



**Geely Automobile Holdings Ltd.**

**吉利汽車控股有限公司**

**(SEHK:175)**

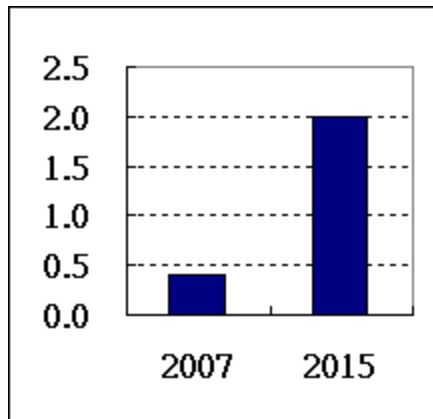


**Corporate Presentation**

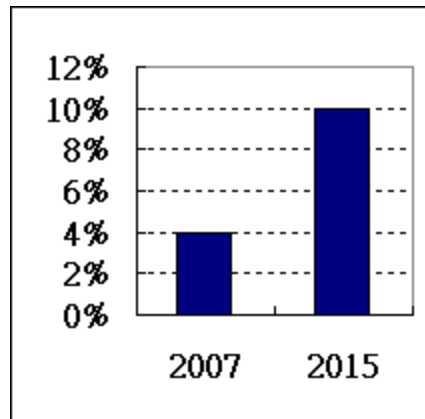
**July 2008**

# Long-term Plan and Targets

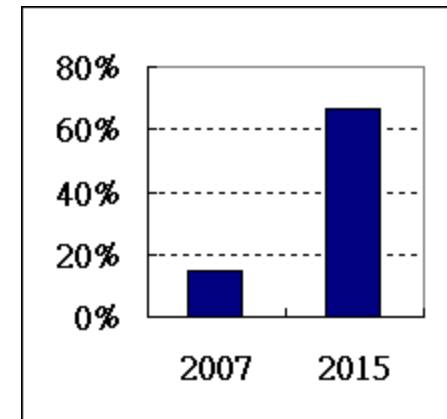
**Production Capacity  
(million units)**



**Market Share in China  
(%)**



**% of Exports  
(% of total sales)**



**Supplying the Safest, the Most Energy Efficient and  
the Most Environmental Friendly Vehicles**



# Cutting Edges

- ❖ **Privately-owned – means flexibility and cost sensitivity**
- ❖ **A comprehensive and cost effective supply chain**
- ❖ **Strong management – professionals from China and abroad**
- ❖ **Substantial investment in intellectual resources**
- ❖ **A vertically integrated operation, comprising R&D, design, auto parts, engines, gearboxes and final assembly**
- ❖ **Focus on mature technology and popular platforms**
- ❖ **Well-positioned to export and tap demand in rural market**



# China's Sedan Market

- ❖ **Substantial growth potential due to still low car ownership and consistent growth in household incomes**
- ❖ **Margin pressure continues to intensify due to:**
  - ❖ **price cuts due to fierce competition**
  - ❖ **increasingly stringent environmental and safety requirements**
  - ❖ **more demanding and sophisticated customers**
  - ❖ **much shorter product life cycle**
  - ❖ **rising raw material prices**
- ❖ **Emergence of more local brands in the sedan market**
- ❖ **Growth rate of China's sedan sales volume could be maintained at around 20% per annum in the coming decade. (vs +23% in 2007, +35% in 2006, +25% in 2005, +16% in 2004, +75% in 2003 and +56% in 2002)**



# Key Challenges

- ❖ **Huge increase in R&D costs due to competitions, rapidly rising customers' expectations, and rapid technological and regulatory changes**
- ❖ **Product and brand differentiation**
- ❖ **Aggressive participation by other privately-owned enterprises and new state-owned local brands in China's sedan market**
- ❖ **Consistently huge product price pressure**
- ❖ **Substantial investment needed to narrow technological gap with international players and to differentiate from other local brands**
- ❖ **Must achieve reasonable economies of scale to justify the huge investments**



