



The World's Open Technology Payments Platform

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Dan Schulman, CEO
Patrick Dupuis, CFO

Non-GAAP Financial Measures

This presentation includes the following financial measure defined as a “non-GAAP financial measure” by the Securities and Exchange Commission, or SEC: free cash flow. This measure may be different from non-GAAP financial measures used by other companies. The presentation of this financial information, which is not prepared under any comprehensive set of accounting rules or principles, is not intended to be considered in isolation or as a substitute for the financial information prepared and presented in accordance with generally accepted accounting principles.

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This presentation contains forward-looking statements relating to, among other things, the planned separation of PayPal’s business from eBay Inc., and the future performance of PayPal Holdings, Inc. and its consolidated subsidiaries that are based on the company’s current expectations, forecasts and assumptions and involve risks and uncertainties. These statements include, but are not limited to, statements regarding the completion and timing of any such separation, the future performance of the PayPal business on a standalone basis if the separation is completed, the company’s projected financial outlook and future growth in the company’s business and mobile payments. The company’s actual results could differ materially from those predicted or implied and reported results should not be considered as an indication of future performance. There is no assurance as to the timing of the spin-off or whether it will be completed. Factors that could cause or contribute to such differences include, but are not limited to: changes in political, business and economic conditions, including any European or general economic downturn or crisis and any conditions that affect payments or credit; fluctuations in foreign currency exchange rates; the company’s need to successfully react to the increasing importance of mobile payments; the company’s need to manage an increasingly large enterprise with a broad range of businesses of varying degrees of maturity and in many different geographies; the effect of management changes and business initiatives; the company’s need and ability to manage other regulatory, tax and litigation risks as its services are offered in more jurisdictions and applicable laws become more restrictive; any changes the company may make to its product offerings; the competitive, regulatory, credit card association-related and other risks specific to PayPal and PayPal Credit, especially as the company continues to expand geographically and introduce new products and as new laws and regulations related to financial services companies come into effect; the company’s ability to timely upgrade and develop its systems, infrastructure and customer service capabilities, at reasonable cost; the company’s ability to maintain site stability and performance on all of its sites while adding new products and features in a timely fashion; and the company’s ability to profitably integrate, manage and grow businesses that have been acquired recently or may be acquired in the future. 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 the company’s operating results is included under the captions “Risk Factors” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” in the company’s most recent Registration Statement on Form 10, copies of which may be obtained by visiting the eBay Inc. Investor Relations website at <http://investor.ebayinc.com> or the SEC’s website at www.sec.gov. Undue reliance should not be placed on the forward-looking statements in this presentation, which are based on information available to the company on the date hereof. PayPal Holdings, Inc. and eBay Inc. assume no obligation to update such statements.

This meeting is being transcribed for the company’s internal purposes.

Our Story



The Payments landscape is dramatically changing



Mobile bridges online, in-app, and in-store experiences...and PayPal is a leader



PayPal has market leading and sustainable assets



Shaping the future of the industry



Strong financial model and team

The Payment Landscape is Dramatically Changing ... and the World is Looking for a Trusted Solution

