

INDORAMA
VENTURES

ANNUAL REPORT

2014

www.indoramaventures.com

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“
**VISION,
MISSION,
VALUES**
”

Industry Leading R&D

Our world-class research facilities are led by the best teams in the industry, enabling IVL to continuously innovate to provide solutions today to tomorrow's questions.

VISCOMETER BATH



Vision

Indorama Ventures will be one of the leading global producers in the polyester space with our key focus on people and processes, thus making us one of the most admired companies in the world.

Mission

We will continuously upgrade the quality of our products and services through the involvement of stakeholders and by utilizing world-class processes to attain customer delight, thus becoming a preferred supplier. We will institutionalize people learning as a key factor for business growth.

Value

•People First

We believe that people are our core strength, be it our employees, suppliers, customers, shareholders or other stakeholders. Their involvement and satisfaction are the key drivers for our success and growth.

•Customer Delight

We believe we exist because of our customers. We focus our activities to achieve customer delight and loyalty for a long lasting relationship.

•Social Responsibility

We believe in being responsible and caring for society; maintaining as well as enhancing the environment around us.

•Corporate Governance

We believe in transparency, accountability and ethics. We aim to achieve the highest degree of governance in accordance with best practice.

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**Independent Auditor's Report
and Financial Statements**

"Investors can study the additional information of the Company from the Annual Registration Statement (Form 56-1) as shown in the SEC website, www.sec.or.th or the Company website, www.indoramaventures.com"

PERFORMANCE

Highlights

	Baht Million	
	2013	2014
Total production (in '000 tons)	5,804	6,249
⁽¹⁾ Consolidated Sales	229,120	243,907
PET	146,418	145,121
Fibers & Yarns	47,968	70,274
Feedstock	70,391	64,477
⁽²⁾ Core EBITDA	14,966	19,481
PET	7,636	9,275
Fibers & Yarns	2,910	4,108
Feedstock	4,456	6,296
Depreciation	(7,051)	(8,099)
Core EBIT	7,915	11,382
Net Interest	(3,627)	(3,481)
Core Profit before tax	4,287	7,902
Current tax income/(expense)	(302)	(451)
Deferred tax (expense)	(991)	(1,163)
Core Profit before JV and NCI	2,994	6,287
Joint Ventures (JV) Income/(Loss)	(741)	(937)
NCI (Non-controlling interests)	(191)	(285)
Core Net Profit	2,062	5,065
⁽³⁾ CAPEX and investment	6,971	13,726
Net Operating Debt	72,991	58,013
Net Working Capital Assets (NWC)	31,093	26,492
NWC/ Net Operating Debt (%)	43%	46%
⁽⁴⁾ Total Equity	61,568	75,555
Net Operating Debt to Equity	1.2	0.8
Net Operating Core ROCE (before JV's)	6.0%	9.0%

(1) Consolidated financials are based upon elimination of intra-company (or intra business segment) transactions

(2) Core EBITDA is Consolidated EBITDA less Inventory gain/(loss)

2014 Core EBITDA includes a LOP (loss of profit) Lopburi flooding insurance claim of THB 140 MM

2013 Core EBITDA includes a LOP Lopburi flooding insurance claim of THB 899 MM

(3) CAPEX and investment (including net proceeds from sales of PPE and investments) are on a cash basis as per cash flow statement

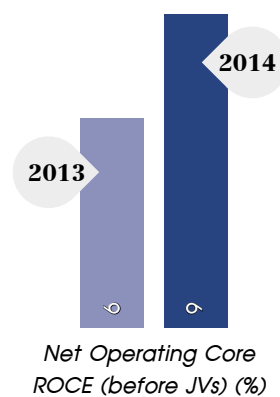
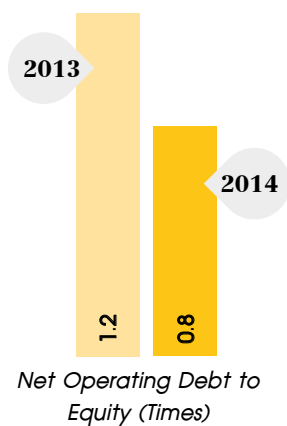
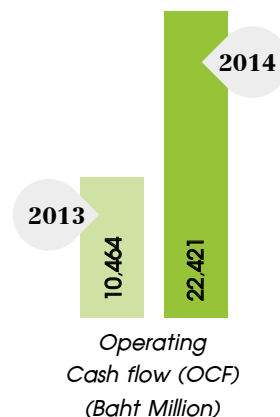
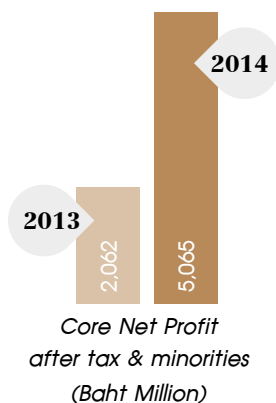
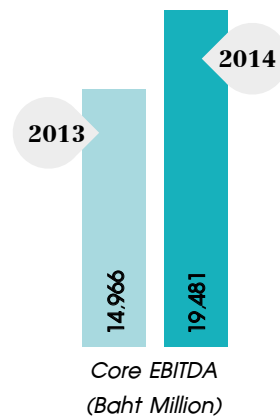
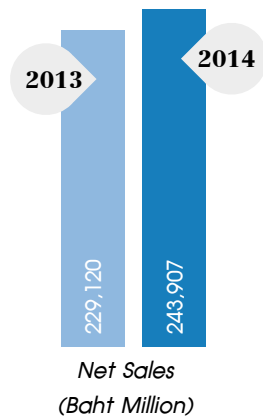
(4) Includes Subordinated Perpetual Debentures valued at THB 14,874 million as on December 31, 2014



	Baht Million	
	2013	2014
Core Net Profit	2,062	5,065
Add: Inventory gain/(loss)	(928)	(3,522)
Net profit, before extraordinary items	1,134	1,543
Add: Non Operational/Extraordinary income/(expense)	192	(58)
Acquisition cost & pre-operative expense	32	(126)
Gain on Bargain Purchases and Impairments (Net)	(299)	506
Insurance Claims (Lopburi flood assets related claim)	791	-
Other Extraordinary Income/(Expense)	(332)	(438)
= Net profit after tax and NCI	1,326	1,485

PERFORMANCE

Charts



FINANCIAL

Highlights

The following table sets forth summary of the consolidated financial statements of Indorama Ventures Public Company Limited from 2012 to 2014

Statements of Financial Position (Consolidated Financial Statements)

Unit: Baht million	As of December 31					
	2012 Restated	%	2013	%	2014	%
<u>Assets</u>						
Current assets						
Cash and cash equivalents	4,374.2	2.5	4,114.4	2.2	5,419.6	2.8
Current investments	227.6	0.1	262.6	0.1	5,101.8	2.6
Trade accounts receivable	25,596.9	14.8	28,827.2	15.2	26,203.0	13.4
Short-term loans to related parties	0.2	0.0	0.6	0.0	75.1	0.0
Inventories	24,679.5	14.3	28,939.6	15.3	29,141.1	14.9
Other current assets	5,106.1	3.0	6,278.3	3.3	6,239.6	3.2
Total current assets	59,984.5	34.8	68,422.6	36.2	72,180.2	36.9
Non-current assets						
Investments in jointly-controlled entities	5,124.4	3.0	2,887.5	1.5	1,941.9	1.0
Other long-term investments	105.0	0.1	99.0	0.1	104.7	0.1
Long-term loans to related parties	60.8	0.0	98.4	0.1	164.1	0.1
Property, plant and equipment	86,724.6	50.3	96,213.5	50.9	98,900.6	50.6
Goodwill	7,485.4	4.3	8,018.7	4.2	8,054.8	4.1
Other intangible assets	10,430.9	6.0	11,245.7	5.9	11,126.9	5.7
Deferred tax assets	1,100.5	0.6	1,185.1	0.6	1,105.3	0.6
Other non-current assets	1,457.7	0.8	871.2	0.5	1,909.6	1.0
Total non-current assets	112,489.4	65.2	120,619.2	63.8	123,307.9	63.1
Total assets	172,473.9	100.0	189,041.8	100.0	195,488.1	100.0
<u>Liabilities and equity</u>						
Current liabilities						
Bank overdrafts and short-term loans from financial institutions	13,371.2	7.8	16,075.4	8.5	8,581.0	4.4
Trade accounts payable	22,305.1	12.9	25,663.2	13.6	27,764.2	14.2
Current portion of long-term loans from financial institutions	5,609.1	3.3	3,921.9	2.1	4,426.2	2.3
Current portion of finance lease liabilities	41.1	0.0	5.2	0.0	8.3	0.0

Unit: Baht million	As of December 31					
	2012 Restated	%	2013	%	2014	%
Income tax payable	1,016.7	0.6	700.9	0.4	854.3	0.4
Other current liabilities	4,932.2	2.9	6,613.9	3.5	6,431.6	3.3
Total current liabilities	47,275.4	27.4	52,980.5	28.0	48,065.7	24.6
Non-current liabilities						
Long-term loans from financial institutions	39,980.9	23.2	41,463.3	21.9	32,757.6	16.8
Debentures	21,623.8	12.5	23,795.7	12.6	27,499.0	14.1
Finance lease liabilities	3.3	0.0	4.6	0.0	21.4	0.0
Deferred tax liabilities	5,337.5	3.1	6,924.8	3.7	8,890.4	4.5
Employee benefit obligations	880.0	0.5	961.8	0.5	1,755.0	0.9
Other non-current liabilities	808.2	0.5	1,343.4	0.7	944.2	0.5
Total non-current liabilities	68,633.7	39.8	74,493.6	39.4	71,867.6	36.8
Total liabilities	115,909.2	67.2	127,474.1	67.4	119,933.3	61.4
Equity						
Share capital						
Authorised share capital	4,815.9	2.8	4,815.9	2.5	5,666.0	2.9
Issued and paid-up share capital	4,814.3	2.8	4,814.3	2.5	4,814.3	2.5
Additional paid in capital:						
Share premium	29,774.6	17.3	29,774.6	15.8	29,774.6	15.2
Unrealised surpluses (deficits)						
Revaluation surplus	1,322.7	0.8	1,109.4	0.6	921.8	0.5
Hedging reserve	(42.2)	(0.0)	(8.4)	(0.0)	(37.4)	(0.0)
Currency translation differences	(1,971.9)	(1.1)	2,499.8	1.3	955.5	0.5
Excess of cost over book value of acquired subsidiaries	(3,295.0)	(1.9)	(3,295.0)	(1.7)	(3,290.7)	(1.7)
Differences arising from common control transactions	(1,235.6)	(0.7)	(1,235.6)	(0.7)	(1,235.6)	(0.6)
Retained earnings						
Appropriated						
Legal reserve	1,739.5	1.0	1,832.7	1.0	1,834.7	0.9
Unappropriated	25,131.0	14.6	25,013.6	13.2	24,869.8	12.7
Equity attributable to shareholders	56,237.4	32.6	60,505.5	32.0	58,607.0	30.0
Subordinated perpetual debentures	-	-	-	-	14,874.1	7.6
Equity attributable to equity holders	56,237.4	32.6	60,505.5	32.0	73,481.0	37.6
Non-controlling interests	327.3	0.2	1,062.2	0.6	2,073.7	1.1
Total equity	56,564.7	32.8	61,567.8	32.6	75,554.8	38.6
Total liabilities and equity	172,473.9	100.0	189,041.8	100.0	195,488.1	100.0

08/Financial HIGHLIGHTS

Statements of Income (Consolidated Financial Statements)

Unit: Baht million	For the year ended December 31					
	2012 Restated	%	2013	%	2014	%
Income						
Revenue from sale of goods	210,729.0	100.0	229,120.4	100.0	243,907.2	100.0
Net foreign exchange gain	751.2	0.4	267.0	0.1	375.4	0.2
Interest income	272.6	0.1	152.6	0.1	71.6	0.0
Gain on a bargain purchase	147.5	0.1	-	-	1,669.9	0.7
Impact of flooding, net	1,873.0	0.9	1,690.2	0.7	140.0	0.1
Other income	949.6	0.5	1,126.3	0.5	1,572.8	0.6
Total income	214,723.0	101.9	232,356.6	101.4	247,736.9	101.6
Expenses						
Cost of sale of goods	193,483.5	91.8	211,779.0	92.4	222,070.0	91.0
Selling and administrative expenses	11,817.9	5.6	12,772.1	5.6	16,537.0	6.8
Management benefit expenses	109.0	0.1	76.1	0.0	90.2	0.0
Impairment losses	-	-	-	-	744.1	0.3
Total expenses	205,410.4	97.5	224,627.2	98.0	239,441.3	98.2
Share of profit of jointly-controlled entities	(889.1)	(0.4)	(1,108.0)	(0.5)	(1,356.1)	(0.6)
Profit before finance costs and income tax expenses	8,423.5	4.0	6,621.4	2.9	6,939.6	2.8
Finance costs	3,447.1	1.6	3,811.0	1.7	3,554.5	1.5
Profit before income tax expenses	4,976.3	2.4	2,810.5	1.2	3,385.0	1.4
Income tax expense	2,071.8	1.0	1,293.9	0.6	1,614.5	0.7
Profit for the year	2,904.5	1.4	1,516.6	0.7	1,770.6	0.7
Attributable to:						
Owners of the Company	2,740.1	7.8	1,325.9	2.0	1,485.4	1.9
Non-controlling interests	164.4	0.5	190.7	0.3	285.2	0.4
Profit for the year	2,904.5	8.3	1,516.6	2.3	1,770.6	2.3
Earnings per share (in Baht)	0.57		0.28		0.28	

Cash Flow Statement (Consolidated Financial Statements)

Unit: Baht million	For the year ended December 31		
	2012 Restated	2013	2014
Cash flows from operation activities			
Profit for the year	2,904.5	1,516.6	1,770.6
<i>Adjustment for</i>			
Depreciation	6,061.1	6,351.1	7,309.2
Amortisation of intangible assets and other assets	658.0	700.5	790.2
Interest income	(272.6)	(152.6)	(71.6)
Gain on bargain purchase	(147.5)	-	(1,669.9)
Gain on previously held interest in a jointly-controlled entity	-	(86.9)	-
Share of loss of jointly-controlled entities, net	889.1	1,108.0	1,356.1
Finance costs	3,447.1	3,811.0	3,554.5
Unrealised foreign exchange (gain) loss	(139.3)	151.4	222.8
Provision for bad and doubtful debts expenses, net	11.0	14.4	(7.5)
Provision for inventory obsolescence, net	5.6	69.9	169.8
Provision for impairment for inventory and machinery	0.2	18.2	597.4
Provision for impairment on equity-accounted investment	-	-	146.7
Employee benefits expense	164.1	193.5	123.5
Gain on sale of flood damaged inventory and property, plant and equipment as a result of scrap sales	(113.8)	-	-
(Gain) loss on disposal of property, plant and equipment, net	(5.0)	6.8	64.5
Write-off of property, plant and equipment	14.4	0.1	-
Gain on disposal of investment in other equity security	(2.5)	-	-
Income tax expense	2,071.8	1,293.9	1,614.5
	15,546.2	14,995.9	15,970.7
Changes in operating assets and liabilities			
Trade accounts receivable	1,077.8	(2,753.2)	5,328.7
Inventories	(1,386.0)	(2,438.4)	1,945.6
Other current assets	(226.3)	(1,206.6)	(272.4)
Other non-current assets	(46.4)	157.1	(244.3)
Trade accounts payable	1,793.5	2,724.3	659.7
Other current liabilities	(365.2)	(195.8)	(485.3)
Other non-current liabilities	(145.1)	(121.7)	(52.4)
Employee benefits obligation	(104.5)	(200.6)	(169.7)
Income taxes paid	(640.6)	(496.5)	(259.1)
Net cash from (used in) operating activities	15,503.4	10,464.4	22,421.5

10/Financial HIGHLIGHTS

Unit: Baht million	For the year ended December 31		
	2012 Restated	2013	2014
Cash flows from investing activities			
Interest received	309.4	188.1	42.0
Proceeds from sale of flood damaged inventory and property, plant and equipment as a result of scrap sales	113.8	-	-
Purchase of property, plant and equipment	(10,871.2)	(6,800.1)	(8,434.4)
Proceeds from sale of property, plant and equipment	29.9	9.9	89.3
Purchase of other investments, net	5,355.5	(28.9)	(4,845.7)
Sale of investment in other equity securities	2.5	-	-
Purchase of intangible assets	(7.0)	(44.6)	(93.2)
Net cash outflow on acquisitions of businesses	(30,891.4)	(288.0)	(3,611.2)
Net cash inflow on previously held interest in jointly-controlled entity	-	351.3	-
Net cash outflow on additional investments in subsidiaries and jointly-controlled entities	(413.8)	(103.9)	(316.8)
Advance payment on additional investment in jointly-controlled entity	-	-	(437.8)
Other advance payments	-	(85.3)	(915.5)
Net cash from (used in) investing activities	(36,372.3)	(6,801.4)	(18,523.5)
Cash flow from financing activities			
Interest paid	(3,151.6)	(3,839.1)	(3,479.9)
Deferred financing cost paid	(183.0)	(271.1)	(40.2)
Dividends paid to owners of the Company	(3,273.7)	(1,540.6)	(1,587.8)
Dividends paid to non-controlling interests	(16.9)	(85.6)	(65.7)
Proceeds from short and long-term borrowings	22,349.4	29,289.2	4,093.7
Repayment of short and long-term borrowings	(16,580.3)	(29,566.1)	(19,944.3)
Repayment of finance leases	(20.1)	(44.7)	(9.1)
Proceeds from issue of debenture, net of debenture issuance costs	14,148.0	2,162.3	3,691.7
Proceed from issue of subordinated perpetual debentures, net of issuance costs	-	-	14,874.1
Loans to a jointly-controlled entities	(60.1)	(32.4)	(97.4)
Net cash from (used in) financing activities	13,211.7	(3,928.0)	(2,564.9)
Net increases (decreases) in cash and cash equivalents	(7,657.1)	(265.0)	1,333.1
Cash and cash equivalents at beginning of year	12,036.2	4,374.2	4,114.3
Effect of exchange rate changes on balances held in foreign currencies	(5.0)	5.2	(27.9)
Cash and cash equivalents at end of year	4,374.2	4,114.3	5,419.6

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We will maintain
a keen focus on

**DELIVERING
LONG-TERM,
SUPERIOR
SHAREHOLDER
VALUE.**

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The Chairman of IVL Board, Mr. Sri Prakash Lohia discusses 2014. Mr. Sri Prakash (S.P.) Lohia as Chairman of the Board of Directors is determined to ensure that the values of the company are in line with the needs of the modern world and the company's shareholders.

"As the 47th largest chemical company in the world according to Chemical and Engineering's world's 50 largest chemical producers for 2014, we realize that we have a lot of expectations from shareholders. The Board has accordingly taken a leadership role in building our corporate governance level, which is the key to ensuring the sustainable development of the company in line with good business practice," he says. "In order to fulfil our mission, we have issued 16 policies related to corporate governance and implemented an initiative to promote awareness and practice of these policies within the organization under the *Corporate Governance Policy Awareness Campaign* (CGPAC). Being a global company, we have ensured that all policies are available in 12 languages. The work of the CGPAC working team is now assessed by the Nominating, Compensation and Corporate Governance Committee, which also advises and recommends activities when appropriate.

"It has been this top down approach that will ensure long-term success," notes the Chairman. The Board of Directors will lead by example in the Company. The Key Results Areas (KRAs) of the Group Chief Executive Officer and Executive Directors were reviewed, in addition to the introduction of a self-assessment by individual Directors as a part of our own good governance. Efforts in this area are being recognized and in the Corporate Governance Report given to us by the Thai Institute of Directors, the Company scored 93%, compared to 87% in 2012," he says.

One of the key areas of governance that the Company has focused on at the start of its campaign is that of anti-corruption. "This is seen by all stakeholders as a subject of great significance," Mr. Lohia points out. "We deal with stakeholders who anticipate that we will hold ourselves to high levels of integrity before we can request them to follow our lead. One area of interest to all parties is the role of the private sector in ending corruption. We were pleased to learn that Thailand has a private sector, *Coalition Against Corruption* (CAC) and were more than willing to join our peers to fight corruption. After the campaign commenced, the CGPAC Committee reported a very favorable reaction from staff and conducted training throughout the business, resulting in recognition and CAC Certification from the Institute of Directors.

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As a leading Polyester value chain player, we intend to focus on the progress of our R&D capabilities.

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"With this strong forward movement, efforts to embed the culture of governance have also resulted in the Company being awarded the "Best Corporate Governance Report Award 2014" and the "CSR Recognition Award 2014" by the SET. The Thai Listed Companies Association along with the Securities and Exchange Commission have also awarded us for having an Outstanding Sustainability Report. These are all benchmarks for shareholders to judge our determination to be an admirable company in every community where we are present," he notes.

"The Board is fully aware of the issues facing the business and established an Enterprise Risk Management (ERM) Committee to identify and respond to perceived risks, both financial and reputational. We began to observe that the potential risks were closely identified with our future sustainability and made a decision later in the year to include sustainability as part of the ERM sub-committee," explains the Chairman.

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Moving Forward

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"I am pleased to report that our core profitability is improving due to our diversification of risk through geographic regions and product mix. Despite a non-cash inventory revaluation as a result of lower crude oil price, this new environment has brought some positive impacts to IVL. These include lower working capital requirements, improved competitiveness to competing materials, and higher disposable income and therefore higher demand from end consumers. In 2015, we expect to benefit from volume growth on these higher demand factors.

"Our objective is to strengthen our position as a market leader in the polyester value chain segment of intermediate petrochemicals in terms of scale, integration and differentiation as well as profitability and return on investment," says S.P. Lohia. "We will maintain a keen focus on delivering long-term, superior shareholder value.

Our capital expenditure plan up to 2018 includes investing a total of US\$ 2.2 billion, with a primary focus on our core businesses within the Polyester value chain. Our strategy is to build upon our position in each region, as well as expand our geographical presence through organic growth and value-enhancing acquisitions in our industry."

Mr. S.P. Lohia understands from where the future of the Company's success will emanate. "Our investments into higher value added products through acquisition and R&D and our overall improvements in volume have pushed us ahead already," he notes. "As a leading Polyester value chain player, we intend to focus on the progress of our R&D capabilities, either through our own facilities or through the establishment of key relationships with industry players.

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Anti-corruption is seen by all stakeholders as a subject of great significance.

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"We have a strong track record of acquiring businesses and integrating them successfully into our organization," he points out. "Asian weakness in PTA affects the whole industry, yes, but we have mitigated our position by acquiring strategic businesses around the globe and this has contributed to the core business, which is continuing to make good profits. Similarly, we see this for fibers and yarns, where assets in Europe and North America have made their presence felt due to the unique differentiation of the Company."

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A Quarter Century of Performance... Together

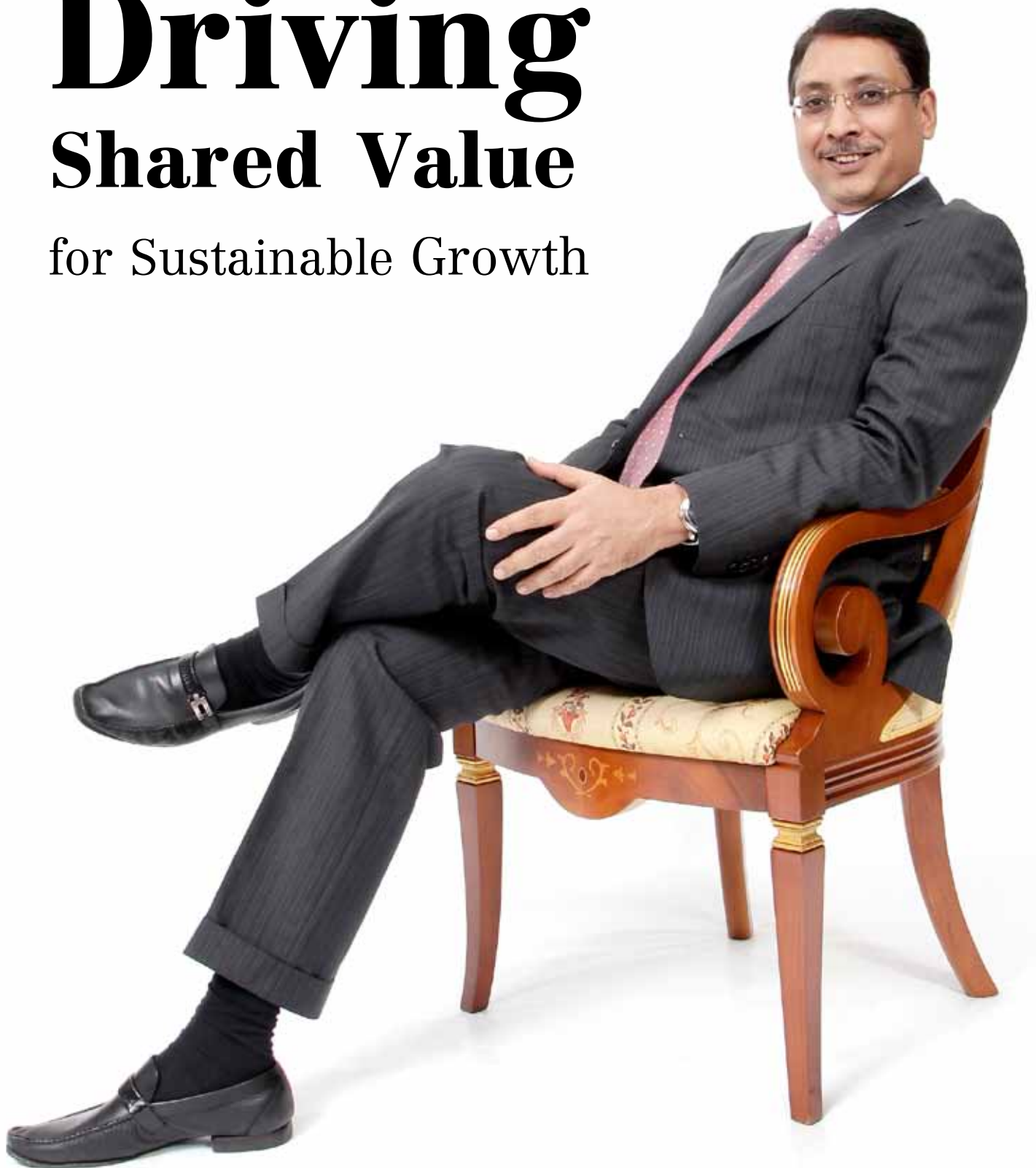
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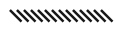
"2015 marks the 25th anniversary of Indorama Ventures in Thailand. The support and confidence given to us by all of our stakeholders has given us the fuel and momentum to grow from strength to strength over this past quarter of a century. We strive to continue delivering on our promise of quality, service, and commitment, while maintaining your trust and fortifying our partnerships.

"In closing," Mr. S.P. Lohia says, "I want to thank our stakeholders for their continued faith in the Company and express the hope that we will all continue to share in the benefits created by Indorama Ventures for many years to come."

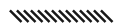
Driving Shared Value

for Sustainable Growth





Group CEO



Group Chief Executive Officer and Vice Chairman of Indorama Ventures, Mr. Alope Lohia discusses 2014 events and results.

"I am pleased to report that our Company has shown solid signs of continued growth during the year, which has been reflected by a stronger Core EBITDA that grew 30% over 2013 and full year core earnings of THB 5.1 billion, which was a significant increase of 146% over full year 2013. This is not a flash-in-the-pan as that result was achieved in what for many of our peers was considered a tough year. Much of the success stems from earlier investments into businesses that are continuing to bear fruit for the company," says Mr. Lohia. "Although our top line has remained steady in dollar terms due to the decline in oil prices, our volumes have grown by 8% and our core blended margins by 16% over 2013."



Past and Present Investments lead to Growing and Sustainable Performance



"By focused investing in our area of core competence, we are continually growing the business for long term sustainability. Our past actions have brought us to a position of market leadership and strength today. We can proudly claim that one out of every three bottles in Europe and North America are made from IVL PET resins," says Mr. Lohia. "Since acquiring our hygiene fiber flagship, FiberVisions, in 2012 we today serve half of all the diapers produced in the world.

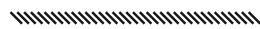
"Our investments into High Value-added (HVA) products over the past few years are delivering positive returns due to the premium margins that they command over necessities and due to the barriers to entry that we have created for ourselves. The successful completion in April 2014 of the deal to acquire 80% of PHP Fibers, a leading global Nylon 6.6 airbag yarn supplier, was our first entry into the key safety-related airbag and tire cord business, a significant enhancement of our HVA product portfolio. Our partner in PHP Fibers, Toyobo, is a leading Japanese manufacturer of high-function products for the automotive and other industries. Today, I am proud that one in every four airbags in the world is made from our yarns and in Europe that is one in every three."



I am proud that one in every four airbags in the world is made from our yarns and in Europe that is one in every three.



Automotive Sector to be a Focus



"Our high performance automotive and industrial products sector is an attractive segment and will be enhanced by another acquisition we completed in early 2015, Performance Fibers, located in China," says Mr. Lohia. "Through this investment we will gain synergies with our current platform of superior auto sector assets in Europe. Our specialty polymers and airbag yarns businesses together with Performance Fibers' tire fabrics will create scale as well as operational and technical leverage to place Indorama Ventures firmly amongst the leading suppliers of automotive safety applications worldwide. With the continued growth of China, India and all emerging nations, the industry growth outlook for tires remains very attractive, especially as the importance of radial tires increases given its contributions to fuel efficiency and passenger comfort."

"Consolidation of our specialist fibers and filaments venture in Germany, Trevira, has seen improved earnings, especially in niche material markets," Mr. Lohia explains. "This whole business segment saw production increase from 910,000 tonnes in 2013 to 1,150,000 tonnes in 2014, a growth of 26% year on year."

Mr. Lohia adds, "We completed construction of a new state-of-the-art polyester plant in Indonesia, which is one of the most cost-efficient sites in the world today. During 2014, we spent time ramping up capacity, but it should be running full steam ahead in 2015 and will offer us the benefit of its low cost structure. This will allow us to move the production of lower margin necessity fibers and yarns to Indonesia while converting the technology in our Thailand factories to suitable HVA products."

Referring to the Fibers and Yarns Division, Mr. Lohia says, "This did very well in 2014 and achieved a Core EBITDA of US\$126M, or 34% over the previous year. I foresee that we can expect further expansion of our earnings with the acquisition of Performance Fibers. Synergies among our businesses and a broader specialized portfolio will make us the supplier of choice for global, branded clients."

Entry into New Markets

Referring to the company's entry into the Turkish market, Mr. Lohia explains his excitement with the potential of this market, "Turkey is a country that has high demand growth and our acquisition of Indorama Ventures Adana PET in the Southeast of the country in 2014 is complemented by the more recent acquisition of Polyplex's PET facility in Northwest Turkey in March 2015. With duty free entry into the European market, the acquisitions will allow us to consolidate not only the Southeast European market for PET and provide greater volumes in our key markets but will also allow us to serve new markets in the bordering countries of Eastern Europe," he says. "Such acquisitions provide us more geographical diversification, bringing us closer to the global businesses of large clients."

"One of the opportunities we have successfully developed is the expansion of our packaging division in underserved yet high growth markets, allowing us to better serve brand owners and local customers. We have been able to position ourselves in emerging markets where international packaging companies do not yet have a presence. The Company's nascent PET packaging business in Nigeria for instance has drawn greater volumes of PET resin in 2014. African PET operations are expected to run at higher utilization rates with the entry of our new packaging business in Ghana. 2014 also saw us enter Philippines where we are successfully operating out of three sites, as well as laying the groundwork for our maiden venture into Myanmar," Mr. Lohia says.

“Our business model of geographical and product diversity with significant HVA products differentiates us. HVA products continued to gain traction and are now over a quarter of our revenue and a third of our core EBITDA.”

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Continued Focus on the Core

Speaking about the core PET business, Mr. Lohia explains, "The PET segment represents 50% of IVL production and 48% of IVL Core EBITDA in 2014 and continues to play a fundamental role in growing the Company. The volume of production increased 7% year on year. This in turn led to growth of our core EBITDA of 21% year on year. We have been able to create sustainable returns due to our disciplined approach towards cost, production, and operating excellence. A good example of this is the debottlenecking project undertaken at our PET production site in Poland, which has been turned into our most efficient site in Europe today."

"As expected, the PTA business in Asia continues to underperform. The industry has been affected by severe overcapacity and we expect this to continue up to 2016. Our investments into PTA help serve our business model as an integrated polyester value chain player, an important criteria for our customers. Although the recent returns have been disappointing, we take a long term view across the cycle and

the average returns over this cycle are in line with our investment basis," explains Mr. Lohia.

"Europe, in contrast, is a more disciplined and less fragmented market, similar to that of North America. Our Rotterdam PTA business continues to perform well and will receive a further boost when it completes its debottlenecking in late 2015."

Impact of Decline in Crude Oil Prices

Indorama Ventures, like other players in the petrochemical chain, has had in 2014 a non-cash inventory revaluation as a result of the fall in crude oil prices.

"Our business model of geographical and product diversity with significant HVA products differentiates us. HVA products continued to gain traction and are now over a quarter of our revenue and a third of our core EBITDA," Lohia noted. "There have been some real benefits brought on by a lower crude oil price environment, such as lower working capital requirements, enhanced competitiveness to competing materials, higher disposable income in the hands of end consumers and hopefully greater margins for our fast moving consumer goods (FMCG) customers that could lead to more marketing dollars and subsequent higher demand. Our company can therefore expect positive benefits from the decline in crude oil prices considering that our end-products serve consumer necessities and demand growth is expected to be higher than normal in 2015."

"The drop in the absolute price of Polyester bodes well for our fiber business since it helps us compete better with cotton and will improve polyester's share in blended textile products," Mr. Lohia says. "Polyesters are usually the most cost competitive material in each of the applications to which they cater

and therefore continue to substitute competing, more expensive and less environmentally friendly products.”

Business Strategy

IVL continues to look at growth opportunities in its core business, both organic and inorganic. Mr. Lohia outlines the plan going forward. “We have a capital expenditure plan to invest around US\$ 1.9 billion on growth and US\$ 0.3 billion on maintenance from 2015-18, for a total of US\$ 2.2 billion, funded through cash flow from operations, debts and our perpetual debentures, issued in October 2014. These investment plans will primarily be in our current core competencies within the Polyester value chain. Larger upstream integration projects are under review as we model the impact on them from the highly volatile crude oil environment.”

“We want to maintain a net debt to equity ratio of around 1.0 times in the long term, and as of the end of the year it stands at 0.83 times. Our businesses have a track record of strong cash flows, aided by the fact that the majority of sales are to the consumer necessities sector.”

Anniversary Milestone

Mr. Alope Lohia made his first investment in Thailand to found Indorama Ventures 25 years ago and in 2015, “We are still reinventing ourselves,” he says. “Today, we are leaders in Polyester and a major resource of recycled ‘raw’ materials. We are also now focusing more on our

sustainability going forward,” he points out. “Our recycled product volumes are growing and our capability has been extended to our Mexican and Thai operations in 2014. As a member of the World Economic Forum (WEF), I have witnessed how the issues of the day are focusing on sustainability. The world is changing and we will continue to adapt along with it, refocusing and reshaping ourselves towards a shared goal of a circular, sustainable economy. Our story transports us from where we are - from being a vital part of a process - to being right at the heart of the matter, the very heart of a circular economy as we implement more recycling projects globally and implement more sustainability measures.”

People

“We must not forget that throughout it all, what holds these walls together is the IVL family - the true backbone of this company. Today IVL has over 14,000 members, comprising of a multitude of cultures, ethnicities and nationalities. We have a presence across 17 countries with 51 operating sites, yet we operate as one global team.

Looking back over the past 25 years, we have crossed many hurdles and overcome many challenges. Any accomplishments that we have achieved have only been possible through the sheer determination and passion of the IVL family.

Finally, I would like to express my gratitude to all our stakeholders for their ongoing support and trust in Indorama Ventures.”

DILIP KUMAR AGARWAL

Efficiency and the right strategies lead to success



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Dilip Kumar Agarwal,
CEO of the PET and
Feedstock Business
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Mr. Dilip Kumar (D.K.) Agarwal runs the major portion of the total business of the company and is a seasoned professional who is familiar with what happens in the businesses he runs globally. Asked to discuss the performance of his business divisions over the past year, he points to several key issues.

"We do better than some peers due to our strong distribution network globally and the corresponding comprehensive reach that ensures we are always close to our key customers. This substantial geographic footprint and our willingness to acquire and build to match our customers' requirements is a successful strategy for the business," he points out. "We are very cost competitive thanks to our judicious choice of markets and assets. Our recent entry into Turkey, first with Indorama Ventures Adana PET in 2014 is a good example of this strategy. Not only is there a growing market for our products but it is a cost-effective jumping off point for sales into Southeast Europe. Our second entry with the acquisition of Polyplex in the North of the country will enable us to cover not only the whole of Turkey but will help us gain entry into nearby East European states."

"We will continue to look for such opportunities in the West, where our customers have their largest markets for necessity products like bottle grade PET, as we know these are markets our customers focus on and require our services and where we can have a geographic advantage and remain cost competitive," he says. "This is one of the reasons we built West Africa's first and only PET plant in Nigeria and expanded that business to include a packaging arm that we acquired to serve customer requirements in the region. Expansion into Ghana has already commenced. We were also pleased to be able to enter the Philippines as a packaging supplier to one of our global branded customers and will expand in the ASEAN region further with a packaging business in Myanmar."

Touching on the recent effects of the fall in crude oil prices, Mr. Agarwal remains very positive: "The fall in crude oil beneficially impacts the economy of many countries. We assume that the savings made due to lower fuel and energy costs will lead to an increase in disposable income and further consumption. Lower PET pricing will drive more packaging substitution as there is no lower cost-effective packaging solution on the horizon. We are also diversifying the product mix further to attract customers by pursuing portfolio expansion and growth into higher value-added or HVA, products; for instance, we have recently penetrated into new sectors such as tire cords, extrusion blow molded polymers and others."

CEO of the PET and Feedstock Business

“

We do better than some peers due to our strong distribution network globally and the corresponding comprehensive reach that ensures we are always close to our key customers. This substantial geographic footprint and our willingness to acquire and build to match our customers' requirements is a successful strategy for the business.

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Mr. Agarwal explains why the company has gone through phases of rapid growth through acquisitions. "Acquisitions allow us to quickly enhance our portfolio and add more customer contacts to whom we can offer a broader range of products or enhance our product offering. R&D-based acquisitions provide us with defensible products that have a lead time in the market, so from a business perspective, such companies create differentiation and some uniqueness that customers find attractive."

Touching on the PTA industry downcycle in 2014, Mr. Agarwal says, "The tremendous and very rapid expansion of PTA assets occurred mainly in China after the high PTA margins of 2011. An excess of capacity led to depressed spreads in Asia while in Europe and North America spreads remained at an acceptable level due to their ability to demand fixed cost plus margins and with import price parity protection. More recently we are seeing capacity growth in the feedstock of PTA, which is paraxylene (PX) and that has caused PX prices to weaken, offering PTA players some margin improvement through discounts. However, new players in Taiwan and South Korea have suffered significant losses due to the low margin regime and the Chinese government pull back of easy loans will likely discourage new investment into PTA in China," he says. "I feel our vertical integration into PET and fibers has certainly helped the Company to remain profitable during the last few years," he explains. "On the MEG and Purified Ethylene Oxide front, the story is very different, and the US market where we have our facility continues to enjoy strong margins and pricing for our input feedstock, ethylene, remains low."

Operational efficiency is always at the top of Mr. Agarwal's mind. "In 2014, we undertook several operational excellence projects, plus a capacity expansion through debottlenecking of our Polish site and have continued to achieve better energy conservation globally. We pride ourselves on being one of the most efficient producers in our industry, positioning ourselves in the lowest cost quartile of producers in every market where we operate. Expansions are a normal course for us to take to increase efficiency; following the expansion of our PET plant in Rotterdam, we continued with an expansion of the PTA facility to balance our upstream and downstream production. This project should be completed this year and make Rotterdam one of the most cost effective on the continent," he says.

For Indorama Ventures' CEO of PET and Feedstocks, sustainability is a key to its future growth and success. Mr. Agarwal explains, "Sustainability for us is a long term investment as we understand the need to ensure our business is able to operate with the lowest impact on people and planet as possible. This will allow us to ensure the longevity of the business," he says. "In Europe, we are already known as the region's largest recycler of post-consumer PET and have taken the initiative to expand our recycling capabilities to North America, where we have facilities in Alabama, the USA and a recent new joint venture in Mexico, as well as in Asia where we opened our first facility in Nakhon Pathom, Thailand last year. By investing now, we are conveying the message to our shareholders that we will be operating for many years to come."

UDEY PAUL SINGH GILL

discusses events and changes in the business over the past year.



President - Polyester Yarns Business

“

We have continued our keen focus on Operational Excellence throughout the year with total cost savings of US\$ 19.8 m in 2014. This translates into US\$16 per tonne in year-on-year cost savings for the company and clearly adds to our corporate sustainability.”

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Over the last five years, the Indorama Ventures Fibers and Yarns business has pursued and successfully executed its strategy of diversification into high performance applications in the hygiene, automotive and industrial segments to achieve leadership position in global fibers industry,” says Mr. Udey Gill. “The fiber business for the first time exceeded volume of one million tonnes and revenue of US\$2 billion and during 2014 the volumes grew by 26% while revenue grew by 47% Moreover, our Core EBITDA grew by 41% in 2014 over 2013.”

Discussing the rapid changes including an important acquisition during the year, Mr. Gill noted, “2014 had been another eventful year with the successful acquisition and integration of PHP, which has a leading position in automotive segment and a strong presence in air bag yarns, tire cord and industrial yarns. Due to enhanced safety concerns the number of air bags in the modern car is increasing to as high as 12 per car, which is a key growth driver for our air bag business.” To emphasize the importance his division places on R&D, Gill noted, “We have been successfully granted two patents through PHP and have applied for one more patent in 2014.”

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Business Segments

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In line with Indorama Ventures’ automotive strategy, the company has progressed with the acquisition process of Performance Fibers Asia, which has a leading position in tire cord fabrics in Asia and is expected to be finalized in the first quarter of 2015.

“These acquisitions will further strengthen our HVA portfolio and enhance our innovation capability in both the automotive and industrial segments,” Mr. Gill explains. “In the hygiene segment, we have introduced a new high loft fiber that has been used by a leading branded customer for its baby wipes, launched in 2014. We have also expanded our hygiene capability in 2014 by commissioning new bi-component lines in Suzhou, China, and Covington in USA.”

Regarding the newer products that are driving the success of the fiber business in Germany, Mr. Gill said, “Trevira in Germany, which is one of our highly innovative units, has successfully launched a new, high temperature resistant, PLA fiber for the growing shale gas fracking industry. The company has other applications and maintains a leading position in PLA industrial fibers.”



Focus on Value



Gill explains how he believes the landscape for his industry will play out in the near future, especially focusing on environmental concerns by the public.

"We believe the consumer concerns for better air and water quality will drive the air and water filtration business forward. We have introduced a new fiber for air filtration that also reduces the typical pressure drop across filter media and increases filter life while reducing energy consumption. We certainly expect to continue our thrust into the filtration and industrial fibers markets in coming years."

Recycling continues to be a strategic focus area for the business. Mr. Gill, who oversees the company's recycling business, explains that the company has made great progress and created synergies within the group. "We have successfully commissioned a bottle-to-fiber recycling unit at Indorama Polyester Industries in Nakhon Pathom, Thailand, in 2014, developing our own recycling technology with technical assistance from our Wellman recycling units in Europe."

Besides the value-added products for which he is responsible, Gill has not forgotten the bread-and-butter business that continues to be a necessity product for consumers, including

active wear and upholstery applications in apparel and home segment. "We have further consolidated our position in the necessities market by the construction and startup of a 300,000 tonnes per annum capacity greenfield project in Indonesia. This is one of the world's most competitive fiber assets," he says proudly. "We also completed several brownfield expansion projects aggregating 79,000 tonnes per annum, including a specialized Finne project in Indonesia, bi-component lines in China and the USA, fine denier capability in Ireland and the USA and super high-tenacity fibers in Thailand. It's been a busy year."

Besides starting up new ventures and expanding old ones, the President of the Fibers and Yarns Division believes in sweating his assets to create shareholder value. "We have continued our keen focus on Operational Excellence throughout the year with total cost savings of US\$ 19.8 m in 2014. This translates into US\$16 per tonne in year-on-year cost savings for the company and clearly adds to our corporate sustainability."

Mr. Gill is confident when he says, "With our sound strategy and the excellent execution capability of our team, we are sure to continue our leadership position in global fibers industry."

SASHI PRAKASH KHAITAN

An Integral part of High Value-added Products



President - Wool Business

“

“Wool is a niche product”

“It caters to a highly specific need for high-end yarns by global brands in the apparel space and thus is an integral part of the Indorama Ventures strategy of promoting High Value Added (HVA) products that are accretive to the bottom line.”

”

Mr. Sashi Khaitan is one of the company's most experienced executives and has led the wool business through many changes over the past few years. Here, he explains how wool has expanded beyond its former frontiers to contribute to the shareholder value of the company as a whole.

“Wool is a niche product,” he explains. “It caters to a highly specific need for high-end yarns by global brands in the apparel space and thus is an integral part of the Indorama Ventures strategy of promoting High Value Added (HVA) products that are accretive to the bottom line.”

However, Mr. Khaitan is keen to point out that the division has not been sitting on its laurels. “No, on the contrary,” he says. “We have successfully diversified our product range, from principally weaving yarns that are often used in male and female suiting and similar lifestyle use, to yarns suitable for knitting, which has opened up a broader market appeal. Since the restart of the plant after floods in 2011, we have successfully enlarged both our product range and our customer base.”

While Europe and Japan have traditionally formed the major pool of customers for the Wool Division, Mr. Khaitan has spotted an opening for a new market entry. “The Asian region is quickly developing as a manufacturing hub for wool knitting,” he explains, “and our initiative in diversifying allows us to be a preferred supplier due to our proximity and the reputation we have built over the years for quality products.”

For Sashi Khaitan and his team, 2014 has been one of their best years, with business growth at both the top and bottom line. “This, too, within one year of the plant restarting after the horrendous floods in Lopburi when we were out of market for more than a year,” he says with a smile. “This reaffirms our strong relationship with customers and high quality products and reliability.”

As a thoughtful executive, Mr. Khaitan sees the need to think ahead and plan for what will create shareholder value in the future. One of his ideas is the use of sustainable energy.

“We have sustainability always in the front of our mind,” he explains. “Before the floods we installed a 2.3 megawatt solar farm and last year we put up a one megawatt solar roof top. Green energy is the way of the future,” he believes. “We have further planned a 1.1 megawatt solar roof to be installed and commissioned within the second quarter of 2015 and that will lead to more cost savings.”

Mr. Khaitan sums up what shareholders should understand about the division's good performance in 2014: “A better product mix and effective cost management have been the major contributing factors this year and I believe we can continue to play to our strengths going forward.”

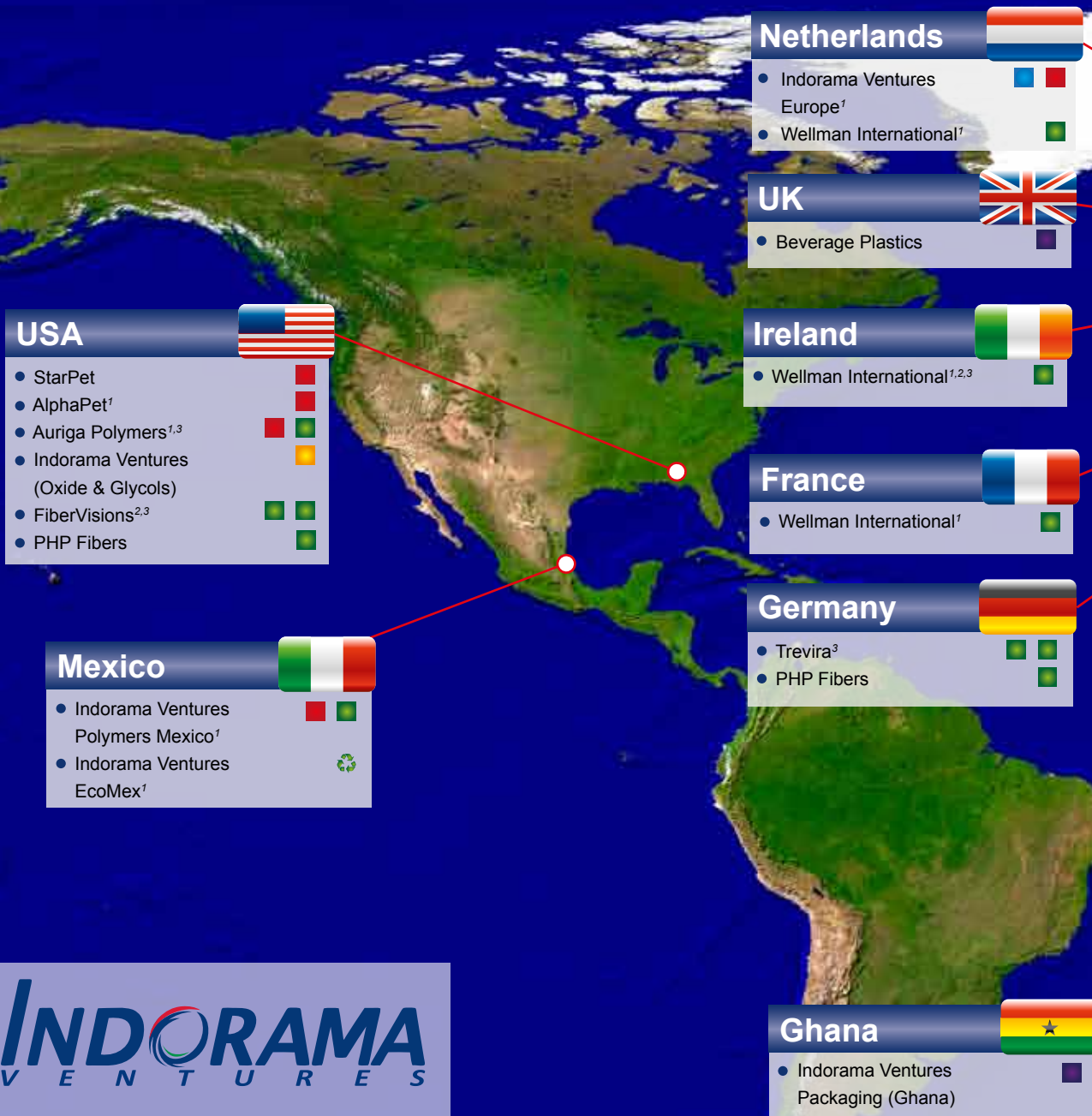
GENERAL Information

General Information	
Name	: Indorama Ventures Public Company Limited
Symbol	: IVL
Head Office	: 75/102 Ocean Tower 2, 37 th Floor, Sukhumvit 19 (Wattana), Asoke Road, Klongtoey Nuer, Wattana, Bangkok 10110 Tel: 0-2-661-6661 Fax: 0-2-661-6664-5 www.indoramaventures.com
Type of Business	: Holding Company
Company Registration No.	: 0107552000201
Registered Capital	: Baht 5,666,010,449 divided into 5,666,010,449 common shares of par value at Baht 1
Paid-Up Capital	: Baht 4,814,257,245 divided into 4,814,257,245 common shares of par value at Baht 1
Other Information	
Share Registrar	: Thailand Securities Depository Company Limited 62 The Stock Exchange of Thailand Ratchadapisek Road, Klongtoey, Bangkok 10110, Thailand Tel: 0-2-229-2800 Fax: 0-2-359-1259
Debenture Registrar	: Bangkok Bank Public Company Limited 333 Silom Road, Bangrak, Bangkok 10500, Thailand Tel: 0-2-230-1136 Fax: 0-2-626-4545-6
Debenture Holders' Representative	: Bank of Ayudhya Public Company Limited 1222 Rama III, Bang Phongphang, Yan Nawa, Bangkok 10120, Thailand Tel: 0-2-296-3582 Fax: 0-2-296-2202
Auditor	: KPMG Phoomchai Audit Limited 195 Empire Tower, 50 th – 51 st Floor, South Sathorn Road, Yannawa, Sathorn, Bangkok 10120, Thailand Tel: 0-2-677-2000 Fax: 0-2-677-2222
Legal Advisor	: Weerawong, Chinnawat & Peangpanor Ltd. 540 Mercury Tower, 22 nd Floor, Ploenchit Road, Lumpini, Pathumwan, Bangkok 10330, Thailand Tel: 0-2-264-8000 Fax: 0-2-657-2222

LOCATION OF OPERATING SITES

51 operating sites, 17 countries, 4 continents

As of December 31, 2014



INDORAMA
VENTURES

■ PET ■ Fibers & Yarns ■ PTA
■ EO/EG ■ Packaging ■ Recycling

1) Recycled Resins, Flake to PET Resins, Bottle Flakes, rPET, Recycled Fiber, Bio-PET Technology

2) Bi-co Fibers Technology

3) R&D Center

Indorama Ventures Public Company Limited (IVL) is one of the world's leading producers in the intermediate petrochemicals industry headquartered in Bangkok, Thailand, with 51 operating sites established in 17 countries across four continents - Asia, North America, Africa and Europe. The corporate structure comprises of three business segments: Feedstock, PET, Fibers and Yarns. IVL's products serve major players in diversified end use markets, including food, beverages, personal and home care, health care, automotives, textile and industrial products.



INFORMATION ON Subsidiaries and Associated Companies

As of 31 December 2014

•EG&EO Business				
No.	Company Name/Address	Type of Shares	Shares Issued	Shareholding
1	Indorama Ventures (Oxide & Glycols) LLC Corporation Service Company, 2711 Centerville Rd, Ste 400, Wilmington, Delaware 19808, USA Tel: +1(847) 943-3100 Fax: +1(847) 607-9941	-	-	100.00%
•PTA Business				
No.	Company Name/Address	Type of Shares	Shares Issued	Shareholding
1	TPT Petrochemicals Public Company Limited 75/116-117, Ocean Tower 2, 41 st Floor, Soi Sukhumvit 19 (Wattana), Asoke Road, Klongtoey Nuer, Wattana, Bangkok 10110, Thailand Tel: +(662) 661 6661 Fax: +(662) 661 6664-5	Common	492,500,000	99.97%
2	Indorama Petrochem Limited 75/93, Ocean Tower 2, 35 th Floor, Soi Sukhumvit 19 (Wattana), Asoke Road, Klongtoey Nuer, Wattana, Bangkok 10110, Thailand Tel: +(662) 661 6661 Fax: +(662) 661 6664-5	Common	472,782,042	99.99%
3	PT Indorama Petrochemicals Graha Irama, 16 th Floor, Jalan H R Rasuna Said, Blok X-1, Kav. 1-2, Kuningan Timur, Setiabudi, Jakarta Selatan 12950 - Indonesia Tel: +62(21) 526 1555 Fax: +62(21) 526 4436	Common Class B1 Class B2 Class C Class D	1,833,743 166,257 50,000 200,000 250,000	43.00%
•PTA & PET Business				
No.	Company Name/Address	Type of Shares	Shares Issued	Shareholding
1	Indorama Ventures Europe B.V. Markweg 201, 3198NB Europoort, Rotterdam, Netherlands Tel: +31 181 285 400 Fax: +31 181 285 405	-	-	100.00%
•PET Business				
No.	Company Name/Address	Type of Shares	Shares Issued	Shareholding
1	Indorama Polymers Public Company Limited 75/102, 103 Ocean Tower 2, 37 th Floor, Soi Sukhumvit 19 (Wattana), Asoke Road, Klongtoey Nuer, Wattana, Bangkok 10110, Thailand Tel: +(662) 661 6661 Fax: +(662) 661 6664-5	Common	1,382,197,870	99.64%

• PET Business				
No.	Company Name/Address	Type of Shares	Shares Issued	Shareholding
2	Asia Pet (Thailand) Limited 75/102 Ocean Tower 2, 37 th Floor, Soi Sukhumvit 19 (Wattana), Asoke Road, Klongtoey Nuer, Wattana, Bangkok 10110, Thailand Tel: +(662) 661 6661 Fax: +(662) 661 6664-5	Common	45,000,000	99.99%
3	Guangdong IVL PET Polymer Company Limited No.1 Meihua Road, Shuikou Town, Kaiping City, Guangdong, People's Republic Of China Tel: +867502209680	-	-	100.00%
4	UAB Orion Global Pet Metalo G.16, Klaipeda, Republic of Lithuania, LT-94102 Tel: +370 846 300684 Fax: + 370 846 300749	Common	776,880	100.00%
5	Indorama PET (Nigeria) Limited East West Expressway, Eleme, Port Harcourt, Rivers State, Nigeria	Common	450,000,000	90.00%
6	Indorama Polymers Workington Limited Siddick, Workington, Cumbria, CA14 1LG, United Kingdom Tel: +44 1900 609375/+44 1900 609342 Fax: +44 1900 609317	Common	1	100.00%
7	PT. Indorama Polypet Indonesia JL. Raya Anyar Km.121, Kel. Kepuh, Kec. Ciwandan, Cilegon 42445 (Banten), Indonesia Tel: +62 (254) 602300 Fax: +62 (254) 602940	Common	3,500	100.00%
8	Indorama Ventures Adana PET Sanayi Anonim Sirketi Yolgecen Mah. Turhan Cemal Berikar Blv., Turkey Tel: +0322-441 1973 Fax: +0322 441 0110	Common	5,489,505,865	100.00%
9	Indorama Ventures Poland Sp.z o.o. ul. Krzywa Gora 19, 87-805 Wloclawek, Poland Tel: +4854-4166442 Fax: +4854-4166449	Common	993,988	100.00%
10	Ottana Polimeri S.R.L. Strada Provinciale 17, Km 18, Ottana (NU)-08020, Italy	-	-	50.00%
11	Indorama Ventures Ecomex, S. DE R.L. DE C.V. Carretera Libre a Colotlan 6800. Colonia Extramuros. Zapopan, Jalisco, Mexico Tel: +(52) 5533-1561-3732	Equity Quota Class I	3,000	51.00%
12	Indorama Ventures Polymers Mexico S. de R.L. de C.V. Prolongacion Paseo De La Reforma 1015 A-Piso 2 Desarrollo Santa Fe Distrito, Federal 01376 Mexico, D.F. Tel: +(52) (55) 91775700 Fax: +(52) (55) 52924919	Equity Quota Class I	2	100.00%
13	Alphapet, Inc. 1301 Finley Island Road, Decatur, Alabama, AL35601, USA Tel: +1 256 308 1180 Fax: +1 256 341 5926	Common	4,400	100.00%

28/ Information on SUBSIDIARIES AND ASSOCIATED COMPANIES

• PET Business				
No.	Company Name/Address	Type of Shares	Shares Issued	Shareholding
14	Auriga Polymers Inc. 1550 Dewberry Road, Spartanburg, SC 29307, USA	Common	5,000	100.00%
15	Starpet Inc 801 Pineview Road, Asheboro, North Carolina 27203, USA	Common	5,000	100.00%
• Packaging Business				
No.	Company Name/Address	Type of Shares	Shares Issued	Shareholding
1	Petform (Thailand) Limited 85 Moo 11, Bangnga-Thaklong Road, Khao Samorkorn Sub-district, Thawoong District, Lopburi Province, Thailand Tel: +66 (0) 36-489-116 Fax: +66 (0) 36-489-115,117	Common	7,500,000	59.99%
2	Beverage Plastics Limited Silverwood Business Park, 70 Silverwood Road, Lurgan, Craigavon, County Armagh, BT66 6LN, Northern Ireland Tel: +442838311800 Fax: +442838311888	Common	600,000	51.00%
3	Indorama Ventures Packaging (Nigeria) Ltd. Eleme Petrochemicals Complex, East-West Expressway, Eleme, Rivers State, Nigeria Tel: +2348052501268	Common	150,000,000	100.00%
4	Indorama Ventures Packaging (Ghana) Ltd. Plot 234 Meridian Ed. COMM.2 Accra, Greater Accra, BOX CO PMB 350 TEMA GA/R, Ghana	Common	500,000	100.00%
5	Indorama Ventures Packaging (Philippines) Corporation Building 1, Southern Luzon Comple, Brgy. Baranggay Batino, Calamba City, Laguna, Philippines Tel: +63 495303592 /+63 495340036	Common	1,075,005	99.99%
• Polyester Business				
No.	Company Name/Address	Type of Shares	Shares Issued	Shareholding
1	Indorama Polyester Industries Public Company Limited 75/92, Ocean Tower 2, 35 th Floor, Soi Sukhumvit 19 (Wattana), Asoke Road, Klongtoey Nuer, Wattana, Bangkok 10110, Thailand Tel: +(662) 661 6661 Fax: +(662) 661 6664-5	Common	2,202,850,000	99.55%
2	ES FiberVisions (Thailand) Co., Ltd. 75/64 Ocean Tower 2, 28 th Floor, Soi Sukhumvit 19 (Wattana), Asoke Road, Klongtoey Nuer, Wattana, Bangkok 10110, Thailand Tel: +(662) 661 6661 Fax: +(662) 661 6664-5	Common	41,000,000	49.99%
3	PT Indorama Polychem Indonesia JL. Desa Kembang Kuning, Kecamatan Jatiluhur, Purwakarta(Jawa Barat) Indonesia Tel: +(62) 264 207727 Fax: +(62) 264 211260	Common	35,000	100.00%

Information on SUBSIDIARIES AND ASSOCIATED COMPANIES /29

• Polyester Business				
No.	Company Name/Address	Type of Shares	Shares Issued	Shareholding
4	PT. Indorama Ventures Indonesia Desa Cihuni, RT/RW 002/004, Cihuni, Pagedangan, Tangerang, Banten, 15820 Indonesia Tel: +6221 5371111 Fax: +6221 5378811	Shares: Series A Series B	79,994 2,812,500	99.99%
5	PT. Indorama Polyester Industries Indonesia JL. Surya Lestari Kav. 1-16A, Kawasan Industry Surya Cipta, Desa Kutamekar, Kec Ciampel, Karawang, 41361, Jawa Barat, Indonesia Tel: + 0267-440501 Fax: + 0267-440764	Common	20,000	99.98%
6	Trevira GmbH Max-Fischer-Strasse 11, 86399 Bobingen, Federal Republic of Germany Tel: +49-8234-9688-2100 Fax: +49 8234 9688 5355	-	-	75.00%
7	PHP Fibers GmbH Industrie Center Obernburg, 63784 Obernburg, Germany Tel: +49 6022 81 2552 Fax: +49 6022 81 31 2552	Common	25,001	80.00%
8	Shenma-PHP (Pingdingshan) Air Bag Yarn Manufacturing Co., Ltd. Pingdingshan City, Henan Province, China Tel: +49 6022 81 2552 Fax: +49 6022 81 31 2552	-	-	39.20%
9	Polyamide High Performance Inc. 300 Serrano Way, Scottsboro, AL 35768 USA Tel: +49 6022 81 2552 Fax: +49 6022 81 31 2552	Common	1,000	80.00%
10	SafeTweave, Inc. 302 Serrano Way, Scottsboro, AL 35769 USA Tel: +49 6022 81 2552 Fax: +49 6022 81 31 2552	Common	1,000	80.00%
11	FiberVisions A/S Engdræget 22, Varde Denmark, DK-6800 Denmark Tel: +45 7994 2200 Fax: +45 7994 2201	Shares Class A Class B	122,949,441 29,117,600	100.00%
12	FiberVisions (China) Textile Products Ltd. No. 29 Heng Shan Rd., New District, Suzhou, China Tel: + 86 512 6823 1099 Fax: + 86 512 6823 0021	-	-	100.00%
13	ES FiberVisions (Suzhou) Co., Ltd. No. 29 Hengshan Rd. Suzhou New District 215011 China Tel: + 86 512 6823 1099 Fax: + 86 512 6823 0021	-	-	50.00%
14	FiberVisions Manufacturing Company The Corporation Trust Company, 1209 Orange St., Wilmington, DE 19801 USA Tel: +(302) 658-7581 Fax: +(302) 655-2480	Common	100	100.00%
15	FiberVisions Products, Inc. CT Corporation System, 1202 Peachtree St., Atlanta, GA 30361, USA Tel: +1 800-241-8922 Fax: +1 404-888-7795	Common	25,000	100.00%

30/ Information on SUBSIDIARIES AND ASSOCIATED COMPANIES

• Polyester Business				
No.	Company Name/Address	Type of Shares	Shares Issued	Shareholding
16	Wellman France Recyclage S.A.S. Zone Industrielle de Regret 55100 Verdun, France Tel: +33 (0) 971 002 005 Fax: +33 (0) 329 843 104	Common	500	100.00%
17	Wellman International Limited Mullagh, Kells, Co. Meath, Ireland Tel: +353-46-9280200 Fax: +353-46-9280300	Common	1,100,850	100.00%
• Wool Business				
No.	Company Name/Address	Type of Shares	Shares Issued	Shareholding
1	Indorama Holdings Limited 75/64, 65 Ocean Tower 2, 28th Floor, Soi Sukhumvit 19 (Wattana), Asoke Road, Klongtoey Nuer, Wattana, Bangkok 10110, Thailand Tel: +(662) 661 6661 Fax: +(662) 661 6664-5	Common	77,446,800	99.81%
• Holding Company Business				
No.	Company Name/Address	Type of Shares	Shares Issued	Shareholding
1	Indo Polymers Mauritius Limited Les Cascades, Edith Cavell Street, Port Louis, Republic of Mauritius	Common	774,767,558	100.00%
2	Indorama Netherlands Cooperatief U.A. Markweg 201, 3198 NB Europoort, Rotterdam, Netherlands Tel: +31 181 285 400 Fax: +31 181 285 405	-	-	100.00%
3	Indorama Netherlands B.V. Markweg 201, 3198 NB Europoort, Rotterdam, Netherlands Tel: +31 181 285 400 Fax: +31 181 2850 405	Common	18,000	100.00%
4	Beacon Trading (UK) Limited 23 Northiam, Woodside Park, N 12 7 ET, London, United Kingdom	Common	70,000	100.00%
5	Beverage Plastics (Holdings) Limited Silverwood Business Park, 70 Silverwood Road, Lurgon Craigavon, Country Armagh, BT 66 6 LN, Northern Ireland Tel: +44 2838311800 Fax: +44 2838311888	Shares Class A Class B Class C	5,100 2,450 2,450	51.00%
6	KP Equity Partners Inc. Lot 2&3, Level 3, Wisma Lazenda, Jalan, Kemajuan, 87000 F.T. Labuan, Malaysia Tel: +087 414 073 Fax: +087 413 281	Common	10,000	100.00%
7	PHP Overseas Investments GmbH Industries Center Obernburg, 63784, Obernburg, Germany Tel: +49 6022 81 2552 Fax: +49 6022 81 31 2552	-	-	80.00%

Information on SUBSIDIARIES AND ASSOCIATED COMPANIES /31

• Holding Company Business				
No.	Company Name/Address	Type of Shares	Shares Issued	Shareholding
8	Trevira Holdings GmbH Max-Fischer-Strasse 11, 86399 Bobingen, Federal Republic of Germany	Common	18,750	75.00%
9	Indorama Ventures Recycling Netherlands B.V. Markweg 201, 3198 NB Europoort, Rotterdam, Netherlands Tel: +31 181 285 400 Fax: +31 181 2850 405	Common	18,000	100.00%
10	Indorama Ventures Holdings LP Corporation Trust Center, 1209 Orange Street, Wilmington, Delaware 19801 U.S.A.	-	-	100.00%
11	Indorama Ventures USA Holdings LP Corporation Service Company, 2711 Centerville Road, Suite 400, Wilmington, Country of New Castle, Delaware 19808, U.S.A.	-	-	100.00%
12	Indorama Ventures Performance Fibers Holdings USA, LLC Corporation Service Company, 2711 Centerville Road, Suite 400, Wilmington, DE 19808, USA Tel: +(302) 636-5401 Fax: +(302) 636-5454	-	-	100.00%
13	FiberVisions Corporation 3700 Crestwood Pkwy, Suite 900, Duluth, GA 30096 U.S.A. Tel: +1 678-578-7240 Fax: +1 678-578-7276	Common	1,000	100.00%
14	FiberVisions (China) A/S Engdraget 22, Varde Denmark, DK-6800, Denmark Tel: +45 7994 2200 Fax: +45 7994 2201	Common	100,000	100.00%
15	ES FiberVisions Holdings Aps Engdraget 22, Varde Denmark, DK- 6800, Denmark Tel: +45 7994 2200 Fax: +45 7994 2201	Common	100,000	50.00%
16	ES FiberVisions Hong Kong Limited Room 1002 10 th Fl., Far East Consortium Bldg. 204-206 Nathan Rd., Kowloon, Hong Kong Tel: +852 2970 5555 Fax: +852 2970 5678	Common	616,010	50.00%
17	Indorama Ventures OGL Holdings LP Corporation Trust Center, 1209 Orange Street, Wilmington, Delaware 19801 U.S.A.	-	-	100.00%
18	FiberVisions L.P. 3700 Crestwood Pkwy, Suite 900, Duluth, GA 30096 U.S.A. Tel: +1 678-578-7240 Fax: +1 678-578-7276	-	-	100.00%
19	ES FiberVisions Inc. 3700 Crestwood Pkwy, Suite 900, Duluth, GA 30096 U.S.A. Tel: +1 678-578-7240 Fax: +1 678-578-7276	Common	100	50.00%
20	IVL Holding S. de R.L. de C.V. Prolongacion Paseo De La Reforma 1015 Torre A-2 Desarrollo Santa Fe Distrito, Federal 01376, Mexico, D.F. Tel: +(52) (55) 91775700 Fax: +(52) (55) 52924919	Equity Quota Series A	2	100.00%

32/ Information on SUBSIDIARIES AND ASSOCIATED COMPANIES

• Holding Company Business				
No.	Company Name/Address	Type of Shares	Shares Issued	Shareholding
21	Grupo Indorama Ventures S.de R.L. C.V. Prolongacion Paseo De La Reforma 1015 Torre A-2 Desarrollo Santa Fe Distrito, Federal 01376 Mexico, D.F. Tel: +(52) (55) 91775700 Fax: +(52) (55) 52924919	Equity Quota Class I	2	100.00%
22	Indorama Ventures Alphapet Holdings, Inc. Corporation Service Company, 2711 Centerville Road, Suite 400, Wilmington, DE 19808, U.S.A.	Common	100	100.00%
23	Indorama Ventures Polyholding LLC 2711 Centerville Road, Suite 400, Wilmington, USA	Common	1,000	100.00%
24	Indorama Polymers (USA) LLC 1301 Finley Island Road, Decatur, Alabama, AL 35601, U.S.A. Tel: +1 256 308 1180 Fax: + 1 256 341 5926	-	-	100.00%
25	Indorama Ventures USA LLC 2711 Centerville Road, Suite 400, Wilmington, New Castle County, Delaware 19808	-	-	100.00%
26	IVL Belgium N.V. Jules Bordetlaan 160, 1140 Evere, Belgium	Common	30,615	99.99%
27	UAB Ottana Polimeri Europe Metalo G.16, Klaipeda, Republic of Lithuania, LT-94102	Common	21,072,080	50.00%
• Regional Operating Headquarter Business				
No.	Company Name/Address	Type of Shares	Shares Issued	Shareholding
1	Indorama Ventures Global Services Limited 75/80-81 Ocean Tower 2, 32rd Floor, Soi Sukhumvit 19 (Wattana), Asoke Road, Klongtoey Nuer, Wattana, Bangkok 10110, Thailand Tel: +(662) 661 6661 Fax: +(662) 661 6664-5	Common	2,000,000	99.99%
• Trading & Services Business				
No.	Company Name/Address	Type of Shares	Shares Issued	Shareholding
1	IVL Singapore PTE. Limited 17 Phillip Street#05-01, Grand Building, Singapore (048695)	Common	59,000,000	100.00%
2	UAB Indorama Polymers Europe Metalo G.16, LT-94102 Klaipeda, Republic of Lithuania Tel: + 370 46 300749 Fax: + 31 181 285 405	Common	725,088	100.00%
3	UAB Indorama Holdings Europe Metalo G.16, LT-94102 Klaipeda, Republic of Lithuania	Common	1,173,952	100.00%
4	Indorama Trading (UK) Limited 23 Northiam, Woodside Park, N 12 7 ET, London, United Kingdom	Common	10,000	100.00%
5	Indorama Trading AG Strengelbacherstrasse 1, CH 4800 Zofingen, Switzerland	Common	100	100.00%

Information on SUBSIDIARIES AND ASSOCIATED COMPANIES /33

• Trading & Services Business				
No.	Company Name/Address	Type of Shares	Shares Issued	Shareholding
6	PHP-Shenma Air Bag Yarn Marketing (Shanghai) Co. Ltd. China Merchants Plaza, East Building, Room 1107, No 333 Cheng Du Road (North), Shanghai 200041, China Tel: +49 6022 81 2552 Fax: +49 6022 81 31 2552	Common	200,000	40.80%
7	TTI GmbH Kasinostr. 19 - 21, 42103 Wuppertal, Germany Tel: +49 6022 81 2552 Fax: +49 6022 81 31 2552	Common	25,100	40.00%
8	Trevira North America, LLC 4832 Charlton Lane, Charlotte, NC 28210, Mecklenburg County, North Carolina, USA	-	-	75.00%
9	ES FiberVisions Company Limited 3-3-23 Nakanoshima, Kita-Ku, Osaka 530-0005, Japan Tel: +(81) 6-6441-3307 Fax: +(81) 6-6441-3347	Common	200	50.00%
10	ES FiberVisions LP Entity Services (Nevada) LLC, 2215- B Renaissance Dr., Suite 10, Las Vegas, NV 89119, U.S.A. (NV) Tel: +(706)357-5100 Fax: +(706) 966-4247	-	-	50.00%
11	ES FiberVisions ApS Engdræget 22, Varde Denmark, DK- 6800 Tel: +45 7994 2200 Fax: +45 7994 2201	-	-	50.00%
12	ES FiberVisions China Limited No. 305, 7Sone, Trade Bldg., GuangBao Rd., Guangzhou, Free Trade Zone, China Tel: +86-20-8220-9018 Fax: +86-20-8220-9973	-	-	50.00%
13	Indorama Ventures Ecomex Services, S. DE R.L. DE C.V. Carretera Libre a Colotlan 6800. Colonia Extramuros. Zapopan, Jalisco, Mexico Tel: +(52) 5533-1561-3732	Equity Quota Class I	1,530	51.00%
14	Indorama Ventures Polycom S. de R.L. de C.V. Avenida Prolongacion Paseo De La Reforma 1015 Torre A 2 Piso Desarrollo Santa Fe, Distrito Federal 01376 Mexico, D.F. Tel: +(52) (55) 91775700 Fax: +(52) (55) 52924919	Equity Quota Class I	2	100.00%
15	Indorama Ventures Servicios Corporativos, S. de R.L. de C.V. Prolongacion Paseo De La Reforma 1015 Torre A 2 Piso Desarrollo Santa Fe, Distrito Federal 01376 Mexico, D.F. Tel: +(52) (55) 91775700 Fax: +(52) (55) 52924919	Equity Quota Class I	2	100.00%
16	Indorama Ventures Logistics LLC Corporation Service Company, 2711 Centerville Rd, Ste 400, Wilmington, Delaware 19808, USA Tel: +1(847) 943-3100 Fax: +1(847) 607-9941	-	-	100.00%

34/ Information on SUBSIDIARIES AND ASSOCIATED COMPANIES

• Non-Operating Business				
No.	Company Name/Address	Type of Shares	Shares Issued	Shareholding
1	Indorama Polymers Rotterdam B.V. Markweg 201, 3198 NB, Europoort, Harbour No.6347, Rotterdam, Netherlands Tel: +31 181 285 400 Fax: +31 181 285 405	Common	18,000	100.00%
2	Indorama Holdings Rotterdam B.V. Markweg 201, 3198 NB, Europoort, Rotterdam, Netherlands Tel: +31 181 285 400 Fax: +31 181 285 405	Common	18,000	100.00%
3	MJR Recycling B.V. Tengnagelwaard 5, NL-6917 AE Spijk(Gld), Netherlands Tel: +316566250 Fax: +316566251	Common	181	100.00%
4	Wellman International Handellsgesellschaft GmbH Konrad-Zuse-Strabe 4a, 59174 Kamen, Germany Tel: +49-2307-96789-0 Fax: +49-2307-96789-10	-	-	100.00%
5	FiberVisions vermögensverwaltungs mbH Local Court of Dusseldorf Werdener Straße 1, 40227 Düsseldorf Germany Tel: +49211 8306-0 Fax: +49211 87565 116-0	Common	3,000,000	100.00%

PET Diolen® PA Enka® Nylon

High-Tenacity Filament Yarns

for Food Contact and Drinking Water Applications

PHP Fibers has now developed special technical yarns that are produced only with components suitable for food contact.

We apply good manufacturing practice (GMP) and traceability during yarn production to ensure our products meet the highest standards.

For all vital food processes, you can rely on our special Yarns for Food Contact (FC) Applications.



INDORAMA
VENTURES

PHP

PHP Fibers GmbH
Kasinostr. 19-21
42103 Wuppertal, Germany
Tel.: +49 (0)202 32-2361
europe@php-fibers.com

*All PHP Fibers yarn types, produced in accordance with EU Regulation No.10/2011, are marked with 'FC' (Food Contact).

