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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 REGARDING THE RE-ELECTION OF
THE BOARD OF DIRECTORS**

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 or material omissions herein.

The term of the fourth session of the Board of Directors of ZTE Corporation (hereinafter referred to as “ZTE” or the “Company”) will expire on 29 March 2010. To facilitate the smooth re-election of the Board of Directors (hereinafter referred to as the “Re-election”), the Board of Directors of the Company hereby announces the composition of the fifth session of the Board of Directors, the nomination of candidates for Directors, procedures of the Re-election and qualifications of the candidates for Directors as follows in accordance with relevant provisions under the Company Law of the People’s Republic of China(hereinafter referred to as the “Company Law”), the Articles of Association of ZTE Corporation(hereinafter referred to as the “Articles”) and the Terms of Reference for the Nomination Committee of the Board of Directors of ZTE Corporation:

I. COMPOSITION OF THE FIFTH SESSION OF THE BOARD OF DIRECTORS

In accordance with the provisions of the valid Articles of Association of ZTE Corporation, the fifth session of the Board shall comprise 14 Directors, including 5 Independent Directors, who shall serve a term of three years with effect from the election of the fifth session of the Board by the shareholders at the general meeting.

II. NOMINATION OF DIRECTORS (PLEASE REFER TO THE APPENDIX FOR THE NOMINATION LETTER FOR DIRECTORS)

(I) Nomination of Non-independent Directors

The Nomination Committee of the Board of Directors of the Company (hereinafter referred to as “Nomination Committee”) and any shareholder who holds shares in the Company as at the date of this announcement may nominate to the fourth session of the Board of Directors the candidates for Non-independent Directors of the fifth session of the Board of Directors.

(II) Nomination of candidates for Independent Directors

The Board of Directors and the Supervisory Committee of the Company and any shareholder who individually and jointly holds 1% or more of the shares in the Company as at the date of this announcement may nominate to the fourth session of the Board of Directors the candidates for Independent Directors of the fifth session of the Board of Directors.

(III) The nomination by a shareholder in accordance with the above provisions shall not affect his right to nominate a candidate for director pursuant to the relevant provisions of Article 143 of the Articles. In the event that the exercise of the aforesaid right shall constitute an act of tabling an extempore motion, the shareholder who has exercised such right shall be required concurrently to comply with the relevant provisions of Article 78 of the Articles.

III. PROCEDURES OF THE RE-ELECTION

1.The nomination of a candidate for Director shall be made, and the relevant documents shall be submitted, to the Nomination Committee in accordance with the procedures prescribed in this announcement within 11 days from the date of this announcement (i.e. before 11 January 2010). The Nomination Committee shall meanwhile identify candidates for Directors among staff of the Company and subsidiaries (associated companies) as well as in the human resource market.

2.Upon the expiry of the above nomination period, the Nomination Committee shall convene meeting to review the qualifications of nominated candidates and candidates identified by the Nomination Committee. Qualified candidates list shall be submitted to the Board of Directors by the Nomination Committee.

3.The Board of Directors of the Company shall convene a meeting to finalize the list of candidates for Directors based on the list submitted by the Nomination Committee and table the said list as a proposal for consideration and approval at the Company's relevant general meetings.

4.The candidates for Directors as finalized in accordance with the procedures prescribed in this announcement shall provide an undertaking in writing to accept the nomination, warrant that the information provided is true and complete and undertake that they will discharge their duties as Directors upon election within a period of commencing the day immediately following the despatch of the notice of the meeting appointed for such election and ending no later than seven days before the date of such general meeting. The candidates for independent Directors shall also make the relevant declaration.

5. No later than the time of giving notice of a general meeting in respect of the election of Independent Directors, the Company shall submit the relevant information (including but not limited to the declarations of the nominators and candidates, the biographies of the Independent Directors) of the candidates for Independent Directors to the Shenzhen Stock Exchange for review and examination.

6.The Company will enter into service contracts with the elected Directors upon their election.

IV. QUALIFICATIONS FOR DIRECTORS

(I) Qualifications for Non-independent Directors

In accordance with the provisions of the Company Law and the Articles, candidates for Directors of the Company shall be natural persons and shall not be required to hold shares in the Company. The Board of

Directors may comprise shareholders' representatives, staff representatives and experts in various professions. A person may not serve as a Director of the Company if he is:

- (1) a person who does not have or who has limited capacity for civil acts;
- (2) a person who has been sentenced for corruption, bribery, infringement of property, misappropriation of property or other crimes which destroy the social economic order, where less than five years have elapsed since the sentence was served or a person who has been deprived of his political rights for committing a crime, where less than five years have elapsed since the sentence was served;
- (3) a person who is a former director, factory manager or president of a company or enterprise which has put into liquidation as a result of mismanagement and who was personally liable for the insolvency of such company or enterprise, where less than three years have elapsed since the completion of the insolvent liquidation of the company or enterprise;
- (4) a person who is a former legal representative of a company or enterprise the business license of which was revoked due to a violation of law and who was personally liable therefore, where less than three years have elapsed since the date of the revocation of the business license;
- (5) a person who has a relatively large amount of debts due and outstanding;
- (6) a person who is under criminal investigation or prosecution by judicial organs for violation of criminal law and the case is not yet concluded;
- (7) a person other than a natural person;
- (8) a person who is a civil servant of the State;
- (9) a person who has been convicted by the relevant competent authority for violation of relevant securities regulations, and such conviction involves a finding that such person has acted fraudulently or dishonestly, where less than five years have elapsed from the date of such conviction; or
- (10) a person who is identified by CSRC as being prohibited from entering into the market and whose prohibition has not been released as well as other persons who are not allowed to serve as a director, supervisor or senior officer pursuant to other laws and regulations.

(II) Qualifications for Independent Directors

In addition to the above qualifications for relevant directorships, Independent Directors of the Company shall also satisfy the following conditions:

1. Having basic knowledge in respect of the operations of listed companies and a good understanding of the relevant laws, administrative regulations, rules and regulations.
2. Having more than five years' working experience in the practice of law, finance or other experiences necessary for discharging the duties as Independent Directors;
3. Possessing at least one of the following:
 - (1) rich and successful experience in the management of large scaled and international enterprises;
 - (2) rich knowledge of the strategies of, and successful practical experience in, the development of enterprises;

(3) rich experience in the development and marketing of high technology products; or

(4) rich knowledge of, and practical experience in, the capital management.

4. A person shall not act as an Independent Director of the Company:

(1) if he is an employee of the Company or its subsidiaries, or a direct family member or a primary relative of such employee (direct family members shall include spouses, parents and children and primary relatives shall include siblings, parents-in-law, sons/daughters-in-law, brothers/sisters in-law);

(2) if he is a natural person holding, directly or indirectly, 1% or more of the issued shares of the Company or who is one of the 10 largest shareholders of the Company, or any of their direct family members;

(3) if he is an employee of any corporate shareholder who directly or indirectly holds 5% or more of issued shares of the Company or an employee of the top five corporate shareholders and their direct family members;

(4) if he was a person as mentioned above in the past year;

(5) if he provides financial, legal, consultation services for the Company or its subsidiaries;

(6) if he serves as an independent director of more than five listed companies;

(7) if he is any other person specified in the Articles of Association as not suitable for acting as an Independent Director; or

(8) if he is any other person specified by the China Securities Regulatory Commission as not suitable for acting as an Independent Director;

V. Means of Contact

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By Order of the Board
Hou Weigui
Chairman

Shenzhen, the PRC
31 December 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 Shiyong; 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.

Appendix:

Nomination Letter for Directors of the Fifth Session of the Board of Directors of ZTE Corporation

Nominator:

Type of Director nominated: Director/Independent Director

Name of candidate:

Age of candidate:

Gender of candidate:

Qualifications of candidate: fulfilled the requirements set out in this announcement (Yes/No)

Contact method of candidate (including telephone, fax and e-mail)

Brief biography of candidate (including educational background, title, detailed working experience)

Other information (if any):

Nominator: _____ (Seal/Signature)

Date: _____ 2010

Notes:

1. A person nominating a candidate for Director shall provide the following documents to the Nomination Committee of the Board of Directors of the Company:

- (1) The Nomination Letter for Directors (original copy);
- (2) Copies of identification documents of the candidate for Director (together with the original for inspection);
- (3) Copies of academic qualifications and certificates of the candidate for Director (together with the original for inspection);
- (4) In the case of the nomination of Independent Directors, copies of any certificates of training for Independent Directors (together with the original for inspection);
- (5) Other documents that can prove the candidate's qualifications as required under this announcement.

2. If a person nominating a candidate for Director is a shareholder of the Company, such person shall also provide the following documents:

- (1) for individual shareholders, copies of their certificates of identity (together with the original for inspection);
- (2) for legal person shareholders, copies of their business licence (together with the original for inspection);
- (3) copies of share account card (together with the original for inspection);
- (4) evidence of shareholding as at the date of the announcement.

3. A person nominating a candidate for Director shall make his/her/its nomination of a candidate for Director to the Nomination Committee in the following manner:

- (1) The nomination letter and the relevant documents shall be submitted in person or by post only.

- (2) In case of delivery in person, the relevant documents must be delivered to the contact person designated by the Company by 4:00 pm on 11 January 2010.
- (3) In case of delivery by post, the relevant documents must be delivered by fax to +86 755 2677 0286 by 4:00 pm on 11 January 2010, the receipt of which shall be acknowledged by the contact person designated by the Company, followed by the delivery of the original copy of the Nomination Letter for Directors to the address of the contact person designated by the Company by 11 January 2010, the time of receipt of which is subject to that stamped by the Shenzhen local post office.