哈尔滨动力设备股份有限公司

HARBIN POWER EQUIPMENT COMPANY LIMITED

(S c C de: 1133)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2010

B D C C 31 D 2010:

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

1 2010

		2010	2009
		RMB'000	'000
		28,815,543	28,629,522
C		**(24,665,786)**	(24,964,015)
		4,149,757	3,665,507
		948,150	568,962
D		**(483,997)**	(388,589)
A		**(2,686,530)**	(2,325,715)
		(410,931)	(390,036)
	( )	**(132,321)**	(180,381)
		25,793	34,764

	2010	2009
	RMB'000	*'000*
[illegible]	**1,409,921**	984,512
[illegible]	**(272,027)**	(226,871)
[illegible]	**1,137,894**	757,641
A b ab e :		
[illegible] C [illegible]	**1,024,498**	606,206
[illegible]	**113,396**	151,435
	1,137,894	757,641
Ea g e ha e		
B [illegible]	**RMB74.4ce** [illegible]	[illegible] B44.0 [illegible]

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

[illegible] 1 [illegible] 2010

	Notes	2010	2009
	[illegible]	***RMB'000***	*'000*
[illegible]			
[illegible]		**4,991**	248,724
[illegible]		**4,815,171**	4,261,254
[illegible]		**367,348**	342,018
[illegible]		**90,321**	98,881
D[illegible]		**193,878**	133,932
[illegible]		**328,490**	179,079
A[illegible]		**35,941**	27,074
		5,836,140	5,290,962
[illegible]			
[illegible]		**12,562,801**	14,230,160
[illegible]	*11*	**11,122,830**	12,168,981
B[illegible]	*11*	**980,496**	600,844
[illegible]	*11*	**4,506,705**	4,852,058
[illegible]		**12,058**	10,176
A[illegible]		**894,923**	947,326
A[illegible]		**112,920**	76,908
D[illegible]		**104,276**	–
[illegible]		**1,188,000**	–
[illegible]			7,006
[illegible]		**249,294**	526,229
B[illegible]		**1,090,000**	3,553,595
C[illegible]		**11,425,774**	10,612,136
		44,250,077	47,585,419
[illegible]			
A[illegible]		**1,274,290**	509,964
[illegible]	*12*	**11,746,026**	10,166,545
[illegible]		**2,799,289**	3,173,130
D[illegible]		**11,681,047**	15,216,864
A[illegible]		**24,418**	51,757
A[illegible]		**20,478**	20,478
B[illegible]		**507,005**	1,288,579
[illegible]		**815,084**	592,313
		28,867,637	31,019,630

		2010	2009
	[illegible]	*RMB'000*	*'000*
[illegible]		**15,382,440**	16,565,789
[illegible]		**21,218,580**	21,856,751
[illegible]			
D [illegible]		**7,592,559**	8,118,370
A [illegible]		**1,042,918**	814,020
B [illegible]		**1,549,909**	2,707,099
		10,185,386	11,639,489
NET ASSETS		**11,033,194**	10,217,262
CAPITAL AND RESERVES			
[illegible]	*1*	**1,376,806**	1,376,806
[illegible]		**8,260,977**	7,262,220
[illegible]			
C [illegible]		**9,637,783**	8,639,026
[illegible]		**1,395,411**	1,578,236
TOTAL EQUITY		**11,033,194**	10,217,262

NOTES:

[illegible] 1 [illegible] 2010

1. GENERAL INFORMATION

[illegible]

[illegible]

[illegible]

2. SIGNIFICANT ACCOUNTING POLICIES

(a) S a e e f c a ce

[illegible]

[illegible]

(b) Ba f e a a f he f a c a e e

[illegible]

3. CHANGES IN ACCOUNTING POLICIES

[illegible]

- 3 (2008), [illegible]
- A A 27, [illegible]
- A A 39, [illegible]

(2009)

- 5 (5), [illegible]

[illegible] A 24 ( ), [illegible]

[illegible] 25 27 A 24 ( ) [illegible] A 24 ( ) [illegible]

A [illegible] A 27, [illegible] 1 [illegible] 2010 [illegible]

A [illegible] 2009, [illegible] A 17, [illegible] B [illegible] A 17, [illegible] A 17 [illegible] A 17, [illegible]

[illegible] A 17 [illegible]

[illegible] 5, [illegible] ([illegible] 5) [illegible] ([illegible]) [illegible] 5 [illegible] 5 [illegible]

[illegible] 5, [illegible] 5, [illegible]

[illegible] 5 [illegible]

4. **REVENUE**

[illegible]

	2010	2009
	RMB'000	*'000*
[illegible]	**21,116,828**	20,741,812
[illegible]	**7,691,199**	7,629,850
[illegible]		202,628
[illegible]		40,801
[illegible]	**7,516**	14,431
	28,815,543	28,629,522

[illegible] 31 D [illegible] 2010, [illegible] 10% [illegible] (2009: [illegible]).

