

June 27, 2016

## **Business Alliance with the Foundation Metal Industries Research & Development Centre (Taiwan)**

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We have been working on the further expansion of existing businesses and cultivation of a new market taking advantage of the core technologies, while raising the "TOWA 10 Year Vision" as our long-term management strategy. Recently, our "CBN tool" which is one of our new businesses has been selected as a tool to be utilized in the applied research and development of metal processing at a Taiwan's national research institute, called the "Foundation Metal Industries Research & Development Center" (Hereafter referred to as "MIRDC") and we have entered into a Business Alliance Agreement with the MIRDC. We will inform of its content as follows.

### 1. Overview of MIRDC

MIRDC was established aiming for the growth and development of the metal industry and other industries related to metal processing technology. It has been transmitting the research findings of their projects in and out of Taiwan, and working on its promotion. In recent years, it has carried out research, development and application of the metal science technology which has been making a significant progress, and provided the services for technology transfer to relevant industries in Taiwan, which has contributed significantly to the creation of values of the domestic industries. It has established a status to be considered as an authority of the metal industry in Taiwan.

#### 【 Profile 】

(1) Location	Kaohsiung, Taiwan
(2) Name and title of representative	President, Mi-Ching Tsai
(3) Date of foundation	October 1963
(4) Number of Researchers	583
(5) URL	<a href="http://www.mirdc.org.tw/english/">http://www.mirdc.org.tw/english/</a>

## 2. Contents of Business Alliance with MIRDC

### (1) Application and development of the tools targeting Taiwanese users.

MIRDC and we will work together for the application and development of CBN tool (end mills, etc.) which is our key product, targeting Taiwanese users. The Parties will share information with Taiwanese users including optimum metal processing conditions and processing methods and the like when our tool is used, so as to further spread and penetrate our tool, at the same time, to connect to the technology development in the metal product manufacturing processes.

### (2) Applications and research of ultra-precision processing technologies

We will match our precision processing that can be realized by our products with the needs of Taiwanese companies with MIRDC working as a mediator, aiming to contribute to the development of metal processing technology of Taiwanese manufacturers as well as to expand our share in Taiwanese tool market.

## 3. Date of signing contract for the Business Alliance

June 27, 2016

## 4. Future prospects

By providing our in-house product CBN end mill samples to MIRDC, the optimum processing data and performance advantages of our CBN end mill that are obtained through the research and development of metal working processes will be transmitted in Taiwan by taking advantage of the PR media of MIRDC. Our recent business alliance with MIRDC will help us contribute to the development of Taiwan's metal processing technology, at the same time, to the expansion of our business through the dissemination of "TOWA brand" in Taiwan.