



Westlake Chemical Corporation

Albert Chao, President & CEO

Credit Suisse First Boston

Chemical Conference

September 30, 2004



Forward-Looking Statements

Statements made during this presentation contain forward-looking statements which are subject to risks and uncertainties. These include general economic and business conditions; the cyclical nature of the chemical industry; the availability, cost and volatility of raw materials and energy; uncertainties associated with the United States and worldwide economies; current and potential governmental regulatory actions in the United States and regulatory actions, and political unrest in other countries; industry production capacity and operating rates; the supply/demand balance for our products; competitive products and pricing pressures; access to capital markets; terrorist acts; operating interruptions; changes in laws or regulations; technological developments; our ability to implement our business strategies; creditworthiness of our customers; and other factors discussed in the periodic and current reports, including Forms 10-K, 10-Q and 8-K, filed from time to time by the company with the SEC.

Reconciliation of GAAP financial measures to Non-GAAP financial measures is provided in the appendix of this presentation.

Investor Relations Contacts

Westlake Chemical Corporation
2801 Post Oak Boulevard, Suite 600

Houston, TX 77056
(713) 960-9111

www.westlakechemical.com

Graham McArthur
Assistant Treasurer — IR

gmcArthur@westlakechemical.com

Ruth Dreessen
Chief Financial Officer

rdreessen@westlakechemical.com



Company Overview

Westlake Chemical Corp (data LTM 6/30/04)

Sales	\$1,575 million
EBITDA	\$211 million
Net Income	\$46 million

Mission Statement

- Profitable growth,
- In businesses we understand,
- Globally in areas we can gain an edge,
- In a disciplined and opportunistic manner

Olefins

Sales	\$976 million
<i>% of Total</i>	62%

Product	Annual capacity
■ Ethylene	2,400
■ LDPE	850
■ LLDPE & HDPE	550
■ Styrene	450



Vinyls

Sales	\$599 million
<i>% of Total</i>	38%

Product	Annual capacity
■ PVC	1,400
■ VCM	1,900
■ Chlorine	410
■ Caustic soda	450
■ Ethylene	450
■ Fabricated products ²	900
■ <i>China JV - PVC</i>	286
■ <i>China JV - Fab. prod.</i>	79



