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ITC CORPORATION LIMITED

(Incorporated in Bermuda with limited liability)

ANNOUNCEMENT

The Board announces the details of financial assistance given to, and guarantees given for the benefits of, the Company's affiliated companies as at 9 September 2003 pursuant to Paragraph 3.3 of Practice Note 19 of the Listing Rules.

INTRODUCTION

After the close of offers to acquire securities of China Strategic Holdings Limited ("China Strategic") made by Paul Y. - ITC Construction Holdings Limited ("Paul Y. - ITC"), a subsidiary of ITC Corporation Limited (the "Company"), and Hanny Holdings Limited as announced on 9 September 2003, China Strategic has become an associated company of the Company through Paul Y. - ITC. Taking into account the financial assistance given to China Strategic and its subsidiaries, the aggregate value of financial assistance given to, and guarantees given for the benefits of, the Company's affiliated companies by the Company and/or its subsidiaries (the "Group") amounted to about HK\$570.3 million as at 9 September 2003, representing about 34.0% of the Group's consolidated net tangible asset value of about HK\$1,677.8 million as at 31 March 2003.

The board of directors of the Company (the "Board") wishes to disclose details of such financial assistance and guarantees pursuant to Paragraph 3.3 of Practice Note 19 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules").

ANALYSIS OF THE FINANCIAL ASSISTANCE AND GUARANTEES

Details of the financial assistance given to, and guarantees given for the benefits of, the Company's affiliated companies as at 9 September 2003 are as follows:

Affiliated companies	Percentage of interest (%)	Amount of guarantee given (HK\$'000)	Amount of financial assistance given (HK\$'000)	Maturity date (if applicable)
China Strategic and its subsidiaries	31.2	–	174,338 <i>Note 2</i> 9,890 <i>Note 1</i> 12,654	16 January 2004 31 March 2004
Hanny Holdings Limited and its subsidiaries	28.3	–	169,000 <i>Note 2</i> 9,374	30 April 2004
Bongear Enterprises Limited	45.0	–	84,206	31 March 2004
Star East Holdings Limited and its subsidiaries	26.1	–	35,057 <i>Note 2</i> 25,054 <i>Note 3</i> 6,877	29 November 2003 29 November 2003
Downer EDI Limited and its subsidiaries	36.4	–	20,277	
Paul Y. - Penta-Ocean Joint Venture	50.0	–	8,326	
Icfox International Limited and its subsidiaries	27.3	–	4,739	
Great Concept Profits Limited	38.1	–	3,931 <i>Note 2</i> 121	
ThyssenKrupp Elevator (HK) Limited	22.1	6,500 <i>Note 4</i>	–	
		<u>6,500</u>	<u>563,844</u>	

Note 1: interest bearing at the prime rate
Note 2: interest bearing at 2% over the prime rate
Note 3: interest bearing at 3% over the prime rate
Note 4: As at 9 September 2003, the amount of banking facilities utilised by the affiliated company in respect of the guarantee given by the Group is about HK\$1,043,000

As at 9 September 2003, the Group has not committed any capital injection to the Company's affiliated companies.

SOURCE OF FUNDS

Financial assistance to affiliated companies was funded by internal resources and/or borrowings of the Group.

TERMS OF FINANCIAL ASSISTANCE

The amounts are, except as otherwise stated above, unsecured and interest free and have no fixed repayment dates.

By Order of the Board
Law Hon Wa, William
Company Secretary

Hong Kong, 18 September 2003

Please also refer to the published version of this announcement in The Standard.