Coinbase Global, Inc.
Fourth Quarter and Full Year 2025 Earnings Call
February 12, 2026

Anil Gupta, Vice President, Investor Relations: Good afternoon, and welcome to the Coinbase Fourth Quarter and Full Year 2025 earnings call. My name is Anil Gupta and I am Vice President of Investor Relations at Coinbase.

Joining me on today's call are Brian Armstrong, Co-Founder and CEO; Emilie Choi, President and COO; Alesia Haas, CFO, and Paul Grewal, Chief Legal Officer. During today's call, we may make forward-looking statements which may vary materially from actual results. Information concerning risks, uncertainties, and other factors that could cause these results to differ is included in our SEC filings. Our discussion today will also include certain non-GAAP financial measures. Reconciliations to the most directly comparable GAAP financial measures are provided in the Shareholder Letter on our Investor Relations website. Non-GAAP financial measures should be considered in addition to, not as a substitute for, GAAP measures.

We'll start today's call with comments from Brian and Alesia, and then take questions. With that, I'll turn it over to Brian.

Brian Armstrong, Co-Founder and CEO: Thanks, Anil. It's been a volatile few weeks for crypto prices, but Bitcoin remains the best performing asset class of the past decade.We've been through these cycles many times at Coinbase. Adoption continues to grow, regulatory clarity is on the horizon, and I'm more bullish than ever. Moreover, we've successfully diversified the business where stablecoins, subscription and services revenue, and now trading of other asset classes like stocks, prediction markets, and commodities means our revenue is less correlated to crypto price fluctuations.

We launched the Everything Exchange in Q4 and are seeing early signs of success. Global trading volume and market share doubled year-over-year, reaching new all-time highs. Just last week, as crypto prices fell gold and silver futures drove record notional volume on our exchange, we hit our highest 24hr trading volume in over a year in fact, and Base set a new transaction all-time high, with AI agents adopting stablecoin wallets. Base is quickly establishing itself as the onchain home for AI.

Looking ahead, our strong balance sheet and progress on the Everything Exchange gives us the ability to continue investing in these market conditions: we'll keep buying bitcoin, we'll continue stock buy our stock back, and we won't stop building.

Now I want to talk about how we're going to win in 2026. Financial services is a huge industry and there's multiple trillions of dollars of revenue up for grabs. Crypto is updating the financial system, from trading to payments to lending. Coinbase is the best positioned company in the world to capitalize on this transformation.

Here are 4 reasons why. Number one, we store more crypto than any other company. We're the most trusted brand in crypto, and we work with thousands of institutions, incl 5 GSIB banks, and 150 government agencies, just as one example. We store 12% of all crypto, more than next 4 competitors combined. Assets on platform has grown 3x over the past 3 years, these assets are sticky as we connect more products into them. That is our first reason.

Number two. We've doubled our trading volume and market share year-over-year. We started out as the leader in the US, and now as regulatory clarity has emerged around the world, we're growing our share internationally as well.

Number three. We've diversified our revenue streams, so that it is not just trading specific. We now have 12 products doing over $100 million annualized revenue. Subscription and services revenue hit all-time highs, up 5.5x from the peak in 2021. We generated positive Adjusted EBITDA in any market condition. We've been consistently profitable on an Adjusted EBITDA and Adjusted Net Income basis over the last 2 years.

Finally, number four. We have deep crypto expertise at Coinbase. This manifests in the unique products we've been able to offer. We were early to offer DEX trading, which now allows us allows us to have millions of crypto assets available to trade. We were early on DeFi borrow/lend, we were early on building out the Base Chain, we've even migrated to multi-party-computation cold storage, the next generation of it, which has allowed us to accelerate the speed at which customers can complete transactions. This deep expertise really is one of our core strengths.

So for these reasons we're best positioned to win this transformation as more and more financial services are updated by crypto, this big secular trend.

