

PetroChina says profit down 23%

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PetroChina Ltd., Asia's biggest oil producer, said Thursday its third-quarter profit plunged 23.4 percent from a year earlier as it suffered a double blow from lower crude prices and weak demand.

Profit for the three months ending Sept. 30 was 30.8 billion yuan (\$4.5 billion) or 0.17 yuan (2 U.S. cents) per share, compared with 40.1 billion yuan or 0.22 yuan per share a year earlier, the Beijing-based oil company reported.

Total revenue fell 12 percent from a year earlier to 267.7 billion yuan (\$39.3 billion) on weak demand amid the global economic crisis, PetroChina said.

The company said its production unit suffered from sharply lower crude prices, earning an average \$49 per barrel over the first nine months of the year, compared with \$97.24 for the same period of 2008. It did not give third-quarter figures.

Oil production for the first nine months of the year fell 3.7 percent to 631 million barrels, the company said.

PetroChina and rival Sinopec, or China Petroleum & Chemical Corp., have been hurt by government controls that blocked them from passing on 2008's record-high crude costs to Chinese consumers. Retail prices were cut this year as crude costs fell, preventing the producers from taking advantage of the decline to reap fatter profits.

Despite the slump in demand at home, PetroChina said it was taking advantage of lower prices abroad to pursue access to oil and gas resources.

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In August, it agreed to buy liquefied natural gas from Australia's Gorgon field in a deal worth 50 billion Australian dollars.

PetroChina, with shares traded in New York, Hong Kong and Shanghai, is the world's most valuable company by market capitalization after Exxon Mobil Corp.