MICROSOFT WILL BUY LINKEDIN

Alberto Calva

acalva@acusconsulting.com June 13, 2016

Microsoft will buy LinkedIn for \$26,200 million dollars (USD), this is, 26.2 billion. Is it a lot of money? LinkedIn has 433 million users. This means that they will pay on average \$60.50 USD per user. That's the figure at present value for each of our accounts. Also, the users have been growing by 19% each year.

Price per share offered by Microsoft is \$196 USD. This is 49.6% above the closing price from last Friday June 10 (\$131 USD). As of today (Monday June 13) at 12:00 pm the share price was at \$192 USD. Ratio P/BV (market price to book value) is 3.80. However, on February 9, 2015 the share had a maximum price of \$269 USD.

Reviewing recent figures, LinkedIn has reported operating losses and net losses in all periods.