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比亞迪股份有限公司
BYD COMPANY LIMITED

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

(Stock Code: 1211)

Website: <http://www.byd.com.cn>

RULE 13.09 ANNOUNCEMENT
SIGNING OF A MEMORANDUM OF UNDERSTANDING
ON COOPERATION

This announcement is made by BYD pursuant to rule 13.09 of the Rules Governing the Listing of Securities on the Stock Exchange.

The Board announces that BYD entered into the MOU with Daimler after trading hours of the Stock Exchange on 1 March 2010 in relation to the cooperation in the areas of electric cars and parts and components thereof through the transactions contemplated in the MOU, including without limitation establishment of joint venture(s).

The Board wishes to emphasize that no legally binding agreement in relation to the Cooperation has been entered into as at the date of this announcement. As such, definitive agreements may or may not be agreed upon and entered into between BYD and Daimler for the implementation of the Cooperation. If the implementation of the Cooperation takes place and constitute a notifiable transaction for BYD pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, further announcement in respect of the will be made by BYD.

Investors are urged to exercise caution when dealing in the securities of BYD.

INTRODUCTION

This announcement is made by BYD Company Limited (“BYD”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“Listing Rules”).

The board of directors (the “Board”) of BYD is pleased to announce that BYD entered into a memorandum of understanding on cooperation (“MOU”) with Daimler AG (“Daimler”) after trading hours of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) on 1 March 2010 in relation to the cooperation in the areas of electric cars and parts and components thereof through the transactions contemplated in the MOU, including without limitation establishment of joint venture(s) (the “Cooperation”).

Daimler AG, a corporation incorporated in Germany, is a leading global manufacturer of luxury sedans, buses, coaches, and trucks.

MAJOR TERMS OF THE MOU

Cooperation in electric cars

BYD and Daimler intend to initially cooperate with each other in the PRC in relation to passenger vehicles powered by electric motor which will be developed based on a Daimler architecture to be selected with a newly developed top hat.

New brand

New electric cars will be marketed under a new brand jointly developed by BYD and Daimler. The new brand will be jointly registered and owned by BYD and Daimler, and will be completely differentiated to the existing brands of Daimler (including Mercedes-Benz, Smart, Maybach) and/or BYD.

Establishment of an alternative technology joint venture

An alternative technology joint venture will be established to design, research, and develop new electric cars, e-drive train, heavy duty batteries, and the parts and components related to electric vehicles for the market in China.

Cooperation in other areas

In addition to the above mentioned cooperation projects, at a later stage, BYD and Daimler may identify further areas of mutual interest in general and explore ways of jointly pursuing opportunities in such areas.

REASONS FOR ENTERING INTO THE MOU

Both BYD and Daimler believe that the development of zero-emission environmental friendly cars will be the driving force of the global automobile industry and the auto market in China will maintain strong growth and present potential opportunities in small, medium sized passenger vehicles and in particular electric cars.

In consideration of the needs in the development of and the strengths of each other, BYD and Daimler wish to cooperate with each other in the areas of electric cars and parts and components thereof through the transactions contemplated in the MOU, including without limitation establishment of joint venture(s) to commence the activities abovementioned.

GENERAL

Save as disclosed above, the Directors confirm that there are no negotiations or agreements relating to any possible disposal or realisations which are discloseable under rule 13.23 of the Listing Rules, nor are the Directors aware of any matter discloseable under the general obligation imposed by rule 13.09 of the Listing Rules, which is or may be of a price-sensitive nature.

The MOU sets forth a basis upon which BYD and Daimler would be agreeable to cooperate, and except for the provisions in respect of, among the others, confidentiality and severability of the MOU which shall be legally binding, is not intended to be a legally binding contract or to impose any legal obligations on any party.

The Board wishes to emphasize that no legally binding agreement in relation to the Cooperation has been entered into as at the date of this announcement. As such, definitive agreements may or may not be agreed upon and entered into between BYD and Daimler for the implementation of the Cooperation. If the implementation of the Cooperation takes place and constitute a notifiable transaction for BYD pursuant to the Listing Rules, further announcement in respect of the will be made by BYD.

Investors are urged to exercise caution when dealing in the securities of BYD.

The directors individually and jointly accept responsibility of this announcement for the accuracy of the information contained herein.

By order of the board of
BYD Company Limited
Wang Chuan-fu
Chairman

Hong Kong, 2 March 2010

As at the date of this announcement, the Board of Directors of BYD Company Limited comprises Mr. Wang Chuan-fu being the executive Director, Mr. Lu Xiang-yang, Mr. Xia Zuo-quan and Mr. David L. Sokol being the non-executive Directors, and Ms. Li Dong, Mr. Lin You-ren and Mr. Wu Chang-qi being the independent non-executive Directors.