



A Presentation by:

PWEagle

June 2006

Forward Looking Statements

We make forward-looking statements in this presentation which represent our expectations or beliefs about future events and financial performance. Forward-looking statements are identifiable by words such as “believe”, “anticipate”, “expect”, “plan”, “will”, “may”, and other similar expressions. Forward-looking statements made in this presentation, which relate to trends in our business and the industry, the expected demand for our product, and our results of operations, involve known and unknown risks and uncertainties that may cause the actual results to differ materially from those expected and stated in this announcement. Actual results could differ if the economy, and particularly the segments of the economy that impact the Company’s business, does not grow and perform at least as well as forecast. In addition, actual results could differ as a result of: (i) a slowdown in the United States economy; (ii) the failure of the Gross Domestic Product to improve during the remainder of 2006 and thereafter; (iii) an increase in interest rates; (iv) a decline in the construction of commercial and residential building; (v) a fluctuation in raw material prices; (vi) our ability to pass through any raw material price increases to our customers and (vii) a greater supply of PVC and PE pipe than market demand for such products caused by cyclical fluctuations in the supply and demand for pipe. It is not possible to foresee or identify all factors that could cause actual results to differ from expected or historical results. As such, you should not consider any list of such factors to be an exhaustive statement of all risks, uncertainties or potential inaccurate assumptions. We undertake no obligation to update “forward-looking” statements.

Company Overview

- PW Eagle is the #2 manufacturer of PVC (polyvinyl chloride) pipe in the United States
 - 13% market share in the U.S. PVC pipe market
 - #1 manufacturer of PVC pipe in the Western U.S.
 - #1 merchant PVC resin buyer in the U.S.
- Manufactures and sells over 5,000 PVC and PE pipe and fitting products to four end markets
 - Waterworks (39% of revenue)
 - Irrigation (27% of revenue)
 - Electrical (22% of revenue)
 - Energy – PE (12% of revenue)
- Company has over 1,800 customers across the U.S.
- Operating Metrics
 - 2005 revenue of \$694 million
 - LTM EBITDA* of \$129 million

* Excludes \$18 million gain on sale of W.L. Plastics

Investment Highlights

- Experienced management team with strong track record
 - Significant operational improvements in the last 2 years
- Positive demand and macro trends in end-markets
 - Relatively strong levels of construction
 - Costs of alternative products are increasing
- Rebuild of waterworks infrastructure
- De-leveraged balance sheet provides flexibility
- Strong momentum in both revenue and EBITDA
- Recent election of new Board of Directors will focus on evaluating strategic alternatives and creating shareholder value

Market Opportunity – Growth Drivers

- Construction activity
 - Commercial development
 - Residential housing
 - Infrastructure

- Public works projects
 - EPA estimates over \$600 billion in waterworks spending needs over 20 years
 - Aging waterworks infrastructure is requiring investment
 - Clean Water Act advancements

