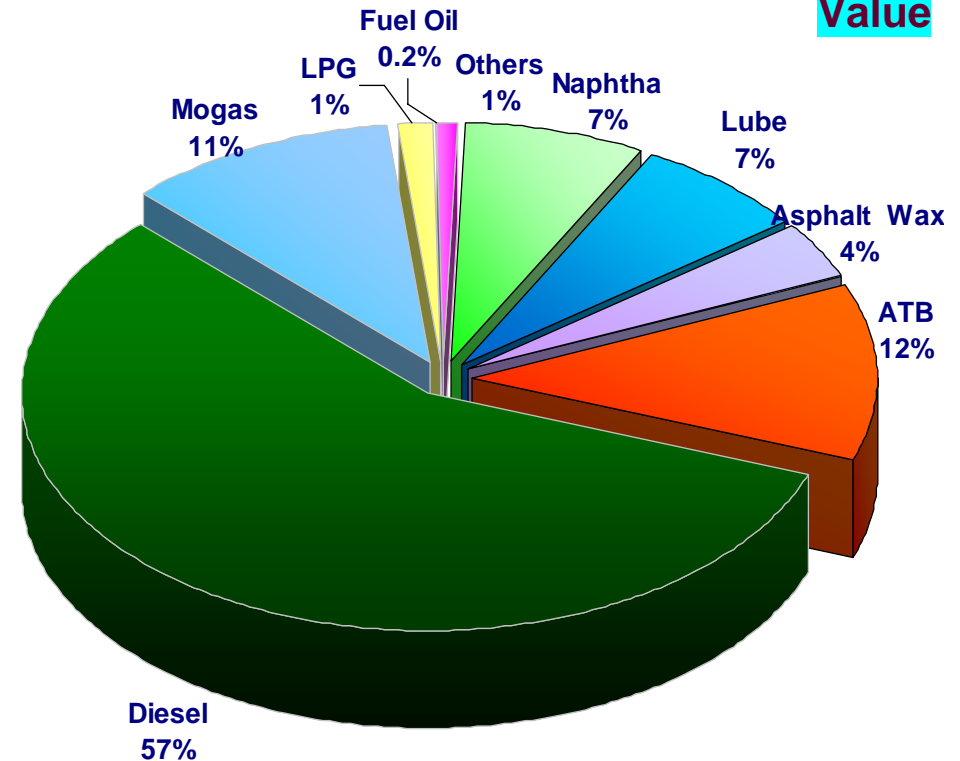


Diesel
51%

4Q07 Volume = 2,317 m Ltrs ↑
4Q06 Volume = 1,655 m Ltrs

2007 Volume = 8,550 m Ltrs ↑
2006 Volume = 7,456 m Ltrs

Value



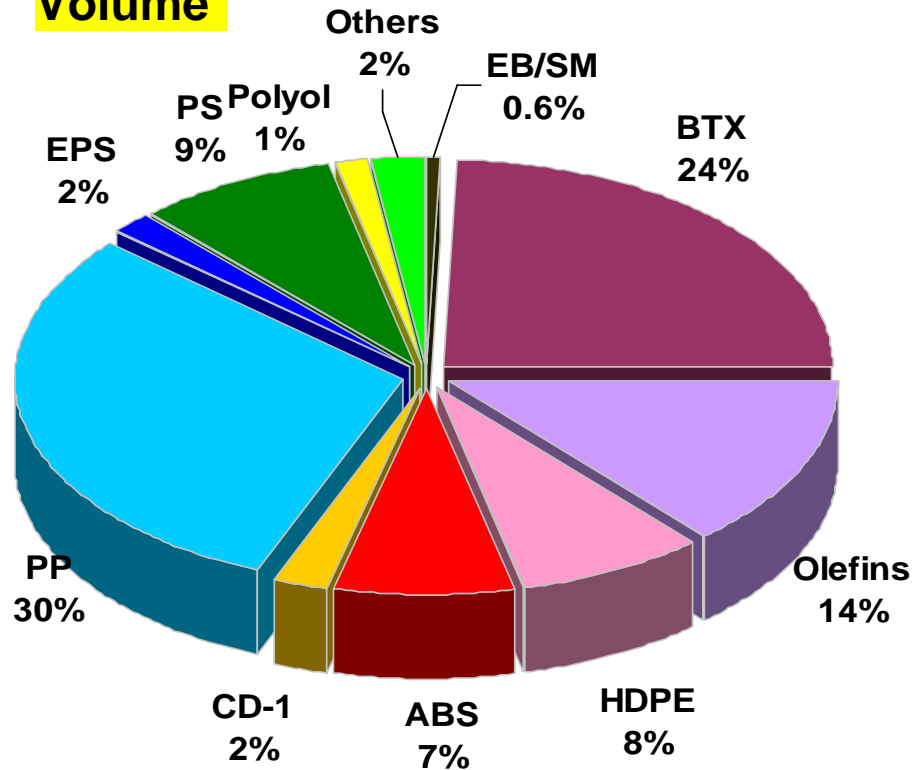
Diesel
57%

4Q07 Value = Bt 49,415 m ↑
4Q06 Value = Bt 29,368 m

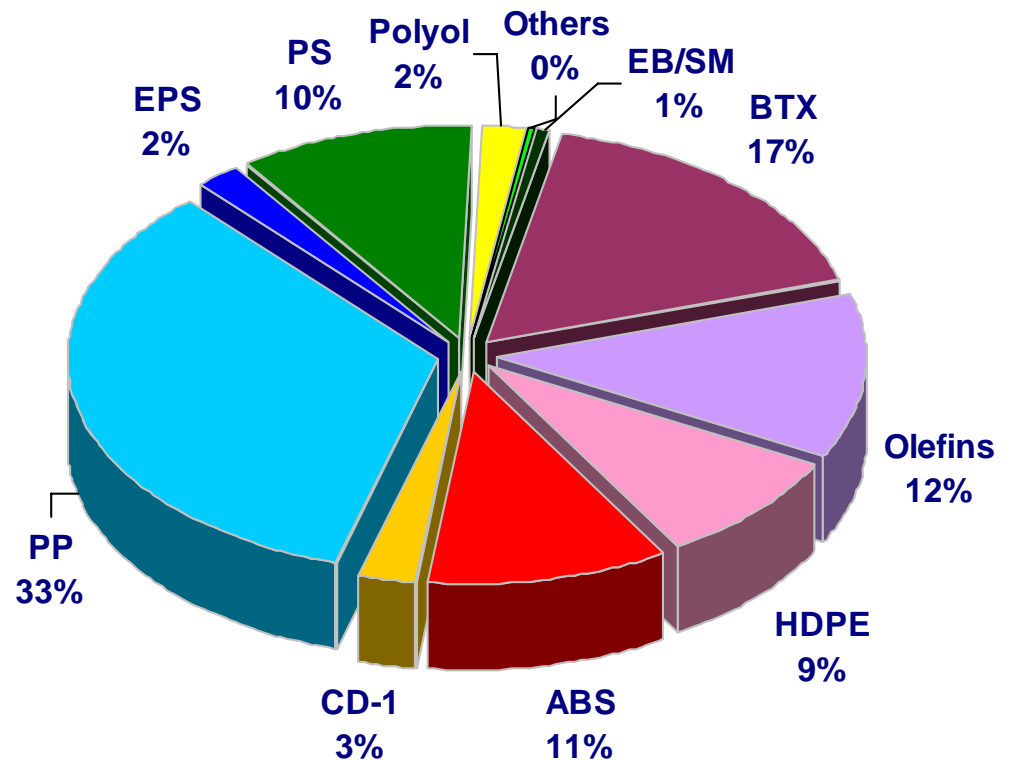
2007 Value = Bt 162,702 m ↑
2006 Value = Bt 143,006 m

