



ICO

Investor update

March 2007

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Certain matters discussed in this presentation are “forward-looking statements” intended to qualify for the safe harbors from liability established by the Private Securities Litigation Reform Act of 1995. In particular, the Company’s statements regarding trends in the marketplace and potential future results are examples of such forward-looking statements. The forward-looking statements include risks and uncertainties, including, but not limited to, restrictions imposed by the Company’s outstanding indebtedness, changes in the cost and availability of polymers, demand for the Company’s services and products, business cycles and other industry conditions, the Company’s ability to manage inventory and to develop technology and proprietary know-how, the Company’s lack of asset diversification, its ability to attract and retain key personnel, litigation risks, international risks, operational risks, and other factors detailed in the Company’s form 10-K for the fiscal year ended September 30, 2006. The factors discussed herein and expressed from time to time in the Company’s filings with the Securities and Exchange Commission could cause actual results and developments to be materially different from those expressed in or implied by such statements. The forward-looking statements are made only as of the date of this presentation, and the Company undertakes no obligation to publicly update such forward-looking statements to reflect subsequent events or circumstances.

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About the Company

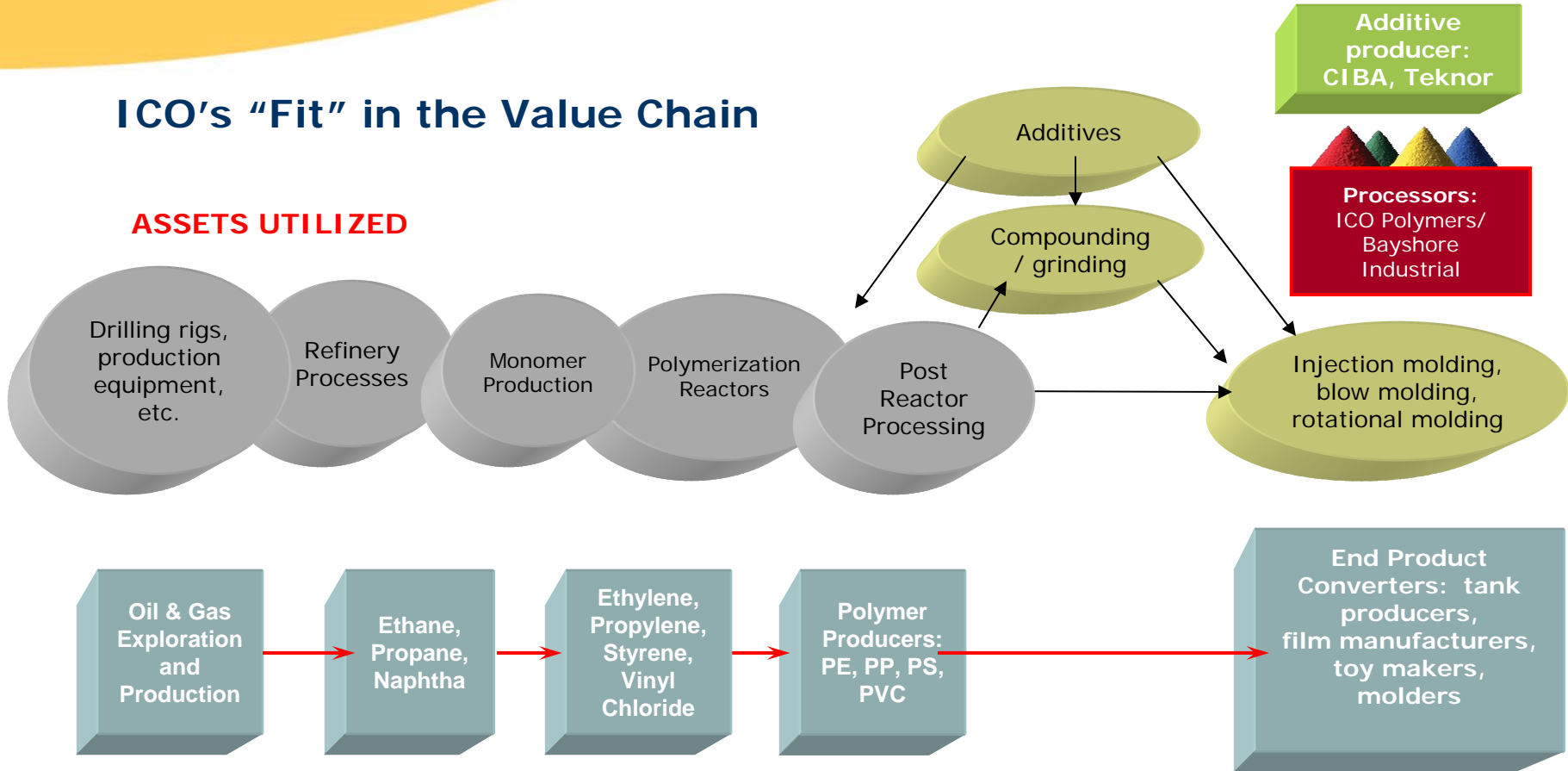
With 19 locations in 10 countries, ICO produces custom polymer powders and remains an industry leader in size reduction, compounding and other tolling services for plastic and non-plastic materials. ICO's Bayshore Industrial subsidiary produces specialty compounds, concentrates and additives primarily for the plastic film industry.



