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Uber Technologies, Inc. (UBER)

Q3 2025 Earnings Call

CORPORATE PARTICIPANTS

Balaji Krishnamurthy

Vice President, Investor Relations, Uber Technologies, Inc.

Dara Khosrowshahi

Chief Executive Officer & Director, Uber Technologies, Inc.

Prashanth Mahendra-Rajah

Chief Financial Officer, Uber Technologies, Inc.

OTHER PARTICIPANTS

Doug Anmuth

Analyst, JPMorgan Securities LLC

Eric J. Sheridan

Analyst, Goldman Sachs & Co. LLC

Brian Nowak

Analyst, Morgan Stanley & Co. LLC

Justin Post

Analyst, BofA Securities, Inc.

Ronald Josey

Analyst, Citigroup Global Markets, Inc.

Ross Sandler

Analyst, Barclays Capital, Inc.

John Colantuoni

Analyst, Jefferies LLC

Nikhil Devnani

Analyst, Bernstein Institutional Services LLC

MANAGEMENT DISCUSSION SECTION

Operator: Hello, and welcome to the Uber Third Quarter 2025 Earnings Conference Call. All lines have been placed on mute to prevent any background noise. After the speakers' remarks, there will be a question-and-answer session. [Operator Instructions]

I would now like to turn the conference over to Balaji Krishnamurthy, Vice President, Strategic Finance, Investor Relations. You may begin.

Balaji Krishnamurthy

Vice President, Investor Relations, Uber Technologies, Inc.

Thank you, Sarah. Thank you, everyone, for joining us today, and welcome to Uber's third quarter 2025 earnings presentation. On the call today, we have Uber CEO, Dara Khosrowshahi; and CFO, Prashanth Mahendra-Rajah.

During today's call, we will present both GAAP and non-GAAP financial measures and 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 as well as risks and uncertainties described in our most recent Form 10-K and in other filings made with the SEC. We published our quarterly earnings press release, prepared remarks, and supplemental slides to our Investor Relations website earlier today, and we ask you to review those documents if you haven't already.

We will open the call to questions following brief opening remarks from Dara. With that, let me hand it over to Dara.

Dara Khosrowshahi

Chief Executive Officer & Director, Uber Technologies, Inc.

Thanks, Balaji. Q3 was an outstanding quarter for Uber, driven by a powerful combination of innovation and execution. Trips grew 22%, marking our fastest growth since 2023. Both lines of business accelerated with Mobility trips growing 21%, significantly exceeding our expectations. This top line strength was fueled by record audience and engagement, up 17% and 4%, respectively.

Gross bookings grew 21%, while average pricing remained relatively flat. This translated into record adjusted EBITDA and free cash flow, reinforcing our ability to deliver affordability for consumers, while generating strong operating leverage. We're expecting more of the same strong performance in Q4 with another quarter of high-teens gross bookings growth and low to mid-30s EBITDA growth. In fact, we hit a new record over Halloween weekend, this most recent Halloween with more than 130 million trips across Mobility & Delivery and generating more than \$2 billion in gross bookings.

While we're proud of what we built, we're even more focused on what comes next. As I often remind the team, great technology companies deliver today while building for tomorrow. To that end, we've defined six strategic areas of focus to guide our next phase.

First, from Trip experience to Lifetime experience. We're deepening engagement across our platform with cross-platform consumers spending three times more and retaining 35% better than single product users.

Second is building a hybrid future, seamlessly integrating human drivers and autonomous vehicles into a single marketplace, giving us unmatched flexibility and efficiencies.

Third, investing in local commerce, expanding rapidly into Grocery & Retail now and an approximately \$12 billion gross bookings run rate and growing significantly faster than restaurant delivery.

Fourth is multiple gigs. This is broadening earning opportunities for 9.4 million drivers and couriers, including new digital tasks powered by Uber AI Solutions.

Fifth is becoming a growth engine for merchants, helping our over 1.2 million merchant partners drive significant incremental sales through ads, offers, and new demand channels like Uber Direct as well as new partnerships.

And then finally, Generative AI embedding intelligence across Uber to enhance productivity, optimize our operations and deliver more personalized consumer experiences.

You'll see us invest in these areas with our product, our people, and our capital in the years ahead. They're designed to deepen customer relationships, grow our technology advantage and to extend the profitability flywheel that we built.

The strong execution, a unified global platform and unmatched scale, we're building the next generation of Uber, one that's positioned to create lasting value for many, many years ahead.

With that, operator, why don't we start questions?

