



Google and eBay Sign Multi-Year Agreement to Connect Users, Merchants, and Advertisers Around the Globe

MOUNTAIN VIEW and SAN JOSE, Calif., August 28, 2006 – Google Inc. (Nasdaq: GOOG) and eBay Inc. (Nasdaq: EBAY) today announced a multi-year agreement to benefit both companies' collective communities of users, merchants, and advertisers around the globe. The agreement consists of two primary components involving text-based advertising and "click-to-call" advertising functionality.

Specifically, Google will become the exclusive text-based advertising provider for eBay outside the United States. In addition, eBay and Google plan to integrate and launch "click-to-call" advertising functionality that leverage both Skype and Google Talk globally in each company's respective shopping and search platforms. The companies said the financial terms for certain components of the deal involve revenue sharing, but did not disclose specific details.

"We're pleased to expand our long-standing relationship with Google to explore new market opportunities, like click-to-call advertising, that benefit both our communities of users," said Meg Whitman, President and CEO, eBay Inc. "People continue to evolve how they shop, communicate and advertise online. By combining the power of eBay in ecommerce and Skype in communications with Google's leadership in search and advertising, we can increase the usefulness of the Internet for shoppers, merchants and advertisers around the world."

"This agreement underscores how much we value eBay as a partner," said Eric Schmidt, CEO of Google. "Our technologies will allow us to connect users to relevant advertising across eBay's international properties. By working together to promote click-to-call functionality through Google Talk and Skype, we are offering advertisers another innovative way to connect with customers."

The companies plan to begin testing the text-based advertising and click-to-call initiatives in early 2007 that will be evaluated over a period of several months. The specific components and timing of implementation will depend upon initial test results, and will vary by market, largely driven by local dynamics and joint capabilities.

Details of the agreement include:

Search and Advertising on eBay Sites Outside the U.S.

Google will become the exclusive provider of text-based advertising on eBay outside the United States. This agreement provides Google advertisers access to one of the Internet's most robust online communities while enhancing the shopping experience for eBay buyers by making it easier for them to find the products they seek.

"Click-to-Call" Advertising and Technology Integration

Google and eBay also plan to integrate and launch "click-to-call" advertising functionality within eBay's U.S. and international marketplaces and Google's search platform. The click-to-call capability will allow a user to click on a link or icon within a product or service advertisement to initiate an Internet voice call to participating eBay merchants or Google advertisers directly from either company's respective sites, using Skype or Google Talk.

Click-to-call advertising is an emerging e-commerce model that brings buyers and sellers together by opening up new ways for advertisers and merchants to generate customer leads using the Internet. It is particularly valuable for merchants or advertisers who may not have a website, or who currently use channels such as local directories to reach potential customers.

Starting in the near future, Skype will offer its users the option to download the Google Toolbar, to which Skype will add a custom button. The companies will also explore interoperability between Skype and Google Talk via open standards to enable text chat and online presence.

At this time, eBay does not expect this agreement will have a material impact on its financial results in 2006 or 2007.

About eBay Inc.

Founded in 1995, eBay pioneers communities built on commerce, sustained by trust, and inspired by opportunity. eBay enables ecommerce on a local, national and international basis with an array of Websites – including the eBay Marketplaces, PayPal, Skype, Kijiji, Rent.com and Shopping.com – that bring together millions of buyers and sellers every day.

About Google:

Google's innovative search technologies connect millions of people around the world with information every day. Founded in 1998 by Stanford Ph.D. students Larry Page and Sergey Brin, Google today is a top web property in all major global markets. Google's targeted advertising program provides businesses of all sizes with measurable results, while enhancing the overall web experience for users. Google is headquartered in Silicon Valley with offices throughout the Americas, Europe and Asia. For more information, visit www.google.com.

Forward-Looking Statements

This announcement contains forward-looking statements regarding Google and eBay (including without limitation as described in the quotations from management in this announcement) and their strategic and operational plans related to, and the expected financial impact of, the announced strategic agreement. Those statements involve risks and uncertainties, and actual results could differ materially from those discussed. Factors that could cause or contribute to such differences include, but are not limited to, the reaction of users of each company's services to the strategic agreement and associated product changes, the reaction of each company's competitors to the strategic agreement, the decision by either party to reduce the scope of this agreement upon the occurrence of certain events set forth in the agreement, potential product development issues, and the possibility that the expected benefits of the strategic agreement may not materialize to the extent expected or at all. All information set forth in this release is as of August 28, 2006, and neither company intends or undertakes any duty to update this information to reflect future events or circumstances. More information about potential factors that could impact each company's business and financial results is included under the captions, "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations," in each company's respective Annual Report on Form 10-K for the fiscal year ended December 31, 2005 and Quarterly Report on Form 10-Q for the quarter ended June 30, 2006, which are on file with the U.S. Securities and Exchange Commission (the "SEC") and available at the SEC's website at www.sec.gov.

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For more information please contact:

eBay Inc.:

U.S. Media Relations Contact: Hani Durzy, (408) 376-7458; hdurzy@ebay.com

Europe Media Relations Contact: Victoria Biggs, +44 7887 680052; vbiggs@ebay.com

Investor Relations Contact: Tracey Ford, (408) 376-7205; tford@ebay.com

Google:

Media Relations Contact: Brandon McCormick, (650) 253-0674; bmccormick@google.com

Investor Relations Contact: Maria Shim, (650) 253-7663; marias@google.com