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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 Resolutions of the 2010 Annual General Meeting**

*The Company and the Directors, supervisors and members of the senior management 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.*

The 2010 Annual General Meeting (hereinafter referred to as the "AGM") of ZTE Corporation (hereinafter referred to as the "Company") was held at the venue on 17 May 2011. Details in respect of the resolutions and voting of the AGM are as follows:

### **I. IMPORTANT NOTICE**

Additional resolutions proposed: On 11 April 2011, the Board of Directors of the Company received two ex tempore motions (being the "Resolution of the Company on the Amendment to Clauses relating to Third-party Guarantees of the Articles of Association" and "Resolution on Matters relating to Debt Financing of ZTE (H.K.) Limited") submitted by its shareholder, Shenzhen Zhongxingxin Telecommunications Equipment Company Limited, who requested the Board of Directors of the Company to table the said motions for consideration at the AGM. The Board of Directors of the Company issued a "Supplementary Notice of Ex Tempore Motions at the 2010 Annual General Meeting" on 12 April 2011.

### **II. INFORMATION REGARDING THE AGM**

#### **1. Time**

The AGM was convened on 17 May 2011 from 9:00 am to 12:00 pm.

#### **2. Venue**

The AGM was convened at the Conference Room on the 4th floor of the Company's headquarters in Shenzhen.

#### **3. Mode**

The AGM was convened with on-site voting by poll.

#### **4. Convener**

The AGM was convened by the Board of Directors of the Company.

#### **5. Chairman**

Mr. Hou Weigui, the Chairman of the Company, presided over the AGM.

6. The convening of the AGM complied with the relevant provisions of relevant laws, administrative regulations and departmental rules including the Company Law of the People's Republic of China, the Rules Governing the 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, and was legal and valid.

### **III. INFORMATION REGARDING ATTENDANCE AT THE AGM**

The overall attendance is as follows:

40 shareholders (including proxies), holding 1,310,108,792 shares, accounting for 45.70% of the total shares entitling the holders to attend and vote for or against the resolutions at the AGM. [There were no shareholders who were entitled to attend and vote only against any resolutions at the AGM.]

Of which:

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

39 holders (including proxies) of A shares, holding 1,059,367,594 shares, accounting for 45.23% of the total 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 250,741,198 shares, accounting for 47.79% of the total H shares carrying voting rights of the Company.

### **IV. CONSIDERATION AND VOTING OF RESOLUTIONS**

The following resolutions were considered and passed by voting by ballot at the AGM:

#### **Ordinary Resolutions**

**(I) To consider and approve the “Financial Statements for the Year Ended 31 December 2010 Audited by the PRC and Hong Kong Auditors”.**

##### **1. Overall voting details:**

For: 1,309,944,180 shares, accounting for 100% of the total number of shares held by shareholders with voting rights attending the AGM;

Against: 0 shares, accounting for 0% of the total number of shares held by shareholders with voting rights attending the AGM;

Abstained: 0 shares, accounting for 0% of the total number of shares held by shareholders with voting rights attending the AGM;

Of which:

(1) Voting details of holders of domestic shares (A shares):

For: 1,059,367,594 shares, accounting for 100% of the total number of shares held by holders of A shares with voting rights attending the AGM;

Against: 0 shares, accounting for 0% of the total number of shares held by holders of A shares with voting rights attending the AGM;

Abstained: 0 shares, accounting for 0% of the total number of shares held by holders of A shares with voting rights attending the AGM;

(2) Voting details of holders of overseas-listed foreign shares (H shares):

For: 250,576,586 shares, accounting for 100% of the total number of shares held by holders of H shares with voting rights attending the AGM;

Against: 0 shares, accounting for 0% of the total number of shares held by holders of H shares with voting rights attending the AGM;

Abstained: 0 shares, accounting for 0% of the total number of shares held by holders of H shares with voting rights attending the AGM;

## **2. Results of voting:**

This 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 AGM.

**(II) To consider and approve the “Report of the Board of Directors of the Company for the Year Ended 31 December 2010”.**

### **1. Overall voting details:**

For: 1,310,078,762 shares, accounting for 100% of the total number of shares held by shareholders with voting rights attending the AGM;

Against: 0 shares, accounting for 0% of the total number of shares held by shareholders with voting rights attending the AGM;

Abstained: 0 shares, accounting for 0% of the total number of shares held by shareholders with voting rights attending the AGM;

Of which:

(1) Voting details of holders of domestic shares (A shares):

For: 1,059,367,594 shares, accounting for 100% of the total number of shares held by holders of A shares with voting rights attending the AGM;

Against: 0 shares, accounting for 0% of the total number of shares held by holders of A shares with voting rights attending the AGM;

Abstained: 0 shares, accounting for 0% of the total number of shares held by holders of A shares with voting rights attending the AGM;

(2) Voting details of holders of overseas-listed foreign shares (H shares):

For: 250,711,168 shares, accounting for 100% of the total number of shares held by holders of H shares with voting rights attending the AGM;

Against: 0 shares, accounting for 0% of the total number of shares held by holders of H shares with voting rights attending the AGM;

Abstained: 0 shares, accounting for 0% of the total number of shares held by holders of H shares with voting rights attending the AGM;

## **2. Results of voting:**

This 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 AGM.

