



**Q4 '04**  
**\$104.03**

November 10, 2004

## eBay Inc. [ EBAY ]

Data suggests Q4 '04 listings tracking up 17.1% Q/Q

52-Week Range (NASDAQ)  
**\$50.63 - 105.29**

Market Cap (M)  
**\$68,840**

Shares Outstanding (M)  
**662.91**

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*Note: Our contact information, and disclosures can be found at the end of this report.*

### Majestic Research

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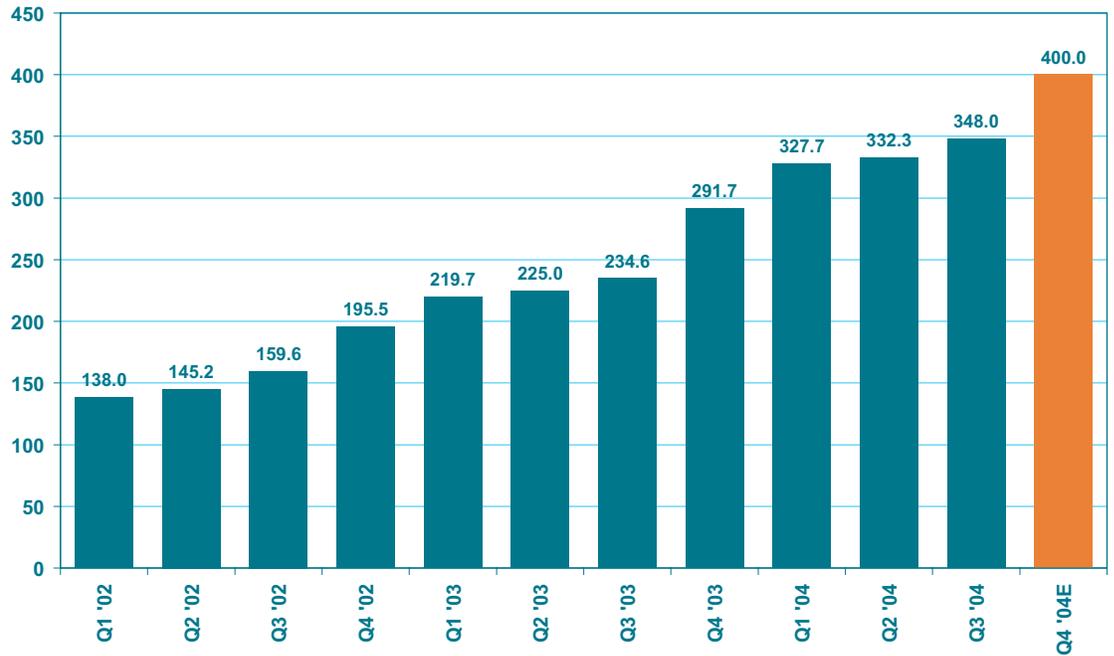
## Overview

- **Based on our eBay listings data through November 9, we see QTD listings tracking toward 171.5mm and our seasonally adjusted model suggests that total new listings could reach 400.0mm for Q4.** This places Q4 listings on pace for 17.1% Q/Q growth and 37.1% Y/Y growth. The Q/Q growth rate of listings in Q4 '03 was 24.3%. **Our seasonal model forecast includes an expected ramp throughout Q4 based upon last year's seasonal trend as well as a promotions schedule similar to last year's.**
- Last year eBay ran promotions across multiple markets in both November and December. Although eBay announced that its promotions schedule would be similar to last year's, more limited promotions this holiday season could materially impact our seasonal estimate. We note that during the previous week, eBay ran day-long promotions in the UK, Italy, and Austria.
- **Importantly, we see strong listings growth in Q4 in eBay's two largest markets: the United States and Germany, which together represent 68.9% of average daily listings.** Both markets' listings growth is currently tracking toward positive listings growth Q/Q in Q4, with Germany at 13.0% (slightly up from last week's 12.6%) and the US at 8.7% (up from last week's 6.6%). Motors (US) is currently tracking toward 5.2% Q/Q listings growth.
- **The United Kingdom is tracking toward approximately 22.4% Q/Q growth, slightly above last quarter's 20% growth.** In Q3, per capita listings for the UK surpassed the US level and listings growth in the UK continues to outpace that of the US in Q4.
- **France and Italy listings are both tracking to Q/Q growth above 30%.** Q4 listings growth in both France and Italy strongly outpaces their Q3 Q/Q growth, which was likely hindered by vacation-oriented seasonality.
- Please contact us if any additional details or category data are desired.

