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Investment Highlights



❖ **Strong recovery in all the three business divisions, margin troughed in 2009:**

- **beneficiary of rising smartphone and 3G handsets**
- **greater market share in digital camera divisions**
- **rising demand growth in high-end optical instrument segments**

❖ **Improving product mix and client base amid greater operating efficiency and wider application will continue to drive above-industry-average growth**

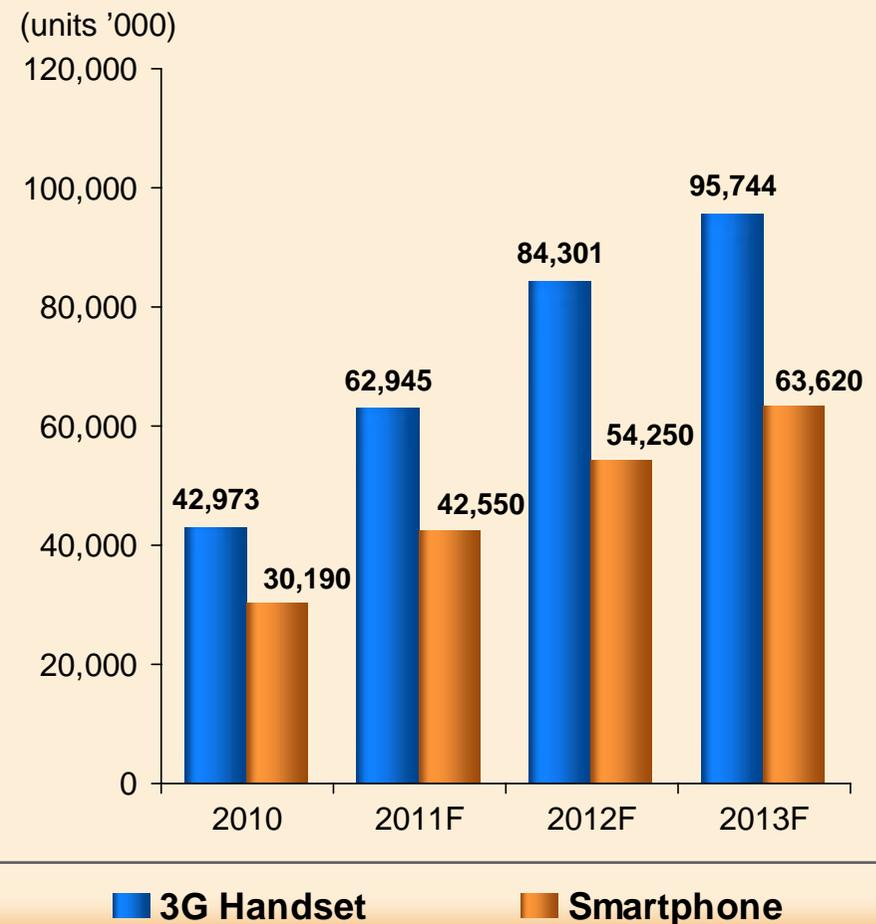
❖ **Solid financial position with a net cash of RMB670mn as at the end of June 2010**

Strong Demand Growth for smartphone and 3G Handsets



- Surging shipment of handset lens for 3G handsets thanks to our ability to produce 2m, 3m, 5m and 8m pixels AF handset lens set and module
- Rising popularity of smartphones, 95% increased YoY in Q3 to 81Mpcs (Canalys), also boost our handset lens sales

Domestic Shipment of 3G Handsets and Smartphones (2010 – 2013F)