2007 Petrochemical Sales

Volume



Value



4Q07 = 368,911 M/T
4Q06 = 294,855 M/T



2007 = 1,478,935 M/T
2006 = 1,393,582 M/T



4Q07 = Bt 15,830 m
4Q06 = Bt 12,703 m



2007 = Bt 61,968 m
2006 = Bt 59,465 m

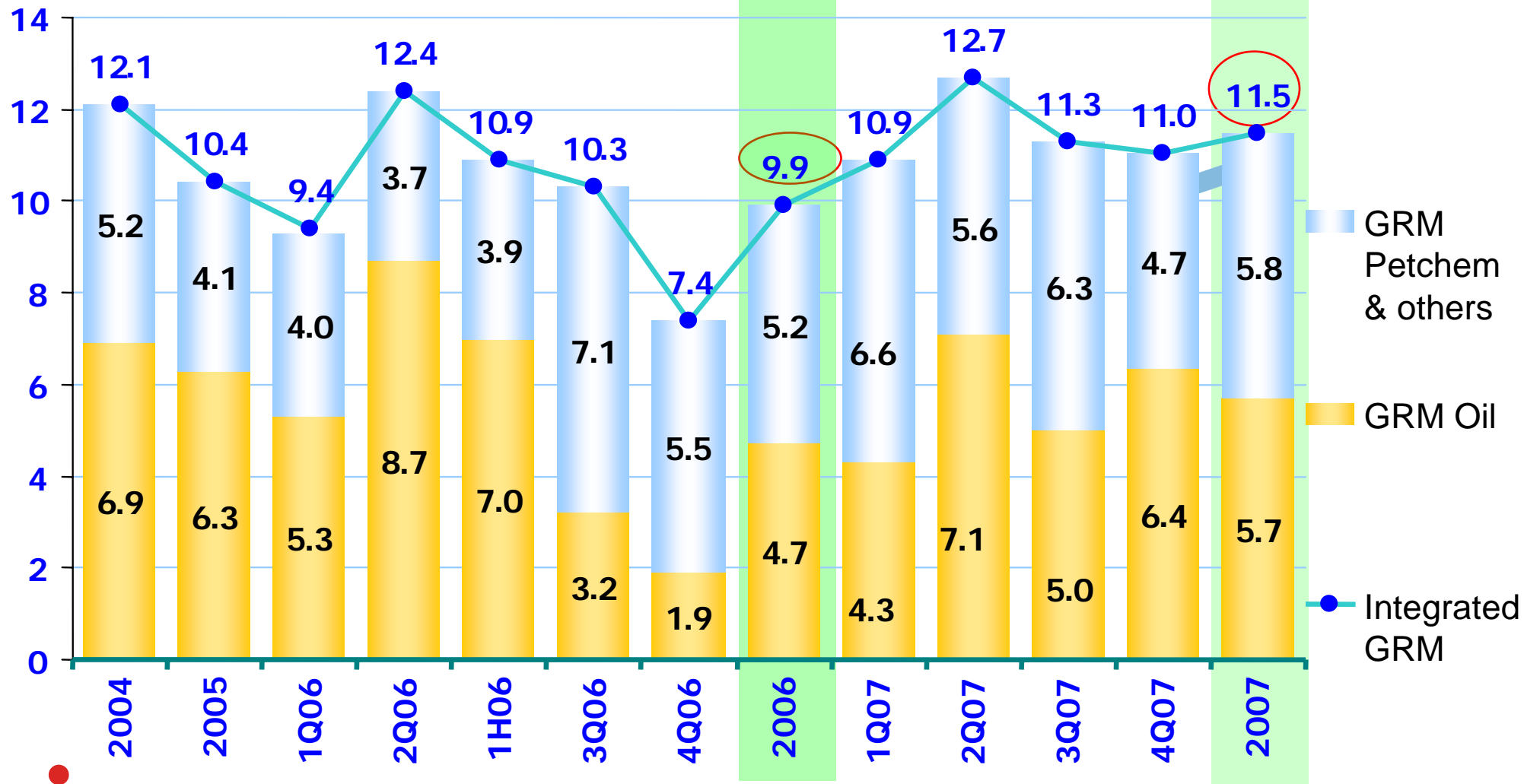


GRM & Plant Utilization

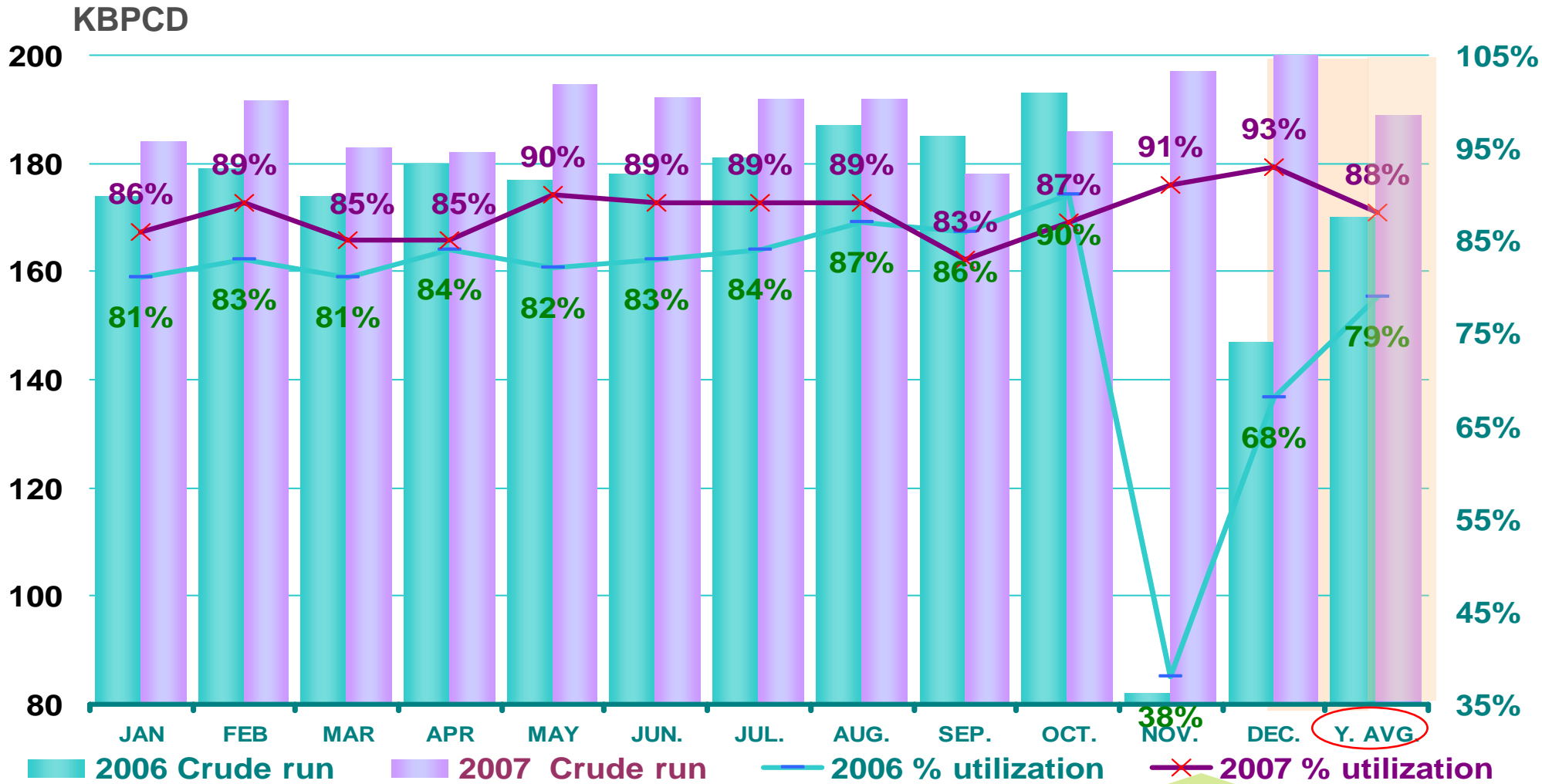


Higher 2007 GRM at \$11.5/barrel versus \$9.9 in 2006

