

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



潍柴动力股份有限公司
WEICHAI POWER CO., LTD.

(a joint stock limited company incorporated in the People's Republic of China with limited liability)
(Stock Code: 2338)

OVERSEAS REGULATORY ANNOUNCEMENT

This announcement is made pursuant to Rule 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

Reference is made to an announcement made by Weichai Power Co., Ltd. (the “**Company**”) on the website of Shenzhen Stock Exchange dated 27 April 2018, which is for information only. The full text of the announcement in Chinese is published on the websites of the Stock Exchange and the Company.

By order of the Board of Directors
Tan Xuguang
Chairman and CEO

Weifang, Shandong, PRC

27 April 2018

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

WEICHAI POWER CO., LTD.
FIRST QUARTERLY REPORT FOR 2018



April 2018

SECTION 1 IMPORTANT NOTICE

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

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

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

SECTION 2 BASIC INFORMATION OF THE COMPANY

2.1 Major accounting data and financial indicators

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

Yes No

Reasons for retrospective adjustments or restatement
Change in accounting policies

Unit: RMB

	Reporting period	Corresponding period of last year		Change for the reporting period as compared to the corresponding period of last year
		Before adjustment	After adjustment	After adjustment
Revenue (RMB)	39,212,057,376.95	34,988,300,954.88	34,988,300,954.88	12.07%
Net profit attributable to shareholders of listed company (RMB)	1,919,634,540.67	1,179,934,074.18	1,179,934,074.18	62.69%
Net profit attributable to shareholders of listed company after extraordinary gain/loss (RMB)	1,988,866,510.84	1,165,501,843.46	1,165,501,843.46	70.64%
Net cash flows from operating activities (RMB)	-829,206,435.50	-577,284,077.39	-577,284,077.39	-43.64%
Basic earnings per share (RMB/share)	0.24	0.15	0.15	62.69%
Diluted earnings per share (RMB/share)	0.24	0.15	0.15	62.69%
Weighted average return on net assets	5.29%	3.65%	3.65%	1.64%
	As at the end of the reporting period	As at the end of last year		Change as at the end of the reporting period over the end of last year
		Before adjustment	After adjustment	After adjustment
Total assets (RMB)	196,235,109,860.34	189,638,166,629.52	189,821,466,852.87	3.38%
Net assets attributable to shareholders of listed company (RMB)	37,159,978,364.09	35,239,522,902.94	35,476,066,186.84	4.75%

Reason for the change in accounting policies:

On 31 March 2017, the Accounting Standards for Business Enterprises No. 22 – Recognition and Measurement of Financial Instruments; Accounting Standards for Business Enterprises No. 23 – Transfer of Financial Assets; Accounting Standards for Business Enterprises No. 24 – Hedge Accounting; and Accounting Standards for Business Enterprises No. 37 – Presentation of Financial Instruments were revised by the Ministry of Finance of the PRC under Caikuai [2017] No. 7 and became effective from 1 January 2018. It is required under the standards that upon these standards becoming effective, financial instruments should be categorized and measured as stipulated and no adjustment needs to be made in case of inconsistency between comparative data in financial statements for prior period and those required under these standards. Any difference between the original carrying amount and the new carrying amount of the financial instrument as at the effective date of these standards should be adjusted against amounts under retained earnings, other comprehensive income and other items in financial statements as at the beginning of 2018.

On 5 July 2017, Accounting Standards for Business Enterprises No. 14 – Revenue was issued by the Ministry of Finance of the PRC under

Caikuai [2017] No. 22 and became effective from 1 January 2018. It is required under the standards that an entity that adopts the standards for the first time should adjust the amounts of its retained earnings and other items in financial statements as at the beginning of 2018 based on the amount under cumulative effect and no adjustment should be made to data for the comparative period.

With effect from 1 January 2018, the Group adopted the newly amended accounting standards set out above for accounting treatment. According to the transitional requirements under the new standards, comparative figures for the comparative period need not be restated. Adjustments arising from the difference in implementing the new standards initially and the original standards should be dealt with in the opening retained earnings or other comprehensive income.

Extraordinary gain/loss items and amounts

Applicable N/A

Unit: RMB

Item	Amount from the beginning of the year to the end of the reporting period	Description
Gains or losses from disposal of non-current assets (including the part of assets impairment provision already made and written off)	71,831,791.50	
Government subsidy accounted into profit and loss for the current period, excluding those closely associated with the business of the Company which were given in a fixed amount or volume in compliance with state standard	30,365,357.21	
Profit and loss from entrusted investments or asset management	20,584,800.00	
Profit and loss on the changes in fair value generated from financial assets and financial liabilities held for trading and investment income received from disposal of financial assets held for trading, financial liabilities held for trading and available-for-sale financial assets, other than effective hedging business relating to ordinary operating business of the Company	-172,347,410.98	
Other non-operating income and expenses other than the above Items	68,233,120.07	
Less: Effects of income tax	20,642,202.00	
Effects of minority interests (after tax)	67,257,425.97	
Total	-69,231,970.17	—

