

Important Notice

The Board of Directors of the Company confirms that there is no false representation, material misleading statement contained in or material omission from this report and collectively and individually accept full responsibility for the truthfulness, accuracy and completeness.

The financial statements of the Company have been prepared by KPMG and KPMG Huazhen, which have expressed an unqualified audit opinion with explanatory paragraph thereon, in accordance with the International Financial Reporting Standards ("IFRS") and the PRC Accounting Rules and Regulations respectively. Detailed explanation has been made by the Board of Directors and the Supervisory Committee of the Company, investors are reminded to take this into consideration when reading the Summary.

Mr. Liu Baoying, the Chairman, Mr. Cao Mingchun, the Chief Financial Officer, and Mr. Wang Hongtao, the Chief of Finance Department confirm that financial information as set out in the annual report is true and complete.

I	COMPANY PROFILE	2
II	FINANCIAL AND BUSINESS SUMMARY	3
III	CORPORATE GOVERNANCE STRUCTURE	5
IV	REPORT OF THE DIRECTORS	6
V	REPORT OF THE SUPERVISORY COMMITTEE	18
VI	BRIEF ON GENERAL MEETINGS	20
VII	SIGNIFICANT EVENTS	21
VIII	FINANCIAL REPORTS	28
IX	ANALYSIS OF ITEMS OF FINANCIAL STATEMENTS WITH MOVEMENTS OF MORE THAN 30%	87
X	DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT	88
XI	DOCUMENTS AVAILABLE FOR INSPECTION	90

Contents

Company Profile

Luoyang Glass Company Limited (the "Company") is the largest manufacturer of float flat glass in the People's Republic of China (the "PRC"). It mainly engages in the production and sale of float flat glass and reprocessed automobile glass. The Company and its subsidiaries (the "Group") own six production lines of float glass and is able to produce float flat glass of various thickness, size and color. The thickness of flat glass ranges from 1.1mm to 25mm, the maximum size is 3,000mm x 6,000mm and the color includes primary, dark brown, blue and green. They are widely used in construction industry. The Company also owns glass processing line with strong processing capability. The flat, curve steel glass produced can be used as window glass for all kinds of automobiles, glass screen wall of buildings and also for arts and furniture. The Company has become a technologically advanced, economically strong enterprise with core technology and products known as "Luoyang Float Glass Technology". The Company obtained Sino-foreign joint venture status approved by State Ministry of Foreign Trade and Economic Cooperation on 28 February 1996.

The Company's controlling shareholder is China Luoyang Float-Glass (Group) Company Limited ("CLFG") previously known as Luoyang Glass Plant established in 1958, where China's first glass production line of float glass was set up in 1971. The float technology was named "Luoyang Float Glass Technology" by China Science and Technology Commission and was presented State gold award for innovation. CLFG is one of the top fifty large enterprises in the PRC, CLFG Group with CLFG as its core is one of the first batch of fifty-five enterprise groups and it is also one of the twenty-two enterprises categorised by the State as special planning unit. In 1994, CLFG exclusively promoted to establish the Company after completion of reorganization and thus become one of the second batch of twenty-two State-owned enterprises approved by the State to be publicly listed overseas. The Company issued 250,000,000 H shares in Hong Kong on 29 June 1994 which were publicly listed on The Stock Exchange of Hong Kong Limited on 8 July 1994. In September 1995, the Company successfully issued 50,000,000 A shares which were publicly listed on Shanghai Securities Exchange on 30 October 1995.

1.	Registered Company Name in Chinese Company short Name Registered Company Name in English	洛陽玻璃股份有限公司 Luoyang Glass Luoyang Glass Company Limited (Abbreviation: LYG)
2.	Legal Representative	Mr Liu Baoying
3.	Board Secretary Correspondence Address Telephone: Fax: E-mail Address	Mr Wang Jie Secretary office of the Board of Directors of Luoyang Glass Company Limited No. 9, Tang Gong Zhong Lu, Xigong District, Luoyang Municipal, Henan Province, the People's Republic of China 86-379-3908588; 3908560 86-379-3251984 lbdms@public2.lyptt.ha.cn
4.	Registered Address and Office Address Postal Code Internet Address	No.9, Tang Gong Zhong Lu, Xigong District Luoyang Municipal, Henan Province, the People's Republic of China (the "PRC") 471009 http://www.clfg.com
5.	Newspapers for Information Disclosure Website Publishing the Annual Report Company's Annual Report available at:	China Securities Journal, Shanghai Securities Journal, Hong Kong Economic Times and The Standard (in English) http://www.sse.com.cn Secretarial Office of the Board of Directors of Luoyang Glass Company Limited
6.	A Shares - Place of Listing Stock Code Stock Abbreviation H Shares - Place of Listing Stock Code Stock Abbreviation	Shanghai Securities Exchange 600876 Luoyang Glass The Stock Exchange of Hong Kong Limited 1108 Luoyang Glass
7.	Date and Place of the First Registration of The Company	6 April 1995 at the Bureau of Luoyang Industries and Commerce Administration
8.	Date and Place of Registration of Change of the Company	19 April 1995 at the Luoyang Industries and Commerce Administration 9 August 1996 at Bureau of Luoyang Industries and Commerce Administration (Approved by the the State Industries and Commerce Administration).
9.	Legal Person Business Registration Number of the Company	Qi Ye Yu Luo Zong Zi 000327
10.	Taxation Registration Number of the Company	41030300100100027
11.	Auditor	PRC KPMG Huazhen 8/F, Office Tower E2, Oriental Plaza, No.1, East Chang An Ave., Beijing, the People's Republic of China Post Code: 100738 Hong Kong KPMG 8th Floor, Prince's Building, Central, Hong Kong
12.	Legal Advisers	PRC Henan Asia Pacificer Lawyers No. 84 Hongzhuan Road, Zhengzhou City, China Hong Kong Li & Partners Solicitors 21/F, World Wide House, Central, Hong Kong
13.	Custodian for the Company's Non-circulating Shares	Shanghai Securities Central Clearing and Registration Corporation
14.	Share Registrars and Transfer Office for H Shares	HKSCC Registrars Limited Rooms 1901-5, Hopewell Centre, 19th Floor, 183 Queen's Road East, Hong Kong