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# **China Telecom Corporation Limited**

## **中国电信股份有限公司**

*(A joint stock limited company incorporated in the People's Republic of China with limited liability)*  
**(Stock Code: 728)**

### **POLL RESULTS OF ANNUAL GENERAL MEETING AND PAYMENT OF THE FINAL DIVIDEND**

- The Board of the Company is pleased to announce that all the proposed resolutions were duly passed by shareholders by way of poll at the AGM of the Company held on 25 May 2016.
- The Company's shareholders approved the profit distribution proposal and declaration of a final dividend of RMB0.080182 per share (equivalent to HK\$0.095 per share) (pre-tax) for the year ended 31 December 2015. The final dividend will be paid on or about 15 July 2016.

#### **Poll Results of the AGM**

The board of directors (the "Board") of China Telecom Corporation Limited (the "Company") is pleased to announce that the 2015 Annual General Meeting of the Company was held on Wednesday, 25 May 2016 (the "AGM") at Ballrooms B & C, Level 5, Island Shangri-La, Pacific Place, Supreme Court Road, Central, Hong Kong. The number of issued shares of the Company as at the date of the AGM was 80,932,368,321, which was the total number of shares entitling the holders to attend and vote for or against any of the resolutions proposed at the AGM. There were no restrictions on any shareholders casting votes on any of the proposed resolutions at the AGM. The AGM was held in compliance with the requirements of the Company Law of the People's Republic of China and the provisions of the articles of association of the Company.

The poll results in respect of the proposed resolutions at the AGM were as follows:

<b>Ordinary Resolutions</b>		<b>No. of votes (%)</b>	
		<b>For</b>	<b>Against</b>
1.	That the consolidated financial statements of the Company, the report of the Board of Directors, the report of the Supervisory Committee and the report of the international auditor for the year ended 31 December 2015 be considered and approved, and the Board of Directors of the Company be authorised to prepare the budget of the Company for the year 2016.	75,174,055,753 (99.9999%)	82,805 (0.0001%)
As more than 1/2 of the votes were cast in favour of this resolution, the resolution was duly passed as an ordinary resolution.			
2.	That the profit distribution proposal and the declaration and payment of a final dividend for the year ended 31 December 2015 be considered and approved.	75,188,746,851 (99.9999%)	29,705 (0.0001%)
As more than 1/2 of the votes were cast in favour of this resolution, the resolution was duly passed as an ordinary resolution.			
3.	That the re-appointment of Deloitte Touche Tohmatsu and Deloitte Touche Tohmatsu Certified Public Accountants LLP as the international auditor and domestic auditor of the Company respectively for the year ending on 31 December 2016 be considered and approved, and the Board be authorised to fix the remuneration of the auditors.	75,187,228,206 (99.9980%)	1,494,350 (0.0020%)
As more than 1/2 of the votes were cast in favour of this resolution, the resolution was duly passed as an ordinary resolution.			
<b>Special Resolutions</b>		<b>No. of votes (%)</b>	
		<b>For</b>	<b>Against</b>
4.	4.1 Special resolution numbered 4.1 of the Notice of AGM dated 8 April 2016 (To consider and approve the issue of debentures by the Company)	69,797,609,006 (93.6159%)	4,759,844,348 (6.3841%)
As more than 2/3 of the votes were cast in favour of this resolution, the resolution was duly passed as a special resolution.			
	4.2 Special resolution numbered 4.2 of the Notice of AGM dated 8 April 2016 (To authorise the Board to issue debentures and determine the specific terms, conditions and other matters of the debentures)	69,727,498,251 (93.5218%)	4,829,955,103 (6.4782%)
As more than 2/3 of the votes were cast in favour of this resolution, the resolution was duly passed as a special resolution.			