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

Applicable N/A

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

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

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

Unit: Share

Total number of shareholders of ordinary shares as at the end of the reporting period	191,744	Total number of shareholders of preference shares with resumed voting rights as at the end of the reporting period, if any	0			
Information on shareholdings of the top ten shareholders						
Name of shareholder	Nature of shareholder	Shareholding ratio	Number of shares held	Number of restricted shares held	Pledged or frozen	
					Status of shares	Quantity
HKSCC Nominees Limited	Foreign shareholder	24.23%	1,937,670,176			
Weichai Group Holdings Limited	State-owned legal person	16.83%	1,345,905,600	1,345,905,600		
Weifang Investment Group Company Limited	State-owned legal person	3.71%	296,625,408	296,625,408		
China Securities Finance Corporation Limited	Domestic non-state-owned legal person	3.05%	244,064,721			
IVM Technical Consultants Wien Gesellschaft m.b.H	Overseas legal person	1.79%	143,390,000			
Central Huijin Assets Management Company Limited	State-owned legal person	1.36%	108,492,800			
Shandong Enterprise Trust Operation Company Limited	Domestic non-state-owned legal person	0.80%	63,763,960			
Tan Xuguang	Domestic natural person	0.74%	58,842,596	44,131,947		

National Social Security Fund – 116 Portfolio (全国社保基金一一六组合)	Funds, wealth management products etc.	0.65%	52,163,940			
Shanghai Gaoyi Asset Management Partnership (LP) – Gaoyi Xiaofeng No. 2 Zhixin Fund (上海高毅资产管理合伙企业(有限合伙) – 高毅晓峰2号致信基金)	Funds, wealth management products etc.	0.59%	47,199,709			

Information on shareholdings of the top ten non-restricted shareholders

Name of shareholder	Number of non-restricted shares held	Types of shares	
		Types of shares	Quantity
HKSCC Nominees Limited	1,937,670,176	Overseas listed foreign shares	1,937,670,176
China Securities Finance Corporation Limited	244,064,721	RMB ordinary shares	244,064,721
IVM Technical Consultants Wien Gesellschaft m.b.H	143,390,000	RMB ordinary shares	143,390,000
Central Huijin Assets Management Company Limited	108,492,800	RMB ordinary shares	108,492,800
Shandong Enterprise Trust Operation Company Limited	63,763,960	RMB ordinary shares	63,763,960
National Social Security Fund – 116 Portfolio (全国社保基金一一六组合)	52,163,940	RMB ordinary shares	52,163,940
Shanghai Gaoyi Asset Management Partnership (LP) – Gaoyi Xiaofeng No. 2 Zhixin Fund (上海高毅资产管理合伙企业(有限合伙) – 高毅晓峰2号致信基金)	47,199,709	RMB ordinary shares	47,199,709
CITIC Trust Co., Ltd. – CITIC Trust Ruijin Phase 43 Gaoyi Xiaofeng Investment Pooled Fund Trust Scheme (中信信托有限责任公司 – 中信信托锐进43期高毅晓峰投资集合资金信托计划)	45,636,675	RMB ordinary shares	45,636,675
Hong Kong Securities Clearing Company Limited	43,504,424	RMB ordinary shares	43,504,424
Huaxia Fund – Agricultural Bank of China – Huaxia Zhongzheng Financial Asset Management Scheme (华夏基金 – 农业银行 – 华夏中证金融资产管理计划)	33,002,800	RMB ordinary shares	33,002,800
Statement on the connected relationship or acting in concert relationship among the aforementioned shareholders	Among the aforesaid shareholders, Mr. Tan Xuguang is the chairman of Weichai Group Holdings Limited. The Company is not aware whether there is any connected relationship among the aforementioned shareholders, or whether there is any acting in concert relationship among them.		

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

Yes No

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

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

Applicable N/A

SECTION 3 IMPORTANT EVENTS

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

√ Applicable □ N/A

Unit: RMB

Item on statements	Balance as at the end of the reporting period	Balance as at the beginning of the reporting period	Percentage change	Reason
Accounts receivable	20,774,360,760.80	13,014,460,238.34	59.63%	It is mainly attributable to the settlement of accounts receivable from some customers of auxiliary products who generally pay according to credit period and tend to settle at year end.
Financial liabilities at fair value through profit or loss	804,662,003.08	482,880,099.94	66.64%	It is mainly attributable to the changes in fair value of derivatives.
Item on statements	From the beginning of the year to the end of the reporting period	Corresponding period of last year	Percentage change	Reason
Gain or loss on change of fair value	-164,289,400.03	-49,543,457.63	-231.61%	It is mainly attributable to the changes in fair value of derivatives.
Investment income	105,431,049.27	14,839,132.86	610.49%	It is mainly attributable to the disposal of subsidiaries.
Net cashflows from operating activities	-829,206,435.50	-577,284,077.39	-43.64%	It is mainly attributable to the increase in cash paid for goods and services during the reporting period.
Net cashflows from investing activities	-44,339,231.69	-986,815,604.66	95.51%	It is mainly attributable to the increase in cash received from sale of investments during the reporting period.

