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WEICHAI

潍柴动力股份有限公司

WEICHAI POWER CO., LTD.

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

(Stock Code: 2338)

OVERSEAS REGULATORY ANNOUNCEMENT AND INSIDE INFORMATION

This announcement is made pursuant to Rules 13.09(2)(a) and 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) and the Inside Information Provisions (as defined under the Rules Governing the Listing of Securities on the Stock Exchange).

Reference is made to an announcement made by Weichai Power Co., Ltd. (the “**Company**”) on the website of Shenzhen Stock Exchange dated 27 April 2017, which is for information only. The full text of the announcement in Chinese is published on the websites of the Stock Exchange and the Company.

Shareholder and potential investors are advised to exercise caution when dealing in the shares of the Company.

By order of the Board of Directors

Tan Xuguang

Chairman and CEO

Weifang, Shandong, PRC

27 April 2017

As at the date of this announcement, the executive Directors of the Company are Mr. Tan Xuguang, Mr. Zhang Quan, Mr. Xu Xinyu and Mr. Sun Shaojun; the non-executive Directors of the Company are Mr. Wang Yuepu, Mr. Jiang Kui and Mr. Gordon Riske; and the independent non-executive Directors of the Company are Mr. Loh Yih, Mr. Zhang Zhong, Mr. Wang Gongyong and Mr. Ning Xiangdong.

WEICHAI POWER CO., LTD.
FIRST QUARTERLY REPORT FOR 2017



April 2017

SECTION 1 IMPORTANT NOTICE

The board of directors, the Supervisory Committee and the directors, supervisors and senior management of the Company warrant that no false presentations or misleading statements are contained herein, nor with any material omissions, and severally and jointly accept responsibilities for the authenticity, accuracy and completeness of the contents of this quarterly report.

All directors have attended the Board meeting in respect of reviewing this quarterly report.

Tan Xuguang, principal of the Company, Kwong Kwan Tong, principal in-charge of accounting and Li Xia, head of accounting department (in charge person of accounting), warrant that the financial statements contained in the quarterly report are true, accurate and complete.

SECTION 2 BASIC INFORMATION OF THE COMPANY

2.1 Major accounting data and financial indicators

Whether the Company has made retrospective adjustment or restatement of accounting data of the prior years due to changes in accounting policies and corrections of accounting errors

√ Yes □ No

Unit: RMB

	Reporting period	Corresponding period of last year		Change for the reporting period as compared to the corresponding period of last year
		Before adjustment	After adjustment	After adjustment
Revenue (RMB)	34,988,300,954.88	18,879,310,046.73	19,001,520,442.18	84.13%
Net profit attributable to shareholders of listed company (RMB)	1,179,934,074.18	442,563,793.80	456,674,426.17	158.38%
Net profit attributable to shareholders of listed company after extraordinary gain/loss (RMB)	1,165,501,843.46	380,507,695.77	380,507,695.77	206.30%
Net cash flows from operating activities (RMB)	-577,284,077.39	179,179,477.15	107,934,365.92	-634.85%
Basic earnings per share (RMB/share)	0.30	0.11	0.11	172.73%
Diluted earnings per share (RMB/share)	0.30	0.11	0.11	172.73%
Weighted average return on net assets	3.65%	1.39%	1.42%	2.23%
	As at the end of the reporting period	As at the end of last year		Change as at the end of the reporting period over the end of last year
		Before adjustment	After adjustment	After adjustment
Total assets (RMB)	174,771,124,206.86	163,990,680,528.94	163,990,680,528.94	6.57%
Net assets attributable to shareholders of listed company (RMB)	32,872,584,407.58	31,738,269,620.22	31,738,269,620.22	3.57%

Explanations of retrospective adjustment:

On 26 September 2016, the Company entered into agreement with Weichai Group Holdings Limited to acquire 100% equity interest of Weichai (Weifang) Medium-duty Diesel Engine Co., Ltd. at a cash consideration of RMB252.86 million. Weichai (Weifang) Medium-duty Diesel Engine Co., Ltd. is a subsidiary of Weichai Group Holdings Limited, which is the controlling shareholder of the Company. As both parties were under control of Weichai Group Holdings Limited before and after the combination and such control was not a provisional one, hence this combination was the business combination involving entities under common control. The consideration of this transaction amounting to RMB252.86 million was paid on 18 October 2016, and right of control was transferred to the Company. Hence from 1 November 2016 onwards, the Company included Weichai (Weifang) Medium-duty Diesel Engine Co., Ltd. into the scope of consolidated statements, and this has been accounted for as if it had been consolidated as at the beginning of year 2016 in accordance with the requirements regarding the business combinations involving entities under common control in the "Accounting Standard for Business Enterprises No. 20 – Business Combination". Therefore retrospective adjustment is needed to be made to the data for the first quarter of 2016.

Extraordinary gain/loss items and amounts

√ Applicable □ N/A

Unit: RMB

Item	Amount from the beginning of the year to the end of the reporting period	Description
Gains or losses from disposal of non-current assets (including the part of assets impairment provision already made and written off)	-3,822,074.44	
Government subsidy accounted into profit and loss for the current period, excluding those closely associated with the business of the Company which were given in a fixed amount or volume in compliance with state standard	10,411,958.21	
Profit and loss from debt restructuring	216,311.26	
Corporate reorganization expenses, such as expenses for staff redeployment and expenses for business integration	1,442.00	
Profit and loss on the changes in fair value generated from financial assets and financial liabilities held for trading and investment income received from disposal of financial assets held for trading, financial liabilities held for trading and available-for-sale financial assets, other than effective hedging business relating to ordinary operating business of the Company	-27,738,402.91	
Reversal of impairment provision in respect of receivables for which impairment test is conducted separately	133,026.64	
Other non-operating income and expenses other than the above items	56,374,173.89	
Other items of gains and losses falling within the definition of non-recurring gains and losses	-772,368.00	
Less: Effects of income tax	7,975,553.05	
Effects of minority interests (after tax)	12,396,282.88	
Total	14,432,230.72	--

Notes for the Company's extraordinary gain or loss items as defined in the Explanatory Announcement on Information Disclosure

for Companies Offering Their Securities to the Public No.1 - Extraordinary Gains or Losses and the extraordinary gain or loss items as illustrated in the Explanatory Announcement on Information Disclosure for Companies Offering Their Securities to the Public No.1 - Extraordinary Gains or Losses defined as its recurring gain or loss items

☐ Applicable ☒ N/A

During the reporting period, the Company did not define any extraordinary gain or loss items as defined and illustrated in the Explanatory Announcement on Information Disclosure for Companies Offering Their Securities to the Public No.1 – Extraordinary Gains or Losses as its recurring gain or loss items.

