Coinbase Global, Inc.
Second Quarter 2026 Earnings Presentation
July 30, 2026

Shan Aggarwal, Chief Business Officer & Head of IR: During today's discussion, we may make forward-looking statements that may vary materially from our actual results. Please refer to our SEC filings and earnings presentation for information concerning risks, uncertainties, and other factors that could cause these results to differ. In addition, our discussion today may include certain non-GAAP financial measures. Reconciliations to the most directly comparable GAAP financial measures are provided in the earnings presentation on our investor relations website.

Brian Armstrong, Co-Founder and CEO: Hey everyone, we just announced our Q2 2026 earnings for Coinbase, and I thought it'd be good to give you all an update. Just a reminder, our mission at Coinbase is to increase economic freedom in the world. There's billions of people out there who don't have access to good financial services, and we believe crypto can change that. Crypto is really updating every aspect of the financial system at this point, everything from trading to payments to tokenization. And of course, there's this big new category on the horizon, agentic finance, or what we call AiFi, which we believe is very exciting as well. And Coinbase is the company that's really uniquely positioned to capitalize on this transformation and create this transformation in the world due to a number of factors.

First, we have the most trusted brand in crypto and people store more crypto with us than any other company in the world. Number 2, we've created this global liquidity, which has a network effect. We're the leader in US crypto spot trading volume. And then we have the number 1 regulated stablecoin platform as well, via our partnership with Circle and USDC and other partner stablecoins. And lastly, we've created this repeatable innovation culture that's got us to diversify our revenue over time.

There's a common set of foundations underlying all of our products, which gives us this network effect and really a durable advantage. Everything from this custody layer— customers tend to use the products where their assets reside, and that's pretty sticky. We've built this global settlement layer with Base and different blockchains. We have this liquidity from our exchange that I mentioned, which has a network effect, these stablecoin partnerships, which are quite unique, and of course, the regulatory foundations and licenses. All of these give us this durable advantage.

Now, over time, our revenue has really decoupled from Bitcoin trading fees. And now 88% of our net revenue is from something other than Bitcoin spot trading. This has made us a far more durable company than in past cycles. And we've really grown our non-trading revenue as well, which we call subscription and services.

We're shipping more product faster than ever. The velocity has been pretty incredible to see. Just in the past year alone, we launched things like stock trading and prediction markets, equity and pre-IPO perps. The x402 protocol for agentic finance, Coinbase for Agents, custom stablecoins, and a whole lot more. And the way that we're doing this is by being an AI-enabled company.

We're leveraging AI to not only ship more code— you can see 2.2x year over year here in terms of pull requests per engineer— but we're also doing it with higher quality. There's many ways to measure quality, but one of them is test coverage, which we can see here is up 2.5x. And while we've continued to grow our AI usage at this rate, the cost has not grown at the same rate. We've been doing a lot of great work on efficiency using some open weight models, for instance.

Now, in Q2, there were macro headwinds which impacted our financials, but the things that were in our control, we executed very well on. So you're seeing here in the highlights things around capturing more market share, revenue diversification, and cost discipline.

So let's walk through some of the metrics in a little more detail. In Q2, we continued capturing market share on trading volume. We hit an all-time high of 10.3%. That's our 3rd consecutive quarter of share gains. And we saw these gains across both spot and derivatives trading. Next up, as I mentioned, we store more crypto than any other company in the world. And we saw positive inflows into custody to our platform quarter over quarter if you exclude the Bitcoin ETFs. So we did see Bitcoin ETF outflow activity in Q2, but that's already stabilized now in Q3.

Let's touch on stablecoins. We're a leading stablecoin platform, of course, and average USDC held in Coinbase products grew 44% year over year. And we continue to capture about 50% of the economics from USDC.

So just a reminder, in 2026, we've shared with you before, our top 3 priorities as the company are around the everything exchange, bringing every asset class onchain, in one place where you can trade with great liquidity and capital efficiency. The second priority has been around stablecoin payments. How do we enable money to move globally at the speed of the internet? And the third is onchain. How do we make sure that trading and payments can come onchain to be more efficient? So let's touch on each of these briefly.

