



WEICHAI

潍柴动力股份有限公司

WEICHAI POWER CO., LTD.

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

(Stock Code: 2338)

THIRD QUARTERLY REPORT FOR 2008

1. IMPORTANT NOTICE

- 1.1 The board of directors, the board of supervisors and its directors, supervisors and senior management of the Company warrant that no false presentations or misleading statements are contained herein, or with any material omissions, and severally and jointly accept responsibilities for the authenticity, accuracy and completeness of the information contained in this report.
- 1.2 There are no directors, supervisors or senior management who fail to warrant or disagrees with the authenticity, accuracy and completeness of the information in this report.
- 1.3 All Directors were present at the meeting.
- 1.4 The third quarterly report of the Company was unaudited.
- 1.5 Mr. Tan Xuguang, principal of the Company, Mr. Cheung Tat Leung, Peter, principal of accounting and Mr. Wu Hongwei, principal of accounting department (In-charge person of accounting) have warranted that the financial report of the quarterly report is true and complete.

2. CORPORATE PROFILE

2.1 Major Accounting Data and Financial Indicators

Unit: (RMB)

	As at the end of the reporting period	As at the end last year	Changes compared with the preceding year-end (%)
Total assets	30,197,291,904.60	22,422,663,295.68	34.67%
Equity holders' interests (or Shareholder's interests)	8,068,574,944.16	6,381,332,780.00	26.44%
Net assets per share	15.50	12.26	26.43%
	From beginning of year to the end of reporting period		Changes compared with the same period of the preceding year (%)
Net cashflow from operating activities	2,320,158,646.45		80.28%
Net cashflow per share from operating activities	4.46		80.28%
	Reporting period	From beginning of year to the end of reporting period	Changes compared with the same period of the preceding year
Net profit	356,973,017.65	2,017,817,634.92	-23.55%
Basic earnings per share	0.69	3.88	-23.33%
Return on basic earnings per share after extraordinary gain/loss	—	3.83	—
Diluted earnings per share	0.69	3.88	-23.33%
Return on net assets	4.42%	25.01%	-2.89%
Return on net assets after extraordinary gain/loss	4.38%	24.71%	-2.36%

Unit: (RMB)

Extraordinary gain/loss items	From beginning of year to the end of reporting period
Profit /loss from disposal of non-current assets	3,693,538.45
Gains (loss) from debt restructuring	-209,224.20
Government subsidy accounted into profit and loss for the current period	57,836,442.42
Net non-operating income and expenses other than the above items	-26,454,531.21
Income expenses for above extraordinary gain/loss items	-4,615,668.50
Gain/loss attributable to minority interests for above extraordinary gain/loss items	-6,026,334.36
Total	24,224,222.60

2.2 Total number of shareholders and information of top ten shareholders not subject to lock-up terms at the end of reporting period

Unit: Share

Total number of shareholders		71,358
Information of top ten shareholders not subject to lock-up terms		
Name of shareholder	Number of shares not subject to Lock up terms	Class of shares
HKSCC Nominees Limited	126,124,699	Overseas listed foreign shares
Industrial and Commercial Bank of China — 易方達價值成長混合型證券投資基金	4,604,571	RMB Ordinary shares
Bank of China — 華寶興業先進成長股票型證券投資基金	4,150,000	RMB Ordinary shares
Industrial and Commercial Bank of China— 廣發穩健增長證券投資基金	3,484,950	RMB Ordinary shares
Bank of China — 大成財富管理2020生命周期證券投資基金	3,031,697	RMB Ordinary shares
Industrial and Commercial Bank of China — 易方達價值精選股票型證券投資基金	3,005,232	RMB Ordinary shares
China Construction Bank— 富國天博創新主題股票型證券投資基金	2,707,859	RMB Ordinary shares
Industrial and Commercial Bank of China — 諾安價值增長股票證券投資基金	2,675,988	RMB Ordinary shares
Industrial and Commercial Bank of China — 華安中小盤成長股票型證券投資基金	2,500,000	RMB Ordinary shares
漢盛證券投資基金	1,709,369	RMB Ordinary shares

