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# Formosa Plastics Corporation



台灣塑膠工業股份有限公司

## 2018 Q4

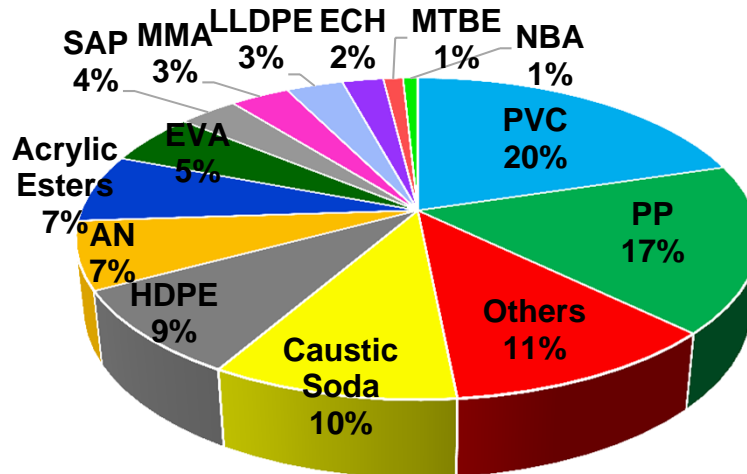
# Operation Performance Highlights



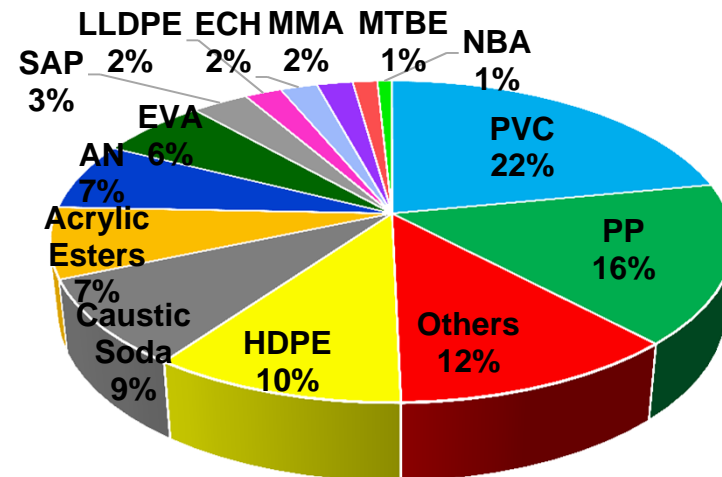
December 31, 2018

# Revenue Breakdown by Product (IFRSs consolidated)

2017 Q4 Net Sales:  
NT\$53.1 billion



2018 Q4 Net Sales:  
NT\$56.4 billion



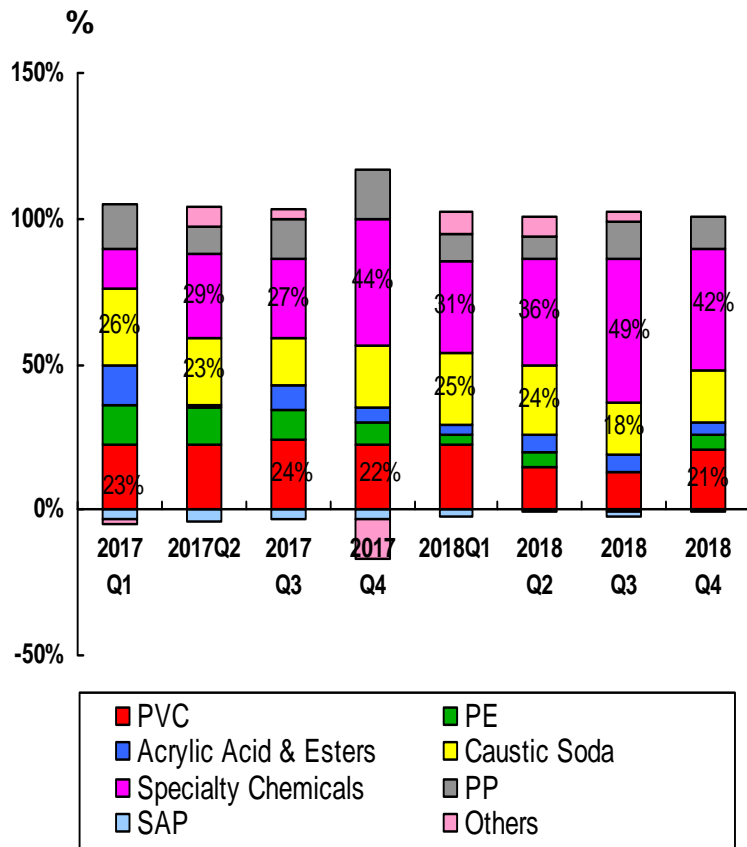
- PVC accounted for 22% and 20% of revenue in 2018 Q4 and 2017 Q4 respectively