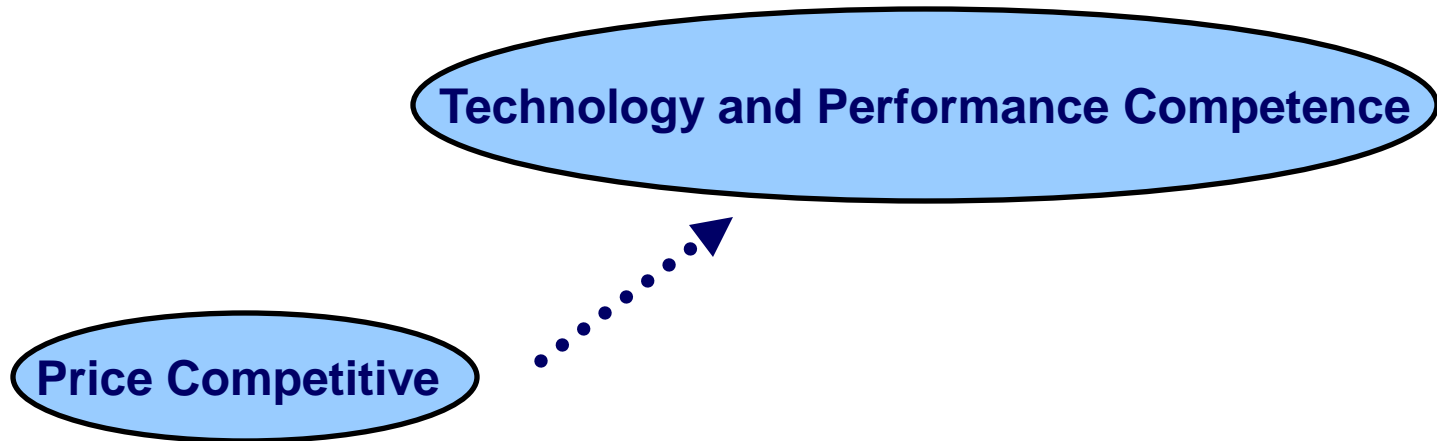
# Strategies

- ❖ **Expansion of Sales Volume** – through broadening product line, and expanding into oversea markets, to maintain cost advantages
- ❖ **New Product Development Focus** - 15 brand new models, 8 new engines, 6 new manual transmissions, 6 new automatic transmissions, 3 ECVT transmissions, and 1 hybrid project in the next five years
- ❖ **Technology Focus** – Maintaining advantages in power-train technologies, narrowing technology gap with key international players
- ❖ **Expansion of Production Capacity** - through upgrading and expansion of existing facilities, building new facilities at less developed provinces and SKD/CKD manufacturing in oversea countries
- ❖ **Focus on Brand Building and Services**
- ❖ **Expansion through M&As & Strategic Alliances**



# Strategic Transformation

- ❖ Expansion into higher-end and large sized vehicles
- ❖ Major investment to enhance technology competence, customer satisfaction and product branding
- ❖ Aiming at transforming Geely's competitive advantage:



# Product Line-up





# Geely Car Model Timeline

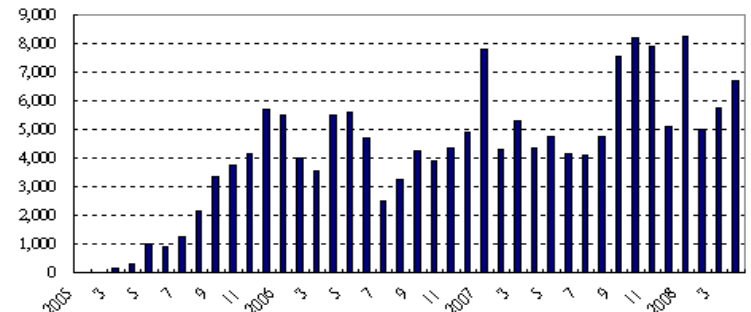
	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
<b>sales volume</b>	200	2,000	8,000	21,000	47,800	76,274	96,693	133,041	175,632	190,000	230,000	
<b>Sedans</b>												
<b>Subcompact Hatchback</b>	Haoqing	Haoqing	Haoqing	Haoqing	Haoqing	Haoqing	Haoqing	Haoqing	Haoqing Haoqing SRV	Haoqing Haoqing SRV		
				Merrie	Merrie	Merrie	Merrie	Merrie	Merrie	Merrie	Merrie LC-1	LC-1 CK-2
<b>Subcompact Sedan</b>					Ulion	Ulion	Ulion	Ulion	Ulion	Ulion	Ulion	
								Free Cruiser	Free Cruiser	Free Cruiser	Free Cruiser	Free Cruiser CK-3
<b>Coupe</b>						Mybo	Mybo	Mybo	Mybo	Mybo	Mybo CD	Mybo CD
<b>Compact Hatchback</b>					Galewind	Galewind Maple M203	Galewind Maple M203 Hisoon	Maple M203 Hisoon	Hisoon Marindo	Hisoon Marindo	Hisoon Marindo Haiyue LG-3	Hisoon Marindon Haiyue LG-3
<b>Compact Sedan</b>							Marindo 303	Marindo Hysoul	Marindo Hysoul Kingkong	Marindo Hysoul Kingkong Hisoon Haifeng	Marindo Hysoul Kingkong Hisoon Haifeng	Marindo Hysoul Kingkong Hisoon Haifeng
<b>Mid-size Sedan</b>										Vision	Vision SL-1	Vision SL-1 FC-2
<b>Mid-size Hatchback</b>												FC-3
<b>Large-size Sedan</b>												GK-1
<b>Commercial Vehicles</b>												
<b>Taxi</b>											TX4	TX5
<b>Pickup</b>							Pickup	Pickup	Pickup			