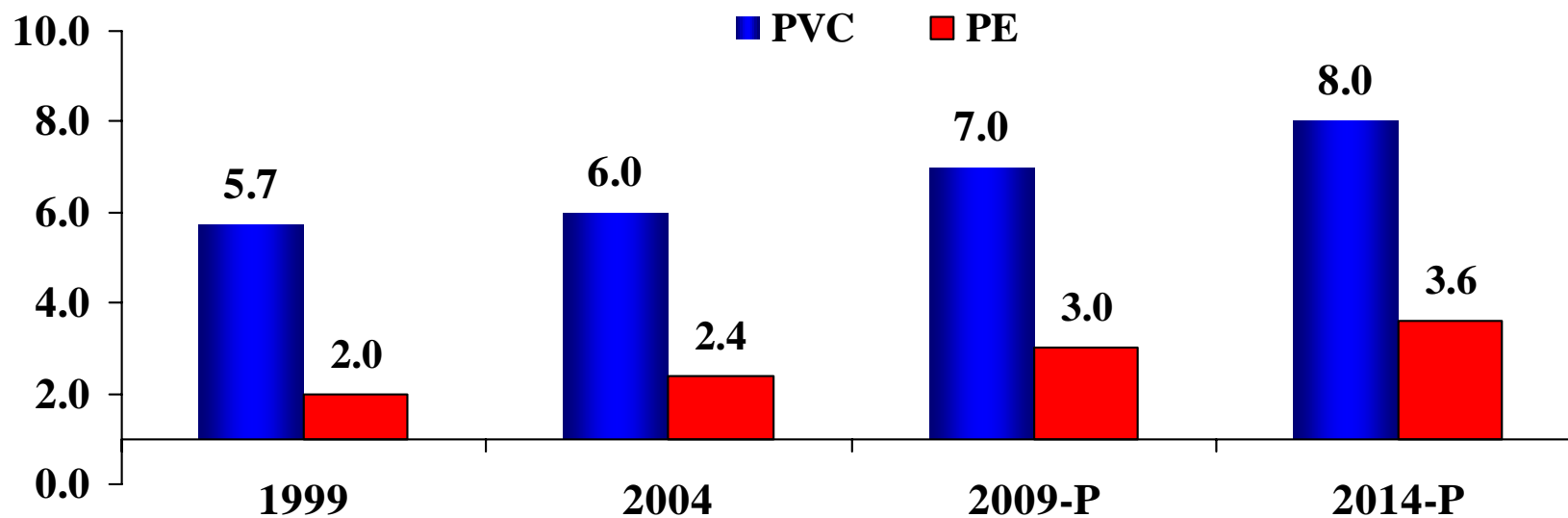
- Irrigation needs are increasing
 - Agriculture
 - Turf

- Energy
 - Natural gas distribution
 - Oil and gas exploration and production

Market Opportunity

- Plastic pipe is large and growing market
- Both PVC and PE are taking market share from competitive materials such as steel and concrete

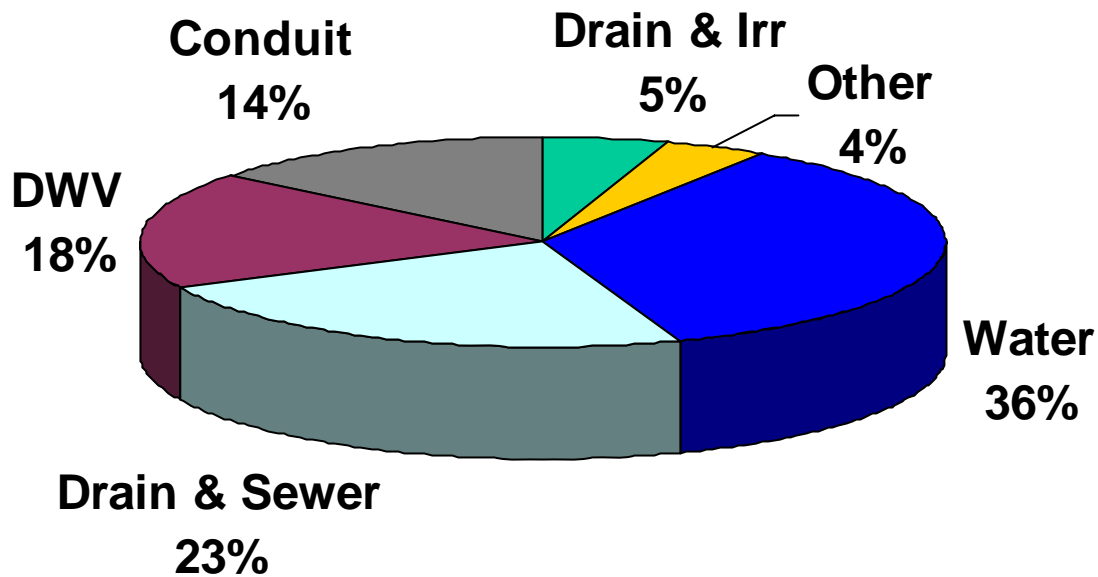
**U.S. Sales of Extruded Plastic Pipe
(Billions of Pounds)**



- Since introduction in the 1960's PVC pipe has taken a substantial share of the U.S. water and sewer market
- PVC advantages over competitive materials
 - Excellent strength-to-weight ratio
 - Corrosion free – both external and internal
 - Lighter weight – provides for ease of installation
 - Joint integrity – increases efficiency of system
 - Low cost – even with recent raw material cost increases PVC pipe prices remain competitive with alternate materials

PVC Pipe Demand by Market - 2004

6.0 Billion Pounds



Water, drain & sewer account for 59% of all PVC pipe in the U.S.

