

June 28, 2011

Tanaka Precious Metals  
Tanaka Holdings Co., Ltd.

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## Record Shipment Volume of Fuel Cell Catalysts

### Tanaka Precious Metals Announces Shipment Volume (Index) of Fuel Cell Catalyst for FY2010

*Backed by spread of home fuel cells and acceleration of R&D of fuel cell vehicles*

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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 posted record shipment volume of fuel cell catalysts in FY2010 (April 2010 - March 2011).

Looking at the shipment volume (index) based on FY2004<sup>(\*)</sup> (see following page), the shipment volume for FY2010 greatly surpassed the previous record set in FY2006 (169%) and marked a record high at 198%. In addition to the spread of home fuel cells which are called "ENE-FARM" in Japan, active R&D of fuel cell vehicles (FCV) is believed to have pushed up the shipment volume.

#### ■Shipments for home fuel cells reached record level of 323%

In particular, remarkable growth of the volume shipped for home use was marked in FY2010, and the new record of 323% significantly outstripped the level established in FY2009 (234%) when full-scale sales of home fuel cells began. Steady progress in their spread due to subsidies from the government, gas and oil companies, along with environmental friendly boom of these days, also led to a significant increase in the shipment volume of catalyst, rising to 1.4 times the level of FY2009.

Furthermore, home fuel cells are gaining much attention due to heightened awareness of power savings since April 2011. The market is expected to continue to expand in FY2011 with the release of a new compact version at an affordable price, and this is expected to result in increased demand for catalyst in the future.

#### ■Automotive catalysts increased to 162% with the acceleration of research on FCV

After R&D demand calm down in FY2008 (135%) and FY2009 (133%), shipments for automotive use rose to 162% in FY2010. Automotive companies and energy-related companies are currently preparing for the large-scale market release of FCVs in 2015<sup>(\*\*)</sup> when they are expected to become widespread, and have begun development of mass produced FCVs and joint efforts to establish hydrogen supply infrastructure. Recent economic trends such as energy issues and the high price of oil have contributed to heightened interest in FCVs, and demand for catalysts used in FCVs is forecast to continue to rise in the future.

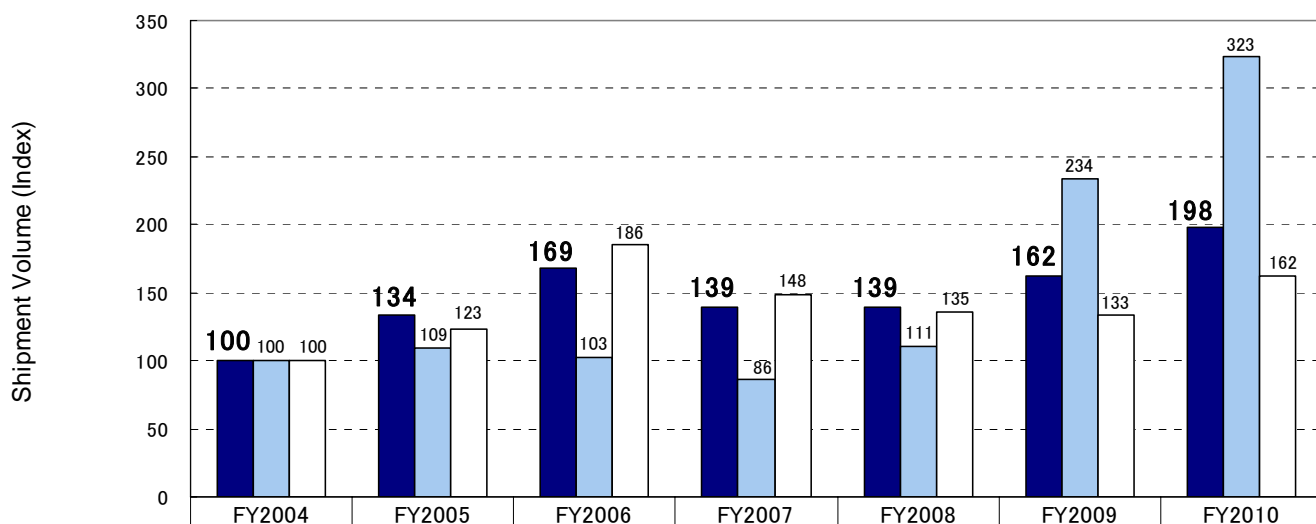
Fuel cells, which are clean, environmental friendly and have excellent energy efficiency, face issues such as cost, durability and performance, however, development of practical technology for use as the promising next generation of energy technology, verification tests, establishment of infrastructure and projects to promote the technology are being provided on a national level. This is expected to result in further demand for precious metal catalysts used in the fuel reformers in fuel cells.

Tanaka Kikinzoku Kogyo will quickly identify the requirements of the fuel cell market and establish a production system able to respond to customers' needs, while working on the enhancement of research and recycling to reduce the use amount of rare precious metals 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.

## Fuel Cell Catalyst Shipment Volume by Application

\* Index using shipment volume in FY2004 (April 2004 - March 2005) as a base of 100

\* Shipment volume includes catalysts for mobile use



	FY2004	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010
■ Total shipment volume	100	134	169	139	139	162	198
■ Home use	100	109	103	86	111	234	323
□ Automotive use	100	123	186	148	135	133	162

(\*1) FY2004 was the year when verification tests on fuel cells for home use were launched as a national project (until FY2008).

(\*2) From the "Commercialization Scenario for FCVs and H2 Stations in 2010" published by the Fuel Cell Commercialization Conference of Japan (FCCJ)

■**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: 3,441 (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 (FY2009)

Sales: 388.8 billion yen (FY2009)

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 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.