

Q2 2007 Financial Highlights

July 18, 2007



This presentation contains non-GAAP measures relating to the company's performance. You can find the reconciliation of those measures to the nearest comparable GAAP measures in the appendix at the end of this presentation.

This presentation may contain forward-looking statements regarding matters that involve risk and uncertainty, including those relating to the company's ability to grow its businesses, user base and user activity. Our actual results may differ materially from those discussed in this presentation for a variety of reasons, including our increasing need in established markets to grow revenues from existing users as well as from new users; an increasingly competitive environment for our businesses; the complexity of managing a growing company with a broad range of businesses; regulatory, tax, and IP and other litigation risks (including risks specific to PayPal and the financial industry, and risks specific to Skype's technology and to the VoIP industry); our need to upgrade our technology and customer service infrastructure to accommodate growth at reasonable cost while adding new features and maintaining site stability; foreign-exchange-rate fluctuations; and the impact and integration of recent and future acquisitions and other transactions.

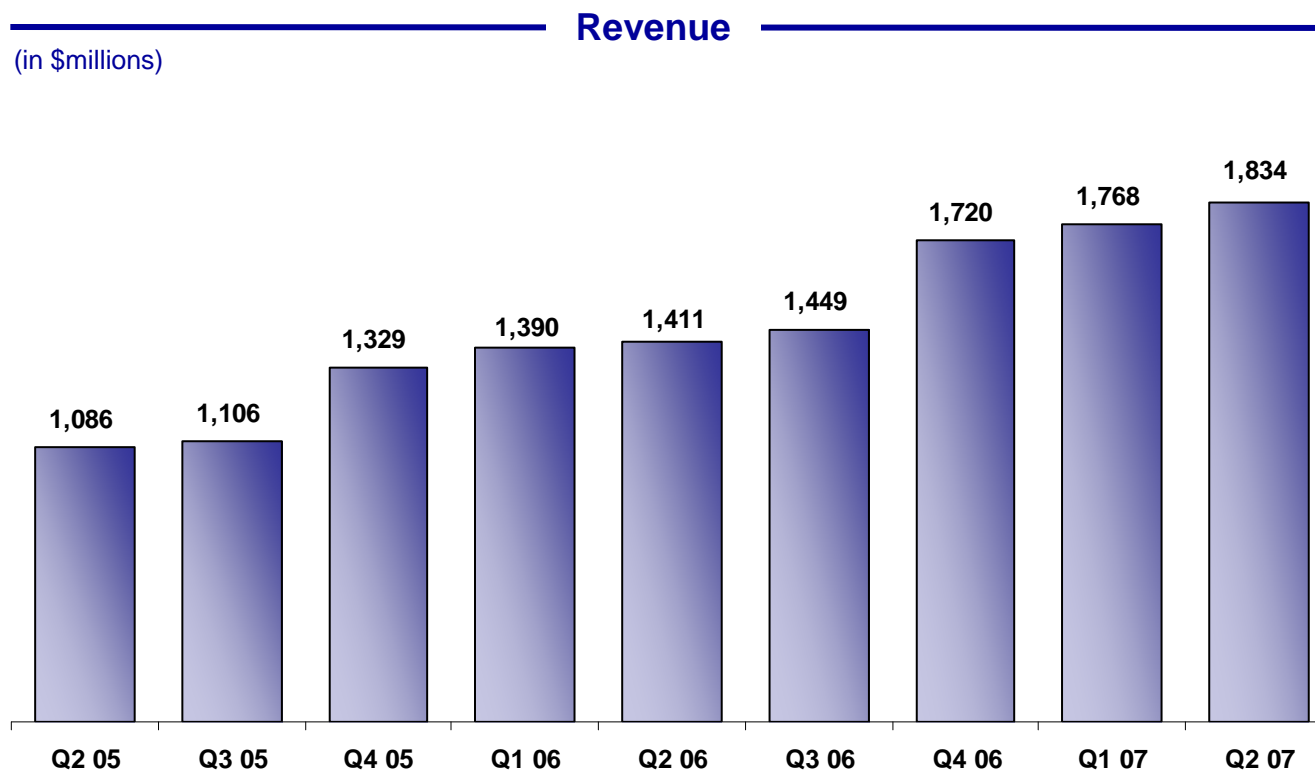
You can find more information about factors that could affect our results in our annual report on our Form 10-K and our quarterly reports on Form 10-Q (available at <http://investor.ebay.com>). You should not unduly rely on any forward-looking statements. All information in this presentation is as of July 18, 2007, and we do not intend, and undertake no duty, to update this presentation.

Q2 07 Summary

Strong quarter financially ...

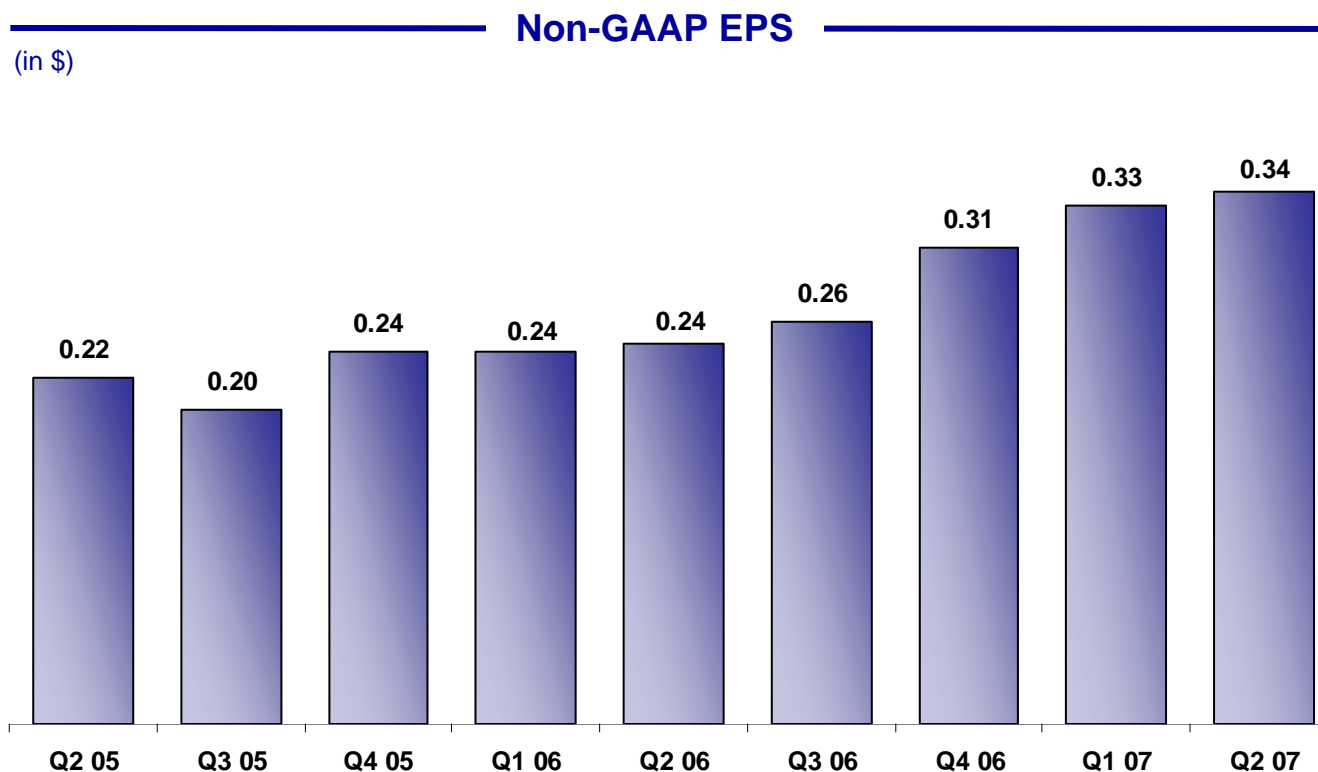
- Accelerating revenue growth
- Strong earnings growth
- Excellent free cash flow
- Redeployed capital to strengthen business / returns...
 - Share repurchase
 - StumbleUpon acquisition; investment in Turkey (GittiGidiyor)

