

Formosa

Petrochemical

FY 2013 Results

March, 2014

Agenda



1. Financials

2. Refinery Division

3. Olefins Division

4. Plant Operation

5. Expansion

Financial Status



(NTD)

Category	Units	FY2012	FY2013	YoY
Revenue	Mn	894,378	931,334	4.1%
Operating profit	Mn	-831	23,453	-
Net Income	Mn	2,718	26,859	8.9X
EPS	\$/per share	0.29	2.82	2.53
Asset	Mn	467,408	482,227	3.2%
ROE	%	1.27	12.03	
Net Debt	%	116.33	93.69	

Refining : Product Differentials

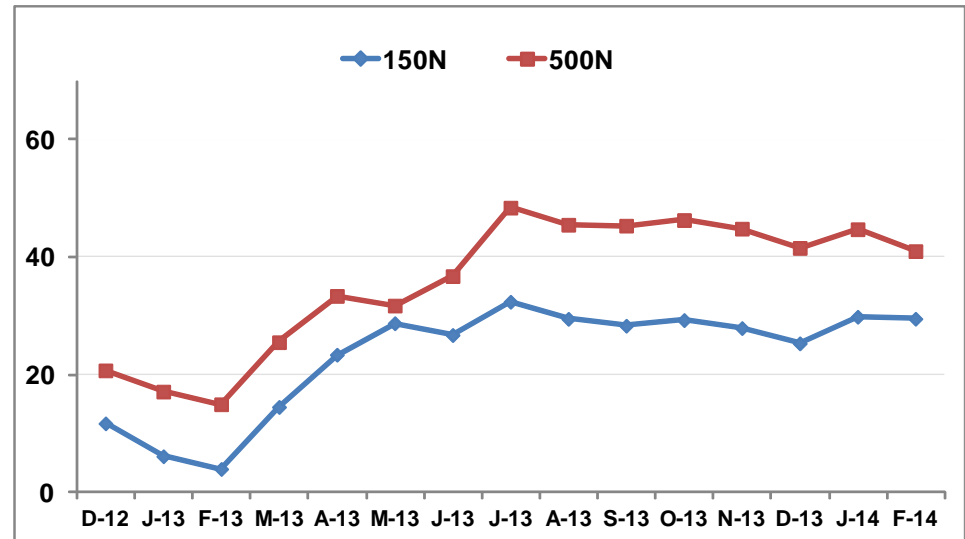
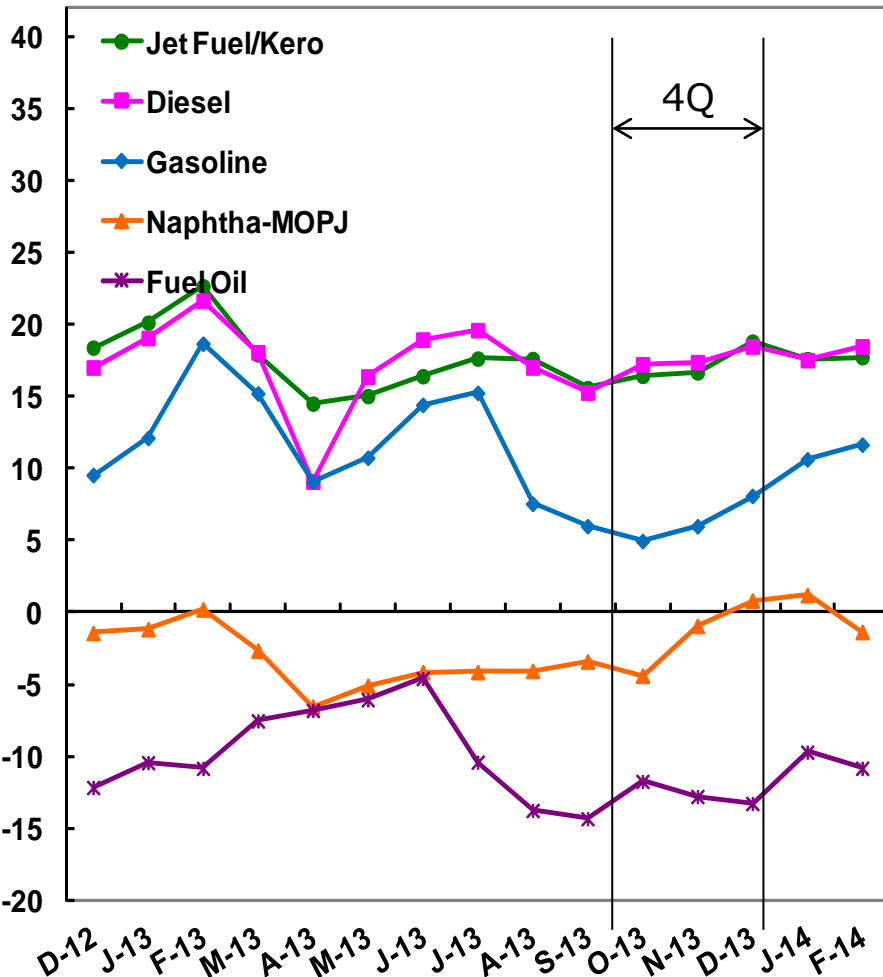


