



Magento[®]

eCommerce Platform for Growth

**eBay Agrees to Acquire Magento
Frequently Asked Questions**

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Frequently Asked Questions

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General

1. What is eBay Inc. announcing today?

- eBay (NASDAQ: EBAY) today announced that it has agreed to acquire Magento, a leading open source ecommerce platform. The deal follows eBay's acquisition of a minority stake in the company in 2010.
- The acquisition is expected to accelerate innovation in eBay Inc.'s X.Commerce platform, while strengthening their ability to be a strategic commerce partner for retailers for all sizes.
- The acquisition will provide Magento with more resources for future operations and growth, while enabling the platform to become a strategic component within eBay Inc.'s X.Commerce platform.
- Terms of the acquisition were not disclosed.

2. What's the overall timeline?

- The acquisition is expected to close in the third quarter of 2011.

Strategy

3. Why is Magento joining eBay Inc.?

- Magento's vision is to be at the core of ecommerce. We pursue this vision by creating and supporting an open platform that enables the success of merchants, partners, and developers – an entire ecommerce ecosystem. By joining forces with eBay – a global leader in ecommerce – we have an opportunity to pursue this vision more effectively, by strengthening our existing offerings and becoming an integral part of eBay Inc.'s open commerce platform, X.Commerce.
- eBay has owned a minority stake in Magento since March 2010. We have had the opportunity to work together and understand each other's strategy, culture and vision. This experience has led us to believe that joining eBay will benefit our employees, customers, partners, developers and community members.

4. How does the Magento overall strategy change?

- We do not anticipate any immediate change to our overall strategy.

- With this acquisition, we believe we can accelerate innovation across our product offerings and as a strategic component of eBay Inc.'s X.Commerce platform.

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Product Integration

5. Will Magento continue as a standalone product?

- Magento will be a strategic component of eBay Inc.'s X.Commerce platform.
- eBay plans to operate Magento's ecommerce platform separately while they look at additional ways to fully integrate Magento into eBay Inc.'s X.Commerce platform, following the closing. [copied from Q&A 8, below]

6. Will Magento continue to support all of its current partners and customers?

- Yes, Magento will continue to support our existing partners and customers. eBay is committed to the continued growth of our business, and recognizes the vital role played by solution partners and customers. We will continue to work to strengthen these relationships.

7. Are there any immediate changes to Magento?

- Magento will continue to operate as usual. Long-term, we expect Magento will be a strategic component of eBay Inc.'s X.Commerce platform, following the closing.

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Transaction

8. What are eBay Inc.'s plans for Magento?

- Magento's leadership team and its 290+ employees will remain in Magento's Los Angeles and Ukraine offices, and elsewhere around the world.
- eBay plans to operate Magento's ecommerce platform separately while they look at additional ways to fully integrate Magento into eBay Inc.'s X.Commerce platform, following the closing.

9. Is eBay Inc. acquiring any employees as part of the deal?

- Yes, Magento's employees will be joining eBay following the closing.

10. Will the Magento management stay in place? Who will run Magento?

- Magento's management will remain in Magento's Los Angeles office with Roy Rubin and Yoav Kutner continuing to run the business. The Technology organization currently reporting to Yoav Kutner will move to report alongside Roy Rubin to Matthew Mengerink, who leads the X.Commerce platform group. We expect Magento will be a strategic component of eBay Inc.'s X.Commerce platform, following the closing.

11. How will Magento operate within eBay Inc.?

- eBay plans to integrate Magento into their X.Commerce platform group led by Matthew Mengerink following the closing. Magento will be eBay's product brand for its X.Commerce storefront and app store properties. Magento and the existing X.Commerce teams will leverage one another's capabilities, but will have distinct product focus. Over the coming year, key

functional systems and processes will be integrated with eBay Inc., following the closing and where appropriate. The eBay Inc. and Magento teams will work together to develop joint integration plans over the coming months.

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Customers/Solution Partners

12. Will the acquisition impact current service contracts, support or upcoming renewals?

- No – we will continue to focus on improving our relationships, contracts and partnerships as we have worked to do so over the past years, and we expect all of Magento’s current product and service offerings to continue without interruption.
- No changes are planned for our Customer Success Group or SLA’s as a result of this acquisition.
- We expect the acquisition to provide resources that will strengthen our current offerings.

13. What impact will the acquisition have on Solution Partners?

- eBay recognizes the importance of this channel as a critical partner in the overall ecosystem. We’ll continue to push innovation through this critical channel.
- As a part of this acquisition, we will be looking to more closely partner and identify new opportunities together.
- We will continue to work to enhance our partnerships, products and programs as we have done so over the past years.

14. Will merchants using Magento be able to access extensions that compete with eBay offerings? For example, will they still have access to payment extensions other than PayPal?

- Yes. As an open platform, we expect to continue partnering with vendors around the world to provide a broad range of extensions, while also supporting eBay Inc. offerings such as PayPal.

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