

06-Feb-2020

Uber Technologies, Inc. (UBER)

Q4 2019 Earnings Call

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MANAGEMENT DISCUSSION SECTION

Operator: Ladies and gentlemen, thank you for standing by, and welcome to Uber Technologies, Inc. Fourth Quarter 2019 Earnings Conference Call. [Operator Instructions] I would now like to hand the conference over to our first speaker today, Emily Reuter, Investor Relations. Please go ahead.

Emily Reuter

Head of Investor Relations, Uber Technologies, Inc.

Thank you, operator. Thank you for joining us today, and welcome to Uber Technologies' fourth quarter 2019 earnings presentation. On the call today, we have Dara Khosrowshahi and Nelson Chai. We also have Kent Schofield, and this is Emily Reuter from the Investor Relations team.

During today's call, we will present 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. Please note that we've also posted our 2020 Investor Presentation on our Investor page. I will remind you that these numbers are unaudited and may be subject to change.

Certain statements in this presentation and on this call may be deemed to be forward-looking statements. Such statements can be identified by terms such as believe, expect, intend and may. 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.

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, as well as risks and uncertainties included in the section under the caption Risk Factors and Management's Discussion and Analysis of Financial Condition and Results of Operations in our prospectus filed with the SEC in connection with our IPO on May 13, 2019, as well as our third guarter Form 10-Q that was filed on November 5, 2019.

Following prepared remarks today, we will open the call to questions. For the remainder of the discussion, all growth rates reflect year-over-year growth, unless otherwise noted.

With that, let me hand it over to Dara.

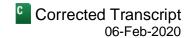
Dara Khosrowshahi

Chief Executive Officer & Director, Uber Technologies, Inc.

Thanks, Emily, and thank you all for joining us today. 2019 was a major milestone year for Uber. We achieved \$65 billion in gross bookings, up 35%; we crossed the \$100 million mark for MAPCs, reaching \$111 million in the fourth quarter; and we increased the number of consumers using both Rides and Eats by 68%.

We grew adjusted net revenue 28% to \$13 billion, with growth accelerating from 18% in Q1 to 43% in Q4. We improved total quarterly adjusted EBITDA by over \$200 million year-over-year or by 14 percentage points as a percentage of adjusted net revenue. In 2020, we expect to see adjusted EBITDA losses to continue to decline. To me, these results are a validation of the strategy we set in 2019. We'll continue to relentlessly execute our plans for each of our businesses in 2020.

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In Rides, we generated \$742 million in Rides adjusted EBITDA in the fourth quarter, covering our corporate overhead by \$98 million. We exited 2019 at a \$3 billion run rate for Rides adjusted EBITDA, with ANR growth continuing to accelerate in Q4.

We grew gross bookings in our high priority markets, Argentina, Germany, Italy, Japan, South Korea and Spain, by four times the rate of overall Rides GB growth. We expanded our set of products serving high value consumers and use cases, including the launch of Uber Comfort, which drove premium Rides growth of 55% in Q4; and Uber for Business, which achieved \$1.2 billion in gross bookings in Q4.

We also continued pursuing low-cost products such as 2-wheelers and 3-wheelers and are using our superior matching capabilities and data models to drive more efficient shared Rides products.

In Eats, we steadily delivered on our strategy to be number one or number two in every market by leaning into our investment in some countries and exiting others. We grew gross bookings by over 70% and are now in first or second position in well over half of our countries, reflecting the significant majority of our gross bookings, including the US, UK, France, Mexico, and Japan.

The divestiture of our Eats business in India and our exit from Eats in South Korea are recent examples of our strategic discipline. We also saw promising results in the US, our largest Eats market. We grew our US Eats business 44% to \$1.7 billion in GBs and maintained a strong number two position. At the same time, we increased our US take rate 500 basis points year-over-year to the mid-teens despite a competitive environment.

In 2020, we'll continue to follow the Rides playbook, focusing on turning the dial towards healthy growth, market leadership and margin expansion, significantly curtailing losses throughout the year, with Q4 2019 and Q1 2020 reflecting peak investment for our Eats business.

In our Freight and Other Bets segments, we're focused on responsible expansion with a heavy focus on unit economics. We'll continue to be thoughtful and disciplined in allocating capital by weighing growth, ROI and the impact on total company profitability to determine the appropriate investment in each of these segments.

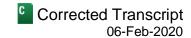
In our Advanced Technologies Group, having completed \$1 billion in funding, we expanded mapping and data collection efforts to five cities and continue to make progress towards an autonomous future, with plans to expand our on-road testing of cars in autonomous mode with a vehicle operator present in select cities. Just this week, we were issued a permit, which gives us the ability to resume testing in California.

In 2020, we'll continue to drive our road map for ATG through the hard work of our dedicated employees, Pittsburgh, San Francisco, Denver and Toronto, alongside the support from our investors and partners such as Toyota and Denso.

I also want to touch on the regulatory environment. We're a boots-on-the-ground business with a physical presence in every market in which we operate. Regulation has been and always will be a constant for us. And while our dialogue with regulators is ongoing, as it should be, we have by and large moved away from the question of whether ridesharing should exist to more nuanced questions around taxes, fees, and driver status.

We've achieved significant wins this year, including the successful lawsuit against the cruising cap in New York, expansion into several additional states in Mexico, movement on reform in Korea, continued growth in Japan and Germany; and, just yesterday, a positive ruling on employment classification from Brazil's highest labor court.

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We firmly believe we share many of the same goals of the cities in which we operate. That's why we'll continue to work in a positive, collaborative manner while, at the same time, defending the interests of drivers, riders and others who rely on the Uber platform.

Lastly, we believe that a more disciplined capital environment will be favorable for our business going forward. But we aren't just sitting here hoping for a better environment. We're making proactive changes to achieve significant cost leverage for both Rides and Eats through a focused operating playbook, including: improved machine learning algos and further automation and targeting of our incentive and online marketing spend; stronger tracking and focus for our offline marketing campaigns; the reduction of defect rates and improved self-service tools to improve customers sentiment as well as contact ratios; continued improvement in payment costs; improved matching, routing, pricing algos to increase our marketplace efficiency, allowing our drivers to earn more per active hour; and tech-enabled automation as well as good old-fashioned cost control to leverage our operational cost structure across the board.