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ICO's "Fit" in the Value Chain

ASSETS UTILIZED



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Products & Services

Compounds, including Concentrates Produced by Bayshore Industrial

- Products primarily for the plastic film industry
- Products produced include:
 - Masterbatches
 - Concentrates
 - Specialty compounds
- Markets served
 - North America and selected export markets

Custom Powders for Rotational molding

- Proprietary **ICORENE**[®] and **COTENE**[®] product lines sold across the globe
- Business built on value-adds, such as:
 - Grades tailored to client, driven by application
 - R&D and technical sales support worldwide
 - Partnering with key customers

Other Polymer Markets

- Proprietary **ICOTEX**[®] and **ICOFLO**[®] lines - for textiles and carrier powders for masterbatch customers
- **ECORENE**[®] - an environmentally friendly family of thermoplastics with a unique combination of properties well-suited for a variety of markets
- Regional expertise in other areas such as the oilfield service and metal coating industries

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Products & Services

Tolling Processing services

- **Ambient Grinding** - high-volume, low value-add service
 - **Cryogenic Grinding** - greater value-add and requiring more technical expertise to serve the market
 - **Jet Milling** - greater value-add and requiring more technical expertise
 - Other related services:
 - Compounding
 - Blending
 - Packaging
 - Warehousing
- Wide range of tolling opportunities globally, including:
 - Rotomolding
 - Oilfield services
 - Textiles
 - Metal coatings
 - Agricultural
 - Paints
 - Wood composites
 - Soaps/cosmetics

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Historical Financial Performance

\$ in millions, except per share data

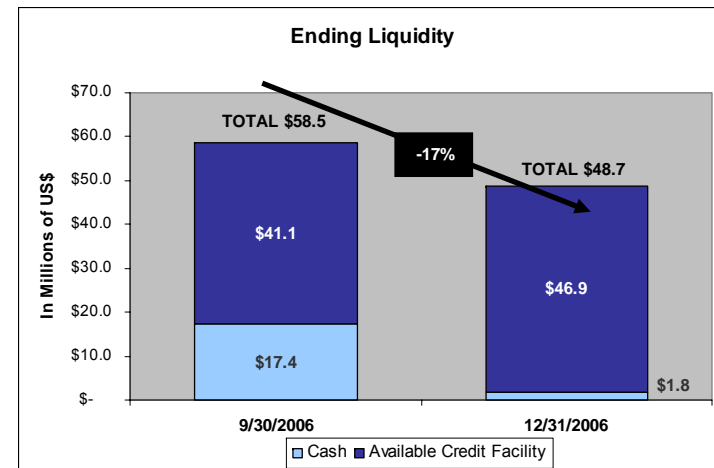
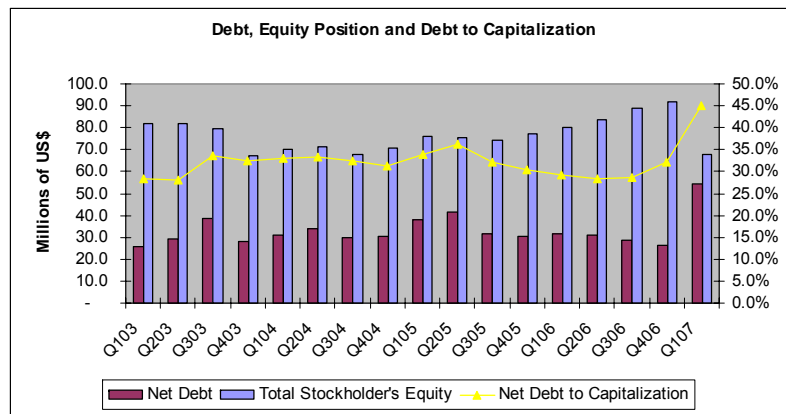
	Q1 2007	Q1 2006	Q4 2006	FY 2006	FY 2005
Revenues	\$86.3	\$75.1	\$87.2	\$324.3	\$296.6
Gross Profit	14.5	15.6	16.0	63.1	53.5
Gross Margin	16.8%	20.8%	18.4%	19.5%	18.0%
Operating Income	4.3	5.0	5.5	21.3	8.2
Income from Continuing Operations	2.6	3.1	3.3	13.5	5.0
EPS-Diluted from Continuing Operations	\$0.09	\$0.10	\$0.10	\$0.43	\$0.11
Volumes (Metric Tons)	76,000	77,000	82,000	321,000	294,000
Cash Flow from Continuing Operating Activities	\$5.5	\$0.2	\$4.3	\$13.5	4.8
Cash Flow from Investing Activities	(1.7)	(1.4)	(1.1)	(8.1)	(4.1)
	\$ 3.8	\$ (1.2)	\$ 3.2	\$ 5.4	\$ 0.7