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

□ Applicable √ N/A

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

√ Applicable □ N/A

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

	Shaanxi Fast Gear Co., Ltd.	Other commitments	<p>1. Shaanxi Fast Gear Co., Ltd., a controlling subsidiary of the Company (hereinafter "SFGC") leased from Shaanxi Auto Gear General Works (currently named Shaanxi Fast Gear Automotive Transmission Co., Ltd., and hereinafter "Fast Transmission") two parcels of land located in Daqing Road, Lianhu District, Xi'an City and Wu Zhang Yuan Town in Qishan County and Shucang Village in Baoji County, both in Shaanxi Province. The aforesaid two parcels of land were acquired by Fast Transmission by way of allocation, but Fast Transmission failed to provide competent government authorities with documents testifying agreed leasing of the land use rights concerning such allocated land. 2. SFGC leased from Fast Transmission buildings located in the west section of Daqing Road, Lianhu District, Xi'an City and Wu Zhang Yuan Town in Qishan County and Shucang Village in Baoji County. For some of the buildings, title documents including property ownership certificates, corresponding land use right certificates and leasing registration etc. have not yet been obtained. 3. Fast Transmission and SFGC undertook to fully negotiate and communicate with the local governments to seek lawful and effective regulations or adjustments to the leasing of land and properties within one year and seek elimination of the existing unregulated leasing of land parcels and properties.</p>	1 December 2006	One year	Implementation of commitments was not yet completed.
	Weichai Power Co., Ltd.	Other commitments	<p>In absorbing Torch, Weichai Power built some properties on a parcel of land acquired by way of land grant, allocation and leasing which is to the west of Weizhou Road and to the south of Min Sheng Road East Street where Weifang Diesel Engine Factory (currently named Weichai Group Holdings, and hereinafter "Weichai Group") is located. Application has been made by Weichai Power for the grant (transfer) of six parcels of land under Weichai Group where the aforesaid buildings are located, to obtain the land use rights by way of land grant to the aforesaid land parcels.</p>	1 December 2006	One year	Implementation of commitments was not yet completed.

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

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

3. Regarding the commitments made by Weichai Power

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

3.4 Operating results forecast for the period from January to June 2018

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

Applicable N/A

3.5 Investments in securities

Applicable N/A

Type of securities	Stock code	Short name	Initial Investment cost (RMB)	No. of shares at the beginning of period	Percentage of shareholding at the beginning of period	No. of shares at the end of period	Percentage of shareholding at the end of period	Carrying amount at the end of period (RMB)	Gains/ losses during the period (RMB)	Accounted for under	Source
Equity	600166	Foton Motor	194,000,000.00	80,000,000	1.20%	80,000,000	1.20%	201,600,000.00	0.00	Available for-sale financial assets	Internal funding
Total			194,000,000.00	80,000,000	--	80,000,000	--	201,600,000.00	0.00	--	--

3.6 Investments in derivatives

✓ Applicable □ N/A

Unit: in ten thousand RMB

Name of operators of derivatives investment	Connection	Whether or not a connected transaction	Type of Derivatives investment	Initial Investment amount of derivatives investment	Effective Date	Expiry Date	Investment at the beginning of the Period	Amount acquired during the reporting period	Amount disposed of during the reporting period	Amount of provision for impairment (if any)	Investment at the end of the Period	Proportion of investment to the net asset of the Company at the end of the reporting period	Actual amount of profit and loss during the reporting period
The Hong Kong and Shanghai Banking Corporation Limited, the Bank of China, Barclays	No	No	Cross Currency Swap Business	0.00	30 September 2015	30 September 2020	-30,328.79	0.00	0.00	0.00	-40,785.13	-0.70%	-10,758.38
The Hong Kong and Shanghai Banking Corporation Limited, Australia and New Zealand Banking Group Limited, BNP Paribas, JP Morgan	No	No	Cross Currency Swap Business	0.00	14 September 2017	14 September 2022	-13,567.30	0.00	0.00	0.00	-37,112.12	-0.64%	-23,770.34
Overseas non-connecting financial institutions etc.	No	No	Cash flow hedge in respect of forward exchange contracts	0.00	1 January 2017	2017-2019	20,692.48	0.00	0.00	0.00	21,619.65	0.37%	727.17
Overseas non-connecting financial institutions etc.	No	No	Interest rate swaps hedging	0.00	21 February 2017	April 2027	-1,370.08	0.00	0.00	0.00	-1,450.52	-0.02%	-130.44
Total				0.00	--	--	-24,573.69	0.00	0.00	0.00	-57,728.12	-0.99%	-33,931.99
Source of derivatives investment funding				Internal funding									
Litigation involved (if applicable)				Not applicable									
Date of the announcement disclosing the approval by the board of directors of derivatives investment by the Board (if any)				23 September 2015									
				31 August 2017									
Risk analysis of positions in derivatives during the reporting period and explanations of risk control measures (including but not limited to market risk, liquidity risk, credit risk, operation risk, legal risk etc.)				There is appropriate internal control system for the management of the Company to control the relevant risks. At the end of reporting period, there was no significant exposure for the positions in derivatives of the Company.									