2.2 Total number of shareholders and information on shareholdings of the top ten shareholders as at the end of the reporting period

1. Number of shareholders of ordinary shares and shareholders of preference shares with resumed voting rights and information on shareholdings of the top ten shareholders

Unit: Share

Total number of shareholders of ordinary shares as at the end of the reporting period		139,123	Total number of shareholders of preference shares with resumed voting rights as at the end of the reporting period, if any			
Information on shareholdings of the top ten shareholders						
Name of shareholder	Nature of shareholder	Shareholding ratio	Number of shares held	Number of restricted shares held	Pledged or frozen	
					Status of shares	Quantity
HKSCC Nominees Limited	Foreign shareholder	24.22%	968,549,268			
Weichai Group Holdings Limited	State-owned legal person	16.83%	672,952,800	672,952,800		
Weifang Investment Group Company Limited	State-owned legal person	3.71%	148,312,704	148,312,704		
China Securities Finance Corporation Limited	Domestic non-state-owned legal person	2.53%	101,160,734			
IVM Technical Consultants Wien Gesellschaft m.b.H	Overseas legal person	1.91%	76,280,000			
Hong Kong Securities Clearing Company Limited	Overseas legal person	1.70%	67,962,788			
Central Huijin Assets Management Company Limited	State-owned legal person	1.36%	54,246,400			
Shandong Enterprise Trust Operation Company Limited	Domestic non-state-owned legal person	0.81%	32,519,980			
Shenzhen Capital Group Co., Ltd	Domestic non-state-owned legal person	0.76%	30,313,845			
Tan Xuguang	Domestic natural person	0.74%	29,421,298	22,065,973		

Information on shareholdings of the top ten non-restricted shareholders			
Name of shareholder	Number of non-restricted shares held	Types of shares	
		Types of shares	Quantity
HKSCC Nominees Limited	968,549,268	Overseas listed foreign shares	968,549,268
China Securities Finance Corporation Limited	101,160,734	RMB ordinary shares	101,160,734
IVM Technical Consultants Wien Gesellschaft m.b.H	76,280,000	RMB ordinary shares	76,280,000
Hong Kong Securities Clearing Company Limited	67,962,788	RMB ordinary shares	67,962,788
Central Huijin Assets Management Company Limited	54,246,400	RMB ordinary shares	54,246,400
Shandong Enterprise Trust Operation Company Limited	32,519,980	RMB ordinary shares	32,519,980
Shenzhen Capital Group Co., Ltd	30,313,845	RMB ordinary shares	30,313,845
ICBCCS Fund – ICBC – Asset Management for Designated Customers	24,449,815	RMB ordinary shares	24,449,815
Zhuzhou State-owned Assets Investment Holding Group Co., Ltd	21,228,582	RMB ordinary shares	21,228,582
Guangxi Liugong Group Co., Ltd	17,243,712	RMB ordinary shares	17,243,712
Statement on the connected relationship or acting in concert relationship among the aforementioned shareholders	The Company is not aware whether there is any connected relationship among the aforementioned shareholders, or whether there is any acting in concert relationship among them.		

Whether any of the top ten shareholders of ordinary shares and the top ten non-restricted shareholders of ordinary shares of the Company conducted any transactions on agreed repurchases during the reporting period

☐ Yes ☒ No

None of the top ten shareholders of ordinary shares or the top ten non-restricted shareholders of ordinary shares of the Company conducted any transactions on agreed repurchases during the reporting period.

2. Total number of shareholders of preference shares and information on shareholdings of the top ten shareholders of preference shares as at the end of the reporting period

☐ Applicable ☒ N/A

SECTION 3 IMPORTANT EVENTS

3.1 Information on and reasons for the changes of major accounting items and financial indicators during the reporting period

√ Applicable □ N/A

Unit: RMB

Item on Statements	Opening balance	Closing balance	YoY change	Reason
Accounts receivable	11,336,192,971.74	17,335,158,323.98	52.92%	It is mainly attributable to the increase in the scale of sales.
Other current assets	2,067,737,279.12	1,214,606,684.85	-41.26%	It is mainly attributable to the decrease in the scale of wealth management products.
Accounts payable	21,897,787,394.18	28,966,880,749.35	32.28%	It is mainly attributable to the increase in sales volume and increase in procurement scale.
Item on Statements	This year	Corresponding period of last year	YoY change	Reason
Revenue	34,988,300,954.88	19,001,520,442.18	84.13%	It is mainly attributable to the increase in the scale of sales.
Cost of sales	27,769,840,882.02	14,637,427,226.07	89.72%	It is mainly attributable to the increase in the scale of sales.
Distribution and selling expenses	2,429,464,010.99	1,516,546,877.18	60.20%	It is mainly attributable to the increase in the scale of sales.
Finance expenses	185,156,566.73	-114,840,273.81	261.23%	It is mainly attributable to the early repayment of bonds by KION Group AG and in turn the one-off recognition of the amortization for the increased appraised value of bonds in the corresponding period of last year.

Cashflows from operating activities	-577,284,077.39	107,934,365.92	-634.85%	It is mainly attributable to the increase in the scale of sales and in turn the increased accounts receivable.
Cashflows from investing activities	-986,815,604.66	-1,556,819,771.38	36.61%	It is mainly attributable to the decrease in cash paid for investment during the reporting period.
Cashflows from financing activities	218,086,221.03	-101,517,064.03	314.83%	It is mainly attributable to the increase in cash received for borrowings during the reporting period.

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

□ Applicable √ N/A

3.3 Commitments made by the Company's de facto controllers, shareholders, connected parties, acquirers entities and other related committing parties not yet implemented during the reporting period

√ Applicable □ N/A

The commitment	Commitments by	Type of commitment	Contents of commitments	Time of commitments	Period of commitments	Implementation situation
Other commitments to medium and minority shareholders of the Company	Shaanxi Automotive Group Co., Ltd., Shaanxi Heavy-duty Motor Company Limited	Other commitments	<p>I. Issues relating to the qualification of Shaanxi Zhongqi: 1. The business scope of Shaanxi Zhongqi covers the production and sale of full-set automobiles ("Sale and export trade (licenced operation) of automobiles (excluding sedans), auto parts and components and engines produced by the company" as stated in its Business Licence of Corporate Legal Person). According to the announcement "Vehicle Manufacturers and Products" made by the State Development and Reform Commission (the "SDRC"), Shaanxi Automotive, the other shareholder of Shaanxi Zhongqi, remained as the manufacturer of the "Shaan-qi" branded automobiles. 2. In establishing Shaanxi Zhongqi jointly with TAGC, the contribution from Shaanxi Automotive was represented by the operating assets relating to the operation of heavy-duty automobile production, whereas the corresponding undertakings and human resources were taken over by Shaanxi Zhongqi. Whilst the qualification of Shaanxi Automotive for producing and selling heavy-duty full-set automobile products shall obviously be succeeded by Shaanxi Zhongqi, the formalities for the change of qualification have not been completed under the influence of the "DeLong-league" crisis and other factors. Shaanxi Automotive has committed to be cooperative in procuring the change of qualification as mentioned above in a lawful manner. II. Issues relating to land lease: 1. Shaanxi Zhongqi leased from Shaanxi Automotive land parcels and buildings located in No. 39 and No. 71 of Xingfu Bei Road in Xincheng District, Xi'an City and Caojia Town in Qishan County. 2. Shaanxi Automotive failed to provide the relevant title documents including property ownership certificates, land use certificates or leasing registration certificates. 3. Shaanxi Automotive and Shaanxi Zhongqi undertook that they shall fully negotiate and communicate with local governments to seek elimination of the irregularities existing in the leased land and properties, within the shortest possible timeframe. Where losses are suffered by Shaanxi Zhongqi in this regard, Shaanxi Automotive shall bear the full compensation.</p>	9 April 2007	Before 30 June 2007	Implementation of commitments was not yet completed.