3. IMPORTANT EVENTS

3.1. Information on and reasons for the material changes of major accounting items and financial indicators

☒ Applicable ☐ N/A

1. Accounts receivable increased by 117.72% compared to that in the end of the previous year. In addition to the sales volume, it is mainly because that the clients generally make the payment on credit terms at the middle of year and fully pay off at the end of year.
2. Inventories increased by 33.60% compared to that in the end of the previous year. The increase is mainly due to the increase of certain inventories and the changes of product structure as a result of the increasing sales of the Company.
3. Construction in progress increased by 64.13% compared with that in the end of the previous year, which is mainly due to the addition of plants construction and machines and equipments installation for the need arising from the expansion of production scale.
4. Bills payable increased by 102.84% compared to that in the end of the previous year, which is mainly due to the growth of the production and operation business.
5. Other payables increased by 89.66% compared to that in the end of the previous year. The increase is mainly due to the increase of discount payables, shipping fee, maintenance cost and construction payment of project under development at the end of year.

3.2. Analysis and description on the progress of important events, their impacts and solutions

☐ Applicable ☒ N/A

3.3. The implementation of commitments by the Company, shareholders and beneficial controller

☒ Applicable ☐ N/A

Under the commitments of the 8 legal person promoter shareholders and Zhuzhou State-owned Assets Supervision and Administration Commission and subject to such commitments, no shares of Weichai Power held by them shall be transferred or managed by other person or repurchased by Weichai Power within 36 months commencing from Weichai Power's listing on the Shenzhen Stock Exchange.

Under the commitments of the 24 nature person shareholders (including Tan Xuguang) and subject to such commitments, no shares of Weichai Power held by them shall be beneficially transferred or repurchased by Weichai Power within 36 months commencing from Weichai Power's listing on the Shenzhen Stock Exchange.

Above commitments are strictly implemented.

3.4. Warnings and reasons on forecasting possible accumulated net profit as losses from beginning of year to end of next reporting period or significant changes as compared with same period of preceding year.

☐ Applicable ☒ N/A

3.5. Information on other important events

1. There were no events of the listed company's capital being occupied by major shareholders in the Company and controlling shareholders or its related parties during the reporting period.
2. There were no events of violation of the provisions of the Company's stipulated procedures for providing guarantee to external parties during the reporting period.

3.5.1 Investment in securities

☐ Applicable ☒ N/A

3.5.2 Shareholdings in other listed companies

√ Applicable

□ N/A

Unit: (RMB)

Stock Code	Stock name	Initial investment amount	Percentage of the company's share capital	Book value at the end of the period	Loss and gain during the reporting period	Change in owner's interest during the reporting period
600166	福田汽車	197,600,000.00	2.18%	104,000,000.00	0.00	24,800,000.00
WMDGob	WINNER MED	3,264,000.00	0.44%	1,496,281.00	0.00	0.00
Total		200,864,000.00	—	105,496,281.00	0.00	24,800,000.00

3.5.3 Meetings with researchers, public relations and interviews during the reporting period

Time	Venue	Reception manner	Target	Major Items Discussed and Information Provided
11 July 2008	Company conference room	On-site interview	廣發證券組織的基金訪問團	1. General operation of the Company; 2. Business development.
23 July 2008	Company conference room	On-site interview	Matterhorn Investment	1. General operation of the Company; 2. Business development.
24 July 2008	Company conference room	On-site interview	香港惠理資產管理公司、 華夏基金管理有限公司	1. General operation of the Company; 2. Business development.
30 July 2008	Company conference room	On-site interview	齊魯證券組織的基金訪問團	1. General operation of the Company; 2. Business development.
31 July 2008	Company conference room	On-site interview	廣發基金管理有限公司、 上海申銀萬國證券研究所有限公司	1. General operation of the Company; 2. Business development.
4 August 2008	Company conference room	On-site interview	雷曼兄弟陪同其基金客戶	1. General operation of the Company; 2. Business development.
6 August 2008	Company conference room	On-site interview	摩根士丹利陪同其基金客戶	1. General operation of the Company; 2. Business development.
21 August 2008	Company conference room	On-site interview	Emergingmarket Capital 管理有限 公司	1. General operation of the Company; 2. Business development.
11 September 2008	Company conference room	On-site interview	景林資產管理有限公司	1. General operation of the Company; 2. Business development.
12 September 2008	Company conference room	On-site interview	台證綜合證券股份有限公司	1. General operation of the Company; 2. Business development.
17 September 2008	Company conference room	On-site interview	China Everbright Investment Management Limited	1. General operation of the Company; 2. Business development.
18 September 2008	Company conference room	On-site interview	Matthews 國際資本管理有限公司	1. General operation of the Company; 2. Business development.

