

March 27, 2012

Tanaka Precious Metals
Tanaka Holdings Co., Ltd.

Tanaka Precious Metals Relocates US Sales Subsidiary to Chicago

**Aiming to expand US business by strengthening R&D support
centered on LEDs and new energy such as fuel cells**

Tanaka Holdings Co., Ltd (a company of Tanaka Precious Metals, Head office: Chiyoda-ku, Tokyo; President & CEO: Hideya Okamoto) today announced that Tanaka Kikinzoku International K.K. (Head office: Chiyoda-ku, Tokyo; President & CEO: Yoshinori Numai), which handles imports, exports and sales of the Tanaka Precious Metals, will relocate the head office of its US sales subsidiary (TKI America) from Indianapolis, Indiana to Chicago, Illinois on April 1.

By relocating its sales base to Chicago which has a hub airport in the United States, TKI America will be able to conduct development support and product marketing to customers across the United States more speedily, and establish an efficient sales organization that is oriented toward local customers. In particular, R&D aimed at mass production in the fields of LEDs (light emitting diodes) and new energy such as fuel cells, hydrogen permeable film and superconductivity has been active in the United States, and new technologies using precious metals are gaining importance in such R&D. By expanding its sales in the United States focused on precious metal materials used in LEDs and new energy such as fuel cells, TKI America aims to increase its sales from a projected USD130 million (approx. 10.8 billion yen) in fiscal 2011 to USD170 million (approx. 14.1 billion yen) in fiscal 2013.

TKI America is the Tanaka Precious Metals' sales base in the United States, which was established in Indianapolis as a representative office in 1998, and incorporated locally in 2005. Originally, the main customers in the United States were Japanese companies such as automotive electronics manufacturers and consumer electronics manufacturers, which were mainly located around and east of Indianapolis, so the location did not present any problems with efficiency of sales. However, as focus moves to new products including LEDs and new energy such as fuel cells in recent years, the development centers of manufacturers have spread throughout the United States such as Silicon Valley, Massachusetts and North Carolina. In such conditions, Tanaka Kikinzoku International decided to relocate the head office of TKI America to Chicago, which has a hub airport, based on the judgment that sales channels can be expanded by conducting sales activities in closer contact with customers such as fuel cell manufacturers and LED manufacturers.

For the time being, TKI America will conduct sales activities in its head office relocated to Chicago with four staffs as in the past, and cover all of the United States with a two-office organization by working with the San Jose Branch Office in California primarily supporting the development of semiconductors and recording media in the West Coast area. The Chicago head office will handle the entire Tanaka Precious Metals' industrial precious metal products such as fuel cell related products, LEDs, semiconductors and automotive materials. In the future, the company will increase the number of sales personnel, and aim to continually expand its business in America with an eye to establishing new branch offices according to technology trends.

■ **Overview of Tanaka Kikinzoku International (America)**

Company name: Tanaka Kikinzoku International (America), Inc.

Representative: Yukio Sodeyama, President

Address: <After relocation>
475 N. Martingale Road, Suite 150, Schaumburg, IL 60173, U.S.A.
<Before relocation>
6505 E, 82nd Street, Suite 209, Indianapolis, IN 46250, U.S.A.

Telephone: <After relocation> +1-224-653-8309
<Before relocation> +1-317-598-0796

Established: February 2005

Capital: USD500,000 (approx. JPY40 million)

Branch Offices: San Jose Branch
(235 Vineyard Court, Suite 150, Morgan Hill, CA 95037, U.S.A.)

Employees: 7 (head office) * Including 4 staying permanently
4 (San Jose Branch)

Areas of business: Sale of the Tanaka Precious Metals' products and support for R&D utilizing precious metals in the United States

■ **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: 3,456 (FY2010)

Net sales of consolidated group: 891.0 billion yen (FY2010)

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/english>

■ **Tanaka Kikinzoku International K.K.**

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

Representative: Yoshinori Numai, President & CEO

Founded: 1996

Incorporated: 1996

Capital: 470 million yen

Employees: 166 (FY2010)

Sales: 188.4 billion yen (FY2010)

Main businesses:

Import, export and sales of various industrial products and manufacturing plants from Tanaka Precious Metals

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

<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 Hanbai K.K.
- Tanaka Denshi Kogyo K.K.
- Tanaka Kikinzoku Jewelry K.K.
- Tanaka Kikinzoku Kogyo K.K.
- Tanaka Kikinzoku International K.K.
- Electroplating Engineers of Japan, Limited
- Tanaka Kikinzoku Business Service K.K.