



TWITTER

Q1 2016 EARNINGS REPORT

FORWARD-LOOKING STATEMENTS AND NON-GAAP INFORMATION

This presentation and the accompanying shareholder letter and conference call contain “forward-looking” statements that are based on our management’s beliefs and assumptions and on information currently available to management. Forward-looking statements include statements about expected financial metrics, such as revenue, non-GAAP adjusted EBITDA, adjusted EBITDA margin, GAAP and non-GAAP share count, capital expenditures, and stock-based compensation, as well as non-financial metrics, such as average monthly active users, advertiser base and ad engagements, for the second quarter of 2016 and beyond. They also include statements about our strategies, product and business plans, the development of, investment in and demand for its products, product features and services, competitive position, industry environment, potential growth opportunities, and potential market opportunities.

Forward-looking statements include all statements that are not historical facts and can be identified by terms such as “anticipates,” “believes,” “could,” “seeks,” “estimates,” “intends,” “may,” “plans,” “potential,” “predicts,” “projects,” “should,” “will,” “would” or similar expressions and the negatives of those terms. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. For a discussion of these risks, you should read our filings with the Securities and Exchange Commission (SEC), including the Annual Report on Form 10-K for the year ended December 31, 2015, and the Quarterly Report on Form 10-Q we will file for the quarter ended March 31, 2016. In addition, please note that the date of this presentation is April 26, 2016, and any forward-looking statements contained herein are based on assumptions that we believe to be reasonable as of this date. Except as required by law, we assume no obligation to update these forward-looking statements publicly, or to update the reasons actual results could differ materially from those anticipated in the forward-looking statements, even if new information becomes available in the future.

This presentation includes certain non-GAAP financial measures as defined by SEC rules. As required by Regulation G, we have provided a reconciliation of those measures to the most directly comparable GAAP measures, which is available in the Appendix.



A NOTE ABOUT METRICS

The numbers of active users presented in our earnings materials are based on internal company data. While these numbers are based on what we believe to be reasonable estimates for the applicable period of measurement, there are inherent challenges in measuring usage and user engagement across our large user base around the world. For example, there are a number of false or spam accounts in existence on our platform. We have performed an internal review of a sample of accounts and estimated that false or spam accounts represented less than 5% of our monthly active users (MAUs) as of December 31, 2015. In making this determination, we applied significant judgment, so our estimation of false or spam accounts may not accurately represent the actual number of such accounts, and the actual number of false or spam accounts could be higher than we have estimated. We are continually seeking to improve our ability to estimate the total number of spam accounts and eliminate them from the calculation of our active users. Spam accounts that we have identified are not included in the active user numbers presented in our earnings materials. We treat multiple accounts held by a single person or organization as multiple users for purposes of calculating our active users because we permit people and organizations to have more than one account. Additionally, some accounts used by organizations are used by many people within the organization. As such, the calculations of our active users may not accurately reflect the actual number of people or organizations using our platform.

Our metrics are also affected by applications that automatically contact our servers for regular updates with no action involved, and this activity can cause our system to count the users associated with such applications as active users on the day or days such contact occurs. As of December 31, 2015, less than 8.5% of users used third party applications that may have automatically contacted our servers for regular updates without any discernible additional user-initiated action. As such, the calculations of MAUs presented in our earnings materials may be affected as a result of automated activity.

In addition, our data regarding user geographic location for purposes of reporting the geographic location of our MAUs is based on the IP address or phone number associated with the account when a user initially registered the account on Twitter. The IP address or phone number may not always accurately reflect a user's actual location at the time such user engaged with our platform.