Q2 07 Summary ... Accelerating Top-line Growth



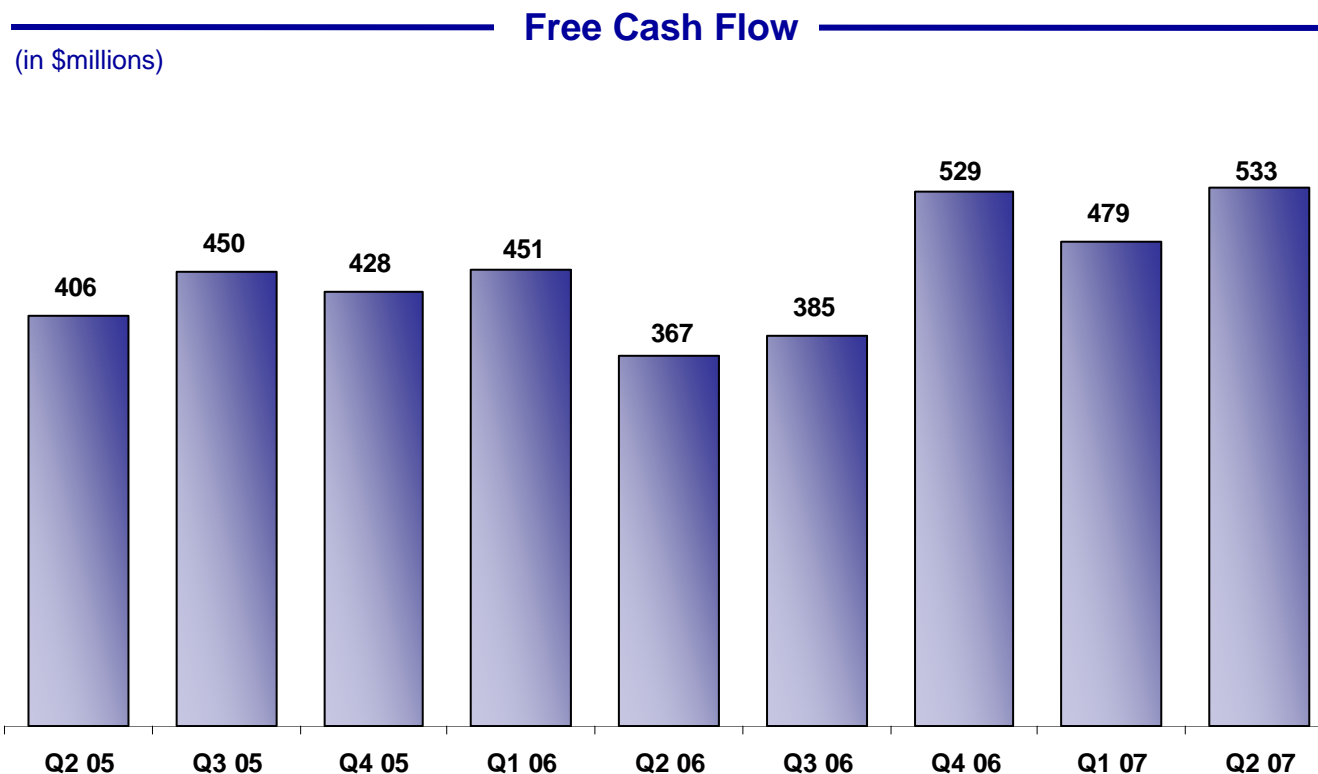
Reported Y/Y Growth	40%	37%	42%	35%	30%	31%	29%	27%	30%
Organic Y/Y Growth	35%	32%	34%	30%	21%	20%	21%	21%	23%

Q2 07 Summary ... Strong Earnings Growth



Reported Y/Y Growth	53%	42%	44%	20%	10%	28%	29%	39%	40%
Non-GAAP Op. Margin	37.0%	36.0%	34.0%	33.1%	32.6%	32.1%	33.4%	33.6%	32.4%

Q2 07 Summary ... Excellent Free Cash Flow Generation

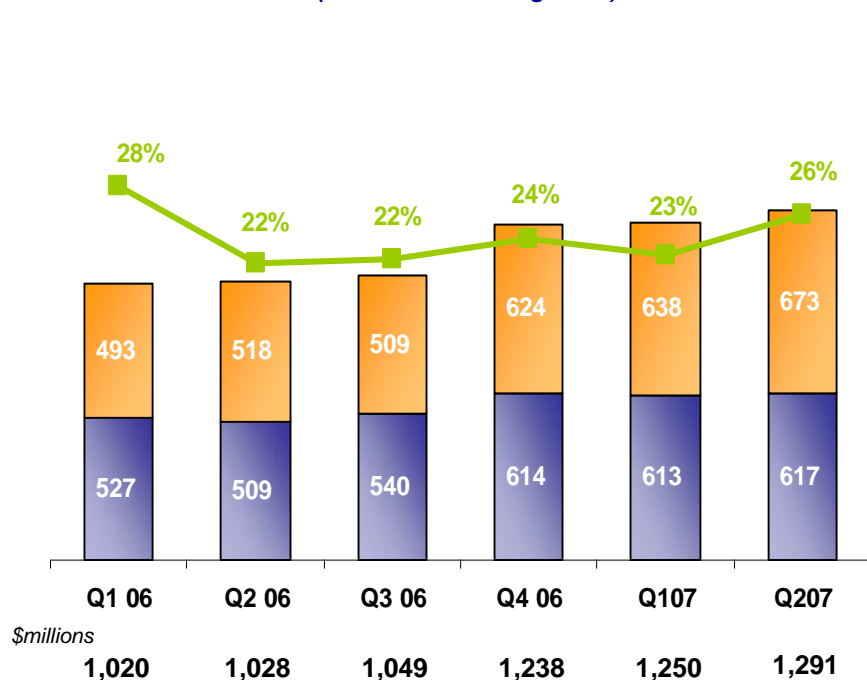


Reported Y/Y Growth	106%	123%	44%	56%	-10%	-14%	24%	6%	45%
Capex % of Revenue	8%	4%	7%	10%	11%	9%	6%	5%	7%
FCF % of Revenue	37%	41%	32%	32%	26%	27%	31%	27%	29%

