

NEWS RELEASE

SHOWA DENKO K.K.

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December 4, 2006

Changes in Corporate Management

Showa Denko K.K. (SDK) at its board of directors meeting today decided on changes in corporate management that will take effect early next year. SDK also decided to abolish the titles of Executive Vice President, Senior Managing Director and Managing Director. The term of directors, currently two years, will be shortened to one year subject to approval by the regular general meeting of shareholders in March 2007.

Mitsuo Ohashi, currently Representative Director and Chairman of the Board of Directors, will become Director and Chairman of the Board of Directors in late March, 2007.

Yasumasa Sasaki, currently Representative Director, Senior Managing Director, and Senior Managing Corporate Officer, will become Representative Director and Executive Vice-Presidential Corporate Officer on January 4, 2007. Tatsuo Sato, currently Senior Managing Director and Senior Managing Corporate Officer, will become Director and Senior Managing Corporate Officer. Norikuni Imoto, currently Managing Director and Managing Corporate Officer, will become Director and Senior Managing Corporate Officer. Managing Directors (Managing Corporate Officers) Koji Kudo and Tetsuo Tamada will become Director and Managing Corporate Officer.

Meanwhile, Hiroshi Nishimoto, Managing Director, Managing Corporate Officer, and Executive Officer, Petrochemicals Sector, will become Director and Special Advisor to Shoko Co., Ltd. effective January 4, 2007. He will resign as Director at the shareholders' meeting in March 2007 and become President of Shoko Co., Ltd.

Norio Masubuchi, Director, Corporate Officer, and Executive Officer, Chemicals Sector, will concurrently serve as Director of SDK and President of Union Showa K.K. as from January 4, 2007. He will resign as SDK Director and start serving exclusively as President of Union Showa in late March, 2007.

Toshio Ohi, currently Corporate Officer and General Manager, Chemicals Production Center, Chemicals Sector, will be appointed Corporate Officer and Executive Officer, Chemicals Sector effective January 4, 2007. Takashi Miyazaki, currently Corporate Officer and General Manager, Olefins and Organic Chemicals divisions, Petrochemicals Sector, will be appointed Corporate Officer and Executive Officer, Petrochemicals Sector, as well as General Manager, Olefins Division, also effective January 4, 2007. Ohi and Miyazaki will be elected Directors at the shareholders' meeting in March 2007.

Takao Fujiwara, Corporate Officer and General Manager, Ceramics Division, Inorganics Sector, will resign from the current position on January 3, 2007 and become Vice President of Showa Aluminum Can Corporation the following day.

Three new corporate officers will be appointed on January 4, 2007. They are Akira Sakamoto, General Manager, Corporate R&D Center, Technology Headquarters; Toru Takeuchi, General Manager, Purchasing Office; and Katsunobu Sato, General Manager, IR & PR Office. Takeuchi will be appointed General Manager, Organic Chemicals Division, Petrochemicals Sector. Sato will additionally take up the post of Assistant to Director in charge of Accounting, Finance and Information Systems offices.

Tadahiro Hashimoto will resign as Senior Chief Technologist (in charge of the Rare Earth business strategy) on January 3 and start serving exclusively as Chairman of Baotou Showa Rare Earth Hi-Tech New Materials Co., Ltd. and President of Ganzhou Zhaori Rare Earth New Materials Co., Ltd. as from January 4, 2007.

Kazuyuki Yokoo, General Manager, SPS Innovation Office, Technology Headquarters, will be elected Chief Technologist effective January 4, 2007. Hideo Yashima, General Manager, Electronics Materials Division, Electronics Sector, will be appointed Chief Technologist and Deputy Executive Officer, Electronics Sector on the same date.

