



Media Contacts:

Lisa Eppert
+1-619-934-8099
mediarelations@kodiaknetworks.com

Lilian Fan, ZTE Corp.
+ 86-21-68896740
fan.ping@zte.com.cn

**KODIAK NETWORKS AND ZTE CORP. ANNOUNCE
GLOBAL LICENSING AGREEMENT FOR UMTS DEVICES
*Companies to Integrate Mobile Applications on Devices Targeted for
Enterprise and Outdoor Professional Use***

SAN RAMON, CA—Feb. 1, 2007—Mobile solutions innovator Kodiak Networks and ZTE Corp., a leading global provider of telecommunications equipment and network solutions, today announced they have signed a worldwide licensing and strategic marketing agreement. Under the agreement, ZTE will feature Kodiak Networks integrated mobile applications on multiple Universal Mobile Telecommunications System (UMTS) devices, including ruggedized handsets for several geographic and vertical markets.

The licensing agreement allows ZTE to integrate the embedded Kodiak handset client with UMTS (3G) handsets for the enterprise, professional, and field workforce markets. One of the fastest-growing telecommunications equipment companies worldwide, ZTE announced a full series of 3G handsets in December 2006. The first Kodiak-enabled ZTE handset is scheduled for release in the second half of 2007.

ZTE and Kodiak will be integrating the following applications and feature functionality into UMTS devices:

- **Mobile Conference**—Allows immediate dialout of full-duplex, mobile conference calls to both wireless and wireline participants.
- **Group SMS**—Enables convenient SMS communications with individuals or groups.
- **PTT Presence**—Displays on-screen icons indicating the real-time availability or status of individuals and groups to receive calls.
- **Push to Talk**—Provides users with an instant 1:1 or group calling communications option with fast call-setup times and guaranteed Quality of Service (QoS).
- **Voice Notes** —Allows users to leave instant voicemail messages from Kodiak-enabled PTT phones to contacts/groups with wireless or wireline phone numbers without ringing the recipient's phone.
- **Convert to Cellular**—Gives users the ability to convert a half-duplex PTT conversation to a full-duplex group conference call.
- **Call Me Alerts**— Enhances the efficiency of PTT calling by allowing subscribers to send an on-screen alert to another PTT user to request a voice conversation.

“Kodiak Networks and ZTE have forged a strong relationship to supply wireless operators with a wide range of devices spanning a variety of price points, form factors, and functionality,” said Timothy Hall, Vice President of Strategic Alliances, Kodiak Networks. “Going forward, Kodiak will support ZTE in meeting the needs of wireless device customers requiring advanced group communications capabilities and sustainable handset performance, especially under environmentally challenging conditions.”

“As the uptake of 3G services continues to grow, consumers and prosumers are demanding handsets with an integrated mobile applications suite and a rich feature set,” said Li Ying Feng, General Manager, 3G Mobile Products, ZTE Corp. “Together with Kodiak, ZTE is packaging these services into attractive mobile devices for both market segments, as well as specialty ruggedized devices for field personnel, public safety, and outdoor workforces.”

About Kodiak Networks

Kodiak Networks (www.kodiaknetworks.com) provides wireless operators with the Kodiak Connected Portfolio, a comprehensive set of mobile solutions that help increase revenue, promote community/group-based communications, and improve customer retention. The Portfolio includes solutions targeted at business, family, and social networking communities; an integrated mobile applications suite; and client interfaces for open OS and embedded devices. Portfolio components are based on the Kodiak RTX, a flexible, multigenerational IMS platform, which easily scales from independent operators to multinational carriers utilizing 2G or 3G networks. Kodiak customers span the globe and include commercial deployments in North America, Europe, India, and Asia/Pacific.

About ZTE Corp.

Founded in 1985, with global headquarters in Shenzhen, P.R. China, and operations in more than 100 countries, ZTE (000063.SZ, HKSE: 0763.HK) is a leading global provider of fixed line and mobile telecommunications equipment and network solutions. The ZTE product range is the most complete in the world, covering virtually every sector of the wireline, wireless, and terminal markets. ZTE offers its customers a unique range of services. The company delivers innovative, custom-made products and services to major operators around the world, helping them to achieve continued revenue growth and shape the future of the world's communications. ZTE was the only Chinese IT and telecoms manufacturer listed in the *Business Week* 2005 Top 100 Information Technology Companies.

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