



股份編號 Stock code:2338.HK

Interim Report 2010

2010 | 中報

潍柴動力股份有限公司
WEICHAI POWER CO., LTD.



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Corporate Information

Directors

Executive Directors

Tan Xuguang (*Chairman and CEO*)

Xu Xinyu (*Executive President*)

Sun Shaojun (*Executive President*)

Zhang Quan (*Executive President*)

Non-executive Directors

Zhang Fusheng

Liu Huisheng

Yao Yu

Yeung Sai Hong

Chen Xuejian

Li San Yim

Julius G. Kiss

Han Xiaoqun

Gu Linsheng

Li Shihao

Liu Zheng

Independent Non-executive Directors

Zhang Xiaoyu

Koo Fook Sun, Louis

Fang Zhongchang

Supervisors

Sun Chengping

Ding Yingdong

Jiang Jianfang

Company Secretary, Chief Financial Officer and Qualified Accountant

Cheung Tat Leung, Peter (*FCCA, FCPA*)

Secretary to the Board

Dai Lixin

公司資料

董事

執行董事

譚旭光 (*董事長兼首席執行官*)

徐新玉 (*執行總裁*)

孫少軍 (*執行總裁*)

張 泉 (*執行總裁*)

非執行董事

張伏生

劉會勝

姚 宇

楊世杭

陳學儉

李新炎

Julius G. Kiss (*尤利斯G.肯斯*)

韓小群

顧林生

李世豪

劉 征

獨立非執行董事

張小虞

顧福身

房忠昌

監事

孫承平

丁迎東

蔣建芳

公司秘書、財務總監暨合資格會計師

張達良 (*FCCA, FCPA*)

董事會秘書

戴立新

Corporate Information (Continued)

Legal Representative

Liu Jiahong
197, Section A, Fu Shou East Street
High Technology Industrial Development Zone
Weifang
Shandong Province
The People's Republic of China
Postal Code: 261061
Tel: (86) (536)-229 7068
Fax: (86) (536)-819 7073
Website: <http://www.weichai.com>

Authorised Representatives

Xu Xinyu
Cheung Tat Leung, Peter

Registered Address and Headquarters of the Company

197, Section A, Fu Shou East Street
High Technology Industrial Development Zone
Weifang
Shandong Province
The People's Republic of China
Postal Code: 261061
Tel: (86) (536)-229 7068
Fax: (86) (536)-819 7073
website: <http://www.weichai.com>

Place of Business in Hong Kong

Room 1909, 19th Floor
Gloucester Tower
15 Queen's Road Central
Hong Kong

Legal Advisors

Richards Butler
in association with Reed Smith LLP

公司資料 (續)

證券事務代表

劉加紅
中華人民共和國
山東省
濰坊
高新技術產業開發區
福壽東街甲197號
郵編：261061
電話：(86) (536)-229 7068
傳真：(86) (536)-819 7073
網址：<http://www.weichai.com>

授權代表

徐新玉
張達良

註冊辦事處及公司總部

中華人民共和國
山東省
濰坊
高新技術產業開發區
福壽東街甲197號
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電話：(86) (536)-229 7068
傳真：(86) (536)-819 7073
網址：<http://www.weichai.com>

香港營業地點

香港中環
皇后大道中15號
告羅士打大廈
19樓1909室

法律顧問

齊伯禮律師行
禮德律師行聯營行

Corporate Information (Continued)

Auditors

Non-PRC auditors:

Messrs. Ernst & Young
Certified Public Accountants

PRC auditors:

山東正源和信有限責任會計師事務所
(Shandong Zheng Yuan Hexin Accountants Limited)

Audit Committee

Koo Fook Sun, Louis (Chairman)
Zhang Xiaoyu
Fang Zhongchang

Strategic Development and Investment Committee

Tan Xuguang (Chairman)
Sun Shaojun
Zhang Quan
Chen Xuejian
Li San Yim
Julius G. Kiss
Zhang Xiaoyu

Remuneration Committee

Koo Fook Sun, Louis (Chairman)
Zhang Fusheng
Yao Yu
Zhang Xiaoyu
Fang Zhongchang

Nomination Committee

Fang Zhongchang (Chairman)
Xu Xinyu
Zhang Quan
Zhang Xiaoyu
Koo Fook Sun, Louis

Principal Bankers

Industrial and Commercial Bank of China
China Construction Bank Corporation
Bank of China
HSBC

公司資料(續)

核數師

非國內核數師：

安永會計師事務所
執業會計師

國內核數師：

山東正源和信有限責任會計師事務所

審核委員會

顧福身(主席)
張小虞
房忠昌

策略發展及投資委員會

譚旭光(主席)
孫少軍
張泉
陳學儉
李新炎
Julius G. Kiss
張小虞

薪酬委員會

顧福身(主席)
張伏生
姚宇
張小虞
房忠昌

提名委員會

房忠昌(主席)
徐新玉
張泉
張小虞
顧福身

主要往來銀行

中國工商銀行
中國建設銀行
中國銀行
滙豐銀行

Corporate Information (Continued)

Hong Kong H-share Registrar and Transfer Office

Computershare Hong Kong Investor Services Limited
46th Floor, Hopewell Centre
183 Queen's Road East
Wanchai
Hong Kong

Share Information

Number of issued shares 833,045,683 shares
(630,645,683 A shares,
and 202,400,000 H shares)

Board lot (H股) 1,000 H-shares
(A股) 100 A-shares

Abbreviation of the Company's share and Stock Codes

A Shares: Weichai Power (濰柴動力) 000338

H Shares: Weichai Power (濰柴動力) 2338

Stock Exchange Listings

A Shares: Shenzhen Stock Exchange

H Shares: The Stock Exchange of Hong Kong Limited
(the "Hong Kong Stock Exchange")

Investors and Media Relations

The Company:**Securities Department**

Tel: (86) 536-229 7068

Fax: (86) 536-819 7073

Website: www.weichai.com

Public Relations Consultant:**Hill & Knowlton Asia Ltd**

Tel: (852) 2894 6321

Fax: (852) 2576 1990

Website: www.hillandknowlton.com

公司資料 (續)

香港H股登記及過戶處

香港中央證券登記有限公司
香港
灣仔
皇后大道東183號
合和中心46樓

股份資料

已發行股份數目: 833,045,683 股
(630,645,683 股A股,
及202,400,000 股H股)

交易單位 (H股) 1,000 股H股
(A股) 100 股A股

本公司股份簡稱及股份代號

A股: 濰柴動力 (Weichai Power) 000338

H股: 濰柴動力 (Weichai Power) 2338

上市交易所

A股: 深圳交易所

H股: 香港聯合交易所有限公司 (「聯交所」)

投資者及媒體關係

公司:

證券部

電話: (86) 536-229 7068

傳真: (86) 536-819 7073

網址: www.weichai.com

公眾關係

顧問:

偉達公眾關係顧問有限公司

電話: (852) 2894 6321

傳真: (852) 2576 1990

網址: www.hillandknowlton.com

Financial Summary

Turnover amounted to approximately RMB32,772 million, increased by approximately 109.4%.

Net Profit Attributable to Owners of the Company amounted to approximately RMB3,235 million, increased by approximately 164.7%.

Basic Earnings Per Share was approximately RMB3.88, increased by approximately 163.9%.

財務概要

營業額約為人民幣32,772百萬元，增長約109.4%。

本公司擁有人應佔淨利潤約為人民幣3,235百萬元，增長約164.7%。

每股基本盈利約為人民幣3.88元，增長約163.9%。

Chairman's Statement

主席報告書



Dear Shareholders,

On behalf of the Board, I would like to present the reviewed interim results of the Company for the six months ended 30 June 2010.

I. Review of Operations

Entering 2010, the positive factors in China's national economy keep increasing and signs of stabilization are increasingly evident, as a result of the implementation of economic stimulus plans in response to the global financial crisis. In particular, the agriculture sector maintained its momentum, while industrial production saw a faster rebound; consumption continued to grow rapidly, and investment growth has gradually accelerated. In the first half of the year, the GDP in China reached RMB17,284 billion, representing a year-on-year growth of 11.1%, and 3.7% faster compared to last year. Meanwhile, the fixed asset investment in China maintained a fast growth, with China's fixed asset investment amounted to RMB11,418.7 billion in the first half of the year, representing a year-on-year growth of 25.0%. The rapid growth of China's economy has laid a foundation to the sustainable development of the automobile industry and also provided the equipment manufacturing industries such as heavy-duty vehicle and construction machinery industries, etc. with advantages and opportunities.

各位股東：

本人謹此代表董事會呈報本公司截止二零一零年六月三十日經審閱後的中期業績。

一、經營回顧

進入二零一零年，在應對國際金融危機的一攬子經濟刺激計劃作用下，中國國民經濟運行中的積極因素不斷增多，企穩向好勢頭日趨明顯。農業發展勢頭良好，工業生產增速回升加快；消費持續較快增長，投資增速逐步加快。上半年，我國GDP達172,840億元，同比增長11.1%，比上年同期加快3.7個百分點。同時，固定資產投資仍然保持快速增長，上半年，全社會固定資產投資114,187億元，同比增長25.0%。中國經濟高速發展，奠定了汽車產業可持續發展的基礎，也為重型汽車、工程機械等裝備製造行業的發展創造了條件，帶來了機遇。

Chairman's Statement (Continued)

During the reporting period, China's automobile market showed a strong growth. Heavy-duty truck was the best performing segment of the automobile market, with its domestic sales totaled approximately 584,000 units, representing a year-on-year growth of 112.9%, which is equivalent to 91.8% of the total annual sales of 2009. The heavy-duty truck market has enjoyed a good start for the first half of the year, with manufacturers, dealers and users all maintain a bullish stance toward the market. Toward the heavy-duty truck market, manufacturers were in favor of the "building-up" of inventory and the tight supply of auxiliary products, while the dealers were making early preparation of market resources to ensure they meet the product orders after the Spring Festival; and the users were making inquiries in anticipation of the seasonal demand for construction vehicles as well as logistics and transportation after the Spring Festival, all pointed to a boom of effective demand and signaling the start of a new growth cycle.

According to the statistics of 中國汽車工業協會 (China Association of Automobile Manufacturers), the Company's major customers such as 陝西重型汽車有限公司 (Shaanxi Heavy-duty Motor Company Limited), 北汽福田汽車股份有限公司 (Beiqi Futian Motor Company Limited), 包頭北方奔馳重型汽車有限責任公司 (Baotou North-Benz Heavy-Duty Truck Co., Ltd.), and 安徽江淮汽車股份有限公司 (Anhui Jianghuai Automotive Co., Ltd.), all recorded an outperformance over the sales target, and a mild increase in market share, hence guaranteeing the growth of the market share of the Company's products. The Company's aggregate sales of heavy-duty truck engines reached approximately 222,000 units in the first half of 2010, representing a year-on-year increase of 118.7%, which was 5.8% higher than average level of the industry. The Company's market share in the heavy-duty truck with a gross weight of 14 tonnes (and above) market achieved 38.0%, representing an increase of 0.9% over the corresponding period of last year. With the outstanding performance of its new model of vehicle, 陝西重型汽車有限公司 (Shaanxi Heavy-duty Motor Company Limited), a subsidiary of the Company, has ranked the fourth in the heavy-duty truck industry and reported an aggregate sales of approximately 60,000 units of heavy-duty trucks for the first half of the year, representing an increase of 118.2% over the corresponding period of last year. 陝西法士特齒輪有限責任公司 (Shaanxi Fast Gear), a subsidiary of the Company, has maintained its leading position in the industry and reported an aggregate sales of approximately 492,000 units of gear boxes, representing a year-on-year increase of 109.0%.

主席報告書(續)

於本期內，中國汽車市場出現大幅度增長。中國重卡市場共銷售約58.4萬輛，同比增長112.9%，是增長最快的汽車細分市場，銷量已經相當於2009年全年總量的91.8%。重卡市場上半年開盤良好：企業、經銷商、用戶三方全部看漲。重卡企業看好市場「囤積」資源車，配套資源緊俏；經銷商看好春節過後的訂單，提前準備市場資源，以免交貨期再度延遲；用戶看好節後工程車輛的需求和物流運輸的旺季，紛紛詢價，顯現了有效需求之旺季，預示著新一輪增長的起點。

根據中國汽車工業協會統計資料，公司主要客戶如：陝西重型汽車有限公司、北汽福田汽車股份有限公司、包頭北方奔馳重型汽車有限責任公司、安徽江淮汽車股份有限公司等都超額完成任務，市場份額略有提升，進而保證了本公司產品市場份額增長。二零一零年上半年，公司共銷售重卡用發動機約22.2萬台，同比增長118.7%，高於行業增幅5.8個百分點，公司在總質量14噸以上重卡市場配套佔有率達到38.0%，較去年同期增長0.9個百分點；本公司控股子公司陝西重型汽車有限公司憑藉新車型的優異市場表現，上半年共銷售重型卡車約6萬輛，同比增長118.2%，在重卡行業中位列第四。本公司的控股子公司陝西法士特齒輪有限責任公司共銷售變速器約49.2萬台，同比增長109.0%，繼續保持行業內絕對龍頭地位。

Chairman's Statement (Continued)

主席報告書(續)

In the first half of 2010, the engineering machinery market was growing at a rate faster than expected, as a large number of new engineering projects entered the phase of construction due to the lag-effect of the stimulus investment of RMB4 trillion. However, this fast growth was offset to a certain extent by the combined effect of the "Ten new national policies to curb the soaring of housing prices", as well as the enhanced measures to reduce energy consumption and emissions through the control of new projects in high energy consumption sectors, the phase-out of lagged production capacities, the implementation of differentiated power price, and adjustment or cancellation of tax refund for the high energy consumption sectors. During the reporting period, a total of approximately 358,000 units of construction machines were sold in China, representing an increase of 68.1% over last year, in which the sales of wheel loaders with a load capacity of 5 tonnes amounted to approximately 84,000 units, representing an increase of 74.7% over last year. According to the statistics of 中國工程機械協會 (China Construction Machinery Association), the Company's major customers, such as 中國龍工控股有限公司 (China Infrastructure Machinery Holdings Limited), 廣西柳工機械股份有限公司 (Guangxi Liugong Machinery Co., Ltd.), 山東臨工工程機械有限公司 (Shandong Lingong Construction Machinery Co., Ltd.), 徐工工程機械集團有限公司 (Xuzhou Construction Machinery Group Inc.), 成都成工機械有限公司 (Chengdu Construction Machinery Co., Inc.), 山東山工機械有限公司 (Shandong SEM Machinery Co., Ltd.), all recorded an increase over last year, hence driving the growth of the Company's product sales. However, the Company's market share in wheel loader was slightly lower due to the limited production capacity of the Company. The Company's sales of engines for construction machinery were approximately 68,000 units in the first half of 2010, representing a year-on-year increase of 64.4%, and the sales of engines for wheel loader engines with a load capacity of 5 tonnes were approximately 61,000 units, representing a year-on-year increase of 58.1%. According to the information published on the website of 中國工程機械信息網 (China Construction Machinery Network), the Company had a market share of 73.2% in the market of wheel loader engines with a load capacity of 5 tonnes (and above).

二零一零年上半年，受四萬億投資滯後效應影響，大量工程項目進入開工施工階段，工程機械行業迎來了超預期高速增長。但是，隨著房產新政「新國十條」出台，以及國家進一步加大節能減排力度，採取了控制高耗能行業新上項目、加大淘汰落後產能、實行差別電價和調整或取消部分高耗能產品出口退稅率等一系列措施，在一定程度上，又限制了工程機械行業快速增長。報告期內，中國工程機械市場共銷售約35.8萬台，同比增長68.1%，其中大型工程機械5噸裝載機銷售約8.4萬台，同比增長74.7%。根據中國工程機械工業協會統計數據，公司主要客戶如：中國龍工控股有限公司、廣西柳工機械股份有限公司、山東臨工工程機械有限公司、徐工工程機械集團有限公司、成都成工機械有限公司、山東山工機械有限公司等較去年同期均實現增長，進而帶動了本公司產品銷量增長。但受制於本公司產能影響，公司在裝載機市場份額略有下降。二零一零年上半年，公司共銷售工程機械發動機約6.8萬台，同比增長64.4%，銷售5噸裝載機發動機約6.1萬台，同比增長58.1%。根據中國工程機械信息網數據，公司在載重5噸及以上裝載機的市場佔有率達到73.2%。

Chairman's Statement (Continued)

During the reporting period, with our technology innovation, the Company continued to lead the development of power-transmission technology in China. Following the implementation of the China III emission standard for heavy-duty trucks, our proprietary high-power and high-speed "Landking" (藍擎) engines received positive response and maintained its leading position in the heavy-duty truck and wheel loader markets, leveraged by its features such as environmental-friendly, fuel saving and reliable. With the "booming" of domestic heavy-duty truck market in 2010, the sales of "Landking" (藍擎) engines has set a new record high, with approximately 196,000 10-12L China III emission standard compliant engines sold during the reporting period. Meanwhile, our proprietary "Landking" (藍擎) WP5 and WP7 engines have successfully completed the vehicle match with excavating machinery and passenger vehicles. This in turn demonstrated the further enhancement of our research and development capability, greater competitive advantages of our product portfolio, and better prospects of the development of the Company.

2010 marks the enhancement of the Company's management. During the reporting period, the Company persisted in the development with internal quality where it continuously enhanced its management, accelerated the adjustment of its model and structure and boosted its scientific development. On the one hand, the Company persevered in enhancing its seven major management enhancement projects, namely, optimizing the enterprise management system, establishing a complete system to implement the guarantee mechanism, comprehensively and systemically enhancing basic management, creating an environment for constant innovation, improving and innovating on the training mechanism, setting up a lean production and manufacturing system and vigorously launching quality projects. On the other hand, the Company pushed on with the WOS project at all fronts to improve its management further. The WOS project aims to continually optimize the management procedure as well as enhance the management at all fronts including production and manufacturing, product quality, procurement and logistics under the philosophy of lean management. As the WOS project carries forward, it will be gradually internalized as a unique operation mode of Weichai Power and become the Company's core competitive edge that is irreproducible by others.

During the reporting period, the Company's revenue increased by 109.4% over the same period of 2009 to approximately RMB32,772 million. The net profit attributable to shareholders was approximately RMB3,235 million, representing an increase of 164.7% over the same period of 2009. The basic earnings per share increased to RMB3.88, representing an increase of 163.9% over the same period of 2009.

主席報告書(續)

報告期內，公司依靠科技創新，繼續引領中國動力技術進步潮流。進入重型卡車國III排放階段以來，公司具有自主知識產權的大功率高速「藍擎」發動機，以環保、節能、可靠等優勢，贏得了市場廣泛認可，隨著2010年國內重卡市場的「井噴」，「藍擎」發動機市場銷量創歷史新高，本期間共銷售10—12L國III發動機約19.6萬台，公司在重卡市場、裝載機市場的優勢地位仍然鞏固。同時，公司自主研發的具有知識產權的藍擎WP5、WP7發動機，與挖掘機、客車成功配套，標志著公司發動機產品系列進一步拓寬，產品組合競爭優勢更加明顯，企業發展前景將更為廣闊。

二零一零年，是公司的管理提升年。報告期內，本公司堅持內涵式發展，不斷提升管理水平，加快轉方式調結構，推動公司科學發展。一是堅定不移推進七大重點管理提升項目。即：優化完善企業管理體系；建立健全制度執行保障機制；全面系統加強基礎管理；營造全員持續創新氛圍；完善和創新培訓機制；建立精益化生產製造體系；深入開展質量精品工程。二是全面推進WOS項目，進一步提升管理水平。WOS項目旨在通過精益管理理念，不斷優化管理流程，提升企業的生產製造、產品質量、採購物流等全方面的管理水平。隨著WOS項目不斷推進，它將逐步固化為濰柴動力獨特的運營模式，成為公司不可複製的核心競爭優勢。

報告期內，公司實現營業收入約為32,772百萬元人民幣，較二零零九年同期增長109.4%。股東應佔淨利潤約為3,235百萬元人民幣，較二零零九年同期提高164.7%。每股基本盈利為3.88元人民幣，較二零零九年同期提高163.9%。

Chairman's Statement (Continued)

主席報告書(續)

II. Interim Dividend and Share Issuing by Conversion of Capital Reserve

The Board passed a resolution on 23rd August 2010: the Company proposed not to declare any interim dividend. The Company proposed to make the distribution to every shareholder at the rate of 10 shares for every 10 shares by conversion of the capital reserve based on the total share capital of 833,045,683 shares of the Company as at 30th June, 2010. Upon the implementation of above resolution, the total share capital of the Company would increase by approximately 833,045,683 shares to approximately 1,666,091,366 shares. The implementation of the resolution of shares issue by conversion of capital reserve is subject to the approval from the general meeting of the Company and the granting of the listing of the H shares so issued by the Listing Committee of the Stock Exchange.