For further information, contact:
PR & IR Group (Phone: 03-5470-3235)

[Reference] Changes in positions to take effect on January 4, 2007

	New titles	Positions to be terminated	Positions to remain in effect
Mitsuo Ohashi			Representative Director and Chairman of the Board of Directors
Kyohei Takahashi	Chief Executive Officer	(Chairman, Responsible Care Committee)	Representative Director and President
Yasumasa Sasaki	Representative Director and Executive Vice-Presidential Corporate Officer	(Senior Managing Director; Senior Managing Corporate Officer; Executive Officer, Electronics Sector)	
Tatsuo Sato	Director	(Senior Managing Director)	Senior Managing Corporate Officer; Executive Officer, Aluminum Sector
Norikuni Imoto	Director; Senior Managing Corporate Officer; Chief Risk Management Officer; Chairman, Risk Management Committee	(Managing Director; Managing Corporate Officer)	Director in charge of Audit, General Affairs, Legal, CSR and Purchasing offices; Chairman, Corporate Ethics and Security Export Control committees
Koji Kudo	Director; Chief Technology Officer; Chairman, Responsible Care Committee	(Managing Director)	Managing Corporate Officer; Executive Officer, Technology Headquarters; Chairman, Safety Measures Committee; Vice Chairman, Security Export Control Committee
Tetsuo Tamada	Director	(Managing Director)	Managing Corporate Officer; Executive Officer, Inorganics Sector
Ichiro Nomura	Chief Financial Officer		Director and Corporate Officer in charge of Corporate Strategy, Human Resources, IR & PR, Accounting, Finance, and Information Systems offices; Chairman, IR Committee
Shinji Sakai	Executive Officer, Electronics Sector	(Deputy Executive Officer, Electronics Sector)	Director and Corporate Officer
Hiroshi Nishimoto	Director; Special Advisor to Shoko Co., Ltd.	(Managing Director and Managing Corporate Officer; Executive Officer, Petrochemicals Sector)	
Norio Masubuchi	Director; President of Union Showa K.K.	(Director and Corporate Officer; Executive Officer, Chemicals Sector)	

Toshio Ohi	Executive Officer, Chemicals Sector	(General Manager, Chemicals Production Center, Chemicals Sector)	Corporate Officer
Kenji Tsukamoto			Corporate Officer; General Manager, Corporate Technical Office, Technology Headquarters; General Manager, Strategic Marketing Center
Takumi Ui			Corporate Officer; Deputy Executive Officer, Aluminum Sector; General Manager, Heat Exchanger Division
Hisao Takamatsu			Corporate Officer; General Manager, Chemicals Division, Chemicals Sector
Takashi Miyazaki	Executive Officer, Petrochemicals Sector	(General Manager, Organic Chemicals Division, Petrochemicals Sector)	Corporate Officer; General Manager, Olefins Division, Petrochemicals Sector
Masayuki Miyauchi			Corporate Officer; General Manager, Carbons Division, Inorganics Sector
Toshio Nishide			Corporate Officer; General Manager, Extrusions/Specialty Products Division, Aluminum Sector
Eiichi Sato			Corporate Officer; Oita Complex Representative, Petrochemicals Sector
Yasumichi Murata			Corporate Officer; General Manager, General Affairs Office; Assistant to Director in charge of Legal Office
Shunichi Shiraishi			Corporate Officer; General Manager, Shotoc Division, Aluminum Sector
Kenichi Izumi			Corporate Officer; General Manager, HD Division, Electronics Sector
Hideo Ichikawa			Corporate Officer; General Manager, Corporate Strategy Office; Assistant to Director in charge of Human Resources Office
Akira Sakamoto	Corporate Officer		General Manager, Corporate R&D Center, Technology Headquarters
Toru Takeuchi	Corporate Officer;	(General Manager,	

	General Manager, Organic Chemicals Division, Petrochemicals Sector	Purchasing Office)	
Katsunobu Sato	Corporate Officer; Assistant to Director in charge of Accounting, Finance, and Information Systems offices		General Manager, IR & PR Office
Minoru Kiyono			Standing Statutory Auditor
Hiroshi Ito			Standing Statutory Auditor
Takashi Kobayashi			Auditor
Shogo Itoda			Auditor
Hideshi Iwai			Auditor

Shigeru Yanagimoto			Chief Technologist; General Manager, Aluminum Technology Center, Aluminum Sector
Kazuyuki Yokoo	Chief Technologist		General Manager, SPS Innovation Office, Technology Headquarters
Hideo Yashima	Chief Technologist; Deputy Executive Officer, Electronics Sector	(General Manager, Electronics Materials Division, Electronics Sector)	