



PayPal 1Q'26 Performance

Financial results & company highlights

May 5, 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," "outlook," 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 2026; our capital return program, including share repurchases and dividend payments, if any; our plans with respect to PayPal's business structure and operating model, and the anticipated benefits; our plans to reduce our cost structure, including anticipated cost savings; 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 May 5, 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.

CEO Learnings and Actions

Learnings from the first two months

- **Building on a strong foundation and valuable assets**
 - Customer trust built over more than two decades with leading brands, risk capabilities, technology, and teams at global scale
- **Operate in growing and changing markets**
 - Clear opportunity to innovate and drive medium- and long-term growth
- **Two-sided network is a core strength**
 - Strengthen consumer value proposition to increase platform value for merchants
- **Modernize and upgrade the technology platform**
 - Aggressive adoption of AI to increase developer productivity, shorten time-to-market, enable more resilient, scalable systems
- **Opportunity to simplify operations**
 - Streamline decision-making and define accountability to strengthen execution
- **Potential to reduce cost structure and invest in growth**
 - Generate savings that can be used for reinvestment in growth and to improve financial profile over time

Taking action

- **Unlocking full growth opportunity with new operating model**
 - Strengthening ownership with clear accountability, enabling faster decision-making with improved execution
 - Realigning structure to distinct, attractive, and complementary market opportunities where PayPal has strong right to win
- **Optimizing cost structure through simplification and accelerated AI adoption**
 - At least \$1.5B gross run-rate savings anticipated over the next 2-3 years
 - AI transformation and simplification function to drive enterprise-wide growth and efficiency agenda
- **Reinvesting into technology modernization and most impactful growth initiatives**
 - Enabling greater speed and interoperability, with AI embedded in products and operations
 - Improving experience, presentation, selection in branded checkout
 - Deepening consumer relationships to grow ARPA and LTV
 - Accelerating Venmo with expanded consumer financial services

Three Market Opportunities

High value market opportunities where PayPal has a differentiated right to win

01	\$390B revenue TAM¹ Growing mid-single digits With <5% penetration	Market dynamics and growth <ul style="list-style-type: none">↳ Growing use of digital wallets prioritizing convenience, security, rewards/loyalty↳ Strong demand for flexible payment options, including buy now, pay later (BNPL)↳ Attractive and growing verticals outside of retail	PayPal's Right to Win <ul style="list-style-type: none">✓ Scaled, global, agnostic, two-sided network driving flywheel of greater consumer preference and merchant value✓ Market-leading branded checkout merchant acceptance⁴✓ Strengthening experience, presentment, and selection drives industry-leading conversion rates✓ Strong consumer trust built over decades and proven at scale
02	\$210B revenue TAM² Growing low-double digits With <5% penetration	Market dynamics and growth <ul style="list-style-type: none">↳ Growing use of digital banking solutions to handle everyday financial activities↳ Demand for more complete, integrated capabilities that enable consumers to send, spend, save, invest, and borrow seamlessly	PayPal's Right to Win <ul style="list-style-type: none">✓ Top, trusted fintech brand with digital-first consumer experience✓ Large, growing, and engaged user base: #1 (PayPal) and #2 (Venmo) most popular payment apps in the US⁵ and platform agnostic✓ Momentum in driving BNPL, debit and credit card attach, and still underpenetrated across user base
03	\$260B revenue TAM³ Growing low-double digits With <1% penetration	Market dynamics and growth <ul style="list-style-type: none">↳ Continued shift to digital and growing complexity of global payments↳ Demand for integrated solutions that improve performance and deepen customer relationships through infrastructure and value-added services	PayPal's Right to Win <ul style="list-style-type: none">✓ Holistic relationships with merchants, including value-added services✓ Scale drives compounding advantage in performance, data, and reliability, with a cost structure positioned for reinvestment✓ Low-cost, always-on crypto experiences with the largest federally regulated stablecoin

(1) Internal estimates. 2025 global online and in-store transaction revenue opportunity.

(2) Company Websites. 2025 remote only bank and neobank revenue opportunity in the US, UK, Germany, France, Italy, and Spain.

(3) Internal Estimates. C2B acquiring, B2B acquiring, C2B cross border, value-added services.