Business Update ... Marketplaces Revenue and Volume

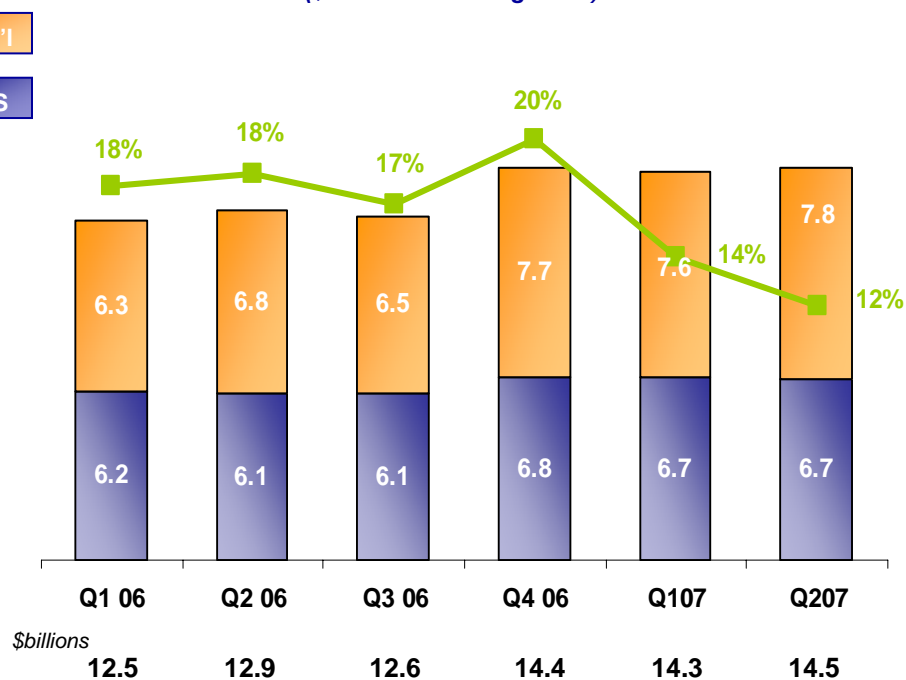
Revenue

(\$millions and Y/Y growth)



GMV

(\$billions and Y/Y growth)



Business Update ... Marketplaces Operating Metrics

	Q1 06	Q2 06	Q3 06	Q4 06	Q1 07	Q2 07
Total Users (in millions)						
US	87	90	94	97	104	107
Y/Y Growth	20%	19%	19%	17%	19%	19%
Int'l	106	113	118	124	130	134
Y/Y Growth	<u>42%</u>	<u>38%</u>	<u>33%</u>	<u>27%</u>	<u>22%</u>	<u>19%</u>
Total Users	193	203	212	222	233	241
Y/Y Growth	31%	29%	26%	23%	21%	19%
New Listings (in millions)						
US	265	265	261	272	258	244
Y/Y Growth	23%	23%	16%	4%	-2%	-8%
Int'l	311	331	323	339	330	316
Y/Y Growth	<u>44%</u>	<u>47%</u>	<u>38%</u>	<u>19%</u>	<u>6%</u>	<u>-5%</u>
Total Listings	575	596	584	610	588	559
Y/Y Growth	33%	35%	27%	12%	2%	-6%
GMV (in \$millions)						
US	6,236	6,109	6,112	6,777	6,736	6,700
Y/Y Growth	18%	15%	13%	14%	8%	10%
Int'l	6,268	6,787	6,528	7,657	7,545	7,764
Y/Y Growth	18%	22%	21%	26%	20%	14%
Fx Neutral Y/Y Growth	<u>26%</u>	<u>21%</u>	<u>16%</u>	<u>17%</u>	<u>11%</u>	<u>8%</u>
Total GMV	12,504	12,896	12,640	14,434	14,281	14,464
Y/Y Growth	18%	18%	17%	20%	14%	12%
Fx Neutral Y/Y Growth	22%	18%	15%	16%	10%	9%

Acquired 8M new users in the quarter

US Core: 194M (0% Y/Y)
US Store: 49M (-31% Y/Y)
Int'l Core: 286M (-4% Y/Y)
Int'l Store: 30M (-12% Y/Y)

Driven by increased Conversion Rate and Average Selling Prices

Notes:

- StubHub benefited US listings growth by ~18bps; CN/TW impacted Int'l listings growth by ~7pts
- StubHub benefited US GMV growth by ~2pts; CN/TW impacted Int'l reported GMV growth by ~2pts
- More information on these metrics can be found on Page 9 of our Earnings Press Release dated July 18, 2007



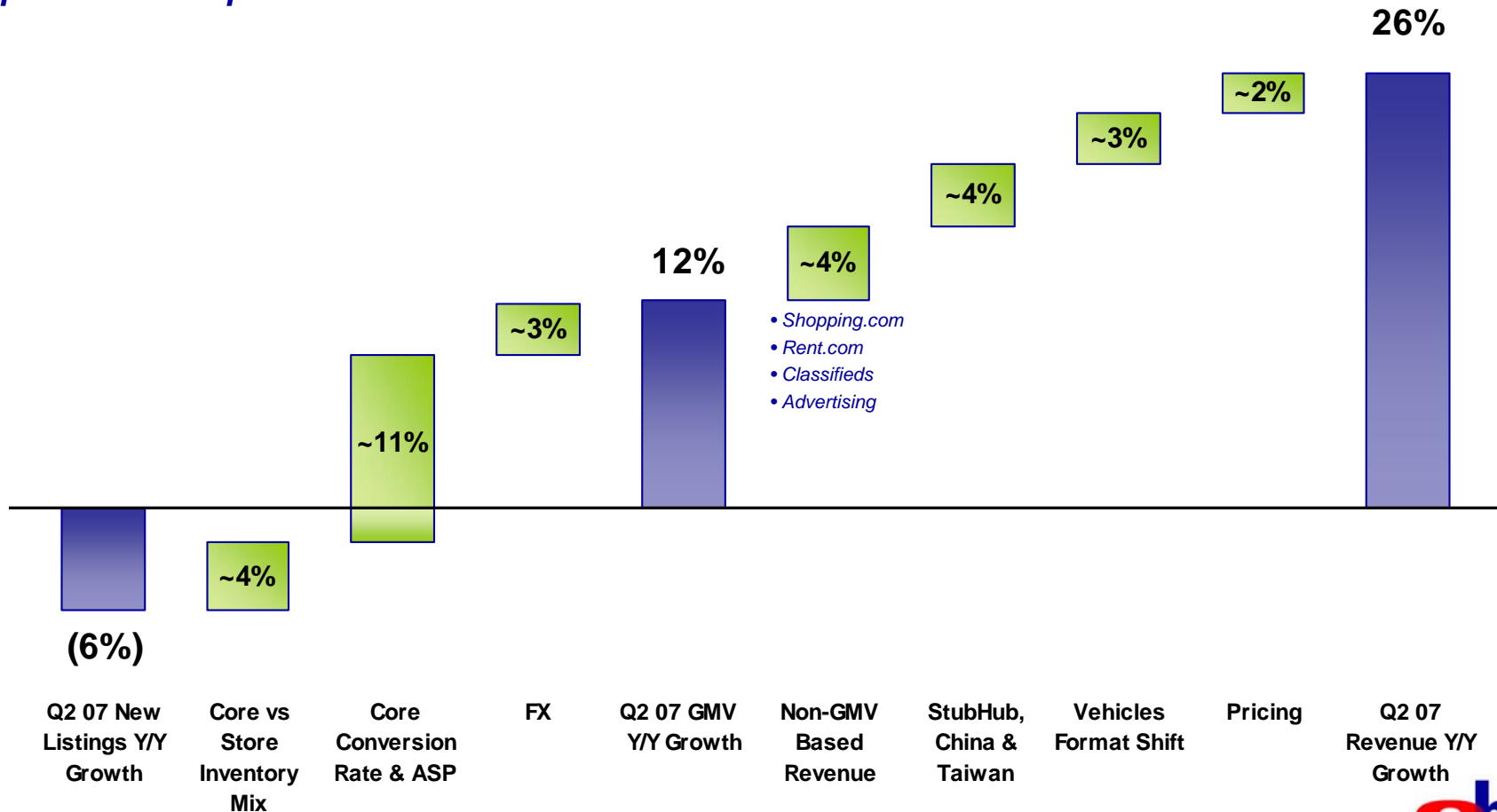
Marketplaces Operating Metrics

GMV growing faster than listings ...