	Shaanxi Fast Gear Co., Ltd.	Other commitments	<p>1. Shaanxi Fast Gear Co., Ltd., a controlling subsidiary of the Company (hereinafter "SFGC") leased from Shaanxi Auto Gear General Works (currently named Shaanxi Fast Gear Automotive Transmission Co., Ltd., and hereinafter "Fast Transmission") two parcels of land located in Daqing Road, Lianhu District, Xi'an City and Wu Zhang Yuan Town in Qishan County and Shucang Village in Baoji County, both in Shaanxi Province. The aforesaid two parcels of land were acquired by Fast Transmission by way of allocation, but Fast Transmission failed to provide competent government authorities with documents testifying agreed leasing of the land use rights concerning such allocated land.</p> <p>2. SFGC leased from Fast Transmission buildings located in the west section of Daqing Road, Lianhu District, Xi'an City and Wu Zhang Yuan Town in Qishan County and Shucang Village in Baoji County. For some of the buildings, title documents including property ownership certificates, corresponding land use right certificates and leasing registration etc. have not yet been obtained.</p> <p>3. Fast Transmission and SFGC undertook to fully negotiate and communicate with the local governments to seek lawful and effective regulations or adjustments to the leasing of land and properties within one year and seek elimination of the existing unregulated leasing of land parcels and properties.</p>	1 December 2006	One year	Implementation of commitments was not yet completed.
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	Weichai Power Co., Ltd.	Other commitments	In absorbing Torch, Weichai Power built some properties on a parcel of land acquired by way of land grant, allocation and leasing which is to the west of Weizhou Road and to the south of Min Sheng Road East Street where Weifang Diesel Engine Factory (currently named Weichai Group Holdings, and hereinafter "Weichai Group") is located. Application has been made by Weichai Power for the grant (transfer) of six parcels of land under Weichai Group where the aforesaid buildings are located, to obtain the land use rights by way of land grant to the aforesaid land parcels.	1 December 2006	One year	Implementation of commitments was not yet completed.
	Shanghai He Da Auto Accessory Co., Ltd.	Other commitments	1. Shanghai He Da Auto Accessory Co., Ltd. (hereinafter "Shanghai He Da"), a controlling subsidiary of the Company, is a foreign-invested enterprise and is not entitled to the right to use collective land under the law, nor is it entitled to property ownership certificate of properties attached to such collective land. 2. Shanghai Housing and Land Administration Bureau has issued to Shanghai He Da a "Shanghai Property Ownership Certificate" to confer the right to use the collective land located in Xinqiao Village, Daying Town, Qingpu District, and the title to 9 buildings attached to such land. 3. Shanghai He Da undertook to fully negotiate and communicate with local governments, villages and towns in a collective way, to seek to resolve the problems of unregulated construction or use of some properties or land now.	1 December 2006	One year	Implementation of commitments was not yet completed.

Whether the commitments have been implemented timely	No
If implementation of commitments is not yet completed, state detailed reasons for not completing implementation of commitments and next plan	<p>1. Regarding the commitments made by Shaanxi Automotive Group Co., Ltd. and Shaanxi Heavy-duty Motor Company Limited</p> <p>According to the Decision Concerning the Administrative and Regulatory Measures under No. (2014) 9 issued by Shandong Regulatory Bureau of China Securities Regulatory Commission (《中国证券监督管理委员会山东监管局(2014)9号行政监管措施决定书》), Shaanxi Automotive Group, through Weichai Power Co., Ltd., issued announcements in designated media on 13 August 2014, stating the reasons for not implementing the commitments, updates on progress, next solutions and relevant risk factors as follows: “I. Since 2007, Shaanxi Automotive has striven to transfer the qualification for producing full-set heavy-duty vehicles to Shaanxi Heavy-duty Motor Company Limited, a controlling subsidiary of Weichai Power. However, in actual practice, due to the change of austerity measures and industry policies of the state, competent authorities including the State Development and Reform Commission and the Ministry of Industry and Information Technology do not permit the segregation and partial transfer of qualification with respect to full-set automobile. As such, the “change of holder of sale and production qualification in respect of full-set heavy-duty vehicle products to Shaanxi Heavy-duty Motor Company Limited, a controlling subsidiary of Weichai Power Co., Ltd.” as stated in the Decision Concerning the Administrative and Regulatory Measures under No. (2014) 92 issued by Shandong Regulatory Bureau of China Securities Regulatory Commission (《中国证券监督管理委员会山东监管局(2014)92号行政监管措施决定书》) has not been completed due to the aforesaid policy ground albeit efforts made by various parties. Going forward, the Company will actively trace the changes of state policies applicable to the automobile industry. Once permitted under policies, we commit that transfer of sale and production qualification in respect of full-set heavy-duty vehicles will be completed within half a year. II. Since its establishment in 2002, Shaanxi Heavy-duty Motor Company Limited has undergone rapid and healthy development and fully safeguarded the interests of investors. The qualification issue has never had any impact on the normal operation and development of the company. This management approach has also won recognition from competent state authorities. Shareholders from both sides and relevant regulatory bodies have been satisfied with the operation, development and result of performance of the company. III. The land and buildings located at No. 39 and No. 71 of Xingfu Bei Road in Xincheng District, Xi’an City, Shaanxi Province are listed under the “Comprehensive Renovation Work Plan for the Neighborhood at Xingfu Road (《幸福路地区综合改造工作方案》)” in accordance with the Notice Concerning the Issuance of Comprehensive Renovation Work Plan for the Neighborhood at Xingfu Road (《关于印发幸福路地区综合改造工作方案的通知》) under Shi Zheng Bang Fa No. (2013) 89 issued by the General Office of Xi’an People’s Government, requiring enterprises to complete removal by the due date, and the relevant matters shall be implemented according to the government’s arrangements. Shaanxi Heavy-duty Motor Company Limited moved to its registered address namely Jingwei Industrial Park, Economic and Technological Development Zone, Xi’an in 2006 and obtained state-owned land use right in respect of land parcels occupying approximately 2,700 mu, satisfying its operation and development needs. Regarding the aforesaid matters, the company will lawfully issue announcement in a timely manner through Weichai Power Co., Ltd.”</p> <p>2. Regarding the commitments made by Shaanxi Fast Gear Co. Ltd.</p> <p>According to the Decision Concerning the Administrative and Regulatory Measures under No. (2014) 10 issued by Shandong Regulatory Bureau of China Securities Regulatory Commission (《中国证券监督管理委员会山东监管局(2014)10号行政监管措施决定书》), Fast Transmission, through Weichai Power Co., Ltd., stated the reasons for not implementing the commitments, updates on progress, next solutions and relevant risk factors as follows: “I. Regarding the regulations on the land and parcels and buildings located in Daqing Road, Lianhu District, Xi’an City and Wu Zhang Yuan Town in Qishan County and Shucang Village in Baoji County, both in Shaanxi Province, which were originally committed by the group for leasing to Shaanxi Fast Gear Co., Ltd., a controlling subsidiary of Weichai Power Co., Ltd., to date, the land use right certificates and property ownership certificates for the buildings located in Wu Zhang Yuan Town in Qishan County and Shucang Village in Baoji County, both in Shaanxi Province have been completed. The land use right certificate for the land parcels in Daqing Road, Lianhu District, Xi’an City has been completed, but the property ownership certificate is on hold as suggested by the government because Lianhu District is located in the zone that has been designated as part of the government’s removal area. The factories located in Lianhu District, Xi’an City, Shaanxi Province has been, in accordance with the Notice by Xi’an People’s Government Concerning the Administration of the Construction Projects in the Comprehensive Renovation Zone in Tumen Area (《西安市人民政府关于加强土门地区综合改造区域建设项目管理的通告》) under Shi Zheng Gao No. (2013) 4 issued by Xi’an People’s Government, the land parcel has been included</p>