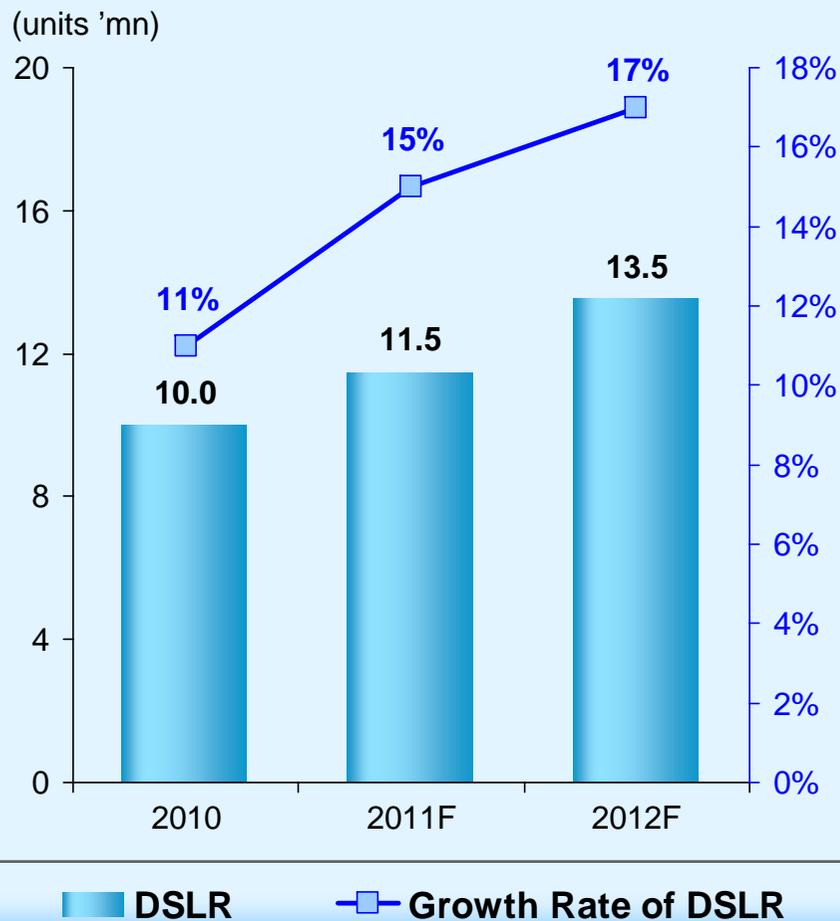


Source: iSuppli

Double-digit Growth in Digital Camera Market



Global Market Forecast of DSLR camera



Source: MIC



- Strong growth of DSLR (Digital single-lens reflex) camera
- Annual shipment volume of DSLR camera expected to increase continually

Continuing Growth in High-end Optical Instrument Market

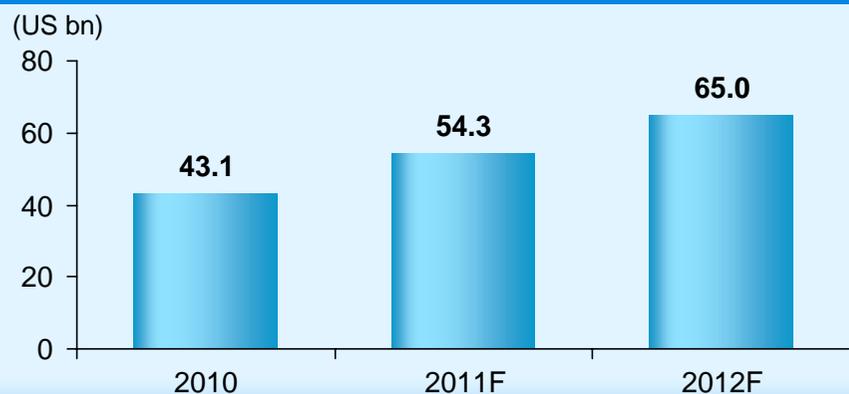


- **Market of high-end optical instrument continues to expand**
- **Application to education, medical and environmental protection, etc, drives the demand of optical instruments**

Wider Application Presents Further Growth Opportunities



Market Forecast of Domestic Video Security System



Source: IDC



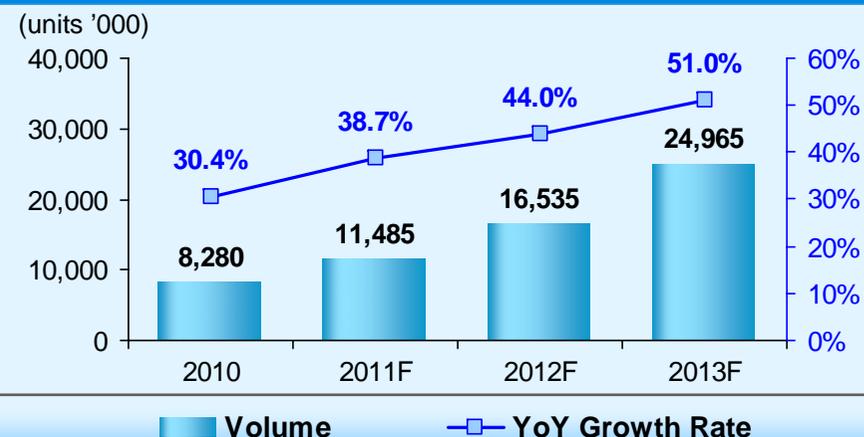
- ▣ Vehicle imaging market grows fast
- ▣ Market of security surveillance system grows relatively fast
- ▣ Wider application of Infrared technology

Market Forecast of Global Infrared Instruments



Source: Maxtech International Inc.

