

FACEBOOK CASE QUESTIONS

ENG

To be discussed/calculated within the group (answers to 2, 3, 10, 11 and 15 to be finalised also in writing by the group and submitted to Moodle):

1. What motivated Facebook to go public?
2. What were the main strengths and weaknesses of Facebook's financial indicators prior to the IPO?
3. List the main risks related to Facebook's business prior to IPO in order of significance with a short explanation to each.
4. Can Facebook be considered a good IPO candidate? Discuss the pros and cons.
5. Did Facebook select good underwriters? Explain why you think so.
6. Why was it relatively easier for Facebook to raise capital from the stock markets over debt? Was an IPO the most suitable choice? Consider also the information provided on capital markets in the Excel file.
7. Is it correct to say that Facebook raised 16 bio USD during the IPO? Why? Remember to look at the Prospectus from 18 May 2012.
8. What were the IPO proceeds intended for according to the Prospectus? Does it seem reasonable use of funds?
9. How would the new investors be affected by the dual-class share structure?
10. What do you think about the final IPO offer price of 38 USD? Why?
11. Which valuation methodology should have been used in your opinion? Why?
12. What kinds of mistakes were made in the IPO phase for approaching the market and how these may have affected the outcome of IPO?
13. How did the stock market developments during the first trading weeks affect underwriters?
14. How did the Facebook's share perform immediately following the IPO compared to industry peers and previous similar IPO firms (use the Excel file data)?
15. What are the main changes in financial performance of Facebook following its IPO (use the Excel file data)?

EST

Arutatakse/arvutatakse grupis (vastused küsimustele 2, 3, 10, 11 ja 15 lõpetatakse grupi poolt kirjalikult ning laetakse üles Moodle'isse):

1. Mis motiveeris Facebook'i börsile minema?
2. Millised olid Facebook'i finantsnäitajate peamised tugevused ja nõrkused enne IPOt?
3. Loetlege tähtsuse järjekorras peamised Facebook'i äriiga seotud riskid koos lühikese selgitusega.
4. Kas Facebook'i võib pidada heaks IPO kandidaadiks? Käsitlege eeliseid ja puudusi.
5. Kas Facebook valis head emissiooni korraldajad? Selgitage, miks te nii arvate.
6. Miks oli Facebook'il börsilt lihtsam kapitali kaasata võrreldes laenu võtmisega? Kas IPO oli kõige sobivam valik? Vastamisel arvestage ka Exceli failis esitatud kapitaliturge puudutavat infot.
7. Kas on korrektne väita, et Facebook sai IPO käigus 16 miljardit USD? Miks? Pöörake tähelepanu 18. Mai 2012 prospektis sisalduvale.
8. Milleks planeeriti prospekti kohaselt IPOst saadud raha kulutada? Kas see tundub olevat mõistlik raha kasutamine?
9. Kuidas mõjutaks investoreid kahte liiki aktsiate olemasolu?
10. Mida te arvate lõplikust IPO pakkumise hinnast 38 USD? Miks?
11. Millist hindamise metoodikat oleks pidanud teie hinnangul kasutama? Miks?
12. Milliseid vigu tehti IPO turule lähenemise faasis ja kuidas need võisid mõjutada IPO tulemust?
13. Kuidas mõjutasid aktsiaturu arengud esimeste kauplemisnädalate jooksul emissiooni korraldajaid?
14. Kuidas läks Facebook'i aktsial vahetult peale IPOt võrreldes konkurentidega ja eelmiste sarnaste IPOdega (kasutage Exceli faili andmeid)?
15. Millised on peamised Facebook'i finantsnäitajates toimunud muutused peale IPOt (kasutage Exceli failis olevaid andmeid)?