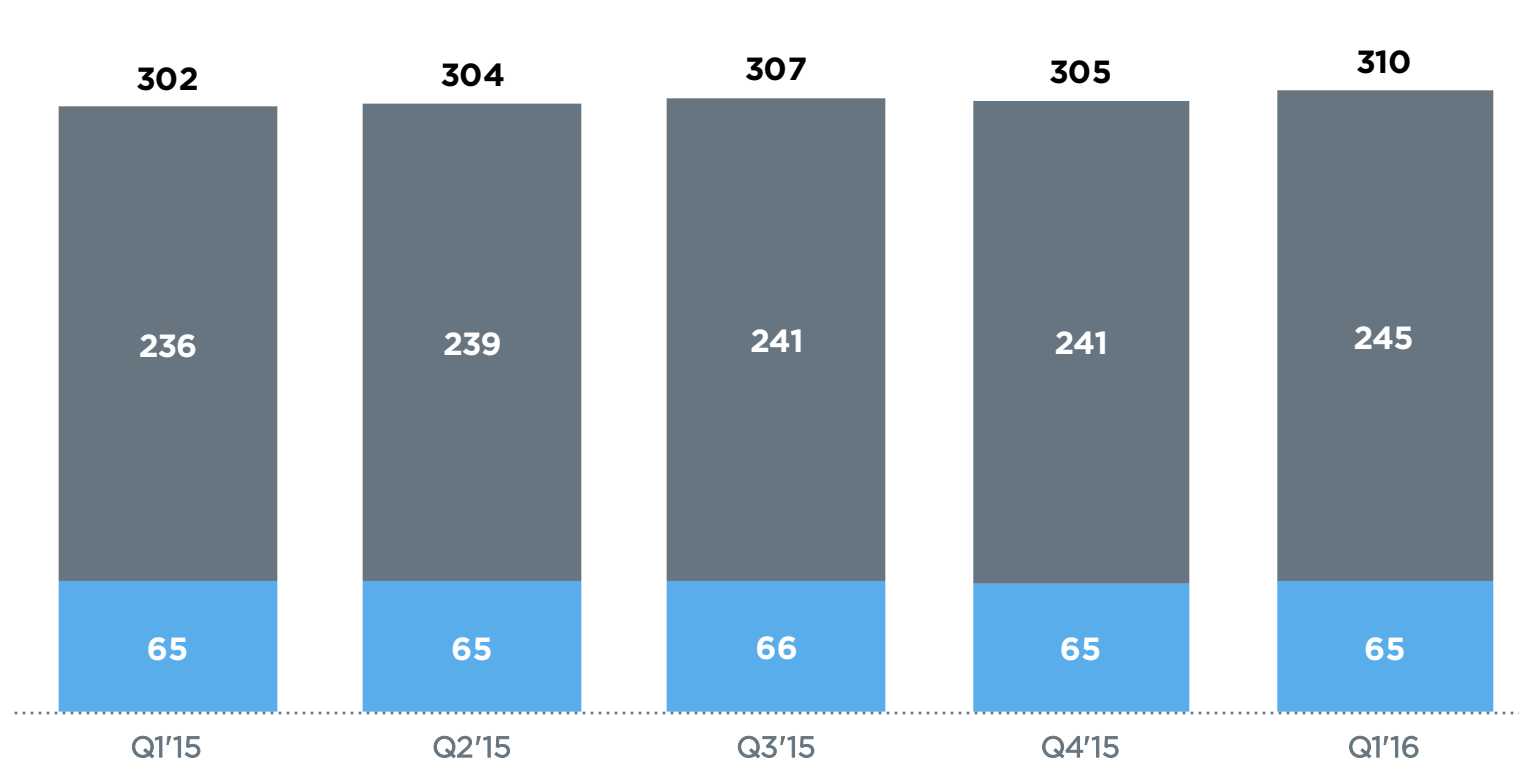
We present and discuss the size of our audience and logged-out usage based on both internal metrics and data from Google Analytics, which measures unique visitors to our properties. We regularly review and may adjust our processes for calculating our internal metrics to improve their accuracy. Our measures of user growth and user engagement may differ from estimates published by third parties or from similarly-titled metrics of our competitors due to differences in methodology.



MONTHLY ACTIVE USERS

(quarterly average, millions)

