

WEICHAI POWER<02338> – Results Announcement

Weichai Power Co., Limited announced on 06/04/2005:

(stock code: 02338)

Year end date: 31/12/2004

Currency: RMB

Auditors' Report: Unqualified

	(Audited)	(Audited)
	Current	Last
	Period	Corresponding
	from 01/01/2004	Period
	to 31/12/2004	from 01/01/2003
	to 31/12/2003	
Note	(' 000)	(' 000)
Turnover	: 6,155,779	3,555,670
Profit/(Loss) from Operations	: 797,523	485,918
Finance cost	: (53,159)	(30,425)
Share of Profit/(Loss) of Associates	: N/A	N/A
Share of Profit/(Loss) of Jointly Controlled Entities	: N/A	N/A
Profit/(Loss) after Tax & MI	: 538,880	277,468
% Change over Last Period	: +94.2 %	
EPS/(LPS)-Basic (in dollars)	: 1.75	1.29
-Diluted (in dollars)	: N/A	N/A
Extraordinary (ETD) Gain/(Loss)	: N/A	N/A
Profit/(Loss) after ETD Items	: 538,880	277,468
Final Dividend per Share	: RMB 0.15	N/A
(Specify if with other options)	: N/A	N/A
B/C Dates for Final Dividend	: 27/04/2005	to 27/05/2005 bdi.
Payable Date	: 24/06/2005	
B/C Dates for Annual General Meeting	: 27/04/2005	to 27/05/2005 bdi.
Other Distribution for Current Period	: N/A	
B/C Dates for Other Distribution	: N/A	

Remarks:

1. GENERAL

Weichai Power Co., Ltd. ("The Company") was incorporated on 23rd December, 2002 as a joint stock limited company with limited liability in the People's Republic of China (the "PRC").

The principal activities of the Company are the manufacture and sale of diesel engines.

The H shares of the Company were listed on The Stock Exchange of Hong Kong Limited with effect from 11th March, 2004.

2. FINANCE COSTS

The finance costs for both years represent interest expenses on bank borrowings wholly repayable within five years.

3. INCOME TAX EXPENSE

	2004	2003
	RMB' 000	RMB' 000
PRC Enterprise Income Tax:		
Current year	269,371	178,025
Overprovision in prior year	(240)	-
Tax credit	(63,647)	-

	205,484	178,025
	=====	

PRC Enterprise Income Tax is calculated at statutory income tax rate of 33% (2003: 33%) of the assessable profit except that the Company's Chongqing branch is taxed at a preferential rate of 15% (2003: 15%) pursuant to the relevant laws and regulations in the PRC.

During the year ended 31st December, 2004, the Company established a branch in Hong Kong which is subject to Hong Kong Profits Tax at 17.5% on its estimated assessable profit. No provision for Hong Kong Profits Tax has been made as the branch had no assessable profit for the year.

Pursuant to notices dated 29th February, 2004 and 25th February, 2005

issued by the Weifang Municipal Tax Bureau, the Company is entitled to total tax credit of approximately RMB 63,647,000 in respect of eligible additions of domestic machinery and equipment for production use.

4. FINAL DIVIDEND

A final dividend of RMB0.15 for the year ended 31st December, 2004 (2003: RMB0.105 per share which was declared on 18 February, 2004) has been proposed by the board of directors of the Company and is subject to approval by the shareholders in the annual general meeting to be held on 27th May, 2005.

5. BASIC EARNINGS PER SHARE

The calculation of basic earnings per share is based on the profit for the year of approximately RMB538,880,000 (2003: RMB277,468,000) and on the weighted average number of 308,005,000 (2003: 215,000,000) ordinary shares in issue during the year.