



# Q2'24 Business & Financial Highlights

**July 31, 2024**

# Disclosures

This presentation contains non-GAAP measures relating to our performance. You can find the reconciliation of these measures, except for FX-Neutral basis, to the nearest comparable GAAP measures in the appendix at the end of this presentation. All growth rates represent year-over-year comparisons, except as otherwise noted. For numbers in this presentation provided on an “FX-Neutral” basis, we calculate the year-over-year impact of foreign currency movements using prior period foreign currency rates applied to current year transactional currency amounts excluding hedging activity.

This presentation contains forward-looking statements relating to, among other things, the future performance of eBay Inc. and its consolidated subsidiaries that are based on our current expectations, forecasts and assumptions and involve risks and uncertainties. These statements include, but are not limited to, statements regarding the future performance of eBay Inc. and its consolidated subsidiaries, including management’s vision for the future of eBay and our ability to accomplish our vision, expected financial results for the third quarter and full year 2024 and expected drivers thereof, the future growth in our business, the effects and potential of current and contemplated strategic initiatives and offerings including with respect to artificial intelligence and partnership with other companies, the effects of new product features or programs, the effects of geopolitical events, inflationary pressure, and foreign currency volatility on our business and operations and our ability to respond to such effects, operating efficiency and margins, reinvestments, dividends and share repurchases. Actual results could differ materially from those expressed or implied and reported results should not be considered as an indication of future performance. Factors that could cause or contribute to such differences include, but are not limited to fluctuations in, and our ability to predict, our results of operations and cash flows; our ability to convert visits into sales for our sellers, attract and retain sellers and buyers and execute on our business strategy; our ability to compete in the markets in which we participate; our ability to generate revenue from our foreign operations and expand in international markets; expected benefits from acquisitions, including Goldin, the impact of geopolitical events such as the ongoing wars in Ukraine and in Israel and Gaza, including the related disruptions to international shipping in the Red Sea; the impact of inflationary pressure, fluctuations in foreign currency exchange rates, and changing interest rates; our ability to keep pace with rapid technological developments or continue to innovate and create new initiatives to provide new programs, products and services; our ability to operate and continuously develop our payments system and financial services offerings; the impact of evolving domestic and foreign government laws, regulations, rules and standards that affect us, our business and/or our industry; our reliance on third-party providers; our ability to protect or enforce our intellectual property rights; our ability to deal effectively with fraudulent activities on our platforms; the impact of any security breaches, cyberattacks or system failures and resulting interruptions; our ability to attract, retain and develop highly skilled employees; our ability to accomplish or accurately track and report results related to our environmental, social and governance goals; current and potential litigation and regulatory and government inquiries, investigations and disputes involving us or our industry; our ability to generate sufficient cash flow to service our indebtedness; the impact of evolving sales and other tax regimes in various jurisdictions and anticipated tax liabilities; and the success of our pending or potential acquisitions, dispositions, joint ventures, strategic partnerships and strategic investments.

The forward-looking statements in this presentation do not include the potential impact of any acquisitions or divestitures that may be announced and/or completed after the date hereof.

More information about factors that could affect our operating results is included under the captions “Risk Factors” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” in our most recent Annual Report on Form 10-K and subsequent Quarterly Reports on Form 10-Q, copies of which may be obtained by visiting our Investor Relations website at <https://investors.ebayinc.com> or the SEC’s website at [www.sec.gov](http://www.sec.gov). All information in this presentation is as of July 31, 2024. Undue reliance should not be placed on the forward-looking statements in this presentation, which are based on information available to us on the date hereof. We assume no obligation to update such statements.



# Business Highlights

# Q2'24 Highlights

**\$18.4B**

Gross Merchandise Volume

**\$2.6B**

Revenue

**27.9%**

Non-GAAP Operating Margin

**\$1.18**

Non-GAAP Diluted EPS

**16 Million**

Enthusiast Buyers\*



# Focus Categories

## Collectibles

Welcomed Goldin Auctions



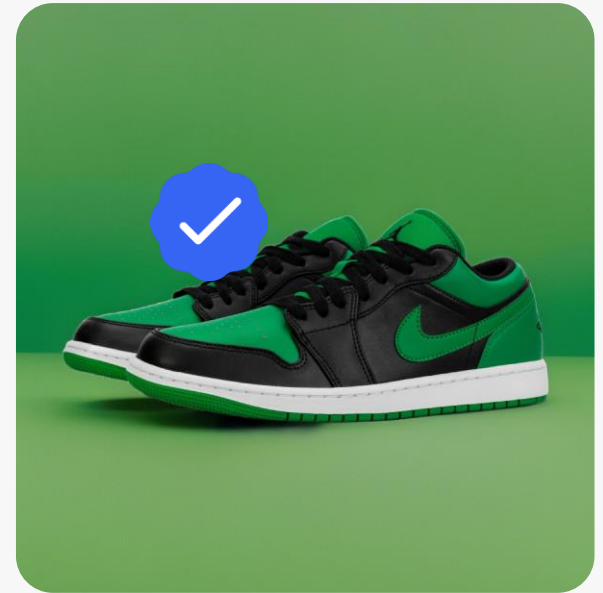
## Refurb

Expanded partnerships



## Authenticity Guarantee

Authenticated 10 millionth item

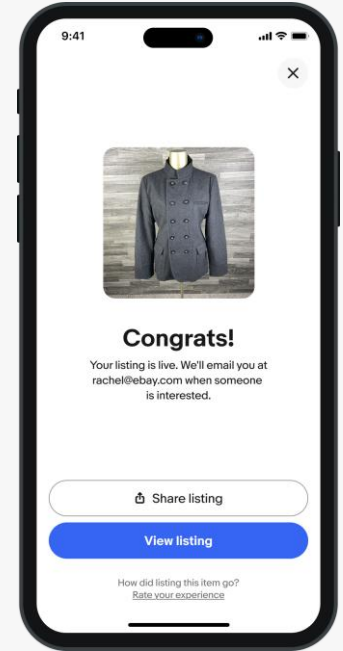
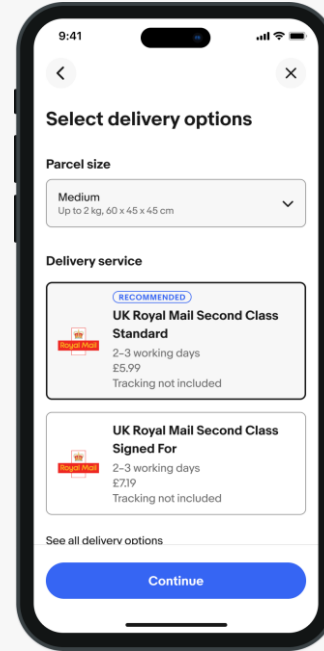
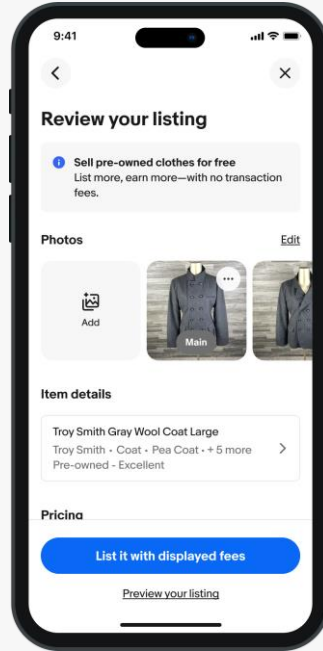
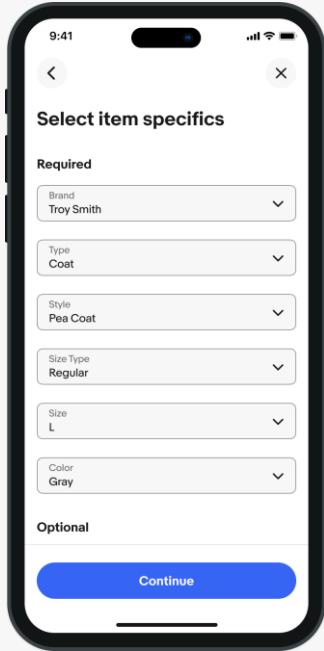


