



**台塑石化股份有限公司**  
**FORMOSA PETROCHEMICAL CORPORATION**

# **2018 2Q Results**

**Aug. 2018**

# ***Agenda***



**1. Financials**

**2. Market Fundamental**

**3. Industry Outlook**

**4. Plant Operation**

**5. Expansion**

# Financial Status

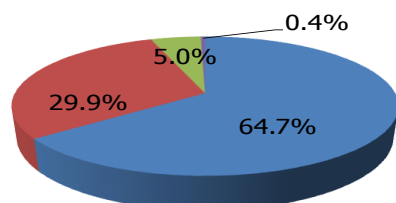


(Unit: NTD Million)

	2Q18	1Q18	QoQ	1H2018	1H2017	YoY
<b>Revenues</b>	192,328	182,076	5.6%	374,404	303,403	23.4%
<b>Operating Profit</b>	28,666	22,045	30.0%	50,711	42,743	18.6%
<b>Net Income</b>	25,216	18,303	37.8%	43,519	34,673	25.5%
<b>EPS</b>	2.65	1.92	0.73	4.57	3.64	0.93

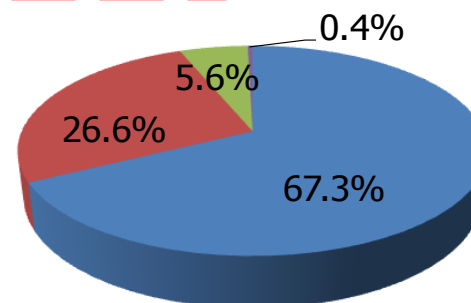
## Sales Breakdown By Segment

**1Q18**



■ Refinery ■ Olefin ■ Utility ■ Others

**2Q18**



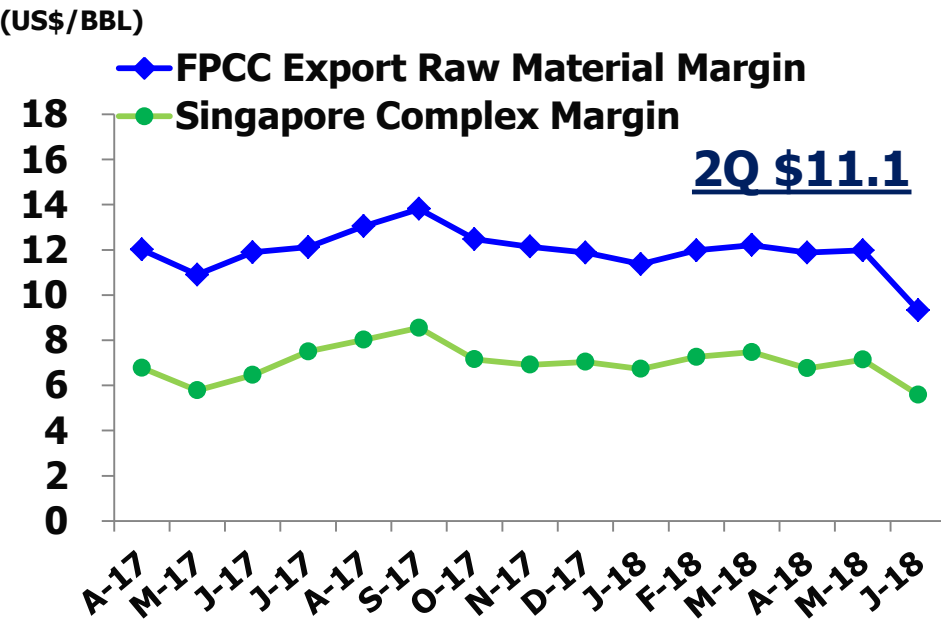
■ Refinery ■ Olefin ■ Utility ■ Others

# Market Fundamentals

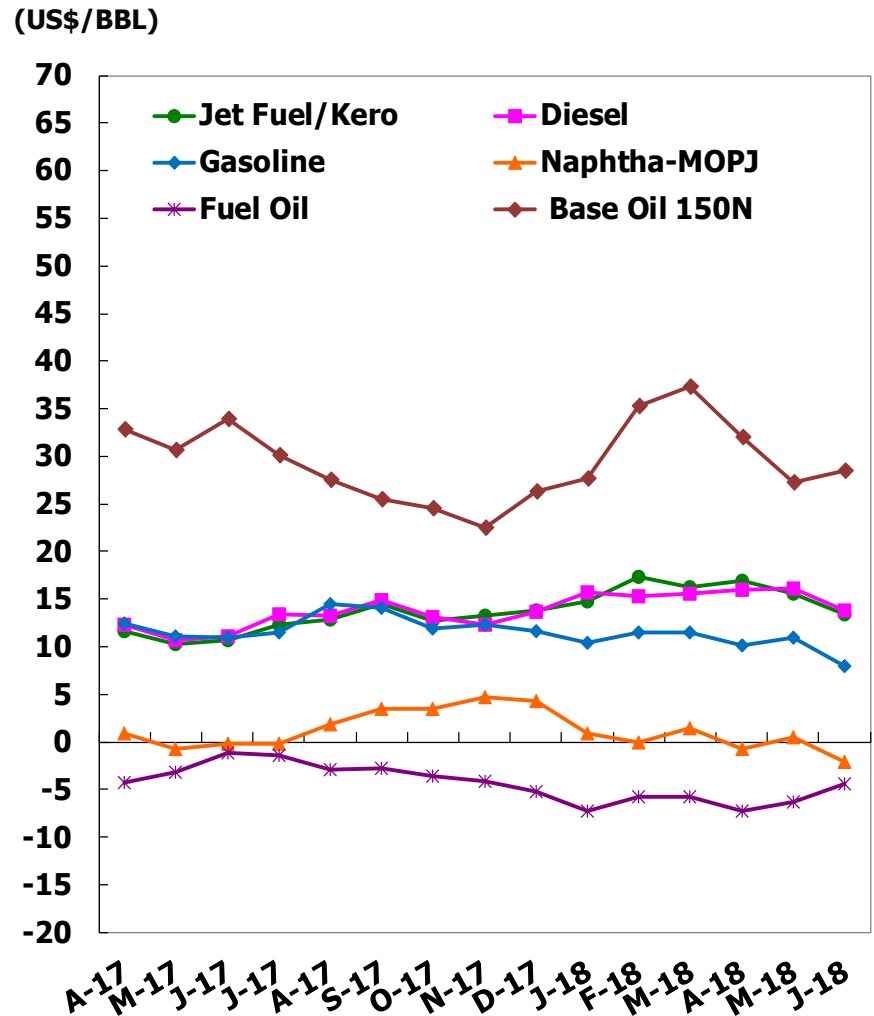


## FPCC vs. Singapore complex margin

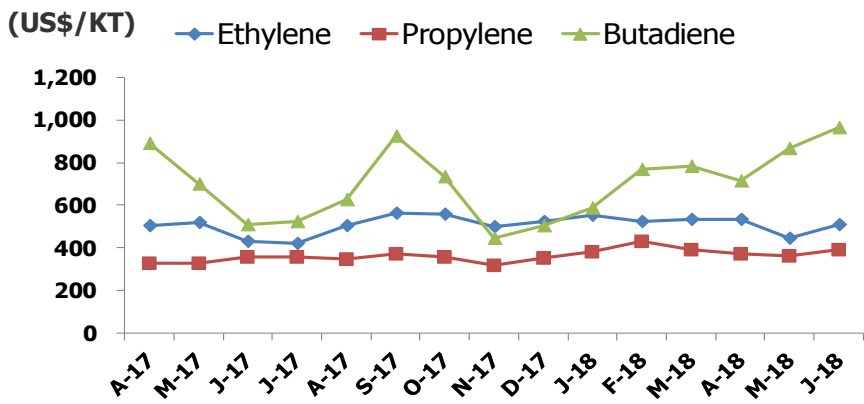
Source: Reuters, ICIS, IHS, company data