二、中期股息及資本公積金轉增股本

本公司董事會於二零一零年八月二十三日通過決議：不建議派發中期股息。公司擬以二零一零年六月三十日為基準日的總股本833,045,683股為基數，以資本公積金向全體股東每10股轉增10股。上述方案實施後公司總股本將增加833,045,683股至1,666,091,366股。本次實施資本公積轉增股本方案尚需本公司股東大會及香港聯交所上市委員會就有關轉增的H股上市作出批准。

III. Acquisition and Consolidation

During the reporting period, there was no acquisition and consolidation.

三、收購與整合

報告期內，未發生收購整合事項。

IV. Outlook and Prospects

Looking forward to the second half of this year, the economic situations at home and abroad are still complex with much uncertainty. It is expected that the key tone of China's policy would be stabilization with the core for macro-control being rationalizing the relationship among maintaining a stable and faster economic development, adjusting economic structure and properly managing the expectation of inflation. In addition, China is expected to maintain a proactive fiscal policy and a moderately loose monetary policy as well as ensure the consistency and stability of the macroeconomic policy, while improving the monitoring, estimates and pre-warning towards economy as well as enhancing the pertinence and flexibility of the macro-control. In the second quarter, the growth rate of the economy declined mainly due to the macro policy and the large basis in the same period last year. The short term correction of growth rate is the one that happens at the upside during an economic recovery and is the positive result of an active correction. Therefore, the Chinese economy is not expected to suffer the so-called "double dip recession". On the one hand, the European debt crisis has had limited impact on China's export. The Euro depreciates while the RMB appreciates due to the European debt crisis, but the currencies of China's main competitors in export to Europe appreciates even faster, which would help maintain the competitiveness of those "Made in China". On the other hand, the export structure continues to improve. Emerging markets and developing countries account for up to 51.3% in China's export market while the overall recovery of emerging economies is better than that of the developed ones, which would contribute to a relatively steady growth in China's export in the second half of this year. In addition, the massive construction of affordable housing will effectively offset the reduction of investment in commercial housing. Such factors as the acceleration of urbanization and industrialization, continued implementation of the development of the western regions and the lag effect of the RMB4 trillion funding will still provide an impetus for investment growth. In the second half of 2010, the Chinese economy will grow steadily under a healthy and effective macro-control.

四、公司前景與展望

展望下半年，國內外經濟形勢依然複雜，不確定因素較多，預期國家將以穩定政策為主基調，堅持把處理好保持經濟平穩較快發展、調整經濟結構和管理通脹預期的關係作為宏觀調控的核心，繼續實施積極的財政政策和適度寬鬆的貨幣政策，保持宏觀經濟政策的連續性和穩定性，同時加強經濟監測預測預警，提高宏觀調控的針對性和靈活性。二季度經濟增速回落，主要是由於宏觀政策和去年同期基數的影響，增速的短期回調是經濟回暖過程中的高位調整，也是主動調整的積極結果，預期中國經濟不會出現所謂的「二次探底」。一方面，歐債危機對我國出口有影響，但影響有限。雖然歐債危機帶來歐元貶值、人民幣升值，但對歐出口的主要競爭對手國家的貨幣升值更快，「中國製造」競爭力依然存在。另一方面，出口結構不斷優化，新興市場和發展中國家在我國出口市場的佔比高達51.3%，而新興經濟體復蘇整體好於發達經濟體，下半年我國出口仍將保持相對平穩的增勢。另外，保障性住房的大規模開工將有效對沖商品房投資的減少，城鎮化、工業化加速發展，西部大開發繼續推進，四萬億投資滯後效應等因素仍然拉動投資增長。二零一零年下半年，我國經濟將會在健康、有效的宏觀調控中實現穩定增長。

Chairman's Statement (Continued)

The Company is cautiously optimistic about the development of its related industries. With regard to the heavy-duty trucks market, on the one hand, the market demand for logistics and transportation vehicles and construction-related heavy-duty trucks will be long boosted by several factors. For example, the fundamentals of the Chinese economy remains sound, the government continues to push on with the urbanization process and the development strategy of the regional economy as well as there are increasing demands both at home and abroad. On the other hand, with the relief of the global financial crisis and an expected growth of export, the recovery of overseas economies will play a crucial role in the export of heavy-duty trucks. However, the appreciation of RMB casts some pressure on the export of heavy-duty trucks, and the rising price of raw materials and oil will become the major setback for the growth of heavy-duty trucks in the second half of this year. On another front, the demand in the heavy-duty trucks market will be also boosted by the continuity of several favorable policies for the automobile sector, including the fuel tax policy, the car subsidy program for rural areas, the old car replacement scheme and the new energy development scheme. With regard to the construction machinery market, investment will maintain its steady growth in the second half of this year due to several beneficial factors, such as the massive construction of affordable housing, the acceleration of urbanization and industrialization, continuous expansion of the scale of private investment and continuous implementation of the development of the west regions. The overall demand in the construction machinery sector continues to look promising.

With the further implementation of the China III Emission Standard and the upcoming implementation of the China IV Emission Standard, we anticipate that there will be fierce competition in China's engine market in the coming years. Leveraging on our advanced technology, large-scale and high quality of our production and a loyal customer base, we will maintain our leading position in the high-power engine market and the directors have full confidence in the prospect of the Company.

主席報告書(續)

對於與公司相關的行業發展態勢，本公司持謹慎樂觀的態度。重卡市場，一方面，中國經濟基本面仍然良好，城鎮化進程、區域經濟發展戰略的推進以及內外需的擴大將長期帶動物流運輸車輛及工程類重卡的市場需求；另一方面，隨著全球金融危機的減弱，出口形勢增長可期，國外經濟的復蘇成為影響重卡出口的關鍵因素。而人民幣升值給重卡出口帶來一定壓力，原材料價格和油價上漲，成為影響下半年重卡市場增長的重要因素。此外，燃油稅政策、汽車下鄉、以舊換新及新能源發展規劃等汽車行業利好政策的延續，也將帶動重卡市場新增需求。工程機械市場，受保障性住房的大規模開工，城鎮化、工業化加速發展，民間投資規模不斷擴大，西部大開發戰略進一步推進等利好因素的影響，下半年投資增速仍將保持穩增態勢，工程機械行業整體需求形勢將繼續看好。

依據公司判斷，國III排放標準的實施力度加大，國IV排放標準實施在即，中國發動機市場在未來幾年內競爭將更加激烈，但本公司憑藉領先的技術實力，大規模、高品質的產品製造，以及穩固忠誠的客戶群體，在大功率發動機市場將繼續保持領先。董事會對本公司的未來發展前景充滿信心。

Chairman's Statement (Continued)

The Company will further enhance our R&D effort, complete the marketing for China IV products in batches ahead of schedule and continue to perfect product performance, so as to better satisfy customers' demand and become technologically ready for the upcoming China IV phase. Meanwhile, the Company will also further advance product and market structure adjustments. With regard to high-power segment, the Company will accelerate the pace of optimization and localization of Moteurs Baudouin's engines of 16L (or above), and develop a complete series of Weichai industry power products. With regard to low to medium-power segment, through the newly developed 5-7L engines, we will keep exploring emerging markets such as passenger vehicles, non-loader construction machinery and medium to heavy-duty trucks. The Company will focus on improving market network, exploring the international market, upgrading service sector of after market, unwaveringly building up its strengths in market diversification to form a coordinated market layout, so as to achieve the coordinated development of international, domestic and after market, as well as lowering enterprise operation risks.

At the same time, under the principle of "unifying strategy, independent operation, resources sharing", we will accelerate the coordinated development of commercial vehicle sector, power chain sector and automobile component sector. We will further integrate the Company's advantageous resources, fully utilize synergies and improve our capability against risks. The Company will strive to become an international enterprise with an orientation on complete vehicles and complete machines and owns the core technology for power assembly, so as to develop into a unique and would-leading equipment manufacturer.

V. Appreciation

Last but not least, I would like to take this opportunity to express my sincere appreciation to all our shareholders, the general public and our customers for their care and support, as well as all of our staff for their hard work and dedication in the last six months!

Tan Xuguang
Chairman and Chief Executive Officer

Hong Kong, 23 August 2010

主席報告書 (續)

本公司將進一步加大研發力度，提前做好國IV產品的批量市場推廣工作，不斷完善產品性能，以更好地滿足客戶需求，為即將到來的國IV階段做好技術儲備。同時，公司還將進一步推進產品和市場結構調整工作，在大功率段，加快法國博杜安公司16升以上發動機的優化提升和國產化步伐，構建完善的濰柴工業動力產品系列；在中小功率段，依托新開發的5-7升發動機，不斷開拓客車、非裝載機工程機械、中重卡等新興市場；重點完善市場網絡，拓展國際市場，做大後市場服務板塊，堅定不移地打造市場多元化優勢，形成縱橫協調的市場布局，實現國際、國內、後市場協調發展，不斷降低企業經營風險。

同時，按照「戰略統一、獨立運營、資源共享」的原則，加快本公司商用車板塊、動力總成板塊、汽車零部件板塊的協調發展，進一步整合公司優勢資源，最大限度地發揮公司資源的協同效應，增強公司的抗風浪能力，努力將公司打造成以整車、整機為導向，並擁有動力總成核心技術的國際化企業集團，成為獨具特色、全球領先的裝備製造業集團。

五、致謝

最後，我謹借此機會，向關心和支持本公司的所有股東及社會各界人士、廣大客戶，向半年來勤勉工作的全體員工，表示衷心的感謝！

董事長兼首席執行官
譚旭光

香港，二零一零年八月二十三日

Management Discussion and Analysis

The Directors are pleased to provide a management discussion and analysis of the interim results of operations of the Group for the period ended 30 June 2010 as follow:

I. Industry Analysis

The Company is one of the largest manufacturers of high-speed heavy-duty diesel engines in the PRC and a leading company in the power chain market. It is equipped with the most comprehensive supply chain of engines, gear boxes and axles.

1. Heavy-duty Vehicle Industry

During the reporting period, China's automobile market showed a strong growth. Heavy-duty truck was the best performing segment of the automobile market, with its domestic sales totaled approximately 584,000 units, representing a year-on-year growth of 112.9%, which is equivalent to 91.8% of the total annual sales of 2009. The heavy-duty truck market has enjoyed a good start for the first half of the year, with manufacturers, dealers and users all maintain a bullish stance toward the market. Toward the heavy-duty truck market, manufacturers were in favor of the "building-up" of inventory and the tight supply of auxiliary products, while the dealers were making early preparation of market resources to ensure they meet the product orders after the Spring Festival; and the users were making inquiries in anticipation of the seasonal demand for construction vehicles as well as logistics and transportation after the Spring Festival, all pointed to a boom of effective demand and signaling the start of a new growth cycle.

First, entering 2010, the positive factors in China's national economy keep increasing and signs of stabilization are increasingly evident, as a result of the implementation of economic stimulus plans in response to the global financial crisis. In particular, the agriculture sector maintained its momentum, while industrial production saw a faster rebound; consumption continued to grow rapidly, and investment growth was accelerated.

管理層討論與分析

董事欣然提呈本集團截至二零一零年六月三十日止中期經營業績之管理層討論與分析，詳情如下：

I. 行業分析

本公司為國內大功率高速柴油發動機的最大製造商之一，是動力總成市場的領先公司，具有最完善的發動機、變速箱及車橋供應鏈。

1. 重型汽車行業

於本期內，中國汽車市場出現大幅度增長。中國重卡市場共銷售約58.4萬輛，同比增長112.9%，是增長最快的汽車細分市場，銷量已經相當於2009年全年總量的91.8%。重卡市場上半年開盤良好：企業、經銷商、用戶三方全部看漲。重卡企業看好市場「囤積」資源車，配套資源緊俏；經銷商看好春節過後的訂單，提前準備市場資源，以免交貨期再度延遲；用戶看好節後工程車輛的需求和物流運輸的旺季，紛紛詢價，顯現了有效需求之旺季，預示著新一輪增長的起點。

一：進入二零一零年，在應對國際金融危機的一攬子經濟刺激計劃作用下，中國國民經濟運行中的積極因素不斷增多，企穩向好勢頭日趨明顯。農業發展勢頭良好，工業生產增速回升加快；消費持續較快增長，投資增速逐步加快。

Management Discussion and Analysis (Continued)

管理層討論與分析 (續)

Second, in the first half of the year, the GDP in China reached RMB17,284 billion, representing a year-on-year growth of 11.1%, and 3.7% faster compared to last year. Meanwhile, the fixed asset investment in China maintained a fast growth, with China's fixed asset investment amounted to RMB11,418.7 billion in the first half of the year, representing a year-on-year growth of 25.0%. The rapid growth of China's economy has laid a foundation to the sustainable development of the automobile industry and also provided the equipment manufacturing industries such as heavy-duty vehicle and construction machinery industries, etc., with advantages and opportunities.

二：上半年，我國GDP達17,284億元，同比增長11.1%，比上年同期加快3.7個百分點。同時，固定資產投資仍然保持快速增長，上半年，全社會固定資產投資114,187億元，同比增長25.0%。中國經濟高速發展，奠定了汽車產業可持續發展的基礎，也為重型汽車、工程機械等裝備製造行業的發展創造了條件，帶來了機遇。

2. Construction Machinery

A total of approximately 358,000 units of construction machines were sold in China during the period, representing an increase of 68.1% over the corresponding period of last year; among which sales of wheel loaders with a load capacity of 5 tonnes (and above) amounted to approximately 84,000 units, representing an increase of 74.7% over the corresponding period of last year.

2. 工程機械

於本期內，中國工程機械市場共銷售約35.8萬台，同比增長68.1%，其中大型工程機械5噸裝載機銷售約8.4萬台，同比增長74.7%。

In the first half of 2010, the engineering machinery market was growing at a rate faster than expected, as a large number of new engineering projects entered the phrase of construction due to the lag-effect of the stimulus investment of RMB4 trillion. However, this fast growth was offset to a certain extent by the combined effect of the "Ten new national policies to curb the soaring of housing prices", as well as the enhanced measures to reduce energy consumption and emissions through the control of new projects in high energy consumption sectors, the phase-out of lagged production capacities, the implementation of differentiated power price, and adjustment or cancellation of tax refund for the high energy consumption sectors.

二零一零年上半年，受四萬億投資滯後效應影響，大量工程項目進入開工施工階段，工程機械行業迎來了超預期高速增長。但是，隨著房產新政「新國十條」出台，以及國家進一步加大節能減排力度，採取了控制高耗能行業新上專案、加大淘汰落後產能、實行差別電價和調整或取消部分高耗能產品出口退稅率等一系列措施，在一定程度上，又限制了工程機械行業快速增長。

Management Discussion and Analysis (Continued)

管理層討論與分析(續)

II. The Group's Business

An analysis of the Group's business segments is set out in note 2 to the consolidated financial statements. The following are the highlights of the operations of major product lines of the Group:

1. Sales of Diesel Engines

For use in Heavy-duty Trucks

The Group is the largest supplier of diesel engines to major manufacturers of heavy-duty trucks with a load capacity of 15 tonnes (and above) in the PRC. The key customers include: 陝西重型汽車有限公司 (Shaanxi Heavy-duty Motor Company Limited), 北汽福田汽車股份有限公司 (Beiqi Futian Motor Company Limited), 包頭北方奔馳重型汽車有限責任公司 (Baotou North-Benz Heavy-Duty Truck Co., Ltd.), and 安徽江淮汽車股份有限公司 (Anhui Jianghuai Automotive Co., Ltd.), all recorded an outperformance over the sales target, and a mild increase in market share, hence guaranteeing the growth of the market share of the Company's products. Of the diesel engines sold during the period, approximately 222,000 units (2009: 102,000 units) were truck engines, representing an increase of approximately 118.7% compared to the corresponding period of 2009.

II. 本集團之業務

本集團業務分部之分析載於綜合財務報表附註2。本集團主要產品之經營狀況概述如下：

1. 銷售柴油機

用於重型卡車

本集團是中國載重量15噸(及以上)重型卡車主要製造商的最大柴油機供應商。其主要客戶包括：陝西重型汽車有限公司、北汽福田汽車股份有限公司、包頭北方奔馳重型汽車有限責任公司、安徽江淮汽車股份有限公司等都超額完成任務，市場份額略有提升，進而保證了本公司產品市場份額增長。在本期內所售出的柴油機中，卡車用柴油機約為22.2萬台(二零零九年：10.2萬台)，較二零零九年同期增長約118.7%。

Management Discussion and Analysis (Continued)

管理層討論與分析(續)

For use in Construction Machinery

The Group is also the largest supplier of diesel engines to major manufacturers of construction machinery (mainly wheel loaders) with a load capacity of 5 tonnes (and above) in the PRC. The key customers of the Group are: 中國龍工控股有限公司 (China Infrastructure Machinery Holdings Limited), 廣西柳工機械股份有限公司 (Guangxi Liugong Machinery Co., Ltd.), 山東臨工工程機械有限公司 (Shandong Lingong Construction Machinery Co., Ltd.), 徐工工程機械集團有限公司 (Xuzhou Construction Machinery Group Inc.), 成都成工機械有限公司 (Chengdu Construction Machinery Co., Inc.), 山東山工機械有限公司 (Shandong SEM Machinery Co., Ltd.), all recorded an increase over last year, hence driving the growth of the Company's product sales. However, the Company's market share in wheel loader was slightly lower due to the limited production capacity of the Company. During the period, the Group sold approximately 68,000 units (2009: approximately 41,000 units) of construction machinery engines, representing an increase of approximately 64.4% compared to that in the corresponding period of 2009. The sales of engines for wheel loader engines with a load capacity of 5 tonnes were approximately 61,000 units, representing a year-on-year increase of 58.1%. According to the information published on the website of 中國工程機械信息網 (China Construction Machinery Network), the Company had a market share of 73.2% in the market of wheel loader engines with a load capacity of 5 tonnes (and above).

2. Sale of Heavy-duty Trucks

During the period, the Group sold approximately 60,000 units heavy-duty trucks, compared to approximately 28,000 units in the corresponding period of 2009, representing an increase of approximately 118.2%. Prior to intra-group elimination, the truck business contributed approximately RMB12,816 million to the Group's revenue during the period.

3. Sale of Heavy-duty Gear Box

During the period, the Group sold approximately 492,000 units of heavy-duty gear boxes, representing an increase of approximately 109.0% compared to approximately 235,000 units in the corresponding period of 2009. Prior to intra-group elimination, the gear boxes business contributed approximately RMB5,750 million to the Group's revenue during the period.

