
Formosa Plastics Corporation



台灣塑膠工業股份有限公司

2018 Q2

Operation Performance Highlights

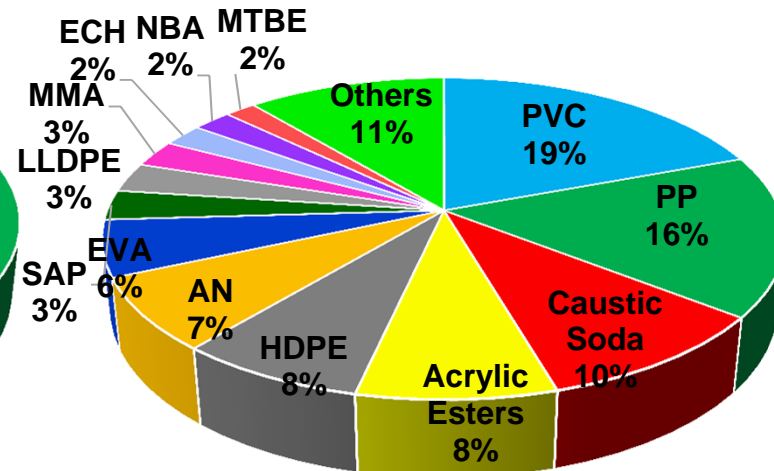
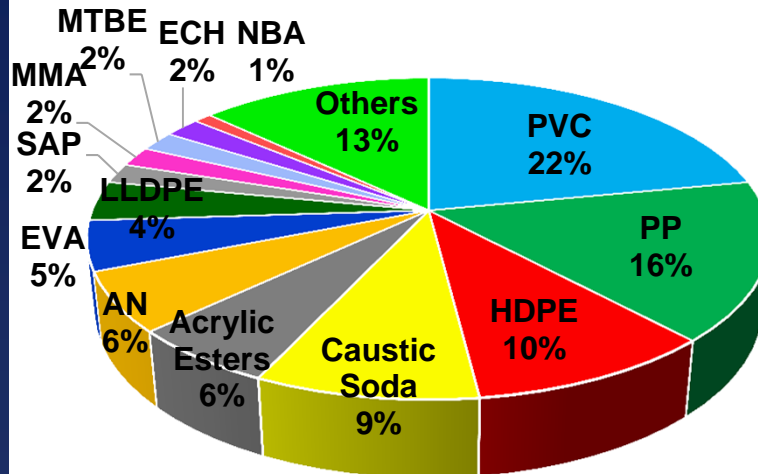


June 30, 2018

Revenue Breakdown by Product (IFRSs consolidated)

2017 Q2 Net Sales:
NT\$52.4 billion

2018 Q2 Net Sales:
NT\$62.5 billion



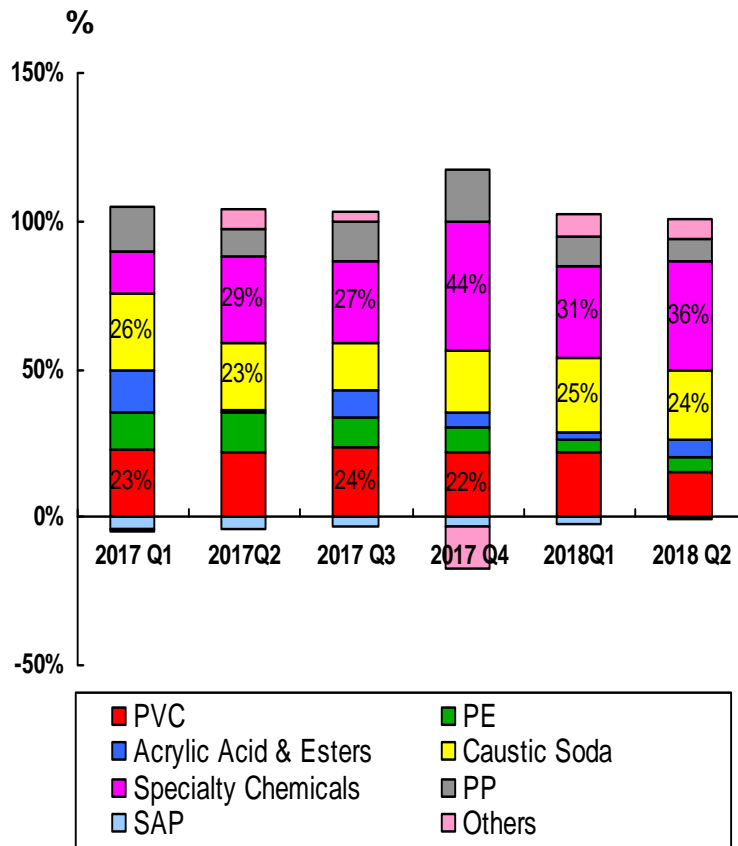
- PVC accounted for 19% and 22% of revenue in 2018 Q2 and 2017 Q2 respectively
- PE (HDPE/EVA/LLDPE) accounted for 17% and 19% of revenue in 2018 Q2 and 2017 Q2 respectively
- Specialty Chemicals (AN/MMA/ECH/MTBE) accounted for 14% and 12% of revenue in 2018 Q2 and 2017 Q2 respectively
- Revenue in 2018 Q2 rose 19.3% from 2017 Q2, mainly due to increasing ASP of all products, and increasing sales volume of PVC, AE, AN, PP and EVA