<p>Changes in market price or product fair value of invested derivatives during the reporting period, where specific methods and relevant assumptions and parameters used shall be disclosed in the analysis of derivatives' fair value</p>	<p>In the course of valuation, the Company adopted valuation techniques which were appropriate in the circumstances and for which sufficient data and other information were available for measurement, selecting inputs which were consistent with the characteristics of the assets and liabilities contemplated by market participants under the relevant assets or liabilities transactions. Priorities should be given to the use of relevant observable inputs. Where the relevant observable inputs could not be obtained in a practicable manner or at all, unobservable inputs would be used instead.</p> <p>(1) On 1 July 2016, Weichai International Hong Kong Energy Group Co., Limited ("Hong Kong Energy"), a subsidiary of the Company, used the cross currency swaps as hedging instrument, and conducted cash flow hedging on the foreign currency bond amounting to USD400 million against the cash flow fluctuation incurred by change in exchange rates. From 1 January 2018 to 31 March 2018, the loss on the changes in fair value of the hedging instruments recognized in other comprehensive income amounted to RMB 107,583,767.23 (EUR13,837,349.87). The amount included in the statement of profit and loss for the period was RMB77,540,039.87 (EUR9,973,146.40). There was no material invalid hedge for the reporting period. On 31 March 2018, the aforesaid cross currency swap hedging instrument of the Group was shown as financial liabilities at fair value through profit or loss in the financial statements, with a carrying amount of RMB407,851,346.35. Key parameters of assumption included interest payment ratio; interest receipt ratio; frequency of interest receipt; frequency of interest payment; USD interest rate curve; EUR interest rate curve; USD/EUR exchange rate curve etc.</p> <p>(2) The effective date of 2017 bond cross currency swaps business of Weichai International Hong Kong Energy Group Co., Limited ("Hong Kong Energy"), a subsidiary of the Company, was 14 September 2017. The loss on the changes of fair value from 1 January 2018 to 31 March 2018 amounted to RMB 237,703,435.30 (EUR 30,573,251.75). In the course of valuation, the Company adopted valuation techniques which were appropriate in the circumstances and for which sufficient data and other information were available for measurement, selecting inputs which were consistent with the characteristics of the assets and liabilities contemplated by market participants under the relevant assets or liabilities transactions. Priorities should be given to the use of relevant observable inputs. Where the relevant observable inputs could not be obtained in a practicable manner or at all, unobservable inputs would be used instead. Key parameters of assumption included interest payment ratio; interest receipt ratio; frequency of interest receipt; frequency of interest payment; USD interest rate curve; EUR interest rate curve; USD/EUR exchange rate curve etc.</p> <p>(3) KION GROUP AG, a subsidiary of the Company, conducted cash flow hedging on forward currency contracts designated to the exchange rate risk of forecast sale, forecast purchase and firm commitment. The gain on the changes in fair value of such cash flow hedging instruments recognized in other comprehensive income from 1 January 2018 to 31 March 2018 amounted to RMB9,695,463.40 (EUR1,253,000.00) in aggregate. The amount included in the statement of profit and loss for the reporting period amounted to RMB8,494,169.95 (EUR1,097,750.00). There was no material invalid hedge for the period. Key parameters of assumption included contracted exchange rate, prevailing forward exchange rate, discount rate etc.</p> <p>(4) KION GROUP AG, a subsidiary of the Company, conducted cash flow hedging on interest rate swap contracts designated to the interest rate risk of the floating-rate borrowings for acquiring Dematic Group, a subsidiary of the Company. The loss on the changes in fair value of such cash flow hedging instruments recognized in other comprehensive income from 1 January 2018 to 31 March 2018 amounted to RMB1,739,070.55 (EUR224,750.00). No amount was taken to profit and loss during the reporting period. Key parameters of assumption included contracted sum, forward exchange rate, discount rate etc.</p>
---	--

Explanations of any significant changes in the Company's accounting policies and specific accounting and auditing principles on derivatives between the reporting period and the last reporting period	No material change
Specific opinions of independent Directors on the derivatives investment and risk control of the Company	For details, please refer to the "Independent opinion on the Company's relevant matters by independent directors of Weichai Power Co., Ltd." disclosed by the Company on 31 August 2017

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

✓ Applicable □ N/A

Time	Way of reception	Type of guests	Basic information of research
10 January 2018	On-site research	Corporation	For details, please refer to the <i>Logbook of Investor Relations Activities as of 10 January 2018</i> disclosed by the Company on CNINFO website
16 January 2018	On-site research	Corporation	For details, please refer to the <i>Logbook of Investor Relations Activities as of 16 January 2018</i> disclosed by the Company on CNINFO website
18 January 2018	On-site research	Corporation	For details, please refer to the <i>Logbook of Investor Relations Activities as of 18 January 2018</i> disclosed by the Company on CNINFO website
30 January 2018	On-site research	Corporation	For details, please refer to the <i>Logbook of Investor Relations Activities as of 30 January 2018 (I)</i> disclosed by the Company on CNINFO website
30 January 2018	On-site research	Corporation	For details, please refer to the <i>Logbook of Investor Relations Activities as of 30 January 2018 (II)</i> disclosed by the Company on CNINFO website
12 February 2018	On-site research	Corporation	For details, please refer to the <i>Logbook of Investor Relations Activities as of 12 February 2018</i> disclosed by the Company on CNINFO website

3.8 External guarantees in violation of regulations

Applicable N/A

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

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

Applicable N/A

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

SECTION 4 FINANCIAL STATEMENTS

4.1 Financial Statements

4.1.1 Consolidated balance sheet

Prepared by: WEICHAI POWER CO., LTD.

31 March 2018

Unit: RMB

Item	Balance as at the end of the period	Balance as at the beginning of the period
Current assets:		
Cash and cash equivalents	32,688,466,426.84	34,221,837,770.90
Settlement provisions		
Capital lent to other financial institutions		
Financial assets at fair value through profit or loss	399,300,476.69	384,067,087.32
Derivative financial assets		
Notes receivable	25,272,874,816.80	25,291,238,910.52
Contract assets	822,388,859.60	782,578,492.30
Accounts receivable	20,774,360,760.80	13,014,460,238.34
Prepayments	786,405,849.00	559,802,492.16
Insurance receivables		
Reinsurance receivables		
Contract reserve of reinsurance receivables		
Interests receivable	50,231,651.75	25,264,533.85
Dividends receivable	540,000.00	5,228,280.90
Other receivables	1,244,780,151.65	857,629,220.37
Purchase restituted financial assets		
Inventories	21,417,314,774.45	19,850,822,463.67
Held-for-sale assets		
Non-current assets due within one year	1,754,004,504.00	1,778,971,213.80
Other current assets	3,036,435,956.57	3,792,776,498.74
Total current assets	108,247,104,228.15	100,564,677,202.87

