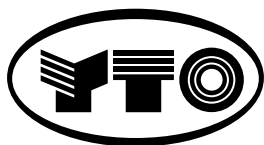

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in doubt as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountants or other professional adviser.

If you have sold or transferred all your shares in First Tractor Company Limited, you should at once hand this circular with the accompanying form of proxy to the purchaser or the transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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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)

APPOINTMENT OF DIRECTORS
AND
NOTICE OF ANNUAL GENERAL MEETING

A letter from the Board is set out on pages 1 to 5 of this circular.

A notice for convening the annual general meeting (the “**AGM**”) of First Tractor Company Limited (the “**Company**”) to be held at 9:00 a.m., on 17 June 2011, Friday, at No. 154 Jianshe Road, Luoyang, Henan Province, the PRC is set out on pages 6 to 9 of this circular.

A form of proxy for use at the AGM is enclosed. Whether or not you are able to attend the meeting in person, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon. In case of H Shares, the proxy form shall be lodged with the Company's branch share registrar in Hong Kong, Hong Kong Registrars Limited, at Shops 1712-1716, 17/F., Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong; and in case of Domestic Shares, the proxy form shall be lodged at the registered address and principal place of business of the Company at No. 154 Jianshe Road, Luoyang, Henan Province, the PRC, as soon as possible and in any event not less than 24 hours before the time scheduled for holding the AGM (or any adjourned meeting thereof). Completion and delivery of the form of proxy will not preclude you from attending and voting in person at the AGM or any adjournment if you so desire.

27 April 2011

* For identification purposes only

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DEFINITIONS

In this circular, the following expressions shall have the meanings stated below unless the context otherwise requires:

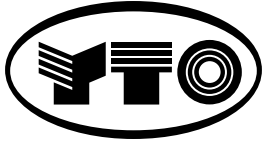
“AGM”	the 2010 annual general meeting of the Company to be convened and held at 9:00 a.m., on 17 June 2011, Friday, at No.154 Jianshe Road, Luoyang, Henan Province, the PRC, for the Shareholders to consider, among other things, and, if thought fit, approve the Appointment of Directors
“Announcement”	the Company’s announcement dated 25 March 2011 in relation to the resignation and Appointment of Directors
“Appointment of Directors”	the proposed appointment of Mr. Su Weike and Mr. Li Youji as non-executive Directors and Mr. Liu Jiguo as an executive Director
“Board”	the board of Directors
“Company”	First Tractor Company Limited* (第一拖拉機股份有限公司), a joint stock company with limited liability incorporated in the PRC, the H Shares of which are listed on the Stock Exchange (Stock Code: 0038)
“controlling shareholder”	has the same meaning as ascribed to it under the Listing Rules
“Directors”	the directors of the Company, including the independent non-executive directors
“Domestic Share(s)”	the ordinary shares of the Company of RMB1.00 each which are subscribed for in Renminbi by PRC nationals and/or PRC incorporated entities, all of which have been allotted and issued and are fully paid up
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“H Share(s)”	the overseas listed foreign share(s) having a nominal value of RMB1.00 each in the capital of the Company, which are subscribed for and traded in Hong Kong dollars, all of which are listed on the Stock Exchange
“Latest Practicable Date”	18 April 2011, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular

DEFINITIONS

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	The People’s Republic of China which, for the purpose of this circular, excludes Hong Kong and the Macau Special Administrative Region of the PRC and Taiwan
“Shareholder(s)”	registered holder(s) of the Shares
“Shares”	Domestic Shares and H Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“substantial shareholder”	has the same meaning as ascribed to it under the Listing Rules
“YTO”	YTO Group Corporation* (中國一拖集團有限公司), the controlling shareholder of the Company
“YTO Finance”	YTO Group Finance Co., Ltd* (中國一拖集團財務有限責任公司)

* For identification purposes only

LETTER FROM THE BOARD



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)

Board of Directors:

Mr. Zhao Yanshui (*Chairman*)
Ms. Dong Jianhong
Mr. Qu Dawei
Mr. Yan Linjiao
Mr. Liu Yongle
Mr. Chan Sau Shan, Gary**
Mr. Luo Xiwen**
Mr. Hong Xianguo**
Mr. Zhang Qiusheng**

Registered and principal office:

No. 154 Jianshe Road
Luoyang, Henan Province
The PRC

*** Independent non-executive Director*

27 April 2011

To the Shareholders

Dear Sir or Madam,

**APPOINTMENT OF DIRECTORS
AND
NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

Reference is made to the Announcement in relation to the resignation and Appointment of Directors.

