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**ZTE中兴**  
**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 on Completion of the Plan of the Controlling Shareholder to Increase Shareholdings in the Company**

The Company and all the members of the Board of Directors confirm that the information contained in this announcement is true, accurate and complete and that there are no false and misleading statements in or material omissions from this announcement.

ZTE Corporation (hereinafter referred to as "ZTE" or the "Company") was notified by Shenzhen Zhongxingxin Telecommunications Equipment Company, Limited (hereinafter referred to as "Zhongxingxin"), the controlling shareholder of the Company, after the close of the securities trading system of Shenzhen Stock Exchange on 9 October 2009, that the plan of Zhongxingxin to increase holdings in the Company's A shares via acquisitions in the secondary market starting from 10 October 2008 had been completed (hereinafter referred to as the "Additional Share Acquisition"). Details of the plan for the Additional Share Acquisition are hereby announced as follows:

On 10 October 2008, an announcement on increased Shareholdings by the controlling shareholder was published by ZTE to disclose that Zhongxingxin, the controlling shareholder of the Company, had conducted the first acquisition of additional shares on 10 October 2008. Shares acquired during the 12-month period commencing on that date, taking into account the additional shares by the first acquisition, represented on an accumulative basis no more than 2% of the total number of shares of the Company.

As at 9 October 2009, the Additional Share Acquisition plan of Zhongxingxin, the controlling shareholder of the Company, was completed and Zhongxingxin acquired 7,649,116 A shares in the Company (including 5,883,935 A shares acquired in the secondary market on an accumulative basis and 1,765,181 A shares as a result of the creation of 3 shares for every 10 shares held by way of capitalisation of reserves under the 2008 profit distribution plan), accounting for approximately 0.42% of the total share capital of the Company as at 30 September 2009. Following the completion of the Additional Share Acquisition plan, Zhongxingxin will hold 620,214,413 A shares in the Company, accounting for approximately 33.87% of the total share capital of the Company as at 30 September 2009. In compliance

with its undertaking, Zhongxingxin did not dispose any of its shareholdings during the period of the Additional Share Acquisition plan.

Zhongxingxin, the controlling shareholder of the Company, will apply to the China Securities Regulatory Commission for a summary waiver of general offer in accordance with the *Measures for the Administration of Acquisitions by Listed Companies*, the *Decision on Amending Article 63 of the Measures for the Administration of Acquisitions by Listed Companies* and *Guidelines of the Shenzhen Stock Exchange for the Acquisition of Additional Shares in a Listed Company by its Shareholders and Parties Acting in Concert therewith*.

By Order of the Board  
**Hou Weigui**  
*Chairman*

Shenzhen, the PRC  
9 October 2009

As at the date of this announcement, the Board of Directors of the Company comprises three executive directors, Yin Yimin, Shi Lirong and He Shiyou; six non-executive directors, Hou Weigui, Wang Zongyin, Xie Weiliang, Zhang Junchao, Li Juping and Dong Lianbo; and five independent non-executive directors, Mi Zhengkun, Li Jin, Qu Xiaohui, Wei Wei and Chen Naiwei.