Higher quality inventory ... A better user experience ... Improved conversion rate & ASP

... Revenue growing faster than GMV

Expand into new formats and new monetization methods



Business Update ... Marketplaces

Growing GMV

+

Growing beyond GMV

Europe

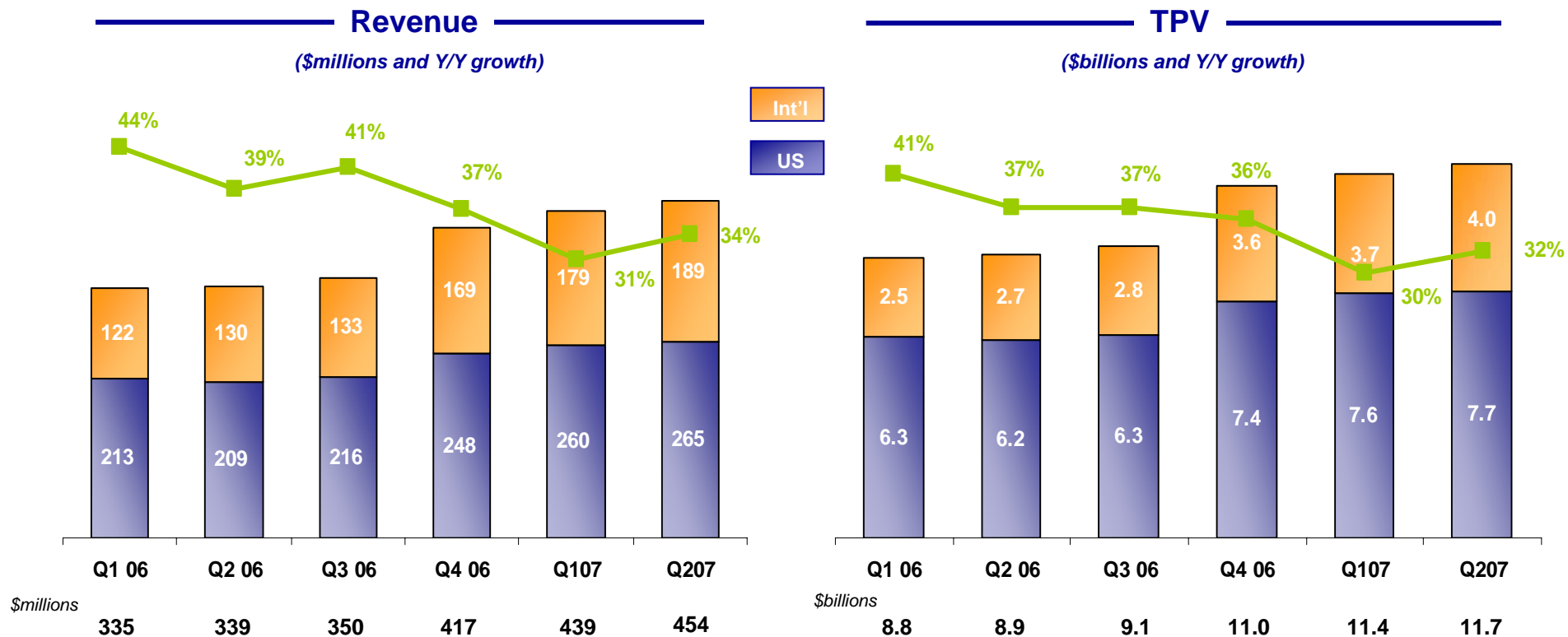
Asia

Advertising

Shopping.com

Classifieds

Business Update ... PayPal Revenue and Volume



Business Update ... PayPal Operating Metrics

	Q1 06	Q2 06	Q3 06	Q4 06	Q1 07	Q2 07
Total Accounts (in millions)						
US	72	77	81	86	91	96
Y/Y Growth	34%	31%	30%	27%	27%	26%
Int'l	33	37	41	47	52	57
Y/Y Growth	<u>89%</u>	<u>82%</u>	<u>73%</u>	<u>67%</u>	<u>58%</u>	<u>53%</u>
Total Accounts	105	114	123	133	143	153
Y/Y Growth	47%	44%	42%	38%	36%	35%
TPV (in \$millions)						
On eBay	5,861	5,727	5,792	7,077	6,981	6,771
Y/Y Growth	33%	26%	27%	26%	19%	18%
Merchant Services	2,908	3,129	3,331	3,927	4,378	4,919
Y/Y Growth	<u>59%</u>	<u>61%</u>	<u>59%</u>	<u>57%</u>	<u>51%</u>	<u>57%</u>
Total TPV	8,769	8,856	9,123	11,004	11,359	11,691
Y/Y Growth	41%	37%	37%	36%	30%	32%
On-eBay Penetration Rate						
Global	55.8%	56.5%	58.0%	58.3%	59.0%	58.8%
Transaction rates						
Transaction exp	1.04%	1.02%	1.07%	1.08%	1.09%	1.12%
Transaction loss	0.29%	0.27%	0.35%	0.41%	0.32%	0.29%

Acquired 10M new users in the quarter

Driven by strong Merchant Services performance and continued eBay penetration

Increasing our penetration of international markets

Stable despite ongoing product mix shift

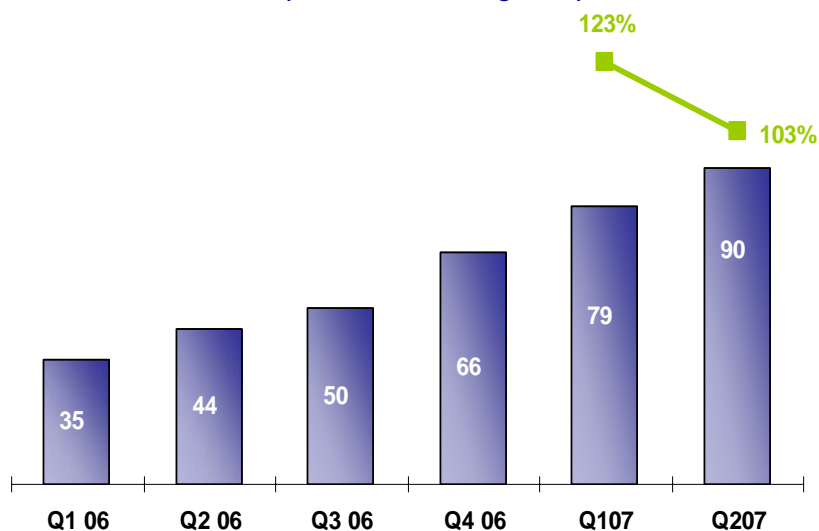
Notes:

- On-eBay Penetration Rate reflects on-eBay TPV, excluding estimated shipping and handling, divided by global eBay GMV, excluding vehicles and real estate
- More information on these metrics can be found on Page 10 of our Earnings Press Release dated July 18, 2007

Business Update ... Skype Revenue and Operating Metrics

Revenue

(\$millions and Y/Y growth)



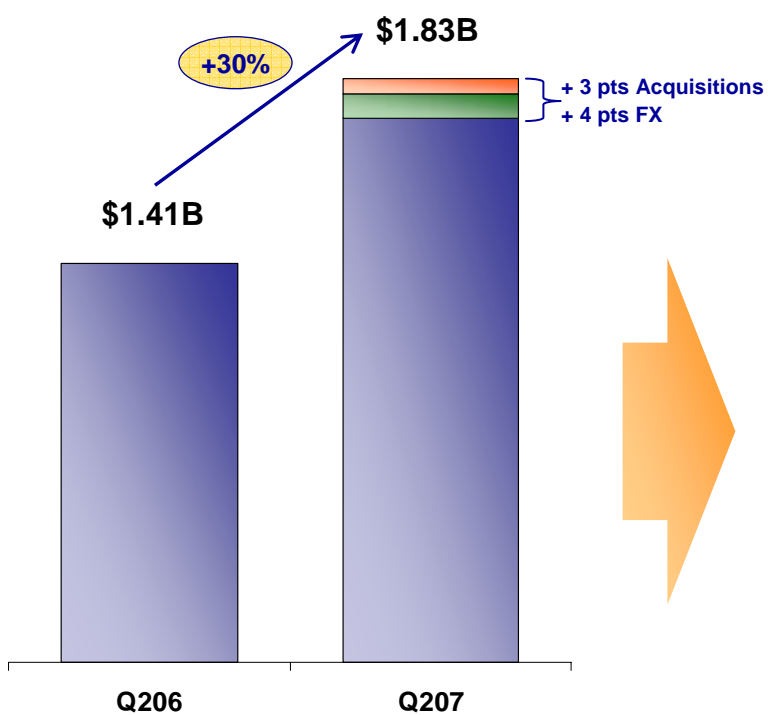
	Q1 06	Q2 06	Q3 06	Q4 06	Q1 07	Q2 07
Total Users (in millions)	95	113	136	171	196	220
Y/Y Growth	--	--	--	129%	107%	94%
Skype to Skype Minutes (in billions)	6.9	7.1	6.6	7.6	7.7	7.1
Y/Y Growth	--	--	--	46%	11%	0%
Skype Out Minutes (in billions)	0.7	0.8	1.1	1.5	1.3	1.3
Y/Y Growth	--	--	--	183%	98%	57%

Notes:

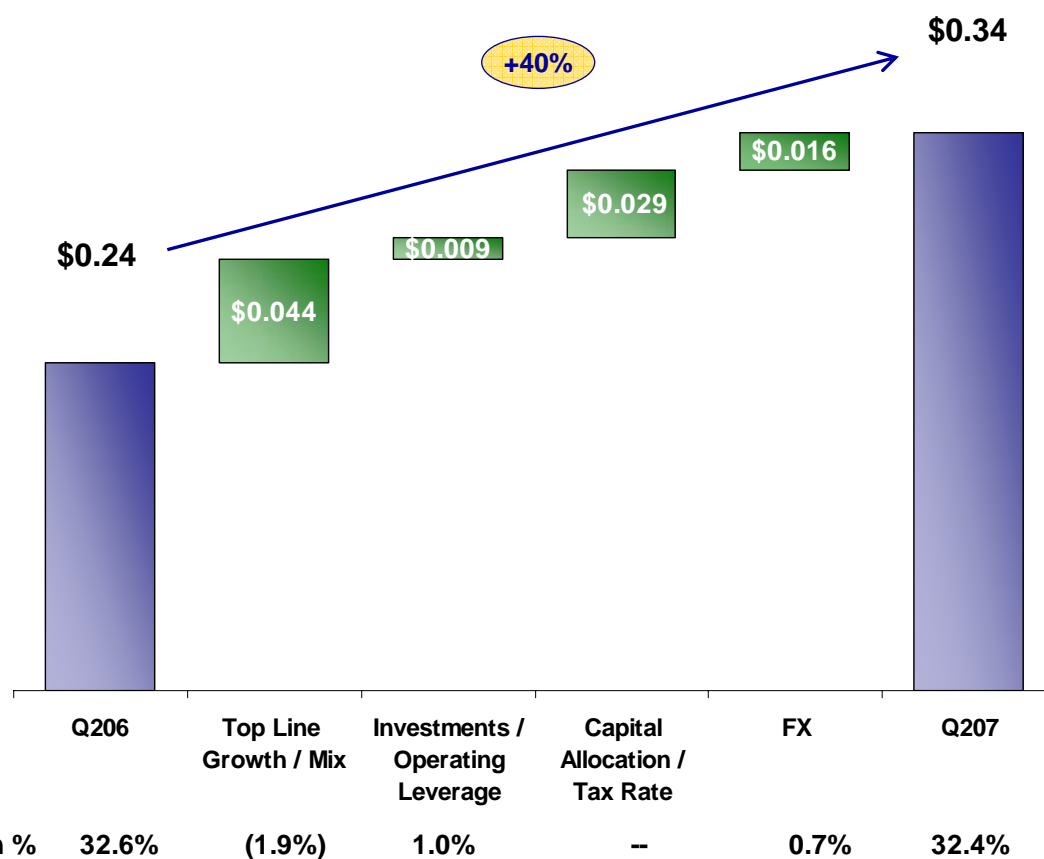
- Historical Skype Out minutes have been restated to exclude Skype Cast minutes which were previously included in the total
- More information on these metrics can be found on Page 11 of our Earnings Press Release dated July 18, 2007

Q2 07 Top Line Growth ... EPS Expansion

Top Line Growth...

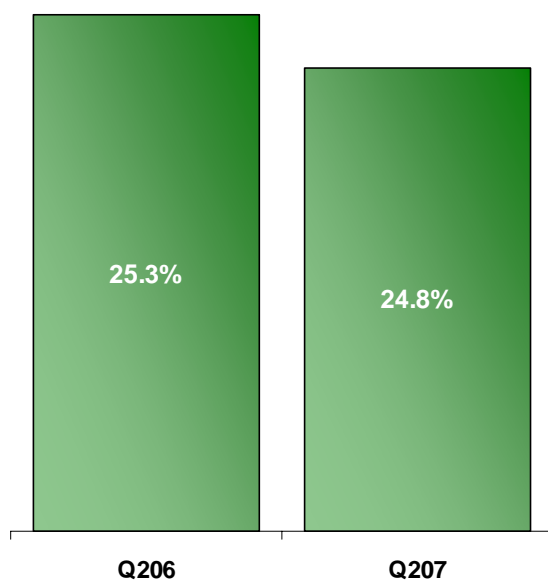


...Non-GAAP EPS Expansion



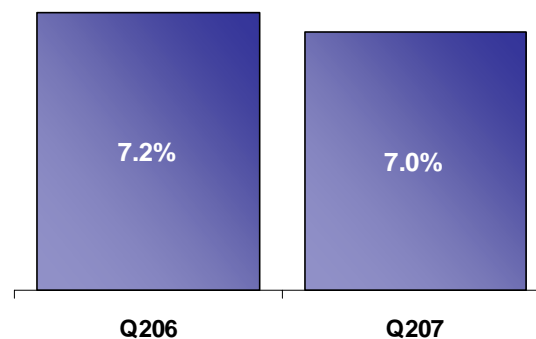
Q2 07 Total Non-GAAP Operating Expenses

— Sales & Marketing — (% of Revenue)



