Pacific Ethanol, Inc.

Pacific Ethanol, Inc. (NASDAQ: PEIX) is the leading marketer and producer of low-carbon renewable fuels in the Western United States. Pacific Ethanol also sells co-products, including wet distillers grain ("WDG"), a nutritious animal feed. Serving integrated oil companies and gasoline marketers who blend ethanol into gasoline, Pacific Ethanol provides transportation, storage and delivery of ethanol through third-party service providers in the Western United States, primarily in California, Arizona, Nevada, Utah, Oregon, Colorado, Idaho and Washington. Pacific Ethanol has an 85% ownership interest in New PE Holdco LLC, the owner of four ethanol production facilities. Pacific Ethanol operates and manages the four ethanol production facilities, which have a combined annual production capacity of 200 million gallons. The facilities in operation are located in Boardman, Oregon, Burley, Idaho and Stockton, California, and one idled facility is located in Madera, California. The facilities are near their respective fuel and feed customers, offering significant timing, transportation cost and logistical advantages. Pacific Ethanol's subsidiary, Kinergy Marketing LLC, markets ethanol from Pacific Ethanol's managed plants and from other third-party production facilities, and another subsidiary, Pacific Ag. Products, LLC, markets WDG.

NASDAQ: PEIX

Stock price (as of 11/29/2013):	$3.76
52-week Price Range:	$2.33-$7.05
Shares outstanding:	15.5M
Market cap:	$58.3M
Fiscal Year End:	December 31

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Investment Rationale

Strong long-term demand for ethanol
- Supported by federal and state regulations
- Provides economic incentives to fuel blenders & consumers
- Highest performance fuel on the market

Differentiated with destination model & West Coast locations
- Destination model reduces transport costs & lowers carbon footprint
- Locations provide quick access to ethanol & feed customers
- Source, quality & supply of feedstock optimized by plant locations

Poised to capitalize on growth opportunities
- Consolidating plant ownership to drive cost efficiencies
- Diversifying revenue streams
- Leveraging plant flexibility to diversify feedstock & reduce costs

Diversifying Revenue & Feedstock

Corn Oil Separation

Corn oil is a high-value co-product

- Producing corn oil at Magic Valley since June 2013
- Initiated production at Stockton in October 2013
- Provides additional revenue stream with very little associated costs
- Markets include feed (primarily poultry) markets and biodiesel feedstock

Feedstock

Beet sugar provides flexibility in sourcing and lowers material costs

- Purchased beet sugar at a significant discount to the equivalent cost of corn
- Will be blended as feedstock over the next year

Sorghum reduces feedstock costs and improves carbon footprint

- Well positioned to take advantage of opportunities to source sorghum domestically and internationally when available at lower costs than domestic corn

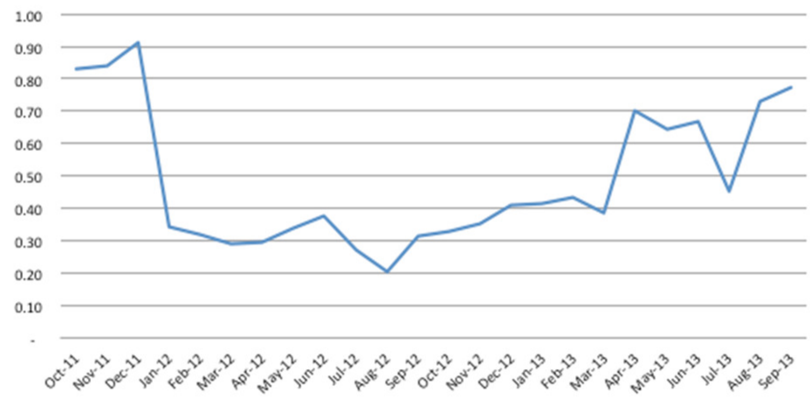
The market for renewable fuels is ready for continued growth

- Seventy percent of the vehicles on the road today have been approved by the EPA for the use of up to 15% ethanol blends.
- Over 15 million E85 vehicles are on the road today with over 3,000 fueling stations offering E85 across the country.

Ethanol is the lowest cost transportation fuel in the world

Production margins improving to more favorable levels

Adjusted Crush Margin $/gal*



* Calculated by using PEI Ethanol – (CBOT Corn+ basis) *(1-Co product return)/2.74. Using PEI ethanol sales price, corn basis and co-product return as disclosed in Form 10-Q for each quarter assumes a standard 2.74 in corn yield, consistent across all periods and all plants.

Improving yields & efficiencies at the plant level

Every 1% improvement in yield results in about a $3M increase in gross margin annually(1)
Pacific Ethanol receives a premium of over 5¢ per gallon on ethanol produced in the U.S.

(1) At current margins and operating rates

Third Quarter 2013 Financial Highlights

- Net sales up 8% from Q3'12
- Gross profit improved to $3.5M from a loss of $2.4M in Q3'12
- Operating income improved to $1.0M from a loss of $5.3M in Q3'12
- Adjusted EBITDA improved to $3.4M from a loss of $900K
- Retired $8.4M in senior & convertible debt

Executing Strategy to Build Shareholder Value

- Diversify revenue and feedstock
- Reduce carbon intensity of ethanol produced
- Improve operating efficiencies at the plants
- Support sustained profitable growth

The leading marketer & producer of low-carbon renewable fuels in the Western U.S.