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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)

**ANNOUNCEMENT MADE PURSUANT TO RULE 13.09(1) and RULE 13.09(2)
OF THE LISTING RULES**

This announcement is made pursuant to Rule 13.09(1) and Rule 13.09(2) of the Rules("Listing 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 26 October 2010, 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

26 October 2010

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 2010



§ 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 All directors have attended the Board meeting in person in respect of reviewing this quarterly report except the following.

| Name of director who being unable to attend in person | Position of director being unable to attend in person | Reason for being unable to attend in person |
|---|---|---|
| Yao Yu | Director | On business |

1.3 The third quarterly report of the Company was unaudited.

1.4 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 2010 | As at 31 December 2009 | Change (%) |
|---|-------------------------|------------------------|------------|
| Total assets (RMB) | 47,021,293,305.52 | 36,218,151,152.79 | 29.83% |
| Equity attributable to shareholders of listed company (RMB) | 16,353,148,521.94 | 11,754,617,799.84 | 39.12% |
| 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) | 19.63 | | 14.11 | | 39.12% | |
| | From July to September 2010 | Changes compared with the same period of the preceding year(%) | From January to September 2010 | Changes compared with the same period of the preceding year(%) | | |
| Total income from operations(RMB) | 13,690,959,343.73 | 42.05% | 46,915,365,793.69 | 84.45% | | |
| Net profit attributable to shareholders of listed company (RMB) | 1,566,348,000.17 | 35.02% | 4,800,936,804.48 | 101.54% | | |
| Net cashflow from operating activities (RMB) | - | - | 4,072,666,105.41 | 250.20% | | |
| Net cashflow from operating activities (RMB/ share) | - | - | 4.89 | 249.21% | | |
| Basic earnings per share (RMB/ share) | 1.88 | 35.25% | 5.76 | 101.40% | | |
| Diluted earnings per share (RMB/ share) | 1.88 | 35.25% | 5.76 | 101.40% | | |
| Weighted Average Return on net assets (%) | 10.07% | -1.70% | 34.16% | 8.33% | | |
| Weighted Average Return on net assets after extraordinary gain/loss (%) | 9.93% | -1.81% | 33.78% | 8.48% | | |

| Extraordinary gain/loss items | From beginning of the year to the end of reporting period | Note |
|---|---|------|
| Profit / loss from disposal of non-current assets | 10,888,220.88 | |
| 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 | 44,573,523.42 | |
| Fund dispossession surcharge received from non-financial institutions accounted into profit and loss for the current period | 425,400.00 | |
| Gains (loss) from debt restructuring | 23,895,526.68 | |
| Other non-operating income and expenses excluding above items | 16,464,644.61 | |
| Effects of income tax | -12,160,408.61 | |
| Effects of minority interests | -30,985,684.06 | |
| Total | 53,101,222.92 | - |

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 | 63,478 | |
| 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 | 201,180,098 | Overseas listed foreign shares |
| Shenzhen Capital Group Co., Ltd | 30,533,400 | RMB Ordinary shares |
| Agricultural Bank of China－中郵核心成長股票型證券投資基金 | 24,035,745 | RMB Ordinary shares |

| | | |
|---|------------|---------------------|
| Agricultural Bank of China—中郵核心優選股票型證券投資基金 | 13,353,714 | RMB Ordinary shares |
| Peterson Holdings Company Limited | 11,280,000 | RMB Ordinary shares |
| Fujian Longyan Construction Machinery (Group) Company Limited | 10,320,000 | RMB Ordinary shares |
| Bank of China—大成藍籌穩健證券投資基金 | 10,000,000 | RMB Ordinary shares |
| China Construction Bank—富國天博創新主題股票型證券投資基金 | 5,500,000 | RMB Ordinary shares |
| Industrial and Commercial Bank of China—易方達價值成長混合型證券投資基金 | 5,500,000 | RMB Ordinary shares |
| Bank of China—易方達深證 100 交易型開放式指數證券投資基金 | 5,241,860 | 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