QUESTION AND ANSWER SECTION

Operator: Thank you. Your first question comes from the line of Doug Anmuth of JPMorgan. Your line is open.

Doug Anmuth

Analyst, JPMorgan Securities LLC

Q

Thanks for taking the questions. Dara, can you just talk about the path to increase the 20% of MAPCs in markets where you have Mobility & Delivery to use Uber One and you can talk about those drivers of cross-platform usage.

And then could you expand on the recently announced NVIDIA partnership, both of you have invested in several AV tech providers. You've also talked about deploying 100,000 vehicles. Can you talk about the timeline and then who will own the fleets in that scenario? Thanks.

Dara Khosrowshahi

Chief Executive Officer & Director, Uber Technologies, Inc.

A

Sure, absolutely. So in terms of cross-platform and the penetration there, as we talked about, about 20% of consumers where we operate both Mobility & Delivery, because we don't operate Mobility & Delivery in every single country that we operate in, only 20% of consumers are active across both businesses. And for example, 30% of our mobility riders have never tried any Uber Eats offering and 75% have never tried Grocery & Retail.

And typically, where we see a higher penetration of that 20%, it's in markets where Mobility & Delivery are particularly strong in terms of their penetration, Australia would be an example of that. And so just mathematically, the cross-platform crossover is higher.

What we have now done, what we're doing now is to set up specific programs to drive cross-platform behavior. So you'll see kind of "Top Tabs" and "Rise" and Uber Eats apps to make it easier to transact across the various businesses.

We're creating like personalized experiences to upsell based on context, let's say, Rides to Eats. If you're going to work, we'll offer you Starbucks on the way to work. That's great incremental business for Starbucks and it's kind of a delightful experience for you as well.

And then, of course, membership is a huge factor in deepening kind of our own relationship with consumers, but then also introducing cross-platform as well. So all of those are various ways to drive cross-platform, the average cross-platform consumer is spending three times more than kind of monoline consumers.

So it's just a mathematical and unique advantage that we have. And I think we're very, very early in terms of the innings in terms of driving cross-platform activity, it's happening naturally.

And again, a lot of innovation going on from the teams to make sure that when we target cross-platform usage, we're doing with kind of with the right context and not getting in the way of your just ordering pizza on a Friday night.

In terms of NVIDIA, we are very, very excited about the partnership there. NVIDIA is creating with Hyperion like a reference architecture for L4-ready autonomous that they are going to make available to any OEM out there. And if you kind of step back and you think about the strategy, a future – 10 years from now, where every single new car sold is not only L3-ready if it's a personal car, but it's also L4-ready if you want to contribute that car to a ride-sharing platform like ours or fleets might buy those cars as well, that is a very bright future for the world, because it will make the world safer in terms of these autonomous vehicles being super safe, not getting distracted in terms of driving, but it's also very good for ecosystem in that we will have a ready kind of supply of cars on our platform as well. And we are very early, but I think that we're quite confident in demonstrating that cars, L4 cars that are on our platform can drive higher revenue per car per day than cars that aren't on our platform.

So we think that the NVIDIA strategy and our strategy is very much aligned. We announced the relationship also with Stellantis with the initial 5,000 vehicles that are going to be powered by NVIDIA as well. But we expect that to scale significantly more going forward.

We will use our – again, NVIDIA is building the software as well. So it's a hardware platform, but NVIDIA is also investing in building out L4 software stack that will be then essentially distributable on any car using the Hyperion 10 platform, which is a great reference architecture.

And then in terms of who's going to own the fleets, we will – we can lean in with our balance sheet early on to kind of establish the economics of these fleets. But eventually, we think that you're going to have, just like you've got these REITs owning hotels that are yield vehicles, I think that you will see yield vehicles show up for fleets in terms of whether they're owned by private equity or public fleets out there.

So we can lean in with our balance sheet, but we think that all these assets are going to be financialized over a period of time. So very excited about the partnership. Obviously, if there's one ally you want in the world in terms of AI or autonomous, it's NVIDIA, and super excited to innovate with them.

Doug Anmuth

Analyst, JPMorgan Securities LLC

Thank you, Dara.

Q

Dara Khosrowshahi

Chief Executive Officer & Director, Uber Technologies, Inc.

Sure.

A

Operator: The next question comes from Eric Sheridan with Goldman Sachs. Your line is open.

Eric J. Sheridan

Analyst, Goldman Sachs & Co. LLC

Q

Thanks so much for taking the questions. On the Delivery side of the business, as you continue to widen out the array of what you're offering users, can you talk a little bit about how much of that is a stimulant to new user growth for Uber Eats or a driver of increased frequency across the broader platform, just to better understand where is sort of the output of the yield is showing up in the business?

