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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 Litigation

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

ZTE (UK) LIMITED ("ZTE (UK)"), a wholly-owned subsidiary of ZTE Corporation (the "Company"), recently received a statement of claim from the High Court of England and Wales in London, the United Kingdom, according to which a lawsuit had been filed by Telefonaktiebolaget LM Ericsson (publ) ("Ericsson") against ZTE (UK), alleging infringement on Ericsson's patent technologies by several handset models of ZTE (UK) and demanding ZTE (UK) to discontinue such act of infringement and compensate for Ericsson's losses, although no specific amount of compensation was demanded by Ericsson in the statement of claim (the "Litigation").

According to relevant overseas reports, Ericsson will also file patent infringement lawsuits against the Company in Italy and Germany. As at the date of this announcement, the Company has not yet received any official documents from Italy and Germany pertaining to lawsuits on the Company's alleged infringement of patent rights.

Currently, legal counsels appointed by the Company in connection with the Litigation are actively preparing for the lawsuit to defend its interests. Based on relevant data recorded in the 2010 audited Group consolidated financial statements of the Company, operating revenue derived from the United Kingdom accounted for a very small share of the Group's overall operating revenue, therefore the Litigation will not have any material and adverse impact on the financial conditions and results of operation of the Group for the current period.

The Company will publish further announcements to disclose in a timely manner any substantial progress of the litigation. As at the date of this announcement, there are no other disclosable material litigations or arbitrations involving the Company which remain undisclosed.

By Order of the Board

Hou Weigui

Chairman

Shenzhen, PRC

7 April 2011

As at the date of this announcement, the Board of Directors of the Company comprises three executive directors, Shi Lirong, Yin Yimin and He Shiyong; six non-executive directors, Hou Weigui, Lei Fanpei, Xie Weiliang, Wang Zhanchen, Zhang Junchao and Dong Lianbo; and five independent non-executive directors, Qu Xiaohui, Wei Wei, Chen Naiwei, Tan Zhenhui and Timothy Alexander Steinert.