### **(III) To consider and approve the “Report of the Supervisory Committee of the Company for the Year Ended 31 December 2010”.**

#### **1. Overall voting details:**

For: 1,310,078,762 shares, accounting for 100% of the total number of shares held by shareholders with voting rights attending the AGM;

Against: 0 shares, accounting for 0% of the total number of shares held by shareholders with voting rights attending the AGM;

Abstained: 0 shares, accounting for 0% of the total number of shares held by shareholders with voting rights attending the AGM;

Of which:

#### **(1) Voting details of holders of domestic shares (A shares):**

For: 1,059,367,594 shares, accounting for 100% of the total number of shares held by holders of A shares with voting rights attending the AGM;

Against: 0 shares, accounting for 0% of the total number of shares held by holders of A shares with voting rights attending the AGM;

Abstained: 0 shares, accounting for 0% of the total number of shares held by holders of A shares with voting rights attending the AGM;

#### **(2) Voting details of holders of overseas-listed foreign shares (H shares):**

For: 250,711,168 shares, accounting for 100% of the total number of shares held by holders of H shares with voting rights attending the AGM;

Against: 0 shares, accounting for 0% of the total number of shares held by holders of H shares with voting rights attending the AGM;

Abstained: 0 shares, accounting for 0% of the total number of shares held by holders of H shares with voting rights attending the AGM;

## **2. Results of voting:**

This 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 AGM.

### **(IV) To consider and approve the “Report of the President of the Company for the Year Ended 31 December 2010”.**

#### **1. Overall voting details:**

For: 1,310,078,762 shares, accounting for 100% of the total number of shares held by shareholders with voting rights attending the AGM;

Against: 0 shares, accounting for 0% of the total number of shares held by shareholders with voting rights attending the AGM;

Abstained: 0 shares, accounting for 0% of the total number of shares held by shareholders with voting rights attending the AGM;

Of which:

(1) Voting details of holders of domestic shares (A shares):

For: 1,059,367,594 shares, accounting for 100% of the total number of shares held by holders of A shares with voting rights attending the AGM;

Against: 0 shares, accounting for 0% of the total number of shares held by holders of A shares with voting rights attending the AGM;

Abstained: 0 shares, accounting for 0% of the total number of shares held by holders of A shares with voting rights attending the AGM;

(2) Voting details of holders of overseas-listed foreign shares (H shares):

For: 250,711,168 shares, accounting for 100% of the total number of shares held by holders of H shares with voting rights attending the AGM;

Against: 0 shares, accounting for 0% of the total number of shares held by holders of H shares with voting rights attending the AGM;

Abstained: 0 shares, accounting for 0% of the total number of shares held by holders of H shares with voting rights attending the AGM;

## **2. Results of voting:**

This 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 AGM.

**(V) To consider and approve the “Final Financial Accounts of the Company for the Year Ended 31 December 2010”.**

### **1. Overall voting details:**

For: 1,309,944,180 shares, accounting for 100% of the total number of shares held by shareholders with voting rights attending the AGM;

Against: 0 shares, accounting for 0% of the total number of shares held by shareholders with voting rights attending the AGM;

Abstained: 0 shares, accounting for 0% of the total number of shares held by shareholders with voting rights attending the AGM;

Of which:

(1) Voting details of holders of domestic shares (A shares):

For: 1,059,367,594 shares, accounting for 100% of the total number of shares held by holders of A shares with voting rights attending the AGM;

Against: 0 shares, accounting for 0% of the total number of shares held by holders of A shares with voting rights attending the AGM;

Abstained: 0 shares, accounting for 0% of the total number of shares held by holders of A shares with voting rights attending the AGM;

(2) Voting details of holders of overseas-listed foreign shares (H shares):

For: 250,576,586 shares, accounting for 100% of the total number of shares held by holders of H shares with voting rights attending the AGM;

Against: 0 shares, accounting for 0% of the total number of shares held by holders of H shares with voting rights attending the AGM;

Abstained: 0 shares, accounting for 0% of the total number of shares held by holders of H shares with voting rights attending the AGM;

## **2. Results of voting:**

This 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 AGM.

**(VI) To consider and approve on an individual basis the “Resolutions on the Proposed Application by the Company for Composite Credit Facilities”, with details as follows:**

**6.1 To consider and approve the “Resolution of the Company Proposing the Application to Bank of China Limited, Shenzhen Branch for a Composite Credit Facility Amounting to RMB23.0 billion”, with details as follows:**

1. That the application by the Company to Bank of China Limited, Shenzhen Branch for a RMB23.0 billion composite credit facility is hereby approved. The amount of composite credit facility set out above represents the amount proposed by the Company and is subject to final amount approved by the bank.

2. That the Board of Directors is authorised to adjust the details and actual duration of the credit facility pursuant to the Company’s requirements or negotiations with the bank, subject to the cap of the aforesaid RMB23.0 billion composite credit facility within the effective term of the resolution, and the Board of Directors and other parties delegated by the Board of Directors is authorized to negotiate with the bank and sign all facilities agreements, financing agreements and other related legal contracts and documents relating to the above composite credit facility and to deal with other matters relating to such agreements.

This resolution shall be valid from 17 May 2011 until the earlier of: (1) the date prior to the approval of the next new credit facility, and (2) 31 December 2011. Any single application for financing under such credit facility within this period shall be valid. Unless otherwise required, no subsequent resolution of the Board of Directors is required with respect to any single application for financing within such cap under such credit facility. Mr. Hou Weigui, the legal representative of the Company, or the signatory authorized by Mr. Hou Weigui is hereby authorised to sign the relevant legal contracts and documents.