# Free Cruiser

<b>Engine size:</b>	1.3L, 1.5L
<b>Dimension:</b>	4152/1680/1440
<b>Maximum output:</b>	63kw/6,000rpm (1.3L)
<b>Top speed:</b>	150km/hour (1.3L)
<b>Fuel injection:</b>	Bosch M7.9.7 ECU
<b>Emission:</b>	Euro III
<b>Transmission:</b>	5-speed MT, 4-speed AT
<b>Steering:</b>	Electric Power Steering
<b>Others:</b>	ABS+EBD, SAS airbag, Rear seatbelt, Central/auto-doorlock, Electric window, Anti-theft system, Electric mirror, 6 4-channel speakers
<b>Retail Price:</b>	RMB42,800-65,800



Sales Volume of Free Cruiser

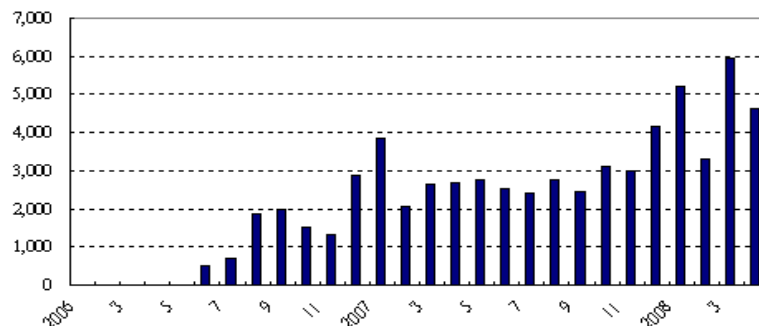


# Geely Kingkong

<b>Engine size:</b>	1.5L, 1.6L, 1.8L
<b>Dimension:</b>	4342/1692/1435
<b>Wheelbase:</b>	2502
<b>Maximum output:</b>	79Kw/6,000 rpm
<b>Top speed:</b>	175km/hour (1.6L)
<b>Engine:</b>	L4 DOHC 16V
<b>Fuel consumption:</b>	4.7L/100Km (1.6L M)
<b>Fuel Injection:</b>	Bosch M7.9 ECU
<b>Emission:</b>	Euro III
<b>Transmission:</b>	5-speed MT, 4-speed AT
<b>Others:</b>	ABS+EBD, SAS airbag, Central/auto-doorlock, Electric window, Anti-theft system, Electric mirror, 6-disc CD player 6 speakers One touch sunroof
<b>Retail Price:</b>	RMB50,800-72,800



Sales Volume of Geely Kingkong

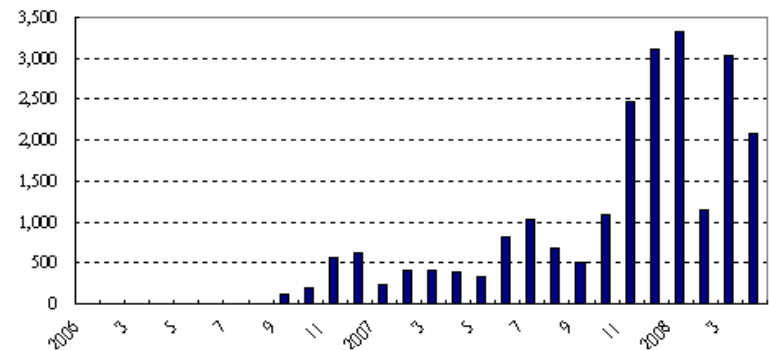


# Geely Vision

<b>Engine size:</b>	1.8L
<b>Dimension:</b>	4602/1725/1480
<b>Wheelbase:</b>	2602
<b>Maximum output:</b>	102Kw/6,200rpm
<b>Top speed:</b>	185km/hour
<b>Engine:</b>	L4 DOHC 16V Aluminium CVVT engine
<b>Fuel consumption:</b>	6.5L/100Km (at 90kmph)
<b>Emission:</b>	Euro III
<b>Transmission:</b>	5-speed MT
<b>Others:</b>	ABS+EBD, 2XSAS airbag, Central/auto-doorlock, Electric window, Electric leather seat, Anti-theft system, Electric mirror, DVD+GPS 6-disc CD player 6 speakers
<b>Retail Price:</b>	RMB65,800-103,800



