

# Pinterest reports smaller 1Q loss but results drag stock

May 16 2019, by Barbara Ortutay



In this Thursday, April 18, 2019, file photo, Pinterest co-founder and chief product officer Evan Sharp, left, and fellow co-founder & CEO Ben Silbermann, right, watch as company communications manager Enid Hwang rings a ceremonial bell when their IPO begins trading on the New York Stock Exchange floor. Pinterest, fresh off its initial public offering, is reporting a smaller loss in the first quarter, boosted by higher revenue, but its outlook was below expectations and shares slumped in after-hours trading. (AP Photo/Richard Drew, File)

Pinterest, fresh off its initial public offering, posted a loss for the first three months of the year that was larger than analysts were expecting, though revenue was slightly stronger. Its revenue forecast, though, was slightly below expectations and its shares slumped in after-hours trading.

The company, which runs a digital pinboard and shopping tool, said Thursday that its net loss was \$41.4 million, or 33 cents per share, in the January-March period. Its revenue grew 54% to \$202 million from \$131 million. The quarter's adjusted loss was 32 cents per share.

Analysts had expected a loss of 11 cents per share on revenue of \$200.7 million, according to FactSet.

People use Pinterest to search for and collect, or "pin," ideas for weddings, home decor, recipes, fashion and other categories. The service had 291 million monthly active users in the first quarter, up 22% from 239 million a year earlier.

Pinterest said it expects revenue in a range of \$1.055 billion to \$1.08 billion for the full year, the midpoint of which is slightly below the \$1.07 billion that analysts had been expecting, even though the first quarter's sales surpassed estimates.

The San Francisco-based company's shares fell \$4.86, or 16 percent, to \$26 in after-hours trading. The stock had closed the regular-trading day up \$2.23, or 7.8 percent, at \$30.86. The company went public at \$19 per share in April.

© 2019 The Associated Press. All rights reserved.

Citation: Pinterest reports smaller 1Q loss but results drag stock (2019, May 16) retrieved 27

April 2024 from <https://phys.org/news/2019-05-pinterest-smaller-1q-loss-guidance.html>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.