

Uber Technologies, Inc. (UBER)**Q1 2025 Prepared Remarks**

May 7, 2025

Dara Khosrowshahi, CEO

Uber delivered a strong start to the year, against a dizzying backdrop of headlines on trade and economic policy. Our consumer base grew 14% year-over-year (YoY) to 170 million monthly active consumers (MAPCs), and engagement on our platform was healthier than ever, with trip growth coming in once again at 18% YoY. Gross Bookings grew in-line with trips, fueled by strength in both Mobility and Delivery, generating record Adjusted EBITDA of \$1.9 billion, up 35% YoY, converting to free cash flow of \$2.3 billion.

Our retention rates are at or near all-time highs globally, once again showcasing the strength of the Uber consumer and just how essential our products have become to people's everyday lives. We remain very bullish about the opportunity ahead, as our current MAPCs represent only ~5% of the adult population in our operating footprint, and about half of our consumers use our apps just 1-2 times per month, versus a global average of 6.

Uber also remains the platform of choice for on-demand work, with a record 8.5 million (+20% YoY) active drivers and couriers globally, who took home an astounding \$18.6 billion (+18% YoY) this quarter. Merchant selection on our platform increased to 1.2 million (+17% YoY), with \$12.9 billion in merchant payouts (+21% YoY). Our scale means that Uber can deliver the most rewarding earnings opportunities to individuals and businesses around the globe.

Looking forward, we continue to execute on our key 2025 growth initiatives: making our platform more affordable, unlocking lower-density markets, scaling our growth bets, and advancing our AV strategy. We'll have more product and partnership news, with a focus on affordability, at our annual GO-GET event on May 14.

Mobility

Mobility delivered a third consecutive quarter of 19% YoY trip growth. Consistent with our strategy to keep prices as low as possible, and aided by moderating insurance pressures, the spread between trip growth and Gross Bookings growth narrowed, with Gross Bookings up 20% YoY. We believe that healthy growth comes from audience and engagement, versus higher prices, and that is the right path to maximize long-term free cash flow per share. Q1 proves this point, with a record Adjusted EBITDA margin of 8.3% complementing our strong trip and Gross Bookings growth.

On supply, active driver growth remains steadily ahead of Mobility Gross Bookings growth. In Q1, we expanded the Driver Insights dashboard across the US, which gives drivers a score based on their driving behavior (like speeding or harsh braking/acceleration) and shares tips on how to drive more safely. In turn, drivers who maintain a certain driving score get access to higher earnings opportunities and improved matching. Over time, we expect the improved safety on our network to result in insurance cost savings.

Fifteen years in, we know there is still a lot of runway ahead for Mobility, and we have a number of important growth initiatives underway. One key imperative is to advance transportation in the suburbs and other sparse markets in the same way that we have in urban centers. Historically, rideshare has struggled in these areas because fewer drivers naturally means less reliability. Technology like ours can help to bridge that gap, with Uber Reserve as a great example.

We are seeing customers in suburbs increasingly turn to Reserve as the primary way they use Uber. In fact, 40% of Reserve volume is now unrelated to airport travel, signaling the Reserve use case for everyday transportation needs. Sparser markets represent over 20% of Mobility trips, and we expect to grow our city count by several hundred in 2025.

In addition to our efforts in the suburbs, we are focused on growing our product portfolio beyond UberX. Consistent with our goal of getting every taxi on Uber, we launched taxis in more than 40 cities across the US, Turkey, Brazil, Italy, Japan, and Poland, with landmark launches in Rio de Janeiro, Florence, and Nagoya. Taxis on Uber are now in 38 countries and over 500 cities, generating over \$3.5 billion in annualized Gross Bookings in Q1, up over 60% YoY. In fact, taxis now represent more than 10% of our Mobility trips in EMEA. On the low-cost front, we expanded Uber Shuttle to more airports in the US, adding routes to and from some of the busiest airports in the world like JFK, Newark, and Atlanta.

Delivery

While the strength of our Mobility business remains top of mind for many investors, our Delivery business is an under-appreciated growth and profitability engine. Our Delivery story has been one of steady acceleration post-COVID, as we have dramatically expanded our selection beyond restaurants to Grocery & Retail (G&R), and improved affordability with membership and merchant-funded offers. At its lows, our Delivery trip growth was just 5% YoY in 2022, as we lapped COVID tailwinds. We steadily accelerated to 13% YoY in 2024, and grew to 15% YoY this quarter – all organically. Gross Bookings growth has been even stronger, at over 18% YoY, driven by membership growth and increasing G&R mix. Additionally, in Q1, we expanded Delivery Adjusted EBITDA margins to 3.7% — driving nearly \$3 billion of annualized EBITDA expansion at an incremental margin of over 11% of Gross Bookings (slightly better than Mobility's incremental margin over that same period).

Our efforts over the past decade have built a global powerhouse in restaurant delivery: today, we fulfill over 2 billion orders in roughly 30 countries, with category-leading positions in 8 of our top 10 markets. And because of our leadership position around the world, our restaurant delivery business is now solidly profitable, with profit margins now only modestly lower than our UberX profit margins – a remarkable feat.

