



Q3 2022 *Earnings Report*



Non-GAAP Financial Measures

To supplement our condensed consolidated financial statements, which are prepared and presented in accordance with generally accepted accounting principles in the United States ("GAAP"), we use the following non-GAAP financial measures: Adjusted EBITDA, Adjusted EBITDA margin, and non-GAAP costs and expenses (including non-GAAP cost of revenue, research and development, sales and marketing, and general and administrative). The presentation of these financial measures is not intended to be considered in isolation, or as a substitute for, or superior to, the financial information prepared and presented in accordance with GAAP. Investors are cautioned that there are material limitations associated with the use of non-GAAP financial measures as an analytical tool. In addition, these measures may be different from non-GAAP financial measures used by other companies, limiting their usefulness for comparative purposes. We compensate for these limitations by providing specific information regarding GAAP amounts excluded from these non-GAAP financial measures.

For a reconciliation of these non-GAAP financial measures to the most directly comparable GAAP financial measures, please see the Appendix.

Limitation of Key Metrics and Other Data

The numbers for our key metrics, which include our monthly active users (MAUs) and average revenue per user (ARPU), are calculated using internal company data based on the activity of user accounts. We define a monthly active user as an authenticated Pinterest user who visits our website, opens our mobile application or interacts with Pinterest through one of our browser or site extensions, such as the Save button, at least once during the 30-day period ending on the date of measurement. The number of MAUs do not include Shuffles users unless they would otherwise qualify as MAUs. We measure monetization of our platform through our average revenue per user metric. We define ARPU as our total revenue in a given geography during a period divided by average MAUs in that geography during the period. We calculate average MAUs based on the average of the number of MAUs measured on the last day of the current period and the last day prior to the beginning of the current period. We calculate ARPU by geography based on our estimate of the geography in which revenue-generating activities occur. We use these metrics to assess the growth and health of the overall business and believe that MAUs and ARPU best reflect our ability to attract, retain, engage and monetize our users, and thereby drive revenue. While these numbers are based on what we believe to be reasonable estimates of our user base for the applicable period of measurement, there are inherent challenges in measuring usage of our products across large online and mobile populations around the world. In addition, we are continually seeking to improve our estimates of our user base, and such estimates may change due to improvements or changes in technology or our methodology.

All information provided in this presentation is as of October 27th, 2022. We undertake no duty to update this information unless required by law. All information provided in this presentation is unaudited.

“Pinterest – it’s a whole catalog of anything I can think of. If I want a recipe, it’s my cookbook. If I want a new outfit for a job interview, it’s my fashion magazine. And even for shopping, I can look for things I may want, and then click, and buy the item. It’s a big collection of anything I could need.”

Nicole is a 26 year old Pinner from Norfolk, Virginia, and has used Pinterest to plan all her life events - both big and small. She first started using Pinterest to plan cute outfits and fun activities with her friends. As she grew older, her use cases on Pinterest evolved with her. Instead of using Pinterest to decorate her room, she’s now using it to pick out pieces of decor for her new home. And instead of using Pinterest to plan prom, she’s using it to plan for her wedding. For Nicole, Pinterest is personal. It’s a curated catalog of the things she likes - a place where she can explore her interests without worrying about the pressure of other people’s judgment.



Nicole O.
@hipstersister11

Norfolk, VA
United States

Inspired on Pinterest
Some of Nicole’s boards:

- DIY Dreams
- Healthy Food, Happy You
- Boss Babe
- Tat It Up
- Summer Clothes
- Second Skin

Kohl's



The Bright Whites and Beiges

White and beige is like coffee with cream. They're better together! Take a sip—your perfect hues are earthy and warm.

[Shop Your Palette](#)

[Retake the quiz](#)

“We know people are coming to Pinterest with shopping intent and an inspirational mindset, creating the perfect environment to create fun and innovative experiences that really resonate with shoppers,”

Christie Raymond, Kohl's Chief Marketing Officer

Shoppers are turning to Pinterest as a key shopping destination: a place to get inspired and discover new ideas. With fall fashion in full force, and the holiday season right around the corner, Kohl's tapped Pinterest's shopability and trends to help consumers find what they're looking for in more fun and inspiring ways. Kohl's launched the Trend Matchmaker experience, leaning into recent key trends on Pinterest like “Power Casual,” to allow consumers to “swipe-right” on clothes that match their personal style. Kohl's also launched the Outfit Color Match interactive quiz to help consumers find, and then shop, for outfits with a specific color theme that fits them best. The results speak for themselves, with the engagement rate on this experience outpacing Pinterest benchmarks by over 200%*.

