

## Income and Cash Flows from Operating Activities

(US\$ millions)

	Q1	Q2	Q3	Q4	2007	2006	2005	2004	2003	2002	2001	2000	1999	1998
Revenue	674	466	395	731	2,266	2,108	1,658	1,719	1,420	1,042	1,192	1,100	734	766
Cost of sales and operating expenses	(437)	(390)	(327)	(461)	(1,614)	(1,308)	(1,206)	(1,285)	(1,034)	(776)	(954)	(795)	(728)	(749)
Depreciation and amortization	(24)	(28)	(31)	(29)	(112)	(107)	(91)	(79)	(96)	(111)	(113)	(110)	(112)	(107)
Interest expense	(11)	(11)	(11)	(11)	(44)	(45)	(41)	(31)	(39)	(29)	(32)	(32)	(25)	(22)
Interest and other income	5	13	7	3	27	10	10	7	14	10	19	16	14	26
Unusual items, net <sup>1</sup>	-	-	-	-	-	26	(58)	-	(179)	(86)	(11)	-	(69)	-
Income tax recovery (expense)	(62)	(14)	(10)	(61)	(147)	(201)	(106)	(95)	(85)	(27)	(30)	(34)	36	18
<b>NET INCOME (LOSS)</b>	<b>145</b>	<b>36</b>	<b>24</b>	<b>172</b>	<b>376</b>	<b>483</b>	<b>166</b>	<b>236</b>	<b>1</b>	<b>23</b>	<b>71</b>	<b>145</b>	<b>(150)</b>	<b>(68)</b>
Add (deduct):														
Depreciation and amortization	24	28	31	29	112	107	91	79	96	111	113	110	112	107
Future income taxes	5	(4)	(4)	(11)	(13)	47	49	47	45	8	22	26	(28)	(1)
Non-cash unusual items <sup>2</sup>	-	-	-	-	-	(26)	17	-	170	88	-	-	69	-
Other, net <sup>2</sup>	5	7	9	(2)	19	12	7	10	17	15	13	16	13	10
<b>CASH FLOWS FROM OPERATING ACTIVITIES BEFORE UNDERNOTED</b>	<b>179</b>	<b>67</b>	<b>60</b>	<b>188</b>	<b>494</b>	<b>623</b>	<b>330</b>	<b>372</b>	<b>329</b>	<b>245</b>	<b>219</b>	<b>297</b>	<b>16</b>	<b>48</b>
Changes in non-cash working capital and utilization of prepaid natural gas	12	57	73	(108)	33	(154)	29	(39)	31	(54)	157	(81)	(9)	23
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>191</b>	<b>124</b>	<b>132</b>	<b>80</b>	<b>527</b>	<b>469</b>	<b>359</b>	<b>333</b>	<b>360</b>	<b>191</b>	<b>376</b>	<b>216</b>	<b>7</b>	<b>71</b>
Increase (decrease) in cash position	125	4	49	(45)	133	196	(51)	(78)	(134)	89	106	74	(136)	(204)
Operating income (loss)	213	48	37	241	540	693	319	356	290	155	125	195	(106)	(90)
Income before unusual items (after-tax)	145	36	24	172	376	457	224	236	181	109	82	145	(81)	(68)
Adjusted EBITDA <sup>3</sup>	237	77	69	270	652	800	452	434	386	266	238	305	6	17

<sup>1</sup> Unusual items, net includes Kitimat closure costs (2005), adjustment to future income tax related to change in Trinidad tax legislation (2006/2005), asset restructuring charges (2005, 2003, 2002, 2001 and 1999), writedown of property, plant and equipment (2003, 1999) and site restoration expense (2002).

<sup>2</sup> Other, net includes stock-based compensation, other non-cash items and other cash payments related to operating activities.

<sup>3</sup> Adjusted EBITDA is a non-GAAP measure. Refer to page 37 of our 2007 Annual Report for a reconciliation to the most comparable GAAP measure.

