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Mar. 26, 2010

Dowa Holdings Co., Ltd.

Sumitomo Corporation

Enter Household Appliances Recycling Business in Tianjin

Aiming to Expand Environment/Recycling Business in China

Dowa Eco-System Co., Ltd (President: Yoshito Koga; Head Office: Chiyoda-ku, Tokyo; hereinafter “Dowa”), a subsidiary of Dowa Holdings Co., Ltd. (President and Representative Director: Masao Yamada; Head Office: Chiyoda-ku, Tokyo) and Sumitomo Corporation (President & CEO: Susumu Kato; Head Office: Chuo-ku, Tokyo; hereinafter, “Sumitomo”) , have agreed to establish a joint company in the city of Tianjin to launch a business for recycling consumer electronic and home appliances in partnership with Tianjin City Green Angel Collection and Reuse of Recyclable Resources Co., Ltd. (President: Zheng Jianmin; Head Office: Tianjin City, China; hereinafter “Green Angel”).

While the new company is Dowa’s second recycling business based in China following a first recycling business based in Suzhou City, Jiansu Province to operate a general recycling business (Dowa Environmental Management Co., Ltd.), this agreement marks the first entry of Japanese general trading into the Chinese market for the recycling of household electronic appliances.

The Chinese recycling law to promote the adequate recycling of used or end-of-life household electrical appliances will take effect on January 1, 2011. On the back of Chinese remarkable economic growth in recent years, it is highly anticipated that consumer electrical and electronic products will be more widely used in China and also replaced by latest models at a faster pace, thereby resulting in growing demand in the near future for recycling of these products. Taking this significant opportunity, Dowa and Sumitomo agreed to jointly establish the company in April 2010 to expand the business in China.

The new company will take advantage of the respective strengths of the three participating companies: Dowa’s expertise and know-how in recycling waste consumer electronic and home appliances in Japan, China and Southeast Asia; Sumitomo’s know-how in business operation all over the world and its strong business network in



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China; and the waste collection network that Green Angel operates in Tianjin to collect household recyclables from its 300 locations as well as electronics retail stores.

Besides the agreement on the Tianjin joint company, Dowa and Sumitomo are planning to expand the recycling businesses of household electronic appliances across the country on the back of China being increasingly conscious of resource recycling.

In addition, Dowa and Sumitomo are considering the possibility of expanding their environment/recycling business to other Asian regions, which are rapidly becoming aware of the importance of recycling waste products and using resources effectively.

Description of New Company

Name: Tianjin Dowa Green Angel Summit Recycling Co., Ltd. (tentative)

Location: Tianjin Ziya Recycling Economy and Industry Park (China)

Business line: Recycling of waste consumer electronic and home appliances

Operating expense: Approx. 1.0 billion yen

Shareholder's Equity:

Dowa Eco-System	50%
Green Angel Collection and Reuse of Recyclable Resources	30%
Sumitomo Corporation	20%

Main recyclable item: TV, refrigerators, washing machines, air conditioners, PC

Outline of Green Angel

Name: Green Angel Collection and Reuse of Recyclable Resources Co., Ltd.

Location: Tianjin City, China

Business line: Collection and recycling of waste paper and other waste materials

Share holder's equity: 12 million yuan