

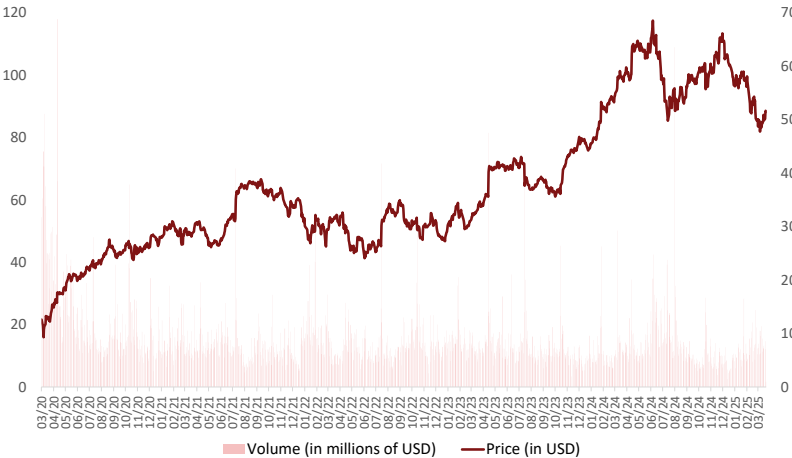
Uber Technologies, Inc

Recommendation: BUY | Price Target: \$88.18

Supported by a strong platform strategy, improving unit economics, and significant untapped growth opportunities, we believe Uber is well positioned for continued outperformance. Under our base case, Uber leverages its leadership in Mobility and Delivery to drive gross bookings growth of 15.2% annually, with revenue expanding at a 16.5% CAGR through 2028. This growth is underpinned by both rising active users and increasing monetization across its global footprint.

Mobility is operating at structurally higher margins post-pandemic, and Delivery has transitioned from an investment phase into a margin expansion cycle, with segment-level EBITDA margins expected to increase meaningfully over the forecast period. In Freight, while short-term softness is expected, Uber's strategic repositioning efforts, including targeted cost reductions and network optimization, create the foundation for long-term profitable growth.

Based on our DCF analysis, we derive a fair value estimate of **\$88.18** per share. However, given optionality around autonomous driving partnerships, advertising monetization, and adjacent logistics services, we see potential for further upside beyond our base case. As such, we initiate coverage with a **Buy** recommendation.



Business Overview

Uber Technologies is a tech company known for its ride-hailing platform, which connects riders with drivers via a mobile app. Founded in 2009 and headquartered in San Francisco, Uber has expanded its segments beyond transportation into food delivery Uber Eats, freight logistics Uber Freight. Currently, the company operates in over 70 countries and earns revenue through commissions on rides, deliveries, and freight bookings. Although Uber has a strong brand recognition, it faces regulatory challenges and competition.

The company has faced significant financial challenges, reporting losses in consecutive years \$8.5 billion in 2019, \$6.8 billion in 2020, and \$496 million in 2021. These losses were caused by, high operational costs and substantial investments in research and development. Despite these setbacks, Uber achieved its first annual operating profit in 2023, signaling a significant turnaround in its financial performance. In 2024, it achieved significant financial growth, reporting a net income of \$9.86 billion. Annual revenue rose 18% year-over-year to \$44.0 billion, driven by its mobility segment, whose revenues rose from \$14.03 billion in 2022 to \$25.09 billion in 2024. Adjusted EBITDA reached \$6.5 billion, marking a 60% increase year-over-year, while free cash flow grew by 105% to \$6.9 billion.

LISBON INVESTMENT SOCIETY

XNYS: UBER

Price (4 Apr 25): \$77.75
Upside (Downside): 22.2%

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Statistics	
Beta	1.08
% Float	99.3%
% Held by Insiders	1.09%
% Held by Institutions	87.89%
Short % of Float	1.69%

Major Holders	
Vanguard Group Inc	8.92%
Blackrock Inc.	8.38%
State Street Corporation	4.23%
Price (T.Rowe) Associates Inc)	3.90%
JP Morgan Chase & Company	3.29%
Capital World Investors	2.92%
FMR, LLC	2.48%
Alliancebernstein L.P.	2.22%
Geode Capital Management, LL	2.10%
Pershing Square Capital Manag	1.82%

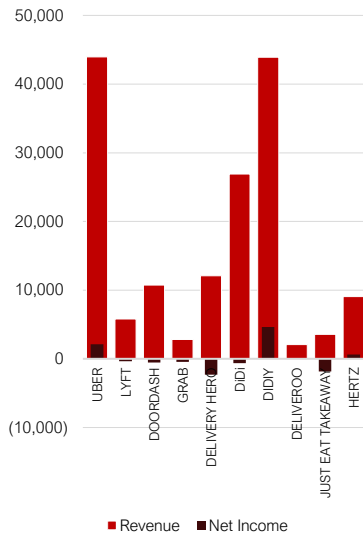
ESG Traffic Light	
LSEG ESG Score	61
E-Score	47
S-Score	76
G-Score	51
S&P Global ESG Score	30
Environmental	44
Social	25
Governance & Economic	24
Sustainalytics	22.6
ISS ESG Corporate Rating	C
SDG Impact Rating	0
Governance Quality Score	0
MSCI ESG Ratings	BBB

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Industry Overview and Competitive Positioning

Peers Revenue and Net Income



Uber operates at the intersection of three high growth industries Mobility, Delivery, and Freight benefiting from secular tailwinds such as urbanization, digitalization, and consumer demand for convenience. The global ridesharing market is projected to grow at ~12% CAGR through 2028, while online food delivery expands at ~10% CAGR, providing Uber with a large and expanding addressable market. Meanwhile, Freight brokerage, where Uber Freight operates, represents a ~\$1 trillion global opportunity, with digital penetration still below 20%.

