



PayPal First Quarter 2025 Performance

Financial results & company highlights

April 29, 2025

Non-GAAP Financial Measures

This presentation contains non-GAAP measures relating to our performance. These measures may exclude certain expenses, gains and losses that may not be indicative of our core operating results and business outlook, and, in each case, may be different from the non-GAAP financial measures used by other companies. The presentation of this financial information, which is not prepared under any comprehensive set of accounting rules or principles, is not intended to be considered in isolation of, or as a substitute for, the financial information prepared and presented in accordance with generally accepted accounting principles. You can find the reconciliation of these non-GAAP financial measures to the most directly comparable GAAP measures in the GAAP to non-GAAP reconciliation section of this presentation.

Growth Rates

All growth rates represent year-over-year comparisons, except as otherwise noted. FX-Neutral (which we also refer to as FXN or currency-neutral) results are calculated by translating the current period's local currency results by the prior period's exchange rate. FX-Neutral growth rates are calculated by comparing the current period's FX-Neutral results with the prior period's results, excluding the impact from currency hedging activities.

Forward-Looking Statements

This presentation contains forward-looking statements relating to, among other things, the future results of operations, financial condition, expectations and plans of PayPal Holdings, Inc. and its consolidated subsidiaries ("PayPal") that reflect current projections and forecasts. Forward-looking statements can be identified by words such as "may," "will," "would," "should," "could," "expect," "anticipate," "believe," "estimate," "intend," "continue," "strategy," "future," "opportunity," "plan," "project," "forecast" and other similar expressions. Forward-looking statements may include, but are not limited to, statements regarding our guidance and projected financial and operating results for second quarter and full year 2025; our capital return program; the timing and impact of product launches and acquisitions; and the projected future growth of PayPal's businesses. Forward-looking statements are based upon various estimates and assumptions, as well as information known to PayPal as of the date of this presentation and are inherently subject to numerous risks and uncertainties.

Our actual results could differ materially from those estimated or implied by forward-looking statements. Factors that could cause or contribute to such differences include, but are not limited to: our ability to compete in markets that are highly competitive and subject to rapid technological change, and to develop and deliver new or enhanced products and services on a timely basis; cyberattacks and security vulnerabilities, and associated impacts; the effect of global and regional political, economic, market and trade conditions including military conflicts, supply chain issues, changes in or new tariffs, and related events that affect payments or commerce activity, including inflation and interest rates; the impact of catastrophic events, such as global pandemics, that may disrupt our business, as well as our customers, suppliers, vendors and other business partners; the stability, security and performance of our payments platform; the effect of extensive government regulation and oversight related to our business, products and services in a variety of areas, including, but not limited to, laws covering payments, lending and consumer protection; the impact of complex and changing laws and regulations worldwide, including, but not limited to, laws covering cybersecurity, privacy, data protection, and artificial intelligence; the impact of payment card, bank, or other network rules or practices; risks related to our credit products, including our ability to realize benefits from our agreements with third parties such as our agreement to sell our European BNPL loan receivables; changes in how consumers fund transactions; our ability to effectively detect and prevent the use of our services for fraud, abusive behaviors, illegal activities, or improper purposes; our ability to manage regulatory and litigation risks, and the outcome of legal and regulatory proceedings; our reliance on third parties in many aspects of our business; damage to our reputation or brands; fluctuations in foreign currency exchange rates; changes in tax rates and exposure to additional tax liabilities; changes to our capital allocation, management of operating cash or incurrence of indebtedness; our ability to timely develop and upgrade our technology systems, infrastructure and customer service capabilities; the impact of proposed or completed acquisitions, divestitures, strategic investments, or entries into new businesses or markets; and our ability to attract, hire, and retain talented employees. The forward-looking statements in this presentation do not include the potential impact of any acquisitions or divestitures that may be announced and/or contemplated after the date of this presentation.

More information about factors that could adversely affect PayPal's results of operations, financial condition and prospects or that could cause actual results to differ from those expressed or implied in forward-looking statements is included in PayPal's most recent annual report on Form 10-K, and its subsequent quarterly reports on Form 10-Q. All information in this presentation is as of April 29, 2025. For the reasons discussed above, you should not place undue reliance on the forward-looking statements in this presentation. PayPal assumes no obligation to update such forward-looking statements.



PayPal's risk and service leaders present a demo on AI at our recent Investor Day. This demo and other materials from the event can be accessed [here](#).

1Q'25: Building on strong foundation to start the year

- ① Driving continued profitable growth: TM\$ ex. interest on customer balances¹ +7%, accelerating from 4Q
- ② Executing on strategy: branded experiences TPV +8% and branded online checkout TPV+6% ex-Leap Day
 - New checkout² now on >45% US transactions
 - Accelerated Venmo revenue growth to 20%
 - Drove debit card TPV growth >60%
 - Increased PSP contribution to TM \$ growth
- ③ Strong 1Q and good start to 2Q; maintaining FY'25 guidance due to global macro uncertainty

(1) TM\$ is transaction margin dollars. Interest on customer balances is reported within other value added services (OVAS) revenue in this presentation and in our quarterly/annual SEC filings and primarily comprises interest and revenue earned on customer assets. TM\$ and TM\$ ex. interest on customer balances are non-GAAP measures. A reconciliation to the most directly comparable GAAP measure is included on slide 22.

(2) New checkout experience penetration of branded checkout buyer-started transactions on our most modern consumer-facing checkout experience.

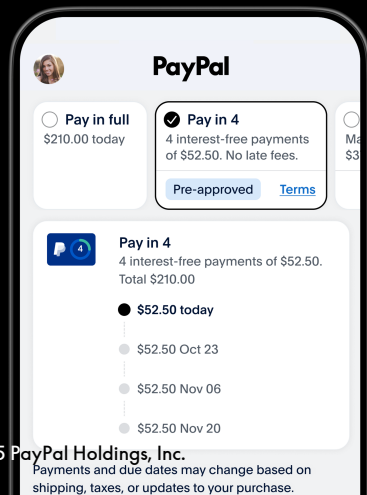
Advancing strategic growth drivers

Win checkout

Scaling highest-converting checkout experiences

>45% of US branded checkout traffic on new experience

>50% Pay with Venmo TPV growth in 1Q



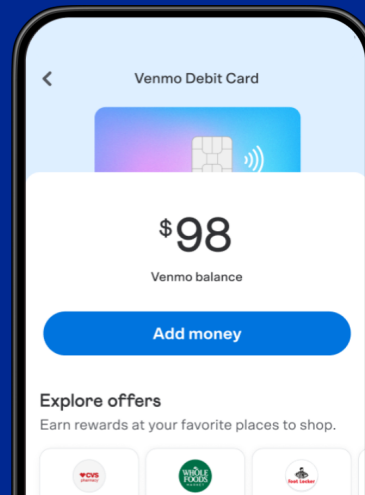
©2025 PayPal Holdings, Inc.
Payments and due dates may change based on shipping, taxes, or updates to your purchase.