US\$ / bbl



Oil Capacity Utilization: Average 88% in 2007 or 189 KBPCD

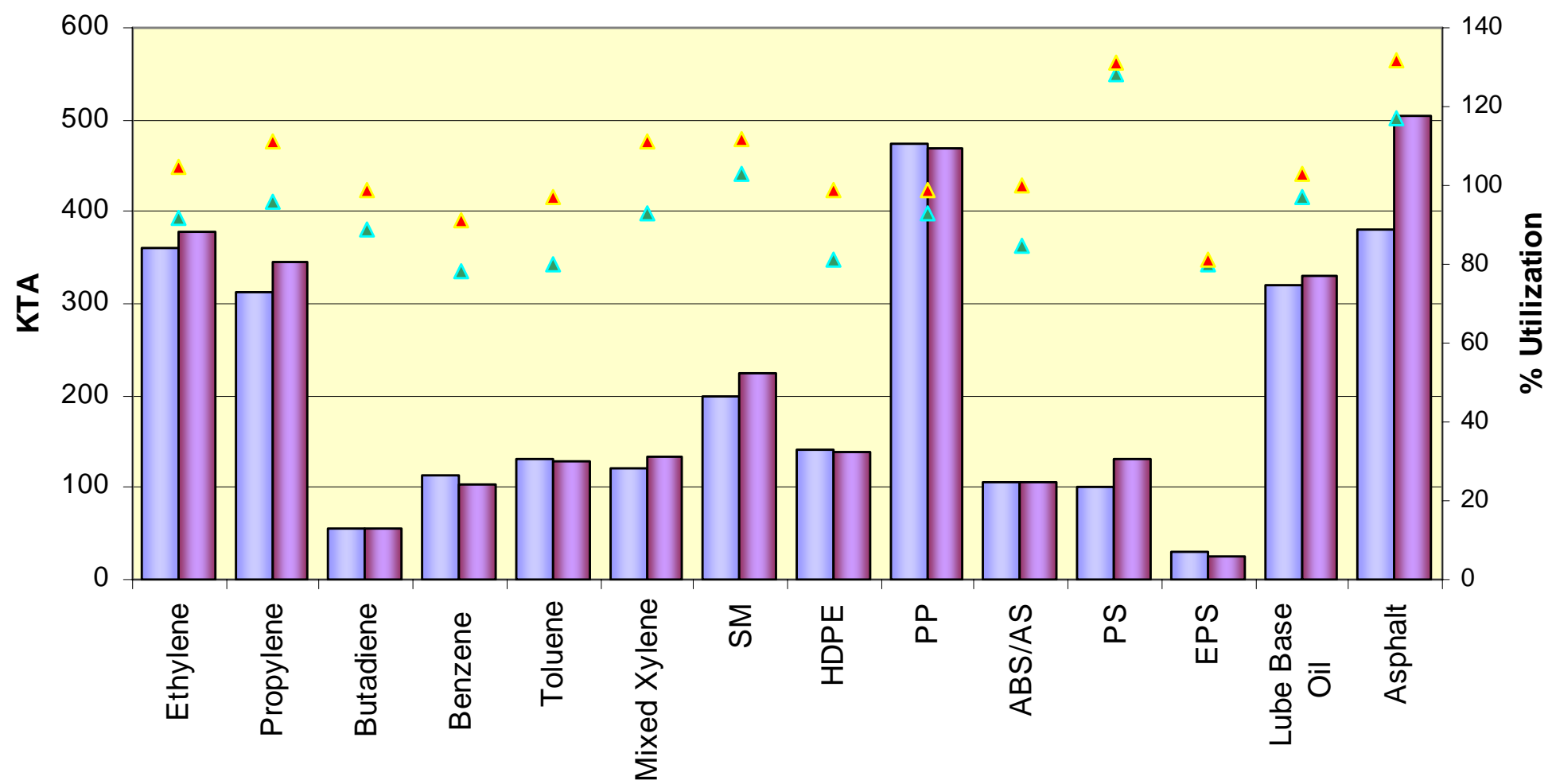


	1Q07	2Q07	3Q07	4Q07	2007
% Utilization	87%	88%	87%	90%	88%

45-day
turnaround '06

2007 Utilization: Petrochemical and Lube at full Capacities

■ Nameplate Capacity (LHS)
 ■ Utilization 2007 (LHS)
 ▲ %Utilization 2006(RHS)
 ▲ %Utilization 2007(RHS)