Within this context, Uber holds leading market shares across key geographies, unlike competitors such as Lyft, which remains U.S.-centric. Uber's Mobility segment posted a 26% EBITDA margin in FY24, far ahead of Lyft's, reflecting stronger scale advantages and better operational efficiency. In Delivery, Uber achieved an 8% EBITDA margin, improving profitability faster than peers like DoorDash. Freight remains a drag near-term, but margin expansion is expected by FY26, supported by growth in contract optimization and multimodal logistics.

Compared to peers, Uber trades attractively at ~16x PE, a severe discount to peers Lyft (~223x) and DoorDash (~641x), despite superior revenue growth (15% CAGR forecast through 2028). Cross segment synergies, platform loyalty programs like Uber One (19% penetration), and the growing high-margin advertising segment (\$1B revenue target by 2026) further enhance Uber's defensibility and margin potential. Overall, Uber's diversified growth profile, improving cash generation, and dominant scale support a positive long-term outlook.

Competitive Analysis

Uber operates in a highly competitive environment, with core strengths in platform scale, technology, and cross-segment integration. The company focuses on three primary segments: Mobility, Delivery, and Freight. Mobility remains the largest contributor (~66% of total revenue in 2024), followed by Delivery (~29%) and Freight (~5%). Uber's ability to serve multiple transportation and logistics needs through a single platform reinforces customer loyalty and drives network effects across its ecosystem.

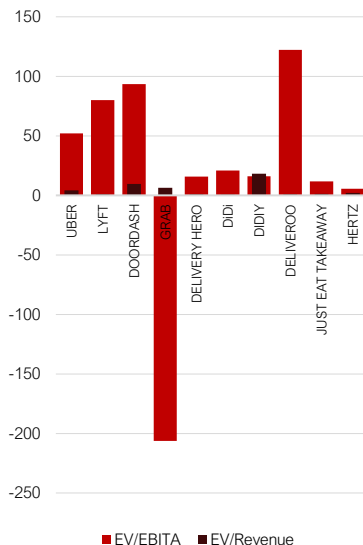
Key competitors include Lyft in Mobility, DoorDash in Delivery, and C.H. Robinson in Freight, each specializing in narrower service areas compared to Uber's diversified model. Lyft's geographic concentration and lower margins limit its competitiveness internationally, while DoorDash, despite its U.S. leadership in food delivery, lacks Uber's global presence. In Freight, traditional brokers dominate volumes but are slower in digital transformation, offering Uber an opportunity to scale its technology-driven approach. Emerging threats such as autonomous vehicles, alternative last-mile solutions, and direct-to-consumer logistics innovations represent indirect competition as the broader mobility and logistics industries evolve.

Economic Moat

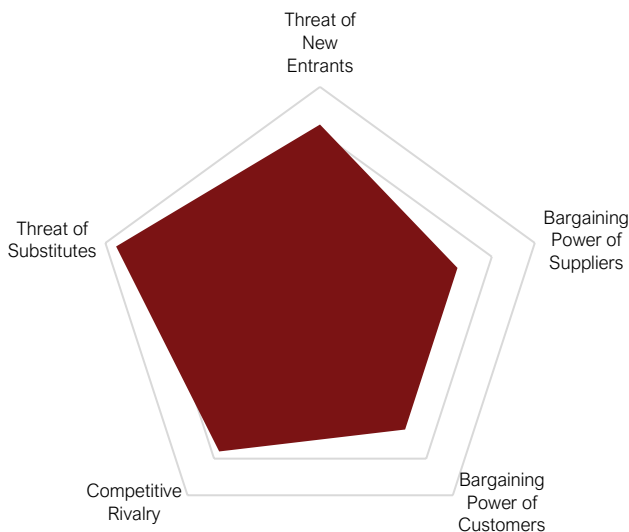
Uber possesses a **strong brand image**, giving it a competitive advantage as consumers often choose Uber over its competitors. Furthermore, the company offers a **diversified range of services**, whereas most of its competitors focus on either mobility or delivery, allowing Uber to be profitable across multiple sectors. Additionally, Uber's vast amount of data from numerous completed trips enables continuous improvement of its software, optimizing pricing, trip routing, and driver matching. Its recent partnerships and investments in autonomous vehicles further position the company at the forefront of technological innovation.

However, strict legal regulations on drivers could lead to increased costs and negatively affect the company's profitability. While economic uncertainties may also impact revenues — as consumers may opt for more affordable alternatives — Uber continues to benefit from its strong brand recognition.

Peers Trading Multiples



Porter's Five Forces



Bargaining Power of Buyers – Moderate

Uber's bargaining power of customers is **moderate, with a score of 3.2**. Customers have access to a wide range of options and are highly informed, which gives them more leverage in their decision-making. Switching costs are very low, making it easy for customers to switch between Uber and its competitors. However, the individual purchase size is small, although the customers are not making large transactions that would significantly impact Uber's revenues. While customers are moderately price-sensitive, this is not a major issue for Uber, as their services and prices remain relatively competitive. Overall, while customers do have some bargaining power, Uber's large user base and strong brand helps mitigate this influence.

