
Formosa Plastics Corporation



台灣塑膠工業股份有限公司

2017 Q2

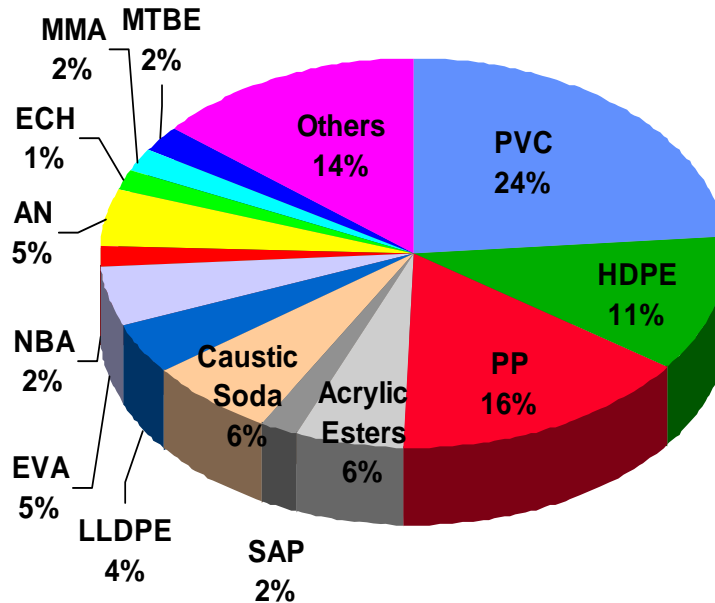
Operation Performance Highlights



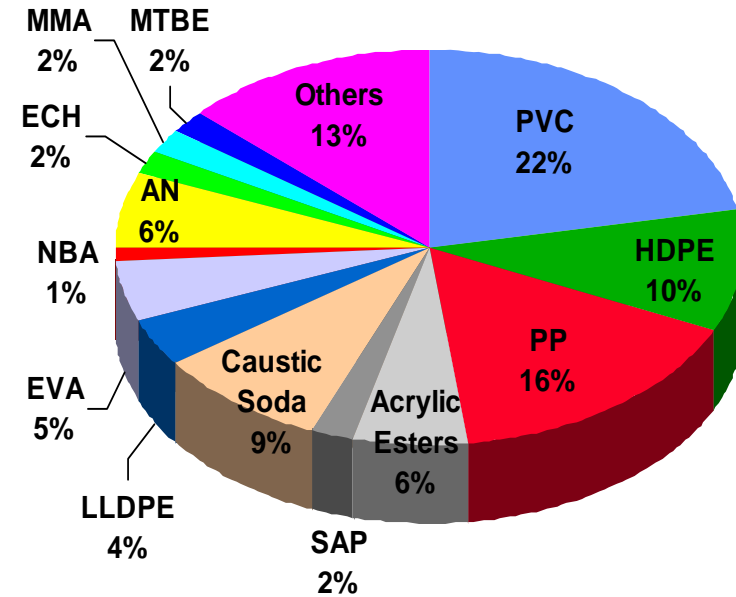
June 30, 2017

Revenue Breakdown by Product (IFRSs consolidated)

