



Press Release

12 April 2006

For Immediate Release

China Telecom Corporation Limited
Successfully Issued Short Term Commercial Paper

China Telecom Corporation Limited (the “Company”) (HKEx: 0728; NYSE: CHA) announced that the Company has successfully issued one-year, 20 billion RMB denominated short term commercial paper (the “Issue”) on 10 April 2006, with annual interest rate of 3.05%. The Issue was placed through a centralized book-building and allocation process in the PRC inter-bank debenture market at par value.

The Company will use the proceeds of the Issue to satisfy its funding needs of production and operation. The Company considers that the Issue will enable it to lower its finance costs, optimize its financing structure, and improve its corporate image.

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