

Eye on China

A View from Shanghai

Week of May 19-May 25, 2007

Merchant Banking Advisory In China for Over Twenty Five Years

ChinaVest

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Market Weekly

Shanghai Composite Index

- 5/18 Close: **4,030.26**
- 5/25 Close: **4,179.78**
- Weekly Change: **↑ 3.710%**
- Since 1/1/07: **↑ 56.226%**

Shenzhen Composite Index

- 5/18 Close: **12,100.10**
- 5/25 Close: **12,681.45**
- Weekly Change: **↑ 4.805%**
- Since 1/1/07: **↑ 90.781%**

Exchange Rate

- 5/18: US\$1 = **RMB 7.692**
- 5/25: US\$1 = **RMB 7.662**
- Weekly Change: **↑ 0.390%**
- Since 1/1/07: **↑ 1.995%**

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Automobiles

1) Daimler Chrysler to Swap One JV for Another

German-US auto group DaimlerChrysler AG will acquire a stake of major Chinese truck producer *Beiqi Foton Motor Co.* However, its plan to build Mercedes-Benz trucks in China with the Shanghai-listed firm still faces obstacles. Chinese regulations dictate that a single auto manufacturer can only have two passenger car JVs in China and two commercial vehicle JVs. DaimlerChrysler wants to make Mercedes-branded trucks with Beiqi Foton, but it already has two commercial JVs—one with *Soueast Motors* and another with *Yangzhou Yanxing*. In order to comply with China's laws, DaimlerChrysler confirmed that it will soon divest its entire equity stake in *Yangzhou Yanxing Benz*, a 50-50 bus manufacturing JV between DaimlerChrysler and *Yaxing Motor & Coach Group*. Despite the planned divestiture, Trevor Hale, spokesman for Daimler Chrysler in China, said the German-US group will continue to work with Yangzhou Yaxing to seek ways to "optimise our business together." In related news, China's fourth largest carmaker, *Chery*, denied reports that it suspended its compact car JV with Chrysler. A German newspaper reported that due to uncertainty after Cerberus' purchase of Chrysler from DaimlerChrysler, the JV was suspended. An official with Chery is quoted as saying, "Chery and Chrysler suspended talks amid Chrysler's sale; that is not to say the project will end." The official went on to say that Chery will enter into talks "very soon" with Cerberus regarding the status of the JV. Tom La Sorda, the head of Chrysler, said he is targeting closer cooperation between Chrysler and the Chinese automaker.

2) GM to Export US\$700 Million Worth of Cars to China

GM will export US\$700 million worth of American-made Cadillacs to its China joint venture, *Shanghai GM*. Shanghai GM is a 10-year-old JV between General Motors and *Shanghai Automotive Industry Corp (SAIC)*. The Cadillacs will be sold in the China market. Shanghai GM is having an excellent year so far, selling almost 300,000 vehicles in the first quarter, up 25% YoY. In the first four months of 2007 Shanghai GM sold more cars than any other carmaker in China. GM has enjoyed considerable success in China, curiously to some Americans, with "Buick" branded vehicles. Its market share in China is about 14%.

3) Great Wall Abandons Shanghai Listing Plan

Great Wall Motor will not list on the mainland anytime soon. Recent reports stated that China's leading SUV and pickup truck manufacturer wanted to raise capital and was seriously considering a listing in Shanghai (as was reported in last week's newsletter). Instead, the Hong Kong-listed firm will raise about HK\$1.6 billion through a secondary placement of additional shares on the Hong Kong Stock Exchange. The company said it will conduct the secondary offering in Hong Kong because a Shanghai IPO would have taken much longer. The proceeds will go toward a number of manufacturing and R&D initiatives.