Source: Reuters, ICIS

Dubai VS. Product Differentials

Base Oil

(Unit: US\$/BBL)



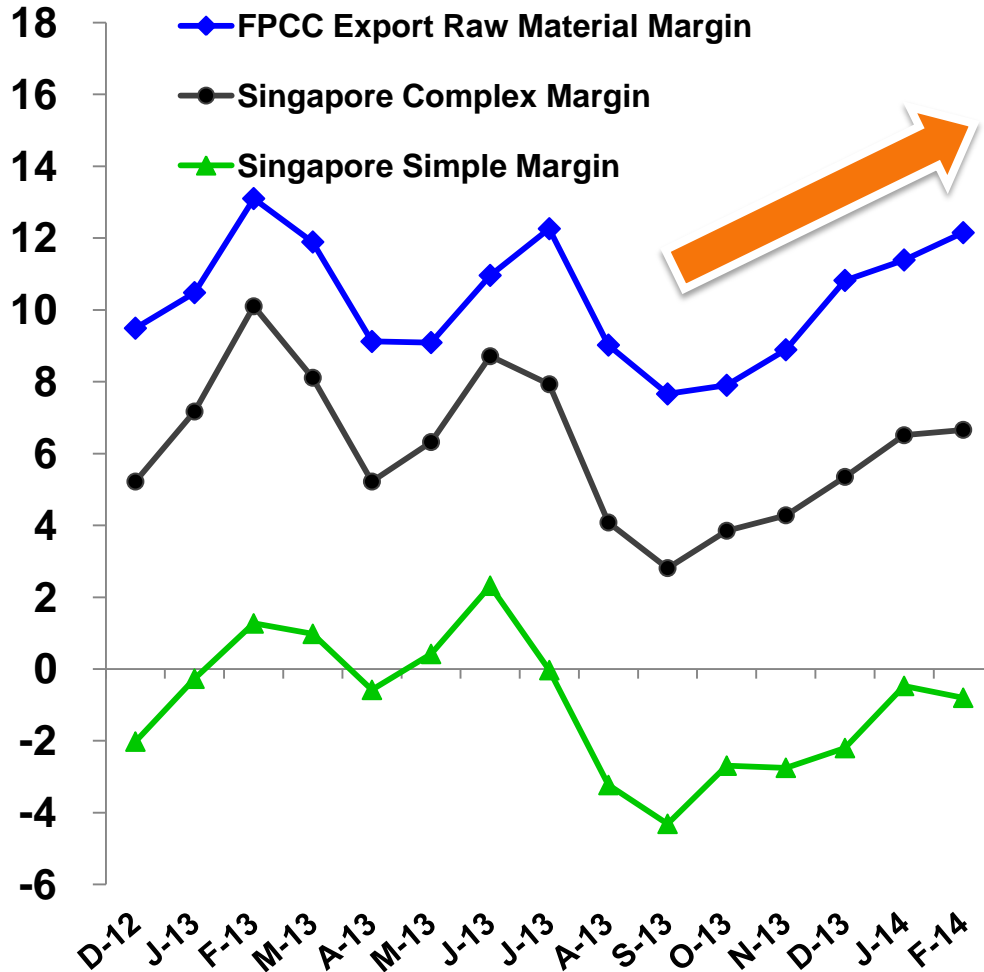
- ✓ Middle Distillate crack went slightly higher due to cold winter in the U.S.
- ✓ Gasoline crack weakened because of slow season and supply increased from India and China.
- ✓ Naptha crack extended gains as demand from petrochemicals.
- ✓ Base oil crack stayed low owing to oversupply.