*Pinterest internal data, 2022

Q3'22 Business Highlights

We're growing our inspired engagement

- Global, U.S. & Canada monthly active users grew sequentially.
- We saw year-over-year growth in engagement, as measured by a basket of metrics such as sessions, impressions, and saves.
- In Q3, Gen Z users grew double digits year over year, accelerating from Q2.

We're improving our inspired content offering

- We launched Shuffles, our new collage making app, in an invite-only beta.
- Over the past year, we've grown our video content supply by 3X.
- We announced a new partnership with Warner Music Group, Warner Chappell Music, Merlin, and BMG, to expand the music experience on Pinterest.
- Content uploaded to Pinterest drove nearly half of all saves on the platform.
- We announced a partnership with wellness app, Headspace, to provide Pinterest creators a subscription to support them integrating wellbeing practices into their everyday lives.
- We teamed up with First Lady Dr. Jill Biden to celebrate and support educators across the country through curated Pinterest boards, teacher tips, and a Pinterest TV series with top DIY creators.
- We're committed to fighting the spread of election misinformation on our platform, and launched "Search Resource," which is a search advisory that directs users to non-partisan resources when they search for information related to voting.

Q322 Business Highlights

We're building more merchant success tools

- We launched category controls for Shop tab in Business Profiles, and merchants can now edit and create new categories for their storefront.
- We GA launched the API for Shopping to all geographical regions, allowing merchants to easily manage and upload their catalogs as well as update pricing and availability data in real time.

We're expanding our advertiser solutions

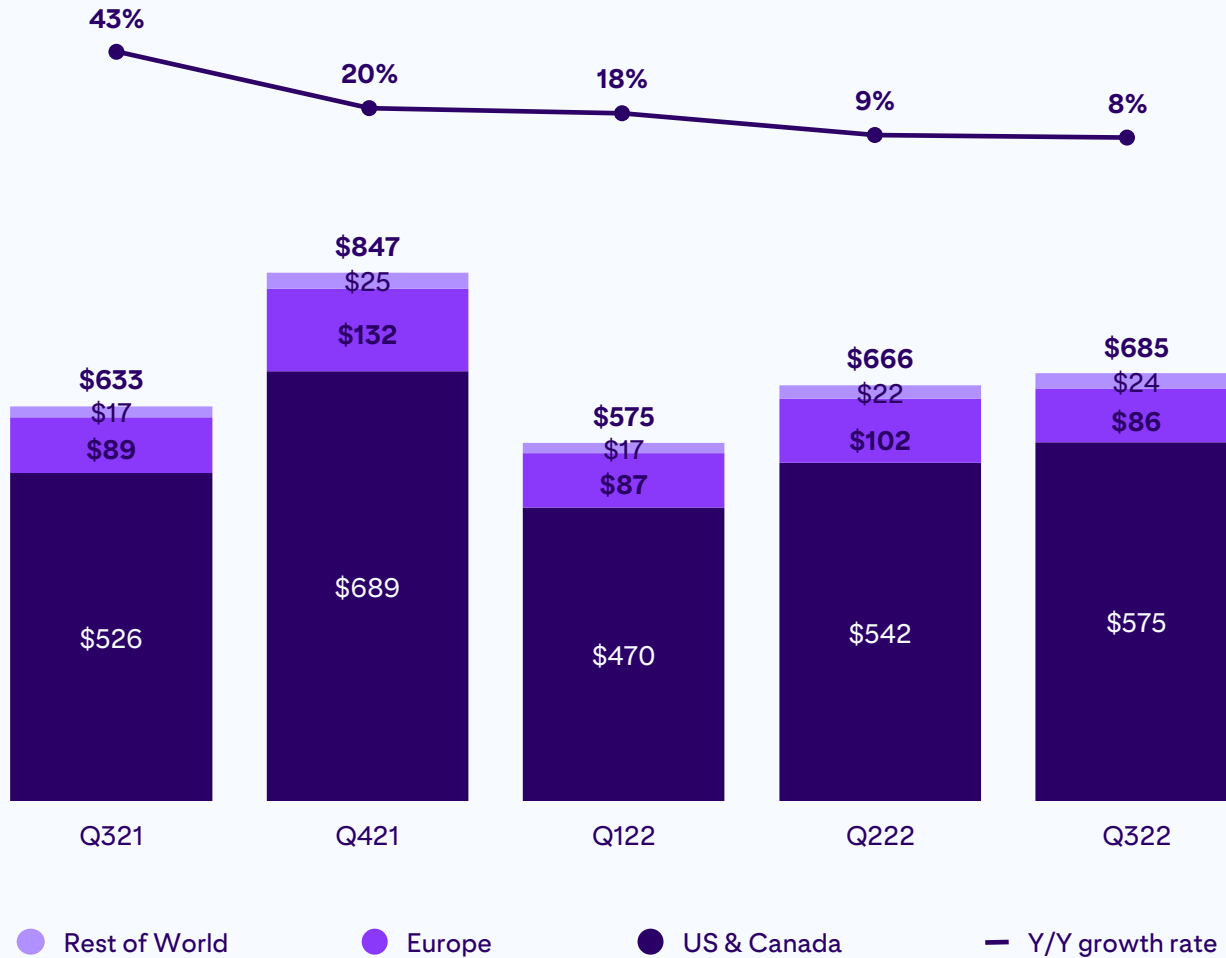
- We launched ads in Argentina, Chile, and Colombia, adding to our presence in the LATAM market.
- We GA launched Pinterest API for Conversions, a new secure and reliable way for advertisers to connect their data to Pinterest, allowing for better targeting and measurement.
- We GA launched our Pinterest Trends tool to help advertisers find what's trending with demographics that matter to their business.
- We launched Video ingestion in Catalogs in Beta, which provides merchants the opportunity to include a video in addition to an image within their catalog ads, and allows users the ability to see the products in even more detail.