THE BOARD of Directors



Mr. Sri Prakash Lohia

Position

- Chairman

Director Type

- Non - Executive Director

Age

- 62

Appointment Date of Directorship

- 19 September 2009

Education

- Bachelor of Commerce, Delhi University, India

Training Program

- -None-

Working Experience (over the past 5 years)

Other Listed Companies in SET

- -None-

Other Organizations (as of 31 December 2014)

- | | |
|----------------|---|
| 2014 - Present | • Director |
| | Industries Chimiques Du Senegal S.A., Senegal |
| 2013 - Present | • Director |
| | Indorama Commerce DMCC |

- | | |
|----------------|---|
| 2012 - Present | • Director |
| | Indorama Eleme Fertilizer & Chemicals Ltd. |
| 2012 - Present | • Director |
| | Indorama Services UK Ltd. |
| 2011 - Present | • President Commissioner |
| | PT. Indorama Ventures Indonesia |
| 2011 - Present | • President Commissioner |
| | PT. Indorama Polyester Industries Indonesia |
| 2011 - Present | • President Commissioner |
| | PT. Indorama Polychem Indonesia |
| 2011 - Present | • President Commissioner |
| | PT. Indorama Polypet Indonesia |
| 2011 - Present | • President Commissioner |
| | PT. Indorama Petrochemicals |
| 2009 - Present | • Chairman |
| | Indorama Corporation Pte. Ltd. |
| 2009 - Present | • Director |
| | Indorama Group Holdings Ltd. |
| 2009 - Present | • President Commissioner |
| | PT. Indo-Rama Synthetics Tbk |
| 2006 - Present | • Chairman |
| | Indorama Eleme Petrochemicals Ltd. |

% of shareholding in IVL as of 31 December 2014

- -None-



Mr. Alope Lohia

Position

- Vice Chairman, Chairman of the Sustainability Committee, Member of the Nomination, Compensation and Corporate Governance Committee and Group Chief Executive Officer

Director Type

- Executive Director

Age

- 56

Appointment Date of Directorship

- 19 September 2009

Education

- Honorary PhD Degree of Business Administration, Rajamangala University of Technology Thanyaburi, Thailand
- Bachelor of Commerce, Delhi University, India

Training Program

- Director Accreditation Program Class No. 65/2007, Thai Institute of Directors, Thailand

Working Experience (over the past 5 years)

Other Listed Companies in SET

- -None-

Other Organizations (as of 31 December 2014)

- 2014 - Present • Director
Indorama Ventures OGL Holdings LP
- 2014 - Present • Director
Indorama Ventures USA Holdings LP
- 2014 - Present • Vice President
Indorama Ventures USA LLC
- 2012 - Present • Director
Indorama Ventures Logistics LLC
- 2012 - Present • Director
Indorama Ventures (Oxide & Glycols) LLC

- 2012 - Present • Commissioner
PT. Indorama Polypet Indonesia
- 2012 - Present • Chairman
Indorama Polyester Industries PCL
- 2011 - Present • Chairman
Indorama Ventures Performance Fibers Holdings USA LLC
- 2011 - Present • Commissioner
PT. Indorama Polychem Indonesia
- 2011 - Present • Commissioner
PT. Indorama Petrochemicals
- 2011 - Present • Commissioner
PT. Indorama Ventures Indonesia
- 2011 - Present • Commissioner
PT. Indorama Polyester Industries Indonesia
- 2009 - Present • Chairman
Indorama Resources Ltd.
- 2009 - Present • Director
Indorama Petrochem Ltd.
- 2008 - Present • Director
TPT Petrochemicals PCL
- 2004 - Present • Director
Canopus International Ltd.
- 2004 - Present • Chairman
Indorama Polymers PCL
- 2001 - Present • Chairman
Asia Pet (Thailand) Ltd.
- 1996 - Present • Director
Petform (Thailand) Ltd.
- 1994 - Present • Chairman
Indorama Holdings Ltd.

% of shareholding in IVL as of 31 December 2014

- 10 shares or 0.00%



Mrs. Suchitra Lohia

Position

- Director and Chairperson of the Corporate Social Responsibility Committee

Director Type

- Executive Director

Age

- 50

Appointment Date of Directorship

- 19 September 2009

Education

- Owner President Management Program Harvard Business School
- Bachelor of Commerce, Delhi University, India

Training Program

- Capital Market Academy Leadership Program, Capital Market Academy (Class 14), Thailand
- Director Accreditation Program Class No. 108/2014 Thai Institute of Directors, Thailand

Working Experience (over the past 5 years)

Other Listed Companies in SET

- -None-

Other Organizations (as of 31 December 2014)

- | | |
|-----------------------|---|
| 2014 - Present | • Vice President
Indorama Ventures USA LLC |
| 2012 - Present | • Chairperson
Indorama Petrochem Ltd. |
| 2011 - Present | • Commissioner
PT. Indorama Polychem Indonesia |
| 2011 - Present | • Commissioner
PT. Indorama Petrochemicals |
| 2011 - Present | • Commissioner
PT. Indorama Ventures Indonesia |
| 2011 - Present | • Commissioner
PT. Indorama Polyester Industries Indonesia |
| 2011 - Present | • Commissioner
PT. Indorama Polypet Indonesia |
| 2011 - Present | • Chairperson
TPT Petrochemicals PCL |
| 2009 - Present | • Director
Indorama Resources Ltd. |
| 2008 - Present | • Director
Indorama Polyester Industries PCL |
| 2007 - Present | • Director
Canopus International Ltd. |
| 2007 - Present | • Director
Indorama Polymers PCL |
| 2001 - Present | • Director
Asia Pet (Thailand) Ltd. |
| 1996 - Present | • Director
Petform (Thailand) Ltd. |
| 1994 - Present | • Director
Indorama Holdings Ltd. |

% of shareholding in IVL as of 31 December 2014

- -None-



Mr. Amit Lohia

Position

- Director

Director Type

- Non-Executive Director

Age

- 40

Appointment Date of Directorship

- 19 September 2009

Education

- Bachelor of Economics and Finance, Wharton School of Business, USA

Training Program

- -None-

Working Experience (over the past 5 years)

Other Listed Companies in SET

- -None-

Other Organizations (as of 31 December 2014)

- | | |
|-----------------------|---|
| <i>2014 - Present</i> | • Director
Indorama Chimiques Du Senegal S.A.,
Senegal |
| <i>2013 - Present</i> | • Vice President Commissioner
PT. Indo-Rama Synthetics Tbk |

- | | |
|-----------------------|--|
| <i>2012 - Present</i> | • Director
Indorama Eleme Fertilizer & Chemicals
Limited |
| <i>2011 - Present</i> | • Commissioner
PT. Indorama Ventures Indonesia |
| <i>2011 - Present</i> | • Commissioner
PT. Indorama Polyester Industries Indonesia |
| <i>2011 - Present</i> | • Commissioner
PT. Indorama Polychem Indonesia |
| <i>2011 - Present</i> | • Commissioner
PT. Indorama Polypet Indonesia |
| <i>2011 - Present</i> | • Commissioner
PT. Indorama Petrochemicals |
| <i>2011 - Present</i> | • Director
Indorama Commerce DMCC, Dubai |
| <i>2009 - Present</i> | • Director
UIB Insurance Brokers (India) Private Ltd. |
| <i>2009 - Present</i> | • Group Managing Director
Indorama Corporation Pte. Ltd. |
| <i>2008 - Present</i> | • Director
Indorama Group Holdings Ltd. |
| <i>2006 - Present</i> | • Director
Indorama Eleme Petrochemicals Ltd. |
| <i>2004 - Present</i> | • Director
Isin International Pte. Ltd. |

% of shareholding in IVL as of 31 December 2014

- -None-



Mr. Dilip Kumar Agarwal

Position

- Director, Member of the Sustainability Committee and Chief Executive Officer of Feedstock and PET Business

Director Type

- Executive Director

Age

- 57

Appointment Date of Directorship

- 27 April 2010

Education

- Bachelor of Science, University of Udaipur, India
- Chartered Accountant The Institute of Chartered Accountants of India
- Cost Accountant Institute of Cost & Management Accountants of India
- Company Secretary The Institute of Company Secretaries of India

Training Program

- Director Accreditation Program Class No. 65/2007 Thai Institute of Directors, Thailand
- Director Certification Program Class No.182/2013 Thai Institute of Directors, Thailand

Working Experience (over the past 5 years)

Other Listed Companies in SET

- -None-

Other Organizations (as of 31 December 2014)

- 2014 - Present • President
Indorama Ventures USA LLC
- 2014 - Present • Director Indorama Ventures Adana PET Sanayi
Anonim Sirketi
- 2014 - Present • Director Indorama Ventures OGL Holdings LP
- 2014 - Present • Director Indorama Ventures USA Holdings LP
- 2014 - Present • Director Indorama Ventures Polyholdings LLC
- 2014 - Present • Director Indorama Ventures Ecomex, S. de R.L. de C.V.
- 2014 - Present • Director Indorama Ventures Ecomex Services,
S. de R.L. de C.V.

- 2013 - Present • Director Indorama Ventures Global Services Ltd.
- 2013 - Present • Chairman Indorama Ventures AlphaPet Holdings, Inc
- 2011 - Present • Director KP Equity Partners Inc.
- 2011 - Present • Director PT. Indorama Polypet Indonesia
- 2011 - Present • Director Indorama Ventures Logistics LLC
- 2011 - Present • Director Indorama Ventures (Oxide & Glycols) LLC
- 2011 - Present • Director and Chairman Guangdong IVL PET Polymer Co., Ltd.
- 2011 - Present • Director PT. Indorama Ventures Indonesia
- 2011 - Present • Director PT. Indorama Polyester Industries Indonesia
- 2011 - Present • Director Indorama Ventures Poland Sp. z o.o.
- 2011 - Present • Director StarPet Inc.
- 2011 - Present • Director Auriga Polymers Inc.
- 2011 - Present • President IVL Holding, S. de R.L. de C.V.
- 2011 - Present • President Grupo Indorama Ventures, S. de R.L. de C.V.
- 2011 - Present • President Indorama Ventures Polymers Mexico, S. de R.L. de C.V.
- 2011 - Present • President Indorama Ventures Polycom, S. de R.L. de C.V.
- 2011 - Present • President Indorama Ventures Servicios Corporativos, S. de R.L. de C.V.
- 2010 - Present • Director Indorama PET (Nigeria) Ltd.
- 2010 - Present • Director UAB Ottana Polimeri Europe
- 2010 - Present • Chairman IVL Belgium N.V.
- 2010 - Present • Director Indorama Petrochem Ltd.
- 2010 - Present • Director TPT Petrochemicals PCL
- 2008 - Present • Director Indorama Polymers (USA) LLC
- 2007 - Present • Director Indorama Polymers Rotterdam B.V.
- 2007 - Present • Director Indorama Polymers Workington Ltd.
- 2007 - Present • Director Indorama Holdings Rotterdam B.V.
- 2007 - Present • Director AlphaPet, Inc.
- 2007 - Present • Director UAB Indorama Holdings Europe
- 2007 - Present • Director UAB Indorama Polymers Europe
- 2004 - Present • Director Indorama Polymers PCL
- 2003 - Present • Chairman UAB Orion Global PET
- 2001 - Present • Director Asia Pet (Thailand) Ltd.
- 1996 - Present • Director Petform (Thailand) Ltd.

% of shareholding in IVL as of 31 December 2014

- -None-



Mr. Udey Paul Singh Gill

Position

- Director, Member of the Sustainability Committee and President of Polyester Business

Director Type

- Executive Director

Age

- 61

Appointment Date of Directorship

- 27 April 2011

Education

- Bsc. (Hons.), PAU Ludhiana Punjab India
- MBA (Marketing Management) College of Basic Sciences PAU, Ludhiana Punjab India
- International Trade, Fulbright Scholar, University of California, USA

Training Program

- Director Accreditation Program (DAP) Class No. 95/2012, Thai Institute of Directors, Thailand
- Director Certification Program (DCP) Class No. 182/2013, Thai Institute of Directors, Thailand

Working Experience (over the past 5 years)

Other Listed Companies in SET

- -None-

Other Organizations (as of 31 December 2014)

- | | |
|----------------|---|
| 2014 - Present | • Director
PHP Fibers GmbH |
| 2014 - Present | • Director
Indorama Ventures Holdings LP |
| 2014 - Present | • Director
Polyamide High Performance Inc. |
| 2013 - Present | • Chief Executive Officer
Trevira Holdings GmbH |
| 2012 - Present | • Director
FiberVisions Corporation |
| 2011 - Present | • Director
Indorama Polyester Industries PCL |
| 2011 - Present | • President Director
PT. Indorama Polychem Indonesia |
| 2011 - Present | • President Director
PT. Indorama Ventures Indonesia |
| 2011 - Present | • President Director
PT. Indorama Polyester Industries Indonesia |
| 2011 - Present | • Director
KP Equity Partners Inc. |
| 2011 - Present | • Managing Director
Indorama Ventures Recycling Netherlands B.V. |
| 2011 - Present | • Manager
Indorama Ventures Performance Fibers Holdings USA LLC |
| 2011 - Present | • Director
Wellman International Limited |
| 2011 - Present | • Director
MJR Recycling B.V. |

% of shareholding in IVL as of 31 December 2014

- -None-



Mr. Sashi Prakash Khaitan

Position

- Director and President of Wool Business

Director Type

- Executive Director

Age

- 66

Appointment Date of Directorship

- 19 September 2009

Education

- Bachelor of Science, University of Kolkata, India

Training Program

- Director Accreditation Program Class No. 88/2011 Thai Institute of Directors, Thailand
- Director Certificate Program Class No. 165/2012 Thai Institute of Directors, Thailand

Working Experience (over the past 5 years)

Other Listed Companies in SET

- -None-

Other Organizations (as of 31 December 2014)

- | | |
|-----------------------|---|
| <i>2010 - Present</i> | • Director
Indorama Trading AG |
| <i>2009 - Present</i> | • Director
Beacon Trading (UK) Ltd. |
| <i>2009 - Present</i> | • Director
Indorama Trading (UK) Ltd. |
| <i>2008 - Present</i> | • Director
Indorama Polyester Industries PCL |
| <i>2004 - Present</i> | • Director
Indorama Holdings Ltd. |

% of shareholding in IVL as of 31 December 2014

- 140,000 shares or 0.00%



Mr. Rathian Srimongkol

Position

- Independent Director, Vice Chairman, Chairman of the Audit Committee and Member of the Sustainability Committee

Director Type

- Independent Director

Age

- 55

Appointment Date of Directorship

- 19 September 2009

Education

- Master of Business Administration, Thammasat University, Thailand
- M.P.A. (General Administration), Suan Sunandha Rajabhat University, Thailand
- Medical Degree (Siriraj Hospital), Mahidol University, Thailand
- Bachelor of Medical Science, Mahidol University, Thailand

Training Program

- Certificate in Politics and Governance in Democratic Systems for Executives Course (Class 9) King Prajadhipok's Institute, Thailand
- Diploma, National Defence College, The Joint State – Private Sectors Course Class No. 51/21, National Defence College of Thailand

- Capital Market Academy Leadership Program Capital Market Academy (Class 11), Thailand
- Director Certification Program Class No. 8/2001 Thai Institute of Directors, Thailand
- Role of the Chairman Program Class No. 19/2008 Thai Institute of Directors, Thailand
- Financial Statements Demystified for Director Class No.1/2009, Thai Institute of Directors, Thailand

Working Experience (over the past 5 years)

Other Listed Companies in SET

- 2013 - Present
- Independent Director, Chairman of the Audit Committee, Member of the Corporate Governance Committee and Member of the Nominating & Compensation One To One Contacts Public Company Limited
- 2012 - Present
- Director, President and Chief Executive Officer Krungthai Card Public Company Limited

Other Organizations (as of 31 December 2014)

- -None-

% of shareholding in IVL as of 31 December 2014

- 262,000 shares or 0.00%



Mr. Maris Samaram

Position

- Independent Director, Member of the Audit Committee and Member of the Sustainability Committee

Director Type

- Independent Director

Age

- 72

Appointment Date of Directorship

- 27 April 2010

Education

- Program for Management Development, Harvard Business School, USA
- B.S.B.A. in Accounting, University of the East, Philippines

Training Program

- Director Certification Program Class No. 33/2003, Thai Institute of Directors, Thailand
- Audit Committee Program Class No. 3/2004, Thai Institute of Directors, Thailand
- Quality of Financial Reporting Class No. 2/2006, Thai Institute of Directors, Thailand
- Monitoring the Internal Audit Function Class No. 3/2008, Thai Institute of Directors, Thailand
- Monitoring the System of Internal Control and Risk Management Class No. 4/2008, Thai Institute of Directors, Thailand
- Handling Conflicts of Interest: What the Board Should Do? (2008), Thai Institute of Directors, Thailand

- Board Failure and How to Fix it, Thai Institute of Directors, Thailand
- The Responsibilities and Liabilities of Directors and Executives under the New SEC ACT (May 2008) Thai Institute of Directors, Thailand

Working Experience (over the past 5 years)

Other Listed Companies in SET

- 2013 - Present** • Independent Director, Chairman of the Audit Committee, Akara Resources Public Company Limited
- 2003 - Present** • Independent Director and Chairman of the Audit Committee Siam Commercial Bank Public Company Limited
- 2003 - Present** • Independent Director, Chairman of the Audit Committee, Member of the Corporate Governance, Nomination and Remuneration Committee Tata Steel (Thailand) Public Company Limited

Other Organizations (as of 31 December 2014)

- 2005 - Present** • Director
PAC (Siam) Co., Ltd.
- 2004 - Present** • Director
Marsh PB Co., Ltd.

% of shareholding in IVL as of 31 December 2014

- -None-



Mr. William Ellwood Heinecke

Position

- Independent Director and Chairman of the Nomination, Compensation and Corporate Governance Committee

Director Type

- Independent Director

Age

- 65

Appointment Date of Directorship

- 19 September 2009

Education

- Honorary Doctoral Degree of Business Administration in Management, Yonok University, Lampang, Thailand
- International School of Bangkok

Training Program

- Director Certification Program Class No.64/2005 Thai Institute of Directors, Thailand

Working Experience (over the past 5 years)

Other Listed Companies in SET

Present

- Chairman and Chief Executive Officer
Minor International Public Company Limited
and its subsidiaries

Present

- Chairman
Minor Corporation Public Company Limited
and its subsidiaries

Present

- Chairman
Minor Food Group Public Company Limited
and its subsidiaries

Present

- Director
Rajadamri Hotel Public Company Limited
and its subsidiaries

Other Organizations (as of 31 December 2014)

Present

- Director
Everest Worldwide Ltd.

% of shareholding in IVL as of 31 December 2014

- 3,669,132 shares or 0.07%



Dr. Siri Ganjarerndee

Position

- Independent Director, Member of the Audit Committee and Member of the Nomination, Compensation and Corporate Governance Committee

Director Type

- Independent Director

Age

- 66

Appointment Date of Directorship

- 27 April 2010

Education

- Ph.D. Monetary Economics and Econometrics & Operations Research, Monash University, Australia
- M.Ec. Economic Statistics and Monetary Economics, University of Sydney, Australia
- B.Ec. (Hons.) Economic Statistics, University of Sydney, Australia

Training Program

- Director Accreditation Program Class No. 4/2003, Thai Institute of Directors, Thailand
- Director Certification Program Class No. 60/2005, Thai Institute of Directors, Thailand
- Audit Committee Program Class No. 6/2005, Thai Institute of Directors, Thailand
- Capital Market Academy Leader Program Class No.5/2007, The Stock Exchange of Thailand
- Advanced Management Program Class No. 113/1995 Harvard Business School

Working Experience (over the past 5 years)

Other Listed Companies in SET

- | | |
|----------------|---|
| 2014 - Present | • Director, Independent Director and Member of the Audit Committee
Samitivej PCL |
| 2014 - Present | • Independent Director and Member of the Audit Committee
Raimon Land PCL |
| 2000 - Present | • Independent Director and Chairman of the Audit Committee
The Post Publishing PCL |
| 2000 - Present | • Vice Chairman and Chairman of the Audit Committee
Thai Vegetable Oil PCL |

Other Organizations (as of 31 December 2014)

- | | |
|----------------|--|
| 2003 - Present | • Director
TRIS Corporation Ltd. |
| 1999 - Present | • Independent Director, Executive Committee Member, Chairman of the Nomination and Remuneration Committee
Bangkok Life Assurance Ltd. |

% of shareholding in IVL as of 31 December 2014

- -None-



Mr. Kanit Si

Position

- Independent Director and Member of the Nomination, Compensation and Corporate Governance Committee

Director Type

- Independent Director

Age

- 64

Appointment Date of Directorship

- 27 April 2010

Education

- MBA - Finance & Quantitative Method University of New Orleans, U.S.A.
- Bachelor of Engineering (Honor & Gold Medal) Chulalongkorn University, Thailand

Training Program

- Director Certification Program 2003 Thai Institute of Directors, Thailand
- Global Leadership Development Program (GLDP) International Centre for Leadership in Finance (ICLIF) 2004, Thailand
- Capital Market Academy Leadership Program, Capital Market Academy (Class 9), Thailand

Working Experience (over the past 5 years)

Other Listed Companies in SET

- 1998 - Present • Executive Vice President
Bangkok Bank Public Company Limited

Other Organizations (as of 31 December 2014)

- 2000 - Present • Director
Bangkok Industrial Gas Company Limited
- 2000 - Present • Director
HMC Polymers Company Limited
- 2000 - Present • Director
Indorama Polyester Industries PCL
- 1999 - Present • Director
TPT Petrochemicals PCL

% of shareholding in IVL as of 31 December 2014

- 100,000 shares or 0.00%



Mr. Apisak Tantivorawong

Position

- Independent Director

Director Type

- Independent Director

Age

- 61

Appointment Date of Directorship

- 29 April 2013

Education

- MBA, Industrial Management University of Tennessee, U.S.A.
- B.Eng. Chemical Engineering Chulalongkorn University, Thailand

Training Program

- Director Certification Program (DCP 18/2002) Thai Institute of Directors, Thailand
- The Joint State-Private Sectors Course, 16/2003 The National Defence College of Thailand

Working Experience (over the past 5 years)

Other Listed Companies in SET

- 2014 - Present** • Director and Member of the Nomination, Compensation and Corporate Governance Committee
The Siam Commercial Bank Public Company Limited
- 2013 - Present** • Independent Director
Synnex (Thailand) Public Company Limited
- 2013 - Present** • Chairman of the Board of Directors
Quality Houses Public Company Limited
- 2007 - Present** • Independent Director and Chairman of the Risk Management Committee
Thai Oil Public Company Limited

Other Organizations (as of 31 December 2014)

- 2014 - Present** • Vice Chairman, Finance Committee
Charoen Pokphand Group Co., Ltd.
- 2013 - Present** • Independent Director, Member of the Audit Committee and Chairman of the Risk Management Committee
Bangkok Glass Industry Co., Ltd.

% of shareholding in IVL as of 31 December 2014

- -None-



Mr. Russell Leighton Kekuewa

Position

- Independent Director and Member of the Sustainability Committee

Director Type

- Independent Director

Age

- 60

Appointment Date of Directorship

- 20 October 2014

Education

- Master of Science Industrial Engineering and Engineering Management, Stanford University Stanford, California, U.S.A.
- Bachelor of Science Civil Engineering University of the Pacific Stockton, California, U.S.A.

Training Program

- Director Certification Program (DCP 196/2014), Thai Institute of Directors, Thailand

Working Experience (over the past 5 years) Other Listed Companies in SET

- -None-

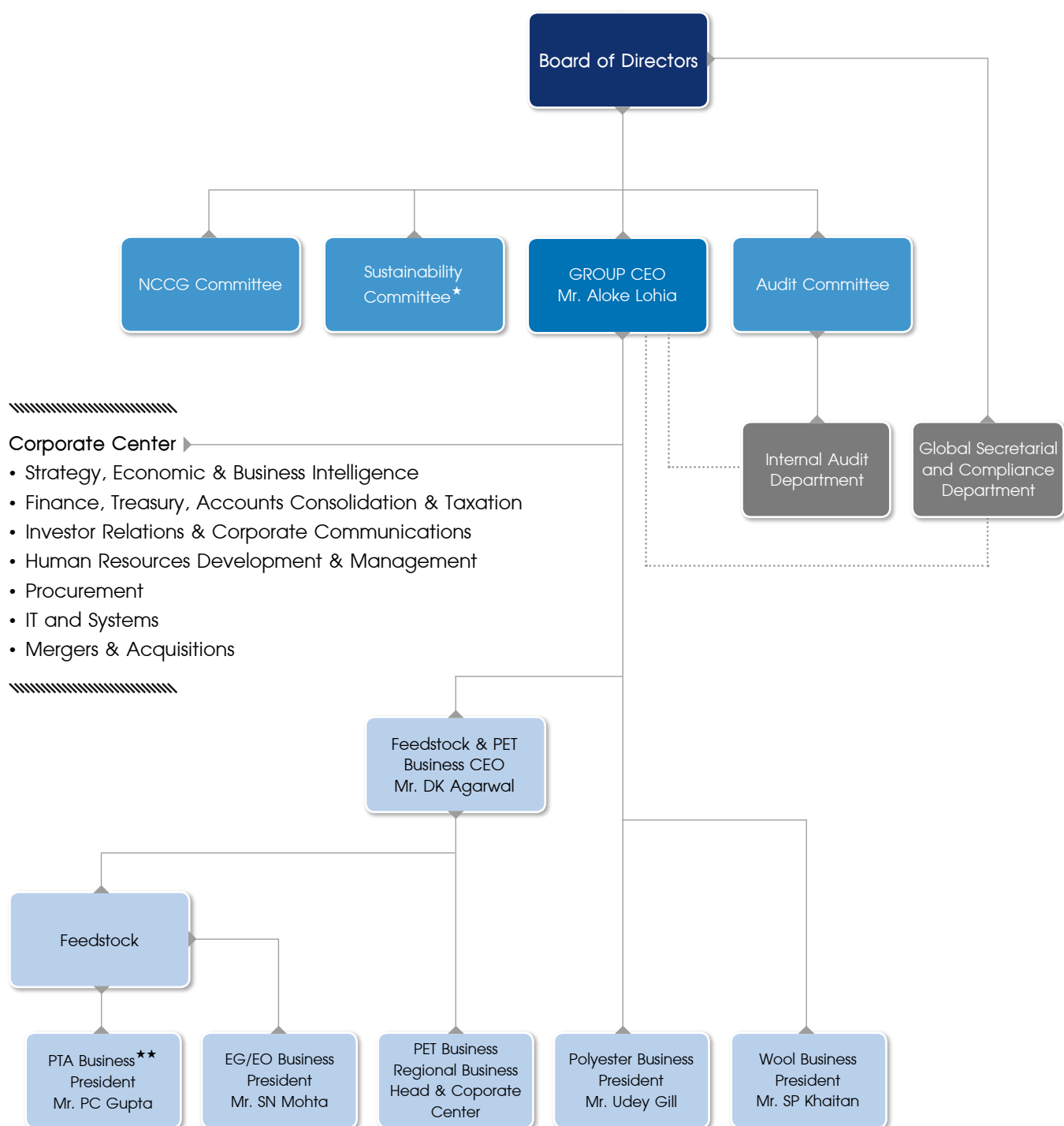
Other Organizations (as of 31 December 2014)

- 2004 - 2014**
- Vice President, South and Southeast Asia Tetra Pak (Thailand) Ltd.

% of shareholding in IVL as of 31 December 2014

- 200,000 shares or 0.00%

MANAGEMENT Structure



* Formerly Enterprise Risk Management (ERM) Committee.

** Mr. Sunil Fotedar replaced Mr. PC Gupta as President of PTA business effective January 9, 2015

The Board of Directors

The Board of Directors as of December 31, 2014

Name	Position	Appointment Date of Directorship
1. Mr. Sri Prakash Lohia	Chairman of the Board	September 19, 2009
2. Mr. Alope Lohia	Vice Chairman of the Board, Chairman of the Sustainability Committee, Member of the Nomination, Compensation and Corporate Governance Committee and Group Chief Executive Officer	September 19, 2009
3. Mrs. Suchitra Lohia	Director and Chairperson of Corporate Social Responsibility Committee	September 19, 2009
4. Mr. Amit Lohia	Director	September 19, 2009
5. Mr. Sashi Prakash Khaitan	Director and President of Wool Business	September 19, 2009
6. Mr. Rathian Srimongkol	Independent Director, Vice Chairman of the Board, Chairman of the Audit Committee and Member of the Sustainability Committee	September 19, 2009
7. Mr. William Ellwood Heinecke	Independent Director and Chairman of the Nomination, Compensation and Corporate Governance Committee	September 19, 2009
8. Mr. Dilip Kumar Agarwal	Director, Member of the Sustainability Committee and Chief Executive Officer of Feed Stock and PET Business	April 27, 2010
9. Mr. Maris Samaram	Independent Director, Member of the Audit Committee and Member of the Sustainability Committee	April 27, 2010
10. Dr. Siri Ganjarerndee	Independent Director, Member of the Audit Committee and Member of the Nomination, Compensation and Corporate Governance Committee	April 27, 2010
11. Mr. Kanit Si	Independent Director and Member of the Nomination, Compensation and Corporate Governance Committee	April 27, 2010
12. Mr. Udey Paul Singh Gill	Director, Member of the Sustainability Committee and President of Polyester Business	April 27, 2011
13. Mr. Apisak Tantivorawong	Independent Director	April 29, 2013
14. Mr. Russell Leighton Kekuewa*	Independent Director and Member of the Sustainability Committee	October 20, 2014

*Mr. Russell Leighton Kekuewa was appointed as Independent Director in place of Mr. Chakramon Phasukavanich on October 20, 2014

Authorized Directors

The Authorized Directors to sign on behalf of the Company are any two of Mr. Alope Lohia, Mrs. Suchitra Lohia, Mr. Sashi Prakash Khaitan and Mr. Dilip Kumar Agarwal jointly signs with the Company's seal affixed.

Composition of the Board of Directors

There are 5 executive directors, (1) Mr. Alope Lohia, (2) Mrs. Suchitra Lohia, (3) Mr. Sashi Prakash Khaitan (4) Mr. Dilip Kumar Agarwal and (5) Mr. Udey Paul Singh Gill

There are 7 independent directors, (1) Mr. Rathian Srimongkol, (2) Mr. William Ellwood Heinecke, (3) Mr. Maris Samaram, (4) Dr. Siri Ganjarerndee, (5) Mr. Kanit Si, (6) Mr. Apisak Tantivorawong and (7) Mr. Russell Leighton Kekuewa and there are 2 non-executive directors, (1) Mr. Sri Prakash Lohia and (2) Mr. Amit Lohia

Roles, Duties and Responsibilities of the Board

Please see the details under the topic of "Corporate Governance Report"

52/Management STRUCTURE

Sub-Committees

Indorama Ventures Public Company Limited consists of three sub-committees, namely, the Audit Committee, the Nomination, Compensation and Corporate Governance Committee and the Sustainability Committee (Formerly Enterprise Risk Management Committee). The details of each sub-committee are provided under the topic of "Corporate Governance Report".

Board Meetings

Meetings in 2014						
Name	Board of Directors (7 times)	Audit Committee (6 times)	Nomination, Compensation and Corporate Governance Committee (3 times)	Enterprise Risk Management Committee (2 times)	Independent Directors (1 time)	AGM
1. Mr. Sri Prakash Lohia	5/7	-	-	-	-	1/1
2. Mr. Alope Lohia	5/7	-	3/3	2/2	-	1/1
3. Mrs. Suchitra Lohia	4/7	-	-	-	-	1/1
4. Mr. Amit Lohia	5/7	-	-	-	-	1/1
5. Mr. Sashi Prakash Khaitan	7/7	-	-	-	-	1/1
6. Mr. Rathian Srimongkol	7/7	6/6	-	2/2	1/1	1/1
7. Mr. William Ellwood Heinecke	4/7	-	2/3	-	1/1	1/1
8. Mr. Dilip Kumar Agarwal	7/7	-	-	2/2	-	1/1
9. Mr. Maris Samaram	7/7	6/6	-	2/2	1/1	1/1
10. Dr. Siri Ganjarendee	6/7	1/1**	3/3	-	1/1	1/1
11. Mr. Kanit Si	7/7	-	3/3	-	1/1	1/1
12. Mr. Udey Paul Singh Gill	6/7	-	-	1/2	-	1/1
13. Mr. Apisak Tantivorawong	5/7	-	-	-	1/1	1/1
14. Mr. Russell Leighton Kekuewa	1/1*	-	-	-*	-*	-*

Remarks : * Mr. Russell Leighton Kekuewa was appointed as IVL Directors on October 20, 2014

* Dr. Siri Ganjarendee was appointed as the Member of Audit Committee on October 20, 2014

Executives

As of December 31, 2014, IVL's executives are:

Name	Position
1. Mr. Alope Lohia	Group Chief Executive Officer
2. Mrs. Suchitra Lohia	Chairperson of Corporate Social Responsibility Committee
3. Mr. Dilip Kumar Agarwal	Chief Executive Officer of Feedstock and PET Business
4. Mr. Sashi Prakash Khaitan	President of Wool Business
5. Mr. Udey Paul Singh Gill	President of Polyester Business
6. Mr. Prem Chandra Gupta*	President of PTA Business
7. Mr. Satyanarayan Mohta	President of EG/EO Business
8. Mr. Sanjay Ahuja	Head of Finance
9. Mr. Manoj Sharma	Head of Accounting

*Mr. Sunil Fotedar replaced Mr. Prem Chandra Gupta as President of PTA business effective on January 9, 2015

The Company Secretary

The Board of Directors of the Company has appointed Mr. Souvik Roy Chowdhury as the Company Secretary of the Company effective on February 15, 2010.

Duties and Responsibilities of Company Secretary

The Company Secretary must perform the duties as prescribed in Section 89/15 and Section 89/16 of Securities and Exchange Act (No.4) B.E.2551, effective August 31, 2008 with responsibility, carefulness and honesty and must comply with the laws, objectives, Articles of Association, resolution of the board of Directors as well as resolution of Shareholders. The duties of Company Secretary prescribed by the law are as follows:

1. Preparing and keeping the following documents
 - a. Register of Directors
 - b. Notice of Board of Directors Meeting, Minutes of Board of Directors Meeting and annual report
 - c. Notice of the Shareholders Meeting and Minutes of Shareholders Meeting
2. Keeping reports of interest filed by Directors and Executives and present reports of interest in Section 89/14 to Chairman of the Board and Chairman of Audit Committee for acknowledge within 7 days from the date it is received by the Company;

3. Performing any other acts as determined by the Capital Market Supervisory Board

In addition, the Company Secretary has other duties as assigned by the Company as follows:

- Providing basic advice pertaining to the securities laws and regulations and Articles of Association as well as monitoring compliance on a regular basis and reporting any significant changes to the Board.
- Arranging the Shareholders Meeting and the Board of Directors Meeting in accordance with the laws, regulations and related best practices.
- Preparing minutes of the Shareholders Meeting and the Board of Directors Meeting, and monitoring subsequent compliance with the resolutions of those meetings.
- Preparing and keeping registrations of directors, annual reports, notice of the Shareholders Meeting, notice of Board of Directors Meeting, minutes of the Shareholders Meeting and the Board of Directors Meeting.
- Keeping reports of interest filed by directors and executives, and

presenting such reports as specified by the relevant laws.

- Ensuring statutory compliances across all subsidiaries.
- Ensuring that corporate information disclosures to regulatory agencies are in accordance with the laws and regulations.
- Timely reporting of all necessary disclosures to SEC and SET.
- Assisting in Board activities including provide preliminary advice and recommendations pertaining to legal, regulatory, corporate governance issues and best practices related to the Board and Committees.

Remuneration of Directors and Management

Please see the details in the topic of "Corporate Governance Report"

Personnel

Please see the details in the topic of "Corporate Governance Report" under "People" Section



SHAREHOLDERS

Indorama Ventures Public Company Limited

Major Shareholders

(As of December 31, 2014)

No.	Shareholders	No. of Shares	%
1.	Indorama Resources Ltd. ¹	3,066,038,376	63.69
2.	Bangkok Bank PCL. ²	230,180,944	4.78
3.	Thai NVDR Ltd.	170,626,664	3.54
4.	Canopus International Limited ¹	130,000,000	2.70
5.	Mr. Thaweechat Chulangkul ³	101,995,700	2.12
6.	State Street Bank Europe Limited	64,791,297	1.35
7.	Mr. Natthaphol Chulangkul ³	53,809,700	1.12
8.	HSBC (Singapore) Nominees PTE Ltd.	37,117,487	0.77
9.	The Hongkong and Shanghai Banking Corporation Limited, Fund Services Department	27,621,858	0.57
10.	State Street Bank and Trust Company	26,965,252	0.56
11.	Nortrust Nominees Limited-NT0 SEC Lending Thailand CL AC	24,704,912	0.51

Remarks :	¹ Group of Lohia Family	No. of Shares	%
	- Indorama Resources Ltd.*	3,066,038,376	63.69
	- Canopus International Limited**	130,000,000	2.70
	- Mr. Alope Lohia	10	0.00
	- Mr. Anuj Lohia	10	0.00
	* Owned by Canopus International Limited 99.98%		
	** Mr. Alope Lohia and his immediate family have voting rights of up to 76% and an equity interest of up to 49% in Canopus International Limited while Mr. Sri Prakash Lohia and his immediate family have voting rights of up to 24%, and equity interest of up to 51%, in Canopus International Limited		
	² Group of Bangkok Bank	No. of Shares	%
	- Bangkok Bank PCL.	230,180,944	4.78
	- Bangkok Insurance PCL.	449,944	0.01
	³ Group of Chulangkul Family	No. of Shares	%
	- Mr. Thaweechat Chulangkul	101,995,700	2.12
	- Mr. Natthaphol Chulangkul	53,809,700	1.12
	- Mrs. Hathairat Chulangkul	2,700,000	0.06

IVL GLOBAL AWARDS 2014



« Top Corporate Governance Report Award
given to Indorama Ventures by the Stock
Exchange of Thailand (SET)

CAC Certification given to Indorama Ventures by »
Thailand's Private Sector Collective Action Coalition
Against Corruption (CAC)



« Outstanding Sustainability Report Awards 2014
given to Indorama Ventures by the Thai Listed
Companies Association, the Securities and
Exchange Commission and ThaiPAT Institute



CSR Recognition Award 2014 in the category »
of Rising Star given to Indorama
Ventures by the Stock Exchange of Thailand (SET)



Quality Supplier of the Year Award given to >>
Auriga Polymers by CareStream



<< Seal of Approval
Accreditation on
healthcare fiber portfolio
given to Wellman
International by Allergy
U.K.

>>
Supplier of the Year Award for excellence
in innovation given to Indorama
Ventures by TWE Group, Germany



Thailand Energy Award
2014 given to Indorama
Petrochem by the Ministry
of Energy, Thailand

Outstanding Industrial Establishment of Labor Relations
and Welfare Award 2014 given to Indorama Polyester
Industries (Rayong), Indorama Polyester Industries
(Nakhon Pathom), Indorama Holdings and Indorama
Petrochem, by the Ministry of Labour, Thailand

>>
Lithuania Export Prize
2013 given to Orion
Global Pet by the
Government of the
Republic of Lithuania

CSR-DIW (Corporate Social Responsibility - >>
Department of Industrial Works) Award 2014
given to AsiaPet, Indorama Holdings, Indorama
Petrochem, Indorama Polyester Industries
(Nakhon Pathom and Rayong),
Indorama Polymers, Petform and TPT
Petrochemicals, by the Ministry of Industry, Thailand





« ICT Excellence Award 2013 in the category of Core Process Improvement Project given to Indorama Ventures by Thailand Management Association (TMA) in association with National Electronics and Computer Technology Center (NECTEC), Thailand's software industry (Software Park Thailand) and the College of Innovation, Thammasart University (CITU)

Outstanding Establishment on Safety
Occupational Health and Environment
Award given to Indorama Polyester Industries
(Nakhon Pathom) and Indorama Petrochem,
by the Ministry of Labour, Thailand

River Conservation and Restoration
Award given to Indorama Polyester Industries
(Nakhon Pathom) by the Ministry of Industry,
Thailand

Zero Accident Campaign
Award 2014 given to Indorama
Petrochem by the Ministry of Labour,
Thailand

Good Environmental Governance 2013 (White
Flag-Green Star) given to Indorama Polyester
Industries (Rayong) and TPT Petrochemicals by the
Industrial Estates Authority of Thailand

Asia's Fab 50 Companies

One of the Asia Fabulous 50
companies (Fab 50) ranked
by Forbes magazine

C&EN

CHEMICAL & ENGINEERING NEWS

Ranked 47th in C&EN's Global Top
50 ranking 2014 of the world's largest
chemical producers

The Family Responsible Distinctive Award given to
Indorama Ventures Mexico from the Labor and Social
Welfare Ministry, Mexico

Certification Empresa de 10 given to Indorama
Ventures Polymers Mexico from the National Institute
for the Development of Living Quarters for Workers
(INFONAVIT), Mexico

STRATEGY AND OVERVIEW of Business Operation



“ GROUP STRATEGY ”

Indorama Ventures is a major global intermediate petrochemicals producer and one of the largest vertically integrated polyester value chain producers in the world, serving world-class customers in diversified end-use markets including food, beverages, personal and home care, health care, automotive, textile and industrial. With more than 14,000 employees, 51 operating sites in 17 countries across 4 continents, we supply our products to customers in nearly every part of the world.

Our objective is to strengthen our position as a market leader in the polyester value chain segment of intermediate petrochemicals in terms of scale, integration and differentiation as well as profitability and return on investment, supported by a focus on delivering long-term, superior shareholder value.

It is estimated that in 2030, the world population will reach 8.4 billion people. This population growth surge will present global challenges, but we see these as opportunities for demand across all our markets. With the fast-paced evolution of technologies, innovation

will also play a key role in chemical industry to create market that is sufficiently sustainable to balance the environment, resources, climate, food and nutrition, and quality of life. As the fastest growing polymer in the world at a rate of 6.5% annually, polyester is the future.



Strategic Principles



We strive to provide our customer with the best value proposition. We believe we exist because of our customers. We focus our activities to achieve customer satisfaction and loyalty for a long lasting relationship.

We aim to form the best team in the industry. We believe that people are our core strength, be it our employees, suppliers, customers, shareholders or other stakeholders. Their involvement and satisfaction are the key drivers for our success and growth.

We strive to become the world's most sustainable producer. We believe that business going forward will be sustainability-led across all aspects of our company, from sourcing raw materials

to production process efficiencies. To us, therefore, sustainability is not a public relations strategy, but it is the foundation in moving towards profitable growth.

Strategic Levers

Our strategy has been designed to help us continue achieving our objectives as follows:

- Focused Growth and Investment;
- Integrated Business Model;
- Geographical Diversification;
- Product Diversification;
- Sustainability; and
- Operational Excellence.

Focused Growth and Investment

Our growth and investment strategy is to build and enhance our existing market leadership position in each of the regions that we operate, as well as expand our geographical presence through organic growth and value-enhancing acquisitions in our industry.

We have an established a track record of implementing this strategy through Greenfield investments, brownfield expansions as well as via attractive acquisitions.

Acquisitions are a main contributing factor for achieving our strategic targets. Indorama Ventures has strategic and financial acquisition criteria that are used to evaluate potential acquisition targets. We have strong track record of acquiring businesses and integrating them successfully into our organization.

Vertical Integration Business Model

We expect vertical integration, either through asset ownership, co-located sites with owned assets or virtual integration through co-located sites with key raw material suppliers, to enhance

our operational and logistical efficiency, cost competitiveness and raw material security. Integration through owned assets also enhances our ability to insulate ourselves from sector cyclicality and improve the quality, visibility, and predictability of earnings. Moving forward, our strategy will focus on going further into our Ethylene and Paraxylene raw materials, in line with our downstream polyester and other feedstock (PTA and MEG) capacities.

Geographical Diversification

Diversifying our customer mix, both geographically and through end-use applications (for some business segments), is an important aspect for our continued success in the polyester value chain. We plan to continue to enhance our marketing efforts to geographically diversify our customer base for the product lines.

Product Diversification

As a leading polyester value chain player, we intend to focus on the development of our research and development capabilities, either through our own facilities or through the establishment of key relationships with other industry players.

We work carefully alongside our customers to provide them with innovative ideas, expertise and support solutions for their specific requirement. Through this differentiation goal, we have significantly expanded our non-commodity or high value-added (HVA) portfolio.

Sustainability

We believe that increase in our ability to use recycled materials and integrate such recycled materials within our standard processes will allow us to cater to changing customer objectives and proactively address environmental issues. In addition to recycling, we continue

to promote our sustainability initiatives through the seven pillars of sustainability namely Waste Reduction, Reducing Resources, Renewable Energy, Recycling, Employee Development, Stakeholder Engagement and Local Community Development.

Operational Excellence

Maintaining a low cost philosophy by continued focus on production cost efficiency, scale and technology efficiency, raw material efficiency and investment efficiency will help us maintain our industry cost position in the future. In our volume-driven commodity businesses, such as our PET, PTA and some commodity polyester fiber businesses, cost competitiveness is a key driver which differentiates industry leaders from others.

We emphasize the importance of operational excellence to bring synergies and facilitate best practice knowledge transfer across the global IVL footprint. Key focus areas include benchmarking conversion costs, optimizing the workforce, wastage reduction and recovery, and environment health and safety issues.

Financial Prudence

We are committed to maintaining a continued emphasis on financial discipline and prudent investment decisions. We evaluate each potential investment on the basis of stand-alone profitability and efficiency, in addition to its potential synergistic contribution within the overall organization. We strive to maintain an efficient capital structure as we grow to provide us sufficient flexibility in our operations and sufficient liquidity in our cash flow position. We intend to continue to finance projects on a stand-alone basis and to maintain debt levels at a level where cash flows from individual operations are sufficient to cover our debt service requirements even during industrial downturns.

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“CHANGES AND IMPORTANT DEVELOPMENTS”

Background of the Company

Indorama Ventures Public Company Limited, formerly known as Beacon Global Limited, was established on February 21, 2003, and re-named Indorama Ventures Public Company Limited on March 19, 2009. Indorama Ventures Public Company Limited is a holding company with investments in companies operating in the intermediate petrochemicals industry in Thailand and globally. These companies are manufacturers and suppliers of polyethylene terephthalate (“PET”),

polyester fiber and yarn, purified terephthalic acid (“PTA”), Mono Ethanol Glycols (“MEG”), Worsted Wool yarns, Polypropylene fibers and yarns, Nylon fibers and filaments among others.

Background of the Business

Beginning of Business in Thailand
We commenced business operations in 1994 with the incorporation of Indorama Holdings Ltd., which was the first worsted wool yarn producer in Thailand.

Entry into the PET Business

In 1995, we entered the petrochemical industry focusing on the polyester value chain business with the establishment of a PET resin facility in Thailand. Since then, each successive growth and addition has been committed to the polyester value chain. We have grown significantly

to become a major global polyester value chain producer with a presence in three key business segments, PET resin, polyester fibers and yarns and Feedstock comprising PTA, MEG and various EO derivatives.

Our growth in the PET business has been achieved through Greenfield investments, strategic acquisitions, and brownfield expansions. From 1995 to 2002, we grew our PET business by engaging in the downstream production of PET preforms, bottles and closures through a joint venture with Serm Suk Pcl, as well as through various expansion projects leading to increased capacities.

Entry into the Polyester Business

Our development in the polyester business has been achieved through the acquisition of distressed assets and organic growth through debottlenecking and asset optimization. We entered the polyester business in 1997 through the acquisition of Indo Poly, a polyester fiber plant in Thailand. In 2008, we acquired Tuntex Thailand, the largest polyester fiber producer in Thailand. Both of our polyester facilities were acquired as distressed assets at a discount to their replacement cost and have been successfully turned around. In 2009, Indo Poly transferred all of its assets to, and all of its liabilities were assumed by, Tuntex Thailand, which was subsequently re-named Indorama Polyester Industries.

Backward Integration into PTA

In a step towards vertical integration, we entered into the PTA business in 2008 through the acquisition of three facilities, IRH Rotterdam, Indorama Petrochem and TPT Petrochemicals. The growth philosophy for our PTA business has been the acquisition of assets at a discount to their replacement cost, providing complementary support to our downstream PET and polyester businesses in Europe and Asia.



Becoming Global Leader



Expansion of PET Business in US and Europe

We expanded our PET production footprint internationally into North America in 2003, with the acquisition of the StarPet facility, and into Europe in 2006, with the commencement of our Orion Global PET facility. The expansion made us the only PET resin producer with operations in the three largest consuming regions of Asia, Europe and North America. We have further expanded our manufacturing presence with the acquisition of two PET resin facilities from Eastman Chemical Company in Europe in 2008, and a Greenfield investment in the PET business with AlphaPet in North America in 2009. In the first half of 2011, IVL had completed major acquisitions of PET plants in China, Indonesia, Mexico, Poland and USA, leading the company to become the world's largest PET producer and the largest player in Europe. We also expanded our PET production footprint to Africa by implementing the new solid state polymerization "SSP" plant in Nigeria, which started commercial operations in 2012. In 2012, we also acquired the PET resin assets of PT Polypet Karyapersada which is located at Cilegon, Indonesia.

Expansion of Polyester Business Globally

In the first half of 2011, we expanded our polyester production footprint internationally into Indonesia and USA. Later in November 2011, we acquired the PET and Polyester fibers recycling businesses of Wellman International in Europe, which comprising of three production facilities in the Republic of Ireland, the Netherlands, and France. In January 2012, we acquired 100% of FiberVisions Holdings LLC, a global



manufacturer of specialty mono and bi-component fibers based in Duluth, Georgia, USA.

Backward Integration into MEG

In 2012, we took another step upward to feedstock integration by the acquisition of Old World Industries I, Ltd. and Old World Transportation, Ltd. in the USA, which is the largest single EO/EG production facility in the U.S. Mono Ethylene Glycol (MEG) is one of our key feedstocks together with Purified Terephthalic Acid (PTA), in the manufacture of Polyethylene Terephthalate (PET) and Polyester Fibers and Yarns, both downstream products of IVL.



Focus on Business Differentiation



Advancing towards High Value Added (HVA) Segments

As we grew to become an industry leader so did the importance of working more closely with our global customers in providing them with innovative and specialized solutions to meet their evolving needs. IVL has invested laterally into high value added products in PET, Polyester fibers and yarns, Polypropylene fibers and yarns, Nylon fibers and yarns and Purified Ethylene Oxide "PEO".

The expansion into HVA products has helped mitigate the weakness that our commodity sector has seen over the past two years allowing us to maintain healthy margins. We have made significant headway on the HVA front as a market leader and innovator of numerous products. Our specialty range has enhanced the brand value of IVL making the company a total global solutions provider. In 2014, our HVA portfolio represented 21% of production and 34% of consolidated revenue.



Recycling Business



Entering the recycling space in 2011 with the acquisition of Wellman International in Europe, IVL today has eight recycling platforms across three continents. At the beginning of 2014, we extended the know-how we obtained from Wellman International and commenced production of our recycled PET and fiber facility in Nakhon Pathom, Thailand. We expected to further leverage on Wellman's bottle to flake technology on a global scale. We have also integrated three production sites in USA and Mexico with recycled PET and our objective is to continue to increase the use of recycled PET in our operations.

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Successful Capital Raising

Our Initial Public Offering

Indorama Ventures Public Company Limited became a public company on September 25, 2009. As of December 31, 2014, the Company has registered capital of Bt 5,666,010,499 with paid-up capital of Bt 4,814,257,245 totaling 4,814,257,245 ordinary shares at par value of Bt 1 per share. The major shareholder of the Company is Indorama Resources Limited, owned 99.99% by Canopus International. (Canopus International is owned by Mr. Alope Lohia and his immediate family and Mr. Sri Prakash Lohia and his immediate family). Mr. Alope Lohia and his immediate family hold 49% with voting rights over 76% of total votes of Canopus International while Mr. Sri Prakash Lohia and his immediate family hold 51% with voting rights over 24.0% of total votes of Canopus International.

In January, 2010, Indorama Ventures Public Company Limited completed initial public offering of 400,000,000 ordinary shares at an offering price of Baht 10.20

per ordinary share. The total amount raised in cash from initial public offering of shares Baht 4,080 million. Simultaneously, the minority shareholders of Indorama Polymers Public Company Limited, subsidiary of IVL listed on the Stock Exchange of Thailand were offered under an exchange offer 582,727,137 ordinary shares of Indorama Ventures Public Company Limited. The ordinary shares of Indorama Ventures Public Company Limited were listed and commenced trading on the Stock Exchange of Thailand (the "SET") on February 5, 2010. The ticker symbol is "IVL". Indorama Ventures, during the course of 2010 became a member of the major indices, SET 50 Index, FTSE SET Large Cap Index and MSCI.

Rights Offering

In November, 2010, the Board of Directors passed a resolution to increase the authorized share capital from Baht 4,334,271,047 to Baht 4,815,856,719 and reserve the increase in authorized share capital of Baht 481,585,672 for the exercise of Transferable Subscription Rights "TSRs". The Board approved a rights issue of TSRs to existing shareholders in the ratio of 1 TSR for every 9 existing ordinary shares held of IVL. The conversion ratio of

TSR to ordinary shares as 1 and exercise price of TSR to ordinary shares of Baht 36 per ordinary share. On December 17, 2010, in the extraordinary shareholders meeting "EGM" of IVL the shareholders approved the rights issue of TSRs, allocation of TSR and the terms and conditions of TSR. 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 total amount raised in cash from this rights issue is Baht 17,280 million.

Tender Offer

Our PET business was listed on the SET through Indorama Polymers Public Company Limited "IRP" in 2005. On December 24, 2009 IVL offered to purchase up to 100% of IRP through a tender offer whereby IRP shareholders (other than IVL and its subsidiaries) were offered IVL shares in exchange for IRP shares. The said tender offer was completed on February 1, 2010 which resulted in IVL holding directly and indirectly (through its subsidiary Indorama Holdings (Thailand) Limited) around 99.08% of the issued and paid-up capital of IRP. IRP shares were delisted from the SET on February 5, 2010 onwards.

Changes and Important Developments

Year	Event	Location	Business
1994	Incorporation of Indorama Holdings Ltd.	Thailand	Wool
1995	Establishment of Indorama Polymers PCL PET resin plant in Lopburi, Thailand.	Thailand	PET
1996	Establishment of Petform (Thailand) Ltd., a joint venture with Serm Suk PCL	Thailand	PET
2002	Completion of various expansion projects leading to increased capacities in Thailand	Thailand	PET/Polyester
2003	Incorporation of Beacon Global Limited (subsequently re-named Indorama Ventures PCL in 2008)	Thailand	Holding Company
2003	First major international expansion with the acquisition of StarPet PET plant in Asheboro, North Carolina	USA	PET
2006	Acquisition of a 94.57% interest in Indorama Holdings Ltd. from an entity controlled by Mr. Alope Lohia.	Thailand	Wool/Holding Company

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Year	Event	Location	Business
2006	Expansion into Europe with the establishment of Orion Global PET plant in Klaipeda, Lithuania	Lithuania	PET
2007	Completion of various expansion projects leading to increased capacities	USA / Thailand	PET / Polyester
March 2008	- UAB Indorama Polymers Europe, IRP Rotterdam and IRP Workington acquired the net assets (property, plant and equipment and working capital) and the operations of two PET production facilities located in the Netherlands and the United Kingdom, previously owned and operated by subsidiaries of Eastman Chemical Company - UAB Indorama Holdings Ltd. Europe and IRH Rotterdam also acquired the net assets (property, plant and equipment and working capital) and the operations of a PTA production facility located in the Netherlands, previously owned and operated by subsidiary of Eastman Chemical Company	The Netherlands / UK	PET
		The Netherlands	PTA
June 2008	Indorama Holdings Ltd. sold its shares representing 89.71% of Indo-Rama Chemicals (Thailand) Ltd., to an entity controlled by Mr. Alope Lohia and his immediate family	Thailand	Chemicals
August - October 2008	The Company acquired a 50.56% equity interest in TPT Petrochemicals PCL from various parties	Thailand	PTA
September 2008	- The Company acquired a 65.81% equity interest in Tuntex (Thailand) pursuant to Tuntex (Thailand)'s bankruptcy rehabilitation plan. - The Company acquired an additional 44.38% of the outstanding shares of Indo Poly (Thailand) Ltd. from Indorama International Finance PCL. As a result of the acquisition, the Company increased our direct and indirect shareholdings of Indo Poly (Thailand) Ltd. to 98.85%.	Thailand	Polyester
		Thailand	Polyester
September - October 2008	The Company acquired a 100% equity interest in Indorama Petrochem Ltd. from various parties	Thailand	PTA
October 2008	The Company acquired an additional 3.94% of the outstanding shares of Indorama Polymers PCL from DEG, thereby increasing our direct and indirect holdings of Indorama Polymers PCL to 69.29%.	Thailand	PET
December 2008	The Company acquired an additional 31.20% of the outstanding shares of Tuntex (Thailand) PCL (re-named Indorama Polyester Industries PCL)	Thailand	Polyester
July 2009	- Indo Poly (Thailand) Ltd. transferred all of its assets and business to Indorama Polyester Industries PCL. (In August, 2009, Indo Poly (Thailand) Ltd. commenced action to liquidate itself, which consummated by August, 2011) - The Company acquired an additional 2.08% of the outstanding shares of TPT Petrochemicals PCL from International Finance PCL, thereby increasing our direct and indirect holdings of TPT Petrochemicals PCL to 52.64%.	Thailand	Polyester
		Thailand	PTA
August 2009	The Company and Indorama Holdings Ltd. jointly made a tender offer jointly to purchase all outstanding shares of Indorama Polyester Industries PCL that we did not own. After the tender offer, the Company and Indorama Holdings Ltd. increased our shareholdings of Indorama Polyester Industries PCL to 99.55% and delisted Indorama Polyester Industries PCL from the SET effective on November 9, 2009	Thailand	Polyester

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Year	Event	Location	Business
October 2009	Startup of the AlphaPet PET plant in Decatur, Alabama	USA	PET
November 2009	TPT Utilities Co., Ltd. transferred all of its assets to TPT Petrochemicals PCL and subsequently completed the liquidation on October 29, 2011	Thailand	Others
December 2009	The Company acquired an additional 1.96% of the outstanding shares of TPT Petrochemicals PCL from International Finance PCL, thereby increasing our direct and indirect holdings of TPT Petrochemicals PCL to 54.60%.	Thailand	PTA
	On December 24, 2009 Indorama Ventures Public Company Limited "IVL" announced a tender offer to purchase up to 100% of shares in Indorama Polymers Public Company Limited "IRP" with an intention to delist the shares of IRP from the Stock Exchange of Thailand "SET". 424,480,300 shares of IRP offered to be purchased through an exchange offer whereby IRP shareholder will receive IVL shares.	Thailand	PET
February 2010	Listed and start trading of shares of IVL on the Stock Exchange of Thailand after completion of initial public offering of 400 million new shares for an initial offering price of Baht 10.20 and completion of exchange offer to minority shareholders of Indorama Polymers Public Company Limited "IRP". Simultaneously delisting of IRP shares from the SET on the first day trading of IVL.	Thailand	Corporate
July 2010	Acquisition of 50% equity stake in a joint venture company UAB Ottana Polimeri Europe for the purpose of acquisition of an integrated PTA and PET plant in Ottana, Italy from Equipolymers. The joint venture partner is PCH Holdings which holds the balance 50% and is in the business of power and utilities.	Italy	PTA and PET
August 2010	Announced setting-up of a Greenfield project for PET polymers in Port Harcourt, Nigeria with an installed capacity of 75,000 tpa.	Nigeria	PET
	Announced capacity expansion by 190,000 tpa for PET at existing site in Rotterdam, Netherlands by setting-up a new line of PET production. Europe is a net importer of PET resins and the expansion has helped to substitute imports and the demand growth. In addition, the PET expansion will result in full captive consumption of PTA produced at site and cost benefits from economies of scale.	Netherland	PET
October 2010	Acquisition of additional shares in TPT Petrochemicals PCL from Tuntex Taiwan and other shareholders to increase equity stake from 54.60% to 99.96%	Thailand	PTA
November 2010	Announced approval of acquisition of business to make PET resins and Polyester polymers for fibers & yarns in Kaiping City, Guangdong Province, China, from Guangdong Shinda UHMWPE Company Limited. The total installed capacity of the plant is 406,000 tpa. The acquisition allows to expand the global footprint and to enter the high growth market in China. The acquisition was completed in January, 2011.	China	PET

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Year	Event	Location	Business
	- Announced the signing of a definitive agreement with INVISTA S.a.r.l. to acquire their PET resins and Polyester staple business located in Spartanburg, South Carolina, USA and Queretaro, Mexico. The total installed capacity at Spartanburg site is 470,000 tpa and at Queretaro site is 535,000 tpa. The acquisition will allow to build on its expanding global platform making the company world's largest PET producer and give access to the new markets of Latin and Central America. The acquisitions completed in March, 2011. - Board of Directors Meeting No. 8/2010 dated 10 November 2010 approved the issuance of 481,585,672 free Transferable Subscription Rights (TSRs) to the company's existing shareholders and that the allocation ratio will be 9 existing shares to 1 new TSR. The conversion ratio of 1 TSR will entitle the TSR holder to purchase 1 newly issued share of the Company. The exercise price of TSR into ordinary shares to be determined prior to extraordinary general meeting of shareholders to approve the rights issue.	USA / Mexico	PET / Polyester
		Thailand	Corporate
December 2010	- Announced the signing of a definitive agreement with SK Chemicals and SK Syntec to acquire their Polyester Filament yarns and PET resins business in Indonesia and PET resins business in Poland. The total installed capacity in Indonesia is 196,000 tpa and in Poland is 140,000 tpa. The acquisition will allow building on expanding global platform and reinforcing our focus on the polyester value chain. It gives access to the growth markets of Indonesia and Poland. The acquisitions completed in March, 2011. - Board of Directors Meeting No. 9/2010 dated 16 December 2010 approved the exercise price at Baht 36 per share to subscribe for newly issued shares by each TSR holder. - Extraordinary General Meeting of Shareholders No. 1/2011 approved the resolution for rights issue and allocate to existing shareholders through issue of TSRs, at the ratio of 9 existing shares to 1 TSR.	Indonesia / Poland	Polyester / PET
		Thailand	Corporate
		Thailand	Corporate
March 2011	- Listed and start trading of new 479,986,198 IVL shares on the Stock Exchange of Thailand after completion of the TSRs subscription at the exercise price of Baht 36 per share. - Announced capacity expansion by 300,000 tpa for PET at existing site in Purwakarta, Indonesia.	Thailand	Corporate
		Indonesia	PET
April 2011	Announced a Brownfield expansion of PET polymers production with a capacity 220,000 tonnes per annum at the existing site in Poland.	Europe	PET
May 2011	Announced a Brownfield expansion of PTA production at the site of the existing plant in Rotterdam, with a new production line with an annual capacity of PTA of 250,000 tonnes per annum. This expansion is to enhance integration with a key raw material for production of PET polymers in Europe.	Europe	PTA
June 2011	The IVL Board approved the acquisition of a 50% stake in PT Polyprima Karyesreska ("PT Polyprima"), a PTA producer located in Cilegon, West Java, Indonesia and has an installed capacity of 465,000 Mts. per annum.	Indonesia	PTA

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Year	Event	Location	Business
July 2011	Acquisition of 75% equity stake in a joint venture company Trevira Holdings GmbH for the purpose of acquisition of a 120,000 tonnes per annum polyester fiber plant in Germany and Poland. The acquisition of Trevira GmbH facilitated the entry of IVL into the branded specialist filament business and provide access to an outstanding research and development facility with accompanying intellectual property.	Germany/ Poland	Polyester
August 2011	The Board approved investments in a new recycling plant in Thailand (now complete) and a high technology business in Polyester fibers and yarns in Thailand and Indonesia. These projects have higher value addition and margins to leverage on our existing assets.	Thailand/ Indonesia	Polyester
November 2011	The Board approved acquisition of 100% equity stake in the recycling business of Wellman International in Europe from WIT Beteiligungs GmbH and Wellman International Trading which is subsidiary of Aurelius AG. This business consists of three plants, a Polyester plant in Mullagh, Ireland with an installed capacity over 80,000 tonnes, a recycling plant in Spijk, Netherland with an installed capacity over 45,000 tonnes, and Verdun, France with an installed capacity of 28,000 tonnes	Ireland / France and Netherlands	Polyester
January 2012	The Board approved to acquire 100% of FiberVisions Holdings LLC, a global manufacturer of specialty mono and bi-component fibers based in Duluth, Georgia, USA. Its total global capacity was 221,000 tonnes per annum of specialties, with 117,000 tonnes per annum capacity in the United States of America, 90,000 tonnes per annum capacity in Europe and 14,000 tonnes per annum capacity in China.	USA	Polyester
February 2012	- The Board of Directors approved the acquisition of 100% partnership interest in Old World Industries I Ltd., and Old World Transportation Ltd., (collectively called "Old World"), located in Clear Lake, Texas, USA. The largest single EO/EG production facility in the U.S. with Crude EO capacity of 435,000 tonnes per annum (which is equivalent to 550,000 tonnes per annum of equivalent MEG capacity). - Acquisition of 51% Stake in a Packaging Business. Beacon Trading (UK) Limited has acquired 51% stake in Beverage Plastics (Holdings) Limited ("BPL") in Northern Ireland, United Kingdom.	USA	EO/EG
		UK	Packaging
March 2012	100% acquisition of the PET resin assets of PT Polypet Karyapersada. The PET facility is located at Cilegon, Indonesia with a production capacity of 100,800 tonnes per annum.	Indonesia	PET
April 2012	Acquisition of 100% partnership interest of Old World Industries, Ltd. and Old World Transportation, Ltd. in USA. Old World is in the business of production and sales of ethylene oxide "EO" and derivative products from ethylene oxide: purified ethylene oxide "PEO", mono ethylene glycol "MEG", diethylene glycol "DEG", and triethylene glycol "TEG".	USA	EO/EG
July 2012	Startup of Solid State Polymerization (SSP) Plant in Nigeria at a capacity of 84,000 tonnes per annum. The first PET investment of IVL in Africa and establishes its foothold in the estimated 450,000 tonnes PET market for the continent of Africa which currently has only one other PET producer.	Nigeria	PET
August 2012	Completion of the PET resin assets acquisition through its wholly owned subsidiary, PT. Indorama Polypet Indonesia with a capacity of 100,800 tonnes per annum at Cilegon, Indonesia	Indonesia	PET

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Year	Event	Location	Business
November 2012	An announcement for the Greenfield expansion of PET production in North America by setting up a new plant with a capacity of 540,000 tonnes per year.	USA	PET
	With respect to the announced PET expansion at its Polish site, the Board decided to carry out a significant debottlenecking instead of setting up a new line as it would be more value accretive. This has now been completed.	Poland	PET
February 2013	100% acquisition of a packaging company in Nigeria, Africa, a producer of PET Preforms. This acquisition will be a forward integration for PET segment which set up a PET bottle resin manufacturing unit in Nigeria and completed all the closing formalities and has taken charge of the plant effective April 3, 2013.	Nigeria	Packaging
May 2013	The Board of Directors approved the formation of 50:50 Joint Venture Company with a global producer of non-woven fibers to set up a 14,500 tonnes per annum Bicomponent Fiber Plant at IPI in Rayong, Thailand. The plant is expected to be operational in Q2, 2015.	Thailand	Polyester
	The Board also approved to expand the current Bicomponent Fiber capacity by 10,800 Mts. at the Covington, Georgia USA unit of wholly owned FiberVisions Manufacturing Company and is expected to be completed by Q4, 2014.	USA	Polyester
October 2013	Establishment of Indorama Ventures Packaging (Philippines) corporation to start a new packaging business in Philippines	Philippines	Packaging
	The establishment of new subsidiaries: Indorama Ventures USA Holdings LP Indorama Ventures AlphaPet Holdings, Inc. Indorama Ventures Europe B.V. The three holding companies have been formed as part of a restructuring exercise.	USA USA Netherlands	Holding
November 2013	An announcement for moth-balling of our PET plant at Indorama Polymers Workington Ltd., in the UK, as part of our business improvement plan and restructuring strategy of our European businesses.	UK	PET
December 2013	The establishment of a new subsidiary: - Indorama Ventures Global Services Limited. - Signing of a Joint Venture Agreement for Aromatics production of Abu Dhabi to develop the Tacaamol Aromatics Plant on Madeenat ChemaWEyaat Al Gharbia's (MCAG) site in the Western Region of Abu Dhabi. The plant is expected to have an annual capacity of about 1.4 Mts. of Paraxylene and 0.5 Mts. of Benzene.	Thailand	Corporate
		Abu Dhabi	PX

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Year	Event	Location	Business
February 2014	Acquisition of PHP Fibers GmbH and its subsidiaries ("PHP"), where IVL holds 80% of PHP while the remaining 20% is held by Toyobo Co., Ltd., a leading Japanese manufacturer of high function products, including among others, automotive products. Acquisition completed on 30 April 2014.	Germany USA China	Air bags & Tire cord yarns
	The establishment of a new indirect subsidiary company in the Republic of Ghana	Republic of Ghana	Packaging
March 2014	The establishment of a new joint venture company in Thailand, 50% by Indorama Holdings Ltd., a subsidiary company of IVL and 50% by JNC Fibers Corporation, Japan	Thailand	Polyester
June 2014	Acquisition of 100% of Artenius TurkPET A.S. ("Artenius") in Adana, Turkey. Artenius is a PET producer in Turkey with a capacity of 130,000 tonnes per annum. Acquisition completed on 2 June 2014.	Turkey	PET
October 2014	Reorganization of the Company's Subsidiaries in The Netherlands and the USA to improve operational and fiscal efficiencies, business workflows and to pool common resources, some of the businesses of its subsidiaries.	Netherlands & USA	Corporate
November 2014	The establishment of two new joint venture companies: - Indorama Ventures EcoMex, S. de R. L de C.V. - Indorama Ventures EcoMex Services, S. de R. L de C.V.	Mexico	PET
December 2014	Announced the signing of a share purchase agreement to acquire 100% equity stake in Performance Fibers Asia ("PF Asia") PF Asia is a leading producer of premium polyester tire cord fabric in Asia. PF Asia plants are located in Kaiping City, Guangdong province of China, with an annual capacity of 41,000 MT of Polyester Tire Cord Fabric and 48,000 MT of Polyester Tire Cord Yarn.	China	Polyester

In August, 2014, the Board of Directors of IVL passed a resolution to increase share capital and issue warrants through a rights issue to existing shareholders. Further, the Extraordinary General Meeting of shareholders No. 1/2014 held on 6 August 2014 considered and approved the rights issue of warrants to existing shareholders, terms of the warrants, increase in registered share capital and allocation of share capital for exercise of warrants. The key terms of issued warrants are;

Warrant	IVL W1	IVL W2
Term	3 Years	4 Years
Exercise Ratio	1 unit of warrant for 1 share	1 unit of warrant for 1 share
Exercise Price	THB 36 per share	THB 43 per share
Issue Date	25 August 2014	25 August 2014
Expiry Date	24 August 2017, 3 years from issue date	24 August 2018, 4 years from issue date
Warrant Issue Price	Baht 0 (at no cost)	Baht 0 (at no cost)
Allocation	To existing shareholders at the ratio of 10 IVL existing shares to 1 IVL-W1	To existing shareholders at the ratio of 13 IVL existing shares to 1 IVL-W2
Exercise Period	Last business day of each month for every 3 months starting from 31 October 2014. The last exercise date is the 3rd anniversary from issue date.	Last business day of each month for every 3 months starting from 31 October 2017. The last exercise date is the 4th anniversary from issue date.

As of August 31, 2014, the Company has increased its registered share capital from Baht 4,815,856,719 to Baht 5,666,010,449 ordinary shares with par value of Baht 1 per share. The increase in registered share capital by Baht 850,153,730 is reserved for the exercise of warrants IVL-W1 and IVL-W2 into ordinary shares of IVL. As per terms of the issue if all warrants are exercised by the warrant holders into ordinary shares that IVL will raise on exercise of all IVL-W1 up to Baht 17.3 billion by September, 2017 and on exercise of all IVL-W2 up to Baht 15.9 billion by September, 2018.

In October 2014, the Company has successfully completed the offering of "Subordinated Perpetual Debentures No. 1/2557" for Baht 15 Billion. The Perpetual Debentures carry a fixed rate coupon of 7.0% per annum for the first five years and after every 5 years coupon will be adjusted as per stated terms and conditions. The issuance has strengthened the capital structure, improved the liquidity and flexibility of the company. The Company will use the proceeds to repay debt, investment in growth projects and general corporate purposes.

The Company rating was reaffirmed A+ stable in October, 2014 and the perpetual debentures have an issue rating of A- from the TRIS Rating Company Limited "TRIS".

“ THE COMPANY’S SHAREHOLDING STRUCTURE ”

IVL is a holding company conducting our business through investment in companies engaging in manufacture of integrated petrochemical products both domestic and international. Our headquarters are located in Bangkok. These companies are manufacturers and suppliers of polyethylene terephthalate ("PET"), polyester fiber and yarn, purified terephthalic acid ("PTA"), Mono Ethanol Glycols ("MEG"), wool worsted yarns, polypropylene fibers and yarns, nylon fibers and yarns and others.

Our core businesses are classified in business segments as follows:

PET

Name	Country	Type of business	% of Shareholding
Indorama Polymers PCL	Thailand	Manufacture of SSP Chips and PET	99.26
Asia Pet (Thailand) Ltd.	Thailand	Manufacture of Amorphous Chips	99.99
StarPet Inc.	USA	Manufacture of PET (bottle-grade resin chips)	100.00
UAB Orion Global Pet	Lithuania	Manufacture of PET (bottle-grade resin chips)	100.00
Indorama Polymers Workington Ltd.	United Kingdom	Manufacture of PET (bottle-grade resin chips)	100.00
Indorama Polymers Rotterdam B.V.	The Netherlands	Manufacture of PET (bottle-grade resin chips)	100.00
AlphaPet Inc.	USA	Manufacture of PET (bottle-grade resin chips)	100.00
Indorama PET (Nigeria) Ltd.	Nigeria	Manufacture of PET (bottle-grade resin chips)	90.00
Guangdong IVL PET Polymer Company Limited	China	Manufacture of PET (bottle-grade resin chips)	100.00
Auriga Polymers Inc.	USA	Manufacture of PET (bottle-grade resin chips) and Polyester Fibers	100.00
Petform (Thailand) Ltd.	Thailand	Manufacture of PET Preforms, Closures and Blown Bottles	60.00

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Name	Country	Type of business	% of Shareholding
Indorama Ventures Poland Sp.z.o.o.	Poland	Manufacture of bottle-grade resin chips	100.00
Indorama Ventures Polymers Mexico, S. de R.L. de C.V.	Mexico	Manufacture of PET (bottle-grade resin chips)	100.00
PT Indorama Polypet Indonesia	Indonesia	Manufacture of PET	100.00
Beverage Plastics Limited	United Kingdom	Manufacture of PET preforms bottles and closures	51.00
Aurus Packaging Limited (Renamed to "Indorama Ventures Packaging (Nigeria) Limited")	Nigeria	Manufacture of PET preforms bottles and closures	100.00
Indorama Ventures Packaging (Philippines)	Philippines	Manufacture of PET preforms bottles and closures	99.99
Indorama Ventures Packaging (Ghana) Limited	Republic of Ghana	Manufacture of PET preforms bottles and closures	100.00
Indorama Ventures Adana PET Sanayi Anonim Şirketi	Turkey	Manufacture of bottle-grade resin chips	100.00
Indorama Ventures EcoMex, S. de R. L de C.V.	Mexico	Manufacture of PET Recycled Flake	51.00

Fibers and Yarns

Name	Country	Type of business	% of Shareholding
Indorama Polyester Industries PCL	Thailand	Manufacture of polyester fibers and yarns	99.97
PT Indorama Ventures Indonesia	Indonesia	Manufacture of polyester filament and yarns and PET	99.99
PT Indorama Polyester Industries Indonesia	Indonesia	Manufacture of Polyester Fibers and Yarns	99.97
PT Indorama Polychem Indonesia	Indonesia	Manufacture of Polyester Chips, Fibers and Yarns	100.00
Wellman International Limited	Ireland	Manufacture of Polyester Fibers and other Recycling Products	100.00
Wellman France Recyclage SAS	France	Manufacture of Flakes and other Recycling Products	100.00
FiberVisions Manufacturing Company	USA	Manufacture of polypropylene fibers and yarns	100.00
FiberVisions Products, Inc.	USA	Manufacture of polypropylene fibers and yarns	100.00

Strategy and Overview OF BUSINESS OPERATION /71

Name	Country	Type of business	% of Shareholding
FiberVisions A/S	Denmark	Manufacture of polypropylene fibers and yarns	100.00
FiberVisions (China) Textile Products Limited	China	Manufacture of polypropylene fibers and yarns	100.00
Trevira GmbH	Germany	Manufacture of Polyester Fibers and Yarns	75.00
Indorama Holdings Ltd.	Thailand	Manufacture of Worsted Wool Yarns	99.81
PHP Fibers GmbH	Germany	Manufacture of Nylon fibers and yarns for Airbags & Tire Cords	80.00
ES FiberVisions (Thailand) Company Limited	Thailand	Manufacture of Bicomponent Fibers	50.00
Performance Fibers Asia	China	Manufacture of polyester tire cord fabric	100.00

Feedstock

Name	Country	Type of business	% of Shareholding
Indorama Petrochem Ltd.	Thailand	Manufacture of PTA	99.99
TPT Petrochemicals PCL	Thailand	Manufacture of PTA	99.97
Indorama Holdings Rotterdam B.V.	The Netherlands	Manufacture of PTA	100.00
Indorama Ventures (Oxide & Glycols) LLC	USA	Manufacture of EO and EG	100.00

NATURE of Business

This is a comprehensive Explanation of the Nature of our Business.

“Our Revenue Structure is well-balanced”

The details of our sales revenue structure according to our consolidated financial statements for the year ended December 31, 2012 to 2014 are as follows:

Details	Year Ended December 31,					
	2012 (R)		2013		2014	
	(Bt million)	%	(Bt million)	%	(Bt million)	%
Revenue breakdown by Business Segments						
- PET	133,422	63	146,418	64	145,121	59
- Fibers and yarns	42,236	20	47,968	21	70,274	29
- Feedstock	68,693	33	70,391	31	64,477	26
- Elimination	(33,622)	(16)	(35,657)	(16)	(35,965)	(14)
Consolidated revenue from sale of goods	210,729	100	229,120	100	243,907	100

Source: The Company's consolidated financial statements

Our sales are diversified into the major regional markets which are serviced from manufacturing units in the region and through exports mainly from manufacturing units in Asia. Our sales by geographic segment for the year ended December 31, 2012 to 2014 are as follows:

Details	Year Ended December 31,					
	2012 (R)		2013		2014	
	(Bt million)	%	(Bt million)	%	(Bt million)	%
Revenue breakdown by Geographic Segments*						
Thailand	14,925	7	16,933	7	15,053	6
North America	84,409	40	87,515	38	84,361	35
Europe	53,518	25	58,840	26	70,657	29
Rest of the World	57,877	28	65,833	29	73,836	30
Consolidated revenue from sale of goods	210,729	100	229,120	100	243,907	100

*Geographical revenues breakup on customers' location

Source: The Company's consolidated financial statements

“ A BUSINESS OVERVIEW OF INDORAMA VENTURES ”

Introduction

Indorama Ventures (SET: IVL) is a major global intermediate and downstream petrochemicals producer with 51 operating sites in 17 countries across 4 continents (as of December 31, 2014) providing value-added and differentiated products and services to the fast-moving consumer goods industry. Our management team has in-depth experience in the polyester value chain.

