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# Formosa Plastics Corporation



台灣塑膠工業股份有限公司

## 2018 Q3

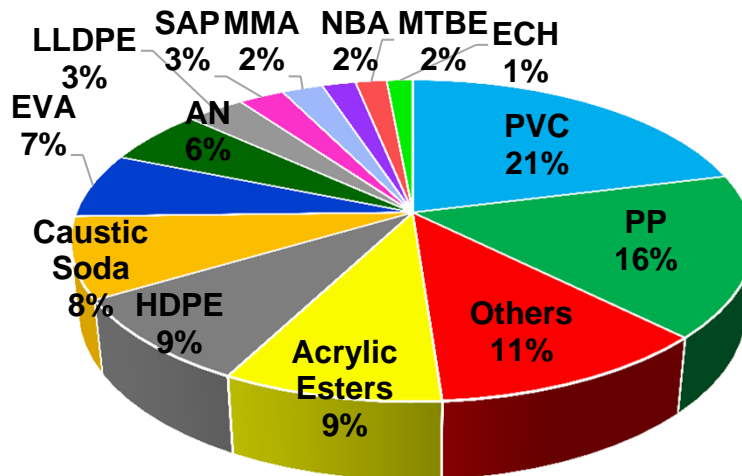
# Operation Performance Highlights



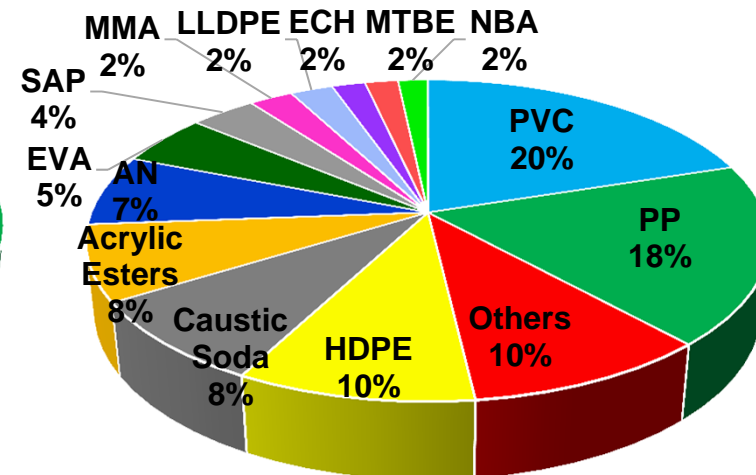
September 30, 2018

# Revenue Breakdown by Product (IFRSs consolidated)

2017 Q3 Net Sales:  
NT\$53.5 billion



2018 Q3 Net Sales:  
NT\$57.4 billion



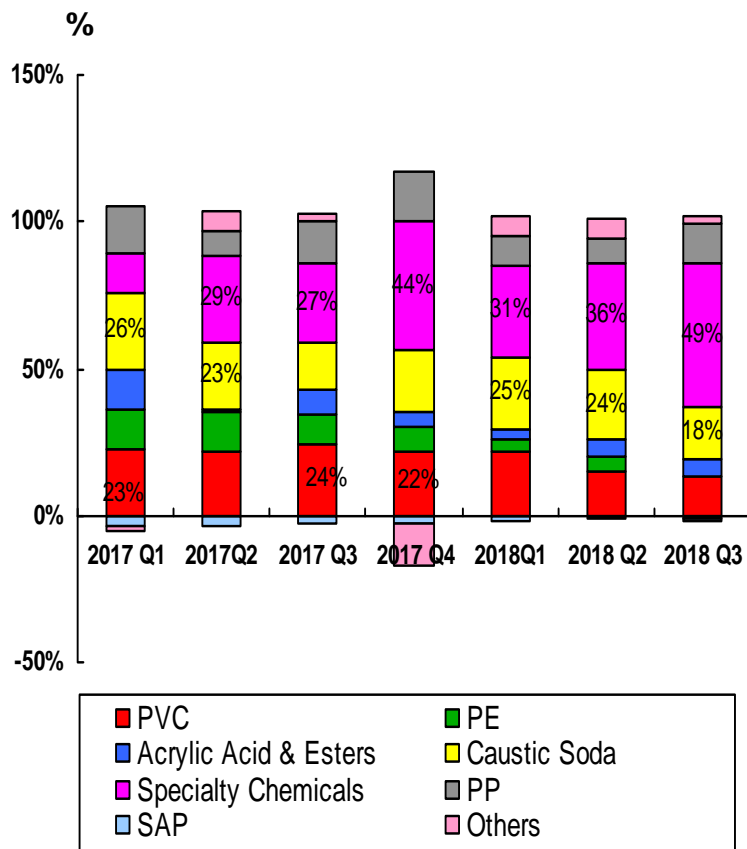
