



PayPal 4Q & FY'25 Performance

Financial results & company highlights

February 3, 2026

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 first quarter and full year 2026; our capital return program, including share repurchases and dividend payments, if any; 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, tariffs or uncertainty thereof, 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 agreements to sell our credit 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 February 3, 2026. 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.

4Q & FY'25: Delivered diversified, profitable growth

**Investing in '26
to strengthen
foundation and
accelerate growth
initiatives**



Second year of diversified, profitable growth:
TM\$ ex. interest^{1,2} increased 6% y/y and non-GAAP
EPS¹ increased 14% y/y in '25

Taking near-term action to restore online branded checkout
momentum: scaling experiences, improving presentment,
and driving selection

Making targeted growth investments across branded
checkout, buy now, pay later (BNPL), consumer
engagement, and agentic: ~3pt headwind to TM\$ growth in
'26 to drive durable long-term benefits

Driving durable growth across PSP and Venmo:

- PSP TPV increased 8% y/y FXN in 4Q, Enterprise Payments³ TPV growth back to double digits
- Accelerated Venmo revenue to \$1.7B, growth increased ~20% y/y in '25

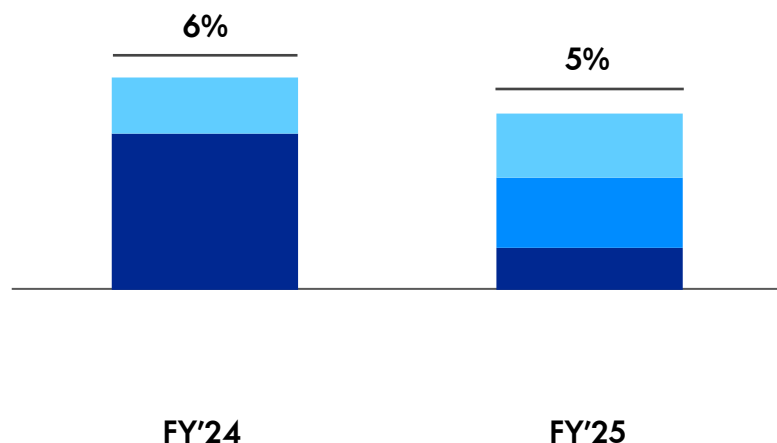
Expect to generate \$6B+ of adjusted FCF in '26,
returning \$6B via share repurchase

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 24-27.
2. TM\$ is transaction margin dollars. Interest on customer balances is reported within other value added services (OVAS) revenue and primarily comprises interest and revenue earned on customer assets. TM\$ and TM\$ ex. interest on customer balances are non-GAAP measures. Reconciliations to the most directly comparable GAAP measures on slide 25.
3. PayPal's Enterprise Payments solution (formerly Braintree).

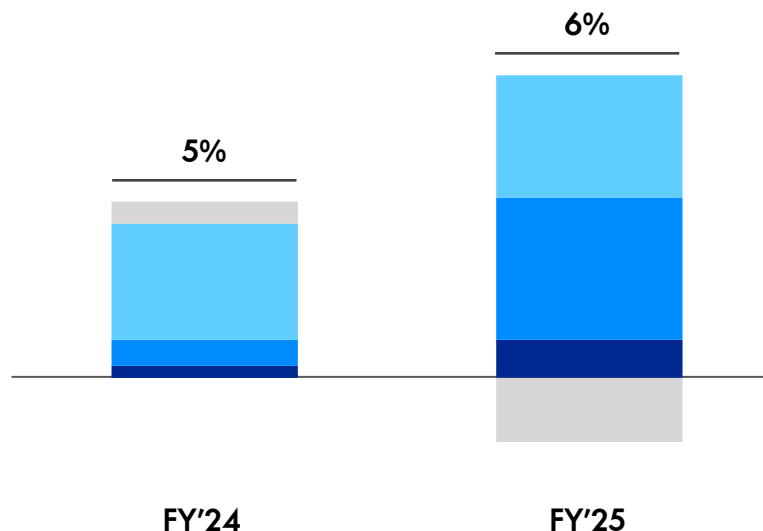
PayPal's growth is diversifying

Strategic initiatives contributed to faster TM\$ growth in 2025

Revenue ex. interest on customer balances growth (spot)



TM\$ ex. interest on customer balances growth (spot)



Win Checkout¹

Solid '25 contribution from mid-single digit TPV growth; Pay with Venmo and BNPL continue to take share

Scale Omni & Grow Venmo²

Greater contribution from initiatives (credit, Venmo, and PayPal Everywhere)

Drive PSP Profitability³

Contributing to TM\$ growth and reaccelerating TPV growth post-reset

Transaction Loss Impact⁴

Higher y/y expense in 1Q-3Q'25, with significant improvement in 4Q

Next-Gen Growth Vectors

Innovating for long-term growth: agentic, ads/personalization, stablecoins, and PayPal World

For a reconciliation of non-GAAP financial measures to the most directly comparable GAAP financial measures, please see the Supplemental Information.

1. Win Checkout: PayPal branded checkout (online), Pay with Venmo, and eBay.

2. Scale Omni and Grow Venmo: P2P (PayPal and Venmo), debit and credit (PayPal and Venmo), and other consumer solutions (e.g., remittances).

3. Drive PSP Profitability: unbranded card processing including Enterprise Payments (formerly Braintree), PayPal Complete Payments, and other merchant solutions (e.g., SMB merchant lending, payouts, invoicing, etc.).

4. Transaction loss (TL) expense does not include credit loss. Transaction loss rate as a percent of TPV has averaged 7bps over the last 8 quarters.