# eBay's Q2 Marketing Moments



# Improved UK Pre-Owned Apparel Selling Experience

+20 pt increase in CSAT for C2C sellers when using the new selling flow\*





# Advertising

**+8% Y/Y**

Total ads FXN revenue growth

**+12% Y/Y**

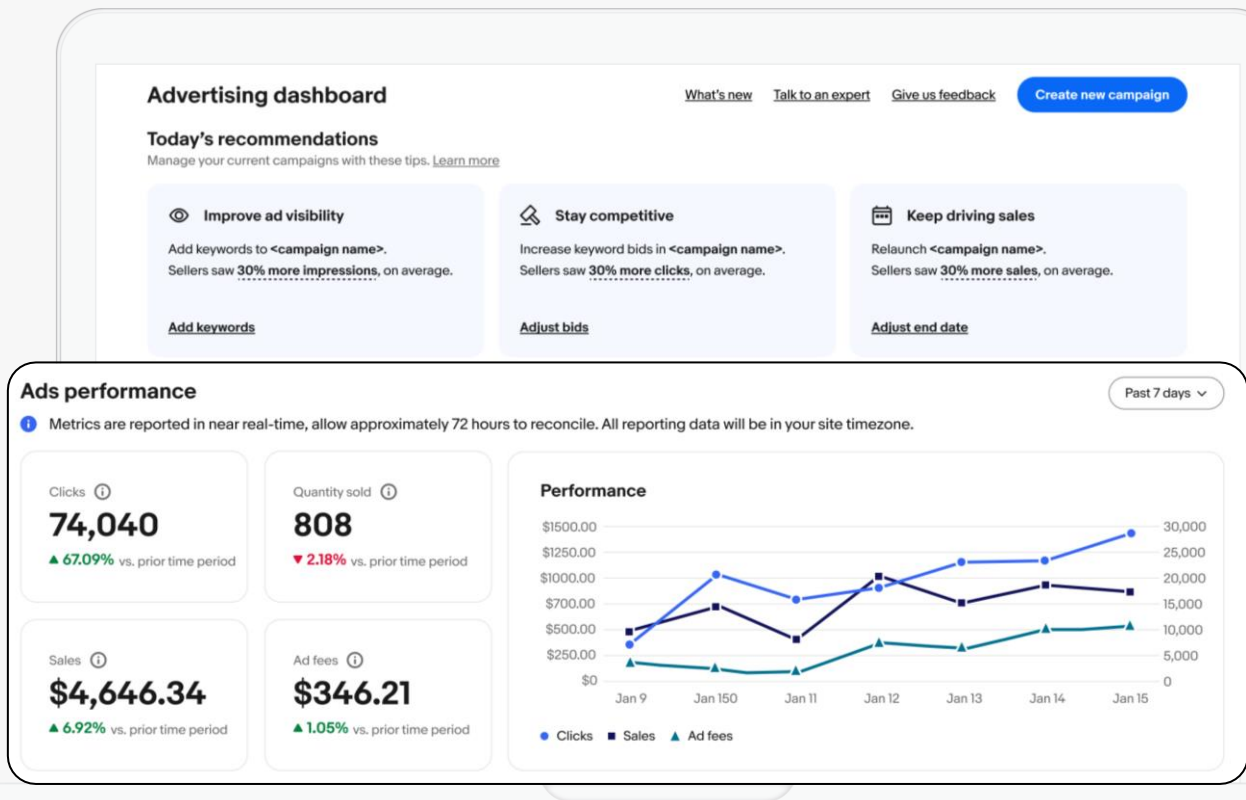
1P ads\* FXN revenue growth

**~3.1M**

Sellers adopted an ad product

**~1B**

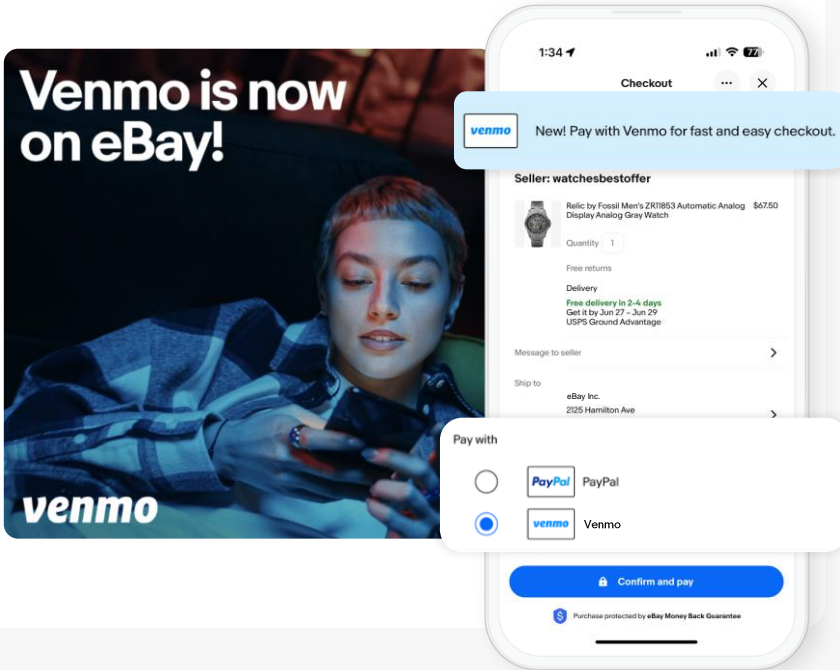
Live Promoted Listings\*\*





# Financial Services Expansion

## Added Venmo as a payment method

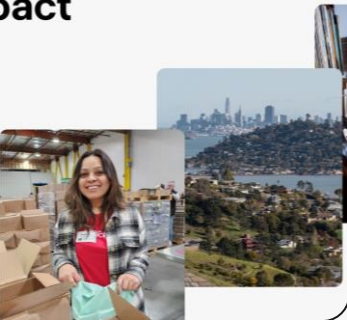


## Expanded seller capital offering with Liberis



# Q2'24 Impact

2023 Impact Report



ebay

Forbes 2024


BEST EMPLOYERS FOR NEW GRADS

POWERED BY STATISTA



Recommerce Report 2024

Reevaluate  
