

PayPal™ and Developers Push Mobile into Mainstream

VeriFone® Teams up with PayPal for Mobile Payments

SAN FRANCISCO--INNOVATE 2010 -- At its second annual developer conference today, PayPal announced new mobile technologies and business relationships that will change the way people will shop and pay.

PayPal is a leader in mobile payments. The company offers mobile apps for iPhone®, Android® and BlackBerry®, as well as tools to help developers and merchants build mobile-commerce solutions. PayPal expects more than \$700 million in mobile payments to go through its system by the end of 2010.

“Mobile commerce is the most significant change in retailing in the last century, and shopping will never be the same,” said Osama Bedier, PayPal’s vice president of platform, mobile and new ventures. “PayPal is aggressively driving this change by redefining checkout on mobile devices for millions of consumers and businesses across the world.”

Mobile Express Checkout

PayPal announced the availability of Mobile Express Checkout, a secure two-click checkout experience on a mobile device. Consumers will have the ability to opt-in and remain logged in across apps to make purchasing even faster. The solution is easy to deploy for any merchants who already have Express Checkout on their online stores. Beta merchants have reported double-digit sales growth on their mobile stores after adding Mobile Express Checkout.

Starbucks will use Mobile Express Checkout for quick and easy reload of Starbucks Cards directly from its Starbucks Card Mobile app for iPhone and iPod touch®.

Beta merchants have reported double-digit sales growth on their mobile stores after adding Mobile Express Checkout. PayPal also announced that guest payments, the ability to accept credit card payments in addition to PayPal, will be integrated into Mobile Express Checkout in the first quarter of next year.

Mobile Payments Library

PayPal is adding key functionality to the Mobile Payments Library by supporting preapproved, chain and split payments. Developers can now use preapproved payments for subscription-based business models and use split and chained payments to take a cut of transactions between buyers and sellers. As with Mobile Express Checkout, consumers can opt-in and remain logged in across apps to make purchasing even faster.

PayPal Mobile for iPhone® 3.0

A new location-based feature allows PayPal iPhone app users to find businesses accepting PayPal wherever they happen to be. Merchants can attract nearby customers to their stores by sending deals and promotions to customers’ phones, and customers can pay for goods or services at local outlets with PayPal or a BlingTag® from Bling Nation. This new local service is initially available in beta in the San Francisco Bay Area. Interested merchants or service providers can sign up at www.paypal-labs.com/local.

VeriFone®

VeriFone is joining the PayPal developer ecosystem and will be the first device manufacturer to collaborate with PayPal to offer merchants the ability to take credit card and PayPal payments anywhere using its PAYWare mobile merchant app. The new service will also let customers “bump to pay” using functionality from Bump Technologies built into the PayPal app and the PAYWare app. This will allow the millions of PayPal merchants who have both an online and offline presence to accept payments wherever they happen to be.

Appcelerator®

PayPal has teamed up with Appcelerator, the leading platform for mobile, desktop and iPad™ applications, to make it easy for PayPal’s 8 million merchants to create mobile commerce apps. Appcelerator allows merchants to build apps on all three major mobile platforms (iOS, Android™ and BlackBerry®) from one Web code base. PayPal and Appcelerator expect to launch the joint mobile commerce offering in 2011.

About PayPal Mobile

PayPal, a division of eBay Inc. (Nasdaq:EBAY), has been delivering mobile payments since 2005 and has a mobile app for iPhone, Android and BlackBerry smartphones, as well as SMS and WAP-based payments solutions. PayPal offers merchants an easy way for shoppers to checkout on mobile websites via Mobile Express Checkout and mobile developers can use PayPal for in-app payments using PayPal's Mobile Payments Library. In 2009, \$141 million in payments were transacted over PayPal's mobile applications and PayPal expects to close out 2010 with more than \$700 million in mobile payment volume from 5 million PayPal members worldwide.

eBay Inc. launched its first application for the iPhone in July 2008 and has since become a leader in mobile commerce. Its core iPhone application, which is available free via iTunes® in eight languages and 190 countries, has been downloaded more than 12 million times and allows users to fully browse and buy without leaving the application. The eBay app for the iPad debuted in the top ten most downloaded free iPad apps in the iTunes Store and delivers a dramatically different, visually compelling shopping experience to browse and purchase the vast selection of products available on eBay. eBay's suite of mobile apps, including Selling, Classifieds, StubHub and Deals, make selling and buying possible virtually anywhere, anytime. In 2009, eBay's mobile gross merchandise volume (GMV) – the value of all goods sold – was more than \$600 million. eBay expects to generate \$1.5 billion in GMV through mobile commerce in 2010. For more information on eBay mobile, visit www.ebay.com/mobile.

This announcement contains forward-looking statements relating to the future performance of eBay's businesses that are based on its current expectations, forecasts and assumptions. These statements include, but are not limited to, statements regarding future growth in mobile commerce. Those statements involve risks and uncertainties, and actual results may differ materially from those discussed. Factors that could cause or contribute to such differences include, but are not limited to, consumer acceptance and use of eBay's mobile applications.

More information about potential factors which could affect our business and results is included in eBay's Annual Report on Form 10-K for the year ended December 31, 2009, its Quarterly Reports on Form 10-Q, its Current Reports on Form 8-K, and other periodic filings. All forward-looking statements are based on information available to eBay on the date hereof, and eBay assumes no obligation to update such statements.

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