Now in 2026, we have 3 top priorities that we're focused on, and I'll quickly run through those. So the first one is to grow the Everything Exchange. In Q2 last year, we introduced our Everything Exchange vision, which is one platform for all tradable assets, whether that's crypto, equities, prediction markets, commodities, and more. Our thesis here is simple. For customers, the ideal experience is to have access to every investment and trading product that they want in one trusted place, wherever their assets reside. Stocks and prediction markets are natural extensions of our core business, providing a clear path to increasing product stickiness and revenue generation, and it's working. Early feedback from our customers is very positive, and we see a number of users crossing over to trade commodities and equities alongside their crypto. We hit all-time highs in derivatives volume and revenue in Q4, and a few weeks ago, we rolled out prediction markets to 100% of our customers. Soon we'll add more markets and a dedicated sports hub for prediction markets. Equities have rolled out, we'll have almost 10,000 tickers live this month. And in Q4, we even acquired Echo to enable more efficient onchain capital formation. This can offer unique investment products to our customers on our Everything Exchange from the private market. We're working on shipping tokenized equities, which will be a major positive change to the financial system. And with the crypto-forward leadership of the SEC, we believe there's a path to get there. We'll also be expanding the Everything Exchange to more countries around the world. So that's our number one priority in 2026, is growing the Everything Exchange.

Our second priority is that we're scaling stablecoins and payments. Stablecoins are the second killer app in crypto, and most are still underestimating the potential of a digital dollar. In Q4, we hit an all-time high in USDC stored in Coinbase products, which helped USDC reach an all-time high market cap of about $75 billion. In 2026, we're focused on expanding stablecoin utility with deeper product integrations, scaling out our payments infrastructure in Coinbase Developer Platform and Coinbase Business. We're even protecting the ability to pay rewards to customers using stablecoins to ensure customers can benefit from this and that regulated US stablecoins remain competitive with offshore or unregulated offerings. If you were designing money from scratch today, you'd get crypto and stablecoins, where you can transfer funds anywhere in the world in under a second for less than a cent. With the unrivaled efficiency gains, all signs point to stablecoins continuing to grow. We're even seeing these AI agents adopt stablecoins for payment, and I believe that stablecoins will be the default payment method for AI agents. OK, so that's our second priority, stablecoins and payments.

Our third and final priority in this 2026 time frame is to bring the world onchain.Now, onchain is a key part of our business strategy and our mission. This is the broad term that we use for DeFi, self-custodial wallets, and full adoption of decentralized technology as opposed to centralized intermediaries. We're seeing growing adoption of self-custodial wallets around the world, which let people store their funds. Instead of trusting a third party, with just a smartphone and an internet connection, anyone can get access to more financial services– improved financial services, and participate in the global economy. We have a winning onchain strategy, and in 2026, you'll see more DeFi integrations in the Coinbase app. You'll see scaled adoption of the Base App with its new focus on trading. We'll continue to increase transaction volume on the Base Chain. And all of the above will increase the percentage of onchain activity powered by Coinbase infrastructure.

So in closing, as crypto continues to update the financial system, Coinbase is the best-positioned company to capitalize on this transition, and bring more economic freedom to the world. Now I'll turn it over to Alesia.

Alesia Haas, CFO: Thanks, Brian. And good afternoon, everyone.

2025 was a strong year for Coinbase, both operationally as Brian just highlighted, and financially. We executed consistently against our goals. We delivered or outperformed our revenue and expense guidance that we provided every quarter.

Our 2025 total revenue was $7.2 billion, a 9% Y/Y increase. Subscription and services revenue reached $2.8 billion, up 23% Y/Y, and more than 5.5x higher than the prior cycle peak in 2021.

As Brian noted, we are pleased to see the growth of the number of products generating $100 million of annualized revenue – and equally, if not more pleased, to see many of these products scale. And we are working hard to see more products join the $250 million, $500 million and $1 billion annualized revenue club.

Turning now to our Q4 results. I'm going to start with some highlights.

We did have Q/Q softer market conditions -- crypto market cap was down 11% Q/Q. However, we outperformed the market on total trading volume – driven by strong derivatives volume growth. Deribit saw another all-time high quarter. Q4 marked our 9th consecutive quarter of native unit inflows – this is inflows to our Assets on Platform where customers then in turn stake, they custody, they engage in USDC. So we're seeing growth in native units despite the price headwinds. It was our 12th consecutive quarter of Adj EBITDA profitability.

We are a business that is prepared for volatility. We've diversified over the last 4 years. Our transaction revenue has diversified and will continue as we execute against the Everything Exchange. As we mentioned, we have 12 products with over $100 million of annualized revenue. And we are scaling them. Half of those are over $250 million. As we enter Q1 – and seen even more volatility -- what we are pleased to see is that our retail customers are hodl'ing like they always have. But those who are in the market, they're buying the dip. Every week we've seen net buying versus selling on our platform as we've entered this year. And as Brian mentioned, Coinbase is buying the dip. We've deployed $1.7B to repurchase shares. We've fully offset our 2025 dilution from stock-based compensation. And we're buying Bitcoin.

