



Pacific Ethanol, Inc.
Driven by Demand™

**Third Quarter 2008
Conference Call
November 10, 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.

Third Quarter 2008 Results

- Income Statement Summary
- Net Sales and Ethanol Gallons Sold
- Gross Profit and Gross Margin
- EBITDA Reconciliation
- Commodity Price Performance
- Balance Sheet Summary
- Ethanol Production Facilities



Income Statement Summary (Unaudited)

Pacific Ethanol, Inc.

(in thousands)

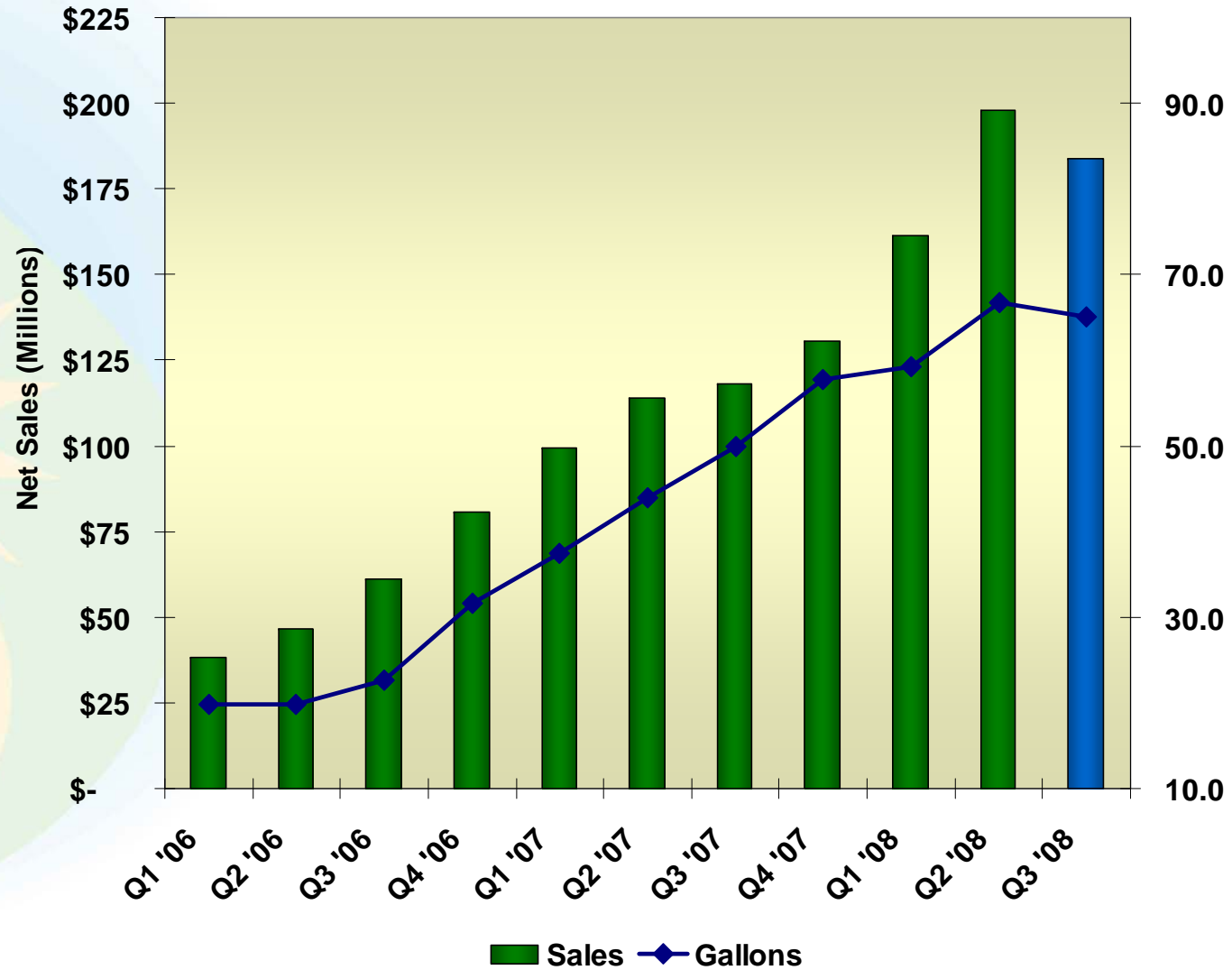
	Three Months Ended September 30,		Nine Months Ended September 30,	
	2008	2007	2008	2007
Net sales	\$183,980	\$118,118	\$543,489	\$331,123
Cost of goods sold	204,265	113,359	547,673	299,902
Gross profit (loss)	(20,285)	4,759	(4,184)	31,221
Gross profit (loss) margin	(11.0)%	4.0%	(0.8)%	9.4%
SG&A expenses	6,731	5,920	24,275	23,742
Goodwill and asset impairments	26,588	---	113,635	---
Income (loss) from operations	(53,604)	(1,161)	(142,094)	7,479
Other income (loss), net	(2,774)	(998)	(4,184)	312
Non-controlling interest ⁽¹⁾	1,523	(2,683)	47,939	(7,502)
Income (loss) before provision for income taxes	(54,855)	(4,842)	(98,339)	289
Provision for income taxes	---	---	---	---
Net income (loss)	\$(54,855)	\$(4,842)	\$(98,339)	\$289