Note: EBITDA is adjusted for \$11.3 mm of debt retirement costs

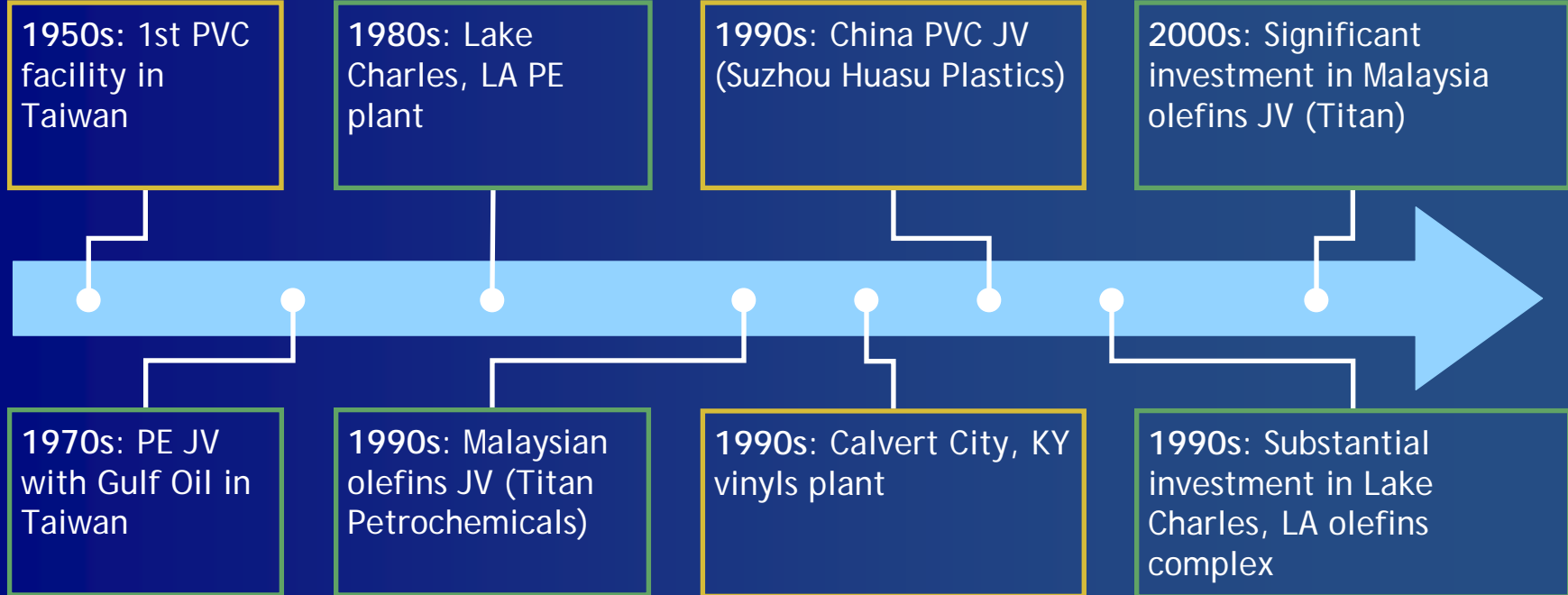


Investment Considerations

- Global business perspective
- Demonstrated profitable growth; among the highest margin North American assets
- Strong structural sources of competitive advantage
- Positive industry fundamentals: Industry supply outlook best in 15 years