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Historical Financial Performance- Cont'd

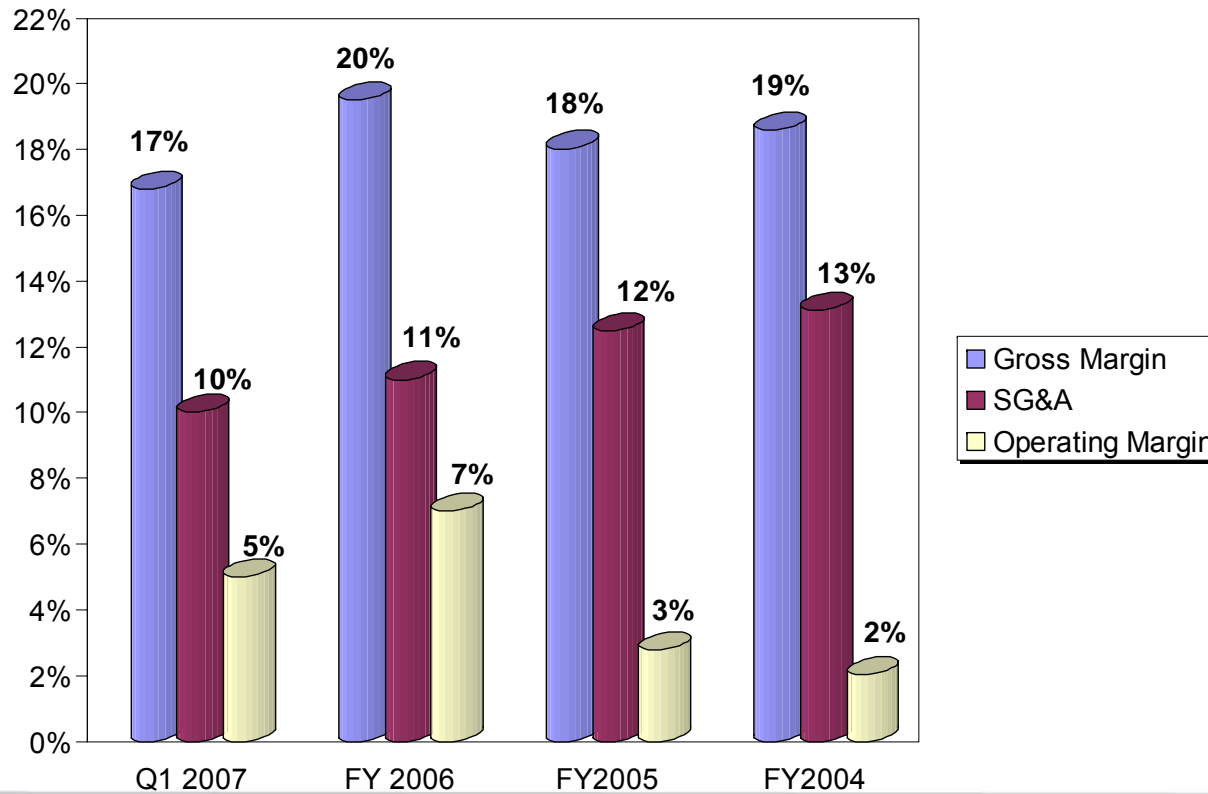
\$ in millions

	December 31, 2006	September 30, 2006	September 30, 2005
Cash	\$ 1.8	\$ 17.4	\$ 3.2
Total Debt	56.0	43.5	33.6
Working Capital, minus cash	39.8	40.1	38.1
Equity	68.2	91.7	77.1
Debt-to-capitalization	45.1%	32.2%	30.4%



