

February 27, 2018

To whom it may concern,

JX Nippon Mining & Metals Corporation

## **Notice regarding purchase of H.C. Starck Tantalum and Niobium GmbH**

We herewith notify that JX Nippon Mining & Metals Corporation (“JXNMM”) (President: Shigeru Oi) has decided to purchase all shares in H.C. Starck Tantalum and Niobium GmbH (“HCS TaNb”), through a Special Purpose Company, (“Acquisition”) from HCS TaNb's shareholder H.C. Starck GmbH.

### 1. Reasons for the Acquisition

JXNMM has been actively strengthening and expanding its electronic materials business products towards the upcoming IoT society which foresees a drastic increase in use of electronic components and devices.

In order to comply with the increasing diversified and sophisticated needs of its clients, JXNMM has been seeking for, as part of its growth strategies, acquiring a business which could bring synergies with the existing businesses of JXNMM group and has a potential of developing new businesses. As a result, JXNMM has agreed with H.C. Starck GmbH to purchase all shares in HCS TaNb, having its seat in Germany and conducting business in the area of development, production, and distribution of Tantalum and Niobium products (high-purity metal powder) (“HCS TaNb’s Business”).

HCS TaNb has strength in its products backed by its technological and marketing capabilities. In addition, HCS TaNb also places an emphasis on research and development utilizing its internal and external networks.

Through the Acquisition, JXNMM will establish and strengthen the revenue base of its group including HCS TaNb by combining its technological advantage and market insight with that of HCS TaNb, enhancing its sales as well as product research and development capability, and seeking for synergies of business operation optimization etc., and will contribute to the development of IoT society through the stable supply of raw materials.

### 2. Overview of the Acquisition scheme

Prior to the Acquisition, JXNMM has established a Special Purpose Company (JX Metals Deutschland GmbH, “JXMD”). JXMD has agreed with H.C. Starck GmbH to purchase all shares in HCS TaNb and make it a wholly owned subsidiary.

HCS TaNb’s subsidiaries, H.C. Starck Ltd. (Japan), H.C. Starck Co. Ltd. (Thailand) and H.C. Starck Smelting GmbH & Co. KG (Germany), will also be part of the Acquisition. In addition, assets of H.C. STARCK NORTH AMERICAN TRADING, LLC (USA), which are related to HCS TaNb’s Business (the “US

Carve-In Assets”), will also be included in the scope of the Acquisition. Further, assets of H.C. Starck Ltd. (Japan), which are not related to HCS TaNb’s Business (the “Japan Carve-Out Assets”) will be excluded from the scope of the Acquisition.

### 3. Overview of the SPC established for the Acquisition

( 1 )	Company name	JX Metals Deutschland GmbH
( 2 )	Location	Hammer Straße 19, 40219 Düsseldorf, Germany
( 3 )	Title and name of representative	Managing director: Shizuo Sugawara
( 4 )	Business details	Acquisition, sale and management of companies, shareholding of other companies, acquisition and management of assets as well as any businesses associated with aforementioned businesses
( 5 )	Capital	25,000 euros
( 6 )	Date of establishment	February 16, 2018 (Date of commercial register registration)
( 7 )	Major shareholder and shareholding ratio	JX Nippon Mining & Metals Corporation 100%

### 4. Overview of H.C. Starck Tantalum and Niobium GmbH

( 1 )	Company name	H.C. Starck Tantalum and Niobium GmbH	
( 2 )	Location	Landsberger Str. 98, 80339 Munich, Germany	
( 3 )	Title and name of representative	Managing director: Dr. Jens Knöll (※1)	
( 4 )	Business details	Conducting business in the area of development, production, and distribution of Tantalum and Niobium products (high-purity metal powder)	
( 5 )	Capital	26,000 euros	
( 6 )	Date of establishment	November 30, 2015 (Date of commercial register registration)	
( 7 )	Major shareholder and shareholding ratio	H.C. Starck GmbH 100%	
( 8 )	Relationship with JXNMM	Capital ties	None
		Personnel ties	None
		Business relationships	Business with JXNMM regarding part of products
( 9 )	Business results and financial status for the past two years (※2)		
	Fiscal year-end	Dec 2016	Dec 2017
	Consolidated net assets	12,336 Million JPY	16,088 Million JPY
	Consolidated total assets	33,414 Million JPY	34,969 Million JPY
	Consolidated net sales	28,487 Million JPY	30,603 Million JPY

Consolidated operating profit	4,042 Million JPY	5,005 Million JPY
Profit attributable to shareholders of parent company	2,137 Million JPY	-

※1 To be changed after Closing.

※2 The table above shows business results and financial status of HCS TaNb and its subsidiaries (including the US Carve-In Assets and excluding the Japan Carve-Out Assets) for the past two years. (The figures for FY 2016 have been audited whereas the figures for FY 2017 have not been audited yet). The figures regarding the consolidated net assets and the consolidated total assets for December 2017 are based on the figures at the end of June 2017. Foreign exchange rate of 1 EUR = 130 JPY

#### 5. Overview of H.C. Starck GmbH

(1)	Company name	H.C. Starck GmbH	
(2)	Location	Im Schleeke 78-91, 38642 Goslar, Germany	
(3)	Title and name of representatives	Managing directors: Dr. Jens Knöll Dr. Jan Lösch	
(4)	Business details	Production and distribution of metals and metal compounds as well as ceramic powders	
(5)	Capital	10 million euros	
(6)	Date of establishment	November 9, 2006 (Date of commercial register registration)	
(7)	Consolidated net assets	204 million euros	
(8)	Consolidated total assets	1,163 million euros	
(9)	Major shareholder and shareholding ratio	H.C. Starck Holding (Germany) GmbH 100%	
(10)	Relationship between JXNMM	Capital ties	None
		Personnel ties	None
		Business relationship	None
		Status of related parties	None

#### 6. Shares acquired, shares owned before and after Acquisition and acquisition price

(1)	Number of shares held before transfer	0 shares
(2)	Number of shares to	25,000 shares in nominal amount of 1 euro, 1 share in nominal amount

be acquired	of 1,000 euros (Number of voting rights : 26,000)
(3) Acquisition price	Acquisition price will not be published due to confidentiality obligations under the Sale and Purchase Agreement between JX Metals Deutschland GmbH and H.C. Starck GmbH regarding the Acquisition.
(4) Number of shares held after transfer	25,000 shares in nominal amount of 1 euro, 1 share in nominal amount of 1,000 euros (Number of voting rights : 26,000) (Percentage of voting rights : 100.0%)

#### 7. Schedule

(1) Signing of the Sale and Purchase Agreement	February 27, 2018
(2) Date of transfer of the shares※	Within 2018 (scheduled)

※ Closing of the Acquisition is subject to completion of regulatory filings and obtainment of approvals from administrative authorities, which are necessary under anti-trust and investment related regulations etc. in relevant countries.