

The quarter strengthened the strategic platform thesis more than the near-term earnings-upgrade thesis.

1 KEY RESULTS VS. CONSENSUS			
Metric	Reported	Consensus	vs. Cons.
Revenue	\$1.424 billion	\$1.44 billion	-1.1%
Adjusted EBITDA	\$808 million	\$771.5 million	+4.7%
Operating Income (vs. Year Ago)	\$685 million	\$635 million	+7.9%
Net Income (vs. Year Ago)	\$476 million	\$556 million	-14.4%
Diluted EPS	\$0.51	\$0.56	-8.9%
SEGMENT REVENUE			
Transaction-Based Revenue	\$867 million	\$874.3 million	-0.8%
Crypto Revenue	\$120 million	\$114.1 million	+5.2%
Options Revenue	\$399 million	\$394.3 million	+1.2%
Net Interest Revenue	\$415 million	\$429.2 million	-3.3%

2 | GUIDANCE AND OUTLOOK

Robinhood lowered full-year adjusted operating expenses plus stock-based compensation to \$2.675 billion to \$2.750 billion, from \$2.675 billion to \$2.775 billion. No 2026 outlook was provided for total GAAP operating expenses. October net deposits topped \$13 billion month to date, including \$6 billion from the Dell family's Trump Accounts contribution, and management guided Q4 volumes to within about 5% of the third quarter's record levels. Management expects to update its plan in January or February.

3 | EARNINGS ANALYSIS

REVENUE MIX BEAT EBITDA WHILE REPORTED EPS MISSED. Revenue missed consensus by 1.1% while adjusted EBITDA beat by 4.7%, so the beat came through the earnings bridge, not revenue outperformance. The revenue mix was strong: event contracts contributed about \$147 million of year-over-year growth, options \$95 million, equities \$35 million and other revenue \$54 million, against crypto down \$148 million and net interest revenue down \$41 million. Consolidated revenue rose \$150 million.

MONETIZATION, NOT VOLUME, IS THE CONSTRAINT. Volumes were records, but yields compressed: equity revenue per dollar of notional fell to 1.22 basis points from 1.35 in the second quarter, options revenue per contract fell to \$0.441 from \$0.498 a year earlier, and crypto revenue excluding Chain fell 6% sequentially as crypto volume rose 23%. Adjusted EBITDA margin compressed about 150 basis points year over year to 56.7%.

ENGAGEMENT AND BALANCES RESET THE GROWTH BASE. Net deposits of \$15.7 billion brought platform assets to \$395.9 billion, but deposits missed the \$17.41 billion consensus and monthly active users fell to 13.0 million from 14.1 million sequentially. Average revenue per user held at \$200, and Gold subscribers reached 5.18 million, up about 34% year over year.

GUIDANCE CUTS COSTS BUT LEAVES A STEEP FOURTH-QUARTER RAMP. Full-year adjusted operating expense plus share-based compensation was cut about 0.5% at the midpoint, to \$2.675 billion to \$2.750 billion, leaving an implied fourth quarter of \$763 million to \$838 million, about 21% above the third quarter at the midpoint. The reaffirmed \$100 million Trump Accounts investment sits inside the guidance.

FRANCHISE EXPANSION HAS NOT YET BECOME PER-SHARE COMPOUNDING. Reported net income fell to \$476 million from \$556 million, and diluted EPS fell 9% year over year despite record revenue. The adjusted EPS bridge adds back \$67 million of investment losses; at 911 million diluted shares, the earnings base remains sensitive to tax rate, investment marks and share count. The footprint has not demonstrated accelerating, durable, risk-adjusted earnings per share.

4 | KEY READ-THROUGHS

CBOE BENEFITS FROM RETAIL MIGRATION INTO PROPRIETARY INDEX PRODUCTS, NOT MERELY MORE OPTIONS TRADING
Cboe Global Markets (CBOE) | Positive | Meaningful for the relevant proprietary-index franchise; moderate at the consolidated company level
Prediction markets and index options were the clearest volume read from the quarter. Index contracts rose to 48.1 million, up 94% year over year and 39% sequentially, led by SPX, XSP, VIX, and Russell 2000 products. Earnings contracts arrive, with issuer fees waived through year-end 2026; Cboe reports October 30.

COASTAL IS A DIRECT BENEFICIARY OF ROBINHOOD'S BANKING AND CARD EXPANSION, BUT NOT OF EVERY REPORTED DEPOSIT DOLLAR
Coastal Financial Corporation (CCB) | Positive | Potentially meaningful for the CCBX segment
Banking is a direct Coastal read-through: Coastal provides Robinhood banking services and issues the Gold Card. Banking balances reached \$4.6 billion and funded banking customers totaled 345,000 in the quarter, with about 40% using direct deposit. Not every deposit dollar stays at Coastal, partly offsetting the read; Coastal reports October 29.

CRYPTO VOLUME GROWTH IS OVERSTATING THE RECOVERY IN HIGH-FEE RETAIL ACTIVITY
Coinbase Global (COIN) | Negative for transaction-revenue expectations | Moderate for the consumer trading business
The negative read is composition, not activity. Trading and staking strength came through lower-yielding institutional, derivatives, staking, and Base channels rather than the high-fee retail app flow Coinbase monetizes most directly, and stablecoin revenue exposure also rose. Headline volume strength therefore overstates the reported high-fee retail recovery; Coinbase reports October 29.

ROBINHOOD'S VENUE MIGRATION REDUCES FORECASTEX'S EXTERNAL DISTRIBUTION OPPORTUNITY
Interactive Brokers Group (IBKR) | Negative | Potentially substantial for the affected external-distribution channel; limited and unquantified for consolidated earnings
Event-contract disintermediation is the direct negative read. Interactive Brokers owns ForecastEx, while Robinhood is moving event-contract flow to Rothera as primary venue and Crypto.com and OG.com as secondary venues, with most flow moving by late 2026 or early 2027. ForecastEx's share of the 16.4 billion event contracts is undisclosed, limiting the consolidated impact.