

ICO, INC.

Head Office: 5333 Westheimer St, Suite 600
Houston, TX 77056

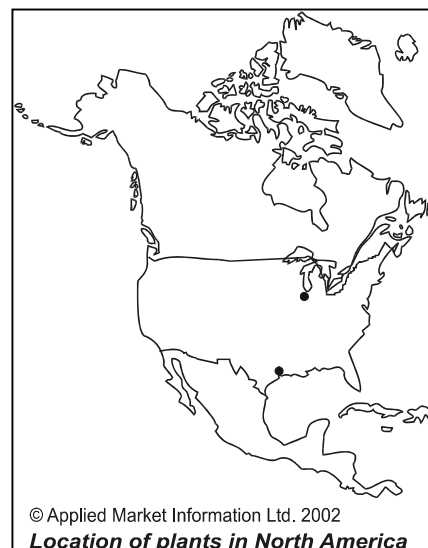
Tel: 713-351-4100

Fax: 713-335-2201

E Mail: egglestond@icoinc.com

Web Site: www.icoinc.com

Ownership: Public Company



ICO is a diversified company with divisions that provide specialized polymer processing and oilfield services. The company entered the petrochemicals processing business in 1996 when it acquired four companies: Wedco Technology, Inc. of Bloomsbury, New Jersey; Polymer Service, Inc. of Beaumont, Texas; Polymer Service of Indiana, Inc. of East Chicago, Indiana; and Bayshore Industrial, Inc. of LaPorte, Texas.

The Polymers Processing segment provides grinding, jet milling, compounding and size reduction services, as well as formulation and compounding of concentrates. Compounds are manufactured by ICO's two wholly-owned subsidiaries Wedco and Bayshore Industrial and are targeted to the rotational molding and dip coating industries. Wedco performs size reduction, compounding and advanced machinery manufacturing. Bayshore is a leading provider of concentrates and compounds to polyolefin resin producers. Although compounding services are offered to customers at the majority of the company's size reduction facilities, the major compounding plants are listed below.

In 2001 the investment firm Travis Street Partners LLC was considering an acquisition of ICO with a prior sale of its oil-field business, which did not fit with ICO's plastic compounding business. Yet in early 2002 Travis Street voided its offer when ICO's planned sales of its oil-field business to Varco International Inc. fell through.

Financial results^{1,2}

Units: USD millions	1998	1999	2000	2001
Sales	177	187	220	196
Profit before tax (PBT)	9	23	24	11
% of sales in compounding & concentrates	27%	31%	37%	35%
% of sales in plastics processing	100%	100%	100%	100%

¹Polymer Processing Segment

²Fiscal year end – September 30

Compounding operations in North America

Company	Location	Estimated 2001 Throughput (million lbs)
Bayshore Industrial Inc.	LaPorte, TX	90
Wedco Inc.	East Chicago, IN	30
Total		120

International operations

The company has compounding operations in Italy, the UK, Sweden, Holland, Australia, New Zealand and Malaysia. In 2001 it closed its compounding and grinding plant in Italy and sold its color compounding site in Rushden, UK.

Product line

ICO produces custom and tolled compounds in polyethylene, polypropylene and polystyrene. Custom compounds may include mineral filled, impact modified and flame retarded products.

Other activities

ICO's Oilfield Services segment provides inspection, reconditioning and coating services for new and used tubular goods and sucker rods used in the oil and gas industries.