## Consolidated Balance Sheets

(US\$ millions)

	Q1	Q2	Q3	Q4	2007	2006	2005	2004	2003	2002	2001	2000	1999	1998
<b>ASSETS</b>														
Cash and cash equivalents	480	484	533	488	488	355	159	210	288	421	332	226	152	288
Receivables	323	258	212	402	402	366	297	293	221	201	135	286	227	202
Inventories	275	180	149	312	312	245	140	142	127	119	100	140	73	71
Prepaid expenses	21	30	24	21	21	24	13	17	15	12	9	11	10	9
Current assets	1,100	952	918	1,223	1,223	990	609	662	651	753	576	663	462	570
Property, plant and equipment	1,360	1,386	1,456	1,542	1,542	1,362	1,396	1,367	1,320	981	1,032	1,046	1,114	1,141
Other assets	95	93	95	105	105	101	101	96	111	86	85	94	68	88
<b>TOTAL ASSETS</b>	<b>2,555</b>	<b>2,430</b>	<b>2,469</b>	<b>2,870</b>	<b>2,870</b>	<b>2,453</b>	<b>2,106</b>	<b>2,125</b>	<b>2,082</b>	<b>1,820</b>	<b>1,693</b>	<b>1,803</b>	<b>1,644</b>	<b>1,799</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>														
Accounts payable and accrued liabilities	304	207	211	466	466	310	235	231	178	136	110	132	113	107
Current maturities on other long-term liabilities	17	19	20	17	17	17	10	10	12	6	5	5	10	9
Current maturities on long-term debt	14	14	15	15	15	14	14	258	21	-	150	-	-	-
Current liabilities	335	240	246	498	498	341	259	499	211	142	265	137	123	116
Long-term debt	473	493	554	582	582	473	487	351	756	547	250	399	399	399
Other long-term liabilities	70	69	74	74	74	69	79	60	67	50	79	80	68	50
Future income tax liabilities	357	353	349	339	339	352	331	266	261	173	164	142	98	126
Total liabilities	1,235	1,156	1,223	1,493	1,493	1,235	1,156	1,176	1,296	912	758	758	688	691
Non-controlling interest	20	27	30	41	41	9	-	-	-	-	-	-	-	-
Shareholders' equity	1,300	1,247	1,216	1,335	1,335	1,209	950	949	786	908	935	1,045	956	1,108
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>2,555</b>	<b>2,430</b>	<b>2,469</b>	<b>2,870</b>	<b>2,870</b>	<b>2,453</b>	<b>2,106</b>	<b>2,125</b>	<b>2,082</b>	<b>1,820</b>	<b>1,693</b>	<b>1,803</b>	<b>1,644</b>	<b>1,799</b>
Total capitalization	1,807	1,781	1,815	1,973	1,973	1,705	1,450	1,558	1,564	1,455	1,335	1,444	1,355	1,507

## Financial Metrics

(all financial metrics are quoted in US\$ terms)

