

## SinoCast Computers/Electronics Business Beat

### Intel to Partner Haier against AMD in China

QINGDAO, November 2, SinoCast -- Global semiconductor giant Intel is to team up with Chinese home appliance leader Haier Group to fight with its rival AMD in the Chinese rural market.

In the future three years, Haier and Intel will jointly develop low-price PCs notebook computers aimed at farmers in rural areas. They are now working hands in glove to sell 1 million such PCs in Henan Province.

Their cooperation in the rural market will not be limited to CPU, distributors of Intel PC will also sell Haier-branded PCs. Moreover, Haier is to expand its specialty stores in the rural areas to more than 2,000 by the end of 2007. Intel will help Haier develop massive dealers into its franchisers.

PC titans at home and abroad like Lenovo, HP, and Dell all promote PCs using AMD processors at CNY 2,000 to CNY 3,000 in the rural market. Haier has been a long-time

partner of Intel, so, the latter supports the former with resources and technology in their new moves.

### TCL Group Net Profits Hit CNY 18.93 mn

SHENZHEN, November 2, SinoCast -- TCL Group, a major home appliance maker in China, unveiled yesterday its third quarter financial report showing the company met a total sales revenue of CNY 9.86 billion during the period, with net profit of CNY 18.93 million.

And for the first nine months this year, TCL Group made total sales of CNY 2.83 billion, and its net profits stood at CNY 67.69 million.

Debt to asset ratio had been 71.15% by the end of third quarter this year, down 7.59% from the comparable period one year before due to the share placement of TCL Communications and share offering of TCL Multimedia.

TCL Multimedia, one of the branches of TCL Group specializing in television distribution, made fewer losses during the period. It sold a total of 3.86 million sets of televisions during the period, remaining the fourth largest television maker in the world.

TCL televisions accounted for 18.8% of the local market in Mainland China, according to latest figures from the nation's Ministry of Commerce.

In Europe, top 15 of its customers contributed to as much as 80% of its total sales, saving a lot of sales cost for the company.

As for TCL Communications, it lately joined hands with Alcatel in hopes of re-launching Alcatel branded mobile phones in China. Now it vows to get back the market share it had lost during the past few years.

Li Dongsheng, president of TCL Group, says that TCL Communications now is snowed with orders for next year and he expects sales of TCL Group will increase 44% in the fourth quarter of 2007, with a yearly sales volume of 12 million mobile phones by the year-end.

Along with its sounding third quarter financial report, TCL, a long-established home appliance maker in Shenzhen, China, announced that Li Dongsheng, chairman of the group appointed five new vice presidents

to make up the vacancies left by Yang Weiqiang, who resigned from his post lately.

As the board of directors of TCL has approved these appointments, Liu Fei and Fu Lianming will be senior vice presidents of the company; Wang Kangping, Yu Enjun, and Yu Guanghui will take the office of vice president.

Yang Weiqiang previously resigned as general manager of TCL's computer business due to the waning performance. He will hence leave TCL after the latest resignation.

Since early this year, several senior executives in the group resigned their posts and the personnel change is understood to result from TCL's waning performance for years.

The spokesperson for the company says that TCL hopes its new management team will take the company from strength to strength after it made a turnaround in the first half year of 2007.