用於工程機械

本集團亦是中國載重量5噸(及以上)工程機械(主要為輪式裝載機)的主要製造商之最大柴油機供應商。本集團的主要客戶包括中國龍工控股有限公司、廣西柳工機械股份有限公司、山東臨工工程機械有限公司、徐工工程機械集團有限公司、成都成工機械有限公司、山東山工機械有限公司等較去年同期均實現增長，進而帶動了本公司產品銷量增長。但受制於本公司產能影響，公司在裝載機市場份額略有下降。本期內所售出的柴油機中，工程機械柴油機約為6.8萬台(二零零九年：約4.1萬台)，較二零零九年同期增長64.4%。銷售5噸裝載機發動機約6.1萬台，同比增長58.1%。根據中國工程機械信息網數據，公司在載重5噸及以上裝載機的市場佔有率達到73.2%。

2. 銷售重型卡車

於本期內，本集團售出重型卡車約6萬輛，與二零零九年同期售出的約2.8萬輛重型卡車相比增長約118.2%。於對銷集團間公司銷售前，卡車業務於本期內為本集團貢獻銷售收入約人民幣12,816百萬元。

3. 銷售重型變速箱

於本期內，本集團售出重型變速箱約49.2萬台，與二零零九年同期售出的約23.5萬台重型變速箱相比增長約109.0%。於對銷集團間公司銷售前，變速箱業務於本期內為本集團貢獻銷售收入約人民幣5,750百萬元。

Management Discussion and Analysis (Continued)

管理層討論與分析(續)

4. Sale of Engine and Heavy-duty Truck Parts and Components

Apart from the production and sale of diesel engines for trucks and construction machinery, heavy-duty trucks and heavy-duty gear boxes, the Group is also engaged in the production and sales of engine parts and components and other truck parts and components such as: spark plugs, axles, chassis, air-conditioner compressors etc. During the period, the Group's sales of engine parts and truck parts amounted to approximately RMB1,275 million, representing an increase of approximately 70.2% or RMB526 million compared to RMB749 million in the corresponding period of 2009.

4. 銷售發動機及重型卡車零部件

除了生產及銷售卡車及工程機械之柴油機、重型卡車及重型變速箱外，本集團生產及銷售火花塞、車轆、底盤、空調壓縮機等發動機零部件及其他卡車零部件。於本期內，本集團之發動機零部件及卡車零部件銷售由去年同期的749百萬元增長約526百萬元至約人民幣1,275百萬元，同比增長約70.2%。

III. Financial Review

1. The Group's Results of Operations

a. Turnover

The Group's turnover increased from approximately RMB15,647 million in the corresponding period of 2009 to approximately RMB32,772 million in the period, representing an increase of approximately 109.4%. The increase in turnover was mainly attributable to the significant growth of automotive industry and construction machinery industry during the period. During the period, the Group sold approximately 222,000 units of diesel engines for use in heavy-duty trucks in total, compared to approximately 102,000 units in the corresponding period of 2009, representing an increase of approximately 118.7%. During the Period, Shaanxi Zhongqi recorded an aggregate sales of approximately 60,000 units of heavy-duty trucks, compared to approximately 28,000 units in the corresponding period of last year, representing an increase of 118.2%. During the period, Shaanxi Fast Gear Co. Ltd. reported an aggregate sales of approximately 492,000 units of gear boxes, representing an increase of 109.0% over the same period of last year.

b. Gross Profit and Gross Profit Margin

During the period, the Group's gross profit decreased from approximately RMB3,015 million in the corresponding period of 2009 to approximately RMB6,620 million in the period, representing an increase of approximately 119.6%. Gross profit margin increased from approximately 19.3% in the same period of 2009 to approximately 20.2% in the period, which was mainly due to the decline in unit cost as a result from economy of scale and the change of product mix, in which the percentage of China III products and engines for use in heavy-duty trucks with higher gross profit margin recorded a growth.

III. 財務回顧

1. 本集團之經營業績

a. 營業額

本集團的營業額由二零零九年同期的約人民幣15,647百萬元升至本期的約人民幣32,772百萬元，增幅約為109.4%，主要是由於期內汽車行業及工程機械行業出現大幅度增長所致。於本期內，本集團合共售出約22.2萬台重型卡車用柴油機，相比二零零九年同期售出的約10.2萬台，升幅約為118.7%。本期內，陝西重汽共售出約6萬輛重型卡車，相比去年同期售出的約2.8萬輛重型卡車升幅為118.2%。本期內，陝西法士特共銷售變速器約49.2萬台，相比去年同期增長109.0%。

b. 毛利潤及毛利潤率

於本期內，本集團毛利潤由二零零九年同期的約人民幣3,015百萬元升至本期的約人民幣6,620百萬元，升幅約為119.6%。毛利率則由二零零九年同期的約19.3%增至本年度的約20.2%，主要由於規模效應導致單位成本有所降低及產品結構組合變化，毛利率相對較高的國III標準產品和重卡發動機產品所佔比重有所提高所致。

Management Discussion and Analysis (Continued)

管理層討論與分析(續)

c. Other Income and gains

Other income increased by approximately 14.6% to approximately RMB145 million in the period from approximately RMB126 million in the same period of 2009. The increase was mainly due to the increase in interest income and government grants.

d. Selling and Distribution Costs

Selling and distribution costs increased by approximately 62.0% to approximately RMB722 million in the period from approximately RMB446 million in the corresponding period of 2009. As a percentage of turnover, selling and distribution costs decreased from approximately 2.8% in the corresponding period of 2009 to approximately 2.2% in the period, which was mainly due to the increase in turnover of 109.4% as compared to the corresponding period of last year.

e. Administrative Expenses

Administrative expenses of the Group increased by approximately 71.8% or approximately RMB389 million from approximately RMB542 million in the corresponding period of 2009 to approximately RMB931 million in the period. As a percentage of turnover, the administrative expenses decreased from approximately 3.5% in the same period of 2009 to approximately 2.8% in the period, which was mainly due to the expansion of the scale of operations.

f. Operating Profit before Finance Costs

During the period, the Group's operating profit increased by approximately 159.7% to approximately RMB4,651 million in the period from approximately RMB1,791 million in the corresponding period of 2009. The Group's operating margin increased from approximately 11.4% in the corresponding period of 2009 to approximately 14.2% in the period.

c. 其他收入及收益

其他收入由二零零九年同期的約人民幣126百萬元增至本期的145百萬元，增幅約為14.6%。該增長主要是由於銀行利息收入及政府補貼收入增加所致。

d. 銷售及分銷成本

銷售及分銷成本由二零零九年同期的約人民幣446百萬元，增至本期的約人民幣722百萬元，增幅約為62.0%，但由於營業額於去年同期相比上升109.4%，銷售及分銷成本佔營業額的百分比由二零零九年同期的約2.8%降至本期的約2.2%。

e. 行政開支

本集團的行政開支由二零零九年同期的約人民幣542百萬元增至本期的約人民幣931百萬元，增加約389百萬元，增幅約為71.8%。行政開支與營業額的百分比由二零零九年同期的約3.5%減少至本期的約2.8%，主要是由於本公司經營規模大幅提高所致。

f. 經營利潤(未扣除財務費用)

於本期內，本集團的經營利潤由二零零九年同期的約人民幣1,791百萬元增至本期的約人民幣4,651百萬元，增幅約為159.7%，本集團的經營利潤率亦由二零零九年同期的約11.4%增至本期的約14.2%。

Management Discussion and Analysis (Continued)

管理層討論與分析(續)

g. Finance Costs

Finance costs decreased by approximately 9.0% to approximately RMB112 million in the period from approximately RMB123 million in the corresponding period of 2009. This decrease was mainly due to the decrease in interest-bearing bank and other borrowings.

h. Income Taxes

The Group's income tax expenses increased by approximately 173.7% from approximately RMB246 million in the corresponding period of 2009 to approximately RMB675 million in the period. During the period, the Group's average effective tax rate maintained at 14.9% in the period, almost the same with the corresponding period of 2009 of 14.8%.

i. Net Profit and Net Profit Margin

The Group's net profit for the period increased by approximately 171.9% from approximately RMB1,422 million in the corresponding period of 2009 to approximately RMB3,865 million in the period, whilst the net profit margin also increased from approximately 9.1% in the corresponding period of 2009 to approximately 11.8% in the period.

j. Liquidity and Cash Flow

During the period, the Group generated operating cash flows of RMB3,383 million, part of which were applied in expanding the Group's operations by acquisition of property, plant and equipment; and in reducing its borrowings. As at 30 June 2010, the Group had net cash of RMB1,502 million (as at 31 December 2009: the Group had a net debt (interest-bearing debts net of cash and cash equivalents) of RMB141 million). Based on the calculation above, there is no debt to equity ratio available as the Group is in a net cash position (as at 31 December 2009: debt to equity ratio is 0.90%).

g. 財務費用

財務費用由二零零九年同期的約人民幣123百萬元降至本期的約人民幣112百萬元，降幅約為9.0%。減少的原因主要是在本期內計息銀行及其他借款的減少。

h. 所得稅

本集團的所得稅支出由二零零九年同期的約人民幣246百萬元增至本期的約人民幣675百萬元，增幅約為173.7%，於本期內，本集團的平均實際稅率維持在14.9%，與二零零九年同期的約14.8%基本一致。

i. 淨利潤及淨利潤率

本集團的本期內淨利潤由二零零九年同期的約人民幣1,422百萬元升至本期的約人民幣3,865百萬元，增幅約為171.9%；而淨利潤率也由二零零九年同期的約9.1%升至本期的約11.8%。

j. 流動資金及現金流

於本期內，本集團產生經營現金流人民幣3,383百萬元，其中部分已用於購買物業、機器及設備以擴展本集團之業務和減少借貸。於二零一零年六月三十日，本集團之計息債務扣除現金及現金等價物為現金淨額人民幣1,502百萬元（於二零零九年十二月三十一日：本集團之計息債務扣除現金及現金等價物為債務淨額人民幣141百萬元），按上述計算，本集團仍處於淨現金狀況，故並不適用資本負債比率（於二零零九年十二月三十一日：0.90%）。

Management Discussion and Analysis (Continued)

管理層討論與分析(續)

2. Financial Position**a. Assets and Liabilities**

As at 30 June 2010, the Group had total assets of approximately RMB48,081 million, of which approximately RMB35,454 million were current. As at 30 June 2010, the Group had cash and cash equivalents of approximately RMB4,757 million (as at 31 December 2009: RMB3,598 million), including cash and cash equivalents denominated in foreign currencies of approximately RMB166 million. On the same date, the Group's total liabilities amounted to approximately RMB28,940 million, of which approximately RMB26,618 million were current. The current ratio was approximately 1.33 (as at 31 December 2009: 1.35).

b. Capital Structure

At 30 June 2010, the Group had total equity of approximately RMB19,140 million, of which approximately RMB14,726 million was attributable to equity holders of the Company and the balance was non-controlling interests. The Group currently does not rely heavily on borrowings. The borrowings of the Group as at 30 June 2010 amounted to approximately RMB3,255 million, which included debenture of approximately RMB1,283 million and bank borrowings of approximately RMB1,972 million. Except for bank borrowings of approximately RMB25 million, approximately RMB84 million and approximately RMB21 million are denominated in US dollars, Hong Kong dollars and Euro, the remaining borrowings are in Renminbi. The Group's revenue is mainly in Renminbi. The Group believes that its exposure to foreign currency risks is not significant, but we will monitor closely the currency movement. As a policy, the Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximizing the return to shareholders through the optimization of the debts and equity balance. The Group's overall strategy remains unchanged from prior years.

2. 財務狀況**a. 資產及負債**

於二零一零年六月三十日，本集團資產總額約為人民幣48,081百萬元，其中流動資產為人民幣約35,454百萬元。於二零一零年六月三十日，本集團擁有約4,757百萬元的現金及現金等價物（於二零零九年十二月三十一日：人民幣3,598百萬元），其中外幣現金及現金等價物約為人民幣166百萬元。同日，本集團負債總額為人民幣約28,940百萬元，其中流動負債為人民幣約26,618百萬元。流動比率約為1.33倍（於二零零九年十二月三十一日：1.35倍）。

b. 資本結構

於二零一零年六月三十日，本集團總權益約為人民幣19,140百萬元，其中約人民幣14,726百萬元為本公司權益持有人應佔權益，剩餘權益為少數股東權益。本集團目前並無過分依賴借貸，本集團於二零一零年六月三十日的借貸金額約為人民幣3,255百萬元，其中包括人民幣約1,283百萬元的債券及約人民幣1,972百萬元的銀行借貸。除人民幣約25百萬元、人民幣約84百萬元及人民幣約21百萬元之銀行借款分別為美元借款、港元借款及歐元借款之外，其他借款均為人民幣借款，而本集團的收入主要是人民幣收入。本集團認為其外匯風險並不重大，但會密切留意匯率之變動。本集團的政策為管理其資本以確保本集團實體能夠持續經營，同時透過優化負債及權益比例為股東提供最大回報。本集團整體策略與過往年度維持不變。

Management Discussion and Analysis (Continued)

管理層討論與分析(續)

c. Shares Issue by Conversion of Capital Reserve

The Board passed a resolution on 23 August 2010: the Company proposed to make the distribution to every shareholder at the rate of 10 shares for every 10 shares by conversion of the capital reserve based on the total share capital of 833,045,683 shares of the Company as at 30 June 2010. Upon the implementation of above resolution, the total share capital of the Company would increase by approximately 833,045,638 shares to approximately 1,666,091,366 shares. The implementation of the resolution of shares issue by conversion of capital reserve is subject to the approval from the general meeting of the Company and the granting of the listing of the H shares so issued by the Listing Committee of the Stock Exchange.

d. Pledge of Assets

As at 30 June 2010, bank deposits and bills receivables of approximately RMB3,426 million (as at 31 December 2009: RMB3,189 million) were pledged to banks to secure the Group's short-term borrowings, bills payables and bills receivables issued by banks. The pledged bank deposits carry prevailing bank interest rates. The pledge will be released upon the settlement of the relevant bank borrowings. The fair value of the bank deposits at the balance sheet date approximates the carrying amount.

Certain other assets were also pledged by the Group to secure the Group's borrowings. Details are set out in note 16 to the condensed consolidated financial statements.

e. Contingent Liabilities

As at 30 June 2010, the Group had approximately RMB2,734 million (as at 31 December 2009: RMB1,054 million) guarantees given to banks in connection with facilities granted to and utilised by certain distributors and agents. Details are set out in note 17 to the condensed consolidated financial statements.

c. 資本公積金轉增股本

本公司董事會於二零一零年八月二十三日通過決議：公司擬以二零一零年六月三十日為基準日的總股本833,045,683股為基數，以資本公積金向全體股東每10股轉增10股。上述方案實施後公司總股本將增加833,045,638股至1,666,091,366股。本次實施資本公積轉增股本方案尚需本公司股東大會及香港聯交所上市委員會就有關轉增的H股上市作出批准。

d. 資產抵押

於二零一零年六月三十日，本集團將約人民幣3,426百萬元（於二零零九年十二月三十一日：人民幣3,189百萬元）的銀行存款及應收票據質押予銀行，作為本集團所獲銀行發出短期借款、應付票據及應收票據的抵押品。已抵押銀行存款按現行銀行利率計息。該項抵押將於相關銀行借款償還時予以解除。於結算日，銀行存款的公平值與其賬面值相若。

本集團亦已抵押若干其他資產，作為本集團借款之擔保。詳情載於簡明綜合財務報表附註16。

e. 或然負債

於二零一零年六月三十日，本集團為若干經銷商及代理商提供約人民幣2,734百萬元（於二零零九年十二月三十一日：人民幣1,054百萬元）之銀行擔保以使其獲授權並使用銀行信貸。詳情載於簡明綜合財務報表附註17。

Management Discussion and Analysis (Continued)

管理層討論與分析(續)

f. Capital Commitments

As at 30 June 2010, the Group had approximately RMB1,444 million capital commitments contracted (as at 31 December 2009: RMB947 million), principally for the capital expenditure in respect of acquisition of property, plant and equipment.

f. 資本承擔

於二零一零年六月三十日，本集團擁有的已訂約資本承擔約人民幣1,444百萬元(於二零零九年十二月三十一日：人民幣947百萬元)，主要是收購物業、機器及設備的資本開支。

3. Other Financial Information

a. Employees

As at 30 June 2010, the Company had approximately 30,000 employees. During the period, the Company had paid remuneration of approximately RMB 1,418 million, representing an increase of 124.3% over the corresponding period of 2009 of RMB 632 million. The emolument policy of the employees of the Group is set up by the Remuneration Committee on the basis of their merit, qualifications and competence.

3. 其他財務資料

a. 僱員資料

於二零一零年六月三十日，本公司共聘用約3萬名僱員，本期內，本集團人工成本約人民幣1,418百萬元，較二零零九年同期的約人民幣632百萬元增長124.3%。本集團僱員的薪酬政策由薪酬委員會根據彼等的長處、資歷及工作能力釐定。

b. Major Investment

The Group did not make any major investment during the period.

b. 重大投資

於本期內，本集團並無作出任何重大投資。

c. Major Acquisition and Disposal

The Group did not make any major acquisition or disposal during the period.

c. 重大收購及出售

於本期內，本集團並無任何重大收購或出售事項。

Independent Auditors' Review Report

獨立核數師審閱報告



To the shareholders of Weichai Power Co., Ltd.
(Established in the People's Republic of China with limited liability)

致濰柴動力股份有限公司全體股東
(於中華人民共和國成立之有限公司)

Introduction

We have reviewed the interim condensed consolidated financial statements of Weichai Power Co., Ltd. and its subsidiaries set out on pages 26 to 59, which comprise the interim consolidated statement of financial position as of 30 June 2010 and the interim consolidated statements of income, comprehensive income and changes in equity and the interim condensed consolidated statement of cash flows for the six-month period then ended, and explanatory notes. The Main Board Listing Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim condensed financial information to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 "Interim Financial Reporting" ("HKAS 34") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA").

The directors are responsible for the preparation and fair presentation of these interim condensed consolidated financial statements in accordance with HKAS 34. Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review and to report our conclusion solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

引言

我們已審閱列載於第26頁至第59頁之濰柴動力股份有限公司及其附屬公司之中期簡明綜合財務報表，其中包括於二零一零年六月三十日之中期綜合財務狀況表及截至該日止六個月期間之中期綜合收益表、全面收益表及權益變動表以及中期簡明綜合現金流量表，以及解釋附註。香港聯合交易所有限公司主板證券上市規則規定有關中期簡明財務資料之報告須按照其相關規定及由香港會計師公會頒佈之香港會計準則第34號「中期財務報告」（「香港會計準則第34號」）編製。

董事負責遵照香港會計準則第34號編製及公平呈列此等中期簡明綜合財務報表。我們的責任是根據我們的審閱結果，對此等中期簡明綜合財務報表作出結論，並僅向整體股東報告，除此之外本報告別無其他用途。我們概不就本報告之內容向任何其他人士承擔或負上任何責任。

Independent Auditors' Review Report (Continued)

獨立核數師審閱報告 (續)

Scope of Review

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the HKICPA. A review of interim condensed consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

審閱範圍

我們依據香港會計師公會頒佈的《香港審閱工作準則》第2410號「獨立核數師對中期財務資料的審閱」進行我們的審閱工作。審閱中期簡明綜合財務報表主要包括向負責財務和會計事務之人員作出查詢，以及應用分析性和其他審閱程序。由於審閱之範圍遠較根據香港審計準則進行審核之範圍為小，故我們不保證可知悉所有在審核中可能發現之重大事項。因此，我們不會發表審核意見。

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial statements are not prepared, in all material respects, in accordance with HKAS 34.