under the Working Plan of the Comprehensive Renovation of Tumen Area, requiring enterprises to complete removal by the due date, and the relevant matters shall be implemented according to the government's arrangements. The company shall remove on a planned and step-by-step basis and this will not affect the production operation and development of Shaanxi Fast Gear Co. Ltd. II. The group is a wholly state-owned enterprise and its reform and development has been strongly supported by Shaanxi Government and the local government for its region. Its land and properties have been endorsed by the local government and are not subject to risks. The group commits, once again, that it shall bear all losses to be incurred as a result of any failure to normally use/ failure to use those land parcels and buildings by Shaanxi Fast Gear Co. Ltd. which is in turn due to any claim of rights over those land parcels and buildings made by any third parties or imposition of any penalty by the relevant government bodies during the leasing period. Regarding the aforesaid matters, the group will lawfully issue announcement in a timely manner through Weichai Power Co., Ltd. "

3. Regarding the commitments made by Weichai Power

The 6 parcels of land proposed to be granted have been listed by Weifang People's Government as part of the overall planning for land use under the government's "from city to industrial park" initiative, and legal procedures for granting land to Weichai Power will no longer proceed. During the transitional period under the staged implementation of the overall planning of the "from city to industrial park" initiative, Weichai Power shall continue to lease those land parcels under the original approach. According to the further communication between the Company and the government, the Company shall implement, by stages, the overall planning of the government's "from city to industrial park" initiative.

4. The commitments made by Shanghai He Da Auto Accessory Co., Ltd.

The company shall actively communicate and negotiate with the local government and the authority of village and town, to undergo legal procedures.

3.4 Operating results forecast for the period from January to June 2017

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

√ Applicable □ N/A

Results forecast: Substantial increase

Data in results forecast indicated in: ranges

	From beginning of year to the end of next reporting period			Corresponding period of last year	Change			
Forecast of net profit (in ten thousand RMB)	183,000	--	215,000	107,661	Increase	70.00%	--	100.00%
Basic earnings per share (RMB/ share)	0.46	--	0.54	0.27	Increase	70.00%	--	100.00%
Descriptions	It is estimated that the net profit attributable to the shareholders of the listed company will increase in view of the anticipated increase in the sales of the Company's main products for the first half of 2017 which is attributable to an improvement in the macro-economic conditions and the industry as a whole.							

3.5 Investments in securities

√ Applicable □ N/A

Type of securities	Stock code	Short name	Initial Investment cost (RMB)	No. of shares at the beginning of period	Percentage of shareholding at the beginning of period	No. of shares at the end of period	Percentage of shareholding at the end of period	Carrying amount at the end of period (RMB)	Gains/ losses during the period (RMB)	Accounted for under	Source
Equity	600166	Foton Motor	194,000,000.00	80,000,000	1.20%	80,000,000	1.20%	261,600,000.00	0.00	Available for-sale financial assets	Internal funding
Total			194,000,000.00	80,000,000	--	80,000,000	--	261,600,000.00	0.00	--	--