Time	Venue	Reception manner	Target	Major Items Discussed and Information Provided
19 September 2008	Company conference room	On-site interview	Deutsche Bank AG 、 紅塔證券股份有限公司	1. General operation of the Company; 2. Business development.
23 September 2008	Company conference room	On-site interview	Glenview Capital Management, Llc	1. General operation of the Company; 2. Business development.
25 September 2008	Company conference room	On-site interview	Bohai Securities Co.,Ltd. (渤海證券股份有限公司)	1. General operation of the Company; 2. Business development.
26 September 2008	Company conference room	On-site interview	Runhui Investment Company	1. General operation of the Company; 2. Business development.

4. APPENDIX

4.1 Balance Sheet

Prepared by WEICHAI POWER CO., LTD

30 September 2008

Unit: (RMB)

Items	Balance as at the end of period		Balance as at the beginning of period	
	Combined	Parent Company	Combined	Parent Company
Current asset:				
Monetary assets	3,986,011,882.20	1,382,179,509.31	2,715,812,762.38	1,380,020,367.04
Settlement provisions				
Capital lent				
Finance assets held for trading				
Bills receivables	5,600,748,929.85	4,005,955,394.40	4,220,450,732.24	2,185,339,215.59
Accounts receivables	4,102,464,222.25	1,403,446,342.78	1,884,247,357.22	125,099,539.05
Prepayments	1,292,725,929.07	99,889,369.96	1,066,471,985.27	111,118,670.83
Insurance receivable				
Premium receivables				
Contract reserve of reinsurance receivable				
Dividend receivables	3,481,716.15	33,054,200.00	3,040,000.00	33,054,200.00
Interest receivable				
Other receivables	481,038,669.37	237,101,786.08	264,256,913.58	311,075,708.11
Purchase restituted finance asset				
Inventory	5,775,544,964.07	1,322,891,047.81	4,323,010,500.34	1,375,045,690.06
Non-current assets due within one year				
Other current assets	2,578,329.55		124,297.29	
Total current assets	21,244,594,642.51	8,484,517,650.34	14,477,414,548.32	5,520,753,390.68

Items	Balance as at the end of period		Balance as at the beginning of period	
	Combined	Parent Company	Combined	Parent Company
Non-current assets:				
Granted loans and advances				
Finance asset available sales	105,496,281.00	104,000,000.00		
Held-to-maturity investment				
Long-term receivable				
Long-term equity investment	312,222,099.09	3,326,239,221.85	295,463,918.25	3,129,588,619.79
Investment property	38,417,810.15		37,539,665.49	
Fixed assets	5,506,836,866.27	1,451,872,334.16	5,276,075,039.43	2,190,793,535.69
Construction in progress	1,281,536,651.09	931,515,299.82	780,803,093.22	548,966,748.03
Engineering material	9,257,280.53		4,027,253.20	
Disposal of fixed assets				
Consumable biological asset				
Oil and gas assets				
Intangible assets	630,654,832.04	278,123,010.12	613,558,522.54	243,953,877.24
Expense on Research and Development				
Goodwill	538,016,278.33	579,145,043.76	538,016,278.33	579,145,043.76
Long-term expenses to be apportioned	175,783,785.76		169,434,869.82	
Deferred income tax assets	354,300,031.90	187,879,797.44	229,797,609.04	78,021,462.06
Other non-current assets	175,345.93		532,498.04	
Total non-current assets	8,952,697,262.09	6,858,774,707.15	7,945,248,747.36	6,770,469,286.57
Total assets	30,197,291,904.60	15,343,292,357.49	22,422,663,295.68	12,291,222,677.25
Current liabilities:				
Short-term loans	843,889,932.89	168,183,000.00	1,157,524,538.38	193,046,000.00
Loans from central bank				
Absorbing deposit and interbank deposit				
Capital borrowed				
Finance liabilities held for trading				
Bills payable	3,895,182,467.26	2,015,229,500.24	1,920,298,734.92	1,177,703,291.54
Accounts payables	6,950,008,911.93	1,897,626,175.91	5,470,295,864.46	2,302,456,504.16
Accounts received in advance	602,446,761.69	5,743,232.28	559,739,805.06	66,497,422.68
Selling finance assets of repurchase				
Handling charge and commission payable				
Salaries payables	420,152,252.02	272,663,914.76	455,130,170.71	315,482,500.38
Tax payables	604,859,758.14	717,923,219.38	383,209,229.75	337,966,605.02