Global Market Forecast of Vehicle Camera Lens Module



Source: Techno Systems Research

Well-positioned for Future Growth



- ✓ Rising shipment of 3M, 5M and 8M pixels AF handset lens set and handset camera modules to top domestic and international brands
- ✓ Successful development of 3M and 5M pixels 3X Zoom handset lens sets used in high-end smartphone and 3G handsets, an indication of our competitiveness
- ✓ Commencement of production of glass aspherical lenses enhances core competences
- ✓ Strong precision molding ability for plastic aspherical lenses will maintain margin expansion
- ✓ Technology breakthroughs in optical instruments are used in environment protection, biopharmaceuticals, petrochemical and precision measurement fields

**Possessing 78 Patents
with 55 Patents Pending for Approval**

Strong Client Base



Top Five Customers

Samsung

Panasonic

Huawei

Burgeon

ZTE

Renowned Customers

<i>DSC Lenses Business</i>	<i>Handset Lens Sets Business</i>	<i>Handset Camera Modules Business</i>	<i>Optical Instruments Business</i>	<i>Other Businesses</i>	
Samsung	Sharp (Nokia)	Sharp	Keyence	Panasonic	Magna
Panasonic	Samsung	Huawei	Carl Zeiss	Sanyo	Continental
Nikon	Global Optics	ZTE	Optika	Liteon	Delphi
Sony	Foxconn	Lenovo	Amscope	Primax	Autoliv
Konica-Minolta	Truly	Haier			Steel-mate
Pentax		Coolpad			TTE
Topcon		Tianyu			Ricoh
Fujinon		Sangfei			Sindoh
Olympus		Foxconn			Silitech
NEC		Gionee			Microtek
LG					

RENOWNED CLIENTS



Sunny Optical Technology (Group) Company Limited
舜宇光學科技(集團)有限公司

Company Overview

Leading Integrated Optical and Optoelectronic Component Producer in China



- ❑ 26 years of track record
- ❑ Fully committed management to drive further growth



Zhejiang Headquarters

→ Employees: about 4,471



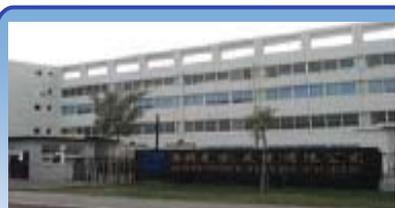
Production facility in Zhongshan

→ Employees: about 2,082



Production facility in Shanghai

→ Employees: about 158



Production facility in Tianjin

→ Employees: about 220

Business Segments

Optical Components

(Glass spherical / aspherical Lenses, handset lens set, vehicle lens set, other lens set)



Optoelectronic Products

(Handset / Notebook camera modules, Security Surveillance cameras, and other related products)