(4) Presence across top 100 ecommerce merchants and marketplaces in 2025.

(5) 2024 eMarketer survey on mobile payment use among US adults.

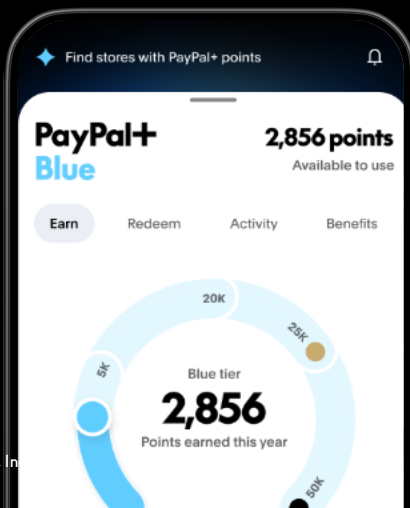
New Operating Model

Realigning to accelerate execution of growth priorities, streamline decision-making, and drive innovation

Checkout Solutions & PayPal

Market Opportunities:
Checkout, CFS

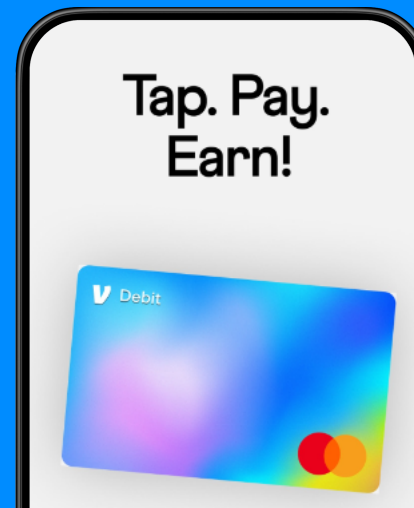
Brings together consumer and merchant ecosystems under one unified strategy, spanning PayPal checkout, PayPal wallet, PayPal World, and ads to fully leverage our two-sided network and accelerate innovation across both sides of the platform.



Consumer Financial Services & Venmo

Market Opportunity:
CFS

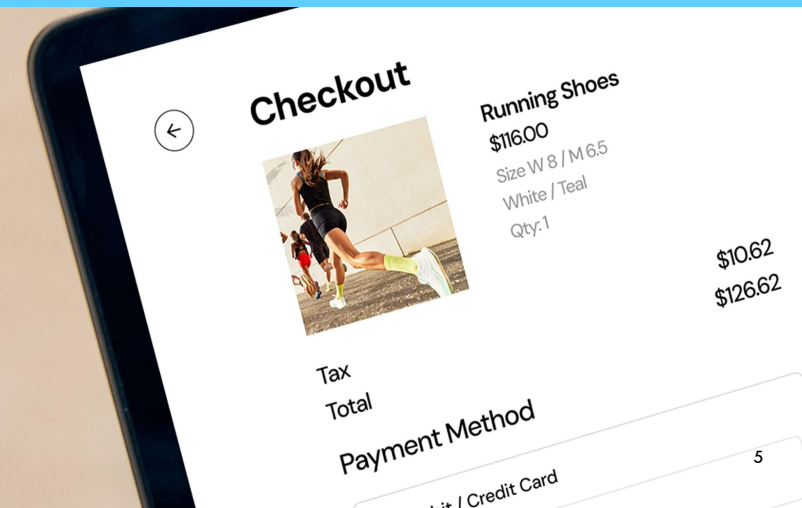
Builds on the strong momentum Venmo has established and aims to expand into a broader consumer financial services platform, enabling consumers to send, spend, save, invest, and borrow seamlessly.



Payment Services & Crypto

Market Opportunity:
Payment Processing & VAS

Unifies payment processing and platform capabilities – including Braintree, SMB processing, crypto (including PYUSD), and value-added services – into a single, scalable offering for merchants.



1Q'26 highlights

- ✓ **Delivered +3% TM\$ growth excluding interest on customer balances^{1,2}**
 - Diversified drivers including credit, Venmo monetization, and PSP profitability more than offset targeted growth investments
- ✓ **Branded checkout TPV improved to +2% growth FXN**
 - Continuing to invest in experience, presentment, selection and strengthening the consumer value proposition
- ✓ **Continued strength in Venmo and PSP**
 - Enterprise Payments and Venmo TPV accelerated to mid-teens growth
- ✓ **Robust FCF generation and capital return**
 - Generated \$1.7B in adjusted free cash flow
 - Returned \$1.5B in share repurchases and ~\$130M in dividends
- ✓ **Reiterating full year 2026 guidance**

All growth rates reference 1Q'26 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 20-24.

