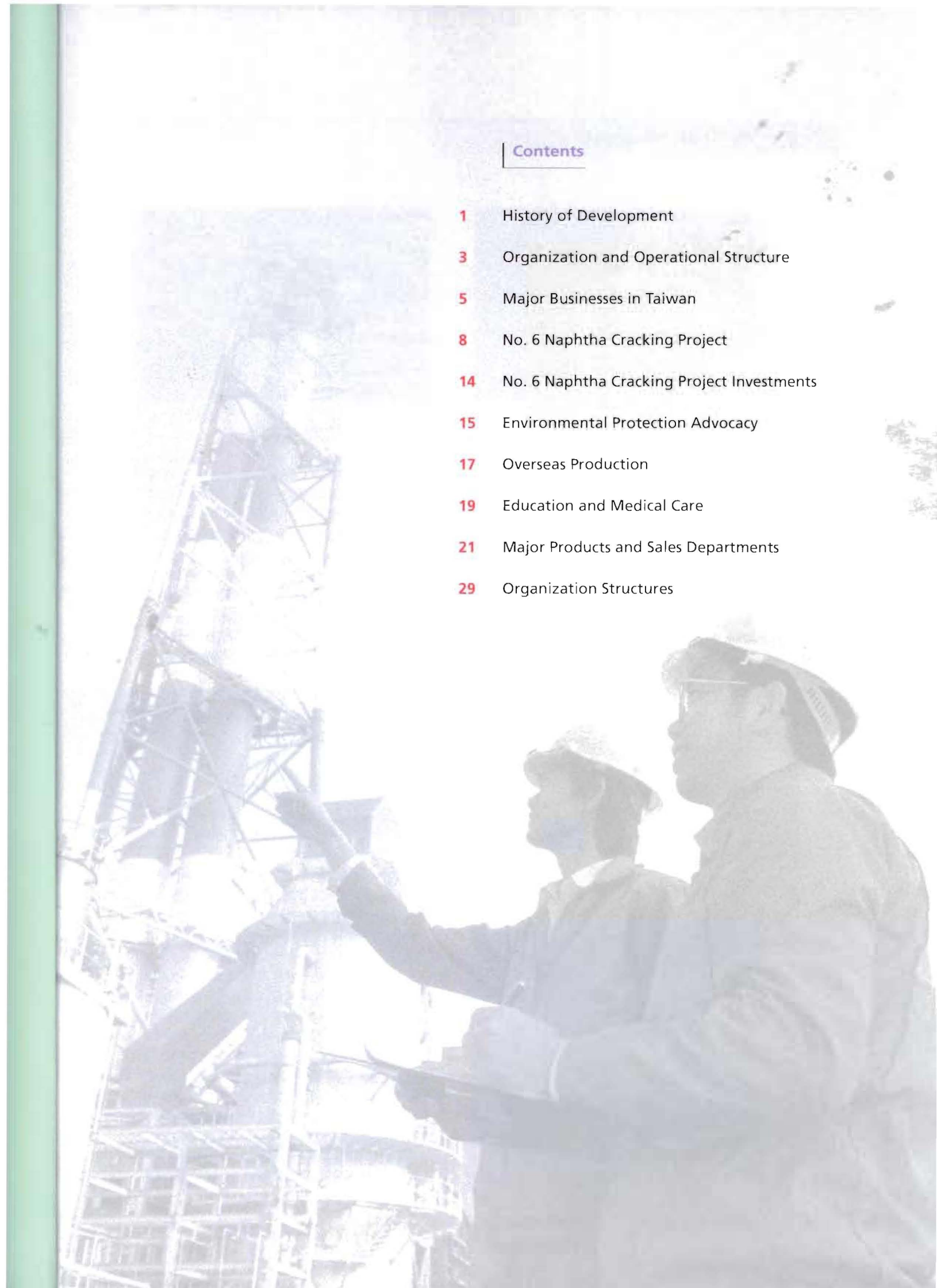




台塑關係企業
FORMOSA PLASTICS GROUP

FORMOSA PLASTICS GROUP



The background of the page features a faded, high-contrast image of an industrial facility, likely a refinery or chemical plant, with tall distillation columns and complex piping. In the foreground, two men wearing hard hats and safety glasses are shown in profile, looking towards the left. One man is holding a clipboard and pointing with his right hand towards the industrial structure in the background.

Contents

- 1** History of Development
- 3** Organization and Operational Structure
- 5** Major Businesses in Taiwan
- 8** No. 6 Naphtha Cracking Project
- 14** No. 6 Naphtha Cracking Project Investments
- 15** Environmental Protection Advocacy
- 17** Overseas Production
- 19** Education and Medical Care
- 21** Major Products and Sales Departments
- 29** Organization Structures

History of development

Formosa Plastics Corporation was founded in 1954. At start-up in 1957, its plant produced 4 MT/day of polyvinyl chloride (PVC) resin, the smallest PVC plant in the world at that time. With such a small production volume, product costs were comparatively high. Due to the lack of a local downstream industrial base, sales remained stagnant, resulting in the stockpiling of finished goods. To ameliorate this situation, it was decided to increase production volume in order to lower unit costs. Simultaneously, manufacturing plants were founded to consume PVC powders, and the export of products was thus promoted.

PVC production volume went up from 4 MT/day to 40 MT/day. At the same time, plans were made to construct downstream processing facilities to help consume the PVC resins. Nan Ya Plastics Corporation was set up in 1958 to produce secondary products such as PVC pipes, PVC film, and PVC leather. Soon afterwards, the New Eastern Corporation was formed to help



The first plant of the fledgling Formosa Plastics Group - the old Kaohsiung factory

lucrative tertiary processing industry was created. This led to the prosperous development of the local petrochemical industry and contributed significantly to the economic development of Taiwan.

Since plastic material and manufacturing established a solid base, the Formosa Plastics Group started to operate diversified industries. In 1965 it set up Formosa Chemicals and Fiber Corporation (FCFC) to produce rayon staple fiber, yarn, fabric, and garments, from the discarded branches and bits of wood left on the mountains after lumbering. Nan Ya expanded in 1968, setting up plants to produce polyester staple fiber. The same year Formosa Plastics Corporation set up plants to produce acrylic fiber. In 1974 FCFC added nylon filament and fabric to its product lines. To offer better service to downstream customers, large-scale dyeing and finishing plants were set up to add to the value of the textile products. The companies were the only ones in Taiwan that produced four kinds of fibers and offered finishing and dyeing services. The Formosa Plastics Group had become one of the largest fiber producers in the world.

In view of the rapid development of the electronics and information industries in Taiwan, and with major components greatly relying on imports, Nan Ya began investing in 1984 in the manufacturing of printed circuit boards and copper-clad laminates as the first step in participating in the electronic industry. Nan Ya had stayed in the petrochemical, plastic, and fiber textile industries for a long time and was unfamiliar with the electronic and information technology industries. However, the printed



In the 1957, the ox-towing carts were used to transport the PVC powder to Kaohsiung Port for exporting to other countries.

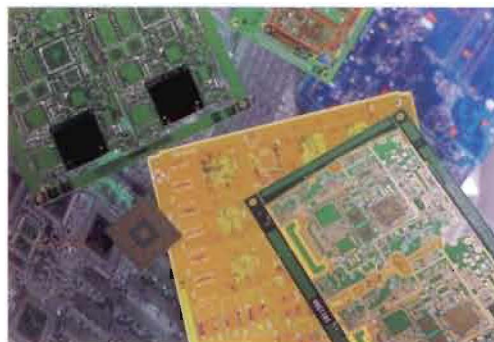
consume Nan Ya's products by making such tertiary products as handbags, luggage, shoes, curtains, raincoats, and inflatable, for the export market. The strategy was enormously successful in solving the problem of slow sales of PVC resins. With the following expansions of Formosa Plastics Group and the encouragement of the founding of new businesses by ex-employees of New Eastern Corporation, an incomparably

circuit board was still recognized as the most basic component of the electronic and information technology industries as well as having a long product life and few variations, and thus was selected for initiating production. The key to success would lie in the control of quality, manufacturing processes, and costs, which all involve management expertise on the part of the Group. Through involving in the industry, the Group appeared familiar with business operations of the electronic and information technology industries, and sought future expansions accordingly. After more than 10 years of assiduous efforts, a successful vertically-integrated production of electronics raw materials has been established, and a further investment on upstream key components, such as super twisted nematic liquid crystal displays (STN-LCDs), dynamic random access memory chips (DRAMs), and wafers, has been implemented. This move would significantly contribute to the self-sufficiency of the nation's electronics and information industries.



An evening view of the No. 6 Naphtha Cracking Project

Observing Taiwan's chronic shortage of upstream petrochemical materials to force the industries to rely on more expensive imports and dampened their competitiveness in the international markets in 1970s, Formosa Plastics Group started to propose the Naphtha Cracking Project to alleviate the shortage problem in 1973. Following several rejections of a planned naphtha cracking plant from the government, final approval was obtained in 1986, to facilitate the Group's building the No. 6 Naphtha Cracking Plant in Taiwan, so called the No. 6 Naphtha Cracking Project. In coordination with this giant undertaking, Formosa Petrochemical Corporation was founded in 1992 to take charge



Nan Ya Plastics set up a PCB plant in 1984, the first step FPG took to cross into the electronics industry.

of the construction of the oil refinery, naphtha cracking plant, and co-generation plant. All 3 plants have already been completed and started manufacturing. This achievement, as well as the continuous output from petrochemical related factories of affiliated companies, has already realized the value of vertical integration of the No. 6 Naphtha Cracking Project and has advanced the operational abilities of the group as a whole.

With over 50 years of development, the Formosa Plastics Group is now the largest private enterprise in Taiwan. The Group includes Formosa Plastics Corporation, Nan Ya Plastics Corporation, Formosa Chemicals & Fibre Corporation, Formosa Petrochemical Corporation, and more than 100 other investments in Taiwan, the United States, China, Vietnam, Philippine, and Indonesia, in addition to several large educational and medical organizations.



FPC USA

Organization and Operational Structure

To pursue the rationalization of management, the Group Administration Office, functioning as a professional staff and service unit, was set up to coordinate resources, and furthermore, to perform the cooperative function in the Group. In addition to pursuing implementation and improvement of management, the Office is also in charge of group-wide strategy making, setting up computerized management systems, business auditing, material procurement, financing, engineering construction, legal affairs, and public relations. As well, each company maintains a President's Office, each division a Vice President's Office, and each plant a Plant Manager's Office, constituting a complete vertical line of staff organization. In addition, each company has its own accounting, administration, warehousing and shipping, technical and labor safety and health departments. To improve efficiency, the following concepts have been implemented:

1. Division System : To prevent the growth of the Companies from hampering the efficiency of operations, the Group realized the division system to correspond to the principles of producing and marketing unification, as well as responsible operation. The Group is composed of several divisions, with the purpose of arranging its own sales and production operations and set its own targets according to the needs of its organization, manufacturing processes, and product lines. In addition, the profit center concept is implemented throughout. Each center is grouped by plant or by product, with independent profit and loss statements. Through comparative analysis of financial reports, costs and revenues, the areas for improvement can be easily identified for further rationalization of operations.