CAPEX



Future Projects Summary

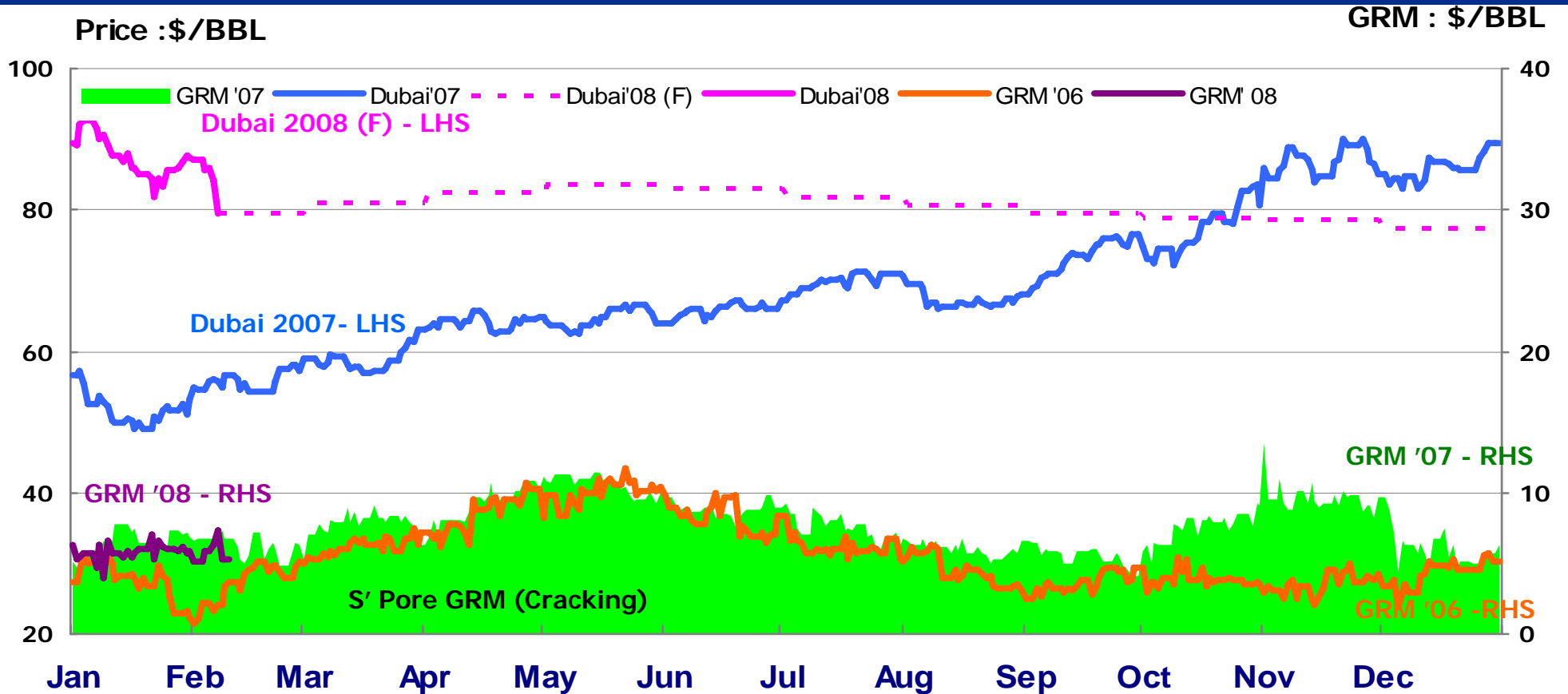
Unit : Million USD

	CAPEX Amount	% IRR	Benefit (Million USD/year)	% progress
Phase I				
HDPE Compound	12.6	21%	3	37 %
ABS Expansion	17.1	21%	4	46%
Power Plant	200.0	23%	39	28%
Safety improvement	39.0	n/a	n/a	n/a
Total	268.7		46	46
Phase II				
New Regulation EURO IV	360.0	14%	n/a	n/a
Petroluem Improvement	620.0	22%	n/a	n/a
Propylene Booster	50.0	36%	n/a	n/a
Port Dredging	46.0	16%	n/a	n/a
Total	1,076.0			
Grand Total	1,344.7			

Industry Outlooks



2007 Crude and GRM Movement

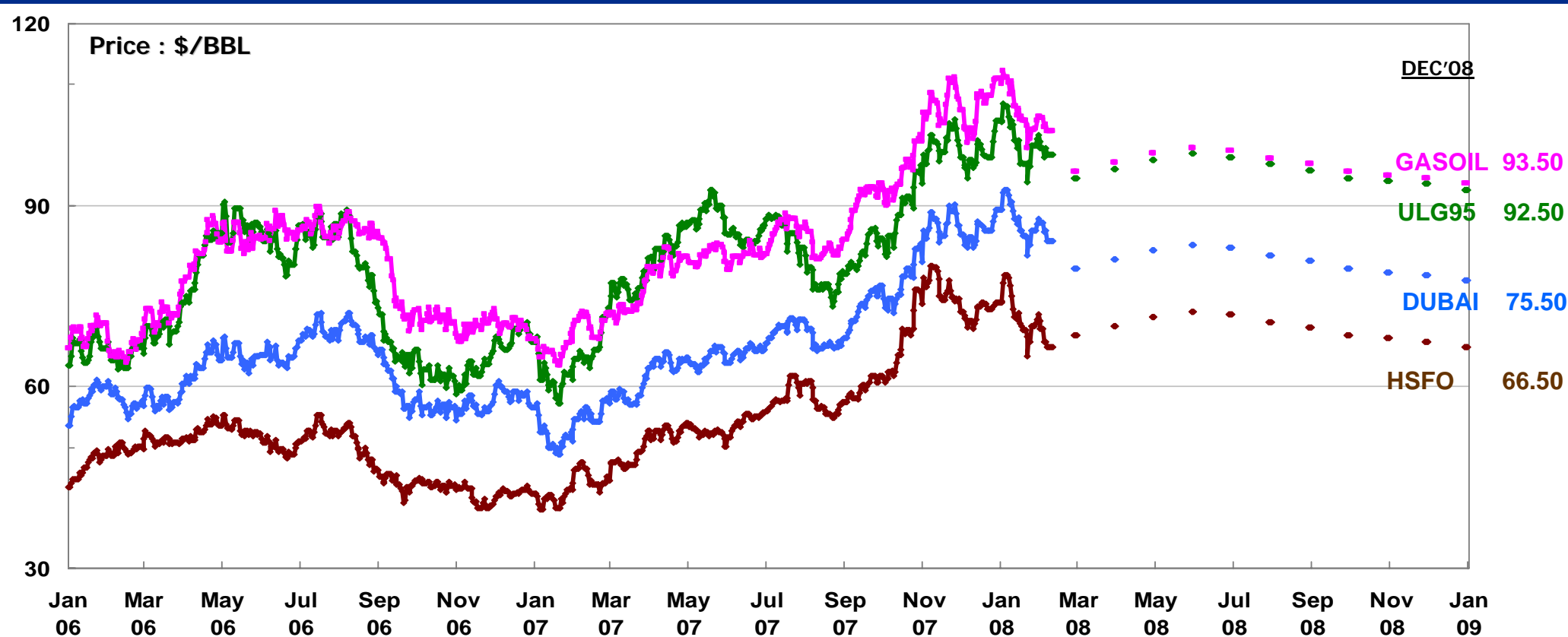


\$/BBL	2006	Q1	Q2	Q3	Q4	2007	Dec07	Jan08	1- 11 Feb08
Dubai	61.51	55.29	64.79	70.08	83.19	68.34	85.58	87.37	85.68
S' pore GRM	5.52	6.83	9.51	6.33	7.70	7.59	6.01	5.83	5.52



Note : 1. Crude price from Platt's (FOB source basis), 2. GRM is Singapore GRM Cracking. 3. Forecast Price from CMAI as of Dec, 07.

2006 – 2008 Forecasted oil prices



\$/BBL	2006	2007
Dubai	61.51	68.34
ULG 95	73.27	83.48
Gas Oil 0.5%S	76.76	85.53
Fuel Oil 180cst	48.21	57.61

