

**eBay Inc.**  
**Unaudited Condensed Consolidated Statement of Cash Flows**  
(U.S. Dollars In Millions)

	Three Months Ended						Year Ended December 31,	
	December 31, 2017	September 30, 2017	June 30, 2017	March 31, 2017	December 31, 2016	September 30, 2016	2017	2016
Cash flows from operating activities:								
Net income (loss)	\$ (2,601)	\$ 523	\$ 27	\$ 1,035	\$ 5,936	\$ 413	\$ (1,016)	\$ 7,266
Loss (income) from discontinued operations	4	—	—	—	12	5	4	19
Adjustments:								
Provision for transaction losses	79	68	63	62	59	56	272	231
Depreciation and amortization	172	173	168	163	176	172	676	682
Stock-based compensation	127	118	137	101	110	105	483	416
Gain on sale of business	—	(167)	—	—	—	—	(167)	—
Deferred income taxes	1,767	85	442	(565)	(4,433)	(61)	1,729	(4,556)
Changes in assets and liabilities, and other, net of acquisition effects	1,440	77	(138)	(214)	(1,240)	112	1,165	(1,231)
Net cash provided by continuing operating activities	988	877	699	582	620	802	3,146	2,827
Net cash provided by (used in) discontinued operating activities	—	—	—	—	—	—	—	(1)
Net cash provided by operating activities	988	877	699	582	620	802	3,146	2,826
Cash flows from investing activities:								
Purchases of property and equipment	(192)	(157)	(182)	(135)	(136)	(185)	(666)	(626)
Purchases of investments	(3,323)	(3,673)	(4,853)	(2,750)	(3,430)	(2,654)	(14,599)	(11,212)
Equity investment in Flipkart	—	(514)	—	—	—	—	(514)	—
Maturities and sales of investments	3,742	4,963	3,045	2,770	4,134	2,410	14,520	10,063
Acquisitions, net of cash acquired	(12)	(2)	(20)	—	(11)	(173)	(34)	(212)
Other	(1)	(1)	(1)	—	3	7	(3)	(21)
Net cash provided by (used in) continuing investing activities	214	616	(2,011)	(115)	560	(595)	(1,296)	(2,008)
Net cash provided by (used in) discontinued investing activities	—	—	—	—	—	—	—	—
Net cash provided by (used in) investing activities	214	616	(2,011)	(115)	560	(595)	(1,296)	(2,008)
Cash flows from financing activities:								
Proceeds from issuance of common stock, net	46	12	51	11	35	15	120	102
Repurchases of common stock, net	(922)	(907)	(507)	(410)	(941)	(501)	(2,746)	(2,943)
Excess tax benefit from stock-based compensation	—	—	—	—	6	5	—	15
Tax withholdings related to net share settlements of restricted stock awards and units	(49)	(40)	(101)	(29)	(25)	(19)	(219)	(121)
Repayment of debt	(2)	(1,450)	—	—	(3)	(11)	(1,452)	(20)
Proceeds from issuance of long-term debt	—	—	2,484	—	—	—	2,484	2,216
Other	31	(17)	5	10	2	8	29	7
Net cash provided by (used in) continuing financing activities	(896)	(2,402)	1,932	(418)	(926)	(503)	(1,784)	(744)
Net cash provided by (used in) discontinued financing activities	—	—	—	—	—	—	—	—
Net cash provided by (used in) financing activities	(896)	(2,402)	1,932	(418)	(926)	(503)	(1,784)	(744)
Effect of exchange rate changes on cash and cash equivalents	54	33	37	114	(191)	48	238	(90)
Net increase (decrease) in cash and cash equivalents	360	(876)	657	163	63	(248)	304	(16)
Cash and cash equivalents at beginning of period	1,760	2,636	1,979	1,816	1,753	2,001	1,816	1,832
Cash and cash equivalents of continuing operations at end of period	\$ 2,120	\$ 1,760	\$ 2,636	\$ 1,979	\$ 1,816	\$ 1,753	\$ 2,120	\$ 1,816
<b>Supplemental non-GAAP measure:*</b>								
Net cash provided by continuing operating activities	\$ 988	\$ 877	\$ 699	\$ 582	\$ 620	\$ 802	\$ 3,146	\$ 2,827
Less: Purchases of property and equipment, net	(192)	(157)	(182)	(135)	(136)	(185)	(666)	(626)
Free cash flow from continuing operations	\$ 796	\$ 720	\$ 517	\$ 447	\$ 484	\$ 617	\$ 2,480	\$ 2,201

\*Presented on a continuing operations basis