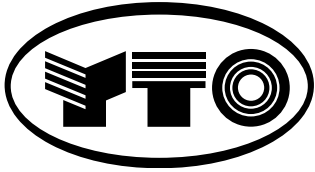


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第一拖拉机股份有限公司
FIRST TRACTOR COMPANY LIMITED*

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

(Stock Code: 0038)

2015 FIRST QUARTERLY REPORT

1. IMPORTANT NOTICE

- 1.1 The board of directors (the “**Board**”) and supervisory committee of First Tractor Company Limited (the “**Company**”), and its directors (the “**Directors**”), supervisors and senior management confirm that there are no false information, misleading statements or material omissions contained in this first quarterly report, and severally and jointly accept legal responsibility for the truthfulness, accuracy and completeness of the contents therein.
- 1.2 All Directors of the Company attended the Board meeting to consider and approve this first quarterly report.
- 1.3 Zhao Yanshui (Person in charge of the Company), Yao Weidong (Person in charge of the accounting function) and Zhou Juan (Person in charge of the accounting department) have warranted the truthfulness, accuracy and completeness of the financial statements in this first quarterly report.
- 1.4 The first quarterly report of the Company was not audited.

2. DEFINITIONS

Unless the context otherwise requires, the following terms should have the following meanings in this first quarterly report:

“A Share”	ordinary shares as approved by the CSRC which are issued to domestic investors and qualified foreign investors, traded on domestic stock exchanges, denominated, subscribed for and traded in RMB
“Company”	First Tractor Company Limited (第一拖拉機股份有限公司)
“controlled subsidiary”	a company held as to more than 50% shares or equity interests by the Company; and a company actually controlled by the Company through agreement and arrangement
“CSRC”	China Securities Regulatory Commission
“Group”	the Company and its controlled subsidiaries
“H Share”	ordinary shares as approved by the CSRC which are issued to foreign investors, and listed with the approval of the Stock Exchange, denominated in RMB, subscribed for and traded in Hong Kong dollars
“Listing Rules of Stock Exchange”	The Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	The People’s Republic of China, for the purpose of this first quarterly report, which excludes Hong Kong Special Administrative Region of the PRC, Macau Special Administrative Region of the PRC and Taiwan
“Shanghai Stock Exchange”	the Shanghai Stock Exchange

“Sinomach”	China National Machinery Industry Corporation (中國機械工業集團有限公司), the ultimate controlling shareholder of the Company
“Stock Exchange”	the Stock Exchange of Hong Kong Limited
“subsidiary”	has the meaning ascribed thereto 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 Finance Company Limited (中國一拖集團財務有限公司), a controlled subsidiary of the Company
“ZF YTO Axle”	ZF YTO (Luoyang) Axle Co., Ltd., a joint stock company of the Company

3. MAJOR FINANCIAL DATA AND CHANGES IN SHAREHOLDERS OF THE COMPANY

3.1 Major accounting data

Unit: Yuan Currency: RMB

	At the end of the reporting period (31 March 2015)	At the end of the previous year (31 December 2014)	Increase/decrease at the end of the reporting period as compared to the end of the previous year (%)
Total assets	13,059,194,182.44	12,355,694,645.67	5.69
Net assets attributable to shareholders of the Company	4,677,548,538.79	4,593,468,033.54	1.83

	From the beginning of the year to the end of the reporting period (1 January 2015 to 31 March 2015)	From the beginning of the previous year to the end of the reporting period of the previous year (1 January 2014 to 31 March 2014)	Year-on-year increase/decrease (%)
Net cash flows from operating activities	-399,957,110.23	-377,157,131.69	N/A
	From the beginning of the year to the end of the reporting period (1 January 2015 to 31 March 2015)	From the beginning of the previous year to the end of the reporting period of the previous year (1 January 2014 to 31 March 2014)	Year-on-year increase/decrease (%)
Operating revenue	2,987,316,063.13	3,084,465,996.11	-3.15
Net profits attributable to shareholders of the Company	90,710,627.94	99,066,916.54	-8.43
Net profits attributable to shareholders of the Company, after deduction of extraordinary profit and loss	74,684,541.00	91,003,961.04	-17.93
Weighted average return on net assets (%)	1.96	2.17	Decreased by 0.21 percentage point
Basic earnings per share (<i>RMB/share</i>)	0.0911	0.0995	-8.44
Diluted earnings per share (<i>RMB/share</i>)	0.0911	0.0995	-8.44

