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Uber 3Q24: Booking slowdown is good news: declining passed-through costs, i.e. better margins & demand

1 November 2024

Mobility bookings decelerating... from 27% last quarter to 24% and guided low 20's for next quarter. We see underlying user and usage growth resilient, and the bookings slowdown driven by lower passed-through costs (insurance).

... Is a positive! The stock reacted negatively to what we see it as a positive: 1) Lower passed-through costs will support a very elastic demand and margins. 2) As underlying usage growth is stable, growth could re-accelerate rapidly.

Delivery holding better. stable 17% YoY in constant currency, in line with consensus.

Excellent incremental unit economics: 5% EBITDA beat. Mobility incremental EBITDA margin 12%, in line with long-term target of 11%. Delivery 8%, vs. long-term target of 5%. Guide implies continued strong incremental unit economics.

Our thesis is playing out: Profitable growth, supported by penetration, usage and excellent unit economics. Robotaxi is a remote [risk to monitor](#). Buy, \$100 Target Price.

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Uber 3Q24 vs. Expectations

Uber - NSR vs. Consensus (US\$m)	1Q24A (Mar '24)	2Q24A (Jun '24)	3Q24E (Sep '24)						4Q24E (Dec '24)				
Financial Year	Rept.	Rept.	Reptd.	Guid.	NSR	Cons.	Delta vs. NSR	Delta vs. Cons	Guide	NSR	Cons.	Delta vs. NSR	Delta vs. Cons
<i>Income Statement (Non-GAAP)</i>													
Gross Bookings	37,651	39,952	40,973	40,250 - 41,750	41,188	41,239	(1%)	(1%)	42,750 - 44,250	43,875	43,702	(0.9%)	(0.5%)
Year-on-Year Growth (%)	19.9%	18.9%	16.1%	16.2%	16.7%	16.9%				16.8%	16.3%		
Rides Bookings	18,670	20,554	21,001		21,376	21,363	(2%)	(2%)		23,086	22,917		
Year-on-Year Growth (%)	24.6%	22.9%	17.3%		19.4%	19.3%				19.7%	18.8%		
Eats Bookings	17,699	18,126	18,663		18,489	18,570	1%	0%		19,413	19,595		
Year-on-Year Growth (%)	17.8%	16.2%	16.0%		14.9%	15.4%				14.1%	15.2%		
Freight Bookings	1,282	1,272	1,308		1,323	1,300	(1%)	1%		1,376	1,302		
Year-on-Year Growth (%)	(8.5%)	(0.5%)	1.9%		3.0%	3.3%				7.6%	1.8%		
Adjusted Revenues	10,131	10,700	11,188		11,276	11,028	(1%)	1%		11,885	11,572		
Year-on-Year Growth (%)	14.8%	15.9%	20.4%		21.4%	18.7%				19.6%	16.5%		
Rides Revenues	5,633	6,134	6,409		6,422	6,313	(0%)	2%		6,820	6,712		
Year-on-Year Growth (%)	30.1%	25.3%	26.4%		26.6%	24.5%				23.2%	21.2%		
Rides Take Rate (%)	30.2%	29.8%	30.5%		30.0%	29.6%				29.5%	29.6%		
Eats Revenues	3,214	3,293	3,470		3,531	3,426	(2%)	1%		3,688	3,619		
Year-on-Year Growth (%)	3.9%	7.7%	18.2%		20.3%	16.7%				18.3%	16.0%		
Eats Take Rate (%)	18.2%	18.2%	18.6%		19.1%	18.4%				19.0%	18.3%		
Freight Revenues	1,284	1,273	1,309		1,323	1,303	(1%)	0%		1,376	1,307		
Year-on-Year Growth (%)	(8.3%)	(0.5%)	1.8%		2.9%	3.3%				7.5%	2.1%		
Cost of Revenues, excl. Excess Driver Incentives	(6,168)	(6,412)	(6,761)		(6,734)	(6,614)				(7,086)	(6,938)		
Contribution Profit	3,963	4,288	4,427		4,542	4,414	(3%)	0%		4,799	4,634		
Contribution Profit Margin (%)	10.5%	10.7%	10.8%		11.0%	10.7%				10.9%	10.6%		
Operating Expenses excl. D&A	(2,581)	(2,718)	(2,737)		(2,867)	(2,774)	(5%)	(1%)		(2,905)	(2,807)		
Adjusted EBITDA	1,382	1,570	1,690	1580 - 1680	1,675	1,639	1%	3%	1,780 - 1,880	1,894	1,826	(3.4%)	0.2%
Adj EBITDA Margin - Bookings (%)	3.7%	3.9%	4.1%	4.0%	4.1%	4.0%	0.1pts	0.1pts		4.3%	4.2%		
Rides Adj. EBITDA	1,479	1,567	1,682		1,651	1,651	2%	2%		1,818	1,817		
Rides Adj EBITDA Margin - Bookings (%)	7.9%	7.6%	8.0%		7.7%	7.7%				7.9%	7.9%		
Eats Adj. EBITDA	528	588	628		627	620	0%	1%		698	676		
Eats Adj EBITDA Margin - Bookings (%)	3.0%	3.2%	3.4%		3.4%	3.3%				3.6%	3.4%		
Freight Adj. EBITDA	(21)	(12)	(19)		(14)	(15)	41%	24%		(14)	(11)		
Freight Adj EBITDA Margin - Bookings (%)	(1.6%)	(0.9%)	(1.5%)		(1.0%)	(1.2%)				(1.0%)	(0.8%)		
Corporate G&A and Platform R&D	(604)	(573)	(601)		(590)	(606)	2%	(1%)		(608)	(632)		
Depreciation & Amortization	(190)	(173)	(205)		(176)	(186)	16%	10%		(170)	(185)		
Adjusted EBIT	1,192	1,397	1,485		1,498	1,454	(1%)	2%		1,723	1,641		
EBIT Margin (%)	3.2%	3.5%	3.6%		3.6%	3.5%				3.9%	3.8%		
Interest Expenses and Others	(162)	(115)	(79)		(275)	(207)	(71%)	(62%)		(297)	(214)		
Net Income Attr. to Uber Shareholders	1,030	1,282	1,406		1,224	1,247	15%	13%		1,426	1,427		
Diluted Shares Outstanding (m)	2,080	2,150	2,154		2,172					2,193			
Diluted EPS (US\$)	0.50	0.60	0.65		0.56	0.56	16%	17%		0.65	0.64		

Source: Corporate reports, Infront data, and NSR estimates and analysis (pre-model update).