Scale omni and grow Venmo

Building momentum beyond ecommerce

Added ~2M first-time PayPal and Venmo debit card users in 1Q

~40% Venmo debit card monthly active account (MAA) growth in 1Q

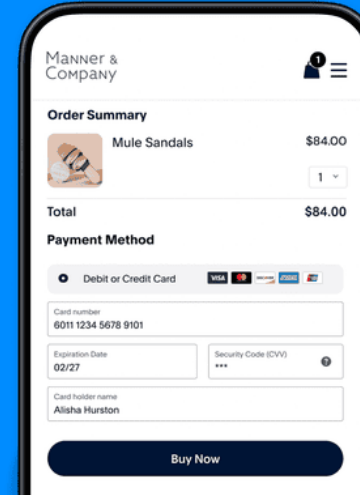


Drive PSP profitability

Selling our strong suite of value-added services

Meaningfully increased TM \$ growth contribution from PSP in 1Q

Launched optimized debit routing with Wayfair and Upwork & Fraud Protection Advanced with Regal Cinemas

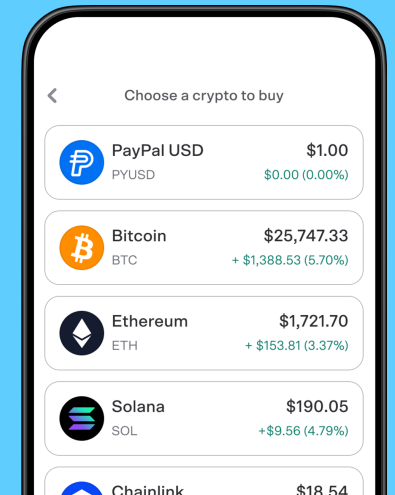


Scale next-gen growth vectors

Leveraging the strength of our platform in new ways

Added Solana and Chainlink to PayPal and Venmo wallets & enabled rewards for PYUSD holders

Launched first remote Model Context Protocol (MCP) server for agentic commerce



1Q'25 snapshot

(in millions, except % and per share data)

	Results	Y/Y growth
Total payment volume (TPV)	\$417,208	3%; 4% FXN
Revenue	\$7,791	1%; 2% FXN
Transaction margin \$ (TM\$ ¹)	\$3,716	7%
TM\$ ex. interest on customer balances ^{1,2}	\$3,418	7%
Non-GAAP EPS ¹	\$1.33	23%
Adjusted free cash flow ^{1,3}	\$1,381	(26%)

All growth rates reference 1Q'25 year-over-year growth unless otherwise noted. Additional financial detail provided in Supplemental Information.

(1) For a reconciliation of non-GAAP financial measures to the most directly comparable GAAP financial measures, please see the GAAP to non-GAAP Reconciliations on slides 21-24.

(2) Interest on customer balances is reported within OVAS revenue in this presentation and in our quarterly/annual SEC filings and primarily comprises interest and revenue earned on customer assets.

(3) Adjusted free cash flow excludes the net impact from timing differences between originating European buy now, pay later ("BNPL") receivables classified as held for sale and their subsequent sale. See slide 24 for more detail.

Account and activity metrics¹

(in millions, except % and TPA)	1Q'25
Active accounts ²	436
Y/Y growth	2%
Monthly active accounts (MAA) ³	224
Y/Y growth	2%
Number of payment transactions	6,045
Y/Y growth	(7%)
Number of payment transactions ex. PSP	3,805
Y/Y growth	6%
Transactions per active account (TPA) ⁴	59.4
Y/Y growth	(1%)
TPA ex. PSP (unbranded card processing) ⁴	35.2
Y/Y growth	4%

- Active accounts² and MAA³ +2%, with contributions from both PayPal consumer accounts and Venmo
- Number of payment transactions -7% and TPA⁴ -1 %, reflecting price-to-value actions driving lower Braintree transactions
- Number of payment transactions ex. PSP +6% and TPA ex. PSP⁴ +4%, reflecting improved engagement and transaction growth in branded checkout and Venmo

All growth rates reference 1Q'25 year-over-year growth unless otherwise noted.

(1) Detailed definitions on slide 25.

(2) Active accounts are accounts that have completed a transaction within the past 12 months.

(3) MAA are a subset of active accounts (primarily PayPal and Venmo) that have completed a transaction at least once during the month of measurement. MAAs presented at the end of a quarter or year are the average of each month's MAAs in the respective quarter or year.

(4) TPA and TPA ex. PSP are trailing 12-month metrics, reflecting transactions within the previous 12-month period, divided by active accounts at the end of the period. TPA ex. PSP excludes both unbranded card processing transactions and unbranded active accounts (primarily Braintree).

TPV mix across PayPal's platform

		1Q'24	4Q'24	1Q'25
		Prior year period	Prior quarter	Current quarter
Branded checkout (online) ¹	FXN GROWTH	6%; 5% ex Leap Day	6%	4%; 6% ex Leap Day
	% OF TOTAL	30%	32%	29%
P2P & other consumer ²	FXN GROWTH	7%	9%	8%
	% OF TOTAL	25%	25%	27%
Payment service provider (PSP) ³	FXN GROWTH	24%	6%	2%
	% OF TOTAL	45%	43%	44%
Total TPV	FXN GROWTH	14%	7%	4%
Branded experiences (online & offline) ⁴	FXN GROWTH	6%; 5% ex Leap Day	8%	7%; 8% ex Leap Day
	% OF TOTAL	31%	34%	31%
Venmo ⁵	FXN GROWTH	8%	10%	10%
	% OF TOTAL	17%	17%	18%

- Branded checkout TPV growth driven by continued strength across large enterprise platforms, marketplaces within PayPal checkout, and Pay with Venmo
- Consistent with price-to-value strategy, PSP TPV decelerated while contributing to TM\$ growth
- Branded experiences TPV growth driven by PayPal and Venmo debit cards and online branded checkout

Percent of total may not sum to 100% due to rounding. Additional financial detail provided in Supplemental Information and definitions on slide 26.

(1) Branded Checkout (online) TPV comprises PayPal branded checkout, Pay with Venmo and eBay.

(2) P2P & Other Consumer TPV comprises P2P (PayPal and Venmo), debit (PayPal and Venmo) except when used to fund a branded checkout (online) transaction and remittances.

(3) PSP TPV comprises unbranded card processing across the Braintree and PayPal platforms, as well as other merchant solutions (e.g., payouts, invoicing, point-of-sale solutions, etc.)

(4) Branded experiences (online & offline) TPV comprises branded checkout (online) as well as in-store payment methods, including debit (PayPal and Venmo) and tap to pay.