	2007	2006	2005	2004	2003	2002	2001	2000	1999	1998
Year end share price (US\$, NASDAQ)	<b>27.60</b>	27.37	18.74	18.26	11.23	8.38	5.54	6.44	2.63	5.06
Diluted net income (loss) per share	<b>3.68</b>	4.41	1.40	1.92	0.01	0.18	0.46	0.85	(0.87)	(0.39)
Diluted income (loss) before unusual items (after-tax) per share	<b>3.68</b>	4.18	1.89	1.92	1.44	0.85	0.52	0.85	(0.47)	(0.39)
Cash flow per share <sup>1</sup>	<b>4.86</b>	5.71	2.80	3.06	2.68	1.94	1.42	1.74	0.09	0.27
Adjusted EBITDA per share	<b>6.41</b>	7.33	3.83	3.57	3.14	2.10	1.54	1.79	0.03	0.10
Book value per share	<b>13.58</b>	11.43	8.36	7.91	6.55	7.23	7.13	6.50	5.52	6.39
Price to earnings <sup>2</sup>	<b>7.50</b>	6.55	9.92	9.36	7.64	9.74	10.45	7.57	n.a.	n.a.
Price to cash flow	<b>5.68</b>	4.79	6.70	5.92	4.18	4.34	3.91	3.70	28.30	18.49
Price to EBITDA	<b>4.30</b>	3.73	4.89	5.11	3.57	3.99	3.59	3.59	78.90	52.01
Price to book value per share	<b>2.03</b>	2.39	2.24	2.31	1.72	1.16	0.78	0.99	0.48	0.79
Dividends per share	<b>0.55</b>	0.49	0.41	0.28	0.47	0.10	-	-	-	-
Dividend yield (%)	<b>2.1%</b>	2.2%	2.4%	2.1%	4.8%	1.3%	-	-	-	-
<b>Liquidity Ratios</b>										
Quick ratio	<b>1.83</b>	2.19	1.81	1.04	2.48	4.46	1.80	3.81	3.16	4.32
Current ratio	<b>2.45</b>	2.90	2.35	1.33	3.08	5.30	2.17	4.83	3.75	4.93
Working capital (US\$ millions)	<b>725</b>	649	350	163	439	611	311	526	339	454
<b>Profitability Ratios</b>										
Return on equity (ROE)	<b>29.5%</b>	42.0%	24.0%	27.2%	21.3%	11.7%	8.3%	14.5%	-7.9%	-6.0%
Return on capital employed (ROCE)	<b>19.0%</b>	25.0%	14.0%	16.0%	14.0%	8.8%	6.4%	10.7%	-4.3%	-3.3%
<b>Debt Ratios</b>										
Asset coverage	<b>4.81</b>	5.04	4.20	3.49	2.68	3.33	4.24	4.52	4.12	4.51
Adjusted EBITDA interest coverage	<b>14.86</b>	17.94	9.17	7.92	6.55	6.95	7.25	9.39	0.14	0.39
Debt to capitalization	<b>30%</b>	29%	35%	39%	50%	38%	30%	28%	29%	26%
Net debt to capitalization	<b>7%</b>	10%	26%	30%	38%	12%	7%	14%	21%	9%
Net debt (US\$ millions)	<b>109</b>	132	342	399	490	126	67	173	247	111

## Definitions

**Adjusted EBITDA** = Net income (loss) before interest expense, interest and other income, income taxes, depreciation and amortization and unusual items

**Quick Ratio** = (Current Assets - Inventories) ÷ Current Liabilities

**Current Ratio** = Current Assets ÷ Current Liabilities

**ROE** = Income (loss) before unusual items ÷ Average Shareholders' Equity

**ROCE** = Income (loss) before unusual items and interest expense after income tax ÷ Average Capital Employed (Capital Employed = Total Assets less plant and equipment under construction or development less current non-interest bearing liabilities)

**Asset Coverage** = Total Assets ÷ Long-Term Debt

**Adjusted EBITDA Interest Coverage** = Adjusted EBITDA ÷ Interest Expense (including capitalized interest)

**Debt to Capitalization** = Long-Term Debt ÷ Total Capitalization

**Net Debt to Capitalization** = (Long-Term Debt - Cash and Cash Equivalents) ÷ (Total Capitalization - Cash and Cash Equivalents)

**Net Debt** = Long-Term Debt (including current portion) - Cash and Cash Equivalents

<sup>1</sup> Cash flow from operating activities before changes in non-cash working capital and the utilization of prepaid natural gas.

<sup>2</sup> Calculated as the year-end share price dividend by diluted income before unusual items (after-tax).

Note: Book value per share is based on period ended shares outstanding; all other per share amounts are based on diluted weighted average shares outstanding.