INTERNATIONAL
UNITED STATES



+3%
WW Y/Y

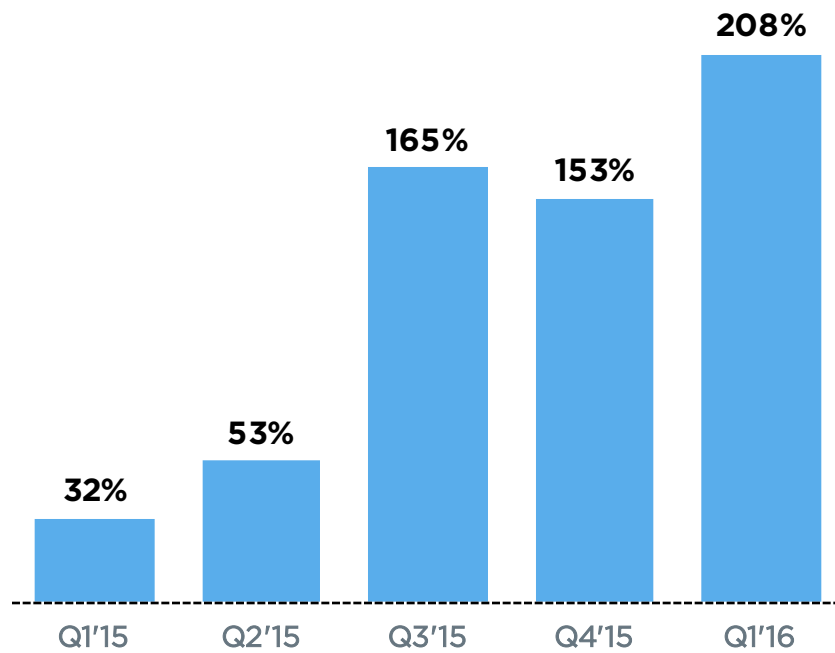
+4%
INT'L Y/Y

+0%
US Y/Y

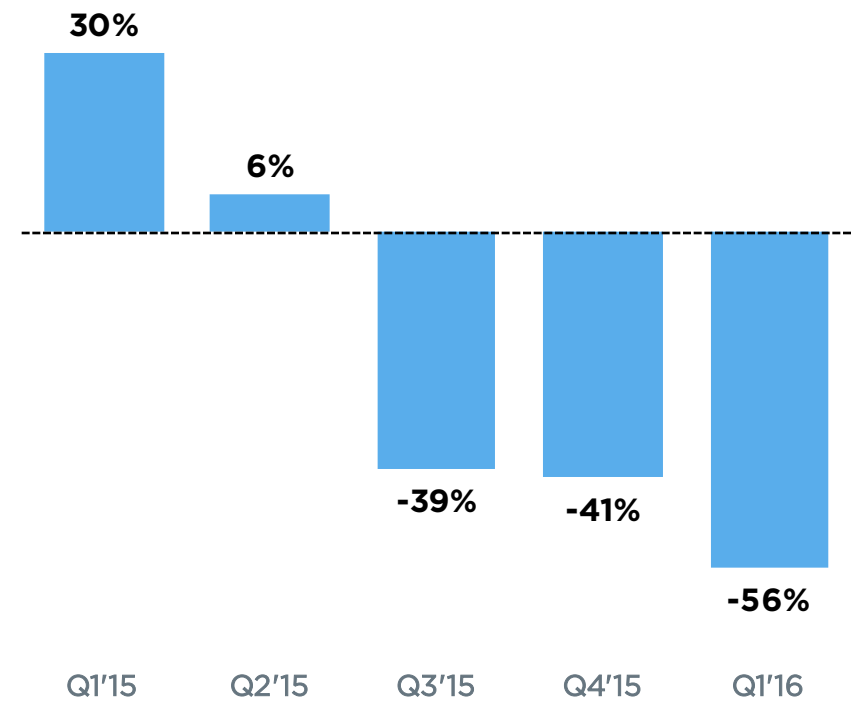