(5) Venmo comprises Venmo P2P, Pay with Venmo and Venmo debit.

1Q'25 key financial results

(in millions, except % and per share data)

	1Q'25
Total revenue	\$7,791
Y/Y growth	1%
FXN Y/Y growth	2%
Transaction margin \$ ¹	\$3,716
Y/Y growth	7%
Y/Y growth ex. int. on cust. balances ^{1,2}	7%
Non-transaction related expenses ¹	\$2,100
Y/Y growth	2%
Non-GAAP operating income ¹	\$1,616
Y/Y growth	16%
Non-GAAP operating margin % ¹	20.7%
Y/Y change	257bps
Non-GAAP EPS ¹	\$1.33
Y/Y growth	23%

- Within total revenue, transaction revenue flat vs. 1Q'24, with branded checkout and Venmo growth offsetting lower Braintree revenue, and other value-added services (OVAS) revenue +17%, driven primarily by healthy performance in consumer and merchant credit
- TM\$ +7% driven by branded checkout, PSP and value-added services, credit, and Venmo; includes transaction expense improvement
 - TM\$ ex. int. on customer balances² +7%; +8% ex Leap Day
 - TM% +274bps to 47.7%
- Non-transaction opex +2%, driven by investments in key growth initiatives, including marketing, funded from ongoing productivity improvements
- Returned \$1.5B via share repurchases, \$6.0B on a trailing 12-month basis, reducing weighted average shares by 7%

All growth rates reference 1Q'25 year-over-year growth unless otherwise noted.

Additional financial detail provided in Supplemental Information.

(1) For a reconciliation of non-GAAP financial measures to the most directly comparable GAAP financial measures, please see the GAAP to non-GAAP Reconciliations on slides 21-24.

(2) Interest on customer balances is reported within OVAS revenue in this presentation and in our quarterly/annual SEC filings and primarily comprises interest and revenue earned on customer assets.

Maintaining FY'25 TM\$ & EPS guidance

2Q'25	
Transaction margin \$	\$3.75B - \$3.80B 4% - 5% growth 6% - 7% growth ex. interest on customer balances ¹
Non-GAAP effective tax rate	18% - 20%
Non-GAAP EPS ²	\$1.29 - \$1.31 8% - 10% growth
GAAP EPS	\$1.24 - \$1.26 2Q'24: \$1.08

FY'25	
Transaction margin \$	\$15.2B - \$15.4B 4% - 5% growth Includes (\$150M) from lower interest on customer balances ¹ 5% - 7% growth ex. interest on customer balances ¹
Non-GAAP non-transaction operating expenses	Low single-digit growth FY'24: \$8.8B
Non-GAAP effective tax rate	21% - 22% FY'24: 21%
Non-GAAP EPS ³	\$4.95 - \$5.10 6% - 10% growth
GAAP EPS ⁴	\$4.80 - \$4.95 FY'24: \$3.99
Free cash flow	\$6B - \$7B
Share repurchase	~\$6B
CAPEX	~\$1B

(1) Interest on customer balances is reported within OVAS revenue in this presentation and in our quarterly/annual SEC filings and primarily comprises interest and revenue earned on customer assets.

(2) Estimated non-GAAP amounts for 2Q'25 reflect adjustments of ~\$50M.

(3) Estimated non-GAAP amounts for FY'25 reflect adjustments of ~\$200M.

(4) FY'24 GAAP EPS included ~\$0.23 negative impact from PayPal's strategic investment portfolio.

For a reconciliation of non-GAAP financial measures to the most directly comparable GAAP financial measures, please see the GAAP to non-GAAP Reconciliations on slides 21-24.



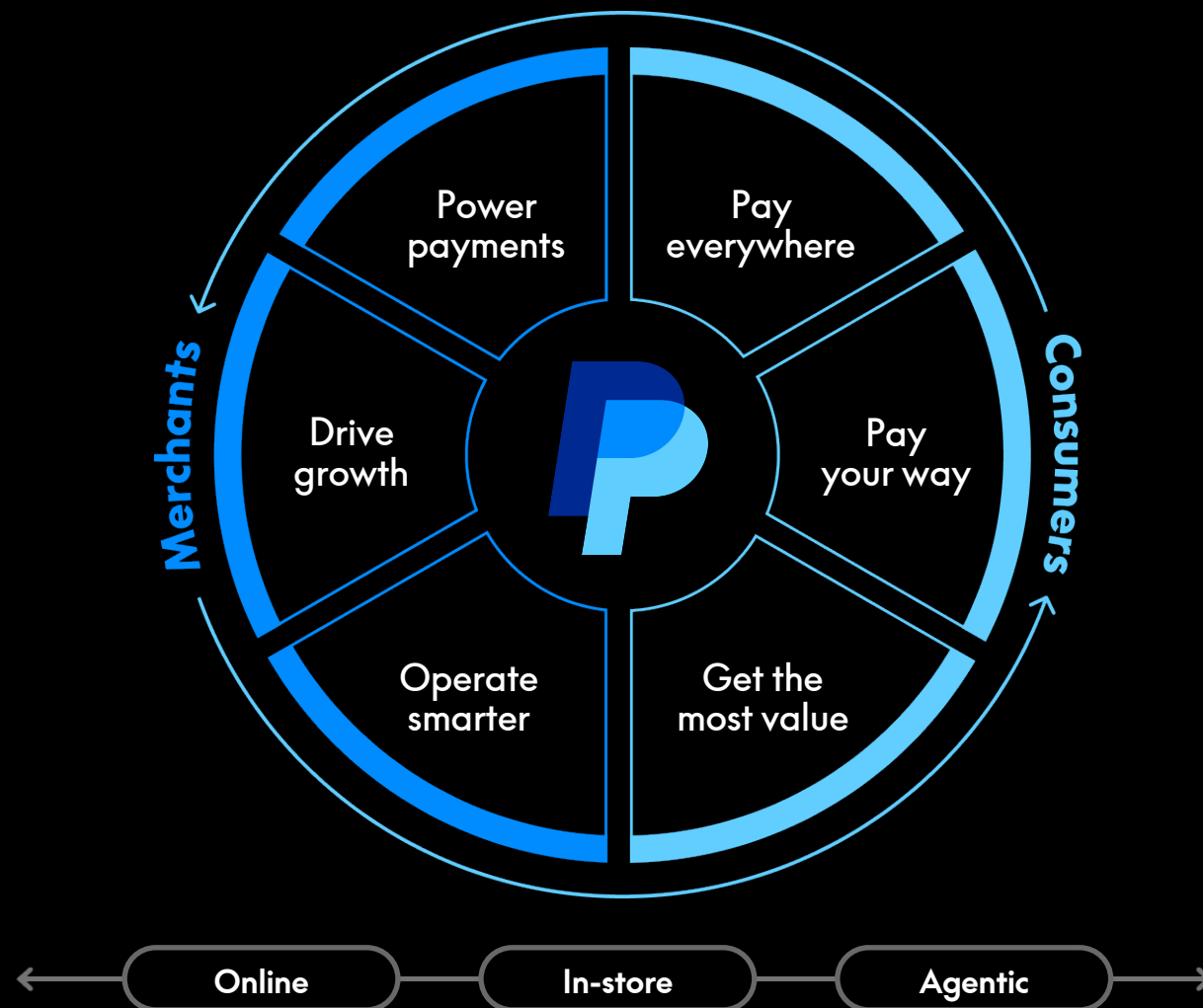
Demonstrating the strength of PayPal's global commerce platform