Excellent unit economics in both mobility and delivery

Mobility: 13% incremental EBITDA margins

Uber Mobility Incremental Profitability (US\$m)

Mobility	3Q23	3Q24	Incremental	Long-term Target
Bookings	17,903	21,002	3,099	
Revenues	3,760	4,851	1,092	
Take-Rate	21.0%	23.1%	35.2%	
Opex	(2,473)	(3,169)	(697)	
EBITDA	1,287	1,682	395	
% of bookings	7.2%	8.0%	12.7%	11.0%
% of revenues	34.2%	34.7%	36.2%	

Delivery: 8% incremental EBITDA margins

Uber Delivery Incremental Profitability (US\$m)

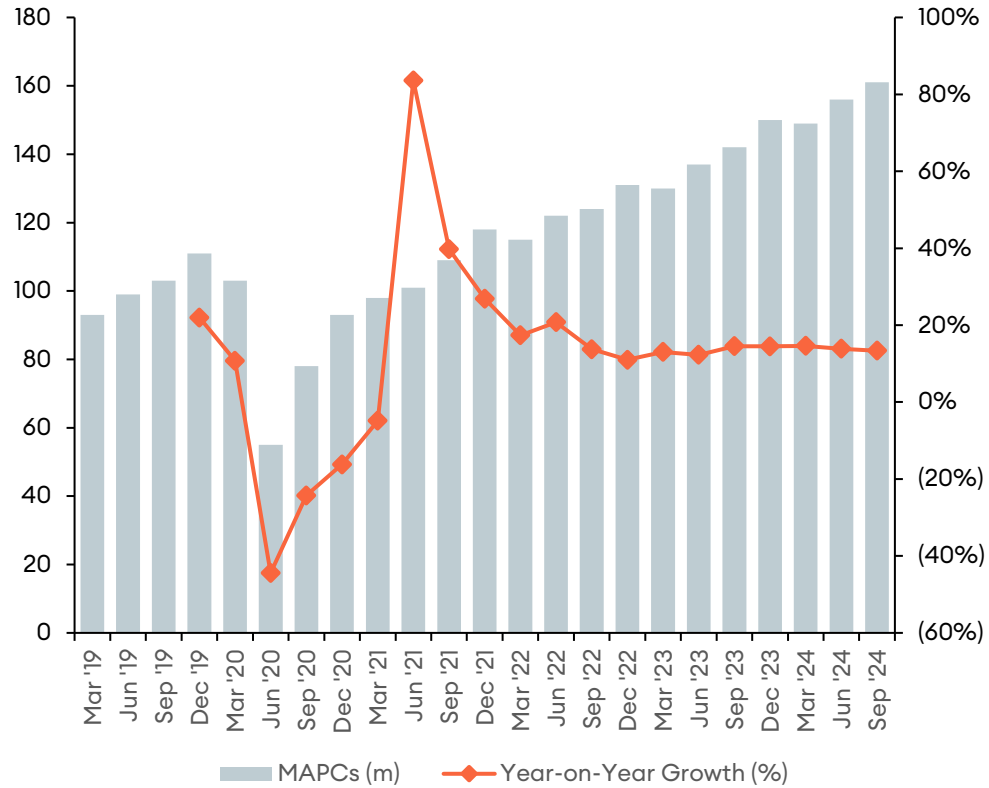
Delivery	3Q23	3Q24	Incremental	Long-term Target
Bookings	16,094	18,663	2,569	
Revenues	2,430	2,855	425	
Take-Rate	15.1%	15.3%	16.6%	
Opex	(2,017)	(2,227)	(210)	
EBITDA	413	628	215	
% of bookings	2.6%	3.4%	8.4%	4.5%
% of revenues	17.0%	22.0%	50.6%	

Source: Corporate reports, and NSR estimates and analysis.

MAPCs and Trips grew 13% and 17% respectively

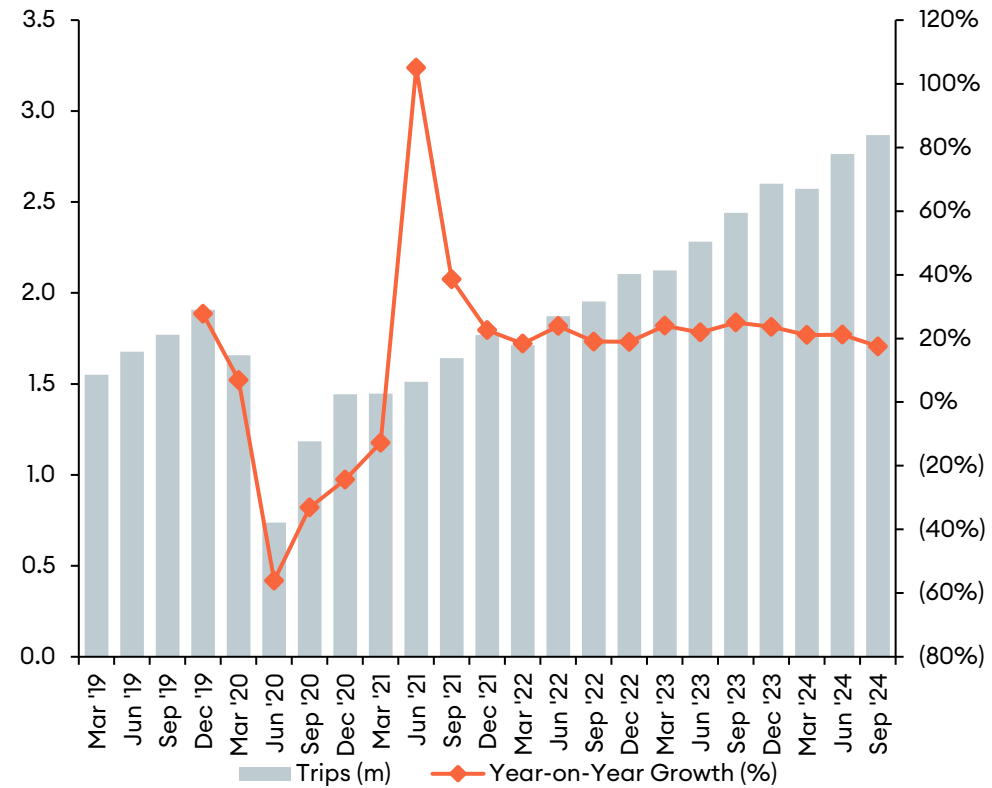
MAPCs grew 13% Year-on-Year

LHS: MAPCs (m) RHS: Year-on-Year growth (%)



Trips grew 17% Year-on-Year

LHS: Trips (bn) RHS: Year-on-Year growth (%)



Source: Corporate reports, and NSR analysis.

Mobility bookings grew 23% YoY. Delivery grew 16% YoY

Mobility bookings up 17% YoY, 24% in constant currency

Uber Mobility Bookings (US\$bn) & YoY growth (%)



Delivery bookings up 16% YoY, 17% in constant currency

Uber Delivery Bookings (US\$bn) & YoY growth (%)

