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ITC CORPORATION LIMITED

(Incorporated in Bermuda with limited liability)

(Stock code: 372)

DESPATCH OF CIRCULAR

DISCLOSEABLE TRANSACTIONS

ACQUISITIONS OF SHARES IN ITC PROPERTIES GROUP LIMITED

AND

WING ON TRAVEL (HOLDINGS) LIMITED

On 2 January 2008, the Company announced the acquisitions of ITC Properties Shares and Wing On Travel Shares. Pursuant to Rule 14.38 of the Listing Rules, a circular containing, among other things, further details of the acquisitions has been despatched by the Company to its shareholders on 23 January 2008.

The interests of the Group in ITC Properties and Wing On Travel will be accounted for as associated companies in the Group's accounts pursuant to Hong Kong Accounting Standard 28.

Unless the context otherwise requires, terms used herein have the same meanings as those defined in the announcements of the Company both dated 2 January 2008 relating to the acquisitions of ITC Properties Shares and the Wing On Travel Shares (the "Announcements").

On 2 January 2008, the Company announced that it has, through its indirect wholly-owned subsidiaries, acquired:

- (i) an aggregate of 183,090,000 ITC Properties Shares on the Stock Exchange for an aggregate consideration of approximately HK\$78.7 million during the period from 16 October 2007 to 21 December 2007 and an additional 3,135,000 ITC Properties Shares on the Stock Exchange during the period from 24 December 2007 to 2 January 2008; and
- (ii) an aggregate of 177,587,000 Wing On Travel Shares on the Stock Exchange for an aggregate consideration of approximately HK\$74.8 million during the period from 27 December 2006 to 21 December 2007 and an additional 7,500,000 Wing On Travel Shares on the Stock Exchange during the period from 27 December 2007 to 2 January 2008.

Pursuant to Rule 14.38 of the Listing Rules, a circular containing, among other things, further details of the acquisitions has been despatched by the Company to its shareholders on 23 January 2008 (the “Circular”).

As disclosed in the Circular, the Group has further acquired:

- (i) an additional 13,900,000 ITC Properties Shares on the Stock Exchange for an aggregate consideration of approximately HK\$5.2 million during the period from 3 January 2008 to 18 January 2008, being the latest date for inclusion of information in the Circular (the “Latest Practicable Date”); and
- (ii) an additional 83,965,000 Wing On Travel Shares on the Stock Exchange for an aggregate consideration of approximately HK\$32.8 million during the period from 3 January 2008 to the Latest Practicable Date.

Therefore, including the above additional acquisitions, the Group held an aggregate of 200,125,000 ITC Properties Shares and 257,646,000 Wing On Travel Shares, representing approximately 6.46% and 14.15% of their respective issued share capitals as at the Latest Practicable Date. The additional acquisitions by themselves, on a stand alone basis, did not constitute notifiable transactions under the Listing Rules.

For each of the Group’s interests in ITC Properties and Wing On Travel, given that the direct interest of the Group and the indirect interest through Hanny Holdings Limited (“Hanny”) amounted to over 20% of the respective issued share capitals with no other shareholders of each of ITC Properties and Wing On Travel holding significant interests relative to the combined shareholding interests held by the Group and Hanny, and that there are, respectively, two and one concurrent directors of the Company with ITC Properties and Wing On Travel and there are, respectively, one and four concurrent directors of Hanny with ITC Properties and Wing On Travel, the Board considers that the Group has significant influence on ITC Properties and Wing On Travel. Accordingly, the interests of the Group in ITC Properties and Wing On Travel will be accounted for as associated companies in the Group’s accounts pursuant to Hong Kong Accounting Standard 28. As such, after discussion with the Company’s auditors, the Group’s interests in ITC Properties and Wing On Travel will be equity accounted for, with discount on acquisitions, if any, and share of profit or loss of the associated companies to be recognised in the income statement of the Group. As disclosed in the Announcements under the paragraph headed “The Acquisition”, the acquisitions of ITC Properties Shares during the period from 16 October 2007 to 21 December 2007 and the acquisitions of Wing On Travel Shares during the period from 27 December 2006 to 21 December 2007 were made at discounts of approximately 29.2% and 72.3%, respectively, to their unaudited consolidated net asset values as at their respective last reporting dates. In addition, the acquisitions of ITC Properties Shares during the period from 24 December 2007 to 18 January 2008 and Wing On Travel Shares during the period from 27 December 2007 to 18 January 2008 were made at discounts of approximately 38.4% and 74.3%, respectively,

to their unaudited consolidated net asset values as at their respective last reporting dates. Accordingly, an accounting gain may be reported in the results of the Group for the acquisitions of ITC Properties Shares and Wing On Travel Shares.

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

Hong Kong, 23 January 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*