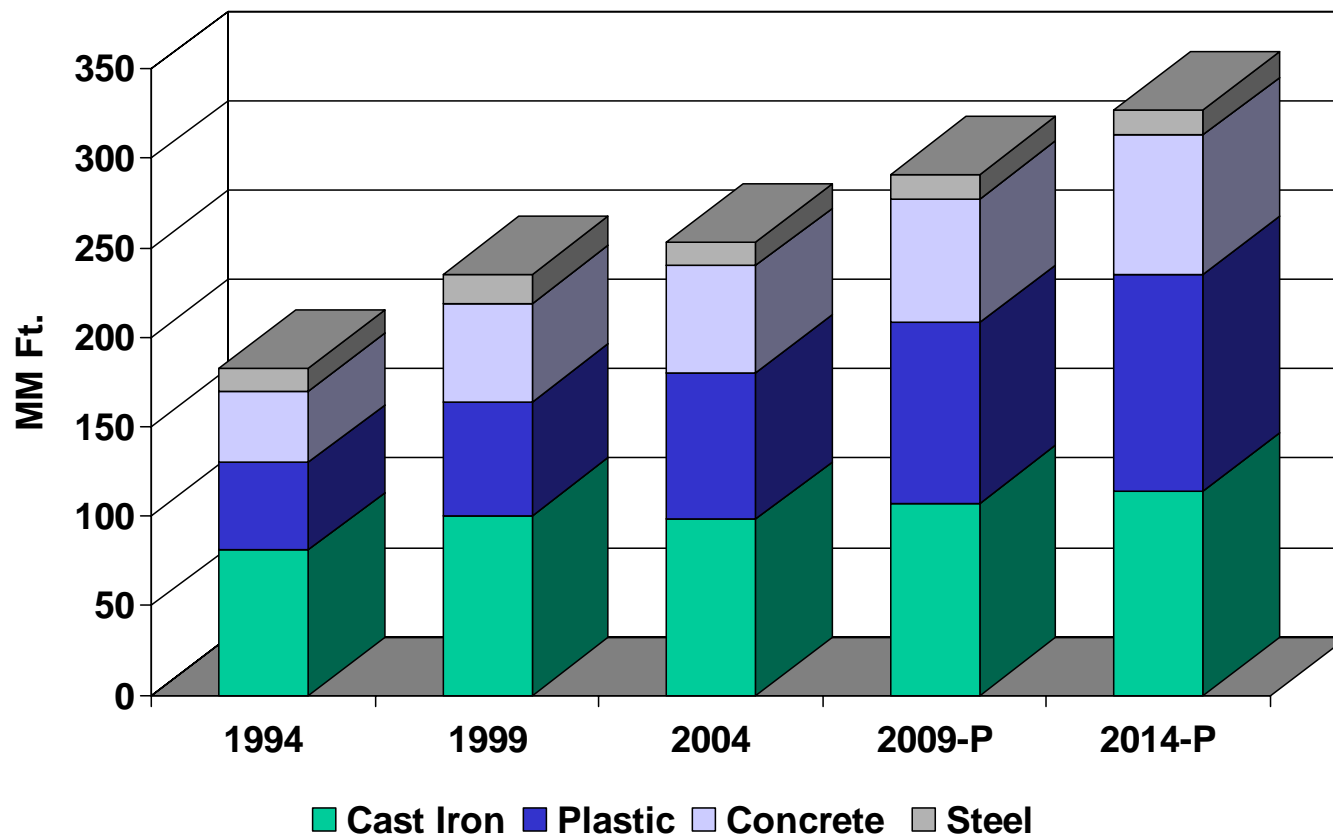
Drinking Water

- EPA 2003 Assessment estimated need of \$277 billion over 20 years
- 15% of treated water lost due to leaking pipes = 2.5 trillion gallons/yr
- Transmission and distribution represent almost two-thirds total need