* *For identification purposes only*

LETTER FROM THE BOARD

In order to fill the casual vacancy following the resignation of Mr. Liu Dagong as the executive Director on 26 November 2010 and the resignation of Mr. Li Xibin and Mr. Shao Haichen as the executive Director and non-executive Director respectively on 25 March 2011, the Board 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 at the AGM to 30 June 2012. The Appointment of Directors is subject to and will take effect upon the Shareholders' approval at the AGM.

The purpose of this circular is (i) to provide you with information relating to the proposed Appointment of Directors and (ii) to give you a notice of the AGM to be convened for the Shareholders to consider, among other things, and if thought fit, approve the Appointment of Directors.

APPOINTMENT OF DIRECTORS

On 25 March 2011, the Board announced 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 at the AGM to 30 June 2012.

Mr. Su Weike (蘇維珂), aged 49

Mr. Su Weike joined 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.

LETTER FROM THE BOARD

Mr. Li Youji (李有吉), aged 48

Mr. Li Youji joined China First Tractor Group (Note: YTO (formerly known as YTO Construction Machinery Company) and its subsidiaries) in 1983. Mr. Li had acted as a designer at the technology center of China First Tractor Group, 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 majoring 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 YTO Finance. 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 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》).

LETTER FROM THE BOARD

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 Latest Practicable Date, 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

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 Listing Rules; and there is no other matter that needs to be brought to the attention of the Shareholders.

AGM

The AGM will be held at 9:00 a.m. on 17 June 2011, Friday, at No. 154 Jianshe Road, Luoyang, Henan Province, the PRC, at which ordinary resolution(s) will be proposed to seek the Shareholders' approval for the Appointment of Directors. At the AGM, votes will be taken by poll.

The notice of the AGM is set out on pages 6 to 9 of this circular.

A form of proxy for use at the AGM is enclosed. Whether or not you are able to attend the meeting in person, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon. In case of H Shares, the proxy form shall be lodged with the Company's branch share registrar in Hong Kong, Hong Kong Registrars Limited, at Shops 1712-1716, 17/F., Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong; and in case of Domestic Shares, the proxy form shall be lodged at the registered address and principal place of business of the Company at No. 154 Jianshe Road, Luoyang, Henan Province, the PRC, as soon as possible and in any event not less than 24 hours before the time scheduled for holding the AGM (or any adjourned meeting thereof). Completion and delivery of the form of proxy will not preclude you from attending and voting in person at the AGM or any adjournment if you so desire.

LETTER FROM THE BOARD

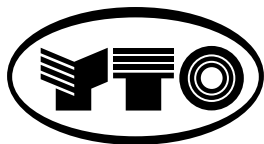
RECOMMENDATIONS

The Directors (including the independent non-executive Directors) consider that the Appointment of Directors is in the interests of the Company and the Shareholders as a whole and therefore recommend all Shareholders to vote in favour of the relevant ordinary resolution(s) for approving the Appointment of Directors to be proposed at the AGM.

RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein misleading.

Yours faithfully,
For and on behalf of
First Tractor Company Limited
Zhao Yanshui
Chairman



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)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the 2010 annual general meeting (the “**AGM**”) of First Tractor Company Limited (the “**Company**”) will be held at 9:00 a.m. on 17 June 2011 (Friday) at No.154 Jianshe Road, Luoyang, Henan Province, the People's Republic of China (the “**PRC**”) for the purpose of passing the following resolutions:

(I) AS ORDINARY RESOLUTIONS:

1. To consider and approve the report of the board (the “**Board**”) of directors (the “**Directors**”) of the Company for the year 2010.
2. To consider and approve the report of the board of supervisors of the Company for the year 2010.
3. To consider and approve the audited financial report of the Company for the year 2010.
4. To consider and approve the distribution proposal of the Company in respect of the dividend for the year ended 31 December 2010.
5. To consider and approve the re-appointment of Baker Tilly Hong Kong Limited (天職香港會計師事務所有限公司, formerly known as 香港天華會計師事務所有限公司) and Vocation International Certified Public Accountants Company Limited as the international and PRC auditors of the Company for the year 2011 and to authorize the Board to determine the remunerations of the international and PRC auditors of the Company.
6. To consider and approve the appointment of Mr. Liu Jiguo as an executive Director.

NOTICE OF AGM

7. To consider and approve the appointment of Mr. Su Weike as a non-executive Director.
8. To consider and approve the appointment of Mr. Li Youji as a non-executive Director.