IVL has integrated businesses that are aligned to create a sustainable value proposition. IVL's customer orientation, global reach and scale allow us to benchmark ourselves globally to enhance operational excellence.

The new factor that will provide a broader portfolio of products for customers is in innovation, high value added products and recycling, where the bottom line can be grown and increase the sustainability of the business. Investment in research and development will provide customers with new products and services that will enhance our offering and complete the loop as a one-stop center for global requirements. In year 2011-14, we have acquired businesses manufacturing high value added products "HVA". Our principal acquisitions in HVA products are:

Trevira, which is a manufacturer of polyester fibers and yarns for applications in apparels, home furnishings, automotive and industrial applications and whose principal operating unit is based in Germany.



FiberVisions, a manufacturer of high value added polypropylene fibers and yarns for hygiene applications. The principal operating unit is based in the USA.

PHP Fibers, a manufacturer of nylon 6.6 polyamide fibers and yarns for application in the automotive industry, commonly used for manufacturing air bags and tire cords. The principal operating unit is based in Germany.

A Comprehensive Description of our Business for those new to the Company - and for those who want to know more.

The term Polyester can be broken into poly, meaning many, and ester, a basic organic chemical compound. The principle ingredients used in the manufacture of polyester are purified terephthalate acid, derived from Paraxylene, a part of the aromatics chain leading backwards into crude oil, and monoethylene glycol, part of the olefins chain that leads backward to crude oil or natural gas. The chemical process that produces the finished polyester is called polymerization. Indorama Ventures Public Company Limited (IVL) is one of the world's foremost producers in the Polyester industry.

IVL is a bridge connecting the oil and gas industry with fast moving consumer goods (FMCG) producers. There is less volatility than up-stream manufacturers, with constant demand from downstream customers.

The industry norm is to have long-term volume contracts with customers, normally of one to three years; however the pricing is adjusted monthly, to compensate for upstream volatility according to an agreed mechanism. The system indicates IVL's ability to pass through price movements to the end customers.

This mechanism implies that crude oil and its derivative raw materials used to produce PET and Polyester fibers have low impact on the business except in the case that there is a sharp rise or fall in the price of such materials within a short period, entailing an adjustment in the cost of inventory to reflect market prices.

Raw material prices have a modest effect on the price of a bottle of carbonated soft drinks. This is because the actual cost of the PET in a two liter bottle is only about 4% of the total. Also, Polyester fiber is around 5% of the cost of a sports shirt, therefore fluctuations in price have a minor or insignificant effect on customers. Due to the undulating nature of the prices having little impact on the business, the Company instead maintains a spread, the difference between the price of the raw materials and the selling price.

“ A GENERAL OVERVIEW OF THE PET BUSINESS ”

Our PET business is part of our core polyester value chain business. Beginning with one manufacturing plant, we have grown today to operate across

the four major consuming continents of North America, Europe, Africa and Asia. Our PET business comprises the production and sale of PET resin, a plastic polymer resin primarily used for beverage containers and food packaging, for packaging of pharmaceutical and household products and in industrial packaging applications. We also produce PET packaging in the form of preforms, bottles and closures through four production facilities including Petform, a joint venture with Serm Suk Pcl. In Thailand, Beverage Plastics in Ireland, Aurus Packaging in Nigeria and Indorama Ventures Packaging (Philippines) in Philippines.

As of December 31, 2014, we are the largest PET resin producer in the world with an aggregate installed production capacity of 3.8 million tonnes per annum of PET.

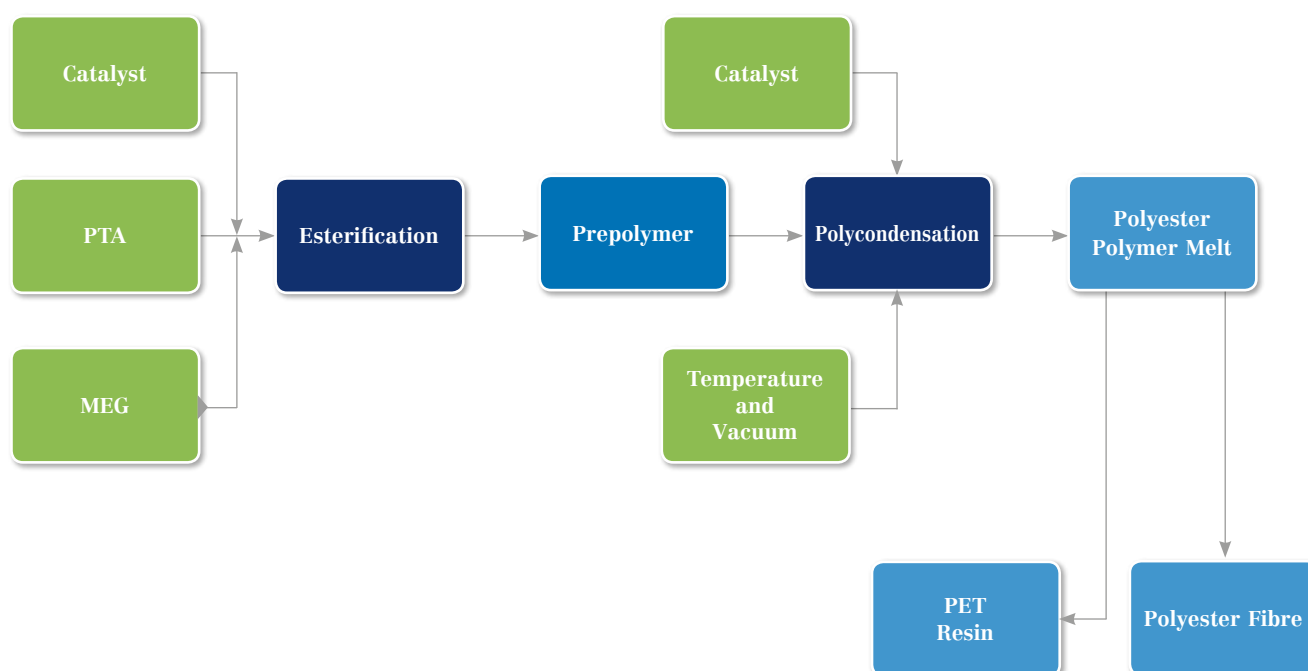


“Typical PET Products”

We produce a variety of PET resins, including hot-fill, high and low intrinsic viscosity, quick heat and general grade, to serve a variety of markets including carbonated soft drinks, bottled water, juices, other beverages, food and other applications.

“The PET Production Process”

PET resin can be produced from polyester polymer melt. The chart below summarizes the polyester polymer melt production process.



Polyester polymer melt is then converted into PET resin either through a conventional solid state process or through a newer technology melt-to-resin process. Under the conventional solid state polycondensation process, the polyester polymer melt is extruded in strands, which are cooled down quickly by water. After solidification, the strands are cut into small pellets, dried and further crystallized by heating in a reactor under specific

temperature and pressure conditions under a nitrogen flow. Under the melt-to-resin process using new technology reactors, the polycondensation process is completed during the melt phase, resulting in the formation of pellets without going through the solidification process. Other than our AlphaPet PET facility, which uses the melt-to-resin process, all of our other PET facilities use the conventional solid state polycondensation process.



Key facts about our PET Production Facilities

The following table describes our PET production facilities as of December 31, 2014.

Production Facility	Location	Installed Capacity ⁽¹⁾ ('000 tons per annum)
Alpha Pet PET Facility	Decatur, Alabama, U.S.A.	432
StarPet PET Facility	Asheboro, North Carolina, U.S.A.	255
Orion Global PET Facility	Klaipeda, Lithuania	274
IRP Rotterdam PET Facility	Rotterdam, the Netherlands	423
IRP/AsiaPet PET Facilities ⁽²⁾	Lopburi, Thailand	178
Indorama Polyester Industries PET Resin Line	Map Ta Phut, Thailand	109
GIVL PET Facility	Kaiping, China	550
Arteva PET Facility	Queretaro, Mexico	460
Auriga Facility - PET Resin Line	Spartanburg, South Carolina, U.S.A.	380
IVL Wloclawek PET Facility	Wloclawek, Poland	230
IVL Tangerang Facility - PET Resin Line	Tangerang, Indonesia	90
Port Harcourt SSP Facility	Nigeria	84
PT Indorama Polypet Facility - PET Resin Line	Cilegon, Indonesia	101
Adana, Turcpet	Adana, Turkey	130
Packaging Facility	Various site	80
Total		3,776

(1) The capacity of plants has been re-rated to reflect the de-bottlenecking projects taken-up by the various plants from time-to-time. Also, the capacity doesn't include two non-operating PET sites: IRP Workington and Ottana Polimeri S.R.L.

(2) Comprises the Indorama Polymers PCL PET facility and the AsiaPet Amorphous PET facility, each with a capacity of 178 Kt per annum and together forming a single PET resin line. The AsiaPet (Thailand) Ltd. Amorphous PET facility produces amorphous PET, all of which is used in the Indorama Polymers PCL PET facility to produce PET resin.

“How we do our PET Sales and Marketing”

We have PET sales and marketing teams in each of the regions in which we operate. Our sales and marketing head office in Thailand oversees their work. We classify our main customers for PET into four main groups:

- Well-known brand name beverage companies with their own conversion plants to produce PET bottles;
- Well-known brand name beverage companies who sub-contract the production of PET bottle to converters using PET resin purchased by such beverage companies
- PET resin traders; and
- PET converters who use PET resin to manufacture preforms, bottles, sheets and other PET packaging to service the needs of end users.

We sell our PET resin primarily through direct sales to end-use customers. A small proportion of our sales take place through agents and traders.

We are the world’s largest PET resin producer and the only PET resin producer with production facilities in Asia, North America, Europe and Africa, which allows us to market our PET resin products globally to customers for their world-wide PET requirements. Our marketing activities include regular meetings with our customers to understand their requirements and maintain good relationships as well as providing customer service.

PET Competition

We are the largest PET producer globally: No.1 in Europe, No.2 in North America and No.4 in Asia. Our principal competitors in the European market are Equipolymers and Neo Group. Our principal competitors in the North American market

are Alpek (DAK Americas LLC) and the M&G Group. Our competitors in the Thai market are Thai Shinkong Industry Corp. and Thai PET Resin Co., Ltd. Although PET technology is available through commercial licenses, we believe the capital investment required to achieve profitability through economies of scale may inhibit new entrants to the market.



“AN OVERVIEW OF OUR POLYESTER FIBERS AND YARNS BUSINESS”

Polyester was discovered in the 1940s and has been manufactured on an industrial scale since 1947. Polyester fibers are the first choice for apparel and are used in trousers, skirts, dresses, suits, jackets, blouses and outdoor clothing.

Blends with cotton and virgin wool are very popular. They are often referred to as the "classical blend". This is normally a combination of 55% polyester and 45% wool.

Polyester fibers are formed from a chemical reaction between an acid and alcohol. In this reaction, two or more molecules combine to make a large molecule whose structure repeats

throughout its length. Polyester fibers can form very long molecules that are very stable and strong.

Polyester fibers are produced by the melt spinning process. Raw materials are heated to a spinning mass, which is then pressed through spinnerets (similar to a sieve). Manufacturing techniques are now developed to the point where they can produce round, oval or angular profiles, making them firm to the touch.

Polyester fibers are particularly resistant to light and weather and can withstand climatic effects, being as light or as fine as weather demands. Polyester fibers have good moisture transport and dry quickly.

Material in 100% polyester, or blends with an appropriately high proportion, is very crease-resistant and retains shape even when affected by moisture. Heat treatment results in permanent creases in trousers and skirts.

What are the Major Uses of Polyester Fibers and Yarns?

Polyester fibers are most commonly used for apparel, from sportswear to high fashion; home textiles, such as bedding and carpets; non-woven materials like surgical gowns; technical textiles like filters and automotive uses like carpets and insulation.

An Overview of our Olefin-based Fibers and Yarns.

These are manufactured fibers in which the fiber forming substance is any long-chain synthetic polymer composed of at least 85% by weight of ethylene, propylene, or other olefin unit. Italy began production of olefin fibers in 1957. U.S. production of olefin fibers began in 1960. The first commercial producer of an olefin fibers in the United States was Hercules, Inc. (now FiberVisions, which we own).

Usually polymer granules are fed into an extruder that melts the polymer that is then pumped through a spinneret (think of a sieve). The filaments are cooled in an air stream before being wound on a package or collected in cans. Because the fibers are difficult to dye, colored pigments are often added to the polymer stream before extrusion to produce colored fibers.

Propylene, when polymerized, creates a crystalline polypropylene polymer. The fibers made with these polymers can be used in furnishing, apparel and industrial products. Olefin fibers provide warmth without much weight. Olefin is abrasion, stain, sunlight, fire, and chemical resistant. It does not dye well, but has the advantage of being colorfast since pigments are added inside the fibers. Since Olefin fibers have a low melting

point, they can be thermally bonded. One of the most important properties of Olefin fibers is its strength, which can be tailored for different applications. It keeps its strength in wet or dry conditions. Olefin fibers can be multi- or monofilament and staple, tow, or film yarns. The cross section is usually round, but can be modified for different end uses.

The Major Uses of Polyolefin Fibers cover a wide variety of products.

Uses include nonwoven fabrics for diapers, feminine care and adult incontinence products (as top sheet, back sheet, leg cuffs, elastic waistband, transfer layers); in spun laced nonwoven products like medical disposable textiles, filtration products or in air-laid nonwoven structures as absorbent cores, and wet wipes.

In terms of apparel, olefin fibers are used in sports and active wear, socks, thermal underwear and as lining fabrics, while in the home they are often used by itself or in blends for indoor and outdoor carpets, carpet tiles, and carpet backing. The fiber can also be used in upholstery, draperies, wall coverings, slipcovers, and floor coverings as well as heat-sealable paper like tea and coffee-bags.

In heavier applications, the fibers are often used for interior fabrics, sun visors, arm rests, door and side panels, trunk and parcel shelves, while olefin



creates carpets; ropes, geo-textiles that are in contact with the soil, filter fabrics, bagging and concrete reinforcement.

Bicomponent Fibers are one of our High Value-added products.

Bicomponent fibers may be defined as "extruding two polymers from the same spinneret with both polymers contained within the same filament." A close relative is "co-spun fiber," which is a group of filaments of different polymers, but with a single component per filament spun from the same spinneret. The term "conjugate fibers" is often used, particularly in Asia, as synonymous with bicomponent fibers. The main objective of producing bicomponent fibers is to exploit capabilities not existing in either polymer alone. Bicomponent fibers are commonly classified by their fiber cross-section structures as side-by-side, sheath-core, islands-in-the-sea and citrus fibers or segmented-pie cross-section types. Bicomponent fibers made of polyethylene sheath and polypropylene core are important fibers for the nonwoven fabric market.

What is Worsted Wool and how is it made?

The name Worsted derives from Worstead, a village in the English county of Norfolk. Worsted wool fabric is typically used in the making of tailored garments such as suits, as opposed to woollen wool which is used for knitted items such as sweaters. The essential feature of worsted yarn is straight, parallel fibers. Worsteds differ from woolens, in that the natural crimp of the wool fiber is removed in the process of spinning the yarn. IWL produces wool from Merino sheep. These sheep are sought after for their coats, which are said to produce the finest, softest wool available.

While many forms of wool require that the fiber undergo a spinning process, the production of worsted wool follows a slightly different path. Rather than going directly into a spinning process, the wool is first combed in a carding process. This is where wool fibers are separated and prepared for spinning to remove any short and brittle fibers from the wool, leaving only the longer strands of the fiber to undergo the spinning process, producing a smooth yarn that possesses a higher durability.

Owing to the strength of worsted wool, the fibers can be woven into a finer material that is more crease resistant than many other fabric choices making it an ideal choice for garments that need to hold their shape. Worsted wool has been a popular choice for men's trousers, pleated skirts for women, and both men's suits and sport jackets. Because worsted wool is so durable, it wears very well and also drapes easily, making it an ideal fabric for all sorts of garments.

What are the Major Uses of Worsted Wool Yarns?

Worsted Wool produced by Indorama Ventures is used in high-end suiting for both men and women.

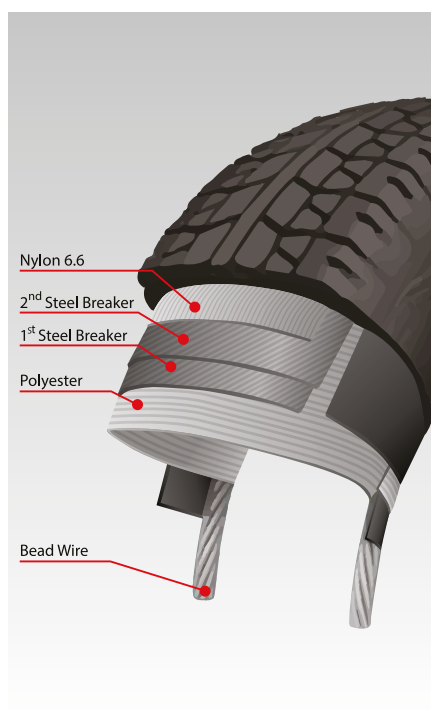
A new Addition to the Portfolio, Nylon 6.6 is a very High Value-added Product.

With the acquisition of PHP Fibers GmbH and its subsidiaries ("PHP"), IVL holds 80% of PHP while the remaining 20% is held by Toyobo Co., Ltd., a leading Japanese manufacturer of high function products, including among others, automotive products.

PHP is a globally-recognized manufacturer of branded high-tenacity polyamide nylon 6.6 yarns and is one of the leading suppliers in Europe for the automotive safety supply chain. PHP Group production facilities are located in USA, Europe and China.

This acquisition of PHP significantly enhances the Company's High Value Add (HVA) product portfolio with the addition of high performance automotive and industrial products.

These yarns are extensively used in automotive sector in air bags and tire cords.



A Comprehensive list of Fibers and Yarns Production Facilities

The following table describes our polyester production facilities as of December 31, 2014.

Production Facility	Location	Installed Capacity ⁽¹⁾ ('000 tons per annum)
Indorama Polyester Industries Nakhon Pathom Facility	Nakhon Pathom, Thailand	118
Indorama Polyester Industries Map Ta Phut Facility	Map Ta Phut, Thailand	190
Indorama Holdings Facility — Wool line	Lopburi, Thailand	6

Production Facility	Location	Installed Capacity ⁽¹⁾ (‘000 tons per annum)
Auriga Facility — Polyester line	Spartanburg, South Carolina, USA	66
IVL Karawang Polyester Facility	Karawang, Indonesia	36
IVL Tangerang Facility - Polyester line	Tangerang, Indonesia	71
Trevira - Polyester line ⁽²⁾	Bobingen & Guben, Germany	120
Arteva PET Facility	Queretaro, Mexico	24
Wellman International - Recycled Polyester	Mullagh, Ireland, Spijk, Netherlands & Verdun, France	157
FiberVisions - Polyolefin line	Duluth, Athens and Covington, USA, Varde, Denmark & Suzhou, China	200
Indorama Polyester Industries Map Ta Phut Facility - BICO	Map Ta Phut, Thailand	16
Indorama Polyester Industries Nakhon Pathom Facility - Recycled Polyester	Nakhon Pathom, Thailand	28
Polychem Facility (CP4) - Polyester line	Purwakarta, Indonesia	318
PHP Fibers - Nylon 6.6 tire cord and yarns	Germany, USA & JV in China	95
Total		1,445

⁽¹⁾ The capacity of plants has been re-rated to reflect the de-bottlenecking projects taken-up by the various plants from time-to-time.

⁽²⁾ 75% JV by acquisition of facility on July 1, 2011. From October 1, 2013, Trevira has been fully consolidated due to a revision in terms with the JV partner.



Key Elements of Fibers and Yarns Sales and Marketing.



Our main customers for fibers and yarns products are companies producing textiles for apparel, fast moving consumer goods companies in hygiene, companies producing home textiles, and industrial companies such as automotive companies and packaging film producers.



An Overview of Fibers and Yarns Competition.



Competition in the global fibers and yarns industry is characterized by the presence of large diversified industrial companies,

as well as a large number of relatively small niche players with a capacity of less than 10,000 tonnes per annum. Larger fibers and yarns producers usually focus on high-volume standard fibers for sale in domestic markets where the level of competition is high and where competition is predominantly based on price and, to a lesser degree, on consistency of product quality and with the larger polyester producers for commodity polyester products by continuing to focus on increasing the production of non-commodity products so that they comprise approximately half of our total polyester output. China dominates the polyester production and has many companies involved in this business.

“ FEEDSTOCK IS A KEY FACTOR IN A SUCCESSFUL POLYESTER BUSINESS ”

Feedstock for Indorama Ventures means PTA, MEG, EO derivatives and by-products, which are raw materials for producing our major products.

In full, PTA is Purified Terephthalic Acid and it is an organic compound. This colorless powder is a commodity chemical, used principally in the manufacture of Polyethylene Terephthalate (PET), which is generally used to make clothing and plastic bottles.

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AN OVERVIEW OF THE PTA BUSINESS

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Terephthalic acid is an organic compound and a colorless solid. It is a commodity chemical, used principally as a precursor to the polyester PET, used to make clothing and plastic bottles. Several billion kilograms are produced annually.

IVL entered the PTA business in 2008 with the strategy of developing raw material integration so as to ensure an uninterrupted supply of raw materials and capture better margins in the Polyester value chain. This provides IVL with a cost competitive edge to the PET and Fiber businesses. The Company's PTA assets are strategically co-located with downstream facilities in Thailand, Indonesia and the Netherlands with a capacity of 2.3 million tonnes per annum (including Indonesia joint ventures) at four sites, in three countries in two continents.

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How PTA is made

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Terephthalic acid is the result of the oxidation of Paraxylene (PX). The commercial process utilizes acetic acid as a solvent together with a catalyst composed of cobalt and manganese salts, with a bromide promoter.

A radical chain reaction occurs in a series of intermediates, starting with the oxidation of Paraxylene and finally to terephthalic acid (TA). It is then further purified to make PTA.

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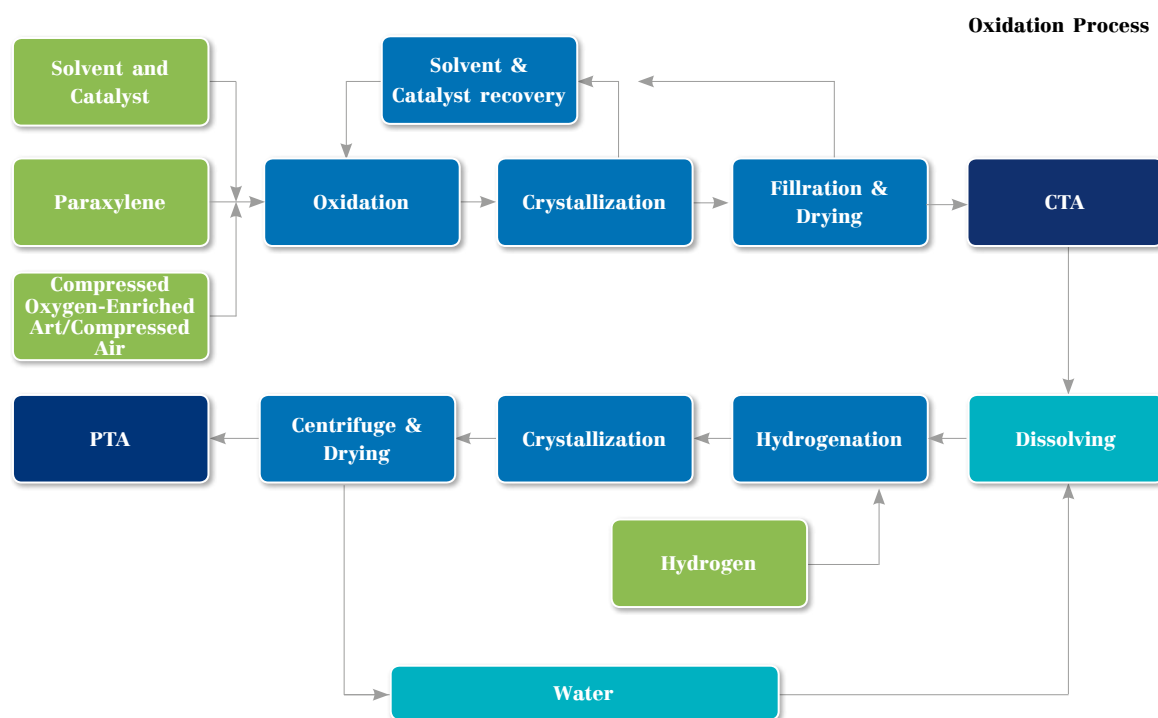
Some other uses of PTA

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Most PTA is consumed as a feedstock of PET, however a few small niche uses occur, such as in the analgesic drug oxycodone, which occasionally comes as a terephthalate salt. More visibly, terephthalic acid is used as a filler in some military smoke grenades creating a thick white smoke when burned.

A Brief Explanation of the PTA Production Process.

The chart below summarizes the PTA production process.



Purification Process

How we Conduct our PTA Sales and Marketing

Our main customers for PTA are PET resin and polyester producers. A significant proportion of our PTA production is used by our downstream PET and polyester production facilities. We sell the remaining PTA that we do not use within the group to third party customers. In 2012, 2013 and 2014, we sold 58.3%, 62.4% and 63.7%, respectively, of our PTA production volume to the group and 41.7%, 37.6% and 36.3%, respectively, of our PTA production volume to third party customers.

Our PTA sales and marketing head office is located in Thailand and is responsible for sales and marketing activities relating to our customers worldwide. Our marketing activities include regular meetings with our customers to understand their requirements and maintain good relationships as well as providing customer service.

An Overview of the PTA Competition

As PTA is a commodity product, competition relies mainly on price and, to a lesser extent, on product quality and leadtimes to product delivery.

Manufacturers of PTA can be classified between merchant producers and integrated PTA producers. Merchant producers manufacture and supply PTA to third parties, whereas integrated PTA producers manufacture PTA for their own captive consumption. We are an integrated PTA producer. Currently in China there are many new PTA plants using the latest technology and having lower conversion costs than previously.

“ AN OVERVIEW OF OUR MEG BUSINESS ”

The other major feedstock produced by Indorama Ventures is monoethylene glycol (MEG) which is an organic compound. In its pure form, it is an odorless, colorless, syrupy, sweet-tasting liquid.

How is MEG made?

Monoethylene glycol is produced from ethylene (ethane), via the intermediate ethylene oxide. Ethylene oxide reacts with water to produce ethylene glycol.

What are the major Uses of MEG?

The major end uses of ethylene glycol are as antifreeze for automobile radiators, which accounts for over 50% of ethylene glycol's commercial uses, and as raw material in the production of PET, which accounts for 40% of total ethylene glycol consumption globally. Besides automobiles, MEG is often used as a medium in liquid cooled computers, chilled water air conditioning systems and geothermal heating/cooling systems.

How Purified Ethylene Oxide (PEO) is made

Purified Ethylene Oxide comes from the direct oxidation of ethylene in the presence of a silver catalyst.

What are the Uses of PEO?

Purified Ethylene Oxide is used in the production of detergents, thickeners, solvents, plastics, and various organic chemicals such as ethylene glycol, ethanolamines, simple and complex glycols, polyglycol ethers and other compounds. Pure ethylene oxide is a disinfectant that is widely used in hospitals and the medical equipment industry to replace steam in the sterilization of heat-sensitive tools and equipment, such as disposable plastic syringes.



PEO derivatives are used to manufacture various products such as soaps, detergents, brake fluids, weed killer and urethane foam.

Ethylene oxide is one of the most important raw materials used in the large-scale chemical production. Most ethylene oxide is used for synthesis of ethylene glycols, including diethylene glycol and triethylene glycol that accounts for up to 75% of global consumption. Other important products include ethylene glycol ethers, ethanolamines and ethoxylates. Among glycols, ethylene glycol is used as antifreeze, in the production of polyester and PET, liquid coolants and solvents. Polyethylene glycols are used in perfumes, cosmetics, pharmaceuticals, lubricants, paint thinners and plasticizers. Ethylene glycol ethers are part of brake fluids, detergents, solvents, lacquers and paints. Other products of ethylene oxide include ethanolamines, used in the manufacture of soap and detergents and for purification of natural gas. Ethoxylates are reaction products of ethylene oxide with higher alcohols, acids or amines. They are used in the manufacture of detergents, surfactants, emulsifiers and dispersants.

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What are the other Businesses, such as TEG and DEG?

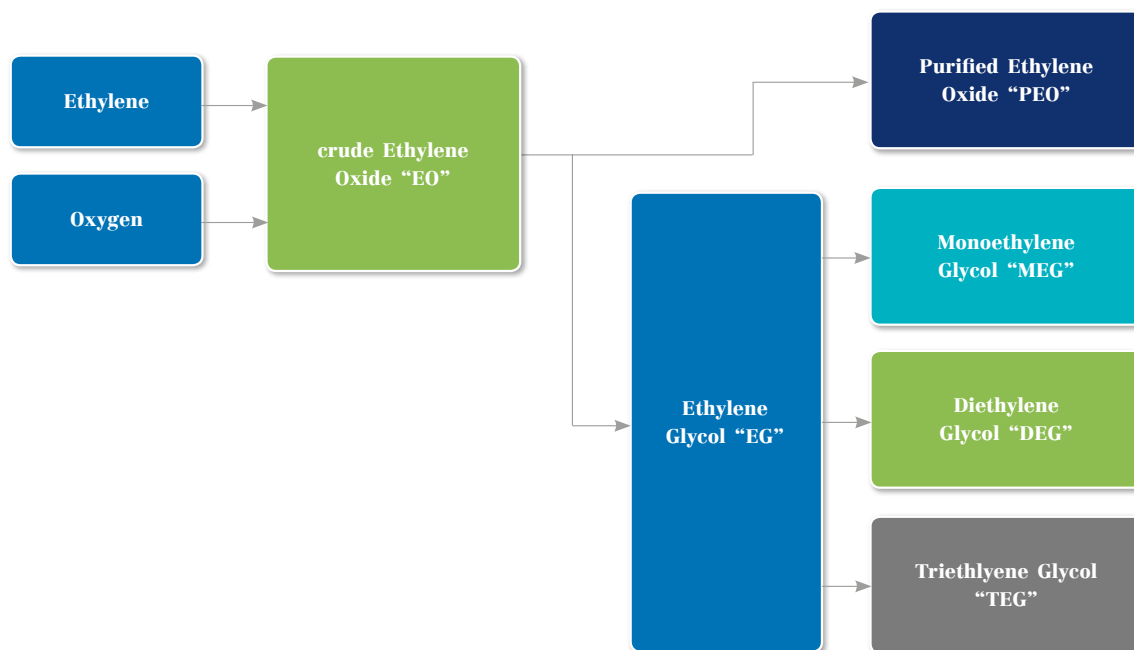
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Diethylene Glycol (DEG) is a by-product made together with MEG through the processing of EO. DEG has broad applications and is used to manufacture polyester polyols, unsaturated polyester resins, buffet heaters, morpholine production, paints and coatings, plasticizers, liquid laundry detergent, cement grinding and as an intermediate for polyethylene glycol.

Triethylene Glycol (TEG) is a by-product made by processing EO. TEG is mainly used for natural gas dehydration. The other applications are air sterilizers, resin for windshield plate glass and as an intermediate for polyethylene glycol. It is used as a plasticizer for vinyl. It is also used in air sanitizer products. When aerosolized it acts as a disinfectant. It is an additive for hydraulic fluids and brake fluids and is used as a base for "smoke machine" fluid in the entertainment industry.

A Brief Description of the Oxide & Glycol Process.

The chart below summarizes the EO/EG production process.



How Indorama Ventures Conducts its Oxide & Glycol Sales and Marketing

With IVL's acquisition of its first EO/EG plant in April 2012 has 100% of its sales in the US. Sales and Marketing is overseen by the sales and marketing head office in Thailand and implemented by the US sales team. Sales of our products are broken into two main categories:

Purified Ethylene Oxide (PEO) - sold exclusively on a direct basis into the US merchant market. The product is used as a chemical intermediate in the manufacturing of PEO derivatives such as ethanolamines, polyols, ethers and surfactants which are used in the manufacture of agricultural chemicals, rigid and flexible foams, cleaning solvents and the personal care and beauty care industries respectively.

There are currently many pure merchant consumers of PEO in the US and IVOG supplies 12 of these companies, a testament to our reliability and service excellence. IVOG has an approximate 30% of the US merchant market share of PEO sales.

In addition to PEO, the plant manufactures the glycol products, Monoethylene Glycol (MEG), Diethylene Glycol (DEG) and Triethylene Glycol (TEG) through a distillation process. The majority of the yield is MEG.

- IVL's acquisition of the Clear Lake, TX plant was accompanied with a supply MEG agreement with the former owner who consumes MEG for the engine coolant market principally in the US.
- IVL's US Polyester and PET plants consume MEG as a raw material for their products. IVL's US plants have consumptive MEG capacity in excess of the Clear Lake, Texas plants production

capabilities, allowing IVL the option to merchant MEG in the US and global markets or consume the MEG on a captive basis.

In 2013 and 2014, we sold 3.9% and 21.7% respectively of our EO/EG production volume to the group and 96.1% and 78.3% respectively of our EO/EG production volume to third party customers.

Our Oxide & Glycol Competition in Brief

PEO Competition - Due to the hazardous nature of PEO, there are no imports or exports of PEO as a product. PEO derivatives are open to import-export. IVOG competes in the US PEO with global competitors, all of which primarily produce PEO to support internal production of PEO derivatives and sell the balance of their capacity to the merchant market. Unlike all of our competitors, IVOG does not produce any PEO derivatives, which competes with our merchant customers businesses.

Glycols Competition - The global market for MEG is highly competitive, involving a large number of producers located throughout the world. MEG is easy to manufacture, transport and stored. The US Shale Gas revolution has given the US producers advantaged ethylene as a feedstock material ensuring the US as a low cost region of MEG production. IVL's integration into MEG adds value to US PET and Polyester margin chain. The largest competitors in North America include Shell Chemical, MEGlobal, Equistar and Sabic, along with PEMEX in Mexico. The US is a largely mature consumer of MEG with demand growth driven by new PET capacity and an opportunistic export arbitrage platform based on the advantaged North American ethylene costs associated with shale gas.

A Comprehensive list of Feedstock Production Facilities

The following table sets out the key figures for our Feedstock production facilities as of December 31, 2014;

Production Facility	Location	Nameplate Capacity ⁽¹⁾ (‘000 tons per annum)
Indorama Petrochem PTA Facility	Rayong, Thailand	771
TPT Petrochemicals PTA Facility ⁽²⁾	Map Ta Phut, Thailand	602
IRH Rotterdam PTA Facility	Rotterdam, the Netherlands	391
Polyprima ⁽³⁾	Indonesia	500
Indorama ventures (Oxide & Glycol) EO/EG Facility	Texas, USA	550
Total		2,814

⁽¹⁾ The capacity of plants has been re-rated to reflect the de-bottlenecking projects taken-up by the various plants from time-to-time. However, the capacity does not include non-operating site: Ottana Polimeri S.R.L.

⁽²⁾ We own a 99.97% equity interest in TPT Petrochemicals

⁽³⁾ Joint Venture investment is 43% equity interest with IVL

What are the Company's Competitive Strengths?

We have tremendous Industry Focus and Leading Market Positions.

We are a leading global producer in the polyester value chain within the broader petrochemical stream. We have maintained a keen focus and commitment to the industry in which we participate. Since 2003, we have significantly sharpened our focus in the polyester value chain through various expansions and acquisitions, the disposal of a non-core chemical business, and by expanding our business portfolio and geographical presence. As a result, we have become a leading vertically integrated global manufacturer of polyester polymers.

We believe that we are one of the few petrochemical companies that focus on the polyester value chain, compared with other important players who are organized in large divisions that, in turn, consist of many different businesses. We believe that the key advantages of being a focused player are:

- Better understanding of the key success factors for individual businesses;
- More efficient allocation of capital and human talent;
- Ability to make quick management and commercial decisions; and

- Reduction in overheads needed to manage a diverse set of operations and addition of more value due to the similarity of the businesses.

We have a Global Sales and Manufacturing Footprint.

We are a global company with 51 manufacturing facilities located in 17 countries (as of December 31 2014), namely Thailand, the United States, Lithuania, the Netherlands, the United Kingdom, Mexico, Italy, Germany, France, Poland, the Republic of Ireland, Denmark, the Republic of China, Indonesia, Nigeria, Philippines and Turkey across four continents, namely Asia, North America, Europe, and Africa, supplying products to customers worldwide. We are the only PET resin producer with operations in Asia, North America, Europe and Africa. Our polyester businesses are located in Asia, North America and Europe and have a globally diversified customer base. Our PTA is manufactured in Thailand and Europe to provide the support to our downstream operations as well as to market to external customers worldwide. We believe that our global presence enables us to:

- Capture volume growth;
- Widen our customer base;
- Increase our cost competitiveness by being closer to our customers and suppliers;

- Lower our logistical costs;
- Benefit from averting existing trade barriers; and
- Reduce the exposure to cyclical and dependence on any single market.

We employ an Integrated Business Model.

Our polyester value chain business is vertically integrated into MEG, PTA, PET resin and polyester fiber and yarn. A significant proportion of our feedstock (PTA+MEG) requirements (48.1% in 2012, 49.6% in 2013 and 53.2% in 2014) for our downstream PET and polyester production facilities are sourced internally.

We believe that the key benefits from integration include:

- Security of feedstock supply for our PET and polyester operations during periods of market fluctuations, specifically in periods of high PTA demand;
- Captive consumption for our PTA operations, resulting in the ability to maintain higher capacity utilization as compared to merchant PTA suppliers, even in periods of reduced PTA demand;
- Cost savings through PTA and PET and polyester site co-locations due to reduction of logistics costs and the sharing of common services; and
- Cost savings through integration due to reduction of fixed costs associated with raw materials procurement, sales and marketing and administrative functions.



We believe that integration enhances our operating efficiency, competitiveness and responsiveness to customers and market developments, as well as allowing stability in volumes and profits.

We have a Strong Cost Position Advantage.

We have maintained an emphasis on costs and efficiency and believe that we hold a strong cost position in the businesses and regions in which we operate. We believe this is achieved through the following:

We believe we have some of the **largest scale capacity and most efficient** production facilities in the PET resin and PTA industries. We operate the largest single-line PET resin plant in Europe at our Orion Global PET facility in Lithuania, which has a capacity of 274,000 tonnes per annum. We also operate the largest single-line PTA plant in Thailand at our Indorama Petrochem PTA facility, which has a capacity of 771,000 tonnes per annum. We have recently constructed a new PET resin plant in North America at our AlphaPet PET facility in Alabama, U.S.A., with a capacity of 432,000 tonnes per annum. The AlphaPet PET facility is one of the largest in this region and employs



PTA (Purified Terephthalic Acid)

the latest generation PET technology. These large-scale, modern and efficient facilities enable us to achieve a competitive cost position in the industries where economies of scale are critical. In the polyester business, where we focus on the production of niche products, we have invested in fit-for-purpose, flexible assets that are ideally suited for the production of niche and value-added products. The gradual startup in 2014 of our flagship project CP4 for polyester fibers and yarns in Indonesia shall provide us more volumes, earnings and cash flows. The operations at the plant have stabilized at the end of 2014 and full benefit will start coming from 2015. The economies of scale and latest generation production facility shall result in being one of the lowest conversion cost plants in the world for polyester fibers and yarns.

We believe **we have best-in-class manufacturing efficiency**, achieved through running our facilities at high capacity utilization rates with optimal levels of labor, low overhead costs as well as energy and utilities cost savings. We have enhanced our cost competitiveness by building efficient utility plants using coal or gas as feedstock at most of our facilities and, where possible, we sell excess electricity and steam to third parties to reduce our own cost of electricity and steam. We benchmark all of our facilities against each other in order to optimize performance.

We are able to achieve **advantageous raw material costs** due to our large purchasing volumes, proximity to raw material feedstock and long-term relationships with key suppliers. We benefit from significant buying leverage for PX, PTA and MEG. We are amongst the world's largest buyers of PX and MEG. Our PX requirements are largely concentrated in Thailand, where we benefit from increased bargaining power. By being a global producer of polyester polymers, we have an advantage over regional producers of being able to manage

MEG procurement on a pan-global basis. We are one of the largest merchant PTA buyers in the U.S. market, which provides enhanced buying leverage. Our plants are well positioned, mainly through co-location or close proximity, for advantaged raw material logistics and infrastructure support.

We have been able to achieve a **low capital cost structure** by constructing large-scale plants and acquiring assets at a discount to their replacement cost. Our Orion Global and AlphaPet PET production facilities benefit from a low capital cost per tonne because of their large scale. We have acquired our Thai PTA and Polyester assets as distressed assets at a discount to their replacement cost. We believe our acquired China PET asset, European PET and PTA assets and Indonesian PET and Fibers & yarns assets, were purchased at an attractive price.

We have an Experienced Management Team with a Proven Track Record of Successfully Growing and Managing the Business.

Our management team is composed of highly experienced managers with longstanding leadership experience, as well as significant industry knowledge.

Our management team has a proven track record of successfully implementing capital-intensive projects to increase our production capacities as well as selecting attractive acquisition opportunities and successfully improving the operations and profitability of acquired businesses.

Purchases of other Raw Materials are minor in comparison with our major raw materials

The two principal raw materials used in the production of the polyester value chain are PX and MEG. However, we also purchase Ethylene to produce MEG in the USA. Other additives and utilities that we require in our business include acetic acid, isophthalic acid, various catalysts and gases such as nitrogen and



hydrogen, but in lower quantities compared to our major raw materials. We purchase these consumables from various suppliers typically under short-term contracts of one year.

Vertical Integration into PTA is Advantageous

We have vertically integrated a portion of our PET business and Polyester fibers and yarns to our PTA business to provide reliable and cost effective PTA supplies. Our IRP Rotterdam PET facility and our Indorama Polyester Industries Polyester fibers and yarns line and PET resin line are co-located with our IRH Rotterdam PTA facility and TPT Petrochemicals PTA facility, respectively, while our AlphaPet PET facility is co-located with the PTA production facility of BP with whom we have a long-term offtake agreements to purchase PTA. Our Poland PET facility is located next door to PKN Orlen PTA facility. Our Asia Pet/Indorama Polymers PET plant in Lopburi, Thailand and Indorama Polyester Industries, Nakhon Pathom facility, Thailand source PTA from Indorama Petrochem and TPT Petrochem plants in Thailand. In Indonesia, our PET and Polyester fibers and yarns facility source PTA from our joint venture unit PT. Polyprima.

We are a Large Purchaser of MEG due to our Scale.

We purchase MEG, a downstream derivative of ethylene, from large global producers through short-and medium-term contracts at a price linked to benchmark published prices. In order to obtain the best prices for the MEG that we purchase, we source for, and negotiate the prices of, these raw materials through an informal arrangement with the S.P. Lohia Group (which is controlled by our Chairman and his immediate family) and the O.P. Lohia Group (which is controlled by the brother of both our Chairman and our Chief Executive Officer). However, purchase contracts are entered into by the relevant subsidiary company according to such subsidiary's volume and specification requirements. By being a global producer of polyester polymers, we are able to procure MEG on a pan-global basis.

We are also a Large Scale Purchaser of Paraxylene.

We are amongst the world's largest buyers of PX. We purchase our PX under long term contracts with PTT Aromatics and Refinery Public Company Limited, PTT Public Company Limited, Thai Paraxylene Company Limited and Exxon Chemical



Thailand Limited, typically through long-term contracts. Our Thai PTA plants are able to take delivery of PX either from Thai or international suppliers via their own Map Ta Phut pipeline which runs directly from the Thai Tank Terminal (our raw material storage services) to their tank yard. In Rotterdam, Netherlands, Europe our PTA facility has its own jetty and Paraxylene is delivered by barge.

We are the USA's fourth-largest buyer of Ethylene.

We are the fourth largest non-integrated buyer of Ethylene in the USA and purchase Ethylene from various suppliers in USA like; Exxon, ChevronPhillips Chemical, Ineos etc., and with access to other Ethylene pipelines.



MANAGEMENT

Discussion & Analysis (MD&A)

The following MD&A should be read in conjunction with our consolidated financial statements. It includes forward-looking statements reflecting our current views with respect to future events and future performance. Thus, a number of factors could cause actual results or outcomes to differ materially from those expressed in any forward-looking statement as described in our Risk Factors and statements appearing elsewhere.

“ MANAGEMENT DISCUSSION & ANALYSIS (MD&A) ”

Executive Summary

- Recent fall in crude oil and natural gas prices are, overall, positive for the company
 - Any increase in consumer disposable income stimulates better demand growth
 - FMCG companies enjoy lower input costs and potentially drive better substitution demand growth in plastic packaging products
- However 4Q14 saw lower sales occurring due to de-stocking as a result of lower absolute prices. We expect better sales in 2015 as re-stocking occurs.
- There was a one time mark-to-market

impact resulting in non-cash inventory losses of THB 2.4 billion in 4Q14. These losses should be recovered over time as the crude oil environment normalizes gradually, in our view, to US\$80 over the next few years. In the interim, the Company gains from lower working capital needs based on lower absolute prices leading to a release of cash, which we saw begin to occur in 4Q14. We expect further cash inflows due to lower working capital requirements in 1Q15.

- The drop in absolute prices has not impacted our core margins; on the contrary, it has led to the short term expansion of our margin in our necessities businesses due to a lag impact on product prices (necessities are the core businesses that are basic necessities like resins for food and drink packaging and fibers for apparel and home furnishings).
- IVL achieved a cash flow from operations of THB 22.4 billion (US\$ 690 million) in 2014.
- A landmark placement of THB 15 billion IVL Perpetual Debentures on October 31, 2014 improved our financial gearing significantly as net debt to equity decreased to 0.83 times as of December 31, 2014.

Financial Summary - Core Financials of Consolidated IVL

THB in Millions	2014	2013	YoY%
Total production (in '000 tons)	6,249	5,804	8%
⁽¹⁾ Consolidated Sales	243,907	229,120	6%
PET	145,121	146,418	(1)%
Fibers & Yarns	70,274	47,968	47%
Feedstock	64,477	70,391	(8)%
⁽²⁾ Core EBITDA	19,481	14,966	30%
PET	9,275	7,636	21%
Fibers & Yarns	4,108	2,910	41%
Feedstock	6,296	4,456	41%
Depreciation	(8,099)	(7,051)	15%
Core EBIT	11,382	7,915	44%
Net Interest	(3,481)	(3,627)	(4)%
Core Profit before tax	7,902	4,287	84%
Current tax income/(expense)	(451)	(302)	49%
Deferred tax (expense)	(1,163)	(991)	17%
Core Profit before JV and NCI	6,287	2,994	110%
Joint Ventures (JV) Income/(Loss)	(937)	(741)	(26)%
NCI (Non-Controlling Interests)	(285)	(191)	50%
Core Net Profit	5,065	2,062	146%

88/Management DISCUSSION & ANALYSIS (MD&A)

THB in Millions	2014	2013	YoY%
⁽³⁾ CAPEX and investment	13,726	6,971	97%
Net Operating Debt	58,013	72,991	(21)%
Net Working Capital Assets (NWC)	26,492	31,093	(15)%
NWC/ Net Operating Debt (%)	46%	43%	
⁽⁴⁾ Total Equity	75,555	61,568	23%
Net Operating Debt to Equity	0.77	1.19	(35)%
Net Operating Core ROCE (before JV's)	9%	6%	44%

Note

⁽¹⁾ Consolidated financials are based upon elimination of intra-company (or intra business segment) transactions

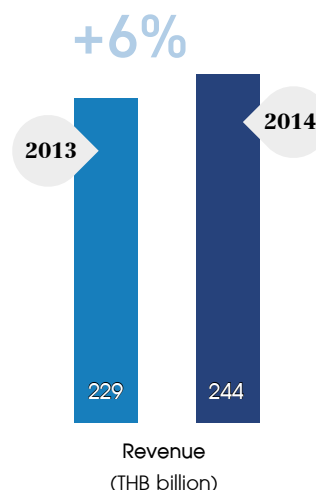
⁽²⁾ Core EBITDA is Consolidated EBITDA less Inventory gain/(loss)

2014 Core EBITDA includes a LOP (loss of profit) Lopburi flooding insurance claim of THB 140 MM

2013 Core EBITDA includes a LOP Lopburi flooding insurance claim of THB 899 MM

⁽³⁾ CAPEX and investment (including net proceeds from sales of PPE and investments) are on a cash basis as per cash flow statement

⁽⁴⁾ Includes Subordinated Perpetual Debentures valued at THB 14,874 million as on December 31, 2014



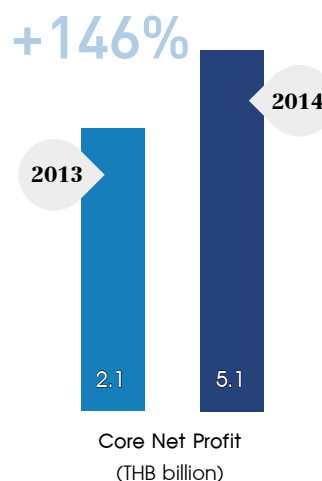
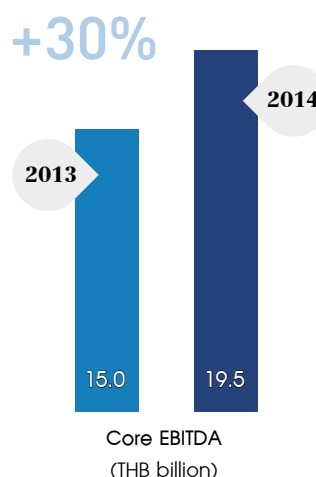
“ KEY FINANCIAL HIGHLIGHTS FOR THE YEAR ENDED DECEMBER 31, 2014: ”

We saw a higher utilization of PET assets, assisted by the debottleneck of our Poland PET plant; the startup of our new state-of-the-art Greenfield Polyester Fibers & Yarns plant in Indonesia; the acquisition of PHP Fibers in Germany; the acquisition of Adana PET in Turkey; a full year's run of Trevira Fibers & Yarns after it was fully-consolidated in 4Q13 and higher utilization of EOEG assets following a catalyst change in 2013. All of these events led to an increase in production to 6.2 million tons in 2014, compared to 5.8 million tons in 2013, a growth of 8% Year-on-Year (YoY). This was despite lower run rates for our PTA assets following planned turnarounds in 4Q14 and some lower PET volumes due to a *force majeure* (FM) declared by our major PTA supplier in North America in 2H14. However, the loss due to FM is covered by our loss of profit

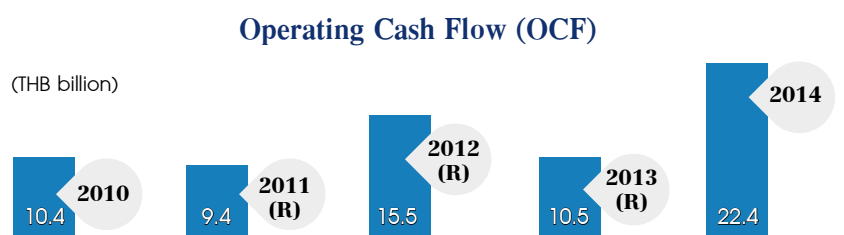
insurance policy. Our PTA supplies have been mostly regularized by the supplier as of the beginning of 2015.

Though production grew by 8% YoY, consolidated revenues grew 6% YoY to THB 244 billion due to a significant fall in absolute prices in 4Q14 following the downward crude price trend.

As a result of improved HVA portfolio in the Fibers & Yarns business, and lower costs due to operational excellence measures, Core EBITDA per ton improved from US\$ 84/t in 2013 to US\$ 96/t in 2014. With the increase in production output, Core EBITDA grew 30% over 2013, to THB 19.5 billion in 2014, leading to a Core Net Profit of THB 5.1 billion in 2014, against THB 2.1 billion 2013, or an increase of 146% YoY.



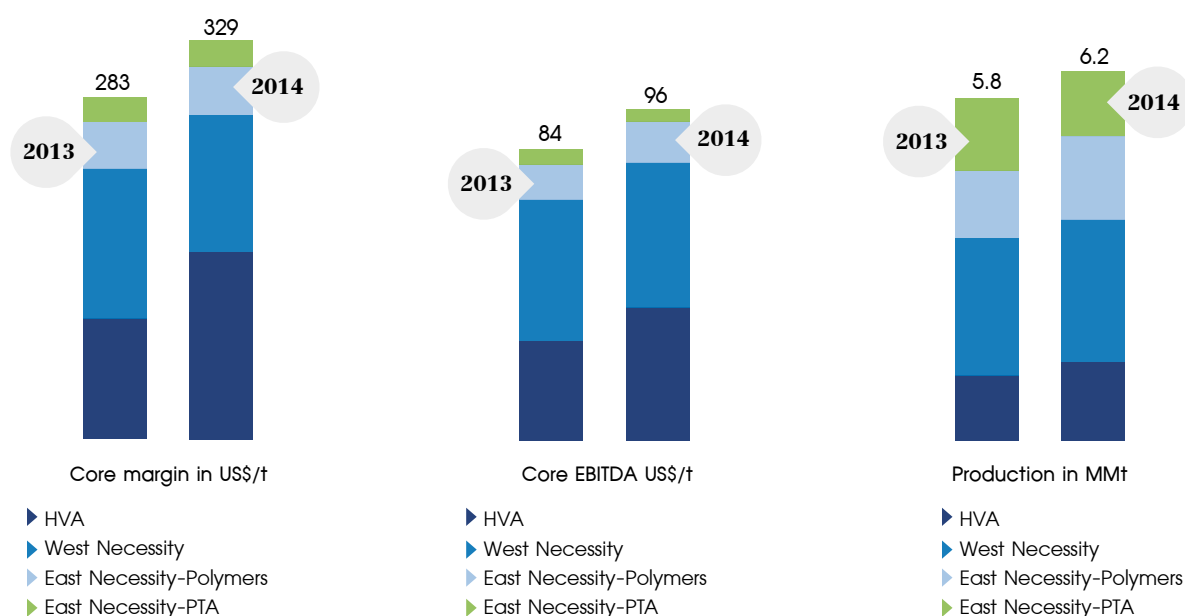
With this increase in EBITDA coupled with the release of cash flow due to lower working capital requirements Operating Cash Flow (OCF) climbed to THB 22.4 billion (USD 690 million) in 2014, an increase of 114% over 2013.



Note : Periods with ("R") are restated numbers as pwr change from prior year financial statements

Our core blended margin increased 16% to USD 329 per ton in 2014 over the same period last year and HVA volumes have increased from 1.08 MMT in 2013 to 1.32 MMT in 2014, an increase of 23% YoY.

Reaping benefits from HVA portfolio developed over last 3 years



Joint Ventures

THB in Millions	2014	2013	YoY%
Joint Ventures (JV) Income /(Loss)	(937)	(741)	(26)%
*Ottana - Mothballed in 2014	(374)	(485)	23%
Polyprima - Retrofit projects ongoing to benefit from 4Q15	(593)	(362)	(64)%
Trevira - Started consolidation since 4Q13	-	77	-
Others (PHP China, FiberVisions JVs)	30	29	5%

*Excludes loss on impairment of assets recorded in 2014

We expect a reduction in equity losses from Joint Ventures in 2015 as residual investment left for the impairment of our mothballed Ottana, Italy, plant is THB 80 million (US\$ 2.4 million) as of 31st December 2014 which is equal to the residual net assets left at the site. With various retrofit and cost optimization projects at our Indonesian PTA plant, Polyprima, we are expecting an improvement in its performance from end of 2015.

90/Management DISCUSSION & ANALYSIS (MD&A)

Effective Tax Rates

THB in Millions	2014	2013	YoY%
Core Profit before tax	7,902	4,287	84%
Add: Inventory gain/(loss)	(3,522)	(928)	(279)%
Profit before tax, JV and extraordinary	4,380	3,359	30%
Current tax	(451)	(302)	
Effective Current tax %	10%	9%	
Deferred tax	(1,163)	(991)	
Effective Deferred tax %	27%	30%	
Total tax	(1,614)	(1,294)	
Effective Total tax %	37%	39%	

Effective tax rates above are as per management calculation which may differ with the FS

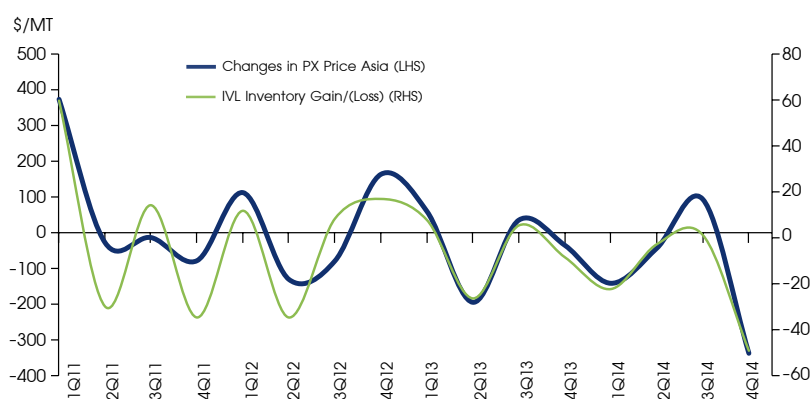
Effective current tax rates continue to remain healthy in 2014 primarily due to our global presence, planning and capex/investments. With the completion of US and Europe corporate reorganization and formation of Regional Operating HQ (ROH) in Thailand, we expect to have full year impact of these initiatives in 2015.

Reported Net Profit and Non-Operational/Extraordinary Items reconciliation

THB in Millions	2014	2013	YoY%
Core Net Profit	5,065	2,062	146%
Add: Inventory gain/(loss)	(3,522)	(928)	(279)%
Net profit, before extraordinary items	1,543	1,134	36%
Add: Non-Operational/Extraordinary income/(expense)	(58)	192	
Acquisition cost & pre-operative expense	(126)	32	
Gain on Bargain Purchases and Impairments (Net)	506	(299)	
Insurance Claims (Lopburi flood assets related claim)	-	791	
Other Extraordinary Income/(Expense)	(438)	(332)	32%
= Net profit after tax and NCI	1,485	1,326	12%

Gain on bargain purchase needs to be accounted for on completion of any acquisition following Thai Accounting Standards

Due to the continuous and significant fall in crude oil prices in 2H14, IVL incurred an accounting inventory loss of THB 2.39 billion in 4Q14 and THB 3.52 billion for the full year of 2014. These mark-to-market inventory gains or losses are driven by upstream feedstock factors and have a very strong correlation to the price movement of our key raw materials (refer to the graph below).



Source: Industry and IVL data

The Company incurred some extraordinary expenses on the acquisition of Indorama Ventures Adana PET in Turkey, PHP Fibers in Germany and others, as well as accompanying income from *gains on bargain purchase* booked. Together with the reorganization of our US assets and impairment of our Workington and Ottana assets, IVL booked a net extraordinary expense of THB 58 million in 2014.

After adjusting inventory losses and extraordinary expenses to our core net profit, IVL achieved a net profit of THB 1.49 billion in 2014 as against THB 1.33 billion in 2013, an increase of 12% YoY.

Core EPS and Reported EPS

Earnings Per Share (EPS) in Baht*	2014	2013	YoY%
Core EPS	1.02	0.43	139%
Add: Inventory gain/(loss)	(0.73)	(0.19)	(279)%
Add: Extraordinary income/(expense)	(0.01)	0.04	
= Reported EPS	0.28	0.28	1%

*Includes Interest on Perpetual Debentures

Important Developments in 2014:

In our full year 2013 MD&A, we gave our outlook for 2014 based on volumes, costs, margins and acquisition opportunities. We are happy to see IVL has achieved most of what it forecast and has delivered on expectations set at the beginning of 2014.

- 1. Increased volumes:** As expected, we achieved higher production volumes from our Oxide & Glycols (EO/EG) site; enhanced operating rates at our IVL Guangdong PET plant; commercial production from our new polyester fibers plant Polychem (CP4) in Indonesia and better utilization of other assets. PET volumes lost due to the mothballing of Indorama Polymers Workington in the UK have been compensated for by higher run rates at other locations without loss of market share (for instance, the Poland site debottleneck).
- 2. Operational excellence** initiatives helped to lower our costs, including gains from the abovementioned debottleneck of our Poland site. This also includes the establishment of a **Regional operating HQ (ROH)** in Thailand to optimize on synergies,

operational improvements and to save costs. Completion of corporate restructuring in both the USA and Europe have significantly enhanced operational efficiencies.

- 3. The HVA portfolio** has expanded with the acquisition of PHP Fibers in 2Q14.
- 4. Recycled product** volumes have grown and our recycling capability has been extended to our Mexican operations also. Thailand's bottle to flakes plant started up in 2014.
- 5. The startup of operations in the Philippines market** in 2014 by our packaging segment has enhanced our relationship with brand owners.
- 6. Mergers & Acquisitions:**
 - a) The abovementioned PHP Fibers acquisition** (formerly referred to in other public documents by its code name Project Panda) was completed in 2Q14 by acquiring 80 percent equity of PHP Fibers GmbH and has significantly enhanced the Company's HVA portfolio, adding high-performance automotive and industrial products. We now have a leadership position in the AIRBAG and TIRE CORD industry segments in Europe that add significant value to IVL. This acquisition delivered cash flow and net profit to IVL in 2014.

b) The acquisition of Adana PET (formerly referred to as Project Thor) in Turkey was completed in 2Q14 by acquiring 100 percent equity of the company and has given a maiden entry in Turkish high growth PET market. This acquisition has delivered cash flow and net profit to IVL in 2014.

c) Polyplex in Turkey (referred to in previous documents as Project Poseidon, and later Project Aurelius) was announced in December 2014 and was completed 1Q15*. This acquisition will expand IVL foothold in Turkey as the leading producer of PET in high growth Turkish market.

d) SASA (formerly referred to as Project Silk) was withdrawn to maintain value discipline and expected return on capital. This was replaced by the announcement of Project Chip (a new addition, see next).

e) Performance Fibers (formerly referred to as Project Chip) was announced as an acquisition in January 2015 and expected to be completed in 1Q15*. This acquisition is expected to significantly enhance the Company's HVA portfolio by adding high performance automotive Polyester Fabric and Yarns in China serving the automotive safety sector globally. We expect significant synergies with our PET plant at Guangdong IVL in China through the supply of Polyester chips to Performance Fibers. A similar synergy exists currently with Trevira in Germany supplying chips to nearby PHP Fibers.

*Not included in 2014 list of operations.

Other developments in 2014:

- 7. Completed issuance of two sets of free convertible warrants** into the ordinary shares of the company when exercised. IVL-W1 (ratio of 10 shares to one warrant) and IVL-W2 (13 shares to one warrant) were issued free of cost to existing shareholders as rights, at

the exercise price of THB 36 and 43 per share respectively. IVL-W1 expires in 2017 and IVL-W2 expires in 2018. The primary objective of both is to raise long term capital for potential Greenfield projects to integrate us vertically further into upstream raw materials.

8. **Completed issuance of Perpetual Debentures of Baht 15 Billion**, the largest ever Corporate Perpetual Debentures in Thailand in 4Q14. The primary objective of this issuance was to prepare the balance sheet for potential growth opportunities in our core business.

Outlook 2015

On the back of a weak global macro environment in 2014, which continues to persist in 2015, we are confident about our continuing business in the necessity and HVA product segments.

1. **Increased volumes:** Expect higher production volumes from first full-year run of Poland PET post debottleneck in 2014; first full year run of acquired PHP Fibers and Adana PET; higher utilization at 'state-of-the-art' polyester fibers plant Polychem (CP4) in Indonesia, higher volumes in PTA post planned turnarounds in 2014, completion of announced acquisition of Performance Fibers in China, completion of announced acquisition of Polyplex PET in Turkey, and better utilization of other assets which is **estimated to add around 12% higher production in 2015 over 2014**. A capacity growth from 7.5 MMT in 2014 to 7.8 MMT in 2015 (mainly from the completion of two announced M&A opportunities, Polyplex and Performance Fibers).
2. **Industry demand:** With higher disposable income with consumers due to lower crude oil and natural gas prices we expect better demand

for our products and also higher substitution demand over competing materials in fibers and packaging.

3. **Lower cost:** Operational excellence measures to continue to keep costs lower. Expecting lower logistics and other conversion costs due to expected lower crude oil & gas prices in 2015. Weakening currencies in Indonesia, Mexico, Turkey, Poland and Euro is expected to lower the conversion costs in US Dollar terms as business spreads are mainly linked to US Dollars.
4. **The HVA portfolio** is expected to expand mainly with the acquisition of Performance Fibers in China and debottlenecks of Fibervisions in USA as well as full year operations of a bicomponent line in Suzhou, China.
5. **Completion of 330kt pa Brownfield expansion of our PTA plant at Rotterdam expected in 4Q15.** Additional output of PTA to replace the current purchase of PTA in Europe in 2016.
6. **Mergers & Acquisitions:** Our current M&A targets, codenamed **Project Lion 1, Project Lion 2, Project Boston and Project Swift** are being actively pursued and expected to be completed in 2015. Most of these expected acquisitions are either in the West in necessities or HVA areas where we see better industry consolidation and discipline. If announced, these would potentially need over a billion US Dollars of new investments in 2015 (over and above the announced investments and ongoing projects). Targeted acquisitions are expected to add around 1.6 MMT of new capacity which can increase the total capacity from 7.8 MMT to 9.4 MMT (a growth of ~ 26% over 7.5 MMT in 2014).
7. **Joint Ventures (JV):** Polyprima (a JV in Indonesia with 43% equity stake) is conducting retrofit projects, including a captive power plant to reduce operating costs and is expected to start benefitting from the fourth quarter of 2015 onwards.

8. **Industry Margins or Spreads (i.e. selling price minus raw material cost):**

- a. **PET:** Last five-year simple average industry margins in Asia were at 140\$/t (2014E: 142\$/t) and in the West was 268\$/t (2014E 248\$/t). IVL enjoys a higher margin due to its scale, HVA products and regional manufacturing, which lower our blended logistics costs. Our growth plans are assuming margins to remain at its 2014 level.
- b. **PTA:** Last five-year simple average industry margin of Asia is 163\$/t (2014E: 87\$/t). We expect some improvements over 2014 subject to:
 - i) Favorable PX pricing as it has entered into an oversupply situation for the next few years
 - ii) Better producer discipline in China and a PX plus fixed spread pricing mechanism
 - iii) Rationalization of high cost PTA plants in Taiwan, South Korea, Japan, China and others.
- c. **MEG and PEO:** MEG and PEO simple average margin in North America in 2014E remained at 503\$/t. With tight supplies of PEO and improving outlook on MEG we expect marginal improvement over 2014.
- d. **HVA:** With a change in product mix due to the addition of Performance Fibers in China as well full-year PHP fiber consolidation, combined with lower raw material prices, we expect some margin improvement in 2015.

“ BUSINESS STRATEGY ”

IVL continues to look at both organic and inorganic growth opportunities in its core business. We have a capex plan to invest around US\$ 1.9 billion on growth and US\$ 0.3 billion on maintenance from 2015-2018 (total US\$ 2.2 billion) funded through cash flow from operations, debts and recently issued perpetual debentures. IVL targets to maintain a net

debt to equity ratio of around 1.0 time in the long term. As on December 2014, this stands at 0.83 times. IVL businesses have a track record of strong cash flows since the majority of sales are to the consumer necessities sector.

Annual expected capex guidance 2015-2018 is as follows:

Total Capex 2015-2018:

US\$ 2.2 billion (Growth: US\$ 1.9 billion and maintenance US\$ 0.3 billion)

Committed capex 2015-2018:

US\$ 1.1 billion (2015: ~US\$ 0.6 billion)

Actively pursued 2015-2018:

US\$ 1.1 billion (2015: ~US\$ 0.9 billion)

2015: US\$ 1.5 billion mainly on M&A, ongoing Brownfield, debottleneck projects and maintenance capex.

2016: US\$ 0.4 billion mainly on M&A/JV, debottleneck projects and maintenance capex.

2017: US\$ 0.2 billion mainly on M&A/JV, debottleneck projects and maintenance capex.

2018: US\$ 0.1 billion mainly on debottlenecking projects and maintenance capex.

Longer term projects like a potential Paraxylene JV in Abu Dhabi and participation in a world scale gas cracker in the USA with downstream MEG are under review and will only be initiated once the crude oil environment normalizes and the Company has better visibility on the exercise of warrants due to expire in 2017 and 2018.

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BUSINESS SEGMENTS

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PET

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The PET segment represented 50% of IVL production and 48% of IVL Core EBITDA in 2014.

Primarily driven by increased utilizations, the Poland site debottleneck and the completion of the acquisition of Adana PET, Turkey in 2Q14, the PET segment saw production increase from 2.9 MMT in 2013 to 3.1 MMT in 2014, a growth of 7% YoY. This growth in production was achieved despite lower production in 2H14 caused by a *force majeure* declared by BP in North America which disrupted the supplies of PTA, a major raw material for PET. However this loss is covered under the loss of profit insurance policy taken by the company as per its terms. The supplies of PTA had largely been regularized by the supplier by the beginning of 2015.

Cost optimization projects and the debottlenecking of our Poland site led to a lower cost per tonne in this segment. Furthermore, with the increase of the proportion of HVA production growing from 10% of total PET production in 2013 to 14% of total PET production in 2014, led to an improvement in Core EBITDA per ton to US\$92/t in 2014 from US\$ 86/t in 2013.

With an increase in production and improved Core EBITDA/tonne, the PET segment achieved a Core EBITDA of US\$286M in 2014 against US\$ 248M 2013, or growth of 15% YoY.

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Fibers and Yarns (F&Y)

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F&Y segment represented 18% of IVL production and 21% of IVL Core EBITDA in 2014.

Our F&Y segment saw production increase from 0.91 MMT in 2013 to 1.15 MMT in 2014, a growth of 26% YoY. This is primarily driven by the startup of our state-of-the-art polyester fibers plant, Polychem (CP4) in Indonesia and the acquisition of PHP Fibers in 2Q14. Utilization rates were lower in 2014 over 2013 despite increases in absolute production. This was mainly due to the gradual completion of Polychem in Indonesia throughout 2014.

By 4Q14 we had achieved a utilization rate of around 90% at this location.

Enhancement of HVA products with the acquisition of PHP Fibers led to an increase in margins. Supported by cost optimization and operational excellence measures, Core EBITDA per ton increased to US\$110/t in 2014 from US\$ 104/t in 2013.

Around 60% of production of F&Y came from HVA products globally and the remaining 40% came from necessities in the East. This proportion is expected to be higher in HVA in 2015 with the completion of the acquisition of Performance Fibers in China (we expect completion in 1Q15).

With the increase in production and improved Core EBITDA/ton, the F&Y segment achieved a Core EBITDA of US\$126M in 2014 against US\$ 95M 2013, a growth of 34% YoY.

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Feedstock

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Our Feedstock segment represented 32% of IVL production and 32% of IVL Core EBITDA in 2014.

This segment includes Ethylene Oxide and Ethylene Glycol (EOEG) in North America, PTA in Europe and PTA in Asia.

This segment saw flat production YoY and achieved 2.0 MMT production in both 2013 and 2014. In 2013 there was a successful planned turnaround for a Catalyst change at EOEG in North America and had lower production in EOEG in North America, whereas in 2014 PTA assets in Asia and Europe took planned turnarounds in the fourth quarter, which led to lower PTA production in that quarter and the whole of 2014. However, in 2015 both EOEG and PTA are expected to run at their optimum capacity and deliver higher production over 2014, as their next maintenance turnarounds are due in 2016.

The strong PEO margins seen in 2014 over 2013 and cost optimization measures at PTA sites led to an improvement in Core EBITDA per ton to US\$97/t in 2014 from US\$ 73/t in 2013.

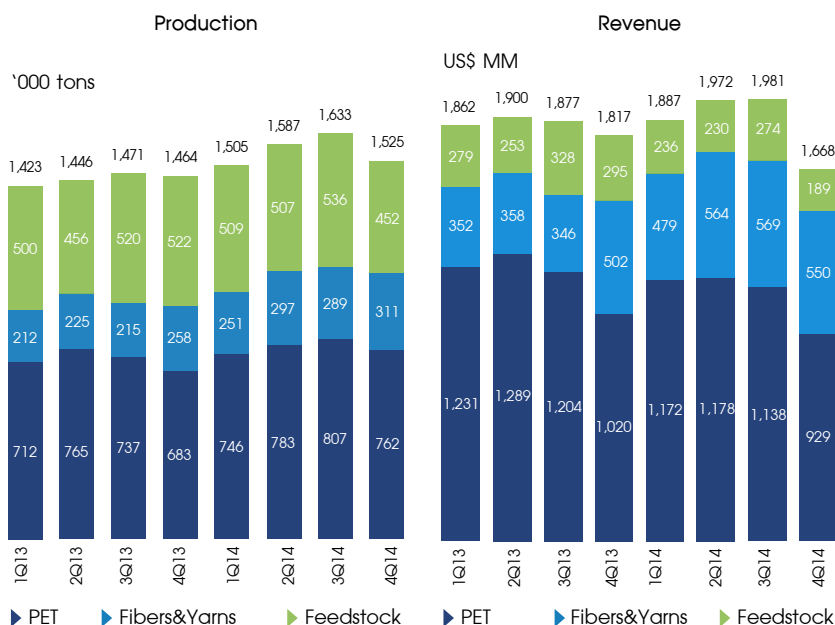
This segment considers PEO as its HVA product. 10% of production of the feedstock segment in 2014 saw contribution from HVA and 90% from necessities, which are MEG and PTA.

With improved Core EBITDA/ton and higher volumes in EOEG products, this segment achieved a Core EBITDA of US\$194M in 2014 against US\$ 145M 2013, a growth of 34% YoY.

PEO is expected to remain tight in 2015 and this segment should benefit from this tightness in the market. Similarly MEG is also expected to benefit from lower ethylene and natural gas prices in North America and tight supply globally.

For the PTA margin outlook please refer to our Outlook 2015 section.

Business Segments-Production Volume and Revenue



Business Segments-Key Financial Data (YoY)

	THB in Millions			US\$ in Millions		
	2014	2013	YoY%	2014	2013	YoY%
Core EBITDA/ton (THB/t, US\$/t)	3,117	2,579	21%	96	84	14%
PET	2,994	2,636	14%	92	86	8%
Fibers and Yarns	3,579	3,200	12%	110	104	6%
Feedstock	3,142	2,231	41%	97	73	33%
Core EBITDA	19,481	14,966	30%	600	487	23%
PET	9,275	7,636	21%	286	248	15%
Fibers and Yarns	4,108	2,910	41%	126	95	34%
Feedstock	6,296	4,456	41%	194	145	34%
Consolidated EBITDA	15,959	14,038	14%	491	457	8%
PET	7,036	6,899	2%	217	225	(3)%
Fibers and Yarns	3,522	2,905	21%	108	95	15%
Feedstock	5,599	4,269	31%	172	139	24%

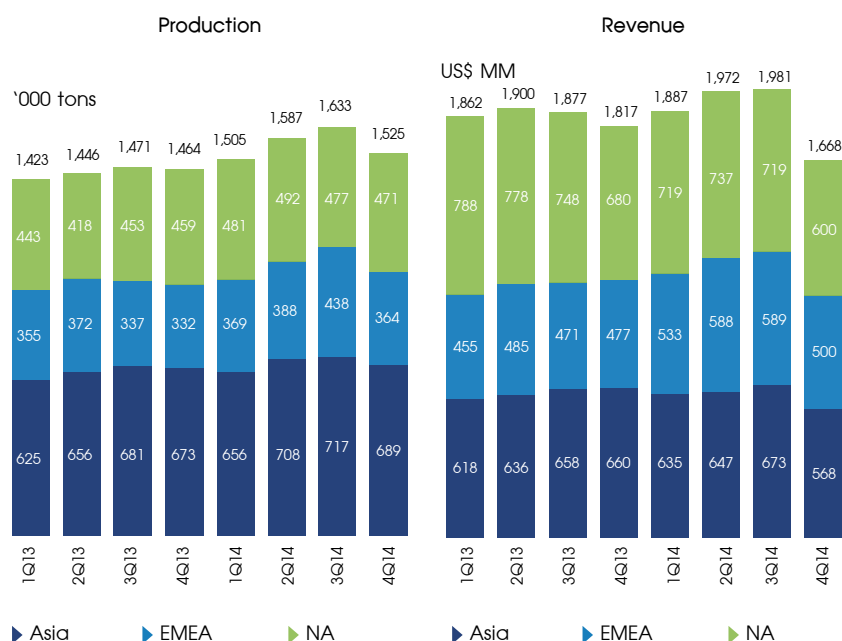
Notes: Since 1Q14, IVL has changed the quantity calculation methodology for Polyester Fibers & Yarns and included Packaging business quantities in PET. The impacts of these changes are not material.

2014 EBITDA includes LOP Lopburi flooding insurance claim of THB 140 million in PET.

2013 EBITDA includes LOP Lopburi flooding insurance claim of THB 506 million in PET and THB 393 million in Fibers and Yarns.