Advancing strategic growth drivers

Win Checkout

Scale Omni and Grow Venmo

Drive PSP Profitability

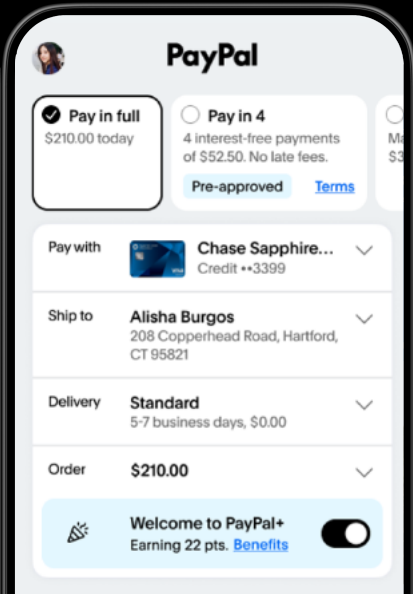
Scale Next Gen Growth Vectors

Branded Experiences

Product innovation working, implementing new go-to-market approach to restore momentum

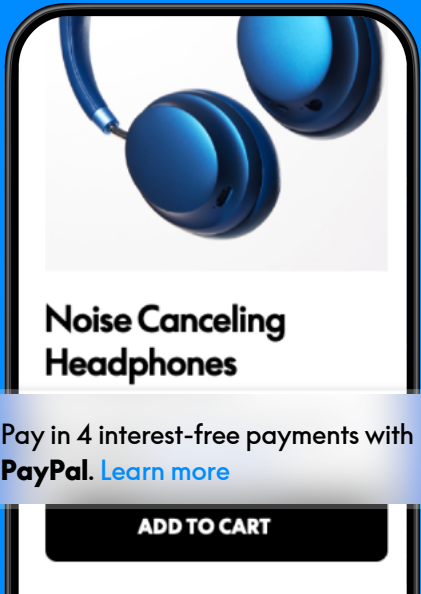
Experience

Deliver a modern checkout experience that is fast, intuitive, and consistent while driving biometric adoption



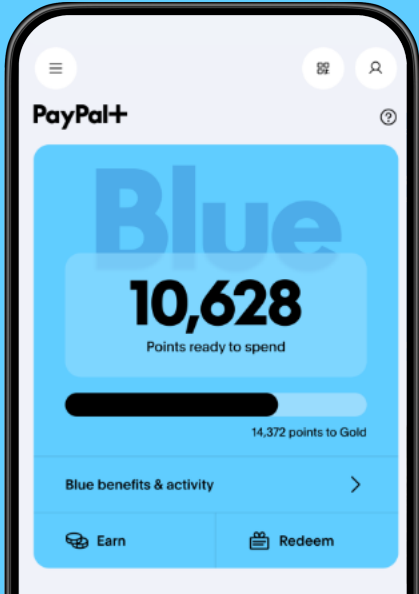
Presentment

Win the moment of choice by ensuring PayPal is surfaced early, clearly, and competitively



Selection

Strengthen consumer selection through merchant co-marketing, rewards, and app-led engagement



Advancing strategic growth drivers

Win Checkout

Scale Omni and Grow Venmo

Drive PSP Profitability

Scale Next Gen Growth Vectors

Branded Experiences

2025 Omni Highlights

>\$35B

~60% growth

Global debit TPV

>10M

Debit first time users

>45%

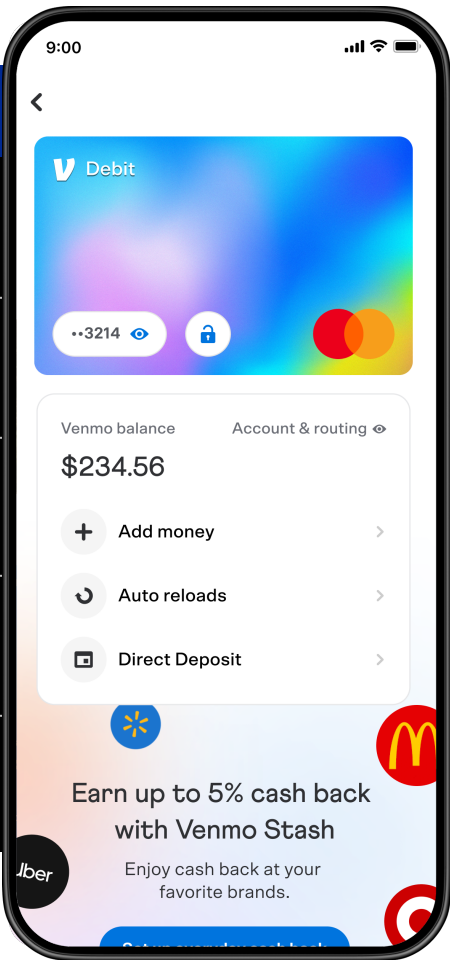
Global debit MAA growth

700K+

UK and Germany debit MAAs

3x

US debit vs. checkout-only ARPA



2025 Venmo Highlights

\$1.7B

~20% growth

Venmo revenue^{1,2}

100M+

Venmo active accounts

67M

7% growth

Venmo MAAs

14%

ARPA growth³

31

9% growth

Venmo TPA⁴

All growth rates reference FY'25 year-over-year growth unless otherwise noted. Detailed definitions on slides 28-29.

1. Excludes interest on customer balances.

2. Excludes one-time benefit from renewal and expansion of key payment partner relationship in 2Q'25.

3. ARPA growth refers to Venmo MAAs. Venmo MAAs are active Venmo accounts that have completed a transaction at least once during the month of measurement.