FPG uses "Unit Cost Analysis," carrying out a detailed analysis of the costs of each product, to achieve the best possible costs and efficiency.

2. Management by Objective : To ascertain the effectiveness of each department, we place great importance on the management of costs and performance. By analyzing the difference between the objective and actual performance, we can identify issues causing the gap, organize improvement measures, and achieve the goal of cost control and performance promotion. The key lies in the unit cost analysis, whereby each element in product cost is deeply analyzed, and objective costs are thus established. Improvement is achieved by finding solutions to the difference between actual costs and objective costs. Once an improvement is implemented, a new objective cost is set, leading to the most rational cost structure through a continual improvement process.

3. Individual Performance Reward System : To rationalize rewards for employees' efforts and to make them feel that they are integral to the Company's success, we carry out an Individual Performance Reward System for all levels of employees. Bonuses are given as a reward to an employee in proportion to his performance. At the same time, performance is also used as a factor in each employee's annual evaluation. This system is designed to promote employees' work quality and production efficiency. Seeking continual development and growth, the Formosa Plastics Group has diversified into many businesses. In addition to efforts in research and development for providing products at reasonable prices, all facets of management activities such as procurement, production, sales, engineering, personnel, finance, performance evaluation, and hospital management have been computerized. We realize that only a sound management system can provide a company with a firm foundation for growth despite external forces.

4



To rationalize management and pursue even greater operational efficiency, all of FPG's management systems are completely computerized.

Major Businesses in Taiwan

In addition to Formosa Plastics Corporation, Nan Ya Plastics Corporation, Formosa Chemicals & Fibre Corporation and Formosa Petrochemical Corporation, the Formosa Plastics Group in Taiwan includes more than 40 other companies, including Formosa Heavy Industries Corporation, Formosa Sumco Technology Corporation, Nanya Technology Corporation, Nan Ya PCB Corporation, Nan Ya Photonics Incorporation, Formosa Biomedical Technology Corporation. We are engaged in such businesses as oil refining, petrochemicals, plastic raw materials, secondary processing of plastics, fiber and textile, electronic materials, machinery, and transportation.

Oil Refining, Petrochemicals and Plastic Raw Materials

At present, Formosa Petrochemical Corporation runs Taiwan's only privately owned oil refinery and naphtha cracking plant. In September 2000, gasoline and diesel produced

in the refinery began to be sold in gas stations across Taiwan, marking FPC's formal entry into the gasoline market. By December 2008, the company had already taken a 20% share of that market.

Construction of Formosa Petrochemical's No.1 and No.2 naphtha cracking plants were completed in 1999 and 2000 respectively. Plant No.3 has been completed in 2007 and currently, Formosa Petrochemical's total ethylene production capacity stands at 2.9 million tpa.

At present, the Formosa Plastics Group's total annual PVC resin production has reached 2.85 million metric tons, ranking it one of the largest PVC producer in the world.

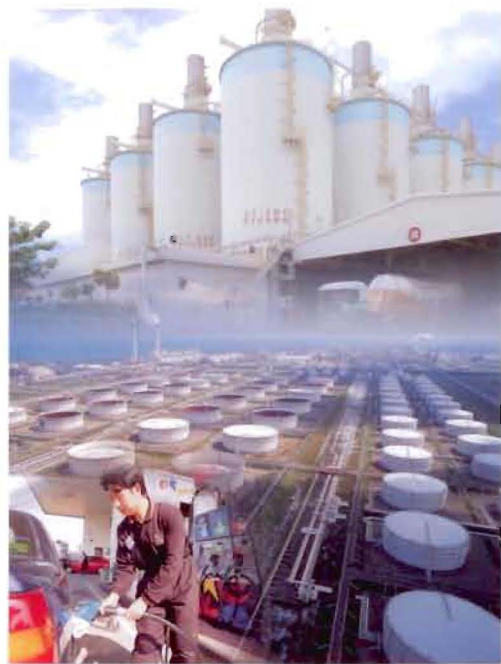
Consuming every year more than 300,000 metric tons of PVC resins for production of PVC pipes, PVC leather and film, etc., Nan Ya Plastics is the world's largest secondary plastics processor.

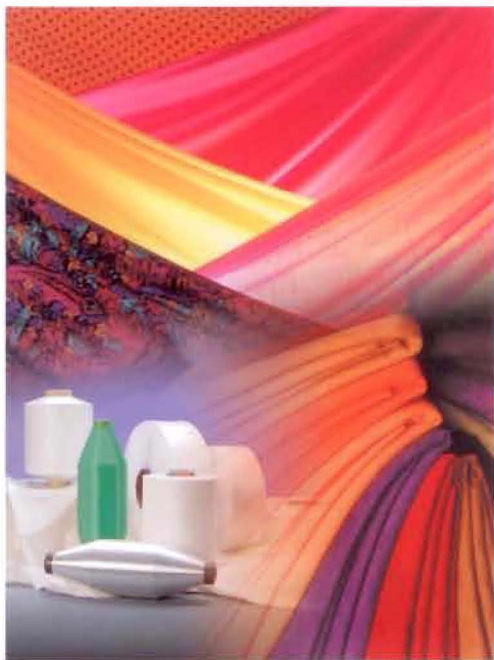
Aside from ethylene, propylene, PVC resin and plastic processing, we also produce dozens of petrochemical intermediate materials, including liquid caustic soda, VCM, EDC, MBS, POM, LiPF₆, NF₃, HDPE, LDPE, EVA, LLDPE, PP, AN, MMA, MAA, ECH, MTBE, B-1, DOP, AE, NBA, ABS, PS, PC, PTA, PTMG and SM, that each individually enjoys a leading position in the local market.

Fibers, textiles and carpets

At present, the FPG produces 7 types of fibers: polyester, acrylic, nylon, rayon, carbon, fiberglass and spandex. Output of most of these fibers is among the world's highest.

FPG has become one of the largest textile and dyeing producers in Taiwan, producing different kinds of greige yarn, dyed yarn, greige fabric and dyed fabric.





The carpet factory is currently the largest single-product business in Asia. Over 70% of the raw materials are supplied by subsidiaries within the Group. The Factory possesses a self-production system from raw materials to products, and is equipped with the most up-to-date computer-controlled embroidering and dye-transfer systems, with the capability to

produce finely-patterned jacquard woven carpet tiles, roll carpets, and artificial turf. Those products have been marketed all over the world and have obtained high credits.



Electronic Materials

We have established a vertically integrated production system ranging from printed circuit boards, copper-clad laminates to upstream products such as epoxy resin, bisphenol-A, copper foil, glass fiber cloth and Yarn.

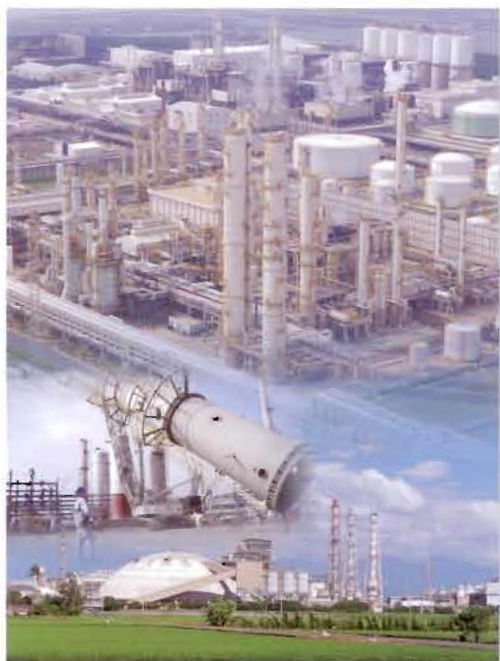
Meanwhile, we have made a further investment in the manufacturing of basic computer components, such as STN-LCDs, DRAMs, wafers, LED. Completion of these projects will further enhance the self-sufficiency of our nation's computer and information industries.



Major Businesses in Taiwan

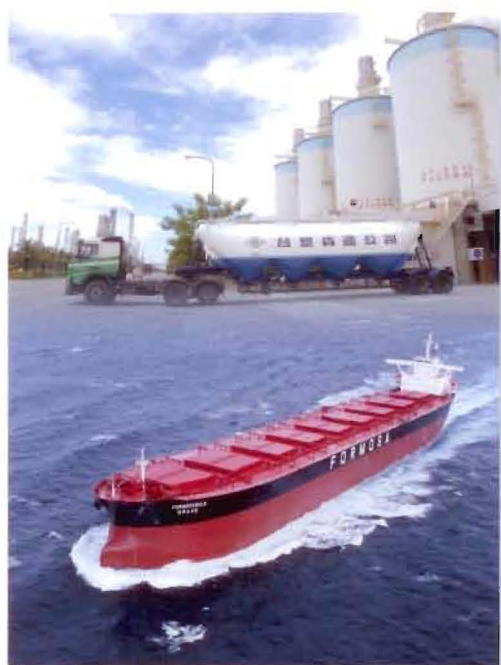
Machinery Products

As the largest machinery shop in Taiwan, our products and services include factory and power plant co-generators, automatic warehousing systems, refining and petrochemical manufacturing equipments, heavy load transportation and installation, gear reducers and large precision gears, industrial rollers, linings, metal roller electroplating and electrobrightening.



Transportation

In addition to Formosa Fairway Corporation, Formosa Plastics Transport Corporation, Formosa Petrochemical Transportation Corporation, and Su Hua Transport Corporation that operate on the island, in 1981 we established the first chemical tanker fleet in Taiwan. To meet the needs of transportation of mass amounts of raw materials to and from the No. 6 Naphtha Cracking Project, such as oil products, petrochemical materials, and coal for the group's power plant, our fleet was expanded, and is comprised of 17 highly advanced chemical tankers, 9 oil product tankers, 4 crude oil tankers ranging from 280,000 to 300,000 tons, 8 cargo carriers ranging from 60,000 to 170,000 tones, and 2 LPG ships, 9 container ships and 4 sand suction ships, forming a huge self-owned fleet of 53 ships.



No. 6 Naphtha Cracking Project

A land expansion project that will
elevate national competitiveness.



No. 6 Naphtha Cracking Project



Total reclaimed area 2,255 hectares

Total investment US\$17.7 billion

In view of the long-term shortage of basic petrochemical materials in Taiwan that dampened developments of the midstream and downstream petrochemical industries, Formosa Plastics Group had proposed the No. 6 Naphtha Cracking Project for several times since 1973 to alleviate the problem, and was eventually approved in 1986, to initiate the No. 6 Naphtha Cracking Project as we see today. The site selection was the first issue faced after project approval.