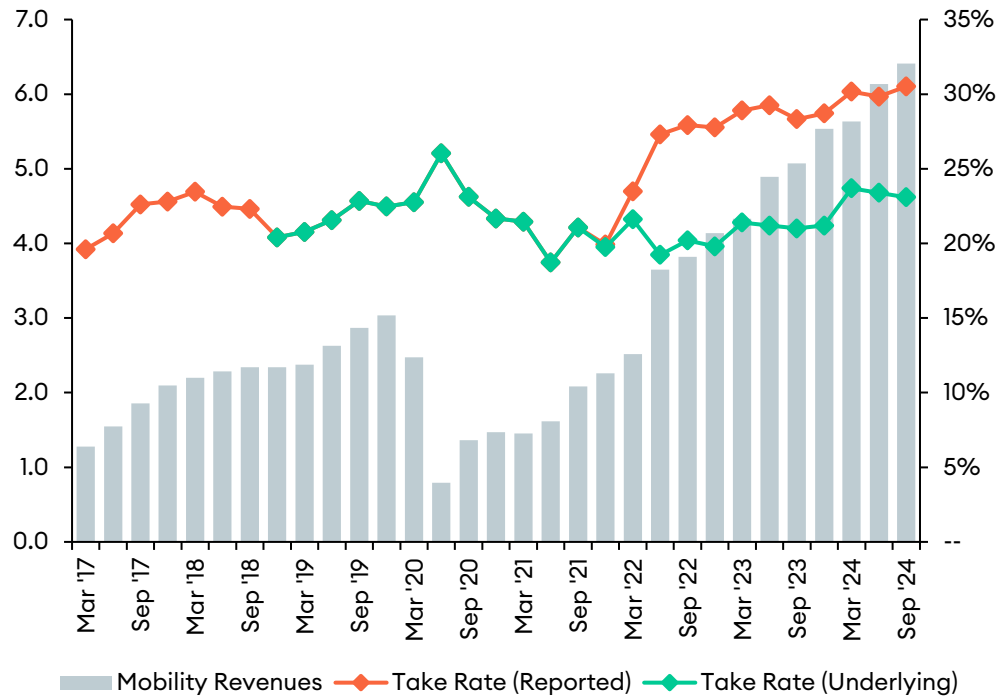


Source: Corporate reports, and NSR estimates and analysis.

Mobility take rate down 0.2pt QoQ. Delivery take rate up 0.3pts QoQ

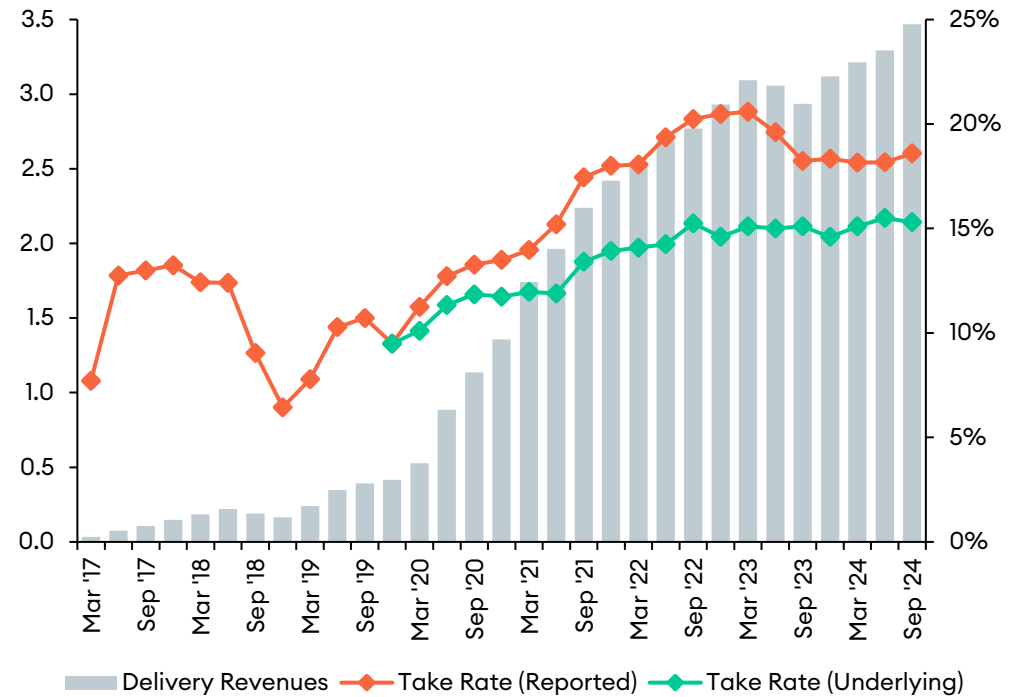
Mobility underlying take rate down 0.3pt QoQ

LHS: Uber Mobility ANR (US\$bn) RHS: take rate¹ (%)



Delivery underlying take rate down 0.2pts QoQ

LHS: Uber Delivery ANR (US\$bn) RHS: take rate² (%)



1: Mobility business model change in the UK resulted in the classification of certain Mobility payments and incentives as Cost of Revenue. Underlying Take Rate excludes these impacts.

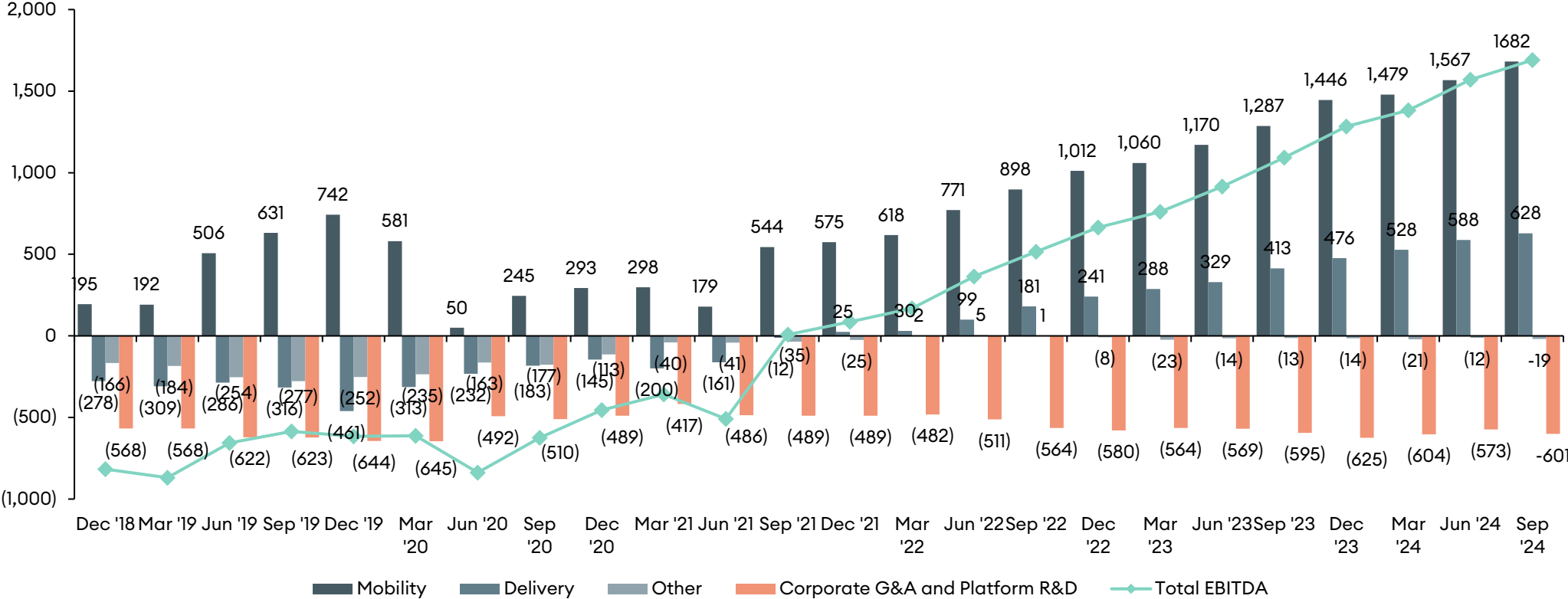
2: Delivery business model changes in some countries resulted in the classification of certain Delivery payments and incentives as Cost of Revenue. Underlying Take Rate excludes these impacts.

