



Pacific Ethanol, Inc.
Driven by Demand™

**Second Quarter 2008
Conference Call
August 11, 2008**





Pacific Ethanol, Inc.

Cautionary Statements

Forward Looking Statements

This presentation contains forward-looking statements, including statements concerning future conditions in the ethanol marketing and production industries, and concerning the Company's future business, financial condition, operating strategies, and operational and legal risks. The Company uses words like "believe," "expect," "may," "will," "could," "seek," "estimate," "continue," "anticipate," "intend," "goal," "future," "plan" or variations of those terms and other similar expressions, including their use in the negative, to identify forward-looking statements. Prospective investors should not place undue reliance on these forward-looking statements, which speak only as to the Company's expectations as of the date of these materials. These forward-looking statements are subject to a number of risks and uncertainties, including those identified under "Risk Factors" in the most recently-filed of the Company's Annual Report on Form 10-K or Registration Statement (including any related final Prospectus or Prospectus Supplement) as filed with the Commission. Although the Company believes that the expectations reflected in these forward-looking statements are reasonable, actual conditions in the ethanol marketing and production industries, and actual conditions and results in the Company's business, could differ materially from those expressed in these forward-looking statements. In addition, none of the events anticipated in the forward-looking statements may actually occur. Any of these different outcomes could cause the value of the Securities, including the price of the Company's Common Stock, to decline substantially. Except as required by law, the Company undertakes no duty to update any forward-looking statement after the date of these materials, either to conform any statement to reflect actual results or to reflect the occurrence of unanticipated events.

No Offering or Advice

This presentation does not constitute an offer to sell or a solicitation of an offer to purchase any securities of any nature whatsoever, nor do the contents of the presentation constitute legal, tax, business or other advice.



Pacific Ethanol, Inc.

Second Quarter 2008 Results

- Income Statement Summary
- EBITDA Reconciliation
- Commodity Price Performance
- Balance Sheet Summary
- Operating Plants
- Production Projects Under Construction



Income Statement Summary (Unaudited)

Pacific Ethanol, Inc.

(in thousands)

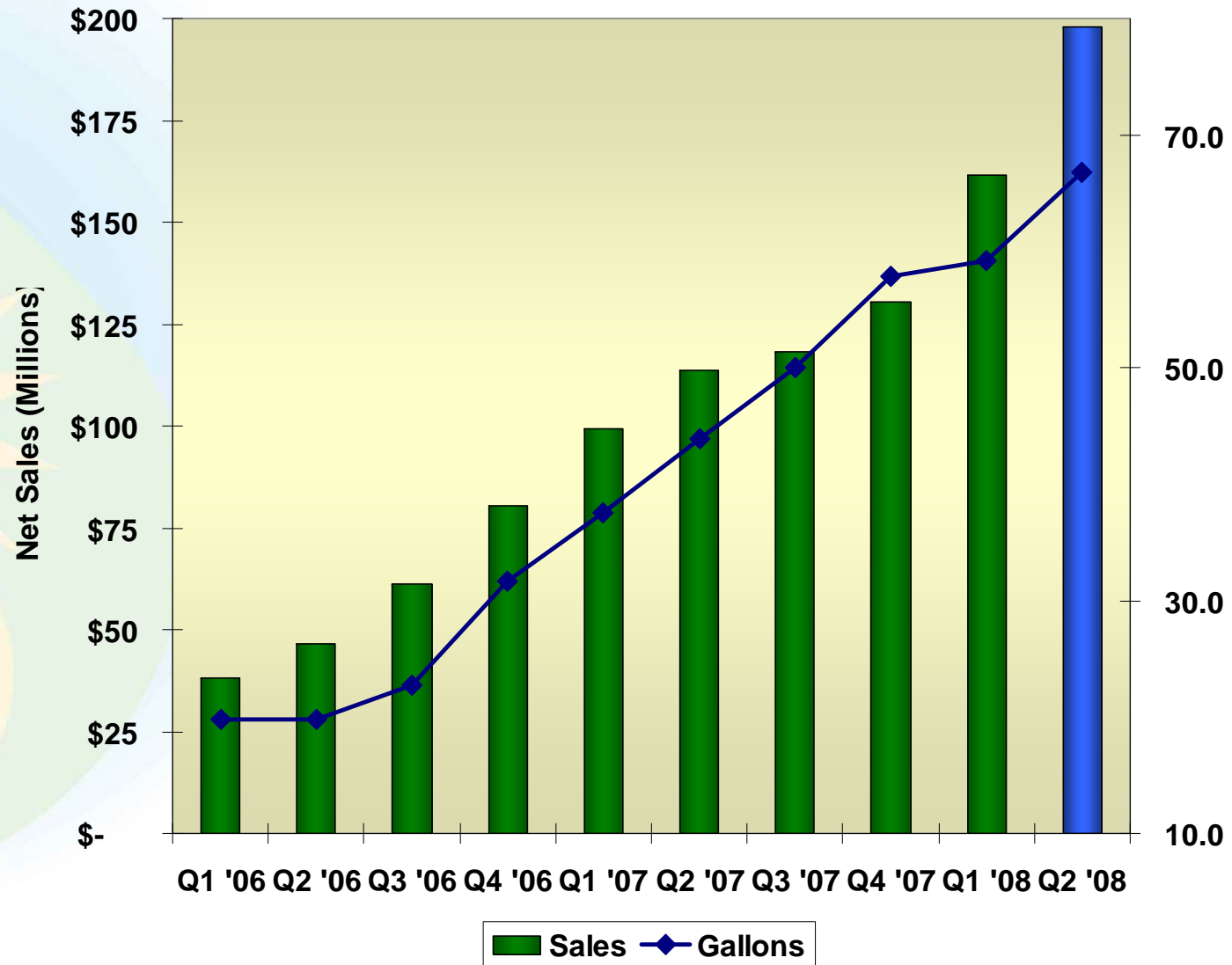
	Three Months Ended June 30,		Six Months Ended June 30,	
	2008	2007	2008	2007
Net sales	\$197,974	\$113,763	\$359,509	\$213,005
Cost of goods sold	197,531	102,642	343,408	186,543
Gross profit	443	11,121	16,101	26,462
Gross profit margin	0.2%	9.8%	4.5%	12.4%
SG&A expenses	7,678	8,320	17,544	17,822
Goodwill impairment	---	---	87,047	---
Income(loss) from operations	(7,235)	2,801	(88,490)	8,640
Other income (loss), net	889	1,235	(1,410)	1,310
Noncontrolling interest ⁽¹⁾	(1,987)	(1,880)	46,416	(4,819)
Income (loss) before provision for income taxes	(8,333)	2,156	(43,484)	5,131
Provision for income taxes	---	---	---	---
Net income (loss)	\$(8,333)	\$2,156	\$(43,484)	\$5,131

