

## FUTURE PROSPECTS

Targets for the second half of the year and respective measures:

From the sales trend of sedans made in China for the first six months of this year, it is predicted that the demand for sedans for the year 2002 may surpass 900,000 units, which when compared to the 700,000 sales volume of 2001, represents 28.5% growth. The Company will take this opportunity to increase the production capacity, the productivity and more new products in order to accelerate the development pace of sedans business.

In respect of the bus operation, it will endeavour to complete the revamp of the newly relocated plant in the second half of this year and to develop new products focusing on the low-platform project.

The Board of Directors is confident that the Group will be able to capture the opportunity and speed up the development process, thereby creating admirable return for the shareholders.