

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



ZTE CORPORATION

中興通訊股份有限公司

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

(Stock Code: 763)

**ANNOUNCEMENT IN RESPECT OF RESOLUTIONS OF
THE FIRST EXTRAORDINARY GENERAL MEETING OF 2009**

The Company and its Directors, Supervisors and senior management confirm that all the information contained in this announcement is true, accurate and complete and that there are no false and misleading statements or material omissions in this announcement.

The First Extraordinary General Meeting of 2009 (hereinafter referred to as the "EGM") of ZTE Corporation (hereinafter referred to as the "Company") was held at the venue on 30 June 2009. Details in respect of the resolutions and voting of the EGM were as follows:

IMPORTANT NOTICE

Additional resolutions proposed: On 9 June 2009, the Board of Directors of the Company received two ex tempore motions submitted by its shareholder, Shenzhen Zhongxingxin Telecommunications Equipment Company, Limited ("Zhongxingxin"), i.e. the "Resolution on the Provision of Performance Guarantee for the Company's Wholly-owned Subsidiary, PT. ZTE Indonesia" and the "Resolution on the Renewal of the 2009 General Mandate ZTE Corporation", requesting the Board of Directors of the Company to table the same for consideration at the First Extraordinary General Meeting of 2009 of the Company. On 11 June 2009, the "Supplementary Notice of ex Tempore Motions at the First Extraordinary General Meeting of 2009" was issued by the Board of Directors of the Company.

I. INFORMATION REGARDING THE EGM

1. Time of meeting

The EGM was held from 9: 00 a.m. to 10:30 a.m. on 30 June 2009.

2. Venue

The EGM was held at the Conference Room on 4th Floor, Block A of the Company's headquarters in Shenzhen.

3. Mode of meeting

The EGM was convened with on-site voting.

4. Convener

The EGM was convened by the Board of Directors of the Company.

5. Chairman

As Chairman Mr. Hou Weigui was on a business trip and was unable to attend and preside over the EGM, Vice Chairman , Mr. Wang Zongyin was unanimously elected by the Directors to act as the chairman of the EGM in accordance with Article 97 of the Articles of Association.

6. The convening of the EGM was legal and valid, having complied with the relevant provisions of relevant laws, administrative regulations and departmental rules such as the Company Law of the People's Republic of China, the Rules Governing Listing of Stocks on Shenzhen Stock Exchange, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the Articles of Association of ZTE Corporation.

II. INFORMATION REGARDING ATTENDANCE AT THE EGM

■ Overall Attendance

24 Shareholders (including proxies), holding 635,111,070 shares, accounting for 47.28% of the total number of shares carrying voting rights of the Company.

Of which:

(1) Attendance of holders of domestic shares (A shares)

22 holders (including proxies) of A shares, holding 534,361,811 shares, accounting for 47.75% of the total A shares carrying voting rights of the Company.

(2) Attendance of holders of overseas-listed foreign shares (H shares)

2 holders (including proxies) of H shares, holding 100,749,259 shares, accounting for 44.93% of the total number of H shares carrying voting rights of the Company.

III. CONSIDERATION AND VOTING OF PROPOSED RESOLUTIONS

The following proposed resolutions were considered and passed by voting by ballot at the EGM:

Ordinary Resolutions

(I) To consider and approve on an individual basis the “Resolution of the Company on the Election of Independent Directors”

1. To elect by way of accumulative voting Ms. Qu Xiaohui as Independent Director of the Company for a term commencing on 22 July 2009 and ending on the conclusion of the Fourth Session of the Board of Directors (i.e. 29 March 2010);

1.1. Overall voting details

For: 631,879,770 shares, accounting for 99.4912% of the total number of shares held by shareholders with voting rights attending the EGM;

Of which:

(1) Voting details of holders of domestic shares (A shares):

For: 534,361,811 shares, accounting for 100% of the total number of shares held by holders of A shares with voting rights attending the EGM;

(2) Voting details of holders of overseas-listed foreign shares (H shares):

For: 97,517,959 shares, accounting for 96.7927% of the total number of shares held by holders of H shares with voting rights attending the EGM;

1.2. Results of Voting: The proposed resolution was an ordinary resolution and the candidate for Independent Director was elected Independent Director of the Company by votes representing more than one-half of the total number of shares held by shareholders with voting rights attending the EGM.

2. To elect by way of accumulative voting Mr. Chen Naiwei as Independent Director of the Company for a term commencing on 22 July 2009 and ending on the conclusion of the Fourth Session of the Board of Directors (i.e. 29 March 2010).