(1) Non-controlling interest in variable interest entity, Front Range Energy, LLC



Net Sales and Ethanol Gallons Sold (Millions)

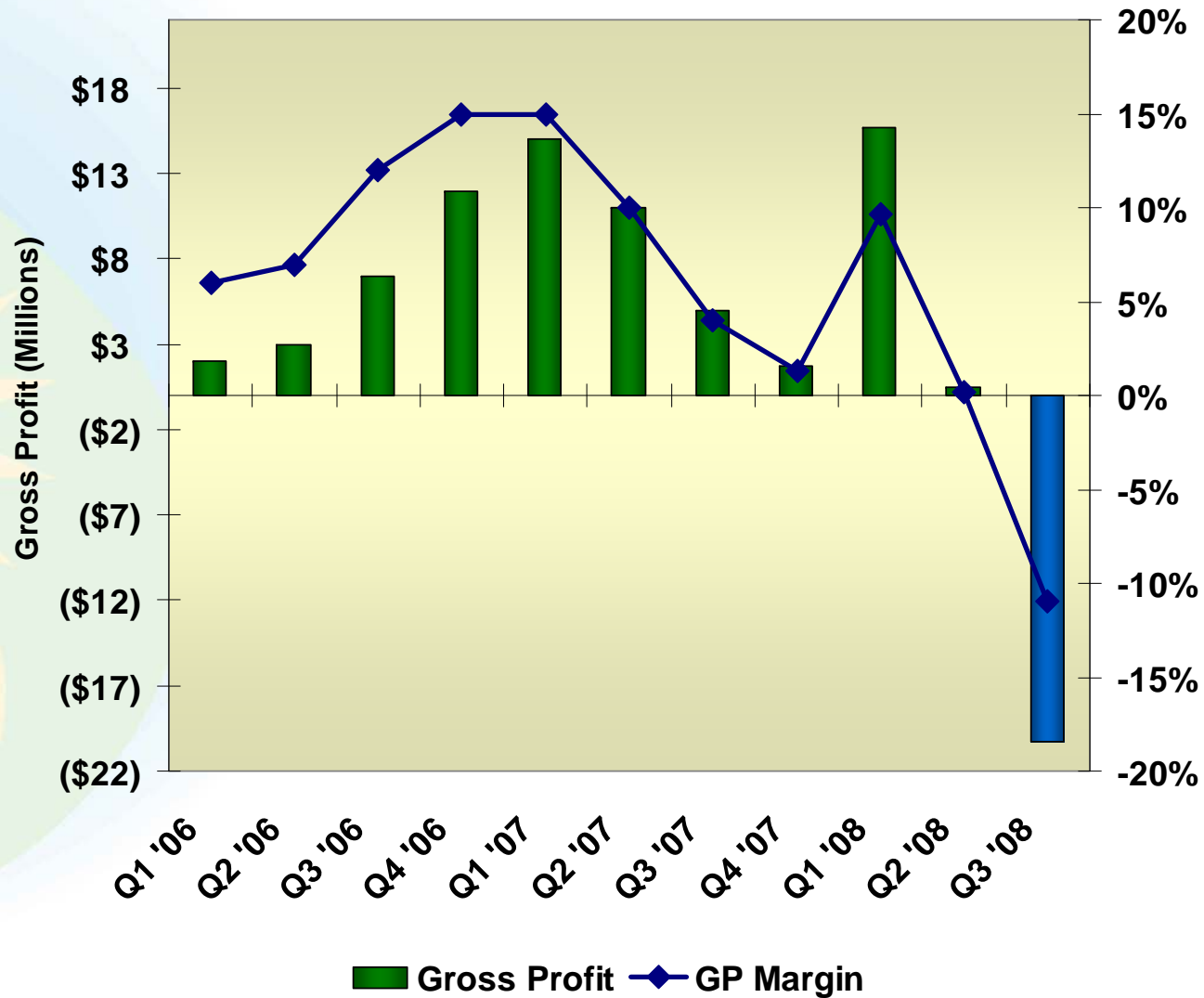
Pacific Ethanol, Inc.





