

Yahoo! stock climbs on report of Alibaba sale

May 18 2012

Yahoo! stock price climbed Friday on renewed rumors that it was close to a multibillion-dollar deal to sell half of its stake in Alibaba.com back to the Chinese online shopping portal.

Yahoo! shares were up nearly four percent to \$15.42 on the Nasdaq exchange by the close of trading due to unconfirmed reports that the only hurdle remaining was for the boards of the companies to sign off on the deal.

Alibaba has long expressed a desire to buy back the 43 percent chunk of the company owned by Yahoo!, but repeated attempts at working out terms have failed.

The deal, which could still be derailed, would have Alibaba buy back half of the interest Yahoo! has in the company at a value of about \$7 billion, according to technology news website All Things Digital.

A move by Alibaba's to buy out Yahoo!'s stake in the Chinese Internet titan has tripped in February on the California firm's determination to sidestep taxes.

Alibaba Group chairman Jack Ma has a longstanding offer to buy all or part of the company.

Cashing out the Yahoo! share of Alibaba had been part of a turnaround plan by freshly ousted Yahoo! chief executive Scott Thompson.

Thompson was forced out on Sunday in the face of controversy about an inflated resume, resulting in a truce in a proxy war with mutinous shareholder Daniel Loeb.

As part of the settlement with Loeb's hedge fund Third Point, Ross Levinsohn became interim Yahoo! chief and Fred Amoroso took charge of the board of directors the Sunnyvale, California-based firm.

Loeb and two of his picks -- Harry Wilson and Michael Wolf -- were given seats on the Yahoo! board.

Five current board members, including director Roy Bostock and Patti Hart, stepped down instead of ending their terms at this year's annual shareholders meeting as originally planned.

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Citation: Yahoo! stock climbs on report of Alibaba sale (2012, May 18) retrieved 24 April 2024 from <https://phys.org/news/2012-05-yahoo-stock-climbs-alibaba-sale.html>

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