



CASIL TELECOMMUNICATIONS HOLDINGS LIMITED
(航天科技通信有限公司) *

(Incorporated in the Cayman Islands with limited liability)

(Stock Code :1185)

UNUSUAL VOLUME MOVEMENTS

The Board has noted an increase in the trading volume of the Shares on 29 January 2007 and wishes to state that, save for the Possible Acquisition, the Board is not aware of any reasons for such increase in the trading volume of the Shares.

This statement is made at the request of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

The board (the “Board”) of directors (the “Directors”) of the Company has noted an increase in the trading volume of the shares (the “Shares”) of the Company on 29 January 2007 and wishes to state that, save for a possible acquisition (the “Possible Acquisition”) which the Company is currently in discussions with China Academy of Launch Vehicle Technology, the major shareholder (who ultimately holds 44.17% shareholding interests in the Company) of the Company, the Board is not aware of any reasons for such increase in the trading volume of the Shares. No terms or conditions of the Possible Acquisition has been concluded or finalized as at the date of this announcement. The Possible Acquisition may or may not proceed.

Save as disclosed above, the Board confirms that there are no negotiations or agreements relating to intended acquisitions or realizations, which are discloseable under Rule 13.23 of the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”), neither is the Board aware of any matter discloseable under the general obligation imposed by Rule 13.09 of the Listing Rules, which is or may be of a price-sensitive nature.

Made by the order of the Board, the Directors of which individually and jointly accept responsibility for the accuracy of this statement.

By Order of the Board
Au-Yeung Keung Steve
Company Secretary

Hong Kong, 29 January 2007

As at the date hereof, the Board of the Company comprises Mr. Han Shuwang, Mr. Wang Xiaodong and Mr. Li Guang as Executive Directors, Mr. Wu Yansheng, Mr. Liang Xiaohong and Mr. Tang Guohong as Non-executive Directors and Mr. Yiu Ying Wai, Mr. Wong Fai, Philip, Mr. Zhu Shixiong and Mr. Moh Kwen Yung as Independent Non-executive Directors.

** the Chinese name of the Company is for reference only*

Please also refer to the published version of this announcement in The Standard.