Source: Corporate reports, and NSR estimates and analysis.

Uber's EBITDA increased across all core segments

EBITDA increased in both mobility and delivery. Total EBITDA increased to a new record

Uber EBITDA (US\$m) by segment



Source: Corporate reports, and NSR estimates and analysis.

Model Updates

Uber (US\$m)	3Q24E (Sep '24)			4Q24E (Dec '24)			FY24E (Dec '24)			FY25E (Dec '25)			FY26E (Dec '26)		
	Before	After	Delta	Before	After	Delta	Before	After	Delta	Before	After	Delta	Before	After	Delta
Reported Income Statement															
Total Gross Bookings	41,188	40,973	-1%	43,875	43,989	0%	162,666	162,565	0%	188,791	189,061	0%	218,522	218,311	0%
Ride Sharing	21,376	21,002	-2%	23,086	22,472	-3%	83,686	82,698	-1%	97,913	97,170	-1%	115,537	114,175	-1%
Uber Eats	18,489	18,663	1%	19,413	20,156	4%	73,726	74,644	1%	84,417	85,467	1%	95,813	97,006	1%
Freight	1,323	1,308	-1%	1,376	1,360	-1%	5,253	5,222	-1%	6,461	6,423	-1%	7,171	7,130	-1%
Adjusted Net Revenue	11,276	11,188	-1%	11,885	11,900	0%	43,989	43,915	0%	52,784	52,227	-1%	60,868	60,749	0%
YoY (%)															
Take rate (%)	27.4%	27.3%	-0.1pt	27.1%	27.1%	0.0pt	27.0%	27.0%	0.0pt	28.0%	27.6%	-0.3pt	27.9%	27.8%	0.0pt
Operating Expenses	(2,867)	(2,737)	-5%	(2,905)	(2,849)	-2%	(11,072)	(10,885)	-2%	(12,291)	(11,989)	-2%	(12,994)	(12,936)	0%
Adjusted EBITDA	1,675	1,690	1%	1,894	1,880	-1%	6,520	6,522	0%	8,945	8,822	-1%	11,594	11,371	-2%
EBITDA Margin	4.1%	4.1%	0.1pt	4.3%	4.3%	0.0pt	4.0%	4.0%	0.0pt	4.7%	4.7%	-0.1pt	5.3%	5.2%	-0.1pt
Ride Sharing	1,651	1,682	2%	1,818	1,822	0%	6,515	6,550	1%	8,308	8,182	-2%	10,150	9,957	-2%
EBITDA Margin	7.7%	8.0%	0.3pt	7.9%	8.1%	0.2pt	7.8%	7.9%	0.1pt	8.5%	8.4%	-0.1pt	8.8%	8.7%	-0.1pt
Uber Eats	627	628	0%	698	698	0%	2,441	2,442	0%	3,133	3,138	0%	3,939	3,902	-1%
EBITDA Margin	3.4%	3.4%	0.0pt	3.6%	3.5%	-0.1pt	3.3%	3.3%	0.0pt	3.7%	3.7%	0.0pt	4.1%	4.0%	-0.1pt
Freight	(14)	(19)	41%	(14)	(18)	29%	(61)	(70)	16%	(25)	(38)	53%	37	22	-40%
EBITDA Margin	-1.0%	-1.5%	-0.4pt	-1.0%	-1.3%	-0.3pt	-1.2%	-1.3%	-0.2pt	-0.4%	-0.6%	-0.2pt	0.5%	0.3%	-0.2pt
Corporate G&A and R&D	(590)	(601)	2%	(608)	(622)	2%	(2,375)	(2,400)	1%	(2,470)	(2,460)	0%	(2,532)	(2,509)	-1%
D&A	(176)	(179)	1%	(170)	(180)	6%	(722)	(722)	0%	(681)	(736)	8%	(610)	(643)	5%
EBIT	1,498	1,511	1%	1,723	1,700	-1%	5,798	5,800	0%	8,265	8,086	-2%	10,984	10,728	-2%
Interest, Other, Equity															
Method	(139)	65	-146.9%	(139)	(143)	3.1%	(519)	(269)	-48.2%	(519)	(549)	5.8%	(519)	(549)	5.8%
Tax Charge	(136)	(158)	16%	(158)	(156)	-2%	(523)	(400)	-24%	(770)	(754)	-2%	(1,042)	(1,018)	-2%
Tax Rate (%)	10.0%	(9.9%)	-19.9pt	10.0%	10.0%	0.0pt	10.0%	7.2%	-2.8pt	10.0%	10.0%	0.0pt	10.0%	10.0%	0.0pt
Reported Net Income	1,224	1,418	16%	1,426	1,402	-2%	4,756	5,132	8%	6,976	6,783	-3%	9,423	9,161	-3%
Reported Diluted EPS (US\$)	0.56	0.66	17%	0.65	0.64	-1%	2.21	2.39	9%	3.15	3.08	-2%	4.14	4.05	-2%

Source: Corporate reports, and NSR estimates and analysis.

NSR vs. Consensus (Quarterly)