- PVC accounted for 20% and 21% of revenue in 2018 Q3 and 2017 Q3 respectively
- PE (HDPE/EVA/LLDPE) accounted for 17% and 19% of revenue in 2018 Q3 and 2017 Q3 respectively
- Specialty Chemicals (AN/MMA/ECH/MTBE) accounted for 13% and 11% of revenue in 2018 Q3 and 2017 Q3 respectively
- Revenue in 2018 Q3 rose 7.3% from 2017 Q3, mainly due to increasing ASP of all products, and increasing sales volume of SAP and PP



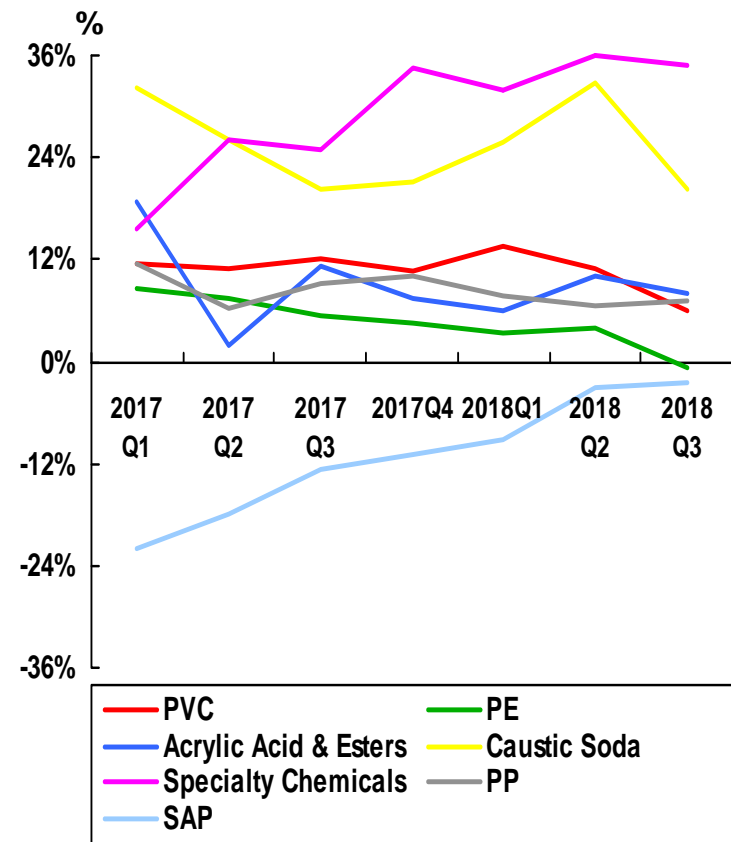
# Operating Profits Breakdown *by Product*

