



## [Press Release]

### **Geely Automobile Holdings Limited SALES VOLUME DOWN 7.4% YoY IN OCTOBER 2008**

(HONG KONG, 11 November 2008)--- Geely Automobile Holdings Limited ("Geely Automobile"/the "Group")(Stock code: 175) announced that total sales volume of the Group's five 91%-owned subsidiaries was 15,932 units in October 2008, down 7.4% over the same month last year and down 0.3% from September 2008. For the first ten months of 2008, total sales volume of the five subsidiaries was 168,831 units, up 18.8% over the same period last year, and achieving 73% of their full year sales volume target of 230,000 units.

The spokesman of Geely Automobile said, "The total sales volume achieved by the Group's five operating subsidiaries during October 2008 was below the management's expectations as the Group's exports volume was affected by the worldwide shortage of fund as a result of the credit crunch across the global financial market. Despite this, the five operating subsidiaries' sales performance in the China market remained respectable with their domestic sales volume maintained at previous month level during October 2008. The management has high expectations over a brand new model – the 1.0L-1.3L "Geely Panda" – to be launched in mid November 2008 and believes that "Geely Panda" could help drive sales volume growth in the coming few months. In October 2008, only 2,000 cars were exported and sold to oversea countries by the operating subsidiaries compared with an average monthly exports volume of almost 4,000 units in the previous months. Despite this, the management remains confident that exports volume could resume to normal levels after the global financial market returns to stability."

Detailed sales volume data will be available upon request. Please contact Ms Tracey Tong at Prime International for further information. The sales volume figures released so far are based on a more stringent recognition criterion, requiring all sales to be contracted, paid and delivered before it would be recognized. These figures, however, are still preliminary figures and would be subject to changes and final confirmation.

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### **About Geely Automobile Holdings Limited (175)**

The Group is principally engaged in automobile manufacturing. Geely Automobile entered into the Joint Venture Agreement to establish the JV Company with the subsidiary of Zhejiang Geely Holding Group Ltd., Zhejiang Geely Automobiles, on 30 March 2003. The JV Company is named "Zhejiang Geely Guorun Automobile Company Limited" and engages in the manufacture of economic class sedans in Beilun Economic and Technological Development Zone, Ningbo, Zhejiang Province. Geely Automobile owned 46.8% of the share capital of the JV Company. The company's name was subsequently changed to Zhejiang Geely Automobile Company Limited on 23 March 2004. In October 2003, the Group also entered into an agreement with Zhejiang Geely Holding Group Ltd. to establish "Shanghai Maple Guorun Automobile Company Limited". Geely Automobile was interested in 46.8% of the shareholdings. In May 2004, the Group's 46.8%-owned associate Zhejiang Geely Automobile Co. Limited agreed to acquire 90% shareholdings of the Zhejiang Haoqing Automobile Manufacturing Company Limited and the paid research and development cost of car model CK-1. At the same time, its another 46.8%-owned associate Shanghai Maple Guorun Automobile Co. Ltd. also agreed to acquire 90% shareholdings of Zhejiang Geely Automobile Research Institute Ltd. and 90% shareholdings of Ningbo Geely Engine Research Institute Ltd. In October 2006, the Group set up another two 46.8%-owned joint-venture with Geely Holding Limited through transferring the production facilities in Linhai and Luqiao from Zhejiang Geely to the two new associates called Zhejiang Kingkong Automobile Company Limited and Zhejiang Ruhoo Automobile Company Limited. The Group's interests in these JV Companies were raised to 91% on 1 July 2008.

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