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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)

(Stock Code: 728)

PROPOSED CHANGE OF AUDITORS

China Telecom Corporation Limited (the "Company") is a subsidiary of China Telecommunications Corporation, which is a state-owned enterprise under the supervision of the State-owned Assets Supervision and Administration Commission of the State Council. Pursuant to the relevant regulations issued by the Ministry of Finance of the People's Republic of China and the State-owned Assets Supervision and Administration Commission of the State Council, there are restrictions in respect of the years of audit services that an accounting firm can continuously provide to a state-owned enterprise and its subsidiaries. KPMG and KPMG Huazhen (SGP) will retire as the international auditors and domestic auditors of the Company effective upon the close of the forthcoming 2012 annual general meeting of the Company and will not be re-appointed. The Board of directors of the Company, as proposed by the Audit Committee of the Company, has resolved to appoint Deloitte Touche Tohmatsu and Deloitte Touche Tohmatsu Certified Public Accountants LLP as the Company's international auditors and domestic auditors respectively for the year ending 31 December 2013, subject to the approval by shareholders at the annual general meeting of the Company.

KPMG and KPMG Huazhen (SGP) have confirmed in writing that there are no matters in relation to their retirement which should be brought to the attention of the shareholders of the Company. The Board is not aware of any matters in relation to the proposed change of auditors that need to be brought to the attention of the shareholders of the Company. The Board and the Audit Committee have also confirmed that there are no disagreement or outstanding matters between the Company and KPMG and KPMG Huazhen (SGP).

The proposed appointment of auditors is subject to the approval of shareholders at the forthcoming annual general meeting of the Company. A circular containing, among other things, the proposed appointment of auditors, together with the notice of annual general meeting will be dispatched to the shareholders of the Company as soon as practicable.

The Board would like to take this opportunity to express our sincere appreciation to KPMG and KPMG Huazhen (SGP) for their high quality services to the Company in the past years.

By Order of the Board
China Telecom Corporation Limited
Yung Shun Loy, Jacky
Company Secretary

Beijing, PRC, 20 March 2013

As at the date of this announcement, the Board consists of Mr. Wang Xiaochu as the chairman and chief executive officer, Mr. Yang Jie as the president and chief operating officer, Madam Wu Andi as the executive vice president and chief financial officer, Mr. Zhang Jiping, Mr. Yang Xiaowei, Mr. Sun Kangmin and Mr. Ke Ruiwen as the executive vice presidents, Mr. Wu Jichuan, Mr. Qin Xiao, Mr. Tse Hau Yin, Aloysius, Madam Cha May Lung, Laura and Mr. Xu Erming as the independent non-executive directors.