Non-current assets:		
Granted loans and advances		
Financial assets at fair value through other comprehensive income	402,298,575.88	433,167,571.18
Financial assets at fair value through profit or loss	3,350,467.40	3,378,395.90
Held-to-maturity investments		
Long-term receivables	5,184,573,609.60	5,197,814,237.00
Long-term equity investments	2,829,204,884.59	2,833,993,415.48
Investment property	576,244,507.65	569,210,526.81
Fixed assets	26,555,574,469.02	27,067,404,030.16
Construction in progress	1,599,745,382.61	1,218,157,893.32
Material used in construction	2,710,781.24	589,457.74
Disposal of fixed assets	917,785.55	903,928.29
Productive biological assets		
Oil and gas assets		
Intangible assets	23,140,066,897.05	23,839,954,192.45
Development expenditure	542,553,406.24	515,853,805.25
Goodwill	22,029,990,785.84	22,583,192,662.42
Long-term prepaid expenses	260,449,176.26	283,430,938.92
Deferred tax assets	4,643,005,972.59	4,455,566,239.29
Other non-current assets	217,318,930.67	254,172,355.79
Total non-current assets	87,988,005,632.19	89,256,789,650.00
Total assets	196,235,109,860.34	189,821,466,852.87
Current liabilities:		
Short-term loans	3,585,304,520.98	3,174,887,395.62
Loans from central bank		
Absorbing deposit and interbank deposit		
Capital borrowed from other financial institutions		
Financial liabilities at fair value through profit or loss	804,662,003.08	482,880,099.94
Derivative financial liabilities		
Notes payable	14,026,369,443.39	12,361,446,846.30

WEICHAI POWER CO., LTD. FIRST QUARTERLY REPORT FOR 2018 (FULL REPORT)

Accounts payable	31,643,765,186.39	30,654,794,938.52
Contract liabilities	2,595,095,626.20	2,531,432,828.10
Advance from customers	2,014,271,049.97	3,221,054,396.80
Selling financial assets of repurchase		
Handling fees and commission payable		
Payroll payables	4,469,875,110.58	4,810,305,393.38
Taxes payable	3,385,753,539.17	2,700,258,706.06
Interests payable	109,969,584.75	95,394,487.50
Dividends payable	12,892,263.15	207,460,650.87
Other payables	9,998,069,556.98	7,723,245,808.19
Reinsurance payables		
Insurance contract reserve		
Security trading commission		
Security underwriting fees		
Held-for-sale liabilities		
Non-current liabilities due within one year	5,484,787,826.00	5,596,251,134.50
Other current liabilities	5,189,740,687.55	4,851,696,489.11
Total current liabilities	83,320,556,398.19	78,411,109,174.89
Non-current liabilities:		
Long-term borrowings	15,743,641,443.62	15,678,594,729.35
Bonds payable	10,329,160,115.00	10,459,780,084.07
Incl: Preference shares		
Perpetual bonds		
Long-term payables	9,430,063,022.00	9,218,432,433.10
Long-term payroll payable	9,228,816,212.18	9,236,773,057.02
Special payables	23,000,000.00	23,000,000.00
Provisions	308,323,065.40	344,923,046.70
Deferred income	3,158,873,083.98	3,121,664,308.58
Deferred tax liabilities	6,036,155,128.67	6,509,569,814.52
Other non-current liabilities	234,833,643.79	226,205,400.79
Total non-current liabilities	54,492,865,714.64	54,818,942,874.13
Total liabilities	137,813,422,112.83	133,230,052,049.02

Equity holders' interest:		
Share capital	7,997,238,556.00	7,997,238,556.00
Other equity instruments		
Incl: Preference shares		
Perpetual bonds		
Capital reserves	135,977,307.98	135,898,754.99
Less: Treasury stock		
Other comprehensive income	-1,750,169,820.35	-1,499,921,652.03
Special reserves	132,803,149.30	118,355,897.38
Surplus reserves	616,811,881.87	616,811,881.87
General risk provision		
Retained earnings	30,027,317,289.29	28,107,682,748.63
Total equity attributable to equity holders of parent company	37,159,978,364.09	35,476,066,186.84
Minority interests	21,261,709,383.42	21,115,348,617.01
Total equity holders' interests	58,421,687,747.51	56,591,414,803.85
Total liabilities and equity holders' interests	196,235,109,860.34	189,821,466,852.87

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

4.1.2 Balance sheet of the parent company

Unit: RMB

Item	Balance as at the end of period	Balance as at the beginning of period
Current assets:		
Cash and cash equivalents	13,535,976,727.61	14,229,215,401.61
Financial assets at fair value through profit or loss		
Derivative financial assets		
Notes receivable	21,279,161,306.53	23,018,971,007.38
Accounts receivable	8,863,938,038.63	1,492,883,648.61
Prepayments	119,766,199.00	90,735,869.78
Interests receivable	48,674,375.00	23,116,750.00
Dividends receivable	48,025,940.85	240,204,169.02
Other receivables	292,073,832.42	360,439,484.91
Inventories	1,589,788,112.91	1,337,111,784.14
Held-for-sale assets		
Non-current assets due within one year		
Other current assets		29,109,553.59
Total current assets	45,777,404,532.95	40,821,787,669.04
Non-current assets:		
Financial assets at fair value through other comprehensive income	232,470,000.00	255,670,000.00
Held-to-maturity investments		
Long-term receivables		
Long-term equity investments	12,663,977,899.25	12,588,403,518.10
Investment property	1,183,970,462.46	1,201,197,929.43
Fixed assets	2,935,419,849.84	3,043,915,670.87
Construction in progress	271,628,178.49	176,542,666.47
Material used in construction		
Disposal of fixed assets		
Productive biological assets		
Oil and gas assets		
Intangible assets	461,551,712.61	463,712,921.79

