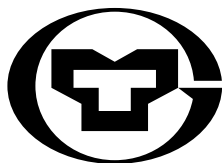


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# FIRST TRACTOR COMPANY LIMITED

## 第一拖拉機股份有限公司

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

(Stock Code: 0038)

### RESULTS OF THE EXTRAORDINARY GENERAL MEETING HELD ON 16 AUGUST 2004

The Board is pleased to announce that two ordinary resolutions regarding the New Agreement and the New Caps in relation to the Ongoing Connected Transactions were duly passed by the Independent Shareholders by way of poll at the EGM held on 16 August 2004.

Reference is made to the circular of First Tractor Company Limited (the "Company") dated 28 June 2004 (the "Circular") in relation to exceeding of existing caps on Ongoing Connected Transactions and Ongoing Connected Transactions. Unless the context otherwise requires, terms used herein shall have the same meanings as defined in the Circular.

The Board is pleased to announce that at the EGM held on 16 August 2004, poll voting was demanded by the Chairman of the above meeting for voting on the proposed resolutions as set out in the notice of EGM dated 28 June 2004.

The scrutineer for the vote-taking of the poll of the EGM was the auditors of the Company, Ernst & Young. Ernst & Young, as the scrutineer, compared the poll results summary to the poll forms collected by the Company. The work performed by Ernst & Young in this respect did not constitute an audit or a review made in accordance with Statements of Auditing Standards issued by the Hong Kong Society of Accountants nor did it include provision of any assurance or advice on matters of legal interpretation or regarding entitlement to vote. All the resolutions were duly passed by the Independent Shareholders as ordinary resolutions and the poll results were as follows:

Ordinary Resolutions		Number of Votes (%)*	
		For	Against
(A)	"THAT the terms and conditions of the New Agreement (as defined in the circular of the Company dated 28 June 2004 (the "Circular"), a copy of which has been produced to the EGM marked "A" and signed by the chairman of the meeting for the purpose of identification) and the New Caps (as defined in the Circular) in relation to the Ongoing Connected Transactions (as defined in the Circular), be and are hereby approved, ratified and confirmed."	60,822,200 (100%)	NIL (0%)
(B)	"The Directors authorised for and on behalf of the Company, among other matters, to sign, execute, perfect, deliver or to authorise signing, executing, perfecting and delivering all such documents and deeds be hereby approved, ratified and confirmed, and the Directors be and are hereby authorised to do or authorise doing all such acts, matters and things as they may in their discretion consider necessary, expedient or desirable to give effect to and implement the Ongoing Connected Transactions pursuant to the New Agreement and to waive compliance from or make and agree such variations of a non-material nature to any of the terms of any of the New Agreement as they may in their discretion consider to be desirable and in the interest of the Company."	60,822,200 (100%)	NIL (0%)

- Based on the total number to Shares held by the Independent Shareholders who voted at the EGM in person or by proxy.

As at the date of the EGM, the issued share capital of the Company was 785,000,000 shares of RMB1.00 each ("Shares"), and the total number of Shares held by the Independent Shareholders who were entitled to attend and vote for or against the resolutions at the EGM was 335,000,000 Shares. There is no restriction on the Independent Shareholders to cast vote on any of the resolutions at the EGM.

In view of China Yituo's interest in the Ongoing Connected Transactions, China Yituo together with its associates (as defined in the Listing Rules) in relation to the Ongoing Connected Transactions holding 450,000,000 Shares abstained from voting at the aforesaid resolutions at the EGM.

By Order of the Board  
**First Tractor Company Limited**  
**Zhang Guo Long**  
 Company Secretary

Luoyang, Henan Province, the PRC, 16 August 2004

As at the date of this announcement, the Board comprises ten executive Directors, namely Mr. Liu Dagong (Chairman), Mr. Dong Yong An, Mr. Liu Wenyong, Mr. Shao Haichen, Mr. Li Tengjiao, Mr. Zhao Yanshui, Mr. Zhang Jing, Mr. Liu Shuangcheng, Mr. Yan Linjiao and Mr. Huang Yanzhao and four independent non-executive Directors, namely Mr. Lu Zhongmin, Mr. Tao Xiang, Mr. Chen Zhi and Mr. Chan Sau Shan, Gary.