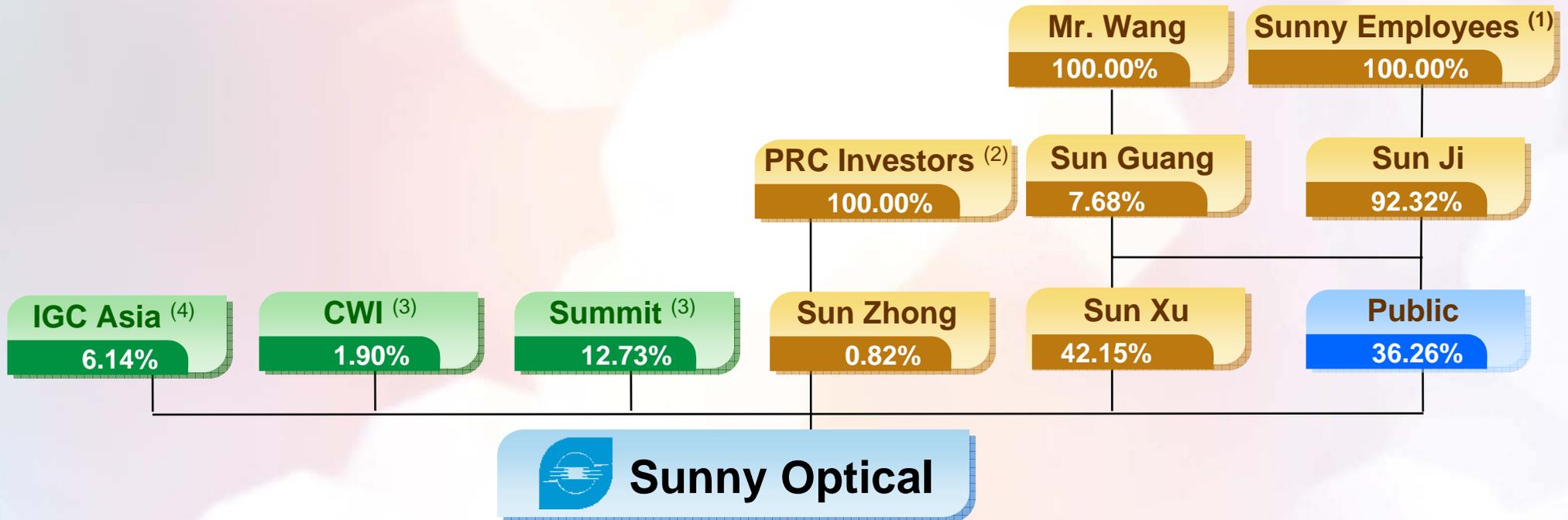


Optical Instruments

(Microscopic, measuring and analytical instruments)



Shareholding Structure



- 1) Mr. Wang, the Chairman and an executive Director, holds the entire issued share capital of Sun Ji in favor of all the then Sunny Employees under the Sunny Employee Trust
- 2) Mr. Wang, the Chairman and an executive Director, holds the entire issued share capital of Sun Zhong in favor of the PRC Investors under the PRC Investor Trust
- 3) Ultimate beneficially owned by Chengwei Ventures Evergreen Mgt. LLC
- 4) Ultimate beneficially owned by Investor AB

* As at 30 Sept 2010



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Financial Highlights

Financial Overview in 1H 2010



For the 6 months ended 30 Jun

	1H 2009	1H 2010	Change
<i>(RMB mn)</i>			
Revenue	547.3	833.9	+ 52.4%
Gross profit	108.1	177.7	+ 64.4%
Profit before tax	29.4	66.0	+ 124.9%
Profit attributable to owners	23.4	54.8	+ 134.2%
Basic earnings per share <i>(RMB cents)</i>	2.34	5.54	+136.8%
Gross margin (%)	19.7	21.3	+1.6% pts
Net margin (%)	4.3	6.8	+2.5% pts
Bank balances and cash <i>(RMB mn)</i>	387.5	666.0	

Revenue Breakdown



For the 6 months ended 30 Jun

	1H 2008	1H 2009	1H 2010	Change from 1H 2009 to 1H 2010
<i>(RMB mn)</i>				
Optical Components	268.0	249.5	407.3	+63.3%
Optoelectronic Products	254.8	250.2	333.8	+33.4%
Optical Instruments	67.5	47.6	92.8	+94.9%
Total Revenue	590.3	547.3	833.9	+52.4%



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Outlook and Strategies

Our Strategies



Maximizing our exposure to rising demand for high-resolution handset lens sets and camera modules (Both – Global Top 5 in 3 years)



Application of our technology and know-how into higher-value-added products, rising production of high-precision lenses of DSLR

Continue to implement “Lean Production”, aiming to be the most efficiency lens maker

Aiming to increase our market share in security surveillance cameras, vehicle lens sets, infrared lenses and lens sets as well as mid- to high-end optical instruments

Peer Comparison



Companies	Location	Key Technologies or Products					
		Glass lenses	Glass Aspherical lenses	AF handset lens sets	Zoom Handset lens sets	AF Handset Camera modules	Zoom Handset Camera modules
Sunny Optical	PRC	✓	✓	✓	✓	✓	✓
Phenix Optics	PRC	✓					
Largan Precision	Taiwan			✓			
Kinko	Taiwan	✓	✓				
Altus	Taiwan					✓	
Liteon	Taiwan					✓	



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We are committed to maintaining efficient communication with our investors

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