So let's dive into the details.

Q4 total revenue was $1.8 billion, down 5% Q/Q. Q4 transaction revenue was $983 million, down 6% Q/Q, while subscription and services revenue was $727 million, down 3% Q/Q.

Turning to expenses, total operating expenses were $1.5 billion, up 9% Q/Q, and in-line with our outlook.

Technology and development, general and administrative, and sales and marketing expenses collectively increased 14% Q/Q, primarily driven by costs associated with the recent closed acquisitions of Deribit and Echo and higher USDC rewards reflecting record USDC balances held in Coinbase products. When you exclude deal-related costs associated with our M&A activity in 2025, tech & dev, G&A, plus sales & marketing would have increased 11% on a Q/Q basis.

We ended the year with 4,951 full-time employees, up 3% Q/Q, as we continued to invest in product team development, customer support, and compliance infrastructure.

Adjusted EBITDA in Q4 was $566 million, and Adjusted Net Income was $178 million.

On a GAAP basis, we reported a net loss of $667 million, primarily driven by a $718 million unrealized loss on our crypto investment portfolio and a $395 million loss on strategic investments, which includes our investment in Circle.

As I mentioned, we're adding to our crypto investment portfolio on a weekly basis. We have modestly increased the size of our weekly purchase to build positions in these price markets.

Importantly, we remain in a very strong capital and liquidity position. We ended the year with $11.3 billion in cash and cash equivalents, and total available resources of approximately $14.1 billion when you include our crypto assets held for investment and collateral.

As our stock price declined during Q4 and through early February, we took the opportunity to begin repurchasing our stock within our previously approved authorization.

As of today, we have repurchased $1.7 billion of our common stock, fully offsetting dilution from stock-based compensation for the year 2025. We secured an $815 million notional discount to the average price we issued that stock-based compensation in 2025.

In January, our board approved an additional $2.0 billion share repurchase authorization which we plan to continue to deploy to opportunistically repurchase shares when we see price dislocations and to manage down our future dilution from stock based compensation.

Now I'm going to touch briefly on our Q1 outlook.

Through February 10, we have generated approximately $420 million of transaction revenue. Markets have experienced heightened volatility as we began the year – and so while we always caution extrapolation – it is even more important when we see volatility spikes.

For the first quarter, we expect subscription and services revenue to be in the range of $550 million to $630 million, reflecting the lower average crypto price environment we are in, lower interest rates, and lower staking protocol rewards rates compared to Q4.

On the expense side, we expect technology & development plus general & administrative expenses to be flat Q/Q in the same range we guided last quarter – in the range of $925 to $975 million. Similarly, we expect sales and marketing expenses to be flat to down Q/Q in the range of $215 million to $315 million – with our performance in the range largely depending on performance marketing opportunities and the USDC balances on our platform.

Overall, while crypto markets remain cyclical, we believe Coinbase enters 2026 from a position of strength—with a more diversified revenue base, we have a scaled global platform, and with the balance sheet that we can be flexible to continue to invest through the cycle.

With that, let’s go to questions.

Anil Gupta, Vice President, Investor Relations: Alright. We'll take our first questions submitted to us on X. Our first one comes from @MikePovey65, who asks, are you making any headway on positive outcomes regarding the Clarity Act?

Brian Armstrong, Co-Founder and CEO: Yeah, I can take that one. So the answer is yes. We're— I'm actually quite optimistic that we'll get something through here in the next few months. And I just want to say a big shout out of appreciation to everyone in the Senate and the Administration. I think they're doing all the hard work here, really, to help bring this to a good place. And there's lots of constituents around the table. I'd say the crypto industry is united in their asks and the things that are important to them. Other constituents are around the table, of course, as well.

And I think there's an opportunity to make a win-win outcome here for everyone, for banks and crypto companies and the US citizen and everyone. And so what we've really focused on is what matters most to our customers, preserving the benefits of crypto, making sure that there's not any kind of protectionism happening for incumbents, but we just want to have a good level playing field. And I think that everyone understands that, and they're all leaning in to try to create a good outcome here. The Genius Act was just passed 6 months ago. So we're careful to make sure that nothing’s being relitigated there, but I think there's a good path to get something through. And really, others are doing the majority of the work here and we try to add in commentary where helpful, but hopefully we'll get to a good outcome in the next few months.

Anil Gupta, Vice President, Investor Relations: Our second question is from @internet_token, who asks, with base TVL and sequencer revenue growing strongly in late 2025, what percentage of overall subscription and services revenue do you expect Layer 2 activity from Base and partners to contribute in 2026? And are there plans to further incentivize builders there?