Items	Balance as at the end of period		Balance as at the beginning of period	
	Combined	Parent Company	Combined	Parent Company
Dividend payables	31,764,797.86	6,833.18	31,764,797.86	6,833.18
Interest payable	26,977,777.80			
Other payables	2,334,409,882.00	1,579,086,555.84	1,230,842,853.76	1,030,666,525.92
Reinsurance payables				
Insurance contract reserve				
Security trading of agency				
Security sales of agency				
Non-current liabilities due within one year	141,339,400.00	67,111,400.00	523,903,600.00	118,445,600.00
Other current liabilities	1,720,344,162.61	911,980,000.00	911,632,627.26	900,300,000.00
Total current liabilities	17,571,376,104.20	7,635,553,831.59	12,644,342,222.16	6,442,571,282.88
Non-current liabilities:				
Long-term loans	914,977,178.93	800,000,000.00	241,230,457.12	100,000,000.00
Debentures payable				
Long-term payables	37,040,330.00		29,007,700.00	
Specific purpose account payables				
Provisions for contingent liabilities	61,531,668.96		29,457,842.41	
Deferred tax liabilities	68,823,561.25	19,869,061.25	66,033,666.01	13,402,666.01
Other non-current liabilities	4,170,000.00		5,000,000.00	
Total non-current liabilities	1,086,542,739.14	819,869,061.25	370,729,665.54	113,402,666.01
Total liabilities	18,657,918,843.34	8,455,422,892.84	13,015,071,887.70	6,555,973,948.89
Equity holders' interests (or Shareholder's interests)				
Paid-up capital (or share capital)	520,653,552.00	520,653,552.00	520,653,552.00	520,653,552.00
Capital reserves	2,282,699,752.25	2,063,419,404.62	2,375,569,407.25	2,157,019,404.62
Less: Treasury Stock				
Surplus reserves	522,345,776.68	522,345,776.68	400,638,780.85	400,638,780.85
General risk provision				
Undistributed profit	4,754,733,783.60	3,781,450,731.35	3,087,710,707.39	2,656,936,990.89
Exchange difference in foreign currency statements	-11,857,920.37		-3,239,667.49	
Total equity attributable to equity holders of parent company	8,068,574,944.16	6,887,869,464.65	6,381,332,780.00	5,735,248,728.36
Minority interests	3,470,798,117.10		3,026,258,627.98	
Total equity holders' equity	11,539,373,061.26	6,887,869,464.65	9,407,591,407.98	5,735,248,728.36
Total liabilities and equity holders' interests	30,197,291,904.60	15,343,292,357.49	22,422,663,295.68	12,291,222,677.25

4.2 Income Statement during the Reporting Period

Prepared by WEICHAI POWER CO., LTD

From July to September 2008

Unit: (RMB)

