

# eBay Inc. Corporate Fact Sheet: Q4 2008

## eBay Inc.

Founded in 1995, eBay Inc. connects hundreds of millions of people around the world every day, empowering them to explore new opportunities and innovate together. eBay Inc. does this by providing the Internet platforms of choice for global commerce, payments and communications. Since its inception, eBay Inc. has expanded to include some of the strongest brands in the world, including eBay, PayPal, Skype, StubHub, Shopping.com, and others. eBay Inc. is headquartered in San Jose, California.

## Q4 2008 Overview

eBay Inc. posted a fourth quarter decline in revenue due primarily to the impact on eBay of a stronger dollar and macroeconomic conditions globally. However, Q4 revenue was within the quarterly guidance we set, and EPS was slightly above. During an extremely challenging holiday season – marked by a dramatic drop in consumer spending – the company managed its business with a prudent mix of operating discipline and competitiveness, growing its increasingly diversified portfolio of businesses. PayPal, Classifieds, text and graphical advertising and Skype performed well, growing revenue on a year-over-year basis.

### Revenue (in \$ millions)



### Non-GAAP EPS (in \$)



### Free Cash Flow (in \$ millions)



## Quarterly Highlights

**eBay Inc.** completed several acquisitions in Q4: Bill Me Later, which further extends PayPal's leadership position in online payments; Den Bla Avis (dba.dk) and BilBasen (bilbasen.dk) in Denmark, which further extends the company's global leadership position in online classifieds; Ticket Technology to enhance the selling platform for StubHub; and Positronic, a developer of predictive search technology, which will enhance eBay's efforts to bolster search functionalities on its ecommerce sites.

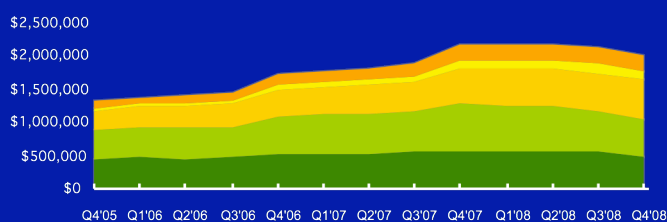
**Marketplaces:** eBay sellers in the U.S. lowered shipping costs significantly – dropping the average shipping costs to buyers by 25% compared to the fourth quarter of 2007. During the quarter, Jack Sheng of eForcity, Inc., became eBay Marketplace's first ever 1 million feedback seller.

**PayPal** expanded its reach on the web with the launch of merchant service account deals with American Airlines (U.S.), Hoyts Cinemas (Australia), Promarkt (Germany), Aldo Shoes (Canada), Jet2 (U.K.), Laura Ashley (U.K.), Amway (U.S.), and Zappos.com (U.S.). Also, PayPal continued its global expansion with the launch of new localized sites in Mexico, Hong Kong and Singapore. During the quarter, PayPal extended its mobile strategy by partnering with RIM to become the exclusive payment option on the BlackBerry Application StoreFront.

**Skype** expanded its senior leadership team with the addition of Daniel Berg as chief technology officer and Christopher S. Dean as chief strategy officer. Also, SkypeOut minutes reached 2.6 billion globally, a 61% increase year-over-year, driven by very strong adoption in Asia.

**Emerging Businesses:** StubHub announced a partnership with the NHL franchise Buffalo Sabres, HSBC Arena and Tickets.com to enable an integrated ticketing solution for the team and arena. During the quarter, eBay's Classifieds businesses averaged 91 million unique visitors per month, representing an increase of 41% year over year.