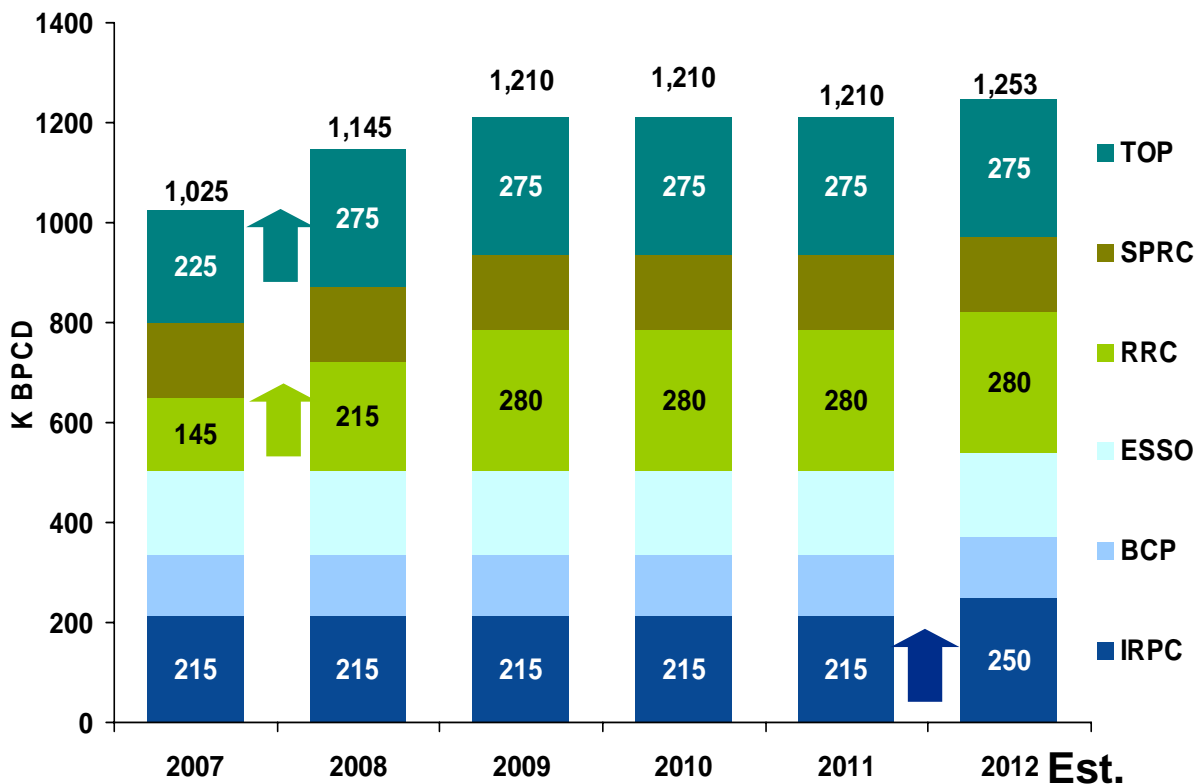
Issue - Oil prices continuously pressured by more supply mainly from Reliance, India while crude price may stay at high level

- Freight Cost is soaring
- Naphtha price will sustain due to high demand

Thailand's oil Supply, Demand

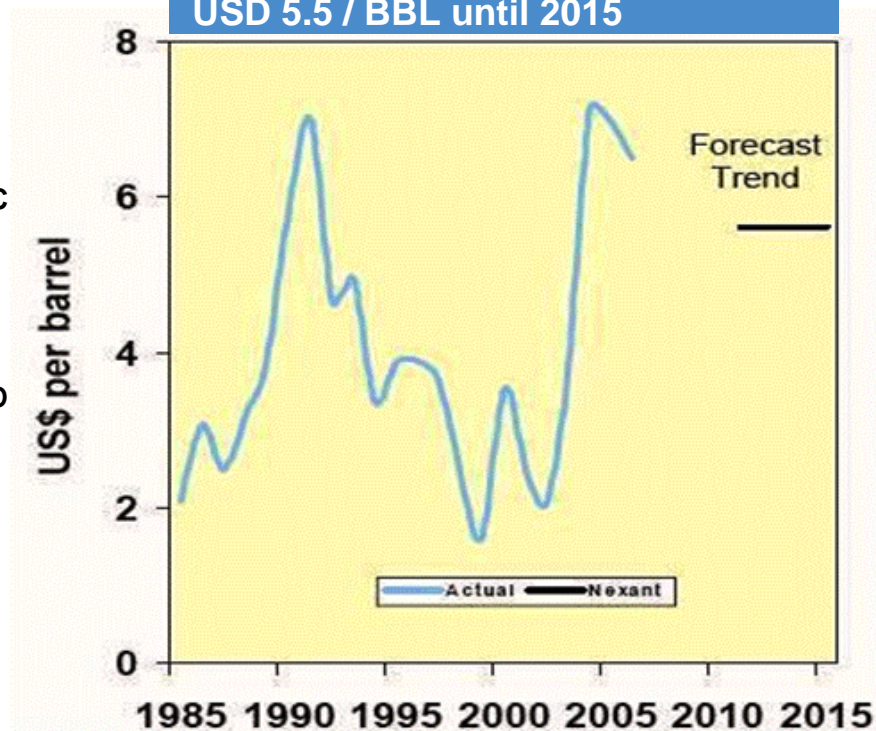
Oil (m tons/year)	2007	2008	2009	2010	2015	2020
Total Supply	46.9	48.9	50.4	51.7	62.3	66.8
Total Demand	39.1	39.8	40.8	41.8	49.9	57.3
Supply > Demand	7.8	9.1	9.7	9.9	12.4	9.5

Thailand's surplus will mainly be exported to China and other countries in Asia



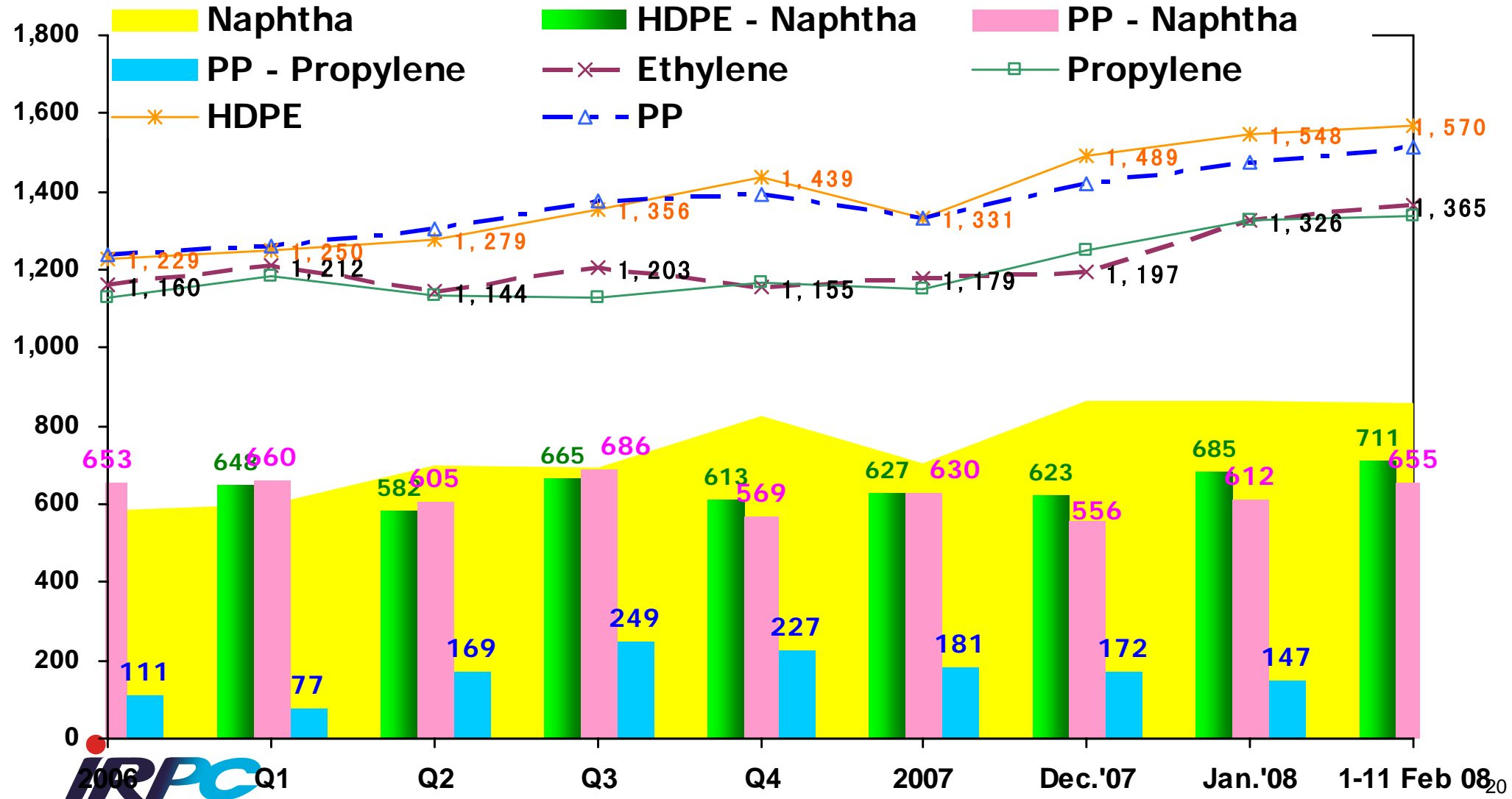
IRPC is the second largest nameplate capacity until 2008