Items	Current Period		Corresponding period of previous year	
	Combined	Parent Company	Combined	Parent Company
1. Total income from operations	7,453,331,321.73	3,413,078,670.03	6,378,058,191.26	2,491,968,805.56
Including: Operating income	7,453,331,321.73	3,413,078,670.03	6,378,058,191.26	2,491,968,805.56
Interests income				
Premium income				
Handling charge and commission income				
2. Total costs from operations	6,875,327,910.07	3,079,471,096.69	5,652,871,682.92	2,099,485,963.33
Including: Operating costs	6,038,758,514.60	2,663,495,698.02	4,798,838,334.57	1,732,152,427.76
Interests expenses				
Handling charge and commission expenses				
Payments on surrenders				
Claim expenses-net				
Provision for insurance contract reserve-net				
Policyholder dividends				
Expenses for reinsurance accepted				
Operating taxes and surcharges	9,780,158.78	4,020,482.08	22,447,041.55	8,689,796.49
Selling expenses	388,641,247.83	145,508,019.69	399,955,015.88	105,498,882.82
Administration expenses	369,073,137.17	169,722,669.06	336,405,051.17	189,671,527.41
Financial expenses	68,549,147.20	43,405,697.01	56,429,955.12	25,713,929.81
Impairment loss on assets	525,704.49	53,318,530.83	38,796,284.63	37,759,399.04
Add: Gains from change in fair value (losses are indicated with “-”)				
Investment gains (losses are indicated with “-”)	-3,373,626.51	470,661.59	-635,330.98	-79,906.40
Including: Gains on investment from associated companies and joint ventures	-3,373,626.51	470,661.59	-635,330.98	-79,906.40
Foreign exchange gains (losses are indicated with “-”)				
3. Operating profit (losses are indicated with “-”)	574,629,785.15	334,078,234.93	724,551,177.36	392,402,935.83
Add: Non-operating income	12,449,128.25	257,630.56	18,399,083.34	1,712,430.07
Less: Non-operating expenses	11,090,750.81	265,239.27	4,840,210.87	1,990,233.41
Including: Losses on disposal of noncurrent assets	3,639,741.10	1,721.27	1,062,136.94	822,413.57

Items	Current Period		Corresponding period of previous year	
	Combined	Parent Company	Combined	Parent Company
4. Total profits (Total losses are indicated with “-”)	575,988,162.59	334,070,626.22	738,110,049.83	392,125,132.49
Less: Income tax expenses	121,720,489.04	75,832,285.38	101,723,431.78	58,542,245.50
5. Net profits (Net losses are indicated with “-”)	454,267,673.55	258,238,340.84	636,386,618.05	333,582,886.99
Net profit attributable to equity holders of parent company	356,973,017.65	258,238,340.84	466,934,072.35	333,582,886.99
Profit and loss of Minority shareholders	97,294,655.90		169,452,545.70	
6. Earnings per share:				
(1) Basic earnings per share	0.69	0.50	0.90	0.64
(2) Diluted earnings per share	0.69	0.50	0.90	0.64

4.3 Income Statement from the Beginning of the Year to the End of the Reporting Period

Prepared by WEICHAİ POWER CO., LTD

From January to September 2008

Unit: (RMB)

Items	Current Period		Corresponding period of previous year	
	Combined	Parent Company	Combined	Parent Company
1. Total income from operations	28,432,077,559.95	12,248,969,786.10	21,718,417,692.45	8,370,141,655.58
Including: Operating income	28,432,077,559.95	12,248,969,786.10	21,718,417,692.45	8,370,141,655.58
Interests income				
Premium income				
Handling charge and commission income				
2. Total costs from operations	25,433,703,655.09	10,480,286,105.10	19,287,506,611.60	7,182,719,978.89
Including: Operating costs	22,464,328,625.61	9,115,800,584.33	16,604,592,045.40	5,985,284,420.83
Interests expenses				
Handling charge and commission expenses				
Payments on surrenders				
Claim expenses-net				
Provision for insurance contract reserve-net				
Policyholder dividends				
Expenses for reinsurance accepted				
Operating taxes and surcharges	106,919,890.35	67,289,086.02	100,905,270.26	51,073,024.92
Selling expenses	1,369,964,917.38	558,007,631.29	1,171,463,146.53	380,154,712.94
Administration expenses	1,130,904,892.36	510,644,884.49	1,082,241,667.63	519,842,157.39
Financial expenses	235,475,534.16	138,958,802.73	185,437,017.59	70,185,794.59