Building Materials

4) Lafarge JV to Acquire Sichuan-Based Cement Company

The China Securities Regulatory Commission (CSRC) has approved *Lafarge Shui On Cement's* acquisition of *Sichuan Shuangma*. Lafarge Shui On is a JV between Lafarge and Hong Kong-listed *Shui On Construction & Materials* (market cap: HK\$5.25 billion, or approximately US\$670 million). Lafarge Shui On will pay about RMB305 million (roughly US\$40 million) for Shuangma. Lafarge Shui On's CEO, Cyrille Ragoucy, said the deal is a perfect fit, combining Lafarge Shui On's manufacturing technology and management expertise with Shuangma's well-trained workforce and market position. Shuangma is one of southwest China's largest cement firms. The cement industry in China is extremely fragmented. No company has market share of more than a few percent nationwide. The cement industry is also very capital intensive, as the manufacturing technology is quite complicated. China's cement industry needs consolidation, which presents an opportunity for major international cement players (like Lafarge) that already have both the technology and the capital. As noted in a past newsletter, private equity group KKR recently acquired a regional Chinese cement company for about US\$100 million. China's infrastructure is a key growth sector. The country urbanizes at a rate so large that it creates two Boston-sized cities per year. It consumes 60% of the world's cement and 40% of the world's steel.

Energy

5) Another China Solar Firm Lists in the United States

Chinese solar cell manufacturer *China Sunergy* listed on Nasdaq on May 17. Its shares rose 51% on the first day of trading, ending the day at US\$16.56. The company sold 8.5 million American Depository Shares (ADS) at US\$11 apiece. The listing comes on the heels of several Chinese solar IPO's. More will follow. In upcoming weeks, two more China solar energy firms (*LDK Solar* and *Yingli Green Energy*) will list on NYSE. Sunergy is the fourth Chinese solar company to list in the United States in the past seven months. And one of the four companies, NYSE-listed *Trina Solar*, is in the process of raising a US\$315 million second round of financing. Analysts believe some of the solar stocks are overvalued, especially since silicon is in short supply (silicon is the main input material for solar cells). "The market does not yet separate winners and losers," Piper Jaffray analyst Jesse Pichel told the Wall Street Journal. "There's more momentum money and less trading on good numbers." As of May 25, Sunergy's share price had dropped to US\$13.65. Yet that still represents a 24% premium to the IPO price.

Textiles

6) Chinese Textile Group to Become First non-Korean Company to List in Korea

Chinese textile manufacturer *Huafeng Textile International Group* is set to become the first non-Korean company to list in on the Korea Exchange (KRX). The listing is expected to take place in June. "If Huafeng Textile succeeds in listing, we expect more overseas and Chinese companies will follow suit," said Lee Young Tak, KRX's chief executive. It remains unclear how much Huafeng hopes to raise in the IPO. Huafeng is currently listed in Hong Kong, where it debuted in 2002. The company's market cap is about HK\$625 million. It reported 2006 sales of RMB586 million.

Internet Video Games

7) EA to Pay US\$167 Million for 15% Stake in The9

Leading U.S.-based video game developer Electronic Arts will acquire a 15% stake in Chinese online game operator *The9* for US\$167 million. The deal size is smaller than previously expected—it had been reported for the past month that EA would buy a 19.9% stake for US\$200 million. As part of the deal, *The9* will get the rights to operate EA's successful FIFA soccer game online in China. The deal will also open up future opportunities for *The9* to operate other online versions of EA games in China. For EA, the acquisition is an indirect way to enter China's online game market, which has over 30 million users and is growing at about 40% annually. *The9* is a game marketing/distribution company. It made a considerable fortune when it acquired the Chinese license to operate "World of Warcraft," arguably the most successful online video game in history, from U.S. game developer Blizzard. Both EA (market cap: US\$15 billion) and *The9* (market cap: US\$1 billion) are listed on Nasdaq.

Semiconductor/Integrated Circuit

8) Hua Hong NEC to Raise US\$300 Million in Q3 IPO

Chinese chipmaker *Hua Hong NEC Electronics* is planning a US\$300 million listing on the Hong Kong Stock Exchange. The Shanghai-based company, which is 50%-owned by Japanese electronics giant NEC, will most likely list in the third quarter. *Hua Hong NEC* tried to raise US\$500 million through a Hong Kong IPO in 2004 and then in 2005, but aborted the plans due to market sentiment and the conditions in the industry at the time. Analysts believe that current market conditions are favorable for listing, as downward price pressure in the industry has eased. Perhaps contributing evidence is found in Chinese semiconductor manufacturer *SMIC's* first quarter profits of almost US\$9 million. *SMIC* (listed on NYSE and HKSE, market cap: US\$2.7 billion) has consistently lost money since it was founded in 2000. *Hua Hong NEC* said it will build a new manufacturing plant with the proceeds from the IPO.