Uber's platform gives us a unique acquisition, engagement, and retention advantage for consumers, couriers, and merchants. In Q1, nearly a third of new Uber Eats customers came from the Uber app. We have turbocharged that advantage with our membership program, which now drives 60% of Delivery Gross Bookings. And there's still room to run: in our best-in-class countries, membership coverage is over 70% of Delivery Gross Bookings. Membership drives multiple long-term benefits to Uber: they spend more and they are more likely to try new services that we introduce. It's our highest long-term ROI lever by far.

On-demand delivery has become the new standard for e-commerce, with customers now expecting everything at their doorstep in just a few hours (or minutes). Given this reality, our ambition is to bring the value of our marketplace to all merchants, while unlocking on-demand local commerce for people everywhere.

To that end, we are doubling down on retail categories like home improvement, pets, and beauty. In Q1 alone, we welcomed beloved merchants like The Home Depot, Sally Beauty, Fresh Direct, 1-800-Flowers.com, and Petco. We see evidence that consumers who order from these merchants have higher overall platform engagement. In our leading countries, over half of G&R consumers already order from retail categories every month.

Unlike restaurant delivery, much of retail spend is driven by seasonal moments and holidays, like Mother's Day or back-to-school. We are investing heavily in better selection and in-app merchandising for these moments, with strong results so far. For example, we hit our best day ever for G&R (and overall Delivery) Gross Bookings this past Valentine's Day, driven by flower sales.

Today, G&R is at a \$10 billion annualized Gross Bookings run-rate. That's roughly the scale of our restaurant food delivery business in 2018, so there's a lot of runway ahead. In fact, only 18% of our Delivery monthly users place G&R orders each month. Just as our foundational excellence in Mobility powered the rise of restaurant delivery on Uber Eats, our platform will drive consumer adoption of G&R globally.

We know that the Delivery opportunity in front of us is massive. And, similar to our approach to AVs, we think the partnership model is the right one for Uber, and plays to our many operational strengths. That's why we are cultivating a network of partners—like Instacart, OpenTable, and Toast—to bring best-in-class services to our customers and merchants, with more to come.

Advertising

Advertising had yet another strong quarter, with revenue crossing a \$1.5 billion annual run-rate, growing over 60% YoY. Notably, we announced a partnership with Instacart's Carrot Ads solution in the US to help extend the reach of Sponsored Items to more than 7,000 CPG brands of all sizes. By partnering with third parties for our G&R adtech platform, we have been able to prioritize investments in restaurant delivery and our nascent Mobility ads business. We continue to be positively surprised by the strong appetite for restaurant delivery advertising, which is now approaching 2% of Delivery Gross Bookings, and continues to grow at over 60% YoY, with steady growth in both advertiser count and budget per advertiser. And our Mobility ads business continues to significantly outpace overall advertising growth, driven primarily by Journey Ads in the Uber app, which continue to expand globally.

Autonomous Vehicles (AV)

Reference reading published with Q4 2024 results: [Autonomous Vehicles Spotlight](#)

We are confident that AV technology is the single greatest opportunity ahead for Uber. And we are laser-focused on bringing more partners and more AVs, in more places, onto the Uber platform.

We have been busy bringing several of our AV partnerships to life, and we have quickly grown to an annual run-rate of 1.5 million Mobility and Delivery AV trips on Uber's network. In March, we launched Waymo exclusively on Uber in Austin. So far, this launch has exceeded our expectations. Waymo's safety record and rider experience coupled with Uber's scale and reliability in the market have ensured that these vehicles are extremely busy. In fact, these approximately 100 vehicles are now busier than over 99% of all drivers in Austin in terms of completed trips per day. We plan to scale to hundreds of vehicles in Austin over the coming months, while also gearing up for launch in Atlanta in early summer. Riders in Atlanta can join our Interest List in their Uber app to get updates on our plans.

We also executed five new or expanded Mobility AV partnerships within just the last week, bringing our total to 18 AV partners globally. In the US, we are partnering with Volkswagen to deploy their fully autonomous vehicles on Uber, with testing set to begin in Los Angeles later this year. We expect a similar timeline for deployment with Avride in Dallas, as well as our new partner May Mobility in Arlington, Texas. Outside of the US, we expanded our existing partnership with WeRide to 15 additional cities over the next five years, and we welcomed new partners Momenta (deploying in Europe early next year) and Pony.ai (deploying in the Middle East this year).

Outside of Mobility, we also continued to expand autonomous deliveries to more US cities with our partners Coco in Chicago and Miami, Serve in Miami and Dallas, and Avride in Jersey City. While still early, sidewalk robots are already creating savings for consumers (while delighting

passersby). Finally, Uber Freight marked a major milestone this past week, partnering with Aurora to deploy a fully autonomous freight trip on public roads with no safety driver.

