

*Westlake Chemical Corporation
Bank of America 2007 Basics /
Industrial Conference
May 9, 2007*



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; litigation and litigation outcomes; 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 non-GAAP financial measures to GAAP financial measures is provided in the appendix of this presentation.

Investor Relations Contact

Steve Bender
Vice President, Chief Financial Officer & Treasurer
sbender@westlake.com

Westlake Chemical Corporation
2801 Post Oak Boulevard, Suite 600
Houston, TX 77056
(713) 960-9111
www.westlake.com



Business Strategies



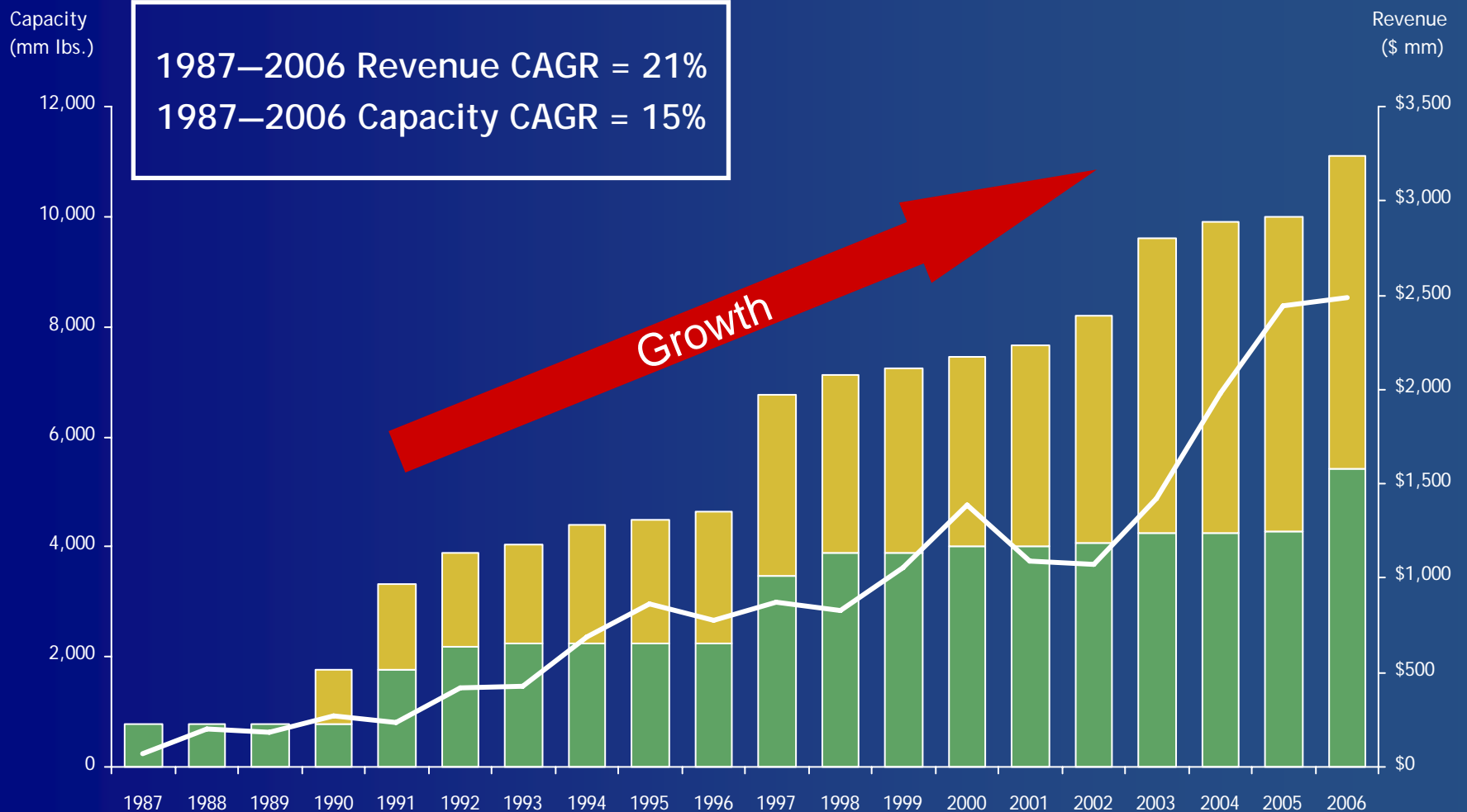
- Creating superior shareholder value
- Focused best-in-class plastics producer
- Continually upgrading competitive advantages
- Track record of investing prudently
- Committed to profitable growth
- Financial flexibility to fund growth



20 Years of Focused Organic and Acquisition-led Growth



Olefins Vinyls Revenues



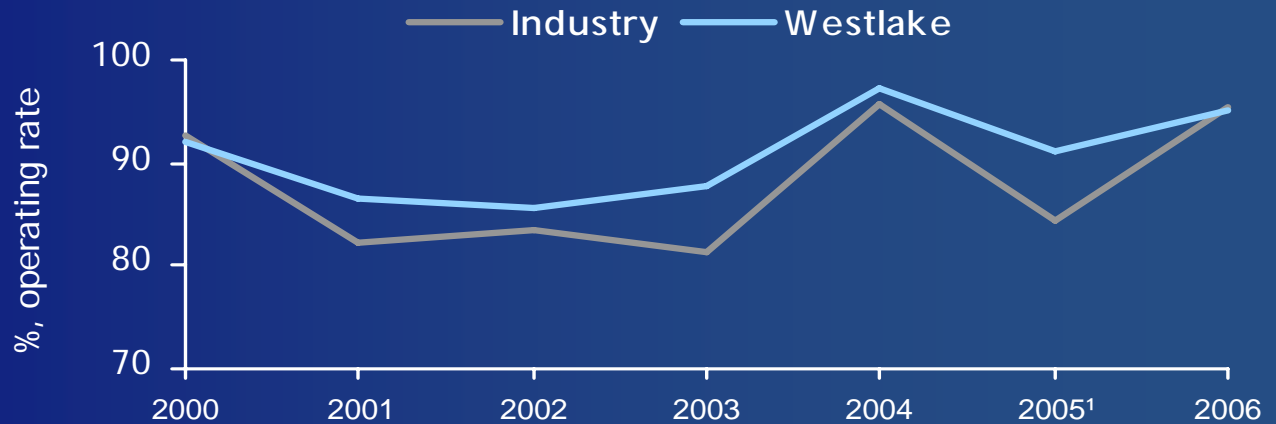


Vertical Integration Results in High Operating Rates

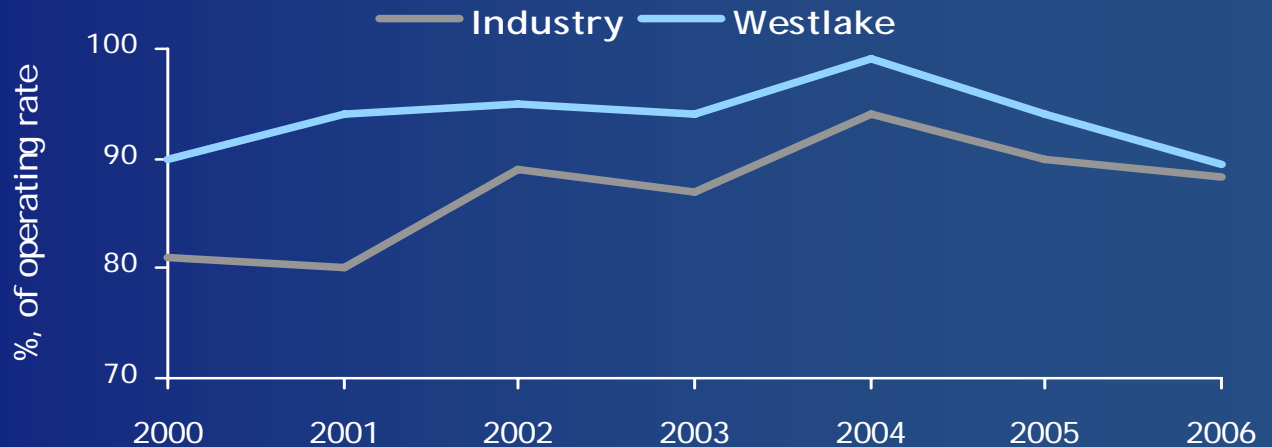


- 85% of 2006 basic chemical production used internally
- Significant vertical integration results in higher operating rates than the industry and less exposure to raw material swings

