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WEICHAI

濰柴動力股份有限公司

WEICHAI POWER CO., LTD.

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

(Stock Code: 2338)

OVERSEAS REGULATORY ANNOUNCEMENT

This announcement is made pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“Stock Exchange”).

Reference is made to an announcement made by Weichai Power Co., Ltd. (the “Company”) on the website of Shenzhen Stock Exchange dated 23 October 2009, which is for information only. The full text of the announcement in Chinese is published at the websites of the Stock Exchange and the Company.

By order of the Board of Directors

Tan Xuguang

Chairman and CEO

Weifang, Shandong, PRC

23 October 2009

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 Ms. Zhang Fusheng, Mr. Liu Huisheng, Mr. Yao Yu, Mr. Yeung Sai Hong, Mr. Chen Xuejian, Mr. Li San Yim, Mr. Julius G. Kiss, Ms. Han Xiaoqun, 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.

THIRD QUARTERLY REPORT FOR 2009



§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 The third quarterly report of the Company was unaudited.

1.3 Mr. Tan Xuguang, principal of the Company, Mr. Cheung Tat Leung, Peter, principal of accounting and Mr. Wu Hongwei (In-charge person of accounting) have warranted that the financial statement of the quarterly report is true and complete.

§2 CORPORATE PROFILE

2.1 Major Accounting Data and Financial Indicators

Unit: (RMB)

	As at 30 September 2009	As at 31 December 2008	Change (%)	
Total assets (RMB)	36,984,812,123.94	29,267,735,079.54	26.37%	
Equity attributable to shareholders of listed company (RMB)	10,443,807,568.97	7,997,753,842.37	30.58%	
Share capital (shares)	833,045,683.00	833,045,683.00	0.00%	
Net assets per share attributable to shareholders of listed company (RMB/ share)	12.54	9.60	30.63%	
	From July to September 2009	Changes compared with the same period of the preceding year (%)	From January to September 2009	Changes compared with the same period of the preceding year (%)
Total income from operations(RMB)	9,638,236,897.24	29.31%	25,435,502,600.81	-10.54%
Net profit attributable to shareholders of listed company (RMB)	1,160,119,629.68	224.99%	2,382,150,473.45	18.06%
Net cashflow from operating activities (RMB)	-	-	1,162,964,203.92	-49.88%
Net cashflow from operating activities (RMB/ share)	-	-	1.40	-49.88%
Basic earnings per share (RMB/ share)	1.39	223.26%	2.86	18.18%
Diluted earnings per share (RMB/ share)	1.39	223.26%	2.86	18.18%
Return on net assets (%)	11.11%	6.68%	22.81%	-2.20%

Return on net assets after extraordinary gain / loss (%)	11.07%	6.69%	22.33%	-2.38%
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Unit: (RMB)

Extraordinary gain / loss items	From beginning of the year to the end of reporting period	Note
Profit / loss from disposal of non-current assets	13,449,910.95	
Government subsidy accounted into profit and loss for the current period, excluding those closely associated with the normal business of the Company which were given in a fixed amount or volume on the basis of certain standard and in compliance with relevant state policies	39,961,250.03	
Fund dispossession surcharge received from non-financial institutions accounted into profit and loss for the current period	2,074,541.95	
Gains (loss) from debt restructuring	35,692,746.28	
Other non-operating income and expenses excluding above items	-3,585,385.09	
Effects of income tax	-9,939,275.63	
Effects of minority interests	-28,077,683.40	
Total	49,576,105.09	-

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 at the end of reporting period	41,713	
Information of top ten tradable share holders not subject to lock-up terms		
Name of shareholder (full name)	Number of tradable shares held not subject to Lock up terms at the end of the period	Types of shares
HKSCC Nominees Limited	201,786,918	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	9,700,943	RMB Ordinary shares
Bank of China－泰達荷銀行業精選證券投資基金	6,499,727	RMB Ordinary shares
全國社保基金－零四組合	6,300,000	RMB Ordinary shares
China Construction Bank－富國天博創新主題股票型證券投資基金	5,808,830	RMB Ordinary shares
Agricultural Bank of China－鵬華動力增長混合型證券投資基金	5,499,841	RMB Ordinary shares
Agricultural Bank of China－長盛同德主題增長股票型證券投資基金	5,485,343	RMB Ordinary shares
大成價值增長證券投資基金	5,368,330	RMB Ordinary shares
China Construction Bank－交銀施羅德藍籌股票證券投資基金	5,050,914	RMB Ordinary shares
Bank of China－大成藍籌穩健證券投資基金	4,799,828	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