**Specialty Chemicals & Caustic Soda are the key profit contributors in 2018 Q3**

**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

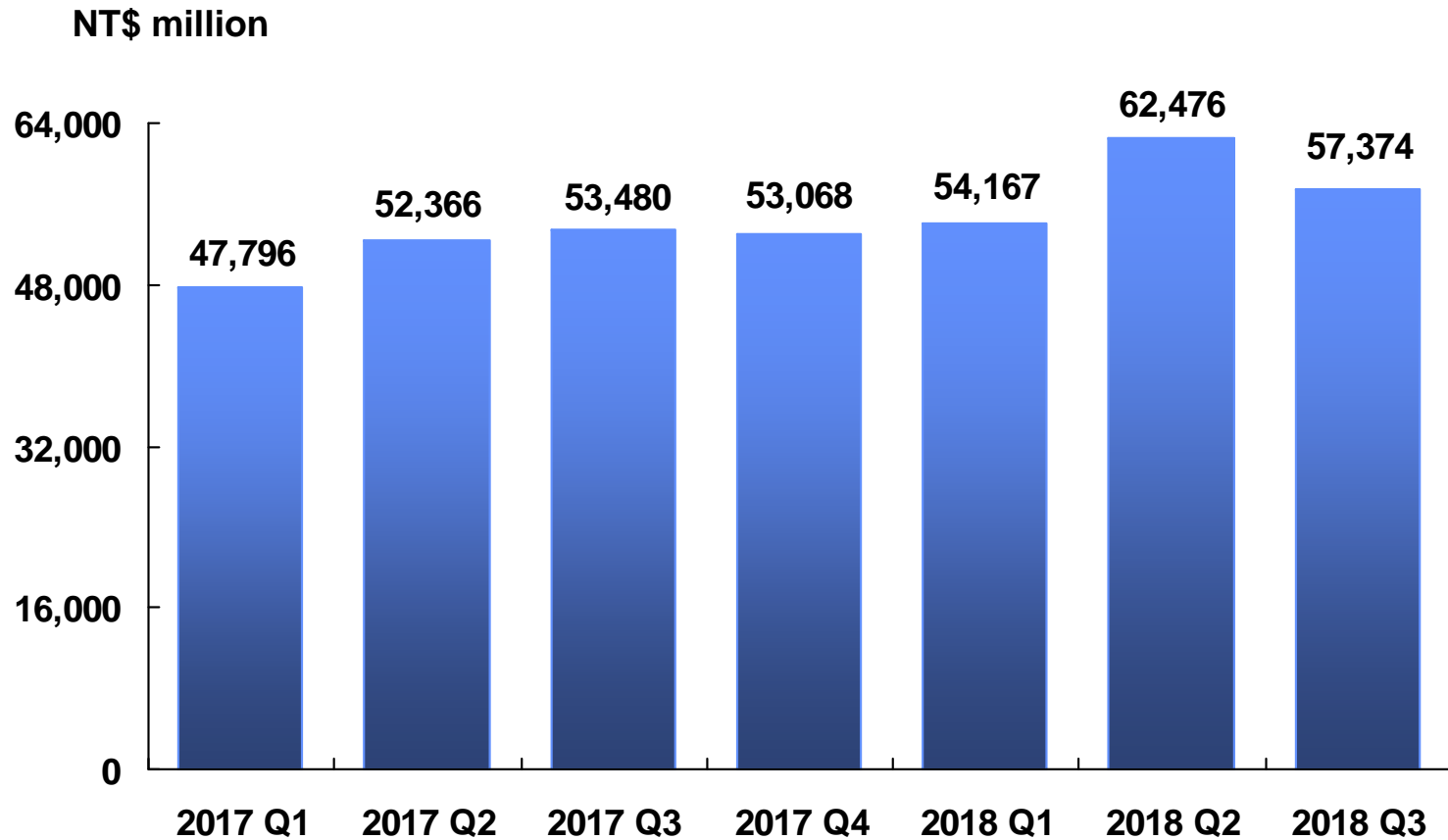
\*Note: PDH (propane dehydrogenation) process.