“ OPERATING REGIONS ”

Operating Regions-Production Volume and Revenue



Operating Regions-Key Financial Data (YoY)

	THB in Millions			US\$ in Millions		
	2014	2013	YoY%	2014	2013	YoY%
Core EBITDA/tonne (THB/t, US\$/t)	3,117	2,579	21%	96	84	14%
Asia	1,784	1,592	12%	55	52	6%
⁽¹⁾ EMEA	3,046	1,685	81%	94	55	71%
North America	5,098	4,749	7%	157	155	2%
Core EBITDA	19,481	14,966	30%	600	487	23%
Asia	4,940	4,194	18%	152	136	11%
⁽¹⁾ EMEA	4,750	2,353	102%	146	77	91%
North America	9,792	8,419	16%	301	274	10%
Consolidated EBITDA	15,959	14,038	14%	491	457	8%
Asia	3,549	3,946	(10)%	109	128	(15)%
⁽¹⁾ EMEA	3,859	1,832	111%	119	60	99%
North America	8,551	8,259	4%	263	269	(2)%

Note ⁽¹⁾ EMEA includes Europe, Middle East and Africa,

2014 EBITDA includes LOP Lopburi flooding insurance claim of THB 140 million in Asia.

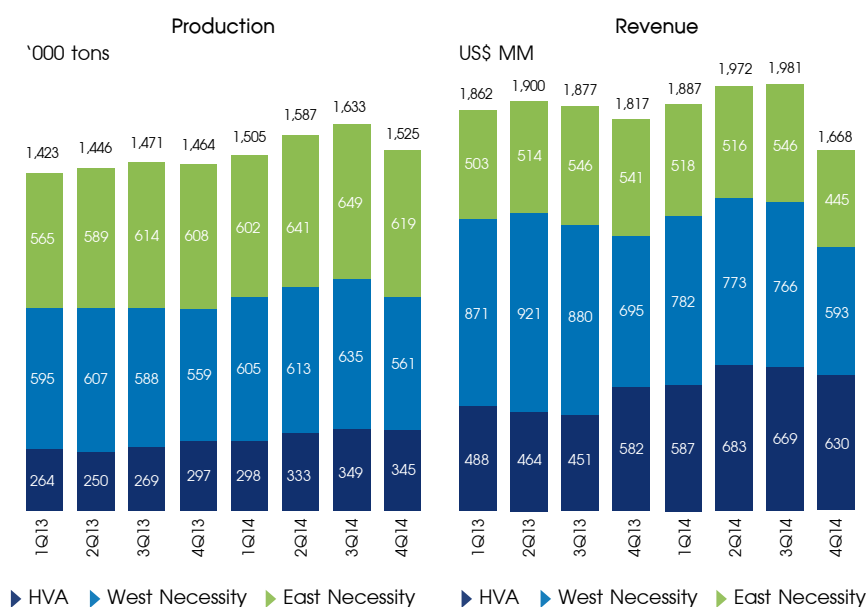
2013 EBITDA includes LOP Lopburi flooding insurance claim of THB 899 million in Asia.

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DIVERSIFIED PORTFOLIO

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Product Type-Production Volume and Revenue



Product Type - Key Financial Data (YoY)

	THB in Millions			US\$ in Millions		
	2014	2013	YoY%	2014	2013	YoY%
Core EBITDA/tonne (THB/t , US\$/t)	3,117	2,579	21%	96	84	14%
HVA	5,888	4,747	24%	181	154	17%
West Necessity	3,544	3,120	14%	109	102	7%
East Necessity	1,245	1,057	18%	38	34	11%
Core EBITDA	19,481	14,966	30%	600	487	23%
HVA	7,801	5,125	52%	240	167	44%
West Necessity	8,554	7,329	17%	263	238	10%
East Necessity	3,126	2,512	24%	96	82	18%
Consolidated EBITDA	15,959	14,038	14%	491	457	8%
HVA	7,449	5,154	45%	229	168	37%
West Necessity	6,762	6,619	2%	208	215	(3)%
East Necessity	1,749	2,264	(23)%	54	74	(27)%

Note: 2014 EBITDA includes LOP Lopburi flooding insurance claim of THB 140 million in HVA.

2013 EBITDA includes LOP Lopburi flooding insurance claim of THB 446 million in Asia Necessity and THB 453 million in HVA.

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PERFORMANCE COMPARISON

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Revenue from sale of goods

Baht in Millions	FY 2014	FY 2013	Change(%)
Revenue from sale of goods	243,907.0	229,120.4	6.5%
Add: Eliminations	35,964.5	35,656.5	
Adjusted revenue from sale of goods	279,871.5	264,776.9	5.7%
PET	145,120.7	146,417.7	(0.9)%
Fibers & Yarns	70,274.0	47,967.8	46.5%
Feedstock	64,476.8	70,391.4	(8.4)%

Sales revenue for the year ended 2014 was Baht 243,907.0 million, an increase of 6.5% from 2013. Sales revenue increased in the Fiber & Yarns segment whereas it dropped in the PET and Feedstock segments.

PET Revenue

PET revenue for the year ended 2014 was Baht 145,120.7 million, a decrease by Baht 1,297.0 million or 0.9% from 2013, mainly driven by lower production in 2H14, caused by a *force majeure* declared by a large PTA supplier in North America which disrupted the supplies of PTA, a major raw material for PET, together with a significant fall in absolute prices in 4Q14 following the crude oil price trend.

Fibers & Yarns Revenue

Fibers & Yarns revenue for the year ended 2014 was Baht 70,274.0 million, increased by Baht 22,306.2 million or 46.5% from 2013, driven by volume growth. The volume growth of 26% from last year generally resulted from the startup of our polyester fibers plant Polychem (CP4) in Indonesia and the acquisition of PHP Fibers in 2Q14. Besides, 2014 saw the first full year of operations of Trevira which was a JV until 3Q 2013 and from October 1, 2013, has been fully consolidated due to a revision in terms with the JV partner.

Feedstock Revenue

Feedstock revenue for the year ended 2014 was Baht 64,476.8 million, a decrease of Baht 5,914.6 million or 8.4% from 2013, primarily driven by lower PTA production in 2014 due to PTA assets in Asia and Europe took planned turnarounds in 4Q14 together with significant fall in absolute prices in 4Q14 following the crude price trend.

Cost of Sale of Goods

Baht in Millions	FY 2014	FY 2013	Change(%)
Cost of sale of goods	215,711.7	205,205.4	5.1%
As a percentage of total revenues	88.4%	89.6%	
Add: Eliminations	34,923.8	35,656.5	
Adjusted cost of sales of goods	250,635.5	240,861.9	4.1%
PET	131,031.5	133,552.3	(1.9)%
As a percentage of total PET revenue	90.3%	91.2%	
Fibers & Yarns	62,048.9	43,148.3	43.8%
As a percentage of total Fibers & Yarns revenue	88.3%	90.0%	
Feedstock	57,555.1	64,161.2	(10.3)%
As a percentage of total Feedstock revenue	89.3%	91.1%	

Our cost of sales for the year ended 2014 was Baht 215,711.7 million, an increase of Baht 10,506.3 million or 5.1% from 2013 which is in line with the increase in sales revenue.

PET Cost of Sale of Goods

For the year ended 2014, PET cost of sale of goods was Baht 131,031.5 million, a decrease of Baht 2,520.8 million or 1.9% from 2013, in line with the decrease in sales revenue together with a significant fall in absolute raw material prices in 4Q14 following the crude oil price trend.

Fibers & Yarns Cost of Sale of Goods

For the year ended 2014, Fibers & Yarns cost of sale of goods were Baht 62,048.9 million, increased by Baht 18,900.6 million or 43.8% from 2013, driven by the volume growth as explained in the Revenue section above.

Feedstock Cost of Sale of Goods

For the year ended 2014, Feedstock cost of sale of goods was Baht 57,555.1 million, a decrease of Baht 6,606.1 million or 10.3% from 2013, in line with decrease in sales revenue together with a significant fall in absolute raw material prices in 4Q14 following crude oil prices.

98/ Management DISCUSSION & ANALYSIS (MD&A)

Gross Profit

Baht in Millions	FY 2014	FY 2013	Change(%)
Gross Profit	28,195.3	23,915.0	17.9%
As a percentage of total revenues	11.6%	10.4%	
Add: Eliminations	1,040.7	-	
Adjusted gross profit	29,236.0	23,915.0	22.2%
PET	14,089.3	12,865.4	9.5%
As a percentage of total PET revenue	9.7%	8.8%	
Fibers & Yarns	8,225.0	4,819.5	70.7%
As a percentage of total Fibers & Yarns revenue	11.7%	10.0%	
Feedstock	6,921.7	6,230.2	11.1%
As a percentage of total Feedstock revenue	10.7%	8.9%	

Gross Profit for the year ended 2014 was Baht 28,195.3 million, an increase of Baht 4,280.3 million or 17.9% from 2013. The gross profit margin of 11.6% in 2014 increased slightly from the prior year mainly due to a change in the product mix towards higher value-addition.

PET Gross Profit

For the year ended 2014, PET gross profit was Baht 14,089.3 million, increased by Baht 1,223.9 million from 2013. PET gross profit margin in 2014 was 9.7%, remained almost flat YoY.

Fibers & Yarns Gross Profit

For the year ended 2014, Fibers & Yarns gross profit was Baht 8,225.0 million, increased by Baht 3,405.5 million from 2013. Gross profit margin in 2014 was 11.7%, increased from the prior year mainly due to higher volume of HVA especially due to the acquisition of PHP Fibers.

Feedstock Gross Profit

For the year ended 2014, Feedstock gross profit was Baht 6,921.7 million, increased by Baht 691.5 million from 2013. Gross profit margin in 2014 was 10.7%, increased from the prior year mainly due to supply tightness of PEO and low ethylene input costs in the USA due to shale gas abundance.

Earnings Before Interest Expenses, Income Taxes, Depreciation & Amortization (EBITDA)

Baht in Millions	FY 2014	FY 2013	Change(%)
EBITDA⁽¹⁾	15,959.3	14,037.6	13.7%
Add: Inventory loss/(gain) ⁽²⁾	3,522.0	928.3	
CORE EBITDA	19,481.3	14,965.9	30.2%
As a percentage of total revenues	8.0%	6.5%	
Add: Eliminations and others ⁽³⁾	197.8	35.7	
Adjusted CORE EBITDA	19,679.2	15,001.6	31.2%
PET	9,274.6	7,635.6	21.5%
As a percentage of total PET revenue	6.4%	5.2%	
Fibers & Yarns	4,108.4	2,910.4	41.2%
As a percentage of total Fibers & Yarns revenue	5.8%	6.1%	
Feedstock	6,296.1	4,455.6	41.3%
As a percentage of total Feedstock revenue	9.8%	6.3%	

⁽¹⁾ EBITDA is calculated from sales revenue adding net foreign exchange gain (loss) and other income, then deducting cost of sales, selling & administrative expenses (excludes depreciation & amortization), management benefits expenses, and adjusting by extraordinary items.

⁽²⁾ Inventory gain (losses) are the gains or losses on the inventories that IVL carries every month, due to the movement in the prices of finished products and raw materials following market movements.

⁽³⁾ Eliminations and others include the amounts attributable to intra-group transactions and the EBITDA of holding companies.

CORE EBITDA for the year ended 2014 was Baht 19,481.3 million, an increase of 30.2% from 2013 Baht 14,965.9 million. Core EBITDA is defined as EBITDA plus Inventory loss (gain).

IVL grew Core EBITDA in 2014 over 2013 despite:

- a) lower absolute prices due to weak paraxylene
- b) lower run rates in North America as a *Force majeure* was declared by a major PTA supplier and a shortage of PTA in the region
- c) the mothballed, non-operational Workington site

PET Core EBITDA

PET Core EBITDA for the year ended 2014 was Baht 9,274.6 million, an increase of 21.5% from 2013 Baht 7,635.6 million. It grew in 2014 primarily due to an increase in utilization rates as a result of debottlenecking of the Poland site and the completion of the acquisition of Adana PET. Moreover, cost optimization projects leading to a lower cost per tonne in the PET segment accompanied by an increase in the proportion of HVA production, which also helped improve the Core EBITDA margin to 6.4% in 2014.

Fibers & Yarns Core EBITDA

Fibers & Yarns Core EBITDA for the year ended 2014 was Baht 4,108.4 million, an increase of 41.2% from 2013 Baht 2,910.4 million. It grew in 2014 primarily due to higher volume and earnings improvement made at Trevira since full consolidation in October 2013 and the expansion of the HVA products portfolio since the acquisition of PHP Fibers. Core EBITDA margin remained flat at 5.8% in 2014.

Feedstock Core EBITDA

Feedstock Core EBITDA for 2014 was Baht 6,296.1 million, which increased by 41.3% from Baht 4,455.6 million in 2013. Feedstock Core EBITDA margin in 2014 was 9.8% as against 6.3% in 2013. Such increase was primarily driven by a successful turnaround for a catalyst change at our Texas EOEG facility in 2013, plus strong PEO margins and cost optimization measures at PTA sites.

Other Revenues

Baht in Millions	FY 2014	FY 2013	Change(%)
Interest Income	71.6	152.6	(53.1)%
Net foreign exchange gain (loss)	375.4	267.0	40.60%
Gain on a bargain purchase	1,669.9	-	n.a
Impact of flooding, net	140.0	1,690.2	(91.7)%
Other income	1,572.8	1,126.3	39.6%
Total	3,829.6	3,236.2	18.3%

Interest Income

Interest Income for the year ended 2014 was Baht 71.6 million, decreased by Baht 81 million or 53.1% from 2013. This was mainly due to a decrease in cash at banks during the year.

Net foreign exchange gain (loss)

There was a net foreign exchange gain for 2014 of Baht 375.4 million, an increase from 2013 by Baht 108.4 million. This was primarily due to weakening of the Baht in 2014 as compared to 2013.

Gains on bargain purchases

During 2014, IVL acquired several businesses where the excess of the Group's interest in the net identified assets and liabilities of the companies acquired over cost (recognized values are higher than the consideration transferred) are considered to be gains on bargain purchases, and recognized in the consolidated statement of income in accordance with generally accepted accounting principles for business combinations. A valuation of net identified assets acquired and liabilities assumed is calculated every time to arrive at recognized values. Fair value adjustments are the difference between the carrying amount and the recognized value. In 2014, IVL had gains on bargain purchases of Baht 1,669.9 million. The following details are given:

100/Management DISCUSSION & ANALYSIS (MD&A)

Baht in Millions	Net identified assets acquired and liabilities assumed			Total Consideration	Gain on a bargain purchase
	Carrying amounts	Fair value adjustments	Recognized values		
Companies acquired during the years ended December 31, 2014					
PHP Fibers GmbH, Germany	5,507.8	(32.8)	4,380.0*	3,292.9	1,087.1
Artenius Turkpet Kimyevi Maddeler Sanayi A.S., Turkey	987.7	365.5	1,353.1	770.3	582.8
*80% Interest acquired					1,669.9
December 31, 2013					
Aurus Packaging Limited	256.9	37.3	294.3	294.3	-

A gain on bargain purchase is considered by management as an extraordinary item which does not arise from the normal operation of the business, but is included in the net profit of the company. Additional information on each acquisition is provided in Note 4 - Acquisitions of Businesses in the Audited Financial Statements. Net identifiable assets acquired including intangible assets i.e. customer contracts, technology licenses and knowhow, trade names and trademarks, were all recognized in the financial statements at fair value, and subject to depreciation, amortization or impairment (if any) in accordance with generally accepted accounting principles, as disclosed in Note 3 - Significant accounting policies in the Audited Financial Statements.

Impact of flooding, net

In 2014, an insurance claim from flooding in Lopburi in 2011 was Baht 140 million as against Baht 1,690.2 million in 2013.

Other Income

Other income for the year ended 2014 was Baht 1,572.8 million, increased from 2013 by Baht 446.5 million or 39.6%, mainly due to insurance claim income from business interruption as a result of the force majeure declared by a major PTA supplier in North America. Please refer Note 26 - Other income in the Audited Financial Statements for further details on this item.

Share of profit (loss) of jointly-controlled entities, net

IVL had share of loss from joint venture of Baht 1,356.0 million and Baht 1,108.0 million for the year ended 2014 and 2013 respectively. Share of equity loss from joint venture for the year ended 2014 resulted from underperformance of UAB Ottana Polimeri Europe and PT Indorama Petrochemicals as compared to year 2013. It was also from partial impairment provision of Ottana amounting to Baht 419.4 million. Since October 2013 the company has taken the management control of Trevira as a subsidiary company as per changes in the JV terms with the JV partner, Please refer Note 12 - Investment in jointly-controlled entities in the Audited Financial Statements for further details on this item.

Expenses

Baht in Millions	FY 2014	FY 2013	Change(%)
Selling expenses	11,139.6	8,948.8	24.5%
Administrative expenses	5,397.4	3,823.3	41.2%
Management benefit expenses	90.2	76.1	18.5%
Total	16,627.2	12,848.2	29.4%

Management DISCUSSION & ANALYSIS (MD&A) /101

Total expenses for the year ended December 31, 2014 was Baht 16,627.2 million, increased from year 2013 by Baht 3,779.0 million or 29.4% as a result of higher spending on selling and administrative expenses in line with our volume growth and inflation factors.

Management benefit expenses increased slightly due to a rise in wages and salaries. Please refer to Note 29 – Employee benefit expenses of the Audited Financial Statements for further details on this item.

Net Profit

Baht in Millions	FY 2014	FY 2013	Change(%)
Net profit	1,770.6	1,516.6	16.7%
As a percentage of total revenues	0.73%	0.70%	
Profit attributable to:			
Owners of the Company	1,485.4	1,325.9	12.0%
Non-controlling interests	285.2	190.7	49.5%

Net Profit for the year ended December 31, 2014 was Baht 1,770.6 million, an increase of Baht 254.0 million or 16.7% from 2013 due to higher earnings as explained above. Please refer to the explanation of EBITDA above for more details. The net profit for the period included extraordinary items i.e. gains on bargain purchases, acquisition costs and related transaction expenses incurred on acquisitions completed. These non-recurring items are not from the normal operation of business.

Trade Accounts Receivable

As of December 31, 2014 and 2013, IVL reported trade accounts receivable of Baht 26,203.0 million, and Baht 28,827.2 million respectively, representing 13.4% and 15.2% of total assets. The company has continued to improve and control its debt management. Allowance for doubtful accounts is in a narrow low range due to this close follow up and collections on time. Aging analysis for trade accounts receivable was as follows:

	Consolidated financial statements	
	December 31, 2014	December 31, 2013
	(Baht in Millions)	
Related parties		
Within credit terms	1,742.7	1,946.6
Overdue:		
Less than 3 months	174.7	45.5
3-6 months	1.4	0.0
6-12 months	-	2.8
Over 12 months	1.0	0.0
Net	1,919.7	1,994.9

Finance Costs

Finance costs for the year ended 2014 was Baht 3,554.5 million, a decrease by Baht 256.4 million from 2013 that was in line with a decrease in both short-term and long-term debt mainly due to the company using the proceeds from its issuance of Perpetual Debentures to repay debt.

Income Tax Expense

Income tax expenses for 2014 was Baht 1,614.5 million, an increase of Baht 320.6 million from 2013. This was in line with an increase in earnings in 2014.

Financial Position

Total Assets

As of December 31, 2014 and 2013, IVL had total assets of Baht 195,488.1 million and Baht 189,041.8 million, respectively. The increase of 3.4% was mainly due to the growth of business from expansions and acquisitions. Major assets are as follows:

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	Consolidated financial statements	
	December 31, 2014	December 31, 2013
	(Baht in Millions)	
Other parties		
Within credit terms	21,094.1	22,300.7
Overdue:		
Less than 3 months	2,973.0	4,222.9
3-6 months	147.9	225.2
6-12 months	51.5	100.1
Over 12 months	140.7	191.6
	24,407.2	27,040.5
Less allowance for doubtful accounts	(123.9)	(208.3)
Net	24,283.3	26,832.3
Total	26,203.0	28,827.2

Inventories

As of December 31, 2014 and 2013, IVL reported inventories of Baht 29,141.1 million and Baht 28,939.6 million respectively, representing 14.9% and 15.3% of total assets. This increase was in line with the expansion and business growth in 2014.

Property, plant and equipment

As of December 31, 2014 and 2013, IVL reported property, plant and equipment of Baht 98,900.6 million and Baht 96,213.5 million, respectively, representing 50.6% and 50.9% of total assets. The slight increase in property, plant and equipment resulted from our business expansions through investments and acquisitions. Please refer to Note 13 - Property, Plant and Equipment of the Audited Financial Statements for further details on this item.

Interest-bearing liabilities

As of December 31, 2014 and 2013, IVL reported interest-bearing liabilities of Baht 73,293.6 million and Baht 85,266.1 million respectively, representing 37.5% and 45.1% of total liabilities and shareholders' equity. The details of Interest-bearing liabilities are as follows:

	Consolidated financial statements	
	December 31, 2014	December 31, 2013
	(Baht in Millions)	
<i>Current</i>		
Bank overdrafts and Short-term loans from financial institutions	8,581.0	16,075.4
Net current portion of long-term loans	4,426.2	3,921.9
Current portion of finance lease liabilities	8.3	5.2
	13,015.6	20,002.5

Total Liabilities

As of December 31, 2014 and 2013, IVL reported total liabilities of Baht 119,933.3 million and Baht 127,474.1 million, respectively. The decrease in total liabilities mainly resulted from the decrease in loans from financial institutions.

Trade accounts payable

As of December 31, 2014 and 2013, IVL had trade accounts payable of Baht 27,764.2 million and Baht 25,663.2 million respectively. The payment days for the year ended 2014 and 2013 were 43.3 days and 40.8 days respectively. This was in line with the growth of the volumes from business expansions and acquisitions.

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	Consolidated financial statements	
	December 31, 2014	December 31, 2013
	(Baht in Millions)	
<i>Non-current</i>		
Long-term loans from financial institutions	32,757.6	41,463.3
Debentures	27,499.0	23,795.7
Finance lease liabilities	21.4	4.6
	60,277.9	65,263.6
Total	73,293.6	85,266.1

Our net operating debt to equity remain at 0.8 times, which is lower than 1.2 times at the end of year 2013, after spending on capex and investments of US\$ 423 million in 2014. IVL net operating debt decreased from US\$ 2,224 million at end of December 31, 2013 to US\$ 1,760 million at the end of December 31, 2014.

The table below provides movement of total debt and net operating debt in US\$ millions:

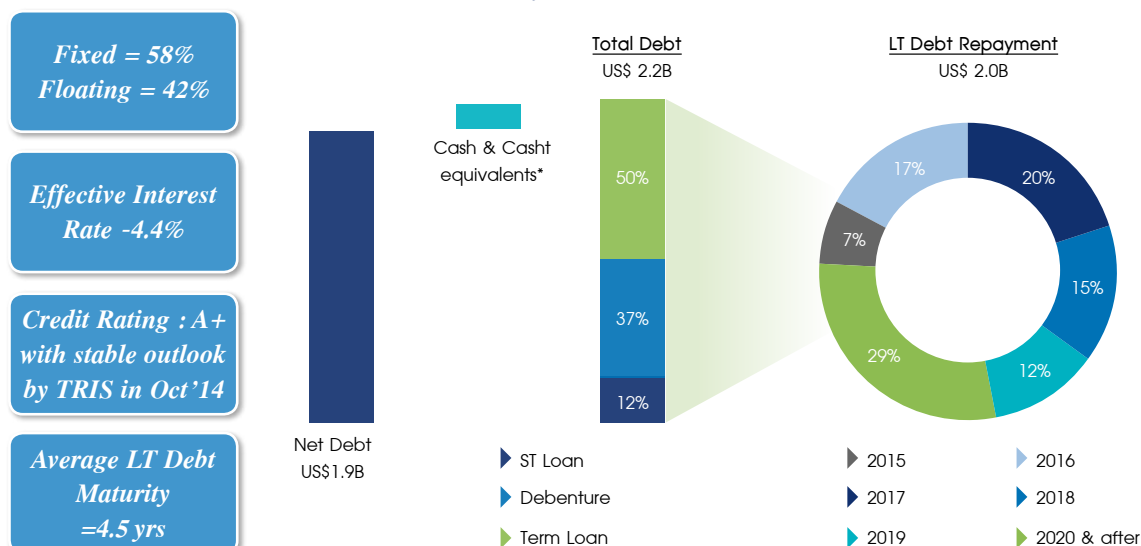
US\$ in Millions	2014	2013
Total Debt	2,224	2,598
Bank overdraft and short-term loans	260	490
Long term debt (Current portion)	135	120
Debentures (Non-current portion)	834	725
Long term debt (Non-current portion)	994	1,264
Cash & Cash under management	323	133
Cash and cash equivalents	164	125
Current investments and loans given	158	7
Net Debt	1,901	2,466
⁽¹⁾ Non-operating Debt (Project Debt)	141	241
Net Operating Debt	1,760	2,224
Net operating debt to equity (times)	0.8	1.2
Debts with fixed interest %	58%	37%
Credit Rating by TRIS (Reaffirmed in October 2014)	A+	A+
Liquidity	1.6	0.8
Unutilized credit line (US\$ billions)	1.2	0.7
Financial Ratios		
Current ratios (times)	1.5	1.3
Debt Servicing Coverage Ratio (DSCR) times	2.1	1.6
Interest coverage ratio (times)	4.6	3.9

Note ⁽¹⁾ Net debt after debt for capex and investments which are not generating revenue and earnings as on date

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The graph below provides repayment schedule of long-term debt and debentures in US\$ billions;

Debt Maturity Profile as on December 2014



*Includes Current investments & Loans given

Shareholders' equity

As of December 31, 2014 and 2013, IVL reported shareholders' equity of Baht 75,554.8 million and Baht 61,567.8 million, respectively. The increase in shareholders' equity was mainly due to an issuance of subordinated perpetual debentures and from an increase in retained earnings resulting from the profitability of the company, net of dividends paid. Please refer to "Statement of Changes of Equity" in the Audited Financial Statements for more details on this item.

Issuance of Warrants and Perpetual Debentures in 2014

The Board of Directors of IVL passed a resolution to issue warrants through a rights issue to existing shareholders and increased share capital to accommodate the exercise of IVL Warrants. Furthermore, the Board of Directors convened an Extraordinary General Meeting of Shareholders, or EGM No. 1/2014, on August 6, 2014 to consider and approve an increase in registered share capital and the issue of warrants. The key terms of warrants proposed are;

Warrant	IVL W1	IVL W2
Term	3 Years	4 Years
Exercise Ratio	1 unit of warrant for 1 share	1 unit of warrant for 1 share
Exercise Price	THB 36 per share	THB 43 per share
Issue Date	August 2014	August 2014
Expiry Date	3 years from issue date	4 years from issue date
Warrant Issue Price	Baht 0 (at no cost)	Baht 0 (at no cost)
Allocation	To existing shareholders at the ratio of 10 IVL existing shares to 1 IVL-W1	To existing shareholders at the ratio of 13 IVL existing shares to 1 IVL-W2
Exercise Period	Last business day of each month for every 3 months starting from October 2014. The last exercise date is the 3 rd anniversary from issue date (totaling 13 times)	Last business day of each month for every 3 months starting from October 2017. The last exercise date is the 4 th anniversary from issue date (totaling 5 times)

In October 2014, IVL successfully completed the first issuance of a subordinated, unsecured and unconvertible Baht perpetual debentures. The Company raised Baht 14,874 million in cash through the issue to the public. IVL offered a coupon rate of 7.0% per annum for the first five years. The Company has an option to swap funds in to either EUROs or US Dollars, depending on investments in those respective regions. If a swap is taken for 5 years, the effective cost in EUROs or US Dollars (depending on which currency is used) is estimated to reduce the interest to ~ 5.0% - 5.5% p.a. (depending on the market swap rates at the time). The perpetual debentures are listed on the Thai Bond Market Association ("Thai BMA").

The issuance strengthens our capital structure and improves the liquidity and flexibility of the Company. We plan to use the proceeds to repay debt, invest in growth projects and other general corporate purposes

Cash Flow

IVL generated Baht 22,421.5 million of cash flow from operating activities in 2014 compared to Baht 10,464.4 million in 2013. The strong cash flow came from cash released from working capital due to lower absolute prices and operational excellence.

Cash flows used in investing activities of Baht 18,523.5 million in 2014 were primarily paid towards the acquisition of PHP Fibers in Germany and Adana PET in Turkey. The capex and investments have been funded by a mix of long term loans, cash proceeds from our perpetual debentures and cash flow from operations.

Cash flows used in financing activities of Baht 2,564.9 million in 2014 were principally a result of interest paid, dividends paid and the repayment of short- and long-term borrowings during 2014. In contrast, there were cash flows provided by financing activities of Baht 14,874 million from the cash proceeds of our Thai Baht perpetual debentures.



Key Financial Ratios

Current Ratio

Our current ratio is calculated by dividing total current assets by total current liabilities. The current ratio stands at 1.5 times at the end of 2014, increased from 1.3 in 2013. A key focus has been put into place for stringent working capital monitoring and management.

Return on Equity Ratio (ROE)

Our ROE ratio is calculated by dividing our profit attributable to owners of the company for the period by the average of the total equity attributable to equity holders of the Company. IVL achieved a return on equity (ROE) of 2.5% and 2.3% in 2014 and 2013, respectively. In addition, IVL achieved core ROE of 8.4% in 2014 comparing to 3.4% in 2013, that is, increased significantly by 5%. The ROE increased in line with core net profit growth.

Return on Assets Ratio (ROA)

Our ROA ratio is calculated by dividing profit for the period by the average total assets. For the year ended 2014 and 2013, our ROA ratio was 0.9% and 0.8%, respectively. In addition, IVL achieved core ROA of 2.6% in 2014 compared to 1.2% in 2013, representing a 1.4% increase. The ROA increased in line with core net profit growth.

Debt to Equity Ratio (D/E)

Our D/E ratio is calculated by dividing total liabilities by total shareholders' equity. As of December 31, 2014 and 2013, our D/E ratio was at 1.6 times and 2.1 times respectively. Our Net Interest Bearing Debt to Equity Ratio is calculated by dividing our interest-bearing liabilities-less cash and cash equivalents by total shareholders; equity. As of December 31, 2014 and 2013, our net interest bearing debt to equity stands at 0.8 times and 1.3 times respectively. The Company raised cash through the issue of Thai Baht perpetual debentures in October 2014, which was used in acquisitions, ongoing expansions, repayment of debt and working capital needs.



INDORAMA VENTURES

Potential Risk Factors - what you should know



“ BUSINESS RISK ”

We operate in highly competitive industries and the actions of our competitors could impact our profitability and market share.

The industries in which we operate are characterized by price and other competition. The majority of our products are commodities necessities - with a growing number of high value-added (HVA) products, and it may be difficult to have product differentiation and pass on increased costs to customers. Other competitive factors include product quality, specifications or product performance, continuity and reliability of supplies to customers and sustaining long-term customer relationships. We compete with large multinational companies in each of our business segments as well as with numerous regional and/or specialized producers in the markets for our polyester fiber products. Some of these competitors may have comparatively greater market presence, financial or other resources. Margin pressure could arise from, for instance, limited demand growth and overcapacity in a market. An example is China, whose domestic demand for PET resin or PTA may fall short of current capacity increases; then there are price reductions by competitors, new industry players, industry consolidation, the ability of competitors to capitalize on their economies of scale and create excess product supply and the access of competitors to new technology which we may not possess.

How continuous demand growth of the PTA, the Oxide and Glycols, the PET resin, the Polyester fibers and yarns and the Non-Polyester fibers and yarns industries could result in overcapacity

Our operating results reflect the historical cyclical pattern of the PTA, MEG, PET resin, Polyester fibers and yarns and Non-Polyester fibers and yarns industries, with periodic overcapacity and resulting pressure on pricing. This cyclicity arises, in part, from investments made at the top of the cycle (when margins are high and funds are available), thereby shifting the balance of supply to demand as new capacity comes on-stream in large quantities. The industry has, from time to time, experienced periods of overcapacity, such as when new plants become operational, and there can be no assurance that this will not recur in future. In the absence of sufficient economic growth to generate increased demand, or the closure of facilities to mitigate the effect, new capacity causes a period of regional or global overcapacity often leading to downward margin pressure.

Our international presence naturally exposes us to various challenges such as macro-economic, political, legal and regulatory risks.

International operations present challenges related to operating under different business cultures and languages. We may experience increased difficulty in the collection of accounts receivable, including longer collection periods; we may have to comply with inconsistent, or unexpected changes in, foreign laws and regulatory requirements which could negatively impact our operations and ability to manage our global financial resources; export controls or other regulatory restrictions could prevent us from shipping our products into and from some markets; quota requirements, including

quotas regulating the composition of our employee base or promoting local sourcing of raw materials, could have an adverse effect on our production costs; changes in currency control, tax regulation and international tax treaties could impact the financial performance of our international operations and their contributions to our overall financial performance. Similarly, events beyond our control, such as political instability or social unrest, could impact consumer demand in general and increase volatility in the price of raw materials and other costs. Similarly, the imposition of duty on imports or anti-dumping duties in a particular country might affect our margins adversely.

We may not be able to protect our intellectual property rights and should we infringe the intellectual property rights of others, it could impact us adversely.

Fibers and Yarns (both Polyester and non-Polyester) and PET resins operate in industries where our key customers and competitors have substantial intellectual property portfolios. The continued success of this business depends on our ability not only to protect our own technologies and trade secrets, but also to develop and sell new products that do not infringe upon existing patents or threaten existing customer relationships. Intellectual property litigation is very costly and could result in substantial expense and diversions of our resources, both of which could adversely affect our businesses and financial condition and results. In addition, there may be no effective legal recourse against infringement of our intellectual property by third parties, whether due to limitations on enforcement of rights in foreign jurisdictions or as a result of other factors. An unfavorable outcome in any intellectual property litigation could have a materially adverse effect on financial conditions and results of operations in Fibers and Yarns business and to a lesser extent in PET resins.

Our business could be affected by an information technology system failure.

We rely on information technology (IT) systems to handle our businesses. Any system failure due to computer viruses, internal or external security breaches, power interruptions, hardware failures, fire, natural disasters, human error or other causes could disrupt our operations and prevent us from being able to process transactions with our customers, operate our manufacturing facilities, prepare internal MIS reports and properly report those transactions in a timely manner. A significant, protracted IT system failure may result in a materially adverse effect on our financial condition, operational results or cash flows.

Production Risk

Our operations are fundamentally dependent on the availability and cost of our primary raw materials: PTA (limited to merchant purchases primarily in USA) and MEG for our PET and Polyester fiber and yarn businesses, PX for our PTA business, Ethylene for our Oxide and Glycols business, other type of raw materials for our non-Polyester fibers and yarns business and recyclable bottles and flakes for our recycling business. PTA and MEG are oil and natural gas derivatives, which are usually manufactured by large petrochemical companies. Thus, the costs of production of PTA, MEG, PET, Polyester and non-Polyester are



affected by the international and domestic prices of crude oil, natural gas and refined petroleum products. Our financial condition and operational results are thereby influenced by market prices for crude oil, natural gas and refined petroleum products, which are then subject to the forces of international, regional and domestic supply and demand, as well as other factors beyond our control.

The markets and prices for petroleum products may be influenced by aggregate demand for such products (which can fluctuate with changes in economic conditions and cycles, seasons and weather patterns), the level of domestic and regional production, the prices and availability of imports, the prices and availability of substitute fuels and the extent and nature of governmental regulation and taxation. Worldwide supply conditions and the price levels of crude oil may also be significantly influenced by international groupings, which control the production of a significant portion of the worldwide supply of crude oil, and by political developments. In addition, factors such as domestic and foreign government regulations, weather conditions, and competition from other energy sources also have an impact on crude oil and petroleum product prices.

Any increase in raw materials costs without a corresponding increase in selling price would reduce our operating results. Our ability to pass on raw materials price increases is dependent upon market conditions and our relative cost position compared to competitors. There may be periods of time in which we may not be able to fully recover increases in the cost of raw materials due to contractual arrangements or to weaknesses in demand for, or oversupply of, our products.

However, the Company intends to acquire its main raw materials, PX and Ethylene, mainly by entering into

supply agreements with suppliers. The Company is able to secure volume and purchases at monthly market prices for ability to pass through prices to customers. In year 2014 the Company entered into supply agreements for partial PX and Ethylene requirements. The balance was purchased from spot markets at market prices.

Increases in our costs could adversely affect our operating results

We are unable to influence commodity prices directly, thus our competitiveness and long-term profitability are, to a significant degree, dependent upon our ability to reduce costs and maintain low-cost and efficient operations. Not being able to maintain our cost structure and efficiently operate our manufacturing facilities may increase our costs and adversely affect our operating results. Certain non-controllable costs may increase by reason of external factors beyond our control, which may also reduce our operating results. Examples of non-controllable costs are energy costs, insurance costs, tax costs, pension costs etc.

Our ability to pass on increases in our costs to customers is dependent upon market conditions.

In addition, production in our fibers and yarns business is labor intensive. Consequently, inflationary pressures, changes in applicable laws and regulations or other factors might result in increased labor costs.

Shortages or disruptions of supplies to our customers due to unplanned production capacity decreases or shutdowns of production plants may reduce sales

Production at our manufacturing facilities or delivery of supplies to our customers could be adversely affected by technical failures, force majeure, strikes, natural disasters, regulatory rulings and other factors. Unexpected events, such as manufacturing problems, unplanned

shutdowns or loss of supplies, could lead to reduced sales.

If the capacity of one or more material facilities is reduced or the manufacturing of material products is shut down for a prolonged period and we are unable to shift sufficient production to other plants, or draw on inventories, or unable to run our production facilities at our typical utilization rates because of a disruption to our raw material supplies, we may not be able to fulfill our product delivery obligations and we could be exposed to claims for damages and suffer reputational harm.

The company has insurance policies that cover damage to inventories, property, plant and equipment and loss from business interruption caused by accidents and natural disasters. Additionally, the company has invested in fixed assets that protected potential vulnerable areas from natural disasters. For instance, an extra-high wall has been constructed at our Lopburi facility in Thailand to protect from floods. In addition, the company has diversified geographically to mitigate the risk of disruption from natural disasters or unexpected events which may impact one plant. The company has multiple plants to serve its customers.

Our production facilities are subject to operating risks that may adversely affect our operations

We are dependent on the continued operation of our production facilities. These production facilities are subject to hazards associated with the manufacturing, handling, storage and transportation of chemical materials and products, including pipeline leaks and ruptures, explosions, fires, inclement weather and natural disasters, mechanical failure, unscheduled downtime, labor difficulties, transportation interruptions, remediation complications, chemical spills, discharges or releases of toxic or hazardous substances or gases, storage tank leaks

and other environmental risks. These hazards can cause personal injury and loss of life, severe damage to, or destruction of, property and equipment, environmental damage, fines and liabilities.

In addition, some of our production facilities, such as our AlphaPet PET facility, our IRP Rotterdam PET and IRH Rotterdam PTA facilities, our Indorama Polyester Industries' Map Ta Phut polyester facility, our TPT Petrochemicals PTA facility, our Indorama PET Nigeria Limited, our Guangdong IVL PET Polymer Company Limited, our Indorama Ventures Poland Sp.z.o.o., our IVL Adana PET and others are co-located at sites where our neighbors face the same operational risks and, in some cases, they provide critical supplies and/or services, and any disruption in those supplies and/or services could affect our operations.

Management Risk

The costs and difficulties of integrating future acquired businesses and technologies could impede our future growth and adversely affect our competitiveness

As part of our strategy, we may seek further growth through acquisitions of other PET, Fibers and Yarns, Oxide and Glycols or PTA or other products in our value chain in order to maintain a competitive position within the industries in which we operate and to enhance our position in our core areas of operations. This strategy entails risks including:

- unidentified or unanticipated liabilities or risks in the operations of the companies which we may acquire;
- potential failure to achieve the economies of scale, synergies or other benefits sought;
- greater than expected costs and management time and effort involved in completing and integrating the acquisitions;

- inability to successfully integrate the services, products and personnel of the acquisitions into our operations or to realize any expected cost savings or other synergy benefits from the acquisitions;
- inability to retain employees, customers and supplier relationships;
- lack of return on our investment.

We may not be able to identify attractive acquisition opportunities or make acquisitions on attractive terms or obtain financing necessary to complete and support such acquisitions. Regulation of merger and acquisition activity by the European Union, the United States, Thailand or other national regulators may also limit our ability to make future acquisitions or mergers.

The Indorama name is used by other companies that we do not control



The 'Indorama' wordmark belongs to Lohia Global Holdings Limited, a company controlled by Mr. M.L. Lohia, the original founder of the Indorama brand and father of both our Vice Chairman and chairman IVL has non-exclusive license for its use pursuant to a License Agreement with Lohia Global Holdings Limited and pays a royalty fee to Lohia Global Holdings Limited for the use of the 'Indorama' wordmark under the said agreement. The S.P. Lohia Group in Indonesia and the O.P. Lohia Group in India also use the Indorama wordmark. We neither control nor know how the S.P. Lohia Group and the O.P. Lohia Group uses the Indorama

wordmark and cannot assure you that their actions will not adversely impact the reputation associated with the Indorama wordmark.

Financial Risk

Significant capital investments including future development of new facilities have been, and may in the future continue to be, necessary to achieve our growth plans, which carry project and other risks

Our growth plans have required, and may continue to require, significant capital investments to expand, renovate, convert or upgrade existing facilities, develop new facilities or make major acquisitions or investment. Projects that require significant capital expenditure carry risks including:

- failure to complete a project within the prescribed project timetable and/or within budget; and
- failure of the project to perform according to prescribed operating specifications following its completion.

In addition, any significant increases in costs unforeseen in the project plan and any inability to sell the products produced at volumes and/or price levels envisaged in the project plan could affect the success of our projects. Due to the significant amount of capital required and the long lead time between planning and completion of such projects, project delays could have an effect on our business and prospects.

Acquisitions can provide meaningful opportunities to grow our business and improve profitability. Acquired businesses may not achieve expected levels of revenue, profit, productivity or otherwise perform as we expect. Acquisitions involve special risks, including, without limitation, diversion of management's time and attention from our existing businesses, the potential assumption of unanticipated liabilities and contingencies and potential difficulties in integrating

acquired businesses and achieving anticipated operational improvements. While our strategy is to acquire businesses that will improve our competitiveness and profitability, acquisitions may not be successful or accretive to earnings.

Exchange rate and/or interest rate fluctuations may have a significant adverse impact on our business, financial condition, results of operations and prospects

As a result of the global nature of our business, changes in foreign currency rates could have an adverse impact on our business, financial condition, results of operations and prospects. Currency fluctuations affect us because of mismatches between the currencies in which operating costs are incurred and those in which revenues are received. We sell products that are typically priced by reference to prices in U.S. dollars or Euros, while a portion of operating costs are incurred in local currencies, including the Baht, Pound Sterling pound, Lithuanian Litas, Mexican Peso, Chinese Yuan, Indonesia Rupiah, Polish Zloty, Nigerian Niara, Turkish lira and others.

Our reported earnings may also be affected by fluctuations between the Baht, which is our reporting currency, and the non-Baht currencies in which some of our overseas subsidiaries report their results of operations.

In order to minimize currency risks, the company primarily utilizes forward exchange contracts with maturities of less than one year to hedge certain financial assets and liabilities denominated in foreign currencies and our operating subsidiaries usually borrow in the principle currency. Generally, the long term loans are borrowed on floating interest rates and are linked to the benchmark interest rates for each currency. The floating interest rates are impacted by macro-economic conditions and the monetary policy of each region. Interest rate risk is the risk that future movements in market

interest rates will affect the results of the company's operations and its cash flows. However, the company has mitigated the risk by using derivative financial instruments, principally interest rates swaps, contracting a fixed interest rate and the issuance of debentures including Perpetual Debentures in the Thai Bond market, to manage exposure to fluctuations in interest rates on borrowings.

Credit risk is also the potential financial loss resulting from the failure of a customer or counterparty to settle its financial and contractual obligations to the company as and when they fall due. Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on all customers requiring credit over a certain amount. Further, we do take credit insurance in specific regions to cover credit risk. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position.

The Company monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Group's/ Company's operations and to mitigate the effects of fluctuations in cash flows.

The Company is a holding company and is dependent on the receipt of dividends to make dividend payments on our shares

As a holding company, the Company is dependent on the receipt of dividends from its subsidiaries and associated companies, the payment of which will depend on their future financial performance, which in turn depends on successfully implementing their strategies and on financial, competitive, regulatory, technical and other factors, general economic conditions, demand and selling prices for their products and other factors specific to their respective industries or specific projects, many of which are beyond our control.

The subsidiaries have dividend policies to pay not over 80% of net profit after tax and legal reserve. However, the board of those subsidiaries will approve dividend paid from time to time by considering some factors i.e., cash reserved for loan repayment, expansion investment or support the cash flow of the company in case of impact by market condition change. The ability of our direct and indirect subsidiaries to pay dividends to their shareholders, including the Company, is subject to applicable law. Although we intend to pay dividends with respect to the shares, our ability to pay dividends in the future will depend upon a decision of the Board of Directors and/or the approval of the shareholders at a general meeting, our results of operations, cash flows, financial condition, contractual restrictions and restrictions imposed by applicable law and other factors the Board of Directors deems relevant.



Other Risks



Indorama Petrochem PTA Facility may have an adverse effect on our business

Lawsuit regarding the improvement of a project to increase production efficiency and improve the air pollution treatment system

On June 19, 2009, the Stop Global Warming Association and a number of other people living in Map Ta Phut, Ban Chang and Muang District, Rayong Province (the "Claimants") filed a lawsuit in the Thai Central Administrative Court (the "CAC") against various Thai governmental entities and Ministers (the "Respondents"). This lawsuit requests the CAC to render a judgment ordering the Respondents to revoke the environmental impact assessment reports (the "EIA Report") and to revoke their approvals of projects or activities required to prepare the EIA Report that are located in Map Ta Phut, Ban

Chang and the surrounding area in Rayong Province, Thailand. The lawsuit alleges that 76 projects in such areas may cause serious impact on the community with regard to the quality of environment, natural resources and health. One of the projects named in the lawsuit is an improvement project to increase production efficiency and improve the air pollution treatment system of Indorama Petrochem PTA facility, which was approved by the Minister of Industry.

On September 2, 2010, the CAC issued the judgment revoking the permission granted to the projects or activities which may cause serious impact on the community with regard to the quality of environment, natural resources and health and which have not completely complied with the provision of Paragraph two of Section 76 of the Constitution. According to the judgment, the project of Indorama Petrochem is not classified as a project for which permission to operate the projects is revoked.

However, on October 1, 2010, the Claimants filed an appeal to the Supreme Administrative Court (the "SAC") requesting the SAC to reverse the judgment of the CAC and not to rely on the Notification of the Ministry of Natural Resources and Environment, and to rule that the Respondents must revoke the environment impact assessment reports and permission granted to the projects or activities which have been approved or obtained from August 24, 2007 onwards until the study and assessment of impact on the quality of environment and health has been completed as required by the Constitution. On December 7, 2010, the Respondents submitted the statement of defense against the appeal of the Claimants. As of December 2014, the SAC has not yet issued a judgment on this case.

During the appeal proceedings, since the project of Indorama Petrochem is not within a project for which the

permission has been revoked by the CAC, Indorama Petrochem therefore can operate the business of the PTA facility. However, the Company cannot ensure that the court proceedings and the judgment to be rendered by the SAC will not cause an impact on the project of Indorama Petrochem to the extent that the permission will be revoked or the construction of buildings or the business operation of Indorama Petrochem will be suspended. Indorama Petrochem's plant has never been affected by this lawsuit and the operation of the plant is continuing normally.

Lawsuit regarding improvement of a project to improve the reverse osmosis (RO) system

On March 10, 2010, the Claimants filed a lawsuit in the CAC against the Respondents. This lawsuit requests the CAC to render a judgment ordering the Respondents to revoke the EIA Report and to revoke their approvals of projects or activities required to prepare the EIA Report that are located in Map Ta Phut, Ban Chang and the surrounding area in Rayong Province, Thailand. The lawsuit alleges that 9 projects in such areas may have a serious impact on the community with regard to the quality of the environment, natural resources and health. The Claimants also requested that the CAC suspend any current activities of such projects, activities or operations of applicants or owners because they may have breached relevant procedures specified under the Constitution and other relevant laws, including the commissioning of a HIA Report, the holding of a public hearing and the hearing of opinions from independent environmental organizations, prior to operating such projects or activities. One of the projects named in the lawsuit is the improvement of the project to improve the reverse osmosis (RO) system of Indorama Petrochem PTA facility, which was approved by the Minister of Industry.

On February 28, 2011, the CAC issued an order dismissing the petition for an injunction of the Claimants on the grounds that the facts claimed by the Claimants are not sufficient to issue a court injunction and there is no evidence to prove that the Claimants will be damaged by the operation of the projects. At present, the CAC has not yet issued a judgment in this case. The operation of the plant is continuing normally.

Changes in laws and regulations relating to beverage containers and packaging could reduce demand for such end use products

Legal requirements have been enacted in various jurisdictions in the United States and elsewhere requiring that deposits or certain eco-taxes or fees be charged for the sale, marketing and use of certain non-refillable beverage containers. Other proposals relating to additional beverage container deposits, recycling, eco-tax and/or product stewardship have been or may be introduced in various jurisdictions in the United States and elsewhere. Consumers' increased concerns and changing attitudes about solid waste streams and environmental responsibility and related publicity could result in the adoption of such legislation or regulations. This has encouraged some of our PET customers to reduce the amount of PET resin they use in their bottle production process. This process, known as light weighting, has reduced the amount of PET resin used in each

bottle and has impacted the demand for PX, PTA and PET resin. PET can be recycled; IVL has made investments in PET recycling projects in the USA, Europe and Thailand.

Environmental regulations may cause us to incur costs and liabilities

Our operations are subject to environmental laws and regulations by central and local authorities in the countries in which we operate. These include laws and regulations pertaining to pollution, health and environmental protection, air emissions, wastewater discharges, occupational safety and health, and the generation, management, treatment, remediation, use, storage, release and exposure to hazardous substances and wastes. These requirements are complex, subject to frequent change and have tended to become more stringent over time. We have incurred, and will continue to incur, costs and capital expenditures in complying with these laws and regulations and in obtaining and maintaining all necessary permits.

We have procedures in place to allow us to comply with environmental laws and regulations; however, there can be no assurance that we will at all times be in compliance with all of our obligations in the future or that we will be able to obtain or renew all licenses, consents or other permits necessary to allow us to continue to operate our businesses. Any failure by us to comply with such laws and regulations could subject us to fines, penalties and other liabilities.



INTERNAL CONTROL and Risk Management

The Board of Directors has assigned the Audit Committee to review the financial reporting process of the Company and its subsidiaries in accordance with generally accepted and consistently applied accounting standards and in line with the rules and regulations of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET) as well as concerned legislation. The responsibilities of the Audit Committee also includes reviewing the Company performance in compliance with corporate governance principles, maintaining suitable, effective, and well-recognized internal control and audit systems; the selection and recommendation of external auditors, and any other tasks as designated by the Board of Directors.

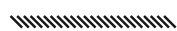
The Company has in-house Internal Audit Department reporting directly to the Audit Committee. The Internal Audit Department is responsible for reviewing the adequacy of internal control systems for IVL and its all subsidiaries. The Internal Audit Department reports its findings and recommendations to the Management and the Audit Committee. The Audit Committee periodically reviews the internal audit findings with the Internal Audit Department. The objective of internal control reviews is to ensure that there exist an effective system of internal controls which provide reasonable assurance regarding achievement of the Company's objectives.

The Board of Directors of the Company in the Meeting No. 2/2015 held on 20 February 2015 which was attended by all members of the Audit Committee, after considering the recommendation of the Audit Committee, has evaluated the

opinion for the internal control systems of the Company and its subsidiaries for the year 2014 and found the internal control systems satisfactory. Below is a summary of the Committee's view classified by internal control components:



Control Environment



IVL prepares its one-year and five-year business plan which is approved by the Board of Directors of the Company. This forms the basis of employee goals and objectives at all the operating units and the steps to be followed in achieving the Company's objectives. The Company's objective are reviewed from time to time. The Company has a well-structured organization in place which indicates the individual's responsibility for key businesses and other functions. All employees have been provided the IVL Policies Handbook which contains all policies that adequately improve the control environment. IVL has a detailed Code of Conduct for its Directors, executives and employees. The Code of Conduct of the Company has been announced to all the employees of the Company and is signed off by them. The Company has a Policy on Internal Information Control and Usage of Inside Information to regulate all employees in keeping confidential the Company's information and shall not disclose any confidential information with the aim to seek benefit for oneself or other persons. Further, the Anti-Corruption Policy was implemented in 2014 since the Company is committed to conducting its global business honestly, fairly, without corruption or acts of bribery and with accountability. Such policies are also

published on the website of Indorama Ventures Public Company Limited.



Risk Assessment



IVL has an Enterprise Risk Management Committee. There is an effective process to identify and manage business risks. The Company's Risk Management process covers assessment and review of internal and external factors which may potentially affect the company's operations. Respective business heads who are also members of the Risk Management Committee closely monitor key business risks and adequate preventive measures or controls are taken for risk mitigation. All significant risks identified are recorded in the risk management report of the Business Core Committee and other sub-committees at plant level. The risk management report together with risk mitigation plan is reviewed quarterly by the Business Core Committees and sub-committees. The Risk Management Committee also reviews the sensitivity analysis of the business plan, greenfield and M&A projects.

Control Activities

All operating units of IVL have policies and procedures in writing with regard to general management, procurement, sales and marketing and financial activities for all its units. This, together with the financial authority manual ensures that adequate controls and checks are exercised by the management to operate efficiently and to mitigate the risk of frauds or misappropriations. There is an adequate segregation of duties in respect of authorization, recording and custody of assets at all units.

There is an internal policy on connected transactions which very clearly stipulates what a connected transaction is, who is a connected/related party and the procedure to be followed in case the Company enters into a connected transaction. All connected transactions have to follow the rules and regulations of the SEC/SET. Under said Regulations of the SEC/SET, depending on the size of the transaction, a new connected transaction is reviewed by the Audit Committee and recommended to the Board for their approval. Every quarter, a statement of all connected transaction is submitted to the Audit Committee and the Board. All subsidiaries and associates of IVL have common directors who regularly monitor the operations of the subsidiaries and ensure that they are in line with the overall objectives of IVL. The IVL Board is briefed regularly on the performance of the subsidiaries. Minutes of subsidiary units are provided at each quarterly meeting of the Board.

Compliance confirmation is obtained from the respective Plant Head confirming or informing the status of the compliance with all applicable laws and regulations, statutory filings and is reported to the Audit Committee on a quarterly basis and to the Board on an as-needed basis.



Information and Communication

The Company and its management ensure adequate and sufficient information is provided to the Board for their review and consideration. The minutes of the meeting of Board of Directors are prepared by the Company Secretary. The minutes cover all aspects of discussion held during the Board meeting. The minutes of the meeting are reviewed by all directors and signed off by the Chairman of the Meeting. The Company Secretary and Audit Committee Secretary fulfil any requirement or information needed to provide assistance to the Directors as they request. The Company has a Whistleblower Policy which provides channels for employees to lodge any anonymous complaints. The website of the Company provides various communication channels for external parties e.g. Company Secretary, Investor Relations, HR Department etc. The Legal & Secretarial Department of the Company is authorized to communicate with the regulators. The Company website provides a channel of communication to external parties who can contact directly with independent directors by sending an email to independentdirectors@indorama.net

Monitoring

Annual operational and performance budget of IVL and its subsidiaries are reviewed and approved by the Board

of Directors. The Company's quarterly consolidated financial statements are reviewed and approved by the Audit Committee. Further, the Audit Committee reviews the annual audited financial statements and recommends to the Board for their consideration and approval. The Company's Internal Audit Department reviews the internal control system throughout the various business processes across subsidiaries as per the annual Internal Audit Plan approved by the Audit Committee. Moreover at each quarterly meeting, the Audit Committee also reviews a management letter from external auditors for all the units. The Audit Committee approves the Annual Internal Audit Plan prepared by the Internal Audit Department. The Audit Committee reviews the activities of the Internal Audit Department on a semi-annual basis.

Head of Internal Audit and Head of Compliance

Head of Internal Audit

The Company has its own Internal Audit Department, Internal Audit Manual and Internal Audit Charter. The Audit Committee has the authority to approve the appointment, transfer and dismissal of the Head of Internal Audit. The Audit Committee has appointed Mr. Anil Kumar Ailani as the department head. The Internal Audit Department is entrusted to carry out internal audit activities of the Company and its subsidiaries under the supervision of the Head of Internal Audit. The Internal Audit Department reports functionally to the Audit Committee.

Head of Compliance

The Company has appointed the Company Secretary, Mr. Souvik Roy Chowdhury as the Head of Compliance in order to review and evaluate the various statutory and legal compliances for all IVL units and to ensure that they are in accordance with the applicable rules and regulations and company policies.

CONNECTED

Transactions

Connected transactions occur in the normal course of business and the pricing is akin to market prices or an arm's length basis that would normally be charged to/by any other customers/suppliers with comparable and reasonable terms and conditions. The following is a summary of such transactions as of December 31, 2014:

Connected Party & Relationship	Type of transaction	(Amount in million THB)	
		2014	2013
Indo Rama Synthetics (India) Ltd. Mr. Om Prakash Lohia, a major shareholder of Indo Rama Synthetics (India) Ltd., is a blood brother of Mr. Sri Prakash Lohia and Mr. Alope Lohia	Sale of raw materials/products	4,279.57	4,632.76
PT. Indorama Synthetics Tbk. Mr. Sri Prakash Lohia is a major shareholder of PT. Indorama Synthetics Tbk	Sale of raw materials/products/ rendering of services	1,223.39	1,566.09
	Purchase of raw materials/ products/services	427.04	256.73
PT. Indorama Petrochemicals Jointly controlled company (IVL indirectly holds 43% of the shares) and Mr. Sri Prakash Lohia is a major shareholder of PT. Indorama Petrochemicals	Sale of raw materials/products/ rendering of services	17.92	352.35
	Purchase of raw materials/ products/services	9,745.91	1,999.19
Indorama Eleme Petrochemicals Ltd. Mr. Sri Prakash Lohia is a major shareholder of Indorama Eleme Petrochemicals Ltd.	Purchase of raw materials/ products/ services	24.65	17.51
Pacific Resources Ltd. Mr. Anuj Lohia, a son of Mr. Alope Lohia, is the major shareholder of Pacific Resources Ltd.	Service expense (office lease)	6.69	5.24
Cryoviva (Thailand) Ltd. Mr. Alope Lohia is a director of Cryoviva (Thailand) Ltd.	Service income (office lease)	2.20	2.19
PT. Irama Unggul Mr. Sri Prakash Lohia family is a major shareholder of PT. Irama Unggul	Service expense (office lease)	1.19	1.29

Connected Party & Relationship	Type of transaction	(Amount in million THB)	
		2014	2013
Lohia Global Holdings Limited Mr. Mohan Lal Lohia, a major shareholder of Lohia Global Holdings Limited, is a father of Mr. Sri Prakash Lohia and Mr. Alope Lohia	Service expense (royalty fee-Indorama wordmark)	100.84	94.14
Vega Aviation Limited Mr. Sri Prakash Lohia and Mr. Alope Lohia are the major shareholders of Vega Aviation Ltd.	Service expense (aircraft lease)	81.20	76.82
Indorama Commerce DMCC Mr. Sri Prakash Lohia is a major shareholder of Indorama Commerce DMCC	Service expense (manpower)	7.93	6.05

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The Audit Committee Opinion on Connected Transactions

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The above connected transactions have been considered by the Company's Audit Committee who have opined that the aforesaid connected transactions are reasonable and undertaken in the interest of the Company's business. While entering into these transactions, the Committee considers the best interest of the Company. No additional benefit has been transferred between the Company and the persons who have the conflict of interest.

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Policy and Procedure to Approve the Connected Transaction

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In the event that the Company carries out its business with the connected persons who may have a conflict of interest with the Company, the Audit Committee will express its opinion regarding the necessity of such transactions. The Audit Committee will ensure that terms and conditions of these transactions are consistent with market practice and prices charged for these transactions are evaluated and compared with market prices. In the event that market price is not available, the Audit Committee must ensure that these prices are reasonable and the transactions are carried out in the best interest of the Company. If the Audit Committee is unable to evaluate connected transactions due to lack of

expertise in certain areas, the Company will arrange an independent expert to evaluate and give an opinion on such transactions. The Board of Directors or Audit Committee or the Company shareholders, as the case may be, will use this opinion from the independent expert as a supplement to form their own conclusion. Those directors who may have a conflict of interest with the Company are prohibited from either voting or attending the meeting on matters regarding the said connected transactions and these are disclosed in the Annual Report and Annual Registration Statement (Form 56-1).

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Policy on Entering into a New Connected Transaction

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For any new connected transaction, the respective unit would need to contact the Secretary of the Audit Committee and inform about the proposed transaction, its rationale, value of transaction, pricing, terms and conditions in order for the Secretary of the Audit Committee to classify under which category of connected transaction it would fall into and to get necessary approval from the Management/Audit Committee/Board/shareholders as required. Moreover, the Company will ensure that such transactions are carried out in compliance with the SEC Act, Rules, Notifications and Regulations of the Capital Market Supervisory Board, SEC and SET. In addition, the Company must also comply with the disclosure rules related to connected transactions and the Company's policy. All connected transactions are reviewed and confirmed by the Internal Audit department.

DIVIDEND

Payment Policy

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**INDORAMA VENTURES
PUBLIC COMPANY LIMITED**

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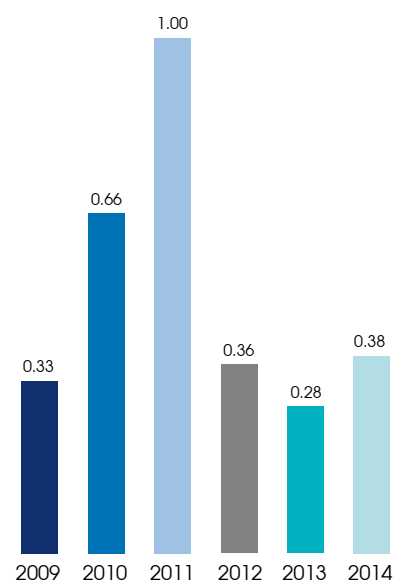
IVL has a policy to pay a total dividend of not less than 30% of net profit after tax and an appropriation to legal reserve. However, the Board of Directors shall have the authority to consider waiving or amending such dividend policy subject to the condition that it will bring the greatest benefit to the shareholders, such as to use such portion of the net profit as a reserve for debt repayment, capital investment for production expansion or as support in case of changing market conditions that would affect the company's future cash flows.

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Subsidiary Companies

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The payout of a dividend by IVL subsidiaries to IVL is up to 80% of their net profit after tax and after the appropriation of a legal reserve. However the Board of Directors of the subsidiaries will consider a dividend payment, and may amend the dividend policy, by taking into account the reserves for debt payment, capital investment for production expansion or as a support in case of changing market conditions or as required to manage future cash flows.



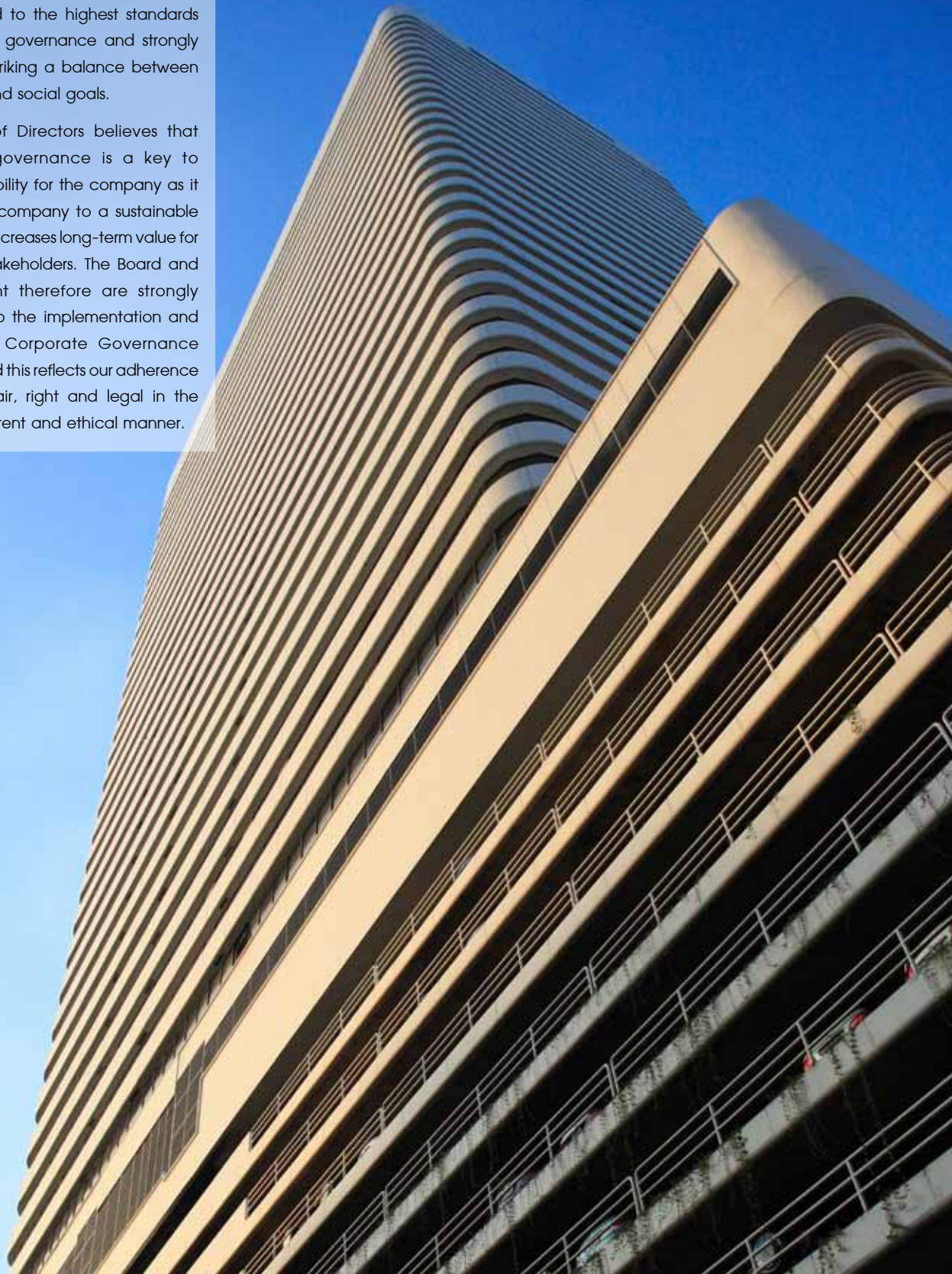
Dividend per share for the year (Baht)

CORPORATE

Governance Report 2014

Indorama Ventures PCL (IVL) is committed to the highest standards of corporate governance and strongly believes in striking a balance between economic and social goals.

The Board of Directors believes that corporate governance is a key to create credibility for the company as it enables the company to a sustainable growth and increases long-term value for its various stakeholders. The Board and management therefore are strongly committed to the implementation and practice of Corporate Governance principles and this reflects our adherence to what is fair, right and legal in the most transparent and ethical manner.





“ CORPORATE GOVERNANCE POLICY ”

IVL has in place a written Corporate Governance Policy that follows the guidelines set out by the SET and the criteria of Corporate Governance of OECD principles covering the following: a) Rights of Shareholders b) Equitable treatment of Shareholders c) Role of Stakeholders d) Disclosure and transparency e) Responsibility of the Board of Directors. The Policy defines the framework of duties and responsibilities of the Board of Directors, management and employees.



IVL Corporate Governance Awareness Campaign 2014



The Corporate Governance Policy Awareness Campaign (CGPAC) which was rolled out in 2013 by the Board has been successfully implemented across all IVL units globally including those that were acquired during the year. The CGPAC Committee has during 2014 continuously monitored the progress through a dedicated resource and provided its guidance and support in establishing a strong awareness amongst all IVL associates in not only understanding all the Corporate Governance related policies but also its implementation in the true spirit that they were created.

CGPAC is a continuous program of training, seminars and monitored implementation. To ensure clear understanding by all, the Company has been encouraging translation of all the policies into the local language. Currently we have translations in 12 languages and they are all uploaded on the Company website. Policies handbook containing all the policies are made available to all employees. In Thailand, a new handbook was distributed to all employees for their acknowledgement. All site heads are responsible for the implementation of CGPAC and will report results of the implementation to the CGPAC committee who in turn will make a report for the year 2014 to the Board in February 2015. All Site/HR heads ensure that all new employees are provided with a policies handbook. The new employees are required to acknowledge that they have read and understood the policies and sign the code of conduct. This initiative has ensured that all new staff is aware of the program and 61% of all IVL sites have fully implemented training courses that are either live seminars or online self-learning courses. The CGPAC Committee will facilitate further training in 2015 and implement an online test of knowledge.

Part of the website has been designed to ensure employees can access the latest information and revisions of all policies. During the year, the Company also updated the information on the Corporate Governance section of the website to be consistent with the requirements of “**Transparency International**”.

All Corporate Governance Policies are reviewed annually. The CGPAC Committee will submit their recommendations to the Board in January 2015.

In January 2014, the Board approved the “Anti-Corruption Policy” of the Company. The Company has undertaken training courses as detailed in the Anti-Corruption and Bribery section below.

All policies of the Company are available on its website www.indoramaventures.com under the Corporate Governance section.

For the continued practice of good Corporate Governance in 2014 the Company received the following assessment and awards:

1. A score of 100 percent for the 2014 Annual General Meeting of Shareholders, judged by the Thai Investors Association. This was the third year in succession.
2. An “Excellent - 5 Star” CG score in the practice of Corporate Governance of Thai Listed Companies 2014 which was carried out by Thai Institute of Directors (IOD) in conjunction with Stock Exchange and Security Exchange Commission of Thailand. An excellent CG scoring is the highest possible scoring and is awarded to firms with a score of 90-100 percent. IVL scored 91 percent. This is the second consecutive year that IVL received the “5 star” rating.
3. IVL received the prestigious “Best Corporate Governance Report 2014” award from the Stock Exchange of Thailand at the SET Awards 2014.
4. IVL received the Collective Action Coalition Against Corruption (CAC) certification from the Institute of Directors in October 2014. The Company became a signatory in 2013.
5. IVL won the CSR Recognition award from SET in 2014.
6. Outstanding Sustainability Report award from SET in 2014.

The IOD invited the GCEO Mr. Aloke Lohia to speak on “The Tone from the Top” regarding the Company’s progress in Anti-Corruption.



66 SUB-COMMITTEES 99

The IVL Board has appointed the following three sub-committees - (a) Audit Committee, (b) Nomination, Compensation and Corporate Governance Committee and (c) Enterprise Risk Management Committee

Audit Committee

The Audit Committee consists of three members with Mr. Rathian Srimongkol as Chairman, and Mr. Chakramon Phasukavanich⁺ and Mr. Maris Samaram as members. All members are Independent Directors and have the requisite experience and knowledge to review financial statements. The present Audit Committee was appointed in 2013 for a two-year term, expiring on September 18, 2015.

The Audit Committee held six meetings during the year with the attendance of members as follows:

Name	Attendance
Mr. Rathian Srimongkol *	6/6
Mr. Chakramon Phasukavanich ⁺	4/5
Mr. Maris Samaram *	6/6
Dr. Siri Ganjarendee ⁺⁺	1/1

* Mr. Rathian Srimongkol, Mr. Maris Samaram and Dr. Siri Ganjarendee have accounting knowledge to review financial statements.

+ Mr. Chakramon Phasukavanich resigned from the Board of Directors and Audit Committee on August 27 2014 to take up public office.

++ Dr. Siri Ganjarendee was appointed by the Board of Directors as an Audit Committee Member to replace Mr. Chakramon Phasukavanich at their meeting no 6/2014 dated October 20, 2014.

The main duties and responsibilities of the Audit Committee include:

1. To review the Company's financial reporting process to ensure that it is accurate and adequate;
2. To review the Company's internal control system and internal audit system to ensure that they are suitable and efficient, to determine an internal audit unit's independence, as well as to approve the appointment, transfer and dismissal of the chief of an internal audit unit or any other unit in charge of an internal audit;
3. To review the Company's compliance with the law on securities and exchange, the regulations of the Stock Exchange of Thailand, and the laws relating to the Company's business;
4. To consider, select and nominate an independent person to be the Company's auditor, and to propose such person's remuneration, as well as to attend a non-management meeting with an auditor at least once a year;
5. To review the connected transactions, or the transactions that may lead to conflicts of interest, to ensure that they are in compliance with the laws and the regulations of the Stock Exchange of Thailand, and are reasonable and for the highest benefit of the Company;
6. To prepare, and to disclose in the Company's annual report, an Audit Committee's report which must be signed by the Chairman of the Audit Committee and consist of at least the following information: an opinion on
 - a) the accuracy, completeness and credibility of the Company's financial report;
 - b) the adequacy of the Company's internal control system;
 - c) the compliance with the law on securities and exchange, the regulations of the Stock Exchange of Thailand, or the laws relating to the Company's business;

- d) the suitability of an auditor;
- e) the transactions that may lead to conflicts of interests;
- f) the number of the Audit Committee meetings, and the attendance at such meetings by each committee member;
- g) Other transactions which, according to the Audit Committee's opinion, should be known to the shareholders and general investors.

7. It may also perform any other act as assigned by the Company's Board of Directors, with the approval of the Audit Committee.

The Chairman of the Audit Committee reported on the Committee's activities to the Board, immediately following its meetings. Between meetings, the Committee reviewed emerging issues with the management team, Chief of Internal Audit and with the statutory auditors. The Minutes of the Audit Committee form part of the Board papers every quarter.

The Audit Committee Report on its performance to the shareholders is separately disclosed in the Annual Report.

Internal Audit

The Company has its own Internal Audit Department, Internal Audit Manual and Internal Audit Charter. The department Chief is Mr. Anil Ailani. The Internal Audit Department is entrusted to carry out internal audit activities of the Company and its subsidiaries under the supervision of the Chief of Internal Audit. The Internal Audit Department reports functionally to the Audit Committee. A detailed plan for the year is formulated for the units and approved by the Audit Committee which then reviews the work of the Internal Audit Department against the plan periodically and makes recommendations to management. In 2014, an audit was carried out for

Thai units and several overseas units. The Secretary of Audit Committee follows up on the implementation of recommendations and reports the progress to the Audit Committee and also undertakes periodic checks to ensure compliance with statutory and regulatory requirements.

Nomination, Compensation and Corporate Governance Committee (NCCG)



The term of the current NCCG Committee consisting of Mr. William Ellwood Heinecke as Chairman, Mr. Alope Lohia, Dr. Siri Ganjarende and Mr. Kanit Si has been renewed for another two years expiring on May 2016 by the Board of Directors at their meeting no 3/2014 dated May 14, 2014. Other than Mr. Alope Lohia all other members are Independent Directors.

The Nomination, Compensation and Corporate Governance Committee held three meetings during 2014 with the attendance of members as follows:

Name	Attendance
Mr. William Ellwood Heinecke	2/3
Mr. Alope Lohia	3/3
Dr. Siri Ganjarende	3/3
Mr. Kanit Si	3/3

The main duties and responsibilities of the NCCG Committee include:

Nominating

The Committee has the following authority and responsibilities:

- To determine the composition of the Board and its Committees, and monitor and assess Board effectiveness.
- To lead the search for and identify suitable candidates qualified to become members of the Board. The Committee shall select candidates with the highest personal and professional integrity, with demonstrated and exceptional ability and judgment and who shall be most effective, in conjunction with the other candidates and serving Directors, in collectively serving the long-term interests of the shareholders.

In addition the Committee shall consider the appropriate mix of skills, edu-

cation, experiences, independence and knowledge i.e. a broad diversity to match with the Company's requirements.

In the event that the Committee is unable to identify suitable candidates, the Committee may use a professional search firm or IOD director pool as it deems appropriate.

- To assist the Board in developing and evaluating potential candidates for executive positions, including the chief executive officer, and to oversee the development of executive succession plans.
- To develop and to recommend to the Board for its approval, qualifications for director candidates, and to review these qualifications periodically.
- To review the Board of Directors' Committee structure and to recommend to the Board for its approval, Directors to serve as members of each Committee, and as Committee Chairs. The Committee

shall review and recommend Committee candidates annually and shall recommend additional Committee members to fill vacancies as needed.

- To develop and recommend to the Board for its approval, a set of corporate governance principles, the Committee shall review the principles on an annual basis, or more frequently if appropriate, and recommend changes as necessary.
- To develop and recommend to the Board for its approval, an annual self-evaluation process for the Board and its Committees. The Committee shall oversee the annual self-evaluations.
- The Committee shall have the authority to delegate any of its responsibilities to subcommittees as appropriate.
- The Committee shall have the authority to retain any search firm engaged to assist in identifying director candidates, and to retain outside counsel and any other advisors as the Committee may deem appropriate. The Committee shall have authority to approve related fees and retention terms.
- The Committee shall report its actions and any recommendations to the Board and shall conduct and present to the Board an annual performance evaluation of the Committee.
- The Committees shall review the adequacy of its charter as required and recommend any proposed changes to the Board for approval.

Compensation

The Committee shall have the following authority and responsibilities:

- To review and approve on an annual basis the corporate goals and objectives with respect to compensation for the Group Chief Executive Officer (GCEO).
- The Committee shall evaluate at least once a year the GCEO's performance in light of these established goals and objectives and based upon these evaluations shall set the GCEO's annual



compensation, including salary, bonus and equity and non-equity incentive compensation (if any).

- To review and approve on an annual basis the evaluation process and compensation structure for the Company's Executive Directors. The Committee shall evaluate the performance of the Company's Executive Directors and shall approve the annual compensation, including salary, bonus and equity or non-equity incentive compensation, for such Executive Directors, based on initial recommendations from the GCEO. Moreover, the Committee shall maintain regular contact with the leadership of the Company. This should include interaction with the Company's leadership development activities, review of data from employee surveys and regular review of the results of the annual leadership evaluation process.
- To review and approve on an annual basis the evaluation process and compensation structure for senior executives. The Committee shall approve or may assign the Human Resources department to approve the annual compensation, including salary, bonus and equity and non-equity incentive compensation for senior executives.
- To review and discuss with management the Company's Compensation Discussion and Analysis (CD&A) and to recommend to the Board that the CD&A be included in the Company's annual report.
- The Committee has the authority to retain compensation consultants, outside counsel and other advisors

as the Committee may deem appropriate. The Committee has the authority to approve related fees and retention terms.

- The Committee shall report its actions and any recommendations

to the Board after each Committee meeting and shall conduct and present to the Board an annual performance evaluation of the Committee.

Corporate Governance

The Committee shall have the following duties with regard to corporate governance.

- Formulation of a corporate governance policy for consideration and adoption by the Board, monitoring compliance with that policy, and reviewing and adapting it on a continuing basis as appropriate.
- Coordinating the annual performance assessment of the Chairman of the Board, Individual Directors; the Board as a whole and Board Committees.
- Ensure processes are in place for maintaining the integrity of the Company-the integrity of the financial statements, the integrity of compliance with law and ethics, the integrity of relationships with customers and suppliers, and the integrity of relationships with other stakeholders;
- Ensure processes are in place for preventing and mitigating conflicts of interest for the best interest of the Company and its shareholders; and
- Ensure processes are in place for effective good governance, risk management, internal controls, and compliance.