4. TPA reflects transactions within the previous 12-month period, divided by active accounts at the end of the period.

Advancing strategic growth drivers

Win Checkout

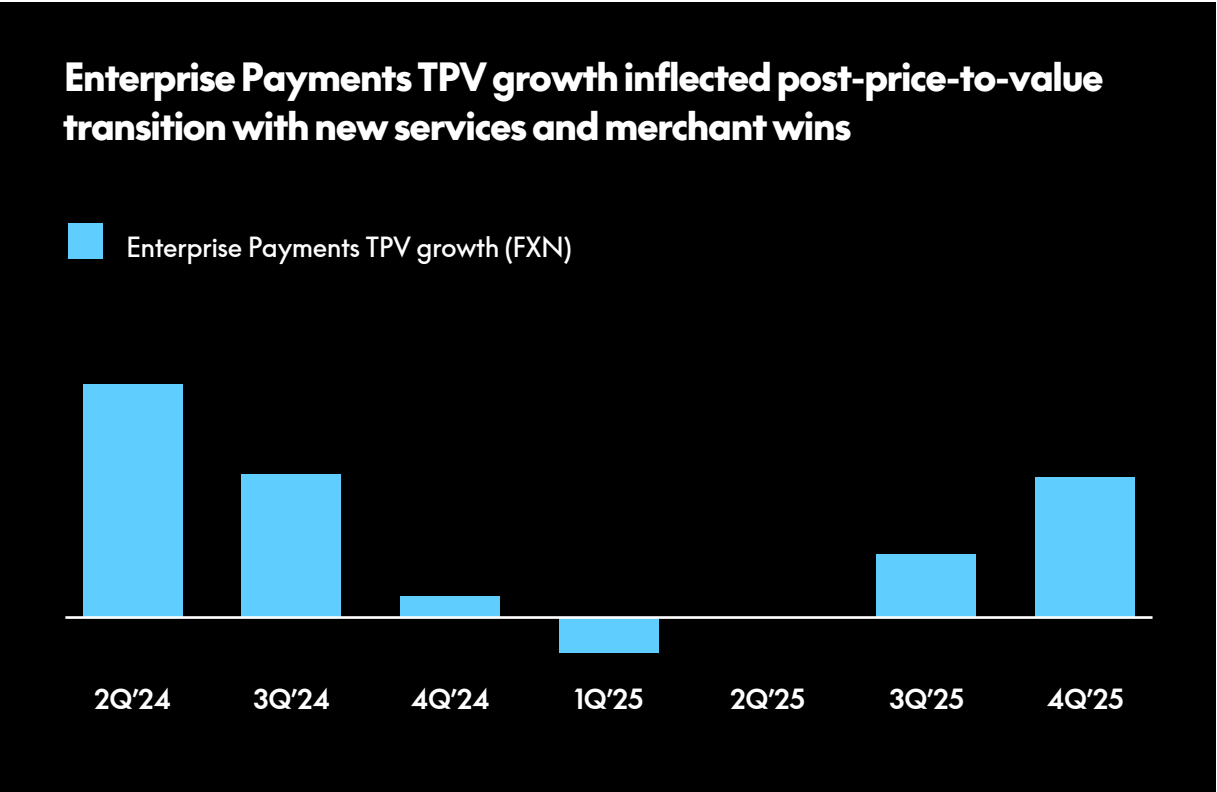
Scale Omni and Grow Venmo

Drive PSP Profitability

Scale Next Gen Growth Vectors

Branded Experiences

PSP TPV growth accelerated to +8% FXN with Enterprise Payments¹ TPV growing double digits in 4Q



Deepening merchant relationships with integrated value-added services

- Payouts** Rapid fund distribution in 200+ markets, 50+ currencies, and 11+ transfer methods with ~45% payouts volume sent to PayPal branded wallets
- Payment optimization** Intelligent transaction routing and authentication optimization improves auth rates and Smart Debit Routing reduces transaction costs by up to 15%
- FX-as-a-service** Multi-currency settlement and foreign exchange services delivering up to 20bps in transaction cost savings
- Risk & fraud** Two-sided network data and machine learning to help identify and prevent fraud, along with chargeback protection and dispute automation
- Omnichannel** First merchant live with physical retail processing in partnership with Verifone, with healthy pipeline

Advancing strategic growth drivers

Win Checkout

Scale Omni and Grow Venmo

Drive PSP Profitability

Scale Next Gen Growth Vectors

Branded Experiences

Strategic relationships with top AI platforms



PayPal Store Sync and checkout Live

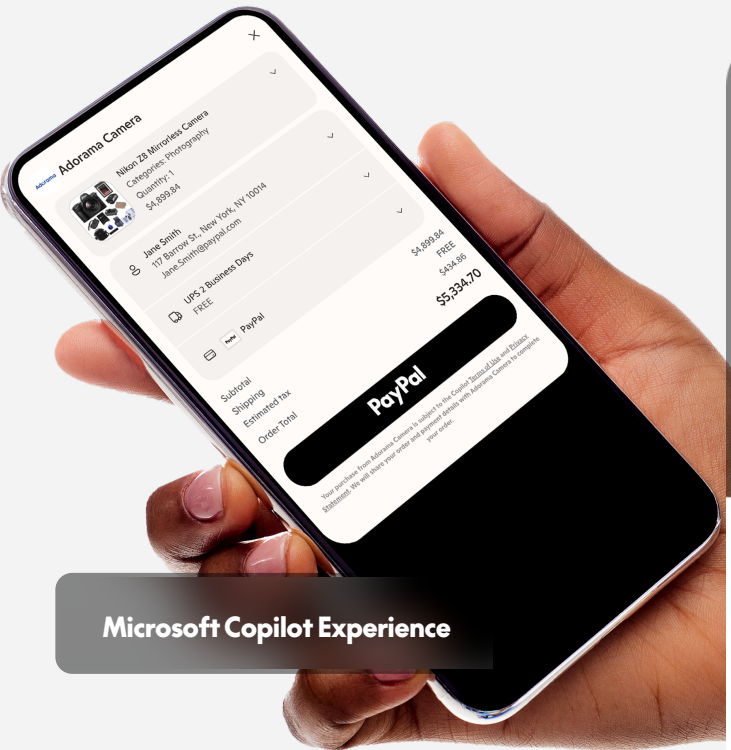


PayPal will be a payment option in the future

Perplexity Experience



Microsoft Copilot Experience



Store Sync

- Makes merchants' product data discoverable within AI channels
- Merchants remain the merchant of record
- Our planned acquisition of Cymbio enhances our capabilities and rollout

Early Adopters



4Q and FY'25 snapshot

(in millions, except % and per share data)		4Q'25	Y/Y growth	FY'25	Y/Y growth
Total payment volume (TPV)		\$475,135	9%; 6% FXN	\$1,793,979	7%; 6% FXN
Revenue		\$8,676	4%; 3% FXN	\$33,172	4%; 4% FXN
Transaction margin \$ (TM\$) ¹		\$4,034	3%	\$15,465	6%
TM\$ ex. interest on customer balances ^{1,2}		\$3,741	4%	\$14,235	6%
Non-GAAP EPS ¹		\$1.23	3%	\$5.31	14%
Adjusted free cash flow ^{1,3}		\$2,095	—%	\$6,411	(3%)

All growth rates reference 4Q'25 and FY'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 24-27.

(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 BNPL receivables classified as held for sale and their subsequent sale. See slide 27 for more detail.