3.6 Investments in derivatives

✓ Applicable □ N/A

Unit: in ten thousand RMB

Name of operators of derivatives investment	Connection	Whether or not a connected transaction	Type of Derivatives investment	Initial Investment amount of derivatives investment	Effective Date	Expiry Date	Investment at the beginning of the Period	Amount acquired during the reporting period	Amount disposed of during the reporting period	Amount of provision for impairment (if any)	Investment at the end of the Period	Proportion of investment to the net asset of the Company at the end of the reporting period	Actual amount of profit and loss during the reporting period
The Hong Kong and Shanghai Banking Corporation Limited, the Bank of China, Barclays	No	No	Cross Currency Swap Business	0.00	30 September 2015	30 September 2020	5,373.60	0.00	0.00	0.00	2,145.30	0.05%	-3,278.10
Overseas non-connecting financial institutions etc.	No	No	Cash flow hedge in respect of forward exchange contracts	0.00	1 January 2016	2016-2017	-8,620.60	0.00	0.00	0.00	-7,327.90	-0.16%	-806.80
Net investment in overseas operations	No	No	Net investment in overseas operations in respect of forward exchange contracts	0.00	1 January 2016	2016-2017	0.00	0.00	0.00	0.00	0.00	0.00%	-366.70
Total				0.00	--	--	-3,247.00	0.00	0.00	0.00	-5,182.60	-0.11%	-4,451.60
Source of derivatives investment funding				Internal funding									
Litigation involved (if applicable)				Not applicable									
Date of the announcement disclosing the approval by the board of directors of derivatives investment by the Board (if any)				23 September 2015									
Risk analysis of positions in derivatives during the reporting period and explanations of risk control measures (including but not limited to market risk, liquidity risk, credit risk, operation risk, legal risk etc.)				There is appropriate internal control system for the management of the Company to control the relevant risks. At the end of reporting period, there was no significant exposure for the positions in derivatives of the Company.									
Changes in market price or product fair value of invested derivatives during the reporting period, where specific methods and relevant assumptions and parameters used shall be disclosed in the analysis of derivatives' fair value				In the course of valuation, the Company adopted valuation techniques which were appropriate in the circumstances and for which sufficient data and other information were available for measurement, selecting inputs which were consistent with the characteristics of the assets and liabilities contemplated by market participants under the relevant assets or liabilities transactions. Priorities should be given to the use of relevant observable inputs. Where the relevant observable inputs could not be obtained in a practicable manner or at all, unobservable inputs would be used instead. 1) The effective date of cross currency swap business was 30 September 2015. The gain on the changes in fair value of the hedging instruments recognized in other comprehensive income during the reporting period (January to March 2017) amounted to RMB-32,780,753.21 (EUR-4,444,290.21). The amount included in the statement of profit and loss for the current period amounted to RMB-39,548,198.47 (EUR-5,361,794.78). There was no material invalid hedge for the year. Key parameters of assumption included interest payment ratio; interest receipt ratio; frequency of interest receipt; frequency of interest payment; USD interest rate curve; EUR interest rate curve; USD/EUR exchange rate curve etc. 2) KION GROUP AG, an overseas subsidiary of the Company, conducted cash flow hedging on forward currency contracts designated to the exchange rate risk of forecast sale, forecast purchase and firm commitment. The gain on the changes in fair value of such cash flow hedging instruments recognized in other comprehensive income during the reporting period (January to March 2017) amounted to RMB-8,068,060.00 (EUR-1,100,000) in aggregate. The amount included in the statement of profit and loss for the current period amounted to RMB-15,402,660.00 (EUR-2,100,000). There was no material invalid hedge for the year. Key parameters of assumption included contracted exchange rate, prevailing forward exchange rate, discount rate etc. 3) To prevent the exchange rate risks arising from foreign currency translation of certain overseas subsidiaries, KION GROUP AG, an overseas subsidiary of the Company, conducted hedge of net investment in overseas operations on the current price of forward currency contracts designated to such overseas subsidiaries. The hedging of a net investment in a foreign operation included in other comprehensive income during the reporting period (January to March 2017) amounted to RMB-3,667,300.00 (EUR-500,000). There was no material invalid hedge. Key parameters of assumption included contracted exchange rate, prevailing forward exchange rate, discount rate etc.									

Explanations of any significant changes in the Company's accounting policies and specific accounting and auditing principles on derivatives between the reporting period and the last reporting period	No change
Specific opinions of independent Directors on the derivatives investment and risk control of the Company	Not applicable

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

✓ Applicable □ N/A

Time	Way of reception	Type of guests	Basic information of research
13 January 2017	On-site research	Corporation	For details, please refer to the <i>Logbook of Investor Relations Activities as of 13 January 2017</i> disclosed by the Company on CNINFO website
17 January 2017	On-site research	Corporation	For details, please refer to the <i>Logbook of Investor Relations Activities as of 17 January 2017</i> disclosed by the Company on CNINFO website
19 January 2017	On-site research	Corporation	For details, please refer to the <i>Logbook of Investor Relations Activities as of 19 January 2017</i> disclosed by the Company on CNINFO website
24 January 2017	On-site research	Corporation	For details, please refer to the <i>Logbook of Investor Relations Activities as of 24 January 2017</i> disclosed by the Company on CNINFO website
9 February 2017	On-site research	Corporation	For details, please refer to the <i>Logbook of Investor Relations Activities as of 9 February 2017</i> disclosed by the Company on CNINFO website
15 February 2017	On-site research	Corporation	For details, please refer to the <i>Logbook of Investor Relations Activities as of 15 February 2017</i> disclosed by the Company on CNINFO website
16 February 2017	On-site research	Corporation	For details, please refer to the <i>Logbook of Investor Relations Activities as of 16 February 2017</i> disclosed by the Company on CNINFO website
21 February 2017	On-site research	Corporation	For details, please refer to the <i>Logbook of Investor Relations Activities as of 21 February 2017</i> disclosed by the Company on CNINFO website
22 February 2017	On-site research	Corporation	For details, please refer to the <i>Logbook of Investor Relations Activities as of 22 February 2017 (I)</i> disclosed by the Company on CNINFO website
22 February 2017	On-site research	Corporation	For details, please refer to the <i>Logbook of Investor Relations Activities as of 22 February 2017 (II)</i> disclosed by the Company on CNINFO website

3.8 External guarantees in violation of regulations

☐ Applicable ☒ N/A

The Company did not have external guarantees in violation of regulations during the reporting period.

3.9 Non-operating funds of the listed company occupied by its controlling shareholders and their associates

☐ Applicable ☒ N/A

There were no non-operating funds of the listed company occupied by its controlling shareholders and their associates during the reporting period.

SECTION 4 FINANCIAL STATEMENTS

4.1 Financial Statements

4.1.1 Consolidated balance sheet

Prepared by: WEICHAI POWER CO., LTD.

31 March 2017

Unit: RMB

Item	Balance as at the end of the period	Balance as at the beginning of the period
Current assets:		
Cash and cash equivalents	26,804,858,082.96	27,122,981,855.33
Settlement provisions		
Capital lent to other financial institutions		
Financial assets at fair value through profit or loss	115,226,000.67	129,296,023.50
Derivative financial assets		
Notes receivable	21,063,359,617.99	16,742,874,274.52
Accounts receivable	17,335,158,323.98	11,336,192,971.74
Prepayments	850,608,429.46	595,832,151.19
Insurance receivables		
Reinsurance receivables		
Contract reserve of reinsurance receivables		
Interests receivable	28,751,761.61	26,284,015.32
Dividends receivable	3,040,000.00	9,711,108.40
Other receivables	1,094,098,051.60	820,998,530.88
Purchase restituted financial assets		
Inventories	16,873,482,781.00	16,090,656,826.07
Classified as held-for-sale assets		
Non-current assets due within one year	1,514,966,550.00	1,463,427,824.40
Other current assets	1,214,606,684.85	2,067,737,279.12
Total current assets	86,898,156,284.12	76,405,992,860.47
Non-current assets:		
Granted loans and advances		
Available-for-sale financial assets	503,670,260.35	498,384,350.11
Held-to-maturity investments		

