

Asuka Seminar opens on a grand scale

The 49<sup>th</sup>. Asuka Seminar was splendidly held at the Kira Kanko Hotel on October 12 and 13. Eighty customers of Asuka's products were invited and the all attendants devoted themselves to the informative seminar.

Unexpectedly today, we meet with a big and hard diplomatic relation between Japan and China. Therefore it was the best opportunity for us that we could invite Mr. Tatsuichi Ito, as the instructor, who is a pioneer of the embarkation on business in China. The seminar was summarized as follows.

The China of today

Mr. Tatsuichi Ito, President  
Hibino Industry Co., Limited

Hibino group

Hibino Industry Co., Ltd. was established in 1945 at Nagoya as an aluminum alloy sand caster, and originated diecast business in 1960. We opened a new plant having a serial process for diecast and machining at Chiryu City Aichi Prefecture in 1964. Then Nishio Plant started for larger diecast products in 1974.

Moreover in 2000, we established Shanghai Hibino Casting Co., Ltd. and opened diecasting in November 2001 in China, and in 2007 started a machining process as Shanghai Hibino Metal Co., Ltd. Reacting the expanding market, Hibino Casting (Changshu) Co., Ltd. is under construction and is going to launch diecasting and machining in coming January.

Our products are varied kinds of diecast for automobile, electric appliances and various machines and tools. Below photos on page one are Shanghai Hibino Casting Co., Ltd., Shanghai Hibino Metal Co., Ltd. and Hibino Casting (Changshu) Co., Ltd. from left.

Matters in China

<National character> Japanese and Chinese have same features and use same Chinese characters, but it is very strange that the both natures have a big gap.. Most Chinese think;

Company is the place for personal profit.

Knowledge belongs to person but to company.

When the wage is same, idling is better.

They postpone company / public benefit to private.

They don't foster subordinates, and lack unity.

<Regionalism> The land is extremely vast, and a local has a special culture itself;

\* Beijing people are nationalists, and like chat on politics and the slander against Shanghai.

\* Shanghai people are rich and showoff, and also miserly. They love traveling abroad and overseas investment, and scorn Beijing people as country fashioned.

\* Guandong people love the table talk on anti-government and tax avoidance

Furthermore, there are four main languages, Beijing, Shanghai, Guandong and Fujian, with which conversation almost difficult mutually. Since Japanese have only one language and are homogeneous people, we have to pay attention to the big gap.

<Prices level> ( ); Japan. \; yen.

electric power \7 / kw (\14) gas \50 / m<sup>3</sup> (\ 80)

water \3 / m<sup>3</sup> (\ 250) gasoline \90 / l (\145)

taxi <base fare> \175 / Shanghai \125 / Suchou \63 / Henan

hotel <Shanghai> \9,000 / three stars class

The wage increases 15 ~ 17% every year, and reached three times during past ten years. In a suburb of Shanghai;

doorman \20,000 worker \30,000

chief \40,000 manager \130,000

vice president \250,000

#### Progress of China

<GDP> GDP per a person has increased 3.9 times during past ten years from 2000 to 2010. Since it reached \$3,000 in 2008, the consumption power for automobile, electric appliance, housing and other consumer goods has thrived at one burst. IMF predicts it will soar to \$7,606 in 2015, which is double in 2009, and the remarkable consumption power is expected.

<Motorization> Reflecting the soaring consumption power, the auto production marked 7.9 times during ten years from 1999 to 2009. In 2010, it recorded 18.26million unit. Chinese output overtook Germany in 2006, and overtook U.S. in 2008, and at last in 2009, overtook Japan

Today, China is the greatest auto producer in the world, and furthermore it is said that the output of 34.25 million unit is expected in 21015. The government says the car

possessive unit is 106 million today, and it will reach 200 million unit or more in 2020.

Thinking such a marvelous car popularization, there are some hard problems to settle, exhaust gas, fuel supply and traffic jam.

#### The China of today

<Rehabilitation of relation with Japan> China reported recently GDP growth of 7.4% in July-September quarter, its weakest quarterly result in about three years. Besides, tighter money supply against inflation, lower export to Europe, smaller public investment and higher yuan pressure bring hard economic and social situation.

In these circumstances, jobs are very tight for new university graduates, who would increase their discontents and displeasure. We have to watch these difficulties with the new top of government. I don't think the problem between Japan and China will settle easily and in a short time. Lastly, I sincerely hope that every Chinese people will enjoy life himself or herself not only but a few people in the near future.

(Mr. Hiroya Matsumoto is responsible for the wording.)

#### Company news

Konan City sent us an observing mission on October 1 as the photo on page four shows, and they enjoyed plant tour after President Amano's talk.

On October 12 after Mr. Ito's seminar, all attendants enjoyed a grand party as the photo on page three shows. Mr. Seisuke Matsuo, President of Diecast Towa Co., Ltd., proposed a toast and then everyone had a very nice time until midnight.