



**Part II Organizational Action** (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶ See the attachment.

Multiple horizontal lines for listing applicable Internal Revenue Code sections and subsections.

18 Can any resulting loss be recognized? ▶ See the attachment.

Multiple horizontal lines for providing information regarding resulting loss recognition.

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ See the attachment.

Multiple horizontal lines for providing other information necessary to implement the adjustment.

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

**Sign Here**

Signature ▶ 

Date ▶ 3/6/19

Print your name ▶ Lily Tse

Title ▶ CAO

**Paid Preparer Use Only**

Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
Firm's name ▶			Firm's EIN ▶	
Firm's address ▶			Phone no.	

**Pinterest, Inc.**  
**EIN: 26-3607129**  
**Date of Action: March 28, 2019**  
**Attachment to Internal Revenue Service Form 8937**

**The information contained herein is being provided pursuant to the requirements of Section 6045B of the Internal Revenue Code of 1986, as amended (“Code”), and includes a general summary regarding the application of certain U.S. federal income tax laws and regulations relating to the effects of the Reverse Stock Split (as defined below) on the tax basis of the Common Stock and each series of Preferred Stock of Pinterest, Inc. (“Pinterest”) to holders of such stock. The information contained herein does not constitute tax advice and does not purport to be complete or to describe the consequences that may apply to particular categories of holders. Holders should consult their own tax advisers regarding the particular tax consequences of the Reverse Stock Split to them, including the applicability and effect of all U.S. federal, state and local and foreign tax laws.**

**14. Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action.**

On March 28, 2019 (“Effective Time”), Pinterest amended its Certificate of Incorporation under the laws of the State of Delaware to provide that (i) every three shares of Common Stock (“Old Common Stock”) and three shares of each series of Preferred Stock (“Old Preferred Stock,” and with Old Common Stock, “Old Stock”), in each case issued and outstanding or held in treasury immediately prior to the Effective Time, be reclassified into one share of Common Stock (“New Common Stock”) or one share of the relevant series of Preferred Stock (“New Preferred Stock,” and with New Common Stock, “New Stock”), respectively (the “Reverse Stock Split”). If the Reverse Stock Split resulted in the issuance of any fractional share of New Common Stock or New Preferred Stock to a holder, Pinterest paid cash in lieu of any fractional shares to which the holder would otherwise be entitled. Holders are deemed for U.S. federal income tax purposes to have received the fractional share and then immediately sold it for cash.

**15. Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis.**

U.S. taxpayers must allocate the aggregate tax basis in their Old Common Stock or Old Preferred Stock immediately prior to the Reverse Stock Split among the New Common Stock or New Preferred Stock, respectively, held immediately after the Reverse Stock Split (including any fractional shares for which the holder received cash in lieu) in accordance with Section 358 of the Code and the Treasury regulations relating thereto. U.S. taxpayers that have acquired different blocks of Old Common Stock or Old Preferred Stock at different times or at different prices are urged to consult their own tax advisors regarding the allocation of their aggregated adjusted basis tax basis among, and the holding period of, the New Common Stock or New Preferred Stock, as applicable.

**16. Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates.**

Please see the answer to Item 15 above. The basis of the holder's total investment (including any fractional shares for which the holder received cash in lieu) will remain the same after the Reverse Stock Split, but the basis per share will be impacted. In general, the basis should be allocated, to the greatest extent possible, to the New Common Stock or New Preferred Stock (including any fractional shares for which the holder received cash in lieu), as applicable, in a manner that reflects that each one share of New Common Stock or New Preferred Stock is received in respect of three shares of Old Common Stock or Old Preferred Stock, as applicable, that were acquired on the same date and at the same price. To the extent not possible, basis should generally be allocated in a manner that minimizes the disparity in the holding periods of the three surrendered shares of Old Common Stock or Old Preferred Stock, as applicable. See Treas. Reg. 1.358-2(a). Because cash was issued in lieu of fractional shares, the aggregate tax basis of New Common Stock or New Preferred Stock, after the deemed sale of the fractional shares, would be the aggregate tax basis of the Old Common Stock or Old Preferred Stock, as applicable, less the portion of the holder's basis in the relevant Old Stock that is allocable to the fractional share.

**17. List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based.**

Section 354; Section 358; Section 368(a)(1)(E); Section 1001.

**18. Can any resulting loss be recognized?**

The Reverse Stock Split is intended to be treated as a recapitalization for U.S. federal income tax purposes. Therefore, a holder will not recognize gain or loss for U.S. federal income tax purposes as a result of the Reverse Stock Split, except in respect of cash received in lieu of fractional shares. In general, if cash is received in lieu of fraction shares, a U.S. taxpayer will recognize capital gain or loss equal to the difference between (1) the cash received by the taxpayer in lieu of the fractional share and (2) the portion of the taxpayer's basis in the relevant Old Stock that is allocable to the fractional share.

**19. Provide any other information necessary to implement the adjustment, such as the reportable tax year.**

The Reverse Stock Split was effected on March 28, 2019. For a holder whose taxable year is the calendar year, the reportable tax year is 2019.