- PE (HDPE/EVA/LLDPE) accounted for 18% and 17% of revenue in 2018 Q4 and 2017 Q4 respectively
- Specialty Chemicals (AN/MMA/ECH/MTBE) accounted for 12% and 13% of revenue in 2018 Q4 and 2017 Q4 respectively
- Revenue in 2018 Q4 rose 6.2% from 2017 Q4, mainly due to increasing ASP of propylene derivatives such as AE, SAP, NBA, AN, ECH and PP, and increasing sales volume of PVC, Caustics Soda, HDPE, EVA and SAP



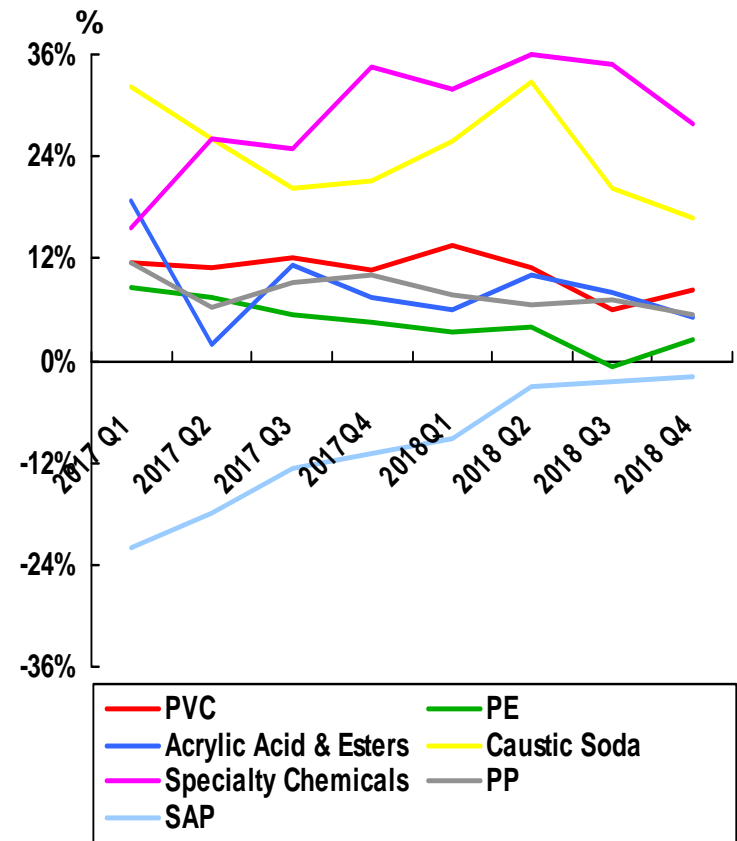
# Operating Profits Breakdown *by Product*