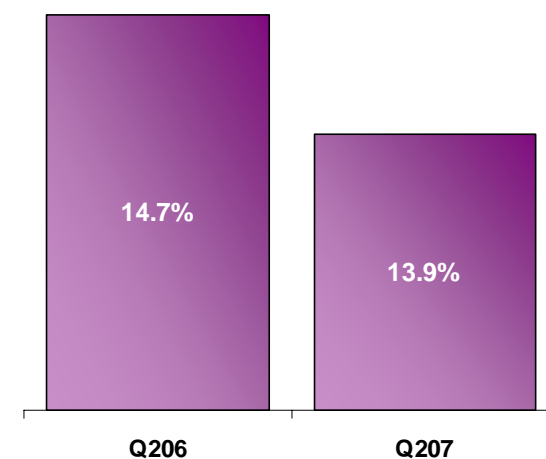
- Leverage Marketplaces marketing costs (+)
- Accelerate PayPal marketing initiatives (-)

— Product Development — (% of Revenue)



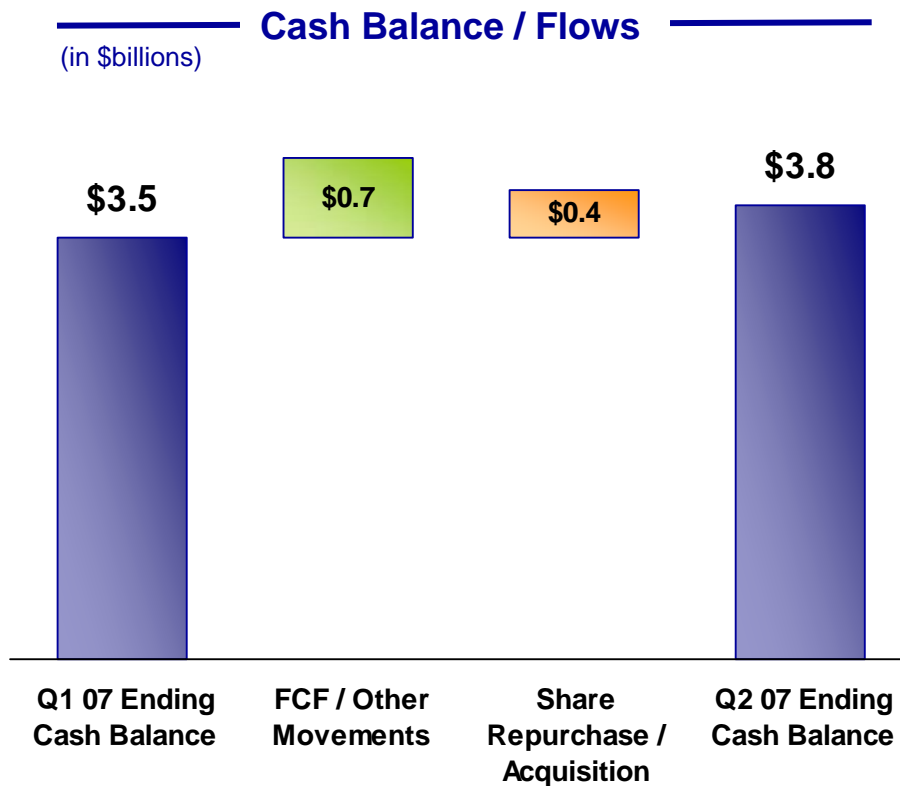
- Leverage PD unit costs and increase capacity (+)
- Accelerate investments (-)
 - Improve user experience
 - Expand geographic footprint

— General & Admin. — (% of Revenue)



- Leverage infrastructure (+)
- Invest in PayPal protection programs (-)

Q2-07 Cash Flow...Share repurchase update



Free Cash Flow / Other Movements

- Strong free cash flow driven by earnings expansion
- \$121M in capital expenditures
- \$92M proceeds from stock option exercises

Share Repurchase / Acquisition

- Repurchased 10.3 million shares at an average price of ~\$33.25
- Strengthened competitive position with acquisition of StumbleUpon and investment in GittiGidiyor

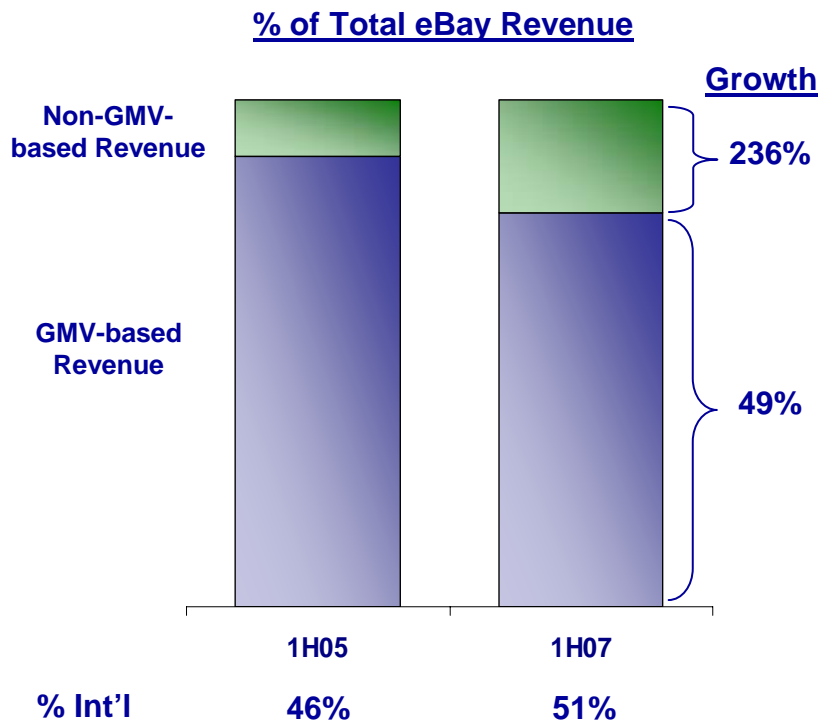
Guidance Context

	Revenue		Non-GAAP
	Low	High	EPS
	(in millions)		
Previous 2007 Guidance	\$7,200	\$7,450	\$1.30 - \$1.34
<i>Implied Y/Y Growth Rate</i>	<i>21%</i>	<i>25%</i>	<i>24% - 28%</i>
Good execution ... Strong 2Q07		\$15	~0.02
Investments to accelerate growth		--	~(0.01)
Geographic mix ... Lower tax rate		--	~0.02
FX Movement ... Weaker USD		\$35	~0.01
Updated 2007 Guidance	\$7,300	\$7,450	\$1.34 - \$1.38
<i>Implied Y/Y Growth Rate</i>	<i>22%</i>	<i>25%</i>	<i>28% - 32%</i>