With many of the one-time changes from 2019 behind us, we're excited to sharpen our focus on execution to grow our business at massive scale, innovate faster than anyone else, improve margins considerably, allocate our capital effectively and efficiently, and do the right thing for all of our constituencies, ultimately, driving to excellent revenue growth and profitability.

Our progress in 2019 and our 2020 plan gives me the confidence to challenge our teams to accelerate our EBITDA profitability target for full year 2021 to Q4 2020. It's important to emphasize that we plan to achieve this profitability target assuming only modest improvements in the current competitive environment and without the assumption of any significant changes to our current portfolio of businesses.

Further, long-term, we remain confident about achieving our overall company-adjusted EBITDA margin of 25%. Specifically, we expect Rides to deliver adjusted EBITDA margin of 45% with a 25% take rate, and our Eats business to deliver adjusted EBITDA margin of 30% with a 15% take rate.

Now, to Nelson for more details on the numbers.

Nelson J. Chai

Chief Financial Officer, Uber Technologies, Inc.

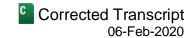
Thanks, Dara. Now, on to our GAAP results for Q4 2019. Our GAAP revenue of \$4.1 billion was up 37%. GAAP cost of revenues, excluding D&A, of \$1.9 billion decreased to 47% from 54% of revenues in Q4 2018. GAAP EPS was a loss of \$0.64 and compares to a loss of \$1.97 in Q4 of 2018.

For the remainder of the call, unless otherwise noted, I will discuss key operational metrics as well as non-GAAP financial measures, excluding pro forma adjustments such as stock-based compensation.

Our total company global trips of 1.9 billion grew 28%. Global trips were driven primarily by growth in Eats and international Rides, particularly in Latin America. Monthly Active Platform Consumers were 111 million, up 22% year-over-year or 8% quarter-over-quarter. Our Rewards program reached over 25 million members across US, Latin America and Australia.

Total company gross bookings of \$18.1 billion growing 28%, or 30% on a constant currency basis. Adjusted net revenue, or ANR, was \$3.7 billion, up 43% on a constant currency basis. Our ANR take rate was 20.6% of gross bookings, up 190 basis points year-over-year.

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Non-GAAP cost of revenue, excluding D&A, decreased to 43% from 50% of ANR. Insurance and payments as a percentage of ANR improved quarter-over-quarter and year-over-year.

Turning now to non-GAAP operating expense. Operations and support decreased year-over-year to 13% from 15% of adjusted net revenue, reflecting continued Rides support efficiency improvements, offset by a mix shift to Eats transactions which are seeking to automate further.

Sales and marketing decreased to 33% from 35% of adjusted net revenue versus Q4 of 2018. This decrease is primarily due to optimization and performance marketing spend, partially offset by an increase in promotion spend primarily related to Uber Eats.

R&D decreased to 13% from 14% of ANR in Q4 2018, and G&A decreased from 15% from 18% of ANR versus the year-ago quarter. Quarter-over-quarter, our spend increased slightly due to elevated professional services spend we expect to gain leverage across 2020.

Our Q4 2019 total company-adjusted EBITDA loss was \$615 million. Q4 and Q1, as I had mentioned on earlier calls, reflect the peak of our investment in Eats, and we expect total company-adjusted EBITDA loss to shrink starting in Q2.

Now, I'll provide additional detail on our segments; first on Rides. Rides gross bookings of \$13.5 billion grew 20% on a constant currency basis, led by the US and Latin America. Rides ANR of \$3 billion grew 32% on a constant currency basis, driven by continued favorable market dynamics in US, stability in Latin America since the beginning of 2019, and increased focus on share Rides efficiency.

Rides adjusted EBITDA was \$742 million or 24.4% of Rides ANR. This represented a quarterly record on an absolute dollars and margin basis, with a 240 basis point improvement quarter-over-quarter as a percentage of ANR.

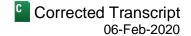
Eats gross bookings of \$4.4 billion grew 73% on a constant currency basis, driven by continued trip growth in both the US and international markets, combined with higher average gross bookings per trip. We maintained a strong number two position in the US for the third straight quarter only four years from our market entry, with Eats gross bookings in the US of \$1.7 billion growing 44% year-over-year.

Eats ANR was \$415 million, up 154% on a constant currency basis due to pricing changes in the US, coupled with benefits from lower courier costs in the second half of the year. Excluding Eats India, which we divested to Zomato in January of this year, Eats take rate was 10.1% for the quarter.

Eats adjusted EBITDA was a loss of \$461 million or negative 111% of ANR. Excluding Eats India, Eats adjusted EBITDA would have been a loss of \$418 million. Eats take are rate declined sequentially, consistent with our outlook, driven by seasonal cost increases, as well as our investments in competitive markets to strengthen and grow our leading position.

On Freight, we grew ANR over 75% and adjusted EBITDA was a loss of \$55 million. Freight growth was driven by volume growth of 89%, offsetting lower pricing from market tightening. Our Freight business continued to expand its offerings to carriers, including in-app bundles, which allowed carriers to book multiple loads at once, thereby reducing empty miles versus non-Uber Freight matched bundles.

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Our Other Bets segment had ANR of \$35 million and an adjusted EBITDA loss of \$67 million. Q4 represents a seasonal drop for bikes and scooter business due to weather. We continue to focus on building a sustainable and scalable business that serves as an important acquisition and engagement channel for our core transportation consumers.

JUMP won permits to expand in key markets such as Washington, D.C. and four markets across Australia and New Zealand. Our permit win in D.C. will make us the largest combined dockless fleet operator in the city across bikes and scooters.

ATG adjusted EBITDA was a loss of \$130 million. And in Q4 2019, the corporate G&A and platform R&D of \$644 million, which represents the G&A and R&D not allocated to one of our five segments, increased 13%.

In terms of liquidity, we ended the quarter with approximately \$11.3 billion in cash and cash equivalents and short-term investments. Across a number of our businesses, we use M&A as an important strategic tool and most notably with our acquisition of Careem.

We also announced the acquisition of a majority stake in Cornershop to bring grocery delivery to millions of consumers on the Uber platform, beginning in Latin America. This transaction is expected to close in Q2 2020, subject to regulatory approval. We will continue to explore ways in which M&A can accelerate or de-risk our path to profitability.

Now, I'll wrap up by providing guidance and some relative context. We remain committed to delivering profitable growth for all of our stakeholders, both investing for long-term growth and expansion, while ensuring discipline with our capital allocation strategy. In the second half of 2019, we began the process of streamlining our footprint with a single-minded focus on profitable global leadership in our core businesses. Most notably, we rationalized our shared Rides product, and in Eats we exited two significant markets with elevated losses.