Development expenditure		
Goodwill	341,073,643.76	341,073,643.76
Long-term prepaid expenses		
Deferred tax assets	1,015,910,649.43	724,784,443.48
Other non-current assets	1,172,795,638.89	958,732,818.89
Total non-current assets	20,278,798,034.73	19,754,033,602.79
Total assets	66,056,202,567.68	60,575,821,271.83
Current liabilities:		
Short-term loans		
Financial liabilities at fair value through profit or loss		
Derivative financial liabilities		
Notes payable	9,576,224,773.01	9,339,569,093.38
Accounts payable	9,739,527,469.80	8,360,166,067.65
Advance from customers	35,264,919.81	53,587,374.55
Payroll payables	760,533,143.20	859,386,749.65
Taxes payable	1,322,417,386.64	741,716,110.76
Interests payable		
Dividends payable		
Other payables	4,098,900,249.00	2,497,504,438.30
Held-for-sale liabilities		
Non-current liabilities due within one year		
Other current liabilities	1,859,668,385.00	1,617,152,913.39
Total current liabilities	27,392,536,326.46	23,469,082,747.68
Non-current liabilities:		
Long-term borrowings		
Bonds payable		
Incl: Preference shares		
Perpetual bonds		
Long-term payables		
Long-term payroll payable	16,171,679.54	18,825,899.20
Special payables		
Provisions		

WEICHAI POWER CO., LTD. FIRST QUARTERLY REPORT FOR 2018 (FULL REPORT)

Deferred income	541,349,669.05	521,977,016.97
Deferred tax liabilities		
Other non-current liabilities		
Total non-current liabilities	557,521,348.59	540,802,916.17
Total liabilities	27,950,057,675.05	24,009,885,663.85
Equity holders' interests:		
Share capital	7,997,238,556.00	7,997,238,556.00
Other equity instruments		
Incl: Preference shares		
Perpetual bonds		
Capital reserves	1,080,313,374.62	1,080,313,374.62
Less: Treasury stock		
Other comprehensive income	5,771,500.00	25,491,500.00
Special reserves	65,238,076.30	59,958,938.53
Surplus reserves	2,136,832,331.58	2,136,832,331.58
Retained earnings	26,820,751,054.13	25,266,100,907.25
Total equity holders' interests	38,106,144,892.63	36,565,935,607.98
Total liabilities and equity holders' interests	66,056,202,567.68	60,575,821,271.83

4.1.3 Consolidated income statement

Unit: RMB

Item	Amount for current Period	Amount for corresponding period of last year
1. Total revenue	39,212,057,376.95	34,988,300,954.88
Including: Revenue	39,212,057,376.95	34,988,300,954.88
Interest income		
Premium income earned		
Handling fees and commission income		
2. Total cost of sales	36,009,764,470.31	33,091,925,178.14
Including: Cost of sales	30,158,862,710.08	27,769,840,882.02
Interest expenses		
Handling fees and commission expenses		
Payments on surrenders		
Claim expenses-net		
Provision for insurance contract reserve-net		
Policyholder dividends		
Expenses for reinsurance		
Taxes and surcharges	216,990,663.54	187,607,673.45
Distribution and selling expenses	2,638,471,290.44	2,429,464,010.99
General and administrative expenses	2,280,454,780.77	2,104,699,187.97
Finance expenses	200,312,341.74	185,156,566.73
Impairment loss on assets	514,672,683.74	415,156,856.98
Add: Gains arising from fair value changes (losses are indicated with "-")	-164,289,400.03	-49,543,457.63
Investment income (losses are indicated with "-")	105,431,049.27	14,839,132.86
Including: Share of profit of associated companies and joint ventures	18,557,550.35	14,817,840.58
Foreign exchange gains (losses are indicated with "-")		
Gain on disposal of assets (losses are indicated with "-")	2,222,825.03	-4,915,922.11

Other income	30,365,357.21	
3. Operating profit (losses are indicated with "-")	3,176,022,738.12	1,856,755,529.86
Add: Non-operating income	94,831,557.07	99,280,369.97
Less: Non-operating expenses	26,685,066.72	32,010,463.57
4. Total profits (total losses are indicated with "-")	3,244,169,228.47	1,924,025,436.26
Less: Income tax expenses	683,574,695.46	436,691,900.52
5. Net profits (net losses are indicated with "-")	2,560,594,533.01	1,487,333,535.74
(1) Net profit from continuing operations (net losses are indicated with "-")	2,560,594,533.01	1,487,333,535.74
(2) Net profit from discontinued operations (net losses are indicated with "-")		
Net profit attributable to equity holders of parent company	1,919,634,540.67	1,179,934,074.18
Minority interest	640,959,992.34	307,399,461.56
6. Net other comprehensive income after tax	-707,913,886.80	-51,985,449.35
Net other comprehensive income attributable to shareholders of the parent after tax	-249,559,668.32	-54,335,424.58
(1) Those other comprehensive income not to be reclassified into profit or loss in subsequent periods	-27,145,604.96	-61,145,160.76
1. Change of fair value of financial assets at fair value through other comprehensive income	-19,720,000.00	12,240,000.00
2. Changes arising from re-measuring net assets or net liabilities of defined benefit plan	-7,425,604.96	-73,385,160.76
3. Share of investee's other comprehensive income not to be reclassified into profit or loss using the equity method		
(2) Those other comprehensive income to be reclassified into profit or loss in subsequent periods	-222,414,063.36	6,809,736.18
1. Share of investee's other comprehensive income to be reclassified into profit or loss using the equity method	-1,012,582.49	-486,615.40
2. Gains or losses on Reclassification of held-to-maturity investments to financial assets available for sale		
3. Effective portion of cashflow	3,696,616.16	6,247,096.45