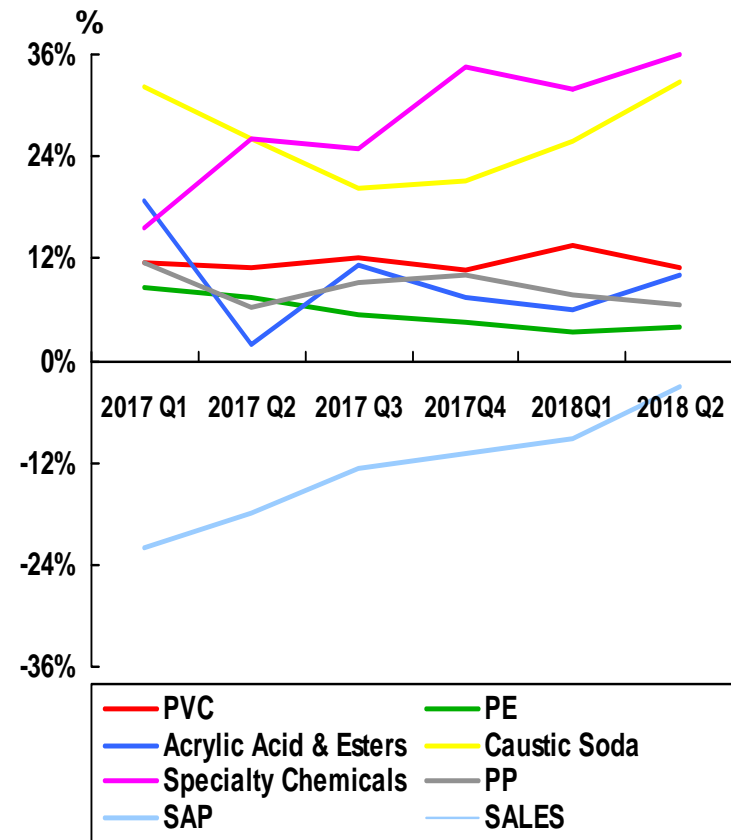
Operating Profits Breakdown *by Product*

Specialty Chemicals & Caustic Soda are the key profit contributors in 2018 Q2

Operating Profits



Operating Margins



Note : Specialty Chemicals include AN, MTBE, MMA and ECH

Capacity Expansion Plan

1. Ningbo , China (Total investment US\$ 811 mn)

Main Products	Current Capacity (p.a.)	Expansion (MT/p.a.)	Completion Date	Capacity Increase (%)
PP	474KMT	48KMT	2019Q1	10.13
Propylene*	-	600KMT	2021Q2	100.00

