

**Robinhood Markets, Inc. Q2 2025 Earnings Call**  
**July 30, 2025**

**Corporate Speakers:**

- Vladimir Tenev; Robinhood Markets, Inc.; Chairman and Chief Executive Officer
- Jason Warnick; Robinhood Markets, Inc.; Chief Financial Officer
- Chris Koegel; Robinhood Markets, Inc.; Vice President of Corporate Finance and Investor Relations

**Participants:**

- Steven Chubak; Wolfe Securities; Analyst
- Dan Dolev; Mizuho; Analyst
- Edward Engel; Compass Point; Analyst
- Gautam Chhugani; Bernstein; Analyst
- Devin Ryan; Citizens; Analyst
- Alexander Markgraff; KeyBanc; Analyst
- Patrick Moley; Piper Sandler; Analyst
- James Yaro; Goldman; Analyst
- Brian Bedell; Deutsche Bank; Analyst
- Craig Siegenthaler; Bank of America; Analyst
- Benjamin Budish; Barclays; Analyst
- John Todaro; Needham; Analyst
- Brett Knoblauch; Cantor Fitzgerald; Analyst
- Kyle Voigt; KBW; Analyst
- Zachary Gunn; FT Partners; Analyst
- Kenneth Worthington; JPMorgan; Analyst
- Michael Cyprys; Morgan Stanley; Analyst
- Amit; Amit Is Investing; Content Creator

**PRESENTATION**

**Operator**^ Thank you to everyone for joining Robinhood's Q2 2025 Earnings Call, whether you're tuning into the live stream at home or here with us in-person. With us today are Chairman and CEO Vlad Tenev, CFO Jason Warnick, and VP of Corporate Finance and Investor Relations Chris Koegel. Vlad and Jason will offer opening remarks and then open the call to Q&A. During the Q&A portion of the call, we will answer questions from institutional research analysts, and we will also answer questions from finance content creators who may hold an ownership position in Robinhood.

As a reminder, today's call will contain forward-looking statements. Actual results could differ materially from our current expectations and we may not provide updates unless legally required. Potential risk factors that could cause differences, including regulatory developments that we continue to monitor, are described in the press release we issued today, the earnings presentation, and in our SEC filings, all of which can be found at [investors.robinhood.com](https://investors.robinhood.com).

Today's discussion will also include non-GAAP financial measures. Reconciliations to the GAAP measures we consider most directly comparable can be found in the earnings presentation.

With that, please welcome Vlad and Jason.

**Vladimir Tenev**^ Thank you. Alright. Greetings and salutations. It's great to see everyone today. We're actually back in New York City at the NASDAQ where we had Investor Day in December. I see some familiar faces. Also great to have institutional analysts and some finance content creators -- I see some finance content creators as well with us today. So that's Robinhood with a live audience for the first time, always innovating across every aspect of the business and earnings is no exception, right?

So, let's get right into it. Second quarter, I think we really kept raising the bar with industry-leading product velocity across our three focus areas: number one in active traders, number one in wallet share for the next generation, and the number one global financial ecosystem.

So why don't we dive in a little bit? Our active trader offering just keeps leveling up. Record trading volumes in Q2 across equities, options, prediction markets, index options and futures. And by the way, pretty awesome that index options volumes grew 60% from Q1 and event contracts more than doubled from Q1 to nearly 1 billion in Q2.

I think these results were driven by relentless innovation, including in Q2 new tooling capabilities for mobile, Legend -- the team's rapidly shipping updates, and Cortex for Gold members -- starting with Stock Digests, which have been used by hundreds of thousands of our customers. And the best is yet to come. After three great product events so far this year, we're hosting the second annual HOOD Summit for active traders. That's going to be an event in Las Vegas in just a few weeks, and it's going to be much bigger than last year. Last year's event was pretty big, but this one should be twice as big. So that's very exciting.

We're also working to serve far more of our customers' assets, which have doubled year-over-year to more than a quarter of a trillion, how amazing is that? A few highlights there. Average assets per funded customer was over \$10,000 for the first time, nearly doubling from a year ago. So, a lot of people thought Robinhood is always going to be in the low single-digit thousands per account, but we just keep compounding and that assets per customer keeps marching upward.

Robinhood Strategies, we've grown that by multiples, now over 100,000 funded customers and over half a billion in assets. So just a few months after launch there. We've tripled Robinhood Gold cardholders year-to-date. So over 300,000 cardholders. We continue to like what we're seeing, and we're going to keep accelerating the rollout from here. Retirement assets are now over \$20 billion, over \$20 billion in assets. So, this is

customers entrusting us with their most long-term serious money. That's more than doubled in the past year.

We're excited to launch Robinhood Banking in the fall, so customers can bring even more of their assets in Robinhood. Now actually, with Banking, we just rolled this out internally to the full employee base. It's really good. I think we're putting the finishing touches on it. I think you're really going to like it and very innovative offering. So, plenty more there.

Global financial ecosystem, we've been pushing even harder there. So, I'm sure many of you saw our crypto event in France, To Catch a Token. We expanded our European offering to 30 countries, [or] over 400 million people, including Stock Tokens. I think tokenization is the biggest innovation in capital markets in over a decade. Stock Tokens will do for stocks what stablecoin did for fiat currencies -- benefits to users including 24/7 trading, instant settlement, the power of self-custody, and gives us the ability to expand to other assets -- [to] make all sorts of assets that previously were inaccessible to retail tradable 24/7 just like any crypto asset. So that includes of course private markets and lots of other real-world assets. Perpetual futures coming soon in Europe, and that's been very, very well received when we announced that. So very excited to roll that out.

The U.S. is not far behind. Ton of legislative progress. You guys know the GENIUS Act just passed. We've launched staking in the U.S. with over \$750 million staked in just the first month. So pretty incredible progress for staking in the U.S.

Bitstamp Exchange by Robinhood, that acquisition closed. So, we now have a growing institutional business, and we think that's going to be a big one over time. And, of course, the Robinhood Chain, to my knowledge, the first Layer 2 blockchain that's optimized and built with real-world assets in mind.