Long-term receivables	4,138,307,604.76	4,029,736,734.00
Long-term equity investments	1,983,367,392.13	1,544,970,791.85
Investment property	600,220,579.20	608,116,592.82
Fixed assets	25,728,433,546.68	25,801,560,424.62
Construction in progress	1,561,855,947.61	1,642,494,423.73
Material used in construction	322,222.22	
Disposal of fixed assets	950,670.37	1,018,823.58
Productive biological assets		
Oil and gas assets		
Intangible assets	24,980,816,906.04	25,362,976,371.96
Development expenditure	453,390,349.51	445,774,466.92
Goodwill	23,091,151,389.65	23,037,674,856.10
Long-term prepaid expenses	327,793,895.34	332,659,717.20
Deferred tax assets	4,233,913,673.20	4,019,599,412.58
Other non-current assets	268,773,485.68	259,720,703.00
Total non-current assets	87,872,967,922.74	87,584,687,668.47
Total assets	174,771,124,206.86	163,990,680,528.94
Current liabilities:		
Short-term loans	4,705,993,012.18	4,771,648,754.00
Loans from central bank		
Absorbing deposit and interbank deposit		
Capital borrowed from other financial institutions		
Financial liabilities at fair value through profit or loss	167,051,786.00	168,670,171.20
Derivative financial liabilities		
Notes payable	7,943,286,646.96	8,758,864,180.54
Accounts payable	28,966,880,749.35	21,897,787,394.18
Advance from customers	4,591,794,849.50	4,627,211,871.86
Selling financial assets of repurchase		
Handling fees and commission payable		
Payroll payables	4,121,611,406.20	4,168,792,146.69
Taxes payable	2,610,094,800.17	2,065,784,483.92
Interests payable	104,379,114.49	3,822,409.44
Dividends payable	3,822,409.44	102,059,094.81
Other payables	6,331,584,816.12	4,998,956,643.14
Reinsurance payables		
Insurance contract reserve		
Security trading commission		
Security underwriting fees		
Liabilities classified as that of held-for-sale		
Non-current liabilities due within one year	4,752,137,662.00	4,624,888,126.80
Other current liabilities	3,172,344,872.11	2,791,896,442.25
Total current liabilities	67,470,982,124.52	58,980,381,718.83
Non-current liabilities:		
Long-term borrowings	31,104,367,200.35	30,216,115,691.85
Bonds payable	2,742,430,594.27	2,756,201,597.01
Incl: Preference shares		
Perpetual bonds		
Long-term payables	7,877,723,264.00	7,781,235,810.40

Long-term payroll payable	8,641,509,039.36	8,574,795,194.30
Special payables	43,000,000.00	43,000,000.00
Provisions	324,382,999.00	311,033,593.20
Deferred income	2,585,307,312.54	2,574,230,514.51
Deferred tax liabilities	7,899,034,104.42	8,120,369,699.73
Other non-current liabilities	72,212,932.89	71,646,849.89
Total non-current liabilities	61,289,967,446.83	60,448,628,950.89
Total liabilities	128,760,949,571.35	119,429,010,669.72
Equity holders' interest:		
Share capital	3,998,619,278.00	3,998,619,278.00
Other equity instruments		
Incl: Preference shares		
Perpetual bonds		
Capital reserves	30,139,859.91	30,139,859.91
Less: Treasury stock		
Other comprehensive income	-349,437,178.92	-295,101,754.34
Special reserves	107,427,458.37	98,711,320.61
Surplus reserves		
General risk provision		
Retained earnings	29,085,834,990.22	27,905,900,916.04
Total equity attributable to equity holders of parent company	32,872,584,407.58	31,738,269,620.22
Minority interests	13,137,590,227.93	12,823,400,239.00
Total equity holders' interests	46,010,174,635.51	44,561,669,859.22
Total liabilities and equity holders' interests	174,771,124,206.86	163,990,680,528.94

Legal representative: Tan Xuguang Principal in charge of accounting: Kwong Kwan Tong Head of accounting department: Li Xia

4.1.2 Balance sheet of the parent company

Unit: RMB

Item	Balance as at the end of period	Balance as at the beginning of period
Current assets:		
Cash and cash equivalents	8,235,339,751.92	9,759,458,242.20
Financial assets at fair value through profit or loss		
Derivative financial assets		
Notes receivable	14,559,563,486.44	14,623,284,642.83
Accounts receivable	8,811,966,983.30	1,084,606,558.31
Prepayments	84,448,016.84	38,432,215.70
Interests receivable	27,360,843.75	24,849,593.75
Dividends receivable	1,530,000.00	1,530,000.00
Other receivables	1,476,770,187.83	1,489,063,940.49
Inventories	1,209,497,904.63	1,748,577,761.12
Classified as held-for-sale assets		
Non-current assets due within one year		
Other current assets		
Total current assets	34,406,477,174.71	28,769,802,954.40
Non-current assets:		
Available-for-sale financial assets	293,280,000.00	278,880,000.00
Held-to-maturity investments		
Long-term receivables		
Long-term equity investments	11,169,308,190.37	11,151,764,459.25
Investment property	1,147,662,647.99	1,166,754,025.31
Fixed assets	2,884,362,607.40	2,985,724,485.68
Construction in progress	600,842,067.40	580,767,880.05
Material used in construction		
Disposal of fixed assets	100,765.80	83,797.30
Productive biological assets		
Oil and gas assets		
Intangible assets	526,635,646.37	529,111,113.62
Development expenditure		
Goodwill	579,145,043.76	579,145,043.76
Long-term prepaid expenses	1,453,093.00	2,075,842.00
Deferred tax assets	546,110,198.19	318,302,058.45
Other non-current assets	368,850,638.89	368,850,638.89
Total non-current assets	18,117,750,899.17	17,961,459,344.31
Total assets	52,524,228,073.88	46,731,262,298.71
Current liabilities:		
Short-term loans		
Financial liabilities at fair value through profit or loss		
Derivative financial liabilities		
Notes payable	3,992,082,612.53	4,660,241,509.23
Accounts payable	9,034,577,636.72	5,379,491,386.62
Advance from customers	54,689,846.79	64,399,135.60
Payroll payables	514,182,615.64	588,459,341.07
Taxes payable	848,554,120.42	505,716,425.54
Interests payable		

Dividends payable		
Other payables	2,977,941,394.89	1,788,661,736.46
Liabilities classified as that of held-for-sale		
Non-current liabilities due within one year		
Other current liabilities	969,936,814.74	725,109,205.14
Total current liabilities	18,391,965,041.73	13,712,078,739.66
Non-current liabilities:		
Long-term borrowings		
Bonds payable		
Incl: Preference shares		
Perpetual bonds		
Long-term payables		
Long-term payroll payable	28,033,735.89	31,887,561.60
Special payables	20,000,000.00	20,000,000.00
Provisions		
Deferred income	435,488,184.26	437,331,723.04
Deferred tax liabilities		
Other non-current liabilities		
Total non-current liabilities	483,521,920.15	489,219,284.64
Total liabilities	18,875,486,961.88	14,201,298,024.30
Equity holders' interests:		
Share capital	3,998,619,278.00	3,998,619,278.00
Other equity instruments		
Incl: Preference shares		
Perpetual bonds		
Capital reserves	1,003,313,374.62	1,003,313,374.62
Less: Treasury stock		
Other comprehensive income	57,460,000.00	45,220,000.00
Special reserves	53,087,404.10	50,137,320.74
Surplus reserves	1,520,020,449.71	1,520,020,449.71
Retained earnings	27,016,240,605.57	25,912,653,851.34
Total equity holders' interests	33,648,741,112.00	32,529,964,274.41
Total liabilities and equity holders' interests	52,524,228,073.88	46,731,262,298.71

