

Dowa Eco-system Expands Full Environment/Recycling Business to Taiwan *New office opened in Taipei*

TOKYO, April 4, 2007 — Dowa Eco-system Co., Ltd., a subsidiary of Dowa Holdings Co., Ltd., opened an office today in Taipei. This is the fourth international location for the Dowa's environment/recycling business, following the United States, China, and Singapore.

Dowa Eco-system has been involved for some time in the evaluation and remediation of soil contamination in Taiwan as well as the collection of metal recyclables. With the opening of the new office in Taipei, however, the company has made clear its plans to become a major market player in the environment/recycling business in Taiwan, including soil remediation and metal recycling.

The Soil and Groundwater Pollution Remediation Act passed by the Taiwanese government in 2000 helped to create the soil remediation market in that country. Dowa Eco-system has developed a proprietary method for the remediation of soil onsite using iron power. This "iron powder method" has already proven useful at numerous sites in Japan, and now Dowa is expanding its soil remediation business into Taiwan, planning to use the same method. In addition, Dowa is expanding its collection of metal recyclables from the United States and Southeast Asia for use in the new metal recycling furnace that is scheduled to go into full-scale operation next year at group company Kosaka Smelting & Refining Co., Ltd. Dowa will also ramp up its collection of metal recyclables from Taiwan.

Dowa positioned the environment and recycling as its core business in its recent business restructuring. Dowa has aggressively expanded thus far, and this latest opening of an office in Taipei is just one part of this effort. In addition to the continued expansion of business scale and profitability, Dowa will strive to become a leading player in the environment/recycling business throughout East Asia.

An overview of Dowa Eco-system Co., Ltd. Taipei office is provided below.

Dowa Eco-system Co., Ltd. (日商 同和永續環境股份有限公司)

1. Corporate name: Dowa Eco-system Co., Ltd.
2. Headquarters: 4-14-1, Sotokanda, Chiyoda-ku, Tokyo 101-002, Japan
3. Representative: Masao Yamada, President
4. Established: October 2006
5. Paid-in capital: 1 billion yen
6. Primary businesses: Recycling, soil remediation, waste treatment, and environmental distribution
7. Controlling shares: 100% Dowa Holdings Co., Ltd.
8. Taipei office address: Room 2, 7F, 41 Nanjing West Rd., Datong District, Taipei City, Taiwan
9. Taipei office opened: April 4, 2007