**Specialty Chemicals & PVC are the key profit contributors in 2018 Q4**

**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 Propylene*	492KMT -	30KMT 600KMT	2019Q3 2021Q3	6.1 100.00

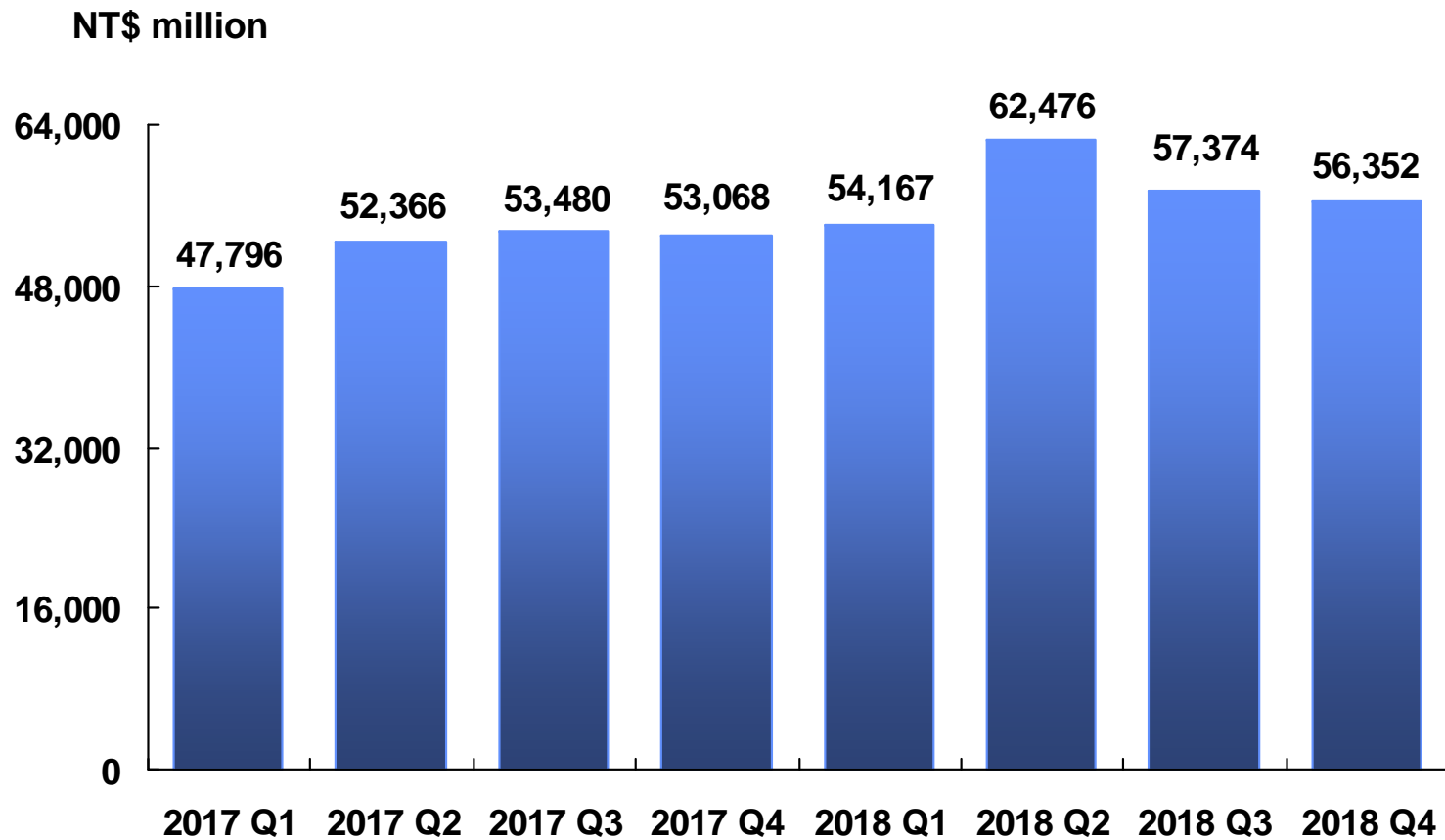
\*Note: PDH (propane dehydrogenation) process.

