

LinkedIn reports 3Q loss but sales climb

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This Tuesday, May 7, 2013 file photo shows LinkedIn's Mountain View, Calif., headquarters. LinkedIn reports quarterly financial results on Thursday, Oct. 30, 2014. (AP Photo/Noah Berger, File)

LinkedIn Corp. posted a third-quarter loss on Thursday, but its results were better than expected as revenue grew sharply, sending shares of the online professional networking service higher in extended trading.

The company's guidance for the [current quarter](#), however, was below

Wall Street's expectations for both profit and [revenue](#).

LinkedIn posted a loss of \$4.3 million, or 3 cents per share, in the July-September quarter. That compares with a loss of \$3.4 million, also 3 cents per share, in the same period a year earlier. Adjusted earnings of 52 cents per share beat Wall Street's estimates by 5 cents.

Revenue rose 45 percent, to \$568.3 million from \$393 million. Analysts expected \$557.6 million, according to Zacks Investment Research.

Unlike Twitter and Facebook, which make most of their money from advertising, LinkedIn relies mainly on its "talent solutions" business for revenue, charging businesses and headhunters that use its site to find job candidates. This segment accounted for 61 percent of the quarter's revenue, while advertising and premium [subscription revenue](#) took in 29 and 21 percent each, respectively.

LinkedIn has more than 300 million members worldwide and did not adjust that figure with the latest quarterly report. Revenue from the U.S. totaled \$343 million, and represented 60 percent of the quarter's total revenue.

For the current quarter, LinkedIn expects earnings of 49 cents per share on revenue in the range of \$600 million to \$605 million. Analysts surveyed by FactSet expected profit of 52 cents per share on revenue of \$612.1 million.

Shares of the Mountain View, California-based company rose \$3.10 to \$206 in extended trading after the results came out. The stock had closed at \$202.90, down 6.4 percent in 2014.

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