Software

9) Chinese Technology Company Lists on OTCBB via RTO

Jingwei International Investments, a Shenzhen-based company specializing in software and data mining, listed on the Over-the-Counter Bulletin Board (OTCBB) in the U.S. through a reverse takeover (RTO). The firm raised US\$16.9 million in the RTO. An RTO is alternative way for a company to go public. Generally the company will trade in the illiquid OTCBB for a period of time and, as the firm grows, it may subsequently qualify for listing on a larger exchange such as Nasdaq.

Telecommunications

10) Huawei and Symantec to Form JV

Chinese telecom network equipment company *Huawei* will form a joint venture with U.S. security software firm Symantec. The JV will make security and storage appliances for telecom companies. It will mix Huawei's security and storage equipment manufacturing expertise with Symantec's software expertise. Huawei will provide its intellectual property, facilities, and 750 employees in manufacturing, R&D, and engineering. Symantec will provide software licenses, management, and US\$150 million for the JV's expansion. Huawei will hold a 51% stake in the venture and Symantec will hold 49%. Huawei is a major international telecom equipment firm, having won large contracts to provide routers, switches and other hardware to telecom operators throughout the world.

Air Travel

11) Singapore Airlines Close to Acquiring Stake in China Eastern

Singapore Airlines (SIA) is currently in late-stage negotiations to buy a stake in China's third-largest airline, *China Eastern*. China Eastern's performance over the last few years has been substandard. It posted losses of US\$60.9 million in 2005 and US\$431.9 million in 2006. However, China Eastern controls the booming Shanghai aviation market and Singapore Airlines seems interested in its growth prospects. SIA indicated its intention to acquire a 25% stake in China Eastern, the maximum foreign ownership in an airline allowed by Chinese law. China Eastern's share price began climbing one year ago when it was rumored that SIA was trying to acquire a stake. Share prices have roughly tripled since then. It has been reported that SIA will not pay more than HK\$6 billion for whatever percentage stake it acquires, even if it ends up being less than 25%. HK\$6 billion (around US\$770 million) represents roughly 5% of SIA's current market cap, which is about US\$15.3 billion. *Temasek Holdings* will likely join SIA in the bid. Temasek Holdings is Singapore's state investment fund. It owns 56% of SIA.

Banking

12) China Merchants Bank Acquiring Stake in Fund Manager

China Merchants Bank will move into the fund management business when it purchases a 33.4% stake in affiliated firm *China Merchants Fund Management*. After the deal closes, the shareholders of China Merchants Fund Management will be China Merchants Bank (33.4%), China Merchants Securities (33.3%), and ING Asset Management (33.3%). China Merchants Bank, the mainland's sixth-largest lender, believes the purchase will complement its commercial banking business and allow it to become a more diversified financial services group. A China Merchants bank executive said the bank will also offer private banking services for wealthy clients in the near future. In March, another large bank (*Bank of China*) rolled out private banking services in Shanghai, becoming the first domestic bank to do so.

13) Two More Foreign Banks Win Approval to Conduct RMB Business

The *China Banking Regulatory Commission (CBRC)* has given final approval to Japan's Mizuho Bank and Singapore's DBS Bank to incorporate locally and offer RMB services to Chinese citizens. The two banks will probably begin offering RMB depository and loan services within the next few weeks. The first batch of four foreign banks began offering RMB services in March. Those banks were HSBC, Standard Chartered, Citigroup, and Hong Kong's Bank of East Asia. An additional seven foreign banks are expected to receive final approval to incorporate soon. China only fully opened its banking sector to foreign banks within the last six months, as was mandated by its WTO commitments. Previously, foreign banks could only offer foreign currency services. Thus far, newly-incorporated foreign banks have found success targeting wealthy Chinese with asset management services. At the moment, with very few branches, foreign banks find it difficult to compete head-to-head with China's largest banks in retail banking.

Logistics

14) Chinese Logistics Company Purchases German Airport

Private Chinese logistics company *Linde Group* (English name: *LinkGlobal Logistics*) will buy the Parchim Airport in northern Germany for RMB1 billion (US\$131 million). Linde will use the airport for cargo flights and for passenger charter flights. Linde specializes in air freight, ocean freight, and other logistics services. Linde's Chairman, Pang Yuliang, said the company will eventually start operating air cargo services from Zhengzhou, China to the German Airport. Linde is based in Zhengzhou, which is the capital of central China's Henan province. Pang apparently outbid 10 other bidders for Parchim Airport in an international tender. Parchim will become the first Chinese-owned European airport. It is located near Schwerin, a city that is reasonably close to both Berlin and Hamburg.

