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ITC CORPORATION LIMITED

(Incorporated in Bermuda with limited liability)

(Stock code: 372)

DISCLOSEABLE TRANSACTION ACQUISITION OF SHARES OF ITC PROPERTIES GROUP LIMITED ON OPEN MARKET

Reference is made to the joint announcement of Hanny Holdings Limited and the Company on 27 September 2010 in relation to the First Acquisition of 76,402,763 ITCP Shares by Selective Choice Investments Limited, an indirect wholly-owned subsidiary of the Company.

The Directors announce that the Company, through its indirect wholly-owned subsidiary, has acquired an aggregate of 8,346,311 ITCP Shares, representing approximately 1.48% of the issued share capital of ITCP as at the date of this announcement, on the open market for an aggregate consideration of approximately HK\$17.4 million during the Relevant Period. As a result of the Acquisition, the Group holds 50,240,711 ITCP Shares, representing approximately 8.89% of the issued share capital of ITCP (excluding the ITCP Shares to be acquired under the First Acquisition) as at the date of this announcement.

As the applicable percentage ratios (as defined in the Listing Rules) in respect of the Acquisition are more than 5% but less than 25%, the last acquisition of ITCP Shares on the last day of the Relevant Period has triggered a discloseable transaction for the Company under Chapter 14 of the Listing Rules and is subject to reporting and announcement requirements of Chapter 14 of the Listing Rules.

THE ACQUISITION

Reference is made to the joint announcement of Hanny Holdings Limited and the Company on 27 September 2010 in relation to the First Acquisition. The Directors announce that the Company, through its indirect wholly-owned subsidiary, has acquired an aggregate of 8,346,311 ITCP Shares, representing approximately 1.48% of the existing issued share capital of ITCP as at the date of this announcement, on the open market for an aggregate consideration of approximately HK\$17.4 million during the Relevant Period. As a result of the Acquisition, the

Group holds 50,240,711 ITCP Shares, representing approximately 8.89% of the issued share capital of ITCP (excluding the ITCP Shares to be acquired under the First Acquisition) as at the date of this announcement.

As at the date of this announcement, Hanny Holdings Limited is interested in approximately 13.53% of the issued share capital of ITCP (that being the ITCP Shares to be acquired by the Group under the First Acquisition). As the Company is interested in approximately 42.77% of the issued share capital of Hanny Holdings Limited as at the date of this announcement, the Company holds approximately 14.68% effective interest in ITCP.

The prices of the ITCP Shares acquired by the Group were determined according to the bid and ask prices of the ITCP Shares as quoted on the Stock Exchange during the Relevant Period and were funded by the Group's internal resources.

The average price per ITCP Share acquired by the Group during the Relevant Period is approximately HK\$2.09, representing:-

- (i) a discount of approximately 3.24% to the closing price of HK\$2.16 per ITCP Share as quoted on the Stock Exchange on 8 October 2010;
- (ii) a premium of approximately 0.97% over the average closing price of approximately HK\$2.07 per ITCP Share for the last 5 consecutive trading days up to and including 8 October 2010; and
- (iii) a premium of approximately 5.56% over the average closing price of approximately HK\$1.98 per ITCP Share for the last 10 consecutive trading days up to and including 8 October 2010.

To the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, the vendors of the 8,346,311 ITCP Shares under the Acquisition and their respective ultimate beneficial owners are third parties independent of the Company and its connected persons (as defined in the Listing Rules).

REASONS FOR THE ACQUISITION

The Company is an investment holding company which directly and indirectly holds strategic investments in a number of listed companies. The principal activities of the Group comprise investment holding, provision of finance, property investment and treasury investment.

The ITCP Group is principally engaged in property development and investment in Macau, the PRC and Hong Kong, golf resort and leisure operations in the PRC, securities investment and loan financing services.

As the Directors are optimistic towards the prospects and development of the ITCP Group, in particular, the recent increasing demand for prime location properties in the PRC, Hong Kong and Macau, the Directors are positive about the long term returns or capital gains from the investment in the ITCP Shares, and consider that it is the opportune time to increase its strategic investment in ITCP through the Acquisition. If suitable opportunity arises, the Group may consider acquiring more ITCP Shares. If any further acquisition of ITCP Shares by the Group leads to a notifiable transaction for the Company, the Company will comply with the applicable provisions under the Listing Rules. The Directors believe that the Acquisition is fair and reasonable and in the interests of the Group and the shareholders of the Company as a whole. The Group's interests in ITCP will continue to be accounted for as associated company in the Group's accounts pursuant to Hong Kong Accounting Standard 28.

INFORMATION ON ITCP

The following is a summary of the audited consolidated results of the ITCP Group for the two financial years ended 31 March 2009 and 2010 extracted from the 2009-2010 annual report of ITCP:

	For the financial year ended 31 March	
	2009	2010
	<i>HK\$'000</i>	<i>HK\$'000</i>
(Loss) Profit before taxation	(462,285)	102,960
Taxation	469	(108)
	<hr/>	<hr/>
(Loss) Profit for the year	<u>(461,816)</u>	<u>102,852</u>

GENERAL

As the applicable percentage ratios (as defined in the Listing Rules) in respect of the Acquisition are more than 5% but less than 25%, the last acquisition of ITCP Shares on the last day of the Relevant Period has triggered a discloseable transaction for the Company under Chapter 14 of the Listing Rules and is subject to reporting and announcement requirements of Chapter 14 of the Listing Rules.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions have the following meanings:

“Acquisition”	the acquisition of an aggregate of 8,346,311 ITCP Shares by the Company, through its indirect wholly-owned subsidiary, on the open market during the Relevant Period
“Board”	the board of Directors
“Company”	ITC Corporation Limited (Stock code: 372), a company incorporated in Bermuda with limited liability and whose issued shares are listed on the main board of the Stock Exchange
“connected person(s)”	has the same meaning ascribed thereto under the Listing Rules
“Director(s)”	the director(s) of the Company
“First Acquisition”	the proposed acquisition by Selective Choice Investments Limited, an indirect wholly-owned subsidiary of the Company, of 76,402,763 ITCP Shares as announced in the joint announcement of Hanny Holdings Limited and the Company dated 27 September 2010
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“ITCP”	ITC Properties Group Limited (Stock code: 199), a company incorporated in Bermuda with limited liability and whose issued shares are listed on the main board of the Stock Exchange
“ITCP Group”	ITCP and its subsidiaries
“ITCP Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of ITCP
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Macau”	the Macau Special Administrative Region of the People’s Republic of China

“PRC”	the People’s Republic of China, which for the purpose of this announcement, excludes Hong Kong, Macau and Taiwan
“Relevant Period”	the period from 28 September 2010 to 8 October 2010
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

By Order of the Board
ITC Corporation Limited
Lee Hon Chiu
Company Secretary

Hong Kong, 8 October 2010

As at the date of this announcement, the Board comprises:

Executive Directors:

Dr. Chan Kwok Keung, Charles (*Chairman*)
Ms. Chau Mei Wah, Rosanna
(*Deputy Chairman and Managing Director*)
Mr. Chan Kwok Chuen, Augustine
Mr. Chan Fut Yan
Mr. Cheung Hon Kit
Mr. Chan Yiu Lun, Alan

Independent non-executive Directors:

Mr. Chuck, Winston Calptor
Mr. Lee Kit Wah
Hon. Shek Lai Him, Abraham, *SBS, JP*