

Consolidated Financial Summary
for the years ended March 31, 2015 (Unaudited)



May 11 2015

Company name: Dowa Holdings Co., Ltd. URL: <http://www.dowa.co.jp/>
Exchange: First Section of Tokyo Stock Exchange, First Section of Nagoya Stock Exchange, Fukuoka Stock Exchange, and Sapporo Securities Exchange
Stock code: 5714
Representative: Masao Yamada, President and Representative Director

Scheduled date of general meeting of stockholders: June 24, 2015
Scheduled date of submission: June 24, 2015
Scheduled date of commencement of dividend payments: June 03, 2015

1. Consolidated business results for the years ended March 31, 2015 (April 1, 2014 – March 31, 2015)

(Amounts less than one million yen, except for per share amounts, are omitted.)
(%: Change from the previous year)

(1) Consolidated financial results

	Net sales		Operating income		Ordinary income		Net income	
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%
Years ended March 31, 2015	464,219	4.6	39,094	23.0	42,037	19.9	26,543	13.9
Years ended March 31, 2014	443,985	5.9	31,794	29.4	35,055	28.5	23,310	53.2

(Notes) Comprehensive income: Years ended March 31, 2015 34,913 million yen 19.3 % Years ended March 31, 2014 29,253 million yen 26.3 %

	Net income per share	Net income per share (fully diluted)	Net Income on Shareholder's equity	Return on Assets	Operating Income to Net Sales
	Yen	Yen	%	%	%
Years ended March 31, 2015	89.69	—	15.4	11.4	8.4
Years ended March 31, 2014	78.77	—	16.0	9.9	7.2

(Reference) Gain on investment securities: Years ended March 31, 2015 1,973 million yen Years ended March 31, 2014 2,672 million yen

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of Yen	Millions of Yen	%	Yen
As of March 31, 2015	379,193	195,649	49.3	632.30
As of March 31, 2014	358,717	166,987	44.1	534.75

(Reference) Shareholders' equity: As of March 31, 2015 187,121 million yen As of March 31, 2014 158,253 million yen

(3) Consolidated Statements of Cash Flows

	Cash Flows from Operating Activities	Cash Flows from Investing Activities	Cash Flows from Financing Activities	Cash and Cash Equivalents at End of Year
	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen
Years ended March 31, 2015	38,345	(20,321)	(16,905)	8,044
Years ended March 31, 2014	30,189	(18,689)	(12,341)	5,823

2. Dividends

(Record date)	Dividends per share					Total Amount (Annual)	Dividend pay out (Consolidated)	Dividend Rate (consolidated)
	End of first quarter	End of second quarter	End of third quarter	Year-end	Annual			
Fiscal year ended March 31, 2014	—	—	—	15.00	15.00	4,507	19.0	3.0
Fiscal year ended March 31, 2015	—	—	—	18.00	18.00	5,409	20.1	3.1
Fiscal year ending March 31, 2016 (forecast)	—	—	—	18.00	18.00	—	19.7	—

3. Forecast consolidated results for the fiscal year ending March 31, 2016 (April 1, 2015 – March 31, 2016)

(%: Change from the same period of the previous year)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Yen
First half	214,000	(4.3)	18,500	10.0	18,500	0.0	11,500	(5.7)	38.86
Full year	445,000	(4.1)	42,500	8.7	42,500	1.1	27,000	1.7	91.24

4. Consolidated Financial Statements

(1) Consolidated Balance Sheets (Unaudited)

(Millions of Yen)