Bargaining Power of Suppliers – Moderate

Uber's bargaining power of suppliers, primarily its drivers, is **moderate, with a score of 3.2**. The number of suppliers is high indicating that Uber has access to a large pool of drivers, reducing dependence on single individuals. The uniqueness of drivers is average, as they don't offer highly differentiated services when compared to other companies. Switching costs are low, making it easy for Uber to find new drivers if needed, also contributing to the high number of suppliers. While there is a moderate risk of forward integration, where drivers might consider competing directly with Uber, this situation is very unlikely due to the efficiency that the company provides. The industry importance of drivers is high, as they are crucial to Uber's operations but not overwhelmingly dominant.

Threat of New Entrants – Moderately High

Uber faces a **moderately high threat from new entrants score of 4.17**, indicating that while it's very unlikely that other competitors break into the market, it's not impossible. The company benefits from high economies of scale, significant capital requirements, and strong control over distribution channels, which make it difficult for newcomers to compete effectively. While product differentiation is moderate when compared to some of its peers, Uber's brand and network effect offer some edge. Regulatory barriers are also high, further protecting Uber. However, low switching costs suggest that consumers can easily switch to competitors, posing some risk.

Threat of Substitutes – Very High

The threat of substitutes for Uber is **very high, with a score of 4.75**. This represents a significant risk for the company, as there are numerous close and similar alternatives available to customers, including taxis, other ride-sharing platforms, and even public transportation. Customers are highly willing to switch to these substitutes, which further intensifies the competitive pressure on Uber. This high threat means that Uber must continue to innovate and differentiate itself to maintain its market position and customer loyalty.

Competitive Rivalry – Moderately High

The competitive rivalry for Uber is **moderately high, with a score of 3.8**. This suggests a notable level of competition in the market, but not an excessively high one. While there are many competitors, the industry's moderate growth and the presence of moderate exit barriers help maintain a balanced level of rivalry. However, the high similarity in what's offered by competitors increases the competitive pressure, meaning Uber must continue to innovate and strengthen its brand to stay ahead.

Peer Analysis and Relative Valuation

Peers	Ticker	Revenue Growth		EBITDA Margin		Profit Margin	
		2022-2023	2023-2024	2023	2024	2022-2023	2023-2024
UBER TECHNOLOGIES, INC.	UBER	17%	18%	5%	8%	6%	22%
LYFT INC.	LYFT	8%	31%	-6%	1%	-8%	0%
DOORDASH INC.	DASH	31%	24%	2%	8%	-6%	1%
GRAB HOLDINGS LIMITED	GRAB	65%	19%	-15%	-3%	-18%	-4%
DELIVERY HERO SE	DHER	16%	22%	-2%	6%	-23%	-7%
DIDI GLOBAL INC.	DIDIY	37%	-86%	2%	4%	0%	5%
MEITUAN	3690	26%	-84%	8%	114%	2%	82%
DELIVEROO PLC	ROO	3%	2%	1%	4%	0%	0%
JUST EAT TAKEAWAY	TKWY	-36%	1%	12%	11%	-52%	-46%
HERTZ GLOBAL HOLDINGS INC.	HTZ	8%	-3%	42%	40%	7%	-32%
Average		17%	-6%	5%	19%	-9%	2%
Deviation from Average		0%	-24%	0%	11%	15%	20%

The financial analysis of Uber Technologies, Inc. compared to its industry highlights Uber's strong position within the ride-hailing, delivery and freight market. Examining revenue growth, EBITDA margin, and profit margin, Uber consistently performs at or above average and particularly excels in profitability. In terms of revenue growth, Uber posted a **17.0% increase in 2022–2023**, closely aligned with the sector average of 17.3%, and accelerated to **18.0% in 2023–2024**, outperforming the industry's 14.3% average. Although not the fastest grower compared to Grab or Meituan, Uber's growth is steady and sustainable, unlike peers like Just Eat Takeaway, which saw an intense decline. For EBITDA margin, **Uber achieved 5.2% in 2023, improving to 8.0% in 2024**, close to but slightly below the average (9.1%). Nevertheless, Uber's operating efficiency shows significant progress compared to struggling peers like Grab and Delivery Hero. Where Uber truly distinguishes itself is in profit margins. Uber Technologies, Inc. is one of the few players posting a positive profit margin, **moving from 5.7% in 2022–2023 to a remarkable 22.5% in 2023–2024**, far above the industry's negative averages (-9% and -5% respectively). This highlights **Uber's maturity and ability to balance growth with profitability**.

Peers	Ticker	EV / Revenue		EV / EBITDA		Price / Earnings	
		2023	2024	2023	2024	2023	2024
UBER TECHNOLOGIES, INC.	UBER	4,8	4,1	92,6	51,0	83,6	17,8
LYFT INC.	LYFT	1,3	1,0	-22,5	78,5	-15,7	231,3
DOORDASH INC.	DASH	9,7	9,7	415,0	93,3	-155,7	706,5
GRAB HOLDINGS LIMITED	GRAB	7,3	6,2	-49,1	-201,4	-45,9	-189,7
DELIVERY HERO SE	DHER	1,2	1,0	-74,5	15,8	-3,3	-9,1
DIDI GLOBAL INC.	DIDIY	0,1	0,7	4,2	20,7	-31,4	15,5
MEITUAN	3690	2,9	18,2	35,7	16,0	173,9	22,6
DELIVEROO PLC	ROO	1,1	1,0	538,3	122,3	858,7	858,7
JUST EAT TAKEAWAY	TKWY	1,3	1,2	10,8	11,8	-2,2	-2,5
HERTZ GLOBAL HOLDINGS INC.	HTZ	2,1	2,2	5,0	5,5	3,3	-0,7
Average		3,2	4,5	95,6	21,3	86,5	165,1
Deviation from Average		1,6	-0,5	-3,0	29,7	-2,9	-147,2