Refining Margin



FPCC VS. Singapore

(US\$/BBL)



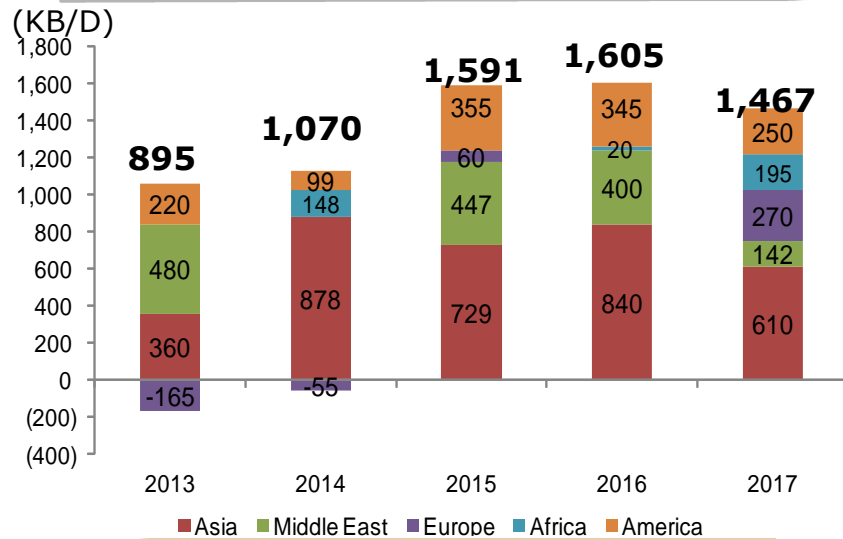
1. Refining margin rebounded by the end of Nov., and maintained strong in winter time.
2. FPCC's margin is higher than Singapore Complex margin by US\$4/BBL-US\$5/BBL.

