

CNOOC in China's biggest overseas deal

Oil, gas company to buy Canada's Nexen for \$15.1b to tap North American market

CNOOC Ltd has agreed to pay \$15.1 billion in cash to acquire Nexen Inc, the Calgary-based oil and gas producer, in the biggest overseas acquisition by a Chinese company.

China's largest offshore oil and gas explorer is paying \$27.50 for each common share, a premium of 61 percent

to Nexen's closing price on Friday, according to its statement to the Hong Kong Stock Exchange on Monday.

Nexen's board has recommended the deal to its shareholders.

Nexen, whose assets include conventional oil and gas, oil sands and shale gas, will give CNOOC assets in Canada, the United Kingdom, West

Africa and the Gulf of Mexico that produced 207,000 barrels a day in the second quarter, boosting the Chinese buyer's output by about 20 percent.

The deal is a second attempt by CNOOC to buy a large North American oil and gas producer after political opposition blocked the acquisition of Unocal Corp in 2005.

"CNOOC did a nice job in adding oil reserves at less than \$20 a barrel," said Shi Yan, a Shanghai-based energy analyst at UOB-Kay Hian Ltd.

"It's really a good time to buy assets while crude prices are low and energy firms shed values in stock markets."

CNOOC will offer to buy Nexen's preferred shares and the Canadian company's debt of \$4.3 billion will remain in place, the statement said. CNOOC will pay for the acquisition using existing cash funds and external financing.

"The acquisition of Nexen will expand the group's overseas business and resource base in order to deliv-

er long-term sustainable growth," CNOOC said in the statement.

"Nexen will complement the group's large offshore production footprint in China."

The Chinese company is paying 8.84 times earnings before interest and tax for Nexen, compared with the median of 33.06 of 10 comparable deals, according to data compiled by Bloomberg.

The Beijing-based company will add 900 million barrels of oil equiv-

alent reserves at \$19.94 per barrel through the deal, according to a document posted on the company's website.

CNOOC plans to boost output by as much as 2.7 percent this year to the equivalent of as much as 340 million barrels of oil. CNOOC lost production from its largest offshore oilfield in the first quarter after the site was temporarily shut down.

BLOOMBERG

Federation warns of tough H2 for machinery sector

By DU JUAN
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This year will be the toughest for China's machinery industry since 2009, an industry leader said on Monday.

"The growth of the industry in the first half was much slower than we expected, and the second half won't be much easier either,"

said Cai Weici, vice-president of the China Machinery Industry Federation.

He made the remarks after the release of first-half figures for the industry, which accounts for nearly one-fifth of China's exports and imports.

The industry's output stood at 8.7 trillion yuan (\$1.4 billion) from January to June, increasing 12.17 percent year-on-year, according to the China Machinery Industry Federation.

The growth rate was significantly lower than the 27.08 percent registered in the first half of last year.

Cai estimated that the industry's

growth rate for the whole year will be 14 percent, down from last year's 25 percent.

He added that machinery exports are expected to rise 15 percent year-on-year, but the industry's profits are only expected to grow by 5 percent.

"Structural adjustment from low end to high end is the key to help companies get through this difficult time," Cai said.

"It is urgent that companies restructure as the government will not carry out massive stimulus policies such as in 2009."

The average price of machinery products fell in the first six months, with prices in 61 out of 142 product categories falling compared with a year ago.

Meanwhile, orders received by major companies in the industry declined 0.95 percent year-on-year, compared with 20 percent growth last year.

However, Cai said inquiries increased recently after the central government introduced a series of



A worker at an electromechanical equipment workshop in Huaibei, Anhui province. The output of China's machinery industry increased 12.17 percent year-on-year in the first half of the year, much slower than at the same time last year.

WU HE / FOR CHINA DAILY

policies to boost economic growth.

Private companies performed better than their State-owned counterparts in the first half.

Private companies realized a total output value of 4.79 trillion yuan in the first half, an increase of 17.47 percent. The growth rate was 5.3 percentage points higher than the industry's average.

"Compared with State-owned enterprises, private ones are more sensitive to the market and they change their strategies faster," Cai said.

Private companies in the industry made a profit of 2.07 trillion yuan, up 16.73 percent year-on-year during the first five months, accounting for 49 percent of the industry total.

Exports of machinery products recovered recently, Cai said.

