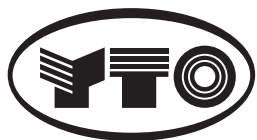


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第一拖拉机股份有限公司
FIRST TRACTOR COMPANY LIMITED*

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

(Stock Code: 0038)

ANNOUNCEMENT IN RESPECT OF THE UNDERTAKINGS BY THE COMPANY AND THE CONTROLLING SHAREHOLDER

First Tractor Company Limited (the “**Company**”) and all the members of the board (the “**Board**”) of directors (the “**Directors**”) of the Company hereby warrant the truthfulness, accuracy and completeness of the contents of this announcement, and accept joint and several responsibilities for any false information, misleading statements or material omission in this announcement.

The Board hereby announces that in order to safeguard the continuous, stable and healthy development of the capital market, the Company and YTO Group Corporation* (中國一拖集團有限公司) (“**YTO**”), the controlling shareholder of the Company, based on their confidence on the future operation and development of the Company, undertake that:

1. YTO will continue to perform its duty as a controlling shareholder and support the operation and development of the Company as always, and will not reduce its shareholding in the Company for a period of 6 months commencing from the date of undertaking.
2. The production and operation of the Company is normal at the current stage. The Company will continue to focus on the development strategy, integrity management and standardized operation of the Company, enhance the corporate governance and management level, increase the operational quality and profit levels, and return to the investors.

3. The Company will continue to improve the quality of disclosure of information, truthfully, accurately, promptly and completely disclose the information of the Company, strengthen investor relation management, promote the interaction and the mutual trust between the Company and its investors and strengthen the confidence of investors.

By Order of the Board
FIRST TRACTOR COMPANY LIMITED*
Yu Lina
Company Secretary

Luoyang, the PRC
10 July 2015

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*