



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

FY 2017 Results

Mar. 2018

Agenda



1. Financials

2. Market Fundamental

3. Industry Outlook

4. Plant Operation

5. Expansion

Financial Status

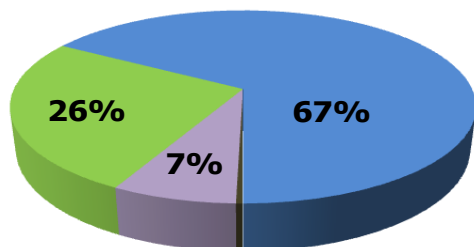


(Unit: NTD Million)

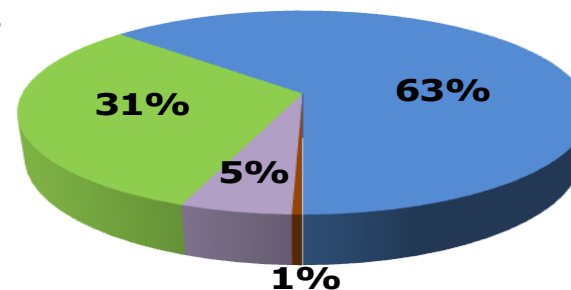
| | 4Q17 | 3Q17 | QoQ | FY2017 | FY2016 | YoY |
|-------------------------|---------|---------|------|---------|---------|-------|
| Revenues | 167,246 | 153,458 | 9.0% | 624,108 | 546,161 | 14.3% |
| Operating Profit | 24,849 | 24,066 | 3.3% | 91,657 | 86,209 | 6.3% |
| Net Income | 23,240 | 22,263 | 4.4% | 80,175 | 75,768 | 5.8% |
| EPS | 2.44 | 2.34 | 0.10 | 8.42 | 7.95 | 0.47 |