2.1. Overall voting details

For: 631,879,770 shares, accounting for 99.4912% of the total number of shares held by shareholders with voting rights attending the EGM;

Of which:

(1) Voting details of holders of domestic shares (A shares):

For: 534,361,811 shares, accounting for 100% of the total number of shares held by holders of A shares with voting rights attending the EGM;

(2) Voting details of holders of overseas-listed foreign shares (H shares):

For: 97,517,959 shares, accounting for 96.7927% of the total number of shares held by holders of H shares with voting rights attending the EGM;

2.2. Results of Voting: The proposed resolution was an ordinary resolution and the candidate for Independent Director was elected Independent Director of the Company by votes representing more than one-half of the total number of shares held by shareholders with voting rights attending the EGM.

3. To elect by way of accumulative voting Mr. Wei Wei as Independent Director of the Company for a term commencing on 22 July 2009 and ending on the conclusion of the Fourth Session of the Board of Directors (i.e. 29 March 2010).

3.1. Overall voting details

For: 631,879,770 shares, accounting for 99.4912% of the total number of shares held by shareholders with voting rights attending the EGM;

Of which:

(1) Voting details of holders of domestic shares (A shares):

For: 534,361,811 shares, accounting for 100% of the total number of shares held by holders of A shares with voting rights attending the EGM;

(2) Voting details of holders of overseas-listed foreign shares (H shares):

For: 97,517,959 shares, accounting for 96.7927% of the total number of shares held by holders of H shares with voting rights attending the EGM;

3.2. Results of Voting: The proposed resolution was an ordinary resolution and the candidate for Independent Director was elected Independent Director of the Company by votes representing more than one-half of the total number of shares held by shareholders with voting rights attending the EGM.

(II) To consider and approve the “Resolution of the Company on the Provision of Guarantee by Way of the Pledge of Equity Interests for its Holding Subsidiary, Closed Joint-Stock Company CJSC TK Mobile”

That the provision of guarantee by the Company by way of the pledge of its 51% equity interests in Closed Joint-Stock Company CJSC TK Mobile (“CJSC TK Mobile”) as a security against the US\$70,600,000 bank loan with a 9-year term extended to CJSC TK Mobile (with a term from the date on which the

Agreement on the Pledge of Equity Interests is executed and becomes effective to the date on which the debts owed by CJSC TK Mobile under the financing documents are fully repaid) be approved.

1. Overall voting details

For: 633,571,536 shares, accounting for 99.7576% of the total number of shares held by shareholders with voting rights attending the EGM;

Against: 1,539,534 shares, accounting for 0.2424% of the total number of shares held by shareholders with voting rights attending the EGM;

Abstained: 0 share, accounting for 0% of the total number of shares held by shareholders with voting rights attending the EGM;

Of which:

(1) Voting details of holders of domestic shares (A shares):

For: 534,361,811 shares, accounting for 100% of the total number of shares held by holders of A shares with voting rights attending the EGM;

Against: 0 share, accounting for 0% of the total number of shares held by holders of A shares with voting rights attending the EGM;

Abstained: 0 share, accounting for 0% of the total number of shares held by holders of A shares with voting rights attending the EGM;

(2) Voting details of holders of overseas-listed foreign shares (H shares):

For: 99,209,725 shares, accounting for 98.4719% of the total number of shares held by holders of H shares with voting rights attending the EGM;

Against: 1,539,534 shares, accounting for 1.5281% of the total number of shares held by holders of H shares with voting rights attending the EGM;

Abstained: 0 share, accounting for 0% of the total number of shares held by holders of H shares with voting rights attending the EGM;

2. Results of Voting:

The proposed resolution, being an ordinary resolution, was passed by votes representing more than one-half of the total number of shares held by shareholders with voting rights attending the EGM.

(III) To consider and approve the “Resolution on the Provision of Performance Guarantee for the Company’s Wholly-owned Subsidiary, PT. ZTE Indonesia”

1. That the provision of performance guarantee by the Company for PT. ZTE Indonesia (“ZTE Indonesia”) for an amount not exceeding US\$40 million, with a term commencing on the date on which the 2G BSS and 3G UTRAN Technical Support Agreement (the “Technical Support Framework

Agreement”) takes effect upon execution and ending on the date on which the performance of ZTE Indonesia’s obligations under the Technical Support Framework Agreement is completed be approved.

2. That the application by the Company to the relevant bank for the issuance of a letter of performance guarantee to provide guarantee with a maximum accumulated amount of US\$5 million in favour of PT. Telekomunikasi Selular in respect of the performance obligations of ZTE and ZTE Indonesia under the 2G BSS and 3G UTRAN Technical Support Agreement (the “Equipment Procurement Framework Agreement” and the “Technical Support Framework Agreement”), with a term commencing on the date of issuance of the letter of guarantee by the relevant bank and ending on the date falling 3 years and 6 months after the issuance of the letter of guarantee or on which the performance of obligations of ZTE and ZTE Indonesia under the Equipment Procurement Framework Agreement and the Technical Support Framework Agreement are fully completed, whichever is the later, be approved.