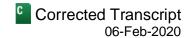
While we've already started demonstrating strong profitability improvements, we view 2020 as a truly transformational year, beyond which we believe we will emerge with stabilizing bookings and revenue growth, continued focus on leveraging our cost base, and positive EBITDA. Importantly, as we continue to eliminate bookings that are essentially empty calories in 2020, we expect to expand take rates and EBITDA margins, resulting in slightly lower gross bookings growth. With that context in mind, we expect 2020 reported gross bookings of \$75 billion to \$80 billion, reflecting constant currency growth of 17% to 25%, and reported growth of 15% to 23% with an FX headwind of roughly 150 basis points.

This outlook includes the modest positive impact from our acquisition of Careem and modest negative impact from our Eats divestiture in India. Further, while Q1 is typically our slowest sequential quarter growth, we expect gross bookings to modestly decline sequentially in Q1 2020, primarily driven by year-over-year declines in the shared Rides product and the divestiture mentioned earlier.

Starting in 2020, in the spirit of further improving transparency, we will be providing ANR outlook as well. We believe this disclosure should allow investors visibility into the top line metrics that our business leaders are measured against internally.

We expect adjusted net revenue of \$16 billion to \$17 billion in 2020, reflecting constant currency growth of 26% to 34% and reported growth of 24% to 32%. Our ANR outlook implies a take rate improvement of roughly 150 basis points year-on-year. We expect Q1 take rates to be relatively in line with the Q4 take rate, consistent with our normal seasonal trends.

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For 2020 adjusted EBITDA, we expect a loss of \$1.45 billion to \$1.25 billion. Further, we expect Q1 EBITDA loss to be similar to Q4 2019 levels with similar investment levels in Eats. Beyond Q1, we are expecting a meaningful improvement in profitability throughout the year, including in Uber Eats.

As Dara stated, based on our visibility into 2020 trends, we are pulling forward our profitability expectations and now plan to end 2020, with Q4 marking our first EBITDA positive quarter. We recognize the significant work remaining to get to this milestone, and our teams are focused on executing our plan.

Finally, we expect stock-based compensation of \$300 million to \$350 million in Q1, and we expect our Q1 2020 basic and diluted weighted average share count to be 1.725 billion to 1.75 billion.

And now, with that, we're happy to take questions.

QUESTION AND ANSWER SECTION

inelasticity of demand? And is there anything else besides that that you would point to?

Operator: Thank you. [Operator Instructions] Your first question comes from Heath Terry from Goldman Sachs. Your line is open.

Heath P. Terry

Analyst, Goldman Sachs & Co. LLC

Great. Thanks. Dara, when you look at the things that are driving demand, particularly in the Rides business in the US and globally, anything in particular that you would point to? You've obviously been able to improve profitability in that business significantly. What's allowing you to keep demand at these levels even as you bring profitability up? We know pricing's obviously been a lever there. Have you been surprised by the level of

Dara Khosrowshahi

Chief Executive Officer & Director, Uber Technologies, Inc.

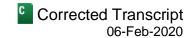
Heath, I think the most important factor that I'd point to is that we're moving from a society that was dependent on transportation based on owned assets to a society that is going to depend on transportation as a service based on shared assets. So there's a very, very consistent tailwind that we have in the US and across the world, and that tailwind is going to serve us well and continues to serve us well going forward.

And I think people are changing the way that they live. They're changing, certainly, the way that they get around. And especially the younger generation is not a generation that associates car ownership with freedom; they associate non-car ownership with freedom using our services.

In addition to that, we continue to execute on the base business. We do think that we've got some pricing power, and we are putting that pricing power in a careful way into the markets. We're investing pretty aggressively in our premium product. When you look at Comfort and the launch across the world, when you look at our enterprise business both in terms of U4B and Uber for Health, they're growing at very, very attractive rates.

There are number of countries that I mentioned are growth countries, Argentina, Germany, Japan, Spain, et cetera, where we think the regulatory framework, which hasn't been constructive in the past, can be constructive

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in the past. And we're kind of growing in those businesses in the right way, in those countries in the right way, so to speak.

We think 2-wheelers and 3-wheelers are very, very big opportunities for us going forward, especially in emerging markets. And we think that once we rebase our shared Rides segment, re-price it, I think our shared Rides business will continue to grow because we're growing based on improving the efficacy of matching algorithms versus just growing through pricing.

So you put it all together and we're confident that the Rides business will continue to be a strong top line growth company. And our ability to drive margins, which you've seen in 2019, is certainly going to continue in 2020 as well.

Heath P. Terry

Analyst, Goldman Sachs & Co. LLC

Great. Thanks, Dara.

Dara Khosrowshahi

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Chief Executive Officer & Director, Uber Technologies, Inc.

You're welcome.

Operator: Your next question comes from Brian Nowak from Morgan Stanley. Your line is open.

Brian Nowak



Analyst, Morgan Stanley & Co. LLC

Thanks for taking my question. I have two. Just the first one on the full year bookings guide, the \$75 billion to \$80 billion. It's really helpful. Just talk us through how you're thinking about the growth of the Rides bookings within that guidance. And I know there's a lot of moving pieces in the Rides bookings between pooling in LATAM and everything else. Just sort of talk us through some of the puts and takes in Rides bookings that we should make sure consider and how you're thinking about that growth this year?

And then on Eats, Dara, it sounds like a very healthy improvement in take rates as well as growth in the US. So talk to us how you think about the keys to continuing to grow at this type of rate in the US on the Eats side. Is it more supply? Is it discounting? What are the growth strategies in the US Eats business?

Dara Khosrowshahi

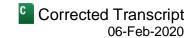


Chief Executive Officer & Director, Uber Technologies, Inc.

I'll start with the US Eats, and then Nelson can get into the Rides guide, so to speak, or the GB guide. I think the most important factor as it relates to the growth of the US business has really been about selection. We have been very focused on improving the selection and the number of restaurants that we have in our Eats segment.

If you look overall, we've got almost 400,000 active restaurants. This is up 78% on a year-on-year basis. And we've added independents and we've added a number of big chains and big names as well. And I think that the improvement in selection, combined with our technology — over-the-top technology that allows us to essentially list restaurants, whether we have a direct relationship with them or not, is allowing us to improve kind of our addressable footprint.

