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Comba
COMBA TELECOM SYSTEMS HOLDINGS LIMITED
京信通信系统控股有限公司
(incorporated in the Cayman Islands with limited liability)
(Stock Code: 2342)

**ANNOUNCEMENT
COMMENCEMENT OF OPERATIONS OF
THE NEW FACTORY**

This announcement is made pursuant to Rule 13.09(1) of the Listing Rules.

The Board is pleased to announce that the new seven-storeyed factory located on the Group's existing manufacturing site in Guangzhou, the PRC will commence operations from 18 November 2009.

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

The board of directors (the "Board") of Comba Telecom Systems Holdings Limited (the "Company", together with its subsidiaries, the "Group") is pleased to announce that the new seven-storeyed factory (the "Factory") located on the Group's existing manufacturing site in Guangzhou, the People's Republic of China ("the PRC") will commence operations from 18 November 2009. The Factory is beneficially owned by Comba Telecom Systems (Guangzhou) Limited, an indirect wholly owned subsidiary of the Company.

Due to the increasing volume of business, the manufacturing orders have exceeded the Group's production capacity in the existing manufacturing premise. To cater for the rising demand, the Group has therefore constructed the Factory so as to expand its manufacturing capacity in wireless enhancement, antennas and subsystems, wireless access (DMS and WLAN) and other related innovative products. The gross construction area of the Factory is approximately 24,000 square meters. The total cost incurred for construction of the Factory up to the date hereof is approximately HK\$60 million. Additional costs will be incurred for purchase of new machinery. With the Factory in operations, the production capacity of the Group is expected to be doubled, which marks a

new milestone to the Group's continuing development. It is expected that the Group can benefit from the economy of scale and deliver its products in a shorter period to its customers after such expansion of production capacity. In general, the Board is optimistic about the future of the global telecommunications infrastructure industry and considers that the Factory will enable the Group to maintain its competitive-edge over other players in this promising industry. The Board expects that the Factory will maximize the returns of the Group and the Company's shareholders.

By order of the Board

COMBA TELECOM SYSTEMS HOLDINGS LIMITED

Tong Chak Wai, Wilson

Executive Director

Hong Kong, 16 November 2009

As at the date of this announcement, the Board comprises the following executive Directors: Mr. FOK Tung Ling, Mr. ZHANG Yue Jun, Mr. TONG Chak Wai, Wilson, Mr. WU Jiang Cheng, Mr. YAN Ji Ci, Mr. ZHENG Guo Bao and Mr. YEUNG Pui Sang, Simon; and the following independent non-executive Directors: Mr. YAO Yan, Mr. LAU Siu Ki, Kevin and Mr. LIU Cai.