1. Overall voting details

For: 581,994,587 shares, accounting for 91.9171% of the total number of shares held by shareholders with voting rights attending the EGM;

Against: 51,133,569 shares, accounting for 8.0758% of the total number of shares held by shareholders with voting rights attending the EGM;

Abstained: 45,100 shares, accounting for 0.0071% of the total number of shares held by shareholders with voting rights attending the EGM;

Of which:

(1) Voting details of holders of domestic shares (A shares):

For: 532,410,721 shares, accounting for 99.6349 % of the total number of shares held by holders of A shares with voting rights attending the EGM;

Against: 1,905,990 shares, accounting for 0.3567% of the total number of shares held by holders of A shares with voting rights attending the EGM;

Abstained: 45,100 shares, accounting for 0.0084% of the total number of shares held by holders of A shares with voting rights attending the EGM;

(2) Voting details of holders of overseas-listed foreign shares (H shares):

For: 49,583,866 shares, accounting for 50.1803% of the total number of shares held by holders of H shares with voting rights attending the EGM;

Against: 49,227,579 shares, accounting for 49.8197% of the total number of shares held by holders of H shares with voting rights attending the EGM;

Abstained: 0 share, accounting for 0% of the total number of shares held by holders of H shares with voting rights attending the EGM;

2. Results of Voting:

The proposed resolution, being an ordinary resolution, was passed by votes representing more than one-half of the total number of shares held by shareholders with voting rights attending the EGM.

Special Resolution

(IV) To consider and approve the “Resolution on the Renewal of the 2009 General Mandate”

That the limit of the general mandate approved at the 2008 Annual General Meeting of the Company be altered to 20% of the aggregate nominal amount of each of the issued A share capital (i.e. 1,454,854,510 shares) and H share capital (i.e. 291,474,892 shares) of the Company following the capitalisation of capital reserve be approved.

1. Overall voting details

For: 553,273,250 shares, accounting for 87.6397% of the total number of shares held by shareholders with voting rights attending the EGM;

Against: 78,030,886 shares, accounting for 12.3603% of the total number of shares held by shareholders with voting rights attending the EGM;

Abstained: 0 share, accounting for 0% of the total number of shares held by shareholders with voting rights attending the EGM;

Of which:

(1) Voting details of holders of domestic shares (A shares):

For: 532,455,821 shares, accounting for 99.6433% of the total number of shares held by holders of A shares with voting rights attending the EGM;

Against: 1,905,990 shares, accounting for 0.3567% of the total number of shares held by holders of A shares with voting rights attending the EGM;

Abstained: 0 share, accounting for 0% of the total number of shares held by holders of A shares with voting rights attending the EGM;

(2) Voting details of holders of overseas-listed foreign shares (H shares):

For: 20,817,429 shares, accounting for 21.4740% of the total number of shares held by holders of H shares with voting rights attending the EGM;

Against: 76,124,896 shares, accounting for 78.5260% of the total number of shares held by holders of H shares with voting rights attending the EGM;

Abstained: 0 share, accounting for 0% of the total number of shares held by holders of H shares with voting rights attending the EGM;

2. Results of Voting:

The proposed resolution, being a special resolution, was passed by votes representing more than two-thirds of the total number of shares held by shareholders with voting rights attending the EGM.

The Company appointed Computershare Hong Kong Investor Services Limited, a witnessing lawyer, two shareholder representatives and two Supervisor representatives to act as scrutineers for vote taking at the EGM.

IV. LEGAL OPINION OF LAWYERS

1. Name of Law Firm: Jun He Law Offices, Shenzhen Office
2. Name of Attorneys: Mr Liu Yongzhao and Mr He Junhui
3. Conclusive opinion:

In the view of Jun He Law Offices, Shenzhen Office, matters relating to the convening and holding procedures, qualifications of the attendees and the voting procedures of the First Extraordinary General Meeting of 2009 of the Company complied with laws, regulations and rules including the *Company Law of the People's Republic of China* and the *Rules for General Meetings of Listed Companies* as well as the *Articles of Association of ZTE Corporation* and the "Resolutions of the First Extraordinary General Meeting of 2009 of ZTE Corporation" approved at the EGM were legal and valid.

V. DOCUMENTS AVAILABLE FOR INSPECTION

1. Documents of the First Extraordinary General Meeting of 2009 of ZTE Corporation
2. Resolutions of the First Extraordinary General Meeting of 2009 of ZTE Corporation signed and endorsed by the attending Directors and minutes-taker
3. Text of the Legal Opinion

By Order of the Board
Hou Weigui
Chairman

Shenzhen, the PRC
30 June 2009

As at the date of this announce, the Board of Directors of the Company comprises three executive directors, Yin Yimin, Shi Lirong and He Shiyong; six non-executive directors, Hou Weigui, Wang Zongyin, Xie Weiliang, Zhang Junchao, Li Juping and Dong Lianbo; and five independent non-executive directors, Zhu Wuxiang, Chen Shaohua, Qiao Wenjun, Mi Zhengkun and Li Jin.