

PayPal Releases 3Q'25 Results



PayPal President and CEO Alex Chriss and Ooredoo Fintech CEO Michelangelo "Mirko" Giacco announce the company's plans to join PayPal World in Qatar.

PayPal released its third quarter 2025 financial results today. We encourage you to read the [full materials](#) and [listen](#) to our earnings call at 8:00 AM ET.

Key highlights include:

- Transaction margin dollars of \$3.9B, +6%; \$3.6B, +7% excluding interest on customer balances^{1,2}
- Non-GAAP operating income of \$1.6B, +6%; GAAP operating income of \$1.5B, +9%
- Non-GAAP operating margin of 18.6%, (19) bps; GAAP operating margin of 18.1%, +33 bps
- Non-GAAP EPS of \$1.34, +12%; GAAP EPS³ of \$1.30, +32%

PayPal also announced that it is initiating a dividend, demonstrating the ability to invest in long-term growth and return capital to shareholders, along with ~\$6B in share repurchases expected in FY'25. The targeted payout ratio is 10% of non-GAAP net income as a cash dividend on a quarterly basis going forward.⁴

President and CEO Alex Chriss said, "PayPal delivered another strong quarter and we are raising guidance, with broad-based profitable growth across branded experiences, PSP, and Venmo. We have returned the company to growth and are on pace for 6% to 7% transaction margin dollar growth in 2025 when excluding interest on customer balances. We are also building for an agentic future, partnering with leaders such as Google, OpenAI, and Perplexity."

Chriss continued, "This is a stronger company today than we were two years ago. With differentiated competitive advantages, clear strategic direction and building execution momentum, we believe we are exceptionally well-placed to win into the future."

Over the past two years, we have made good progress reinvigorating key parts of our business. We are modernizing our branded checkout experience and rolling it out to more merchants. Venmo and PSP growth are both accelerating, and our omnichannel and buy now, pay later (BNPL) initiatives are scaling rapidly.

Growth during the quarter was broad-based across our initiatives including:

- Branded experiences, which saw total payment volume (TPV) growth of 8% on a currency-neutral (FXN) basis;
- Venmo, with revenue up 20%⁵ and TPV up 14%;
- PSP, with TPV up 6% FXN; and
- BNPL TPV up more than 20%.

In the US, where our online checkout and omnichannel initiatives have been focused to-date, branded experiences TPV growth was even higher at 10%. We are just starting to scale these products and efforts globally. More than 20% of our global branded checkout traffic is now on our redesigned paysheet, and we are driving biometric login adoption.

Engagement is increasing with monthly active accounts up 2% and Venmo monthly active accounts up 7%. Total active accounts grew 1%, and transactions per active account ex-PSP grew 5%.

Finally, we are continuing to innovate in agentic commerce, ads, stablecoins, and digital wallet interoperability. PayPal World is in its pilot stage, and we are in the process of adding more global payment partners like e& and Ooredoo Fintech in the Middle East. We also [announced](#) a new agentic commerce partnership with OpenAI, [introduced](#) our Agentic Commerce Services, enabled small businesses to unlock ad revenue with PayPal Ads Manager, and integrated crypto within PayPal P2P.

For the fourth quarter of 2025, we expect:

- Transaction margin dollars of \$4.02B to \$4.12B, representing 2% to 5% growth or 4% to 6% growth excluding interest on customer balances
- Non-GAAP EPS of \$1.27 to \$1.31, or 7% to 10% growth
- GAAP EPS of \$1.23 to \$1.27

For the full year 2025, we are raising our guidance for transaction margin dollars and non-GAAP EPS:

- Transaction margin dollars of \$15.45B to \$15.55B, representing 5% to 6% growth or 6% to 7% growth excluding interest on customer balances
- Non-GAAP EPS of \$5.35 to \$5.39, or 15% to 16% growth
- GAAP EPS of \$5.11 to \$5.15
- Free cash flow of \$6B to \$7B

We are making tangible progress across the business and strengthening our foundation for long-term growth. We have the capital to invest in high-impact growth initiatives and are confident in our ability to execute.

Thank you for your continued interest in PayPal,
Steve and team

Footnotes:

1. TM \$, TM \$ excluding interest on customer balances, non-GAAP operating income, non-GAAP operating margin, non-GAAP EPS, and free cash flow are non-GAAP financial measures. “Non-GAAP Measures of Financial Performance” and subsequent tables at the end of our [earnings press release](#) provide reconciliations of non-GAAP financial measures to the most directly comparable GAAP financial measures.
2. Interest on customer balances is reported within other value added services (“OVAS”) revenue and primarily comprises interest and revenue earned on customer assets.
3. 3Q'25 GAAP EPS includes ~\$0.01 positive impact from PayPal’s strategic investment portfolio and crypto assets held for investment, compared to a ~\$0.14 negative impact in 3Q'24.
4. Subject to market conditions and Board approval.
5. Excludes interest on customer balances.

All growth rates represent year-over-year comparisons, except as otherwise noted. This document contains non-GAAP financial measures and forward-looking statements. FX-neutral (FXN) results are calculated by translating the current period local currency results by the prior period exchange rate. FXN growth rates are calculated by comparing the current period FXN results with the prior period results, excluding the impact from hedging activities. Please see [here](#) for important information, including a reconciliation to the most directly comparable GAAP financial measures, and [here](#) for additional information on forward-looking statements.