

For Immediate Release

End of HK\$99/month Promotion – New Price at HK\$169/month

(Hong Kong, 19 August 2010) City Telecom (HK) Limited (HKEX: 1137, NASDAQ: CTEL) announced that, with effective from 1 September 2010, the special promotion of HK\$99/month (US\$13) for symmetric 100Mbps broadband service will be terminated. Whilst the new price of HK\$169/month (US\$22) plus HK\$380 (US\$49) installation fee represents a 70% increase on promotional rate, it none-the-less represents awesome value by global standards. Compared to US benchmark of Verizon FiOS's "Tier 3: Fastest" plan of 50 Mbps downstream and 20 Mbps upstream priced at US\$139.95/month¹, our symmetric 100 Mbps offers 18x² better value on a dollar per bit basis.

Ms June Lam, Associate Director, Marketing, "Today, Hong Kong is third most advanced Fibre-To-The-Home market in the World, trailing only South Korea and Japan. At City Telecom, we are proud to have contributed to this positioning. Having surpassed our growth target of exceeding 500,000 subscribers, led by our temporary price promotions, it now time for us to move beyond price and focus on extending our service quality lead."

Notes

1. Per Verizon FiOS website : <http://www22.verizon.com/residential/fiosinternet/#plans>
2. Verizon FiOS of US\$139.95/(50Mbps downlink + 20Mbps uplink) Versus CTEL bb100 of US\$22/(100Mbps downlink + 100Mbps uplink)

- End -

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 1,027,000 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 over 3,000 Talent force into a competitive advantage. Additional information on City Telecom can be found at www.ctigroup.com.hk.

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Appendix 1: HK\$169/month Printed Advertisement

Starting from September 1, you can enjoy
100Mbps[^] broadband services with
“Steady Speed Guarantee”⁺ at \$169^{*} per month.

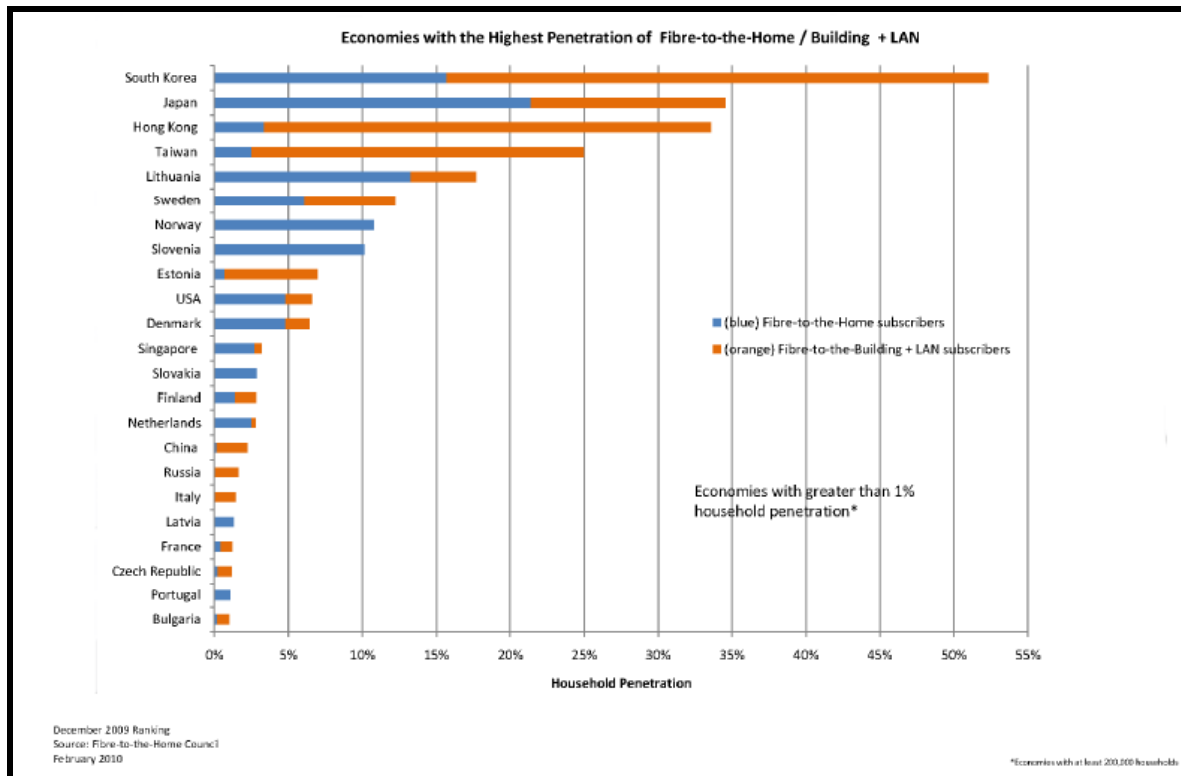
\$99/100Mbps per month offer[#] is only available for those who get
our service registered and installed on or before August 31, 2010.

Awarded by Telecom Asia
“Best Fixed-Line and Broadband Carrier”[™]

Hotline : 3613 1000 apply.hkbn.net/en

[^] Maximum local upload/download speed is 100Mbps, maximum overseas upload/download speed is 20Mbps. The actual speed may be affected by other extraneous factors.
⁺ The local upload and download speed (measured from the wallplate at the subscriber's premises to HK Internet Exchange Center 2 (HKIX2)) shall be guaranteed not less than 80% of the entitled. Otherwise, compensation on equate to two times the service fee charged for the number of affected days on pro-rata basis will be provided. Subject to terms and conditions of “Steady Speed Guarantee”.
^{*} Starting from September 1, 2010, enjoy 100Mbps at \$169/month, a 24-month contract period applies; prepayment of \$220 and a non-refundable installation fee of \$390 are required.
[#] Valid till August 31, 2010. A 12 or 24 month contract period applies; prepayment of \$220 and a non-refundable installation fee of \$390 are required. The offer is applicable to designated buildings only. For online registration, the monthly fee is \$100, exclusive ghs will be provided. Subject to terms and conditions of service. The offer applies to residential customers within the network coverage of HKBN.
[™] Hong Kong Broadband Network has been awarded the “Best Fixed-Line and Broadband Carrier” of Telecom Asia Awards 2010 by Telecom Asia, Asia's Largest regional telecom publishing group.

Appendix 2: Global Fibre-To-The-Home Ranking (Feb 2010)



Source: <http://ci02.keyvision.net/programs/download.pdf?xinput=11926998>