Ethylene Operating Rates



PVC Operating Rates

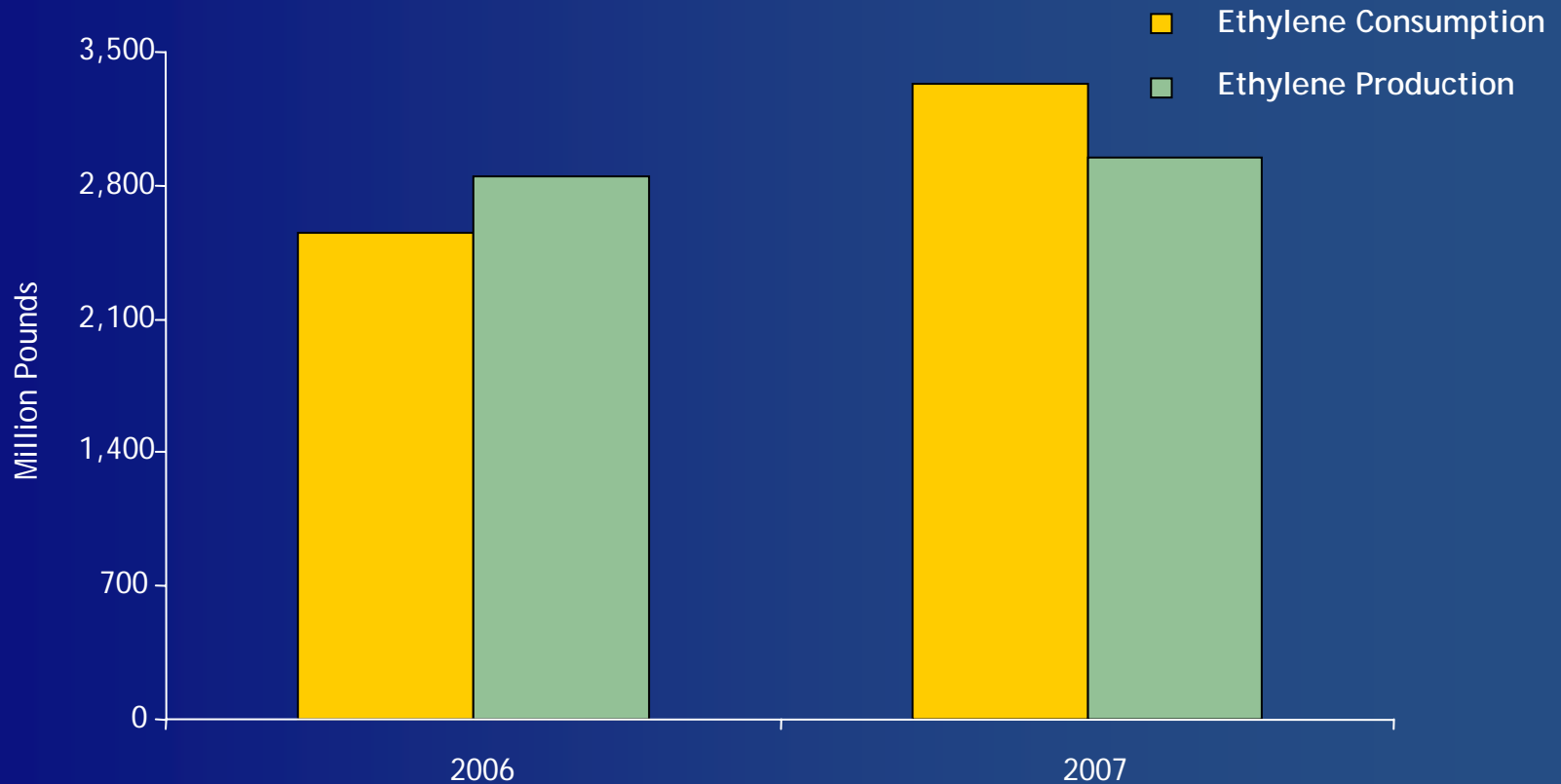


Source: CMAI and Westlake

¹ Includes the impact of Hurricanes Katrina & Rita



Desirable Captive Ethylene Balance



- Ethylene integration increases as a result of the Eastman acquisition
- Provides us the opportunity to debottleneck or acquire ethylene production capacity which will further strengthen our integration strategy

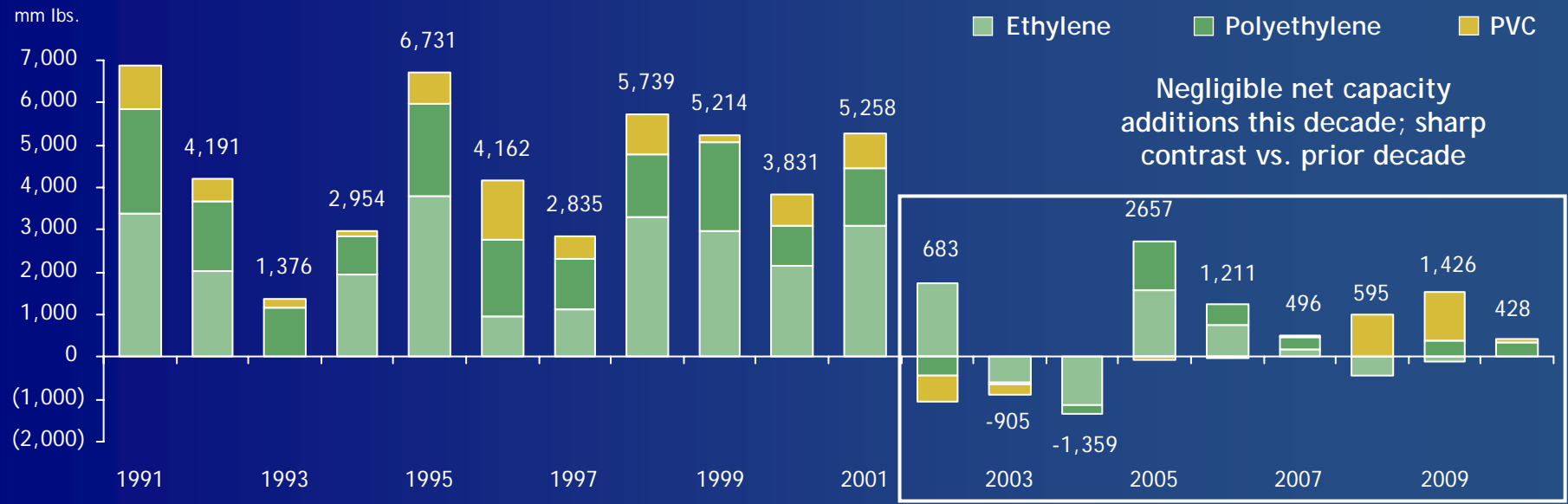
Note: Balances based on capacities



Near Term Trends Remain Favorable



Changes in Incremental Capacity

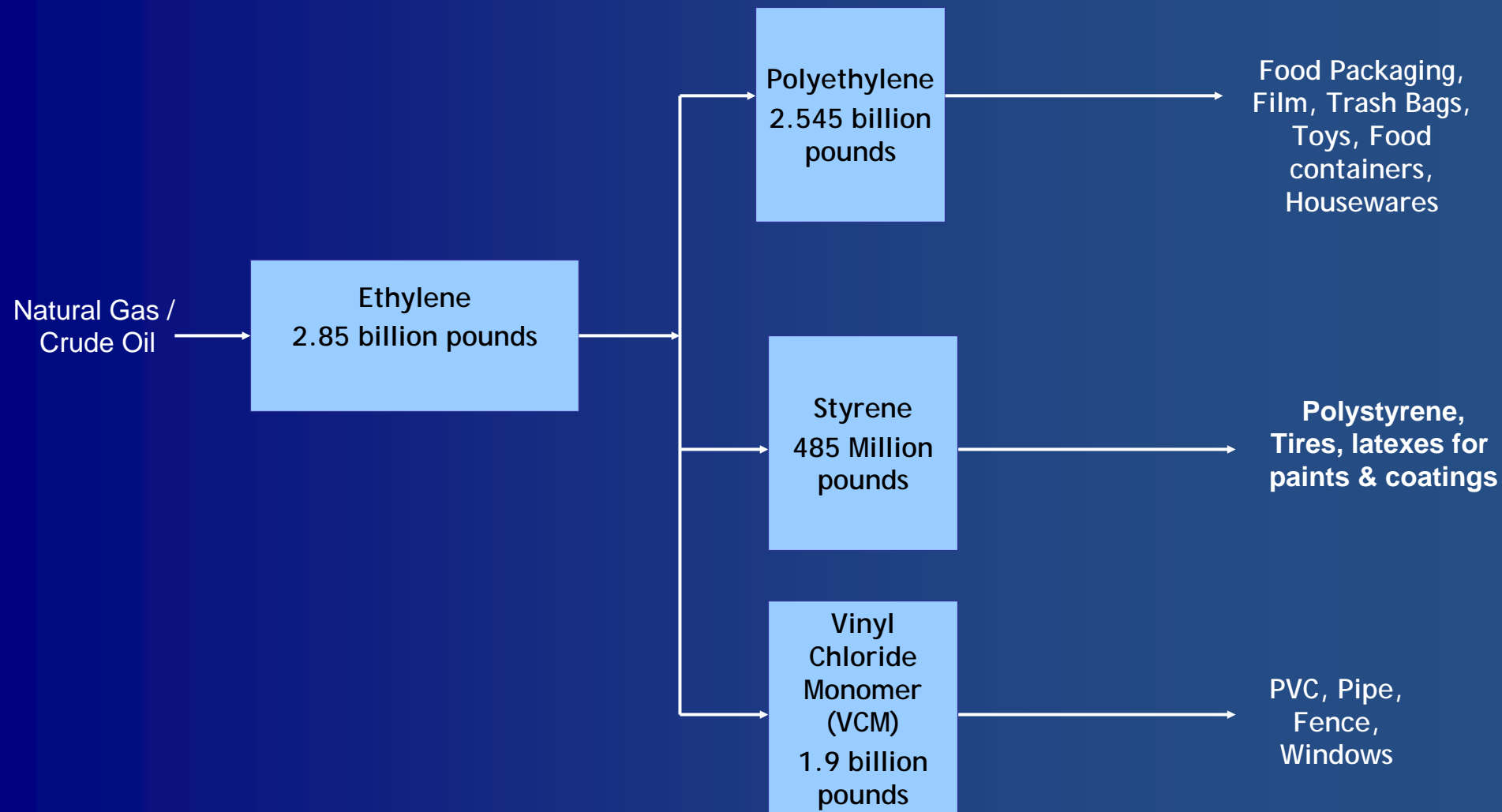


- Supply fundamentals:
 - No major new capacity additions in olefins; 2 major vinyl additions under construction
 - Operating rates should remain firm
 - Product integration levels remains very important
- Energy price volatility and economic uncertainty have led to underinvestment in North America
- Schedule delays in Asia/Middle East

Source: CMAI
 Note: 2007 through 2009 includes the Shintech and Georgia Gulf capacity additions (PVC)
 2006 and 2007 includes the Gulf Liquids (Ethylene) and Dow shut-downs (LDPE)



Westlake Chemical Corporation Olefins Integration Strategy; Balanced Product Outlets