So, wrapping it up, as a result of this strong product velocity, great business results. Revenue was up 45% year-over-year to nearly \$1 billion. The third highest quarter of Net Deposits ever, sixth straight quarter over \$10 billion for Net Deposits, and that's continued through July. The strong July for Net Deposits puts us on track to exceed last year's total, which was \$50 billion in Net Deposits, which was again a record. Gold subscribers up to a record 3.5 million -- the Gold team has been doing a very, very nice job. That's 13% adoption when you look at our overall customer base. But if you look at new customers that joined in quarter, north of 35% adoption. So that's been really good to see. And we now have over 600,000 international customers when you fold in the customers we get via Bitstamp. So that's becoming a bigger and bigger part of the business.

So, we feel great about Q2 product velocity and results. I'll turn it over to you, Jason, to talk about financials before taking some Q&A.

**Jason Warnick**^ Sounds good. Thanks, Vlad. Q2 was another great quarter as we drove market share gains, closed the acquisition of Bitstamp, and remained disciplined on

expenses. As a result, we grew revenues 45% year-over-year, drove 81% incremental Adjusted EBITDA margins, and doubled EPS from a year ago.

Let's take a closer look at Q2 compared to last year. Revenues were \$989 million, driven by strong year-over-year business growth. Trading volumes were up double to triple digits across all categories. Looking at some of our newer products, Q2 contract volumes were 11 million for futures, 17 million for index options, and nearly 1 billion for prediction markets. So, a lot of good momentum there on the new products.

Interest-earning assets were up over 50%, driven by cash sweep, margin and strong securities lending activity. It's great to see our Gold cash sweep balances have crossed \$30 billion, up more than 10x since we started the high yield offer less than 3 years ago. And for Robinhood Gold, we grew it to 3.5 million subscribers. That's up over 75% year-over-year as we continue to broaden the value proposition.

We also stayed disciplined on expenses in Q2. Adjusted OpEx and SBC was up just 6% year-over-year, leading to 56% adjusted EBITDA margins.

Now for Bitstamp, as I've said previously, we expect about \$65 million of costs in 2025 so we're layering that on to our full year outlook for adjusted OpEx and SBC, bringing it to \$2.15 billion to \$2.25 billion. As a reminder, this outlook does not include costs from our anticipated acquisition of WonderFi, or provisions for credit losses.

As we enter Q3, we're off to a fast start in July. Net Deposits are around \$6 billion. It's a really nice pickup from May and June. Equity and options trading volumes are setting new monthly records. And crypto volumes, for both Robinhood and for Bitstamp, are at 6-month highs. So, a really great start to Q3. We continue to see customers responding to our great margin rates with margin balances now around \$11 billion. So, our momentum is strong entering the second half of the year, and we remain focused on driving another year of profitable growth in 2025.

With that, Chris, let's turn to Q&A.

## QUESTIONS AND ANSWERS

**Chris Koegel**<sup>^</sup> Alright. Thank you, Jason. For the Q&A session, we will start by answering two top questions from shareholders on Say Technologies ranked by number of votes. We passed over questions that we already addressed on this call or in prior quarters and grouped together questions that shared a common theme. After the Say questions, we'll turn to questions from our live audience.

Alright. So, the first question is from Tarun K., who asks, when will Robinhood Banking be broadly available for customers?

**Vladimir Tenev**<sup>^</sup> Awesome. Yes. I'll field that one. Thanks for the question, Tarun. As a reminder, we announced Robinhood Banking at our Lost City of Gold event in San

Francisco a couple of months ago. The idea behind Robinhood Banking, which is what inspired us to create this product, was that we wanted to deliver the private banking experience, which has typically been a high net worth experience, in digital form to the mass market. So, you have the best of private banking, which is high yield, things like estate planning, seamless integration between all of your other accounts, really nice net worth tracking, along with some innovative features like cash delivery, which actually we've started testing and piloting in the initial markets.

So, as I mentioned earlier, we've rolled that out internally, Robinhood Banking. It's making good progress. It's looking really, really, good, and it's still on track for rollout to customers later in the quarter.

**Chris Koegel**^ Alright. Thank you, Vlad. The next question is from Louis H., who asks, does Robinhood have plans to step more heavily into lending, such as personal loans, auto loans, mortgages, and other products?

**Jason Warnick**^ I'll start, and Vlad, feel free to jump in. As we've said over time, we want to be the place to custody all of our customers' assets and process all of their financial transactions, and I think lending plays right into this. You may have seen that through a partnership with Sage Home Loans, Gold members now have access to really great rates on mortgages. One of the reasons they're able to deliver such great rates and we're able to deliver such great rates to customers is we're passing all of our share of the economics on to customers. And the early feedback has just been really tremendous. So, if you're looking for a home loan, please become a Gold member and check out the rates.

We're also already providing some forms of credit. We've got the Gold Card. Vlad mentioned, 300,000 cardholders. We have margin. And over time we've got pretty big ambitions across all transaction types.

**Chris Koegel**^ Alright. Thank you, Jason. So, we're going to now go to questions from our live audience. And I'm going to start with Steven Chubak from Wolfe Securities. Let's get him a mic.

**Steven Chubak**^ Jason, Vlad, thanks so much for hosting this event.

**Vladimir Tenev**^ Steven, good to see you.

**Steven Chubak**^ Good to see you, too. Maybe just to start on Net Deposit momentum, because in the second quarter, we did see a bit of a moderation. I know Steve Quirk spoke to some adjustments to promotional activity. You launched some promotions again alongside the crypto event, and we're seeing a re-acceleration in Net Deposits in July. I wanted to get a better sense as to how the strategy is evolving around Net Deposits and promotional activity more specifically. And given the attractive payback economics, why not lean into promotional activity a bit more, why retrench or pull back any of the promotions at all?

**Jason Warnick**^ Yes. I'll go ahead and start. So, first of all, we love the promotions. And what's great is customers love these promotions. As you mentioned, the economics are incredibly compelling. And when we launch these promotions, we tend to see larger balances from customers come in, and that's showing up in our overall averages.