Nexant forecasts GRM at least USD 5.5 / BBL until 2015



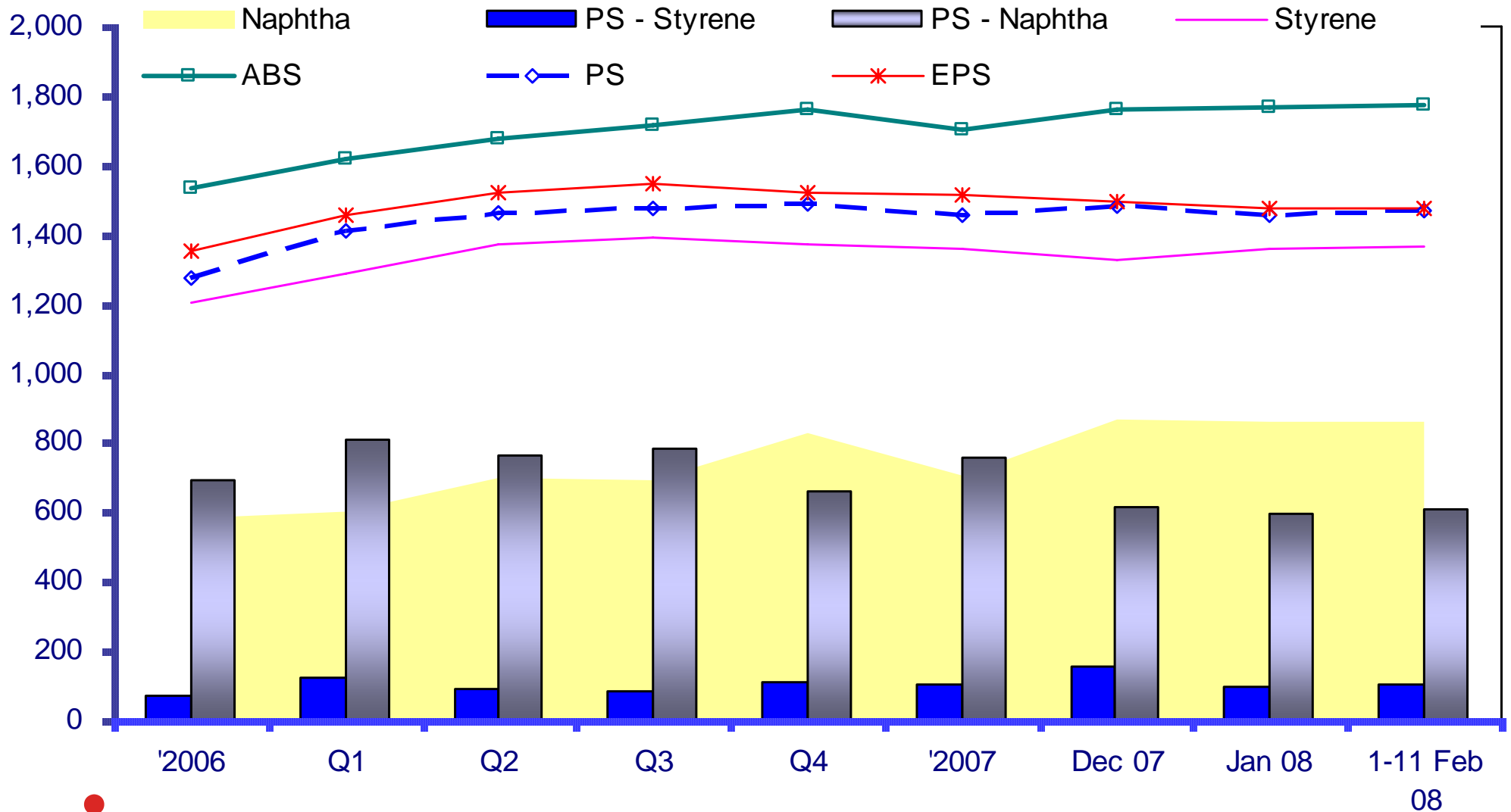
Upstream to Polyolefins price - Good year for Olefins