(II) AS SPECIAL RESOLUTIONS:

1. Subject to compliance with provisions under Chapters 14 and 14A of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) in relation to, among other things, shareholders’ approval, and other relevant provisions of the Listing Rules, and the accumulated limit not exceeding 50% of the latest audited net assets value of the Company (consolidated financial statements), to authorize the Board to determine matters related to investments and execute relevant investment agreements and other relevant documents, such investment scope includes: (I) short-term investments, which refer to investments (ready to be realized at anytime) purchased by the Company and will be held for no more than one year (including one year), including shares, funds, bonds, etc; (II) long-term investments, which refer to all types of investments made by the Company which cannot be or are not ready to be realized within one year, including investments in bonds, equity interests and other investments, etc; (III) projects on mergers and acquisitions, assets disposals, etc; and to authorize the Board to determine (including but not limited to) (i) investment plans; (ii) targets to be invested in; (iii) actual investment amounts; (iv) actual investment methods (including by way of issuance of domestic shares or overseas listed foreign shares); (v) arrangement for actual time of investments, within the period from the date of convening 2010 annual general meeting to the date of convening 2011 annual general meeting.
2. To approve the Company of placing, issuing or dealing with domestic shares and overseas listed foreign shares of the Company solely or jointly within the relevant period (as defined hereunder) with an amount of no more than 20% of the issued shares of that class of shares of the Company as at the date of passing of this special resolution, provided that China Securities Regulatory Commission and the relevant governmental authorities granting the relevant approvals; and to authorize the Board to handle the matters in relation to such placement or issue and to make any necessary amendments as it considers appropriate to the Articles of Association of the Company, so as to reflect the changes in the structure of share capital of the Company resulting from such placement or issue of shares.

NOTICE OF AGM

For the purpose of this special resolution, “relevant period” means the period from the date of passing this special resolution to the earlier of:

- (a) the conclusion of the next annual general meeting following the passing of this resolution;
 - (b) the last day of the 12 months from the date of passing this special resolution; and
 - (c) the date on which the authorization under this special resolution is revoked or amended by a special resolution passed at a general meeting of the Company.
3. To authorize the Board to declare an interim dividend to the shareholders of the Company for the half year ending 30 June 2011.

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

Luoyang, the PRC
27 April 2011

As at the date of this notice, 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.

NOTICE OF AGM

Notes:

1. The register of members of the Company will be temporarily closed from 18 May 2011 to 16 June 2011 (both days inclusive) during which no transfer of shares of the Company (the “**Shares**”) will be registered in order to determine the list of shareholders of the Company (the “**Shareholders**”) for attending the AGM. The last lodgment for the transfer of the H Shares of the Company should be made on 17 May 2011 at Hong Kong Registrars Limited by or before 4:00 p.m. The Shareholders or their proxies being registered before the close of business on 17 May 2011 are entitled to attend the AGM by presenting their identity documents. The address of Hong Kong Registrars Limited, the H Shares registrar of the Company, is Shops 1712–1716, 17/F., Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong.
2. Each Shareholder having the rights to attend and vote at the AGM is entitled to appoint one or more proxies (whether a Shareholder or not) to attend and vote on his behalf. Should more than one proxy be appointed by one Shareholder, such proxy shall only exercise his voting rights on a poll.
3. Shareholders can appoint a proxy by an instrument in writing (i.e. by using the Proxy Form enclosed). The Proxy Form shall be signed by the person appointing the proxy or an attorney authorised by such person in writing. If the Proxy Form is signed by an attorney, the power of attorney or other documents of authorization shall be notarially certified. To be valid, the Proxy Form and the notarially certified power of attorney or other documents of authorisation must be delivered to the Company’s registered address at No. 154 Jianshe Road, Luoyang, Henan Province, the PRC, or the Company’s H Shares registrar, Hong Kong Registrars Limited at Shops 1712-1716, 17/F., Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong in not less than 24 hours before the time scheduled for the holding of the AGM or any adjournment thereof.
4. Shareholders who intend to attend the AGM are requested to deliver the duly completed and signed reply slip for attendance to the Company’s registered and principal office in person, by post or by facsimile by or before 4:00 p.m., 27 May 2011.
5. Shareholders or their proxies shall present proofs of their identities upon attending the AGM. Should a proxy be appointed, the proxy shall also present the proxy form.
6. The AGM is expected to last for less than one day. The Shareholders and proxies attending the AGM shall be responsible for their own travelling and accommodation expenses.
7. The Company’s registered address:
No. 154 Jianshe Road, Luoyang, Henan Province, the PRC
Postal code: 471004
Telephone: (86379) 6496 7038
Facsimile: (86379) 6496 7438
Email: msc0038@ytogroup.com

* *For identification purposes only*