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And that combined with, again, the tailwind of more and more people wanting the convenience of getting delivery in their home, I think, has combined to have a pretty strong top line and a pretty solid number two position in the US.

So we like what we see. I think that at some point, the growth rates, you get to the law of large numbers. But I think that the Eats team executed well in Q4. Q1, we're going to continue to lean in. And then, really, the back half of 2020 is one where we want to combine growth, but also improve margins with the Eats business.

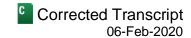
Nelson J. Chai
Chief Financial Officer, Uber Technologies, Inc.

Yeah. And in terms of the Rides growth, I mean, you've heard us talk before. I mean, by definition, the law of large numbers does take hold and, as you know, our business does over \$1 billion a week in terms of gross bookings. So I think you can tell in the guidance we are trying to — we recognize the fact that we're not doing the empty calories, and I think you've heard that both in Dara's comments as well as mine. But we recognize the fact that we're going to really be focused on having profitability today. You know in past calls we've talked about the fact that we've de-emphasized shared Rides, and that is positive as well.

We do actually look at our trip growth as well as our gross bookings growth. And so, while the gross bookings growth, based on the guidance we gave you, would suggest it's below 20%, the trip growth is still above it. And so, we continue to look at both. But, again, we're really focused on optimizing the system right now. And if anything, we probably – because we are trying to take the empty calories out, we are definitely much focused on that. And so, I think that is reflective in the overall guidance that we're giving.

Brian Nowak Analyst, Morgan Stanley & Co. LLC	Q
Great. Thanks.	
Dara Khosrowshahi Chief Executive Officer & Director, Uber Technologies, Inc.	A
Next question?	
Operator : Your next question comes from Justin Post from Bank of Ameri Justin Post, your line is open.	ca Merrill Lynch. Your line is open.
Dara Khosrowshahi Chief Executive Officer & Director, Uber Technologies, Inc.	A
Justin, you there?	
Justin Post Analyst, Bank of America Merrill Lynch	Q
Sorry about that. Sorry about that. I was on mute.	
Dara Khosrowshahi Chief Executive Officer & Director, Uber Technologies, Inc.	A
No worries.	

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Justin Post

Analyst, Bank of America Merrill Lynch

Yeah. Dara, a couple of questions for you. Pretty optimistic long-term margin targets and take rates. What are you seeing in your business that gives you confidence in those long-term margins? Is it specific markets you're seeing or is it the broad improvement you've seen over the last six months?

And then, secondly, getting to EBITDA profitability in Q4; certainly higher than Street numbers. Do you worry at all that that kind of boxes you in and limits your flexibility? And is there any cushion in there if there's some adverse regulatory stuff? Thank you.

Dara Khosrowshahi

Chief Executive Officer & Director, Uber Technologies, Inc.

Yeah. I think talking about the margin numbers and Q4, the assumption as it relates to Q4 and profitability is that the environment doesn't change significantly one way or the other. So there may be short-term bumps one way or the other, and we will deal with them. We are assuming a world that doesn't change significantly, and we're challenging the team internally to get to profitability. And we think that just as we challenge the team internally, we're going to communicate it to our investors. And my take is we expect to execute.

And it's not a single lever that's going to get us there; it's multiple levers. And is it boxing us in? It's boxing us in to execute effectively as a team, and I'll take on that challenge and I think we will take on that challenge. Just to give you a little bit of context as to our ability to execute. If you look at our Rides business Q4 to Q4, our Rides business grew ANR about \$700 million – a little bit below \$700 million in terms of revenue. And over the same period, with a \$700 million increase in ANR, they delivered a \$550 million increase in EBITDA. So that's an 80% flow-through of incremental EBITDA from revenue growth to EBITDA growth.

In order for us to hit Q4, if you look at, for example, the mid-range of our revenue growth, let's say, it's – the mid-range of our revenue growth, you would have about \$1 billion to \$1.1 billion of additional revenue Q4 next year versus Q4 this year. And in order to get to breakeven, you need to drop about 55% of that incremental ANR to the bottom line.

So we've executed on the Rides side 80%. Our expectation is, going forward, we're going to continue to lean forward and we will invest in big time growth areas of the business. But we do think that this is a team that has shown its capability to drop 80% to the bottom line. And I think that our pushing ourselves to drop 55% to the bottom line is not asking for too much and it does provide us flexibility to invest where appropriate, to really work the operating costs appropriately, and then pull back where it just doesn't make sense to invest.

Justin Post

Analyst, Bank of America Merrill Lynch

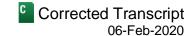
Got it. Thank you. And then on the long-term, are there some markets that really give you confidence in those long-term take rates and margin targets?

Dara Khosrowshahi

Chief Executive Officer & Director, Uber Technologies, Inc.

Yeah. I think on the margin targets, long-term, the Rides business we have – you've seen the Rides business essentially move in the right direction. So we're pretty confident of the Rides long-term margins. When I look at Eats, for example, our US business, the take rates are not quite up to our 15% take rate, but they're certainly getting much closer. And when we look at kind of the operating costs work that we've done on the Rides

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business, if we run the same play that we do in Eats, we're confident that we can hit those kinds of long-term margins.

Justin Post

Analyst, Bank of America Merrill Lynch

Thank you.

Dara Khosrowshahi

Chief Executive Officer & Director, Uber Technologies, Inc.

You're welcome.

Operator: Your next question comes from Ross Sandler from Barclays. Your line is open.

Ross Sandler

Analyst, Barclays Capital, Inc.

Hey, guys. Just one on Rides and one on Eats. So you mentioned that single-rider trip volume was 3 points higher than total, which would imply that you've already chopped a lot of wood on Uber Pool in 2019. So are these low calories that you're talking about taking out in 2020, is that more shared Rides decel? Is it single-rider couponing? Any color on what's incremental for 2020 versus what we saw in 2019 already.

And then on Eats, just a question, high-level. Like, the Australian market is very profitable for you guys. Is that because of the density because of something unique in terms of the fee structure, or simply because it's far less competitive? And how can the US ever look like that without consolidation? Thank you.

Dara Khosrowshahi

Chief Executive Officer & Director, Uber Technologies, Inc.