| Items | As at the end of the reporting period | As at the end of last year | Change (%) | Reason |
|---|---------------------------------------|----------------------------|------------|--|
| Bills receivables | 12,095,194,252.26 | 8,032,144,322.26 | 50.58% | Our sales increases this year and most bills are paid in the form of bank acceptances. |
| Accounts receivables | 6,557,935,735.45 | 3,320,801,077.73 | 97.48% | The main reason is that the clients generally make the payment on credit terms and fully pay off at the end of year. |
| Prepayments | 1,284,657,331.72 | 885,107,586.37 | 45.14% | The main reason is that the prepayments for equipments increased during the period. |
| Other receivables | 642,235,445.64 | 493,917,821.67 | 30.03% | The main reason is that the invested amounts wait for capital verification increased. |
| Long-term equity investment | 707,564,017.61 | 287,267,413.63 | 146.31% | It is mainly due to the capital injection into and the equity changes in the associated companies. |
| Investment property | 137,189,290.80 | 90,798,838.41 | 51.09% | It is mainly attributable to the increase of leased properties. |
| Construction in progress | 1,953,202,979.29 | 1,207,412,884.85 | 61.77% | It is mainly attributable to the increase of investment to meet the need of production scale expansion. |
| Short-term loans | 618,605,565.47 | 1,041,583,872.39 | -40.61% | It is mainly attributable to the repayment of bank loans during the period. |
| Accounts payables | 11,935,277,943.21 | 8,382,340,533.54 | 42.39% | The main reason is that the production and operation business expanded resulted in amounts payable on credit terms increased. |
| Accounts received in advance | 1,034,410,260.77 | 747,092,843.79 | 38.46% | The main reason is that the production and operation business expanded resulted in amounts received in advance increased. |
| Tax payables | 1,604,839,634.41 | 922,435,367.99 | 73.98% | The main reason is that the income tax and VAT payables increased during the period. |
| Other payables | 3,999,525,327.87 | 1,849,261,601.46 | 116.28% | It is mainly due to the sales discount, transportation fee and amount of construction-in-progress payables increased at the end of period. |
| Non-current liabilities due within one year | 50,000,000.00 | 474,080,000.00 | -89.45% | It is mainly because of paying back long-term loans. |
| Provisions for | 735,520,450.76 | 481,368,045.71 | 52.80% | Sales volume increased, and the after sales |

| | | | | |
|---|-------------------|-----------------------------------|------------|--|
| contingent liabilities | | | | expenses are expected to be increased. |
| Items | Reporting period | Corresponding period of last year | Change (%) | Reason |
| Operating income | 46,915,365,793.69 | 25,435,502,600.81 | 84.45% | The main reason is that the domestic market recovered and the Company implemented proactive marketing measures drive sales volume increased. |
| Operating costs | 35,815,096,886.38 | 19,400,300,013.51 | 84.61% | Sales volume increased and the selling expenses increased accordingly during the period. |
| Operating taxes and surcharges | 232,451,479.56 | 110,708,350.72 | 109.97% | Income from operations increased and the VAT payables increased accordingly. |
| Selling expenses | 2,072,857,344.22 | 1,152,011,308.44 | 79.93% | Mainly due to the increase of sales volume. |
| Administration expenses | 1,650,895,764.41 | 1,095,771,700.59 | 50.66% | It is mainly attributable to the increase of technical developing expenses. |
| Financial costs | 85,699,436.36 | 137,943,935.69 | -37.87% | Loans decreased and interest expenses decreased accordingly. |
| Impairment loss on assets | 507,915,280.29 | 373,822,162.59 | 35.87% | It is mainly due to the provision for bad debts of accounts receivable. |
| Operating profit | 6,562,650,883.30 | 3,178,023,562.00 | 106.50% | Mainly due to the increase of sales volume. |
| Non-operating income | 118,074,175.84 | 86,217,700.32 | 36.95% | It is mainly due to the income from disposal of non-current assets and the government subsidy increased. |
| Total profits | 6,658,898,198.89 | 3,246,359,507.59 | 105.12% | The increase of operating profit. |
| Income tax expenses | 975,711,372.58 | 481,517,810.37 | 102.63% | The increase of total profits. |
| Net cash flow generated from operating activities | 4,072,666,105.41 | 1,162,964,203.92 | 250.20% | The main reason is that the sales revenue increased and so is the amounts recovered accordingly. |
| Net cash flow generated from financing activities | -1,366,480,938.32 | 9,482,090.39 | - | It is mainly because of paying back the loans during the period. |

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

3.2.1 Information of non-standard opinion

☐ Applicable ☒ N/A

3.2.2 There were events of provision of fund by the Company to controlling shareholders or their connected persons and violation of the provisions of the Company's stipulated procedures for providing guarantee to external parties