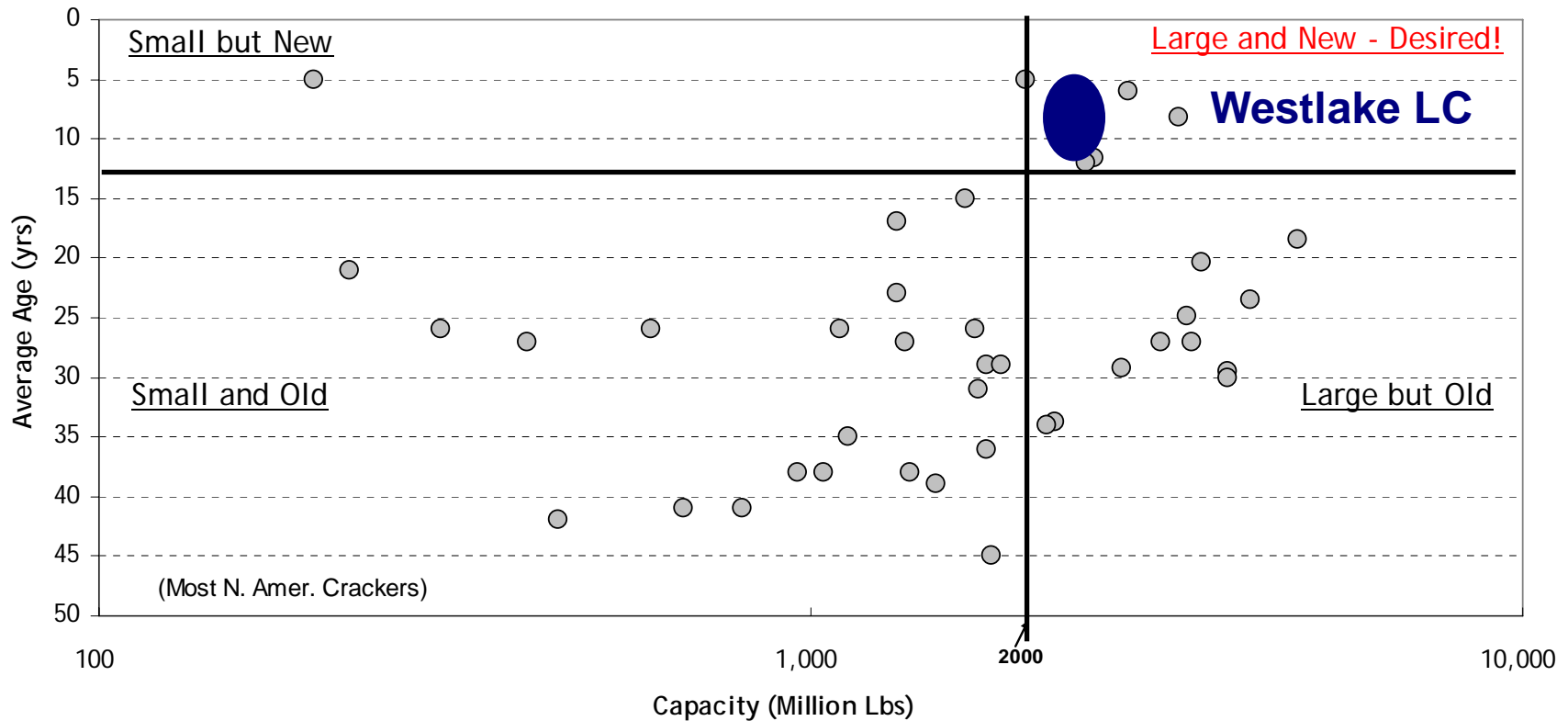
Volumes represent annual capacity



Competitive Advantage: Large New Ethylene Plants at Integrated Site

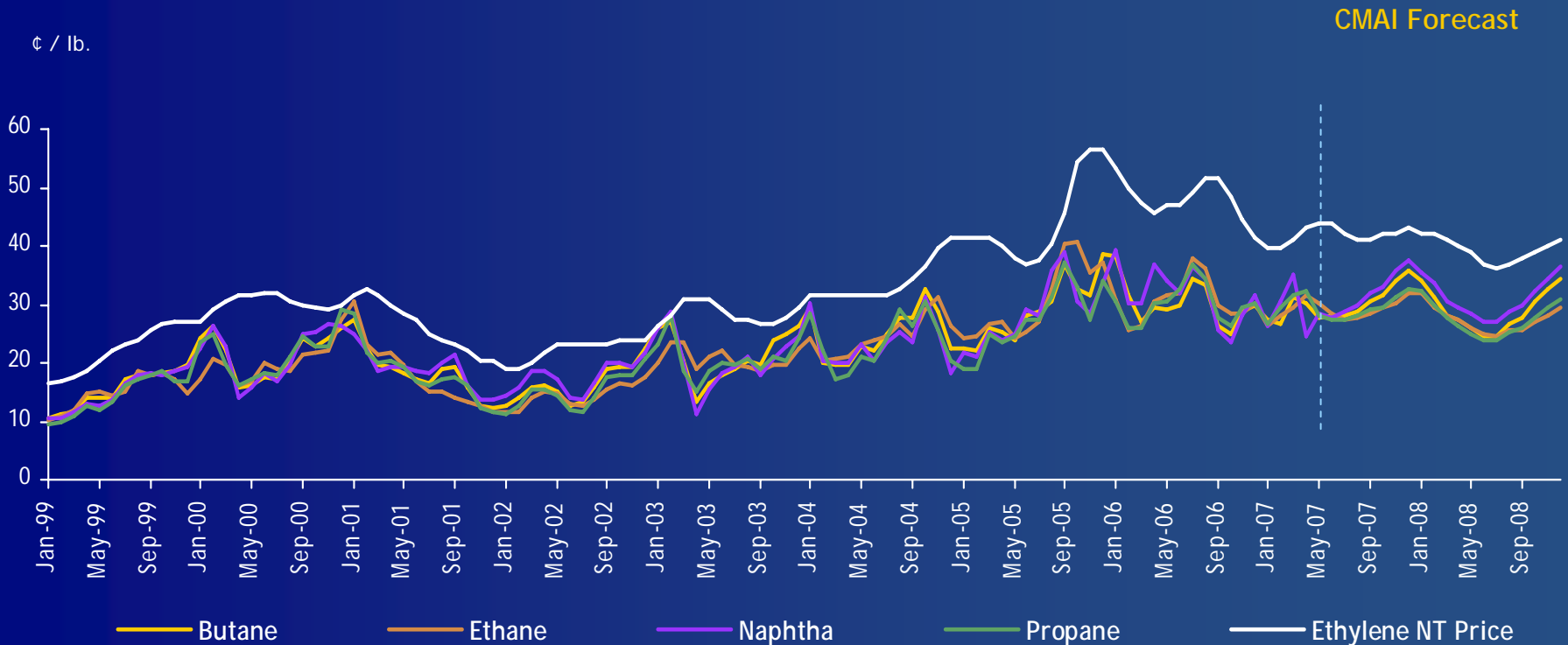


North American Ethylene Plants - Site Age and Capacity





Ethylene Net Transaction Price vs. Feedstock Components



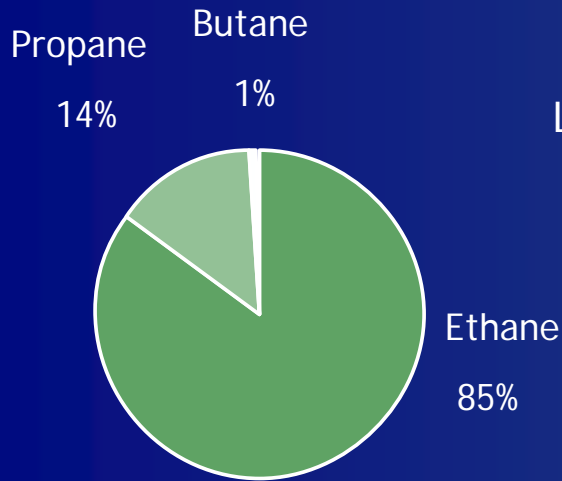
Feed Flex positions Westlake to take advantage of market disequilibrium



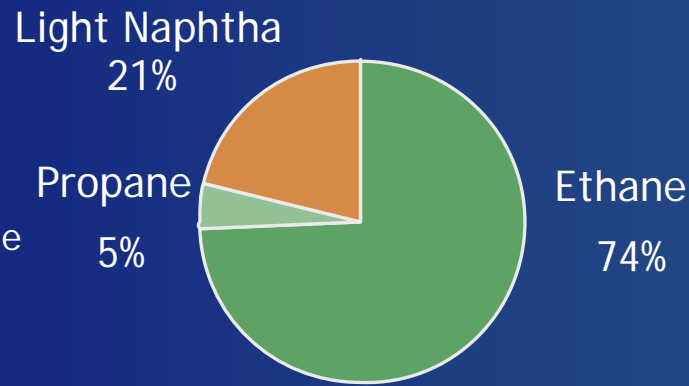
Productivity Improvements – Improved Feedstock Flexibility



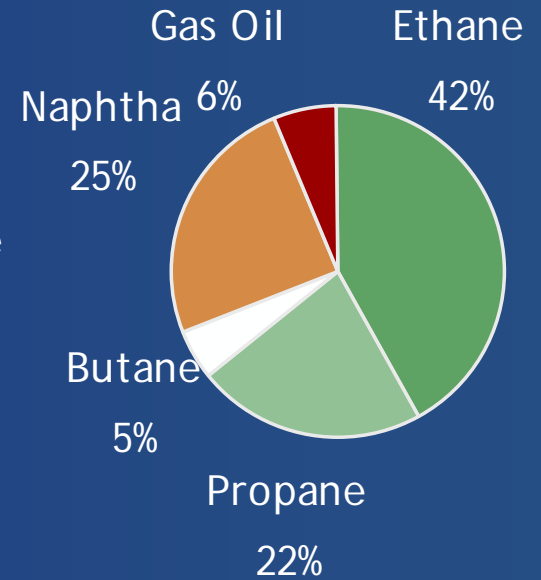
'04-06 Westlake Lake Charles Feedslate (% volume)



Liquid-flexible Lake Charles Feedslate (% volume)



2007 Q1 YTD U.S. Feedslate (% volume)



Feed Stock Flexibility Project

- Improve Cycle Average Margins
- Reduce Margin Volatility



Cost Advantaged – Geographical Play in Polyethylene Overview of Proposed Trinidad & Tobago Complex



