

Twitter, in possibly last quarterly report, sees user growth

April 28 2022, by Kelvin Chan and Barbara Ortutay



The Twitter splash page is seen on a digital device, Monday, April 25, 2022, in San Diego. Twitter on Thursday, April 28, posted quarterly earnings of \$513 million days after it agreed to be sold to billionaire Elon Musk. The social media company said Thursday that revenue rose 16% to \$1.2 billion in the three months to March compared with the same period last year. Credit: AP Photo/Gregory Bull

Twitter's quarterly profit, revenue and the number of daily users on its platform are rising but its quarterly report, released days after agreeing to be sold to billionaire Elon Musk, offered scant details about what it expects on the financial front for the rest of the year.

The social media company on Thursday reported net income of \$513 million, or 61 cents a share, but that includes a big one-time gain from the sale of its MoPub business, clouding comparisons with the year-ago period.

Revenue, most of it from ads, rose 16% to \$1.2 billion in the three months to March compared with the same period last year, though the company said the figure reflected "headwinds associated with the war in Ukraine," without elaborating.

Twitter reported an average of 229 million daily active users in the quarter, which was about 14 million more than a revised 214.7 million daily users in the previous quarter.

The San Francisco company canceled a conference call with executives and industry analysts that usually accompanies its results, so there will be little further insight into the company's current financial condition.

"Given the pending acquisition of Twitter by Elon Musk, we will not be providing any forward looking guidance, and are withdrawing all previously provided goals and outlook," the company said.

Musk, who's paying \$54.20 for each outstanding share of Twitter, did not speak publicly on the quarterly report, perhaps among its last as a publicly traded entity.

Shares have yet to reach that buyout price and on Thursday, the company's stock edged slightly lower to \$48.36.

[Musk's \\$44 billion deal to](#) buy Twitter was announced earlier this week and is expected to [close sometime this year](#). But before the deal is completed, shareholders will have to weigh in, as well as regulators in the U.S. and in countries where Twitter does business. So far though, few hurdles are expected, despite objections from some of Twitter's own employees, along with users who worry about Musk's stance on free speech and what it might mean for harassment and hate speech on the platform.

Angelo Zino, tech analyst at CFRA, said the results, combined with a slew of challenges facing the digital ad industry, should solidify the board's decision to approve Musk's offer.

"We see little reason to believe Twitter could extract greater shareholder value remaining public," he said in a research note.

Musk, who also runs the electric car company Tesla, as well as SpaceX and other ventures, says he plans to take Twitter private. If he does, the company will no longer be beholden to shareholders or publicly report its financial results, which have been mixed at best since the company went public in 2013.

Twitter has struggled to consistently post profits as a public company while generating lackluster revenue growth compared to the two dominant forces in digital advertising, [Google](#) and [Facebook](#).

On one hand, going private could give Twitter more room to experiment while focusing less on short-term profit and its stock price. On the other hand, even the world's richest man is likely to want the company to make money.

"I think there is nothing better for Twitter than Elon Musk buying it and ideally replacing the board, and also doubling down on investments into

products and new revenue-generating sources," John Meyer, a technology entrepreneur and investor, told The Associated Press earlier this week.

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