- ✓ Delivered another quarter of profitable growth: TM\$ ex interest on customer balances¹ +7%
- ✓ Making meaningful progress on our strategic transformation, focused on driving scale and adoption of innovations to deliver for our customers
- ✓ Proven foundation with multiple growth drivers including branded checkout, Venmo, omni, PSP, and next-gen growth vectors
- ✓ Strong 1Q and good start to 2Q; maintaining FY'25 guidance due to global macro uncertainty

(1) For a reconciliation of non-GAAP financial measures to the most directly comparable GAAP financial measures, please see the GAAP to non-GAAP Reconciliations on slides 21-24. Interest on customer balances is reported within OVAS revenue in this presentation and in our quarterly/annual SEC filings and primarily comprises interest and revenue earned on customer assets.

Q&A

PayPal is building the next-generation commerce platform



Supplemental information

TPV, revenue, & take rate detail

(in millions, except %)

	4Q'23	1Q'24	2Q'24	3Q'24	4Q'24	1Q'25
Total payment volume	\$409,832	\$403,860	\$416,814	\$422,641	\$437,836	\$417,208
Y/Y growth	15%	14%	11%	9%	7%	3%
FXN Y/Y growth	13%	14%	11%	9%	7%	4%
U.S. TPV	\$257,885	\$259,190	\$265,526	\$265,706	\$275,911	\$269,916
Y/Y growth	11%	12%	11%	9%	7%	4%
International TPV	\$151,947	\$144,671	\$151,288	\$156,934	\$161,925	\$147,293
Y/Y growth	22%	18%	10%	8%	7%	2%
FXN Y/Y growth	17%	17%	11%	8%	7%	5%
Cross-border TPV ¹	\$49,059	\$48,163	\$49,089	\$50,186	\$53,022	\$49,767
Y/Y growth	8%	8%	5%	8%	8%	3%
FXN Y/Y growth	5%	7%	6%	7%	9%	6%
P2P TPV ²	\$95,895	\$96,361	\$100,802	\$102,353	\$102,663	\$101,383
Y/Y growth	6%	6%	6%	6%	7%	5%
Venmo TPV	\$68,891	\$69,265	\$73,290	\$74,848	\$75,610	\$75,942
Y/Y growth	8%	8%	8%	8%	10%	10%
Total take rate	1.96%	1.91%	1.89%	1.86%	1.91%	1.87%
Transaction take rate	1.78%	1.74%	1.72%	1.67%	1.73%	1.68%
Total revenue	\$8,026	\$7,699	\$7,885	\$7,847	\$8,366	\$7,791
Y/Y growth	9%	9%	8%	6%	4%	1%
FXN Y/Y growth	9%	10%	9%	6%	4%	2%
Transaction revenue	\$7,283	\$7,034	\$7,153	\$7,067	\$7,588	\$7,016
Y/Y growth	9%	11%	9%	6%	4%	—%
OVAS revenue	\$743	\$665	\$732	\$780	\$778	\$775
Y/Y growth	9%	(2%)	—%	2%	5%	17%
US revenue Y/Y growth	8%	8%	8%	6%	2%	—%
International revenue FXN Y/Y growth	12%	14%	10%	6%	7%	5%
% international	42%	42%	42%	42%	43%	43%

- U.S. TPV +4%, driven by Venmo, payouts, and branded checkout, partly offset by Braintree price-to-value
- International TPV +5% FXN, driven by continued growth in Europe
- Cross-border TPV¹ +6% FXN, driven predominantly by intra-European corridors
- Transaction take rate -6bps driven by payouts and merchant mix within Braintree and branded checkout

All results & growth rates reference 1Q'25 results & year-over-year growth unless otherwise noted. Definitions on slide 25-26.

(1) Cross-border TPV is captured in both U.S. and international TPV and includes branded checkout and P2P, but does not include PSP TPV (unbranded processing). In a typical purchase transaction, cross-border TPV is counted in the region where the merchant is based. For example, in the case of a U.S. seller and a German buyer, the TPV is counted in the U.S.

(2) P2P TPV comprises Venmo, PayPal, and Xoom P2P.

TPV mix detail

		1Q'24	2Q'24	3Q'24	4Q'24	1Q'25	FY'23	FY'24
Branded checkout (online) ¹	FXN GROWTH	6%; 5% ex Leap Day	5%	5%	6%	4%; 6% ex Leap Day	5%	6%
	% OF TOTAL	30%	29%	29%	32%	29%	31%	30%
P2P & other consumer ²	FXN GROWTH	7%	7%	7%	9%	8%	3%	7%
	% OF TOTAL	25%	26%	26%	25%	27%	26%	26%
Payment service provider (PSP) ³	FXN GROWTH	24%	18%	12%	6%	2%	25%	15%
	% OF TOTAL	45%	45%	45%	43%	44%	43%	44%
Total TPV	FXN GROWTH	14%	11%	9%	7%	4%	12%	10%
Branded experiences (online & offline) ⁴	FXN GROWTH	6%; 5% ex Leap Day	6%	6%	8%	7%; 8% ex Leap Day	5%	6%
	% OF TOTAL	31%	30%	30%	34%	31%	32%	31%
Venmo ⁵	FXN GROWTH	8%	8%	8%	10%	10%	9%	9%
	% OF TOTAL	17%	18%	18%	17%	18%	18%	17%

Percent of total may not sum to 100% due to rounding. Definitions on slide 26.

(1) Branded Checkout (online) TPV comprises PayPal branded checkout, Pay with Venmo and eBay.

(2) P2P & Other Consumer TPV comprises P2P (PayPal and Venmo), debit (PayPal and Venmo) except when used to fund a branded checkout (online) transaction and remittances.

(3) PSP TPV comprises unbranded card processing across the Braintree and PayPal platforms, as well as other merchant solutions (e.g., payouts, invoicing, point-of-sale solutions, etc.).

(4) Branded experiences (online & offline) TPV comprises branded checkout (online), debit (PayPal and Venmo) and tap to pay.

(5) Venmo comprises Venmo P2P, Pay with Venmo and Venmo debit.

