



**Increase in titanium alloy powder production capacity due to the creation of a factory specifically for titanium alloy powder**

1. Background

This company has been manufacturing Titanium Low Oxygen Powder (TILOP) using the gas atomization process since 1994. Until now this has been sold as material for sputtering targets in liquid crystal displays and metal injection molding (MIM) as well as material for additive manufacturing (3D printers) for a segment of our customers.

Going forward, due to the further dissemination of additive manufacturing as a revolutionary material manufacturing process, the demand for titanium alloy powder (hereafter, alloy powder) is anticipated to grow suddenly in the fields of aerospace and medical industries. As such, both domestic and international customers have expressed their desire for us to set up a safe and reliable system for delivering high quality alloy powder for use in additive manufacturing.

In accord with this situation and recognizing that there is currently a limit to our alloy powder production capacity, we have decided to establish a factory specifically for alloy powder, that can meet the growing demand primarily for additive manufacturing.

2. Overview of the factory dedicated to alloy powder

- Investment amount: Approx. 1 billion yen
- Powder production amount: 100 t/Y
- Planned opening date: Beginning of 2020
- Location: Within Amagasaki Plant at the company headquarters
- Quality management: Aerospace Quality system (Completion of AS9100 certification is intended.)

3. Promotion of the alloy powder business

The alloy powder business has been dedicated as one of our major business of the medium-term management plan starting in FY2018. Along with the newly created factory specifically for alloy powder, a promotion team (AMPM Team\*) that combines sales and technology was established in April for accelerated market development and business expansion of alloy powder.

Furthermore, as we are one of the leading titanium sponge manufacturers in the world, we can utilize the high quality titanium sponge that we manufacture as raw materials for producing the alloy powder alongside our superior quality management system. Using the fusion of all the techniques we have cultivated in our creation of titanium until now, we will continue to develop higher performance titanium powder and new processes. Through this, we will gain support from a wide range of clients.

In addition, we would also like to inform you that we have already presented the decision to open the new factory dedicated to titanium alloy powder at the 2018 ITA (International Titanium Association) annual general meeting held in Las Vegas in October.

For questions about this news release or sales, please contact:

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