Unit: (RMB)

Items	As at the end of the reporting period	As at the end of last year	Change (%)	Reason
Bills receivables	7,077,126,398.13	3,995,709,174.84	77.12%	Our sales increases in the third quarter and most bills are paid in the form of bank acceptances.
Accounts receivables	5,547,562,444.55	2,934,299,119.61	89.06%	The main reason is that the clients generally make the payment on credit terms and fully pay off at the end of year.
Financial assets available-for-sale	298,293,576.77	96,742,158.75	208.34%	The increase of fair value of financial assets available-for-sale due to the continuous growth of share price during the year.
Bills payables	5,704,128,731.74	4,185,776,225.10	36.27%	The increase is due to the growth of the production and operation business.
Accounts received in advance	625,354,991.06	1,052,874,237.34	-40.60%	The decline is due to the decrease of prepayment from our customers
Tax payables	963,355,596.87	171,833,161.52	460.63%	It is mainly due to the higher value-added tax balance to be offset at the end of 2008.
Interest payables	10,769,250.00	63,171,691.00	-82.95%	The decline is due to the maturity of short-term financing facilities.
Dividend payables	45,345,862.18	79,776,108.65	-43.17%	The decline is due to the decrease of our dividend paid.
Other payables	2,077,104,873.37	1,287,340,084.36	61.34%	The increase is mainly due to the increase of sales discount payables, maintenance cost and transportation fee at the end of period.
Other current liabilities	25,930,641.71	1,707,782,438.55	-98.48%	The decline is due to the maturity of short-term financing facilities.
Long-term loans	1,496,280,000.00	772,200,000.00	93.77%	It is mainly due to the increase of long-term loans.
Undistributed profit	6,899,778,207.75	4,625,923,673.12	49.15%	It is mainly due to the increase of our profit for the current period.
Items	Reporting period	Corresponding period of last year	Change (%)	Reason
Financial costs	137,943,935.69	235,475,534.16	-41.42%	It is mainly due to the decline of discount rates and interest rates.
Impairment loss on assets	373,822,162.59	126,109,795.23	196.43%	It is mainly due to the growth of inventory impairment.
Comprehensive income attributable to equity holders of parent company	2,554,349,665.41	1,921,312,782.69	32.95%	It is mainly due to the increase of fair value of financial assets available-for-sale.

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

The commitment items	Contents of commitments	Implementation situation
Commitments on share reform	Under the commitments of the 8 legal person promoter shareholders (including Weichai Group Holdings Limited) and Zhuzhou State-owned Assets 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.	Above commitments are strictly implemented.

	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.	
Commitments on sales restriction of share	N/A	N/A
Commitments under the report of purchase and equity changes	N/A	N/A
Commitments upon the restructure of significant asset	N/A	N/A
Commitments upon issuance of shares	Under the commitments of the 8 legal person promoter shareholders (including Weichai Group Holdings Limited) and Zhuzhou State-owned Assets 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.
Others (including additional commitments)	N/A	N/A

3.4 Warnings and reasons on forecasting possible losses of accumulated net profit 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 the Company or controlling shareholders of the Company 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 Meetings with researchers, public relations and interviews during the reporting period

Time	Venue	Way of reception	Guests received	Major topics discussed and information provided
3 July 2009	Company conference room	On-site research	BNP Paribas Corporate Investment Banking	1. General operation of the Company ; 2. Business development of the industry in the future; 3. Development strategic positioning of the Company.
17 September 2009	Company conference room	On-site research	China International Capital Corporation Limited	
17 September 2009	Company conference room	On-site research	The fund delegation organized by China Merchants Securities	
30 September 2009	Company conference room	On-site research	Triskele Capital Management	

3.6 Investment in derivatives☐Applicable ☒N/A**3.6.1 Information of holdings of derivatives investment at the end of reporting period**☐Applicable ☒N/A**§4 APPENDIX****4.1 Balance Sheet**