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

Main Products	Current Capacity (p.a.)	Expansion (MT/p.a.)	Completion Date	Capacity Increase (%)
HDPE	-	400KMT	2019Q2	-

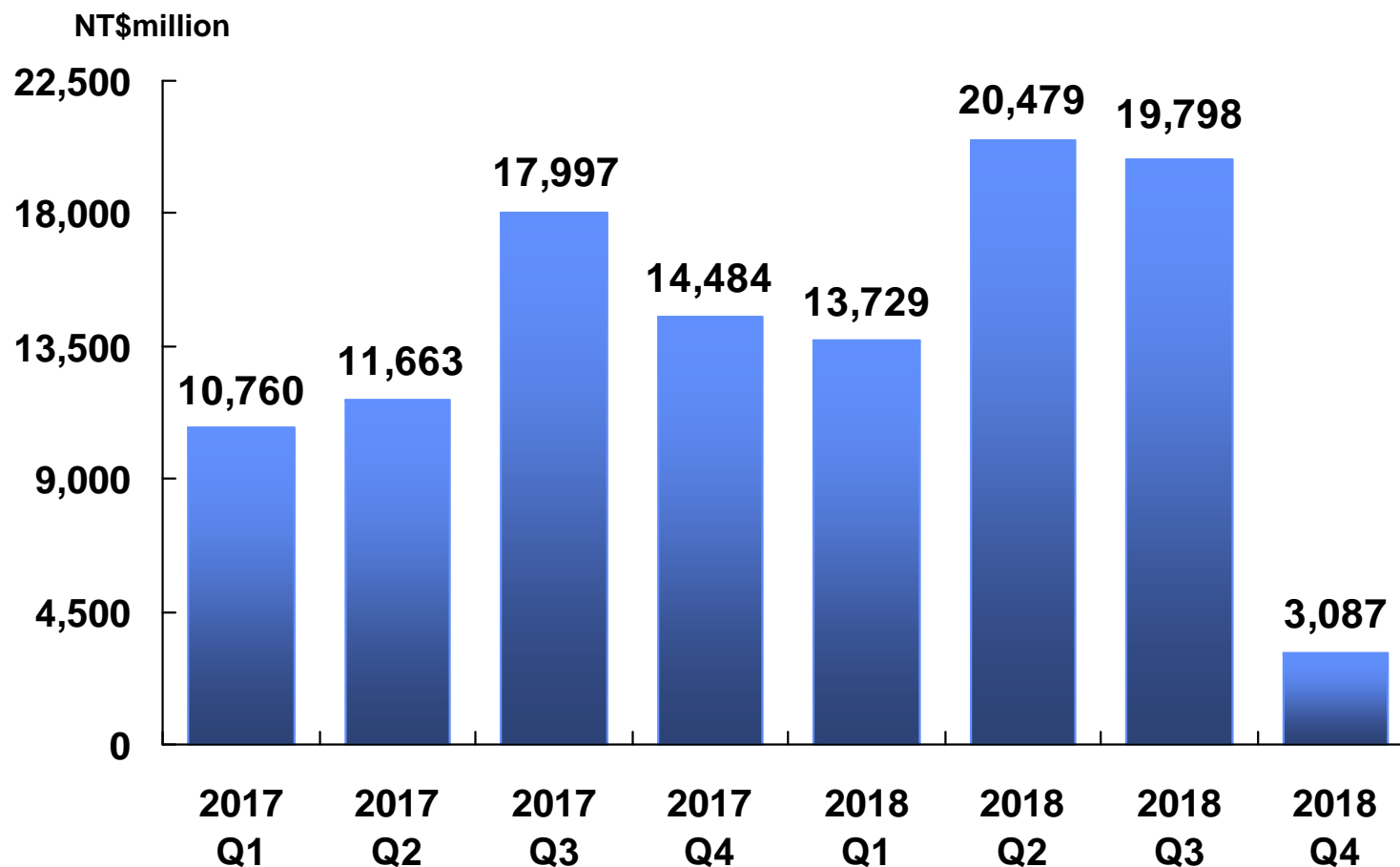


# Consolidated Revenue (IFRSs)



- Revenue fell 1.8% in 2018 Q4 from 2018 Q3 mainly due to decreasing ASP of all products except for AE and SAP

# Pre-tax Income



- Pre-tax income fell 84.4% in 2018 Q4 from 2018 Q3 mainly due to  
(1) lower investment income from FPCC and FPC-USA  
(2) cash dividend in 2018 Q3

