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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 of the Board of Directors

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

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.

Given the Company’s confidence in the prospects of its future development and recognition of its corporate value and in order to foster the sustainable, stable and healthy development of the Company and to safeguard the interests of all shareholders, the Company, its controlling shareholders and Directors, Supervisors and senior management will actively adopt the following measures in accordance with the “Notice on Matters pertaining to the Increase in Shareholdings in a Listed Company by its Majority Shareholders and Directors, Supervisors and Senior Management” (Zheng Jian Fa [2015] No. 51) (《关于上市公司大股东及董事、监事、高级管理人员增持本公司股票相关事项的通知》) (证监发[2015]51号) issued by the China Securities Regulatory Commission (“CSRC”) and CSRC Announcement [2015] No. 18:

I. The controlling shareholder (Shenzhen Zhongxingxin Telecommunication Equipment Company Limited), Directors, Supervisors and senior management of the Company will actively undertake their social responsibilities and refrain from disposing of their shares in the Company within a period of 6 months from the date of the issue of CSRC Announcement [2015] No. 18.

II. As stated in the announcement of the Company dated 8 July 2015, 11 members of the Directors and senior management of the Company, including Director Mr. He Shiyong and senior management members Messrs. Zhang Zhenhui, Qiu Weizhao, Chen Jianzhou, Fan Qingfeng, Pang Shengqing, Zhang Renjun, Ye Weimin, Xiong Hui, Chen Jie and Feng Jianxiang (Secretary to the Board of Directors), have undertaken to increase their shareholdings in the Company for an amount of not less than RMB1.60 million in the coming

6 months in manners permissible under pertinent laws and regulations, and have further undertaken not to sell the shares in the Company so acquired within a period of 6 months.

III. The Company is planning for repurchase of shares (the total amount of which is expected to be not more than RMB1 billion) and shall comply with approval procedures and make timely announcements to disclose the relevant information in accordance with pertinent laws and regulations.

IV. The Company will further enhance its communication with investors, who may contact the Company through investors' hotline (+86-755-26770282), e-mail (fengjianxiong@zte.com.cn) and the "Easy for Interaction" (互動易) webpage of Shenzhen Stock Exchange (<http://irm.cninfo.com.cn/szse/>) and other means.

By Order of the Board

Hou Weigui

Chairman

Shenzhen, the PRC

10 July 2015

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 Richard Xike Zhang.