Prepared by WEICHAI POWER CO., LTD

30 September 2009

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	7,639,325,730.48	2,233,928,217.77	5,863,946,619.27	2,583,310,718.46
Settlement provisions				
Capital lent to other financial institutions				
Finance assets held for trading				
Bills receivables	7,077,126,398.13	5,458,792,020.32	3,995,709,174.84	3,154,636,666.46
Accounts receivables	5,547,562,444.55	2,219,966,464.02	2,934,299,119.61	259,607,399.31
Prepayments	1,044,912,198.38	204,717,562.57	905,658,028.21	235,396,849.75
Insurance receivables				
Reinsurance receivables				
Contract reserve of reinsurance receivable				
Interest receivables				
Dividend receivable	3,040,000.00	44,566,808.00	3,040,000.00	77,714,457.18
Other receivables	466,358,661.44	751,390,666.63	391,464,783.40	725,874,683.58
Purchase restituted finance asset				
Inventory	5,160,253,847.54	1,203,248,520.07	5,850,616,531.58	1,741,153,573.50
Non-current assets due within one year				
Other current assets	6,843,232.45		443,713.01	
Total current assets	26,945,422,512.97	12,116,610,259.38	19,945,177,969.92	8,777,694,348.24
Non-current assets:				
Granted loans and advances				
Finance asset available for sale	298,293,576.77	296,600,000.00	96,742,158.75	96,200,000.00
Held-to-maturity investment				
Long-term receivable	13,297,409.02			
Long-term equity investment	264,480,445.79	3,573,736,649.49	346,424,203.77	3,493,107,848.43
Investment property	91,658,457.67		86,959,891.56	
Fixed assets	6,384,099,848.94	1,748,818,748.17	6,033,851,822.95	1,640,084,580.47
Construction in progress	1,310,429,915.84	843,853,481.48	1,092,305,384.10	703,724,104.83
Engineering material	14,366,661.49		9,591,896.19	

Disposal of fixed assets	1,662,528.80	673,342.24	682,863.04	
Productive biological assets				
Oil and gas assets				
Intangible assets	569,138,211.60	223,711,948.80	576,882,439.92	227,052,934.73
Expense on research and development	585,759.46	585,759.46	583,987.88	583,987.88
Goodwill	538,016,278.33	579,145,043.76	538,016,278.33	579,145,043.76
Long-term expenses to be apportioned	196,768,973.44		184,903,803.18	
Deferred income tax assets	356,578,564.52	148,059,344.22	351,902,538.56	148,129,971.60
Other non-current assets	12,979.30		3,709,841.39	
Total non-current assets	10,039,389,610.97	7,415,184,317.62	9,322,557,109.62	6,888,028,471.70
Total assets	36,984,812,123.94	19,531,794,577.00	29,267,735,079.54	15,665,722,819.94
Current liabilities:				
Short-term loans	1,417,307,029.03	268,290,000.00	1,246,076,002.01	168,346,000.00
Loans from central bank				
Absorbing deposit and interbank deposit				
Capital borrowed from other financial institutions				
Finance liabilities held for trading				
Bills payable	5,704,128,731.74	1,617,828,383.26	4,185,776,225.10	2,583,284,541.88
Accounts payables	8,261,540,384.98	3,467,333,377.16	6,442,175,056.59	2,208,610,624.52
Accounts received in advance	625,354,991.06	10,027,947.58	1,052,874,237.34	262,775,070.18
Selling financial assets of repurchase				
Handling charge and commission payable				
Salaries payables	435,974,925.10	277,469,756.28	420,891,859.51	252,940,186.35
Tax payables	963,355,596.87	760,084,400.52	171,833,161.52	385,096,371.03
Interest payables	10,769,250.00	10,725,000.00	63,171,691.00	23,400,000.00
Dividend payables	45,345,862.18	6,833.18	79,776,108.65	6,833.18
Other payables	2,077,104,873.37	1,518,160,899.95	1,287,340,084.36	875,103,267.17
Reinsurance payables				
Insurance contract reserve				
Security trading commission				
Security underwriting fees				
Non-current liabilities due within one year			62,228,000.00	
Other current liabilities	25,930,641.71	247,500.00	1,707,782,438.55	900,270,000.00
Total current liabilities	19,566,812,286.04	7,930,174,097.93	16,719,924,864.63	7,659,832,894.31
Non-current liabilities:				
Long-term loans	1,496,280,000.00	900,000,000.00	772,200,000.00	700,000,000.00
Debentures payable	1,280,500,000.00	1,280,500,000.00		
Long-term payables	37,040,330.00		36,877,700.00	
Specific payables	23,000,000.00			
Provisions for contingent liabilities	455,318,974.92	337,885,331.59	361,938,669.52	234,899,472.37