Account and activity metrics¹

(in millions, except % and TPA)	4Q'25	FY'25
Active accounts ²	439	439
Y/Y growth	1%	1%
Monthly active accounts (MAA) ³	231	227
Y/Y growth	1%	2%
Number of payment transactions	6,754	25,355
Y/Y growth	2%	(4%)
Number of payment transactions ex. PSP (unbranded card processing)	4,284	16,070
Y/Y growth	6%	6%
Transactions per active account (TPA) ⁴	57.7	57.7
Y/Y growth	(5%)	(5%)
TPA ex. PSP ⁴	36.6	36.6
Y/Y growth	5%	5%

- Active accounts² +1% and MAA³ +1%, largely driven by Venmo
- Number of payment transactions returned to growth +2%, with 12-month trailing TPA⁴ -5% reflecting price-to-value actions that drove lower Enterprise Payments⁵ transactions
- Number of payment transactions ex. PSP +6% and TPA ex. PSP⁴ +5%, reflecting customer engagement with transaction growth in branded experiences (debit and branded checkout) and Venmo

All growth rates reference 4Q'25 and FY'25 year-over-year growth unless otherwise noted.

(1) Detailed definitions on slides 28-29.

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

(3) MAAs 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 Enterprise Payments).

(5) PayPal's Enterprise Payments solution (formerly Braintree).

TPV mix across PayPal's platform

		4Q'24	4Q'25	FY'24	FY'25
		Prior year period	Current quarter	Prior year	Current year
Branded experiences (online & offline) ¹	FXN GROWTH	8%	4%	6%	6%
	% OF TOTAL	34%	33%	31%	32%
Venmo ²	FXN GROWTH	10%	13%	9%	12%
	% OF TOTAL	17%	18%	17%	18%
Branded checkout (online) ³	FXN GROWTH	6%	1%	6%	4%
	% OF TOTAL	32%	31%	30%	30%
P2P & other consumer ⁴	FXN GROWTH	9%	10%	7%	10%
	% OF TOTAL	25%	26%	26%	26%
Payment service provider (PSP) ⁵	FXN GROWTH	6%	8%	15%	5%
	% OF TOTAL	43%	43%	44%	44%
Total TPV		7%	6%	10%	6%

- Branded experience growth supported by strong omni adoption
- Venmo momentum continues, fifth consecutive quarter of double-digit growth
- Branded checkout deceleration driven by weakness in US retail, international headwinds and tough compares in high-growth verticals
- P2P & other growth continues to grow double digits reflecting Venmo and debit card momentum
- PSP accelerated with Enterprise Payments⁶ growing low double digits

*Percent of total may not sum to 100% due to rounding. Additional financial detail provided in Supplemental Information and Definitions on slides 28-29.

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

(2) Venmo: Venmo P2P, Pay with Venmo, and Venmo debit.

(3) Branded Checkout (online): PayPal branded checkout, Pay with Venmo, and eBay.

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

(5) PSP: unbranded card processing across Enterprise and SMB, as well as other merchant solutions (e.g., payouts, invoicing, point-of-sale solutions, etc.).

(6) PayPal's Enterprise Payments solution (formerly Braintree).

4Q'25 key financial results

(in millions, except % and per share data)

	4Q'25	FY'25
Total revenue	\$8,676	\$33,172
Y/Y growth	4%	4%
FXN Y/Y growth	3%	4%
Transaction margin \$ (TM\$) ¹	\$4,034	\$15,465
Y/Y growth	3%	6%
Y/Y growth ex. int. on cust. balances ^{1,2}	4%	6%
Non-transaction related expenses ¹	\$2,484	\$9,087
Y/Y growth	2%	3%
Non-GAAP operating income ¹	\$1,550	\$6,378
Y/Y growth	3%	9%
Non-GAAP operating margin % ¹	17.9%	19.2%
Y/Y change	(9bps)	87bps
Non-GAAP EPS ¹	\$1.23	\$5.31
Y/Y growth	3%	14%

- Transaction revenue +3%, driven by growth across the portfolio, including PSP, branded experiences, and Venmo
- Other value-added services (OVAS) revenue +10%, driven primarily by strong performance in consumer and merchant credit
- TM\$ ex. interest on customer balances +4% from multiple sources: credit, PSP, and Venmo, with improved loss performance
 - Growth was partially offset by strategic investments to drive habituation and selection rate across branded checkout and buy now pay later
- Returned \$1.5B via share repurchases, \$6.0B on a trailing 12-month basis, reducing weighted average shares by 7%

All growth rates reference 4Q'25 and FY'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 24-27.

(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.

Guidance

1Q'26	
Transaction margin \$	Slight decline
TM \$ ex. interest on customer balances ¹	Roughly flat
Non-GAAP effective tax rate	19% - 21%
Non-GAAP EPS ² growth	Mid-single digit decline 1Q'25: \$1.33
GAAP EPS growth	Mid-single digit decline 1Q'25: \$1.29

FY'26	
Transaction margin \$	Slight decline
TM \$ ex. interest on customer balances ¹	Roughly flat
Non-GAAP non-transaction operating expenses	~3% growth
Non-GAAP effective tax rate	19% - 21%
Non-GAAP EPS ³ growth	Low-single digit decline to slightly positive FY'25: \$5.31
GAAP EPS ⁴ growth	Mid-single digit decline FY'25: \$5.41
Adjusted free cash flow	\$6B+
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 1Q'26 reflect adjustments of ~\$35M.

(3) Estimated non-GAAP amounts for FY'26 reflect adjustments of ~\$135M.

(4) FY'25 GAAP EPS included a ~\$0.14 positive 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 24-27.