The first selection for the project site was a 280-hectare property in Lizi, Yi-Lan, but was then shifted to Guanyin, Taoyuan in 1988, due to irrational environmental objections. Similar reasons then drove the subsequent reselections of the Project site, with consideration of sites at AuKu, ChiaYi and TaiShi, Yunlin. The final decision, after resolving a couple of problems and changes, was settled upon in the choice of Mailiao, Yunlin in 1991.

Mailiao Zone and Haifong Zone in the Project were situated at the estuary of Chuoshui Creek at the northern end of Yunlin County, with the total length of 8 kilometers from south to north, and extension 4 kilometers out from the coastline, with most of the land below the sea level. The Cracking Project required massive land reclamation efforts to improve the geographical character and to shore up the foundation for plant construction, eventually creating 2,255

hectares of new land with the waterway segregated from the fishery farms along the coast.

Mailiao is located in a region that is commonly dubbed "head of the windstorm and end of the waterfowl," with the northeast monsoon blowing half of the year. Inconvenient transportation and poor weather made the reclamation work doubly formidable. It is truly a giant undertaking to turn sea into mulberry fields.

The Project includes: oil refinery plants with annual capacity of 25 million tons of crude oil, naphtha cracking plants for producing 2.94 million tons ethylene per annum, and other petrochemical plants, heavy machinery plants, a co-generation plant, and the Mailiao Industrial Harbor. In addition, in view of the serious power shortage in Taiwan, which impacts greatly on people's lives as well as on businesses, a thermal power plant with a capacity of 3 million kilowatts was therefore planned; all of the generated power will be incorporated into the TPC power supply system, for assisting relief of the domestic power shortage.

Total investment of the four phases of the No. 6 Naphtha Cracking Project (including the industrial harbor and the power plant) is US\$17.7 billion. All the 61 plants have been completed and enter production.

After construction of the Project completed, the self-sufficiency of ethylene in Taiwan was raised to over 90% in 2008 from 38% in 1994, and the annual increment on production values reached US\$44.7 billion, GDP increased 11.9%, the import substitution values were US\$ 1.98 billion, and the production values of downstream industries were driven to rise US\$61.87 billion, so that the government's tax revenues rose to US\$1.24 billion, with 100- thousand employment opportunities directly created.

Regarding overall planning, the Project has efficiently reduced operation costs through coordination with the power generator, industrial harbor, and a series of facility constructions. Upstream and downstream relevant industries on petrochemical materials in the Project can save transportation costs and secure stable supplies, proving the advantageous effects brought about by the vertical coordination and strong global competition. 61 plants in the Project are briefly described below:

1. Civil works

- **Land reclamation** : 109.15 million cubic meters of sand were poured to create land, sufficient in volume to construct a three story tall, eight-lane wide building along the 373 km-long stretch of freeway from Keelung to Kaohsiung. The total area of reclaimed land is 2,255 hectares, about 8% the size of Taipei City (27,300 hectares) and 19% the size of Kaohsiung City (11,400 hectares), or equal to 0.062% of Taiwan's land area.

- **Engineering foundation** : The total length of piles driven amounts to 4.5 million m and the total amount of concrete used reached 6.4 million cubic meters (requiring approximately 2.08 million tons of cement).

- **Plant construction** : A total of 61 plants were built in a single industrial park, including oil refineries, naphtha cracking plants, co-generation plants, power plants, heavy machinery plants, boiler plants, wafer fabrication plants and petrochemical-related plants. Piping inside the plant area alone extends for 3,000 km.

- **Industrial park area** : The area of the entire industrial park totals 2,603 hectares, more than four times the total of the Linyuan (388 ha), Dashe (115 ha), and Toufen (96 ha) petrochemical industrial zones.



Pipeline end of land reclamation



Land reclamation



No. 6 Naphtha Cracking Project



2. Mailiao Port

The Project's Mailiao Port occupies an area of 476 hectares, comparable to the size of Taichung Port (487 ha) and more spacious than Keelung Port (384 ha). With water level 24 meters deep during mid-tide, the Port can accommodate 300,000 ton vessels. Therefore, it is Taiwan's deepest port and the first privately funded industrial port. Upon completion, the Port has been able to handle up to 70 million tons of cargo till the end of 2008, second only to Kaohsiung Harbor. Although Mailiao Port is being constructed for industrial purposes, its operations in Yunlin County will incorporate the vast adjacent hinterland area into the port zone. Consequently, the resultant convenient marine transportation will promote the development of local industry.

3. Independent power plant

The Project plans to install a large thermal power plant equipped with four sets of generating units that will each generate 600,000 kW of electricity. The combined output of the three completed sets of generators is 1.8 million kW. Since commercial operation officially commenced in June 1999, September 1999 and September 2000, respectively, all energy generated has been sold to the Taiwan Power Company and incorporated into the national power grid. This contribution has gone a long way to easing Taiwan's power shortage.





4. Oil refinery

The oil refinery capacity increased from 450,000 to 540,000 barrels/day upon the completion of phase IV expansion. Meanwhile, the naphtha capacity attained at 4 million ton/year, which is sufficient to supply for the entire No.6 Naphtha Cracking Complex. Other petroleum products including gasoline, diesel, kerosene and LG are exported to overseas markets.

5. Naphtha cracking plant

In total there are three naphtha cracking plants (NCP). Upon the completion of the NCP1 de-bottlenecking project, the ethylene capacity will increase from 0.45 million ton/year to 0.7 million ton/year; and the NCP2 ethylene capacity is 1 million ton/year. The NCP3 construction project, with a capacity of 1.2 million ton/year, has been completed in 2007 and is expected to have a combined ethylene capacity of 2.9 million ton/year.



6. Co-generation plant

The plant is designated to generate electricity, steam, and water for industrial use, as well as hyperpure water, nitrogen, oxygen, and compressed air for use by plants within the industrial park. The largest Co-generation plant in Taiwan currently has 16 generation sets installed, with a total capacity of 2.82 million kW. The excess electricity produced, after supplying manufacturing needs, is sold to Taiwan Power Company to easing Taiwan's power shortage.

7. Machinery Shop and Boiler Shop

The machinery shop primarily engages in the design, manufacture, installation, and construction of oil refining and petrochemical process equipment (reactors, towers, pressure containers, earth covered tanks etc). The combined capacity is 10M³x100M³x1,000MT; i.e. exceeding 10 meters in diameter, 100 meters in length and 1,000 tons in weight for general equipment. The boiler shop is mainly engaged in the planning, design, manufacture, installation, and construction for the 50-150 MW co-generation power plant and the 600 MW independent power plant.



No. 6 Naphtha Cracking Project



8. Wafer fabrication plant

This wafer plant is a joint venture owned by Formosa Plastics, Asia-Pacific Investment, and Japan's SUMCO TECHXIV Corporation for the production of 8-inch wafers with an annual output of 3.84 million pcs and the investment in the venture totals to US\$314 million. Plant construction was completed in March 1999 and the plant was qualified by ISO-9001:2000 in December 2002, ISO-14001 in March 2001, QS9000 in March 2003, and TS16949 and OHSAS18001 in April 2005. In December 2006, the plant further received the "TPM Excellence Award" from Japan Institute of Plant Maintenance (JIPM), and in August 2007 also received the "Golden Merchant Award."

A contract for the investment in a 12-inch wafer fabrication plant was officially signed in February 2005. It's the leading 12-inch wafer fabrication plant in Taiwan that is capable of implementing a consistent process from crystal pulling to epitaxy and has started the production from November 2006, and the capacity raised to 160 thousand pcs/month in the end of 2008.

9. Formosa Asahi Spandex Co, Ltd.

Formosa Asahi Spandex Co. Ltd., with a spandex capacity of 5,000 tons/day, is a joint venture between Formosa Plastics and Asahi Kasei, with a total investment of US\$85.2 million. Phase I, with a capacity of 2,500 ton/year, was completed and entered production in the third quarter of 2000. Phase II, with a capacity of 2,500 ton/day was completed and commenced production in March 2002. The polytetramethylene glycol (PTMG) expansion project with a capacity of 18,000 ton/year was completed. The 4,000 tons of the spandex capacity was completed and entered production at the third quarter, and the other 14,000 tons was completed and entered production in September 2002. We passed ISO-14001 certification in September 2002; ISO-9001 certification in October 2004; and OHSAS-18001 in January 2005.



10. No. 6 Naphtha Cracking Project Investment Items (See table below for details)

No. 6 Naphtha Cracking Project Investments

Investing Company	Item	Factory	Product	Capacity (10000 MT/yr unless otherwise noted)
Formosa Plastics Corp.	1	Acrylic Acid & Ester plant	AA/AE	10.8/11.8
	2	Polyvinyl Chloride plant	PVC	49.4
	3	Vinyl Chloride Monomer plant	VCM	80
	4	Caustic Soda plant	Caustic Soda	123
	5	High Density Polyethylene plant	HDPE	35
	6	Carbon Fiber plant	Carbon Fiber	0.62
	7	Ethylene-Vinyl Acetate plant	EVA/LDPE	24
	8	Acrylonitrile plant	AN	28
	9	Linear Low Density Polyethylene plant	LLDPE	26.4
	10	Methyl Methacrylate plant	MMA	9.8
	11	C4 plant	MTBE/B-1	17.4/3.2
	12	Epichlorohydrin plant	ECH	10
	13	NBA plant	NBA	25
Nan Ya Plastics Corp.	1	Plasticizer plant	DOP	40
	2	Epoxy Resin	EPOXY	17.6
	3	Propionic Anhydride plant	PA	22.8
	4	Isooctanol plant	2EH	18.8
	5	Bisphenol A factory	BPA	42
	6	Ethylene Glycol plants	EG	144
	7	Hydrogen Peroxide plant	ESO/H ₂ O ₂	2/2
	8	1,4-Butylene Glycol plant	1,4BG	10
	9	Toluene Diisocyanate plant	TDI	3
	10	Iso-nonyl Alcohol plant	INA	11.5
	11	Antioxidant plant	AO/CPE	0.3/1
	12	Stabilizer plant	Stabilizer	1.5
Formosa Chemicals & Fibre Corp.	1	Aromatic Hydrocarbon plants	BZ/PX/OX	128/172/48
	2	Styrene Monomer plant	SM	120
	3	Purified Terphthalic Acid plant	PTA	110
	4	Dimethyl Formamide plant	DMF	4
	5	Phenol Synthesis plant	PHENOL/ACETONE	40/24.6
	6	Polypropylene	PP	51
	7	PABS	PS/ABS/PBT	18/12/3
	8	Polycarbonate plant	PC	19.5
Formosa BP Chemicals Corp.	1	Acetic Acid Plant	HAC	30
Formosa Petrochemical Corp.	1	Naphtha Cracking plant	Ethylene	293.5
	2	Utilities Supply plant	Steam	11,580 T/H
	3	Refinery plant	Electricity	2,820MW
Mailiao Power Corp.	1	Power station	Naphtha, gasoline, diesel	2,500(Refinery)
Mailiao Formosa Heavy Industries Corp.	1	Equipment for Machinery Shop	Electricity	600MW X 3
	2	Boiler Shop	Equipment for refinery, petrochemical plants	4.3
	2		Equipment for CO- generation and utility power plants	500T/H X 4ST
Formosa Sumco Technology Corp.	1	Wafer fabrication plant	8-inch wafers	3.84 million pcs.
			12-inch wafers	1.92 million pcs.
Formosa Asahi Spandex Co.	1	Spandex plant	SPANDEX/PTMG	0.5/1.8
Nan Chung Petrochemical Corp.	1	Ethylene Glycol plants	EG	36
Simosa Oil Co., Ltd.	1	Asphalt plant	Asphalt	30

Environmental Protection Advocacy

In order to reinforce our environmental protection, FPG established environmental and safety center to monitor and control the air, wastewater, waste articles, noise and ecological environment conditions. We adopted most advanced Best Available Control Technology (BACT) to reduce the negative impacts on the environment. The invested budget for pollution control and prevention is about US\$2.95 billion. The outcome is very significant. It not only surpasses our national official standards but also meet the standards of the most developed countries.