We're doubling down on what makes us different

- We launched our global brand campaign, "Don't Don't Yourself," emphasizing self empowerment and Pinterest as a place for creativity and self-expression.

Revenue

(in millions)



+8%
Global Y/Y

+9%
US & Canada Y/Y

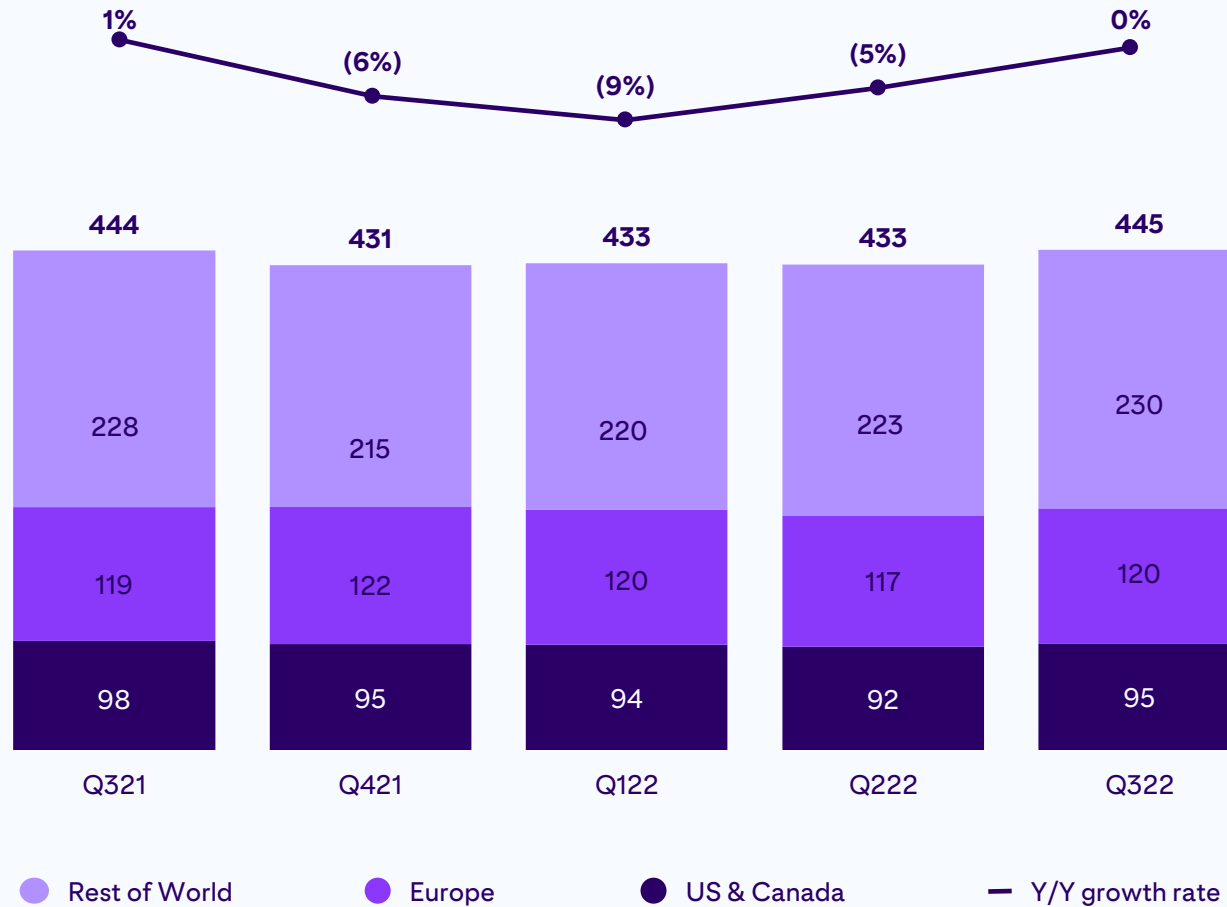
(4%)
Europe Y/Y

+36%
Rest of World Y/Y

Note: Revenue is geographically apportioned based on our estimate of the geographic location of our users when they perform a revenue-generating activity. Geographic breakdown may not sum to Global due to rounding; quarterly amounts may not sum to annual due to rounding. © 2022 Pinterest. All rights reserved.

Monthly active users

(in millions)



+0%
Global Y/Y

(2%)
US & Canada Y/Y

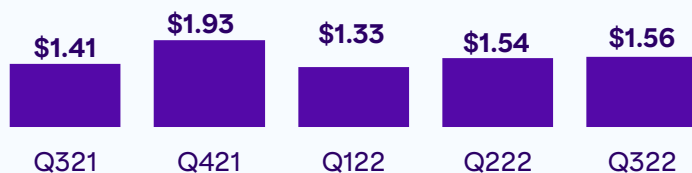
+1%
Europe Y/Y

+1%
Rest of World Y/Y

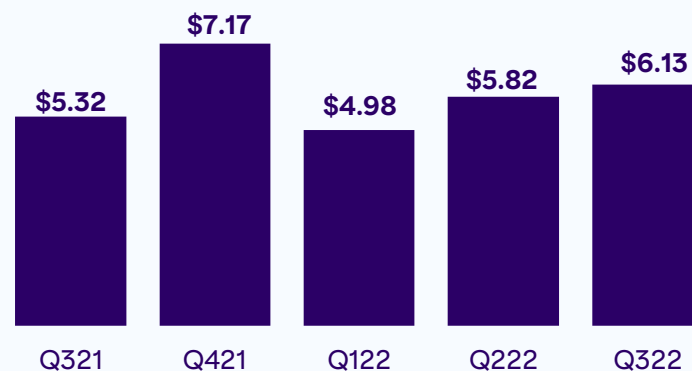
Note: We define a monthly active user as an authenticated Pinterest user who visits our website, opens our mobile application or interacts with Pinterest through one of our browser or site extensions, such as the Save button, at least once during the 30-day period ending on the date of measurement. We present MAUs based on the number of MAUs measured on the last day of the current period. Geographic breakdown may not sum to Global due to rounding. © 2022 Pinterest. All rights reserved.

