

eBay Inc

eBay operates an online auction platform for consumer-to-consumer (C2C) transactions, as well as an online business-to-consumer (B2C) marketplace for e-commerce activities for a wide variety of goods and services worldwide. The company also offers online event ticket trading. Net revenues fell 5% y/y to USD2.4bn (a 2% beat), down 2% y/y in c.c. In addition, GMVs were down 11% y/y (-5% y/y in c.c.) to USD17.7bn, while active buyers dropped 11% y/y (-2% q/q) to 135m (in line), including 2m buyers for its Turkish operations (ceased in July). GMV in the international business dropped 15% y/y (-6% q/q) to USD9.0bn, mainly due to currency headwinds (-6ppt). Furthermore, GMV in the US fell 7% y/y (-3% q/q) to USD8.7bn. The adj. gross margin remained stable y/y at 73.4%. Moreover, adj. operating income dropped 13% y/y to USD690m, resulting in a margin contraction of 2.8ppt y/y to 28.9%, due to higher sales and marketing expense ratio (up 3.1ppt y/y), which remained main areas of investment. Adj. EPS increased 11% y/y to USD 1.00 (above the guided range of USD 0.89-USD 0.95; an 8% beat). Operating cash flow rose 11% y/y to USD735m. FCF grew 26% y/y to USD633m, driven mainly by the favourable timing of working capital items. Management issued its Q4 2022 guidance, including GMV of USD17.5bn-USD18.1bn (down 6%-9% y/y in c.c.) and revenue of USD2.42bn-USD2.50bn (down 1%-4% y/y in c.c.; cons. of USD2.49bn). Furthermore, it expects an adj. operating margin of 29.7%-30.3% and adj. EPS of USD 1.03-USD 1.09 (-2% y/y to +4% y/y). Also, eBay states that Q4 momentum in October is softer, due to a broad-based pullback in the US economy and lower consumer sentiment.