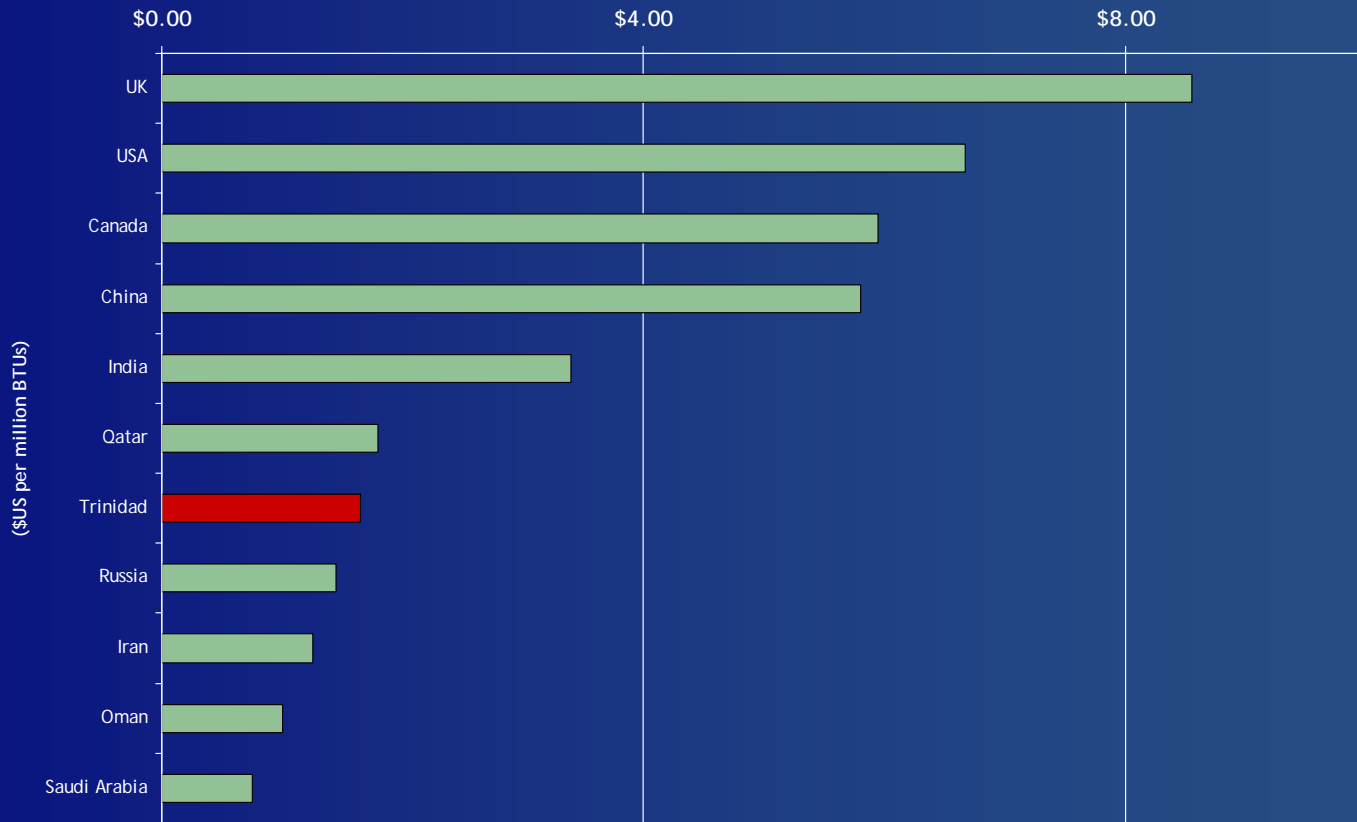
- Globally competitive ethane-based Ethylene, Polyethylene project
 - Best-in-Class delivered economics
- Capital Cost ~US\$1.5 billion
- Ethylene and polyethylene complex based on 1.25 billion lbs. p.a. of ethylene
- Project evaluation undertaken jointly with National Gas Company of Trinidad & Tobago and the National Energy Corporation of Trinidad & Tobago
 - Trinidad & Tobago expressed interest in becoming a minority equity partner in the project
- Project study leading to key project agreements, financing and construction
- Prime markets in North American, Latin American and Caribbean could be served



Cost Advantaged - Geographical Play in Polyethylene in Trinidad



Natural Gas Costs around the World, 2006
(\$US per million BTU)



Feedstock is competitive with other low cost locations



Three Types of Polyethylene



■ Low Density PE

- Soft clear resin for films & bags, paper and board coatings, flexible packaging

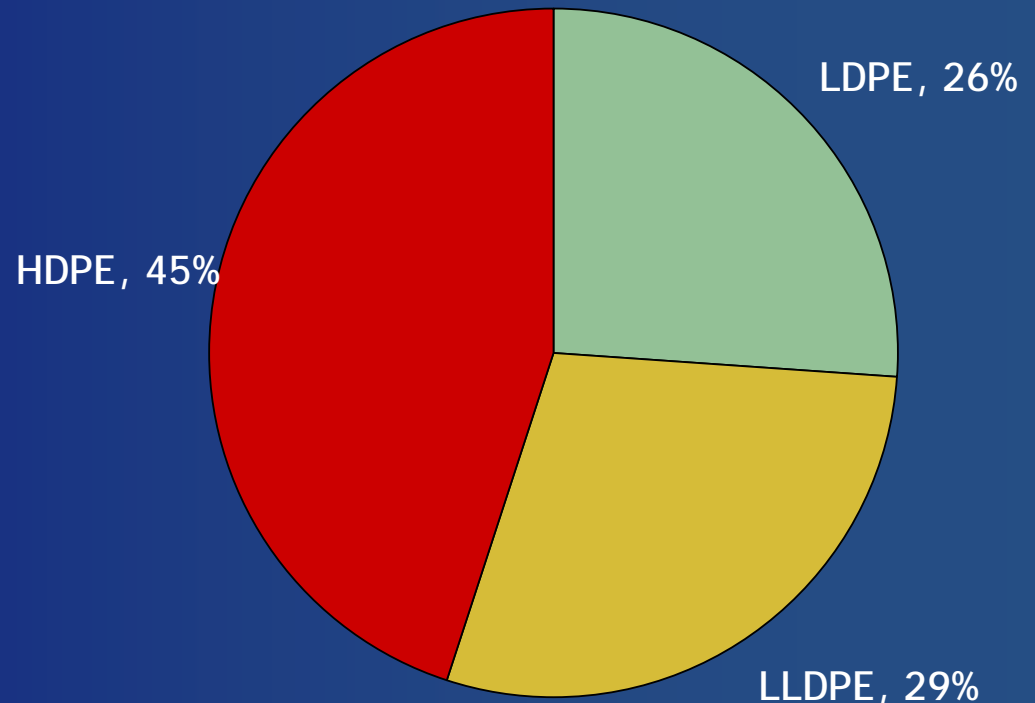
■ Linear Low Density PE

- Stronger/tougher but more difficult to process and less clear than LDPE

■ High Density PE

- Blow molded bottles, gas & sewer pipe applications - known for its rigidity

Global End Use Demand, % share



Total: 66 MM tons



Acquisition of Eastman's Longview Polyethylene Business

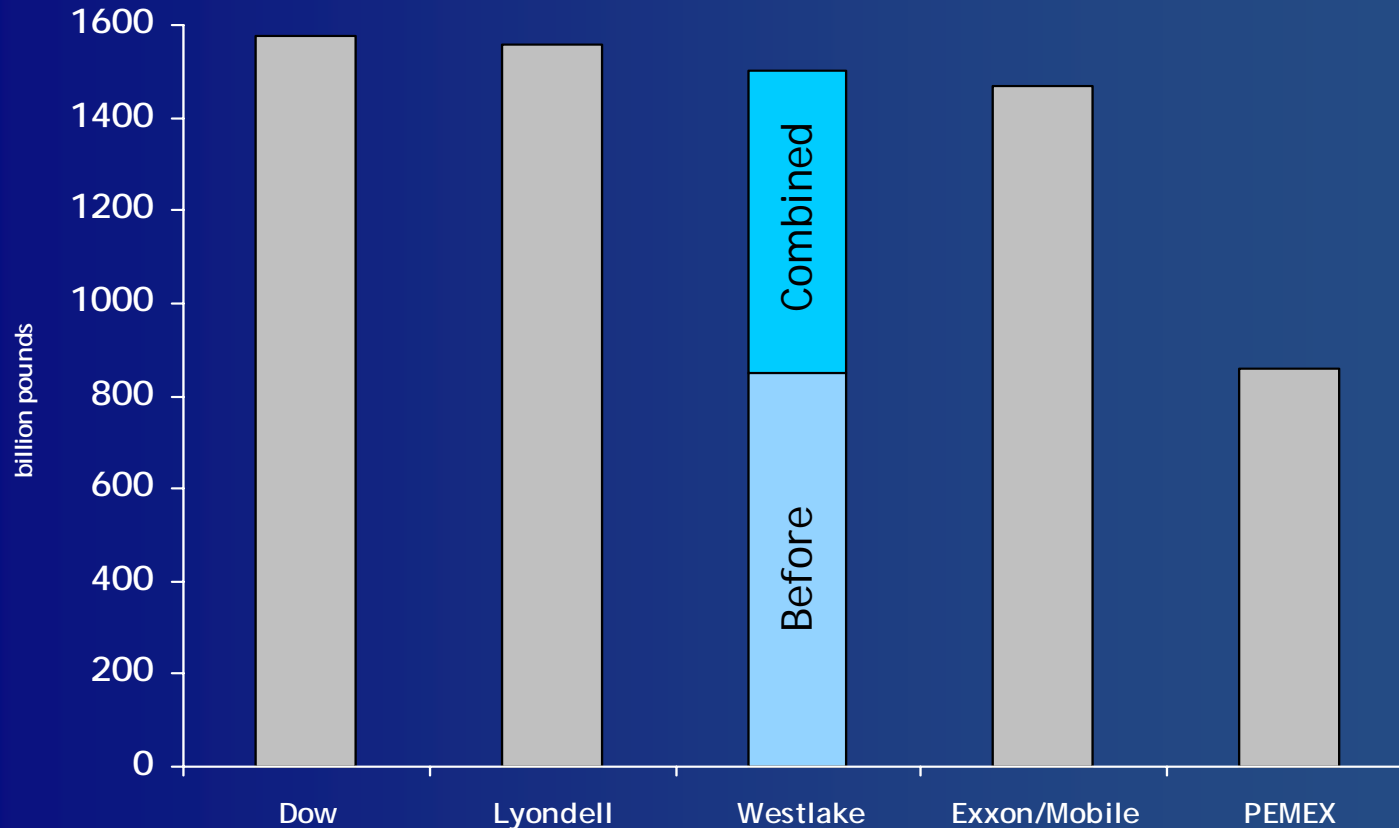


Westlake acquired from Eastman Chemical Company its polyethylene and Epolene businesses and the company's ethylene pipeline which strengthens our core polyethylene business.

