
Formosa Plastics Corporation



台灣塑膠工業股份有限公司

2019 Q1

Operation Performance Highlights

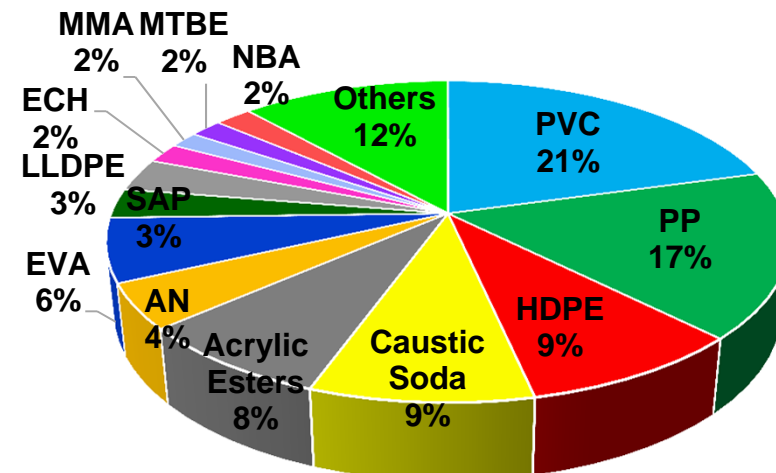
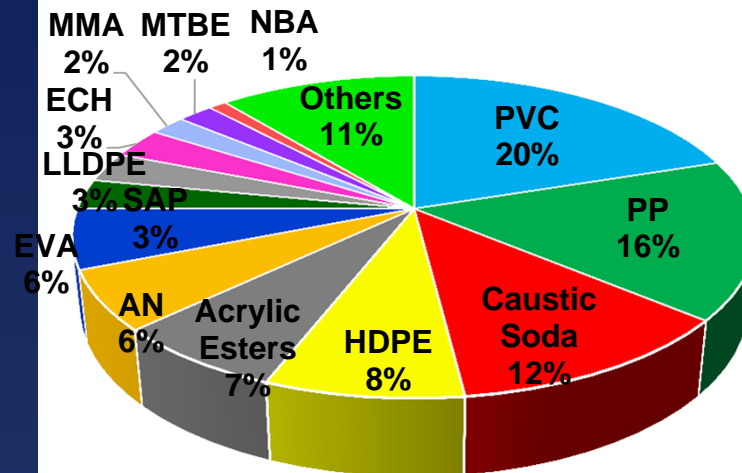


March 31, 2019

Revenue Breakdown by Product (IFRSs consolidated)