☐ Applicable ☒ N/A

3.2.3 The execution and implementation of important contracts in ordinary course of business

☐ Applicable ☒ N/A

3.2.4 Others

☐ Applicable ☒ N/A

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

✓ Applicable ☐ N/A

| The commitment items | By | Contents of commitments | Implementation situation |
|---|--------------|--|---|
| Commitments on share reform | Shareholders | Under the commitments of 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 implemented and terminated. |
| Commitments under the report of purchase and equity changes | N/A | N/A | N/A |
| Commitments upon the restructure of significant asset | N/A | N/A | N/A |
| Commitments upon issuance of shares | Shareholders | 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 implemented and terminated. |
| Others (including additional commitments) | Shareholders | Under the commitments of Weichai Group Holdings Limited and subject to such commitments, none of the 124,236,640 shares of Weichai Power held by it shall be transferred or managed by other person or repurchased by Weichai Power within 36 months commencing from 30 April 2010; the 15,961,860 additional shares of Weichai Power acquired by it are subject to a lock-up period commencing from 16 August 2010 to 30 April 2013, during which no such shares will be listed on any stock exchange system or transferred or managed by other person or repurchased by the Company. Under the commitments of Weifang Investment Company, Peterson Holdings Company Limited, Fujian Longyan Construction Machinery (Group) Company Limited, IVM Technical Consultants Wien Gesellschaft m.b.H, Shandong Enterprise Trust Operation Company Limited and Guangxi Liugong Group Limited and subject to such commitments, the lock-up period for the 30,898,480, 26,320,000, 24,080,000, 12,900,000, 11,500,000 and 7,184,880 shares of Weichai Power subject to lock-up terms held by the above parties respectively will be extended for another three years since the expiration on 30 April 2010, which means no such shares will be listed on any stock exchange system or transferred or managed by other person or repurchased by the Company within 36 months commencing from the expiration of lock-up period on 30 April 2010. Under the commitments of Zhuzhou State-owned Assets Investment Holdings Company Limited and subject to such commitments, the lock-up period for the 8,330,437 shares of Weichai Power subject to lock-up terms held by it will be extended for another three years since the expiration on 30 April 2010, which means no such shares will be listed on any stock exchange system or transferred or managed by other person or repurchased by Weichai Power within 36 months commencing from the expiration of lock-up period on 30 April 2010. 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 will be listed on any stock | Above commitments are strictly implemented. |

| | | | |
|--|--|--|--|
| | | exchange system or transferred or repurchased by the Company within 36 months commencing from 30 April 2010. | |
|--|--|--|--|

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

| | | | | | | | | |
|---|---|----|------------|-----------------------------------|------------|--------|----|---------|
| Result Forecast | Increased significantly. | | | | | | | |
| | Beginning of the year to the end of next reporting period | | | Corresponding period of last year | Change (%) | | | |
| Forecast of accumulated net profit (ten thousand RMB) | 596,300.00 | -- | 698,520.00 | 340,741.90 | Increased | 75.00% | -- | 105.00% |
| Basic earnings per share (RMB/share) | 7.16 | -- | 8.38 | 4.09 | Increased | 75.00% | -- | 105.00% |
| Information on result forecast | Market demand increased and the result of the Company's major products recorded significant increase accordingly. | | | | | | | |

3.5 Information on other important events required disclosure

3.5.1 Investment in securities

☐ Applicable ✓ N/A

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

| Time | Venue | Way of reception | Guests received | Major topics discussed and information provided |
|-------------------|-------------------------|------------------|--|--|
| 7 July 2010 | Company Conference room | On-site research | FIL Investment Management (Hong Kong) Limited | 1. General operation of the Company; 2. Business development of the industry in the future; 3. Development strategic positioning of the Company. |
| 14 July 2010 | Company Conference room | On-site research | Study group for machinery industry organized by Morgan Stanley | |
| 22 July 2010 | Company Conference room | On-site research | Buena Vista Fund Management Limited Company | |
| 2 September 2010 | Company Conference room | On-site research | SWS Research Co.,LTD. | |
| 2 September 2010 | Company Conference room | On-site research | First Shanghai Securities Limited | |
| 9 September 2010 | Company Conference room | On-site research | Comgest Far East Limited | |
| 28 September 2010 | Company Conference room | On-site research | Shenzhen Mingda Capital Management Co., Ltd. | |
| 29 September 2010 | Company Conference room | On-site research | FIL Investment Management Limited | |
| 29 September 2010 | Company Conference room | On-site research | Macquarie Securities Limited | |

