



Q4 2016 FINANCIAL HIGHLIGHTS

January 25, 2017

All reported results are from continuing operations

DISCLOSURES

This presentation contains non-GAAP measures relating to our performance. You can find the reconciliation of these measures 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.

This presentation contains forward-looking statements 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 expected financial results for the first quarter and full year 2017 and the future growth in our business.

Our actual results could differ materially from those predicted or implied and reported results should not be considered as an indication of future performance. Other factors that could cause or contribute to such differences include, but are not limited to: changes in political, business and economic conditions, any regional or general economic downturn or crisis and any conditions that affect ecommerce growth or cross-border trade; fluctuations in foreign currency exchange rates; our need to successfully react to the increasing importance of mobile commerce and the increasing social aspect of commerce; an increasingly competitive environment for our business; changes to our capital allocation or management of operating cash; our ability to manage indebtedness, including managing exposure to interest rates and maintaining credit ratings; our need to manage an increasingly large enterprise with a broad range of businesses of varying degrees of maturity and in many different geographies; our need and ability to manage regulatory, tax, data security and litigation risks; whether the operational, marketing and strategic benefits of the separation of the eBay and PayPal businesses can be achieved; our ability to timely upgrade and develop technology systems, infrastructure and customer service capabilities at reasonable cost while maintaining site stability and performance and adding new products and features; and our ability to integrate, manage and grow businesses that have been acquired 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 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. All information in this presentation is as of January 25, 2017. 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

CFO COMMENTS

Q4 RESULTS

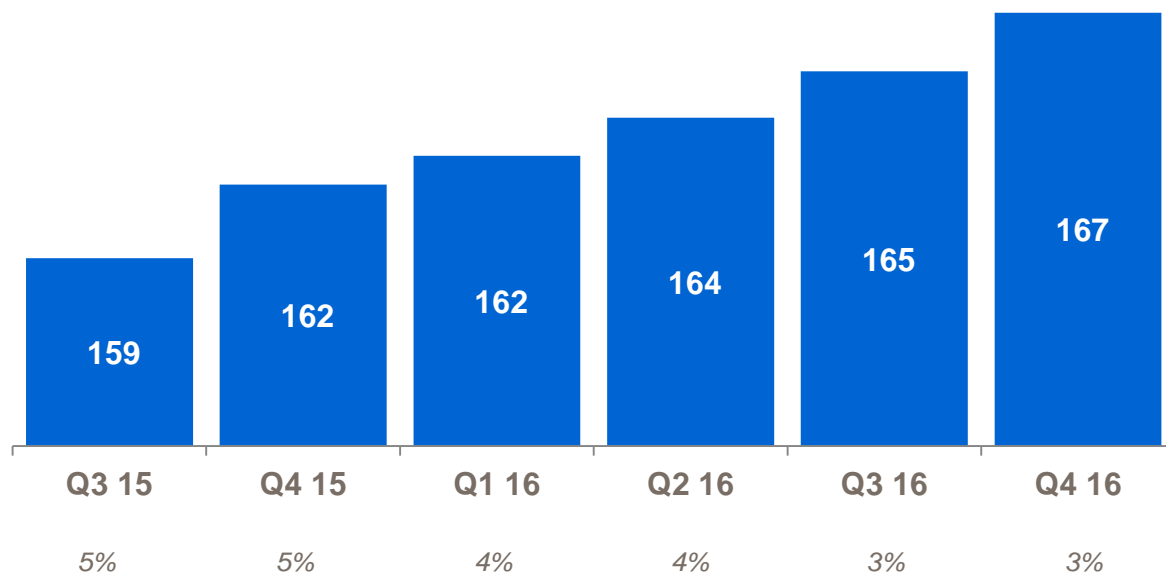
- Revenue of \$2.4B, up 3% Y/Y (up 6% FX-Neutral)
- Non-GAAP EPS of \$0.54 up 8% Y/Y
- Generated ~\$0.5B Free Cash Flow
- Sold \$1.3B of equity holdings of MercadoLibre
- Repurchased \$1.0B of eBay shares

Reconciliation of Non-GAAP figures and calculation of Free Cash Flow (FCF) is included in the Appendix of this presentation



TRAILING 12-MONTH ACTIVE BUYERS

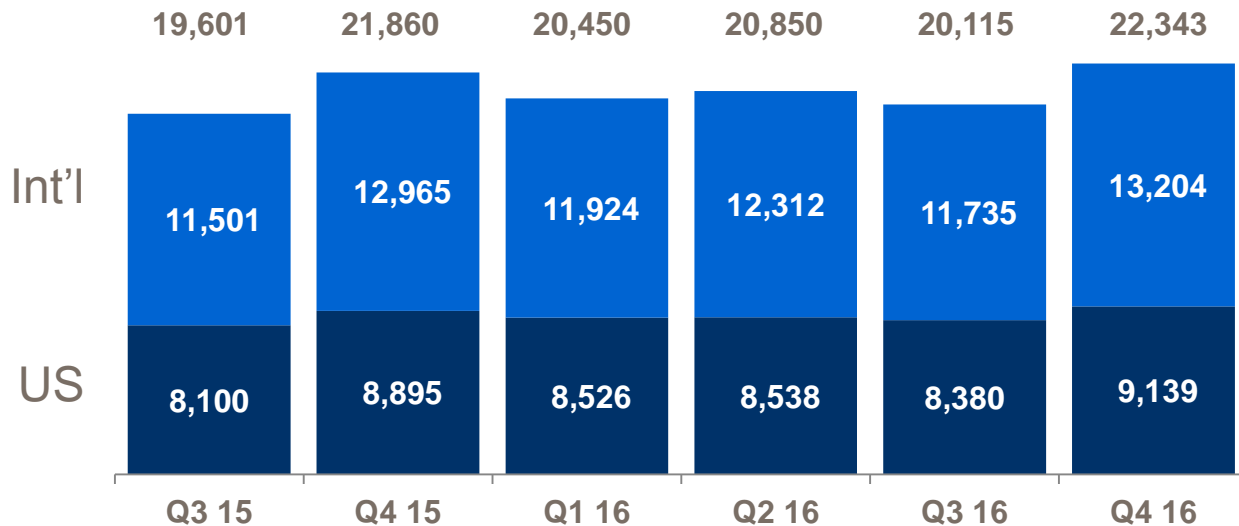
(millions)



