

January 15, 2013



Pacific Ethanol Closes Transactions to Improve Plant Debt Position and Increase Plant Ownership to 80%

SACRAMENTO, Calif., Jan. 15, 2013 (GLOBE NEWSWIRE) --**Pacific Ethanol, Inc.** (Nasdaq:PEIX), the leading marketer and producer of low-carbon renewable fuels in the Western United States, has closed agreements to increase its ownership interest in the Pacific Ethanol plants and improve their debt position.

Under the terms of the agreements, the company purchased \$21.54 million of secured term debt of the Pacific Ethanol plants and extended the maturity date of the purchased term debt from June 2013 to June 2016. The transactions also extend the maturity of the Pacific Ethanol plants' \$10.0 million secured revolving credit facility from June 2013 to June 2015.

The company also purchased an additional 13% ownership interest in New PE Holdco LLC, the entity that owns the Pacific Ethanol plants, for \$1.3 million, increasing the company's equity ownership to 80%. To fund these transactions, the company issued \$22.2 million of senior unsecured notes, and five-year warrants to purchase an aggregate of 25.6 million shares of the company's common stock.

Lazard Capital Markets LLC served as the sole placement agent in the current transaction. Further details are available in the company's Form 8-K to be filed today with the Securities and Exchange Commission.

About Pacific Ethanol, Inc.

Pacific Ethanol, Inc. (Nasdaq:PEIX) is the leading marketer and producer of low-carbon renewable fuels in the Western United States. Pacific Ethanol also sells co-products, including wet distillers grain ("WDG"), a nutritional animal feed. Serving integrated oil companies and gasoline marketers who blend ethanol into gasoline, Pacific Ethanol provides transportation, storage and delivery of ethanol through third-party service providers in the Western United States, primarily in California, Arizona, Nevada, Utah, Oregon, Colorado, Idaho and Washington. Pacific Ethanol has an 80% ownership interest in New PE Holdco LLC, the owner of four ethanol production facilities. Pacific Ethanol operates and manages the four ethanol production facilities, which have a combined annual production capacity of 200 million gallons. The facilities in operation are located in Boardman, Oregon, Burley, Idaho and Stockton, California, and one idled facility is located in Madera, California. The facilities are near their respective fuel and feed customers, offering significant timing, transportation cost and logistical advantages. Pacific Ethanol's subsidiary, Kinergy Marketing LLC, markets ethanol from Pacific Ethanol's managed plants and from other third-party production facilities, and another subsidiary, Pacific Ag. Products, LLC, markets WDG. For more information please visit www.pacificethanol.net.

The Pacific Ethanol, Inc. logo is available at
<https://www.globenewswire.com/newsroom/prs/?pkgid=5940>

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Source: Pacific Ethanol, Inc.