

Softbank sells stake in game developer Supercell to Tencent

June 21 2016, by Yuri Kageyama



Finnish game company, Supercell, Co-Founder and CEO Ilkka Paananen, meets the media at the company's headquarters in Helsinki, Finland Tuesday, June 21, 2016. Chinese Internet firm Tencent will acquire a majority stake in "Clash of Clans" maker Supercell from Japan's SoftBank. (Seppo Samuli/Lehtikuva via AP)

Japanese Internet company Softbank Corp. is selling its stake in Finnish game developer Supercell to Chinese technology firm Tencent in a deal

announced Tuesday that values the company at about \$10.2 billion.

Separately, Nikesh Arora, Softbank's president and [chief operating officer](#), announced his resignation, although he will remain an adviser. He had joined the company from Google in 2014 and was instrumental in the Supercell sale, as well as other Softbank investments, mainly in India and other parts of Asia.

Softbank Chief Executive Masayoshi Son said Arora had been picked to succeed him, but Son decided he wanted to do "a few more crazy ideas" and stay at his job for another decade, and that would be too long of a wait for Arora.

"Helping Masa begin the transformation of Softbank and sowing the early seeds has been a great experience. I have enjoyed working with Masa and the Softbank team and I look forward to my next challenge," Arora said in a statement.

Under the deal announced by the three companies, Tokyo-based Softbank will no longer own any stake in Supercell, gaining \$7.3 billion cash, and Tencent will gain up to 84 percent of Supercell, upon completion of the deal.

The rest of Supercell will be owned by its employees, and the team at Supercell will continue to run the company's operations in Helsinki, Finland.



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Supercell, founded in 2010, developed games for Apple and Google's Android smartphones and tablets, including hits such as "Hay Day," "Clash of Clans" and "Boom Beach."

Son said Softbank had enjoyed a fruitful relationship with Supercell but was selling its stake for the benefit of the shareholders. He was also upbeat about Supercell's future with Tencent.

"Supercell has operated as an independent company, and its unique culture of independent teams has proven itself repeatedly. I have great

respect for Tencent and its leadership in games, and believe that with its commitment to respect Supercell's independence, Tencent represents the ideal partner to take Supercell's business to the next level," he said.

Japanese mobile carrier Softbank, which runs a solar-based utility and a humanoid robot business, has suffered losses lately because of its problems turning around its U.S. mobile [company](#) Sprint Corp.



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Supercell CEO Ilkka Paananen said he was proud of his games' success but saw growth potential for his games in China under the partnership with Tencent.

"Today is about chasing a future for Supercell that we have always dreamed of," he said.

Earlier this year, Supercell reached 100 million daily active players of its four games, which also includes "Clash Royale."

Martin Lau, President of Tencent, said it was important to keep Supercell's creative culture, stressing that it was exciting that Supercell was joining Tencent's global [game](#) partnership.



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