Sales Breakdown By Segment

3Q17



4Q17



■ Others ■ Utility ■ Olefin ■ Refinery

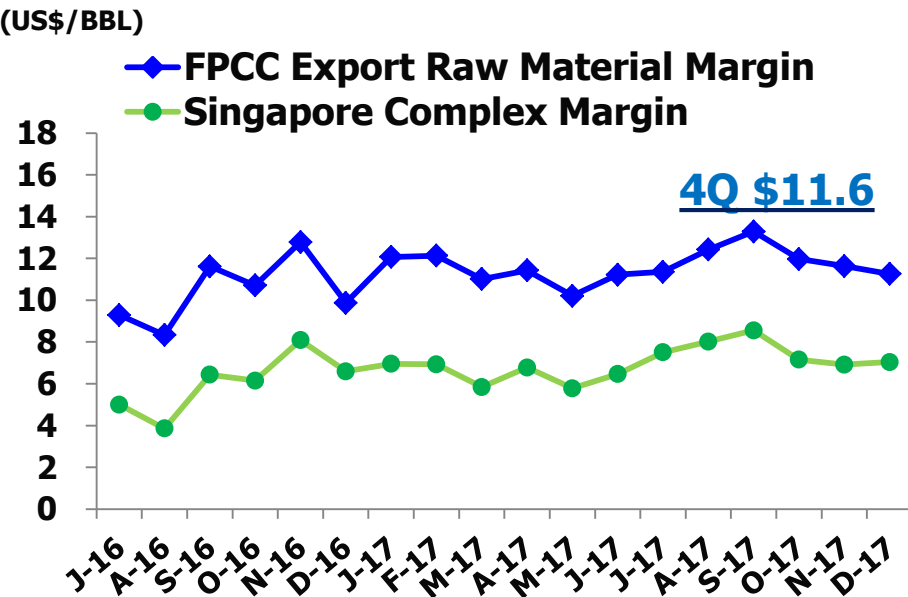
■ Others ■ Utility ■ Olefin ■ Refinery

Market Fundamentals

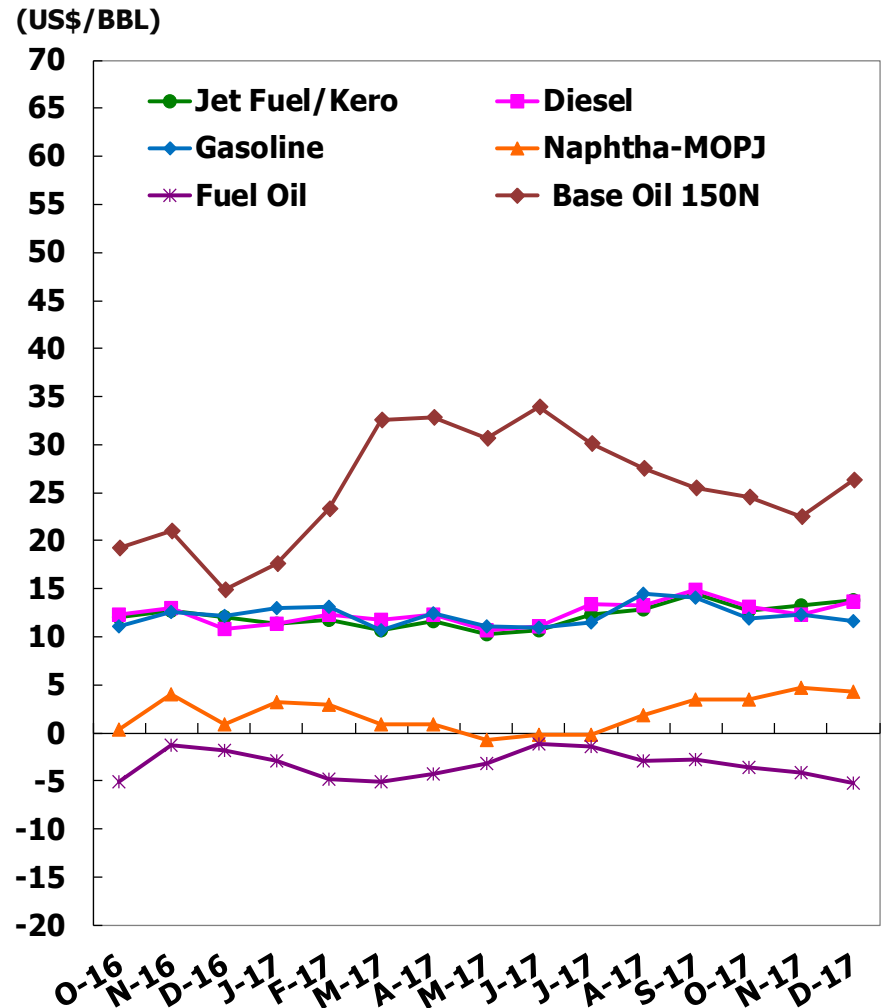


FPCC vs. Singapore complex margin

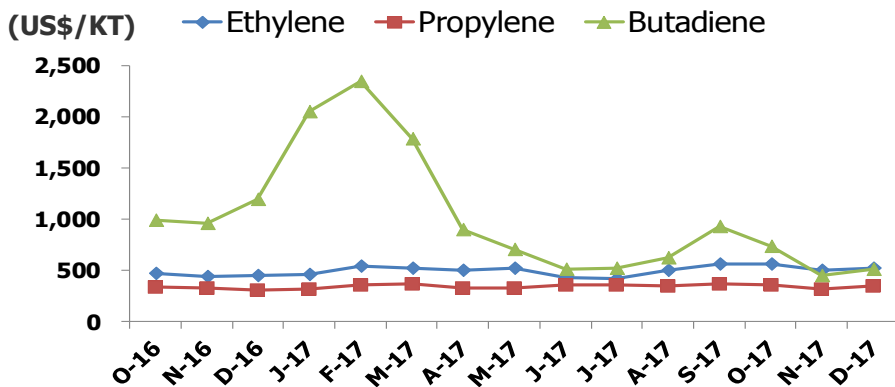
Source: Reuters, ICIS, IHS, company data