According to the federation, exports stood at \$141.5 billion from March to May, an increase of 15.78 percent year-on-year. Exports in May reached \$32.77 billion, a record high for any single month.

While Cai said Chinese companies still need to make greater efforts in

terms of upgrading, he added some progress had been made.

China's automobile exports increased 40 percent during the first five months, much higher than the industry average.

Cai said this reflected China's progress in terms of high value-added products. Automobiles are categorized as machinery products.



Joanna Real Estate

<p>Beijing Riviera - 香江花园</p> <p>ID: 1413 406sqm, 5bedrooms ¥50,000 type B, phase III, detached, big garden, big balcony</p>	<p>River Garden Villa - 裕景花园</p> <p>ID: 7555 420sqm, 5bedrooms ¥50,000 type F, phase I, detached, big garden</p>	<p>Yosemite - 伏山美地</p> <p>ID: 0482 489sqm, 4bedrooms ¥50,000 type B1, detached, value for money</p>	<p>Orchid Garden - 卓锦万代</p> <p>ID: 2373 330sqm, 4bedrooms ¥32,000 townhouse, big garden, big balcony</p>
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<p>Seasons Park - 海晟名苑</p> <p>ID: 13957 250sqm, 4bedrooms ¥38,000 middle floor, south facing, garden view</p>	<p>Park Avenue - 公园大道</p> <p>ID: 6765 250sqm, 3bedrooms ¥35,000 high floor, south facing, big balcony</p>	<p>Palm Springs - 棕榈泉</p> <p>ID: 9491 175sqm, 3bedrooms ¥31,000 middle floor, garden view, value for money</p>	<p>Central Park - 新城国际</p> <p>ID: 9620 265sqm, 4bedrooms ¥45,000 phase I, high floor, garden view</p>
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<p>Apartment for Rent in Beijing</p> <p>CBD Area</p> <p>Central Park - 新城国际 (I-II)</p> <p>2Br. 132sqm high floor ¥17,000 3Br. 188sqm south facing ¥25,000 3Br. 188sqm high floor ¥26,000 3+1Br. 220sqm good view ¥35,000</p> <p>Central Park - 新城国际 (III)</p> <p>2Br. 140sqm garden view ¥18,000 2Br. 171sqm south facing ¥25,000 3Br. 188sqm high floor ¥26,000 3+1Br. 220sqm good view ¥35,000</p> <p>Central Park - 新城国际 (IV)</p> <p>2Br. 138sqm garden view ¥20,000 3Br. 188sqm high floor ¥28,000 4Br. 264sqm south facing ¥42,000 4Br. 286sqm good view ¥45,000</p> <p>Global Trade Mansion - 世贸国际</p> <p>3Br. 180sqm good view ¥22,000 3Br. 259sqm garden view ¥24,000 3Br. 267sqm high floor ¥25,000</p> <p>Fortune Plaza - 财富中心</p> <p>2Br. 140sqm middle floor ¥15,000 3Br. 167sqm high floor ¥18,000</p> <p>CBD Private Castle - 圣世一品</p> <p>2Br. 105sqm middle floor ¥12,000 3Br. 170sqm good view ¥17,000</p> <p>Sanlitun Area</p> <p>GuangCai Int'l Apartment - 光彩国际公寓</p> <p>3Br. 217sqm good view ¥24,000 4Br. 270sqm high floor ¥33,000</p> <p>SanlitunSOHO - 三里屯SOHO</p> <p>2Br. 147sqm middle floor ¥18,000 3Br. 209sqm high floor ¥28,000 3Br. 250sqm middle floor ¥30,000 4Br. 483sqm penthouse ¥70,000</p> <p>Chang'an Avenue</p> <p>China Center Place - 华贸中心</p> <p>2Br. 155sqm middle floor ¥13,000 3Br. 211sqm high floor ¥22,000</p> <p>Gemdale Int'l Garden - 金地国际花园</p> <p>2Br. 148sqm middle floor ¥13,000 3Br. 200sqm south facing ¥23,000</p>	<p>Lido Area</p> <p>Upper East Side - 