Average revenue per user

Global



US & Canada



Europe



Rest of World



+11%

Global Y/Y

+15%

US & Canada Y/Y

(3%)

Europe Y/Y

+38%

Rest of World Y/Y

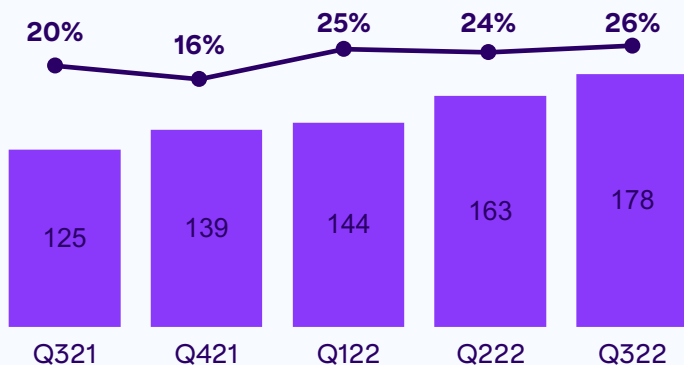
Note: We measure monetization of our platform through our average revenue per user metric. We define ARPU as our total revenue in a given geography during a period divided by average MAUs in that geography during the period. We calculate average MAUs based on the average of the number of MAUs measured on the last day of the current period and the last day prior to the beginning of the current period. We calculate ARPU by geography based on our estimate of the geography in which revenue-generating activities occur. © 2022 Pinterest. All rights reserved.

Non-GAAP costs and expenses

(in millions)