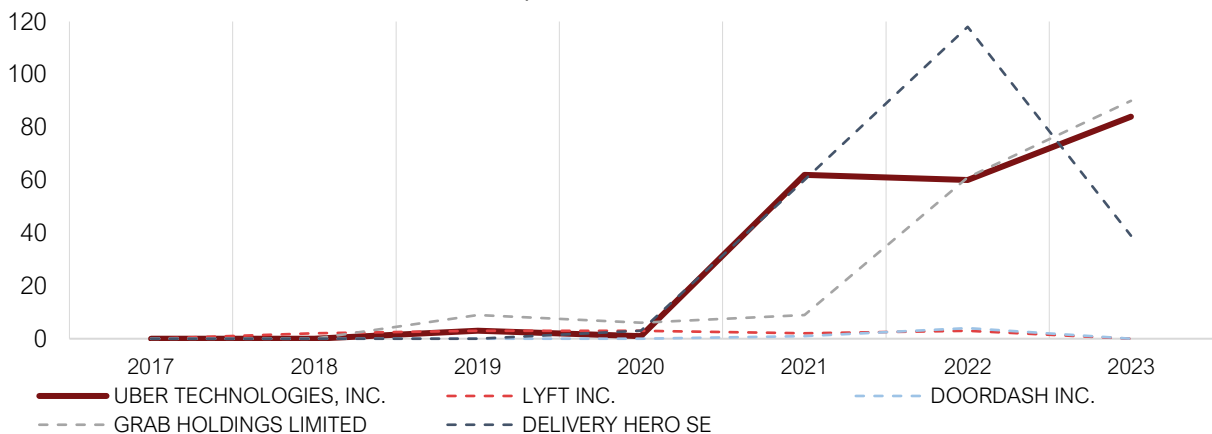
Beyond operational improvements, **Uber's valuation metrics further reinforce its leadership among peers**. While rivals like Lyft, DoorDash, Grab, and Delivery Hero continue to be weighed down by inflated or even negative multiples, Uber is progressing towards a much healthier financial profile. Its EV/Revenue remains above competitors, a reflection of the market's higher confidence in Uber's diversified business model and resilience in all its segments. More significantly, **Uber's EV/EBITDA ratio is on a clear downward trajectory**, highlighting **improving profitability and operational efficiency**, in contrast to peers who are still operating at unsustainable valuation levels. The sharp decline in Uber's Price/Earnings ratio, from 77.13x in 2023 to 16.45x in 2024, sets it apart from key competitors. Companies like Lyft and DoorDash, with extremely high P/E ratios, underline the difficulties others face in achieving sustainable profits.

Uber's ability to combine scale, improved cash flow, and a rapid transition to more attractive earnings multiple positions shows that the company is the most mature and credible player in the sector and will continue improving its results, setting up a very promising next growth phase.

ESG Analysis

Uber Technologies has set a target to reach net-zero emissions by 2040, encompassing Scope 1, 2, and 3 emissions. While it reported a 33% reduction in emissions intensity per ride globally by 2023 (vs. 2019 baseline), absolute Scope 3 emissions continue to pose challenges due to ride volume growth and third-party vehicle use. The company reported that 27% of rides in key markets were completed in zero-emission vehicles or through micromobility, and it expanded EV partnerships and driver incentives. ESG risk persists in supply chain emissions and labor-related concerns, where transparency and metrics remain limited despite public commitments to climate and human rights principles

GHG Scope 1 and 2 Emissions



On the social front, Uber Technologies has improved driver engagement through expanded incentive programs and safety features, yet driver turnover remains high in key markets, reflecting ongoing concerns around job stability and benefits. A 2023 lawsuit alleging bias in algorithm-based deactivations highlights ongoing challenges in workplace equity and inclusion. Nonetheless, Uber enforces driver and delivery partner standards globally and continues to invest in local communities, committing over \$100M in grants and initiatives supporting mobility access, disaster relief, and underserved populations.

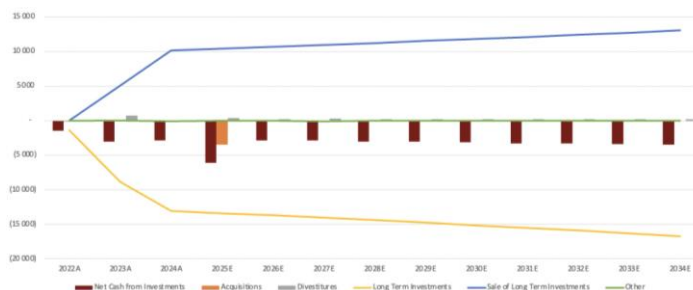
SOCIAL			
	Overview	Targets	Improvements
Employee Turnover %		Reduce burnout and improve long-term engagement.	Encourage more transparent and stable communication from upper management.
Salaries & Compensation		Offer salaries at or above market averages, ensure fair compensation across job levels and strengthen benefits aligned with modern employee needs.	Improve transparency in how salaries and bonuses are structured and communicated.
Reputation		Eliminate discrimination and harassment in the workplace.	Continue investing in D&I (Diversity & Inclusion) initiatives.
Discrimination Events		Eliminate all forms of discrimination, including gender, racial, and ethnic biases; besides ensure equal pay and promotion opportunities across all employee demographics.	Implement comprehensive anti-discrimination training programs for all employees and establish clear and accessible reporting mechanisms for discrimination and harassment.
Work Safety		Ensure the safety and well-being of all employees, particularly drivers and couriers.	Implement real-time safety monitoring and support systems for drivers.
Damage to consumer health		Ensure that all products and services meet health and safety standards. Provide clear and accurate information to consumers regarding health-related aspects of services.	Provide consumers with clear information about health and safety measures in place.
Pension Plan		Extend pension schemes to all markets where Uber operates.	Standardize contribution rates to ensure consistency across regions.
Supply chain		Achieve zero-emission deliveries by 2040. Eliminate unnecessary plastic waste from deliveries by 2030.	Accelerate the transition to electric vehicles and e-bikes for deliveries.
Community involvement		Increase the number of community-focused initiatives globally.	Enhance collaboration with local organizations to address community needs.
Public Sector		Expand public transport partnerships, enhance accessibility and promote sustainability.	Collaborate with local and regional governments to integrate Uber's platform, develop services tailored for individuals with disabilities or mobility challenges.
Litigation		Ensure legal compliance and promote fair labor practices.	Adhere to labor laws and regulations in all operational regions.