- Near-term momentum with significant leverage to upturn in both Olefins and Vinyls
- Superior balance sheet strength



Global Business Perspective



Operating Philosophy

- Focus on Vinyls and Olefins
- Discipline — EVA™, cost control, investment philosophy

Entrepreneurial Culture

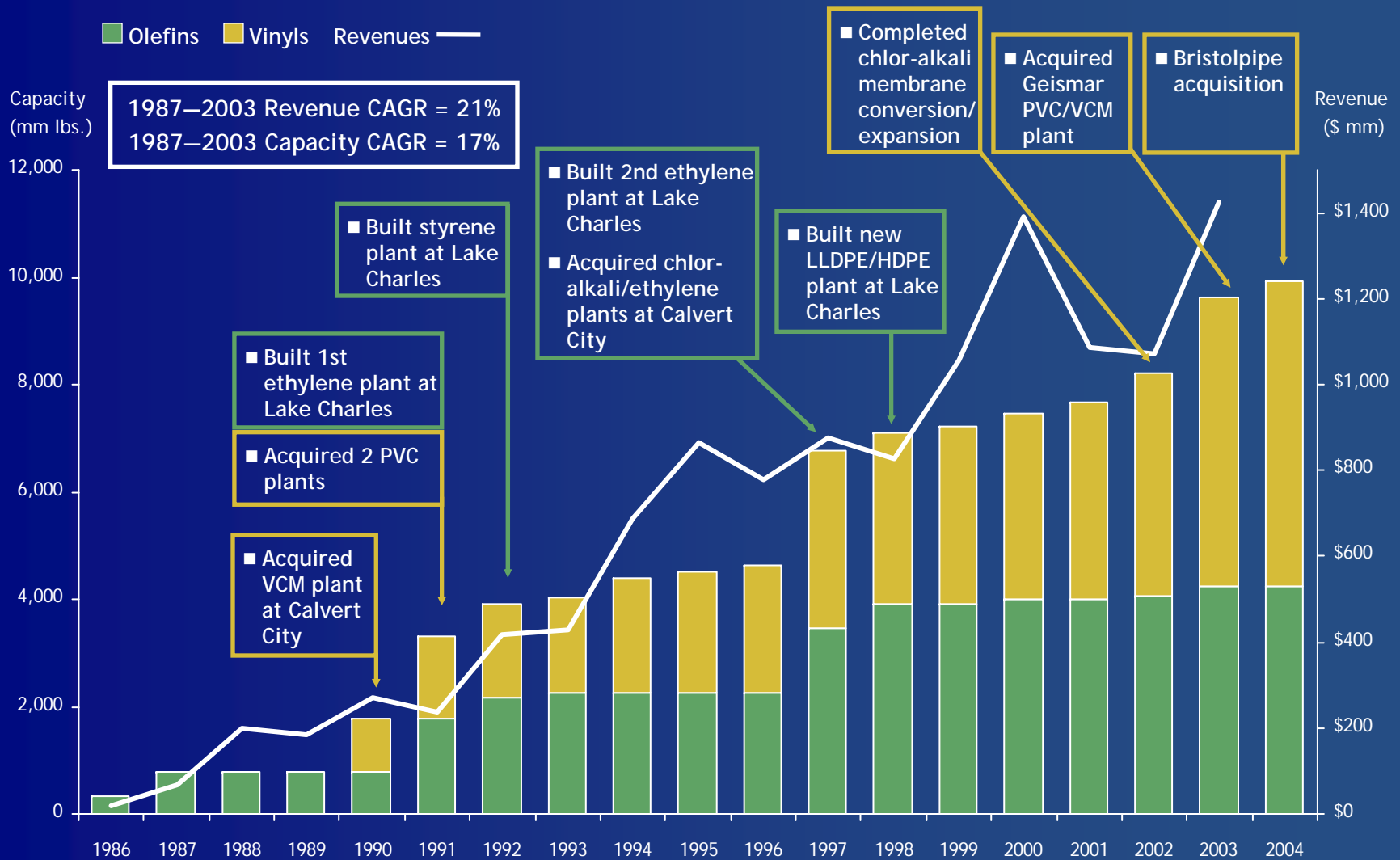
- Run by entrepreneurs
- Opportunistic, quick responsiveness to investment opportunities