Promotions are part of our playbook. We intend to continue to do it. We measure the economics on all of these promotions, and we watch the customer response. We had a really good promotion around crypto deposits where the community reached the goal and we doubled the match rate to 2%. So really good opportunity there. I wouldn't read too much into the activity of promotions in Q2. Like I said, it's part of our playbook, and we really like that.

**Vladimir Tenev**^ Yes. Maybe I would just say two things. One is Net Deposits as a metric does have some volatility that's driven by traders. So, if the market is moving, crypto or in other asset classes, in a particular direction, traders deposit money to take advantage of those opportunities, buy the dip, so forth. So, there is a component that's going to fluctuate up and down. But if you look over the long run and you sort of smooth out the inter-quarter, the trajectory for Net Deposits in this business has been quite strong. I think if I look at the tailwinds coming up, continued customer engagement, growth in new products, expansion into banking and all these new asset classes that are just ramping, all of that, we believe, will make the long-term trend of Net Deposits grow.

And I think we're in a position where we've gotten more sophisticated about how we look at all marketing activities, and we're increasingly looking at these promotions alongside performance marketing and our other tools in one bucket. I think we're fortunate to just see high ROI opportunities across the board. We've scaled marketing quite a bit already this year, and it's been looking good. We have to balance scaling it with making sure that we keep costs in line and we deliver that profitable growth that the team's been doing such a good job in delivering.

**Chris Koegel**^ Alright. Thank you, Vlad. Thank you, Jason. The next question is from Dan Dolev from Mizuho.

**Dan Dolev**^ Thanks, guys. Amazing quarter, as always. So, my question is more broad. You had this really nice event in the South of France recently. And can you maybe talk a little bit about the long-term strategic opportunities with private -- tokenization of private assets and some of the feedback you're getting from the market on all these great announcements that you've had just like 20 days ago or so?

**Vladimir Tenev**^ Yes. I mean if you look at the To Catch a Token event, I'd say it exceeded our expectations. I think for an event in Europe to have it watched 25 million-plus times, I mean we were just talking a little bit earlier -- that's more than many movies, right? So, I think the team did a very, very nice job.

I think it did two things. One is it was sort of a blueprint to the rest of the world of what can happen when you have clear regulatory clarity around crypto assets. And what's

going to happen is a lot of the criticisms about crypto assets being sort of like not tied to anything of fundamental value or mostly meme-based goes away because you can actually tie the technology to things that have fundamental utility. We've seen that a little bit with stablecoin in the U.S. I think tokenization of real-world assets just extends that concept. We delivered it for exposure to public equities in Europe. But we've also demonstrated it with private stocks in Europe in the form of the giveaway.

And I think the reception to that was very positive. I mean, it's clear customers want this. They not only want it in Europe but they want it in the U.S. as well. I think it's currently a big problem, a big inequity that more and more companies are staying private longer, and a lot of the big gains are reserved to private investors that are high net worth or institutional. So, we are working to not just create a giveaway but to turn this into a real product that's usable both in the EU and in the U.S., and we're excited to do that. I think we see a path to actually make that happen.

But yeah, I think two things, demonstrate the power of crypto technology, and show a roadmap to what Robinhood could be if it was rebuilt from the ground up on crypto rails -- and I think there's a ton of benefits there -- and also solve some pain points for European customers. And I think since that event, we've seen an acceleration in our European business, and we think we see a path to that being a bigger and bigger piece of Robinhood over time.

**Jason Warnick**^ I think the event also is a nice highlight to our product velocity. We've had a number of pretty successful customer events this year. In September, we have one for active traders at summit, but really proud of the team for how quickly we're building.

**Chris Koegel**^ Alright. Thank you. The next question is from Ed Engel at Compass Point.

**Edward Engel**^ Hey, thanks for taking the question. We've seen a couple of more fintech companies start to apply for -- with the OCC for banking licenses. Curious whether your mindset has changed on that, especially just given some of the recent rollouts you've had in the banking side?

**Vladimir Tenev**^ Yes. Maybe I'll field that, feel free to jump in. I would say first of all, we're always looking at the landscape and sort of like making decisions about where we see opportunities. You might remember 2019 we applied for a national bank charter with the OCC. The impetus for that was we wanted to get into high-yield products to allow customers to generate more yield on their cash.

And what we found was we were at this interesting inflection point where the partnership ecosystem around banking improved to the point where you could get -- you could produce an even better savings product via the partnership route. And you could see that not just with the yield but also the multiplicative FDIC protection. So, by partnering with banks and creating this product, we could actually offer you a very high yield and multiples of the FDIC protection.

And Jason mentioned, that's grown to over \$30 billion in our cash sweep. So that's been very, very successful. And now with our partnership with Coastal through Robinhood Banking, we're going to be able to offer a very competitive rate on actual savings accounts as well as checking.

So basically, we found that thus far, we've had all the capabilities available through the partnership model. So, the cons have outweighed the pros of getting a charter, but we're always open to reevaluating it. If the balance shifts and there's something that's much easier to do with the banking charter, especially as we get into more of these lending products, we're nimble and we can reevaluate quickly.

**Chris Koegel**^ Alright. Now let's take a question from one of our finance content creators, Amit from Amit Is Investing.

**Vladimir Tenev**^ Alright, a finance content creator, good to see you.

**Amit**^ Congrats on a great quarter and congrats on innovating on the live event experience for earnings. Currently, right now, you guys have about 3.5 million Gold subscribers, which seems to be the least cyclical part of the business because it's reoccurring SaaS revenues on that yearly subscription. More broadly, how are you guys thinking of protecting the business from cyclicalities in the face of market volatility, rate cuts leading to a loss of net interest income, and anything else that could keep that type of growth going as sustainable as possible, given one of the biggest criticisms I've heard is that Robinhood has a very cyclical business?

