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ZTE

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)

**INSIDE INFORMATION - UPDATED INFORMATION IN RELATION TO
THE EXPORT RESTRICTIONS BY THE U.S. COMMERCE
DEPARTMENT**

This announcement is made by ZTE Corporation (the “**Company**”) pursuant to Rule 13.09(2) of the Rules (the “**Listing Rules**”) Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the Inside Information Provisions (as defined in the Listing Rules) of Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the “**SFO**”).

Reference is made to the announcements of the Company dated 9 March 2016 and 23 March 2016 the decision of the Bureau of Industry and Security of the Department of Commerce of the United States of America (the “**Announcements**”). Unless otherwise defined, capitalized terms used in this announcement shall have the same meanings as defined in the Announcements.

The Board would like to inform shareholders and potential investors of the Company that on 24 March 2016 (United States local time), the Ruling issued by BIS has been published and has come into effect.

The Company will make further announcements to inform the shareholders and potential investors of the Company of any material developments of the above matters in accordance with the requirements of the Listing Rules and the SFO.

By Order of the Board

Hou Weigui

Chairman

Shenzhen, the PRC

28 March 2016

As at the date of this announcement, the Board of Directors of the Company comprises three executive directors, Shi Lirong, Yin Yimin and Zhao Xianming; six non-executive directors, Hou Weigui, Zhang Jianheng, Luan Jubao, Wang Yawen, Tian Dongfang and Zhan Yichao; and five independent non-executive directors, Tan Zhenhui, Richard Xike Zhang, Chen Shaohua, LüHongbing and Bingsheng Teng.