



**Press Release**  
**7 August 2008**  
**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 365-day, 10 billion RMB denominated short term commercial paper (the “Issue”) on 5 August 2008, with annual interest rate of 4.72%. 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 enhance its operating working capital and repay some of its bank loans. The Issue will broaden the Company’s financing channel, optimize its financing structure and lower its finance costs, while providing investors with an investment product with stable income and good credit rating.

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