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XINYI GLASS HOLDINGS LIMITED

信義玻璃控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 00868)

ANNOUNCEMENT

**PURSUANT TO RULE 13.09(1) OF THE LISTING RULES
JUDGEMENT MADE BY THE UNITED STATES
DISTRICT COURT FOR THE NORTHERN DISTRICT OF OHIO
AND
RESUMPTION OF TRADING OF SHARES**

This announcement is made by the Board pursuant to Rule 13.09(1) of the Listing Rules.

The Board refers to the announcement of the Company dated 12 November 2009 in which the Company disclosed that a verdict was issued by a jury in the United States District Court for the Northern District of Ohio in the United States against Xinyi Glass (North America) and Xinyi Automobile Glass for infringements of certain patents held by Saint-Gobain in the US. The verdict required Xinyi Glass (North America) and Xinyi Automobile Glass to pay damages to Saint-Gobain in an aggregate amount of approximately US\$10.94 million (equivalent to approximately HK\$85.33 million) and such amount of legal costs and penalty damages to be determined by the judge.

On 31 March 2010 (EST), pursuant to a motion filed by Saint-Gobain, the United States District Court for the Northern District of Ohio in the United States granted a judgement in favour of Saint-Gobain for an aggregate amount of approximately US\$24.19 million (equivalent to approximately HK\$188.68 million). The amount includes (i) damages of approximately US\$21.89 million (equivalent to approximately HK\$170.73 million), representing two times the original amount

of damages, i.e. approximately US\$10.94 million, awarded by the jury under the verdict in November 2009, (ii) attorney's fee of approximately US\$1.95 million (equivalent to approximately HK\$15.22 million) and (iii) costs of approximately US\$0.35 million (equivalent to approximately HK\$2.72 million). Hence, Xinyi Glass (North America) and Xinyi Automobile Glass are now required to pay Saint-Gobain in total an aggregate amount of approximately US\$24.19 million (equivalent to approximately HK\$188.68 million) instead of the original amount of US\$10.94 million.

The Board disagrees with the judgement and will take all necessary steps to appeal and seek reversal of the judgement in the relevant appellate courts in the United States. The Board will also seek an order from the court on deferral of the payment of judgement amount pending the outcome of the appeal.

The Company will issue further announcements, as and when appropriate, should there be any major development in the matter.

Resumption of trading of the Shares

Trading of the Shares had been suspended effective from 9:30 a.m. on Thursday, 1 April 2010 pending the publication of this announcement. Application has been made to the Stock Exchange for the resumption of trading in the Shares effective from 9:30 a.m. on Wednesday, 7 April 2010. **Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company.**

This announcement is made by the Board pursuant to Rule 13.09(1) of the Listing Rules.

Background information

The Board refers to the announcement of the Company dated 12 November 2009 in which the Company disclosed that a verdict was issued by a jury in the United States District Court for the Northern District of Ohio in the United States against Xinyi Glass (North America) and Xinyi Automobile Glass for infringements of certain patents held by Saint-Gobain in the US. The verdict required Xinyi Glass (North America) and Xinyi Automobile Glass to pay damages to Saint-Gobain in an aggregate amount of approximately US\$10.94 million (equivalent to approximately HK\$85.33 million) and such amount of legal costs and penalty damages to be determined by the judge.

Because of the jury verdict in November 2009, the Company has made a provision of HK\$10.94 million for the year ended 31 December 2009.

Motion filed by Saint-Gobain

Following the abovementioned verdict, Saint-Gobain filed a motion to the court for enhanced damages, attorney's fees and pre-judgement interest, primarily on the ground of willful infringement by Xinyi Glass (North America) and Xinyi Automobile Glass. Xinyi Glass (North America) and Xinyi Automobile Glass opposed any enhancement to the jury's award, and urged the court to set aside the jury's original finding.

