



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 RESOLUTIONS PASSED AT THE EIGHTH MEETING OF THE FOURTH SESSION OF THE BOARD OF DIRECTORS

This announcement is published in Hong Kong pursuant to the general disclosure obligations under Rule 13.09 (2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The Company and all the members of the Board of Directors confirm that the information contained in this announcement is true, accurate and complete and that there are no false and misleading statements or material omissions in this announcement.

ZTE Corporation (hereinafter referred to as the “Company”) issued the “Notice of convening the Eighth Meeting of the Fourth Session of the Board of Directors” to all the Directors of the Company by electronic mail and telephone on 21 September 2007. The Eighth meeting of the Fourth session of the Board of Directors of the Company (the “Meeting”) was convened at the Shenzhen headquarters of the Company, Beijing, Shanghai, Nanjing and Xiamen by way of video conference on 26 September 2007. Of the fourteen Directors required to attend the meeting, nine directors attended in person and five directors appointed proxies to attend on their behalf. Mr. Wang Zongyin, Vice Chairman, was unable to attend the meeting for work reasons and appointed to Mr. Li Juping, Director, to vote on his behalf. Mr. Zhang Junchao, Director, was unable to attend the meeting for work reasons and appointed Mr. Xie Weiliang, Vice Chairman, to vote on his behalf. Mr. Shi Lirong, Director, was unable to attend the meeting for work reasons and appointed Mr. Yin Yimin, Director, to vote on his behalf. Mr. Zhu Wuxiang and Mr. Qiao Wenjun both of whom are Independent Directors were unable to attend the meeting for work reasons and appointed Mr. Mi Zhengkun, Independent Director, to vote on their behalf.

The meeting was convened and held in accordance with the relevant laws, administrative regulations, departmental rules and the Company's Articles of Association, and was legal and valid.

The following resolutions were considered and approved at the meeting:

I. Consideration and approval of the resolution of the Company for the Continued Purchase of "Liability Insurance for Directors, Supervisors and Senior Management"

THAT the execution between the Company and AIU Insurance Company Shenzhen Branch of a renewed insurance contract for a maximum annual indemnity amount of RMB30 million for a term of one year in connection with the Company's plan to continue to purchase "liability insurance for directors, supervisors and senior management" for the directors, supervisors and senior management of the Company with a view to encouraging better performance of their duties be approved.

Voting result: votes in favour of: 14; votes against: 0; votes abstained: 0.

An independent opinion has been furnished by Independent Directors of the Company, Mr. Zhu Wuxiang, Mr. Chen Shaohua, Mr. Qiao Wenjun, Mr. Mi Zhengkun and Mr. Li Jin, as follows:

The Independent Directors of the Company are of the opinion that the continued purchase of liability insurance for the directors, supervisors and senior management by the Company is in the interests of investors as a whole as it can encourage better performance of their duties and ensure timely and proper compensation for economic losses suffered by third parties as a result of their negligence; and that the transaction has been conducted in a fair, just and open manner in accordance with relevant regulations without adversely affecting the interests of minority shareholders.

II. Consideration and approval of the resolution of the Company for Supplementary Agreement to Purchase Framework Agreement for 2007 to be entered into by ZTE Kangxun Telecom Company, Limited, the subsidiary of the Company, and Mobi Antenna Technologies (Shenzhen) Co., Ltd., the connected party of the Company

THAT Supplementary Agreement to Purchase Framework Agreement for 2007 (hereinafter referred to as the “Supplementary Agreement”) between ZTE Kangxun Telecom Company, Limited (hereinafter referred as to “ZTE Kangxun”), the Subsidiary of the Company, and Mobi Antenna Technologies (Shenzhen) Co., Ltd. (hereinafter referred to as “Mobi”), the connected party of the Company, be approved.

The main contents of Supplementary Agreement are as following:

The annual cap of aggregated transaction amount estimated for 2007 under Purchase Framework Agreement for 2007 shall be increased to RMB400 Million from RMB180 Million; the other contents set out in the Purchase Framework Agreement for 2007 remain unchanged.

Voting result: votes in favour of: 14; votes against: 0; votes abstained: 0.

Mr. Zhu Wuxiang, Mr. Chen Shaohua, Mr. Qiao Wenjun, Mr. Mi Zhengkun and Mr. Li Jin, as Independent Directors of the Company, have reviewed the Supplementary Agreement prior to the meeting of the Board of Directors, and agreed to submit the Supplementary Agreement to the Board of Directors for consideration and approval.

Independent Directors Mr. Zhu Wuxiang, Mr. Chen Shaohua, Mr. Qiao Wenjun, Mr. Mi Zhengkun and Mr. Li Jin issued an independent opinion regarding the above Supplementary Agreement as follows:

It is necessary for ZTE Kangxun to enter into the Supplementary Agreement with Mobi to amend the annual cap of aggregated transaction amount for 2007, the above transaction facilitate the Company to carry out its product and operation smoothly,

The pricing basis and other provisions prescribed of the connected transactions are in compliance with the requirements of laws and regulations and market principles and are not adverse to the interests of the Company and its shareholders.

For further details, please refer to the announcement in relation to the continuing connected transactions of the Company under the Rules Governing the Listing of Securities on the Shenzhen Stock Exchange published promptly following this announcement.

By order of the Board
Hou Weigui
Chairman

Shenzhen, PRC
27 September, 2007

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, Zhu Wuxiang, Chen Shaohua, Qiao Wenjun, Mi Zhengkun and Li Jin.