



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

	Three Months Ended								Year Ended December 31,			
	September 30, 2007	December 31, 2007	March 31, 2008	June 30, 2008	September 30, 2008	December 31, 2008	March 31, 2009	June 30, 2009	September 30, 2009	2006	2007	2008
Cash flows from operating activities:												
Net income (loss)	\$ (935,635)	\$ 530,886	\$ 459,718	\$ 460,345	\$ 492,219	\$ 367,192	\$ 357,113	\$ 327,342	\$ 349,736	\$ 1,125,639	\$ 348,251	\$ 1,779,474
Adjustments:												
Provision for transaction and loan losses	69,074	83,412	86,165	86,438	88,269	86,581	81,234	92,681	96,682	266,724	293,917	347,453
Depreciation and amortization	151,720	159,816	165,980	173,359	178,578	201,897	197,289	197,805	215,068	544,552	601,621	719,814
Impairment of goodwill	1,390,938	-	-	-	-	-	-	-	-	-	1,390,938	-
Stock-based compensation expense	80,589	69,653	87,381	91,849	90,251	83,842	113,846	96,434	92,490	317,410	301,813	353,323
Changes in operating assets and liabilities	(127,200)	(51,001)	(33,002)	(73,584)	(155,914)	(55,569)	(80,955)	16,456	(15,735)	(6,534)	(295,211)	(318,069)
Net cash provided by operating activities	<u>629,486</u>	<u>792,766</u>	<u>766,242</u>	<u>738,407</u>	<u>693,403</u>	<u>683,943</u>	<u>668,527</u>	<u>730,718</u>	<u>738,241</u>	<u>2,247,791</u>	<u>2,641,329</u>	<u>2,881,995</u>
Cash flows from investing activities:												
Purchases of property and equipment, net	(119,293)	(127,933)	(134,644)	(121,683)	(150,412)	(159,151)	(90,934)	(128,454)	(174,768)	(515,448)	(453,967)	(565,890)
Changes in principal loans receivable, net	-	-	-	-	-	(106,508)	46,204	(14,469)	(24,218)	-	-	(106,508)
Proceeds from sale of corporate aircraft	-	-	-	-	-	-	-	-	-	-	-	-
Purchases of investments	(45,155)	(65,378)	(9,310)	(14,618)	(84,062)	(138)	(13,594)	(38,863)	(415,914)	(583,263)	(270,676)	(108,128)
Maturities and sales of investments	158,549	104,941	4,017	28,690	9,541	93,952	5,944	-	21,027	1,380,227	888,757	136,200
Acquisitions, net of cash acquired	-	(543,370)	(148,964)	(10,100)	-	(1,201,229)	-	(1,209,433)	-	(45,505)	(863,565)	(1,360,293)
Other	3,410	783	(45,462)	(5,742)	(165)	(1,358)	321	15,094	(9,526)	(7,158)	6,305	(52,727)
Net cash (used in) provided by investing activities	<u>(2,489)</u>	<u>(630,957)</u>	<u>(334,363)</u>	<u>(123,453)</u>	<u>(225,098)</u>	<u>(1,374,432)</u>	<u>(52,059)</u>	<u>(1,376,125)</u>	<u>(603,399)</u>	<u>228,853</u>	<u>(693,146)</u>	<u>(2,057,346)</u>
Cash flows from financing activities:												
Proceeds from issuance of common stock, net	180,758	141,756	19,992	78,727	16,896	37,184	2,826	32,909	16,061	313,482	506,955	152,799
Repurchases of common stock, net	(495,838)	(314,698)	(992,561)	(562,134)	(623,247)	-	-	-	-	(1,666,540)	(1,485,397)	(2,177,942)
Excess tax benefit from stock-based compensation	39,252	15,804	1,013	2,811	846	31	2	14	569	92,371	84,830	4,701
Tax withholdings related to net share settlements of restricted stock awards and units	-	-	(11,324)	(2,619)	(4,555)	(930)	(17,348)	(2,064)	(6,949)	-	-	(19,428)
Repayment of acquired line of credit	-	-	-	-	-	(433,981)	-	-	-	-	-	(433,981)
Net borrowings under the line of credit	-	200,000	(200,000)	-	-	1,000,000	(600,000)	-	(200,000)	-	200,000	800,000
Other	-	-	-	-	-	-	-	-	(8,063)	-	-	-
Net cash provided by (used in) financing activities	<u>(275,828)</u>	<u>42,862</u>	<u>(1,182,880)</u>	<u>(483,215)</u>	<u>(610,060)</u>	<u>602,304</u>	<u>(614,520)</u>	<u>30,859</u>	<u>(198,382)</u>	<u>(1,260,687)</u>	<u>(693,612)</u>	<u>(1,673,851)</u>
Effect of exchange rate changes on cash and cash equivalents	143,073	103,929	94,992	(893)	(211,556)	(65,604)	(133,717)	131,006	47,782	133,255	303,828	(183,061)
Net increase (decrease) in cash and cash equivalents	494,242	308,600	(656,009)	130,846	(353,311)	(153,789)	(131,769)	(483,542)	(15,758)	1,349,212	1,558,399	(1,032,263)
Cash and cash equivalents at beginning of period	3,418,349	3,912,591	4,221,191	3,565,182	3,696,028	3,342,717	3,188,928	3,057,159	2,573,617	1,313,580	2,662,792	4,221,191
Cash and cash equivalents at end of period	<u>\$ 3,912,591</u>	<u>\$ 4,221,191</u>	<u>\$ 3,565,182</u>	<u>\$ 3,696,028</u>	<u>\$ 3,342,717</u>	<u>\$ 3,188,928</u>	<u>\$ 3,057,159</u>	<u>\$ 2,573,617</u>	<u>\$ 2,557,859</u>	<u>\$ 2,662,792</u>	<u>\$ 4,221,191</u>	<u>\$ 3,188,928</u>
Supplemental non-GAAP measure:												
Net cash provided by operating activities	\$ 629,486	\$ 792,766	\$ 766,242	\$ 738,407	\$ 693,403	\$ 683,943	\$ 668,527	\$ 730,718	\$ 738,241	\$ 2,247,791	\$ 2,641,329	\$ 2,881,995
Less: Purchases of property and equipment, net	(119,293)	(127,933)	(134,644)	(121,683)	(150,412)	(159,151)	(90,934)	(128,454)	(174,768)	(515,448)	(453,967)	(565,890)
Free cash flow	<u>\$ 510,193</u>	<u>\$ 664,833</u>	<u>\$ 631,598</u>	<u>\$ 616,724</u>	<u>\$ 542,991</u>	<u>\$ 524,792</u>	<u>\$ 577,593</u>	<u>\$ 602,264</u>	<u>\$ 563,473</u>	<u>\$ 1,732,343</u>	<u>\$ 2,187,362</u>	<u>\$ 2,316,105</u>