- Added 2M more buyers in Q4
- Q4 T12M growth was stable Q/Q

GMV

(\$ millions)

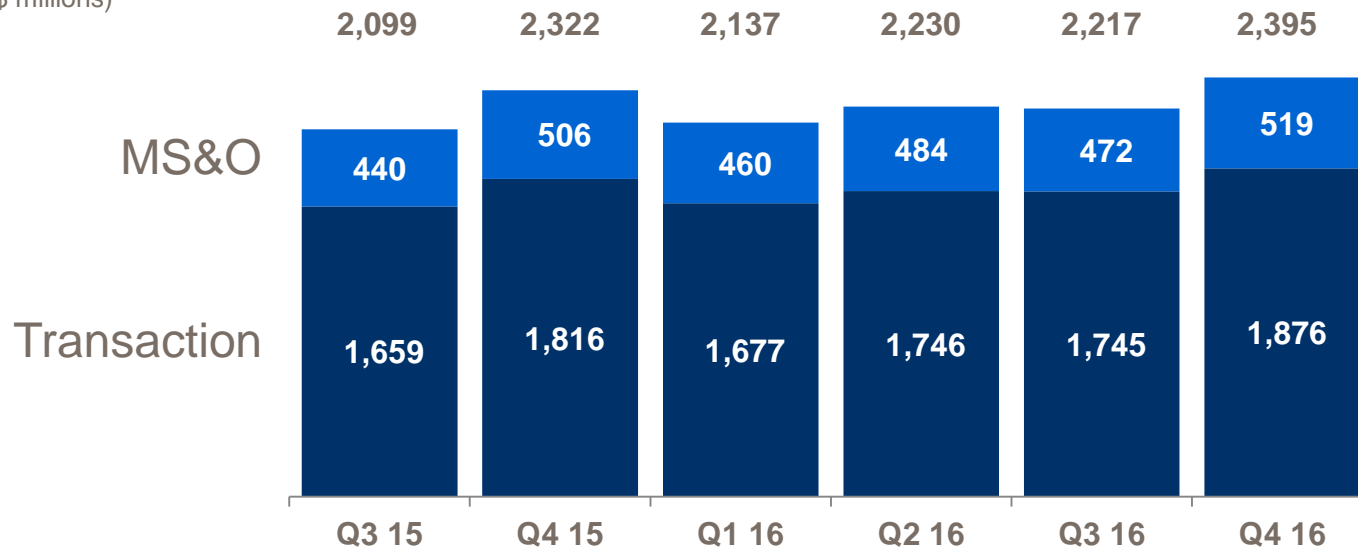


- Q4 Volume purchased by US buyers (US GMB) flat Q/Q at 5%
- FY 16 Total GMV \$84B ... FX-Neutral growth 5% Y/Y

<i>US Y/Y Growth</i>	3%	4%	3%	5%	3%	3%
<i>Int'l FX-Neutral Y/Y Growth</i>	7%	6%	6%	6%	7%	7%
<i>Total FX-Neutral Y/Y Growth</i>	6%	5%	5%	6%	5%	5%
<hr/>						
<i>Sold Items Y/Y Growth</i>	7%	4%	3%	4%	5%	5%

REVENUE

(\$ millions)



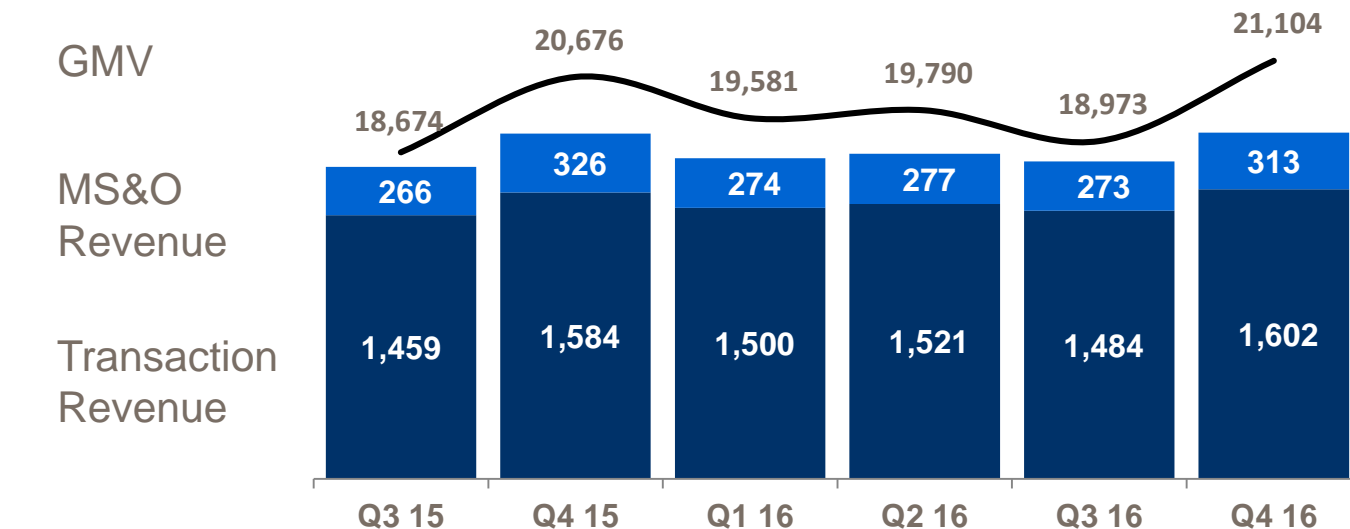
- Q4 FX-Neutral Transaction Revenue up 6% Y/Y ... down 2pts Q/Q driven by StubHub and Q3 VAT lapping
- Q4 FX-Neutral MS&O Revenue up 5% Y/Y ... decelerated 5pts Q/Q, primarily driven by lapping PayPal Operating Agreement and Advertising
- FY 16 Total Revenue \$9.0B ... FX-Neutral growth 7% Y/Y