## **(1) Overall voting details:**

For: 1,309,578,762 shares, accounting for 100% of the total number of shares held by shareholders with voting rights attending the AGM;

Against: 0 shares, accounting for 0% of the total number of shares held by shareholders with voting rights attending the AGM;

Abstained: 0 shares, accounting for 0% of the total number of shares held by shareholders with voting rights attending the AGM;

Of which:

① Voting details of holders of domestic shares (A shares):

For: 1,059,367,594 shares, accounting for 100% of the total number of shares held by holders of A shares with voting rights attending the AGM;

Against: 0 shares, accounting for 0% of the total number of shares held by holders of A shares with voting rights attending the AGM;

Abstained: 0 shares, accounting for 0% of the total number of shares held by holders of A shares with voting rights attending the AGM;

② Voting details of holders of overseas-listed foreign shares (H shares):

For: 250,211,168 shares, accounting for 100% of the total number of shares held by holders of H shares with voting rights attending the AGM;

Against: 0 shares, accounting for 0% of the total number of shares held by holders of H shares with voting rights attending the AGM;

Abstained: 0 shares, accounting for 0% of the total number of shares held by holders of H shares with voting rights attending the AGM;

**(2) Results of voting:**

This 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 AGM.

**6.2 To consider and approve the “Resolution of the Company Proposing the Application to China Development Bank Corporation, Shenzhen Branch for a Composite Credit Facility Amounting to US\$4.5 billion”, with details as follows:**

1. That the application by the Company to China Development Bank Corporation, Shenzhen Branch for a US\$4.5 billion composite credit facility is hereby approved. The amount of composite credit facility set out above represents the amount proposed by the Company and is subject to final amount approved by the bank.

2. That the Board of Directors is authorised to adjust the details and actual duration of the credit facility pursuant to the Company’s requirements or negotiations with the bank, subject to the cap of the aforesaid US\$4.5 billion composite credit facility within the effective term of the resolution, and the Board of Directors and other parties delegated by the Board of Directors is authorized to negotiate with the bank and sign all facilities agreements, financing agreements and other related legal contracts and documents relating to the above composite credit facility and to deal with other matters relating to such agreements.

This resolution shall be valid from 17 May 2011 at the 2010 Annual General Meeting until the earlier of: (1) the date prior to the approval of the next new credit facility, and (2) 31 December 2011. Any single application for financing under such credit facility within this period shall be valid. Unless otherwise required, no subsequent resolution of the Board of Directors is required with respect to any single application for financing within such cap under such credit facility. Mr. Hou Weigui, the legal representative of the Company, or the signatory authorized by Mr. Hou Weigui is hereby authorised to sign the relevant legal contracts and documents.

**(1) Overall voting details:**

For: 1,309,578,762 shares, accounting for 100% of the total number of shares held by shareholders with voting rights attending the AGM;

Against: 0 shares, accounting for 0% of the total number of shares held by shareholders with voting rights attending the AGM;

Abstained: 0 shares, accounting for 0% of the total number of shares held by shareholders with voting rights attending the AGM;

Of which:

① Voting details of holders of domestic shares (A shares):

For: 1,059,367,594 shares, accounting for 100% of the total number of shares held by holders of A shares with voting rights attending the AGM;

Against: 0 shares, accounting for 0% of the total number of shares held by holders of A shares with voting rights attending the AGM;

Abstained: 0 shares, accounting for 0% of the total number of shares held by holders of A shares with voting rights attending the AGM;

② Voting details of holders of overseas-listed foreign shares (H shares):

For: 250,211,168 shares, accounting for 100% of the total number of shares held by holders of H shares with voting rights attending the AGM;

Against: 0 shares, accounting for 0% of the total number of shares held by holders of H shares with voting rights attending the AGM;

Abstained: 0 shares, accounting for 0% of the total number of shares held by holders of H shares with voting rights attending the AGM;

## **(2) Results of voting:**

This 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 AGM.

**(VII) To consider and approve on an individual basis the “Resolutions on the Appointment of the PRC Auditors and the Hong Kong Auditors of the Company for the Year Ending 31 December 2011”, with details as follows:**

**7.1 The re-appointment of Ernst & Young Hua Ming as the PRC auditors of the Company for 2011 is hereby approved and a proposal is made to the AGM to authorise the Board of Directors to determine the audit fees of Ernst & Young Hua Ming for 2011 based on the specific audit work to be conducted.**

## **(1) Overall voting details:**

For: 1,310,108,792 shares, accounting for 100% of the total number of shares held by shareholders with voting rights attending the AGM;

Against: 0 shares, accounting for 0% of the total number of shares held by shareholders with voting rights attending the AGM;

Abstained: 0 shares, accounting for 0% of the total number of shares held by shareholders with voting rights attending the AGM;



Of which:

① Voting details of holders of domestic shares (A shares):

For: 1,059,367,594 shares, accounting for 100% of the total number of shares held by holders of A shares with voting rights attending the AGM;

Against: 0 shares, accounting for 0% of the total number of shares held by holders of A shares with voting rights attending the AGM;

Abstained: 0 shares, accounting for 0% of the total number of shares held by holders of A shares with voting rights attending the AGM;

② Voting details of holders of overseas-listed foreign shares (H shares):

For: 250,741,198 shares, accounting for 100% of the total number of shares held by holders of H shares with voting rights attending the AGM;

Against: 0 shares, accounting for 0% of the total number of shares held by holders of H shares with voting rights attending the AGM;

Abstained: 0 shares, accounting for 0% of the total number of shares held by holders of H shares with voting rights attending the AGM;

**(2) Results of voting:**

This 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 AGM.

