

DEFINITIONS

In this annual report, unless the context otherwise requires, the following terms shall have the meanings set out below. Certain other terms are explained in the section headed "Glossary".

"Board of Directors"	The board of directors of the Company.
"CASC"	China Aerospace Science and Technology Corporation and its subsidiaries.
"CASIC"	CASIC (Group) Company, Limited and its subsidiaries.
"Company" or "ZTE"	ZTE Corporation, a joint stock limited company incorporated in China on 11 November 1997 under the Company Law of the People's Republic of China, the A shares and H shares of which are listed on the Shenzhen Stock Exchange and the Hong Kong Stock Exchange respectively.
"China Mobile"	China Mobile Communications Corporation and its subsidiaries.
"China Netcom"	China Network Communications Group Corporation and its subsidiaries.
"China Telecom"	China Telecommunications Corporation and its subsidiaries.
"China Unicom"	China United Telecommunications Corporation and its subsidiaries.
"Group"	One or more of ZTE and its subsidiaries.
"Hong Kong accounting standards"	Generally accepted accounting principles in Hong Kong.
"Hong Kong Stock Exchange"	The Stock Exchange of Hong Kong Limited.
"Hong Kong Stock Exchange Listing Rules"	The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (as amended from time to time).
"ITU"	International Telecommunications Union, a specialized agency for telecommunications within the United Nations, the primary aim of which is to coordinate the operation of telecommunications network and services and advance the development of communications technology.
"PRC GAAP"	Generally accepted accounting principles in China.
"Shenzhen Stock Exchange"	the Shenzhen Stock Exchange of China.
"Supervisors"	The members of the supervisory committee of the Company.
"Zhongxingxin"	Shenzhen Zhongxingxin Telecommunications Equipment Company, Limited.
"ZTE Kangxun"	ZTE Kangxun Telecom Company Limited.
"ZTE Software"	Shenzhen ZTE Software Company, Limited.
"Zhongxing WXT"	Shenzhen Zhongxing WXT Equipment Company, Ltd..