And then on the AV side, maybe the building on Doug's question, where you've rolled out AVs today, what have you learned so far with respect to the impact of more supply on the road and how it helps either stimulate demand or impact on the pricing side? Thanks so much.

Prashanth Mahendra-Rajah*Chief Financial Officer, Uber Technologies, Inc.*

A

Yeah. Hi, Eric, it's Prashant. I'll take the first part of that on Delivery and then let Dara address the AV side. We're really thrilled with how the Delivery business has accelerated. For the third quarter, it's the fastest growth we've seen in four years, four points of acceleration. And it's really – you're seeing that growth pretty broad across multiple markets. And it's coming from investments that we're making in a number of areas on improving the product.

On the Grocery & Retail side specifically, we're very excited on how Grocery & Retail is leading to an introduction of folks into the online food delivery as well. And we're seeing great growth, and I think we have some data in our supplemental charts that show some of the statistics around that, which is Grocery & Retail being a source of creating consumers for the online food delivery.

Grocery & Retail, it's a great TAM for us. I think in the prepared remarks, we may have mentioned that we're at now a \$12 billion run rate, which is, and it's growing at a meaningfully faster rate than our online food delivery. And we'll continue to lean into that Grocery & Retail business, which is now variable contribution positive. So it's helping us carry its own weight with high growth and really is working quite complementary with delivery.

And then as Dara just answered in Doug's question, it's a cross-platform strategy that we're working on to help folks move across all three of our LOBs.

Dara Khosrowshahi*Chief Executive Officer & Director, Uber Technologies, Inc.*

A

And then, Eric, in terms of how AVs are affecting the overall business. Listen, it's very, very early, the biggest scale operations that we've got are with Waymo in Austin and Atlanta. And what we are seeing is that those markets are growing faster than other U.S. markets.

And this is in a Q3 where the US actually accelerated nicely, Q3 over Q2. So the overall US market is strong, but we're finding that, for example, growth in Phoenix, Austin, and Atlanta was more than twice the rest of the US. So that's certainly a good signal. What that has also led to is that driver earnings in those markets are super, super healthy as well.

So in Austin, for example where we have the most AVs on the ground, driver earnings per hour actually outpaced the rest of the US. So whether or not the growth in those markets is correlation or causal, it's too soon to tell.

But the markets certainly look healthy. Our partnership with Waymo continues to be excellent from an operational standpoint. Waymo utilization is still very, very high. And what we're seeing is an overall market that's healthy as well, which is a really good signal as we transition to this hybrid network of AVs and human drivers.

Balaji Krishnamurthy

Vice President, Investor Relations, Uber Technologies, Inc.

All right. Next question?

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

Brian Nowak

Analyst, Morgan Stanley & Co. LLC

Thanks for taking my questions. I have two. One on Mobility and one on Delivery. The first one on Mobility, the US business seems to be doing very well again.

Just curious for any further color on progress you're making in the urban versus suburban strategy or the sparse city strategy I think you talked about, call it, six or nine months ago, sort of drivers of that growth and that nice trip growth you're seeing in the US, urban versus suburban.

Now, in food delivery, any color you can give us about the European food delivery business. One of your competitors is going to be entering a couple of those markets, potentially a little more aggressively to come. How do you sort of think about the key investment areas into 2026 you're focused on in the European food delivery business? Thanks.

Prashanth Mahendra-Rajah

Chief Financial Officer, Uber Technologies, Inc.

Okay. Thanks, Brian. I'm going to handle the first question on Mobility and then Dara will talk about competitors in the food delivery space.

So the sparse geography strategy, which we had talked about, if you recall, this originally was an output of the work that we had led on focusing on how to increase our Delivery business. And in that analysis, and as we began to look at how we can make better progress on Delivery, we identified that there was more opportunities for us to continue push on sparse geographies in the Mobility area. And the benefit that we're seeing there really is, first, it's a very large footprint.

So, as we look across the globe here and similar for the US, our sparse geographies are actually growing at about 1.5 times the rate of our denser market, and the penetration opportunity in these sparser markets continues to be quite high. Our rough take is that we're maybe 20% into what the opportunity is on the sparse market. So still lots of upside there. And again, that's global numbers, but you're sort of seeing similar demographics for the US, which I think is where your question was.

So in focusing on the sparse geographies, we're really focused on three areas. It is on the expanding the availability of the product, increasing the reliability of the product, and then ensuring that we have the right product fit.