(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.



1Q'26 snapshot

(in millions, except % and per share data)

	Results	Y/Y growth
Total payment volume (TPV)	\$463,955	11%; 8% FXN
Revenue	\$8,353	7%; 5% FXN
Transaction margin \$ (TM\$) ¹	\$3,810	3%
TM\$ ex. interest on customer balances ^{1,2}	\$3,536	3%
Non-GAAP EPS ¹	\$1.34	1%
Adjusted free cash flow ^{1,3}	\$1,720	25%

All growth rates reference 1Q'26 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 20-24.

(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 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'26

Active accounts ²	439
Y/Y growth	1%
Monthly active accounts (MAA) ³	225
Y/Y growth	1%
Number of payment transactions	6,475
Y/Y growth	7%
Number of payment transactions ex. PSP (unbranded card processing)	4,081
Y/Y growth	7%
Transactions per active account (TPA) ⁴	58.7
Y/Y growth	(1%)
TPA ex. PSP ⁴	37.2
Y/Y growth	6%

- Active accounts² +1% and MAA³ +1%, largely driven by Venmo
- 12-month trailing TPA⁴ -1%, reflecting price-to-value actions that drove lower Enterprise Payments⁵ transactions in prior quarters
- Number of payment transactions ex. PSP +7% and TPA ex. PSP⁴ +6%, reflecting customer engagement with transaction growth in branded experiences (debit and branded checkout) and Venmo

All growth rates reference 1Q'26 year-over-year growth unless otherwise noted.

(1) Detailed definitions on slides 25-26.

(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

		1Q'25	4Q'25	1Q'26
Branded experiences (online & offline) ¹	FXN GROWTH	7%; 8% ex Leap Day	4%	5%
	% OF TOTAL	31%	33%	31%
Venmo ²	FXN GROWTH	10%	13%	14%
	% OF TOTAL	18%	18%	19%
Branded checkout (online) ³	FXN GROWTH	4%; 6% ex Leap Day	1%	2%
	% OF TOTAL	29%	31%	29%
P2P & other consumer ⁴	FXN GROWTH	8%	10%	10%
	% OF TOTAL	27%	26%	26%
Payment service provider (PSP) ⁵	FXN GROWTH	2%	8%	11%
	% OF TOTAL	44%	43%	45%
Total TPV	FXN GROWTH	4%	6%	8%

- Branded experiences growth supported by strong omni adoption
- Venmo momentum continues, sixth consecutive quarter of double-digit growth
- Branded checkout accelerated 1pt vs. 4Q, reflecting improvement in the US
- P2P & other growth continues to grow double digits, reflecting Venmo and debit card momentum
- PSP acceleration continued with Enterprise Payments⁶ growing mid-teens

*Percent of total may not sum to 100% due to rounding. Additional financial detail provided in Supplemental Information and Definitions on slides 25-26.

(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).

1Q'26 key financial results

<i>(in millions, except % and per share data)</i>	1Q'26
Total revenue	\$8,353
Y/Y growth	7%
FXN Y/Y growth	5%
Transaction margin \$ (TM\$) ¹	\$3,810
Y/Y growth	3%
Y/Y growth ex. int. on cust. balances ^{1,2}	3%
Non-transaction related expenses ¹	\$2,269
Y/Y growth	8%
Non-GAAP operating income ¹	\$1,541
Y/Y growth	(5%)
Non-GAAP operating margin % ¹	18.4%
Y/Y change	(229bps)
Non-GAAP EPS ¹	\$1.34
Y/Y growth	1%

- Transaction revenue +7%, driven by growth across the portfolio including PSP, branded checkout, 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 +3% driven by credit, Venmo, and PSP 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 and ~\$130M in dividends, \$6.0B in shares returned on a trailing 12-month basis, reducing weighted average shares by 8%

All growth rates reference 1Q'26 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 20-24.

(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.

