



Lenovo Group Limited 聯想集團有限公司

(Incorporated in Hong Kong with limited liability)

(STOCK CODE: 0992)

**ANNOUNCEMENT
CONVERSION OF NON-VOTING SHARES**

Summary

On May 8, 2008, the Company received a written notice from IBM for the conversion of 375,282,756 Non-voting Shares. As a result of such conversion, the 375,282,756 Non-voting Shares have been converted into 375,282,756 Shares on May 15, 2008. The 375,282,756 Shares as converted represent approximately 4.06% of all the issued Shares of the Company as enlarged by the conversion.

Reference is made to the circular dated December 31, 2004 (the “Circular”) issued by the Company in relation to the acquisition of the personal computer business of IBM. This announcement is made pursuant to the paragraph headed “Conversion” under the section headed “COMPANY AGREEMENT” of the Circular.

On May 8, 2008, the Company received a written notice from IBM for the conversion of 375,282,756 Non-voting Shares. As a result of such conversion, the 375,282,756 Non-voting Shares have been converted into 375,282,756 Shares on May 15, 2008. The 375,282,756 Non-voting Shares represent all the Non-voting Shares held by IBM and also the balance of all the issued Non-voting Shares of the Company. The 375,282,756 Shares as converted represent approximately 4.06% of all the issued Shares of the Company as enlarged by the conversion.

Immediately after the conversion on May 15, 2008, IBM holds 551,911,963 Shares, representing approximately 5.97% of all the issued Shares of the Company as enlarged by the conversion. The shareholding structure of the Company immediately after the conversion is set out below.

Shareholders	Number of Shares (excluding Convertible Preferred Shares)	Percentage of shareholding in the Company (without taking into account the Convertible Preferred Shares and Shares that may be issued pursuant to the conversion of the Convertible Preferred Shares)	Number of Shares assuming full conversion of the Convertible Preferred Shares	Percentage of shareholding in the Company (assuming all the Convertible Preferred Shares are converted into Shares)
Legend Holdings	4,170,411,971	45.13	4,170,411,971	42.15
IBM	551,911,963	5.97	551,911,963	5.58
Convertible Preferred Shares holders	–	–	651,375,780	6.59
Directors' Interests	64,479,430	0.70	64,479,430	0.65
Public	4,454,886,042	48.20	4,454,886,042	45.03
Total	9,241,689,406	100	9,893,065,186	100

DEFINITIONS

“Board”	board of Directors
“Company”	Lenovo Group Limited, a company incorporated on October 5, 1993 with limited liability under the laws of Hong Kong, the Shares of which are listed on the main board of the Stock Exchange
“Convertible Preferred Shares”	Series A Cumulative Convertible Preferred Shares of nominal value of HK\$9.175 each issued by the Company
“Directors”	the directors of the Company
“Directors' Interests”	the personal interests of Directors in the Shares of the Company excluding interests in underlying shares and deemed corporate interests under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“IBM”	International Business Machines Corporation
“Legend Holdings”	聯想控股有限公司 (Legend Holdings Limited*), the controlling shareholder of the Company

“Non-voting Share(s)” ordinary non-voting share(s) of par value of HK\$0.025 each in the ordinary share capital of the Company, which do not carry any voting rights until they are converted into Shares

“Share(s)” ordinary share(s) of par value HK\$0.025 each in the ordinary share capital of the Company which carry voting rights

* Translation of the company name in its original language is for identification purpose only.

By order of the Board
Yang Yuanqing
Chairman

Raleigh, May 15, 2008

As of the date of this announcement, the executive directors are Mr. Yang Yuanqing and Mr. William J. Amelio; the non-executive directors are Mr. Liu Chuanzhi, Mr. Zhu Linan, Ms. Ma Xuezheng, Mr. James G. Coulter, Mr. William O. Grabe, Mr. Shan Weijian, Mr. Justin T. Chang (alternate director to Mr. James G. Coulter) and Mr. Daniel A. Carroll (alternate director to Mr. Shan Weijian); and the independent non-executive directors are Professor Woo Chia-Wei, Mr. Ting Lee Sen, Mr. John W. Barter III and Dr. Tian Suning.