Deferred income tax liabilities	61,577,690.99	26,482,050.42	46,975,983.72	10,038,595.10
Other non-current liabilities	2,510,000.00		3,340,000.00	
Total non-current liabilities	3,356,226,995.91	2,544,867,382.01	1,221,332,353.24	944,938,067.47
Total liabilities	22,923,039,281.95	10,475,041,479.94	17,941,257,217.87	8,604,770,961.78
Equity holders' interests (or Shareholder's interests) :				
Paid-up capital (or share capital)	833,045,683.00	833,045,683.00	833,045,683.00	833,045,683.00
Capital reserves	2,157,607,250.36	1,931,837,273.62	1,988,135,838.51	1,761,497,273.62
Less: Treasury Stock				
Specific reserves				
Surplus reserves	564,430,850.12	564,430,850.12	564,430,850.12	564,430,850.12
General risk provision				
Undistributed profit	6,899,778,207.75	5,727,439,290.32	4,625,923,673.12	3,901,978,051.42
Exchange difference in foreign currency statements	-11,054,422.26		-13,782,202.38	
Total equity attributable to equity holders of parent company	10,443,807,568.97	9,056,753,097.06	7,997,753,842.37	7,060,951,858.16
Minority interests	3,617,965,273.02		3,328,724,019.30	
Total equity holders' equity	14,061,772,841.99	9,056,753,097.06	11,326,477,861.67	7,060,951,858.16
Total liabilities and equity holders' interests	36,984,812,123.94	19,531,794,577.00	29,267,735,079.54	15,665,722,819.94

4.2 Income Statement for the Reporting Period

Prepared by WEICHAI POWER CO., LTD

From July to September 2009

Unit: (RMB)

Items	Current Period		Corresponding period of last year	
	Combined	Parent Company	Combined	Parent Company
1. Total income from operations	9,638,236,897.24	4,444,207,282.61	7,453,331,321.73	3,413,078,670.03
Including: Operating income	9,638,236,897.24	4,444,207,282.61	7,453,331,321.73	3,413,078,670.03
Interests income				
Premium income earned				
Handling charge and commission income				
2. Total costs from operations	8,064,369,654.18	3,364,920,426.44	6,875,327,910.07	3,079,471,096.69
Including: Operating costs	7,003,153,234.78	2,861,576,917.32	6,038,758,514.60	2,663,495,698.02
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	44,178,463.06	30,141,059.64	9,780,158.78	4,020,482.08
Selling expenses	458,625,228.79	215,911,076.19	388,641,247.83	145,508,019.69
Administration expenses	354,464,272.69	183,343,646.49	369,073,137.17	169,722,669.06

Financial costs	45,075,257.66	26,115,425.62	68,549,147.20	43,405,697.01
Impairment loss on assets	158,873,197.20	47,832,301.18	525,704.49	53,318,530.83
Add: Gains from change in fair value (losses are indicated with “—”)				
Investment gains (losses are indicated with “—”)	-1,488,157.84	353,256.54	-3,373,626.51	470,661.59
Including: Gains on investment in associated companies and joint ventures	-1,488,157.84	353,256.54	-3,373,626.51	470,661.59
Foreign exchange gains (losses are indicated with “—”)				
3. Operating profit (losses are indicated with “—”)	1,572,379,085.22	1,079,640,112.71	574,629,785.15	334,078,234.93
Add: Non-operating income	9,076,345.37	1,213,101.30	12,449,128.25	257,630.56
Less: Non-operating expenses	3,218,979.40	619,444.28	11,090,750.81	265,239.27
Including: Losses on disposal of non-current assets	435,245.18	56,644.39	3,639,741.10	1,721.27
4. Total profits (Total losses are indicated with “—”)	1,578,236,451.19	1,080,233,769.73	575,988,162.59	334,070,626.22
Less: Income tax expenses	235,026,208.43	154,836,522.68	121,720,489.04	75,832,285.38
5. Net profits (Net losses are indicated with “—”)	1,343,210,242.76	925,397,247.05	454,267,673.55	258,238,340.84
Net profit attributable to equity holders of parent company	1,160,119,629.68	925,397,247.05	356,973,017.65	258,238,340.84
Profit and loss of minority shareholders	183,090,613.08	0.00	97,294,655.90	0.00
6. Earnings per share:				
(1) Basic earnings per share	1.39		0.43	
(2) Diluted earnings per share	1.39		0.43	
7. Other comprehensive income	24,510,126.07	26,860,000.00	-25,959,296.64	-24,800,000.00
8. Total comprehensive income	1,367,720,368.83	952,257,247.05	428,308,376.91	233,438,340.84
Total comprehensive income attributable to equity holders of parent company	1,184,629,755.75	952,257,247.05	331,013,721.07	233,438,340.84
Total comprehensive income attributable to minority shareholders	183,090,613.08	0.00	97,294,655.84	0.00