**2016 Q2 Net Sales:
NT\$44.8 billion**



**2017 Q2 Net Sales:
NT\$52.4 billion**



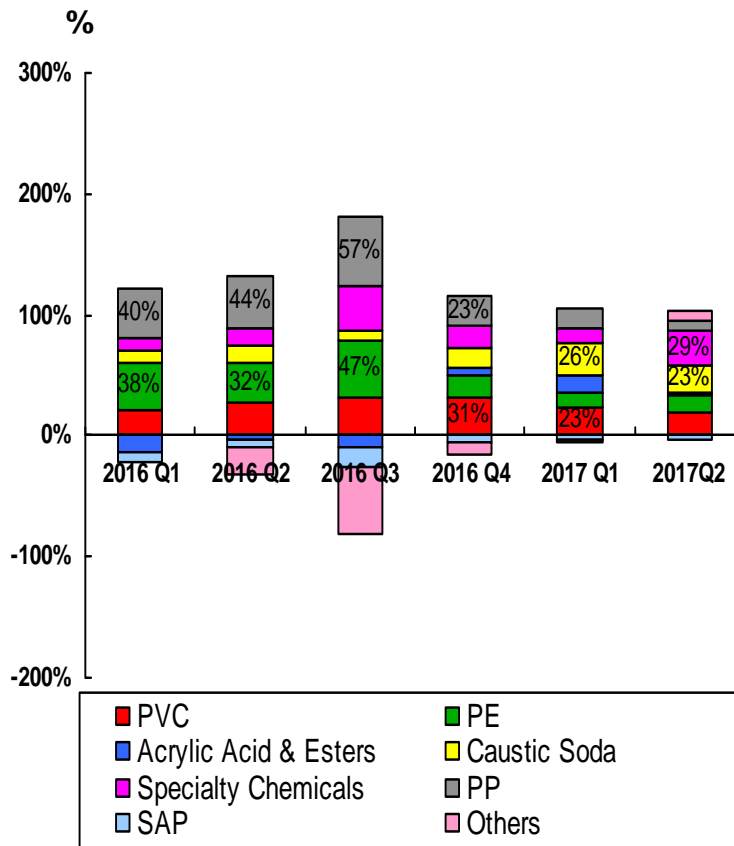
- PVC accounted for 22% and 24% of revenue in 2017 Q2 and 2016 Q2 respectively
- PE (HDPE/EVA/LLDPE) accounted for 19% and 20% of revenue in 2017 Q2 and 2016 Q2 respectively
- Specialty Chemicals (AN/MMA/ECH/MTBE) accounted for 12% and 10% of revenue in 2017 Q2 and 2016 Q2 respectively
- Revenue in 2017 Q2 rose 16.9% from 2016 Q2, mainly due to increasing ASP of all products except PE/EVA, ECH and PP, and increasing sales volume of all products except NBA, MTBE and MMA



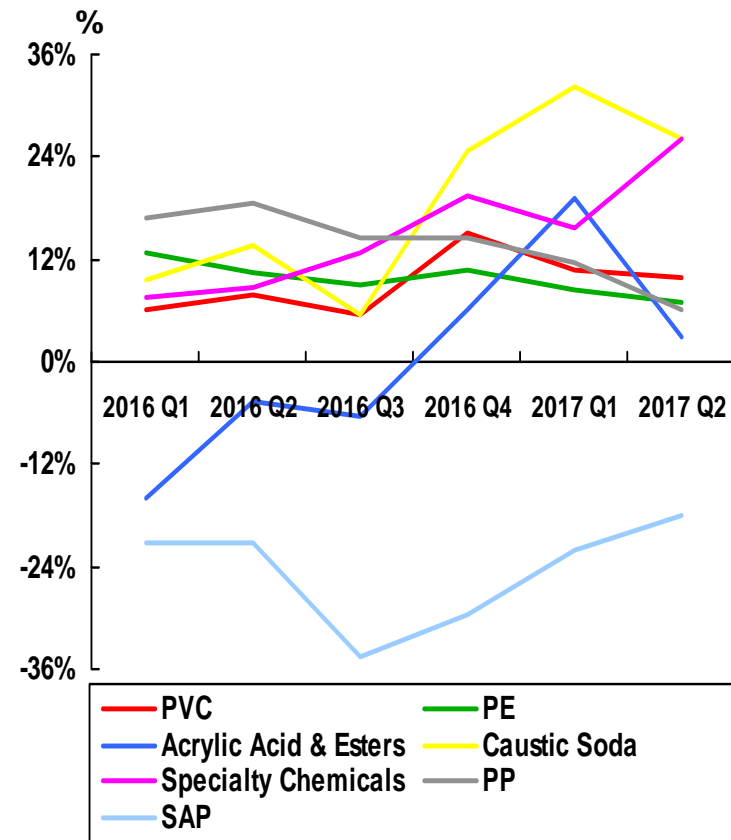
Operating Profits Breakdown *by Product*

