

Line targets 1 bil users in 2015 as services surge

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Line Corp, operator of the most-popular mobile messaging application in Japan, plans to double its users to more than 1 billion globally by next year.

The company has a target of 500 million to 600 million users by the end of this year, chief executive officer Akira Morikawa told a conference in Tokyo today. Line, which is controlled by South Korea's Naver Corp, had 400 million subscribers as of April 1, 2014.

"I always welcome new challenges," Morikawa said while discussing his growth plan.

Line has added as many as 1.7 million new users in a day, with growing numbers from North America and Europe, amid surging demand for instant messaging applications on smartphones to replace traditional texts. The Tokyo-based company, which created Line after the 2011 earthquake crippled Japan's phone networks, competes for subscribers with WhatsApp Inc and Viber Media Inc.

In February, Facebook Inc agreed to buy WhatsApp for as much as US\$19 billion (RM61 billion), while Rakuten Inc agreed to pay US\$900 million for Viber.

Line is considering whether to hold an initial public offering. Line may be valued at as much as US\$14.9 billion, according to estimates by BNP Paribas SA. That is about US\$40 per user, while Facebook's offer for WhatsApp values each user at US\$42.

About 85% of Line's users are outside Japan, it said in February 2014.

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