

HKEx's takeover for LME

Hong Kong Exchange, HKEx, revealed in July 15 that the takeover for London Metal Exchange, LME, agreed. The bid price is 1.38 billion sterling pound, or approximately 170 billion yen. It was an unthoughtful report for everyone at world nonferrous business.

It was thought among world nonferrous businessmen that the buyouter would be a major commodity exchange, New York Commodity Exchange, COMEX, Chicago Mercantile Exchange, CME, or Intercontinental Exchange, ICE.

HKEx was established in 1891 as a stock exchange, and was listed at the own exchange in 2000. LME was started in 1887 and the volume occupies a 80 per cent of world future and option trading of nonferrous business. Its prices have been the barometer and indicator in the world.

Its ring trading system is noted as a particular style. The photo on page one is the ring trading at LME.

Import of aluminum and silicon metal in FY 2011

The Ministry of Finance recently revealed the customs clearance report of aluminum ingot, alloy ingot, aluminum scrap, aluminum alloy scrap and silicon metal in fiscal 2011 started in April 2011 and ended in March 2012.

According to this report, the comparison with the previous period is as follows.

primary aluminum ingot	94.1%	alloy ingot	106.0%
aluminum scrap	104.2%	alloy scrap	76.7%
silicon metal	99.6%		

We experienced two very severe aftereffects from the northeastern Japan quake and tsunami and Thai water floods in this fiscal year, but in the latter of this period, our economic activity recovered powerfully. Therefore the total import didn't dip so much rather than expectation

The primary aluminum import was almost unchanged on volume and states. Regarding the aluminum alloy ingot, it was striking that China increased 9.1 per cent from a year earlier succeeding the previous period.

Meanwhile, the import of aluminum alloy scrap plunged 23.3 per cent from a year earlier, which reason is thought by the increase of domestic scrap and a lot of the imported Chinese alloy ingot.

Looking at the silicon metal import, it is outstanding that the volume from China dipped 6.2 per cent year on year, and Vietnam came into a new face.

The table on page two and three shows the customs clearance in metric ton, left side is in fiscal 2010 and right side is in fiscal 2011.

notes A. primary aluminum ingot

- (1) Australia (2) Russia (3) Brazil (4) South Africa (5) New Zealand
 (6) Indonesia (7) UAE (8) Argentine (9) Canada (10) India (11)
 others (12) total

B. aluminum alloy ingot

(1) China (2) Russia (3) UAE (4) Australia (5) Canada (6) New Zealand (7) Nigeria (8) Taiwan (9) Qatar (10) Spain (11) others (12) total

C. aluminum scrap

(1) Malaysia (2) Hong Kong (3) Taiwan (4) USA (5) Thailand (6) Singapore (7) Indonesia (8) Israel (9) UAE (10) Philippines (11) others (12) total

D. aluminum alloy scrap

(1) USA (2) Singapore (3) UK (4) Malaysia (5) Germany (6) Israel (7) Belgium (8) China (9) Taiwan (10) Philippines (11) others (12) total

E. silicon metal

(1) China (2) Brazil (3) Norway (4) South Africa (5) USA (6) Australia (7) Vietnam (8) France (9) Thailand (10) Laos (11) others (12) total

Shareholders meeting is held

The annual shareholders general meeting was held on June 22 at our new office, where the financial statement and officers' nomination were approved and a dividend of 5 per cent was declared. The photo on page three is President Takashi Amano, greeting at the meeting.

Company news

Managing Director, Hitoshi Takasu's office term expired, and he still remains to serve as Technical Adviser. He expresses sincere thanks everyone for the enjoyment he received during his office term.

Everyone awaits Nishio Festival held on July 14 and 15, the photo on page four.

Greetings

We trust you are all enjoying the fresh greenery of the season. As always, we thank you for your exceptional kindness.

The following personnel were appointed at the recent June 19 Regular Annual Meeting of General Shareholders and the Board of Directors.

Chairman of the Board	Hisashi Amano
President	Takashi Amano
Executive Director	Koichi Arima
Director	Katsumi Sugiyama
Director	Masanao Okada
Auditor	Tomitaro Suzuka
Auditor	Sugako Kajikawa

In response to new and changing conditions, additional new business are being developed.

We look forward to your even greater support and encouragement.

Asuka Industries, Inc.