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 2010

Unit: (RMB)

| Items | Balance as at the end of period | | Balance as at the beginning of year | |
|--|---------------------------------|-------------------|-------------------------------------|-------------------|
| | Combined | Parent Company | Combined | Parent Company |
| Current asset: | | | | |
| Monetary assets | 7,492,330,701.15 | 3,066,604,424.98 | 6,578,271,206.10 | 2,098,115,617.72 |
| Settlement provisions | | | | |
| Capital lent to other financial institutions | | | | |
| Finance assets held for trading | 3,379,000.00 | | | |
| Bills receivables | 12,095,194,252.26 | 8,780,991,254.18 | 8,032,144,322.26 | 7,040,815,856.75 |
| Accounts receivables | 6,557,935,735.45 | 3,174,420,780.78 | 3,320,801,077.73 | 178,807,026.91 |
| Prepayments | 1,284,657,331.72 | 445,733,622.47 | 885,107,586.37 | 80,984,595.10 |
| Insurance receivable | | | | |
| Reinsurance receivables | | | | |
| Contract reserve of reinsurance receivable | | | | |
| Interest receivables | | | | |
| Dividend receivable | 3,040,000.00 | 19,881,541.96 | 4,293,065.19 | 39,976,808.00 |
| Other receivables | 642,235,445.64 | 343,683,141.49 | 493,917,821.67 | 601,864,636.09 |
| Purchase restituted finance asset | | | | |
| Inventory | 6,343,808,585.97 | 1,461,641,153.96 | 5,806,642,424.91 | 1,679,295,163.85 |
| Non-current assets due within one year | | | | |
| Other current assets | 4,956,308.78 | | 1,990,097.42 | |
| Total current assets | 34,427,537,360.97 | 17,292,955,919.82 | 25,123,167,601.65 | 11,719,859,704.42 |
| Non-current assets: | | | | |
| Granted loans and advances | | | | |
| Finance asset available for sale | 411,141,901.33 | 407,600,000.00 | 385,996,731.05 | 381,000,000.00 |
| Held-to-maturity investment | | | | |
| Long-term receivable | 29,090,809.00 | | 29,090,809.00 | |
| Long-term equity investment | 707,564,017.61 | 4,443,338,181.38 | 287,267,413.63 | 3,921,443,440.91 |
| Investment property | 137,189,290.80 | | 90,798,838.41 | |
| Fixed assets | 7,186,509,851.08 | 1,756,744,668.60 | 7,015,898,801.60 | 1,777,100,217.98 |
| Construction in progress | 1,953,202,979.29 | 1,434,837,129.22 | 1,207,412,884.85 | 818,753,197.41 |
| Engineering material | 1,592,261.56 | | 558,675.50 | |
| Disposal of fixed assets | 2,994,013.46 | 1,013,637.83 | 1,839,890.41 | 708,406.36 |
| Productive biological assets | | | | |
| Oil and gas assets | | | | |
| Intangible assets | 894,608,856.15 | 400,242,225.04 | 911,047,399.78 | 404,986,172.49 |