Specialty Chemicals & Caustic Soda are the key profit contributors in 2017 Q2

Operating Profits



Operating Margins



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

Capacity Expansion Plan

1. Ningbo , China (Total investment US\$ 11 mn)

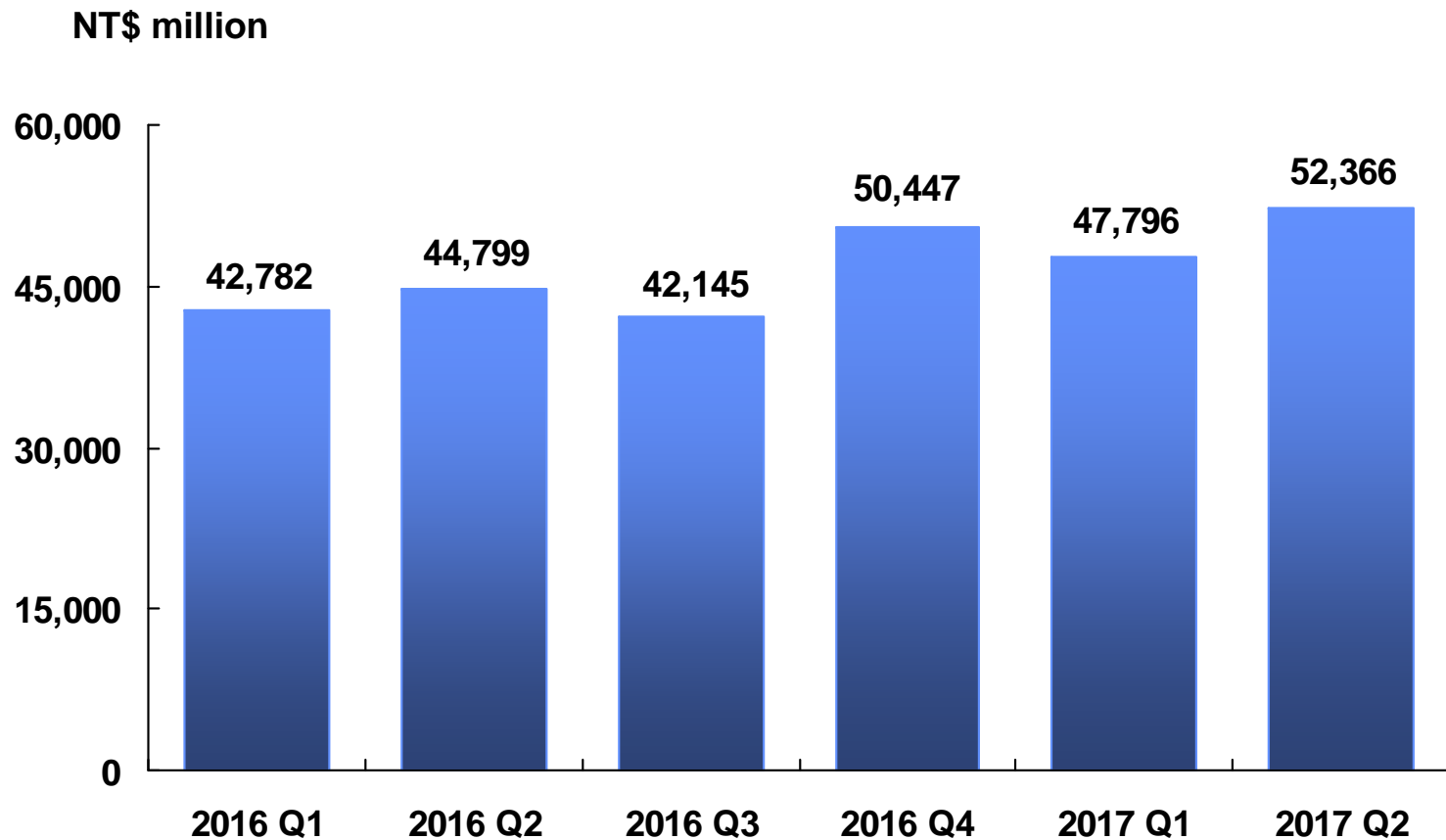
Main Products	Current Capacity (p.a.)	Expansion (MT/p.a.)	Completion Date	Capacity Increase (%)
PP	450KMT	72KMT	2019Q2	16.00

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

Main Products	Current Capacity (p.a.)	Expansion (MT/p.a.)	Completion Date	Capacity Increase (%)
HDPE	-	400KMT	2018Q3	-

