

Google buys 5.94% stake in Lenovo

February 7 2014



A man walks past an advertising billboard for Chinese technology giant Lenovo in Hong Kong on February 4, 2014

Google bought a 5.94 percent stake in Lenovo for \$750 million on the same day it agreed to sell handset maker Motorola to the Chinese technology giant, a report said Friday.

The US Internet firm acquired 618.3 million shares in the PC maker at \$1.213 each when Lenovo bought Motorola for \$2.91 billion last

Thursday, according to Dow Jones Newswires.

The deal provides Lenovo with footholds in smartphone and tablet markets where it is eager to gain traction.

It also came just a week after the Chinese firm said it will buy IBM's low-end server business for \$2.3 billion, giving it a platform to compete in that sector with US giants Dell and Hewlett-Packard.

However, Lenovo's Hong Kong-listed shares lost almost a quarter of their value in two days after the Motorola news, with traders worried the technology giant had bitten off more than it could chew by buying the unprofitable handset maker.



A Google sign on the exterior of the company's headquarters in Mountain View, California on January 30, 2014

The firm closed 1.32 percent higher at HK\$8.42 (\$1.09) on Friday.

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