

Economic Alert iQ

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International

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Google share price up after creating holding company called Alphabet.

- Google Inc. is reorganizing into a holding company called Alphabet, that gives its main web operations greater independence while offering investors more visibility into ambitious plans to expand new businesses, including health and internet access.
- Sundar Pichai will become CEO of Google; Larry Page will be CEO of Alphabet and Sergey Brin will be president.
- Alphabet will include Calico, Google Ventures, Google Capital, Google X and other subsidiaries.
- The new structure will give greater clarity into how Google invests in various ventures, including driverless cars, high-speed internet service and health-related technologies.
- Google financials will be provided separately from the rest of Alphabet business and will be provided in segment reporting for 4Q results which is usually released in January.
- All shares of Google will automatically convert into same number of Alphabet shares, with the same voting rights; 2 classes of shares will continue to trade on Nasdaq as GOOGL and GOOG.
- At time of distribution Google share price rose 4.11%.



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