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- Based on our eBay listings data through November 9, our seasonal model projects that Q4 '04 total listings are tracking toward 400.0mm, which represents 17.1% Q/Q growth.
- In Q4 '03, eBay listings grew approximately 24% Q/Q.

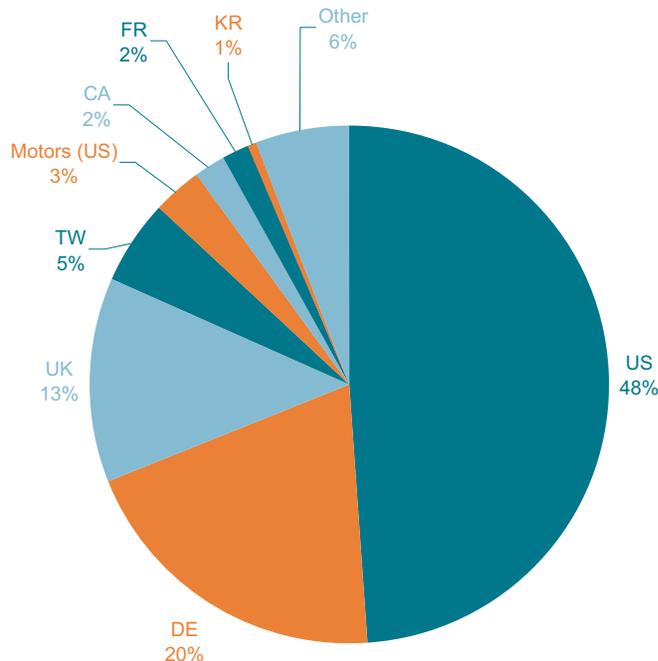
**eBay's Reported Quarterly Listings (in millions)**



Source: Majestic Research and eBay

**Average Daily "New Today" Listings Q3 2004**

- Currently, we track the following countries: Australia, Austria, Canada, China, France, Germany, Italy, South Korea, Taiwan, the United Kingdom, and the United States.
- While Korea has a relatively low share of listings, its ASPs are higher than average, which results in its playing a larger role in eBay revenues.
- We estimate that international listings comprise approximately 48-50% of eBay's total listings.