**Jason Warnick**^ I mean first of all, compared to just a few years ago, Amit, we're far more diversified. If you take just even the crypto business, that's diversifying. We launched a number of products, staking in the U.S. is now taking off, tokenization of U.S. equities in international locations. But what we're seeing in crypto is happening across our business. You've heard me say that we have nine businesses with over \$100 million of revenue, and we have a number of businesses that have a lot of momentum towards being the 10th and beyond.

The other thing that I would say about in the topic of protecting your business against cyclical movements -- well really two things. The first is that the way we manage our business, and we talk about being lean and disciplined, positions us in a place where when cyclicalities hit, we aren't like some companies that really have to pull big on levers because all along, we've been disciplined. You saw that we grew revenues 45% year-over-year, and Adjusted OpEx plus SBC was up 6%. So, it's really kind of shining through, and I think it positions us in a position of strength should those kinds of situations happen.

The other thing that I would say is I would caution us from not overreacting to those situations. The market opportunity and the TAM that we talked about in this -- actually in this venue back in December -- is massive. We have a massive TAM ahead of us. I

wouldn't want to over rotate in a moment of cyclicality when the market opportunity in front of us is so big.

**Vladimir Tenev**^ Yes. I would just add that I think that was a legitimate criticism of the business in 2021 when we went public. I mean it was just a retail boom driven by multiple things, including 0 interest rates. We've been able to diversify our business in a high-rate environment, and we've been talking about the natural hedge of, like, as rates go up, interest income goes up but transaction revenue goes down. So, we've been able to drive these results in what's been historically still a pretty high-rate environment, and nine business lines with \$100 million or more in annual revenue, and we've got some that are on deck in kind of the \$50 million-range. And there's a whole bunch more little seeds that we've either just launched or are going to launch in the future.

So, in 2021, when we went public, it felt to me like we were much more fragile than today. I mean, product velocity was a little bit gummed up with all the work that we did to deliver for that scale that we saw during Covid. But now the roadmap, if you look at things that we expect to deliver in the short term, medium-term, and long-term initiatives is pretty packed. So, this is probably the least diversified you should ever see Robinhood.

**Chris Koegel**^ Alright. Next question from Gautam Chhugani from Bernstein.

**Gautam Chhugani**^ You spoke about the tokenization opportunity in Europe. But obviously there's a regulatory path in the U.S. to make tokenization, particularly equity tokenization, relevant for U.S. How do you see that playing out when it comes to regulatory approval for equity tokenization, particularly in view of the comments that came from the SEC post your event?

**Vladimir Tenev**^ Yes. So, I think that tokenization in the U.S. is interesting. If you think about the relative delta between the tokenized equities experience and untokenized, which we've already built to scale here in this market, you get 24/7 versus 24/5, you get some access to self-custody and all the benefits of on chain, which could mean things like collateralized lending and borrowing, which are a nice benefit, but we already have industry-leading margin rates. And then you have sort of the cost aspects. Obviously if more and more of the infrastructure goes from centralized legacy counterparties to blockchain, where it's essentially a public infrastructure, the cost of operating the business would go down, which would accrue eventually to customers in the form of more value.

So, I think the opportunity -- there are benefits but we're already offering customers very, very close to sort of what they would get in the U.S. Overseas, a lot of customers don't have access to U.S. equities. So, we think that we're going from zero to a great experience that we can scale globally to not just hundreds of millions, but potentially billions in addressable market over the coming years as it gets more widespread.

So, I think it's different. In the same way stablecoins among retail have been largely an ex-U.S. phenomenon -- and off course they're coming into the U.S., but the U.S. already

has the benefit of pretty robust payment and banking systems -- I think the real opportunity in the U.S. would be tokenizing assets that were previously inaccessible. I think we're working with regulators to make that possible. I think those are -- like private markets and related real-world assets -- are opportunities that don't exist up until now. So, some things need to happen. We need to look at accreditation laws. We also are on a good path with securities tokenization, but that has to continue, and we think we can unlock that opportunity.

**Chris Koegel**^ Alright. The next question is from Devin Ryan from Citizens.

**Devin Ryan**^ Excellent results. I would love to ask one on tokenization, but I'll ask something different here. Securities lending really ramping nicely, \$54 million in June alone, I think it was up 160% year-over-year, becoming actually a material revenue line item. And historically, we've seen that kind of ramp as capital markets turn back on and IPOs and hard-to-borrows kind of accelerate. So can you maybe frame out how you're thinking about the opportunity there, is the book today is so much bigger? The IPO market is literally just turning on. So it would seem like there's potential acceleration there. So is that June number a jumping off point if IPOs continue? Or how should we think about that?

**Jason Warnick**^ Yes. Great question. June was a record and July is equally as strong, if not stronger. They're definitely strong market backdrops. First of all, great job by our securities lending desk. I thought the team did a really nice job. We've been onboarding a lot of customers. Customers have been adding a lot of assets into our fully paid program. At the same time, our margin book is growing, and that creates inventory for the securities lending desk as well. And with the market backdrop, what I'd say is that there are a handful of hard-to-borrows that had attractive returns in the quarter as well. So that continued into July, as I mentioned.

We'll have to see how that goes for the rest of the quarter and beyond. But I really love the strong inputs of adding customers, a growing book, adding assets into the fully paid program as well.

**Chris Koegel**^ Alright. Our next question is from Alex Markgraff from KeyBanc.

**Alexander Markgraff**^ Jason, maybe on crypto monetization. Thank you for the Bitstamp disclosure. But just on the core Robinhood monetization, can you talk a little bit about what you saw in the quarter and any effects you're seeing from Smart Exchange Routing so far?

**Jason Warnick**^ Yes. So just as a reminder, so customers have two ways to engage with crypto trading at Robinhood. First is the method that we've had for a long time which is a market maker method. That's where we get a rebate. We've been experimenting with pricing for some time and you've seen us taking that up and we watch closely to make sure customers are continuing to get to great deal.

Just last week, we moved the rebate rate to 85 bps, so that's in place. The second way that customers can engage is direct with the exchange through the smart exchange router, and that's really opening a volume tier discount. And based on volume, traders can achieve a 10 bps commission on direct to exchange trading.