- Increases our polyethylene capacity to 2.5 billion pounds per year
- Expands our LDPE capacity – the most profitable PE product
- Upgrades and broadens our polyethylene product mix with specialty acrylate copolymers and specialty Epolene® polymers for adhesives and other products
- Adds significant technology with R&D capability and pilot plants



Amongst the Most Competitive LDPE Capacities in North America



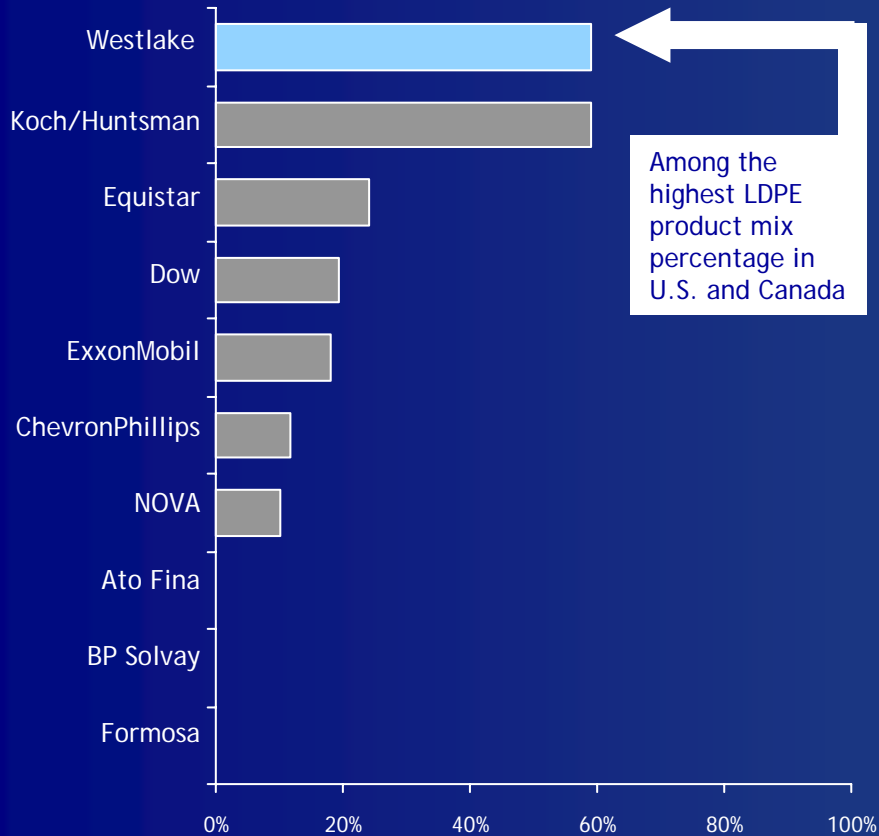
- The Eastman acquisition positions Westlake as the #3 LDPE producer in North America
- Westlake capacity newer than industry average
- The LDPE acquired from Eastman includes one of the largest and newest autoclave reactors in the World



Westlake's LDPE-Driven Mix is a Competitive Advantage



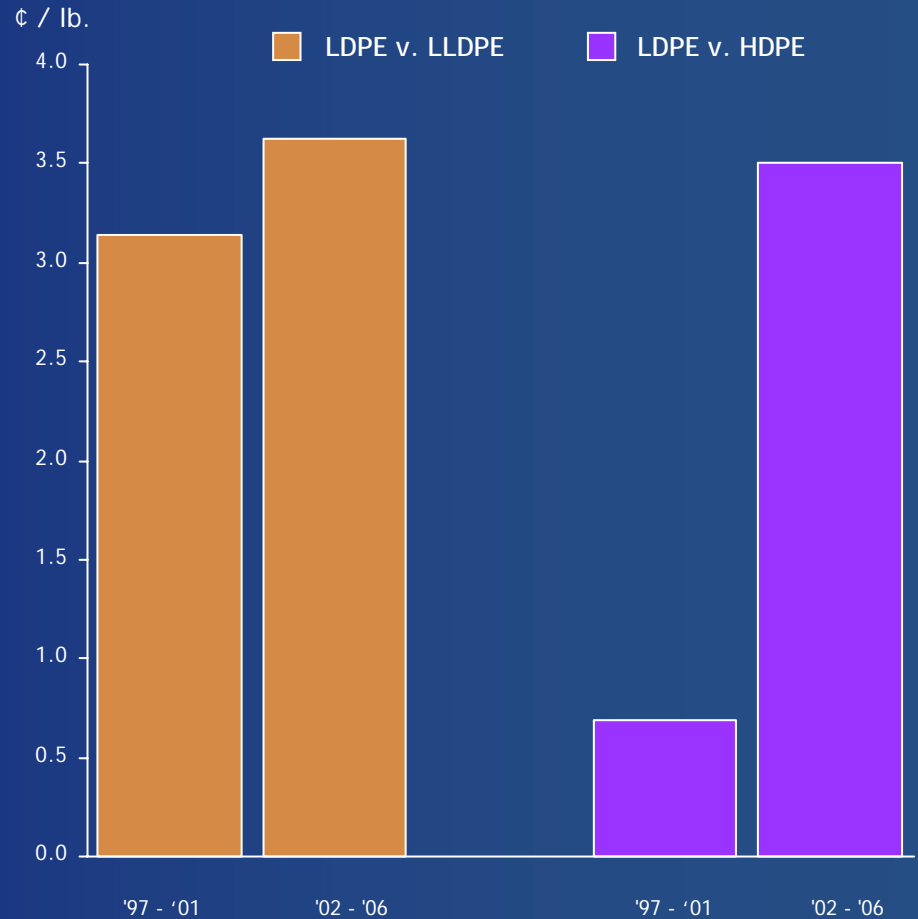
Westlake's PE Business is Heavily Weighted to LDPE



Among the highest LDPE product mix percentage in U.S. and Canada

Source: Chemical Data, Inc.