Items	Current Period		Corresponding period of previous year	
	Combined	Parent Company	Combined	Parent Company
Impairment loss on assets	126,109,795.23	89,585,116.24	142,867,464.19	176,179,868.22
Add: Gains from change in fair value (losses are indicated with “-”)				
Investment gains (losses are included with “-”)	11,139,193.81	37,578,980.12	-118,691,565.46	-686,667.14
Including: Gains on investment from associated companies and joint ventures	938,720.22	-379,693.46	-1,817,526.74	-686,667.14
Foreign exchange gains (losses are included with “-”)				
3. Operating profit (losses are indicated with “-”)	3,009,513,098.67	1,806,262,661.12	2,312,219,515.39	1,186,735,009.55
Add: Non-operating income	76,056,435.59	32,284,774.49	41,951,601.26	2,168,135.16
Less: Non-operating expenses	41,190,210.15	12,593,696.29	12,599,754.09	3,247,663.80
Including: Losses on disposal of non- current assets	5,580,270.75	631,726.29	5,355,263.31	849,336.46
4. Total profits (Total losses are indicated with “-”)	3,044,379,324.11	1,825,953,739.32	2,341,571,362.56	1,185,655,480.91
Less: Income tax expenses	500,576,955.29	350,645,440.15	385,037,578.24	168,902,552.02
5. Net profits (Net losses are indicated with “-”)	2,543,802,368.82	1,475,308,299.17	1,956,533,784.32	1,016,752,928.89
Net profit attributable to equity holders of parent company	2,017,817,634.92	1,475,308,299.17	1,317,677,409.45	1,016,752,928.89
Profit and loss of Minority shareholders	525,984,733.90		638,856,374.87	
6. Earnings per share:				
(1) Basic earnings per share	3.88	2.83	3.02	2.33
(2) Diluted earnings per share	3.88	2.83	3.02	2.33

4.4 Cash Flow Statement from the Beginning of the Year to the End of the Reporting Period

Prepared by WEICHAI POWER CO., LTD

From January to September 2008

Unit: (RMB)

Items	Current Period		Corresponding period of previous year	
	Combined	Parent Company	Combined	Parent Company
1. Cash flow generated from operating activities:				
Cash received from sale of merchandise and provision of labour services	19,414,848,726.98	11,190,409,617.46	12,638,573,549.39	7,816,707,269.68
Cash received from customers' deposit and interbank deposit				
Cash received from loans from central bank, net				
Cash received from capital borrowed from other financial institutions				
Cash received on premium received				
Cash received from reinsurance, net				
Cash received on policyholder deposit and investment, net				
Net increase in cash received from disposal of finance assets held for trading				
Interests, handling charges and commission received				
Cash received from capital borrowed				
Cash received under repurchasing				
Tax rebate received	153,992,066.81	3,752,627.23	49,653,033.22	
Cash received from other operating activities	339,893,617.99	328,892,569.56	133,193,277.67	46,686,897.30
Cash inflow from operating activities — subtotal	19,908,734,411.78	11,523,054,814.25	12,821,419,860.28	7,863,394,166.98
Cash paid for purchase of merchandise commodity and labour service	13,592,248,149.06	8,937,974,538.45	8,335,671,259.59	5,892,570,819.83
Customers' loans and advances drawn				
Cash deposited in central bank and interbank				
Claims paid				
Interests, handling charges and commission paid				
Dividends paid to policyholders				
Cash paid to and for staff	1,323,387,077.01	509,457,078.56	935,133,599.72	279,771,113.14

