

October 29, 2024

PayPal Releases 3Q'24 Results



PayPal President and CEO Alex Chriss with Ibraheem Basir, founder and CEO of [A Dozen Cousins](#), a PayPal small business merchant.

PayPal released its third quarter 2024 financial results today. We encourage you to read the [full materials](#) and [listen](#) to our earnings call at 8:00 AM EDT.

Key highlights of PayPal's performance for third quarter 2024:

- Total payment volume (TPV) of \$422.6B, +9% spot and currency-neutral (FXN)
- Net revenues of \$7.8B, +6% spot and FXN
- Non-GAAP operating income of \$1.5B, +18%; GAAP operating income of \$1.4B, +19%
- Non-GAAP operating margin of 18.8%, expanding 194 basis points; GAAP operating margin of 17.7%, expanding 198 basis points
- Transaction margin dollars of \$3.7B, +8% and +6% ex-interest on customer balances¹
- Non-GAAP EPS of \$1.20, +22%; GAAP EPS of \$0.99, +6%

President and CEO Alex Chriss said, "PayPal delivered strong financial and operating results during a highly productive third quarter. We are making solid progress in our transformation as we bring new innovations to

market, forge important partnerships with leading commerce players, and drive awareness and engagement through new marketing campaigns.”

Chriss continued, “We are raising our full year non-GAAP guidance and are pleased with the strength we are seeing across the business. We’ve built a solid foundation in this last year that will serve us in the years to come.”

Our teams continue to drive solid transaction margin dollar growth, which has benefitted from higher interest income, better branded checkout, Venmo, and Braintree performance, as well as lower transaction losses. Our price-to-value strategy is bearing fruit with Braintree again contributing to transaction margin dollar growth. Both total active accounts and monthly active accounts saw year-over-year growth. Branded checkout volume grew 6% FXN, supported by continued strength across large enterprise platforms, marketplaces, and international.

We remain focused on launching new innovations into the market and executing to create a foundation for long-term, profitable growth. Checkout remains a top priority, and we’re creating a best-in-class experience as we begin to ramp Fastlane and improve branded experiences in the U.S. Partnerships with key players across the ecosystem like Fiserv, Adyen, Amazon, Global Payments, and Shopify are poised to unlock value for our customers. Our PayPal Everywhere value proposition is driving consumer awareness, omnichannel spend, and increased engagement. These initiatives and more are strengthening PayPal’s position as a leading global commerce platform.

Given the strength of our business, we are raising our full year 2024 guidance for transaction margin dollars and non-GAAP EPS:

- Transaction margin dollar growth is expected to be in the mid-single-digits
- Non-GAAP EPS growth is expected to be in the high teens

For clarity, this guidance raise for the full year reflects not only the 3rd quarter outperformance but also a slightly more constructive view of the 4th quarter compared to what was implied in our last guide in July. This is driven by our more favorable view of transaction margin dollar growth, much of which we plan to reinvest near term back into strategic initiatives and marketing that are aimed at driving long-term durable growth.

PayPal has a differentiated market position and a strong brand that we continue to invest in. We are advancing our transformation and delivering for our customers – consumers, small- and mid-sized businesses, and large enterprises – around the world.

We're also excited to announce that we will host an investor day on February 25, 2025 in New York City. Stay tuned for more details.

We are confident in our strategy and ability to drive value for our customers and shareholders as we head into the holiday season and next year. We look forward to updating you on our progress along the way.

Thank you for your continued interest in PayPal,
Steve and team

Footnote:

1. Interest on customer balances is reported within Other Value Added Services (OVAS) revenue in our 3Q-24 Earnings Presentation and in our quarterly/annual SEC filings and primarily comprises interest and revenue earned on customer assets.

All growth rates represent year-over-year comparisons, except as otherwise noted. This document contains non-GAAP financial measures and forward-looking statements. FXN results are calculated by translating the current period local currency results by the prior period exchange rate. FXN growth rates are calculated by comparing the current period FXN results with the prior period results, excluding the impact from hedging activities. All amounts in tables are presented in U.S. dollars, rounded to the nearest million, except as otherwise noted. As a result, certain amounts and rates may not sum or recalculate using the rounded dollar amounts provided. Please see [here](#) for important information, including a reconciliation to the most directly comparable GAAP financial measures, and [here](#) for additional information on forward-looking statements.