Corporate Ratings	Periodicity	Fiscal Quarterly	Currency	Default	Parent/Consolidated	C	Data	Adjusted (if Available)													
S&P	BBB+																				
Outlook	Stable																				
Moody's	Baa1																				
Outlook	Stable																				
Fitch	WD																				
Outlook	-																				
CDS Data																					
5 YR CDS	N/A Currency																				
% 3 Months	N/A Currency																				
% 6 Months	N/A Currency																				
% 1 Year	N/A Currency																				
52 Week Low	N/A Currency																				
52 Week High	N/A Currency																				
Profitability																					
EBIT	2,699																				
Operating Margin	27.27																				
Pretax Margin	21.61																				
Return on Assets	7.57																				
Return on Common Equity	23.18																				
Return on Capital	-																				
Asset turnover	0.41																				
Structure																					
Current Ratio	1.33																				
Quick Ratio	0.90																				
Total Debt to Total Assets	43.47																				
Total Debt to Com Equity	171.07																				
Acct Receivable Turnover	111.84																				
Inventory Turnover	--																				
Gross Margin	72.79																				
EBIT / Total Inter	--																				
Growth Potential																					
Sales 1yr Growth	17.16																				
Asset 1yr Growth	37.89																				
Capital 1yr Growth	63.13																				
Income Statement Summary	03/23 E	12/22 E	LTM	09/22 Q	06/22 Q	03/22 Q	12/21 Q	09/21 Q	06/21 Q	03/21 Q	12/20 Q										
Revenue	2,351.2	2,458.3	9,898.0	2,380.0	2,422.0	2,483.0	2,613.0	2,501.0	2,668.0	2,638.0	2,478.0										
Operating Income	722.2	735.5	2,699.0	567.0	553.0	687.0	892.0	53.0	734.0	882.0	422.0										
Pretax Income	656.9	671.9	2,139.0	512.0	495.0	516.0	616.0	900.0	784.0	765.0	855.0										
Income bef XO Items	452.3	437.4	-2,838.0	-70.0	-536.0	-1,339.0	-893.0	283.0	294.0	568.0	772.0										
Net Income	563.4	569.7	1,830.8	422.4	438.9	434.2	535.3	786.6	643.9	600.4	715.3										
Basic EPS Before XO Items	--	--	3.18	0.77	0.79	0.74	0.88	1.22	0.96	0.88	1.04										
Basic EPS	1.06	1.06	4.09	1.00	0.99	1.05	1.05	0.90	0.99	1.09	0.86										
Diluted EPS Before XO Items	--	--	3.18	0.77	0.79	0.74	0.88	1.20	0.94	0.87	1.03										
Diluted EPS	0.23	0.22	-0.11	-0.13	-0.95	-2.28	3.25	0.40	15.68	0.92	1.21										
Dividends per Share	0.23	0.22	0.8	0.22	0.22	0.22	0.18	0.18	0.18	0.18	0.18										
EBITDA	844.4	845.2	3,354.0	794.0	807.0	805.0	948.0	911.0	1,003.0	1,130.0	935.0										
Return on Common Equity	43.0	31.5	0.4	0.4	4.0	214.8	204.0	180.1	161.9	98.4	176.2										
Balance Sheet Summary	03/23 E	12/22 E	LTM	09/22 Q	06/22 Q	03/22 Q	12/21 Q	09/21 Q	06/21 Q	03/21 Q	12/20 Q										
Total Current Assets	5,289.0	5,289.0	5,067.0	7,349.0	9,111.0	17,756.0	20,061.0	6,691.0	7,190.0	13,808.0	13,808.0										
Total Long-Term Assets	13,808.0	13,808.0	14,586.0	15,631.0	17,515.0	11,501.0	11,762.0	12,040.0	12,120.0	19,097.0	19,097.0										
Total Assets	19,097.0	19,097.0	19,653.0	22,980.0	26,626.0	29,257.0	31,823.0	18,731.0	19,310.0	3,974.0	3,974.0										
Total Current Liabilities	3,974.0	3,974.0	3,972.0	4,982.0	4,622.0	5,296.0	5,063.0	5,130.0	4,002.0	10,270.0	10,270.0										
Total Long-Term Liabilities	10,270.0	10,270.0	10,438.0	10,944.0	12,226.0	13,016.0	13,744.0	9,831.0	11,747.0	14,244.0	14,244.0										
Total Liabilities	14,244.0	14,244.0	14,410.0	15,926.0	16,848.0	18,312.0	18,807.0	14,961.0	15,749.0	4,853.0	4,853.0										
Total Shareholders' Equity	4,853.0	4,853.0	5,243.0	7,054.0	9,778.0	10,945.0	13,016.0	3,770.0	3,561.0	544.0	544.0										
Shares Outstanding	544.0	544.0	549.0	571.0	594.0	633.0	661.0	681.0	684.0	8.9	9.1										
Book Value per Share	8.9	9.1	8.9	8.9	9.6	12.4	16.5	17.3	19.7	1.5	1.5										
Tangible Book Value / Sh	1.5	1.5	1.5	1.5	2.1	5.1	9.4	10.7	13.3	25.4	25.4										
Shareholder Equity/Total Liab	25.4	25.4	26.7	30.7	36.7	37.4	40.9	20.1	18.4	Cash Flow Summary	03/23 E	12/22 E	LTM	09/22 Q	06/22 Q	03/22 Q	12/21 Q	09/21 Q	06/21 Q	03/21 Q	12/20 Q
Net Income	452.3	437.4	28.0	-69.0	-531.0	-1,341.0	1,969.0	264.0	10,734.0	641.0	845.0										
Depreciation and Amortization	115.0	110.5	453.0	102.0	112.0	117.0	122.0	119.0	125.0	127.0	124.0										
Change in Working Capital	-11,145.0	220.0	-1,272.0	-2,122.0	-7,971.0	-2,538.0	13,437.0	-1,627.0	289.0	1,863.0	729.0										
Cash - Operating Activities	1,863.0	729.0	228.0	613.0	293.0	255.0	1,067.0	1,042.0	758.0	-95.8	-113.6										
Capital Expenditures	-95.8	-113.6	-399.0	-102.0	-111.0	-83.0	-103.0	-159.0	-99.0	-83.0	-144.0										
Cash - Investing Activities	6,540.0	-9.0	1,992.0	1,772.0	2,785.0	1,523.0	-910.0	265.0	214.0	-7,918.0	-386.0										
Cash - Financing Activities	-7,918.0	-386.0	-2,269.0	-1,970.0	-3,293.0	-2,463.0	428.0	-1,180.0	-497.0	485.0	334.0										
Net Changes in Cash	485.0	334.0	-49.0	415.0	-215.0	-685.0	585.0	127.0	475.0	523.8	715.3										
Free Cash Flow	523.8	715.3	1,464.0	627.0	117.0	530.0	190.0	96.0	968.0	959.0	614.0										

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