



## **Lihua International Announces Special Cash Dividends**

**Danyang, China – November 9, 2011 – Lihua International, Inc. (Nasdaq: LIWA)** ("Lihua" or the "Company"), a leading Chinese developer, designer, and manufacturer of low cost, high quality alternatives to pure copper products, today announced that its Board of Directors has approved the issuance of two special dividends to Lihua shareholders.

The amount of each special dividend will be \$0.03 per outstanding share of Lihua common stock on the respective record dates. The first dividend is payable on January 13, 2012 to Lihua shareholders of record on December 31, 2011 and the second dividend is payable on April 13, 2012 to Lihua shareholders of record on March 31, 2012.

The per share amount of each special dividend is calculated on an annualized method based on 5% of the Company's full-year GAAP net income of \$38.5 million for the twelve months ended December 31, 2010.

Magnify Wealth Enterprise Ltd., the Company's largest shareholder and an affiliate of Mr. Jianhua Zhu, the Company's founder, Chairman and CEO, has agreed to waive payment of the two special dividends. Accordingly, the two special dividends will be distributed among approximately 16.8 million shares, or 56% of the Company's outstanding common stock as of November 8, 2011, assuming there are no new share issuances prior to each record date.

"We have generated solid financial growth since our 2009 Initial Public Offering, and have continued to deliver on our strategic and operational objectives while positioning the Company for sustainable growth over the long-term," said Mr. Zhu. "We are making meaningful investments to support Lihua's future growth and deliver accretive top and bottom line growth through organic expansion, as well as new product introductions and new market penetration. We remain committed to generating value for our shareholders and believe that the special dividends are an ideal way to provide an immediate return on investment to our shareholders."

### **About Lihua International, Inc.**

Lihua, through its two wholly-owned subsidiaries, Lihua Electron and Lihua Copper, is a leading value-added manufacturer of copper replacement products for China's rapidly growing copper wire and copper replacement product market. Lihua is one of the first vertically integrated companies in China to develop, design and manufacture lower cost,

high quality alternatives to pure copper magnet wire and pure copper alternative products. Lihua's products include CCA and refined copper products. Current product offerings include CCA and pure copper wire, copper rod and copper anode. Except for CCA wire, all other products are produced from recycled scrap copper. Lihua's products are sold in China either directly to manufacturers or through distributors in the wire and cable industries and manufacturers in a wide variety of industries including the consumer electronics, white goods, automotive, utility, telecommunications and specialty cable industries. Lihua's corporate and manufacturing headquarters are located in the heart of China's copper industry in Danyang, Jiangsu Province. For more information, visit: <http://www.lihuaintl.com>.

To be added to the Company's email distribution for future news releases, please send your request to [lihua@tpg-ir.com](mailto:lihua@tpg-ir.com).

### **Safe Harbor Statement**

This press release contains certain statements that may be deemed to be "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. All statements, other than statements of historical facts, that address activities, events or developments that the Company expects, projects, believes or anticipates will or may occur in the future, including, without limitation, statements about its business or growth strategy, general industry conditions including availability of copper or recycled scrap copper, future operating results of the Company, capital expenditures, expansion and growth opportunities, bank borrowings, financing activities and other such matters, are forward-looking statements. Although the Company believes that its expectations stated in this press release are based on reasonable assumptions, actual results may differ from those projected in the forward-looking statements.

Please note that information in this press release reflects management views as of the date of issuance.

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