A report from the NCCG Committee is provided in the Annual Report

Enterprise Risk Management Committee (ERM)*

*The Committee has been renamed the "Sustainability Committee" effective January 2015

The ERM Committee is chaired by Mr. Alope Lohia, the Group CEO and Vice-Chairman of the Board and other members of the Committee are Mr. Rathian Srimongkol, Independent Director, Vice-Chairman of the Board and Chairman of the Audit Committee, Mr. Maris Samaram, Independent Director and Member of the Audit Committee, Mr. Dilip Kumar Agarwal, CEO of the Feedstock and PET Businesses and Mr. Udey Paul Singh Gill, President of the Polyester Business.

The ERM Committee held two meetings during the year with the attendance of members as follows:

Name	Attendance
Mr. Alope Lohia	2/2
Mr. Rathian Srimongkol	2/2
Mr. Maris Samaram	2/2
Mr. DK Agarwal	2/2
Mr. Udey Paul Singh Gill	1/2

The main objectives of Enterprise Risk Management are:

- To embed a prudent 'risk culture' throughout the organization; to oversee overall risk management to ensure compliance with all applicable laws and regulations;
- To improve greater transparency and foresight into risk management across the organization, to ensure steady progress towards the organizational goal, to remain resilient and responsive to challenges and opportunities; and
- To identify and evaluate the impact of significant business risks (including economic downturn) on the organization and to mitigate the same by adapting appropriate strategies.
- The main duties and responsibilities of the ERM Committee and Sub Committees are:
- To set up the policies and strategy for enterprise risk management framework of the Company including but not limited to the risk governance structure, risk tolerance, risk management etc.
- To review the Company's overall global risk exposure including but not

limited to strategic risks, risks relating to compliances including environment, corruption risks, reputational risks including investors relations, credit risks, liquidity & funding risks and market risks etc.

- To review risks associated with growth plans of the Company, deviations from budgeted forecasts, impact of delays in implementation of the projects as approved by the Board including escalation in project costs.
- To ensure that sound policies, procedures and practices are in place for the enterprise-wide management of the Company's material risks and to report the results of the Committee's activities to the Board of Directors.
- To monitor the cyclicity of polyester industry, our strategy and approach.
- To carry out any other responsibilities and duties as delegated by the Board from time to time.
- To identify the risks, and to adopt appropriate risk management strategies to mitigate the risks.
- To evaluate the implementation and effectiveness risk management practices,

to provide ongoing guidance and support for the refinement of the overall risk management framework ensuring best practices are incorporated.

- To propagate a 'risk averse culture' amongst all the employees in their respective business segments.
- To prepare appropriate procedures, practices and manuals in line with the policies.
- To review and ensure appropriate insurance coverage and other risk transfer arrangements.
- To develop the risk response process including contingency and business continuity plans.

A report from the ERM Committee is provided in the Annual Report under the name "Sustainability Committee Report"



“SELECTION AND APPOINTMENT OF DIRECTORS AND GROUP CEO”

Directors

The selection, appointment and withdrawal of the Board of Directors of Indorama Ventures PCL shall be as prescribed by the Articles of Association, which can be summarized as follows:

1. To conduct the business of the Company, the Board of Directors shall consist of at least five directors. Not less than one half of all directors shall have residence in the Kingdom of Thailand.

2. The appointment of a director shall be made by a majority vote of the shareholders meeting in accordance with the following conditions and procedures:

- a) A shareholder shall have one vote for each share;
- b) The shareholder shall vote for the election of each director in turn, person by person;
- c) Each shareholder may exercise all the votes he or she has (a) to elect one or several persons as a director or directors, but the shareholder cannot divide his or her votes to any nominated director by any allotment of shares of any number;
- d) The persons receiving the most votes are those who are elected to be directors, in descending order, to the number of directors who are to be elected. If there is a tie in the last to be elected and this exceeds the said number of directors, the presiding chairman shall have an additional casting vote.

3. At every annual general meeting, one-third of the total number of the directors shall vacate office. If the number is not a multiple of three, then the number nearest to one-third must retire from the office. The directors to retire during the first and second years following the registration of the Company shall be drawn by lots. In subsequent years, the director who has been in office for the longest term shall retire. A retiring director is eligible for re-election.

4. Any director wishing to resign from the director's position shall submit a resignation letter to the Company. The resignation shall take effect upon the date on which the resignation letter reaches the Company.

5. The shareholders' meeting may pass a resolution removing any director prior to retirement by rotation, by a vote of not less than three-fourths of the

number of shareholders attending the meeting and having the right to vote, and the shares held by them shall not, in aggregate, be less than one half the number of the shares held by the shareholders attending the meeting and having the right to vote.

Qualifications of a Director (based on the revised Charter approved by the Board in February 2015)

1. Meets the stipulations under various regulations and those prescribed by the Company's Articles of Association.
2. Have at least a Bachelor's Degree in any field.
3. Be knowledgeable of the Company's business and provide adequate time and inputs to the benefit of the Company.
4. Be an individual with honesty, integrity and high morals.

A Non-Executive Director and an Independent Director shall not take a position as a director in more than five other listed companies.

The Executive Directors shall not take a position as director in more than three other listed Companies or in any company having conflict of interest with IVL. However the Executive Directors can take up any number of Directorships in the IVL Group Companies including Joint Ventures.

In the case that a director takes directorship positions in excess of the criteria, the Board of Directors shall consider the effectiveness in the performance of the said directors' duties and shall report the reasons for the appointment in the corporate governance report in the annual registration statement (Form 56-1) and the annual report (Form 56-2).



Qualifications of an Independent Director



1. Shareholding not exceeding 0.75% of the total shares with voting rights of the Company, its parent company, its subsidiary company, its associated company, major shareholder or controlling person of the Company (to be calculated by including the shares held by any related persons of said independent director);

2. Not being, nor having been, a director who participates in the management, or as an employee, staff member or advisor who receives a regular salary, or a controlling person of the Company, its parent company, subsidiary company, its associated company, its subsidiary company at the same level, major shareholder or controlling person of the Company unless the holding of the aforementioned positions has been discontinued for at least two years before the date of submission of the application for the issue of newly issued shares to the SEC. However, such prohibition shall not apply in the case where the independent director has been a government official or consultant of the government sector, which is a major shareholder, or controlling person of the Company;

3. Not being a person who has a blood relationship or registration under law, as father, mother, spouse, sibling and child, including spouse of a child, of its executives, its major shareholders, its controlling person or the person who will be nominated to take up the position of executive or controlling person of the Company or its subsidiary;

4. Not having, or not having had, any business relationship with the Company, its parent company, its subsidiary company, its associated company,

major shareholder or controlling person of the Company in a manner which may obstruct its independent judgment, and not being or not having been a substantial shareholder or controlling person of a person who has a business relationship with the Company, its parent company, its subsidiary company, its associated company, major shareholder or controlling person of the Company, unless such business relationship has been discontinued for at least two years before the date of submission of the application for the issue of newly issued shares to the SEC;

Please note that the aforementioned business relationship and transaction size shall have the same definition as in the notification of the Thai Capital Market Supervisory Board Re: Application for and Approval of Offer for Sale of Newly Issued Shares.

5. Not being, or not having been, an auditor of the Company, its parent company, its subsidiary company, its associated company, major shareholder, controlling person of the Company, major shareholder or controlling person of the partner of the audit company for which the auditor of the Company, its parent company, its subsidiary company, its associated company, major shareholder or controlling person of the Company has worked therein, unless such holding of the aforementioned positions has been discontinued for at least two years before the date of submission of the application for the issue of newly issued shares to the SEC;
6. Not being or not having been a professional service provider, including service provided as legal counsel or financial advisor which is retained for a fee exceeding Baht two million per annum from the Company, its parent company, its subsidiary company, its associated company,

major shareholder or controlling person of the Company, and not being controlling person of the partner of such professional service provider, unless such business relationship has been discontinued for at least two years before the date of submission of the application for the issue of newly issued shares to the SEC;

7. Not being a director nominated to be a representative of a director of the Company, major shareholder or shareholder who are related persons to the major shareholder;
8. Not undertaking business of the same nature as and materially competing with that of the business of the Company or its subsidiary company or not being a partner of the partnership or a director who participates in the management, an employee, a staff member, or advisor who receives a regular salary or holds shares exceeding 1% of the total shares with voting right of other companies which undertakes business of the same nature as and materially compete with that of the business of the Company or its subsidiary company; and
9. Having no other qualifications causing any inability to express independent judgment in respect of the Company's business operation.

The qualification of the Independent Directors is more stringent than the requirement of the Thai Capital Market Supervisory Board.

Group CEO

The Board of Directors will appoint the Group CEO. The Group CEO will be a person with the highest personal and professional integrity, with demonstrated and exceptional ability and judgment and who shall be most effective in serving the long-term interests of the Company and have knowledge in the industry in which IVL operates.

Role and Responsibility of Group CEO

- Designated as authorized person in administering the Company's business and/or day-to-day operation to be in line with the objectives, articles of association, policies, rules, regulations, instructions and resolutions of the Board of Directors Meeting and/or resolutions of the Shareholders Meeting.
- Arrange to prepare the Company's business policies, business plans and budget to be proposed to the Board of Directors for approval and has a duty to report the progress on such approved business plans and budget to the Board of Directors according to the period specified by the Board of Directors.



- Manage the Company's business operations in line with the Company's business policies, business plans and budget, and to meet financial goals as approved by the Board of Directors.
- Establish performance goals, allocate resources and comply with the policies for management.
- Ensure the Company's overall business growth in accordance with the Company's objectives and business plans.
- Maintain good relationship with the Company's stakeholders.
- Ensure compliance with the law and ethical standards and maintain transparency.
- Ensure the organization's public standing.
- Be the leader in marketing strategy.
- Determine, monitor and strengthen organization's standards that are essential to keep its competitive edge and create organization value through continuously working on the people and products.
- Analyze the current and potential overall global industrial condition for hints of future changes within the industry and adjust the Company's strategy.
- Ensure appropriate returns to all stakeholders
- Work closely with chief executive officers, chief financial officers and chief operating officers of various business groups to deliver organization value.
- Set up the employee performance evaluation standards and review such standards periodically.
- Ensure effective implementation of the Board of Directors' resolution.
- Recruit, appoint, remove, relocate, adjust, reduce or deduct salary or wages, impose disciplinary sanctions on officers and employees as well as dismiss officers and employees from their positions in accordance with the rules prescribed by the Board of Directors, except for executive officers or those in

comparable or higher positions, which shall require prior approval from the Board of Directors.

- Approve the Company's normal financial transactions and debt restructuring transactions of short-term debts in the amount of not exceeding Baht 500 million or long-term debts in the amount of not exceeding Baht 250 million.
- Be authorized to delegate authority to others to perform specific duties on his behalf. Such delegation of authority shall be within the scope of and in accordance with the power of attorney granted and/or shall be in accordance with the internal regulations, rules or instructions given by the Board of Directors and/or the Company. The authorization of duties and responsibilities of the CEO shall not constitute an authorization or sub-authorization which may cause the CEO or his authorized person(s) to be able to approve any transaction in which they, or any person who may have a conflict of interest (as defined in the notification of the Securities and Exchange Commission or the notification of the Capital Markets Supervisory Board), may have an interest or may gain benefit in any manner, or in which they may have any other conflict

of interest with the Company or its subsidiaries, unless the approvals of such transactions are consistent with the policies and criteria approved by the Shareholders Meeting or the Board of Directors Meeting.

“GOVERNANCE IN SUBSIDIARY AND ASSOCIATED COMPANIES”

It is the policy of the Company to send at least one representative from Thailand to be a director of its subsidiaries and associated companies; who has the qualifications and experience suitable for such business with no conflict of interest directly with the business of those subsidiaries. Such representative shall manage and administer the business of such subsidiaries according to the regulations and procedures provided in the Articles of Association of the Company and of such subsidiaries and relevant laws and also implement the policies, procedures, guidelines and recommendations of IVL parent Company.

The core subsidiary Companies of IVL held a number of Board meetings in 2014, which are detailed in the table below:

No.	Company	Number of Meetings
ASIA		
1	Indorama Polymers PCL.	7
2	Petform (Thailand) Ltd.	4
3	Asia Pet (Thailand) Ltd.	6
4	Indorama Holdings Ltd.	10
5	Indorama Polyester Industries PCL.	5
6	Indorama Petrochem Ltd.	4
7	TPT Petrochemical PCL.	4
8	ES Fiber Visions (Thailand) Co., Ltd.	2
9	Guangdong IVL PET Polymer Co., Ltd.	3
10	Fiber Visions (China) Textile Products Ltd.	1

No.	Company	Number of Meetings
11	Shenma-PHP (Pingdinshan) Air Bag Yarn Manufacturing Co., Ltd.	2
12	PT. Indorama Ventures Indonesia	6
13	PT. Indorama Polyester Industries Indonesia	5
14	PT. Indorama Polychem Indonesia	10
15	PT. Indorama Petrochemicals	2
16	PT Indorama Polypet Indonesia Indorama Ventures Packaging (Philippines)	4
17	Corporation	10
AFRICA		
18	Indorama Polymers PCL. Indorama Ventures Packaging (Nigeria) Ltd.	4
19	Indorama Ventures Packaging (Ghana) Ltd.	2
EUROPE		
20	Trevira GmbH	4
21	PHP Fibers GmbH.	1
22	Wellman International Limited	2
23	UAB Orion Global PET	3
24	Indorama Ventures Europe B.V.	1
25	Indorama Ventures Poland Sp. z o.o.	5
26	Indorama Ventures Adana PET Sanayi Anonim Sirketi.	9
AMERICA		
27	Star Pet Inc.	4
28	Auriga Polymers Inc.	7
29	AlphaPet, Inc.	7
30	Fiber Visions Manufacturing Company	5
31	Fiber Visions Products, Inc.	4
32	Indorama Ventures (Oxide & Glycols) LLC	4
33	Polyamide High Performance Inc.	1
34	Indorama Ventures Polymers Mexico, S. de. R.L. de. C.V.	4

Apart from those meetings, there were also management and executive committee meetings regularly to review the business performance of the various subsidiaries.

“ THE USE OF INTERNAL INFORMATION OF THE COMPANY ”

The Company has in place a written policy on the use of confidential and/or internal information so as to prevent any illegal use. The statement is prominently displayed at the head office and at the offices and the working places of all its subsidiaries, for the knowledge of all employees.

The code of conduct prohibits Directors and employees from buying, selling, transferring or accepting the transfer of Company securities by using confidential and/or internal information in any manner that may take advantage of outsiders by using inside information.

All Directors, senior management, auditors and employees having access to financial statements of the Company are required to make a declaration of their movement in shareholding including their spouse and minor children, to the Company Secretary. A summary of the shareholding is presented to the Board on a quarterly basis.

Each year, the IVL Directors submit to the Company Secretary an annual report, in the form as approved by the Board, on their interest or a related person's interest in the Company or its subsidiaries.

//////////////////// The Regulations on the Use of Internal Information of the Company ////////////////////

The regulations on the use of internal information of the Company are as follows:

1. All Directors, executives, staff and employees of the Company shall keep confidential and/or internal, all information of the Company except for the purpose of the operation of the Company's businesses;
2. All Directors, executives, staff and employees of the Company shall not disclose confidential and/or internal information of the Company with the aim to seek benefit for oneself or for other persons either directly or indirectly regardless of whether or not such benefit is to be received; and
3. All Directors, executives, staff and employees of the Company shall not sell, purchase, transfer or take the assignment of securities of the Company by using confidential and/ or internal information of the Company and/ or enter into any transactions by using confidential and/or internal information of the Company in a manner that could possibly cause damage to the

Company either directly or indirectly. This provision shall also apply to spouses and minor children of the Directors, executives, staff and employees of the Company. Violators of the regulations shall be deemed as committing a serious offence.

Post listing of its shares on the Stock Exchange of Thailand (SET), all Directors, executives, managers, any persons responsible for the operation, auditors, staffs or employees of the Company may not purchase or sell, offer to purchase or sell or invite any other person to purchase, sell or offer to purchase or sell the shares of the Company in such a way as to take advantage of other persons by using internal information material to changes in the prices of the shares of the Company which has not yet been disclosed to the public and to which information he has access by virtue of his office or position,

and whether or not such act is done for his own or another person's benefit, or to disclose such information so that he will receive consideration from the person who engages in the aforesaid acts, such person shall be liable under the applicable laws with respect to insider trading as a result of such contravention.

In case, Directors, executives, managers, any persons responsible for the operation, auditors of the Company acquire or dispose of shares or other securities (if any) of the Company, such person have to report on such acquisition or disposal to the SEC within the time described by SEC Act B.E. 2535. The said acquisition or disposal by the abovementioned person shall include the holding of shares and other securities in the Company (if any) by his spouse and minor children.

These regulations have been informed to all employees.



“ THE PRACTICE OF CORPORATE GOVERNANCE IN 2014 ”

IVL upheld the core and relevant principles of its corporate governance policy as below:

Rights of Shareholders and Equitable Treatment of Shareholders

It is the Company's top most priority is to protect shareholders' rights, irrespective of their shareholding, and encourage them to exercise those rights as spelt out in relevant laws.

The Company recognizes the basic legitimate right of shareholders whether major or minor, local, foreign or institutional to participate in Shareholders' Meetings; the right to appoint a proxy to participate and vote at the said meeting; the right to vote for the appointment or removal of Individual Directors; the right to vote on the annual appointment of statutory auditors and fix their remuneration and the right to vote on various other businesses of the Company. IVL implemented all these rights of the shareholders at their Annual General Meeting of Shareholders 1/2014 held on April 24, 2014 and Extra Ordinary General Meeting of Shareholders 1/2014 held on August 06, 2014.

“ AUDIT FEE ”

The total audit fees and non-audit fee paid during 2014 for IVL and all its subsidiaries, jointly controlled entities and associates globally were as following.

Particulars	2014 (Baht)	2013 (Baht)
1. The total audit fees for IVL and all its subsidiaries, jointly-controlled entities and associates globally	120,000,000	98,000,000
a) Payment to KPMG Phoomchai Audit Ltd and other members firms of KPMG Phoomchai Audit Ltd.	112,000,000	91,000,000
b) Other Audit firms	8,000,000	7,000,000
2. The total non-audit fees paid to member firms of KPMG International other than KPMG Phoomchai Audit Ltd *	46,000,000	49,000,000

* The amount of non-audit fees relates to tax advice, due diligence in relation to the acquisitions, restructuring and other advisory services

Shareholders rights also include the eligibility to receive dividend payments, the right to give opinions and enquire into business matters of the Company at the Shareholders' Meeting.

Apart from the above, IVL also recognizes the equal rights of all shareholders to obtain accurate, adequate and timely information from the Company, for their decision-making and will always strive to provide the same.

IVL has no agreement of any kind with any of its shareholders and has a straight forward structure with its subsidiaries, affiliates and joint venture partners with no joint holding and cross holding of shares. Moreover it has no pyramid shareholding structure within the Group.

The IVL Group structure is uploaded on the Company website under "Our Company" and updated every quarter.



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a) General Rights and Equality

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IVL provides the opportunity to minority shareholders to propose agenda items and to nominate qualified individuals to be elected as Directors of the Company before the AGM for a period of over 90 days. Such notification to the shareholders was informed to SET website on September, 12, 2014 and posted on the Company's website on September 15, 2014. The notification clearly mentioned the procedure and criteria. The Company received no proposal from any shareholder and the same was informed to the Board at their first meeting held in January 2015.

IVL will continue to provide opportunities to the minority shareholders to participate in fundamental corporate decisions.

In order to ensure that the shareholders receive the annual audited financial statements and the quarterly reviewed financial results on time, IVL disclosed the annual audited financial statements (2013) and the three reviewed quarterly financial statements of 2014 on the same day of its approval by the Board of Directors and/or Audit Committee through the website of the Stock Exchange of Thailand and also through its website - www.indoramaventures.com, both in English and Thai.

IVL ensures regular and timely disclosures through its website and also through the SET about all relevant information like the Annual Report, Form 56-1, Shareholders' Meeting resolutions, important Board resolutions, acquisition updates, opportunity day presentations, analyst reports, press releases and other relevant information about the Company and its subsidiaries in an effort to keep the shareholders timely and adequately informed.

IVL strongly believes in the participation of its shareholders and the vital need for them to understand the operation and business activities of the Company and its subsidiaries and to interact with the management. The Company organized two visits by the Shareholders' to its plants. The first trip was organized on June 24, 2014 to visit the factories at Lopburi and the second trip was organized on September 09, 2014 to visit the Polyester plant at Rayong. Such annual visits shall continue to be organized in future.

Shareholders were notified more than 30 days before the shareholders meeting. Each shareholder received complete and adequate information on the criteria and procedure of the meeting. The AGM was held on April 24, 2014 and the Notice was issued out on March 24, 2014.

All information sent to the shareholders was posted on the Company's website both in English and Thai on March 19, 2014 more than 30 days before the meeting date. The shareholders were provided the facility to download the relevant information including the proxy forms.

Notice of the meeting was also communicated through the SET on the March 18, 2014.

The shareholders were given the opportunity to submit questions in advance regarding the agenda, together with comments if any, from the date they were notified of the meeting. The procedure for submitting such questions was clearly mentioned in the Notice to the meeting.

IVL shareholders were encouraged to attend the AGM in person or by proxy. In case of proxy, shareholders could either appoint their authorized person or any one of the four Independent Directors nominated by the Company in this regard. The profiles of the Independent Director(s) were attached to the notification of the meeting.

The venue of the AGM was at a central location easily accessible to all and a map of the location was provided in the Notice to the Meeting. The meeting was held from 2.00 pm in the afternoon.

On the meeting date the Company arranged for the shareholder registration to start more than two hour before the meeting. Preparation of the venue, greeters and appropriate number of registration staff were arranged to assist the shareholders in the registration process. The registration continued even after the meeting started in order to ensure the participation of all shareholders who came to attend the meeting.

The Company had detailed which documents were necessary for shareholders to present on the meeting date in order to have the right to attend the meeting, including the designated proxy form

and shareholders were assisted by the Company staff.

A barcode scanning system from the Thailand Security Depository (TSD) was used for registration, allowing for a quick and efficient registration process. Barcoded ballots were handed out to each shareholder for voting.

To enable shareholders to make decisions, IVL provided adequate information in the Notice to the meeting on the agenda items.

Following the feedback from the last shareholders meeting, the Company deployed simultaneous translation into Thai language at the Shareholders' Meeting No. 1/2014 held on April 24, 2014 and also at the Extraordinary General Meeting No. 1/2014 held on August 06, 2014.

b) Re-appointment of retiring Directors

In 2014, five Directors on the Board retired by rotation and agreed to be re-appointed for another term. In this regard they signed a consent form to the NCCG Committee to consider their re-appointment. The NCCG Committee after considering the experience and contribution of the Directors retiring deemed it appropriate to re-appoint them for another term and recommended the same to the Board.

Profiles of the five Directors retiring and offering themselves for re-appointment together with their name, age, type of directorship, family relationship with other directors, educational background, director training, working experience, positions held in other listed organizations, position in competing company/connected business that may cause conflict of interest, number of years as director of the Company, shareholding, legal disputes, meeting attendance and the

opinion of the Board, in order to facilitate the voting of the shareholders.

No Director of the Board has been proposed by major Shareholders.

The re-appointment of retiring Directors was approved by the Shareholders on the basis of the "One share one vote" method.

Minority shareholders were given the opportunity to nominate qualified individuals to be elected as Directors of the Company before the AGM for a period of over 90 days but the Company did not receive any proposal from them.

c) Approving Directors Remuneration

Independent and Non-Executive Directors

The Board reviewed and recommended to the shareholders the remuneration of the Independent and Non-Executive Directors for 2014 and the annual bonus for all IVL Directors payable in 2013 as recommended by the NCCG Committee.

The Policy followed by the NCCG Committee to recommend to the Board and Shareholders' the compensation and benefits of Independent and Non-Executive Directors are as follows:

- Compensation should fairly pay-directors for work required in a company commensurate with the size and scope of the work;
- Compensation should, if possible, align directors' interests with the long-term interests of shareholders;
- Structure of the compensation should be simple, transparent and easy for shareholders to understand.
- Compensation for Non-executive Directors and Independent Directors is inclusive of monthly retainer fee and annual bonus based on the previous year's Company performance.
- Additional compensation will be paid to directors serving on various sub committees.

To implement the policy, the Committee designs an appropriate compensation package based on comparable listed Companies with the following criteria:

The remuneration of the Chairman of the Board and Chairmen of the sub committees who are independent and Non-Executive Directors is calculated at approx. 1.5 times of the other members.

In determining the bonus payable to all Directors' the NCCG Committee assesses the individual performance annually based on their contribution, responsibilities, expertise and attendance. This assessment is undertaken by way of a Director Self Evaluation Form.



The total bonus is determined in relation to the profit of the Company and uses a point system to allocate bonuses amongst the directors as approved by the Board.

There was no change in the retainer fee in 2014.

No retainer fee is paid to the Executive Directors on the Board of IVL.

Details of remuneration in 2014 paid to the Independent Directors and Non-Executive Directors and the bonus in 2013 to all Directors is in the latter part of this report under Director Performance.

The Chairman of the NCCG Committee explained the above policy and basis of calculation of the remuneration of Independent and Non-Executive Directors to shareholders at the 2014 Annual General Meeting.

Executive Directors and Management

The policy and criteria for Executive Directors and Management is elaborated in Board of Directors Performance in the latter part of this report.

d) Appointing the external auditor and approving the audit fee

The name of the audit firm and the auditors' names, independence of the proposed auditors, number of years as the Company's auditor, total audit and non-audit fees paid in 2013 and remuneration proposed in 2014, together with the opinion of the Board based on the recommendation of the Audit Committee was detailed in the Notice to Meeting in order to facilitate the voting of the shareholders.

e) Payment of Dividend

The dividend policy of the Company states that a dividend will be paid at not less than 30% of the net profit after tax and appropriation to the legal reserve.

In compliance with the dividend policy of the Company, the Board proposed a final dividend payout in 2013 at Baht 0.28 per share amounting to Baht 1,347,992,028.60. Out the said final dividend, an interim dividend of Baht 0.14 per share amounting to Baht 673,996,014.30 was paid by the Company on September 05, 2013 and the Company paid the remaining dividend of Baht 0.14 per share or amounting to Baht 673,996,014.30 on 22 May 2014.

f) Shareholders Meeting

It is IVL's policy to conduct Shareholders' Meetings properly in accordance with the Articles of Association of the Company and related laws to allow shareholders to exercise their rights fully and in an informed manner.

The annual general meeting of shareholders was organized within four months from the closure of the fiscal year of December. For the fiscal year 2013, the AGM was held on April 24, 2014. The meeting started with 1,775 shareholders in person or proxy and representing 79.07% of the total shares sold. At the close of the meeting there were 2,469 shareholders in person or proxy and representing 79.31%. The meeting started at 2.00 pm and ended at 4.55 pm.

During the meeting, all the shareholders were encouraged to ask questions, express their opinions, suggestions, recommendations and request for additional information to clarify any issues relating to the Meeting.

Prior to starting the meeting, the Chairman and his representative briefed the shareholders on the criteria governing the meeting including the voting procedure. One independent observer from the shareholders' present witnessed the vote counting procedure and she was assisted by the representative from the Company's legal counsel from The Capital law office Limited. In order to make the voting process fast and accurate, the Company used an electronic voting system. For each agenda/sub-agenda separate ballots were provided. After every agenda item was discussed and put to the vote, the ballots were collected and scanned. The results of the voting for each agenda were declared during the meeting and a summary of the results was presented at the close of the meeting.

The vote counting was carried out in a transparent manner with one share being equal to one vote. Approval of a resolution was based on majority of votes as there was no special resolution which would require three fourths of the eligible votes.

During the meeting, the Company did not introduce any unexpected important information or any new agenda items that were not notified to the shareholders earlier.

The Company ensured that all shareholders were accommodated to attend the meeting even beyond the specified time limit. The Chairman of the Board chaired the meeting. There were 14 out of 14 Directors present including the Group Chief Executive Officer (GCEO), Chairman of the Audit Committee, Chairmen of NCCG Committee, the external auditors, the internal auditor of the Company, the legal counsel of the Company and senior management team members attending the meeting.

The Chairman gave the shareholders sufficient opportunity to ask questions and make recommendations about the operations, financial matters and other issues of the Company without prejudicing the rights of any Shareholder. The Chairman, GCEO, Chairman of the Audit Committee, chairman of the NCCG Committee, Chairman of the Enterprise Risk Management Committee and the management team provided clarifications during the meeting and met the shareholders informally after the meeting.

All the agenda items were passed by an average of around 99% of the total eligible votes. The resolution of the meeting including the number of votes cast was disclosed through the SET website on the same day of the meeting.

Comprehensive Minutes of the meeting were recorded. They included names of Directors who attended and who did not attend the meeting, summary of questions asked, important explanations and clarifications, and the voting results of each agenda and sub-agenda divided into for/against/ abstained. The Minutes were submitted to the SET within the required time frame of fourteen days after the AGM date.

A copy of the Minutes was also posted on the Company's website at the same time.

g) Reporting of and Trading in IVL Securities

The Company has a written policy in place on reporting of and trading in IVL securities. Under this policy no director or "management" shall directly or indirectly trade in IVL securities during the period of 15 working days prior to and two working days subsequent to the date of filing with the SET of the quarterly and annual financial statements of the Company. Further, if any director or "management" trades in IVL securities, they have to report to SEC in the prescribed form within three working days and inform the Company Secretary's Department. Every Quarter a summary of the shareholding of Directors and "management" is reported to the Board.

h) Code of Conduct for Directors and Employees

The Company has a Code of Conduct for Directors and employees, approved by the Board and communicated to everyone. The Company through this Code of Conduct strives to achieve observance of ethical practices, honesty, and accountability, as well as a responsibility to all stakeholders and external agencies.

As part of the Corporate Governance Policy Awareness Campaign (CGPAC) initiative started in 2013 most of the IVL global employees have read and signed the Employee Code of conduct. The code is periodically reviewed. Based on the feedback received from the units in 2013, the CGPAC Committee made some revisions to the Code, which was approved by the Board of Directors on January 12, 2014. The revised Employee Code of Conduct was communicated to all Site/HR heads and uploaded on the Company website. The CGPAC Committee will continue to reinforce awareness of the Code of Conduct amongst all IVL employees.

The Board of Directors of IVL have all read and signed the Directors Code of Conduct.

i) Anti-Corruption and Bribery

The Company's Code of Conduct for Directors and Employees explains among other things the Company's firm stance against bribery and corruption. As a global Company, IVL would like to ensure that it reaches the highest level of governance and for this reason the Company has stipulated that it will abide by strict policies regarding corruption and bribery.

To demonstrate its firm commitment against corruption and bribery the Board of Directors approved the Anti-Corruption Policy of the Company at its meeting in January 2014.

The Company also adheres to the UK Bribery Act and all local, national and international laws where appropriate.

Indorama Ventures received CAC Certification in October 2014. The company has adopted an anti-corruption framework, including policy awareness and implementation of compliance that has led the

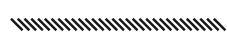


company to create an anti-corruption culture in the company and helped it to become one of the Collective Action Against Corruption (CAC) certified companies in Thailand.

To provide employees with straightforward communication regarding our firm's zero tolerance of corruption, as well as to address practical guidelines and specific forms of corrupt activities that may arise in the course of the company operations. The company commenced conducting anti-corruption training in July 2014. The training was conducted at the Head Office and all Thai sites, and separately run in Thai and English languages for the benefit of all employees. Over 300 employees have been covered by our training courses. Educational materials were distributed to participants during training.

Anti-corruption educational materials and policies have been uploaded on the company's website and disseminated to overseas units to ensure that our policies are well communicated, and the same standard practice made available worldwide.

The CGPAC Committee will continuously monitor the progress of training and awareness at all IVL sites.



j) Connected Transactions



The Company has in place a detailed policy on connected transactions which is stringently followed. The policy states who is a connected party and what constitutes a connected transaction, the various types of connected transaction and their threshold criteria/values for approval and disclosure purpose and what procedures to follow when there is a new connected transaction. The guideline is circulated at the beginning of each year in order to remind all concerned about the compliance requirements regarding

connected transactions. The Internal Audit Department is responsible to ensure that all connected transactions follow the rules and regulations as prescribed by SEC/SET and the internal policy guidelines. Any proposed new connected transaction is brought to the notice of the Internal Audit Department who after their verification forwards to the Audit Committee with their recommendation through the Secretary of the Audit Committee. The Audit Committee after their review will recommend to the Board. Without IVL Board approval, no new connected transaction can be made effective. At every quarterly meeting of the Audit Committee and Board of Directors, a statement of all the continuing connected transactions of the Company and its subsidiaries is submitted for acknowledgement.

However, the Company and its subsidiaries may have connected transactions with their Directors, management or potential connected persons. As a result, the Board of Directors Meeting approves, in principle, that the management is empowered to approve such transactions under reasonable, transparent and non-corrupt conditions, provided that such transaction is categorized as a transaction with the same commercial terms as those an ordinary person would agree with any unrelated counterparty under similar circumstances, on the basis of commercial negotiation (general trading conditions) and without any dependent interest resulted from the status of director, management or connected person, as the case may be.

Any Director who is directly or indirectly interested in any transaction abstains from discussions and voting.

The Company has not given any financial assistance or guarantee to any external party.

Summary of Connected Transactions is reported separately in the Annual Report.



ROLE OF STAKEHOLDERS



IVL gives equal importance to all of its stakeholders both internal and external such as shareholders, personnel, business partners, customers, competitors, creditors, community, environment and society. The Company is fully aware that support from each stakeholder will sustain and reinforce its competitive advantage and profitability.

It is the policy of IVL to safeguard their rights by strictly complying with applicable laws and regulations and to take into consideration their interests.

IVL has issued the following Stakeholder policies:

- Policy on the Treatment of Shareholders
- Policy on the Treatment of Customers
- Business Partners and Competitors Policy
- Environment Policy
- Human Rights Policy
- Intellectual Rights Policy
- Trading Partners and Creditors Policy
- HIV-AIDS Policy
- Hygiene and Safety Policy
- UK Bribery Act
- Whistleblower Policy
- Anti-Corruption Policy
- Supplier code of conduct

The Supplier Code of Conduct has been implemented in order to encourage the Company's supply chain to acknowledge and implement universal standards.

The CGPAC Committee will be seeking periodical reports from business units on the implementation status.

In 2015 the next phase of supply chain management will be implemented and will include customers.

These policies have been circulated globally and uploaded to the Company's website.

As part of the CGPAC initiative and in order to develop and improve the relationship between IVL and its stakeholders, the management will on a continuous basis reinforce that everyone working at IVL is aware of and understands all the stakeholder related policies and that they are implemented in the spirit that they were created through continuous program of training, seminars and monitored implementation

The policies are reviewed annually and changes are implemented as required.

The Company publishes a sustainability report every year. This is available on the Company's website in the corporate document section.

Shareholders

IVL and its subsidiaries strive to conduct its business in a transparent and efficient manner with a view to enhancing shareholder value and returns. We will seek new businesses and projects that are accretive to shareholder value only.

Customers

IVL and its subsidiaries will strive to maintain and strengthen its long-term and loyal relationships with its customers and is determined to ensure customer delight by providing high quality products and services that best fit customer needs at competitive prices, supported by a high standard of service and accurate information regarding our operations and products.

The Company believes in and will strive to keep communication channels open for constant customer feedback.



Personnel

All personnel of IVL and its subsidiaries are considered to be valuable assets, critical to the growth and profitability of the Company and its subsidiaries, and strive to provide a conducive and quality oriented work environment with utmost emphasis on safety along with fair and equitable compensation compatible with similar businesses.

The Company gives importance to developing skills, knowledge and potential of its employees, and strives to build a work environment that is rich in diversity and will attract and retain high performance employees.

The Company and its subsidiaries provide an orientation program for all new employees and development programs thereafter to develop and refresh their skills. All employees receive training in environmental issues and encouraged to involve themselves in local environmental conservation and preservation projects in the local area.

As the Company operates globally, each of its facilities has its own employee welfare policy which is in line with local laws and regulations.

The Company has comprehensive policies on compensation and welfare for employees across all its global locations. These follow the local rules and regulations of the country where they are situated.

Indorama Ventures strongly believes that its employees are the foundation of its success and therefore their continued development is a key to its sustainability as a business. Among other issues, the company develops employees to have a keener understanding of the environment and their impact on it.

The details of Indorama Ventures' compensation and training activities are provided below in the section on *"People"* at the end of this report.



Business Partners



IVL and its subsidiaries foster symbiotic, long-standing and growing relationships with all its business partners, based on mutual benefit and guided by good business ethics. We also want to work with business partners who operate in a fair, honest, and socially responsible manner. We feel strongly that we have a responsibility to ensure that consumers can trust the safety and quality of our products. Business partners are expected to provide goods and services that meet all government and agreed-upon quality and safety standards.

Just as we have set standards for our business through our policies, we expect our partners, in addition to complying with all environmental regulations, to share our commitment to use resources responsibly; eliminate and reduce waste; minimize their carbon footprint; offer a selection of natural, organic, and eco-friendly products and develop facilities that align environmental, community, and business needs.

They should ensure that they adopt and implement acceptable safety, product quality, labor, human rights, social and legal principles in line with our own policies and to ensure these issues are adequately managed within the business for any goods or services supplied to us.

We have set ethical boundaries for ourselves and expect our partners to comply with them, acting with integrity and lawfully in the handling of competitive data, proprietary information and other intellectual property, and complying with legal requirements regarding competition, antitrust, and accurate and truthful marketing.



Intellectual Property



The Company is aware of the importance of intellectual property and strictly forbids the use of illegal software and any misuse of the intellectual property of others.



Creditors



IVL and its subsidiaries attempt to provide its creditors with all full and accurate information about the progress of the Company, as required for smooth business dealings and to comply with all its obligations.

Moreover, we want to see our creditors adhere to business principles consistent with our own and ensure that their products and services are produced and delivered to comply with all legislation relevant to their business in the areas where they operate.



Community, Environment & Society



IVL and its subsidiaries care about the safety of society, the environment, and the quality of life of people associated with all its operations and strives to comply with applicable laws and regulations.

IVL and its subsidiaries try to actively participate in all activities that support and care for the environment and society and promote the cultures in which the Company operates.

IVL and its subsidiaries treat and dispose of waste in a manner that will have the least impact on society, environment and people.

IVL has taken various steps towards the sustainability of not only the Company, but of the community as a whole. We want to ensure:

- A consistent supply high quality products and services to our customers
- That we create value for our investors
- That we provide a favorable working environment
- That we are a good community neighbor
- That we minimize the environmental footprint we leave behind We are committed to meet and surpass the environmental laws and regulations pertaining to each business and region, with periodic analysis and third party inspection conducted in each plant.



Competitors



IVL and its subsidiaries will act within the rules with respect to its competitors and employ best practices in dealing with them, as well as working towards market development and growth for the benefit of the industry as a whole.



Whistleblower Policy



The Company has developed a "Whistleblower" policy that allows all employees the opportunity to raise issues on any unethical practice (whether or not a violation of law), to a Whistleblower Committee without necessarily informing their line managers and without revealing their identity. The Policy has been communicated to all employees globally and uploaded to the Company website.



DISCLOSURE AND TRANSPARENCY



It is IVL's policy to deliver all-important information relevant to the Company, both financial and non-financial that may have an impact on the interests of the shareholders or any decision to invest in the company or not. All such information is disclosed sufficiently, accurately, on a timely basis and transparently through easy-to-access channels that are fair and trustworthy and all such information complies with the relevant rules of the SEC/SET.

The communication channels used are: the Annual Report, Form 56-1, Management Discussion and Analysis (MD&A), press releases, the SET's website, shareholders' meetings, analysts' meetings and the Company's own website.

The designated executives that can disclose information about IVL include the Group Chief Executive Officer (Group CEO), the Company Secretary's Department and the Investor Relations and Corporate Communications Department. They provide information to interested parties on various occasions such as one-on-one meetings with shareholders, creditors, analysts, quarterly meetings with analysts to discuss the recent financial performance, road shows and others.

The Nomination, Compensation and Corporate Governance Charter defines the policy on nomination of Directors of the Company and the policy on remuneration of Directors and management of the Company which is followed by the NCCG Committee and management team.

In the section above on **Re-Appointment of Retiring Directors** and Approving Remuneration of Directors the key highlights of the policy and criteria of

nomination and remuneration are stated.

For remuneration of management the policy and criteria is stated below in the "remuneration" section under Board Performance.

The Company provides the opportunity to outsiders to communicate genuine grievances, to the Board by addressing it to the independentdirectors@indorama.net. Company employees can send their grievances to the Whistleblower Committee at ethics@indorama.net.

The communication channels are all well-defined on the Company's website.

The Charters and Policies of the Company are reviewed annually by the Board. The following were revised and approved by the Board at their meeting in February 20, 2015.

- Charter of the Board of Directors
- Charter of the Audit Committee
- Anti-Corruption Policy
- Whistleblower Policy
- Human Rights Policy

They were communicated to all employees globally and uploaded on the Company website.

The Company gives utmost importance to its website, which is both in Thai and English, and regularly reviews it to ensure all information provided is current and up-to date.

For better understanding of the industry, the Annual Report for 2014 has included in the Business Description an explanation of the Company's position in the industry and a description of the Company's major competitors globally.

In 2014, and all previous years, the Company has never been accused by the SEC/SET of breaching any disclosure rules and regulations.

The following information on the Company website is regularly updated:

Vision, Mission, Value Statements, financial statements, analyst reports, press releases, annual report, corporate structure, IVL Board and management structure, shareholding structure and major shareholders. Form 56-1 is updated every year and includes detailed information on business operation, financial status, risks, litigations, capital structure, including information on ultimate shareholding. The Company maintains a calendar of all major events that investors or shareholders may wish to attend.

The Company has a designated department for Investor Relations for disclosing essential information to investors on matters relating to financial reporting and others. An annual investor relations plan is established and the executive in charge is involved in various investor relations activities including but not limited to periodical plant visits for the benefits of shareholders, investors and analysts etc. Also regular investor meetings are organized.

To contact the Company's Investor Relations Department, the general public may call (+66) 2 661 6661 ext. 680 or email richard.j@indorama.net. The details are provided on the Company's website.

A statement on the Board's responsibility concerning the Company's financial report is disclosed in the Annual Report, which mentions among other things that the Company complies with generally accepted accounting principles and that accounting standards and practices used are appropriate and consistent to the nature of the business. It also states that all information presented in the financial reports is accurate, complete and adequate. The Chairman of the Board and the Group CEO sign the statement.

The individual shareholdings of Directors, Management, including their spouse and minor children for the period January 1, 2014 to December 31, 2014 was as follows:

Report of Chages in Securities Holding of the Company's Directors and Executives as at December 31, 2014

No.	Name	Ordinary Shares (Shares)				Debentures (Units)				
		As at Dec 31, 2013	Changes in 2014	As at Dec 31, 2014		As at Dec 31, 2013	Changes in 2014	As at Dec 31, 2014		
		No. of Shares	No. of the Shares	No. of Shares	%	No. of Units	NO. of Units	NO. of Units	%	
1	Mr. Sri Prakash Lohia	-	Acquisition	-	-	-	Acquisition	-	-	-
			Disposition	-	-	-	Disposition	-	-	-
	Spouse and Minor Children	-	Acquisition	-	-	-	Acquisition	-	-	-
			Disposition	-	-	-	Disposition	-	-	-
2	Mr. Aloke Lohia	10	Acquisition	-	10	0.000	-	Acquisition	-	-
			Disposition	-	-	-	-	Disposition	-	-
	Spouse and Minor Children	-	Acquisition	-	-	-	-	Acquisition	-	-
			Disposition	-	-	-	-	Disposition	-	-
3	Mrs. Suchitra Lohia	-	Acquisition	-	-	-	-	Acquisition	-	-
			Disposition	-	-	-	-	Disposition	-	-
	Spouse and Minor Children	10	Acquisition	-	10	0.000	-	Acquisition	-	-
			Disposition	-	-	-	-	Disposition	-	-
4	Mr. Amit Lohia	-	Acquisition	-	-	-	-	Acquisition	-	-
			Disposition	-	-	-	-	Disposition	-	-
	Spouse and Minor Children	-	Acquisition	-	-	-	-	Acquisition	-	-
			Disposition	-	-	-	-	Disposition	-	-
5	Mr. Sashi Prakash Khaitan	120,000	Acquisition	20,000	140,000	0.003	-	Acquisition	-	-
			Disposition	-	-	-	-	Disposition	-	-
	Spouse and Minor Children	-	Acquisition	-	-	-	-	Acquisition	-	-
			Disposition	-	-	-	-	Disposition	-	-
6	Mr. Dilip Kumar Agarwal	-	Acquisition	-	-	-	-	Acquisition	-	-
			Disposition	-	-	-	-	Disposition	-	-
	Spouse and Minor Children	-	Acquisition	-	-	-	-	Acquisition	-	-
			Disposition	-	-	-	-	Disposition	-	-
7	Mr. Udey Paul Singh Gill	-	Acquisition	-	-	-	-	Acquisition	-	-
			Disposition	-	-	-	-	Disposition	-	-
	Spouse and Minor Children	-	Acquisition	-	-	-	-	Acquisition	-	-
			Disposition	-	-	-	-	Disposition	-	-
8	Mr. Rathain Srimongkol	180,000	Acquisition	82,000	262,000	0.005	-	Acquisition	-	-
			Disposition	-	-	-	-	Disposition	-	-
	Spouse and Minor Children	-	Acquisition	-	-	-	-	Acquisition	-	-
			Disposition	-	-	-	-	Disposition	-	-
9	Mr. Maris Samaram	-	Acquisition	-	-	-	-	Acquisition	-	-
			Disposition	-	-	-	-	Disposition	-	-
	Spouse and Minor Children	-	Acquisition	-	-	-	-	Acquisition	-	-
			Disposition	-	-	-	-	Disposition	-	-
10	Mr. William Ellwood Heinecke	3,009,132	Acquisition	660,000	3,669,132	0.76	-	Acquisition	-	-
			Disposition	-	-	-	-	Disposition	-	-
	Spouse and Minor Children	-	Acquisition	-	-	-	-	Acquisition	-	-
			Disposition	-	-	-	-	Disposition	-	-
11	Dr. Siri Ganjarendee	-	Acquisition	-	-	-	-	Acquisition	-	-
			Disposition	-	-	-	-	Disposition	-	-
	Spouse and Minor Children	-	Acquisition	-	-	-	-	Acquisition	-	-
			Disposition	-	-	-	-	Disposition	-	-
12	Mr. Kanit Si	100,000	Acquisition	-	100,000	0.002	-	Acquisition	-	-
			Disposition	-	-	-	-	Disposition	-	-
	Spouse and Minor Children	-	Acquisition	-	-	-	-	Acquisition	-	-
			Disposition	-	-	-	-	Disposition	-	-
13	Mr. Apisak Tantivorawong	-	Acquisition	-	-	-	-	Acquisition	-	-
			Disposition	-	-	-	-	Disposition	-	-
	Spouse and Minor Children	-	Acquisition	-	-	-	-	Acquisition	-	-
			Disposition	-	-	-	-	Disposition	-	-

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No.	Name	Ordinary Shares (Shares)				Debentures (Units)				
		As at Dec 31, 2013	Changes in 2014	As at Dec 31, 2014		As at Dec 31, 2013	Changes in 2014	As at Dec 31, 2014		
		No. of Shares	No. of the Shares	No. of Shares	%	No. of Units	NO. of Units	NO. of Units	%	
14	Mr. Russell Leighton Kekuewa	-	Acquisition	200,000	200,000	0.004	-	Acquisition	-	-
			Disposition	-	-	-	-	Disposition	-	-
	Spouse and Minor Children	-	Acquisition	-	-	-	-	Acquisition	-	-
			Disposition	-	-	-	-	Disposition	-	-
15	Mr. Prem Chandra Gupta	-	Acquisition	-	-	-	-	Acquisition	-	-
			Disposition	-	-	-	-	Disposition	-	-
	Spouse and Minor Children	-	Acquisition	-	-	-	-	Acquisition	-	-
			Disposition	-	-	-	-	Disposition	-	-
16	Mr. Satyanarayan Mohta	25,249	Acquisition	-	-	-	-	Acquisition	-	-
			Disposition	25,249	0	0.000	-	Disposition	-	-
	Spouse and Minor Children	-	Acquisition	-	-	-	-	Acquisition	-	-
			Disposition	-	-	-	-	Disposition	-	-
17	Mr. Sanjay Ahuja	-	Acquisition	-	-	-	-	Acquisition	-	-
			Disposition	-	-	-	-	Disposition	-	-
	Spouse and Minor Children	-	Acquisition	-	-	-	-	Acquisition	-	-
			Disposition	-	-	-	-	Disposition	-	-
18	Mr. Manoj Kumar Sharma	-	Acquisition	-	-	-	-	Acquisition	-	-
			Disposition	-	-	-	-	Disposition	-	-
	Spouse and Minor Children	-	Acquisition	-	-	-	-	Acquisition	-	-
			Disposition	-	-	-	-	Disposition	-	-

Report of Chages in Securities Holding of the Company's Directors and Executives as at 31 st December 2014

No.	Name	Warrants - IVL - W1 (Units)				Warrants - IVL - W2 (Units)			
		As at Sep 3, 2013	Changes in 2014	As at Dec 31, 2014		As at Sep 3, 2014	Changes in 2014	As at Dec 31, 2014	
		No. of Units	NO. of Units	NO. of Units	%	NO. of Units	NO. of Units	NO. of Units	%
1	Mr. Sri Prakash Lohia	-	Acquisition	-	-	-	Acquisition	-	-
			Disposition	-	-	-	Disposition	-	-
	Spouse and Minor Children	-	Acquisition	-	-	-	Acquisition	-	-
			Disposition	-	-	-	Disposition	-	-
2	Mr. Alope Lohia	1	Acquisition	-	1	0.000	-	Acquisition	-
			Disposition	-	-	-	-	Disposition	-
	Spouse and Minor Children	-	Acquisition	-	-	-	Acquisition	-	-
			Disposition	-	-	-	Disposition	-	-
3	Mrs. Suchitra Lohia	-	Acquisition	-	-	-	Acquisition	-	-
			Disposition	-	-	-	Disposition	-	-
	Spouse and Minor Children	1	Acquisition	-	1	0.000	-	Acquisition	-
			Disposition	-	-	-	Disposition	-	-
4	Mr. Amit Lohia	-	Acquisition	-	-	-	Acquisition	-	-
			Disposition	-	-	-	Disposition	-	-
	Spouse and Minor Children	-	Acquisition	-	-	-	Acquisition	-	-
			Disposition	-	-	-	Disposition	-	-
5	Mr. Sashi Prakash Khaitan	12,000	Acquisition	-	-	9,230	Acquisition	-	-
			Disposition	12,000	0	0.000	-	Disposition	9,230
	Spouse and Minor Children	-	Acquisition	-	-	-	Acquisition	-	-
			Disposition	-	-	-	Disposition	-	-
6	Mr. Dilip Kumar Agarwal	-	Acquisition	-	-	-	Acquisition	-	-
			Disposition	-	-	-	Disposition	-	-
	Spouse and Minor Children	-	Acquisition	-	-	-	Acquisition	-	-
			Disposition	-	-	-	Disposition	-	-
7	Mr. Udey Paul Singh Gill	-	Acquisition	-	-	-	Acquisition	-	-
			Disposition	-	-	-	Disposition	-	-
	Spouse and Minor Children	-	Acquisition	-	-	-	Acquisition	-	-
			Disposition	-	-	-	Disposition	-	-

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No.	Name	Warrants - IVL - W1 (Units)				Warrants - IVL - W2 (Units)			
		As at Sep 3, 2013	Changes in 2014	As at Dec 31, 2014		As at Sep 3, 2014	Changes in 2014	As at Dec 31, 2014	
		No. of Units	NO. of Units	NO. of Units	%	NO. of Units	NO. of Units	NO. of Units	%
8	Mr. Rathian Srimongkol	18,200	Acquisition -	18,200	0.004	14,000	Acquisition -	14,000	0.004
	Spouse and Minor Children	-	Disposition -	-	-	-	Disposition -	-	-
			Acquisition -	-	-	-	Acquisition -	-	-
			Disposition -	-	-	-	Disposition -	-	-
9	Mr. Maris Samaram	-	Acquisition -	-	-	-	Acquisition -	-	-
	Spouse and Minor Children	-	Disposition -	-	-	-	Disposition -	-	-
			Acquisition -	-	-	-	Acquisition -	-	-
			Disposition -	-	-	-	Disposition -	-	-
10	Mr. William Ellwood Heinecke	336,912	Acquisition -	336,912	0.070	259,163	Acquisition -	259,163	0.070
	Spouse and Minor Children	-	Disposition -	-	-	-	Disposition -	-	-
			Acquisition -	-	-	-	Acquisition -	-	-
			Disposition -	-	-	-	Disposition -	-	-
11	Dr. Siri Ganjarerndee	-	Acquisition -	-	-	-	Acquisition -	-	-
	Spouse and Minor Children	-	Disposition -	-	-	-	Disposition -	-	-
			Acquisition -	-	-	-	Acquisition -	-	-
			Disposition -	-	-	-	Disposition -	-	-
12	Mr. Kanit Si	10,000	Acquisition -	10,000	0.002	7,692	Acquisition -	7,692	0.002
	Spouse and Minor Children	-	Disposition -	-	-	-	Disposition -	-	-
			Acquisition -	-	-	-	Acquisition -	-	-
			Disposition -	-	-	-	Disposition -	-	-
13	Mr. Apisak Tantivorawong	-	Acquisition -	-	-	-	Acquisition -	-	-
	Spouse and Minor Children	-	Disposition -	-	-	-	Disposition -	-	-
			Acquisition -	-	-	-	Acquisition -	-	-
			Disposition -	-	-	-	Disposition -	-	-
14	Mr. Russell Leighton Kekuewa	-	Acquisition -	-	-	-	Acquisition -	-	-
	Spouse and Minor Children	-	Disposition -	-	-	-	Disposition -	-	-
			Acquisition -	-	-	-	Acquisition -	-	-
			Disposition -	-	-	-	Disposition -	-	-
15	Mr. Prem Chandra Gupta	-	Acquisition -	-	-	-	Acquisition -	-	-
	Spouse and Minor Children	-	Disposition -	-	-	-	Disposition -	-	-
			Acquisition -	-	-	-	Acquisition -	-	-
			Disposition -	-	-	-	Disposition -	-	-
16	Mr. Satyanarayan Mohta	-	Acquisition -	-	-	-	Acquisition -	-	-
	Spouse and Minor Children	-	Disposition -	-	-	-	Disposition -	-	-
			Acquisition -	-	-	-	Acquisition -	-	-
			Disposition -	-	-	-	Disposition -	-	-
17	Mr. Sanjay Ahuja	-	Acquisition -	-	-	-	Acquisition -	-	-
	Spouse and Minor Children	-	Disposition -	-	-	-	Disposition -	-	-
			Acquisition -	-	-	-	Acquisition -	-	-
			Disposition -	-	-	-	Disposition -	-	-
18	Mr. Manoj Kumar Sharma	-	Acquisition -	-	-	-	Acquisition -	-	-
	Spouse and Minor Children	-	Disposition -	-	-	-	Disposition -	-	-
			Acquisition -	-	-	-	Acquisition -	-	-
			Disposition -	-	-	-	Disposition -	-	-

Responsibility of the Board

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1. Responsibility and Duties of the Board of Directors

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The Board of Directors of IVL has the vision, mission, value statement, plans, strategies, key policies and budgets of the Company with a view to effectively and efficiently managing the business for maximum shareholder value. Detailed budgets and plans are formulated for the Company and its subsidiaries. The Board closely monitors the management and implementation of business plans to achieve targets. The Board also sets internal controls and audit procedures, including risk management. All major CAPEX requires the approval of the Board. Detailed presentations are made by the respective business segment head.

At the beginning of each year the Board holds a Strategy and Annual Business Plan meeting and at the meeting the Vision and Mission statement is reviewed along with the Strategy as presented by management.

At the Board meetings and the many informal meetings with the Group CEO and senior management the Board gets updated on the business performance, strategy vis-à-vis targets and industry trends. Based on such meetings, the Board provides their thoughts and recommendations. The management updates are based on the regular Executive Committee meeting that each business segment holds on the operating performance.

The Board requires each business head to explain the details of why their business fell below target and the plans to improve performance. The Board follows up on the action plan status in subsequent meetings.

The Board through the Audit Committee, internal auditor, and compliance department reviews potential conflicts of interest. The internal guidelines of the Company on related party transactions and the relevant rules and regulations of SET/SEC provide a basis for avoiding conflicts of interest. Details of all related party transactions are updated in Form 56-1 and reported in the Annual Report. Those Board members who have an interest in a matter that might involve a conflict of interest must abstain from voting and other involvement, as prescribed by the Board. Company policy prohibits personnel at all levels from using inside information for personal benefit with all business decisions based on achieving the maximum benefit for the Company and its subsidiaries.

The Board every year evaluates the efficacy and sufficiency of the Internal controls of the Company by reviewing the Evaluation Form of Sufficiency of Internal Control Systems for IVL and its subsidiaries.

The Board held a special session in January to consider and approve the Strategic Plans of business units in the group. This provided the opportunity to meet and interact with senior executives from around the World including executives from new acquisitions.

The Company held its annual Capital Markets Day in January 2014 to apprise investors from both buy and sell side of the work completed by the management over the course of the year. Senior management from global business units was introduced to investors, who had the opportunity to raise questions about the business.



“ OTHER ROLES AND RESPONSIBILITIES OF THE BOARD ”

- To conduct their duties in compliance with the laws, objectives, articles of association and resolutions of shareholders' meetings with duty of care and duty of loyalty.
- To formulate and approve the vision, strategies, business directions, policies, targets, guidelines, plans of work and budget of the Company and its subsidiaries as prepared by management and oversee the administration and the performance of the management or any persons assigned to do such work to ensure compliance with the policies set out by the Board of Directors.

- To follow-up the outcome of work to ensure compliance with the plan and budget on an ongoing basis.
- To ensure that the Company and its subsidiaries adopt and set in place an appropriate, strong and effective accounting system including an internal control and internal audit system.
- To review the risk management procedures and policies and also follow up on the results.
- To set in place the corporate governance policy and its effective implementation.
- To appoint the sub-committees such as Audit Committee, Nomination, Remuneration and Corporate Governance Committee, or any other sub-committees in order to assist the Board of Directors duties.
- To appoint the senior executive positions of the Company such as Chairman of Executive Committee, Chief Executive Officer, Chief Operating Officer and Chief Financial Officer and any other senior officer as deemed necessary.
- To appoint the Company Secretary to assist the Board of Directors in its various activities to run the business in line with the related laws and regulations.
- To seek professional opinions from external agencies, if required in order to take appropriate decisions.
- To encourage directors and executives to attend the seminar program of Thai Institute Directors Association (Thai-IOD) in the course that related to their duties and responsibilities.

In any case, the authorization of duties and responsibilities of the Board of Directors of the Company shall not constitute an authorization or sub-authorization which may cause the Board of Directors of the Company or its authorized person(s) to be able to approve any transaction that such person or any person who may have a conflict of interest (as defined in the notification of the Securities and Exchange

Commission or the notification of the Capital Markets Supervisory Board) may have an interest or may benefit in any manner or may have any other conflict of interest with the Company or its subsidiaries, unless the approvals of such transactions are consistent with the policies and criteria approved by the shareholders meeting or the Board of Directors meeting. In order to achieve a balance of power, the position of the Chairman of the Board and that of the Group CEO are different. The Chairman of the Board of Directors is a Non-Executive Director.

2. Board Structure

There are 14 Directors on the IVL Board comprising of five Executive Directors, two Non-Executive Directors and seven Independent Directors. The Board has a diversity of nationalities, genders, ages and skills.

The Board structure is appropriate in relation to the size of the Company, number of Executive, Non-Executive and Independent Directors and qualification in terms of knowledge and expertise and provides a fair balance of power and effective management monitoring. The Company intends to maintain this broad base of knowledge and experience when it searches for new Directors in future.

The role of the Board is clearly set out in the Board of Directors Charter.



“ ROLE AND RESPONSIBILITY OF CHAIRMAN ”

The principle role of the Chairman of the Board is to ensure that the Board is effective in its tasks of setting and implementing the Company's direction and strategy.

The Chairman plays a pivotal leadership role in ensuring that the Board works effectively. The key roles of the Chairman are:-

- Determining the composition, size and structure of the Board in order to create a balance between executive directors and independent directors.
- Ensuring the Board and its committees are properly established, composed and operated.
- Ensuring the effective operation of the Board and its committees in conformity with the highest standards of corporate governance.
- Ensuring the participation of the executives, non-executives and independent directors in the Board's decision processes and activities.
- Ensuring the whole Board plays a constructive part in developing and determining the Company's strategy and objectives.
- Ensuring comprehensive induction programs for new directors.
- Acting in the key role of governing the Board and fostering teamwork and mutual dedication for the sustainable success of the organization.
- Engaging the Board regularly in assessing and developing its performance and communicating expectations to directors and manage directors' performance.
- Ensuring that the company has succession plans for senior executives.
- Acting as Chair at the Board's and Shareholders' meetings together with setting the agenda in consultation with the management and the Company Secretary.
- Ensuring that Board members receive accurate, timely, and sufficient information for Board meetings.

- Ensuring that there are sufficient channels for effective communication between the Board members, management and shareholders.
- Providing independent advice to the management and Board.
- Appointing the Company Secretary to assist with Board functions.

In the Directors' profile, IVL discloses its director's names, profiles, qualifications, experience, and shareholding in the Company to demonstrate the Board's knowledge, competence, qualification and experience via the Annual Report and its website. It also mentions which Director is independent, executive, non-executive or represents a major shareholder.

The profile mentions the Board membership(s) of other companies held by the Directors.

The Board has appointed the Company Secretary in order to meet the requirements of the SEC/SET regulations. The Company Secretary is responsible for matters connected with meetings of the Board and shareholders and to advise the Board on law and regulations that the Board must know to effectively perform its duties and to administer the Board's activities and ensure Board and Shareholders' resolutions are complied with.



3. Charters



The Company has in place the following Charters:

- Board of Directors
- Audit Committee
- Nomination, Compensation and Corporate Governance Committee (NCCG)
- Enterprise Risk Management Committee (ERM)

The Charters are all uploaded on the Company website under the Corporate Governance section.

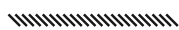


4. Other Directorships



The Board Charter specifies the outside Directorship for Executive, Non-Executive and Independent Directors. Details are provided in the section "Selection and appointment of Directors" at the beginning of this report.

None of the Directors of IVL have breached the above Directorship criteria in 2014.



5. Retirement of Directors



One third of the Directors retire by rotation at every Annual General Meeting as specified in the Articles of Association of the Company. A retiring director is eligible for re-election. Voting for appointment/re-appointment of Directors is done individually. The Company provides a detailed profile of the retiring Director who has given his consent to be re-appointed in the Notice to the Shareholders' meeting.

The Board and the NCCG Committee after due deliberation have acknowledged and will take into consideration the IOD recommendation of independent directors term of service as published from time to time and will annually decide if certain director/s will retire based on additional criteria i.e. expertise in our business, contribution by the director, health of the individual as well as the availability of a suitable replacement director.



6. Evaluation of Performance



The Board and subcommittee members carried out a self-evaluation on the Board and subcommittee performance in 2014. The results were summarized and discussed at the Board meeting held in February 2015. The Board and sub-

committee members were evaluated as having given very good performance rating in 2014.

For the self-evaluation of the Board, the Company follows the guideline prescribed by the SET which is based on the following six criteria namely a) structure and characteristic of the Board b) role and responsibility of the Board c) Board meetings d) the Board's performance of duties e) relationship with management f) self-development of directors and executive development.

The Chairman of the Board through the NCCG Committee does an individual assessment of all Directors based on the following criteria.

- Supports the mission, vision and aims/objectives of this organization.
- Understands IVL's main business and does not intervene in the objectives or work for any competitor
- Understands the role of the Board and the legal and ethical responsibilities of a Board member
- Usually attends regular and special board meetings and other events requiring board participation.
- Usually attends regular and special board meetings and other events requiring board participation.
- Studies the agenda items before attending the meeting and ensures that information is sufficient to proactively consider the agenda
- Carefully reviews all the minutes of the each Board of Directors and Shareholder meetings
- Examines all documents relating to all matters that concern the board of directors. If something is not clear, he/she asks the management to explain as quickly and clearly as possible
- Raises questions on important matters and gives suggestions and recommendations to the management
- Carry out other committee responsibilities in an effective and timely manner
- Ensures management's accountability

to shareholders; preserves their rights and interests; clearly and fully discloses information

- Attends all Board meetings and makes decisions on significant activities by the Company concerning the acquisition and disposition of assets, investment project expansion, policy implementation, and/or risk management etc.
- Avoids participation in board issues where it may be perceived there is a conflict of interest.
- Avoid other positions or jobs that may have led to conflicts of interest with the Company.
- Accepted only those positions as director or non-executive director on the Board of listed companies that allow sufficient time to attend meetings.
- Willing to participate in development opportunities, including workshops, information sessions and conferences, and in taking on new roles.
- Enjoys service as a Board member in the organization or actively works to change the issues or activities which are a barrier, or reconsidering commitment to the organization.

For Independent Directors

- Demonstrates independence of thought and judgment in order to protect the interests of all Shareholders.

7. Functional Performance

The Board of Directors held seven meetings during 2014. The Company generally proposes to schedule a minimum of five meetings a year. Typically, a meeting is convened every three months with extra meetings convened as and when necessary to review operations, financial matters, plans, or other matters. Prior to the close of each year a schedule of meetings for the next year is circulated to the members to fix the meeting dates well in advance and also to ensure maximum participation. All the independent Directors met on February 05, 2014 to

review and discuss the Company's performance and other matters. The Independent Directors thereafter met the Group CEO and discussed with him the outcome of their meeting. A similar meeting of the Independent Directors will be held on February 13, 2015.

The Chairman, Group CEO and Company Secretary set the Board meeting agenda and the Company Secretary sends invitation letters together with the agenda and relevant documents to the Directors at least seven days prior to the meeting to allow adequate time for the Directors to study the information.

At each Board Meeting, the Chairman allows each Board member to express his or her views and management to answer all queries in full. If desired, Directors can request for additional information from a designated person.

Detailed minutes are prepared for each meeting, which includes

- the meeting date
- time of meeting commencement and completion
- name of Directors who attended or were absent from the meeting
- summary proposals to the Board on each issue,
- a brief report of the discussion
- each Director's observations
- the person authorizing the minutes

The Minutes are circulated within 14 days of the Board meeting.

The summary of Minutes of all subsidiary companies' board meetings is attached to the Board papers and provided on CD every quarter in order for the Board members to gain full knowledge of the activities at the various locations.

The followings are the details of attendance of the Board of Directors' meeting in 2014

Name	Attendance / Total Meetings
1. Mr. Sri Prakash Lohia	5/7
2. Mr. Alope Lohia	5/7
3. Mrs. Suchitra Lohia	4/7
4. Mr. Amit Lohia	5/7
5. Mr. Sashi Prakash Khaitan	7/7
6. Mr. Dilip Kumar Agarwal	7/7
7. Mr. Udey Paul Singh Gill	6/7
8. Mr. Rathian Srimongkol	7/7
9. Mr. Chakramon Phasukavanich*	4/5
10. Mr. Maris Samaram	7/7
11. Mr. William Ellwood Heinecke	4/7
12. Dr. Siri Ganjarende	6/7
13. Mr. Kanit Si	7/7
14. Mr. Apisak Tantivorawong	5/7
15. Mr. Russell Leighton Kekuwa**	1/1

* Mr. Chakramon Phasukavanich resigned from the Board of Directors and Audit Committee on August 27, 2014 to take up Public office.

** Mr. Russell Leighton Kekuwa was appointed as Independent Director in place of Mr. Chakramon Phasukavanich by the Board of Directors at their meeting no 6/2014 dated October 20, 2014.

The Board maintained a quorum of two thirds in six out of the seven meetings held in 2014.

8. Performance Measurement of Executive Directors, Group CEO and Management

The Group CEO and other executive Directors have their Key Performance Indicators (KPI) set by the Board on the recommendation of The NCCG committee. This takes the form of a Balanced Scorecard. At the end of each year their performance is used in the calculation of their compensation by the NCCG Committee.

For Senior Management Executives the NCCG Committee reviews and approves on an annual basis the evaluation process and compensation structure and assigns the Human Resources department to approve the annual compensation, including salary, bonus and non-equity incentive compensation. Similarly, the line managers will follow the same principles when evaluating their staff.

Details discussed in the section "Executive Director, Group CEO and Management Remuneration" below.

As Directors of the Company

No.	Independent/Non-Executive Directors	Amount Approved (Baht)	Actual Paid (Baht)
1	Mr. Sri Prakash Lohia	75,000 per month	900,000
2	Mr. Rathian Srimongkol	50,000 per month	600,000
3	Mr. William Ellwood Heinecke	50,000 per month	600,000
4	Mr. Chakramon Phasukavanich*	50,000 per month	400,000
5	Mr. Amit Lohia	50,000 per month	600,000
6	Mr. Maris Samaram	50,000 per month	600,000
7	Dr. Siri Ganjarende	50,000 per month	600,000
8	Mr. Kanit Si	50,000 per month	600,000
9	Mr. Apisak Tantivorawong	50,000 per month	600,000
10	Mr. Russell Leighton Kekuewa**	50,000 per month	100,000
Total			5,600,000

* Mr. Chakramon Phasukavanich Resigned from the Board effective August 27, 2014.

** Mr. Russell Leighton Kekuewa was appointed by the Board on October 20, 2014. His remuneration is paid effective November 01, 2014.

** Mr. Russell Leighton Kekuewa was appointed on October 20, 2014

As Audit Committee members

No.	Members	Amount Approved (Baht)	Actual Paid (Baht)
1	Mr. Rathian Srimongkol	75,000 per month	900,000
2	Mr. Chakramon Phasukavanich*	50,000 per month	400,000
3	Mr. Maris Samaram	50,000 per month	600,000
4	Dr. Siri Ganjarende**	50,000 per month	100,000
Total			2,000,000

* Mr. Chakramon Phasukavanich resigned from the Audit Committee effective August 27, 2014.

** Dr. Siri Ganjarende was appointed by the Board as an Audit Committee member on October 20, 2014. His remuneration is paid effective November 01, 2014.

9. Remuneration

The current remuneration of Independent Directors and Non-Executive Directors, including bonus, is established based on assignments and responsibilities. Such remuneration proposed by the Board and recommended by the NCCG Committee requires the approval of the Shareholders' Meeting.

The Policy and criteria followed by the NCCG Committee has been explained above in the section on Approving Directors Remuneration.

In 2014 the total annual remuneration approved at the Annual General Meeting of Shareholders No. 1/2014 held on April 24 2014 was for an amount not exceeding Baht 16,000,000

The actual remuneration paid in 2014 is Baht 15,270,000, against the approved amount of Baht 16,000,000. The details of the remuneration paid are hereunder:

As Nomination, Compensation and Corporate Governance Committee Members

No.	Members	Amount Approved (Baht)	Actual Paid (Baht)
1	Mr. William Ellwood Heinecke	35,000 per month	420,000
2	Dr. Siri Ganjarende	25,000 per month	300,000
3	Mr. Kanit Si	25,000 per month	300,000
Total			1,020,000

As Enterprise Risk Management Committee Members

No.	Members	Amount Approved (Baht)	Actual Paid (Baht)
1	Mr. Rathian Srimongkol	25,000 per month	300,000
2	Mr. Maris Samaram	25,000 per month	300,000
3	Mr. Russell Leighton Kekuewa*	25,000 per month	50,000
Total			650,000

**Mr. Russell Leighton Kekuewa was appointed as member on 12 November 2014*

Bonus for 2013, as Directors of the Company

No.	Directors	Actual Paid (Baht)
1	Mr. Sri Prakash Lohia	526,400
2	Mr. Alope Lohia	631,600
3	Mrs. Suchitra Lohia	315,800
4	Mr. Amit Lohia	315,800
5	Mr. Sashi Prakash Khaitan	315,800
6	Mr. Dilip Kumar Agarwal	421,000
7	Mr. Udey Paul Singh Gill	315,800
8	Mr. Rathian Srimongkol	631,600
9	Mr. Maris Samaram	421,000
10	Mr. Chakramon Phasukavanich	421,000
11	Mr. William Ellwood Heinecke	526,400
12	Dr. Siri Ganjarende	421,000
13	Mr. Kanit Si	421,000
14	Mr. Apisak Tantivorawong	315,800
Total		6,000,000

The Executive Directors on the IVL Board and Sub Committees are not paid any retainer fee.

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10. Executive Director, Group CEO and Management Remuneration

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The key principles followed by the NCCG Committee in determining the compensation are:

- To review and approve on an annual basis the evaluation process and compensation structure for the Company's Executive Directors. The Committee evaluates the performance of the Company's executive directors and approves the

annual compensation, including salary, bonus and non-equity incentive compensation for them based on initial recommendations from the Group CEO. Moreover, the Committee maintains regular contact with the leadership of the Company.

- To review and approve on an annual basis the corporate goals and objectives (KPI) with respect to compensation for the Group Chief Executive Officer. The Committee shall evaluate at least once a year the Group Chief Executive Officer's performance in light of these established goals and objectives and based upon these evaluations shall set the Group Chief Executive Officer's annual compensation, including

salary, bonus and non-equity incentive compensation (if any).

- To review and approve on an annual basis the evaluation process and compensation structure for the senior executives. The Committee shall approve or may assign the Human Resources department to approve the annual compensation, including salary, bonus and equity and non-equity incentive compensation for senior executives.
- Base salaries for the Company's Group CEO and Executive Directors depend on the scope of their responsibilities, their capabilities, and the period over which they have performed those responsibilities.
- Annual bonuses for the year and the percent change from the prior year's bonus for senior executive officers are determined after an evaluation of the overall performance of the Company, the performance of the business or function that the officer leads and an assessment of each officer's performance against expectations, which were established at the beginning of the year. The bonuses also reflect (and are proportionate to) the annual financial results of the company.
- Other non-equity compensation is paid as per the HR manual of the Company which is reviewed from time to time.

Remuneration paid to the IVL Management team in 2014 was approx. Baht 77 million. The IVL management team comprises of the Group CEO, Executive Director, CEO of PET and Feedstock business, President of PTA business, President of EG/EO business, President of Polyester business, President of Wool business, the Head of Finance and Head of Accounting.

No compensation was paid to Directors or Management in the form of shares.



11. Succession Planning



The NCCG Committee has put into place a Succession Plan for the Group CEO and Key Management team in consultation with the Board.

For all other employees the Global HR department works with line management to create succession plans.

To ensure that the succession plans are effective, the Global HR implements employee development and training and also implements a fast track process for those it believes have high potential.



12. Strategy Meeting



The Company holds one Board meeting every year to approve the Company's strategy and Annual Business Plan. This allows the senior management to interact with the Members of the Board for free and frank discussions on future direction of the Company. The Strategy meeting for 2014 was held on January 12, 2014.



13. Professional Development of Directors



The Director who joined the Company during the year was given a Directors Orientation folder with complete

information about the Company and its subsidiaries to assist him in getting well acquainted with the business, practices and procedures of the Company and his rights, duties and obligations as Director. In addition orientation meetings were arranged with the management team members.

Apart from the periodic informal meetings with the management teams, the Directors are invited to attend the various business meetings held during the year.

The Board encourages the Board members, Audit Committee members, management team members, Company Secretary and Internal Auditor to attend seminars, training and courses which would assist in further improving their contribution/performance in the Company. IVL encourages the members of the Board to undergo applicable training programs. IVL Directors attended the following programs in 2014.

- Mrs. Suchitra Lohia - Director Accreditation Program Class No. 108/2014 (DAP), Thai Institute of Directors

The details of all courses attended are in the Directors profiles.

The NCCG Committee has identified members of the Board and management who will attend the IOD training programs in 2015, details of which will be disclosed in the next year's report.

Our Company's policies, integrity, ethics and disclosures always seek to emulate the best practices in Corporate Governance.





66 PEOPLE 99

Being a global organization, our growth trajectory is contingent on people who thrive in a multicultural world in the workplace and in the market. We ensure that a judicious mix of talent is infused in our workforce. Our employee base includes a broad range of functions and roles globally, from manufacturing and maintenance experts to new product designers and plant workers, from specialists in marketing, sales, logistics, customs, tax and trade, to finance & accounts, managers and many, many more.

Our Approach

We believe that it is people who make all the difference. With "People First" as one of IVL's values, our global strategy for Human Resources (HR) is to help unleash this across every area of our business. The HR function along with the leadership team acts as a catalyst to ensure that a congruence of vision and values of IVL becomes the order of the day resulting in accelerating operational and functional excellence.

This fosters an inclusive and collaborative environment where our employees are well poised to address change. Honing the ability of employees to ask the right questions, examining learning opportunities, and continually re-thinking the needs of the business are ever-present priorities that are supported by leaders who coach and inspire.

Global Workforce Strength

Our global workforce strength can be attributed to an optimal mix of fresh and experienced talent with diverse educational, cultural and national backgrounds. The diversity broadens the talent pool and at the same time, enriches the global views, skills, knowledge, working styles and cultures.

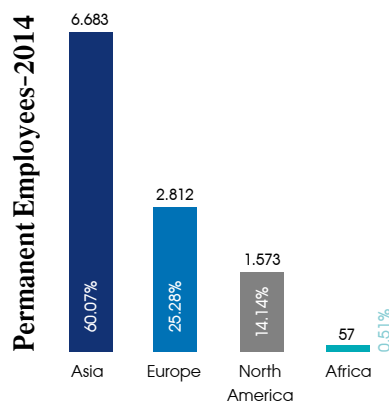
Key highlights of our global workforce in terms of numbers are as follows:

1) Permanent employees

Type of Business	As of December 31, 2014
Feedstock ⁽¹⁾	856
PET ⁽²⁾	4,373
Fiber	5,065
Wool	479
Non-Operating Business	352
Total Permanent Employees	11,125

Remarks: (1) PTA Business and EG/EO Business; (2) Includes workforce of packaging segment

Geographical spread of 11,125 permanent employees is in four continents.