Y/Y Growth	-2%	0%	4%	6%	6%	3%
FX-Neutral Y/Y Growth	5%	5%	6%	7%	8%	6%
Organic FX-Neutral Y/Y Growth	5%	5%	6%	7%	8%	6%
Trxn TR	8.5%	8.3%	8.2%	8.4%	8.7%	8.4%

Calculation of total Revenue and Organic Revenue growth is included in the Appendix of this presentation

MARKETPLACE GMV & REVENUE

(\$ millions)

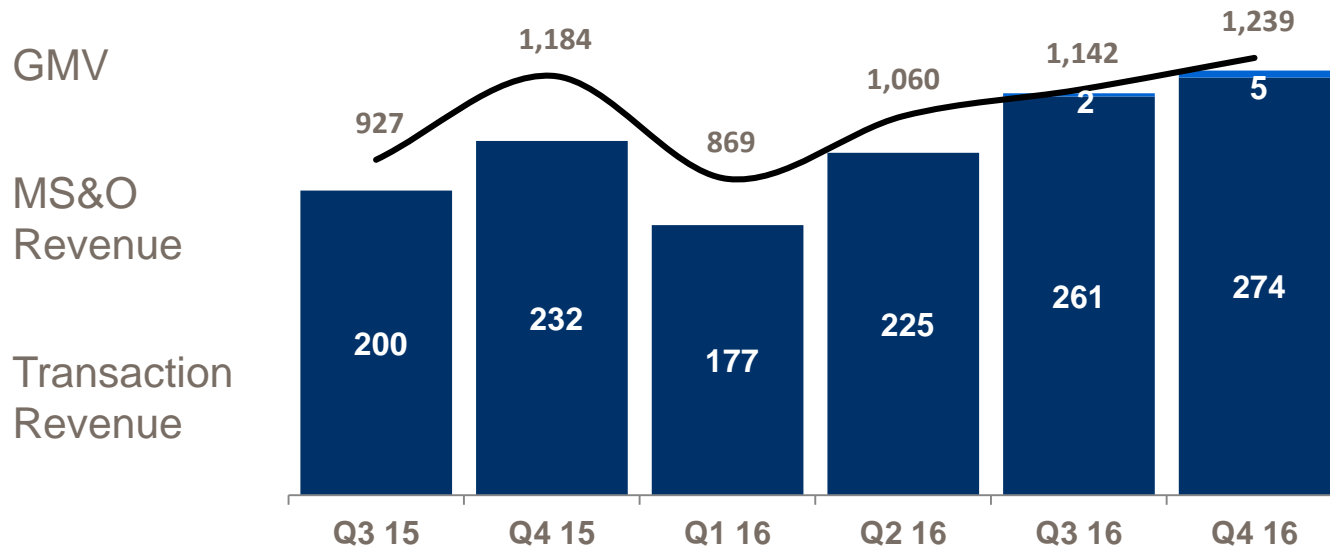


<i>FX-Neutral GMV Growth</i>	5%	4%	4%	5%	4%	5%
<i>FX-Neutral Rev Growth</i>	3%	1%	3%	3%	5%	4%
<i>% International Rev</i>	59%	60%	59%	60%	59%	60%
<i>Trxn TR</i>	7.8%	7.7%	7.7%	7.7%	7.8%	7.6%

- Q4 FX-Neutral B2C GMV grew 6% Y/Y and FX-Neutral C2C GMV grew 3% Y/Y
- Q4 FX-Neutral Transaction Revenue up 5% Y/Y, flat Q/Q as volume was offset by lapping Q3 VAT settlement
- Q4 FX-Neutral MS&O Revenue down 1% Y/Y, decelerated 6pts Q/Q ... driven by lapping PayPal Operating Agreement and Advertising
- FY 16 Total GMV \$79B ... FX-Neutral growth 5% Y/Y
- FY 16 Total Revenue \$7.2B ... FX-Neutral growth 4% Y/Y

STUBHUB GMV & REVENUE

(\$ millions)

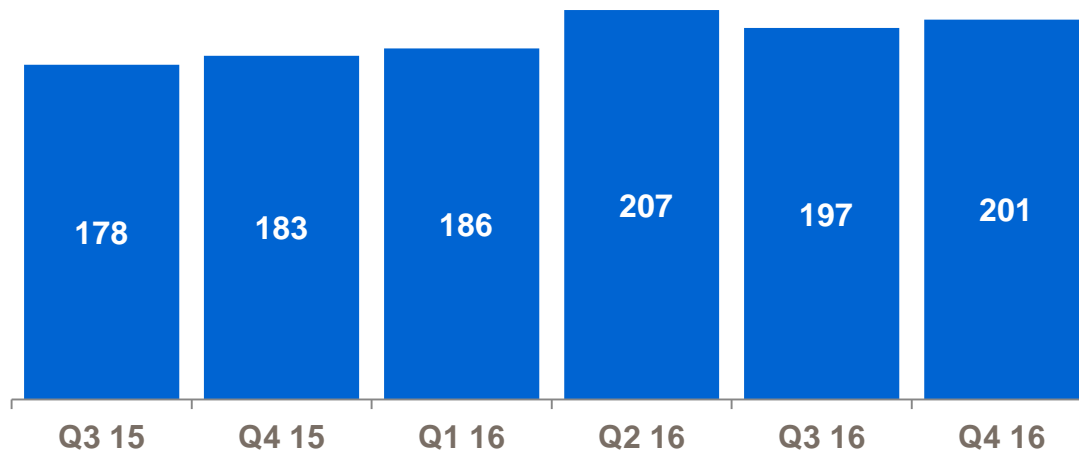


<i>GMV FX-Neutral Y/Y Growth</i>	10%	30%	29%	35%	23%	5%
<i>Rev FX-Neutral Y/Y Growth</i>	17%	34%	34%	40%	32%	20%
<i>Trxn Take Rate</i>	21.6%	19.6%	20.4%	21.2%	22.9%	22.1%