2018 Q1 Net Sales:
NT\$54.2 billion

2019 Q1 Net Sales:
NT\$53.0 billion



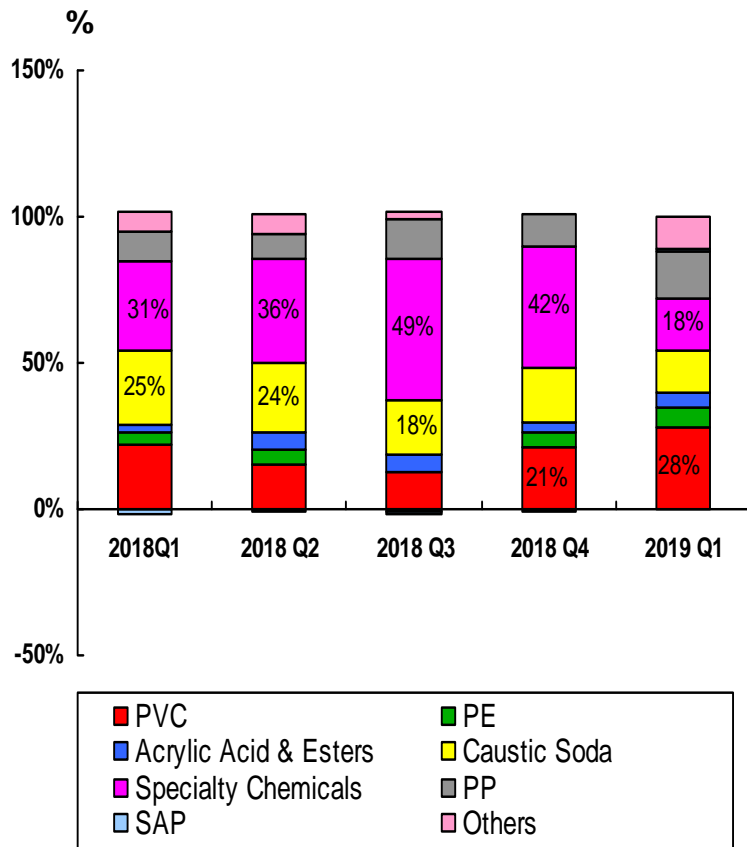
- PVC accounted for 21% and 20% of revenue in 2019 Q1 and 2018 Q1 respectively
- PE (HDPE/EVA/LLDPE) accounted for 18% and 17% of revenue in 2019 Q1 and 2018 Q1 respectively
- Specialty Chemicals (AN/MMA/ECH/MTBE) accounted for 10% and 13% of revenue in 2019 Q1 and 2018 Q1 respectively
- Revenue in 2019 Q1 fell 2.1% from 2018 Q1, mainly due to decreasing ASP of Caustics Soda, HDPE, LLDPE, NBA, AN, MTBE, MMA and ECH, and decreasing sales volume of SAP, MMA and ECH



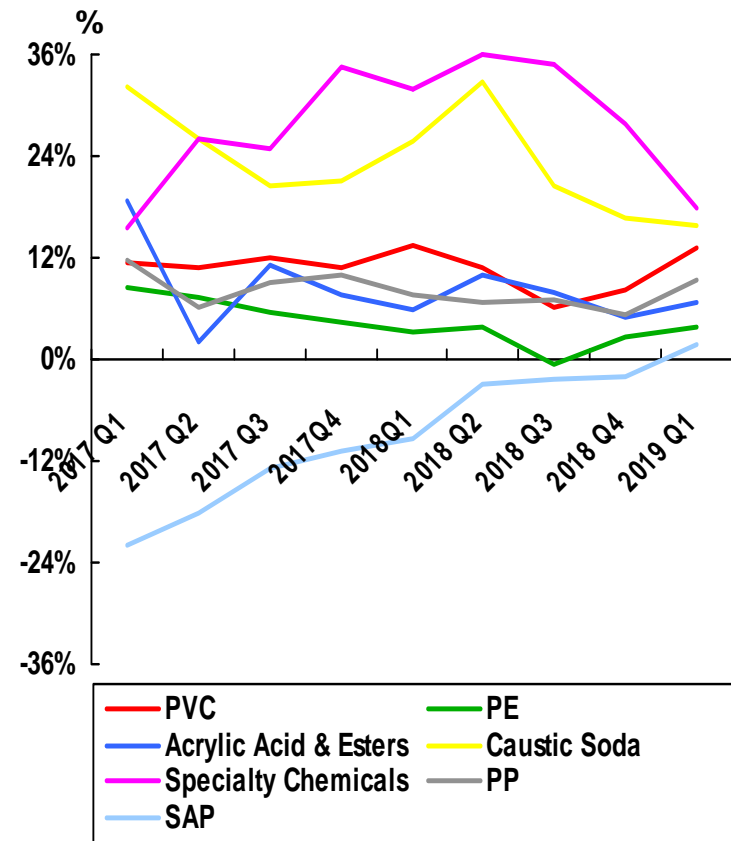
Operating Profits Breakdown *by Product*

