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TELECOM HOLDINGS LIMITED

(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)

(Stock Code: 00138)

RESULTS WARNING

This announcement is made by the Company pursuant to Rule 13.09 of the Listing Rules.

The Board wishes to inform the shareholders of the Company and potential investors that the Group may experience a loss for the six months ended 30 June 2011 as compared to a profit for the corresponding period ended 30 June 2010.

Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.

This announcement is made by CCT Telecom Holdings Limited (the “**Company**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

After preliminary review by the Company’s management on the information currently available, the board of directors of the Company (the “**Board**”) wishes to inform the shareholders of the Company and potential investors that the Company and its subsidiaries (the “**Group**”) may experience a loss for the six months ended 30 June 2011, as compared to the Group’s unaudited consolidated interim results for the six months ended 30 June 2010 and its audited consolidated annual results for the year ended 31 December 2010 recorded a profit for each respective financial period. Based on the information currently available, the estimated unaudited consolidated loss of the Group for the six months ended 30 June 2011 was mainly caused by: (i) the decrease in the Group’s gross margin from the telecom and electronic product business (which is principally engaged by the Company’s listed subsidiary, CCT Tech International Limited and its subsidiaries (the “**CCT Tech Group**”)) and the component business due to substantial increase in labour cost in Guangdong Province of China where the Group’s factories are located, rising costs of materials and commodities (including petroleum), high inflation and the continuing appreciation of

the Renminbi; (ii) the start-up, development and distribution costs for the new global branded distribution business using General Electric's trademark on the telecom products of the CCT Tech Group; and (iii) the unrealised fair value losses arising from the listed equity securities of the Group's securities business as a result of the volatility and downturn of the Hong Kong stock market in the first half of 2011.

Despite the above situation, the Board considers that the financial position of the Group as a whole remains sound.

As the Company is still in the process of preparing the Group's unaudited interim results for the six months ended 30 June 2011, the Group's anticipated net loss for the first half of 2011 cannot be quantified accurately as at the date of this announcement. The information contained in this announcement is only based on the preliminary assessment by the Company's management on the information currently available and is not based on any figures nor information that has been audited or reviewed by the Company's auditors. Potential investors are advised to read carefully the unaudited interim results announcement of the Company for the six months ended 30 June 2011 which is expected to be published in late August 2011.

Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.

By Order of the Board of
CCT TELECOM HOLDINGS LIMITED
Mak Shiu Tong, Clement
Chairman

Hong Kong, 14 July 2011

As at the date of this announcement, the executive directors of the Company are Mr. Mak Shiu Tong, Clement, Mr. Tam Ngai Hung, Terry, Ms. Cheng Yuk Ching, Flora and Dr. William Donald Putt and the independent non-executive directors of the Company are Mr. Tam King Ching, Kenny, Mr. Lau Ho Man, Edward and Mr. Chen Li.

This announcement will remain on the "Latest Listed Company Information" page of the website of The Stock Exchange of Hong Kong Limited at www.hkexnews.hk for at least seven days from the day of its publication and will be published and remains on the website of the Company at www.cct.com.hk.