

To: Financial Editors

【For Immediate release】



Sunny Optical Technology (Group) Company Limited

舜宇光學科技(集團)有限公司

(Incorporated in the Cayman Islands with limited liability) (於開曼群島註冊成立的有限公司)

Sunny Optical announces 2007 Annual Results
Profit attributable to equity holders surged by 92.3% to
RMB 225,400,000

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Seize rising demand for optical and optoelectronic products
To expand international client base

Financial Highlights (For the year ended 31 December 2007)			
	2007	2006	Change
	(RMB'000)	(RMB'000)	
Revenue	1,381,900	900,700	↑ 53.4%
Gross profit	376,600	247,800	↑ 52.0%
Profit attributable to equity holders	225,400	117,200	↑ 92.3%
Basis earnings per share (RMB)	0.25	0.20	↑ 25.0%
Final dividend per share (RMB)	0.021	--	n.a.
	(HK\$0.022)		

【7 April 2008, Hong Kong】 The leading integrated optical and optoelectronic products enterprise in the PRC – Sunny Optical Technology (Group) Company Limited (“Sunny Optical” or the “Company”, stock code: 2382), announced its annual results for the year ended 31 December 2007.

The Company achieved strong business growth in the year under review. Its revenue increased year-on-year by 53.4% to RMB1,381,900,000. Gross profit increased by 52% to RMB376,600,000, while profit attributable to equity holders surged by 92.3% to RMB225,400,000. Basic earnings per share amounted to RMB0.25. To reward shareholders, the Company’s Board of Directors proposed payment of a final dividend of RMB0.021 per share (approximately HK\$0.022) for the year ended 31 December 2007.

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The Company's three core businesses recorded impressive growth, in particular optical components, sales of which was up by 66.6% to RMB515,200,000. This is followed by the optoelectronic products, which recorded sales increase of 57.7% to RMB738,200,000. Optical instruments recorded stable growth, with sales revenue of RMB128,500,000, representing an increase of 4.1% compared to the previous year.

Commenting on the Company's business performance in the year under review, Mr. Wang Wenjian, Chairman of Sunny Optical, said, "We achieved several major milestones on operational and technical development levels during the year under review. Sunny Optical was successfully listed on the Main Board of the Hong Kong Stock Exchange on 15 June 2007, establishing a solid foundation for entering the global capital market. In respect of business performance, the Company further expanded its international client base. While Samsung, a renowned global brand, became the Company's largest client in 2007, we also received new orders from famous international brands such as Pentax, NEC display, Topcon Optical, Tamron Optical, etc. Our PRC customer base also continued to grow. Now we are a first-tier supplier to major cell phone manufacturers in the PRC."

The Company had successfully applied the chip-on-board ("COB") technology to manufacture smaller-sized handset camera modules with better image qualities at lower costs. At the same time, we had set up sales offices in Japan and Korea, further strengthening the Company's presence in Asia's major markets. In 2008, the Company will set up a subsidiary in Singapore and sales offices in Europe and the US to expand our global horizons and market coverage.

Regarding the Company's future development, Mr. Wang said, "2008 will be a year of challenge. Going forward, we will actively explore opportunities to cooperate with new clients and expand our client base in respect of optical and optoelectronic products. We will also allocate more resources for the development of non-mobile-phone related products, such as glass lenses and lens sets for digital cameras, vehicle monitoring lens sets, glass lenses and prisms for video disc players (DVD) as well as high-end optical instruments etc., so as to increase sales of non-mobile-phone related products as a percentage of our revenue. Besides, the Company will enhance the marketing of high-pixel camera lens sets and camera modules for mobile phones, in order to improve its overall gross profit margin."

The Company will continue to enhance its R&D capability and develop more advanced products of even higher qualities. In 2008, the Company will accelerate the development of aspheric glass lens (GMP), promote the use of auto-focus/ zoom function on camera modules, and develop 3 dimension optical vision measuring machines and microscopic interferometers. The Company will also strengthen and expand its business network to increase its market shares in these regions.

"The Company will seize the opportunities brought by the rapid growth of the optoelectronic industry to become the leading integrated optical products manufacturer in the world and the major supplier to the world's renowned brands to generate fruitful reward to our shareholders," Mr. Wang concluded.

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About Sunny Optical Technology (Group) Company Limited

Sunny Optical Technology (Group) Company Limited is a leading integrated optical components and optoelectronic products manufacturer in the PRC with production bases in Zhejiang and Zhongshan, the PRC, occupying a total site area of 105,261 sq.m. Capitalizing on its vertically integrated design and production business model, Sunny Optical integrates optical, mechanical and electronic technologies, offering a wide range of optical products such as lenses and lens sets, optoelectronic products including mobile phone camera modules, as well as specific optical instruments such as microscope and UV-spectrophotometer. With the increase in demand for optical products as well as consumer electronic products, the Company has become the main supplier to some leading global brand names.

Issued by Porda International (Finance) PR Company Limited for and on behalf of **Sunny Optical Technology (Group) Company Limited**. For further information, please contact:

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