For example, the wait and save product has been an excellent match for the sparse geographies, because typically when you're in a more suburban environment, you're in a situation where you don't mind waiting a little bit for your ride, which gives us the ability to find the right match and to compensate for the lower density of cars, which may be in that market.

So all of that is continuing to feed the flywheel, and we feel very excited about how sparse geographies are going to continue to provide growth for our US market for many quarters to come. I'll hand here now to Dara to talk about the Delivery competition environment.

Dara Khosrowshahi*Chief Executive Officer & Director, Uber Technologies, Inc.*

A

Yeah, absolutely. So we are very happy about our position in Europe. We've got the leading position in Europe. We've become the number one player in the UK. We've been the number one player in France for some period of time. We're gaining category position very solidly in both Spain and Germany. I was visiting there last week to visit with the teams and understand a bit more about the market. So the momentum in Europe and the profitability in Europe is excellent.

And listen, food is a huge category. It's no surprise. This is a \$2 trillion TAM in food and kind of \$10 trillion TAM in grocery. So competition is going to be a fact. We have built our position in Europe organically, and some of our competitors have had to buy their way into a European position, and that's always more difficult because it comes with a bunch of integration mess, et cetera, that we don't have to deal with.

And I think from our standpoint, we're going to do more of the same, which is, it's all about expanding merchant selection and improving service, improving reliability in terms of delivering the food to you exactly as expected at the right time. We're going to use the power of the platform to drive cross-sell and membership as well.

And then we're going to continue to kind of deepen our partnership with the ecosystem. You've seen announcements with OpenTable, Instacart, iFood as well in Brazil, not in Europe, obviously, but in Brazil.

And I think the last thing that I would say is, we competed with a number of these players outside of the US. We compete with DoorDash in many markets, Australia, Japan, Canada and we've been gaining category position in those markets for some period of time. So competition against these players is nothing new. And certainly, in Europe and the rest of the world, we have been a category gainer for some period of time, while improving profitability, and I expect that to continue.

Brian Nowak*Analyst, Morgan Stanley & Co. LLC*

Q

Great.

Dara Khosrowshahi*Chief Executive Officer & Director, Uber Technologies, Inc.*

A

All right. Let's take another question.

Operator: The next question comes from Justin Post with Bank of America. Your line is open.

Justin Post*Analyst, BofA Securities, Inc.*

Q

Great. Thanks for taking my question. Just would love to hear you talk about the margin flow-through in the quarter, if you made any extra investments. And then second, how you're thinking about the investments you're going to need over the next 12, 18 months to really scale your AV business and could that impact Mobility margins? Thank you.

Prashanth Mahendra-Rajah

Chief Financial Officer, Uber Technologies, Inc.

A

Okay. Yeah. Justin, I'll take the first one, and I'll let Dara sort of comment on that second one there. So maybe let's take a step back to reflect on third quarter. Our profit, our EBITDA was up 33% year-over-year. And as a result, we hit an all-time high for margins at 4.5% of GBs, which is up roughly 40 bps year-over-year.

The outlook for Q4 is pretty consistent, another rinse and repeat. And we are tracking exactly where we want to be against the three-year framework we gave you in February of 2024, and that is mid to high teens, gross bookings growth, and a high 30% to 40% EBITDA CAGR.

We really are proud of how we've been able to drive profitable growth at scale here, both Mobility & Delivery are accelerating, and that's accelerating off of a pretty enormous base. So it is tough to really defy the law of large numbers. And with that growth, we're converting that into the strong profitability and generating a ton of cash, almost \$9 billion on a trailing 12 month, which we're using to reduce share count.

So as we have said for several quarters now, we are very deliberately moderating the pace of our margin expansion. Over the last couple of years, we demonstrated that this enterprise and this business model can be profitable.

For example, we've taken our Delivery business from when I joined in late 2023, from like a low 2% EBITDA margin to now almost 4%. And that has been through to demonstrate that these are both great businesses.

With that, we're now asking investors, measure us on total profitability, understand that we are committed to annual profit expansion – year-over-year profit expansion for as far into the future as we can see.

But we will sort of run the balance between the two product lines and on a sequential basis to make investments. And that's because as we've said many times, we have so many exciting opportunities to invest in. I won't go through a big laundry list here, but Dara has already mentioned the exciting things we see on cross-platform. The investments we're making in affordability and low-cost product offerings is partly what is responsible for the acceleration in Mobility that we're talking about.

