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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)

Notice of Second Extraordinary General Meeting of 2010

The Company and all the 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 and misleading statement or material omission in this announcement.

NOTICE IS HEREBY GIVEN that the Second Extraordinary General Meeting of 2010 (hereinafter referred to as the "EGM") of ZTE Corporation (hereinafter referred to as the "Company") will be held in accordance with the resolution passed at the Seventh Meeting of the Fifth Session of the Board of Directors of the Company on 22 July 2010. Details of the EGM are set out below:

I. INFORMATION REGARDING THE EGM

(I) Time

The EGM will commence at 9: 00 a.m. on Friday, 10 September 2010.

(II) Venue

The EGM will be held at the Conference Room on the 4th floor of the Company's headquarters in Shenzhen.

Address: 4th Floor, A Wing, ZTE Plaza, Keji Road South, Hi-Tech Industrial Park, Nanshan District, Shenzhen

Tel: +86 (755) 26770282

(III) Convener

The EGM will be convened by the Board of Directors of the Company.

(IV) Voting method

Voting by poll will be carried out on-site at the EGM.

(V) Attendees

1. All ZTE (000063) shareholders registered with China Securities Depository & Clearing Corporation Limited, Shenzhen Office upon the close of trading of its A shares on the Shenzhen Stock Exchange on Tuesday, 10 August 2010 at 3 : 00 p.m. (hereinafter referred to as “Domestic Shareholders”);
2. All shareholders registered on the Company’s H share register maintained by Computershare Hong Kong Investor Services Limited upon the close of trading of its H shares on The Stock Exchange of Hong Kong Limited on Tuesday, 10 August 2010 at 4: 00 p.m. (hereinafter referred to as “H Shareholders”);
3. Directors, supervisors and senior management of the Company; and
4. Representatives of intermediaries engaged by the Company and guests invited by the Board of Directors.

(VI) Closure of H share register

The H share register of the Company will be closed from Wednesday, 11 August 2010 to Thursday, 9 September 2010 (both days inclusive). H Shareholders who wish to attend the EGM shall lodge an instrument of transfer, together with the corresponding share certificate(s) with Computershare Hong Kong Investor Services Limited at Room 1712–16, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong on or before 4: 30 p.m., 10 August 2010.

II. MATTERS TO BE CONSIDERED AT THE EGM

The following resolutions will be considered at the EGM:

Ordinary Resolutions

1. Resolution of the Company on the Investment in a Production and Research and Development Training Base Project in the Heyuan Hi-tech Zone

1.1 That the investment in and construction of “ZTE Heyuan Production and Research and Development Training Base” project in the Heyuan Hi-tech Industry Development Zone by the Company be considered and approved by the general meeting

1.2. That Mr. Hou Weigui, legal representative of the Company, or any competent signatory authorised by Mr. Hou Weigui be authorised by the general meeting to sign legal contracts and documents relating to the “ZTE Heyuan Production and Research and Development Training Base” project.

For details, please refer to the “Announcement of External Investment” of the Company dated 16 July 2010.

2. Resolution on the Application for Investment Limits in Foreign Exchange Derivative Products for Value Protection

2.1 That the Company be authorised by the general meeting to invest in foreign exchange derivative products for value protection against its US Dollar risk exposure for an amount not exceeding USD700 million (which limit shall include investments by majority-owned subsidiaries and may be applied on a revolving basis during the effective period of the authorisation). The authorisation shall be effective from the date on which it is

approved by way of resolution at the general meeting to the date on which the next annual general meeting of the Company closes or the date on which this authorisation is modified or revoked at a general meeting, whichever is earlier.

2.2 That the Company be authorised by the general meeting to invest in foreign exchange derivative products for value protection against its Euro risk exposure for an amount not exceeding EUR200 million (which limit shall include investments by majority-owned subsidiaries and may be applied on a revolving basis during the effective period of the authorisation). The authorisation shall be effective from the date on which it is approved by way of resolution at the general meeting to the date on which the next annual general meeting of the Company closes or the date on which this authorisation is modified or revoked at a general meeting, whichever is earlier.

The resolution was unanimously approved at the Seventh Meeting of the Fifth Session of the Board of Directors held on 22 July 2010. The Independent Directors have furnished their independent opinion and agreed that this resolution be tabled at the general meeting of the Company for consideration. For further details, please refer to the “Announcement of the Resolutions of the Seventh Meeting of the Fifth Session of the Board of Directors of ZTE Corporation” and the “Announcement of Investment in Foreign Exchange Derivative Products for Value Protection” of the Company, both dated 23 July.

III. REGISTRATION AT THE EGM

(1) Registration of attendance

1. Any legal person shareholder (including but not limited to corporate shareholders) entitled to attend the EGM shall produce for registration a photocopy of its corporate business license, a power of attorney of the legal representative and the identity card of the attendee;
2. Any individual shareholder entitled to attend the EGM shall produce for registration his own identity card, stock account card and evidence of shareholding;
3. Any shareholder intending to attend the EGM shall deliver the confirmation reply slip of their intention to attend the EGM to the address for registration by hand, mail or fax.

(2) Registration period

From Wednesday, 11 August 2010 to Friday, 20 August 2010 (excluding statutory holidays).

(3) Address for registration

Registration for the EGM will be conducted at: 6th Floor, A Wing, ZTE Plaza, Keji Road South, Hi-Tech Industrial Park, Nanshan District, Shenzhen, 518057.

(4) Requirements for proxy registration and submission of documents on a poll

1. Any shareholder entitled to attend and vote at the EGM may entrust one or more person (whether or not a shareholder) as his proxy(ies) to attend and vote at the EGM on his behalf. The shareholder may attend and vote at the EGM in person notwithstanding that he has completed and submitted the proxy form; in such a case, the proxy form is deemed to be withdrawn. For a shareholder who entrusts two or more proxies, the voting rights to

be exercised by such proxies in aggregate shall not exceed the total number of votes the shareholder is entitled to exercise at the EGM, and the different proxies may not exercise voting rights in respect of the same share.

2. A shareholder shall appoint a proxy in writing by using the proxy form, which shall be signed by the authorising shareholder or his duly authorised attorney. The proxy form shall be notarised if it is to be signed by any person other than by the authorising shareholder himself. In order to be valid, the proxy form must be deposited at the registered address of the Company no less than 24 hours before the EGM.

3. If a shareholder entrusts his proxy(ies) to attend and vote at the EGM on behalf of him, such proxy(ies) shall produce for registration his own identity card, the duly signed proxy form by the authorising shareholder, the stock account card of the authorising shareholder and evidence of shareholding.

IV. MISCELLANEOUS

1. The EGM is expected to last less than one day; all accommodation, travel and expenses relating to attending the EGM shall be borne by the attendees.

2. EGM Contact: Zhang Qin

3. Contact telephone number: + 86 (755) 26770282

4. Contact fax number: + 86 (755) 26770286

V. REFERENCE

1. Resolutions of the Sixth Meeting of the Fifth Session of the Board of Directors of ZTE Corporation.

2. Resolutions of the Seventh Meeting of the Fifth Session of the Board of Directors of ZTE Corporation.

By Order of the Board

Hou Weigui

Chairman

Shenzhen, PRC

23 July 2010

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 Zhancheng, Zhang Junchao and Dong Lianbo; and five independent non-executive directors, Qu Xiaohui, Wei Wei, Chen Naiwei, Tan Zhenhui and Timothy Alexander Steinert.