

Twitter remains unprofitable despite leap in sales

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By dpa

Twitter posted a net loss of US\$132 million (RM425 million), or 23 cents per share, in the first quarter compared to a net loss of US\$27 million in the same period last year, the San Francisco-based company reported Tuesday.

Sales for the social network were up US\$250 million, an increase of 119% compared to US\$114 million in the same period last year, the report said.

The US\$132-million net loss included US\$126 million in "stock-based compensation expense," the company said.

"We had a very strong first quarter. Revenue growth accelerated on a year over year basis fueled by increased engagement and user growth," Twitter chief Dick Costolo said. "We also continue to rapidly increase our reach and scale."

Twitter's membership reached 255 million in the first quarter, an increase of just 25% over the year, according to the report.

Twitter's share price fell more than 10% following the announcement.

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