
Formosa Plastics Corporation



台灣塑膠工業股份有限公司

2019 Q2

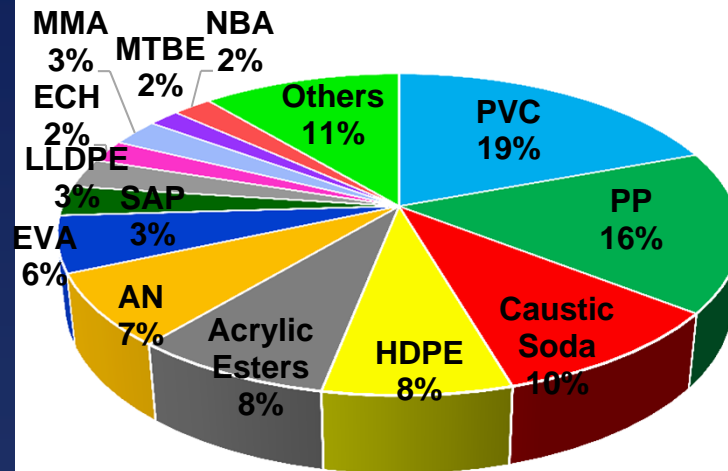
Operation Performance Highlights



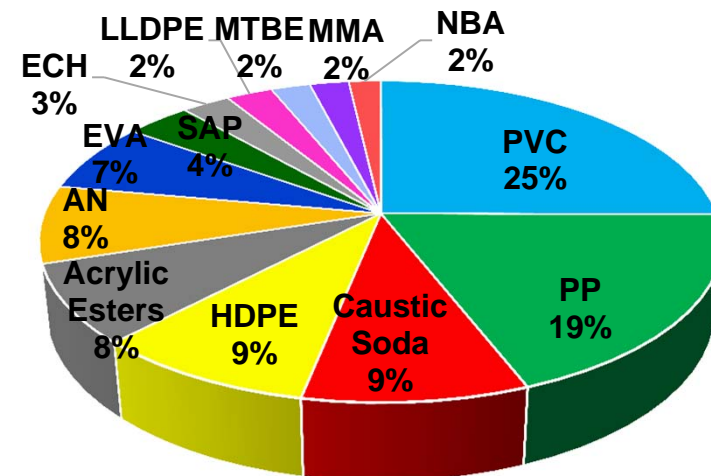
June 30, 2019

Revenue Breakdown by Product (IFRSs consolidated)

2018 Q2 Net Sales:
NT\$62.4 billion



2019 Q2 Net Sales:
NT\$56.5 billion



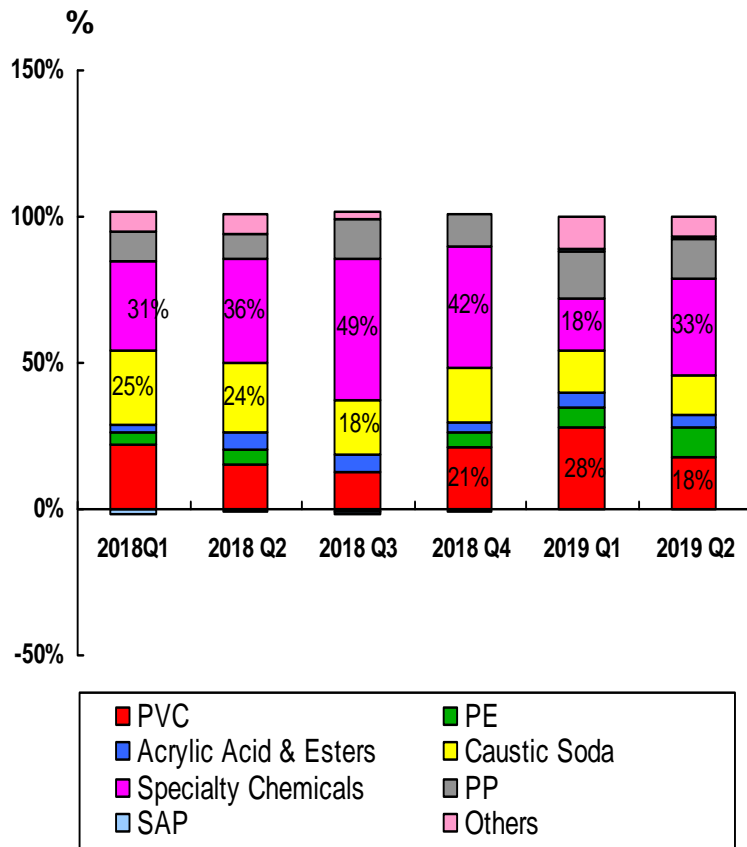
- PVC accounted for 25% and 19% of revenue in 2019 Q2 and 2018 Q2 respectively
- PE (HDPE/EVA/LLDPE) accounted for 18% and 17% of revenue in 2019 Q2 and 2018 Q2 respectively
- Specialty Chemicals (AN/MMA/ECH/MTBE) accounted for 15% and 14% of revenue in 2019 Q2 and 2018 Q2 respectively
- Revenue in 2019 Q2 fell 11.1% from 2018 Q2, mainly due to decreasing ASP of all products except for EVA & SAP and decreasing sales volume of AE, EVA, LLDPE, NBA, SAP, AN, MMA and PP