Take the air pollution as an example, in the thermal power plant, we adopt sealed systems for coal transportation and storage in order to prevent the coal dust or ashes blown out of the system to cause pollution. All of the emitted gas has to pass various treatments, such as ventilated denitrification and desulfuration, static electricity dust collection to make sure the pollutants were eliminated before the gas emitted. As to water pollution control, we set up 10 comprehensive wastewater processing pools. Be-fore flowing

out, all of the wastewater will be well treated by chemical and biological process treatments. It's proven the flown out wastewater is clean for keeping the carps. Meanwhile, the 6th naphtha is the only industrial complex which process waste within the industrial park area in Taiwan. We have 2 incin-erators which can process 150 tons of waste daily, a immobilization factory, a landfill site and an ash pond.

- Investment in pollution prevention facilities
(From phase 1 to phase 4 of project)

Total Investment of No. 6 Naphtha Project
US\$17.5 billion



Spending on pollution prevention :
US\$2.96 billion



In Mailiao Factory of No. 6 Naphtha Cracking Project, the greenish Wang Chan-yung Memorial Park

Water and energy saving program at the No. 6 Naphtha Cracking Plant

In the wake of waster and energy resource constraints, FPG formed a couple task groups, "The Center For Water Resource Utilization And Development" and "The Project Team of Energy Saving and Car-bon Reduction", to research for ways to improve water and energy conservation rate. Both task groups have conducted several projects to reduce water consumption, including process water reduction and wastewater and rainwater recycling. On the energy front, task groups also put in a lot of efforts to slow global warming effect and to improve energy efficiency, as well as to improve heat recovery and to develop alternative energy such as wind turbines.

Up to the end of 2008, FPG has conducted 600 energy saving projects. It has reduced 3.7 million tons of CO2 emissions, which is equivalent to 9,513 Da-An Forest Parks' carbon uptaking. In addition, 500 water saving projects have reduced 76.65 million tons of water consumption per year, which is equivalent to 1/4 of Shih-men Reservoir's capacity.



All plant areas are installed with automated closed coal bunkers to eliminate flying dust and protect the air.

Overseas Production

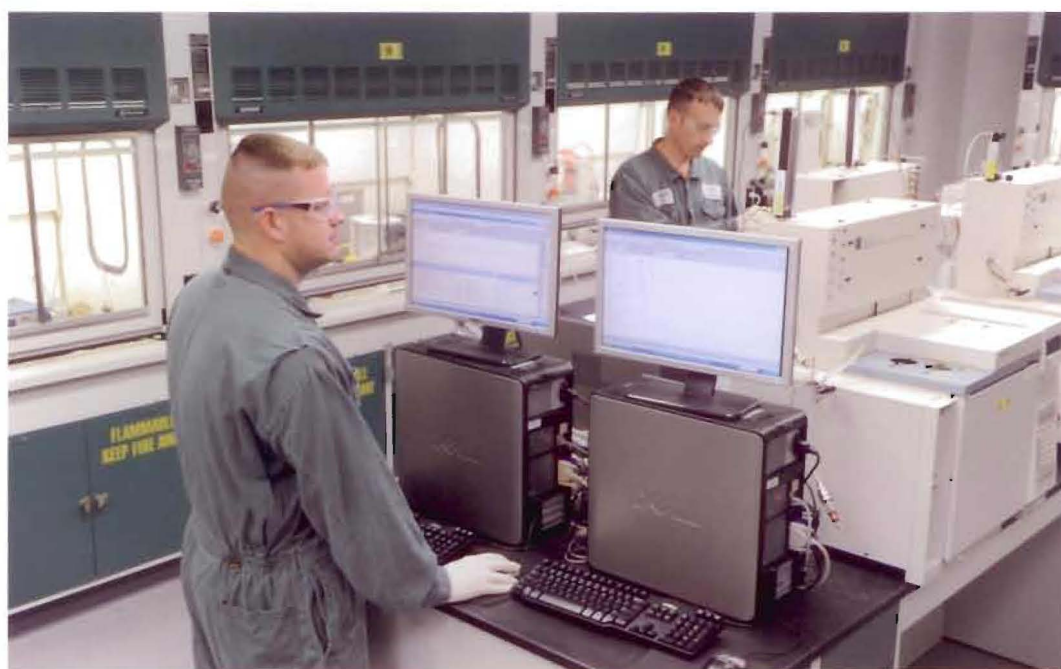
In 1978 we began investing in production capability in the United States to supply petrochemical materials to the North American marketplace. We selected the United States as the location for our overseas investments because, in addition to rich natural resources and well-established legal, political, and economic systems, the country possessed an excellent infrastructure and a well-educated workforce.

After years of effort, Formosa Plastics Corporation, U.S.A., Nan Ya Plastics Corporation USA, Nan Ya Plastics Corporation, America, and Intoplast Group, Ltd. were established. In addition, we acquired Neumin Production Company. Presently, we own several large petrochemical plants, secondary and tertiary processing plants, and natural gas production wells.

We began our U.S. operations by producing polyvinyl chloride (PVC) resin and its related products. To further vertically integrate our production, in 1990 we invested US\$ 1.9 billion to build our first olefins plant and eight related petrochemical intermediate plants. In 1994 we successfully completed those facilities and added



polypropylene and polyethylene resin products in our product lines. Following the completion of a second olefins plant in early 2002, we have the ability to produce up to 1,500,000 MT/year of ethylene. Formosa Plastics Corporation, U.S.A. is now a major U.S. supplier of PVC, polypropylene, polyethylene resins and caustic soda.



Nan Ya Plastics Corporation USA was founded in 1979 and produces PVC rigid film. And Nan Ya Plastics Corporation, America was established in 1989 and produces PVC flexible film, EG, and polyester fiber.

Observing the growing demand for plastic products in Europe and America, we recognized the significant market potential for providing downstream products made from PVC, polyethylene, and polypropylene resin. In 1990, the Formosa Plastics Group set up Inteplast Group and built a state of the art facility in Texas to produce BOPP film, stretch film, XF film, PP corrugated sheet, PVC sheet, and PE shopping bags. These efforts extended the vertical integration in our operations and permitted our competitive edge due to lower production costs.

After the 1980s, China gradually opened itself to the global market and developed a strong 'magnetic effect' due to its sufficient low-cost labor and broad import market to attract investments from countries all over the world. We perceived the trend and conducted our investment deployment in China after 1994, in which Nan Ya's secondary manufacturing acted as the prelude. In order to meet the mass demands of manufacturers for materials, our petrochemical special district was founded in Ningbo City of Zhejiang Province, to complete the vertical self-supply stream production in 2001.

Currently, we have established over 10 manufacturing bases spread across Guangzhou, Xiamen, Chongqing, Nantong, Kunshan, and Ningbo with investment businesses ranging first from petrochemical materials, and secondary processing of plastics, electronic materials, heavy machinery, to power generators.

In addition, we built up the plants for fiber, textile and secondary plastic processing in Vietnam in 2001 to resolve the business difficulty caused by high production costs in Taiwan. When parts of our orders were shifted to Vietnam, a new road for the aforementioned industries was constructed, operation strength was properly adjusted, and sustainable development for the business was achieved.



Ningbo Factory in China



Kunshan Factory in China

At present, the investments in Vietnam cover textile and fiber, power generator, Polyester fiber, and BOPP, all of which have entered production. It is expected to become the textile and fiber production center of FPG in Asia. FPG had decided to build a steel mill in Vietnam after reviewing the potential of the country. It is expected that the steel mill will become the largest of its kind in Southeast Asia.



Vietnam Factory

Education and Medical Care

Aiming to "take from the society and use it for the society", FPG has established several medical and educational nonprofit organizations. Chang Gung Memorial Hospital was founded in 1976 when Taiwan was in great shortage of medical facilities. As there were only 19 medical beds for every 10,000 persons, it was far lesser than the 40 beds per 10,000 people standard in modernized nations. To address the problem, we built big hospitals in Taipei, Linkow, Keelung, Kaohsiung, Taoyuan and Chiayi. At present, Chang Gung treats 29,500 outpatients daily and has 9,000 beds available for inpatients. It is one of the largest, best equipped, and best-performed general hospitals in the Far East.

To provide children with more professional medical care, Chang Gung Memorial Hospital established a major children medical center in Linkow and Kaohsiung in 1993 and 1994 respectively, with a total capacity of 800 inpatient beds. In order to attain the best efficiency for the use of medical resources, we founded Nursing Home in early 2001, and established Taoyuan Branch for both acute and chronic medical care in December of 2003, to target chronic medical and long-term nursing services and to provide people with complete medical treatments. While the population of people over 65 years old has now exceeded 9% of total population in 2002, our retirement/recreational home has been completed and opened for service since January 2005 to provide an ideal community for older people to spend the rest of their lives. Furthermore, in order to promote Traditional Medicine by



Chang Gung Cultural and Health Promotion Village

combining it with the modern and scientific techniques and approaches of Western Medicine, we have established the first medical-center-grade Traditional Medicine hospital in Taiwan. In order to optimize our medical services, we also established a cancer center to develop our critical-disease-based specialist medical service.

Corresponding to the insufficiency of medical resources in Yunlin and Chiayi areas, our Chiayi Branch started services by the end of 2001. It is the first hospital in Taiwan to apply full electronic medical records and enabled us to win the National Biomedical Technology Quality Award in 2003. Our Malliao Branch in Yunlin was ground-broken in December 2006 and to be accomplished in October 2009 aiming to provide the most suitable medical services for greater numbers of patients.

A special fund was set up to subsidize low-income and handicapped patients with medical expenses. In 2008, our subsidy exceeded US\$11.5 million.

