ASUKA ALUMINIUM NEWS NO. 646 APRIL 2015

JARA estimates 0.4% growth in fiscal 2015

The Japan Aluminum Alloy Refiners Association held a board of directors on March 13 in Tokyo, where the presumption of secondary aluminum alloy demand in fiscal 2014, started in April 2014 and ended in March 2015, and itsprediction in fiscal 2015, starts in April 2015 and ends in March 2016, were approved and revealed subsequently.

According to the announcement, the reaction of consumption tax increase brought a decrease of automobile production, and the major demand, cast and diecast, did not increase as much as expected. But the can for coffee was going very well and the demand for sheet increased beyond an expectation. Ultimately, the total demand in fiscal 2014 increased 1.1 per cent year on year to 1,637,500 ton.

Regarding the demand in fiscal 2015, the association predicts that it increases 0.4 per cent from the previous year to 1,644,200 ton, and the association comments as follows.

- (1) The demand for cast and diecast will remain on the same level. The market and production of automobile will be dull, but the export of knock-down pats will be pretty active.
- (2) The excellent demand for coffee can will continue, and the demand for sheet will thrive favorably.
- (3) The demand for steel will remain on the same level.

The table on page one shows the prediction of secondary aluminum alloy demand, on which 25 means fiscal 2013, 26 means fiscal 2014 and 27 means fiscal 2015. Top line shows cast, second diecast, third sheet and extrusion, fourth steel and others and bottom total. The right side figures show the comparison with the previous years.

The tonnage includes the consumption of imported ingot. Unit is ton.

Our golden week holidays

We are pleased to inform you that our golden week holidays are

April 29 Wednesday \sim May 6 Wednesday

In Japan, April 29 is a national holiday, Green Day. May 3 is a national holiday, Constitution Day. May 5 is also a national holiday, Children Day.

Since this season has the best weather, we call the first week in May "Golden week". During this week, the people go on a pleasure trip domestically or abroad. Consequently, every train and airline is fully occupied and long jams are usual on highways.

Diecast production gains in 2014

The Ministry of Economy, Trade and Industry recently revealed the determinate diecast production in calendar year 2014. It increased 1.4 per cent from the previous year to 1,000,260 ton, and its amount swelled 32 per cent year on year to 586.72 billion yen.

The production for automobile increased 0.3 point to 88.1 per cent. The production

of aluminum diecast increased 1.6 percent and approached one million ton. Contrarily, zinc diecast production decreased noticeably.

The table on page two shows the diecast production in 2014, tonnage and the comparison with the previous year.

Aluminum totaled (2) machine within (3) electric appliance within (4) automobile within (5) motorbike within (6) others within (7) zinc totaled (8) automobile within (9) magnesium and others (10)grand total (11) automobile within.

Japan's aluminum premium dwindles

It was reported that the Japan's aluminum premium in April~June concluded at \$380, 11 per cent lower than the previous three months, and the reason is swelling aluminum products made in China at international market, which invites the ease of aluminum ingot supply.

Actually, the aluminum inventories at London Metals Exchange warehouses are decreasing. We think the price gap between spot and future has decreased, and the warehousing of aluminum ingot decreases at the same time.

Anyway, we would like to watch the course with keen attention.

The chart on page two shows the movement of Japan's aluminum premium.

The second Metal Japan is held in Tokyo

The second Metal Japan is going to be held at Tokyo Big Sight in Ariake Tokyo on April 8, 9 and 10 by the Lead Exhibition Japan Limited, where many metals producers and traders will attend to show their newest products and technical services of all metals, copper, aluminum, special steel and rare metals.

The Keynote Address titled "The challenge to higher function" is held on April 9 by three speakers as follows.

Chief of Industry Department
The Ministry of Economy, Trade and Industry
Vice President
Shin Nittetsu Sumikin Limited
Executive Director
Furukawa Denki Kogyo Limited

Safety Driving Contest during 100 days

The Nishio Safety Driving Conference opened the contest "No accident and no violation during 100days" in the last 100days last year, and 1,867 teams participated and 448 teams, 24 %, gained the ends. Asuka's 10 teams attended and 8 teams,80%, obtained goal. On February 25 at Nishio Police Station, Asuka teams were recognized as the photo on page 3 shows.

<u>New graduate joins us</u>

On March 23, new graduate, Mr. Kazuma Morinaka, joined us. Please give him warm and kind support. The photo on page 4 is Mr. Morinaka and President Amano.