Extraordinary profit and loss and the amount

Unit: Yuan Currency: RMB

Item	Amount for the period
Profit/loss from disposal of non-current assets	228,731.25
Government grants credited to current profit or loss (except for those which are closely related to the Company's ordinary business, in accordance with national policies and continuously received in certain standard amounts and quantities)	4,943,870.20
Profit or loss from debt reorganization	205,200.00
Gains or losses from changes in fair values of trading financial assets and trading financial liabilities held by the Company, and investment gains from disposal of trading financial assets, trading financial liabilities and available-for-sale financial assets, other than effective hedging activities associated with normal business operations of the Company	16,881,636.90
Other non-operating income and expenses other than the aforesaid items	737,933.52
Effect of minority interests (after tax)	-2,175,263.11
Effect of income tax	-4,796,021.82
Total	<u><u>16,026,086.94</u></u>

3.2 Total number of shareholders, shareholdings of the top ten shareholders and the top ten circulating shareholders (or shareholders with non-restricted shares) as at the end of the reporting period

Unit: Share

Total number of shareholders 31,258
(Including: 30,865 shareholders of A shares;
393 shareholders of H shares)

Name of shareholders	Shareholdings of top ten shareholders		Number of shares held with selling restrictions	Status of shares subject to pledge or moratorium	Shareholder's nature
	Shareholdings at the end of the period	Percentage of shareholding (%)			
YTO	443,910,000	44.57	443,910,000	Nil	State-owned legal person
HKSCC NOMINEES LIMITED <i>(Note1)</i>	398,289,398	39.99	—	Unknown	Foreign legal person
Agricultural Bank of China – Changsheng Tongde Theme Growth Stock Investment Fund	2,250,266	0.23	—	Unknown	Others
Lin Shuangyu	2,129,282	0.21	—	Unknown	Domestic natural person
Chen Lihua	1,573,340	0.16	—	Unknown	Domestic natural person
Luo Xiuzhen	1,490,784	0.15	—	Unknown	Domestic natural person
LIU HON NAM	726,000	0.07	—	Unknown	Foreign natural person
Hu Ruixing	459,802	0.05	—	Unknown	Domestic natural person
Hong Kong Securities Clearing Company Limited <i>(note 2)</i>	459,401	0.05	—	Unknown	Foreign legal person
Chen Yanxing	449,702	0.05	—	Unknown	Domestic natural person

Shareholdings of top ten shareholders without selling restriction

Name of shareholders	Number of non-restricted circulating shares held	Class & number of shares	
		Class	Number
HKSCC NOMINEES LIMITED	398,289,398	Overseas listed foreign shares	398,289,398
Agricultural Bank of China – Changsheng Tongde Theme Growth Stock Investment Fund	2,250,266	Ordinary shares denominated in Renminbi	2,250,266
Lin Shuangyu	2,129,282	Ordinary shares denominated in Renminbi	2,129,282
Chen Lihua	1,573,340	Ordinary shares denominated in Renminbi	1,573,340
Luo Xiuzhen	1,490,784	Ordinary shares denominated in Renminbi	1,490,784
LIU HON NAM	726,000	Overseas listed foreign shares	726,000
Hu Ruixing	459,802	Ordinary shares denominated in Renminbi	459,802
Hong Kong Securities Clearing Company Limited	459,401	Ordinary shares denominated in Renminbi	459,401
Chen Yanxing	449,702	Ordinary shares denominated in Renminbi	449,702
Gao Wenzhen	449,100	Ordinary shares denominated in Renminbi	449,100

Shareholdings of top ten shareholders without selling restriction

Connected relationship or parties acting in concert among the aforesaid shareholders	Of the top 10 shareholders and top 10 shareholders of non-restricted shares, YTO, the controlling shareholder of the Company, has no connected relationship with, nor is it a party acting in concert (as defined in the Administrative Measures on Acquisitions by Listed Companies) with, any of other shareholders. The Company is not aware of any connected relationship among the aforesaid shareholders, nor aware of any parties acting in concert among them as defined in the Administrative Measures on Acquisitions by Listed Companies.
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Explanation of the preference shareholders with restored voting rights and its number of shares	N/A
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Note:

1. The overseas listed foreign shares held by HKSCC Nominees Limited are held on behalf of various customers.
2. The ordinary shares dominated in Renminbi held by Hong Kong Securities Clearing Company Limited are held on behalf of overseas investors who held these shares via Northbound Trading in the Shanghai-Hong Kong Stock Connect.

