

## Facebook closes WhatsApp purchase now worth \$21.8B

October 6 2014

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This Feb. 19, 2014 file photo shows WhatsApp and Facebook app icons on an iPhone in New York. Facebook on Monday, Oct. 6, 2014 completed its acquisition of the mobile messaging service WhatsApp for almost \$22 billion, up from the original \$19 billion when the cash-and-stock deal was struck early this year thanks in part to the rising price of Facebook shares. (AP Photo/Patrick Sison, File)

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the cash-and-stock deal was struck early this year thanks in part to the rising price of Facebook shares.

Facebook named WhatsApp co-founder and CEO Jan Koum to its board Monday. WhatsApp is by far the largest acquisition for the Menlo Park, California company, and bigger than any deals made by Google, Microsoft or Apple.

The price that Facebook was willing to pay raised eyebrows when the buyout was announced Feb. 19, though analysts agreed that landing the popular site made sense. Including cash, stock and restricted stock awarded to WhatsApp employees, the deal is worth \$21.8 billion based on Facebook's [stock](#) price on Monday.

WhatsApp has been growing rapidly, especially in developing countries like Brazil, India, Mexico and Russia, and now has more than 500 million users.

WhatsApp lets users chat with their phone contacts, both one-on-one and in groups. It also allows people to send texts, photos, videos and voice recordings over the Internet and lets them text or call people overseas without heavy charges. Free to use for the first year and costing \$1 per year after that, the service has no advertising.

Facebook, which has its own [mobile messaging](#) app called Messenger, plans to keep WhatsApp as a separate service.

The acquisition was approved by antitrust authority of the European Union on Friday.

Facebook's shares climbed 32 cents to \$77.76 in afternoon trading on Monday.

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