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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

Election of Independent Non-executive Director

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.

Mr. Timothy Alexander Steinert (石義德), Independent Non-executive Director of the Sixth Session of the Board of Directors of ZTE Corporation ("ZTE" or the "Company"), has proposed to discontinue his office as Independent Non-executive Director of the Company after 29 June 2013 due to his personal work arrangements as general counsel of Alibaba Group Holding Limited. Accordingly, his term of office with the Sixth Session of the Board of Directors, commencing on 30 March 2013, shall end on 29 June 2013. To fulfill the requirements of pertinent laws and regulations and the Articles of Association of ZTE Corporation (the "Articles") in respect of the proportion accounted for by independent non-executive directors in the composition of the board of directors, the Board of Directors of the Company hereby announces general information on the election of independent non-executive director(s), the procedures for the nomination and election of candidate(s) for independent non-executive director(s) and the qualifications of candidate(s) for appointment, etc in accordance with relevant provisions of the Company Law of the People's Republic of China ("Company Law"), the Articles and the Working Rules of the Nomination Committee of the Board of Directors of ZTE Corporation.

I. GENERAL INFORMATION ON THE ELECTION OF INDEPENDENT NON-EXECUTIVE DIRECTOR

In accordance with the provisions of the Articles, Independent Non-executive Directors shall account for more than one-third of the members of the Board of Directors of the Company. The Board of Directors shall comprise 14 Directors, 5 of whom shall be Independent Non-executive Directors. One Independent Non-executive Director shall be elected to serve a term that will end on the date of conclusion of the Sixth Session of the Board of Directors (namely 29 March 2016).

II. RECOMMENDATION OF CANDIDATES FOR INDEPENDENT NON-EXECUTIVE DIRECTOR (PLEASE REFER TO THE APPENDIX FOR THE RECOMMENDATION LETTER OF CANDIDATES FOR INDEPENDENT NON-EXECUTIVE DIRECTOR)

1. The Board of Directors, 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 recommend to the Sixth Session of the Board of Directors the candidates for Independent Non-executive Director.

2. The recommendation by a shareholder in accordance with the above provisions shall not affect his / her 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 by such shareholder constitutes an act of tabling an ex-tempore motion, the shareholder who has exercised such right shall be required to concurrently comply with the relevant provisions of Article 78 of the Articles. If the listing rules of the place where the Company's shares are listed provide otherwise, such rules shall also be complied with.

III. PROCEDURES OF THE ELECTION

1. The recommendation of a candidate for Independent Non-executive Director shall be made, together with the submission of relevant documents, 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 19 April 2013). The Nomination Committee may

meanwhile search for candidates for Independent Non-executive Director among staff of the Company and subsidiaries (associated companies) as well as in the open market for human resources.

2. Upon the expiry of the above recommendation period, the Nomination Committee shall convene a meeting to review the qualifications of candidates for Independent Non-executive Director recommended and identified by the Nomination Committee. A list of qualified candidates for Independent Non-executive Director shall be submitted to the Board of Directors of the Company by the Nomination Committee.

3. The Board of Directors of the Company shall convene a meeting to finalise the list of candidates for Independent Non-executive Director 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 meeting by way of ordinary resolution (provided that the list of candidates proposed for election as Independent Non-executive Director is subject to report to the Shenzhen Stock Exchange and may only be tabled at the general meeting if there is no objection from the Shenzhen Stock Exchange).

4. The candidates for Independent Non-executive Director shall, within a period of commencing on no earlier than the first day immediately following the dispatch of the notice of the general meeting appointed for the election of Independent Non-executive Director and ending on seven days before the date of such general meeting, furnish to the Company an undertaking in writing to accept the nomination, give warranty that the information provided is true and complete and pledge to discharge duties as Independent Non-executive Director upon election.

5. Upon the dispatch of the notice of the general meeting to elect Independent Non-executive Director, the Company shall submit the relevant information (including but not limited to the declarations of the nominators and candidates and the biographies of the Independent Non-executive Director) of the candidates for Independent Non-executive Director to the Shenzhen Stock Exchange for record.

6. Candidates for Independent Non-executive Director will be elected Independent Non-executive Director of the Company upon the approval of the proposal for his/her election at the general meeting of the Company by way of ordinary resolution. The Company

will enter into service contract with elected Independent Non-executive Director upon his/her election.

IV. QUALIFICATIONS FOR INDEPENDENT NON-EXECUTIVE DIRECTOR

(I) Independent Non-executive Directors of the Company should fulfill the relevant qualifications for 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. A person may not serve as a Director of the Company if he / she is:

1. a person who has no or limited capacity for civil acts;
2. a person who has been sentenced for corruption, bribery, embezzlement of property, misappropriation of property or other crimes which sabotage 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 gone into bankruptcy and put under liquidation as a result of mismanagement and who was personally liable for the bankruptcy 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 therefor, 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 authorities 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 or otherwise prohibited by the laws and administrative regulations from assuming corporate leadership positions;

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;
10. a person who is identified by securities regulatory authorities of China as being prohibited from entering into the market and whose prohibition has not been released;
11. a person who has been publicly ascertained by the stock exchange as being not suitable for serving as a director, supervisor or senior management of a listed company; or
12. a person who has otherwise been prohibited by the laws and regulations or the Articles to serve as a director.