Waste Water

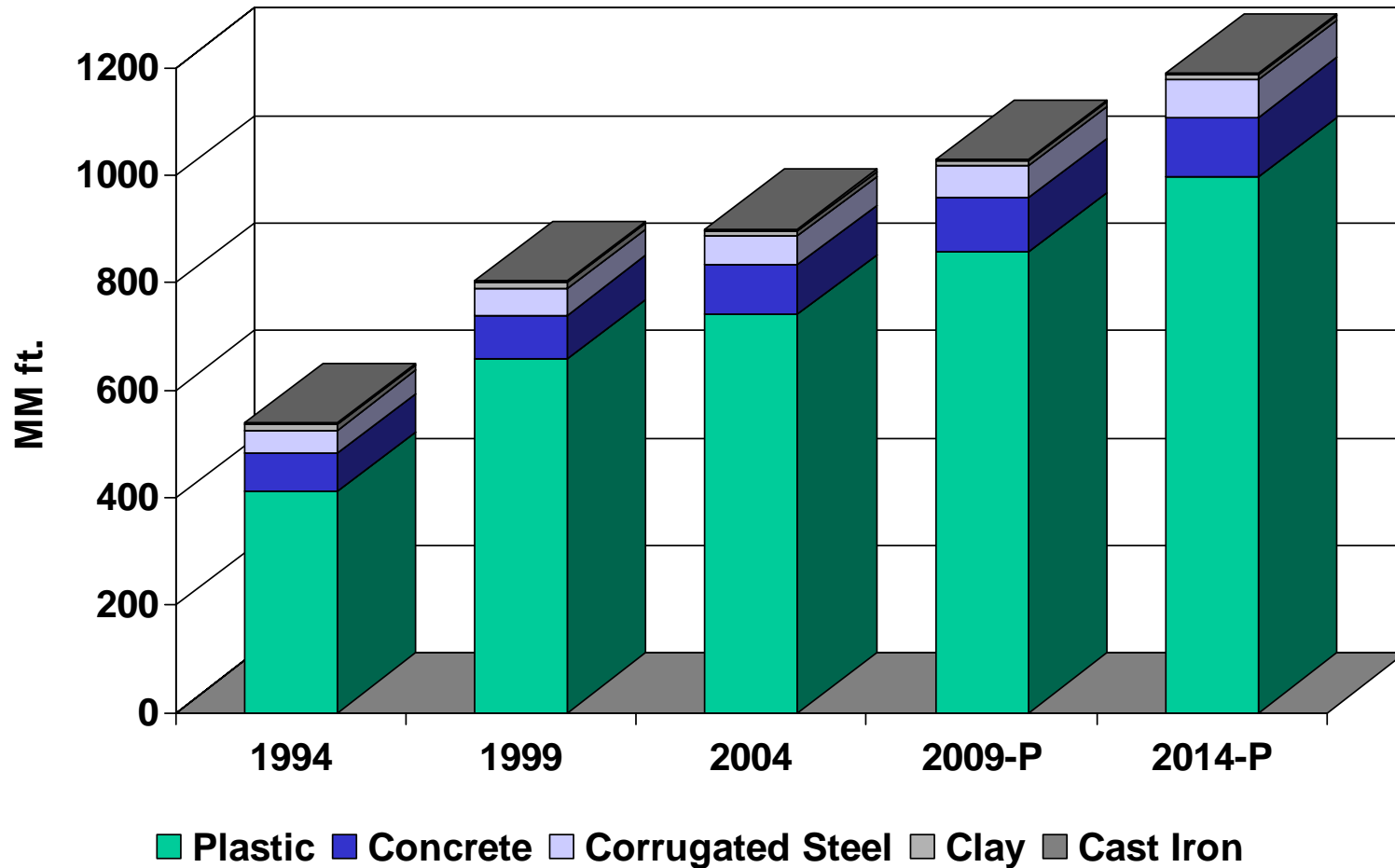
- EPA estimated need of \$388 billion over 20 years
- Pipe networks represent the primary component of a system
- If no renewal/replacement of existing systems, 44% of pipe network will be classified as “poor”, “very poor”, or “life elapsed” by 2020
- American Society of Civil Engineers’ Report Card for American Infrastructure recently gave water and wastewater infrastructure a “D”