On 31 March 2010 (EST), pursuant to the motion filed by Saint-Gobain, the United States District Court for the Northern District of Ohio in the United States granted a judgement in favour of Saint-Gobain for an aggregate amount of approximately US\$24.19 million (equivalent to approximately HK\$188.68 million) comprising (i) damages of approximately US\$21.89 million (equivalent to approximately HK\$170.73 million), representing two times the original amount of damages, i.e. approximately US\$10.94 million, awarded by the jury under the verdict in November 2009, (ii) attorney's fee of approximately US\$1.95 million (equivalent to approximately HK\$15.22 million) and (iii) costs of approximately US\$0.35 million (equivalent to approximately HK\$2.72 million). Hence, Xinyi Glass (North America) and Xinyi Automobile Glass are now required to pay Saint-Gobain in total an aggregate amount of approximately US\$24.19 million (equivalent to approximately HK\$188.68 million) instead of the original amount of US\$10.94 million.

Further steps taken by the Board

The Board disagrees with the judgement and will take all necessary steps to appeal against and seek reversal of the judgement in the relevant appellate courts in the United States. The Board will also seek an order from the court on deferral of the payment of judgement amount pending the outcome of the appeal.

The Company will issue further announcements, as and when appropriate, should there be any major development in the matter. **Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company.**

Resumption of trading of the Shares

Trading of the Shares had been suspended effective from 9:30 a.m. on Thursday, 1 April 2010, pending the publication of this announcement. Application has been made to the Stock Exchange for the resumption of trading in the Shares with effect from 9:30 a.m. on Wednesday, 7 April 2010.

Definitions

Unless the context requires otherwise, the capitalised terms used in this announcement shall have the following meanings:-

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| “Board” | the board of Directors; |
| “Company” | Xinyi Glass Holdings Limited (信義玻璃控股有限公司) (Stock code: 00868), a company incorporated under the laws of the Cayman Islands with limited liability with all the Shares listed on the Stock Exchange; |
| “Directors” | the directors of the Company; |
| “EST” | Eastern Standard Time in the US; |
| “Group” | the Company and its subsidiaries; |
| “HK\$” | Hong Kong dollars, the lawful currency of Hong Kong; |
| “Hong Kong” | The Hong Kong Special Administrative Region of the People’s Republic of China; |
| “Listing Rules” | The Rules Governing the Listing of Securities on the Main Board of the Stock Exchange; |
| “Saint-Gobain” | Saint-Gobain Autover USA, Inc., Saint-Gobain Sekurit Mexico S.A. de C.V. and Saint-Gobain Sekurit USA, Inc., all of them are the plaintiffs of the claims referred to in this announcement; |
| “Shares” | shares of HK\$0.1 each in the share capital of the Company; |
| “Shareholders” | holders of the Shares; |
| “Stock Exchange” | The Stock Exchange of Hong Kong Limited; |
| “US\$” | United States dollars, the lawful currency of the U.S.A.; |
| “U.S.A.” or “US” | the United States of America; |
| “Xinyi Automobile Glass” | 信義汽車玻璃(深圳)有限公司 (Xinyi Automobile Glass (Shenzhen) Co., Ltd.,*) a wholly foreign-owned enterprise established in China and a wholly-owned subsidiary of the Company; and |

“Xinyi Glass (North America)” Xinyi Glass (North America), Inc., a company incorporated in Ontario, Canada with limited liability and a non-wholly owned subsidiary of the Company.

By order of the Board
XINYI GLASS HOLDINGS LIMITED
LEE Yin Yee, M.H.
Chairman

Hong Kong, 1 April 2010

Unless otherwise specified, translations of US\$ into HK\$ in this announcement are based on the rates of US\$1.0 = HK\$7.8. No representation is made that any amounts in US\$ and HK\$ can be or could have been converted at the relevant dates at the above rates or any other rates at all.

As at the date of this announcement, the executive Directors are Mr. LEE Yin Yee, M.H., Mr. TUNG Ching Bor, Mr. TUNG Ching Sai, Mr. LEE Shing Kan, Mr. LEE Yau Ching, Mr. LI Man Yin, the non-executive Directors are Mr. NG Ngan Ho, Mr. LI Ching Wai, Mr. SZE Nang Sze, Mr. LI Ching Leung, and the independent non-executive Directors are Mr. LAM Kwong Siu, S.B.S., Mr. WONG Chat Chor Samuel and Mr. WONG Ying Wai, S.B.S., JP.

** For identification purpose only.*

This announcement will be published on the website of the Stock Exchange at www.hkex.com.hk and on the website of the Company at www.xinyiglass.com.