The hospital is also dedicated to the teaching and clinical/basic medical research. In 2008 we invested over US\$64.21 million on teaching and clinical/basic medical research. Currently, significant progress has been made in genetic engineering, tissue engineering, molecular diagnostics, HBV, women cancers, organ transplants, neurological science, plastic microsurgery and cardiovascular diseases, and many findings have won international recognitions. We also vigorously embark on geriatrics, stem cells, Regenerative medicine, molecular medicine, Systems biology of bacteria and host cell interaction and cancer research.



With 9,000 beds available for inpatients, it is one of the largest, best equipped, and best-performed general hospitals in the Far East.

Chang Gung University was established in April 1987 as Chang Gung Medical College. The school expanded and changed its name to Chang Gung Medical and Engineering College and subsequently to Chang Gung University in August 1997. Following the technological advancement and medical progress, we have invited specialists from Taiwan and abroad to join the faculty and have augmented our facilities to strengthen our teaching abilities and research throughout the years. To support the needs of the national development and of medical, engineering and management talents, we have launched various internship programs with Chang Gung Memorial Hospital and FPG affiliates, and have developed a solid foundation on practice over the last decade or so.



Chang Gung University realizes its stringent attitudes on education, and has won the distinguished credit for several years in evaluation held by Ministry of Education, as one of top rating among private schools.

Chang Gung University realizes its stringent attitudes on education, and has won the distinguished credit for several years in evaluation held by Ministry of Education, as one of top rating among private schools. Presently, the university has schools in medicine, engineering, and management, with a total of 18 departments and 24 master's and 7 doctoral programs. Our faculty and students observe the school motto of "diligence, perseverance, frugality, and trustworthiness" and carry out the principle of "integrating theory and practice" under the full support of the board of directors, the university is well-funded and well-staffed, provided with adequate and state-of-the-art facilities, and designed with a quiet and pleasant campus environment, truly standing out in providing fine and high quality education.

Ming-Chi University of Technology was founded in 1963 as the Ming-Chi Technical College and reorganized as an institute of technology in July of 1999, then university in August of 2004. Presently, the university has 3 colleges: Engineering, Environmental Resources, and Management & Design, 10 departments, and 9 graduate schools to provide education and training for higher level industrial talents. The university also has a further education college and vocational training school to provide training for professionals and aboriginal students. It is rated as one of the best technological universities in Taiwan.

Group founder Wang Yung-Ching then established the Chang Gung Institute of Nursing in 1988 to promote the number and the quality of nursing personnel. The institute initially offered two-year and five-year clinical nursing courses to provide education and training for clinical nursing personnel. Subsequently it added two-year courses on childcare and education and on information management. Since 1995, the institute has offered free tuition to five-year nursing students of aboriginal background, to provide them with education and employment opportunities. In 2002, the institute was restructured into the Chang Gung Institute of Technology and added the two-year nursing programs, and childcare and education, and information management departments, in order to enhance the level of vocational education.



Chang Gung Institute of Technology and Ming-Chi University of Technology provide the full scholarship for aboriginal students as one of concrete measures of our feedbacks to the society.

Major Products and Sales Departments

PETROCHEMICALS

Product	Capacity (MT/Y)	Company	Division	Tel	FAX
PVC Resin	1,301,000	FPC	Plastics Div.	02-27178550	02-27137012
VCM	1,580,000	FPC	Plastics Div.	02-27178123	02-27135423
Caustic Soda (liquid)	1,600,000	FPC	Plastics Div.	02-27178129	02-27137012
Caustic Soda (flake)	50,000	FPC	Plastics Div.	02-27178129	02-27137012
Micro Prills Caustic Soda	100,000	FPC	Plastics Div.	02-27178129	02-27137012
Chlorine	366,700	FPC	Plastics Div.	02-27178129	02-27137012
Hydrochloric Acid	126,700	FPC	Plastics Div.	02-27178129	02-27137012
MBS	19,700	FPC	Plastics Div.	02-27178130	02-27137012
POM	25,000	FPC	Plastics Div.	02-27178546	02-27137012
Chlorosolvents	48,900	FPC	Plastics Div.	02-27178131	02-27137012
Processing Aids	25,000	FPC	Plastics Div.	02-27178130	02-27137012
LiPF ₆	200	FPC	Plastics Div.	02-27178546	02-27137012
NF ₃	400	FPC	Plastics Div.	02-27178546	02-27137012
HDPE	530,000	FPC	Polyolefin Div.	02-27178145	02-27178176
EVA/LDPE	240,000	FPC	Polyolefin Div.	02-27178145	02-27178176
LLDPE	264,000	FPC	Polyolefin Div.	02-27178145	02-27178176
AA	159,000	FPC	Tairylan Div.	02-27122211#6101	02-27134818
NBA	250,000	FPC	Tairylan Div.	02-27122211#6194	02-27134818
SAP	40,000	FPC	Tairylan Div.	02-27122211#6107	02-27134818
AN	280,000	FPC	Chemicals Div.	02-25460210	02-27178340
ACN	5,000	FPC	Chemicals Div.	02-25460210	02-27178340
MMA	98,000	FPC	Chemicals Div.	02-25460210	02-27178340
MAA	20,000	FPC	Chemicals Div.	02-25460210	02-27178340
ECH	100,000	FPC	Chemicals Div.	02-25460210	02-27178340
MTBE	174,000	FPC	Chemicals Div.	02-25460210	02-27178340
B-1	32,000	FPC	Chemicals Div.	02-25460210	02-27178340
Lime	154,400	FPC	Calcium Carbide Div.	02-25460210	02-27178340
Calcium Carbonates	258,000	FPC	Calcium Carbide Div.	02-27178151	02-27193261
Taical	14,400	FPC	Calcium Carbide Div.	02-27178151	02-27193261
White masterbatch, Calcium carbonate masterbatch	27,420	FPC	Calcium Carbide Div.	02-27178151	02-27193261
Light Master Batch	36,000	FPC	Calcium Carbide Div.	02-27178151	02-27193261
PP	400,000	FPC	Polypropylene Div.	02-27178151	02-27193261
PTMG	18,000	FASC	Business Div.	02-27122211#6794	02-27128718
BPA	114,000	Nan Ya	Petrochemicals 2nd Div.	02-27178244	02-27138248
H ₂ O ₂	30,000	Nan Ya	Petrochemicals 2nd Div.	02-27178244	02-27138248
ESO	20,000	Nan Ya	Petrochemicals 2nd Div.	02-27178244	02-27138248
1,4BG	120,000	Nan Ya	Petrochemicals 2nd Div.	02-27178244	02-27138248
TDI	30,000	Nan Ya	Petrochemicals 2nd Div.	02-27178244	02-27138248
Unsaturated Polyester Resin	24,000	Nan Ya	Plastic 3rd Div.	02-27178507	02-27198661
Plastic Stabilizer	12,000	Nan Ya	Petrochemicals 2nd Div.	02-27178244	02-27138248
DOP	400,000	Nan Ya	Petrochemicals 1st Div.	02-27178273	02-27178534
PA	228,000	Nan Ya	Petrochemicals 1st Div.	02-27178273	02-27178534

2EH	187,000	Nan Ya	Petrochemicals 1st Div.	02-27178273	02-27178534
INA	115,000	Nan Ya	Petrochemicals 1st Div.	02-27178273	02-27178534
AO	3,000	Nan Ya	Petrochemicals 1st Div.	02-27178273	02-27178534
CPE	10,000	Nan Ya	Petrochemicals 1st Div.	02-27178273	02-27178534
EG	1,320,000	Nan Ya	Petrochemicals 3rd Div.	02-27122211#6880	02-27186311
Benzene	1,280,000	FCFC	Petrochemicals 1st Div.	02-27122211#5561	02-27180358
PX	1,720,000	FCFC	Petrochemicals 1st Div.	02-27122211#5561	02-27180358
OX	480,000	FCFC	Petrochemicals 1st Div.	02-27122211#5561	02-27180358
SM	1,220,000	FCFC	Petrochemicals 2nd Div.	02-27122211#5561	02-27180358
Phenol	400,000	FCFC	Petrochemicals 2nd Div.	02-27122211#5561	02-27180358
Acetone	246,000	FCFC	Petrochemicals 2nd Div.	02-27122211#5561	02-27180358
PTA	2,200,000	FCFC	Petrochemicals 3rd Div.	02-27122211#5580	02-25148198
DMF	40,000	FCFC	Petrochemicals 3rd Div.	02-27122211#5580	02-25148198
PS	320,000	FCFC	Plastics Div.	02-27178405	02-27180358
ABS	410,000	FCFC	Plastics Div.	02-27178405	02-27180358
PP	510,000	FCFC	Plastics Div.	02-27178405	02-27180358
PC	195,000	FCFC	FIPC	02-27122211#6617	02-25473133
Anhydrous Sodium-Sul- fate	120,000	FCFC	Rayon Div.	02-27178358	02-27175283
Carbon Disulfide	18,500	FCFC	Rayon Div.	02-27178358	02-27175283
Sulphuric Acid	134,000	FCFC	Rayon Div.	02-27178358	02-27175283
Ethylene	2,935,000	FPCC	Olefin Div.	02-27122211	02-27188789
Propylene	2,367,000	FPCC	Olefin Div.	#6763/6764/6765	02-27188789
Butadiene	447,000	FPCC	Olefin Div.		02-27188789
Electron-grade hydrofluoric acid	6,700	FDACC	Business Div.	02-27122211#7404	02-27129281
NH ₄ F	2,200	FDACC	Business Div.	02-27122211#7404	02-27129281
Buffer hydrofluoric acid	1,800	FDACC	Business Div.	02-27122211#7404	02-27129281
HAC	300,000	Formosa BP Chemi- cals Corp.	Business Div.	02-27122211#6576	02-27180053

PETROCHEMICALS

Product	Capacity (MT/Y)	Company	Division	Tel	FAX
Naphtha	4,000,000 MT	FPCC	Refinery Div.	02-27122211	02-27175288
Gasoline	5,600,000 KL	FPCC	Oil Product Div.	02-27122211#7240	02-27178383
Diesel	8,600,000 KL	FPCC	Oil Product Div.	02-27122211#7235	02-27178383
Aviation fuel/kerosene	2,700,000 KL	FPCC	Oil Product Div.	02-27122211#7234	02-27178383
Fuel Oil	1,200,000 KL	FPCC	Oil Product Div.	02-27122211#7280	02-27178383
LPG	710,000 MT	FPCC	Oil Product Div.	02-27122211#7241	02-27121296