結論

根據我們的審閱結果，我們並無發現任何事項而令我們相信本中期簡明綜合財務報表在任何重大方面未有根據香港會計準則第34號的規定編製。

Certified Public Accountants
Hong Kong

執業會計師
香港

23 August 2010

二零一零年八月二十三日

Unaudited Interim Consolidated Income Statement

For the six months ended 30 June 2010

未經審核中期 綜合收益表

截至二零一零年六月三十日止六個月

				For the six months ended	
				截至六月三十日止六個月	
				30 June 2010	30 June 2009
				二零一零年	二零零九年
				RMB'000	RMB'000
				人民幣千元	人民幣千元
				(Unaudited)	(Unaudited)
				(未經審核)	(未經審核)
		Notes			
		附註			
REVENUE	收入	3		32,771,851	15,646,688
Cost of sales	銷售成本			(26,151,966)	(12,632,153)
Gross profit	毛利			6,619,885	3,014,535
Other income and gains	其他收入及收益	3		144,877	126,473
Selling and distribution costs	銷售及分銷費用			(721,991)	(445,642)
Administrative expenses	行政開支			(930,842)	(541,818)
Research and development costs	研究及開發費用			(271,173)	(166,140)
Other expenses	其他開支			(191,178)	(191,744)
Finance costs	財務費用			(111,729)	(122,759)
Share of profits and losses of:	應佔下列公司利潤及虧損：				
A jointly-controlled entity	一家共同控制實體			—	63
Associates	聯營公司			1,713	(4,845)
PROFIT BEFORE TAX	除稅前利潤	4		4,539,562	1,668,123
Tax	稅項	5		(674,719)	(246,492)
PROFIT FOR THE PERIOD	本期利潤			3,864,843	1,421,631
Attributable to:	以下人士應佔：				
Owners of the parent	母公司擁有人			3,234,588	1,222,030
Non-controlling interests	非控股權益			630,255	199,601
				3,864,843	1,421,631
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT	母公司普通權益持有人 應佔每股盈利				
— Basic	— 基本	7		RMB3.88 人民幣3.88元	RMB1.47 人民幣1.47元

Unaudited Interim Consolidated Statement of Comprehensive Income

For the six months ended 30 June 2009

未經審核中期 綜合全面收益表

截至二零零九年六月三十日止六個月

		For the six months ended 截至六月三十日止六個月		
		30 June 2010 二零一零年 RMB'000 人民幣千元 (Unaudited) (未經審核)	30 June 2009 二零零九年 RMB'000 人民幣千元 (Unaudited) (未經審核)	
		Notes 附註		
PROFIT FOR THE PERIOD	本期利潤		3,864,843	1,421,631
Net gain/(loss) on available-for-sale financial assets	可供出售財務資產之 收益/(虧損)淨額	8	(32,711)	144,343
Share of net gain on available-for-sale financial assets from an associate	應佔來自聯營公司的可供 出售財務資產之 收益淨額	8	187,190	-
Exchange differences on translation of foreign operations	換算海外業務之匯兌差額	8	(16,728)	5,078
Other comprehensive income for the period, net of tax	本期其他全面收益， 扣除稅項	8	137,751	149,421
Total comprehensive income for the period, net of tax	本期全面收益總額， 扣除稅項		4,002,594	1,571,052
Attributable to:	以下人士應佔：			
Owners of the parent	母公司擁有人		3,372,339	1,371,451
Non-controlling interests	非控股權益		630,255	199,601
			4,002,594	1,571,052

Unaudited Interim Consolidated Statement of Financial Position

30 June 2010

未經審核中期 綜合財務狀況表

二零一零年六月三十日

			30 June 2010 六月三十日 二零一零年 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 2009 十二月三十一日 二零零九年 RMB'000 人民幣千元 (Audited) (經審核)
		Notes 附註		
NON-CURRENT ASSETS	非流動資產			
Property, plant and equipment	物業、機器及設備	9	8,387,797	8,039,811
Investment properties	投資物業		131,384	83,668
Prepaid land lease payments	預付土地租賃款項	10	613,264	577,569
Goodwill	商譽		538,016	538,016
Other intangible assets	其他無形資產		290,551	302,371
Investment in a jointly-controlled entity	於共同控制實體之投資		–	23,275
Investments in associates	於聯營公司之投資		477,960	172,559
Available-for-sale investments	可供出售投資		438,775	477,430
Deposits paid for acquisition of property, plant and equipment	收購物業、機器及 設備所付訂金		1,173,425	914,618
Deferred tax assets	遞延稅項資產		574,861	434,763
Total non-current assets	非流動資產總值		12,626,033	11,564,080
CURRENT ASSETS	流動資產			
Inventories	存貨		5,768,572	5,806,642
Trade and bills receivables	應收貿易賬款及票據	11	20,876,730	11,352,945
Prepayments, deposits and other receivables	預付款項、按金及 其他應收賬款		1,076,941	1,059,084
Prepaid land lease payments	預付土地租賃款項	10	15,210	14,455
Pledged deposits	已抵押存款	16	2,960,029	2,979,932
Cash and cash equivalents	現金及現金等價物		4,756,992	3,598,339
Total current assets	流動資產總值		35,454,474	24,811,397
CURRENT LIABILITIES	流動負債			
Trade and bills payables	應付貿易賬款及票據	12	16,820,928	11,830,642
Other payables and accruals	其他應付賬款及應計費用		6,381,718	3,574,003
Dividends payable to non-controlling shareholders	應付非控股股東股息		–	42,622
Dividends payable	應付股息		422,465	–
Interest-bearing bank and other borrowings	計息銀行及其他借款	14	1,000,668	1,515,664
Tax payable	應付稅項		1,185,587	956,315
Warranty provision	保修撥備		806,626	497,231

Unaudited Interim Consolidated
Statement of Financial Position (Continued)

30 June 2010

未經審核中期
綜合財務狀況表(續)

二零一零年六月三十日

		Notes	30 June 2010 六月三十日 二零一零年 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 2009 十二月三十一日 二零零九年 RMB'000 人民幣千元 (Audited) (經審核)
Total current liabilities	流動負債總額		26,617,992	18,416,477
NET CURRENT ASSETS	流動資產淨值		8,836,482	6,394,920
TOTAL ASSETS LESS CURRENT LIABILITIES	資產總值減流動負債		21,462,515	17,959,000
NON-CURRENT LIABILITIES	非流動負債			
Debentures	債項	13	1,283,423	1,281,669
Interest-bearing bank and other borrowings	計息銀行及其他借款	14	971,280	942,200
Deferred tax liabilities	遞延稅項負債		67,801	73,816
Total non-current liabilities	非流動負債總額		2,322,504	2,297,685
NET ASSETS	資產淨值		19,140,011	15,661,315
EQUITY	權益			
Equity attributable to owners of the parent	母公司擁有人應佔權益			
Issued capital	已發行股本	15	833,046	833,046
Reserves	儲備		13,892,558	10,521,710
Proposed final dividend	擬派末期股息		–	399,862
			14,725,604	11,754,618
Non-controlling interests	非控股權益		4,414,407	3,906,697
TOTAL EQUITY	權益總額		19,140,011	15,661,315

Approved by the Board of Directors on 23 August 2010 and signed on behalf of the Board by:

經董事會於二零一零年八月二十三日批准，並由下列董事代表董事會簽署：

Tan Xuguang
譚旭光
Director
董事

Xu Xingyu
徐新玉
Director
董事

Unaudited Interim Consolidated Statement of Changes in Equity

For the six months ended 30 June 2010

未經審核中期綜合權益變動表

截至二零一零年六月三十日止六個月

		Attributable to owners of the parent 母公司擁有人應佔									
		Issued capital	Capital reserve	Surplus reserve	Available-for-sale investment revaluation reserve	Translation reserve	Retained profits	Proposed final dividend	Non-controlling interests	Total equity	
		已發行股本	資本儲備	公積金儲備	可供出售投資重估儲備	匯兌儲備	保留溢利	擬派末期股息	合計	非控股權益	權益總額
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
At 1 January 2009	於二零零九年一月一日	833,046	2,094,964	564,431	(79,394)	(12,125)	4,488,536	108,296	7,997,754	3,328,724	11,326,478
Profit for the period	期內利潤	-	-	-	-	-	1,222,030	-	1,222,030	199,601	1,421,631
Other comprehensive income	其他全面收益	-	-	-	144,343	5,078	-	-	149,421	-	149,421
Total comprehensive income	全面收益總額	-	-	-	144,343	5,078	1,222,030	-	1,371,451	199,601	1,571,052
Unilateral capital contribution to subsidiaries	向附屬公司作出的單邊出資	-	(1,731)	-	-	-	-	-	(1,731)	-	(1,731)
Final 2008 dividend declared	派付二零零八年末期股息	-	-	-	-	-	-	(108,296)	(108,296)	(44,151)	(152,447)
Acquisition of non-controlling interests	收購非控股權益	-	-	-	-	-	-	-	-	(59,342)	(59,342)
At 30 June 2009 (Unaudited)	於二零零九年六月三十日 (未經審核)	833,046	2,093,233	564,431	64,949	(7,047)	5,710,566	-	9,259,178	3,424,832	12,684,010
At 1 January 2010	於二零一零年一月一日	833,046	2,301,712	847,389	166,027	(6,069)	7,212,651	399,862	11,754,618	3,906,697	15,661,315
Profit for the period	期內利潤	-	-	-	-	-	3,234,588	-	3,234,588	630,255	3,864,843
Other comprehensive income	其他全面收益	-	-	-	154,479	(16,728)	-	-	137,751	-	137,751
Total comprehensive income	全面收益總額	-	-	-	154,479	(16,728)	3,234,588	-	3,372,339	630,255	4,002,594
Final 2009 dividend declared	派付二零零九年末期股息	-	-	-	-	-	-	(399,862)	(399,862)	(146,854)	(546,716)
Contribution from non-controlling shareholders	非控股股東出資	-	-	-	-	-	-	-	-	22,485	22,485
Others	其他	-	(1,491)	-	-	-	-	-	(1,491)	1,824	333
At 30 June 2010 (Unaudited)	於二零一零年六月三十日 (未經審核)	833,046	2,300,221*	847,389*	320,506*	(22,797)*	10,447,239*	-	14,725,604	4,414,407	19,140,011

* These reserve amounts comprise the consolidated reserves of RMB13,892,558,000 in the interim condensed consolidated statement of financial position.

* 該等儲備金額包括於中期簡明綜合財務狀況表載列之綜合儲備人民幣13,892,558,000元。

Unaudited Interim Condensed Consolidated Statement of Cash Flow

For the six months ended 30 June 2010

未經審核中期簡明綜合現金流量表

截至二零一零年六月三十日止六個月

		For the six months ended 截至六月三十日止六個月	
		30 June 2010 二零一零年 RMB'000 人民幣千元 (Unaudited) (未經審核)	30 June 2009 二零零九年 RMB'000 人民幣千元 (Unaudited) (未經審核)
NET CASH INFLOW FROM OPERATING ACTIVITIES	經營業務產生之現金流入淨額	3,383,193	2,981,918
NET CASH OUTFLOW FROM INVESTING ACTIVITIES	投資活動產生之現金流出淨額	(1,393,585)	(2,286,432)
NET CASH INFLOW/(OUTFLOW) FROM FINANCING ACTIVITIES	融資活動產生之現金流入／(流出)淨額	(831,322)	23,970
NET INCREASE IN CASH AND CASH EQUIVALENTS	現金及現金等價物增加淨額	1,158,286	719,456
Cash and cash equivalents at beginning of period	於期初之現金及現金等價物	3,598,339	3,352,138
Effect of foreign exchange rate changes, net	匯率變動之淨影響	367	(1,114)
CASH AND CASH EQUIVALENTS AT END OF PERIOD	於期末之現金及現金等價物	4,756,992	4,070,480
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS	現金及現金等價物結餘分析		
Cash and cash equivalents in the unaudited interim condensed consolidated statement of financial position	未經審核中期簡明綜合財務狀況表之現金及現金等價物	4,756,992	4,203,480
Less: Non-restricted time deposits with original maturity of over three months when acquired	減：於收購時原有到期日超過三個月之非受限制定期存款	—	(133,000)
		4,756,992	4,070,480

Notes to Unaudited Interim Condensed Consolidated Financial Statements

30 June 2010

未經審核中期簡明綜合財務報表附註

二零一零年六月三十日

1. Basis of Presentation and Significant Accounting Policies

The unaudited interim condensed consolidated financial statements of Weichai Power Co., Ltd. (the "Company") and its subsidiaries (collectively the "Group") are prepared in accordance with Hong Kong Accounting Standard ("HKAS") 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA").

The unaudited interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements for the year ended 31 December 2009.

The accounting policies and basis of preparation adopted in the preparation of the unaudited interim condensed consolidated financial statements are the same as those used in the annual financial statements for the year ended 31 December 2009, except in relation to the following new and revised Hong Kong Financial Reporting Standards ("HKFRSs", which also include HKASs and Interpretations) that are adopted for the first time for current period's unaudited interim condensed consolidated financial statements:

HKFRS 1 (Revised)	<i>First-time Adoption of HKFRSs</i>
HKFRS 1 Amendments	<i>Amendments to HKFRS 1 First-time Adoption of HKFRSs-Additional Exemptions for First-time Adopters</i>
HKFRS 2 Amendments	<i>Amendments to HKFRS 2 Share-based Payment – Group Cash-settled Share-based Payment Transactions</i>
HKFRS 3 (Revised)	<i>Business Combinations</i>
HKAS 18 Amendments	<i>Revenue</i>
HKAS 27 (Revised)	<i>Consolidated and Separate Financial Statements</i>
HKAS 32 Amendments	<i>Amendments to HKAS32 Financial Instruments: Presentation – classification of rights issues</i>
HKAS 39 Amendment	<i>Amendment to HKAS 39 Financial Instruments: Recognition and Measurement – Eligible Hedged Items</i>
HK (IFRIC)-Int 17	<i>Distribution of Non-cash Assets to Owners</i>
Amendments to HKFRS 5 included in <i>Improvements to HKFRSs</i> issued in October 2008	<i>Amendments to HKFRS 5 Non-current Assets Held for Sale and Discontinued Operations – Plan to Sell the Controlling Interest in a Subsidiary</i>
HK Interpretation 4 (Revised in December 2009) Annual Improvements to HKFRSs 2009	<i>Leases – Determination of the Length of Lease Term in respect of Hong Kong Leases</i>

1. 編製基準及主要會計政策

濰柴動力股份有限公司(「本公司」)及其附屬公司(統稱「本集團」)之未經審核中期簡明綜合財務報表乃根據香港會計師公會(「香港會計師公會」)頒佈之香港會計準則(「香港會計準則」)第34號「中期財務報告」而編製。

本未經審核中期簡明綜合財務報表並無包括年度財務報表的所有資料及披露事項，並應與本集團截至二零零九年十二月三十一日止年度的年度財務報表一併閱讀。

除首次於本期間之未經審核中期簡明綜合財務報表採用之以下新訂及經修訂的香港財務報告準則(「香港財務報告準則」，亦包括香港會計準則及詮釋)之外，編製本未經審核中期簡明綜合財務報表採納的會計政策及編製基準與截至二零零九年十二月三十一日止年度之年度財務報表所採用者一致：

香港財務報告準則第1號(經修訂)	首次採納香港財務報告準則
香港財務報告準則第1號修訂	香港財務報告準則第1號修訂「首次採納香港財務報告準則—首次採納者之額外豁免」
香港財務報告準則第2號修訂	香港財務報告準則第2號修訂「以股份為基礎支付—集團以現金結算之股份支付交易業務合併
香港財務報告準則第3號(經修訂)	收入
香港會計準則第18號修訂	綜合及獨立財務報表
香港會計準則第27號(經修訂)	香港會計準則第32號修訂「財務工具：呈列—供股的分類」
香港會計準則第32號修訂	香港會計準則第39號修訂「財務工具：確認與計量—合資格對沖項目」
香港會計準則第39號修訂	香港會計準則第39號修訂「財務工具：確認與計量—合資格對沖項目」
香港(國際財務報告詮釋委員會)—詮釋第17號	向擁有人分派非現金資產
包括於二零零八年十月頒佈的香港財務報告準則之改進內的香港財務報告準則第5號修訂	香港財務報告準則第5號修訂「持有待售及終止經營業務的非流動資產—計劃出售附屬公司的控制權益」
香港詮釋第4號(經二零零九年十二月修訂)	租賃—釐定香港土地租約的租賃期限
二零零九年香港財務報告準則之年度改進	

Notes to Unaudited Interim Condensed Consolidated
Financial Statements (Continued)

30 June 2010

1. Basis of Presentation and Significant Accounting Policies (Continued)

The principal effects of adopting these new and revised HKFRSs are as follows:

HKFRS 3 (Revised) introduces a number of changes in the accounting for business combinations that will impact the amount of goodwill recognised, the reported results in the period that an acquisition occurs, and future reported results.

HKAS 27 (Revised) requires that a change in the ownership interest of a subsidiary without loss of control is accounted for as an equity transaction. Therefore, such a change will have no impact on goodwill, nor will it give rise to a gain or loss. Furthermore, the revised standard changes the accounting for losses incurred by the subsidiary as well as the loss of control of a subsidiary.

The revised standards of HKFRS 3 & HKAS 27 have been adopted by the Group together with the consequential amendments to HKAS 7 *Statement of Cash Flows*, HKAS 12 *Income Taxes*, HKAS 21 *The Effects of Changes in Foreign Exchange Rates*, HKAS 28 *Investments in Associates* and HKAS 31 *Interests in Joint Ventures*.

The amendments to HKFRS 5 clarify that all assets and liabilities of a subsidiary shall be classified as held for sale if an entity has a sale plan involving loss of control of the subsidiary, regardless of whether the entity will retain non-controlling interests.

Except as stated above, the Group expects that the adoption of the above new and revised HKFRSs are unlikely to have a significant impact on the Group's interim condensed consolidated financial statements.

未經審核中期簡明
綜合財務報表附註(續)

二零一零年六月三十日

1. 編製基準及主要會計政策 (續)

採納該等新訂及經修訂香港財務報告準則之主要影響如下：

香港財務報告準則第3號(經修訂)引入與業務合併相關會計處理的一系列變動，該等變動將對已確認商譽的數額、收購發生期間已報告業績及未來報告的業績產生影響。

香港會計準則第27號(經修訂)要求將一間附屬公司所有權權益的變動(並未失去控制權)作為一項股權交易入賬。因此，該變動對商譽並無影響，亦不會產生收益或虧損。此外，經修訂準則改變了附屬公司所產生虧損以及失去附屬公司控制權的會計處理。

本集團已採納香港財務報告準則第3號及香港會計準則第27號的經修訂準則，以及香港會計準則第7號「現金流量表」、香港會計準則第12號「所得稅」、香港會計準則第21號「匯率變動的影響」、香港會計準則第28號「於聯營公司的投資」及香港會計準則第31號「於合資企業的權益」的後續修訂。

香港財務報告準則第5號修訂澄清了倘若實體擁有涉及失去附屬公司控制權的出售計劃(無論實體是否將保留非控股權益)，則該附屬公司的全部資產及負債均應分類為持作出售資產或負債。

除上文所述者外，本集團預期採納上述新訂及經修訂香港財務報告準則不會對本集團之中期簡明綜合財務報表有重大影響。

Notes to Unaudited Interim Condensed Consolidated Financial Statements (Continued)

30 June 2010

1. Basis of Presentation and Significant Accounting Policies (Continued)

The Group has not applied the following new and revised HKFRSs that have been issued but are not yet effective, in the interim condensed consolidated financial statements.