Reiterating FY'26 guidance

	2Q'26
Transaction margin \$	Low-single digit decline, or approximately (-3%)
TM\$ ex. interest on customer balances ¹	Low-single digit decline
Non-GAAP effective tax rate	19% - 21%
Non-GAAP EPS ² growth	High-single digit decline or approximately (-9%) 2Q'25: \$1.40
GAAP EPS growth	Mid-single digit decline 2Q'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 2Q'26 reflect adjustments of ~\$35M.

(3) Estimated non-GAAP amounts for FY'26 reflect adjustments of ~\$225M.

(4) FY'25 GAAP EPS included a ~\$0.14 positive impact from PayPal's strategic investment portfolio and crypto assets held for investment.

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 20-24.

Q&A



PayPal



Official Fan-to-Fan Payments Partner of the NFL

Our multi-year partnership with the NFL puts PayPal at the center of how fans send, receive, split, and pool money instantly with each other. Read more in our press release [here](#).

Supplemental information

TPV, revenue, & take rate detail

(in millions, except %)

	4Q'24	1Q'25	2Q'25	3Q'25	4Q'25	1Q'26
Total payment volume	\$437,836	\$417,208	\$443,547	\$458,088	\$475,135	\$463,955
Y/Y growth	7%	3%	6%	8%	9%	11%
FXN Y/Y growth	7%	4%	5%	7%	6%	8%
U.S. TPV	\$275,911	\$269,916	\$276,778	\$285,966	\$300,798	\$300,131
Y/Y growth	7%	4%	4%	8%	9%	11%
International TPV	\$161,925	\$147,293	\$166,768	\$172,122	\$174,337	\$163,824
Y/Y growth	7%	2%	10%	10%	8%	11%
FXN Y/Y growth	7%	5%	6%	5%	2%	2%
P2P TPV ⁽¹⁾	\$102,663	\$101,383	\$108,442	\$110,746	\$109,810	\$108,643
Y/Y growth	7%	5%	8%	8%	7%	7%
Venmo TPV	\$75,610	\$75,942	\$81,976	\$85,226	\$85,793	\$86,206
Y/Y growth	10%	10%	12%	14%	13%	14%
Total take rate	1.91%	1.87%	1.87%	1.84%	1.83%	1.80%
Transaction take rate	1.73%	1.68%	1.68%	1.64%	1.65%	1.62%
Total revenue	\$8,366	\$7,791	\$8,288	\$8,417	\$8,676	\$8,353
Y/Y growth	4%	1%	5%	7%	4%	7%
FXN Y/Y growth	4%	2%	5%	6%	3%	5%
Transaction revenue	\$7,588	\$7,016	\$7,441	\$7,522	\$7,819	\$7,501
Y/Y growth	4%	—%	4%	6%	3%	7%
OVAS revenue	\$778	\$775	\$847	\$895	\$857	\$852
Y/Y growth	5%	17%	16%	15%	10%	10%
US revenue Y/Y growth	2%	—%	3%	5%	4%	9%
International revenue FXN Y/Y growth	7%	5%	7%	7%	1%	—%
% international	43%	43%	43%	44%	43%	42%

- US TPV +11%, driven by PSP, Venmo, and branded experiences
- International TPV +2% FXN, driven by continued growth in Europe
- Transaction take rate -6bps, driven by the impact of foreign currency hedges, product mix, and investments in branded checkout and buy now, pay later

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

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

Account and activity metrics detail

(in millions, except % and TPA)

	4Q'24	1Q'25	2Q'25	3Q'25	4Q'25	1Q'26
Active accounts ¹	434	436	438	438	439	439
Y/Y growth	2%	2%	2%	1%	1%	1%
Monthly active accounts (MAA) ²	228	224	226	227	231	225
Y/Y growth	2%	2%	2%	2%	1%	1%
Number of payment transactions	6,619	6,045	6,226	6,331	6,754	6,475
Y/Y growth	(3%)	(7%)	(5%)	(5%)	2%	7%
Number of payment transactions ex. PSP	4,052	3,805	3,946	4,035	4,284	4,081
Y/Y growth	7%	6%	6%	7%	6%	7%
Transactions per active account (TPA) ³	60.6	59.4	58.3	57.6	57.7	58.7
Y/Y growth	3%	(1%)	(4%)	(6%)	(5%)	(1%)
TPA ex. PSP ³	34.9	35.2	35.6	36.2	36.6	37.2
Y/Y growth	4%	4%	4%	5%	5%	6%

