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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)

ANNOUNCEMENT

The board of directors (the “**Board**”) of China Telecom Corporation Limited (the “**Company**”) is pleased to announce that the Shareholders have, at the EGM of the Company held on December 15, 2003, passed all of the resolutions set out in the notice convening the EGM contained in the shareholders’ circular of the Company dated October 27, 2003.

Completion of the Acquisition is expected to take place on December 31, 2003.

Introduction

Reference is made to the shareholders’ circular dated October 27, 2003 issued by the Company (the “**Circular**”). Unless otherwise defined, capitalised terms used herein shall have the same meanings as defined in the Circular.

Resolutions Passed at the Extraordinary General Meeting

The Board is pleased to announce that the resolutions set out in the notice convening the EGM contained in the Circular approving the Acquisition, the terms of the prospective connected transactions set out in sections 10.1(b) (in relation to the interconnection agreement), 10.2(a), 10.2(e) and 10.2(f) as described in the section “Letter from the Chairman” of the Circular (the “**Connected Transactions**”) together with the Combined Group’s relevant upper limits were duly passed at the EGM by the Independent Shareholders in accordance with the Articles of Association of the Company and the Hong Kong Listing Rules on December 15, 2003. The special resolution approving the amendment of Article 13 of the Articles of Association with respect to the service areas of the Company was also duly passed by the Shareholders in accordance with the Articles of Association of the Company on December 15, 2003.

Completion of the Acquisition

The Board anticipates that the completion of the Acquisition will take place on December 31, 2003. Consistent with the Company’s original intention of the use of proceeds raised from the Company’s Global Offering in 2002, an entire 30% of the net proceeds raised from the Global Offering will be used, with other internal cash resources, to finance the initial consideration of the Acquisition.

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

Beijing, December 15, 2003