## Global Market Position

(thousands of tonnes)

SALES VOLUMES BY REGION	2007	2006	2005	2004	2003	2002	2001	2000	1999	1998
Europe	1,454	1,604	1,528	1,640	1,642	1,983	1,923	1,418	1,359	1,263
North America	3,115	3,085	3,089	3,227	2,389	2,477	2,857	2,479	2,480	2,267
Asia Pacific	1,501	1,777	1,973	2,127	2,113	2,316	2,165	2,390	2,288	2,100
Latin America	541	529	461	433	435	444	445	484	466	381
Total sales	6,612	6,995	7,052	7,427	6,579	7,220	7,390	6,771	6,593	6,011
Sales of Methanex-produced methanol	4,569	5,310	5,341	5,298	4,933	5,686	5,390	5,815	5,338	4,479
Sales of purchased methanol	1,453	1,101	1,174	1,960	1,392	809	1,280	814	1,255	1,532
Commission sales <sup>1</sup>	590	584	537	169	254	725	720	142	-	-
Total sales	6,612	6,995	7,052	7,427	6,579	7,220	7,390	6,771	6,593	6,011
Total world production	39,512	37,392	35,280	33,497	32,094	30,595	30,171	29,420	27,100	26,154

<sup>1</sup> Commission sales volumes commencing in 2004 represent commission sales of 36.9% of production from Atlas that we do not own. Commission sales volumes prior to 2004 represent commission sales of production from Titan Methanol Company prior to our acquisition of Titan effective May 1, 2003.

## Methanol Price History

	2007	2006	2005	2004	2003	2002	2001	2000	1999	1998
Methanex average realized price (\$/tonne)	375	328	254	237	224	160	178	166	111	127
Methanex average realized price (\$/gallon)	1.13	0.99	0.76	0.71	0.67	0.48	0.54	0.5	0.33	0.38

## Methanex Production &amp; Supply Statistics

## Methanex Production Data

(thousands of tonnes)

PLAN DATA	OPERATING CAPACITY <sup>1</sup>	2007	2006	2005	2004	2003	2002	2001	2000	1999	1998
<b>Chile</b>											
Chile I	925	613	712	844	809	775	895	878	873	684	656
Chile II	1,010	286	850	893	931	983	997	841	1,022	995	1,044
Chile III	1,065	619	970	919	952	946	1,040	1,064	1,017	630	-
Chile IV <sup>2</sup>	840	323	654	373	-	-	-	-	-	-	-
	3,840	1,841	3,186	3,029	2,692	2,704	2,932	2,783	2,912	2,309	1,700
<b>Trinidad</b>											
Titan <sup>3</sup>	850	861	864	715	740	577	-	-	-	-	-
Atlas <sup>4</sup>	1,073	982	1,057	895	421	-	-	-	-	-	-
	1,923	1,843	1,921	1,610	1,161	577	-	-	-	-	-
<b>New Zealand</b>											
Waitara Valley	530	435	404	343	498	149	467	406	525	536	435
Motunui DII <sup>5</sup>	-	-	-	-	76	198	460	363	490	466	329
Motunui DIII <sup>6</sup>	-	-	-	-	31	503	697	685	702	548	619
Motunui DIV <sup>7</sup>	-	-	-	-	483	118	657	679	693	513	405
	530	435	404	343	1,088	968	2,281	2,133	2,410	2,063	1,788
<b>North America</b>											
Kitimat, BC <sup>6</sup>	-	-	-	376	486	449	478	249	243	468	407
Other, North America	-	-	-	-	-	-	196	442	503	795	-
	-	-	-	376	486	449	478	445	685	971	1,202
Total production		4,119	5,511	5,358	5,427	4,698	5,691	5,361	6,007	5,343	4,690
Capacity		6,293	6,293	6,293	5,924	5,042	5,930	5,915	6,150	6,424	5,885
Methanol equivalent capacity utilization <sup>7</sup>		65%	88%	85%	92%	93%	96%	91%	98%	83%	80%
Number of employees		829	816	824	888	703	824	792	846	812	871
Lost-time incidents		2	3	1	3	1	2	2	4	7	7

<sup>1</sup> Actual operating rates will vary.

<sup>2</sup> Chile IV commenced operations in June 2005.

<sup>3</sup> Methanex acquired the Titan methanol facility on May 1, 2003. 2003 production considers the period May-December.

<sup>4</sup> The 1.7 million tonne Atlas methanol facility is a joint venture between Methanex and BP. Capacity stated represents the 63.1% owned by Methanex.

