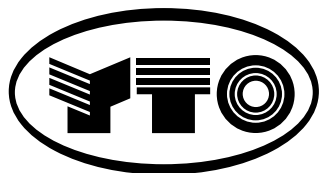


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# 第一拖拉机股份有限公司\*

## FIRST TRACTOR COMPANY LIMITED\*

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

(Stock Code: 0038)

### DISCLOSEABLE TRANSACTION

Reference is made to the announcement of First Tractor Company Limited (the “**Company**”) dated 18 July 2014 in relation to the discloseable transaction (the “**Announcement**”). Unless otherwise defined, capitalised terms used in this announcement shall have the same meanings as those defined in the Announcement.

The Board is pleased to announce that on 21 July 2014, the Company and ZF (China) have entered into the JV Agreement. For details of the terms of the JV Agreement, please refer to the Announcement.

The Board would like to further announce that the net book value of the Fixed Assets as at 30 May 2014 (unaudited) was approximately RMB54,731,600. The Fixed Assets were the production line and its machinery and equipment for the production of driven steer axles for agricultural machinery of the Company’s wholly-owned subsidiary, YTO (Luoyang) Axle Co., Ltd.\* (一拖(洛陽)車橋有限公司) (“**YTO Axle**”), including but not limited to pallet trucks, test bench, service cars and other production line equipment. The basic financial information of YTO Axle is set out as follows:

	<b>YTO Axle</b> <i>(Approximately RMB’000)</i>
Profit before taxation for the year ended 31 December 2012 (audited)	–2,110.00
Net profit after taxation for the year ended 31 December 2012 (audited)	–2,219.00
Profit before taxation for the year ended 31 December 2013 (audited)	54,037.90
Net profit after taxation for the year ended 31 December 2013 (audited)	42,132.50

According to the JV Agreement, the parties will engage an independent professional PRC valuer to conduct appraisal on the Fixed Assets. The Company will make further announcement in this regard, as and when appropriate, in accordance with the Listing Rules.

By Order of the Board  
**First Tractor Company Limited\***  
**YU Lina**  
*Company Secretary*

Luoyang, the PRC  
22 July 2014

*As at the date of this announcement, Mr. Zhao Yanshui is the Chairman of the Company and Mr. Wang Erlong is the vice Chairman of the Company. Other members of the Board are six Directors, namely, Mr. Yan Linjiao, Mr. Wu Zongyan, Mr. Wang Kejun, Mr. Guo Zhiqiang, Mr. Liu Jiguo and Mr. Wu Yong; and four independent non-executive Directors, namely, Mr. Hong Xianguo, Mr. Xing Min, Mr. Wu Tak Lung and Mr. Yu Zengbiao.*

\* *for identification purposes only*