

# NEWS RELEASE

**SHOWA DENKO K.K.**

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Minato-ku Tokyo 105-8518

April 25, 2017

## **SDK to Hold Extraordinary General Meeting of Shareholders**

Showa Denko (SDK) (TOKYO: 4004) at its board of directors' meeting today decided to hold its extraordinary general meeting of shareholders on Tuesday, June 27, 2017. The record date has been set for Thursday, May 11, 2017. Matters to be reported to the extraordinary general meeting of shareholders will be "the business report and the consolidated financial statements for the 108<sup>th</sup> business term, and reports on the auditing results from the accounting auditor and the Audit & Supervisory Board" and "reports on the non-consolidated financial statements." The issue of "appropriation of surplus" will also be referred to the meeting. The details are as follows:

1. Record date, etc.

SDK decided that shareholders listed or recorded on the final shareholder register on the record date of May 11, 2017 will be eligible to exercise voting rights at the extraordinary general meeting of shareholders scheduled for June 27, 2017.

- (1) Record date: May 11, 2017 (Thursday)
- (2) Date of official notice: April 26, 2017 (Wednesday)
- (3) Method of official notice: An electronic notice (on SDK's website)  
<http://www.sdk.co.jp/>

2. Outline of the extraordinary general meeting of shareholders

- (1) Date and hour: Tuesday, June 27, 2017 at 10:00 a.m.
- (2) Place: Tokyo International Forum (Hall B5), 5-1, Marunouchi 3-chome, Chiyoda-ku, Tokyo
- (3) Matters constituting the purpose of the meeting  
Matters to be reported:
  - a. The business report and the consolidated financial statements for the 108<sup>th</sup> business term (from January 1 to December 31, 2016), and reports on the auditing results from the accounting auditor and the Audit & Supervisory Board
  - b. The non-consolidated financial statements for the 108<sup>th</sup> business term (from January 1 to December 31, 2016)

Matter to be resolved upon:

Proposal No. 1: Appropriation of surplus

3. Differences from the ordinary general meeting of shareholders

- (1) Matters to be reported:  
At the ordinary general meeting of shareholders held on March 30, 2017, regular reports were not presented. At the coming extraordinary general meeting of shareholders, we will present "the business report and the consolidated financial statements for the 108<sup>th</sup> business term, and reports on the auditing results from the accounting auditor and the Audit & Supervisory Board" and "reports on the non-consolidated financial statements."

We will provide the business report as well as the consolidated and non-consolidated financial statements for the 108<sup>th</sup> business term together with the notice of convocation of the extraordinary general meeting of shareholders.

(2) Matter to be resolved upon: appropriation of surplus

As stated in the timely disclosure document of April 25, 2017, entitled “SDK to Pay Dividend,” SDK decided to pay dividend of ¥30 per share (common stock) based on the record date of May 11, 2017, taking into consideration the financial results for the 108<sup>th</sup> business term, future business plans, and the current financial situation.

4. Reductions in officers’ remuneration

SDK decided to reduce remuneration for officers as detailed below. This is in connection with the issue of transactions between BE International Corporation (BE) and its specific customer. BE is a subsidiary of our consolidated subsidiary Shoko Co., Ltd. (Shoko) (and one of the consolidated subsidiaries of SDK). This issue is explained in Shoko’s news release of April 17, 2017 concerning the receipt of a report from its Special Examination Committee. SDK’s management team takes its responsibility for this issue seriously.

(1) Contents of reductions in officers’ remuneration

Chairman and President (representative directors): a 50% cut in monthly remuneration

Directors (excluding outside directors): a 20% cut in monthly remuneration

Corporate officers (with senior positions): a 20% cut in monthly remuneration

Corporate officers: a 10% cut in monthly remuneration

(2) Applicable period

From April to June, 2017

For more information, contact:

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