Dubai Crude vs. Product Differentials



FPCC's Olefin Spread



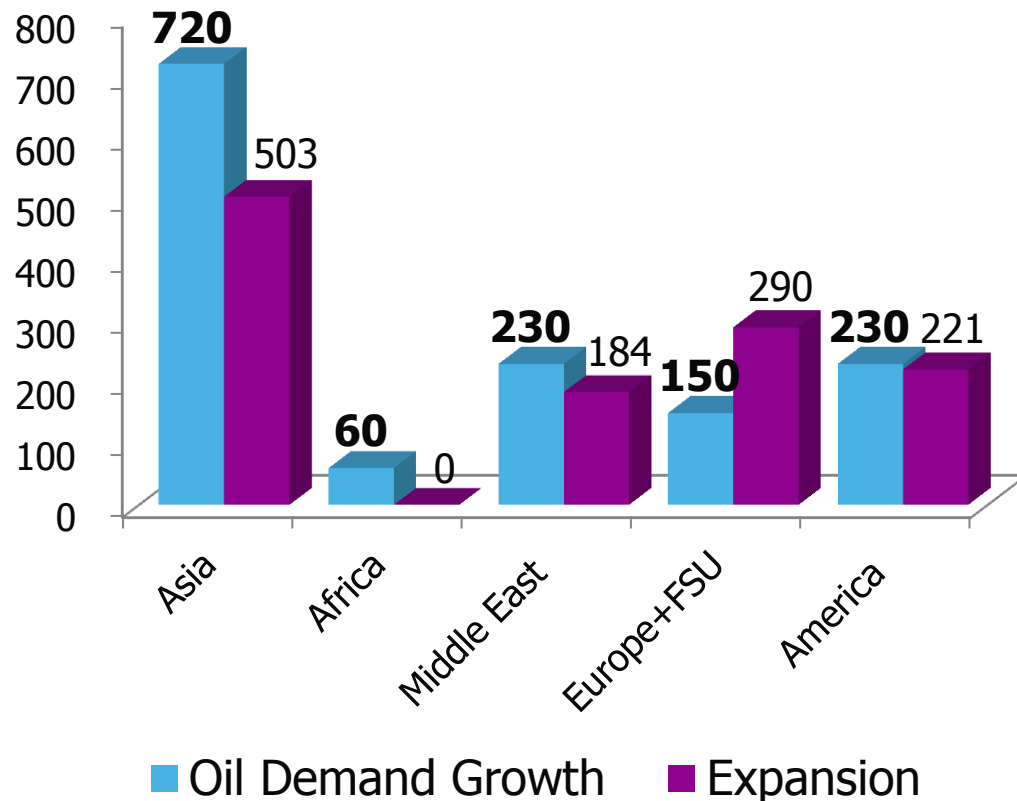
Industry Outlook- Refinery



Source: IEA, PIRA, company research

2018 Global Capacity Additions and Demand Growth

(KB/D)



Capacity Additions

| | |
|--------|-------|
| Global | 1,198 |
| Asia | 503 |
| China | 440 |
| India | 40 |
| Others | 23 |

Demand Growth (Annual Change)