阳光上东</p> <p>3Br. 160sqm high floor ¥12,000 3Br. 220sqm south facing ¥20,000 4Br. 248sqm high floor ¥23,000 4Br. 280sqm garden view ¥30,000</p> <p>Upper East Side (III) - 阳光上东(滨河)</p> <p>3Br. 218sqm middle floor ¥25,000 3Br. 230sqm 1st floor, nice garden ¥30,000</p> <p>Upper East Side (IV) - 阳光上东(安徒生花园)</p> <p>3Br. 239sqm middle floor ¥23,000 4Br. 253sqm south facing ¥24,000 4Br. 280sqm good view ¥30,000</p> <p>Richmond Park - 丽都水岸</p> <p>2Br. 121sqm middle floor ¥12,000 3Br. 180sqm good view ¥17,000 3Br. 217sqm south facing ¥25,000 4Br. 339sqm big balcony ¥38,000</p> <p>Chaoyang Park Area</p> <p>Greenlake Place - 观湖国际</p> <p>3Br. 180sqm nice furniture ¥13,000 4Br. 225sqm high floor ¥20,000 4Br. 260sqm middle floor ¥23,000 4Br. 298sqm garden view ¥30,000</p> <p>Palm Springs - 棕榈泉</p> <p>2Br. 138sqm south facing ¥15,000 3Br. 180sqm high floor ¥24,000 3Br. 225sqm good view ¥28,000 3Br. 230sqm high floor ¥30,000 4Br. 370sqm good view ¥45,000</p> <p>Park Avenue - 公园大道</p> <p>3Br. 170sqm nice balcony ¥20,000 3Br. 193sqm high floor ¥22,000 3Br. 256sqm park view ¥33,000 3+1Br. 212sqm high floor ¥28,000 4Br. 370sqm park view ¥45,000</p> <p>Oceanwide Int'l Residential District - 艺海国际</p> <p>3Br. 185sqm spacious layout ¥15,000 4Br. 245sqm high floor ¥24,000 4Br. 300sqm high floor ¥33,000</p> <p>Boya Garden - 博雅园</p> <p>2Br. 135sqm good view ¥11,000 3Br. 170sqm middle floor ¥14,000 4Br. 228sqm high floor ¥20,000</p> <p>Star River - 星河湾</p> <p>3Br. 260sqm garden view ¥23,000 3+1Br. 320sqm nice garden ¥33,000 4Br. 500sqm duplex ¥60,000</p>	<p>Lufthansa Area</p> <p>United Apartment - US联邦公寓</p> <p>2Br. 165sqm high floor ¥15,000 3Br. 200sqm high floor ¥18,000 4Br. 230sqm high floor ¥22,000</p> <p>Chevalier - 赛马都</p> <p>3Br. 220sqm garden view ¥22,000 4Br. 290sqm high floor ¥25,000</p> <p>Mixion Residence - 九都汇</p> <p>1Br. 92sqm good view ¥10,000 1+1Br. 110sqm brand new ¥13,000 2Br. 140sqm open kitchen ¥15,000 3Br. 180sqm good view ¥25,000</p> <p>Dongzhimen Area</p> <p>Seasons Park - 海晟名苑</p> <p>2+1Br. 140sqm good view ¥13,000 3Br. 150sqm garden view ¥14,000 4Br. 250sqm garden view ¥33,000</p> <p>MOMA - MOMA</p> <p>3Br. 230sqm high floor ¥22,000 3Br. 245sqm special offer ¥25,000 4Br. 303sqm south facing ¥32,000</p> <p>POP MOMA - 当代MOMA</p> <p>2Br. 147sqm high floor ¥13,000 3Br. 210sqm south facing ¥25,000</p> <p>Villas for Rent in Beijing</p> <p>Airport Expressway Area</p> <p>Chateau Regalia - 丽高王府</p> <p>3Br. 250sqm nice garden ¥20,000 4Br. 323sqm viscount ¥30,000 5Br. 465sqm east ¥38,000</p> <p>Dynasty Garden - 丽都花园</p> <p>3Br. D 286sqm 50sqm garden ¥21,000 4Br. D 400sqm two gardens ¥25,000 4Br. B 365sqm special offer ¥35,000 5Br. H 600sqm big garden ¥45,000</p> <p>Rits Garden - 丽嘉花园</p> <p>4Br. 410sqm nice garden ¥40,000 4Br. 450sqm big garden ¥45,000 5Br. 500sqm full furniture ¥50,000</p> <p>Australian Garden - 澳贵园</p> <p>4Br. 450sqm 400sqm garden ¥38,000 5Br. 600sqm nice garden ¥55,000</p> <p>LA GRANDE VILLA - 誉天下</p> <p>4Br. 275sqm nice garden ¥18,000 4Br. 375sqm full furniture ¥20,000</p>	<p>Jing