MONETIZATION METRICS

Y/Y % CHANGE IN AD ENGAGEMENTS



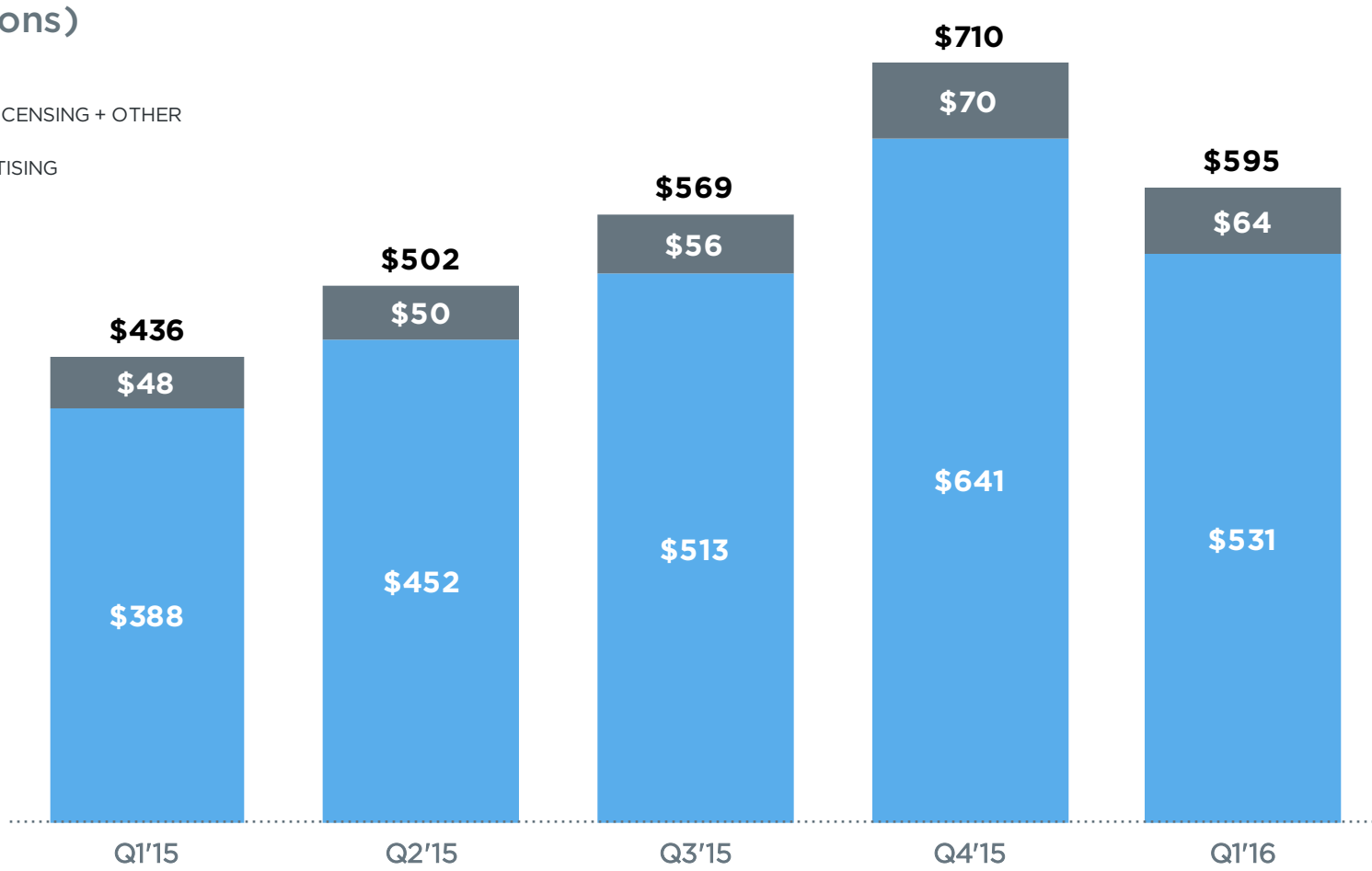
Y/Y % CHANGE IN COST PER AD ENGAGEMENT



QUARTERLY REVENUE

(\$, millions)