Sales Volume of Vision



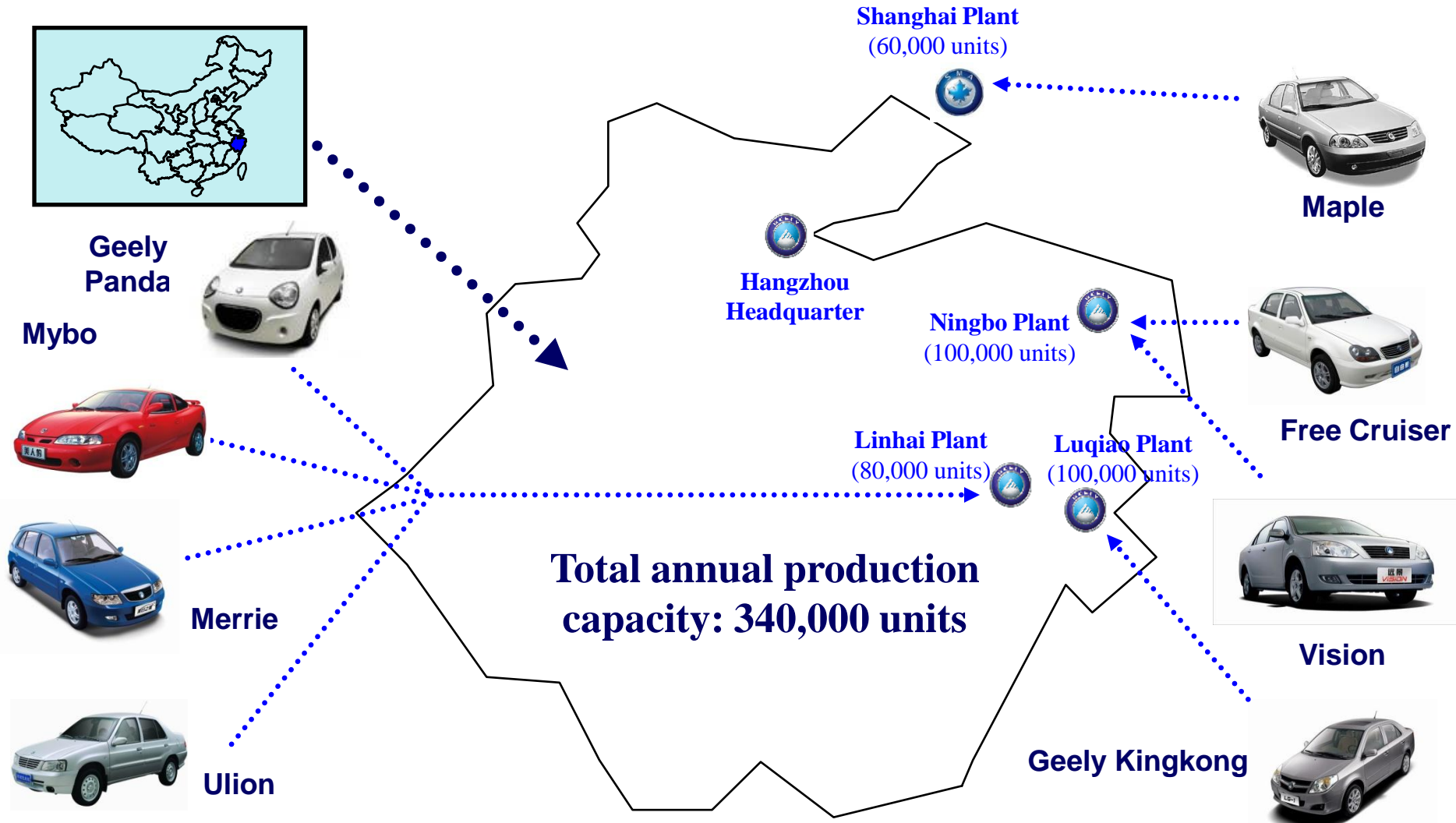
# New Products

## Planned major new launches in 2008

- ❖ “China Dragon” sport car (1.8L)
- ❖ “Geely Kingkong” hatchback (1.5L)
- ❖ “LC-1” economy hatchback (0.8L, 1.0L)
- ❖ “TX-4” taxi vehicle (2.4L, 2.5L diesel)

