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中信國際電訊集團有限公司
CITIC TELECOM INTERNATIONAL HOLDINGS LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code : 01883)

ISSUE OF US\$450 MILLION 6.1% GUARANTEED BONDS DUE 2025

Reference is made to the announcement of the Company dated 18 February 2013 in relation to the proposed issue of US\$ denominated guaranteed bonds by the Issuer to be guaranteed by the Company.

The Board is pleased to announce that on 26 February 2013, the Company and the Issuer entered into the Subscription Agreement with CITIC Securities Corporate Finance, Deutsche Bank, Standard Chartered Bank and UBS in connection with the issuance of the Bonds.

The net proceeds from the issue of the Bonds will initially be deposited into the Escrow Account and will be used towards financing the consideration payable by the Company in respect of the Acquisitions. The amount of funds to be drawn down under the Loan Facilities may be reduced by the net proceeds from the issue of the Bonds accordingly.

The Issuer intends to apply to the Stock Exchange for listing of, and permission to deal in, the Bonds by way of debt securities issued to professional investors only. Listing of the Bonds on the Stock Exchange is not to be taken as an indication of the merits of the Issuer, the Company, the Group or the Bonds. The Bonds are expected to be issued on or about 5 March 2013.

INTRODUCTION

Reference is made to the announcement of the Company dated 18 February 2013 in relation to the proposed issue of US\$ denominated guaranteed bonds by the Issuer to be guaranteed by the Company.

The Board is pleased to announce that on 26 February 2013, the Company and the Issuer entered into the Subscription Agreement with CITIC Securities Corporate Finance, Deutsche Bank, Standard Chartered Bank and UBS in connection with the issuance of the Bonds.

CITIC Securities Corporate Finance, Deutsche Bank, Standard Chartered Bank and UBS are the joint bookrunners and joint lead managers for the Bond Issue. All of them are also the initial purchasers of the Bonds. In addition to its role in connection with the Bond Issue, an affiliate of one of these joint bookrunners and joint lead managers has also, along with certain other banks and financial institutions, entered into commitment letters with the Company to provide the Loan Facilities.

CITIC Securities Corporate Finance, Deutsche Bank, Standard Chartered Bank, UBS or any of their respective affiliates may purchase the Bonds for its or their own account and enter into transactions, including credit derivatives, such as asset swaps, repackaging and credit default swaps relating to the Bonds and/or other securities of the Issuer or the Company or their respective subsidiaries or associates at the same time as the offer and sale of the Bonds or in secondary market transactions. Such transactions would be carried out as bilateral trades with selected counterparties and separately from any existing sale or resale of the Bonds to which this announcement relates (notwithstanding that such selected counterparties may also be purchasers of the Bonds). Furthermore, investors in the Bonds may include entities affiliated with the Group.

To the best of the knowledge, information and belief of the directors of the Company, having made all reasonable enquiries, Deutsche Bank, Standard Chartered Bank and UBS are independent third parties and are not connected persons of the Company. CITIC Securities Corporate Finance is indirectly wholly-owned by CITIC Securities Company Limited, which is indirectly owned as to approximately 21% by CITIC Group Corporation, which is the Company's ultimate holding company. CITIC Securities Corporate Finance is otherwise an independent third party, and it is not a connected person of the Company.

PRINCIPAL TERMS OF THE BONDS

Bonds offered

Subject to certain conditions to completion, the Issuer will issue the Bonds in the aggregate principal amount of US\$450 million which will mature on 5 March 2025 unless earlier redeemed pursuant to the terms thereof.

The Bonds are being offered and sold in an institutional offering outside the United States in reliance on Regulation S under the U.S. Securities Act.

Issue Price

100%

Interest

The Bonds will bear interest from and including 5 March 2013 at the rate of 6.1% per annum, payable semi-annually in arrear on 5 March and 5 September in each year.

Guarantee

The Company has unconditionally and irrevocably guaranteed the due payment of all sums expressed to be payable by the Issuer under the Bonds. The obligations of the Company under the Guarantee shall, save for such exceptions as may be provided by applicable legislation, at all times rank at least equally with all its other present and future unsecured and unsubordinated obligations.

Early Redemption

The Issuer may at any time redeem all, but not some only, of the Bonds at (i) their principal amount, together with interest accrued to the date fixed for redemption or, if higher, (ii) the Make Whole Amount, together with interest accrued to the date fixed for redemption.

The Bonds may also be redeemed at the option of the Issuer in whole, but not in part, at their principal amount, together with accrued interest, at any time in the event of certain changes affecting taxes of the British Virgin Islands (in the case of a payment by the Issuer) or Hong Kong (in the case of a payment by the Company).

