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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

**Results of the exercise of the “Zhongxing ZXC1” Warrants
and Changes in Shareholding**

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.

In view of the expiration of the “Zhongxing ZXC1” (中兴ZXC1) Warrants, the Company would like to draw the attention of investors to the results of the exercise of the “Zhongxing ZXC1” Warrants and changes in the Company’s shareholding.

I. Results of the exercise of the warrants

1. The exercise period of the “Zhongxing ZXC1” Warrants was the last 10 trading days within the valid term of such warrants, namely the trading days between 1 February 2010 (Monday) and 12 February 2010 (Friday) (inclusive). The period between 8 February 2010 (Monday) and 12 February 2010 (Friday) (inclusive) was the exercise period, during which the warrants were not tradable.

2. As at the close of trading on 12 February 2010, a total of 23,348,590 “Zhongxing ZXC1” Warrants had been exercised, accounting for 35.81% of the total number of warrants prior to the current exercise. A total of 41,851,410 “Zhongxing ZXC1” Warrants had not been exercised and had lapsed.

II. Changes in the shareholding structure of the Company

Following the exercise of the “Zhongxing ZXC1” Warrants, the Company’s total issued share capital shall increase from 1,889,631,015 shares prior to the exercise to 1,911,154,456 shares after the exercise. Changes in the shareholding structure of the Company are set out as follows:

Class of shares	Before the change		Increase / decrease as a result of the change (+, -)	After the change	
	Number of shares	Percentage (%)	Number of shares	Number of shares	Percentage (%)
I. Shares subject to lock-up	72,136,633	3.82%	-	72,136,633	3.77%
1. State-owned shares	-	-	-	-	-
2. State-owned legal person shares	-	-	-	-	-
3. Other domestic shares	72,136,633	3.82%	-	72,136,633	3.77%
Comprising: Domestic legal person shares	-	-	-	-	-
Domestic natural person shares (including shares held by senior management)	72,136,633	3.82%	-	72,136,633	3.77%
4. Foreign shares	-	-	-	-	-
Comprising: Foreign legal person shares	-	-	-	-	-
Foreign natural person shares	-	-	-	-	-
II. Shares not subject to lock-up	1,817,494,382	96.18%	21,523,441	1,839,017,823	96.23%
1. RMB ordinary shares	1,467,724,690	77.67%	21,523,441	1,489,248,131	77.93%
2. Domestic-listed foreign shares	-	-	-	-	-
3. Overseas-listed foreign shares (H shares)	349,769,692	18.51%	-	349,769,692	18.30%
4. Others	-	-	-	-	-
III. Total number of shares	1,889,631,015	100.00%	21,523,441	1,911,154,456	100.00%

III. Top ten shareholders of the Company following the exercise of the “Zhongxing ZXC1” Warrants are as follows:

No.	29 January 2010 (before the exercise)				22 February 2010 (after the exercise)			
	Name of shareholders	Number of shares held	Percentage of shareholding (%)	Class of shares	Name of shareholders	Number of shares held	Percentage of shareholding (%)	Class of shares
1	Shenzhen Zhongxingxin Telecommunications Equipment Company, Limited	620,214,413	32.82%	A shares	Shenzhen Zhongxingxin Telecommunications Equipment Company, Limited	620,214,413	32.45%	A shares
2	HKSCC Nominees Limited	349,242,103	18.48%	H shares	HKSCC Nominees Limited	349,242,103	18.27%	H shares
3	China Life Insurance Company Limited — Dividend — Individual Dividend — 005L—FH002 Shen	37,043,846	1.96%	A shares	China Life Insurance Company Limited — Dividend — Individual Dividend — 005L—FH002 Shen	37,081,876	1.94%	A shares
4	The Industrial and Commercial Bank of China -Guangfa Jufeng Stock Fund	33,000,000	1.75%	A shares	The Industrial and Commercial Bank of China -Guangfa Jufeng Stock Fund	33,000,000	1.73%	A shares
5	Industrial Bank - Xingye Trend Investment Hybrid Fund	21,326,310	1.13%	A shares	Industrial Bank - Xingye Trend Investment Hybrid Fund	20,984,525	1.10%	A shares
6	Hunan Nantian (Group) Co., Ltd	20,805,894	1.10%	A shares	Hunan Nantian (Group) Co., Ltd	20,805,894	1.09%	A shares
7	Rongtong New Blue Chip Investment Fund	15,597,202	0.83%	A shares	Rongtong New Blue Chip Investment Fund	15,597,202	0.82%	A shares
8	China Construction Bank – Changsheng Tongqing Tradable Stock Fund	13,007,466	0.69%	A shares	China Construction Bank – Changsheng Tongqing Tradable Stock Fund	13,999,865	0.73%	A shares
9	The Industrial and Commercial Bank of China – Lion Value Growth Stock Fund	13,000,000	0.69%	A shares	BOC-E Fund SZSE-100 ET	13,862,977	0.73%	A shares
10	CCB-BoCom Schroders Blue Chip Stocks Investment Fund	12,948,518	0.69%	A shares	CCB-BoCom Schroders Blue Chip Stocks Investment Fund	12,910,418	0.68%	A shares

IV. Enquiries

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By Order of the Board
Hou Weigui
Chairman

Shenzhen, the PRC
23 February 2010

As at the date of this announcement, the Board of Directors of the Company comprises three executive directors, Yin Yimin, Shi Lirong and He Shiyou; 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.