| | | | | |
|--|-------------------|-------------------|-------------------|-------------------|
| Expense on research and development | | | 585,759.46 | 585,759.46 |
| Goodwill | 538,016,278.33 | 579,145,043.76 | 538,016,278.33 | 579,145,043.76 |
| Long-term expenses to be apportioned | 172,524,305.09 | | 188,031,111.85 | |
| Deferred income tax assets | 547,880,776.22 | 224,513,021.39 | 434,763,241.41 | 187,356,682.52 |
| Other non-current assets | 11,440,604.63 | 11,439,000.00 | 3,675,715.86 | |
| Total non-current assets | 12,593,755,944.55 | 9,258,872,907.22 | 11,094,983,551.14 | 8,071,078,920.89 |
| Total assets | 47,021,293,305.52 | 26,551,828,827.04 | 36,218,151,152.79 | 19,790,938,625.31 |
| Current liabilities: | | | | |
| Short-term loans | 618,605,565.47 | | 1,041,583,872.39 | 148,282,000.00 |
| Loans from central bank | | | | |
| Absorbing deposit and interbank deposit | | | | |
| Capital borrowed from other financial institutions | | | | |
| Finance liabilities held for trading | | | | |
| Bills payable | 2,662,966,158.04 | 1,357,383,525.41 | 3,474,708,825.62 | 1,456,933,155.14 |
| Accounts payables | 11,935,277,943.21 | 4,701,376,879.44 | 8,382,340,533.54 | 3,501,041,695.04 |
| Accounts received in advance | 1,034,410,260.77 | 11,386,817.09 | 747,092,843.79 | 45,638,597.51 |
| Selling financial assets of repurchase | | | | |
| Handling charge and commission payable | | | | |
| Salaries payables | 829,801,012.96 | 511,130,033.59 | 673,282,170.00 | 357,338,946.43 |
| Tax payables | 1,604,839,634.41 | 1,333,797,554.18 | 922,435,367.99 | 755,613,525.32 |
| Interest payables | 5,518,914.92 | 5,362,500.00 | 23,018,065.50 | 21,450,000.00 |
| Dividend payables | 22,603,565.38 | 6,833.18 | 42,621,678.80 | 6,833.18 |
| Other payables | 3,999,525,327.87 | 2,993,747,097.00 | 1,849,261,601.46 | 1,201,682,135.40 |
| Reinsurance payables | | | | |
| Insurance contract reserve | | | | |
| Security trading commission | | | | |
| Security underwriting fees | | | | |
| Non-current liabilities due within one year | 50,000,000.00 | | 474,080,000.00 | 400,000,000.00 |
| Other current liabilities | 46,337,319.52 | | 42,011,464.85 | |
| Total current liabilities | 22,809,885,702.55 | 10,914,191,239.89 | 17,672,436,423.94 | 7,887,986,888.02 |
| Non-current liabilities: | | | | |
| Long-term loans | 971,280,000.00 | | 942,200,000.00 | 200,000,000.00 |
| Debentures payable | 1,284,315,793.88 | 1,284,315,793.88 | 1,281,669,323.78 | 1,281,669,323.78 |
| Long-term payables | 37,050,860.00 | | 36,877,700.00 | |
| Specific payables | 45,090,000.00 | | 45,090,000.00 | |
| Provisions for contingent liabilities | 735,520,450.76 | 560,000,000.00 | 481,368,045.71 | 357,000,000.00 |
| Deferred income tax liabilities | 77,340,087.71 | 45,457,050.50 | 73,816,354.08 | 39,727,861.40 |
| Other non-current liabilities | 41,259,647.87 | 11,217,500.00 | 23,378,611.51 | 240,000.00 |
| Total non-current liabilities | 3,191,856,840.22 | 1,900,990,344.38 | 2,884,400,035.08 | 1,878,637,185.18 |
| Total liabilities | 26,001,742,542.77 | 12,815,181,584.27 | 20,556,836,459.02 | 9,766,624,073.20 |
| 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 | 2,637,874,776.58 | 2,203,742,016.37 | 2,440,305,024.30 | 2,003,577,273.62 |
| Less: Treasury Stock | | | | |
| Specific reserves | | | | |
| Surplus reserves | 847,388,713.39 | 847,388,713.39 | 847,388,713.39 | 847,388,713.39 |

| | | | | |
|---|-------------------|-------------------|-------------------|-------------------|
| General risk provision | | | | |
| Undistributed profit | 12,042,679,410.40 | 9,852,470,830.01 | 7,641,604,533.76 | 6,340,302,882.10 |
| Exchange difference in foreign currency statements | -7,840,061.43 | | -7,726,154.61 | |
| Total equity attributable to equity holders of parent company | 16,353,148,521.94 | 13,736,647,242.77 | 11,754,617,799.84 | 10,024,314,552.11 |
| Minority interests | 4,666,402,240.81 | | 3,906,696,893.93 | |
| Total equity holders' equity | 21,019,550,762.75 | 13,736,647,242.77 | 15,661,314,693.77 | 10,024,314,552.11 |
| Total liabilities and equity holders' interests | 47,021,293,305.52 | 26,551,828,827.04 | 36,218,151,152.79 | 19,790,938,625.31 |

