

InfoChina Stock Express Daily News

– *On the Chinese Companies Publicly Traded in the U.S. –*
AHEAD of Market and IMPACT Market

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JRJ adopts new online payment platform service

BEIJING, March 23 (InfoChina) – China Finance Online Co., Ltd. (NASDAQ: JRJC), which runs China's leading finance website www.jrj.com, launched cooperation with www.99bill.com to enjoy the latter’s online payment platform.

As a reward, the company will provide financial information and five million sets of leading financial software to the subscribers of www.99bill.com, which is China's first online payment platform based on Email and mobile phones. (Edited by Li Xiaoyu, Lixy@xinhua.org)

China Netcom profit surges in 2005

BEIJING, March 23 (InfoChina) – China Netcom Co., Ltd. (NYSE: CN) announced that its net profit reached 13.888 billion yuan in 2005, surging by 414.56% year on year as against the 2.699 billion yuan for 2004.

The growth rate is far higher than former predictions about a growth of 26%-68%.

According to the company's financial report, China Netcom generated a total revenue of 87.232 billion yuan in 2005, including 3.405 billion yuan of installation fees. The revenue after deduction of installation fees was 83.827 billion yuan, growing by 5.9% year on year.

The company's earning before interest, tax, depreciation and amortization (EBITDA) was 42.149 billion yuan, 9.9% more than the one-year-earlier number, with a growth rate growing from 48.5% in 2004 to 50.3%.

The profit per share of China Netcom reached 21 yuan in 2005, 0.48 yuan higher than that in 2004. The company delivered 0.466 HK dollars per share at the end of 2005, 11.59 times the 0.037 HK dollars per share at the same time of 2004.

China Netcom acquired the assets and businesses of its patent company, China Network Communications Group (CNC), in Heilongjiang province, Jilin province, Inner Mongolia Autonomous Region and Shanxi province in October 2005. According to Li Fushen, these assets contributed 18.5 billion yuan to the listing company, accounting for 15% of its total profit.

Zhang Chunjiang, president of the company, reveals that China Netcom still has no plan to acquire rest assets of the group.

Besides, whether the parent company or the listed one will invest in 3G remains undecided. And the company has not decided to adopt TD-SCDMA standard or WCDMA standard yet, due to the uncertain schedule for issuing 3G license and relevant supervision policies on 3G. (Edited by Li Xiaoyu, Lixy@xinhua.org)

China Mobile eyes building Monternet into country's largest advertisement platform

BEIJING, March 23 (InfoChina) – China Mobile Co., Ltd. (NYSE: CHL) plans to build Monternet into the largest advertisement platform in China by launching cooperation with Fractalist, a China-based wireless advertisement provider, according to Beijing Times.

They will provide advertisement service based on wireless Internet via existed value-added services, including SMS, MMS, IVR, game download and Monternet browser, to domestic enterprises starting in April.

That will make China Mobile one of the largest advertisement service providers in China, thanks to its 260 million mobile phone subscribers, more than 100 million registered Monternet subscribers, more than three million subscribers browsing Monternet daily, and more than three million joining in Monternet every day. (Edited by Li Xiaoyu, Lixy@xinhua.org)

China Telecom to expand into Russia

BEIJING, March 23 (InfoChina) – China Telecom Co., Ltd. (NYSE: CHA) inks a cooperation agreement on international telecom business with a Russian telecom operator on Wednesday, according to China Business News.

This is another cooperation agreement reached between Chinese and Russian telecom companies, next to the Memorandum on Transmitting Programs of Olympic Games via Satellites signed by China Netcom Co., Ltd. (NYSE: CN) and the a Russia telecom operators on March 21.

Experts deemed the agreement of China Telecom as a continuation of its strategy to expand into North Asia and Europe.

The company signed an agreement with a Russian operator to build a trans-border optical-fiber cable system on July 15, 2004. The company also made headways in other neighboring countries. In 2004, it began to construct land optical-fiber cable and transmission channels between China and Vietnam, China and Laos, and China and Burma. (Edited by Li Xiaoyu, Lixy@xinhua.org)

China Oilfield joins parent in deepwater rig investment

BEIJING, March 23 (InfoChina) – China Oilfield Service Ltd. (“COSL”, HK2883), a subsidiary of China’s top offshore oil producer CNOOC Group, saw 2005 net profit grow to 821 million yuan, with a year-on-year rise of 17%.

According to its 2005 annual report, COSL’s turnover in 2005 reached 4.788 billion yuan, a year on year increase of 25.2%. Operating profit was 850 million yuan, up 22.8% over 2005.

COSL, which is experienced only in drilling in shallower water, always benefits from growing capital expenditure by sister firm CNOOC Ltd. (NYSE: CEO, HK0883).

Besides continuing seeking overseas opportunities, the company is also planning with its state-owned parent to move into over 3,000 meters-deepwater operations.

The company plans to co-invest up to 600 million U.S. dollars in a deepwater drilling rig with the group to serve the need of CNOOC Ltd.

The rig will operate in 2,500 to 3,000 meters of water depth, and will use technology from Norway-based Atlantic Deepwater Technology. (By Mo Lin, molin@xinhua.org)

China Telecom reports higher earnings for 2005

BEIJING, March 23 (InfoChina) – China Telecom (NYSE: CHA) earned a net profit of 21.131 billion yuan over a turnover of 162.529 billion yuan (installation fees excluded) in 2005, respectively 8.0% and 4.2% higher than the corresponding numbers for 2004.

The performance is generally within market expectations, which put the company’s net profit for 2005 at 21-21.9 billion yuan.