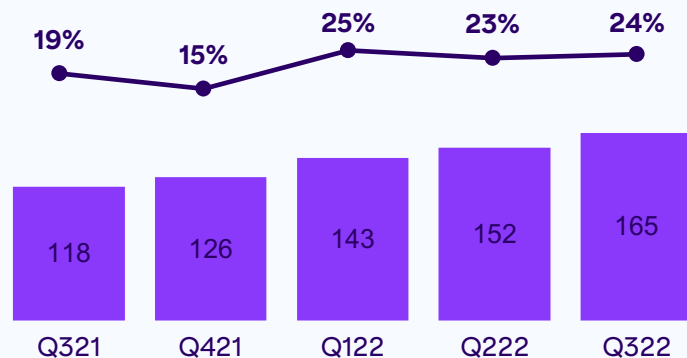
Cost of Revenue

— % of revenue



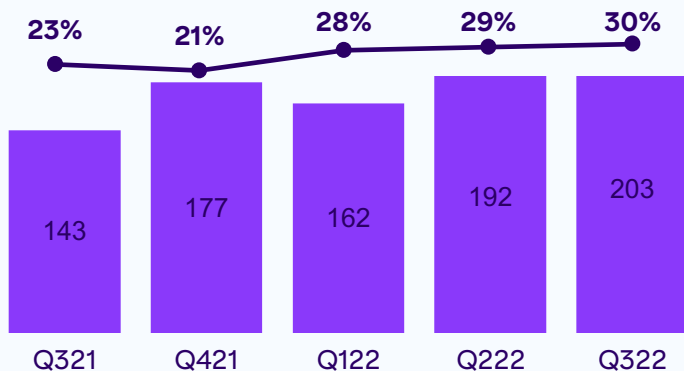
R&D

— % of revenue



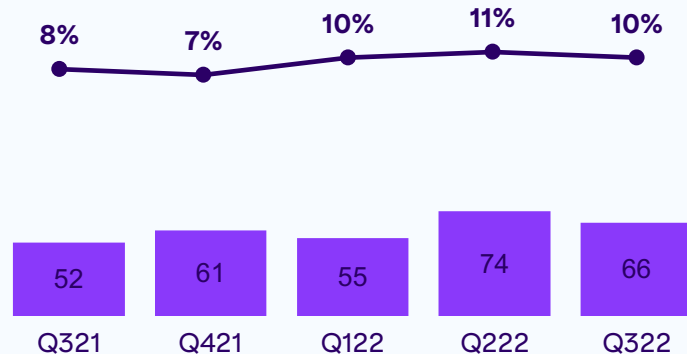
S&M

— % of revenue



G&A

— % of revenue



+43%

COR Y/Y

+39%

R&D Y/Y

+42%

S&M Y/Y

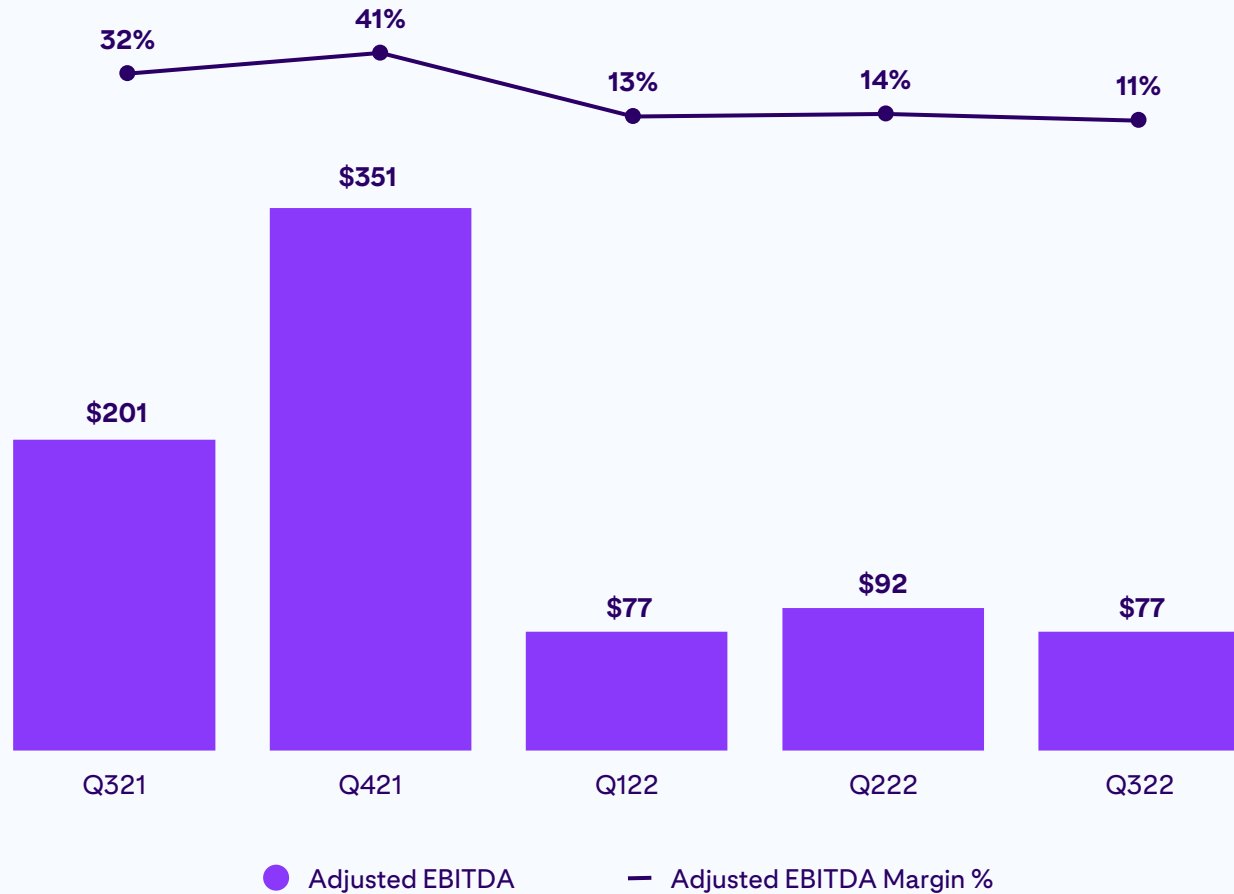
+26%

G&A Y/Y

Note: Costs and expenses are non-GAAP financial measures, which exclude share-based compensation (SBC), amortization of acquired intangible assets, and non-cash charitable contributions. For a reconciliation of these non-GAAP financial measures to the most directly comparable GAAP financial measures, please see the tables included in the Appendix at the end of this release.
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Adjusted EBITDA

(in millions)



(62%)
Adj. EBITDA Y/Y

Note: Adjusted EBITDA is a non-GAAP financial measure. We define adjusted EBITDA as net income (loss) adjusted to exclude depreciation and amortization expense, share-based compensation expense, interest and other (income) expense, net and provision for (benefit from) income taxes, and non-cash charitable contributions. For a reconciliation of these non-GAAP financial measures to the most directly comparable GAAP financial measures, please see the tables included in the Appendix at the end of this release. © 2022 Pinterest. All rights reserved.