Hey, Ross. As far as the Rides segment and shared Rides, et cetera, I'd say we started chopping real wood in shared Rides in Q3, Q4. So we will continue to have tougher comps on a trips basis with shared Rides in Q1, Q2. And then Q3 and Q4, you're going to get to comps that reflect the kind of long-term growth rates that we expect there.

I think in Australia, as far as the business goes there, it's just a really good market for us. The market, it looks like a Western market as far as the structures go, payment structures, et cetera. And I think we just have a team on the ground that's executed really well. And when a team on the ground executes really well, you get really great top lines and very, very healthy margin levels.

Nelson J. Chai

Chief Financial Officer, Uber Technologies, Inc.

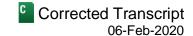
And the only thing I would add is, we do have some cities even here in the US where we have a profile that resembles what you're suggesting in Australia.

Dara Khosrowshahi

Chief Executive Officer & Director, Uber Technologies, Inc.

Yeah. And then remember, too, that Australia, we do have three competitors. So you should assume that basically every market that we compete, that we are operating in, we have anywhere from two to four competitors. It's the nature of this market. These are very, very large TAMs to go after, and we don't believe that there will be a

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single winner-take-it-all. But we believe that we're in a unique position because of our global scale and because we're number one in most of the markets that we operate in and because we're multi-product to have a structural margin advantage, which we can either take to the bottom line or deliver a better service with or drive kind of stronger revenue margins than our competition.

Operator: Your next question comes from Mark Mahaney from RBC. Your line is open.

Mark S. F. Mahaney

Analyst, RBC Capital Markets LLC

Okay. Thank you. Two things. One, Dara, could you talk a little bit about synergies that you've seen between Rides and Eats, and potential synergies you think you can generate between those two?

And then secondly, spend a little time just talking about some of the products that you've rolled out. I don't know if there's any read-throughs yet from some of the driver changes that you've made in California. And I don't mean in terms of complying with regulations or whatever, I mean in terms of whether drivers are more interested in driving with Uber because of those changes, and likewise on the Riders side, some of the product changes, some of the loyalty programs. What have you seen that's indicated which of these product changes have worked well from a rider perspective and which haven't worked well? Thank you.

Dara Khosrowshahi

Chief Executive Officer & Director, Uber Technologies, Inc.

Sure. Absolutely. So in terms of the synergy goes, I'd say there's no single magical win. It's a combination of a number of factors that we're putting together. So one is our cross-promoting our services together. We now have subscription programs that are Rides only, Eats only, and Uber as well. We have a loyalty program that goes across the various products as well. All of those coming together are significantly increasing the number of consumers who use both of our services. And whereas early on, if a rider was using two of our services, the number of transactions per month was about 2x, let's say, single user; now that number is closer to 3x.

So the returns on higher usage of our products are actually going from a 2x to a 3x, which for us is very, very encouraging. The number of loyalty program members that we have is 25 million and growing, because we're expanding that program on a global basis. And then I would never underestimate two very important factors. One is the power of the Uber brands. Everyone knows us. You probably already have an account with us. You probably have a credit card with us, et cetera. It's very, very easy to sign up. I think riders and drivers trust us across the world.

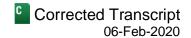
And then the leverage that we're getting on our technology spend, we can spend more than anyone else in terms of driving innovation, in terms of big data, having the most sophisticated matching and pricing algorithms out there. And at the same time, I think our technology spend as a percentage of revenue and our G&A and our overhead cost as a percentage of revenue can be advantaged versus the other players. It's just the scale advantage that we have. So we got a customer advantage, we've got a brand advantage and we've got just a scale advantage, all of which play a part in our model going forward.

Mark S. F. Mahaney

Analyst, RBC Capital Markets LLC

Okay.

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Dara Khosrowshahi

Eric J. Sheridan

Analyst, UBS Securities LLC

Chief Executive Officer & Director, Uber Technologies, Inc.

And then as far as your questions on drivers, et cetera, in California, the changes that we made. It's too soon to tell at this point. Our drivers, the drivers are reacting quite well to the increase in information that they're receiving. On average, the service levels, as it relates to riders, have gotten a little worse as far as the predictability of getting a ride. That's something that we're working through pretty carefully. Prices in California are up more than, let's say, the rest of the country as a result of the combination of these factors. So some of these changes are resulting in higher prices to the end customer, but it's very early and there's a lot of work to do going forward.

Mark S. F. Mahaney Analyst, RBC Capital Markets LLC	C
Okay. Thank you.	
Dara Khosrowshahi Chief Executive Officer & Director, Uber Technologies, Inc.	Δ
You're welcome. Next question?	
Operator: Your next question comes from Eric Sheridan from UBS. Your line is open.	

Thank you so much. Maybe two, if I can. Dara, when you think about the Rides business long term, how are you thinking about the parts of the penetration curve that can be unlocked with either product innovation or pricing dynamic moves over time? I think one of the biggest questions we get is just sort of how the industry continues to evolve towards disrupting car ownership, mass transit, things that can push the S-curve penetration higher over the next sort of five to 10 years.

And then on the Eats side of the business, maybe using the US as an example, curious how you see the supply dynamics, the relationships with the food industry developing over the next couple years, and how wide a skew there might be in some of the economics with the partnerships you see that evolve in that side of the business? Thanks so much.

Dara Khosrowshahi

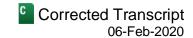
Chief Executive Officer & Director, Uber Technologies, Inc.

Yeah, absolutely. So I think that when we look at the Rides business, there are four broad growth vectors. One is geographic growth. We talked about markets that were not as penetrated in that we will drive penetration: the Germanys, the Argentinas, the Spains of the world.

Second for us is using technology and improved matching algorithms to improve the efficiency of the marketplace. And that is, we think we're just in a much better place than anyone else. We've got higher market density. We've got more data than anyone else. That efficiency we can either deliver to the driver or we can deliver to the rider depending on what we think the best kind of growth driver is.

Third area for us is to drive low costs, and low cost for us is 2-wheelers, 3-wheelers, shared Rides, once we reprice those shared Rides. And then introducing new products like transit, bikes, scooters into our portfolio as well. So it's a combination of low cost and marketplace that introduces we think very, very significant TAM to us.

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And then last, but not least, is the enterprise segment. This is Uber for Business, this is segmenting our customer base – our premium customer base, both in terms of service levels and the kind of product that we have out there. It's less of a factor in terms of bookings growth, but it's a very significant factor in terms of margin growth. You put it all together and we think we have a very balanced kind of growth profile, both top and bottom line, going forward.

