

Pandora loss shrinks as revenue rises

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Internet radio firm Pandora on Wednesday reported that its revenue climbed in the recently-ended quarter but that it still lost money due in large part to royalties paid out for songs.

The Oakland, California-based Pandora, which creates personalized radio stations for users, reported a net loss of \$5.4 million on revenue that rose 51 percent to \$101.3 million compared with the same period last year.

"This quarter exceeded our expectations as our strong momentum continues with both listeners and advertisers," said Pandora chief executive Joe Kennedy.

"In particular, this quarter demonstrated that our mobile monetization strategies are working."

Revenue from people using Pandora's service on mobile devices rose 86 percent to \$59.2 million in the quarter when compared to the prior year.

Pandora shares leapt more than nine percent to \$11.03 in after-hours trading on the [New York Stock Exchange](#).

Income from subscriptions was up 36 percent to \$11.9 million while [advertising revenue](#) climbed 53 percent to \$89.4 million.

Ranks of active Pandora users swelled 48 percent to 54.9 million, with people listening to a total of 3.3 billion hours of music in an 80 percent

climb from the same quarter last year.

Pandora expected to bring in from \$115 million to \$118 million in the current quarter and to break even or show a slight profit, but to finish the fiscal year with an overall loss.

Pandora gets revenues from advertisers and from users who pay for premium services.

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

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