

Twitter revenues fall amid legal battle with Elon Musk

Twitter shares fell 2.8% in pre-market trading after the social media firm reported an unexpected drop in revenue, amid a weakening sales from [advertising](#).

The company posted second quarter sales of \$1.18 billion, significantly below the \$1.32 billion analysts had expected, according to Refinitic data.

The firm reported an operating loss of \$344 million, while costs and expenses went up 31% year-on-year to hit \$1.5 billion.

The firm is the latest social media business to feel the effects of a slowdown in the advertising market. Yesterday, [Snap shares plummeted 25%](#) after the social media firm missed revenue expectations and warned it faces “incredibly challenging” conditions.

Tech stocks have hemorrhaged a combined \$3 trillion in value since the start of the year, as soaring inflation, war in Ukraine and fears of a looming recession erased the strong gains made in 2021 and prompted tech firms across the board to slash growth forecasts and cut back budgets.

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The revenue drop is the latest setback for Twitter as the beleaguered tech firm continues with legal action against billionaire [Elon Musk](#) in a bid to push through his abandoned \$44 billion takeover deal.

[Musk filed a motion to stop Twitter's request](#) to expedite a trial over his plan to terminate the deal.

The Tesla boss's lawyers filed papers with the Delaware Chancery Court, arguing the social media giant's request to rush the merger case to trial in two months was "unjustifiable".

The social media firm asked the court to fast-track the proceedings due to the uncertainty looming over its business amid the recent economic downturn.

Twitter said it had spent over \$30 million to date on expenses relating to the takeover. The company's shares are down 7% since the start of the year.