

Facebook grows user base to 1.55 billion, profits up

SAN FRANCISCO, USA: Facebook said on Wednesday its profit in the third quarter jumped 11 percent to \$891m as advertising revenues soared.



The world's biggest social network also said the number of monthly active users hit 1.55 billion, up 14 percent from a year earlier.

Revenues leapt 41 percent from a year ago to \$4.5bn. The vast majority was from advertising, and mobile accounted for 78 percent of ad revenues in the quarter, compared with 66 percent a year earlier.

"We had a good quarter and got a lot done," said Mark Zuckerberg, Facebook's founder and chief executive. "We're focused on innovating and investing for the long term to serve our community and connect the entire world."

The stronger-than-expected earnings report sparked a gain of 2.3 percent in Facebook shares in after-hours trade.

Analysts say Facebook has become an online advertising juggernaut as it seeks to leverage its huge base to expand into other applications such as Instagram and WhatsApp, and delve into virtual reality projects through its acquisition of Oculus.

According to the research firm eMarketer, Facebook accounted for eight percent of worldwide digital ad revenues in 2014 and is expected to reach 9.6 percent by the end of this year.

Google is expected to remain the market leader with 30.4 percent share this year, down from 32 percent last year, eMarketer estimates.

In mobile, Facebook's share of digital ad revenues this year is expected to be around 17.4 percent in a market worth some \$72bn.

Source: AFP

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