	As of end of previous fiscal year (March 31, 2014)	As of end of current fiscal year (March 31, 2015)
Assets		
Current assets		
Cash and deposits	5,857	8,517
Notes and accounts receivable - trade	71,838	73,126
Merchandise and finished goods	21,570	22,306
Work in process	4,983	4,750
Raw materials and supplies	51,218	54,540
Deferred tax assets	4,713	5,248
Other	13,893	11,888
Allowance for doubtful accounts	(77)	(163)
Total current assets	173,998	180,215
Non-current assets		
Property, plant and equipment		
Buildings and structures	100,611	105,728
Accumulated depreciation	(56,956)	(61,101)
Buildings and structures, net	43,655	44,627
Machinery, equipment and vehicles	210,312	216,606
Accumulated depreciation	(180,230)	(187,294)
Machinery, equipment and vehicles, net	30,082	29,312
Land	22,680	23,666
Construction in progress	4,477	6,644
Other	13,048	14,154
Accumulated depreciation	(10,052)	(10,730)
Other, net	2,995	3,424
Total property, plant and equipment	103,890	107,675
Intangible assets		
Goodwill	6,997	6,970
Other	4,843	4,019
Total intangible assets	11,841	10,990
Investments and other assets		
Investment securities	61,612	70,764
Long-term loans receivable	879	1,457
Deferred tax assets	3,527	3,372
Other	3,108	4,852
Allowance for doubtful accounts	(139)	(134)
Total investments and other assets	68,987	80,312
Total non-current assets	184,719	198,978
Total assets	358,717	379,193

Note: Amounts less than one million yen are omitted.

(Millions of Yen)

	As of end of previous fiscal year (March 31, 2014)	As of end of current fiscal year (March 31, 2015)
Liabilities		
Current liabilities		
Notes and accounts payable - trade	34,502	31,041
Short-term loans payable	41,521	30,459
Commercial papers	10,000	18,000
Current portion of bonds	10,000	—
Income taxes payable	7,630	8,623
Accrued consumption taxes	1,297	4,934
Provision		
Provision for bonuses	3,435	3,702
Provision for directors' bonuses	200	235
Total provisions	3,636	3,937
Other	23,216	21,821
Total current liabilities	131,803	118,817
Non-current liabilities		
Bonds payable	—	10,000
Long-term loans payable	38,142	28,208
Deferred tax liabilities	2,940	4,420
Provision		
Provision for directors' retirement benefits	595	691
Other provision	543	444
Total provisions	1,138	1,135
Net defined benefit liability	12,230	14,508
Other	5,475	6,453
Total non-current liabilities	59,927	64,725
Total liabilities	191,730	183,543
Net assets		
Shareholders' equity		
Capital stock	36,437	36,437
Capital surplus	26,362	26,362
Retained earnings	87,806	108,630
Treasury shares	(5,695)	(5,699)
Total shareholders' equity	144,910	165,731
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	10,947	15,801
Deferred gains or losses on hedges	315	(197)
Foreign currency translation adjustment	2,604	6,167
Remeasurements of defined benefit plans	(523)	(381)
Total accumulated other comprehensive income	13,343	21,390
Minority interests	8,733	8,528
Total net assets	166,987	195,649
Total liabilities and net assets	358,717	379,193

Note: Amounts less than one million yen are omitted.

(2) Consolidated Statements of Income (Unaudited)

(Millions of Yen)

	Previous fiscal year (From April 1, 2013 to March 31, 2014)	Current fiscal year (From April 1, 2014 to March 31, 2015)
Net sales	443,985	464,219
Cost of sales	382,079	391,509
Gross profit	61,905	72,710
Selling, general and administrative expenses		
Freightage related expenses	3,417	3,774
Sales commission	572	582
Directors' compensations	1,306	1,312
Salaries and allowances	5,959	6,324
Welfare expenses	1,704	1,948
Provision for bonuses	821	948
Retirement benefit expenses	695	703
Provision for directors' retirement benefits	173	191
Rent expenses	721	809
Taxes and dues	750	885
Traveling and transportation expenses	1,479	1,564
Depreciation	693	1,177
Development and research expenses	4,651	5,320
Amortization of goodwill	519	502
Other	6,644	7,569
Total selling, general and administrative expenses	30,111	33,616
Operating income	31,794	39,094
Non-operating income		
Interest income	134	177
Dividend income	564	638
Foreign exchange gains	63	585
Share of profit of entities accounted for using equity method	2,672	1,973
Royalty income	1,008	747
Rent income	255	214
Other	2,037	1,795
Total non-operating income	6,736	6,133
Non-operating expenses		
Interest expenses	1,517	1,165
Rent expenses on facilities	356	—
Environmental expenses	832	551
Other	768	1,472
Total non-operating expenses	3,475	3,190
Ordinary income	35,055	42,037

Note: Amounts less than one million yen are omitted.