Valuation - FCFF

Uber's revenue growth is expected to be driven primarily by the **mobility sector** due to the company's efforts to expand Autonomous Vehicles, which would incentivize the **increase** in the number of **Monthly Active Platform Consumers**, the growth is also expected to be steady because of the increasing **economic uncertainties**. Through the average trip realized by MAPC and the average revenue realized per trip **adjusted to inflation**, the revenue of the mobility and delivery sector is expected to **double by 2024**. Due to the US's tariff implementations and the recent decrease in revenues in Uber's freight sector, these are projected to **remain constant**.

Operating Assumptions	2022A	2023A	2024A	2025E	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E	2034E
Monthly Active Platform Consumers	492	559	637	701	771	849	933	1006	1128	1241	1365	1502	1652
% growth		13.6%	14.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
Trip	7 642	9 448	11 273	11 708	13 182	14 558	15 850	17 532	19 280	21 172	23 318	25 643	28 201
Average Revenue per Trip	4.2	3.9	3.9	4.2	4.4	4.5	4.6	4.8	4.9	5.1	5.2	5.4	5.5
Average Trip per MAPC	16	17	18	17	17	17	17	17	17	17	17	17	17
Revenue for Mobility and Delivery	31 877	37 281	43 978	49 253	57 669	65 596	73 960	83 808	94 929	107 375	121 802	137 968	156 280
Freight Revenue	6 947	5 245	5 141	5 000	5 000	5 000	5 000	5 000	5 000	5 000	5 000	5 000	5 000
Income Statement	2022A	2023A	2024A	2025E	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E	2034E
Revenue (Sales)	31 877	37 281	43 978	54 253	62 669	70 596	78 560	88 808	99 929	112 375	126 802	142 968	161 280
% of growth		17.0%	18.0%	23.4%	15.0%	12.0%	11.3%	13.0%	12.0%	12.0%	12.7%	12.8%	12.8%
COGS (Cost of Goods Sold)	19 659	22 457	26 651	33 006	37 951	42 827	47 675	53 850	60 619	68 169	76 910	86 724	97 830
% of revenue	61.7%	60.2%	60.6%	60.8%	60.6%	60.7%	60.7%	60.6%	60.7%	60.7%	60.7%	60.7%	60.7%
Gross Profit	12 218	14 824	17 327	21 247	24 718	27 769	30 885	34 958	39 309	44 206	49 892	56 244	63 450
Gross Profit Margin	38.3%	39.8%	39.4%	39.2%	39.4%	39.3%	39.3%	39.4%	39.3%	39.3%	39.3%	39.3%	39.3%
SG&A (Selling, General & Administrative)	7 852	7 038	7 976	9 940	11 366	12 803	14 248	16 106	18 123	20 381	22 987	25 925	29 250
SG&A Margin	24.6%	18.9%	18.1%	20.0%	18.2%	18.3%	18.3%	18.4%	18.6%	18.6%	18.6%	18.6%	18.6%
R&D (Research & Development)	2 798	3 164	3 100	4 401	4 944	5 429	6 294	6 950	7 798	8 812	9 921	11 185	12 628
% of revenue	8.8%	8.5%	7.1%	8.1%	7.9%	7.7%	7.9%	7.8%	7.8%	7.8%	7.8%	7.8%	7.8%
Other Operating (Income) Expenses	2 413	2 689	2 732	3 221	3 328	3 485	3 722	3 970	4 192	4 455	4 745	5 033	5 352
EBITDA	(885)	1 933	3 510	3 786	5 080	6 051	6 711	7 832	9 195	10 558	12 228	14 097	16 220
EBITDA Margin	-2.8%	5.2%	8.0%	7.0%	8.1%	8.5%	8.5%	8.8%	9.2%	9.4%	9.6%	9.8%	10.1%
D&A (Depreciation & Amortization)	947	823	711	842	910	987	1 116	1 216	1 344	1 489	1 645	1 824	2 026
% of PP&E+ROU Assets+Intangibles excl. Goodwill	13.6%	12.0%	12.5%	15.0%	14.8%	16.0%	17.4%	18.1%	18.3%	20.3%	21.2%	22.1%	23.0%
Depreciation Expense	792	467	417	542	549	591	684	705	768	842	915	1 007	1 099
% of PP&E+ROU Assets	13.1%	7.5%	7.1%	9.2%	7.9%	8.3%	8.4%	8.1%	8.2%	8.3%	8.2%	8.2%	8.2%
Amortization Expense	156	362	294	300	361	406	452	511	575	647	730	823	929
% of Intangibles excl. Goodwill	7.2%	21.9%	23.1%	22.9%	22.5%	22.5%	22.9%	22.9%	22.5%	22.5%	22.5%	22.9%	22.9%
Operating Income (EBIT)	(1 832)	1 110	2 799	2 944	4 171	5 054	5 594	6 716	7 851	9 068	10 583	12 273	14 194
Operating Margin	-5.7%	3.0%	6.4%	5.4%	6.7%	7.2%	7.7%	7.6%	7.9%	8.1%	8.3%	8.6%	8.6%
Net Interest Expense (Income)	426	149	(198)	(1 376)	(715)	(744)	(810)	(881)	(1 012)	(1 194)	(1 444)	(1 782)	(2 212)
% of Net Debt	6.0%	2.2%	-5.0%	-12.0%	-6.2%	-6.3%	-6.6%	-6.8%	-7.6%	-8.3%	-9.0%	-11.4%	-13.4%
Interest Expense	565	633	523	539	539	518	509	499	486	475	462	448	434