HKFRS 9	<i>Financial Instruments</i> ⁴
HKAS 24 (Revised)	<i>Related Party Disclosures</i> ³
HKAS 32 Amendment	Amendment to HKAS 32 <i>Financial Instruments: Presentation – Classification of Rights Issues</i> ¹
HK (IFRIC)-Int 14 Amendments	Amendments to HK (IFRIC)-Int 14 <i>Prepayments of a Minimum Funding Requirement</i> ²
HK (IFRIC)-Int 19	<i>Extinguishing Financial Liabilities with Equity Instruments</i> ²

¹ Effective for annual periods beginning on or after 1 February 2010

² Effective for annual periods beginning on or after 1 July 2010

³ Effective for annual periods beginning on or after 1 January 2011

⁴ Effective for annual periods beginning on or after 1 January 2013

Further information about those changes that are expected to significantly affect the Group is as follows:

HKFRS 9 issued in November 2009 is the first part of phase 1 of a comprehensive project to entirely replace HKAS 39 *Financial Instruments: Recognition and Measurement*. This phase focuses on the classification and measurement of financial assets. Instead of classifying financial assets into four categories, an entity shall classify financial assets as subsequently measured at either amortised cost or fair value, on the basis of both the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets. This aims to improve and simplify the approach for the classification and measurement of financial assets compared with the requirements of HKAS 39. HKAS 39 is aimed to be replaced by HKFRS 9 in its entirety by the end of 2010. The Group expects to adopt HKFRS 9 from 1 January 2013.

Except as stated above, the Group expects that the adoption of the above new and revised HKFRSs is unlikely to have a significant impact on the Group's interim condensed consolidated financial statements.

未經審核中期簡明
綜合財務報表附註(續)

二零一零年六月三十日

1. 編製基準及主要會計政策
(續)

本集團並未於本中期簡明綜合財務報表中應用以下已頒佈但未生效的新訂及經修訂香港財務報告準則。

香港財務報告準則 第9號	財務工具 ⁴
香港會計準則 第24號(經修訂)	關連方披露 ³
香港會計準則 第32號修訂	香港會計準則第32號修訂 「財務工具：呈列 — 供股的分類」 ¹
香港(國際財務報告 詮釋委員會) — 詮釋第14號修訂	香港(國際財務報告詮釋 委員會) — 詮釋第14號 修訂「預付最低資金需求」 ²
香港(國際財務報告 詮釋委員會) — 詮釋第19號	以權益工具抵銷財務負債 ²

¹ 於二零一零年二月一日或之後開始之年度期間生效

² 於二零一零年七月一日或之後開始之年度期間生效

³ 於二零一一年一月一日或之後開始之年度期間生效

⁴ 於二零一三年一月一日或之後開始之年度期間生效

預期會對本集團構成重大影響的變動之進一步資料如下：

二零零九年十一月頒佈的香港財務報告準則第9號為完全取代香港會計準則第39號「財務工具：確認及計量」的全面計劃的第一階段的第一部份。該階段重點為財務資產的分類及計量。財務資產不再分為四類，而應根據實體管理財務資產的業務模式及財務資產合同現金流量特徵，於後續期間按攤銷成本或公平值計量。此舉旨在改進和簡化香港會計準則第39號規定的財務資產分類與計量方式。預計香港會計準則第39號將於二零一零年年底前完全由香港財務報告準則第9號取代。本集團預期從二零一三年一月一日開始採納香港財務報告準則第9號。

除上文所述者外，本集團預期採納上述新訂及經修訂香港財務報告準則不會對本集團之中期簡明綜合財務報表有重大影響。

Notes to Unaudited Interim Condensed Consolidated
Financial Statements (Continued)

30 June 2010

2. Segment Information

For management purposes, the Group's operating businesses are structured and managed separately according to the nature of their operations and the products and services they provide. The operating segments are identified on the basis of internal reports that are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance. Summary details of the operating segments are as follows:

- (i) manufacturing and sales of diesel engines and related parts ("Diesel engines");
- (ii) manufacturing and sales of automobiles and major automobile components other than diesel engines ("Automobiles and other major automobile components");
- (iii) manufacturing and sales of non-major automobile components ("Non-major automobile components"); and
- (iv) provision of import and export services ("Import & export services").

Intersegment sales and transfers are transacted with reference to the selling prices used for sales made to third parties at the then prevailing market prices.

未經審核中期簡明
綜合財務報表附註(續)

二零一零年六月三十日

2. 分部資料

就管理目的而言，本集團之經營業務乃按照彼等經營的性質及提供的產品及服務劃分為不同架構作個別管理。經營分部之識別依據為實體之主要經營決策者所作定期審閱，並以之評估每個分部之表現及決定向彼等分配資源之內部報告。經營分部之詳情概述如下：

- (i) 生產及銷售柴油機及相關零部件(「柴油機」)；
- (ii) 生產及銷售汽車及主要汽車零部件(不包括柴油機)(「汽車及其他主要汽車零部件」)；
- (iii) 生產及銷售非主要汽車零部件(「非主要汽車零部件」)；及
- (iv) 提供進出口服務(「進出口服務」)。

分部間之銷售及轉讓乃參考銷售予第三方之銷售價(按當時市價釐定)進行交易。

Notes to Unaudited Interim Condensed Consolidated
Financial Statements (Continued)

30 June 2010

未經審核中期簡明
綜合財務報表附註(續)

二零一零年六月三十日

2. Segment Information (continued)

2. 分部資料(續)

		Diesel engines	Automobiles and other major auto- mobile components	Non-major automobile components	Import & export services	Eliminations	Consolidated
	截至二零零九年 六月三十日 止期間 (未經審核)	柴油機 RMB'000 人民幣千元	汽車及 其他主要 汽車零部件 RMB'000 人民幣千元	非主要 汽車零部件 RMB'000 人民幣千元	進出口服務 RMB'000 人民幣千元	抵銷 RMB'000 人民幣千元	綜合 RMB'000 人民幣千元
Segment revenue:	分部收入：						
Sales to external customers	外部客戶銷售	6,428,292	8,644,771	412,327	161,298	-	15,646,688
Inter-segment sales	分部間銷售	1,079,892	-	22,211	-	(1,102,103)	-
Total	總計	7,508,184	8,644,771	434,538	161,298	(1,102,103)	15,646,688
Segment results	分部業績	1,393,325	548,483	34,886	6,593	(121,732)	1,861,555
Interest and dividend income and unallocated gains	利息及股息 收入以及 未分配收益						126,473
Corporate and other unallocated expenses	企業及其他 未分配費用						(192,364)
Finance costs	財務費用						(122,759)
Share of profits and losses of associates and a jointly-controlled entity	應佔聯營公司及 一家共同控制 實體之利潤及 虧損	(56)	(4,607)	-	(119)		(4,782)
Profit before tax	除稅前利潤						1,668,123
Tax	稅項						(246,492)
Profit for the period	期內利潤						1,421,631

Notes to Unaudited Interim Condensed Consolidated
Financial Statements (Continued)

30 June 2010

2. Segment Information (continued)

The following table presents assets of the Group's operating segments as at 30 June 2010 and 31 December 2009:

		Diesel engines	Automobiles and other major automobile components	Non-major automobile components	Import & export services	Eliminations	Consolidated
		柴油機	汽車及其他主要	非主要	進出口服務	抵銷	綜合
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Segment assets	分部資產						
At 30 June 2010	於二零一零年						
(Unaudited)	六月三十日						
	(未經審核)	24,090,464	23,862,516	1,270,779	598,597	(1,741,849)	48,080,507
At 31 December 2009	於二零零九年						
(Audited)	十二月三十一日						
	(經審核)	17,939,687	18,483,272	1,090,668	523,650	(1,661,800)	36,375,477

未經審核中期簡明
綜合財務報表附註(續)

二零一零年六月三十日

2. 分部資料(續)

下表載列本集團於二零一零年六月三十日及二零零九年十二月三十一日按經營分部劃分之資產：

Notes to Unaudited Interim Condensed Consolidated
Financial Statements (Continued)

30 June 2010

3. Revenue, Other Income and Gains

Revenue, which is also the Group's turnover, represents the net invoiced value of goods sold, after allowances for returns and trade discounts, net of sales taxes and surcharges.

There is no major seasonality for the Group's revenue. An analysis of the Group's revenue, other income and gains is as follows:

未經審核中期簡明
綜合財務報表附註(續)

二零一零年六月三十日

3. 收入、其他收入及收益

收入(亦即本集團之營業額)指扣除退貨撥備、貿易折扣、營業稅金及附加費用後已售出貨品的發票淨值。

本集團的收入受季節性影響不大。本集團的收入、其他收入及收益之分析如下：

		For the six months ended 截至六月三十日止六個月	
		30 June 2010 二零一零年 RMB'000 人民幣千元 (Unaudited) (未經審核)	30 June 2009 二零零九年 RMB'000 人民幣千元 (Unaudited) (未經審核)
Revenue	收入		
Turnover	營業額		
Sale of goods	貨品銷售	31,601,993	15,129,038
Rendering of services	提供服務	52,206	53,123
Other revenue	其他收入		
Sales of scrap and other materials	銷售廢舊及其他物料	1,087,229	462,229
Gross rental income	租金收入總額	30,423	2,298
		32,771,851	15,646,688
Other income	其他收入		
Bank interest income	銀行利息收入	51,276	41,688
Government subsidies	政府補貼	37,740	33,338
Others	其他	38,222	15,720
		127,238	90,746
Gains	收益		
Gain on debt restructuring	債項重組收益	17,639	35,727
		144,877	126,473

Notes to Unaudited Interim Condensed Consolidated
Financial Statements (Continued)

30 June 2010

4. Profit Before Tax

The Group's profit before tax is arrived at after charging/(crediting):

未經審核中期簡明
綜合財務報表附註(續)

二零一零年六月三十日

4. 除稅前利潤

本集團之除稅前利潤已扣除/(計入):

		For the six months ended 截至六月三十日止六個月	
		30 June 2010 二零一零年 RMB'000 人民幣千元 (Unaudited) (未經審核)	30 June 2009 二零零九年 RMB'000 人民幣千元 (Unaudited) (未經審核)
Cost of inventories sold	出售存貨成本	25,177,095	12,299,347
Cost of services provided	提供服務成本	155,662	49,116
Write-down of inventories to net realisable value	撇減存貨至可變現淨值	146,838	35,946
Product warranty provision	產品保修撥備		
Additional provision	額外撥備	672,371	247,744
Amounts utilised during the period	期內動用金額	(325,271)	(181,024)
		347,100	66,720
Staff costs (including directors' and supervisors' Remuneration):	職員成本(包括董事及監事酬金):		
Wages and salaries	工資及薪金	1,205,727	509,161
Defined contribution pension scheme	定額供款退休金計劃	140,445	67,331
Medical benefits costs	醫療福利成本	21,735	13,943
Housing fund	住房公積金	25,934	21,116
Cash housing subsidies costs	現金住房補貼成本	24,404	20,700
Total staff costs	職員總成本	1,418,245	632,251
Gross rental income	租金收入總額	(30,423)	(2,298)
Bank interest income	銀行利息收入	(51,276)	(41,688)
Research and development costs	研究及開發成本	271,173	166,140
Minimal lease payment under operating leases	根據經營租約的最低租金	58,683	49,818
Loss/(gain) on disposal of items of property, plant and equipment	出售物業、機器及設備虧損/(收益)	(1,299)	3,699
Depreciation of property, plant and equipment	物業、機器及設備折舊	627,415	418,150
Depreciation of investment property	投資物業折舊	7,209	2,125
Recognition of prepaid land lease payments	預付土地租賃款項確認	7,423	3,816
Amortisation of other intangible assets	其他無形資產攤銷	8,835	6,723
Impairment of trade and other receivables	應收貿易賬款及其他應收賬款減值	159,419	162,202
Foreign exchange differences, net	匯兌淨差額	(367)	1,114

Notes to Unaudited Interim Condensed Consolidated
Financial Statements (Continued)

30 June 2010

5. Tax

The Company and all its subsidiaries that operate in Mainland China are subject to the statutory corporate income tax rate of 25% for the Period under the income tax rules and regulations of the People's Republic of China ("PRC"), except that:

- (1) The Company and certain subsidiaries are subject to a preferential tax rate of 15% as they are assessed by relevant government authorities as High and New Technology Enterprises ("HNTE") for a period of three years commencing 1 January 2008. Pursuant to the PRC Income Tax Law, enterprises assessed as "HNTE" are entitled to a preferential income tax rate of 15%; and
- (2) Pursuant to Notice of the State Administration of Taxation concerning the Opinions on the Implementation of the Relevant Taxation Policies for the Western Development ("《國家稅務總局關於落實西部大開發有關稅收政策具體實施意見的通知》"), certain subsidiaries which are approved as domestic enterprises engaged in the industries encouraged by the State in Western Region ("《西部地區國家鼓勵產業的內資企業》") are also subject to a preferential tax rate of 15%.

Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the countries/jurisdictions in which the Group operates, based on existing legislation, interpretations and practices in respect thereof.

No provision for Hong Kong profits tax has been made as the Group had no assessable profits arising in Hong Kong for the Period.

未經審核中期簡明
綜合財務報表附註(續)

二零一零年六月三十日

5. 稅項

除下列公司外，根據中華人民共和國(「中國」)所得稅法規及規定，經營地點位於中國內地的本公司及其所有附屬公司於期內均須按25%的法定稅率繳納企業所得稅：

- (1) 由於本公司及若干附屬公司獲相關政府機關評定為高新技術公司(「高新技術公司」)，故於二零零八年一月一日起的三年期間內，本公司及若干附屬公司按15%的優惠稅率繳納企業所得稅。根據中國所得稅法，獲評定為「高新技術公司」的企業可按15%的優惠稅率繳納企業所得稅；及
- (2) 根據《國家稅務總局關於落實西部大開發有關稅收政策具體實施意見的通知》，獲審批為《西部地區國家鼓勵產業的內資企業》之若干附屬公司亦按15%的優惠稅率繳納企業所得稅。

源於其他地區應課稅利潤的稅項已根據本集團經營所在國家／司法權區的現行法律、詮釋及相關常規，按照該國家／司法權區的現行稅率計算。

由於本集團於期內在香港澳無應課稅利潤，故並無作出香港利得稅撥備。

Notes to Unaudited Interim Condensed Consolidated
Financial Statements (Continued)

30 June 2010

5. Tax (Continued)

未經審核中期簡明
綜合財務報表附註(續)

二零一零年六月三十日

5. 稅項(續)

		For the six months ended 截至六月三十日止六個月	
		30 June 2010 二零一零年 RMB'000 人民幣千元 (Unaudited) (未經審核)	30 June 2009 二零零九年 RMB'000 人民幣千元 (Unaudited) (未經審核)
Group:	本集團：		
Current – Mainland China	即期 – 中國內地		
Charge for the period	期內計提	813,799	249,643
Current – Elsewhere	即期 – 其他地區		
Charge for the period	期內計提	1,095	2,064
Deferred	遞延	(140,175)	(5,215)
Total tax charge for the period	期內稅項支出總額	674,719	246,492

6. Dividend

The directors do not recommend the payment of interim dividend (six months ended 30 June 2009: Nil).

7. Earnings Per Share Attributable to Ordinary
Equity Holders of the Parent

The calculation of basic earnings per share amounts is based on the profit for the period attributable to ordinary equity holders of the parent and the weighted average number of ordinary shares in issue during the six months ended 30 June 2010 and 2009.

6. 股息

董事建議不派付中期股息(截至二零零九年六月三十日止六個月：無)。

7. 母公司普通權益持有人應佔
每股盈利

每股基本盈利乃根據母公司普通權益持有人應佔本期間利潤，以及截至二零一零年及二零零九年六月三十日止六個月期內已發行普通股之加權平均數計算。

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7. Earnings Per Share Attributable to Ordinary Equity Holders of the Parent (Continued)

No diluted earnings per share amounts have been presented for the six months ended 30 June 2010 and 2009 as no diluting events existed during the periods.

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7. 母公司普通權益持有人應佔每股盈利(續)

由於在截至二零一零年及二零零九年六月三十日止六個月期間內不存在攤薄事件，因此並無呈列該等期間之每股攤薄盈利金額。

		For the six months ended 截至六月三十日止六個月	
		30 June 2010 二零一零年 RMB'000 人民幣千元 (Unaudited) (未經審核)	30 June 2009 二零零九年 RMB'000 人民幣千元 (Unaudited) (未經審核)
Earnings	盈利		
Profit attributable to ordinary equity holders of the Parent used in the basic earnings per share calculation	用於計算每股基本盈利之 母公司普通權益持有人應佔利潤	3,234,588	1,222,030
		In'000 千股	In'000 千股
Shares	股份		
Weighted average number of ordinary shares in issue during the period used in the basic earnings per share calculation	用於計算每股基本盈利之期內已發行 普通股之加權平均數	833,046	833,046

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8. Components of Other Comprehensive
Income

8. 其他全面收入之組成部份

		For the six months ended 截至六月三十日止六個月	
		30 June 2010 二零一零年 RMB'000 人民幣千元 (Unaudited) (未經審核)	30 June 2009 二零零九年 RMB'000 人民幣千元 (Unaudited) (未經審核)
Available-for-sale financial assets:	可供出售財務資產：		
Gains/(losses) arising during the period	期內產生收益／(虧損)	(38,655)	169,951
Share of gains from an associate	應佔來自一間聯營公司之收益	187,190	-
Income tax	所得稅	5,944	(25,608)
		154,479	144,343
Exchange differences on translating foreign operations	換算海外業務之匯兌差額	(16,728)	5,078
Other comprehensive income for the period, net of tax	期內其他全面收入，扣除稅項	137,751	149,421

9. Property, Plant and Equipment

During the Period, additions of property, plant and equipment amounted to RMB1,072,982,000 (six months ended 30 June 2009: RMB967,619,000). Items of property, plant and equipment with net book value totaling RMB116,289,000 were disposed of during the Period (six months ended 30 June 2009: RMB27,068,000).

As at 30 June 2010, the Group had not obtained the real estate certificates for buildings with a total gross area of approximately 536,000 square meters (31 December 2009: 526,000 square meters) and a net book value of RMB1,264,004,000 (31 December 2009: RMB1,256,392,000). The Group was in the process of applying for the real estate certificates for the aforesaid buildings with a gross area of approximately 483,000 square meters and a net book value of approximately RMB1,210,338,000 as at 30 June 2010.

9. 物業、機器及設備

於期內，添置物業、機器及設備合計人民幣1,072,982,000元(截至二零零九年六月三十日止六個月：人民幣967,619,000元)。而期內已出售物業、機器及設備項目之賬面淨值合計人民幣116,289,000元(截至二零零九年六月三十日止六個月：人民幣27,068,000元)。

於二零一零年六月三十日，本集團尚未就若干樓宇取得房產證，該等單位之總建築面積約為536,000平方米(二零零九年十二月三十一日：526,000平方米)，賬面淨值為人民幣1,264,004,000元(二零零九年十二月三十一日：人民幣1,256,392,000元)。於二零一零年六月三十日，本集團正在就上述總面積約483,000平方米及賬面淨值約人民幣1,210,338,000元之樓宇申請房產證。

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9. Property, Plant and Equipment (Continued)

As at 30 June 2010, certain buildings, machinery and motor vehicles of the Group with net book value of approximately RMB23,398,000 (31 December 2009: RMB88,273,000) were pledged to secure general banking facilities granted to the Group.

10. Prepaid Land Lease Payments

As at 30 June 2010, certain land use rights of the Group with net book value of approximately RMB11,836,000 (31 December 2009: RMB85,724,000) were pledged to secure general banking facilities granted to the Group.

11. Trade and Bills Receivables

The Group's trading terms with its customers are mainly on credit except for new customers, where payment in advance or cash on delivery is normally required. The credit period is generally 90 days to 180 days, however, customers with established trading records could be granted a longer credit period. Trade receivables are non-interest-bearing.

