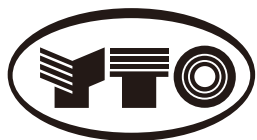


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**第一拖拉机股份有限公司**  
**FIRST TRACTOR COMPANY LIMITED\***

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

(Stock Code: 0038)

## **ANNOUNCEMENT IN RELATION TO THE IMPLEMENTATION OF REPURCHASE OF H SHARES**

This announcement is a voluntary announcement made by First Tractor Company Limited\* (the “**Company**”).

Reference is made to the resolutions regarding the general mandate to repurchase part of the H shares (the “**Repurchase Mandate**”) approved by the shareholders at the 2015 annual general meeting, the first class meeting for holders of A shares in 2016 and the first class meeting for holders of H shares in 2016 of the Company convened on 27 May 2016 (the “**Repurchase Mandate Date**”). According to the Repurchase Mandate, the Company started the implementation of repurchase of H shares on 19 July 2016. Details of the repurchase on 19 July 2016 are as follows:

Pursuant to the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited, the repurchase price shall not be higher than 5% of the average closing market price for the five trading days prior to the actual repurchase day on which the Company’s shares were traded on the Stock Exchange of Hong Kong Limited. The average closing price of H shares of the Company for the five trading days prior to the repurchase on 19 July 2016 is HK\$4.032 per share.

On 19 July 2016, the Company repurchased 200,000 H shares, representing 0.0498% and 0.0201% of the total number of H shares and total number of issued shares of the Company as at the Repurchase Mandate Date, respectively. The highest and lowest repurchase prices were HK\$4.01 and HK\$3.99 per share respectively, and the average repurchase price was HK\$3.9991 per share. The total amount paid was HK\$799,820 (excluding commission and other expenses).

Subject to market conditions, there is no assurance whether the Company will make any further repurchase, and no assurance of the timing, quantity or price of any share repurchase. Shareholders and investors should therefore exercise caution when dealing in the shares of the Company.

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

Luoyang, the PRC  
19 July 2016

*As at the date of this announcement, the Board comprises Mr. Zhao Yanshui (Chairman), Mr. Wang Erlong (vice Chairman) and Mr. Wu Yong as executive Directors; Mr. Li Hepeng, Mr. Xie Donggang, Mr. Li Kai and Mr. Yin Dongfang as non-executive Directors; and Ms. Yang Minli, Mr. Xing Min, Mr. Wu Tak Lung and Mr. Yu Zengbiao as independent non-executive Directors.*

\* *For identification purposes only*