



**Geely Automobile Holdings Limited**  
**ITS PARENT, GEELY HOLDING, IS IN DETAILED DISCUSSION WITH FORD TO ACQUIRE**  
**VOLVO**

(HONG KONG, 29 October 2009)--- Geely Automobile Holdings Limited ("Geely Automobile"/the "Group") (Stock code: 175) noted an announcement by Zhejiang Geely Holding Group Co. Limited ("Geely Holding"), its parent that it is in detailed discussions with Ford Motor Company for the purchase of Volvo Car Corporation (the "Proposed Transaction"). The Group reconfirms that it is not a party to the Proposed Transaction and it is not partnering with Geely Holding or providing financing to Geely Holding in relation to the Proposed Transaction. There is no assurance that the Proposed Transaction would materialize but, if it does, subject to the compliance with the Listing Rules and securing the best interest of the Group and its shareholders as a whole, the Group does not rule out the possibility of exploring potential co-operation opportunities with the Volvo Car Corporation.

**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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*For media enquiries:*

**Prime International Consultants Limited**

Ms Tracey Tong    Tel: 2891 4383    Fax: 2891 4283    Email: tracey@primeintl.com.hk