(1) Noncontrolling interest in variable interest entity, Front Range Energy, LLC



Net Sales and Ethanol Gallons Sold (Millions)

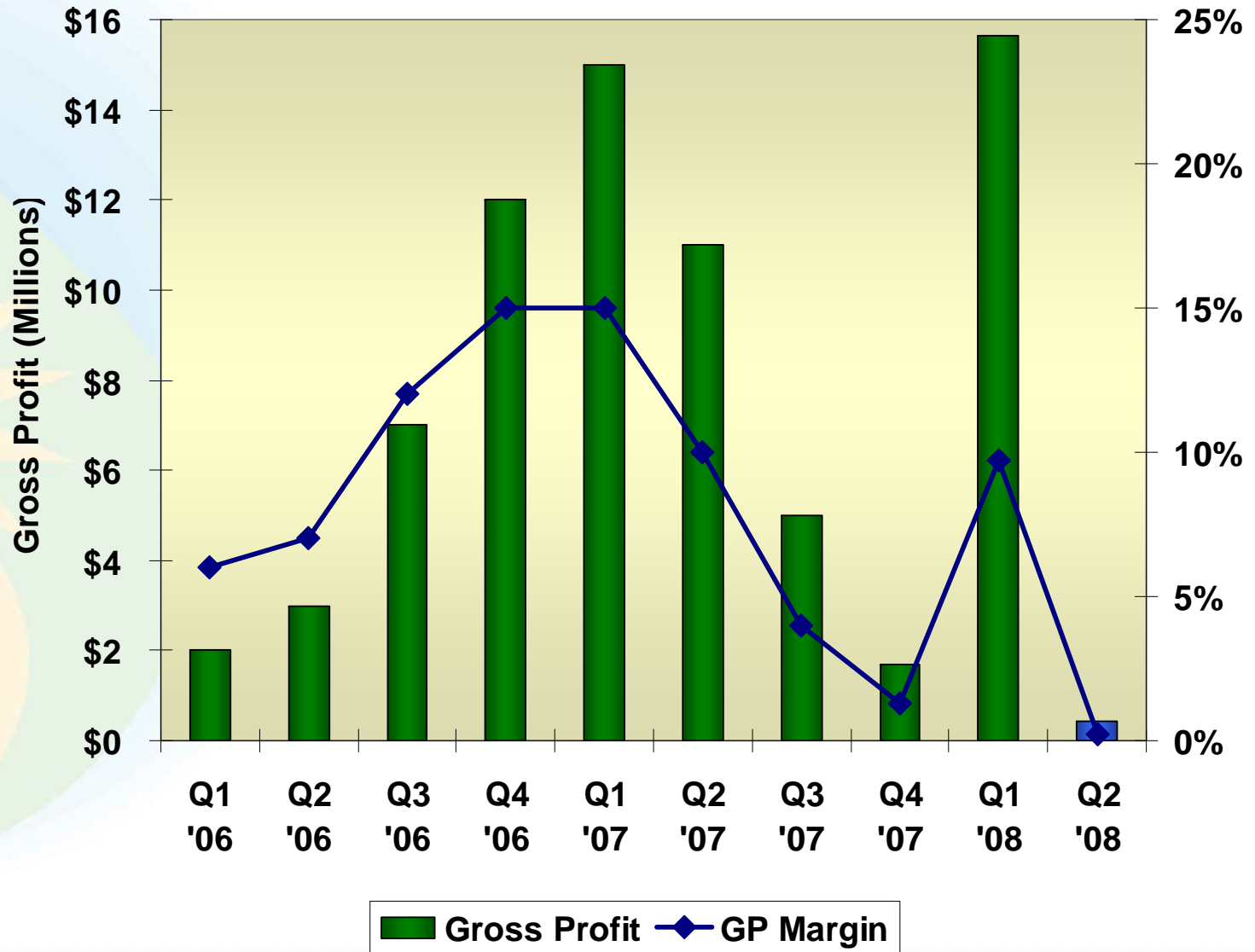
Pacific Ethanol, Inc.





