

Historical public case · Transaction history: 2016

LinkedIn / Microsoft: comparing the terms

Analysis of public records. ORINATION did not participate in this transaction.

Compare who receives the money, its form and the conditions for receiving it before comparing headline prices.

Before researching investors, an owner needs to specify the intended transaction. Will the proceeds go to the owner for shares sold, into the business for growth, or both? Without that brief, even a well-researched list can target the wrong type of partner. LinkedIn's public sale record also shows why the form of consideration matters.

\$196

cash consideration on completion

≈ \$200

alternative indicative cash-and-stock
value

\$85 + ≈ \$115

cash plus stock at the reference price

USD per LinkedIn share. The alternative was valued using the bidder's share price on 3 June 2016 and had different execution conditions. Its eventual payout is unknown. [LinkedIn proxy, pp. 43 and 46](#); [Microsoft completion filing](#).

The offers were different propositions

On 5 June 2016, LinkedIn received a revised proposal from Party A: \$85 cash and a fixed number of its shares, worth about \$200 in total at the reference share price. The board considered value certainty, the need for Party A shareholder approval and the execution risk of negotiating a further merger agreement. [LinkedIn proxy, pp. 43 and 46](#).

Microsoft announced its \$196 all-cash agreement on 13 June, together with plans to retain LinkedIn's brand, culture and independence. [Microsoft announcement](#). The acquisition completed on 8 December; qualifying LinkedIn shares converted into the right to receive the agreed cash consideration. [Microsoft Form 8-K, Item 2.01](#).

We do not know the final terms or outcome of the alternative. Nor does the case establish that cash is always preferable. The useful comparison separates the offered amount, the way it can change and the conditions still to be met.

A separate sensitivity model

The following calculation isolates one feature of a cash-and-stock proposal. Start with \$85 cash and an assumed \$115 stock component, giving approximately \$200. Hold the cash and number of shares fixed; vary only the value of the stock component. This is our hypothetical model, not a reconstruction of a payment that occurred.

Model amounts in USD per LinkedIn share; not three historical offers

Change in stock value	Cash	Stock	Total	Difference vs \$196
-10%	85.00	103.50	188.50	-7.50
0%	85.00	115.00	200.00	+4.00
+10%	85.00	126.50	211.50	+15.50

Equality with \$196: $(196 - 85) \div (200 - 85) - 1 = -3.47826\%$.

A decline of about 3.48% in the model's stock component removes the initial \$4 difference. A rise has the opposite effect. The calculation excludes taxes, fees, the time value of money and completion probability. It assumes every other term stays unchanged. The $\pm 10\%$ scenarios are not forecasts, observed volatility or probability estimates.

The approximate \$200 reference value limits the precision of this exercise. The result is a sensitivity calculation, not an offer threshold for another company or a measure of advisory-service returns.

Write the owner's brief before the search

For a smaller business, the practical preparation starts before any approach. Record the stake offered, purpose of the money, acceptable consideration and the owner's intended role. Mark each requirement as either essential or negotiable. An owner seeking cash at closing must evaluate contingent consideration differently from an owner who wants to participate in further growth.

Our briefing template; not LinkedIn facts or client data

Decision before research	Question for the owner	What to qualify at a candidate
Recipient of proceeds	How much should the owner receive, and how much should enter the business?	Whether the published investment focus fits a secondary sale, primary capital or a combination.
Stake and control	What stake is available, and which decisions does the owner want to retain?	Whether the proposed stake is worth discussing. Specific rights need agreement and legal review.
Form of consideration	What must be cash at closing, and what may be subject to other terms?	Structure of any proposal, valuation of its other components and the conditions for receiving them.
Role after the transaction	What work does the owner want to continue, and for how long?	The candidate's expectations of the owner and questions for the first discussion.
Conditions for the next step	Which uncertainty must be resolved before progressing?	Required approvals, missing information and negotiation status. Unverified points stay open.

Turn the brief into research criteria

ORINATION can translate these requirements into a research brief, selection criteria and a reasoned list of potential counterparties. A documented investment focus is evidence for inclusion, not confirmation of interest or funding. The handover should include the rationale and unanswered questions for a first conversation.

Once actual proposals exist, the comparison can add amounts, conditions and the state of agreement. That helps the owner see what still prevents a decision without substituting a generic ranking for the owner's priorities.

Scope and limits

The historical case concerns one publicly traded US company. Its prices and terms are not valuation benchmarks for a Czech SME. The proxy describes LinkedIn's process rather than an independent experiment. Historical facts, our sensitivity model and the owner's briefing template are kept separate. ORINATION did not participate in the transaction.

Primary sources

Original Czech analysis: 22 September 2026. This English edition preserves the analytical substance and working examples. The cited historical facts were checked against the primary sources below on 12 October 2026.

LinkedIn definitive proxy statement · 22 July 2016; pp. 43 and 46.

<https://www.sec.gov/Archives/edgar/data/1271024/000104746916014430/a2229104zdefm14a.htm>

Microsoft agreement announcement · 13 June 2016.

<https://blogs.microsoft.com/blog/2016/06/13/microsoft-to-acquire-linkedin/>

Microsoft completion report, Form 8-K · 8 December 2016; Item 2.01.

<https://www.sec.gov/Archives/edgar/data/789019/000119312516788575/d259484d8k.htm>

Adapted from the STRJ × ORINATION research archive. English edition: 12 October 2026. This is a historical public-case analysis, not a client reference or evidence of a completed ORINATION mandate.

Our work