Municipal Water Pipe Demand 1994 - 2014



- Municipal pipe demand is projected to expand 2.8% annually through 2009
- Plastic municipal pipe projected to increase 4.3% annually as it continues to take market share from competitive materials
- PVC accounts for 84% of total pounds of all plastic potable water pipe

Drain & Sewer Pipe Demand 1994 - 2014

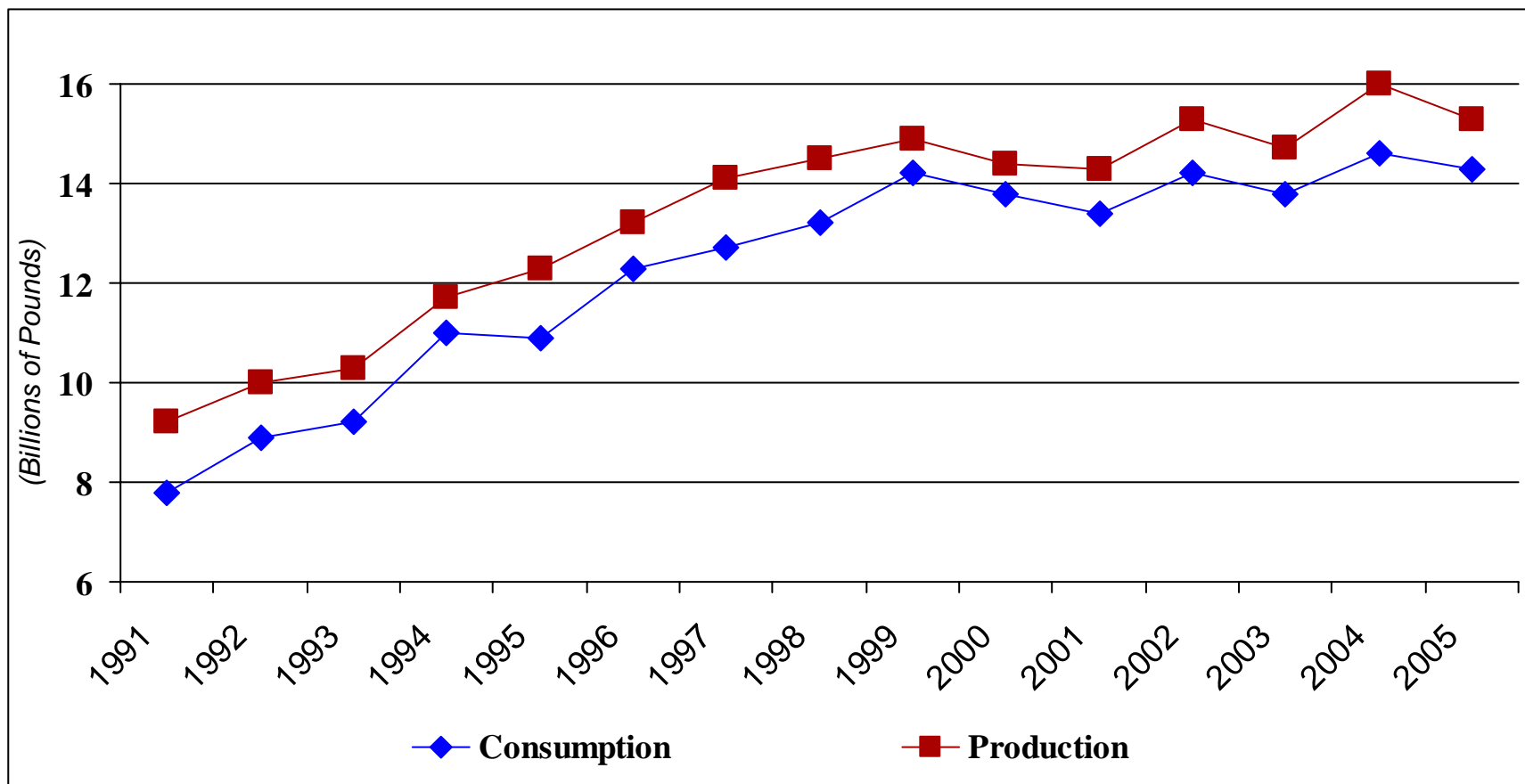


- PVC accounts for approximately 50% of total pounds of all plastic drain & sewer pipe
- Plastic sewer pipe demand is projected to grow 5.8% annually through 2009

Growth Opportunities

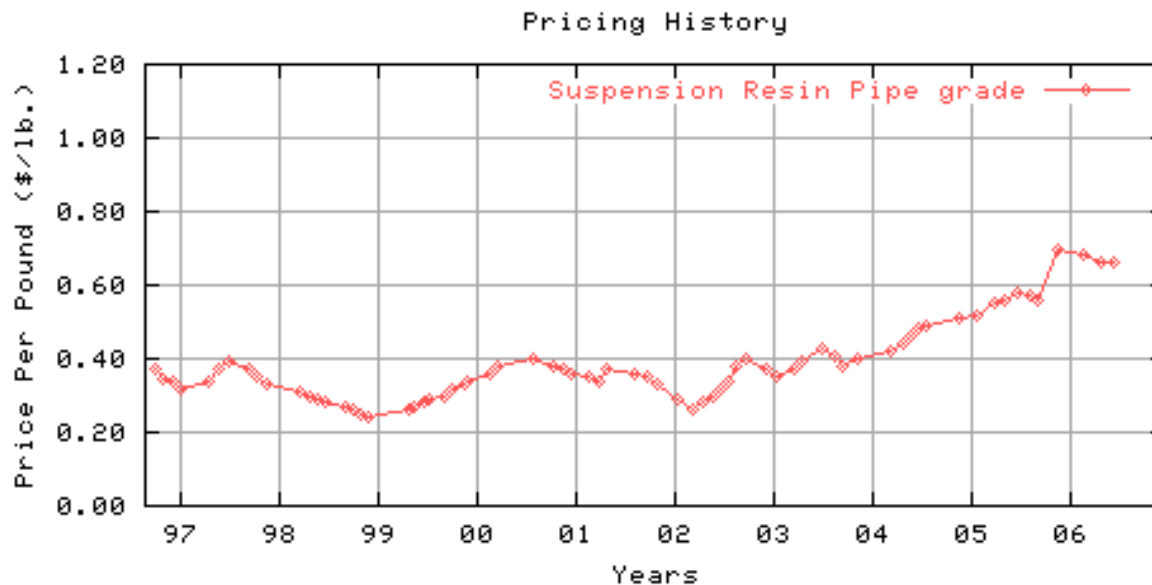
- Expansion of Ultra Blue capacity
 - Proprietary product
 - Utilizes 40-50% less resin
 - Substantially higher margins
- Opportunity in PE business
 - Historically more stable margins
 - Approximately 10-15% of revenue
 - Diversification of revenue
 - Look for expansion geographically
- Market share gains
- PVC opportunities
 - Fragmented industry provides opportunity for further consolidation
 - Industry capacity / demand situation favors growth by acquisition

North American Production and Consumption of PVC Resin



Resin Summary

- PVC and PE are the Company's largest cost inputs
- Solid long-term relationships with the Company's suppliers is a significant competitive advantage
- 2005 hurricanes impacted everyone in the industry
 - Force majeure declarations
 - Cost increases
- Supply disruptions resolved by early 2006