Reconnect  
Reimagine  
Reinvent  
Reuse





# Financial Highlights

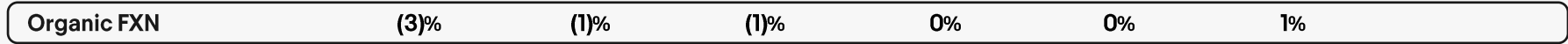
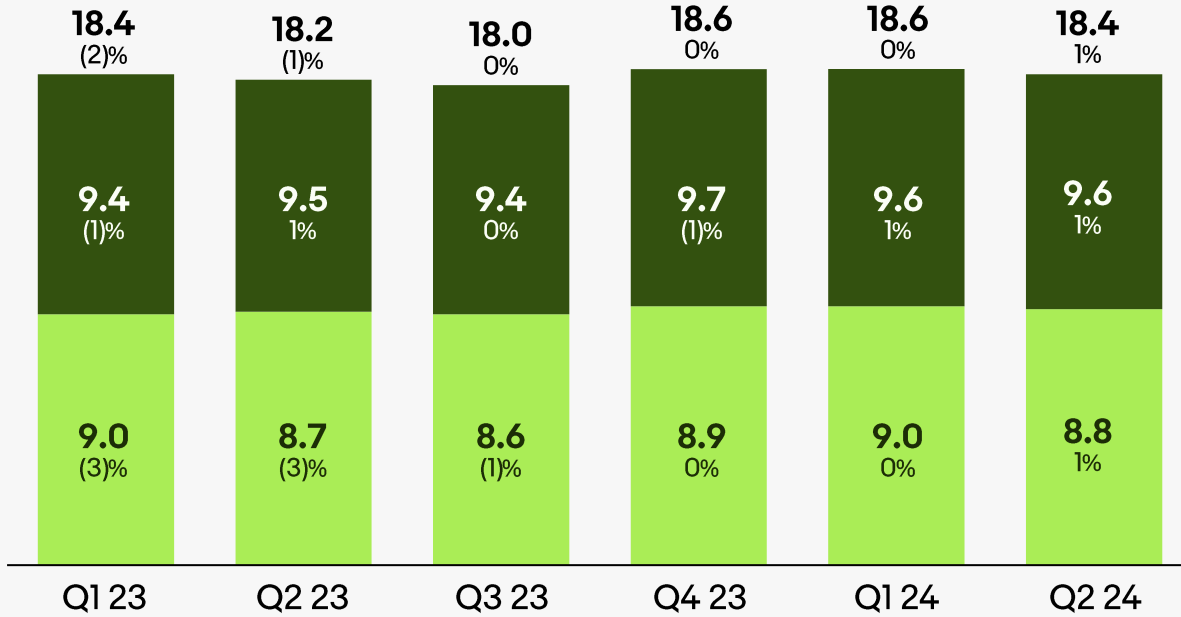
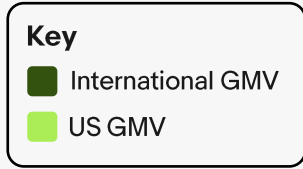
# Q2'24 Results

	GUIDANCE	ACTUALS
<b>GMV</b> (in billions)	<b>\$17.8 - \$18.2</b> (2)% - 0% spot (2)% - 0% FXN	<b>\$18.4</b> 1% spot 1% FXN 1% organic FXN
<b>Revenue</b> (in billions)	<b>\$2.49 - \$2.54</b> (2)% - 0% spot (1)% - 1% FXN	<b>\$2.57</b> 1% spot 2% FXN 2% organic FXN
<b>Non-GAAP Op Margin</b>	<b>26.9% - 27.6%</b>	<b>27.9%</b>
<b>Non-GAAP Diluted EPS</b>	<b>\$1.10 - \$1.15</b> 6% - 11%	<b>\$1.18</b> 15%



# GMV

(\$ billions, Y/Y FXN growth)

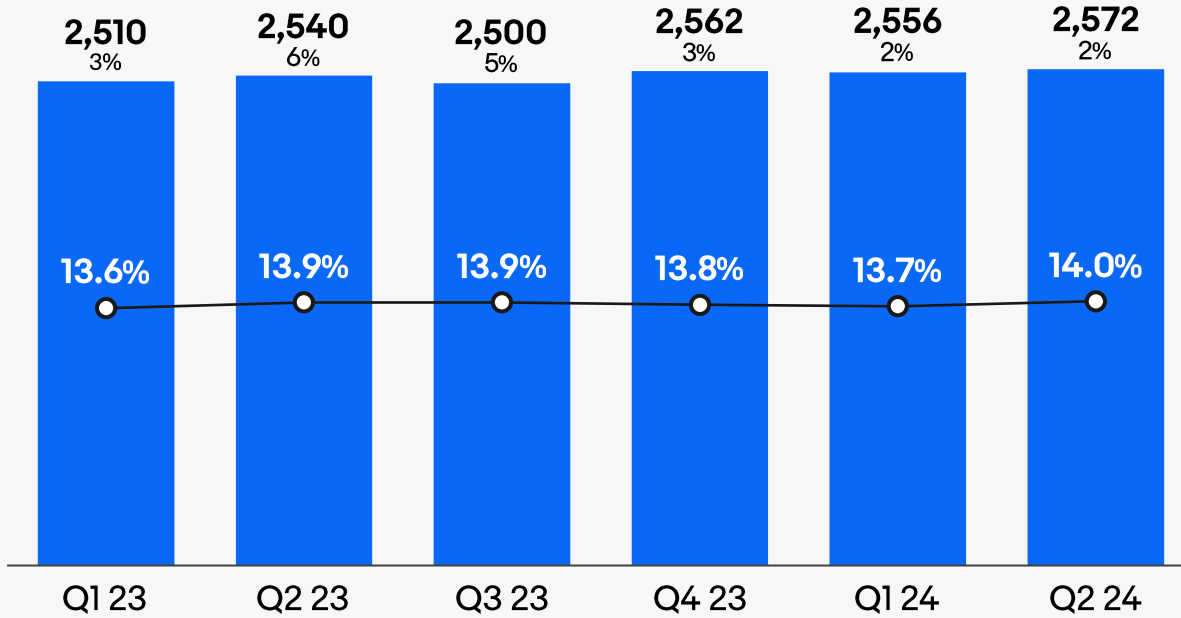


# Revenue

(\$ millions, Y/Y FXN growth)