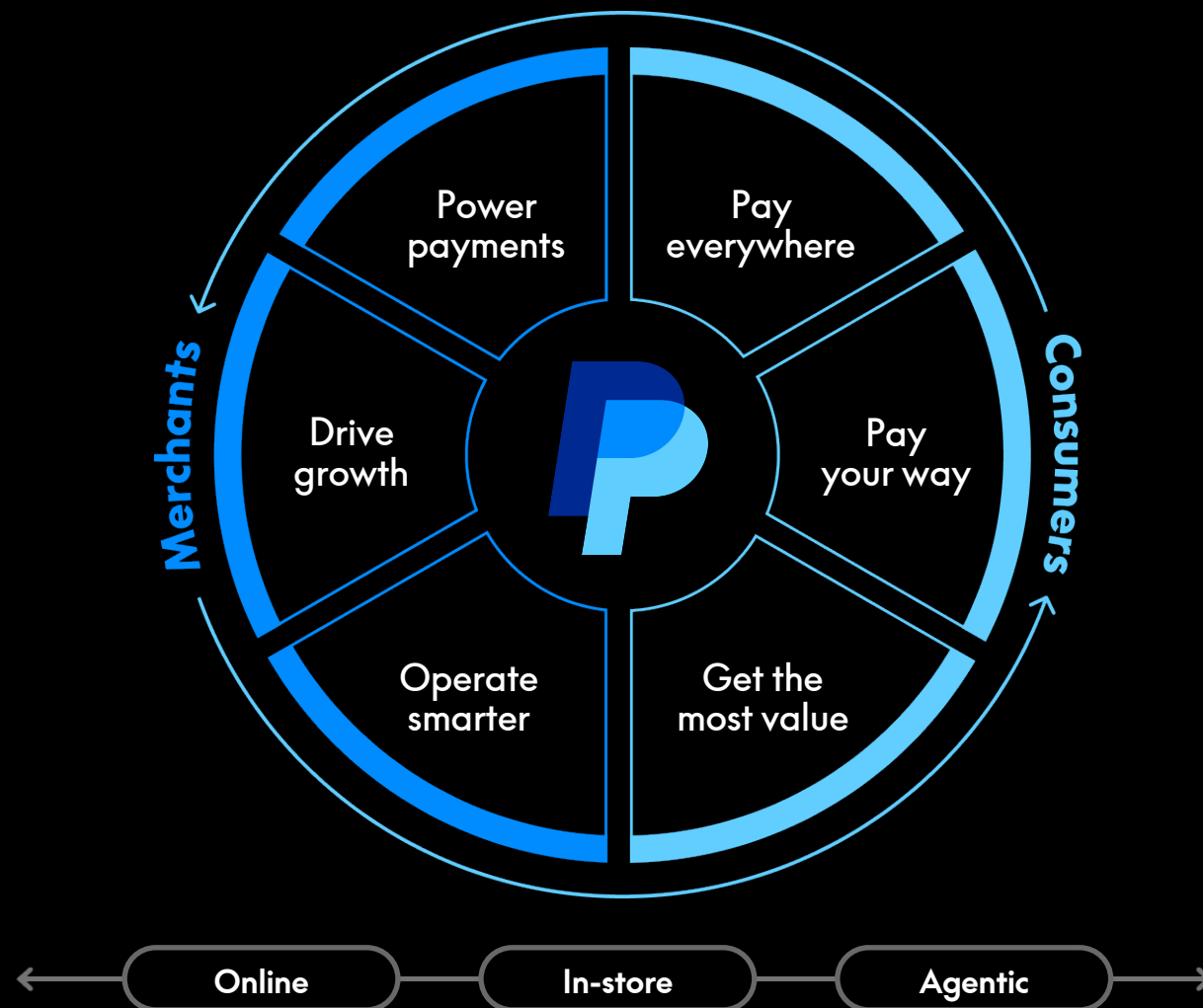
Transforming PayPal to shape the future of commerce

- Reinvigorating and diversifying business to drive profitable growth across Branded Experiences, PSP, and Venmo
- Investing to amplify impact of enhanced experiences, presentment, selection, and next-gen growth vectors
- Strong cash flow generation enabling growth investments and capital return through continued share repurchases and dividend



Q&A

PayPal is building the next-generation commerce platform



Supplemental information

TPV, revenue, & take rate detail

(in millions, except %)

	3Q'24	4Q'24	1Q'25	2Q'25	3Q'25	4Q'25
Total payment volume	\$422,641	\$437,836	\$417,208	\$443,547	\$458,088	\$475,135
Y/Y growth	9%	7%	3%	6%	8%	9%
FXN Y/Y growth	9%	7%	4%	5%	7%	6%
U.S. TPV	\$265,706	\$275,911	\$269,916	\$276,778	\$285,966	\$300,798
Y/Y growth	9%	7%	4%	4%	8%	9%
International TPV	\$156,934	\$161,925	\$147,293	\$166,768	\$172,122	\$174,337
Y/Y growth	8%	7%	2%	10%	10%	8%
FXN Y/Y growth	8%	7%	5%	6%	5%	2%
Cross-border TPV ¹	\$50,186	\$53,022	\$49,767	\$53,045	\$54,316	\$56,194
Y/Y growth	8%	8%	3%	8%	8%	6%
FXN Y/Y growth	7%	9%	6%	5%	4%	1%
P2P TPV ²	\$102,353	\$102,663	\$101,383	\$108,442	\$110,746	\$109,810
Y/Y growth	6%	7%	5%	8%	8%	7%
Venmo TPV	\$74,848	\$75,610	\$75,942	\$81,976	\$85,226	\$85,793
Y/Y growth	8%	10%	10%	12%	14%	13%
Total take rate	1.86%	1.91%	1.87%	1.87%	1.84%	1.83%
Transaction take rate	1.67%	1.73%	1.68%	1.68%	1.64%	1.65%
Total revenue	\$7,847	\$8,366	\$7,791	\$8,288	\$8,417	\$8,676
Y/Y growth	6%	4%	1%	5%	7%	4%
FXN Y/Y growth	6%	4%	2%	5%	6%	3%
Transaction revenue	\$7,067	\$7,588	\$7,016	\$7,441	\$7,522	\$7,819
Y/Y growth	6%	4%	—%	4%	6%	3%
OVAS revenue	\$780	\$778	\$775	\$847	\$895	\$857
Y/Y growth	2%	5%	17%	16%	15%	10%
US revenue Y/Y growth	6%	2%	—%	3%	5%	4%
International revenue FXN Y/Y growth	6%	7%	5%	7%	7%	1%
% international	42%	43%	43%	43%	44%	43%

- U.S. TPV +9%, driven by PSP, Venmo, and debit cards
- International TPV +2% FXN, driven by continued growth in Europe
- Cross-border TPV¹ +1% FXN, driven predominantly by intra-European corridors
- Transaction take rate -8bps, driven by product mix, the impact of foreign currency hedges, and investments in branded checkout and buy now pay later

All results & growth rates reference 4Q'25 results & year-over-year growth unless otherwise noted. Definitions on slides 28-29.

