

Messaging app Line says still considering IPO

August 28 2015

Popular Japanese messaging app Line said Friday it was still considering plans for an initial public offering, after a report said it had shelved the sale for a second year in a row.

Line's owner, South Korean Internet firm Naver, was preparing an IPO for the company in 2014, but reportedly postponed it to focus on the messaging app's expansion.

It was later reported that Line shares could start trading in Japan—and possibly New York—as early as this summer in a deal that could value it at more than \$8 billion.

But the Wall Street Journal on Thursday cited unnamed sources as saying that Line had delayed the plan again until at least next year.

Responding to the report, Tokyo-based Line said it was still mulling a sale.

"Our company has never cancelled plans for an IPO—we're still in the review process," a spokeswoman told AFP.

"As far as the timing is concerned, we will look at the situation with global markets and our firm's own performance in deciding when to go ahead with a sale."

The 2014 sale plan was put off due to disagreements between Line and

its parent company over details of the listing, local media said.

More recently, global markets have been hit by a wave of volatility over fears about a slowdown in China and the impact on the world economy.

Line, a must-have app for Japanese smartphone owners, lets users make free calls, send instant messages, and post photos or short videos, along with a host of other paid-services. It combines attributes from Facebook, Skype and WhatsApp.

The app has a strong presence in Asian markets such as Thailand, Taiwan and Indonesia, as well as some Spanish-speaking areas, including Spain and Mexico.

Line has been looking to expand in bigger markets, such as the US, but has not been able to make significant headway.

© 2015 AFP

Citation: Messaging app Line says still considering IPO (2015, August 28) retrieved 8 May 2024 from <https://phys.org/news/2015-08-messaging-app-line-ipo.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.