**Key**

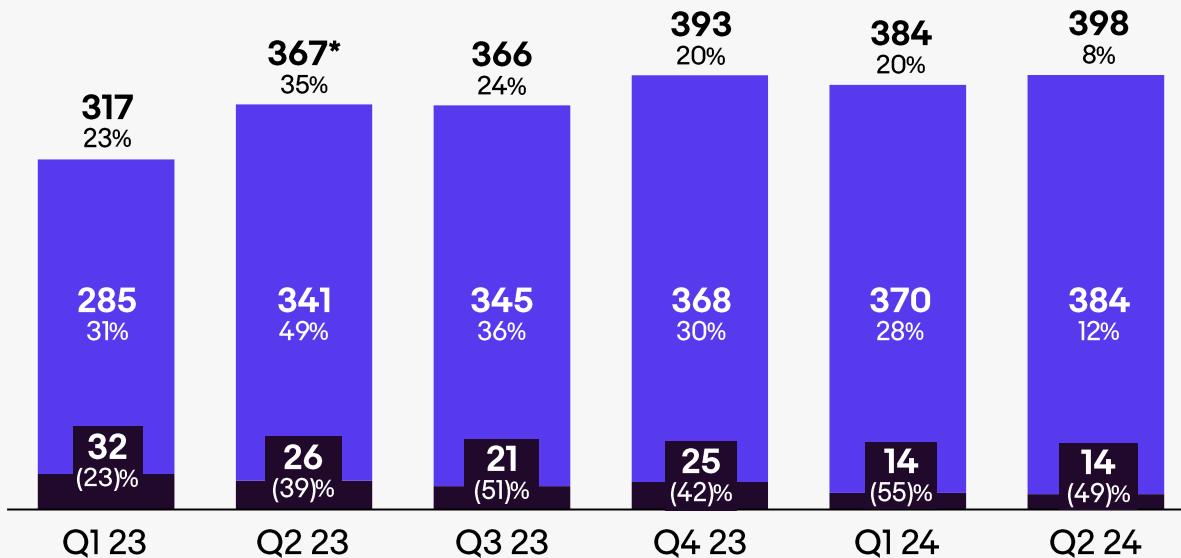
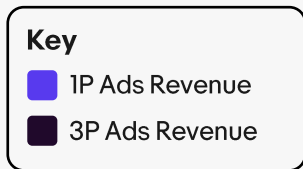
- Revenue
- Take Rate



Organic FXN	Q1 23	Q2 23	Q3 23	Q4 23	Q1 24	Q2 24
	2%	5%	4%	3%	2%	2%

# Advertising Revenue

(\$ millions, Y/Y FXN growth)



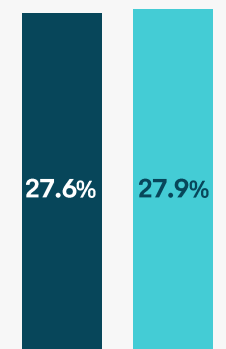
IP vs. GMV	+33pts	+50pts	+36pts	+30pts	+28pts	+11pts
GMV Penetration	1.7%	2.0%	2.0%	2.1%	2.1%	2.2%



# Non-GAAP Expenses

(% of revenue)

## Cost of Revenue

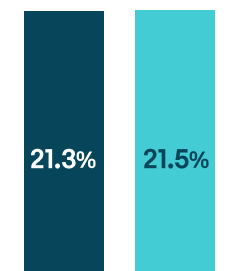


Q2 23 Q2 24

Tax related matters, traffic acquisition costs, and FX headwinds partially offset by lower cost of payments and depreciation