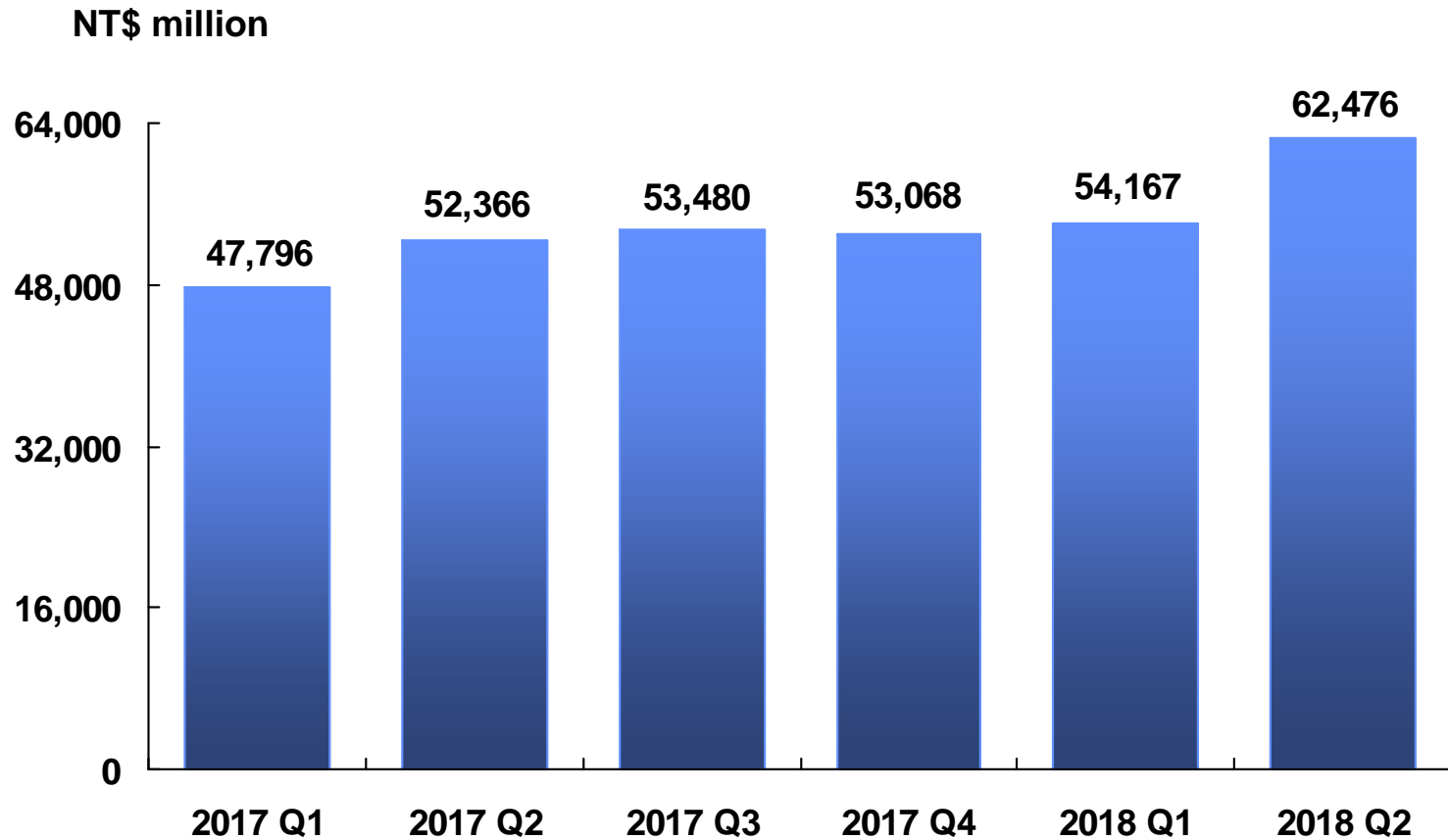
*Note: PDH (propane dehydrogenation) process.

