



Geely Automobile Holdings Limited ANNOUNCED

*** * * * ***
A SUBSIDIARY OF ZHEJIANG GEELY HOLDING GROUP SIGNED MOU ON
TRANSFER OF TECHNOLOGY WITH VOLVO CAR

(HONG KONG, 9 Mar 2012) --- Geely Automobile Holdings Limited (**the “Company”/the “Group”**) (Stock code: 175) announced that it has been advised by Zhejiang Geely Holding Group Company Limited (浙江吉利控股集團有限公司, **“Zhejiang Geely Holding Group”**), a company owned as to 90% by Mr. Li Shufu, an executive director and the controlling shareholder of the Company, that on 9 March 2012, a subsidiary of Zhejiang Geely Holding Group and Volvo Car Corporation (**“Volvo Car”**), a company controlled by Mr. Li Shufu, signed memorandum of understanding (**“MOU”**) on transfer of technology.

Pursuant to the MOU, Zhejiang Geely Holding Group will leverage its full access to the Volvo authorized technologies and develop its premium brand so as to enrich its product portfolio and further enhance its product quality and competitive edge. Besides, to cope with challenges of the global automobile industry and further satisfy customer needs, both parties have been exploring ways to tap on the synergy and develop strategic projects of global significance. These joint efforts will include: joint development of small displacement, high performance and green engine family; joint development of safe, light-weight and environmentally friendly small car platform; and joint development of shared powertrain technology of electric vehicle, hybrid vehicles and plug-in hybrid vehicles.

The potential development of premium products for Zhejiang Geely Holding Group may constitute competition business to those currently being engaged by the Group. Pursuant to the irrevocable undertaking provided by Zhejiang Geely Holding Group to the Group on 27 March 2010, upon being notified of any decision by the Company pursuant to a resolution approved by a majority of the independent non-executive directors of the Company, Zhejiang Geely Holding Group will, and will procure its associates (other than the Group) to sell to the Group all or any part of the businesses and related assets of the business that might be competing with the business of the Group.



吉利汽車控股有限公司
GEELY AUTOMOBILE HOLDINGS LIMITED

於香港聯合交易所上市之公司（代號175）
A Company listed on the Hong Kong Stock Exchange (Stock Code 175)

The Spokesman of the company said, “The Company is currently discussing with Zhejiang Geely Holding Group with respect to its involvement in the MOU, based on the core principles including that Zhejiang Geely Holding Group and Mr. Li Shufu will continue to undertake the constructive and sustainable development of the Company; the undertaking from Zhejiang Geely Holding Group and its associates to avoid undertaking future competing business against those engaged by the Company; and the compliance with applicable laws and regulations in particular, the Listing Rules) at all times.”

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.

-END-

For media enquiries:

Geely Automobile Holdings Limited

Mr Lawrence Ang Tel: +852 2598 3388 Email: lawrenceang@geelyauto.com.hk

Prime International Consultants Limited

Ms Tracey Tong Tel: +852 2891 4383 Email: tracey@primeintl.com.hk