

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 OF THE RESOLUTIONS PASSED AT THE NINTH MEETING OF THE THIRD SESSION OF THE SUPERVISORY COMMITTEE

The Company and all members of the Supervisory Committee 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") has issued the "Notice convening the Ninth Meeting of the Third Session of the Supervisory Committee" to all Supervisors of the Company by electronic mail and telephone on 9 August 2006. The ninth meeting of the third session of the Supervisory Committee of the Company was convened at the multi-function conference room on the sixth floor of the Company's headquarters on 24 August 2006. Of the five Supervisors required to attend the meeting, four Supervisors attended the meeting in person, and one Supervisor appointed a proxy to attend on his behalf. Mr. Wang Wangxi, Supervisor, was unable to attend the meeting due to work reasons and appointed Mr. Zhang Taifeng, Chairman of the Supervisory Committee, to vote on his behalf. The meeting was convened in accordance with the relevant provisions of the laws, administrative rules, departmental regulations, and the Articles of Association of the Company and was legal and valid.

The following resolutions were considered and approved at the Supervisory Committee Meeting:

I. THAT THE FULL TEXT OF THE 2006 INTERIM REPORT, AND THE 2006 INTERIM REPORT SUMMARY AND RESULTS ANNOUNCEMENT OF THE COMPANY BE CONSIDERED AND APPROVED AND THE FOLLOWING OPINION WAS EXPRESSED:

1. The Company has established a proper internal control system with proper documentation including the Articles of Association, the Rules of Procedure for General Meetings of Shareholders, the Rules of Procedure for the Board of Directors Meetings, and the Rules of Procedure for Supervisory Committee Meetings, and the Company's management systems are in order. The decision-making process of the Company is in compliance with the relevant requirements of the Company Law of the People's Republic of China and the Articles of Association of the Company. The proceedings, proposed resolutions and implementation of resolutions of the general meetings and meetings of the Board of Directors were also in compliance with relevant provisions of the laws, regulations and the Articles of Association. Obligations on information disclosure have been duly performed.
2. The Directors and the management of the Company diligently performed their duties, abided by the laws and executed with care all the resolutions of the general meetings and the Board of Directors. They were not in violation of the relevant requirements of any laws, regulations and the Articles of Association of the Company in exercising their duties, and did not act adversely against the interests of the Company and its shareholders.
3. The procedures for the preparation and review of the 2006 interim report and the 2006 interim report summary of the Company are in compliance with the relevant provisions of the laws, regulations and the Articles of Association. The content and format of the 2006 interim report and the 2006 interim report summary of the Company are in compliance with the relevant provisions of regulatory authorities including the China Securities Regulatory Commission, Shenzhen Stock Exchange and The Stock Exchange of Hong Kong Limited, and the 2006 interim financial report gives a true and accurate view of the financial position and operating results of the Company for the six months ended 30 June 2006.
4. The connected transactions entered into between the Company and its connected parties were conducted on an arm's length basis, and did not adversely affect the interests of the Company and its shareholders.
5. The proceeds raised by the Company from the issue of overseas-listed foreign shares in 2004 were applied in accordance with the plans stated in the prospectus.

Voting results: votes in favour of: 5; votes against: 0; votes abstained: 0.

II. THAT THE 2006 INTERIM FINANCIAL ANALYSIS REPORT OF THE COMPANY BE CONSIDERED AND APPROVED

Voting result: votes in favour of: 5; votes against: 0; votes abstained: 0.

III. THAT THE RESOLUTION FOR THE PROPOSED APPLICATION BY THE COMPANY FOR COMPOSITE BANKING CREDIT FACILITIES FOR THE SIX MONTHS ENDED 31 DECEMBER 2006 BE CONSIDERED AND APPROVED

Voting result: votes in favour of: 5; votes against: 0; votes abstained: 0.

IV. THAT THE RESOLUTION FOR THE APPROVAL PROCESS AND AUTHORITY REGULATING THE WRITE-OFF OF LONG-TERM ASSETS OF THE COMPANY BE CONSIDERED AND APPROVED

Voting result: votes in favour of: 5; votes against: 0; votes abstained: 0.

V. THAT THE RESOLUTION FOR THE APPROVAL PROCESS AND AUTHORITY REGULATING THE WRITE-OFF OF BAD DEBTS AND DISCOUNTED SETTLEMENT OF PAYMENTS OF THE COMPANY BE CONSIDERED AND APPROVED

Voting result: votes in favour of: 5; votes against: 0; votes abstained: 0.

By order of the Supervisory Committee
Zhang Taifeng
Chairman

Shenzhen, PRC
25 August 2006

As at the date of this announcement, the supervisors of the Company are Zhang Taifeng, Wang Wangxi, He Xuemei, Qu Deqian and Wang Yan.