Acquiring, Managing and Developing Talent

In building our teams, we focus on the company's future business needs and how we can plan for growth. We hire multi-skilled people, both from within the industry and from other relevant sectors. In addition, partnerships with Industrial Training Institutes, Engineering and Management Institutes ensure a steady influx of high quality people getting inducted to fuel the growth plans.

In building our teams, we focus on the company's future business needs and how we can plan for growth. Human Resource function continues to undertake extensive outreach recruitment activities to identify more qualified and diverse candidates.

We concentrate on key areas that help to sustain our business performance. Our talent strategy focuses on critical assignment planning, manager accountability for coaching and mentoring, and team learning. We also plan to work on ensuring successful leadership transitions, develop the next generation of leaders and grow emerging and diverse talent.

Training

Talent development is at the heart of building human capital in IVL. The company appreciates in value as employees develop their skills and organizational knowledge. We view training as a whole system and not as one-time event. This means that what happens before and after the actual training, is just as important as the

training itself. The focus is on following multi-pronged approach embracing the development from technical to behavioral, from organizational to individual level, on-the-job training to e-learning platform.

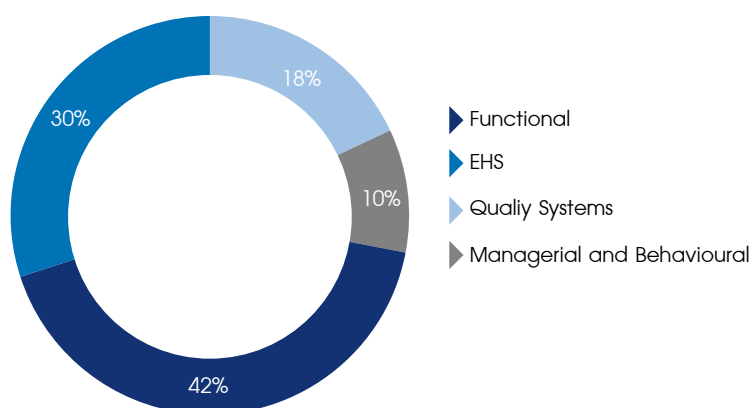
- a) Organizational level programs are related to CSR, Safety, Health & the Environment.
- b) Functional level programs are grouped in Technical & Functional programs.
- c) Individual level training requirements are addressed through the programs which were related to behavioral and managerial related training.

Some of the global statistics of the training imparted in 2014 across all locations of IVL speaks about the intensity and the coverage of employees.

Themes	Batches	No. of Participants	Training Hours
Behavioral	97	2,129	5,818
Managerial	27	473	2,650
Functional	101	1,605	3,939
Technical	428	7,832	16,173
EHS ¹	380	11,342	8,775
Quality System	233	7,194	10,223
Total	1,264	30,573	47,578

Note : 1- Environment, Health and Safety including CSR training

Individual development was focused and a maximum of 42% of the training was in Functional areas, 30% on EHS, 18% on Quality Systems and 10% on enhancing individual Managerial and Behavioral Competencies.



Role of Manager to Inspire Individuals and Teams

IVL's commitment to its workforce includes enabling managers and leaders to be levers for accelerating the company's growth. We invest in our leaders by providing learning and development opportunities that teach managers how to amplify their employees' talent, energy and capabilities. Being a "talent multiplier" is not about making people work harder, but about engaging them in a way that helps them produce better and more relevant work.

The senior management has four principles of manager excellence: lead, coach, drive and inspire. These principles define how we reach our individual and collective potential. Managers are role models who inspire their teams, live the passion for excellence and promote creative environments for best thinking and work.

IVL equips leaders to plan, learn and grow individual talent, align strategy and manage team performance, celebrate and reward performance and drive excellence across the organization.

Succession Planning

The planned talent reviews plays a key role in deepening the strength of our bench and help leaders make thoughtful choices about putting the right people to work in the right areas. In these reviews, leaders will be accountable for improving the performance, potential, diversity and continuity of their teams while ensuring the highest return on investments in our talent. This comprehensive career approach will strengthen our globally diverse talent with the critical experiences and leadership skills they need to achieve IVL's business objectives and realize their own potential.





Rewards and Benefits



The compensation system is designed to take care of country specific requirements in terms of statutory benefits, business and individual. We have devised both business segment performance and individual performance linked incentive programs that link the performance to compensation at individual level. We measure our compensation packages against industry standards and seek to match or exceed them.



Culture



At IVL, we want an open and creative culture that harnesses diversity and inclusion to inspire ideas and ignite innovation. All units are unique in terms of their culture. However, Operation Excellence and innovation has brought signification shift in the culture of saving cost and development of new products.

There is an emphasis for expatriates to learn the local language to help them to be integrated into the local culture easily. The learning of the local language by expatriates is given an additional incentive in terms of remuneration. We recognize that there is no single approach nor is there a finish line to this type of work. There are many factors that need to be in play to create high-performing, diverse and inclusive

teams. Team composition, manager's excellence and team culture are all critical to success. While we take an innovative approach to this work, we balance it with the need to offer the fundamentals through education and awareness programs. These basic principles of diversity and inclusion not only make IVL a better company, but have the ability to contribute to making a better world. Gender diversity is also an important criterion and hence the ratio of female is about 25% in the workforce.



Health and Safety



We promote and manage a healthy and safe working environment for employees. We offer everything from healthy-living pledges included in employee-benefit plans to risk-based safety assessments and tracking globally. We provide extensive safety training to employees based on the type of job they do and the level of risk associated with that job.

We track and assess recordable and lost-time incident rates against industry and benchmarked world-class averages. Measured facilities include high-risk facilities, consisting of distribution centers, in-house manufacturing and high employee population locations. We use internal and external audits to assess facility performance, on a one- to three-year cycle based on performance and risk profile - targeting high-hazard and large-population facilities. We audit for compliance with IVL's environmental, safety and health standards.



Material Labor Disputes in Past 3 Years



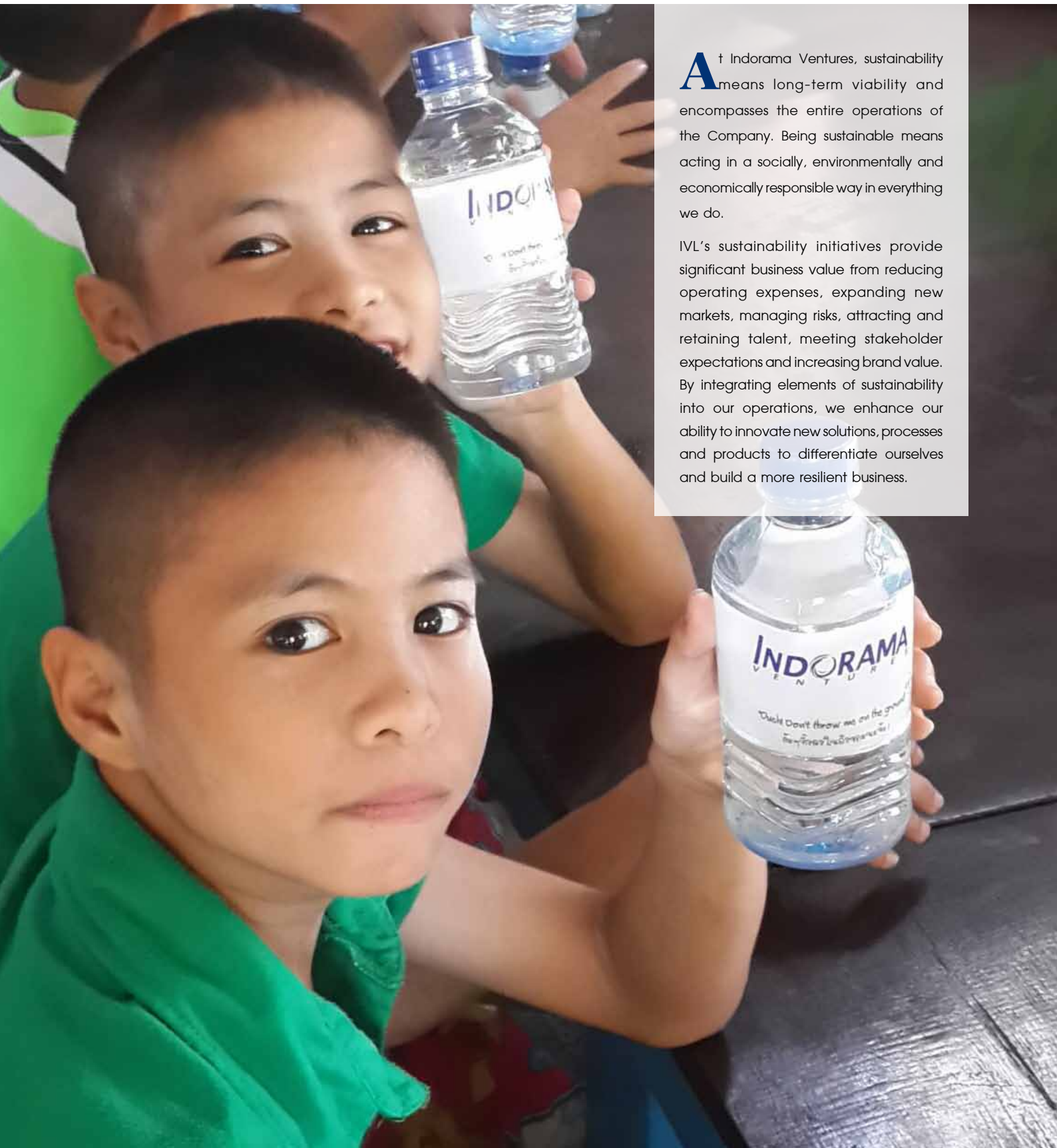
Since the establishment, the Company never had any material labor dispute.



A DEEP COMMITMENT to Sustainability

At Indorama Ventures, sustainability means long-term viability and encompasses the entire operations of the Company. Being sustainable means acting in a socially, environmentally and economically responsible way in everything we do.

IVL's sustainability initiatives provide significant business value from reducing operating expenses, expanding new markets, managing risks, attracting and retaining talent, meeting stakeholder expectations and increasing brand value. By integrating elements of sustainability into our operations, we enhance our ability to innovate new solutions, processes and products to differentiate ourselves and build a more resilient business.



A DEEP COMMITMENT to Sustainability

“ OUR CULTURE OF SUSTAINABILITY ”

Our corporate culture represents the fundamental values to which we are committed. We incorporate sustainable practices since our beginning and continue to create a deeper awareness and attention to sustainability across operations globally. We aim to move sustainability from being an add-on to become part of the way we work with employees, customers, suppliers, investors and communities.

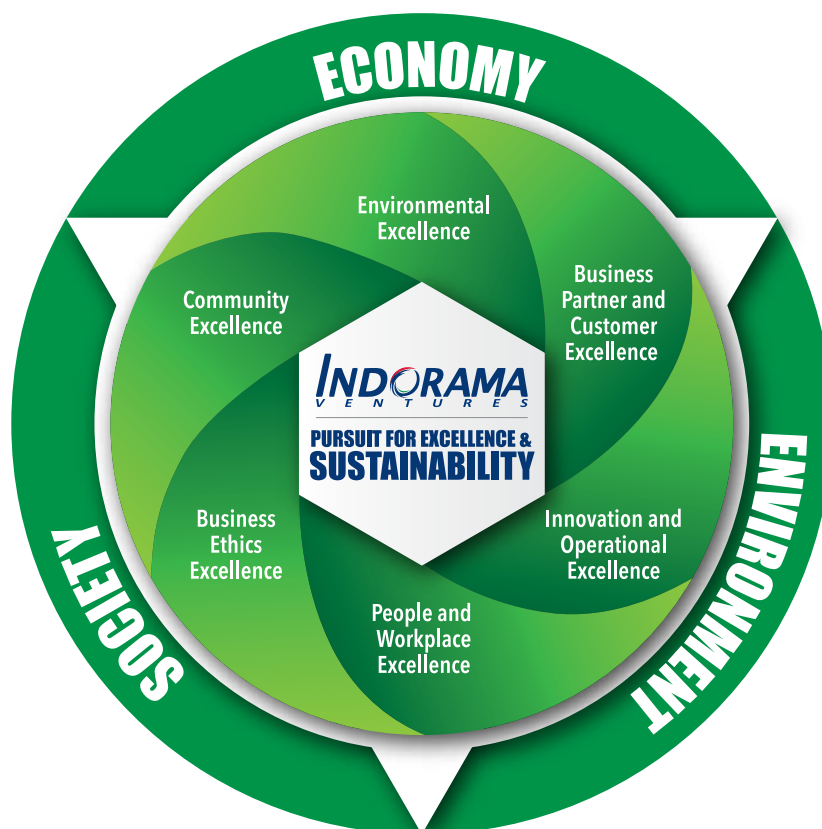
To meet these goals and drive a culture of cooperation on sustainability, we appointed the Sustainability Steering Committee comprised of senior executives representing different parts of the business. Not only representing a diversity of perspective in discussions, these people will also help carry the sustainability message internally.

Today, we have embedded sustainability even more firmly and moved beyond regulatory compliance to creating differentiated value. We continually benchmark our business and operations with best practice in the industry and encourage global sharing of best practice within the Company to ensure further sustainable progress.

“ SUSTAINABILITY VISION AND COMMITMENTS ”

Indorama Ventures has set itself a very clear ambition “to be one of the most admired companies in the world.” We believe sustainability is a core element if we wish to achieve our vision. We strive to earn the trust and respect of our stakeholders by holding ourselves accountable for our environmental, economic and social impacts.

We continue to develop policies and business practices to embed sustainability principles across our operations. In 2014, we have refined our business-relevant sustainability framework, in consultation with senior executives from all our business, locations and functions including other stakeholders. These objectives reflect our continual pursuit of excellence and sustainability.



1. Environmental Excellence

- Reduce our overall environmental footprint and continually improve our environmental performance
- Responsible use of environmental resources and minimize pollution and waste
- Go beyond compliance with local environmental regulations to meet internationally accepted best practice
- Make a positive contribution to the protection of the environment and ecosystem and the mitigation of climate change

2. Business Partner and Customer Excellence

- Deliver the highest quality products and solutions to any sustainability challenges in a cost-effective manner
- Achieve customer delight and loyalty for a long-lasting relationship
- Extend social and environmental sustainability along the value chain

3. Innovation and Operational Excellence

- Respond to the needs and expectations of stakeholders with innovations in terms of product, services and processes to increase their satisfaction
- Pioneer innovative solutions to address the sustainability challenges
- Invest in technology leadership through inorganic growth (M&A)



- Continually drive for efficiencies in all our processes to gain a competitive advantage and leadership

4. People and Workplace Excellence

- Provide our people the opportunity to develop their career
- Promote diversity and inclusion; respect and empower of people
- Create a safe and healthy work environment

5. Business Ethics Excellence

- Fully comply with laws and regulations and conduct business with the highest level of ethics and integrity
- Promote an ethical culture

6. Community Excellence

- Create strong communities, which offer people economic growth and a great quality of life
- Support and build a healthy environment within the community
- Promote community services and employee involvement

In each of these areas, we have developed initiatives and made progress on setting targets and rolling out those initiatives within the Company. Progress is monitored through regular performance review and reporting across our company.

To drive sustainability forward, we have a sustainability governance structure supporting the development and execution of our sustainability strategy. Our governance structure allows us to effectively manage sustainability and ensure accountability runs right to the top of the Company.

In 2014, we made several structural changes to support integration of sustainability within the Company. These included renaming the "Enterprise Risk Management Committee" to the "Sustainability Committee" and forming a Sustainability Steering Committee to lead and monitor company-wide sustainability performance.

Sustainability Committee (SC)

IVL's sustainability governance is led by its Sustainability Committee as the highest governance body. The Sustainability Committee is chaired by the Group CEO and comprises six members, including three Independent Directors.

The objective of the Sustainability Committee is to provide oversight and assist the Board in fulfilling its responsibilities in respect of development, implementation, monitoring and reporting of the Company's sustainable development.

The Sustainability Committee is responsible for setting the overall approach to sustainability and oversees how sustainability strategies support business goals, aspirations and balance with stakeholder expectations.

The Sustainability Committee has established the two sub-committees: the Sustainability Steering Committee and Corporate Social Responsibility Committee to promote and facilitate economic, environmental and social sustainability at IVL.

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**SUSTAINABILITY
MANAGEMENT AND
GOVERNANCE**
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152/ Our Responsibility AND SUSTAINABILITY

The Sustainability Committee will meet as frequently as required to review sustainability matters that may have a significant impact on the Company and approve our annual sustainability reporting and disclosure. Minutes of all meetings are kept by the Secretary to the Sustainability Committee.

Sustainability Steering Committee (SustSCo)

IVL has made significant progress toward sustainability. In 2014, the Sustainability Steering Committee (SustSCo) was formed and comprises senior leaders from different functions and businesses with deep subject matter expertise. The formation of this new committee aims to define accountability and create a more centralized sustainability structure while driving the campaign forward.

The role of the SustSCo is to steer IVL's effort to integrate sustainability into its current activities, long-term strategic planning process and risk management framework. The SustSCo will oversee the development and implementation of IVL's strategy and policies on sustainability. The SustSCo will meet periodically to monitor sustainability performance, assess the risks associated with the sustainable development aspects, review stakeholders' feedback, sustainability trends/ issues and the sustainability reporting framework.

The SustSCo will provide progress updates and report challenges and new developments as well as make recommendations to address performance gaps to the Sustainability Committee.

Corporate Social Responsibility Committee (CSR Committee)

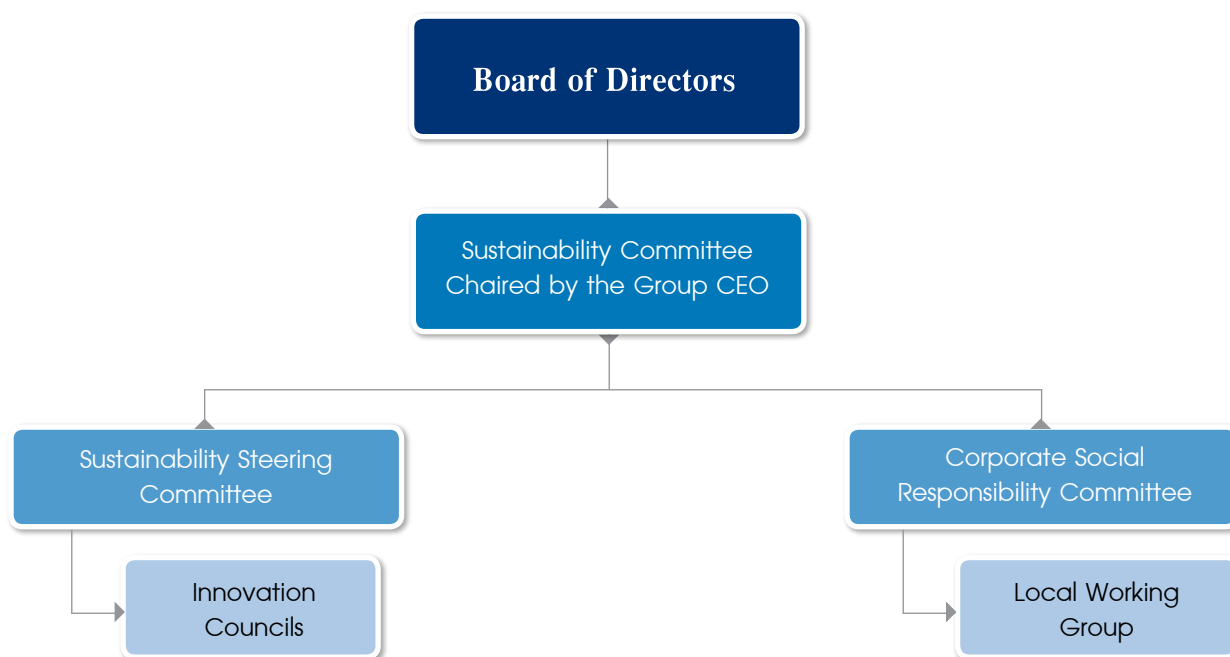
The CSR Committee has primary responsibility for planning, overseeing and coordinating of social, community and economic development programs at IVL. The CSR Committee will monitor the Company's social and community programs and performance, bring up issues of concern, propose solutions and plan future initiatives.

The CSR Committee meets formally every quarter to update on performance and review programs related to social and community development.

Local Working Group

Local Working Groups are set up at each location to coordinate activities with employees, communities and local authorities. All activities are monitored locally for effectiveness and feedback and reported to the CSR Committee on a quarterly basis.

Structure of the Sustainability Functions





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OUR APPROACH TO SUSTAINABILITY REPORTING

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As part of our commitment to transparency and strengthening our engagement with stakeholders regarding our sustainability efforts, we publish our sustainability report annually. This report provides insight into our approach to sustainability, objectives, strategy and performance.

In our sustainability reporting system, we aim to cover all factories with IVL's operational control including wholly-owned subsidiaries and majority-owned joint ventures worldwide.

Data in the Sustainability Report covers performance during the 12 month-period of 2014 calendar year. The report is prepared in accordance to Sustainability Reporting Guidelines of Global Reporting Initiatives Generation 4 (GRI G4). We issue our Sustainability Report on an annual basis. It is available on our website (www.indoramaventures.com/EN/sustainability.php).

We believe in accurate and transparent reporting, content and data disclosed in our sustainability report is independently verified by external assurance. Indicators were selected for assurance based on the issues and indicators that are most significant to the sustainability

performance of the business, as well as the key risks identified by the whole group.

Our stakeholder feedback helps us to improve our sustainability programs and reporting. We provide channels for our stakeholders to easily contact the Company and provide feedback on our sustainability report and performance by email (sustainability@indorama.net) or through online feedback form (www.indoramaventures.com/EN/sustainability.php).

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STAKEHOLDER ENGAGEMENT

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Engagement is about bringing the voices of stakeholders into decisions that affect or interest them. Our engagement programs help us to understand and respond to the concerns and expectations of our stakeholders.

Responsibility for stakeholder engagement and management is decentralized.

Individual business units or functions are responsible for identifying stakeholder concerns in their particular areas and taking appropriate action. At group level, the Sustainability Steering Committee (SustSCo) oversees all engagement and bringing potential gaps that may exist to the Sustainability Committee's attention.

Stakeholder identification has been done through a brainstorming process to collect a list of people who stand to gain or lose economically, socially and environmentally through the actions of the Company. To develop a good understanding of our stakeholders, we draw out stakeholders' expectations, interests, benefits and their concerns. Then, we prioritized and determined how to engage the different stakeholders.

Communicating with and listening to our stakeholders enable us to prioritize issues effectively and contribute to our overall sustainability strategy. We also see stakeholder engagement as a way to drive innovation, mitigate risks and build trusting relationships.

We have tailored our engagement processes using different communications methods to suit each different stakeholder group. To help us deliver our commitment, we intend to improve our stakeholder engagement process continuously.

In the table below, we identify our key stakeholder groups; outline our approach to engaging each of these groups, highlight issues and priority concerns raised during the year and our actions taken in response.



154/Our Responsibility AND SUSTAINABILITY

Engagement Method	Key Issues Raised/Concerns by Stakeholders	How IVL has responded in 2014
Shareholders	• Company performance and growth strategies • Corporate Governance • Integrity and transparency • Sustainability performance	Corporate Governance Policy Awareness Campaign (CGPAC) The Company conducted CGPAC in 2014. 16 related policies were deployed and the same were informed to all the employees through the HR functions of the respective units. These policies are available in 12 languages and are all available on the company's website.  Anti-corruption Program To drive IVL's commitment in anti-corruption, the Company conducted training sessions on anti-corruption at the Head Office and Thai sites in 2014. Total 14 training sessions have been conducted in 2014 with total of 313 employees attended (55% of participants are in the management level). Corporate Governance Scorecard The 2014 Key Result Areas (KRAs) of the Group Chief Executive Officer were reviewed and included "Corporate Governance" in his Balanced Scorecard and adopted by other Executive Directors. Sustainability Reporting To building trust and create transparency of sustainability performance, the Company decided to report on sustainability using the GRI G4 guidelines in 2014. IVL Sustainability Reporting was brought into focus in 2010 and received level C under GRI G3.1 in 2012 and Level B⁺ in 2013.

Engagement Method	Key Issues Raised/Concerns by Stakeholders	How IVL has responded in 2014
Customers		
• Customer satisfaction survey • Customer visits • Product website • Marketing collateral • One-on-one contact • Tradeshows, conferences, seminars	• Sustainable and Innovative Portfolio of products and solutions • Sustainable Value Chain • Use of environmentally materials • Reliable business partners • Business Ethics and Compliances	Collaboration on Sustainability Initiatives We work with customers to develop products and services that promote sustainability in areas such as Coca-Cola's PlantBottle®, which use bio MEG. Product Innovation The Company has launched Polyclear EBM 5506, an improved "second generation" EBM resin. Our Polyclear™ EBM PET 5506 resin is recognized by the Association of Post-consumer Plastic Recyclers ("APR") as meeting or exceeding the APR PET Critical Guidance Document Protocol. Sustainable Procurement Programs We participate on voluntary Corporate Social Responsibility Assessments requested by our customers through agencies, such as EcoVadis, Sedex. Product Life Cycle Assessment (LCA) All businesses will have ongoing life cycle assessment (LCA) projects and planning across all product categories in the future. Expansion of Recycled Products and the Use of Post-consumer Recycled Content Grow recycled product volumes from Mexican operations and start-up of recycling plant in Thailand in 2014. Entering into Turkey We took the decision to support our major customers by entering into the fastest emerging market in Europe and the Organisation for Economic Co-operation and Development (OECD). This strategy has reinforced our position as the preferred supplier to the beverage industry.
Employees		
• Employee satisfaction survey • Annual performance review • Orientation • Corporate grievance mechanism • Town Hall Meetings • Intranet • Training and workshops • Company magazine • Code of Conduct	• Retention and Development • Staff benefits • More sharing of information and best practices on sustainability initiatives	Internal Sustainability Workshop We conducted internal workshop for IVL's senior executives who are involved in sustainability initiatives to raise awareness of sustainability internally and provide on-going coaching and consultation on sustainability implementation projects and processes. 

156/Our Responsibility AND SUSTAINABILITY

Engagement Method	Key Issues Raised/Concerns by Stakeholders	How IVL has responded in 2014
Employees		
		Employee Induction Manual The Company introduced an Employee Induction Manual and Campus Connect Program with local universities. The same was implemented by having two Campus Connect Programs in 2014, which helped IVL in employer branding and resulted in attracting some candidates for employment.
Suppliers		
• Business Partners and Competitor Policy • Supplier Management System	• Trend in responsible sourcing and supply chain management • Business Ethics and Compliances	Supplier Code of Conduct and Compliance Program In 2014, IVL developed and introduced our first Supplier Code of Conduct to ensure that our suppliers operate in accordance with standards on human rights, health and safety, environment and business ethics. We asked all our first tier suppliers to sign our Supplier Code of Conduct. All new suppliers will be required to sign to the Code as part of any new contracts.
Investors		
• Investor Relations • Quarterly Analyst Meeting • Briefings and presentations • One-on-one meetings • Conference calls • Local and overseas roadshows • Press Releases • Corporate grievance mechanism • Investor Fact Sheet • Email subscription • Investor Relations Website • Annual Report • Sustainability Report • Social Media	• Understanding of IVL's businesses • Open and transparent communication • Delivery against expectations	Capital Markets Day IVL held Capital Markets Day 2014, which allow our senior executives to engage and maintain close contact with investors and keep them informed of IVL's operations and key developments in strategically markets and business segments. Investor Seminar On October 2014, IVL arranged for a seminar "Innovative Investment Opportunity - Hybrid Debentures" at the Stock Exchange of Thailand for bank representatives, investors and the general public. Improving Understanding of IVL's Businesses IVL held a seminar on "Understanding IVL." This seminar aims to build understanding about IVL for individuals and institutional investors, business analysts and others. The seminar gave an understanding of the company, its business, markets and industries. The seminar was arranged to help the participants understand IVL in order to invest in the company in an effective, sustainable manner.

Engagement Method	Key Issues Raised/Concerns by Stakeholders	How IVL has responded in 2014
Government and Industry Group		
• Formal and informal meetings • Site visits • Focus Group Meetings • Joint Events • Member of Industry Bodies	• Industry trend in zero-waste approach to the economy (effective design and use of finite resources) • Environmental Compliance • Regulatory Compliance	Participation in Project MainStream In 2014, Indorama Ventures has committed to participate and collaborate in global initiatives "Project MainStream" led by the World Economic Forum (WEF) and the Ellen MacArthur Foundation, along with McKinsey, which aims to create the circular economy. Project Mainstream has identified and launched three projects of which IVL is a participant in one - the Global Plastic Packaging Roadmap. The project aims to develop a roadmap for increasing resource productivity and the circularity of polymers and packaging across global value chains.
Local Communities		
• Community Visit Program • Open House • Community Dialogue	• Environmental Management • Community Development	Site Visits/Open House Site visits was carried out to ensure local communities can observe the site and environmental practices. Education Programs We have initiated education programs in our local communities to undertake capacity-building among residents. For example, a workshop teaching how to weave plastic baskets for people in the nearby community, 'English Training with Indorama Ventures' program, which aimed at strengthening English communication skills of students in primary education in the nearby community. Health and Well-being Programs We have also worked with local organizations to help raise awareness of health issues. For example, we provided support to the Mexican Institute of Social Security during the vaccination week, raised money by cooking to support the March of Dimes for research aiming to prevent birth defects, premature births and infant mortality.

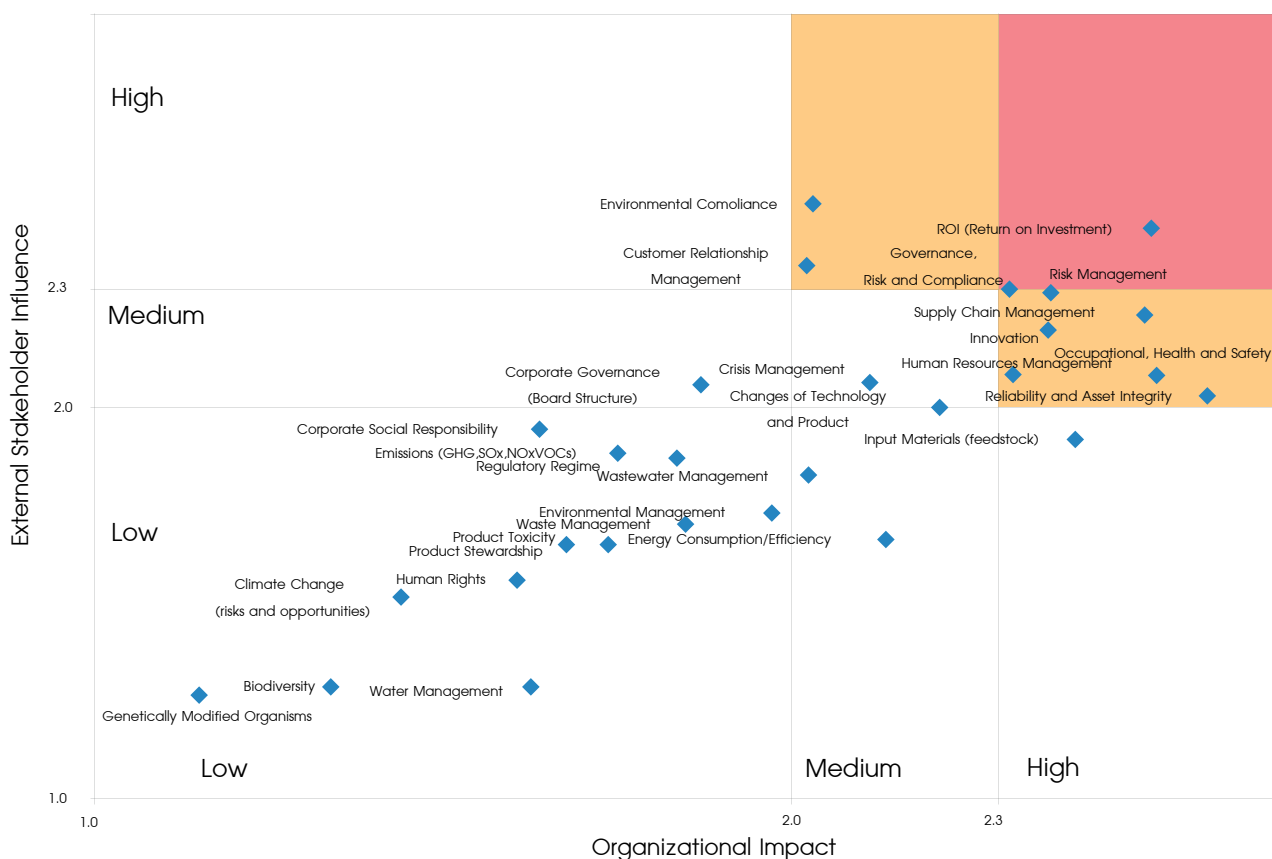
“ OUR PRIORITIES ”

We focus our efforts on areas that are of greatest interest and concern to our stakeholders and deliver the greatest value to our business. To maximize the impact of our sustainability efforts, we follow a systematic method using a materiality analysis to identify a focused list of the most significant material issues.

We draw input from range of internal stakeholders from site heads, business heads and corporate level heads to determine what matter to our stakeholders. Webinars were conducted to engage all relevant internal stakeholders and ensure consistent understanding across all IVL companies regarding the rating of material issues.

Material Issue rankings were obtained from IVL’s internal stakeholders through the use of a standardized questionnaire template. In total, data was collected from 17 sites, seven businesses and eight corporate functions. A total of ten countries were represented in the questionnaire response.

By analyzing the rankings, we developed the list of issues. IVL’s Sustainability Steering Committee reviewed and assessed the matrix of key issues that response to business objectives and mega-trends. The average of site level, business level and corporate level rating were made and the combined IVL rating was made based on average with equal weighting of the ratings of all three levels. This process created our materiality matrix for 2014 as below:





Based on the assessment, senior management agreed on key materials issues. IVL reviewed the GRI aspects and where relevant assigned indicators; reference GRI index.

We have identified our most material sustainability issues based on our stakeholders' concerns and interests against those that have the biggest financial or operational impact on our business and use them as a guide for our activities. The following are eight key materiality issues identified:

1. Innovation Management
2. Governance and Compliance
3. Supply Chain Management
4. Customer Relationship Management
5. Operational Efficiency
6. Environmental Management
7. Health and Safety
8. Human Resources

“ OUR PERFORMANCE ”

IVL's sustainability performance and its new challenges are reported to stakeholders in our annual Sustainability Report and published on our website (www.indoramaventures.com/EN/sustainability.php).



REPORT OF THE Audit Committee for the Year 2014

The Audit Committee of Indorama Ventures Public Company Limited consists of three independent directors of the Company, who possess appropriate qualifications to serve on the Audit Committee, namely;

Mr. Rathian Srimongkol

Chairman

Mr. Maris Samaram

Member

Dr. Siri Ganjarerndee

Member



Significant activities of the Audit Committee during the year are summarised hereunder:

- 1) The Committee approved the quarterly financial statements and reviewed the annual financial statements of the

Company standalone and consolidated with its subsidiaries, discussed the significant accounting policies, internal controls etc with the management and external auditors of the Company.

Based on the review and discussions with the external auditors of the Company, the Committee believes that the company's financial reports are accurate, complete, presented fairly with adequate information in compliance with generally accepted accounting standards and relevant regulations;

During the year 2014, the Committee held 6 meetings, with the attendance of the Audit Committee Members as under:

Name	Attendance
1 Mr. Rathian Srimongkol	6 / 6
2 Mr. Maris Samaram	6 / 6
3 Mr. Chakramon Phasukavanich*	4 / 5
4 Dr. Siri Ganjarerndee**	1 / 1

* Mr. Chakramon resigned as Member of the Audit Committee effective August 27, 2014.

** Dr. Siri Ganjarerndee has been appointed as Member of the Audit Committee, in place of Mr. Chakramon Phasukavanich, effective October 20, 2014.

The Audit Committee performed their tasks in accordance with the scope of its responsibilities as assigned by the Board of Directors, as per the Audit Committee Charter and those required by applicable regulations. During the year, Mr. Chakramon Phasukavanich resigned as a Member of the Audit Committee effective August 27, 2014 and Dr. Siri Ganjarerndee has been appointed as a Member of the Audit Committee, in place of Mr. Chakramon Phasukavanich, effective October 20, 2014.

- 2) Each quarter of the year, the Committee deliberated the Management Discussion and Analysis (MD&A) in consultation with the Management. The Committee approved the quarterly MD&A reports and reviewed the annual MD&A reports before recommending the same to the Board of Directors.

The Committee believes that the Management Discussion and Analysis (MD&A) is presented fairly with adequate information;

- 3) The Committee reviewed and approved the annual internal audit plan for the year, reviewed the internal audit department's independence and headcount. The Committee also reviewed the results of the internal audit covering subsidiaries of IVL across all geographic locations.

Based on its review, the Committee is of the opinion that the Company's internal audit function including their independence and team size is adequate and effective.

- 4) The Committee assessed the adequacy of internal control systems with the Company's external and internal auditors and management, reviewed their significant findings on internal controls of all the major subsidiaries

Report of the AUDIT COMMITTEE FOR THE YEAR 2014 /161

of the Company, recommended corrective actions as required and to implement appropriate systems in place. The Committee will continue to work together with the Internal Auditor and Management to further streamline the internal control systems and procedures.

Based on its review, the Committee believes that the company's internal control systems are adequate, suitable and adaptable to evolving circumstances to suit the company's businesses, present and future, while complying with related laws and regulations;

- 5) The Committee reviewed, on quarterly basis, the status of the company's compliance with the laws and regulations of the Stock Exchange of Thailand, the Securities and Exchange Commission and other relevant laws pertaining to the Company's business and noted no issue of non-compliances.

The Committee further reviewed the status of compliance with the local and all applicable laws and regulations of respective countries in which the subsidiaries exist and/or operate and noted no issue of non-compliances.

- 6) The Committee evaluated the performance of KPMG Phoomchai Audit Limited, the external auditors of the Company, for the year 2013 and being satisfied, recommended to the Board for their re-appointment for the year 2014 along with the proposed audit fee.
- 7) The Audit Committee approved New Connected transactions which are required to be approved by the Audit Committee as per SEC/SET regulations and Connected Transaction Policy of the company.
- 8) The Committee reviewed each quarter all the connected transactions and the transactions that may involve possible conflicts of interest.

Based on its review, the Committee is of the opinion that all such transactions took place at regular commercial conditions and justifiable terms on an arm's length basis as would have been entered with outsiders, in the best interest of the Company, in line with the Connected Transaction Policy of the Company and in compliance with regulatory requirements.

- 9) The Audit Committee has conducted a self-assessment to review and evaluate its performance by benchmarking it with the Audit Committee Charter and best practice guidelines. The Audit Committee is satisfied that it has been effective in carrying out its duties and has followed the terms of reference in its charter. The results of the self-assessment were reported to the Board of Directors of the Company.
- 10) The Audit Committee has reviewed the measures taken by the Company for countering the anti-corruption and bribe as part of good Corporate Governance and approved the Self-Evaluation Tool for Countering Bribery according to the specifications mandated by the Thai Institute of Directors Association. The Audit Committee also reviewed the questionnaire of Private Sector Collective Action Coalition against Corruption Self-Evaluation Tool for Countering Bribery, Anti-Corruption Procedure and Guideline.

Based on above, the Audit Committee believes that the Board of Directors and Management have operated the business with ethics and continue to perform duties professionally to achieve company's goals with thrust on operating business with effective internal controls and internal audit function, good corporate governance practices and periodic improvements in business processes.

On behalf of the Audit Committee



Mr. Rathian Srimongkol
Chairman of the Audit Committee

REPORT OF THE Sustainability Committee for the Year 2014



The Board of Directors of the Company in 2013 formed the Enterprise Risk Management Committee (the 'Committee') comprising five members including two Independent Directors. The Committee is chaired by Mr. Alope Lohia, the Group CEO and Vice-Chairman of the Board. Other members of the Committee are Mr. Rathian Srimongkol, Independent Director, Vice-Chairman of the Board and Chairman of the Audit Committee, Mr. Maris Samaram, Independent Director and Member of the Audit Committee, Mr. Dilip Kumar Agarwal, CEO of PET and Feedstock Business and Mr. Udey Paul Singh Gill, President of the Polyester Business. In November 2014, the Board renamed the Enterprise Risk Management Committee the "Sustainability Committee" and also appointed Mr. Russell Leighton Kekuwa, an Independent Director, as an additional member of the Committee, making the total number of members six.



Mr. Rathian Srimongkol



Mr. Maris Samaram



Mr. Dilip Kumar Agarwal



Mr. Uday Paul Singh Gill

“ DUTIES PERFORMED DURING THE YEAR BY THE COMMITTEE: ”

The Committee at its first meeting further formed business level and plant level sub-committees in order to create and develop the awareness of, and thereby embed in all employees, a 'risk culture.' The objective is to enhance the efficiency of the risk management system across the organization in order to identify key risks and inculcate a culture of identifying the root cause of the risks, especially those of a repetitive nature, and to take appropriate risk mitigation actions at the grassroots level to curb the occurrence of such risks in future.

During the year 2014, the Committee performed its duties and responsibilities as mandated by the Board of Directors and the Enterprise Risk Management Charter of the Company by conducting two meetings. The attendance of the Committee members is given below:

	Name	Attendance
1	Mr. Alope Lohia	2 / 2
2	Mr. Rathian Srimongkol	2 / 2
3	Mr. Maris Samaram	2 / 2
4	Mr. Dilip Kumar Agarwal	2 / 2
5	Mr. Uday Paul Singh Gill	1 / 2

1. Implemented Enterprise Risk Management Structure and Risk Management Practices in all the entities of IVL across the globe and mandated that all entities follow risk analysis of all the factors within the Committee's approved risk management framework and guidelines.
2. Risk factors were raised on a 'bottom-up' basis from the plants to the Business Core Committees to the Committee and similarly on a 'top down' basis from the Committee to Business Core Committees to plants.
3. Throughout the year, the Committee and Business Core Committees monitored significant risks, especially the following risks, and found that all the entities of IVL operated in accordance with the Committee's approved framework, methods and plans as well as recommendations:
 - Strategic risks and opportunities including potential expansions and acquisitions; Reputational risks including corruption, investor relations;
 - Statutory compliances including environmental risks;
 - Events having impact on cyclicity and integrity of the business;
4. The Committee has reviewed the future strategies of the Company and its sensitivity analysis and presented to the Board for its consideration.
5. On countering corruption, the Committee in its meeting held on September 29, 2014 has assessed risks associated with corruption and fraud; reviewed the implementation of the anti-corruption policy and its effectiveness; reviewed the adequacy of controls and the mitigation measures taken for combating such risk. After having gone through such measures to ensure robust fraud and corruption risk management across all entities in the company, the Committee have given certain instructions and guidelines and informed the management to pass on its instructions to every employee of the organization across the globe.
6. The Committee has performed a self-assessment of its overall performance for the year 2014.

The Committee is committed to implementing sustainability and operational excellence measures, enterprise risk management process in an effective and systematic manner, with clear objectives to protect, sustain and generate increased value to shareholders and stakeholders of the Company.

On behalf of the Sustainability Committee

Mr. Alope Lohia
Chairman of the Sustainability Committee

Duties Performed by the Nomination, Compensation and Corporate Governance Committee (NCCG) for the Year 2014



Mr. William Ellwood Heinecke



Mr. Alok Lohia



Dr. Siri Ganjarende



Mr. Kanit Si

The NCCG Committee is chaired by Mr. William Ellwood Heinecke, an Independent Director, with Dr. Siri Ganjarende, Independent Director, Mr. Kanit Si, Independent Director and Mr. Alok Lohia, the Group CEO and Vice-Chairman of the Board as other members of the committee.

The Nomination, Compensation and Corporate Governance Committee ("NCCG Committee") was appointed in May 2014 for another two-year term.

In 2014, the NCCG Committee held three meetings and performed its tasks consistent with the scope of its responsibilities as assigned by the Board of Directors, and consistent with the NCCG Committee Charter and applicable regulations.

Duties performed by the NCCG Committee during the year are summarized as under:

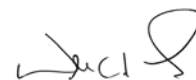
1. The NCCG Committee recommended having a self-assessment by individual Directors as a part of its own good governance. The self-assessment was designed to assess the level of participation in and contributions to the Board Meetings by respective directors. The format was approved by the NCCG Committee. Each member of the Board completed his or her own assessment.
2. The NCCG Committee reviewed the summarized results of the self-evaluation for both the Board and subcommittee performance for the year and presented the conclusions to the Board for its consideration. The Chairman reviewed self assessment of the respective directors.
3. The NCCG Committee after considering the experience and contribution of the Directors retiring deemed it appropriate to re-appoint them for another term and recommended the same to the Board. The Committee recommended that the Board reappoint retiring directors by rotation during the year for another term as no nominations were received from the shareholders to appoint new directors. The shareholders in the Annual General Meeting of Shareholders held on 24 April 2014 approved the reappointment of all the nominated directors.

Report of the NOMINATION, COMPENSATION AND /165 CORPORATE GOVERNANCE COMMITTEE (NCCG) FOR THE YEAR 2014

4. Mr. Chakramon Phasukavanich resigned as an independent director at the end of August 2014 due to his appointment to the government and thus the NCCG Committee recommended the name of Mr. Russell (Rusty) Kekuwa as independent director in place of him.
5. It was decided to bring down the limit of shareholding by independent directors from 1% to 0.75%. This was done to make it in line with the revised definition of an independent director.
6. The NCCG Committee recommended that the company should introduce an Employee Induction Manual and Campus Connect program with local universities. The same was implemented by having two Campus Connect programs in 2014, which helped IVL in employer branding and resulted in attracting some candidates for employment in IVL.
7. The Committee also focused on the development of the Board of Directors and the senior management of IVL in the area of Corporate Governance. In 2014, one Executive Director and one senior management executive attended Directors Accreditation Program (DAP) at the Thailand Institute of Directors (IOD). A senior management executive also attended Directors Certification Program (DCP) organized by the IOD.
8. The Committee reviewed the initiative on corporate governance awareness in the organization. Under the Corporate Governance Policy Awareness Campaign (CGPAC), 16 related policies were deployed and the same was informed to all the employees through HR functions of the respective units of IVL. These policies are available in 12 languages and are all available on the company's website.
9. The NCCG Committee reviewed two reported issues raised by staff under the Whistleblower Policy. Both were investigated. One issue was found to be without fact or merit and the other was addressed immediately by the concerned Business Head and resolved.
10. The Committee also reviewed the progress of Corporate Governance implementation through the assessment done by the IOD. In the Corporate Governance Report of the IOD, IVL scored 93% compared to 87% in 2012. Under the ASEAN CG Score provided by the IOD, IVL scored 60.30% against "Overall ASEAN Listed Companies" score of 45.11% and "Overall Thai Listed Companies" score of 53%. The gap areas identified by the IOD were discussed and a plan was made to address those issues.
11. IVL Sustainability efforts were reviewed and it was decided to report using the GRI G4 guidelines from 2014. IVL Sustainability was brought into focus in 2010 and under GRI G3.1 achieved level C in 2012 and Level B+ in 2013.
12. The 2014 KRAs of the Group Chief Executive Officer were reviewed and it was suggested to include "Corporate Governance" in his Balance Score Card and same to be adopted by other Executive Directors.
13. The NCCG Committee asked the Group CEO to review the performance of the Executive Directors based on their KRAs and the targets achieved, which was completed.
14. The NCCG Committee considered the compensation of the Board of Directors and its subcommittees, comprising the Audit Committee, the NCCG Committee, and the Enterprise Risk Management Committee for the year 2014 and then submitted its recommendations to the Board for its consideration. While considering compensation, the NCCG Committee deliberated the responsibilities, performance and comparisons with industry peers.
15. The Company offered minor shareholders an opportunity to propose agenda items for the Annual General Meeting of Shareholders (AGM) and to nominate directors from October 1, 2014 to December 31, 2014.

The NCCG Committee is pleased to inform that the Company has been awarded by the SET the "Top Corporate Governance Report Award 2014", the "CSR Recognition Award 2014 (in the category of Rising Star)" and the "Outstanding Sustainability Report Award 2014".

The NCCG Committee believes that it has performed its duties diligently and with integrity. It has recommended the Board to ensure adherence to the principle of good governance to protect and act in the best interest of all stakeholders.



William E. Heinecke
Chairman of the Nomination, Compensation and
Corporate Governance Committee

REPORT OF THE Board of Directors' Responsibilities for the Financial Statements



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MR. SRI PRAKASH LOHIA

Chairman

MR. ALOKE LOHIA

Group CEO

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The Board of Directors of Indorama Ventures Public Company Limited places significance on its duties and responsibilities in supervising the Company's operations in compliance with good corporate governance principles and is accountable for the financial statements including financial data as shown in the Annual Report. The financial statements for the accounting year ended December 31, 2014 have been prepared under generally accepted accounting standards. In preparing the said financial statements, the Company has adopted accounting practices and standards that are appropriate to its nature of business. All material information has been sufficiently disclosed in the notes to financial statements. The financial statements have been audited by qualified and independent auditors who have confirmed that the said statements accurately reflect the actual financial standing, results and operating results over the past year, as well as being transparent.

The Board of Directors has maintained internal control, internal audit, risk management and corporate governance in order to ensure the completeness, adequacy and accurateness of the financial statements. The Board of Directors has assigned the Audit Committee to review the quality of financial reports, the internal control system as well as the appropriate disclosure of connected transaction.

The Board of Directors expresses its satisfaction on the adequacy, credibility and reliability on the internal control system and the financial statements of Indorama Ventures Public Company Limited and its subsidiary companies for the year ended December 31, 2014.

Mr. Sri Prakash Lohia
Chairman

Mr. Alope Lohia
Group CEO

INDEPENDENT

Auditor's Report

To the Shareholders of Indorama Ventures Public Company Limited

I have audited the accompanying consolidated and separate financial statements of Indorama Ventures Public Company Limited and its subsidiaries (the "Group") and of Indorama Ventures Public Company Limited (the "Company"), respectively, which comprise the consolidated and separate statements of financial position as at 31 December 2014, the consolidated and separate statements of income and comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated and Separate Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated and separate financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these consolidated and separate financial statements based on my audit. I conducted my audit in accordance with Thai Standards on Auditing. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated and separate financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the consolidated and separate financial statements present fairly, in all material respects, the financial position of the Group and the Company, respectively, as at 31 December 2014 and their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.



(Winid Silamongkol)
Certified Public Accountant
Registration No. 3378

KPMG Phoomchai Audit Ltd.
Bangkok
20 February 2015

INDORAMA VENTURES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES **Statement of financial position**

		Consolidated financial statements 31 December	Separate financial statements 31 December		
Assets	Note	2014	2013	2014	2013
(in thousand Baht)					
Current assets					
Cash and cash equivalents	6	5,419,582	4,114,350	2,887,049	677,182
Current investments	7	5,101,828	262,640	5,000,000	50,000
Trade accounts receivable	5, 8	26,202,987	28,827,189	-	-
Short-term loans to related parties	5	75,145	602	16,914,437	12,342,325
Inventories	9	29,141,059	28,939,556	-	-
Other current assets	5, 10	6,239,590	6,278,312	211,167	418,994
Total current assets		72,180,191	68,422,649	25,012,653	13,488,501
Non-current assets					
Investments in subsidiaries and other equity security	11	-	-	42,141,073	40,907,068
Investments in jointly-controlled entities	12	1,941,863	2,887,471	-	-
Other long-term investments	7	104,719	99,025	70,000	70,000
Long-term loans to related parties	5	164,125	98,441	26,140,536	23,415,709
Property, plant and equipment	13	98,900,604	96,213,493	-	-
Goodwill	14	8,054,789	8,018,747	-	-
Other intangible assets	15	11,126,898	11,245,657	-	-
Deferred tax assests	16	1,105,256	1,185,116	25,977	83,928
Other non-current assets		1,909,639	871,249	249,085	-
Total non-current assets		123,307,893	120,619,199	68,626,671	64,476,705
Total assets		195,488,084	189,041,848	93,639,324	77,965,206

The accompanying notes are an integral part of these financial statements.

INDORAMA VENTURES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES **Statement of financial position**

		Consolidated financial statements 31 December		Separate financial statements 31 December	
Liabilities and equity	Note	2014	2013	2014	2013
(in thousand Baht)					
Current liabilities					
Bank overdrafts and short-term loans from financial institutions	17	8,581,042	16,075,384	-	-
Trade accounts payable	5, 18	27,764,210	25,663,247	-	-
Short-term loans from related party	5, 17	-	-	-	164,300
Current portion of long-term loans from financial institutions	17	4,426,228	3,921,866	1,668,564	1,953,267
Current portion of finance lease liabilities	17	8,345	5,235	-	-
Income tax payable		854,342	700,850	-	-
Other current liabilities	5, 19	6,431,556	6,613,915	292,616	248,021
Total current liabilities		48,065,723	52,980,497	1,961,180	2,365,588
Non-current liabilities					
Long-term loans from financial institutions	17	32,757,581	41,463,258	5,721,807	9,359,376
Debentures	17	27,498,956	23,795,700	27,498,956	23,795,700
Finance lease liabilities	17	21,418	4,627	-	-
Deferred tax liabilities	16	8,890,422	6,924,779	-	-
Employee benefit obligations	20	1,754,996	961,818	-	-
Other non-current liabilities		944,231	1,343,405	14,250	447,584
Total non-current liabilities		71,867,604	74,493,587	33,235,013	33,602,660
Total liabilities		119,933,327	127,474,084	35,196,193	35,968,248

The accompanying notes are an integral part of these financial statements.

INDORAMA VENTURES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES **Statement of financial position**

		Consolidated financial statements 31 December	Separate financial statements 31 December		
Liabilities and equity	Note	2014	2013	2014	2013
(in thousand Baht)					
Equity					
Share capital					
Authorised share capital	21	5,666,010	4,815,857	5,666,010	4,815,857
Issued and paid-up share capital	21	4,814,257	4,814,257	4,814,257	4,814,257
Additional paid in capital:					
Share premium	21	29,774,627	29,774,627	29,774,627	29,774,627
Unrealised surpluses (deficits)					
Revaluation surplus	22	921,767	1,109,407	-	-
Hedging reserve	22	(37,417)	(8,389)	154,865	(236,338)
Currency translation differences	22	955,455	2,499,825	-	-
Excess of cost over book value of acquired subsidiaries	22	(3,290,729)	(3,294,950)	-	-
Differences arising from common control transactions	22	(1,235,562)	(1,235,562)	-	-
Retained earnings					
Appropriated					
Legal reserve	22	1,834,749	1,832,749	481,586	481,586
Unappropriated		24,869,817	25,013,556	8,343,724	7,162,826
Equity attributable to share holders of the Company		58,606,964	60,505,520	43,569,059	41,996,958
Subordinated perpetual debentures	23	14,874,072	-	14,874,072	-
Equity attributable to equity holders of the Company		73,481,036	60,505,520	58,443,131	41,996,958
Non-controlling interests		2,073,721	1,062,244	-	-
Total equity		75,554,757	61,567,764	58,443,131	41,996,958
Total liabilities and equity		195,488,084	189,041,848	93,639,324	77,965,206

The accompanying notes are an integral part of these financial statements.

INDORAMA VENTURES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES **Statement of income**

		Consolidated financial statements Year ended 31 December		Separate financial statements Year ended 31 December	
	Note	2014	2013	2014	2013
(in thousand Baht)					
<i>Income</i>					
Revenue from sale of goods	5	243,907,218	229,120,448	-	-
Interest income	5	71,615	152,623	1,695,555	1,827,109
Dividend income	11	-	-	2,622,699	3,296,322
Net foreign exchange gain		375,371	267,021	34,754	358,227
Gain on bargain purchase	4	1,669,890	-	-	-
Impact of flooding, net		140,000	1,690,212	-	-
Other income	4, 5, 25	1,572,773	1,126,317	215,650	186,550
Total income		247,736,867	232,356,621	4,568,658	5,668,208
<i>Expenses</i>					
Cost of sale of goods	5, 26	222,069,975	211,779,029	-	-
Selling expenses	5, 27	11,139,586	8,948,763	-	-
Administrative expenses	5, 28	5,397,437	3,823,321	47,291	40,075
Management benefit expenses	29	90,174	76,128	17,770	10,504
Impairment loss	12, 13	744,082	-	-	-
Finance costs	31	3,554,524	3,810,954	1,773,844	1,727,608
Total expenses		242,995,778	228,438,195	1,838,905	1,778,187
Share of loss of jointly-controlled entities, net	12	(1,356,055)	(1,107,954)	-	-
Profit before income tax expense		3,385,034	2,810,472	2,729,753	3,890,021
Income tax expense	32	1,614,462	1,293,893	-	111,263
Profit for the year		1,770,572	1,516,579	2,729,753	3,778,758
Profit attributable to:					
Owners of the Company		1,485,385	1,325,867	2,729,753	3,778,758
Non-controlling interests		285,187	190,712	-	-
Profit for the year		1,770,572	1,516,579	2,729,753	3,778,758
Earnings per share					
Basic and diluted earnings per share (in Baht)	34	0.28	0.28	0.54	0.78

The accompanying notes are an integral part of these financial statements.

INDORAMA VENTURES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES **Statement of comprehensive income**

		Consolidated financial statements Year ended 31 December		Separate financial statements Year ended 31 December	
	Note	2014	2013	2014	2013
(in thousand Baht)					
Profit for the year		1,770,572	1,516,579	2,729,753	3,778,758
Other comprehensive income					
Foreign currency translation differences for foreign operations		(2,170,029)	4,802,662	-	-
Net gain (loss) on hedge of net investment in foreign operations		489,004	(344,478)	489,004	(297,786)
Effective portion of changes in fair value of cash flow hedges		(34,944)	42,510	-	-
Defined benefit plan actuarial losses	20	(413,355)	(2,694)	-	-
Revaluation of property, plant and equipment		-	(22,182)	-	-
Income tax on other comprehensive income		35,041	56,655	(97,801)	59,557
Other comprehensive income for the year, net of income tax		(2,094,283)	4,532,473	391,203	(238,229)
Total comprehensive income for the year		(323,711)	6,049,052	3,120,956	3,540,529
Total comprehensive income attributable to:					
Owners of the Company		(353,922)	5,808,670	3,120,956	3,540,529
Non-controlling interests		30,211	240,382	-	-
Total comprehensive income for the year		(323,711)	6,049,052	3,120,956	3,540,529

The accompanying notes are an integral part of these financial statements.

INDORAMA VENTURES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

Statement of changes in equity

Consolidated financial statements												
Note	Issued and paid-up share capital	Retained earnings			Other components of equity							
		Share premium	Legal reserve	Unappropriated reserve	Currency translation differences	Revaluation surplus	Hedging reserve	Excess of book value of acquired subsidiaries	Difference arising from common control transactions	Equity attributable to shareholders of the Company	Non-controlling interests	Total equity
(in thousand Baht)												
Year ended 31 December 2013	4,814,257	29,774,627	1,739,471	25,131,027	(1,971,917)	1,322,690	(42,231)	(3,294,954)	(1,235,562)	56,237,408	327,299	56,564,707
Balance at 1 January 2013												
Transactions with owners, recorded directly in equity												
Distributions to owners of the Company												
Dividends	-	-	-	(1,540,562)	-	-	-	-	-	(1,540,562)	(85,581)	(1,626,143)
Total distributions to owners of the Company	-	-	-	(1,540,562)	-	-	-	-	-	(1,540,562)	(85,581)	(1,626,143)
Changes in ownership interests in subsidiaries												
Purchase of non-controlling interests	-	-	-	-	-	-	-	4	-	4	(1,165)	(1,161)
Acquisition of non-controlling interests with a change in control	-	-	-	-	-	-	-	-	-	-	581,309	581,309
Total changes in ownership interests in subsidiaries	-	-	-	-	-	-	-	4	-	4	580,144	580,148
Total transactions with owners, recorded directly in equity	-	-	-	(1,540,562)	-	-	-	4	-	(1,540,558)	494,563	(1,045,995)
Comprehensive income for the year												
Profit	-	-	-	1,325,867	-	-	-	-	-	1,325,867	190,712	1,516,579
Transfer of revaluation surplus to retained earnings	-	-	-	196,688	-	(197,682)	-	-	-	(994)	994	-
Other comprehensive income	-	-	-	(6,186)	4,471,742	(15,601)	33,842	-	-	4,483,797	48,676	4,532,473
Total comprehensive income for the year	-	-	-	1,516,369	4,471,742	(213,283)	33,842	-	-	5,808,670	240,382	6,049,052
Transfer to legal reserve	-	-	93,278	(93,278)	-	-	-	-	-	-	-	-
Balance at 31 December 2013	4,814,257	29,774,627	1,832,749	25,013,556	2,499,825	1,109,407	(8,389)	(3,294,950)	(1,235,562)	60,505,520	1,062,244	61,567,764

The accompanying notes are an integral part of these financial statements.

INDORAMA VENTURES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

Statement of changes in equity

	Note	Consolidated financial statements													
		Retained earnings		Other components of equity											
		Issued and paid-up share capital	Share premium	Legal reserve	Unappropriated reserve	Currency translation differences	Revaluation surplus	Hedging reserve	Excess of cost over book value of acquired subsidiaries	Difference arising from common control transactions	Equity attributable to shareholders of the Company	Subordinated perpetual debentures	Equity attributable to shareholders of the Company	Non-controlling interests	Total equity
Year ended 31 December 2014															
Balance at 1 January 2014															
Transactions with owners, recorded directly in equity															
<i>Distributions to owners of the Company</i>															
35	-	-	-	-	(1,588,705)	-	-	-	-	-	-	-	(1,588,705)	(65,687)	(1,654,392)
<i>Total distributions to owners of the Company</i>															
<i>Changes in ownership interests in subsidiaries</i>															
	-	-	-	-	(1,588,705)	-	-	-	-	-	-	-	(1,588,705)	(65,687)	(1,654,392)
Purchase of non-controlling interests															
	-	-	-	-	-	-	-	-	4,221	-	4,221	-	4,221	(48,043)	(43,822)
Acquisition of non-controlling interests through business combination															
4	-	-	-	-	-	-	-	-	-	-	-	-	-	1,094,996	1,094,996
<i>Total changes in ownership interests subsidiaries</i>															
	-	-	-	-	-	-	-	-	4,221	-	4,221	-	4,221	1,046,953	1,051,174
Total transactions with owners, recorded directly in equity															
	-	-	-	-	(1,588,705)	-	-	-	4,221	-	(1,584,484)	-	(1,584,484)	981,266	(603,218)
Comprehensive income for the year															
	-	-	-	-	1,485,385	-	-	-	-	-	1,485,385	-	1,485,385	285,187	1,770,572
	-	-	-	-	188,940	-	(189,915)	-	-	-	(955)	-	(955)	955	-
	-	-	-	-	(267,229)	(1,544,370)	2,275	(29,028)	-	-	(1,838,352)	-	(1,838,352)	(255,931)	(2,094,283)
Total comprehensive income for the year															
	-	-	-	-	1,407,116	(1,544,370)	(187,640)	(29,028)	-	-	(353,922)	-	(353,922)	30,211	(323,711)
Issuance of subordinated perpetual debentures															
23	-	-	-	-	39,850	-	-	-	-	-	39,850	14,874,072	14,913,922	-	14,913,922
Transfer to legal reserve															
	-	-	-	2,000	(2,000)	-	-	-	-	-	-	-	-	-	-
Balance at 31 December 2014															
	4,814,257	29,774,627	1,834,749	24,869,817	955,455	921,767	(37,417)	(3,290,729)	(1,235,562)	58,606,964	14,874,072	73,481,036	2,073,721	75,554,757	

The accompanying notes are an integral part of these financial statements.

INDORAMA VENTURES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

Statement of changes in equity

	Note	Separate financial statements					Total equity
		Issued and paid-up share capital	Share premium	Retained earnings		Hedging reserve	
				Legal reserve	Unappropriated		
Year ended 31 December 2013							
Balance at 1 January 2013		4,814,257	29,774,627	481,586	4,924,630	1,891	39,996,991
Transactions with owners, recorded directly in equity							
<i>Distributions to owners of the Company</i>							
Dividends	35	-	-	-	(1,540,562)	-	(1,540,562)
<i>Total distributions to owners of the Company</i>		-	-	-	(1,540,562)	-	(1,540,562)
Total transactions with owners, recorded directly in equity		-	-	-	(1,540,562)	-	(1,540,562)
Comprehensive income for the year							
Profit		-	-	-	3,778,758	-	3,778,758
Other comprehensive income		-	-	-	-	(238,229)	(238,229)
Total comprehensive income for the year		-	-	-	3,778,758	(238,229)	3,540,529
Balance at 31 December 2013		4,814,257	29,774,627	481,586	7,162,826	(236,338)	41,996,958

The accompanying notes are an integral part of these financial statements.

Statement of changes in equity

The accompanying notes are an integral part of these financial statements.

INDORAMA VENTURES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES **Statement of cash flows**

		Consolidated financial statements Year ended 31 December		Separate financial statements Year ended 31 December	
	Note	2014	2013	2014	2013
(in thousand Baht)					
<i>Cash flows from operating activities</i>					
Profit for the year		1,770,572	1,516,579	2,729,753	3,778,758
<i>Adjustments for</i>					
Depreciation	30	7,309,165	6,351,113	-	-
Amortisation of intangible assets and other assets	30	790,239	700,532	-	-
Interest income		(71,615)	(152,623)	(1,695,555)	(1,827,109)
Dividend income	11	-	-	(2,622,699)	(3,296,322)
Gain on bargain purchase	4	(1,669,890)	-	-	-
Gain on previously held interest in a jointly-controlled entity	4	-	(86,919)	-	-
Share of loss of jointly-controlled entities, net	12	1,356,055	1,107,954	-	-
Finance costs	31	3,554,524	3,810,954	1,773,844	1,727,608
Unrealised foreign exchange (gain) loss		222,843	151,440	80,212	(282,115)
(Reversal of) provision for bad and doubtful debts expense, net	8	(7,500)	14,406	-	-
Provision for inventory obsolescence, net	9	169,831	69,924	-	-
Provision for impairment for inventory and machinery		597,411	18,226	-	-
Provision for impairment on equity-accounted investment	12	146,671	-	-	-
Employee benefits expense	20	123,486	193,477	-	-
Loss on disposal of property, plant and equipment, net		64,468	6,812	-	-
Write-off of property, plant and equipment		-	120	-	-
Income tax expense	32	1,614,462	1,293,893	-	111,263
		15,970,722	14,995,888	265,555	212,083
<i>Changes in operating assets and liabilities</i>					
Trade accounts receivable		5,328,686	(2,753,194)	-	-
Inventories		1,945,644	(2,438,434)	-	-
Other current assets		(272,388)	(1,206,647)	143,280	(266,923)
Other non-current assets		(244,327)	157,074	-	-
Trade accounts payable		659,694	2,724,337	-	-
Other current liabilities		(485,345)	(195,849)	9	(2,035)
Other non-current liabilities		(52,448)	(121,658)	-	-
Employee benefits obligation		(169,650)	(200,593)	-	-
Income taxes paid		(259,106)	(496,540)	-	-
Net cash from (used in) operating activities		22,421,482	10,464,384	408,844	(56,875)

The accompanying notes are an integral part of these financial statements.

INDORAMA VENTURES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES **Statement of cash flows**

		Consolidated financial statements Year ended 31 December		Separate financial statements Year ended 31 December	
	Note	2014	2013	2014	2013
(in thousand Baht)					
<i>Cash flows from investing activities</i>					
Interest received		41,973	188,130	1,787,260	1,839,190
Dividend received		-	-	2,622,699	3,296,322
Purchase of property, plant and equipment		(8,434,428)	(6,800,141)	-	-
Proceeds from sale of property, plant and equipment		89,274	9,891	-	-
Purchase of other investments, net		(4,845,736)	(28,854)	(4,950,000)	(15,000)
Purchase of intangible assets		(93,189)	(44,570)	-	-
Net cash outflow on acquisitions of businesses	4	(3,611,172)	(288,041)	-	-
Net cash inflow on previously held interest in jointly-controlled entity		-	351,341	-	-
Net cash outflow on additional investments in subsidiaries and jointly-controlled entities	11, 12	(316,834)	(103,906)	(1,234,005)	(202,342)
Advance payment on additional investment in jointly-controlled entity		(437,812)	-	-	-
Other advance payments		(915,549)	(85,284)	92,540	(85,284)
Net cash from (used in) investing activities		(18,523,473)	(6,801,434)	(1,681,506)	4,832,886
<i>Cash flows from financing activities</i>					
Interest paid		(3,479,853)	(3,839,109)	(1,706,866)	(1,716,668)
Deferred financing cost paid		(40,234)	(271,060)	(12,312)	-
Dividends paid to owners of the Company	35	(1,587,820)	(1,540,562)	(1,587,820)	(1,540,562)
Dividends paid to non-controlling interests		(65,687)	(85,581)	-	-
Proceeds from short and long-term borrowings		4,093,744	29,289,194	2,477,585	-
Repayment of short and long-term borrowings		(19,944,268)	(29,566,050)	(6,211,345)	(72,613)
Repayment of finance leases		(9,057)	(44,717)	-	-
Proceeds from issue of debenture, net of debenture issuance costs of Baht 8,341,122 in 2014 and Baht 7,729,953 in 2013	17	3,691,659	2,162,270	3,691,659	2,162,270
Proceed from issue of subordinated perpetual debentures, net of issuance costs of Baht 125,928,326	23	14,874,072	-	14,874,072	-
Loan from subsidiary		-	-	(164,300)	-
Loans to subsidiaries		-	-	(7,878,144)	(4,529,109)
Loans to a jointly-controlled entities		(97,442)	(32,376)	-	-
Net cash from (used in) financing activities		(2,564,886)	(3,927,991)	3,482,529	(5,696,682)

The accompanying notes are an integral part of these financial statements.

INDORAMA VENTURES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES **Statement of cash flows**

		Consolidated financial statements Year ended 31 December		Separate financial statements Year ended 31 December	
	Note	2014	2013	2014	2013
		(in thousand Baht)			
Net increase (decrease) in cash and cash equivalents		1,333,123	(265,041)	2,209,867	(920,671)
Cash and cash equivalents at 1 January		4,114,350	4,374,177	677,182	1,597,853
Effect of exchange rate changes on balances held in foreign currencies		(27,891)	5,214	-	-
Cash and cash equivalents at 31 December	6	5,419,582	4,114,350	2,887,049	677,182

Non-cash transactions

During 2013, intercompany loans of EUR 187.3 million (equivalent to Baht 7,535.3 million) and USD 132.1 million (Baht 4,074.2 million) that the Company lent to its indirect subsidiaries were converted into shares of another direct subsidiary for the equivalent amount (see Note 11).

During 2013, acquisition of non-controlling interests with a change in control for an amount of Baht 1,743.6 million is a non-cash transaction (see Note 4(iv)).

INDORAMA VENTURES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES **Notes to the financial statements**

Note	Contents
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INDORAMA VENTURES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

Notes to the financial statements

These notes form an integral part of the financial statements.

The financial statements issued for Thai statutory and regulatory reporting purposes are prepared in the Thai language. These English language financial statements have been prepared from Thai language statutory financial statements, and were approved and authorised for issue by the Board of Directors on 20 February 2015.

1 General information

Indorama Ventures Public Company Limited, the "Company", is incorporated in Thailand and has its registered office at 75/102, Ocean Tower II, 37th Floor, Sukhumvit 19, Asoke Road, Klongtoeynua, Wattana, Bangkok, Thailand. The Company was listed on the Stock Exchange of Thailand in February 2010.

The immediate and ultimate parent companies during the financial year were Indorama Resources Limited, incorporated in Thailand, and Canopus International Limited, incorporated in Mauritius, respectively.

The principal activities of the Company and its subsidiaries ("Group") are the manufacture and distribution of polyethylene terephthalate ("PET"), purified terephthalic acid ("PTA"), ethylene oxide and ethylene glycol ("EO&EG"), polyester fibers and yarns, and wool products. Details of the Company's subsidiaries and jointly-controlled entities as at 31 December 2014 and 2013 are given in Notes 5, 11 and 12.

2 Basis of preparation of the financial statements

(a) Statement of compliance

The financial statements are prepared in accordance with Thai Financial Reporting Standards (TFRS); guidelines promulgated by the Federation of Accounting Professions ("FAP"); and applicable rules and regulations of the Thai Securities and Exchange Commission.

The FAP has issued the following new and revised TFRS relevant to the Group's/Company's operations and effective for annual accounting periods beginning on or after 1 January 2014:

TFRS	Topic
TAS 1 (revised 2012)	Presentation of financial statements
TAS 7 (revised 2012)	Statement of Cash Flows
TAS 12 (revised 2012)	Income Taxes
TAS 17 (revised 2012)	Leases
TAS 18 (revised 2012)	Revenue
TAS 19 (revised 2012)	Employee Benefits
TAS 21 (revised 2012)	The Effects of Changes in Foreign Exchange Rates
TAS 24 (revised 2012)	Related Party Disclosures
TAS 28 (revised 2012)	Investments in Associates
TAS 31 (revised 2012)	Interests in Joint Ventures
TAS 34 (revised 2012)	Interim Financial Reporting
TAS 36 (revised 2012)	Impairment of Assets
TAS 38 (revised 2012)	Intangible Assets
TFRS 3 (revised 2012)	Business Combinations
TFRS 8 (revised 2012)	Operating Segments
TFRIC 1	Changes in Existing Decommissioning, Restoration and Similar Liabilities
TFRIC 4	Determining whether an Arrangement contains a Lease
TFRIC 10	Interim financial Reporting and Impairment

The initial application of these new and revised TFRS has resulted in changes in certain of the Group's/Company's accounting policies. These changes have no material effect on the financial statements.

In addition to the above new and revised TFRS, the FAP has issued a number of other new and revised TFRS which are effective for annual financial periods beginning on or after 1 January 2015 and have not been adopted in the preparation of these financial statements. Those new and revised TFRS that are relevant to the Group's/Company's operations are disclosed in Note 39.

(b) *Basis of measurement*

The financial statements have been prepared on the historical cost basis except for the following material items in the statements of financial position:

- derivative financial instruments are measured at fair value, except commodity futures which are measured when the contracts mature.
- financial instruments at fair value through profit or loss are measured at fair value;
- the defined benefit obligation is recognised as the net total of the plan assets, plus unrecognised past service cost and unrecognised actuarial losses, less unrecognised actuarial gains and the present value of the defined benefit obligation.

(c) *Functional and presentation currency*

The financial statements are presented in Thai Baht, which is the Company's functional currency. All financial information presented in Thai Baht has been rounded in the notes to the financial statements to the nearest thousand unless otherwise stated.

(d) *Use of estimates and judgements*

The preparation of financial statements in conformity with TFRS requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Actual results may differ from estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which estimates are revised and in any future periods affected.

Information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes:

Note 3 (u)	Current and deferred taxation
Note 4	Acquisitions of businesses
Note 12 & 13	Key assumptions used in discounted cash flow projections
Note 16	Utilisation of tax losses
Note 20	Measurement of defined benefit obligations
Note 23	Subordinated perpetual debentures
Note 36	Valuation of financial instruments

3 Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

(a) *Basis of consolidation*

The consolidated financial statements relate to the Company and its subsidiaries (together referred to as the "Group") and the Group's interests in jointly-controlled entities.

Business combinations

The Group applies the acquisition method for all business combinations other than those with entities under common control.

Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, the Group takes into consideration potential voting rights that currently are exercisable. The acquisition date is the date on which control is transferred to the acquirer. Judgement is applied in determining the acquisition date and determining whether control is transferred from one party to another.

Goodwill is measured as the fair value of the consideration transferred including the recognised amount of any non-controlling interest in the acquiree, less the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed, all measured as of the acquisition date.

Consideration transferred includes the fair values of the assets transferred, liabilities incurred by the Group to the previous owners of the acquiree, and equity interests issued by the Group. Consideration transferred also includes the fair value of any contingent consideration. If a business combination results in the termination of pre-existing relationships between the Group and the acquiree, then the lower of the termination amount, as contained in the agreement, and the value of the off-market element is deducted from the consideration transferred and recognised in other expenses.

A contingent liability of the acquiree is assumed in a business combination only if such a liability represents a present obligation and arises from a past event, and its fair value can be measured reliably.

The Group measures any non-controlling interest at its proportionate interest in the identifiable net assets of the acquiree.

Transaction costs that the Group incurs in connection with a business combination, such as legal fees, other professional and consulting fees are expensed as incurred.

Acquisitions from entities under common control

Business combinations of entities or businesses under common control are accounted for using a method similar to the pooling of interest method and in accordance with Guidelines issued in 2009 by the FAP.

Subsidiaries

Subsidiaries are entities controlled by the Group. Control exists when the Group has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

The accounting policies of subsidiaries have been changed where necessary to align them with the policies adopted by the Group. Losses applicable to non-controlling interests in a subsidiary are allocated to non-controlling interests even if doing so causes the non-controlling interests to have a deficit balance.

Jointly-controlled entities and associates (equity-accounted investees)

Jointly-controlled entities are those entities over whose activities the Group has joint control, established by contractual agreement and requiring unanimous consent for strategic financial and operating decisions.

Associates are those entities in which the Group has significant influence, but not control, over the financial and operating policies. Significant influence is presumed to exist when the Group holds between 20% and 50% of the voting power of another entity.

Investments in jointly-controlled entities and associates are accounted for in the consolidated financial statements using the equity method (equity-accounted investees) and are recognised initially at cost. The cost of the investment includes transaction costs.

The consolidated financial statements include the Group's share of profit or loss and other comprehensive income of equity accounted investees from the date that significant influence commences until the date that significant influence ceases. When the Group's share of losses exceeds its interest in an equity accounted investee, the Group's carrying amount of that interest is reduced to zero and recognition of further losses is discontinued except to the extent that the Group has an obligation or made payments on behalf of the investee.

Loss of control

Upon the loss of control, the Group derecognises the assets and liabilities of the subsidiary, any non-controlling interests and the other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognised in profit or loss. If the Group retains any interest in the previous subsidiary, then such interest is measured at fair value at the date that control is lost. Subsequently, it is accounted for as an equity-accounted investee or as an available-for-sale financial asset depending on the level of influence retained.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income or expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised gains arising from transactions with associates and jointly-controlled entity are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

(b) Foreign currencies

Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated to functional currency at the exchange rates at the reporting date.