5. OTHER REVENUE AND NET INCOME

	2010	2009
	RMB'000	*'000*
O he e e e		
[illegible]	**278,138**	266,543
[illegible]		
[illegible]	**278,138**	266,543
C [illegible]	**60,617**	–
D [illegible]	**20**	1,298
C [illegible]	**334,518**	252,253
[illegible]	**29,279**	9,880
	702,572	529,974
O he e c e/( )		
[illegible]	**5,877**	7,805
[illegible]	**550**	510
[illegible]		8,437
[illegible] ( )/ [illegible]	**(9,584)**	20,522
[illegible]	**150,349**	–
[illegible]	**104,276**	–
[illegible]	**1,110**	1,714
[illegible]	**(7,000)**	–
	245,578	38,988
	948,150	568,962

6. PROFIT BEFORE TAXATION

[illegible] /([illegible]):

	2010	2009
	RMB'000	*'000*
(a) F a ce c		
[illegible]:		
[illegible]	**126,912**	144,131
[illegible]	**18,690**	39,282
[illegible]	**145,602**	183,413
[illegible]	**(13,281)**	(3,032)
	132,321	180,381

B [illegible] 4.78% (2009: 4.86%) [illegible]

	2010	2009
	RMB'000	*'000*
(b) S aff c		
[illegible]	**1,324,596**	1,172,907
[illegible]	**256,978**	229,713
[illegible]	**1,581,574**	1,402,620
(c) O he e		
A [illegible]	**558,117**	548,874
A [illegible]	**120,899**	30,776
A [illegible]	**12,993**	22,023
A [illegible]	**12,058**	10,707
A [illegible]	**2,520**	2,500
C [illegible] #	**24,665,786**	23,013,191
D [illegible]	**181**	16,060
D [illegible]	**455,844**	374,589
[illegible]		1,659
[illegible]	**95,830**	700
[illegible]	**3,945**	
[illegible]	**5,937**	2,300
[illegible]	**650,239**	463,633

\# C [illegible] B1,360,119,000 (2009: B1,234,581,000) [illegible] 6( ) [illegible]

7. INCOME TAX IN THE CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

[illegible]:

	2010	2009
	RMB'000	*'000*
C e a		
C [illegible]		
[illegible]	**360,907**	239,022
[illegible]	**(28,934)**	(12,056)
	331,973	226,966
Defe ed a		
[illegible]	**(59,946)**	(95)
	272,027	226,871

21 ... 2008, ... C ... (高新技術企業). A ... C ... 16 ... 2007, ... C ... 15% ... 3 ... 1 ... 2008.

... 15%, ... 25% (2009: 25%) ...

A ... C ... 2008 ... 897 ... C ... C ... A ... 6 ... 2008, ... C ... 2008 ... 10% ... C ... 10% ... 2008 ...

8. DIVIDENDS

(a) D ... C ... :

	2010	2009
	RMB'000	*'000*
... B0.14 ... (2009: ... B0.068 ...)	**192,753**	93,623

... C ...

(b) D ... C ... :

	2010	2009
	RMB'000	*'000*
... B0.068 ... (2009: ... B0.075 ...)	**93,623**	103,260

9. EARNINGS PER SHARE

(a) Ba ... ea ... g ... e ... ha ... e

... C ... B1,024,498,000 (2009: ... B606,206,000) ... 1,376,806,000 (2009: 1,376,806,000) ...

(b) D ... ed ea ... g ... e ... ha ... e

... 31 D ... 2010 ... 2009, ...