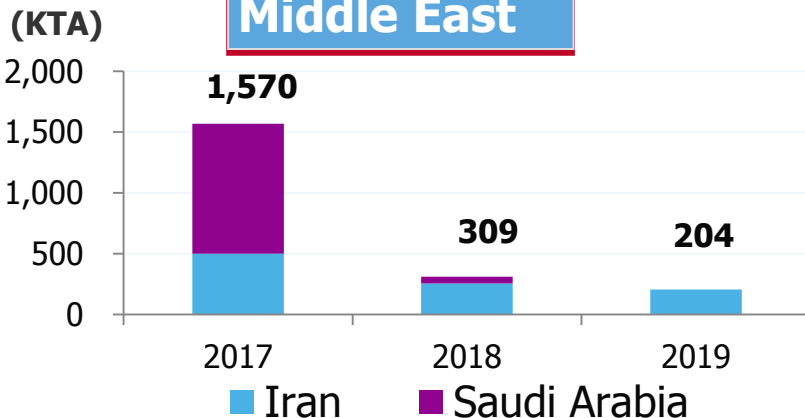
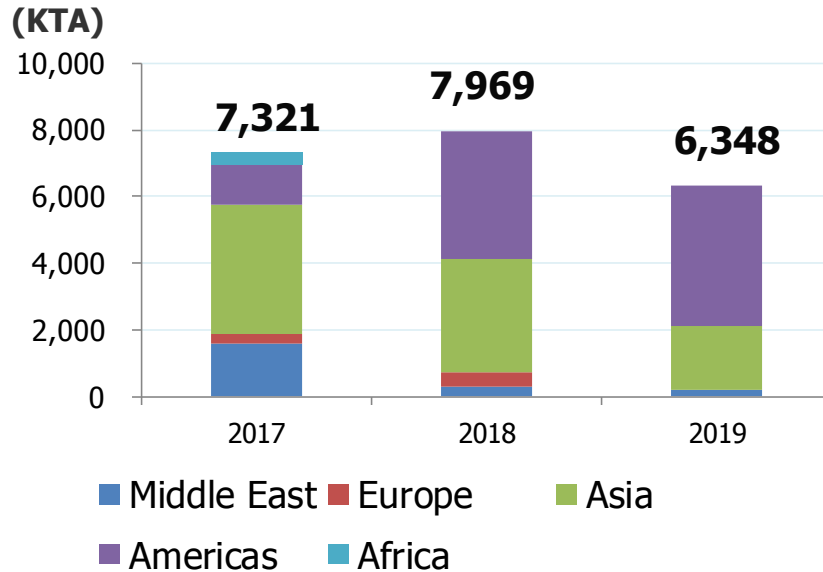
| (MB/D) | 2017 | 2018 |
|--------|------|------|
| Global | 1.57 | 1.39 |
| Asia | 1.03 | 0.72 |