Industry Trends

Mass Adoption of Mobile
Devices

Digitization of Money

Fragmentation of Payment
Types, Technology and
Channels

Emergence of Alternative
Financial Service Offerings

Rise of Fraud and
Cybercrime

Risk of Failure and Cost of
Keeping Up

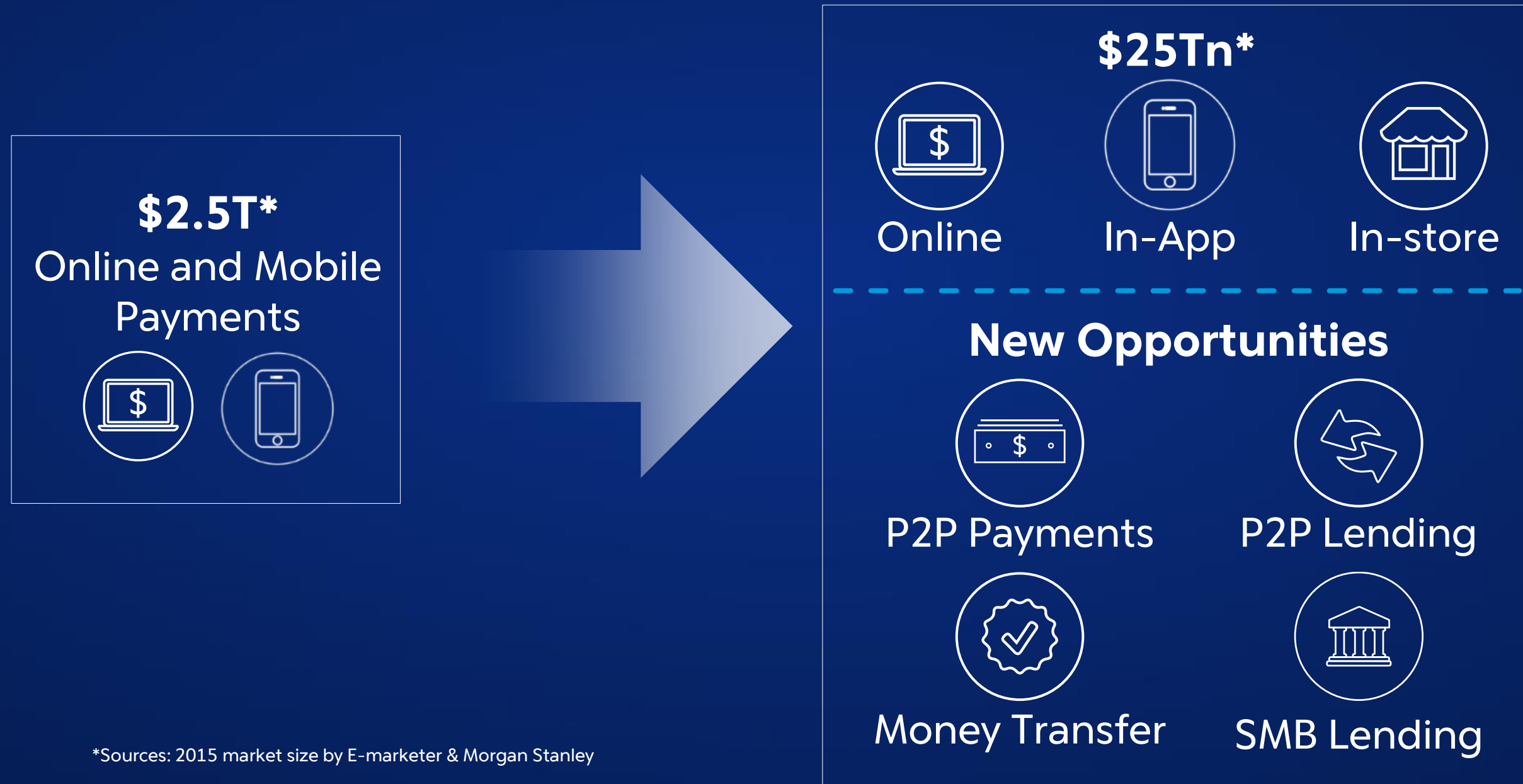
Market Needs

Need Help to
Adopt/Adapt Faster

Need Help to
Manage Confusion

Need Help to
Reduce Risk

The Explosion of Mobile Expands our Addressable Market and Our Leadership Unlocks the Opportunity