As far as the Eats business goes, we think there is plenty of room to run. We've been really focused on improving selection. I would say that we made big moves in selection in the second half of the year. So I do think that there's some year-over-year comping on the Eats side especially in the first half of the year, and we still think we're in the very early innings.

We talked a little bit about, for example, on Australia where Eats business on a top line basis is comparable to our Rides business. Right now, it's not even close to that on a global basis. So we think that our Eats business has a long way to go.

Eric J. Sheridan

Analyst, UBS Securities LLC

Thanks, Dara.

Dara Khosrowshahi

Chief Executive Officer & Director, Uber Technologies, Inc.

You're welcome.

Operator: Your next question comes from Doug Anmuth from JPMorgan. Your line is open.

Doug Anmuth

Analyst, JPMorgan Securities LLC

Thanks for taking the questions. Just had two. First on Eats. You talked about leaning in more in 1Q and getting more leverage in the back half of the year. Can you just talk, Dara, about how far behind you think Eats is on the rationalization path relative to the ride sharing industry?

And then, second, can you just talk about your early kind of findings around subscriptions and how that's working across both Rides and Eats? Thanks.

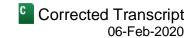
Dara Khosrowshahi

Chief Executive Officer & Director, Uber Technologies, Inc.

Yeah. As far as the rationalization goes, it's very tough to predict how markets are going to move. But if we kind of step back to same time last year, you'll remember that in our Rides segment, we leaned in pretty aggressively Q4 and Q1. And then you've seen what happened in the second half as it related to Rides margin improvement. It was quite substantial. It's difficult to predict what's going to happen in the Eats segment. We do see signs of rationalization in the marketplace. You see it with IPOs coming in. You just see it everywhere.

So while it's impossible for us to predict short-term timing, I think the long-term rationalization trends are there. And I think we, as a team, have demonstrated a track record of being able to drive rationalization internally and really being able to drive our margins internally with the Rides side. And the Eats team is running the same exact

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play. They're just about a year behind the Rides side and appropriately so, because we wanted to lean into growth on the Eats side.

As far as subscription goes, it's very early, but the results on subscription, Rides have been promising for a long time. We really just launched Eats subs in a few markets pretty recently, and there are markets where it accounts for more than 10% of volume. So we're pretty encouraged by what we see with Eats subs.

And then, really, the other area that we're very, very early in the optimization of is buying kind of across Uber subscription product as well. So I think, really, 2020 is going to be the year of subscriptions at Uber.

Doug Anmuth Analyst, JPMorgan Securities LLC	C
Great. Thank you, Dara.	
Dara Khosrowshahi Chief Executive Officer & Director, Uber Technologies, Inc.	Д
You're welcome. Next question?	
Operator: Your next question comes from Marc Shmulik from Bernstein. You	ur line is open.
Mark Shmulik Analyst, Sanford C. Bernstein & Co. LLC	C

Yes, hi. Thank you for taking the question. Just a follow-on on market rationalization and some of the recent investments and divestments that have happened. Where are we on that journey in terms of further kind of rationalization from an investment/divestment point of view? And as we think about some of that guidance that was shared, does that include or expect to include additional kind of movements in that space?

And then a follow-on question, if I can, around Eats. We talked a little about how it's behind, but there's quite aggressive both take rate and EBITDA targets coming up. How does it get there? Is this a little bit of just flexing kind of pricing? Is there the scale-up of the ad product? Or how do we think about the different components that will drive that? Thank you.

Nelson J. Chai

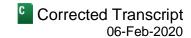
Chief Financial Officer, Uber Technologies, Inc.

So on the first point in terms of the guidance, that is basically our internal plan. So we don't really build in a lot of M&A divestiture. That being said, we do have a capital allocation process that we go through, both for Rides and Eats. And we are working closely with the team in terms of making capital choices.

And so, you should expect that we'll continue to make choices. You should expect us to continue to be active in that as we go through it. There may be situations where we're in two marketplaces and we have to pick, right? But we are committed to being one or two. We're taking action against that. And you should also expect that if there's an opportunity for us to lean in to win a market that we think we want to be in, then you should expect that action as well.

So when I gave you the guidance, it was really our internal plan based on organically where we are today with the same set of businesses. But that being said, we know we have a lot of levers at our disposal and you should expect that it's incumbent upon the management team to deliver against the guidance.

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Dara Khosrowshahi

Chief Executive Officer & Director, Uber Technologies, Inc.

And then as far as the second question as to our confidence in long-term margins, listen, we have big markets in the Eats business that are pretty close to the long-term revenue margin. So that gives us confidence. We do think that there's opportunity with media, et cetera, that could actually help attain margins above our long-term quidance, but we don't want to count on it.

And then on the EBITDA side, you can imagine just the cost side of the business is much more predictable. And we already have over 100 US and international cities that are segment EBITDA positive in Eats today. And seeing that road map, our Rides road map, these cities that are positive today, gives us a lot of confidence as it relates to long-term Eats margins.

Mark Shmulik

Analyst, Sanford C. Bernstein & Co. LLC

Great. Thank you.

Dara Khosrowshahi

Chief Executive Officer & Director, Uber Technologies, Inc.

You're welcome.

Operator: Your next question comes from Itay Michaeli from Citi. Your line is open.

Itay Michaeli

Analyst, Citigroup Global Markets, Inc.

Great. Thank you. Good afternoon. Just a two-part question on ATG, one financial and one strategic. On the financial, I was hoping you could dimension what you're assuming in terms of ATG spend, both this year as well as in the longer-term.

And a strategic question just around timing of when you expect to enter the kind of hybrid market of human drivers and AVs, maybe just thoughts on potential partnerships. And also just the overall competitive environment in AV, just with one of your competitors in San Francisco suggesting that they might be ready to actually deploy Level 4 in the next couple of years. Just an update there would be helpful. Thank you.

Nelson J. Chai

Chief Financial Officer, Uber Technologies, Inc.

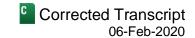
Yeah. So in terms of – from a modeling standpoint, I wouldn't expect a demonstrable difference over the next year or two regarding ATG. There may be some increase, but it won't be significant. And so, I don't think you're going to see a big step-up there. And as you know, and Dara mentioned in his script, we did raise funds last summer which effectively pre-funded about 18 months of the ATG development. And so, I think you should expect us to continue to lean in there on ATG. That being said, I'll let Dara kind of talk more competitively what we're seeing out there.

