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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)**

**ANNUAL GENERAL MEETING HELD ON 25 MAY 2010 –**

**POLL RESULTS 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 2010.
- The Company's shareholders approved the profit distribution proposal and declaration of a final dividend of RMB0.074514 per share (equivalent to HK\$0.085 per share) (inclusive of applicable tax) for the year ended 31 December 2009. The final dividend will be paid on or about 30 June 2010.

### **Results of the AGM**

The board of directors (the "Board") of China Telecom Corporation Limited (the "Company") is pleased to announce that the 2009 Annual General Meeting of the Company was held on Tuesday, 25 May 2010 (the "AGM") at Conrad Hong Kong, Pacific Place, 88 Queensway, 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 2009 be considered and approved, and the Board of Directors (the "Board") be authorised to prepare the budget of the Company for the year 2010.	72,757,359,783 (99.9996%)	325,001 (0.0004%)
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 2009 be considered and approved.	73,634,244,530 (99.9997%)	226,441 (0.0003%)
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 reappointment of KPMG and KPMG Huazhen as the international auditor and domestic auditor of the Company respectively for the year ending 31 December 2010 be considered and approved, and the Board be authorised to fix the remuneration of the auditors.	73,630,959,559 (99.9953%)	3,457,540 (0.0047%)
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.	(1) Special resolution numbered 4.1 of the Notice of AGM (To consider and approve the issue of debentures by the Company)	73,619,704,731 (99.9806%)	14,298,740 (0.0194%)
As more than 2/3 of the votes were cast in favour of this resolution, the resolution was duly passed as a special resolution.			
	(2) Special resolution numbered 4.2 of the Notice of AGM (To authorise the Board to issue debentures and determine the specific terms, conditions and other matters of the debentures)	73,618,143,480 (99.9785%)	15,855,991 (0.0215%)
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.	(1) Special resolution numbered 5.1 of the Notice of AGM (To consider and approve the issue of company bonds in the People's Republic of China)	73,619,654,270 (99.9805%)	14,356,301 (0.0195%)
As more than 2/3 of the votes were cast in favour of this resolution, the resolution was duly passed as a special resolution.			
	(2) Special resolution numbered 5.2 of the Notice of AGM (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)	73,618,425,830 (99.9786%)	15,724,741 (0.0214%)
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 (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 (as the case may be) in issue)	69,725,371,195 (94.6916%)	3,908,791,576 (5.3084%)
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 (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)	69,846,068,564 (94.8556%)	3,788,069,307 (5.1444%)
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 Board wishes to inform shareholders that details of the payment of the final dividend are as follows:

The Company will pay a final dividend of RMB0.074514 per share (equivalent to HK\$0.085 per share) (inclusive of applicable tax) for the year ended 31 December 2009. The payment shall be made to shareholders whose names appeared on the register of members of the Company on 25 May 2010. According to the articles of association of the Company, dividends will be denominated and declared in Renminbi. Dividends on domestic shares will be paid in Renminbi, whereas dividends on H shares 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 by the AGM (RMB0.87664 equivalent to HK\$1.00).

Reference is made to the announcement "Proposed 2009 Final Dividend Distribution and Enterprise Income Tax Withholding of Overseas Non-Resident Enterprises" of the Company dated 8 April 2010. The Company shall, pursuant to the legal requirements, withhold 10% enterprise income tax when it distributes the 2009 final dividend to non-resident enterprise shareholders of overseas H shares (including Hong Kong

Securities Clearing Company Nominees Limited, other corporate nominees or trustees, and other entities or organizations) whose names appear on the Company's H shares register of members. The individual income tax will not be deducted from any natural person shareholders whose names appear on the Company's H shares register of members.

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 holders of H shares. The Receiving Agent will pay the final dividend net of the applicable tax around 30 June 2010. Relevant cheques will be dispatched on the same day to holders of H shares entitled to receive such dividend by ordinary post and at their own risk.

By Order of the Board  
**China Telecom Corporation Limited**  
**Yung Shun Loy, Jacky**  
*Company Secretary*

Hong Kong, 25 May 2010

As of the date of this announcement, the Board consists of Mr. Wang Xiaochu as the chairman and chief executive officer, Mr. Shang Bing as the president and chief operating officer, Madam Wu Andi as the executive vice president and chief financial officer, Mr. Zhang Jiping, Mr. Zhang Chenshuang, Mr. Yang Xiaowei, Mr. Yang Jie, and Mr. Sun Kangmin as the executive vice presidents, Mr. Li Jinming as the non-executive director, and Mr. Wu Jichuan, Mr. Qin Xiao, Mr. Tse Hau Yin, Aloysius, Madam Cha May Lung, Laura, Mr. Xu Erming as the independent non-executive directors.