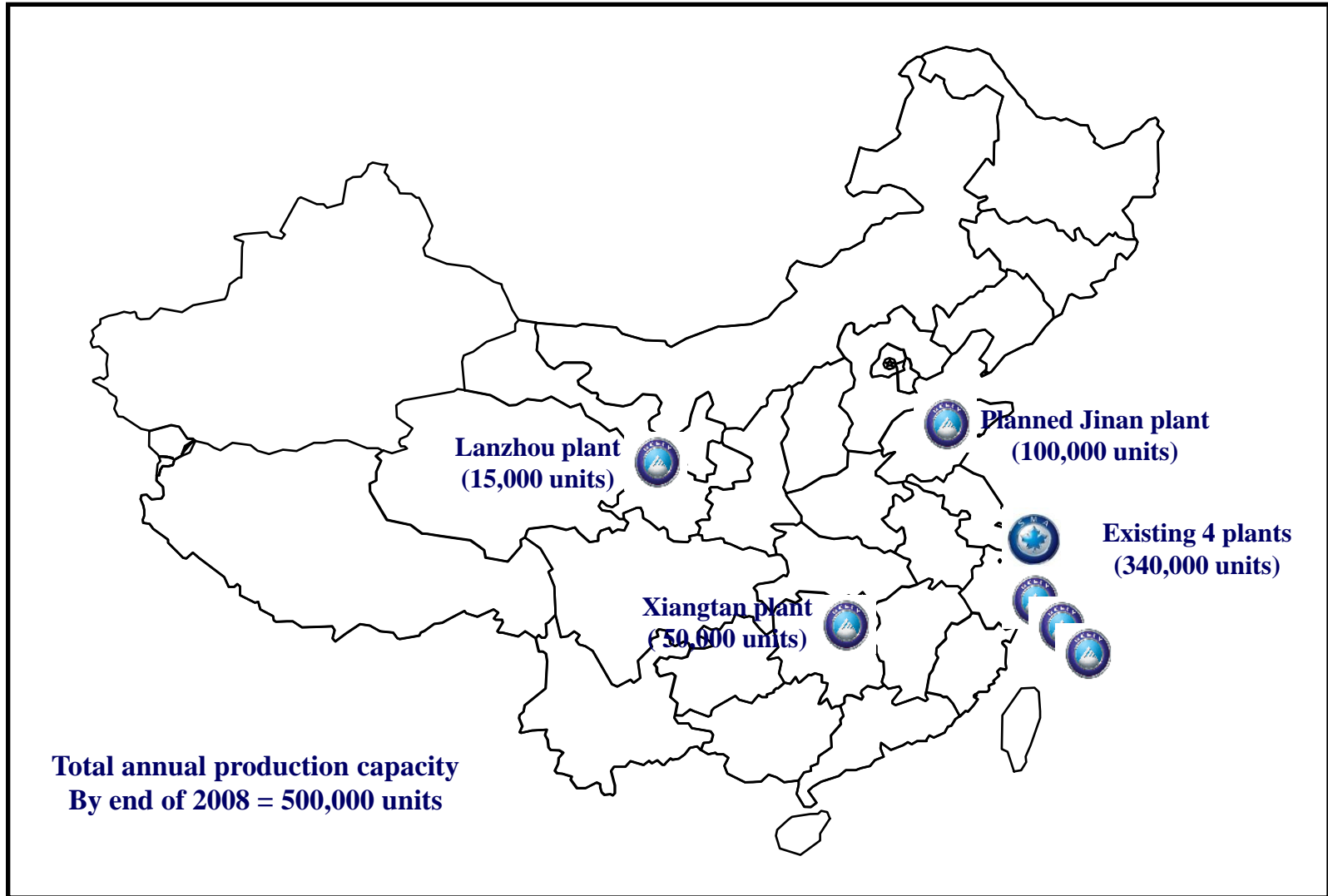


# Production Facilities

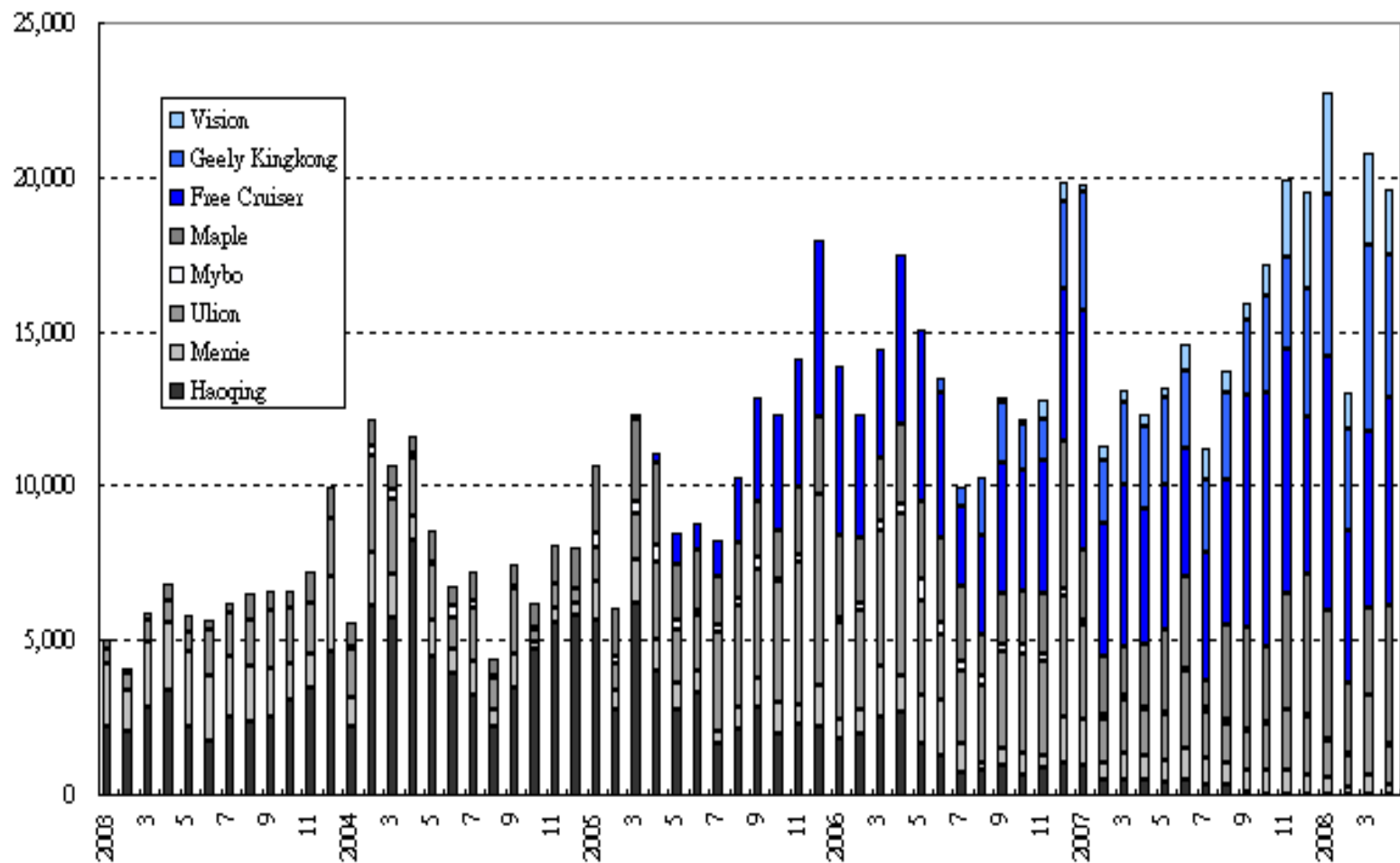


\* Other auto-related assets not yet invested by listed companies: New plants in Lanzhou, Xiangtan, Jinan and Cixi

