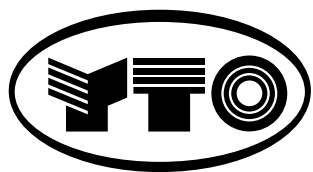


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第一拖拉机股份有限公司*

FIRST TRACTOR COMPANY LIMITED

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

(Stock Code: 0038)

CHANGE OF SUPERVISOR

The Board announces that with effect from 8 December 2010, Mr. Zhao Shengyao ceased to be a staff representative Supervisor and Mr. Wang Jianjun was elected as a staff representative Supervisor.

This announcement is made pursuant to Rule 13.51(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

The board (the “**Board**”) of directors (the “**Directors**”) of First Tractor Company Limited (the “**Company**”) announces that on 8 December 2010, the democratic management meeting of the staff representatives of the Company has resolved the following:

- (i) according to the relevant requirements, Mr. Zhao Shengyao, due to job reallocation, no longer fulfills the requirements for acting as a staff representative supervisor of the Company (the “**Supervisor**”). Therefore, Mr. Zhao ceased to be a staff representative Supervisor with effect from 8 December 2010; and
- (ii) in compliance with the Company Law of the People's Republic of China (the “**PRC**”), the relevant requirements of China Securities Regulatory Commission, the requirements of All-China Federation of Trade Unions for acting as a staff representative supervisor and the Articles of Association of the Company, Mr. Wang Jianjun was elected as a staff representative Supervisor of the fifth session of the supervisory committee of the Company (the “**Supervisory Committee**”), with a term of office from 8 December 2010 to 30 June 2012.

Mr. Zhao Shengyao has confirmed that he has no disagreement with the Board and the Supervisory Committee and there is no matter with respect to his cessation as a staff representative Supervisor that needs to be brought to the attention of the shareholders of the Company.

The Board would like to take this opportunity to express its appreciation to Mr. Zhao for his valuable contribution to the Company during his tenure of office.

The biography of Mr. Wang Jianjun is shown below:

Mr. Wang Jianjun (王建军), aged 34

Mr. Wang Jianjun joined China First Tractor Group (i.e. YTO Group Corporation (the “YTO”) and its subsidiaries) in 1998. Mr. Wang was previously the section chief of the technology center, deputy secretary of Communist Youth League (團委副書記), deputy head of the Department of Relations between the Party and the General Public (黨群工作部副部長) and secretary of Communist Youth League (團委書記) of China First Tractor Group. He currently serves as the secretary of Communist Youth League of YTO, the Supervisor, party secretary of No. 4 Fabricating Factory and chairman of the Labour Union of the Company. Mr. Wang has extensive experience in product development and handling relations between the party and the general public. He obtained a bachelor degree of engineering at the Engineering Machinery Department of Taiyuan Heavy Machinery Institute and holds the title of engineer.

Save as disclosed above, Mr. Wang does not hold any positions in the Company or any other members of the Company, nor did he hold any directorship in any other listed companies in the last three years.

Supervisor’s length of service and emolument

Mr. Wang will enter into a supervisor service contract with the Company with a term commencing from 8 December 2010 to 30 June 2012 and he will receive an annual remuneration of RMB60,000 with respect to his appointment as a staff representative Supervisor, which was determined with reference to Mr. Wang’s duties and responsibilities in the Company as a staff representative Supervisor and the remuneration for the position in similar enterprises.

Relationships

Mr. Wang has no relationship with any Directors, Supervisors or senior management, substantial shareholders or controlling shareholders of the Company.

Interest in the shares of the Company

So far as the Directors are aware as at the date hereof, Mr. Wang does not have any interest in the shares of the Company (within the meaning of Part XV of the Securities and Futures Ordinance).

Matters that need to be brought to the attention of the shareholders of the Company

In relation to the appointment of Mr. Wang as a staff representative Supervisor, there is no information which is discloseable nor is/was Mr. Wang involved in any of the matters required to be disclosed pursuant to Rule 13.51(2)(h) to 13.51(2)(v) of the Listing Rules; and there is no other matter that needs to be brought to the attention of the shareholders of the Company.

The Board would like to welcome Mr. Wang as a staff representative Supervisor.

By Order of the Board
FIRST TRACTOR COMPANY LIMITED
YU Lina / LIU Pui Yee
Joint Company Secretaries

Luoyang, the PRC
8 December 2010

As at the date of this announcement, the Board comprises four executive Directors, namely Mr. Zhao Yanshui, Ms. Dong Jianhong, Mr. Qu Dawei and Mr. Li Xibin, and three non-executive Directors, namely Mr. Yan Linjiao, Mr. Shao Haichen and Mr. Liu Yongle, and four independent non-executive Directors, namely Mr. Chan Sau Shan, Gary, Mr. Luo Xiwen, Mr. Hong Xianguo and Mr. Zhang Qiusheng.

* *for identification purposes only*