PW Eagle Manufacturing Process

Resin Shipped
by Rail



Blended with
Raw Materials



Extruded to
Form Pipes



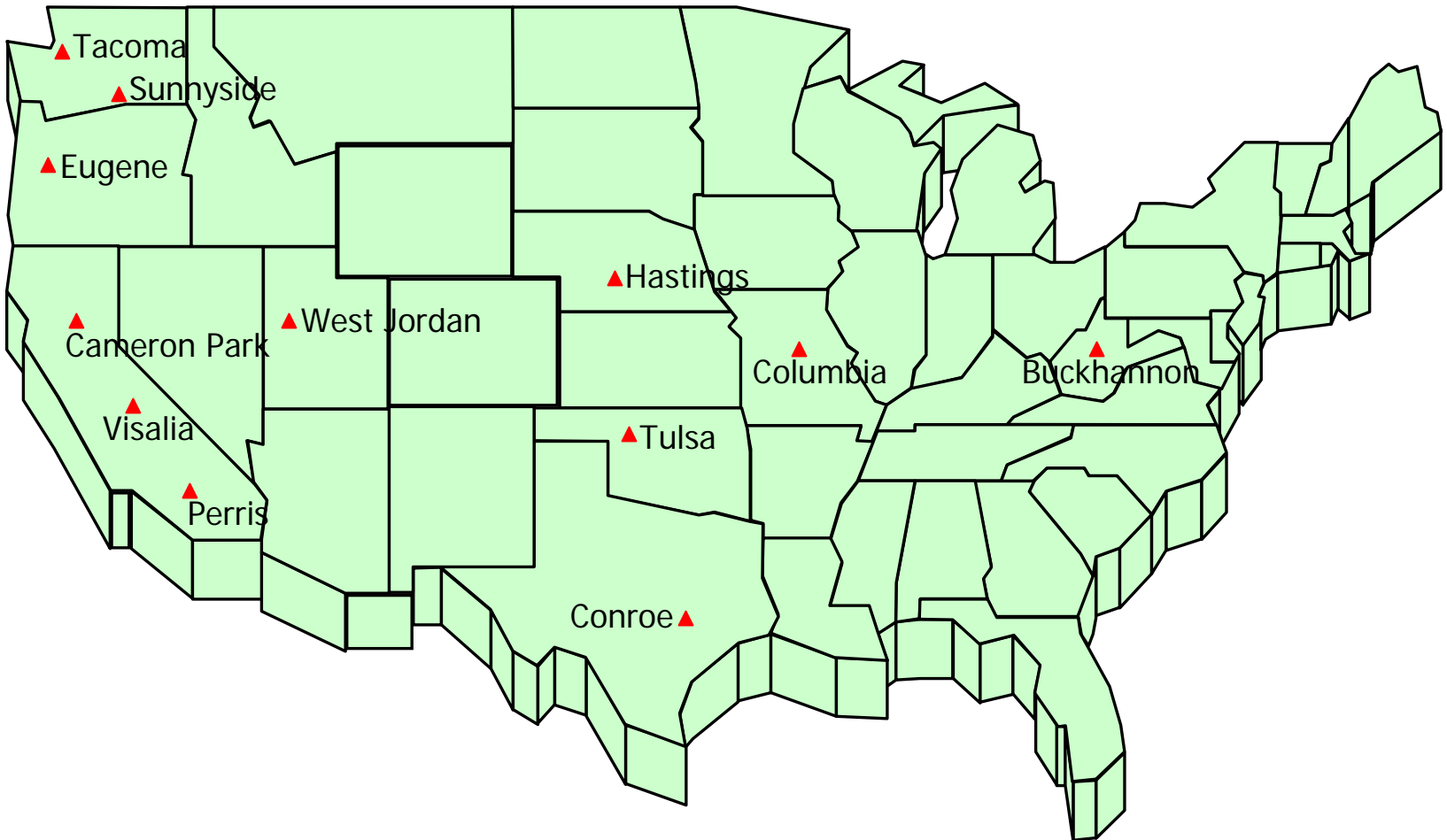
Pipe is Sized, Cut,
Inspected and Crated