4. SIGNIFICANT EVENTS

4.1 Material changes in major accounting items and financial indicators of the Company and the reasons therefor

Unit: 0'000 Currency: RMB

Items in the consolidated balance sheet	Amount at the end of the reporting period	Amount at the beginning of the reporting period	Increase/decrease (%)	Reasons
Placements with banks and other financial institutions	45,000	—	N/A	Due to the placements with banks and other financial institutions made by the YTO Finance during the period.
Financial assets at fair value credited to current profit or loss	48,286	35,436	36.26	Due to the trust products purchased by the YTO Finance during the period.
Accounts receivable	135,410	87,936	53.99	Due to the increase in accounts receivable in the peak season of sales
Prepayments	16,668	29,209	-42.94	Due to receipt of the prepaid goods during the period.
Interests receivable	34	13	161.54	Due to the increase in interests receivable by the YTO Finance
Other receivables	7,401	22,849	-67.61	Due to receipt of amount from the joint venture, ZF YTO Axle for purchase of intangible assets portfolio at the beginning of the year
Financial assets purchased under resale agreements	29,156	—	N/A	Due to financial assets purchased by the YTO Finance under resale agreements
Long-term equity investments	14,593	6,585	121.61	Due to the remaining contribution paid by the Company to the joint venture, ZF YTO Axle pursuant to the joint venture agreement
Placements from banks and other financial institutions	20,000	35,000	-42.86	Due to the repayment of placements from banks and other financial institutions at the beginning of the year and new placements from banks and other financial institutions made at the end of the period
Accounts payable	228,722	135,058	69.35	Due to the larger output in peak season and the contract settlement period for payments of goods has not yet arrived
Payments received in advance	13,370	26,690	-49.91	Due to the sales of goods with payments received in advance
Other current liabilities	12,188	5,324	128.92	Due to the increase in provision for “three guarantees” and sales service fees made in peak season of sales as compared with that at the beginning of the year
Other comprehensive income	967	1,630	-40.67	Due to the decrease in fair value of available-for-sale financial assets and difference in currency conversion in statements

Items in the consolidated income statement	Amount for the reporting period	Amount for the corresponding period of the previous year	Increase/decrease (%)	Reasons
Interest income	7,972	1,896	320.53	Due to the increase in interest income from sale of rediscounted notes by the YTO Finance during the period
Income from handling charges and commissions	9	30	-68.92	Due to the decrease in handling charges and commissions of the YTO Finance during the period
Interest expenses	6,844	841	714.26	Due to the increase in interest expenses from sale of rediscounted notes by the YTO Finance during the period
Gains from changes in fair value	28	245	-88.42	Due to the changes in fair value of shares held
Investment income	1,849	819	125.78	Due to the year-on-year increase in return from trust products by the YTO Finance
Non-operating expenses	46	93	-51.06	Due to the year-on-year decrease in net loss from disposal of fixed assets

4.2 Progress of significant events and their impacts, and analysis of solutions

4.2.1 Since 4 March 2015, the Company entrusted Shanghai Branch of China Securities Depository and Clearing Corporation Limited to pay bond holders interests for the corporate bonds issued by the Company in 2012 (first tranche) incurred in the period from 4 March 2014 to 3 March 2015 (for details, please see the announcement of the Company dated 25 February 2015 on Payment of Interests for the Corporate Bonds issued by First Tractor Company Limited in 2012 (First Tranche) for 2015 on the website of Shanghai Stock Exchange and on the China Securities Journal and Shanghai Securities News).

4.3 Implementation of commitments made by the Company and shareholders holding 5% or more of the shares of the Company

Background	Type	Party making the commitment	Commitment	Explanation on performance
Undertaking related to the initial public offering	Solutions to business competition	The Company	Commencing from 11 January 2012, YTO (Luoyang) Farming Implements Company Limited. no longer engages in the purchase, assembly and sales of farming implements products other than the supporting sale of the farming implements products which have been purchased or ordered. The Company and all its controlled subsidiaries shall not engage in the processing, production or assembly of farming implements, except the supporting sales and relevant procurement.	Honoring commitments and normal performance
Undertaking related to the initial public offering	Solutions to business competition	YTO	YTO will not engage in and procure other enterprises controlled by it not to engage in the same or similar business of the Company to avoid direct or indirect competition with the Company's business operations. In addition, where YTO or other enterprises controlled by it may bring unfair impact on the Company in respect of market share, business opportunity and resources allocation, YTO will voluntarily give up and procure other enterprises controlled by it to give up business in competition with the Company.	Honoring commitments and normal performance
Undertaking related to the initial public offering	Solutions to business competition	Sinomach	Sinomach will not engage in and procure other enterprises controlled by it not to engage in the same or similar business of the Company to avoid direct or indirect competition with the Company's business operations. In addition, where Sinomach or other enterprises controlled by it may bring unfair impact on the Company in respect of market share, business opportunity and resources allocation, Sinomach will voluntarily give up and procure other enterprises controlled by it to give up business in competition with the Company.	Honoring commitments and normal performance