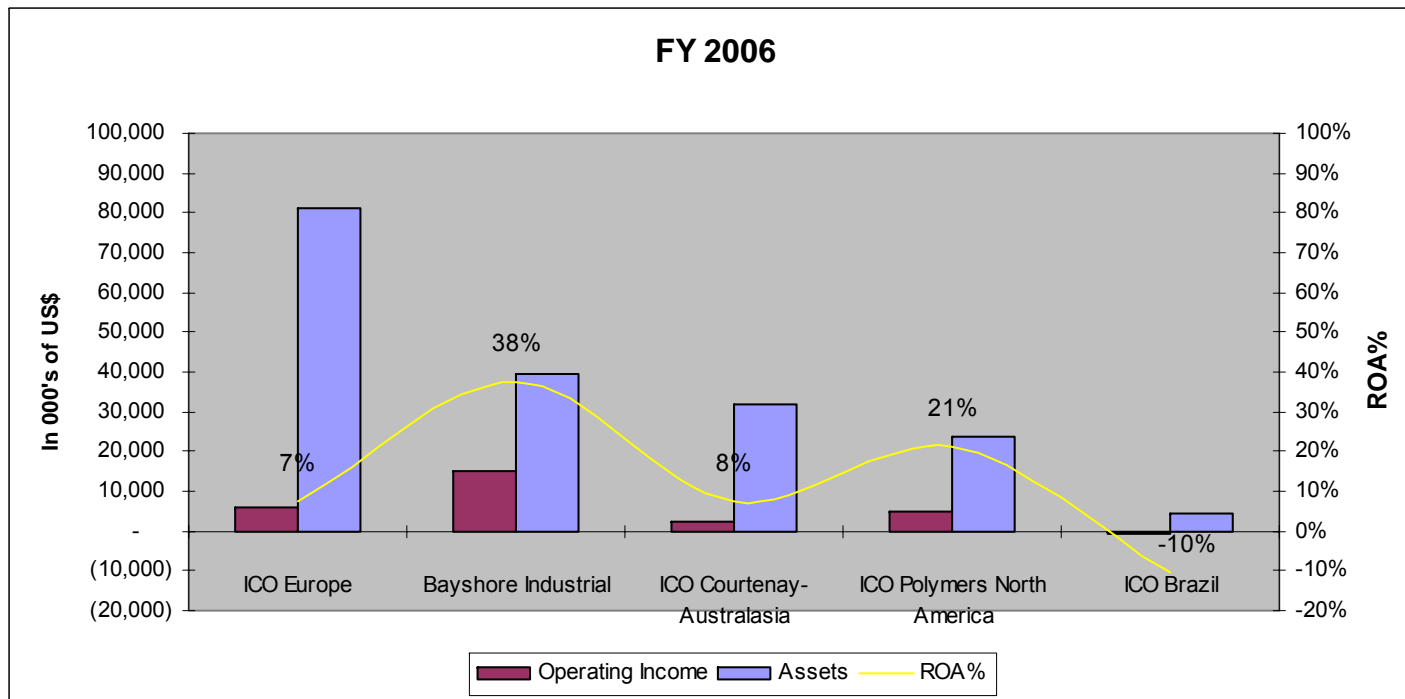
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Operating Margin Breakdown 2004-2006



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Operating Income, Assets, ROA% by Business Segment



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Value Creation Opportunities – FY 2007 and Beyond

- Cultivate global customer relationships
- FY 2007 expansion into the Middle East (Dubai)
- Capitalize on current market strength in Australia
- FY 2007 expansion in Malaysia
- Aggressively grow oilfield service product sales
- Further develop strategic raw material supply relationships
- Profitably grow our business in Brazil
- Continue overall growth and take advantage of operating leverage (i.e. cost control)