In some earlier questions, we talked about Grocery & Retail, which are being a great source of adding new consumers. So I could go on and on, but that's the model, and we're excited about the future.

And I would just continue to remind investors, focus on our overall profit dollar expansion and know that that we are committed to grow that on an annual basis for as far into the future as we can see. Let me now relate that among the many exciting investment opportunities to hand off to Dara to talk about investment opportunities in AV.

Dara Khosrowshahi

Chief Executive Officer & Director, Uber Technologies, Inc.

A

Yeah, Justin. So just putting some perspective in terms of AV. AV is not profitable today. And any new product that we introduce into the marketplace starts off in a position where we're losing money, and we're unprofitable.

And the pattern is the same every single time, introduce a new product, invest in building up supply of that product. Once we invest in building out that supply of that product, we build up liquidity in the ecosystem. And as

we build up liquidity, we build more consumer demand. As liquidity and reliability improves, consumer demand improves, as does willingness to pay to improve. Like that, we've done it 10 times, 15 times over and over again.

And if you look at our strategy on the Mobility business, it's a bit of a barbell strategy. So we've got kind of UberX, which is kind of the baseline business. And then we have some Premium products like U4B, Uber for Business, that has premium margins like Black and Reserve that also come with premium margins as well. And we use those premium margins to invest into some of the categories that we're trying to build, our growth bets, for example.

So this was taxi. It was two-wheelers moto, three-wheelers, autorickshaws in India is UberX Share, for example. All of those products have been unprofitable when we launch. And as we build out liquidity, kind of the profitability of those products improves, and frankly, we can turn those products profitable if we want it tomorrow, but it's about the balance of investing in profitability and growth.

The same is true of AV here, which is as we're building out our supply base, we'll lose money in AV. I expect that AV won't be profitable for a few years going forward. And as we build liquidity, we can take margins up. Right now, it looks exactly like a number of our early products and kind of we can balance the overall margins of our Mobility business with this barbell strategy of premium products, feeding some of our investment products and feeding some of the new growth bets.

As it relates to AV, we'll also use our balance sheet. We'll kind of invest in the AV ecosystem, various players. We have established a global kind of fleet network to make sure that they can clean the cars, recharge the cars, et cetera.

And we're also investing in AV data collection and partnership with NVIDIA, so that we are collecting kind of rideshare specific data that we can provide to our partners as well. So it's something we've done multiple times, and we expect to run the play again in AV in terms of the barbell strategy that we've got.

Justin Post

Analyst, BofA Securities, Inc.

Great. Thank you.

Q

Dara Khosrowshahi

Chief Executive Officer & Director, Uber Technologies, Inc.

You're welcome. Next question?

A

Operator: The next question comes from Ron Josey with Citi. Your line is open.

Ronald Josey

Analyst, Citigroup Global Markets, Inc.

Great. Thanks for taking the question. Maybe sticking with the investment theme, but Dara to your point on lifetime investments. I think in the letter, you talked about, suggested some short-term investments for loyalty gains.

Q

Can you help us understand a little bit more on these loyalty gains on the Uber One benefits? Clearly, you've talked about cross-platform. And then back on US trip growth, which accelerated affordability, the barbell

approach, totally get it. Talk to us about insurance rates and then the benefits from newer driver or newer riders like seniors and teens? Thank you.

Dara Khosrowshahi

Chief Executive Officer & Director, Uber Technologies, Inc.

A

Yeah, absolutely. So we're very, very happy about our progress in Uber One. I think the last time that we talked to you, we talked about 36 million members growing at healthy rates. That continues.

So the penetration of Uber One is in terms of gross bookings, it's about two-thirds of gross bookings for our Delivery business and continues to increase its gross bookings penetration in Mobility as well. And the benefits are, frankly, they're just the best benefits in the industry. You got 6% cash back on rides, no delivery fee up to 10% off of orders, plus exclusive selection an upgrade to priority delivery, and then kind of surprise and delight other moments as well that we give to our members.

The other good news for us is that when we look at membership cohorts, and membership retention, even though the number of members is growing very, very fast, the cohorts actually in terms of retention continued to improve, especially as we move a higher percentage of the users from monthly passes to annual passes as well. And then at the same time, we continue to roll out the program geographically. We're up – we're now in 42 countries versus 28 a year ago.

Now I would tell you that early on in the initial months when someone becomes a member, typically, that is profit negative for us because the discounts that we offer the member, exceed the increment in terms of how much they use the product and/or how well we retain them. Both of those go up.

