

NEWS RELEASE

SHOWA DENKO K.K.

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February 7, 2008

SDK to Appoint KPMG AZSA as Additional Accounting Auditor

Showa Denko K.K. (SDK) decided at its board meeting today to appoint KPMG AZSA & Co. as additional accounting auditor subject to approval by the ordinary general meeting of shareholders scheduled for March 28, 2008. The Board of Auditors has already given its consent to this plan.

SDK has so far employed the services of The Fuji Accounting Office. To further strengthen the auditing setup, however, SDK has decided to additionally appoint KPMG AZSA. The Fuji Accounting Office and KPMG AZSA will hereafter jointly audit SDK's financial statements.

KPMG AZSA is located at AZSA center Building, 1-2, Tsukudo-cho, Shinjuku-ku, Tokyo. The appointment will take effect on March 28 after the resolution is adopted by the ordinary general meeting of shareholders.

For further information, contact:
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