

Search engine Baidu says profit up 36 percent

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Baidu Inc., which operates China's most popular search engine, said Tuesday its quarterly profit rose 36 percent as an economic rebound helped to boost advertising spending.

The Beijing-based company earned 2.8 billion yuan (\$448.7 million) in the three months ending Dec. 31, or 7.99 yuan (\$1.28) per share. Revenue rose 41.6 percent from a year earlier to 6.3 billion yuan (\$1 billion).

For the full year, profit rose 57.5 percent to 10.5 billion yuan (\$1.7 billion). Revenue rose 53.8 percent to 22.3 billion yuan (\$3.6 billion).

Baidu and other Chinese Web businesses have benefited from a rise in advertising spending and online shopping as the economy rebounded from a three-year low in growth last year.

Economic growth rose to 7.9 percent in the fourth quarter from the previous quarter's 7.4 percent. The World Bank says it expects growth of 8.4 percent this year.

Baidu has expanded beyond its traditional search business to add music download, a travel business and cloud-based computing.

"Similar to the early days of the Internet, this is a time of boundless innovation, creativity and opportunity in our industry," said chairman Robin Li in a statement.

For the current quarter, Baidu said it expects revenues of 5.9 billion yuan to 6.1 billion yuan (\$945.4 million to \$975.9 million), or an increase of 38.1 percent to 42.6 percent over a year earlier.

China has the world's biggest population of Internet users, which grew 10 percent last year to 564 million, according to an industry group, the China Internet Network Information Center. The number of Chinese Web surfers who go online from mobile phones, [tablet computers](#) and other wireless rose 18.1 percent to 420 million.

[Baidu](#) has about 80 percent of China's Internet [search market](#) but faces a challenge from upstart rival Qihoo 360 Technology Ltd.

Sohu.com Inc., a popular Web portal, reported Monday its quarterly revenue rose 22 percent.

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