

October 15, 2009
Dowa Holdings Co., Ltd.

Notice of Revisions of Financial Forecasts

Dowa Holdings Co., Ltd. has revised its consolidated financial forecasts for the first half of fiscal 2009 (from April 1, 2009 to September 30, 2009) and its full-year consolidated financial forecasts for fiscal 2009 (from April 1, 2009 to March 31, 2010), both of which were announced on May 11, 2009, in light of recent business performance. Details are as follows.

1. Revisions of Consolidated Financial Forecasts

(1) Revision of Consolidated Financial Forecasts for Fiscal 2009 First Half (April 1, 2009 to September 30, 2009)

(Millions of Yen)

	Net Sales	Operating Income (Loss)	Ordinary Income (Loss)	Net Income (Loss)
Previous Forecast (A)	105,000	(1,000)	(2,000)	(2,000)
Revised Forecast (B)	129,000	5,000	4,500	2,000
Difference (B-A)	24,000	6,000	6,500	4,000
Percentage Change (%)	22.9%	—	—	—
(Ref.) Fiscal 2008 First-Half Results (Six Months Ended September 30, 2008)	215,193	11,566	11,297	5,287

(2) Revision of Full-Year Consolidated Financial Forecasts for Fiscal 2009 (April 1, 2009 to March 31, 2010)

(Millions of Yen)

	Net Sales	Operating Income (Loss)	Ordinary Income (Loss)	Net Income (Loss)
Previous Forecast (A)	240,000	5,000	3,000	1,000
Revised Forecast (B)	278,000	11,000	10,000	5,000
Difference (B-A)	38,000	6,000	7,000	4,000
Percentage Change (%)	15.8%	120.0%	233.3%	400.0%
(Ref.) Previous Fiscal Year Results (Year Ended March 31, 2009)	346,885	(8,497)	(13,350)	(28,138)

2. Reasons for the Revisions

(1) Revision of Consolidated Financial Forecasts for Fiscal 2009 First Half (April 1, 2009 to September 30, 2009)

For the first half of fiscal 2009, the Dowa Holdings Group (the Group) now expects operating results to significantly exceed initial forecasts in the Nonferrous Metals segment, the Electronic Materials segment and the Metal Processing segment. This outlook is mainly based on higher sales volume reflecting the absence of the drastic inventory cuts in the auto and IT industries seen in the previous fiscal year, as well as an upturn in demand that exceeded the initial forecast. Another factor was that metal prices trended higher than initially anticipated by the Group.

As a result, for the first half of fiscal 2009 the Group is now forecasting net sales of ¥129.0 billion, ¥24.0 billion higher than the initial forecast announced on May 11, 2009. Operating income is now forecast at ¥5.0 billion, a change of ¥6.0 billion from the initially forecast operating loss. Ordinary income is now projected at ¥4.5 billion, a change of ¥6.5 billion from the previously forecast ordinary loss. Net income for the first half of fiscal 2009 is now projected at ¥2.0 billion, a change of ¥4.0 billion from the previously forecast net loss.

(2) Revision of Full-Year Consolidated Financial Forecasts for Fiscal 2009 (April 1, 2009 to March 31, 2010)

The Group expects second-half operating results to be largely in line with initial forecasts because initial forecasts already reflect a projected improvement in demand in the second half. Based on this, for the full fiscal year the Group is now projecting net sales of ¥278.0 billion, ¥38.0 billion higher than initially forecast. Operating income is now projected at ¥11.0 billion, ¥6.0 billion higher than initially forecast. Ordinary income is projected at ¥10.0 billion, ¥7.0 billion higher than initially forecast. The Group now anticipates net income of ¥5.0 billion for fiscal 2009, ¥4.0 billion higher than initially forecast.

The exchange rate and metal price assumptions for the second half of fiscal 2009 are as set out below.

	Previous Second-Half Forecast	Revised Second-Half Forecast
Exchange Rate (Yen/US\$)	95.0	95.0
LME Copper (US\$/t)	4,200	5,500
LME Zinc (US\$/t)	1,350	1,500

The financial forecasts and other forward-looking statements included in this document are based on information available to the Group as of the date of the announcement and certain assumptions deemed reasonable by management. Actual results may differ materially from the statements in the document, due to various factors.