Non-monetary assets and liabilities measured at cost in foreign currencies are translated to functional currency at the exchange rates at the dates of the transactions.

Non-monetary assets and liabilities measured at fair value in foreign currencies are translated to functional currency at the exchange rates at the dates that fair value was determined.

Foreign currency differences are generally recognised in profit or loss. However, foreign currency differences arising from the transaction of the following items are recognised in other comprehensive income:

- a financial liability designated as a hedge of the net investment in a foreign operation to the extent that the hedge is effective; or
- qualifying cash flow hedges to the extent the hedge is effective.

Foreign operations

The assets and liabilities of foreign operations are translated to Thai Baht at the exchange rates at the reporting date.

Goodwill and fair value adjustments arising on the acquisition of foreign operations are stated at exchange rates at transaction dates.

The revenues and expenses of foreign operations are translated to Thai Baht at rates approximating the exchange rates at the dates of the transactions.

Foreign exchange differences are recognised in other comprehensive income and presented in the foreign currency translation reserve in equity until disposal of the investment.

When the settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely in the foreseeable future, exchange gains and losses arising from such a monetary item are considered to form part of a net investment in a foreign operation and are recognised in other comprehensive income, and presented in the foreign currency translation reserve in equity in the consolidated financial statements until disposal of the investment.

(c) Derivative financial instruments

Derivative financial instruments are used to manage exposure to foreign exchange and interest rate risks arising from operational, financing and investment activities. Derivative financial instruments are not used for trading purposes. However, derivatives that do not qualify for hedge accounting are accounted for as trading instruments.

Derivatives are recognised initially at fair value; attributable transaction costs are recognised in profit or loss when incurred. Subsequent to initial recognition, they are remeasured at fair value. The gain or loss on remeasurement to fair value is recognised immediately in profit or loss. However, where derivatives qualify for hedge accounting, recognition of any resultant gain or loss depends on the nature of the item being hedged (see accounting policy 3 (d)).

The fair value of interest rate swaps is based on broker quotes at the reporting date. Those quotes are tested for reasonableness by discounting estimated future cash flows based on the terms and maturity of each contract and using market interest rates for a similar instrument at the reporting date.

The fair value of forward exchange contracts is based on their listed market price, if available. If a listed market price is not available, then fair value is estimated by discounting the difference between the contractual forward price and the current forward price at the reporting date for the residual maturity of the contract using a risk-free interest rate (based on governmental bonds).

The difference between the fixed price and the settlement price of commodity futures entered under time spread agreements with financial institutions are recognised in profit or loss in the period in which the contracts mature.

(d) *Hedging*

Fair value hedges

Where a derivative hedges the changes in fair value of a recognised asset, liability or unrecognised firm commitment (or an identified portion of such asset, liability or firm commitment), any gain or loss on remeasuring the fair value or foreign currency component of the hedging instrument is recognised in profit or loss. The hedged item is also stated at fair value in respect of the risk being hedged, with any gain or loss being recognised in profit or loss.

Cash flow hedges

When a derivative is designated as the hedging instrument in a hedge of the variability in cash flows attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction that could affect profit or loss, the effective portion of changes in the fair value of the derivative financial instrument is recognised in other comprehensive income and presented in the hedging reserve in equity. Any ineffective portion is recognised immediately in profit or loss.

When a hedged forecast transaction occurs and results in the recognition of a financial asset or financial liability, the gain or loss recognised in other comprehensive income does not adjust the initial carrying amount of the asset or liability but remains in equity and is reclassified from equity to profit or loss consistently with the recognition of gains and losses on the asset or liability as a reclassification adjustment.

For hedges of forecast transactions that result in the recognition of a non-financial asset or non-financial liability, the gain or loss recognised in other comprehensive income is reclassified from equity to profit or loss consistently with the recognition of gains and losses on the asset or liability as a reclassification adjustment.

Hedge of net investment in foreign operation

Hedges of a net investment in a foreign operation, including a hedge of a monetary item that is accounted for as part of the net investment, are accounted for similarly to cash flow hedges.

Discontinuing hedge accounting

Hedge accounting is discontinued prospectively when the hedging instrument expires or is sold, terminated or exercised, or no longer qualifies for hedge accounting. Any cumulative gain or loss on the hedging instrument existing in equity is retained in equity and is recognised when the forecast transaction is ultimately recognised in the profit or loss. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in equity is recognised in the profit or loss immediately.

(e) *Cash and cash equivalents*

Cash and cash equivalents in the statements of cash flows comprise cash balances, call deposits and highly liquid short-term investments. Bank overdrafts that are repayable on demand are a component of financing activities for the purpose of the statement of cash flows.

(f) Trade and other accounts receivable

Trade and other accounts receivable are stated at their invoice value less allowance for doubtful accounts.

The allowance for doubtful accounts is assessed primarily on analysis of payment histories and future expectations of customer payments. Bad debts are written off when incurred.

(g) Inventories

Inventories are measured at the lower of cost and net realisable value.

Cost is calculated using the weighted average cost principle, and comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. In the case of manufactured inventories and work-in-progress, cost includes an appropriate share of production overheads based on normal operating capacity.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs to complete and to make the sale.

(h) Non-current assets held for sale

Non-current assets (or disposal groups comprising assets and liabilities) that are expected to be recovered primarily through sale rather than through continuing use, are classified as held for sale. The assets (or disposal group) are measured at the lower of their carrying value and fair value less cost to sell. Any impairment loss on a disposal group is first allocated to goodwill, and then to remaining assets and liabilities on a pro rata basis, except that no loss is allocated to inventories, financial assets, deferred tax assets and investment properties. Impairment losses on initial classification as held for sale and subsequent gains and losses on remeasurement are recognised in profit or loss. Gains are not recognised in excess of any cumulative impairment loss.

(i) Investments

Investments in subsidiaries and jointly-controlled entities

Investments in subsidiaries and jointly-controlled entities in the separate financial statements of the Company are accounted for using the cost method. Investment in jointly-controlled entities in the consolidated financial statements are accounted for using the equity method.

Investments in other equity securities

Equity securities which are not marketable are stated at cost less any impairment losses.

Disposal of investments

On disposal of an investment, the difference between net disposal proceeds and the carrying amount together with the associated cumulative gain or loss that was reported in equity is recognised in profit or loss.

If the Group/Company disposes of part of its holding of a particular investment, the deemed cost of the part sold is determined using the weighted average method applied to the carrying value of the total holding of the investment.

(j) Property, plant and equipment

Recognition and measurement

Owned assets

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses, except for machinery and equipment related to the manufacture of textiles and related products which are stated at their revalued amounts. The revalued amount is the fair value determined on the basis of the assets' existing use at the date of revaluation less any subsequent accumulated depreciation and impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located, and capitalised borrowing costs. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment. When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognised net within other income in profit or loss. When revalued assets are sold, the amounts included in the revaluation reserve are transferred to retained earnings.

Leased assets

Leases in terms of which the Group substantially assumes all the risk and rewards of ownership are classified as finance leases. Property, plant and equipment acquired by way of finance leases is capitalised at the lower of its fair value and the present value of the minimum lease payments at the inception of the lease, less accumulated depreciation and impairment losses. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly to the profit and loss.

Revalued assets

Revaluations are performed by independent professional valuers with sufficient regularity to ensure that the carrying amount of these assets does not differ materially from that which would be determined using fair values at the reporting date.

Any increase in value, on revaluation, is recognised in other comprehensive income and presented in the revaluation reserve in equity unless it offsets a previous decrease in value recognised in profit or loss in respect of the same asset. A decrease in value is recognised in profit or loss to the extent it exceeds an increase previously recognised in other comprehensive income in respect of the same asset. The revaluation surplus is utilised by reference to the difference between depreciation based on the revalued carrying amount of the asset and depreciation based on the asset's original cost and transferred directly to retained earnings. Upon disposal of a revalued asset, any remaining related revaluation surplus is transferred directly to retained earnings and is not taken into account in calculating the gain or loss on disposal.

Subsequent costs

The cost of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group, and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

Depreciation

Depreciation is calculated based on the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value.

Depreciation is charged to profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment. The estimated useful lives are as follows:

Land improvements	3 - 50 years
Buildings and building improvements	5 - 50 years
Machinery and equipment - textile production	5 - 30 years
Machinery and equipment - other	1 - 30 years
Office furniture, fixtures and equipment	2 - 20 years
Transportation equipment	3 - 10 years
Stores and spares	1 - 10 years

No depreciation is provided on freehold land or assets under construction.

Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

(k) Intangible assets

Goodwill

Goodwill that arises upon the acquisition of subsidiaries is included in intangible assets. The measurement of goodwill at initial recognition is described in note 3(a). Subsequent to initial recognition, goodwill is measured at cost less accumulated impairment losses. In respect of equity-accounted investees, the carrying amount of goodwill is included in the carrying amount of the investment, and an impairment loss on such an investment is not allocated to any asset, including goodwill, that forms part of the carrying amount of the equity-accounted investee.

Research and development

Expenditure on research activities, undertaken with the prospect of gaining new scientific or technical knowledge and understanding, is recognised in profit or loss as incurred.

Development activities involve a plan or design for the production of new or substantially improved products and processes. Development expenditure is capitalised only if development costs can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Group intends to and has sufficient resources to complete development and to use or sell the asset. The expenditure capitalised includes the cost of materials, direct labour, overhead costs that are directly attributable to preparing the asset for its intended use, and capitalised borrowing costs. Other development expenditure is recognised in profit or loss as incurred.

Capitalised development expenditure is measured at cost less accumulated amortisation and accumulated impairment losses

Other intangible assets

Intangible assets that are acquired by the Group, which have finite useful lives are measured at cost less accumulated amortisation and accumulated impairment losses.

Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.

Amortisation

Amortisation is based on the cost of the asset, or other amount substituted for cost, less its residual value.

Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of intangible assets, other than goodwill, from the date that they are available for use, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset. The estimated useful lives for the current and comparative years are as follows:

Rights acquired	5 - 20 years
Supplier contract and relationships	3 -10 years, Indefinite
Software licenses	1 - 15 years
Technology licenses and knowhow	3 - 30 years
Customer contracts and relationships	3 - 20.3 years
Trade name and trademarks	10 - 21.5 years, Indefinite
Chemicals exchange contract	19 years

Amortisation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

(l) Impairment

The carrying amounts of the Group's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated. For goodwill and intangible assets that have indefinite useful lives or are not yet available for use, the recoverable amount is estimated each year at the same time.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. The impairment loss is recognised in profit or loss unless it reverses a previous revaluation credited to equity, in which case it is charged to equity.

Calculation of recoverable amount

The recoverable amount of a non-financial asset is the greater of the asset's value in use and fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

Reversals of impairment

An impairment loss in respect of a financial asset is reversed if the subsequent increase in recoverable amount can be related objectively to an event occurring after the impairment loss was recognised in profit or loss.

An impairment loss in respect of goodwill is not reversed. Impairment losses recognised in prior periods in respect of non-financial assets are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(m) Interest-bearing liabilities

Interest-bearing liabilities are recognised initially at fair value less attributable transaction charges. Subsequent to initial recognition, interest-bearing liabilities are stated at amortised cost with any difference between cost and redemption value being recognised in profit or loss over the period of the borrowings on an effective interest basis.

(n) Trade and other accounts payable

Trade and other accounts payable are stated at cost.

(o) Employee benefits*Defined contribution plans*

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an employee benefit expense in profit or loss in the periods during which services are rendered by employees.

Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Group's net obligation in respect of defined benefit pension plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. Any unrecognised past service costs and the fair value of any plan assets are deducted. The discount rate is the yield at the reporting date on AA credit-rated bonds that have maturity dates approximating the terms of the Group's obligations and that are denominated in the same currency in which the benefits are expected to be paid.

The calculation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a benefit to the Group, the recognised asset is limited to the total of any unrecognised past service costs and the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements that apply to any plan in the Group. An economic benefit is available to the Group if it is realisable during the life of the plan, or on settlement of the plan liabilities.

When the benefits of a plan are improved, the portion of the increased benefit relating to past service by employees is recognised in profit or loss on a straight-line basis over the average period until the benefits become vested. To the extent that the benefits vest immediately, the expense is recognised immediately in profit or loss.

The Group recognises all actuarial gains and losses arising from defined benefit plans in other comprehensive income and all expenses related to defined benefit plans in profit or loss.

Other long-term employee benefits

The Group's net obligation in respect of long-term employee benefits other than defined benefit plans is the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any related assets is deducted. The discount rate is the yield at the reporting date on AA credit-rated bonds that have maturity dates approximating the terms of the Group's obligations. The calculation is performed using the projected unit credit method. Any actuarial gains and losses are recognised in profit or loss in the period in which they arise.

Termination benefits

Termination benefits are recognised as an expense when the Group is committed demonstrably, without realistic possibility of withdrawal, to a formal detailed plan to either terminate employment before the normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy. Termination benefits for voluntary redundancies are recognised as an expense if the Group has made an offer of voluntary redundancy, it is probable that the offer will be accepted, and the number of acceptances can be estimated reliably. If benefits are payable more than 12 months after the reporting period, then they are discounted to their present value.

Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

(p) Provisions

A provision is recognised if, as a result of a past event, the Group/Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

(q) Subordinated capital debentures

Subordinated capital debentures are recognised as equity when the Company has the sole right and discretion to unconditionally defer principle repayment, interest and cumulative interest payment without time and deferral amount limitation. Accordingly, any coupon payments are accounted for as dividends and are recognised directly in equity at the time the payment obligation arises. This is because the coupon payments are discretionary and relate to equity. Coupon payments consequently do not have any impact in profit or loss. Coupon payments are recognised in the cash flow statement in the same way as dividends to ordinary shareholders.

(r) *Revenue*

Revenue excludes value added taxes and is arrived at after deduction of trade discounts and volume rebates.

Sale of goods

Revenue is recognised in the profit or loss when the significant risks and rewards of ownership have been transferred to the buyer. No revenue is recognised if there is continuing management involvement with the goods or there are significant uncertainties regarding recovery of the consideration due, associated costs or the probable return of goods.

Interest and dividend income

Interest income is recognised in profit or loss as it accrues. Dividend income is recognised in profit or loss on the date the Group's right to receive payment is established.

(s) *Finance costs*

Finance costs comprise interest expense on borrowings, unwinding of the discount on provisions and contingent consideration, losses on disposal of available-for-sale financial assets, dividends on preference shares classified as liabilities, fair value losses on financial assets at fair value through profit or loss, impairment losses recognised on financial assets (other than trade receivables), and losses on hedging instruments that are recognised in profit or loss.

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method.

(t) *Lease payments*

Payments made under operating leases are recognised in profit or loss on a straight line basis over the term of the lease.

Contingent lease payments are accounted for by revising the minimum lease payments over the remaining term of the lease when the lease adjustment is confirmed.

Determining whether an arrangement contains a lease

At inception of an arrangement, the Group determines whether such an arrangement is or contains a lease. A specific asset is the subject of a lease if fulfilment of the arrangement is dependent on the use of that specified asset. An arrangement conveys the right to use the asset if the arrangement conveys to the Group the right to control the use of the underlying asset.

At inception or upon reassessment of the arrangement, the Group separates payments and other consideration required by such an arrangement into those for the lease and those for other elements on the basis of their relative fair values. If the Group concludes for a finance lease that it is impracticable to separate the payments reliably, an asset and a liability are recognised at an amount equal to the fair value of the underlying asset. Subsequently the liability is reduced as payments are made and an imputed finance charge on the liability is recognised using the Group's incremental borrowing rate.

(u) *Income tax*

Income tax expense for the year comprises current and deferred tax. Current and deferred tax are recognised in profit or loss except to the extent that they relate to a business combination, or items recognised directly in equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of goodwill; the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss; and differences relating to investments in subsidiaries and jointly-controlled entities to the extent that it is probable that they will not reverse in the foreseeable future.

The measurement of deferred tax reflects the tax consequences that would follow the manner in which the Group/Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

In determining the amount of current and deferred tax, the Group/Company takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Group/Company believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience. This assessment relies on estimates and assumptions and may involve a series of judgements about future events. New information may become available that causes the Group/Company to change its judgement regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(v) *Earnings per share*

The Group/Company presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company less cumulative coupon payment on subordinated capital debentures whether it has been accrued or not by the weighted average number of ordinary shares outstanding during the period, adjusted for own shares held. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders of the Company less coupon payment on subordinated capital debentures and the weighted average number of ordinary shares outstanding, adjusted for the effects of all dilutive potential ordinary shares from exercise of warrants.

(w) *Segment reporting*

Segment results that are reported to the Group's CEO (the chief operating decision maker) include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate assets (primarily the Company's head quarters), head office expenses, and tax assets and liabilities, etc.

4 **Acquisitions of businesses**

Gains on bargain purchases

The excess of the Group's interest in the net identified assets and liabilities of the companies acquired over cost during the year ended 31 December 2014 is considered by management as gains on bargain purchases, and is recognised in the consolidated statements of income for the year ended 31 December 2014 and comprised the following:

	Note	(in thousand Baht)
PHP Fibers GmbH, Germany	4(i)	1,087,082
Artenius Turkpet Kimyevi Maddeler Sanayi A.S., Turkey	4(ii)	582,808
Total gains on bargain purchases		1,669,890

In accordance with TFRS3, management is required to make a preliminary assessment of the fair values of businesses acquired as at the acquisition date. During the measurement period, which must not exceed one year from the acquisition date, the acquirer shall retrospectively adjust the provisional amounts recognised at the acquisition date to reflect new information obtained about facts and circumstances that existed as of the acquisition date.

During the year ended 31 December 2014 and 2013, the Group incurred acquisition-related costs of Baht 36.8 million and 0.3 million, respectively, relating to external legal fees, advisory fee and due diligence costs. These amounts have been included in administrative expenses in the consolidated statements of income for the year ended 31 December 2014 and 2013, respectively.

(i) *PHP Fibers GmbH, Germany*

On 30 April 2014, Indorama Netherlands B.V., an indirect subsidiary registered in the Netherlands, completed the acquisition of branded high-tenacity polyamide and polyester filament yarns facilities in different locations globally from Cordasi GmbH, a limited liability company registered in Germany, through the acquisition of 80% of the outstanding shares of PHP Fibers GmbH, a limited liability company registered in Germany, for a cash consideration of EUR 73.8 million (Baht 3,292.9 million). The transaction is accounted for as a business combination. During the period from acquisition date to 31 December 2014, the business contributed revenue of EUR 157.2 million (Baht 6,661.6 million) and net profit of EUR 1.1 million (Baht 46.2 million) to the Group's results.

Management believe that this acquisition will enhance the Group's high value add product portfolio with the addition of high performance automotive and industrial products.

The acquiree's net assets at the acquisition date comprised of the following:

	Note	Carrying amounts	Fair value adjustments	Recognised values
(in thousand Baht)				
Cash and cash equivalents		450,029	-	450,029
Inventories		1,983,122	-	1,983,122
Accounts receivable		1,580,613	-	1,580,613
Property, plant and equipment	13	1,108,020	2,366,621	3,474,641
Investment in jointly-controlled entities	12	199,579	(3,174)	196,405
Goodwill		2,020,333	(2,020,333)	-
Intangible assets	15	125,763	510,368	636,131
Account payable		(1,122,766)	-	(1,122,766)
Deferred tax, net	16	(126,065)	(886,276)	(1,012,341)
Other assets/(liabilities), net		(710,855)	-	(710,855)
Net identifiable assets acquired and liabilities assumed		5,507,773	(32,794)	5,474,979
Interest acquired (%)				80%
Net identifiable assets acquired and liabilities assumed				4,379,983
Gain on bargain purchase				(1,087,082)
Total consideration				3,292,901
Cash acquired				(450,029)
Net consideration - paid				2,842,872

The trade receivables comprise gross contractual amounts of Baht 1,582.4 million, of which Baht 1.8 million was expected to be uncollectible at the acquisition date.

(ii) *Artenius Turkpet Kimyevi Maddeler Sanayi A.S., Turkey*

On 2 June 2014, Indorama Netherlands B.V., an indirect subsidiary registered in the Netherlands, completed the acquisition of PET facilities, through the purchase of 100% of the outstanding shares of Artenius Turkpet Kimyevi Maddeler Sanayi A.S., located in Turkey, as per the share purchase agreement dated 5 March 2014 for a cash consideration of EUR 17.2 million (Baht 770.3 million). The transaction is accounted for as a business combination. Subsequent to the completion of acquisition, Artenius Turkpet Kimyevi Maddeler Sanayi A.S. was renamed Indorama Ventures Adana PET Sanayi Anonim Sirketi on 9 July 2014. During the period from acquisition date to 31 December 2014, the business contributed revenue of TRY 183.8 million (Baht 2,706.7 million) and net profit of TRY 2.3 million (Baht 34.1 million) to the Group's results.

Management believe that this acquisition will provide further synergies and expand sales into the new geographical area to better serve the domestic and regional markets.

The acquiree's net assets at the acquisition date comprised of the following:

	Note	Carrying amounts	Fair value adjustments	Recognised values
(in thousand Baht)				
Cash and cash equivalents		2,027	-	2,027
Inventories		364,715	-	364,715
Accounts receivable		1,170,067	-	1,170,067
Property, plant and equipment	13	348,253	290,097	638,350
Intangible assets	15	3,555	166,738	170,293
Short-term loan from financial institutions		(675,088)	-	(675,088)
Account payable		(134,915)	-	(134,915)
Deferred tax, net	16	(25,098)	(91,367)	(116,465)
Other assets/(liabilities), net		(65,849)	-	(65,849)
Net identifiable assets acquired and liabilities assumed		987,667	365,468	1,353,135
Gain on bargain purchase				(582,808)
Total consideration				770,327
Cash acquired				(2,027)
Net consideration - paid				768,300

The trade receivables comprise gross contractual amounts of Baht 1,208.7 million, of which Baht 38.0 million was expected to be uncollectible at the acquisition date.

(iii) *Aurus Packaging Limited, Nigeria*

On 3 April 2013, Indorama Netherlands B.V., an indirect subsidiary registered in the Netherlands, completed the acquisition through the purchase of 100% of the outstanding shares of Aurus Packaging Limited, located in Nigeria, as per the share purchase and investment agreement dated 15 March 2013 for a cash consideration of USD 10.0 million (Baht 294.3 million). The transaction is accounted for as a business combination.

Management believe that this acquisition will enable the group to grow the demand of PET in West Africa which is still predominantly a glass based beverage consumer and grow volumes for its PET resin business in Nigeria and Western Africa.

The acquiree's net assets at the acquisition date comprised of the following:

	Note	Carrying amounts	Fair value adjustments	Recognised values
(in thousand Baht)				
Cash and cash equivalents		6,223	-	6,223
Inventories		25,842	-	25,842
Accounts receivable		50,870	-	50,870
Property, plant and equipment	13	227,466	37,326	264,792
Intangible assets	15	59	-	59
Deferred tax, net		12,525	-	12,525
Other assets/(liabilities), net		(66,047)	-	(66,047)
Net identifiable assets acquired and liabilities assumed		256,938	37,326	294,264
Total consideration				294,264
Cash acquired				(6,223)
Net consideration - paid				288,041

The trade receivables comprise gross contractual amount due of Baht 50.9 million of which an entire amount was expected to be collectible at the acquisition date.

(iv) *Trevira Holdings GmbH, Germany*

On 1 October 2013, the Company entered into "Amendment to Joint Venture Agreement" with Sinterama S.p.A, the joint venture partner, to determine the rights and obligations over Trevira Holdings GmbH. As a result of changes in control of certain management and operational decisions, the Company obtained control of Trevira Holdings GmbH effective from 1 October 2013. Therefore, the investment in Trevira Holdings GmbH, which was previously considered as an investment in a jointly-controlled entity, is now considered as an investment in subsidiary and its operations have been consolidated into the Group's financial statements from the effective date of such agreement.

The acquiree's net assets at the date of obtaining control comprised of the following:

	Note	Carrying amounts	Fair value adjustments	Recognised values
(in thousand Baht)				
Inventories		1,729,707	-	1,729,707
Property, plant and equipment	13	1,756,832	-	1,756,832
Intangible assets	15	238,685	459,544	698,229
Other assets/(liabilities), net		(1,939,051)	79,099	(1,859,952)
Net identifiable assets acquired and liabilities assumed		1,786,173	538,643	2,324,816
Controlling interests (%)				75%
Fair value of identifiable assets and liabilities assumed				1,743,612
Fair value of previously held equity interest before obtaining control				1,743,612
Net				-

The gain recognised as a result of remeasuring to fair value the previously held equity interest in Trevira Holding GmbH is determined as follows:

	(in thousand Baht)
Fair value of previously held equity interest	1,743,612
Carrying amount of previously held equity interest	1,547,784
	195,828
Unrealised loss previously recognised in other comprehensive income	(108,909)
Gain recognised as a result of remeasuring to fair value the previously held interest	86,919

The measurement to fair value of the Group's existing 75% interest in Trevira Holding GmbH resulted in a gain of Baht 86.9 million, which has been included in other income in the consolidated statement of income for the year ended 31 December 2013.

5 Related parties

For the purposes of these financial statements, parties are considered to be related to the Group/Company if the Group/Company has the ability, directly or indirectly, to control or joint control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group/Company and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

Relationship with key management and other related parties were as follows:

Name of entities	Country of incorporation/ nationality	Nature of relationships
Indorama Resources Limited	Thailand	Immediate parent company, 63.69% shareholder, some common directors
Indorama Petrochem Limited	Thailand	Subsidiary, 100.00% shareholding, some common directors
Indorama Holdings Limited	Thailand	Subsidiary, 99.81% shareholding, some common directors
TPT Petrochemicals Public Company Limited	Thailand	Subsidiary, 99.97% shareholding, some common directors
Indorama Polymers Public Company Limited	Thailand	Subsidiary, 72.60% shareholding and 27.00% interest held indirectly, some common directors
Indorama Polyester Industries Public Company Limited	Thailand	Subsidiary, 64.94% shareholding and 34.55% interest held indirectly, some common directors
Indorama Ventures Global Services Limited	Thailand	Subsidiary, 100.00% shareholding, some common directors
IVL Belgium N.V.	Belgium	Subsidiary, 100.00% shareholding, some common directors
Indo Polymers Mauritius Limited	Mauritius	Subsidiary, 100.00% shareholding
Asia Pet (Thailand) Limited	Thailand	Indirect subsidiary, 99.60% effective interest, some common directors
Petform (Thailand) Limited	Thailand	Indirect subsidiary, 59.76% effective interest, some common directors
UAB Indorama Holdings Europe	Lithuania	Indirect subsidiary, 99.81% effective interest, some common directors
Indorama Holdings Rotterdam B.V.	The Netherlands	Indirect subsidiary, 99.81% effective interest, some common directors
UAB Indorama Polymers Europe	Lithuania	Indirect subsidiary, 99.60% effective interest, some common directors

Name of entities	Country of incorporation/ nationality	Nature of relationships
Indorama Polymers Rotterdam B.V.	The Netherlands	Indirect subsidiary, 99.60% effective interest, some common directors
Indorama Polymers Workington Limited	United Kingdom	Indirect subsidiary, 99.60% effective interest, some common directors
UAB Orion Global PET	Lithuania	Indirect subsidiary, 99.60% effective interest, some common directors
Indorama Netherlands Cooperatief U.A.	The Netherlands	Indirect subsidiary, 100.00% effective interest
Indorama Netherlands B.V.	The Netherlands	Indirect subsidiary, 100.00% effective interest
Indorama Ventures Europe B.V.	The Netherlands	Indirect subsidiary, 100.00% effective interest
Indorama Ventures Poland Sp. z o.o.	Poland	Indirect subsidiary, 100.00% effective interest, some common directors
Indorama Trading AG	Switzerland	Indirect subsidiary, 99.81% effective interest, some common directors
Indorama Trading (UK) Limited	United Kingdom	Indirect subsidiary, 99.81% effective interest, some common directors
Beacon Trading (UK) Limited	United Kingdom	Indirect subsidiary, 99.81% effective interest, some common directors
Indorama PET (Nigeria) Limited	Nigeria	Indirect subsidiary, 89.64% effective interest, some common directors
Indorama Ventures Packaging (Nigeria) Limited	Nigeria	Indirect subsidiary, 100.00% effective interest
IVL Singapore PTE Limited	Singapore	Indirect subsidiary, 99.60% effective interest
Guangdong IVL PET Polymer Company Limited	China	Indirect subsidiary, 99.60% effective interest, some common directors
IVL Holding, S. de R.L. de C.V.	Mexico	Indirect subsidiary, 100.00% effective interest, some common directors
Grupo Indorama Ventures, S. de R.L. de C.V.	Mexico	Indirect subsidiary, 100.00% effective interest, some common directors
Indorama Ventures Polymers Mexico, S. de R.L. de C.V.	Mexico	Indirect subsidiary, 100.00% effective interest, some common directors
Indorama Ventures Polycom, S. de R.L. de C.V.	Mexico	Indirect subsidiary, 100.00% effective interest, some common directors
Indorama Ventures Servicios Corporativos, S. de R.L. de C.V.	Mexico	Indirect subsidiary, 100.00% effective interest, some common directors
PT Indorama Ventures Indonesia	Indonesia	Indirect subsidiary, 100.00% effective interest, some common directors
PT Indorama Polyester Industries Indonesia	Indonesia	Indirect subsidiary, 100.00% effective interest, some common directors
KP Equity Partners Inc.	Malaysia	Indirect subsidiary, 100.00% effective interest, some common directors
PT Indorama Polychem Indonesia	Indonesia	Indirect subsidiary, 100.00% effective interest, some common directors
Indorama Ventures Recycling Netherlands B.V.	The Netherlands	Indirect subsidiary, 100.00% effective interest, some common directors
Wellman International Limited	Ireland	Indirect subsidiary, 100.00% effective interest, some common directors

Name of entities	Country of incorporation/ nationality	Nature of relationships
Wellman France Recyclage SAS	France	Indirect subsidiary, 100.00% effective interest, some common directors
Wellman International Handelsgesellschaft GmbH	Germany	Indirect subsidiary, 100.00% effective interest
MJR Recycling B.V.	The Netherlands	Indirect subsidiary, 100.00% effective interest, some common directors
Beverage Plastics (Holdings) Limited	United Kingdom	Indirect subsidiary, 51.00% effective interest
Beverage Plastics Limited	United Kingdom	Indirect subsidiary, 51.00% effective interest
PT Indorama Polypet Indonesia	Indonesia	Indirect subsidiary, 100.00% effective interest, some common directors
Indorama Ventures Performance Fibers Holdings USA LLC	USA	Indirect subsidiary, 100.00% effective interest, some common directors
FiberVisions Corporation	USA	Indirect subsidiary, 100.00% effective interest, some common directors
FiberVisions Manufacturing Company	USA	Indirect subsidiary, 100.00% effective interest
Covington Holdings, Inc.	USA	Indirect subsidiary, 100.00% effective interest (merged in December 2014)
FiberVisions L.P.	USA	Indirect subsidiary, 100.00% effective interest
FiberVisions Products, Inc.	USA	Indirect subsidiary, 100.00% effective interest
Athens Holdings, Inc.	USA	Indirect subsidiary, 100.00% effective interest (merged in December 2014)
FV Holdings, Inc.	USA	Indirect subsidiary, 100.00% effective interest (dissolved in December 2014)
FiberVisions A/S	Denmark	Indirect subsidiary, 100.00% effective interest
FiberVisions (China) A/S	Denmark	Indirect subsidiary, 100.00% effective interest
FiberVisions (China) Textile Products Limited	China	Indirect subsidiary, 100.00% effective interest
FiberVisions vermögensverwaltungs mbH	Germany	Indirect subsidiary, 100.00% effective interest
Indorama Ventures Holdings LP	USA	Indirect subsidiary, 100.00% effective interest, some common directors
Indorama Ventures OGL Holdings LP	USA	Indirect subsidiary, 100.00% effective interest, some common directors
Indorama Ventures (Oxide & Glycols) LLC	USA	Indirect subsidiary, 100.00% effective interest, some common directors
Indorama Ventures Logistics LLC	USA	Indirect subsidiary, 100.00% effective interest, some common directors
PHP Fibers GmbH	Germany	Indirect subsidiary, 80.00% effective interest some common directors
PHP Overseas Investment GmbH	Germany	Indirect subsidiary, 80.00% effective interest
Polyamide High Performance Inc.	USA	Indirect subsidiary, 80.00% effective interest some common directors
Safe Tweave Inc.	USA	Indirect subsidiary, 80.00% effective interest
Indorama Ventures Adana PET Sanayi Anonim Sirketi	Turkey	Indirect subsidiary, 100.00% effective interest, some common directors
Indorama Ventures USA Holdings LP	USA	Indirect subsidiary, 100.00% effective interest, some common directors

Name of entities	Country of incorporation/ nationality	Nature of relationships
Indorama Ventures Polyholding LLC	USA	Indirect subsidiary, 100.00% effective interest, some common directors
Indorama Ventures USA LLC	USA	Indirect subsidiary, 100.00% effective interest, some common directors
StarPet Inc.	USA	Indirect subsidiary, 100.00% effective interest, some common directors
Auriga Polymers Inc.	USA	Indirect subsidiary, 100.00% effective interest, some common directors
Indorama Ventures AlphaPet Holdings, Inc	USA	Indirect subsidiary, 100.00% effective interest, some common directors
Indorama Polymers (USA) LLC	USA	Indirect subsidiary, 100.00% effective interest, some common directors
AlphaPet, Inc.	USA	Indirect subsidiary, 100.00% effective interest, some common directors
Aurelius Ventures Inc.	USA	Indirect subsidiary, 100.00% effective interest, some common directors
Indorama Ventures Packaging (Philippines) Corporation	Philippines	Indirect subsidiary, 100.00% effective interest
Indorama Ventures Packaging (Ghana) Limited	Republic of Ghana	Indirect subsidiary, 100.00% effective interest
Trevira Holdings GmbH	Germany	Indirect subsidiary, 75.00% effective interest, some common directors
Trevira GmbH	Germany	Indirect subsidiary, 75.00% effective interest, some common directors
Trevira North America, LLC	USA	Indirect subsidiary, 75.00% effective interest
UAB Ottana Polimeri Europe	Lithuania	Indirect jointly-controlled entity, 50.00% effective interest, 50% of directors are representatives of the Company
Ottana Polimeri S.R.L.	Italy	Indirect jointly-controlled entity, 50.00% effective interest
PT Indorama Petrochemicals	Indonesia	Indirect jointly-controlled entity, 43.00% effective interest
ES FiberVisions, Inc.	USA	Indirect jointly-controlled entity, 50.00% effective interest
ES FiberVisions LP	USA	Indirect jointly-controlled entity, 50.00% effective interest
ES FiberVisions Holdings ApS	Denmark	Indirect jointly-controlled entity, 50.00% effective interest
ES FiberVisions ApS	Denmark	Indirect jointly-controlled entity, 50.00% effective interest
ES FiberVisions Hong Kong Limited	Hong Kong	Indirect jointly-controlled entity, 50.00% effective interest
ES FiberVisions China Limited	China	Indirect jointly-controlled entity, 50.00% effective interest
ES FiberVisions Company Limited	Japan	Indirect jointly-controlled entity, 50.00% effective interest
ES FiberVisions (Suzhou) Co., Ltd.	China	Indirect jointly-controlled entity, 50.00% effective interest
ES Fiber Visions (Thailand) Company Limited	Thailand	Indirect jointly-controlled entity, 50.00% effective interest
ShenMa-PHP (Pingdingshan) Air Bag Yarn Manufacturing Co., Ltd.	China	Indirect jointly-controlled entity, 39.20% effective interest
PHP-ShenMa Air Bag Yarn Marketing (Shanghai) Co., Ltd.	China	Indirect jointly-controlled entity, 40.80% effective interest
TTI GmbH	Germany	Indirect jointly-controlled entity, 40.00% effective interest

Name of entities	Country of incorporation/ nationality	Nature of relationships
Indorama Ventures EcoMex, S. de R.L. de C.V.	Mexico	Indirect jointly-controlled entity, 51.00% effective interest, some common directors
Indorama Ventures EcoMex, Service, S. de R.L. de C.V.	Mexico	Indirect jointly-controlled entity, 51.00% effective interest, some common directors
Tuntex Textile (Thailand) Company Limited	Thailand	Indirect associate, 16.58% effective interest
PT Indorama Synthetics TBK	Indonesia	43% shareholder of indirect jointly-controlled entity, some common directors
Serm Suk Public Company Limited	Thailand	40% shareholder of indirect subsidiary, some common directors
Pacific Resources Limited	Thailand	Family relationships with directors
Cryoviva (Thailand) Limited	Thailand	Some common directors
Indo Rama Synthetics (India) Limited	India	Family relationships with directors
Lohia Global Holdings Limited	Hong Kong	Family relationships with directors
Indorama Eleme Petrochemicals Limited	Nigeria	10% shareholder of indirect subsidiary, some common directors
PT Irama Unggul	Indonesia	Family relationships with directors
Indorama Commerce DMCC	United Arab Emirates	Some common directors
Vega Aviation Limited	British Virgin Islands	Family relationships with common directors
Key management personnel	Thailand/India/Indonesia/USA	Persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of the Group/Company.

On 28 March 2014, ES FiberVisions (Thailand) Company Limited, a new indirect jointly-controlled entity, was incorporated in Thailand. The registered share capital of the company is Baht 410 million. The principal activities of the Company consist of manufacture of polyester fibers and yarns.

On 23 September 2014, Indorama Ventures Polyholding LLC, a new indirect subsidiary, was incorporated in the United States, with the registered share capital of USD 25,000 (Baht 806.2 thousand).

On 24 November 2014, Aurelius Ventures Inc., a new indirect subsidiary, was incorporated in the United States, with the registered share capital of USD 30 (Baht 1.0 thousand).

On 27 November 2014, Indorama Ventures EcoMex, S. de R.L. de C.V., a new indirect jointly-controlled entity, was incorporated in Mexico, with the registered share capital of MXN 3,000 (Baht 6.7 thousand). The principal activities of the Company consist of manufacture of PET recycled flake.

On 27 November 2014, Indorama Ventures EcoMex Services, S. de R.L. de C.V., a new indirect jointly-controlled entity, was incorporated in Mexico, with the registered share capital of MXN 3,000 (Baht 6.7 thousand). The principal activities of the Company consist of administrative services.

FV Holdings, Inc., an indirect subsidiary, signed a certificate of dissolution effective on 31 December 2014.

Covington Holdings, Inc., an indirect subsidiary, signed an agreement and plan of merger to merge into FiberVisions Manufacturing Company, an indirect subsidiary, on 31 December 2014. The merger is effective from the date of signing of the agreement.

Athens Holdings, Inc., an indirect subsidiary, signed an agreement and plan of merger to merge with and into Fiber Visions Products, Inc., an indirect subsidiary, on 31 December 2014. The merger is effective from the date of signing of the agreement.

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The pricing policies for transactions with related parties are explained further below:

Transactions	Pricing policies
Sales of goods	Market prices
Purchases of goods	Market prices
Interest income	Market linked rate/contractually agreed
Other income	Contractually agreed
Interest expense	Market linked rate/contractually agreed
Selling and administrative expenses	Contractually agreed

Significant transactions for the years ended 31 December with related parties were as follows:

Year ended 31 December	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
	(in thousand Baht)			
Subsidiaries				
Interest income	-	-	1,648,827	1,725,422
Interest expense	-	-	1,850	3,269
Other income	-	-	204,701	165,294
Key management				
Directors' fee and bonus	21,518	14,981	17,770	10,504
Short-term employee benefits	62,092	51,722	-	-
Long-term employee benefits	6,564	9,425	-	-
Other related parties				
Sales of goods	6,228,369	6,816,182	-	-
Purchases of goods and raw materials	411,775	267,087	-	-
Other raw materials conversion charges and overheads	1,224	9,601	-	-
Selling and administrative expenses	203,929	178,544	7,909	5,990
Other income	2,472	2,547	-	-
Jointly-controlled entities				
Sales of goods	3,567,253	4,990,115	-	-
Purchases of goods and raw materials	10,036,213	2,022,592	-	-
Other raw materials conversion charges and overheads	-	315	-	-
Selling and administrative expenses	-	591	-	-
Interest income	2,850	2,934	-	-
Other income	42,298	15,257	5,432	6,769

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Balances as at 31 December with related parties were as follows:

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
	(in thousand Baht)			
<i>Trade accounts receivable from related parties</i>				
Other related parties				
Serm Suk Public Company Limited	128,275	73,077	-	-
Indo Rama Synthetics (India) Limited	1,027,591	1,308,997	-	-
PT Indorama Synthetics TBK	163,181	115,307	-	-
	1,319,047	1,497,381	-	-
Jointly-controlled entities				
PT Indorama Petrochemicals	1,354	1,785	-	-
ES FiberVisions, Inc.	-	49,313	-	-
ES FiberVisions LP	236,072	271,618	-	-
ES FiberVisions ApS	135,274	148,310	-	-
ES FiberVisions Hongkong Limited	48,731	25,331	-	-
ES FiberVisions (Suzhou) Co., Ltd.	67,013	1,191	-	-
ShenMa-PHP (Pingdingshan) Air Bag Yarn Manufacturing Co., Ltd.	112,196	-	-	-
	600,640	497,548	-	-
Total	1,919,687	1,994,929	-	-
<i>Other receivables</i>				
Subsidiaries				
Indorama Ventures USA Holdings LP	-	-	149,876	-
Indorama Ventures Performance Fibers Holdings USA LLC	-	-	-	7,260
Indorama Ventures Global Services Limited	-	-	-	111
	-	-	149,876	7,371
Other related parties				
Pacific Resources Limited	1,793	1,312	-	-
Cryoviva (Thailand) Limited	318	168	-	-
Indo Rama Synthetics (India) Limited	11,361	4,078	-	-
Indorama Eleme Petrochemicals Limited	780	1,425	-	-
	14,252	6,983	-	-
Jointly-controlled entities				
Ottana Polimeri S.R.L.	-	1,833	-	1,833
ES FiberVisions (Thailand) Company Limited	13,463	-	-	-
ES FiberVisions China Limited	591	-	-	-
PT Indorama Petrochemicals	38,127	-	-	-
	52,181	1,833	-	1,833
Total	66,433	8,816	149,876	9,204
<i>Advance for share subscription</i>				
Jointly-controlled entity				
PT Indorama Petrochemicals	396,515	-	-	-
Total	396,515	-	-	-

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Short-term loans to related parties	Interest rate		Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013	2014	2013
	(% per annum)		(in thousand Baht)			
<i>Comprising :</i>						
<i>Short-term loans to related parties</i>						
Subsidiaries						
Indorama Polymers Public Company Limited	4.50	4.50	-	-	2,009,971	3,130,127
Asia Pet (Thailand) Limited	4.50	4.50	-	-	2,575,350	1,469,150
Indorama Holdings Limited	4.50	4.50	-	-	466,729	1,491,819
Indorama Polyester Industries Public Company Limited	4.50	4.50	-	-	3,569,150	5,013,100
Indorama Netherlands Cooperatief U.A.	3.00-3.74	3.08-3.75	-	-	2,967,495	681,539
Indorama Petrochem Limited	4.50	-	-	-	2,543,000	-
TPT Petrochemicals Public Company Limited	4.50	-	-	-	2,091,999	-
Indorama Ventures Global Services Limited	4.50	-	-	-	256,800	-
Total			-	-	16,480,494	11,785,735
Jointly-controlled entity						
ES FiberVisions (Suzhou) Co., Ltd	1.32-2.40		57,685	-	-	-
Total			57,685	-	-	-
<i>Interest receivable from related parties</i>						
Subsidiaries						
Indorama Polymers Public Company Limited			-	-	19,719	82,065
Asia Pet (Thailand) Limited			-	-	36,325	50,141
Indorama Holdings Limited			-	-	57,148	62,816
Indorama Polyester Industries Public Company Limited			-	-	75,966	75,677
Indorama Netherlands Cooperatief U.A.			-	-	81,345	67,838
Indorama Petrochem Limited			-	-	107,188	128,767
TPT Petrochemicals Public Company Limited			-	-	54,480	89,286
Indorama Ventures Global Services Limited			-	-	1,772	-
Total			-	-	433,943	556,590
Jointly-controlled entities						
ES FiberVisions (Suzhou) Co., Ltd.			2,219	602	-	-
ShenMa-PHP (Pingdingshan) Air Bag Yarn Manufacturing Co., Ltd.			15,241	-	-	-
Total			17,460	602	-	-
Total short-term loans to related parties			75,145	602	16,914,437	12,342,325

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Long-term loans to related parties	Interest rate		Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013	2014	2013
	(% per annum)		(in thousand Baht)			
<i>Comprising : Long-term loans to related parties</i>						
Subsidiaries						
Indorama Petrochem Limited	2.08-4.50	2.13-4.50	-	-	4,824,040	3,381,732
TPT Petrochemicals Public Company Limited	4.50	4.50	-	-	2,719,226	1,725,000
Indorama Polymers Public Company Limited	4.50	4.50	-	-	779,103	2,646,233
Asia Pet (Thailand) Limited	4.50	4.50	-	-	-	2,500,000
Indorama Holdings Limited	4.50	4.50	-	-	4,694,359	4,190,859
Indorama Polyester Industries Public Company Limited	4.50	4.50	-	-	2,810,000	2,810,000
Indorama Netherlands Cooperatief U.A.	3.00-5.00	3.05-3.75	-	-	10,312,526	6,160,483
IVL Belgium N.V.	2.81	2.91	-	-	1,190	1,338
Total			-	-	26,140,444	23,415,645
Jointly-controlled entities						
ES FiberVisions (Suzhou) Co., Ltd.	1.32-2.40	2.39-2.40	140,093	98,441	-	-
ShenMa-PHP (Pingdingshan) Air Bag Yarn Manufacturing Co., Ltd.	2.21-3.41	-	24,032	-	-	-
Total			164,125	98,441	-	-
<i>Interest receivables from related party</i>						
Subsidiary						
IVL Belgium N.V.			-	-	92	64
Total			-	-	92	64
Total long-term loans to related parties			164,125	98,441	26,140,536	23,415,709

During 2014, PHP Fibers GmbH, an indirect subsidiary, entered into a memorandum of understanding with ShenMa-PHP (Pingdingshan) Air Bag Yarn Manufacturing Co., Ltd. ("ShenMa-PHP") under which the long-term loan to ShenMa-PHP of USD 3.9 million (equivalent to Baht 159.0 million) was converted into share capital of ShenMa-PHP for the equivalent amount effective from 27 November 2014. There is no change in the Group's interest in ShenMa-PHP since the other joint venture partner also contributed the same capital amount into ShenMa-PHP.

During 2014, the long-term loan of Baht 4,371 million was repaid by Indorama Polymers Public Company Limited ("IRP") through assignment of loans receivable from IRP's subsidiaries to the Company. The Company further reassigned those loans of Baht 4,371 million to Indorama Netherlands Cooperatief U.A. ("INCOOP").

During 2013, the Company has amended the loan agreements with related parties to change the repayment term resulting in reclassification of a short-term loan to related party of Baht 360.7 million to be presented under long-term loans to related party as at 31 December 2013.

During 2013, the Company entered into a memorandum of understanding with Indo Polymers Mauritius Limited ("IPML") and INCOOP under which the loan to INCOOP of EUR 187.3 million (equivalent to Baht 7,535.3 million) was converted into shares of IPML for the equivalent amount effective from 1 February 2013. In addition, the Company entered into various agreements whereby a loan to one subsidiary and promissory notes issued by two subsidiaries totalling of USD 132.1 million

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(equivalent to Baht 4,074.2 million) were converted into shares of IPML for the equivalent amount effective from 31 October 2013 (see Note 11).

During 2013, the short-term loan of USD 18.5 million (Baht 590.9 million) and long-term loan of USD 56 million (Baht 1,788.5 million) given to INCOOP have been reassigned to the Company by IRP as a settlement of long-term loan of USD 74.5 million (Baht 2,379.4 million) given to IRP by the Company. Accordingly, the transfer of long-term loan to short-term loan totaling USD 18.5 million (Baht 590.9 million) is presented as a reclassification of loans during the year ended 31 December 2013.

Summary of loans to related parties	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
	(in thousand Baht)			
Short-term loans	75,145	602	16,914,437	12,342,325
Long-term loans	164,125	98,441	26,140,536	23,415,709
Total loans to related parties	239,270	99,043	43,054,973	35,758,034

Movements during the years ended 31 December of loans to related parties, excluding interest receivable from related parties, were as follows:

Loans to related parties	Note	Consolidated financial statements		Separate financial statements	
		2014	2013	2014	2013
		(in thousand Baht)			
<i>Short-term loans:</i>					
Subsidiaries					
At 1 January		-	-	11,785,735	10,334,633
Increase		-	-	43,105,948	38,042,401
Decrease		-	-	(40,213,069)	(36,821,506)
Reclassification		-	-	1,801,880	230,207
At 31 December		-	-	16,480,494	11,785,735
Jointly-controlled entities					
At 1 January		-	-	-	-
Increase		33,325	-	-	-
Reclassification		24,361	-	-	-
At 31 December		57,685	-	-	-
Total short-term loans					
At 1 January		-	-	11,785,735	10,334,633
Increase		33,325	-	43,105,948	38,042,401
Decrease		-	-	(40,213,069)	(36,821,506)
Reclassification		24,361	-	1,801,880	230,207
At 31 December		57,685	-	16,480,494	11,785,735

Loans to related parties	Note	Consolidated financial statements		Separate financial statements	
		2014	2013	2014	2013
		(in thousand Baht)			
Long-term loans:					
Subsidiaries					
At 1 January		-	-	23,415,645	31,469,713
Increase		-	-	14,013,941	3,785,624
Decrease		-	-	(9,487,262)	-
Reclassification		-	-	(1,801,880)	(230,207)
Transfer		-	-	-	(11,609,485)
At 31 December		-	-	26,140,444	23,415,645
Jointly-controlled entities					
At 1 January		98,441	60,835	-	-
Increase		249,041	98,441	-	-
Elimination due to change in accounting treatment	4(iv)	-	(60,835)	-	-
Reclassification		(24,361)	-	-	-
Transfer		(158,996)	-	-	-
At 31 December		164,125	98,441	-	-
Total long-term loans					
At 1 January		98,441	60,835	23,415,645	31,469,713
Increase		249,041	98,441	14,013,941	3,785,624
Decrease		-	-	(9,487,262)	-
Elimination due to change in accounting treatment	4(iv)	-	(60,835)	-	-
Reclassification		(24,361)	-	(1,801,880)	(230,207)
Transfer		(158,996)	-	-	(11,609,485)
At 31 December		164,125	98,441	26,140,444	23,415,645
Trade account payable to related parties					
Other related party					
PT Indorama Synthetics TBK		84,357	32,803	-	-
Jointly-controlled entities		84,357	32,803	-	-
PT Indorama Petrochemicals		33,624	1,143,477	-	-
TTI GmbH		1,536	-	-	-
		35,160	1,143,477	-	-
Total		119,517	1,176,280	-	-

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Loans to related parties	Note	Consolidated financial statements		Separate financial statements	
		2014	2013	2014	2013
		(in thousand Baht)			
<i>Other payable to related parties</i>					
Subsidiary		-	-	1,708	-
Trevira Holdings GmbH		-	-	1,708	-
Other related parties		23,861	34,400	-	-
Lohia Global Holdings Limited		21,432	-	-	-
PT Indorama Synthetics TBK		21,065	448	-	-
Indo Rama Synthetics (India) Limited		1,265	-	-	-
Indorama Eleme Petrochemicals Limited		67,623	34,848	-	-
Jointly-controlled entity					
PT Indorama Petrochemicals		-	228,315	-	-
		-	228,315	-	-
Total		67,623	263,163	1,708	-
<i>Short-term loan from related party</i>					
Subsidiary					
Indorama Petrochem Limited		-	-	-	164,300
Total		-	-	-	164,300

Movements during the years ended 31 December of loans from related party, excluding interest payable to related party, were as follows:

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
(in thousand Baht)				
<i>Short-term loans from related party</i>				
Subsidiary				
At 1 January	-	-	164,300	164,300
Increase	-	-	-	510,148
Decrease	-	-	(164,300)	(510,148)
At 31 December	-	-	-	164,300

6 Cash and cash equivalents

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
	(in thousand Baht)			
Cash on hand	8,023	563,481	-	-
Cash at bank - current accounts	1,872,192	2,452,737	10,660	1,220
Cash at bank - savings accounts	282,629	392,386	76,389	135,962
Cash at bank - fixed accounts	1,288	1,272	-	-
Highly liquid short-term investments	3,255,450	704,474	2,800,000	540,000
Total	5,419,582	4,114,350	2,887,049	677,182

As at 31 December 2014, cash at bank amounting to CNY 15.2 million or equivalent to Baht 80.5 million (2013: CNY 18.7 million or equivalent to Baht 100.9 million) was restricted to secure letters of credit.

The currency denomination of cash and cash equivalents as at 31 December was as follows:

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
	(in thousand Baht)			
Thai Baht (THB)	2,982,550	765,361	2,887,049	677,182
United States Dollars (USD)	1,651,639	1,675,042	-	-
Euro (EUR)	380,509	1,217,039	-	-
Chinese Yuan (CNY)	151,714	131,666	-	-
Danish Krone (DKK)	84,868	6,438	-	-
Pounds Sterling (GBP)	65,962	88,022	-	-
Indonesian Rupiah (IDR)	32,825	62,580	-	-
Nigeria Naira (NGN)	18,946	17,716	-	-
Polish Zloty (PLN)	16,570	23,777	-	-
Mexican Peso (MXN)	15,868	68,418	-	-
Ghanaian Cedi (GHC)	7,663	-	-	-
Philippines Peso (PHP)	6,102	12,850	-	-
Turkish Lira (TRY)	3,202	-	-	-
Lithuanian Litas (LTL)	737	42,875	-	-
Swiss Franc (CHF)	371	628	-	-
Japanese Yen (JPY)	46	1,926	-	-
Singapore Dollars (SGD)	10	12	-	-
Total	5,419,582	4,114,350	2,887,049	677,182

7 Other investments

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
(in thousand Baht)				
<i>Current investments</i>				
Short-term deposits at financial institutions	5,002,069	262,640	5,000,000	50,000
Short-term debentures issued by a financial institutions	99,759	-	-	-
	5,101,828	262,640	5,000,000	50,000
<i>Other long-term investments</i>				
Long-term debentures issued by a financial institutions	104,719	99,025	70,000	70,000
	104,719	99,025	70,000	70,000
Total	5,206,547	361,665	5,070,000	120,000

The currency denomination of other investments as at 31 December was as follows:

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
(in thousand Baht)				
THB	5,067,603	151,000	5,045,181	120,000
USD	88,896	181,353	3,382	-
EUR	49,957	27,007	21,437	-
PLN	91	287	-	-
PHP	-	2,018	-	-
Total	5,206,547	361,665	5,070,000	120,000

Deposits in the amount of Baht 0.1 million (2013: Baht 0.3 million) have been pledged to secure loans from financial institutions.

8 Trade accounts receivable

	Note	Consolidated financial statements		Separate financial statements	
		2014	2013	2014	2013
		(in thousand Baht)			
Related parties	5	1,919,687	1,994,929	-	-
Other parties		24,407,205	27,040,517	-	-
Total		26,326,892	29,035,446	-	-
<i>Less allowance for doubtful accounts</i>		(123,905)	(208,257)	-	-
Net		26,202,987	28,827,189	-	-
Write-off allowance for doubtful accounts		70,475	12,169	-	-
(Reversal of) provision for bad and doubtful debts expense during the year, net		(7,500)	14,406	-	-

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Aging analyses for trade accounts receivable were as follows:

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
	(in thousand Baht)			
Related parties				
Within credit terms	1,742,651	1,946,647	-	-
Overdue:				
Less than 3 months	174,658	45,509	-	-
3-6 months	1,354	-	-	-
6-12 months	-	2,773	-	-
Over 12 months	1,024	-	-	-
	1,919,687	1,994,929	-	-
Other parties				
Within credit terms	21,094,053	22,300,740	-	-
Overdue:				
Less than 3 months	2,973,006	4,222,945	-	-
3-6 months	147,882	225,169	-	-
6-12 months	51,537	100,086	-	-
Over 12 months	140,727	191,577	-	-
	24,407,205	27,040,517	-	-
Less allowance for doubtful accounts	(123,905)	(208,257)	-	-
	24,283,300	26,832,260	-	-
Net	26,202,987	28,827,189	-	-

The normal credit term granted by the Group ranges from 7 days to 240 days.

The currency denomination of trade accounts receivable as at 31 December was as follows:

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
	(in thousand Baht)			
USD	17,753,120	21,172,054	-	-
EUR	3,633,052	2,993,735	-	-
THB	2,134,342	2,415,681	-	-
CNY	1,089,586	862,055	-	-
GBP	612,227	803,028	-	-
TRY	314,165	-	-	-
NGN	273,278	119,315	-	-
PHP	117,598	-	-	-
IDR	98,707	92,211	-	-
MXN	81,517	198,454	-	-
LTL	75,796	70,079	-	-
PLN	15,195	81,080	-	-
JPY	4,404	17,070	-	-
DKK	-	2,427	-	-
Total	26,202,987	28,827,189	-	-

Trade accounts receivable with a carrying amount of Baht 9,891 million (2013: Baht 12,290 million) have been pledged as collateral to secure loans from financial institutions.

9 Inventories

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
	(in thousand Baht)			
Finished goods	16,515,323	16,991,983	-	-
Work in process	1,599,470	1,017,901	-	-
Raw materials	7,699,146	7,479,194	-	-
Trading materials	32,027	10,262	-	-
Spare parts and supplies	2,961,901	2,731,642	-	-
Goods in transit	917,774	1,054,554	-	-
	29,725,641	29,285,536	-	-
Less allowance for decline in value	(584,582)	(345,980)	-	-
Net	29,141,059	28,939,556	-	-
Carrying value of inventories subject to retention of title clauses or otherwise pledged to secure liabilities	11,081,903	13,239,146	-	-
Inventories recognised as an expense in 'cost of sale of goods':				
• Cost	182,303,850	180,367,482	-	-
• Write-down to net realisable value	300,931	145,500	-	-
• Reversal of write-down	(131,100)	(75,576)	-	-
Net total	182,473,681	180,437,406	-	-

10 Other current assets

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
	(in thousand Baht)			
Value added tax receivable	2,550,683	1,878,990	-	-
Other receivables	639,887	725,573	149,876	294,668
Receivable from seller in business combination	648,320	726,397	-	-
Prepaid expenses	471,641	536,102	-	-
Advance tax payments and withholding tax	562,657	401,570	29,074	28,547
Material price adjustment receivable	404,596	233,736	-	-
Advance payments	401,196	561,930	2,063	92,540
Insurance claims receivable	3,842	898,189	-	-
Others	556,768	315,825	30,154	3,239
Total	6,239,590	6,278,312	211,167	418,994

Receivable from seller in business combination relates to a tax liability, which was recorded as part of income tax payable as at 31 December 2014 and 2013, for which IVL can claim from Arteva Latin America B.V. as per the sale and purchase agreement.

11 Investments in subsidiaries and other equity security

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
	(in thousand Baht)			
At 1 January	-	-	40,907,068	29,095,241
Additional investments	-	-	1,234,005	11,811,827
At 31 December	-	-	42,141,073	40,907,068

Investments in subsidiaries and other equity security as at 31 December 2014 and 2013 and dividend income from those investments for the years then ended were as follows:

Consolidated financial statements											
Effective ownership interest		Paid-up capital		Cost		Impairment		Carrying amount		Dividend income	
2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013
(in thousand Baht)											
Other equity security											
Tuntex Textile (Thailand) Company Limited		16.58		1,200,000		200,000	200,000	(200,000)	(200,000)	-	-
Total				200,000	200,000	(200,000)	(200,000)	-	-	-	-
Separate financial statements											
Ownership interest		Paid-up capital		Cost		Impairment		Return of capital		At cost-net	
2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013
(in thousand Baht)											
Subsidiaries											
Indorama Petrochem Limited		100.00	100.00	4,727,820	4,727,820	2,525,805	2,525,805	-	-	2,525,805	-
Indorama Holdings Limited		99.81	99.81	774,468	774,468	2,001,419	2,001,419	-	-	2,001,419	852,653
Indorama Polymers Public Company Limited		72.60	72.60	1,382,198	1,382,198	7,219,741	7,219,741	-	-	7,219,741	1,254,424
Indorama Polyester Industries Public Company Limited		64.94	64.94	2,202,850	2,202,850	1,473,995	1,473,995	-	-	1,473,995	-
TPT Petrochemicals Public Company Limited		99.97	99.97	2,955,000	2,955,000	5,182,189	5,182,189	-	-	5,182,189	-
IVL Belgium N.V.		100.00	100.00	121,630	121,630	121,630	121,630	-	-	121,630	-
Indo Polymers Mauritius Limited		100.00	100.00	23,596,294	22,382,289	23,596,294	22,382,289	-	-	23,596,294	165,622
Indorama Ventures Global Services Limited		100.00	100.00	20,000	-	20,000	-	-	-	20,000	350,000
Total				42,141,073	40,907,068	-	-	-	-	42,141,073	2,622,699
										40,907,068	3,296,322

During 2013, IPML increased its share capital from USD 344.4 million (Baht 10,570.8 million) to USD 737.3 million (Baht 22,382.3 million) for which the Company subscribed to the entire increased capital by converting the loans to INCOOP of EUR 187.3 million (Baht 7,535.3 million), converting the promissory notes issued by Indorama Ventures Alphapet Holdings, Inc. and Indorama Polymers (USA) Inc. of USD 90.6 million (Baht 2,793.7 million), and converting loans from Indorama Polymers Public Company Limited to Alphapet Inc. of USD 41.5 million (Baht 1,280.5 million) into shares of IPML for the equivalent amount (see Note 5) and contributing in cash of USD 6.8 million (Baht 202.3 million).

On 13 December 2013, Indorama Ventures Global Services Limited ("IVGS"), a new subsidiary, was incorporated in Thailand for the purpose of being a regional operating headquarters. As at 31 December 2014, IVGS has a paid-up capital of Baht 20 million.

During 2014, IPML increased its share capital from USD 737.3 million (Baht 22,382.3 million) to USD 774.8 million (Baht 23,596.3 million) for which the Company subscribed to the entire increased capital.

None of the Group's subsidiaries or other equity security are publicly listed and consequently they do not have published price quotations.

12 Investments in jointly-controlled entities

		Consolidated financial statements		Separate financial statements	
	Note	2014	2013	2014	2013
(in thousand Baht)					
At 1 January		2,887,471	5,124,410	-	-
Acquisitions	4(i)	196,405	-	-	-
Additional investment		432,008	102,741	-	-
Share of loss of investments - equity method, net		(1,356,055)	(1,107,954)	-	-
Allowance for impairment		(146,671)	-	-	-
Elimination due to change in accounting treatment	4(iv)	-	(1,480,908)	-	-
Effect of movements in exchange rates		(71,295)	249,182	-	-
At 31 December		1,941,863	2,887,471	-	-

Investments in jointly-controlled entities as at 31 December 2014 and 2013 were as follows:

Consolidated financial statements															
	Effective ownership interest		Paid-up capital		Cost method		Equity method		Impairment		Effect of movements in exchange rate		Carrying value at equity		
	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	
	(in thousand Baht)														
Jointly-controlled entities															
UAB Ottana Polimeri Europe (a)	50.00	50.00	242,460	242,460	121,230	121,230	277,878	959,760	(146,671)	-	(50,994)	111,673	80,213	1,071,433	
PT Indorama Petrochemicals (b)	43.00	43.00	4,532,869	4,532,869	1,463,186	1,463,186	324,378	824,030	-	-	(58,825)	93,276	265,553	917,306	
ES FiberVisions (c)	50.00	50.00	603,959	603,959	694,326	694,326	771,003	687,199	-	-	9,751	30,757	780,754	717,956	
ES FiberVisions (Suzhou) Co., Ltd. (d)	50.00	50.00	369,946	369,946	182,383	182,383	143,381	167,300	-	-	1,554	13,476	144,935	180,776	
ShenMa-PHP (Pingdingshan) Air Bag Yarn Manufacturing Co., Ltd. (e)	39.20	-	796,144	-	191,864	-	192,522	-	-	-	35,050	-	227,572	-	
PHP-ShenMa Air Bag Yarn															
Marketing (Shanghai) Co., Ltd. (f)	40.80	-	9,038	-	152,611	-	166,953	-	-	-	(7,475)	-	159,478	-	
TTI GmbH (g)	40.00	-	1,119	-	10,926	-	10,702	-	-	-	(1,101)	-	9,601	-	
ES FiberVisions (Thailand) Company Limited (h)	50.00	-	102,500	-	51,250	-	51,250	-	-	-	-	-	51,250	-	
Indorama Ventures EcoMex, S. de R.L.de C.V. (i)	51.00	-	7	-	221,759	-	221,759	-	-	-	745	-	222,504	-	
Indorama Ventures EcoMex Service, S. de R.L.de C.V. (j)	51.00	-	7	-	3	-	3	-	-	-	-	-	3	-	
Total					3,089,538	2,461,125	2,195,829	2,638,289	(146,671)	-	(71,295)	249,182	1,941,863	2,887,471	

- (a) The Group applied the equity method of accounting for its investment in UAB Ottana Polimeri Europe ("UAB OPE") in the consolidated financial statements for the years ended 31 December 2014 and 2013 and recorded its 50% interest in the loss of UAB OPE, amounting to Baht 793.6 million and Baht 852.0 million, respectively, as a share of loss of jointly-controlled entity in the consolidated statement of income for the years ended 31 December 2014 and 2013, respectively. The share of loss recorded in the consolidated statement of income for the year ended 31 December 2014 and 2013 includes 50% of the impairment provision recorded by UAB OPE of Baht 838.8 and Baht 734.7 million, respectively, amounting to Baht 419.4 and Baht 367.3 million, respectively.

During 2014, due to the business environment prevailing in Italy, the plant of Ottana Polimeri S.R.L. had been running at substantially lower utilisation. The management of IVL Belgium N.V. believes that the value of investment in UAB OPE might be impaired and prepared discounted cash flow projections ("DCF") to determine the value in use of investment in UAB OPE. Based on the result of the assessment and management judgement, the Group recorded impairment loss on investment in UAB OPE of Baht 146.7 million in the consolidated statement of income for the year ended 31 December 2014.

Discount rate

The discount rate which is used in the DCF to determine the value in use as at the assessment date, is a pre-tax measure estimated based on past experience and industry weighted average cost of capital plus risk adjusted as estimated by the management of IVL Belgium N.V.

- (b) The Group applied the equity method of accounting for its investment in PT Indorama Petrochemicals ("PTIP") as both major shareholders have entered into a shareholder agreement giving each party joint control of all significant management and operational decisions. The Group recorded its 43% interest in net loss of PTIP for the years ended 31 December 2014 and 2013 amounting to Baht 592.9 million and Baht 361.7 million, respectively, as a share of loss of jointly-controlled entity in the consolidated statements of income for the years ended 31 December 2014 and 2013, respectively.

Indorama Netherlands B.V. has a call option, which is exercisable during the period from 1 January 2014 to 31 December 2016, to acquire 42% of PT Indorama Petrochemicals's shares from PT Indo-Rama Synthetics TBK ("PTIRS"), a shareholder holding 43% of PTIP and a related party of IVL.

- (c) The Group applied the equity method of accounting for its investment in ES FiberVisions group of companies consisting of ES FiberVisions LP, ES FiberVisions, Inc., ES FiberVisions Holdings ApS, ES FiberVisions ApS, ES FiberVisions Hong Kong Limited, ES FiberVisions China Limited, and ES FiberVisions Company Limited (collectively, "ES FiberVisions"). The Group recorded its 50% interest in the profit of ES FiberVisions for the years ended 31 December 2014 and 2013, amounting to Baht 53.0 million and Baht 44.0 million, respectively, as a share of profit of jointly-controlled entities in the consolidated statements of income for the years ended 31 December 2014 and 2013, respectively.
- (d) The Group applied the equity method of accounting for its investment in ES FiberVisions (Suzhou) Co., Ltd. The Group recorded its 50% interest in the loss of ES FiberVisions (Suzhou) Co., Ltd. for the years ended 31 December 2014 and 2013, amounting to Baht 37.4 million and Baht 15.1 million as a share of loss of jointly-controlled entities in the consolidated statements of income for the years ended 31 December 2014 and 2013, respectively.
- (e) The Group applied the equity method of accounting for its investment in ShenMa-PHP (Pingdingshan) Air Bag Yarn Manufacturing Co., Ltd. The Group recorded its 49% interest in the profit of ShenMa-PHP (Pingdingshan) Air Bag Yarn Manufacturing Co., Ltd. amounting to Baht 0.7 million as a share of profit of jointly-controlled entities in the consolidated statement of income for the year ended 31 December 2014.
- (f) The Group applied the equity method of accounting for its investment in PHP-ShenMa Air Bag Yarn Marketing (Shanghai) Co., Ltd. The Group recorded its 51% interest in the profit of PHP-ShenMa Air Bag Yarn Marketing (Shanghai) Co., Ltd. amounting to Baht 14.3 million as a share of profit of jointly-controlled entities in the consolidated statement of income for the year ended 31 December 2014.
- (g) The Group applied the equity method of accounting for its investment in TTI GmbH. The Group recorded its 50% interest in the loss of TTI GmbH amounting to Baht 0.2 million as a share of loss of jointly-controlled entities in the consolidated statement of income for the year ended ended 31 December 2014.
- (h) The Group applied the equity method of accounting for its investment in ES FiberVisions (Thailand) Company Limited. This jointly-controlled entity has not commenced its operation as at 31 December 2014.
- (i) The Group applied the equity method of accounting for its investment in Indorama Ventures EcoMex, S. de R.L. de C.V.. This jointly-controlled entity was incorporated on 27 November 2014.
- (j) The Group applied the equity method of accounting for its investment in Indorama Ventures EcoMex Service, S. de R.L. de C.V.. This jointly-controlled entity was incorporated on 27 November 2014.

Summary of financial information as at 31 December 2014 and 2013, for the equity-accounted jointly-controlled entities, not adjusted for the percentage of ownership held by the Group, is as follows:

	Current assets	Non-current assets	Total assets	Current liabilities	Non-current liabilities	Total liabilities	Total revenues	Total expenses	Net profit/(loss)
	(in thousand Baht)								
2014									
UAB Ottana Polimeri Europe	390,718	420,004	810,722	237,231	156,289	393,520	2,008,359	3,595,470	(1,587,111)
PT Indorama Petrochemicals	2,034,179	7,953,943	9,988,122	3,630,784	4,765,399	8,396,183	10,321,284	11,700,187	(1,378,903)
ES FiberVisions	1,416,565	18,274	1,434,839	1,098,583	33,108	1,131,691	6,918,723	6,812,627	106,096
ES FiberVisions (Suzhou) Co., Ltd.	388,059	784,399	1,172,458	166,613	715,974	882,587	270,480	345,270	(74,790)
ShenMa PHP (Pingdingshan) Air Bags Yarn Manufacturing Co., Ltd.	742,500	1,675,585	2,418,085	1,773,108	-	1,773,108	1,196,756	1,195,414	1,342
PHP ShenMa Air Bag Yarn Marketing (Shanghai) Co., Ltd.	347,864	1,579	349,443	257,269	-	257,269	1,189,211	1,161,089	28,122
TTI GmbH	39,223	4,515	43,738	9,366	29,297	38,663	115,564	116,013	(449)
ES FiberVisions (Thailand) Company Limited	83,852	32,418	116,270	13,770	-	13,770	-	-	-
Indorama Ventures EcoMex, S. de R.L. de C.V.	86,809	422,195	509,004	78,777	-	78,777	-	-	-
Indorama Ventures EcoMex Service, S. de R.L. de C.V.	879	-	879	860	-	860	-	-	-
Total	5,530,648	11,312,912	16,843,560	7,266,361	5,700,067	12,966,428	22,020,377	24,926,070	(2,905,693)
2013									
UAB Ottana Polimeri Europe	2,342,748	2,455,078	4,797,826	1,653,425	1,019,042	2,672,467	6,437,032	8,141,038	(1,704,006)
Trevira Holdings GmbH	-	-	-	-	-	-	7,752,674	7,650,228	102,446
PT Indorama Petrochemicals	2,592,575	8,034,772	10,627,347	3,554,102	4,981,456	8,535,558	4,288,493	5,129,660	(841,167)
ES FiberVisions	1,230,876	37,055	1,267,931	1,057,819	28,003	1,085,822	6,468,188	6,380,191	87,997
ES FiberVisions (Suzhou) Co., Ltd.	49,164	828,730	877,894	3,437	502,076	505,513	-	30,165	(30,165)
Total	6,215,363	11,355,635	17,570,998	6,268,783	6,530,577	12,799,360	24,946,387	27,331,282	(2,384,895)

13 Property, plant and equipment

Consolidated financial statements									
	Machinery							Construction inprogress	Total
	Land and land improvements	Buildings and building improvements	Machinery and equipment- textile production	Machinery and equipment- other	Office furniture, fixtures and equipment	Transportation equipment	Stores and spares		
(in thousand Baht)									
Cost/revaluation									
At 1 January 2013	3,869,819	11,499,094	14,781,588	80,412,694	941,871	227,633	579,508	3,772,502	116,084,709
Additions	334,688	220,311	2,793	1,749,614	53,567	5,886	89,011	6,327,061	8,782,931
Acquisitions through business combinations	4	595,759	477,302	86,101	48,550	3,560	-	143,581	2,021,624
Transfers	95	387,900	1,527,478	1,012,492	57,243	11,296	(18,322)	(2,978,182)	-
Reclassification	-	3,878	-	(3,650)	(228)	-	869	-	869
Disposals	-	-	(26,624)	(941,275)	(9,593)	(9,429)	(7,222)	(217)	(994,360)
Effect of movements in exchange rates									
At 31 December 2013 and 1 January 2014	5,154,524	13,545,810	17,395,756	86,497,741	1,129,919	243,062	647,425	7,754,589	132,368,826
Additions	13,412	411,003	57,444	683,494	43,517	5,377	143,443	7,753,694	9,111,384
Acquisitions through business combinations	4	290,178	3,089,202	627,246	60,875	-	-	40,335	4,112,991
Transfers	47,961	953,979	7,448,028	2,205,354	83,731	10,605	(101,616)	(10,648,042)	-
Reclassification	-	40	-	(49,381)	-	-	202	(40)	(49,179)
Disposals	-	(56,096)	(24,830)	(354,673)	(97,542)	(17,969)	(3,627)	(15,392)	(570,129)
Effect of movements in exchange rates	(84,667)	(521,530)	(878,401)	(2,008,427)	(50,029)	(2,020)	(3,729)	(236,551)	(3,785,354)
At 31 December 2014	5,136,385	14,623,384	27,087,199	87,601,354	1,170,471	239,055	682,098	4,648,593	141,188,539

Consolidated financial statements									
	Land and land improvements	Buildings and building improvements	Machinery and equipment-textile production	Machinery and equipment-other	Office furniture, fixtures and equipment	Transportation equipment	Stores and spares	Construction in progress	Total
	(in thousand Baht)								
Depreciation									
At 1 January 2013	195,566	2,092,091	4,794,929	21,584,231	554,589	113,925	19,951	-	29,355,282
Depreciation charge for the year	67,926	558,537	811,415	4,735,846	126,188	31,705	19,496	-	6,351,113
Reclassification	-	1	-	38	7	(46)	-	-	-
Disposals	-	-	(3,874)	(928,669)	(9,104)	(8,286)	(18)	-	(949,951)
Effect of movements in exchange rates	13,544	157,309	270,427	919,495	18,202	2,053	201	-	1,381,231
At 31 December 2013 and 1 January 2014	277,036	2,807,938	5,872,897	26,310,941	689,882	139,351	39,630	-	36,137,675
Depreciation charge for the year	80,074	688,293	1,143,197	5,204,868	135,099	35,027	22,607	-	7,309,165
Disposals	-	(41,467)	(24,185)	(237,978)	(96,479)	(14,403)	(1,875)	-	(416,387)
Effect of movements in exchange rates	1,153	(168,953)	(516,868)	(571,245)	(26,475)	(2,994)	19	-	(1,285,363)
At 31 December 2014	358,263	3,285,811	6,475,041	30,706,586	702,027	156,981	60,381	-	41,745,090

Consolidated financial statements									
	Land and land improvements	Buildings and building improvements	Machinery and equipment- textile production	Machinery and equipment- other	Office furniture, fixtures and equipment	Transportation equipment	Stores and spares	Construction in progress	Total
	(in thousand Baht)								
Impairment									
At 1 January 2013	-	-	-	-	-	-	(4,836)	-	(4,836)
Impairment losses	-	-	(17,658)	-	-	-	-	-	(17,658)
Write-off	-	-	-	-	-	-	4,836	-	4,836
At 31 December 2013 and 1 January 2014	-	-	(17,658)	-	-	-	-	-	(17,658)
Impairment losses	-	-	-	(557,772)	-	-	-	-	(557,772)
Effect of movements in exchange rates	-	-	-	32,585	-	-	-	-	32,585
At 31 December 2014	-	-	(17,658)	(525,187)	-	-	-	-	(542,845)
Net book value									
At 1 January 2013									
Owned assets	3,067,272	9,407,003	9,869,388	58,828,463	387,282	99,359	554,721	3,772,502	85,985,990
Assets under finance leases	606,981	-	117,271	-	-	14,349	-	-	738,601
	3,674,253	9,407,003	9,986,659	58,828,463	387,282	113,708	554,721	3,772,502	86,724,591
At 31 December 2013 and 1 January 2014									
Owned assets	4,252,730	10,737,872	11,388,448	60,186,800	440,037	92,447	607,795	7,754,589	95,460,718
Assets under finance leases	624,758	-	116,753	-	-	11,264	-	-	752,775
	4,877,488	10,737,872	11,505,201	60,186,800	440,037	103,711	607,795	7,754,589	96,213,493
At 31 December 2014									
Owned assets	4,223,247	11,331,811	20,590,803	56,369,581	468,444	74,445	621,717	4,648,593	98,328,641
Assets under finance leases	554,875	5,762	3,697	-	-	7,629	-	-	571,963
	4,778,122	11,337,573	20,594,500	56,369,581	468,444	82,074	621,717	4,648,593	98,900,604

During the fourth quarter of 2013, Indorama Polymers Workington Ltd. ("IRPW"), an indirect subsidiary, suspended its operations and mothballed the plant with an intention to re-start the operations when the business conditions improved. Based on management's reassessment during the second quarter of 2014, the decision to re-start has been deferred for some additional time. The management of IRPW believed that the values of its plant, machinery and equipment and related spare parts as of 30 June 2014 might be impaired. Management of IRPW assessed the recoverable amount by preparing discounted cash flow projections ("DCF") to determine the value in use of the cash-generating unit ("CGU") which comprised plant, buildings and building improvements and machinery and equipment and related spare parts related to IRPW's production and appointed an independent appraiser to determine the fair value less cost of disposal of property, plant and equipment as at 31 December 2014. Based on the result of the assessment, IRPW recorded an impairment loss on plant, machinery and equipment of Baht 557.8 million and spare parts of Baht 39.6 million, totalling Baht 597.4 million in the statement of income for the year ended 31 December 2014.