Other Financial

15) China to Invest US\$3 Billion in Blackstone Group

China's State Foreign Exchange Investment Company will invest US\$3 billion in Blackstone Group. The investment should give China about a 9.9% stake in Blackstone. With the announcement coming just ahead of the Strategic Economic Dialogue between China and the U.S., China's large investment in an American company has made many pundits take notice. The U.S. Congress has become increasingly impatient with China's undervalued Yuan and the increasing trade deficit. The deal, however, won't have much of an effect on either front. The trade gap is predicted to exceed US\$250 billion this year, and China's forex holdings total over US\$1.2 trillion (a large portion of which are in U.S. government bonds). China's forex holdings are currently growing by US\$3 billion (amount invested in Blackstone) about every five days. The investment is, however, a likely precursor to large amounts of Chinese investment flowing into U.S. private equity in the future.

From China's perspective, the creation of the State Foreign Exchange Investment Company will help diversify its forex holdings and provide access to higher returns (than U.S. Treasuries, for example). The company actually has yet to be formally established, but should be operational by the end of the year. *China Huijin*, an investment arm of China's central bank, loaned the US\$3 billion for the Blackstone investment.

Retail

16) Chinese Retail IPOs Fare Well in Hong Kong

China-based ladies shoe retailer *Belle International Holdings* had a successful debut on the Hong Kong Stock Exchange, with shares jumping 32% on the first day of trading (Wednesday, May 23). Shares ended the week up 27%. Belle raised HK\$8.7 billion (US\$1.1 billion) in Hong Kong's most sought-after IPO. Belle received HK\$434 billion in retail subscriptions, which topped ICBC's HK\$411 billion last October. The initial retail tranche ended up more than 500 times oversubscribed, so the retail portion was increased to 50% of the IPO from 10%. Chinese supermarket and department store operator *Jiahua Stores* also listed in Hong Kong this week, with its IPO seemingly lost in the hubris surrounding Belle. Jiahua raised net proceeds of HK\$237 million. Its shares closed 40% above the IPO price on the first day of trading (Monday, May 21) and finished the week up 38%. The retail portion of Jiahua's IPO was 671 times oversubscribed. Belle's market cap is currently about HK\$65 billion (about US\$8.3 billion), while Jiahua's is HK\$1 billion.

17) Gome Expresses Desire for Strategic Investors

Gome, China's largest electronic appliances retailer, seeks strategic investors rather than financial investors. The Hong Kong-listed company just issued HK\$6.55 billion worth of new shares, and will use the money to consolidate its No. 1 position on the mainland. This will include opening up to 100 new stores. CEO Chen Xiao said the company seeks investors but "does not want financial investors." Warburg Pincus, one of the world's largest private equity firms, invested in the company and subsequently cashed out HK\$1.21 billion of Gome's shares, a type of partnership Chen does not want to repeat. Chen also said the company hopes to list on the mainland in the near future. Future financing from strategic investors and the mainland markets would be used for continued expansion. Gome's market cap now stands at about HK\$37.3 billion (almost US\$5 billion).

Macro

Chinese Government Active Ahead of Economic Summit

China's vice premier, Madame Wu Yi, led a delegation that traveled to Washington for the Strategic Economic Dialogue talks on May 22-23. This was the second Strategic Economic Dialogue, the first occurring six months ago in Beijing. In the days leading up to the talks, China took a number of actions aimed at showing the U.S. that it is committed to cooperating in achieving economic policy goals. Below we provide details on some of those actions.