A holder of the Bonds will have the right, at such holder's option, to require the Issuer to redeem all, but not some only, of such holder's Bonds at 101% of their principal amount, together with interest accrued in the event that the Acquisitions have not been wholly completed by 31 October 2013.

USE OF PROCEEDS

The net proceeds from the issue of the Bonds will be deposited into the Escrow Account on the date of issue of the Bonds, and will be used towards financing the consideration payable by the Company in respect of the Acquisitions. The amount of funds to be drawn down under the Loan Facilities may be reduced by the net proceeds from the issue of the Bonds accordingly.

Pursuant to the terms of the Escrow Agreement, the Escrow Funds may only be released to the Issuer and the Company (i) to be used towards financing the consideration payable in respect of the Acquisitions, if certain conditions (including, among other things, certain conditions precedent to the Acquisitions) have been satisfied on or before 28 October 2013 or (ii) if the holders of the Bonds exercise their right of redemption in the event that the Acquisitions have not been wholly completed by 31 October 2013. The terms of the Escrow Agreement permit the Issuer to invest any funds credited to the Escrow Account in certain temporary cash investments.

APPLICATION FOR LISTING

The Issuer intends to apply to the Stock Exchange for listing of, and permission to deal in, the Bonds by way of debt securities issued to professional investors only. Listing of the Bonds on the Stock Exchange is not to be taken as an indication of the merits of the Issuer, the Company, the Group or the Bonds. The Bonds are expected to be issued on or about 5 March 2013.

DEFINITIONS

In this announcement, unless the context requires otherwise, the following expressions have the following meanings:

“Acquisitions”	the acquisitions by the Company of a total of 79% interest in Companhia de Telecomunicações de Macau, S.A.R.L., details of which are set out in the announcement of the Company on 13 January 2013
“Board”	the board of directors of the Company
“Bonds”	US\$450 million 6.1% guaranteed bonds due 2025 to be issued by the Issuer and guaranteed by the Company as described in this announcement
“Bond Issue”	the issue of the Bonds by the Issuer as described in this announcement
“CITIC Securities Corporate Finance”	CITIC Securities Corporate Finance (HK) Limited
“Company”	CITIC Telecom International Holdings Limited (中信國際電訊集團有限公司), a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Stock Exchange (stock code: 01883)
“Deutsche Bank”	Deutsche Bank AG, Singapore Branch
“Escrow Account”	the escrow account as defined in the Escrow Agreement
“Escrow Agreement”	the escrow agreement to be entered into between the Issuer, the Company, DB Trustees (Hong Kong) Limited (as trustee) and Deutsche Bank AG, Hong Kong Branch (as escrow agent)
“Escrow Funds”	all amounts standing to the credit of the Escrow Account and any income or interest earned thereon from time to time
“Group”	the Company and its subsidiaries
“Guarantee”	the unconditional and irrevocable guarantee given by the Company with respect to the Issuer’s obligations under the Bonds
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Issuer”	CITIC Telecom International Finance Limited, a company incorporated in the British Virgin Islands and a wholly-owned subsidiary of the Company

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Loan Facilities”	loan facilities to be provided to the Company by certain other banks and financial institutions (including an affiliate of one of the joint bookrunners and joint lead managers in relation to the Bond Issue) in connection with the Acquisitions
“Make Whole Amount”	an amount determined on the fifth day on which commercial banks are open for business in New York City before the redemption date to be equal to the sum of (i) the present value of the principal amount of the Bonds, assuming a scheduled repayment thereof on the Maturity Date, plus (ii) the present value of the remaining scheduled payments of interest to and including the Maturity Date, in each case discounted to the redemption date on a semi-annual basis (assuming a 360-day year consisting of 12 months of 30 days each and, in the case of an incomplete month, the actual number of days elapsed) at the Treasury Yield (as defined in the terms and conditions of the Bonds) plus 0.50%
“Maturity Date”	5 March 2025
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription Agreement”	the subscription agreement dated 26 February 2013 entered into between the Issuer, the Company, CITIC Securities Corporate Finance, Deutsche Bank, Standard Chartered Bank and UBS in relation to the issue of the Bonds
“UBS”	UBS AG, Hong Kong Branch
“United States”	the United States of America
“U.S. Securities Act”	the United States Securities Act of 1933, as amended
“US\$”	the United States dollars

By Order of the Board
CITIC Telecom International Holdings Limited
Xin Yue Jiang
Chairman

Hong Kong, 27 February 2013

As at the date of this announcement, the executive directors of the Company are Messrs Xin Yue Jiang (Chairman), Yuen Kee Tong and Chan Tin Wai, David; the non-executive directors of the Company are Messrs Liu Jifu and Luo Ning; and the independent non-executive directors of the Company are Messrs Yang Xianzu, Liu Li Qing and Kwong Che Keung, Gordon.