% of Debt	4.9%	5.5%	5.1%	4.7%	4.6%	4.3%	4.0%	3.8%	3.5%	3.3%	3.0%	2.8%	2.5%
Interest Income	139	484	721	837	177	226	301	382	527	719	982	1 334	1 778
% Cash & Cash Eq. & ST Investments	3.2%	10.0%	11.0%	12.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
FX (Gain) Loss	147	182	391	808	871	777	707	622	600	562	634	715	806
% of revenue	0.5%	0.5%	0.9%	1.5%	1.4%	1.1%	0.9%	0.7%	0.6%	0.5%	0.5%	0.5%	0.5%
Other Non-Operating (Income) Expenses	7 021	(1 542)	(1 519)	1 628	(552)	(166)	338	(143)	11	77	(21)	25	31
Pre-Tax Income (EBT)	(9 426)	2 321	4 125	2 289	4 567	5 187	5 360	7 118	8 254	9 604	11 414	13 315	15 569
Tax Expense (Benefits)	(181)	213	(5 758)	981	175	212	1 003	1 410	1 649	1 905	2 223	2 577	2 981
% of EBT	1.9%	9.2%	-139.6%	25.4%	3.8%	4.1%	18.7%	18.8%	20.0%	19.6%	19.5%	19.4%	19.1%
Net Income	(9 245)	2 108	9 883	1 708	4 382	4 975	4 357	5 708	6 605	7 720	9 192	10 738	12 588
Net Income Margin	-29.0%	5.7%	22.5%	3.1%	7.0%	7.0%	5.9%	6.4%	6.6%	6.9%	7.2%	7.5%	7.9%
Balance Sheet	2022A	2023A	2024A	2025E	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E	2034E
Assets													
Cash & Cash Equivalents & ST Investments	4 311	5 407	6 977	3 531	4 514	6 020	7 640	10 534	14 384	19 639	26 680	35 562	46 744
Accounts Receivable	2 779	3 404	3 333	4 602	5 267	5 762	6 560	7 376	8 267	9 337	10 519	11 856	13 385
DSO	31.8	33.3	27.7	31.0	30.7	29.8	30.5	30.3	30.2	30.3	30.3	30.3	30.3
Inventory	-	-	-	-	-	-	-	-	-	-	-	-	-
DH	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Prepaid expenses and Other Current Assets	2 159	2 486	1 935	2 706	2 744	2 773	3 050	3 228	3 395	3 626	3 855	4 088	4 350
% of revenue	6.8%	6.7%	4.4%	5.0%	5.7%	5.3%	5.3%	5.6%	5.6%	5.6%	5.6%	5.6%	5.6%
Net PP&E (Property, Plant and Equipment) + ROU Assets	4 980	4 555	4 268	4 768	4 626	4 607	4 710	4 703	4 775	4 887	4 965	5 155	5 354
Gross PP&E (Property, Plant and Equipment) + ROU Assets	4 816	4 715	4 708	5 008	5 338	5 701	6 540	7 023	7 504	8 139	8 754	9 582	10 489
Right-of-Use Assets	1 449	1 241	1 158	1 900	1 977	2 186	2 554	2 813	3 170	3 593	4 031	4 550	5 139
% of revenue	4.5%	3.3%	2.6%	3.5%	3.2%	3.1%	3.3%	3.2%	3.2%	3.2%	3.2%	3.2%	3.2%
Accumulated Depreciation	1 285	1 401	1 598	2 140	2 689	3 280	3 944	4 649	5 418	6 260	7 175	8 177	9 274
Intangibles excl. Goodwill	1 874	1 425	1 125	1 388	1 603	1 806	2 010	2 272	2 556	2 875	3 244	3 657	4 126
growing with % Revenue		-1.2%	-0.7%	0.5%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%
Liabilities													
Accounts Payable	728	790	858	1 150	1 294	1 445	1 632	1 832	2 061	2 323	2 617	2 951	3 331
DPO	13.5	12.8	11.8	13	12	12	12	12	12	12	12	12	12
Accrued Expenses and Other Current Liabilities	7 809	8 318	10 307	10 870	11 357	12 216	12 776	13 697	14 511	15 363	16 389	17 387	18 478
growing with revenue	24.6%	22.3%	23.4%	20.0%	18.1%	17.3%	16.3%	16.4%	14.6%	13.7%	12.9%	12.5%	11.5%
Total Borrowings	9 265	9 459	8 347	8 347	8 347	8 347	8 347	8 347	8 347	8 347	8 347	8 347	8 347
Total Leases	2 273	2 218	1 939	3 163	3 362	3 679	4 304	4 762	5 347	6 065	6 810	7 681	8 677
% of revenue	7.1%	5.9%	4.4%	5.8%	5.4%	5.2%	5.5%	5.4%	5.4%	5.4%	5.4%	5.4%	5.4%
Cash Flow	2022A	2023A	2024A	2025E	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E	2034E
D&A (Depreciation & Amortization)	947	823	711	842	910	987	1 116	1 216	1 344	1 489	1 645	1 824	2 026
Stock Based Compensation	1 793	1 595	1 796	2 365	2 813	3 052	3 459	3 912	4 374	4 889	5 570	6 274	7 083
% of SG&A	22.7%	27.5%	22.5%	24.2%	24.8%	23.8%	24.3%	24.3%	24.1%	24.2%	24.2%	24.2%	24.2%
Changes in Net Working Capital	(135)	(141)	2 069	(1 185)	(72)	496	(328)	127	(14)	(198)	(91)	(236)	(322)
Other Operating Adjustments	7 282	(1 540)	(7 322)	(495)	(3 445)	(4 225)	(3 625)	(4 030)	(4 231)	(4 231)	(4 695)	(4 546)	(5 218)
Operating Cash Flow	642	3 585	7 137	3 265	4 598	5 285	5 580	6 933	8 077	9 729	11 617	13 654	16 158