As the Leader in Digital Payments...PayPal is Shaping the Future of the Industry

At Scale*

165 Million Active Customer Accounts

\$235 Billion TPV

4 Billion Transactions

1 Billion Mobile Transactions

With Momentum

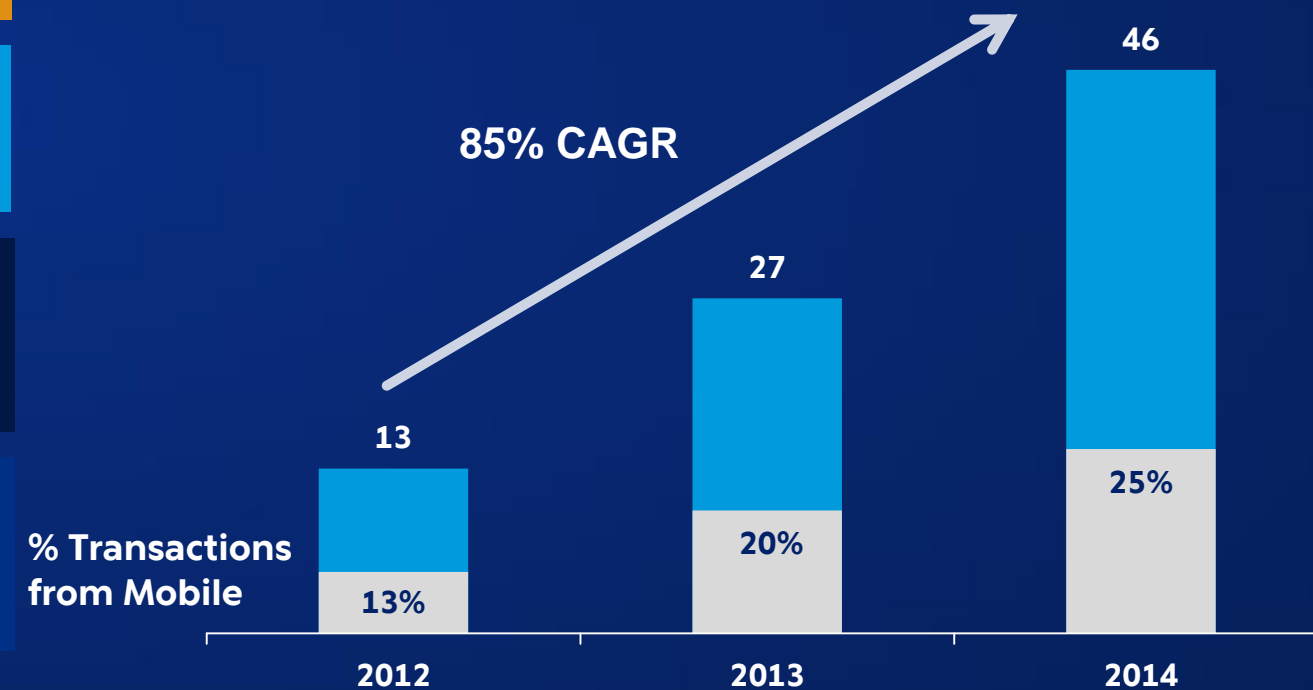
+19 Million Gained in 2014

+25% y/y TPV Growth**

+22% y/y Transaction Growth**

+41% y/y Mobile Transaction Growth**

Mobile TPV (Billions)



*Stats are full year 2014, except customers which is Q1'15

**Stats are Q1-15

PayPal has Unique and Defensible Assets

Scalable Two-Sided Network and Platform

Brand: #1 Trusted Digital Wallet

Risk Management

Data and Analytics

Global Regulatory Compliance

24x7 Customer Support

An End-to-End Solution for 10M Merchants

- **Drive Growth:**
Increase Conversion, Data Insights
- **Low Cost of Ownership:**
Scalable, Upgradable, Flexible, Preferred Developer App
- **Make Technology Simple (Rewiring the Commerce Experience):**
Low Friction Integration, at Any Scale, PayPal as a Service (SaaS)
- **Protect the Franchise:**
Risk Management and Fraud, Regulatory Compliance