**7.2 The re-appointment of Ernst & Young as the Hong Kong auditors of the Company for 2011 is hereby approved and a proposal is made to the AGM to authorise the Board of Directors to determine the audit fees of Ernst & Young for 2011 based on the specific audit work to be conducted.**

**(1) Overall voting details:**

For: 1,310,108,792 shares, accounting for 100% of the total number of shares held by shareholders with voting rights attending the AGM;

Against: 0 shares, accounting for 0% of the total number of shares held by shareholders with voting rights attending the AGM;

Abstained: 0 shares, accounting for 0% of the total number of shares held by shareholders with voting rights attending the AGM;

Of which:

① Voting details of holders of domestic shares (A shares):

For: 1,059,367,594 shares, accounting for 100% of the total number of shares held by holders of A shares with voting rights attending the AGM;

Against: 0 shares, accounting for 0% of the total number of shares held by holders of A shares with voting rights attending the AGM;

Abstained: 0 shares, accounting for 0% of the total number of shares held by holders of A shares with voting rights attending the AGM;

② Voting details of holders of overseas-listed foreign shares (H shares):

For: 250,741,198 shares, accounting for 100% of the total number of shares held by holders of H shares with voting rights attending the AGM;

Against: 0 shares, accounting for 0% of the total number of shares held by holders of H shares with voting rights attending the AGM;

Abstained: 0 shares, accounting for 0% of the total number of shares held by holders of H shares with voting rights attending the AGM;

**(2) Results of voting:**

This 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 AGM.

**(VIII) To consider and approve on an individual basis the “Resolution on the Application for Investment Limits in Derivative Products of the Company in 2011”, with details as follows:**

**8.1 Authorisation for the Company to invest in derivative products for value protection against its US Dollar risk exposure for an amount not exceeding USD800 million (such limit 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 to the date on which this authorisation is modified or revoked at a general meeting, whichever is earlier;**

**(1) Overall voting details:**

For: 1,308,263,562 shares, accounting for 99.8996% of the total number of shares held by shareholders with voting rights attending the AGM;

Against: 1,315,200 shares, accounting for 0.1004% of the total number of shares held by shareholders with voting rights attending the AGM;

Abstained: 0 shares, accounting for 0% of the total number of shares held by shareholders with voting rights attending the AGM;

Of which:

① Voting details of holders of domestic shares (A shares):

For: 1,059,367,594 shares, accounting for 100% of the total number of shares held by holders of A shares with voting rights attending the AGM;

Against: 0 shares, accounting for 0% of the total number of shares held by holders of A shares with voting rights attending the AGM;

Abstained: 0 shares, accounting for 0% of the total number of shares held by holders of A shares with voting rights attending the AGM;

② Voting details of holders of overseas-listed foreign shares (H shares):

For: 248,895,968 shares, accounting for 99.4744% of the total number of shares held by holders of H shares with voting rights attending the AGM;

Against: 1,315,200 shares, accounting for 0.5256% of the total number of shares held by holders of H shares with voting rights attending the AGM;

Abstained: 0 shares, accounting for 0% of the total number of shares held by holders of H shares with voting rights attending the AGM;

**(2) Results of voting:**

This 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 AGM.

**8.2 Authorisation for Company to invest in derivative products for value protection against its Euro risk exposure for an amount not exceeding EUR150 million (such limit 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 to the date on which this authorisation is modified or revoked at a general meeting, whichever is earlier;**

**(1) Overall voting details:**

For: 1,308,263,562 shares, accounting for 99.8996% of the total number of shares held by shareholders with voting rights attending the AGM;

Against: 1,315,200 shares, accounting for 0.1004% of the total number of shares held by shareholders with voting rights attending the AGM;

Abstained: 0 shares, accounting for 0% of the total number of shares held by shareholders with voting rights attending the AGM;

Of which:

① Voting details of holders of domestic shares (A shares):

For: 1,059,367,594 shares, accounting for 100% of the total number of shares held by holders of A shares with voting rights attending the AGM;

Against: 0 shares, accounting for 0% of the total number of shares held by holders of A shares with voting rights attending the AGM;

Abstained: 0 shares, accounting for 0% of the total number of shares held by holders of A shares with voting rights attending the AGM;

② Voting details of holders of overseas-listed foreign shares (H shares):

For: 248,895,968 shares, accounting for 99.4744% of the total number of shares held by holders of H shares with voting rights attending the AGM;

Against: 1,315,200 shares, accounting for 0.5256% of the total number of shares held by holders of H shares with voting rights attending the AGM;

Abstained: 0 shares, accounting for 0% of the total number of shares held by holders of H shares with voting rights attending the AGM;

**(2) Results of voting:**

This 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 AGM.

**8.3 Authorisation for Company to invest in fixed income derivative products for an amount not exceeding USD1,000 million (such limit 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 to the date on which this authorisation is modified or revoked at a general meeting, whichever is earlier.**

**(1) Overall voting details:**

For: 1,307,495,762 shares, accounting for 99.8409% of the total number of shares held by shareholders with voting rights attending the AGM;

Against: 2,083,000 shares, accounting for 0.1591% of the total number of shares held by shareholders with voting rights attending the AGM;

Abstained: 0 shares, accounting for 0% of the total number of shares held by shareholders with voting rights attending the AGM;

Of which:

① Voting details of holders of domestic shares (A shares):

For: 1,059,367,594 shares, accounting for 100% of the total number of shares held by holders of A shares with voting rights attending the AGM;

Against: 0 shares, accounting for 0% of the total number of shares held by holders of A shares with voting rights attending the AGM;

Abstained: 0 shares, accounting for 0% of the total number of shares held by holders of A shares with voting rights attending the AGM;

② Voting details of holders of overseas-listed foreign shares (H shares):

For: 248,128,168 shares, accounting for 99.1675% of the total number of shares held by holders of H shares with voting rights attending the AGM;

Against: 2,083,000 shares, accounting for 0.8325% of the total number of shares held by holders of H shares with voting rights attending the AGM;

Abstained: 0 shares, accounting for 0% of the total number of shares held by holders of H shares with voting rights attending the AGM;

**(2) Results of voting:**

This 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 AGM.