Prashanth Mahendra-Rajah, CFO

Financial recap

Q1 was yet another proof point in Uber's ability to drive profitable growth at scale. Gross Bookings were up 18% YoY to \$42.8 billion, with balanced growth across Mobility and Delivery. Freight Gross Bookings were down 1% YoY, pressured by a challenging market and fluid trade policies. Foreign exchange was a headwind of \$1.7 billion YoY or approximately 4.5 percentage points. This was driven by a broad-based strengthening of the US dollar against foreign currencies, with a notable devaluation of the Brazilian real, Mexican peso, and Argentine peso resulting in an outsized headwind for Mobility. Revenue increased 17% YoY to \$11.5 billion, modestly slower than Gross Bookings growth given geographic mix impacts.

We continued to drive significant profit leverage, with Adjusted EBITDA up 35% YoY on a reported basis to a record \$1.9 billion and an Adjusted EBITDA margin of 4.4% of Gross Bookings. On a GAAP basis, we generated income from operations of \$1.2 billion. Income from operations increased YoY driven by strong operating performance, fewer discrete legal and regulatory matters, and lower stock-based compensation expense. Net income for the quarter was \$1.8 billion, which included a \$51 million net unrealized pre-tax gain related to the revaluation of our equity investments. Our GAAP net income may continue to see swings from quarter-to-quarter due to equity stakes on our balance sheet.

Turning to our cash flow, on a trailing twelve month basis, we generated a record \$7.8 billion of free cash flow (FCF), compared to Adjusted EBITDA of \$7.0 billion, representing a conversion of 112%. Our strong underlying FCF generation demonstrates the significant earnings power of our business. As a reminder, FCF conversion can fluctuate on a quarterly basis due to working capital seasonality and the timing of cash payments, among other factors, and we encourage investors to evaluate our FCF on an annual basis.

Capital structure

We continue to maintain strong liquidity, ending the quarter with \$6.0 billion in unrestricted cash, cash equivalents, and short-term investments. In addition, our equity stakes were marked at \$8.7 billion, the majority of which are publicly listed. Over the coming years, we plan to be opportunistic and monetize our equity stakes in a judicious manner to maximize the long-term value for Uber and our shareholders. We will utilize those proceeds in line with our capital allocation priorities.

Yesterday, we announced an agreement to acquire a controlling stake in Trendyol's leading food delivery and grocery service, Trendyol GO, for approximately \$700 million in cash. Trendyol GO generated \$2 billion in Gross Bookings in 2024, and we expect the transaction to be accretive to Uber's growth post-integration. We are excited at the prospect of combining Uber's global marketplace expertise with Trendyol's extensive coverage across Türkiye and its deep relationships with beloved local merchants. We estimate that Türkiye represents our third-largest untapped delivery market globally (after India and Brazil), with strong growth and underlying fundamentals. Our Mobility business in the country is also scaling quickly, and we look forward to bringing the power of the Uber platform to Turkish consumers, improving their product experience and supercharging business growth in the years ahead.

Our capital allocation priorities remain unchanged: disciplined reinvestment in future growth, maintaining ample liquidity consistent with a solid investment grade rating, and returning excess cash (beyond selective acquisition opportunities that are aligned with our strategy, as above). Returning capital to shareholders remains a key priority, and in Q1 we repurchased \$1.8 billion of common stock, including the \$1.5 billion accelerated share repurchase (ASR) program. We expect to be active and opportunistic buyers of our stock under our existing \$7.0 billion repurchase authorization (\$4.0 billion unused) and remain on track to steadily reduce our share count.

Outlook

Based on quarter-to-date trends:

- We expect Q2 Gross Bookings of \$45.75-47.25 billion, representing growth of 16% to 20% YoY on a constant-currency basis.
 - Our outlook assumes a roughly 1.5 percentage-point currency headwind to total reported YoY growth (including a roughly 3 percentage-point currency headwind to Mobility growth).
- We expect Q2 Adjusted EBITDA of \$2.02-2.12 billion, growing 29% to 35% YoY.
- We expect 2025 stock-based compensation of \$1.7-1.9 billion.
- We expect 2025 depreciation and amortization expense of \$600-700 million.

Forward-Looking Statements Disclaimer

These prepared remarks include both GAAP and non-GAAP financial measures. Additional disclosures regarding these non-GAAP measures, including a reconciliation of GAAP to non-GAAP measures, are included in the press release, supplemental slides and our filings with the SEC, each of which is posted to investor.uber.com.

Certain statements in this presentation and on this call are forward-looking statements. You should not place undue reliance on forward-looking statements. Actual results may differ materially from these forward-looking statements, and we do not undertake any obligation to update any forward-looking statements we make today, except as required by law.

For more information about factors that may cause actual results to differ materially from forward-looking statements, please refer to the press release we issued today and in other filings made with the SEC.

All Q1 growth rates reflect YoY growth and are on a constant-currency basis, unless otherwise noted. Lastly, we ask you to review our earnings press release for a detailed Q1 financial review and our Q1 supplemental slides deck for additional disclosures that provide context on recent business performance.