2. Texas, USA (Total investment US\$ 540 mn)

Main Products	Current Capacity (p.a.)	Expansion (MT/p.a.)	Completion Date	Capacity Increase (%)
HDPE	-	400KMT	2019Q1	-

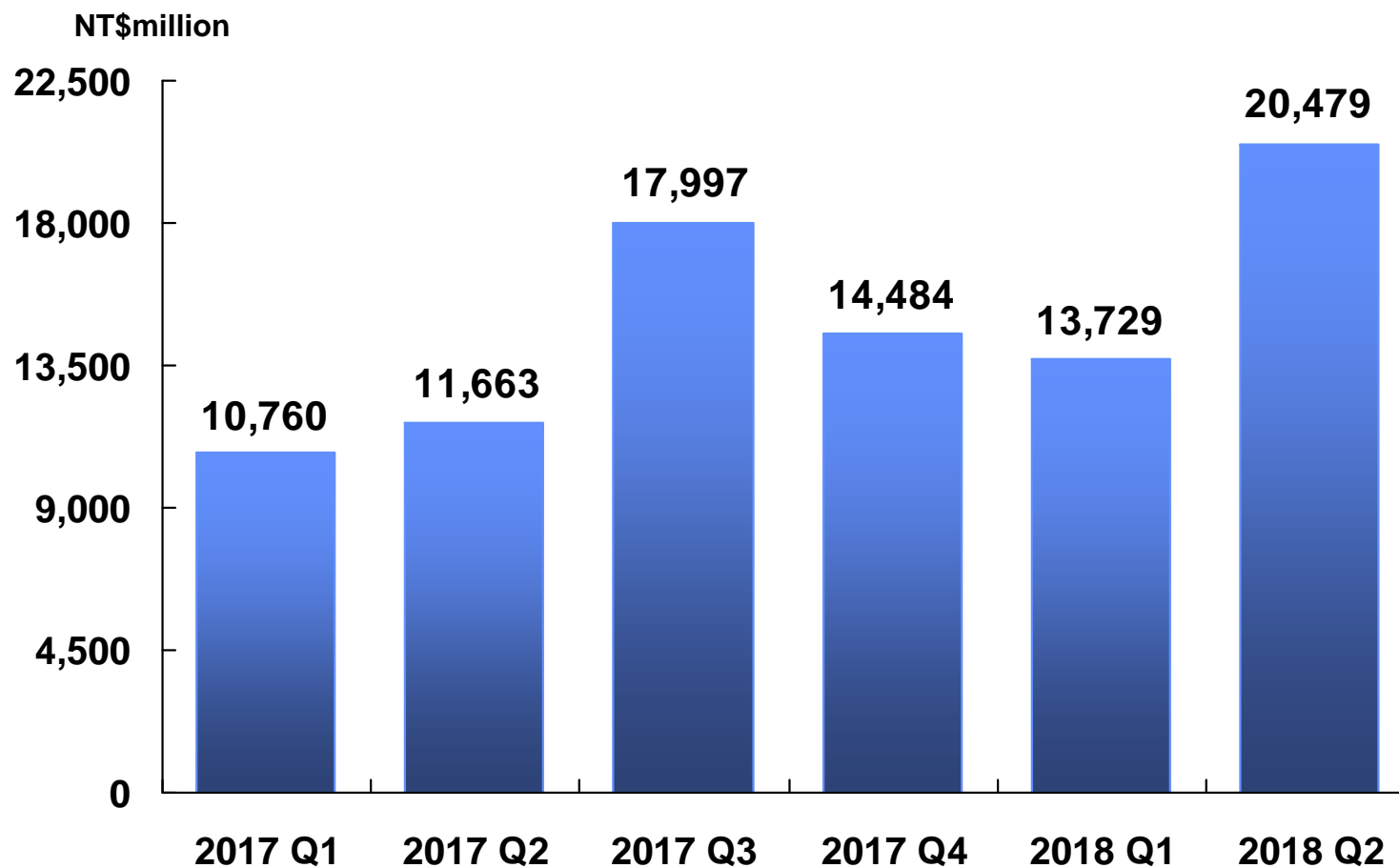


Consolidated Revenue (IFRSs)



- Revenue rose 15.3% in 2018 Q2 from 2018 Q1 mainly due to higher ASP of Caustic Soda, AN and MMA

Pre-tax Income



- Pre-tax income rose 49.2% in 2018 Q2 from 2018 Q1 mainly due to (1) higher investment income from FPCC and FPC-USA (2) cash dividends from Nanya Tech in 2018 Q2