10. SEGMENT REPORTING

[illegible]

A [illegible]

AC/DC [illegible] AC/DC [illegible]

(a) Seg[illegible]

[illegible]

[illegible] 31
D [illegible] 2010 [illegible] 2009 [illegible]

2010

	[illegible]	[illegible]	[illegible]	[illegible]	AC/DC [illegible]	[illegible]
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
[illegible]	17,984,152	2,362,495	5,060,211	919,028	2,489,657	28,815,543
[illegible]	3,655,382					3,655,382
[illegible]	21,639,534	2,362,495	5,060,211	919,028	2,489,657	32,470,925
[illegible]	2,534,295	596,378	170,478	307,563	541,043	4,149,757
[illegible]	314,336	66,856	11,904	8,933	53,815	455,844
[illegible]					181	181
[illegible]	11,038	271		568	1,116	12,993
[illegible]	7,097	1,612	41	234	3,074	12,058
[illegible]	441,736	40,375	(1,079)	18,546	58,539	558,117
[illegible]					3,945	3,945
[illegible]	25,458,150	3,031,678	3,853,640	969,260	3,739,975	37,052,703
[illegible]	454,143	141,568	10,969	12,558	140,268	759,506
[illegible]	26,382,460	2,955,454	3,803,714	1,060,681	2,620,820	36,823,129

2009

	[illegible]	[illegible]	[illegible]	A [illegible]	AC/DC [illegible]	[illegible]
	’000	’000	’000	’000	’000	’000
[illegible]	19,220,791	1,893,429	4,299,673	1,251,301	1,964,328	28,629,522
[illegible]	1,736,527	–	–	–	–	1,736,527
[illegible]	20,957,318	1,893,429	4,299,673	1,251,301	1,964,328	30,366,049
[illegible]	2,572,874	437,991	(60,962)	316,106	399,498	3,665,507
D [illegible]	271,128	43,687	10,329	13,135	36,310	374,589
D [illegible]	–	–	–	–	16,060	16,060
A [illegible]	17,813	218	–	1,288	2,704	22,023
A [illegible]	8,490	1,296	40	385	496	10,707
A [illegible]	390,798	46,730	35,622	22,218	53,506	548,874
[illegible]	28,354,652	2,438,448	4,576,856	1,498,732	3,133,281	40,001,969
A [illegible]	563,920	99,329	8,094	16,245	171,914	859,502
[illegible]	29,811,273	2,692,148	3,036,218	1,675,755	1,728,146	38,943,540

(b) Reconciliations of reportable segment revenue, profit, assets and liabilities

	2010	2009
	RMB’000	*’000*
Revenue		
[illegible]	**32,470,925**	30,366,049
[illegible]	**(3,655,382)**	(1,736,527)
C[illegible]	**28,815,543**	28,629,522
Profit		
[illegible]	**4,149,757**	3,665,507
[illegible]	**(132,321)**	(180,381)
[illegible]	**25,793**	34,764
[illegible]	**(2,633,308)**	(2,535,378)
C[illegible]	**1,409,921**	984,512
Assets		
[illegible]	**37,052,703**	40,001,969
[illegible]	**328,490**	179,079
D[illegible]	**193,878**	133,932
D[illegible]	**104,276**	-
[illegible]	**1,188,000**	-
A[illegible]	**35,941**	27,074
[illegible]	**11,182,929**	12,534,327
C[illegible]	**50,086,217**	52,876,381
Liabilities		
[illegible]	**36,823,129**	38,943,540
[illegible]	**408,567**	298,577
[illegible]	**1,821,327**	3,417,002
C[illegible]	**39,053,023**	42,659,119

(c) Ge g a h[illegible]ca [illegible] f a [illegible]

[illegible]

	Re e [illegible]e f e e a c[illegible] e		N -c[illegible] e a e	
	2010	2009	**2010**	2009
	RMB'000	*'000*	***RMB'000***	*'000*
C ([illegible])	**23,516,049**	24,303,858	**5,606,321**	5,129,956
[illegible]	**5,299,494**	4,325,664		
	28,815,543	28,629,522	**5,606,321**	5,129,956

11. TRADE RECEIVABLES/BILLS RECEIVABLE/OTHER RECEIVABLES, [illegible] 637

12. TRADE PAYABLES

	2010 RMB'000	2009 '000
1	**9,856,188**	6,941,123
1. 2	**1,199,575**	2,877,157
2. 3	**548,747**	267,834
3	**141,516**	80,431
	11,746,026	10,166,545

13. SHARE CAPITAL

	2010 Number of shares	2010 RMB'000	2009	2009 '000
B1	**701,235,000**	**701,235**	701,235,000	701,235
B1	**675,571,000**	**675,571**	675,571,000	675,571
A. 1 31 D	**1,376,806,000**	**1,376,806**	1,376,806,000	1,376,806

C

14. NON-ADJUSTING EVENT AFTER THE REPORTING PERIOD

( ) 11 2011, 哈爾濱電機廠有限責任公司 ( ), C C ( ), C 哈爾濱電機廠(昆明)有限責任公司 ( ), B250,000,000 . A 55.64% D C 15 2011.