(Millions of Yen)

	Previous fiscal year (From April 1, 2013 to March 31, 2014)	Current fiscal year (From April 1, 2014 to March 31, 2015)
Extraordinary income		
Gain on sales of non-current assets	74	4,115
Gain on sales of investment securities	55	142
Insurance income	14	42
Subsidy income	104	35
Gain on bargain purchase	139	—
Compensation income	83	—
Other	18	12
Total extraordinary income	490	4,349
Extraordinary losses		
Loss on valuation of investment securities	—	1,853
Loss on disposal of non-current assets	1,457	967
Loss on disaster	246	637
Impairment loss	52	536
Loss on retirement of non-current assets	397	418
Loss on sales of non-current assets	3	11
Environmental expenses	312	—
Other	86	146
Total extraordinary losses	2,557	4,570
Income before income taxes and minority interests	32,989	41,816
Income taxes - current	11,302	14,628
Income taxes - deferred	(1,757)	485
Total income taxes	9,544	15,113
Income before minority interests	23,444	26,702
Minority interests in income	134	158
Net income	23,310	26,543

Note: Amounts less than one million yen are omitted.

(3) Consolidated Statement of Comprehensive Income (Unaudited)

(Millions of Yen)

	Previous fiscal year (From April 1, 2013 to March 31, 2014)	Current fiscal year (From April 1, 2014 to March 31, 2015)
Income before minority interests	23,444	26,702
Other comprehensive income		
Valuation difference on available-for-sale securities	1,511	4,791
Deferred gains or losses on hedges	177	(508)
Foreign currency translation adjustment	2,274	3,023
Remeasurements of defined benefit plans	—	91
Share of other comprehensive income of entities accounted for using equity method	1,846	812
Total other comprehensive income	5,808	8,211
Comprehensive income	29,253	34,913
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	28,874	34,590
Comprehensive income attributable to minority interests	378	322

Note: Amounts less than one million yen are omitted.

(4) Consolidated Statements of Changes in Equity (Unaudited)
 Previous fiscal year (From April 1, 2013 to March 31, 2014)

(Millions of Yen)

	shareholders' equity				Total shareholders' equity
	Capital stock	Capital surplus	Retained earnings	Treasury shares	
Balance at beginning of current period	36,437	26,362	68,180	(5,688)	125,291
Changes of items during period					
Dividends of surplus	—	—	(3,606)	—	(3,606)
Net income	—	—	23,310	—	23,310
Purchase of treasury shares	—	—	—	(6)	(6)
Disposal of treasury shares	—	—	—	—	—
Increase due to sale of treasury stock of affiliates	—	—	0	—	0
Change of scope of consolidation	—	—	(77)	—	(77)
Change of scope of equity method	—	—	—	—	—
Net changes of items other than shareholders' equity	—	—	—	—	—
Total changes of items during period	—	—	19,626	(6)	19,619
Balance at end of current period	36,437	26,362	87,806	(5,695)	144,910

	Valuation and translation adjustments				Valuation and translation adjustments	Minority interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans			
Balance at beginning of current period	8,990	89	(777)	—	8,302	8,807	142,400
Changes of items during period							
Dividends of surplus	—	—	—	—	—	—	(3,606)
Net income	—	—	—	—	—	—	23,310
Purchase of treasury shares	—	—	—	—	—	—	(6)
Disposal of treasury shares	—	—	—	—	—	—	—
Increase due to sale of treasury stock of affiliates	—	—	—	—	—	—	0
Change of scope of consolidation	—	—	—	—	—	—	(77)
Change of scope of equity method	—	—	—	—	—	—	—
Net changes of items other than shareholders' equity	1,956	226	3,381	(523)	5,040	(73)	4,966
Total changes of items during period	1,956	226	3,381	(523)	5,040	(73)	24,586
Balance at end of current period	10,947	315	2,604	(523)	13,343	8,733	166,987

Note: Amounts less than one million yen are omitted.