Unit = USD / Ton

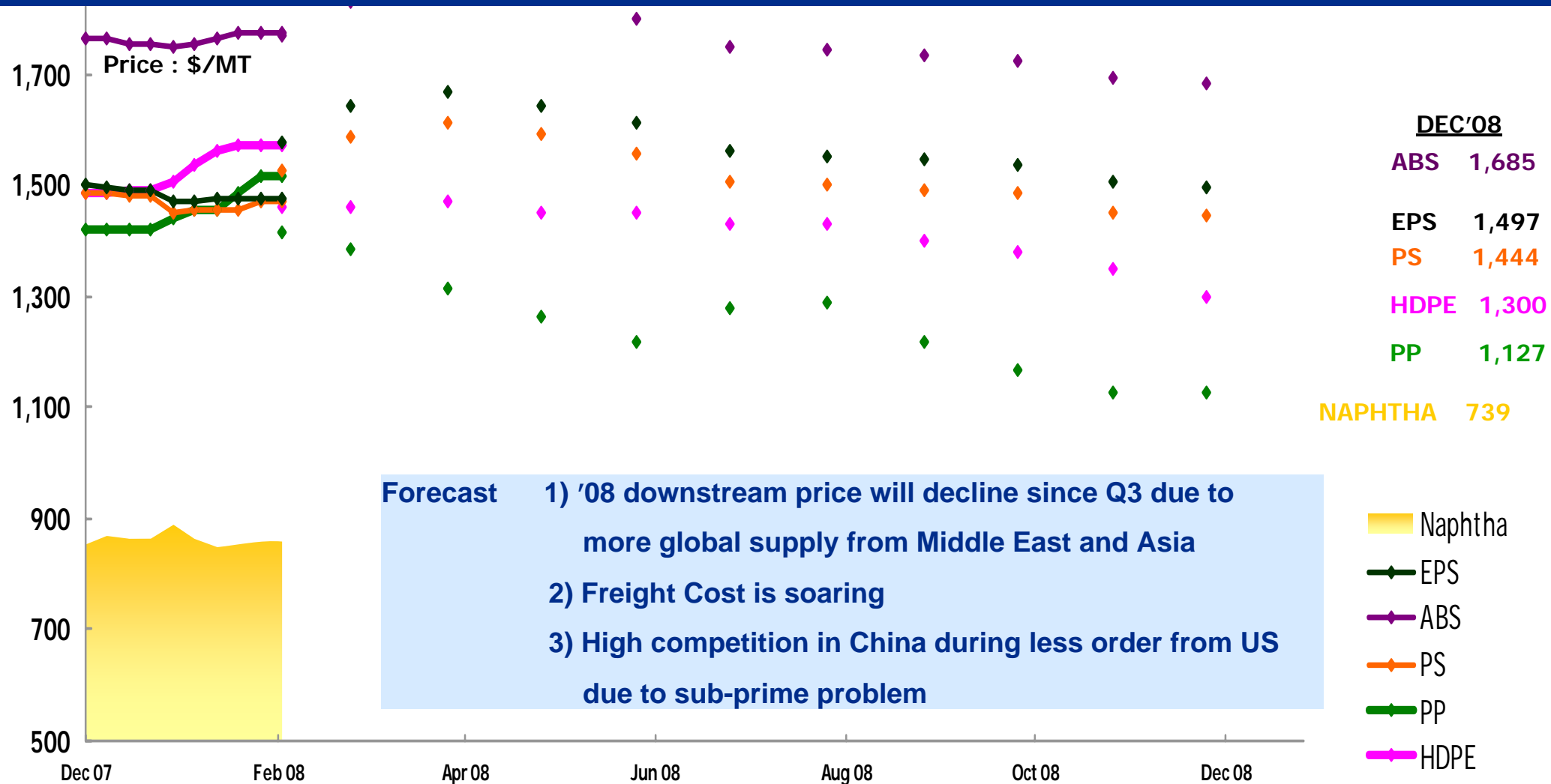


Upstream to Polystyrenic price – '07 improved from '06

Unit = USD / Ton

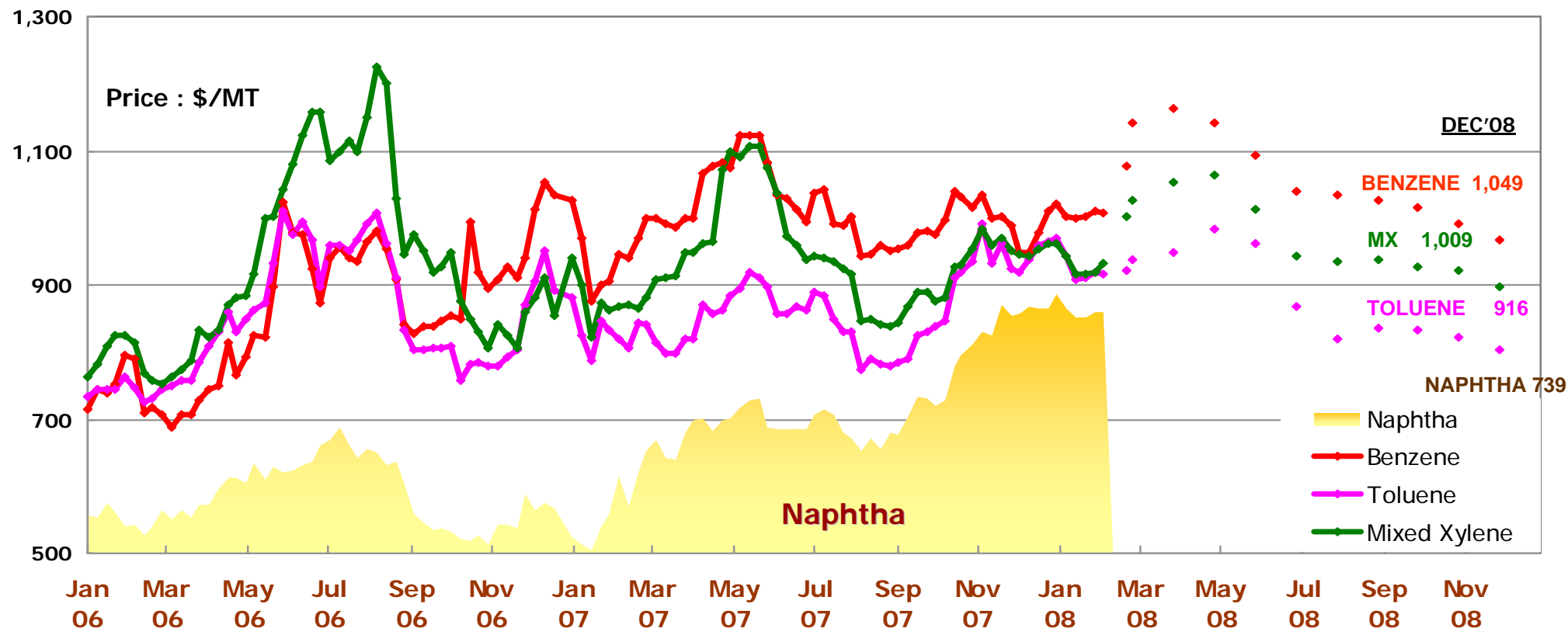


Petrochemical Product (F)



Note : 1. HDPE , PP, Ethylene & Propylene price from ICIS LOR (CFR SEA).
 2. Naphtha price from ICIS LOR (CFR Japan). 3. Forecast Price from CMAI as of Dec,07.

Upstream to BTX Price: Slim margin from rising naphtha



\$/MT	2006	Q1	Q2	Q3	Q4	2007	Dec07	Jan08	1- 11 Feb08
Naphtha	584	602	697	691	826	704	866	863	859
Benzene	858	952	1,063	977	996	997	971	1,008	1,007
Toluene	845	843	899	821	930	873	949	930	915
Mixed Xylene	922	914	1,060	917	943	959	950	931	916



Note : 1. BTX price from Platt's (SEA) 2. Naphtha price from ICIS LOR (CFR Japan). 3. Forecast Price from CMAI as of Dec,07.

Conclusion & Strategy



Conclusion – Enhancement plans prepared for downturn

- **Hedge when appropriate**
 - Acquire alternatives for crude price setting
 - Lock in some export volume and formula price
- **Avoid tough margin market**
 - Move to more specialty plastic grades, high-margin lube base oil products
 - Reduce China exposure.
 - Penetrate more into India, Australia, New Zealand, South Africa market.
- **Synergy for higher bargaining power & reduce cost**
 - Manage logistic via PTT group for higher bargaining power
 - Bundle Crude / FX / Sell products via PTT group for better price
- **Cost reduction to be continued**
 - MIR & SGS
 - Propylene Booster for lower feed cost for PP
 - Improvement in purchasing process and optimize non-hydrocarbon inventory
- **Enhance other income**
 - Utilities income, i.e. electricity, air cooling via price and volume re-set.
 - Non-core assets for sale