Alesia Haas, CFO: I'll start with this one, Brian, and then hand it over to you. So first, I just want to a little bit correct the question. Base revenue, we monetize both directly and indirectly. Directly, we're monetizing base through sequencer fees, and those sequencer fees are recorded in other transaction revenue, not in our subscription and services revenue.

However, Base benefits us indirectly as well. And indirectly, we are using Base to monetize throughout our stack, both for Coinbase Builders and our own products. And so for example, USDC on Base does drive USDC revenue through subscription and services. We don't have a forecast that we're offering today, but our goal throughout all of our products and services is to continue to drive quality, drive users to our platform to monetize through the stack of products and services we offer. But Brian, do you want to touch on incentives?

Brian Armstrong, Co-Founder and CEO: Yeah, so for the second part of the question about what incentives we're putting out there to build for builders on Base, so we're doing this in a number of different ways. We do give out grants called Base Grants for builders. We're improving our developer tools all the time just to make it simple for folks to onboard. And we're getting distribution for many of these builders through our apps. So an example of this recently was like, you know, these AI agents that have been spinning up. We put out some really useful tools for developers to just get any AI agent a crypto wallet and begin to make stablecoin payments and begin to complete agentic commerce, essentially. And that started to get quite a good amount of traction. We're exploring a Base token as well, which we've mentioned in the past.

And then the Base app itself, which is taking this more trading-focused approach, we think it can help driving distribution for builders on Base. So yeah, these are all ways that we're growing adoption. And the Base chain itself works well across payments, trading, DeFi, a multitude of use cases. So it's— our goal is to help it be really like the primary utility layer for crypto. All built on Ethereum.

Anil Gupta, Vice President, Investor Relations: And our third and final question from X comes from @ChiefSkurp, who asks, what product or platform initiative are you most excited about that investors may be underestimating today?

Brian Armstrong, Co-Founder and CEO: Yeah, well, I think the two I'd draw folks' attention to are the Everything Exchange, right? I think it's a big vision that how do we get all tradable assets on-chain? You know, in the end state of this is that we'd want to see 24/7 global markets. Anybody can come in and participate. There's a more level playing field, democratizes access to a lot of this, and it'll just make it much easier to do capital formation, price discovery. I think, you know, the ideal outcome here is we'd be one of the top exchanges in the whole world across, across any asset class. That's really the vision for the Everything Exchange.

Because we have this deep crypto expertise, I think, and crypto is the most important technology updating the financial system right now, I think we'll have an advantage there. The second one I'd point people to are stablecoin payments. I think we're still in the very early days of this. Stablecoins have already gotten pretty big, but I think that we're just scratching the surface, and payments globally, they flow to the path of least resistance. Stablecoin rails are just— they're faster, they're cheaper, more global. And so today, about half of 1% of global GDP runs on crypto rails. I don't see any reason why that couldn't be 10% or 20% in the next decade. And so we think there's a lot of room to run there as well.

Anil Gupta, Vice President, Investor Relations: All right. We'll now take questions from our research analysts. Questions were submitted to us in writing. And we'll take one question per analyst and optimize to cover as broad a range of topics as possible without being repetitive. Our first question comes from Andrew Jeffrey at William Blair, who asks, please discuss line of sight to Everything Exchange monetization. What are your thoughts on the timing about revenue diversification?

Alesia Haas, CFO: Thank you for this. Diversification has long been a focus of ours. So when I look at 2026, what I would focus on is diversification of tradable assets under the Everything Exchange. Derivatives will be a big growth driver, we believe, in 2026. We have good momentum both across the US and our international markets. We have momentum coming from the integration of options into our platform from the Deribit acquisition that we did in late 2025. So we believe that this can be a large part of our future story and strategy. In addition, within the last few weeks, as Brian shared, we have rolled out prediction markets and we have rolled out equities.

There's early encouraging signals, but we don't want to get ahead of ourselves. So we will share more updates at the end of Q1 when we have more than weeks and days of data under our belt. We're really proud that historically we've had achievements in driving diversification. We have 12 products, as we mentioned, with over $100 million of annualized revenue, derivatives is included in that. We're working hard to scale, and we see more and more of these products able to graduate and hope that they will join the $250 million tier of annualized revenue, where we already have 6 of those 12 products.