(4) Consolidated Statements of Changes in Equity (Unaudited)

Current fiscal year (From April 1, 2014 to March 31, 2015)

(Millions of Yen)

	shareholders' equity				Total shareholders' equity
	Capital stock	Capital surplus	Retained earnings	Treasury shares	
Balance at beginning of current period	36,437	26,362	87,806	(5,695)	144,910
Cumulative effects of changes in accounting policies	—	—	(1,331)	—	(1,331)
Restated balance	36,437	26,362	86,475	(5,695)	143,579
Changes of items during period					
Dividends of surplus	—	—	(4,507)	—	(4,507)
Net income	—	—	26,543	—	26,543
Purchase of treasury shares	—	—	—	(3)	(3)
Change of scope of consolidation	—	—	(74)	—	(74)
Increase by change in equity	—	—	193	—	193
Net changes of items other than shareholders' equity	—	—	—	—	—
Total changes of items during period	—	—	22,155	(3)	22,151
Balance at end of current period	36,437	26,362	108,630	(5,699)	165,731

	Valuation and translation adjustments				Valuation and translation adjustments	Minority interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans			
Balance at beginning of current period	10,947	315	2,604	(523)	13,343	8,733	166,987
Cumulative effects of changes in accounting policies	—	—	—	—	—	—	(1,331)
Restated balance	10,947	315	2,604	(523)	13,343	8,733	165,655
Changes of items during period							
Dividends of surplus	—	—	—	—	—	—	(4,507)
Net income	—	—	—	—	—	—	26,543
Purchase of treasury shares	—	—	—	—	—	—	(3)
Change of scope of consolidation	—	—	—	—	—	—	(74)
Increase by change in equity	—	—	—	—	—	—	193
Net changes of items other than shareholders' equity	4,854	(513)	3,563	142	8,047	(205)	7,842
Total changes of items during period	4,854	(513)	3,563	142	8,047	(205)	29,993
Balance at end of current period	15,801	(197)	6,167	(381)	21,390	8,528	195,649

Note: Amounts less than one million yen are omitted.

(5) Consolidated Statements of Cash Flows (Unaudited)

(Millions of Yen)

	Previous fiscal year (From April 1, 2013 to March 31, 2014)	Current fiscal year (From April 1, 2014 to March 31, 2015)
Cash flows from operating activities		
Income before income taxes and minority interests	32,989	41,816
Depreciation and amortization	16,205	15,572
Impairment loss	52	536
Amortization of goodwill	519	502
Increase (decrease) in allowance for doubtful accounts	(0)	73
Increase (decrease) in other provision	418	225
Increase (decrease) in net defined benefit liability	563	390
Interest and dividend income	(699)	(816)
Interest expenses	1,517	1,165
Foreign exchange losses (gains)	56	(77)
Share of (profit) loss of entities accounted for using equity method	(2,672)	(1,973)
Loss (gain) on sales of non-current assets	(70)	(4,103)
Loss on disposal of noncurrent assets	1,457	967
Loss on retirement of non-current assets	397	418
Loss (gain) on sales of investment securities	(55)	(142)
Loss (gain) on valuation of investment securities	—	1,853
Decrease (increase) in notes and accounts receivable-trade	933	(437)
Decrease (increase) in inventories	3,020	(3,338)
Increase (decrease) in notes and accounts payable-trade	(8,729)	(4,104)
Increase (decrease) in accrued consumption taxes	(476)	3,579
Other, net	(8,553)	(1,083)
Subtotal	36,875	51,024
Interest and dividend income received	4,008	2,348
Interest expenses paid	(1,561)	(1,180)
Income taxes (paid) refund	(9,133)	(13,846)
Net cash provided by (used in) operating activities	30,189	38,345

Note: Amounts less than one million yen are omitted.

