
Formosa Plastics Corporation



台灣塑膠工業股份有限公司

2019 Q4

Operation Performance Highlights

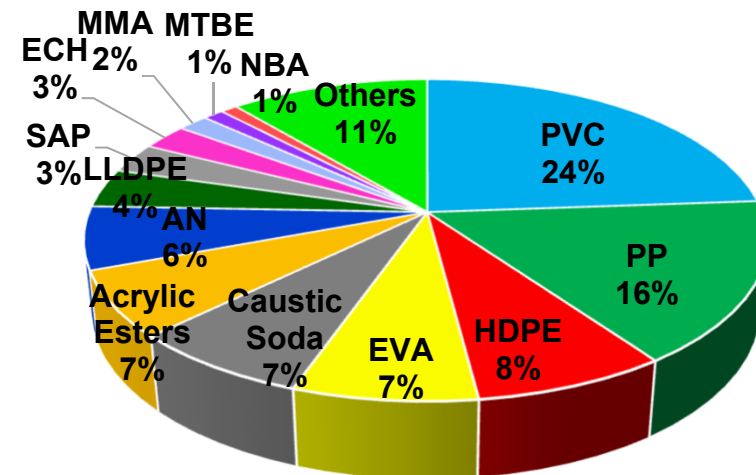
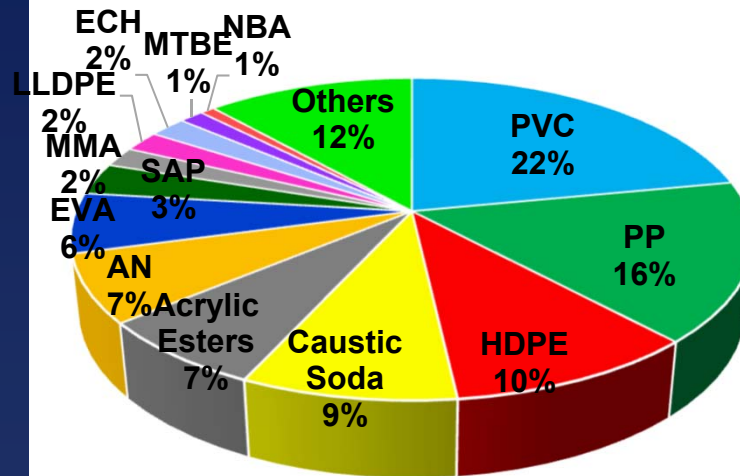


December 31, 2019

Revenue Breakdown by Product (IFRSs consolidated)

2018 Q4 Net Sales:
NT\$56.4 billion

2019 Q4 Net Sales:
NT\$48.6 billion



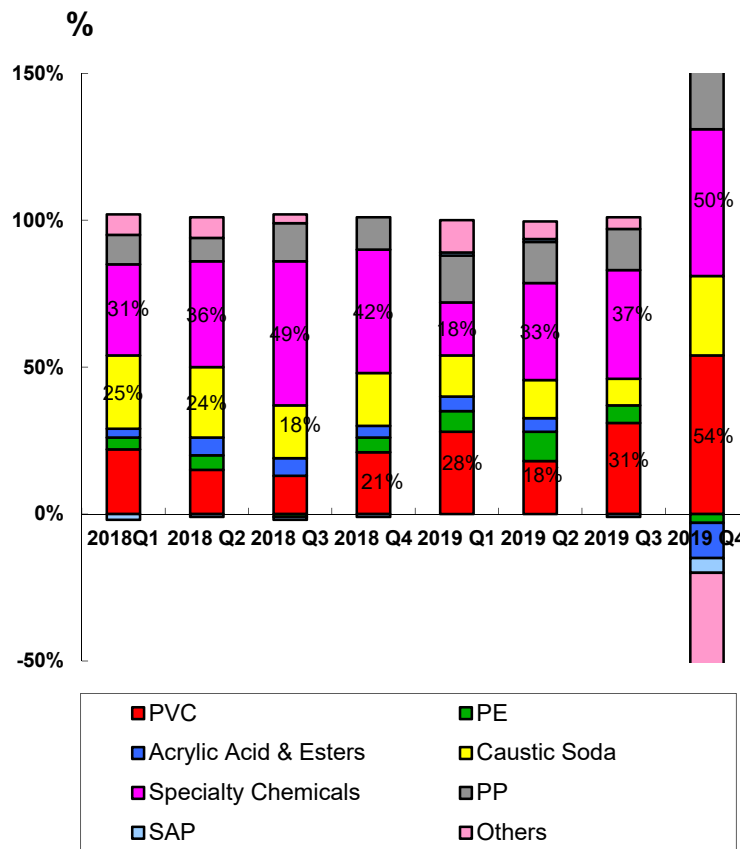
- PVC accounted for 24% and 22% of revenue in 2019 Q4 and 2018 Q4 respectively
- PE (HDPE/EVA/LLDPE) accounted for 19% and 18% of revenue in 2019 Q4 and 2018 Q4 respectively
- Specialty Chemicals (AN/MMA/ECH/MTBE) accounted for 12% and 12% of revenue in 2019 Q4 and 2018 Q4 respectively
- Revenue in 2019 Q4 fell 13.8% from 2018 Q4, mainly due to decreasing ASP of all products except for EVA, MTBE, ECH and decreasing sales volume of PVC, Caustic Soda, HDPE, SAP, MTBE, and PP



