



NIVS IntelliMedia Signs Letter of Intent with China Telecom to Manufacture 3G Mobile Phones

Huizhou, Guangdong, China, October 22, 2009 – NIVS IntelliMedia Technology Group, Inc., (“NIVS” or the “Company”) (NYSE Amex: NIV), a consumer electronics company that designs, manufactures and sells intelligent audio and visual products, today announced that the Company has signed a letter of intent to manufacture mobile phones for China Telecom Corp. Ltd. (“China Telecom”) to be used with China Telecom’s 3G network, e-Surfing.

According to the letter of intent, NIVS will be manufacturing two CDMA 3G mobile phone models, the NE16 and NE20. Both of these phones are dual-mode phones using the EVDO and GSM standards, making them compatible with both 2G and 3G networks. China Telecom will initially purchase five million mobile phones for their e-Surfing network from among approximately twenty approved mobile phone vendors. The specific amount NE16 and NE20 phones to be ordered in the initial phase will be determined at a later date. In addition, the Company has submitted a bid to make a pricier smart phone model, the NE98, for China Telecom’s 3G network, the results of which are expected to be announced in November. To view our 3G product portfolio, please visit the following link http://www.nivsgroup.com/english/product/product_3g.php.

Mr. Tianfu Li, CEO and Chairman of NIVS, commented, “We’re very excited about this opportunity to penetrate the 3G mobile phone market in China by working with one of the three mobile phone network service providers. Having recently acquired our mobile phone license for mainland China, we are proud to already be working with the telecom operating giant, China Telecom, and supplying them with OEM mobile phones. Our production lines are already fully capable of manufacturing these phones, and we will further refine our production processes for mobile phones.

“Aside from enjoying higher margins than our current products, we plan to eventually integrate our speech technology into these smart phones, making use of our cutting-edge technological advantages. In addition to cooperating with China Telecom, we have plans to open additional sales channels with China Unicom, department stores and retailers, distributors, military and police and overseas distribution networks, to ensure that all of our produced phones will reach an end market. We are confident that this is a first step towards penetrating China’s mobile phone market and increasing our brand awareness as we continue to grow our business and maintain our vision of becoming a household brand name in China.”

About NIVS IntelliMedia Technology Group, Inc.

NIVS IntelliMedia Technology Group is an integrated consumer electronics company that designs, manufactures, markets and sells intelligent audio and video products in China, Greater Asia, Europe, and North America. The NIVS brand has received “Most Popular Brand” distinction in China’s acoustic industry for three consecutive years, among numerous other awards. Ranked 43rd on Forbes’ Top 100 Chinese Research and Development Companies, NIVS has developed leading Chinese speech interactive technology, which forms a foundation for the Company’s intelligent audio and visual systems, including digital audio, LCD televisions, digital video broadcasting (“DVB”) set-top boxes, peripherals and more.

Safe Harbor Statement



This release contains certain "forward-looking statements" relating to the business of the Company and its subsidiary companies. These forward looking statements are often identified by the use of forward-looking terminology such as "believes, expects" or similar expressions. Such forward looking statements involve known and unknown risks and uncertainties, including, but not limited to the Company's reliance on its major customers for a large portion of its net sales; the Company's ability to develop and market new products; the Company's ability to continue to borrow and raise additional capital to fund its operations; the Company's ability to collect aging trade receivables and the effect of a growing doubtful account allowance; the Company's ability to accurately forecast amounts of supplies needed to meet customer demand; exposure to market risk through sales in international markets; the market acceptance of the Company's products; exposure to product liability and defect claims; fluctuations in the availability of raw materials and components needed for the Company's products; protection of the Company's intellectual property rights; changes in the laws of the PRC that affect the Company's operations; development of a public trading market for the Company's securities; and the cost of complying with current and future governmental regulations and the impact of any changes in the regulations on the Company's operations. Investors should not place undue reliance on these forward-looking statements, which speak only as of the date of this press release. The Company's actual results could differ materially from those anticipated in these forward-looking statements as a result of a variety of factors, including the discussed above and in the Company's periodic reports that are filed with the Securities and Exchange Commission and available on its website (www.sec.gov). All forward-looking statements attributable the Company or to persons acting on its behalf are expressly qualified in their entirety by these factors other than as required under the securities laws. The Company does not assume a duty to update these forward-looking statements.

For more information, please contact:

Company Contact:

Jason Wong

Vice President Investor Relations

Tel: +86-138 299 16919

Email: jason@nivsgroup.com

Investor Contact:

ICR

Michael Tieu

Tel: +86-10-6599-7960

Email: michael.tieu@icrinc.com

In the U.S.:

Brian M. Prenoveau, CFA

Tel: 203-682-8200

Email: brian.prenoveau@icrinc.com