Uber - NSR vs. Consensus (US\$m)	4Q23A (Dec '23)	1Q24A (Mar '24)	2Q24A (Jun '24)	3Q24E (Sep '24)	Guide	NSR	4Q24E (Dec '24)	NSR vs. Cons.
Financial Year	Rept.	Rept.	Rept.	Rept.	Guide	NSR	Cons.	NSR vs. Cons.
<i>Income Statement (Non-GAAP)</i>								
Gross Bookings	37,575	37,651	39,952	40,973	42,750 - 44,250	43,989	43,702	0.7%
Year-on-Year Growth (%)	22.2%	19.9%	18.9%	16.1%		17.1%	16.3%	
Rides Bookings	19,285	18,670	20,554	21,002		22,472	22,917	(1.9%)
Year-on-Year Growth (%)	29.5%	24.6%	22.9%	17.3%		16.5%	18.8%	
Eats Bookings	17,011	17,699	18,126	18,663		20,156	19,595	2.9%
Year-on-Year Growth (%)	18.8%	17.8%	16.2%	16.0%		18.5%	15.2%	
Freight Bookings	1,279	1,282	1,272	1,308		1,360	1,302	4.5%
Year-on-Year Growth (%)	(16.9%)	(8.5%)	(0.5%)	1.9%		6.4%	1.8%	
Adjusted Revenues	9,936	10,131	10,700	11,188		11,900	11,572	2.8%
Year-on-Year Growth (%)	15.4%	14.8%	15.9%	20.4%		19.8%	16.5%	
Rides Revenues	5,537	5,633	6,134	6,409		6,790	6,712	1.2%
Year-on-Year Growth (%)	33.9%	30.1%	25.3%	26.4%		22.6%	21.2%	
Rides Take Rate (%)	28.7%	30.2%	29.8%	30.5%		30.2%	29.6%	0.7pts
Eats Revenues	3,119	3,214	3,293	3,470		3,749	3,619	3.6%
Year-on-Year Growth (%)	6.4%	3.9%	7.7%	18.2%		20.2%	16.0%	
Eats Take Rate (%)	18.3%	18.2%	18.2%	18.6%		18.6%	18.3%	0.3pts
Freight Revenues	1,280	1,284	1,273	1,309		1,360	1,307	4.1%
Year-on-Year Growth (%)	(16.9%)	(8.3%)	(0.5%)	1.8%		6.3%	2.1%	
Cost of Revenues, excl. Excess Driver Incentives	(6,048)	(6,168)	(6,412)	(6,761)		(7,170)	(6,938)	3.3%
Contribution Profit	3,888	3,963	4,288	4,427		4,729	4,634	2.1%
Contribution Profit Margin (%)	10.3%	10.5%	10.7%	10.8%		10.8%	10.6%	0.1pts
Operating Expenses excl. D&A	(2,605)	(2,581)	(2,718)	(2,737)		(2,849)	(2,807)	1.5%
Adjusted EBITDA	1,283	1,382	1,570	1,690	1,780 - 1,880	1,880	1,826	3.0%
Adj EBITDA Margin - Bookings (%)	3.4%	3.7%	3.9%	4.1%		4.3%	4.2%	0.1pts
Rides Adj. EBITDA	1,446	1,479	1,567	1,682		1,822	1,817	0.3%
Rides Adj EBITDA Margin - Bookings (%)	7.5%	7.9%	7.6%	8.0%		8.1%	7.9%	0.2pts
Eats Adj. EBITDA	476	528	588	628		698	676	3.3%
Eats Adj EBITDA Margin - Bookings (%)	2.8%	3.0%	3.2%	3.4%		3.5%	3.4%	0.0pts
Freight Adj. EBITDA	(14)	(21)	(12)	(19)		(18)	(11)	72.8%
Freight Adj EBITDA Margin - Bookings (%)	(1.1%)	(1.6%)	(0.9%)	(1.5%)		(1.3%)	(0.8%)	(0.5pts)
Corporate G&A and Platform R&D	(625)	(604)	(573)	(601)		(622)	(632)	(1.5%)
Depreciation & Amortization	(203)	(190)	(173)	(179)		(180)	(185)	
Adjusted EBIT	1,080	1,192	1,397	1,511		1,700	1,641	3.6%
EBIT Margin (%)	2.9%	3.2%	3.5%	3.7%		3.9%	3.8%	
Interest Expenses and Others	(120)	(162)	(115)	(93)		(299)	(214)	
Net Income Attr. to Uber Shareholders	960	1,030	1,282	1,418		1,402	1,427	(1.8%)
Diluted Shares Outstanding (m)	2,122	2,080	2,150	2,154		2,176	2,176	
Diluted EPS (US\$)	0.45	0.50	0.60	0.66		0.64	0.64	0.9%

Source: Corporate reports, FactSet Consensus (PEV) and NSR estimates and analysis.

NSR vs. Consensus (Annually)

