



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)

Overseas Regulatory Announcement

Announcement of 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.

Ms. Zhou Susu, Senior Vice President of ZTE Corporation (Hereinafter referred as to “ZTE” or the “Company”), purchased 10,000 A Shares of the Company on 12 November 2007. The dealing was reported in advance by Ms. Zhou Susu in accordance with the relevant procedures in relation to the dealings in the A shares of the Company. However, due to the misunderstanding of relevant staff of the Company of laws and regulations in relation to the dealing of shares of the Company by senior management, the purchase of 10,000 A shares by Ms. Zhou Susu on 12 November 2007, which is within six months following her disposal of the same amount of A shares on 4 September 2007, has violated the relevant regulation in relation to the dealings in the shares of the Company by its senior management members.

Having noted such misunderstanding and the relevant consequences, the relevant staff of the Company has reported the event to the Shenzhen Stock Exchange promptly and made the relevant filings with the “integrity files sector” of the Shenzhen Stock Exchange pursuant to The Guidelines on Management of Holding and Dealing in the Shares of Listed Companies by Its Directors, Supervisors and Senior Management of (《上市公司董事、監事和高級管理人員所持本公司股份及其變動管理規則》) of the Shenzhen Stock Exchange. Meanwhile, the relevant staff of the Company has

reported such misunderstanding to, and clarified the same with all directors, supervisors and senior management of the Company. The Company has decided to forfeit the profit gained by Ms. Zhou Susu from the above mentioned dealings.

The Company sincerely apologizes to all its shareholders for this event. To avoid the repetition of the similar event in future, the Company has urged its relevant staff to well study and understand the relevant laws and regulations.

By order of the Board

Hou Weigui

Chairman

Shenzhen, PRC

16 November, 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.