

July 30, 2024

PayPal Releases 2Q'24 Results



President and CEO Alex Chriss meets with a PayPal small business merchant during a site visit in Stockholm, Sweden.

PayPal released its second 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 second quarter 2024:

- Net revenues of \$7.9B, +8% and +9% currency-neutral (FXN)
- Total payment volume (TPV) of \$416.8B, +11%
- Transaction margin dollars of \$3.6B, +8%
- GAAP operating income of \$1.3B, +17%; non-GAAP operating income of \$1.5B, +24%
- GAAP operating margin of 16.8%, expanding 126 bps; non-GAAP operating margin of 18.5%, expanding 231 bps
- GAAP EPS of \$1.08, +17%; non-GAAP EPS of \$1.19, +36%

President and CEO Alex Chriss said, "PayPal delivered a strong second quarter and first half, and I'm confident we're on the right track. We delivered our best transaction margin dollar growth since 2021, and we are making steady progress on our strategic transformation while investing in innovation and operating more efficiently."

Chriss continued, "Given the strength of our business, we are raising our 2024 guidance and increasing share repurchases. We are operating from a position of strength, delivering for our customers, and focusing on long-term profitable growth."

In 2Q, PayPal delivered another strong quarter with encouraging operating and financial results. TPV was up 11% on revenue of \$7.9 billion, growing 8% and 9% FXN. We drove our best transaction margin dollar performance since 2021, growing 8% to \$3.6 billion. Non-GAAP operating income was up 24%, with non-GAAP operating

margin expanding 231 bps, supporting non-GAAP EPS growth of 36%. We're well positioned with free cash flow of \$1.4 billion and \$1.5 billion returned to shareholders in the quarter, bringing share repurchases over the past 12 months to approximately \$5 billion.

Given the strength of our business, we are raising our 2024 guidance for EPS, transaction margin dollars, and free cash flow, and we are increasing our share repurchases:

- Transaction margin dollar growth is expected to be in the low- to mid-single digits
- Non-GAAP EPS growth is expected to be in the low- to mid-teens
- Free cash flow is expected to be approximately \$6B
- Share repurchases are expected to be \$6B

We remain focused on executing our strategic transformation and delivering for our customers – consumers, small- and mid-sized businesses, and large enterprises – around the world. Consistent with the strategy we laid out in prior quarters, our teams continue to prioritize high-quality, profitable growth as we execute against our long-term roadmap. We have clear opportunities to lean in further and ensure we stay on offense in what remains a competitive and dynamic environment.

PayPal is well-positioned to drive durable, profitable growth in the quarters and years to come. We're excited about the path forward and look forward to updating you on our progress along the way.

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

This document contains non-GAAP financial measures and forward-looking statements. Please see [here](#) for important information, including a reconciliation to the most directly comparable GAAP financial measures.
