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ZTE中兴

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 the Partial Disposal of Shares in Nationz Technologies, Inc.

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.

At the Nineteenth Meeting of the Fifth Session of the Board of Directors of ZTE Corporation (the "Company"), the disposal of shares in Nationz Technologies, Inc. ("Nationz Technologies", Shenzhen Stock Exchange stock code: 300077) by the Company at appropriate time was considered and approved.

The Company had held 54,400,000 shares in Nationz Technologies(after the implementation of the Nationz Technologies 2010 profit distribution and capitalisation of capital reserve plans), accounting for 20% of the total share capital of Nationz Technologies. From 24 May 2011 to 27 May 2011, the Company disposed of a total of 5,576,600 shares in Nationz Technologies (accounting for 2.05% of the total share capital of Nationz Technologies), of which 76,600 shares were disposed of via the price-bidding trading system of Shenzhen Stock Exchange at an average selling price of 28.52RMB/ share and 5,500,000 shares were disposed of via the bulk-volume trading system at an average selling price of 26.94 RMB/ share. Net investment gains before income tax generated from the sale, after deduction of investment costs and related transaction levies and fees, are estimated at approximately RMB 95 million, representing 2.92% of the Company's audited net profit for the latest reporting period. Following the aforesaid sell-down, the Company currently holds 48,823,400 shares in Nationz Technologies (accounting for 17.95% of the total share capital of Nationz Technologies), all of which are unrestricted circulating shares.

By Order of the Board
Hou Weigui
Chairman

Shenzhen, PRC
30 May 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 Shiyou; 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.