Ultimately, the goal of all of these products is that we are driving assets on our platform. We are growing those native units, driving that flywheel where customers hold their assets. We hope they will trade more products, and the more tradable products we get— give to them, that will drive the monetization on trading.

And underpinning that with our subscription and services, we store those assets, we provide platforms like USDC, which is a clear benefit to be able to trade in and out of various markets, and other horizontals that will really support that trading growth.

Anil Gupta, Vice President, Investor Relations: Next question is from Ken Worthington at JPMorgan, who asks, could your economic relationship with Circle change depending upon language in a market structure bill? In particular, could passage of a bill such as Clarity that eliminates promotional payments to stablecoin holders directly eliminate or directly curtail Coinbase's participation in Circle reserve fee income?

Brian Armstrong, Co-Founder and CEO: Yeah, so the short answer to your question is no. We don't see any way that this market structure legislation would change our economic relationship with Circle. The part that's being debated in the Senate draft, for clarity, is actually the House draft already received a strong bipartisan vote and didn't have any restrictions on these stablecoin rewards. But some drafts we saw, and actually more like amendments, I would say, in the Senate banking draft were contemplating that and this, you know, prohibiting rewards essentially in various ways. And the irony actually is if that were to go into law, it would actually make us more profitable because we would just continue to receive the economics from Circle. But we today, we pass majority of that along to the customer. If we were prohibited from doing that, it would ironically would just make us more profitable. But we actually don't want that to happen for a number of reasons.

One is that we think it's better for customers. We think it's better for the United States of America so that these regulated stablecoins can be competitive on a global stage. And it's already allowed under the Genius Act, which just became law 5 months ago. So our strong point of view is that that should continue to be allowed, and we'll keep fighting for that.

Anil Gupta, Vice President, Investor Relations: Our next question is from Owen Lau at ClearStreet, who asks, the valuation of the whole sector, including tokens and equities, has come down. How does Coinbase think about the opportunities in larger-scale buybacks and M&A?

Alesia Haas, CFO: Thanks for the question, Owen. So we're very focused on it. As I mentioned in my opening comments, we ended the year in a strong financial position with over $11 billion in cash and cash equivalents. We are focused on buybacks. As I mentioned in my prior comments, we've deployed $1.7 billion to repurchase 8.2 million shares under our buyback program. That includes Q4 through February 10th. 2025 was an incredible year for us on the M&A front. We completed 10 acquisitions/acqui-hires, and each one helped us enable acceleration in our product roadmap, including Deribit, which was the largest crypto deal of all times.

We're deploying our money into Bitcoin purchases. We significantly grew our portfolio in 2025. We doubled the number of BTC native units we held in our investment portfolio. So we are going to continue down all those paths. We're going to continue buying Bitcoin, continue buying back, continue to look at opportunistic M&A, and continue to really dynamically manage the opportunities that we see ahead of us. We feel very proud that we've delivered 12 consecutive quarters of positive Adjusted EBITDA. And so we've proven that we can drive profitable profits in any market environment. We will continue to do so in 2026, and then allocate that capital with the highest ROI to our business.

Anil Gupta, Vice President, Investor Relations: Our next question is from Patrick Moley at Piper Sandler, who asks, what have you seen in terms of prediction market adoption to date among Coinbase customers? Do you have plans to build your own prediction market venue, or are you comfortable continuing to act as a retail distribution for existing venues?

Brian Armstrong, Co-Founder and CEO: Yep, I can take that one. So, you know, our prediction market's really just rolled out to 100% of customers about a couple of weeks ago. So it's early days, but so far the interest has been great. Super Bowl weekend was a really great moment where a lot of customers got to experience it for the first time. And, you know, we're making lots of improvements rapidly on both the UX, adding more markets, having a dedicated sports hub where people can see live scores and things like that. And frankly, just marketing it, getting the word out. I think a lot of Coinbase customers are delighted to find out that this is available in the app because they already store quite a lot of assets with us. And so we just need to make them aware of it. And I think it's going to be a really good outcome. You know, we, we launched it with our partnership with Kalshi, and they've been a great partner. It's not an exclusive arrangement. We also have the ability to launch our own markets. Nothing to announce on that at the moment. But, you know, we're keeping all options open.

Anil Gupta, Vice President, Investor Relations: Our next question is from James Yaro at Goldman Sachs. Do you think we're heading into another crypto winter? How long until the cycle could begin to recover, and how should investors think about the KPIs suggesting that the cycle could begin to turn?