Background	Type	Party making the commitment	Commitment	Explanation on performance
Undertaking related to the initial public offering	Restriction on trading of shares	Sinomach	Within 36 months after the date of initial public offering, listing and trading of A Shares of the Company, Sinomach will not transfer or engage others to manage the shares of the Company issued before the initial public offering of shares of the Company directly and indirectly held by Sinomach, nor allow the Company to repurchase such shares.	Honoring commitments and normal performance
Undertaking related to the initial public offering	Restriction on trading of shares	YTO	Within 36 months after the date of initial public offering, listing and trading of A Shares of the Company, YTO will not transfer or engage others to manage the shares of the Company issued before the initial public offering of shares of the Company directly and indirectly held by YTO, nor allow the Company to repurchase such shares.	Honoring commitments and normal performance
Undertaking related to the initial public offering	Size of deposit and loan	YTO	On 16 August 2010, YTO and YTO Finance entered into the Deposit Agreement and Loan Agreement, which stipulated the annual cap of loan obtained by YTO and its subsidiaries (except the Company) from YTO Finance. YTO further undertook that on the basis of the aforesaid Deposit Agreement and Loan Agreement and cap amount of connected transactions, the loan of YTO and its subsidiaries (except the Company) obtained from YTO Finance will be less than their deposits placed with YTO Finance, and ensured the safety of its subsidiaries' loans through various measures.	Honoring commitments and normal performance

Background	Type	Party making the commitment	Commitment	Explanation on performance
Undertaking related to the initial public offering	Improvement of asset integrity	YTO	As to the patents related to the products of the Company and its subsidiaries which are in the process of application, YTO undertook to transfer the relevant 50 patents to the Company at nil consideration upon completion of the applications. Except for the aforesaid patents which are in the process of application, YTO will no longer apply for patents related to the products of the Company and its subsidiaries in its own name. YTO will transfer to the Company at nil consideration any such new technologies related to the products of the Company and its subsidiaries that may be developed by YTO after issue of the undertaking letter, and patents in respect of such technologies will be applied for directly in the name of the Company.	Honoring commitments and normal performance

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

Luoyang, the PRC
29 April 2015

As at the date of this announcement, Mr. Zhao Yanshui is the Chairman of the Company and Mr. Wang Erlong is the vice Chairman of the Company. Other members of the Board are six Directors, namely, Mr. Yan Linjiao, Mr. Wu Zongyan, Mr. Wang Kejun, Mr. Guo Zhiqiang, Mr. Liu Jiguo and Mr. Wu Yong; and four independent non-executive Directors, namely, Mr. Hong Xianguo, Mr. Xing Min, Mr. Wu Tak Lung and Mr. Yu Zengbiao.

* *for identification purposes only*

5. APPENDICES

Financial Statements (Prepared in accordance with the PRC Accounting Standards for Business Enterprises)

5.1 Financial Statements

Consolidated Balance Sheet

31 March 2015

Unit: Yuan Currency: RMB Audit type: Unaudited

Item	Balance as at the end of the period	Balance as at the beginning of the year
Current assets:		
Cash and bank balance	1,451,389,372.32	1,998,159,516.29
Placements with banks and other financial institutions	450,000,000.00	—
Financial assets at fair value through profit and loss	482,860,629.63	354,360,150.44
Bills receivable	1,008,020,970.31	940,748,139.33
Accounts receivable	1,354,098,136.88	879,355,043.69
Prepayments	166,675,918.19	292,088,912.74
Interests receivable	343,472.23	133,472.22
Other receivables	74,005,985.76	228,490,379.91
Financial assets purchased under resale agreements	291,555,313.50	—
Inventories	1,455,378,606.61	1,447,426,253.97
Other current assets	55,387,341.92	56,383,561.23
Total current assets	6,789,715,747.35	6,197,145,429.82

