11 July 2019

Company Name:	W-Scope Corporation
Stock Exchange Listing:	Tokyo Stock Exchange Section 1
Representative:	Won-Kun Choi, President & CEO
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Notice of setting credit lines by a subsidiary W-SCOPE CHUNGJU PLANT CO., LTD

One of our subsidiaries W-SCOPE CHUNGJU PLANT CO., LTD. newly set up credit lines with two Korean banks, Korea Industrial Bank and KEB Hana Bank, in total of KRW50bil. The loan will be used to pay for upfront investment in coating facilities – coating separator demand is especially notable among the European automotive makers.

We have set the funding level from Japan per plant to meet the criteria for the foreign investment tax break in Korea. As of today, some plants have already met the tax break criteria with funding from Japan. Since it is expected for our sales to the Korean battery makers to rapidly grow, several Korean banks show their appetite to fund CAPEX at our Korean subsidiary. As a result, we locally source finance for CAPEX from Korean banks as well as from Japan.

No impact to earnings is expected from this finance arrangement.