



Yuchai's Export Engines Receive Key European Certification

First TUV Rheinland OBD Certification in China

Singapore, Singapore – March 17, 2008 – China Yuchai International Limited (NYSE: CYD) (“China Yuchai” or the “Company”), the leading manufacturer and distributor of diesel engines in China, announced today that its subsidiary, Guangxi Yuchai Machinery Company Limited (“Yuchai”), has recently received key On-Board-Diagnostics (“OBD”) emission certificates from the TUV Rheinland Group (“TUV Rheinland”), a leading global sustainable development certification company. These certifications on Yuchai's Euro III and Euro IV diesel engines will provide Yuchai with an advantage compared with other Chinese diesel engine manufacturers.

TUV Rheinland issued certificates for Yuchai's six series 26 Euro III model engines. After Yuchai's newly developed Euro IV series (YC6J and YC6L) for export received e-mark certification, the YC6 series also passed TUV Rheinland's OBD emission certification requirements. This certification signifies that Yuchai's YC6J series engines is now one of the five major Euro IV engine emission systems widely recognized by the European Union (EU). This OBD certificate demonstrates another major milestone for Yuchai as it is China's first heavy-duty diesel engine manufacturer to receive this certificate.

OBD refers to vehicle emission automatic diagnosis systems, which would immediately issue a warning if a certain emission limit is exceeded through an on-board system monitoring of the automotive exhaust system. Through the fault codes stored in the electronic control unit memory, OBD also enables the quick and accurate identification of the nature and the location of malfunctions.

Since the 1980s, the United States, Japan and Europe have begun to equip electronic fuel injection (EFI) vehicles with OBD-I. A more advanced OBD-II was introduced in the mid-1990s. In the late 1990s, all imported cars into the North American markets were equipped with OBD in accordance with the new standards. The European Union made OBD mandatory for all gasoline vehicles since model year 2001 and all diesel vehicles since model year 2004. In China, the OBD system was adopted in all National III (a Euro III emission standard equivalent) light-duty vehicles. After the roll-out of National IV standards, the city of Beijing is now requiring all new medium and heavy-duty vehicles to install the OBD system. As an early adopter of the OBD technology in China, Yuchai has taken the initiative to further protect the environment and assume social responsibility, a positive step towards the implementation of the National IV regulation.

About China Yuchai International

China Yuchai International Limited, through its subsidiary, Guangxi Yuchai Machinery Company Limited (“Yuchai”), 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. Yuchai also produces diesel power generators, which are primarily used in the construction and mining industries. With over 30 regional sales offices and 460 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, Yuchai 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 2007, Yuchai sold approximately 383,000 diesel engines and was consistently ranked No. 1 in unit sales by the China Association of Automobile Manufacturers. For more information, please visit <http://www.hlcorp.com.sg/cyi>.

About TUV Rheinland Group

The TUV Rheinland Group is a leading provider of technical services worldwide. Founded in 1872 and headquartered in Cologne, Germany, the Group employs more than 12,500 people in over 360 locations in 62 countries and generates annual revenues of over Euro 980 million. The Group's mission and guiding principle is to achieve sustained development of safety and quality in order to meet the challenges arising from the interaction between man, technology and the environment. The employees of the TUV Rheinland Group are driven by the conviction that social and industrial development can only be achieved through technological progress and the safe deployment of technical innovations, products and facilities. In 2006, TUV Rheinland became a member of the United Nations Global Compact initiative.

Safe Harbor Statement

This news release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. The words "believe," "expect," "anticipate," "project," "targets," "optimistic," "intend," "aim," "will" or similar expressions are intended to identify forward-looking statements. All statements other than statements of historical fact are statements that could be deemed forward-looking statements. These forward-looking statements are based on current expectations or beliefs, including, but not limited to, statements concerning the Company's operations, financial performance and condition. For this purpose, statements that are not statements of historical fact may be deemed to be forward-looking statements. The Company cautions that these statements by their nature involve risks and uncertainties, and actual results may differ materially depending on a variety of important factors, including those discussed in the Company's reports filed with the Securities and Exchange Commission from time to time. The Company specifically disclaims any obligation to update the forward-looking information in the future.

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