Item	Balance as at the end of the period	Balance as at the beginning of the year
Non-current assets:		
Loans and advances granted	1,340,077,684.49	1,362,361,447.55
Available-for-sale financial assets	281,160,741.41	285,935,741.41
Long-term equity investments	145,925,075.99	65,849,170.84
Fixed assets	2,724,758,266.51	2,738,916,218.10
Construction in progress	722,457,838.04	642,813,215.87
Intangible assets	938,261,204.73	947,153,734.35
Long-term deferred expenses	24,750,831.15	23,378,553.87
Deferred income tax assets	92,086,792.77	92,141,133.86
	<hr/>	<hr/>
Total non-current assets	6,269,478,435.09	6,158,549,215.85
	<hr/>	<hr/>
Total assets	13,059,194,182.44	12,355,694,645.67
	<hr/> <hr/>	<hr/> <hr/>
Current liabilities:		
Short-term borrowings	1,630,736,964.04	1,644,532,646.15
Deposit taking and deposit in inter-bank market	562,419,010.49	576,246,341.28
Placements from banks and other financial institutions	200,000,000.00	350,000,000.00
Bills payable	780,560,379.28	916,374,670.17
Accounts payable	2,287,223,402.71	1,350,582,485.03
Payments received in advance	133,699,328.92	266,897,178.83
Staff remuneration payables	99,885,974.81	100,709,706.51
Taxes payable	-241,861,453.99	-326,702,397.31
Interests payable	42,762,423.87	57,516,420.08
Other payables	259,635,576.22	256,876,518.96
Non-current liabilities due within one year	28,624,245.54	30,055,745.54
Other current liabilities	121,883,101.43	53,243,515.75
	<hr/>	<hr/>
Total current liabilities	5,905,568,953.32	5,276,332,830.99
	<hr/> <hr/>	<hr/> <hr/>

Item	Balance as at the end of the period	Balance as at the beginning of the year
Non-current liabilities:		
Long-term borrowings	41,655,000.00	46,597,500.00
Bonds payable	1,492,525,505.70	1,491,971,739.19
Deferred income	169,849,321.96	174,628,692.16
Deferred income tax liabilities	43,952,896.34	45,336,983.15
Total non-current liabilities	1,747,982,724.00	1,758,534,914.50
Total liabilities	7,653,551,677.32	7,034,867,745.49
Owners' equity:		
Share capital	995,900,000.00	995,900,000.00
Capital reserve	2,124,246,289.70	2,124,246,289.70
Other comprehensive income	9,665,618.51	16,295,741.20
Surplus reserve	368,972,848.56	368,972,848.56
General risk provision	7,683,706.66	7,683,706.66
Retained earnings	1,171,080,075.36	1,080,369,447.42
Total equity attributable to the owners of the Company	4,677,548,538.79	4,593,468,033.54
Minority interests	728,093,966.33	727,358,866.64
Total owners' equity	5,405,642,505.12	5,320,826,900.18
Total liabilities and owners' equities	13,059,194,182.44	12,355,694,645.67

Authorized representative:
Zhao Yanshui

Person in charge of the
accounting function:
Yao Weidong

Person in charge of the
accounting department:
Zhou Juan

Balance Sheet of the Company

31 March 2015

Unit: Yuan Currency: RMB Audit type: Unaudited

Item	Balance as at the end of the period	Balance as at the beginning of the year
Current assets:		
Cash and bank balance	1,322,467,331.77	1,545,998,376.10
Bills receivable	377,280,180.76	320,864,230.37
Accounts receivable	1,905,297,839.97	864,908,505.18
Prepayments	158,084,976.22	287,933,932.64
Interests receivable	5,279,014.53	5,279,014.53
Dividends receivable	20,694,898.90	20,694,898.90
Other receivables	39,469,466.79	201,047,271.43
Inventories	530,159,136.45	581,750,569.91
Other current assets	190,244,073.30	182,037,351.92
Total current assets	4,548,976,918.69	4,010,514,150.98
Non-current assets:		
Available-for-sale financial assets	166,232,000.00	169,840,000.00
Long-term equity investments	3,051,787,704.22	2,971,115,370.22
Fixed assets	1,413,564,891.63	1,445,442,696.02
Construction in progress	553,213,516.88	446,998,550.61
Intangible assets	579,643,430.24	584,435,134.44
Long-term deferred expenditures	21,912,215.31	18,915,585.93
Deferred income tax assets	7,100,975.68	7,100,975.68
Total non-current assets	5,793,454,733.96	5,643,848,312.90
Total assets	10,342,431,652.65	9,654,362,463.88

