



## Geely Automobile Holdings Limited Announces Investment by GS Capital Partners

(HONG KONG, 23 September 2009) — Geely Automobile Holdings Limited ("Geely"/the "Group") (Stock code: 175) announced today that it has entered into an agreement with GS Capital Partners ("GSCP") in which GSCP will make an investment in Geely through the subscription of convertible bonds and warrants. The net proceeds from the issue of the convertible bonds and full exercise of the warrants will be approximately HK\$2,586 million (or approximately US\$334 million).

The convertible bonds due in 2014 will carry an annual coupon of 3%, and, subject to certain conditions, will be convertible into approximately 998 million new ordinary Geely shares based on an initial conversion price of HK\$1.90 per ordinary share, a premium of 6.1% over the last closing price of the Shares. The bonds will be redeemed at par if not converted. In addition, GSCP will receive approximately 300 million warrants with the right to subscribe for one ordinary share each, with an initial exercise price of HK\$2.30 per ordinary share, a premium of 28.5% over the last closing price of the Shares.

The spokesman of Geely said, "We are delighted to have GSCP as an investment partner. We believe this investment validates our business strategy and provides Geely with additional capital resources to fund our long-term growth strategy. We also intend to work closely with GSCP to further strengthen our financial management, operational efficiency, and corporate governance practices."

Geely will receive HK\$1,897 million (or approximately US\$245 million) of gross proceeds from the issuance of the convertible bonds which will be used to fund the capital expenditures of the Group, potential acquisitions by the Group and for general corporate purposes of the Group. In addition, Geely expects to raise a further HK\$689 million (or approximately US\$89 million) upon the full exercise of the warrants which will be used for general working capital purposes.

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### **About Geely Automobile Holdings Limited (175)**

Geely Automobile Holdings Limited, through various operating subsidiaries and manufacturing bases in China, engages in the research, development, production, marketing, and sale of automobiles and related components in China and for export to other countries. Its products include sedans and related automobile components, automobile engines, brake systems, electric power steering systems, and gearboxes. The Group's car brands include Geely, GLEagle, Emgrand, Englon and Maple.

### **About GS Capital Partners**

GS Capital Partners is an affiliate of The Goldman Sachs Group, Inc., a leading global investment bank, securities and investment management firm.

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