Shun Road Close to ISB</p> <p>Yosemite - 伏山美地</p> <p>4Br. B1 498sqm detached ¥48,000 4Br. B2 570sqm nice garden ¥55,000 4Br. B6 508sqm big garden ¥53,000 4Br. C6 453sqm nice garden ¥52,000 4Br. C9 358sqm big garden ¥38,000</p> <p>Beijing Eurovillage - 欧陆苑</p> <p>4Br. 252sqm big garden ¥25,000 3Br. 286sqm special offer ¥25,000 4Br. Le Leman Lake Villas - 莱蒙湖别墅</p> <p>4Br. A 682sqm big garden ¥50,000 4Br. B 578sqm nice garden ¥45,000 4Br. C 516sqm 100sqm garden ¥40,000 3Br. F 286sqm full furniture ¥20,000</p> <p>Capital Paradise - 名都园</p> <p>3Br. 159sqm semi-detached ¥13,000 3Br. 196sqm nice garden ¥17,000 4Br. 229sqm detached ¥23,000</p> <p>River Garden Villa - 裕景花园</p> <p>3Br. A 200sqm 20sqm garden ¥25,000 4Br. B 247sqm big garden ¥30,000 3Br. C 260sqm nice garden ¥32,000</p> <p>Dragon Bay Villa - 龙湾别墅</p> <p>3Br. 290sqm special offer ¥25,000 ¥18,000 4Br. 370sqm 100sqm garden ¥25,000 4Br. C 502sqm big garden ¥34,000 4Br. 350sqm nice garden ¥34,000 4Br. 400sqm luxury decoration ¥40,000</p> <p>Jing Shun Road Close to WAB</p> <p>Beijing Riviera - 香江花园</p> <p>4Br. A 403sqm big garden ¥42,000 4Br. B 406sqm detached ¥45,000 4Br. C 294sqm nice garden ¥40,000 3Br. E 240sqm modern furniture ¥35,000 4Br. F 465sqm big garden ¥65,000</p> <p>Lane Bridge Villa - 长岛澜桥</p> <p>3Br. 296sqm nice garden ¥28,000 4Br. 380sqm big garden ¥36,000</p> <p>Orchid Garden - 卓锦万代</p> <p>4Br. 350sqm big garden ¥35,000 4Br. 400sqm nice garden ¥40,000</p> <p>Grand Hills - 大湖山庄</p> <p>4Br. 296sqm nice garden ¥55,000 4Br. K 480sqm big garden ¥50,000 5Br. J 711sqm big garden ¥75,000</p> <p>Quan Fa Garden - 泉发别墅</p> <p>4Br. 280sqm special offer ¥25,000 ¥20,000 6Br. 650sqm nice garden ¥40,000</p>
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Four Seasons : 3Br 2Ba 256sqm ¥48,000 ID:11176
This lovely apartment comes with a spacious living room, brand new modern furniture, and a stunning garden/river view. Four Seasons is a brand new property in walking distance of Kempinski Hotel.

Victoria Gardens : 3Br 2Ba 167sqm ¥20,000 value for money ID:7527
Fully furnished apartment, two large balconies, kitchen with cooker and dishwasher, wooden flooring with under floor heating, quiet compound near convenience stores, restaurants and Chaoyang Park.

Upper East Side : 3Br 3Ba 196sqm ¥23,000 value for money ID:7174
This newly decorated fully furnished apartment has spacious rooms including a big kitchen, high windows, good natural light, wooden flooring, and great views of the river flowing below.

Central Park : 3Br 2Ba 180sqm ¥29,000 ID:0495
This newly renovated 21st floor apartment comes with dark wooden flooring and new high quality furniture throughout, with a beautiful garden and city view from its big balcony. It is located in a quiet compound.

Central Park : 2Br 2Ba 136sqm ¥19,000 ID:2066
A newly furnished beautiful apartment located in the popular Central Park compound. The apartment boasts stylish modern décor, dark wooden flooring throughout, and a great garden view.

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