4.2 Income Statement for the Reporting Period

Prepared by WEICHAI POWER CO., LTD

From July to September 2010

Unit: (RMB)

| Items | Current Period | | Corresponding period of last year | |
|---|-------------------|------------------|-----------------------------------|------------------|
| | Combined | Parent Company | Combined | Parent Company |
| 1. Total income from operations | 13,690,959,343.73 | 6,236,781,617.42 | 9,638,236,897.24 | 4,444,207,282.61 |
| Including: Operating income | 13,690,959,343.73 | 6,236,781,617.42 | 9,638,236,897.24 | 4,444,207,282.61 |
| Interests income | | | | |
| Premium income earned | | | | |
| Handling charge and commission income | | | | |
| 2. Total costs from operations | 11,608,693,718.32 | 4,837,973,906.16 | 8,064,369,654.18 | 3,364,920,426.44 |
| Including: Operating costs | 10,368,998,721.40 | 4,221,973,726.64 | 7,003,153,234.78 | 2,861,576,917.32 |
| 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 | 54,277,004.42 | 33,401,063.62 | 44,178,463.06 | 30,141,059.64 |
| Selling expenses | 527,735,511.78 | 261,026,025.62 | 458,625,228.79 | 215,911,076.19 |
| Administration expenses | 438,170,796.16 | 190,233,156.03 | 354,464,272.69 | 183,343,646.49 |
| Financial costs | 17,854,132.97 | 9,633,916.95 | 45,075,257.66 | 26,115,425.62 |
| Impairment loss on assets | 201,657,551.59 | 121,706,017.30 | 158,873,197.20 | 47,832,301.18 |
| Add: Gains from change in fair value (losses are indicated with “-”) | 3,379,000.00 | | | |
| Investment gains (losses are indicated with “-”) | 3,509,477.71 | 3,347,708.16 | -1,488,157.84 | 353,256.54 |
| Including: Gains on investment in associated companies and joint ventures | 3,509,477.71 | 3,347,708.16 | -1,488,157.84 | 353,256.54 |
| Foreign exchange gains (losses are indicated with “-”) | | | | |
| 3. Operating profit (losses are indicated with “-”) | 2,089,154,103.12 | 1,402,155,419.42 | 1,572,379,085.22 | 1,079,640,112.71 |
| Add: Non-operating income | 36,267,673.63 | 4,934,224.34 | 9,076,345.37 | 1,213,101.30 |
| Less: Non-operating expenses | 6,085,091.94 | 1,470,256.72 | 3,218,979.40 | 619,444.28 |
| Including: Losses on disposal of non-current assets | 987,536.89 | 90,641.71 | 435,245.18 | 56,644.39 |

| | | | | |
|---|------------------|------------------|------------------|------------------|
| 4. Total profits (Total losses are indicated with “-”) | 2,119,336,684.81 | 1,405,619,387.04 | 1,578,236,451.19 | 1,080,233,769.73 |
| Less: Income tax expenses | 300,993,691.88 | 203,746,680.09 | 235,026,208.43 | 154,836,522.68 |
| 5. Net profits (Net losses are indicated with “-”) | 1,818,342,992.93 | 1,201,872,706.95 | 1,343,210,242.76 | 925,397,247.05 |
| Net profit attributable to equity holders of parent company | 1,566,348,000.17 | 1,201,872,706.95 | 1,160,119,629.68 | 925,397,247.05 |
| Profit and loss of minority shareholders | 251,994,992.76 | | 183,090,613.08 | 0.00 |
| 6. Earnings per share: | | | | |
| (1) Basic earnings per share | 1.88 | | 1.39 | |
| (2) Diluted earnings per share | 1.88 | | 1.39 | |
| 7. Other comprehensive income | 61,196,924.12 | 46,026,195.46 | 24,510,126.07 | 26,860,000.00 |
| 8. Total comprehensive income | 1,879,539,917.05 | 1,247,898,902.41 | 1,367,720,368.83 | 952,257,247.05 |
| Total comprehensive income attributable to equity holders of parent company | 1,627,544,924.31 | 1,247,898,902.41 | 1,184,629,755.75 | 952,257,247.05 |
| Total comprehensive income attributable to minority shareholders | 251,994,992.74 | | 183,090,613.08 | 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 2010

Unit: (RMB)

