

For Immediate Release

**HKBN launches Dual Mode High Definition Terrestrial TV Receiver +
IPTV Set-Top-Box at HK\$0**

(Hong Kong, 22 January 2008) As Digital & High Definition Terrestrial Broadcast is making headlines in local news, all eyes and ears are on the prices and specifications of High Definition receivers. Hong Kong Broadband Network Limited (“HKBN”) today announced the launch of free dual model High Definition Terrestrial TV Receiver + IPTV set-top-box (“HD Receiver”) for all consumers in Hong Kong.

The HD Receiver allows subscribers to view the 13 Standard Definition & High Definition TV Channels provided by the two terrestrial TV broadcasters in Hong Kong, as well as HKBN’s own IPTV, branded as bbTV. Accompanying the new HD Receiver, HKBN is offering a new range of service plans (please see appendix), that allow new contract customers of either bb100, Home telephony, bbTV or IDD, to use the HD Receiver for free! Even non-HKBN customers can enjoy the HD Receiver via for a rental plan at US\$6.20 (HK\$48) per month.

HKBN’s HD Receiver had already received certification by the Office of the Telecommunications Authority’s (OFTA) Voluntary labeling scheme as a Higher-tier Receiver, which is the only entry that is produced by an ISP in the category. For details, please visit: <http://www.digitaltv.gov.hk/consumer/Higher-tier.pdf>.

Chief Operating Officer of HKBN, William Yeung said, “HKBN is dedicated to technological advancement. Not only we are the first ISP to launch Ultra High-Speed broadband service in the Hong Kong residential market, after months of development and testing, we now take the lead in launching the Higher-tier HD Receiver, proving once again our commitment in technological development for Hong Kong!”

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About City Telecom / Hong Kong Broadband Network

Established in 1992, City Telecom (H.K.) Limited (SEHK : 1137, NASDAQ : CTEL) provides integrated telecommunications services in Hong Kong. City Telecom's wholly-owned subsidiary, Hong Kong Broadband Network Limited (HKBN), is in the process of expanding its Metro Ethernet from 1.4mn to 2.0mn homes pass. HKBN has achieved an aggregate Voice, Broadband (symmetric 25Mbps up to 1Gbps), IP-TV and Corporate data services base in excess of 640,000 subscriptions. Additional information on City Telecom can be found at www.ctigroup.com.hk.

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HKBN “HK\$0” High Definition Receiver Special Service Plans

Broadband Service Special Offer (Subscribers can own the Receiver at HK\$0)

Service	Monthly Fee	Contract Period	Receiver Charge
bb100	29.2USD (HK\$228)	24 months	Free Giveaway

11.3USD (HK\$88) Special Offer (Subscribers can rent the Receiver at HK\$0)

Service	Contract period	Receiver Charge
Home Telephony, bbTV with basic channels or 1000 minutes IDD service	24 months	Free Rental

Receiver Rental Plan (For both HKBN & non HKBN customers)

Rental Fee per Month	Contract Period
6.2USD (HK\$48)	24 months

Receiver Purchase Plan

Special Purchase Price	Remark
125.6USD (HK\$980)	For HKBN customers only

HKBN Higher-tier interactive Digital Terrestrial TV Receiver S-B7120THP Specifications

- Support High Definition Broadcast
- Support Standard Definition Broadcast
- DMBT Standard
- Output Resolution 720p / 1080i (High Definition)
- Output Resolution PAL / 576p (Standard Definition)
- Aspect Ratio: 16:9 & 4:3
- Video Output : HDMI
- Audio Output : RCA, SPDIF (Coaxial, Optical)
- Processor : 300MHz / 450MIPS
- Support Video format: MPEG 2, H.264
- e-program menu up to seven days
- Digital broadcast subtitle & audio options
- USB software upgrade
- Support USB2.0