

## Elon Musk buys Twitter for \$44B

April 25, 2022



Tesla and SpaceX CEO Elon Musk at TED2022. Image credit: TED

By LUXURY DAILY NEWS SERVICE

Social media platform Twitter has confirmed that it will sell to entrepreneur and investor Elon Musk.

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The Tesla and SpaceX CEO will purchase Twitter for \$54.20 a share in cash, valuing the acquisition at about \$44 billion. Once the transaction is completed, Twitter will become a privately held company.

"Twitter has a purpose and relevance that impacts the entire world," said Parag Agrawal, CEO at [Twitter](#), in a statement. "Deeply proud of our teams and inspired by the work that has never been more important."

### Twitter takeover

The new agreement ends weeks of back and forth between Mr. Musk and the influential social media company.

Since becoming Twitter's largest shareholder this April, Mr. Musk has persistently publicized his interest in buying the platform and privatizing it.

Twitter has a purpose and relevance that impacts the entire world. Deeply proud of our teams and inspired by the work that has never been more important. <https://t.co/5iNTtJoEHf>

Parag Agrawal (@paraga) [April 25, 2022](#)

*The Twitter board confirmed the sale on Twitter*

On April 4, it was revealed that Mr. Musk, CEO of Tesla and SpaceX, had acquired a 9.2 percent stake in Twitter. At the time, his share was worth about \$2.89 billion ([see story](#))

In response to an unsolicited proposal from Mr. Musk to acquire the company's outstanding common stock, the Twitter board unanimously adopted a limited duration shareholder rights plan. Often referred to as a "poison pill," shareholder rights plans were introduced in the 1980s as a defensive mechanism to prevent takeover bids ([see story](#)).

However, in recent days, the takeover seemed more of a possibility after Mr. Musk detailed how he would help

finance the detail in a Securities and Exchange Commission filing. In the end, the Twitter board of directors unanimously approved the sale.

"The Twitter Board conducted a thoughtful and comprehensive process to assess Elon's proposal with a deliberate focus on value, certainty and financing," said Bret Taylor, independent board chair at Twitter, in a statement. "The proposed transaction will deliver a substantial cash premium, and we believe it is the best path forward for Twitter's stockholders."

I hope that even my worst critics remain on Twitter, because that is what free speech means

Elon Musk (@elonmusk) [April 25, 2022](#)

*Elon Musk has long courted controversy on Twitter*

The transaction is expected to close later this year, subject to stockholder approval. The purchase price is about a 38 percent premium to Twitter's closing stock price on April 1, the last trading day before Mr. Musk disclosed his 9 percent stake in the company.

Trading of Twitter shares was temporarily suspended on April 25 ahead of the acquisition announcement. The social network will release its first quarter 2022 results on April 28, but will not hold a conference call with the announcement.

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