

Shareholder Information

Share Information

Share Listing

China Telecom Corporation Limited's H shares were listed on The Stock Exchange of Hong Kong Limited on 15 November 2002 and New York Stock Exchange as American Depositary Shares (ADSs) on 14 November 2002. ADSs are issued by Bank of New York. Each ADS traded in the United States represents 100 ordinary shares.

Stock Code

| | |
|---|-----|
| The Stock Exchange of Hong Kong Limited | 728 |
| New York Stock Exchange | CHA |

Share Price Performance

| 2006 share price | HK\$ per H share | | | US\$ per ADS | | |
|-----------------------------------|------------------|------|-------|--------------|-------|-------|
| | High | Low | Close | High | Low | Close |
| | 4.31 | 2.28 | 4.26 | 54.75 | 29.62 | 54.40 |
| Share price change in 2006 | | | +49% | | | +49% |

Number of issued shares: (as at 31 December 2006) 80,932,368,321

Market capitalisation: (as at 31 December 2006) HK\$345 billion

Share price performance of China Telecom (CT) on the Stock Exchange of Hong Kong Limited versus Hang Seng Index (HSI) and MSCI World Telecom Service Sector Index (MSCI) from IPO on 15 November 2002 to 31 December 2006.



Distribution of shares and shareholdings

The share capital of the Company as at 31 December 2006 was RMB80,932,368,321, divided into 80,932,368,321 shares of RMB1.00 each. As at 31 December 2006, the share capital of the Company comprised:

| | Number of shares | % of the total number of shares |
|---|------------------|---------------------------------|
| Total number of Domestic shares: | 67,054,958,321 | 82.85 |
| Domestic shares held by: | | |
| China Telecommunications Corporation | 57,377,053,317 | 70.89 |
| Guangdong Rising Assets Management Co., Ltd. | 5,614,082,653 | 6.94 |
| Zhejiang Financial Development Company | 2,137,473,626 | 2.64 |
| Fujian State-owned Assets Investment Holdings Co., Ltd. | 969,317,182 | 1.20 |
| Jiangsu Guoxin Investment Group Co., Ltd. | 957,031,543 | 1.18 |
| Total number of H shares (including ADSs): | 13,877,410,000 | 17.15 |
| Total | 80,932,368,321 | 100 |

Major shareholders of H shares

The following table shows the major shareholders that exercised or controlled the exercise of 5% or above of H shares as at 31 December 2006.

| Name of shareholder | Number of H shares held | % of the total number of H shares in issue |
|---|-------------------------|--|
| Commonwealth Bank of Australia | 1,248,848,000 | 9.00 |
| JPMorgan Chase & Co. | 1,006,391,826 | 7.25 |
| Halbis Capital Management (Hong Kong) Limited | 716,540,000 | 5.16 |

Dividend History

| Financial Year | Shareholder Approval Date | Payment Date | Dividend per Share (HK\$) |
|----------------|---------------------------|--------------|---------------------------|
| 2002 Final | 20 June 2003 | 10 July 2003 | 0.00837* |
| 2003 Final | 3 May 2004 | 20 May 2004 | 0.065 |
| 2004 Final | 25 May 2005 | 23 June 2005 | 0.065 |
| 2005 Final | 23 May 2006 | 15 June 2006 | 0.075 |
| 2006 Final | 29 May 2007 | 15 June 2007 | 0.085** |

* On the basis of HK\$0.065 per share, pro-rated based on the number of days the Company's shares have been listed during the year of 2002.

** The dividend proposal is subject to shareholders' approval at the annual general meeting to be held on 29 May 2007.

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Annual Reports

Our annual reports in both English and Chinese are now available through the Internet at <http://www.chinatelecom-h.com>.

The Company will file an annual report in Form 20-F for the year 2006 with the United States Securities & Exchange Commission by 30 June 2007.

Annual General Meeting

To be held at 11a.m. on 29 May 2007 in JW Marriott Hotel Hong Kong

Registered Office

Address: 31 Jinrong Avenue
Xicheng District
Beijing
PRC 100032
Tel: 86 10 6642 8166
Fax: 86 10 6601 0728

H share registrar

Computershare Hong Kong Investor Services Limited
Address: 1712-1716, 17th Floor
Hopewell Centre
183 Queen's Road East, Wanchai
Hong Kong
Tel: 852 2862 8555
Fax: 852 2865 0990
Email: hkinfo@computershare.com.hk

Investor Relations

Investor Relations Department
Tel: 852 2877 9777
Fax: 852 2877 0988
Email: ir@chinatelecom-h.com

ADS depository

The Bank of New York
Address: Investor Services
P.O. Box 11258
Church Street Station
New York, NY 10286-1258
Tel: 1-888-269-2377 (toll free in USA)
1-212-815-3700 (international)
Email: shareowners@bankofny.com
Websites: <http://www.stockbny.com>

Office of the Board of Directors
Tel: 86 10 6642 8166
Fax: 86 10 6601 0728
Email: ir@chinatelecom.com.cn

Reminder — Invitation to China Telecom — Annual Report Survey

Annual report is a key communication bridge between you and the Company. So we would like to conduct a survey to find out your comments for our further improvement in the future. Your responses are very valuable and we would highly appreciate if you can spare your precious time to complete the questionnaire, "Your Views on 2006 Annual Report," attached in this annual report. Please return it by post or fax to us at +852 2877 0988. You can also fill in the electronic form at www.chinatelecom-h.com. Thank you!

For further information, please browse our website at www.chinatelecom-h.com

Forward-Looking Statements

Certain statements contained in this document may be viewed as "forward-looking statements" within the meaning of Section 27A of the U.S. Securities Act of 1933 (as amended) and Section 21E of the U.S. Securities Exchange Act of 1934 (as amended). Such forward-looking statements are subject to known and unknown risks, uncertainties and other factors, which may cause the actual performance, financial condition or results of operations of China Telecom Corporation Limited (the "Company") to be materially different from any future performance, financial condition or results of operations implied by such forward-looking statements. In addition, we do not intend to update these forward-looking statements. Further information regarding these risks, uncertainties and other factors is included in the Company's most recent Annual Report on Form 20-F filed with the U.S. Securities and Exchange Commission (the "SEC") and in the Company's other filings with the SEC.