

For Immediate Release

## **HKBN Launches Incredible 1Gbps Triple-Play for US\$20/month**

(Hong Kong, 3 June 2011) Hong Kong Broadband Network Limited ("HKBN", a wholly-owned subsidiary of City Telecom (HK) Limited, HKEX: 1137, NASDAQ: CTEL) announced the launch of our Incredible Triple-Play offer for 1Gbps broadband, voice, and pay-TV for US\$20/month (HK\$158) with 24-month contract.

At HKBN, we are benefiting from rapidly increasing economies of scale as the market embraces our World leading 1Gbps service. With our costs falling, we are pleased to be able to pass on savings to our customers and make money for our shareholders. Our cost per home pass of approximately US\$200 is amongst the lowest in the World which empowered us to increase our Return on Equity from 3.2% in FY2007 to 19% in 1H FY2011, whilst offering amongst the best value in the World to customers.

Furthermore, we were very encouraged the incumbent's recent high profile launch of its Fibre-To-The-Home (FTTH) 200Mbps plus WiFi service in Public Housing estates for HK\$165. We are pleased to be working together with the incumbent to turn Hong Kong into a Global leader for FTTH, closing out the legacy copper based xDSL era.

Ms. June Lam, Associate Director of Marketing, HKBN said, *"We are ecstatic to be pioneering the mass take-up of Fibre-To-The-Home. Today, our 1Gbps coverage already surpasses over 1 million households and we are working hard to approach 2 million households coverage by end 2011. As with all new technologies, take-up accelerates once a certain inflection point of acceptance is reached, and we believe that Hong Kong is now at that inflection point"*

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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 fiber 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 its substantial growth. The company takes great pride in developing its around 3,000 Talent force into a competitive advantage. Additional information on City Telecom can be found at [www.ctigroup.com.hk](http://www.ctigroup.com.hk).

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