Gross Profit (Million \$) and Gross Profit Margin (%)

Pacific Ethanol, Inc.





EBITDA Reconciliation (Unaudited)

Pacific Ethanol, Inc.

(in thousands)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2008	2007	2008	2007
Net income (loss)	\$(8,333)	\$2,156	\$(43,484)	\$5,131
Adjustments:				
Interest expense*	2,048	173	7,254	988
Interest income*	(80)	(1,532)	(205)	(3,205)
Income taxes	---	---	---	---
Depreciation and amortization*	5,607	2,683	9,478	5,367
Goodwill impairment	---	---	38,636	---
Total adjustments	7,575	1,324	55,163	3,150
EBITDA	\$(758)	\$3,480	\$11,679	\$8,281

* Adjusted for noncontrolling interest in variable interest entity.



Commodity Price Performance

Pacific Ethanol, Inc.

	Three Months Ended June 30,		Six Months Ended June 30,	
	2008	2007	2008	2007
Ethanol Sales (mm gallons)				
Production sales	32.3	13.0	55.5	26.0
Third party sales	34.5	30.9	70.5	56.8
Total ethanol sales	66.8	43.9	126.0	82.8
Ethanol sales price per gallon	\$2.55	\$2.32	\$2.43	\$2.29
Delivered corn cost per bushel	\$6.73	\$4.23	\$6.15	\$3.90
Average basis	\$0.75	\$0.64	\$0.76	\$0.62
Corn cost – CBOT equivalent	\$5.98	\$3.59	\$5.39	\$3.28
CBOT average market price	\$6.29	\$3.71	\$5.75	\$3.86
Co-product return % (1)	21.7%	26.5%	23.4%	28.5%
Production commodity margin per gallon (2)	\$0.49	\$1.10	\$0.64	\$1.21

(1) Co-product revenue as a percentage of delivered corn cost

(2) Ethanol sales price per gallon less net corn cost (delivered cost of corn less co-product revenue)



Balance Sheet Summary

Pacific Ethanol, Inc.

(in thousands)

	June 30, 2008	December 31, 2007
Cash and liquid securities (1)	\$35,006	\$25,840
Other current assets	85,068	56,353
PP&E, net	560,860	468,704
Noncurrent assets	15,059	100,703
Total Assets	\$695,993	\$651,600
Current liabilities	\$135,104	\$120,079
Noncurrent liabilities	197,436	153,153
Total Liabilities	332,540	273,232
Noncontrolling interest (2)	49,957	96,082
Stockholders' equity	313,496	282,286
Total Liabilities and Stockholders' Equity	\$695,993	\$651,600

(1) Includes current restricted cash

(2) Noncontrolling interest in variable interest entity, Front Range Energy, LLC



Operating Plants

Pacific Ethanol, Inc.



Madera Plant
Madera, CA
Operational: Q4 2006
Design Basis: 35 MGY
Operating Capacity: 40 MGY
Process Engineer: Delta-T



Front Range Energy
Windsor, CO
Operational: Q2 2006
Design Basis: 40 MGY
Operating Capacity: 50 MGY
Process Engineer: ICM



Columbia Plant
Boardman, OR
Operational: Q3 2007
Design Basis: 35 MGY
Operating Capacity: 40 MGY
Process Engineer: Delta-T



Magic Valley Plant
Burley, ID
Operational: Q2 2008
Design Basis: 50 MGY
Operating Capacity: 60 MGY
Process Engineer: Delta-T





Stockton Ethanol Plant (Under Construction)

Pacific Ethanol, Inc.



Stockton Plant
Stockton, CA

Planned Operational:	Q3 2008
Design Basis:	50 MGY
Expected Operating Capacity:	60 MGY
Process Engineer:	Delta-T



Visit our website: www.pacificethanol.net

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