

eBay eyes investments in Japan and China: report

September 1 2011

Online auction house eBay is on the look-out for investment targets in Japan and China, a report said Thursday, as it seeks to expand in fast-growing Asia.

The California-based firm, which has already struck six acquisition deals in the second quarter of this year, forecast Asia to be the company's main engine of growth in the next five years.

"We certainly look at acquisitions that support our business," Jay Lee, eBay's managing director for Asia-Pacific, told the Wall Street Journal in an interview.

Acquisitions in China would provide [eBay](#) with a link to the world's biggest online population, with 485 million users.

He said eBay -- which allows Internet users to buy and sell a variety of goods and services worldwide through bidding -- is in talks with several potential targets in Asia but refused to give details.

"We're always in talks with a lot of people but deals take forever to get done. There isn't a lack of appetite, and we have a strong balance sheet and very strong cash flow," Lee added.

The United States and Europe each currently account for around 40 percent of eBay's revenue, while about 20 percent comes from Asia, the firm said in May.

Officials for eBay in Hong Kong and Shanghai could not be immediately reached for comment by AFP.

The [online auction](#) giant's most-recent acquisition in Asia was of [South Korea](#) online marketplace Gmarket in 2009, according to the Wall Street Journal.

Among the firm's purchases in the April-June quarter was the \$2.4 billion it paid for US firm GSI Commerce, a provider of [electronic commerce](#) and [interactive marketing](#) services.

eBay reported in July that second-quarter revenue climbed 25 percent to \$2.8 billion but profit dipped due to the GSI Commerce deal.

(c) 2011 AFP

Citation: eBay eyes investments in Japan and China: report (2011, September 1) retrieved 18 April 2024 from <https://phys.org/news/2011-09-ebay-eyes-investments-japan-china.html>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.