

Press Release

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Heraeus Launches World-class Precious Metals Services in China Market: to Support Chinese High-tech Industries Upgrading and International Market Exploration along the Belt and Road Regions

Heraeus, the global technology company and the world's largest provider of precious metals services, announced today at the launching event of Platinum & Palladium Focus 2017 (Chinese Edition) under its sponsorship that it will further sharpen its edges in precious metals and provide world-class precious metals services for Chinese companies with its recently-closed global acquisition of Argor-Heraeus, especially in assisting with the upgrading of China's high-tech industries as well as exploiting the Chinese market and international markets along the Belt and Road regions.

Ms. Hu Min, General Manager of Heraeus Metals (Shanghai) introduced that Heraeus has successfully completed the acquisition of the Swiss Gold and Silver processor Argor-Heraeus, making it the largest provider of precious metal services in the world. With such unique strengths and its over 160 years of experiences in precious metals, Heraeus provides its global customers including Chinese companies with world-class services, covering one-stop solutions such as physical supply of precious metals, pool accounts and transfers, precious metals risk management as well as precious metal compounds. Moreover, Heraeus is the only company in China authorized to offer precious metals leasing for industrial purposes.

"With the transformation and upgrading of Chinese economy in recent years, we have seen an increasing demand for high quality precious metals from China's high-tech industries. In such context, we are honored to be able to provide world-class precious metals services for Chinese customers to support the healthy and sustainable development of Chinese industries, especially the circular economy and environmental protection industry, to make a contribution to improving the living environment and people's quality of life," said Ms. Hu Min.

Precious metals are indispensable strategic supply for industries. Thanks to their unique physical and chemical properties, precious metals such as gold, platinum group metals (ruthenium, rhodium, palladium, osmium, iridium, platinum) and silver are widely used in high-tech industries, including electronics, telecommunication, chemicals, energy, healthcare and aerospace industries. However, China has only very limited natural PGMs and relies on either imports or recycling. In 2015, China's platinum demand was 25 times higher than the country's own mine supply.

"We are glad to announce that with a total investment amounting to about USD 100 million, Heraeus' project of building the world's most advanced precious metal factory in Nanjing makes very good progress. Expected to go into production and operation in 2018, the new factory will significantly enhance the company' capacity and its service and analysis offerings to recycle precious metals, especially Platin Group Metals (PGM), enabling Heraeus to offer compliant and transparent precious metals services to our customers with higher quality, reliability and transparency," said Ms. Hu Min.

For example, grain supply is the bottom line for China's social stability. In this area, Heraeus provides platinum gauzes for the fertilizer industry in the production of nitric acid. They not only feature high catalytic oxidation efficiency of ammonia and low consumption of metals, but also can significantly reduce the formation of nitrous oxide during the process. N₂O, a greenhouse gas, has 310 times of impact of CO₂. Moreover, Heraeus also provides matching secondary emission reduction of catalysts containing precious metals, enabling a fundamental control of nitrous oxide emissions.

Precious metals also play an important role in the healthcare industry, especially in cancer treatment. For example, oxaliplatin has a significant inhibitory effect on colorectal cancer, non-small cell lung cancer, ovarian cancer, breast cancer and many other animal and human tumor cell strains. According to Ms. Hu Min, Heraeus' Nanjing factory will use the recycled precious metals to produce homogeneous and PGM-based catalysts and compounds for pharmaceutical, fine chemical and chemical processes.

Through China's strategic Belt and Road initiative, more and more Chinese companies rush to explore markets abroad. However, due to its high value precious metals often have significant effects of trade balances between countries. Therefore processing and logistics are important for each country but vary very much from. Due to its unique global network Heraeus is able to offer its customers tailor made solutions for their globalization strategy, including consultancy on national and international precious metals compliance regulations.

"As the world's largest precious metals service provider, Heraeus has a global presence on all continents, and in-depth knowledge of international rules, trade compliance and PM logistics. Therefore, we can not only meet our Chinese customers' needs for precious metals, but also become their partner in expanding overseas businesses, and cooperate with them to exploit the opportunities brought by the Belt and Road Initiative to achieve success together," concluded Ms. Hu Min.

About Heraeus

Heraeus, the technology group headquartered in Hanau, Germany, was founded in 1851. Today it is one of the world's leading family-owned companies. With our technical skills, a focus on innovation, operational excellence and entrepreneurial leadership, we are constantly striving to improve our economic performance.

Offering both material and technological expertise, we create high-value solutions for our customers, strengthening their competitive position for the years ahead. We deal with such topics as the environment, energy, healthcare, mobility and industrial applications. Our portfolio includes everything from components to coordinated material systems, and our products are used in a wide variety of industries, including the steel, electronics, chemical, automotive and telecommunications industries.

In the 2016 financial year, Heraeus generated a total revenue of €21.5 bn. With around 12,300 employees worldwide in more than 100 subsidiaries in 40 countries, Heraeus holds a leading position in its global markets.

Heraeus has been present and active in the Greater China region, one of its top 3 markets, for more than 40 years. Today we have more than 2,500 employees in 20 locations across the region.

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