

Pandora shares plunge as earnings fall short

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Pandora shares were down 18.50 percent at \$11.63 in after-hours trading after losing 2.66 percent to \$14.27 during the day on Wall Street.

The Oakland, California-based Pandora, which creates personalized radio stations for users based on their favorite artists or songs, reported a fiscal fourth quarter net loss of \$8.2 million compared to \$3.9 million a year ago.

Revenue rose 71 percent to \$81.3 million in the quarter which ended on January 31 but fell short of the \$83.06 million expected by analysts.

[Advertising revenue](#) rose 74 percent to \$72.1 million while [subscription revenue](#) was up 51 percent to \$9.2 million.

Pandora forecast revenue of between \$72 million and \$75 million for the current quarter, less than the \$86.58 million expected by analysts.

Pandora chief executive Joe Kennedy put a positive spin on the results.

"The fourth quarter was a strong finish to fiscal 2012, which was highlighted by record revenue, radio market share, listening hours and active users," Kennedy said in a statement.

"Reflecting on our first fiscal year as a public company, we have many accomplishments to be proud of and much to look forward to in the year ahead," he said.

"Pandora continues to rapidly disrupt the radio industry and has only just begun to realize the potential of our \$37 billion US market opportunity," Kennedy said.

[Pandora](#) went public in June at \$16 a share, one of several Internet companies to make their debut on Wall Street last year.

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