How will Dropbox's upcoming initial public offering of its stock impact its balance sheet?

Dropbox, Inc. has filed an SEC report, indicating that it plans to raise $500 million through its Initial Public Offering (IPO) sometime in 2018. It will be issuing common stock. Dropbox was started in 2007 and is designed to allow people to have their files anywhere they are. There are over 500 million registered Dropbox users worldwide. When Dropbox makes its IPO, its existing preferred stock will be converted into common stock. To follow is Dropbox's pro forma balance sheet as of December 31, 2017. The "pro forma" refers to the stockholders' equity section; this condensed and adapted balance sheet shows what Dropbox's stockholders' equity section would have looked like at December 31, 2017, if all of its preferred stock had already been converted to common stock.

Dropbox, Inc.
Consolidated Balance Sheet
Condensed and adapted for educational use only
As of December 31, 2017

	In millions
Assets	
Current assets	$ 518.1
Long-term assets	501.8
Total assets	$ 1,019.9
Liabilities and stockholders' equity	
Liabilities:	
Current liabilities	$ 738.4
Long-term liabilities	178.6
Total liabilities	$ 917.0
Stockholders' equity:	
Common stock and additional paid-in capital	$ 1,564.0
Retained earnings (deficit) and other	(1,461.1)
Total stockholders' equity	$ 102.9
Total liabilities and stockholders' equity	$ 1,019.9

Questions

1. When Dropbox issues these common stock shares through its IPO in exchange for cash, what impact will that stock issuance have on Dropbox's assets, liabilities, and equity?
2. What impact, if any, will the Dropbox IPO have on its current ratio? On its debt ratio?
3. Why might Dropbox be choosing to issue stock rather than incur more debt to raise cash?
4. Will this IPO have any direct impact on Dropbox's income statement? Explain.