Depth of Experience

- Five decades of Chao family history
- Breadth and depth of professional managers



Focused Organic and Acquisition-led Growth



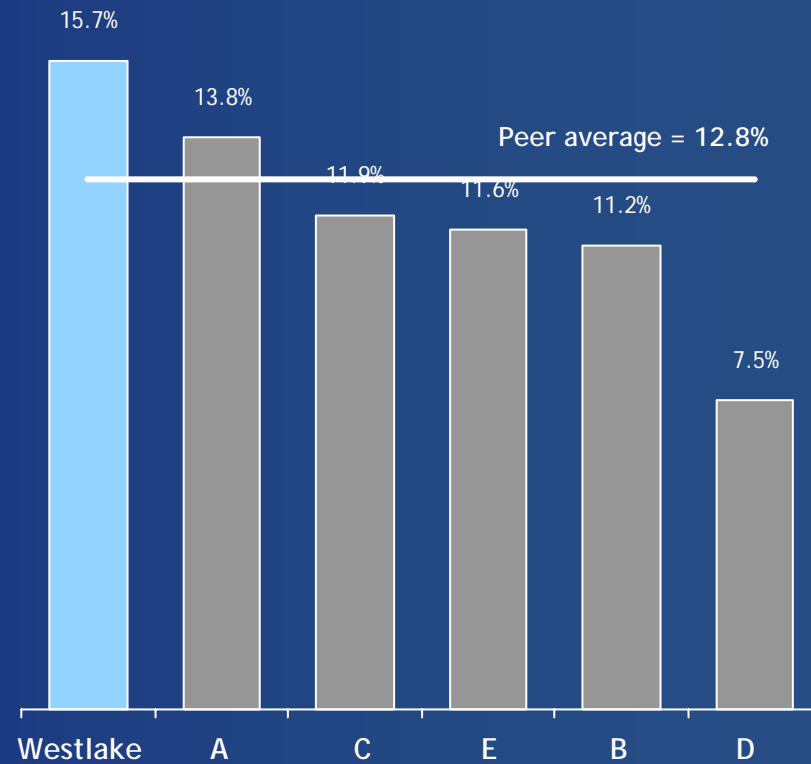


Among the Highest Margin North American Assets

2003 Comparative EBITDA Margins



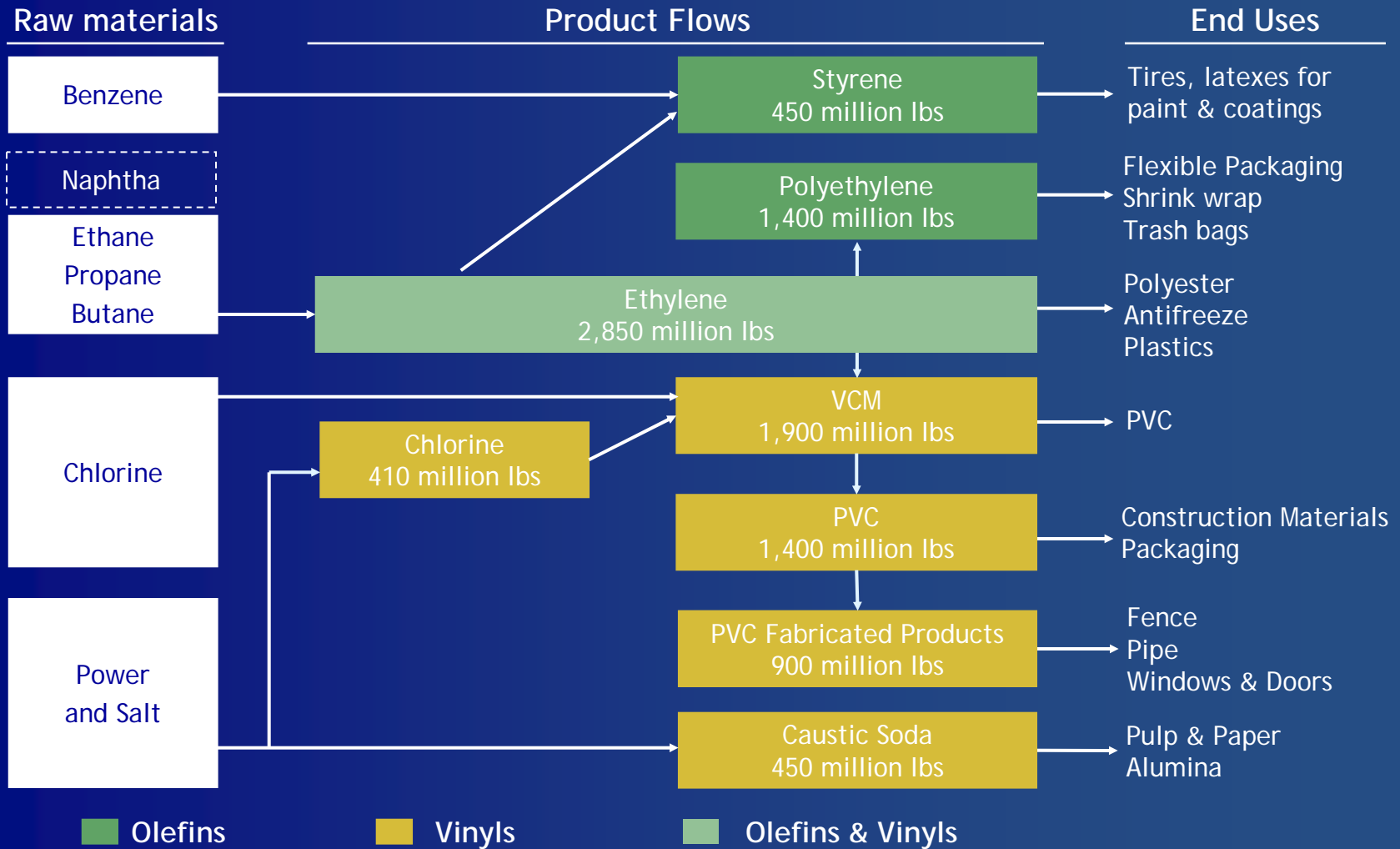
Q2 YTD 2004 Comparative EBITDA Margins



Note: Peer group includes DOW, EMN, GGC, LYO, and NCX
LYO margin is pro forma 58.75% LCR ownership and Millennium acquisition