4.1.3 Consolidated income statement

Unit: RMB

Item	Amount for current Period	Amount for corresponding period of last year
1. Total revenue	34,988,300,954.88	19,001,520,442.18
Including: Revenue	34,988,300,954.88	19,001,520,442.18
Interest income		
Premium income earned		
Handling fees and commission income		
2. Total cost of sales	33,091,925,178.14	18,129,241,735.09
Including: Cost of sales	27,769,840,882.02	14,637,427,226.07
Interest expenses		
Handling fees and commission expenses		
Payments on surrenders		
Claim expenses-net		
Provision for insurance contract reserve-net		
Policyholder dividends		
Expenses for reinsurance		
Taxes and surcharges	187,607,673.45	74,613,826.05
Distribution and selling expenses	2,429,464,010.99	1,516,546,877.18
General and administrative expenses	2,104,699,187.97	1,761,277,308.63
Finance expenses	185,156,566.73	-114,840,273.81
Impairment loss on assets	415,156,856.98	254,216,770.97
Add: Gains arising from fair value changes (losses are indicated with “-”)	-49,543,457.63	-114,233,363.71
Investment income (losses are indicated with “-”)	14,839,132.86	-2,705,868.22
Including: Share of profit of associated companies and joint ventures	14,817,840.58	-2,372,848.00
Foreign exchange gains (losses are indicated with “-”)		
3. Operating profit (losses are indicated with “-”)	1,861,671,451.97	755,339,475.16
Add: Non-operating income	101,935,721.71	139,214,530.01
Including: Gain on disposal of non-current assets	2,655,351.74	12,573,108.32
Less: Non-operating expenses	39,581,737.42	24,988,379.07
Including: Losses on disposal of non-current assets	7,571,273.85	1,831,224.41
4. Total profits (total losses are indicated with “-”)	1,924,025,436.26	869,565,626.10
Less: Income tax expenses	436,691,900.52	160,303,321.21
5. Net profits (net losses are indicated with “-”)	1,487,333,535.74	709,262,304.89
Net profit attributable to equity	1,179,934,074.18	456,674,426.17

holders of parent company		
Minority interest	307,399,461.56	252,587,878.72
6. Net other comprehensive income after tax	-51,985,449.35	-408,316,067.19
Net other comprehensive income attributable to shareholders of the parent after tax	-54,335,424.58	-195,175,024.95
(1) Those other comprehensive income not to be reclassified into profit or loss in subsequent periods	-73,385,160.76	-240,834,316.85
1. Changes arising from re-measuring net assets or net liabilities of defined benefit plan	-73,385,160.76	-240,834,316.85
2. Share of investee's other comprehensive income not to be reclassified into profit or loss using the equity method		
(2) Those other comprehensive income to be reclassified into profit or loss in subsequent periods	19,049,736.18	45,659,291.90
1. Share of investee's other comprehensive income to be reclassified into profit or loss using the equity method	-486,615.40	-
2. Change of fair value of available-for-sale financial assets	12,240,000.00	-30,260,000.00
3. Gains or losses on Reclassification of held-to-maturity investments to financial assets available for sale		
4. Effective portion of cashflow from hedging Instrument	6,247,096.45	-
5. Exchange differences on foreign currency translation	1,049,255.13	75,919,291.90
6. Others		
Net other comprehensive income attributable to minority owners after tax	2,349,975.23	-213,141,042.24
7. Total comprehensive income	1,435,348,086.39	300,946,237.70
Total comprehensive income attributable to equity holders of parent company	1,125,598,649.60	261,499,401.22
Total comprehensive income attributable to minority shareholders	309,749,436.79	39,446,836.48
8. Earnings per share:		
(1) Basic earnings per share	0.30	0.11
(2) Diluted earnings per share	0.30	0.11

Legal representative: Tan Xuguang Principal in charge of accounting: Kwong Kwan Tong Head of accounting department: Li Xia

4.1.4 Income statement of the parent company

Unit: RMB

Item	Amount for current Period	Amount for corresponding period of last year
1. Revenue	9,512,395,064.60	4,160,408,183.35
Less: Cost of sales	7,169,760,077.00	3,188,799,030.25
Taxes and surcharges	97,905,888.09	41,313,120.56
Distribution and selling expenses	284,812,048.80	76,135,928.58
General and administrative expenses	310,046,372.96	314,681,847.03
Finance expenses	-34,824,034.06	-35,759,589.94
Impairment loss on assets	408,830,728.73	166,332,610.50
Add: Gain arising from fair value changes (losses are indicated with “-”)		
Investment income (losses are indicated with “-”)	12,593,731.12	10,657,426.97
Including: Share of profit of associated companies and joint ventures	12,593,731.12	10,657,426.97
2. Operating profit (losses are indicated with “-”)	1,288,457,714.20	419,562,663.34
Add: Non-operating income	4,560,513.30	17,007,455.20
Including: Gain on disposal of non-current assets	225,625.84	6,697,231.69
Less: Non-operating expenses	338,253.11	2,611,041.69
Including: Losses on disposal of non-current assets	13,424.27	5,101.69
3. Total profits (total losses are indicated with “-”)	1,292,679,974.39	433,959,076.85
Less: Income tax expenses	189,093,220.16	59,266,198.74
4. Net profits (net losses are indicated with “-”)	1,103,586,754.23	374,692,878.11
5. Net other comprehensive income after tax	12,240,000.00	-30,260,000.00
(1) Those other comprehensive income not to be reclassified into profit or loss in subsequent periods		
1. Changes arising from re-measuring net assets or net liabilities of defined benefit plan		
2. Share of investee's other comprehensive income not to be reclassified into profit or loss using the equity method		

(2) Those other comprehensive income to be reclassified into profit or loss in subsequent periods	12,240,000.00	-30,260,000.00
1. Share of investee's other comprehensive income to be reclassified into profit or loss using the equity method		
2. Change of fair value of available-for-sale financial assets	12,240,000.00	-30,260,000.00
3. Gains or losses on reclassification of held-to-maturity investments to financial assets available for sale		
4. Effective portion of cashflow from hedging Instrument		
5. Exchange differences on foreign currency translation		
6. Others		
6.Total comprehensive income	1,115,826,754.23	344,432,878.11
7. Earnings per share:		
(1) Basic earnings per share	0.28	0.09
(2) Diluted earnings per share	0.28	0.09