155+M

Global Active Consumer Accounts*



\$13.8B

Mobile Payment Leader*



\$500M

PayPal Working Capital Program Loans Since Launch



27%

PayPal Credit Volume Growth*

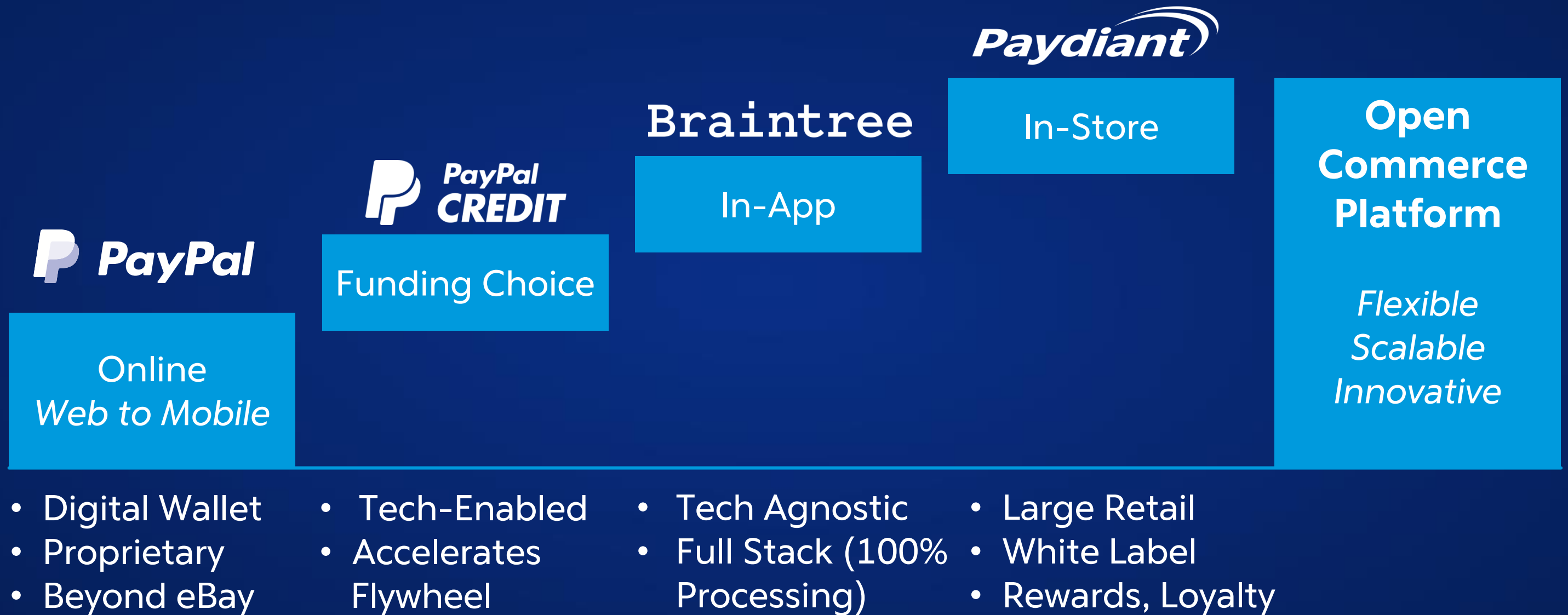


109%

Braintree Authorized Payment Volume Growth*

*Q1 '15

Rewiring the Merchant Payment Experience



Expanding Value to 155M Consumers

- **Easy To Use:**
One Touch, Payment Choice
- **Protection:**
Financial Information Not Shared, Buyer Protection
- **Use Anywhere:**
Online/In-app/In-store, on Any Device, With Any OS, 10M+ Merchants
- **Shop Globally:**
203 Markets, in Major Currencies Around the World



