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*Unless otherwise defined herein, terms used in this announcement shall have the same meanings as those defined in the prospectus of the Company 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

EXERCISE OF OVER-ALLOTMENT OPTION

The Company announces that the Over-allotment Option described in the Prospectus 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 an aggregate of 372,482,000 H Shares, representing approximately 15% of the Offer Shares initially available under the Global Offering. The 372,482,000 H Shares will be offered by the Company and the Selling Shareholder 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 Company announces that the Over-allotment Option described in the Prospectus 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 an aggregate of 372,482,000 H Shares (the “**Over-allotment Shares**”), representing approximately 15% of the Offer Shares initially available under the Global Offering.

The Over-allotment Shares will be offered by the Company and the Selling Shareholder 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 Over-allotment Shares will be used solely to cover over-allocations in the International Offering.

Listing of and permission to deal in the Over-allotment Shares has already been granted by the Listing Committee of the Hong Kong Stock Exchange. Listing of and dealings in such Over-allotment Shares are expected to commence on the main board of the Stock Exchange at 9:30 a.m. on 13th December, 2005.

The shareholding structure of the Company immediately before and immediately after the issue of the Over-allotment Shares is as follows:

| Shareholders | Immediately before the issue of the Over-allotment Shares | | Immediately after the issue of the Over-allotment Shares | |
|----------------------------|--|--|---|--|
| | Number of Shares | Approximate percentage of the Company's issued share capital | Number of Shares | Approximate percentage of the Company's issued share capital |
| <i>Domestic Shares</i> | | | | |
| Dongfeng Motor Corporation | 5,794,250,000 | 70% | 5,760,388,000 | 66.9% |
| <i>H Shares</i> | | | | |
| Public Shareholders | <u>2,483,250,000</u> | <u>30%</u> | <u>2,855,732,000</u> | <u>33.1%</u> |
| Total | <u>8,277,500,000</u> | <u>100%</u> | <u>8,616,120,000</u> | <u>100.0%</u> |

The net proceeds of approximately HK\$520.6 million from the issue of the 338,620,000 Over-allotment Shares will be allocated by the Company for the same purposes as set out in the section headed "Future Plans and Use of Proceeds" in the Prospectus. The Company will not receive any of the proceeds from the sale of the 33,862,000 Over-allotment Shares by the Selling Shareholder.

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

Hong Kong, 9th 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.

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