from hedging Instrument		
4. Exchange differences on foreign currency translation	-225,098,097.03	1,049,255.13
5. Others		
Net other comprehensive income attributable to minority owners after tax	-458,354,218.48	2,349,975.23
7. Total comprehensive income	1,852,680,646.21	1,435,348,086.39
Total comprehensive income attributable to equity holders of parent company	1,670,074,872.35	1,125,598,649.60
Total comprehensive income attributable to minority shareholders	182,605,773.86	309,749,436.79
8. Earnings per share:		
(1) Basic earnings per share	0.24	0.15
(2) Diluted earnings per share	0.24	0.15

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

4.1.4 Income statement of the parent company

Unit: RMB

Item	Amount for current Period	Amount for corresponding period of last year
1. Revenue	10,183,306,977.66	9,512,395,064.60
Less: Cost of sales	7,237,478,560.94	7,169,760,077.00
Taxes and surcharges	113,710,827.00	97,905,888.09
Distribution and selling expenses	364,423,619.51	284,812,048.80
General and administrative expenses	450,563,654.32	310,046,372.96
Finance expenses	-43,823,262.23	-34,824,034.06
Impairment loss on assets	394,511,139.22	408,830,728.73
Add: Gain arising from fair value changes (losses are indicated with “-”)		
Investment income (losses are indicated with “-”)	177,911,301.15	12,593,731.12
Including: Share of profit of associated companies and joint ventures	26,876,170.86	12,593,731.12
Gain on disposal of assets (losses are indicated with “-”)	325,538.97	212,201.57

Other income	10,656,403.10	
2. Operating profit (losses are indicated with "-")	1,855,335,682.12	1,288,669,915.77
Add: Non-operating income	1,382,395.80	4,334,887.46
Less: Non-operating expenses	1,421,650.06	324,828.84
3. Total profits (total losses are indicated with "-")	1,855,296,427.86	1,292,679,974.39
Less: Income tax expenses	300,646,280.98	189,093,220.16
4. Net profits (net losses are indicated with "-")	1,554,650,146.88	1,103,586,754.23
(1) Net profit from continuing operations (net losses are indicated with "-")	1,554,650,146.88	1,103,586,754.23
(2) Net profit from discontinued operations (net losses are indicated with "-")		
5. Net other comprehensive income after tax	-19,720,000.00	12,240,000.00
(1) Those other comprehensive income not to be reclassified into profit or loss in subsequent periods	-19,720,000.00	12,240,000.00
1. Change of fair value of financial assets at fair value through other comprehensive income	-19,720,000.00	12,240,000.00
2. Changes arising from re-measuring net assets or net liabilities of defined benefit plan		
3. Share of investee's other comprehensive income not to be reclassified into profit or loss using the equity method		
(2) Those other comprehensive income to be reclassified into profit or loss in subsequent periods		
1. Share of investee's other comprehensive income to be reclassified into profit or loss using the equity method		
2. Gains or losses on reclassification of held-to-maturity investments to financial assets available for sale		
3. Effective portion of cashflow from hedging instrument		

4. Exchange differences on foreign currency translation		
5. Others		
6. Total comprehensive income	1,534,930,146.88	1,115,826,754.23
7. Earnings per share:		
(1) Basic earnings per share	0.19	0.14
(2) Diluted earnings per share	0.19	0.14

4.1.5 Consolidated cash flow statement

Unit: RMB

Item	Amount for current Period	Amount for corresponding period of last year
1. Cash flows from operating activities:		
Cash received from sale of goods and provision of services	28,336,640,454.42	23,239,216,143.86
Net increase in customers' deposit and interbank deposit		
Net increase in loans from central bank		
Net increase in capital borrowed from other financial institutions		
Cash received from premiums of original insurance contract		
Net cash received from reinsurance		
Net increase in policyholder deposit and investment		
Net increase in disposal of financial assets at fair value through profit or loss		
Cash received from interests, handling fees and commission		
Net increase in capital borrowed		
Net increase in cash received under repurchasing		
Refund of taxes	188,487,361.67	101,847,493.29
Other cash received relating to operating activities	272,007,196.08	298,327,365.24
Subtotal of cash inflows from operating activities	28,797,135,012.17	23,639,391,002.39
Cash paid for purchase of goods and receiving of services	18,660,288,959.68	14,714,580,609.33
Net increase in customers' loans and advances		
Net increase in fund deposited in central bank and interbank		
Cash paid for claims under original insurance contract		
Cash paid for interests, handling fees and commission		
Cash paid for dividends to policyholders		
Cash paid to and for staff	5,767,805,501.62	5,001,454,808.77
Cash paid for all types of taxes	1,760,610,151.95	1,693,888,879.53
Other cash paid relating to operating activities	3,437,636,834.42	2,806,750,782.15
Subtotal of cash outflows from operating activities	29,626,341,447.67	24,216,675,079.78