| Items | Current Period | | Corresponding period of last year | |
|---|-------------------|-------------------|-----------------------------------|-------------------|
| | Combined | Parent Company | Combined | Parent Company |
| 1. Total income from operations | 46,915,365,793.69 | 20,734,648,726.64 | 25,435,502,600.81 | 11,508,762,581.87 |
| Including: Operating income | 46,915,365,793.69 | 20,734,648,726.64 | 25,435,502,600.81 | 11,508,762,581.87 |
| Interests income | | | | |
| Premium income earned | | | | |
| Handling charge and commission income | | | | |
| 2. Total costs from operations | 40,364,916,191.22 | 16,335,613,153.68 | 22,270,557,471.53 | 9,309,010,043.60 |
| Including: Operating costs | 35,815,096,886.38 | 14,283,322,069.80 | 19,400,300,013.51 | 8,027,373,132.62 |
| 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 | 232,451,479.56 | 140,614,622.52 | 110,708,350.72 | 70,006,495.02 |
| Selling expenses | 2,072,857,344.22 | 913,368,861.69 | 1,152,011,308.44 | 515,443,496.36 |
| Administration expenses | 1,650,895,764.41 | 789,306,344.48 | 1,095,771,700.59 | 552,343,623.32 |
| Financial costs | 85,699,436.36 | 58,135,990.20 | 137,943,935.69 | 66,444,996.79 |
| Impairment loss on assets | 507,915,280.29 | 150,865,264.99 | 373,822,162.59 | 77,398,299.49 |
| Add: Gains from change in fair value (losses are indicated with “—”) | 3,379,000.00 | | | |
| Investment gains (losses are indicated with “—”) | 8,822,280.83 | 160,580,952.87 | 13,078,432.72 | 42,939,304.13 |
| Including: Gains on investment in associated companies and joint ventures | 5,268,319.14 | 4,179,347.72 | -5,772,006.98 | 297,279.90 |

| | | | | |
|---|------------------|------------------|------------------|------------------|
| Foreign exchange gains (losses are indicated with “—”) | | | | |
| 3. Operating profit (losses are indicated with “—”) | 6,562,650,883.30 | 4,559,616,525.83 | 3,178,023,562.00 | 2,242,691,842.40 |
| Add: Non-operating income | 118,074,175.84 | 7,824,570.44 | 86,217,700.32 | 2,565,783.70 |
| Less: Non-operating expenses | 21,826,860.25 | 13,079,764.58 | 17,881,754.73 | 2,648,660.69 |
| Including: Losses on disposal of non-current assets | 2,135,057.21 | 409,827.36 | 5,259,859.51 | 56,907.71 |
| 4. Total profits (Total losses are indicated with “—”) | 6,658,898,198.89 | 4,554,361,331.69 | 3,246,359,507.59 | 2,242,608,965.41 |
| Less: Income tax expenses | 975,711,372.58 | 642,331,455.94 | 481,517,810.37 | 308,851,787.72 |
| 5. Net profits (Net losses are indicated with “—”) | 5,683,186,826.31 | 3,912,029,875.75 | 2,764,841,697.22 | 1,933,757,177.69 |
| Net profit attributable to equity holders of parent company | 4,800,936,804.48 | 3,912,029,875.75 | 2,382,150,473.45 | 1,933,757,177.69 |
| Profit and loss of minority shareholders | 882,250,021.83 | | 382,691,223.77 | 0.00 |
| 6. Earnings per share: | | | | |
| (1) Basic earnings per share | 5.76 | | 2.86 | |
| (2) Diluted earnings per share | 5.76 | | 2.86 | |
| 7. Other comprehensive income | 198,963,713.65 | 201,612,472.96 | 172,199,191.97 | 170,340,000.00 |
| 8. Total comprehensive income | 5,882,150,539.96 | 4,113,642,348.71 | 2,937,040,889.19 | 2,104,097,177.69 |
| Total comprehensive income attributable to equity holders of parent company | 4,999,900,518.15 | 4,113,642,348.71 | 2,554,349,665.41 | 2,104,097,177.69 |
| Total comprehensive income attributable to minority shareholders | 882,250,021.81 | | 382,691,223.78 | 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 2010

