



China Yuchai International Begins Construction on New Research & Development Institute

28/10/09

SINGAPORE, Oct. 28 /PRNewswire-Asia-FirstCall/ -- China Yuchai International Limited (NYSE: CYD) ("China Yuchai" or the "Company"), announced today that its main operating subsidiary, Guangxi Yuchai Machinery Company Limited ("GYMCL") recently held a ground-breaking ceremony attended by government officials and GYMCL executives, to celebrate the commencement of construction of a new Research & Development Institute ("R&D Institute") in the High Tech Development Zone of Nanning, the capital of Guangxi Province in China.

The new R&D Institute which is designed to meet the National-Level Enterprise Technology Center Standards is located next to the Guangxi University and is the first research institute in China focused on diesel engine technology. Nanning was selected due to its strategic location especially as a transportation center in Guangxi Province. The R&D Institute will become an enterprise-wide resource reflecting the expertise of GYMCL's R & D teams which have already achieved a number of innovations and first-to-market products in engine technology and design. Upon its completion, the R&D Institute will considerably improve GYMCL's capacity for innovation and raise its overall standards of technology to develop new diesel engines designed to better compete in the global market, while enabling China to become a nation with advanced engine manufacturing and production. The R&D Institute is expected to attract international experts to strengthen technology transfers and become a showcase to draw other technology enterprises to Nanning so as to accelerate its economic growth.

The total capital investment in the R&D Institute is approximately RBM 310 million with completion of the construction slated for November 2010 with full use of all facilities by August 2011. The R&D Institute will, upon completion occupy a total floor area of approximately 20,000 square meters (about 5 acres) and consist of an R&D facility, a showroom for new products, production facilities for prototypes of new and experimental products, a multi-purpose meeting hall, outdoor experimental and support facilities.

Mr. Boo Guan Saw, President of the Company, commented, "This facility will advance GYMCL's engines in the global market with innovative designs meeting the highest global quality standards. We believe that through this new R&D Institute, GYMCL will become even more competitive shaping it for future growth. Our goal is nothing less than to be the best in China and among the top five automotive engineering R&D institutes in the world."

About China Yuchai International

China Yuchai International Limited, through its subsidiary, Guangxi Yuchai Machinery Company Limited ("GYMCL"), engages in the manufacture, assembly, and sale of a wide array of light-duty, medium-sized and heavy-duty diesel engines for construction equipment, trucks, buses, and cars in China. GYMCL also produces diesel power generators, which are primarily used in the construction and mining industries. Through its regional sales offices and authorized customer service centers, the Company distributes its diesel engines directly to auto OEMs and retailers and provides maintenance and retrofitting services throughout China. Founded in 1951, GYMCL has established a reputable brand name, strong research & development team and significant market share in China with high-quality products and reliable after-sales support. In 2008, GYMCL sold approximately 372,000 diesel engines and was consistently ranked No. 1 in unit sales by China Association of Automobile Manufacturers. For more information, please visit <http://www.cylimited.com>.

For more information, please contact:

Kevin Theiss / Dixon Chen
Grayling □
Tel: +1-646-284-9409
Email: kevin.theiss@us.grayling.com
dixon.chen@us.grayling.com

SOURCE China Yuchai International Limited

Kevin Theiss or Dixon Chen, both of Grayling, +1-646-284-9409, kevin.theiss@us.grayling.com, dixon.chen@us.grayling.com