As the members mature, six-plus months, then the members actually become profitable as well. So in the first six months, actually moving someone over to membership, especially moving someone who is already a high-frequency user is a net negative. We still make money on those members, but it's a net negative in terms of margins. And then it becomes a net positive as the power of the platform comes in, cross platform comes in, and retention kicks in as well.

So it's just an example of kind of near-term investments that we make to drive long-term engagement and long-term growth. And the math behind those investments in terms of the lifetime value versus the cost of a member acquisition continues to improve.

As a result, we're also kind of investing in more partnerships to align our membership program with other membership programs. Obviously, we have a best-in-breed program with Amex, the Consumer Platinum spend, but you're also seeing like exclusive premium table reservations via OpenTable, discounted or sometimes free CLEAR Plus memberships as well. So the power of the membership is actually getting stronger as we align with others in the industry as well.

Prashanth Mahendra-Rajah

Chief Financial Officer, Uber Technologies, Inc.

A

Ron, I'll take the second part of that question on insurance. And 2025 really has been a very good year for us in terms of the progress that we've made. And maybe before I get into the elements, just a shout out to the cross-functional team across Uber US, who really has helped us in a number of different areas, make great progress in 2025.

So we've always talked about sort of three elements to our insurance strategy. And over the course of this year, all three have really contributed to what I think will be beneficial for us in 2026 and as we go forward.

On the legislation side, we've had a number of great wins in a variety of different areas, Georgia, Nevada and then most recently, I think there's been a bit of press on the wins in California, which will help specifically reduce the uninsured and underinsured motorist coverage limits that are applicable to us from \$1 million down to \$60,000 on an individual basis and \$300,000 per accident. That very beneficial for us in California, and it adds to the momentum that we've seen in a number of other states.

On the tech side, we've talked about the Driving Insights dashboard, and this is a product that the tech team has developed that allows our drivers to get some intelligence and some performance feedback on what their driving behavior is doing. It helps alert them to jackrabbit starts and hard braking, sharp turns, and so forth.

And by giving them this feedback, we are actually seeing drivers on their own sort of improve their driving behavior. And it's actually, we've seen, after we've introduced that visibility to drivers, we've seen more miles driven by those in the highest scoring bucket, which is an indicator that folks are adjusting their behavior to be safer drivers.

And then the sort of the cherry on top of that is we've now introduced Advantage Mode into select cities, and we'll continue to roll that out. And Advantage Mode actually provide some rewards to those drivers who are improving their driving score.

And then lastly, on the commercial side, by having a captive and having a top class team that is working on the commercial negotiations, we have the ability to continue to keep our partnerships really at a stable level and also where need be, apply some tension on who holds the risk and who holds the – how much profitability our partners can share from that, and that allows us to keep tension on the cost side.

So the result of all these efforts is that we expect that we're going to see hundreds of millions of dollars of savings. And we look to pass those savings on to customers through lower fares really across the US for next year.

Balaji Krishnamurthy

Vice President, Investor Relations, Uber Technologies, Inc.

A

All right. Next question?

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

Ross Sandler

Analyst, Barclays Capital, Inc.

Q

Hey, guys. Just wanted to ask about the new multiple gigs initiatives. So, what are some of the areas that you're looking into for new work, new earning potential? And stepping back, how might this initiative impact things like driver retention or overall profitability for Uber compared to just kind of operating only the two areas of earnings that we're in today? Thank you.

Dara Khosrowshahi

Chief Executive Officer & Director, Uber Technologies, Inc.

A

Yeah, absolutely. So, just similar to the consumer where we see consumers using multiple platforms, they retain better. They use our – they get embedded with our platform more. The same is true for earners, which is to the

extent that they use us for delivering and shopping, et cetera, or delivering and/or mobility. They're embedded with the platform, we retain them for longer, et cetera.

Kind of one way of looking at Uber, obviously, we are a logistics transformation platform in terms of moving people places or getting anything to your home or getting a truck to ship your goods. Another way of looking at our platform is that we're a platform for work.

And the first kind of work that we have gone after is transportation, but we can empower other kinds of work as well, which is what Uber AI Solutions is all about. The work that we are doing encompasses training AI models to rating both kind of voice audio responses to annotating videos from multiple sources for various players, like security cameras and robots, for example, or creating, kind of judging query response pairs across various answers, AI answers.

And this kind of work is available to both earners who are on the platform all around the world. We need this work done in English, and we'll need it done in Spanish, we might need it done in many other languages as well. And it's another earnings opportunity for both our earners who are in place now, but also new earners who can come to the platforms.