And so far, it's early, but we like what we're seeing there. Customers are bringing -- as they adopt direct to exchange, they're bringing more volume and they're achieving more competitive rates, which is great, and we want Robinhood to be super attractive to high-volume traders. But what's great to see also is that revenue per trader is going up for those that are choosing to engage with the exchange. So, more revenue on the higher volume trading as well even though it's a better rate. So that's what we're seeing so far.

In Q2, we saw the blended rate or the average rate at 58 basis points in the quarter. In July, through the month of July, it was kind of in the mid-60s, so it has moved up a little bit.

**Chris Koegel**^ Alright. Thank you, Jason. We're now going to branch out to the audio queue, and so the first question we have on the line is from Patrick Moley at Piper Sandler.

**Patrick Moley**^ So I just had one on the credit card offering. You noted that you've tripled the number of cardholders year-to-date, but I think balances are only up about 45%. So, I was hoping you could just elaborate on what you're seeing from credit cardholders? Are you seeing the economics that you'd like there? And how should we think about you ramping that into the end of the year? I think you said that you plan to accelerate the rollout. So, any additional color there would be greatly appreciated.

**Jason Warnick**^ Yes. We like what we're seeing on the economics. We've been meeting with the team regularly. When we look at the revolve rate, that's in line with what we would hope for and the book is performing really well at this early stage. We're gaining confidence and looking forward to putting that in the hands of more and more of our customers.

**Vladimir Tenev**^ Yes. I would just add that your question about balances, it usually takes balances a little bit of time to increase on the revolve. So, it's not like if you increase cardholders by 3x, the balances don't immediately increase by 3x. There tends to be a little bit of a lag. So that's why you're seeing that.

**Chris Koegel**^ Alright. The next question is from James Yaro at Goldman.

**James Yaro**^ Thanks for taking the question. Maybe could you just perhaps preview a bit more on the Robinhood Chain? Maybe you could just talk about the advantages of building this for real-world assets. Then maybe just competitive advantages here versus other Layer 2 blockchains. Then finally, just any update on timing?

**Vladimir Tenev**^ Yes, absolutely. And actually since our event, we've just gotten lots and lots of calls for developers that either want to tokenize the shares of their own companies or otherwise jump on the tokenization of real-world assets revolution and partner with us.

I think the big advantage that we have with the Robinhood Chain is that we have a captive audience of over 25 million customers in the U.S. with now over [a quarter of a] trillion in assets under custody. So obviously we think that we can build a great developer ecosystem and we want to be great for developers, but that level of end-user adoption and the user base that trusts us with so many of their assets I think are going to be very, very difficult for others to replicate. So, we think that that gives us a big advantage.

And also, nobody is really going after the specific opportunity. There's a lot of chains out there that want to build the best chain for degen traders. But I think the opportunity for real-world assets and the unique characteristics that they have to be put on chain is a bit of a unique one that I don't think anyone else is tackling as directly.

**Chris Koegel**^ Alright. Thank you, Vlad. The next question is from Brian Bedell at Deutsche Bank.

**Brian Bedell**^ Just a question on the \$100 million businesses. You're expanding that. Nice to see the traction moving up from nine businesses. I think you mentioned, Vlad, there are at least a couple of businesses now in the \$50 million range. If you could just elaborate on those. And then two ones that are nascent still staking and the tokenized stocks in Europe, any sense of when you think those businesses on annualized revenue run rate could get to say that roughly \$50 million marker? Is that a year or two or longer term?

**Jason Warnick**^ Yes. I'll start, Vlad, you can fill in. There are several that are moving up on the revenue run rate. I mean you've got TradePMR and Bitstamp, you've got prediction markets scaling really well. You've got a number of others that are coming up behind it, whether it's index options, and --

**Vladimir Tenev**^ Robinhood Gold card.

**Jason Warnick**^ Robinhood Gold card, I was going to say Legend as well. So, there's a number of vectors there that are just gaining a lot of steam.

**Chris Koegel**^ Alright. The next question is from Craig Siegenthaler, Bank of America.

**Craig Siegenthaler**^ Hey good afternoon, Vlad and Jason, I hope everyone is doing well and I wish I could join you there live. But I wanted to start with tokenized stocks. So, one of your competitors also launched a tokenized stock product in Europe just this week, although their structure is different. And your launch is also structured under three phases. So, I know there will be progress ahead, too. But if you take a step back, how do

you think about the advantages with your SPV contract model and your end goal of running on Bitstamp rails versus the ERC20 tokens, which are backed by shares?

**Vladimir Tenev**^ Yes. I think one of the advantages of our offering, and again, it is going to progress in three different stages. We're in kind of Stage 1 right now. But the advantage is every transaction, every mint and burn of a token, has a corresponding transaction in the traditional market. So, what that means is you minimize the risk of de-peggings where you're trading an asset that's at a wildly different price than the traditional asset. I think that's a big thing, because in order for customers to gain confidence with the technology and the experience, they have to get a really good price. So, the system was designed for that. And in Phase 1, as the supply of the tokens increases, we can build that up by creating a pretty close tie with the traditional markets.

Now Phase 2, which we anticipate getting into in the coming months, would be getting the tokens to trade on Bitstamp and that will unlock 24/7 trading. So, we're at 24/5 right now, which matches the U.S. market, but 24/7 would be unlocked when Bitstamp comes online with the stock tokens. And basically there, you'll have the best of both worlds. When we have access to the traditional market, we'll be able to match or beat the price there. If the traditional markets are closed, like Saturdays and Sundays or holidays, you'll still be able to transact.

And then there's Phase 3 which we unlock the full power of DeFi, and you'll be able to hold them noncustodially and transact on chain. We have the technical capabilities to do all of this. It's just a question of going through the regulatory process. And we think that's basically the optimal path to getting customer adoption and counterparty adoption to these products in a way that's usable for the end users.

