



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

(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 22 DECEMBER 2006

The Board is pleased to announce that four ordinary resolutions regarding the Continuing Connected Transactions and the Cap amounts as well as the resignation and appointment of Supervisor were duly passed by way of poll at the EGM held on 22 December 2006.

Reference is made to the circular of First Tractor Company Limited (the "Company") dated 6 November 2006 (the "Circular") in relation to the Continuing Connected Transactions and the resignation and appointment of Supervisor. 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 22 December 2006, poll voting was demanded by the Chairman of the EGM in relation to the proposed resolutions as set out in the notice of EGM dated 6 November 2006.

Luoyang Zhong Hua Certified Public Accountants, certified public accountants in the PRC, was appointed as the scrutineer for the vote-taking of the poll at the EGM. All the resolutions were duly passed and the poll results were as follows:

Ordinary Resolutions	Number of Votes (%)	
	For	Against
(A) The Yituo Supply Agreements, First Tractor Supply Agreement and Financial Services Agreement (as defined in the Circular, a copy of which has been produced to the EGM marked "A" and signed by the chairman of the EGM for the purpose of identification) and the terms and conditions thereof and the respective proposed Cap amounts and the transactions contemplated thereunder and the implementation thereof be and are hereby approved, ratified and confirmed;	41,690,200 Shares (99.999%)**	5,000 Shares (0.001%)**
(B) Any one of the directors of the Company be 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 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 Yituo Supply Agreements, First Tractor Supply Agreement and Financial Services Agreement and the respective proposed Cap amounts, 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 Yituo Supply Agreements, First Tractor Supply Agreement and Financial Services Agreement as they may in their discretion consider to be desirable and in the interest of the Company;	41,690,200 Shares (99.999%)**	5,000 Shares (0.001%)**
(C) to approve the resignation of Mr. Liu Ar Nan (劉阿南) as the supervisor of the supervisory committee of the Company;	491,695,200 Shares (100%***)	0 Shares (0%***)
(D) to approve the appointment of Mr. Zheng Lu Yu (鄭魯豫) as the supervisor of the supervisory committee of the Company.	491,695,200 Shares (100%***)	0 Shares (0%***)

** The percentage of voting is based on the total number of Shares held by the Independent Shareholders who attended and voted at the EGM in person or by proxy.

*** The percentage of voting is based on the total number of Shares held by the Shareholders who attended and voted at the EGM in person or by proxy.

As at the date of the EGM, the total number of issued Shares was 785,000,000 Shares and the total number of Shares held by the Independent Shareholders who were entitled to attend and vote for or against the resolutions (A) and (B) at the EGM was 335,000,000 Shares. There is no restriction on the Independent Shareholders to cast vote on the resolutions (A) and (B) at the EGM. In view of China Yituo's interest in the Continuing Connected Transactions, China Yituo together with its associates (as defined in the Listing Rules), holding 450,000,000 Shares abstained from voting at the aforesaid resolutions (A) and (B) at the EGM. There are no Shares entitling the holder to attend and vote only against the aforesaid resolutions (A) and (B) at the EGM.

The total number of Shares entitling the holders to attend and vote for or against the aforesaid resolutions (C) and (D) at the EGM was 785,000,000 Shares. No Shareholder is required to abstain from voting to approve the aforesaid resolutions (C) and (D) at the EGM. There are no Shares entitling the holder to attend and vote only against the aforesaid resolutions (C) and (D) at the EGM.

RESIGNATION AND APPOINTMENT OF SUPERVISOR

With regard to resolution (C) duly passed at the EGM, the Board hereby announces that the Supervisor, Mr. Liu Ar Nan (劉阿南) ("Mr. Liu"), tendered his resignation from his office of Supervisor due to personal reasons with the resignation taking effect from 22 December 2006. Mr. Liu confirmed that he had no disagreement with the Board, and he was not aware of any matters which needed to be brought to the attention of the Shareholders.

With regard to resolution (D) duly passed at the EGM, the Board hereby announces that Mr. Zheng Lu Yu (鄭魯豫) ("Mr. Zheng") has been appointed as the Supervisor taking effect from 22 December 2006. Details of the new Supervisor are set out as follows:

Mr. Zheng Lu Yu (鄭魯豫), aged 53, Supervisor

Experience

Mr. Zheng joined China Yituo in October 1989. He previously held the post of Officer, Assistant to the Head and Deputy Head of Department of Public Security, Head of Armed Equipment Division, Officer to the Party's General Office and Officer to the General Office of China Yituo and Assistant to General Manager of China Yituo. He is currently the Deputy-secretary of the Party Committee, Secretary to the Disciplinary Committee of China Yituo and Chairman of the Supervisory Committee of China Yituo. Mr. Zheng has an extensive experience in administration and supervision. He also holds a title of senior engineer for political work.

Save as disclosed above, Mr. Zheng does not hold any other positions in the Company or any other member of the Group, nor held any directorship in any other listed company in the last three years.

Length of service and emolument

Mr. Zheng will enter into a service agreement with the Company for a term of office up to 30 June 2009. Mr. Zheng will receive a fee to be determined by the Board subject to the authorization by the Shareholders with reference to his duties and responsibilities with the Company and the market rate for the position. Mr. Zheng will also be entitled to an annual discretionary bonus with reference to the performance of the Company. The annual remuneration of Mr. Zheng (including bonus and other emoluments, if any) will be decided by the Board.

Relationships

Mr. Zheng has no relationship with any Directors, supervisor or the senior management of the Company or with any management shareholder, substantial shareholder or controlling shareholder of the Company.

Interests in Shares

So far as the Directors are aware, as at the date of this announcement, Mr. Zheng does not have any interest in the Shares (within the meaning of Part XV of the SFO).

Matters that need to be brought to the attention of the Shareholders

In relation to the appointment of Mr. Zheng as the Supervisor, there is no information which is discloseable nor is/was he involved in any of the matters required to be disclosed pursuant to any of the requirements of the provisions under paragraph 13.51(2)(h) to 13.51(2)(v) of the Listing Rules, and there is no matter which needs to be brought to the attention of the Shareholders.

The Board takes this opportunity to express its warm welcome to Mr. Zheng and thank Mr. Liu for his contributions to the Company.

By Order of the Board
First Tractor Company Limited
YU Lina
Company Secretary

Luoyang, Henan Province, the PRC
22 December 2006

As at the date of this announcement, the Board comprises ten executive Directors, namely, Mr. LIU Dagong (Chairman), Messrs. ZHAO Yanshui, LIU Wenying, YAN Linjiao, LI Tengjiao, SHAO Haichen, ZHANG Jing, LI Youji, LIU Shuangcheng and ZHAO Fei and four independent non-executive Directors, namely, Messrs. LU Zhongmin, CHEN Zhi, CHAN Sau Shan, Gary and Mr. LUO Xiwen.

* For identification purposes only