## Operating Expense at 44.2%, down (1.3) pts Y/Y

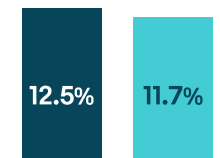
### Sales & Marketing



Q2 23 Q2 24

Marketing investments partially offset by operational efficiencies

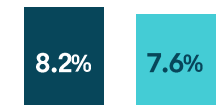
### Product Development



Q2 23 Q2 24

Operational efficiencies partially offset by strategic investments

### General & Admin



Q2 23 Q2 24

Operational efficiencies partially offset by M&A related costs

### Transaction Losses



Q2 23 Q2 24

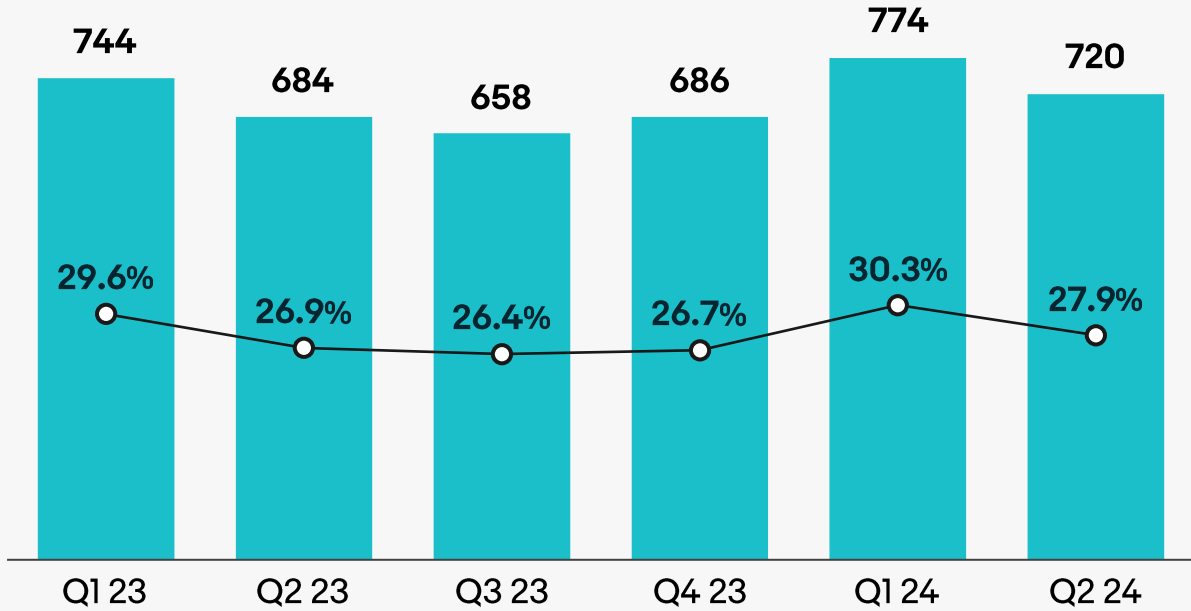
Lower consumer protection losses

# Non-GAAP Operating Income & Margin

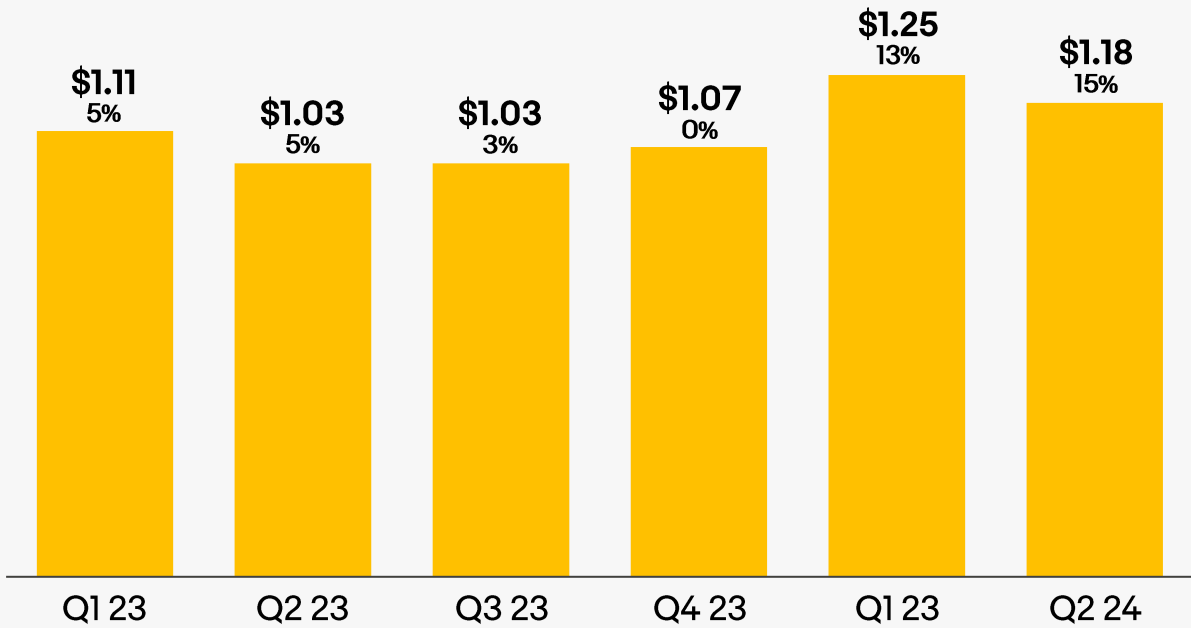
(\$ millions)

**Key**

- Non-GAAP Operating Income
- Non-GAAP Operating Margin



# Non-GAAP Earnings Per Share



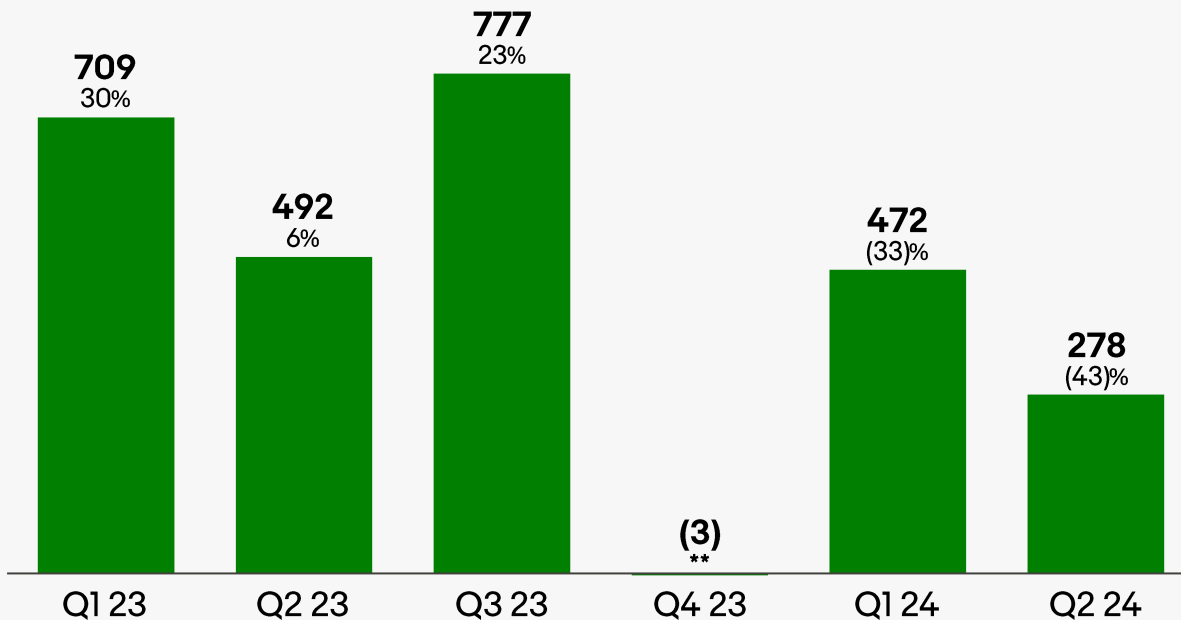
<b>GAAP EPS</b>	<b>\$1.05</b>	<b>\$0.32</b>	<b>\$2.46</b>	<b>\$1.40</b>	<b>\$0.85</b>	<b>\$0.45</b>
<b>GAAP Y/Y</b>	<b>**</b>	<b>**</b>	<b>**</b>	<b>13%</b>	<b>(19)%</b>	<b>39%</b>

\*\* Not meaningful  
 Reconciliation of Non-GAAP earnings per share is included in the Appendix of this presentation  
 All reported results are from continuing operations  
 GAAP and Non-GAAP EPS is calculated using weighted average diluted shares



# Free Cash Flow

(\$ millions)