## Dubai Crude vs. Product Differentials



## FPCC's Olefin Spread



# Industry Outlook- Refinery

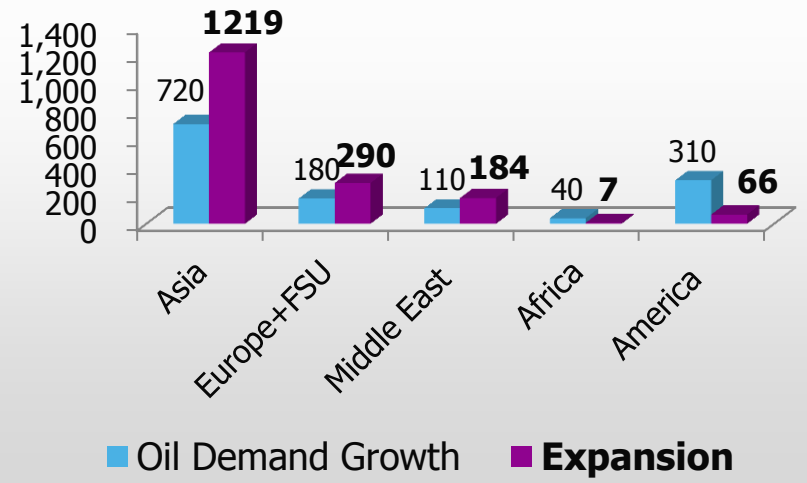


Source: IEA, PIRA, company research

## 2018-2019 Global Capacity Additions and Demand Growth

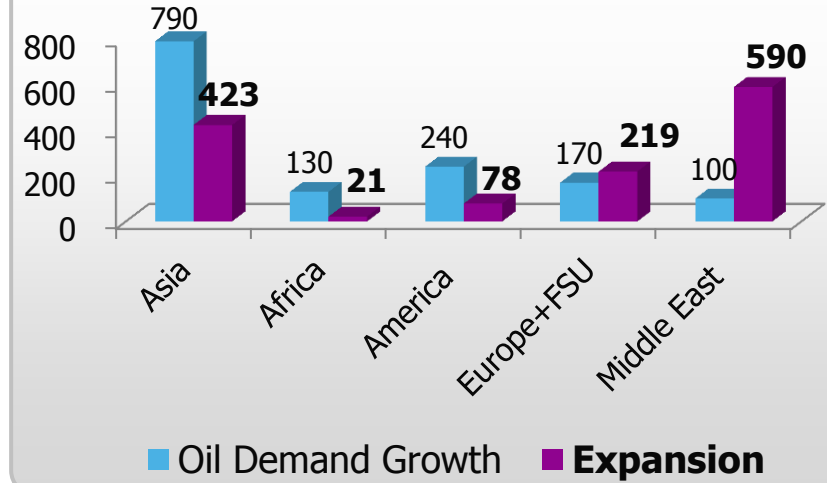
**2018**

(KB/D)



**2019**

(KB/D)



### Capacity Additions

	2018	2019
Global	1,766	1,331
Asia	1,219	423
China	900	230
India	36	0
Others	283	193