**Chris Koegel**^ Thank you, Vlad. And even without the chalkboard, I can follow that. All right. The next question is from Ben Budish at Barclays.

**Benjamin Budish**^ I wanted to follow up on some of the earlier discussion and maybe something on the last question on what you see as the benefits of tokenized equities. I'm curious, just given some of your disclosures around the fee model and the potential spreads that traders in Europe may incur for tokenized equities versus sort of your model of offering a very low-cost all-in service, how do you think about ensuring that execution costs stay low, spreads are tight? What is -- what are you guys doing to sort of ensure that -- or how are you thinking about ensuring that sort of level of execution and keeping it consistent perhaps with what you see in your equities business elsewhere?

**Vladimir Tenev**^ Yes. Yes. I'll take that one again. So actually, if you look at the early feedback from our European offering, by and large -- or I should say far and away the number one piece of feedback is they love the prices and the value on stock tokens. The prices are very competitive. The only fee that customers incur when they trade stock tokens in Europe is the 10-basis point foreign transaction fee, which is very, very competitive.

So, there's no other spreads that Robinhood benefits from economically and the aim is to pass back the full value, again, outside of the foreign exchange transaction fee, which is very competitive to our peers. So, we think it's a great offering, great economics. We can scale it. And so far, customers seem to be loving it.

**Chris Koegel**^ Alright. The next question is from John Todaro at Needham.

**John Todaro**^ Congrats on the quarter, phenomenal quarter. I guess just kind of coming back on some of the earlier questions, the tokenized stocks, does it eventually invite a world where we see fee compression in crypto? We've historically haven't really seen that. But I guess if we see tokenized stocks kind of have similar pricing to equity markets, is crypto kind of eventually following that? It's just obviously another asset that's tokenized.

**Vladimir Tenev**^ Interesting question. I don't think that we're likely to see any impact on spot crypto prices merely because of the presence of tokenized securities. I don't know if you have a different view, but I mean Robinhood has been offering in the U.S. market spot crypto alongside traditional equities and options, and we just don't feel like there's much of a connection between how customers are even thinking about pricing in these various asset classes.

So, I don't know if there's anything that would fundamentally change with tokenization. I don't expect it to. I think at the end of the day, the customer just thinks of it as getting exposure to the asset, and the underlying mechanism or technology, they don't really want to know about that. I mean if you can make it feel as simple as possible and hide the blockchain process complexities so they don't have to be a computer scientist to have to understand how everything works, that's what the customer wants. So, they're generally agnostic about what's powering it behind the scenes as long as it works and it gives them the exposure that they're looking for.

**Jason Warnick**^ Yes. I would agree with that and just looking at some analogies, the pricing is different for index options versus futures versus equities versus options. So, I think that there's room for each asset class to kind of stand on its own from a pricing perspective.

**Vladimir Tenev**^ And our goal is to be competitive and give customers great value across the board so that we continue to grow our market share and not just among casual traders and investors, but also the advanced traders that tend to be a little bit more price-sensitive.

**Chris Koegel**^ Alright. The next question is from Brett Knoblauch at Cantor Fitzgerald.

**Brett Knoblauch**^ Maybe just on staking, quite impressive you guys have kind of reached \$750 million within a month. Curious what percentage of kind of crypto assets are currently being staked? And how are you thinking about kind of growing that over time?

**Jason Warnick**^ Yes. We've got about \$6 billion of stakeable assets. The majority of those are in states where it's allowed. So, customers have really responded quickly to the opportunity. I think the opportunity more broadly is to continue to win market share in the crypto space.

**Brett Knoblauch**^ Awesome. Then just on crypto pricing, it looks like another kind of quarter where take rate kind of ticked up a bit. Could you maybe just talk about the pace of those maybe pricing gains that you guys have been taking? And how we should expect that over the next few quarters?

**Jason Warnick**^ Yes. I think we're in a place where we like the pricing and we'll settle in for a little while. We're continuing to experiment, but we feel pretty good where we are at the moment.

**Chris Koegel**^ Alright. Thank you. The next question is from Kyle Voigt at KBW.

**Kyle Voigt**^ So Vlad, you've executed on a number of bolt-on deals over the past couple of years, including Bitstamp, X1, TradePMR, which have all gotten your new product capabilities or helped to expand your geographic reach. I guess when you take a step back and think about the platform as it exists today, do you still think there are opportunities for bolt-ons to add on new product capability and accelerate geographic expansion? Or have you filled most of those obvious product holes?

And in terms of the size of deals, you have a valuable currency now. Would you be comfortable executing on larger scale M&A going forward versus the smaller bolt-ons we've seen over the past couple of years?

**Vladimir Tenev**^ Yes. Yes. I'm happy to take a stab at that, and Jason, feel free to jump in. Our CorpDev team has been actively looking at opportunities continuously. We have a very strong team, a very disciplined team. They take a look, and they want to make sure that they're executing on our strategy where with every deal we not only get a team that we believe can help us and is aligned with us, but that we get significant acceleration, 18-month acceleration at minimum, over building ourselves. So even though we tend to bias towards building in-house, we've certainly made a number of acquisitions. The TradePMR, X1, Bitstamp you mentioned, but also WonderFi, which gets us access to a scaled user base in the Canadian market. So, we remain excited about that one.

Certainly, with the change in market cap over the past year, I think that opens up more opportunities for us. I mean the Bitstamp one was a significant deal back when we entered into it over a year ago. But we're still going to be disciplined and make sure that we followed the playbook, and that every company that we would acquire gives us acceleration, a great team with great DNA, and really makes sense with the thesis of building the number one global financial ecosystem.

**Jason Warnick**^ Yes. The only thing I would reiterate, the disciplined approach. We feel like we've done a really nice job of selecting companies that accelerate our roadmap but also are a great deal for shareholders, and we'll continue to be disciplined from that perspective.

It's really just a broader question about capital allocation, and we've been allocating capital to grow organically. You see that with a lot of the new product announcements that we've made. We've been doing that through M&A as well. And look, our roadmap is full, and we're always looking for ways to accelerate. I do tend to like smaller, more efficient businesses that we can take and run with, but we're always looking.

