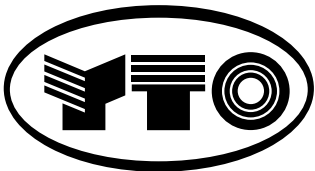


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第一拖拉机股份有限公司*
FIRST TRACTOR COMPANY LIMITED

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

(Stock Code: 0038)

**THE ISSUE OF A SHARES OF THE COMPANY
APPROVED BY THE PUBLIC OFFERING REVIEW
COMMITTEE OF THE CSRC**

This announcement is made pursuant to Rule 13.09 of the Listing Rules.

References are made to the announcements of the Company dated 28 June 2010, 16 August 2010, 27 June 2011, 15 August 2011 and 6 January 2012 and the circulars of the Company dated 19 July 2010 and 12 July 2011 (the “**Circulars**”). Unless otherwise indicated, capitalized terms in this announcement shall have the same meanings as those defined in the Circulars.

The Board is pleased to announce that the Public Offering Review Committee of the CSRC approved the Issue of A Shares of the Company at the meeting held on 11 January 2012. However, the formal written approval of the CSRC has not yet been issued.

The Company will issue further announcements in respect of the Issue of A Shares once it has received formal written approval from the CSRC and when the pricing and other terms for the Issue of A Shares have been finalized. The Company will keep the Shareholders and investors posted of any further development in relation to the Issue of A Shares where appropriate.

By Order of the Board
FIRST TRACTOR COMPANY LIMITED
Zhao Yanshui
Chairman

Luoyang, the PRC
11 January 2012

As at the date of this announcement, Mr. Zhao Yanshui is the Chairman and executive Director of the Company and Mr. Su Weike is the vice Chairman and non-executive Director of the Company. Other members of the Board are, three Executive Directors, namely, Ms. Dong Jianhong, Mr. Qu Dawei and Mr. Liu Jiguo; three non-executive Directors, namely, Mr. Yan Linjiao, Mr. Liu Yongle and Mr. Li Youji; and four independent non-executive Directors, namely, Mr. Luo Xiwen, Mr. Chan Sau Shan, Gary, Mr. Hong Xianguo and Mr. Zhang Qiusheng.

* *For identification purposes only*