



September 24, 2020

To whom it may concern:

Name of Listed Company: Showa Denko K.K.  
Code Number: 4004 TSE First Section  
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## **Announcement regarding merger between consolidated subsidiaries and change of company name**

Showa Denko (SDK) (TOKYO: 4004) decided at its Board of Directors meeting held today that its consolidated subsidiary Showa Denko Carbon Holding GmbH (SDCH) will merge with its consolidated subsidiary Showa Denko Europe GmbH (SDE), and that the surviving company SDCH will change its company name into Showa Denko Europe GmbH (new SDE) effective as of January 1, 2021.

Since this is a case of merger between SDK's wholly owned subsidiaries, part of the details are not disclosed in the following announcement.

### **1. Purpose of merger and change of company name**

SDE provides business support services such as import/export management, chemical substance management, and marketing function to subsidiaries of SDK in Europe. SDCH operates its Graphite Electrode business subsidiaries as a management company in Europe. This time, SDK decided to merge these two companies for the purpose of expanding its business operation in Europe further by fusing SDCH's business management function and SDE's business support function into one.

With regard to formalities of this merger, SDCH will merge with SDE and become the surviving company. However, in order to clarify its business management function in Europe, SDCH will change its company name into "Showa Denko Europe GmbH" at the same date of the merger.

### **2. Outline of merger**

#### **(1) Schedule**

Resolution at the Board of Directors meeting: September 24, 2020

Effective date of merger: January 1, 2021 (plan)

#### **(2) Form of merger**

SDCH will merge with SDE and become the surviving company, and SDE will be dissolved at the effective date. SDCH will change its company name into "Showa Denko Europe GmbH" at the same date.

(3) Allotment of stocks related to merger

Since this is a case of merger between wholly owned subsidiaries, there will be no new stock issue, no increase in capital, nor payment of grant money due to merger.

(4) Handling of stock acquisition rights and bonds with stock acquisition rights related to merger

There will be no applicable matters.

**3. Profile of the two companies to merge**

Company name	Showa Denko Carbon Holding GmbH (Surviving Company)	Showa Denko Europe GmbH (To be dissolved)
Head office	Werner-von-Siemens-Str.18, 86405 Meitingen, Germany	Konrad-Zuse-Platz 3, 81829 Munich, Germany
President	Masami Tobito, Stephan Becker	Takashi Kotsuka
Scope of business	Holding company that owns companies producing and selling graphite electrodes	Sales base of Showa Denko Group's businesses in Europe, Turkey, Russia, Middle East and Africa, providing liaison services including market research and marketing
Capital	25,000 EUR (≒3,071,000 JPY)*	205,000 EUR (≒25,182,200 JPY)*
Establishment	February 10, 2016	January 1, 2002
Accounting term	Ending December 31	Ending December 31
Major shareholders	Showa Denko: 100%	Showa Denko: 100%

\*Here EUR is converted into JPY at 1 EUR = 122.84 JPY (as of September 23, 2020).

**4. After the merger**

SDCH, the surviving company of the merger, will change its company name and scope of business as following at the same date of the effective date of merger.

Although the head office will be located in Wiesbaden, the office in Munich will be retained as a sales office of SDE.

Company Name	Showa Denko Europe GmbH
Head office	Abraham-Lincoln-Str. 44, 65189 Wiesbaden, Germany
President	Takashi Kotsuka
Scope of business	Sales base of Showa Denko Group's businesses in Europe, Turkey, Russia, Middle East and Africa, providing liaison services including market research and marketing. Holding company that owns companies producing and selling graphite electrodes.
Capital	25,000 EUR (≒3,071,000 JPY)*
Major shareholders	Showa Denko: 100%

\*Here EUR is converted into JPY at 1 EUR = 122.84 JPY (as of September 23, 2020).

**5. Future prospect**

Since this is a case of merger between wholly owned subsidiaries, SDK's consolidated performance will not be affected materially by the merger.