- Active accounts¹ +1% and MAA² +1%, largely driven by Venmo
- Number of payment transactions +7% driven by growth across the portfolio
- 12-month trailing TPA³ -1%, reflecting price-to-value actions that drove lower Enterprise Payments⁴ transactions in prior quarters
- Number of payment transactions ex. PSP +7% and TPA ex. PSP³ +6%, reflecting customer engagement with transaction growth in branded experiences (debit and branded checkout) and Venmo

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

(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.

(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).

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

Transaction margin (TM) detail

(in millions, except %)	4Q'24	1Q'25	2Q'25	3Q'25	4Q'25	1Q'26
Transaction expense (TE)	\$3,997	\$3,704	\$3,968	\$4,063	\$4,252	\$4,165
TE rate	0.91%	0.89%	0.89%	0.89%	0.89%	0.90%
Transaction loss (TL)	\$331	\$278	\$383	\$397	\$279	\$276
TL rate	0.08%	0.07%	0.09%	0.09%	0.06%	0.06%
Credit loss	\$103	\$93	\$93	\$86	\$111	\$102
Credit loss rate	0.02%	0.02%	0.02%	0.02%	0.02%	0.02%
Volume-based expenses	\$4,431	\$4,075	\$4,444	\$4,546	\$4,642	\$4,543
Y/Y growth	2%	(4%)	4%	8%	5%	11%
Transaction margin \$ ¹	\$3,935	\$3,716	\$3,844	\$3,871	\$4,034	\$3,810
Y/Y growth	7%	7%	7%	6%	3%	3%
Transaction margin ¹	47.0%	47.7%	46.4%	46.0%	46.5%	45.6%
Y/Y change (bps)	128	274	62	(58)	(54)	(208)
TM\$ ex. interest on customer balances ^{1,2}	\$3,603	\$3,418	\$3,526	\$3,550	\$3,741	\$3,536
Y/Y growth	6%	7%	8%	7%	4%	3%

- TE rate +1bps, driven by product mix
- TL rate -1bps, driven by improved loss performance across multiple products
- Credit loss rate in line with 1Q'25, supported by disciplined underwriting

Definitions on slides 25-26. All results & growth rates reference 1Q'26 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'24	1Q'25	2Q'25	3Q'25	4Q'25	1Q'26
Customer support and operations	\$451	\$398	\$413	\$447	\$446	\$446
Y/Y growth	(3%)	(12%)	(5%)	5%	(1%)	12%
Sales and marketing	\$586	\$448	\$542	\$482	\$666	\$495
Y/Y growth	38%	18%	33%	3%	14%	10%
Technology and development	\$772	\$731	\$767	\$800	\$803	\$792
Y/Y growth	1%	(1%)	8%	8%	4%	8%
General and administrative	\$587	\$496	\$454	\$506	\$495	\$473
Y/Y growth	7%	9%	(19%)	(1%)	(16%)	(5%)
Restructuring and other	\$37	\$27	\$24	\$68	\$74	\$63
Y/Y growth	1133%	(27%)	(20%)	143%	100%	133%
Non-transaction related expenses	\$2,433	\$2,100	\$2,200	\$2,303	\$2,484	\$2,269
Y/Y growth	10%	2%	2%	6%	2%	8%
Total operating expenses	\$6,864	\$6,175	\$6,644	\$6,849	\$7,126	\$6,812
Y/Y growth	5%	(2%)	3%	8%	4%	10%
Non-GAAP operating income	\$1,502	\$1,616	\$1,644	\$1,568	\$1,550	\$1,541
Y/Y growth	2%	16%	13%	6%	3%	(5%)
Non-GAAP operating margin %	18.0%	20.7%	19.8%	18.6%	17.9%	18.4%
Y/Y change (bps)	(34)	257	132	(19)	(9)	(229)
Non-GAAP EPS	\$1.19	\$1.33	\$1.40	\$1.34	\$1.23	\$1.34
Y/Y growth	5%	23%	18%	12%	3%	1%

- Non-transaction opex +8%, driven by a combination of technology, marketing, and product investments

(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 20-24.

