

FIBRECO AWARDS CONTRACT TO TECHNOLOGY GIANT ZTE

FibreCo Telecommunications ("**FibreCo**"), a joint venture between Cell C, Convergence Partners and Internet Solutions, today announced the awarding of a contract for construction of its nation-wide open-access fibre optic network. FibreCo's objective is to facilitate affordable and reliable high-speed Internet access for South African citizens and businesses. Through its investment in open-access fibre optic infrastructure it will transform the country's communications landscape and accelerate our effective participation in the global information economy.

Increased broadband penetration has been shown worldwide to impact positively on economic growth and social upliftment. The initial phase of FibreCo's development will result in the creation of 2,300 direct and indirect job opportunities. FibreCo will also facilitate the training of at least 100 fibre optic technicians, to be certified under the internationally recognised Fibre Optic Association, who will be involved during construction and maintenance of the network in all provinces along its route. Furthermore, FibreCo will make heavily subsidized fibre capacity available to academic and research institutions, enabling greater innovation in the use of information and technology.

FibreCo's total investment will amount to R5 billion.

The Company envisages the development of a national network stretching over 12,000 km. Phase 1 involves linking up Johannesburg, Cape Town and Durban as well as the East and West coast submarine cable landing stations.

Andile Ngcaba, Chairman of FibreCo, said: ***"This landmark investment will provide affordable, reliable and fast Internet access to ordinary South Africans."***

FibreCo is proud to announce that they have awarded the contract to ZTE for the network construction and supply of technology equipment. ZTE is China's largest publicly listed global provider of telecommunications equipment and network solutions. ZTE brings to FibreCo a wealth of technical expertise through their investment in R&D in the field of optical transmission and photonics, coupled with vast experience in the deployment of fibre optic networks worldwide. Work on the initial leg of Phase 1 is already underway, which is a 1,900 km link between Johannesburg and Cape Town via the Free State and Eastern Cape valued at R1 billion.

FibreCo has also signed capacity purchase agreements with its first 3 clients for the Johannesburg-Cape Town route, namely BT, Cell C and Internet Solutions, allowing them ownership of fibre infrastructure and the ability to build bespoke optical transmission networks.

Arif Hussain, CEO of FibreCo, commented: ***"We are delighted to welcome BT, a client with a truly global brand, to the FibreCo network alongside Cell C and Internet Solutions, who have been valued partners since inception. On the strength of these contracts, coupled with the financial backing of our shareholders, we have secured the necessary funding"***.

Shi Song, CEO of ZTE South Africa, said: ***"ZTE is pleased to be associated with such an exciting venture as the FibreCo project, which will change the face of Internet access in South Africa. It also constitutes another incredible opportunity for ZTE to reinforce its long-term commitment to South Africa and its economic development."***

Keith Matthews, General Manager, BT Sub-Saharan Africa said: ***"Our customers in South Africa will benefit from our access to FibreCo's infrastructure through increased performance and an optimised cost base. The new network will allow us to offer to our regional and global customers improved local access to BT Global Services' portfolio of innovative products and services. This project is also a step in the right direction on the way to a more level playing field in the South African telecommunications market."***

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ZTE

ZTE Corporation is a publicly-listed global provider of telecommunications equipment and network solutions operating in more than 140 countries. It offers a wide choice of products ranging from voice, data, multimedia and wireless broadband services. Founded in 1985, ZTE is China's largest listed telecom equipment company and trades on both the Shenzhen (A share: 000063.SZ) and Hong Kong (H share: 0763.HK) stock exchanges

ZTE is dedicated to creating value for customers and to remaining a cutting-edge provider with innovative and technologically advanced systems. The company has 15 global R&D centers located in the U.S. France, Sweden, India and China. It employs 30,000 researchers around the world who develop new and innovative products. In 2010, ZTE applied for 1,863 international patents, putting it in second place globally when it comes to innovation. Along with 107 affiliated institutions around the world, ZTE has demonstrated its growing innovative ability, outstanding flexibility and refined delivery, enabling it to win and retain trust from clients.

Moving forward, ZTE is committed to addressing the challenges faced by the global telecom sector and to remain a world-class company that both leads and inspires.

For more information visit www.zte.com.cn