- Q4 FX-Neutral GMV grew 5% Y/Y, down 18pts Q/Q driven by lapping product changes and a tougher event landscape
- Q4 FX-Neutral Revenue up 20% Y/Y, decelerated 12pts Q/Q
- Ticketbis impact of 2pts on Q4 FX-Neutral GMV and 4pts on Q4 FX-Neutral Revenue
- FY 16 Total GMV \$4.3B ... FX-Neutral growth 21% Y/Y
- FY 16 Total Revenue \$0.9B ... FX-Neutral growth 30% Y/Y

CLASSIFIEDS REVENUE

(\$ millions)



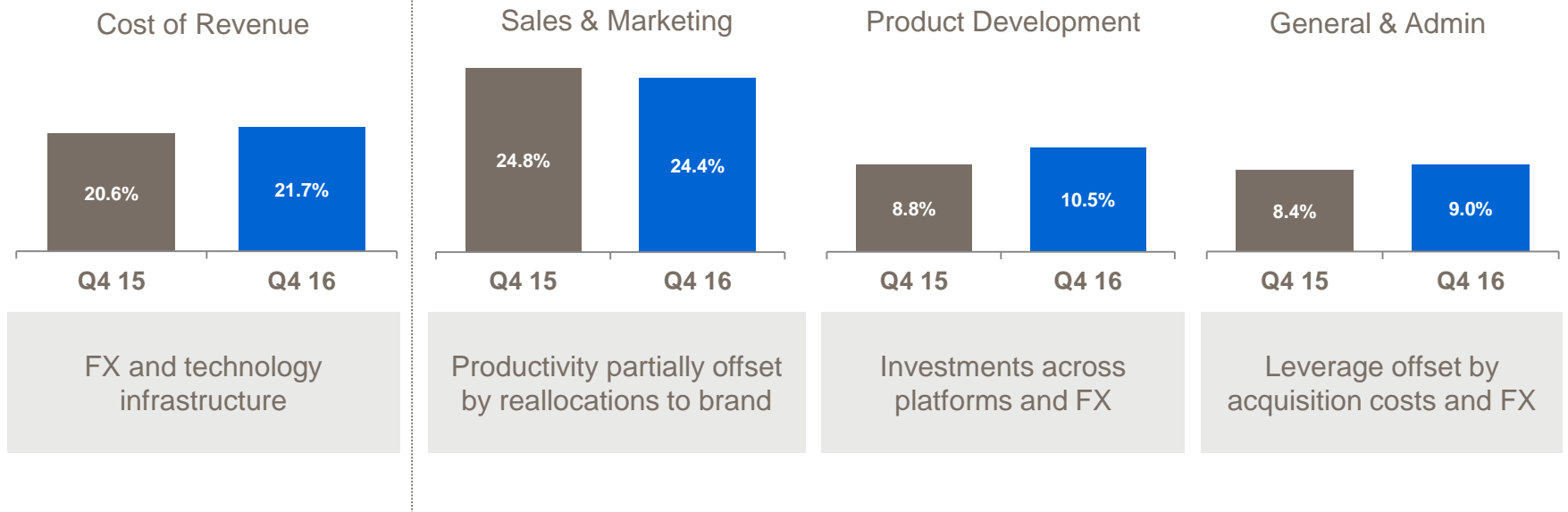
- Q4 FX-Neutral Revenue up 13% Y/Y, driven by DE, CA and UK
- FY 16 Total Revenue \$0.8B ... FX-Neutral growth 15% Y/Y

	Q3 15	Q4 15	Q1 16	Q2 16	Q3 16	Q4 16
<i>Rev Y/Y Growth</i>	-3%	2%	15%	15%	11%	10%
<i>FX-Neutral Rev Y/Y Growth</i>	14%	14%	17%	15%	14%	13%

NON-GAAP EXPENSES

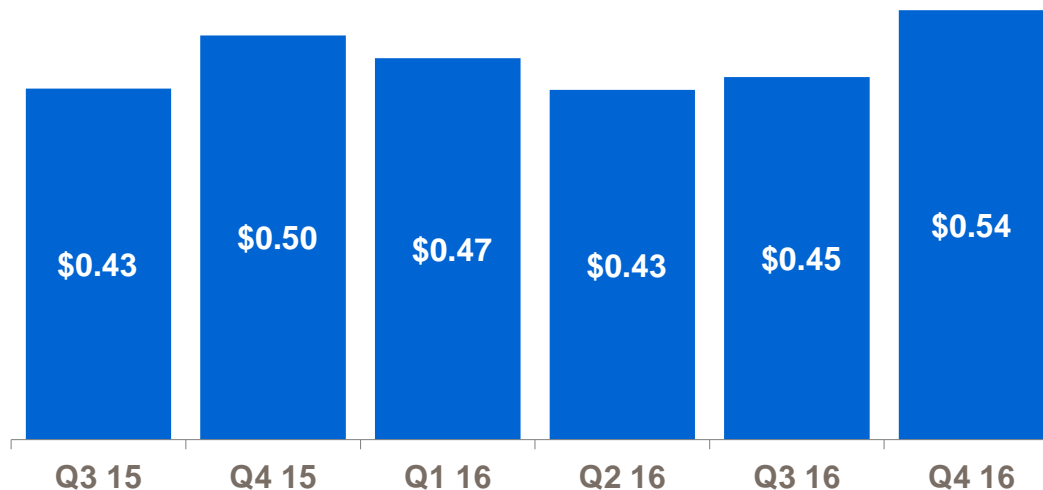
(% of revenue)

Operating Expense at 46.4%, up ~1.4pts YoY



Reconciliation of Non-GAAP expenses is included in the Appendix of this presentation