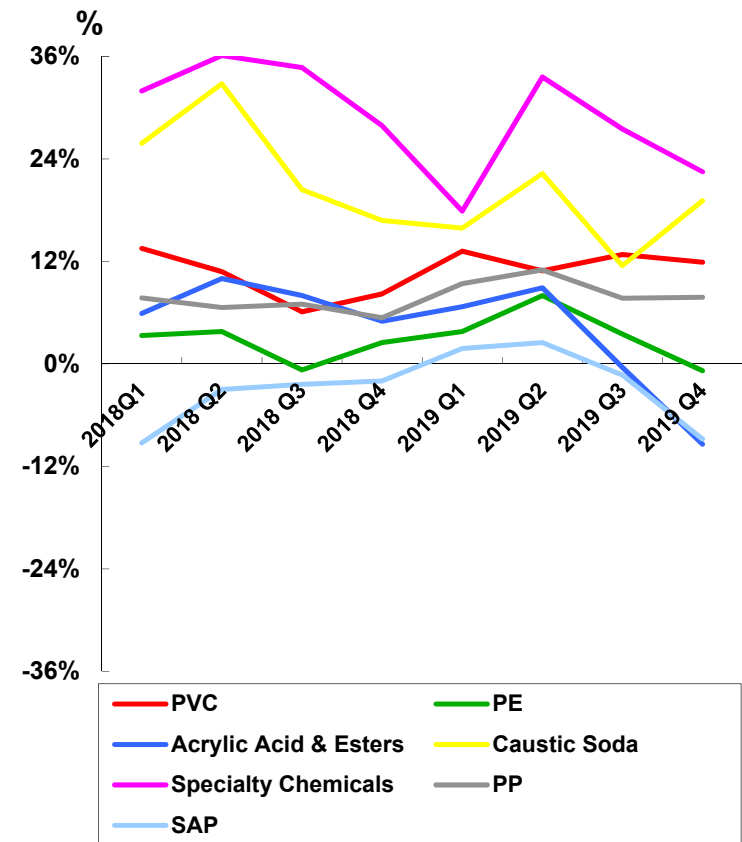
Operating Profits Breakdown *by Product*

PVC & Specialty Chemicals are the key profit contributors in 2019 Q4

Operating Profits



Operating Margins



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

Capacity Expansion Plan

1. Ningbo , China (Total investment US\$ 844 mn)

Main Products	Current Capacity (p.a.)	Expansion (MT/p.a.)	Completion Date	Capacity Increase (%)
Propylene*	-	600KMT	2021Q3	100.0
SAP	90KMT	10KMT	2020Q3	11.1
EVA	72KMT	28KMT	2023Q1	38.9

*Note: PDH (propane dehydrogenation) process.