**Chris Koegel**^ Alright. Thank you. The next question is from Matt O'Neill at FT Partners.

**Zachary Gunn**^ This is Zach on for Matt. I just wanted to ask on Gold subscribers, so it continues to grow and it's at a 13% adoption rate. My question is how should we think about the upper bound of that or kind of a target of what you're trying to get to over the medium term? And just what are the main gatekeeping factors that are limiting growth in that Gold subscriber number? And then just lastly, how should we think about the cadence of the growth there? You're doing half a million, I think in adds last two quarters, has stepped down a little bit this quarter. So just curious about how we should think about that?

**Jason Warnick**^ Yes. I mean I'll start, and Vlad, please feel free to jump in. We want it to be obvious that if you're a Robinhood customer, you're a Gold customer. So, we continue to broaden the value proposition. We're seeing customers respond. Really nice growth rate. Vlad mentioned in his prepared remarks that new customers are joining at multiples the rate, I think it was 35% of our Q2 new customers joined Gold.

In terms of upper bounds, one of the things that we like to do is benchmark and some of the best subscription products out there, whether it's Amazon or others, are substantially higher than where we're at today, and it inspires us as an opportunity to keep investing in the program and then continue to work on making sure customers are aware of the value proposition. And I'm personally really excited about the Banking product that's about to come out, and that will be another great addition to the Gold proposition.

**Vladimir Tenev**^ Yes. The only thing I'd add is you should think about Gold as -- if you're a Gold member, then you're a member of a really high-quality, exclusive financial club, but it's also available to everyone. So, we're trying to toe the line between it being premium but also accessible to the mass market. I don't think anyone -- I don't think very many people can toe that line. I think it's been working very, very well. And a couple of the products that are very, very nascent are ones that we're very excited about.

Jason mentioned Banking. We also have the Gold card. Cortex, I mean Cortex has gotten amazing reviews in its first iteration. That's a Gold-only offering, and we're just going to keep iterating on that and making that better and better. So, I think we see tons of

tailwinds to continue to make Gold better and making the subscriber account increase as a result of that.

**Jason Warnick**^ Yes. At \$5 a month, Robinhood Gold is just the best deal in finance. So if you're not a Gold member, jump on that.

**Chris Koegel**^ Alright. The next question is from Ken Worthington at JPMorgan.

**Kenneth Worthington**^ Hi -- good afternoon and thank you for taking the question here. I wanted to talk about the build-out of the active trader furthering your comments in the prepared remarks. How are the ranks of the active traders building like the great market to make -- people are making money, it's a great market to build the sort of active trader base. So how is that going? Then in terms of transfer of assets, you're positive or have been positive against all the major brokerage competition. Is Robinhood TOA positive in the same way with the active trader client as well? Or is there any sort of differences between sort of money coming in and money going out in that particular segment?

**Vladimir Tenev**^ Yes. We don't have a breakdown available in that way, but we can share that we're positive again this quarter against all of the major competitors. We kind of track progress on the active trader arc of our business by looking at market share. Market share across all traded assets, equities, options, futures now, prediction markets, and of course crypto. And it's growing really nicely across the board. So, we really like what we're seeing.

Of course, that's somewhat of a lagging indicator because new products lead to greater market share, but the leading indicators are product velocity. We've been doing really well with a number of things thus far this year, and we haven't even had HOOD Summit, which is our active trader event. That's in a few weeks, and we're going to be unveiling even more that we're excited about.

So I would say looking backward, market share, which is sort of how we track progress, very strong, medium-term, we've had things with Legend that we're very, very positive on, and the things that are about to come -- I think you'll see in a couple of weeks -- but I think you guys are really going to like them.

**Jason Warnick**^ Another metric that we track internally is Net Promoter Score, and we've been seeing that move up overall, but also with our active traders. We're reaching levels, it's like a high watermark over the last 4-plus years. So, feeling really good about that. And it also tends to be a leading indicator for increased market share over time.

**Vladimir Tenev**^ Yes. It's great you mentioned that. I mean that's a big part of why we're confident in the business. We're looking at how happy our customers are, and customers keep getting happier. We've seen in the past that leads to them growing their wallet share with us, putting more assets into Robinhood, becoming Gold subscribers at an increasing rate, adopting our products. So, we think we still see significant tailwinds to that.

**Chris Koegel**^ Alright. The next question is from Mike Cyprys at Morgan Stanley.

**Michael Cyprys**^ Maybe just following up on the active trader commentary there. Just hoping you could elaborate a little bit on what sort of uptake you're seeing with Legend, how that's contributing on 24/5, I guess how much of your volume are you seeing in the overnight session? Then on prediction markets, maybe you could just elaborate on the success there? And what sort of mix you're seeing between sports and other types of contracts?

**Jason Warnick**^ Maybe I'll start on prediction markets and then you can chat about Legend. So, prediction markets is cumulatively now at about 2 billion contracts. We were nearly 1 billion in the quarter. In terms of the mix, since we launched, customers have engaged in over 100 million economic contracts, so really nice. A large percentage of the transactions in prediction markets are with sports, and we love to see our customers engage in that way as well.

I think over time what you're going to see is we'll continue to add selection across all elements of culture, whether it's things that would be on the front page to the business section to the sports page, and I think we can tell by the engagement by customers that it's a product that is resonating.

**Vladimir Tenev**^ Yes, and I would tell you, I mean a good chunk of it is sports, but we've also been focused on that because that's an area where not a lot of our competitors are present. So, we see that as a big opportunity and we've been investing. But we've also been building the capability to list lots of different types of contracts, and we anticipate broadening the suite to multiple categories.

On Robinhood Legend, volumes continue to grow nicely overnight as well. We don't have specific numbers to share there, but everything is looking very positive, and we like what we're seeing.

**Jason Warnick**^ And it's great we keep getting feedback from customers. The team is hard at work, and they're literally rolling out improvements week over week. So, a lot of momentum there in improving the product experience.