Dara Khosrowshahi

Chief Executive Officer & Director, Uber Technologies, Inc.

I think the comment that I'll make is, we don't think Level 4 for a autonomous service that's also trying to develop a network is actually commercially viable. We need to have what we've experienced as – you need to have 99-

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plus-percent availability essentially for a daily use case for folks to use you over and over again. So Level 4 doesn't cut it unless you own a network and unless you operate a network, or unless you partner with the network. That is actually the key of why we think that ATG is in a unique place to succeed and why we're very much up for partnering players who may deploy Level 4 and can take advantage of our network to do so.

So I think that's kind of definitionally to what we've been talking about. Level 4 is coming. It's coming in the next couple years. We will be a part of that. But Level 4 and a network together, we believe, is the only commercially viable product out there. And we're uniquely situated to play a very important part in that game.

Itay Michaeli Analyst, Citigroup Global Markets, Inc.	Q
That's helpful. Thank you.	
Dara Khosrowshahi Chief Executive Officer & Director, Uber Technologies, Inc.	A
You're welcome. Next question?	
Operator: Your next question comes from Lloyd Walmsley from Deutsche Bank. Your line is open.	
Lloyd Walmsley Analyst, Deutsche Bank Securities, Inc.	Q

Thanks. Two, if I can. Just first can you talk broadly about just trends in the competitive environment in the ride share segment? Are there any markets where you're seeing competition tick back up or is it continuing to move in the right direction in the US and globally?

And then second question just on the 150 basis point take rate improvement in guidance, can you give us a sense for how much of that is going to come from food delivery versus ride share? And is that a function at all of like price increases or just simply rolling back existing driver incentives? Anything you can share there.

Dara Khosrowshahi

Chief Executive Officer & Director, Uber Technologies, Inc.

Yeah. See, as far as the competitive environment in the US, from a long-term standpoint, the competitive environment has been constructive, has rationalized. In the past month or so, we've seen Lyft, our competitor, probably be on balance more aggressive in terms of discounting and incentives. We'll see where that leads.

We think from our standpoint, we've spoken about margins and making sure that our investment in marketing incentives, et cetera, is an investment that makes sense from a return on invested capital basis and are being constructive as it relates to margins going forward.

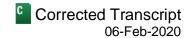
On a global basis, we have multiple competitors in every single city. We have – sometimes competition ebbs, sometimes it flows. I'd say it's largely constructive. And we believe that kind of our future is in our hands because we're the one and the largest player around the globe who is kind of setting the standard, so to speak. Nelson, do you want to answer the second question?

Nelson J. Chai

Chief Financial Officer, Uber Technologies, Inc.



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Yeah. In regard to take rate, I mean, I think it's going to happen both on Rides and Eats. Just as an example and you heard me in my comments, our Eats take rate in the fourth quarter was 9.5%. But if you exclude India, and as you know we sold our Indian Eats business, that increases to 10.1%. So I think as we think about how we continue to work through as we think about our capital allocation strategy, we are highly confident we'll be able to increase our Eats take rate.

The Rides will just be continuing to play out what we've already been doing. And so, we do expect that that will increase as well. And it's really not one big thing; it's the combination of both and just getting more efficiency in terms of how we're spending.

Lloyd Walmsley	Ω
Analyst, Deutsche Bank Securities, Inc. All right. Thank you.	Q
Dara Khosrowshahi Chief Executive Officer & Director, Uber Technologies, Inc.	A
You're welcome. Next question?	
Operator: Your next question comes from Ron Josey from JMP Se	curities. Your line is open.
Ronald V. Josey Analyst, JMP Securities LLC	Q
Great. Thanks for taking the question. Dara, I wanted to ask a little betake rates get to that 15% level. And I ask only because earlier today	9

Great. Thanks for taking the question. Dara, I wanted to ask a little bit more about Eats and contribution margin as take rates get to that 15% level. And I ask only because earlier today GRUB talked about relatively low margins on QSR and non-partner orders and the comment earlier today that you added a lot of non-partners to the business within Eats. So just can you talk a little about maybe contribution margins on partners and non-partners on the network and, really, how would those margins expand over time as we get to that profitability? Thank you.

Dara Khosrowshahi

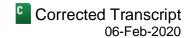
Chief Executive Officer & Director, Uber Technologies, Inc.

Yeah. Ron, our non-partner volume for Eats is very, very small as a percentage of our overall volume. This is a new feature that the team built out, really, in Q4. We're being careful in rolling out the feature because we want to make sure that the delivery times, the delivery qualities continue to be at the levels of excellence that we insist on. So I would not assume that non-partner revenues are a significant percentage of our volume, certainly, in Q4. Next year, we are going to build up our non-partner volume, but we'll make sure that we do it in a way that makes sense both for the top line and the bottom line.

Ronald V. Josey Analyst, JMP Securities LLC Got it. Thank you.	Q
Dara Khosrowshahi Chief Executive Officer & Director, Uber Technologies, Inc.	A
Next question?	

Operator: Your next question comes from Jason Helfstein from Oppenheimer. Your line is open.

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Jason Helfstein

Analyst, Oppenheimer & Co., Inc.

Thanks. Maybe asking about California, what have you learned since making product changes into California? What's driver feedback, rider feedback, and how is the change usage in spending? Thanks.

Dara Khosrowshahi

Chief Executive Officer & Director, Uber Technologies, Inc.

Hey, Jason. Again, I would stress that it's very, very early. Driver feedback has been positive in terms of the information, the empowerment that I think our driver partners feel. I think that the service itself, prices have increased more than they have nationally. So I think from a rider standpoint, the service on balance has gotten more expensive. But it's very, very early. And I would comment too that AB 5 in general for a number of contractors, et cetera, has created a huge amount of uncertainty.

We rolled out these changes to be very clear about our position as a platform and to make sure that our drivers have the freedom to choose when and if they want to work. We're going to be working through. We want this to be a win-win for our drivers and for the riders on our platform, and we're going to be iterating to get there. Short-term it's been, I'd say, a net negative for riders and it's possibly a net positive for drivers. Hopefully, we can get to a win-win situation.

Jason Helfstein

Analyst, Oppenheimer & Co., Inc.

Thank you.

Dara Khosrowshahi

Chief Executive Officer & Director, Uber Technologies, Inc.

You're welcome. Next question?