Items	Current Period		Corresponding period of previous year	
	Combined	Parent Company	Combined	Parent Company
Cash paid for various taxes	1,693,160,081.93	863,334,425.18	1,326,008,749.16	560,009,666.19
Cash paid for other operating activities	979,780,457.33	580,124,479.31	937,614,338.04	279,869,151.00
Cash outflow from operating activities — subtotal	17,588,575,765.33	10,890,890,521.50	11,534,427,946.51	7,012,220,750.16
Net cash flow generated from operating activities	2,320,158,646.45	632,164,292.75	1,286,991,913.77	851,173,416.82
2. Cash generated from investing activities:				
Cash received from recovery of investments	14,400,473.58	14,400,473.58		
Cash from gains on investments		27,758,200.00	8,640,000.00	
Net cash received on disposal of fixed assets, intangible assets and other long-term assets	3,923,045.70		2,493,512.95	250,400.00
Net cash received on disposal of subsidiaries and other business units				
Cash received from other investing activities			30,187,149.55	57,603,510.49
Cash inflow from investing activities — subtotal	18,323,519.28	42,158,673.58	41,320,662.50	57,853,910.49
Cash paid on acquisition and installation of fixed assets, intangible assets and other long term assets	1,330,525,526.28	707,563,818.43	1,035,938,822.49	438,206,098.16
Cash paid on investment	300,129,434.42	361,942,202.40	39,695,346.85	456,025,346.85
Net cash used in pledged loans				
Net cash received from subsidiaries and other business units			2,496,110.66	
Cash paid for other investing activities			26,565,995.64	1,219,553,349.61
Cash outflow from investing activities — subtotal	1,630,654,960.70	1,069,506,020.83	1,104,696,275.64	2,113,784,794.62
Net cash flow generated from investing activities	-1,612,331,441.42	-1,027,347,347.25	-1,063,375,613.14	-2,055,930,884.13
3. Cash flow generated from financing activities:				
Cash received from investments	10,165,300.00		300,119,886.23	
Including: Cash received by subsidiaries from investment by minority shareholders	10,165,300.00		300,119,886.23	
Cash received from borrowings	4,544,638,738.03	3,170,000,000.00	2,252,760,041.69	1,086,790,000.00
Cash received from issuing debentures				
Cash received from other financing activities	178,763,889.79			

Items	Current Period		Corresponding period of previous year	
	Combined	Parent Company	Combined	Parent Company
Cash inflow from financing activities — subtotal	4,733,567,927.82	3,170,000,000.00	2,552,879,927.92	1,086,790,000.00
Cash paid for repayment of debts	3,678,502,346.56	2,490,000,000.00	2,660,743,471.71	220,000,000.00
Cash paid for distribution of dividends, profit or interest	361,619,747.09	282,809,991.05	252,291,818.05	61,374,230.87
Including: Dividends and profit distributed to minority shareholders by subsidiaries	26,669,643.13		100,000,000.00	
Cash paid for other financing activities	139,013,833.71			
Cash outflow from financing activities — subtotal	4,179,135,927.36	2,772,809,991.05	2,913,035,289.76	281,374,230.87
Net cash flow generated from financing activities	554,432,000.46	397,190,008.95	–360,155,361.84	805,415,769.13
4. Effects of changes in exchange rates on cash and cash equivalents	–1,860,085.67	152,187.82	–2,595,103.08	63,604.91
5. Net increase in cash and cash equivalents	1,260,399,119.82	2,159,142.27	–139,134,164.29	–399,278,093.27
Add: Cash and cash equivalents at beginning of period	2,715,812,762.38	1,380,020,367.04	2,101,395,069.89	1,025,254,049.07
6. Cash and cash equivalents at end of period	3,976,211,882.20	1,382,179,509.31	1,962,260,905.60	625,975,955.80

4.5 Auditors' report

Auditor's opinion: Unaudited

As at the date of this announcement, the executive Directors of the Company are Mr. Tan Xuguang, Mr. Xu Xinyu, Mr. Sun Shaojun and Mr. Zhang Quan; the non-executive Directors of the Company are Mr. Yeung Sai Hong, Mr. Yao Yu, Mr. Li San Yim, Mr. Liu Huisheng, Ms. Zhang Fusheng, Mr. Julius G. Kiss, Ms. Han Xiaoqun, Mr. Chen Xuejian, Mr. Gu Linsheng, Mr. Li Shihao and Mr. Liu Zheng; and the independent non-executive Directors of the Company are Mr. Zhang Xiaoyu, Mr. Koo Fook Sun, Louis and Mr. Fang Zhongchang.

Weichai Power Co., Ltd.
Tan Xuguang
Chairman

27 October 2008