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中國通信服務
CHINA COMSERVICE

中國通信服務股份有限公司

CHINA COMMUNICATIONS SERVICES CORPORATION LIMITED

(A joint stock limited company incorporated in the People's Republic of China with limited liability)

(Stock Code: 552)

**ANNOUNCEMENT REGARDING THE SASAC APPROVAL OF THE
PROPOSED RIGHTS ISSUE OF DOMESTIC SHARES AND H SHARES**

This announcement is made pursuant to Rule 13.09(1) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

Reference is made to the announcement and circular of China Communications Services Corporation Limited (the "Company") dated 8 May 2011 and 12 May 2011, respectively, in relation to proposed Rights Issue of Domestic Shares and H Shares. Unless otherwise specified in this announcement, terms used herein shall have the same meanings as defined in the announcement and the circular mentioned above.

The Company has received a notice from China Telecommunications Corporation, the controlling shareholder of the Company, that China Telecommunications Corporation has been granted an approval by the State-owned Assets Supervision and Administration Commission of the PRC (the "SASAC") regarding the proposed Rights Issue of Domestic Shares and H Shares by the Company.

The approval by the SASAC is one of the conditions of the proposed Rights Issue. The proposed Rights Issue is still subject to, among other things, the approval by the Shareholders at the EGM, the approval by the Domestic Shareholders at the Domestic Shareholders Class Meeting, the approval by the H Shareholders at the H Shareholders Class Meeting and the approval by the CSRC.

By Order of the Board
China Communications Services Corporation Limited
Li Ping
Chairman

Beijing, PRC, 19 May 2011

As at the date of this announcement, our executive directors are Mr. Li Ping (Chairman), Mr. Zheng Qibao (President), Mr. Yuan Jianxing (Executive Vice President) and Ms. Hou Rui (Executive Vice President and Chief Financial Officer), our non-executive directors are Mr. Liu Aili and Mr. Zhang Junan, and our independent non-executive directors are Mr. Wang Jun, Mr. Chan Mo Po, Paul, Mr. Zhao Chunjun, Mr. Wu Shangzhi and Mr. Hao Weimin.