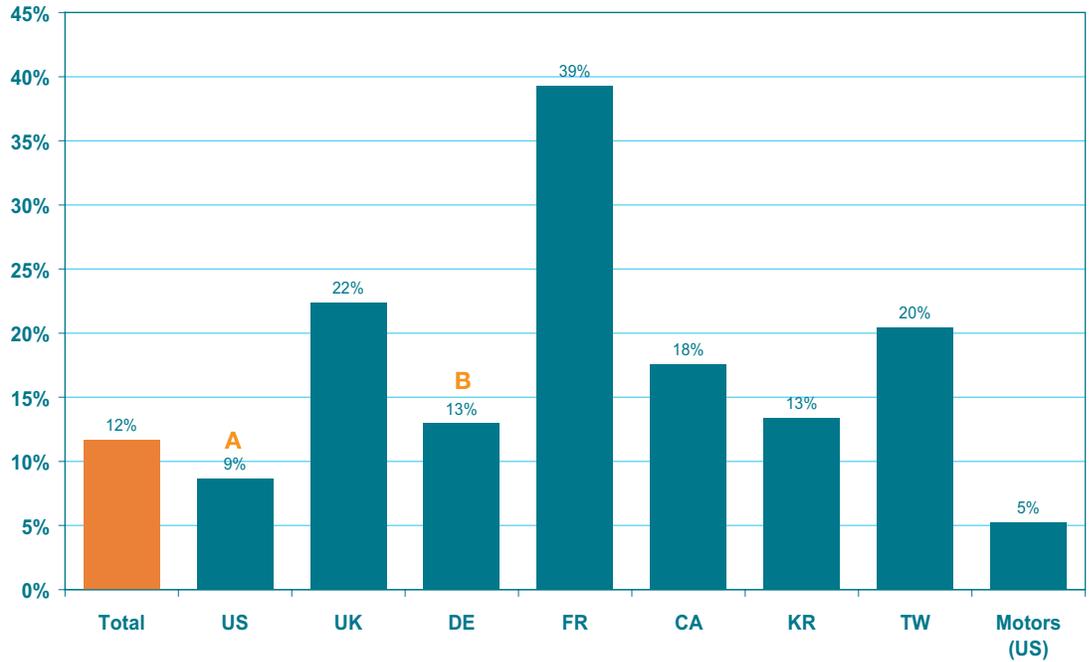


Source: Majestic Research

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**Q/Q Growth in eBay's "New Today" Listings Q4 2004**

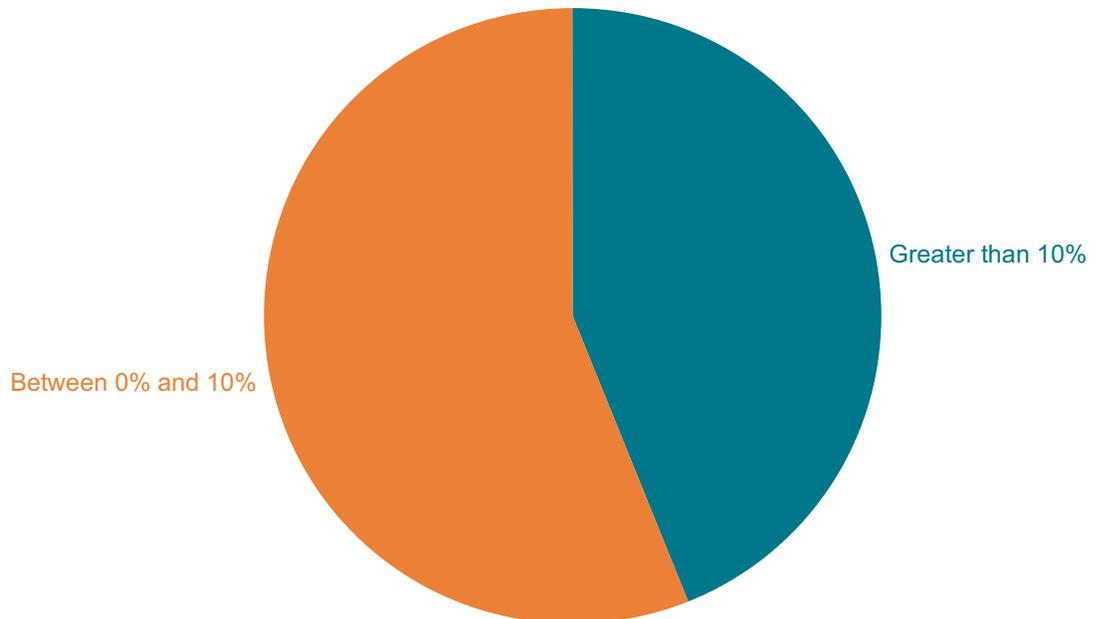
- Importantly, we see strong listings growth in Q4 in eBay's two largest markets: the United States (A) and Germany (B), which together represent 68.9% of average daily listings. Both markets' listings growth accelerated from last week and is currently tracking toward positive listings growth Q/Q in Q4, with Germany at 13.0% and the US at 8.7%. Motors (US) is currently tracking toward 5.2% Q/Q listings growth.
- Please note that the Q/Q growth rates do not include the seasonal trend typically experienced in Q4.