Highly Integrated Producer



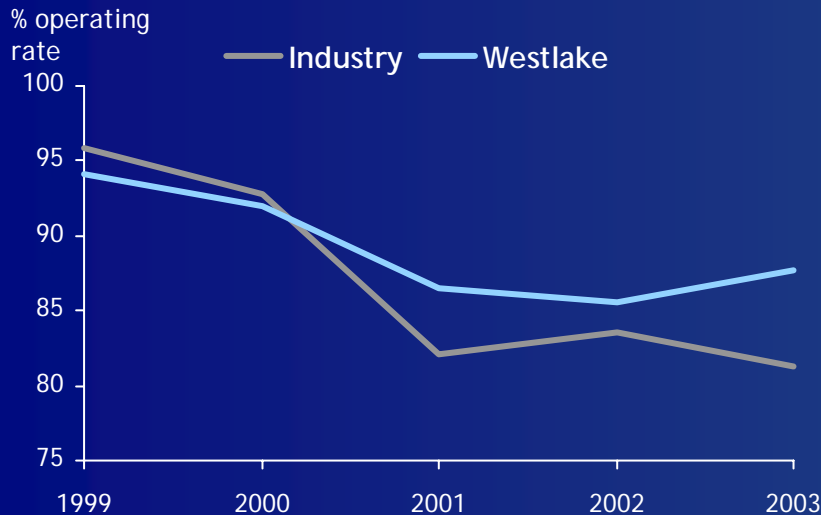
Note: Naphtha capability is a future opportunity



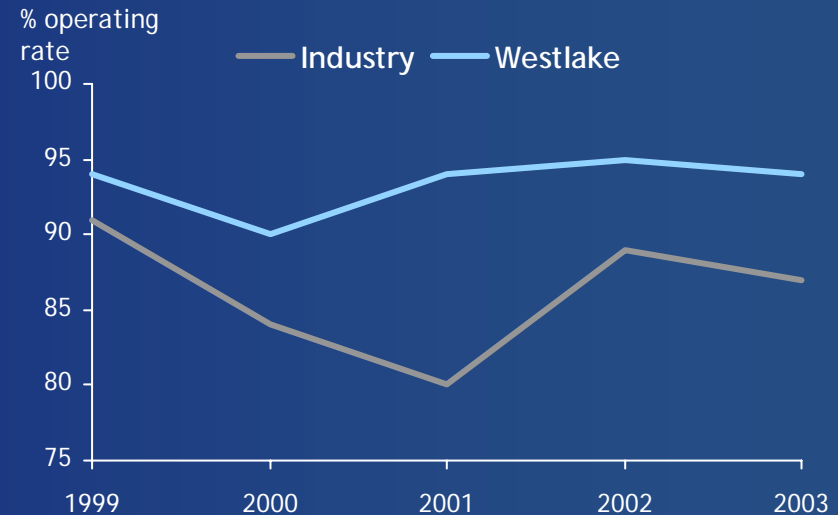
Vertical Integration Results in High Operating Rates

- 70% of 2003 basic chemical production used internally
 - 83% of ethylene used internally
 - 63% of VCM used internally; balance under contract
 - 63% of PVC used internally; balance under contract
- Significant vertical integration results in higher operating rates than the industry and less exposure to raw material swings

