洛阳玻璃股份有限公司

LUOYANG GLASS COMPANY LIMITED

(a joint stock limited company incorporated in the People's Republic of China with limited liability)

(Stock code:1108)

Announcement of the Exceptional Fluctuation in A Share Prices and Resumption of Trading

Luoyang Glass Company Limited (the "Company") announces that its A Share prices has fallen for a successive three days to a percentage range that the board of directors of the Company wishes to make the following statement in accordance with the requirement of the Listing Rules of Shanghai Stock Exchange:

1. The Company has indicated that it is likely to record profit for the six months ended 30 June 2004 in the 2004 first quarterly report dated 26 April 2004. As of the date of this announcement, the production and operations of the Company remains normal and do not have undisclosed material information which are required to be disclosed. The Company emphasizes the validity of the above statement made in the first quarterly report of 2004.
2. The Company will make timely information disclosure in order to strictly comply with the stipulation and requirement of relevant laws and regulations in mainland China and Hong Kong.
3. The stipulated newspapers for information disclosure of the Company are China Securities Journal and Shanghai Securities News in the PRC, and Hong Kong Economic Times and The Standard in Hong Kong.

Public investors are advised to cautiously refer to the formal information disclosure of the Company and take notice of investment risks as well.

This announcement is made pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong.

Trading in H Shares of the Company has been suspended with effect from 10:00 a.m. on 16 June 2004 at the request of the Company pending the release of this announcement as the directors of the Company consider it is price sensitive in nature. Application has been made by the Company for the resumption of trading in H Shares at 10:00 a.m. on 17 June 2004.

The Board of Directors of the Company consists of Messrs. Liu Baoying, Ding Jianluo, Zhu Leibo, Zhang Shaojie, Zhu Liuxin, Jiang Hong , Wang Jie, Dai Zhiliang, Zong Pengrong, Xi Shengyang and Dong Chao.

Board of Directors
Luoyang Glass Company Limited

16 June 2004

Please also refer to the published version of this announcement in The Standard / Hong Kong Economic Times.