



July 14, 2008

To whom it may concern:

SK-Electronics Co., Ltd.
436-2, Tatetomita-cho, Ichijo-agaru,
Higashi Horikawa-dori, Kamigyo-ku, Kyoto
Yoshitada Nogami, President
(Stock Code: 6677)
Contact: Hideaki Horiuchi, Director
Telephone: +81-75-441-2333 (reception)

Elimination of Fractional Share System

At a meeting of the board of directors held July 14, 2008, SK-Electronics Co., Ltd. ("SK-Electronics") resolved to eliminate its fractional share system by the implementation date (electronic share certification implementation date) of the Settlement Rationalization Law.

Details

1. Background and Reasons

Fractional shares will not be treated as transferable shares under the electronic share certificates system scheduled for implementation in January 2009. As a company currently adopting a fractional share system, SK-Electronics must eliminate this system by the implementation date (electronic share certification implementation date) of the Settlement Rationalization Law.

2. Elimination of Fractional Share System

This change presumes the approval of a motion to change the SK-Electronics articles of incorporation to eliminate the fractional share system at the annual shareholders' meeting scheduled for mid-December 2008. The details of the aforementioned change to SK-Electronics articles of incorporation will be forthcoming.

3. Method to Dissolve Fractional Shares

Fractional shares will be collectively disposed by SK-Electronics at the closing price of SK-Electronics shares on the JASDAQ Securities Exchange on the first business day following the annual shareholders' meeting (or, in the event that no trades are conducted on that day, the transaction price of the first trade on the next business day) scheduled for mid-December 2008.

End