

Tanaka Precious Metals Announces Shipment Volume (Index) of Fuel Cell Catalyst between FY2004 and the First Half of FY2010

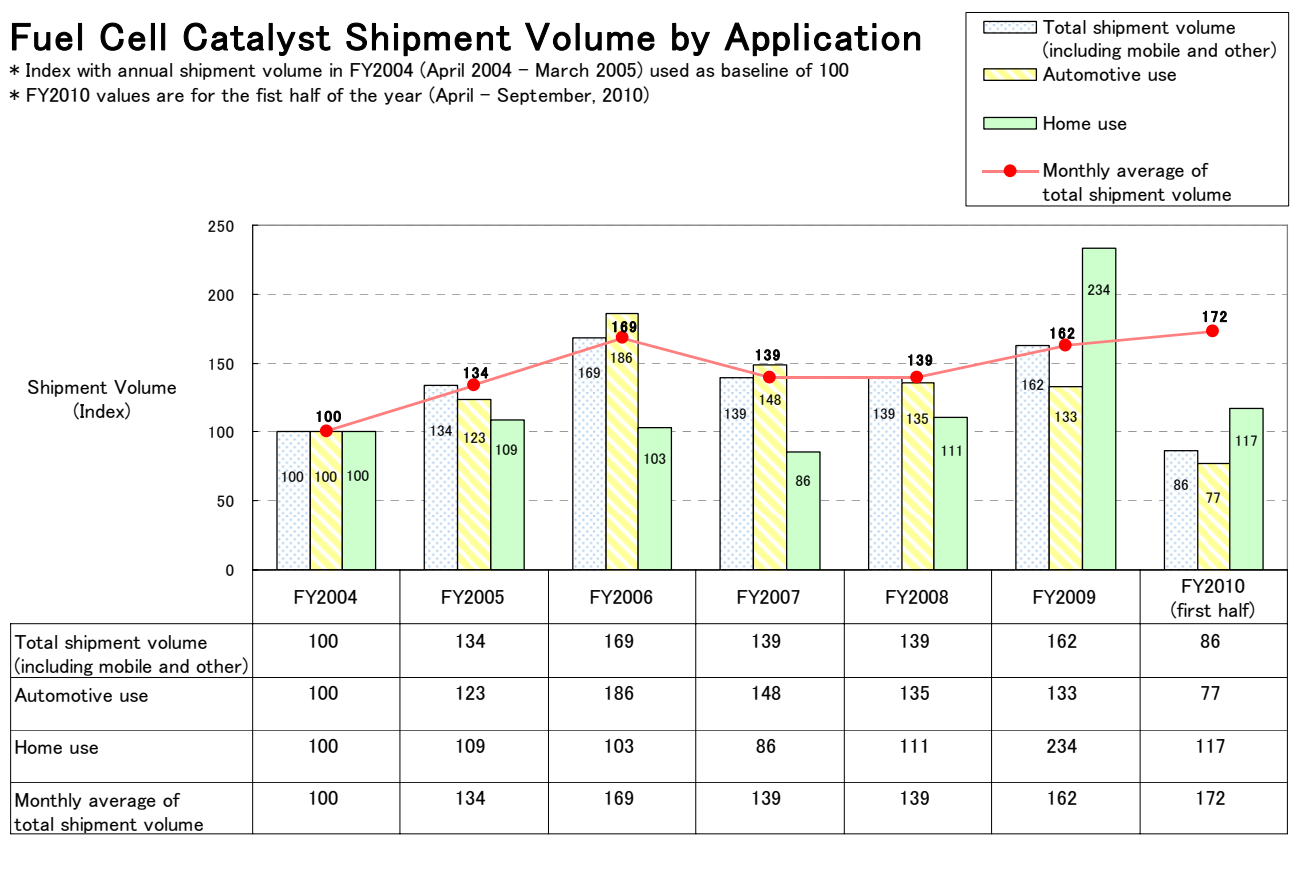
- Average monthly volume at record level after first half of FY2010, with total shipment volume forecast to reach record level in FY2010.
- Products for automotive use are currently driving the market since reaching a record level in FY2006 when research and development became active.
- Products for home use increased rapidly from FY2009 due to the start of full-scale sales and active promotion of ENE-FARM.

Tanaka Holdings Co., Ltd. (Holding company of Tanaka Precious Metals, Head office: Marunouchi, Chiyoda-ku, Tokyo; President & CEO: Hideya Okamoto) today announced that Tanaka Kikinzoku Kogyo K.K. (Head office: Marunouchi, Chiyoda-ku, Tokyo; President & CEO: Hideya Okamoto), which boasts the world's leading share in fuel cell catalysts, had assembled data (index) on shipment volume of fuel cell catalysts arranged by application from FY2004 until the first half of FY2010 (April 2004 - September 2010).