WEICHAI POWER CO., LTD. FIRST QUARTERLY REPORT FOR 2018 (FULL REPORT)

Net cash flows from operating activities	-829,206,435.50	-577,284,077.39
2. Cash flows from investing activities:		
Cash received from disposal of investments	1,135,000,000.00	125,000,000.00
Cash from return on investments	27,134,952.15	2,553,778.49
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	15,528,932.20	13,879,255.08
Net cash received from disposal of subsidiaries and other business units	130,019,045.68	
Other cash received relating to investing activities		5,504,725.86
Subtotal of cash inflows from investing activities	1,307,682,930.03	146,937,759.43
Cash paid for acquisition and construction of fixed assets, intangible assets and other long-term assets	691,128,442.92	518,687,383.30
Cash paid for investment	630,000,000.00	615,039,000.00
Net increase in pledged loans		
Net cash paid for acquisition of subsidiaries and other business units		
Other cash paid relating to investing activities	30,893,718.80	26,980.79
Subtotal of cash outflows from investing activities	1,352,022,161.72	1,133,753,364.09
Net cash flows from investing activities	-44,339,231.69	-986,815,604.66
3. Cash flows from financing activities:		
Cash received from capital contribution	11,439,720.00	
Including: Cash received by subsidiaries from capital contribution of minority shareholders	11,439,720.00	
Cash received from borrowings	4,181,821,549.30	10,444,731,119.78
Cash received from issuance of debentures		
Other cash received relating to financing activities	56,371,712.75	
Subtotal of cash inflows from financing activities	4,249,632,982.05	10,444,731,119.78
Cash paid for repayment of borrowings	3,625,460,370.61	9,874,165,750.00
Cash paid for distribution of dividends, profit or for interest	329,878,862.84	306,158,760.67
Including: Dividends and profit distributed to minority shareholders by subsidiaries	237,885,684.84	47,048,418.09
Other cash paid relating to financing activities	4,296,837.65	46,320,388.08

Subtotal of cash outflows from financing activities	3,959,636,071.10	10,226,644,898.75
Net cash flows from financing activities	289,996,910.95	218,086,221.03
4. Effects of changes in exchange rates on cash and cash equivalents	-32,858,868.15	14,629,086.16
5. Net increase in cash and cash equivalents	-616,407,624.39	-1,331,384,374.86
Add: balances of cash and cash equivalents as at the beginning of the period	26,254,590,256.11	21,598,831,905.22
6. Balances of cash and cash equivalents as at the end of the period	25,638,182,631.72	20,267,447,530.36

4.1.6 Cash flow statement of the parent company

Unit: RMB

Item	Amount for current Period	Amount for corresponding period of last year
1. Cash flows from operating activities:		
Cash received from sale of goods and provision of services	7,233,413,207.62	3,225,719,878.96
Refund of taxes		
Other cash received relating to operating activities	74,746,634.23	44,367,658.13
Subtotal of cash inflows from operating activities	7,308,159,841.85	3,270,087,537.09
Cash paid for purchase of goods and receiving of services	6,476,235,804.79	3,603,603,598.49
Cash paid to and for staff	499,739,875.93	320,639,120.90
Cash paid for all types of taxes	802,427,079.08	819,312,519.63
Other cash paid relating to operating activities	162,461,419.07	27,719,512.75
Subtotal of cash outflows from operating activities	7,940,864,178.87	4,771,274,751.77
Net cash flows from operating activities	-632,704,337.02	-1,501,187,214.68
2. Cash flows from investing activities:		
Cash received from disposal of investments	211,615,695.00	
Cash from return on investments	192,178,228.17	57,316,065.21
Net cash received from disposal of fixed assets, intangible assets and other long-term assets		199,840.00
Net cash received from disposal of subsidiaries and other business units		
Other cash received relating to investing activities		

WEICHAI POWER CO., LTD. FIRST QUARTERLY REPORT FOR 2018 (FULL REPORT)

Subtotal of cash inflows from investing activities	403,793,923.17	57,515,905.21
Cash paid for acquisition and construction of fixed assets, intangible assets and other long-term assets	102,018,781.63	73,297,412.09
Cash paid for investment	26,692,680.00	4,950,000.00
Net cash paid for acquisition of subsidiaries and other business units		
Other cash paid relating to investing activities	275,231,820.00	
Subtotal of cash outflows from investing activities	403,943,281.63	78,247,412.09
Net cash flows from investing activities	-149,358.46	-20,731,506.88
3. Cash flows from financing activities:		
Cash received from capital contribution		
Cash received from borrowings		
Cash received from issuance of debentures		
Other cash received relating to financing activities		
Subtotal of cash inflows from financing activities		
Cash paid for repayment of borrowings		
Cash paid for distribution of dividends, profit or for interest repayment	35,210,522.95	
Other cash paid relating to financing activities		
Subtotal of cash outflows from financing activities	35,210,522.95	
Net cash flows from financing activities	-35,210,522.95	
4. Effects of changes in exchange rates on cash and cash equivalents	-38,037.36	1,372.72
5. Net increase in cash and cash equivalents	-668,102,255.79	-1,521,917,348.84
Add: balances of cash and cash equivalents as at the beginning of the period	14,138,495,877.47	9,744,275,681.71
6. Balances of cash and cash equivalents as at the end of the period	13,470,393,621.68	8,222,358,332.87

4.2 Auditors' report

Whether the first quarterly report is audited or not

Yes No

The first quarterly report of the Company is not audited.

WEICHAI POWER CO., LTD.
Tan Xuguang, Chairman
27 April 2018