

*February 14, 2019*

## **Notice of Indictment of Our Korean Subsidiary and Related Persons**

On February 8, 2019, Ferrotec Advanced Materials Korea Corporation, our consolidated subsidiary in the South Korea, its two employees and one former employee were indicted by the Korean prosecutor's authority (Pyeongtaek Branch, Suwon District Court) for alleged violations of the Unfair Competition Prevention Act and Protection of Trade Secrets related to CVD furnace manufacturing. We will disclose any information that may have an impact on our business performance in the future.

We would like to refrain from commenting on this case as we will enter the trial procedure. We sincerely apologize for this situation to our shareholders, customers, and all other stakeholders.

In addition, after thoroughly examining the contents of the indictment, we will assert the matters that we should assert at the trial, but we take the facts that were indicted seriously. All our directors and employees will strive to rebuild the public trust with ensuring thorough compliance with laws and regulations.