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9. 物業、機器及設備(續)

於二零一零年六月三十日，本集團已抵押賬面淨值約人民幣23,398,000元(二零零九年十二月三十一日：人民幣88,273,000元)之若干樓宇、機械及汽車，以作為本集團獲授一般銀行信貸的擔保。

10. 預付土地租賃款項

於二零一零年六月三十日，本集團已抵押賬面淨值約人民幣11,836,000元(二零零九年十二月三十一日：人民幣85,724,000元)之若干土地使用權，以作為本集團獲授一般銀行信貸的擔保。

11. 應收貿易賬款及票據

		30 June 2010 二零一零年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 2009 二零零九年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核)
Trade receivables	應收貿易賬款	5,587,634	3,849,645
Bills receivables	應收票據	15,988,426	8,032,145
Impairment	減值	(699,330)	(528,845)
		20,876,730	11,352,945

除了新客戶一般需要預先付款或於交付時以現金付款之外，本集團與其客戶之貿易條款大多屬賒賬形式，信貸期一般為90至180天，然而，交易記錄良好的客戶可獲得比較長的信貸期。應收貿易賬款為不計息。

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30 June 2010

11. Trade and Bills Receivables (Continued)

An aged analysis of trade and bills receivables as at the end of the reporting period, based on the invoice date and net of provision for impairment loss, is as follows:

		30 June 2010 二零一零年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 2009 二零零九年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核)
Within 3 months	3個月內	9,501,607	5,987,889
3 to 6 months	3至6個月	10,749,998	4,730,036
6 to 12 months	6至12個月	327,726	249,293
1 to 2 years	1至2年	243,700	385,423
2 to 3 years	2至3年	53,699	304
		20,876,730	11,352,945

As at 30 June 2010, trade and bills receivables of approximately RMB465,879,000 (31 December 2009: RMB209,474,000) were pledged to secure bank loans and credit facilities of the Group.

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11. 應收貿易賬款及票據(續)

根據發票日期，於報告期末經扣除減值虧損撥備後的應收貿易賬款及票據的賬齡分析如下：

	30 June 2010 二零一零年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 2009 二零零九年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核)
Within 3 months	9,501,607	5,987,889
3 to 6 months	10,749,998	4,730,036
6 to 12 months	327,726	249,293
1 to 2 years	243,700	385,423
2 to 3 years	53,699	304
	20,876,730	11,352,945

於二零一零年六月三十日，應收貿易賬款及票據約人民幣465,879,000元(二零零九年十二月三十一日：人民幣209,474,000元)已抵押作為本集團的銀行貸款及信貸融資的擔保。

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11. Trade and Bills Receivables (Continued)

The amounts due from related parties included above are analysed as follows:

		30 June 2010 二零一零年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 2009 二零零九年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核)
Weichai Holdings and its subsidiaries (Note 20 (a)/(i))	濰柴控股及其附屬公司 (附註20(a)/(i))	41,283	10,461
Lonking Holdings and its subsidiaries (Note 20 (a)/(ii))	龍工控股及其附屬公司 (附註20(a)/(ii))	65,979	260,502
Jointly-controlled entity	共同控制實體	—	617
Associates	聯營公司	30,370	31,455
Non-controlling shareholders groups (Note 20 (a)/(iii))	非控股股東集團 (附註20(a)/(iii))	159,921	110,187
		297,553	413,222

The amounts due from related parties are on credit terms similar to those offered to the major customers of the Group.

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二零一零年六月三十日

11. 應收貿易賬款及票據(續)

以上金額中包括的應收關連方款項分析如下：

		30 June 2010 二零一零年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 2009 二零零九年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核)
Weichai Holdings and its subsidiaries (Note 20 (a)/(i))	濰柴控股及其附屬公司 (附註20(a)/(i))	41,283	10,461
Lonking Holdings and its subsidiaries (Note 20 (a)/(ii))	龍工控股及其附屬公司 (附註20(a)/(ii))	65,979	260,502
Jointly-controlled entity	共同控制實體	—	617
Associates	聯營公司	30,370	31,455
Non-controlling shareholders groups (Note 20 (a)/(iii))	非控股股東集團 (附註20(a)/(iii))	159,921	110,187
		297,553	413,222

應收關連方款項的信貸條款與本集團向主要客戶提供的條款類似。

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12. Trade and Bills Payables

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二零一零年六月三十日

12. 應付貿易賬款及票據

		30 June 2010 二零一零年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 2009 二零零九年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核)
Trade payables	應付貿易賬款	12,376,090	8,355,933
Bills payables	應付票據	4,444,838	3,474,709
		16,820,928	11,830,642

An aged analysis of the trade and bills payables as at the end of the reporting period, based on the invoice date, is as follows:

於報告期末，應付貿易賬款及票據基於發票日期的賬齡分析如下：

		30 June 2010 二零一零年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 2009 二零零九年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核)
Within 3 months	3個月內	14,507,400	9,519,364
3 to 6 months	3至6個月	1,971,329	2,072,145
6 to 12 months	6至12個月	117,307	9,945
Over 1 year	1年以上	224,892	229,188
		16,820,928	11,830,642

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12. Trade and Bills Payables (Continued)

The amounts due to related parties included above are analysed as follows:

		30 June 2010 二零一零年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 2009 二零零九年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核)
Weichai Holdings and its subsidiaries (Note 20 (a)/(i))	濰柴控股及其附屬公司 (附註20(a)/(i))	23,624	3,611
Jointly-controlled entity	共同控制實體	—	6
Associates	聯營公司	33,761	45,895
Non-controlling shareholders groups (Note 20 (a)/(iii))	非控股股東集團 (附註20(a)/(iii))	488,826	211,506
		546,211	261,018

The trade payables are non-interest-bearing and are normally settled on 90-day terms. The amounts due to related parties are on credit terms similar to those offered by the major suppliers of the Group.

13. Debentures

On 24 August 2009, the Company issued unsecured long-term debentures to independent third parties in an aggregate principal amount of RMB1,300 million in the PRC. The debentures were priced and issued at face value of RMB100 each. The debentures are due for repayment on 25 August 2014. The effective interest rate for the debentures was 5.30% per annum. The proceeds from the debentures will be used for the repayment of certain loans of the Company and the investment in the Company's diesel engine project.

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二零一零年六月三十日

12. 應付貿易賬款及票據(續)

以上金額中包括的應付關連方款項分析如下：

		30 June 2010 二零一零年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 2009 二零零九年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核)
Weichai Holdings and its subsidiaries (Note 20 (a)/(i))	濰柴控股及其附屬公司 (附註20(a)/(i))	23,624	3,611
Jointly-controlled entity	共同控制實體	—	6
Associates	聯營公司	33,761	45,895
Non-controlling shareholders groups (Note 20 (a)/(iii))	非控股股東集團 (附註20(a)/(iii))	488,826	211,506
		546,211	261,018

應付貿易賬款為不計息，一般於90天期限內結清。應付關連方款項的信貸條款與本集團主要供應商提供的條款類似。

13. 債券

於二零零九年八月二十四日，本公司於中國向獨立第三方發行本金總額為人民幣13億元的無擔保長期債券。各債券的定價及發行面值為人民幣100元。債券的贖回日期為二零一四年八月二十五日。債券的實際年利率為5.30%。發行債券的所得款項將用作償還本公司若干貸款及投資於本公司柴油發動機項目。

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14. Interest – Bearing Bank and Other Borrowings

As at 30 June 2010, the bank and other borrowings bear interest at rates ranging from 1.36% to 8.22% per annum (31 December 2009: 1.8% to 8.22% per annum).

During the Period, the Group obtained new bank and other borrowings of approximately RMB1,921,948,000 (six months ended 30 June 2009: RMB2,194,660,000) to finance the Group's operation.

15. Issued Capital

Registered, issued and fully paid:	註冊、發行及繳足股本：
A shares of RMB1 each	每股面值人民幣1元之A股
– state-owned shares	— 國家持股
– other legal person and natural person shares	— 其他法人及自然人持股
H shares of RMB1 each	每股面值人民幣1元之H股

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions.

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二零一零年六月三十日

14. 計息銀行及其他借款

於二零一零年六月三十日，銀行及其他借款按年利率1.36%至8.22%（二零零九年十二月三十一日：年利率1.8%至8.22%）計息。

於期內，本集團獲得新銀行及其他借款約人民幣1,921,948,000元（截至二零零九年六月三十日止六個月：人民幣2,194,660,000元），以為本集團之經營提供資金。

15. 已發行股本

	30 June 2010 二零一零年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 2009 二零零九年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核)
Registered, issued and fully paid:		
A shares of RMB1 each		
– state-owned shares	186,545	186,545
– other legal person and natural person shares	444,101	444,101
H shares of RMB1 each	202,400	202,400
	833,046	833,046

普通股持有人有權於本公司宣派股息時收取股息。每股普通股均代表一個投票權，而無須受限制。

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30 June 2010

16. Pledge of Assets

The net book value of the Group's assets pledged to banks at the end of the reporting period is as follows:

		Notes	30 June 2010 二零一零年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 2009 二零零九年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核)
		附註		
Property, plant and equipment	物業、機器及設備	9	23,398	88,273
Prepaid land lease payments	預付土地租賃款項	10	11,836	85,724
Trade and bills receivables	應收貿易賬款及票據	11	465,879	209,474
Bank deposits	銀行存款		2,960,029	2,979,932
			3,461,142	3,363,403

17. Contingent Liabilities

At the end of the reporting period, contingent liabilities not provided for in the financial statements were as follows:

			30 June 2010 二零一零年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 2009 二零零九年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核)
Guarantees given to banks in connection with facilities granted to and utilised by third parties	就第三方獲授並使用之 信貸而給予銀行之擔保		2,734,442	1,053,691

The above guarantees are made by subsidiaries of the Group to secure bank loans or general banking facilities.

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二零一零年六月三十日

16. 資產抵押

於報告期末，本集團已抵押予銀行之資產之賬面淨值如下：

17. 或然負債

於報告期末，未於財務報表內撥備之或然負債如下：

上述擔保乃由本集團的附屬公司作出，以作為銀行貸款或一般銀行信貸的擔保。

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18. Operating Lease Arrangements

(a) As lessor

The Group leases certain of its properties, plant and machinery under operating lease arrangements. Leases for properties are negotiated for terms ranging from 1 to 20 years and those for plant and machinery negotiated for terms ranging from 1 to 5 years. The terms of the leases generally also require tenants to pay security deposits and provide for periodic rent adjustments according to the then prevailing market conditions.

At 30 June 2010, the Group had total future minimum lease receivables under non-cancellable operating leases with its tenants falling due as follows:

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綜合財務報表附註(續)

二零一零年六月三十日

18. 經營租約安排

(a) 作為出租人

本集團根據經營租約安排出租其若干物業、廠房及機器。物業租賃經協商之租期介乎一至二十年不等，而廠房及機器經協商之租期介乎一至五年不等。租約條款一般亦要求租戶支付按金及根據當時市場情況定期調整租金。

於二零一零年六月三十日，本集團根據不可撤銷之經營租約而於下列年期屆滿之未來應收最低租金總額如下：

		30 June 2010 二零一零年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 2009 二零零九年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核)
Within one year	一年內	15,070	9,872
In the second to fifth years, inclusive	第二至第五年(包括首尾兩年)	4,052	3,838
		19,122	13,710

Notes to Unaudited Interim Condensed Consolidated
Financial Statements (Continued)

30 June 2010

18. Operating Lease Arrangements (Continued)

(b) As lessee

The Group leases certain properties, plant and machinery under operating lease arrangements. Leases are negotiated for terms ranging from 1 to 10 years and rent is fixed over the lease term.

At 30 June 2010, the Group had total future minimum lease payments under non-cancellable operating leases falling due as follows:

		30 June 2010 二零一零年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 2009 二零零九年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核)
Within one year	一年內	80,048	74,092
In the second to fifth years, inclusive	第二至第五年(包括首尾兩年)	215,224	260,911
After five years	五年以後	79,372	192,692
		374,644	527,695

19. Commitments

In addition to the operating lease commitments, the Group had the following capital commitments at the end of the reporting period:

		30 June 2010 二零一零年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 2009 二零零九年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核)
Purchases of property, plant and equipment	購買物業、機器及設備		
– Contracted but not provided for	– 已訂約但未撥備	1,444,199	946,771
– Authorised but not contracted for	– 已授權但未訂約	–	–
		1,444,199	946,771

未經審核中期簡明
綜合財務報表附註(續)

二零一零年六月三十日

18. 經營租約安排(續)

(b) 作為承租人

本集團根據經營租約安排租賃若干物業、廠房及機器。經協商之租期介乎一至十年不等，租期內須支付定額租金。

於二零一零年六月三十日，本集團根據不可撤銷之經營租約而於下列年期屆滿之未來應付最低租金總額如下：

		30 June 2010 二零一零年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 2009 二零零九年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核)
Within one year	一年內	80,048	74,092
In the second to fifth years, inclusive	第二至第五年(包括首尾兩年)	215,224	260,911
After five years	五年以後	79,372	192,692
		374,644	527,695

19. 承擔

除經營租約承擔外，本集團於報告期末的資本承擔如下：

		30 June 2010 二零一零年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 2009 二零零九年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核)
Purchases of property, plant and equipment	購買物業、機器及設備		
– Contracted but not provided for	– 已訂約但未撥備	1,444,199	946,771
– Authorised but not contracted for	– 已授權但未訂約	–	–
		1,444,199	946,771

Notes to Unaudited Interim Condensed Consolidated
Financial Statements (Continued)

30 June 2010

未經審核中期簡明
綜合財務報表附註(續)

二零一零年六月三十日

20. Related Party Transactions

- (a) In addition to the transactions detailed elsewhere in these financial statements, the Group had the following material transactions with related parties during the period:

20. 關連方交易

- (a) 除本財務報表其他部份詳述之交易外，本集團於期內與關連方進行之重大交易如下：

		For the six months ended 截至六月三十日止六個月	
		30 June 2010 二零一零年 RMB'000 人民幣千元 (Unaudited) (未經審核)	30 June 2009 二零零九年 RMB'000 人民幣千元 (Unaudited) (未經審核)
		Notes 附註	
Sales of products to	向以下關連方出售產品		
Weichai Holdings and its subsidiaries	濰柴控股及其附屬公司	i	380,738
Lonking Holdings and its subsidiaries	龍工控股及其附屬公司	ii	469,295
Non-controlling shareholders groups	非控股股東集團	iii	1,843,580
Jointly-controlled entity	共同控制實體		–
Associates	聯營公司		44,763
			2,738,376
Purchases of raw materials from	向以下關連方購買原材料		
Weichai Holdings and its subsidiaries	濰柴控股及其附屬公司	i	278,415
Non-controlling shareholders groups	非控股股東集團	iii	1,848,902
Jointly-controlled entity	共同控制實體		–
Associates	聯營公司		323,743
			2,451,060
Warehouse and logistics services fee income from Weichai Holdings and its subsidiaries	來自濰柴控股及其附屬公司之倉庫及物流服務費收入	i	5,158
Other service fee income from	來自以下關聯方之其他服務費收入		
Weichai Holdings and its subsidiaries	濰柴控股及其附屬公司	i	31,341
Non-controlling shareholders groups	非控股股東集團	iii	3,261
Associates	聯營公司		86
			34,688
Other service fees paid to	向以下關聯方支付之其他服務費：		
Weichai Holdings and its subsidiaries	濰柴控股及其附屬公司	i	17,550
Non-controlling shareholders groups	非控股股東集團	iii	59,085
			76,635
			45,465

Notes to Unaudited Interim Condensed Consolidated
Financial Statements (Continued)

30 June 2010

未經審核中期簡明
綜合財務報表附註(續)

二零一零年六月三十日

20. Related Party Transactions (Continued)

- (a) In addition to the transactions detailed elsewhere in these financial statements, the Group had the following material transactions with related parties during the period: (Continued)

20. 關連方交易(續)

- (a) 除本財務報表其他部份詳述之交易外，本集團於期內與關連方進行之重大交易如下：(續)

		For the six months ended 截至六月三十日止六個月	
		30 June 2010 二零一零年 RMB'000 人民幣千元 (Unaudited) (未經審核)	30 June 2009 二零零九年 RMB'000 人民幣千元 (Unaudited) (未經審核)
		Notes 附註	
Utility services fee paid to	向以下關聯方支付公用事業 服務費		
Weichai Holdings and its subsidiaries	濰柴控股及其附屬公司	i	103,972
Utility services income from	來自以下關聯方之公用事業 服務收入		
Non-controlling shareholders groups	非控股股東集團	iii	7,478
Associates	聯營公司		977
			8,455
Rental income for certain premises, machinery and equipment from	來自以下關聯方的若干物業、 機械及設備之租金收入		
Weichai Holdings and its subsidiaries	濰柴控股及其附屬公司	i	2,115
Non-controlling shareholders groups	非控股股東集團	iii	906
Associates	聯營公司		8,054
			11,075
Rental paid for certain premises, machinery and equipment to	向以下關聯方支付若干物業、 機械及設備之租金		
Weichai Holdings and its subsidiaries	濰柴控股及其附屬公司	i	23,441
Non-controlling shareholders groups	非控股股東集團	iii	21,338
			44,779
Repair service fee income from	來自以下關連方的維修 服務費收入		
Weichai Holdings and its subsidiaries	濰柴控股及其附屬公司	i	10,400
Processing service fee paid to	支付加工服務費予		
Weichai Holdings and its subsidiaries	濰柴控股及其附屬公司	i	49,573
Non-controlling shareholders groups	非控股股東集團	iii	5,006
			54,579

Notes to Unaudited Interim Condensed Consolidated
Financial Statements (Continued)

30 June 2010

20. Related Party Transactions (Continued)

- (a) In addition to the transactions detailed elsewhere in these financial statements, the Group had the following material transactions with related parties during the period: (Continued)

Notes:

- (i) Weichai Group Holdings Limited ("Weichai Holdings") is the single largest shareholder owning a 14.91% interest in the Company as at 30 June 2010. The related party transactions disclosed above were entered into with Weichai Holdings and its subsidiaries, mainly including Chongqing Weichai Diesel Engine Works, Chongqing City Jiangjin District Chongwei Casting Co., Ltd., Shandong Weichai Import and Export Co., Ltd., Weichai Heavy Machinery Co., Ltd and Weifang Weichai Deutz Diesel Engine Co., Ltd.
- (ii) Lonking Holdings Limited ("Lonking Holdings", formerly known as China Infrastructure Machinery Holdings Limited) is a Hong Kong listed company which is owned by a non-executive director of the Company and his wife as to 54.33% as at 30 June 2010. The couple also owns a 4.13% interest in the Company. The related party transactions disclosed above were entered into with the subsidiaries of Lonking Holdings, namely Fujian Longyan Construction Machinery (Group) Company Limited and Shanghai Longgong Machinery Company Limited.
- (iii) Certain companies of the Group entered into related party transactions as disclosed above with their non-controlling shareholders, which were able to exert significant influence over the companies, and the subsidiaries thereof (collectively referred to as "Non-controlling shareholders groups"). Such non-controlling shareholders include:
- Shaanxi Fast Gear Automotive Transmission Co., Ltd., which owned a 49% interest in a subsidiary of the Group, namely Shaanxi Fast Gear Co., Ltd., as at 30 June 2010.
 - Shaanxi Automotive Group Co., Ltd., which owned a 49% interest in a subsidiary of the Group, namely Shaanxi Heavy Duty Automotive Co., Ltd., as at 30 June 2010.
 - Dongfeng Automotive Group Co., Ltd., which owned a 40% interest in a subsidiary of the Group, namely Dong Feng Off-road Vehicle Co., Ltd., as at 30 June 2010.
 - Zhuzhou Gear Share Co., Ltd. ("Zhuzhou Gear Share"), which owned a 33.98% interest in a subsidiary of the Group, namely Zhuzhou Gear Co., Ltd. ("Zhuzhou Gear"), as at 30 June 2010.
 - Mudan Jiang Huatong Automotive Group Company ("Huatong"), which owned a 20.04% interest in a subsidiary of the Group, namely Mudan Jiang Futong Automotive Air Conditioner Company Limited ("Futong"), as at 30 June 2010.
 - Tianma Automobile Group Special Truck Co., Ltd. ("Tianma"), which owned a 49% interest in a subsidiary of the Group, namely Baoding Tianma Automobile Co., Ltd, as at 30 June 2010. The other 51% interest was owned by Shaanxi Heavy Duty Automotive Co., Ltd., as at 30 June 2010.