( ) A C 9.

([illegible])

Mac Ec [illegible] a d I d [illegible] De e [illegible] e

[illegible] 2010, [illegible] C [illegible]

P d c a d Se ce

2010 21,556.6 17.43% 26,070 17.51% 20,827.3 17,940 13.72% 3,616.6 31.93%

A

R&D a d Tech g I d c

2010,

D , 233 &D 20 D A B D 600 75

C A 1000 C 1000 1000

2010,

Ref a d Ma age e

C 2010, D

C

C C A

C C

P f

2010, C B1,024.50 69.00% B0.74, B0.30 C B9,637.78 B998.75 B7.00, B0.73

D

TURNOVER

2010, B28,815.54 0.65% B17,984.15 6.43% 62.41% B2,362.50 24.77% 8.20% B5,060.21 17.69% 17.56% B919.03 26.55% 3.19% AC/DC B2,489.66 26.74% 8.64%

D 2010, B5,299.49 B973.83 18.39% A A

COST

D 2010, B24,665.79 1.19%

GROSS PROFIT AND GROSS PROFIT MARGIN

2010, ... B4,149.76 ... 13.21% ... 14.40%, ... 1.60 ... A ... B2,534.29 ... B38.58 ... 14.09%, ... 0.70 ... B596.38 ... B158.39 ... 25.24%, ... 2.11 ... B170.48 ... B231.44 ... 3.37%, ... 4.79 ... B307.56 ... B8.55 ... 33.47%, ... 8.21 ... AC/DC ... B541.04 ... B141.54 ... AC/DC ... 21.73%, ... 1.39 ...

EXPENSES DURING THE PERIOD

... 2010 ... B484.00 ... B95.41 ... 24.55% ...

... 2010 ... B2,686.53 ... B360.82 ... 15.51% ...

... &D ...

INTEREST EXPENSE

2010, ... B132.32 ... B48.06 ...

FUNDING AND BORROWINGS

... A ... 31 D 2010, ... B2,056.91 ... (31 D 2009: B3,995.68). ... A ... B507.00 ... B781.58 ... B1,549.91 ... B1,157.19 ...

DEPOSITS AND CASH FLOW

A 31 D , 2010, B12,515.77 B1,649.96 D B854.33 B1,906.30 B1,946.99

CAPITAL STRUCTURE AND CHANGES THEREOF

A 31 D , 2010, B50,086.22 B2,790.16 (5.28%) B44,250.08 , 88.35% B5,836.14 , 11.65%

LIABILITIES

A 31 D , 2010, B39,053.02 , B3,606.10 B28,867.64 , 73.92% , B10,185.38 , 26.08% A 31 D , 2010, 77.97%.

SHAREHOLDERS' EQUITY

A 31 D , 2010, C B9,637.78 , B998.75 ; B7.00. D , 11.21%.

GEARING RATIO

A 31 D , 2010, ( ) 1.06:1 1.35:1

CONTINGENT LIABILITIES AND PLEDGE OF ASSET

A 31 D , 2010, B249.29

CAPITAL EXPENDITURES AND MAJOR INVESTMENTS

EXPOSURE TO FLUCTUATIONS IN EXCHANGE RATES AND RELATED HEDGES

USE OF FUND-RAISING PROCEEDS

STAFF AND REMUNERATION

PROSPECT

2011, ... D ... C ... D ... 8% ... 2011. ... 2011 ... 1.04 ... 90 ... 100 ... B ...

... 2011:

1. S[illegible]g he [illegible] f a[illegible]g he [illegible]a[illegible] f ec [illegible] e a[illegible]

A ... C ... 2011 ... 2010.

2. S[illegible]g he f c[illegible] f a e de e e eff

2011, ... C ... A ...

3.

DIVIDEND

[illegible]

[illegible]

CLOSURE OF REGISTER

[illegible]

DIRECTORS', SUPERVISORS' AND SENIOR MANAGEMENT'S INTERESTS IN THE SHARE CAPITAL OF THE COMPANY

[illegible]

PURCHASE, SALE AND REDEMPTION OF THE COMPANY'S LISTED SECURITIES

[illegible]

MODEL CODE

[illegible]

CODE ON CORPORATE GOVERNANCE PRACTICES

AUDITORS