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ITC CORPORATION LIMITED

德祥企業集團有限公司*

(Incorporated in Bermuda with limited liability)

(Stock code: 372)

UNUSUAL PRICE MOVEMENT

The directors of the Company have noted the recent unusual price movement and trading volume in the ordinary shares of Company and are not aware of any reasons for such unusual movement.

The Company is currently contemplating a disposal of shares in a subsidiary of the Company, the variation of the terms of its preference shares and the making of a general disclosure obligation in relation to advances to entities. Furthermore, the Company had jointly announced a transaction in relation to the disposal by Paul Y. - ITC of its entire interests in a wholly-owned subsidiary, which constitutes a discloseable transaction of the Company.

This statement is made at the request of The Stock Exchange of Hong Kong Limited. We have noted the recent decrease in the price, and recent increase in the trading volume, of the ordinary shares of ITC Corporation Limited (the "Company") and wish to state that we are not aware of any reasons for such unusual movement.

The Company is currently contemplating a disposal of shares in a subsidiary of the Company, which is notifiable under rule 13.23 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("Listing Rules") and may require the approval of its shareholders. Additionally, the Company is contemplating the variation of the terms of its preference shares and also expects to make a general disclosure in relation to advances to entities as required under rule 13.13 and rule 13.14 of the Listing Rules. The Company expects to make further announcements as soon as practicable in relation to the disposal, the variation of the terms of the preference shares and the general disclosure obligation.

Furthermore on 4th June, 2004 and 25th June, 2004, joint announcements were made by the Company together with Paul Y. - ITC Construction Holdings Limited ("Paul Y. - ITC", a non wholly-owned subsidiary of the Company) and Skynet (International Group) Holdings Limited ("Skynet") in relation to, among other things, the disposal by Paul Y. - ITC of its entire interest in Paul Y. - ITC Construction Holdings (B.V.I.) Limited, a wholly-owned subsidiary of Paul Y. - ITC, to Skynet. This transaction constitutes a discloseable transaction of the Company.

Other than the aforesaid, the board of the Company also confirm that there are no negotiations or agreements relating to intended acquisitions or realisations which are discloseable under rule 13.23, neither is the board of the Company aware of any matter discloseable under the general obligation imposed by rule 13.09, which is or may be of a price-sensitive nature.

Made by the order of the board of ITC Corporation Limited, the directors of which individually and jointly accept responsibility for the accuracy of this statement.

As at the date of this announcement, the board of the Company comprises ten directors, of which seven are executive directors, namely Dr. Charles Chan Kwok Keung, Mr. Tom Ko Yuen Lau, Ms. Rosanna Chau Mei Wah, Mr. Chan Kwok Hung, Mr. Chan Fut Yan, Mr. Wong Kun To and Mr. Cheung Hon Kit; and three are independent non-executive directors, namely Mr. Dominic Lai, Mr. Winston Calptor Chuck and Mr. Lee Kit Wah.

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

Hong Kong, 9th August, 2004

** For identification purpose only*

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