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China Telecom Corporation Limited*
中國電信股份有限公司

(A joint stock limited company incorporated in the People's Republic of China with limited liability)

ANNOUNCEMENT

OVER-ALLOTMENT OPTION – COMMENCEMENT OF DEALING

The Company announces that dealings in the Over-allotment Shares (as defined below) are expected to commence on the Hong Kong Stock Exchange on December 18, 2002.

Reference is made to the Company's announcement dated December 14, 2002 in relation to the partial exercise of the Over-allotment Option by the Joint Global Coordinators on behalf of the International Underwriters and the US Underwriters on December 14, 2002 in respect of 471,010,000 additional H Shares (the "Over-allotment Shares").

Dealings in the Over-allotment Shares are now expected to commence on the Hong Kong Stock Exchange on December 18, 2002. The Company does not expect that there will be any impact on any trading by relevant shareholders of the Over-allotment Shares on the Hong Kong Stock Exchange as a result of such change in the date of commencement of dealings in the Over-allotment Shares on the Hong Kong Stock Exchange.

By order of the Board
China Telecom Corporation Limited
Li Ping
Company Secretary

Hong Kong, December 17, 2002

* *for identification only*

Please also refer to the published version of this announcement in The South China Morning Post.