**Chris Koegel**^ Alright. Since this is our last -- sorry, we've now gotten through the audio queue. Since we are here in-person, I think we have time for a couple more in-person questions, if anybody has any other questions they'd like to ask. All right, Steven Chubak, you started us off.

**Steven Chubak**^ So maybe going back to the pricing discussion. You guys have done a really nice job of demonstrating the value prop. You've been able to increase price or take rate on crypto without seeing any meaningful impact in terms of market share. In fact, it's been reflecting steady market share gains. We know that some of your larger competitors are going to be entering the crypto trading space. Maybe not necessarily with as broad or

robust of an offering. But I wanted to get your perspective on how much you -- to what extent you can protect that pricing advantage as the Schwabs and Morgan Stanley with E\*TRADE -- via E\*TRADE actually look to enter this space as well?

**Vladimir Tenev**^ Maybe I'll try the crypto pricing this time. So, a couple of things. One is you mentioned market share gains in crypto. I think that maybe one thing that hasn't really been talked about very much is the rollout of Smart Exchange Routing and what that does with tiered pricing for high-volume traders. I mean frankly, before we rolled that out, if you were a high-volume trader trading tens of millions of dollars in notional a month, our offering wasn't very competitive for you because you were getting great advanced pricing elsewhere. So, our offering was too expensive for these customers.

I think we've done a good job in addressing that. Of course, Smart Exchange Routing continues to be adopted. But we think that now we have a competitive offering for customers trading higher volume. And as you see more and more Bitstamp integration as we continue to bring that onto the fold, the experience for a crypto high-volume trader will become even better on Robinhood. So, a lot of these gains that you've seen are without us actually fully serving the active traders on the crypto side.

In terms of -- so I think we feel good, and I think the numbers will speak for themselves there. In terms of large -- I think you're referring to incumbent brokerage competitors getting into crypto. I mean I don't know. We've been hearing that question for quarters and they still haven't gotten into crypto. So, I don't know how long it's going to take. I tend to not really worry about competitors unless they have a product in market that's actually beating us. And I just think we're going to continue to move ahead. We've added staking now, and we're continuing to add assets and different blockchains across the board. I know we added some new ones last week. I think the velocity of the crypto team has been really, really good.

So again, tend not to worry about competitors until they actually have products in market that are beating our products.

**Jason Warnick**^ Yes. I think the point that Vlad is making that I'd reiterate is that in crypto, pace of innovation is a competitive advantage. I see Johann here, he and his team, I would bet on they're moving at an incredible pace, as we demonstrated at the To Catch a Token event.

**Chris Koegel**^ Alright. We got one last question. So, Devin Ryan from Citizens.

**Devin Ryan**^ Thanks for letting me wrap it up here. So Jason, a lot of credit for the expense management here because 56% Adjusted EBITDA margins in the quarter seems pretty amazing given the level of growth you guys are putting up. So, I know you've committed to this kind of theme of driving -- and revenues can bounce around -- but this theme of driving kind of faster top line growth than expense growth. But as we start to kind of look ahead and maybe not to get too far ahead of ourselves for 2026, but just talk about the relationship and the commitment to continuing to drive kind of top line faster

than expenses, especially with all the initiatives you guys have underway and I'm sure there's no lack of areas to spend money on. So just the relationship and maybe also areas where you're finding to save some money to then reinvest back into growth.

**Jason Warnick**^ Yes. You bet. I'll just kind of tell you how we think about it more generally. We have a large business, and large businesses present opportunities to be more efficient, more productive. And so, when we think about deploying capital for organic growth, what we do is we look at our existing businesses and ask them to improve process and use technology so that their cost growth stays in the low single digits. And in some cases, our GMs would assert that we've asked them to actually decrease costs. And there's a lot of opportunity, I'm sure, we talk a lot about AI and just process improvement more generally. And we've done a really nice job of being able to grow those existing businesses but do it in a way that costs are growing at a very slow percentage.

So that's a big part of our business that's growing at a really small percentage. And what that does is it frees up the incremental dollars to put in areas that drive growth, whether that's new business initiatives or it's things like marketing. And we love marketing, and we're constantly debating about more marketing dollars to work because the ROIs are so good and the payback is so short.

So, what I'd tell you is even though we're delivering such incredible leverage on the business, the debates inside the company aren't, come on, Jason, like loosen up on the purse strings. It's really been focused on finding ways to be more efficient, and it frees up a lot of capital and a lot of costs that we can then deploy into other areas.

And that's not to say that we don't have these debates and periodically add five head count here or two head count there. But it isn't a situation where we're choking the business, and I think you can see that with the growth that we're able to deliver. So, I'm not always the most popular person in the room, and Shiv, who's here with me, is probably even more so because I make him say no more than I do, but--

**Vladimir Tenev**^ Incredibly unpopular.

**Jason Warnick**^ Incredibly. But I'll tell you, we have a DNA at the company and it's in our culture to be lean and disciplined, and I think it's really showing up in our results.

**Vladimir Tenev**^ I would also just add that two of the areas that have just been critical to our business, sustaining the rate of innovation and kind of customer adoption of our products, have been engineering and customer service. And both of those areas are probably very, very -- I mean, we've invested early and aggressively in using AI for both of those, and it's having tremendous results. I mean, I would venture to say we're world-class across both of those. And of course, other areas as well and we're looking at everything, but those are the two that really move the needle for our business.

I think that's why we've been able to demonstrate -- I mean that's a big part of why we've been able to demonstrate this growth while keeping OpEx relatively flat, up a little bit.

**Chris Koegel**^ All right. That concludes the Q&A of our call. Vlad, any closing remarks?

**Vladimir Tenev**^ Yes. I mean, thank you guys for listening and to not just our retail shareholders but institutional analysts, the finance content creators in this room, for the engagement. Really hope this was informative but also fun. Yes, maybe we'll do it again. Thank you, again. Watch out for HOOD Summit in Las Vegas in the next few weeks. So, we're not slowing down. The innovation will continue.

**Jason Warnick**^ Thanks so much.