NON-GAAP EPS



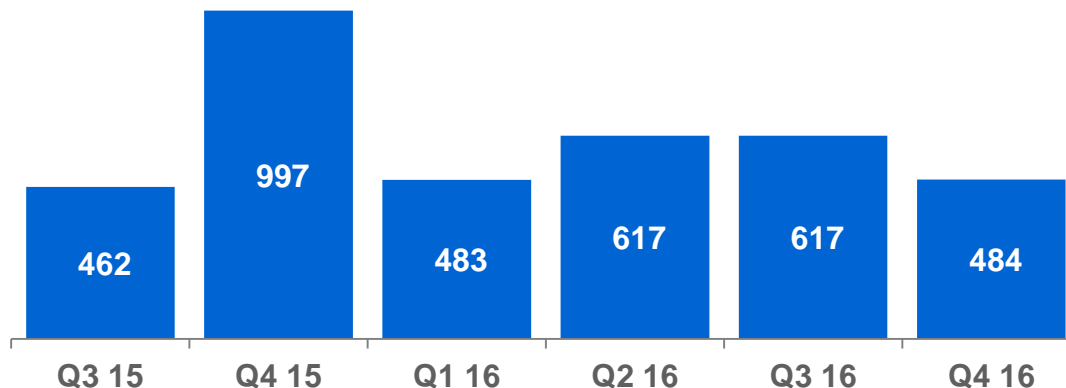
- Q4 Y/Y increase in Non-GAAP EPS driven by revenue growth and share repurchases partially offset by FX
- Q4 Non-GAAP Operating Margin declined ~250bps Y/Y driven by FX and incremental investments
- FY 16 Non-GAAP EPS of \$1.88

	Q3 15	Q4 15	Q1 16	Q2 16	Q3 16	Q4 16
Y/Y Growth	-6%	-10%	-1%	2%	3%	8%
Non-GAAP Operating Margin	31.9%	34.4%	33.4%	29.1%	29.9%	31.9%

Reconciliation of Non-GAAP EPS and Non-GAAP Operating Margin is included in the Appendix of this presentation

FREE CASH FLOW

(\$ millions)

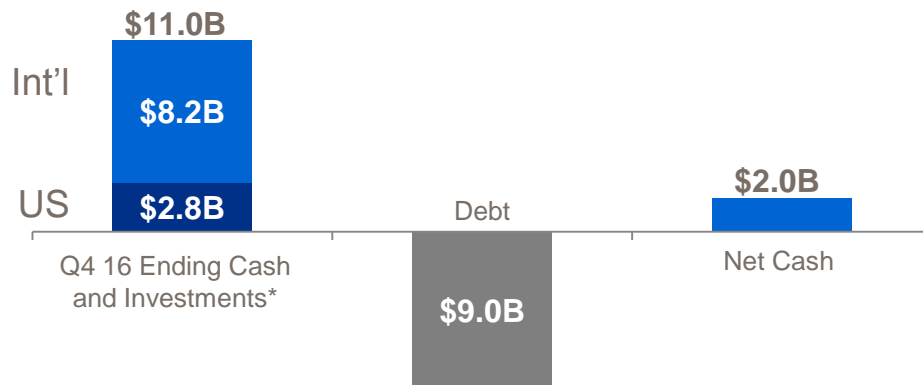


- Q4 FCF down 51% Y/Y due to \$272M of cash taxes paid from sale of stake in MercadoLibre
- FY 16 FCF \$2.2B
- FY 16 CapEx 7% of Revenue

	Q3 15	Q4 15	Q1 16	Q2 16	Q3 16	Q4 16
Y/Y Growth	-23%	56%	19%	79%	34%	-51%
CapEx % of Revenue	12%	6%	7%	7%	8%	6%
FCF % of Revenue	22%	43%	23%	28%	28%	20%

Calculation of Free Cash Flow (FCF) is included in the Appendix of this presentation

CASH & CAPITAL ALLOCATION



Repurchased \$1.0B of eBay shares ...
\$1.3B authorization remaining

Capital Allocation Tenets

- Focus on long-term value creation while maintaining the resources to execute the strategy
- Drive growth while balancing profitability
- Supplement organic growth with disciplined acquisitions and investments
- Optimize financial flexibility, access to debt and cost of capital

* Cash balances/flows include cash, cash equivalents and non-equity investments; Stock repurchase total reflects trading date

2017 GUIDANCE

Revenue	\$9.3B - \$9.5B
<i>Y/Y Growth</i>	4% - 6%
<i>Organic FX-Neutral Y/Y Growth</i>	6% - 8%
Operating Margin	29% - 31%
Non-GAAP EPS	\$1.98 - \$2.03
<i>Y/Y Growth</i>	5% - 8%
FCF	\$2.2B - \$2.4B

Organic FX-Neutral Revenue Drivers (vs 2016)

MP Volume Acceleration	~2pts
SH/OA Deceleration	~(2)pts

Non-GAAP EPS Drivers (vs 2016)

Operational Growth	~\$0.08 - \$0.13
Lower Share Count <small>('16 & '17 Buybacks and cost to finance)</small>	~\$0.11 - \$0.13
Stronger USD <small>(includes impact of hedging program)</small>	~(\$0.09 - \$0.11)
Y/Y Non-GAAP EPS lift	~\$0.10 - \$0.15

Guidance Context

- FX-Neutral revenue growth relatively stable ... MP volume accelerates ~2pts offsetting SH and OA deceleration
- Stronger USD pressures operating margin ~(50)bps and impacts EPS growth by ~(6)pts
- Non-GAAP effective tax rate of 20% - 21%; CapEx 7% - 9% of revenue
- Guidance includes share repurchases ~50% FCF, inclusive of dilution offset

Reconciliations of Non-GAAP EPS and Non-GAAP Effective Tax Rate are included in the Appendix of this presentation

Q1 GUIDANCE

	Q1 17	
	<u>Low</u>	<u>High</u>
Revenue (in \$ billions)	\$2.17	\$2.21
Y/Y Growth	2%	4%
Organic FX-Neutral Y/Y Growth	4%	6%
Non-GAAP EPS	\$0.46	\$0.48
Y/Y Growth	(2)%	2%