By 2005, the company has 210 million subscribers, a year-on-year increase of 23,450, a negligible growth as compared to the country’s huge population. Its Internet access subscribers grew by 7.19 million to reach 21.02 million in 2005. The company

claims its value-added service (VAS) realized a historical breakthrough in 2005. Bring a revenue of approximately 10 billion yuan, 6% of the yearly total, the VAS segment pushed up the company's revenue by 2.5% year on year.

Investment banks unoptimistic about China Telecom's 2006

BEIJING, March 23 (InfoChina) – In spite of the company's within-expectation performances in 2005, investment banks are generally unoptimistic about China Telecom's (NYSE: CHA) 2006.

According to statistics by the Ministry of Information Technology, the net growth of China's mainland fixed-line subscribers failed to meet planned target since 4Q'05, showing China Telecom's fixed-line business growth in 2H'05 was slower than that 2H'05, investment bank UBS pointed out.

JP Morgan predicted that the company has to face huge TD-CDMA investment in 2006 other than a possible negative growth in voice business.

Lehman Brothers, however, is relatively optimistic. It says the company's voice business will continue to be replaced by mobile telecommunications, but its ADSL and value-added service will become China Telecom's major growth-driving factors. The investment bank rates China Telecom at "neutral".

According to China Telecom's recent report, its subscriber population (including PHS users) grew 1.49 million or 2% to hit 213 million. Word spread that it will launch large-scale tests of PHS with 10 equipment providers in Shanghai, Guangdong, Fujian and Jiangsu. (Edited by Li Xiaoyu, Lixy@xinhua.org)

China Mobile subscribers grew by 4 million in Feb., mostly from rural area

BEIJING, March 23 (InfoChina) – China Mobile Co., Ltd. (NYSE: CHL) claims that its subscriber population grew by 4.203 million in February, a pace 3.2% faster than the 4.072 million in January high and a single-month high since January 2003. In a breakdown, 4.014 million, or 95.5%, were pre-paid subscribers and 189,000 were registered ones, growing by 1.54% and 58.8% month on month respectively.

The growths in Jan.-Feb., totaling 8.275 million, make the company's subscribers to reach 255 million.

The company's subscriber population has grown by 3.9 million for five months in a row. The momentum is widely regarded to be able to continue into the later part of this year.

Most of the new subscribers come from rural areas, according to Wang Xiaochu, CEO and president of China Mobile. Wang says the company's per-subscriber expense on telecommunication will be dragged down due to less frequent mobile phone usages by rural subscribers.

China Mobile is reported to be seeking to buy into the Phoenix Satellite Television Co., Ltd. Both sides have dismissed the rumor. (Edited by Li Xiaoyu, Lixy@xinhua.org)

Chalco to raise electrolytic aluminum capacity to 3 million tons

BEIJING, March 23 (InfoChina) - Aluminum Corp. of China ("Chalco", NYSE: ACH, HK: 2600) plans to increase its electrolytic aluminum capacity to three million ton/year in 2006, according to Xiao Yaqing, CEO of Chalco.

The company also plans to control its budget within 10 billion yuan in 2006.

Besides, the company will also expand its aluminum oxide capacity to 12 million tons in three years while exploring for downstream market and raising the output of high value-added products. Its downstream products output is expected to rise from the current 60,000 tons to 480,000-600,000 tons in the future.

Xiao also predicted that Chalco will see a cost rise in 2006, but the number should be lower than that of last year. (Edited by Yin Jie, yinjie@xinhua.org)

PetroChina to import 9 million tons of Russian crude in 2006

BEIJING, March 23 (InfoChina) – PetroChina (NYSE: PTR), China's largest oil producer, is scheduled to import 9 million tons of Russian crude in 2006, the company's chairman Chen Geng, said at a high-level Sino-Russia economic forum here on March 22.

Russia's state-owned Transneft will provide 8 million out of the 9 million tons of the crude, Chen said.

PetroChina bought 5.18 million tons of Russian crude through railway in 2005, including 4.4 million tons of crude from Transneft.

PetroChina's parent CNPC signed an agreement with Transneft on March 21, promising to establish energy cooperation joint ventures in each other's territory to further the relationship between the two countries. (edited by Qiu Jun, qiujun@xinhua.org)

PetroChina promises 180 billion yuan for refining & petrochemicals in five years

BEIJING, March 23 (InfoChina) – PetroChina (NYSE: PTR), China's largest oil&gas producer but the second largest oil refiner, promises to invest 180 billion yuan in large refining and petrochemical projects in the next five years.

The projects include five refining bases with a handling capacity higher than 10 million tons/year, two arene bases, four chemical fertilizer plants and six large ethylene complexes.

PetroChina's refining capacity will reach 170 million tons by 2010, which means a new capacity of more than 45 million tons and an annualized growth rate of 5%.

The output of major petrochemical products is estimated at 20 million tons, with 12 million tons to be added.

The projected five refining bases include Dalian Petrochemicals, Fushun Petrochemicals, Lanzhou Petrochemicals, Dushanzi Petrochemicals and West Pacific Petrochemicals, a Dalian-based joint venture among PetroChina, Total and Sinochem. (Edited by Qiu Jun, Qiujun@xinhua.org)

BAIDU search service implanted in Nokia handsets

BEIJING, March 23 (InfoChina) - Baidu.com (Nasdaq: BIDU) cooperates with Nokia, the biggest manufacturer of mobile phone in the world, to provide Nokia users with Baidu search service.

The service will be available on Nokia N70 and Nokia N90 handsets, which are based on the S60 platform.

It is learned that the two types of handsets will hit the Chinese-language markets, including the mainland, Hong Kong and Taiwan, in 2006. By then, buyers can access Baidu search service wirelessly.

The cooperation is similar to that of Shanda (NASDAQ: SNDA) and Motorola, which will jointly introduce handsets with Shanda games this June. (By Yang Liu, yangliu@xinhua.org)

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