- People's Bank of China (PBOC), China's central bank, increased the daily amount the Yuan can deviate from its central parity rate. The daily trading band around the Yuan will move from 0.3% to 0.5%. Top officials have said that the Yuan will rise between 6% and 7% this year, which will double its increase of just over 3% in 2006.
- China imposed export taxes on almost 150 goods and reduced import tariffs on over 200 items. The government increased export taxes on steel products, nickel, lead, zinc, and other metal products by up to 10-15%. Additionally, import tariffs were reduced on other items to encourage imports. Those include coal and fuel oil, home appliances, and an assortment of other products.
- China cancelled an export credit subsidy program. The program gave certain large exporters subsidies, such as low-rate loans, for exporting certain goods. China recently dropped the program after the U.S. complained to the WTO.
- PBOC raised the one-year deposit rate by 27 basis points (to 3.06%) and the loan rate 18 basis points (to 6.57%). Although these rate hikes were expected, analysts didn't expect them to come through until well after the talks in Washington. China's central bank also raised the required reserve ratio for banks by 50 basis points to 11.5%, even though it had just increased the RRR two weeks earlier. The moves are an attempt to curb liquidity and slow down China's economy.
- A Chinese delegation of companies toured the U.S. and signed agreements to purchase over US\$20 billion worth of goods from American companies. The Chinese companies bought a wide variety of goods, from soybeans to semiconductor manufacturing equipment. The "shopping trip" was organized to appease the U.S. Congress and show that China is eager to import American goods. In the past, China has sent delegations of companies on similar trips to the U.S. immediately before political talks.
- As we reported in last week's newsletter, China released new Qualified Domestic Institutional Investor (QDII) Rules, which will allow Chinese domestic financial institutions (and through them, Chinese citizens) to invest in overseas markets. CSRC set China's total quota at US\$15 billion, which it will certainly raise in the future when the current quota is filled. This move is mostly geared to solve domestic issues. CSRC hopes the QDII program will act as an outlet to funnel some of the excess liquidity in the domestic stock markets into overseas investments. Outside of the QDII program, Chinese citizens do not have an outlet to invest overseas.
- The Export-Import Banks of both China and the United States signed agreements to finance exports of U.S. goods to China (more details later in the newsletter).

Macro

Vice Premier Participates in Strategic Economic Dialogue

Vice Premier Wu Yi personally met with U.S. Treasury Secretary Hank Paulson. Madame Wu and others also spoke with members of Congress and President Bush about a number of topics. The underlying issue for all discussions was trade between the two nations.

As many of our readers know, economic friction between the United States and China is growing. From the American perspective, the larger issues include an undervalued Yuan, intellectual property concerns and a large, growing trade gap. The U.S. has even taken some concrete actions against China. Several weeks ago Washington imposed anti-dumping tariffs on glossy paper imports from the mainland and filed a complaint with the WTO over China's handling of piracy issues. Only a week before the talks, a U.S. panel voted to impose tariffs of up to 44.3% on polyester fiber imports.

The economic tension means the talks come at an important juncture. The U.S. Congress said before the talks began that it could "move forward with legislative action" to impose widespread tariffs on Chinese goods if significant steps weren't made during these talks.

All in all, the discussions were productive, even though some are still unsatisfied with the progress. "While we have much more work to do, we have tangible results for our efforts thus far," said Paulson. Madame Wu Yi was markedly more optimistic, calling the talks a "complete success." Let's take a look at what was accomplished and what wasn't.

Agreements:

- Non-Chinese securities firms will be allowed to conduct brokerage, fund-management, and proprietary trading services. Secretary Paulson, the former head of Goldman Sachs, put emphasis on opening up areas of China's financial sector. Traditionally, China has restricted foreign involvement in the financial sector in order to develop domestic financial enterprises.
- American banks will be allowed to offer Yuan-denominated credit and debit cards.
- The Qualified Foreign Institutional Investor (QFII) quota will be raised from US\$10 billion to US\$30 billion. QFII refers to a program limiting the amount of foreign money that can be invested in China's stock markets. Again, this is part of the opening up of China's financial sector to the rest of the world. (Ironically, at the moment, many foreign investors are profit-taking. They seem eager to pull out of the Chinese markets after having made a substantial amount of money. See stock market returns on page 1 of the newsletter).
- U.S. airlines will be able to operate more passenger and cargo flights to China. By 2012, U.S. airlines will operate 23 flights between the U.S. and China, up from the current 10. In 2010 the two countries will begin discussing how to fully open the market to U.S. airlines. China has kept its air travel industry relatively closed to U.S. players fearing that local airlines wouldn't be able to compete. Also, cargo traffic will be virtually unrestricted within four years.