Operator: Your next question comes from Youssef Squali from SunTrust. Your line is open.

Youssef Squali

Analyst, SunTrust Robinson Humphrey, Inc.

Hey. Great. Thank you very much. Dara, on Careem in the Middle East or North Africa, could you please tell us a bit more about that business, how big is it, growth rate, profitability, and anything either from a technology or product standpoint that they have that you can leverage or vice versa?

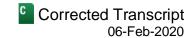
And on the Eats business, I think you said earlier that you are number one or number two in every market in roughly half of the countries in which you operate, which means roughly half the countries in where you operate you're not number one, number two. What does that mix look like in your base case projection of breaking even by Q4? Thank you.

Nelson J. Chai

Chief Financial Officer, Uber Technologies, Inc.

So this is Nelson. So on Careem, we're actually not breaking that out. As you know, the deal just closed. And I think over time we'll probably give some more disclosure around it. But right now we're not going to break that out. We know that it'll be positive in terms of its impact on the business. And the team has actually done a very good

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job in terms of building out their marketplace. There are some things we can learn from there that the teams are working on right now. But it's really too early to tell because, remember, the deal just closed a few weeks ago.

Dara Khosrowshahi

Chief Executive Officer & Director, Uber Technologies, Inc.

Yeah. I'd say on the Careem side, we talked about the steps that we made as it relates to the power of the platform and the super-app strategy. The Careem team is absolutely looking to drive the super-app strategy in the Middle East. I think some of these developing markets, that particular strategy has great potential. We see incredible innovation from that local team across the number of services, including payments as well.

So I think that we're going to be learning from the Careem team, and they're going to be learning from us. They've made real investments in their driver relations, captains in Careem speak, so to speak. And again, that's something that we can learn from. We really want to deepen our relationship with our earners around the world. And we've seen really interesting activity from the Careem team that we can all learn from.

As far as our Eats business, number one and number two, we've been really encouraged by our trends that we saw in Q4. We definitely leaned in to get to more number ones and number twos. And I think next year we expect more of the same. We've been gaining category position in most of the countries in which we operate. And we're pretty confident that by the end of next year, we're going to be number one or number two with the vast majority of our volume. Most of it will be organic and some of it will be inorganic, both on the buy and sell side.

Youssef Squali Analyst, SunTrust Robinson Humphrey, Inc.	Q
Awesome. Thank you.	
Dara Khosrowshahi Chief Executive Officer & Director, Uber Technologies, Inc.	A
You're welcome. Next question?	
You're welcome. Next question? Operator: Your next question comes from John Blackledge from Cowen.	Your line is open.
·	Your line is open.
Operator: Your next question comes from John Blackledge from Cowen. Dara Khosrowshahi	Your line is open.

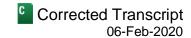
Great. Thanks. On Uber for Business, the growth was stellar. It was about 9% of the Rides gross bookings. Could you just discuss how that mix might change over time, kind of any differences in penetration, US versus non-US markets, and the margin profile for Uber for Business kind of relative to the overall Rides segment margin? Thank you.

Dara Khosrowshahi

Chief Executive Officer & Director, Uber Technologies, Inc.

Yeah. I think the trend for Uber for Business is pretty simple, which is it's going to be a higher percentage of our bookings growing forward and certainly higher percentage of revenue. On average, the Uber for Business

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business has a higher premium share and our premium business is higher margin than, let's say, our X or other products.

We are going to be investing relatively heavily in growing the U4B sales force. We have a more mature and larger sales force in the US versus, let's say, Europe and some of the other countries. So expect us to lean in on the sales force. Usually when you expand a sales force upfront, that's probably negative margins or, call it, breakeven margins. But then the lifetime value that our sales teams bring in over three, four, five years make a lot of sense.

And then when we do look at the retention of U4B customers, the retention rates are substantially higher than, call it, leisure customers or non-U4B customers. So long-term, as U4B becomes a higher percentage of our business, expect our market efficiencies to improve.

John Blackledge Analyst, Cowen and Company, LLC	C
Thank you.	
Dara Khosrowshahi Chief Executive Officer & Director, Uber Technologies, Inc.	Δ
You're welcome. Next question?	
Operator: Your next question comes from James Lee from Mizuho. Your line	e is open.
James Lee Analyst, Mizuho Securities USA LLC	C

Thanks for taking my questions. Dara, I was wondering if you can give more color on the competition, LATAM. You talked about that market being more stable since 2019. We heard that DiDi recently entered into some new markets. Any new learnings there? Are you doing well because your competitor is now more disciplined or are you responding faster to their marketing initiatives? And also, Dara, can you give update on your status on the UK regulatory situation there, how you expect that to play out? Thanks.

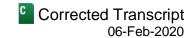
Dara Khosrowshahi

Chief Executive Officer & Director, Uber Technologies, Inc.

Sure. Absolutely. So in terms of our LATAM markets, I think it's a combination. I think generally the competitive environment remains quite competitive, but more stable on a year-on-year basis. DiDi is a competitor that we do not take for granted. They're very good in what they do. But if you look at our numbers, for example, our ANR growth rate in LATAM was pretty significant on a year-on-year basis and it turned positive, and very nicely positive. So we like the trends that we see in the LATAM markets. We think that we are more effective in our response, and we think that just year-on-year the market is much more predictable. LATAM represents our fastest growing mega region. And from a trips basis, it is the largest region that we have on the Rides side there as well. So we're quite optimistic there.

And then London, as far as regulatory goes. We're going to have our day in court. We respectfully disagree with TfL's conclusions. I'll remind you that two years ago in court we won the right to operate in London. And I think that our safety levels, our service levels, are across the board significantly, significantly improved versus where they were two years ago. The team is very focused on executing on safety around the world and I think the London team, especially, is focused on it. So we expect that our day in court will be positive, but we know that

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we've got to make a case. In the meantime, we operate in London as we have as always and we continue to optimize our business. And it's like any other day in London as far as our operations go.

Dara Khosrowshahi

Chief Executive Officer & Director, Uber Technologies, Inc.

Well, thank you very much, everyone, for joining. We really appreciate your being here. I think 2019 was a big, big year for us. We know that we've got a lot to deliver on 2020. But the team is confident and the team is psyched to execute and to also build a great company and provide a great service for all of our users. Thanks very much for joining us.

Operator: Ladies and gentlemen, this concludes today's conference call. You may now disconnect.

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