



ChinaNet Online Holdings Launches Mobile Advertising Platform Including SMS Text Application

New Service Expected to Increase Internet Revenue by 10% During 2011

BEIJING, March 9, 2011 (GLOBE NEWSWIRE) -- ChinaNet Online Holdings, Inc. ("ChinaNet") (Nasdaq:CNET), a leading full-service B2B fully integrated Internet service provider for small and medium-sized enterprises ("SMEs") to expand their sales networks in China, today announced the successful launch of a mobile platform, including SMS text functionality to drive increased traffic to its 28.com portal.

Mobile Platform

ChinaNet's mobile platform has been WAP formatted to display franchisor information for all wireless phones, including smartphones, which have direct access to 28.com. The new platform began initial testing in December 2010 and was formally rolled out to customers on March 1, 2011. To expand this offering, ChinaNet expects to launch an Android, iPad and iPhone related application by August 2011 which will enable users to seamlessly view 28.com across multiple mobile devices.

"Initial results to our new mobile platform have exceeded our expectations," said Mr. Handong Cheng, Chairman and CEO of ChinaNet. "In its three months of testing, the mobile platform with the SMS text message alert feature increased traffic to 28.com by up to 20%. We are enthusiastic about the potential benefits of the new mobile platform as we roll this service out across our entire client platform and expect this new service to increase our Internet revenue by at least 10% during 2011. We are excited to be able to offer this capability to our clients, and in conjunction with additional new services coming online in 2011, it will continue to drive incremental website traffic while allowing us to increase our revenue per client."

SMS Text Messaging Capability

The new mobile platform allows ChinaNet to send SMS text messages to entrepreneurs, alerting them to new franchise opportunities posted to 28.com. Users can easily click on an embedded link, and depending on what type of handset and service they use, it will take them either to the 28.com mobile WAP or main 28.com website where they access additional information. ChinaNet is currently the only company in its sector to offer mobile and SMS text messaging features for its website. SMS is a clear differentiator and is an effective communication tool because it has significantly less competition than traditional emails. The rapid response rate to messages increases the number of qualified leads from entrepreneurs who are seeking business opportunities.

From February through early March, the average time spent per visitor on the mobile platform site is 6.8 minutes with 7.6 page views per visit. Approximately 400 clients have used the mobile platform during its test phase to send text messages, or approximately 27% of ChinaNet's current client base.

Top branded clients will receive the platforms as part of their bundled package, which ranges from \$27,500 - \$33,500 per month, while traditional clients will pay a fixed fee or pay-per-lead generated from usage. Gross margins on this business are expected to be greater than 40%.

About ChinaNet Online Holdings, Inc.

The Company, a parent company of ChinaNet Online Media Group Ltd., incorporated in the BVI ("ChinaNet"), a leading B2B fully integrated internet service provider for small and medium companies (SMEs) to expand their sales networks in China. Founded in 2003 and based in Beijing, PRC, the Company's services include its 28.com portal to connects SME franchisors with new franchisees, Internet advertising and marketing with other value-added communication channels, brand management & sales channel solutions, and cloud-based management tools (introduced in 2011).

Safe Harbor Statement

This release contains certain "forward-looking statements" relating to the business of ChinaNet Online Holdings, Inc., which can be identified by the use of forward-looking terminology such as "believes," "expects," "anticipates," "estimates" or similar expressions. Such forward-looking statements involve known and unknown risks and uncertainties, including business uncertainties relating to government regulation of our industry, market demand, reliance on key personnel, future capital requirements, competition in general and other factors that may cause actual results to be materially different from those described herein as anticipated, believed, estimated or expected. Certain of these risks and uncertainties are or will be

described in greater detail in our filings with the Securities and Exchange Commission. These forward-looking statements are based on ChinaNet's current expectations and beliefs concerning future developments and their potential effects on ChinaNet. There can be no assurance that future developments affecting ChinaNet will be those anticipated by ChinaNet. These forward-looking statements involve a number of risks, uncertainties (some of which are beyond the control of ChinaNet) or other assumptions that may cause actual results or performance to be materially different from those expressed or implied by such forward-looking statements. ChinaNet undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required under applicable securities laws.

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Source: ChinaNet Online Holdings, Inc.

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