

**Medium-Term Management Plan (Medium-Term Plan V) Announced****– Jump up to the New Stage –**

DOWA Holdings Co., Ltd. (14-1, Sotokanda 4-Chome, Chiyoda-ku, Tokyo; Capital: ¥36.4 billion; President: Masao Yamada) announces a medium-term management plan for three years starting from April 2012.

Since 2000, the DOWA Group has revamped its business structure, involving the structure of income and assets, financial strength, and corporate culture. For the most recent three years the Group has sought to achieve a quick recovery from the decline that accompanied the global financial crisis, by focusing on structural reform. Meanwhile, the Group has developed overseas business and has expanded operations in growth markets to build the foundations for future growth.

The economic outlook is uncertain, given the appreciation of the yen and other factors. In these circumstances, DOWA Holdings will steadily pursue initiatives, such as expanding overseas operations, developing growth fields, and bolstering its competitiveness, under Medium-Term Plan V. It will also seek to achieve further growth under the slogan of “Jump up to the New Stage.”

The main points of the plan are as follows:

1. Name of the Plan:                   Medium-Term Plan V: Jump up to the New Stage  
  Accelerate overseas operations, develop new fields, and seek for further growth
  
2. Period:                               Three years from April 2012 to March 2015
  
3. Basic Policies: Further growth
  - (1) Expanding operations in Asia and emerging countries, which continue to grow  
The Group will aim for steady and effective capital investments, especially in the rapidly growing Asian market, to develop the businesses that it has cultivated in Japan.
  - (2) Continuing to invest in growing fields, including new energy and recycling  
The Group will rapidly commercialize products that it is developing in growing areas, such as new energy, eco-friendly products, and next-generation automobiles, and will seek to generate profits in those fields. The Group will seek out new projects that will become seeds for new products.
  - (3) Steadily pursuing initiatives to enhance productivity and increase orders, in response to evolving markets and user trends  
The Group will bolster profitability by building production systems and expanding sales in response to changes in markets. Meanwhile, the Group will bolster the foundations of its existing businesses, continuing its efforts to cut costs and enhance productivity.

#### 4. Management Targets

##### Management Targets (FY2014)

- Ordinary income:	¥45.0 billion
- ROA:	Over 10%
- Operating CF (three years):	¥130.0 billion

##### (For reference) Forecast figures for FY2011

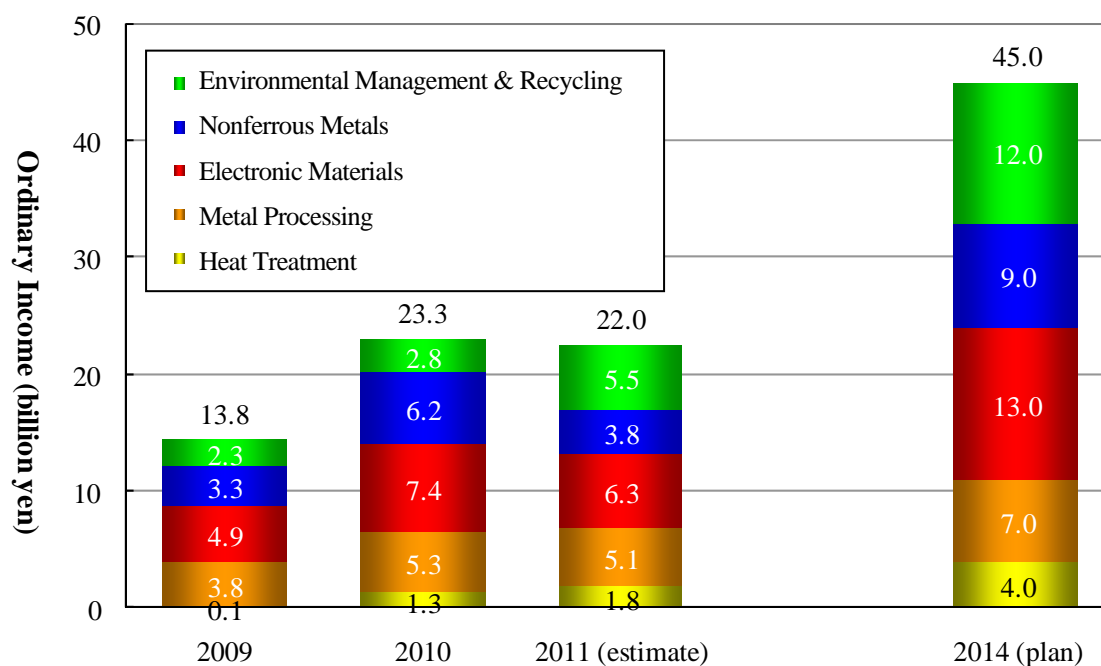
		(¥22.0 billion)
		(6.5%)
		(¥81.6 billion)*
Investment (three years):	¥60.0 billion	(¥53.6 billion)*
R&D (three years):	¥17.0 billion	(¥13.4 billion)*

\* Forecast cumulative figures for three years from FY2009 to FY2011

##### Main assumptions

	Assumption for FY2014	Average in the first half of FY2011
Exchange rate (¥/\$)	80	79.8
Copper (\$/t)	7,500	9,072
Zinc (\$/t)	2,000	2,240
Indium (\$/kg)	650	732

#### 5. Income in Each Business



\* Ordinary income includes intercompany eliminations.