

NEWS RELEASE

SHOWA DENKO K.K.

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December 1, 2008

SDK to Change Organization for Chemicals and Petrochemicals

Showa Denko K.K. (SDK) has decided to change the organization for its Chemicals and Petrochemicals sectors effective December 16, 2008.

In the Chemicals Sector, the present function-based organization will be changed to a location-based organization, to strengthen the safety/administration setups and employee training at respective sites as well as to unify the channels for contacts with the outside. Furthermore, the equipment maintenance operation for the Chemicals Sector, now performed by SDK's consolidated subsidiary Showa Engineering Co., Ltd., will be transferred to the Kawasaki and Higashinagahara plants effective December 16. This is a measure to strengthen the production setup through consolidation of operation and maintenance.

In the Petrochemicals Sector, the equipment maintenance operation at Oita Complex, now performed by Showa Engineering, will also be transferred, effective December 16, to the Engineering Department to be established within Oita Complex.

Details of the organizational changes are as follows:

[Chemicals Sector]

1. The Kawasaki and Chidori plants will be consolidated. The new organization will be called the Kawasaki Plant.
2. The Chemicals Production Center will be abolished.
3. The production functions at the existing Kawasaki and Chidori plants will be consolidated. A Production Department will be created at the new Kawasaki Plant.
4. The Quality Assurance Office, Environment & Safety Office, and Kawasaki Office at the existing Chemicals Production Center will be renamed as Quality Assurance Department, Environment & Safety Department, and General Affairs Department, respectively. They will be transferred to the new Kawasaki Plant together with the Production Technology Department at the Chemicals Production Center.
5. An Engineering Department will be created at the new Kawasaki Plant, to provide equipment maintenance and control services to the entire Chemicals Sector.
6. The Development Department, now under the Chemicals Division, will become a unit directly under the Chemicals Sector. Its name will be changed to Chemicals Development Department.

[Petrochemicals Sector]

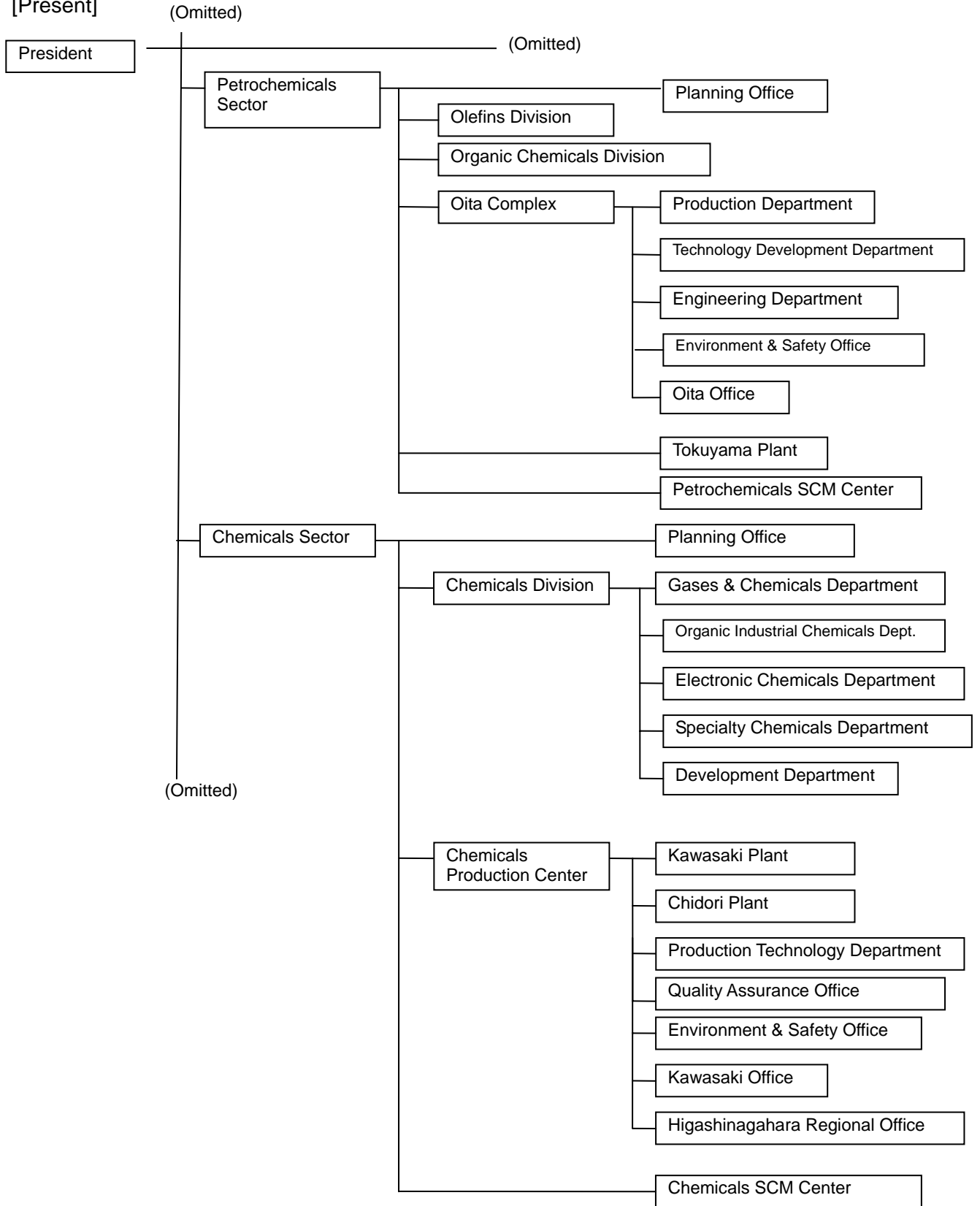
1. An Engineering Department will be created at the Oita Complex, to provide equipment maintenance services to the complex.
2. A Production Technology Department will be established at the Oita Complex.

For further information, contact:

IR & PR Office (Phone: 81-3-5470-3235)

[Reference]
Organization charts

[Present]



[New]

