

NEWS RELEASE

SHOWA DENKO K.K.

*13-9, Shiba Daimon 1-chome
Minato-ku, Tokyo 105-8518*

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SDK to Introduce Corporate Fellow System

Showa Denko K.K. (SDK) announces the introduction of a “corporate fellow” system effective January 4, 2008 to suitably treat employees with high-level expertise.

The system builds on the existing “chief technologist” system established in 2001 for technical experts with excellent results. This time, SDK is going to change the “chief technologist” system and expand its scope to additionally cover office-work professionals and managers having high-level expertise.

Under the new system, “corporate fellows” will be appointed from among employees in various fields, including research, technical development, production technology, technical staff, and clerical staff. The system will also apply to managers with special expertise and employees having high-level qualifications authorized by government agencies.

There will be two grades: Senior Corporate Fellow, who will be treated equally as Corporate Officers; and Corporate Fellow, who will receive similar treatment. The corporate fellows’ term of office will be one year, and appointments will be made, in principle, on the first business day of every January.

In 2008, the final year of the Passion Project, SDK will further expand its growth businesses, such as the hard disk media and LED operations, and strengthen its operational setup to fulfill the goals.

For further information, contact:
IR & PR Office (Phone: 81-3-5470-3235)