

## PRESS RELEASE



July 12, 2016

Tanaka Holdings Co., Ltd.

Tanaka Kikinzoku Kogyo K.K.

### Tanaka Kikinzoku Kogyo K.K. Acquires the Shares of Metalor Technologies International SA, Making it a Wholly Owned Subsidiary

Tanaka Kikinzoku Kogyo K.K. (Head office: Chiyoda-ku, Tokyo; Representative Director and CEO: Akira Tanae), one of the core companies of the Tanaka Precious Metals group based in Japan, today announced that it has signed a contract to purchase 100 percent of the outstanding shares of the Swiss-based Metalor Technologies International SA (hereafter, “Metalor”), a company also active in the precious metals market.

#### 1. Reasons for the Acquisition

Tanaka Kikinzoku Kogyo K.K. develops and sells products containing precious metals which are essential components for a wide range of industries, including automobiles, communications devices, household appliances, energy and semiconductors. The company also recovers and refines precious metals from various types of industrial scrap.

Metalor is a corporation based in Switzerland with a global reach and a diversified portfolio of activities. It operates three main core businesses; recovery and refining, manufacturing electrical contacts, and manufacturing plating solutions and plating equipment. Its recovery and refining business focuses on recovering and refining high-purity precious metal bullion in the North American, European and Asian markets. Metalor has also earned an excellent reputation, particularly in Europe, for its sophisticated proprietary technologies relating to the production of electrical contacts containing silver alloys. Finally, Metalor manufactures and sells plating solutions containing precious metals and related plating equipment. The plating solution/equipment division has established itself as a leader in the European decorative field, a market in which Tanaka Kikinzoku Kogyo K.K. has yet to compete.

The acquisition of Metalor will enable Tanaka Kikinzoku Kogyo K.K. to expand its recovery and refining business into new geographic regions in North America, Europe and Asia in which Tanaka has not yet established a base, and furthermore, to accelerate sales of all of its products and services to Metalor’s blue-chip customers. By optimally combining the operations of both companies in the fields of electrical contacts and surface treatment — businesses in which both companies boast significant expertise — Tanaka Kikinzoku Kogyo K.K. intends to better cater to the needs of its customers worldwide. By enlarging its global footprint, especially in North America and Europe, Tanaka Kikinzoku Kogyo K.K. aims to improve top-line growth and profitability.

Comments from both companies are as follows:

- Tanaka Holdings Co., Ltd. (Holding company of the Tanaka Precious Metals group)  
Tanaka Kikinzoku Kogyo K.K.      Representative Director and CEO      Akira Tanae

“Tanaka Kikinzoku Kogyo K.K. and Metalor have both developed as corporations engaged in the refinement and processing of precious metals since our respective establishments in the nineteenth century. Based on a thorough consideration by both parties, the decision was made that Metalor and its subsidiaries would become a part of the Tanaka Precious Metals group.

Tanaka Kikinzoku Kogyo K.K. and Metalor offer highly complementary aspects both in terms of business and regional strategy. We anticipate creating significant synergies which will open new avenues for innovative global strategies for the expanded Tanaka Precious Metals group. We firmly believe that this step will greatly benefit the precious metals industry as a whole. ”

- Metalor Technologies International SA  
CEO      Philippe Royer

“The Tanaka group is definitely the best possible shareholder for Metalor. Both companies enjoy a very strong reputation which is a key factor in the precious metals business. In addition, our businesses are complementary in both geography and markets.

Thanks to the previous shareholders, Metalor has been able to invest extensively in Europe as well as in Asia and in the Americas. The Tanaka group will bring a new level of shareholder stability and technological mastery. The entire Metalor team supports this transaction and we hope it will close as soon as possible.”

## 2. Outline of Metalor

(1) Company Name	Metalor Technologies International SA
(2) Location	Neuchâtel, Switzerland
(3) Name and position of representative	Philippe Royer, CEO
(4) Areas of Business	Precious metals recovery and refining, production and sales of electrical contacts, and production and sales of plating solutions and plating equipment
(5) Capital	37.8 million Swiss francs
(6) Established	December 29, 2000 (Founded: 1852)
(7) Major shareholders and shareholdings	Astorg Partners (50.5%)

■**Tanaka Holdings Co., Ltd. (Holding company of Tanaka Precious Metals)**

Headquarters: 22F, Tokyo Building, 2-7-3 Marunouchi, Chiyoda-ku, Tokyo

Representative: Akira Tanae, Representative Director & CEO

Founded: 1885

Incorporated: 1918

Capital: 500 million yen

Employees in consolidated group: 3,476 (as of March 31, 2016)

Net sales of consolidated group: 1,026.7 billion yen (FY2015)

Main businesses of the group:

Provision of strategic and efficient group management and management guidance to group companies as the holding company at the center of the Tanaka Precious Metals group.

Website: <http://www.tanaka.co.jp/english> (the Tanaka Precious Metals group),

<http://pro.tanaka.co.jp/en> (Industrial products)

■**Tanaka Kikinzoku Kogyo K.K.**

Headquarters: 22F, Tokyo Building, 2-7-3 Marunouchi, Chiyoda-ku, Tokyo

Representative: Akira Tanae, Representative Director & CEO

Founded: 1885

Incorporated: 1918

Capital: 500 million yen

Employees: 2,218 (as of March 31, 2016)

Sales: 1,005.4 billion yen (FY2015)

Main businesses:

Manufacture, sales, import and export of precious metals (platinum, gold, silver, and others) and various types of industrial precious metals-related products.

Website: <http://pro.tanaka.co.jp/en>

**< About the Tanaka Precious Metals group >**

Since the first company was established in Japan in 1885, the Tanaka Precious Metals group has built a diversified range of business activities focused on precious metals. On April 1, 2010, the group was reorganized with Tanaka Holdings Co., Ltd. as the holding company of the Tanaka Precious Metals group. In addition to strengthening corporate governance, this move was aimed at improving the group's overall service to its customers by ensuring efficient management and dynamic execution of operations. The Tanaka Precious Metals is committed, as precious metals specialists, to providing a diverse range of precious metals products and services through cooperation among its group companies.

The Tanaka Precious Metals group is one of the most significant participants in the Japanese market in terms of the volume of precious metal handled, and for more than 130 years the group has developed and stably supplied industrial precious metals, as well as precious metals-related products and services. As precious metal professionals, the group will continue to contribute to the enrichment of people's lives in the future.

The five core companies in the Tanaka Precious Metals group are as follows.

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|---------------------------------|--|
| - Tanaka Holdings Co., Ltd.     | - Tanaka Kikinzoku Kogyo K.K.                |
| - Tanaka Denshi Kogyo K.K.      | - Electroplating Engineers of Japan, Limited |
| - Tanaka Kikinzoku Jewelry K.K. |  |

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