

Subject: Twitter down ~9% on earnings, lowest price since IPO. Earnings call to begin shortly, lock-up expiry on Tuesday (5/6) [C]
From: Tazia Smith <[REDACTED]>
Date: Tue, 29 Apr 2014 16:55:26 -0400
To: jeevacation@gmail.com
Cc: Vinit Sahn <[REDACTED]>, Nav Gupta <[REDACTED]>, Paul Morris <[REDACTED]>, Vahe Stepanian <[REDACTED]>

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Jeffrey -

As you know, you own 1000 shares of TWTR at \$26 (+\$12.7k)

TWTR shares are at their lowest level since the stock's IPO (presently \$38.70, vs. a close of \$42.62)

Conference call begins at 5pm ET

Twitter reported a better-than-expected top and bottom line for Q1, however, Monthly Active User (MAU) growth was shy of whisper expectations. Investors are focused on valuation (still high at current stock price - DB's price target of \$65 implies 65x EV/EBITDA vs. Facebook which is ~12x), and stock action has reflected the forthcoming headwind: ~474mm shares come out of 180 lock-up as of next Tuesday, 5/6 (includes Execs and early stage PE).

Top and bottom line beat (like last quarter) but user growth is just inline with consensus ests and disappoint vs expectations:

Revenues Better - \$250mm vs \$241.5mm

Earnings Better - \$0.00 vs (\$0.03)

But audience growth (Monthly Active Users) just inline - disappointing vs. whisper

MAU:

Total 255M vs SA 256.8M and 241M in Q4 - represents y/y growth of +25%

Mobile 198M vs 184M in Q4

US 57M vs SA 57.0M and 54M in Q4

International 198M vs SA 200.0M and 187M in Q4

(source: Streetaccount.com)

Guidance inline/better:

Q2 Guidance inline EBIDGA of \$35-30mm vs \$28mm

FY Guidance EBIDA of \$180mm-205mm vs prior \$150-180mm (cons 181mm)

TWTR Intra-Day/Aftermarket Price History

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TWTR 6mo Price History

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(Embedded image moved to file: pic25227.gif)

Tazia Smith
Director | Key Client Partners - US

DB Securities Inc
Deutsche Asset & Wealth Management
345 Park Avenue, 10154-0004 New York, NY, USA
Tel. [REDACTED]
Fax [REDACTED]
Mobile [REDACTED]
Email [REDACTED]

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From: Kevin Burns <[REDACTED]>

To: Tazia Smith/db/[REDACTED],

Cc: Bill Loftus <[REDACTED]>, Kevin Burns <[REDACTED]>

Date: 04/29/2014 04:24 PM

Subject: Re: TWTR shares down ~7% from closing print of \$42.62 to ~\$39.45 (giving back the days gains) [C]

New low since breaking syndicate. 38.5

Sent from my iPad

On Apr 29, 2014, at 4:17 PM, "Tazia Smith" <[REDACTED]> wrote:

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corrected MAUs below to include totals (prev just Mobile)

From:
Smith/db/dbcom

Tazia

To: [REDACTED], [REDACTED], [REDACTED]

Date:
2014 04:15 PM

04/29/

Subject:
hares down ~7% from closing print of \$42.62 to ~\$39.45 (giving back the days gains) [C]

TWTR s

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Tazia Smith
Director | Key Client Partners - US

DB Securities Inc
Deutsche Asset & Wealth Management
345 Park Avenue, 10154-0004 New York, NY, USA
Tel. [REDACTED]
Fax [REDACTED]
Mobile [REDACTED]
Email [REDACTED]

<ATT00004.gif>

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Tazia Smith
Director | Key Client Partners - US

DB Securities Inc
Deutsche Asset & Wealth Management
345 Park Avenue, 10154-0004 New York, NY, USA
Tel. [REDACTED]
Fax [REDACTED]
Mobile [REDACTED]
Email [REDACTED]

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