Item	Balance as at the end of the period	Balance as at the beginning of the year
Current liabilities:		
Short-term borrowings	1,532,784,960.00	1,528,219,200.00
Bills payable	621,271,912.91	824,335,790.27
Accounts payable	1,699,950,827.55	907,428,178.52
Payments received in advance	95,486,569.10	138,590,676.64
Staff remuneration payable	33,523,984.60	30,822,241.98
Taxes payable	-227,209,102.99	-289,463,168.86
Interests payable	29,217,917.47	56,724,301.01
Other payables	181,256,097.83	175,113,885.41
Non-current liabilities due within one year	23,536,000.00	25,513,000.00
Other current liabilities	78,154,934.72	8,280,760.00
Total current liabilities	4,067,974,101.19	3,405,564,864.97
Non-current liabilities:		
Long-term borrowings	41,655,000.00	46,597,500.00
Bonds payable	1,492,525,505.70	1,491,971,739.19
Deferred income	124,479,862.41	126,198,362.41
Deferred income tax liability	6,082,800.00	6,624,000.00
Total non-current liabilities	1,664,743,168.11	1,671,391,601.60
Total liabilities	5,732,717,269.30	5,076,956,466.57
Owners' equity:		
Share capital	995,900,000.00	995,900,000.00
Capital reserve	2,018,025,662.91	2,018,025,662.91
Other comprehensive income	34,469,200.00	37,536,000.00
Surplus reserve	294,479,564.73	294,479,564.73
Retained earnings	1,266,839,955.71	1,231,464,769.67
Total owners' equity	4,609,714,383.35	4,577,405,997.31
Total liabilities and owners' equity	10,342,431,652.65	9,654,362,463.88

Authorized representative:
Zhao Yanshui

Person in charge of the
accounting function:
Yao Weidong

Person in charge of the
accounting department:
Zhou Juan

Consolidated Income Statement

January – March 2015

Unit: Yuan Currency: RMB Audit type: Unaudited

Item	Amount for the reporting period	Amount for the corresponding period of the previous year
I. Total revenue from operations	3,067,134,061.92	3,103,725,179.50
Including: Operating revenue	2,987,316,063.13	3,084,465,996.11
Interest income	79,724,452.03	18,958,186.78
Income from handling charges and commissions	93,546.76	300,996.61
II. Total operating costs	2,984,213,506.66	3,011,239,853.61
Including: Operating costs	2,478,718,952.18	2,539,315,412.41
Interest expenses	68,439,320.93	8,405,129.72
Handling charges and commissions expenses	81,036.85	110,089.00
Business taxes and surcharges	6,390,328.58	8,671,951.90
Selling expenses	149,253,129.50	150,046,155.64
Administration expenses	213,358,594.50	244,056,372.05
Finance expenses	23,847,550.23	24,512,589.96
Impairment loss on assets	44,124,593.89	36,122,152.93
Add: Gains from changes in fair value (losses are represented by “-”)	283,115.57	2,445,426.38
Investment income (losses are represented by “-”)	18,494,259.45	8,191,447.91
Including: Gains from investment in associates and joint ventures	-1,571,450.71	-19,112.88

Item	Amount for the reporting period	Amount for the corresponding period of the previous year
III. Operating profit (loss is represented by “-”)	101,697,930.28	103,122,200.18
Add: Non-operating income	6,571,869.27	5,867,124.90
Including: Gains from disposal of non-current assets	247,043.37	139,203.16
Less: Non-operating expenses	456,134.30	931,983.14
Including: Loss from disposal of non-current assets	18,312.12	561,555.79
IV. Total profit (total loss is represented by “-”)	107,813,665.25	108,057,341.94
Less: Income tax expenses	16,159,317.51	13,375,303.17
V. Net profit (net loss is represented by “-”)	91,654,347.74	94,682,038.77
Net profit attributable to the owners of the Company	90,710,627.94	99,066,916.54
Profit or loss attributable to minority shareholders	943,719.80	-4,384,877.77
VI. Other comprehensive income after tax, net	-6,840,368.04	3,225,701.62
Other comprehensive income after tax, net attributable to the owners of the Company	-6,630,122.69	3,274,351.88
(I) Other comprehensive income to be reclassified into profit or loss	-6,630,122.69	3,274,351.88
1. Profit or loss from changes in fair value of available-for-sale financial assets	-3,878,942.69	-1,421,587.86
2. Currency translation differences	-2,751,180.00	4,695,939.74
Other comprehensive income after tax, net attributable to the minority shareholders	-210,245.35	-48,650.26

Item	Amount for the reporting period	Amount for the corresponding period of the previous year
VII. Total comprehensive income	<u>84,813,979.70</u>	<u>97,907,740.39</u>
Total comprehensive income attributable to owners of the Company	84,080,505.25	102,341,268.42
Total comprehensive income attributable to minority shareholders	733,474.45	-4,433,528.03
VIII. Earnings per share:		
(I) Basic earnings per share <i>(RMB/share)</i>	0.0911	0.0995
(II) Diluted earnings per share <i>(RMB/share)</i>	0.0911	0.0995
<i>Authorized representative:</i> Zhao Yanshui	<i>Person in charge of the accounting function:</i> Yao Weidong	<i>Person in charge of the accounting department:</i> Zhou Juan

