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潍柴動力股份有限公司

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.

Stock Code: 000338

Stock Name: Weichai Power

Announcement No.: 2010-27

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 end of reporting period	Notes
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 consistently 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 properties	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 contingent liabilities	735,520,450.76	481,368,045.71	52.80%	Sales volume increased, and the after sales expenses are expected to be increased.
Items	Reporting period	Corresponding period of last year	Change (%)	Reason
Income from operations	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	1,650,895,764.41	1,095,771,700.59	50.66%	It is mainly attributable to the increase of technical

expenses				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	N/A	N/A	N/A

restructure of significant asset			
Commitments upon issuance of shares	Shareholders	<p>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.</p> <p>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.</p>	Above commitments are implemented and terminated.
Others (including additional commitments)	Shareholders	<p>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.</p> <p>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.</p> <p>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.</p> <p>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 exchange system or transferred or repurchased by the Company within 36 months commencing from 30 April 2010.</p>	Above commitments are strictly implemented.

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.
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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

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