Westlake's LDPE Has Been More Profitable Than Other PE Grades



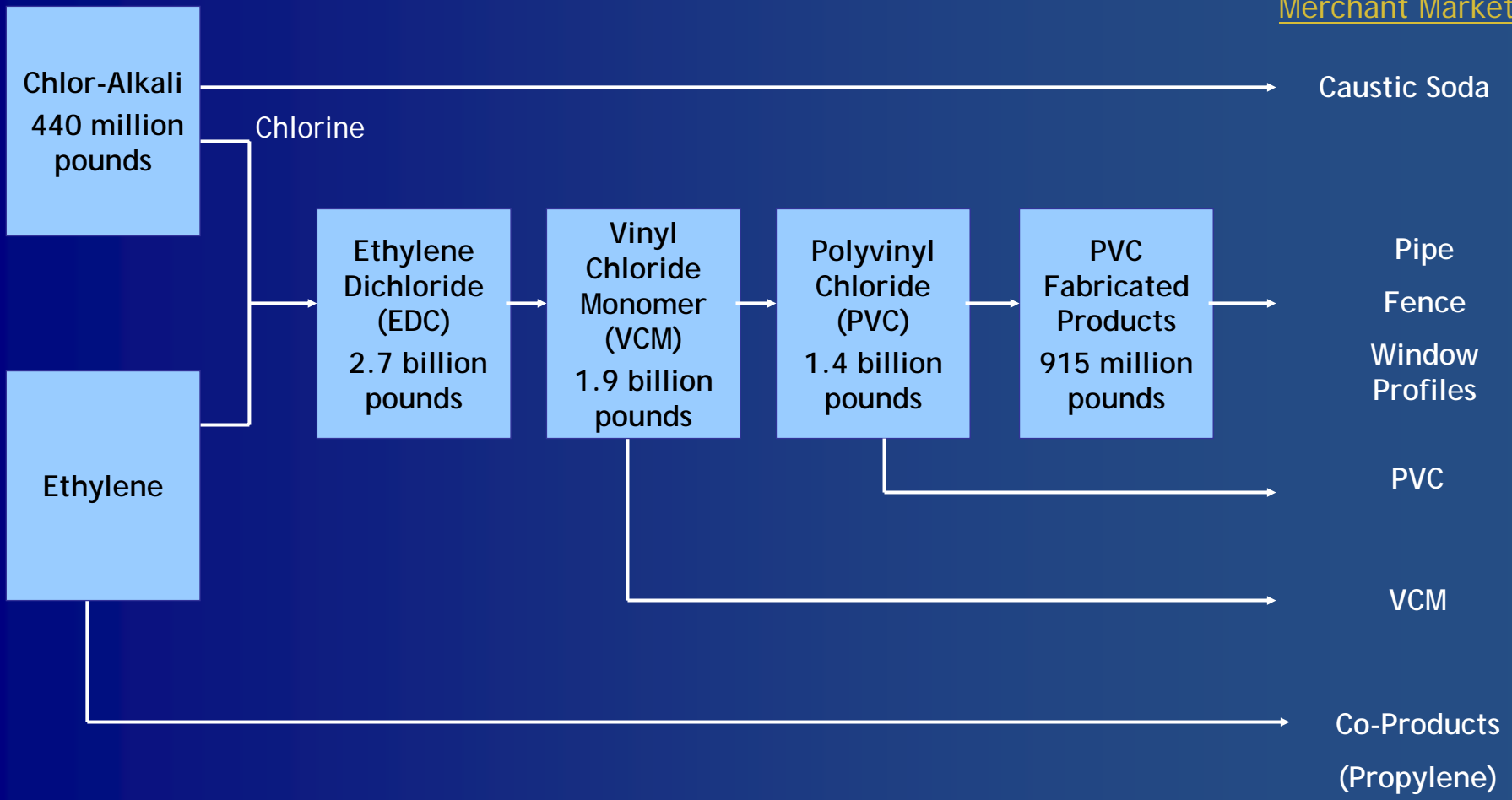
Source: CMAI



Vinyls Integration Strategy; Significant Integration Throughout Value Chain



Merchant Markets



Volumes represent annual capacity

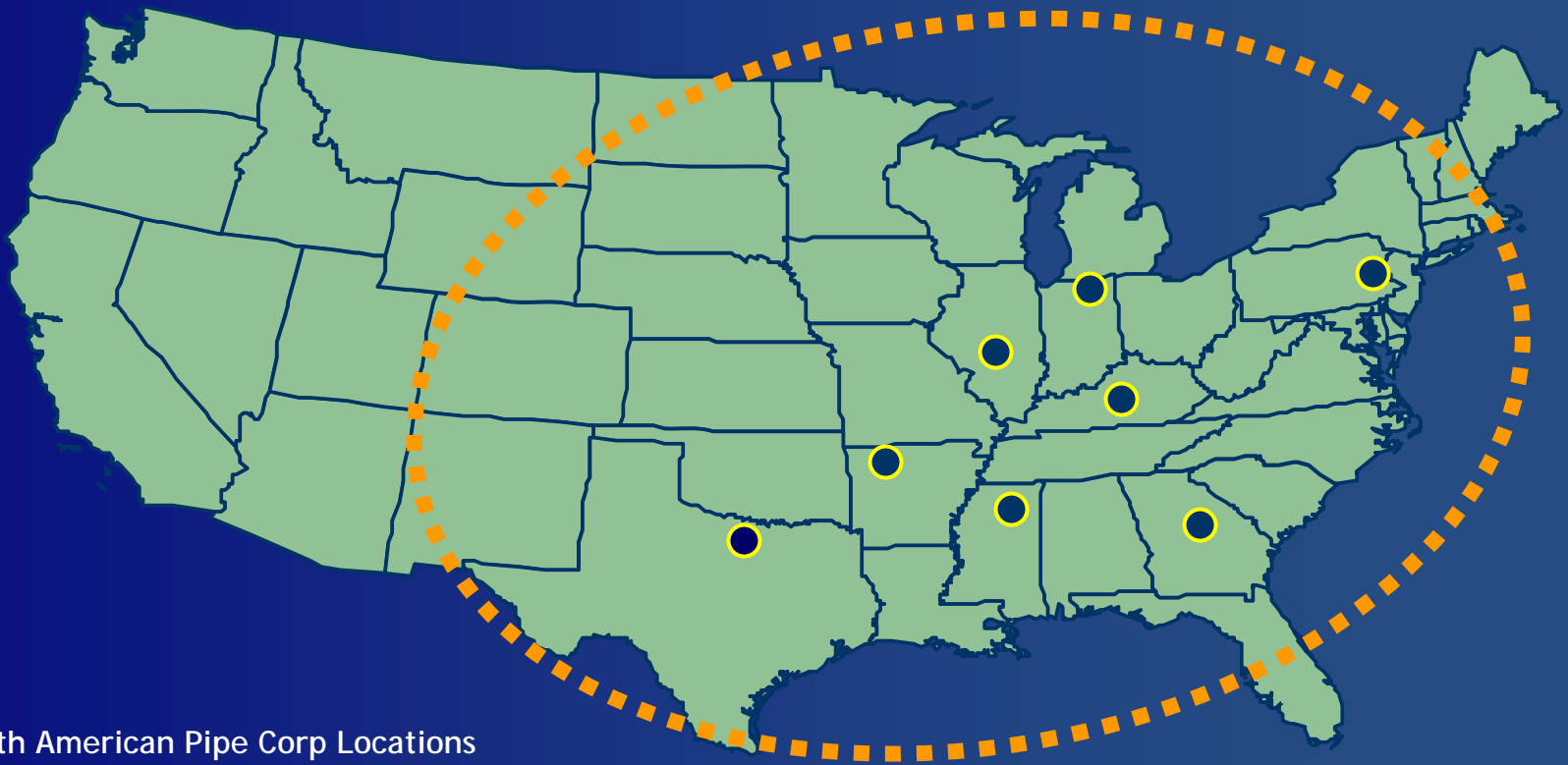


PVC Pipe - Leading Position in Regions Served



■ PVC Pipe

- #1 or #2 in geographic regions served
- \$2.9 billion market in regions served
- 810mm lbs. pipe capacity at 8 plants



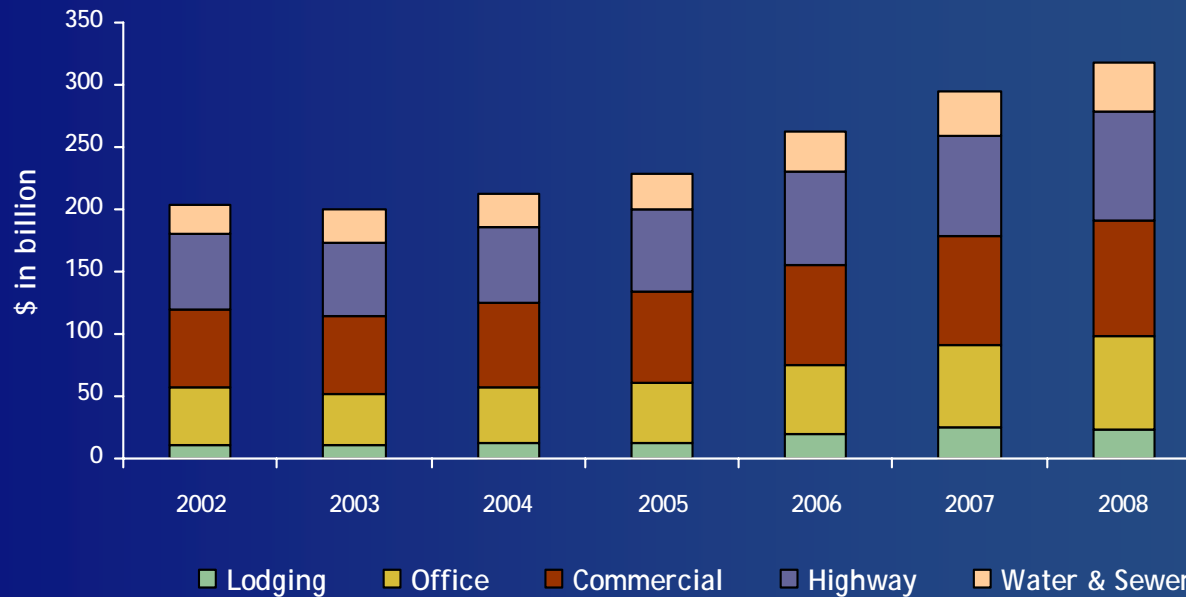
○ North American Pipe Corp Locations



U.S. Non-Residential Construction Spending - Favorable Demand Drivers

20
YEARS
1986 - 2006

US Pipe Demand Drivers



- PVC demand linked closely to regional GDP performance
- North American PVC demand expected to grow 2.8% through 2010
- Non-residential construction related markets consume majority of Westlake PVC production



Favorable Demand Drivers Infrastructure PVC Use



	<u>2005 Grade</u>	<u>Trend</u>
Roads	D	↓
Bridges	C	↔
Transit	D+	↓
Aviation	D+	↓
Schools	D	↔
Drinking Water	D-	↓

	<u>2005 Grade</u>	<u>Trend</u>
Wastewater	D-	↓
Dams	D	↔
Solid Waste	C+	↔
Hazardous Waste	D	↓
Navigable Waterways	D-	↓
Energy	D	↓

Total Investment needed is in excess of \$1.5 trillion



PVC Building Products



■ Fence, Deck and Railing

- # 2 producer in North America
- 75mm lbs. of annual capacity
- Forecasted industry growth of 10.3% through 2010¹

Residential and Ranch Fence



■ Doors and Window Profiles

- 30mm lbs. annual capacity
- Forecasted industry growth of 6.5% through 2010¹

Window and Door Profiles



Source: The Freedonia Group, Inc.

¹ US Plastic & Composite Fence Demand, Industry Study - Fence, November, 2006

² US Plastic Window & Door Demand, Industry Study - Windows & Doors, January, 2007



China Position

20
YEARS
1986 - 2006



- Established 1992, J.V. with Westlake and Norsk Hydro. Westlake has a 58% share in the Joint Venture
- Located in Suzhou, Jiangsu Province, China - Operations include:
 - 130 KTA PVC resin plant
 - 60 KTA Calendering facility
- SHPC markets PVC resin and film products to both domestic and export markets



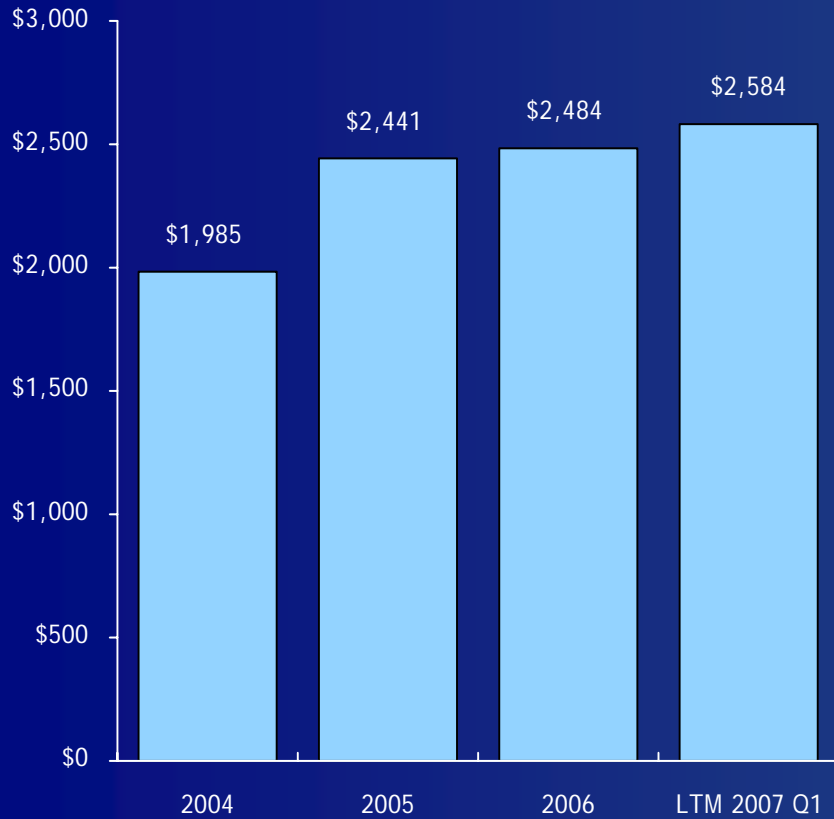
Financial Overview



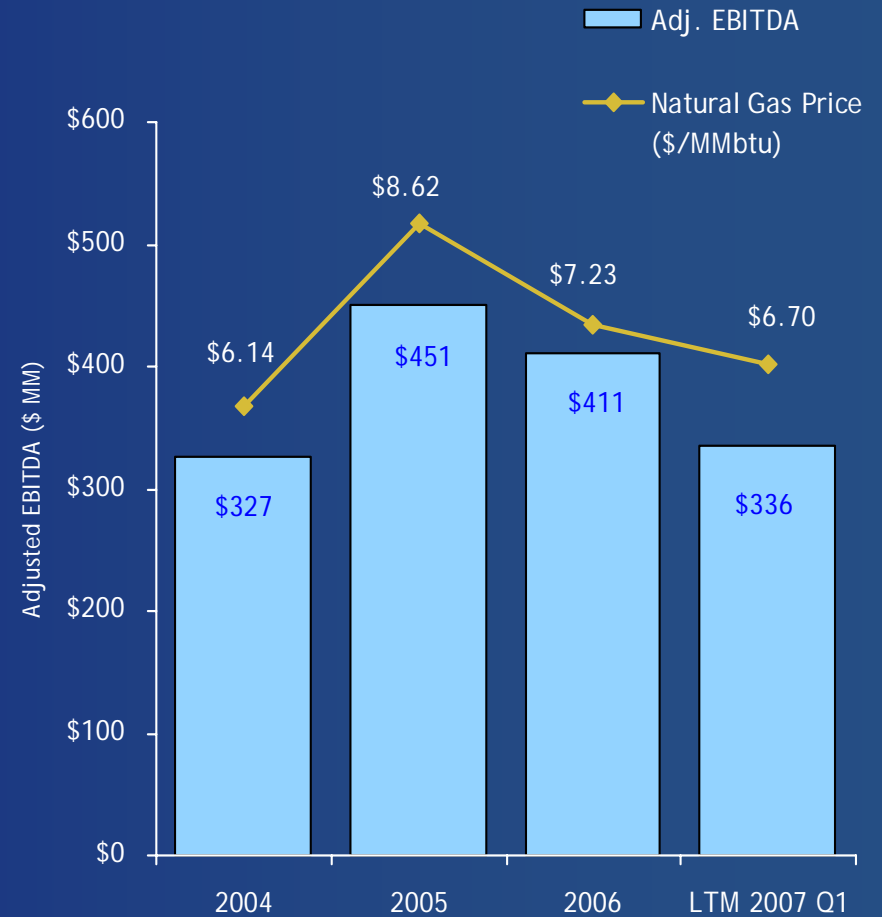
Delivering on the Strategies – Revenues and EBITDA