Guidance Summary

	Q307	2007
<u>Financial Guidance</u>		
Revenues (in millions)	\$1,775 - 1,825	\$7,300 - 7,450
Non-GAAP Operating Margin	--	~33%
Non-GAAP EPS	\$0.31 - 0.33	\$1.34 - 1.38
Free Cash Flow (in millions)	--	~\$1,950
<u>Guidance Assumptions</u>		
FX Rate	\$1.30 / €1.00	\$1.30 / €1.00
Non-GAAP Tax Rate	--	25.5 - 26.0%
Capex % of Revenue	--	7 - 8%

eBay Inc. ... Our portfolio has evolved



- **Strong core business**
 - ✓ Geographic expansion
 - ✓ Improved PayPal penetration on eBay
 - ✓ Improving the user experience
- **New markets**
 - ✓ Merchant Services
 - ✓ Communications
- **New formats**
 - ✓ Classifieds
 - ✓ Online comparison shopping
- **New monetization**
 - ✓ Advertising

An excellent portfolio of businesses ... with a strong core ... and fast-growing adjacencies

Summary

- **Q2 caps a great first half of 2007**
- **Poised to deliver even stronger full year results**

Q & A

Appendix – GAAP to Non-GAAP Reconciliations

Calculation of Organic Revenue Growth

	Mar 31, 2005	Jun 30, 2005	Sept 30, 2005	Dec 31, 2005
Total revenue growth	36%	40%	37%	42%
Acquisition impact	(3%)	(2%)	(5%)	(11%)
Foreign currency impact	(3%)	(3%)	-	3%
Total organic revenue growth	<u>30%</u>	<u>35%</u>	<u>32%</u>	<u>34%</u>

	Mar 31, 2006	Jun 30, 2006	Sep 30, 2006	Dec 31, 2006
Total revenue growth	35%	30%	31%	29%
Acquisition impact	(10%)	(9%)	(9%)	(3%)
Foreign currency impact	5%	-	(2%)	(5%)
Total organic revenue growth	<u>30%</u>	<u>21%</u>	<u>20%</u>	<u>21%</u>

	Mar 31, 2007	June 30, 2007
Total revenue growth	27%	30%
Acquisition impact	(1%)	(3%)
Foreign currency impact	(5%)	(4%)
Total organic revenue growth	<u>21%</u>	<u>23%</u>

Reconciliation of GAAP to Non-GAAP Net Income / EPS

	Jun 30, 2005	Sep 30, 2005	Dec 31, 2005	Mar 31, 2006	Jun 30, 2006	Sep 30, 2006	Dec 31, 2006	Mar 31, 2007	Jun 30 2007
(in millions, except per share data)									
GAAP net income	\$ 291.6	\$ 255.0	\$ 279.2	\$ 248.3	\$ 250.0	\$ 280.9	\$ 346.5	\$ 377.2	\$ 375.8
Stock-based compensation expense related to employee stock options and purchases	0.1	5.3	22.8	83.8	85.4	73.5	74.7	72.0	79.6
Payroll tax on stock option exercises	1.5	2.3	3.5	2.3	1.6	0.4	0.9	1.8	1.3
Amortization of acquired intangible assets	25.8	29.2	51.4	51.9	62.0	51.5	49.5	51.8	56.9
Gain on sale of equity investment	(2.3)	-	-	-	-	-	-	-	-
Income taxes associated with certain non-GAAP entries	(9.5)	(11.6)	(16.8)	(43.4)	(48.3)	(38.9)	(41.0)	(42.3)	(42.5)
Non-GAAP net income	<u>\$ 307.2</u>	<u>\$ 280.2</u>	<u>\$ 340.1</u>	<u>\$ 342.9</u>	<u>\$ 350.7</u>	<u>\$ 367.4</u>	<u>\$ 430.5</u>	<u>\$ 460.5</u>	<u>\$ 471.1</u>
Non-GAAP net income per diluted share	<u>\$ 0.22</u>	<u>\$ 0.20</u>	<u>\$ 0.24</u>	<u>\$ 0.24</u>	<u>\$ 0.24</u>	<u>\$ 0.26</u>	<u>\$ 0.31</u>	<u>\$ 0.33</u>	<u>\$ 0.34</u>
Shares used in diluted share calculation	<u>1,379</u>	<u>1,387</u>	<u>1,426</u>	<u>1,438</u>	<u>1,436</u>	<u>1,426</u>	<u>1,403</u>	<u>1,384</u>	<u>1,379</u>

Reconciliation of GAAP to Non-GAAP Operating Margin

	Jun 30, 2005	Sep 30, 2005	Dec 31, 2005	Mar 31, 2006	Jun 30, 2006	Sep 30, 2006	Dec 31, 2006	Mar 31, 2007	Jun 30, 2007
(in millions)									
GAAP operating income	\$ 379.0	\$ 356.8	\$ 370.4	\$ 322.7	\$ 311.4	\$ 339.1	\$ 449.9	\$ 467.8	\$ 456.8
Stock-based compensation expense related to employee stock options and purchases	0.1	5.3	22.8	83.8	85.4	73.5	74.7	72.0	79.6
Payroll tax on stock option exercises	1.5	2.3	3.5	2.3	1.6	0.4	0.9	1.8	1.3
Amortization of acquired intangible assets	25.8	29.2	51.4	51.9	62.0	51.5	49.5	51.8	56.9
Non-GAAP operating income	<u>\$ 406.4</u>	<u>\$ 393.6</u>	<u>\$ 448.1</u>	<u>\$ 460.7</u>	<u>\$ 460.4</u>	<u>\$ 464.5</u>	<u>\$ 575.0</u>	<u>\$ 593.4</u>	<u>\$ 594.6</u>
Revenues	\$ 1,086	\$ 1,106	\$ 1,329	\$ 1,390	\$ 1,411	\$ 1,449	\$ 1,720	\$ 1,768	\$ 1,834
GAAP operating margin	35%	32%	28%	23%	22%	23%	26%	26%	25%
Non-GAAP operating margin	37%	36%	34%	33%	33%	32%	33%	34%	32%

Calculation of Free Cash Flow

	<u>Mar 31, 2005</u>	<u>Jun 30, 2005</u>	<u>Sept 30, 2005</u>	<u>Dec 31, 2005</u>	<u>Full Year 2005</u>
GAAP operating cash flow	\$ 495.4	\$ 496.5	\$ 491.7	\$ 526.2	\$ 2,009.8
Purchases of property and equipment, net	(79.6)	(90.5)	(70.5)	(97.7)	(338.3)
Proceeds from sale of corporate aircraft			28.3	-	28.3
Payment of headquarters facility lease obligation	(126.4)	-	-	-	(126.4)
Free cash flow	<u>\$ 289.4</u>	<u>\$ 406.0</u>	<u>\$ 449.5</u>	<u>\$ 428.5</u>	<u>\$ 1,573.4</u>
	<u>Mar 31, 2006</u>	<u>Jun 30, 2006</u>	<u>Sept 30, 2006</u>	<u>Dec 31, 2006</u>	<u>Full Year 2006</u>
GAAP operating cash flow	\$ 584.2	\$ 515.5	\$ 522.1	\$ 626.0	\$ 2,247.8
Purchases of property and equipment, net	(133.6)	(148.4)	(136.9)	(96.6)	(515.5)
Free cash flow	<u>\$ 450.6</u>	<u>\$ 367.1</u>	<u>\$ 385.2</u>	<u>\$ 529.4</u>	<u>\$ 1,732.3</u>
	<u>Mar 31, 2007</u>	<u>Jun 30, 2007</u>			
GAAP operating cash flow	\$ 564.5	\$ 654.6			
Purchases of property and equipment, net	(85.4)	(121.3)			
Free cash flow	<u>\$ 479.1</u>	<u>\$ 533.3</u>			

