Blackberry Shares up on Report of Buyout Interest

Associated Press

NEW YORK (AP) — Shares of BlackBerry Ltd. rose more than 4 percent Monday on a report that the company is in sale talks with a handful of companies.

Reuters reported Friday that the struggling smartphone maker was holding discussions with Cisco, Google and SAP about a possible sale of all or part of itself. It cited "several sources close to the matter" that it did not identify.

According to Reuters, BlackBerry has asked for preliminary expressions of interest from buyers including Intel Corp., LG and Samsung, by early next week.

BlackBerry shares rose 32 cents, or 4.2 percent, to $8.01 in morning trading Monday.

The company released a statement Monday morning declining comment on the specific report.

But Blackberry noted that its special committee along with independent financial and legal advisors "is conducting a robust and thorough review of strategic alternatives."

"We do not intend to disclose further developments with respect to the process until we approve a specific transaction or otherwise conclude the review of strategic alternatives," the statement said.

BlackBerry announced last month that Fairfax Financial Holdings Ltd. signed a letter of intent that "contemplates" buying the company for $9 a share, or $4.7 billion. Fairfax, BlackBerry's largest shareholder, is trying to attract other investors.

Private equity firm Cerberus has also expressed interest in buying the company.

Jefferies analyst Peter Misek backed his "Hold" rating for the stock on Monday. He said that while any of the interested parties could get something out of a BlackBerry acquisition, the company has yet to generate much interest. As a result, Misek still sees Fairfax, with its $9 per share bid, as the likely winner.

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