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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)

**COMPLETION OF DISCLOSEABLE TRANSACTION
IN RELATION TO THE DISPOSAL OF TELECOMMUNICATIONS TOWERS
AND RELATED ASSETS**

We refer to the announcement made by China Telecom Corporation Limited (the “**Company**”) on 14 October 2015 (the “**Transaction Announcement**”) in relation to the transfer agreement (the “**Transfer Agreement**”) the Company entered into with (i) China Mobile Communication Company Limited and related subsidiaries (together, “**China Mobile**”); (ii) China United Network Communications Corporation Limited (“**CUCL**”) and Unicom New Horizon Telecommunications Company Limited (“**New Horizon**”, together with CUCL, “**China Unicom**”, and together with China Mobile and the Company, the “**Sellers**”); (iii) China Reform Holding Company Limited (“**CRHC**”); and (iv) China Tower Corporation Limited (“**China Tower**”).

The board of Directors (the “**Board**”) is pleased to announce that all conditions precedent under the Transfer Agreement have been fulfilled and completion of the transactions contemplated under the Transfer Agreement has occurred on 31 October 2015 (the “**Completion Date**”). As a result, following the issue of the consideration shares under the Transfer Agreement, the Company, China Mobile, China Unicom and CRHC respectively will own 27.9%, 38.0%, 28.1% and 6.0% of the share capital of China Tower.

The Company intends to lease the assets that it transferred to China Tower (the “**Assets**”) from China Tower (the “**Lease**”) and is in the process of finalising the terms of the Lease with China Tower. China Tower has undertaken under the Transfer Agreement that it will allow the Company to use the Assets after the Completion Date notwithstanding that the terms of the Lease have not been finalised. The Company will pay China Tower service charges for the lease of the Assets during the period between the Completion Date and the date when the Lease is entered into.

By Order of the Board
China Telecom Corporation Limited
Chang Xiaobing
Chairman and Chief Executive Officer

Beijing, PRC, 2 November 2015

As of the date of this announcement, the Board consists of Mr. Chang Xiaobing as the chairman and chief executive officer, Mr. Yang Jie as the president and chief operating officer, Mr. Zhang Jiping, Mr. Yang Xiaowei, Mr. Sun Kangmin and Mr. Ke Ruiwen as the executive vice presidents, Mr. Zhu Wei as the non-executive director, and Mr. Tse Hau Yin, Aloysius, Madam Cha May Lung, Laura, Mr. Xu Erming and Madam Wang Hsuehming as the independent non-executive directors.