November 9, 2016
W-Scope Corporation
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Listed on the First Section of the Tokyo Stock Exchange, code 6619

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Notice of Adjustments to Earnings Forecasts

Taking recent movements in the Company's earnings into account, the earnings forecasts announced on May 10, 2016 have been adjusted as follows.

●Adjustments to earnings forecasts

Adjustments to consolidated earnings forecast for the fiscal year ending December 31, 2016 (January 1, 2016 - December 31, 2016)

	Sales	Operating Profit	Ordinary Profit	Net Profit Attributable to Owners of Parent	Net Profit per Share
	(Million yen)	(Million yen)	(Million yen)	(Million yen)	(yen)
Previously announced forecast (A)	10,000	2,600	2,500	2,300	80. 94
Adjusted forecast (B)	9,000	2,300	2,100	1,700	57. 80
Change (B-A)	−1,000	−300	−400	−600	
Percentage change	−10.0	−11.5	−16.0	−26.1	
(Ref.) Results of the fiscal year ended December 31, 2015	7,448	1,982	2,054	1,829	64. 52

(Note): A two-for-one common stock split was implemented as of July 1, 2016. The net profit per share has been adjusted retroactively assuming that the relevant stock split was implemented at the beginning of the previous fiscal year.
The operating profit for the fiscal year ended December 31, 2015 includes 73 million yen in gain on sales of scrap that was included in non-operating income.

[Reasons for adjustments]

In the macroeconomic environment of the lithium-ion battery industry in which the Company operates, the market for lithium-ion secondary battery separators is expanding in response to the expanding areas of applications in consumer electronics as well as the growing demand for lithium-ion batteries used in electric vehicles, electric buses, etc. The Company expects that the market will continue to see strong growth for some time to come. Given this situation, demand from major customers has remained consistently strong. For the fiscal year ending December 31, 2016, however, the Company expects to see a slight increase in sales on a year-on-year basis, reflecting currency rate fluctuations, a delay in the initial launch for lines #6 and #7 that became ready for mass production in September, and a delay in the transition process for line #5 toward mass production resulting in a lower-than-forecast production volume despite the enhancement of the production lines. Please refer to "Lines #6 & #7 Ready for Mass Production with Shipments Launched by Line #5" released as of the same date for details related to delay of line #5. We therefore understand that the technical issue related to line #5, which we have already found solutions to the problem, would have only a temporary impact on the Group's plan of seeking to boost production over the medium to long term.

(Outlook for the fourth quarter)

While the environment regarding the Group's core business of lithium-ion secondary battery separators will remain stable without significant changes, the

Company expects to see a slight increase in sales on a year-on-year basis in view of the limited production capacity.

Currency exchange rate forecasts for the fourth quarter period have been revised as follows in view of the recent trends of the currency market.

	Initial Forecast Exchange Rates	Exchange Rate Forecast for Q4	Variance
Yen to 1 US dollar	105 yen	100 yen	5 yen
Yen to 1,000 won	100 yen	95.2 yen	4.8 won
Won to 1 US dollar	1,050 won	1,050 won	-

The forecasts announced on May 10, 2016 have been adjusted based on the above.

Notes to earnings forecasts

The earnings forecasts of the Company have been prepared based on information available to the Company at the time of creating the forecasts, which may differ from the actual results due to a variety of future factors.

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