# New Production Facilities

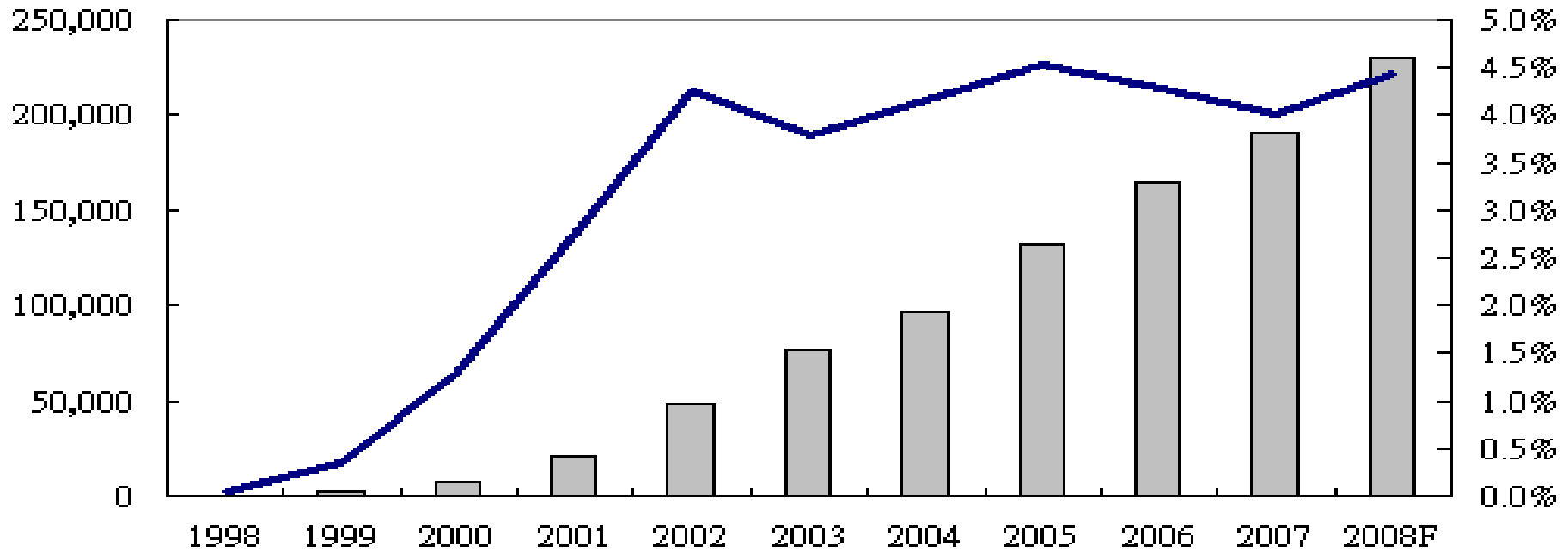


# Monthly Sales Performance

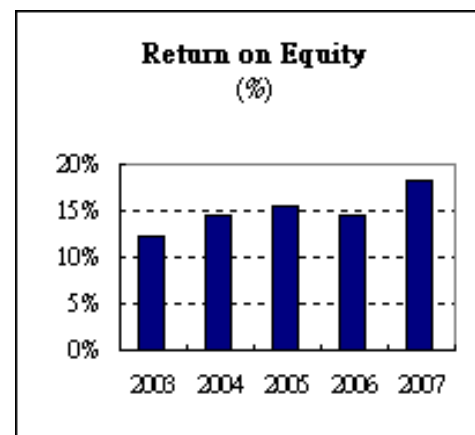
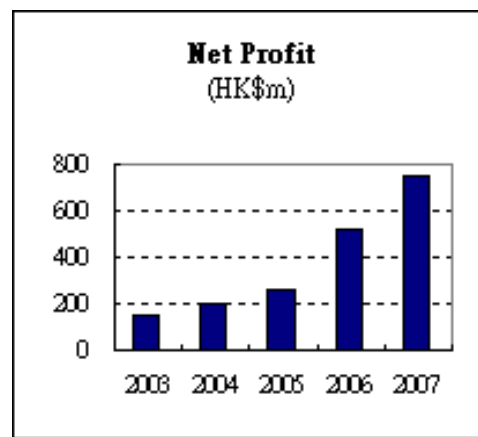
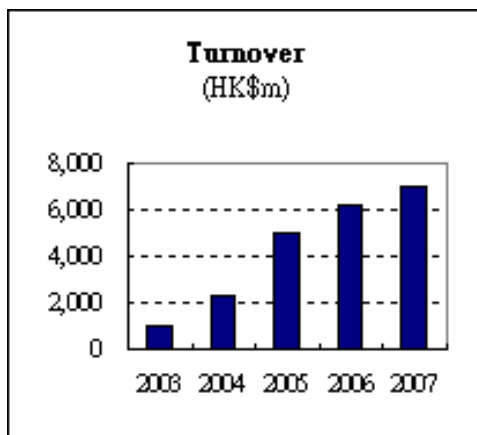