PVC & Specialty Chemicals are the key profit contributors in 2019 Q1

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 |

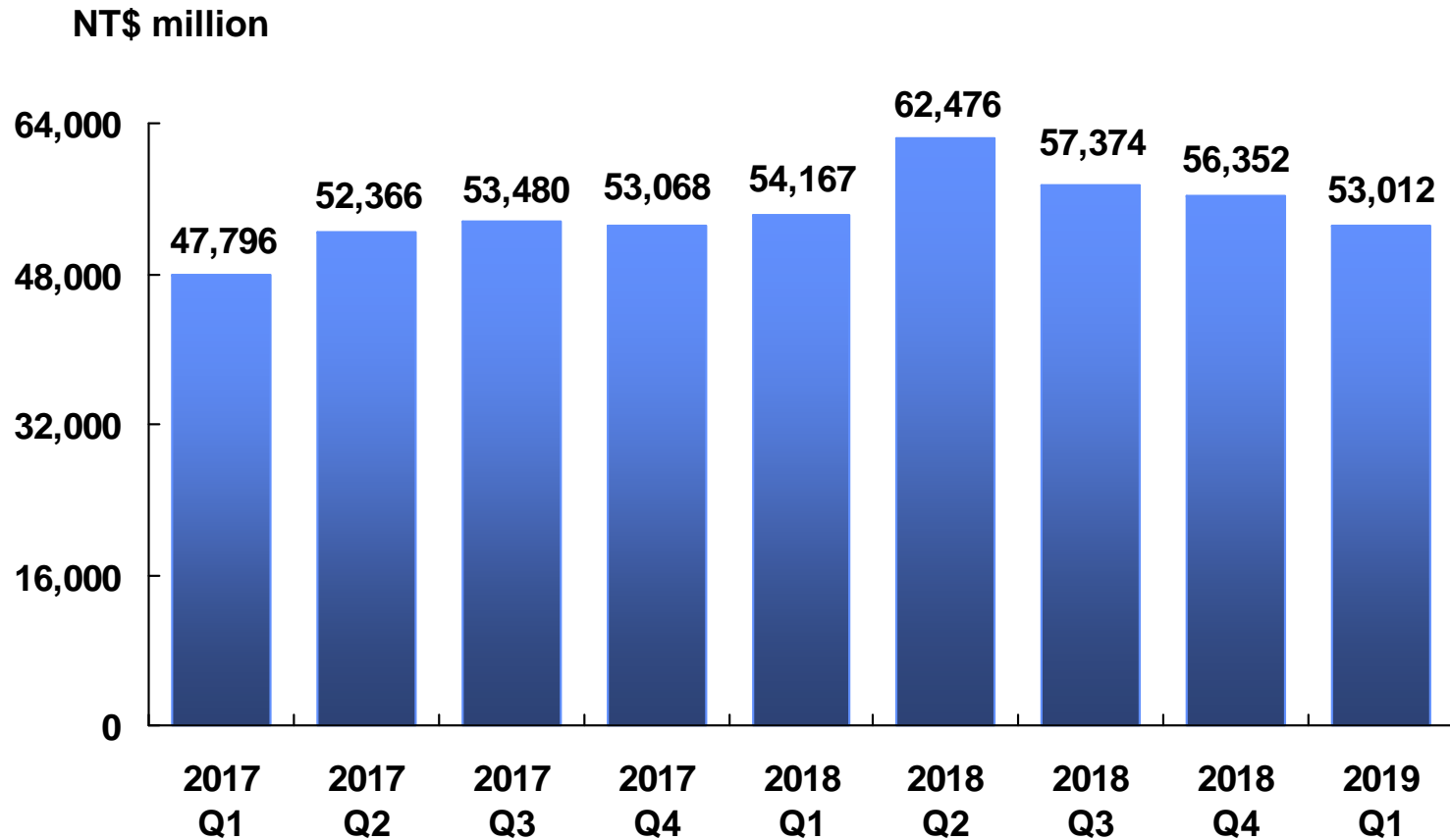
*Note: PDH (propane dehydrogenation) process.

