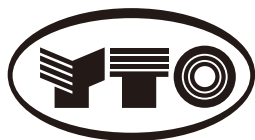


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**第一拖拉机股份有限公司**  
**FIRST TRACTOR COMPANY LIMITED\***

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

(Stock Code: 0038)

## **ANNOUNCEMENT IN RELATION TO THE 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 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 convened on 27 May 2016 (the “**Repurchase Mandate Date**”) and the announcement of the Company dated 19 July 2016 in relation to the implementation of the repurchase of H Shares. The Company commenced the repurchase of H shares on 19 July 2016 and has conducted five (5) times of H Shares repurchase on The Stock Exchange of Hong Kong Limited in July 2016.

As of the date of this announcement, the total number of shares repurchased by the Company in July 2016 is 1,230,000 H Shares, representing approximately 0.3060% of the total number of H Shares of the Company as at the Repurchase Mandate Date, and representing approximately 0.1235% of the total issued share capital of the Company as at the Repurchase Mandate Date. The total consideration for the share repurchase in July 2016 is HK\$4,978,060 (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  
1 August 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*