

# Messaging app Line rockets 40% in opening US trade

NEW YORK: Shares in the messaging app Line, a hit in Asia, surged 40 percent in opening trade in New York on Thursday in a market hungry for the newest technology IPO.



In early trade the shares rocketed to \$43.70, or 4,620 yen, compared with the initial public offering price of 3,300 yen, or \$31.20 early on Thursday.

Later they eased off to \$42.94 (4,540 yen), a gain of 37.6 percent.

Priced at the high end of its original estimates amid heavy demand, Japan-based Line raised about \$1.3bn in the share flotation with plans to trade both on the New York Stock Exchange, under the ticker sign "LN", and the Tokyo Stock Exchange. Trading in Tokyo will begin Friday.

Known for its cute and innovative digital stickers, Line is hugely popular across much of East and Southeast Asia and is widely used in Spain and Mexico as well.

It counts about 218 million active monthly users, and is strongest in Japan, Thailand, Taiwan and Indonesia.

Owned by South Korean Internet provider Naver, the app combines attributes from Facebook, Skype and WhatsApp.

It lets users make free calls, send instant messages, and post photos or short videos, along with a host of other paid services, with Games and a mobile payments function also on offer.

It is best known for letting users send each other cute cartoon "stickers", and is hugely popular among teenagers.

Line's sticker shop sells thousands of the emoticons -- some are animated and noisy -- from Hello Kitty and Super Mario to

Manga and Disney characters.

One service allows users to create and sell their own characters, while Line's homegrown stable of stickers include the duck Sally, a sad-face bear called Brown and Cony the rabbit.

"The stickers are so good at explaining how we feel," Nanako, a 25-year-old tech industry worker from San Francisco, said at the retail store in Tokyo's youth fashion district.

Line said it would use proceeds of the stock offering to help it expand in Asia, and tap the US and European markets where it is not yet a major player.

"We will continue mergers and acquisitions and other investment globally, but there is nothing decided at this point" in terms of a particular deal, the company said.

Last year, Line posted revenue of 120bn yen (\$1.1bn), up 40 percent from the year before, but a small overall loss, which it blamed on rising staff costs and other expenses.

*Source: AFP*

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