未經審核中期簡明
綜合財務報表附註(續)

二零一零年六月三十日

20. 關連方交易(續)

- (a) 除本財務報表其他部份詳述之交易外，本集團於期內與關連方進行之重大交易如下：(續)

附註：

- (i) 於二零一零年六月三十日，濰柴控股集團有限公司(「濰柴控股」)為本公司之單一最大股東，擁有本公司14.91%的權益。上文披露之關連方交易乃與濰柴控股及其附屬公司訂立，該等附屬公司主要包括重慶濰柴發動機廠、重慶江津區重濰鑄造有限公司、山東濰柴進出口公司、濰柴重機股份有限公司及濰坊濰柴道依茨柴油機有限公司。
- (ii) 於二零一零年六月三十日，本公司一名非執行董事及其配偶於香港上市公司中國龍工控股有限公司(「龍工控股」)擁有54.33%的權益。該對夫婦亦擁有本公司4.13%的權益。上文披露之關連方交易乃與龍工控股之附屬公司訂立，即福建龍岩工程機械(集團)有限公司及龍工(上海)機械有限公司。
- (iii) 本集團若干公司與其非控股股東訂立上文披露之關連方交易，該等非控股股東對該等公司及其附屬公司(統稱「非控股股東集團」)發揮重大影響。該等非控股股東包括：
- 陝西法士特汽車傳動集團有限公司，於二零一零年六月三十日擁有本集團一家附屬公司陝西法士特齒輪有限公司的49%權益。
 - 陝西汽車集團有限公司，於二零一零年六月三十日擁有本集團一家附屬公司陝西重型汽車有限公司的49%權益。
 - 東風汽車集團股份有限公司，於二零一零年六月三十日擁有本集團一家附屬公司東風越野車有限公司的40%權益。
 - 株洲齒輪股份有限公司(「株洲齒輪股份」)，於二零一零年六月三十日擁有本集團一家附屬公司株洲齒輪有限公司(「株洲齒輪」)的33.98%權益。
 - 牡丹江華通汽車零部件有限公司(「華通」)，於二零一零年六月三十日擁有本集團一家附屬公司牡丹江富通汽車空調有限公司(「富通」)的20.04%權益。
 - 天馬汽車集團專用汽車有限公司(「天馬」)，於二零一零年六月三十日擁有本集團一家附屬公司保定天馬汽車有限公司的49%權益。於二零一零年六月三十日，陝西重型汽車有限公司擁有其餘51%權益。

Notes to Unaudited Interim Condensed Consolidated
Financial Statements (Continued)

30 June 2010

20. Related Party Transactions (Continued)

(b) Other transactions with related parties:

- (i) As at 31 December 2009, Zhuzhou Gear Share pledged its land and buildings with net book value of RMB13,022,000 for general banking facilities granted by a bank to Zhuzhou Gear. As at 30 June 2010, no such transactions occurred.
- (ii) As at 31 December 2009, Huatong pledged a building with a net book value of RMB24,622,000 for general banking facilities granted by a bank to Futong. As at 30 June 2010, no such transactions occurred.

(c) Balances due from/to related parties:

The balances due from/to related parties mainly resulted from trading transactions and miscellaneous amounts reimbursable by/to the related parties. Further details of balances due from/to related parties resulted from trading transactions are set out in notes 11 and 12.

- (i) The amounts due from related parties resulted from miscellaneous amounts reimbursable by the related parties are analysed as follows:

未經審核中期簡明
綜合財務報表附註(續)

二零一零年六月三十日

20. 關連方交易(續)

(b) 與關連方進行之其他交易：

- (i) 於二零零九年十二月三十一日，株洲齒輪股份向銀行抵押其賬面淨值為人民幣13,022,000元之土地及樓宇，以作為銀行向株洲齒輪授出之一般銀行信貸之擔保。於二零一零年六月三十日，並無發生該等交易。
- (ii) 於二零零九年十二月三十一日，華通向銀行抵押其賬面淨值為人民幣24,622,000元之樓宇，以作為銀行向富通授出之一般銀行信貸之擔保。於二零一零年六月三十日，並無發生該等交易。

(c) 應收／應付關連方之結餘：

應收／應付關連方之結餘主要來自與關連方進行之商貿往來以及關連方應償還／應收雜項金額。有關來自商貿往來之應收／應付關連方結餘的進一步詳情載於附註11及12。

- (i) 來自關連方應償還雜項金額之應收關連方款項分析如下：

		30 June 2010 二零一零年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 2009 二零零九年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核)
Weichai Holdings and its subsidiaries	濰柴控股及其附屬公司	2,032	-
Lonking Holdings and its subsidiaries	龍工控股及其附屬公司	-	-
Non-controlling shareholders groups	非控股股東集團	62,157	111,557
Jointly-controlled entity	共同控制實體	-	-
Associates	聯營公司	91,287	17,889
		155,476	129,446

Notes to Unaudited Interim Condensed Consolidated
Financial Statements (Continued)

30 June 2010

20. Related Party Transactions (Continued)

(c) Balances due from/to related parties: (Continued)

(i) (Continued)

As at 31 December 2009, the amount of RMB33,290,000 due from Shaanxi Automotive Group Co., Ltd. and the amount of RMB24,532,000 due from Zhuzhou Gear are interest-bearing at 5.31% per annum. Other receivables due from related parties are non-interest bearing, unsecured and repayable on demand.

As at 30 June 2010, all the amounts due from the related parties are non-interest bearing, unsecured and repayable on demand.

(ii) The amounts due to related parties resulted from miscellaneous amounts reimbursable to the related parties, which are non-interest-bearing, unsecured and have no fixed terms of repayment, are analysed as follows:

		30 June 2010 二零一零年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 2009 二零零九年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核)
Weichai Holdings and its subsidiaries	濰柴控股及其附屬公司	59,638	—
Lonking Holdings and its subsidiaries	龍工控股及其附屬公司	20,748	—
Non-controlling shareholders groups	非控股股東集團	95,519	80,155
Jointly-controlled entity	共同控制實體	—	102
Associates	聯營公司	13,759	258
Promoters	發起人	88,321	—
		277,985	80,515

未經審核中期簡明
綜合財務報表附註(續)

二零一零年六月三十日

20. 關聯方交易(續)

(c) 應收/應付關連方之結餘:(續)

(i) (續)

於二零零九年十二月三十一日，應收陝西汽車集團有限公司款項人民幣33,290,000元及應收株洲齒輪款項人民幣24,532,000元均按年利率5.31厘計息，其他應收關連方款項為不計息、無抵押及按要求即償還。

於二零一零年六月三十日，所有應收關連方款項為不計息、無抵押及按要求即償還。

(ii) 由應向關連方償還之雜項金額而產生的應付關連方款項為不計息、無抵押及無固定還款期，分析如下：

Notes to Unaudited Interim Condensed Consolidated Financial Statements (Continued)

30 June 2010

21. Events after the Reporting Period

(a) Share issuing by conversion of capital reserve

The Company proposed to make the distribution to every shareholder at the rate of 10 shares for every 10 shares by conversion of the capital reserve based on the total share capital of 833,045,683 shares of the Company as at 30 June 2010. Upon the implementation of above resolution, the total share capital of the Company would increase by approximately 833,045,683 shares to approximately 1,666,091,366 shares. The implementation of the resolution of shares issue by conversion of capital reserve is subject to the approval from the general meeting of the Company and the granting of the listing of the H shares so issued by the listing committee of the Stock Exchange of Hong Kong Limited.

(b) Irrevocable undertakings for the lock-up of the restricted shares

Certain promoter shareholders, namely, 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, Weichai Group Holdings Limited, Weifang Investment Company, Guangxi Liugong Group Limited, and 24 natural shareholders have made irrevocable undertakings voluntarily as follows: to extend the lock-up period in respect of the 26,320,000, 24,080,000, 12,900,000, 11,500,000, 124,236,640, 30,898,480, 7,184,880 and 23,680,000 restricted shares in the Company held by them respectively, for another three years commencing from the expiry of the lock-up period on 30 April 2010, i.e. no such shares shall be traded in any securities exchange system or otherwise be transferred or managed by other persons or repurchased by the Company within 36 months commencing from the said expiry date of the lock-up period, being 30 April 2010.

22. Comparative Amounts

Certain comparative amounts have been reclassified and restated to conform with the current period's presentation.

23. Approval of the Unaudited Interim Condensed Consolidated Financial Statements

The unaudited interim condensed consolidated financial statements were approved and authorised for issue by the board of directors on 23 August 2010.

未經審核中期簡明綜合財務報表附註(續)

二零一零年六月三十日

21. 報告期後之事件

(a) 資本公積金轉增股本

本公司擬以二零一零年六月三十日為基準日的總股本833,045,683股為基數，以資本公積金向全體股東每10股轉增10股。上述方案實施後公司總股本將增加833,045,683股至1,666,091,366股。本次實施資本公積轉增股本方案尚需本公司股東大會及香港聯合交易所有限公司上市委員會就有關轉增的H股上市作出批准。

(b) 禁售有限售條件股份之不可撤銷承諾

若干發起人股東培新控股有限公司、福建龍岩工程機械(集團)有限公司、奧地利IVM技術諮詢維也納有限公司、山東省企業託管經營股份有限公司、濰柴控股集團有限公司、濰坊市投資公司、廣西柳工集團有限公司及24名自然人發起人股東自願做出不可撤銷的承諾：分別將其持有的本公司26,320,000股、24,080,000股、12,900,000股、11,500,000股、124,236,640股、30,898,480股、7,184,880股及23,680,000股有限售條件股份自二零一零年四月三十日到期後再延長鎖定三年，即自二零一零年四月三十日限售期滿之日起三十六個月內，不會通過證券交易系統掛牌交易或以其他任何方式轉讓或委託他人管理該等股份，也不會由本公司回購。

22. 比較數字

若干比較數字已獲重新分類及重列，以符合本期間的呈報方式。

23. 未經審核中期簡明綜合財務報表之批准

未經審核中期簡明綜合財務報表已於二零一零年八月二十三日獲董事會批准及授權刊發。

Other Information

Directors' and Supervisors' Interests in Shares and Underlying Shares

As at 30 June 2010, the interests and short position (if any) of the directors, the chief executive and the supervisors in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")), as recorded in the register maintained by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies ("Model Code"), were as follows:

Name of Director 董事姓名	Capacity 身份	Number of "A" shares held 所持A股數目	Percentage of the issued share capital of the Company 佔本公司已發行 股本百分比
Tan Xuguang 譚旭光	Beneficial owner 實益擁有人	6,880,000 (Note 1) (附註1)	0.8%
Xu Xinyu 徐新玉	Beneficial owner 實益擁有人	1,600,000 (Note 1) (附註1)	0.2%
Sun Shaojun 孫少軍	Beneficial owner 實益擁有人	1,600,000 (Note 1) (附註1)	0.2%
Zhang Quan 張泉	Beneficial owner 實益擁有人	1,600,000 (Note 1) (附註1)	0.2%
Liu Huisheng 劉會勝	Beneficial owner 實益擁有人	960,000 (Note 1) (附註1)	0.1%
Yeung Sai Hong (Note 3) 楊世杭(附註3)	Held by controlled corporation 由受控法團持有	37,600,000 (Note 2) (附註2)	4.5%
Li San Yim (Note 4) 李新炎(附註4)	Held by spouse and controlled corporation 由配偶及受控法團持有	34,400,000 (Note 1) (附註1)	4.1%
Julius G. Kiss (Note 5) Julius G. Kiss(尤利斯G.肯斯)(附註5)	Held by controlled corporation 由受控法團持有	17,200,000 (Note 2) (附註2)	2.1%
Name of Supervisor 監事姓名			
Ding Yingdong 丁迎東	Beneficial owner 實益擁有人	560,000 (Note 1) (附註1)	0.1%

其他資料

董事及監事於股份及相關股份的權益

於二零一零年六月三十日，董事、高級管理人員及監事於本公司及其相聯法團(定義見證券及期貨條例「證券及期貨條例」第XV部的股份、相關股份及債券中，擁有根據證券及期貨條例第352條規定本公司須存置的登記冊所記錄，或根據上市公司董事進行證券交易的標準守則(「標準守則」)規定已知會本公司及聯交所的權益及短倉(如有)如下：

Other Information (Continued)

Director's and Supervisors' Interests in Shares and Underlying Shares (Continued)

Notes:

1. These were previously domestic shares of the Company. The domestic shares were ordinary shares issued by the Company, with a Renminbi-denominated par value of RMB1.00 each, which were subscribed for and paid up in Renminbi or credited as fully paid up. These shares became "A" shares of the Company upon the "A" share listing of the Company on the Shenzhen Stock Exchange in 2007.
2. These were previously foreign shares of the Company. The foreign shares were ordinary shares issued by the Company, with a Renminbi denominated par value of RMB1.00 each, which were subscribed for and paid up in a currency other than Renminbi. These shares became "A" shares of the Company upon the "A" share listing of the Company on the Shenzhen Stock Exchange in 2007.
3. Yeung Sai Hong, a Non-executive Director, was directly and indirectly interested in the issued share capital of Peterson Holdings Company Limited ("Peterson"), which in turn held 37,600,000 shares in the Company.
4. Li San Yim, a Non-executive Director, and his spouse, Ni Yinying, were interested in 69.16% and 30.84%, respectively, in the registered capital of 福建龍岩工程機械(集團)有限公司 (Fujian Longgong Construction Machinery (Group) Company Limited ("Fujian Longgong")) which in turn held 34,400,000 shares in the Company, and therefore Li San Yim was deemed to be interested in these shares of the Company.
5. Julius G. Kiss, a Non-executive Director, was indirectly interested in the entire issued share capital of IVM Technical Consultants Wien Gesellschaft m.b.H. ("IVM"), which in turn held 17,200,000 shares in the Company.
6. All the shareholding interests listed in the above table are "long" position.

Save as disclosed above, as at 30 June 2010, none of the directors, the chief executive nor the supervisors had an interest or short position in the shares, underlying shares or debentures of the Company or any of its associated corporations that was recorded in the register required to be kept pursuant to Section 352 of the SFO, or as otherwise notified to the Company pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers.

其他資料 (續)

董事及監事於股份及相關股份的權益 (續)

附註：

1. 該等股份之前為本公司內資股。內資股為本公司發行的普通股，以人民幣列值，每股面值人民幣1.00元，以人民幣認購及繳足或入賬列為繳足。該等股份於二零零七年度本公司A股在深交所上市後成為本公司之A股。
2. 該等股份之前為本公司外資股。外資股為本公司發行的普通股，以人民幣以外的貨幣認購及繳足。該等股份於二零零七年度本公司A股在深交所上市後成為本公司之A股。
3. 非執行董事楊世杭直接及間接擁有培新控股有限公司(「培新」)已發行股本權益，而培新則持有37,600,000股本公司股份。
4. 非執行董事李新炎及其配偶倪銀英分別擁有福建龍岩工程機械(集團)有限公司(「福建龍工」)註冊股本的69.16%及30.84%權益，而福建龍工則持有34,400,000股本公司股份，因此，李新炎被視為擁有該等本公司股份的權益。
5. 非執行董事Julius G. Kiss(尤利斯G.肯斯)間接擁有IVM Technical Consultants Wien Gesellschaft m.b.H.(「IVM」)全部已發行股本，而IVM則持有17,200,000股本公司股份。
6. 上表所列的所有股權權益均為好倉。

除上文所披露者外，於二零一零年六月三十日，概無董事、高級管理人員及監事或彼等的聯繫人於本公司或其任何相聯法團的股份、相關股份或債券中擁有根據證券及期貨條例第352條須存置的登記冊須記錄的權益或淡倉，或根據上市公司董事進行證券交易的標準守則須通知本公司的權益或淡倉。

Other Information (Continued)

其他資料(續)

Details of Changes in Share Capital and Substantial Shareholders' Shareholdings

股本變動和主要股東持股情況

1. Changes in shareholdings

1. 持股變動情況表

		Before this period		Increase/decrease during the period (+, -)					End of the period	
		期初		期內增減(+, -)					期末	
		No. of shares	Percentage	Transfer			Others	Sub-total	No. of shares	Percentage
				New shares issued	Bonus issue	of surplus to capital				
數量	比例	發行新股	送股	公積金轉股	其他	小計	數量	比例		
I. Restricted circulating shares	有限售條件股份	349,824,937	41.99%	-	-	-	-	-	349,824,937	41.99%
1.	State-owned shares	24,224,937	2.91%	-	-	-	-	-	24,224,937	2.91%
2.	State-owned legal person shares	162,320,000	19.49%	-	-	-	-	-	162,320,000	19.49%
3.	Shares held by other domestic entities	108,480,000	13.02%	-	-	-	-	-	108,480,000	13.02%
	including: Shares held by non	84,800,000	10.18%	-	-	-	-	-	84,800,000	10.18%
	State-owned legal persons									
	Shares held by domestic	23,680,000	2.84%	-	-	-	-	-	23,680,000	2.84%
	natural persons									
4.	Shares held by other foreign entities	54,800,000	6.58%	-	-	-	-	-	54,800,000	6.58%
	including: Shares held by overseas	54,800,000	6.58%	-	-	-	-	-	54,800,000	6.58%
	legal persons									
	Shares held by overseas	-	-	-	-	-	-	-	-	-
	natural persons									
II. Non-restricted circulating shares	無限售條件股份	483,220,746	58.01%	-	-	-	-	-	483,220,746	58.01%
1.	RMB ordinary shares	280,820,746	33.71%	-	-	-	-	-	280,820,746	33.71%
2.	Domestic listed foreign shares	-	-	-	-	-	-	-	-	-
3.	Overseas listed foreign shares	202,400,000	24.30%	-	-	-	-	-	202,400,000	24.30%
4.	Others	-	-	-	-	-	-	-	-	-
III. Total number of shares	股份總數	833,045,683	100%	-	-	-	-	-	833,045,683	100%

Other Information (Continued)

Details of Changes in Share Capital and Substantial Shareholders' Shareholdings (Continued)

2. Time over which shares are restricted

Time	Additional shares that can be listed and traded upon expiry of the restricted period	Description
時間	限售期滿新增可上市交易股份數量	說明
30 April 2010 二零一零年 四月三十日	349,824,937	Under the commitments of 8 legal person promoter shareholders (including Weichai Group Holdings Limited), Zhuzhou State-owned Assets and 24 natural-person promoter shareholders (including Tan Xuguang), none of their shares can be transferred within 36 months commencing from the Company's listing on the Shenzhen Stock Exchange.

Note:

- 80,694,500 A shares of restricted shares mentioned above became circulating in the market on 29 July 2010, please refer to Notification Announcement on the Circulation of Certain Restricted Shares in the Market (Announcement No.: 2010-016) of the Company for further information.
- The lock-up period in respect of the remaining restricted shares has been extended for another three years till 30 April 2013, please refer to Announcement on the Extension of Undertakings by Certain Shareholders dated 28 July 2010 and 17 August 2010 respectively (Announcement No.: 2010-017, 2010-019) of the Company for further information.

其他資料 (續)

股本變動和主要股東持股情況 (續)

2. 有限售條件股份可上市交易時間

Under the commitments of 8 legal person promoter shareholders (including Weichai Group Holdings Limited), Zhuzhou State-owned Assets and 24 natural-person promoter shareholders (including Tan Xuguang), none of their shares can be transferred within 36 months commencing from the Company's listing on the Shenzhen Stock Exchange.