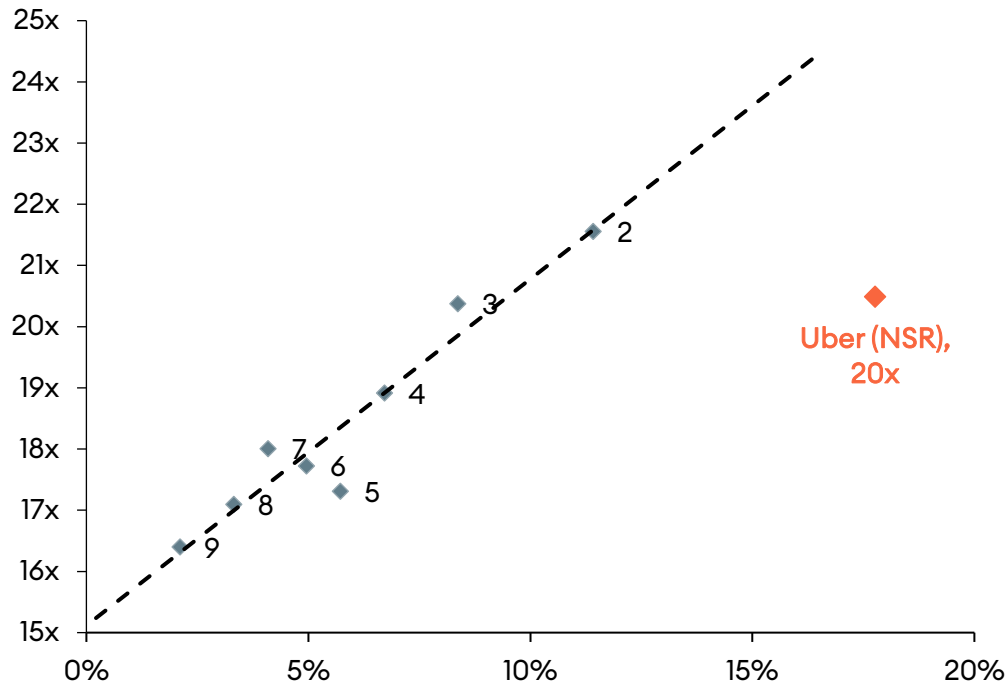
Uber - NSR vs. Consensus (US\$m)	FY20A (Dec '20)	FY21A (Dec '21)	FY22A (Dec '22)	FY23A (Dec '23)	FY24E (Dec '24)			FY25E (Dec '25)			FY26E (Dec '26)		
Financial Year	Rept.	Rept.	Rept.	Rept.	NSR	Cons.	NSR vs. Cons.	NSR	Cons.	NSR vs. Cons.	NSR	Cons.	NSR vs. Cons.
<i>Income Statement (Non-GAAP)</i>													
Gross Bookings	66,128	90,415	115,395	137,865	162,565	162,125	0.3%	189,061	189,154	(0.0%)	218,311	218,348	(0.0%)
Year-on-Year Growth (%)	1.7%	36.7%	27.6%	19.5%	17.9%	17.6%		16.3%	16.7%		15.5%	15.4%	
Rides Bookings	26,614	36,636	52,665	68,897	82,698	83,479	(0.9%)	97,170	99,193	(2.0%)	114,175	116,048	(1.6%)
Year-on-Year Growth (%)	(46.5%)	37.7%	43.8%	30.8%	20.0%	20.0%		17.5%	18.8%		17.5%	17.0%	
Eats Bookings	30,244	51,645	55,778	63,726	74,644	73,987	0.9%	85,467	85,207	0.3%	97,006	97,759	(0.8%)
Year-on-Year Growth (%)	108.7%	70.8%	8.0%	14.2%	17.1%	16.1%		14.5%	15.2%		13.5%	14.7%	
Freight Bookings	1,039	2,134	6,952	5,242	5,222	5,143	1.5%	6,423	5,440	18.1%	7,130	5,722	24.6%
Year-on-Year Growth (%)	28.0%	105.4%	225.8%	(24.6%)	(0.4%)	(1.9%)		23.0%	5.8%		11.0%	5.2%	
Adjusted Revenues	13,690	12,437	11,717	11,152	43,919	43,440	1.1%	52,227	50,239	4.0%	60,749	58,156	4.5%
Year-on-Year Growth (%)	3.8%	(9.2%)	(5.8%)	(4.8%)	293.8%	289.5%		18.9%	15.7%		16.3%	15.8%	
Rides Revenues	6,104	7,412	14,126	19,832	24,966	24,605	1.5%	29,821	28,910	3.2%	35,382	34,159	3.6%
Year-on-Year Growth (%)	(44.0%)	21.4%	90.6%	40.4%	25.9%	24.1%		19.4%	17.5%		18.6%	18.2%	
Rides Take Rate (%)	22.9%	20.2%	26.8%	28.8%	30.2%	29.5%	0.7pts	30.7%	29.1%	1.5pts	31.0%	29.4%	1.6pts
Eats Revenues	3,903	8,362	10,901	12,204	13,726	13,488	1.8%	15,982	15,685	1.9%	18,237	17,925	1.7%
Year-on-Year Growth (%)	180.0%	114.2%	30.4%	12.0%	12.5%	10.5%		16.4%	16.3%		14.1%	14.3%	
Eats Take Rate (%)	12.9%	16.2%	19.5%	19.2%	18.4%	18.2%	0.2pts	18.7%	18.4%	0.3pts	18.8%	18.3%	0.5pts
Freight Revenues	1,145	2,139	6,947	5,245	5,226	5,255	(0.5%)	6,423	5,571	15.3%	7,130	5,989	19.1%
Year-on-Year Growth (%)	28.4%	86.8%	224.8%	(24.5%)	(0.4%)	0.2%		22.9%	6.0%		11.0%	7.5%	
Cost of Revenues, excl. Excess Driver Incentives	(6,168)	(5,580)	(5,260)	(5,083)	(26,511)	(26,222)	1.1%	(31,416)	(29,659)	5.9%	(36,442)	(33,496)	8.8%
Contribution Profit	7,522	6,857	6,457	6,069	17,407	17,218	1.1%	20,811	20,580	1.1%	24,307	24,661	(1.4%)
Contribution Profit Margin (%)	11.4%	7.6%	5.6%	4.4%	10.7%	10.6%		11.0%	10.9%		11.1%	11.3%	
Operating Expenses excl. D&A	(9,990)	(9,506)	(9,146)	(8,597)	(10,885)	(10,794)	0.8%	(11,989)	(12,003)	(0.1%)	(12,936)	(13,521)	(4.3%)
Adjusted EBITDA	(2,468)	(2,649)	(2,689)	(2,528)	6,522	6,423	1.5%	8,822	8,577	2.9%	11,371	11,139	2.1%
Adj EBITDA Margin - Bookings (%)	(3.7%)	(2.9%)	(2.3%)	(1.8%)	4.0%	4.0%		4.7%	4.5%		5.2%	5.1%	
Rides Adj. EBITDA	1,169	1,596	3,299	4,963	6,550	6,509	0.6%	8,182	7,990	2.4%	9,957	9,800	1.6%
Rides Adj EBITDA Margin - Bookings (%)	4.4%	4.4%	6.3%	7.2%	7.9%	7.8%	0.1pts	8.4%	8.1%	0.4pts	8.7%	8.4%	0.3pts
Eats Adj. EBITDA	(873)	(348)	551	1,506	2,442	2,422	0.9%	3,138	3,124	0.4%	3,902	3,881	0.5%
Eats Adj EBITDA Margin - Bookings (%)	(2.9%)	(0.7%)	1.0%	2.4%	3.3%	3.3%	(0.0pts)	3.7%	3.7%	0.0pts	4.0%	4.0%	0.1pts
Freight Adj. EBITDA	(688)	(141)	--	(64)	(70)	(54)	n.a.	(38)	11	n.a.	22	91	(75.7%)
Freight Adj EBITDA Margin - Bookings (%)	(66.2%)	(6.6%)	--	(1.2%)	(1.3%)	(1.1%)	(0.3pts)	(0.6%)	0.2%	(0.8pts)	0.3%	1.6%	(1.3pts)
Corporate G&A and Platform R&D	(2,136)	(1,881)	(2,137)	(2,353)	(2,400)	(2,414)	n.a.	(2,460)	(2,534)	n.a.	(2,509)	(2,655)	n.a.
Depreciation & Amortization	(575)	(902)	(947)	(823)	(722)	(741)		(736)	(755)		(643)	(783)	
Adjusted EBIT	(3,043)	(3,551)	(3,636)	(3,351)	5,800	5,683	2.1%	8,086	7,822	3.4%	10,728	10,357	3.6%
EBIT Margin (%)	(4.6%)	(3.9%)	(3.2%)	(2.4%)	3.6%	3.5%		4.3%	4.1%		4.9%	4.7%	
Interest Expenses and Others	(2)	277	121	(125)	(669)	(1,016)		(1,303)	(1,494)		(1,567)	(1,576)	
Net Income Attr. to Uber Shareholders	(3,045)	(3,274)	(3,515)	(3,476)	5,132	4,667	10.0%	6,783	6,328	7.2%	9,161	8,781	4.3%
Diluted Shares Outstanding (m)	1,249	1,249	1,249	1,249	2,144	2,144		2,202	2,202		2,262	2,262	
Diluted EPS (US\$)	(2.44)	(2.62)	(2.81)	(2.78)	2.39	1.87	27.8%	3.08	2.90	6.2%	4.05	4.14	(2.2%)

Source: Corporate reports, FactSet Consensus (stale) and NSR estimates and analysis.

We value Uber at \$100, ~40% upside

Mid-to-high-teen booking growth justifies ~20x EV/EBIT

S&P 500 1-year forward EV/EBIT (x) vs. 1-year forward sales growth of each sales growth decline (%)



Source: FactSet, and NSR estimates and analysis.

... Implying \$100 Target Price, ~40% upside

Uber valuation

Forward EBIT	~\$11bn
Forward EV/EBIT	20x
Enterprise Value	~\$215bn
Net Cash and Investments	~\$13bn
Market Cap	~\$228bn
Shares Outstanding	~2.2bn
Target Price	\$100
Current Price	\$72
Upside	~40%

Relevant Further Research

- Didi's resurgence in Latin America. What next? - (2 July 2024) - [Link](#)
- The Tech Infrastructure Quarterly Bible 1Q24 - (20 June 2024) - [Link](#)
- Uber acquiring Delivery Hero's Taiwan business. Our take - (14 May 2024) - [Link](#)
- Uber 1Q24: We see only strengths in the quarter & guide, Buy, \$100 TP - (13 May 2024) - [Link](#)
- Cruise: CEO resignation and recent debacle - and what if Uber were the greatest winner in all this? - (20 November 2023) - [Link](#)
- Uber partnering with Waymo? ADAScAdabra thesis playing out - (23 May 2023) - [Link](#)
- Technology in 2023: Our top picks - (4 January 2023) - [Link](#)
- Department of Labor classifying gig workers as employees? Our Quick Take - (11 October 2022) - [Link](#)
- Synergies between ride-sharing and delivery? Undisputable. Could DoorDash & Lyft merge? - (6 April 2022) - [Link](#)
- Uber: limited exposure to recession or inflation; strong bookings and EBITDA growth in 2022 and beyond - (30 March 2022) - [Link](#)
- Uber Investor Day: Excellent fundamentals confirmed - but why did they guide 2024? - (11 February 2022) - [Link](#)
- Uber & Grab in 2022: Is the market going to recognize software-like fundamentals and growth this year? - (13 January 2022) - [Link](#)
- Grab Initiation - (01 October 2021) - [Link](#)
- Uber: Understanding the quality of fundamentals - or why we think the stock can triple in 3 years - (1 April 2021) - [Link](#)
- DoorDash IPO - What can we learn about Uber's delivery business? - (16 November 2020) - [Link](#)
- Waymo taking driverless service to general public? Our take - (13 October 2020) - [Link](#)
- Uber vs. Lyft: over a 2x discount? - (23 October 2019) - [Link](#)
- Uber: Profitable already in ride sharing in the US? - (15 October 2019) - [Link](#)
- Uber initiation - Rocky ride ahead. Buy, TP \$50 - (23 May 2019) - [Link](#)
- Uber IPO - Key Thought, Convictions, and Questions - (27 April 2019) - [Link](#)