**(IX) To consider and approve the “Resolution on the Company’s Investment in, and the Proposed Investment Agreement related to, the Research and Development Base in Yuhuatai District of Nanjing”, with details as follows:**

1. That the Company is authorised to invest in the establishment of the “ZTE (Nanjing) Third District Research and Development Base” in Yuhuatai District, Nanjing;

2. That Mr. Hou Weigui, the legal representative of the Company, or his authorised signatory is authorised to execute relevant legal contracts and documents related to the “ZTE (Nanjing) Third District Research and Development Base” project;

3. That Mr. Hou Weigui, the legal representative of the Company, or his authorised signatory is authorised to, based on the investment agreement, further negotiate with the government of Yuhuatai District, Nanjing and determine specific matters and enter into relevant supplementary agreements in terms of the payment methods for the land use rights of the “ZTE (Nanjing) Third District Research and Development Base” project.

**(1) Overall voting details:**

For: 1,309,578,762 shares, accounting for 100% of the total number of shares held by shareholders with voting rights attending the AGM;

Against: 0 shares, accounting for 0% of the total number of shares held by shareholders with voting rights attending the AGM;

Abstained: 0 shares, accounting for 0% of the total number of shares held by shareholders with voting rights attending the AGM;

Of which:

① Voting details of holders of domestic shares (A shares):

For: 1,059,367,594 shares, accounting for 100% of the total number of shares held by holders of A shares with voting rights attending the AGM;

Against: 0 shares, accounting for 0% of the total number of shares held by holders of A shares with voting rights attending the AGM;

Abstained: 0 shares, accounting for 0% of the total number of shares held by holders of A shares with voting rights attending the AGM;

② Voting details of holders of overseas-listed foreign shares (H shares):

For: 250,211,168 shares, accounting for 100% of the total number of shares held by holders of H shares with voting rights attending the AGM;

Against: 0 shares, accounting for 0% of the total number of shares held by holders of H shares with voting rights attending the AGM;

Abstained: 0 shares, accounting for 0% of the total number of shares held by holders of H shares with voting rights attending the AGM;

**(2) Results of voting:**

This 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 AGM.

**Special Resolutions**

**(X) To consider and approve the “Resolutions on Profit Distribution and Capitalisation of Capital Reserves of the Company for 2010”, with details as follows:**

1. Proposals of profit distribution and capitalisation of capital reserves for 2010 tabled by the Board of Directors of the Company is hereby approved.

Proposals of profit distribution and capitalisation of capital reserves for 2010 tabled by the Board of Directors of the Company:

Proposed profit distribution for 2010: cash dividend of RMB3 (including tax) for every 10 shares held will be paid on the basis of the total share capital of the Company as at 17 March 2011 less the number of Subject Shares remaining in lock-up under the Share Incentive Scheme as at the A share record date for the purpose of the 2010 profit distribution (the "Record Date"). As of 17 March 2011, 62,407,186 registered Subject Shares under the Share Incentive Scheme remained in lock-up. In accordance with relevant provision of the Share Incentive Scheme, restricted shares remaining in lock-up shall not be entitled to the cash dividend. The number of shares entitled to the cash dividend under the 2010 profit distribution plan will be 2,804,324,498 shares in case the third unlocking of registered Subject Shares granted under the first award of the Share Incentive Scheme (the "Third Unlocking") is not completed by the Record Date, on which basis the 2010 profit distribution plan will be implemented. In case that the third unlocking is completed by the Record Date, the maximum of shares to be unlocked in accordance with the Share Incentive Scheme will be 45% of the Subject Shares under the first award, that is 51,680,416 shares, which will be entitled to the cash dividend;

The proposal of capitalisation of capital reserves for 2010: The issue of 2 bonus shares for every 10 shares by way of capitalization of capital reserves. The capitalization from capital reserve will be based on the total share capital of the Company of 2,866,731,684 shares as at 17 March 2011 and the share capital will be increased by a total of 573,346,336 shares. Fractional entitlements arising from the capitalisation of capital reserves shall be dealt with in accordance relevant rules of the stock exchange and the clearing house of the place where the stocks of the Company are listed. As a result, the actual amount of share capital increased and the actual number of shares created in aggregate after implementation of the proposed capitalization from capital reserves might be slightly different from the aforesaid estimates.

2. The Board of Directors is hereby authorised by the general meeting to deal with matters relating to the profit distribution and capitalisation of capital reserves for 2010, to amend relevant clauses of the Articles of Association based on the implementation of the capitalisation of capital reserves to increase the registered capital of the Company and reflect the new capital structure after the capitalisation of capital reserves, and to process any changes in industrial and commercial registration required as a result of the alteration in registered capital."

**(1) Overall voting details:**

For: 1,310,108,792 shares, accounting for 100% of the total number of shares held by shareholders with voting rights attending the AGM;

Against: 0 shares, accounting for 0% of the total number of shares held by shareholders with voting rights attending the AGM;

Abstained: 0 shares, accounting for 0% of the total number of shares held by shareholders with voting rights attending the AGM;

Of which:

① Voting details of holders of domestic shares (A shares):

For: 1,059,367,594 shares, accounting for 100% of the total number of shares held by holders of A shares with voting rights attending the AGM;

Against: 0 shares, accounting for 0% of the total number of shares held by holders of A shares with voting rights attending the AGM;

Abstained: 0 shares, accounting for 0% of the total number of shares held by holders of A shares with voting rights attending the AGM;

② Voting details of holders of overseas-listed foreign shares (H shares):

For: 250,741,198 shares, accounting for 100% of the total number of shares held by holders of H shares with voting rights attending the AGM;

Against: 0 shares, accounting for 0% of the total number of shares held by holders of H shares with voting rights attending the AGM;

Abstained: 0 shares, accounting for 0% of the total number of shares held by holders of H shares with voting rights attending the AGM;

**(2) Results of voting:**

This resolution, being a special resolution, was passed by votes representing more than two-thirds of the total number of shares held by shareholders with voting rights attending the AGM.

