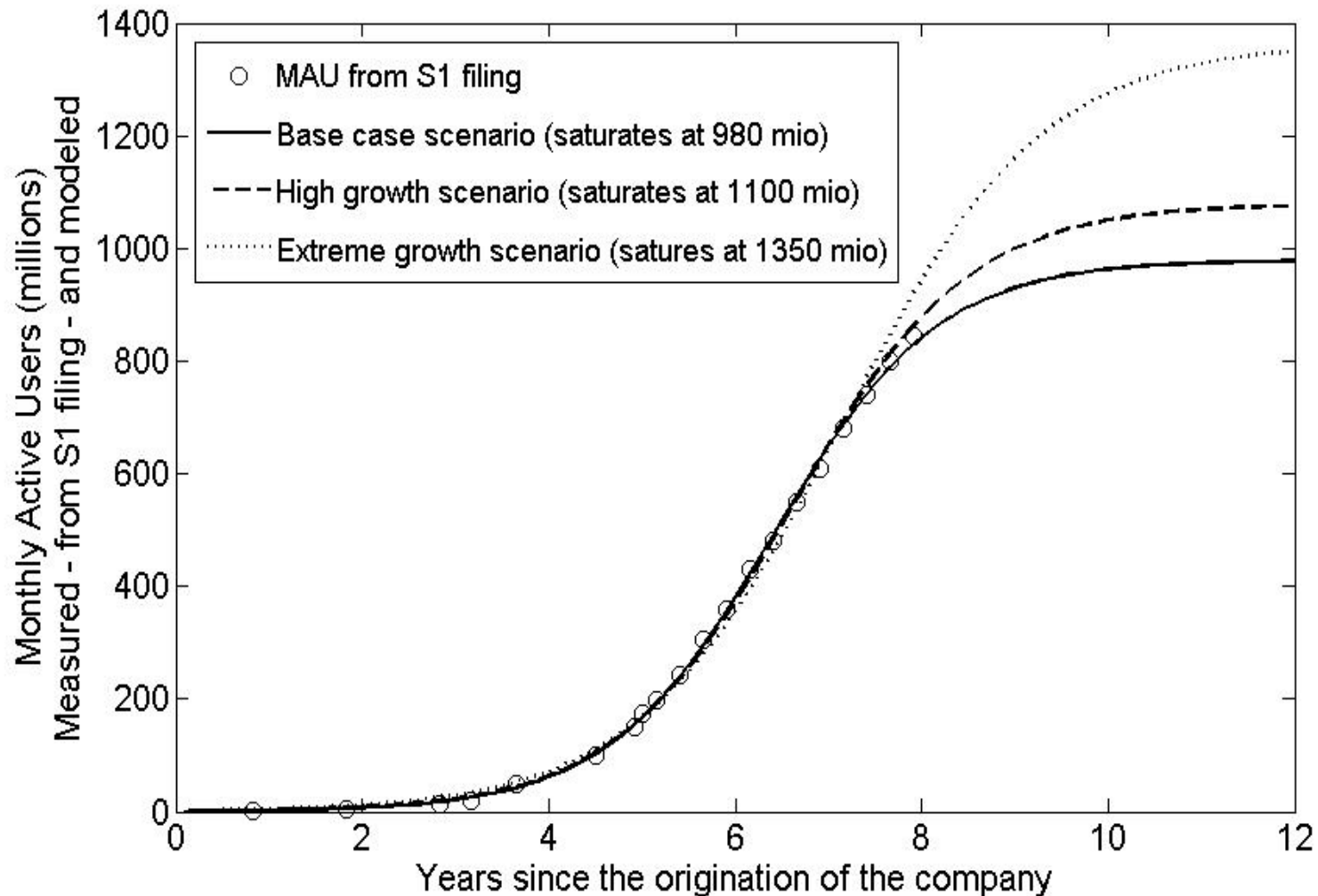


# Facebook IPO – updated valuation and user forecasting based on S1-filing

Peter Cauwels and Didier Sornette  
Chair of Entrepreneurial Risk  
ETH Zurich  
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## Forecasting of Monthly Active Users



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Facebook Monthly Active Users (Max Growth - Ceiling / in millions)			
	Base Case	High Growth	Extreme Growth
JPM Paper Cauwels and Sornette	840	1110	1820
S1- filing	980	1100	1350

Difference between JPM paper<sup>1</sup> (10/2011) and S1-filing (02/2012)<sup>2</sup>:

- Base Case growth Scenario increases up to +- 1 billion users;
- High Growth Scenario is stable;
- Extreme Growth Scenario decreases substantially.

### Conclusion:

Using the official S1-filing figures, the forecast becomes much more stable, the difference between Base Case and Extreme Growth is less than 40%, compared to more than 100% in the JPM paper.

<sup>1</sup> <http://arxiv.org/ftp/arxiv/papers/1110/1110.1319.pdf>

<sup>2</sup> <http://www.sec.gov/Archives/edgar/data/1326801/000119312512034517/d287954ds1.htm>

# Valuation

Facebook Valuation (billion USD)			
	Base Case	High Growth	Extreme Growth
JPM Paper Cauwels and Sornette (1 USD profit/user)	15.3	20.2	32.9
S1- filing (1 USD profit/user)	17.6	19.4	24.4
S1- filing (1.2 USD profit/user)	21.1	23.3	29.2
<i>1 USD profit/user is the average of the last 3 years - from s1 filing</i>			
<i>1.2 USD profit/user is the maximum (observed in 2011) - from s1 filing</i>			

## Conclusion – Valuation in:

- Base Case Scenario: Max. 20 billion USD
- High Growth Scenario: Max. 25 billion USD
- Extreme Growth Scenario: Max. 30 billion USD

The results become more stable using the official S1 filing figures.

1 <http://arxiv.org/ftp/arxiv/papers/1110/1110.1319.pdf>

2 <http://www.sec.gov/Archives/edgar/data/1326801/000119312512034517/d287954ds1.htm>