



**Geely Automobile Holdings Limited
Announced Annual Results for the year Ended 31 December 2009
Net Profit Up 35% to RMB1.18 Billion**

(HONG KONG, 12 April 2010) — Geely Automobile Holdings Limited (“Geely Automobile” / “The Group”) (Stock code: 175) announced the annual results for the year ended 31 December 2009. During the period, the Group recorded a net profit attributable to shareholders of RMB1.18 billion in the year of 2009, up 35% from the same period of 2008. The directors recommended the payment of a final dividend of HK\$0.023 per ordinary share for the year ended 31 December 2009, up 44% from the same period of the previous year.

The Spokesmen of Geely Automobile said, “The net profit of the Group in the year of 2009 increased 35% over 2008 due to the strong growth in profit contributions from the Group's five major operating subsidiaries. The growth in their profit contribution was partly due to our higher shareholdings in these operating entities from 46.81% to 91% after the completion of the Acquisitions in mid 2008, and the continued success achieved by the Group's ‘Strategic Transformation’ which has achieved initial success of transforming the Group's competitiveness from ‘price competitive’ to ‘technology and performance competence’, thus resulting in significant increase in sales volume, improvement in product mix towards higher-end sedans, and product price stability during the period.”

The Group sold a total of 326,710 units of sedans in 2009, up 60% over 2008, raising its share in the China's sedan market to over 4%. Of which, 6% or 19,350 units were sold abroad, down 49% from last year. In 2009, the Group's sales volume was up 85% over last year to 307,360 units in the China sedan market. During the year, the Group's profit margin was well protected by stable product prices and production costs helped by better economies of scales and strengthened relationship with major suppliers, offsetting the lower profitability in the export markets as a result of sharp drop in export volume and relatively higher expenses. Total net profit of the Group was up over 52% to RMB1.32 billion on 228% growth in revenue; both are record highs in the Group's history.

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Although the Group achieved strong sales volume in the first quarter of 2010, the Group's Board of Directors decided to take a more conservative stance and maintain our 2010 sales volume target at 400,000 units, up 22% from 2009, after taking into account the very rapid sales volume growth achieved by the Group in the past year and the possible short term impact from the potential capacity constraints in some key components if production continued to grow at current rate in the remainder of the year. In the medium to longer term, the Group will continue to upgrade and expand its production facilities to improve quality and reduce costs, to invest in product and technology innovation in order to differentiate its products from the rest of the market, and to establish strategic alliances with other international auto-related companies and major suppliers to improve its access to different markets in the World and to reduce volatility of raw material and component costs, with an aim to develop the Group into an internationally competitive automobile manufacturer.

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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