**(XI) To consider and approve the “Resolution of the Company on the General Mandate for 2010”, with details as follows:**

1. Subject to the conditions set out below, the Board of Directors is hereby granted an unconditional and general mandate during the Relevant Period to separately or concurrently allot, issue and deal with additional domestic shares and overseas-listed foreign shares (“H Shares”) of the Company (including securities convertible into domestic shares and/or H Shares of the Company) and to make or grant offers, agreements or options in respect of the above:

I. Such mandate shall not extend beyond the Relevant Period (as defined below), other than in the case of the making or granting of offers, agreements or options by the Directors during the Relevant Period which might require the performance or exercise of such powers after the close of the Relevant Period;

II. The aggregate nominal amount of domestic shares and H shares authorised to be allotted and issued or agreed conditionally or unconditionally to be allotted and issued (whether pursuant to an option or otherwise) by the Board of Directors, otherwise than pursuant to (i) a Rights Issue or (ii) any option scheme or similar arrangement from time to time being adopted for the grant or issue to Directors, Supervisors, senior management and/or employees of the Company and/or any of its subsidiaries of shares or rights to acquire shares of the Company approved by the Board of Directors, shall not exceed 20% of the aggregate nominal amount of each of the share capital of the domestic shares and H shares of the Company in issue at the date on which this Resolution is passed; and

III. The Board of Directors will only exercise the above authority in compliance with the Company Law of the People’s Republic of China (as amended from time to time) and Rules Governing the Listing of Securities on

The Stock Exchange of Hong Kong Limited (as amended from time to time) and with the necessary approvals of the China Securities Regulatory Commission and/or other relevant PRC government authorities;

2. For the purpose of this resolution:

“Relevant Period” means the period from the passing of this Resolution until the earliest of:

- I. the conclusion of the next annual general meeting of the Company following the passing of this Resolution;
- II. the expiration of a 12-month period following the passing of this Resolution; or
- III. the revocation or variation of the authority given to the Directors under this Resolution by the passing of a special resolution of the Company at a general meeting; and

“Rights Issue” means an offer to all shareholders of the Company (except any shareholders to which the making of such offers by the Company is not permitted under the laws of the jurisdictions where they reside) and, as appropriate, holders of other equity securities of the Company who are qualified for such offers, for the allotment and issue of shares or other securities in the Company which will or might require the allotment and issue of shares in proportion to their existing holdings of such shares or other equity securities (subject to the exclusion of fractional entitlements);

3. Where the Board of Directors resolves to issue shares pursuant to paragraph 1 of this resolution, the Board of Directors is hereby authorised to approve and execute all documents and deeds and do all things or to procure the execution of such documents and deeds and the doing of such things necessary in their opinion for the issue of the new shares (including but not limited to determining the time and place for issue, class and number of new shares to be issued, the pricing method and/or issue prices (including price ranges) of the shares, submitting all necessary applications to relevant authorities, entering into underwriting agreements (or any other agreements), determining the use of proceeds, and fulfilling filing and registration requirements of the PRC, Hong Kong and other relevant authorities, including but not limited to registration with relevant PRC authorities of the increase in registered share capital as a result of the issue of shares pursuant to paragraph 1 of this Resolution); and

4. The Board of Directors is hereby authorised to amend the Company’s Articles of Association as they deem necessary to increase the registered share capital of the Company and to reflect the new capital structure of the Company following the allotment and issue of the Company’s shares contemplated in paragraph 1 of this Resolution.”

**(1) Overall voting details:**

For: 1,093,047,097 shares, accounting for 83.6387% of the total number of shares held by shareholders with voting rights attending the AGM;

Against: 213,820,799 shares, accounting for 16.3613% of the total number of shares held by shareholders with voting rights attending the AGM;

Abstained: 0 shares, accounting for 0% of the total number of shares held by shareholders with voting rights attending the AGM;

Of which:

① Voting details of holders of domestic shares (A shares):



For: 1,051,739,603 shares, accounting for 99.2799% of the total number of shares held by holders of A shares with voting rights attending the AGM;

Against: 7,627,991 shares, accounting for 0.7201% of the total number of shares held by holders of A shares with voting rights attending the AGM;

Abstained: 0 shares, accounting for 0% of the total number of shares held by holders of A shares with voting rights attending the AGM;

② Voting details of holders of overseas-listed foreign shares (H shares):

For: 41,307,494 shares, accounting for 16.6899% of the total number of shares held by holders of H shares with voting rights attending the AGM;

Against: 206,192,808 shares, accounting for 83.3101% of the total number of shares held by holders of H shares with voting rights attending the AGM;

Abstained: 0 shares, accounting for 0% of the total number of shares held by holders of H shares with voting rights attending the AGM;

## **(2) Results of voting:**

This resolution, being a special resolution, was passed by votes representing more than two-thirds of the total number of shares held by shareholders with voting rights attending the AGM.

**(XII) To consider and approve on an individual basis the “Resolution of the Company on the Amendment to Relevant Clauses of the Articles of Association”, with details as follows:**

**12.1 The amendment to clauses relating to third-party guarantees in Article 160 of Chapter 10 of the Articles of Association is hereby approved, with details as follows:**

### **Article 160 of Chapter 10**

**The original article which reads:** The Board of Directors shall be accountable to the general meeting of shareholders and shall exercise the following functions and powers:

.....

