





## REPORT OF THE DIRECTORS

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## OPERATING RESULTS

## INTERIM DIVIDEND

## BUSINESS REVIEW

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NEW CONTRACTS

PRODUCTION AND SERVICES

TURNOVER AND COST

2

## GROSS PROFIT AND GROSS PROFIT MARGIN

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## EXPENSES DURING THE PERIOD

## ASSETS AND LIABILITIES

?

?

## DEPOSITS AND CASH FLOW

?

## FUNDING AND BORROWING

?

?

## GEARING RATIO

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## INCOME TAX

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理辦法》

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《高新技術企業認定管

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《高新技術企業認定管理工作指引》

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《中華人民共和國增值稅暫行條例》

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《中華人民共和國

增值稅暫行條例實施細則》

《中共中央、

國務院關於實施東北地區等老工業基地振興戰略的若干意見》

## STAFF

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## PROSPECT

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## SUBSTANTIAL SHAREHOLDERS

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Name of shareholder	Share category	Number of shares	Percentage in total share capital (%)	Position of shares held
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## DIRECTORS', SUPERVISORS' AND SENIOR MANAGEMENT'S INTERESTS IN THE SHARE CAPITAL OF THE COMPANY

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## MODEL CODE

2

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## PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

## CODE ON CORPORATE GOVERNANCE PRACTICES

2

## AUDIT COMMITTEE

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## AUDITORS

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## SHAREHOLDERS'S MEETING

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## DOCUMENTS AVAILABLE FOR INSPECTION

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Gong Jing-kun

# REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

TO THE BOARD OF DIRECTORS OF  
HARBIN POWER EQUIPMENT COMPANY LIMITED

(A c c a e a b e d e P e e ' R e b c C a e d a b )

## INTRODUCTION

## SCORE OF REVIEW

## CONCLUSION

YUEHUA CPA LIMITED

Ce ed P b c Acc a

HENG VICTOR JA WEI

# CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE SIX MONTHS ENDED 30TH JUNE, 2010

		Six months ended 30.6.2010	
	<i>N e</i>	<i>R b'000</i> (unaudited)	<i>R b'000</i>
	3	14,529,321	
		<u>(12,569,532)</u>	
		1,959,789	
		173,865	
		(229,173)	
	4	(1,060,893)	
		(110,616)	
		(77,790)	
		<u>7,574</u>	
	5	<u>662,756</u>	
		<u>(141,338)</u>	
Profit and Total comprehensive income for the period	6	<u>521,418</u>	<u>                    </u>
		446,658	
		<u>74,760</u>	
		<u>521,418</u>	<u>                    </u>
Earnings per share – basic	8	<u>32.44 cents</u>	<u>                    </u>

# CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AT 30TH JUNE, 2010

	N e	30.6.2010 R b'000 (unaudited)	R b'000
<b>Non-currents assets</b>			
	9	4,407,827	
		236,561	
		337,528	
		92,837	
		130,419	
		321,605	
		27,074	
		<hr/>	
		5,553,851	
		<hr/>	
<b>Current assets</b>			
		12,908,305	
	10	13,191,882	
		515,198	
		5,876,613	
		9,778	
		1,113,538	
		64,991	
		-	
		172,505	
		2,620,000	
		9,785,289	
		<hr/>	
		46,258,099	
		<hr/>	

# CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (Continued)

AT 30TH JUNE, 2010

	30.6.2010	
Net	<b>R b'000</b>	R b'000
	(unaudited)	
<b>Current liabilities</b>		
;	245,517	
11	10,407,435	
	3,162,570	
	14,478,885	
;	32,464	
;	20,478	
12	948,173	
	<u>522,918</u>	
	<u>29,818,440</u>	
<b>Net current assets</b>	<u>16,439,659</u>	
<b>Total assets less current liabilities</b>	<u>21,993,510</u>	<u>                    </u>
<b>CAPITAL AND RESERVES</b>		
13	1,376,806	
	<u>7,683,137</u>	
	9,059,943	
	<u>1,371,435</u>	
<b>TOTAL EQUITY</b>	<u>10,431,378</u>	<u>                    </u>
<b>Non-current liabilities</b>		
;	7,937,117	
;	825,958	
12	<u>2,799,057</u>	
	<u>11,562,132</u>	
	<u>21,993,510</u>	<u>                    </u>



# CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE SIX MONTHS ENDED 30TH JUNE 2010

Six months ended	
30.6.2010	
<i>R b'000</i>	<i>R b'000</i>
(unaudited)	
(1,159,921)	<hr/>
(444,626)	
1,069,119	<hr/>
624,493	<hr/>
53,000	
(697,735)	
353,316	<hr/>
(291,419)	<hr/>
(826,847)	
10,612,136	<hr/>
9,785,289	<hr/>
6,195,289	
3,590,000	<hr/>
9,785,289	<hr/>



# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30TH JUNE, 2010

## 1. BASIS OF PREPARATION

## 2. PRINCIPAL ACCOUNTING POLICIES

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### 3. SEGMENT INFORMATION

#### Business segments

	Main thermal power equipment		Main hydro power equipment		Engineering services for power stations		Ancillary equipment for power stations		AC/DC motors and others		Eliminations		Consolidated	
	R b'000		R b'000		R b'000		R b'000		R b'000		R b'000		R b'000	
Six months ended 30th June, 2010 (Unaudited)														
REVENUE	10,131,511	986,845	2,033,463	405,706	971,796	-	14,529,321							
	1,109,889	-	-	-	88,028	(1,197,917)	-							
	<u>11,241,400</u>	<u>986,845</u>	<u>2,033,463</u>	<u>405,706</u>	<u>1,059,824</u>	<u>(1,197,917)</u>	<u>14,529,321</u>							
SEGMENT RESULTS	<u>1,441,793</u>	<u>225,444</u>	<u>24,412</u>	<u>97,026</u>	<u>171,114</u>	<u>-</u>	<u>1,959,789</u>							
													(1,226,817)	
													(77,790)	
	-	-	-	-	7,574	-	7,574						7,574	
													662,756	
													(141,338)	
													<u>521,418</u>	

;

R b'000 R b'000 R b'000 R b'000 R b'000 R b'000 R b'000

REVENUE

## 5. INCOME TAX EXPENSE

高新技術企業 ;

## 6. PROFIT FOR THE PERIOD

	Six months ended	
	30.6.2010	
	<i>R b'000</i>	<i>R b'000</i>
	(unaudited)	
	216,824	
	7,964	
:	4,888	
:	7,013	
	(37,830)	
	1,286	
	(155,198)	
	<u>(2,164)</u>	<u>                    </u>

## 7. DIVIDENDS

Six months ended	
30.6.2010	
<i>R b'000</i>	<i>R b'000</i>
(unaudited)	
93,623	
-	
<u>93,623</u>	<u>          </u>

## 8. EARNINGS PER SHARE

## 9. MOVEMENTS IN PROPERTY, PLANT AND EQUIPMENT

## 10. TRADE DEBTORS

30.6.2010 <i>R b'000</i> (unaudited)	<i>R b'000</i>
5,986,371	
5,076,605	
1,428,657	
700,249	
<hr/>	<hr/>
<b><u>13,191,882</u></b>	<b><u>                    </u></b>

## 11. TRADE CREDITORS

30.6.2010 <i>R b'000</i> (unaudited)	<i>R b'000</i>
7,730,889	
1,854,021	
603,802	
218,723	
<hr/>	<hr/>
<b><u>10,407,435</u></b>	<b><u>                    </u></b>

## 12. BORROWINGS

## 13. SHARE CAPITAL

30.6.2010 <i>R b'000</i> (unaudited)	<i>R b'000</i>
701,235	
<u>675,571</u>	<u>                    </u>
<u><b>1,376,806</b></u>	<u><b>                    </b></u>

## 14. CONTINGENT LIABILITIES

30.6.2010 <i>R b'000</i> (unaudited)	<i>R b'000</i>
5,000	
<u><b>5,000</b></u>	<u><b>                    </b></u>



## 15. CAPITAL COMMITMENTS

30.6.2010	
<i>R b'000</i>	<i>R b'000</i>
(unaudited)	

417,306

## 16. PLEDGE OF ASSETS

;

## 17. RELATED PARTY DISCLOSURES

- (i) Transactions/balances with ultimate holding company and fellow subsidiaries

;

(ii) Transactions/balances with other state-controlled entities in the PRC

;

	Six months ended	
	30.6.2010	
	<i>R b'000</i>	<i>R b'000</i>
	12,203,879	
	<u>4,309,239</u>	<u>                    </u>
;		
	21,066,661	
;		
	<u>12,895,005</u>	<u>                    </u>

## INFORMATION ON THE COMPANY

### REGISTERED NAME OF THE COMPANY

哈爾濱動力設備股份有限公司

### ENGLISH NAME OF THE COMPANY

Harbin Power Equipment Company Limited

### REGISTERED ADDRESS OF THE COMPANY

### OFFICE ADDRESS OF THE COMPANY

### PLACE OF BUSINESS IN HONG KONG

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### WEBSITE

### LEGAL REPRESENTATIVE

### AUTHORISED REPRESENTATIVES

### COMPANY SECRETARY

### AUDITORS

Yuehua CPA Limited

### LEGAL ADVISORS

*a PRC La*

Haiwen Partners

*a H K La*

Richards Butler

### LISTING INFORMATION

The Stock Exchange of Hong Kong Limited

### DEPOSITARY

The Bank of New York

### SHARE REGISTER AND TRANSFER OFFICE

Hong Kong Registrars Limited