Products Shipped



Company Overview – Manufacturing Facilities



PW Eagle has 12 manufacturing facilities across the United States

Sales and Distribution Network

- Established national sales network creates a competitive advantage
- Complete line of products and customer service attracts leading distributors
- Longstanding customer relationships (many over 25 years)

	Irrigation	Waterworks	Electrical	Energy	Total
General Sales Managers	1	1	1	1	4
Assistant and Regional Sales Managers	2	3	3	4	12
Company Area Sales Representatives	9	14	0	0	23
Independent Sales Representatives	12	8	10	23	53
Customer Service	17	17	17	17	17
Total	41	43	31	45	109

Operational Focus - Actions

- 2003 restructuring
 - Acquired ETI
 - Integrated operations of ETI and PW pipe units
 - Achieved \$4 million in annual savings
 - No reduction in capacity

- Acquired Uponor Aldyl in September 2004
 - Gained scale and diversification in PE business

- Greatly improved inventory management
 - Focus on inventory levels
 - Substantially less inventory than peak levels in 2003
 - Current inventories are tightly managed

- Continue to leverage model
 - Modest capital expenditures can deliver attractive returns
 - Leverage economies of scale and pricing power with suppliers
 - Drive further cost reductions

- Integrate PE business operations
 - Finance and IT complete
 - Sales and marketing complete
 - Some cost savings, but improved decisions / performance are key benefits

Financials – Income Statement

	<u>2004</u> ⁽¹⁾	<u>2005</u> ⁽²⁾	<u>Q1 2006</u>
<i>Net Sales</i>	\$475.0	\$694.2	\$181.9
<i>Gross Profit</i>	70.1	159.4	54.0
<i>Gross Margin</i>	14.8%	23.0%	29.7%
<i>Operating Expenses</i>	58.5	70.6	18.4
<i>Operating income</i>	<u>11.7</u>	<u>88.8</u>	<u>35.5</u>
<i>Net income (loss)</i>	(\$5.5)	\$47.0	\$21.0
<i>EPS</i>	(\$0.78)	\$4.65	\$1.73
<i>Adjustments to reconcile EBITDA</i>			
<i>Minority Int./ Equity in Sub.</i>	(0.5)	0.2	--
<i>Interest</i>	20.7	27.1	1.1
<i>Depreciation & Amortization</i>	11.5	12.6	3.1
<i>Taxes</i>	<u>(3.1)</u>	<u>32.9</u>	<u>13.4</u>
<i>EBITDA</i>	\$23.1	\$119.8	\$38.6

(1) Reflects acquisition of Uponor Aldyl Company in September 2004.

(2) Includes \$18.4 million gain on sale of WL Plastics in November 2005.

Financials - Balance Sheet

Dollars in Millions

03/31/06

ASSETS

<i>Cash & ST Investments</i>	5.0
<i>Receivables</i>	89.4
<i>Inventories</i>	81.3
<i>Other Current Assets</i>	4.1
<i>Total Current Assets</i>	<u>179.8</u>
<i>Net Property, Plant & Eqpmt</i>	53.9
<i>Other long-term assets</i>	16.4
TOTAL ASSETS	<u><u>250.1</u></u>

LIABILITIES

<i>Revolving Credit Agreement</i>	18.9
<i>Accounts Payable & Accrued Liabilities</i>	97.6
<i>Total Current Liabilities</i>	<u>116.5</u>
<i>Capital Leases</i>	19.5
<i>Other Non-Current Liabilities</i>	4.6
<i>Total Liabilities</i>	<u>140.6</u>
<i>Total Equity</i>	109.5
TOTAL LIABILITIES AND EQUITY	<u><u>250.1</u></u>

Summary

- Leading company in an industry with solid growth opportunities
- Experienced management team with strong track record
- Positive demand and macro trends in end-markets
 - Relatively strong levels of construction
 - Costs of alternative products
 - Rebuild of waterworks infrastructure
- Strong momentum in both revenue and EBITDA
- De-leveraged balance sheet provides good platform for implementation of strategic alternatives
- Recent election of new Board of Directors with focus on evaluating strategic alternatives & creating shareholder value