



Twitter, the New Investor Relations Communication Tool

Twitter is a Web 2.0 tool that was created with the objective of becoming a great social networking instrument. In order to maintain this basic concept, the tool is structured as a micro-blogging platform in which users can only send and receive short messages (up to 140 characters) among their selected relationship network. The messages are updated in real time and can also be viewed remotely, by wireless connections and mobile phones. Twitter began as a way for people to connect and has grown into a full-blown media and business outlet, growing exponentially over the past months with already over 5 million registered users around the world. Due to this popularity, the tool is also being used for corporate communication purposes and will likely be used by investor relations teams in the near future.

The Securities and Exchange Commission (SEC), aiming at raising its transparency with the general public, has not one, but three Twitter accounts, each focused on a different topic (news, investor relations and employment opportunities). By having government agencies use Twitter as a legitimate and even necessary communication tool represents a significant shift in social communication. Another example for the corporate use of Twitter is Best Buy, the world's largest electronics retailer, which is building a customer service team that will use Twitter to answer questions about products to help increase sales. SimCorp (Copenhagen : HQ/ NY: US HQ), a leading provider of highly specialized software and financial know-how for the financial sector, is also using the tool to disclose financial results: "*Despite widespread economic downturn, SimCorp reports satisfactory Q1 financial results: <http://bit.ly/wxuS3>*" 3:51 PM May 20th from web Considering the fact that most disclosure instruments are sophisticated and disseminate

information to a selected group of individuals (such as institutional investors and analysts), Twitter enables a wider dissemination to all public through a cost-free mechanism, which is a good reason for the investor relations community to adhere to the tool. Twitter certainly does not eliminate the use of standard communication instruments, but rather compliments a company's communication effort.

Before investor relations teams to decide on whether or not to adhere to Twitter, it must be clear what the company wants to achieve in terms of objectiveness and strategy with the use of new tool. It is essential to determine who will be the professional responsible for feeding the information, guaranteeing credibility and never infringing norms, legislation and good practices of the capital markets environment. This professional must also be aware and pay special attention to possible frauds. As the tool is free and does not yet require any kind of certification, mal-intentioned users can create Twitter accounts on behalf of a company without authorization. In order to minimize this risk, we encourage creating a personalized Twitter page with your company's specific design, content and profile that is hard to replicate in its entirety.

The Twitter tool is a valuable resource for Web 2.0 and provides and adequate space for high level market discussions as it stimulates individuals to disclose information in real time to a diverse audience. We at MZ Consult are not behind and have created our Twitter account linked to our Fast Facts section on the IR Global Rankings homepage.

For most companies, adhering to Twitter is just a question of time. After all, in the opinion of investors and analysts, access to reliable information in a timely and transparent matter is always very appreciated.

The registration period for the 2010 IR Global Rankings starts September 1, 2009! Stay tuned and don't miss out!

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