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 | 32,608,080,320.92 | 19,964,154,282.87 | 20,487,197,870.08 | 9,495,744,156.38 |
| 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 | 237,934,299.13 | | 457,598,675.10 | 0.00 |
| Cash received from other operating activities | 509,642,959.11 | 565,372,360.68 | 374,497,946.66 | 267,058,033.28 |
| Cash inflow from operating activities — subtotal | 33,355,657,579.16 | 20,529,526,643.55 | 21,319,294,491.84 | 9,762,802,189.66 |
| Cash paid for purchase of goods and labour service | 22,940,773,789.83 | 15,036,911,155.89 | 16,402,269,221.35 | 7,066,886,620.31 |
| 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 | 1,789,780,766.99 | 632,070,437.16 | 1,224,118,027.59 | 444,057,404.84 |
| Cash paid for various taxes | 3,146,143,734.56 | 1,735,208,378.00 | 1,323,473,933.21 | 812,924,728.09 |
| Cash paid for other operating activities | 1,406,293,182.37 | 371,836,008.79 | 1,206,469,105.77 | 673,109,860.90 |
| Cash outflow from operating subtotal | 29,282,991,473.75 | 17,776,025,979.84 | 20,156,330,287.92 | 8,996,978,614.14 |
| Net cash flow generated from operating activities | 4,072,666,105.41 | 2,753,500,663.71 | 1,162,964,203.92 | 765,823,575.52 |
| 2. Cash generated from investing activities: | | | | |
| Cash received from recovery of investments | 128,639,000.00 | 128,639,000.00 | 0.00 | |
| Cash from gains on investments | 3,600,000.00 | 66,762,077.43 | 1,600,000.00 | 33,454,200.00 |
| Net cash received on disposal of fixed assets, intangible assets and other long-term assets | 35,209,918.99 | 83,150.00 | 1,366,129.00 | 510,700.00 |
| Net cash received on disposal of subsidiaries and other business units | | | 5,966,377.31 | 49,257.25 |
| Cash received from other investing activities | 20,101.44 | 1,061.44 | | |
| Cash inflow from investing activities | 167,469,020.43 | 195,485,288.87 | 8,932,506.31 | 34,014,157.25 |
| Cash paid on acquisition and installation of fixed assets, intangible assets and other long-term assets | 1,069,099,705.01 | 421,266,615.72 | 1,032,498,348.92 | 269,627,724.91 |
| Cash paid on investment | 248,599,650.00 | 419,651,466.00 | 9,915,689.02 | 209,158,775.02 |
| Net increase of cash used in pledged loans | | | | |
| Net cash received from subsidiaries and other business units | | | 9.26 | |
| Cash paid for other investing activities | | | 311,488.59 | |
| Cash outflow from investing activities subtotal | 1,317,699,355.01 | 840,918,081.72 | 1,042,725,535.79 | 478,786,499.93 |
| Net cash flow generated from investing activities | -1,150,230,334.58 | -645,432,792.85 | -1,033,793,029.48 | -444,772,342.68 |
| 3. Cash flow generated from financing activities: | | | | |
| Cash received from investments | 88,186,587.04 | | 10,002,853.78 | |
| Including: Cash received by subsidiaries from investment by minority shareholders | 88,186,587.04 | | 10,002,853.78 | |

| | | | | |
|--|-------------------|-------------------|------------------|------------------|
| Cash received from borrowings | 1,556,597,006.15 | | 4,084,753,800.00 | 2,300,000,000.00 |
| Cash received from issuing debentures | | | | |
| Cash received from other financing activities | 304,864,878.58 | | 214,145,355.47 | |
| Cash inflow from financing activities subtotal | 1,949,648,471.77 | | 4,308,902,009.25 | 2,300,000,000.00 |
| Cash paid for repayment of debts | 2,354,865,043.21 | 748,263,000.00 | 3,624,366,200.00 | 1,599,998,800.00 |
| Cash paid for distribution of dividends, profit or interest | 706,780,728.78 | 457,754,113.22 | 402,931,425.41 | 188,787,948.10 |
| Including: Dividends and profit distributed to minority shareholders by subsidiaries | 172,705,224.76 | | 52,354,257.04 | |
| Cash paid for other financing activities | 254,483,638.10 | | 272,122,293.45 | |
| Cash outflow from financing activities subtotal | 3,316,129,410.09 | 1,206,017,113.22 | 4,299,419,918.86 | 1,788,786,748.10 |
| Net cash flow generated from financing activities | -1,366,480,938.32 | -1,206,017,113.22 | 9,482,090.39 | 511,213,251.90 |
| 4. Effects of changes in exchange rates on cash and cash equivalents | 1,191,826.81 | 206,430.18 | 3,476,683.96 | -35,561.29 |
| 5. Net increase in cash and cash equivalents | 1,557,146,659.32 | 902,257,187.82 | 142,129,948.79 | 832,228,923.45 |
| Add: the balances of cash and cash equivalents at beginning of period | 3,869,058,240.98 | 1,528,977,735.27 | 3,356,359,181.39 | 773,679,005.21 |
| 6. The balances of cash and cash equivalents at the end of period | 5,426,204,900.30 | 2,431,234,923.09 | 3,498,489,130.18 | 1,605,907,928.66 |

4.5 Auditors' report

Auditor's opinion: Unaudited

WEICHAI POWER CO., LTD.
Tan Xuguang, Chairman
26 October 2010