

For Immediate Release

HKBN launches third wave marketing campaign

“That’s ridiculous - still using phone lines for broadband service?”

(Hong Kong, 27th May 2008) Hong Kong Broadband Network Ltd (“HKBN”) today launched a new wave of marketing campaign titled “That’s Ridiculous”, as a follow-up to the well-received Network Differentiation campaign series last year, aiming to rally public momentum to stop using old telephone lines for broadband services.

Consistent with the previous campaigns, HKBN carries on the humor with a classic 80’s Canto-pop song “That’s Ridiculous”, reintroducing characters such as, the Ox & Horse face, the Kung Fu Fighting Ants and Fighting Super Heros, as they sing along, crying out in rage about how ridiculous it is to still be using old telephone lines for broadband services.

This latest multimedia campaign goes beyond television commercials and will also be in the subway, advertising billboards on building exterior walls, print-ads in magazines as well as popular websites.

The previous Network Differentiation marketing campaigns were well received by the market, and created a wave of discussions among the public and the industry. The Ox & Horse face in broadband hell, Mr. Bell & Kung Fu Fight Ants are now hugely popular characters. In educating the public about the inadequacy of using old telephone lines for broadband service, the campaigns to date have already delivered business growth to the company.

Chairman of HKBN, Ricky Wong said, “Dedicated to serve the public of Hong Kong with the best and most advanced broadband service, HKBN introduced the first Fiber-To-The-Home (FTTH) service in Hong Kong last year. We long ago foresaw fiber as the future of high speed broadband service, hence now proactively reminding users the inadequacy of the old telephone lines, calling for an end for the days of using telephone lines for broadband service.

The latest video can be viewed at <http://www.youtube.com/user/HKBNatUTube>

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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 720,000 subscriptions. Additional information on City Telecom can be found at www.ctigroup.com.hk.

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