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

Prepared by WEICHAI POWER CO., LTD

From January to September 2009

Unit: (RMB)

Items	Current Period		Corresponding period of last year	
	Combined	Parent Company	Combined	Parent Company
1. Total income from operations	25,435,502,600.81	11,508,762,581.87	28,432,077,559.95	12,248,969,786.10
Including: Operating income	25,435,502,600.81	11,508,762,581.87	28,432,077,559.95	12,248,969,786.10
Interests income				
Premium income earned				

Handling charge and commission income				
2. Total costs from operations	22,270,557,471.53	9,309,010,043.60	25,433,703,655.09	10,480,286,105.10
Including: Operating costs	19,400,300,013.51	8,027,373,132.62	22,464,328,625.61	9,115,800,584.33
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	110,708,350.72	70,006,495.02	106,919,890.35	67,289,086.02
Selling expenses	1,152,011,308.44	515,443,496.36	1,369,964,917.38	558,007,631.29
Administration expenses	1,095,771,700.59	552,343,623.32	1,130,904,892.36	510,644,884.49
Financial costs	137,943,935.69	66,444,996.79	235,475,534.16	138,958,802.73
Impairment loss on assets	373,822,162.59	77,398,299.49	126,109,795.23	89,585,116.24
Add: Gains from change in fair value (losses are indicated with “—”)				
Investment gains (losses are indicated with “—”)	13,078,432.72	42,939,304.13	11,139,193.81	37,578,980.12
Including: Gains on investment in associated companies and joint ventures	-5,772,006.98	297,279.90	938,720.22	-379,693.46
Foreign exchange gains (losses are indicated with “—”)				
3. Operating profit (losses are indicated with “—”)	3,178,023,562.00	2,242,691,842.40	3,009,513,098.67	1,806,262,661.12
Add: Non-operating income	86,217,700.32	2,565,783.70	76,056,435.59	32,284,774.49
Less: Non-operating expenses	17,881,754.73	2,648,660.69	41,190,210.15	12,593,696.29
Including: Losses on disposal of non-current assets	5,259,859.51	56,907.71	5,580,270.75	631,726.29
4. Total profits (Total losses are indicated with “—”)	3,246,359,507.59	2,242,608,965.41	3,044,379,324.11	1,825,953,739.32
Less: Income tax expenses	481,517,810.37	308,851,787.72	500,576,955.29	350,645,440.15
5. Net profits (Net losses are indicated with “—”)	2,764,841,697.22	1,933,757,177.69	2,543,802,368.82	1,475,308,299.17
Net profit attributable to equity holders of parent company	2,382,150,473.45	1,933,757,177.69	2,017,817,634.92	1,475,308,299.17
Profit and loss of minority shareholders	382,691,223.77	0.00	525,984,733.90	0.00
6. Earnings per share:				
(1) Basic earnings per share	2.86		2.42	
(2) Diluted earnings per share	2.86		2.42	
7. Other comprehensive income	172,199,191.97	170,340,000.00	-101,487,907.88	-93,600,000.00
8. Total comprehensive income	2,937,040,889.19	2,104,097,177.69	2,442,314,460.94	1,381,708,299.17
Total comprehensive income	2,554,349,665.41	2,104,097,177.69	1,921,312,782.69	1,381,708,299.17

attributable to equity holders of parent company				
Total comprehensive income attributable to minority shareholders	382,691,223.78	0.00	521,001,678.25	0.00

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

Prepared by WEICHAI POWER CO., LTD

From January to September 2009

Unit: (RMB)

Items	Current Period		Corresponding period of last year	
	Combined	Parent Company	Combined	Parent Company
1. Cash flow generated from operating activities:				
Cash received from sale of goods and provision of labour services	20,487,197,870.08	9,495,744,156.38	19,414,848,726.98	11,190,409,617.46
Net increase in 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				
Premiums received from original insurance contract				
Net increase in cash received from reinsurance				
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				
Net increase of capital borrowed from other financial institutions				
Net increase in cash received under repurchasing				
Tax rebate received	457,598,675.10	0.00	153,992,066.81	3,752,627.23
Cash received from other operating activities	374,497,946.66	267,058,033.28	339,893,617.99	328,892,569.56
Cash inflow from operating activities — subtotal	21,319,294,491.84	9,762,802,189.66	19,908,734,411.78	11,523,054,814.25
Cash paid for purchase of goods and labour service	16,402,269,221.35	7,066,886,620.31	13,592,248,149.06	8,937,974,538.45
Net increase of customers' loans and advances				
Net increase of fund deposited in central bank and interbank				
Cash paid for claims under original insurance contract				