### Oil Demand Growth

(KB/D)	2018	2019
Global	1,360	1,430
Asia	720	790

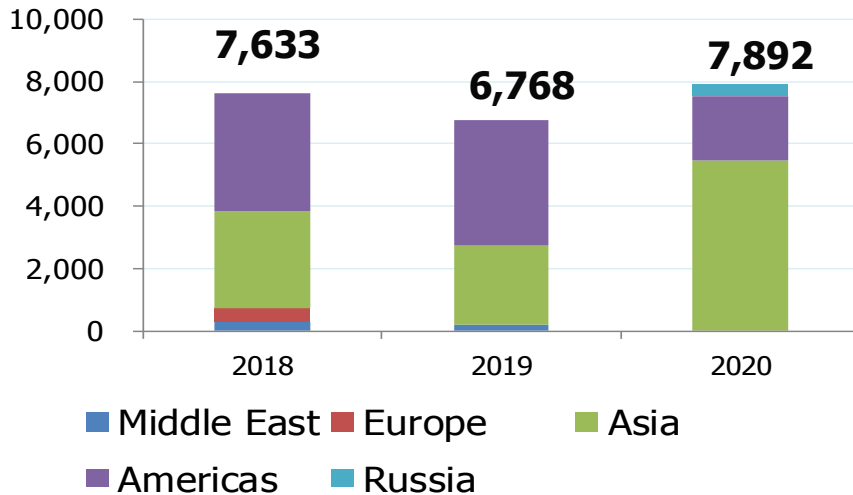
# Industry Outlook-Olefin



Source: IHS Chemical, Company data

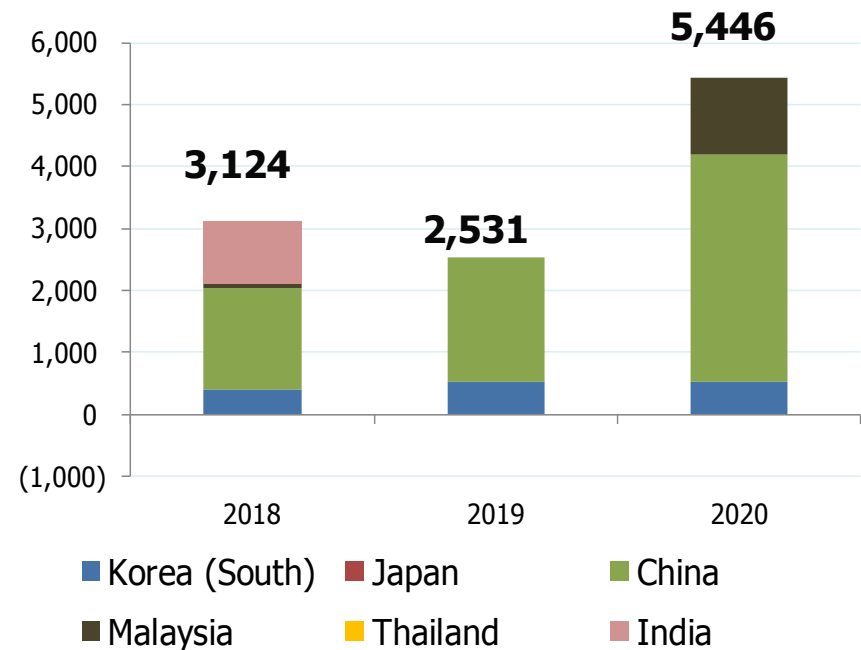
## Global Ethylene Capacity Additions

(KTA)



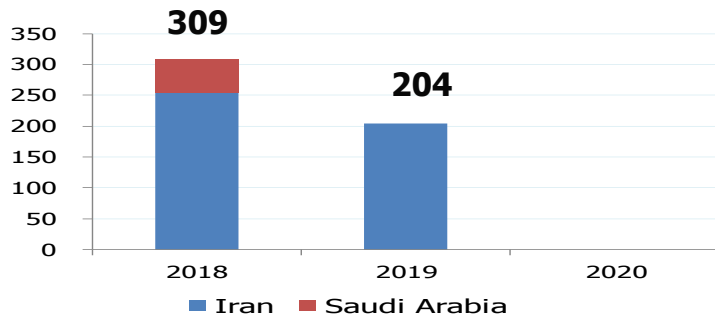
## Asia Capacity Additions

(KTA)



(KTA)

