

April 1, 2013



Pacific Ethanol Closes Financing Transaction to Reduce Plant Debt and Acquire Additional Plant Ownership Interest

SACRAMENTO, Calif., April 1, 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 the first tranche of a financing transaction under which the company:

- *Issued \$6.0 million in Series A subordinated convertible notes*
- *Purchased \$2.6 million of Plant debt originally due in June 2013, now extended to June 2016*
- *Acquired an additional 3% Plant ownership interest, increasing its ownership to over 83%*
- *Purchased and retired \$3.5 million of Plant debt maturing in 2016*
- *Increased a Plant credit facility by \$5.0 million*

A second tranche under the financing agreements of \$8.0 million of Series B subordinated convertible notes is scheduled to close in June 2013, subject to the satisfaction of certain closing conditions, including stockholder approval of the financing transaction.

Neil Koehler, the company's president and CEO, stated: "With the closing of these transactions, we have made significant improvements to the company's balance sheet by reducing plant debt and extending debt maturities, reducing overall interest costs and increasing our ownership interest in the Pacific Ethanol Plants to over 83%. Upon completion of the second tranche of the financing, we will have eliminated our Plant debt due in 2013, providing a more stable capital structure for the long term growth of our company."

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 nutritious 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 83% 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>

Safe Harbor Statement under the Private Securities Litigation Reform Act of 1995

With the exception of historical information, the matters discussed in this press release including, without limitation, the ability of Pacific Ethanol to continue as the leading marketer and producer of low-carbon renewable fuels in the Western United States; the ability of Pacific Ethanol to timely close the second tranche of its note offering and related transactions, which are subject to numerous closing conditions, including stockholder approval of the financing transaction, on the proposed terms and conditions; and the effects of the financing and related transactions are forward-looking statements and considerations that involve a number of risks and uncertainties. The actual future results of Pacific Ethanol could differ from those statements. Factors that could cause or contribute to such differences include, but are not limited to, adverse economic and market conditions; changes in governmental regulations and policies; and other events, factors and risks previously and from time to time disclosed in Pacific Ethanol's filings with the Securities and Exchange Commission including, specifically, those factors set forth in the "Risk Factors" section contained in Pacific Ethanol's Form 10-K to be filed with the Securities and Exchange Commission later today, April 1, 2013.

CONTACT: Company IR Contact:
Pacific Ethanol, Inc.
916-403-2755
866-508-4969
Investorrelations@pacificethanol.net

IR Agency Contact:
Becky Herrick
LHA
415-433-3777

Media Contact:
Paul Koehler
Pacific Ethanol, Inc.
916-403-2790
paulk@pacificethanol.net

Source: Pacific Ethanol, Inc.