DATA LICENSING + OTHER
ADVERTISING



+36%
TOTAL Y/Y

+34%
DL&O Y/Y

+37%
ADV Y/Y

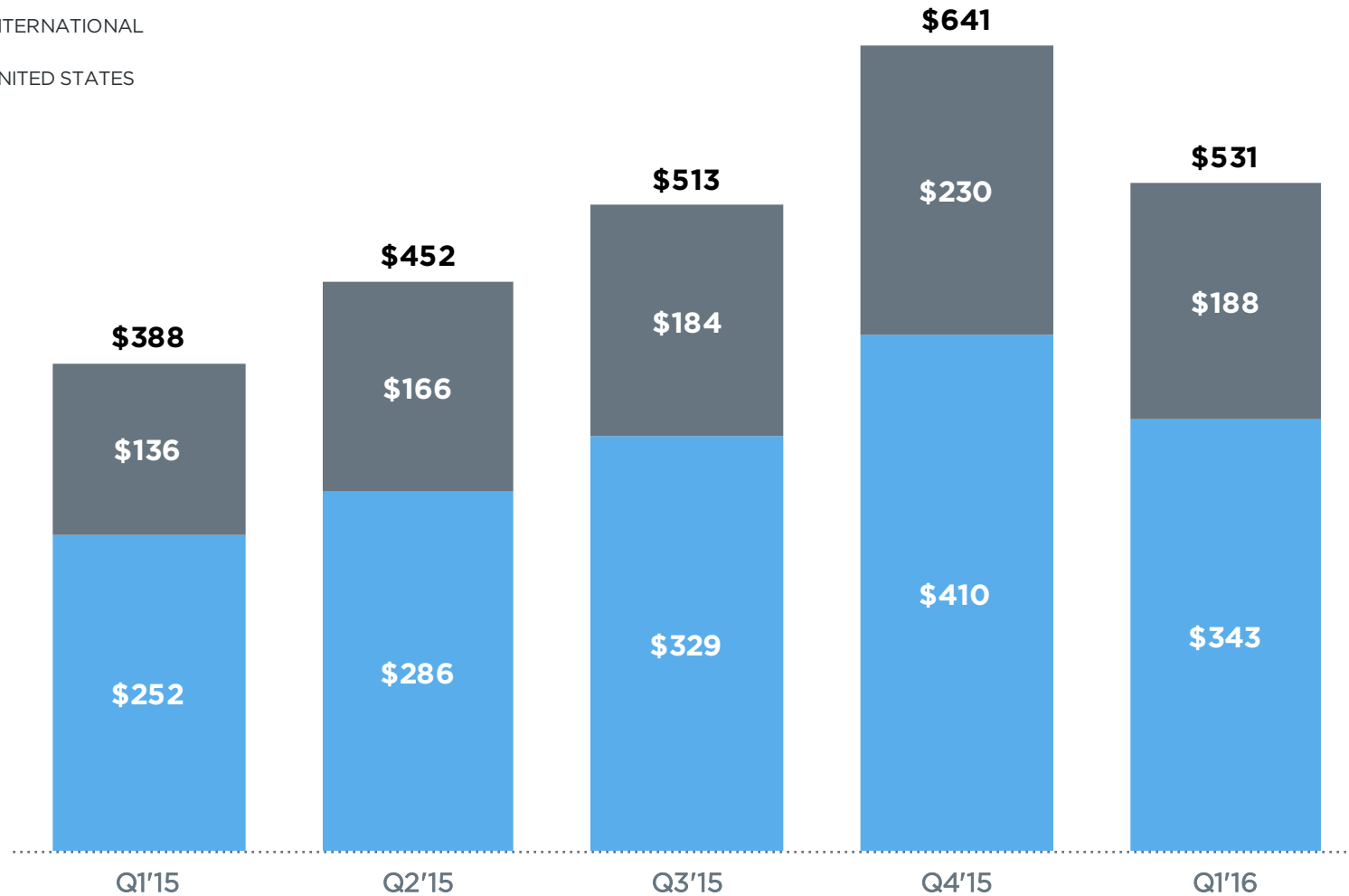
% INTERNATIONAL	Q1'15	Q2'15	Q3'15	Q4'15	Q1'16
	34%	36%	35%	35%	34%



QUARTERLY ADVERTISING REVENUE BY GEOGRAPHY

(\$, millions)