Interests, handling charges and commission paid				
Dividends paid to policyholders				
Cash paid to and for staff	1,224,118,027.59	444,057,404.84	1,323,387,077.01	509,457,078.56
Cash paid for various taxes	1,323,473,933.21	812,924,728.09	1,693,160,081.93	863,334,425.18
Cash paid for other operating activities	1,206,469,105.77	673,109,860.90	979,780,457.33	580,124,479.31
Cash outflow from operating activities — subtotal	20,156,330,287.92	8,996,978,614.14	17,588,575,765.33	10,890,890,521.50
Net cash flow generated from operating activities	1,162,964,203.92	765,823,575.52	2,320,158,646.45	632,164,292.75
2. Cash generated from investing activities:				
Cash received from recovery of investments	0.00		14,400,473.58	14,400,473.58
Cash from gains on investments	1,600,000.00	33,454,200.00	0.00	27,758,200.00
Net cash received on disposal of fixed assets, intangible assets and other long-term assets	1,366,129.00	510,700.00	3,923,045.70	
Net cash received on disposal of subsidiaries and other business units	5,966,377.31	49,257.25	0.00	
Cash received from other investing activities				
Cash inflow from investing activities — subtotal	8,932,506.31	34,014,157.25	18,323,519.28	42,158,673.58
Cash paid on acquisition and installation of fixed assets, intangible assets and other long-term assets	1,032,498,348.92	269,627,724.91	1,330,525,526.28	707,563,818.43
Cash paid on investment	9,915,689.02	209,158,775.02	300,129,434.42	361,942,202.40
Net increase of cash used in pledged loans				
Net cash received from subsidiaries and other business units	9.26		0.00	
Cash paid for other investing activities	311,488.59			
Cash outflow from investing activities — subtotal	1,042,725,535.79	478,786,499.93	1,630,654,960.70	1,069,506,020.83
Net cash flow generated from investing activities	-1,033,793,029.48	-444,772,342.68	-1,612,331,441.42	-1,027,347,347.25
3. Cash flow generated from financing activities:				
Cash received from investments	10,002,853.78		10,165,300.00	
Including: Cash received by subsidiaries from investment by minority shareholders	10,002,853.78		10,165,300.00	
Cash received from borrowings	4,084,753,800.00	2,300,000,000.00	4,544,638,738.03	3,170,000,000.00
Cash received from issuing debentures				

Cash received from other financing activities	214,145,355.47		178,763,889.79	
Cash inflow from financing activities — subtotal	4,308,902,009.25	2,300,000,000.00	4,733,567,927.82	3,170,000,000.00
Cash paid for repayment of debts	3,624,366,200.00	1,599,998,800.00	3,678,502,346.56	2,490,000,000.00
Cash paid for distribution of dividends, profit or interest	402,931,425.41	188,787,948.10	361,619,747.09	282,809,991.05
Including: Dividends and profit distributed to minority shareholders by subsidiaries	52,354,257.04		26,669,643.13	
Cash paid for other financing activities	272,122,293.45		139,013,833.71	
Cash outflow from financing activities — subtotal	4,299,419,918.86	1,788,786,748.10	4,179,135,927.36	2,772,809,991.05
Net cash flow generated from financing activities	9,482,090.39	511,213,251.90	554,432,000.46	397,190,008.95
4. Effects of changes in exchange rates on cash and cash equivalents	3,476,683.96	-35,561.29	-1,860,085.67	152,187.82
5. Net increase in cash and cash equivalents	142,129,948.79	832,228,923.45	1,260,399,119.82	2,159,142.27
Add: the balances of cash and cash equivalents at beginning of period	3,356,359,181.39	773,679,005.21	2,715,812,762.38	1,380,020,367.04
6. The balances of cash and cash equivalents at end of period	3,498,489,130.18	1,605,907,928.66	3,976,211,882.20	1,382,179,509.31

4.5 Auditors' report

Auditor's opinion: Unaudited

Weichai Power Co., Ltd.
Tan Xuguang
Chairman

23 October 2009