Fuel Cell Catalyst Shipment Volume by Application

* Index with annual shipment volume in FY2004 (April 2004 - March 2005) used as baseline of 100

* FY2010 values are for the first half of the year (April - September, 2010)



[Review of Total Shipment Volume]

Based on the total shipment volume in FY2004, annual shipment volume reached the record level of 169% due to overall shipment volume being driven by products for automotive use in FY2006 when there was active development of automotive fuel cells. The shipment volume later declined due to demand for automotive products subsiding and the effects of the financial crisis triggered by the bankruptcy of Lehman Brothers in September 2008. However, shipment volume rebounded to 162% in FY2009 thanks to the start of full-scale implementation of fuel cells for home use, and this rising trend continues at present. Looking at the monthly average shipment volume over the year, a record level has been reached as of the end of the first half of FY2010, and record annual shipment volume is expected to be reached in FY2010 if shipments continue at the current rate.

[Review of Fuel Cell Catalysts for Automotive Use]

When research and development of fuel cells for automotive use became active in FY2006 in response to heightened expectations concerning fuel cells, shipment volume rose significantly to the record level of 186%. Research and development demand later subsided and the shipment volume was 133% in FY2009, but shipment volume for the first half of FY2010 has reached 77%, and it is believed that we have now entered the stage of preparing for full-scale implementation, while keeping conducting field tests at the same time.

[Review of Fuel Cell Catalysts for Home Use]

During the five years from 2004 to 2008, field tests on fuel cells for home use were conducted as a national project, and shipment volume increased rapidly in FY2009 due to the start of full-scale sales of ENE-FARM, reaching the record level of 234%. Shipment volume of 117% has already been recorded in the first half of FY2010, and further increases in shipment volume are expected to occur with the full-scale spread of such products in the future.

Fuel cells, which are clean, environmentally friendly and boast excellent energy efficiency, face issues such as cost, durability and performance, but support for technology research and development, field tests and establishment of infrastructure is being provided on a national level to actively promote the practical implementation and popularization of fuel cells for use in the next generation of energy technology. Because of this, a further increase in demand for the precious metal catalysts essential for use in the fuel reformers and electrode catalysts used in fuel cells is expected.

Tanaka Precious Metals will quickly identify demand in the fuel cell market and respond to customers' needs, while working on the enhancement of research and recycling to reduce the amount of scarce precious metals used in order to lower costs and effectively utilize resources, and developing new technologies and new products aimed at spreading the use of fuel cells in the future.

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

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

Representative: Hideya Okamoto, President & CEO

Founded: 1885

Incorporated: 1918

Capital: 500 million yen

Employees in consolidated group: 3441 (FY2009)

Net sales of consolidated group: 710.2 billion yen (FY2009)

Main businesses of the group:

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

Website: <http://www.tanaka.co.jp>

■ **Tanaka Kikinzoku Kogyo K.K.**

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

Representative: Hideya Okamoto, President & CEO

Founded: 1885

Incorporated: 1918

Capital: 500 million yen

Employees: 1,599 (as of March 2010)

Sales: 388.8 billion yen (as of the financial closing at the end of March 2010)

Businesses:

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

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

About the Tanaka Precious Metals

Established in 1885, the Tanaka Precious Metals has built a diversified range of business activities focused on the use of precious metals. On April 1, 2010, the group was reorganized with Tanaka Holdings Co., Ltd. as the holding company (parent company) of the Tanaka Precious Metals. In addition to strengthening corporate governance, the company aims to improve overall service to customers by ensuring efficient management and dynamic execution of operations. Tanaka Precious Metals is committed, as a specialist corporate entity, to providing a diverse range of products through cooperation among group companies.

Tanaka Precious Metals is in the top class in Japan in terms of the volume of precious metal handled, and for many years the group has developed and stably supplied industrial precious metals, in addition to providing accessories and savings commodities utilizing precious metals. As precious metal professionals, the Group will continue to contribute to enriching people's lives in the future.

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

- Tanaka Holdings Co., Ltd. (pure holding company)
- Tanaka Kikinzoku Kogyo K.K.
- Tanaka Kikinzoku Hanbai K.K.
- Tanaka Kikinzoku International K.K.
- Tanaka Denshi Kogyo K.K.
- Electroplating Engineers of Japan, Limited
- Tanaka Kikinzoku Jewelry K.K.
- Tanaka Kikinzoku Business Service K.K.