

Spotify's music service seeks to drum up \$1 billion in IPO

February 28 2018



This Jan. 28, 2018, file photo shows music streaming apps clockwise from top left, Apple, Spotify, Amazon, Pandora and Google on an iPhone in New York. Music-streaming pioneer Spotify will expand its financial arsenal with an initial public offering of stock. The first steps toward IPO were made in a confidential filing a few weeks ago, but the documents weren't released until Wednesday, Feb. 28. (AP Photo/Jenny Kane, File)

Music-streaming pioneer Spotify is hoping to attract a new crowd of fans

on Wall Street to help fend off a growing competitive threat posed by Apple.

Spotify will expand its financial arsenal with an [initial public offering](#) of stock aiming to raise \$1 billion. That figure could change as Spotify's bankers assess investor demand for Spotify shares ahead of the IPO, a process likely to be completed early in the spring.

The company's first steps toward its offering came in a confidential filing a few weeks ago, but the documents weren't released until Wednesday.

The numbers revealed Spotify's music-streaming service boasts 71 million subscribers, nearly twice as many as Apple's rival service.

But Spotify still isn't profitable. The Luxembourg-based company lost 1.2 billion euros (\$1.5 billion) last year.

© 2018 The Associated Press. All rights reserved.

Citation: Spotify's music service seeks to drum up \$1 billion in IPO (2018, February 28)
retrieved 20 April 2024 from <https://phys.org/news/2018-02-spotify-music-billion-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.