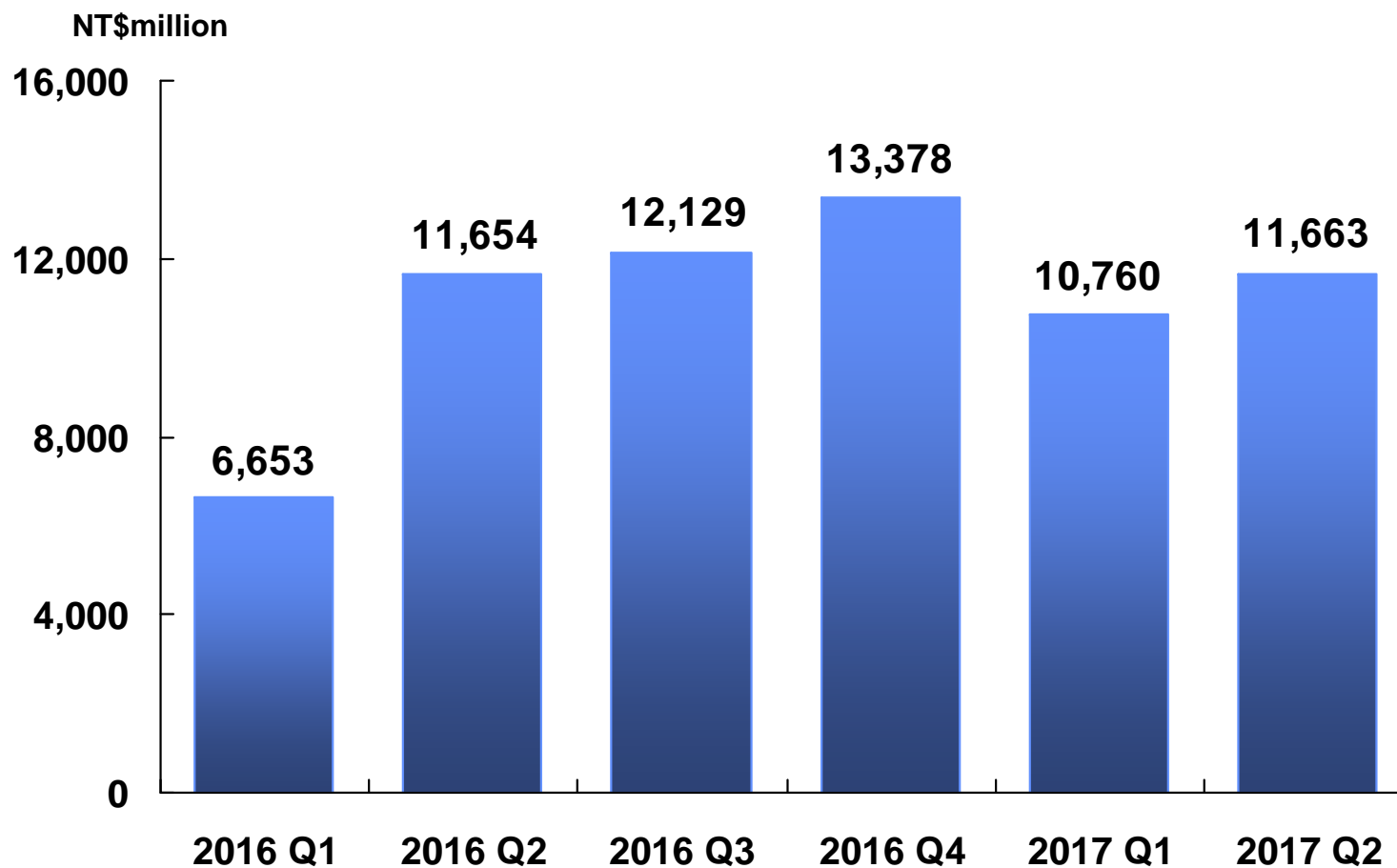


Consolidated Revenue (IFRSs)



- Revenue rose 9.6% in 2017 Q2 from 2017 Q1 mainly due to (1) increasing sales volume given higher utilization rate and (2) lower ASP of PVC, PE, PP and AE

Pre-tax Income



- Pre-tax income rose 8.4% in 2017 Q2 from 2017 Q1 mainly due to (1) lower investment income from FPCC and (2) FX gain given weak NTD/USD exchange rate