CapEx % of Rev

5%

4%

3%

5%

6%

3%

FCF % of Rev

28%

19%

31%

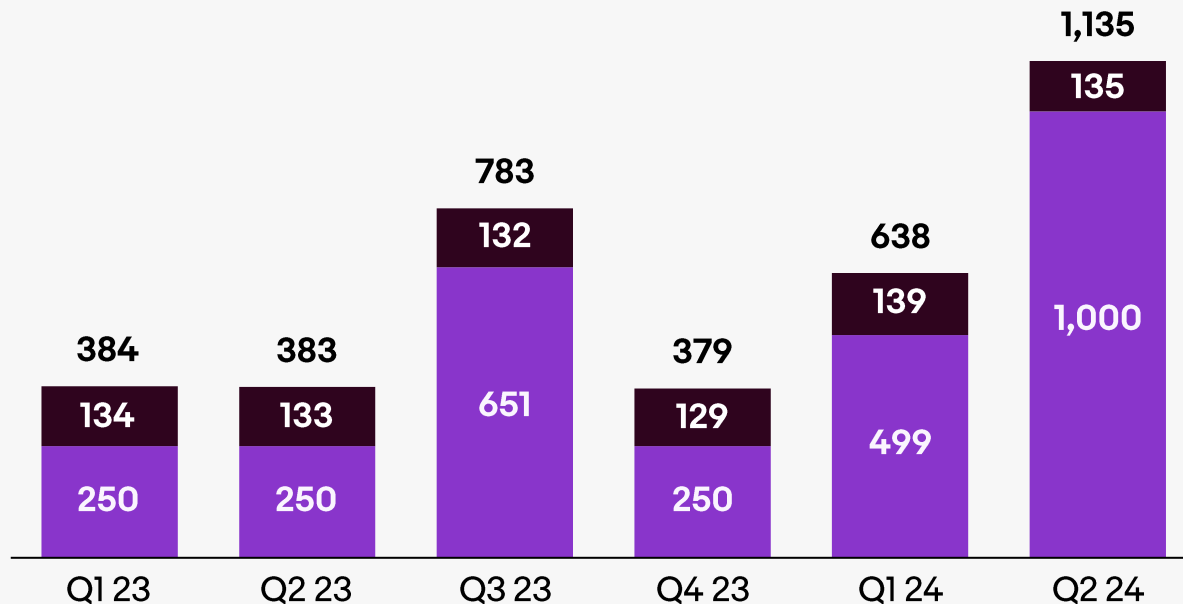
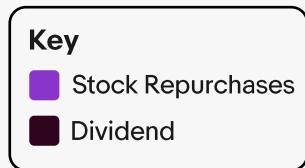
\*\*

18%

11%

# Capital Returns

(\$ millions)

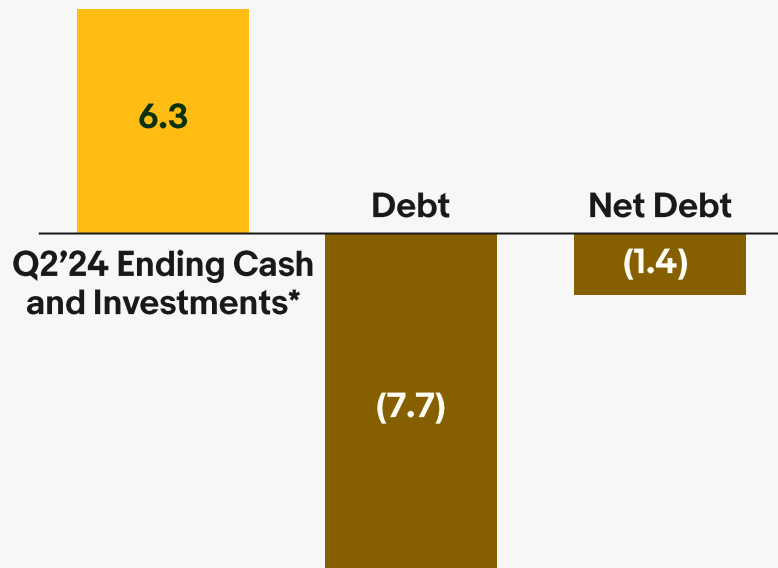


Avg. Diluted Shares*	541	537	532	521	519	507
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**Approximately \$1.9B repurchase authorization remaining as of June 30, 2024**

# Cash & Debt

(\$ billions)



## Targets

- Maintain current BBB+ rating
- Targeting mid-term leverage of approximately 1.5x net debt and gross debt below 3.0x EBITDA
- Targeting mid-term minimum cash & investment balance of approximately \$3.5B

## Credit Ratios

- 0.9x net debt
- 3.2x gross debt\*\*

# Investments

## Adevinta

**\$1.9B**

Completed Adevinta go-private transaction

Sold 227M Adevinta shares for ~\$2.4B of gross proceeds

\$1.9B valuation for 177M shares in newly-formed private entity, Aurelia\*

## adyen

**\$0.3B**

Warrant acquired in Q2'18 (7-yr term, up to 5% ownership)

Warrant value based on probability of vesting 3 remaining tranches (0% - 95%)

## Gmarket

**\$0.3B**

19.99% private stake

Value assessed based on the fair value option

## Other

**\$0.2B**

Aggregate \$0.2B of other investment stakes classified within long-term investments on Balance Sheet



# Q3'24 Guidance

	GUIDANCE	CONTEXT
<b>GMV</b> (in billions)	<b>\$17.8 - \$18.2</b> (1)% - 1% spot (1)% - 1% FXN (1)% - 1% organic FXN	<ul style="list-style-type: none"> <li>Continued execution against strategic initiatives</li> <li>Uncertain economic and regulatory environment</li> <li>FX headwind of ~10 bps Y/Y</li> <li>Expect Goldin to contribute over 30 bps Y/Y growth</li> </ul>
<b>Revenue</b> (in billions)	<b>\$2.50 - \$2.56</b> 0% - 2% spot 1% - 3% FXN 0% - 3% organic FXN	<ul style="list-style-type: none"> <li>Revenue outpacing GMV driven by modest reacceleration in Y/Y 1P Advertising growth vs. Q2</li> <li>FX headwind of more than 0.5 pts Y/Y</li> </ul>
<b>Non-GAAP Op Margin</b>	<b>26.8% - 27.5%</b>	<ul style="list-style-type: none"> <li>Y/Y expansion driven by operational efficiencies; slight Q/Q stepdown due to seasonality, organic investments, and full quarter of M&amp;A related expenses including integration costs</li> </ul>
<b>Non-GAAP EPS</b>	<b>\$1.15 - \$1.20</b> 12% - 17%	<ul style="list-style-type: none"> <li>Non-GAAP EPS growth driven by lower share count and operating income growth</li> </ul>

# FY'24 Context

## GMV & Revenue

- Assuming unchanged macro environment, expect Y/Y FXN GMV growth between 0% and 2% in Q4'24
- Revenue to grow modestly faster Y/Y than GMV on FXN basis in Q4'24, with ~30 bps tailwind to Y/Y spot revenue growth in Q4
- Expect similar 1P ads rev. growth Y/Y vs. Q3