(Millions of Yen)

	Previous fiscal year (From April 1, 2013 to March 31, 2014)	Current fiscal year (From April 1, 2014 to March 31, 2015)
Cash flows from investing activities		
Purchase of property, plant and equipment	(15,499)	(16,302)
Proceeds from sales of property, plant and equipment	95	4,861
Purchase of intangible assets	(831)	(536)
Purchase of investment securities	(542)	(1,452)
Proceeds from sales of investment securities	95	232
Purchase of shares of subsidiaries and associates	(1,824)	(4,802)
Proceeds from subsidy	466	234
Payments of loans receivable	(1,621)	(1,122)
Collection of loans receivable	970	674
Purchase of other investments	—	(1,502)
Other, net	1	(605)
Net cash provided by (used in) investing activities	(18,689)	(20,321)
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	(3,043)	(10,306)
Net increase (decrease) in commercial papers	10,000	8,000
Proceeds from long-term loans payable	9,517	5,394
Repayments of long-term loans payable	(24,738)	(15,892)
Redemption of bonds	—	(10,000)
Proceeds from issuance of bonds	—	10,000
Proceeds from sales and leasebacks	45	369
Repayments of lease obligations	(361)	(213)
Proceeds from share issuance to minority shareholders	—	400
Purchase of treasury shares	(6)	(3)
Cash dividends paid	(3,606)	(4,509)
Cash dividends paid to minority shareholders	(147)	(143)
Net cash provided by (used in) financing activities	(12,341)	(16,905)
Effect of exchange rate change on cash and cash equivalents	433	855
Net increase (decrease) in cash and cash equivalents	(408)	1,973
Cash and cash equivalents at beginning of period	6,129	5,823
Increase in cash and cash equivalents from newly consolidated subsidiary	102	450
Decrease in cash and cash equivalents resulting from exclusion of subsidiaries from consolidation	—	(202)
Cash and cash equivalents at end of period	5,823	8,044

Note: Amounts less than one million yen are omitted.

5. Segment Information

Segment information by business type as of March 31, 2015 and 2014 is summarized as follows :

(Amounts less than one million yen and one thousand USD are omitted.)

For the year ended March 31, 2015(From April 1, 2014 to March 31, 2015)

Millions of Yen

	Reporting Segments						Others	Total	Eliminations & Company- wide	Consolidated
	Environmental Management & recycling	Nonferrous Metals	Electronic Materials	Metal Processing	Heat Treatment	Sub Total				
Net sales										
(1) Outside customers	65,671	209,796	71,580	87,670	27,344	462,062	2,157	464,219	-	464,219
(2) Intersegment	38,179	28,759	2,066	15	0	69,021	8,424	77,445	(77,445)	-
Total	103,850	238,556	73,646	87,685	27,344	531,083	10,582	541,665	(77,445)	464,219
Segment income (note 2)	7,349	13,562	8,814	5,804	2,354	37,885	349	38,235	859	39,094
Segment Assets	83,806	141,926	45,204	57,222	37,270	365,429	7,574	373,004	6,189	379,193
Other items										
Depreciation	4,651	3,427	2,534	2,217	1,838	14,669	205	14,875	697	15,572
Amortization of goodwill	348	-	-	-	154	502	-	502	-	502
Investments in affiliates accounted for by equity method	2,540	10,876	224	958	-	14,599	-	14,599	15,509	30,109
Increase in property, plant and equipment and intangible assets	5,937	2,411	2,230	1,880	4,334	16,794	169	16,963	284	17,247

For the year ended March 31, 2014(From April 1, 2013 to March 31, 2014)