2. Linyuan, Taiwan (Total investment US\$ 7.8 mn)

Main Products	Current Capacity (p.a.)	Expansion (MT/p.a.)	Completion Date	Capacity Increase (%)
PVC	1,265KMT	50KMT	2020Q2	3.9
PVC	1,315KMT	29KMT	2020Q4	2.2

3. Renwu , Taiwan (Total investment US\$ 1.9 mn)

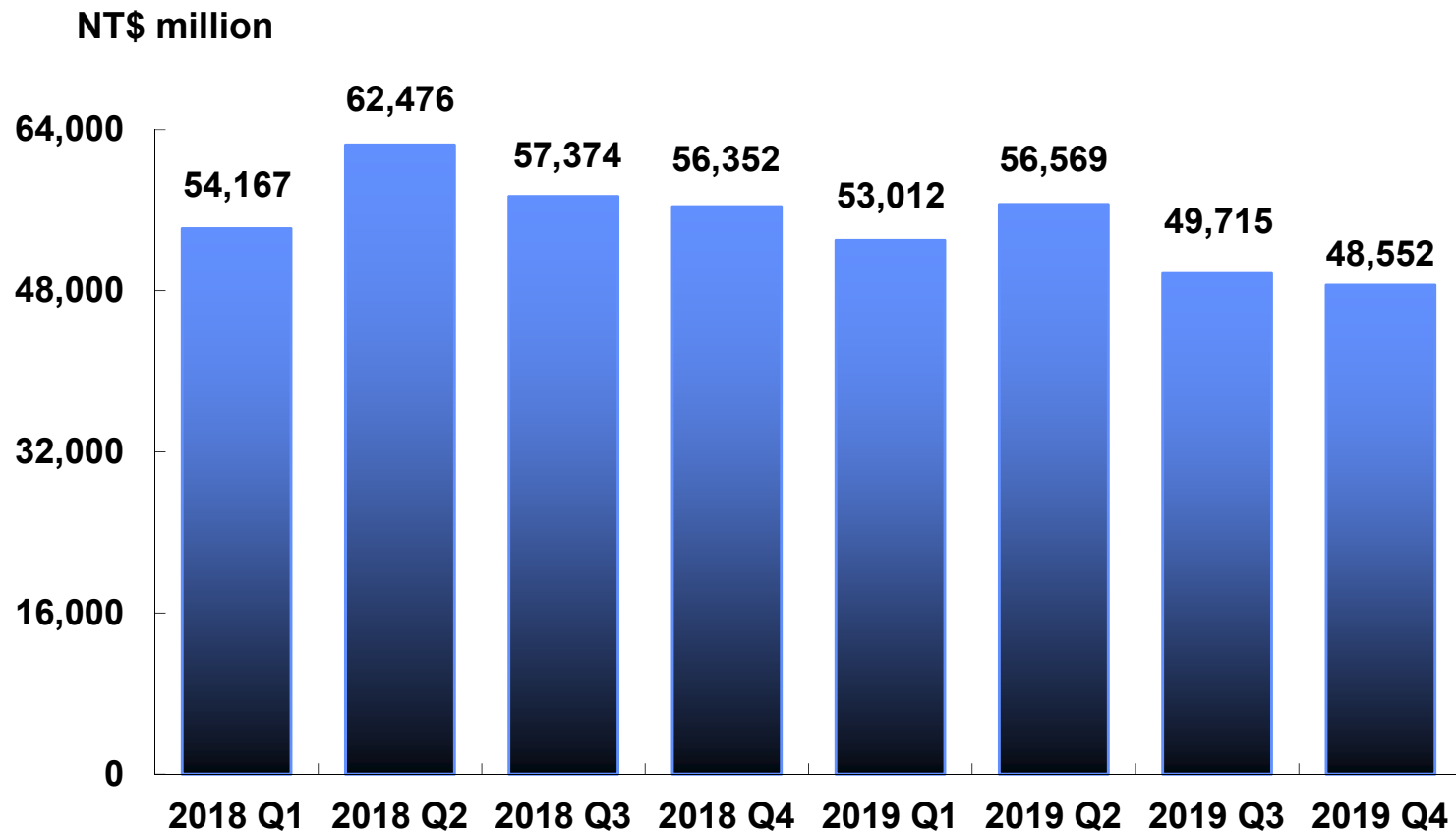
Main Products	Current Capacity (p.a.)	Expansion (MT/p.a.)	Completion Date	Capacity Increase (%)
PVC	1,344KMT	27KMT	2020Q4	2.0

4. Mailiao , Taiwan (Total investment US\$ 2.5 mn)

Main Products	Current Capacity (p.a.)	Expansion (MT/p.a.)	Completion Date	Capacity Increase (%)
SAP	60KMT	10KMT	2021Q1	16.7