Major Products and Sales Departments

SECONDARY PLASTIC PRODUCTS

Product	Capacity (MT/Y)	Company	Division	Tel	FAX
HDPE Bag	10,000	FPC	Plastics Processing Dept.	02-27178113	02-27193262
Flexible PVC Film	103,200	Nan Ya	Plastics 1st Div.	02-27178202	02-27178532
Rigid PVC Film	57,600	Nan Ya	Plastics 1st Div.	02-27178214	02-27126113
Metallized Rigid PVC Film	4,800	Nan Ya	Plastics 1st Div.	02-27178214	02-27126113
A-PET Film	17,400	Nan Ya	Plastics 1st Div.	02-27178214	02-27126113
PP Synthetic Paper	26,400	Nan Ya	Plastics 1st Div.	02-27178509	02-27126113
Rigid PVC Pipe	171,000	Nan Ya	Plastic 3rd Div.	02-27178230	02-25140628
Extruded Products	21,700	Nan Ya	Plastic 3rd Div.	02-27178226	02-25140628
Injected Products	16,000	Nan Ya	Plastic 3rd Div.	02-27178230	02-25140628
PVC Plate	27,000	Nan Ya	Plastic 3rd Div.	02-27178226	02-25140628
Wrap Film	12,000	Nan Ya	Plastic 3rd Div.	02-27178233	02-25140628
PVC Tile	11,900,000m2	Nan Ya	Plastic 3rd Div.	02-27178226	02-25140628
BOPP & CPP Film	148,000	Nan Ya	Plastic 3rd Div.	02-27178233	02-25140395
PVC Granule	60,000	Nan Ya	Plastic 3rd Div.	02-27178226	02-25140628
PU Leather	10.8 million yards	Nan Ya	Plastics 1st Div.	02-27178292	02-27178239
SMC (Sheet Molded Compound)	27,000	Nan Ya	Plastic 3rd Div.	02-27178507	02-27198661
Vinyl Windows & Doors	12,400	Nan Ya	Plastics 2nd Div.	02-27178169	02-27178512
SMC Door	14,800	Nan Ya	Plastics 2nd Div.	02-27178169	02-27178512
PET Film	72,600	Nan Ya	Polyester Fiber Div.	02-27178333	02-27186311

FIBER, TEXTILE, AND DYEING PRODUCTS

Product	Capacity	Company	Division	Tel	FAX
Carbon Fiber	6,150 MT	FPC	Tairylan Div.	02-27178137	02-27134818
Acrylic Staple Fiber, Tow & Top	72,000 MT	FPC	Tairylan Div.	02-27178137	02-27134818
Spandex	5,000 MT	FASC	Business Div.	02-27122211 #6795	02-27128718
Polyester Staple Fiber	134,700 MT	Nan Ya	Polyester Fiber Div.	02-27178333	02-25454065
Polyester Chips	564,600 MT	Nan Ya	Polyester Fiber Div.	02-27178333	02-25454065
Polyester Spin Drawn Yarn	78,500 MT	Nan Ya	Polyester Fiber Div.	02-27178333	02-25454065
Polyester POY	228,600 MT	Nan Ya	Polyester Fiber Div.	02-27178333	02-25454065
Polyester Textured Yarn	106,300 MT	Nan Ya	Polyester Fiber Div.	02-27178333	02-25454065
Polyester Dyed Yarn	7,200 MT	Nan Ya	Polyester Fiber Div.	02-27178333	02-25454065
SPP Chip	197,640 MT	Nan Ya	Polyester Fiber Div.	02-27178333	02-25454065
Rayon Staple Fiber	161,000 MT	FCFC	Rayon Div.	02-27178358	02-27175283
Blended Spun Yarn	76,000 bales	FCFC	Textile Div.	02-27178362	02-27175281
Rayon	38,00 KY	FCFC	Textile Div.	02-27178365	02-27129542
Nylon Cloth	19,000 KY	FCFC	Textile Div.	02-27178375	02-27129542
Nylon 6 Chip	219,000MT	FCFC	Nylon Div.	02-27178371	02-27175285
Nylon 6 Filament	144,200 MT	FCFC	Nylon Div.	02-27178371	02-27175285

Nylon 6 Stretch Yarn	15,200 MT	FCFC	Nylon Div.	02-27178371	02-27175285
Nylon 6 Filament for Industrial Use	15,800 MT	FCFC	Nylon Div.	02-27178371	02-27175285
Tire Cord Filament	43,000 MT	FCFC	Nylon Div.	02-27178371	02-27175285
Carpet Roll	1,200,000 ping	FCFC Carpet Corp.	Business Div.	02-27178552	02-27182221
Carpet Tile	600,000 ping	FCFC Carpet Corp.	Business Div.	02-27178552	02-27182221

ELECTRONIC PRODUCTS

Product	Capacity	Company	Division	Tel	FAX
Distributed Computer Control System	36 ST	FPC	Electronic Dept.	07-3711411#5163	07-3727026
Printed Circuit Board	10.62 million sft	Nan Ya PCB	Sales Dept.	03-3223751	03-3223802
Copper-clad Laminates	37.2 million sheets	Nan Ya	Electronic Materials Div.	02-27178504	02-27178260
Copper Foil	32,400 MT	Nan Ya	Electronic Materials Div.	02-27122211#5825	02-27182258
Epoxy Resin	226,000 MT	Nan Ya	Electronic Materials Div.	02-7178258	02-27182258
Glass Fiber Cloth for Electronic Use	300 million meters	Nan Ya	Electronic Materials Div.	02-27122211#5825	02-27182258
STN-LCD	1,200,000	Nan Ya	Electronic Materials Div.	03-3140637#2717	03-3229484
Glass Yarn for Electronic Use	84,000 MT	PFG Fiber Glass Co.	Business Div.	02-27178502	02-27189468
Chopped Strand & Continuous Roving	6,000 MT	PFG Fiber Glass Co.	Business Div.	02-27178502	02-27189468
8 inch Wafer	3,840,000 PCS	Formosa Sumco Technology	Business Div.	02-27122211#6113	02-27178567
12 inch Wafer	1,920,000 PCS	Formosa Sumco Technology	Business Div.	02-27122211#6113	02-27178567
DRAM	408,000 PCS	Nancy Technology	Sales Div.	03-3280800#6032	03-3960997

Major Products and Sales Departments

OTHERS

Product	Capacity	Company	Division	Tel	FAX
Switch Gear & Control Panel	6,400 ST	Nan Ya	Engineering Div.	02-27122211#6329	02-27198996
Gear Reducer	1,000 ST	Formosa Heavy Industries	Gear Div.	07-3738164	07-3721748
Large Precision Gear	4,000 PCS	Formosa Heavy Industries	Gear Div.	07-3738164	07-3721748
Petrochemical Process Equipment	43,200 MT	Formosa Heavy Industries	Machinery Div.	07-3711411#5276	07-3717476
Automatic Storage/ Retrieval System	15 ST	Formosa Heavy Industries	Automation Div.	07-37111411 #5902~5904	07-3715148
Rubber Roller	6,000 PCS	Formosa Heavy Industries	Rubber Div.	07-3738165	07-3719801
Rubber and Flake Lining	10,000 m ²	Formosa Heavy Industries	Rubber Div.	07-3738165	07-3719801
Hard Chrome Plating Hot Grinding, Polishing for Metal Roll	300 PCS	Formosa Heavy Industries	Rubber Div.	07-3738165	07-3719801
Cogeneration System and Power Generation Equipment	4 ST	Formosa Heavy Industries	Cogeneration Div.	07-3711411#5896	07-3721833
Cooling Tower	60 ST	Formosa Heavy Industries	Cogeneration Div.	07-3711411#5896	07-3721833
Alkyl Benzene Sulphonic Acid	25,000MT/Y	Formosa Biomedical Co.	Business 1st Div.	02-27122211#7813	02-27178381
Detergent Powder	66,000MT/Y	Formosa Biomedical Co.	Business 1st Div.	02-27122211#7813	02-27178381
Detergent Liquid	8,520MT/Y	Formosa Biomedical Co.	Business 1st Div.	02-27122211#7813	02-27178381
Personal Clean Products	1,980MT/Y	Formosa Biomedical Co.	Business 1st Div.	02-27122211#7813	02-27178381
Skin Care Products	1,163,148 PCS	Formosa Biomedical Co.	Business 2nd Div.	02-27122211#7807	02-27178381
Diagnostics	233 million set/ Y	Formosa Biomedical Co.	Business 3rd Div.	02-27122211#7828	02-27178381

MAJOR PRODUCTS OF US COMPANIES

Product	Capacity (MT/Y)	Company	Tel	FAX
PVC Resin	1,221,446	FPC-USA	973-992-2090	973-422-7724
VCM	1,182,754	FPC-USA	973-992-2090	973-422-7724
Caustic Soda	809,671	FPC-USA	973-992-2090	973-422-7723
Chlorine	717,273	FPC-USA	973-992-2090	973-422-7723
EDC	930,327	FPC-USA	973-992-2090	973-422-7723
Ethylene	1,620,630	FPC-USA	973-992-2090	973-716-7230
Propylene	742,112	FPC-USA	973-992-2090	973-716-7230
HDPE	723,941	FPC-USA	973-992-2090	973-422-7737
PP	822,371	FPC-USA	973-992-2090	973-422-7856
LLDPE	292,116	FPC-USA	973-992-2090	973-422-7737
EG	378,000	NPC-A	843-389-7800	843-389-6889
Fiber Grade Polyester Chip	108,000	NPC-A	843-389-7800	843-389-6889
Bottle Grade PET Chip	378,000	NPC-A	843-389-7800	843-389-6889
Polyester Staple Fiber	216,000	NPC-A	843-389-7800	843-389-6889
Partially Orientated Yarn	144,000	NPC-A	843-389-7800	843-389-6889
Polyester Spin Drawn Yarn	18,000	NPC-A	843-389-7800	843-389-6889
Polyester Textured Yarn	12,000	NPC-A	843-389-7800	843-389-6889
Flexible PVC Film	46,800	NPC-A	225-492-2141	225-492-2818
Rigid PVC Film	65,500	NPC-USA	281-727-7300	281-727-7309
SMC Door	50,000 Units	NPC-USA	713-674-7822	713-674-7823
BOPP	120,000	Inteplast	973-994-8000	973-994-8028
Stretch Film	92,500	Inteplast	973-994-8000	973-740-8229
PE Bags	212,000	Inteplast	973-994-8000	888-740-2500
XF Film	16,000	Inteplast	973-994-8000	973-740-8245
PP Corrugated Sheet	48,000	Inteplast	973-994-8000	973-994-8007
PVC Sheet	60,000	Inteplast	973-994-8000	973-994-8007
Concentrates	36,000	Inteplast	973-994-8000	973-740-8294
Natural Gas	7,183,107 MMBTU	Neumin	361-987-8900	361-987-2283
Condensate	264,058 BBLs	Neumin	361-987-8900	361-987-2283
Oil	83,387 BBLs	Neumin	361-987-8900	361-987-2283
Ethan/Propane/Butane	852,780	Neumin	361-987-8900	361-987-2283