Ethylene Operating Rates



PVC Operating Rates



Source: CMAI and Westlake



Strategically Located Modern Assets — Regional Strength with Global Perspective

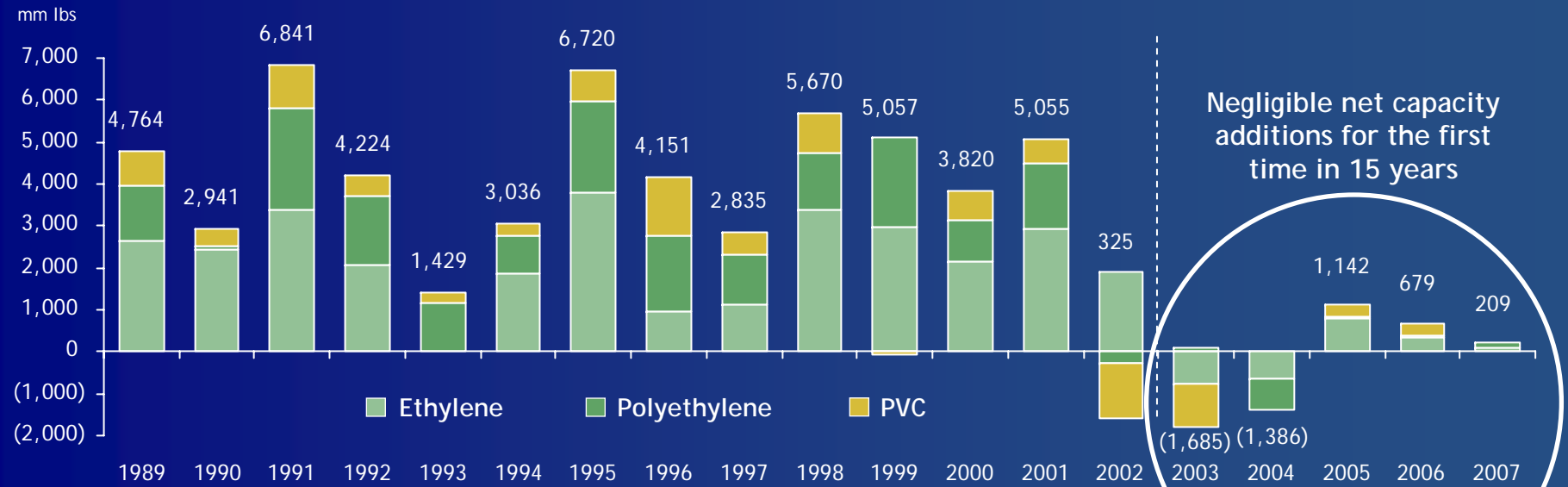
- Olefins
- Vinyls
- PVC Fabricated Products





Positive Industry Fundamentals Resulting in Strong Outlook

U.S. & Canada Industry Supply Outlook – Changes in Incremental Capacity



Source: CMAI

Note: 2005 and 2006 include possible capacity from Geismar

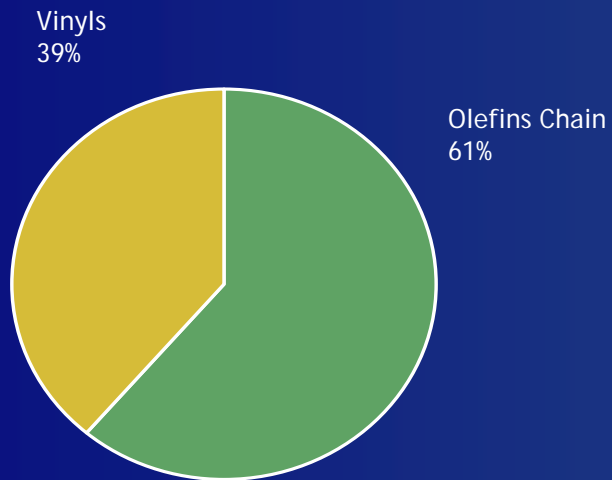
- Industry fundamentals are improving
 - No major new capacity additions, improving demand in key products
 - CMAI forecasts increasing operating rates and significant upside
- Energy price volatility and economic uncertainty have led to underinvestment in North America
- Grass roots expansion timeline - 3 to 4 years; existing capacity expansion - 1 to 2 years