Income Statement of the Company

January - March 2015

Unit: Yuan Currency: RMB Audit type: Unaudited

Item	Amount for the reporting period	Amount for the corresponding period of the previous year
I. Operating revenue	2,310,781,763.18	2,623,202,513.17
Less: Operating costs	2,041,585,710.48	2,332,877,344.59
Business taxes and surcharges	439,734.86	65,399.13
Selling expenses	46,267,452.03	33,347,469.86
Administration expenses	134,942,822.64	128,438,743.56
Finance expenses	12,165,856.04	19,956,955.97
Impairment loss on assets	35,508,374.19	17,871,344.81
Investment income (losses are represented by “-”)	-746,552.92	-26,312.88
Including: Gains from investment in associates and joint ventures	-842,552.92	-26,312.88
II. Operating profit (loss is represented by “-”)	39,125,260.02	90,618,942.37
Add: Non-operating income	2,495,105.92	3,688,813.47
Including gain from disposal of non-current assets	218,384.45	—
Less: Non-operating expenses	2,500.00	589,611.95
Including: Loss from disposal of non-current assets	—	294,382.49
III. Total profit (total loss is represented by “-”)	41,617,865.94	93,718,143.89
Less: Income tax expenses	6,242,679.90	4,530,483.37

Item	Amount for the reporting period	Amount for the corresponding period of the previous year
IV. Net profit (net loss is represented by “-”)	35,375,186.04	89,187,660.52
V. Other comprehensive income after tax, net	-3,066,800.00	-448,800.00
(I) Other comprehensive income to be reclassified to profit or loss	-3,066,800.00	-448,800.00
1. Profit or loss from changes in fair value of available-for-sale financial assets	-3,066,800.00	-448,800.00
VI. Total comprehensive income	32,308,386.04	88,738,860.52
VIII. Earnings per share:		
(I) Basic earnings per share (RMB/share)	0.0355	0.0896
(II) Diluted earnings per share (RMB/share)	0.0355	0.0896

<i>Authorized representative:</i>	<i>Person in charge of the accounting function:</i>	<i>Person in charge of the accounting department:</i>
Zhao Yanshui	Yao Weidong	Zhou Juan

Consolidated Cash Flow Statement
January – March 2015

Unit: Yuan Currency: RMB Audit type: Unaudited

Item	Amount for the reporting period	Amount for the corresponding period of the previous year
I. Cash flow from operating activities:		
Cash received from sale of goods and rendering of services	2,465,805,538.70	2,513,442,717.64
Net increase in customer deposits and deposits from banks and other financial institutions	-13,827,330.79	-68,138,640.24
Net increase in placements from banks and other financial institutions	-600,000,000.00	-350,000,000.00
Cash receipts from interests, handling charges and commissions	79,221,111.66	19,684,238.10
Refunds of taxes	7,874,710.92	20,849,652.42
Other cash received relating to operating activities	6,446,557.69	55,400,444.27
Sub-total of cash inflow from operating activities	<u>1,945,520,588.18</u>	<u>2,191,238,412.19</u>
Cash paid for goods purchased and services received	1,683,558,248.06	2,061,615,798.06
Net increase in customer loans and advances	-11,088,036.72	-34,664,205.72
Net increase in deposit in central bank and inter-bank deposits	-4,817,058.02	-10,220,796.04
Cash paid for interests, handling charges and commissions	55,813,067.88	4,854,873.86
Cash paid to and on behalf of employees	291,225,705.22	294,926,872.33
Cash paid for all types of taxes	48,289,093.17	74,106,315.52
Other cash paid relating to operating activities	282,496,678.82	177,776,685.87
Sub-total of cash outflow from operating activities	<u>2,345,477,698.41</u>	<u>2,568,395,543.88</u>
Net cash flow from operating activities	<u>-399,957,110.23</u>	<u>-377,157,131.69</u>

Item	Amount for the reporting period	Amount for the corresponding period of the previous year
II. Cash flow from investment activities:		
Cash received from investments	3,762,752.05	2,133,443.16
Net cash received from disposal of fixed assets, intangible assets and other long term assets	<u>165,300,352.00</u>	<u>424,210.13</u>
Sub-total of cash inflow from investment activities	<u>169,063,104.05</u>	<u>2,557,653.29</u>
Cash paid for acquisition and construction of fixed assets, intangible assets and other long-term assets	140,828,665.87	154,012,619.43
Cash paid for investments	<u>81,514,886.92</u>	<u>226,910,413.37</u>
Sub-total of cash outflow from investment activities	<u>222,343,552.79</u>	<u>380,923,032.80</u>
Net cash flow from investment activities	<u>-53,280,448.74</u>	<u>-378,365,379.51</u>
III. Cash flow from financing activities:		
Cash received from borrowings	–	120,000,000.00
Sub-total of cash inflow from financing activities	–	120,000,000.00
Cash paid for distribution of dividends and profits or for interest expenses	<u>49,329,275.61</u>	<u>46,742,100.93</u>
Sub-total of cash outflow from financing activities	<u>49,329,275.61</u>	<u>46,742,100.93</u>
Net cash flow from financing activities	<u>-49,329,275.61</u>	<u>73,257,899.07</u>