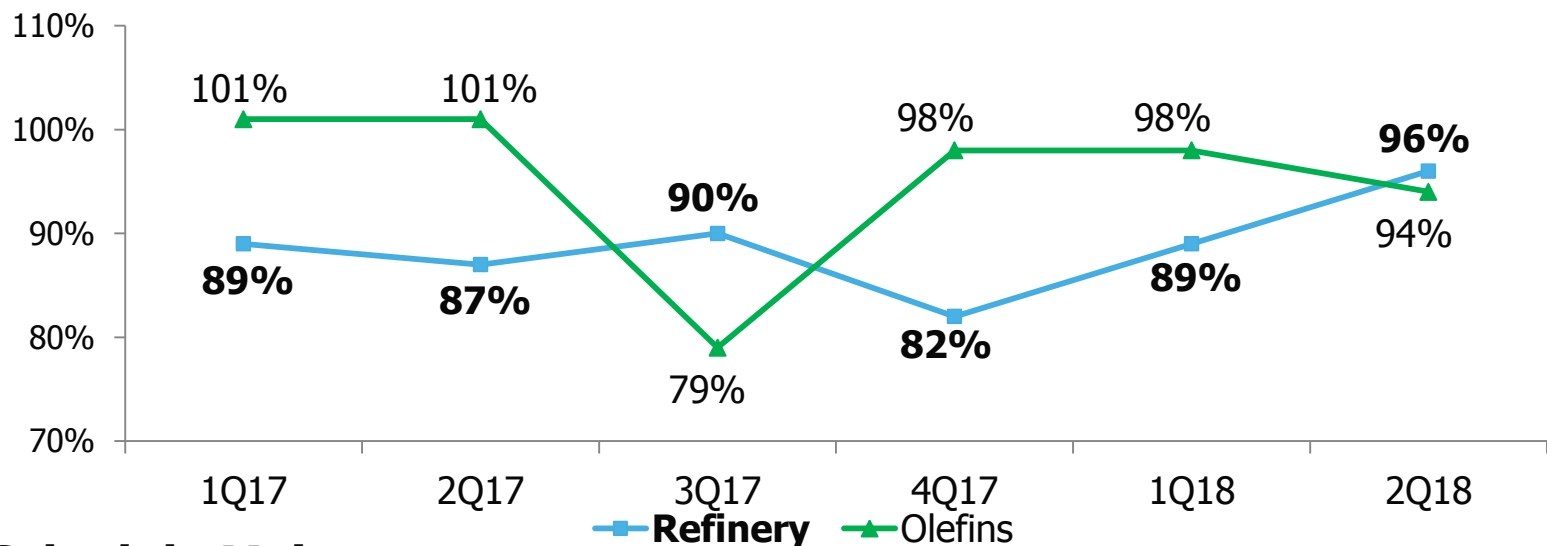
## Middle East





# Plant Operation

## Utilization Rate



## Schedule Maintenance

	2018 1H						2018 2H					
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
CDU #1 (180K bpd)												
CDU #2 (180K bpd)												
CDU #3 (180K bpd)												
RDS #1 (80.5K bpd)												
RDS #2 (80.5K bpd)												
RCC #1 (84K bpd)												
RCC #2 (84K bpd)												
Base Oil (14 k bpd)												
Olefin #1 (0.7mta)												
Olefin #2 (1.035mta)												
Olefin #3 (1.2mta)												

■ Maintenance

# *Expansion Plan*



<b>Project</b>	<b>Major Product</b>	<b>Current Capacity</b>	<b>Expansion</b>	<b>Completion Date</b>	<b>Total Investment</b>
<b>MTBE</b>	<b>MTBE</b>	<b>7,650 (bpd)</b>	<b>8,100 (bpd)</b>	<b>2019</b>	<b>NTD \$ 2 Bn</b>
<b>JV with Idemitsu</b>	<b>HHCR (Hydrogenated Hydro Carbon Resin)</b>	<b>new</b>	<b>36,000 (MTY)</b>	<b>2019</b>	<b>NTD \$ 4.3 Bn</b>

Note : Schedule subject to change without prior notice.



# Disclaimer



- ❖ This document has been prepared by Formosa Petrochemical Corporation ("FPCC" or the "Company") solely for meetings with potential investors
- ❖ The information contained in this document has not been independently verified. No representation or warranty express or implied is made as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of such information or opinions contained herein. None of the Company nor any of its respective affiliates, advisers or representatives shall have any liability whatsoever (in negligence or otherwise) for any loss howsoever arising from any use of this document or its contents or otherwise arising in connection with this document
- ❖ This document does not constitute an offer or invitation to purchase or subscribe for any securities in the Company and neither any part of it shall form the basis of or be relied upon in connection with any contract or commitment whatsoever. Any decision to purchase securities in the offering should be made solely on the basis of the information contained in the Offering Circular
- ❖ included in this document contain forward-looking statements and information relating to the Company. The Company has generally identified forward-looking statements by the use of terms such as "may", "might", "will", "expect", "intend", "plan", "estimate", "anticipate", "believe" or similar words or phrases. The Company bases these statements and financial information on its beliefs as well as its assumptions made using information currently available to it. Because these statements and financial information reflect the Company's current views concerning future events, these statements and financial information necessarily involve risks, uncertainties and assumptions. Actual future performance could differ materially from these forward-looking statements and financial information. The Company does not undertake to release the results of any revisions of forward-looking statements and financial information to reflect future events or circumstances. The Company cautions investors not to place undue reliance on these forward-looking statements. All written and oral forward-looking statements attributable to the Company or persons acting on the Company's behalf are qualified in their entirety by these cautionary statements
- ❖ No part of this document may be distributed, reproduced or transmitted to any third party

## Thank you