Brian Armstrong, Co-Founder and CEO: Yeah, I can touch on that. So, you know, in general, we don't try to predict the future too much here. We see our job as just building great products and services for our customers, and then we leave the investment decisions to them. I will say that I, in general, I kind of enjoy these periods sometimes when the market is down, ironically, just because it allows us to keep building. There's opportunities in every market, whether it's up and you down, know, and so it gives us a chance to buy Bitcoin, it gives us a chance to buy back our stock. And we've been through so many cycles like this in crypto. I actually don't think it's that connected to core KPIs like you asked about, or some sort of fundamentals. There's a lot of Monday morning quarterbacking happening where people will look backwards and say, oh, it must be because of Kevin Warsh is an inflation hawk, or quantum computing is on the horizon or something. I actually think markets are a little bit more like psychological things where people think someone else is going to think something, so they try to get ahead of it. I don't think this market correction is that connected to any fundamentals. We're still seeing good growth of stablecoin adoption and other kind of indicators. So, you know, I'd say in this environment we are seeing traders on our— like at at these, prices, we're seeing people on our platform who are net buyers. But I would leave the investment decisions to you all on this call.

Anil Gupta, Vice President, Investor Relations: Next question is from Ben Budish at Barclays. Can you talk about your 2026 spending plans? Given a variety, given a wide variety of potential top line outcomes in 2026, how do you think about need to spend versus want to spend? And where is there most flex in the cost base? Is it marketing, venture, moonshot type investments, et cetera?

Alesia Haas, CFO: Thanks, Ben. I love the way you frame this as need to spend versus want to spend, because I would definitely say there's lots of employees who want to spend. That's our job to figure out the right investments for the company and making sure that we're deploying our capital. Prudently. So 2025 was an investment year. We included a chart in our shareholder letter that showed that the majority of our year-over-year increase went into first and foremost sales and marketing. USDC rewards were the single largest contributor to year-over-year expense growth in connection to the year-over-year all-time high we saw in USDC held in Coinbase products. Another 16% of the year-over-year increase was driven by M&A. The majority of which was deal-related expenses and not core to our operations. When you look at our Q1 expense outlook, the range in the outlook is flat to our Q4 expense outlook. So while we had growth in 2025, right now as we enter 2026, we are focused on flat for the first quarter while we take into consideration the conditions we operate in. It's very dynamic as we've just rolled out a number of new products and services, and so we are going to be nimble as we go through the year and look at the opportunities that we have ahead of ourselves versus our expenses. And so we're keeping our eye on the ball, but right now for Q1, flat to Q4.

Anil Gupta, Vice President, Investor Relations: Our next question is from Robbie Bamberger at Baird. Yesterday, a Wall Street Journal article said that Blockfill was suspending customer withdrawals, and today Coinbase has reportedly had issues with customers trying to buy, sell, and transfer. Was the Coinbase issue just a tech mishap and not a more severe issue? Does the amount of leverage in the crypto ecosystem increase the risk that we may be more prone to customer freezes during quick pullbacks?

Alesia Haas, CFO: I'll take this one. If anyone wants to add, please jump in. We did have an event yesterday where some users briefly experienced interruptions in their ability to buy, sell, and transfer crypto on our retail and Prime platform. Derivatives and equities trading remain unaffected. This was a result of a technical issue unrelated to trading volume, unrelated to any market conditions, the issue is now resolved. We've made significant investments in our platform to hopefully mitigate these types of events and outages that historically have been driven by volume changes and feel very proud of our investments, but we will still have technical bumps at points in time.

Anil Gupta, Vice President, Investor Relations: Next one's from Alex Markgraff at KeyBanc Capital Markets. As you work to scale the Everything Exchange, can you describe the strategy for bringing customer assets to Coinbase? To what extent do you expect equities and prediction markets to act as a front door to net new users?

Brian Armstrong, Co-Founder and CEO: Sure. So, you know, our strategy overall, we call it the asset accumulation flywheel. It starts with being the most trusted brand in crypto. That causes people to store more assets with us. You know, we store more crypto than any other company in the world, as I mentioned in my opening comments, so when people are storing their assets with us because of this trust, we have an opportunity to connect more and more products into those assets, right? And whether that's Coinbase Card, or they have a loan, or they're earning rewards on staking or USDC, and you know, they're, they're also getting access to more and more trading products through the Everything Exchange. We see that the more products people connect into those assets, the more sticky they are. We use the monetization from that to really complete the flywheel, and we invest back in being the more trusted brand and adding more products. And so as we've added in some of these asset classes like equities and prediction markets and commodities into the Everything Exchange, the first step is it just makes the product more valuable for our existing users, but we're also seeing it help attract more traditional investors who want to come in and onboard and just have an easiest place to trade every asset class in one spot, maybe get better rewards on their credit card, maybe get a better rate lending out their money. Ultimately, crypto is just gonna be here to update financial services more broadly and just make better financial services. So that's a little bit about our asset accumulation flywheel strategy.

