

# Twitter's IPO Bound for NYSE as Losses Mount

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New York (AP) — Twitter will be coming off its biggest quarterly loss in the past three years when the online messaging service brings its IPO to the New York Stock Exchange later this fall.

A regulatory filing Tuesday revealed that Twitter Inc. will list its shares on the NYSE instead of the traditionally tech-friendly Nasdaq Stock Exchange.

The documents also disclosed Twitter's financial results for the three months ending in September. The San Francisco company lost \$65 million, tripling from the same time last year.

The setback was the worst Twitter has suffered in any quarter since 2010.

A target date or a price range for Twitter's initial public offering hasn't been set yet, although most analysts expect the process to be completed before Thanksgiving.

When trading in the shares does begin, it will be under the ticker symbol "TWTR" on the New York Stock Exchange.

The news is an upset for the Nasdaq, which has traditionally been the place for technology IPOs. The exchange was looking to redeem itself after last year's Facebook's IPO, which was marred by trading-order failures and delays.

As a result, the Securities and Exchange Commission in May fined the exchange \$10 million, the largest ever levied against an exchange.

Both exchanges had heavily courted Twitter.

The NYSE has wooed a growing list of companies recently, including 10 of the 20

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largest technology IPOs so far this year, according to research firm Dealogic.

Winning an IPO is always a big deal for an exchange, but a high-profile name like Twitter is an especially coveted prize. As long as Twitter's IPO goes well, it should give the NYSE an edge in luring other up-and-coming companies, particularly in the fertile area of social media.

"We are grateful for Twitter's confidence in our platform and look forward to partnering with them," NYSE spokeswoman Marissa Arnold said in a statement.

A Twitter spokesman declined to comment beyond the announcement.

Twitter still hasn't posted a profit since it started as a side project within another startup more than eight years ago. The company has now lost a total of \$483 million in its brief history.

Some of those losses have been by design. Twitter held off on trying to generate revenue during its early years while management focused on making the service more reliable and widening its audience.

By some measures, the strategy has proven to be successful.

In a development likely to hearten prospective investors, Twitter's revenue for the latest quarter more than doubled from last year to nearly \$169 million.

Twitter ended September with 232 million active users, up from 218 million in June.

The company's user growth has been slowing though. What's more, most of the traffic is coming from outside the U.S., including many less affluent countries that aren't as attractive to advertisers.

Twitter got only 26 percent of its revenue from advertisers outside the U.S. while 77 percent of its audience came from overseas.

The losses are starting to drain Twitter's bank account, giving added incentive for the company to go public. Twitter is hoping to raise \$1 billion in its IPO.

It ended September with \$321 million in cash, down from \$375 million in June.

The company also added another 300 employees during the latest quarter to expand its workforce to 2,300 people.

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Liedtke reported from San Francisco.

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