



ITC CORPORATION LIMITED

(Incorporated in Bermuda with limited liability)

(Stock code: 372)

PROFIT WARNING

This announcement is made by ITC Corporation Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(1) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The board of directors of the Company (the “**Board**”) noted the announcements of Hanny Holdings Limited (“**Hanny**”, together with its subsidiaries, the “**Hanny Group**”) dated 29 October 2008 and 18 November 2008 (collectively, the “**Hanny Announcements**”) which stated that it is expected that the Hanny Group would record a significant loss mainly attributable to (i) loss of approximately HK\$236.8 million arising from the disposal of listed equity held for trading; and (ii) approximately HK\$96.7 million on change in fair value of certain financial assets, for the six-month period ended 30 September 2008 as a result of the adverse financial market. The Group currently holds approximately 49.9% of the issued shares of Hanny and Hanny is equity accounted for as an associated company of the Company. Based on the aforesaid expected loss as disclosed in the Hanny Announcements, the Group is expected to share approximately HK\$166.4 million of such loss for the six-month period ended 30 September 2008. Shareholders of the Company (the “**Shareholders**”) and potential investors may refer to the Hanny Announcements for details of the expected loss of the Hanny Group.

Based on information currently available, the Board also wishes to inform the Shareholders and the potential investors that it is expected that the Group will record a loss of approximately HK\$30.3 million on the investments in financial assets, which comprises (i) a net loss of approximately HK\$13.6 million on the investments in financial instruments consisting of listed securities and convertible notes issued by listed companies; (ii) an impairment loss on available for sale investments, which comprised an investment fund of approximately HK\$5.4 million; and (iii) a loss of approximately HK\$11.3 million on change in fair value of investment properties for the six-month period ended 30 September 2008. Apart from those disclosed above and the warrants issued by the Group’s listed associated companies, the Group has no investment in other derivative financial products.

The Group recorded unaudited net profit of approximately HK303.3 million for the six-month period ended 30 September 2007, of which approximately HK\$302.0 million was contributed by the Hanny Group. In view of the expected loss of the Hanny Group to be shared by the Group and the loss expected to be incurred on the Group's investments in financial assets as described above, the results of the Group for the six-month period ended 30 September 2008 may be adversely affected.

The information contained in this announcement is only based on the information currently available to the Company and is not based on any figures or information that has been audited or reviewed by the Company's auditors. The Group has commenced the preparation of the interim results of its operations for the six-month period ended 30 September 2008 as well as the determination of the fair value of the financial assets for review by its auditors. The overall financial results of the Group for the six-month period ended 30 September 2008 will only be ascertained when the results of Hanny and other associated companies and all other financial information of the Group are finalized. Details of the Group's performance will be disclosed in the interim results announcement of the Group which is expected to be released before the end of December 2008.

In the meantime, Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.

By Order of the Board
ITC CORPORATION LIMITED
Lee Hon Chiu
Company Secretary

Hong Kong, 18 November 2008

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

Independent non-executive directors:

Mr. Chuck, Winston Calptor

Mr. Lee Kit Wah

Hon. Shek Lai Him, Abraham, *SBS, JP*