Account and activity metrics detail

(in millions, except % and TPA)	4Q'23	1Q'24	2Q'24	3Q'24	4Q'24	1Q'25
Active accounts ¹	426	427	429	432	434	436
Y/Y growth	(2%)	(1%)	—%	1%	2%	2%
Monthly active accounts (MAA) ²	223	220	221	222	228	224
Y/Y growth	1%	2%	3%	2%	2%	2%
Number of payment transactions	6,798	6,505	6,580	6,631	6,619	6,045
Y/Y growth	13%	11%	8%	6%	(3%)	(7%)
Number of payment transactions ex. PSP	3,796	3,602	3,719	3,770	4,052	3,805
Y/Y growth	6%	6%	6%	6%	7%	6%
Transactions per active account (TPA) ³	58.7	60.0	60.9	61.4	60.6	59.4
Y/Y growth	14%	13%	11%	9%	3%	(1%)
TPA ex. PSP ³	33.5	33.9	34.2	34.5	34.9	35.2
Y/Y growth	7%	7%	6%	5%	4%	4%

- Active accounts¹ and MAA² +2%, with contributions from both PayPal consumer accounts and Venmo
- Number of payment transactions -7% and TPA³ -1 %, reflecting price-to-value actions driving lower Braintree transactions
- Number of payment transactions ex. PSP +6% and TPA ex. PSP³ +4%, reflecting improved engagement and transaction growth in branded checkout and Venmo

All results & growth rates reference 1Q'25 results & year-over-year growth unless otherwise noted. Definitions on slide 25.

(1) Active accounts are accounts that have completed a transaction within the past 12 months.

(2) MAA are a subset of active accounts (primarily PayPal and Venmo) that have completed a transaction at least once during the month of measurement. MAAs presented at the end of a quarter or year are the average of each month's MAAs in the respective quarter or year. MAAs have been updated to exclude certain credit product accounts that are less reflective of consumer engagement on our platform. This resulted in an immaterial impact on each period's total MAAs and no change to reported growth rates.

(3) TPA and TPA ex. PSP are trailing 12-month metrics, reflecting transactions within the previous 12-month period, divided by active accounts at the end of the period. TPA ex. PSP excludes both unbranded card processing transactions and unbranded active accounts (primarily Braintree).

Transaction margin (TM) detail

(in millions, except %)

	4Q'23	1Q'24	2Q'24	3Q'24	4Q'24	1Q'25
Transaction expense (TE)	\$3,958	\$3,917	\$3,942	\$3,841	\$3,997	\$3,704
TE rate	0.97%	0.97%	0.95%	0.91%	0.91%	0.89%
Transaction loss (TL)	\$277	\$260	\$259	\$264	\$331	\$278
TL rate	0.07%	0.06%	0.06%	0.06%	0.08%	0.07%
Credit loss	\$119	\$61	\$76	\$88	\$103	\$93
Credit loss rate	0.03%	0.02%	0.02%	0.02%	0.02%	0.02%
Volume-based expenses	\$4,354	\$4,238	\$4,277	\$4,193	\$4,431	\$4,075
Y/Y growth	17%	14%	9%	4%	2%	(4%)
Transaction margin \$ ¹	\$3,672	\$3,461	\$3,608	\$3,654	\$3,935	\$3,716
Y/Y growth	—%	4%	8%	8%	7%	7%
Transaction margin ¹	45.8%	45.0%	45.8%	46.6%	47.0%	47.7%
Y/Y change (bps)	(397)	(213)	(19)	115	128	274
TM\$ ex. interest on customer balances ^{1,2}	\$3,386	\$3,189	\$3,267	\$3,315	\$3,603	\$3,418
Y/Y growth	(4%)	1%	5%	6%	6%	7%

- TE rate -8bps, driven by favorable product and merchant mix
- TL and credit loss rates relatively in line with 1Q'24

Definitions on slides 25-26. All results & growth rates reference 1Q'25 results & year-over-year growth unless otherwise noted.

(1) TM, TM\$ and TM\$ ex. interest on customer balances are non-GAAP measures. A reconciliation to the most directly comparable GAAP measure is included on slide 22.

(2) TM\$ is transaction margin dollars. Interest on customer balances is reported within other value added services (OVAS) revenue in this presentation and in our quarterly/annual SEC filings and primarily comprises interest and revenue earned on customer assets.

Non-GAAP¹ operating margin detail

(in millions, except %)

	4Q'23	1Q'24	2Q'24	3Q'24	4Q'24	1Q'25
Customer support and operations	\$465	\$454	\$436	\$427	\$451	\$398
Y/Y growth	(14%)	(7%)	(11%)	(10%)	(3%)	(12%)
Sales and marketing	\$425	\$379	\$406	\$468	\$586	\$448
Y/Y growth	(9%)	(4%)	(4%)	17%	38%	18%
Technology and development	\$764	\$735	\$713	\$742	\$772	\$731
Y/Y growth	—%	3%	(3%)	2%	1%	(1%)
General and administrative	\$547	\$457	\$563	\$512	\$587	\$496
Y/Y growth	7%	(9%)	16%	3%	7%	9%
Restructuring and other	\$3	\$37	\$30	\$28	\$37	\$27
Y/Y growth	-%	-%	(12%)	65%	1133%	(27%)
Non-transaction related expenses	\$2,204	\$2,062	\$2,148	\$2,177	\$2,433	\$2,100
Y/Y growth	(4%)	(2%)	(1%)	3%	10%	2%
Total operating expenses	\$6,558	\$6,300	\$6,425	\$6,370	\$6,864	\$6,175
Y/Y growth	9%	8%	5%	3%	5%	(2%)
Non-GAAP operating income	\$1,468	\$1,399	\$1,460	\$1,477	\$1,502	\$1,616
Y/Y growth	6%	15%	24%	18%	2%	16%
Non-GAAP operating margin %	18.3%	18.2%	18.5%	18.8%	18.0%	20.7%
Y/Y change (bps)	(47)	84	231	194	(34)	257
Non-GAAP EPS	\$1.14	\$1.08	\$1.19	\$1.20	\$1.19	\$1.33
Y/Y growth	15%	27%	36%	22%	5%	23%

(1) Non-transaction related expenses, total operating expenses, non-GAAP operating income, non-GAAP operating margin, and non-GAAP EPS are non-GAAP financial measures. For a reconciliation of non-GAAP financial measures to the most directly comparable GAAP financial measures and additional detail, please see the GAAP to non-GAAP Reconciliations on slides 21-24.