Millions of Yen

	Reporting Segments						Others	Total	Eliminations & Company- wide	Consolidated
	Environmental Management & recycling	Nonferrous Metals	Electronic Materials	Metal Processing	Heat Treatment	Sub Total				
Net sales										
(1) Outside customers	64,484	188,648	81,400	82,191	24,635	441,359	2,625	443,985	-	443,985
(2) Intersegment	36,944	28,965	1,846	12	0	67,769	7,416	75,186	(75,186)	-
Total	101,429	217,614	83,246	82,204	24,635	509,129	10,042	519,171	(75,186)	443,985
Segment income (note 2)	9,493	7,058	6,715	5,392	2,262	30,924	195	31,120	674	31,794
Segment Assets	76,966	132,065	44,894	53,326	34,365	341,617	6,259	347,877	10,840	358,717
Other items										
Depreciation	4,786	4,369	2,618	2,297	1,702	15,774	185	15,960	245	16,205
Amortization of goodwill	381	-	-	-	137	519	-	519	-	519
Investments in affiliates accounted for by equity method	2,230	10,101	202	945	-	13,480	-	13,480	15,408	28,888
Increase in property, plant and equipment and intangible assets	5,653	1,666	3,171	2,714	1,924	15,131	329	15,460	1,089	16,549

For the year ended March 31, 2015(From April 1, 2014 to March 31, 2015)

Thousands of USD (Note3)

	Reporting Segments						Others	Total	Eliminations & Company- wide	Consolidated
	Environmental Management & recycling	Nonferrous Metals	Electronic Materials	Metal Processing	Heat Treatment	Sub Total				
Net sales										
(1) Outside customers	546,484	1,745,834	595,656	729,551	227,546	3,845,073	17,951	3,863,024	-	3,863,024
(2) Intersegment	317,713	239,321	17,195	124	5	574,361	70,107	644,469	(644,469)	-
Total	864,198	1,985,155	612,852	729,676	227,552	4,419,435	88,059	4,507,494	(644,469)	3,863,024
Segment income (note 2)	61,155	112,864	73,347	48,303	19,595	315,266	2,911	318,177	7,148	325,326
Segment Assets	697,398	1,181,045	376,167	476,177	310,149	3,040,938	63,033	3,103,971	51,504	3,155,475
Other items										
Depreciation	38,707	28,519	21,094	18,455	15,298	122,075	1,711	123,787	5,800	129,588
Amortization of goodwill	2,901	-	-	-	1,281	4,183	-	4,183	-	4,183
Investments in affiliates accounted for by equity method	21,138	90,512	1,865	7,975	-	121,492	-	121,492	129,066	250,558
Increase in property, plant and equipment and intangible assets	49,408	20,068	18,561	15,646	36,069	139,755	1,406	141,161	2,365	143,526

(Note 1) The classification of businesses for the segment information by business type is based on the classification adopted by the internal management system.

- (1) Environmental Management & Recycling : Waste treatment, controlled landfilling, soil remediation, metal recycling, household appliances recycling, automobile recycling, consulting on environmental matters, and logistics
- (2) Nonferrous Metals : Production and sale of copper, zinc, lead, gold, silver, zinc alloy, platinum, palladium, rhodium, indium, sulfuric acids, tin, antimony, and other materials
- (3) Electronic Materials : Production and sale of high-purity gallium, indium, compound semiconductor wafers, LEDs, silver powders, copper powders, silver oxide powders, metal powders, carrier powders, and ferrite powders
- (4) Metal Processing : Production and sale of copper, brass, copper alloy strips, nickel alloy strips, reflow tin plated stripes, brass rods, forged brass products, electroplated products, and metal-ceramic substrates
- (5) Heat Treatment : Various types of heat treatment, various types of surface treatment, design, manufacture, marketing, and maintenance of various types of industrial furnaces and ancillary equipment
- (6) Others : Construction, rental business and others

(Note 2) Segment income is based on operating income.

(Note 3) Converted at ¥120.17=US\$1, the prevailing exchange rate as of March 31, 2015 is used.