Major Products and Sales Departments

MAJOR PRODUCTS OF CHINA COMPANIES

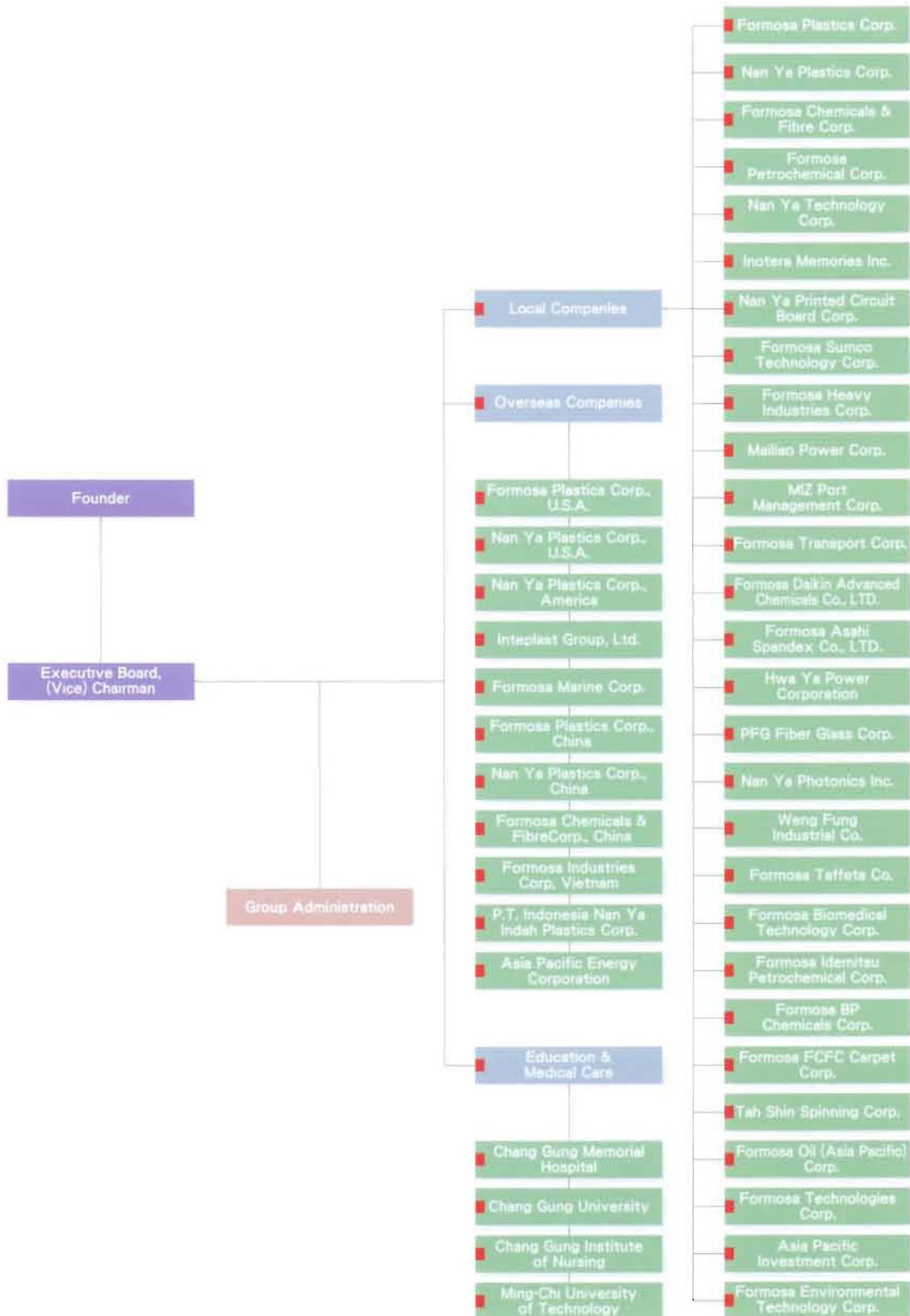
Product	Capacity	Company	Tel	FAX
PVC Resin	400,000	Formosa Industries (Ningbo)	574-86902999#3129	574-86902942
AA	160,000	Formosa Acrylic Esters (Ningbo)	574-86902999#3398	574-86902967
SAP	30,000	Formosa Super Absorbent Polymer (Ningbo)	574-86902999#3136	574-86902987
PP	450,000	Formosa Polypropylene (Ningbo)	574-86902999#2710	574-86902983
Flexible PVC Film	45,000	Nan Ya Plastics (Guangzhou)	020-36413900#2801	020-36415639
	35,400	Nan Ya Plastics (Nantong)	0513-85291811#111	0513-85291561
Flexible PVC Film for Building Material	19,200 KY	Nan Ya Kyowa Plastics (Nantong)	0513-85291811#260	0513-85285005
PVC Leather	21,600 KY	Nan Ya Plastics (Guangzhou)	020-36413900#2804	020-36415639
	31,200 KY	Nan Ya Plastics (Nantong)	0513-85291811#111	0513-85291903
PU Leather	19,200 KY	Nan Ya Synthetic Leather (Nantong)	0513-85291811#126	0513-85290845
	16,800 KY	Nan Ya Plastics (Huizhou)	0752-6926203	0752-6926214
PVC Casting	12,000 KY	Nan Ya Plastics (Huizhou)	0752-6926203	0752-6926214
Rigid PVC Film	33,600	Nan Ya Plastics Construction Materials (Nantong)	0513-85291811#611	0513-85291575
	38,400	Nan Ya Rigid Film (Guangzhou)	020-36413262	020-36413557
Metallized Rigid PVC Fill	4,800	Nan Ya Rigid Film (Guangzhou)	020-36413262	020-36413557
Engineering Plastics	14,400	Nan Ya Plastics (Huizhou)	0752-6926601#6201	0752-6926688
Unsaturated Polyester Resin	36,000	Nan Ya Plastics (Huizhou)	0752-6926601#6201	0752-6926688
Rigid PVC Pipe	36,600	Nan Ya Plastics (Xiamen)	0592-6510371#150	0592-6518907
	33,600	Hua Ya Wu Hu Plastic	0553-5841111	0553-5843939
	51,600	Hua Ya Dongying Plastic	0546-8305238	0546-8307178
	20,400	Nan Ya Plastics (Chongqing)	023-62929292#113	023-62910432
	19,200	Nan Ya Plastics Construction Materials (Guangzhou)	020-36413900#5804	020-36416205
	15,660	Nan Ya Plastics (Zhengzhou)	0371-6777886	0371-6777889
	17,220	Nan Ya Plastics (Anshan)	0412-7200200#300	0412-2504888
PVC Fitting	12,000	Nan Ya Plastics (Xiamen)	0592-6510371#150	0592-6518907
PE Film	6,000	Nan Ya Plastics (Chongqing)	023-62929292#161	023-62910432
PVC Film	9,600	Nan Ya Plastics Construction Materials (Nantong)	0513-85291811#290	0513-85281936
BOPP Film	30,000	Nan Ya Plastics Film (Nantong)	0513-85291811#640	0513-85281936
	30,000	Nan Ya Plastics Film (Huizhou)	0752-6926666#6850	0752-6926855

PVC Compound	24,000	Nan Ya Plastics Construction Materials (Guangzhou)	020-36413900#5802	020-36416205
Switchgear	4,032	Nan Ya Electric (Nantong)	0513-85291811#660	0513-85280727
Copper Clad Laminates	30,600,000	Nan Ya Electric Materials (Kunshan)	0512-57357080#3180	0512-57369018
Glass Fiber Cloth	294 million meter	Nan Ya Glass Fabrics (Kunshan)	0512-57357080#3333	0512-57369003
Epoxy Resin	105,000	Nan Ya Epoxy Resin (Kunshan)	0512-57357080#3412	0512-57378101
Copper Foil	31,800	Nan Ya Copper Foil (Kunshan)	0512-57357080#3233	0512-57357080 #3266
Fiber Glass Yarn	105,600	PFG Fiber Glass (Kunshan)	0512-57357080#3506	0512-57369016
Printed Circuit Board	19.2 million sft	Nan Ya Printed Circuit Board (Kunshan)	0512-57357080#5090	0512-57369002
Polyester Chips	39,600	Nan Ya Chemical Fiber (Kunshan)	0512-57723888	0512-57723883
Polyester POY	39,600	Nan Ya Polyester Filament (Kunshan)	0512-57723888	0512-57723883
Polyester Spin Drawn Yarn	7,200	Nan Ya Polyester Filament (Kunshan)	0512-57723888	0512-57723883
Polyester Textured Yarn	22,000	Nan Ya Draw-Textured Yarn (KUNSHAN) CO., LTD.	0512-57723888	0512-57723883
Polyester Dyed Yarn	4,500	Nan Ya Weaving & Dyeing (Kunshan)	0512-57723888	0512-57723883
PTA	600,000	Formosa Chemical Industries (Ningbo)	86-574-86902999#2506	86-574-86902953
ABS	300,000	Formosa Chemical Industries (Ningbo)	86-574-86902999#2119	86-574-86902922
PS	200,000	Formosa Chemical Industries (Ningbo)	86-574-86902999#2119	86-574-86902922

