

Sustained marketplace growth, with monetization per GMV dollar still compressing

1 | KEY RESULTS VS. CONSENSUS

| Metric                      | Reported         | Consensus       | vs. Cons. |
|-----------------------------|------------------|-----------------|-----------|
| Revenue                     | \$3.206 billion  | \$3.12 billion  | +2.8%     |
| Operating Income (adjusted) | \$843 million    | \$760 million   | +10.9%    |
| Diluted EPS (adjusted)      | \$1.51           | \$1.42          | +6.3%     |
| GMV BY GEOGRAPHY            |                  |                 |           |
| US GMV                      | \$12.545 billion | \$11.63 billion | +7.9%     |
| International GMV           | \$10.621 billion | \$10.71 billion | -0.8%     |

2 | GUIDANCE AND OUTLOOK

Q4 revenue is guided at \$3.19 billion to \$3.24 billion, against consensus of \$3.2 billion; adjusted EPS at \$1.48 to \$1.53, against consensus of \$1.48; and GMV at \$23.7 billion to \$24.1 billion. Depop contributes about 4 points of Q4 GMV growth, leaving organic GMV growth of 8% to 10% and organic revenue growth of 5% to 7%. Full-year revenue guidance rose to \$12.62 billion to \$12.67 billion, against consensus of \$12.55 billion, with adjusted EPS at \$6.25 to \$6.30, against consensus of \$6.15.

3 | EARNINGS ANALYSIS

**THE BEAT WAS ORGANIC, NOT ACQUIRED.** Revenue of \$3.206 billion beat consensus by \$86 million, GMV of \$23.166 billion by \$846 million, and adjusted EPS of \$1.51 beat the \$1.42 estimate by 6.3%. Organic FX-neutral GMV grew 13%, against guidance of 7% to 9%, and organic revenue grew 11%. Depop contributed nearly 3 points against roughly 2.5 assumed; adjusted operating income grew 10.9%, against guidance of 1% to 5%.

**GROWTH IS CONCENTRATED IN THE US AND IN ENTHUSIAST BUYERS.** US GMV grew 27.1% as reported and 22% organically, supplying roughly 87% of the dollar increase; international GMV grew 3.8% and missed consensus. Active buyers rose 9.7% to 147 million, but growth excluding Depop and Tise was slightly above 1%. Sixteen million enthusiast buyers generate more than 70% of core GMV and spend \$3,700 a year: intensity, not audience growth, drove the quarter.

**MONETIZATION PER GMV DOLLAR KEEPS FALLING.** The take rate fell approximately 20 basis points and adjusted operating margin declined to 26.3% from 27.0%, even as adjusted gross margin rose to 73.1%. Depop's lower take rate, shipping investments recorded as contra-revenue, the UK managed-shipping move to net recognition, and lower-yielding vehicles and Live volume compress yield. Management's objective is GMV and operating income dollars, at a lower percentage take rate.

**EARNINGS QUALITY: THE GAAP GAP IS TAX; THE ADJUSTMENTS ARE REAL COSTS.** GAAP net income fell to \$501 million from \$593 million as the tax line swung \$129 million, from a \$25 million benefit to a \$104 million expense. Adjusted net income rose 8.2% to \$685 million, and a 3% share-count decline lifted adjusted EPS growth to about 12%. The GAAP-to-adjusted gap of \$227 million includes \$177 million of stock compensation. A roughly 9% workforce cut carries \$130 million to \$150 million of Q4 restructuring charges, with no savings target disclosed.

**CASH CONVERSION HELD; THE BALANCE SHEET FUNDED THE GROWTH.** Free cash flow of \$749 million was 23.4% of revenue and 109% of adjusted net income, but fell 6.7% as operating cash flow eased \$25 million and capital spending rose \$29 million. Buybacks of \$689 million and dividends of \$138 million exceeded free cash flow. Cash and fixed-income investments fell to \$3.3 billion from \$4.9 billion after the \$1.4 billion Depop acquisition, against gross debt of about \$6.7 billion.

4 | KEY READ-THROUGHS

**GAMESTOP HAS DIRECT BALANCE-SHEET EXPOSURE, NOT MERELY A COLLECTIBLES SYMPATHY TRADE**  
*GameStop (GME) | Positive for the value of its eBay investment, conditional | Potentially substantial at the asset-value level*

GameStop disclosed about 43.4 million eBay shares valued at about \$4.9 billion at August 1; every \$1 move in eBay's price moves the gross value by about \$43.4 million, \$10 by about \$434 million. Fair-value changes are not retail operating income. GameStop's collectibles sales grew 57% to \$356.3 million, and the May \$125 proposal was nonbinding, half cash and half stock.

**LUXURY RESALE DEMAND REMAINS SUPPORTIVE AHEAD OF THEREALREAL'S RESULTS**  
*The RealReal (REAL) | Positive for demand confidence | Moderate operating relevance; a modest incremental earnings signal*

eBay's luxury business grew GMV at a healthy double-digit rate, and combined eBay and Depop US fashion GMV reached about \$9 billion over the trailing 12 months, growing in the mid-20% range pro forma. The RealReal reports October 29 with Q3 guidance of \$610 million to \$620 million of GMV and \$13.5 million to \$14.5 million of adjusted EBITDA: category demand support, not a company-specific beat.

**DEPOP'S SUBSIDIZED GROWTH RAISES THE COMPETITIVE COST BURDEN FOR THREDUP**  
*ThredUp (TDUP) | Negative for competitive economics | Potentially meaningful relative to its small earnings base*

Depop's US GMV, active users and sold items more than doubled, aided by shipping subsidies recorded partly as contra-revenue, while AI listing tools lifted listings per attempter by about 30% in Australia. Against ThredUp's Q2 adjusted EBITDA of \$4.8 million on \$90.8 million of revenue, small competitive spending responses carry outsized earnings weight. ThredUp reports November 4.

**EXPANDED AUTHENTICATION CREATES A DIRECT SERVICE OPPORTUNITY FOR COLLECTORS**  
*Collectors, including PSA and PCGS (private) | Positive | Potentially meaningful for the affected service lines*

Lower trading-card authentication thresholds increased eligible US sold items by more than 20%, opening PSA grading add-ons and vault services; coin authentication with PCGS launched in August, its seller rollout completed in September. Collectibles were eBay's largest growth contributor. Eligibility growth is not service revenue growth, and Goldin belongs to eBay: its auction activity is not Collectors revenue.