Regulations & Macro

Stalemates:

- The U.S. made no progress in swaying China on the Yuan issue. Some members of Congress say the Yuan is 40% undervalued, and must be revalued immediately. We believe an immediate revaluation of the Chinese currency is neither prudent, nor realistic for many reasons. We do, however, think that China will slowly let the Yuan revalue over the coming months and years.
- Paulson wanted China to raise the percentage stakes foreign firms can hold in Chinese financial firms (banks, fund management companies, securities firms, etc). Chinese banks, for example, can only be 25% foreign-owned, and each individual foreign shareholder is limited to 19.99%. By setting limits, the Chinese government believes it will acquire the necessary capital, best practices, technology and know-how without putting its financial system completely in the hands of foreigners.

Except to those who had unrealistic expectations, it is clear that both sides made progress. With the trade gap hitting a record US\$232.5 billion last year and projected to exceed US\$250 billion this year, we believe that a significant rise in the Yuan's value will not have a huge affect on the trade surplus. Congress must also consider the benefits of China including the deflationary effect of lower priced goods produced on the mainland, as well as the fact that by buying U.S. Treasuries in such great quantities, it helps keep U.S. interest rates low. Clearly there are still issues to resolve between the two nations but overall, steady progress was made.

The next Strategic Economic Dialogue will take place in Beijing in December.

Macro

China and U.S. Ex-Im Banks Agree on Trade Financing

The Export-Import Banks of both China and the United States recently signed agreements that support financing for export transactions to China. One specific agreement states that financing will be provided for export transactions of greater than US\$20 million. Another agreement states that transactions involving the sale of U.S. medical equipment to Chinese hospitals will receive financing. When the agreements were signed, James H. Lambright, the chairman and president of the U.S. Ex-Im Bank stated, "These agreements deliver results. They also establish a strong foundation for working together to support America's exporters and China's development. The cooperation between our two banks embodies the essence of the Strategic Economic Dialogue." Coupled with other measures, assisting exports from the U.S. to China will help reduce the widening trade gap.

Chinese Companies Sign US\$2 Billion Worth of Deals with Vietnam

At a recent China-Vietnam enterprises forum in Beijing, business leaders from the two nations signed nine deals worth a total of US\$2 billion. Among the deals, *China Merchants Group* signed a deal to invest about US\$1 billion in Ho Chi Minh City. *China Huadian*, a major state-owned power company, signed a US\$650 million deal for power generation in Vietnam. *China Airport Construction Group* signed a US\$400 million deal in which it will build highways in the Southeast Asian nation. Currently, China's investment projects in Vietnam total about US\$800 million. China and Vietnam have been cooperating recently, dealing with such issues as facilitating trade between the two nations. Vietnam is shaping up to be an important emerging market in Southeast Asia, and will present some significant investment and trade opportunities for Chinese companies.

Deals in China

M&A Activity

Acquirer	Description	Target	Description	Amount	Deal details
State Foreign Exchange Investment Company	new company created by the Chinese government to invest some of the country's forex reserves	Blackstone Group	American private equity group	US\$3 Bil	9.9% stake
Lafarge Shui On Cement	cement making JV between French giant Lafarge and HK-listed Shui On Construction & Materials	Sichuan Shuangma	Sichuan-province based cement maker	RMB 305 Mil	controlling stake
Electronic Arts	U.S.-based video game maker	The9	China-based online game operator	US\$167 Mil	15% stake
Sinochem	Shanghai-listed major state-owned chemicals group	Nantong Jiangshan Agrochemical & Chemical	manufacturer of agrochemicals, resins, caustic sodium, and other chemicals	RMB 500 Mil	28% stake
Linde Group (LinkGlobal Logistics)	Henan province-based global air freight and ocean freight logistics provider	Parchim Airport	airport in northern Germany	RMB 1 Bil	100% stake
Hong Kong Pharmaceutical Holdings	HK-listed traditional Chinese medicine and health food retailer	China Wind Power Investment	Operates, manages, and invests in wind power generating facilities in China	up to HK\$200 Mil	100% stake

Deals in China

IPO Pipeline

Company	Description	Exchange	Size	Financial Advisors
Hua Hong NEC	major Chinese IC maker, 50%-owned by NEC, based in Shanghai	Hong Kong	US\$300 Mil	BNP Paribas
China State Construction Engineering Corp (CSCEC)	China's largest construction group, mainly operates in construction and real estate, also the parent of Hong Kong-listed China Overseas Land	Shanghai	N/A	N/A
Huafeng Textile International Group	Hong Kong-listed, China-based fabric maker	Korea Exchange	N/A	Daewoo Securities