Discount rate

The discount rate which is used in the DCF to determine the value in use as at an assessment date, is a pre-tax measure estimated based on past experience and industry weighted average cost of capital plus risk adjusted as estimated by the management of IRPW.

The gross amount of the Group's fully depreciated property, plant and equipment that was still in use as at 31 December 2014 amounted to Baht 18,052.3 million (2013: Baht 17,706.3 million).

Certain property, plant and equipment with a carrying value of Baht 37,318.8 million (2013: Baht 39,284.6 million) have been pledged as collateral to secure loans from financial institutions.

Capitalised borrowing costs relating to the construction of the new plant amounted to Baht 67.3 million (2013: Baht 174.9 million), with a capitalisation rate of 1.35-4.50% (2013: 1.60-5.00%) (see Note 31).

14 Goodwill

	Consolidated financial statements	
	2014	2013
	(in thousand Baht)	
<i>Cost</i>		
At 1 January	8,018,747	7,485,373
Effect of movements in exchange rates	36,042	533,374
At 31 December	8,054,789	8,018,747
<i>Net book value</i>		
At 1 January	8,018,747	7,485,373
At 31 December	8,054,789	8,018,747

15 Other intangible assets

Consolidated financial statements										
Note	Rights acquired	Supplier contract and relationships	Software licenses	Technology licenses and knowhow	Customer contracts and relationships	Trade name and trademarks	Chemicals exchange contract	Capitalised development expenditure	Total	
(in thousand Baht)										
Cost										
At 1 January 2013	50,582	4,118,849	162,366	3,388,538	2,979,963	469,952	306,316	-	-	11,476,566
Additions	25,084	-	3,547	15,939	-	-	-	-	-	44,570
Acquisitions through business combinations										
• Aurus Packaging Ltd.	4	-	59	-	-	-	-	-	-	59
• Trevira Holdings GmbH	4	-	25,627	33,653	416,639	222,310	-	-	-	698,229
Write-off	-	-	(629)	-	-	-	-	-	-	(629)
Effect of movements in exchange rates	5,703	306,320	12,527	221,186	274,502	48,444	21,820	-	-	890,502
At 31 December 2013 and 1 January 2014	81,369	4,425,169	203,497	3,659,316	3,671,104	740,706	328,136	-	-	13,109,297
Additions	6,151	-	42,301	23,936	-	-	-	20,801	-	93,189
Acquisitions through business combinations										
• PHP Fibers GmbH	4	-	3,008	409,514	-	223,609	-	-	-	636,131
• Artenius Turkpet Kimveyi Maddeler Sanayi A.S.	4	-	1,410	-	166,738	-	-	-	-	170,293
Write-off	-	-	(577)	-	-	-	-	-	-	(577)
Effect of movements in exchange rates	(4,446)	(22,253)	(4,267)	(54,406)	(168,585)	(49,853)	1,494	308	-	(302,008)
At 31 December 2014	85,219	4,402,916	245,372	4,038,360	3,669,257	914,462	329,630	21,109	-	13,706,325

Consolidated financial statements									
	Rights acquired	Supplier contract and relationships	Software licenses	Technology licenses and knowhow	Customer contracts and relationships	Trade name and trademarks	Chemicals exchange contract	Capitalised development expenditure	Total
	(in thousand Baht)								
<i>Amortisation</i>									
At 1 January 2013	16,105	106,240	62,431	376,465	470,603	1,720	12,058	-	1,045,622
Amortisation charge for the year	3,283	132,400	31,501	190,124	308,878	4,007	16,174	-	686,367
Write-off	-	-	(629)	-	-	-	-	-	(629)
Effect of movements in exchange rates	1,443	16,547	5,954	36,202	69,736	442	1,956	-	132,280
At 31 December 2013 and 1 January 2014	20,831	255,187	99,257	602,791	849,217	6,169	30,188	-	1,863,640
Amortisation charge for the year	3,745	139,284	45,776	214,762	335,890	20,633	17,095	-	777,185
Write-off	-	-	(577)	-	-	-	-	-	(577)
Effect of movements in exchange rates	(1,742)	3,229	(364)	(5,794)	(54,524)	(2,017)	391	-	(60,821)
At 31 December 2014	22,834	397,700	144,092	811,759	1,130,583	24,785	47,674	-	2,579,427
<i>Net book value</i>									
At 1 January 2013	34,477	4,012,609	99,935	3,012,073	2,509,360	468,232	294,258	-	10,430,944
At 31 December 2013 and 1 January 2014	60,538	4,169,982	104,240	3,056,525	2,821,887	734,537	297,948	-	11,245,657
At 31 December 2014	62,385	4,005,216	101,280	3,226,601	2,538,674	889,677	281,956	21,109	11,126,898

16 Deferred tax

Deferred tax assets and liabilities as at 31 December 2014 and 2013 were as follows:

Consolidated financial statements						
	Assets		Liabilities		Net	
	2014	2013	2014	2013	2014	2013
	(in million Baht)					
Property, plant and equipment	(497)	(507)	9,794	8,426	9,297	7,919
Accounts receivable	(7)	(5)	-	-	(7)	(5)
Derivatives	-	(70)	53	7	53	(63)
Inventories	(131)	(102)	69	7	(62)	(95)
Provisions	(282)	(251)	306	284	24	33
Loss carry forward	(2,868)	(3,378)	-	-	(2,868)	(3,378)
Others	(671)	(611)	2,019	1,940	1,348	1,329
Total	(4,456)	(4,924)	12,241	10,664	7,785	5,740
Set off of tax	3,351	3,739	(3,351)	(3,739)	-	-
Net deferred tax (assets) liabilities	(1,105)	(1,185)	8,890	6,925	7,785	5,740

Separate financial statements						
	Assets		Liabilities		Net	
	2014	2013	2014	2013	2014	2013
	(in million Baht)					
Derivatives	-	(59)	39	-	39	(59)
Loss carry forward	(65)	(25)	-	-	(65)	(25)
Total	(65)	(84)	39	-	(26)	(84)
Set off of tax	39	-	(39)	-	-	-
Net deferred tax (assets) liabilities	(26)	(84)	-	-	(26)	(84)

Movements in total deferred tax assets and liabilities during the years ended 31 December 2014 and 2013 were as follows:

Consolidated financial statements							
Charged / (credited to) :							
	At 1 January 2014	Profit or loss	Other comprehensive income	Equity	Acquired in business combination	Exchange differences	At 31 December 2014
	(in million Baht)						
Property, plant and equipment	7,919	538	(2)	-	989	(147)	9,297
Accounts receivable	(5)	2	-	-	(5)	1	(7)
Derivatives	(63)	28	92	-	-	(4)	53
Inventories	(95)	(26)	-	-	65	(6)	(62)
Provisions	33	7	-	-	(6)	(10)	24
Loss carry forward	(3,378)	517	-	(40)	(1)	34	(2,868)
Others	1,329	97	(125)	-	87	(40)	1,348
Total	5,740	1,163	(35)	(40)	1,129	(172)	7,785

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Consolidated financial statements							
Charged / (credited to) :							
At 1 January 2013	Profit or loss	Other comprehensive income	Equity	Acquired in business combination	Exchange differences	At 31 December 2013	
(in million Baht)							
Property, plant and equipment	4,845	2,381	(6)	-	186	513	7,919
Accounts receivable	(72)	67	-	-	-	-	(5)
Derivatives	(14)	5	(53)	-	-	(1)	(63)
Inventories	(35)	(56)	-	-	-	(4)	(95)
Provisions	122	(97)	-	-	(1)	9	33
Loss carry forward	(2,120)	(893)	-	-	(207)	(158)	(3,378)
Others	1,511	(416)	3	-	128	103	1,329
Total	4,237	991	(56)	-	106	462	5,740

Separate financial statements					
Charged / (credited to) :					
At 1 January 2014	Profit or loss	Other comprehensive income	Equity	At 31 December 2014	
(in million Baht)					
Derivatives	(59)	-	98	-	39
Loss carry forward	(25)	-	-	(40)	(65)
Total	(84)	-	98	(40)	(26)

Separate financial statements					
Charged / (credited to) :					
At 1 January 2013	Profit or loss	Other comprehensive income	Equity	At 31 December 2013	
(in million Baht)					
Derivatives	-	-	(59)	-	(59)
Loss carry forward	(136)	111	-	-	(25)
Total	(136)	111	(59)	-	(84)

Deferred tax assets have not been recognised in respect of the following items:

Consolidated financial statements		Separate financial statements	
2014	2013	2014	2013
(in million Baht)			
Deductible temporary differences	(17)	10	-
Tax losses	1,558	1,042	-
Total	1,541	1,052	-

The tax losses expire from 2015 onward. The deductible temporary differences do not expire under current tax legislation. Deferred tax assets have not been recognised in respect of these items because it is not probable that future taxable profit will arise against which the Group can utilise the benefits therefrom.

17 Interest-bearing liabilities

	Note	Consolidated financial statements		Separate financial statements	
		2014	2013	2014	2013
		(in thousand Baht)			
<i>Current</i>					
Bank overdrafts		1,018,038	384,240	-	-
Short-term loans from financial institutions (a)		7,563,004	15,691,144	-	-
Bank overdrafts and short-term loans from financial institutions		8,581,042	16,075,384	-	-
Short-term loan from related party	5	-	-	-	164,300
Current portion of long-term loans from financial institutions		4,479,117	3,975,864	1,673,036	1,959,550
Less deferred financing costs		(52,889)	(53,998)	(4,472)	(6,283)
Net current portion of long-term loans (b)		4,426,228	3,921,866	1,668,564	1,953,267
Current portion of finance lease liabilities (c)		8,345	5,235	-	-
Total current interest-bearing liabilities		13,015,615	20,002,485	1,668,564	2,117,567
<i>Non-current</i>					
Long-term loans from financial institutions		32,946,053	41,695,364	5,734,495	9,371,364
Less deferred financing costs		(188,472)	(232,106)	(12,688)	(11,988)
Net long-term loans (b)		32,757,581	41,463,258	5,721,807	9,359,376
Finance lease liabilities (c)		21,418	4,627	-	-
Debentures (d)		27,498,956	23,795,700	27,498,956	23,795,700
Total non-current interest-bearing liabilities		60,277,955	65,263,585	33,220,763	33,155,076

The periods to maturity of interest-bearing liabilities, excluding finance lease liabilities, as at 31 December were as follows:

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
(in thousand Baht)				
Within one year	13,007,270	19,997,250	1,668,564	2,117,567
After one year but within five years	41,494,922	35,702,858	18,656,466	16,246,448
After five years	18,761,615	29,556,100	14,564,297	16,908,628
Total	73,263,807	85,256,208	34,889,327	35,272,643

Secured interest-bearing liabilities as at 31 December were secured on the following assets:

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
	(in thousand Baht)			
Current investments	90	287	-	-
Trade accounts receivable	9,891,157	12,289,953	-	-
Inventories	11,081,903	13,239,146	-	-
Property, plant, and equipment	37,318,829	39,284,576	-	-
Total	58,291,979	64,813,962	-	-

(a) *Short-term loans from financial institutions*

Short-term loans from financial institutions comprise the following:

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
	(in thousand Baht)			
Short-term loans	4,398,881	4,291,043	-	-
Revolving loan (USD 65,965,990) (2013: USD 193,891,384) due in December 2020, secured by trade accounts receivable and inventories	2,174,140	6,362,274	-	-
Revolving loan (EUR 24,716,822) (2013: EUR 24,640,822) due in September 2018	989,983	1,109,372	-	-
Liabilities under trust receipts	-	505,043	-	-
Promissory notes	-	1,325,000	-	-
Bill discounted and others	-	2,098,412	-	-
Total	7,563,004	15,691,144	-	-

Under the terms of trust receipt agreements with banks, certain imported inventory has been released by the bank to the Group in trust. The Group is accountable to the banks for the inventory or its related sales proceeds until the inventory is fully paid for.

Although the Group has no current expectations it will repay the full amount of the EUR and USD revolving credit loan before the agreement expires, the borrowings have been classified as short-term debt on the Group's statement of financial position due to certain subjective provisions available to the bank that are included in the loan document.

(b) *Long-term loans from financial institutions*

Long-term loans from financial institutions comprise the following :

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
	(in thousand Baht)			
Unsecured loan, due in October 2016, repayable in quarterly installments, with interest at THBFIX 3 month plus margin per annum	1,228,500	2,252,250	1,228,500	2,252,250
Unsecured loan, due in February 2015, repayable in semi-annual installments, with interest at THBFIX 3 month plus margin per annum	900,000	1,800,000	900,000	1,800,000
Unsecured loan, due in February 2017, repayable in semi-annual installments, with interest at THBFIX 3 month plus margin per annum	981,000	1,962,000	981,000	1,962,000
Unsecured loan, due in April 2018, repayable in semi-annual installments, with interest at THBFIX 6 month plus margin per annum	1,080,000	1,368,000	1,080,000	1,368,000
Unsecured loan, due in February 2017, repayable in semi-annual installments, with interest at THBFIX 3 month plus margin per annum	495,000	990,000	495,000	990,000
Unsecured loan, due in March 2017, repayable in semi-annual installment, with interest at THBFIX 3 month plus margin per annum	483,000	966,000	483,000	966,000
Unsecured loan, due in September 2017, repayable in quarterly installments, with interest at THBFIX 3 month plus margin per annum (prepaid in 2014)	-	861,394	-	861,394
Unsecured loan, due in January 2014, repayable in semi-annual installment, with interest at EURIBOR 6 month plus margin per annum	-	90,645	-	-
Unsecured loan, due in March 2017, repayable in semi-annual installments, with interest at LIBOR 6 month plus margin per annum	188,841	263,070	188,841	263,070
Unsecured loan, due in September 2016, repayable in quarterly installments, with interest at LIBOR plus margin per annum (prepaid in 2014)	-	1,773,699	-	-
Secured loan, due in December 2018, repayable in semi-annual installments, with interest at LIBOR plus margin per annum, secured by property plant and equipment	1,977,780	1,968,816	-	-
Secured loan, due in September 2018, repayable in quarterly installments, starting in September 2015, with interest at EURIBOR plus margin per annum, secured by property plant and equipment	4,005,300	4,501,563	-	-
Secured loan, due in December 2019, repayable in semi-annual installments, with interest at LIBOR plus margin per annum, secured by property plant and equipment	3,296,300	2,625,088	-	-
Unsecured loan, due in December 2020, repayable in quarterly installments, with interest at LIBOR plus margin per annum	18,986,688	21,000,704	-	-

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
	(in thousand Baht)			
Unsecured loan, due in April 2021, repayable in quarterly installments, with interest at EURIBOR 3 month plus margin per annum	1,617,091	-	1,617,091	-
Other long-term loans	2,185,670	3,247,999	434,099	868,200
Total loans from financial institutions	37,425,170	45,671,228	7,407,531	11,330,914
Less deferred financing costs	(241,361)	(286,104)	(17,160)	(18,271)
Net loans from financial institutions	37,183,809	45,385,124	7,390,371	11,312,643
Less portion due within one year, net of related deferred financing costs	(4,426,228)	(3,921,866)	(1,668,564)	(1,953,267)
Long-term loans from financial institutions	32,757,581	41,463,258	5,721,807	9,359,376

The above loan agreements contain certain covenants relating to the declaration and payment of dividends, maintenance of financial ratios, acquisition of major fixed assets, additional indebtedness and share transfers.

As at 31 December 2014, the Group had unutilised credit facilities totaling Baht 39,744.8 million (2013: Baht 21,872.4 million).

(c) *Finance lease liabilities*

Finance lease liabilities as at 31 December were payable as follows:

	Consolidated financial statements					
	2014			2013		
	Future minimum lease payments	Interest	Present value of minimum lease payments	Future minimum lease payments	Interest	Present value of minimum lease payments
	(in thousand Baht)					
Within one year	8,710	365	8,345	6,310	1,075	5,235
After one year but within five years	22,035	617	21,418	5,562	935	4,627
Total	30,745	982	29,763	11,872	2,010	9,862

(d) *Debentures*

As at 31 December 2014, the Company had outstanding unsubordinated and unsecured debentures totalling Baht 27,550 million (2013: Baht 23,850 million), as follows:

Debentures no.	Principal	Interest rate (% p.a.)	Term	Maturity date	Deferred debenture issuance expense	Net
(in thousand Baht)				(in thousand Baht)		
1/2011-1	210,000	4.50-5.05	5 years	19 Oct. 16	325	209,675
1/2011-2	98,000	4.75-5.50	7 years	19 Oct. 18	229	97,771
1/2011-3	37,000	5.00-6.00	10 years	19 Oct. 21	108	36,892
1/2011-4	2,690,000	4.70	5 years	19 Oct. 16	4,170	2,685,830
1/2011-5	1,302,000	5.04	7 years	19 Oct. 18	3,045	1,298,955
1/2011-6	3,163,000	5.35	10 years	19 Oct. 21	9,266	3,153,734
1/2012-1	1,500,000	4.45-5.20	5 years	5 Apr. 17	1,543	1,498,457
1/2012-2	1,250,500	5.10-6.00	10 years	5 Apr. 22	2,066	1,248,434
1/2012-3	2,500,000	4.73	5 years	5 Apr. 17	2,571	2,497,429
1/2012-4	1,500,000	5.09	7 years	5 Apr. 19	2,078	1,497,922
1/2012-5	2,649,500	5.52	10 years	5 Apr. 22	4,378	2,645,122
2/2012-1	780,000	4.52	6 years	14 Dec. 18	1,142	778,858
2/2012-2	880,000	4.78	8 years	14 Dec. 20	1,456	878,544
2/2012-3	1,645,000	5.11	10 years	14 Dec. 22	2,909	1,642,091
2/2012-4	1,475,000	5.28	12 years	14 Dec. 24	2,720	1,472,280
1/2013-1	550,000	4.40	5 years	27 Jun. 18	1,366	548,634
1/2013-2	520,000	4.70	7 years	27 Jun. 20	1,452	518,548
1/2013-3	1,100,000	5.10	10 years	27 Jun. 23	3,326	1,096,674
1/2014-1	1,400,000	5.30	10 years	14 Mar. 24	2,903	1,397,097
1/2014-2	1,500,000	4.00	3 years	14 Mar. 17	2,477	1,497,523
1/2014-3	800,000	4.50	5 years	14 Mar. 19	1,514	798,486
รวม	27,550,000				51,044	27,498,956

The extraordinary general meeting of shareholders held on 22 September 2011 and the annual general meeting of shareholders held on 29 April 2013 approved the issue of debentures up to an amount not exceeding Baht 25,000 million (in Baht or equivalent foreign currency) and Baht 25,000 million (in Baht or equivalent foreign currency) for a maturity not exceeding 15 years and 20 years, respectively. On 19 October 2011, 5 April 2012 and 14 December 2012, the Company raised in cash Baht 7,500 million, Baht 9,400 million and Baht 4,780 million, respectively, through the issue of unsubordinated and unsecured Baht debentures to the public and institutions. On 27 June 2013 and 14 March 2014, the Company raised in cash Baht 2,170 million and Baht 3,700 million, respectively, through the issue of unsubordinated and unsecured Baht debentures in a private placement. The Company appointed a debenture holders' representative and must comply with terms and conditions relating to maintenance of financial ratio, payment of dividend, and core business retention.

The currency denomination of interest-bearing liabilities as at 31 December was as follows:

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
(in thousand Baht)				
USD	29,022,261	38,813,721	188,842	263,070
THB	34,151,570	38,163,977	33,093,238	35,009,573
EUR	9,311,141	7,515,205	1,607,248	-
GBP	450,325	624,002	-	-
TRY	358,273	-	-	-
MXN	-	147,985	-	-
NGN	-	1,180	-	-
Total	73,293,570	85,266,070	34,889,328	35,272,643

18 Trade accounts payable

	Note	Consolidated financial statements		Separate financial statements	
		2014	2013	2014	2013
		(in thousand Baht)			
Related parties	5	119,517	1,176,280	-	-
Other parties		27,644,693	24,486,967	-	-
Total		27,764,210	25,663,247	-	-

The currency denomination of trade accounts payable as at 31 December was as follows:

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
(in thousand Baht)				
USD	18,065,105	13,628,737	-	-
EUR	4,205,733	5,012,893	-	-
THB	2,596,507	4,458,043	-	-
CNY	1,073,056	1,191,058	-	-
DKK	687,205	117,898	-	-
MXN	423,887	565,777	-	-
TRY	201,891	-	-	-
IDR	147,723	305,297	-	-
PLN	119,076	177,546	-	-
GBP	116,221	124,519	-	-
LTL	75,890	70,398	-	-

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
	(in thousand Baht)			
AUD	38,407	-	-	-
PHP	6,217	-	-	-
NGN	4,173	2,834	-	-
JPY	2,876	7,982	-	-
SGD	243	-	-	-
CHF	-	265	-	-
Total	27,764,210	25,663,247	-	-

19 Other current liabilities

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
	(in thousand Baht)			
Accrued operating expenses	2,195,290	2,045,871	9,800	9,034
Materials price adjustments payable	1,299,533	926,892	-	-
Other payables	1,250,598	1,619,741	-	-
Interest payable	374,631	299,092	279,696	235,812
Advance from customers	291,531	233,483	-	-
Value added tax payable	128,158	562,139	-	-
Withholding tax payable	48,647	257,712	-	-
Others	843,168	668,985	3,120	3,175
Total	6,431,556	6,613,915	292,616	248,021

20 Employee benefit obligations

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
	(in thousand Baht)			
Statement of financial position obligations for:				
Post-employment benefits				
Thailand legal severance plan	129,050	184,041	-	-
Defined benefit plans established in Europe	1,125,235	251,293	-	-
Defined benefit plans established in rest of the world	479,634	506,395	-	-
Other long-term employee benefits	21,077	20,089	-	-
Total	1,754,996	961,818	-	-

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
	(in thousand Baht)			
<i>Year ended 31 December</i>				
Statement of income:				
Recognised in profit or loss:				
Post-employment benefits				
Thailand legal severance plan	(78,671)	23,887	-	-
Defined benefit plans established in Europe	133,728	101,599	-	-
Defined benefit plans established in rest of the world	61,475	61,201	-	-
Other long-term employee benefits	6,954	6,790	-	-
Total	123,486	193,477	-	-
Recognised in other comprehensive income:				
Actuarial (gains) losses recognised in the year on:				
Present value of defined benefit obligations	740,580	(104,701)	-	-
Fair value of plan assets	(327,225)	107,395	-	-
Total	413,355	2,694	-	-

Thailand legal severance plan and other long-term employee benefits

The subsidiaries registered in Thailand provide employee benefit provisions based on the requirement of Thai Labour Protection Act B.E. 2541 (1998) to provide retirement benefits to employees based on pensionable remuneration and length of service. The Group also provides post retirement medical plan as part of defined benefit plan and long service award plan as part of other long-term employee benefits to certain employees based on remuneration and length of service.

The statement of financial position obligation was determined as follows:

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
	(in thousand Baht)			
Present value of unfunded obligations	150,127	204,130	-	-
Statement of financial position obligation	150,127	204,130	-	-

Movement in the present value of the defined benefit obligations

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
	(in thousand Baht)			
Defined benefit obligations at 1 January	204,130	178,404	-	-
Benefits paid by the plan	(10,884)	(6,419)	-	-
Current service costs and interest	16,211	26,892	-	-
Past service costs	(88,270)	-	-	-
Actuarial losses recognised in profit or loss	342	3,785	-	-
Actuarial losses recognised in other comprehensive income	28,598	1,468	-	-
Defined benefit obligations at 31 December	150,127	204,130	-	-

Expense recognised in profit or loss:

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
	(in thousand Baht)			
Current service costs	11,553	20,315	-	-
Past service costs	(88,270)	-	-	-
Interest on obligation	4,658	6,577	-	-
Actuarial losses for other long-term employee benefits	342	3,785	-	-
Total	(71,717)	30,677	-	-

The expense is recognised in the following line items in the statement of income:

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
	(in thousand Baht)			
Cost of sale of goods	(41,167)	19,390	-	-
Selling and administrative expenses	(30,550)	11,287	-	-
Total	(71,717)	30,677	-	-

Actuarial gains and losses recognised in other comprehensive income:

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
	(in thousand Baht)			
Included in retained earnings:				
At 1 January	17,762	16,294	-	-
Recognised during the year	28,598	1,468	-	-
At 31 December	46,360	17,762	-	-

Principal actuarial assumptions at the reporting date (expressed as weighted averages):

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Discount rate	3.20%	4.20%	-	-
Future salary increases	5.00%-6.00%	5.00%-6.00%	-	-

Assumptions regarding future mortality are based on published statistics and mortality tables.

Defined benefit plans established in Europe

The subsidiaries in Europe have established defined benefit plans that provide pension benefits for their employees upon retirement. The plans entitle a retired employee to receive an annual payment equal to 1/60 of final salary for each year of employment.

The statement of financial position obligation was determined as follows:

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
	(in thousand Baht)			
Excess of present value of obligations over fair value of plan assets	1,229,789	227,073	-	-
Effect of movements in exchange rates	(104,554)	24,220	-	-
Statement of financial position obligation	1,125,235	251,293	-	-
Movement in the present value of the defined benefit obligations:				
Defined benefit obligations at 1 January	808,969	695,395	-	-
Defined benefit obligations assumed upon acquisition of subsidiaries	692,829	19,878	-	-
Benefits paid by the plan	(7,304)	(241)	-	-
Current service costs and interest	146,441	121,407	-	-
Expected employees contribution	15,217	14,259	-	-
Actuarial (gains) losses recognised in profit or loss	13,615	(68)	-	-
Actuarial (gains) losses recognised in other comprehensive income	681,837	(121,092)	-	-
Effect of movements in exchange rates	(190,431)	79,431	-	-
Total defined benefit obligations at 31 December	2,161,443	808,969	-	-

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
	(in thousand Baht)			
Movement in the fair value of plan assets:				
Fair value of plan assets at 1 January	557,676	486,760	-	-
Plan assets acquired upon acquisition of subsidiaries	141,253	-	-	-
Contributions paid into the plan	-	6,380	-	-
Expected plan participant contributions	74,740	94,207	-	-
Expected return on plan assets	21,694	17,397	-	-
Actuarial gains (losses) recognised in other comprehensive income	327,399	(102,038)	-	-
Benefits paid by the plan	(677)	(241)	-	-
Effect of movement in exchange rates	(85,877)	55,211	-	-
Fair value of plan assets at 31 December	1,036,208	557,676	-	-
Statement of financial position obligations at 31 December	1,125,235	251,293	-	-

Expense recognised in profit or loss:

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
	(in thousand Baht)			
Current service costs	107,443	98,251	-	-
Interest on obligation	38,998	23,156	-	-
Expected return on plan assets	(21,694)	(17,397)	-	-
Actuarial (gains) losses recognised in profit or loss	13,615	(68)	-	-
Expenses capitalised	(4,634)	(2,343)	-	-
Total	133,728	101,599	-	-

The expense is recognised in the following line items in the statement of income:

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
	(in thousand Baht)			
Cost of sale of goods	114,260	94,272	-	-
Administrative expenses	19,468	7,327	-	-
Total	133,728	101,599	-	-

Actuarial gains and losses recognised in other comprehensive income:

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
	(in thousand Baht)			
Included in retained earnings:				
At 1 January	80,790	99,844	-	-
Recognised during the year	354,438	(19,054)	-	-
At 31 December	435,228	80,790	-	-

Principal actuarial assumptions at the reporting date (expressed as weighted averages):

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Weighted average discount rate	2.40%-3.88%	3.22%-3.50%	-	-
Expected return on plan assets	2.40%-3.88%	2.25%-3.22%	-	-
Rate of compensation increase	1.50%-2.50%	1.50%-2.50%	-	-

Assumptions regarding future mortality are based on published statistics and mortality tables.

Defined benefit plans established in rest of the world

The statement of financial position obligation was determined as follows:

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
	(in thousand Baht)			
Excess of present value of obligations over fair value of plan assets	529,536	477,996	-	-
Effect of movements in exchange rates	(49,902)	28,399	-	-
Statement of financial position obligation	479,634	506,395	-	-

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
	(in thousand Baht)			
Movement in the present value of the defined benefit obligations :				
Defined benefit obligations at 1 January	586,091	534,146	-	-
Defined benefit obligations assumed upon acquisition of subsidiaries	125,810	-	-	-
Current service costs and interest	69,681	72,836	-	-
Benefits paid by the plan	(13,969)	(69,008)	-	-
Settlements	(141,888)	-	-	-
Actuarial gains recognised in profit or loss	(507)	(187)	-	-
Actuarial losses recognised in other comprehensive income	30,145	14,923	-	-
Effect of movements in exchange rates	(57,205)	33,381	-	-
Total defined benefit obligations at 31 December	598,158	586,091	-	-

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
	(in thousand Baht)			
Movement in the fair value of plan assets:				
Fair value of plan assets at 1 January	79,696	41,231	-	-
Plan assets acquired upon acquisition of subsidiaries	104,476	-	-	-
Contributions paid into the plan	21,662	89,531	-	-
Benefits paid by the plan	(86,503)	(50,691)	-	-
Expected return on plan assets	6,670	-	-	-
Actuarial losses recognised in other comprehensive income	(174)	(5,357)	-	-
Effect of movement in exchange rates	(7,303)	4,982	-	-
Fair value of plan assets at 31 December	118,524	79,696	-	-
Statement of financial position obligations at 31 December	479,634	506,395	-	-

Expense recognised in profit or loss:

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
	(in thousand Baht)			
Current service costs	35,138	43,663	-	-
Interest cost	34,543	29,173	-	-
Expected return on plan assets	(6,670)	-	-	-
Actuarial gains recognised in profit or loss	(507)	(187)	-	-
Expenses capitalised	(1,029)	(11,448)	-	-
Total	61,475	61,201	-	-

The expense is recognised in the following line items in the statement of income:

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
	(in thousand Baht)			
Cost of sale of goods	33,227	43,459	-	-
Administrative expenses	28,248	17,742	-	-
Total	61,475	61,201	-	-

Actuarial gains and losses recognised in other comprehensive income:

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
	(in thousand Baht)			
Included in retained earnings:				
At 1 January	69,267	48,987	-	-
Recognised during the year	30,319	20,280	-	-
At 31 December	99,586	69,267	-	-

Principal actuarial assumptions at the reporting date (expressed as weighted averages):

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Weighted average discount rate	4.00%-8.25%	6.75%-9.00%	-	-
Expected return on plan assets	6.00%	6.75%	-	-
Rate of compensation increase	4.75%-8.00%	4.75%-8.00%	-	-

Assumptions regarding future mortality are based on published statistics and mortality tables.

21 Share capital and warrants

Movements of share capital and premium on ordinary shares during the year ended 31 December 2014 is as follow:

	Par value per share (in Baht)	Consolidated and Separate financial statements			
		Authorised share capital		Issued and paid-up share capital	
		Number	Amount	Number	Amount
		(thousand shares / thousand Baht)			
At 1 January 2014					
• ordinary shares	1	4,815,857	4,815,857	4,815,857	4,815,857
Reduction of the authorised share capital	1	(1,600)	(1,600)	-	-
Increase of the authorised share capital	1	851,753	851,753	-	-
At 31 December 2014					
• ordinary shares	1	5,666,010	5,666,010	4,815,857	4,815,857

At the extraordinary general meeting of shareholders held on 6 August 2014, the shareholders approved the following resolutions:

- The reduction in the authorized share capital from Baht 4,815,856,719 to Baht 4,814,257,245 by cancelling registered capital in the amount of Baht 1,599,474 (divided into 1,599,474 shares at Baht 1.00 par value).
- The increase in the authorized share capital from Baht 4,814,257,245 to Baht 5,666,010,449 by issuing 851,753,204 newly issued ordinary shares with a par value of Baht 1.00 per shares to accommodate the exercise of the IVL Warrants.

The registration of the reduction and the increase of authorised share capital was approved by the Business Development Department, Ministry of Commerce on 8 August 2014.

- The issue of warrants in two series to purchase the newly issued ordinary shares of the Company as follows:

- The warrants no.1 (the "IVL-W1 Warrants") in the number of up to 481,425,724 units, to be allocated to the existing shareholders of the Company pro rata to their respective shareholdings (Right Offering), at no cost, at the allocation ratio of every 10 existing shares for 1 unit of IVL-W1 Warrants. The term of IVL-W1 Warrants will be 3 years from the issuance date and the exercise price will be at Baht 36.00 per share.
- The warrant no.2 (the "IVL-W2 Warrants") in the number of up to 370,327,480 units, to be allocated to the existing shareholders of the Company pro rata to their respective shareholdings (Right Offering), at no cost, at the allocation ratio of every 13 existing shares for 1 unit of IVL-W2 Warrants. The term of IVL-W2 Warrants will be 4 years from the issuance date and the exercise price will be at Baht 43.00 per share.

The holders of ordinary shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at meetings of the Company.

Share premium

Section 51 of the Public Companies Act B.E. 2535 requires companies to set aside share subscription money received in excess of the par value of the shares issued to a reserve account ("share premium"). Share premium is not available for dividend distribution.

22. Reserves

Reserves comprise:

Appropriations of profit and/or retained earnings

Legal reserve

Section 116 of the Public Companies Act B.E. 2535 requires that a public company shall allocate not less than 5% of its annual net profit, less any accumulated losses brought forward, to a reserve account ("legal reserve"), until this account reaches an amount not less than 10% of the registered authorised capital. The legal reserve is not available for dividend distribution.

Other components of equity

Currency translation differences

The currency transaction differences account within equity relate to foreign currency differences arising from the translation of the financial statements of foreign operations to Thai Baht, as well as from the translation of liabilities that hedge the Group's net investment in a foreign operation.

Revaluation surplus

The revaluation surplus account within equity comprises the cumulative net changes in the valuation of machinery and equipment related to textile production until such machinery and equipment is sold or otherwise disposed of. The revaluation surplus is not available for dividend distribution.

Hedging reserve

The hedging reserve account within equity comprises the cumulative net change in the fair value of cash flow hedges related to hedge transactions that have not yet occurred.

Excess of book value of acquired subsidiaries over cost/ (cost over book value)

The excess of book value of acquired subsidiaries over cost/ (cost over book value) represent the differences between book value and cost of investment as of the date of acquisition of additional shares of certain existing subsidiaries and have been recorded as a reserve. It is non-distributable and will be retained until the respective investment in shares of subsidiaries are sold or otherwise disposed of.

Differences arising from common control transactions

The differences arising from common control transactions represent the excess of the book values of certain entities or businesses under common control over their cost as of the date of their acquisition and have been recorded as a reserve. It is non-distributable and will be retained until the respective subsidiaries are sold or otherwise disposed of.

Movements in reserves

Movements in reserves are shown in the statements of changes in equity.

23 Subordinated perpetual debentures

On 31 October 2014, the Company completed the issuance of Subordinated Perpetual Debentures ("Debentures") of Baht 15,000 million with bullet payment upon dissolution of the Company or upon the exercise of the Company's early redemption right per conditions as stipulated in the terms and conditions of the Debentures. The Debentures are unsecured and unconvertible. These Debentures bear interest which is calculated based on 5-year government bond yield adjusted with initial credit spread and coupon step-up as stipulated in the terms and conditions of the Debentures and is paid on a quarterly basis. However, the Company has the sole right to unconditionally defer interest and cumulative interest payments to Debentures holders without time and deferral amount limitation. If the Company defers the interest payment, the Company shall not redeem, reduce, cancel, acquire or buy-back for any consideration on any instrument or security issued by the Company which rank pari passu or junior to these Debentures and shall not declare and make any dividend payment.

These Debentures of Baht 14,874 million, net of issuance cost of Baht 125.9 million, are recognised as a part of equity in the consolidated and separate statements of financial position as at 31 December 2014.

24 Segments information

The Group has three reportable segments, as described below, which are the Group's strategic divisions. The strategic divisions offer different products, and are managed separately because they require different technology and marketing strategies. For each of the strategic divisions, the chief operating decision maker ("CODM") reviews internal management reports on at least a quarterly basis. The following summary describes the operations in each of the Group's reportable segments.

- Segment 1** Manufacture and distribution of solid state polymerised chips, PET performs, closures and blown bottles ("PET")
- Segment 2** Manufacture and distribution of purified terephthalic acid and glycol ("Feedstock")
- Segment 3** Manufacture and distribution of fibers and yarns ("Fibers and yarns")

There are varying levels of integration between the Segment 1, Segment 2 and Segment 3 reportable segments. This integration includes sales of finished goods. Inter-segment pricing is determined on an arm's length basis

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit before tax, as included in the internal management reports that are reviewed by the Group's CODM. Segment profit before tax is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries

Information about reportable segments

Consolidated financial statements									
PET		Feedstock		Fibers & yarns		Eliminations		Total	
2014	2013	2014	2013	2014	2013	2014	2013	2014	2013
(in thousand Baht)									
Revenue from sale of goods									
External revenue	144,910,566	145,784,943	28,822,860	35,479,907	70,173,792	47,855,598	-	243,907,218	229,120,448
Inter-segment revenue	210,155	632,801	35,653,903	34,911,481	100,174	112,179	(35,964,232)	-	-
Total revenue from sale of goods	145,120,721	146,417,744	64,476,763	70,391,388	70,273,966	47,967,777	(35,964,232)	243,907,218	229,120,448
Interest income	113,654	116,985	3,685	4,908	95,897	48,709	(260,852)	(47,616)	(6,443)
Net foreign exchange gain (loss)	158,726	284,849	172,192	(18,171)	165,092	68,654	358,044	854,054	(43,053)
Gain on a bargain purchase	582,808	-	-	-	1,087,082	-	-	1,669,890	-
Impact of flooding, net	140,000	721,323	-	-	-	968,889	-	140,000	1,690,212
Unallocated revenue	-	-	-	-	-	-	-	1,213,321	1,595,457
Total revenue	146,115,909	147,540,901	64,652,640	70,378,125	71,622,037	49,054,029	(35,867,040)	247,736,867	232,356,621
Cost of sale of goods	131,031,469	133,552,349	57,555,068	64,161,236	62,048,944	43,148,319	(34,923,754)	215,711,727	205,205,443
Selling and administrative expenses	7,758,596	6,953,758	2,121,069	1,896,931	4,839,313	2,626,257	(478,746)	14,240,232	11,471,057
Depreciation and amortisation	2,870,751	2,664,981	3,509,332	3,229,993	1,716,907	1,156,671	-	8,096,990	7,051,645
Unallocated expenses	-	-	-	-	-	-	-	1,392,305	899,096
Total expenses	141,660,816	143,171,088	63,185,469	69,288,160	68,605,164	46,931,247	(35,402,500)	239,441,254	224,627,241

Consolidated financial statements									
PET		Feedstock		Fibers & yarns		Eliminations		Total	
2014	2013	2014	2013	2014	2013	2014	2013	2014	2013
(in thousand Baht)									
Share of profit (loss) of jointly-controlled entities, net Profit (loss) before interest and income tax expenses Interest expense Income tax expense Unallocated items Profit (loss) for the year	(793,555)	(852,003)	(592,928)	(361,702)	30,428	105,751	-	-	(1,356,055) (1,107,954)
	3,661,538	3,517,810	874,243	728,263	3,047,301	2,228,533	(464,540)	(549,541)	6,939,558 6,621,426
	1,573,795	1,843,872	711,092	1,476,862	820,291	628,728	(2,206,253)	(2,071,911)	898,925 1,877,551
	231,021	772,270	1,079,981	130,639	360,719	257,861	-	-	1,671,721 1,160,770
	-	-	-	-	-	-	-	-	2,598,340 2,066,526
	1,856,722	901,668	(916,830)	(879,238)	1,866,291	1,341,944	1,741,713	1,522,370	1,770,572 1,516,579
Information about reportable segments									
Consolidated financial statements									
PET		Feedstock		Fibers & yarns		Eliminations		Total	
2014	2013	2014	2013	2014	2013	2014	2013	2014	2013
(in thousand Baht)									
Cash and cash equivalents Inventories Property, plant and equipment Unallocated assets Total assets	690,595	1,480,951	58,555	422,105	1,756,363	1,265,687	-	-	2,505,513 3,168,743
	14,932,691	16,385,328	3,451,422	3,826,816	10,947,159	8,830,863	(190,213)	(103,451)	29,141,059 28,939,556
	37,238,711	38,834,515	32,203,688	33,389,456	29,456,147	23,989,522	-	-	98,898,546 96,213,493
	-	-	-	-	-	-	-	-	64,960,965 60,720,056
	52,861,997	56,700,794	35,713,665	37,638,377	42,159,669	34,086,072	(190,213)	(103,451)	195,506,083 189,041,848
Interest-bearing liabilities Unallocated liabilities Total liabilities	31,492,313	34,161,972	14,468,256	16,840,532	20,131,297	20,811,295	(48,010,864)	16,027,590	23,802,935
	-	-	-	-	-	-	-	103,923,736	103,671,149
	31,492,313	34,161,972	14,468,256	16,840,532	20,131,297	20,811,295	(50,064,276)	119,951,326	127,474,084
Capital expenditure and investments Depreciation Amortisation Loss (gain) on disposal and write-off of property, plant and equipment	3,927,805	2,064,808	2,995,932	2,120,868	6,801,786	2,784,926	-	-	13,725,523 6,970,602
	2,606,290	2,419,160	3,174,697	2,894,785	1,528,058	1,037,168	-	-	7,309,045 6,351,113
	264,461	245,821	334,635	335,208	188,849	119,503	-	-	787,945 700,532
	68,167	7,421	18	28	(3,717)	(517)	-	-	64,468 6,932

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Geographical segments

In presenting information on the basis of geographical segments, segment revenue is based on the geographical location of customers. Segment assets are based on the geographical location of the assets.

The Group operates in the following main geographical areas:

Segment 1	Thailand
Segment 2	North America
Segment 3	Europe
Segment 4	Rest of the world

Consolidated financial statements						
	Revenue from sale of goods		Segment assets		Capital expenditure and investments	
	2014	2013	2014	2013	2014	2013
(in thousand Baht)						
Thailand	15,052,838	16,932,706	80,700,436	78,262,455	2,513,465	1,453,551
North America	84,360,921	87,514,605	55,595,891	57,031,430	1,136,437	2,330,215
Europe	70,657,512	58,839,977	31,209,820	28,046,234	7,436,022	939,736
Rest of the world	73,835,947	65,833,160	27,999,936	25,701,729	2,639,599	2,247,100
Total	243,907,218	229,120,448	195,506,083	189,041,848	13,725,523	6,970,602

25 Other income

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
(in thousand Baht)				
Insurance claim	753,840	243,202	-	-
Others	818,933	883,115	215,650	186,550
Total	1,572,773	1,126,317	215,650	186,550

26 Cost of sale of goods

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
(in thousand Baht)				
Changes in inventories of finished goods and work in process	3,798,007	(1,127,108)	-	-
Raw materials and consumables used	178,675,674	181,564,514	-	-
Depreciation and amortisation	7,348,221	6,380,886	-	-
Others	32,248,073	24,960,737	-	-
Total	222,069,975	211,779,029	-	-

27 Selling expenses

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
	(in thousand Baht)			
Distribution	9,034,956	7,275,931	-	-
Depreciation and amortisation	751,183	670,759	-	-
Travelling expense	222,231	116,427	-	-
Insurance expense	319,465	263,106	-	-
Others	811,751	622,540	-	-
Total	11,139,586	8,948,763	-	-

28 Administrative expenses

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
	(in thousand Baht)			
Personnel expense	2,210,136	1,481,233	-	-
Professional fees	511,779	317,420	38,824	38,961
Others	2,675,522	2,024,668	8,467	1,114
Total	5,397,437	3,823,321	47,291	40,075

29 Employee benefit expenses

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
	(in thousand Baht)			
<i>Management</i>				
Wages and salaries	53,362	48,789	-	-
Contribution to defined contribution plans, social security and expenses related to defined benefit plans	4,648	5,683	-	-
Others	32,164	21,656	17,770	10,504
	90,174	76,128	17,770	10,504
<i>Other employees</i>				
Wages and salaries	8,863,412	6,419,197	-	-
Contribution to defined contribution plans, social security and expenses related to defined benefit plans	929,311	611,673	-	-
Bonus	290,984	286,143	-	-
Staff welfare	1,328,186	963,911	-	-
Others	46,864	5,379	-	-
	11,458,757	8,286,303	-	-
Total employee benefit expenses	11,548,931	8,362,431	17,770	10,504

Provident funds

These defined contribution plans comprise provident funds established by subsidiaries of the Company for its Thai employees. Membership to the funds is on a voluntary basis. Contributions are made monthly by the employees at the rate of 3 - 5% of their basic salaries and by the Company at the rate of 3 - 5% of the employees' basic salaries. The provident funds are registered with the Ministry of Finance as juristic entities and are managed by a licensed Fund Manager. Total expense recognised by the Thai entities for contribution plans for the year ended 31 December 2014 amounted to approximately Baht 16.0 million (2013: Baht 20.0 million).

Employee retirement schemes

Subsidiaries in U.S.A established a 401(k) plan that allows eligible employees to contribute up to 60% of their compensation, with the Company matching 50% of employee contributions up to 6% of their compensation. The plan also allows discretionary profit sharing contributions to be made by management. Total expense recognised for the plan for the year ended 31 December 2014 amounted to approximately USD 2.3 million (Baht 74.3 million) (2013 : USD 2.2 million (Baht 66.2 million)).

Subsidiaries in Europe established a defined contribution plan that provides benefits for its employees upon retirement. Total annual contribution by the employer to the plans is defined by the annual and risk premiums charged by the insurance company. Total expense recognised for the plans for the year ended 31 December 2014 was GBP 0.2 million and EUR 1.8 million (Baht 91.2 million) (2013: GBP 0.4 million and EUR 1.7 million (Baht 87.2million)).

30 Expenses by nature

The statements of income include an analysis of expenses by function. Expenses by nature disclosed in accordance with the requirements of various TFRS were as follows:

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
	(in thousand Baht)			
<i>Included in cost of sale of goods:</i>				
Changes in inventories of finished goods and work in progress	3,798,007	(1,127,108)	-	-
Raw materials and consumables used	178,675,674	181,564,514	-	-
Employee benefits expense	9,248,621	6,805,069	-	-
Depreciation and amortisation expense	7,348,211	6,380,886	-	-
<i>Included in selling and administrative expenses:</i>				
Employee benefits expense	2,210,136	1,481,234	-	-
Depreciation and amortisation expense	751,183	670,759	-	-

31 Finance costs

	Note	Consolidated financial statements		Separate financial statements	
		2014	2013	2014	2013
		(in thousand Baht)			
Interest expense:					
Related parties	5	-	-	1,850	3,269
Financial institutions		3,621,841	3,985,855	1,771,994	1,724,339
		3,621,841	3,985,855	1,773,844	1,727,608
Less: amount included in the cost of property, plant and equipment under construction	13	(67,317)	(174,901)	-	-
Net		3,554,524	3,810,954	1,773,844	1,727,608

32 Income tax expense

Income tax recognised in profit or loss

	Note	Consolidated financial statements		Separate financial statements	
		2014	2013	2014	2013
		(in thousand Baht)			
Current tax expense					
Current year		470	306	-	-
Adjustment for prior years		(19)	(3)	-	-
		451	303	-	-
Deferred tax expense	16				
Movements in temporary differences		1,163	991	-	111
		1,163	991	-	111
Total income tax expense		1,614	1,294	-	111

Income tax recognised in other comprehensive income

	Consolidated financial statements					
	2014			2013		
	Before tax	Tax (expense) benefit	Net of tax	Before tax	Tax (expense) benefit	Net of tax
	(in million Baht)					
Hedge of net investment in foreign operations	489	(98)	391	(312)	62	(250)
Revaluation of property, plant and equipment	(10)	2	(8)	(37)	6	(31)
Cash flow hedges	(35)	6	(29)	30	(9)	21
Defined benefit plan actuarial gains (losses)	(414)	125	(289)	17	(3)	14
Total	30	35	65	(302)	56	(246)

	Separate financial statements					
	2014			2013		
	Before tax	Tax (expense) benefit	Net of tax	Before tax	Tax (expense) benefit	Net of tax
	(in million Baht)					
Hedge of net investment in foreign operations	489	(98)	391	(298)	59	(239)
Total	489	(98)	391	(298)	59	(239)

Reconciliation of effective tax rate

	Consolidated financial statements			
	2014		2013	
	Rate (%)	(in million Baht)	Rate (%)	(in million Baht)
Profit before income tax expense		3,385		2,810
Income tax using the Thai corporation tax rate	20.00	677	20.00	562
Income tax reduction - deferred	(0.12)	(4)	(1.17)	(33)
Effect of different tax rates in foreign jurisdictions	20.86	706	18.43	518
Income not subject to tax	(12.67)	(429)	(6.98)	(196)
Expenses not deductible for tax purposes	3.60	122	1.99	56
Utilisation of previously unrecognised tax losses	(13.23)	(448)	(5.41)	(152)
Recognition of previously unrecognised tax losses	(2.78)	(94)	(1.03)	(29)
Current year losses for which no deferred tax asset was recognised	28.33	959	4.73	133
Over provided in prior years	(0.56)	(19)	(0.11)	(3)
Share of loss in jointly-controlled entities	8.01	271	7.90	222
Foreign exchange differences arising from transaction of intercompany loans considered as part of net investment in foreign operation	(0.18)	(6)	8.19	230
Gain on bargain purchase	(9.87)	(334)	(0.60)	(17)
Change in recognition of temporary difference	6.85	232	(0.68)	(19)
Others	(0.56)	(19)	0.78	22
Total	47.68	1,614	46.04	1,294

	Separate financial statements			
	2014		2013	
	Rate (%)	(in million Baht)	Rate (%)	(in million Baht)
Profit before income tax expense		2,730		3,890
Income tax using the Thai corporation tax rate	20.00	546	20.00	778
Income not subject to tax	(19.27)	(526)	(17.02)	(662)
Under provided in prior years	0.04	1	-	-
Recognition of previously unrecognised tax losses	-	-	(0.13)	(5)
Others	(0.77)	(21)	-	-
Total	-	-	2.85	111

Income tax reduction

Royal Decree No. 530 B.E. 2554 dated 21 December 2011 grants a reduction in the corporate income tax rate for the three accounting periods 2012, 2013 and 2014; from 30% to 23% for the accounting period 2012 which begins on or after 1 January 2012 and to 20% for the following two accounting periods 2013 and 2014 which begin on or after 1 January 2013 and 2014, respectively. Royal Decree No. 577 B.E. 2557 dated 10 November 2014 extends the reduction to 20% for the accounting period which begins on or after 1 January 2015.

The Company and the subsidiaries in Thailand have applied the reduced tax rate of 20% in measuring deferred tax assets and liabilities as at 31 December 2014 and 2013 in accordance with the clarification issued by the FAP in 2012.

33 Promotional privileges

By virtue of the provisions of the Industrial Investment Promotion Act B.E. 2520, certain subsidiaries incorporated in Thailand have been granted privileges by the Board of Investment at various times relating to their manufacturing of worsted wool yarn, wool top, purified terephthalic acid, polyethylene terephthalate resin, PET preforms and closures and amorphous resin ("promoted operations"). The privileges granted include:

- exemption from payment of import duty on machinery approved by the Board of Investment;
- exemption from payment of income tax on net profit from promoted operations for a period of eight years from the date on which income is deemed to first derive from such operations;
- a 50% reduction in the normal income tax rate on the net profit derived from promoted operations for a period of five years, commencing from the expiry date in (b) above;
- a five-year carry forward period for losses for tax purposes from promoted operations during the period in (b) above;
- income exclusions and additional deductions in computing the taxable income for promoted operations during the period in (b) above;
- exemption from income tax on dividend paid to the shareholders from the profit of the promoted operation during the corporate income tax exemption period; and
- double deduction of the cost of transportation, electricity and water supply for corporate income tax purposes for a period of ten years, from the date on which income is deemed to first derive from promoted operations.

As promoted companies, the subsidiaries in Thailand must comply with certain terms and conditions prescribed in the promotional certificates.

Summary of revenue from promoted and non-promoted businesses:

Consolidated financial statements						
2014			2013			
Promoted businesses	Non-promoted businesses	Total (a)	Promoted businesses	Non-promoted businesses	Total (a)	
(in thousand Baht)						
Export sales	10,513,570	24,940,586	35,454,156	22,075,172	17,708,753	39,783,925
Local sales	14,166,980	26,614,674	40,781,654	21,476,768	21,759,177	43,235,945
Total revenue	24,680,550	51,555,260	76,235,810	43,551,940	39,467,930	83,019,870

(a) excluding revenues from foreign subsidiaries and inter-company eliminations.

34 Earnings per share

The calculations of basic and diluted earnings per share for the years ended 31 December 2014 and 2013 were based on the profit for the years attributable to ordinary shareholders of the Company less coupon payment on subordinated perpetual debentures and the number of ordinary shares outstanding during the years as follows:

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
(in thousand Baht / thousand shares)				
Profit attributable to shareholders of the Company	1,485,385	1,325,867	2,729,753	3,778,758
<i>Less: cumulative coupon payment on subordinated perpetual debentures</i>	(142,685)	-	(142,685)	-
Profit used in calculations of earnings per share	1,342,700	1,325,867	2,587,068	3,778,758
Weighted average number of ordinary shares outstanding	4,814,257	4,814,257	4,814,257	4,814,257
Earnings per share (basic and diluted) (in Baht)	0.28	0.28	0.54	0.78

The management considered that the basic and diluted earnings per share for the year ended 31 December 2014 are the same because the exercise prices of the Company's warrants were higher than the average market price of the ordinary shares for the year ended 31 December 2014.

35 Dividends

At the meeting of the board of directors of the Company held on 8 August 2014, the board of directors approved the appropriation of an interim dividend of Baht 0.19 per share, amounting to Baht 914.7 million. The dividend was paid to shareholders in September 2014.

At the annual general meeting of the shareholders of the Company held on 24 April 2014, the shareholders approved the appropriation of a dividend of Baht 0.14 per share, amounting to Baht 674.0 million. The dividend was paid to shareholders in May 2014.

At the meeting of the board of directors of the Company held on 8 August 2013, the board of directors approved the appropriation of an interim dividend of Baht 0.14 per share, amounting to Baht 674.0 million. The dividend was paid to shareholders in September 2013.

At the annual general meeting of the shareholders of the Company held on 29 April 2013, the shareholders approved the appropriation of a dividend of Baht 0.18 per share, amounting to Baht 866.6 million. The dividend was paid to shareholders in May 2013.

36 Financial instruments

Financial risk management policies

The Group/Company is exposed to normal business risks from changes in market interest rates and currency exchange rates and from non-performance of contractual obligations by counterparties. The Group/Company does not hold or issue derivative financial instruments for speculative or trading purposes.

Risk management is integral to the whole business of the Group/Company. The Group/Company has a system of controls in place to create an acceptable balance between the cost of risks occurring and the cost of managing the risks. The management continually monitors the Group's/Company's risk management process to ensure that an appropriate balance between risk and control is achieved.

Capital Management

The Board of Directors' policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board of Directors monitor the return on capital, which the Group defines as result from operating activities divided by total shareholders' equity, excluding minority interests and also monitor the level of dividends to ordinary shareholders.

Interest rate risk

Interest rate risk is the risk that future movements in market interest rates will affect the results of the Group's/Company's operations and its cash flows. The Group/Company is primarily exposed to interest rate risk from its borrowings (see Note 17). The Group/Company mitigates this risk by using derivative financial instruments, principally interest rates swaps, to manage exposure to fluctuations in interest rates on borrowings.

The effective interest rates of loans to related parties as at 31 December and the periods in which the loans mature were as follows:

		Consolidated financial statements			
		Within 1 year	After 1 year but within 5 years	After 5 years	Total
		(in thousand Baht)			
2014					
Current					
Short-term loans to related parties	1.32-2.40	75,145	-	-	75,145
Non-current					
Long-term loans to related parties	1.32-3.41	-	164,125	-	164,125
Total		75,145	164,125	-	239,270

Consolidated financial statements					
	Effective interest rate (% per annum)	Within 1 year	After 1 year but within 5 years	After 5 years	Total
		(in thousand Baht)			
2013					
Current					
Short-term loans to related party	2.55	602	-	-	602
Non-current					
Long-term loans to related	2.39-2.40	-	98,441	-	98,441
Total		602	99,043	-	99,043
Separate financial statements					
	Effective interest rate (% per annum)	Within 1 year	After 1 year but within 5 years	After 5 years	Total
		(in thousand Baht)			
2014					
Current					
Short-term loans to related parties	3.00-4.50	16,914,437	-	-	16,914,437
Non-current					
Long-term loans to related parties	2.08-5.00	-	-	26,140,536	26,140,536
Total		16,914,437	-	26,140,536	43,054,973
2013					
Current					
Short-term loans to related parties	3.08-4.50	12,342,325	-	-	12,342,325
Non-current					
Long-term loans to related parties	2.13-4.50	-	12,536,092	10,879,617	23,415,709
Total		12,342,325	12,536,092	10,879,617	35,758,034

The effective interest rates of interest-bearing financial liabilities as at 31 December and the periods in which those liabilities mature were as follows:

	Consolidated financial statements				
	Effective interest rate	Within 1 year	After 1 year but within 5 years	After 5 years	Total
	(% per annum)	(in thousand Baht)			
2014					
Current					
Bank overdrafts	0.25-7.75	1,018,038	-	-	1,018,038
Short-term loans from financial institutions	0.93-10.75	7,563,004	-	-	7,563,004
Long-term loans from financial institutions	1.83-7.73	4,426,228	-	-	4,426,228
Finance lease liabilities	3.30-7.54	8,345	-	-	8,345
Non-current					
Long-term loans from financial institutions	1.83-7.73	-	28,085,382	4,672,199	32,757,581
Finance lease liabilities	3.30-7.54	-	21,418	-	21,418
Debentures	4.00-6.00	-	13,409,540	14,089,416	27,498,956
Total		13,015,615	41,516,340	18,761,615	73,293,570
2013					
Current					
Bank overdrafts	3.04-8.25	384,240	-	-	384,240
Short-term loans from financial institutions	1.21-8.58	15,691,144	-	-	15,691,144
Long-term loans from financial institutions	0.74-5.38	3,921,866	-	-	3,921,866
Finance lease liabilities	4.04-8.60	5,235	-	-	5,235
Non-current					
Long-term loans from financial institutions	0.74-5.38	-	28,815,786	12,647,472	41,463,258
Finance lease liabilities	4.04-8.60	-	4,627	-	4,627
Debentures	4.40-6.00	-	6,887,072	16,908,628	23,795,700
Total		20,002,485	35,707,485	29,556,100	85,266,070

		Separate financial statements			
		Within 1 year	After 1 year but within 5 years	After 5 years	Total
			(in thousand Baht)		
Effective interest rate (% per annum)					
2014					
Current					
Long-term loans from financial institutions	1.83-4.47	1,668,564	-	-	1,668,564
Non-current					
Long-term loans from financial institutions	1.88-4.47	-	5,246,926	474,881	5,721,807
Debentures	4.00-6.00	-	13,409,540	14,089,416	27,498,956
Total		1,668,564	18,656,466	14,564,297	34,889,327
2013					
Current					
Short-term loans from related party	1.88-2.00	164,300	-	-	164,300
Long-term loans from financial institutions	1.88-4.67	1,953,267	-	-	1,953,267
Non-current					
Long-term loans from financial institutions	1.88-4.67	-	9,359,376	-	9,359,376
Debentures	4.40-6.00	-	6,887,072	16,908,628	23,795,700
Total		2,117,567	16,246,448	16,908,628	35,272,643

Foreign currency risk

The Group/Company is exposed to foreign currency risk relating to purchases and sales and borrowings which are denominated in foreign currencies. The Group/Company primarily utilises forward exchange contracts with maturities of less than one year to hedge certain financial assets and liabilities denominated in foreign currencies. The forward exchange contracts entered into at reporting date also relate to anticipated purchases and sales and borrowings, denominated in foreign currencies, for the subsequent period.

As at 31 December, the Group and the Company were exposed to foreign currency risk in respect of financial assets and liabilities denominated in the following currencies:

	Note	Consolidated financial statements		Separate financial statements	
		2014	2013	2014	2013
		(in thousand Baht)			
United States Dollars					
Cash and cash equivalents	6	1,651,639	1,675,042	-	-
Other investments	7	88,896	181,353	3,382	-
Trade accounts receivable	8	17,753,120	21,172,054	-	-
Short-term loans to related parties	5	59,904	602	650,163	552,862
Long-term loans to related parties	5	140,093	98,441	4,807,436	4,786,193
Interest-bearing liabilities	17	(29,022,261)	(38,813,721)	(188,842)	(263,070)
Trade accounts payable	18	(18,065,105)	(13,628,737)	-	-
Gross balance sheet exposure (a)		(27,393,714)	(29,314,966)	5,272,139	5,075,985

	Note	Consolidated financial statements		Separate financial statements	
		2014	2013	2014	2013
		(in thousand Baht)			
<i>Euro</i>					
Cash and cash equivalents	6	380,509	1,217,039	-	-
Other investments	7	49,957	27,007	21,437	-
Trade accounts receivable	8	3,633,052	2,993,735	-	-
Short-term loans to related parties	5	15,241	-	2,348,382	208,246
Long-term loans to related parties	5	24,032	-	1,657,784	1,895,925
Interest-bearing liabilities	17	(9,311,141)	(7,515,205)	(1,607,248)	-
Trade accounts payable	18	(4,205,733)	(5,012,893)	-	-
Gross balance sheet exposure (a)		(9,414,083)	(8,290,317)	2,420,355	2,104,171

(a) As at 31 December 2014, financial assets and liabilities denominated in USD and Euro of Baht 19,317.2 million (2013: 25,665.6 million) and Baht 4,590.9 million (2013: 6,239.7 million), respectively, pertain to subsidiaries located in the United States and Europe for which their functional currencies are USD and Euro, respectively. The Group's balance sheet exposure is mitigated to that extent.

	Note	Consolidated financial statements		Separate financial statements	
		2014	2013	2014	2013
		(in thousand Baht)			
<i>Pounds Sterling</i>					
Cash and cash equivalents	6	65,962	88,022	-	-
Trade accounts receivable	8	612,227	803,028	-	-
Interest-bearing liabilities	17	(450,325)	(624,002)	-	-
Trade accounts payable	18	(116,221)	(124,519)	-	-
Gross balance sheet exposure		111,643	142,529	-	-
<i>Lithuanian Litas</i>					
Cash and cash equivalents	6	737	42,875	-	-
Trade accounts receivable	8	75,796	70,079	-	-
Trade accounts payable	18	(75,890)	(70,398)	-	-
Gross balance sheet exposure		643	42,556	-	-
<i>Japanese Yen</i>					
Cash and cash equivalents	6	46	1,926	-	-
Trade accounts receivable	8	4,404	17,070	-	-
Trade accounts payable	18	(2,876)	(7,982)	-	-
Gross balance sheet exposure		1,574	11,014	-	-
<i>Nigerian Naira</i>					
Cash and cash equivalents	6	18,946	17,716	-	-
Trade accounts receivable	8	273,278	119,315	-	-
Interest-bearing liabilities	17	-	(1,180)	-	-
Trade accounts payable	18	(4,173)	(2,834)	-	-
Gross balance sheet exposure		288,051	133,017	-	-

		Consolidated financial statements		Separate financial statements	
	Note	2014	2013	2014	2013
		(in thousand Baht)			
<i>Chinese Yuan</i>					
Cash and cash equivalents	6	151,714	131,666	-	-
Trade accounts receivable	8	1,089,586	862,055	-	-
Trade accounts payable	18	(1,073,056)	(1,191,058)	-	-
Gross balance sheet exposure		168,244	(197,337)	-	-
<i>Mexican Peso</i>					
Cash and cash equivalents	6	15,868	68,418	-	-
Trade accounts receivable	8	81,517	198,454	-	-
Interest-bearing liabilities	17	-	(147,985)	-	-
Trade accounts payable	18	(423,887)	(565,777)	-	-
Gross balance sheet exposure		(326,502)	(446,890)	-	-
<i>Polish Zloty</i>					
Cash and cash equivalents	6	16,570	23,777	-	-
Other investments	7	91	287	-	-
Trade accounts receivable	8	15,195	81,080	-	-
Trade accounts payable	18	(119,076)	(177,546)	-	-
Gross balance sheet exposure		(87,220)	(72,402)	-	-
<i>Indonesian Rupiah</i>					
Cash and cash equivalents	6	32,825	62,580	-	-
Trade accounts receivable	8	98,707	92,211	-	-
Trade accounts payable	18	(147,723)	(305,297)	-	-
Gross balance sheet exposure		(16,191)	(150,506)	-	-
<i>Swiss Franc</i>					
Cash and cash equivalents	6	371	628	-	-
Trade accounts payable	18	-	(265)	-	-
Gross balance sheet exposure		371	363	-	-
<i>Australian Dollars</i>					
Trade accounts payable	18	(38,407)	-	-	-
Gross balance sheet exposure		(38,407)	-	-	-
<i>Singapore Dollars</i>					
Cash and cash equivalents	6	10	12	-	-
Trade accounts payable	18	(243)	-	-	-
Gross balance sheet exposure		(233)	12	-	-

		Consolidated financial statements		Separate financial statements	
	Note	2014	2013	2014	2013
		(in thousand Baht)			
<i>Danish Krone</i>					
Cash and cash equivalents	6	84,868	6,438	-	-
Trade accounts receivable	8	-	2,427	-	-
Trade accounts payable	18	(687,205)	(117,898)	-	-
Gross balance sheet exposure		(602,337)	(109,033)	-	-
<i>Philippines Peso</i>					
Cash and cash equivalents	6	6,102	12,850	-	-
Other investments	7	-	2,018	-	-
Trade accounts receivable	8	117,598	-	-	-
Trade accounts payable	18	(6,217)	-	-	-
Gross balance sheet exposure		117,483	14,868	-	-
<i>Ghanaian Cedi</i>					
Cash and cash equivalents	6	7,663	-	-	-
Gross balance sheet exposure		7,663	-	-	-
<i>Turkish Lira</i>					
Cash and cash equivalents	6	3,202	-	-	-
Trade accounts receivable	8	314,165	-	-	-
Interest-bearing liabilities	17	(358,273)	-	-	-
Trade accounts payable	18	(201,891)	-	-	-
Gross balance sheet exposure		(242,797)	-	-	-

The net position of currency swaps and forward exchange contracts at 31 December 2014 was Baht 3,790 million (net asset transactions) (2013: Baht 3,276.9 million).

Credit risk

Credit risk is the potential financial loss resulting from the failure of a customer or counterparty to settle its financial and contractual obligations to the Group as and when they fall due.

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on all customers requiring credit over a certain amount. At the reporting date, there were no significant concentrations of credit risk. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position. However, due to the large number of parties comprising the Group's customer base, management does not anticipate material losses from its debt collection.

Liquidity risk

The Group/Company monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Group's/Company's operations and to mitigate the effects of fluctuations in cash flows.

Determination of fair values

A number of the Group's/Company's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. The fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. Fair values have been determined for measurement and/or disclosure purposes based on the following method. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

The fair value of trade and other accounts receivables is taken to approximate the carrying value.

The fair value of interest rate swaps is based on broker quotes. Those quotes are tested for reasonableness by discounting estimated future cash flows based on the terms and maturity of each contract and using market interest rates for a similar instrument at the measurement date.

The fair value of forward exchange contracts is based on their listed market prices, if available. If a listed market price is not available, then fair value is estimated by discounting the difference between the contractual forward price and the current forward price at the reporting date for the residual maturity of the contract using a risk-free interest rate (based on government bonds).

The fair value of commodity futures, which is determined for disclosure purpose, is based on their listed market price, if available. As at 31 December 2014, the fair value of commodity futures is Baht 611.0 million (net liability transaction). Substantial part of commodity futures relate to fixed price sales contract entered into with a customer for sales in 2015.

The fair value of non-derivative financial liabilities, which is determined for disclosure purposes, is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the reporting date.

As at 31 December 2014 and 2013, the financial assets and liabilities have fair values that do not differ significantly from the amounts recorded in the statement of financial position.

37 Commitments with non-related parties

	Consolidated financial statements	
	2014	2013
	(in million Baht)	
<i>Capital commitments</i>		
Contracted but not provided for		
Land and land improvements	143	149
Buildings and other construction	281	567
Machinery and equipment	1,791	3,506
Total	2,215	4,222
<i>Non-cancellable operating lease commitments</i>		
Within one year	631	603
After one year but within five years	1,213	1,467
After five years	215	237
Total	2,059	2,307
<i>Other commitments</i>		
Purchase orders and letters of credit for goods and supplies	5,483	2,325
Bank guarantees	2,029	962
Other	15	15
Total	7,527	3,302

Certain subsidiaries have executed long-term purchase agreements committing them to purchase agreed quantities of raw materials for periods up to three years, at prices linked to the market prices of the underlying commodities.

The Company entered into a joint venture agreement on 26 December 2013, with Abu Dhabi National Chemicals Company PJSC ("ChemaWEyaat") a public joint stock company duly organized and existing under the laws of Abu Dhabi, UAE, to develop the Tacaamol Aromatics Plant on Madeenat ChemaWEyaat AL Gharbia's (MCAG) site in the western region of Abu Dhabi. IVL will hold 49% equity and Abu Dhabi National Chemicals Company PJSC will hold 51% equity in a new joint venture company which has yet to be incorporated.

The agreement and plan of merger was signed on 5 December 2014 among Performance Fibers Holdings Finance Inc, a Delaware corporation "PFHF", Indorama Ventures Holdings LP (an indirect subsidiary), a Delaware Limited Partnership (the "Purchaser"), Aurelius Ventures Inc, a Delaware corporation and wholly owned subsidiary of the Purchaser (the "Merger Sub"), and Sun Performance Fibers, LLC, a Delaware Limited Liability company, as representative for the PFHF's stakeholders to acquire 100% equity interest in Performance Fibers Asia ("PF Asia"). PF Asia plants are located in Kaiping City, Guangdong Province of China.

38 Events after the reporting period

On 20 February 2015, the board of directors proposed for the dividend payment of Baht 0.19 per share, amounting to Baht 914.7 million. This dividend payment is subject to the approval by the shareholders of the Company.

On 1 January 2015, the Company, through one of its indirect subsidiaries, IVL Singapore Pte. Ltd., approved the establishment of Indorama Ventures Packaging (Myanmar) Limited, a new indirect subsidiary company in Myanmar. The registered share capital of the company is Kyat 4,700 million (Baht 150.8 million).

On 8 January 2015, Indorama Netherlands B.V., an indirect subsidiary, signed a share sales and purchase agreement to acquire 100% equity interest in Polyplex Resins San. ve Tic. A.S, Turkey from Polyplex Europa Polyester Film San. ve Tic. A.S, Turkey.

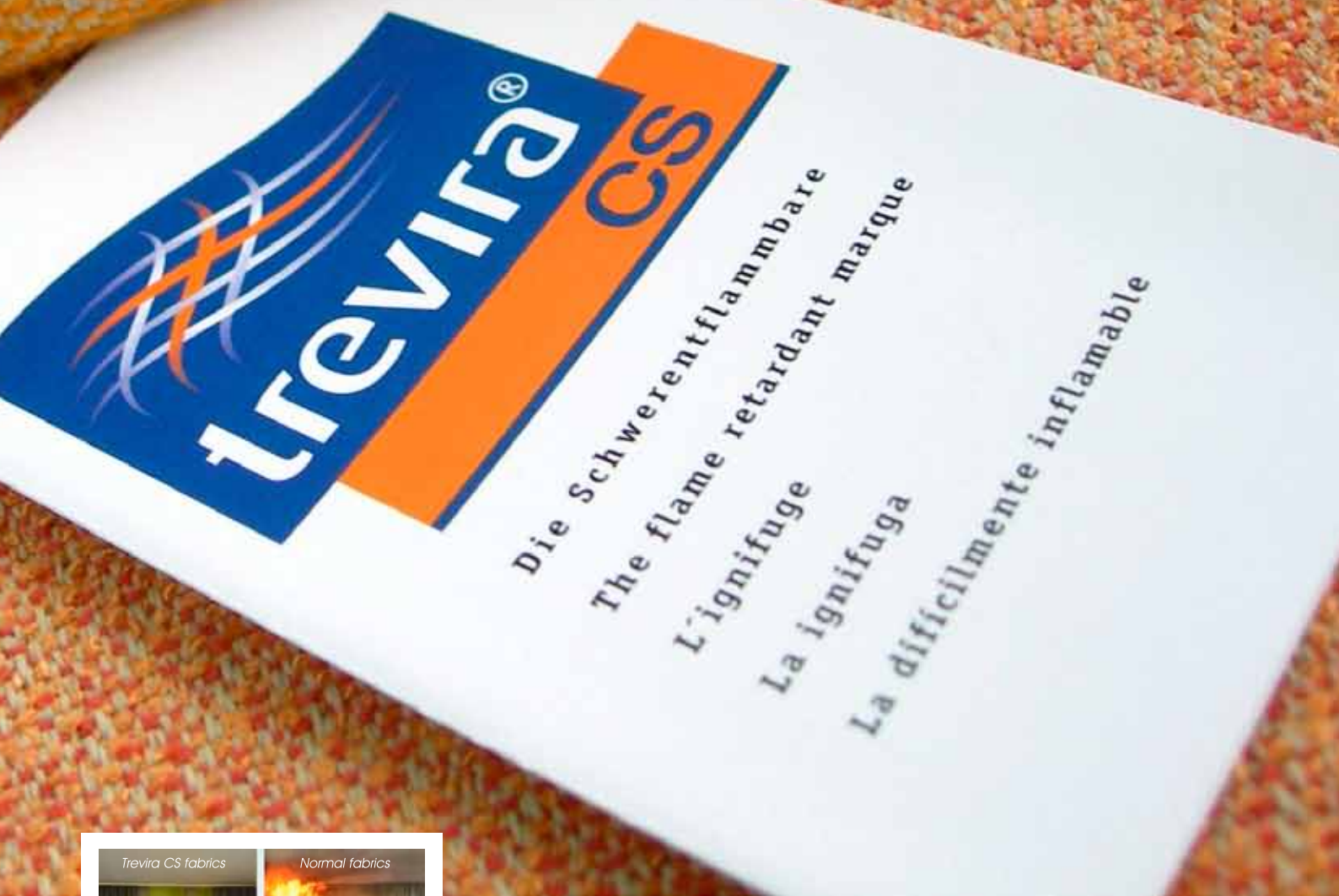
39 Thai Financial Reporting Standards (TFRS) not yet adopted

A number of new and revised TFRS have been issued but are not yet effective and have not been applied in preparing these financial statements. Those new and revised TFRS that may be relevant to the Group's operations, which become effective for annual financial periods beginning on or after 1 January in the year indicated, are set out below. The Group does not plan to adopt these TFRS early.

TFRS	Topic	Year effective
TAS 1 (revised 2014)	Presentation of Financial Statements	2015
TAS 2 (revised 2014)	Inventories	2015
TAS 7 (revised 2014)	Statement of Cash Flows	2015
TAS 8 (revised 2014)	Accounting Policies, Changes in Accounting Estimates and Errors	2015
TAS 10 (revised 2014)	Events after the Reporting Period	2015
TAS 12 (revised 2014)	Income Taxes	2015
TAS 16 (revised 2014)	Property, Plant and Equipment	2015
TAS 17 (revised 2014)	Leases	2015
TAS 18 (revised 2014)	Revenue	2015
TAS 19 (revised 2014)	Employee Benefits	2015
TAS 21 (revised 2014)	The Effects of Changes in Foreign Exchange Rates	2015
TAS 23 (revised 2014)	Borrowing Costs	2015
TAS 24 (revised 2014)	Related Party Disclosures	2015
TAS 26 (revised 2014)	Accounting and Reporting by Retirement Benefit Plans	2015
TAS 27 (revised 2014)	Separate Financial Statements	2015
TAS 28 (revised 2014)	Investments in Associates and Joint Ventures	2015

TFRS	Topic	Year effective
TAS 33 (revised 2014)	Earnings per Share	2015
TAS 34 (revised 2014)	Interim Financial Reporting	2015
TAS 36 (revised 2014)	Impairment of Assets	2015
TAS 37 (revised 2014)	Provisions, Contingent Liabilities and Contingent Assets	2015
TAS 38 (revised 2014)	Intangible Assets	2015
TFRS 3(revised 2014)	Business Combinations	2015
TFRS 8(revised 2014)	Operating Segments	2015
TFRS 10	Consolidated Financial Statements	2015
TFRS 11	Joint Arrangements	2015
TFRS 13	Fair Value Measurement	2015
TSIC 15 (revised 2014)	Operating Leases - Incentives	2015
TSIC 27 (revised 2014)	Evaluating the Substance of Transactions Involving the Legal Form of a Lease	2015
TFRIC 1(revised 2014)	Changes in Existing Decommissioning, Restoration and Similar Liabilities	2015
TFRIC 4 (revised 2014)	Determining whether an Arrangement contains a Lease	2015
TFRIC 10 (revised 2014)	Interim Financial Reporting and Impairment	2015
TFRIC 14	TAS 19 - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction	2015

The Group has made a preliminary assessment of the potential initial impact on the consolidated and separate financial statements of these new and revised TFRS and expects that there will be no material impact on the financial statements in the period of initial application.



Flame Retardant Fibers and Yarns

Our brand for materials made from flame retardant Trevira fibers and yarns has become a synonym for high-value safety textiles. Globally, more than 1,000 collections offer interior designers a wide choice of home textiles which are not only flame retardant, but also offer a large variety of exquisite designs in all possible fabric constructions.



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