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WEICHAI

濰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
OBTAINING EFFECTIVE CONTROL OVER KION
AND
RESUMPTION OF TRADING**

The Board announces that the Company has obtained effective control over KION on 12 June 2014, and, accordingly, KION shall be accounted for and consolidated into the consolidated financial statements of the Company as a subsidiary.

Trading in the shares of the Company on the Stock Exchange was halted at the request of the Company from 9:00 a.m. on Thursday, 12 June 2014 pending the issue of this announcement. Application has been made to the Stock Exchange for resumption of trading in the shares of the Company with effect from 9:00 a.m. on Friday, 13 June 2014.

This announcement is made pursuant to Rule 13.09(2)(a) of the Listing Rules and the Inside Information Provisions (as defined under the Hong Kong Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong).

BACKGROUND

Reference is made to: (i) the announcements of Weichai Power Co., Ltd. (the “**Company**”), dated 31 August 2012 and 20 December 2012 in respect of the Acquisitions, among which, the Company (through its wholly owned subsidiary, Weichai Lux) subscribed for new shares in the capital of KION (representing 25% of the then enlarged share capital of KION following the issue of the said new shares); (ii) the circular of the Company dated 28 March 2013 and the announcements of the Company dated 7 March 2013, 22 April 2013, 3 June 2013, 27 June 2013 and 2 July 2013, which set out, inter alia, the details in respect of Weichai Lux’s exercise of the KION Call Option; (iii) the circular of the Company dated 23 October 2013

and the announcements of the Company dated 26 September 2013, 25 November 2013, 18 December 2013, 15 January 2014, which set out, inter alia, the details in respect of Weichai Lux's exercise of the Superlift Call Option; (iv) the interim accounts of the Company for the six months ended 30 June 2013; and (v) the trading halt announcement of the Company dated 12 June 2014.

Capitalised terms used in this announcement shall have the same meanings as those defined in the circular of the Company dated 23 October 2013.

The Company, through its wholly-owned subsidiary, Weichai Lux, is interested in 33.3% of the issued shares of KION, a company whose shares are listed on the Frankfurt Stock Exchange. KION was previously treated as an associated company of the Company and was accounted for by the Company using equity method of accounting in the consolidated financial statements of the Company.

Superlift, a company wholly-owned by funds advised by Kohlberg Kravis Roberts & Co. L.P. and The Goldman Sachs Group, Inc., was the largest shareholder of KION prior to the Company's investment in KION in December 2012 and up to before the Disposal (as defined below).

OBTAINING EFFECTIVE CONTROL OVER KION

Superlift has informed the Company that Superlift had completed its disposal of approximately 7.6% of the shares of KION (the "**Disposal**") on 12 June 2014. Following the Disposal, Superlift's shareholding interest in KION has dropped from approximately 34.5% to approximately 26.9%. Thus, the Company (through Weichai Lux), being the holder of 33.3% of the issued shares of KION, now holds more KION shares than Superlift after the Disposal and, accordingly, Weichai Lux has become the largest shareholder of KION. Accordingly, under the voting arrangements contained in the KION Shareholders' Agreement, subject to Superlift's and Weichai Lux's respective nomination rights of the shareholder representatives of the supervisory board under the KION Shareholders' Agreement, Superlift will vote at the general meetings of KION in accordance with the voting decision of Weichai Lux in respect of certain specified important matters, namely, the appropriation of profits, the discharge of members of the management board and the supervisory board of KION, the approval of management matters as required by the management board of KION (to the extent that such matter is not a reserved matter requiring unanimous consent of Weichai Lux and Superlift under the KION Shareholders' Agreement), the approval of management matters which have been previously rejected by the supervisory board of KION, and the election of the members of the supervisory board of KION.

Having consulted with the auditors of the Company, the Company considers that since Superlift will have to vote at the general meetings of KION in accordance with the voting decisions made by Weichai Lux in respect of the said matters following the Disposal, the Company will have control over approximately 60.2% of the voting rights of the KION in the said respects, and the Company has accordingly obtained effective control over KION on 12 June 2014.

Pursuant to the “Accounting Standards for Enterprises No. 33 – Consolidated Financial Statements” (《企業會計準則第33號–合併財務報表》), following the Disposal, KION shall be accounted for and consolidated into the consolidated financial statements of the Company as a subsidiary (the “**Consolidation**”).

ADDITIONAL INFORMATION

As the A Shares of the Company are listed on the Shenzhen Stock Exchange, the Company is also subject to the compliance obligations under the listing rules of the Shenzhen Stock Exchange and the related measures promulgated by the China Securities Regulatory Commission.

As per the audited financial information of the Company for the year 2013 prepared based on ASBES, the Company’s consolidated total assets amounted to RMB78.522 billion, consolidated net assets amounted to RMB34.327 billion and consolidated revenue amounted to RMB58.312 billion; and as per the audited financial information of KION for the year 2013 prepared based on IFRS, KION’s consolidated total assets amounted to EUR6,026.4 million (equivalent to approximately RMB50.736 billion), consolidated net assets amounted to EUR1,610.0 million (equivalent to approximately RMB13.554 billion), and consolidated revenue amounted to EUR4,494.6 million (equivalent to approximately RMB37.061 billion). On the aforesaid basis, the total assets and the revenue of KION exceed 50% of those of the Company. Hence, the Board estimates that the Consolidation will result in a relatively substantial increase in certain items in the Company’s consolidated financial statements, including assets, liabilities and revenues and costs and expenses of the Company, and the profitability indices of the Company such as the gross profit margin and profit margin will be affected accordingly.

(Note: For the purpose of preparing certain information set out in this announcement, the exchange rate used for the translation of the total assets and net assets of KION is EUR1 = RMB8.4189, being the closing exchange rate of EUR to RMB as at 31 December 2013; whereas the exchange rate used for the translation of the revenue of KION is EUR1 = RMB8.2456, being the average exchange rate of EUR to RMB for the year 2013.)

RESUMPTION OF TRADING

Trading in the shares of the Company on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) was halted at the request of the Company from 9:00 a.m. on Thursday, 12 June 2014 pending the issue of this announcement. Application has been made to the Stock Exchange for resumption of trading in the shares of the Company with effect from 9:00 a.m. on Friday, 13 June 2014.

By order of the Board of Directors
Weichai Power Co., Ltd.
Tan Xuguang
Chairman and CEO

The PRC, 12 June 2014

As at the date of this announcement, the executive Directors of the Company are Mr. Tan Xuguang, Mr. Xu Xinyu, Mr. Sun Shaojun, Mr. Zhang Quan, Mr. Li Dakai and Mr. Fang Hongwei; the non-executive Directors of the Company are Mr. Jiang Kui, Mr. Yeung Sai Hong, Mr. Julius G. Kiss, Ms. Han Xiaoqun and Mr. Gordon Riske; and the independent non-executive Directors of the Company are Mr. Liu Zheng, Mr. Li Shihao, Mr. Loh Yih, Mr. Chu, Howard Ho Hwa, Mr. Zhang Zhenhua and Mr. Li Luwen.