INTERNATIONAL
UNITED STATES



+37%
WW Y/Y

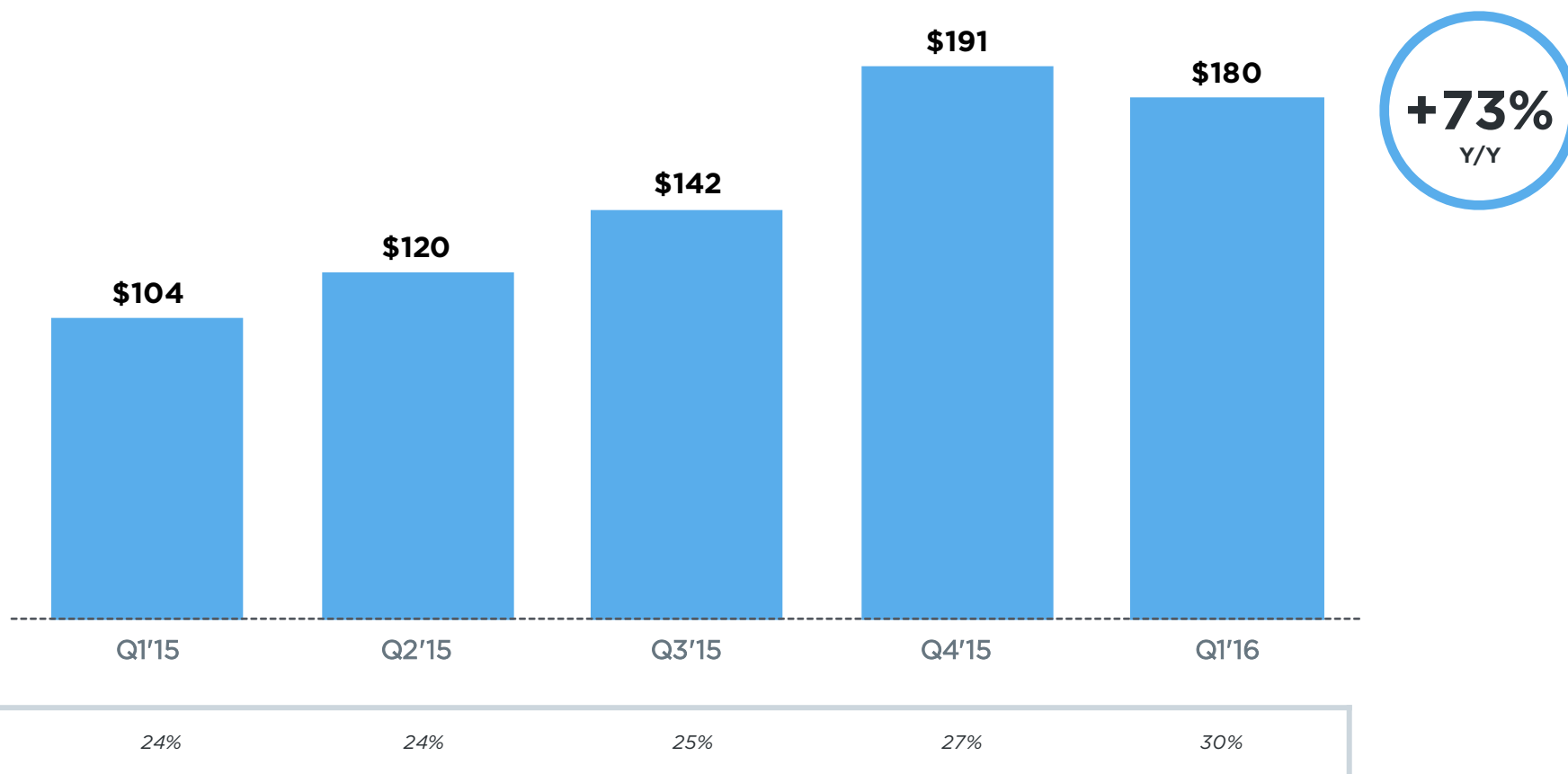
+38%
INT'L Y/Y

+36%
U.S. Y/Y



QUARTERLY ADJUSTED EBITDA

(\$, millions)



Note: Adjusted EBITDA is defined as net loss adjusted to exclude stock-based compensation expense, depreciation and amortization expense, interest and other expenses, provision (benefit) for income taxes, and restructuring charges. See Appendix for a reconciliation of net loss to Adjusted EBITDA.

APPENDIX

ADJUSTED EBITDA RECONCILIATION

(\$, thousands)

RECONCILIATION OF NET LOSS TO ADJUSTED EBITDA

	Three months ended				
	Mar 31, 2015	Jun 30, 2015	Sep 30, 2015	Dec 31, 2015	Mar 31, 2016
Net loss	(\$162,442)	(\$136,663)	(\$131,690)	(\$90,236)	(\$79,731)
Stock-based compensation expense	182,805	175,143	165,921	158,249	150,916
Depreciation and amortization expense	67,864	76,049	81,464	87,446	88,621
Interest and other expense (income)	15,194	25,132	23,291	19,652	18,587
Provision (benefit) for income taxes	632	(19,473)	3,162	3,405	2,028
Restructuring charges	—	—	—	12,902	47
Adjusted EBITDA	\$104,053	\$120,188	\$142,148	\$191,418	180,468



Note: Adjusted EBITDA is defined as net loss adjusted to exclude stock-based compensation expense, depreciation and amortization expense, interest and other expenses, provision (benefit) for income taxes, and restructuring charges.

GAAP TO NON-GAAP RECONCILIATIONS

(\$, thousands)

THREE MONTHS ENDED MARCH 31, 2015

	GAAP	Stock-based compensation expense	Amortization of acquired intangible assets	Non-GAAP
Cost of revenue	\$143,475	\$12,886	\$8,201	\$122,388
Research and development	189,746	103,036	64	86,646
Sales and marketing	183,557	42,658	2,530	138,369
General and administrative	65,777	24,225	—	41,552

THREE MONTHS ENDED MARCH 31, 2016

	GAAP	Stock-based compensation expense	Amortization of acquired intangible assets	Restructuring charges	Non-GAAP
Cost of revenue	\$198,405	\$7,968	\$7,944	\$1	\$182,492
Research and development	155,794	75,579	64	10	80,141
Sales and marketing	236,171	46,101	4,722	32	185,316
General and administrative	63,267	21,268	—	4	41,995