(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.

Cross-border TPV was updated for 2Q'25 to reflect a small reclassification of volumes; no impact to total TPV or revenue.

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

Account and activity metrics detail

(in millions, except % and TPA)	3Q'24	4Q'24	1Q'25	2Q'25	3Q'25	4Q'25
Active accounts ¹	432	434	436	438	438	439
Y/Y growth	1%	2%	2%	2%	1%	1%
Monthly active accounts (MAA) ²	222	228	224	226	227	231
Y/Y growth	2%	2%	2%	2%	2%	1%
Number of payment transactions	6,631	6,619	6,045	6,226	6,331	6,754
Y/Y growth	6%	(3)%	(7)%	(5)%	(5)%	2%
Number of payment transactions ex. PSP	3,770	4,052	3,805	3,946	4,035	4,284
Y/Y growth	6%	7%	6%	6%	7%	6%
Transactions per active account (TPA) ³	61.4	60.6	59.4	58.3	57.6	57.7
Y/Y growth	9%	3%	(1)%	(4)%	(6)%	(5)%
TPA ex. PSP ³	34.5	34.9	35.2	35.6	36.2	36.6
Y/Y growth	5%	4%	4%	4%	5%	5%

- Active accounts¹ +1% and MAA² +1%, largely driven by Venmo
- Number of payment transactions +2% and 12-month trailing TPA³ -5%, reflecting price-to-value actions that drove lower Enterprise Payments⁵ transactions
- Number of payment transactions ex. PSP +6% and TPA ex. PSP⁴ +5%, reflecting customer engagement with transaction growth in branded experiences (debit and branded checkout) and Venmo

All results & growth rates reference 4Q'25 results & year-over-year growth unless otherwise noted. Definitions on slides 28-29.

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

(2) MAAs 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 Enterprise Payments, formerly Braintree).

Transaction margin (TM) detail

(in millions, except %)

	3Q'24	4Q'24	1Q'25	2Q'25	3Q'25	4Q'25
Transaction expense (TE)	\$3,841	\$3,997	\$3,704	\$3,968	\$4,063	\$4,252
TE rate	0.91%	0.91%	0.89%	0.89%	0.89%	0.89%
Transaction loss (TL)	\$264	\$331	\$278	\$383	\$397	\$279
TL rate	0.06%	0.08%	0.07%	0.09%	0.09%	0.06%
Credit loss	\$88	\$103	\$93	\$93	\$86	\$111
Credit loss rate	0.02%	0.02%	0.02%	0.02%	0.02%	0.02%
Volume-based expenses	\$4,193	\$4,431	\$4,075	\$4,444	\$4,546	\$4,642
Y/Y growth	4%	2%	(4)%	4%	8%	5%
Transaction margin \$ ¹	\$3,654	\$3,935	\$3,716	\$3,844	\$3,871	\$4,034
Y/Y growth	8%	7%	7%	7%	6%	3%
Transaction margin ¹	46.6%	47.0%	47.7%	46.4%	46.0%	46.5%
Y/Y change (bps)	115	128	274	62	(58)	(54)
TM\$ ex. interest on customer balances ^{1,2}	\$3,315	\$3,603	\$3,418	\$3,526	\$3,550	\$3,741
Y/Y growth	6%	6%	7%	8%	7%	4%

- TE rate -2bps, driven by favorable product and merchant mix
- TL rate -2bps, driven by improved loss performance in PayPal and Venmo
- Credit loss rate in line with 4Q'24, supported by disciplined underwriting

Definitions on slides 28-29. All results & growth rates reference 4Q'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 25.

(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 %)

	3Q'24	4Q'24	1Q'25	2Q'25	3Q'25	4Q'25
Customer support and operations	\$427	\$451	\$398	\$413	\$447	\$446
Y/Y growth	(10%)	(3%)	(12%)	(5%)	5%	(1%)
Sales and marketing	\$468	\$586	\$448	\$542	\$482	\$666
Y/Y growth	17%	38%	18%	33%	3%	14%
Technology and development	\$742	\$772	\$731	\$767	\$800	\$803
Y/Y growth	2%	1%	(1%)	8%	8%	4%
General and administrative	\$512	\$587	\$496	\$454	\$506	\$495
Y/Y growth	3%	7%	9%	(19%)	(1%)	(16%)
Restructuring and other	\$28	\$37	\$27	\$24	\$68	\$74
Y/Y growth	65%	1133%	(27%)	(20%)	143%	100%
Non-transaction related expenses	\$2,177	\$2,433	\$2,100	\$2,200	\$2,303	\$2,484
Y/Y growth	3%	10%	2%	2%	6%	2%
Total operating expenses	\$6,370	\$6,864	\$6,175	\$6,644	\$6,849	\$7,126
Y/Y growth	3%	5%	(2)%	3%	8%	4%
Non-GAAP operating income	\$1,477	\$1,502	\$1,616	\$1,644	\$1,568	\$1,550
Y/Y growth	18%	2%	16%	13%	6%	3%
Non-GAAP operating margin %	18.8%	18.0%	20.7%	19.8%	18.6%	17.9%
Y/Y change (bps)	194	(34)	257	132	(19)	(9)
Non-GAAP EPS	\$1.20	\$1.19	\$1.33	\$1.40	\$1.34	\$1.23
Y/Y growth	22%	5%	23%	18%	12%	3%

- Non-transaction opex +2%, driven by higher marketing spend with disciplined expense management in customer support and operations and G&A

(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 24-27.

Free cash flow (FCF) and capital allocation detail

(in millions, except %)

Free cash flow

Y/Y growth

Adjusted free cash flow¹

Y/Y growth

3Q'24	4Q'24	1Q'25	2Q'25	3Q'25	4Q'25
\$1,445	\$2,191	\$964	\$692	\$1,718	\$2,190
31%	(11%)	(45%)	(49%)	19%	—%
\$1,540	\$2,098	\$1,381	\$656	\$2,279	\$2,095
(19%)	171%	(26%)	(42%)	48%	—%

- Generated 4Q'25 adjusted FCF of \$2.1B with FY'25 adjusted FCF of \$6.4B
- 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 4Q, cash, cash equivalents and investments totaled \$14.8B and debt totaled \$11.6B

All results & growth rates reference 4Q'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 24-27.

