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ITC CORPORATION LIMITED

(Incorporated in Bermuda with limited liability)

(Stock code: 372)

DISCLOSEABLE TRANSACTION IN RELATION TO ACQUISITIONS OF SHARES OF ROSEDALE HOTEL HOLDINGS LIMITED ON OPEN MARKET

On 20 October 2011, the Purchaser, an indirect wholly-owned subsidiary of the Company, acquired on the open market 8,840,000 Rosedale Shares, representing approximately 1.34% of the total issued Rosedale Shares as at 30 September 2011 as disclosed in the official website of the Stock Exchange, for an aggregate cash consideration of approximately HK\$4.0 million (equivalent to an average price of approximately HK\$0.45 per Acquired Share). During 1 September 2011 to 19 October 2011, the Purchaser acquired on the open market an aggregate of 17,130,000 Rosedale Shares for a total cash consideration of approximately HK\$7.3 million, representing an average price of approximately HK\$0.43 per Rosedale Share. As a result of the Acquisition and the Previous Acquisitions, the Purchaser acquired an aggregate of 25,970,000 Rosedale Shares, representing approximately 3.95% of the total issued Rosedale Shares as at 30 September 2011 as disclosed in the official website of the Stock Exchange. The total cash consideration for the 25,970,000 Rosedale Shares acquired by the Purchaser is approximately HK\$11.3 million, representing an average price of approximately HK\$0.43 per Rosedale Share.

The Acquisition and the Previous Acquisitions together constitute a discloseable transaction for the Company under Chapter 14 of the Listing Rules and are subject to reporting and announcement requirements thereof.

THE ACQUISITION

On 20 October 2011, the Purchaser, an indirect wholly-owned subsidiary of the Company, acquired on the open market 8,840,000 Rosedale Shares, representing approximately 1.34% of the total issued Rosedale Shares as at 30 September 2011 as disclosed in the official website of the Stock Exchange, for an aggregate cash consideration of approximately HK\$4.0 million (equivalent to an average price of approximately HK\$0.45 per Acquired Share). To the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, the seller(s) of the Acquired Shares and its (their respective) ultimate beneficial owner(s) is (are) third party(ies) independent of the Company and its connected persons.

The acquisition prices of the Acquired Shares were determined according to the bid and ask prices of the Rosedale Shares as quoted on the Stock Exchange on 20 October 2011. The total acquisition cost of the Acquired Shares under the Acquisition was financed by the Group's internal resources.

The average price of approximately HK\$0.45 per Acquired Share:

- (i) is the same as the closing price of HK\$0.45 per Rosedale Share as quoted on the Stock Exchange on 20 October 2011;
- (ii) represents a premium of approximately 15.38% to the average of the closing prices of approximately HK\$0.39 per Rosedale Share for the last five consecutive trading days as quoted on the Stock Exchange up to and including 20 October 2011; and
- (iii) represents a premium of approximately 25.00% to the average of the closing prices of approximately HK\$0.36 per Rosedale Share for the last ten consecutive trading days as quoted on the Stock Exchange up to and including 20 October 2011.

THE PREVIOUS ACQUISITIONS

During 1 September 2011 to 19 October 2011, the Purchaser acquired on the open market an aggregate of 17,130,000 Rosedale Shares for a total cash consideration of approximately HK\$7.3 million, representing an average price of approximately HK\$0.43 per Rosedale Share.

The prices of the Rosedale Shares acquired under the Previous Acquisitions were determined according to the bid and ask prices of the Rosedale Shares as quoted on the Stock Exchange at the material times. To the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, the seller(s) of the Rosedale Shares under the Previous Acquisitions and its (their respective) ultimate beneficial owner(s) is (are) third party(ies) independent of the Company and its connected persons. The total cash consideration of the Rosedale Shares under the Previous Acquisitions amounted to approximately HK\$7.3 million, which was financed by the Group's internal resources.

Apart from the Previous Acquisitions and the Acquisition, the Group has not acquired any other Rosedale Shares in the twelve-month period immediately preceding the date hereof. As a result of the Acquisition and the Previous Acquisitions, the Purchaser acquired an aggregate of 25,970,000 Rosedale Shares, representing approximately 3.95% of the total issued Rosedale Shares as at 30 September 2011 as disclosed in the official website of the Stock Exchange. The total cash consideration for the 25,970,000 Rosedale Shares acquired by the Purchaser is approximately HK\$11.3 million, representing an average price of approximately HK\$0.43 per Rosedale Share.

INFORMATION ON ROSEDALE

Rosedale is an investment holding company and its subsidiaries are principally engaged in hotel operation in Hong Kong and the PRC, and trading of securities.

According to the 2010 annual report of Rosedale, the consolidated loss before tax and discontinued operations and loss after tax and discontinued operations of Rosedale amounted to approximately HK\$231.2 million and HK\$347.2 million respectively for the year ended 31 December 2009; and the consolidated loss before tax and discontinued operations and profit after tax and discontinued operations of Rosedale amounted to approximately HK\$290.9 million and HK\$412.9 million respectively for the year ended 31 December 2010. In accordance with the interim report of Rosedale for the six months ended 30 June 2011, the consolidated loss before tax and loss after tax of Rosedale amounted to approximately HK\$117.5 million and HK\$118.3 million respectively.

REASONS FOR THE PREVIOUS ACQUISITIONS AND 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.

Following the Previous Acquisitions and the Acquisition and as at the date of this announcement, the Group holds an aggregate of 130,046,000 Rosedale Shares, representing approximately 19.77% of the total issued Rosedale Shares as at 30 September 2011 as disclosed in the official website of the Stock Exchange. The Company accounts for its interests in the Rosedale Shares as interests in associates and shares the net assets and net income or loss of Rosedale pro rata to the percentage of equity interests in Rosedale held by the Group.

As the Directors are optimistic towards the prospects and development of hotel business in the PRC and Hong Kong, the Acquisition and the Previous Acquisitions enable the Group to increase its strategic investment in hotel business through Rosedale. If suitable opportunity arises, the Group may consider to acquire more Rosedale Shares. The Directors consider that the terms of the Acquisition and the Previous Acquisitions are fair and reasonable and are in the interests of the Company and its Shareholders as a whole.

GENERAL

The Acquisition and the Previous Acquisitions together constitute a discloseable transaction for the Company under Chapter 14 of the Listing Rules and are subject to reporting and announcement requirements thereof.

DEFINITIONS

In this announcement, the following terms have the following meanings:

“Acquired Shares”	the 8,840,000 Rosedale Shares acquired by the Purchaser on the open market on 20 October 2011
“Acquisition”	the acquisition of the Acquired Shares by the Purchaser
“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 meaning as defined in the Listing Rules
“Directors”	the directors of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China, which for the purpose of this announcement shall exclude Hong Kong, Taiwan and Macau Special Administrative Region of the People’s Republic of China
“Previous Acquisitions”	the acquisitions of a total of 17,130,000 Rosedale Shares by the Group on the open market during the period from 1 September 2011 to 19 October 2011
“Purchaser”	Asia Will Limited, an indirect wholly-owned subsidiary of the Company, which is an investment holding company
“Rosedale”	Rosedale Hotel Holdings Limited (stock code: 1189), a company incorporated in Bermuda with limited liability whose Rosedale Shares are listed on the Main Board of the Stock Exchange

“Rosedale Shares”	ordinary share(s) of HK\$0.01 each in the share capital of Rosedale
“Shareholders”	shareholders of the Company
“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
Lai Kwok Hung, Alex
Company Secretary

Hong Kong, 20 October 2011

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. Chan Yiu Lun, Alan

Independent non-executive Directors:

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