

December 8, 2021

TANAKA Precious Metals  
TANAKA Holdings Co., Ltd.

## **TANAKA Denshi Kogyo to Establish New Plant in Kaohsiung, Taiwan ~Strengthening its capacity to produce high-performance copper bonding wires~**

TANAKA Holdings Co., Ltd. (Head office: Chiyoda-ku, Tokyo; Representative Director & CEO: Koichiro Tanaka) has announced that its subsidiary TANAKA Denshi Kogyo K.K. (Head office: Kanzaki-gun, Saga; Representative Director & President: Shigeru Iseki), which is engaged in the production of various types of bonding wires, will establish a new plant in Kaohsiung City, Taiwan, for the production of high-performance palladium coated copper bonding wires (“PCC wires”). The plant is scheduled to commence operations in the first half of 2022.

**Construction of this new plant forms part of TANAKA Denshi Kogyo’s plans to increase its production capacity for PCC wires by approximately 1.5-fold by 2025 in order to meet the growing global demand for semiconductors.**



Exterior of new plant



High-performance copper bonding wire

TANAKA Denshi Kogyo has been producing PCC wires at its subsidiary in Taoyuan City, Taiwan, since 2011, while it also operates a technical support base in Kaohsiung City. The company is now building a third Taiwanese base so that it can establish stable supply systems capable of meeting the growing demand.

Bonding wires are high-purity metal wires that connect semiconductor devices to lead electrodes. Previously, bonding wires were largely made of gold. However, the use of semiconductors has increased as they are being used not only in computers, mobile phones, and other electrical products but also in household appliances and automobiles. As the number of commonly used electrical devices containing semiconductors has increased, demand has grown for more affordable PCC wires that perform similar to gold bonding wires.

The COVID-19 outbreak has upset the balance of global supply and demand for semiconductors, resulting in a worsening shortage of semiconductors. Bonding wires are an important peripheral material for the semiconductor industry, and establishing systems for the stable supply of high-quality bonding wires has become a matter of urgency.

TANAKA Denshi Kogyo is a leading manufacturer of bonding wires and intends to contribute to the semiconductor industry by supplying countries around the world even in states of emergency.

#### ■About TANAKA Denshi Kogyo bonding wires

TANAKA Denshi Kogyo has produced various types of bonding wire since its founding more than 50 years ago, and today boasts a leading share of the global market. After establishing its first overseas production base in Singapore in 1978, the company has constructed further production bases in Malaysia, China, and Taiwan. It now supplies its wires to countries across the world engaged in the production of semiconductors.

#### ■Overview of the new plant

Plant name: TANAKA Electronics Taiwan Co., Ltd.STSP Branch

Total floor area: Approx. 4,000 m<sup>2</sup>

Description of business: Production of various types of bonding wires

Start of operations: Scheduled for the first half of 2022

#### ■TANAKA Denshi Kogyo K.K.

Headquarters: 2303-15, Yoshida, Yoshinogari-cho, Kanzaki-gun, Saga

Established: 1961

Representative: Representative Director & President: Shigeru Iseki

Capital: 1.88 billion yen

Sales: 28,259,716,000 yen (FY2020 results)

Number of employees: 819, including overseas subsidiaries, as of March 31, 2021

#### ■TANAKA Electronics Taiwan Co., Ltd.

Headquarters: 9F-C, No.146, Sung Chiang Rd., Taipei 10458, Taiwan

Established: 2011      Representative: Shigeru Iseki, Chairman

## ■About TANAKA Precious Metals

Since its foundation in 1885, TANAKA Precious Metals has built a portfolio of products to support a diversified range of business uses focused on precious metals. TANAKA is a leader in Japan regarding the volumes of precious metals handled. Over the course of many years, TANAKA has not only manufactured and sold precious metal products for industry but also provided precious metals in such forms as jewelry and assets. As precious metals specialists, all Group companies in Japan and around the world collaborate and cooperate on manufacturing, sales, and technology development to offer a range of products and services. With 5,193 employees, the group's consolidated net sales for the fiscal year ending March 31, 2021, was 1,425.6 billion yen.

### ■ Global industrial business website

<https://tanaka-preciousmetals.com/>

### ■ Product inquiries

TANAKA Kikinzoku Kogyo K.K.

<https://tanaka-preciousmetals.com/en/inquiries-on-industrial-products/>

### ■ Press inquiries

TANAKA Holdings Co., Ltd.

<https://tanaka-preciousmetals.com/en/inquiries-for-media/>