Industry Outlook-Olefin

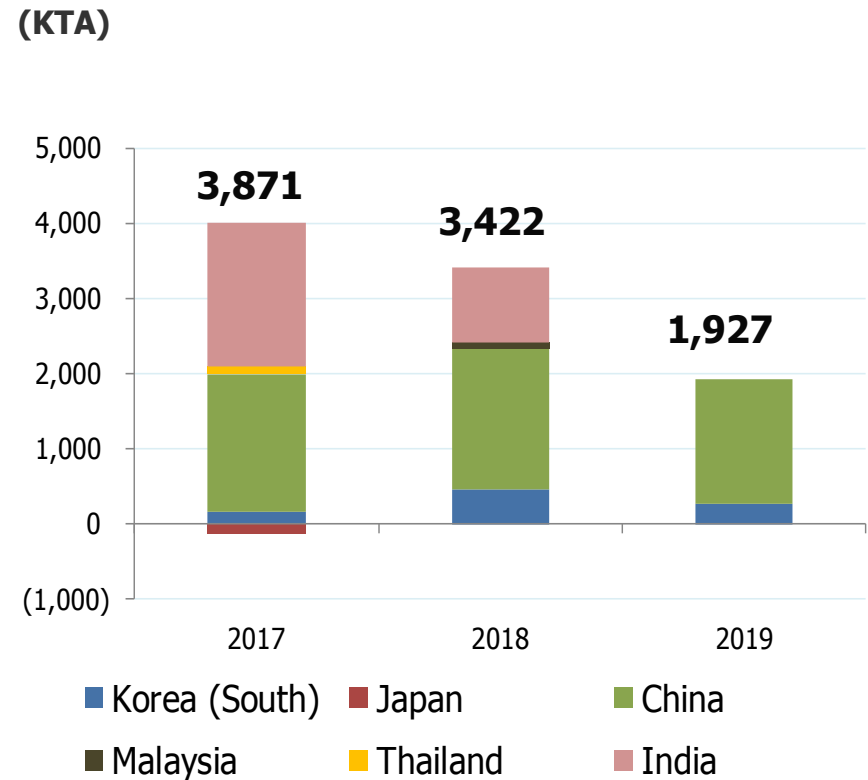


Source: IHS Chemical, Company data

Global Ethylene Capacity Additions



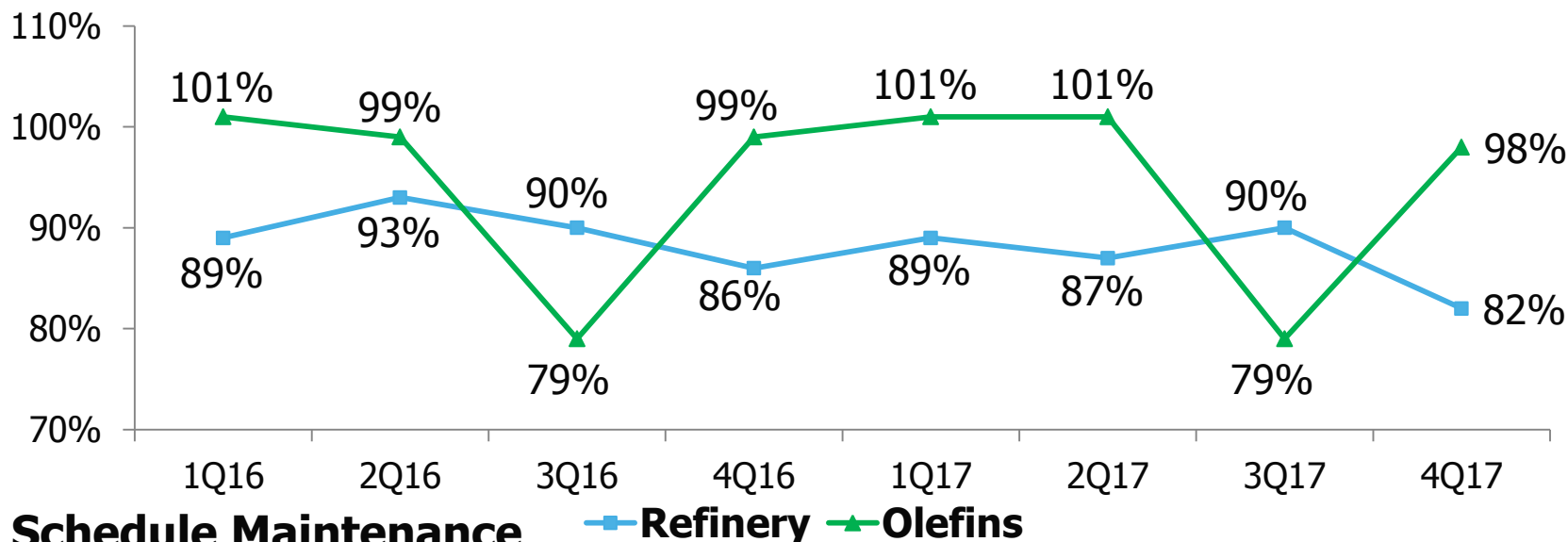
Asia Capacity Additions





Plant Operation

Utilization Rate



Schedule Maintenance

—■ Refinery —▲ Olefins

| | 2017 2H | | | | | | 2018 1H | | | | | |
|----------------------|---------|-----|-----|-----|-----|-----|---------|-----|-----|-----|-----|-----|
| | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun |
| 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



| Project | Major Product | Current Capacity | Expansion | Completion Date | Total Investment |
|-------------------------|---|-------------------------|-------------------------|------------------------|--------------------------|
| MTBE | MTBE | 7,650 (bpd) | 8,100 (bpd) | 2018 | NTD \$ 2 Bn |
| JV with Idemitsu | HHCR (Hydrogenated Hydro Carbon Resin) | new | 36,000 (MTY) | 2019 | NTD \$ 4.3 Bn |

Note : Schedule subject to change without prior notice.

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