Investing Cash Flow



Acquisitions are expected to increase in 2025 as it is predicted that Uber to acquire **Trendy and Expedia**. Net Cash from Investments and Acquisitions is expected to **remain stable** as sales from long-term investments offset the constant long-term growth.

Uber's latest losses allowed generate **NOL carryforwards**, which explains its tax benefit, as in 2024, the company possesses US federal, state, and foreign carryforwards, making it plausible it may present more tax benefits in the upcoming years.

FCFF Valuation	2022A	2023A	2024A	2025E	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E	2034E
Revenues	31 877	37 281	43 978	54 253	62 669	70 596	78 560	88 808	99 929	112 375	126 802	142 968	161 280
% of growth	82.6%	17.0%	18.0%	23.4%	15.5%	12.6%	11.3%	13.0%	12.5%	12.6%	12.8%	12.7%	12.8%
Bear Case				21.4%	13.5%	10.6%	9.3%	11.0%	10.5%	10.5%	10.8%	10.7%	10.8%
Base Case				23.4%	15.5%	12.6%	11.3%	13.0%	12.5%	12.5%	12.8%	12.7%	12.8%
Bull Case				25.4%	17.5%	14.8%	13.3%	15.0%	14.5%	14.5%	14.8%	14.7%	14.8%
EBIT	(1 832)	1 110	2 799	2 944	4 171	5 054	5 894	6 716	7 851	9 089	10 583	12 273	14 194
% of revenue	-5.7%	3.0%	6.4%	5.4%	6.7%	7.2%	7.1%	7.6%	7.9%	8.1%	8.3%	8.6%	8.8%
Bear Case				4.4%	5.7%	6.2%	6.1%	6.6%	6.9%	7.1%	7.3%	7.6%	7.8%
Base Case				5.4%	6.7%	7.2%	7.1%	7.6%	7.9%	8.1%	8.3%	8.6%	8.8%
Bull Case				6.4%	7.7%	8.2%	8.1%	8.6%	8.9%	9.1%	9.3%	9.6%	9.8%
NOPAT	(1 797)	1 008	6 706	2 196	4 011	4 847	4 548	5 385	6 283	7 275	8 523	9 897	11 476
Depreciation & Amortization	947	823	711	842	910	997	1 116	1 216	1 344	1 489	1 645	1 824	2 026
Stock Based Compensation	1 793	1 935	1 796	2 385	2 813	3 052	3 459	3 912	4 374	4 939	5 570	6 274	7 083
Changes in NWC	(135)	(141)	2 069	(1 185)	(72)	486	(328)	127	(14)	(188)	(91)	(236)	(322)
Net CapEx	(252)	(223)	(242)	(300)	(330)	(363)	(399)	(439)	(483)	(531)	(585)	(643)	(707)
FCFF	556	3 402	11 040	3 938	7 332	9 020	8 396	10 201	11 503	12 983	15 062	17 116	19 556
Present Value of FCFF				3 799	6 362	7 041	5 896	6 444	6 537	6 637	6 927	7 081	7 278
Sensitivity to the Period				0.34	1.34	2.34	3.34	4.34	5.34	6.34	7.34	8.34	9.34

WACC		
Market Cap (in millions)	\$	162 595
% of Equity		94.44%
Cost of Equity		11.60%
Risk-Free Rate		4.20%
Unlevered Beta		0.75
Beta		1.258
Equity Risk Premium		5.88%
Cost of Equity		11.60%
Debt (in millions)		9 575
% of Debt		5.56%
Cost of debt		4.80%
Tax Rate		21.00%
Total		172 170
WACC		11.16%