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 | - |

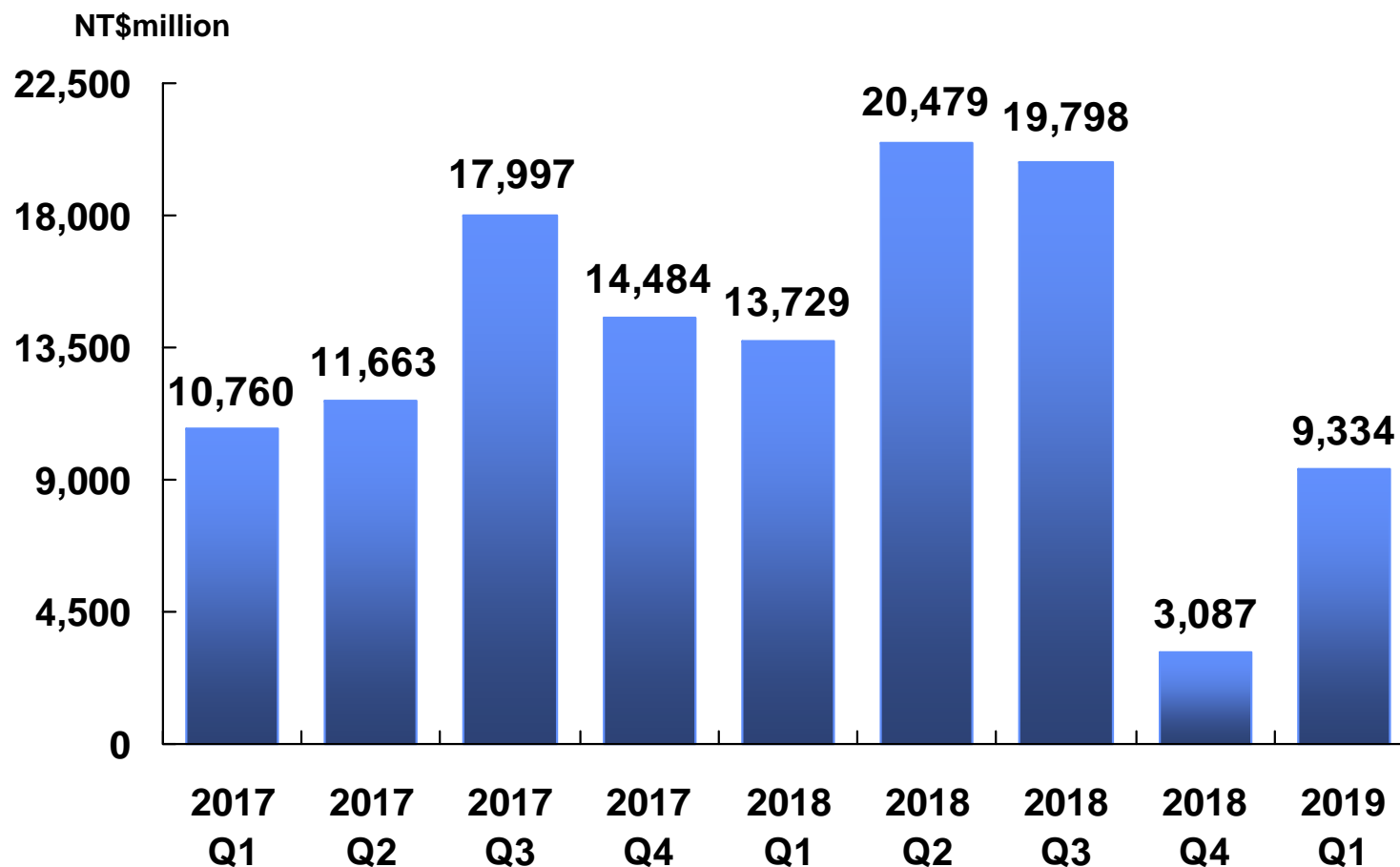


Consolidated Revenue (IFRSs)



- Revenue fell 2.1% in 2019 Q1 from 2018 Q4 mainly due to decreasing ASP of all products except for PVC

Pre-tax Income



- Pre-tax income rose 202.4% in 2019 Q1 from 2018 Q4 mainly due to
(1) higher investment income from FPCC and FPC-USA
(2) assets impairment in 2018 Q4

