



德祥地產集團有限公司*
ITC PROPERTIES GROUP LIMITED

(formerly known as MACAU PRIME PROPERTIES HOLDINGS LIMITED
澳門祥泰地產集團有限公司*)
(Incorporated in Bermuda with limited liability)
(Stock Code : 199)

**ISSUE OF HK\$1,000 MILLION ZERO COUPON
CONVERTIBLE NOTES DUE 2010
AND HK\$1,000 MILLION 1%
CONVERTIBLE NOTES DUE 2011
MONTHLY ANNOUNCEMENT**

References are made to the Company's announcement dated 20th April, 2005 and circular dated 23rd May, 2005 in relation to, among others, the issue of the First 2010 Convertible Notes; the Company's announcement dated 5th July, 2006 in relation to, among others, the issue of the Second 2010 Convertible Notes; as well as the Company's announcement dated 28th April, 2006 and circular dated 22nd May, 2006 in relation to, among others, the issue of the 2011 Convertible Notes. The Board would like to report the details of conversion of the Convertible Notes made by two holders of the First 2010 Convertible Notes during the period from 1st September, 2007 to 30th September, 2007.

References are made to the Company's announcement dated 20th April, 2005 and circular dated 23rd May, 2005 in relation to, among others, the issue of HK\$1,000 million zero coupon convertible notes due 2010 (the "**First 2010 Convertible Notes**"); the Company's announcement dated 5th July, 2006 in relation to, among others, the issue of HK\$60 million zero coupon convertible notes due 2010 on 8th June, 2006 (the "**Second 2010 Convertible Notes**"); as well as the Company's announcement dated 28th April, 2006 and circular dated 22nd May, 2006 in relation to, among others, the issue of HK\$1,000 million 1% convertible notes due 2011 (the "**2011 Convertible Notes**"). The Company made this announcement as per the requirements under the heading "Dilution Effect on Shareholders" of the said announcements and circulars. Unless otherwise specified, terms used herein shall have the same meanings as defined in the said circulars.

The Board would like to report the details of conversion of the Convertible Notes made by two holders of the First 2010 Convertible Notes during the period from 1st September, 2007 to 30th September, 2007.

The Directors wish to announce that the Board has approved on 3rd September, 2007 and 7th September, 2007 two conversion notices given by two holders of the First 2010 Convertible Notes, holding a principal amount in aggregate of HK\$16,000,000, representing approximately 3.29% of the outstanding principal of HK\$487,050,000 for the First 2010 Convertible Notes, to the Company to convert their First 2010 Convertible Notes at the conversion price of HK\$0.44 per Share pursuant to the terms and conditions stipulated in the aforesaid convertible notes (the "**Conversions**"). Accordingly, the aggregate outstanding principal for the First 2010 Convertible Notes would be reduced to HK\$471,050,000 after the Conversions.

* For identification purpose only

As a result of the Conversions, a total of 36,363,635 ordinary Shares of HK\$0.01 each, representing approximately 1.19% of the issued share capital of the Company as at 31st August, 2007 and approximately 1.17% of the issued share capital of the Company as enlarged by the issue of Shares upon the Conversions, would be allotted and duly issued.

Details of the Conversions and the changes in the issued share capital of the Company during the period from 1st September, 2007 to 30th September, 2007 are set out below:

	Number of Shares
Number of issued Shares as at 31st August, 2007	3,059,154,391
Notices of Conversion received and approved by the Board on 3rd September, 2007 and 7th September, 2007 for the First 2010 Convertible Notes of HK\$16,000,000 at the conversion price of HK\$0.44 per Share	36,363,635
Number of issued Shares as at 30th September, 2007	<u>3,095,518,026</u>

This announcement is only released through the web-site of the Stock Exchange and no publication in the newspaper is made.

For and on behalf of
ITC Properties Group Limited
Yan Ha Hung, Loucia
Company Secretary

Hong Kong, 3rd October, 2007

As at the date of this announcement, the Directors of the Company are as follows:

Executive Directors:

Mr. Cheung Hon Kit (*Chairman*)

Mr. Chan Fut Yan (*Managing Director*)

Mr. Wong Kam Cheong, Stanley (*Deputy Managing Director*)

Mr. Cheung Chi Kit

Mr. Lai Tsan Tung, David

Mr. Ma Chi Kong, Karl

Independent non-executive Directors:

Mr. Wong Chi Keung, Alvin

Mr. Kwok Ka Lap, Alva

Mr. Chui Sai Cheong