Some of the roles require PhDs, for example, in physics in order to get the gig done, so to speak, and the pay for that kind of work is obviously higher. So this is, we think, one is it is an opportunity to provide more work as the nature of work changes going forward.

We do think that it will provide more earnings opportunities for earners and kind of – which is terrific. And we think this can ultimately be another profitable line of business for us. Uber AI Solutions is, we're landing a ton of customers, and it is kind of nascent in its operations right now, but the potential that we see is enormous.

Balaji Krishnamurthy

Vice President, Investor Relations, Uber Technologies, Inc.

A

All right. Next question, please?

Operator: The next question comes from John Colantuoni with Jefferies. Your line is open.

John Colantuoni

Analyst, Jefferies LLC

Q

Great. Thanks for taking my questions. First, can you talk about any key capabilities provided by the Toast partnership? And how it fits into your broader framework for leveraging partnerships to help drive growth and profitability?

And second, Prashanth, maybe you can talk about the rationale for shifting some of the non-GAAP metrics. And for the move from adjusted EBITDA to adjusted operating income, specifically, does this have any reflection on your ramp and capital investments in the autonomous vehicle space? Thanks.

Dara Khosrowshahi

Chief Executive Officer & Director, Uber Technologies, Inc.

A

Yeah, absolutely. So in terms of Toast, we're very, very happy about that partnership. They are a strategic partner. And obviously, Toast is kind of one of the leading point-of-sale offerings in the industry.

What you will see in terms of Toast is that, a restaurant that is Toast-enabled essentially will be automatically enabled for Eats as well. So the integration between Toast and Eats is going to be seamless. Menu uploads will be seamless. Picture uploads will be seamless.

So we're actually using the data, the restaurant data that Toast is empowering and then moving that data directly across to Uber Eats. It's going to simplify kind of setting up your operation on Eats, it's going to simplify how you market on Eats, and it's going to kind of save a bunch of time for those entrepreneurs who are building out our restaurant ecosystem.

So I think it's just going to be a more seamless integrated experience that gives restaurants a lot more control, a lot more flexibility, and allows them to launch on Eats immediately.

We are also hoping to help Toast grow its international presence outside of the US. Obviously, they're very, very strong in the US. Our footprint outside of the US, as you know, is much more mature. So we think this is kind of a win-win. For us, it gives us more footprint across Toast's ecosystem. And then for Toast, it helps them grow outside of the US as well. Prashanth, do you want to take the second?

Prashanth Mahendra-Rajah

Chief Financial Officer, Uber Technologies, Inc.

A

Yeah. Thanks. So yeah, thanks for the question, John. So the rationale really is a reflection just as we, as a company, grow in size, scale and maturity, we want to provide investors with metrics that allow for better comparability across the alternative options they have on where to put their clients' capital.

And moving to an adjusted EPS model really allows for that ease of compare, and it reflects that we, as a management team, understand that there are real costs that come from depreciation, from some of the software amortization, the stock-based comp, et cetera, that need to be reflected in the cost of running the business as well as including really the benefits that come with reducing share count from returning the cash that this enterprise is generating to shareholders by repurchasing our shares.

So nothing more to it than really, I think it's a journey that all companies go through as they scale and become more meaningful in an investor portfolio. And then personally, I think as CFO, I like having the LOB leaders held to an adjusted operating income because there are choices that they make on, for example, talent decisions and location decisions, which can impact costs such as stock-based compensation or depreciation, and those are real costs to the business, and it helps to have that also in their consideration as they think about where they want to make their investments to continue to drive top-line growth, but being mindful of our commitments to continue to grow profitability. So it's really just, I think, the appropriate evolution for the company given where we are.

Balaji Krishnamurthy

Vice President, Investor Relations, Uber Technologies, Inc.

A

All right. We'll take the last question, please.

Operator: The last question comes from Nikhil Devnani with Bernstein. Your line is open.

Nikhil Devnani

Analyst, Bernstein Institutional Services LLC

Q

Hi, there. Thank you for taking my question. I had a couple, please. So first, I wanted to follow up on the strong results in Mobility. And I'm just wondering, did the upside primarily come from the moderation and insurance

pressure? Or were there other network improvements that unlocked the growth in the quarter as well. I think the letter talks about driver supply and product uptake.

So just trying to understand the relative contribution from those additional factors and how they might continue to stack in your favor into 2026?

And then my second question is on AVs. Dara, can you speak a little bit about the scale and quality of real-world data that you're able to contribute? It seems like that's a core constraint for a lot of AV companies, and you can help chip away at that problem. So I'm curious to hear how you're going about tackling that? Thank you.

