



For Immediate Release

HKBN Statement on the Court's Judgment on Telecom Poles

(Hong Kong, 12 August 2011) Hong Kong Broadband Network Limited (wholly-owned subsidiary of City Telecom (H.K.) Limited, HKEX : 1137; NASDAQ : CTEL) welcomes and respects the judgment from High Court in favour of HKBN's judicial review application regarding its right of erecting poles for the provision of fixed telecommunication network Services ("FTN Services").

As a socially-responsible telecommunications operator, HKBN devotes every effort to enhance the telecommunication facilities and services to the public of Hong Kong. From time to time, HKBN maintains open for discussions with different departments of the HKSAR Government on different solutions for service provision. For instance, we have explored the possibilities of using existing street furniture like lamp poles to mount telecommunications facilities for the provision of FTN Services to the public, which is more cost effective and efficient in terms of installation work. However, the suggestion was not accepted. Self-erected pole is indeed the last resort of HKBN to achieve extensive service coverage.

For the Court's judgment today to quash the decisions of the Director of Highways and to order the Government to pay to HKBN the costs of its judicial review application, Chief Executive Officer of HKBN, Mr. William Yeung said, "HKBN has been striking its best to serve the public better, and we do it legally, following proper procedures and existing systems. Once again, we would like to thank for the Court's judgment."

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About City Telecom/Hong Kong Broadband Network Limited

Established in 1992, City Telecom (H.K.) Limited (HKEX: 1137, NASDAQ: CTEL) provides integrated telecommunications services in Hong Kong via its own self-built fibre network. City Telecom's wholly-owned subsidiary, Hong Kong Broadband Network Limited (HKBN), is the fastest growing broadband service provider in Hong Kong. HKBN offers a diversified portfolio of innovative products that service over 1,110,000 subscriptions for broadband, local telephony and IP-TV. The Company has built a solid market position with top-of-the-line applications and practices enabling it substantial growth. The company takes great pride in developing its around 3,000 Talent force into a competitive advantage. Additional information is available at www.ctigroup.com.hk

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