根據濰柴控股集團有限公司等8家法人發起人股東、株洲國資及譚旭光等24名自然人發起人股東承諾，自公司股票在深交所上市起36個月內不轉讓其所持股票。

註：

- 上述有限售條件股份中已有80,694,500股A股股份於2010年7月29日上市流通，詳情請參見公司《部分有限售條件股份上市流通的提示性公告》(公告2010-016)。
- 其餘有限售條件股份均已追加承諾繼續鎖定三年，鎖定期至2013年4月30日，詳情請參見公司2010年7月28日、2010年8月17日的《部分股東追加承諾的公告》(公告2010-017、公告2010-019)。

Other Information (Continued)

其他資料(續)

Shareholdings of the Substantial Shareholders
(as at 30 June 2010)主要股東持股情況
(於二零一零年六月三十日)

Total number of Shareholders The number of shareholders is 58,105 among which 57,829 are shareholders of A share and 276 are shareholders of H share
 股東總數 共58,105戶，其中A股股東57,829戶，H股股東276戶

Shareholdings of the top ten shareholders
前10名股東持股情況

Names of shareholders 股東名稱	Type of shareholders 股東性質	Approximate percentage of shares held 概約持股比例	Total number of shares held 持股總數	Number of restricted shares held 持有有限售條件股份數量	Number of shares pledged or frozen 質押或凍結的股份數量
HKSCC Nominees Limited 香港中央結算代理人有限公司	Foreign shareholder 外資股東	24.15%	201,199,498	—	unknown 未知
Weichai Group Holdings Limited 濰柴控股集團有限公司	State-owned legal person 國有法人	14.92%	124,304,000	124,236,640	—
Peterson Holdings Company Limited 培新控股有限公司	Overseas legal person 境外法人	4.51%	37,600,000	37,600,000	—
Shenzhen Chuangxi Investment Group Co.,Ltd 深圳市創新投資集團有限公司	Domestic non state-owned legal person 境內非國有法人	4.13%	34,400,000	34,400,000	—
Fujian Longyan Construction Machinery (Group) Company Limited 福建龍岩工程機械(集團)有限公司	Domestic non state-owned legal person 境內非國有法人	4.13%	34,400,000	34,400,000	0

Other Information (Continued)

其他資料 (續)

Shareholdings of the Substantial Shareholders
(as at 30 June 2010) (Continued)主要股東持股情況
(於二零一零年六月三十日) (續)

Names of shareholders	Type of shareholders	Approximate percentage of shares held	Total number of shares held	Number of restricted shares held	Number of shares pledged or frozen
股東名稱	股東性質	概約 持股比例	持股總數	持有有限售 條件股份數量	質押或凍結 的股份數量
Weifang Investment Company 濰坊市投資公司	State-owned legal person 國有法人	3.71%	30,898,480	30,898,480	—
Zhuzhou State-owned Assets Investment Holdings Company Limited 株洲市國有資產投資控股集團有限公司	State-owned shares legal person 國家股法人	2.91%	24,224,937	24,224,937	7,200,000
Agricultural Bank of China — 中郵核心成長股票型證券投資基金 中國農業銀行—中郵核心成長股票型證券投資基金	Others 其他	2.66%	22,191,863	—	—
IVM Technical Consultants Wien Gesellschaft m.b.H 奧地利IVM技術諮詢維也納有限公司	Overseas legal person 境外法人	2.06%	17,200,000	17,200,000	—
Shandong Enterprise Trust Operation Company Limited 山東省企業託管經營股份有限公司	Domestic non state-owned legal person 境內非國有法人	1.92%	16,000,000	16,000,000	—

Other Information (Continued)

其他資料(續)

Shareholdings of the Substantial Shareholders
(as at 30 June 2010) (Continued)主要股東持股情況
(於二零一零年六月三十日)(續)

Shareholdings of the top ten non-restricted shareholders

前10名無限售條件股東持股情況

Names of shareholders 股東名稱	Number of the non- restricted shares held 持有無限售條件股份數量	Types of shares 股份種類
HKSCC Nominees Limited 香港中央結算代理人有限公司	201,199,498	Overseas listed foreign shares 境外上市外資股
Agricultural Bank of China — 中郵核心成長股票型證券 投資基金	22,191,863	RMB ordinary shares 人民幣普通股
中國農業銀行 — 中郵核心成長股票型證券投資基金		
Bank of China — 大成藍籌穩健證券投資基金	11,301,463	RMB ordinary shares 人民幣普通股
中國銀行 — 大成藍籌穩健證券投資基金		
Industrial and Commercial Bank of China — 易方達價值成長 混合型證券投資基金	6,160,000	RMB ordinary shares 人民幣普通股
中國工商銀行 — 易方達價值成長混合型證券投資基金		
Bank of China — 易方達深證100交易型開放式指數證券 投資基金		
中國銀行 — 易方達深證100交易型開放式指數證券投資基金	5,539,845	RMB ordinary shares 人民幣普通股
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 人民幣普通股
中國建設銀行 — 富國天博創新主題股票型證券投資基金		
China Construction Bank — 華夏優勢增長股票型證券投資基金	5,053,737	RMB ordinary shares 人民幣普通股
中國建設銀行 — 華夏優勢增長股票型證券投資基金		
Dacheng Value Growth Stock Investment Fund 大成價值增長證券投資基金	5,000,000	RMB ordinary shares 人民幣普通股
Agricultural Bank of China — 中郵核心優選股票型證券 投資基金	4,647,666	RMB ordinary shares 人民幣普通股
中國農業銀行 — 中郵核心優選股票型證券投資基金		
Industrial and Commercial Bank of China — 博時精選股票證券 投資基金	4,099,751	RMB ordinary shares 人民幣普通股
中國工商銀行 — 博時精選股票證券投資基金		

Other Information (Continued)

其他資料 (續)

Shareholdings of the Substantial Shareholders
(as at 30 June 2010) (Continued)主要股東持股情況
(於二零一零年六月三十日) (續)

Description of the connected relationship or acting in concert relationship among the aforesaid shareholders:

上述股東關聯關係或一致行動的說明

1. Among the aforementioned shareholders, Agricultural Bank of China — 中郵核心成長股票型證券投資基金 and Agricultural Bank of China — 中郵核心優選股票型證券投資基金 are both managed by a fund manager, namely China Post & Capital Fund Management Co., Ltd. ; Dacheng Value Growth Stock Investment Fund and Bank of China — 大成藍籌穩健證券投資基金 are both managed by a fund manager, namely Dacheng Fund Management Co., Ltd. (大成基金管理公司); and Industrial and Commercial Bank of China — 易方達價值成長混合型證券投資基金 and Bank of China — 易方達深證100交易型開放式指數證券投資基金 are both managed by a fund manager, namely E Fund Management Co., Ltd.
2. Save as the aforementioned, it's not certain whether there is any connected relationship among the top ten shareholders and the other top ten non-restricted shareholders, or whether there is any acting in concert relationship among them.
1. 以上股東中，中國農業銀行—中郵核心成長股票型證券投資基金與中國農業銀行—中郵核心優選股票型證券投資基金為同一基金管理人—中郵創業基金管理有限公司；大成價值增長證券投資基金與中國銀行—大成藍籌穩健證券投資基金為同一基金管理人—大成基金管理有限公司；中國工商銀行—易方達價值成長混合型證券投資基金與中國銀行—易方達深證100交易型開放式指數證券投資基金為同一基金管理人—易方達基金管理有限公司。
2. 除上述情況以外，本公司未知其他前十名股東及其他前十名無限售條件股東之間是否存在關聯關係，也未知其是否屬於一致行動人。

Other Information (Continued)

其他資料(續)

SUBSTANTIAL SHAREHOLDERS

The register of substantial shareholders maintained by the Company pursuant to Section 336 of the SFO (including interests filed with the Hong Kong Stock Exchange) shows that as at 30 June 2010, the following persons (other than the directors, the chief executive and the supervisors) had the following interests and the short positions (if any) in the shares and underlying shares of the Company:

主要股東

本公司根據證券及期貨條例第336條存置的主要股東登記冊(包括向香港聯交所申報的利益)顯示,於二零一零年六月三十日,下列人士(董事、高級管理人員及監事除外)在本公司股份及相關股份中擁有下列權益及短倉(如有):

Name	Capacity	Long/ Short position	Number of A shares	Percentage of share capital comprising only A shares	Number of H shares	Percentage of share capital comprising only H shares	Percentage of total issued share capital
名稱	身份	好倉/ 淡倉	A股數目	佔A股股本 百分比	H股數目	佔H股股本 百分比	佔已發行 股本總數 百分比
Weichai Group Holdings Limited 濰柴控股集團有限公司	Beneficial owner 實益擁有人	Long 好倉	124,304,000	19.71%	—	—	14.92%
State-owned Assets Supervision and Administration Commission of Shandong Province ("Shandong SASAC") (Note 1) 山東省國有資產監督管理委員會(「山東國資委」) (附註1)	Held by controlled corporation 由受控法團持有	Long 好倉	124,304,000	19.71%	—	—	14.92%
Peterson Holdings Company Limited ("Peterson") (Note 2) 培新控股有限公司(「培新」)(附註2)	Beneficial owner 實益擁有人	Long 好倉	37,600,000	5.96%	—	—	4.51%
Yeung Sai Hong (Note 2) 楊世杭(附註2)	Held by controlled corporation 由受控法團持有	Long 好倉	37,600,000	5.96%	—	—	4.51%
Tingho Nominees Limited (Note 2)	Held by controlled corporation 由受控法團持有	Long 好倉	37,600,000	5.96%	—	—	4.51%
Advantage Investment Corporation Limited (Note 2)	Held by controlled corporation 由受控法團持有	Long 好倉	37,600,000	5.96%	—	—	4.51%
Shenzhen Chuangxi Investment Group Co., Ltd (Note 3) 深圳市創新投資集團有限公司(附註3)	Beneficial owner 實益擁有人	Long 好倉	34,400,000	5.45%	—	—	4.13%
Shenzhen Chuangxi Investment Management Company (Note 3) 深圳市創新投資管理公司(附註3)	Held by controlled corporation 由受控法團持有	Long 好倉	34,400,000	5.45%	—	—	4.13%
Fujian Longyan Construction Machinery (Group) Company Limited ("Fujian Longgong") (Note 4) 福建龍岩工程機械(集團)有限公司(「福建龍工」) (附註4)	Beneficial owner 實益擁有人	Long 好倉	34,400,000	5.45%	—	—	4.13%

Other Information (Continued)

其他資料 (續)

Name	Capacity	Long/ Short position	Number of A shares	Percentage of share capital comprising only A shares	Number of H shares	Percentage of share capital comprising only H shares	Percentage of total issued share capital
名稱	身份	好倉/ 淡倉	A股數目	佔A股股本 百分比	H股數目	佔H股股本 百分比	佔已發行 股本總數 百分比
Li San Yim (Note 4)	Held by controlled corporation and spouse	Long	34,400,000	5.45%	—	—	4.13%
李新炎 (附註4)	由受控法團及配偶持有	好倉					
Ni Yinying (Note 4)	Held by controlled corporation and spouse	Long	34,400,000	5.45%	—	—	4.13%
倪銀英 (附註4)	由受控法團及配偶持有	好倉					
JPMorgan Chase & Co. 摩根大通	Investment manager 投資管理人	Long 好倉	—	—	22,742,694	11.24%	2.73%
The Capital Group Companies, Inc	Investment manager 投資管理人	Long 好倉	—	—	17,827,300	8.81%	2.14%
FIL Limited	Investment manager 投資管理人	Long 好倉	—	—	11,928,000	5.89%	1.43%

Notes

1. State-owned Assets Supervision and Administration Commission of Shandong Province ("Shandong SASAC") held the entire capital of Weichai Group Holding Limited (formerly known as Weifang Diesel Engine Works). For details, please refer to the announcement of the Company Dated 22nd March, 2006.
2. Yeung Sai Hong, a Non-Executive Director, was beneficially interested in the entire issued share capital of Tingho Nominees Limited, which in turn held 100% of Advantage Investment Corporation Limited, which was interested in 90% of the issued share capital of Peterson.
3. Shenzhen Investment Management Company was interested in approximately 33.73% of the registered capital of Shenzhen Chuangxin Investment Group Company Limited.
4. The registered capital of Fujian Longgong was held as to 69.16% by Li San Yim, a Non-Executive Director, and as to 30.84% by Ni Yinying, spouse of Li San Yim, and therefore Ni Yinying was deemed to be interested in these shares of the Company.

Save as disclosed above, the Company had not been notified of any other relevant interests or short positions in the issued share capital of the Company as 30 June, 2010.

附註：

1. 山東省國有資產監督管理委員會(「山東國資委」)持有濰柴控股集團有限公司(前稱為濰坊柴油機廠)的全部股本。詳情請參閱本公司於二零零六年三月二十二日刊發的公告。
2. 非執行董事楊世杭實益擁有Tingho Nominees Limited的全部已發行股本，Tingho Nominees Limited持有 Advantage Investment Corporation Limited的100%股權，而 Advantage Investment Corporation Limited則持有培新的90%已發行股本。
3. 深圳市創新投資管理公司擁有深圳市創新投資集團有限公司註冊股本的約33.73%權益。
4. 非執行董事李新炎及李新炎之配偶倪銀英分別擁有福建龍工註冊股本的69.16%及30.84%權益，因此倪銀英被視為於該等本公司股份中擁有權益。

除上文披露者外，於二零一零年六月三十日本公司並無獲告知在本公司已發行股本中的任何其他相關權益或短倉。

Other Information (Continued)

Emolument Policy

The emolument policy of the employees of the Group is set up by the Remuneration Committee on the basis of their merit, qualifications and competence.

The emoluments of the Directors of the Company are decided by the Remuneration Committee, having regard to the Group's operating results, individual performance and comparable market statistics.

Arrangements to Purchase Shares or Debentures

At no time during the Period was the Company or any of its subsidiaries a party to any arrangements to enable the Directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

Purchase, Sale or Redemption of Listed Securities of the Company

During the Period, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

Pre-Emptive Rights

There are no provisions for pre-emptive rights under the Company's Articles of Association or the laws of the PRC, which would oblige the Company to offer new shares on a pro-rata basis to existing shareholders.

Major Customers and Suppliers

The aggregate sales during the Period attributable to the Group's five largest customer were less than 30% of the Group's total sales.

The aggregate purchase during the Period attributable to the Group's five largest suppliers were less than 30% of the Group's total purchases.

Save as disclosed above, at no time during the Period did a Director, a Supervisor, an associate of a Director or a shareholder of the Company, which to the knowledge of the Directors, own more than 5% of the Company's share capital, have an interest in any of the Group's five largest suppliers or customers.

其他資料 (續)

薪酬政策

本集團僱員的薪酬政策由薪酬委員會根據彼等的長處、資歷及工作能力釐訂。

本公司董事的薪酬由薪酬委員會經考慮本集團經營業績、個人表現及可資比較市場統計數據後決定。

購買股份或債券的安排

本公司及其任何附屬公司於本期間任何時間，概無參與可以使本公司董事通過收購本公司或任何其他法人團體的股份或債券以取得利益的安排。

購買、出售或贖回本公司的證券

於本期間，本公司或其任何附屬公司概無購買、出售或贖回任何本公司上市證券。

優先購買權

本公司的公司章程或中國法律均無訂立有關優先購買權條文，規定本公司須按比例向現有股東發售新股。

主要客戶及供應商

於本期間，本集團五大客戶所佔總銷售額佔本集團總銷售額少於30%。

於本期間，本集團五大供應商所佔總採購額佔本集團總採購額少於30%。

除上文所披露者外，於本期間任何時間，任何董事、監事、董事的任何聯繫人或據董事所知擁有本公司股本超過5%的本公司任何股東，概無擁有本集團五大供應商或客戶任何權益。

Other Information (Continued)

Audit Committee

The Audit Committee comprises three Independent Non-executive Directors of the Company. The Chairman of the Audit Committee is Mr. Koo Fook Sun, Louis, an Independent Non-executive Director. Mr. Koo is an experienced investment banker with appropriate professional qualifications or accounting or related financial management expertise as required under Rule 3.10(2) of the Listing Rules, for the purpose of such appointment. Throughout the Period, the Audit Committee discharged its responsibilities, reviewed and discussed the financial results and internal control system of the Company. In accordance with the requirements of Appendix 16 to the Listing Rules, the Audit Committee has reviewed the unaudited interim condensed consolidated financial statements for the period.

Compliance with Code on Corporate Governance Practices in Appendix 14 of the Listing Rules

Throughout the Period, other than the roles of the Chairman and the Chief Executive Officer being performed by Mr. Tan Xuguang ("Mr. Tan"), the Company has complied with all the code provisions of the Code on Corporate Governance Practices as set out in Appendix 14 to the Listing Rules.

Mr. Tan is in charge of the overall management of the Company. The Company considers that the combination of the roles of the Chairman and the Chief Executive Officer can promote the efficient formulation and implementation of the Company's strategies which will enable the Group to grasp business opportunities efficiently and promptly. The Company considers that through the supervision of its Board and its Independent Non-executive Directors, there is adequate balance of power and authority in place.

Compliance with the Model Code

During the Period, the Company has adopted a code of conduct regarding securities transactions by Directors on terms no less exacting than the required standard set out in the Model Code for Securities Transaction by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules (the "Model Code"). Having made specific enquiry of all Directors, the Directors have confirmed that they have complied with the required standard set out in the Model Code for the Period under review.

其他資料 (續)

審核委員會

審核委員會由本公司三名獨立非執行董事組成。審核委員會主席為獨立非執行董事顧福身先生。顧先生是一名資深投資銀行專家，具備證券上市規則第3.10(2)條對該委任所要求之適當的專業資格，或具備適當的會計或相關的財務管理專長。於本期間內，審核委員會履行其職責，檢討及討論本公司的財務業績及內部監控事宜。根據上市規則附錄十六的規定，審核委員會已審閱本期間之未經審核中期簡明綜合財務報表。

遵守上市規則附錄十四所載的企業管治常規守則

於本期間，除譚旭光先生（「譚先生」）擔任本公司董事長兼首席執行官外，本公司一直遵守上市規則附錄十四所載「企業管治常規守則」的所有守則條文。

譚先生負責本公司之整體管理。本公司認為，讓譚先生同時兼任董事長及首席執行官可讓本公司更有效地計劃及執行本公司之策略，從而令本集團能夠有效而迅速地把握商機。本公司相信，通過其董事會及其獨立非執行董事之監督，此足以維持職權平衡。

遵守標準守則

於本期間，本公司已就董事進行證券交易採納操守準則，有關條款不比上市規則附錄十所載上市公司董事進行證券交易的標準守則（「標準守則」）規定的標準寬鬆，且董事向全體董事作出特定查詢後確認，彼等於回顧期間已遵守標準守則所載規定的標準。

Other Information (Continued)

Sufficiency of Public Float

Based on the information that is publicly available to the Company and within the knowledge of the directors, the Company has maintained the prescribed public float under the Listing Rules as at the date of this report.

Approval of the Unaudited Consolidated Financial Statement

The unaudited interim condensed consolidated financial statements for the Period have been approved by the Board on 23 August 2010.

Publication of the Unaudited Interim Report on the Websites of the Stock Exchange of Hong Kong Limited and the Company

The 2010 Unaudited Interim Report will be despatched to Shareholders as well as made available on The Stock Exchange of Hong Kong Limited's website at www.hkex.com.hk and the Company's website at www.weichai.com in due course.

其他資料(續)

充足公眾持股量

根據本公司獲得之公開資料並就本公司董事所知，本公司於本報告刊發日期維持上市規則所規定的公眾持股量。

批准未經審核綜合財務報表

董事會已於二零一零年八月二十三日批准本期間的未經審核中期簡明綜合財務報表。

於香港聯合交易所有限公司及本公司網站公佈中期業績

本公司二零一零年中期報告將寄送予各位股東及刊登於香港聯合交易所有限公司網站 www.hkex.com.hk 及本公司網站 www.weichai.com。



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