

Investor Group to Acquire Majority Stake in Skype

Transaction values Skype at \$2.75 billion

Skype to benefit from the technological and management expertise of the investor group led by Silver Lake, Index Ventures, Andreessen Horowitz and Canada Pension Plan Investment Board (CPPIB)

eBay to retain significant minority interest in Skype

Menlo Park, CA, September 1, 2009 – Skype Technologies S.A. and an investor group led by Silver Lake announced today that they have signed a definitive agreement in which the investor group will purchase a 65 percent interest in Skype Technologies from eBay (NASDAQ: EBAY) for approximately \$1.9 billion in cash, in a transaction valuing Skype Technologies at \$2.75 billion. eBay will retain the remaining 35 percent equity interest in Skype.

Skype Technologies is the manufacturer and developer of Skype software, which is used by millions of individuals and businesses to make free video and voice calls, send instant messages and share files with other Skype users. The software also allows users to make low-cost calls to landlines and mobile telephone lines.

The purchasers are a strong consortium with complementary skill sets. Members of the investor group are Silver Lake, the leader in private investment in technology, technology-enabled and related growth industries; Index Ventures, a premier global venture capital firm; Andreessen Horowitz, a recently launched venture capital firm led by Netscape founder Marc Andreessen and Ben Horowitz; and the Canada Pension Plan Investment Board (CPPIB).

“We are extremely fortunate to have such a talented and seasoned group invest in our company,” said Josh Silverman, CEO of Skype. “This is a group of investors and industry veterans that have a strong track record of taking the technology companies they own to the next level. With their know-how helping to guide our vision, Skype is poised to enter the next phase of its growth and development.”

“Skype Technologies is an innovative, next-generation technology company that has changed how people and businesses communicate with each other,” said Egon Durban, Managing Director at Silver Lake. “This transaction benefits all parties involved and will allow Skype the opportunity to accelerate the growth of its business by harnessing the deep technological and company development expertise that resides within the investor group. Josh Silverman has done a strong job leading the company and we look forward to working with Josh and his team to grow the Skype franchise.”

“Skype is one of Europe’s greatest startup success stories. In 2004, we recognized its potential as a global telecommunications leader and we’ve been captivated by the business since we first invested,” said Mike Volpi, Index Partner. “eBay has continued to foster Skype’s growth as the Internet voice and video communication leader. We are delighted to join this all-star team of professionals and investors in the next chapter of the Skype adventure.”

“Skype is the archetypal Internet phenomenon: a breakthrough technology combining with enormously powerful network effects to revolutionize a gigantic industry,” said Marc Andreessen, Co-Founder of

Andreessen Horowitz. "With this acquisition, we will work with the Skype team and eBay to build the company into a core Internet franchise at huge scale."

"This acquisition represents an opportunity to acquire a leader in the rapidly growing internet telecommunications market and one of the most strategically valuable internet brands in the marketplace. We look forward to working with our partners to help grow Skype in this accelerating industry," said Mark Wiseman, Senior Vice-President, Private Investments with the CPP Investment Board.

"There is no doubt in my mind that the talented players that make up this investment group will enable strong growth of Skype in the years to come," said John Donahoe, CEO of eBay. "The management team at Skype is one of the most innovative in the industry, and their talent and innovation will be enhanced through this partnership. For eBay, this transaction allows us to unlock both immediate and long-term value while benefiting from talented partners to help Skype accelerate its growth momentum."

Skype Technologies generated revenues of \$551 million in 2008, a 44% increase compared to 2007. Registered Skype users reached 405 million by the end of 2008, a 47% increase from 2007. eBay has projected Skype Technologies revenues to exceed \$1 billion in 2011. Skype Technologies recently introduced a popular Skype iPhone app as well as partnerships with mobile carriers such as Nokia and Hutchison. The company is attracting thousands of new users daily.

J.P. Morgan, Barclays and RBC Capital Markets advised Silver Lake and its investor group and have committed to provide the financing necessary to complete the transaction.

Sullivan & Cromwell LLP, Simpson Thacher & Bartlett LLP, Bird & Bird LLP and Michael Silverleaf QC are acting as legal advisors to the investor group.

Goldman Sachs is providing financial advice to eBay on the transaction. Dewey & LeBoeuf LLP is acting as legal advisor to eBay.

About Skype Technologies

Skype is software that enables the world's conversations. Millions of individuals and businesses use Skype to make free video and voice calls, send instant messages and share files with other Skype users. Everyday, people everywhere also use Skype to make low-cost calls to landlines and mobiles.

About Silver Lake

Silver Lake is the leading investment firm focused on large scale investments in technology, technology-enabled, and related growth industries. Silver Lake's mission is to function as a value-added partner to the management teams of the world's leading technology franchises. Its portfolio includes or has included technology industry leaders such as Ameritrade, Avago, Business Objects, Gartner, Instinet, Intelsat, NASDAQ, Sabre / Travelocity, Seagate Technology, SunGard Data Systems and UGS. For more information, please visit www.silverlake.com.

About Canada Pension Plan Investment Board (CPPIB)

The CPP Investment Board is a professional investment management organization that invests the funds not needed by the Canada Pension Plan to pay current benefits on behalf of 17 million Canadian contributors and beneficiaries. In order to build a diversified portfolio of CPP assets, the CPP Investment Board invests in public equities, private equities, real estate, inflation-linked bonds, infrastructure and fixed income instruments. Headquartered in Toronto, with offices in London and Hong Kong, the CPP Investment Board is governed and managed independently of the Canada Pension Plan and at arm's length from governments. At June 30, 2009, the CPP Fund totaled C\$116.6 billion. For more information about the CPP Investment Board, please visit www.cppib.ca.

About Index Ventures

Index Ventures is a leading global venture capital firm active in technology, biotech and clean tech venture investing since 1996. The firm is dedicated to helping top entrepreneurial teams in the Information Technology and Life Science sectors build their companies into market defining global leaders. The firm has offices in Geneva, London and Jersey and focuses on investments from seed through growth stage companies. Index's growth portfolio includes Adconion, RPX, Betfair and Trialpay. Exits of note include Skype (eBay), MySQL (the world's most popular open source database acquired by Sun), and Last.fm (the world's largest social music platform, recently acquired by CBS). For more information, please visit www.indexventures.com.

About Andreessen Horowitz

Andreessen Horowitz was established in June 2009 by entrepreneurs and engineers Marc Andreessen and Ben Horowitz, based on their vision for a new, modern VC firm designed to support today's entrepreneurs. Andreessen and Horowitz have a track record of investing in, building and scaling highly successful businesses. Andreessen Horowitz is based on Sand Hill Road in Menlo Park, California.

About eBay

Founded in 1995, eBay Inc. (NASDAQ: EBAY) connects hundreds of millions of people around the world every day, empowering them to explore new opportunities and innovate together. eBay does this by providing the Internet platforms of choice for global commerce, payments and communications. Since its inception, eBay has expanded to include some of the strongest brands in the world, including eBay, PayPal, Skype, StubHub, Shopping.com, and others. eBay is headquartered in San Jose, California. For more information, please visit www.eBay.com.

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