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Unless otherwise defined herein, terms used in this announcement shall have the same meanings as those defined in the prospectus dated 24th November, 2005 (the "Prospectus") issued by the Company.



DONGFENG MOTOR GROUP COMPANY LIMITED*

東風汽車集團股份有限公司

(a joint stock company incorporated in the People's Republic of China with limited liability)

Stock Code: 489

STABILIZING ACTIONS AND END OF STABILIZATION PERIOD

The Company announces that the stabilization period in connection with the Global Offering ended on 29th December, 2005.

The stabilizing actions undertaken during the stabilization period were:

- (1) over-allocations of 372,482,000 H Shares made in the International Offering; and
- (2) the exercise in full of the Over-allotment Option in respect of 372,482,000 additional H Shares solely to cover over-allocations in the International Offering.

The Company makes this announcement pursuant to Section 9(2) of the Securities and Futures (Price Stabilizing) Rules (Cap.571W of the Laws of Hong Kong) and announces that the stabilization period in connection with the Global Offering ended on 29th December, 2005.

The stabilizing actions that have been taken by Merrill Lynch Far East Limited, as stabilizing manager, during the stabilization period were:

- (1) over-allocations of 372,482,000 H Shares made in the International Offering; and
- (2) the exercise in full of the Over-allotment Option in respect of 372,482,000 additional H Shares (the "Over-allotment Shares"), representing approximately 15% of the Offer Shares initially available under the Global Offering, solely to cover over-allocations in the International Offering.

The Over-allotment Option was exercised in full by China International Capital Corporation Limited, Deutsche Bank AG, Hong Kong Branch and Merrill Lynch, Pierce, Fenner & Smith Incorporated on behalf of the International Purchasers on 9th December, 2005 in respect of the Over-allotment Shares. Pursuant to the exercise of the Over-allotment Option, the Company allotted and issued 338,620,000 Over-allotment Shares and the Selling Shareholder sold 33,862,000 Over-allotment Shares at HK\$1.60 per H Share (exclusive of brokerage of 1%, SFC transaction levy of 0.005%, investor compensation levy of 0.002% and Hong Kong Stock Exchange trading fee of 0.005%), being the offer price per H Share under the Global Offering. The details of the exercise of the Over-allotment Option are more particularly described in the Company's announcement dated 9th December, 2005.

By order of the board of
Dongfeng Motor Group Company Limited
Xu Ping
Chairman

Hong Kong, 29th December, 2005

As at the date of this announcement, the directors of the Company are Mr. Xu Ping, Mr. Liu Zhangmin, Mr. Zhou Wenjie, Mr. Li Shaozhu, Mr. Fan Zhong as executive Directors, Mr. Tong Dongcheng, Mr. Ouyang Jie, Mr. Liu Weidong, Mr. Zhu Fushou as non-executive Directors, and Mr. Sun Shuyi, Mr. Ng Lin-fung, Mr. Yang Xianzu as independent non-executive Directors.

* *For identification only*

*Please also refer to the published version of this announcement in **South China Morning Post**.*