<sup>5</sup> The Motunui facilities with a total capacity of 1.9 million tonnes per year were idled in November 2004.

<sup>6</sup> The Kitimat facility was permanently closed on November 1, 2005.

<sup>7</sup> Calculated as total production divided by capacity.

## Common Share Data

(millions of shares except where noted)

	Q107	Q207	Q307	Q407	2007	2006	2005	2004	2003	2002	2001	2000	1999	1998
Diluted net income (loss) per share	1.37	0.35	0.24	1.72	3.68	4.41	1.40	1.92	0.01	0.18	0.46	0.85	(0.87)	(0.39)
Diluted income before unusual items (after-tax) per share	1.37	0.35	0.24	1.72	3.68	4.18	1.89	1.92	1.44	0.85	0.52	0.85	(0.47)	(0.39)
Weighted average shares outstanding	105.1	102.7	100.2	98.9	101.7	109.1	117.8	121.5	123.0	126.6	154.4	170.3	173.2	174.7
Period end shares outstanding	104.2	101.1	99.4	98.3	98.3	105.8	113.6	120.0	120.0	125.7	131.2	160.8	173.1	173.5
Canadian Trading Volume	34.8	31.1	27.7	23.4	116.9	90.1	136.9	134.5	143.7	95.9	157.4	148.3	70.9	81.4
US Trading Volume	38.8	36.0	41.5	27.8	144.2	88.1	96.1	68.8	54.0	53.0	168.6	110.9	9.2	15.7
Total Trading Volume	73.6	67.1	69.2	51.2	261.1	178.2	233.0	203.4	197.7	148.8	326.0	259.2	80.1	97.1
Closing Share Price (C\$)	25.73	26.44	25.03	27.56	27.56	31.90	21.86	21.91	14.53	13.30	8.82	9.65	3.95	8.00
Closing Share Price (US\$)	22.33	25.14	25.40	27.60	27.60	27.37	18.74	18.26	11.23	8.38	5.54	6.44	2.63	5.06
Market Capitalization (000's C\$)	2,681	2,673	2,488	2,709	2,709	3,375	2,483	2,629	1,744	1,671	1,157	1,552	684	1,327
Market Capitalization (000's US\$)	2,327	2,542	2,525	2,713	2,713	2,896	2,129	2,191	1,348	1,053	727	1,035	455	878

## Methanol - General Information

## Simplified Process Flowchart



## Conversion Formulas

## Production Conversion (unit of methanol consumed per unit of product by weight; Source: CMAI)

Acetic Acid	0.55	Diethylene Glycol MME	0.30	Methyl Methacrylate	0.39	Triethylene Glycol MME	0.22
Carbon Tetrachloride	0.22	Dimethyl Ether (DME)	1.50	Methylene Chloride	0.41	Single Cell Protein	1.8 - 2.6
Chloroform	0.29	Formaldehyde (37%)	0.45	MTBE	0.36		
Methyl Chloride	0.68	Methyl Acrylate	0.39	Polyacetal	1.50		
DMT (non-retained)	0.38	Methylamines	1.45	Synthetic Gasoline	2.56		
Biodiesel	0.10						

## Volume and Mass Conversions

1 Tonne methanol = 332.6 US Gallons = 7.92 Barrels
1 Barrel = 42 US Gallons
1 Gallon = 1 US Gallon or 3.785 Litres
1 Tonne = 1.1025 Short Ton
1 Short Ton = 0.907 Tonne
1 Kilogram = 2.205 Pounds
1 MSCF = 26.8Nm <sup>3</sup>
\$100 per tonne methanol = \$0.30 per gallon methanol

## Energy Conversions/Definitions

1 MMBTU = 1,055 GJ
1 GJ = 0.948 MMBTU
(assuming approximate caloric value of pipeline gas = 1000 BTU/SCF or 0.039 GJ/Nm <sup>3</sup> )
BTU = British Thermal Unit
GJ = Gigajoule = 10 <sup>9</sup> joules
MSCF = Thousand Standard Cubic Feet
Nm <sup>3</sup> = Normal Cubic Meter