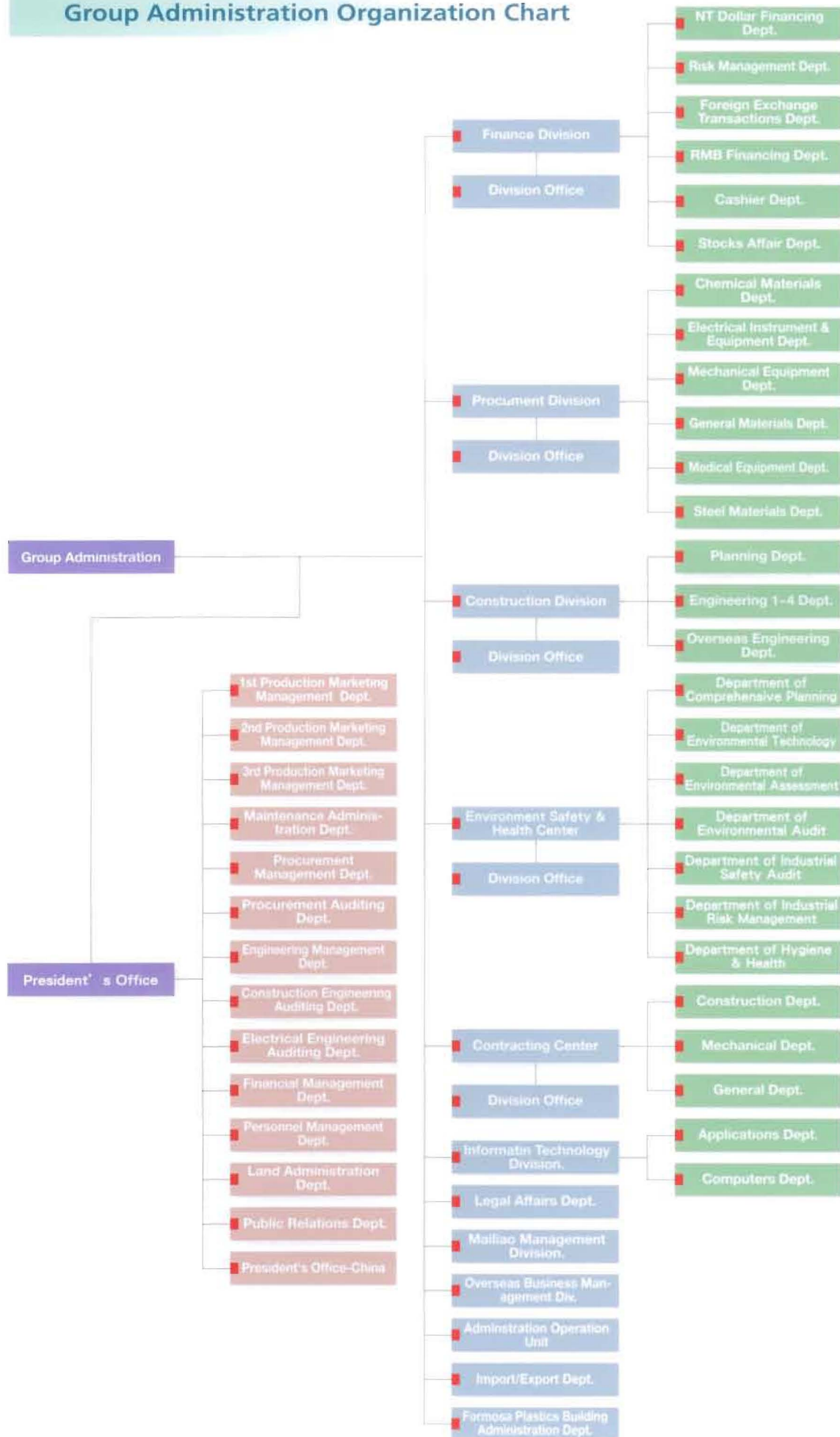
MAJOR PRODUCTS OF VIETNAM COMPANIES

Product	Capacity	Company	Tel	FAX
Blended Spun Yarn	283,000	Formosa Industries	84-61-3560309#2901	84-61-3560667
Polyester Staple Fiber	108,000 MT/Y	Formosa Industries	84-61-3560309#5901	84-61-3560666
Polyester Chips	270,000 MT/Y	Formosa Industries	84-61-3560309#5901	84-61-3560666
SPP Chip	162,000 MT/Y	Formosa Industries	84-61-3560309#5901	84-61-3560666
Polyester POY	23,000 MT/Y	Formosa Industries	84-61-3560309#5901	84-61-3560666
Polyester Spin Drawn Yarn	17,300 MT/Y	Formosa Industries	84-61-3560309#5901	84-61-3560666
Polyester Textured Yarn	23,000 MT/Y	Formosa Industries	84-61-3560309#5901	84-61-3560666
BOPP Film	30,000 MT/Y	Formosa Industries	84-61-3560309#5901	84-61-3560666

Formosa Plastics Group Organization



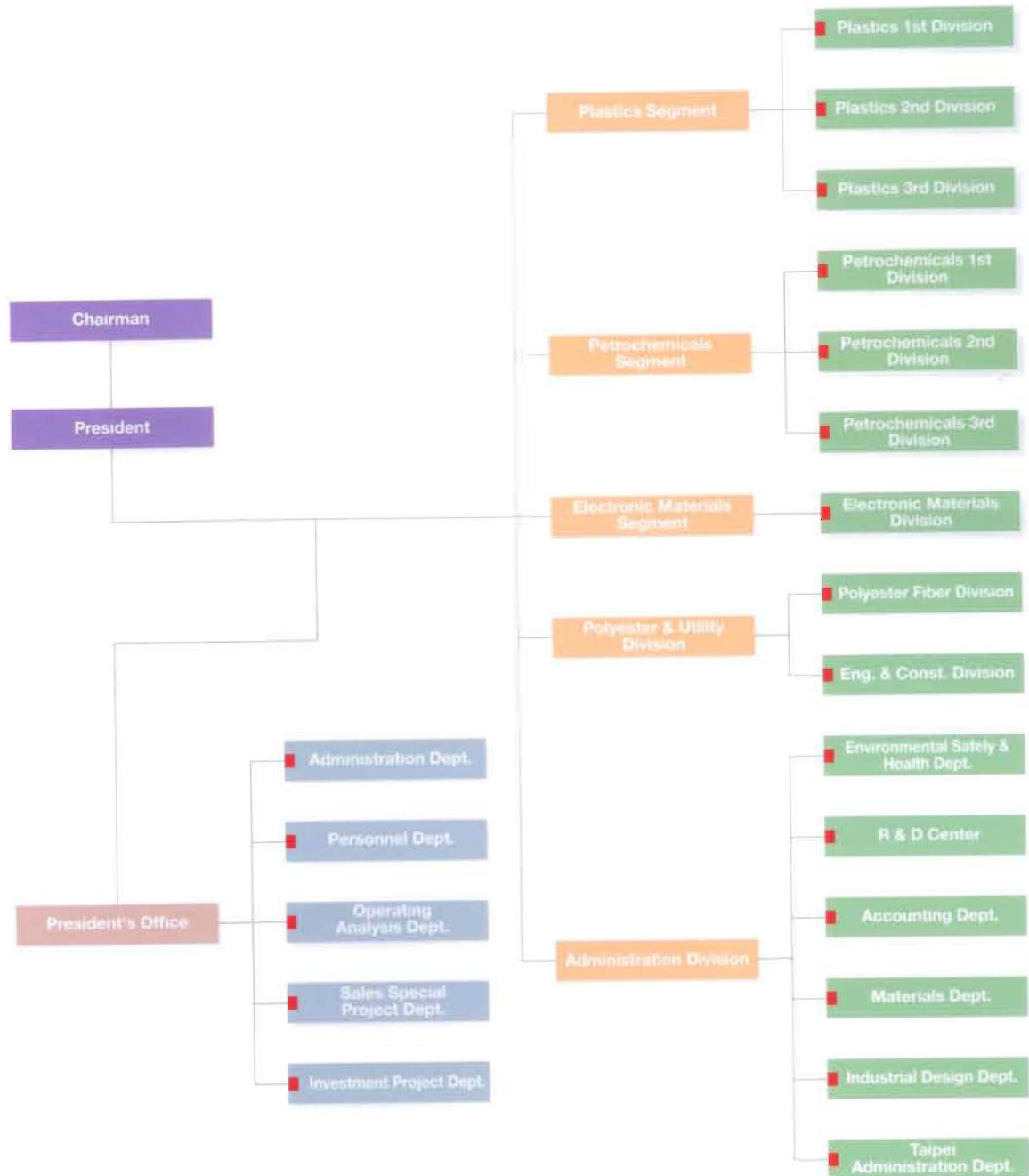
Group Administration Organization Chart



Formosa Plastics Corp. Organization Chart



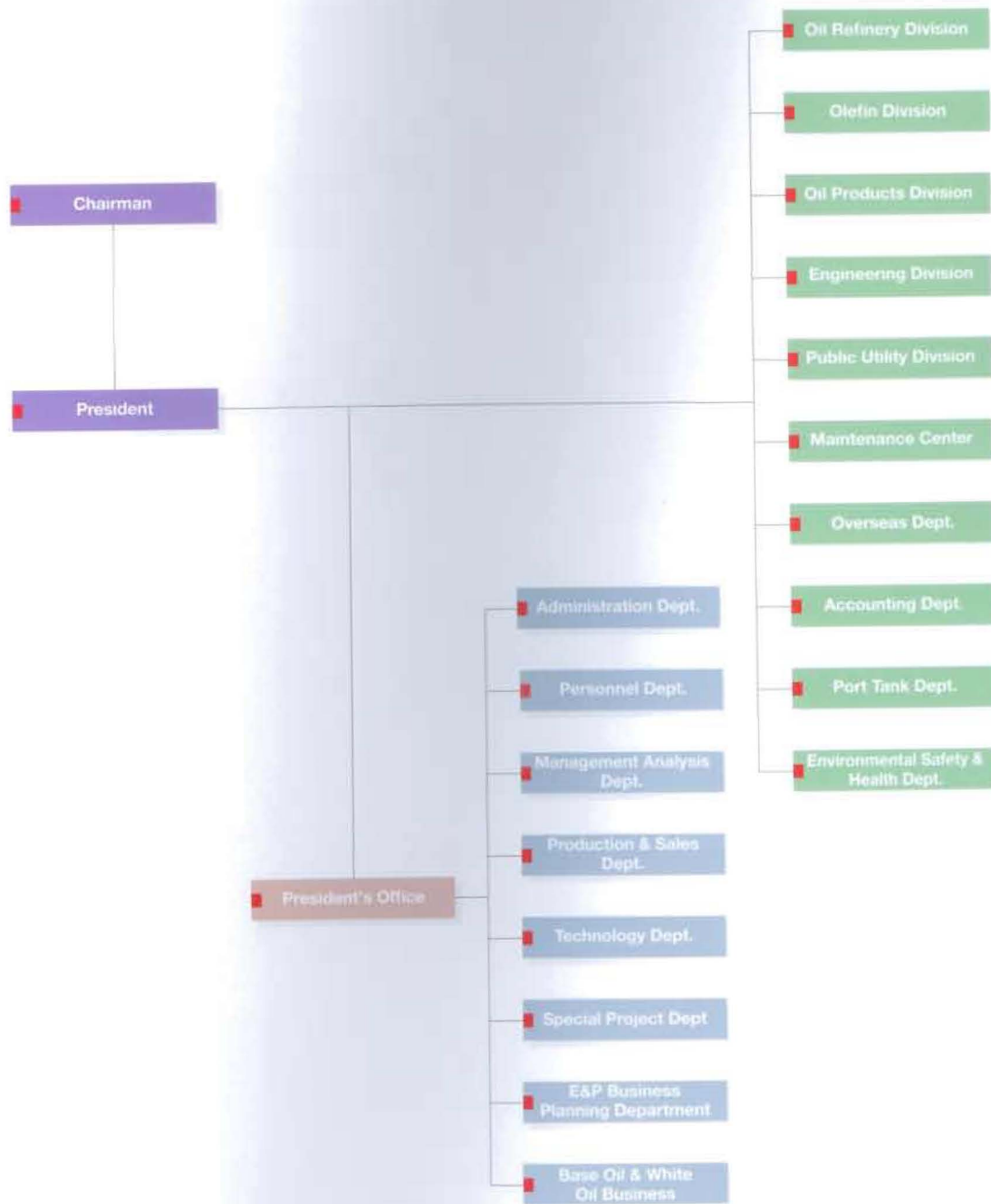
Nan Ya Plastics Corp. Organization Chart



Formosa Chemicals & Fibre Corp. Organization Chart



Formosa Petrochemical Corp. Organization Chart



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