

Pursuant to Chapter 38 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, the Securities and Futures Commission regulates Hong Kong Exchanges and Clearing Limited in relation to the listing of its shares on The Stock Exchange of Hong Kong Limited. The Securities and Futures Commission takes no responsibility for the contents of this announcement, makes no representation as to its accuracy or completeness, and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



(Incorporated in Hong Kong with limited liability)
(Stock Code: 388)

Legal proceedings involving a subsidiary

The London Metal Exchange (“LME”), a subsidiary of Hong Kong Exchanges and Clearing Limited (“HKEx” or the “Company”), has been named as a defendant in a judicial review claim commenced by United Company RUSAL Plc (“Rusal”) and filed in the English High Court on 23 December 2013. The judicial review seeks to challenge the LME’s decision to introduce changes in its warehousing policy as announced in its notice dated 7 November 2013. The decision on changes in the warehousing policy was made following a three-month market consultation commenced by LME in July 2013 on changes to its policy regarding the delivery out rates of LME approved warehouses. LME management is of the view that the judicial review is without merit and LME will contest it vigorously. Implementation of the proposed changes to the warehousing policy will proceed as announced. The Company will update shareholders and investors on developments at the appropriate time.

This announcement is made by HKEx pursuant to the provisions under Part XIVA of the Securities and Futures Ordinance (the “SFO”) and Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”).

The Company notes that LME, a wholly-owned subsidiary of HKEx, has been named as a defendant in a judicial review claim commenced by Rusal and filed in the English High Court on 23 December 2013. The judicial review seeks to challenge the LME’s decision to introduce changes in its warehousing policy as announced in its notice dated 7 November 2013 (the “Decision”). The Decision was made following a three-month market consultation commenced by LME in July 2013 on changes to its policy regarding the delivery out rates of LME approved warehouses.

Rusal has alleged that the consultation conducted by LME was unfair and procedurally flawed, that the LME’s changes to its warehousing policy are irrational and disproportionate, and that Rusal’s human rights have thereby been breached. LME management considers that the grounds of Rusal’s complaint are without merit, and will defend any judicial review proceedings vigorously.

Implementation of the proposed changes to the warehousing policy will proceed as announced.

The Company will update shareholders and investors on any further developments in compliance with Part XIVA of the SFO and Rule 13.09 of the Listing Rules.

Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of HKEx.

This announcement is made by order of the Company. HKEx's Board of Directors ("Board") collectively and individually accepts responsibility for the accuracy of this announcement.

By order of the Board
Hong Kong Exchanges and Clearing Limited
Joseph Mau
Company Secretary

Hong Kong, 24 December 2013

As at the date of this announcement, the Board comprises 12 Independent Non-executive Directors, namely Mr CHOW Chung Kong (Chairman), Mr CHAN Tze Ching, Ignatius, Mr Timothy George FRESHWATER, Mr John Barrie HARRISON, Mr HUI Chiu Chung, Stephen, Dr KWOK Chi Piu, Bill, Mr LEE Kwan Ho, Vincent Marshall, Mr LEE Tze Hau, Michael, Mrs LEUNG KO May Yee, Margaret, Mr John Estmond STRICKLAND, Mr John Mackay McCulloch WILLIAMSON and Mr WONG Sai Hung, Oscar, and one Executive Director, Mr LI Xiaojia, Charles, who is also HKEx's Chief Executive.