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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)

EARLY REDEMPTION OF CONVERTIBLE BONDS

Reference is made to the announcement of the Company dated 9 March 2006 in relation to the issue of zero coupon convertible bonds in the aggregate principal amount of HK\$741,600,000.

Pursuant to the terms of the Bonds, the holder of each Bond has the right to require the Company to redeem all or some of the outstanding Bonds not yet converted into ordinary shares of the Company on 10 April 2009 at 115.123% of their principal amount. On 10 March 2009, the Company has received early redemption notices from the Bondholders to redeem all the outstanding Bonds.

As at the date of this announcement, the principal amount of all the outstanding Bonds was HK\$317,910,000 and the Company would redeem them for a total amount of approximately HK\$365,987,529 on 10 April 2009. The Company will satisfy such payment by means of internal cash reserve of the Group. Based on the latest available information, the Group had cash and bank balances of over HK\$2.0 billion as of 28 February 2009. As such, despite the current financial crisis, the Board is confident that the early redemption of the Bonds would not have any adverse effect on the Group's financial position, which would remain sound following the early redemption process. Subsequent to the early redemption of all the outstanding Bonds, the Group would not incur further finance costs in relation to the accrued interests of the Bonds.

The Company intends to submit an application for the de-listing of the Bonds from SGX-ST as soon as possible following the early redemption and cancellation of all the Bonds on 10 April 2009.

Reference is made to the announcement of the Company dated 9 March 2006 (the “**Announcement**”) in relation to the issue of zero coupon convertible bonds in the aggregate principal amount of HK\$741,600,000. Unless otherwise defined herein, capitalized terms used herein shall have the same meanings as defined in the Announcement.

Pursuant to the terms of the Bonds, the holder of each Bond has the right to require the Company to redeem all or some of the outstanding Bonds not yet converted into ordinary shares of the Company on 10 April 2009 at 115.123% of their principal amount. On 10 March 2009, the Company has received early redemption notices from the Bondholders to redeem all the outstanding Bonds.

As at the date of this announcement, the principal amount of all the outstanding Bonds was HK\$317,910,000 and the Company would redeem them for a total amount of approximately HK\$365,987,529 on 10 April 2009. The Company will satisfy such payment by means of internal cash reserve of the Group. Based on the latest available information, the Group had cash and bank balances of over HK\$2.0 billion as of 28 February 2009. As such, despite the current financial crisis, the Board is confident that the early redemption of the Bonds would not have any adverse effect on the Group's financial position, which would remain sound following the early redemption process. Subsequent to the early redemption and cancellation of the Bonds on 10 April 2009, the Company will not have any outstanding Bonds and accordingly the Group would not incur further finance costs in relation to the accrued interests of the Bonds.

The Company intends to submit an application for the delisting of the Bonds from the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) as soon as possible following the early redemption and cancellation of all the outstanding Bonds on 10 April 2009.

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

Hong Kong, 16 March 2009

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. Ang Siu Lun, Lawrence, Mr. Yin Da Qing, Richard, Mr. Liu Jin Liang, Mr. Zhao Jie and Dr. Zhao Fuquan, the non-executive director of the Company is Mr. Xu Gang and the independent non-executive directors of the Company are Mr. Lee Cheuk Yin, Dannis, Mr. Song Lin and Mr. Yeung Sau Hung, Alex.