

Notice of Financial Forecasts and Dividend Forecasts

Dowa Holdings Co., Ltd. (“the Company”) has completed calculations for full-year consolidated financial forecasts and dividend forecasts for the fiscal year ending March 31, 2021 that had been left undecided in the Consolidated Financial Summary for the Three Months Ended June 30, 2020 (Japan Basis) announced on August 7, 2020, based on results for the first six months as well as information and predictions currently available. Details are as follows.

1. Consolidated Financial Forecasts

(1) Full-year Consolidated Financial Forecasts for the fiscal year ending March 31, 2021

(April 1, 2020 to March 31, 2021)

(Millions of Yen)

	Net Sales	Operating Income	Ordinary Income	Profit attributable to owners of parent	Net Income per Share (Yen)
Previous Forecasts (A)	-	-	-	-	-
Revised Forecasts (B)	563,600	31,300	29,000	12,000	202.76
Change (B-A)	-	-	-	-	
Percentage Change (%)	-	-	-	-	
(Ref.) Previous Fiscal Year Results (Year Ended March 31, 2020)	485,130	25,955	28,996	17,395	293.92

(2) Reasons for the Consolidated Financial Forecasts

Looking at the business environment in the third quarter and thereafter, the Company expects that sales of automobile-related products and services will continue to be on a recovery trend as it did in the second quarter. Electronic components-related products, new forms of energy-related products, and environmental management & recycling-related services are expected to maintain current solid performances. In addition, the Company expects that its equity method affiliates will show better business performances, principally reflecting the operation of overseas zinc mines. With respect to the market prices, the exchange rate of yen is expected to be 105 yen for the U.S. dollar, while metal prices will remain at the same level as at the end of the second quarter.

As a result, in terms of consolidated financial forecasts for the fiscal year ending March 31, 2021, net sales and operating income are expected to exceed the previous year’s results, while ordinary income will be at the same level as the previous year.

(3) Consolidated Financial Forecasts by Segment

Full-year Consolidated Financial Forecasts for the fiscal year ending March 31, 2021

(April 1, 2020 to March 31, 2021)

(Billions of Yen)

	Fiscal 2019 Results			Fiscal 2020 Forecasts			Changes		
	Net Sales	Operating Income	Ordinary Income	Net Sales	Operating Income	Ordinary Income	Net Sales	Operating Income	Ordinary Income
Environmental Management & Recycling	112.1	7.2	6.9	116.1	7.5	7.1	3.9	0.2	0.1
Nonferrous Metals	227.2	10.0	12.2	263.6	16.8	20.9	36.3	6.7	8.6
Electronic Materials	98.2	1.0	2.4	153.3	2.2	3.2	55.0	1.1	0.7
Metal Processing	82.3	5.1	5.1	75.5	3.2	3.6	(6.8)	(1.9)	(1.5)
Heat Treatment	27.9	1.2	1.2	24.8	0.7	0.6	(3.1)	(0.5)	(0.6)
Other/ Elimination	(62.8)	1.3	1.0	(69.6)	0.9	(6.3)	(6.8)	(0.4)	(7.4)
Total	485.1	25.9	28.9	563.6	31.3	29.0	78.4	5.3	0.0

(Notes)

The above values have been rounded down to the nearest second decimal place. Therefore, the total values of some segments may not be the same as the sum of the detailed values in each segment.

The forecasts included in this document are based on the information available to the Company at the time of the announcement and certain assumptions considered reasonable. Actual results may differ materially due to a range of factors.

2. Dividend Forecasts

(1) Dividend Forecasts

	Annual Dividends				
	End of first quarter	End of second quarter	End of third quarter	Year-end	Annual
	Yen	Yen	Yen	Yen	Yen
Previous Forecasts	—	—	—	—	—
Revised Forecasts	—	—	—	90.00	90.00
Previous Fiscal Year Results (Year Ended March 31, 2020)	—	—	—	90.00	90.00

(2) Reasons for the Dividend Forecasts

With respect to dividend forecasts for the fiscal year ending March 31, 2021 that were left undecided, the Company presents its year-end dividend forecasts that has been formulated by factoring in the dividend policy and the abovementioned full-year consolidated financial forecasts.