- EPS growth impacted by:
 - Stronger USD ~(4)pts
 - Offset by net benefit of share repurchase program ~4pts
- Non-GAAP effective tax rate of 20% - 21%

Organic FX-Neutral Revenue Drivers (vs 2016)

MP Volume Acceleration	~1pt
SH/OA/Leap Year Lapping	~(2)pts

Non-GAAP EPS Drivers (vs 2016)

Operational Growth	~\$0.01 - \$0.02
Lower Share Count <small>('16 & '17 Buybacks and cost to finance)</small>	~\$0.01 - \$0.03
Stronger USD <small>(includes impact of hedging program)</small>	~(\$0.01 - \$0.03)
'16 Insurance Recovery	~(\$0.01)
Y/Y Non-GAAP EPS lift	~\$(0.01) - \$0.01

Reconciliations of Non-GAAP EPS and Non-GAAP Effective Tax Rate are included in the Appendix of this presentation

Q&A

APPENDIX

STRUCTURED DATA UPDATE

STRUCTURED DATA: Q4 PROGRESS

Total Listings

Relevant Listings

Collecting*

Processing*

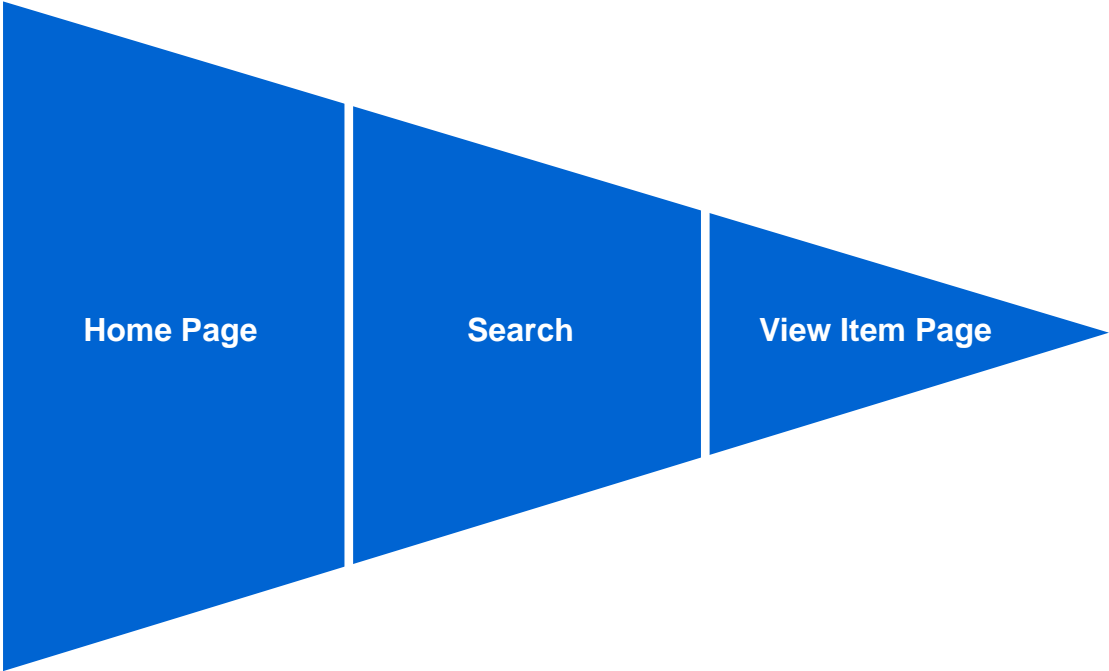
User experience

- ~1.1B listings
 - ~90% of listings can be structured
- Of the relevant listings,**
- ~60% currently covered by requirements to-date
 - ~55% have been processed as of Q4 16
 - ~180M+ structured data pages live as of Q4 16
... continuing to ramp into 2017