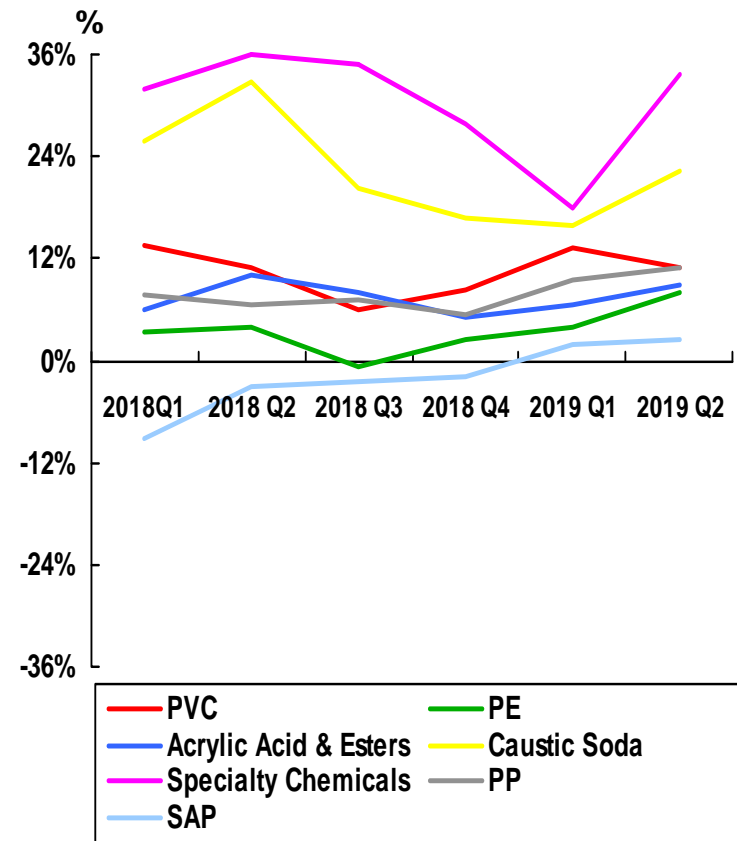
Operating Profits Breakdown *by Product*

PVC & Specialty Chemicals are the key profit contributors in 2019 Q2

Operating Profits



Operating Margins



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

Capacity Expansion Plan

1. Ningbo , China (Total investment US\$ 812 mn)

Main Products	Current Capacity (p.a.)	Expansion (MT/p.a.)	Completion Date	Capacity Increase (%)
PP	492KMT	30KMT	2019Q4	6.1
Propylene*	-	600KMT	2021Q3	100.0
SAP	90KMT	10KMT	2020Q1	11.1
AA	320KMT	10KMT	2019Q4	3.1

*Note: PDH (propane dehydrogenation) process.

