

# NEWS RELEASE

SHOWA DENKO K.K.

July 19, 2001

## EC Notifies SDK of Its Decision re Graphite Electrode Case

Showa Denko K.K. (SDK) has received notice from European Commission (EC) that EC has decided to impose a fine on SDK pertaining to a case of graphite electrode cartel in Europe.

The notice said that the SDK Group was involved in the graphite electrode cartel in Europe between May 1992 and April 1997, and that a fine of EUR17.4 million (approx. ¥1,800 million) will be imposed on SDK.

SDK will carefully examine the contents of the notice and decide on how to respond.

Even when SDK accepts the notice, it will not affect SDK's performance forecast for 2001 because the amount could be absorbed by extraordinary profit/loss accounts already incorporated in the announced forecast.

### [Reference]

Performance forecast for the term from January 1 through December 31, 2001

Unit: ¥100 million

	Net sales	Operating income	Ordinary profit	Net income
Consolidated basis (As revised on June 28, '01)	7,640	280	130	0

Unit: ¥100 million

	Net sales	Operating income	Ordinary profit	Net income
Non-consolidated basis (As revised on June 28, '01)	4,650	150	90	- 50

For further information, contact:

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