Prashanth Mahendra-Rajah

Chief Financial Officer, Uber Technologies, Inc.

A

Yeah. Thanks, Nikhil. I'll take the first one really. And it's very specific to Mobility growth, I believe, is where you were asking. So the business is doing really well. Look, the investments we've made are starting to come through at a great rate, the marketplace trends are strong. The product innovation is giving us conviction.

I think what we would like investors to really focus on is this growth is trips-led, and that is the healthiest way to grow the business, because it comes from expanding our audience. Mobility audience hit almost 150 million users. That is an all-time high for us. Our frequency growth was also very strong. So together, you're seeing the right drivers behind it. And it's coming from great growth on the core, as well as the new product portfolio.

So we still feel very confident as we look to 2026 and beyond. I mean, the metric that keeps us excited is, for example, looking at our top 10 markets, only 10% of the adult population uses Uber on a monthly basis. So we continue to see great opportunity to continue to penetrate the TAM.

And I think Dara has made reference to our barbell strategy, and maybe just to help – put that in perspective, UberX, which is really the core engine of our growth represents sort of about two-third of our trips.

So when you look at the Wings, you see the investments we've made in product innovation on the low cost, such as the Moto product, Wait & Save, the shuttle that we're running in New York, shared ride. All of those are making Uber more accessible to a broader population and helping us onboard new users, which is behind some of that audience growth.

And then the investments that we're making in Premium, which include the Comfort, the Black. I think we've made mention that we're working to launch an Uber Elite product in the next quarter or two. All of those help us to balance that overall profitability to allow us to continue to drive the margin expansion. So overall, we feel great about the growth.

And then sort of more specifically, if we think about what happened in third quarter, I would tell you that it was – on the trips side, we had good growth internationally, LatAm and APAC, and we also had a great European summer travel that really helped out on trips.

And then just in terms of helping you bridge from the high trip growth of 21% to the 19% of GB growth, as I mentioned, that growth internationally, that puts a little bit of mixed pressure down because, obviously, a trips outside the US and Canada are at a lower price point. So that puts a little bit of trip pressure as well.

So I wouldn't really characterize what we saw in Q3 as one-off. We're now entering our busiest quarter. Dara already made opening comments on what a spectacular weekend we had for Halloween.

So we feel good that 2026 is going to be another great year for Uber, and will continue to be a business that has the ability to generate high mid to high-teens growth, convert that into great profitability, convert that into great cash, and then use that to reduce share count. And that's the model we want people to get behind.

Dara Khosrowshahi

Chief Executive Officer & Director, Uber Technologies, Inc.

A

Right. And then in terms of AVs and collection of real-world data, we are collecting real-world data as we speak. The advantage that we have is we already run a rideshare network, and it's essentially putting a vehicle in place that is appropriate for collection of this real-world data.

And as you can expect, the rideshare use case is particular in terms of pickups and drop-offs or the commonality of pickups and drop-offs, stadiums, airports, et cetera. Obviously, we're working very closely with our AV partners, and the feedback that we're getting from them in terms of the value of the data and trading their models is very, very positive.

And then the NVIDIA announcement for us is a marker to really scale the operations here. We are looking into building out a more robust sensor stack, for example, to get higher definition data quality across both camera and LiDAR for some of our partners. And we're not really restricted by scale because it's either a vehicle or it's a sensor suite that we can put on top of these vehicles.

We've got, for example, we'll probably work with some of our fleet partners as well as some IC drivers as well. So, this is something that we can scale up essentially as much as we desire in partnership with NVIDIA and our other AV partners as well.

And again, we think that between the Hyperion hardware platform, NVIDIA working on L4 themselves, the multiple partnerships that we have, both in terms of Mobility & Delivery on AV and now our ability to collect data, and then the SIM capabilities for many of these partners are much stronger in terms of collecting one piece of data and then running thousands of scenarios from that core piece of data. We think that's a terrific combination to bring AV to market as quickly as possible and obviously on the Uber platform. So very excited about the possibilities here.

Nikhil Devnani

Analyst, Bernstein Institutional Services LLC

Q

Thank you, Dara.

Dara Khosrowshahi

Chief Executive Officer & Director, Uber Technologies, Inc.

All right. Thank you very much. Thank you for your questions. And thanks, everyone, for joining us and to the Uber team's great quarter in terms of growth, both top line and bottom line. And hopefully, more to come. Thanks, everyone. Talk to you soon.

Operator: This concludes today's conference call. Thank you for joining. You may now disconnect.

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