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GEELY

吉利汽車控股有限公司

GEELY AUTOMOBILE HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 175)

**VOLUNTARY ANNOUNCEMENT
UPDATE ON THE COOPERATION BETWEEN
ZHEJIANG GEELY HOLDING GROUP AND VOLVO CAR**

This is a voluntary announcement made by Geely Automobile Holdings Limited (the “**Company**”) with reference to the Company’s announcement dated 9 March 2012 regarding the signing of MOU between Zhejiang Geely Holding Group and Volvo Car.

The board of directors (the “**Board**”) of the Company announces that it has been advised by Zhejiang Geely Holding Group that Zhejiang Geely Holding Group and Volvo Car have signed three technological cooperation agreements (“**Technological Cooperation Agreements**”) in the areas of GMC (Mid-sized Car) platform upgrade, interior air quality and safety on GX7 model based on the following synergies and principle of equal footing:

- Both Zhejiang Geely Holding Group and Volvo Car hold advantages that can serve the other’s strategic objective and help them achieve greater accomplishments in the years to come;
- Volvo Car enjoys a leading advantage in a number of technologies, including its fine reputation in innovation of safety technologies. These technologies and experiences are valuable to Zhejiang Geely Holding Group’s exploration into overseas market and its product quality improvement; and
- Zhejiang Geely Holding Group’s local market exploration experience and cost control experience can also be beneficial to Volvo Car’s exploration in the Chinese market and increase in competitiveness.

As at the date of this announcement, the Company has also been advised by Zhejiang Geely Holding Group that they have made a good progress in the negotiation of other cooperation arrangements with Volvo Car.

The Company is currently discussing with Zhejiang Geely Holding Group with respect to its involvement in these Technological Cooperation Agreements, based on the core principles that (a) Zhejiang Geely Holding Group and Mr. Li will continue to undertake the constructive and sustainable development of the Company; (b) the undertaking from Zhejiang Geely Holding Group and its associates to avoid undertaking future competing business against those engaged by the Company; and (c) the compliance with applicable laws and regulations (in particular, the Listing Rules) at all times.

As at the date of this announcement, no definite terms on the actual scope of cooperation have been concluded between the Company and Zhejiang Geely Holding Group. If the parties identify an area for actual cooperation, a formal agreement will be entered into to regulate, among others, the funding of possible projects, rights to use the result of the cooperation, licenses and other terms of the cooperation. The Company will comply with the requirements of Chapter 14 and Chapter 14A of the Listing Rules where appropriate when a formal agreement has been signed.

Investors and shareholders of the Company should note that the Company is currently not a party to the cooperation between Zhejiang Geely Holding Group and Volvo Car. The discussion between the Company and Zhejiang Geely Holding Group in respect of the Company's involvement in these Technological Cooperation Agreements is in its preliminary stage and may or may not result in the Company being involved in the cooperation within these Technological Cooperation Agreements. Investors and shareholders are advised to exercise caution when dealing in the securities of the Company.

By order of the Board of
Geely Automobile Holdings Limited
David C.Y. Cheung
Company Secretary

Hong Kong, 10 December 2012

As at the date of this announcement, the executive directors of the Company are Mr. Li Shu Fu (Chairman), Mr. Yang Jian (Vice Chairman), Mr. Gui Sheng Yue (Chief Executive Officer), Mr. An Cong Hui, Mr. Ang Siu Lun, Lawrence, Mr. Li Dong Hui, Daniel, Mr. Liu Jin Liang, Dr. Zhao Fuquan and Ms. Wei Mei; the non-executor director of the Company is Mr. Yin Da Qing, Richard; and the independent non-executive directors of the Company are Mr. Lee Cheuk Yin, Dannis, Mr. Song Lin, Mr. Yeung Sau Hung, Alex, Mr. Fu Yu Wu and Mr. Wang Yang.