

China fund may help Alibaba in Yahoo! bid: report

May 25 2012

China Investment Corporation is in advanced talks to add up to \$2 billion to the Alibaba Internet Group's efforts to buy back a stake from struggling Internet pioneer Yahoo!, the New York Times reported.

The newspaper cited an unnamed source on Thursday as saying that Alibaba is in discussions with several [potential partners](#), including Singapore's Temasek, Russia's DST Global and the US Blackstone Group, on buying back the shares.

Alibaba hopes to raise a total of around \$4.6 billion.

After more than a year of negotiations, Yahoo! agreed to sell its stake in Alibaba, China's top e-commerce player, for at least \$7.1 billion, the companies announced Sunday.

The transaction will be carried out in stages, with the first step calling for a repurchase by Alibaba of up to one-half of Yahoo!'s stake, or approximately 20 percent of Alibaba's total shares.

Yahoo! would receive from Alibaba approximately \$7.1 billion, composed of at least \$6.3 billion in cash proceeds and up to \$800 million in newly-issued [Alibaba](#) preferred stock, the firms said.

(c) 2012 AFP

Citation: China fund may help Alibaba in Yahoo! bid: report (2012, May 25) retrieved 26 April

2024 from <https://phys.org/news/2012-05-china-fund-alibaba-yahoo.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.