

China's Baidu quarterly profit up 95 percent

July 26 2011

Baidu Inc., which operates China's dominant search engine, said Tuesday its quarterly profit jumped 95 percent on traffic growth and strong spending by big advertising customers.

Profit for the three months ending June 30 was \$252.6 million, or 72 cents per share, the Beijing-based company said. Total revenue rose 78.4 percent from a year earlier to 3.4 billion yuan (\$528.4 million).

"We benefited from strong traffic growth and improved monetization," said Baidu's chairman and CEO, Robin Li, in a statement. "We were especially encouraged with the strong spending from large customers."

The company said it expects more strong growth this year and forecast a 75.1 percent to 79.5 percent increase in total revenue for the July-September quarter.

Baidu, already China's most popular search engine, has expanded its market share since rival [Google](#) Inc. closed its China search engine last year after saying it no longer wanted to comply with the communist government's [Internet censorship](#).

Baidu's market share has risen to 75.9 percent from 64 percent in the first quarter of last year before Google's closure, according to Analysys International, a research firm in Beijing. Google is still China's second-most popular search engine but its market share has declined from 30.9 percent to 18.9 percent.

China has the world's most populous [Internet market](#) with more than 485 million people online. Beijing encourages Web use for business and education but tries to block access to material deemed subversive or pornographic.

[Baidu](#), long seen as a Google copycat, has launched a series of initiatives to expand its appeal and differentiate its brand. Last week, it announcement an agreement with three global [recording labels](#) to distribute music online in China.

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