Free cash flow (FCF) and capital allocation detail

(in millions, except %)

	4Q'24	1Q'25	2Q'25	3Q'25	4Q'25	1Q'26
Free cash flow	\$2,191	\$964	\$692	\$1,718	\$2,190	\$903
Y/Y growth	(11%)	(45%)	(49%)	19%	—%	(6%)
Adjusted free cash flow ¹	\$2,098	\$1,381	\$656	\$2,279	\$2,095	\$1,720
Y/Y growth	171%	(26%)	(42%)	48%	—%	25%

- Generated 1Q'26 adjusted FCF of \$1.7B
- Returned \$1.5B in capital to stockholders through share repurchases and ~\$130M in dividends
 - On a trailing 12-month basis, share repurchases of \$6.0B reduced weighted average shares by 8%
- Cash, cash equivalents, and investments totaled \$13.5B and debt totaled \$11.6B as of March 31, 2026

All results & growth rates reference 1Q'26 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 20-24.

(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

	4Q'24	1Q'25	2Q'25	3Q'25	4Q'25	1Q'26
	\$ (29)	\$ (104)	\$ 111	\$ 134	\$ 198	\$ 257
	38	35	(70)	(49)	(82)	(86)
	9	(69)	41	85	116	171
	26	52	(50)	(69)	(101)	(139)
	\$ 35	\$ (17)	\$ (9)	\$ 16	\$ 15	\$ 32
Credit net charge-offs, reserve builds (releases) and credit losses						
Net charge-offs ⁽²⁾	\$ 77	\$ 78	\$ 75	\$ 90	\$ 85	\$ 74
Reserve build (release) ⁽³⁾	26	15	18	(4)	26	28
Credit Losses	\$ 103	\$ 93	\$ 93	\$ 86	\$ 111	\$ 102

(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, 2026, estimated next 12 months hedging gains are \$82M.

(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, 2026	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	2025	2024	2023
GAAP operating expenses:														
Transaction expense		\$ 4,165	\$ 4,252	\$ 4,063	\$ 3,968	\$ 3,704	\$ 3,997	\$ 3,841	\$ 3,942	\$ 3,917	\$ 3,958	\$ 15,987	\$ 15,697	\$ 14,385
Transaction and credit losses		378	390	483	476	371	434	352	335	321	396	1,720	1,442	1,682
Customer support and operations		446	446	447	413	398	451	427	436	454	465	1,704	1,768	1,919
Sales and marketing		518	691	521	583	488	626	508	446	421	466	2,283	2,001	1,809
Technology and development		793	804	801	767	731	773	746	718	742	770	3,103	2,979	2,973
General and administrative		491	502	513	461	503	594	519	570	464	554	1,979	2,147	2,059
Restructuring and other		74	80	69	116	66	50	63	113	212	(311)	331	438	(84)
Total operating expenses		\$ 6,865	\$ 7,165	\$ 6,897	\$ 6,784	\$ 6,261	\$ 6,925	\$ 6,456	\$ 6,560	\$ 6,531	\$ 6,298	\$ 27,107	\$ 26,472	\$ 24,743
Non-GAAP operating expense adjustments:														
Sales and marketing	(a)	(23)	(25)	(39)	(41)	(40)	(40)	(40)	(40)	(42)	(41)	(145)	(162)	(166)
Technology and development	(a)	(1)	(1)	(1)	—	—	(1)	(4)	(5)	(7)	(6)	(2)	(17)	(33)
General and administrative	(a)	(8)	(7)	(7)	(7)	(7)	(7)	(7)	(7)	(7)	(7)	(28)	(28)	(28)
	(d)	(10)	—	—	—	—	—	—	—	—	—	—	—	—
	(e)	—	—	—	—	—	—	—	—	—	—	—	—	(4)
Restructuring and other	(b)	(11)	(6)	(1)	(92)	(39)	(13)	(36)	(83)	(175)	(2)	(138)	(307)	(122)
	(c)	—	—	—	—	—	—	1	—	—	(2)	—	1	(58)
	(d)	—	—	—	—	—	—	—	—	—	(21)	—	—	(21)
	(f)	—	—	—	—	—	—	—	—	—	339	—	—	339
Total operating expenses		\$ (53)	\$ (39)	\$ (48)	\$ (140)	\$ (86)	\$ (61)	\$ (86)	\$ (135)	\$ (231)	\$ 260	\$ (313)	\$ (513)	\$ (93)
Non-GAAP operating expenses:														
Transaction expense		4,165	4,252	4,063	3,968	3,704	3,997	3,841	3,942	3,917	3,958	\$ 15,987	\$ 15,697	\$ 14,385
Transaction and credit losses		378	390	483	476	371	434	352	335	321	396	1,720	1,442	1,682
Customer support and operations		446	446	447	413	398	451	427	436	454	465	1,704	1,768	1,919
Sales and marketing		495	666	482	542	448	586	468	406	379	425	2,138	1,839	1,643
Technology and development		792	803	800	767	731	772	742	713	735	764	3,101	2,962	2,940
General and administrative		473	495	506	454	496	587	512	563	457	547	1,951	2,119	2,027
Restructuring and other		63	74	68	24	27	37	28	30	37	3	193	132	54
Total operating expenses		\$ 6,812	\$ 7,126	\$ 6,849	\$ 6,644	\$ 6,175	\$ 6,864	\$ 6,370	\$ 6,425	\$ 6,300	\$ 6,558	\$ 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) CEO exit costs associated with Alex Chriss' separation agreement, including severance payments and acceleration of restricted stock awards.

