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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 on Sell-down by Shareholders

The Company and all 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 or misleading statement or material omission in this announcement.

I. Sell-down by Shareholders

On 13 June 2011, the Company was notified by Shenzhen Zhongxingxin Telecommunications Equipment Company, Limited (hereinafter refer to as ‘‘Zhongxingxin’’), the Company’s controlling shareholder, that Zhongxingxin has disposed of 48,495,000 shares in the Company, representing 1.69% of the total share capital of the Company, through the securities trading system of Shenzhen Stock Exchange on 13 June 2011. Following the sell-down, Zhongxingxin holds 881,826,620 shares in the Company, representing 30.76% of the total share capital of the Company. The aforesaid shares were non-restricted tradable shares.

1. Details of the Sell-down of Shares by Shareholders

Name of shareholder	Method of sell-down	Conducted during:	Average sell-down price(RMB Per share)	Number of shares sold (in shares)	Percentage of sell-down (%)
Zhongxingxin	Pooled bidding	---	---	---	---
	Bulk transaction	13 June 2011	25.88	48,495,000	1.69%
	Other methods	---	---	---	---
	Total	---	---	48,495,000	1.69%

2. Shareholdings of the shareholder before and after the sell-down

Name of shareholder	Class of shares	Shares held before the sell-down		Shares held after the sell-down	
		Number of shares (in shares)	As a percentage of total share capital (%)	Number of shares (in shares)	As a percentage of total share capital (%)
Zhongxingxin	Shareholdings in aggregate	930,321,620	32.45%	881,826,620	30.76%
	Comprising: Non-restricted shares	930,321,620	32.45%	881,826,620	30.76%
	Restricted shares	0	0	0	0

II Other Information

1. The aforesaid sell-down by Zhongxingxin was not in violation of pertinent regulations including the “Guiding Opinion on the Transfer of Shares in Listed Companies Released from Selling Restrictions (《上市公司解除限售存量股份轉讓指導意見》), as the number of shares disposed of through the pool bidding trading system of Shenzhen Stock Exchange on any of the 30 days during the sell-down period of did not exceed 1%.
2. The aforesaid sell-down by Zhongxingxin was in compliance with the provisions of pertinent laws, regulations, conventions and business rules.
3. Zhongxingxin has undertaken that any shares to be disposed of through securities trading system during the consecutive 6-month period from the date of the aforesaid sell-down shall not exceed 5% of the total share capital of the Company.

By Order of the Board
Hou Weigui
Chairman

Shenzhen, PRC
13 June 2011

As at the date of this announcement, the Board of Directors of the Company comprises three executive directors, Shi Lirong, Yin Yimin and He Shiyu; six non-executive directors, Hou Weigui, Lei Fanpei, Xie Weiliang, Wang Zhancheng, Zhang Junchao and Dong Lianbo; and five independent non-executive directors, Qu Xiaohui, Wei Wei, Chen Naiwei, Tan Zhenhui and Timothy Alexander Steinert.