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Company Name: W-Scope Corporation
Stock Exchange Listing: Tokyo Stock Exchange Section 1
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Notice of Investment Decision on 4 Production Lines

W-Scope Corporation (the Company) hereby announces its decision to invest on 4 separator production lines as below;

1. Purpose

The Company aims to increase separator production capacity to meet increasing demand from its customer industries. It is expected that demand for the Company's separator for Lithium-Ion secondary battery will be boosted amid stable growth in numbers of consumer electronics applications as well as globally surging EV-related demand.

2. Details

The Company is to invest on 4 new separator production lines (No. 12, 13, 14 and 15 lines). Those lines will be added to the existing capacity of its subsidiary in Korea, W-SCOPE CHUNGJU PLANT CO., LTD. Total CAPEX amount is expected to be circa ¥20 billion including premises.

3. Production Capacity

W-Scope Corporation and its group companies have been proceeding investment on total of 8 additional lines including these 4 lines as well as No. 8 & 9 lines which plan to start mass production in late 2017 and No. 10 & 11 lines which are expected to shift to mass production in the first half of 2018. Once all those lines operate fully in late 2020, production capacity is estimated to be 360% of capacity as of 2016.

4. Implication to Earnings

No. 12 & 13 lines are expected to start mass production in the second half of 2019 and No 14 & 15 lines in the first half of 2020. Earnings forecast based on added production capacity can be found in "Vision 2020" Medium-Term Plan announced on 9 August 2017. Furthermore, this series of CAPEX will be funded by capital already financed and additional bank loans.