** Estimated percentage of relevant listings*

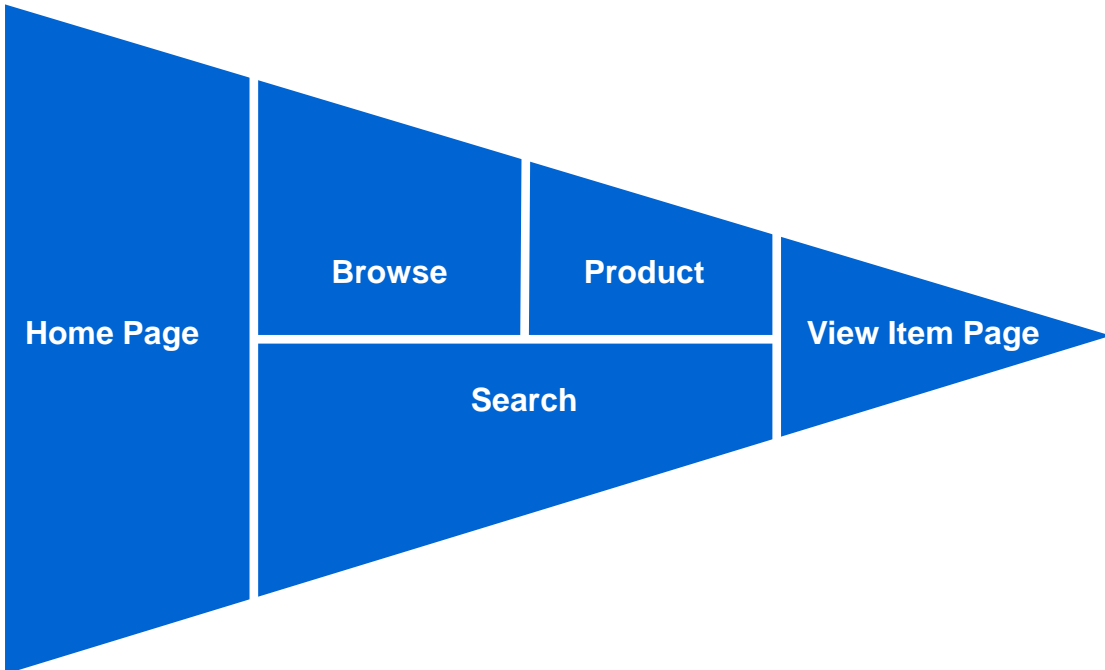
EBAY SHOPPING EXPERIENCE: 1995 – 2015

Unstructured listing based search experience



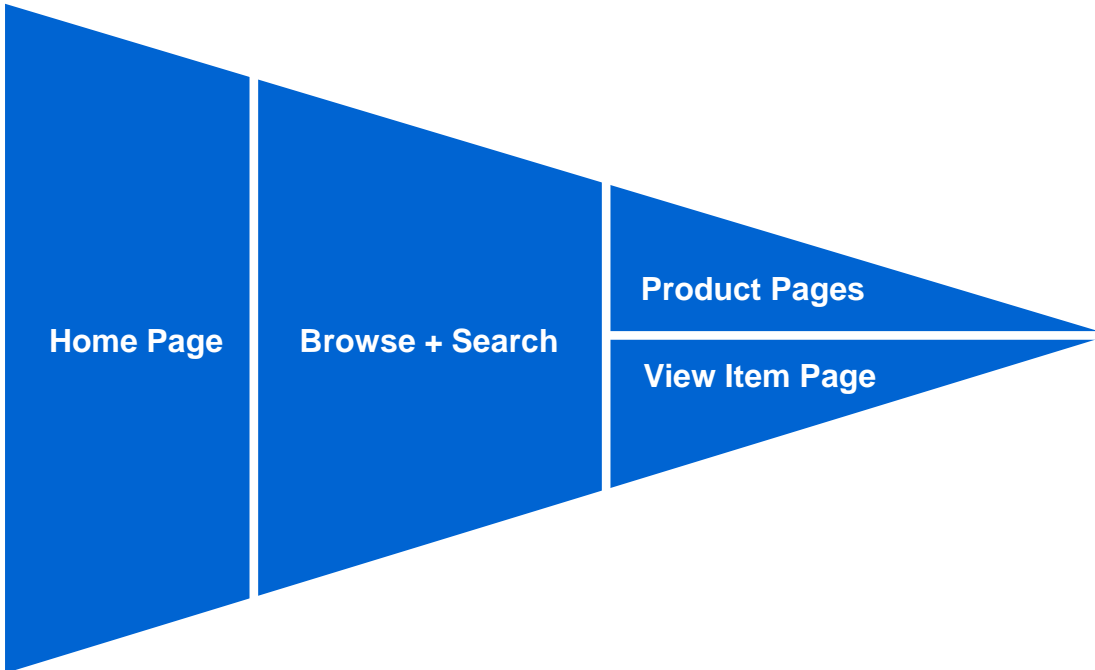
EBAY SHOPPING EXPERIENCE: 2016

Introduced browse and product pages



EBAY SHOPPING EXPERIENCE: 2017

Integrating structured experience into core shopping funnel



RECONCILIATIONS

GAAP TO NON-GAAP QUARTERLY RECONCILIATIONS OPERATING MARGIN

	Three months ended					
	September 30, 2015	December 31, 2015	March 31, 2016	June 30, 2016	September 30, 2016	December 31, 2016
	(in millions, except per share data and percentages)					
GAAP operating income	\$ 578	\$ 662	\$ 614	\$ 531	\$ 542	\$ 638
Stock-based compensation expense and related employer payroll taxes	94	78	89	120	105	110
Amortization of acquired intangible assets within cost of net revenues	4	5	4	4	7	8
Amortization of acquired intangible assets within operating expenses	10	11	8	7	9	10
Other significant gains, losses or charges	(16)	—	—	(13)	—	(2)
Separation	—	43	(1)	—	—	—
Restructuring	—	—	—	—	—	—
Non-GAAP operating income	<u>\$ 670</u>	<u>\$ 799</u>	<u>\$ 714</u>	<u>\$ 649</u>	<u>\$ 663</u>	<u>\$ 764</u>
Revenues	\$ 2,099	\$ 2,322	\$ 2,137	\$ 2,230	\$ 2,217	\$ 2,395
GAAP operating margin	27.5 %	28.5 %	28.7 %	23.8 %	24.4 %	26.6 %
Non-GAAP operating margin	31.9 %	34.4 %	33.4 %	29.1 %	29.9 %	31.9 %

GAAP TO NON-GAAP QUARTERLY RECONCILIATIONS NET INCOME / EPS

	September 30, 2015	December 31, 2015	Three months ended		September 30, 2016	December 31, 2016
			March 31, 2016	June 30, 2016		
			(in millions, except per share data)			
GAAP Income from continuing operations	\$ 545	\$ 523	\$ 482	\$ 437	\$ 418	\$ 5,948
Stock-based compensation expense and related employer payroll taxes	94	78	89	120	105	110
Amortization of acquired intangible assets within cost of net revenues	4	5	4	4	7	8
Amortization of acquired intangible assets within operating expenses	10	11	8	7	9	10
Separation	—	43	(1)	—	—	—
Restructuring	—	—	—	—	—	—
Other significant gains, losses or charges	(16)	—	—	(13)	—	(2)
Gains or losses on investments	(94)	—	—	(35)	—	(1,334)
Tax effect of step-up of intangible assets basis	—	—	—	—	—	(4,603)
Tax effect of non-GAAP adjustments	(14)	(60)	(32)	(24)	(30)	464
Non-GAAP net income from continuing operations	\$ 529	\$ 600	\$ 550	\$ 496	\$ 509	\$ 601
Non-GAAP net income from continuing operations per diluted share	\$ 0.43	\$ 0.50	\$ 0.47	\$ 0.43	\$ 0.45	\$ 0.54
Shares used in non-GAAP diluted share calculation	1,223	1,204	1,170	1,149	1,139	1,119