Financial Statements and Disclosures

Income Statement

Uber Income Statement (Non-GAAP, US\$m)	2Q23A (Jun '23)	3Q23A (Sep '23)	4Q23A (Dec '23)	1Q24A (Mar '24)	2Q24A (Jun '24)	3Q24E (Sep '24)	4Q24E (Dec '24)	FY22A (Dec '22)	FY23A (Dec '23)	FY24E (Dec '24)	FY25E (Dec '25)	FY26E (Dec '26)
Gross Bookings	33,601	35,281	37,575	37,651	39,952	40,973	43,989	115,395	137,865	162,565	189,061	218,311
Year-on-Year Growth (%)	15.6%	21.2%	22.2%	19.9%	18.9%	16.1%	17.1%	27.6%	19.5%	17.9%	16.3%	15.5%
Ride Sharing	16,728	17,903	19,285	18,670	20,554	21,002	22,472	52,665	68,897	82,698	97,170	114,175
Year-on-Year Growth (%)	25.2%	30.8%	29.5%	24.6%	22.9%	17.3%	16.5%	43.8%	30.8%	20.0%	17.5%	17.5%
Uber Eats	15,595	16,094	17,011	17,699	18,126	18,663	20,156	55,778	63,726	74,644	85,467	97,006
Year-on-Year Growth (%)	12.4%	17.6%	18.8%	17.8%	16.2%	16.0%	18.5%	8.0%	14.2%	16.0%	17.1%	14.5%
Freight	1,278	1,284	1,279	1,282	1,272	1,308	1,360	6,952	5,242	5,222	6,423	7,130
Year-on-Year Growth (%)	(30.5%)	(26.7%)	(16.9%)	(8.5%)	(0.5%)	1.9%	6.4%	225.8%	(24.6%)	(0.4%)	23.0%	11.0%
Adjusted Net Revenues	9,230	9,292	9,936	10,131	10,700	11,188	11,900	31,974	37,281	43,919	52,227	60,749
Year-on-Year Growth (%)	13.0%	11.4%	15.4%	14.8%	15.9%	20.4%	19.8%	78.5%	16.6%	17.8%	18.9%	16.3%
Take-Rate (%)	27.5%	26.3%	26.4%	26.9%	26.8%	27.3%	27.1%	27.7%	27.0%	27.0%	27.6%	27.8%
Cost of Revenues, excl. D&A	(5,515)	(5,639)	(6,048)	(6,168)	(6,412)	(6,761)	(7,170)	(19,653)	(22,461)	(26,511)	(31,416)	(36,442)
Year-on-Year Growth (%)	7.0%	9.1%	14.0%	17.3%	16.3%	19.9%	18.6%	112.9%	14.3%	18.0%	18.5%	16.0%
Contribution Profit	3,715	3,653	3,888	3,963	4,288	4,427	4,729	12,321	14,820	17,407	20,811	24,307
Contribution Margin (% of bookings)	11.1%	10.4%	10.3%	10.5%	10.7%	10.8%	10.8%	10.7%	10.7%	10.7%	11.0%	11.1%
Operating Expenditure	(2,799)	(2,561)	(2,605)	(2,581)	(2,718)	(2,737)	(2,849)	(10,609)	(10,768)	(10,885)	(11,989)	(12,936)
Operating Expenditure as % of bookings	8.3%	7.3%	6.9%	6.9%	6.8%	6.7%	6.5%	9.2%	7.8%	6.7%	6.3%	5.9%
Adjusted EBITDA	916	1,092	1,283	1,382	1,570	1,690	1,880	1,713	4,052	6,522	8,822	11,371
Adjusted EBITDA Margin (% of bookings)	2.7%	3.1%	3.4%	3.7%	3.9%	4.1%	4.3%	1.5%	2.9%	4.0%	4.7%	5.2%
Ride Sharing	1,170	1,287	1,446	1,479	1,567	1,682	1,822	3,299	4,963	6,550	8,182	9,957
Adjusted EBITDA Margin (% of bookings)	7.0%	7.2%	7.5%	7.9%	7.6%	8.0%	8.1%	6.3%	7.2%	7.9%	8.4%	8.7%
Uber Eats	329	413	476	528	588	628	698	551	1,506	2,442	3,138	3,902
Adjusted EBITDA Margin (% of bookings)	2.1%	2.6%	2.8%	3.0%	3.2%	3.4%	3.5%	1.0%	2.4%	3.3%	3.7%	4.0%
Others + Corporate G&A and Platform R&D	(583)	(608)	(639)	(625)	(585)	(620)	(640)	(2,137)	(2,417)	(2,470)	(2,498)	(2,487)
Depreciation & Amortization	(208)	(205)	(203)	(190)	(173)	(179)	(180)	(947)	(823)	(722)	(736)	(643)
D&A as % of bookings	0.6%	0.6%	0.5%	0.5%	0.4%	0.4%	0.4%	0.8%	0.6%	0.4%	0.4%	0.3%
EBIT	708	887	1,080	1,192	1,397	1,511	1,700	766	3,229	5,800	8,086	10,728
EBIT Margin (% of bookings)	2.1%	2.5%	2.9%	3.2%	3.5%	3.7%	3.9%	0.7%	2.3%	3.6%	4.3%	4.9%
Financial Income (expense) & Others	(36)	(128)	8	(129)	(46)	77	(143)	(573)	(331)	(241)	(549)	(549)
Profit Before Tax	672	759	1,088	1,063	1,351	1,588	1,557	193	2,898	5,559	7,537	10,179
Tax Charge	(65)	40	(133)	(29)	(57)	(158)	(156)	181	(213)	(400)	(754)	(1,018)
Tax Rate (%)	(9.7%)	5.3%	(12.2%)	(2.7%)	(4.2%)	(9.9%)	(10.0%)	(93.8%)	7.3%	7.2%	10.0%	10.0%
Loss/gain from Equity Method Investment	4	3	5	(4)	(12)	(12)	--	(37)	107	48	(28)	--
Net Income/loss Attr. to Uber stockholders	611	802	960	1,030	1,282	1,418	1,402	481	2,733	5,132	6,783	9,161
Diluted Share Count (m)	2,079	2,108	2,122	2,080	2,150	2,154	2,176	2,049	2,093	2,144	2,202	2,262
Year-on-Year Growth (%)								7.7%	2.1%	2.4%	2.7%	2.7%
Diluted EPS (US\$)	0.29	0.38	0.45	0.50	0.60	0.66	0.64	0.23	1.31	2.39	3.08	4.05
Year-on-Year Growth (%)								(125.7%)	456.3%	83.3%	28.7%	31.5%

Source: Corporate reports, and NSR estimates and analysis.