Appendix

GAAP to non-GAAP costs and expenses reconciliation

(in millions)

Quarter ended September 30, 2022

	GAAP	Share-based compensation	Amortization	Other expense	Non-GAAP
Cost of revenue	\$182.6	\$2.2	\$2.0	\$0.0	\$178.4
Research and development	254.7	89.7	0.0	0.0	165.0
Sales and marketing	229.9	23.3	3.4	0.0	203.2
General and administrative	86.8	21.0	0.2	0.0	65.6
Total costs and expenses	\$753.9	\$136.2	\$5.5	0.0	\$612.2

Quarter ended June 30, 2022

	GAAP	Share-based compensation	Amortization	Other expense	Non-GAAP
Cost of revenue	\$164.9	\$1.4	\$0.9	\$0.0	\$162.5
Research and development	233.5	81.4	0.0	0.0	152.1
Sales and marketing	212.0	18.5	1.9	0.0	191.6
General and administrative	90.0	16.1	0.2	0.0	73.7
Total costs and expenses	\$700.4	\$117.4	\$3.0	0.0	\$580.0

Note: Totals may not sum due to rounding. © 2022 Pinterest. All rights reserved.

GAAP to non-GAAP costs and expenses reconciliation

(in millions)

Quarter ended March 31, 2022

	GAAP	Share-based compensation	Amortization	Other expense	Non-GAAP
Cost of revenue	\$146.1	\$1.2	\$0.7	\$0.0	\$144.2
Research and development	195.5	52.9	0.0	0.0	142.7
Sales and marketing	174.0	11.8	0.1	0.0	162.0
General and administrative	63.0	7.4	0.2	0.0	55.4
Total costs and expenses	\$578.6	\$73.2	\$1.0	0.0	\$504.3

Quarter ended December 31, 2021

	GAAP	Share-based compensation	Amortization	Other expense	Non-GAAP
Cost of revenue	\$141.2	\$1.9	\$0.3	\$0.0	\$139.0
Research and development	240.9	115.0	0.0	0.0	125.8
Sales and marketing	190.5	13.4	0.0	0.0	177.1
General and administrative	94.6	9.0	0.2	24.8 ¹	60.6
Total costs and expenses	\$667.2	\$139.4	\$0.5	\$24.8	\$502.5

Note: Totals may not sum due to rounding. © 2022 Pinterest. All rights reserved.
¹: Other expense is comprised of non-cash charitable contributions.

GAAP to non-GAAP costs and expenses reconciliation

(in millions)

Quarter ended September 30, 2021

	GAAP	Share-based compensation	Amortization	Other expense	Non-GAAP
Cost of revenue	\$126.8	\$2.0	\$0.1	\$0.0	\$124.7
Research and development	185.9	67.5	0.0	0.0	118.5
Sales and marketing	156.1	13.4	0.0	0.0	142.7
General and administrative	65.7	13.4	0.2	0.0	52.1
Total costs and expenses	\$534.5	\$96.3	\$0.3	0.0	\$437.9

Note: Totals may not sum due to rounding. © 2022 Pinterest. All rights reserved.

Adjusted EBITDA reconciliation

Reconciliation of net income (loss) to adjusted EBITDA

(in millions)

Three months ended

	September 30, 2021	December 31, 2021	March 31, 2022	June 30, 2022	September, 2022
Net income (loss)	\$94.0	\$174.7	\$(5.3)	\$(43.1)	\$(65.2)
Depreciation and amortization	6.8	7.2	7.2	9.1	10.5
Share-based compensation	96.3	139.4	73.2	117.4	136.2
Interest income	(0.8)	(0.8)	(1.1)	(3.4)	(9.3)
Interest and other expense (income), net	4.8	3.4	1.6	9.3	10.1
Provision for (benefit from) income taxes	0.5	2.1	1.1	2.7	(5.0)
Non-cash charitable contributions	0.0	24.8	0.0	0.0	0.0
Adjusted EBITDA	\$201.5	\$350.9	\$76.8	\$92.0	\$77.3

Note: Adjusted EBITDA is a non-GAAP financial measure. We define adjusted EBITDA as net income (loss) adjusted to exclude depreciation and amortization expense, share-based compensation expense, interest and other (income) expense, net and provision for (benefit from) income taxes, and non-cash charitable contributions. Note: Totals may not sum due to rounding. © 2022 Pinterest. All rights reserved.

