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China Communication Telecom Services Company Limited

神通電信服務有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8206)

PROFIT WARNING

This announcement is made pursuant to Rule 17.10 of the GEM Listing Rules and the Inside Information Provisions under Part XIVA of the SFO.

The Board wishes to inform the Shareholders and potential investors that based on a preliminary assessment on the Management Accounts, it is expected that an unaudited consolidated loss will be recorded in the Management Accounts while a profit was recorded in the corresponding period in 2011.

The information divulged in this announcement is only based on preliminary assessment by the Company according to the Management Accounts which have not been confirmed or audited by the Company's auditors.

Shareholders and potential investors should exercise caution when dealing in the shares of the Company.

This announcement is made by the board (the “**Board**”) of directors (the “**Directors**”) of China Communication Telecom Services Company Limited (the “**Company**”) and its subsidiaries (collectively referred to as the “**Group**”) pursuant to Rule 17.10 of the Rules Governing the Listing of Securities on the Growth Enterprise Market (the “**GEM Listing Rules**”) of The Stock Exchange of Hong Kong Limited and the Inside Information Provisions (as defined under the GEM Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong) (the “**SFO**”).

The Group is principally engaged in the provision of promotion and management services for an electronic smart card “Shentong Card” in the People’s Republic of China.

The Board wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that based on a preliminary assessment on the unaudited consolidated management accounts of the Group for the nine months ended 31 December 2012 (the “**Management Accounts**”), it is expected that an unaudited consolidated loss will be recorded in the Management Accounts while a profit was recorded in the corresponding period in 2011, which was mainly attributed by the gain on disposal of a subsidiary and the waiver of coupon interest as appeared in the nine months ended 31 December 2011.

As the Company is still in the process of finalizing the Group's third quarterly results for the nine months ended 31 December 2012 (the "**Third Quarterly Results**"), the information divulged in this announcement is only based on preliminary assessment by the Company according to the Management Accounts which have not been confirmed or audited by the Company's auditors.

Shareholders and potential investors of the Company are advised to read carefully the Third Quarterly Results announcement of the Company for the nine months ended 31 December 2012 which is expected to be published in early February 2013.

Shareholders of the Company and potential investors should exercise caution when dealing in the shares of the Company.

By Order of the Board
China Communication Telecom Services Company Limited
He Chenguang
Chairman

Hong Kong, 25 January 2013

As at the date of this announcement, the executive Directors of the Company are Mr. He Chenguang, and Mr. Zhang Peng, the non-executive Director is Mr. Xiao Haiping and the independent non-executive Directors are Dr. Lam Lee G., Mr. Yip Tai Him, Ms. Cao Huifang and Ms. Liu Hong.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain at www.hkgem.com on the "Latest Company Announcements" page of the GEM website for at least 7 days from the date of its posting and on the website of the Group at www.ccpi.com.hk.