Cashflow Statement

Uber Cash Flow Statement (Non-GAAP, US\$m)	2Q23A (Jun '23)	3Q23A (Sep '23)	4Q23A (Dec '23)	1Q24A (Mar '24)	2Q24A (Jun '24)	3Q24E (Sep '24)	4Q24E (Dec '24)	FY22A (Dec '22)	FY23A (Dec '23)	FY24E (Dec '24)	FY25E (Dec '25)	FY26E (Dec '26)
Cashflow From Operating Activities												
Net Income	394	219	1,700	(663)	1,008	2,599	1,154	(9,138)	2,156	4,098	5,007	7,096
Depreciation & Amortization	208	205	203	194	181	186	180	947	823	741	736	643
Stock-based Compensation	504	492	469	484	455	438	559	1,793	1,935	1,936	1,776	2,065
Others	85	50	(1,549)	1,401	176	(1,072)	(456)	7,040	(1,328)	49	50	267
Operating Cash Flow	1,190	966	823	1,416	1,820	2,151	1,437	642	3,585	6,824	7,569	10,071
Cashflow From Investing Activities												
Purchase of property and equipment	(50)	(61)	(55)	(57)	(99)	(42)	(67)	(252)	(223)	(265)	(287)	(304)
Others	458	(2,355)	(764)	(185)	(1,577)	(2,650)	--	(1,385)	(3,003)	(4,412)	--	--
Investing Cash Flow	408	(2,416)	(819)	(242)	(1,676)	(2,692)	(67)	(1,637)	(3,226)	(4,677)	(287)	(304)
Cashflow from Financing Activities												
Issuance of debt (net)	(7)	(6)	178	(6)	(7)	1,999	--	--	149	1,986	--	--
Repurchase of outstanding shares	--	--	--	--	(325)	(372)	--	--	--	(697)	--	--
Issuance of redeemable convertible preferred stock	--	--	--	--	--	--	--	--	--	--	--	--
Others	49	(70)	(132)	(94)	141	(26)	--	15	(244)	21	--	--
Financing Cash Flow	42	(76)	46	(100)	(191)	1,601	--	15	(95)	1,310	--	--
Effect of exchange rate changes	27	(69)	89	(94)	(56)	62	--	(148)	63	(88)	--	--
Change in Cash												
Starting Cash	6,793	8,460	6,865	7,004	7,984	7,881	9,003	7,805	6,677	7,004	10,373	17,655
Change in Cash	1,667	(1,595)	139	980	(103)	1,122	1,370	(1,128)	327	3,369	7,282	9,767
Reclassification from (to) assets held for sale	--	--	--	--	--	--	--	--	--	--	--	--
Ending Cash	8,460	6,865	7,004	7,984	7,881	9,003	10,373	6,677	7,004	10,373	17,655	27,422
Free Cash Flow												
Free Cash Flow	1,140	905	768	1,359	1,721	2,109	1,370	390	3,362	6,559	7,282	9,767
Free Cash Flow per Share (US\$)	0.5	0.4	0.4	0.7	0.8	1.0	0.6	0.2	1.6	3.1	3.3	4.3

Source: Corporate reports, and NSR estimates and analysis.

Balance Sheet

Uber Balance Sheet (US\$m)	2Q23A (Jun '23)	3Q23A (Sep '23)	4Q23A (Dec '23)	1Q24A (Mar '24)	2Q24A (Jun '24)	3Q24E (Sep '24)	4Q24E (Dec '24)	FY22A (Dec '22)	FY23A (Dec '23)	FY24E (Dec '24)	FY25E (Dec '25)
Assets											
Current Assets											
Cash and cash equivalents	4,995	4,448	4,680	5,019	4,497	6,150	7,415	4,208	4,680	7,415	13,769
Restricted cash and cash equivalents	909	833	805	808	776	933	933	680	805	933	933
Accounts receivables	2,576	3,000	3,404	3,708	3,783	3,719	4,087	2,779	3,404	4,087	4,235
Others	1,646	1,673	1,681	1,795	1,632	1,616	1,763	1,479	1,681	1,763	2,269
Total Current Assets	10,664	10,679	11,297	12,074	12,483	15,331	17,111	9,249	11,297	17,111	24,119
Non-Current Assets											
Restricted cash and cash equivalents	2,556	1,584	1,519	2,157	2,608	1,920	2,026	1,789	1,519	2,026	2,953
Investments + Equity method investments	5,167	5,141	6,454	5,941	6,545	8,235	8,235	5,271	6,454	8,235	10,294
Property and equipment, net	2,116	2,100	2,073	2,033	2,034	1,982	1,936	2,082	2,073	1,936	1,729
Intangible assets, net	1,607	1,511	1,425	1,335	1,265	1,192	1,125	1,874	1,425	1,125	883
Others	10,150	10,990	11,152	11,247	11,518	11,905	11,905	10,230	11,152	11,905	11,905
Total Non-Current Assets	23,404	25,270	27,402	27,525	29,031	31,786	31,778	22,860	27,402	31,778	34,316
Total Assets	34,068	35,949	38,699	39,599	41,514	47,117	48,890	32,109	38,699	48,890	58,435
Liabilities and Shareholders' Equity											
Current Liabilities											
Accounts payable	694	799	790	833	752	802	813	728	790	813	945
Short-term insurance reserves	1,729	1,823	2,016	2,082	2,387	2,523	2,523	1,692	2,016	2,523	2,523
Others	6,212	6,783	6,648	7,078	7,179	7,510	7,559	6,433	6,648	7,559	8,130
Total Current Liabilities	8,635	9,405	9,454	9,993	10,318	10,835	10,895	8,853	9,454	10,895	11,598
Non-Current Liabilities											
Long-term insurance reserves	3,931	4,337	4,722	5,346	5,733	6,623	6,623	3,028	4,722	6,623	6,623
Long-term debt, net of current portion	9,255	9,252	9,459	9,457	9,454	10,986	10,986	9,265	9,459	10,986	10,986
Others	2,419	2,436	2,382	2,304	2,226	2,134	2,134	2,459	2,382	2,134	2,134
Total Non-Current Liabilities	15,605	16,025	16,563	17,107	17,413	19,743	19,743	14,752	16,563	19,743	19,743
Total Liabilities	24,240	25,430	26,017	27,100	27,731	30,578	30,638	23,605	26,017	30,638	31,341
Shareholders' Equity											
Redeemable convertible preferred stock	408	394	654	651	631	946	946	430	654	946	946
Additional paid-in capital	41,637	42,147	42,264	42,743	43,062	42,825	43,384	40,550	42,264	43,384	45,160
Accumulated other comprehensive loss	(443)	(480)	(421)	(437)	(479)	(424)	(424)	(443)	(421)	(424)	(424)
Accumulated deficit	(32,530)	(32,309)	(30,594)	(31,248)	(30,233)	(27,621)	(26,467)	(32,767)	(30,594)	(26,467)	(19,401)
Non-redeemable non-controlling interests	756	767	779	790	802	813	813	734	779	813	813
Total Shareholders' Equity	9,828	10,519	12,682	12,499	13,783	16,539	18,252	8,504	12,682	18,252	27,094
Total Liabilities and Shareholders' Equity	34,068	35,949	38,699	39,599	41,514	47,117	48,890	32,109	38,699	48,890	58,435

Source: Corporate reports, and NSR estimates and analysis.

Disclosures

12 month historical recommendation changes are available on request

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