The everything exchange strategy is now working. It's delivering real revenue and diversification and customer value. Our crypto derivatives volume was flat despite the market being down 12%, which means that we grew share, which is great. And we got CFTC no-action relief to bring US customers into the global perp liquidity pool. Continuing this theme of the everything exchange, let's talk about another one of our fastest-growing asset classes, prediction markets. The prediction market contracts and revenue were up 2x quarter over quarter. Crypto binaries grew about 3x in terms of number of traders. And coming soon, we're going to launch combos, which is the ability to make multiple predictions in a single trade.

Now, our second priority was around stablecoin and payments. And stablecoin adoption continues to go up and to the right, even in a softer trading market. So 79% of market stablecoin transaction volume is now USDC or our other partner stablecoins. And on Circle, our partnership auto-renews in perpetuity with the same terms as long as basic conditions are met. So I can share now that those conditions have been met, and it will renew on the same terms this August. And then, of course, Coinbase is a multi-stablecoin platform. So for example, we've become a member of the OpenUSD Consortium.

Now let's talk about how we're building the full stack for onchain agentic finance. So we are a category leader in onchain agentic finance, and there will soon be more AI agents than humans in the world, and they're going to need to hire each other and pay for goods and services. We call this the agentic economy, and it's going to need new financial infrastructure to make it work because AI agents can't sign up for a bank account or similar financial products today. So Coinbase has an early lead in providing these services in the agentic finance, the agentic economy. The vast majority, as you can see here, of onchain agentic commerce is using USDC, and it's using Base, and it's using x402. So we really have this full-stack solution for AiFi, which is great.

And then of course, our third priority was how do we bring more activity onchain? And just to give you a couple highlights, DeFi integrations are driving real utility for our customers now. Borrow/Lend balances grew by $1 billion year over year to $1.5 billion. We're now holding over $5 billion in wrapped assets like Bitcoin, Ethereum, and XRP. And Base is the number one chain now for Bitcoin DEX spot volume.

All right, so to wrap it up, Coinbase is no longer a bet just on the price of Bitcoin. All of financial services are getting updated by crypto technology, whether that's trading or payments or lending. And Coinbase is the best-positioned company in the world to power this. And of course, this next frontier is going to be agentic finance, where we're an early leader. So with that, I'll hand it over to Alesia.

Alesia Haas, CFO: Thanks so much, Brian. In the 2nd quarter of 2026, we generated $1.2 billion of total revenues, split roughly half and half between transaction and subscription and services revenues. We had a quarterly net loss of $359 million, Adjusting for largely unrealized mark-to-market losses, our adjusted net loss was $105 million, and we generated $208 million of positive adjusted EBITDA. We will unpack these results and more in the following slides.

But before we get started, I want to start with an assessment of the quarter because the headline figures alone don't tell the full story. We continue to control what we can control. And the underlying business performed well. We reached a new all-time high in crypto trading volume market share for the 3rd quarter in a row. The Everything Exchange is delivering real revenue, not just green shoots, and we're starting to see tangible diversification. We are also tightly managing expenses, and we came in below the midpoint of guidance for every expense line item. That said, crypto market conditions were challenging. Total market crypto spot trading volumes were down more than 20%. Total crypto market cap fell double digits, and volatility compressed to multi-year lows. Market headwinds once again outpaced growth this quarter, but the fundamentals remain strong as we consolidate trading share and continue to build through the cycle.

We fell slightly short of our expected range for subscription and services revenue driven by 2 factors. One, the timing of on-platform deals for USDC that landed later in the quarter than expected. And second, larger than anticipated headwinds to crypto asset prices, which weighed on our staking revenues. That said, we moved quickly to drive efficiency in our expense base. The headcount reductions and expense efficiencies we announced in May translated into real cost savings.