4.1.5 Consolidated cash flow statement

Unit: RMB

Item	Amount for current Period	Amount for corresponding period of last year
1. Cash flows from operating activities:		
Cash received from sale of goods and provision of services	23,239,216,143.86	14,043,017,748.92
Net increase in customers' deposit and interbank deposit		
Net increase in loans from central bank		
Net increase in capital borrowed from other financial institutions		
Cash received from premiums of original insurance contract		
Net cash received from reinsurance		
Net increase in policyholder deposit and investment		
Net increase in disposal of financial assets at fair value through profit or loss		
Cash received from interests, handling fees and commission		
Net increase in capital borrowed		
Net increase in cash received under repurchasing		
Refund of taxes	101,847,493.29	93,163,943.39
Other cash received relating to operating activities	298,327,365.24	397,614,878.94
Subtotal of cash inflows from operating activities	23,639,391,002.39	14,533,796,571.25
Cash paid for purchase of goods and receiving of services	14,714,580,609.33	8,356,410,755.94
Net increase in customers' loans and advances		
Net increase in fund deposited in central bank and interbank		
Cash paid for claims under original insurance contract		
Cash paid for interests, handling fees and commission		

Cash paid for dividends to policyholders		
Cash paid to and for staff	5,001,454,808.77	3,627,110,205.10
Cash paid for all types of taxes	1,693,888,879.53	636,264,555.75
Other cash paid relating to operating activities	2,806,750,782.15	1,806,076,688.54
Subtotal of cash outflows from operating activities	24,216,675,079.78	14,425,862,205.33
Net cash flows from operating activities	-577,284,077.39	107,934,365.92
2. Cash flows from investing activities:		
Cash received from disposal of investments	125,000,000.00	113,000,000.00
Cash from return on investments	2,553,778.49	1,028,506.64
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	13,879,255.08	158,943,546.85
Net cash received from disposal of subsidiaries and other business units		
Other cash received relating to investing activities	5,504,725.86	
Subtotal of cash inflows from investing activities	146,937,759.43	272,972,053.49
Cash paid for acquisition and construction of fixed assets, intangible assets and other long-term assets	518,687,383.30	890,457,663.18
Cash paid for investment	615,039,000.00	727,223,294.00
Net increase in pledged loans		
Net cash paid for acquisition of subsidiaries and other business units		187,543,200.00
Other cash paid relating to investing activities	26,980.79	24,567,667.69
Subtotal of cash outflows from investing activities	1,133,753,364.09	1,829,791,824.87
Net cash flows from investing activities	-986,815,604.66	-1,556,819,771.38
3. Cash flows from financing activities:		
Cash received from capital contribution		1,889,711.51
Including: Cash received by subsidiaries from capital contribution of minority shareholders		
Cash received from borrowings	10,444,731,119.78	7,655,326,800.00
Cash received from issuance of debentures		
Other cash received relating to financing activities		3,844,635.60
Subtotal of cash inflows from financing activities	10,444,731,119.78	7,661,061,147.11
Cash paid for repayment of borrowings	9,874,165,750.00	7,341,341,690.07

Cash paid for distribution of dividends, profit or for interest repayment	306,158,760.67	231,856,510.20
Including: Dividends and profit distributed to minority shareholders by subsidiaries	47,048,418.09	50,775,980.21
Other cash paid relating to financing activities	46,320,388.08	189,380,010.87
Subtotal of cash outflows from financing activities	10,226,644,898.75	7,762,578,211.14
Net cash flows from financing activities	218,086,221.03	-101,517,064.03
4. Effects of changes in exchange rates on cash and cash equivalents	14,629,086.16	20,314,363.32
5. Net increase in cash and cash equivalents	-1,331,384,374.86	-1,530,088,106.17
Add: balances of cash and cash equivalents as at the beginning of the period	21,598,831,905.22	21,154,657,664.43
6. Balances of cash and cash equivalents as at the end of the period	20,267,447,530.36	19,624,569,558.26

4.1.6 Cash flow statement of the parent company

Unit: RMB

Item	Amount for current Period	Amount for corresponding period of last year
1. Cash flows from operating activities:		
Cash received from sale of goods and provision of services	3,225,719,878.96	1,452,017,588.21
Refund of taxes		
Other cash received relating to operating activities	44,367,658.13	107,306,488.15
Subtotal of cash inflows from operating activities	3,270,087,537.09	1,559,324,076.36
Cash paid for purchase of goods and receiving of services	3,603,603,598.49	2,378,919,101.47
Cash paid to and for staff	320,639,120.90	342,470,001.15
Cash paid for all types of taxes	819,312,519.63	220,077,107.75
Other cash paid relating to operating activities	27,719,512.75	145,561,808.86
Subtotal of cash outflows from operating activities	4,771,274,751.77	3,087,028,019.23
Net cash flows from operating activities	-1,501,187,214.68	-1,527,703,942.87
2. Cash flows from investing activities:		
Cash received from disposal of investments		100,000,000.00
Cash from return on investments	57,316,065.21	
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	199,840.00	
Net cash received from disposal of subsidiaries and other business units		
Other cash received relating to investing activities		
Subtotal of cash inflows from investing activities	57,515,905.21	100,000,000.00
Cash paid for acquisition and construction of fixed assets, intangible assets and other long-term assets	73,297,412.09	111,863,548.58
Cash paid for investment	4,950,000.00	
Net cash paid for acquisition of subsidiaries and other business units		
Other cash paid relating to investing activities		42,787.69
Subtotal of cash outflows from investing activities	78,247,412.09	111,906,336.27
Net cash flows from investing activities	-20,731,506.88	-11,906,336.27

3. Cash flows from financing activities:		
Cash received from capital contribution		
Cash received from borrowings		
Cash received from issuance of debentures		
Other cash received relating to financing activities		
Subtotal of cash inflows from financing activities		
Cash paid for repayment of borrowings		
Cash paid for distribution of dividends, profit or for interest repayment		
Other cash paid relating to financing activities		
Subtotal of cash outflows from financing activities		
Net cash flows from financing activities		
4. Effects of changes in exchange rates on cash and cash equivalents	1,372.72	6,959.42
5. Net increase in cash and cash equivalents	-1,521,917,348.84	-1,539,603,319.72
Add: balances of cash and cash equivalents as at the beginning of the period	9,744,275,681.71	12,429,369,847.65
6. Balances of cash and cash equivalents as at the end of the period	8,222,358,332.87	10,889,766,527.93

4.2 Auditors' report

Whether the first quarterly report is audited or not

☐ Yes ☒ No

The first quarterly report of the Company is not audited.

WEICHAI POWER CO., LTD.
Tan Xuguang, Chairman
27 April 2017