(II) Qualifications for Independent Non-executive Directors

In addition to the above qualifications for relevant directorships, Independent Non-executive 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 of Independent Non-executive Directors;
3. Having independence as required by domestic laws and regulations and the listing rules of the place where the company's shares are listed;
4. Meeting one or more of the following conditions:
 - 1) being vastly experienced in the successful management of large scale international enterprises;
 - 2) being vastly knowledgeable in theories of enterprise development strategies and experienced in successful implementation;
 - 3) being vastly experienced in the development and marketing of high technology products;
 - 4) being vastly knowledgeable in the theories of and experienced in capital operations.
5. A person shall not act as an Independent Non-executive Director of the Company if he / she:

- 1) is an employee of the Company or its subsidiaries, or a direct family member or 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, and brothers / sisters in-law, etc);
- 2) is a natural person holding, directly or indirectly, 1% or more of the issued shares of the Company or a natural person shareholder among the top ten shareholders of the Company, or any of their direct family members;
- 3) is an employee of any corporate shareholder who directly or indirectly holds 5% or more of the issued shares of the Company or an employee of the top five corporate shareholders or a direct family member of such employee;
- 4) is an employee of the controlling shareholder of the Company or any of its subsidiary and or a direct family member of such employee;
- 5) is a person that provides financial, legal and / or consulting services to the Company and its subsidiaries or the Company's controlling shareholder and its subsidiaries, including but not limited to any project team member, personnel responsible for vetting at any level, report signatory, partner and principal officer of any intermediary firm providing services;
- 6) holds a position with a unit engaged in material business transactions with the Company and its subsidiaries or the Company's controlling shareholder and its subsidiaries or with the controlling shareholder of such unit;
- 7) has been under any one of the six conditions set out above during the immediately preceding year;
- 8) has been subject to prohibition from access to the securities market by China Securities Regulatory Commission ("CSRC"), the effective period of which has not yet expired;
- 9) has been publicly ascertained by the stock exchange as being not suitable for serving as a director, supervisor or senior management of a listed company;
- 10) has been penalised by the CSRC during the three immediately preceding years;
- 11) has been subject to the public censure or, for three times or more, announced criticism by the stock exchange during the three immediately preceding years;

- 12) A person who has served as an Independent Non-executive Director with more than five listed companies, a person who has served as an Independent Non-executive Director of the Company for six consecutive years shall not be nominated as a candidate for Independent Non-executive Director of the Company until and unless a period of one year has lapsed since the conclusion of such six-year period.
- 13) any other person specified in the Articles; or
- 14) any other person identified by the CSRC or the Shenzhen Stock Exchange.

V. Contact Information

Contact person: You Tingting

Contact department: Securities and Investors' Relations Department

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Contact fax number: 0755-26770286

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Postal code: 518057

By Order of the Board
Hou Weigui
Chairman

Shenzhen, the PRC
8 April 2013

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, Zhang Jianheng, 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.

Appendix:

**Recommendation Letter of Candidates for Independent Non-executive Director
of the Sixth Session of the Board of Directors of ZTE Corporation**

Recommended by:

Name of candidate for Independent Non-executive Director recommended:

Age of candidate for Independent Non-executive Director recommended:

Gender of candidate for Independent Non-executive Director recommended:

Qualifications of candidate for Independent Non-executive Director recommended:
fulfillment of requirements set out in this announcement (Yes/No).

Contact information of candidate for Independent Non-executive Director recommended:
(including telephone, fax and e-mail)

Brief biography of candidate for Independent Non-executive Director recommended:
(including educational background, title, detailed working experience)

Other information (if any):

Recommended by: _____ (Seal/Signature)

Date: _____

Notes:

1. A person recommending a candidate for Independent Non-executive Director must provide the following documents to the Nomination Committee of the Board of Directors of the Company:

(1) The Recommendation Letter of candidate for Independent Non-executive Director (original copy);

(2) Photocopies of identification documents of the candidate for Independent Non-executive Director recommended (together with the original for inspection);

- (3) Photocopies of academic qualifications and certificates of the candidate for Independent Non-executive Director recommended (together with the original for inspection);
- (4) Photocopies of any certificates of training for Independent Non-executive Director (together with the original for inspection);
- (5) Other documents that testify to the fulfillment of conditions required under this announcement.

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

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

3. A person shall make his/her/its recommendation of a candidate for Independent Non-executive Director to the Nomination Committee of the Board of Directors of the Company in the following manner:

- (1) The recommendation 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 16: 00 on 19 April 2013;
- (3) In case of delivery by post, the relevant documents must be delivered by fax to 0755-26770286 by 16: 00 on 19 April 2013, 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 Recommendation Letter of Candidate for Independent Non-executive Director to the address of the contact person designated by the Company by 19 April 2013 (the time of receipt shall be the time stamped by the Shenzhen local post office).