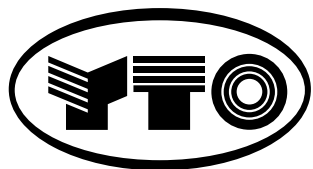


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第一拖拉机股份有限公司*
FIRST TRACTOR COMPANY LIMITED

(Incorporated in the People's Republic of China with limited liability)

(Stock Code: 0038)

RESIGNATION AND APPOINTMENT OF DIRECTORS

RESIGNATION AND APPOINTMENT OF DIRECTORS

The Board announces that Mr. Li Xibin, for the purpose of complying with the relevant requirements of State-owned Assets Supervision and Administration Commission of the State Council that leaders of a state-owned enterprise shall not hold any shares in its subsidiaries, and Mr. Shao Haichen, due to the reason for personal development, resigned as the executive Director and non-executive Director respectively, with effect from 25 March 2011.

In order to fill the casual vacancy following the resignation of Mr. Liu Dagong as the executive Director on 26 November 2010 and the above resignation of Mr. Li Xibin and Mr. Shao Haichen on 25 March 2011, the Company proposes to appoint Mr. Su Weike and Mr. Li Youji as non-executive Directors and Mr. Liu Jiguo as an executive Director, with a term of office from the date of approval of their appointment by the shareholders of the Company at the AGM to 30 June 2012.

AGM

The Company will convene the AGM for the purpose of seeking shareholders' approval of, among other things, the appointment of the Directors.

A circular containing, among other things, information in relation to the appointment of the Directors and a notice of the AGM will be dispatched to the shareholders as soon as possible.

RESIGNATION AND APPOINTMENT OF DIRECTORS

The board (the “**Board**”) of directors (the “**Directors**”) of First Tractor Company Limited (the “**Company**”) announces that Mr. Li Xibin, for the purpose of complying with the relevant requirements of State-owned Assets Supervision and Administration Commission of the State Council that leaders of a state-owned enterprise shall not hold any shares in its subsidiaries, and Mr. Shao Haichen, due to the reason for personal development, resigned as the executive Director and non-executive Director respectively, with effect from 25 March 2011.

Each of Mr. Li and Mr. Shao has confirmed that he has no disagreement with the Board nor the supervisory committee of the Company and there is no matter with respect to his resignation 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. Li Xibin and Mr. Shao Haichen for their valuable contributions to the Company during their tenure of office.

The Board is also pleased to announce that in order to fill the casual vacancy following the resignation of Mr. Liu Dagong as the executive Director on 26 November 2010 and the above resignation of Mr. Li Xibin and Mr. Shao Haichen as Directors on 25 March 2011, the Company proposes to appoint Mr. Su Weike and Mr. Li Youji as non-executive Directors and Mr. Liu Jiguo as an executive Director, with a term of office from the date of approval of their appointment by the shareholders of the Company at the 2010 annual general meeting of the Company (the “**AGM**”) to 30 June 2012.

Mr. Su Weike (蘇維珂), aged 49

Mr. Su Weike joined YTO Group Corporation (“**YTO**”) in 2009. Mr. Su had served as an assistant to general manager, the deputy general manager, general manager, deputy party secretary and party secretary of China National Construction & Agricultural Machinery Import & Export Corporation. He is currently an assistant to general manager of China National Machinery Industry Corporation and a party secretary and the vice chairman of YTO. Mr. Su has extensive experience in the fields of corporate management and international trading. He studied at Dalian University of Technology majoring in watercraft internal combustion engine and was awarded a bachelor degree and master degree in engineering. He holds the title of senior engineer with professorship.

Mr. Li Youji (李有吉), aged 48

Mr. Li Youji joined YTO in 1983. Mr. Li had acted as a designer at the technology center of YTO, an assistant to general manager, the deputy general manager and general manager of YTO International Economic and Trading Co., Ltd. (一拖國際經濟貿易有限公司), a Director and deputy general manager of the Company. He is currently the deputy general manager of YTO. Mr. Li has extensive experience in the fields of marketing and international trading. Mr. Li studied at China Agricultural University in tractor design and manufacture and later Jilin University majoring in agricultural machinery, and was awarded a bachelor degree and master degree in engineering. He holds the title of senior engineer with professorship.

Mr. Liu Jiguo (劉繼國), aged 47

Mr. Liu Jiguo joined China First Tractor Group in 1987 and joined the Company in 2000. He served as the deputy factory manager and factory manager of the gear wheel factory, the executive deputy general manager and general manager of Agricultural Equipment Division of the Company, the deputy general manager of the Company, and an assistant to general manager of China First Tractor Group. He is currently the general manager of the Company and a director of China First Tractor Group Finance Company Limited. Mr. Liu is familiar with machinery manufacturing technics and equipment, marketing, and has extensive experience in the fields of corporate management, production and operation as well as financial management. Mr. Liu studied at Northeast Heavy Machinery Institute and Jiangsu Polytechnic University and was awarded a bachelor degree and master degree in engineering respectively. He holds the title of senior engineer.

Save as disclosed above, each of Mr. Su, Mr. Li and Mr. Liu 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.

Length of service and emolument

If Mr. Su, Mr. Li and Mr. Liu are appointed as Directors, each of them will enter into a service contract with the Company with a term from the date of approval of their appointment by the shareholders of the Company at the AGM to 30 June 2012. Mr. Su and Mr. Li will both receive an annual remuneration of RMB80,000, which were determined with reference to their respective duties and responsibilities in the Company and the market rate for the position; whilst Mr. Liu's annual remuneration will be determined by the Administrative Method on Remunerations of Corporate Operation Team (《企業經營者(層)薪酬管理辦法》) and the Examination Method on Operation Results (《經營業績考核辦法》).

Relationships

None of Mr. Su, Mr. Li and Mr. Liu has relationship with any Directors, supervisors or senior management of the Company or with any management shareholders, 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, none of Mr. Su, Mr. Li and Mr. Liu has 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. Su and Mr. Li as non-executive Directors and Mr. Liu as an executive Director, there is no information which is discloseable nor is/was any of Mr. Su, Mr. Li and Mr. Liu involved in any of the matters required to be disclosed pursuant to Rule 13.51(2)(h) to 13.51(2)(v) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited; and there is no other matter that needs to be brought to the attention of the shareholders of the Company.

AGM

The Company will convene the AGM for the purpose of seeking shareholders' approval of, among other things, the appointment of the Directors. A circular containing, among other things, information in relation to the appointment of the Directors and a notice of the AGM will be dispatched to the shareholders as soon as possible.

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

Luoyang, the PRC
25 March 2011

As at the date of this announcement, the Board comprises three executive Directors, namely Mr. Zhao Yanshui, Ms. Dong Jianhong and Mr. Qu Dawei, and two non-executive Directors, namely Mr. Yan Linjiao 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*