

Dropbox raises price range ahead of stock debut

March 21 2018



Despite a rough week for tech shares, Dropbox cloud data storage service is expecting strong demand for its initial stock sale, boosting its price range to \$18-\$20 ahead of Friday's launch

Cloud data service Dropbox defied recent volatility among technology shares and raised its expected stock price range ahead of this week's

initial public offering, suggesting strong appetite among investors.

Dropbox now expects to price its shares between \$18 and \$20, according to a securities filing Wednesday, up from the \$16 to \$18 estimated earlier this month.

At that price, the transaction could value the company at \$7.85 billion.

A final price will be set Thursday ahead of Friday's stock-trading debut. Shares will trade under the "DBX" ticker.

The strong expected demand shows not all tech companies have been hit by the events of this week, when big players, especially in social media, have seen their shares dive following reports that a data analysis firm hired by Donald Trump's presidential campaign misused personal information of some 50 million Facebook users.

Dropbox also plans a \$100 million stock sale to the venture capital arm of Salesforce, according to the filing.

Dropbox is one of a number of tech firms centered around the internet "cloud," allowing users to store data for remote access by any internet-linked devices.

Storing digital data from music and films to documents, presentations and images has become big business with the lifestyle shift to accessing content and services online.

© 2018 AFP

Citation: Dropbox raises price range ahead of stock debut (2018, March 21) retrieved 25 April 2024 from <https://phys.org/news/2018-03-dropbox-price-range-stock-debut.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.