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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 IN RESPECT OF
RESOLUTIONS OF THE SECOND EXTRAORDINARY
GENERAL MEETING OF 2009**

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 are no false and misleading statements or material omissions in this announcement.

The Second 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 29 December 2009. Details in respect of the resolutions and voting of the EGM were as follows:

IMPORTANT NOTICE

There was no addition, rejection or amendment to any proposed resolution during the EGM.

I. INFORMATION REGARDING THE EGM

1. Time of meeting

The EGM was held from 9: 00 a.m. to 10:30 a.m. on 29 December 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

The EGM was presided over by Mr. Hou Weigui, the Chairman of the Board of Directors of the Company.

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

50 Shareholders (including proxies), holding 939,109,956 shares, accounting for 53.31% of the total number of shares carrying voting rights of the Company.

Of which:

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

49 holders (including proxies) of A shares, holding 785,940,407 shares, accounting for 53.46% of the total number of A shares carrying voting rights of the Company.

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

1 holders (including proxies) of H shares, holding 153,169,549 shares, accounting for 52.55% 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) Consideration and approval of “The Specific System for the Selection and Appointment of Accountants’ Firms of ZTE Corporation”

1. Overall voting details

For: 937,798,057 shares, accounting for 100% of the total number of shares held by shareholders with voting rights attending the EGM;

Against: 0 shares, accounting for 0 % 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: 785,940,407 shares, accounting for 100 % of the total number of shares held by holders of A shares with voting rights attending the EGM;

Against: 0 shares, 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: 151,857,650 shares, accounting for 100 % of the total number of shares held by holders of H shares with voting rights attending the EGM;

Against: 0 shares, accounting for 0 % 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.

(II) Consideration and approval of the “Resolution of the Company on the Proposed Execution of the 2010–2012 Framework Purchase Agreement”

The 2010–2012 Framework Purchase Agreement to be entered into between Company subsidiary 深圳市中興康訊電子有限公司 (ZTE Kangxun Telecom Company Limited) on the one hand and connected parties 深圳市中興新通訊設備有限公司 (Shenzhen Zhongxingxin Telecommunications Equipment Company, Limited), 深圳市中興新地通信器材有限公司 (Shenzhen Zhongxing Xindi Telecommunications Equipment Company, Limited), 深圳市中興新宇軟電路有限公司 (Shenzhen Zhongxing Xinyu FPC Company, Limited) and 深圳市中興新舟成套設備有限公司 (Zhongxing Xinzhou Complete Equipment Co., Ltd.) on the other, in relation to the purchase of cases, cabinets, distribution frames, flexible printed circuit boards and shelters, with estimated maximum amount (excluding VAT) of transaction for each year as follows: RMB1,000 million for 2010, RMB1,300 million for 2011 and RMB1,690 million for 2012, is hereby approved.

Note:

1. Shenzhen Zhongxingxin Telecommunications Equipment Company, Limited, deemed a connected shareholder of the Company in accordance with relevant provisions of the Rules Governing the Listing of Stocks on Shenzhen Stock Exchange and Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited by virtue of its interests in 620,214,413 shares in the Company as at the record date for the EGM, did not vote in respect of the matter at the EGM.

2. Mr. Zhang Taifeng, Chairman of the Supervisory Committee of the Company (holding 221,458 A shares of the Company), Mr. Qu Deqian, Supervisor (holding 18,236 A shares of the Company) and Mr. Wei Zaisheng, Executive Vice President and Chief Financial Officer (holding 215,233 A shares of the Company), deemed connected shareholders of the Company in accordance with relevant provisions of the Rules Governing the Listing of Stocks on Shenzhen Stock Exchange (revised version September 2008) by virtue of their respective capacity as director, supervisor and director of Zhongxingxin, did not vote in respect of the matter at the EGM.

1. Overall voting details

For: 317,028,717 shares, accounting for 100 % of the total number of shares held by shareholders with voting rights attending the EGM;

Against: 0 shares, accounting for 0 % 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: 165,271,067 shares, accounting for 100 % of the total number of shares held by holders of A shares with voting rights attending the EGM;

Against: 0 shares, 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: 151,757,650 shares, accounting for 100 % of the total number of shares held by holders of H shares with voting rights attending the EGM;

Against: 0 shares, accounting for 0 % 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) Consideration and approval of the “Resolution of the Company on the Provision of Guarantee for Wholly-owned Subsidiary ZTE Telecom India Private Limited”

The provision of guarantee on behalf of ZTE India for an amount not exceeding US\$33 million, the details of which are as follows:

(1) the provision of performance guarantee on behalf of ZTE India for an amount not exceeding US\$30 million with a term commencing on the date on which the “Frame Contract for the Supply of Network Infrastructure” (“Frame Contract”) takes effect upon execution and ending on the date on which the performance of ZTE India’s obligations under the Frame Contract is completed.

(2) the Company’s application to the relevant bank for the issuance of a bank assurance letter to provide guarantee for an amount not exceeding US\$3 million in favour of the local Indian bank who has provided on behalf of ZTE India a bank assurance letter in respect of contract performance in favour of Unitech Wireless in connection with the Frame Contract commencing on the date on which the relevant bank assurance letter is issued and ending on the date of expiry of the bank assurance letter in respect of contract performance provided by ZTE India in favour of Unitech Wireless under the Frame Contract, with the bank assurance letter in respect of contract performance provided by ZTE India being valid from the date of issuance until the conclusion of a 12-month period after the expiry of the last warranty period of the equipment provided or the date on which the performance of ZTE India’s obligations under the Frame Contract is fully completed, whichever is later, is hereby approved.

1. Overall voting details

For: 939,109,956 shares, accounting for 100 % of the total number of shares held by shareholders with voting rights attending the EGM;

Against: 0 shares, accounting for 0 % 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: 785,940,407 shares, accounting for 100% of the total number of shares held by holders of A shares with voting rights attending the EGM;

Against: 0 shares, 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: 153,169,549 shares, accounting for 100 % of the total number of shares held by holders of H shares with voting rights attending the EGM;

Against: 0 shares, accounting for 0 % 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.

IV. LEGAL OPINION OF LAWYERS

1. Name of Law Firm: Jun He Law Offices, Shenzhen Office

2. Name of Attorneys: Mr Zhang Jianwei 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 Second 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 Second 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 Second Extraordinary General Meeting of 2009 of ZTE Corporation

2. Resolutions of the Second Extraordinary General Meeting of 2009 of ZTE Corporation

3. Text of the Legal Opinion

By Order of the Board
Hou Weigui
Chairman

Shenzhen, the PRC

29 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.