25

Transactions per Active Account*, +9% y/y



11%

y/y increase in TPV per Active Account*



Global Coverage

74% and 69% Coverage of Largest 100 US and EMEA Internet Retailers



\$50

Revenue per Active Account*



\$14B

Cross Border Trade TPV, 23% of TPV

Driving Scale and Engagement in Our Consumer Base



**Transforming
the
Management
& Movement
of Money
Through Mobile**

Our Global Open Digital Payments Platform Drives Powerful Network Effects



Financial Overview

Producing Growth and Returns at Scale

TPV (Billions)*

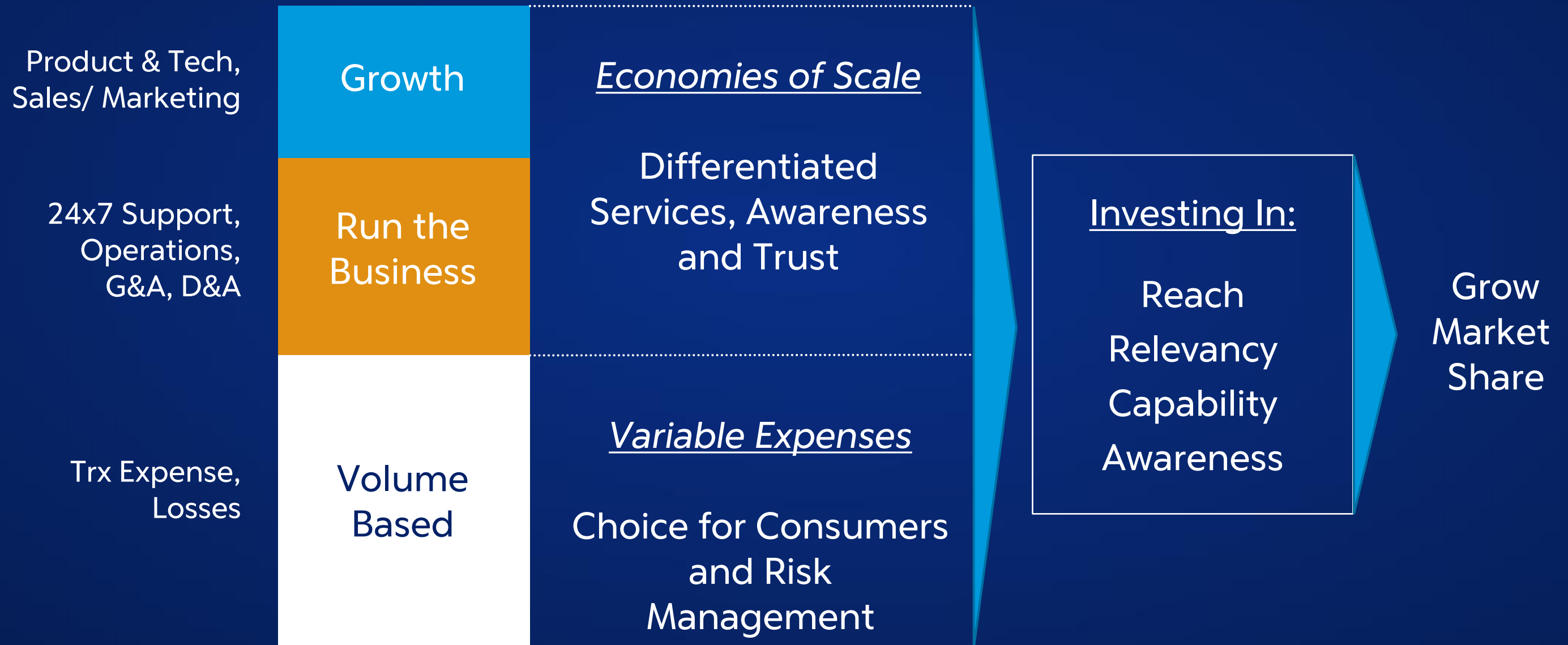
Revenue (Billions)

Free Cash Flow (Billions)**



Our Model: Leverage from Scale and Reinvest for Growth

Operating Expenses



Well Capitalized to Maintain Leadership

Capital Sources

Strong Cash Flow

Starting Cash of ~\$6B

Alternative Sources of
Capital to Fund
Credit Growth

No Debt

Capital Allocation

CapEx	8-10% of Revenue In 2015*
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Credit Receivables	Optionality: Our Balance Sheet or Other Peoples' Money to Drive Growth
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M&A	Expand Reach, Capabilities, Network Effect
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Buy Back	Prioritize Growth vs. Reduction of Shares
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**Increased 1pt from guidance given on 4/22/15*

Guidance

	2015	Medium Term
FXN TPV Growth	Mid -20%	Mid - 20%
FXN Revenue Growth	15 - 18%	~15%
Non-GAAP Op. Margin	Up 0 - 1% 20 - 21%	Stable to Growing
Free Cash Flow Growth	\$1.6 - 1.8B*	In-line with Revenue Growth
CapEx	8-10% of Revenue	Lower

