

Acorn International and Qiaoxing Mobile listed on the NYSE on May 3
More Chinese companies meet NYSE listing standard as they improve their profitability

On May 3 (EST), Acorn International, a Chinese TV shopping company, and Qiaoxing Mobile Communication, a China based mobile handsets manufacturer, were listed on the NYSE. It's the first time for two Chinese companies to list on NYSE on the same day. So far this year, there have been 4 Chinese companies that conducted an IPO on NYSE and their shares have been well-received by US investors. What's more, the 4 companies are from various sectors, which include Chinese medicine, biotechnical, retail and telecom.

Acorn International is a Shanghai based company, whose business focuses on product design, production, marketing, retail by many means such as TV and Internet. Acorn issued 7.7 million ADS. The IPO price was US\$15.5. It raised US\$119 million. The price of Acorn's shares rose by 38% in the first trading day and rose further by 20% in the second trading day. It is the best performing IPO among the non American companies that were listed on NYSE so far this year.

Qiaoxing Mobile is a manufacturer of mobile phone handsets. It issued 1.33 million common stocks at US\$12 per share to raise US\$160 million.

On the day of listing, NYSE senior executives extended warm welcome to the two Chinese companies, saying that they have added fresh blood to the expanding Chinese listing company team on NYSE. The two companies will enjoy the unsurpassed market quality, customer service and public visibility afforded by a listing on the NYSE.

On March 16, Tongjitang was listed on NYSE to raise \$98.65 million. On April 20, Simcere was listed on NYSE to raise \$227 million.

So far, there have been 4 Chinese companies that have met the NYSE listing standard and had their IPOs on NYSE. In the past years, all Chinese companies that planned to list on American stock markets and met NYSE standard have listed on NYSE. So far this year, there were 7 Chinese companies that listed on American stock markets. The 4 companies that met the NYSE standard have all listed on NYSE and other 3 listed on NASDAQ.

By May 8, NYSE has listed 24 companies from China's mainland, with a total capitalization of more than \$800 billion. Among them are not only large SOEs such as CNPC, Sinopec and China Telecom, but also growing entrepreneurial companies such as Sun Tech Power, the largest solar power company in China, New Oriental, the largest private educational institution in China, Mindray, the largest medical instrument manufacturer in China, and Trina Solar, a leading solar power company in China. Shares of all these companies are

welcomed by investors. Prices of shares of many of these companies have risen by 200% compared with their IPO prices.

The excellent performance of Chinese companies has made China one of the most important markets for NYSE. NYSE CEO John Thain, who paid a visit to China in 2006, said that China is one of the most important markets for NYSE. Noreen Cuhane, vice president of NYSE, stressed that NYSE will have a more in-depth cooperation with China. NYSE is a complement to the Chinese capital market. It offers Chinese companies a wider road to go public overseas.

Market analysts said that the fact that more and more Chinese companies are listed on NYSE, who has the highest listing standard in the world, indicates that Chinese entrepreneurial companies are growing fast and their profitability has been improved. Being together with the world class companies that are listed on NYSE will promote these Chinese companies' corporate governance and facilitate their internationalization process.