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

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

3Q'24	4Q'24	1Q'25	2Q'25	3Q'25	4Q'25
\$12	\$(29)	\$(104)	\$111	\$134	\$198
(12)	38	35	(70)	(49)	(82)
—	9	(69)	41	85	116
(10)	26	52	(50)	(69)	(101)
\$(10)	\$35	\$(17)	\$(9)	\$16	\$15
\$81	\$77	\$78	\$75	\$90	\$85
7	26	15	18	(4)	26
\$88	\$103	\$93	\$93	\$86	\$111

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 December 31, 2025, estimated next 12 months hedging losses are \$111M.

(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,				
		December 31, 2025	September 30, 2025	June 30, 2025	March 31, 2025	December 31, 2024	September 30, 2024	June 30, 2024	March 31, 2024	December 31, 2023	September 30, 2023	2025	2024	2023
GAAP operating expenses:														
Transaction expense		\$ 4,252	\$ 4,063	\$ 3,968	\$ 3,704	\$ 3,997	\$ 3,841	\$ 3,942	\$ 3,917	\$ 3,958	\$ 3,603	\$ 15,987	\$ 15,697	\$ 14,385
Transaction and credit losses		390	483	476	371	434	352	335	321	396	446	1,720	1,442	1,682
Customer support and operations		446	447	413	398	451	427	436	454	465	474	1,704	1,768	1,919
Sales and marketing		691	521	583	488	626	508	446	421	466	442	2,283	2,001	1,809
Technology and development		804	801	767	731	773	746	718	742	770	739	3,103	2,979	2,973
General and administrative		502	513	461	503	594	519	570	464	554	507	1,979	2,147	2,059
Restructuring and other		80	69	116	66	50	63	113	212	(311)	39	331	438	(84)
Total operating expenses		\$ 7,165	\$ 6,897	\$ 6,784	\$ 6,261	\$ 6,925	\$ 6,456	\$ 6,560	\$ 6,531	\$ 6,298	\$ 6,250	\$ 27,107	\$ 26,472	\$ 24,743
Non-GAAP operating expense adjustments:														
Sales and marketing	(a)	(25)	(39)	(41)	(40)	(40)	(40)	(40)	(42)	(41)	(42)	(145)	(162)	(166)
Technology and development	(a)	(1)	(1)	—	—	(1)	(4)	(5)	(7)	(6)	(9)	(2)	(17)	(33)
General and administrative	(a)	(7)	(7)	(7)	(7)	(7)	(7)	(7)	(7)	(7)	(7)	(28)	(28)	(28)
	(d)	—	—	—	—	—	—	—	—	—	(4)	—	—	(4)
Restructuring and other	(b)	(6)	(1)	(92)	(39)	(13)	(36)	(83)	(175)	(2)	(3)	(138)	(307)	(122)
	(c)	—	—	—	—	—	1	—	—	(2)	(19)	—	1	(58)
	(d)	—	—	—	—	—	—	—	—	(21)	—	—	—	(21)
	(e)	—	—	—	—	—	—	—	—	339	—	—	—	339
Total operating expenses		\$ (39)	\$ (48)	\$ (140)	\$ (86)	\$ (61)	\$ (86)	\$ (135)	\$ (231)	\$ 260	\$ (84)	\$ (313)	\$ (513)	\$ (93)
Non-GAAP operating expenses:														
Transaction expense		4,252	4,063	3,968	3,704	3,997	3,841	3,942	3,917	3,958	3,603	\$ 15,987	\$ 15,697	\$ 14,385
Transaction and credit losses		390	483	476	371	434	352	335	321	396	446	1,720	1,442	1,682
Customer support and operations		446	447	413	398	451	427	436	454	465	474	1,704	1,768	1,919
Sales and marketing		666	482	542	448	586	468	406	379	425	400	2,138	1,839	1,643
Technology and development		803	800	767	731	772	742	713	735	764	730	3,101	2,962	2,940
General and administrative		495	506	454	496	587	512	563	457	547	496	1,951	2,119	2,027
Restructuring and other		74	68	24	27	37	28	30	37	3	17	193	132	54
Total operating expenses		\$ 7,126	\$ 6,849	\$ 6,644	\$ 6,175	\$ 6,864	\$ 6,370	\$ 6,425	\$ 6,300	\$ 6,558	\$ 6,166	\$ 26,794	\$ 25,959	\$ 24,650