Source: Majestic Research

**Share of Average Daily Listings by Q/Q Growth Rate Q4 2004 to date**

- No markets are experiencing negative Q/Q growth rates, unlike in Q3.
- Markets with high Q/Q growth represent 43.9% of average daily listings in Q4. These markets include the UK, Germany, and France.

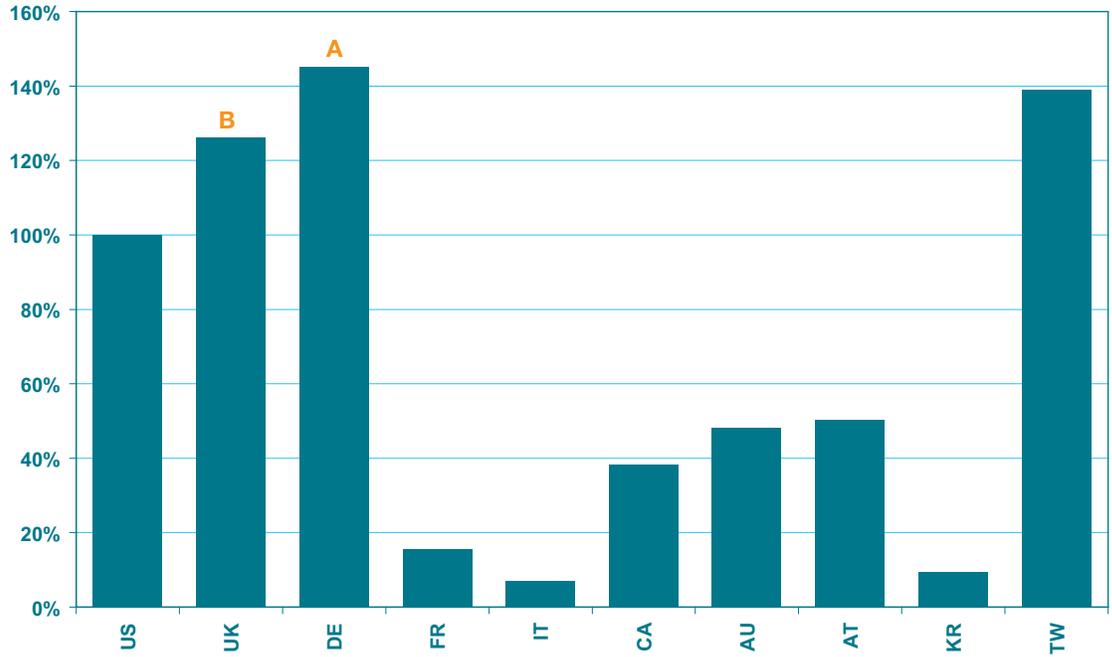


Source: Majestic Research

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**Per Capita Listings Relative to the United States  
(Base: US = 100%)**

- On a per capita basis, Germany is the most heavily penetrated market, with approximately 45% more listings per capita than the US (A). This gap has actually widened in the current quarter as the sequential growth in Germany's listings of 13.0% has outpaced the growth in the US at 8.7%.
- In Q4, the per capita listings in the UK are approximately 126% of US penetration (B).



Source: Majestic Research

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Additional information available  
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**Company Profile**

eBay Incorporated (Nasdaq: EBAY). The Group's principal activity is to operate an online market place through the web site eBay.com. The Group has developed a web-based community in which buyers and sellers are brought together to buy and sell items such as collectibles, automobiles, high-end or premium art items, jewelry, consumer electronics, and a host of practical and miscellaneous items. The Group also provides offline traditional auction services for fine art, antiques, collectibles, and collector cars. eBay enables trade on a local, national, and international basis with customized sites in markets around the world. Through an array of services, such as its payment solution provider PayPal, eBay is enabling global e-commerce for an ever growing online community.

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