Refining Outlook

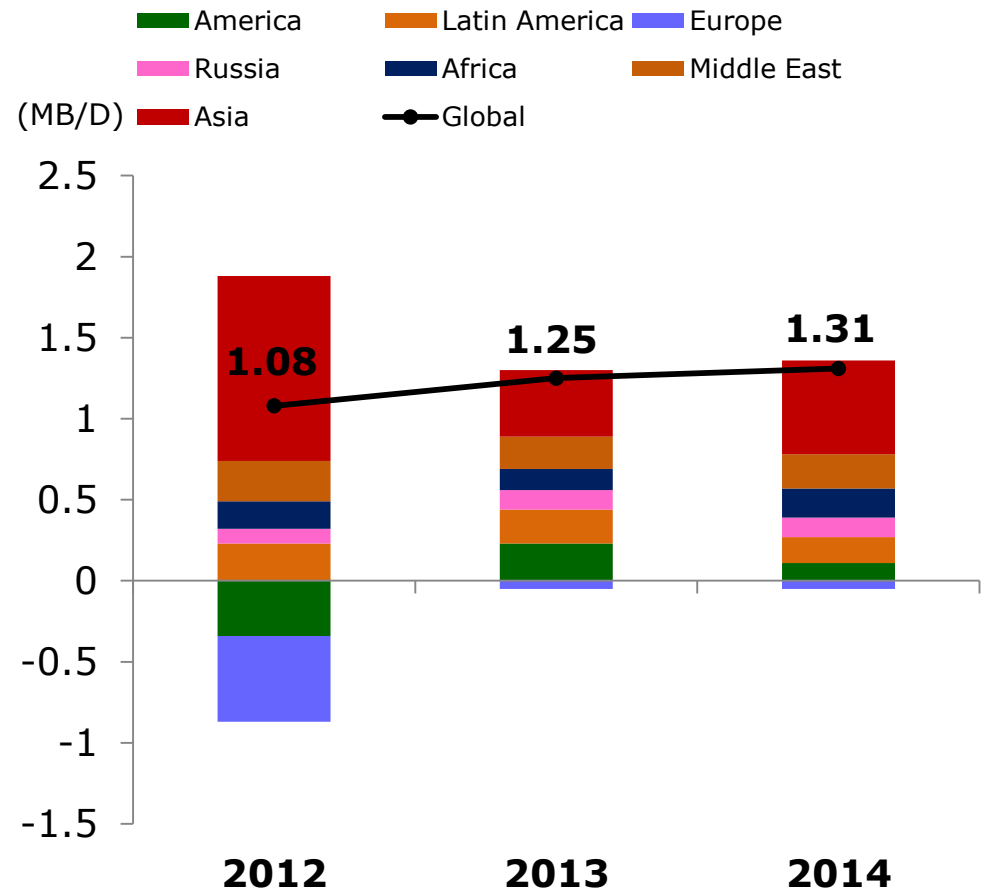


Global Capacity Increase

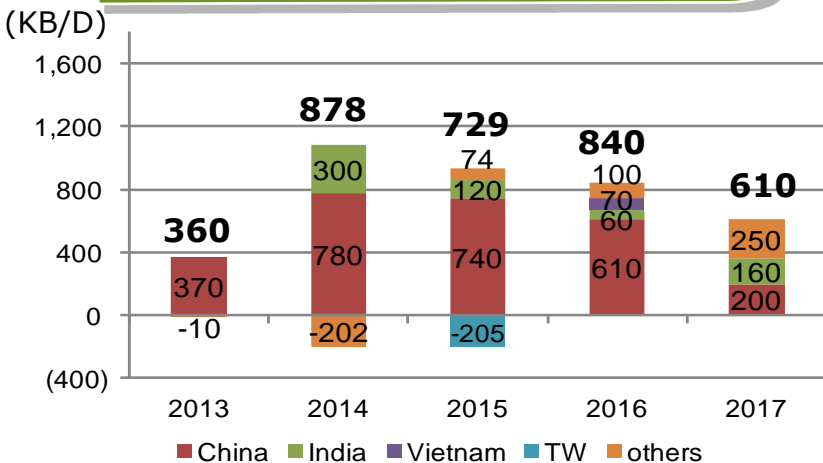
Source: IEA, PIRA, company research



Oil Demand Growth



Asia Capacity Increase

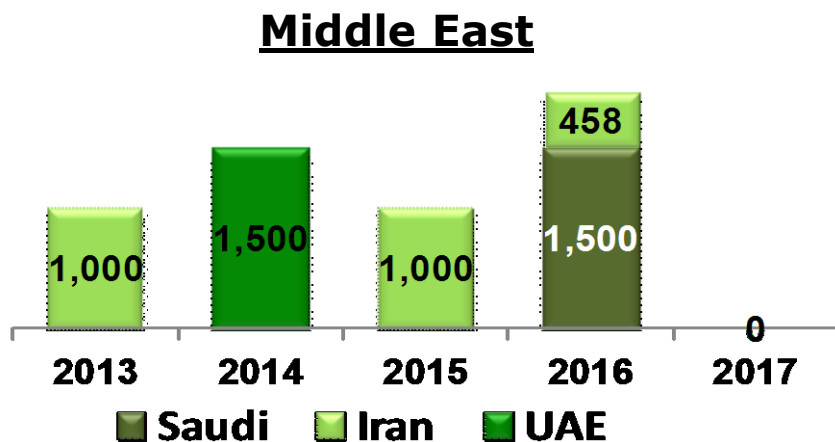
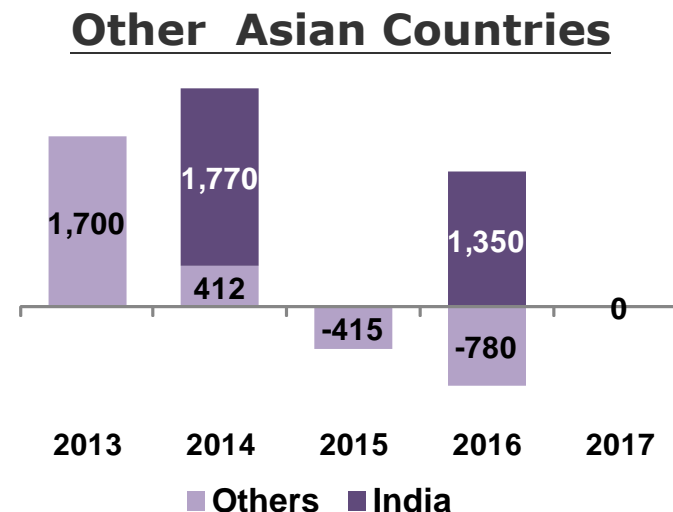
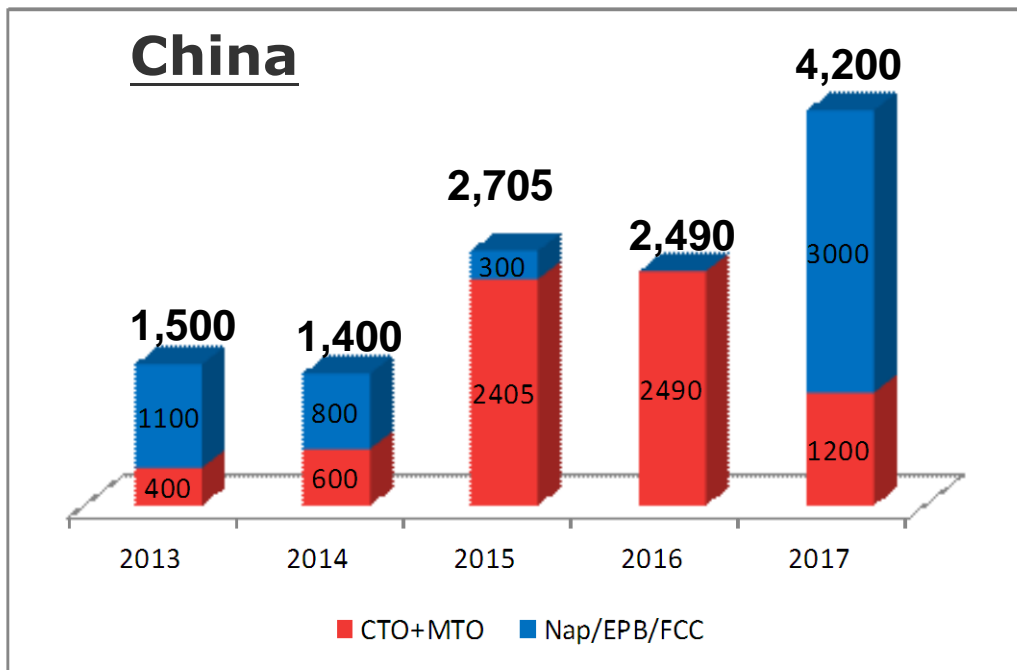


Petrochemical Outlook



Source: IHS Chemical

Unit: KMT



Total Capacity Additions

Year	(kta)
2013	4,200
2014	5,082
2015	3,290
2016	5,018
2017	4,200

Plant Operation



Utilization Rate

	Capacity	4Q12	1Q13	2Q13	3Q13	4Q13
Refinery	540 (kbd)	92%	91%	70%	86%	92%
Olefins	2,935 (kta)	86%	95%	90%	93%	88%

Schedule Maintenance

	2014 1H						2014 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



Phase 4.5

Project	Major Product	Current Capacity	Expansion (MTY)	Completion Date	Total Investment
C5 recovery	Isoprene	new	60,000	2014.2Q	NTD \$8.8 Bn
	Dicyclopentaidene	new	38,000		
	Piperylene	new	51,000		
MTBE II	MTBE	7,650(bpd)	8,100(bpd)	2017	NTD \$ 2 Bn

Phase 4.7

Project	Major Product	Current Capacity	Expansion (MTY)	Completion Date	Total Investment
Joint Venture with Kraton	HSBC	new	30,000	2016	USD \$ 200 Mn

Note : Schedule subject to change without prior notice.

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