Special Resolutions		No. of votes (%)	
		For	Against
5.	5.1 Special resolution numbered 5.1 of the Notice of the AGM dated 8 April 2016 (To consider and approve the issue of company bonds in the People's Republic of China)	75,188,263,929 (99.9994%)	472,625 (0.0006%)
As more than 2/3 of the votes were cast in favour of this resolution, the resolution was duly passed as a special resolution.			
	5.2 Special resolution numbered 5.2 of the Notice of the AGM dated 8 April 2016 (To authorise the Board to issue company bonds and determine the specific terms, conditions and other matters of the company bonds in the People's Republic of China)	75,188,033,877 (99.9991%)	682,677 (0.0009%)
As more than 2/3 of the votes were cast in favour of this resolution, the resolution was duly passed as a special resolution.			
6.	Special resolution numbered 6 of the Notice of AGM dated 8 April 2016 (To grant a general mandate to the Board to issue, allot and deal with additional shares in the Company not exceeding 20% of each of the existing domestic Shares and H Shares in issue.)	68,155,050,511 (90.6453%)	7,033,686,043 (9.3547%)
As more than 2/3 of the votes were cast in favour of this resolution, the resolution was duly passed as a special resolution.			
7.	Special resolution numbered 7 of the Notice of AGM dated 8 April 2016 (To authorise the Board to increase the registered capital of the Company and to amend the articles of association of the Company to reflect such increase in the registered capital of the Company under the general mandate.)	68,493,719,549 (91.0957%)	6,695,017,005 (8.9043%)
As more than 2/3 of the votes were cast in favour of this resolution, the resolution was duly passed as a special resolution.			

Computershare Hong Kong Investor Services Limited, registrar of the Company's H Shares, acted as scrutineer for the vote-taking at the AGM.

## Payment of the Final Dividend

The final dividend of RMB0.080182 per share (equivalent to HK\$0.095 per share) (pre-tax) for the year ended 31 December 2015 was approved at the AGM. The payment shall be made to shareholders whose names appear on the register of members of the Company on Monday, 6 June 2016. The register of members will be closed from Wednesday, 1 June 2016 to Monday, 6 June 2016 (both days inclusive). In order to be entitled to the final dividend, H share shareholders who have not registered the transfer documents are required to deposit the transfer documents together with the relevant share certificates at Computershare Hong Kong Investor Services Limited, at Shops 1712 - 1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong at or before 4:30 p.m. on Tuesday, 31 May 2016. Dividends will be denominated and declared in Renminbi. Dividends for holders of domestic shares and the investors of the Shanghai Stock Exchange (including enterprises and individuals) investing in the H shares of the Company listed on Hong Kong Stock Exchange (the "Southbound Trading Link") (the "Southbound Investors") will be paid in Renminbi, whereas dividends for H share shareholders other than Southbound Investors will be paid in Hong Kong dollars. The relevant exchange rate will be the average offer rates of Renminbi to Hong Kong dollars as announced by the People's Bank of China for the week prior to the date of declaration of dividends at the AGM (RMB0.84402 equivalent to HK\$1.00).

Pursuant to the Enterprise Income Tax Law of the People's Republic of China and the Implementation Rules of the Enterprise Income Tax Law of the People's Republic of China in 2008, the Company shall be obliged to withhold and pay 10% enterprise income tax when it distributes the 2015 final dividends to non-resident enterprise shareholders of overseas H shares (including HKSCC Nominees Limited, other corporate nominees or trustees, and other entities or organisations) whose names appear on the Company's H share register of members on 6 June 2016. According to regulations by the State Administration of Taxation (Guo Shui Han [2011] No. 348) and relevant laws and regulations, if the individual H share shareholders who are Hong Kong or Macau residents and those whose country of domicile is a country which has entered into a tax treaty with PRC stipulating a dividend tax rate of 10%, the Company will finally withhold and pay individual income tax at the rate of 10% on behalf of the individual H share shareholders. If the individual H share shareholders whose country of domicile is a country which has entered into a tax treaty with PRC stipulating a dividend tax rate of less than 10%, the Company will finally withhold and pay individual income tax at the rate of 10% on behalf of the individual H share shareholders. If the individual H share shareholders whose country of domicile is a country which has entered into a tax treaty with PRC stipulating a dividend tax rate of more than 10% but less than 20%, the Company will withhold and pay individual income tax at the actual tax rate stipulated in the relevant tax treaty. If the individual H share shareholders whose country of domicile is a country which has entered into a tax treaty with PRC stipulating a dividend tax rate of 20%, or a country which has not entered into any tax treaties with PRC, or under any other circumstances, the Company will withhold and pay individual income tax at the rate of 20% on behalf of the individual H share shareholders.