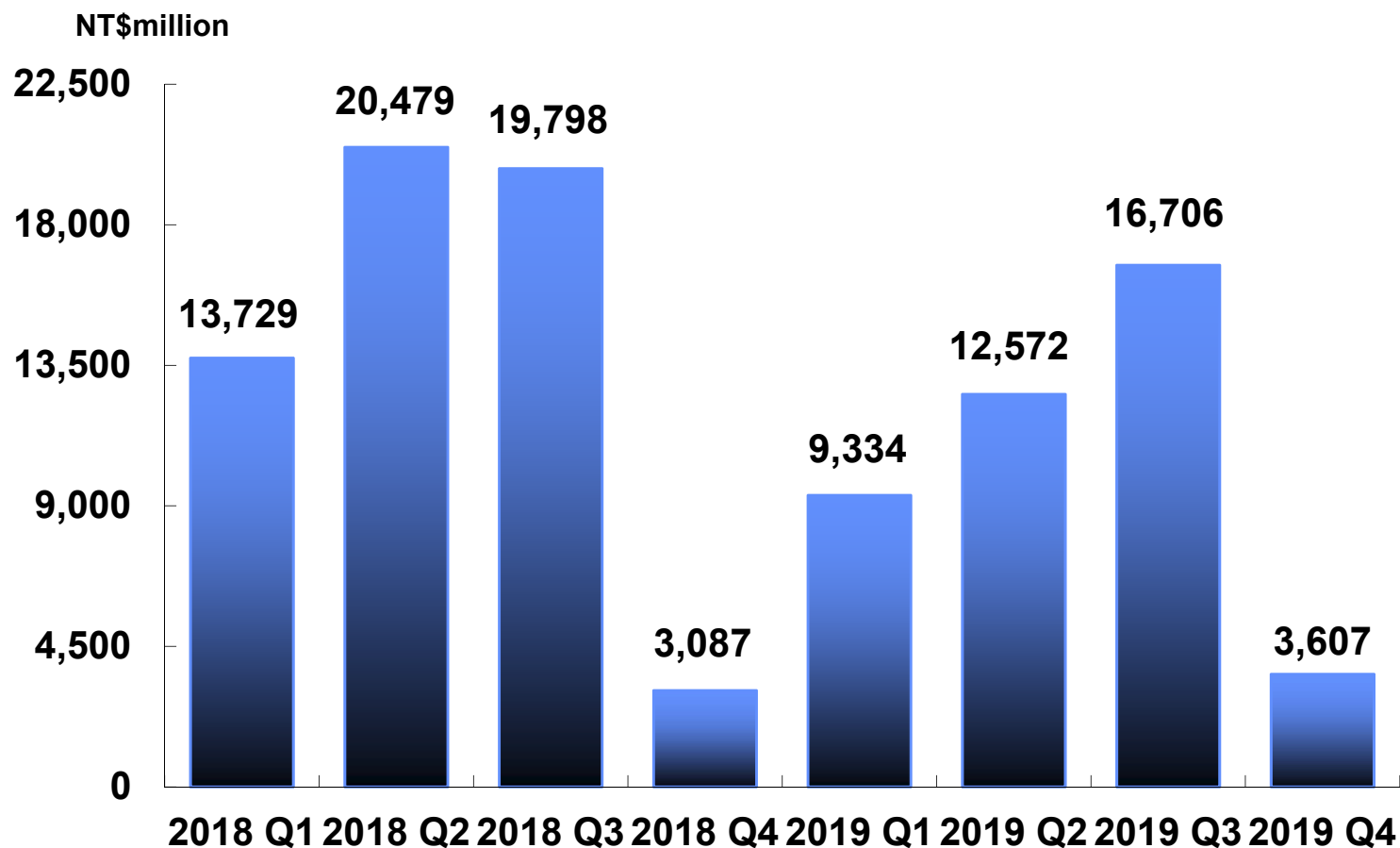


Consolidated Revenue (IFRSs)



- Revenue fell 2.3% in 2019 Q4 from 2019 Q3 mainly due to decreasing ASP of all products except for Caustic Soda, EVA and MTBE

Pre-tax Income



- Pre-tax income fell 78.4% in 2019 Q4 from 2019 Q3 mainly due to
(1) decreasing investment income from FPCC
(2) cash dividend from NPC in 2019 Q3