Free cash flow (FCF) and capital allocation detail

(in millions, except %)

	4Q'23	1Q'24	2Q'24	3Q'24	4Q'24	1Q'25
Free cash flow	\$2,469	\$1,763	\$1,368	\$1,445	\$2,191	\$964
Y/Y growth	72%	76%	**	31%	(11%)	(45%)
Adjusted free cash flow ¹	\$774	\$1,856	\$1,140	\$1,540	\$2,098	\$1,381
Y/Y growth	(46%)	86%	31%	(19%)	171%	(26%)

- Free cash flow includes negative impacts from the timing between originating European BNPL receivables as HFS and the subsequent sale of these receivables, changes in working capital, and shifting a portion of annual incentive plan from stock to cash
- Returned \$1.5B in capital to stockholders through share repurchases
 - On a trailing 12-month basis, share repurchases of \$6.0B reduced weighted average shares by 7%
- As of 1Q, cash, cash equivalents and investments totaled \$15.8B and debt totaled \$12.6B

All results & growth rates reference 1Q'25 results & year-over-year growth unless otherwise noted. Free cash flow and adjusted free cash flow are non-GAAP financial metrics. For a reconciliation of non-GAAP financial measures to the most directly comparable GAAP financial measures and additional detail, please see the GAAP to non-GAAP Reconciliations on slides 21-24.

(1) Adjusted free cash flow excludes the net timing impact between originating European BNPL receivables as HFS and the subsequent sale of these receivables.

** Not meaningful. 2Q'23 free cash flow of (\$0.4B) included a \$1.2B negative timing impact from European BNPL loans originated as HFS, which were sold in 4Q'23.

Hedging impacts and credit reserve builds and releases

(in millions, except %)

Hedging Impacts⁽¹⁾

Favorable (unfavorable) impact to net revenues (exclusive of hedging impact)

Hedging impact

Favorable (unfavorable) impact to net revenues

Favorable (unfavorable) impact to operating expense

Net favorable (unfavorable) impact to operating income

	4Q'23	1Q'24	2Q'24	3Q'24	4Q'24	1Q'25
	\$120	\$32	\$(33)	\$12	\$(29)	\$(104)
	(6)	—	22	(12)	38	35
	114	32	(11)	—	9	(69)
	(57)	(13)	25	(10)	26	52
	\$57	\$19	\$14	\$(10)	\$35	\$(17)
	\$142	\$123	\$91	\$81	\$77	\$78
	(23)	(62)	(15)	7	26	15
	\$119	\$61	\$76	\$88	\$103	\$93

Credit net charge-offs, reserve builds (releases) and credit losses

Net charge-offs⁽²⁾

Reserve build (release)⁽³⁾

Credit Losses

(1) Foreign currency movements relative to the US dollar. We calculate the year-over-year impact of foreign currency movements on our business using prior period foreign currency exchange rates applied to current period transactional currency amounts. Hedging impact is recognized in international transaction revenue. Based on exchange rates on derivative positions as of March 31, 2025, estimated next 12 months hedging losses are \$29M.

(2) Net charge-offs includes principal charge-offs partially offset by recoveries for consumer and merchant receivables.

(3) Reserve build (release) represents change in allowance for principal receivables excluding foreign currency remeasurement.

GAAP to non-GAAP reconciliations

Reconciliation of GAAP operating expenses to non-GAAP operating expenses

(In Millions/Unaudited)	Note	Three Months Ended								Year Ended December 31,				
		March 31, 2025	December 31, 2024	September 30, 2024	June 30, 2024	March 31, 2024	December 31, 2023	September 30, 2023	June 30, 2023	March 31, 2023	December 31, 2022	2024	2023	2022
GAAP operating expenses:														
Transaction expense		\$ 3,704	\$ 3,997	\$ 3,841	\$ 3,942	\$ 3,917	\$ 3,958	\$ 3,603	\$ 3,541	\$ 3,283	\$ 3,324	\$ 15,697	\$ 14,385	\$ 12,173
Transaction and credit losses		371	434	352	335	321	396	446	398	442	388	1,442	1,682	1,572
Customer support and operations		398	451	427	436	454	465	474	492	488	541	1,768	1,919	2,120
Sales and marketing		488	626	508	446	421	466	442	465	436	524	2,001	1,809	2,257
Technology and development		731	773	746	718	742	770	739	743	721	822	2,979	2,973	3,253
General and administrative		503	594	519	570	464	554	507	491	507	515	2,147	2,059	2,099
Restructuring and other		66	50	63	113	212	(311)	39	24	164	25	438	(84)	207
Total operating expenses		\$ 6,261	\$ 6,925	\$ 6,456	\$ 6,560	\$ 6,531	\$ 6,298	\$ 6,250	\$ 6,154	\$ 6,041	\$ 6,139	\$ 26,472	\$ 24,743	\$ 23,681
Non-GAAP operating expense adjustments:														
Sales and marketing	(a)	(40)	(40)	(40)	(40)	(42)	(41)	(42)	(42)	(41)	(55)	(162)	(166)	(215)
Technology and development	(a)	—	(1)	(4)	(5)	(7)	(6)	(9)	(9)	(9)	(58)	(17)	(33)	(232)
General and administrative	(a)	(7)	(7)	(7)	(7)	(7)	(7)	(7)	(7)	(7)	(3)	(28)	(28)	(24)
	(d)	—	—	—	—	—	—	(4)	—	—	—	—	(4)	—
Restructuring and other	(b)	(39)	(13)	(36)	(83)	(175)	(2)	(3)	—	(117)	(8)	(307)	(122)	(122)
	(c)	—	—	1	—	—	(2)	(19)	10	(47)	(17)	1	(58)	(85)
	(d)	—	—	—	—	—	(21)	—	—	—	—	—	(21)	—
	(e)	—	—	—	—	—	339	—	—	—	—	—	339	—
Total operating expenses		\$ (86)	\$ (61)	\$ (86)	\$ (135)	\$ (231)	\$ 260	\$ (84)	\$ (48)	\$ (221)	\$ (141)	\$ (513)	\$ (93)	\$ (678)
Non-GAAP operating expenses:														
Transaction expense		3,704	3,997	3,841	3,942	3,917	3,958	3,603	3,541	3,283	3,324	\$ 15,697	\$ 14,385	\$ 12,173
Transaction and credit losses		371	434	352	335	321	396	446	398	442	388	1,442	1,682	1,572
Customer support and operations		398	451	427	436	454	465	474	492	488	541	1,768	1,919	2,120
Sales and marketing		448	586	468	406	379	425	400	423	395	469	1,839	1,643	2,042
Technology and development		731	772	742	713	735	764	730	734	712	764	2,962	2,940	3,021
General and administrative		496	587	512	563	457	547	496	484	500	512	2,119	2,027	2,075
Restructuring and other		27	37	28	30	37	3	17	34	—	—	132	54	—
Total operating expenses		\$ 6,175	\$ 6,864	\$ 6,370	\$ 6,425	\$ 6,300	\$ 6,558	\$ 6,166	\$ 6,106	\$ 5,820	\$ 5,998	\$ 25,959	\$ 24,650	\$ 23,003

- (a) Amortization of acquired intangible assets.
(b) Restructuring.
(c) Right-of-use asset impairment and other charges associated with exiting certain leased properties as well as gains and losses associated with early lease terminations and owned property held for sale or sold.
(d) Fees related to credit externalization.
(e) Gain on divestiture of business, net of transaction costs.