Total revenue for the second quarter was down 14% quarter over quarter, reflecting the softer market backdrop I described. I just want to remind everybody, as always, that our revenue is inherently nonlinear. What matters is our ability to build and grow our product suite through the cycle and show long-term growth even amidst short-term volatility.

Now turning to transaction revenue of $599 million. Consumer was $452 million, down 20% quarter over quarter. Consumer crypto spot trading volumes declined 24% quarter over quarter, outperforming the broader spot market volumes. Additionally, prediction markets revenue, whose associated volume is not included in our trading volume metric, more than doubled quarter over quarter. On the institutional side, revenue of $100 million declined 26% quarter over quarter, roughly in line with broader market declines. Other transaction revenue of $47 million was down 11% quarter over quarter, reflecting lower instant transfer activity and Base revenue.

Subscription and services revenues was $555 million, accounting for nearly half of net revenue in the second quarter. Stablecoin revenue was $292 million. Average USDC held in the Coinbase products reached new all-time highs of $20 billion. And as Brian mentioned earlier, the auto-renewal conditions in our agreement with Circle have already been met and the partnership will renew on the same terms. Blockchain rewards were $83 million and we continue to see growth in native units staked, but this was offset by headwinds to price and protocol reward rates. Interest and finance fee income was $66 million, roughly flat quarter over quarter, and we saw a fresh all-time high in average DeFi Borrow/Lend balances offset by rates. Finally, we reached a new all-time high in paid Coinbase One subscribers despite the market downturn, which speaks to the resilience of members and the value of a Coinbase One membership.

Now to expenses. Adjusted expenses were $1 billion, down 9% quarter over quarter. Technology and Development and General and Administrative both declined sequentially, primarily stemming from the proactive cost reduction actions we announced in May. We dialed back sales and marketing in the second quarter, reflecting the deteriorating market conditions. We also saw a mix shift within transaction expenses, which came in at 16% of net revenue. Declines in Coinbase total trading volume-related expenses were offset by increased expenses related to prediction markets.

As challenging as the macro environment was this quarter, we continued our streak, adding a 14th consecutive quarter of positive adjusted EBITDA. And we remain committed to generating positive adjusted EBITDA in all market conditions.

We ended Q2 with $8.6 billion in cash and cash equivalents and total available resources of $10 billion. Within the quarter, we repaid our $1.3 billion 2026 convertible note that was due on June 1st, 2026. Our balance sheet leaves us with the financial flexibility to invest through the cycle. We can pursue strategic opportunities and return capital to shareholders via share repurchases, all simultaneously.

To that end, in the second quarter, we repurchased an additional 814,000 shares. Year to date, we've retired nearly 7 million shares for $1.2 billion. We have approximately $2 billion of our repurchase authorization remaining available.

Now turning to our outlook, a few highlights. Our transaction revenue through July 26th has totaled approximately $130 million. We expect subscription and services revenue in the range of $500 to $580 million, roughly flat with the second quarter at the midpoint. Beginning this quarter, we are providing a single combined range for adjusted expenses rather than separate technology and development and general and administrative line items and sales and marketing ranges. We're doing this for 2 reasons. One, it enables us to provide a tighter range on our quarterly expense outlook. And second, this better aligns with how we manage and operate our expenses here at Coinbase. We are providing this quarterly guidance on adjusted expenses in the range of $980 to $1,080 million.

Just as a reminder, adjusted expenses is the sum of technology and development, general and administrative, sales and marketing, less intangible amortization. Broadly, we're expecting adjusted expenses to be roughly flat quarter over quarter as we realize a full quarter benefit of the headcount reductions and other expense actions we took in the second quarter, offset by modest growth to USDC rewards and other marketing efforts behind our recent product launches.

We are also reducing and narrowing our annual adjusted expense outlook range to $4.2 to $4.45 billion, given our execution on cost management initiatives earlier this year and our expectations that remain for the rest of the year. Thank you for listening to our second quarter 2026 earnings presentation. We look forward to discussing our business and results during our Q&A session hosted on X Spaces later today, at 2 PM Pacific time.

We hope to see you there. Thank you.