## 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	-

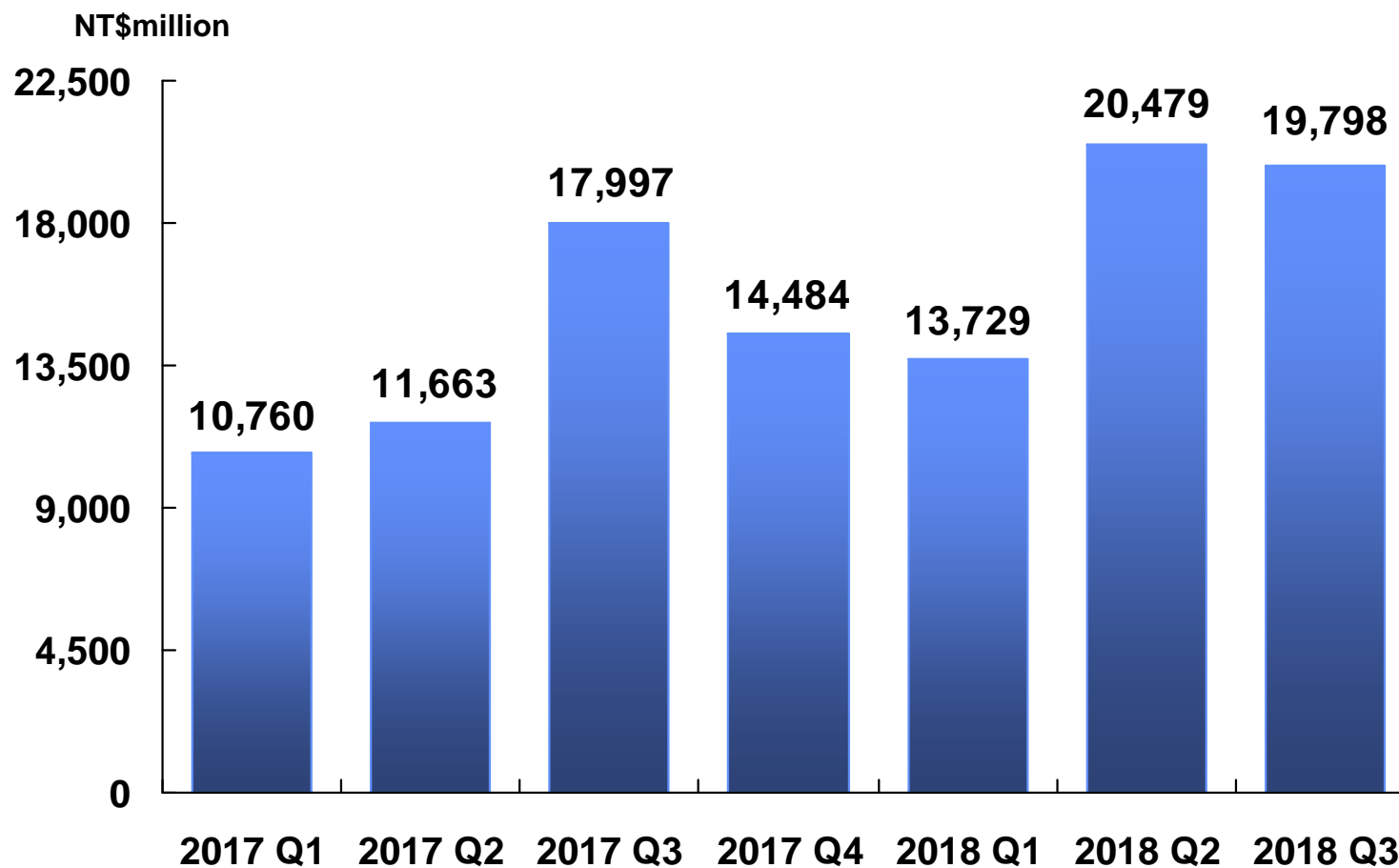


# Consolidated Revenue (IFRSs)



- Revenue fell 8.2% in 2018 Q3 from 2018 Q2 mainly due to maintenance shutdown of PVC, Caustic Soda, EVA and AN

# Pre-tax Income



- Pre-tax income fell 3.3% in 2018 Q3 from 2018 Q2 mainly due to  
(1) lower investment income from FPCC and FPC-USA  
(2) lower operating income in 2018 Q3 given lower utilization rate