A Strong Team

Industry Thought Leaders

Customer-First Mindset

Proven Ability to Scale

Global in Nature

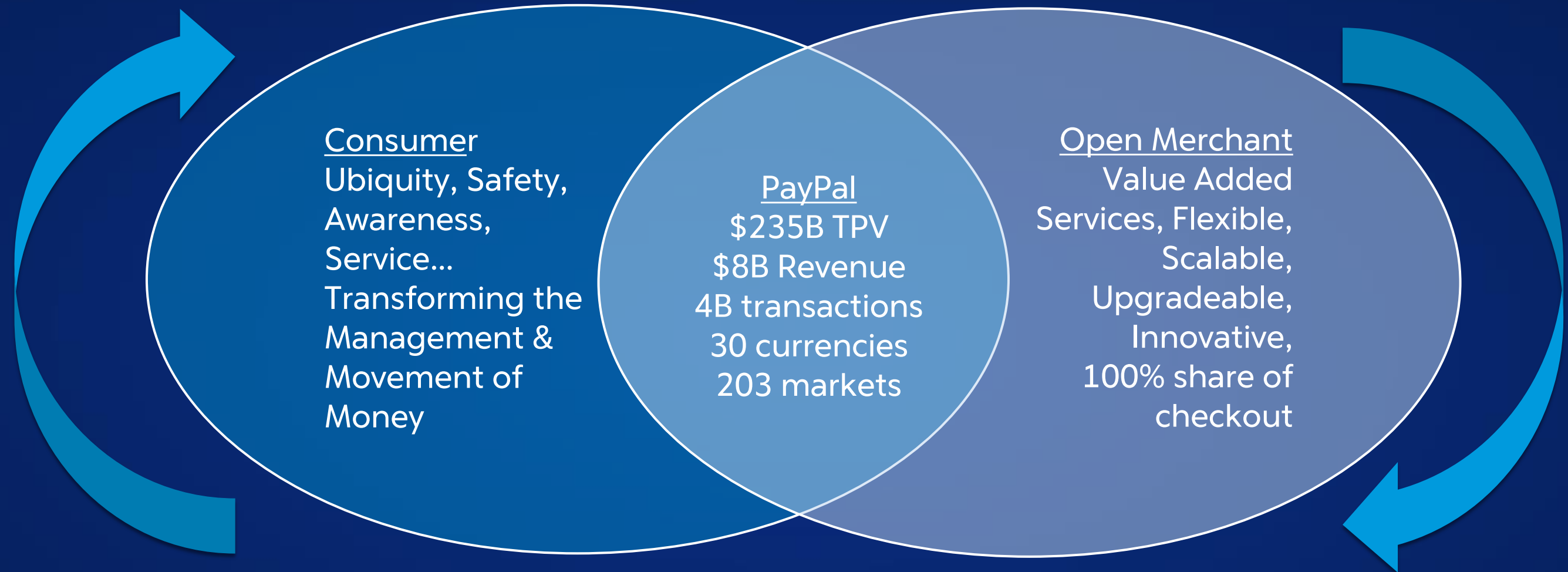
Talent Magnets



The World's Open Technology Payments Platform

Appendix

The World's Open Digital Payments Platform



Growing Volume,
Declining Transaction
Margin

Variable Expenses: Choice and Risk

Run the Business Expenses: Service & Trust

Growth Expenses: Awareness & Experience

Mid-Teens Revenue
Growth, Stable to Up
Margins

Separation Optimizes Opportunity

Enhanced Standalone Positioning

- ✓ New Markets
- ✓ Enhanced Focus
- ✓ New Operating Structure
- ✓ Strategic Flexibility

Continued Benefits Through Operating Agreement

- ✓ Largely Consistent PayPal Pricing for eBay Merchants
- ✓ Structure in Place to Maintain PayPal Usage by eBay
- ✓ eBay Support to Enhance the PayPal Product Experience on eBay
- ✓ 5 Year Duration, 1 Year Transition Period; Flexibility to Amend Agreement

Calculation of Free Cash Flow

	Year Ended December 31		
	2014	2013	2012
	(In millions)		
Net cash provided by operating activities	\$2,220	\$1,993	\$1,565
Less: Purchases of property and equipment	(492)	(391)	(511)
Free cash flow	\$1,728	\$1,602	\$1,054