## Non-GAAP Op Margin

- Expect FY'24 non-GAAP operating margin expansion of 60 to 100 bps, contemplating potential incremental investments
- Roughly offsetting FY'24 op. margin impacts from FX (-40bps) and fixed asset accounting policy change (+40bps)
- Absorbing ~20 bps Y/Y margin headwind from M&A related expenses including integration costs

## Non-GAAP EPS

- FY'24 Non-GAAP tax rate of 16.5%
- Raised outlook for FY'24 non-GAAP EPS growth to 12-14% Y/Y

## Capital Allocation

- Expect FCF of just under \$2B for FY'24
- Targeting FY'24 share repurchases of at least \$2.5B
- Quarterly dividend of \$0.27 per share declared for Q3'24
- FY'24 capital expenditures between 4-5% of revenue

# Appendix

# GAAP to Non-GAAP Quarterly Reconciliations

## Operating Margin

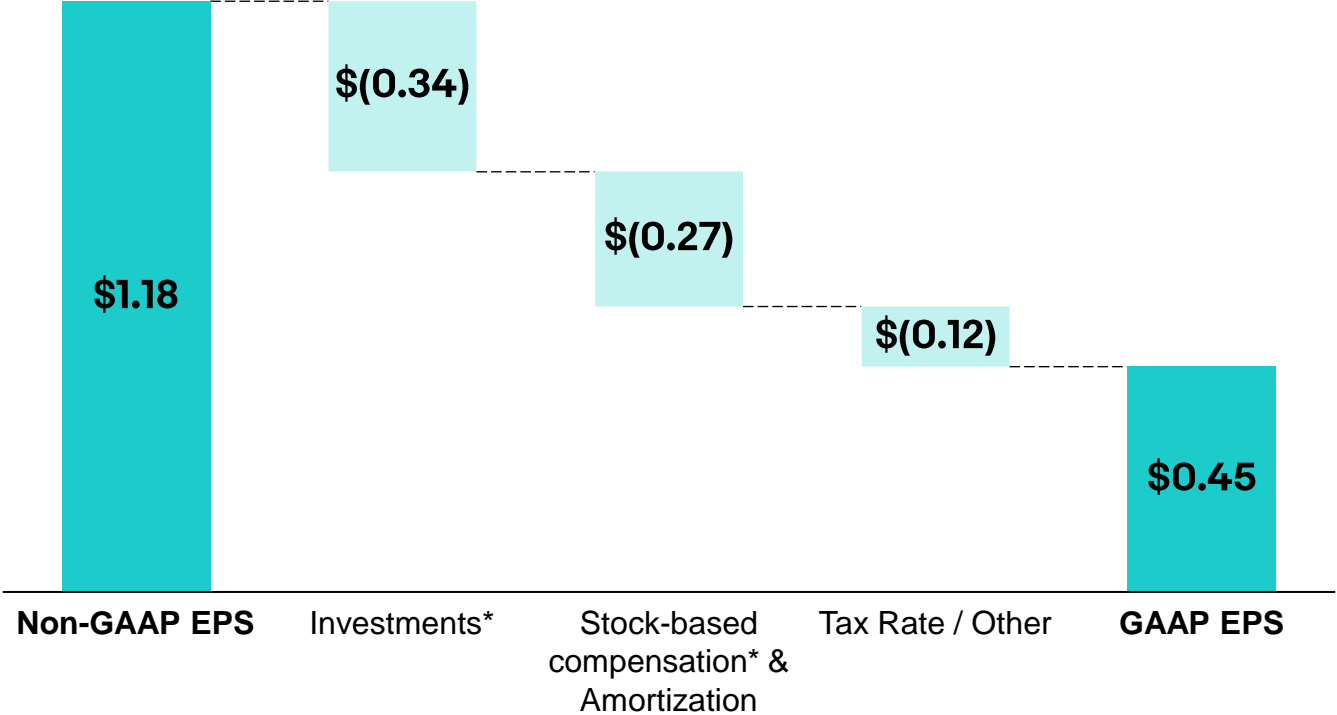
	Three months ended					
	March 31, 2023	June 30, 2023	September 30, 2023	December 31, 2023	March 31, 2024	June 30, 2024
	(in millions, except percentages)					
GAAP operating income	\$ 558	\$ 518	\$ 455	\$ 410	\$ 631	\$ 549
Stock-based compensation expense and related employer payroll taxes	132	158	146	151	150	158
Amortization of acquired intangible assets within cost of net revenues and operating expenses	10	8	8	9	8	9
Restructuring	42	-	-	99	(9)	3
Non-recurring legal matters	-	-	50	15	(6)	-
Other general and administrative expenses	2	-	(1)	2	-	1
Non-GAAP operating income	\$ 744	\$ 684	\$ 658	\$ 686	\$ 774	\$ 720
Revenues	\$ 2,510	\$ 2,540	\$ 2,500	\$ 2,562	\$ 2,556	\$ 2,572
GAAP operating margin	22.2 %	20.4 %	18.2 %	16.0 %	24.7 %	21.3 %
Non-GAAP operating margin	29.6 %	26.9 %	26.4 %	26.7 %	30.3 %	27.9 %

# GAAP to Non-GAAP Quarterly Reconciliations

## Net Income / EPS

	Three months ended					
	March 31, 2023	June 30, 2023	September 30, 2023	December 31, 2023	March 31, 2024	June 30, 2024
	(in millions, except per share data)					
GAAP Income from continuing operations	\$ 569	\$ 172	\$ 1,306	\$ 728	\$ 439	\$ 226
Stock-based compensation expense and related employer payroll taxes	132	158	146	151	150	158
Amortization of acquired intangible assets within cost of net revenues and operating expenses	10	8	8	9	8	9
Restructuring	42	-	-	99	(9)	3
Non-recurring legal matters	-	-	50	15	(6)	-
Other significant (gains), losses or charges within operating expenses	2	-	(1)	2	-	1
Realized change in fair market value of shares sold in equity investments	-	-	-	(13)	6	(84)
Change in fair market value of equity investments	14	35	46	18	6	23
Change in fair market value of warrant	(38)	(31)	109	(190)	(149)	174
Change in fair market value of equity investment in Adevinta	(174)	210	(1,367)	(451)	234	-
Fair value of Aurelia option	-	-	-	-	-	109
Income tax effects and adjustments	43	3	248	192	(31)	(17)
Non-GAAP net income from continuing operations	\$ 600	\$ 555	\$ 545	\$ 560	\$ 648	\$ 602
Non-GAAP net income from continuing operations per diluted share	\$ 1.11	\$ 1.03	\$ 1.03	\$ 1.07	\$ 1.25	\$ 1.18
Shares used in non-GAAP diluted share calculation	541	537	532	521	519	507

# Q2'24 Earnings Per Share, Non-GAAP to GAAP Reconciliation



All reported results are from continuing operations

\*"Investments" includes gains or losses on investments, fair value of the Aurelia option, and change in fair market value of warrant. "Stock-based compensation" includes stock-based compensation expense and related employer payroll taxes. All items above have been tax-effected for the purpose of calculating the impact on GAAP EPS.