(17) to approve matters in connection with the provision of guarantee to a third party in an amount which is less than 10% of the most recent audited net asset value of the Company (including but not limited to such guarantee as in form of security, charge, pledge, lien and deposit);

.....

The Company shall comply with the following requirements when determining matters relating to the provision of a guarantee in favour of a third party as set out in sub-paragraph (17) of the first paragraph hereof:

.....

(II) The Company shall neither provide a guarantee in favour of a unit without legal person status nor an individual. The maximum amount of any single guarantee provided by the Company in favour of a third party shall not be more than 5% of the net asset value recorded on the consolidated financial statements for the most recent accounting year, the maximum accumulated amount of guarantees provided by the Company to any one party shall not be more than 10% of the net asset value recorded on the consolidated financial statements for the most recent accounting year.

**Is amended to read:**

**Article 160 of Chapter 10**

The Board of Directors shall be accountable to the general meeting of shareholders and shall exercise the following functions and powers:

.....

(17) to approve matters in connection with the provision of guarantee to a third party in an amount which is less than 10% of the most recent audited net asset value of the Company (including but not limited to such guarantee as in form of security, charge, pledge, lien and deposit);

.....

The Company shall comply with the following requirements when determining matters relating to the provision of a guarantee in favour of a third party as set out in sub-paragraph (17) of the first paragraph hereof:

.....

(II) The Company shall neither provide a guarantees in favour of a unit without legal person status nor an individual. The maximum amount of any single guarantee **provided by the Company in favour of a third party other than its wholly-owned subsidiary** shall not be more than 5% of the net asset value recorded on the consolidated financial statements for the most recent accounting year, the maximum accumulated amount of guarantee **provided by the Company to any one party other than its wholly-owned subsidiary** shall not be more than 10% of the net asset value recorded on the consolidated financial statements for the most recent accounting year.

**(1) Overall voting details:**

For: 1,303,566,181 shares, accounting for 99.8322% of the total number of shares held by shareholders with voting rights attending the AGM;

Against: 2,191,400 shares, accounting for 0.1678% of the total number of shares held by shareholders with voting rights attending the AGM;

Abstained: 0 shares, accounting for 0% of the total number of shares held by shareholders with voting rights attending the AGM;

Of which:

① Voting details of holders of domestic shares (A shares):

For: 1,059,367,594 shares, accounting for 100% of the total number of shares held by holders of A shares with voting rights attending the AGM;

Against: 0 shares, accounting for 0% of the total number of shares held by holders of A shares with voting rights attending the AGM;

Abstained: 0 shares, accounting for 0% of the total number of shares held by holders of A shares with voting rights attending the AGM;

② Voting details of holders of overseas-listed foreign shares (H shares):

For: 244,198,587 shares, accounting for 99.1106% of the total number of shares held by holders of H shares with voting rights attending the AGM;

Against: 2,191,400 shares, accounting for 0.8894% of the total number of shares held by holders of H shares with voting rights attending the AGM;

Abstained: 0 shares, accounting for 0% of the total number of shares held by holders of H shares with voting rights attending the AGM;

**(2) Results of voting:**

This resolution, being a special resolution, was passed by votes representing more than two-thirds of the total number of shares held by shareholders with voting rights attending the AGM.

**12.2 The amendment of relevant contents in Article 160 of Chapter 10 of the Articles of Association to specify the derivative products in which the Board can exercise discretion to invest is hereby approved.**

**Article 160 of Chapter 10**

**The original article which reads:** The Board of Directors shall be accountable to the general meeting of shareholders and shall exercise the following functions and powers:

.....

(19) to approve to conduct an external investment which is related to the principal business of the Company and is less than 10% of the Company's most recently audited net asset value, or an external investment which is outside the principal business of the Company and is less than 5% of the Company's most recently audited net asset value;

.....

The Company shall comply with the following requirements when determining matters relating to the provision of a guarantee in favour of a third party as set out in sub-paragraph (17) of the first paragraph hereof:

**Is amended to read:** The Board of Directors shall be accountable to the general meeting of shareholders and shall exercise the following functions and powers:

.....

(19) to approve to conduct an external investment which is related to the principal business of the Company and is less than 10% of the Company's most recently audited net asset value, or an external investment which is outside the principal business of the Company and is less than 5% of the Company's most recently audited net asset value;

.....

The Company shall comply with the following requirements when determining matters relating to the provision of a guarantee in favour of a third party as set out in sub-paragraph (17) of the first paragraph hereof:

.....

**The external investment made by the Company, as mentioned under the sub-paragraph (19) of the first paragraph, includes securities and derivative products investments. Derivative products in which the Board can exercise discretion to invest include, in substance, products such as options, forwards, swaps or combinations of such products, with their underlying assets being interest rates, exchange rates, currencies or combinations of such underlying assets. The Company shall comply with the laws and regulations as well as rules of relevant securities exchanges when investing in securities and derivative products.**

**(1) Overall voting details:**

For: 1,303,685,466 shares, accounting for 99.8322% of the total number of shares held by shareholders with voting rights attending the AGM;

Against: 2,191,400 shares, accounting for 0.1678% of the total number of shares held by shareholders with voting rights attending the AGM;

Abstained: 0 shares, accounting for 0% of the total number of shares held by shareholders with voting rights attending the AGM;

Of which:

① Voting details of holders of domestic shares (A shares):

For: 1,059,367,594 shares, accounting for 100% of the total number of shares held by holders of A shares with voting rights attending the AGM;

Against: 0 shares, accounting for 0% of the total number of shares held by holders of A shares with voting rights attending the AGM;

Abstained: 0 shares, accounting for 0% of the total number of shares held by holders of A shares with voting rights attending the AGM;

② Voting details of holders of overseas-listed foreign shares (H shares):

For: 244,317,872 shares, accounting for 99.1110% of the total number of shares held by holders of H shares with voting rights attending the AGM;

Against: 2,191,400 shares, accounting for 0.8890% of the total number of shares held by holders of H shares with voting rights attending the AGM;

Abstained: 0 shares, accounting for 0% of the total number of shares held by holders of H shares with voting rights attending the AGM;

## **(2) Results of voting:**

This resolution, being a special resolution, was passed by votes representing more than two-thirds of the total number of shares held by shareholders with voting rights attending the AGM.