Item	Amount for the reporting period	Amount for the corresponding period of the previous year
IV. Effect of fluctuations in exchange rates on cash and cash equivalents	-2,111,536.88	1,016,727.55
V. Net increase in cash and cash equivalents	-504,678,371.46	-681,247,884.58
Add: Balance of cash and cash equivalents at the beginning of the reporting period	1,749,902,168.21	1,618,450,134.70
VI Balance of cash and cash equivalents at the end of the reporting period	1,245,223,796.75	937,202,250.12

<i>Authorized representative:</i>	<i>Person in charge of the accounting function:</i>	<i>Person in charge of the accounting department:</i>
Zhao Yanshui	Yao Weidong	Zhou Juan

Cash Flow Statement of Company

January – March 2015

Prepared by First Tractor Company Limited

Unit: Yuan Currency: RMB Audit type: Unaudited

Item	Amount for the reporting period	Amount for the corresponding period of the previous year
I. Cash flow from operating activities:		
Cash received from sale of goods and rendering of services	1,471,007,526.82	1,737,911,796.85
Refunds of taxes	1,887,840.08	1,759,698.96
Other cash received relating to operating activities	13,818,822.82	4,862,371.33
Sub-total of cash inflow from operating activities	1,486,714,189.72	1,744,533,867.14
Cash paid for goods purchased and services received	1,384,247,528.88	1,550,938,377.01
Cash paid to and on behalf of employees	149,037,008.20	110,048,478.45
Cash paid for all types of taxes	19,795,105.71	12,084,997.33
Other cash paid relating to operating activities	92,594,394.81	77,478,193.86
Sub-total of cash outflow from operating activities	1,645,674,037.60	1,750,550,046.65
Net cash flow from operating activities	-158,959,847.88	-6,016,179.51

Item	Amount for the reporting period	Amount for the corresponding period of the previous year
II. Cash flow from investment activities:		
Cash received from investments	64,000,000.00	64,000,000.00
Cash received from return on investments	2,464,311.97	1,853,722.30
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	<u>165,275,352.00</u>	<u>342,888.00</u>
Sub-total of cash inflow from investment activities	231,739,663.97	66,196,610.30
Cash paid for acquisition and construction of fixed assets, intangible assets and other long-term assets	111,644,373.39	111,761,089.92
Cash paid for investments	<u>145,514,886.92</u>	<u>204,391,854.48</u>
Sub-total of cash outflow from investment activities	<u>257,159,260.31</u>	<u>316,152,944.40</u>
Net cash flow from investment activities	<u>-25,419,596.34</u>	<u>-249,956,334.10</u>
III. Cash flow from financing activities:		
Cash received from borrowings	—	388,000,000.00
Other cash received relating to financing activities	—	<u>38,547,954.93</u>
Sub-total of cash inflow from financing activities	<u>—</u>	<u>426,547,954.93</u>
Cash paid for repayments of debts	—	515,900,000.00
Cash paid for distribution of dividends and profits or for interest expenses	<u>56,287,029.06</u>	<u>45,146,366.97</u>
Sub-total of cash outflow from financing activities	<u>56,287,029.06</u>	<u>561,046,366.97</u>
Net cash flow from financing activities	<u>-56,287,029.06</u>	<u>-134,498,412.04</u>

Item	Amount for the reporting period	Amount for the corresponding period of the previous year
IV. Effect of fluctuations in exchange rates on cash and cash equivalents	34,860.54	-14,868.04
V. Net increase in cash and cash equivalents	-240,631,612.74	-390,485,793.69
Add: Balance of cash and cash equivalents at the beginning of the reporting period	1,398,841,155.04	958,278,308.01
VI. Balance of cash and cash equivalents at the end of the reporting period	1,158,209,542.30	567,792,514.32

<i>Legal representative:</i>	<i>Person in charge of the accounting function:</i>	<i>Person in charge of the accounting department:</i>
Zhao Yanshui	Yao Weidong	Zhou Juan