Revenues (\$ MM)



Adjusted EBITDA¹ (\$ MM) - Natural Gas Price²



¹ Adjusted EBITDA is EBITDA adjusted for debt retirement cost

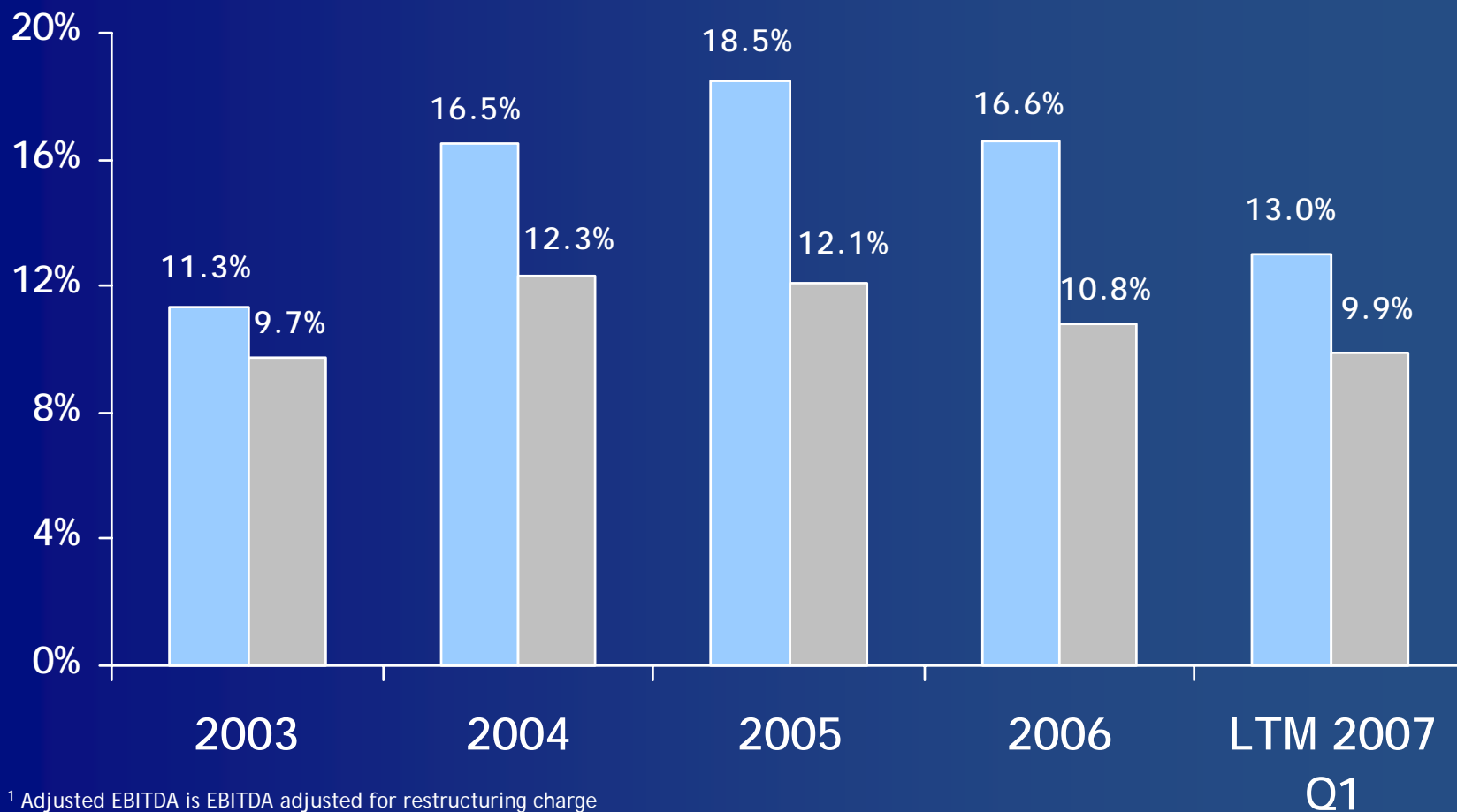
² NYMEX Natural Gas Price



Delivering on the Strategies – EBITDA Margin



Adjusted EBITDA¹ Margin



¹ Adjusted EBITDA is EBITDA adjusted for restructuring charge

² Peers include: DOW, GGC, LYO, NCX

³ GGC's 2007 Q1 (analysts' estimates)

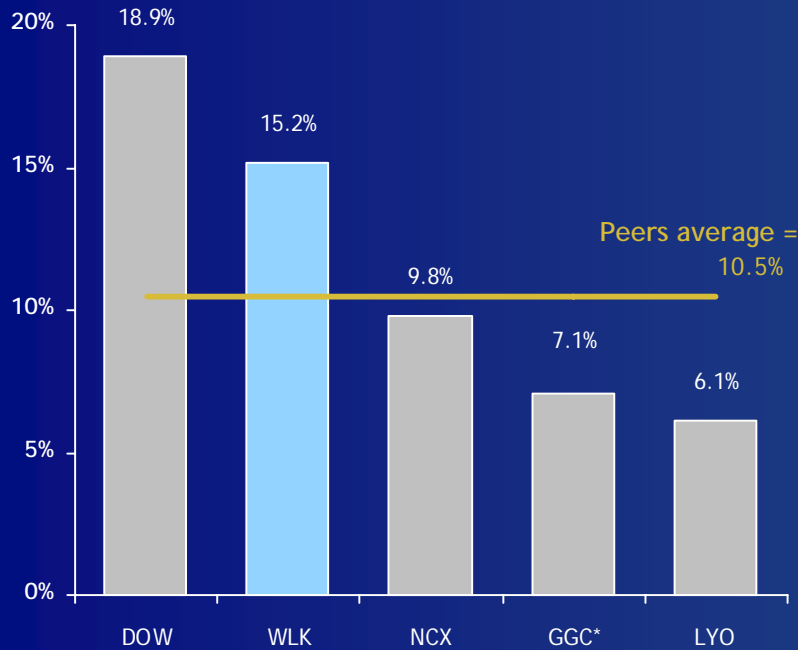
■ WLK ■ Peers



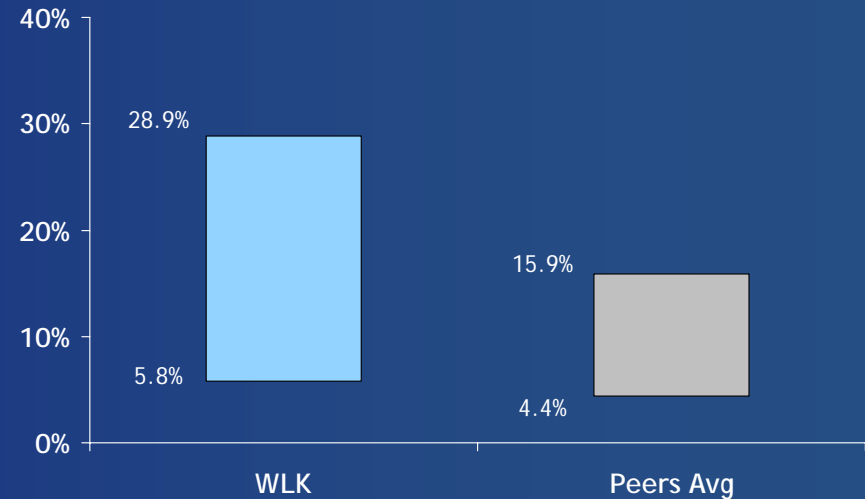
Among the Highest Returns for North American Assets



LTM 2007 Q1 Return on Average Capital Employed (ROACE)



Return on Capital Employed (ROCE)
Range from FY 2003 to FY 2006



Return on capital employed (ROCE) is defined as operating income (adjusted for restructuring charges) divided by average capital employed.

Peers include: DOW, GGC, LYO, NCX

GGC's 2007 Q1 (operating income based on analysts' estimates)



Westlake Free Cashflow



Free Cash Flow (\$ millions)

	2004	2005	2006	Avg. '04~'06
Funds from Operations	\$ 273	\$ 360	\$ 300	\$ 311
Working Capital	(115)	(37)	(45)	(66)
Other	(1)	(3)	(45)	(17)
Gross Cash flow	157	320	210	229
Capital Expenditure	(53)	(86)	(136)	(92)
Free Cash Flow ¹	\$ 104	\$ 234	\$ 74	\$ 137

¹ Before dividends, acquisitions, and equity issuance



Best-in-Class Balance Sheet



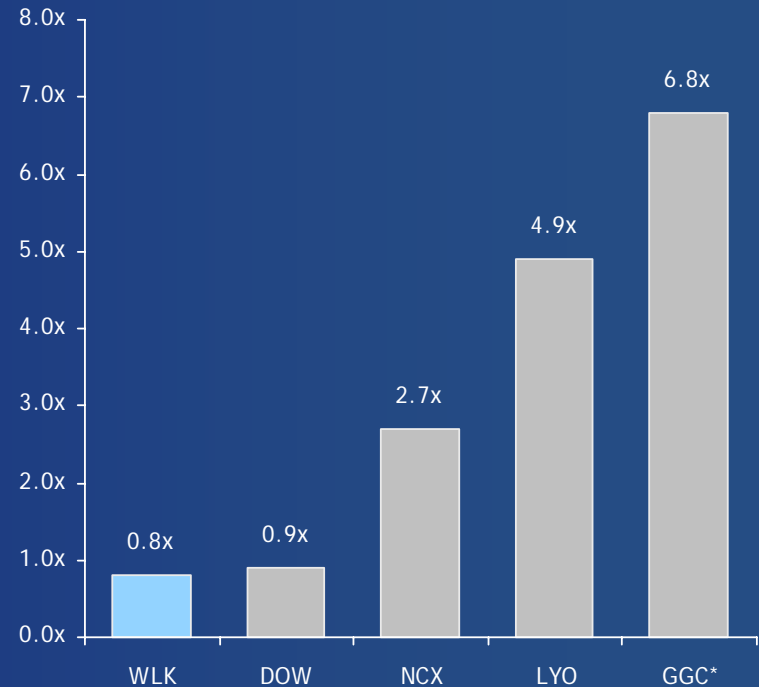
Actual Capitalization (\$ millions)

