

# LinkedIn's stock up 90 percent in market debut

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Reid Hoffman, left, the founder of LinkedIn, and Jeff Weiner, the company's CEO, celebrate the listing of LinkedIn, Thursday, May 19, 2011, on the New York Stock Exchange. LinkedIn, based in Mountain View, Calif., is an internet-based social networking rolodex for business people. (AP Photo/Mark Lennihan)

LinkedIn's stock nearly doubled in its market debut Thursday because of huge investor demand for the first major U.S. social networking company to go public.

The stock traded at \$87.11, up 94 percent, Thursday morning after debuting at \$83 and briefly reaching \$92.99.

LinkedIn Corp.'s initial public offering Wednesday night was priced at

\$45 per share, at the high end of the company's initial target. The company raised \$353 million in an IPO that valued it at \$4.3 billion. That's the largest valuation for a U.S. Internet company since Google went public in 2004.

Renaissance Capital, an IPO research and investment firm, said LinkedIn's 84 percent increase at the market opening Thursday was the biggest for a U.S. IPO since the 2009 debut of OpenTable Inc., a restaurant reservations website.

IPO analyst Scott Sweet, the founder of IPO Boutique, credits the increase to LinkedIn selling a relatively small number of shares, 7.8 million. Main Street investors clamored for the job networking site's stock, which had only been available to the country's biggest mutual funds, pension funds and other major institutional investors in Wednesday's IPO.

The demand reflects investors' belief that Internet services that connect people with common interests will be able to make more money as the Web's audience steadily expands. LinkedIn's valuation eventually may look modest compared to other Internet companies that are being touted as potentially going public in the next 18 months. The short list includes: online messaging service Twitter, Web game maker Zynga, coupon site Groupon and Facebook, the social network that boasts more than 500 million users.

Sweet said Thursday's market debut was a good sign for those other social-networking companies.

The company's service helps businesses find new employees and promotes networking among the more than 102 million people that have set up profiles.

LinkedIn is trading under the symbol "LNKD" on the New York Stock Exchange.

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