



FOR IMMEDIATE RELEASE

Astute Networks and ZTE Announce Strategic Technology Partnership

SAN DIEGO, Calif., Feb. 9, 2009 – ZTE Corporation (ZTE), a leading global provider of telecommunications equipment and network solutions, and Astute Networks, Inc., a leading provider of bladed storage solutions optimized for the most demanding applications on the edge of the network, today announced the two companies have entered into a strategic technology partnership to supply world-class Advanced Telecommunications Computing Architecture (ATCA) products to the telecommunications market.

Under the terms of the OEM agreement, the companies will jointly develop ATCA server/storage products for wireless and wire-line telecommunications customers worldwide. The products will be based on ZTE's server blade platform and will incorporate Astute Networks' Caspian Edge Storage Blade family, resulting in a completely integrated off-the-shelf ATCA solution for telecommunications applications such as mobile handset and IPTV.

"Astute Networks' focus on bringing innovative products to the telecommunications market was a fundamental reason for selecting the company as a strategic technology partner," said Xiao Hongyun, general manager, server department, ZTE Corporation. "We look forward to offering distinctive server and storage solutions to our customers as a result of this mutually beneficial relationship."

"We are extremely pleased to enter into this OEM agreement with ZTE, as they are a highly regarded technology leader in the telecommunications industry," said Clark Masters, president and chief executive officer, Astute Networks, Inc. "As the wireless and wire-line markets continue to expand in China and the rest of the world, we believe that this partnership will position both companies for growth in this dynamic market."

According to market intelligence provider IDC, the number of mobile subscribers in China is expected to grow from 639 million in 2008 to 840 million in 2012.

About Astute Networks, Inc.

Astute Networks is the leading provider of bladed storage solutions for edge applications such as Telecom Network Control, IPTV/VoD, Military C4I, and video surveillance. Our focus is to provide you the most reliable storage platform with the highest performance, greatest rack densities, and power efficiencies - while being easy to deploy and maintain. Our solutions enable you to achieve lower lifecycle costs, faster time to market and higher competitiveness for you and your company. Astute Networks is located in San Diego, California and is backed by venture capital firms including Tallwood Venture Capital, Sevin Rosen Funds, Scale Venture Partners, KeyNote Ventures, U.S. Venture Partners and Narra Venture Capital. Additional information is available at www.astutenetworks.com. Astute Networks - Edge Storage Made Simple™

About ZTE

ZTE is a leading global provider of telecommunications equipment and network solutions. The ZTE product range is the most complete in the world – covering virtually every sector of the wireline, wireless, service and terminals markets. The company delivers innovative, custom-made products and services to over 500 operators in more than 140 countries, helping them to achieve continued revenue growth and to shape the future of the world's communications. ZTE commits around 10% of annual turnover to research and development and takes a leading role in a wide range of international bodies developing emerging telecoms standards. It is the fastest growing telecoms equipment company in the world, and is China's only listed telecoms manufacturer, with shares publicly traded on both the Hong Kong and Shenzhen Stock Exchanges. In the Asian *Wall Street Journal's* Readers' Survey 2007, ZTE was among the '*Top 10 Most Admired Companies in China*', the only company that was included in the Top 10 list representing the telecom industry. ZTE was awarded the "*Most Promising Vendor of the Year*" by *Frost & Sullivan* in its 2007 Asia Pacific ICT Awards, and was reported as the fastest growing telecom equipment and solutions provider among the major telecom vendors worldwide by IDC in 2007. ZTE was included in *BusinessWeek's* 2006 ranking of *China's Top 20 Brands*. For more information, please visit www.zte.com.cn.

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Media Contacts:

Astute Networks

Kirsten Garvin

+1-858-673-7700, ext. 258

kgarvin@astutenetworks.com

ZTE Corporation

Margrete Ma

Tel: +86 755 26775207

ma.gaili@zte.com.cn