- (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,		
	December 31, 2025	September 30, 2025	June 30, 2025	March 31, 2025	December 31, 2024	September 30, 2024	June 30, 2024	March 31, 2024	December 31, 2023	September 30, 2023	2025	2024	2023
GAAP operating income	\$ 1,511	\$ 1,520	\$ 1,504	\$ 1,530	\$ 1,441	\$ 1,391	\$ 1,325	\$ 1,168	\$ 1,728	\$ 1,168	\$ 6,065	\$ 5,325	\$ 5,028
Amortization of acquired intangible assets	33	47	48	47	48	51	52	56	54	58	175	207	227
Restructuring	6	1	92	39	13	35	83	175	4	22	138	306	180
Other	—	—	—	—	—	—	—	—	(318)	4	—	—	(314)
Total non-GAAP operating income adjustments	39	48	140	86	61	86	135	231	(260)	84	313	513	93
Non-GAAP operating income	1,550	1,568	1,644	1,616	1,502	1,477	1,460	1,399	1,468	1,252	6,378	5,838	5,121
Transaction margin adjustments:													
Customer support and operations	446	447	413	398	451	427	436	454	465	474	1,704	1,768	1,919
Sales and marketing	666	482	542	448	586	468	406	379	425	400	2,138	1,839	1,643
Technology and development	803	800	767	731	772	742	713	735	764	730	3,101	2,962	2,940
General and administrative	495	506	454	496	587	512	563	457	547	496	1,951	2,119	2,027
Restructuring and other	74	68	24	27	37	28	30	37	3	17	193	132	54
Non transaction-related expense	2,484	2,303	2,200	2,100	2,433	2,177	2,148	2,062	2,204	2,117	9,087	8,820	8,583
Transaction margin dollars	4,034	3,871	3,844	3,716	3,935	3,654	3,608	3,461	3,672	3,369	15,465	14,658	13,704
Interest on customer balances	293	321	318	298	332	339	341	272	286	246	1,230	1,284	918
Transaction margin dollars ex-interest on customer balances	\$ 3,741	\$ 3,550	\$ 3,526	\$ 3,418	\$ 3,603	\$ 3,315	\$ 3,267	\$ 3,189	\$ 3,386	\$ 3,123	\$ 14,235	\$ 13,374	\$ 12,786
GAAP net revenues	\$ 8,676	\$ 8,417	\$ 8,288	\$ 7,791	\$ 8,366	\$ 7,847	\$ 7,885	\$ 7,699	\$ 8,026	\$ 7,418	\$ 33,172	\$ 31,797	\$ 29,771
GAAP operating margin	17.4 %	18.1 %	18.1 %	19.6 %	17.2 %	17.7 %	16.8 %	15.2 %	21.5 %	15.7 %	18.3 %	16.7 %	16.9 %
Non-GAAP operating margin	17.9 %	18.6 %	19.8 %	20.7 %	18.0 %	18.8 %	18.5 %	18.2 %	18.3 %	16.9 %	19.2 %	18.4 %	17.2 %
Transaction margin	46.5 %	46.0 %	46.4 %	47.7 %	47.0 %	46.6 %	45.8 %	45.0 %	45.8 %	45.4 %	46.6 %	46.1 %	46.0 %

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,		
	December 31, 2025	September 30, 2025	June 30, 2025	March 31, 2025	December 31, 2024	September 30, 2024	June 30, 2024	March 31, 2024	December 31, 2023	September 30, 2023	2025	2024	2023
GAAP income before income taxes	\$ 1,627	\$ 1,533	\$ 1,529	\$ 1,603	\$ 1,410	\$ 1,311	\$ 1,399	\$ 1,209	\$ 1,793	\$ 1,241	\$ 6,292	\$ 5,329	\$ 5,411
GAAP income tax expense	190	285	268	316	289	301	271	321	391	221	1,059	1,182	1,165
GAAP net income	1,437	1,248	1,261	1,287	1,121	1,010	1,128	888	1,402	1,020	5,233	4,147	4,246
Non-GAAP adjustments to net income:													
Non-GAAP operating income adjustments (see table above)	39	48	140	86	61	86	135	231	(260)	84	313	513	93
Net (gains) losses on strategic investments and crypto assets held for investment	(117)	(9)	(12)	(39)	59	171	6	49	4	(24)	(177)	285	(201)
Other certain significant gains, losses, or charges	(223)	—	—	—	—	—	—	31	21	—	(223)	31	39
Tax effect of non-GAAP adjustments	19	1	(19)	(5)	(32)	(39)	(26)	(44)	66	(3)	(4)	(141)	63
Non-GAAP net income	\$ 1,155	\$ 1,288	\$ 1,370	\$ 1,329	\$ 1,209	\$ 1,228	\$ 1,243	\$ 1,155	\$ 1,233	\$ 1,077	\$ 5,142	\$ 4,835	\$ 4,240
Shares used in diluted share calculation:													
GAAP	939	960	977	999	1,014	1,024	1,047	1,072	1,084	1,098	968	1,039	1,107
Non-GAAP	939	960	977	999	1,014	1,024	1,047	1,072	1,084	1,098	968	1,039	1,107
Net income per diluted share:													
GAAP	\$ 1.53	\$ 1.30	\$ 1.29	\$ 1.29	\$ 1.11	\$ 0.99	\$ 1.08	\$ 0.83	\$ 1.29	\$ 0.93	\$ 5.41	\$ 3.99	\$ 3.84
Non-GAAP	\$ 1.23	\$ 1.34	\$ 1.40	\$ 1.33	\$ 1.19	\$ 1.20	\$ 1.19	\$ 1.08	\$ 1.14	\$ 0.98	\$ 5.31	\$ 4.65	\$ 3.83
GAAP effective tax rate	12 %	19 %	18 %	20 %	20 %	23 %	19 %	27 %	22 %	18%	17 %	22 %	22 %
Tax effect of non-GAAP adjustments to net income	13%	(1%)	(1%)	(1%)	1%	(1%)	—%	(5%)	(2%)	(1%)	3%	(1%)	(2%)
Non-GAAP effective tax rate	25 %	18 %	17 %	19 %	21 %	22 %	19 %	22 %	20 %	17 %	20 %	21 %	20 %

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

(In Millions/Unaudited)	Three Months Ended										Year Ended December 31,		
	December 31, 2025	September 30, 2025	June 30, 2025	March 31, 2025	December 31, 2024	September 30, 2024	June 30, 2024	March 31, 2024	December 31, 2023	September 30, 2023	2025	2024	2023
Net cash provided by operating activities	\$ 2,384	\$ 1,974	\$ 898	\$ 1,160	\$ 2,394	\$ 1,614	\$ 1,525	\$ 1,917	\$ 2,614	\$ 1,259	\$ 6,416	\$ 7,450	\$ 4,843
Less: Purchases of property and equipment	(194)	(256)	(206)	(196)	(203)	(169)	(157)	(154)	(145)	(158)	(852)	(683)	(623)
Free cash flow	2,190	1,718	692	964	2,191	1,445	1,368	1,763	2,469	1,101	5,564	6,767	4,220
Net timing impact between originating credit receivables as HFS and the subsequent sale of receivables	(95)	561	(36)	417	(93)	95	(228)	93	(1,695)	810	847	(133)	334
Adjusted free cash flow	2,095	2,279	656	1,381	2,098	1,540	1,140	1,856	774	1,911	6,411	6,634	4,554

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 is 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" is 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 Enterprise Payments (formerly Braintree), Hyperwallet, Zettle, and certain other products that do not reflect engagement from a consumer perspective.

(2) Unbranded Card Processing primarily comprises Enterprise Payments (formerly 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 Enterprise & SMB, 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.