Pacific Ethanol, Inc.

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





EBITDA Reconciliation (Unaudited)

Pacific Ethanol, Inc.

(in thousands)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2008	2007	2008	2007
Net income (loss)	\$(54,855)	\$(4,842)	\$(98,339)	\$289
Adjustments:				
Interest expense*	3,290	1,826	10,544	2,814
Interest income*	(59)	(912)	(264)	(4,117)
Income taxes	---	---	---	---
Depreciation and amortization*	6,554	2,563	16,032	7,930
Goodwill and asset impairments*	26,588	---	65,224	---
Total adjustments	36,373	3,477	91,536	6,627
EBITDA	\$(18,482)	\$(1,365)	\$(6,803)	\$6,916

* Adjusted for non-controlling interest in variable interest entity.



Commodity Price Performance (Unaudited)

Pacific Ethanol, Inc.

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2008	2007	2008	2007
Ethanol Sales (mm gallons)				
Production sales	33.1	15.4	88.7	41.4
Third party sales	31.9	34.6	102.3	91.4
Total ethanol sales	65.0	50.0	191.0	132.8
Ethanol sales price per gallon	\$2.45	\$2.11	\$2.43	\$2.22
Delivered corn cost per bushel	\$6.99	\$4.54	\$6.48	\$4.19
Average basis	\$0.71	\$0.67	\$0.73	\$0.64
Corn cost – CBOT equivalent	\$6.28	\$3.87	\$5.75	\$3.55
CBOT average market price	\$5.78	\$3.36	\$5.76	\$3.69
Co-product return % (1)	21.6%	25.3%	22.6%	25.6%
Production commodity margin per gallon (2)	\$0.35	\$0.99	\$0.54	\$1.18

(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 (Unaudited)

Pacific Ethanol, Inc.

(in thousands)

	September 30, 2008	December 31, 2007
Cash and liquid securities (1)	\$33,583	\$25,840
Other current assets	72,426	56,353
PP&E, net	552,145	468,704
Other non-current assets	15,455	100,703
Total Assets	\$673,609	\$651,600
Current liabilities	\$129,586	\$120,079
Non-current liabilities	238,030	153,153
Total Liabilities	367,616	273,232
Non-controlling interest (2)	47,936	96,082
Stockholders' equity	258,057	282,286
Total Liabilities and Stockholders' Equity	\$673,609	\$651,600

(1) Includes current restricted cash

(2) Non-controlling interest in variable interest entity, Front Range Energy, LLC



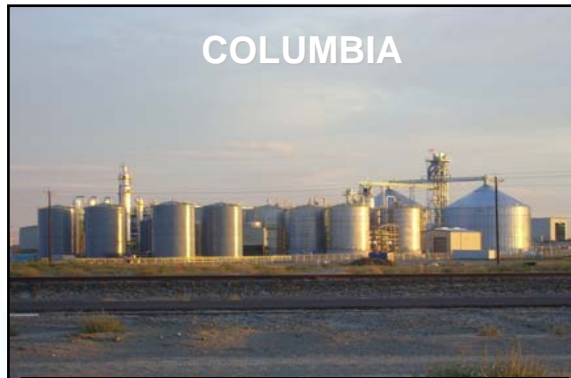
Ethanol Production Facilities

Pacific Ethanol, Inc.



MADERA

Madera, CA	
Operational:	Q4 2006
Design Basis:	35 MGY
Operating Capacity:	40 MGY



COLUMBIA

Boardman, OR	
Operational:	Q3 2007
Design Basis:	35 MGY
Operating Capacity:	40 MGY



MAGIC VALLEY

Burley, ID	
Operational:	Q2 2008
Design Basis:	50 MGY
Operating Capacity:	60 MGY



STOCKTON

Stockton, CA	
Operational:	Q3 2008
Design Basis:	50 MGY
Operating Capacity:	60 MGY



FRONT RANGE ENERGY*

Windsor, CO	
Operational:	Q2 2006
Design Basis:	40 MGY
Operating Capacity:	50 MGY

*Pacific Ethanol, Inc. holds 42% ownership



Visit our website: www.pacificethanol.net

Pacific Ethanol, Inc.