March 31, 2007

Cash & cash equivalents	\$ 13.3
Long-term debt, incl. current portion	
6.625% senior notes due 2016	249.3
Bank loan - revolver	20.7
Other debt	108.9
Total debt	280.9
Stockholders' equity	1,191.5
Total capitalization	\$ 1,485.7

Debt to Capitalization	19%
Net Debt To Capitalization	18%

Net Debt / EBITDA - LTM 2007 Q1

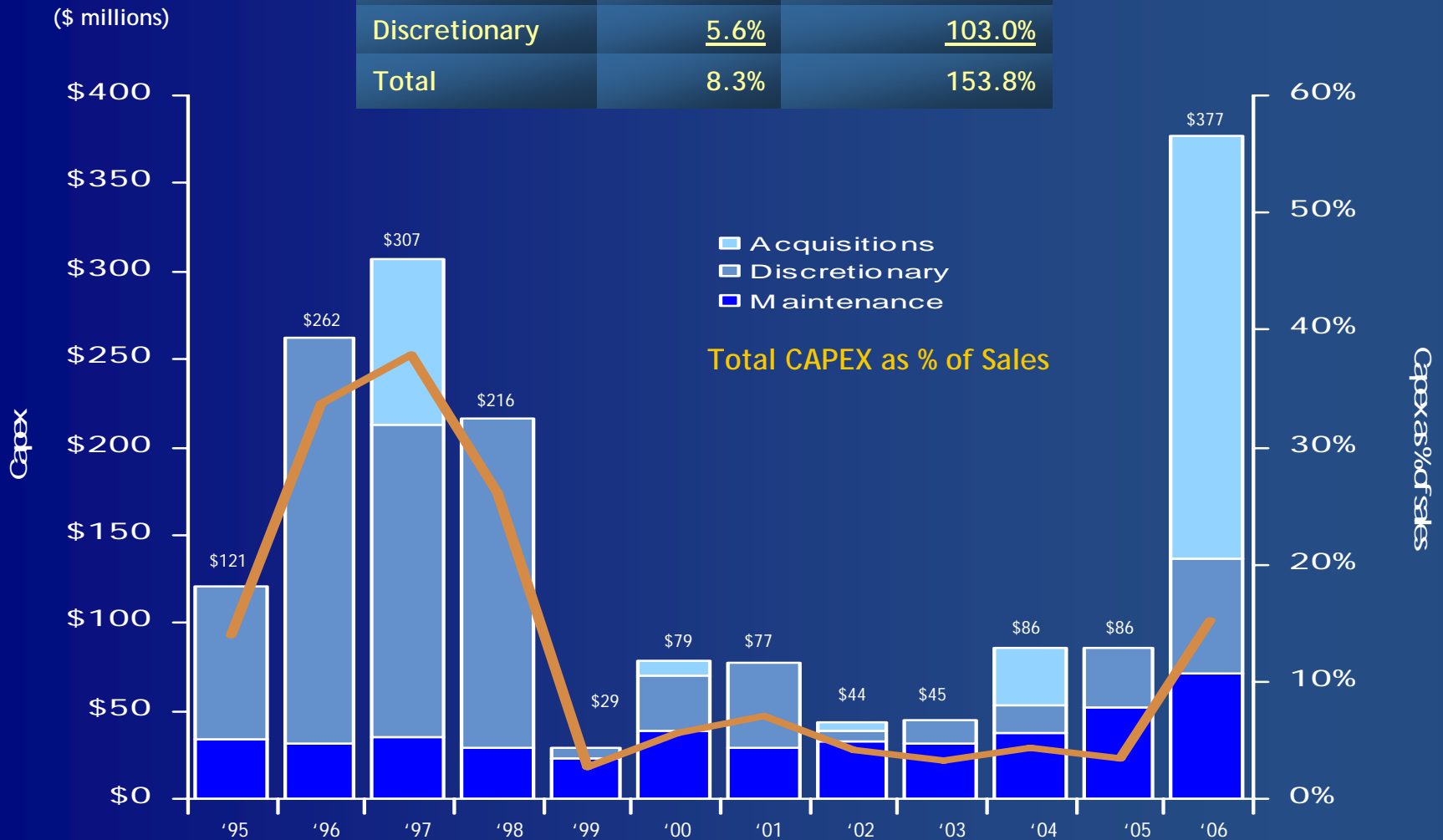


³ GGC's 2007 Q1 (analysts' estimates)



Disciplined Investment History

'95-'06 Average	% of Sales	% of Depreciation
Maintenance	2.7%	50.8%
Discretionary	<u>5.6%</u>	<u>103.0%</u>
Total	8.3%	153.8%





Substantial Broad Based Growth



Key Production Capacities (mm lbs.)

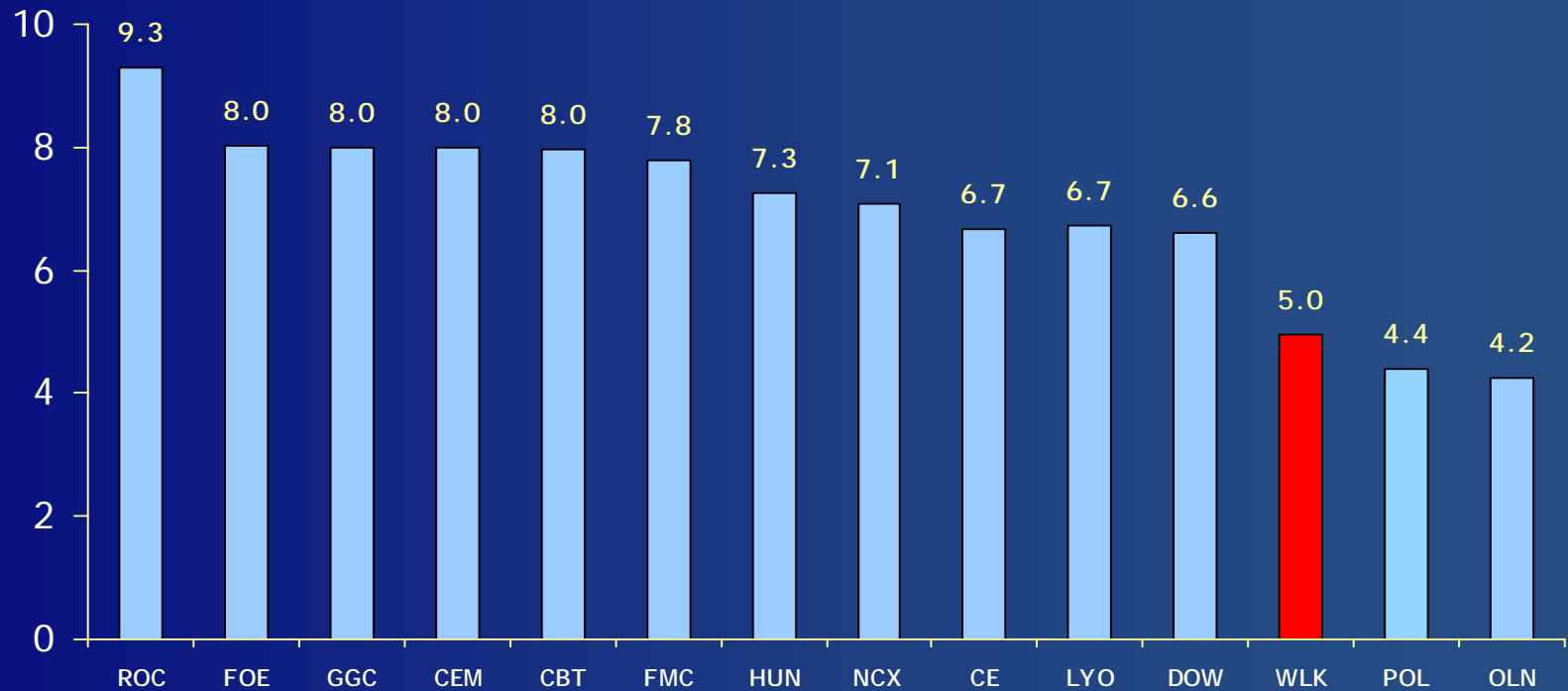
	1995	2006	Increase
Ethylene	1,100	2,850	2.6x
Polyethylene	850	2,545	3.0
Styrene Monomer	400	485	1.2
Chlorine	-	410	-
Caustic Soda	-	450	-
VCM	1,100	1,900	1.7
PVC	600	1,400	2.3
PVC Fabricated Products	452	915	2.0
	<u>4,502</u>	<u>10,955</u>	<u>2.4x</u>



Enterprise Multiple



Westlake is trading among the lowest enterprise multiples compared to peers



Enterprise Value to Adjusted EBITDA



Investment Conclusions



- Focused Best in Class Plastics Producer
 - Out performing Peers
 - Strengthened Operating Base
- Multiple sources of competitive advantage
 - Integration and location of assets
 - Operating philosophy with matching track record
 - Global business perspective with an Entrepreneurial culture
- Westlake-specific initiatives; an on-going feature
 - Accretive bolt-on acquisitions
 - Track record of investing prudently
- Management team committed to creating value anywhere in the world
- Financial flexibility to fund growth strategy

WW



Appendix



Reconciliation of EBITDA to Net Income (Loss) and to Cash Flow from Operating Activities - (\$ Thousands)

	2003	2004	2005	2006	Q1 2007
Adjusted EBITDA	160,728	326,878	450,932	411,183	58,012
Debt Retirement Cost	(11,343)	(15,791)	(646)	(25,853)	-
EBITDA	149,385	311,087	450,286	385,330	58,012
Less:					
Income Tax (provision) benefit	(8,747)	(69,940)	(118,511)	(87,990)	(10,392)
Interest expense	(38,589)	(39,350)	(23,717)	(16,519)	(3,593)
Depreciation & Amortization	(87,293)	(81,075)	(81,241)	(86,262)	(24,355)
Net Income	14,756	120,722	226,817	194,559	19,672
Changes in operating assets and liabilities	56,219	(35,129)	45,885	28,773	(65,862)
Deferred income taxes	7,112	65,188	45,745	13,852	3,776
Cash flow from operating activities	78,087	150,781	318,447	237,184	(42,414)