# Annual Sales Performance



# Financial Performance – Operating Associates

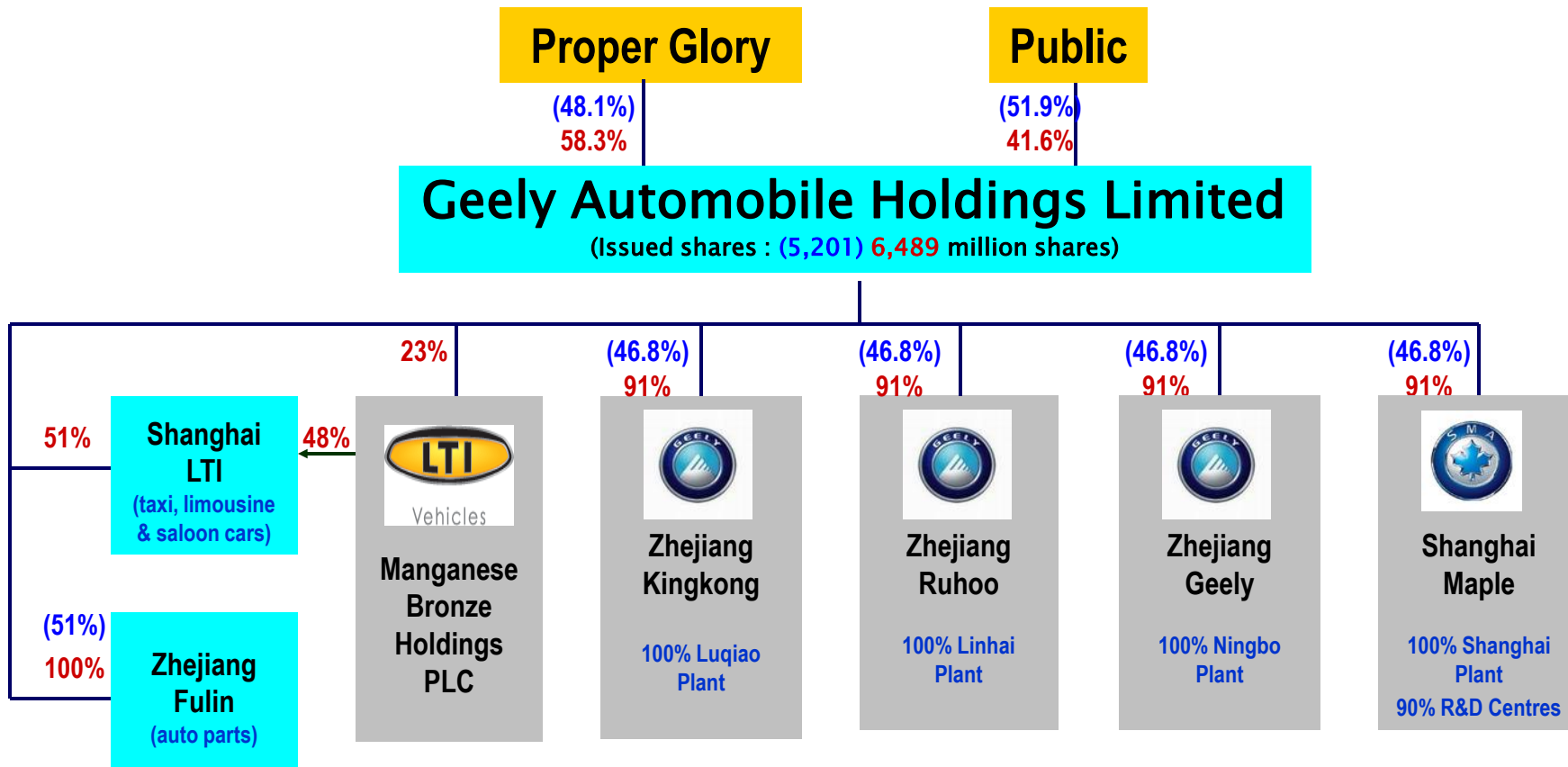


# 2008 Plan and Targets

- ❖ **Produce and sell a total of 230,000 units of vehicles in 2008, up 27% from 2007**
- ❖ **Expanding production capacity from 340,000 units to 500,000 units per annum by end of 2008 through expansion and upgrading of existing plants and acquisition of new plants from parent**
- ❖ **Budgeted capex at the operating associates at RMB1 billion in 2008**
- ❖ **Launches of 6 new models**



# Appendix - Corporate Structure



(Before)  
After



## **Corporate Motto:**

**Make Good Cars That Common Peoples Could Afford, Let  
Geely Cars Reach Everywhere In The World**

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*corporate website: [www.geelyauto.com.hk](http://www.geelyauto.com.hk)*

*Note: Sources of all data contained in this presentation are from Geely Automobile Holdnigs,  
except specified otherwise.*