Financial Performance

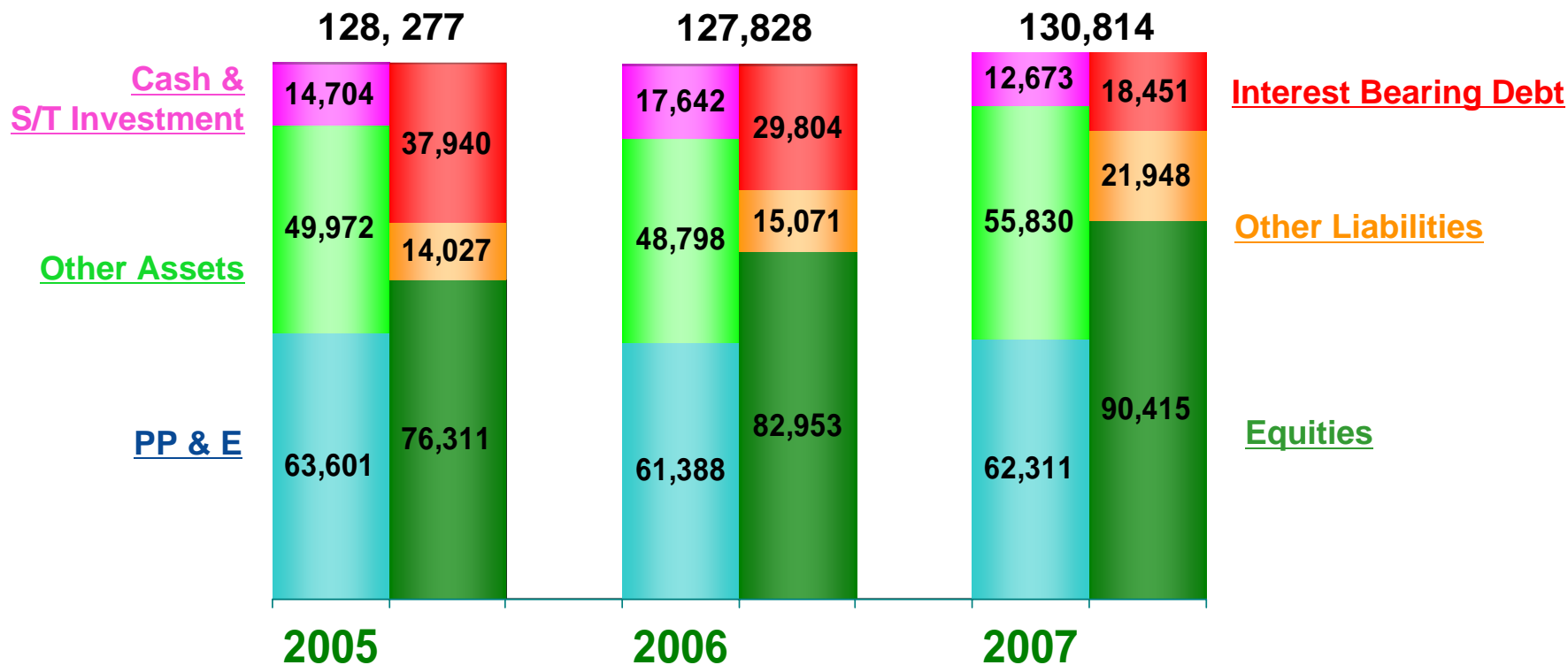


Financial Highlights

Unit: Million Baht	4Q07	4Q06	%YoY	3Q07	%QoQ	2007	2006	%YoY
Net Sales	62,419	39,862	56.6%	51,512	21.2%	211,088	191,991	9.9%
Cost of Goods Sold	(58,788)	(41,390)		(47,021)		(193,331)	(179,958)	
Gross Profit	3,631	(1,527)		4,491	-19.1%	17,758	12,033	47.6%
Gross Margin	5.8%	-3.8%		8.7%		8.4%	6.3%	
Other Revenue	21	74		255		603	850	
SG&A	(1,640)	(1,121)	46.3%	(1,177)	39.4%	(4,861)	(3,580)	35.8%
EBITDA	2,012	(2,574)		3,569	-43.6%	13,500	9,303	45.1%
EBITDA Margin	3.2%	-6.5%		6.9%		6.4%	4.8%	
Depre. & Amort.	(775)	(739)		(773)		(3,078)	(3,076)	
EBIT	1,236	(3,314)		2,797	-55.8%	10,422	6,227	67.4%
Net Interest Expenses	(156)	(171)		(189)		(434)	(1,289)	
Pretax Profit	1,081	(3,485)		2,608	-58.6%	9,988	4,938	102.3%
Taxes	(0)	(11)		(8)		(31)	(32)	
Net Profit before Extra.	1,081	(3,496)		2,599	-58.4%	9,956	4,906	102.9%
Doubtful Account	(60)	(21)		31		28	(383)	
FX. Gain/(Losses)	273	393		309		1,306	2,451	
Investment Gain (Loss)	(482)	-		547		1,025	-	
Asset Gain (Loss)	668	-		-		684	-	
Other Expenses	(1)	(3)		(2)		(14)	(151)	
Net Profit	1,479	(3,127)		3,485	-57.6%	12,986	6,823	90.3%
No. Share (M.)	19,500	19,500		19,500		19,500	19,500	
Norm. EPS	0.06	(0.18)		0.13	-58.4%	0.51	0.25	102.9%
EPS	0.08	(0.16)		0.18	-57.6%	0.67	0.35	90.3%
BV	4.63	4.25		4.57		4.63	4.25	8.9%

Balance Sheet : Strengthening Financial Position

Unit: Millon Baht



Treasury policy :

- Net Debt/Equity < 1.0x
- Net Debt/EBITDA < 2.0x

Current Status

= 0.07x
= 0.44x

Key Financial Ratios

	4Q07	4Q06	3Q07	2007	2006
<u>Liquidity & Leverage Ratio (Times)</u>					
Quick Ratio	1.76	0.83	2.15	1.76	0.83
Total IBD / Equity	0.21	0.36	0.21	0.21	0.36
Net IBD / Equity	0.07	0.15	0.06	0.07	0.15
Liabilities / Equity	0.45	0.54	0.43	0.45	0.54
Net IBD / EBITDA	0.73	1.31	0.37	0.44	1.31
IBD / EBITDA	2.31	3.21	1.23	1.37	3.21
EBITDA / Interest Exp.	7.05	(9.49)	11.89	12.20	4.47
<u>Profitability Ratio</u>					
Gross Profit Margin	5.8%	-3.8%	8.7%	8.4%	6.3%
EBITDA Margin	3.2%	-6.5%	6.9%	6.4%	4.8%
Net Profit Margin	2.4%	-7.8%	6.8%	6.2%	3.6%
ROE	14.4%	8.2%	17.2%	14.4%	8.2%
ROCE	11.9%	6.0%	14.2%	11.9%	6.0%

Thank you

Investor Relations Contact : ir@irpc.co.th

Tel. 02-649-7813-5, Fax. 02-649-7812

4Q07 and Full Year 2007 presentation is available at

www.ir-irpc.com

Click “Analyst Meeting”

This presentation material has been prepared solely for informational purposes only. IRPC is furnishing it solely for use by prospective investors / analysts in the proposed event. IRPC makes no representations or warranties as to the accuracy or completeness of such information. By accepting this material each recipient agrees that IRPC shall not have any liability for any representations (express or implied) contained in, or for any omissions from this presentation.

The information contained herein does not purport to be all-inclusive or to contain all of the Information that may be material to the recipient's decision. Each recipient of the information and data contained herein should perform its own independent investigation and analysis of the transaction and the creditworthiness of IRPC . Reference in this Disclaimer to this shall include references to the Appendices (if any) hereto.