**The amended Articles of Association of ZTE Corporation as approved at the AGM shall be published at <http://www.cninfo.com.cn> on the same date as this announcement.**

## **Ordinary Resolutions**

**(XIII) To consider and approve on an individual basis the “Resolution on Matters relating to Debt Financing of ZTE (H.K.) LIMITED”, with details as follows: ”**

**13.1 The provision of a guarantee by ZTE in relation to the overseas medium/long-term debt financing of ZTE (H.K.) Limited (“ZTE (H.K.)”), a wholly-owned subsidiary of the Company, is hereby approved, with details as follows:**

(a) The provision of a guarantee in the form of joint liability assurance by the Company in relation to the overseas debt financing (including but not limited to syndicate loans, bank facilities and the issue of corporate bonds) of ZTE (H.K.) for an amount of not more than USD900 million and a period of not more than 5 years (from the date on which the debt financing agreement takes effect);

(b) The authorisation of Mr. Hou Weigui, the legal representative of the Company, or his authorised signatory to determine the specific amount and period of guarantee based on the results of negotiations between ZTE (H.K.) and the relevant debt financing parties subject to the aforesaid limit and period of guarantee; negotiate with the

relevant debt financing parties and execute all guarantee agreements and other related legal contracts and documents which are related to the said guarantee; and deal with other matters relating to such guarantee.

**(1) Overall voting details:**

For: 1,300,259,266 shares, accounting for 99.9298% of the total number of shares held by shareholders with voting rights attending the AGM;

Against: 913,800 shares, accounting for 0.0702% of the total number of shares held by shareholders with voting rights attending the AGM;

Abstained: 0 shares, accounting for 0% of the total number of shares held by shareholders with voting rights attending the AGM;

Of which:

① Voting details of holders of domestic shares (A shares):

For: 1,059,367,594 shares, accounting for 100% of the total number of shares held by holders of A shares with voting rights attending the AGM;

Against: 0 shares, accounting for 0% of the total number of shares held by holders of A shares with voting rights attending the AGM;

Abstained: 0 shares, accounting for 0% of the total number of shares held by holders of A shares with voting rights attending the AGM;

② Voting details of holders of overseas-listed foreign shares (H shares):

For: 240,891,672 shares, accounting for 99.6221% of the total number of shares held by holders of H shares with voting rights attending the AGM;

Against: 913,800 shares, accounting for 0.3779% of the total number of shares held by holders of H shares with voting rights attending the AGM;

Abstained: 0 shares, accounting for 0% of the total number of shares held by holders of H shares with voting rights attending the AGM;

**(2) Results of voting:**

This 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 AGM.

**13.2 The authorisation of the conduct of interest rate swap transactions by ZTE (H.K.) with a nominal principal amount of not more than USD900 million at selected timing for its medium/long term debt financing, with matched time limits between the interest rate swap transactions and the medium/long-term debt financing of ZTE (H.K.), is hereby approved.**

**(1) Overall voting details:**

For: 1,298,981,666 shares, accounting for 99.8316% of the total number of shares held by shareholders with voting rights attending the AGM;

Against: 2,191,400 shares, accounting for 0.1684% of the total number of shares held by shareholders with voting rights attending the AGM;

Abstained: 0 shares, accounting for 0% of the total number of shares held by shareholders with voting rights attending the AGM;

Of which:

① Voting details of holders of domestic shares (A shares):

For: 1,059,367,594 shares, accounting for 100% of the total number of shares held by holders of A shares with voting rights attending the AGM;

Against: 0 shares, accounting for 0% of the total number of shares held by holders of A shares with voting rights attending the AGM;

Abstained: 0 shares, accounting for 0% of the total number of shares held by holders of A shares with voting rights attending the AGM;

② Voting details of holders of overseas-listed foreign shares (H shares):

For: 239,614,072 shares, accounting for 99.0937% of the total number of shares held by holders of H shares with voting rights attending the AGM;

Against: 2,191,400 shares, accounting for 0.9063% of the total number of shares held by holders of H shares with voting rights attending the AGM;

Abstained: 0 shares, accounting for 0% of the total number of shares held by holders of H shares with voting rights attending the AGM;

**(2) Results of voting:**

This 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 AGM.

The Independent Directors of the Company delivered the “2010 Work Report of the Independent Directors” at the AGM.

The Company appointed Computershare Hong Kong Investor Services Limited, the witnessing lawyer, two shareholder representatives and two supervisor representatives to act as scrutineers for vote taking at the AGM.

## **V. LEGAL OPINION OF LAWYERS**

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

2. Name of Attorneys: Xiong Ming and Zhang Yuqing

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 AGM complied with the relevant provisions of the 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 2010 Annual General Meeting of ZTE Corporation” passed at the AGM were legal and valid.

## **VI. DOCUMENTS AVAILABLE FOR INSPECTION**

1. Documents of the 2010 AGM

2. Resolutions of the 2010 AGM

By Order of the Board

**Hou Weigui**

*Chairman*

Shenzhen, PRC

17 May 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.*