Reconciliation of GAAP operating income to non-GAAP operating income, Transaction margin dollars, and Transaction margin dollars ex-interest on customer balances and GAAP operating margin to non-GAAP operating margin and Transaction margin

(In Millions, Except Percentages/Unaudited)	Three Months Ended										Year Ended December 31,		
	March 31, 2025	December 31, 2024	September 30, 2024	June 30, 2024	March 31, 2024	December 31, 2023	September 30, 2023	June 30, 2023	March 31, 2023	December 31, 2022	2024	2023	2022
GAAP operating income	\$ 1,530	\$ 1,441	\$ 1,391	\$ 1,325	\$ 1,168	\$ 1,728	\$ 1,168	\$ 1,133	\$ 999	\$ 1,244	\$ 5,325	\$ 5,028	\$ 3,837
Amortization of acquired intangible assets	47	48	51	52	56	54	58	58	57	116	207	227	471
Restructuring ⁽¹⁾	39	13	35	83	175	4	22	(10)	164	25	306	180	207
Other	—	—	—	—	—	(318)	4	—	—	—	—	(314)	—
Total non-GAAP operating income adjustments	86	61	86	135	231	(260)	84	48	221	141	513	93	678
Non-GAAP operating income	1,616	1,502	1,477	1,460	1,399	1,468	1,252	1,181	1,220	1,385	5,838	5,121	4,515
Transaction margin adjustments:													
Customer support and operations	398	451	427	436	454	465	474	492	488	541	1,768	1,919	2,120
Sales and marketing	448	586	468	406	379	425	400	423	395	469	1,839	1,643	2,042
Technology and development	731	772	742	713	735	764	730	734	712	764	2,962	2,940	3,021
General and administrative	496	587	512	563	457	547	496	484	500	512	2,119	2,027	2,075
Restructuring and other	27	37	28	30	37	3	17	34	—	—	132	54	—
Non transaction-related expense	2,100	2,433	2,177	2,148	2,062	2,204	2,117	2,167	2,095	2,286	8,820	8,583	9,258
Transaction margin dollars	3,716	3,935	3,654	3,608	3,461	3,672	3,369	3,348	3,315	3,671	14,658	13,704	13,773
Interest on customer balances	298	332	339	341	272	286	246	226	160	128	1,284	918	268
Transaction margin dollars ex-interest on customer balances	\$ 3,418	\$ 3,603	\$ 3,315	\$ 3,267	\$ 3,189	\$ 3,386	\$ 3,123	\$ 3,122	\$ 3,155	\$ 3,543	\$ 13,374	\$ 12,786	\$ 13,505
GAAP net revenues	\$ 7,791	\$ 8,366	\$ 7,847	\$ 7,885	\$ 7,699	\$ 8,026	\$ 7,418	\$ 7,287	\$ 7,040	\$ 7,383	\$ 31,797	\$ 29,771	\$ 27,518
GAAP operating margin	19.6 %	17.2 %	17.7 %	16.8 %	15.2 %	21.5 %	15.7 %	15.5 %	14.2 %	16.8 %	16.7 %	16.9 %	13.9 %
Non-GAAP operating margin	20.7 %	18.0 %	18.8 %	18.5 %	18.2 %	18.3 %	16.9 %	16.2 %	17.3 %	18.8 %	18.4 %	17.2 %	16.4 %
Transaction margin	47.7 %	47.0 %	46.6 %	45.8 %	45.0 %	45.8 %	45.4 %	45.9 %	47.1 %	49.7 %	46.1 %	46.0 %	50.1 %

Reconciliation of GAAP net income to non-GAAP net income, GAAP diluted EPS to non-GAAP diluted EPS, and GAAP effective tax rate to non-GAAP effective tax rate

(In Millions, Except Percentages and Per Share Amount/Unaudited)	Three Months Ended										Year Ended December 31,		
	March 31, 2025	December 31, 2024	September 30, 2024	June 30, 2024	March 31, 2024	December 31, 2023	September 30, 2023	June 30, 2023	March 31, 2023	December 31, 2022	2024	2023	2022
GAAP income before income taxes	\$ 1,603	\$ 1,410	\$ 1,311	\$ 1,399	\$ 1,209	\$ 1,793	\$ 1,241	\$ 1,303	\$ 1,074	\$ 1,110	\$ 5,329	\$ 5,411	\$ 3,366
GAAP income tax expense	316	289	301	271	321	391	221	274	279	189	1,182	1,165	947
GAAP net income	1,287	1,121	1,010	1,128	888	1,402	1,020	1,029	795	921	4,147	4,246	2,419
Non-GAAP adjustments to net income:													
Non-GAAP operating income adjustments (see table above)	86	61	86	135	231	(260)	84	48	221	141	513	93	678
Net (gains) losses on strategic investments and crypto assets held for investment	(39)	59	171	6	49	4	(24)	(133)	(48)	141	285	(201)	304
Other certain significant gains, losses, or charges	—	—	—	—	31	21	—	—	18	(21)	31	39	410
Tax effect of non-GAAP adjustments	(5)	(32)	(39)	(26)	(44)	66	(3)	27	(27)	(47)	(141)	63	(229)
Non-GAAP net income	\$ 1,329	\$ 1,209	\$ 1,228	\$ 1,243	\$ 1,155	\$ 1,233	\$ 1,077	\$ 971	\$ 959	\$ 1,135	\$ 4,835	\$ 4,240	\$ 3,582
Shares used in diluted share calculation:													
GAAP	999	1,014	1,024	1,047	1,072	1,084	1,098	1,114	1,134	1,144	1,039	1,107	1,158
Non-GAAP	999	1,014	1,024	1,047	1,072	1,084	1,098	1,114	1,134	1,144	1,039	1,107	1,158
Net income per diluted share:													
GAAP	\$ 1.29	\$ 1.11	\$ 0.99	\$ 1.08	\$ 0.83	\$ 1.29	\$ 0.93	\$ 0.92	\$ 0.70	\$ 0.81	\$ 3.99	\$ 3.84	\$ 2.09
Non-GAAP	\$ 1.33	\$ 1.19	\$ 1.20	\$ 1.19	\$ 1.08	\$ 1.14	\$ 0.98	\$ 0.87	\$ 0.85	\$ 0.99	\$ 4.65	\$ 3.83	\$ 3.09
GAAP effective tax rate	20 %	20 %	23 %	19 %	27 %	22 %	18 %	21 %	26 %	17%	22 %	22 %	28 %
Tax effect of non-GAAP adjustments to net income	(1%)	1%	(1%)	—%	(5%)	(2%)	(1%)	(1%)	(3%)	1%	(1%)	(2%)	(10%)
Non-GAAP effective tax rate	19 %	21 %	22 %	19 %	22 %	20 %	17 %	20 %	23 %	18 %	21 %	20 %	18 %