Unique Leverage to Both Olefins and Vinyls

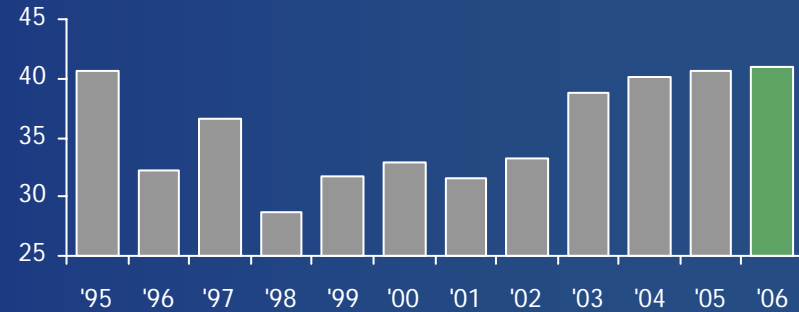
Estimated Contribution to Cycle-Average EBIT

Westlake



LDPE Margin

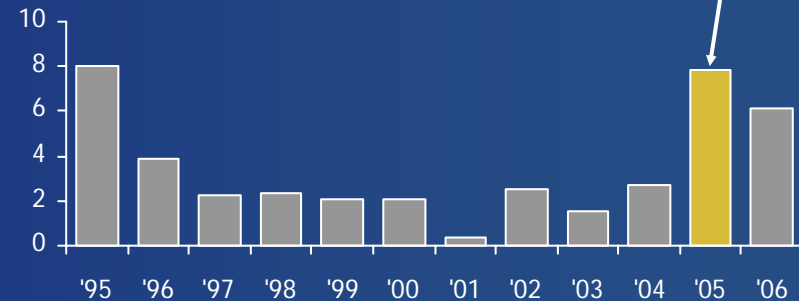
¢ / lb.



Peak

PVC Margin

¢ / lb.



Source: CMAI

Note: LDPE margin represents spread over ethane



Summary

Why Westlake?

- Unique leverage to both Olefins and Vinyls
- Multiple sources of competitive advantage
 - Age, integration and location of assets
 - Operating philosophy with matching track record
 - Entrepreneurial culture
 - Global business perspective
- Westlake-specific catalysts
 - Top-line growth
 - Accretive bolt-on acquisitions
 - Strategic Investments

Why Now?

- Near-term supply additions at 15-year low
- Annual operating rates have been rising
- Margins have been rising from the trough
- Significant momentum towards industry peaks



Appendix

Reconciliation of EBITDA to Net Income (Loss) and to Cash Flow from Operating Activities

(\$ in 000s)	Q1 2003	Q2 2003	Q3 2003	Q4 2003	Q1 2004	Q2 2004	LTM
Adjusted EBITDA	51,612	31,475	28,075	49,566	47,740	85,468	210,849
Debt Retirement Costs	-	-	(11,343)	-	-	-	(11,343)
EBITDA	51,612	31,475	16,732	49,566	47,740	85,468	199,506
Less							-
Income tax (provision) benefit	(7,633)	(339)	5,529	(6,304)	(5,405)	(18,869)	(25,049)
Interest expense	(8,855)	(8,595)	(10,148)	(10,991)	(10,752)	(11,365)	(43,256)
Depreciation and amortization	(22,248)	(21,964)	(21,445)	(21,636)	(20,898)	(20,840)	(84,819)
Net income (loss)	12,876	577	(9,332)	10,635	10,685	34,394	46,382
Changes in operating assets and liabilities	22,712	(18,702)	28,347	30,988	(5,043)	(24,776)	29,516
Equity in income of unconsolidated subsidiary	(612)	(205)	(153)	(540)	(532)	(179)	(1,404)
Deferred income taxes	8,584	(1,073)	(5,641)	5,242	5,144	17,353	22,098
Impairment of long-lived assets		932	-	1,353		1,314	2,667
Write off of debt issuance cost		-	7,343	-		-	7,343
Gain (loss) from disposition of fixed assets	(2,949)	125	(88)	9	(231)	64	(246)
Amortization of debt issue costs		-		887	552	554	1,993
Provision for doubtful accounts	3,990	(1,060)	(29)	(1,029)	(778)	464	(1,372)
Cash flow from operating activities	44,601	(19,406)	20,447	47,545	9,797	29,188	106,977

WV