2. Texas, USA (Total investment US\$ 682 mn)

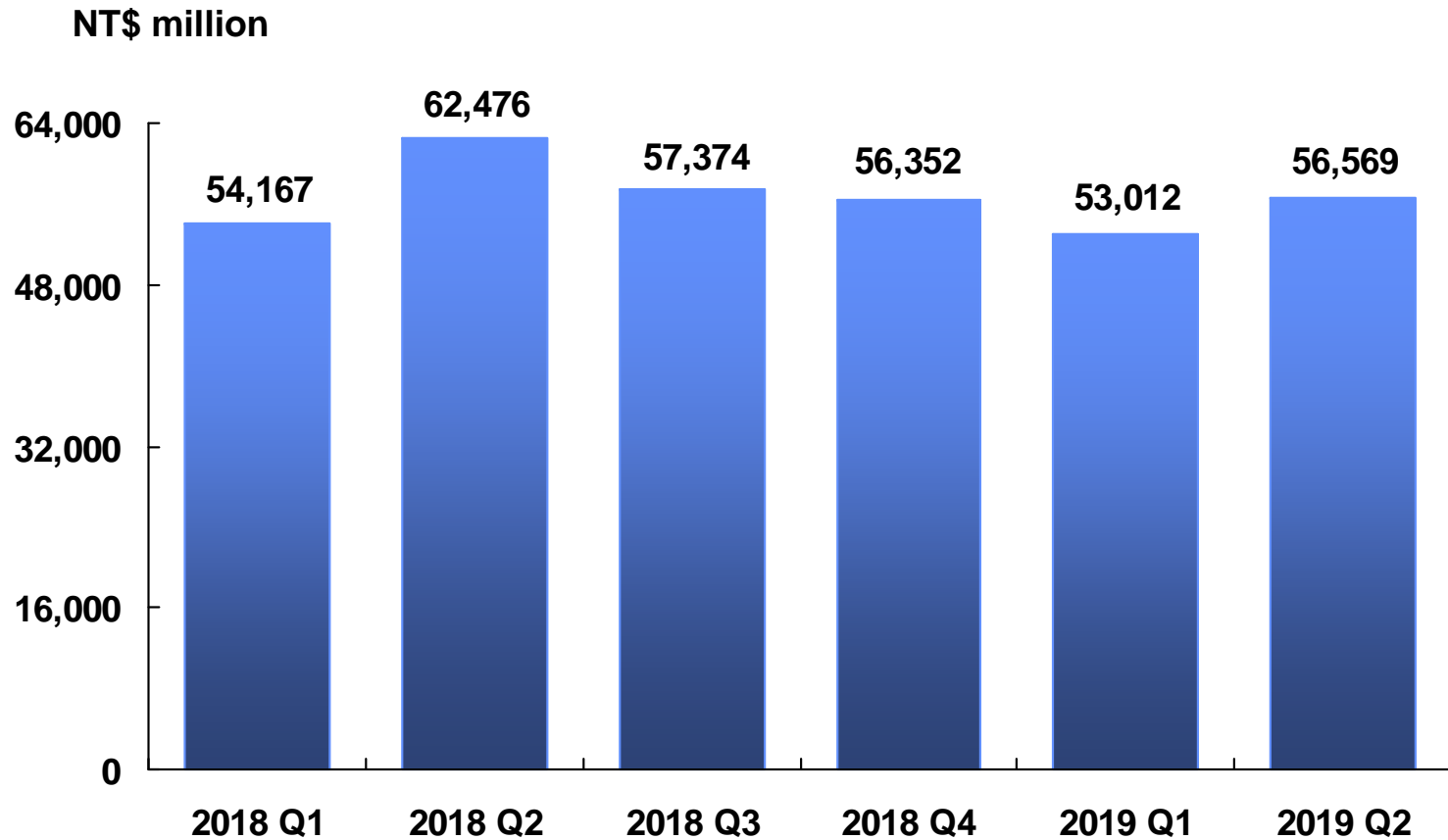
Main Products	Current Capacity (p.a.)	Expansion (MT/p.a.)	Completion Date	Capacity Increase (%)
HDPE	-	400KMT	2019Q3	-

3. Mailiao, Taiwan (Total investment US\$ 0.8 mn)

Main Products	Current Capacity (p.a.)	Expansion (MT/p.a.)	Completion Date	Capacity Increase (%)
SAP	60KMT	10KMT	2020Q4	16.7