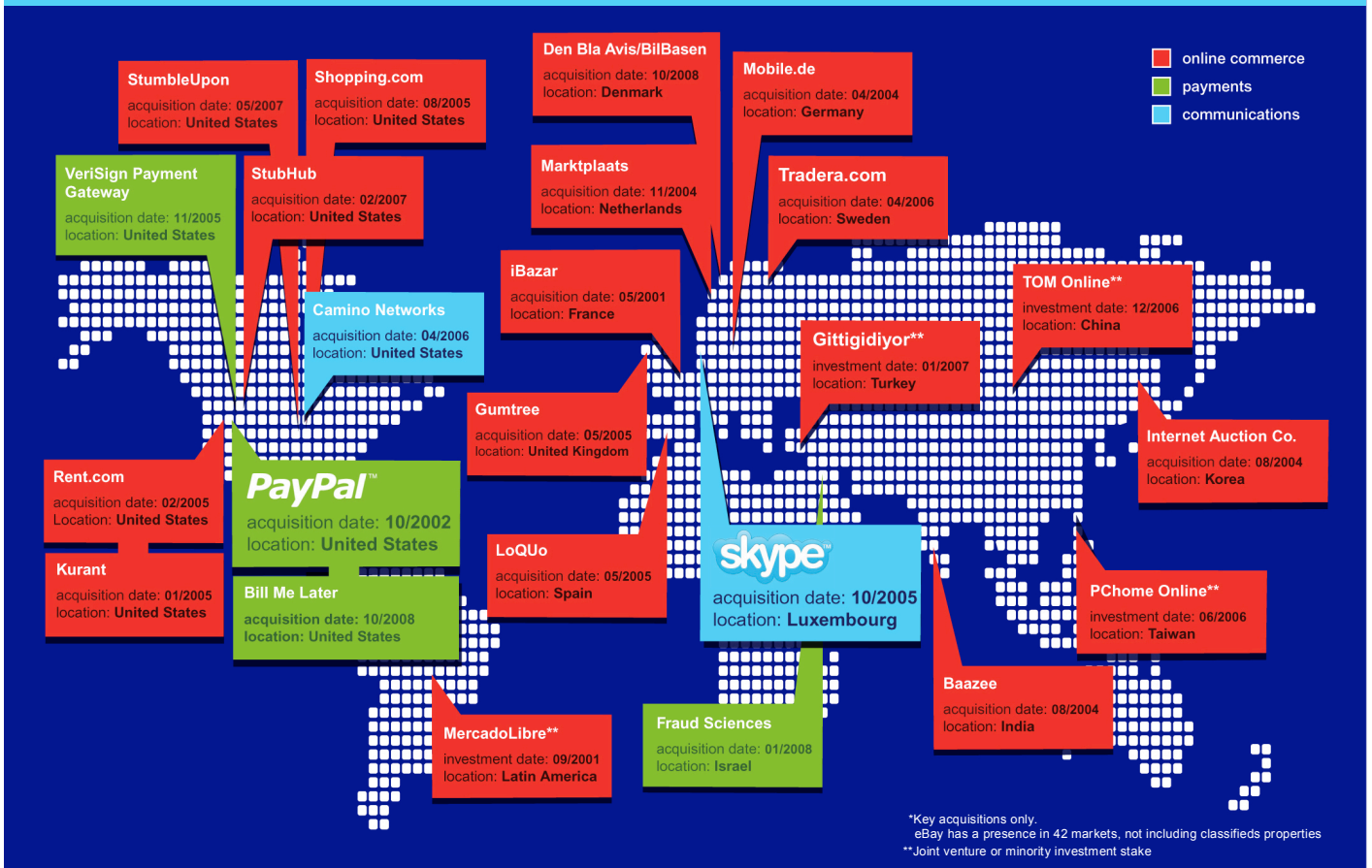
## Revenue Diversification



eBay Inc. has an increasingly diversified revenue model. In only three years, the company's revenue from all sources other than Marketplaces transactions has jumped from 33% to 49% of eBay Inc.'s total revenue as of Q4'08.



## HOW THE PORTFOLIO\* WAS BUILT: 2001-PRESENT



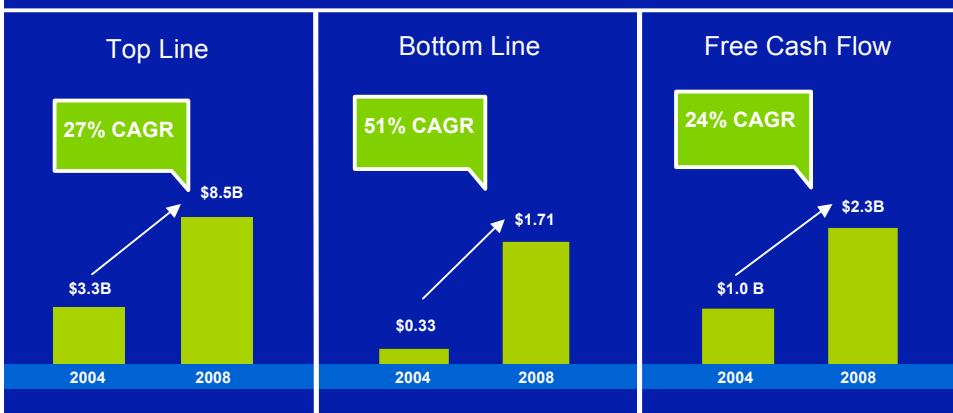
## Strong Company ... Getting Stronger

We have the financial flexibility to pursue attractive opportunities:

**\$3.2 billion** in cash and cash equivalents on balance sheet

**\$2.3 billion** in free cash flow in 2008

### A Powerful Business Model



### We've built 3 of the best businesses/brands on the web

- **14% share** of global ecommerce
- **\$60B Total GMV** in 2008 for eBay
- **86M active users** on eBay
- **9% of global ecommerce** paid via PayPal
- **\$60B Net TPV** in 2008 for PayPal
- **400 million** registered users on Skype... **> 100B S2S minutes**