Reconciliation of operating cash flow to free cash flow and adjusted free cash flow

(In Millions/Unaudited)	Three Months Ended										Year Ended December 31,		
	March 31, 2025	December 31, 2024	September 30, 2024	June 30, 2024	March 31, 2024	December 31, 2023	September 30, 2023	June 30, 2023	March 31, 2023	December 31, 2022	2024	2023	2022
Net cash provided by (used in) operating activities	\$ 1,160	\$ 2,394	\$ 1,614	\$ 1,525	\$ 1,917	\$ 2,614	\$ 1,259	\$ (200)	\$ 1,170	\$ 1,591	\$ 7,450	\$ 4,843	\$ 5,813
Less: Purchases of property and equipment	(196)	(203)	(169)	(157)	(154)	(145)	(158)	(150)	(170)	(158)	(683)	(623)	(706)
Free cash flow	964	2,191	1,445	1,368	1,763	2,469	1,101	(350)	1,000	1,433	6,767	4,220	5,107
Net timing impact between originating European BNPL receivables as HFS and the subsequent sale of receivables	417	(93)	95	(228)	93	(1,695)	810	1,219	—	—	(133)	334	—
Adjusted free cash flow	1,381	2,098	1,540	1,140	1,856	774	1,911	869	1,000	1,433	6,634	4,554	5,107

Definitions (page 1 of 2)

Our key metrics are calculated using internal company data based on the activity we measure on our payments platform and compiled from multiple systems, including systems that are internally developed or acquired through business combinations. While the measurement of our key metrics is based on what we believe to be reasonable methodologies and estimates, there are inherent challenges and limitations in measuring our key metrics globally at scale. The methodologies used to calculate our key metrics require significant judgment. We regularly review our processes for calculating these key metrics, and from time to time we may make adjustments to improve the accuracy or relevance of our metrics. For example, we continuously apply models, processes, and practices designed to detect and prevent fraudulent account creation on our platforms, and work to improve and enhance those capabilities. When we detect a significant volume of illegitimate activity, we generally remove the activity identified from our key metrics. Although such adjustments may impact key metrics reported in prior periods, we generally do not update previously reported key metrics to reflect these subsequent adjustments unless the retrospective impact of process improvements or enhancements is determined by management to be material.

Active accounts: An active account is an account registered directly with PayPal or a platform access partner that has completed a transaction on our platform, not including gateway-exclusive transactions, within the past 12 months. A platform access partner is a third party whose customers are provided access to PayPal's platform or services through such third party's login credentials, including individuals and entities that utilize Hyperwallet's payout capabilities. A user may register on our platform to access different products and may register more than one account to access a product. Accordingly, a user may have more than one active account. The number of active accounts provides management with additional perspective on the overall scale of our platform, but may not have a direct relationship to our operating results.

Monthly active accounts or "MAA" are a subset of Active Accounts (primarily PayPal and Venmo)¹ that have completed a transaction on our platform at least once during the month of measurement. The number of MAAs provides management with perspective on the overall scale of our platform reflecting recent usage but may not have a direct relationship to our operating results. MAAs presented at the end of a quarter or year are the average of each month's MAAs in the respective quarter or year.

Number of payment transactions are the total number of payments, net of payment reversals, successfully completed on our payments platform or enabled by PayPal via a partner payment solution, not including gateway-exclusive transactions.

Number of payment transactions excluding Unbranded Card Processing² or "transactions ex. PSP" are the total number of payments, net of reversals, successfully completed on our payments platform or enabled by PayPal via a partner payment solution, excluding all unbranded card processing transactions and gateway-exclusive transactions.

Number of payment transactions per active account or "TPA" reflects the total number of payment transactions within the previous 12-month period, divided by active accounts at the end of the period. The number of payment transactions per active account provides management with insight into the average number of times an account engages in payments activity on our payments platform in a given period. The number of times a consumer account or a merchant account transacts on our platform may vary significantly from the average number of payment transactions per active account.

Number of payment transactions per active account excluding unbranded card processing² or "TPA ex. PSP" reflects the total number of payment transactions within the previous 12-month period excluding all unbranded card processing transactions, divided by active accounts at the end of the period excluding unbranded card processing accounts. This metric provides management with insight into the average number of times an account engages in payments activity on our payments platform in a given period, apart from unbranded card processing activity.

(1) MAAs exclude Braintree, Hyperwallet, Zettle, and certain other products that do not reflect engagement from a consumer perspective.

(2) Unbranded Card Processing primarily comprises Braintree full-stack transactions and does not include gateway-exclusive transactions. Unbranded processing also includes unbranded credit and debit card processing on the PayPal platform.

Definitions (page 2 of 2)

Total payment volume or “TPV” is the value of payments, net of payment reversals, successfully completed on our payments platform, or enabled by PayPal via a partner payment solution, not including gateway-exclusive transactions.

Branded checkout (online) TPV comprises PayPal branded checkout, Pay with Venmo and eBay.

P2P & other consumer TPV comprises P2P (PayPal and Venmo), debit (PayPal and Venmo) except when used to fund a branded checkout (online) transaction and remittances.

PSP TPV comprises unbranded card processing across the Braintree and PayPal platforms, as well as other merchant solutions (e.g., payouts, invoicing, point-of-sale solutions, etc.).

Branded experiences (online & offline) TPV comprises branded checkout (online), debit (PayPal and Venmo) and tap to pay.

Venmo TPV comprises Venmo P2P, Pay with Venmo and Venmo debit.

Total take rate is total revenue divided by TPV.

Transaction take rate is transaction revenue divided by TPV.

Transaction expense rate is transaction expense divided by TPV.

Transaction loss rate is transaction losses divided by TPV.

Credit loss rate is credit losses divided by TPV.

Transaction margin or “TM” is total revenue less transaction expense and transaction and credit losses, divided by total revenue.

Transaction margin dollars (\$) or “TM\$” is total revenue less transaction expense and transaction and credit losses.

Transaction margin dollars excluding interest on customer balances is total revenue excluding interest on customer balances, less transaction expense and transaction and credit losses. Interest on customer balances is captured as part of Other Value Added Services (OVAS) revenue in this presentation and in our quarterly/annual SEC filings.

Upcoming calendar

Second Quarter 2025 Earnings

July 29, 2025

Third Quarter 2025 Earnings

October 28, 2025