The Company will determine the country of domicile of the individual H share shareholders based on the registered address as recorded in the H share register of members of the Company on 6 June 2016 (the "Registered Address"). If the country of domicile of an individual H share shareholder is not the same as the Registered Address or if the individual H share shareholder would like to apply for a refund of the additional amount of tax finally withheld and paid, the individual H share shareholder shall notify and provide relevant supporting documents to the Company on or before Tuesday, 31 May 2016. Upon examination of the supporting documents by the relevant tax authorities, the Company will follow the guidance given by the tax authorities to implement relevant tax withholding and payment provisions and arrangements. Individual H share shareholders may either personally or appoint a representative to attend to the procedures in accordance with the requirements under the tax treaties notice if they do not provide the relevant supporting documents to the Company within the time period stated above.

For Southbound Investors (including enterprises and individuals), the Shanghai branch of China Securities Depository and Clearing Corporation Limited, as the nominee of the investors of the Southbound Trading Link, will receive all dividends distributed by the Company and will distribute the dividends to the relevant investors under the Southbound Trading Link through its depository and clearing system. According to the relevant provisions under the “Notice on Tax Policies for Shanghai-Hong Kong Stock Connect Pilot Programme (Cai Shui [2014] No. 81)”, the Company shall withhold and pay individual income tax at the rate of 20% with respect to dividends received by the Mainland individual investors for investing in the H shares of the Company listed on the Hong Kong Stock Exchange through the Southbound Trading Link. In respect of the dividends received by Mainland securities investment funds investing in the H shares of the Company listed on Hong Kong Stock Exchange through the Southbound Trading Link, the tax levied shall be ascertained by reference to the rules applicable to individual investors. The Company is not required to withhold and pay income tax on dividends derived by the Mainland enterprise investors under the Southbound Trading Link, and such enterprises shall report the income and make tax payment by themselves. The record date for entitlement to the shareholders’ rights and the relevant arrangements of dividend distribution for the Southbound Investors are the same as those for the Company’s H share shareholders.

The Company assumes no responsibility and disclaims all liabilities whatsoever in relation to the tax status or tax treatment of the individual H share shareholders and for any claims arising from any delay in or inaccurate determination of the tax status or tax treatment of the individual H share shareholders or any disputes relating to the tax withholding and payment mechanism or arrangements.

For H share shareholders other than the Southbound Investors, the Company has appointed Bank of China (Hong Kong) Trustees Limited as the receiving agent in Hong Kong (the "Receiving Agent") and will pay to such Receiving Agent the final dividend declared for payment to H share shareholders other than the Southbound Investors. The Receiving Agent will pay the final dividend net of the applicable tax on or about 15 July 2016. The relevant dividend warrants will be despatched to H share shareholders by ordinary post and the risk of errors involved in the postage will be borne by the H share shareholders. For the Southbound Investors, the final dividend net of the applicable tax will be paid by the Company to the Shanghai branch of China Securities Depository and Clearing Corporation Limited on or about 15 July 2016. The Shanghai branch of China Securities Depository and Clearing Corporation Limited will pay the final dividend net of the applicable tax to the Southbound Investors.

By Order of the Board  
**China Telecom Corporation Limited**  
**Chu Ka Yee**  
*Company Secretary*

Hong Kong, 25 May 2016

As of the date of this announcement, the Board of the Company consists of Mr. Yang Jie (as the chairman and chief executive officer); Mr. Yang Xiaowei (as the president and chief operating officer); Mr. Zhang Jiping, Mr. Sun Kangmin and Mr. Ke Ruiwen (all as the executive vice presidents); Mr. Tse Hau Yin, Aloysius, Madam Cha May Lung, Laura, Mr. Xu Erming and Madam Wang Hsuehming (all as the independent non-executive directors).