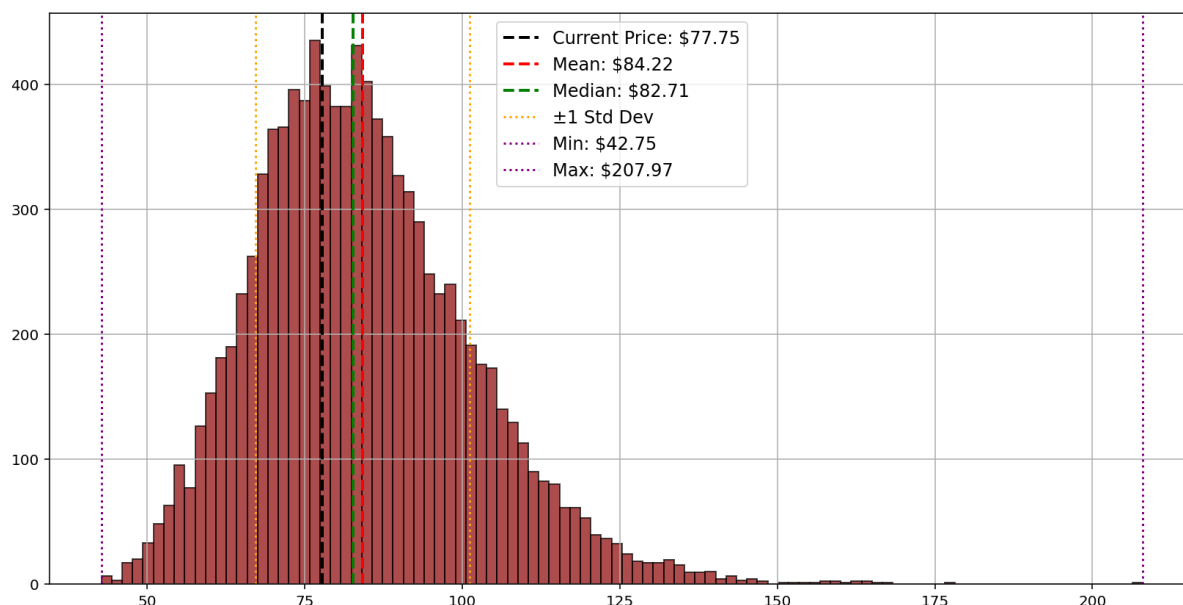
Through the free cash flow to firm evaluation, in 2025, NOPAT is expected to be significantly lower since, assuming that the company stays profitable, the company won't receive tax benefits. Similarly, FCFF is anticipated to decrease for the same reasons as well. Afterwards, a steady growth is expected for the company, as revenues and COGS are expected to remain consistent.

Due to the nature of Uber's business and recent investments in improving technology and innovation, such as the partnerships with Nvidia, the terminal value was calculated based on the **3% TGR**, as it is believed the company will expand furthermore. The DCF model forecasts an **upside of 22,19%** and a **fair price of 88\$**.

Uber's **investment plans** are the main driver for the positive outcome of the forecast, however, **economic uncertainties** may affect the company **negatively**, as the company has an international presence.

Sensitivity Analysis

Assessing the sensitivity of the DCF model, through 10,000 Monte-Carlo simulations indicates a mean price of \$84.22 and a median of \$82,71 which indicates a slightly right-skewed distribution. On the downside, the minimum simulated price is \$42.75 on the upside, the maximum simulated price reaches \$207.97, however, the probability of reaching these extreme values is low.



Investment Risks

Uber's topline expansion remains heavily dependent on sustained consumer spending and mobility demand, with gross bookings projected to grow at a 15% CAGR through 2028. A macroeconomic downturn, rising inflation, or weaker consumer confidence across key geographies could dampen usage across both Mobility and Delivery platforms, pressuring revenues and delaying margin expansion.

Competition continues to pose a significant risk, particularly within the Delivery and Freight segments. Although Uber has achieved meaningful EBITDA profitability improvements in Delivery, aggressive competition from DoorDash, Just Eat, and emerging regional players could force Uber to reinvest in pricing, marketing, or driver incentives, eroding the profitability gains currently forecasted. In Freight, where revenue contraction is already modeled near-term, a slower recovery in freight rates or continued margin pressure could limit the segment's contribution to consolidated EBITDA, impacting Uber's medium-term free cash flow generation targets.

Regulatory headwinds remain a structural risk. Uber faces ongoing legal challenges concerning worker classification in several major markets including California, the EU, and parts of Latin America. Any shift toward employee status could drive a material increase in compensation, benefits costs, and tax liabilities, thereby compressing the EBITDA margin expansion projected in our model (forecasted to exceed 13% by 2028).

Operational execution risks are also relevant. Uber's forecasted improvement in adjusted EBITDA margins across Mobility, Delivery, and Freight relies on disciplined cost management, algorithmic optimization of pricing and matching, and careful expansion into underpenetrated regions. Any setbacks in execution, including failure to maintain platform reliability, safety standards, or customer experience, could limit user engagement and transaction frequency growth, both of which underpin the multi-year revenue trajectory assumed in our projections.

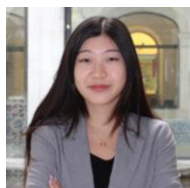
Financial risks are also notable. Uber's improving free cash flow profile assumes continued leverage of fixed costs, reduced reliance on stock-based compensation (which remains significant at 20% of adjusted EBITDA), and disciplined capex allocation. Higher than expected investment needs in AI infrastructure, vehicle autonomy R&D, or Freight technology platforms could delay the anticipated acceleration in free cash flow beginning in 2025, constraining shareholder distributions in the medium term.

Finally, valuation risk must be acknowledged. Although our base case DCF supports a fair value of \$88 per share, Uber's current valuation embeds significant optimism regarding profitability scalability and optionality realization. Any disappointment relative to gross bookings growth, margin expansion, or FCF conversion could trigger a multiple compression, particularly given broader market sensitivity to high growth platform stocks.

Equity Research Team

This report was prepared by the Equity Research team at the Lisbon Investment Society. Our analysts combine rigorous financial modeling, critical thinking, and collaborative research to deliver high-quality, student-led investment analysis.

We welcome your feedback, discussion, and questions regarding this report or our research process. Feel free to reach out to our team, we're always open to engagement.



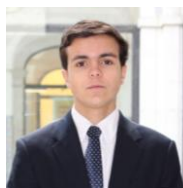
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