Anil Gupta, Vice President, Investor Relations: Next one's from Ramsey El-Assal at Cantor Fitzgerald. You guys have made some key acquisitions in 2025. Can you help us think through your M&A strategy at this point? What parts of the business are you looking to bolster with M&A, and what types of assets are you looking at?

Emilie Choi, President and COO: I can take this. I think 2025 was a fantastic year for M&A at Coinbase and included some, some great marquee pickups. Deribit and Echo and others. We made 10 acquisitions and acquihires, and each of them accelerates our product roadmap. In 2026, we're obviously being very selective as usual, but we're going to be aggressive where assets meaningfully pull forward the roadmap. And thematically, we're looking for incremental M&A opportunities in advancing the Everything Exchange, owning more on-chain infrastructure, and bundling stablecoins and payments infrastructure.

Anil Gupta, Vice President, Investor Relations: Our next one is from Crypto Pete Christensen at Citi. There's a recent debate that the original version of L2s as branded shards for scaling is no longer entirely valid, as Ethereum L1 is improving its own capacity and L2 decentralization has been slower than expected. The debate further argues that L2s should focus on value-added features including AI, privacy, etc. What's Coinbase's view on the Base L2 value prop going forward in this respect, and how might potential DeFi regulations shape Base's future?

Brian Armstrong, Co-Founder and CEO: Yeah, sure. Vitalik had a great post on this recently. I think in some ways he's right. Ethereum doesn't need dozens or hundreds of different L2s. We've seen that Base has rapidly become the number one L2 on Ethereum.. and it's a really broad utility that makes it attractive to developers, right? It's really great for payments. It's great for trading. It's great for DeFi, people wanting to build different types of applications can come in. And Base, it does have amazing scale, right? It's been able to move really fast, have great speed of execution, and frankly, move a little faster than the Ethereum L1, which is by design. I mean, they're probably even more decentralized, a little more cautious, right? But we can inherit a lot of the security constraints from the L1, and then the L2 can move a bit faster. So the scale, speed of execution on Base has been really good. We're also working on adding novel features like, like you mentioned, privacy. I think private transactions or optional private transactions will be a big differentiator, the Base app is good for distribution, and like the Base token we're exploring, etc. So there's a lot that we can do there. Longer term, I do think the line between L1s and L2s could be a little blurry. It's not entirely clear, you know, that there's a definition, hard definition of one versus the other. So anyway, we'll continue to build Base in rapid succession. I think we can attract a lot of development activity and adoption.

Anil Gupta, Vice President, Investor Relations: Next question is from Devin Ryan at Citizens. Stablecoin adoption is a 2026 priority, but we've seen market cap flatline for the last couple of months. Why has that been and what gives you confidence around growth in 2026? Can you give any color around incremental adoption trends?

Alesia Haas, CFO: I'll start here, Brian, if you want to add on. So I think there's two things that are happening. One is we've seen risk appetite be relatively range-bound. When you think about stablecoins, first and foremost product market fit was as a trading pair to enable global traders to move money across the exchange ecosystem. They used it against the longer tail of assets. We've seen a shift now where there's not as much risk appetite for those longer tail. And so we've seen speculation activity come down a little bit. And as a result, stablecoin market cap has not been expanding because there was no risk and leverage expansion. The second thing that we see is higher velocity of stablecoin payments, settlements, remittances. So we've seen more transaction volume, but not necessarily a higher market cap as a result of that. So we're monetizing stablecoins in incremental and new ways. I think we still have confidence and optimism for 2026 because we are more deeply embedding stablecoins in our products and services. What we've demonstrated is that we have been a key driver of USDC's market cap growth, and a key driver of our growth in assets on our platform due to our ability to embed and create differentiated experience with USDC in our products and services. And so we're excited about our ability to continue to do so and to more deeply create value through the payments priorities that Brian articulated as our second growth area and through just the growth of the Everything Exchange, where we believe that using USDC on our platform will become a great experience for our users.