GAAP TO NON-GAAP QUARTERLY RECONCILIATIONS STATEMENT OF INCOME

	Three months ended					
	December 31, 2016			December 31, 2015		
	Reported	Non-GAAP Entries	Non-GAAP	Reported	Non-GAAP Entries	Non-GAAP
	(in millions, except per share data and percentages)					
Net revenues	\$ 2,395	\$ —	\$ 2,395	\$ 2,322	\$ —	\$ 2,322
Cost of net revenues	539	(19) (a)(b)	520	493	(15) (a)(b)	478
Gross Profit	1,856	19	1,875	1,829	15	1,844
Operating expenses:						
Sales and marketing	608	(24) (a)	584	595	(19) (a)	576
Product development	292	(40) (a)	252	229	(26) (a)	203
General and administrative	249	(33) (a)(d)	216	260	(66) (a)(d)	194
Provision for transaction losses	59	—	59	72	—	72
Amortization of acquired intangible assets	10	(10) (b)	—	11	(11) (b)	—
Total operating expense	1,218	(107)	1,111	1,167	(122)	1,045
Income from operations	638	126	764	662	137	799
Interest and other income, net	1,366	(1,334) (e)	32	(12)	—	(12)
Income from continuing operations before income taxes	2,004	(1,208)	796	650	137	787
Provision for income taxes	3,944	(4,139) (c)(f)	(195)	(127)	(60) (c)	(187)
Income from continuing operations	\$ 5,948	\$ (5,347)	\$ 601	\$ 523	\$ 77	\$ 600
Net income (loss) from continuing operations per share:						
Basic	\$ 5.38		\$ 0.54	\$ 0.44		\$ 0.50
Diluted	\$ 5.31		\$ 0.54	\$ 0.43		\$ 0.50
Weighted average shares:						
Basic	1,106		1,106	1,191		1,191
Diluted	1,119		1,119	1,204		1,204
Operating margin	27 %	5 %	32 %	29 %	5 %	34 %
Effective tax rate	(197)%	221 %	24 %	20 %	4 %	24 %

Notes:

- (a) Stock-based compensation expense and related employer payroll taxes
- (b) Amortization of acquired intangible assets
- (c) Income taxes associated with certain non-GAAP entries
- (d) Other significant gains, losses or charges
- (e) Gains or losses on investments
- (f) Tax effect of step-up of intangible assets basis

CALCULATION OF FREE CASH FLOW

	Three months ended					
	September 30, 2015	December 31, 2015	March 31, 2016	June 30, 2016	September 30, 2016	December 31, 2016
			(in millions)			
Net cash provided by continuing operating activities	704	1,126	641	764	802	620
Less: Purchases of property and equipment, net	(242)	(129)	(158)	(147)	(185)	(136)
Free cash flow from continuing operations	<u>462</u>	<u>997</u>	<u>483</u>	<u>617</u>	<u>617</u>	<u>484</u>

RECONCILIATION OF TOTAL REVENUE

	Three months ended					
	September 30, 2015	December 31, 2015	March 31, 2016	June 30, 2016	September 30, 2016	December 31, 2016
Net Revenues by Type	(in millions)					
Net Transaction Revenues:						
Marketplace	\$ 1,459	\$ 1,584	\$ 1,500	\$ 1,521	\$ 1,484	\$ 1,602
StubHub	200	232	177	225	261	274
Total net transaction revenues	\$ 1,659	\$ 1,816	\$ 1,677	\$ 1,746	\$ 1,745	\$ 1,876
Marketing services and other revenues:						
Marketplace	\$ 266	\$ 326	\$ 274	\$ 277	\$ 273	\$ 313
Classifieds	178	183	186	207	197	201
StubHub, Corporate and other	(4)	(3)	—	—	2	5
Total marketing and other revenues	\$ 440	\$ 506	\$ 460	\$ 484	\$ 472	\$ 519
Total net revenues	\$ 2,099	\$ 2,322	\$ 2,137	\$ 2,230	\$ 2,217	\$ 2,395

RECONCILIATION OF ORGANIC REVENUE

	Three months ended					
	September 30, 2015	December 31, 2015	March 31, 2016	June 30, 2016	September 30, 2016	December 31, 2016
As Reported Revenue Growth	-2%	—%	4%	6%	6%	3%
Acquisition/Disposition Impact	—%	—%	—%	—%	—%	—%
Foreign Currency Impact	7%	5%	2%	1%	2%	3%
Organic FX-Neutral Revenue Growth	5%	5%	6%	7%	8%	6%

Organic FX-Neutral Revenue Growth. The company defines Organic FX-Neutral Revenue Growth as 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.

GAAP TO NON-GAAP RECONCILIATIONS GUIDANCE

	Three Months Ending March 31, 2017	
(in billions, except per share amounts)	GAAP	Non-GAAP (a)
Net Revenue	\$2.17 - \$2.21	\$2.17 - \$2.21
Diluted EPS	\$0.25 - \$0.40	\$0.46 - \$0.48

	Twelve Months Ending December 31, 2017	
(in billions, except per share amounts)	GAAP	Non-GAAP (b)
Net Revenue	\$9.3 - \$9.5	\$9.3 - \$9.5
Diluted EPS	\$1.20 - \$1.40	\$1.98 - \$2.03

(a) Estimated non-GAAP amounts above for the three months ending March 31, 2017, reflect adjustments that exclude the estimated amortization of acquired intangible assets of approximately \$15 - \$20 million and estimated stock-based compensation expense and associated employer payroll tax expense of approximately \$105 - \$115 million, as well as the related income tax impact. Estimated non-GAAP amounts above for the three months ending March 31, 2017, reflect adjustments that exclude the estimated amortization of the deferred tax asset associated with the realignment of its legal structure and the related foreign exchange effects of approximately \$25 - \$125 million.

(b) Estimated non-GAAP amounts above for the twelve months ending December 31, 2017, reflect adjustments that exclude the estimated amortization of acquired intangible assets of approximately \$50 - \$60 million and estimated stock-based compensation expense and associated employer payroll tax expense of approximately \$510 - \$530 million, as well as the related income tax impact. Estimated non-GAAP amounts above for the twelve months ending December 31, 2017, reflect adjustments that exclude the estimated amortization of the deferred tax asset associated with the realignment of its legal structure and the related foreign exchange effects of approximately \$205 - \$405 million.