

## Geely Settles Commercial Terms for Acquisition Of Volvo Car Corporation

**Hangzhou, China – 23 December, 2009** – Zhejiang Geely Holding Group Co., Ltd. (ZGH), a privately-owned Chinese automotive group, today announced it has settled all substantive commercial terms with Ford Motor Company relating to the proposed acquisition of Volvo Car Corporation.

Geely, one of the fastest-growing car manufacturers in China, now expects to sign a definitive stock purchase agreement with Ford in the first quarter of 2010, paving the way for potential completion of the transaction in the second quarter of the year, subject to regulatory approvals. Further discussions will focus on finalization of documentation and financing, as well as government approvals.

The agreement on commercial terms follows detailed discussions with Ford, which have intensified since Geely was named the preferred bidder for Volvo in October of this year.

In recent weeks, Geely has also held constructive meetings with Volvo management, labour representatives and government officials in Sweden and Belgium – where its key manufacturing plants are based. “Geely is committed to work with all stakeholders to complete the transaction in the best interest of all parties,” said Li Shufu, Chairman of ZGH.

Should a stock purchase agreement be finalised, Volvo will retain its leadership in safety and environmental technologies, and will be uniquely-positioned as a world leading premium brand to exploit opportunities in the fast growing China market.

More details will be made available once the expected definitive agreement is signed in the first quarter of 2010.

### **About Zhejiang Geely Holding Group Co., Ltd.**

Zhejiang Geely Holding Group Co. Ltd. was founded in 1986 with its headquarters in Hangzhou, China. Geely Holding Group and its associated companies have established operations that span the automotive value chain, from research, development and design to production, sales and servicing. They are a fully integrated independent auto manufacturer producing cars, engines and transmissions. Today, they are one of China’s fastest growing automotive manufacturers, as well as the industry’s leading privately held group.

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