# GAAP to Non-GAAP Quarterly Reconciliations

## Statement of Income

Three Months Ended  
June 30, 2024

Three Months Ended  
June 30, 2023

	Three Months Ended June 30, 2024			Three Months Ended June 30, 2023		
	Reported	Non-GAAP Entries	Non-GAAP	Reported	Non-GAAP Entries	Non-GAAP
	(in millions, except per share data and percentages)					
Net revenues	\$ 2,572	\$ —	\$ 2,572	\$ 2,540	\$ —	\$ 2,540
Cost of net revenues	735	(19) (a)(b)	716	718	(17) (a)(b)	701
Gross profit	1,837	19	1,856	1,822	17	1,839
Operating expenses:						
Sales and marketing	577	(25) (a)	552	566	(25) (a)	541
Product development	379	(76) (a)	303	392	(76) (a)	316
General and administrative	241	(46) (a)(d)	195	251	(43) (a)(d)	208
Provision for transaction losses	86	—	86	90	—	90
Amortization of acquired intangible assets	5	(5) (b)	—	5	(5) (b)	—
Total operating expenses	1,288	(152)	1,136	1,304	(149)	1,155
Income from operations	549	171	720	518	166	684
Interest and other:						
Gain (loss) on equity investments and warrant, net	(222)	222 (e)(f)(g)	—	(214)	214 (e)(f)(g)	—
Interest expense	(65)	—	(65)	(65)	—	(65)
Interest income and other, net	66	—	66	46	—	46
Income (loss) from continuing operations before income taxes	328	393	721	285	380	665
Income tax benefit (provision)	(102)	(17) (c)	(119)	(113)	3 (c)	(110)
Income (loss) from continuing operations	\$ 226	\$ 376	\$ 602	\$ 172	\$ 383	\$ 555
Net income (loss) from continuing operations per share:						
Basic	\$ 0.45		\$ 1.20	\$ 0.32		\$ 1.04
Diluted	\$ 0.45		\$ 1.18	\$ 0.32		\$ 1.03
Weighted average shares:						
Basic	503		503	534		534
Diluted	507		507	537		537
Operating margin	21.3%	6.6%	27.9%	20.4%	6.5%	26.9%
Effective tax rate	31.1%	(14.6)%	16.5%	39.7%	(23.2)%	16.5%

### Notes:

(a) Stock-based compensation expense and related employer payroll taxes

(b) Amortization of acquired intangible assets

(c) Income tax effects and adjustments

(d) Other significant gains, losses or charges

(e) Gains or losses on investments

(f) Change in fair market value of warrant

(g) Change in fair market value of equity investment in Adevinta



# Calculation of Free Cash Flow

	Three months ended					
	March 31, 2023	June 30, 2023	September 30, 2023	December 31, 2023	March 31, 2024	June 30, 2024
	(in millions)					
Net cash provided by continuing operating activities	\$ 841	\$ 605	\$ 862	\$ 123	\$ 615	\$ 367
Less: Purchases of property and equipment, net	(132)	(113)	(85)	(126)	(143)	(89)
Free cash flow from continuing operations	\$ 709	\$ 492	\$ 777	\$ (3)	\$ 472	\$ 278

## Free Cash Flow Impact From Repatriation Tax

	Twelve months ended				
	December 31, 2021	December 31, 2022	December 31, 2023	December 31, 2024	December 31, 2025
	(in millions)				
Repatriation Tax Payment Schedule	\$ (93)	\$ (93)	\$ (175)	\$ (234)	\$ (292)

# Reconciliation of Total Revenue

	Three months ended					
	March 31, 2023	June 30, 2023	September 30, 2023	December 31, 2023	March 31, 2024	June 30, 2024
	(in millions)					
Net revenues <sup>(1)(2)</sup>	\$ 2,510	\$ 2,540	\$ 2,500	\$ 2,562	\$ 2,556	\$ 2,572
(1) Hedge gain/(loss)	\$ 29	\$ 14	\$ 2	\$ 11	\$ (10)	\$ (10)
(2) Foreign currency impact	\$ (45)	\$ (9)	\$ 43	\$ 63	\$ 14	\$ (11)

# Reconciliation of Organic FX-Neutral Revenue

	Three months ended					
	March 31, 2023	June 30, 2023	September 30, 2023	December 31, 2023	March 31, 2024	June 30, 2024
As Reported Revenue Growth	1 %	5 %	5 %	2 %	2 %	1 %
Acquisition/Disposition Impact	(1)%	(1)%	(1)%	—%	—%	—%
Foreign Currency Impact	2 %	1 %	—%	1 %	—%	1 %
<b>Organic FX-Neutral Revenue Y/Y Growth</b>	<b>2 %</b>	<b>5 %</b>	<b>4 %</b>	<b>3 %</b>	<b>2 %</b>	<b>2 %</b>

*Organic FX-Neutral Revenue Growth.* The company defines Organic FX-Neutral Revenue Growth as Reported Revenue Growth excluding incremental revenue from acquisitions or dispositions for the twelve-month period following such acquisitions or dispositions and foreign exchange rate effects. The company believes this measure provides useful supplemental information regarding the company's underlying revenue trends by presenting revenue growth exclusive of these effects.

# Calculation of Period-End Fully Diluted Share Count

	Three months ended					
	March 31, 2023	June 30, 2023	September 30, 2023	December 31, 2023	March 31, 2024	June 30, 2024
	(in millions)					
Quarter-end common shares outstanding	536	533	520	517	509	494
Quarter-end shares underlying outstanding RSUs	18	27	26	24	20	27
Quarter-end fully diluted shares	554	560	546	541	529	521

# GAAP to Non-GAAP Reconciliations Guidance

(in billions, except per share amounts)	Three Months Ending September 30, 2024	
	GAAP	Non-GAAP (a)
Net Revenue	\$2.50 - \$2.56	\$2.50 - \$2.56
Diluted EPS	\$0.82 - \$0.87	\$1.15 - \$1.20

(a) Estimated non-GAAP amounts above for the three months ending September 30, 2024 reflect adjustments that exclude the estimated amortization of acquired intangible assets of approximately \$9-\$11 million, estimated stock-based compensation expense and associated employer payroll tax expense of approximately \$140-\$150 million and estimated adjustment between our GAAP and non-GAAP tax rate of approximately \$25-\$35 million. The estimated GAAP diluted EPS above does not assume any gains or losses on our equity investments.

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