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eBay Agrees to Acquire Shares in Turkey's GittiGidiyor

SAN JOSE, Calif. & ISTANBUL--(BUSINESS WIRE)-- eBay (NASDAQ:EBAY) today announced that it has agreed to acquire additional shares in GittiGidiyor, the leading online marketplace in Turkey. The deal follows eBay's acquisition of a minority stake in the company in 2007. Upon closing of the transaction, eBay will own approximately 93% of the outstanding shares of GittiGidiyor. Terms of the deal were not disclosed.

Launched on February 5, 2001, GittiGidiyor (www.GittiGidiyor.com) has more than 6.4 million registered users. The company's business model is complementary to eBay's with the addition of a mandatory escrow service for payments between buyer and seller. Today, all of GittiGidiyor's transactions come from fixed price listings with the largest categories being Fashion and Consumer Electronics, which are also among eBay's top shopping experiences.

Doug McCallum, senior vice president for eBay in Europe, said: "We knew that when we acquired a stake in GittiGidiyor that we were buying into an excellent business in an exciting ecommerce market. Since 2007, we have been impressed with GittiGidiyor, its people, its VC investor iLab and its successful approach to ecommerce. There is a lot that we can learn from GittiGidiyor, and much we can share."

Turkey is the world's 12th largest market for Internet usage, with a penetration rate of 45% according to Internet World Stats[1].

GittiGidiyor, which was founded by Serkan Borançılı, Burak Divanlıoğlu and Tolga Kabataş, is headquartered in Istanbul, Turkey and employs over 150 people. In addition to eBay, the company previously raised capital from iLab Ventures, founded and led by Mustafa E. Say.

"Becoming an eBay company is a source of great pride for GittiGidiyor," said Serkan Borançılı, chairman of GittiGidiyor's board of directors. "By being fully part of eBay, we can accelerate our development, benefit from world class best practices and consolidate our leadership position in one of Europe's fastest growing ecommerce markets."

Mustafa E. Say, Founder and Chairman of iLab, an early investor in GittiGidiyor, said: "GittiGidiyor's growth is testament to the Founding Partners who are among the leading new generation entreprenuers that aspiring young start-ups in Turkey can look up to. At iLab, we are excited about our continuing partnership with eBay and the potential growth still ahead of GittiGidiyor."

eBay does not expect this investment to have a material impact on its financial guidance as issued both in conjunction with its fourth quarter earnings release on January 19, 2011 and updated on March 28, 2011. The transaction is subject to customary closing conditions, including regulatory approval, and is expected to close in the second quarter of 2011.

About eBay

Founded in 1995 in San Jose, Calif., eBay Inc. (NASDAQ:EBAY) connects hundreds of millions of buyers and sellers globally on a daily basis through eBay, the world's largest online marketplace, and PayPal, which enables individuals and businesses to securely, easily and quickly send and receive online payments. We also reach millions through specialized marketplaces such as StubHub, the world's largest ticket marketplace, and eBay Classifieds sites, which together have a presence in more than 1,000 cities around the world. For more information about the company and our global portfolio of online brands, visit www.ebayinc.com.

About GittiGidiyor

Founded in 2001, in Istanbul, GittiGidiyor.com is the leading online marketplace of Turkey with 6.4 million registered users, 500 thousand daily visitors and 2.5 million live listings. More than 10 million ecommerce transactions have successfully been completed so far via the mandatory escrow service innovated by its founders. Today, the company has over 150 employees. For more information about the company, visit www.GittiGidiyor.com.

About iLab:

iLab Ventures is Turkey's leading internet investment company with more than 10 fast-growing online businesses, including online recruitment, private shopping, consumer credit lead referral, travel guide, consumer insurance comparison and sales platform, 2 global B2B verticals for steel and polimers. The iLab network of online businesses have over 45 million total monthy visits and more than 20 million unique visitors. Prior to today's announced acquisition of eBay of further shares in GittiGidiyor, iLab and its affiliates owned an 18% stake in the company. Post-closing, iLab will retain a 7% stake in GittiGidiyor. For more information about the company, visit www.ilab.com.tr.

Forward-Looking Statement

This announcement contains forward-looking statements that involve risks and uncertainties, and actual results could differ materially from those discussed. Factors that could cause or contribute to such differences include, but are not limited to, the receipt and timing of regulatory approval for the transaction, the possibility that the transaction may not close, the reaction of the users of GittiGidiyor's services, the future growth of GittiGidiyor's business, the reaction of competitors to the transaction and the possibility that integration following the transaction may be more difficult than expected. 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, 2010, 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.

[1] http://www.internetworldstats.com/ World Internet User Statistics. Updated June 30, 2010

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