(e) Fees related to credit externalization.

(f) 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, 2026	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	2025	2024	2023
GAAP operating income	\$ 1,488	\$ 1,511	\$ 1,520	\$ 1,504	\$ 1,530	\$ 1,441	\$ 1,391	\$ 1,325	\$ 1,168	\$ 1,728	\$ 6,065	\$ 5,325	\$ 5,028
Amortization of acquired intangible assets	32	33	47	48	47	48	51	52	56	54	175	207	227
Restructuring	11	6	1	92	39	13	35	83	175	4	138	306	180
Other	10	—	—	—	—	—	—	—	—	(318)	—	—	(314)
Total non-GAAP operating income adjustments	53	39	48	140	86	61	86	135	231	(260)	313	513	93
Non-GAAP operating income	1,541	1,550	1,568	1,644	1,616	1,502	1,477	1,460	1,399	1,468	6,378	5,838	5,121
Transaction margin adjustments:													
Customer support and operations	446	446	447	413	398	451	427	436	454	465	1,704	1,768	1,919
Sales and marketing	495	666	482	542	448	586	468	406	379	425	2,138	1,839	1,643
Technology and development	792	803	800	767	731	772	742	713	735	764	3,101	2,962	2,940
General and administrative	473	495	506	454	496	587	512	563	457	547	1,951	2,119	2,027
Restructuring and other	63	74	68	24	27	37	28	30	37	3	193	132	54
Non transaction-related expense	2,269	2,484	2,303	2,200	2,100	2,433	2,177	2,148	2,062	2,204	9,087	8,820	8,583
Transaction margin dollars	3,810	4,034	3,871	3,844	3,716	3,935	3,654	3,608	3,461	3,672	15,465	14,658	13,704
Interest on customer balances	274	293	321	318	298	332	339	341	272	286	1,230	1,284	918
Transaction margin dollars ex-interest on customer balances	\$ 3,536	\$ 3,741	\$ 3,550	\$ 3,526	\$ 3,418	\$ 3,603	\$ 3,315	\$ 3,267	\$ 3,189	\$ 3,386	\$ 14,235	\$ 13,374	\$ 12,786
GAAP net revenues	\$ 8,353	\$ 8,676	\$ 8,417	\$ 8,288	\$ 7,791	\$ 8,366	\$ 7,847	\$ 7,885	\$ 7,699	\$ 8,026	\$ 33,172	\$ 31,797	\$ 29,771
GAAP operating margin	17.8 %	17.4 %	18.1 %	18.1 %	19.6 %	17.2 %	17.7 %	16.8 %	15.2 %	21.5 %	18.3 %	16.7 %	16.9 %
Non-GAAP operating margin	18.4 %	17.9 %	18.6 %	19.8 %	20.7 %	18.0 %	18.8 %	18.5 %	18.2 %	18.3 %	19.2 %	18.4 %	17.2 %
Transaction margin	45.6 %	46.5 %	46.0 %	46.4 %	47.7 %	47.0 %	46.6 %	45.8 %	45.0 %	45.8 %	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,		
	March 31, 2026	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	2025	2024	2023
GAAP income before income taxes	\$ 1,393	\$ 1,627	\$ 1,533	\$ 1,529	\$ 1,603	\$ 1,410	\$ 1,311	\$ 1,399	\$ 1,209	\$ 1,793	\$ 6,292	\$ 5,329	\$ 5,411
GAAP income tax expense	280	190	285	268	316	289	301	271	321	391	1,059	1,182	1,165