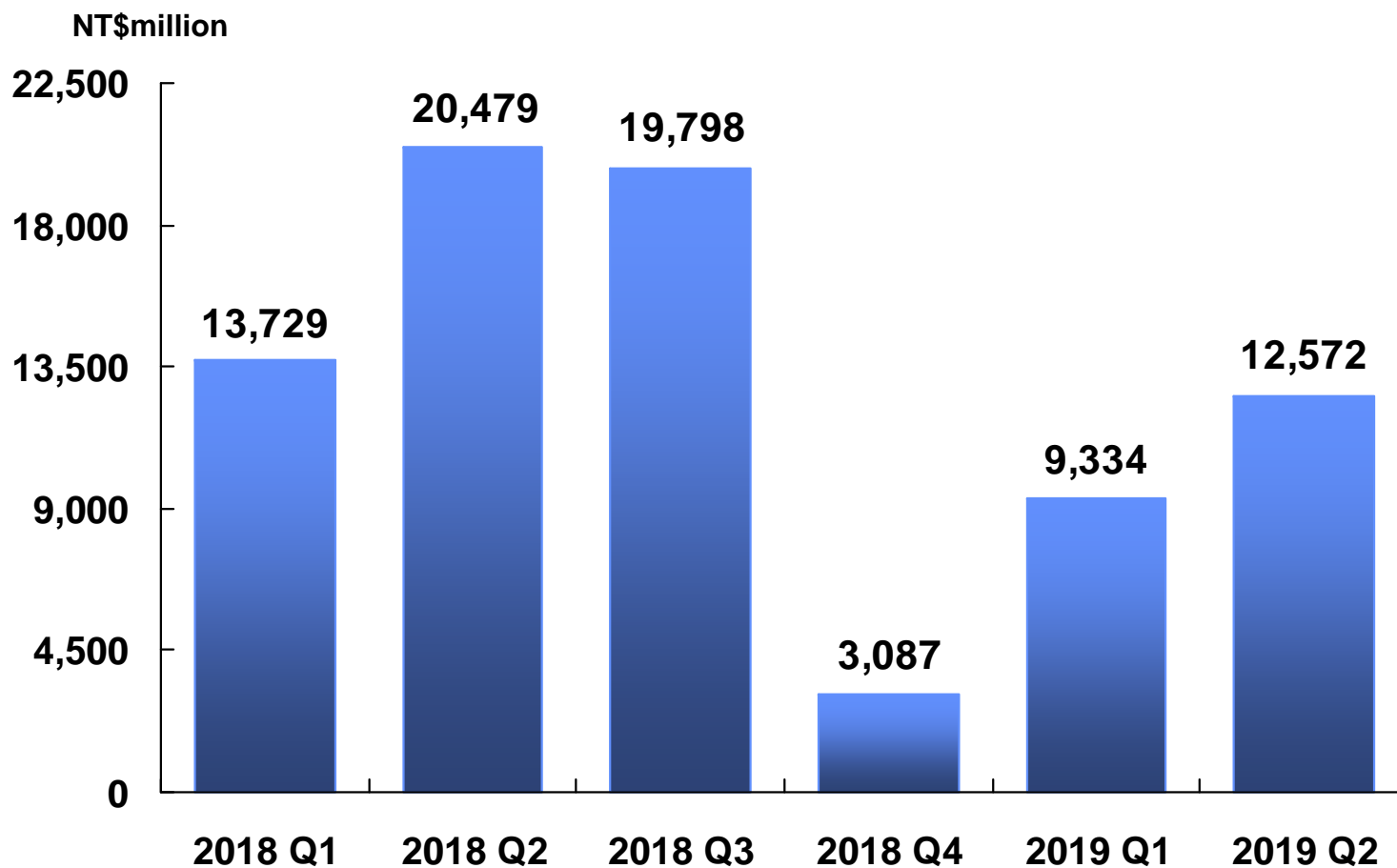


Consolidated Revenue (IFRSs)



- Revenue rose 6.7% in 2019 Q2 from 2019 Q1 mainly due to higher utilization rate in 2019 Q2 and increasing ASP of AN, PE and Caustic Soda

Pre-tax Income



- Pre-tax income rose 34.7% in 2019 Q2 from 2019 Q1 mainly due to
(1) increasing ASP of AN, PE and Caustic Soda
(2) cash dividend from FCFC in 2019 Q2