Reconciliation of GAAP to Non-GAAP Quarterly Statement of Income

(in millions, except per share data)	Three Months Ended June 30, 2006			Three Months Ended June 30, 2007		
	Reported	Non-GAAP Entries	Non-GAAP	Reported	Non-GAAP Entries	Non-GAAP
Net revenues	\$ 1,410.8	\$ -	\$ 1,410.8	\$ 1,834.4	\$ -	\$ 1,834.4
Cost of net revenues	296.9	(7.6) (a)	284.9	416.8	(9.6) (a)	401.9
		(4.4) (c)			(5.3) (c)	
Gross Profit	1,113.9	12.0	1,125.9	1,417.6	14.9	1,432.5
Operating expenses:						
Sales and marketing	384.3	(27.1) (a)	357.2	477.8	(23.1) (a)	454.7
Product development	124.0	(23.0) (a)	101.0	147.9	(19.4) (a)	128.5
General and administrative	236.6	(27.7) (a)	207.3	283.5	(27.5) (a)	254.7
		(1.6) (b)			(1.3) (b)	
Amortization of acquired intangible assets	57.6	(57.6) (c)	-	51.6	(51.6) (c)	-
Total operating expense	802.5	(137.0)	665.5	960.8	(122.9)	837.9
Income from operations	311.4	149.0	460.4	456.8	137.8	594.6
Interest and other income, net	25.6	-	25.6	34.0	-	34.0
Interest expense	(0.9)	-	(0.9)	(2.7)	-	(2.7)
Income before income taxes and minority interests	336.1	149.0	485.1	488.1	137.8	625.9
Provision for income taxes	(86.1)	(48.3) (d)	(134.4)	(112.3)	(42.5) (d)	(154.8)
Net income	\$ 250.0	\$ 100.7	\$ 350.7	\$ 375.8	\$ 95.3	\$ 471.1
Net income per share:						
Basic	\$ 0.18		\$ 0.25	\$ 0.28		\$ 0.35
Diluted	\$ 0.17		\$ 0.24	\$ 0.27		\$ 0.34
Weighted average shares:						
Basic	1,412		1,412	1,361		1,361
Diluted	1,436		1,436	1,379		1,379
Operating margin	22%	11%	33%	25%	7%	32%
Effective tax rate	26%	2%	28%	23%	2%	25%

Notes:

- (a) Stock-based compensation
- (b) Employer payroll taxes on employee non-qualified stock option grants
- (c) Amortization of acquired intangible assets
- (d) Income taxes associated with certain non-GAAP entries

Reconciliation of GAAP to Non-GAAP YTD Statement of Income

	Six Months Ended June 30, 2006			Six Months Ended June 30, 2007		
	Reported	Non-GAAP Entries	Non-GAAP	Reported	Non-GAAP Entries	Non-GAAP
Net revenues	\$ 2,801.2	\$ -	\$ 2,801.2	\$ 3,602.5	\$ -	\$ 3,602.5
Cost of net revenues	580.4	(17.1) (a)	553.9	810.4	(18.4) (a)	782.2
		(9.4) (c)			(9.8) (c)	
Gross Profit	<u>2,220.8</u>	<u>26.5</u>	<u>2,247.3</u>	<u>2,792.1</u>	<u>28.2</u>	<u>2,820.3</u>
Operating expenses:						
Sales and marketing	773.0	(51.8) (a)	721.2	921.0	(42.3) (a)	878.7
Product development	243.1	(43.7) (a)	199.4	285.6	(35.4) (a)	250.2
General and administrative	466.1	(56.6) (a)	405.6	561.9	(55.5) (a)	503.3
		(3.9) (b)			(3.1) (b)	
Amortization of acquired intangible assets	104.5	(104.5) (c)	-	98.9	(98.9) (c)	-
Total operating expense	<u>1,586.7</u>	<u>(260.5)</u>	<u>1,326.2</u>	<u>1,867.4</u>	<u>(235.2)</u>	<u>1,632.2</u>
Income from operations	634.1	287.0	921.1	924.7	263.4	1,188.1
Interest and other income, net	51.4	-	51.4	64.0	-	64.0
Interest expense	<u>(1.7)</u>	<u>-</u>	<u>(1.7)</u>	<u>(7.3)</u>	<u>-</u>	<u>(7.3)</u>
Income before income taxes and minority interests	683.8	287.0	970.8	981.4	263.4	1,244.8
Provision for income taxes	<u>(185.5)</u>	<u>(91.7) (d)</u>	<u>(277.2)</u>	<u>(228.4)</u>	<u>(84.9) (d)</u>	<u>(313.3)</u>
Net income	<u>\$ 498.3</u>	<u>\$ 195.3</u>	<u>\$ 693.6</u>	<u>\$ 753.0</u>	<u>\$ 178.5</u>	<u>\$ 931.5</u>
Net income per share:						
Basic	<u>\$ 0.35</u>		<u>\$ 0.49</u>	<u>\$ 0.55</u>		<u>\$ 0.68</u>
Diluted	<u>\$ 0.35</u>		<u>\$ 0.48</u>	<u>\$ 0.55</u>		<u>\$ 0.67</u>
Weighted average shares:						
Basic	<u>1,409</u>		<u>1,409</u>	<u>1,364</u>		<u>1,364</u>
Diluted	<u>1,439</u>		<u>1,439</u>	<u>1,381</u>		<u>1,381</u>
Operating margin	<u>23%</u>	<u>10%</u>	<u>33%</u>	<u>26%</u>	<u>7%</u>	<u>33%</u>
Effective tax rate	<u>27%</u>	<u>2%</u>	<u>29%</u>	<u>23%</u>	<u>2%</u>	<u>25%</u>

Notes:

- (a) Stock-based compensation
- (b) Employer payroll taxes on employee non-qualified stock option grants
- (c) Amortization of acquired intangible assets
- (d) Income taxes associated with certain non-GAAP entries

Reconciliation of GAAP to Non-GAAP Guidance

(in millions, except per share amounts and percentages)	Three Months Ended September 30, 2007		Year Ended December 31, 2007	
	GAAP	Non-GAAP (a)	GAAP	Non-GAAP (a)
Revenues	\$1,775 - \$1,825	\$1,775 - \$1,825	\$7,300 - \$7,450	\$7,300 - \$7,450
Operating Margin	--	--	~26%	~33%
Diluted EPS	\$0.25 - \$0.27	\$0.31 - \$0.33	\$1.08 - \$1.12	\$1.34 - \$1.38
Effective Tax Rate	--	--	23.5% - 24.0%	25.5% - 26.0%

(a) Non-GAAP guidance reflects estimated quarterly adjustments to exclude the amortization of acquired intangible assets of approximately \$55-\$60 million and stock-based compensation and payroll taxes on employee stock options of approximately \$75-\$90 million.