GAAP net income	1,113	1,437	1,248	1,261	1,287	1,121	1,010	1,128	888	1,402	5,233	4,147	4,246
Non-GAAP adjustments to net income:													
Non-GAAP operating income adjustments (see table above)	53	39	48	140	86	61	86	135	231	(260)	313	513	93
Net (gains) losses on strategic investments and crypto assets held for investment	74	(117)	(9)	(12)	(39)	59	171	6	49	4	(177)	285	(201)
Other certain significant gains, losses, or charges	—	(223)	—	—	—	—	—	—	31	21	(223)	31	39
Tax effect of non-GAAP adjustments	(6)	19	1	(19)	(5)	(32)	(39)	(26)	(44)	66	(4)	(141)	63
Non-GAAP net income	\$ 1,234	\$ 1,155	\$ 1,288	\$ 1,370	\$ 1,329	\$ 1,209	\$ 1,228	\$ 1,243	\$ 1,155	\$ 1,233	\$ 5,142	\$ 4,835	\$ 4,240
Shares used in diluted share calculation:													
GAAP	920	939	960	977	999	1,014	1,024	1,047	1,072	1,084	968	1,039	1,107
Non-GAAP	920	939	960	977	999	1,014	1,024	1,047	1,072	1,084	968	1,039	1,107
Net income per diluted share:													
GAAP	\$ 1.21	\$ 1.53	\$ 1.30	\$ 1.29	\$ 1.29	\$ 1.11	\$ 0.99	\$ 1.08	\$ 0.83	\$ 1.29	\$ 5.41	\$ 3.99	\$ 3.84
Non-GAAP	\$ 1.34	\$ 1.23	\$ 1.34	\$ 1.40	\$ 1.33	\$ 1.19	\$ 1.20	\$ 1.19	\$ 1.08	\$ 1.14	\$ 5.31	\$ 4.65	\$ 3.83
GAAP effective tax rate	20 %	12 %	19 %	18 %	20 %	20 %	23 %	19 %	27 %	22%	17 %	22 %	22 %
Tax effect of non-GAAP adjustments to net income	(1%)	13%	(1%)	(1%)	(1%)	1%	(1%)	—%	(5%)	(2%)	3%	(1%)	(2%)
Non-GAAP effective tax rate	19 %	25 %	18 %	17 %	19 %	21 %	22 %	19 %	22 %	20 %	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,		
	March 31, 2026	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	2025	2024	2023
Net cash provided by operating activities	\$ 1,134	\$ 2,384	\$ 1,974	\$ 898	\$ 1,160	\$ 2,394	\$ 1,614	\$ 1,525	\$ 1,917	\$ 2,614	\$ 6,416	\$ 7,450	\$ 4,843
Less: Purchases of property and equipment	(231)	(194)	(256)	(206)	(196)	(203)	(169)	(157)	(154)	(145)	(852)	(683)	(623)
Free cash flow	903	2,190	1,718	692	964	2,191	1,445	1,368	1,763	2,469	5,564	6,767	4,220
Net timing impact between originating credit receivables as HFS and the subsequent sale of receivables	817	(95)	561	(36)	417	(93)	95	(228)	93	(1,695)	847	(133)	334
Adjusted free cash flow	\$ 1,720	\$ 2,095	\$ 2,279	\$ 656	\$ 1,381	\$ 2,098	\$ 1,540	\$ 1,140	\$ 1,856	\$ 774	\$ 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.

Upcoming calendar

Second Quarter 2026 Earnings

July 28, 2026

Third Quarter 2026 Earnings

October 27, 2026