



第一拖拉机股份有限公司 FIRST TRACTOR COMPANY LIMITED*

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

(Stock Code: 0038)

ANNOUNCEMENT — UNUSUAL TRADING VOLUME MOVEMENTS AND THE PRICE OF SHARES

This statement is made at the request of The Stock Exchange of Hong Kong Limited.

The board of directors (the “**Board**”) of First Tractor Company Limited (the “**Company**”) has noted the increase in the trading volume and the price of shares of the Company today and wishes to state that the Board is not aware of any reasons for such increase.

The Board confirms that there are no negotiations or agreements relating to intended acquisitions or realizations which are discloseable under Rule 13.23 of the Listing Rules, neither is the Board aware of any matter discloseable under the general obligation imposed by Rule 13.09 of the Listing Rules, which is or may be of a price-sensitive nature.

Made by the order of the Board, the directors of which individually and jointly accept responsibility for the accuracy of this statement.

As at the date of this announcement, the Board comprises ten executive directors, namely Mr. Liu Dagong, Mr. Zhao Yanshui, Mr. Liu Wenying, Mr. Yan Linjiao, Mr. Li Tengjiao, Mr. Shao Haichen, Mr. Li Youji, Ms. Dong Jianhong, Mr. Liu Shuangcheng and Mr. Zhao Fei and four independent non-executive directors, namely Mr. Lu Zhongmin, Mr. Chen Zhi, Mr. Chan Sau Shan, Gary and Mr. Luo Xiwen.

By Order of the Board
First Tractor Company Limited
Yu Lina
Company Secretary

12 December 2008

* *For identification purpose only*