Brian Armstrong, Co-Founder and CEO: Yeah, I guess the only thing I'd add is that one of the things that gives me confidence about continued growth is just the GENIUS Act passing in the US. And we saw, I think, 150 companies in the 3 months following that piece of legislation going into law that came out and announced stablecoin integrations. It's faster, it's cheaper, it's more global. There's no company in the world that wants to pay more money for moving their money, right? So I think that that's an incredible tailwind to see continued adoption of stablecoins. In particular, it's important that these stablecoins preserve the ability to have rewards programs. US-regulated stablecoins don't exist in a vacuum. In fact, today they're the minority of all dollar-issued stablecoins globally. And now that we have this legislation, we need to make sure that the US-regulated ones can actually remain competitive, right? Like the Chinese central bank digital currency came out and said they're going to pay interest on stablecoins. Some of the offshore regulated ones would love it if the regulated ones in the US couldn't pay rewards, just because it would make them preserve their profit margins. For the US-regulated stablecoins to be competitive, bring this industry— repatriate those reserves and bring it within the US regulatory perimeter, they're going to have to be competitive. And paying rewards is a big part of that.

Anil Gupta, Vice President, Investor Relations: Our next question is from John Todaro at Needham. Can you provide an update on how much USDC market cap is currently on the Coinbase platform, i.e., a January average or February number?

Alesia Haas, CFO: We don't provide January or February data on USDC balances, so I'd point to our shareholder letter for our end-of-year balance in our products, as well as any details on the revenue that we earned on USDC in that period.

Anil Gupta, Vice President, Investor Relations: Next one's from Bo Pei at US Tiger. Can you quantify the effective take rate compression from Simple to Advanced and Coinbase One users? Structurally, where do you see normalized consumer take rates settling over the next 2 to 3 years?

Alesia Haas, CFO: Thank you, Bo, for my quarterly take rate question. What we saw in the quarter was a mix shift with more volume going to our Advanced product and more trading volume coming from Coinbase One users. As we grow our Coinbase One members, an increasing amount of trading volume we expect to shift under the Coinbase One membership umbrella, and they benefit from up to no trading fees, although we do still generate a spread on those transactions, which is showing up recorded as retail transaction revenue. So I don't have a view and I can't tell you when the take rates will need to compress. From simple to advanced. What I can say is we are very focused on growing Coinbase One membership, and I think with the growth of Coinbase One membership, what you will see is more and more trading occur under that membership umbrella.

Anil Gupta, Vice President, Investor Relations: Our next one is from Gus Gala at Monast Crespi Hart. Adoption on commerce and developer rails you talked about on page 19 of the shareholder letter. How do you work with Circle and USDC on real-world volume commercialization? Can you give us an update on the time you expect it takes to get up the S-curve in B2B payments? How is this different from potential revenue S-curve? Contrast that with USDC on base for more consumer-centric volumes via x402.

Alesia Haas, CFO: So what I will share with you is that we work on our own products as it relates to driving payments on USDC. We partner with Circle on overall items, but we also compete with them. And our goal is to drive a payments vertical, as Brian shared in our goals for 2026, where we create the best place for businesses to come transact in USDC on Base to enable their payments businesses. You'll see more about this as we go through the year. This is early in our product journey, but we're really pleased with the advancements in Q4 to build out the product set and APIs. And now we're working on go-to-market and driving customer growth and adoption.

Anil Gupta, Vice President, Investor Relations: Our final question comes from Dan Dolev at Mizuho. How should we think about the strength of the casual crypto trader in this winter? Any pattern you can call out for when they come back eventually?

Alesia Haas, CFO: I guess I will take that one too. I think that we— I've been in this seat now, it'll be 8 years come April. Emily's been here over 8 years. Brian has been here 12 plus. We've seen lots of crypto market price cycles at this point in time. What continues to be true for at least the last 8 years is that the majority of retail consumers on our platform HODL through price declines. They tend to be more active in periods of high volatility. What we're pleased to see in Q1 is for those who are active, they are in a net buy versus sell position. Consumers are tending to be buying the dip right now. But we are seeing more pullback as markets move to a risk-off. We've seen this before. It speaks to our goals of diversification, both in the growth of our subscription and services business, but also in diversifying the assets so they can trade anything under the sun and not limited to crypto assets. We're really pleased with what we've released so far, and as we go through the year, we're hoping to demonstrate to you that we can continue to diversify those revenue streams.

Anil Gupta, Vice President, Investor Relations: All right, well, that does it for today. Thank you for joining us, and we look forward to speaking to you again on our next call.